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# By-Laws and Rules of Procedure

VERSION HISTORY				
VERSION	APPROVED BY	REVISION DATE	DESCRIPTION OF CHANGE	AUTHOR

APPROVED AND ADOPTED this 13 day of February, 2022.

CHAIRPERSON: Angelo Angeleri

CLERK: Patricia Ferguson

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## . BY-LAWS

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### ARTICLE I: NAME

The name of the District shall be HIGHLAND PINES DOMESTIC WATER IMPROVEMENT DISTRICT (HPDWID).

### ARTICLE II: PURPOSE AND MISSION

The purpose of HPDWID is to provide water services to persons and property within the defined boundaries of the District and to the Girl Scouts -Az Cactus Pine Council Inc (parcel 100-01-005).

The mission of HPDWID is to assure the delivery of quality water through a water delivery system that meets or exceeds all county, state, and federal requirements to users within the water District boundaries through excellent customer service.

### ARTICLE III: POWERS AND DUTIES

The Board of Directors of a Domestic Water Improvement District has all the powers and duties of the Board of Supervisors sitting as the Board of Directors of a county improvement district. Some of these powers include:

- A. *Acquisition, construction, reconstruction, maintenance, or repair of waterworks for the delivery of water for domestic purposes, and of pipelines, together with the necessary or usual appurtenances for the delivery of water through or out of the district under, over or through any street or right-of-way, either inside or outside of the district boundaries.*
- B. *Acquire by gift, purchase, condemnation, or other legal means real or personal property or interest in such property necessary for the construction, operation or maintenance of the water delivery system.*
- C. *Issue bonds, levy and collect taxes for the payment of the general obligations of the district*
- D. *Borrow money from the Water Infrastructure Finance Authority of Arizona (WIFA).*
- E. *Establish user fees that may include the cost of administrators, surveyors, sanitation experts, engineers, legal counsel, or contractual amounts.*
- F. *Establish hook-up fees for connection to the district's system, not including the cost of the actual physical connection.*
- G. *Establish lateral fees for the cost of constructing a water lateral from the property line of the user to the middle of the easement or right-of-way in which the water system is located.*
- H. *File a lien on property for the nonpayment of user fees if the fees are more than 90 days delinquent. The lien is inferior to the lien for general taxes and to all prior recorded mortgages and encumbrances of record. In filing the lien, the district will add all costs incurred by the district, including interest, attorney fees and the costs of filing and enforcing the lien. However, the district may not file a lien against a residential property that is occupied by a lessee if the lessee is responsible for the payment of the user fees.*
- I. *Annex territory to the district.*

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**ARTICLE IV: DISTRICT AND OPERATIONAL ADMINISTRATORS**

- A. *The Board shall appoint a District Administrator who shall be responsible for all administrative activities. The Board shall also appoint an Operational Administrator who shall be responsible for operations of the water system. These two Administrators shall hold their positions at the pleasure of the Board and may be removed, with or without cause, unless a contract is entered into which qualifies said relationship. The position of District Administrator and Operational Administrator shall be in accordance with the District Policies and Procedures, subject to the approval of the Board.*
  
- B. *The District Administrator will be responsible for the day-to-day operations of the District, hiring and management of personnel (including discipline), reporting and assisting the Board in the development of a District budget, obtaining quotes on purchases such as construction projects and vehicles, and providing reports to the Board on a regular basis as to the activities and finances of the District. The District Administrator, or the District Administrator's designee, shall attend all meetings of the Board, unless excused by the Chairperson. The District Administrator may take part in the Board's discussion on all matters on the agenda, except when prevented from doing so by reason of a conflict of interest or ethical reasons, or if excluded by the Board Chair. In the event that the District Administrator is unable to attend a Board meeting, the District Administrator shall appoint another qualified staff member to attend the meeting on behalf of the District. The District Administrator shall be responsible for providing regular administrative reports as required by law and/or requested by the Board (i.e., bookkeeping, finance, billing, budgets, customer complaints, WIFA, and miscellaneous).*
  
- C. *The Operations Administrator shall be responsible for the District's water system and all water line operational and maintenance activities. The Operations Administrator shall be responsible for providing a monthly operations report (MOR) and other reports as required by law and/or requested by the Board (i.e., compliance – ADEQ, testing, meter reading, maintenance, and miscellaneous).*

