

PINE-STRAWBERRY WATER IMPROVEMENT DISTRICT

BOARD OF DIRECTORS MEETING

Thursday, September 18, 2014 at 6:00 pm

PSWID Administrative Office

6306 W. Hardscrabble Road

Pine, AZ 85544

I. CALL TO ORDER

Tom Weeks called the meeting to order at 6:02p.m.

II. PLEDGE OF ALLEGIANCE

Led by Tom Weeks

III. ROLL CALL OF BOARD MEMBERS

Conducted by Tom Weeks. Board members present: Tom Weeks, Paul Randall, Rus Brock, Richard James, Don Smith, and Larry Bagshaw. Trent McNeeley absent.

IV. APPROVAL OF MINUTES

August 21, 2014 Meeting: Don Smith moved that the minutes be approved. Pam Mason said that the dollar amount for the PSWID work on the Milk Ranch well needed to be changed from \$10,000 to \$100,000. Don amended the motion to approve the minutes with the above change. Rus Brock seconded the motion. The motion passed unanimously.

V. TREASURER'S REPORT

Rus Brock presented the August financials.

VI. BOARD MEMBERS REPORTS

- A. Support Services Committee Report: Ric Hawthorne presented the two law firms selected by the committee for interviews and the criteria the committee used in selecting them. The candidates from Curtis, Goodwin, Sullivan, Udall & Schwab and Brown & Brown Law were selected.
- B. Supplemental Water Committee Report: Don Smith reported that his Water Enhancement Committee met on September 12. Both Mark Fumusa and Jim Hill met with the committee with requests and will be presenting later tonight.
- C. Customer Service Committee Report: Richard James reported that he had started making follow-up phone calls on leak repair orders. He still needs more committee members.

VII. CH2M HILL MONTHLY REPORTS: Presented by Brad Cole

- A. Repair Order Status: Repairs are now current and being completed within 5 days. The detailed report that the board had requested was not provided.
- B. Well and Tank Report:
 - 1. The Milk Ranch 3 well is awaiting pressure testing, chlorination, and bacteriological testing. Then we will need an Approval of Construction from ADEQ. Brad said it should be online by the end of September.
 - 2. The Brookview Terrace is waiting on electrical engineering design and an electrical contractor.
 - 3. The Rimwood booster station is complete.
 - 4. The Milk Ranch Well turbidity equipment is installed and is awaiting programming.
 - 5. The tank and booster on lot 71 in Strawberry Creek Foothills needs an estimate for repair from Verde Engineering.
- C. Vehicle Report: Three vehicles had maintenance costs during August.
- D. Well Test Report:
 - 1. The wells tested absent for coliform and E. coli.
 - 2. Disinfection by-products were below MCL and RL.
 - 3. McNight Well radionuclides were below MCL and AL.
 - 4. Tank Farm Well toluene test was below MCL, AL, and RL.
 - 5. Lead and copper tests on 20 locations ranked in the 90th percentile except for one customer with a high copper reading.

VIII. CALL TO THE PUBLIC

There were no public comments at this time.

IX. REGULAR AGENDA ITEMS

- A. Information/Discussion/Action regarding the outcome of the work session reviewing the Master Plan draft. It was agreed by the board members that the loss of water should be the first priority. System maintenance including upgrading lines should also be a high priority as the hydraulic pressure increase may burst pipes. Richard James thought that the hydraulic pressure equalization of zones might be too expensive and that the items suggest by Brad Cole were more important. The entire board agreed that it would be too expensive to redo all the lines to 8 inch pipes for fire suppression as the cost quoted was about \$13 million. Brad Cole did say that all the tanks needed fire department hook-ups. It was agreed that the models needed to include all the WSAs and all wells. Brad Cole commented that drainage issues are also causing leaks because the lines are too shallow. Don Smith would like to see the lines and valves in high leak areas replaced as soon as possible. Brad needs to get the engineering and cost estimates. Everyone agreed that the water storage capacity in Strawberry needs to be increased and a new water source in west Strawberry needs to be located. Rus Brock expressed some concern about the inflation of the water use multiplier from 1.6 to 2.0 was too great. Paul Randall was also uncomfortable with that number for build-out. Brad and Sam Schwalm both expressed that they were comfortable with the 2.0, but that we needed to be

cautious in overbuilding the system. Maher Hazine expressed that the Master Plan was really only good for 5 years and should be updated every 5 years. It was expressed that the area digital map needed to be kept updated and a procedure to do so needed to be established. Richard James requested that dollar amounts be placed on Brad's items on page 2-4 of the Master Plan.

