

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

Regular Meeting  
Date: Saturday, December 17, 2016  
Place: Pine Strawberry Fire District, 6198 W. Hardscrabble 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

**1. CALL ORDER**

The meeting was called to order at 9:02 AM by Chairman Allan Johnson.

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

Present - Jim Crews, Allan Johnson, Jim Semrad and Jim Cleary with Mike Roberts attending via phone.  
Others Present: Harry Jones, District Manager, Pat Watson, Garrett Goldman of Tetra Tech and Dan Melcher.

Note: The conference phone could not be used because the outlet in the meeting room at the Pine Fire Station was not functioning.

A quorum is declared. Jim Cleary arrived at 9:05 AM and Mike Roberts phoned in at 9:07 AM and was placed on speaker on a cell phone.

**3. CALL FOR MOTION TO APPROVE MINUTES OF THE FOLLOWING MEETING HELD ON September 17, 2016 Regular Meeting.**

Mr. Semrad moved to accept the Minutes of the September 17, 2016 Regular Meeting. Mr. Crews seconded. Roll Call: Mr. Crews, Dr. Johnson, Mr. Cleary, Mr. Semrad and Mr. Roberts. All say Aye. None say Nay. Motion Passed.

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

The public had no comments

**5. REPORTS**

**a. Treasurer's Report**

**i. Balance Sheet**

Mr. Crews reported the cash is in the \$130,000 range.

**ii. Revenues and Expenses**

Mr. Crews reported our revenues are on budget and the expenses are about \$20,000 under budget. Mr. Crews asked Harry Jones about the Depreciation being under budget. It will be checked. Major improvements will be capitalized.

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

**iii. Budget vs. Actual Comparison**

The cost of the audit is not included because we are waiting for the invoice. The amount is in the budget. Mike Roberts asked about the Property Tax being under budget. This is due to a timing issue on receipt of payments to the county.

**iv. Check Register last three months**

Mr. Crews moved to accept the financial report. Mr. Cleary seconded. All say Aye none say Nay, the motion passed.

**v. Discuss status of five year financial plan**

This plan will be reviewed in April by Mr. Crews and Harry Jones.

**b. District Manager's Report**

**i. Depth to water in wells**

Mr. Jones reported the water level for the shallow well and the deep well are right on. Looking back at prior records show everything normal.

**ii. Water Usage**

Usage is higher than last year, as seen in water revenues being above budget.

**iii. Status of Other Projects:**

**(a) Tank Recoating Status**

The Tank Recoating has been completed.

**(c) Application for Interconnection**

The developers are working on plans for 18 smaller homes (1,000-1200 sq. ft.) on Tracts B-1 and B2 and have been in communication with the District Manager. Ralph Bossert is working on plans and they have been in contact with an architect. They have indicated they will be making an arrangement with the HOA regarding use of the entrance road and parking since they are not in the HOA. Dr. Johnson asked about methods of entrance and exit. That would be a question for the county.

Mr. Roberts asked if a formal application has been made. Mr. Jones said it has not.

Mr. Roberts asked how long it would take to complete construction specifications so we would have that done before the application is received. Mr. Garrett Goldman of Tetra Tech has suggested we have our plans ready and this could be done within a week.

Mr. Roberts followed up on the discussion from last month about the overcharge at the Chase Bank account. Mr. Jones is still working with the bank and will call them to follow up. The bank has removed the last charge.

Dr. Johnson asked how many liens we have. Mr. Jones reported there is one lien that had been placed on a property that now is in foreclosure. There are two other properties in foreclosure but there are not liens filed on them since they are not yet four months past due as required by statutes to be able to file a lien.

**6. DISCUSS AND TAKE POSSIBLE ACTION RELATED TO ACCEPTANCE OF THE CPA's 2015-2016 REVIEWED FINANCIAL STATEMENTS.**

Mr. Crews moved to accept the financial statements. Mr. Cleary seconded. All vote Aye none say Nay. Motion passed.

