

DRAFT

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

**THURSDAY, JANUARY 13, 2022
4:00 P.M.**

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

Present: Lon Turner, Chair; John McCafferty, Councilmember; Eric Granillo, Councilmember
Staff Present: Frank Marbury, Public Works Director/Town Engineer; Mike Bovee, Utilities Manager

1) CALL TO ORDER

2) ROLL CALL

3) APPROVAL OF MINUTES

- a)** Consideration and possible action to approve June 15, 2021, special meeting minutes.

MOVED by Councilmember Eric Granillo, seconded by Councilmember John McCafferty to approve the June 15, 2021, special meeting minutes.

AYE: Chair Lon Turner, Councilmember John McCafferty, Councilmember Eric Granillo
3 - 0 PASSED - Unanimously

4) ENGINEER'S REPORT

- a)** Update and possible discussion regarding Rodeo Drive construction.

Mr. Marbury reported the following:

- Rodeo Drive was 95% complete, with only handicap ramps and cleanup items left to finish.

b) Update and possible discussion regarding Perkinsville Road water and sewer extensions and design.

Mr. Marbury reported the following:

- The Perkinsville project was part of the road projects for the next fiscal year.
- The EPS Group was designing the Perkinsville extension. They had completed their survey and were looking at water models. They were piggybacking on the water modeling the Town did for the Old Home Manor (OHM) Masterplan.
- The Town could wrap road work into the project if ARPA money was used. The current fiscal year goal was to get to Road 1 East to the Highway, but if Recovery Act money was used, the Town might try and go across the highway and up Angus, to the backside of the Hawksnest Development. This would allow the future 90-acre single-family Hawksnest Development to gravity feed without a lift station, and it would provide a secondary water source to loop water to the apartments and single family homes from Perkinsville and Road 2 North. EPS was working on the design and would bring it to Council to determine how to split the project and to provide a cost estimate for getting water all the way down Perkinsville to the North Campus and Senior Center. The old agricultural well could be converted to a municipal well with a tank, and the fill station could eventually be moved to that location.
- The design concept would be just for water because the sewer would not make the grade. The design team could look at grades and could determine how far sewer could run down Perkinsville.
- The FY22 streets did not have water or sewer under them, but the FY23 streets did. The design was a combination for discussion with the Utility Committee and Road Committee.
- The FY23 CIP projects extended sewer south on Road 1 East to Road 3 South. It was under contract with Civiltec. There was currently no water project that went further south than Road 3. When working on the street, the sewer lines could be live and active. A dry water line could be added until there was a water project to fill in the gap between existing waterlines for connections. Members discussed the possible hazards of unused dry lines. Staff would verify the risks with the manufacturer and the design engineer. The size of the lines would be 8-12", but they could go bigger. The biggest lines the Town had were 16".
- Members discussed concerns about running infrastructure to nowhere if the 90-acre Hawksnest development was never completed. Staff had not seen plans for the single-family portion of the development but there were plans for 15-acres of a 250-unit multi-family development that was 90% complete. The Brooks apartments across the street were fully approved for 92-units. That development would include either one master meter for all the apartments or one master meter for each building. The connection fees were based on the equivalency of the number of single-family home fixture units, which were added up and divided by the number of typical fixture units in a single family (20). That determined the connection fees.
- Members discussed how to get water across the highway. Discussions included easements, piggybacking with Prescott, and the best routes.

c) Update and possible discussion regarding EPA grant for the Peavine Waterline.

Mr. Marbury reported the following:

- The design engineer, Civiltec, had submitted 60% plans, which staff reviewed and turned back to the engineer.
- The line went along the Peavine Trail from Brightstar and Road 2 North on the south end and connected the water at Perkinsville Road and Jerome Junction on the north end. The lines would be on the side of the future Century Ranch development. This would loop the Town's water.
- There was approximately \$400,000 in the EPA grant. The current cost estimate for the ductile iron lines was at \$2 million, but staff was hoping to bring that cost down with PVC pipes. There

could be ductile iron used under the wash that crossed near Perkinsville.

- The EPA provided other resources for more grant money that could be used for the project if awarded.
- The original project cost estimate was \$1 million, and the same engineer did both estimates. The prices had risen drastically over the last year.

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

Mr. Marbury provided a rundown of past projects from the June 2021 meeting for new Members.

