

## **PINE-STRAWBERRY WATER IMPROVEMENT DISTRICT**

### **Regular Meeting**

**Thursday April 28, 2022, at 4:00 p.m.**

**PSWID Administrative Office**

**6306 W Hardscrabble Rd.**

**Pine, AZ 85544**

#### **1. CALL TO ORDER**

Raymond Headings called the meeting to order at 4:05 p.m.

#### **2. PLEDGE OF ALLEGIANCE**

Conducted by Raymond Headings

#### **3. PRAYER**

Offered by Larry Bagshaw

#### **4. ROLL CALL OF BOARD MEMBERS**

Conducted by Raymond Headings: Board members present: Raymond Headings, Cory Ellsworth, George Gorkowski, Roger Childers, and Larry Bagshaw. A quorum was present. David Dickinson, the General Manager, and Sharon Hillman, the Finance Manager, and Paul Hendricks, EUSI were also present. Riley Snow, the district's attorney was present via Go to Meeting.

#### **5. CALL FOR MOTION TO APPROVE MINUTES OF THE FOLLOWING MEETING(S):**

March 24, 2022 – Regular Meeting

Cory Ellsworth moved that the minutes be approved. George Gorkowski seconded the motion. The motion carried unanimously.

#### **6. REPORTS TO THE BOARD**

- a. WIFA/EUSI Program Manager's Report and General Manager's Report – As posted to the website. George Gorkowski moved that the board purchase a new Caterpillar 420 backhoe from Empire with the purchase price not to exceed \$165,000. Larry Bagshaw seconded the motion. The motion carried unanimously. The pricing is utilizing a gov't. contract.
- b. Finance Manager's Report – As posted to the website.
- c. Treasurer's report – As posted to the website.
- d. Secretary's report – The Water Enhancement Committee came up with several recommendations for the drought staging, and educational plans. They also discussed several increases in rates and fees that need to be discussed in executive session before bringing to a board meeting.
- e. District Attorney's Report –None
- f. Chairman's report – As posted to the website

#### **7. CALL TO THE PUBLIC**

- a. Cyndi Hutson – She owns the Beeline Guest House and was complaining about the water that Uncle Tom’s discharges into a ditch that could be a mosquito breeding ground. PSWID cannot control that. An attendee reported that Commissioner Steve Christensen had a discussion with the Mirandas about the situation that morning.
- b. Rich Newman. He said he lived in Pine for four years before he discovered that he did have an illegal connection which has since been cutoff. He was curious about how many people responded to the amnesty offer last year and how much of our water loss is due to illegal connections. David Dickinson responded that no one came forward during the amnesty period and that possibly as much as 50% of the loss is due to illegal connections. Several are found every time we replace water lines and are disconnected. The field staff looks for lots that are greener than they should be considering the meter reading when looking for illegal connections.
- c. Elsa Steffansen. She is from the Pine Strawberry Fuel Reduction Committee. They are looking to do a large fuel reduction project up Pine Creek Canyon which will cost \$6 million. She was looking for funds to help with it, as it should also improve the watershed for Pine.
- d. Kathie Lenard. She wondered what the moratorium meant – if it was no hookups, no wells, or what. She was for using gray water and conservation. She suggested automated calls to remind people of conservation measures and was willing to be on the committee.
- e. James Parker. He purchased 5 acres and subdivided it into 3 parcels. There is a 6-inch service line along the side of two of them that he would like taps for future service. David Dickinson will talk to him.

**8. OLD BUSINESS**

- I. DISCUSS AND TAKE POSSIBLE ACTION REGARDING SIGNING THE NON-DISCLOSURE AGREEMENT WITH SRP FOR INFORMATION ON AVAILABLE RIGHTS TO THE CC CRAGIN WATER.** Raymond Headings. This was discussed in the executive session. George Gorkowski moved that the chairman sign the non-disclosure agreement with SRP. Roger Childers seconded the motion. The motion carried 4 to 1 with Larry Bagshaw dissenting.
- II. DISCUSS AND TAKE POSSIBLE ACTION REGARDING ISSUING EXCEPTIONS TO THE MORATORIUM AS AN ADDENDUM.** Larry Bagshaw. Larry suggested this be discussed in an executive session. George Gorkowski moved that this be tabled. Cory Ellsworth seconded the motion. The motion carried unanimously.

