

DRAFT

MINUTES OF THE REGULAR MEETING TOWN COUNCIL WATER AND UTILITIES SUBCOMMITTEE TOWN OF CHINO VALLEY

**MONDAY, FEBRUARY 12, 2024
3:30 P.M.**

**CHINO VALLEY COUNCIL CHAMBERS
202 N. STATE ROUTE 89, CHINO VALLEY, AZ**

Present: Councilmember John McCafferty; Councilmember Sherri Phillips
Absent: Councilmember Eric Granillo
Staff Present: Frank Marbury, Public Works Director/Town Engineer; Jesse Holyfield, Utilities Manager; Mark Holmes, Water Consultant

1) CALL TO ORDER

Councilmember McCafferty called the meeting to order at 3:30 p.m.

2) ROLL CALL

3) APPROVAL OF MINUTES

- a) Consideration and possible action to approve the April 26, 2023, regular meeting minutes.

MOVED by Councilmember Sherri Phillips, seconded by Councilmember John McCafferty to approve the April 26, 2023, regular meeting minutes.

AYE: Councilmember John McCafferty, Councilmember Sherri Phillips
2 - 0 PASSED - Unanimously

4) ENGINEER'S REPORT

- a) Update and possible discussion on the completion of the Road 1 East extension project.

Frank Marbury, Public Works Director/Town Engineer, presented the following:

- This project, which included street reconstruction and extending a sewer line, was completed in October. The 18-inch sewer main now extended to Road 3 South.
- The County had approved the line, and it was ready to be utilized at any time.

- b) Update and possible discussion regarding the bid process for the Perkinsville Water Extension across Highway 89.

Frank Marbury, Public Works Director/Town Engineer, presented the following:

- This project was called the West Perkinsville Water Extension, but part of it was on the East side of the highway to pick up the sewer at Road 1 East and Perkinsville Road and take it across the highway to the Latter-day Saints church and later connect to the future Hawks Nest development.
 - Phase one of the project was simply to get the line from Road 1 East to the highway.
 - It was out for bid and the bid opening was scheduled for February 15th. Staff was hoping to bring the bids to Council for award on February 27th.

Council and staff discussed the following:

- ADOT was on board with the project. The project would only affect traffic control, which would require the contractor to get a permit from ADOT.

- c) Update and possible discussion regarding the Chiricahua Sewer extension to the new Circle K location.

Frank Marbury, Public Works Director/Town Engineer, presented the following:

- This project had been designed and was with the County for review.
- This project would extend the Road 1 East extension project to the border of the new Circle K's property which would require them to hook into the utilities.
- Staff was planning to utilize one of the job order contractors that were approved by Council a few months back.
 - The project would still come to Council for approval, but using a job order contractor would save three to four months by not having to bid the job with sealed bids. Time was of the essence to make sure services were at the property before building began so they wouldn't install septic systems.

5) CALL TO THE PUBLIC

Call to the Public is an opportunity for the public to address the Subcommittee concerning a subject that is not on the agenda. Public comment is encouraged. Individuals are limited to speak for three (3) minutes. The total time for Call to the Public may be up to 15 minutes per meeting. Subcommittee action taken as a result of public comment will be limited to directing staff to study the matter, scheduling the matter for further consideration and decision at a later date, or responding to criticism.

6) OLD BUSINESS

a) Update and possible discussion regarding the Integrated Water Master Plan.

Mark Holmes, Town Water Consultant, presented the following:

- He had been coordinating with Civiltec on the Integrated Water Master Plan (IWMP). The project consisted of four master plans: Water Resources, Water System, Wastewater/Sewer, and Reclaimed Water. They would also include a five-year Capital Improvement Plan (CIP), which would detail what would be required to move forward with projects.
- Civiltec was also working with Development Services to gather information about where various types of structures (residential, commercial, industrial) could be built based on the 2040 General Plan. This information would help them to determine what size pipes should be placed where.
- Gave a list of all the Council approved models and reports that were provided to Civiltec that would help them to assess what water importation, mitigation projects, and northern reclamation facilities would look like.
- Staff anticipated having a rough draft to review by April. July was the deadline for the full, finalized report which would then be presented to Council for possible approval.

