

**PAGE UTILITY ENTERPRISES
REGULAR BOARD MEETING
October 13, 2015**

CALL TO ORDER: The regular meeting of the Page Utility Board was called to order at 5:30 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, Shayne Jones, and Ken Sichi. Council Liaison/Vice Mayor John Kocjan was absent.

Staff present: General Manager, Bryan Hill; Assistant General Manager, Todd Savage; Finance Director, Catherine Foley; and Executive Secretary, Donna Roberts.

Also present: City Attorney Joe Estes and City Councilor Levi Tappan.

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

APPROVAL OF MINUTES: The September 8, 2015 regular meeting minutes were unanimously approved upon a motion by J. Jones and second by Sichi.

HEAR FROM THE CITIZENS: The following citizens spoke to make the Board aware of their views regarding the fiber project: Steve Blevins, Tom Thompson, Harvey Schoppmann, Jon Jones, Vernon Joe, and Arleen Miller.

UNFINISHED BUSINESS: Discussion/Possible Action – Fiber Connectivity with Page Utility Enterprises Offices: Bryan updated the Board regarding the status of the negotiations with South Central Communications, Inc. (SCC) to extend fiber optic network infrastructure to Page. This agreement will allow construction of a point to point fiber optic interconnection from Buckskin Mountain, Utah to Grenehaven, Arizona. This agreement will also allow SCC to assist with construction costs of PUE's point to point fiber optic interconnection infrastructure from PUE headquarters to Grenehaven. The combination of these two projects working together will allow for broadband fiber optic interconnection for the Electric Utility and others in Page.

Motion by S. Jones, seconded by Sichi, to present the Network Extension Build Agreement with South Central Communications, Inc., and the City of Page to the City Council.

The motion carried with a unanimous vote.

Chairman Yanke rearranged the ~~New Business~~ items to discuss the Communications Master Agreement next.

NEW BUSINESS: Discussion/Possible Action – Salt River Project (SRP) – Page Utility Enterprises (PUE) Communications Master Agreement: Bryan reported on the status of staff's negotiations with SRP to work cooperatively to extend fiber optic network infrastructure to Page, AZ

For PEU and SRP facilities. This agreement will allow SRP to compensate PUE for the cost to construct a point to point fiber optic interconnection from Buckskin Mountain, UT to Grenehaven, AZ. PUE will in turn construct point to point fiber from PUE headquarters to Grenehaven, grant sole use of 12 fibers point to point fiber optic interconnection infrastructure from PUE headquarters to the eastern Page Corporate Boundaries, provide SRP rack space within PUE facilities for SRP communication equipment, and Page will provide SRP small ground space at the eastern corporate boundary for their communication equipment. SRP will then be a direct customer with South Central communications.

Motion by J. Jones, seconded by S. Jones, to forward to City Council the Board's request to authorize Bryan to enter into the Communications Master Agreement (between the City of Page/Page Utility Enterprises and Salt River Project Agricultural Improvement and Power District) as presented with no cost to the Utility.

After brief discussion, the motion carried unanimously.

Discussion/Possible Action – Bid #198 Page to GH Fiber Project: Staff advertised a Request for Proposal (RFP) for the Page to Grenehaven (GH) Utility Fiber Project Bid #198. Bryan explained that the project will install 96 strands of fiber optic cable through the Utility's right-of-way from the Wastewater Treatment Plant, across the river, through Wahweap, and terminate in Grenehaven. This will facilitate the SCADA communication needs of the electric utility.

The sealed bids were opened on September 24, 2015 with three proposals received as follows:

COMPANY	BASE BID
Niels Fugal Sons Co. Washington, UT	\$595,063.56 Includes AZ Sales Tax
MP Nexlevel, LLC Maple Lake, MN	\$572,293.99 Includes AZ Sales Tax
TelCom Construction, Inc. Clearwater, MN	\$656,740.25 Includes AZ Sales Tax

Staff reviewed the proposals and recommend awarding to MP Nexlevel based on their bid package, qualifications, as well as the total bid falling below the others submitted. In 2011, they successfully completed a project to install approximately 14,000' of 48 strand fiber to tie the Utility office to the Public Safety Facility. All work was performed per the plans, schedule, and no change order pay request.

Motion by J. Jones, seconded by Sichi, to recommend awarding Bid #198 to MP Nexlevel, LLC, in the amount of \$572,293.99 and forward to City Council for approval.

The motion carried unanimously.

Discussion/Possible Action – Duke’s Sewer Root Control: The Board reviewed the proposal received from Duke’s Root Control to treat approximately 22,268 feet of sewer lines.

After brief discussion, S. Jones made a motion, seconded by Ferrando, to approve the proposal in the amount of \$31,175.20 through the City of Prescott, AZ Job Order Contract.

After discussion, the motion carried unanimously.

Discussion/Possible Action – Non Automated Meter Service (NAMS): Bryan updated the Board on the number of customers who prefer the Non Automated Meter Service and are paying the \$30 monthly fee to have an on-site meter read.

Discussion/Possible Action – NTUA Proposed Agreement: Bryan presented the request from the Navajo Tribal Utility Authority (NTUA) to update the now expired LeChee Water Delivery Agreement with the City of Page.

After discussion, it was the consensus of the Board to forward the proposed agreement to legal counsel, Scott Rhodes, for review.

Discussion/Possible Action – General Manager’s Review: Chairman Yanke asked that Board members have their evaluations to Donna the first week of November.

EXECUTIVE SESSION:

Pursuant to A.R.S. §38-431.03(A)(4), the Board may vote to go into executive session for discussion or consultation with the City Attorney in order to consider its position and instruct its attorney regarding the Utility’s position regarding contracts that are the subject of negotiations for the purpose of exploring fiber connectivity with the Page Utility Enterprises offices. Not held.

Pursuant to A.R.S. §38-431.03(A)(1), the Board may vote to go into executive session for discussion or consideration of employment, assignment, appointment, promotion, demotion, dismissal, salaries, disciplining, resignation or dismissal of a public officer, appointee or employee of a public body, except that, with the exception of salary discussions, an officer, appointee or employee may demand that such discussion or consideration occur at a public meeting. The public body shall provide the officer, appointee or employee with such notice of the executive session as is appropriate but not less than twenty-four hours for the officer, appointee or employee to determine whether such discussion or consideration should occur at a public meeting. Bryan Hill - General Manager’s Review. Not held.

REPORTS:

General Manager’s Reports: Bryan reviewed the September reports.

Financial Report: Catherine presented the August financials.

Committee Reports: None.

Chairman's Report: None.

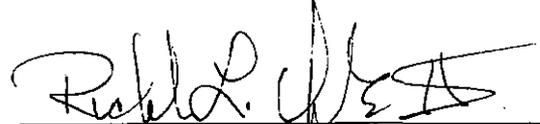
ANOUNCEMENTS:

The next meeting will be on November 10, 2015.

ADJOURNMENT:

With no further business, Chairman Yanke adjourned the meeting at 7:03 p.m.

APPROVED:

A handwritten signature in black ink, appearing to read "Robert L. Yanke", written over a horizontal line.

Chairman, Page Utility Enterprises Board