

**MINUTES**  
**PINE CREEK CANYON DOMESTIC WATER IMPROVEMENT DISTRICT**  
PO Box 945, Pine, AZ 85544  
June 19, 2021

Regular Meeting  
Date: Saturday, June 19, 2021  
Place: Teleconference Call only due to evacuation of Pine, AZ  
because of Backbone Fire  
For conference call-in  
Teleconference Number 1-877-594-8353, Participant Passcode 20932491#  
Phone in participants will be placed on hold listening to music until the  
Chairperson joins the meeting  
Time: 9:00 AM

**DRAFT**  
Until approved at a future meeting

**1. CALL ORDER**

The meeting was called to order at 9:00 AM by Chairman Allan Johnson.

**2. ROLL CALL OF BOARD MEMBERS/DECLARATION OF QUORUM**

Present - Jim Crews, Allan Johnson, Bill McClung, Tom Kelly with Dave Karr attending via phone.  
Others Present: Harry Jones, District Manager, Pat Watson  
A quorum is declared.

**3. ADJOURN TO BUDGET/RATE HEARING - 9:05 AM**

At 9:05 AM the Chairman with the voice vote of all Board members agreed to open the Budget and Rate Hearing. Due to a forest fire approaching Pine and Strawberry and the towns being evacuated the prior evening, no public attended the Budget and Rate Hearing so all board members voted to close the hearing and return to the regular open meeting.

**4. THE REGULAR BOARD MEETING WAS RECONVENED at 9:08 AM.**

**5. DISCUSS AND TAKE POSSIBLE ACTION RELATED TO THE 2021-2022 PROPOSED BUDGET, RATES, AND FEES.**

No Board members had any further comments on the budget they had proposed earlier and as presented to the public and published in the newspaper and properly posted at three locations. Mr. McClung moved to adopt the budget, rates and fees for the July 1 2021-June 30, 2022 fiscal year. Mr. Karr seconded. A roll call was taken and the adoption was unanimous.

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**6. CALL FOR MOTION TO APPROVE MINUTES OF THE FOLLOWING MEETING(S)**

March 20, 2021, Regular Meeting  
April 17, 2021, Budget Workshop Meeting  
May 8, 2021, Special Budget Meeting

Mr. Karr moved to accept the minutes of the above meetings. Mr. McClung seconded the motion. All voted Aye. None voted Nay. The motion passed.

**7. CALL TO THE PUBLIC FOR INPUT ON SCHEDULED AGENDA TOPICS.**

There was no public input.

**8. REPORTS**

**a.i. thru a.vii. Treasurer's Report**

Mr. Crews noted that the District's cash position was strong at \$350K not including the \$95K in required reserve funds held under the WIFA Loan provisions. He noted the net income for 11 months ending 5/31/21 was over \$94K. He pointed out that the budget vs actual report indicated all major expense departments including administration, board of directors, wastewater, and water operations were under budget. No discussion occurred. Mr Crews moved to accept the Check Registers/Cash Disbursements. Mr. McClung seconded. A roll call was taken. All voted Aye except Mr. Karr who was off line. None voted Nay. The motion was accepted.

**b. District Manager's Report**

**i. Depth to water in wells**

Mr. Jones presented the data on the depth to water in the wells as being normal for this time of year when compared with prior years over a 10-12 year period.

**ii. Water Usage**

Water usage is growing significantly over the years , with demand probably exceeding 3.4 million gallons this year.

**iii. New Hookups @ Elk Rim and inside the gate**

He commented that the District expects to add three new water hookups and four new sewer hookups in the new budget.

**iv. Update on Status of Well by Emergency Gate.**

Mr Jones indicated John Anderson has called each of the last two Fridays and continues to want to discuss drilling or a well that would not be a part of the District's expenses for time spent by the manager; but, that he has tried to complete his knee surgery so he can proceed with discussions on control/ownership of the well by the emergency exit gate.

**v. Update on Status of Programmable Logic Controller at the Pump Station**

Mr. Jones reported everything is operating as planned at the pump station after completion of the upgrades to the programmable logic controller.

