

**MINUTES OF THE UTILITIES BOARD MEETING
OF THE
TOWN OF EAGAR, ARIZONA
October 2, 2007**

BOARD MEMBERS PRESENT: Kim Holaway, Chairman – Council Member
Bill Greenwood, Town Manager
Elwin Browning, Public Works Administrator
Milt Nelson, Water Utility and Wastewater Department
Rick Pinckard, Finance Administrator
Dennis Bigelow, Citizen Member
Marion Wiltbank, Staff

ABSENT: Steven Heap, Citizen Member

GUEST: Stephanie Finch

1. CALL TO ORDER

Chairman Kim Holaway called the meeting of the Utilities Board to order at 12:05 p.m.

2. CALL TO THE PUBLIC

Pursuant to public notice of the meeting, there was a call to the public. No public was present.

3. REVIEW OF MINUTES OF PREVIOUS MEETING

1. APPROVAL OF THE SEPTEMBER MINUTES OF THE UTILITIES BOARD

Finance Administrator Rick Pinckard motioned to approve minutes of September 10, 2007, as written. Seconded by Dennis Bigelow; all were in favor, motion carried.

4. IMPACT FEES

1. IMPACT FEE COLLECTIONS AND UTILIZATION HISTORY

Finance Administrator Rick Pinckard said that the Impact Fee Collection was being used at this time to pay off a loan for improvements. Public Works Administrator Elwin Browning asked if the Community Development Department was giving impact fees instead of sewer agreements. Town Manager Bill Greenwood told him they were. Mr. Pinckard said to bring back this agenda item to November meeting and he would have more information.

5. REPORTS

A. WATER DEPARTMENT REPORT

1. Current Projects and Estimated Costs

Finance Administrator Rick Pinckard reported that Butler Street project had started. The cost would be \$200,000 to \$250,000 from 4th Avenue south to Central on Butler Street. Public Works

Administrator Elwin Browning said that they had sent in a permit to the State to cut across Central instead of having to bore under the street, which would cost \$20,000 more.

2. Projected Projects and Estimated Costs

Other projects were funded through WIFA. In spring (around February) will get funding to do more projects. Water Utility and Wastewater Dept. - Milt Nelson said to include Kennedy Well in it. Finance Administrator Rick Pinckard said that January 1st the Town would owe \$36,000. Between now and January 1st the Town will pay \$72,000 for the Kennedy well. Public Works Administrator Elwin Browning said the water line coming off that Kennedy Well will tie in on 5th Avenue and Alta Vista. First payment is from operating expenses and 2nd payment is from WIFA. Board said to bring back the Kennedy Well at the November meeting.

B. WASTEWATER DEPARTMENT REPORT

1. Current Projects and Estimated Costs

Finance Administrator Rick Pinckard said that Public Works completed quite a few projects. WIFA loan will be available in fall 2008 and the Utilities Board will decide which projects to develop first based on priorities. The Town does not want to spend money for sewer lines in areas that won't be developed in the near future.

2. Projected Projects and Estimated Costs

Finance Administrator Rick Pinckard said the Town would be doing street maintenance the next few years. The Town has applied for a 3 million dollar loan, to be used in a 4-year period. The Town is experiencing a lot of growth right now. When citizens put in septic systems it is of no benefit to the Town.

3. Discussion and Consideration of Wastewater Rates for Multiple Housing Units

Finance Administrator Rick Pinckard said he liked the base rate and the additional charge per unit. Chairman Kim Holaway asked if changing the rate and amounts would be hard on the water department staff or if computers could do the work. Rick told her the computers could calculate the base and any additional charges. Dennis Bigelow asked about charging for unoccupied apartments or units. Rick said with a flat rate we take in consideration the fact that they are not always occupied. Chairman Kim Holaway said to take out the word occupied, just charge a flat rate per unit.

Finance Administrator Rick Pinckard said that some municipalities have a turn off charge. Show Low charges \$400.00, because they still have to provide services. The Town could charge a seasonal turn off of \$200.00. It is something we might want to consider. Water Utility and Wastewater Dept.- Milt Nelson pointed out that you still have to pay for electric if you are gone.

Stephanie Finch, Water Department Supervisor, said that the Town flags it (turn off) but we keep reading it and charge \$16.37 to turn it back on. Stephanie had heard from a customer who stays in

Sedona in the winter that Sedona charges \$300.00 to hook it back up. Sedona does not charge to disconnect. Majority of people just pay. The water department always calls the customer if they notice there is usage and it is a flagged account. The water department checks it out and sometimes there is a leak or the residents just came back for a few days. If the water has not been used for longer than a year the cost to turn it back on is \$32.73.

Finance Administrator Rick Pinckard said that Show Low has different base rates; they do a different base rate for different groups. For example laundry mats have one base rate and apartments another, to be the most fair. Chairman Kim Holaway said to look at commercial strengths (of what goes into our sewer) - normal to high strengths. Rick said don't make a decision today so we can work out what is needed and bring it back next month. Rick wants the board to give him all their ideas on it by October 29th and he will compile the materials.

4. Springerville-Eagar Effluent Project Update

Water Utility and Wastewater Dept.- Milt Nelson said that Arizona Dept. of Environmental Quality (ADEQ) had sent a letter of items they wanted Springerville to submit. ADEQ does not want Milt to start pumping until everything is settled. Eagar is finished with what ADEQ has requested. Dennis Bigelow asked if Springerville needed assistance to complete the ADEQ requirements. He asked how can we help them? Town Manager Bill Greenwood said our town has helped Springerville with mapping, GPS and other requirements. Milt Nelson said Springerville has 60 days to complete the ADEQ requirements. Milt Nelson said he would help Springerville where needed. Chairman Kim Holaway said to bring this agenda item back next month.

C. PUBLIC WORKS / ADMINISTRATIVE FACILITY REPORT

Administrator Rick Pinckard stated that the Town was starting to use the CDBG money on Butler Street. Public Works Administrator Elwin Browning said that the roads down at the golf course entryway were designed wrong. The roads were engineered and built to Phoenix standards. Chairman Kim Holaway said to put roads on the agenda for next month.

D. OTHER DEPARTMENT REPORTS

1. Discussion and Consideration of a Department of Commerce Grant – Alternative Energy Sources

Chairman Kim Holaway said that in the Grant the Town could ask for \$15,000 but she wrote it for \$13,500. The Town would lease the tower from Navopache Electric Cooperative, NAU will install the tower and analyze the information from it for a year. Three weeks ago Town Manager Bill Greenwood and Chairman Holaway met with Navopache to discuss how the wind generated power will get to the grid.

Bill Greenwood discussed electricity credit that the Town will receive from Navopache. It can be a credit on the electricity bill though the Town will probably use it. A board will decide how power

will be split between communities. Our Town conserves energy, so we should not be docked for lower usage. Population should be the deciding factor.

6. NEXT MEETING

Next meeting will be held on Monday, November 5, 2007 at 12:00 p.m.

7. ADJOURNMENT

There being no further business to come before the Board, Dennis Bigelow moved to adjourn the meeting at 1:20 p.m. Seconded by Rick Pinckard; all were in favor.

Chair Kim Holaway