

MINUTES

PINE CREEK CANYON DOMESTIC WATER IMPROVEMENT DISTRICT

PO Box 945, Pine, AZ 85544

March 17, 2018

Regular Meeting

Date: Saturday, March 17, 2018

Place: Pine Strawberry Fire Dept. 6306 W. Hardscrabble Mesa Rd.

Pine, Arizona 85544

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, and Robert Langley. Dave Karr was present via telephone. Others Present: Harry Jones, District Manager, Pat Watson, Admin. Asst., Bev McClung and Tom Jones, Residents.

A quorum is declared.

3. **CALL FOR MOTION TO APPROVE MINUTES OF THE FOLLOWING MEETING HELD ON December 2, 2017, Special Called Meeting December 16, 2017, Regular Meeting December 29, 2017, Special Called Meeting January 26, 2018, Special Called Meeting**

Mr. Crews moved to accept the Minutes of all meetings listed above. Mr. McClung seconded. Roll Call: Mr. Crews, Dr. Johnson, Mr. Langley, Mr. Karr and Mr. McClung. All say Aye. None say Nay. Motion Passed.

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

There was no public input.

5. **REPORTS**

a. **Treasurer's Report**

i. **Balance Sheet**

Mr. Crews reported our cash position is good at eight months into the fiscal year.

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ii. Revenues and Expenses

Mr. Crews reported operation revenues are right on budget and expenses are under budget. At the end of the year we should have about \$180,000 of unencumbered cash. We should have about the same amount at the end of June.

iii. Budget vs. Actual Comparison

At the end of eight months Revenues are ahead of budget and Expenses are about \$1,400 over budget on administration mostly due to extra Board of Director meetings.

iv. Check Registers/Cash Disbursements for last three months (vote of Board required)

Mr. Crews moved to approve the check register. Mr. McClung seconded. All vote Aye, None vote Nay. Motion Passed.

b. District Manager's Report

i. Depth to water in wells

Mr. Jones reported the deep well depth only changes less than a quarter of an inch and stays static. The shallow well goes up and down more due to others pumping and rainfall.

ii. Water Usage

Usage is up in comparison with past years. We are using about seven percent of our production capacity. We could produce more if a decision is made to sell water.

Dave Karr asked about maintenance of the pumps if we pump more water. Harry Jones stated we should have 15 years or more of good performance. PCCDWID has good filtration in the well and the pumps stay in good condition and are checked regularly by Mike Ploughe.

iii. PRV Upgrade Project Status

The project was stopped due to weather and the contractor has contacted Mr. Jones to set up a tentative date to complete the project. May proceed in late April. This project should be done before the end of the fiscal year.

iv. Status of Elk Rim (B-1 B-2) Development

The rough cutting of roads is complete. They will be adding a fire hydrant because the coverage for the clubhouse is marginal at a distance of 300 feet.

Board of Supervisors removed the provision that developer and the HOA must have an agreement regarding the roads. They can now begin to build model homes before all the infrastructure work is done. Mr. Jones stated the Public Report will state PCCDWID does not have a 100 year water supply; however, a footnote will indicate that even though there is not a 100 year water supply the property can be sold.

The project will include a clubhouse and a decorative bridge at the entrance, giving us a total of three new meters that brings in a total of about \$25,000 of impact fees.

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- 6. DISCUSS AND TAKE POSSIBLE ACTION RELATED TO THE** balance of major income sources between water/wastewater fees, impact fees, and property taxes.
Mr. Crews provided general information indicating we have water and wastewater revenues, impact fees and property taxes as our major sources of revenues. This subject will be discussed at the work-study meeting. The past philosophy has been that the water and wastewater fees should cover the expenses of water production and wastewater operations. The taxes would then cover the other expenses of administration, the Board of Directors, debt reduction and reserve accounts.
There was discussion but no action was taken.
- 7. DISCUSS AND TAKE POSSIBLE ACTION RELATED TO** possible pricing for water supply agreements with other water purveyors that may approach PCCDWID.
Mr. Jones suggested a more in depth analysis before pricing water for sale and that he would appreciate some assistance from the two new CPA Board Members to review the fixed and variable costs. Mr. Jones indicated the price of water is the major issue PSWID is focusing on at this time. PCCDWID would insist on maintaining control in any operations of the water system.
- 8. DISCUSS AND TAKE POSSIBLE ACTION RELATED TO** setting a cost for the contractor for use of water on the B-1 and B-2 construction site.
Mr. Jones suggested PCCDWID charge off the Rate and Fee Schedule Sheet. The contractor will put a meter on the fire hydrant. The Board of Directors agreed. There was no vote.
- 9. DISCUSS AND TAKE POSSIBLE ACTION RELATED TO** setting dates for work-study session on budgets, adoption of proposed budget, and approval of a final budget for 2018-2019.
The work-Study session will be April 28, 2018 at 10:00 AM at the Pine-Strawberry Fire Department. The meeting date to approve the proposed budget will be decided at the work-study session. The final approval of the budget will be at the next regular meeting to be held on June 16, 2018. Mr. Crews moved to have the Study session on April 28, 2018 and Mr. Langley seconded. All say Aye. None say Nay.. The motion passed.
- 10. CALL TO THE PUBLIC FOR NON-AGENDA ITEMS RELATED TO DISTRICT AFFAIRS**
Mr. Tom Jones suggested a possible relocation of the PCCDWID bulletin board so there is less two way traffic between the intersection of Ruin Hill and Anasazi Way and the wastewater treatment plant. This will be discussed at a future meeting.

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

The Board will meet on April 28, 2018 for the Work Study Session. The next regular meeting will be June 16, 2018 at 1:00 PM at the Pine-Strawberry Fire Department.

Mr. Jones stated he would try to have our operators give a system update report at the June 16, 2018 meeting.

12. MOTION TO ADJOURN.

Mr. Langley moved to adjourn the meeting. Mr. Crews seconded. All say Aye. None say Nay. The meeting adjourned at 10:32 AM

Submitted By: _____