

**HIGHLAND PINES DOMESTIC WATER IMPROVEMENT DISTRICT
GOVERNING BOARD MEETING
JULY 12, 2021
PUBLIC SESSION MINUTES**

1. **CALL TO ORDER:** Board Chair Celia Carr called the meeting to order at approximately 10:00 a.m. The meeting was conducted in person with a telephone conference option – with all attendees calling into the conference call.

2. **ROLL CALL OF BOARD MEMBERS:**

Celia Carr, Board Chair – Present
Sandra McClintock, Vice Chair – Present
David Cook, Board Member – Present
Patti Ferguson, Board Member – Present
Angelo Angeleri, Board Member - Present

All of whom participated in the meeting via telephone conference call, thus constituting a quorum.

Also attending the meeting via telephone conference call were: William R. Whittington and Tyler Godbehere, District Attorney of Boyle, Pecharich, Cline, Whittington, and Stallings PLLC (“BPCWS”); Natalie Galgano-Pinkley, District Bookkeeper/Administrator of Municipal Accounts & Consulting, LP (“MAC”); Dave Dirren of Sunrise Engineering; and Matt Thesing with the Arizona Cactus Pine Girl Scout Council. Tim Donaldson and Josh Donaldson members of the public also attended the meeting with their legal representative Andre Carmen.

3. **APPROVAL OF MINUTES:** Director McClintock made a motion to approve the minutes of the June 24, 2021 Regular Session. Director Cook seconded. The motion passed unanimously.

4. **CALL TO THE PUBLIC:** A call to the public was made for comments relating to District matters. No public comments were made.

5. **REPORTS AND CORRESPONDENCE:**

A. **Chair Report:** Board Chair Carr summarized the June 2021 maintenance report from Fann Environmental. Fann noted that the Girl Scout Camp water tank was filled 4 times in the month. Board Chair Carr also reviewed draft newsletter to go out with the next water bill. The Board had no changes to the drafted newsletter.

B. **Administrative Report:** Ms. Galgano-Pinkley presented and summarized the June 2021 Fiscal Year End Financial Reports. This report was listed under both item 5B and 6C, so both items were addressed at this time. Director McClintock made a motion to approve the June 2021 Fiscal Year End Financial Reports and provide the statements to WIFA as may be required. Director Ferguson seconded. The motion passed unanimously.

6. **BUSINESS:**

A. **Discussion and possible action re: Selection of Contractor for the Main Infrastructure Project and review of Construction Timeline; Authorization for Preparation and Execution of Contract.** Dave Dirren provided the Board with his tabulation of the received bids for the infrastructure project. His scoring of the bids in the tabulation was based off total bid price, bidder experience and reputation, along with compliance with the bid documents and requirements. Mr. Dirren advised the Board that Earth Resources Corp. did not acknowledge addendum number 2 in the contract package, therefore the bid was deemed incomplete and should not be considered. He included the information on the tabulation to show a complete record of what was received.

Mr. Dirren's number one recommendation to the Board is contractor Mountain High Excavating, who had the lowest price, good experience and Sunrise has worked with them on prior projects with good results. Mountain High is located in Flagstaff and also has experience working with the Forest Service. Mr. Dirren noted the mobilization line item in the bids is where most contractors included their contingency amounts. He also pointed the Director's attention to the rock excavation line item. His firm gave the contractors an estimate that excavation would be needed for 50% of the project. That line item may vary on conditions encountered in the field once work starts. Mr. Dirren advised the Board that Yavapai County will have a fee to chip seal Madizell after the project is completed. The County charges a fee per square yard depending on the condition of the road. He estimates the project will require approximately 2,000 square feet of the roadway to be resealed. This cost is not included in any of the contractor bids.

