



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

September 20, 2022 • Regular Meeting

Call to Order: Bernie Vargas called the meeting to order at 7:00 pm.

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

Discussion/Action Minutes: Minutes from the Regular Meeting held on 8/10/22. A motion was made by Terry Eickstaedt to approve and ratify the minutes for the Regular Meeting Minutes held on 8/10/22 as written and seconded Cauy Washburn. Vote unanimous 4-0. Motion carried.

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

Discussion/Action: Review of Customer Deposits. Last month the directors asked that Joni Roerdink contact our attorney regarding increasing the customer deposits. Joni received the response from Stephen Cooper, and he stated that we can revisit our policy and rates. We would need to pass a resolution and give notice to District members of the date the new policy will take effect. He recommended we give them at least 60 days' notice of any policy change which was discussed at the last meeting. He sent a copy of the regulations from the Arizona Corporation Commission Rule for Public Utilities. Under R14-2-603 states that Residential customer deposits shall be refunded within 30 days after 12 consecutive months of service without being delinquent in the payment of utility bills provided the utility may reestablish the deposit if the customer becomes delinquent in the payment of bills 3 or more times within a 12 consecutive month period.

R14-2-603 states the Residential customer deposits shall not exceed 2 times the average residential class bill.

R14-2-603 also states that the utility may review the customer's discharge after service has been established and adjust the deposit amount based upon the customer's actual discharge.

Based upon the recommendation of Stephen Cooper, we will mail out a letter of intent to all water customers informing them of the new policy change approximately 60 days before the policy becomes effective. If there is an increase to their deposit, it will automatically be added to their bill if they are late more than 3 times in a 12-month period.

Joni stated when we applied for our WIFA loans, WIFA specifically asked to see our policy regarding the handling of past due water bills and disconnects to insure we were in a position to meet our loan obligations.

It may also help resolve some issues of customers moving and not provided a forwarding address as well. That has happened several times over the past few years. Joni has been unable to track them down.

A Resolution will be drafted for the next board meeting. A letter of intent will be sent out about November 1, 2022.

Discussion/Action: ADEQ/Nitrate Treatment. The system was scheduled to be delivered about the third week of September. Joni Roerdink stated that Sue Scannella, with AdEdge, was out of town and didn't notify Joni of any shipping information. She did have limited email access while she was gone and did respond to Joni's email regarding the shipment. She stated that she would contact Joni after she got back into the office. She wasn't going to be in the office until 9/19/22. Joni did mention to her that at this time VGDWID still didn't have a general contractor nor had any work been started. Joni asked if it could be put off another two or three weeks if possible. Cauly Washburn asked if we would have to tarp it for protection and Joni stated that she thought we would. Joni will check to see if the system itself will fit in the existing garage.

Joni had to file for the SAM's number as mentioned at the last meeting. This number has to be issued before we can file for any USDA grants. To date, Joni hasn't received the number. There is no fee charged for this SAM's number. Joni received an incident report basically stating they have to identify who we are, including office address, etc. and verify the information. The application itself asked if we could provide documentation to prove our identity. Joni did submit all the documentation with the application. She believed it would be reviewed along with the submitted documents and a response would be sent. She still hasn't heard anything. It has been 3 weeks. Joni reached out to Tamara DeLeon to see if she has any contact information or can help in any way. The site itself is not user friendly, you can't ask any questions and there is no telephone number listed to call for assistance. Tamara asked if Joni had reached out to Debra Stewart, USDA, to see if she could assist. Joni told Tamara that Debra Stewart is the one that told VGDWID to file for the SAM's number. Tamara said to give it a few more days and not to bother Debra. Joni was told they would reach out via email.

