

DRAFT
HIGHLAND PINES DOMESTIC WATER IMPROVEMENT DISTRICT
GOVERNING BOARD MEETING
FEBRUARY 18, 2025
PUBLIC SESSION MINUTES

1. **CALL TO ORDER:** Board Chair McClintock 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 meeting in teleconference.

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

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

All of whom were present thus constituting a quorum.

Also attending the meeting was Natalie Galgano and Rachel Goss of Municipal Accounts & Consulting, LP (“MAC”); Bill Whittington of Boyle, Pecharich, Cline, Whittington & Stallings, P.L.L.C. The conference call line was open for the entire board meeting.

3. **APPROVAL OF MINUTES:** Director Kiel motioned to table the minutes until the following meeting. Director McClintock seconded the motion, the Board approved unanimously.

4. **REPORTS AND CORRESPONDENCE**

- A. **Chair Report:** The Board rearranged the agenda to accommodate Director Kiel’s need to leave early. The Chair Report was tabled.

- B. **Discussion and possible action regarding the Fann Report on the Water Leak on Navaho Way:** Director McClintock stated a repair was needed at a customer’s house due to Mr. Reuter breaking a meter. This resulted in a \$911.12 expense on Fann’s invoice to repair the break. Director McClintock asked the Board to consider charging the customer for the damage done by the contractor. The Board will include this item on the next agenda.

- C. **Discussion and possible action regarding the Lower Tank Project:** Director Eaton discussed project progress, such as the yard cleared of concrete water boxes and other debris. Some items were moved to the upper tank site for storage. No further discussion was made on the project.

5. **BUSINESS**

- A. **Discussion and possible action regarding the Bookkeeper’s Report:** Ms. Galgano presented the bookkeeper’s report and the District’s financial position to the Board. Director Ferguson motioned to approve the report and checks. Director McClintock seconded the motion. The motion passed unanimously.

Director McClintock mentioned a check was added after the bookkeeper’s report to correct a bank processing error.

- B. Discussion and possible action regarding Board Member elections and board member positions:** Director Kiel nominated Director McClintock as Board Chair. This was seconded by Director Ferguson. The motion passed unanimously.

Director McClintock nominated Director Ferguson as Vice Chair. This motion was seconded by Director Padilla. The motion passed unanimously.

Director Kiel nominated Director Ferguson as Clerk. This was seconded by Director McClintock. The motion passed unanimously.

Director Kiel nominated Director McClintock as Treasurer. This was seconded by Director Ferguson. The motion passed unanimously.

- C. Discussion and possible action regarding possible connection to 723 N Valley View Dr and review of the proposal by Dr. Leo regarding 723 N Valley View Dr:** Director McClintock stated that the Board was discussing and taking possible action regarding using Valley View Drive or considering the Leo's two letters that were received from their attorney.

The first letter, received on 1/21/25, offered use of the Leo's property for \$27,500 and landscape replenishment with 5 feet of easement. The second letter, received on 2/6/25, proposed a quit claim deed and a quiet title lawsuit.

Director McClintock made a motion to go into Executive Session pursuant to A.R.S. § 38-431.03(A)(3) for legal advice and instructions pursuant to A.R.S. § 38-431.03(A)(4) regarding District property challenges. Director Ferguson seconded this motion. This motion passed unanimously and the District moved into Executive Session at 10:11 a.m.

The Board resumed the public session at 10:44 a.m.

Director Ferguson motioned to authorize legal counsel to proceed with instructions provided in Executive Session. Director McClintock seconded the motion. The motion passed unanimously.

- D. Discussion and possible action regarding the Fann Contract:** The Board discussed the expiration and renewal of the Fann contract. Exhibit A gives a scope of work to be expected within the contract. The Board agrees Fann has been doing a good job for their system on the day-to-day. A four-year contract with the same base price is also agreed upon by the Board.

Director Padilla asked if they will start exercising the water valves in the system and to give quarterly reports on the preventative maintenance. Fann could provide an estimate on how long it would take to perform the task on the whole system.

Director Kiel motioned to approve the contract with Fann. Director Ferguson seconded the motion. The motion passed unanimously.

5. **CALL TO PUBLIC:** A call to the public was made for comments relating to District matters. There was no public comment.
6. **FUTURE MEETING DATES:** The next meeting date will be on April 21, 2025 at 10:00 a.m. in person or via conference call.

7. **ADJOURNMENT:** There being no further discussion, Director Kiel motioned to adjourn the meeting. Board Chair McClintock seconded. The motion passed unanimously. The meeting was adjourned at 11:26 a.m.

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