After Mr. Dirren's summary of the bids, Board Chair Carr declared that the tabulation matrix prepared by Sunrise Engineering be included in the District's record and also declared the following bids received for the project. The bids were declared in the order of recommendation by Mr. Dirren:

1. Mountain High Excavating – Submitted a bid in the amount of \$1,777,303.00
2. Technology Const. Co – Submitted a bid in the amount of \$2,190,497.00
3. Redpoint Contracting – Submitted a bid in the amount of \$2,294,576.00
4. Standard Const. Co. – Submitted a bid in the amount of \$2,483,729.00
5. Fann Environmental – Submitted a bid in the amount of \$2,878,912.00
6. Scholz Contracting – Submitted a bid in the amount of \$1,935,693.00
7. Earth Resources Corp. – Submitted a bid in the amount of \$1,899,610.00 (Addendum No. 2 not acknowledged, incomplete bid)

After reviewing Mr. Dirren's tabulation sheet and hearing his recommendations, Director McClintock made a motion to approve the selection of Mountain High Excavating as the lowest and best bid for the project, to select Mountain High Excavation for award of the transmission line project as suggested by the District's project manager, and to reject all other bids received for the project. Director Cook seconded the motion. The Board then voted on the motion as follows:

Sandra McClintock – Voted Yes
David Cook – Voted Yes
Patti Ferguson – Voted Yes
Celia Carr – Voted Yes
Angelo Angeleri – Voted Yes

The motion passed unanimously. Board Chair Carr then provided Mr. Dirren with clarification on posting and advertising the notice of award of the contract to Mountain High Excavating, and when the District can complete the contract after the posting. She asked Mr. Dirren to work with the District's legal counsel on the form of notice and posting requirements. She then asked if Mr. Dirren could update the construction timeline with this progress update. Director McClintock then made a motion to authorize the District's legal counsel to prepare the contract with Mountain High Excavating for the Main Transmission Line project and after preparation of the contract, authorize the Board Chair to review, approve

and sign the contract. Director Cook seconded the motion. The Board then voted on the motion as follows:

Sandra McClintock – Voted Yes
David Cook– Voted Yes
Patti Ferguson– Voted Yes
Celia Carr– Voted Yes
Angelo Angeleri – Voted Yes

The motion passed unanimously.

- B. Discussion and possible action re: Sunrise Engineering GIS Contract Reviewed by Legal.** Board Chair Carr stated District’s legal counsel has recommended an addendum be added to the Sunrise Engineering GIS contract to include all the necessary language. Director McClintock made a motion to authorize legal counsel to write the appropriate addendum to the proposed contract with Sunrise Engineering for the GIS proposal dated June 8, 2021 and to authorize the Board Chair to review, approve and execute the same. Director Ferguson seconded the motion. The motion passed unanimously.
- D. Discussion and Possible Action re: requirement of two signatures on HPDWID checks.** Board Chair Carr noted the District has been requiring two signatures on checks over \$1,000 for about a year. Now that more Board Members are not in Prescott full-time, she asked the Board if this limit needed to be adjusted so District business could be conducted uninterrupted waiting for a second signor. Director McClintock made a motion that the District require two signatures on Highland Pines Domestic Water Improvement District checks over \$5,000. Director Cook seconded the motion. Board Chair Carr noted that she agrees that it is responsible for the District to require two signatures on large invoices and checks. Most of the invoices and checks that fall between the \$1,000 current limit and the new proposed \$5,000 limit are the regularly occurring bills of the District. This requirement would still require two signors for any large unusual transactions. The motion passed unanimously.
- E. Discussion and Possible Action re: Attendance and reimbursement for BOD participation in Rural Water Association of Arizona Fall Conference 8/24 – 8/26/2021 at Prescott Resort and Conference Center.** Board Chair Carr advised the Board that she and Director McClintock have registered to attend all three days of the conference, and she paid their registration fees when they signed up. She suggested that any of the Board members who are interested should attend the conference. Director McClintock made a motion that any member of the Board of Directors who wishes to attend the Rural Water Association Conference have their registration fees reimbursed to them by the District. Director Cook seconded the motion. The motion passed unanimously.
- 7. POSSIBLE VOTE TO GO INTO EXECUTIVE SESSION:** Director McClintock made a motion to go into Executive Session pursuant to A.R.S. § 38-431.03(A)(3) for legal advice and pursuant to A.R.S. § 38-431.03(A)(4) to give instructions to legal counsel regarding: (a) HPDWID Girl Scout Camp Agreement; and (b) request to Amend District Boundaries to the Donaldson property (parcel 100-01-030A). Director Cook seconded the motion, which passed unanimously.

