

PINE-STRAWBERRY WATER IMPROVEMENT DISTRICT

Special Meeting

Thursday, January 31, 2019 at 4:00 p.m.

PSWID Administrative Office

6306 W Hardscrabble Rd.

Pine, AZ 85544

1. CALL TO ORDER

Alan Kleinman called the meeting to order at 4:03 p.m.

2. PLEDGE OF ALLEGIANCE

Led by Alan Kleinman

3. ROLL CALL OF BOARD MEMBERS

Conducted by Alan Kleinman: Board members present: Sharon Hillman, Forrest McCoy, Alan Kleinman and Larry Bagshaw. Bob Arbuthnot was present via phone. A quorum was present. Cato Esquivel and Paul Hendricks were also present.

4. CALL TO THE PUBLIC

Cindy Maack was questioning when the WIFA funding started in behalf of Fred Krafcheck. We got it in Feb. 2018. He thought there were cheaper funds available. Sharon will correspond with him via phone. Cindy also asked PSWID to remove the boulders on Pine Creek Road by the school so that vehicles could access it from Hardscrabble northbound to Randall Place when either Hardscrabble or 87 was closed. Cato Esquivel responded that the county did not want to maintain that access as a road and since 3 PSWID water lines, APS power lines and Centurylink cable all run through there; that had established a prescriptive easement for it. It is also a school safety issue if there is more traffic on that road. She will look into getting a petition to open the road.

5. NEW BUSINESS

- I. DISCUSS AND TAKE POSSIBLE ACTION REGARDING MOVING GRANT BUDGET FUNDS INTO THE WIFA BUDGET.** Sharon Hillman. See attachment at the end of the minutes for the budget revisions. Forrest McCoy moved that the proposed budget revisions be approved as stated on the worksheet. Larry Bagshaw seconded the motion. The motion was unanimously approved.
- II. DISCUSS AND TAKE POSSIBLE ACTION REGARDING REALLOCATING WIFA PROJECT FUNDS.** Sharon Hillman. See attachment at the end of the minutes for the WIFA modifications. Larry Bagshaw moved that the WIFA funding modifications per the January 2019 schedule be approved. Forrest McCoy seconded the motion. The motion was unanimously approved.
- III. DISCUSS AND TAKE POSSIBLE ACTION REGARDING APPROVAL FOR THE JOC TASK ORDER FOR THE PORTALS 2 AND PORTALS 3 TANKS.** Cato Esquivel. See attachments at the end of the minutes for the task order. Forrest McCoy moved that the board chairman or designee be authorized to issue a task order under the job order contract to

MGC Contractors in the amount not to exceed \$500,000.00, to rehabilitate Portals 2 and Portals 3 100,000 gallon water storage tanks and associated equipment. Larry Bagshaw seconded the motion. The motion was approved unanimously.

Alan Kleinman asked Cato Esquivel about the email he had received regarding clean fill. The contractor working on the Rim Vista waterline replacement was finding that the material being excavated was unusable for backfill and was asking for authority to purchase additional backfill material. Currently they are sieving the excavated material and most is too large to use and it is time consuming. There should be adequate funds already approved for the project and if there is not, it will only be in the \$6,000 to \$7,000 range which is within the District Manager’s approval authority.

- 6. **MOTION TO ADJOURN.** Forrest McCoy moved that the meeting be adjourned. Sharon Hillman seconded the motion. The motion carried unanimously.



PINE-STRAWBERRY WATER IMPROVEMENT DISTRICT

Board Action Item

MEETING DATE:	January 31, 2019
AGENDA ITEM:	5.I
PRESENTER:	Sharon Hillman
SUBJECT:	Budget Revisions

RECOMMENDED MOTION/ACTION:

Motions at the pleasure of the board.

BACKGROUND/DISCUSSION:

The Potential Grants/Non-Revenue Funds in the amount of \$797,638 needs to be reallocated to the WIFA Funding – Capital Projects budget item. When the budget was prepared, it was anticipated that the amount for the fiscal year of \$2,750,000 was going to be adequate. However, more projects have been completed and with the rehabilitation of the Portal 2 and Portal 3 tanks and the first of the Canyon Tanks, more funds are required to get these projects completed before the end of May 2019 and our summer season.