Dina Miller spoke with Stephanie Diaz at ADEQ, and she said we should move forward with getting a proposal through the JOC program. We were given a couple of contractors that have worked with both ADEQ and WIFA and are familiar with their grant and funding process. Dina reached out to them, and we were given the name of Gordian who is the company that handles the JOC contracts. Gordian gave us the company name of SJ Anderson as the contractor. They have the most experience with water plants. They would like an onsite meeting. WestLand gave us the option of conducting the meeting with Jack and Joni or having WestLand meet with them. Joni spoke to Dina and there would have to be a change order because they would have to charge us if WestLand handled the site visit (they have already handled one site visit). The fees could be as much as \$2,000 or more. Dina said that Jack and Joni could handle it and she would walk us through everything that we needed. If she does it that way, she will not charge us her hourly rate. She also told Craig that she would not charge us for just her help. He was fine with it. Joni stated that she and Jack would handle the visit. Dina will provide all the information to the contractor they will need for the site visit. They will meet within the next week or so. Joni just needs to supply them with a few available dates and

time slots so the time can be set. Joni was told it could take up to 3 weeks for the proposal, but it would be good through the end of the year as long as they have a PO for it. As long as they have the PO by the end of 2022, there would not be a price change. Joni submitted the dates and times, and the site visit is scheduled for 9/22/22 at 12:00 pm. They have a meeting in Florence at 10:00 am the same day and will come out here immediately afterward. Gordian and SJ Anderson are well aware that it will be Jack and Joni at the site visit.

Stephanie Diaz reached out to Joni and asked for copies of both loans, copies of the OPC that we used for applying for the loans, freight charges, what the taxes would be (Joni told they were a government agency and exempt from Sales Tax), what has been paid to AdEdge and what the remaining funds available were to date. Joni supplied all of the information she requested and copied Linda Taunt. WestLand had reached out to Ellison Mills for the general contractor and one of their electrical engineers to get pricing for setting up the system. That is what was submitted for the OPC. Both Stephanie Diaz and Linda Taunt will have a leadership meeting within the next couple of days to review why the costs appear to have gone up so drastically and see what they can do to help us.

Discussion/Action: Well #1. No issues with Well #1.

Discussion/Action: Well #2. No issues with Well #2 or with the booster pumps.

Discussion/Action: Generator Maintenance Update. Terry Eickstaedt stated the generator has 503.7 hours on. The fuel level is at a full tank. There were no bees present but the weeds are coming back.

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

- Water bills were sent out on 9/3/22. Final notices were sent on 9/4/22.
- Disconnects are scheduled for 9/15/22. Past Due Amount: \$ 1,253.54 with 16 past due customers.
- We didn't have any disconnects in September.
- Joni also received a call from an existing customer interested in putting a new service line in at a property they own on Colt. She was told the installation would have to be paid in advance to even be placed on the wait list.
- Joni also had an individual call that mentioned he may be purchasing some lots and wanted information. He did go to our website because he was well aware of the starting rates and the nitrate issues. He asked if we were still working on the installation of the nitrate treatment system.
- Joni has been dealing with USDA, WIFA, ADEQ, Contractors, etc. correspondence and phone calls. The phone calls have been exhausting due to the high volume. Joni is training Krysten Ritchey to help with the billing to take some of the extra work away and to have a backup person familiar with the manager's responsibilities. Krysten is also creating an operation manual for the manager's responsibilities. That is something she does at her regular job as well.

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

- Coliform sample came back absent.
- Joni just received the Byproducts and lead and copper sample back. She hasn't had a chance to review them.
- Jack worked around the well site to clear some of the weeds.

- Jack also had to locate Blue Stake tickets.
- Jack will be taking nitrate samples again this month.

Discussion/Action: Meters/Installations/Reinstallations/Leaks/Repairs.

- We had an emergency leak on Pinto under a customer’s driveway. It was a leaking service line that didn’t go anywhere. Joni thought it was for the vacant lot next to the customer. Jack capped it. Many of those old service lines were installed before the houses were built. That is why we are hesitant about using lines that were installed over 45 years ago. New service lines are charged to the new customer. Repairs are paid by the water company and the expense is shared by all customers. We have had some individuals that don’t want to pay for a new service line, but we just can’t rely on the older lines. This emergency leak was approximately \$2,400 to repair and had to be absorbed by VGDWID.

Discussion/Action: Approve and Ratify Expenditures & Purchases. The Board reviewed the Expenditures and Purchases as submitted for August 2022. Cauty Washburn made a motion to approve and ratify the expenditures and purchases as written. Terry Eickstaedt seconded the motion. Vote unanimous 4-0. Motion carried.

Adjournment: The Agenda being completed; Allen Grant adjourned the meeting at 7:32 pm.

Date: _____

Bernie Vargas

Allen Grant

Ray Roerdink

Cauty Washburn

Terry Eickstaedt