

**MINUTES**  
**PINE CREEK CANYON DOMESTIC WATER IMPROVEMENT DISTRICT**  
PO Box 945, Pine, AZ 85544  
June 18, 2016

Regular Meeting  
Date: Saturday, June 18, 2016  
Place: PCCDWID Office 3617 Hwy 87, Ste E,  
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, Jim Cleary with Mike Roberts attending via phone.  
Others Present: Harry Jones, District Manager, Pat Watson, Tom Jones and Terri Jones.  
A quorum is declared.

**3. CALL FOR MOTION TO APPROVE MINUTES OF THE FOLLOWING MEETING HELD ON March 19, 2016 Regular Meeting.**

Mr. Roberts moved to accept the Minutes of the March 19, 2016 Regular Meeting. Mr. Cleary seconded. Roll Call: Mr. Crews, Dr. Johnson, Mr. Cleary and Mr. Roberts. All say Aye. None say Nay. Motion Passed.

**4. ADJOURN TO BUDGET/RATE HEARING – 9:05 AM.**

**a. Treasurer or District Manager to summarize the Proposed 2016-2017 budget.**

Mr. Crews discussed the budget stating there is no increase in fees or taxes and the budget provides for adequate cash reserves. He stated no impact fees for new homes are included in the budgeted revenues and expenses are generally based on historical expenditures. One capital budget item is included, that being, \$38,000 to paint the exterior of the tank.

**5. RECONVENE REGULAR MEETING.**

The regular meeting was reconvened at 9:10 AM.

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**6. DISCUSS AND TAKE POSSIBLE ACTION RELATED TO THE 2016-2017 PROPOSED BUDGET, RATES AND FEES.**

Mr. Cleary moved to approve the Proposed Budget as discussed. Mr. Crews seconded the motion. Roll Call: Mr. Crews, Dr. Johnson, Mr. Cleary and Mr. Roberts. All say Aye. None say Nay. Motion Passed.

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

There was no input from the public.

**8. REPORTS**

**a. Treasurer's Report**

**i. Balance Sheet**

Mr. Crews reported our cash position is good..

**ii. Revenues and Expenses**

Mr. Crews reported operation revenues through eleven months are right on budget and expenses are below budget by \$36,000 on expenses.

**iii. Budget vs. Actual Comparison**

Eleven months are under budget for most categories.

**iv. Check Register last three months**

Mr. Cleary moved to accept the check register. Mr. Roberts seconded. All vote Aye, None vote Nay. Motion Passed.

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

The plan will be extended for another year.

**b. District Manager's Report**

**i. Depth to water in wells**

Mr. Jones reported the water levels down due to by-passing some water out of a fire hydrant in order to keep the pressure level from being too high for those at lower altitudes in the community.

**ii. Water Usage**

Usage is about the same as last year with performance testing showing no major issues.

The desiccant signal pack on the down hole sensor has been replaced. This instrument gives the operator information for the monthly reports.

**iii. Other projects:**

**(a) Upgrade the blower system at WWTP.**

Mr. Jones stated the odor control media has been changed. There will be some pipe replacement and the blower system will be shut down for this work. The pipes need to cool off for repairs. This work to be completed in the next couple of days.

**(b) Upgrade/repairs of water pressure control system and related policies**

This will be discussed on agenda Item 13.

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**9. DISCUSS AND TAKE POSSIBLE ACTION RELATED TO CHARGES FOR WATER SUPPLIED TO CONTRACTOR PAVING ROADS WITHIN PORTAL IV.**

The HOA contractor used 36,000 gallons of water for the new road base work done in Portal IV. According to the Regular Residential Rate Schedule the total cost is \$487.91. Mr. Crews moved to charge according to the Regular Rate Schedule. Mr. Cleary seconded. Roll Call: Mr. Crews Dr. Johnson, Mr. Cleary and Mr. Roberts all vote Aye. None vote Nay. Motion Passed.

**10. DISCUSS AND TAKE POSSIBLE ACTION RELATED TO CALLING FOR AN ELECTION to be held on November 8, 2016 to elect two members to the District's Board of Directors and to approve an intergovernmental agreement to have the Gila County Department of Elections carry out the election process.**

There are two Board Members to be elected in 2016. Mr. Cleary is not running. Mr. Crews is running. Mr. Cleary moved to ask Gila County to hold the election. Mr. Crews seconded. Roll Call: Mr. Crews, Dr. Johnson, Mr. Cleary and Mr. Roberts all say Aye. None say Nay. Motion Passed.  
The property owners need to be informed that we will need a new Board member

**11 DISCUSS AND TAKE POSSIBLE ACTION RELATED TO awarding a contract to recoat the exterior of the District's water tank.**

Mr. Jones discussed the bids and after comparing the bids he recommended the low cost bidder. This bidder will use quality materials as required and the method (rolling versus spraying) and will be available to complete the work on a timely basis during July or August. Mr. Crews moved to accept the bid from Revolution Industrial Coatings. This bid also includes painting the garage door on the pump house building. Mr. Cleary seconded. Roll Call: Mr. Crews, Dr. Johnson, Mr. Cleary and Mr. Roberts all say Aye. None say Nay. Motion Passed.

**12. DISCUSS AND TAKE POSSIBLE ACTION to engage a CPA firm to review the District's annual financial statement as of June 30, 2016.**

Mr. Jones recommended the CPA who did the audit last year. They are specialists in auditing governmental entities and understand WIFA projects.  
Mr. Roberts moved to retain Heinfeld, Meech and Co., PC. Mr. Crews seconded. Roll Call: Mr. Crews, Dr. Johnson, Mr. Cleary and Mr. Roberts all say Aye. None say Nay. Motion Passed.

**13. DISCUSS AND TAKE POSSIBLE ACTION RELATED TO ISSUES OF ADEQUATELY CONTROLLING SYSTEM WATER PRESSURE.**

There are three valves to control the pressure throughout the Portal IV community. The original engineer did not follow the plans and specifications for installing these valves. The vaults for two of the valves are poorly designed and too small. The recommendation is to replace two of the vaults. (See report summary attached). The valves need to be repaired or replaced.  
Option One - Try to repair the existing valves  
Option Two – Replace with new valves. This would ensure longer life.  
Also recommended would be to schedule an annual maintenance check.

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After discussion, the Board gave Harry Jones, District Manager, instructions to get proposals for complete valve replacement. A Special Meeting will be called to discuss this subject. Customers would need to be notified at the time this work is in progress.

**14. DISCUSS AND TAKE POSSIBLE ACTION RELATED TO APPROVAL OF CASH DISBURSEMENTS FROM March 1, 2016 through May 31, 2016.**

Mr. Crews moved to approve the disbursements. Mr. Roberts seconded. Roll Call: Mr. Crews, Dr. Johnson, Mr. Cleary and Mr. Roberts all vote Aye. None vote Nay. Motion Passed.

**15. CALL TO TE PUBLIC FOR NON-AGENDA ITEMS**

There was no discussion from the public.

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

The next regular meeting will be September 17, 2016 at 9:00 AM.

**17. MOTION TO ADJOURN.**

Mr. Crews moved to adjourn the meeting. Mr. Roberts seconded. All say Aye. None Say Nay. The meeting adjourned at 10:25 AM

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