The subcommittee and staff discussed the following:

- The subcommittee inquired if changes in the connection fees would impact the report.
 - Staff stated that connection fees were calculated based on the investment the Town had already made in its system. It was the total capacity divided by the number of households it could serve. Connection fees would change if there were additional cost to the system, such as an additional water or sewer plant. Once the IWMP came out and the Town expanded the plant, that would trigger a change in the connection fee.
 - The CIP would look at what the Town needed and when it would be needed, regardless of whether the Town had the money for it or not. Once the IWMP and CIP were completed, the Town would then make an Infrastructure Improvement Plan (IIP) which would help the Town plan how to fund it. This would mean that the rate study that was just done would be reviewed every year to see where the Town stood as far as the projections that were made and could adjust accordingly.
- The subcommittee inquired if the IWMP incorporated services to residents on the west side of Town should it ever be needed.
 - Staff stated this would include everybody and anticipated the capacity to carry all existing and future customers.
 - Staff stated that a developer might come in and say he only needs an eight-inch line for his development, but if the plan states that the area would need a 12-inch line, he would be required to install a 12-inch line. It would also help to answer questions about how much it would cost to extend lines to a certain property.
- The plan would be reviewed annually and could be modified if needed. On average, they were good for three to five years.
- The subcommittee inquired if this was the first plan of this type to be completed for the Town.
- Staff stated that smaller scale reports had been made, but this would be the first town-wide master plan.

b) Update and possible discussion regarding the PFOS investigation and planning efforts.

Frank Marbury, Public Works Director/Town Engineer, presented the following:

- Staff was still in the beginning stages of this effort. The levels found were four parts per trillion, which equates to a drop in 20 Olympic-sized pools or $\frac{3}{4}$ of a teaspoon in Lake Watson. While the levels were small, the EPA says there could still be some health effects associated with them.
- Staff tested all the wells in town and looked at the reclamation facility and the recharged water and found the presence of PFOS in them as well as the surrounding municipalities.

Mark Holmes, Water Consultant, presented the following:

- ADEQ had taken a very proactive leadership role and was trying to get ahead of this on a state-wide level and was working with the smaller, disadvantaged water providers such as Chino Valley.
- PFOS were in a lot of consumer products that dealt with food and food handling, toilet paper, etc, and it was found at the reclamation facility.
- The consultant working with ADEQ was looking at the aquifer more regionally to see where the chemicals were and their concentrations.
- The Town had also hired a consultant to do an assessment in Chino Valley, predominantly for safe drinking water.
- Staff had a meeting scheduled with ADEQ and each party's consultants to discuss the next steps.

- c) Update and possible discussion regarding code revisions concerning utility connection requirements.

This item was discussed after 6(f) but retained here for continuity purposes.

Frank Marbury, Public Works Director/Town Engineer, presented the following:

- Staff had made some proposed changes. A few more needed to be added before going to Council, and he would discuss them in this meeting.
- He summarized the changes as follows:
 - Subdivisions – four or more lots
 - Any new subdivision (four or more lots) coming in would have to connect to municipal water (Chino Valley or Prescott) and sewer regardless of how far the nearest connection was.
 - One caveat is that the subdivision could create a satellite service area with a temporary “package plant” and write a development agreement for the Town to operate it. This would require Town Engineer and Town Council approval. This was currently in the Code, so staff carried it over to the rewrite. It was a provision primarily for areas north of Road 4 North.
 - Package plants would also have to be designed and plumbed in such a way that the community could connect to the sewer when it became available.
 - Single Lots
 - Any new construction on less than an acre would have to connect to sewer (this was present in the existing code).
 - The current code allowed existing homeowners to decide when they want to connect when the line comes to their property. Staff left this as is because Council conveyed that they did not want this changed.
 - New construction on a single lot with a line in front of the house would be required to connect.
 - Staff left the provision that homeowners with failed septic tanks have a chance to

- fix them unless the County deemed it a health hazard.
 - The code currently said that commercial lots that had a sewer line come to the property were required to connect within 120 days. Staff left that requirement and added water to it.
 - Staff predicted that this would have land buyers vying for properties closer to the sewer and water lines allowing for infill and growing the system.
 - The only lots that would be allowed well and septic would be single lots one acre and larger.
- Lot Splits
 - An applicant wanting to split their lot into four or more lots would be treated as a developer (for example, 20 acres could only be split into three lots before being required to connect to water and sewer). Staff was proposing Council consider that if there was water and/or sewer within 500 feet of the parent parcel that the applicant would have to extend the water and sewer to all the lots.
 - There were also provisions to require dry lines to allow for quick hook up when the utility lines did reach the property.

