

Meeting Minutes

**Board of Directors of The Highland Pines Domestic Water Improvement District
November 13, 2017, 10:30 a.m. at
Improvement District Services, Inc.
1965 Commerce Center Circle, Suite A, Prescott, Arizona**

District Board Meeting Guidelines: The meeting will be held in accordance with A.R.S. Title 38 Open Meeting Laws. Board and attendees participation shall be civil and courteous. Any disruptive behavior could result in removal from the meeting. Comments and questions from the public shall be called upon by the Board Chairman, and shall begin with stating and spelling of the speaker's name and address. All comments and questions shall be directed to the Board Chairperson. Persons with a disability may request a reasonable accommodation such as a sign language interpreter, by contacting Jennifer Bartos, Improvement District Services, Inc. at (928) 443-9484. Requests should be made as early as possible to allow time to arrange the accommodation. Requests for copies of Board Meeting minutes or other District documents, inquiries, or complaints should be submitted in writing to: Improvement District Services, Inc., 1965 Commerce Center Circle, Suite A, Prescott, AZ 86301.

Call to Order, 10:31. Jim Kullas, Robert Hafen, Celia Carr, Sandra McClintock, and David Barnard present.

Also present and participating: Dave Dirren, Sunrise Engineering; Jennifer Bartos, District Clerk, Dakota King and Diana King, Improvement District Services; Ron & Holly Meneou, Holly Bosch, and Jerry Woodward, members of the district.

1. Discussion and possible action regarding the project to upgrade District water lines with the assistance of the WIFA Planning and Design Technical Assistance fund and, if applicable, obtain the services of Sunrise Engineering.

Dave reviewed the initial grant application for the WIFA Planning and Design Technical Assistance fund. Director McClintock stated that the Forest Service easement is available in the district records. Dave Dirren stated that a smaller transmission line will need to be run to continue water service. Dave Dirren stated that he wished the Board to consider using the original amount previously agreed upon by the Board in the amount of \$58,000, where the District would need to input approximately \$23,000 for final planning. Dave stated that if the Board decides to continue the original contract, he will cease all work and not charge any additional funds if there is a problem, such as with the Forest Service. Director Kullas asked about the timeline with WIFA, and Dave Dirren stated that the project must begin by April 30th. Dave stated that WIFA's grant would be given to the District by submitting invoices to WIFA, of which WIFA would reimburse.

Motion: made by Director Hafen to move forward with survey and initial planning not to exceed \$58,330.00, second by Director McClintock. Diana King asked about the 2009 WIFA loan, to which Director Barnard stated that this was a forgiveness by the federal government to promote jobs. Unanimous approval. The contract was immediately signed by Chairman Kullas.

Dave Dirren stated he would send updates to the board members.

2. Discussion and possible action regarding the Administrative Services Staff Report from Improvement District Services, Inc. regarding staff activities, collections, direction to the Clerk for future agenda items and other administrative issues.

Dakota discussed the possibility of using the ACH program to have the bill automatically taken out of accounts that choose to do so.

Motion: made by Director McClintock to suspend the ACH program indefinitely, second by Director Barnard. Unanimous Approval.

Diana reviewed the past transaction report for account HP080-1. Diana stated that the customer is requesting the Board to waive the reconnection fee.

Motion: made by Director Hafen to reject the request to waive the reconnection fee, second by Director McClintock. Unanimous Approval.

Diana also reviewed the new location for Improvement District Services and future Highland Pines public meetings. She stated that an incorrect address was sent out on the previous bill, and that the correct address is 3603 Crossings Drive, Prescott, AZ 86305.

3. Discussion and possible action regarding the reconnection fee and notice of shut-off fee.

Diana King stated that with the disconnect and reconnection process, Fann Environmental does get paid additionally for disconnect, but that Improvement District Services, who receives a large amount of calls and additional business, does not incur any additional fee. Diana King asked that I.D.S. bill the district \$65 per hour regarding the disconnection/reconnection calls, and that the District bill the customer for this amount. Diana also requested that a \$30 fee be placed on customer accounts that receive a door hanger shut-off warning. Jennifer stated that this fee may further discourage delinquent customers from paying off their delinquent balance. Director Kullas stated that I.D.S. can charge the hourly rate, but will not approve the \$30 fee for door hangers.