FINANCIAL IMPACT:

Yes

RECOMMENDATION:

Make a motion to approve the budget revisions as stated on the attached spreadsheet.

ATTACHMENTS:

Budget Revisions Attached

**PINE-STRAWBERRY WATER IMPROVEMENT DISTRICT
BOARD APPROVED BUDGET - REVISED JANUARY 31, 2019 - AGENDA ITEM 5.1**

Revenue (Cash In)	APPROVED FY 2018/2019	BUDGET REVISIONS	REVISED FY 2018/2019	Notes
Cash Carry Forward - Reserve Fund	250,000.00		250,000.00	
Debt Repayment Carry Forward	200,000.00		200,000.00	
Capital Project Carry Forward	302,362.00		302,362.00	
SUBTOTAL: CARRY OVER	752,362.00	0.00	752,362.00	
Property Tax Levies	768,531.53		768,531.53	
Customer Sales	2,075,625.00		2,075,625.00	
Miscellaneous Revenues	75,000.47		75,000.47	
WIFA Funding	2,750,000.00	797,638.00	3,547,638.00	3
Potential Grants/Non-Revenue Funds	297,638.00	-297,638.00	0.00	3
Sales Tax on Revenues	140,000.00		140,000.00	
SUBTOTAL: CASH IN FLOWS	6,006,795.00	0.00	6,006,795.00	
TOTAL REVENUE	7,359,157.00	0.00	7,359,157.00	
Expenses (Cash Out)				
Operations	376,000.00		376,000.00	
Field Labor & Burden	580,000.00		580,000.00	
Admin	550,000.00		550,000.00	
Board	60,000.00		60,000.00	
Capital Projects/Repairs	256,748.64		256,748.64	
Infrastructure Repairs	90,000.00		90,000.00	
Equipment Replacement	200,000.00		200,000.00	
WIFA Funding - Capital Projects	2,750,000.00	797,638.00	3,547,638.00	3
Potential Grants/Non-Revenue Funds	797,638.00	-797,638.00	0.00	3
Debt Service/Loan-Compass Bank	450,000.00		450,000.00	
Debt Service/Loan-Compass Bank - Additional Principal	400,000.00		400,000.00	
Debt Service /Loan Reserve-WIFA	100,970.36		100,970.36	
Debt Service/Loan-WIFA - Interest & Fees Only	157,800.00		157,800.00	
Deferred Debt Repayment- Compass Bank	200,000.00		200,000.00	
Sales Tax on Revenues	140,000.00		140,000.00	
SUBTOTAL: OPERATIONS & CAPITAL EXPENSES	7,109,157.00	0.00	7,109,157.00	
TOTAL EXPENSES	7,109,157.00	0.00	7,109,157.00	
Cash Carry Forward - Reserve Fund	250,000.00		250,000.00	
SUBTOTAL: WORKING AND RESERVE FUNDS	250,000.00		250,000.00	
TOTAL EXPENSES INCLUDING RESERVES	7,359,157.00	0.00	7,359,157.00	

3. Revisions to WIFA budget needs to be increased due to more projects being done than anticipated in this fiscal year.



PINE-STRAWBERRY WATER IMPROVEMENT DISTRICT

Board Action Item

MEETING DATE:	January 31, 2019
AGENDA ITEM:	5.II
PRESENTER:	Sharon Hillman
SUBJECT:	WIFA Modifications

RECOMMENDED MOTION/ACTION:

Motions at the pleasure of the board.

BACKGROUND/DISCUSSION:

The original estimates for Tank Rehabilitation, in most cases, were way too low than what is required to complete the projects.

Therefore, the attached funding modifications are needed to cover costs for the Portal 2 and Portal 3 Tank Rehabilitation.

1. Change the name of project #10 from Portal 3 PRV Replacement to Portal 3 Tank Rehabilitation.
2. Allocate remaining funds in project #12 of \$204,359 to project #16 Portal 2 Tank Rehabilitation.

