

Minutes, Green Valley Water District

March 21, 2019

1. Call to Order at 9:30 AM by Chair E. Sullwold

Roll Call: Clerk of the Board

Board Present: Patricia Carlstad

Michael Cochran

Robert Hedden

Eric Sullwold

Board Absent: Darlene Hollingsworth

A quorum was announced

2. Approval of February 24, 2019 Board minutes_v2

A motion was called for to approve the February 24 Board minutes_V2

I move to approve the January 24, 2019 Board Minutes_ V2 as presented.

Move: P. Carlstad 2nd: M. Cochran Approved: 4/0

3. Recognition of Mike Brady:

On Friday, Mike passed his Distribution level 3 operator exam. He is the first to achieve this designation. He is now a Distribution 3, Treatment 2 level operator. The Board expressed their appreciation of all his effort.

4. **Chair report: E. Sullwold** att 1

- The chair attended the Green Valley Council meeting and heard a report on water issues regarding quality, supply and sustainability. A survey is being sent out to Green Valley residents to assess their concern about water.
- R. Weisgarber has agreed to serve on both the Finance and Personnel committees. A call was made for a motion.

I move to appoint R. Weisgarber to serve on both the Finance and Personnel Committees.

Move: P. Carlstad 2nd: M. Cochran Approved: 4/0

- The Technical Committee is moving forward in finalizing the scope of work required for Well #1 Replacement.
- There was a small gasoline spill recorded in 1992 around the tank for the Maintenance Facility further investigation is being conducted by Terracon to see if there is any need for further remediation. The land survey is ongoing and expected completion is the end of March. All legal work is on hold until these issues are resolved.

- The Finance Committee is starting the Budget process for the 2019-2020 Fiscal Year. It is tasked with managing the increased expense with regard to the Maintenance Building as we purchase and remodel to fit the District requirements. Also being reviewed are the Capital Projects and the cost of those projects to the budget.
- A discussion of funding for the replacement well will start as soon as the Technical Committee has finalized the scope of work and plans. WIFA will be invited to meet with the Finance Committee at the April committee meeting.
- The Personnel Committee continues to work on a revised Employee Manual and the Employee pay schedules for the District.
- With all the projects expected in the next three months, it will be very busy for the Board.

5. General Business: discussion and action on:

A. DM Reports: D. Duffy

- Operation Report Att. 2
 - Administration: The changes in employee benefits announced last month will become effective April 1.
 - Operations/Maintenance: All (current and correct) well and booster information is being entered into a single document that will become part of the Emergency Operations Plan. The expected completion date is March 31.

From 2-22-19 to 3-4-19 there were 70 work orders and 8 blue stake requests

- Construction/Capital

Ashton Company

Completed all the 12-inch pipeline.	3200 lf
Completed all the 8-inch pipeline.	7305 lf
Completed all the 6-inch pipeline.	75 lf
1-2" copper service	1 lf

The District is still waiting for Ashton to provide information for GVWD's requirement for a 2 yr warranty covering materials and workmanship on the installed pipeline.

ADOT has applied for water service and the payment for the water meter was received 3/14/19. The meter will be installed Monday, 3/18/19 but will be locked pending a successful backflow prevention test and the warranty agreement.

- District Capital Work: One valve was replaced, and one fire hydrant was repaired. During February
- Financial Report: Att.3 The January Billing financials were discussed in detail in the Finance Committee. Variations noted by DM were ADOT to request a budget increase to cover inspection services since the project is running so far behind schedule; the February and March invoices are expected to be paid in at the same time.

The March inspection billing total was \$3122.46, the laboratory testing invoice total was \$422.40. both invoices were mailed March 7, 2019.

- Meetings:

March 1: Both Lora and Dara volunteered at the Sahuarita Water Festival where we led groups of 4th graders through a curriculum about ground water.