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## ARTICLE V: BOARD MEMBERS

- A. *HPDWID Board of Directors shall be comprised of five members. Members of the Board shall be those persons elected or appointed pursuant to Arizona law. Members of the Governing Board of the District shall serve a staggered four (4) year term. If a vacancy occurs on the Board, other than upon the expiration of a Board member's term, the remaining members of the Board shall fill the vacancy by appointment pursuant to Arizona statutes.*
- B. *Fiduciary Responsibilities of Board Members*
1. A fiduciary relationship is one in which property and/or power is entrusted in one person for the benefit of others. Every Board member has a fiduciary duty to the District. By accepting office, each Board member agrees to act in good faith to give the District the benefit of his/her best judgment and to act solely in the interest of the District.
  2. This relationship is not without potential liability. Every Board member is bound by law to be diligent with respect to the management and administration of District affairs.
  3. Every Board member must act to ensure, as a member of the Board, that funds are expended only for District purposes. Additionally, if a Board member causes damage to the District as a result of improper actions, this Board member may become liable to the District.
  4. Every Board member owes the District members, Officers and other Board members the duty of full disclosure of information relating to the business of the District. Lack of such responsibility of the Officer may result in "self-dealing" contracts which represent a conflict of interest and are voidable by the District.
  5. Any matter under consideration by the Board which involves a personal interest on the part of a Board member shall constitute a conflict of interest and shall cause said Board member to remove himself/herself from the vote.
  6. Board members agree to adhere to all state, county and IRS laws and regulations and pledge cooperation to achieve the goals and objectives of the District.
  7. The District may indemnify any and all of its Board members and former Board members against expenses incurred by them or levied against them for actions and/or omissions alleged to have been committed while serving and acting as a Board member provided that the Board of Directors determines, in good faith, that the Board member did not act with fraudulent or criminal intent in regard to the matter involved in the action.
  8. The private property of the incorporators, Board members, and former Board members shall forever be exempt from liability for all corporate debts and obligations whatsoever.
  9. The Board of Directors may employ such agents, employees or attorneys as, in its opinion, shall be necessary to transact the business of the District. No Board member shall be responsible for default or misconduct of such agents, employees, or attorneys; nor for the misconduct of any other Board member or his successor; nor shall any Board member be responsible for fraud or negligence of another Board member.

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**ARTICLE VI: OFFICERS**

*A. Election of Officers*

Members of the Governing Board of the District shall select a Chairperson, Vice-Chairperson, Treasurer and Clerk of the Board from amongst their numbers. In addition to the powers conferred upon the selected Officers, those persons shall continue to have all the rights, privileges, and immunities of a member of the Board. If an Officer vacancy occurs, at their next regular meeting, the Board shall make a new selection from the remaining board members. The Officers shall serve for a period of one (1) year, at which time the Governing Board shall consider whether to appoint new Officers. However, said Officers shall serve until their successor is appointed.

1. Chairperson shall serve as a CEO of the Board; shall act as the public spokesperson for the District; shall preside at Board meetings and shall perform all other duties customary for a Chairperson. The Chairperson shall make assignments, as may be necessary and expeditious, to implement the business of the Board. In addition, the Chairperson may serve as an ex-officio member of all sub-committees.
2. Vice-Chairperson shall perform all the duties of the Chairperson, in that Officer's absence, and such other duties as shall from time to time be assigned by the Board or Chairperson.
3. Treasurer shall serve as the office staff liaison Officer of the Board with the bookkeeping/accounting/secretarial staff (be they contractual or employees of the District). The Treasurer shall meet with staff, as may be necessary and as often as the Board shall prescribe, to examine financial/business records to assure the Board that prescribed procedures are being implemented. The Treasurer shall perform such additional financial/business functions as the Board may request. The Treasurer shall consult with staff in the preparation of the proposed annual budget and shall act as liaison with the accountant performing an audit or financial review.
4. Clerk of the Board shall ultimately be responsible for maintaining the records of the Board and may delegate to department staff the responsibility of keeping minutes or performing such other and further duties in the meeting as may be required by the Board presiding Officer.
5. At-large Board Members may be designated to assist in implementation of assigned responsibilities of officers and/or may be assigned special projects by the Chairperson.

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**ARTICLE VII: COMMITTEES**

- A. *The Chairperson or the Governing Board may appoint members to Advisory Committees.*
- B. *Advisory Committees may be created for a particular purpose. Committee members may be appointed by the Governing Board, or by the Chairperson, with the advice and consent of the Board, where appropriate. The Chairperson shall designate the chair of the committee. A Board member may be appointed as a member or liaison to an Advisory Committee. Citizen study committees shall sunset at the end of their mission.*
- C. *All such Committees shall comply with the Open Meeting Laws of the State of Arizona. A Committee shall provide the Board with copies of any Minutes taken of meetings and shall communicate to the Board the results of the deliberation of the Committee.*
- D. *Any such communication shall be officially acknowledged by the Board and receipt noted in the Minutes. The procedure for acknowledging such receipt shall be that the Manager or any Member of the Board may bring such communication to the Chairperson’s attention under an appropriately agenda item (such as reports, correspondence, etc.). The Chairperson shall acknowledge the receipt of that communication on the record, and an appropriate notation shall be made in the minutes. Should any Member of the Board determine that any such communication needs to be responded to by the Board, the Chairperson shall add the matter to the agenda of a subsequent meeting.*

**ARTICLE VIII COMPENSATION OF BOARD MEMBERS**

Board Members may receive a stipend of up to \$75.00 per Board meeting, for each Board meeting not to exceed 4 Board meetings each calendar month, as determined by the Board, for services as members of the Board, as set forth in the statute. Members may also be reimbursed for their actual expenses incurred in the performance of their official duties.

