

**HIGHLAND PINES DOMESTIC WATER IMPROVEMENT DISTRICT
GOVERNING BOARD MEETING
JUNE 10, 2022
PUBLIC HEARING AND SPECIAL MEETING MINUTES**

1. **CALL TO ORDER:** Board Chair Celia Carr called the meeting to order at approximately 4:00 p.m.
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 – Present, entering the meeting later where noted

Thus constituting a quorum. Also attending the meeting were: Natalie Galgano-Pinkley, District Bookkeeper/Administrator of Municipal Accounts & Consulting, LP (“MAC”); Jerry Woodward, Rod Holland, Cassie Wright, Neil Lacour, and other members of the public.

Director McClintock made a statement regarding the District’s various large projects planned last year, this year, and next year. She noted the Board’s thanks for Ms. Karkula for bringing up the ARPA funds at last year’s public hearing. The District has preliminary authorization for \$300,000 of ARPA funds, pending the final approval steps. Director McClintock discussed the recent pump issues and replacements, and the unexpected costs involved for those repairs. She also discussed the recent main break on Arrowhead that caused an outage of service, and it has been discovered that main pipe is made of concrete asbestos which is eroding. She noted the WIFA payments for the upcoming years. The 2009 WIFA Loan will be paid off in 2029. The 2012 WIFA Loan will be paid off in 2032. Director McClintock noted how all these items were considered when drafting the budget and the property tax levy.

3. **CALL TO THE PUBLIC:** A call to the public was made for comments relating to District matters. It was noted that comments would be limited to 2 minutes, and could be made at this time or under an agenda item. No public comments were made at this time.
4. **PUBLIC HEARINGS:**

A. Public Hearing on FY 2022/2023 Rates and Fees: At 4:22 pm Board Chair Carr opened the public hearing. Ms. Galgano-Pinkley gave a brief summary of the proposed rates and fees for the upcoming fiscal year. She noted the City of Prescott raised their rates by 2.5% in January 2022 and will raise their rates by another 2% in January 2023. The Board is not passing that increase to the customers, and is not proposing to raise the monthly water service rates this year. It was also noted that the City charges the District a 30% premium since they are outside City limits.

Director Angeleri entered the meeting at this time.

At 4:26 pm the public hearing on the rates and fees was closed.

B. Public Hearing on FY 2022/2023 Budget: Board Chair Carr opened the public hearing on the 2022/2023 Budget at 4:26 pm. Ms. Galgano-Pinkley gave a brief summary of the proposed budget for the upcoming fiscal year. It was noted the budget contemplates a property tax rate reduction – from \$2.7677 per \$100 of value to \$2.50 per \$100 of value. It was noted that the District’s infrastructure has been requiring more and more maintenance and repairs, so those budget items have been increased for the year. It was also noted that the budget contemplates a few of the District’s large repair items that may be paid in part by ARPA funds. However, since the ARPA award has not been finalized, that money is not in the budget.

Mr. Lacour thanked the Board for their service. He inquired as to where the City's line ends and the District's line begins. It was explained the District takes over the water line down at Spence Springs Road. Director Angeleri noted that the District has good water quality since they purchase it from the City. Many other districts have to spend a lot of money to treat the water to improve the water quality.

Mr. Paul Carr asked if the Girl Scout Camp is paying their fair share of the water rates. The Board responded that the Camp is charged for their water service under their contract. While the contract is old, the rates were adjusted last year to better reflect the Camp's share of the District's expenses. The Board is currently working on a new contract with the Camp. The Board also noted the Camp has offered to pay for their share of the transmission line project, so the Board is working to negotiate that once the costs are finalized.

At 4:42 pm the public hearing on the budget was closed.

6. SPECIAL MEETING:

- A. Discussion and Possible Action re: approval of 5/24/2022 Meeting Minutes:** Board Chair Carr noted a few minor corrections to the minutes. Director McClintock made a motion to approve the minutes of the May 24, 2022 Regular Session, as corrected. Director Angeleri seconded the motion. The motion passed unanimously.
- B. Discussion and Possible Action re: FY 2022/2023 Final Rates and Fees and possible adoption of Resolution No. 2023-1 re: the same:** Director McClintock made a motion to approve the proposed rates and fees for the FY 2022/2023 as presented, and adoption of Resolution No. 2023-1 relating to the same. Director Cook seconded the motion. The motion passed unanimously.
- C. Discussion and Possible Action re: FY 2022/2023 Final Budget and possible adoption of Resolution No. 2023-2 re: the same:** Director McClintock made a motion to approve the proposed budget for the FY 2022/2023 as presented, and adoption of Resolution No. 2023-2 relating to the same. Director Angeleri seconded the motion. Ms. Galgano-Pinkley noted she had one change to make to the column headings on the budget, and would do so for the final version. The motion passed unanimously.
- D. Discussion and Possible Action re: Call of Election; Notice of Election:** Board Chair Carr noted two of the Directors' terms end in November. Director McClintock made a motion to call the election for two board member seats. Director Cook seconded the motion. Mr. Woodward asked the Board how the community would be notified. Board Chair Carr stated the call of election would be mailed to the residents, and the notice of election would be published as required in September in the Daily Courier. The motion passed unanimously.
- E. Discussion and Possible Action re: Development of HPDWID Policy and Procedure Manual, Bylaws and Administrative Manual:** Board Chair Carr noted the Board has two workshops scheduled to work on the Policy Manual. She is working to get the rest of legal's input, then will be sending sections to the Board Members to review.

7. ADJOURNMENT: There being no further discussion, the meeting was adjourned at 4:53 p.m.