- Staff had been in the utility shop since June 2021. The concrete aprons had been pulled from last fiscal year due to costs and budgeted for the current fiscal year. They would be poured within a few days. The department had received their two vat coolers for the shop area. American Fence had completed the fence that tied the yard in with the wastewater plant, which created one big yard that was secured. Staff explained that the next step would be to repurpose the old single wide manufactured home that had been the utility staff office. It would become the road crew office. It would get them out of the shared building with the Equestrian Center, but the Equestrian Center had agreed staff could keep the road yard at the same location.
- The fill station, which had been a project budgeted for the current fiscal year, had been put off because they had not found a good location for a second fill station. There was \$50,000 budgeted for the project, but the cost just for the fill station was \$56,000. Members discussed an existing well that could be used for the fill station by using the Town's Municipal rights and turning the wells into a Municipal well as long as they did not exceed their draw authority. The well was currently being used for irrigation at Memory Park.
- Rodeo Drive was only an extension of about 800 feet into the business park.
- Road 2 North project was completed. It did not have any utilities.
- The Plant facility was still waiting on the Flow EQ basin design. Testing was underway to determine the plant's effluent amount because they were currently receiving effluent that was beyond the design specifications. It was tough to keep the Town in compliance. Over a week period, bottled samples were taken for Kimley Horn to create a bio-model of the plant. Once the bio-model was completed, they could determine the effect of a Flow EQ on the effluent, the effect if the plant was doubled in size, and a design could be created for the plant to handle the higher nitrate levels. Staff thought the low-flow home fixtures that used less water were causing a higher concentrated effluent and nitrate concentrate. The Town had been discussing the EQ basins for five years, which was a holding tank that could meter the effluent ups and downs and could provide a constant metered flow. The preliminary drawings from Kimley Horn were a month late. Once the drawings were received, it would go to Council and a construction contract would need to be approved as the next step.

7) NEW BUSINESS

- a) Discussion and possible recommendations for changes and updates to the Unified Development Ordinance (UDO), Chapters 50 and 51.

Committee members and staff discussed the following:

- Staff clarified that it was the Utility Ordinance they would be discussing, not the UDO.
- Chapters 50 and 51 were in the regular Town Code. Chapter 50 was under General Provisions and Chapter 51 was in the water and sewer codes.
- Staff had worked with the new Assistant to the Town Manager, Terri Denemy, and John Austin with Gust Rosenfeld for legal guidance.

Changes to the Utility Code:

- *Authority of the Director:*
 - The original code had all authority under the Public Works Director. The updated code moved any authority for billing or financial aspect of utilities to the Finance Director.
 - Anything in the code that had the general reference of Director, was updated to either Public Works Director or Finance Director.
 - The detailed billing practices section was changed to “As set forth by the Finance Director and approved by the Town Manager.” It took authority away from the Public Works Director to waive any fees and put the authority under the Finance Director and Town Manager. It also eliminated reference to fee due dates and applications for service details and put the authority under the Finance Director and Town Manager.
- *Water Quality Standards:*
 - Standards that had been detailed in the Code were changed to refer to the appropriate government department (ADWR, EPA, ADEQ), so the code did not need to be changed every time the permits were changed. The new regulations would be adopted by reference.
 - Technical Standards were updated.
 - Pretreatment Standards were updated for all raw sewage exceeding local limits.
- *Appeals Process:* The details of the appeals process were removed and changed to reference the General Code.
- *Connection Fees:* Buy-in connection fees were removed and changed to refer to the Council Resolution on the fees.
- *Low Income Water Rates:* This had never been used since the Code was written. Legal and Finance recommended removing it and making it part of the Council Resolution on the fee structure. Members discussed how the Town fees were determined and how often they were revised. Council’s intention was to lower the utility rates by 15% over a five-year period to bring the rates in line with surrounding communities. Council’s goal would be satisfied within two more years.
- *Sewer Disconnection:* This section was changed to provide clarification on the Town’s authority and option to plug in sewer services. It helped prevent free riders in the system from those who were not paying their bills. Members discussed how accounts were setup for rental properties and how liens on the property for utilities were handled.
- *Definition Updates:*
 - *Payable Costs/Repayment Agreement Amount:* Payable costs were the extra costs for developers to get line extensions and utilities to their property. The code allowed developers to apply for a ten-year repayment agreement with Council approval. This required future developments to pay the connection fees the original developer had to pay to connect to utility lines based on their lot front footage. Members discussed why there was a ten-year limit on the

agreement. Staff reviewed the repay agreement length limitations and reviewed other municipalities around the State and was recommending increasing the ten-years to 20-years. The Town was the pass-through for the repayment. The Town would record the agreement with the County so it would come up on title searches and would notify future land buyers of the repayment agreement. The current code required developers that had a repayment agreement to use the Town's procurement requirements, which lengthened the process and became more expensive. The revision would require that Title 34 of State Statutes be followed if Town funds were used. If Town funds were not used, the Town would only enforce the cost estimate fees approved by Council.