**ARTICLE IX DEPARTMENTAL REGULATIONS**

The Board of the Domestic Water Improvement District is responsible for the approval of District policies. The District and Operations Administrators may implement such rules and regulations concerning operations and activities as he/she may deem necessary, consistent with the policies of the District, Arizona law, or as otherwise directed by the Board.

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**ARTICLE X FINANCIAL POLICY**

*A. Fiscal Year*

The fiscal year of the District shall be the twelve (12) month period beginning on July 1 and ending June 30 of the following year.

*B. Annual Budget*

The Governing Board, with the assistance of the District Administrator, shall not later than the third Monday in June of each year, prepare the Annual Budget for the next fiscal year and present said budget to the Board at a regular or special meeting for review and consideration. A complete copy shall be made available at the city, town, or county libraries and or city, town or county administrative offices and shall be posted on the District’s website no later than seven days after initially presented to the Board. Publication of the proposed Annual Budget, or a summary, and a notice of public hearing shall be made in a newspaper of general circulation within the District, together with the library addresses and websites where a complete copy may be found, once a week for at least two weeks after tentatively adopted. Following the public hearing, which shall be held on or before the fourteenth day before the day that the District plans to levy taxes, the Board shall adopt the Annual Budget at a public meeting. When the Annual Budget is adopted by the Board, it shall be submitted to the County Board of Supervisors no later than August 1 of each year and shall be posted in a prominent location on the District’s website no later than seven business days after final adoption and retained for at least sixty months. The Annual Budget shall be final and shall serve as a guide to the District’s financial activities and to limit the District’s expenditures. The District may not operate at a deficit or incur indebtedness except as permitted by law. The Board may disperse funds more than the amount allocated under the Annual Budget if the additional amount is approved by the Board.

**ARTICLE XI: FILLING BOARD VACANCIES**

The Board will follow the procedures outlined in the Arizona statutes for filling vacancies on the Board. To fill the vacancy with the most qualified person available until an election is held, the Board will distribute and publish a notice of the vacancy, the procedure, and any application form.

**ARTICLE XII: AMENDMENTS**

Amendments to these By-laws/Rules of Procedure may be proposed in writing at any regular or special public meeting of the Board. Amendments shall be adopted by an affirmative vote of a majority of a quorum of the Board. Notice of intention to present amendments to these By-laws for adoption shall be contained in the notice of the meeting.

**ARTICLE XIII: SEVERABILITY**

These By-laws/Rules of Procedure and the several parts thereof are hereby declared to be severable.

**ARTICLE XIV: USE OF LEGAL COUNSEL**

The District Administrator, or designee, and the Board Chair or any member of the Board, may contact the legal counsel for the District, as deemed appropriate, from time to time. However, any contact with the legal counsel shall be reported, to the Board Chair or the Board collectively, monthly.

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**ARTICLE XV: CONFLICT OF INTEREST**

A Member of the Board of the District shall not participate in or act on any item in which the Board Member, a Board Member’s business, or a Board Member’s family member has a financial interest (a “substantial interest,” as defined by statute). In addition, a Board Member shall refrain from participating in an item if doing so would create an appearance of impropriety.

In the event it is determined that a Board Member has a conflict of interest, that conflict of interest will be disclosed in writing and placed in the permanent records of the District. The Board Member shall also declare on the record the existence of that conflict, and refrain from participation in Board consideration, discussion or action as it relates to that subject matter involving the conflict of interest.

Members of the Governing Board of the District may not participate, except under very limited circumstances, in any action item or in the consideration of any item which involves the hiring of a person related to a Board Member.

Members of the Governing Board of the District may not, except under circumstances narrowly defined under Arizona law, enter into a contract to provide services, materials or equipment to the District for compensation.

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## **. RULES OF PROCEDURE**

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### **RULE 1: DISTRICT OFFICE – WEBSITE**

- A. *The District Office is located at 240 S. Montezuma, Suite 202B, Prescott, AZ 86303. The phone number is 928-800-5364. All correspondence, applications and inquiries should be addressed to Municipal Accounts and Consulting, L.P.*
- B. *The District website is [www.hpdwid.com](http://www.hpdwid.com).*

