

Pine Creek Canyon Domestic Water Improvement District

PO Box 945, Pine, Arizona 85544

**DRAFT**

**MINUTES**

**Regular Meeting of the Board of Directors**

Date, Place, and Time:

**Saturday, September 18, 2010**

**Place: Pine Fire Department, West Hardscrabble Mesa Road**

**Pine, Arizona**

**1-800-391-1709, bridge code # 151596**

**9:30 AM**

**1. Call to Order**

The meeting was called to order at 9:30 AM by Acting Chairman Jim Crews, due to emergency absence of Chairman Ernie Borgoyne. Note: a quorum is present.

Present

Board Members: Jim Crews, Treasurer, Allan Johnson, Secretary and J. Pak,  
District Manager: Harry Jones

Others Present: Pat Watson, Administrative Assistant, Larry Field and Barbara Carillion.

Telephonically: John and Sandy Velotta

Not Present

Ernie Borgoyne and James Semrad

**2. Call for a motion to adjourn to executive session if necessary**

No motion made.

**3. Reconvene Public Session**

Public Session continued in session at 9:32 AM

**4. Call to the Public**

John Velotta stated that the deep well gives everyone in Portal IV a \$3,000.00 responsibility. Would like to know when the deep well will be in use. He also asked about the selling of water. If we decided to do that, a trial period may be a good way to do it at first. Also, a cancellation clause should be included.

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**5. Call for Motion to approve Meeting Minutes:**

**a. June 19, 2010 – Regular Meeting.**

Dr. Johnson moved to accept the minutes. Ms Pak seconded. Roll Call: Dr. Johnson, Ms Pak and Jim Crews all say Aye. None say Nay. Motion passed.

**6. Discussion and/or action regarding DRAFT water sale agreement**

A citizen group brainstormed the possibility of selling water. There are no plans at the present. It is just a thought.

Ms Pak stated that the price for selling water should be the same as residents pay but if we sell it at a lower price, the residents need to be shown how it would benefit them.

**7. Discussion and/or action regarding Status Reports**

**a. Treasurer Report**

Mr. Crews presented the Treasurer's Report.

**i. Profit and Loss Balance Sheet**

Cash position is \$112,701.20. Mr. Crews will see about putting more in a reserve account drawing more interest.

Mr. Crews will meet with our accountant to discuss the method of depreciating WIFA projects.

**ii. Actual to Budget Comparison**

Mr. Crews stated that expenses are pretty close to budget. The District Manager's are actually below budget.

The District Manager was asked if the water meters can be calibrated. Mr. Jones stated that they are usually replaced and not calibrated. If a meter is in error, it is usually to the customer's benefit. Replacing meters may be something to consider in the future. They usually last over 15 years.

**iii. Bank Account Balances and list of checks written**

The checks written were gone over.

**iv. Liens Placed on Properties**

Four of the seven liens have been paid.

**v. Invoices from District Manager**

Payments to the District Manager are under budget. At present there are no real pressing problems.

**vi. Motion to approve payments**

Dr. Johnson moved to approve payments. Ms Pak seconded. Roll Call: Dr. Johnson, Ms Pak and Mr. Crews all say Aye. None say Nay. Motion Passed.

**vii. Upcoming Key Dates**

Next Regular Board Meeting is December 18, 2010.

**b. District Manager Reports**

**i. Well Depth and Monthly water usage**

Mr. Jones stated the static water level is averaging 291 feet. It's been about the same for three months. Water usage for the last two months has been less than in previous years.

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**ii. Invoices from Hydrologist**

Expenses have been the normal. He has also been testing the Deep Well. We had a good couple of winters but we are not out of the drought yet. When the Deep Well was being tested the shallow well levels did not go down. Deep well drew from 1350' to 1420' during testing.

**iii. Invoices from Computer/Website consultant**

No invoices presented.

**iv. Legal Status**

Mr. Jones read his report to the Board. There has been no real progress in the lawsuit. They are trying to get the judge to hear oral arguments on September 29, 2010 but have not heard from Judge Cahill.

**v. Deep Well Project**

When the construction on the well is completed, it will be tested again. The well then has to be approved by the State. Expect to be under budget by a small margin. There was a \$5,000.00 cushion. Construction will take 30-45 days. There is no way to know how long it will take for the approval from the State. The well should be completed by the next Board Meeting but may not be approved by ADEQ. When completed it will be tested again and run for a while to insure good water.

The Hydrologist will figure out the best method to run the two pumps for efficiency and supply.

**1. Expenses to date**

Expenses \$625,000.00 on initial loan. It has been closed out and PCCDWID is making monthly loan payments.

On the \$200,000.00 loan, \$98,655.24 has been disbursed.

**2. Expense to complete (already bid)**

\$96,000.00 estimated to be expended.

**3. Expenses to complete (yet to bid)**

No other expenses left and expect to be under budget with a \$5,000.00 cushion.

**vi. ADOT/Pond Project**

**1. Expenses to date**

Out of \$90,000.00 in budget, \$89,542.67 has been expended to date.

**2. Expense to complete (already bid)**

No expenses expected.

**3. Expenses to complete (yet to bid)**

There is \$407.33 left to spend to remove signs and do more seeding. This will complete the project.

**12. Motion to adjourn**

Ms Pak moved to adjourn. Seconded by Dr. Johnson. Roll Call: Dr. Johnson, Mr. Crews and Ms Pak, all say Aye. None say Nay

Motion Passed and meeting adjourned at 10:40 AM.