

**HIGHLAND PINES DOMESTIC WATER IMPROVEMENT DISTRICT
GOVERNING BOARD MEETING
DECEMBER 15, 2025
PUBLIC SESSION MINUTES**

1. **CALL TO ORDER:** Director McClintock called the meeting to order at approximately 10:03 a.m. The meeting was conducted in person with a telephone conference option.

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

Sandra McClintock, Board Chair – Present
Kent Eaton, Board Member – Absent
Carlos Padilla, Board Member – Present
Patti Ferguson, Board Member – Present
William Kiel, Board Member – Present

All of whom were present, except Mr. Eaton, thus constituting a quorum.

Also attending the meeting was Elizabeth Riopel of Municipal Accounts & Consulting, LP (“MAC”); Devon White of Boyle, Pecharich, Cline, Whittington & Stallings, P.L.L.C.; and Timothy Donaldson and Andre Carman as members of the public. The conference call line was open for the entire board meeting.

3. **APPROVAL OF MINUTES:** Director Ferguson motioned to approve the Regular Session Meeting Minutes from October 20, 2025 and the Executive Session Meeting Minutes from October 20, 2025. Director Padilla seconded. The motion passed with one abstention from Mr. Kiel

Director McClintock motioned to move the Bookkeeper’s Report agenda item to after the Chairman’s Report. Director Ferguson seconded. The motion passed unanimously.

4. **BUSINESS**

- A. **Board Chairman’s Report:** Director McClintock is waiting on a permit from Yavapai County to move forward with the lower water tank project. There were more requirements from the County separate from the ADEQ requirements that the Board did not anticipate at the onset of the project. There was some discussion about what happened and what that means about the project’s timeline. Director McClintock let the Board know a new CPM is pending.

Director McClintock presented the Board with a Christmas present of assorted candy from Sunrise Engineering. The Board expressed their gratitude for the present and their working relationship with Sunrise.

- B. **Bookkeeper’s Report:** Ms. Riopel presented the bookkeeping report and the District’s financial position to the Board. Director McClintock motioned to approve them as presented. Director Ferguson seconded. The motion passed unanimously.

- C. **Action regarding delinquent customers:** The Board did not finalize the approval of the lien documents prepared for delinquent customers. Director McClintock motioned that the two customers, Avori Henderson of 1043 Paradise Place and Trace & Brothers Trust, who have been delinquent for over one year and owe over \$1,000 be issued the lien notices with the intention of filing liens. The documents are to be signed by the Board Chair once our bookkeepers and legal counsel determine the correct amount still owed. If a hearing is requested, it shall be held by the Board Chair within 30 days of the mailing of the motion of intent to levy. Director Ferguson seconded the motion. There was some discussion about forgiving legal fees in the lien. Mr. White commented that forgiving legal fees could

encourage payment. He pointed out the additional 10% interest penalty applied once the lien is in effect. Director McClintock summarized for the Board the events that led to filing the liens. There was some discussion about the hearing date and procedures. Director McClintock suggested holding the hearing on January 5th. After the discussion concluded, the motion passed with three directors in favor and one director opposed.

Director Ferguson made a motion to go into Executive Session pursuant to A.R.S. § 38-431.03(A)(3) for legal advice regarding delinquent customers and the District's annexation process and related considerations for potential district expansions. Director Padilla seconded this motion. This motion passed unanimously and the District moved into Executive Session at 10:59 a.m.

The Board resumed the public session at 12:15 p.m.

Andre Carman left the meeting at 12:15 p.m.

- D. Discussion and possible action regarding the District's annexation process and related considerations for potential district expansion:** The Board asked Mr. Donaldson to meet with them separately from a regular meeting to discuss the matter of annexation in detail. Director McClintock explained some of the requirements of the amendment and addendum to the Intergovernmental Agreement (IGA) made in 1997. The Board wanted to hold a special meeting with Mr. Donaldson to ensure they can devote their time and attention to finding a solution. Director McClintock explained that Mr. Donaldson needs to be involved with the City of Prescott due to the requirement of a formally-written inquiry from both parties. The special meeting to collaborate would ensure their request is compliant and processed timely. There was some discussion about scheduling for this meeting. Director McClintock suggested legal counsels of both parties coordinate to find a time. Mr. Whittington will reach out to Mr. Carman accordingly.
5. **CALL TO PUBLIC:** A call to the public was made for comments relating to District matters. Tim Donaldson was present and discussed the matter of annexation with the Board previously in another agenda item. There was no other public comment.
- FUTURE MEETING DATES:** The next regular session meeting date will be on February 9th at 10:00 a.m. at MAC offices on 125 N. Granite St.
6. **ADJOURNMENT:** There being no further discussion, Director Kiel motioned to adjourn the meeting. Director McClintock seconded. The motion passed unanimously and the meeting was adjourned at 12:25 p.m.