Mr. Dirren left the meeting at this time.

The Board left the public meeting teleconference to move into the Executive Session at approximately 11:00 a.m. and noted they would return to public session at approximately noon.

The Board rejoined the public session at 12:02.

8. BUSSINESS

- A. Discussion and possible action re: HPDWID Girl Scout Camp Agreement.** Board Chair Carr invited Mr. Thesing to make any comment he may have on the agreement negotiations. Mr. Thesing reiterated that the Camp's goal is to secure long term access to water from the District for the property. The Camp is now considering requesting to be incorporated into the District as a better solution, and they are working on a request for that. Board Chair Carr noted the Board could not comment on any annexation discussion since it is not on the agenda for the meeting, but she will include the topic on the next agenda. Director McClintock made a motion to authorize legal counsel to process as instructed in Executive Session. Director Ferguson seconded the motion. The Board then voted on the motion as follows:

Sandra McClintock – Voted Yes
David Cook– Voted Yes
Patti Ferguson– Voted Yes
Celia Carr– Voted Yes
Angelo Angeleri – Voted Yes

The motion passed unanimously.

- B. Discussion and possible action re: Parcel 100-01-030A (Donaldson property) request to amend boundaries of HPDWID and possible approval of Resolution relating to the same.** Board Chair Carr invited the Donaldsons to make any comment they may have on the annexation request. Mr. Carmen made a brief comment on their behalf as legal counsel. Mr. Carmen said they believe the annexation would benefit both parties, it would give the District more income and the Donaldsons would have a reliable water supply. He noted that wells near the Donaldson property have been unsuccessful or producing less and less. The Donaldsons would agree to pay all the fees required by the District and are prepared to pay the City fees as well, which they know could be \$10,000 or more. They plan to start building their house in Spring of 2022 which would allow for the transmission line project to be completed before connecting. He also noted their property is immediately adjacent to the District's current boundaries.

Board Chair Carr noted that in preparation for today's discussion, she prepared draft forms of resolution both for and against annexation as examples to be considered by the Board. She noted lots of properties in the neighborhood have to haul water. The District has an obligation first to the approximately 60 lots in the District that do not have homes/do not receive water at this time. She reviewed what pros and cons she had for the annexation. She noted the engineers have concerns regarding the District's aging infrastructure and its ability to provide service to more connections. She noted as positives for the annexation that the District water line is reasonably close to the property, and Fann estimated it to be between \$12,500 – \$14,000 to build the line out to the Donaldson property. Annexation would allow the District to collect additional base fees and ad valorem taxes on the property. She did note that any approval would be contingent on the City's approval per the District's IGA with the City.

Director McClintock said she believes this is a very hard time for the District to consider any annexations. With the upcoming infrastructure project, the water main break the District had last week, as well as the tank leak. She noted during the water main break, the District's pumps ran 24 hours and the tank still dropped to 63%. This reminds her of the engineers concern regarding annexations and the District's ability to provide water and have adequate supply for any firefighting that may be needed. She is reluctant to approve an annexation right now because if they have another break, they already have a hard time getting water to their existing customers. She would prefer to have the infrastructure completed that could potentially assist handling additional users first. With the upcoming GIS system they can better review the District's ability to provide additional customers with water and not push the District to a level they can't sustain.

Director Cook concurred with Director McClintock's statements and also noted the District should work on identifying current leaks as well to help the system provide better service. He recognized the Donaldsons made their request from the point of view of their property, and with the water line nearby. However, they have to look at the request from the District's view and the impact on the entire system.

Director Angeleri agreed the aging infrastructure and the District's fire mitigating capabilities supported by the current system is concerning and needs to be considered in this request. He also noted the Board has to make decision for the betterment of the community as a whole. He would like to see the impact of the completed repairs and transmission line project before any annexations, and would like to wait to consider until all construction is completed. Mr. Carmen commented that he would discuss with his clients withdrawing their automatic petition clause in their last letter, and possibly coming back with a request when construction is complete instead.

