

MINUTES  
PINE CREEK CANYON DOMESTIC WATER IMPROVEMENT DISTRICT  
PO Box 945, Pine, AZ 85544  
June 17, 2023

Regular Meeting  
Date: Saturday, June 17, 2023

**Place: Pine-Strawberry Fire Department Training Room, 6198 W. Hardscrabble Road, Pine, Arizona 85544**

**Teleconference Number: 1-877-594-8353, Participant Pass code 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 9:02 AM by Chairman Allan Johnson.

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

Present - Allan Johnson, Bill McClung, Tom Kelly and Jim Crews. Dave Karr attended via conference call. A quorum is declared. Others Present: Harry Jones, District Manager, Susan Thompson, Admin. Assistant.

**3. ADJOURN TO BUDGET/RATE HEARING – 9:04 AM**

The Budget Rate Hearing was opened by President Allan Johnson at 9:04 AM

a. Mr. McClung highlighted several key items on the budget including taxes were increased \$5,000 from the prior year, total revenues were \$315,000, expenses were up modest amounts in all categories, we had \$6,000 in contingency expenses in each of Administration, Wastewater, and Water expense departments, and the only changes from the initial projected expenses that were included in the posted and published proposed budget were minor increases for rent, utilities and janitorial services due to moving to a larger office space. He noted we expect to increase cash during the 2023-2024 year by \$356. Other Board members commented the increased taxes were due to normal changes in assessments by the County and the fact we have several more houses coming on the tax rolls. In terms of future fees, it was noted Mr. Jones was recommending a \$75 fee each time we need to file or release a lien we need to file with the County Recorder.

b. Since no public attended the hearing no public comments were received.

**4. RECONVENE REGULAR BOARD MEETING**

Chairman Johnson noted no further discussion, so the Board agreed to close the hearing and move back to the regular agenda.

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**5. DISCUSS AND TAKE POSSIBLE ACTION RELATED TO THE 2023-2024 PROPOSED BUDGET, RATES, AND FEES.**

Upon resumption of the regular meeting, Mr. Crews made the motion and Mr. Kelly seconded the motion to approve the proposed budget as the adopted budget and rates and fees for the 2023-2024 fiscal year. All say Aye, and none say Nay. The motion was passed.

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

**March 18, 2023, Regular Meeting**

**April 19, 2023, Special Budget Meeting**

Mr. Kelly moved to approve the minutes of the above meetings. Mr. McClung seconded the motion. All say Aye, and none say Nay. The motion passed.

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

No comments from the public on the current agenda items.

**8. REPORTS**

**a. TREASURER'S REPORT**

**8a.** Mr. McClung reviewed the balance sheet for May 31, 2023 and noted the district is in a strong cash position with over \$500,000 with total debt at only \$427,000. In terms of the budget vs. actual report he noted the revenues were below expectations for sewer installations and new water meters since a substantial number of expected new hookups early this fiscal year were actually booked at the end of the prior fiscal year. The only major expense item that was over budget was for the hours in excess of retainer for the District Manager because of extra hours early in the fiscal year. Mr. Jones noted that we will incur about \$12,000 of unanticipated capital improvements over the next two weeks as we complete the replacement of both of the 20 year old grinder pumps in the incoming influent tank at the WWTP.

**8a [vi]** The Board voted unanimously to approve the check register and cash disbursements.

**b. DISTRICT MANAGER'S REPORT**

**8b.** Mr. Jones reported the wells have continued to perform as expected with static water levels virtually equal to levels from 10 years ago and that water usage was very high this last month, mainly due to two very large water losses by customers having their irrigation systems stuck on each using and extra 40,000-60,000 gallons, with water bills issued up to \$800. It was mentioned we only have one new hookup expected in the next fiscal year. Mr. Jones noted we have now completed the installations at the WWTP, but we have suffered some odor concerns due to the tank tops not being shut tightly while we use the temporary pump. Additionally, he has contacted our pond management consultant related to the very yellow/green surface caused by extra growth possibly due to the higher snow and moisture levels that resulted in excess growth and some minor odor issues this spring and early summer.

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- 9. DISCUSS AND TAKE POSSIBLE ACTION RELATED** to the modification of the District’s Rules and Regulations:  
Mr. Jones commented that he thought the District's Rules and Regulations have served us well for many years, with no complaints about them; however, he recommended further clarification to several clauses related to customer damage to water meter boxes, locations of driveways and landscaping possibly over our water valves and sewer connections, how we handle our customer deposits from renters, and adding fees for customers that have non-payment liens filed or removed. After several questions from Board members were answered, Mr. Crews made a motion and Mr. McClung seconded it to accept the suggested changes in the Rules and Regulations as presented. All say Aye. None say Nay. The motion passed.
- 10. CALL TO THE PUBLIC FOR ANY NON-AGENDA ITEMS RELATED TO DISTRICT AFFAIRS**  
There was none.
- 11. CONFIRM ESTABLISHED DATE AND DESIRED TOPICS FOR THE NEXT REGULAR BOARD OF DIRECTORS MEETING TO BE HELD:**  
September 16, 2023 at 9:00 AM  
Mr. Crews suggested we add an agenda item to the next meeting to have an update of progress in the management succession plan, with Mr. Jones noting the first step, transitioning from Pat Watson to Susan Thompson, was successfully completed over the last seven months.
- 12. MOTION TO ADJOURN**  
The meeting was adjourned at 9:52AM. Mr. Crews made the motion to adjourn the meeting and Mr. Kelly seconded. All say Aye. None say Nay. The motion passed.

*Submitted By:* \_\_\_\_\_ *Posted as of* \_\_\_\_\_ M