- **Line Charge:** The definition was changed to include any money the Town put forth. If the Town did an extension, they could add a repayment agreement to pay the Town back for a Town funded project.
- **Sanitary Sewer System:** There had been several references calling it CTR-Collection, treatment, and recharge. Each CTR was changed to Sanitary Sewer System.
- **Connection Tap Installation:** There was conflicting code with some referencing the Town making the tap connection for single family homes and others specifying the developer doing it with the Town inspecting it. Staff updated it to specify the Town would install up to 2-inch water and up to 6-inch sewer taps to the right of way for single family homes. Commercial or multifamily developments would require the developer to install the taps to be inspected by the Town.
- **Upsizing:** The current code stated a developer could put in up to a 12-inch line for water and 18-inch line for sewer at the developers cost. There was nothing addressing anything over those specifications, which meant the Town might have to pay for anything over those size specifications. It was changed to clarify that if bigger pipes were needed, it was up to the developer to put it in. If the Town wanted to go over 12-inches for water after the masterplan was complete, the Town would pay for the cost of the pipe between the 12- and 24-inch and the developer would still install it. It would go through Council on a case-by-case basis. It would be the same for sewer lines over 18-inches, but staff doubted it would go higher because the trunk-main to the plant was 18-inches. Staff explained that if the Del Rio subdivision had been developed, the sewer lines would have needed to be larger than 18-inches and the Town would have had to build a new plant at the north end of Town where it could gravity feed the entire Town. Members talked about future growth possibilities.
- **Town Engineer Review Criteria:** Staff would review recent projects and other jurisdictional costs for proper cost estimates.
- **Connection Requirements:** The current subdivision regulations required any new construction within 300-feet of utility lines to extend and connect. Lots that were split before 2025 did not necessarily have to comply. The revisions staff was recommending did not have a start date. The changes were divided up for individual parcels. Existing individual parcels or lot splits that were on an existing road, were only required to connect if water was at the property line because of the expense for extending the lines.
- **Less than One Acre Lots:** With the new proposed zoning codes, there could be lots with less than an acre and lots could be split with a zone change to lots that were quarter and half acres in size.
 - **Sewer:** The new language stated that lots less than one acre for new subdivisions (four or more lots), must be on a sewer system and connect to the Town system. If sewer was not available, they needed to put in a community system (package plant) until such time that the Town came through and it could connect to Town sewer. The subdivision design would allow the Town sewer system to connect to the community system in the future and eliminate the package plant. This would discourage small lots where Town sewer was unavailable. Staff had not proposed who maintained the package plant, but because the systems were maintenance intensive, they would need additional staffing. Members

thought the maintenance should be on the owners and the HOA's. The systems were permitted by ADQ. Members discussed the possibility of the owners paying a fee into an escrow account that would be there for maintenance costs. This might be something the Town could require. Staff would review the escrow requirement and HOA's with the Town Attorney.

- *Water*: It was required to connect to a public or private water system, install private well and a water system that could be connected to the Town system later. Water was not a requirement to build a house because a lot could use hauled water. Lots that were smaller than an acre were not typically able to have a private well and a septic according to State code. Members did not want connection to water to be a requirement if a Town water system went by a development and the lots were already connected to a private shared system.
- *Lots One Acre or More*: If utilities were within 300 feet of the boundary of the subdivision, water and sewer lines needed to be extended and connected. Members discussed the extension of the 300-foot requirement. Staff had seen different requirements, including unrestricted for smaller lot developments. Lots that were larger than an acre met the State's requirements for private well and septic. Members discussed Appaloosa and Heritage Point development utilities.
- *Minor Subdivisions*: Minor subdivisions was defined as anything less than ten lots. A minor subdivision did not need to be seen by Council until the final plat and it was never seen by Planning and Zoning. Staff recommended requiring any subdivision with lot sizes less than an acre to become a major subdivision category for additional review and oversight. It would also allow the Town to review the water and sewer systems for the group systems through the technical review. Staff also thought it was prudent for the developments to be seen on a concept level before the developer invested large funds into engineering and planning the development utility systems. Members discussed small lot split requirements. The County did not look at lot size for septic systems, as long as all the setback requirements for lot lines, drainage areas, and wells were met. That was why the Town had an ordinance that required lots less than half acre to be on sewer. Members wanted the Town attorney to develop language that would require lot splits of less than one acre to connect to water and sewer at the time of subdividing.

Member Discussion:

- Members discussed lot splits for lots not within 300-feet and updates to the code that required lot splits that added a road and lot frontage to the road to become a subdivision.
- Members discussed road requirements for lot splits and subdivisions.
- The current code did not require existing homes to connect to Town utilities if it went by the home. If their septic system failed, current code allowed homeowners the option to fix the system in accordance with County standards or tie into Town utilities. It was staff's understanding that the County would not require the home to connect to the Town system if the home met the setback requirements. Members discussed costs of connections. Staff explained that once a home was on the Town system, not only did they gain a customer, but the wastewater could be recharged to the aquifer for credits. Members thought they could have language that required a homeowner with a failed system to hook to the Town system if the cost of hookup was not more than one and half times the cost of a new septic tank. Members also wanted the language to stipulate that if hooking to the Town sewer could not gravity flow, they did not have to hook to the Town's system.
- Members wanted the discussed changes brought to a Council study session for further discussion and review.
- Members agreed to do a text amendment to change the 10-year repayment agreement language to 20-years so the Brooks Apartments could move forward.

- b) Discussion and possible recommendations for updates to the 5-year Capital Improvements Program for the Wastewater Plant and water and sewer system projects.

Not discussed.

8) ADJOURNMENT

MOVED by Councilmember John McCafferty, seconded by Councilmember Eric Granillo to adjourn the meeting at 6:00 p.m.

AYE: Chair Lon Turner, Councilmember John McCafferty, Councilmember Eric Granillo

3 - 0 PASSED - Unanimously

Submitted: January 25, 2021.

By: Sara Burchill, *Deputy Town Clerk*

Approved: MONTH DAY, 2021.