### **RULE 2: BOARD MEETING – LOCATION AND TIME**

- A. *A Public Notice announcing the HPDWID Board meeting date/place/time(s) and how to access meeting notices and agendas will be submitted to the County Board of Supervisors office and posted on the HPDWID website. All HPDWID Board meeting agendas will be posted at least 24 hours prior to convening a meeting as required by Arizona Open Meeting Law. Sundays and holidays are not counted as part of the 24 hours. No action shall take place on items not included on the agenda except for emergency situations. An emergency shall exist if it involves the health, safety, or general welfare of customers.*
- B. *The Chairperson of the Governing Board shall designate the time and location for regular and special meetings, at the Board Chairperson’s discretion. Regular meetings of the Governing Board shall be held at such place and time as designated by the Chairperson. All reasonable efforts shall be made to establish a uniform date and time for the regular meeting, to permit the members of the public and Governing Board to anticipate and prepare for those meetings. Special meetings and executive sessions will be held at the discretion of the Chairperson or upon the request of two (2) Members of the Governing Board.*
- C. *All meetings shall be conducted according to parliamentary procedure. Any person in attendance causing a disturbance during a meeting may be asked to leave.*

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**RULE 3: CONDUCT OF MEETINGS**

- D. *The Chairperson shall preside at all meetings of the Governing Board of the District and shall be recognized as the head of the Board for all ceremonial purposes. In the event of the Chairperson's absence, or if so, directed by the Chairperson or remaining Board Members, the Vice-Chairperson shall act as Chairperson. In the event the Chairperson and Vice-Chairperson are unavailable, a temporary Chairperson shall be selected by the Members of the Board to act during such absence.*
- E. *The Chairperson, or the Chairperson's designee, the District Counsel, or the Administrator, or its designee, shall serve as Board Parliamentarian and shall preserve decorum and decide all questions of order, subject to appeal of the Board.*
- F. *During Board meetings, Board Members shall not delay or interrupt the proceedings or refuse to obey the orders of the Chairperson or the Rules of the Board. Every Board Member desiring to speak shall address the Chairperson and, upon recognition by the Chairperson, shall confine himself or herself to the question under debate and shall avoid all offensive or indecorous language. A Board Member once recognized shall not be interrupted while speaking unless called to order by the Chairperson or unless a point of order or other privileged motion is raised by another Board Member. If a Board Member is called to order while speaking, he or she shall cease speaking immediately until the question of order is determined. If ruled to be in order, he or she shall be permitted to proceed. If ruled not to be in order, he or she shall remain silent or shall alter his or her remarks so as to comply with the rules of the Board. A Board Member, with permission of the Chairperson, may address questions to the District Administrator or staff or members of the audience but he shall confine his questions to the particular issues before the Board. If a point of order is raised and the Chairperson fails to act, any Member of the Board may move to require him to enforce the rules and the affirmative vote of the majority of the Board shall require the Chairperson to act.*
- G. *Any remarks shall be addressed to the Chairperson and to any or all Members of the Board. No Member of the staff or audience shall enter any discussion, either directly or indirectly, without having first obtained the floor by permission of the Chairperson.*
- H. *Citizens of the District and any other members of the public attending Board meetings shall also observe the same rules of propriety and decorum to Members of the Board. Any member of the public desiring to address the Board must first be recognized by the Chair, shall state his or her name in an audible tone for the record, and shall limit his or her remarks to the question under consideration. Any remarks shall be addressed to the Chair and to any or all Members of the Board.*
- I. *Citizens of the District, Board Members, and any other members of the public shall be afforded the opportunity to attend Board meetings, either in person or via telephone conferencing. If telephonic attendance is requested, said request shall be brought to the District's attention at least twenty-four (24) hours prior to any Board meeting, in order to allow the District time to arrange accommodations for such request.*

NOTE: All or any part of the public meeting of the Governing Board may be recorded by any person in attendance by means of a tape recorder, camera or other means of sonic reproduction, provided that there is no interference with the conduct of the meeting.

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**RULE 4: QUORUM**

At all meetings of the Governing Board of the District, a majority of the Board shall constitute a quorum for the purpose of transacting business. The act of a majority of the quorum of the Board shall be deemed an official act of the Board.