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

**7. DISCUSS AND TAKE POSSIBLE ACTION RELATED TO PRESENTATION BY Garrett Goldman of Tetra Tech Engineering on recommended upgrades to the District's water pressure control system.**

Garrett Goldman of Tetra Tech engineering made a presentation to the Board that concluded with the recommendations included in the written report previously supplied to all Board Members for review (see attached). After discussion, no formal motion was made but comments were made to have the District Manager investigate the following:

- More precise estimated costs to complete the replacement of all four pressure reducing valves (PRV's) and their respective vaults that restrict maintenance, violate OSHA safety regulations relating to a confined workspace, and prohibit or impede maintenance personnel's ability to monitor changes in system pressure.
- Investigate what additional related work (upgrade/repair of general system and PRV isolation valves, etc.) that may need to be done.
- Preparation of a bid package to have the work completed.
- Inclusion of an option bid for a fifth valve and vault that would be used to control pressure on B-1 and B-2, when they are developed.
- Preparation of simple construction specifications that can be presented to developers of B-1 and B-2 before any Application for Interconnection is received from the applicant's engineer, such that details of the applicant's water model can be easily integrated to the new Tetra Tech model.
- More precise estimated costs to complete the replacement of all four pressure reducing valves (PRV's) and their respective vaults that presently restrict maintenance personnel's ability to monitor changes in system pressure.

Mr. Roberts commented that to protect the homeowner properties and the district's own infrastructure, the District, based on the reports now on hand, needs to move forward to solve the issues with the pressure control system, hopefully with a bid completed by March, 2017 and the work finished by April, 2017. Mr. Crews suggested that he and District Manager review the financial requirements and sources of funds for the project once the Manager has additional estimated project cost available.

The District Manager agreed to continue to move forward with these suggestions and to report his progress back to the Board once he is prepared to call for a Special Board Meeting to further discuss and make necessary decisions.

**8. DISCUSS AND TAKE POSSIBLE ACTION RELATED TO ADDITIONAL UPGRADES TO THE ODOR CONTROL SYSTEM AT THE WWTP**

Mr. Jones reported on work to help with the odor control. There has been painting, sealing, addition of Top Hat charcoal vents and gasket work done. Upon checking the improvements an odor was noticed. Investigation showed a hole on the side of a tank. Tree roots had grown around the bottom of the tank and pulled the fittings loose and made a hole in the side of the tank below grade. This problem will be addressed next week with a fiberglass patch. With the repairs completed so far, there is more air pressure in the system and odors seem to be significantly reduced. However, more upgrades may be done once we see the full effects of current changes.

## MINUTES

### PINE CREEK CANYON DOMESTIC WATER IMPROVEMENT DISTRICT

PO Box 945, Pine, AZ 85544

Mr. Jones will make a report on the project and the cost for the HOA.

- 9. DISCUSS AND TAKE POSSIBLE ACTION RELATED TO SUPERVISORS APPOINTMENT OF JIM CREWS TO THE DISTRICT BOARD FOR A NEW TERM OF JANUARY 1, 2017 TO DECEMBER 31, 2021, and the appointment of a qualified elector to serve as the fifth member of the District Board for the term of January 1, 2017 to December 31, 2021.**

Mr. Jones presented Mr. Crews with the Certificate from the County and thanked him for continuing to serve on the Board.

Dr. Johnson moved to appoint Mr. Cleary back to the Board of Directors for the term of January 1, 2017 to December 31, 2021. Mr. Crews seconded. Mr. Cleary agreed to again serve on the Board for the next term. All say Aye, none say Nay. Motion passed.

- 10. DISCUSS AND TAKE POSSIBLE ACTION RELATED TO APPROVAL OF CASH DISBURSEMENTS FROM September 1, 2016 through November 30, 2016.**  
**See Item 5.a.iv.**

- 11. CALL TO THE PUBLIC FOR NON-AGENDA ITEMS.**  
There were none.

- 12. CONFIRM ESTABLISHED DATE AND DESIRED TOPICS FOR THE NEXT BOARD OF DIRECTOR'S MEETING.**  
The next regular meeting will be March 18, 2017 at 9:00 AM.

- 13. MOTION TO ADJOURN.**  
Mr. Semrad moved to adjourn the meeting. Mr. Crews seconded. All say Aye. None say Nay. The meeting adjourned at 10:30 AM

Submitted By: \_\_\_\_\_