Director McClintock made a motion to deny the Donaldson property request for annexation into the District; that the District construction upgrades need to be completed and firefighting capabilities be reviewed before annexation would be to the District's benefit. Director Cook seconded the motion. The Board noted they had no further discussion points to add to the Chairs drafted resolution to deny the annexation. Board Chair Carr asked that the record incorporate and reflect both of her drafted resolutions – one for approval and one for denial of the annexation request. Mr. Carmen confirmed he would discuss the petition withdraw with his clients and be in touch with the District's counsel. Mr. Tim Donaldson stated he appreciates the Board's concerns and hopes they will reconsider the matter again in the future. The Board then voted on the motion as follows:

Sandra McClintock – Voted Yes to Deny Annexation
David Cook– Voted Yes to Deny Annexation
Patti Ferguson– Voted Yes to Deny Annexation
Celia Carr– Voted Yes to Deny Annexation
Angelo Angeleri – Voted Yes to Deny Annexation

The motion passed unanimously.

9. **FUTURE MEETING DATES:** The Board Chair mentioned the upcoming meeting dates. The next meeting will be held at either the Library, at Municipal Accounts & Consulting's office or via telephone conference. The next meetings are tentatively scheduled for 8/12/2021 at 10:00 am and 11/16/2021 at 10 am – location to be determined.
10. **ADJOURNMENT:** There being no further discussion, the meeting was adjourned at 12:38 p.m.

