

## PINE-STRAWBERRY WATER IMPROVEMENT DISTRICT

Regular Meeting  
Thursday May 26, 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 4:00 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, Tom Reski, 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.

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

April 28, 2022 – Regular Meeting Roger Childers moved the minutes be approved. George Gorkowski seconded the motion. The motion carried unanimously.

May 18, 2022 - Study Session – Tom Reski 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.
- b. Finance Manager's Report – As posted to the website.
- c. Treasurer's report – As posted to the website.
- d. Secretary's report – As posted to the website.
- e. District Attorney's Report –None
- f. Chairman's report – As posted to the website

### 7. CALL TO THE PUBLIC

- a. Cyndi Hutson – wanted to volunteer to help the Water Enhancement Committee.
- b. Fred Schiffler – asked about doing extra signage for the drought and talked about how clearing the forest of underbrush and downed trees would help improve the watershed. The Pine Strawberry Fuel Reduction Committee is responsible for that and is looking for funding a large project up Pine Creek Canyon.

## 8. OLD BUSINESS

- I. **DISCUSS AND TAKE POSSIBLE ACTION REGARDING ISSUING AN AMENDMENT/ADDENDUM TO THE MORATORIUM.** Larry Bagshaw. This was discussed in the executive session prior to the meeting. There will be no action taken on this item. George Gorkowski moved that the board make no changes to the moratorium. Roger Childers seconded the motion. The motion carried unanimously.
- II. **DISCUSS AND TAKE POSSIBLE ACTION REGARDING THE CONSERVATION STAGING DRAFT AND CONSERVATION SIGNAGE DRAFT.** David Dickinson. The staging draft had the recommendations from the study session on May 18 incorporated. No further changes need to be made and it will be used.
- III. **DISCUSS AND TAKE POSSIBLE ACTION REGARDING THE 2022/2023 PROPOSED BUDGET.** Sharon Hillman/George Gorkowski. The proposed budget was reviewed by the Budget Advisory Group. George Gorkowski moved that the proposed budget be approved for FY 2022-23 and that it be published in the Payson Roundup and on the website. Roger Childers seconded the motion. The motion carried unanimously.
- IV. **DISCUSS AND TAKE POSSIBLE ACTION REGARDING THE 2022/2023 PROPOSED RATE SCHEDULE WHICH INCLUDES THE FEE ADJUSTMENTS DISCUSSED IN THE MAY 18 STUDY SESSION.** Sharon Hillman/Kristie Allen. The new rate schedule has the new base and tier rates adopted by the board from the RCAC Rate Study. The revisions to several current fees and three new fees as discussed in the May 18 study session are included in the schedule. George Gorkowski moved that the proposed rate schedule for FY 2022/23 be approved. Tom Reski seconded the motion. The motion carried unanimously.

## 9. NEW BUSINESS

- I. **DISCUSS AND TAKE POSSIBLE ACTION REGARDING THE PROPOSED TAX RATE FOR 2022/2023.** Sharon Hillman. Sharon proposed that the tax rate stay the same as last year's rate which is 1.3981. The projected revenue from property taxes for FY 2022/23 is \$926,351 and is dedicated to loan principal and interest payments. Larry Bagshaw moved that the board approve the tax rate to stay the same at 1.3981 and the county treasurer collect \$926,351 on behalf of the district. Tom Reski seconded the motion. The motion carried unanimously.
- II. **DISCUSS AND TAKE POSSIBLE ACTION REGARDING AWARDING A**

**CONTRACT TO SUPERIOR TANK SOLUTIONS TO REHABILITATE THE K2 WATER STORAGE TANK IN THE AMOUNT OF \$115,000.00.** Sharon Hillman. Superior Tank Solutions was the low bidder for the project, and we can utilize their co-op contract with the City of Peoria. Larry Bagshaw moved that the board approve the contract proposal from Superior Tank Solutions in the amount of \$115,000.00 and authorize the chairman to sign the contract. George Gorkowski seconded the motion. The motion carried unanimously.

**III. DISCUSS AND TAKE POSSIBLE ACTION REGARDING ENGINEERING CONTRACT EXTENSIONS FOR EPS GROUP, SUNRISE ENGINEERING, QUANTUM ENGINEERING, GEOLOGIC ASSOCIATES, TALLYHO ENGINEERING, AND MICHAEL BAKER INTERNATIONAL.** Sharon Hillman. It is time for the first-year extensions for all 6 on-call engineering contracts. Three of these firms have worked on our WIFA and USDA projects. Larry Bagshaw moved that the board approve the 6 contract extensions and authorize the chairman to sign the documents. George Gorkowski seconded the motion. The motion carried with Tom Reski abstaining.

**IV. DISCUSS AND TAKE POSSIBLE ACTION REGARDING THE WATER SHARE ANNUAL ADJUSTMENTS. DO WE WANT TO USE PPI OR CPI?** Kristie Allen. The use of the PPI or CPO is not appropriate for the calculation of the water share agreement price per 1000 gallons. The district is the consumer of a resource and pays the costs of production, i.e., electricity, maintenance, etc. The wholesale rate paid to the well owner should be determined by the board and reviewed on an annual basis. Larry Bagshaw moved to discontinue the use of PPI and/or CPI to calculate WSA payments and use the annual Wholesale Rate as determined by the board. George Gorkowski seconded the motion. The motion carried unanimously. The board will need to determine the rate in the June meeting.

**V. DISCUSS AND TAKE POSSIBLE ACTION REGARDING APPROVING THE RECOMMENDATION OF THE SUPPORT SERVICES COMMITTEE FOR THE SELECTION OF A NEW GENERAL COUNSEL FOR LEGAL SERVICES.** Tom Reski. Three firms replied. The committee is recommending starting negotiations with Moyes Sellers & Hendricks for legal services. George Gorkowski moved that the district start negotiations with Moyes Sellers & Hendricks. Larry Bagshaw seconded the motion. The motion carried unanimously. Tom asked that the board forward any questions that they wanted to ask the law firm to him by June 1.

**10. IDENTIFY POTENTIAL AGENDA ITEMS FOR THE NEXT SCHEDULED BOARD OF**

**DIRECTORS MEETING ON JUNE 23, 2022.**

- I. Public hearings for the budget, rates, and tax rate.
- II. Attorney negotiations
- III. Contract amendment for Sunrise Engineering for White Oak/Cedar Meadows
- IV. Determine an annual wholesale rate for Water Share Agreement compensation.
- V. JOC Contract extensions for MGC and Apache Underground.

**11. MOTION TO ADJOURN.** Larry Bagshaw moved the meeting be adjourned. Tom Reski seconded the motion. The motion carried unanimously.

APPROVED