



VILLA GRANDE

Domestic Water Improvement District

Note: All meeting minutes are posted for informational purposes only. The board of directors does not ratify meeting minutes until the next scheduled board meeting.

Minutes

March 6, 2019 • Regular Meeting

Call to Order: Bernie Vargas called the meeting to order at 7:02 pm

Directors Roll Call: Present were Allen Grant, Ray Roerdink and Bernie Vargas. Cauby Washburn and Terry Eickstaedt were absent.

Discussion/Action Minutes: Minutes from February 6, 2019 Regular Meeting and the February 12, 2019 Special Meeting. A motion was made by Ray Roerdink to approve and ratify the minutes for the 2/6/19 Regular Meeting and the 2/12/19 Special Meeting as written and seconded by Allen Grant. Vote unanimous 3-0. Motion carried.

Call to the audience: None present to address the board.

Discussion/Action: ADEQ. Joni Roerdink stated she has been working with Sara Konrad, WIFA, Dan Dialessi, CFO WIFA, and Richard Mendolia, Project Manager WIFA, regarding all the of paperwork they submitted to VGDWID regarding the loan applications for the Nitrate Treatment System loan. Nearly all the forms are completed but we still had a few that we had questions on and we were also waiting for the 2018 Annual Financial Review prepared by Henry and Horne. That has been received and submitted to WIFA. As was mentioned in a prior meeting, VGDWID was scheduled for the 2/20/19 WIFA Board Meeting for the Technical Assistance Grant, but since WIFA didn't have all the financial review documents, it will be heard at the next meeting. A technical assistance grant is only given if a loan is approved. WIFA needs to review that we have the ability to repay the loan. It is tentatively scheduled for the April 2019 WIFA board meeting but we are still waiting for some information. One of the big pieces that we are waiting for is the Amended Consent Order. Joni Roerdink received an email from Stephanie Diaz that she had updated the consent order but it was waiting for review and approval from her directors before she can send it to us. She will notify us as soon as she hears something. The Amended Consent Order has to be revised as to the time line in order to move forward with the Nitrate Treatment System funding request. Dan Dialessi had asked Joni for the Annual Financial Reviews from 2014 – 2018. Joni didn't have the 2015 review. She had contacted Henry & Horne about the review and they stated they didn't prepare it that year. Joni had mentioned to Dan that nearly all board members and Joni Roerdink came onboard mid year and were unaware it hadn't been completed. Dan had asked Joni if she could go back and get a breakdown of the annual income and expenses that year. Joni said she would do that. Joni has submitted 2014, 2016-2018 Annual Financial Reviews. We are still waiting for the Amended Consent Order. We will have to wait and see if we will be scheduled for the April 2019 board meeting. The documents are required to be provided to the WIFA board 8 weeks prior to the meeting. As mentioned, we don't have the Amended Consent Order. One document Joni received from WIFA states that any or all of the directors are invited to attend the WIFA board meeting and answer questions they may have.

Discussion/Action: Well #1. Jack Cook was unable to attend tonight's meeting. Jack called Joni Roerdink and stated that he really hadn't had any issues with well #1. He did have to work on the meter for well #1 by cleaning it. He is hesitant to purchase a new one due to the high cost to replace it. It is currently working.

Discussion/Action: Well #2. Jack also said he hadn't had any issues with well #2.

Discussion/Action: Generator Maintenance Update. Terry Eickstaedt was out sick and didn't provide the generator information to Joni prior to the meeting. Terry does go over to the generator frequently and Joni believes he would have called her if there were an issue.

Discussion/Action: Managers Report. Joni Roerdink reported the following:

- Water bills were sent out on 3/2/19 and Final Notices were sent out 3/3/19.
- Disconnects are scheduled for 3/13/19.
- Delinquent Amounts: \$1,784.18 (28 past due accounts). Four of the 28 past due accounts were paid today, 3/6/19.
- The Annual report was finally completed by Henry & Horne and has been submitted to Pinal County.
- Joni Roerdink met with a gentleman that is a circuit rider with RWAA on 3/1/19. He was here to assist in finding the leak between the NWC meter and Carter Lane. He was here for several hours. Joni showed him the location of the NWC meter, the two meters on Carter Lane and the valve that was installed for testing purposes. Joni gave him a copy of the water loss sheet tracking the water loss data since 7/2016. Joni also shared all the updated information and what the water company had done to date to locate the leak. He was also going to go back the following day to work on it some more. He stated Joni didn't need to be there since she had given him all the information he needed. Joni is waiting to hear the results from the circuit rider.
- Ray Roerdink asked if we had data prior to 7/2016 available to go back further. Joni said we did, she would just have to pull it from the meter reading sheets.
- Ray Roerdink made a motion to direct Joni Roerdink to have Jack Cook and Chris Cook dig and check water line for about a 20 foot section to inspect the water line. Allen Grant seconded the motion. Vote unanimous 3-0. Motion carried. Joni Roerdink asked if we should wait for the results from RWAA before digging up the line. Joni was told to wait for the RWAA report prior to moving forward with the motion to have Jack and Chris start digging up the water line.
- Jack had gotten a quote from Western Environmental for a telephone automation system. This would allow Jack, Joni or any of the directors to login and check the levels without having to run to the well site. As with the water main break on 2/28/19, the first thing Joni did after being notified of the water loss, was to run to the well site to see what the water level in the tanks were at. With a 6-inch water main break, we could lose water quickly. We didn't know the condition of the break at the time. Jack told Joni, he could do the majority of the labor installation. It includes the first year of service. Joni was not sure if the first year of service was the \$250 or \$347. She will have Jack confirm. It is similar to a wireless card. Jack does not feel the red notification light is as effective as it should be. We have to watch it continually. Joni can't see the light from her location. To complicate matters, Federal Compress also has a red flashing light, which looks like it may be the VGDWID notification light depending upon where you are. Ray and Joni have driven down to the well sight in the past to determine whether it was VGDWID notification light or Federal Compress. Jack Cook gave the example of a customer calling and stating they had no water pressure. Joni or Jack could login and see what the levels were at the