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**vi. Update on Status of Possible Water Sales to PSWID**

In terms of possible water sales to PSWID, Mr. Jones has reported he has had no new contact with that District but expects they will probably look to our District for water resources once they restrict demand to all consumers.

**vii. Update on Status of leak tests of all fire hydrants**

Mr. Jones reported the fire hydrant tests completed yesterday found several problems, none real serious, but 4-5 that should be corrected over the next few weeks at about \$1,000 each, all of which is included in the current budget ending 6/30/21. He suggested we plan on additional upgrade kits being included in a year or two to complete preventative maintenance at a cost of \$1,000 each on 10-12 other old hydrants from 1994. Alternatively, if we have hydrants fail, the cost to replace them would be about \$4.5K-6.0K each.

**9. DISCUSS AND TAKE POSSIBLE ACTION RELATED TO ADDITION OF A SECOND 30 H.P. FIRE PUMP AT THE PUMP STATION**

Mr. Jones indicated the cost of adding a 2nd fire pump may be about \$40K or more, but that decision was somewhat more complicated than merely adding a pump, since it involves operational sequence issues and generator capacity issues that could cost another \$40K-\$50K. One property has requested this project be given a high priority. Mr. Jones recommended this project be looked at closely in the future years once cash reserves are somewhat higher and once we know if our \$35K-\$40K of impact fees included in the next budget actually occurs. The Board agreed to that by a unanimous vote.

**10. DISCUSS AND TAKE POSSIBLE ACTION RELATED TO THE credit line at Chase Bank secured by the District's tax collection.**

Mr. Jones indicated the \$100,000 credit line from Chase Bank against our future property taxes is at no cost unless we draw proceeds, but if used the rate is 2.6%. He recommended we approve the loan in case we had some tragedy like a major fire that eliminates part or all our facilities. The Board agreed to have Mr. Jones and probably Chairman Johnson execute appropriate documents. It is understood the credit line is not to be used without further Board approval. Mr. Crews moved to authorize District Manager Harry Jones and Chairman Dr. Johnson execute the Credit Line at Chase Bank. Mr. McClung seconded. All say Aye. None say Nay. The motion passed.

**11. DISCUSS AND TAKE POSSIBLE ACTION RELATED TO CONTINUED ENGAGEMENT OF Heinfeld Meech CPA to perform the June 30, 2021 Annual Financial Review.**

Mr. McClung moved to continue the engagement of Heinfeld Meech CPA to perform the June 30 2021 financial review. Mr. Crews seconded. All say Aye, None say Nay, Motion passed.

**12. CALL TO THE PUBLIC FOR NON-AGENDA ITEMS RELATED TO DISTRICT AFFAIRS**  
(see footnote below regarding procedures)

No public in attendance

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**13. CONFIRM ESTABLISHED DATE AND DESIRED TOPICS FOR THE NEXT BOARD OF DIRECTOR'S MEETING.**

The next regular meeting will be September 18, 2021 at 9:00 AM.  
Meeting date and time was confirmed.

**14. MOTION TO ADJOURN.**

The meeting adjourned at 9:40 AM

*PERSONS WITH DISABILITIES: If any disabled personnel need any type of accommodation, please notify the PCCDWID prior to the scheduled meeting time. 928-476-2260*

*EXECUTIVE SESSIONS: After voting to do so, the Board may go into executive session at any time during the scheduled meeting for consideration of items included on the above agenda if the topics to be discussed meet the requirements of ARS 3838.431.02 (a), (3) and/or (5). Additionally, the Board may, during this meeting call for an executive sessions to be held at a future time after this meeting. Per ARS38.431.03, executive sessions are closed to the public and only the following nine category topics are permitted to be discussed. 1) Personnel Matters: 2) Discussion of Confidential Records: 3) Legal Advice from attorney: 4) Litigation, Contract Negotiations, and Settlement Discussions with attorney: 5) Discussions with designated Representatives Regarding Salary Negotiations: 6) International, Interstate and Tribal Negotiations: 7) Purchase, Sale or Lease of Real Property: 8) Discussions of school safety programs: and 9) Discussion related to security of the facilities, information technology, and record storage.*

By: \_\_\_\_\_ Acting for the Board pf Directors