**1. NEW BUSINESS**

- I. DISCUSS AND TAKE POSSIBLE ACTION REGARDING LETTERS OF ENGAGEMENT WITH HINTONBURDICK FOR AN AUDIT AND SPECIAL AUDIT.** Sharon Hillman. HintonBurdick has been the auditors for the district for the last 5 years. We have received the engagement letter for this year’s audit and the fee will not exceed \$21,500. The prior year was \$19,980 and the increase is due to inflation costs, etc. In addition, since

the first USDA Loan in the amount of \$5.03 M will close soon, we scheduled the required Federal audit at the same time. Their price estimate is \$3750. If applicable. (This amount is included in the USDA loan.) George Gorkowski moved that the board approve retaining HintonBurdick for the FY 21/22 audit and authorize the chairman and treasurer to sign the engagement letter. Larry Bagshaw seconded the motion. The motion carried unanimously.

- II. **DISCUSS AND TAKE POSSIBLE ACTION REGARDING THE DROUGHT STAGING DOCUMENT, POSTING SIGNS, AND CONSERVATION TIPS FOR STR OWNERS, RENTERS AND ALL OTHER CUSTOMERS PREPARED BY THE WATER ENHANCEMENT COMMITTEE, ALSO INCLUDING TIP OF THE WEEK, PARTICIPATION IN THE COMMUNITY FESTIVALS, AND OTHER EDUCATIONAL PRESENTATIONS.** Larry Bagshaw. Larry would like this discussed in executive session. Larry moved that this be tabled. George Gorkowski seconded the motion. The motion carried unanimously.
- III. **DISCUSS AND TAKE POSSIBLE ACTION REGARDING PURCHASING THE MCKNIGHT WELL.** Sharon Hillman/Paul Hendricks. This was discussed in executive session. George Gorkowski moved that the board approve the purchase of this well and authorize the chairman to sign all the necessary documents. Cory Ellsworth seconded the motion. The motion carried unanimously.
- IV. **DISCUSS AND TAKE POSSIBLE ACTION REGARDING THE 2022/2023 PROPOSED BUDGET.** Sharon Hillman/George Gorkowski. This was for discussion only. George Gorkowski asked for more time to review this. Sharon will mark draft on it and post to the website. It will be on the agenda for the next meeting.
- V. **DISCUSS AND TAKE POSSIBLE ACTION REGARDING THE SUSTAINABILITY FUND, FINES FOR VIOLATIONS OF WATER CONSERVATION STAGES, RAISING IMPACT FEES, ON WITHOUT NOTICE FEE, INCREASE IN LATE FEE, RAISING INSTALLATION FEES AND ESTABLISHMENT FEES, AND SURCHARGE FOR PAPER BILLING (OR DISCOUNT FOR ONLINE PAYMENTS).** Larry Bagshaw/David Dickinson. Larry would like this to be discussed in executive session. Larry moved to table this item. George Gorkowski seconded the motion. The motion carried unanimously.
- VI. **DISCUSS AND TAKE POSSIBLE ACTION REGARDING DONATING TIME AND USE OF THE MINI-EX TO THE FUEL REDUCTION COMMITTEE FOR TRAIL REHABILITATION.** David Dickinson. David would like to do the work for the Fuel Reduction committee giving 10-20 hour per month. David will cover the cost of fuel and maintenance; the district would just donate the use of the mini excavator. Riley Snow, the district's attorney, said that possibly a waiver would be required. He will investigate it. George Gorkowski moved to table this item. Larry Bagshaw seconded the motion. The motion carried unanimously.

**9. IDENTIFY POTENTIAL AGENDA ITEMS FOR THE NEXT SCHEDULED BOARD OF DIRECTORS MEETING ON May 26, 2022.**

- I. All tabled items
- II. Executive session
- III. Budget

**10. MOTION TO ADJOURN.** Roger Childers moved the meeting be adjourned. George Gorkowski seconded the motion. The motion carried unanimously.

APPROVED