



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

June 17, 2020

Special Meeting

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

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

Open Hearing for Proposed Rates for Fiscal Year 2020/2021 and Proposed Budget for Fiscal Year 2020/2021.

Audience Discussion: Proposed Rates for Fiscal Year 2020/2021. No Audience in attendance. No discussion from the audience

Audience Discussion: Proposed Budget for Fiscal Year 2020/2021. No Audience in attendance. No discussion from the audience.

Close Hearing.

Call to the Audience: None present.

Discussion/Action: Proposed Rates July 1, 2020 through June 30, 2021. A motion was made by Ray Roerdink to approve the Proposed Rates July 1, 2020 through June 30, 2021 as written and posted under Legal Notices on 6/2/20 and 6/9/20 and seconded by Terry Eickstaedt. Vote unanimous 4-0. Motion Carried.

Discussion/Action: Proposed Budget July 1, 2020 through June 30, 2021. A motion was made by Cauly Washburn to approve the Proposed Budget July 1, 2020 through June 30, 2021 as written and posted under Legal Notices on 6/2/20 and 6/9/20 and seconded by Ray Roerdink. Vote unanimous 4-0. Motion Carried.

Adjournment: The Agenda being completed; Allen Grant adjourned the special meeting at 7:05 pm.

Date _____

Bernie Vargas

Allen Grant

Ray Roerdink

Cauy Washburn

Terry Eickstaedt



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Minutes

June 17, 2020 • Regular Meeting

Call to Order: Allen Grant called the meeting to order at 7:05 pm.

Directors Roll Call: Present were Allen Grant, Cauy Washburn, Terry Eickstaedt and Ray Roerdink. Bernie Vargas at 7:15 pm.

Discussion/Action Minutes: Minutes from May 27, 2020 Regular Meeting. A motion was made by Terry Eickstaedt to approve and ratify the minutes for the 5/27/20 Regular Meeting as written and seconded by Cauy Washburn. Vote unanimous 4-0. Motion carried. Bernie Vargas arrived at 7:15 pm.

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

Discussion/Action: ADEQ/Nitrate Treatment. Joni Roerdink received a summary of the three bids provided for the IX system from Scott McLeod (WestLand Resources). A copy was emailed to each of the directors for them to review and forward any questions to ask Scott. Scott had broken down each of the three systems and did a comparison with a recommendation. Scott mentioned he had spoken to Hennesy on a couple of occasions during the past two weeks. AdEdge was the most expensive based on their proposal. Dytec was about \$55,000 less than AdEdge and Hennesy Mechanical was about a third of the cost of AdEdge. When Scott had reviewed the information provided by Dytec, Scott didn't believe it would work for us because of additional costs not included such as the water softening, pH control and it requires a climate-controlled building. Therefore, it has not been considered, AdEdge needs a cover but doesn't have to be climate controlled. The evaporative pond for the low waste AdEdge system is much smaller (1/2 the size of the required pond for Dytec or Hennesy). Scott's recommendation is AdEdge.

After speaking with Hennesy and reviewing their quote, Scott stated the evaporative pond for Hennesy needs to be twice the size of AdEdge. This would require pumping the pond more often which will increase the maintenance costs. Scott's additional concerns are the controls and instrumentation for the Hennesy skid as well as materials used for construction. The control system provided will increase the annual O&M since it is the basic controls. More expensive controls can be installed but will increase the cost of the system. He is concerned about the quality of the materials of construction. The brine maker for each system is totally different in size. The AdEdge system was sized up to reduce the number of times the operator needs to put salt into the system approximately 6 times a year versus Hennesy would need to be completed weekly. Scott had asked about reject volumes and Hennesy couldn't provide those due to the uncertainty of the data provided by the manufacturer. Hennesy

doesn't do that kind of calculations. It was just stated the pond needs to be twice the size of the one for AdEdge.

The media and the salt will cost approximately the same on an annual basis. Hennesy would require bags of salt to be stored in a dry area and will have to be added on a regular basis (probably weekly). AdEdge system is a bulk process, is brought in on a semi and blown in approximately every 2 months. The approximate salt usage is 4 tons per month.

Initially Hennesy quoted a flow rate of 42gpm – 48.6 gpm as peak. Scott asked if it could handle 60 gpm and they verbally said yes. Scott still wanted some more system clarification and assurance regarding system sizing as appropriate in the volume of media, piping, brine making capacity, etc., but Hennesy hasn't responded yet. Scott feels that the operator would have to be onsite nearly every day.

Scott feels the instrumentation panel for AdEdge will require less onsite maintenance by the operator. The AdEdge skid is also self-contained. The backwash function for the Hennesy system is on a timer-based function or an operator set function, it is not based on the condition of the media. The AdEdge system self-adjusts. Terry Eickstaedt asked about the media. The media, if the system is properly maintained, should last about 5-6 years. The replacement cost at that time will be about \$25,000. The salt would be about 4 tons per month. So far this year due to the credit card usage and the cash deposits, the GWB account has grown to nearly \$30,000. That was the reason a specific line entry was added to the budget for GWB-Nitrate Treatment system so it will clearly identify we have the funds for the media and salt expenses when they arise. By doing so, we are still a year ahead of schedule.

