

MINUTES
PINE CREEK CANYON DOMESTIC WATER IMPROVEMENT DISTRICT
PO Box 945, Pine, AZ 85544
September 19, 2020

Regular Meeting
Date: Saturday, September 19, 2020
Place: Teleconference Only-Due to Covid-19 Social Distancing Requirements
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 Dave Karr. Others Present: Harry Jones, District Manager, Pat Watson, Administrative Assistant, and Tom Jones, Property Owner.
A quorum is declared.

3. CALL FOR MOTION TO APPROVE MINUTES OF THE FOLLOWING MEETING HELD ON

a. June 20, 2020 Regular Meeting

Mr. McClung moved to accept the Minutes of the meeting listed above. Mr. Karr seconded. Roll Call: Mr. Crews, Dr. Johnson, 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

Mr. Crews and Mr. Jones reviewed the status of the in-process CPA annual review for the fiscal year ending 6/30/20. They indicated they had both been interviewed by the CPA Field Auditor who had completed her analysis and had passed the report to the senior partner for his approval which is expected within a week or two.

Mr. Crews reported during last fiscal year revenues were \$61,000 over budget (mainly due to impact fees for new Elk Rim homes) and expenses were \$19,000 under budget, allowing the District to be in excellent shape financially.

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i. Balance Sheet

For the current year, Mr. Crews reported the cash balance as of 8/31/20 was \$212,599 at NBAZ and Gila County accounts, plus \$85,714 in the WIFA Reserves for a total \$298,313 in cash.

ii. Revenues and Expenses

Current revenues for the first two months are \$1,000 over budget and expenses are \$2,100 under budget. Mr. Jones explained there are five new homes in Elk Rim under review for building permits and there is one new home inside the gates at Lot #31 under construction in terms driveway and expanded entry road.

iii. Budget vs Actual Comparison

The District should expect the \$8,500 impact fees each for about six homes over the next several months, compared to budget for only two new houses during the current fiscal year.

iv. Status of contingency/Reserve Account

See Above

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

Mr. Crews moved to accept the Check Registers/Cash Disbursements for the last three months. Mr. McClung seconded. All say Aye. None say Nay. Motion Passed.

b. District Manager's Report

i. Depth to water in Wells

Mr. Jones reported the depth to water in wells was very comparable with water levels over the last five years.

ii. Performance of Wells

Well efficiency and pumping rates were also stable

iii. Water Usage

Water usage was up dramatically during the last few months as more residents were using their part time homes more due to hot valley weather and escaping COVID-19 problems in larger cities. Dr. Johnson asked about the higher use of the deep well compared to the shallow well and Mr. Jones explained we tend to pump the deep well more and the shallow well less due to the rest of the Pine community's higher use of the shallow aquifer in the summer months.

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

See comments above under revenues and expenses.

Miscellaneous

Mr. Jones indicated the Board of Directors election to fill two vacant seats next year (scheduled for November 3, 2020) has been cancelled since only two property owners (Mr. Kelly and Mr. Crews) completed the nominating process and they will be appointed to the positions by the Board of Supervisors.

Mr. Jones indicated he had received an inquiry from the Elk Rim property owner and developer related to possible addition of five new one-half acre lots to the PCCDWID system. The land is between lots 7 - 11 of Elk Rim and the LDS Church. Mr. Jones indicated he has replied that the first step the developer needed to do was to seek de-annexation of the property from the Pine-Strawberry Water Improvement District since the land is currently within the PSWID service area. It was noted that our water and sewer lines are already extended to the edge of the subject

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property and that gas, electric, phone, and cable are only a couple of hundred feet north of our utilities. Also discussed was the fact the five lots would be created as a minor land division and not a sub-division, allowing for more rapid approval by the County.

Mr. Jones reported that the District had received a long letter from the Gila County Manager about their being a required refund of property taxes, related to solar panels, collected from 2014-2020; however, the amount would probably be minor for us since we don't know of any solar panels within the District.

6. **ADJOURN TO PUBLIC HEARING**, per the District's Rules and Regulations, Section 2.3 to consider expansion of the District by .22 acres.

The Board of Directors adjourned a 9:30 AM to discuss the addition of the .22 acres on Tract L that is not currently within the PCCDWID District. Pine Strawberry Water Improvement District had signed off on de-annexing the .22 acres. The owner has stated he will ultimately convert the property to residential use. Tom Jones asked about any possible required HOA involvement in this annexation. Harry Jones stated that the HOA and the Water District are two different entities and have different boundaries and authorities, so we believe there is no required action by the HOA.

7. **RESUME THE BOARD MEETING TO DISCUSS AND TAKE POSSIBLE ACTION RELATED TO** annexing .22 acres (will become a part of Tract "L") currently within the Pine-Strawberry Water Improvement District.

The meeting resumed at 9:43 AM. Mr. Crews moved to approve the annexation as stated. Mr. Karr seconded the motion. All say Aye. None say Nay. Motion passed.

8. **DISCUSS AND TAKE POSSIBLE ACTION** to authorize the District Manager, upon review and approval of two Board Members, to take appropriate steps under Section 3.3 of the District's Rules and Regulations to make adjustments to the location of District infrastructure at Lot 31 as necessary to accommodate the new home being constructed.

Dr. Johnson moved to authorize the District Manager, upon review and approval of two Board Members, to take appropriate steps under Section 3.3 of the District's Rules and Regulations for the owner to pay all costs, including but not limited to the time of the District Manager, to make adjustments to the location of District infrastructure at Lot 31 as necessary to accommodate the new home being constructed.

Mr. McClung seconded the motion. Dr. Johnson, Mr. Karr, and William McClung voted Aye. Mr. Crews reluctantly voted Aye. None voted Nay. Motion passed.

9. **DISCUSS AND TAKE POSSIBLE ACTION RELATED TO** status of the annual CPA Financial Statement Review Report.

The CPA Review is not yet available (see above under Treasurer's report).

10. **CALL TO THE PUBLIC FOR NON-AGENDA ITEMS RELATED TO DISTRICT AFFAIRS.**

There was no discussion.

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11. CONFIRM ESTABLISHED DATE OF THE NEXT BOARD OF DIRECTORS MEETING TO BE HELD:

December 12, 2020. Date confirmed.

12. MOTION TO ADJOURN.

Mr. Crews moved to adjourn the meeting. Dr. Johnson seconded. All vote Aye. The meeting was adjourned at 9:50 AM.

Submitted By: _____ *Posted as of* _____ *M*