**RULE 5: OPEN MEETING RULES**

Refer to HPDWID Open Meeting Law (OML) Manual for Detailed Requirements

**A. Notice and Posting of Meetings.**

1. Notice to Members of the Governing Board. Notice of all meetings, including executive sessions, must be given to the members of the Governing Board at least twenty-four (24) hours prior to the meeting. This requirement is met by posting it on the HPDWID website, mailing, e-mailing, or hand-delivering a copy of the notice to each member.
2. Notice to the Public. Notice of all meetings, including executive sessions, must be given to the public, as follows:
  - a. Disclosure Statement. The Governing Board shall either post on its website or file with the Clerk of the County Board of Supervisors a Disclosure Statement, stating where all public notices will be posted and shall give such additional notice as is reasonable and practicable as to all meetings. If the Board intends to meet for a specified calendar period on a regular day or date during the calendar period, and at a regular place and time, the Board may post on its website or with the Clerk of the Board of Supervisors a public notice of such meetings at the beginning of such period. However, a separate agenda for every meeting shall still be posted.
  - b. Posting Notice. The Board must also give notice of all meetings to the public by posting a copy of the notice (or agenda) in the public place identified in the Disclosure Statement and by giving "such additional public notice as is reasonable and practicable as to all meetings." If a notice is used instead of an agenda, it must disclose how the public can obtain an agenda.
  - c. Time. Except as otherwise described below, meetings of the Governing Board shall not be held without first posting notice to the public at least twenty-four (24) hours prior to the meeting.
  - d. Agendas. The agendas must be available to the public at least twenty-four (24) hours prior to the meeting, except in the case of an emergency meeting or recess/resume of prior meeting. Such notice may include Saturdays IF the public has access to the physical posting location but shall not include Sundays or other legal holidays prescribed under A.R.S. §1-301.
  - e. Emergency Meetings. If an emergency session is conducted without the requisite twenty-four (24) hours' notice, the District must give as much notice as reasonably possible, include the reason for the emergency meeting in the meeting minutes and after the emergency meeting, post a public notice within twenty-four (24) hours declaring that an emergency session has been held, giving the reason for the emergency meeting and setting forth a general description of the matters discussed. Emergency meetings shall only be called in cases of unforeseen circumstances, where immediate Board action is necessary to avoid a serious consequence that would result from waiting until a proper notice could be provided.

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- f. Recess. If a recess is required, the Board may recess and resume a properly noticed meeting to a later time or date by making an announcement at the meeting indicating where and when the meeting will be resumed, and what agenda items will be covered.
- g. Executive Session. If an executive session will be held, the agenda shall state the specific provision of law authorizing the executive session. If the Board is uncertain whether a legal question may arise requiring an executive session, a statement may be included in the agenda stating that an item on the agenda may be discussed in executive session for the purpose of obtaining legal advice pursuant to A.R.S. §38-413.03(A)(3). Executive sessions may be attended by the Board Members, persons subject to a personnel discussion, and those individuals whose presence is reasonably necessary (the record should reflect why those individuals are reasonably necessary).
- h. Employment Matters. If the Governing Board intends to discuss a personnel matter during executive session, the Board is required to give the employee or appointee who is the subject of the employment matter a written notice at least twenty-four (24) hours prior to the meeting.

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*B. Agendas*

An Agenda shall be prepared for each Board meeting, together with supporting documentation.

1. Regular Meetings/Agenda. Either incorporated in the Notice of Meeting or as a separate document, each meeting must have a written agenda. If the agenda is separate and apart from the Notice, then the agenda should contain the place, date and time of the meeting. The agenda shall also contain a listing of the specific matters to be discussed, considered, or decided at the meeting. The Governing Board may only discuss, consider, or make decisions on matters listed on the agenda. Items cannot be generic or vague, such as "Personnel Matter", but must contain such information as is reasonably necessary to inform the public of the matters to be discussed or decided. If a specific item is to be discussed in executive session, then the agenda must so disclose. It is the Chairperson's responsibility to determine which items placed on the agenda are discussed at the meeting.
2. Executive Sessions/Agenda. A separate agenda item is required for executive sessions. The agenda must contain a general description of the matters to be considered in executive session and must recite the specific statutory citation under which the executive session is being held. However, the agenda should not contain any information which would defeat the purpose of the executive session, compromise the legitimate privacy interests of a public officer, appointee, or employee, or compromise the attorney-client privilege.
3. Distribution of Agendas. Agendas may be made available to the public by including it as part of the public notice or by stating in the public notice how the public may obtain a copy of the agenda, and then distributing the agenda in the manner prescribed. (It is preferable to simply incorporate the agenda into the public notice and post as set forth above).
4. Consent Agenda. The Governing Board may use "consent agenda" so long as certain requirements are met. Consent agendas are typically used as a time-saving device when there are certain items on the agenda which are unlikely to generate controversy and are ministerial in nature. The Governing Board often takes one vote to approve or disapprove the consent agenda as a whole. When using a consent agenda format for some items on a meeting agenda, the Board should fully describe the matters on the agenda and inform the public where more information can be obtained. An item should be removed from the consent agenda at the request of any member of the Governing Board.
5. Signed Agenda. The form of Agenda should be signed by the Clerk or other officer of the Board, or by the person responsible for the same.
6. Courtesy Agenda. In the event a quorum may be present at a social event or seminar, a "courtesy agenda" may be posted for purposes of announcing such event and explaining that a quorum might be present. Such agenda should identify the date, time, and purpose of said event and shall state that no business will be discussed, and no legal action will be proposed or taken at said event.