Scott needs to have the board decide what system we are moving forward with before he can move forward with any design.

The board raised questions regarding what we as a water company requested from the vendors, i.e. "complete nitrate treatment system." This would include sheds if necessary, piping, controls, etc. The costs provided by the vendors only include their system. It doesn't include anything but their skid for the nitrate treatment system. The directors discussed the differences between the AdEdge system and the Hennesy system by line items mentioned in the explanation from Scott.

Ray Roerdink asked the question regarding how quickly we could get the quotes once a decision is made on the system. Joni stated that WestLand could move forward and request the information but ultimately it will depend upon the vendors and how quickly they respond. Are they fully staffed to be able to provide requested information due to Covid-19? That has been the issue for the past 90 days or so. After we get the cost of additional expenses, we can approach WIFA for additional funding amendment.

Ray Roerdink made a motion that VGDWID approve the AdEdge System as the vendor based on the answers that the board has directed Joni to send to Scott McLeod regarding whether the daily gallons treated can be increased and what the nitrate level will be after treatment from this system. Terry Eickstaedt seconded the motion. The vote will be telephonic after contacting Scott McLeod and getting his response. Vote 5-0.

Stephanie Diaz, ADEQ, contacted Joni Roerdink regarding an updated timeline. Both Joni and Scott estimate the end of the year. It will be determined by the system, how quickly we can get the quotes back and the loan approval by WIFA. Stephanie doesn't seem to think there will be

a problem with the Consent Order but she is still being told by the engineering desk that VGDWID doesn't have to file for an extension of the ATC. Joni is questioning the expiration of the ATC because "construction will not be completed with three years after the date construction begins" per their cited statute. Joni is asking for something in writing from them to confirm we aren't required to file for an extension. If we have to start all over again because we go past the deadline, we will be responsible for all the fees (i.e. lab, permits, etc.). I was told in 2017 the fees could exceed \$12,000. Stephanie said that she will contact them but everyone at ADEQ and WIFA are working remotely due to Covid-19. Stephanie stated that she will tell them we need something in writing confirming we won't need to file for an extension. Stephanie agrees we should have something in writing to protect VGDWID.

Discussion/Action: Well #1. Jack mentioned he had not had any issues with well #1.

Discussion/Action: Well #2. Jack hasn't had any issues with well #2.

Jack hasn't had any issues with the booster station this month.

Discussion/Action: Generator Maintenance Update. Terry Eickstaedt had checked the generator. There were 368.6 hours on it and all fluid levels were good. The fuel is just about 1/2 tank. There were no bees at the site and no other issues. Joni had contacted CG Fuel for pricing and delivery. She is just waiting for a response.

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

- Water bills were sent out on 6/1/20.
- Final notices were sent out on 6/1/20. There were 24 delinquent customers.
- All delinquent accounts were paid prior to the disconnect date except one. There was one disconnect in June.
- The Legal notices were published timely for the Special Rates and Budget Meeting.

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

- Nitrate sample was taken on 6/15/20 and came back at 17.4 mg/L.
- Coliform sample came back absent.

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

- During the month of June, Jack installed 2 meters and boxes. Jack was also called out on an emergency for a leak on VGDWID's side of the meter.
- Joni also received a call on 6/4/20 that there was a leak under the road on Colt Drive. Joni and Ray Roerdink went over to look at it. They couldn't find where it was percolating up through the asphalt at that time but Joni went over on 6/5/20 and found it. Jack called around and Ellison-Mills, who is the same company that just put in a new service line for us, quoted \$4,000. They came out and made the repair. They didn't have to tear up as much of the road as expected. We haven't received the bill yet. It has been repaired.
- We also requested a quote from Ellison-Mills for the hydrant on Stallion. The other quotes we had received for that job range from \$4,000-\$6,000. Ellison-Mills quote for the hydrant came back at \$2,250. Ray Roerdink made a motion to approve the Ellison-Mills Proposal dated 6/15/20 to remove the existing FH and install a 6" MJ Plug. Bernie Vargas seconded the motion. Vote 5-0. Vote unanimous. Joni also recommended that

we push the repair to after 6/30/20 so it will be in our next fiscal year. The board agreed.

Discussion/Action: Approve and Ratify Expenditures & Purchases. The Board reviewed the Expenditures and Purchases as submitted. Terry Eickstaedt made a motion to approve and ratify the expenditures and purchases as written. Cauly Washburn seconded the motion. Vote unanimous 5-0. Motion carried.

Adjournment: The Agenda being completed; Allen Grant adjourned the meeting at 8:48 pm.

Date _____

Bernie Vargas

Allen Grant

Ray Roerdink

Cauly Washburn

Terry Eickstaedt