4. Discussion and possible action regarding administrative issues to include:

- a) Approve meeting minutes of August 28, 2017;
- b) Approve checks written between August and October 2017.

Motion: made by Director McClintock to approve the meeting minutes of August 28, 2017, second by Director Barnard. Unanimous Approval.

Director Carr asked about the \$500 NSF check, to which Diana stated that the customer had agreed to make payments. The customer's bank account was compromised, and they have since submitted a valid check.

Motion: made by Director McClintock to approve checks written between August and October, second by Director Carr. Unanimous Approval.

5. Discussion and possible action to schedule the HP Board of Directors meetings for the 2018 calendar year.

Director Kullas stated that the dates look very similar to the 2017 calendar year.

Motion: made by Director Carr to approve the dates of the 2018 calendar year and set the time to 10:30 AM rather than 1:00 PM, second by Director McClintock. Unanimous Approval.

6. Presentation from Director Kullas regarding the maintenance of the water system.

Chairman Kullas reviewed the status of the water system. He stated that there is a leak on Madizell that will be repaired on November 14th, which may result in a water outing for some Highland Pines customers. He further stated that, after the leak repairs from the previous week, that the road would need to be repaired. Chairman Kullas stated that the locks on the hydrants needed to be replaced, and that Fann was assessing which locks needed to be replaced, and upon replacement, may cause an outing. He stated that the system ran well during the October month, and there were no problems with the pumps. He stated that the map from Granite Basin did not show the location of valves, and he would recommend going to Prescott Utility Locating to locate the valves for the entire district.

Chairman Kullas stated that he had received a request to create a high-tower radio tower near the upper tank. He does not believe that Highland Pines DWID should allow this construction for numerous reasons. The Board reviewed that, in the past, no radio or cell phone towers have been allotted on the District property, and will not allow the current radio tower to be constructed near the upper tank. The Board also wishes to discuss the creation of a district policy regarding 3rd party constructions near District tanks.

Chairman Kullas further stated that a gentleman on 707 Skyline Drive allotted the District to use his property to reroute traffic during the construction, and he would recommend waiving the customer's water bill for one month, in addition to a letter being sent to the customer in appreciation.

Motion: made by Director McClintock to waive the water bill for November for 707 Skyline Drive, second by Director Carr. Unanimous Approval.

Public Comment Period: The public will be given the opportunity to comment to the Board of Directors on non-agenda item issues pertaining to the District. This is the time for the public to comment. Members of the Board may not discuss items that are not specifically identified on the agenda. Therefore, pursuant to A.R.S. § 38-431.01(G), action taken as a result of public comment will be limited to directing staff to study the matter, responding to any criticism or scheduling the matter for further consideration and decision at a later date. Two minutes will be allowed for each speaker.

Holly Bosch - stated that she is not against the water line installation, but wished to know why the District was replacing this main line. Chairman Kullas stated that this is an essential line, is twenty years past its original expiration date, and believe that the significant water loss would be from the main line. Holly stated that a letter from Sunrise Engineering stated that the water loss could be from the connections, rather than the main line. Chairman Kullas stated that the best answer for the water loss currently is the old main line. Holly stated that normal investigation procedure would ask individual areas of the main line be investigated for leaks, but understands the Board is quite sure that the leak is on the main line and wishes to replace the entire line. She further asked about the efficiency of the new pipe, and Jennifer Bartos stated that the District hopes for a significantly lower water loss.

Ron Meneou - asked what materials the new main line would be, and how large the line would be. Director Hafen stated that the line would be 6".

Jerry Woodward - stated that the pumps should be investigated for efficiency, as the pumps were mismatched originally. Chairman Kullas stated that the pumps are now all matched. Jerry continued that that APS was willing to assist with the review of the pumps around 2000. Jerry further stated that a customer had used their water in Spring of 2017 to stop a forest fire.

Meeting Adjourned at 11:45 PM.