



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

November 3, 2021 • Regular Meeting

Call to Order: Allen Grant called the meeting to order at 7:00 pm.

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

Discussion/Action Minutes: Minutes from the Regular Meeting on 9/1/21. A motion was made by Ray Roerdink to approve and ratify the minutes for the Regular Meeting held on 9/1/21 as written and seconded by Terry Eickstaedt. Vote unanimous 4-0. Motion carried.

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

Discussion/Action: ADEQ/Nitrate Treatment. We had some pre-application meetings, application meetings, etc. with Pinal County due to part of the WIFA package requiring us to get the air quality dust control permit. Pinal County came back with an entire list of items VGDWID would be required to have. One pre-application meeting was held with Pinal County and they had added additional items in addition to the air quality dust control permit. These items included but were not limited to: Filing for re-zoning of the well sites, additional drainage reviews, SWPPP (stormwater pollution prevention plan), NOI (Notice of Intent for Construction Activity Discharges), Geotechnical Report, full submittal for MPA (Electrical and Piping) reviews...there are no other counties in Arizona that request MPA for ADEQ approved projects except Pinal, plan changes for driveways, Impact fees, etc., all totaling thousands of dollars not included in the budget for this project. There are still items to be prepared by WestLand. The work completed to date for these additional requirements wasn't included in the initial engineering proposal total \$7,545. They are willing to wait a month or two before billing. Dina Miller and Craig Cannizzaro, WestLand Resources, are fighting for VGDWID and have informed Pinal County the nitrate system is addressing a health and safety issue. Pinal County kept addressing the issues as wastewater issues and WestLand kept insisting it is a water treatment system, not wastewater. WestLand has been fighting many of the additional requirements imposed by Pinal County. They challenged the zoning change and filed for the reversal of the rezoning. VGDWID will not be required to rezone. They have been able to

accomplish the reversal of the rezoning and PAD requirements saving VGDWID a minimum of \$4,778 in additional costs for mail outs, postage, advertising and drainage reviews as part of the rezoning. VGDWID will have to complete the drainage report. WestLand has also saved us \$1,282 for PAD review and lot combo requirement fee. Due to all the additional requirements and the initial requirement for rezoning, Dina had spoken with WIFA and explained the rezoning would extend the project 4-6 months (this was done before the reversal of the rezoning). WIFA stated VGDWID could “pause” the bidding process so VGDWID wouldn’t have to pay all the fees again and additional advertising expenses for the bidding process. The contractors wouldn’t have to pay the fees again and as a result the project was paused. Pinal County also wanted two paved parking spaces at the well site, one to be designated ADA. Dina explained this is an “unmanned site” and there is no office located at the site. Joni runs the office from her home. Pinal County reduced it to one parking spot with a gravel surface saving approximately \$5,000 in paving, stripping and signage contractor costs. Dina had a meeting with Air Quality and got the SWPPP requirement dropped and NOI from ADEQ dropped saving \$3,350. The Geotechnical report was dropped and saved VGDWID \$4,000-\$6,000. Pinal County reduced the “full submittal” to an MPA (Electrical and Piping) review. There will still be some work to do on this but not the full submittal usually required. There will also be additional costs for plan changes to show where the Inland Port driveway is and to skirt the requirement of driveways 30’ from the property line which would have cost \$1,000 because Pinal County wanted VGDWID to record an easement to itself for ingress/egress. Then the impact fees. Dina caught it on her impact sheet. She did additional research and questioned it. Since VGDWID is a government agency and a utility company, we are not subject to impact fees. We did get it in writing stating we wouldn’t be subject to the impact fees. Both Dina and Craig have been fighting to find us grant money to cover the increased costs. There is still additional work to be completed for Pinal County Approval which include:

- Coordination with Subconsultants to complete required reports
- Prepare Drainage and Grading plan sheets (2 sheets) per drainage report requirements
- Prepare comment response to Pinal County
- Package submittal documents and complete formal site approval application
- Submit to Pinal County
- Respond to one round of comments if needed, redesign is not included
- Update contract bid schedule to reflect new quantities and changes in work scope