well. If all levels were normal we could tell the customer it was at their residence and not at the water company. Jack has more quotes coming. Ray asked what the subsequent years cost would be. The system can also be set up to dial up to 10 telephone numbers if needed. The board would like to see the other quotes and compare.

- At the next VGDWID Board Meeting, Joni will have the approximate amounts to prepare for the annual budget. Joni Roerdink did speak with Dan Dialessi about the idea of having a rate increase to at least cover the projected payment. The annual income would have to increase about 10%. Joni will be working on numbers for the next meeting. Dan also asked for an explanation of the two debts VGDWID has. The first one is the USDA loan for well #2 (approximately \$129,000) and the second one was for the five lots purchased surrounding the well sites (approximately \$16,000) in the event we needed the property to install the Nitrate Treatment System and the evaporative pond. Those are the only two long-term outstanding debts VGDWID has.
- Budgets and the rate meeting needs to be reviewed and approved in May 2019 because both have to be submitted to Pinal County in June. Joni told WIFA that is the timeline for our budget and rate hearings. Joni was told that is generally the same timeframe other companies hold their budget hearings as well. Our fiscal year is July 1 – June 30th.

Discussion/Action: Equipment & Site Report/Lab Tests.

- Nitrate sample taken on 1/23/19 was 17.7 ppm. Resample was taken on 1/31/19 and came back at 17.5 ppm. This was down from 18.3 in October 2018.
- Coliform sample came back absent.

Discussion/Action: Meters/Installations/Reinstallations/Leaks/Repairs. Jack cleaned the stuck meter on well #1. He also met with Brutinel to get a quote for the hydrant repair on Stallion. The original quote was about \$4,000. It wasn't real detailed so he is requesting another quote. He is also requesting one from Tee Pee Contractors.

All the directors were made aware of the water main break on Pinto Drive on 2/28/19. A root had grown over the top and underneath the main line. Due to the various changes in weather, it appears it was constantly expanding and constricting and the tree roots wrapped around the main lead to the crack in the line. When the nearest customer notified Joni, she went down to look. Joni immediately contacted Jack Cook and let him know about the leak and thought it may be the main water line. Jack immediately had Chris go over and check. It was the water main. Jack contacted Brutinel for a quote. The quote was 2 men and a backhoe at \$2,000 per day plus expenses (no time-frame as to how long it would take). Joni asked Jack if we could get another quote. Tee Pee Contractors came back at \$200 per hour, 5 men, 4 trucks plus parts. Tee Pee Contractors have worked out here on other jobs and were familiar with the area. Jack and Chris were both on-site trying to turn the water off. The valves need to be exercised because they couldn't turn them completely off for fear of breaking them. It will be added to routine maintenance. Chris thought he had an extra part at the well site but it turned out to be 4 inch instead of 6 inch. The contractor had a guy in Mesa just heading back and had him bring one down. It was done that afternoon and Jack had them barricade the site and let it dry out over the weekend. Tee Pee Contractors were back on-site Monday morning and back filled the site and the job was complete. Jack suspects this may happen again in the same general area due to the large trees so close to the water main. Most of the other streets within Villa Grande don't have the large trees on the north side and if they do, most of the trees are dead. The directors were given a photo of the actual repair. Jack is also having Tee Pee Contractors quote the fire hydrant repair.

Discussion/Action: New Water Line Installation. 11561 gallons were lost in February 2019. This is down 3,194 gallons from last month. This is the lowest loss since July 2016.

Discussion/Action: Approve and Ratify Expenditures & Purchases. The Board reviewed the Expenditures and Purchases for the month. Allen Grant made a motion to approve and ratify the expenditures and purchases as written for February. Ray Roerdink seconded the motion. Vote unanimous 3-0. Motion carried.

Adjournment: The Agenda being completed, Bernie Vargas adjourned the meeting at 7:48 pm.

Date _____

Bernie Vargas

Allen Grant

Ray Roerdink

Cauy Washburn

Terry Eickstaedt