The subcommittee and staff discussed the following:

- The subcommittee mentioned that some councilmembers had expressed that they didn't want to allow any distance at which commercial or developers would not be required to hook up.
 - Staff felt that this was the most palatable for single commercial lots, so that the Town didn't kill all its sales tax revenue. Staff stated that if they wanted to get rid of distances, they could treat commercial lots like residential lots and allow well and septic when water and sewer weren't available.
- There was further discussion about how developers might try to take advantage of the system to avoid hooking in to water and sewer.
- The subcommittee asked if 500 feet was reasonable to be able to get more lots on sewer.
 - Staff did not know how much that would capture. The apartment complex recently approved by McDonald's would still be allowed to put in a septic system under the rules presented. Staff stated that Council could make a provision that any commercial or multifamily residence had to connect.
 - One subcommittee member felt that option should be taken to Council.
 - Staff stated that at some point septic systems would cause issues with water quality. Council could look at this as a way of protecting the Town's only source of drinking water. Systems for treating drinking water cost millions of dollars and added energy, operation, maintenance, and capital replacement costs. The more the Town sewered the healthier the drinking water would be; however, it might curtail commercial development, which was a consideration for the Town as its major source of revenue was sales tax.
- Staff summed up the wishes of the subcommittee with the following:
 - Subdivisions must connect.
 - Commercial and multifamily should be rewritten to follow subdivisions requiring connection.
 - This might get some pushback if someone had a property near Road 4 North which was about a mile from the nearest sewer.
 - Residential lot splits would be treated as single properties after split allowing acre or more to have well and septic. If split into four or more lots, it would be considered a subdivision.

- d) Update and possible discussion regarding the wastewater reclamation facility expansion and upgrade design.

Mark Holmes, Water Consultant, presented the following:

- PACE Water was hired in February 2023, to reevaluate and look at options for expansion of the reclamation facility. The study was completed in June and the findings were presented to Council.
- A Request for Qualifications was published on December 13, 2023, and January 4, 2024, a pre-conference meeting was held and eight firms attended, and a tour was given to interested parties on January 9, 2024.
- Staff was aiming to bring the matter back to Council by March.
- It would be more of a modification of the plant rather than an expansion to optimize the flows coming in and help update equipment components that were no longer efficient.

The subcommittee and staff discussed the following:

- The subcommittee inquired if this modification would extend the life of the microfilters.
- Staff stated that was correct because they'd be able to lower the pressure by waiting to filter when the inflow rates were not so high. And ultimately, this would buy the Town more time to assess and develop a new plant.

- e) Update and possible discussion regarding the results of the infiltration and inflow study.

Frank Marbury, Public Works Director/Town Engineer, presented the following:

- This item would be coming back to Council because there was very little rain in the last monsoon season. Staff was working on getting a change order with the company to extend the contract. However, the company had already come out and changed the battery on the meters in hopes of continuing to collect data. A storm with one-inch of rain occurred the next day.

The subcommittee and staff discussed the following:

- The subcommittee inquired if staff had ever done manual inspections.
 - Staff stated that they had but it was a difficult thing to do because it required constant presence. The meters were able to catch five-minute increases from a big storm cloud.
 - Staff had discussed budgeting for a portable flow meter to possibly get a measurement at one location if they suspected anything. But it wouldn't work system-wide.
- The subcommittee asked if staff had a prediction of where it was coming from.
 - Staff stated there were several key areas they were looking at, such as creek beds and new construction.
- The subcommittee asked what the original contract amount was.
 - Staff stated it was about \$100,000.

- f) Update and possible discussion regarding the USF permit renewal.

Mark Holmes, Water Consultant, presented the following:

- This was regarding the Old Home Manor (OHM) recharge facility where the fully processed reclaimed water was sent to percolate back into the aquifer.
- The permit had been issued in 2005 and had to be renewed every 20 years. This required a groundwater model to look at how much water was currently being put in and what they projected would be put out in the next 20 years.

- The permit from 2005 goes up to 1,200 acre feet per year, so the Town should be in great shape.
- The Town put out a Request for Proposals in December 2023 and while there were a lot of inquiries, the Town did not receive any submittals. The Town was now doing a “direct select” with a contractor that did the Town’s Physical Availability Determination that was issued last year. They have the groundwater model mostly ready to go. Staff had a scope of work, fee, and schedule in line with the budget and would be coming to Council at the next meeting.

The subcommittee and staff discussed the following:

- The subcommittee asked how many pools the Town was currently using.
 - Staff stated that the Town was currently using five, and there were three more that were constructed in 2006, but did not have plumbing to them. Staff wanted to go up to 12 allowing 1,200 acre feet per year.

7) NEW BUSINESS

- a) Consideration and possible discussion regarding potential budget supplemental items for FY24/25 including:
- Water reclamation facility upgrades construction
 - Vactor truck
 - Other projects, equipment, or studies

8) ADJOURNMENT

MOVED by Councilmember John McCafferty, seconded by Councilmember Sherri Phillips to adjourn the meeting at 5:01 p.m.

AYE: Councilmember John McCafferty, Councilmember Sherri Phillips

2 - 0 PASSED - Unanimously

Submitted: February 26, 2024.

By: *Sara Burchill, Deputy Town Clerk*

Approved: MONTH DAY, 2024.