

Special Meeting Minutes

Board of Directors of the Highland Pines Domestic Water Improvement District
September 26, 2013 – 1:00 p.m. at
Improvement District Services, Inc., 1965 Commerce Center Circle, Suite A, Prescott, Arizona

District Board Meeting Guidelines: The meeting will be held in accordance with A.R.S. Title 38 Open Meeting Laws. Board and attendees participation shall be civil and courteous. Any disruptive behavior could result in removal from the meeting. Comments and questions from the public shall be called upon by the Board Chairman, and shall begin with stating and spelling of the speaker's name and address. All comments and questions shall be directed to the Board Chairperson. Persons with a disability may request a reasonable accommodation such as a sign language interpreter, by contacting Jennifer Bartos, Improvement District Services, Inc. at (928) 443-9484. Requests should be made as early as possible to allow time to arrange the accommodation. Requests for copies of Board Meeting minutes or other District documents, inquiries, or complaints should be submitted in writing to: Improvement District Services, Inc., 1965 Commerce Center Circle, Suite A, Prescott, AZ 86301.

Call to Order – Julie Holst, Jim Kullas, Terry Ferris and Andrea Mercado present.

Also present and participating in the meeting were: Jennifer Bartos and Karen Davis, Improvement District Services, Inc.; Tom Naus, Highland Pines DWID employee; Jerry Woodward, Highland Pines resident.

1. Discussion and possible action on a new meeting location and approval of the Public Meeting Notice.

It was decided that future meetings will be held on the third Wednesday of each month at 1:00 at the offices of Improvement District Services. Jennifer Bartos will file a new Public Meeting Notice with Yavapai County for the new time and location.

Motion: made by Director Ferris to hold the Board meetings at the office of I.D.S. at 1:00 on the third Wednesday of each month, second by Vice-Chair Kullas.

Unanimous Approval

2. Discussion and possible action to appoint Jennifer Bartos as District Clerk.

Jennifer Bartos explained that the District Clerk is a necessary position for the District.

Motion: made by Director Ferris to appoint Jennifer Bartos as the District Clerk, second by Vice-Chair Kullas.

Unanimous Approval

3. Discussion and possible action regarding a contract for operation services.

The Board reviewed proposals from Environmental Biomass Services Inc. and Fann Environmental Inc. It was noted that both firms appear qualified but E.B.S. is located in Cottonwood which would make their response time too long.

Motion: made by Director Ferris to award a contract for operation services to Fann Environmental Inc., for a lump sum of \$32,520.00, beginning October 1, 2013, second by Vice-Chair Kullas.

Unanimous Approval

4. Discussion and possible action regarding fire hydrant consideration on Oak Ridge Road.

Chairperson Holst said that she talked to Tim Robbins, the District Engineer, and he said the line on Skyline is 6" and there is no reason why there cannot be fire hydrant installed there. Jerry Woodward said he believed the line on Skyline was 4". It was determined that it is not feasible to install a hydrant at the Oak Ridge-Skyline location due to hydrant-pipe size incompatibility issues.

After reviewing the map it was determined that the pipeline on Skyline is 4", resulting in the decision to install the hydrant on Valley View Drive as near to the Skyline intersection as possible, and tie into the existing 6" line at that location. Tom said he thought the meter in storage is a 4" meter. Jennifer suggested asking Fann Environmental if they have a meter the correct size.

Director Ferris said will check the meter again.

Motion: made by Vice-Chair Kullas to disregard any consideration of a hydrant installation on Oak Ridge as one will be installed on Valley View, second by Director Ferris.
Unanimous Approval

5. Discussion and possible action regarding the requirement for the final closing of the WIFA loan, to include: as-built drawings and specifications, copies of all testing results, either the ADEQ Approval of Construction or an engineer's Certificate of Completion certifying that all construction was completed in accordance with the plans, an operations plan is also required prior to release of final funds.

Chairperson Holst said that Denise Johnson, Panorama Services, needed to gather the documents to submit to WIFA. She will contact Denise and Tim Robbins of Robbins Engineering.

Motion: made by Vice-Chair Kullas to inform Denise to finalize the paperwork for WIFA by October 18th, second by Director Ferris.