- B. Information/Discussion/Action regarding whether the board should adopt MAG standards as suggested by Trent McNeeley. Brad Cole presented a brief comparison of the MAG and AWWA standards. ADEQ uses MAG standards in their decisions. Paul Randall saw no problem with the board adopting the standards. Rus Brock suggested a work meeting. Ric Hawthorne volunteered to help. Tom Weeks suggested that Brad put together a committee with three or fewer board members, meet once and select which standards to adopt and make recommendations. Maher Hazine suggested that the committee look at the Yavapai supplement which deals with freeze areas.
- C. Information/Discussion/Action regarding the results of advertising for committee members. Larry Bagshaw reported that there are 12-15 people who have volunteered to serve, but need more information. Tom Weeks said we need to reply to all and present the committee options. Richard James will reply to them about serving on the customer service committee. Rus Brock suggested a committee to redesign the website. Tom Weeks suggest are finance committee. Sam Schwalm suggested a committee for grant generation options including WIFA. It was decided to combine these two into finance –funding committee. Tom Weeks will chair this committee and Sam and Rus will also serve on it. Windy Dravillas suggested that the committee names be posted on the website.
- D. Information/Discussion/Action regarding the scheduling of interviews for the attorneys selected by the Support Services Committee. The committee will set up face to face interviews with the two law firms and a quorum of the board will need to conduct the interviews. The participating board members will need to develop a list of questions they will ask. The interviews will be held in an executive session.
- E. Information/Discussion/Action regarding moving chlorination to outside the well and what it would cost as suggested by Richard James. Brad Cole reported that it will cost between \$1500 to \$2000 per well for the 9 sites. He also said it would save time for water testing, as the pumps will not need to be pulled for sampling. It will also extend the life of the well casings and motors. The retrofit will require a cement pad and plastic building at each site. Richard James moved that the chlorination be moved to outside the wells for a cost to the district of \$18000. Larry Bagshaw seconded. The motion passed unanimously.
- F. Information/Discussion/Action regarding the request by Jim Hill to trade his 320 foot deep well in Portals IV in exchange for future hook-up fees on his property on the east side of highway 87 at Bradshaw Drive for 30 meters in the future, potentially costing the district \$96,000 at current prices. Mr. Hill reported that his well was drilled in 1989 and was used for 13 years. It pumped more than 50 gpm. He is requesting 30 hook-ups to be done in approximately 3-5 years. The wellsite includes 4000 square feet of land. Don Smith asked about a sunset clause if the hook-ups were not done in that time frame. Larry Bagshaw asked about an inflation clause.

- Tom asked about the cost of extending piping to connect the well to the system. Don asked for an engineering report on the cost. Richard asked for a written proposal. Paul asked about the cost to hook it up and test it. Brad Cole is expecting a cost estimate from Verde Engineering. Sam Schwalm and Ric Hawthorne questioned the need for the well. Pam Mason urged the board to use caution in deciding to proceed since PSWID already footed the cost of the existing line extension to his property. Rus recommended that Don's Supplemental Water Committee research this with no monetary commitment at this time.
- G. Information/Discussion/Action regarding the availability of water from the Solitude Trails well owned by Mark Fumusa. Mr. Fumusa would like the district to use more of his water. His subdivision only uses 10% of the available water. Don Smith wanted to know what relationship Mark wanted. Mark wanted just the same as present. Brad mentioned that he will need to reestablish charging a "wheeling fee" for the services PSWID provides currently.
 - H. Information/Discussion/Action regarding agenda items for the next Board Meeting.
 - 1. The board needs to make a formal vote to establish the committees per Sam Schwalm.
 - 2. Richard James requested a refinance committee report.
 - 3. Paul Randall requested a cost estimate from Verde Engineering to engineer and repair the line for the Well Farm.
 - 4. Richard James asked for a discussion about what can be funded from the Master Plan suggestions without rate increases.
 - 5. Richard James asked for a response from the attorney about the 11 Hardscrabble customers that are not paying the property tax assessment. This may need to wait for the transition between the old and new attorneys.

X. ADJOURNMENT

Rus Brock moved to adjourn. Paul Randall seconded. The motion carried unanimously.