

PINE-STRAWBERRY WATER IMPROVEMENT DISTRICT

Regular Meeting

Thursday January 16, 2020 at 6:00 p.m.

PSWID Administrative Office

6306 W Hardscrabble Rd.

Pine, AZ 85544

1. CALL TO ORDER

Bob Arbuthnot called the meeting to order at 6:00 p.m.

2. PLEDGE OF ALLEGIANCE

Led by Bob Arbuthnot

3. ROLL CALL OF BOARD MEMBERS

Conducted by Bob Arbuthnot: Board members present: David Wilson, Alan Kleinman, Bob Arbuthnot, Tammy Albright, and Larry Bagshaw. A quorum was present. Forrest McCoy and Sharon Hillman were present via phone. Cato Esquivel the district manager was also present. Riley Snow, the district's attorney was also present by phone.

4. PRAYER Offered by Alan Kleinman

5. ELECTION OF 2020 BOARD OFFICERS Alan Kleinman nominated Bob Arbuthnot as board chairman. David Wilson seconded the nomination. Forrest McCoy moved that nominations be closed. The vote was unanimously in favor of Bob continuing as chairman. Larry Bagshaw nominated Alan Kleinman as vice chairman. Tammy Albright seconded the nomination. Forrest McCoy moved that nominations be closed. The vote was unanimously in favor of Alan continuing as vice chairman. Tammy Albright nominated Larry Bagshaw as secretary. David Wilson seconded the nomination. Forrest McCoy moved the nominations be closed. The vote was unanimously in favor of Larry continuing as secretary. Forrest McCoy nominated Sharon Hillman as treasurer. Tammy Albright seconded the nomination. David Wilson moved the nominations be closed. The vote was unanimously in favor of Sharon continuing as treasurer.

6. CALL FOR MOTION TO APPROVE MINUTES OF THE FOLLOWING MEETINGS:

November 21, 2019: Sharon Hillman moved that the minutes be approved. David Wilson seconded the motion. It was approved unanimously.

7. REPORTS TO THE BOARD

- A. District Attorney's Report – Ms. Sigeti signed the settlement agreement on January 3. The settlement money is being wired to PSWID on January 17.
- B. Chairman's report- As posted to the website.

- C. Treasurer’s report – As posted to the website.
- D. Secretary’s report – None
- E. District Manager’s Report –As posted to the website.

8. CALL TO THE PUBLIC

None

9. OLD BUSINESS

- I. DISCUSS AND TAKE POSSIBLE ACTION REGARDING THE STATUS, PRIORITIZATION, AND FUNDING OF CAPITAL PROJECTS.** Presented by Paul Hendricks. This report is posted to the website.

- II. DISCUSS AND TAKE POSSIBLE ACTION REGARDING A GRANT/LOAN APPLICATION WITH THE USDA.** Sharon Hillman. Sharon and the staff are working on getting the paperwork completed for the application. The final audit report for June 30, 2019 was added to the application. The December 31, 2019 balance sheet was also added.

- III. DISCUSS AND TAKE POSSIBLE ACTION REGARDING ASSISTING PONDEROSA WATER COMPANY.** Cato Esquivel/Riley Snow. Mr. Hunt contacted the district asking for assistance in condemning the Ponderosa Water LLC and its service area. PSWID has informed ADEQ that we might be able to provide water to half the customers when the Fossil Creek water line is installed, but that the district does not have any funds to provide water to the three cul-de-sacs. Emergency funds/grants/financial assistance would have to be provided to construct the required infrastructure. The board discussed that Mr. Hunt would need to hire his own attorney to handle this and that he would need to go on the Corporation Commission website and file an application to dissolve the LLC. ADEQ will then have to condemn Ponderosa Water and have it deeded to PSWID. The board and Cato also are not comfortable with doing this process for Mr. Hunt. We need a third party to handle it so we can avoid any conflict of interest issues. Cato will contact ADEQ and get back to the board within the next 10 days.

- IV. DISCUSS AND TAKE POSSIBLE ACTION REGARDING REVISING THE LANGUAGE IN THE EMPLOYEE HANDBOOK, ARTICLE 6.11, HOLIDAY LEAVE.** Jodee Smith. The district employees would like to have Christmas Eve off in the future. Jodee offered three options. The first was to just add Christmas Eve as a paid holiday. The second was to give the employees Christmas Eve off, but take MLK Day Holiday away. The second was to switch MLK Day with Christmas Eve, but to add a floating PTO day. The board was mostly in favor of the first option. Alan Kleinman moved that Christmas Eve be added as a paid Holiday. David Wilson seconded the motion. The motion carried 5 to 2 with Forrest McCoy and

Sharon Hillman dissenting.

- V. **DISCUSS AND TAKE POSSIBLE ACTION REGARDING REVISING THE LANGUAGE IN THE EMPLOYEE HANDBOOK, ARTICLE 6.12, VACATION LEAVE.** Jodee Smith. Currently the handbook indicates that an employee may not accrue more than 80 hours of vacation leave. Jodee would like to change the language to clarify that an employee may accrue more than 80 hours of vacation leave, but may not carry more than 80 hours into a new year. The board agreed to this. They also noted that the handbook still has references to the HR Committee in it. Those references need to be replaced with “District Manager”. Tammy Albright moved that the revision on vacation accrual and carry-over be approved and also that all mentions of the HR Committee be changed to District Manager. Larry Bagshaw seconded the motion. The motion carried unanimously.

10. NEW BUSINESS

- I. **DISCUSS AND TAKE POSSIBLE ACTION REGARDING REVISING THE LANGUAGE IN THE RULES AND REGULATIONS, ARTICLE 3.3.** Jodee Smith. Currently the regulation reads that “Charge for services commence when the meter is installed and connection is made, whether used or not.” Currently some customers purchase property with an existing meter and then wait to establish water service because they are not planning on using the property immediately. This leaves PSWID unable to bill base rate usage for these customers. It was recommended that we add the following to the existing rule. “Customers who purchase property with existing service are subject to all administrative and regular monthly fees regardless of usage, beginning on the date the property closes.” Alan Kleinman moved that the language in the sentence above be added to the existing rule. Larry Bagshaw seconded the motion. The motion was approved unanimously.

11. IDENTIFY POTENTIAL AGENDA ITEMS FOR THE NEXT SCHEDULED BOARD OF DIRECTORS MEETING ON FEBRUARY 20, 2020.

- I. Ponderosa Water
- II. WIFA update
- III. USDA Loan Application update

12. MOTION TO ADJOURN. Tammy Albright moved the meeting be adjourned. David Wilson seconded the motion. The motion carried unanimously.