The additional fees for the above-mentioned items still to be completed will be performed on a time-and materials basis not to exceed a budget of \$8,850. The total additional fees to be paid to WestLand for all the additional work is \$18,395. None of this was anticipated or required when we applied for our loan. Pinal County is requiring a drainage report \$35,590, Traffic analysis (we got away from that and just have to provide a traffic report \$3,882). Dina contacted the company handling the highway project and used what they had. There will be about \$2,000 for the two written easements by the land surveyor. There will be \$5,000 in Pinal County Review fees for the drainage report, traffic review and Administrative Review. Pinal County 1st Review will be about \$1,500, the MPE Permit fees are estimated at \$3,000, additional gravel for around the ponds estimate \$8,000 and Construction Contingency estimate \$85,000. Total additional costs are approximately \$160,367. Both Dina and Craig have been fighting and searching for possible grant money to cover the additional \$160,367. Dina contacted Linda Taunt at ADEQ. Joni had a conference call with Dina and Craig and was asked to reach out to Linda the next day. Dina drafted a memorandum summarizing the issues we have run into with Pinal County and the projected additional costs. Dina also stated in the memorandum that VGDWID has already paid out of pocket over \$35,000 to move the water

main that was in the way of the evaporation pond placement. Craig reviewed the memorandum and Dina then forwarded it to Joni for her review of the facts stated. Linda wanted a complete history of what has transpired since the start of the project. After approving the memorandum, it was submitted to Linda Taunt for her review and to discuss with Joni. WestLand has already written off over \$30,000 that they have not billed us just because they are fighting to help our small water company. Joni contacted Linda Taunt concerning the memorandum and stating our case and the need for additional funds. Linda didn't have a lot of time to review the memorandum due to the length of the document and asked for a few additional days. The memorandum was 22 pages long. Joni provided the answers for the additional questions and/or concerns that Linda Taunt asked about. Linda stated that they have money but part of it has already been set aside for other projects. Linda wanted to try and whittle down what Pinal County may be requiring. She wanted to speak to some of her colleagues on her team and she thought they may be able to help with about \$100,000. She would let Joni know after her review. We are currently just waiting for the response.

VGDWID also received the offer letter from Pinal County regarding the acquisition of the property for the Highway expansion. A copy of the offer letter was provided to all directors with a copy of the drawings. The directors reviewed both the offer letter and the drawings. The total square footage is 178.57 Square Feet @ \$21,500/AC for a total of \$88.00. Pinal County has also offered 1,500 Square Feet @ \$21,500 x 10% for a temporary construction easement for 12 months for a total of \$74.00. The subtotal is \$162.00 rounded to \$170.00.

There will have to be a drainage ditch along highway 87 and Houser to accommodate the runoff from the highway and to keep it away from our well site. The directors reviewed the drawings provided by Michelle Colby showing the areas affected.

Joni also had to confirm the location of the distribution lines and water main in the area of the temporary construction easement and provide a drawing to Michelle Colby, Senior Right of Way Agent, Consultant Engineering, Inc, for Pinal County. Jack confirmed the water lines in the temporary construction easement.

Joni Roerdink recommended to the directors that since this offer is a legal document, it should be reviewed by our attorney even though it is for a small amount. Joni had no idea how much he would charge us. The document has to be signed by the board chairman along with the Pinal County Board of Supervisors, the Deputy Clerk of the Board and the Deputy County Attorney.

The directors agreed it should be reviewed by the VGDWID attorney. A motion was made by Ray Roerdink and seconded by Terry Eickstaedt to have the attorney review the Offer to Purchase. If the attorney finds no issues and approves as written, Joni Roerdink was directed to have the offer signed by the Chairman and return as requested. Vote 4-0 motion carried.

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

Discussion/Action: Well #2. No issues with Well #2 or the booster pumps. Jack still has to replace the awning.

Discussion/Action: Generator Maintenance Update. Terry Eickstaedt stated the generator has 419.8 hours on. There is currently just above 1/2 tank of fuel and everything else looks good. No leaks. Joni will arrange for fuel to be provided before construction begins to avoid any complications accessing the generator. Everything else looks good.

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

- Water bills were sent out on 11/2/21. Final notices were sent on 11/2/21.
- Disconnects are scheduled for 11/12/21. Past Due Amount: \$2,977.40 with 21 past due customers. There was one disconnect in October for non-payment.
- Joni was unable to get a copy of the GWB bank statement for September because the board meeting was on 9/1/21. The statement wasn't available. Joni provided copies for September in addition to the October statement because we didn't have a meeting in October due to Covid.
- Joni may have to move money from GWB to cover the payment to Ellison Mills for the water main relocation payment.

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

- The normal monthly Coliform sample came back absent.
- The MAP Monitoring Assistance Program sampled the nitrates last month and Joni was not notified they were taking the sample. In prior years Joni was notified and met them over at the well site. Reports were filed immediately after Joni received notice from ADEQ for not filing the report timely.

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

- There were no meters replaced last month.
- Jack did have to do additional running of the compressor for the hydrotank and worked on the controls for the tank pressure.

Discussion/Action: Approve and Ratify Expenditures & Purchases. The Board reviewed the Expenditures and Purchases as submitted for September and October 2021. Cauy 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 7:52 pm.

Date: _____

Bernie Vargas

Allen Grant

Ray Roerdink

Cauy Washburn

Terry Eickstaedt