FINANCIAL IMPACT:

WIFA PSWID Funding Program FY18 thru FY22

RECOMMENDATION:

Make a motion to approve the WIFA Funding Modifications per the January 2019 schedule.

ATTACHMENTS:

January Modified Project Schedule

WIFA PSWID Funding Program FY18 thru FY22						
Approved Modified Project Schedule - January 31, 2019						
PSWID CIP PROGRAM FY18 THRU FY22			APPROVED	DECEMBER	REVISED	
PROJECT NAME	TYPE	PHASE	MODIFIED	FUNDING	FUNDING	SCHEDULE
PROJECT SCHEDULE	MODIFICATION	PROJECT SCHEDULE				
820282-18-02	Circle Drive Waterline Replacement - Completed	Pipe	1	\$196,550.00		\$196,550.00
820282-18-03	Whispering Pines (Size 8")	Pipe	2.1	\$256,269.00		\$256,269.00
820282-18-04	Pine Creek 4" Waterline Replacement - Completed	Pipe	2.1	\$146,185.00		\$146,185.00
820282-18-06	Pine Haven 4" Waterline Replacement	Pipe	2.1	\$392,273.50		\$392,273.50
820282-18-08	Rim Vista 2" Waterline Replacement	Pipe	2.2	\$412,786.50		\$412,786.50
820282-18-09	Cool Pines Est Pipe Upgrade Phase A/Water Tank Rd 100K	Pipe	2.2	\$802,940.00		\$802,940.00
820282-18-07	Strawberry Ranch 2 & Strawberry Knolls 2 - Completed	Pipe	2.2	\$1,050,000.00		\$1,050,000.00
820282-18-08	Tall Pines Pipeline Upgrade Phase A	Pipe	2.2	\$458,470.00		\$458,470.00
820282-18-09	Tall Pines Pipeline Upgrade Phase B/C (McClendon Effect)	Pipe	3	\$1,279,410.00		\$1,279,410.00
820282-18-10	Portal 3 Tank Rehabilitation - 100K	Pipe	2	\$363,104.00		\$363,104.00
820282-18-11	Spruce Drive Waterline Replacement	Pipe	2	\$115,500.00		\$115,500.00
820282-18-12	Strawberry Hollow Waterline Replacement	Pipe	2	\$204,359.00	-\$204,359.00	\$0.00
	Waterline Projects Total			\$5,477,690.98	-\$204,359.00	\$5,173,331.98
820282-18-01	Strawberry View 1 Tank Replacement 20K - Completed	Tank	1	\$315,802.00		\$315,802.00
820282-18-13	Canyon Tank 1 Replacement 100K	Tank	2	\$380,000.00		\$380,000.00
820282-18-14	Canyon Tank 2 Rehabilitation 100K	Tank	2	\$330,000.00		\$330,000.00
820282-18-15	Brockview Terrace 100K	Tank	2	\$84,500.00		\$84,500.00
820282-18-16	Portal 2 Tank Rehabilitation - 100K	Tank	2	\$113,494.52	\$204,359.00	\$317,853.52
820282-18-17	Water Tank Road 100K Moved to Cool Pines Phase A	Tank	2	\$0.00		\$0.00
820282-18-18	Strawberry Creek Pools/10K 20K	Tank	2	\$91,650.00		\$91,650.00
	Tank Projects Total			\$1,815,447.02	\$204,359.00	\$1,819,806.02
820282-18-19	Brockview Terrace - Track A	Booster	1	\$67,275.00		\$67,275.00
820282-18-20	Hardscrabble Mesa	Booster	1	\$81,144.00		\$81,144.00
820282-18-21	Hwy 82 & Pine Creek	Booster	1	\$67,275.00		\$67,275.00
820282-18-22	Pine Run Access - Lot 7	Booster	1	\$67,275.00		\$67,275.00
820282-18-23	Pine Ranch 2 - Lot 25	Booster	1	\$81,144.00		\$81,144.00
820282-18-24	Pine Valley Homeowners - Lot 100	Booster	1	\$67,275.00		\$67,275.00