March 8: Bob and Dara met with representatives from ADOT in Tucson to discuss the Warranty bond issue. Mike Rigby has been trying to coordinate a meeting between the District and Ashton to hammer out a 'warranty agreement' rather than a bond so the project can be accepted.

March 13: The DM attended USCPUG meeting at the FICO office; nothing to report by any members.

- Task list report: R. Hedden noted that the emphasis has been on establishing operating procedures. This project is mostly done but the expectation is it will be completed by the end of March. The Board agrees that this has been a great tool.

B. Technical Advisory Committee: R. Hedden

1. Canoa Rest Area Pipeline

- a. The pipeline has been completely installed and passed the tests for pressure and "bacti"
- b. ADOT has submitted both the service application form and required \$5,000 deposit.
- c. A meter is being installed on the 18th; but will remain locked until ADOT and Ashton have completed all the requirements as outlined in Exhibit C on ADOT Contract # 3633-16 GVWD
- d. R. Hedden and Dara met with representatives from ADOT and Ashton to discuss how to structure the two (2) year, Warranty requirement per Exhibit C in ADOT Contract #3316-16 GVWD. The basic agreement includes GVWD Line Extension Agreement components. The major GVWD concern is "what happens if Ashton cannot respond to a major maintenance problem within GVWD timeline requirements". The proposed agreement includes Ashton maintaining a \$25,000 deposit with GVWD or establishing a bond for the two (2) year Warranty requirement. Both Ashton and the ADOT representatives requested time to evaluate the proposed agreement. Parties to meet again on March 28th to finalize.

2. Block 36 Interconnection Project

- a. Farmers Water is still assessing how to proceed with the project and respond to WLB Groups proposed study to determine a suitable site within Farmers service area to install the interconnection.
- b. It was recommended to John McKinney that Farmers and GVWD proceed with the study to determine the interconnection site and the design of the interconnection. All this work has been included in both Farmers and GVWD's current Capital Budget.
- c. Farmers is struggling with the total cost of the project before wanting to commit to the study portion of the project.

3. Well #1 Project

- a. Not much has been accomplished since the Feb. Tech Comm meeting.
- b. Stantec has been contacted to up-date both theirs and Clear Creeks final engineering proposal. The expectation is to receive the up-dated proposals by Friday March 22nd.
- c. The goal is to have a contract with Stantec in place by mid-April. The cost of the contract for both Stantec and Clear Creek will be approximately \$170,000.
- d. The first item to discuss once the contract is in place will be the location of the new well. GVWD has received recommendations from both Stantec and well drillers for possible locations. Primary emphasis will be on area need for the initial installation; but just as important is to have adequate area to maintain the site after installation.

4. Purchase of the Canoa Hills GC Maintenance Bldg.

- a. The property Appraisal is complete
- b. The Environmental Phase I Report is in the process of being completed. The expectation is to receive the report by Friday March 22nd. The report to indicate impact of Environmental issue associated with a fuel spill in 1992. This report will also note there isn't an asbestos issue with the floor tile. Finally, the report will indicate under what circumstances a Phase II evaluation incorporating current EPA standards might be necessary as it pertains to the 1992 fuel spill.
- c. The property survey contract has been issued to WLB Group. The survey will not start until title for the property is received. The current owner has indicated they will provide the title once \$30,000 is placed in escrow.
- d. The property purchase contract and an access easement associated with the property is currently being reviewed by GVWD's Attorneys.
- e. The current property owner needs to remove all their items from the building before purchase of the building is completed.
- f. GVWD will start to finalize the office and maintenance area renovation layout once the building is owned by GVWD. The current intent is to have an architect develop the renovation plans to give contractors to bid on.
- g. GVWD will start the RFQ for contractors once GVWD owns the building. This project needs to be advertised by publishing in the Tucson Territorial per statute 34-603. Dara will check with Pima County since it's possible the County has already vetted several local contractors thus eliminating the need for GVWD to do the same.