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C. *Minutes*

1. Minutes must be taken of all public meetings and executive sessions. (Minutes must also be taken for meetings conducted by subcommittees and advisory committees). Minutes may be taken in writing or may be recorded by a tape recorder or video recorder.
2. Minutes (or a draft of the minutes or an audio recording) of a public meeting must be available for public inspection within three (3) working days after a meeting. If the Governing Board is concerned about distributing minutes before they have been officially approved at a subsequent meeting, the clerk should mark the minutes “draft” or “unapproved”.
3. MINUTES OF AN EXECUTIVE SESSION ARE CONFIDENTIAL and may not be disclosed to anyone except certain authorized persons. To ensure confidentiality, minutes of executive sessions should be stored separately from regular session minutes to avoid inadvertent disclosure. In addition, any materials distributed in an executive session are likewise confidential. These materials should be distributed and collected by the secretary or clerk of the Board at the end of the executive session and attached to the minutes of the executive session as an exhibit. Usually, members of the Governing Board should not remove the materials from the executive session.
4. Contents of Minutes – Regular Meetings. Minutes shall contain:
  - a. The date, time, and place of the meeting. The members of the Governing Board shall be recorded as either present or absent.
  - b. A general description of the matters discussed or considered. Minutes must contain information regarding matters considered or discussed at the meeting even though no formal action or vote was taken with respect to the matter.
  - c. An accurate description of all legal actions proposed, discussed, or taken, and the names of the persons who proposed or seconded each motion and the names of those voting in favor or against each matter. (Or a note that the vote was “unanimous”.)
  - d. The name of each person making statements or presenting material to the Governing Board and a specific reference to the legal action to which the statement or presentation relates.
  - e. If the discussion in the public session did not adequately disclose the subject matter and specifics of the action taken, the minutes of the public meeting at which such action was taken should contain sufficient information to permit the public to investigate further the background or specific facts of the decision.
  - f. If matters not on the agenda were discussed or decided at a meeting because of an actual emergency, the minutes must contain a full description of the nature of the emergency.
  - g. If a prior act was ratified, the minutes shall include a written description of the ratification taken.
  - h. Proper approval, signature, and date.

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5. Contents of Minutes – Executive Session. Minutes for an Executive Session shall contain:
  - a. The date, time, and place of the meeting. The members of the Governing Board shall be recorded as either present or absent.
  - b. An acknowledgement of the purpose and statutory authority for the Executive Session.
  - c. A recognition of each person present, and the justification for that person’s presence at the Executive Session.
  - d. A general description of the matters considered.
  - e. An accurate description of all instructions given to attorneys or designated representatives pursuant to A.R.S. §38-431.03(A)(4), (5) and (7).
  - f. If an emergency occurs regarding a matter not on the Agenda, the Minutes must include a statement/description/rationale for the emergency matter.
  - g. Proper approval, signature, and date.
6. Confidentiality of Executive Session Minutes. Minutes of an executive session and all discussions that take place at an executive session are confidential and may not be disclosed to anyone except for the following:
  - a. Any member of the Board.
  - b. Any officer, appointee or employee who was the subject of discussion at an executive session may see those portions of the minutes directly pertaining to them.
  - c. Staff personnel, to the extent necessary for them to prepare and maintain the minutes of the executive session.
  - d. The attorney for the Board.
  - e. The Auditor General or County Attorney when investigating alleged violations of the Open Meeting Law; and
  - f. The Court, for purposes of a confidential records inspection.

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*D. Executive Session*

The Governing Board may hold an executive session but only for the purpose of discussion or consideration of:

1. Employment matters including but not limited to assignment, appointment, promotion, demotion, dismissal, salaries, disciplining, or resignation of a public officer, appointee, or employee.
2. Records exempt by law from public inspection, including the receipt and discussion of information or testimony that is specifically required to be maintained as confidential by state or federal law.
3. For legal advice.
4. To consider the Governing Board's position and/or instruct legal counsel on matters regarding labor negotiations, contracts that are the subject of negotiations, pending litigation or settlement matters.
5. Labor negotiations.
6. International and interstate negotiations.
7. Negotiations for the sale, lease, or purchase of real estate property.
8. Matters relating to school safety operations or school safety plans or programs.
9. To discuss security plans, procedures, assessments, measures, or systems relating to, or having an impact on, the security or safety of buildings, facilities, operations, critical infrastructure information and information technology.
  - The Chairperson or legal counsel shall instruct all persons present in executive session of the confidentiality requirements. Any person receiving executive session information shall not disclose that information except as provided by law.
  - Legal action involving a final vote or decision shall not be taken at an executive session, except that the Governing Board may instruct counsel or its representative in the course of a litigation or negotiation.
  - No matter shall be discussed in executive session that is not identified in the notice of executive session. The agenda must list the statutory citation for the specific reason to meet in executive session.