820282-18-25	Portal 2 - Lot 178	Booster	1	\$81,144.00		\$81,144.00
820282-18-26	Portal 2 Common Area - Next to Lot 166	Booster	1	\$81,144.00		\$81,144.00
820282-18-27	Strawberry Hollow #3	Booster	1	\$67,275.00		\$67,275.00
820282-18-28	Strawberry Knolls 2 - Lot 138	Booster	1	\$67,275.00		\$67,275.00
820282-18-29	Strawberry Mtn Shadows 1 - Lot 25	Booster	1	\$67,275.00		\$67,275.00
820282-18-30	Strawberry Ranch 2 - Track D	Booster	1	\$67,275.00		\$67,275.00
820282-18-31	Strawberry Ranch 2 - Track E	Booster	1	\$81,144.00		\$81,144.00
	Strawberry View 1 - Lot 58 - Included in Tank Project	Booster	1	\$0.00		\$0.00
	Magnolia/Bulls - Installed w/ Nexus Grant	VFD	1	\$0.00		\$0.00
	MtB Ranch Well #2 - Installed w/ Nexus Grant	VFD	1	\$0.00		\$0.00
	Pine Ranch 2 - Lot 28 Mogulion - Installed w/ Nexus Grant	VFD	1	\$0.00		\$0.00
	Portal 3 - Lot 97 WSA - Installed w/ Nexus Grant	VFD	1	\$0.00		\$0.00
	Strawberry Hollow - Installed w/ Nexus Grant	VFD	1	\$0.00		\$0.00
	Strawberry Hollow (Old PSWID 5811)-Installed w/ Nexus Grant	VFD	1	\$0.00		\$0.00
	Strawberry Hollow Inertile (New Sit #1)-Installed w/ Nexus Grant	VFD	1	\$0.00		\$0.00
	Strawberry Ranch 2 - Track E- Already has VFD	VFD	1	\$0.00		\$0.00
	Strawberry View 1 - Lot 58 - Included in Tank Project	VFD	1	\$0.00		\$0.00
820282-18-32	White Oaks Glen 1 - Parcel 76R (WSA)	VFD	1	\$33,620.00		\$33,620.00
820282-18-33	White Oaks Glen 1 - Parcel 82 (WSA)	VFD	1	\$33,620.00		\$33,620.00
	Total VFD-Booster Pump Projects			\$1,011,160.00		\$1,011,160.00
820282-18-34	MtB Ranch Well 1	Well	2	\$50,000.00		\$50,000.00
820282-18-35	Pine Crest	Well	2	\$50,000.00		\$50,000.00
820282-18-36	MtB Ranch Well 1	Well	2	\$50,000.00		\$50,000.00
820282-18-37	Portal 3 - Lot 97 (WSA)	Well	3	\$50,000.00		\$50,000.00
	Strawberry Hollow 3 - District Rehabilitated 2017/18	Well	3	\$0.00		\$0.00
820282-18-38	Strawberry Hollow (Old PSWID 5418)	Well	3	\$50,000.00		\$50,000.00
820282-18-39	White Oaks Glen 1 - Parcel 76R (WSA)	Well	3	\$50,000.00		\$50,000.00
820282-18-40	White Oaks Glen 1 - Parcel 82 (WSA)	Well	3	\$50,000.00		\$50,000.00
	Well Rehabilitation Project Total			\$300,000.00		\$300,000.00
	WIFA TOTAL FUNDING DIFFERENCE			-\$64,304.00		-\$64,304.00
	TOTAL FUNDED PROJECTS			\$9,000,000.00	\$0.00	\$9,000,000.00

8/24/2019

WIFAAPPROVEDPROJECTSCHEDULE0819

RE: **AGENDA ITEM 5.III**
PORTAL 2 & 3 TANK REHAB AND MODIFICATION JOC TASK ORDER

RECOMMENDATION:

Authorize the Board Chairman or designee to issue a Task Order under the job order contract (JOC), to MGC Contractors in the amount not to exceed \$500,000.00, to rehabilitate Portals 2 and Portals 3 100,000-gallon water storage tanks and associated equipment.