C. Finance Advisory Committee: E. Sullwold

1. Review of February 2019 Financials

- a. Gallons pumped are down 8.2 million gallons year over year
- b. Residential down 2.3 million gallons year over year
- c. Golf courses down 7.6 million gallons year over year
- d. Expecting to see increases over the next four (4) months as the weather warms up.

- e. .5 million gallons used to flush the new line to the ADOT Rest Stop.
- f. Misc. income is from sale of water and inspection of the new line to Rest Stop.

2. Budget discussion

- a. District Manager (DM) reported on budget
 - i. Employee salaries include overtime and pay raise.
 - ii. DM will work out pay raises based upon last year's work by the personnel committee.
 - iii. Employee benefits went down slightly.
 - iv. Raised Maintenance – Supply Mains to \$100,000.00 so that the budget shows the expense for repair of system rather than capital expense.
 - v. Cut Office rent to \$12,300.00 with purchase of Maintenance Bldg.
 - vi. Cut Storage Unit rent to \$720.00.
 - vii. Increased capital projects to \$420,000.00 to include remodel of Maintenance Bldg.

3. Maintenance Bldg. update was covered under the Technical report.

4. Establish an Ad-Hoc Committee of District Manager, Administrative Manager, Financial Committee Member Ray Weisgarber and GVDWID Board Chair Eric Sullwold to meet with the two banks the District currently does business to find ways to receive better terms and income from the District funds held in each bank.

5. WIFA will be invited to attend the April 22, 2019 Finance Committee meeting.

6. The DM presented a draft of the Capital vs Expense policy. After discussion, the DM will make some revisions and present it again to the Finance Committee.

D. Personnel Advisory Committee: Pat Carlstad

1. Review of proposed Job Performance Review (JPR) form for annual reviews.

- The new JPR was discussed and census was reached that the District Manager will use this new form.
- JPR will be completed for all employees of the District prior to June 30 of each year, timing to coincide with the end of the fiscal year and the beginning of the new year, typically when pay raises are distributed.

2. Discussion of employee annual salary increases.

- The committee reviewed the methodology used for the 2018-2019 salary increases.
- The District Manager agreed that strictly using a single percentage increase widened the pay disparity and is prepared to handle this going forward.

3. The Committee discussed the value of giving employees a "Statement of Employee Value" which will highlight the amounts contributed by the District for such items as:

a. Retirement

- b. Medical Insurance
- c. Dental Insurance
- d. Life & AD&D
- e. District Vehicle including the value, insurance and gas
- f. Any other items of value

The District Manager will develop such statement and present at the next committee meeting.

4. Personnel Action Form

The committee reviewed the form and the District Manager will update and present at the next committee meeting.

5. Review of proposed updates to the Employee Manual:

The committee completed sections 1 through 3. Sections 4 through 7 will be reviewed at the next committee meeting.

6. The Committee Chair presented the draft of the Employee Longevity Award Policy. After discussion a motion was called for.

I move to accept the Employee Longevity Award Policy as presented today and include this policy in the Employee's Manual.

Move: M. Cochran 2nd: R. Hedden Approved: 4/0

6. Call to the Public: There was no response.

7. Announcements:

- The next Tech and Financial committee meetings are April 22, at 8 and 9 AM respectively.
- The next Board meeting is April 25, 2019 at 9:30 AM
- The date of the Public Hearing has been changed to Thursday, June 13, 2019 at 9 AM. The Board meeting will follow immediately after. We will need a quorum at this meeting.

8. Executive session: None held

9. Adjournment:

I move to adjourn.

Move: R. Hedden 2nd: M. Cochran Approved: 4/0

The meeting was adjourned at 11:25

Minutes approved March 21, 2019

GREEN VALLEY DOMESTIC

WATER IMPROVEMENT DISTRICT

By Karen Thornton

Karen Thornton, Clerk of the Board



Eric Sullwold, Chair