

**MINUTES OF WORKING MEETING OF THE
CONCHO WASTEWATER IMPROVEMENT DISTRICT**

January 24, 2017

Call to Order was at 4:50pm. Meeting was held at the CWID/ Livco Water Co office.

Attending was Susan Maddock and Pat Murphy (by phone). Tracy Howard was absent due to illness. Jenni Wicks attended as Clerk and Manager. Bill Wilder and Matt Davis were attending for board discussions.

1. Approval on minutes for November 5, 2016 minutes
Murphy motioned to table the vote as he did not attend the Nov 5 meeting and Howard was not here to vote on it. Maddock seconded and all voted in favor to table the approval until the next meeting.
2. Oath of office for Ms. Howard was tabled until the next meeting when she could attend. Murphy motions, Maddock seconded, all voted in favor.
3. Discussion with Bill Wilder about possibly filling board opening: Murphy explained that he joined the Board at the inception of the District to help with the initial operation. Now that the Board is operating and he is happy with the status of the District, he would like to resign his position. The Board asked Bill Wilder about his background and if he was interested in filling the vacancy. Wilder said he moved to Concho a couple of months ago. He has 30 years' experience in the civil engineering field working for the state of California and other public agencies & utilities. He's worked as a highway inspector, soil engineer, and public works inspector. He has monitored and administered contracts and owned a business in concrete and pool construction.
Murphy asked Maddock if she had met Mr. Wilder before this meeting, which she had, and if she was comfortable voting in Mr Wilder now. Maddock felt that as a courtesy to Howard, they should wait until she could meet Mr. Wilder and vote at that time. The vote to replace Murphy with Wilder on the board will be added to the next meeting agenda.
4. The selection and vote on officers will be tabled until the next meeting when Howard can attend. Murphy motioned, Maddock seconded, all voted in favor.
5. Discussion of the POC (Point of Compliance) well. Wicks advised the Board that the POC well has been running dry since late last summer. The maintenance supervisor, Matt Davis, that he tested the well weekly in December and the pump was not pulling any water. He explained that this has happened one other time in the past and the well came back. The well has been affected like this since Salt River Project increased their well pumping a few years ago on a well about 2 miles away. Salt River has been approached by this but their reply was that we had to prove they were drying up our well even though we knew it only happened when they were pumping. SRP is too large of a company to try to fight on this issue. Maddock asked if SRP would advise of us of their pumping schedule and Davis said they would not because that would be admitting they were affecting our well.
Davis said that the quarterly reports to ADEQ will be sent with the note that the well was dry. ADEQ will eventually come back to CWID to state how they want CWID to proceed. This process could take a few quarters of "dry well" report or even a few years. ADEQ may want the well deepened or moved. As the well is not very deep or large, the expense for drilling should not be a project that will be above the current repair budget.
6. Discussion of status of the plant and scheduled repairs: the manager stated that the controls are installed on Lift #2. One pump is still not working and needs to be pulled with the fittings inspected. The controls on the Old Concho (#1) lift station is in the process of being straightened out. The gravel underneath the stand has eroded away and Davis has been hauling gravel there to fill it up. The job should be done shortly.
7. Wicks reported that the two bids for the manholes were \$20,180 (Rawlings) and \$23,000 (Metal Mayhem) from two different contractors. There are no many local contractors that can do the work. Rawlings does the work for the City of Show Low and he suggested a polymer concrete manhole with a 50 year warranty. Metal Mayhem would use a cement manhole with a coating sprayed inside. Rawlings said that the coatings have not been lasting more than 5-10 years which is why the polymer manhole is better. Metal Mayhem is just starting up in this type of business and does not seem to have a lot of experience replacing manholes. Rawlings stated there could be some savings if we order a manhole at the same time that Show Low orders theirs so we could save on shipping costs. Both companies were working on some details to see if they could lower the installation costs.

Murphy asked how much of a priority this repair is and Davis said that this was the #1 priority on the original engineering report when the District was created. Wicks said that the District has enough funds to pay for the manhole repair or CWID could get a 2-3 loan to pay for it. The decision on the funding for the manhole could wait until the next board meeting. Murphy asked how much of the installation was labor costs in case the manhole had to be replaced under

warranty. Wicks said she didn't know. Murphy stated it probably wasn't that important at this point. There was no discussion on the lift station repairs as per the agenda.

8. Wicks told the board that she is still waiting for estimates on the electrical work that needs to be done on some of the lift stations. She requested from the Board if Carlson & Sons could be designated as a Preferred Vendor so that she did not have to search for estimates from different companies as there is a very limited amount of local companies that do lift state work. Wicks has worked with Carlson and Sons for 17 years. They have always treated the water company and sewer company fairly and when multiple estimates were received, theirs were always equal or less than other estimates. Wicks also stated Carlson has come under the estimate and passed on the savings. Having a Preferred Vendor will also save time getting estimates for repairs. Murphy and Maddock agreed that Carlson could be a Preferred Vendor if there is a cap on the expected cost to make the repair. Murphy suggested \$10,000 cap but Wicks requested a \$15,000 cap as that would cover most pumps and control equipment. This cap is only for getting estimates without a competing bid with the Board still making the final decision to go ahead with the repair or to ask for a second estimate. Wicks was instructed to treat Carlson & Sons as a Preferred Vendor for repairs up to \$15,000.
9. Discussion of financials: Wicks reported that there are 30 customers (no change from November). Tax revenue is slightly down from last year at this point on a percentage basis: 49% this year, 52% last year. Expenses for halfway through the fiscal year is approximately as projected and in many cases a little lower than projected. Income from user fees is above the projected amount for 6 months. CWID did not get any loans as projected so far to cover the repairs. The estimate of \$3000 for pulling the pump on Lift #2 is just a guess as we are still waiting for Carlson. Currently, Wicks projects about \$33,000 in the emergency fund at the end of the fiscal year with no repairs including the manhole. Last year CWID had \$16,000 in the fund and the end of the fiscal year.
10. Discussion of acquiring loans was tabled until the next meeting.
11. A request for a discussion by Maddock concerning requiring a landowner who is requesting a sewer hookup to show a proof of a county approved building permit before a permit is issued to connect to the sewer system. Wicks had researched with the attorney who said it is normally not the District's responsibility to require building permits but the District can require this if the Board wants it. She also stated that the water company does not require this. Maddock said that the electric company recently started requiring a building permit and she felt the District should also to help control campers and temporary housing coming in to the area. Murphy agreed that this could be added to the rules of the District. Wicks will add this issue to the agenda of the meetings when the budgets and regulations are reviewed and revised in the spring.
12. The next public meeting date will be February 28, 2017 at the CWID/Livco office at 4:30pm.
13. Murphy motioned to adjourn. Maddock seconded. All voted in favor of adjourning at 6:08pm.

Dated this 1st day of February, 2017

CONCHO WASTEWATER IMPROVEMENT DISTRICT



Jenni Wicks, Clerk