EXECUTIVE SUMMARY:

The Board approved and awarded a JOC contract to MGC Contractors in August 2018.

One of the critical factors with this project is timing. We are attempting to complete this work prior to Memorial Day weekend.

The project will include the installation of temporary pumps and tanks. The temporary tanks will be used to allow the existing tanks to be taken out of service. Temporary scaffolding will be used to perform full coatings and structural inspection of the existing tanks. An allowance of \$10,000 per site, \$20,000 total, has been included in the project costs for additional structural repairs that may be required. The project will also include new interior and exterior coating, overflow piping, ladder and access manway

Two 10,000-gallon temporary potable water storage tanks will be required and placed adjacent to both Portals 2 and 3 sites when the tanks rehabilitation work is in progress.

The project will also include the cleanup and regrading of the Portal 3 site entry slope for better site access. A temporary barrier will be installed at the bottom of the site entry slope to prevent large rocks from damaging structures adjacent to Portal 3 Tank site. This work will be performed prior to reservoir tank rehabilitation work to allow safe site access during construction.

FISCAL IMPACT:

Funds are available in the in the FY 2018-19 District’s WIFA capital budget. A further breakdown of the proposal and quotations is attached.

**PORTALS 2 & 3 - PHASE 1 - TANK REHABILITATION & TEMPORARY SYSTEM - REVISION 2
TOTAL PROJECT BREAKDOWN**

Project Number:				
Contractor:		MGC Contractors Inc.		
Date:		30-Jan-19		
Division	Description	% of Total	Cost	Comments
00000	Construction Indirect Costs Summary			
	Division 0 - Bidding and Contract Requirements			
	Sales Tax	4.11%	\$20,156	
	Sales Tax Deduct	0.00%	\$0	
	Fee	0.00%	\$0,000	
	Insurance (GL, IF, PL)	2.00%	\$10,000	
	Bond	1.00%	\$4,800	
	Sub-Total	7.1%	\$74,056	
01000	Division 1 - General Requirements			
	Preconstruction Services	3.52%	\$17,347	
	Project Staff	2.00%	\$10,216	
	Project Site Facilities	2.04%	\$14,275	
	Construction Administration	0.00%	\$-400	
	Sub-Total	8.6%	\$42,138	
01000	Sub-Total Indirect Costs			
		23.7%	\$116,194	
	Subcontractors & Suppliers - Portals 2 & 3			
	Electrical Subcontractor - Temporary Tank Level	1.80%	\$9,000	Keller Electrical
	Steel Reservoir Rehab Subcontractor w/ Pregon Services (BASE PRICE ONLY)	61.74%	\$763,664	STS
	Structural Steel Tanks - ALLOWANCE (Not to Exceed)	4.00%	\$20,000	STS
	Pipe & Valves	1.50%	\$7,400	Sina PFD
	Temporary 10K Gallon Tanks (3 Total)	4.00%	\$24,137	
	Chain Link Fence Subcontractor (P&S Only)	0.00%	\$2,800	
	Sub-Total	64.7%	\$817,111	
	Supervision & Project Equipment - Portals 2 & 3			
	Project Site Supervision	1.00%	\$9,300	
	Project Equipment - ALLOWANCE (Not to Exceed)	4.00%	\$20,000	
	Sub-Total	6.0%	\$29,300	
	Portal 2 Activities			
	Temporary Tank Piping	1.33%	\$6,500	
	Sub-Total	1.3%	\$6,500	
	Portal 3 Activities			
	Temporary Tank Piping	1.33%	\$6,500	
	Site Access Improvements	1.67%	\$8,100	
	Demolition & Removals (Roof, Hydrotanks, Air Comp., & Haul Off)	1.25%	\$6,140	
	Sub-Total	4.3%	\$20,740	
	Sub-Total Direct Costs	76.3%	\$374,048	
	Overall Total		\$490,238	