

**FOREST LAKES DOMESTIC WATER IMPROVEMENT DISTRICT
WORK SESSION**

June 16, 2016

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: Paul Studer, Sally Rottier, Mary Hume, and Ray Grimmatt. Staff Members present were Grant Cooper and Amy Belch.

1. Discussion of Budget for Fiscal Year 2016/2017

Mr. Studer brought to the attention of the other Board Members, out of 875 customers 18 customers are on Stand By only paying \$15.23 per month which lowered Unmetered Sales to \$287,952 from \$294,000. Mr. Cooper suggest phasing out Stand By Service. Mr. Studer reports \$3144 spent on the Health Insurance for Blue Cross Blue Shield effective July 1, 2016. Budget for Fiscal year 2016/2017 Insurance cost \$40,000. Wages suggested at \$155,000 for payroll with additional \$10K for overtime and summer time help if needed. Mr. Studer suggest holding Attorney's fee at \$3000.00. Engineering Fees change to Engineering Fees – SCADA budget of \$8K. Propane reduced to \$2500 with a credit of \$500 with Quality Fuels Propane. Mr. Studer suggest reducing Office Supplies to \$3K from \$6K and keeping Computer Supplies at \$1500.00. Travel suggested by Mr. Studer to stay the same at \$11,500. Mr. Studer suggest \$160K for next project in the 5 year plan. \$143K for Operation Reserve, Capital Reserve \$50K, and \$40K for Target Meters. Mr. Studer projects Revenue at \$1,221,529 and Expenses at \$1,221,529.

2. Discussion of Forest Service Contract

Mr. Cooper reports he spoke with Ms. Deborah at the Forest Service and she is aware the contract between FLDWID and Forest Service has expired. Ms. Deborah stated Forest Service Geologist is extremely busy this time of season to come out to FLDWID therefore the contract that expired in 2007, Forest Service is treating like an active contract. Ms. Deborah states it will be a simple re-issue rather than a whole new permit since the records prove FLDWID has paid continuously for use and annual inspections.

3. Discussion of Elk Dr. Project for Award Contractor Bid and Parts Bid

Mr. Cooper received the awarded contractor and material supplier from Tetra Tech to be approved by FLDWID Board Members in regular board meeting. Mr. Cooper reports contactor bids from Buck Mountain was \$211,565, Rock Country was \$177,500, EW Parker was \$295,323, Tiffany Construction was \$232,413 and Apache Underground and Excavating was \$141,173. Awarding the bid to Apache Underground and Excavating for the most responsible. Material supply bids from Farnsworth was \$49,201, Ferguson was 46,234, and Dana Kepner Co. was 44,813.93. Awarding the bid to Dana Kepner Co. for the most responsible.

4. Discussion of Snow Well Arsenic Treatment

Mr. Cooper reports in 2006 the Snow Well was off line do to arsenic levels. In 2012 the Snow Well arsenic treatment plant was installed and completed June 2014. In 2015 Snow Well started producing particles in the filter from the down pipes. In November/December 2015 Snow Well was taken off line to fix pipe problem. The end of December 2015 Snow Well was repaired and producing water. Mr. Cooper states 1st Quarter ADEQ reports 3 ppb, 2nd Quarter ADEQ reports 100 ppb, April 2016 ADEQ reports 80 ppb, and May 2016 ADEQ reports 50 ppb. Mr. Cooper has pumped Snow Well for a couple months and as of today the Snow Well shows no trace of arsenic. Mr. Cooper will submit the findings to ADEQ for testing.

5. Discussion of CCR Report

Mr. Cooper states Ms. Belch worked with Ms. Blackburn from ADEQ on the CCR report. Ms. Belch has completed report and will submit to ADEQ upon board approval. Once board approves CCR report Ms. Belch will publish it on FLDWID website and have Copies in office.

6. Discussion of Selling FLDWID Property off Wildcat

Mr. Cooper reports that in the past he was told FLDWID purchased the property off Wildcat for 150K and after reviewing Coconino County Accessors website the property was purchased for \$107K. Mr. Cooper recommends holding on to the property. Mr. Cooper reports 50K was put into the property for arsenic testing. Mr. Studer recommendation is to sale property. Mr. St. Germain disagrees with the sale of the property. Mr. Grimmatt agrees with Mr. Studer to sale the property. Ms. Hume does not see any creditable reason to sale the property at this time.

7. Discussion of Credit Limit with National Bank of Arizona

Mr. Cooper suggest increasing the National Bank of Arizona credit card to \$50k. Mr. Cooper recommends his limit \$2000.00 and Mr. St. Germain limit \$2000.00 leaving \$46K for administrative to pay bills by credit card to receive more points for a larger return. Mr. Cooper states upon board approval Ms. Belch will turn in application and approval time by National Bank of Arizona is approximately 48 hours.

8. Discussion of Master Plan

Mr. Studer refers to Page 8 in Master Plan, change the engineering for Vacation Drive Project to 2017-2018 fiscal year and pushing project out until 2018-2019 fiscal year. Mr. St. Germain suggest to add line item for Forest Service contact on page 17. Mr. St. Germain recommends changing Pg. 14 to read FLDWID will conduct an internal audit with CPA closing the Fiscal year financials.

9. Discussion of Policy and Procedures

Ms. Belch changed Policy and Procedure on Page 5 under Health Insurance to read FLDWID will cover Full-time employees at 40 hours a week for Health Insurance and immediate family members. FLDWID employees will be eligible for Dental and Vision excluding family members.

Mr. Lou St. Germain Closed meeting at 11:24 am.

Forest Lakes DWID
Minutes by: Amy Belch
Minutes approved: FLDWID

Lou St. Germain, Chairman

Sally Rottier, Secretary

Date