

**PAGE UTILITY ENTERPRISES
REGULAR BOARD MEETING
April 12, 2016**

CALL TO ORDER: The regular meeting of the Page Utility Board was called to order at 5:32 p.m. by Chairman Rick Yanke. The meeting was held in the Utility Conference Room, 640 Haul Road, Page, Arizona.

ROLL CALL: Board members present: Chairman Yanke, Tony Ferrando, Jeff Jones, Ken Sichi, and Council Liaison/Vice Mayor John Kocjan. Shayne Jones was excused.

Staff present: General Manager, Bryan Hill; Finance Director, Catherine Foley; Engineer, Matt Wood; Engineer Tech, Phil Faulk; and Executive Secretary, Donna Roberts.

MOMENT OF SILENCE: The Board observed a moment of silence.

APPROVAL OF MINUTES: The March 8, 2016 regular meeting minutes were unanimously approved upon a motion by J. Jones and second by Sichi.

**HEAR FROM THE
CITIZENS:** None.

At this time, Chairman Yanke rearranged the agenda to discuss New Business next to accommodate employees Matt and Phil who were present to answer questions on the next two agenda items.

NEW BUSINESS: Discussion/Possible Action – Bid #205 NPS Revegetation 2016: Bryan explained that with the installation of fiber from Page to Grenehaven there is a 2.5 acre area of National Park Service land that needs to be restored to its original form. This is per the terms and conditions of our agreement with the Park Service. Phil contacted the company the Park Service uses and obtained a quote of \$21,992.51. Staff then went out for competitive bid and received nothing.

After discussion, a motion was made by Chairman Yanke, seconded by J. Jones, to award to Ellis Erosion Control Systems, Inc., in an amount not to exceed \$21,992.51.

The motion carried unanimously.

Discussion/Possible Action – Bid #16-01-W Bureau Block Waterline Replacement: PUE staff advertised a request for bids for the Bureau Block Waterline Replacement project. The project's scope is to install new water laterals under Vista Avenue and North Navajo to tie into the existing mains along those streets. There will also be a short section of main installed on Bureau Street and a short section of main installed between and behind the old Page Electric buildings on Poplar Street. There will be a total of 19 new service laterals and 2 new fire hydrants. This project will eliminate the old cast iron pipe which is serving the businesses between Vista Avenue, Poplar Street, North Navajo Dr., and 7th Avenue.

The bids were due on April 4, 2016 at 4:00 p.m. There were three companies attending the mandatory pre-bid meeting of which two of them submitted bids. The low bid was submitted by Construction & Mining Services, Inc., (CMSI) from Cedar City, UT. The tabulated bids are as follows:

| COMPANY | BASE BID |
|--|--------------|
| Construction & Mining Services, Inc. (CMSI) Cedar City, UT | \$196,615.00 |
| Navopache Equipment Services, Show Low, AZ | \$328,578.00 |

CMSI has successfully completed several cable replacement projects for the Electric Utility, performed the most recent waterline replacement for the Water Utility, and has consistently demonstrated solid construction practices.

Motion by J. Jones, seconded by Ferrando, to award to Construction & Mining Services, Inc., in the amount of \$196,615 and forward to Council for approval.

The motion carried with a unanimous vote.

UNFINISHED BUSINESS:

Discussion – Budget: Bryan requested Board recommendation of the budget as presented with the following changes to the Water Budget: under Capital Replacements reduce the line item for waterline replacements from \$585,000 to \$292,500 and add a line item for water tank blast and recoat in the amount of \$292,500.

After discussion, Chairman Yanke made a motion, seconded by Ferrando, to approve the budgets as presented and forward to Council.

The motion carried unanimously.

New Business Cont'd:

Discussion/Possible Action – Pole Attachment Agreement: The Board reviewed a letter from Cable One to the City regarding the sale of Cable One to South Central Communications. Cable One was also requesting the consent of Page Utility to assign all of its rights, title and interest in and under the Joint Use Agreement for pole attachment to South Central Communications. This will be considered at the May Board meeting.

Discussion – Republic Services Fee Increase: Bryan presented the Board with the letter dated March 14, 2016 from Republic Services (formerly Allied Waste) which displayed the 2016 City of Page rates. The contract was renegotiated with the City last year. This was information only, no action needed.

EXECUTIVE SESSION:

Pursuant to A.R.S. §38-431.03(A)(3), the Board may vote to go into executive session for the purpose of obtaining legal advice from the Attorney for the Board relating to the Water Services Agreement.

Motion by Ferrando, seconded by Sichi, to recess into executive session at 6:11 p.m. for a telephonic conference with legal counsel, Scott Rhodes from Jennings, Strouss & Salmon regarding the Water Services Agreement.

The motion carried with a unanimous vote.

Reconvene: Chairman Yanke reconvened the meeting at 6:30 p.m.

Unfinished Business Cont'd: Discussion – Water Services Agreement: No discussion.

New Business Cont'd: Discussion/Possible Action – Electric, Water & Sewer Rules & Regulations: Bryan presented the Privacy Policy as drafted by legal counsel, Scott Rhodes. He noted that the Utility practices have always protected the ratepayers' privacy; therefore, he is requesting that this practice be placed in writing in all three of the Utility's Rules & Regulations.

Motion by J. Jones, seconded by Ferrando, to add the Privacy Policy section to all Rules & Regulations as written and presented.

The motion carried unanimously.

Discussion/Possible Action – Power Resource Report: Discussion only.

REPORTS: General Manager's Reports: Bryan reviewed the March reports. He also reviewed his Plant Project List and Schedule for the Water Treatment Plant and Wastewater Treatment Plant as requested by the Vice Mayor.

Financial Report: Catherine presented the February financials.

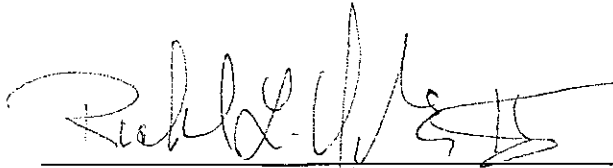
Committee Reports: None.

Chairman's Report: None.

ANOUNCEMENTS: The next Board meeting will be May 10, 2016 following the Public Rate Hearing at 4:30 p.m. at the City Hall Council Chambers.

ADJOURNMENT: With no further business, Chairman Yanke adjourned the meeting at 7:20 p.m.

APPROVED:


Chairman, Page Utility Enterprises Board