**HIGHLAND PINES DWID
WATER MAIN REPLACEMENT - BID TABULATION**

Item #	Description	Qty.	Unit	Mountain High Excavating Unit Cost	Mountain High Excavating Total	Earth Resources Corp. Unit Cost	Earth Resources Corp. Total	Schoth Contracting Unit Cost	Schoth Contracting Total	Technology Const. Co. Unit Cost	Technology Const. Co. Total	Reapoint Contracting Unit Cost	Reapoint Contracting Total	Standard Const. Co. Unit Cost	Standard Const. Co. Total	Farm Environmental Unit Cost	Farm Environmental Total	
1	Mobilization	1	LS	\$91,000.00	\$91,000.00	\$92,821.00	\$92,821.00	\$45,000.00	\$45,000.00	\$200,000.00	\$200,000.00	\$195,500.00	\$195,500.00	\$140,000.00	\$140,000.00	\$87,000.00	\$87,000.00	
2	Clearing & Grubbing (Forest Service Easement)	1	LS	\$35,280.00	\$35,280.00	\$58,811.00	\$58,811.00	\$8,500.00	\$8,500.00	\$50,000.00	\$50,000.00	\$14,600.00	\$14,600.00	\$65,000.00	\$65,000.00	\$20,000.00	\$20,000.00	
3	Tree Removal (Forest Service Easement)	1	LS	\$43,974.00	\$43,974.00	\$22,648.00	\$22,648.00	\$12,000.00	\$12,000.00	\$50,000.00	\$50,000.00	\$40,000.00	\$40,000.00	\$35,000.00	\$35,000.00	\$7,500.00	\$7,500.00	
4	Furnish & Install 6" DIP C350 Waterline including All Fittings	11202	LF	\$64.00	\$716,928.00	\$86.00	\$969,372.00	\$89.00	\$996,978.00	\$91.00	\$1,019,382.00	\$95.00	\$1,064,190.00	\$110.00	\$1,232,220.00	\$157.00	\$1,758,714.00	
5	Furnish & Install 6" PVC C900 DR18 Waterline including All Fittings	2145	LF	\$53.00	\$113,685.00	\$111.00	\$238,095.00	\$80.00	\$171,600.00	\$75.00	\$160,875.00	\$147.00	\$315,315.00	\$140.00	\$300,300.00	\$155.00	\$332,475.00	
6	1" Combination Air Release Valve	14	EA	\$6,314.00	\$88,396.00	\$4,585.00	\$64,190.00	\$5,400.00	\$75,600.00	\$6,400.00	\$89,600.00	\$3,710.00	\$51,940.00	\$7,000.00	\$98,000.00	\$2,800.00	\$39,200.00	
7	2" Service Saddle, Cut and Connect	1	EA	\$5,993.00	\$5,993.00	\$6,299.00	\$6,299.00	\$4,600.00	\$4,600.00	\$3,200.00	\$3,200.00	\$2,890.00	\$2,890.00	\$5,500.00	\$5,500.00	\$2,500.00	\$2,500.00	
8	Remove Existing 6" Watermain at Water Meter & Connect New 6" Watermain	2	EA	\$21,000.00	\$42,000.00	\$3,795.00	\$7,590.00	\$1,600.00	\$3,200.00	\$1,500.00	\$3,000.00	\$1,160.00	\$2,320.00	\$3,200.00	\$6,400.00	\$12,800.00	\$4,298.00	\$8,596.00
9	6" Gate Valve, Box and Cover	17	EA	\$3,374.00	\$57,358.00	\$1,855.00	\$31,501.00	\$2,800.00	\$47,600.00	\$2,470.00	\$41,990.00	\$1,840.00	\$31,280.00	\$3,600.00	\$61,200.00	\$1,600.00	\$27,200.00	
10	Sawcut, Remove and Replace Existing Asphalt	751	SY	\$105.00	\$78,855.00	\$67.00	\$50,317.00	\$105.00	\$78,855.00	\$150.00	\$112,650.00	\$211.00	\$158,461.00	\$87.00	\$65,337.00	\$75.00	\$56,325.00	
11	Connect New Water Service Connection From Main to Existing Water Me	11	EA	\$3,500.00	\$38,500.00	\$2,778.00	\$30,558.00	\$1,850.00	\$20,350.00	\$2,400.00	\$26,400.00	\$2,950.00	\$32,450.00	\$7,200.00	\$79,200.00	\$3,150.00	\$34,650.00	
12	Install Concrete Encasement Per Quad City Sid Detail 404.PV	1	EA	\$9,800.00	\$9,800.00	\$4,778.00	\$4,778.00	\$2,200.00	\$2,200.00	\$7,200.00	\$7,200.00	\$2,090.00	\$2,090.00	\$3,000.00	\$3,000.00	\$1,000.00	\$1,000.00	
13	Relocate Existing Water Meter & Box as required to be Within Roadway Easer	3	EA	\$2,100.00	\$6,300.00	\$3,815.00	\$11,445.00	\$750.00	\$2,250.00	\$1,500.00	\$4,500.00	\$2,090.00	\$6,270.00	\$3,500.00	\$10,500.00	\$1,750.00	\$5,250.00	
14	Re seeding per Forest Service Requirements (Forest Service Easement)	31,200	SY	\$2.00	\$62,400.00	\$1.35	\$42,120.00	\$0.95	\$29,640.00	\$1.00	\$31,200.00	\$1.00	\$31,200.00	\$1.31	\$40,872.00	\$2.25	\$70,200.00	
15	Staging Area - Development, Maintenance & Restoration	3	EA	\$28,000.00	\$84,000.00	\$12,918.00	\$38,754.00	\$3,200.00	\$9,600.00	\$16,500.00	\$49,500.00	\$21,950.00	\$65,850.00	\$10,000.00	\$30,000.00	\$5,000.00	\$15,000.00	