*E. Ratification*

The Governing Board may ratify legal action within thirty (30) days after the discovery of a violation of the Open Meeting laws, or after such discovery of the violation should have been made through the exercise of reasonable diligence. Notice for the meeting shall include a description of the action to be ratified, a clear statement that the Governing Board proposes to ratify a prior action and information on how the public may obtain a detailed written description of the action to be ratified. The Governing Board shall make available to the public, at least seventy-two (72) hours in advance of the public meeting at which the ratification is taken, a detailed written description of the action to be ratified *and all deliberations, consultations and decisions by Members of the Board* that preceded and related to such action. The written description shall also be included as part of the minutes of the meeting at which ratification is taken.

The Governing Board shall make available to the public the notice and detailed written description required by Arizona law at least seventy-two (72) hours in advance of the public meeting at which the ratification is taken.

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*F. Emergency Meetings*

If an emergency session is conducted without the requisite twenty-four (24) hour-notice, the District must give as much notice as reasonably possible, include the reason for the emergency meeting in the meeting minutes and after the emergency meeting, post a public notice within twenty-four (24) hours declaring that an emergency session has been held, giving the reason for the emergency meeting and setting forth a general description of the matters discussed. Emergency meetings shall only be called in cases of unforeseen circumstances, where immediate Board action is necessary in order to avoid a serious consequence that would result from waiting until a proper notice could be provided.

*G. Communication with the Public*

Board Members may express opinions and discuss issues with the public at a venue other than a public meeting, personally, through the media or other public broadcast so long as it is not intended to circumvent the open meeting law.

**RULE 6: ORDER OF BUSINESS**

*A. The business of the Governing Board of the District shall be transacted as follows, provided, however, that the Chairperson may, during a Board meeting, cause an item to be taken out of order so that the business of the Board may be conducted most expeditiously:*

- Call to Order
- Roll Call
- Recognition of Guests
- Consent Agenda
- Approval of Minutes
- Call to Public
- Reports and Correspondence
- Business (Old and New)
- Future Meeting Dates and Agenda Items (if known)
- Adjournment

The Chairperson may solicit input from the public and the individual Members of the Governing Board as each agenda item comes up for consideration.

The Chairperson will determine how much time will be available for public comment on each.

The public may be asked to complete a comment form, identifying themselves and identifying on what topic they wish to speak. The Chairperson may also recognize a member of the public even though they have not completed a speaker comment form.

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*B. Matters to be placed on the Agenda*

A Member of the Governing Board, staff, or public may ask the Chairperson to place a matter on the agenda for consideration, discussion, or possible action. Except as to requests by a Member of the Board, if the Board Chairperson determines that a topic is appropriate for discussion, the Board Chairperson shall cause the same to be placed on an agenda at the earliest reasonable opportunity. Any matter requested to be on the agenda but declined by the Board Chairperson shall be disclosed in writing by the Board Chairperson to the other members of the Governing Board. The Board Chairperson shall place on the agenda, at the Board’s earliest reasonable opportunity, any topic requested by a Board Member.

*C. Recurring Agenda Items*

1. At Least Quarterly – Bookkeeper/Financials and Monthly Operations Report (MOR).
2. January or February – Selection of Officers (Chairperson, Vice-Chairperson, Treasurer, Clerk of the Board). Discussion and possible action regarding Insurance Policy Renewal.
3. April or May – Review and adopt tentative budget and rates and fees for upcoming year.
4. June or July – hold public hearing on tentative budget and rates and fees for upcoming year. Discuss the results of the public hearing on the tentative budget and rates and fees and make final adoption of said budget and rates and fees. Approve the Call of Election to be held in November (election years).
5. As Needed – Discussion and possible action re:  
Administrative/Operator/Engineering/Legal contracts.

*D. Recesses*

A meeting may be recessed and resumed with less than twenty-four (24) hour-notice only if public notice of the initial session of the meeting was given as required by Arizona law.

The Board Chair may declare a recess, stating on the record the date, time, and place for the Board hearing to be reconvened within twenty-four (24) hours. In the alternative, a new twenty-four (24) hour-notice may be posted for the new meeting date.

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*E. Voting*

The votes during all meetings of the Board shall be transacted as follows:

1. In the case of a tied vote on any proposal, the proposal shall be considered defeated.
2. Every Board Member who attended the Board meeting (personally or by electronic means) when the question was put forth shall give their vote unless the Board Member abstains, declares a conflict of interest or is otherwise prevented by law from participating. If any Board member declines to vote "aye" or "nay," their vote will be treated as an abstention and shall not be counted as a vote.
3. The passage of any motion or resolution shall require the affirmative vote of at least a majority of the Board.

*F. Permission Required to Address the Board*

Persons other than Board members and management shall be permitted to address the Board upon recognition and introduction by the Chairperson or the chair of the appropriate Board Committee.

*G. Reconsideration*

Any previous action of the Board, (excluding a reconsideration of any action previously reconsidered, motions to adjourn, motions to suspend the rules, any affirmative vote to lay on the table or take from the table), shall be subject to a motion to reconsider. Such motion shall be made by a member of the prevailing side of the original action.