Unanimous Approval

6. Discussion and possible action regarding administrative issues with Improvement District Services, Inc., to include:

- a. Board and staff contact information;

The Board Members shared their contact information with I.D.S. staff

- b. Location of clearing account and signing authority on bank and Country Treasurer accounts;

Karen Davis said that an account at Chase Bank will be opened as a clearing account so customer payments can be deposited and transferred to the District's account with the Yavapai County Treasurer. She said that the Chase Account would be under the Yavapai County umbrella and would not be charged monthly service fees. Karen said that typically she transfers the monies from that account to the Treasurer account and that all expenditures should only be made through the Treasurer account. Director Ferris said that he has a debit card with the current bank that he uses to buy parts for District equipment. Karen said that the Treasurer does not issue debit cards and that possibly the District could open charge accounts for that use. This issue will continue to be discussed for an acceptable resolution.

The issue of signing authority on the accounts was discussed. Jennifer Bartos said she has signing authority for the other Districts with I.D.S. and any of the Board members are welcome to contact her current customers or the Yavapai County Treasurer for a recommendation. She said that I.D.S. holds a fidelity bond and she will accept responsibility for the warrants she might sign. Karen Davis said that any invoices for supplies ordered by the operator will be faxed to them for approval prior to paying. Additionally, she said that the Board will receive reports each month that include a list of warrants written and the financials. Karen was asked to submit the bank and Treasurer account reconciliations to Director Mercado monthly.

Motion: made by Vice-Chair Kullas to give signing authority on the District's bank and Treasurer accounts to Jennifer Bartos, second by Director Ferris.

Unanimous Approval

- c. Administrative procedures: agendas, budgets, hearings, minutes

Jennifer told the Board that staff typically sends the agenda and back-up material to the Board one week prior to the meeting. She asked that the Board members email agenda items to her as they become available and she will compile them for the next agenda. The Board requested that they receive at least the draft meeting minutes and the District financial reports two weeks prior to a meeting. Chairperson Holst is to pre-approve the agenda items. Jennifer said she has the minutes available three business days after each meeting and she will email them to the Board when ready. Jennifer said that the one

issue with finalizing the agenda two weeks in advance is that new issues may arise that may require Board attention or action. It was agreed that a best effort will be made to create an agenda packet two weeks in advance of a meeting, but there may be times when the agenda must be modified and portions of the packets are delayed. Jennifer was asked to submit as many documents as possible in WORD or EXCEL formats in lieu of pdf files.

- d. Billing procedures and offering eBill and/or ePay;
Karen Davis explained that eBill is a service offered by ASYST, through United Systems Technologies, the utility billing program used by I.D.S. She said that if customers choose to sign-up and have their water bills emailed to them then there is a small charge, charged by USTI. If enough customers sign-up for the program then I.D.S. will cover the monthly charge, but if only a few customers wish to sign-up then it would be up to the District whether or not to pay for the service or discontinue. Karen said that ePay is provided by USTI through PayPal and it is an on-line payment option. She said this program would cost the District \$135.00 for maintenance fees to USTI, but the fees for using the service would be paid by the customer. Karen said the fees are \$.35 minimum plus fee of approximately a 3.5% of the payment amount. This item will continue to be discussed and considered.
 - e. District website information: Domain name, BOD names & public notice, budget, agendas, minutes, policies;
Jennifer Bartos showed the Board the website pages she has created for the District. The Board requested that meeting minutes not be uploaded to the website.
 - f. Pending District issues
No discussion occurred because pending issues will appear on future agendas.
7. Discussion and possible action to approve meeting minutes of August 1 and August 21, 2013.
Motion: made by Vice-Chair Kullas to approve the August 1 minutes as corrected, second by Director Mercado.
Unanimous Approval
Motion: made by Vice-Chair Kullas to approve the August 21 minutes, second by Director Ferris.
3 votes yes – Director Mercado abstained because she was not at that meeting.

Public Comment Period: The public will be given the opportunity to comment to the Board of Directors on non-agenda item issues pertaining to the District. This is the time for the public to comment. Members of the Board may not discuss items that are not specifically identified on the agenda. Therefore, pursuant to A.R.S. § 38-431.01(G), action taken as a result of public comment will be limited to directing staff to study the matter, responding to any criticism or scheduling the matter for further consideration and decision at a later date. Two minutes will be allowed for each speaker.