16	Solid Rock Excavation	1660	CY	\$119.00	\$197,540.00	\$45.25	\$75,115.00	\$42.00	\$69,720.00	\$50.00	\$83,000.00	\$137.00	\$227,420.00	\$70.00	\$116,200.00	\$110.00	\$182,600.00	
17	Storm Water Pollution Prevention Plan	1	LS	\$35,294.00	\$35,294.00	\$20,569.00	\$20,569.00	\$8,000.00	\$8,000.00	\$25,000.00	\$25,000.00	\$2,800.00	\$2,800.00	\$35,000.00	\$35,000.00	\$55,000.00	\$55,000.00	
18	Temporary Bypass Water Supply Line (DIP Portion)	1	LS	\$70,000.00	\$70,000.00	\$140,627.00	\$140,627.00	\$350,000.00	\$350,000.00	\$233,000.00	\$233,000.00	\$50,000.00	\$50,000.00	\$160,000.00	\$160,000.00	\$180,000.00	\$180,000.00	
				\$1,777,903.00	\$1,777,903.00	\$1,899,610.00	\$1,899,610.00	\$1,935,693.00	\$1,935,693.00	\$2,190,497.00	\$2,190,497.00	\$2,294,576.00	\$2,294,576.00	\$2,483,729.00	\$2,483,729.00	\$2,878,912.00	\$2,878,912.00	
Bid Package Completeness				Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	
Was Bid Package Received by Deadline?				Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	
Did Bidder Sign Bid Schedule?				Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	
Bid Tabulation Addition Correct?				Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	
Bid Bond (10%) Included?				Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	
Acknowledgment of Addendums (1 & 2)?				Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	
Statement of Qualifications Included?				Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	
Proposed Subcontractor's List Included?				Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	
Contractor Years in Business under this name?				18	18	26	26	3	3	32	32	11	11	20	20	17	17	
AZ ROC Verification:				Active	Active	Active	Active	Active	Active	Active	Active	Active	Active	Active	Active	Active	Active	
License Status?				None	None	None	None	Resolved	Resolved	None	None	1	1	1	1	None	None	
Any Issues Reported?				N/A	N/A	N/A	N/A	5/26/2021	5/26/2021	N/A	N/A	Yes	Yes	Yes	Yes	N/A	N/A	
If issues, were they resolved?				N/A	N/A	N/A	N/A	5/26/2021	5/26/2021	N/A	N/A	7/2/2021	7/2/2021	1/21/2021	1/21/2021	N/A	N/A	
Resolved Date?				N/A	N/A	N/A	N/A	5/26/2021	5/26/2021	N/A	N/A	7/2/2021	7/2/2021	1/21/2021	1/21/2021	N/A	N/A	
Notes:				Best price, has experience with similar projects & similar size. Sunrise has worked with MHE in past 1 year and had excellent results. No issues with ROC.	Best price, has experience with similar projects & similar size. Sunrise has worked with MHE in past 1 year and had excellent results. No issues with ROC.	Did not acknowledge Addenda #2. Experience is mostly roadway and site development. No issues w/ ROC.	Least experience of all bidders, had 1 resolved issue reported to ROC, has experience with similar projects smaller in size.	Good experience with similar projects and similar size. No issues with ROC.	Some experience with similar projects mostly as part of development projects in valley, 1 issue with ROC resolved recently.	Some experience with similar projects as part of larger projects. 1 issue with ROC resolved this year.	Experience with similar projects as part of larger projects. 1 issue with ROC resolved this year.	Experience with similar projects as part of larger projects. 1 issue with ROC resolved this year.	Some experience with similar projects as part of larger projects. 1 issue with ROC resolved this year.	Some experience with similar projects as part of larger projects. 1 issue with ROC resolved this year.	Experience with similar projects as part of larger projects. 1 issue with ROC resolved this year.	Highest Price, Excellent knowledge of system, Most recent experience provided for City of Prescott. No issues with ROC	Highest Price, Excellent knowledge of system, Most recent experience provided for City of Prescott. No issues with ROC	
Sunrise Engineering Recommendations: (1 = Highest)				1	1	7	7	6	6	2	2	3	3	4	4	5	5	

