

**FOREST LAKES DOMESTIC WATER IMPROVEMENT DISTRICT**  
**WORK SESSION**  
**May 17, 2018**

The Forest Lakes DWID Work Session was called to order by Chairman Lou St. Germain at 10:00 am at The Water District Office. Present were Board Members: Mary Hume, Sally Rottier, Ray Grimmatt and Paul Studer. Staff Members present was Grant Cooper and Amy Belch.

**1. Discussion of Consumer Confidence Report**

Mr. Cooper reports that on AZdeq.gov website it will show a monitoring violation because of the post office well being off line but FLDWID took action as soon as it was back online. Ms. Belch spoke with Ms. Olsen from ADEQ and she stated we did not have to show the violations on the CCR. Ms. Belch will post CCR in local newspaper, website, have copies at the local stores, and copies in the water office. Mr. Cooper reports the arsenic went up .01 from 2016. Sounding of the Y2K and post office well was in 2016-2017. Ms. Belch will delete the sections that do not apply to FLDWID prior to submitting to ADEQ.

**2. Discussion of Preliminary Budget for 2018-2019**

Mr. Studer reports 2 years ago FLDWID was paying 15K for the coalition fee and this year we are estimated to pay almost 30K. Mr. Studer suggest calling Brown and Brown law office and suggesting a 1% deduction or one flat fee per month. Ms. Hume suggest maybe looking into opting out of the coalition. Mr. St. Germain does not want to opt out because of the 2 wells that are located on Forest Service property. Mr. St. Germain states the trials are beginning in the next couple months. Mr. St. Germain suggest contacting Brown and Brown and see what options FLDWID has besides opting out. The majority of the board consensus is the price of coalition is just going to keep going up and when does FLDWID say enough is enough.

**3. Discussion of Preliminary Budget for Fiscal Year 2018 – 2019**

Mr. Studer reports on the preliminary budget for water usage staying conservative with \$63K, adeq map fee is a pass through number at \$2774, property tax revenue is pending per county, wage's is at \$163K with deferred comp at \$24,500 for the remaining vacation time and the time accrued during 2018 – 2019. Liability insurance \$21k, \$20K for coalition depending on outcome with Mr. Brown. Computer support \$6,900, Scada \$6K which is down \$6K from 2016-2017 budget, electricity Mr. Cooper wants to hold at \$40K, telephone the same at \$5200, bank charges \$2900 because of the contract until March 2019, tank maintenance \$15K, and sales tax is a pass through number at \$26K. Capital outlay showing funds for the main trunk line project in 2018 – 2019. \$80K approved in 2017-2018 budget which \$30K of it has been paid. Equipment replacement \$0, operating reserve \$52K, capital reserve \$0, capital reserve target meters \$0, and capital reserve for well improvement \$0.

Mr. Studer reports if FLDWID does go out for a credit line it would be for emergency only, not to fund the project. Mr. Studer states the project is 10,500 feet of water line to upgrade totaling \$682,500.

**4. Discussion of Line of Credit**

Mr. Studer reports 3 months of operations cost \$143,000 if the Board votes to have a line of credit Mr. Studer recommends \$200k or higher. Mr. St. Germain recommends Ms. Belch get with both banks and find out details. Mr. Grimmatt suggest if FLDWID were to obtain a credit line that it not be used unless every board member is a yay when it comes to using it. Mr. Cooper agrees.


**5. Discussion of Master Plan Review**

Mr. Studer states on page 8 in master plan to leave 5 year plan as is until County Approval.

Mr. Lou St. Germain Closed meeting at 11:30 am.

Forest Lakes DWID  
Minutes by: Amy Belch

  
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Lou St. Germain, Chairman of the Board

  
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Sally Rottier, Secretary

6-21-2018  
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Date