*H. Public Attendance and Participation.*

A meeting of the Governing Board of Domestic Water Improvement District is generally defined as a meeting of a quorum of the Board Members where Domestic Water Improvement District business is discussed, considered or action taken. Deliberation and actions of the Governing Board should be conducted openly, and all persons are allowed to attend unless their conduct becomes disruptive to the meeting, or unless otherwise excluded by law (such as executive sessions). The public may record or videotape meetings of the Governing Board. While the Governing Board is not obliged to permit participation or take input from the public during the meeting of the Governing Board, it is encouraged to do so, in recognition of the interest of the public in the decisions being made by the Governing Board and the expenditure of funds being made and incurred by the Governing Board. The Board shall not require any attendee to identify themselves or sign in, unless they are making a presentation at said meeting.

*I. Call to the Public*

The Governing Board may make an open call to the public to allow individuals to address the public body on any issue within the jurisdiction of the District. Members of the Board may not discuss or take action on matters raised during the call to the public that are not specifically identified on the Agenda. Members may, however, respond to criticism made by those who have addressed the public body, ask staff to review a matter raised, or ask that a matter be put on a future agenda. Any such response shall take place at the conclusion of the call to the public.

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*J. Actions for a Public Hearing*

Public hearings are sometimes required by law (such as annexations, budget adoptions, etc.). All such hearings must be placed on the agenda, and the procedures for a public hearing are as follows:

1. The Chairperson introduces the Agenda item, opens the public hearing, and may announce all or any portion of the following Rules of Order:
  - a. "Any individual making comments shall first give their name and place of residence. This is required because an official record of the public hearing is being made."
  - b. "It is not necessary to be a supporter or an opponent of an item in order to speak."
  - c. "Anyone disrupting the proceedings may be subject to removal from the meeting."
  - d. "These rules are intended to promote an orderly system of holding a public hearing, to give every person an opportunity to be heard."
2. The Chairperson now calls on those who requested the opportunity to speak. Signing in is not required, but the Chair should ask the speaker to identify themselves.
3. The Chairperson inquires as to whether any Board Members have any questions to ask the proponents, opponents, speakers, or administration. If any Board Member has questions, the appropriate individual will be recognized to make a statement.
4. The Chairperson closes the public hearing.
5. As to each Agenda item requiring action, the Chairperson inquires if there is a motion by any Board Member. If a motion is made, it shall be in the form of an affirmative motion. Following the motions and its second, discussion occurs among Board Members. The Chairperson may call on individual Board members in the discussion.
6. The Chairperson inquires if there is any further discussion by the Board Members.
7. The Chairperson inquires if there are any final comments or recommendations from administration.
8. The Chairperson inquires of the Board Members as to whether they are ready for the question.
9. A vote may be had verbally, or a roll call vote may be conducted.
10. The Chairperson directs administration to prepare findings consistent with the action.

The failure to follow the procedures set forth herein shall not invalidate any action taken by the Board.

**RULE 7: RULES OF ORDER**

The rules of order for conduct of a board meeting are not specified by statute. Unless otherwise directed by the Board Chairperson, the Governing Board of the District may when practical, conduct themselves in accordance with Robert's Rules of Order. The Board Chair, the Chair's designee, the District Counsel or the Administrator shall serve as parliamentarian and advise the Chairperson as to the correct rules of procedure or questions of specific rule application. The Board's failure to follow or comply with Robert's Rules of Order or the Rules provided herein shall not invalidate any action otherwise lawfully taken by the Board.

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**RULE 8: SUSPENSION OF RULES**

The rules set forth herein may be suspended unless it pertains to rules mandated by the law. Unless otherwise directed by the Board or the Chair, the suspended rule is automatically reinstated after the vote or conclusion of that particular item of business.

**RULE 9: MOTIONS**

All ordinances, resolutions, contracts, and items of business that require Board approval prior to the expenditure of funds shall be in the form of an affirmative motion or resolution.

**RULE 10: EMAILS**

In all e-mails to Board Members, the following may be included:

“To ensure compliance with the open meeting law, recipients of this message should not forward it to other Board Members. Board Members may reply to a staff member regarding this message but they should not send a copy of the reply to other District Board Members.”

Board Members (or advisory board members) who respond to a staff member may include the following in their e-mail:

“To ensure compliance with the open meeting law, this e-mail is sent to a staff member only, and recipients of this message should not forward it to other Board Members. In addition, Board Members should not reply to this message.”

**RULE 11: CITIZEN CONCERNS AND SUGGESTIONS**

When citizen concerns or suggestions are brought before the Board, other than for items already on the Agenda, the Chairperson shall determine whether the issue should be placed on a future Agenda for Board consideration or referred to the District Administrator or staff for consideration.