**HIGHLAND PINES DOMESTIC WATER
IMPROVEMENT DISTRICT**

Resolution No. 2022-1
(Approval of Annexation Request)

**A FORMAL RESOLUTION AND ORDER OF THE GOVERNING BODY OF THE
HIGHLAND PINES DOMESTIC WATER IMPROVEMENT DISTRICT DECLARING
ITS FINDINGS AND DECISION REGARDING THE ADDITION TO OR ALTERATION
OF THE DISTRICT.**

WHEREAS, the Highland Pines Domestic Water Improvement District (“District”) received a letter from Carmen Law Firm on 2/18/2021 to amend its boundaries to include The Donaldson’s property (parcel 100-01-030A) attached hereto as **Exhibit “A”**; and

WHEREAS, the Properties are contiguous to the boundaries of the District,

WHEREAS, the District finds that:

- (i) Access to the HPDWID water distribution line is reasonably close to the Donaldson’ property (parcel 100-01-030A) at Sunny Side Lane; the cost is estimated at \$12,500 - \$13,200.
- (ii) Amending the HPDWID boundary to include the Donaldson’s property (parcel 100-01-030A) would result in an additional base fee of \$60.00/per month to HPDWID.
- (iii) HPDWID could receive Ad Volarum property tax dollars from the Donaldson’s.

WHEREAS the District finds that the public convenience, necessity or welfare would be promoted by HPDWID’s boundaries to include parcel 100-01-030A as requested in the Carman letter, now therefore

BE IT RESOLVED AND ORDERED, that amending the boundary to include parcel 100-011-0301A (the Donaldson property) into the Highland Pines Domestic Water Improvement District is hereby approved.

PASSED and ADOPTED by the governing body of the Highland Pines Domestic Water Improvement District this ____ day of _____, 2021.

Board Chairman

ATTEST:

Board Clerk

HIGHLAND PINES DOMESTIC WATER IMPROVEMENT DISTRICT

Resolution No. 2022-1 (Denial of Annexation Request)

A FORMAL RESOLUTION AND ORDER OF THE GOVERNING BODY OF THE HIGHLAND PINES DOMESTIC WATER IMPROVEMENT DISTRICT DECLARING ITS FINDINGS AND DECISION REGARDING THE ADDITION TO OR ALTERATION OF THE DISTRICT.

WHEREAS, the Highland Pines Domestic Water Improvement District (“District”) received a letter from Carmen Law Firm on 2/18/2021 to amend its boundaries to include The Donaldson’s property (parcel 100-01-030A) attached hereto as **Exhibit “A”**; and

WHEREAS, the Properties are contiguous to the boundaries of the District,

WHEREAS, the District finds that:

- (i) Provision of water to the property is not necessary because reasonable alternative means of securing water are available. Alpha Omega Water Delivery can deliver 2,000 gallons of water a week at a cost of \$145-165 per 2,000 gallons.
- (ii) None of the many existing and occupied residences along the streets adjacent to the District receive water from the District.
- (iii) HPDWID Board of Directors have an obligation to service the 60 vacant lots in the district before amending its boundaries to add additional lots.
- (iv) A report dated 2/14/2008 by Timothy Robins P.E., of Robbins Engineering documented the following: (a) When experiencing the huge subdivision water demands of the summer, pump house #3 could not keep up with the demand to fill the upper water tank adequately; (b) At “build out” the existing pump would have run times approaching or exceeding 24 hours/day; (c) the lower water tank of 75,000 gallons falls short of the 2008 ADEQ required fire flow storage requirement of 120,000 gallons.
- (v) The District is undertaking a major infrastructure project at a cost of approximately \$2.6 million dollars to replace its 2.1 mile main transmission line and parts of Madizell Road which is required to provide water to existing HPDWID properties (estimated completion 2022). Adding additional properties to HPDWID does not seem prudent or necessary because of the current ongoing major infrastructure projects.
- (vi) The HPDWID water delivery system’s infrastructure is aging and in need of serious repairs. The lower water tank on Madizell has been leaking for over a year and is in need of replacement.
- (vii) Applicants have not provided the HPDWID Board of Directors any research or information as to the the City Prescott cost of annexation or the time and material costs for Fann Environmental to build a water line to the property.

WHEREAS, the District finds that the public convenience, necessity or welfare would not be promoted by HPDWID's boundaries to include parcel 100-01-030A requested in the Carman letter, now therefore

BE IT RESOLVED AND ORDERED, that amending the boundary to include parcel 100-011-0301A (the Donaldson property) into the Highland Pines Domestic Water Improvement District is hereby denied.

PASSED and ADOPTED by the governing body of the Highland Pines Domestic Water Improvement District this ____ day of _____, 2021.

Board Chairman

ATTEST:

Board Clerk