

Meeting Minutes

Board of Directors of the Red Rock Road Enhancement Maintenance District
April 15, 2014 – 2:00 p.m. at
Village Of Oak Creek Community Center, 690 Bell Rock Boulevard, Sedona, 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.

1. Call to Order – Dave Norton, Joanne Johnson, Richard Sidy and Mark Mumaw present. Steve Fiedler absent.

Also present and participating in the meeting were: Jennifer Bartos, District Clerk / Administrator and Karen Davis, Administrator, Improvement District Services, Inc.; Brad Bowers, District Superintendent, Environmental Biomass Services; Tom Graham of the All American Road Committee; Bill Czekai, VOCA Golf Course Superintendent; Vern Dumbeck, Permit Tech and Kurt Harris, Environmental Coordinator, ADOT; Mark Price of Green Earth.

2. Discussion with ADOT representatives and possible action regarding ongoing ADOT issues, to include:

- a. The electrical line break in front of the Chevron station;
Chairman Norton said there is an electrical break that is not allowing the lights to work. Vern Dumbeck said he talked to the right-of-way department and he received the survey from Winn Oil. Vern said he turned the survey over to the maintenance engineer, but that person is out due to health. Vern said that ADOT surveyors are scheduled to survey the easement this month. Vern suggested leaving the line where it is and get a 3' utility easement from Winn Oil, that way they could repair it and still have the room to maintain it. Vern said he forwarded the letter from the Fire Marshall on to ADOT's legal department. Vern suggested repairing the line in place and relocating it at a later date. Vice-Chairman Mumaw asked if the line is in the right-of-way. Vern said we don't know if the line is outside of the right-of-way. Vern said they will have the answer before the end of the month. Chairman Norton asked if the electrical line belongs to ADOT or the District. Vern said that the line was constructed for the maintenance district. Vice-Chairman Mumaw asked if there was a Blue Stake request. Vern said he did see a request for Blue Stake and it was called into Yavapai County and he assumed that was a County issue. Chairman Norton told Vern that as soon as the survey results are in, communicate the results through a letter to Karen. Vern said he will have something back to the Board before the next meeting in June. Vern said if the line is outside of the right-of-way then ADOT should repair, if it is within the right-of-way, then the District will need to be involved with Winn Oil. Director Johnson asked why it has taken so long to get this done. Vern said they have to go through Phoenix to get a survey. Director Johnson said that by these lights being out, it could be a liability issue.
Motion: made by Vice-Chairman Mumaw to table this item to the next agenda, second by Director Johnson.
Unanimous Approval

- b. Drainage issue in front of the John of God;
Vern said their guys went down and removed some of the debris on the apron. He said the debris from upstream clogs the grates and floods the surrounding area. He said they will probably need to get heavy equipment in there. Chairman Norton suggested working with Yavapai County and the Golf Course in trying to control the flow of debris and water flow. He said Flood Control did a survey and may be able to lend a hand on this. He suggested having this item on the next agenda. Vice-Chairman Mumaw asked if ADOT has a solution. Vern said they might install some berms to slow the water down, but other than adding additional capacity, that is the only solution. Director Sidy said berms would help slow the water down and create areas where the debris can be trapped. Vern agreed that this is not a RRREMD issue. Director Sidy noted that while this is not a RRREMD issue to address, it is impacting the landscapers working for the District. Mark Price said they clean out some of the drains periodically. Vern said they will need to do some excavation and set some rocks for rip-rap. He said he will look into a trash grate on the wall.
Table item to next agenda.
 - c. Roundabout signage enforcement update to the ADOT section.
Vern said he would talk to Audra about enforcement. Jennifer suggested fining individuals for littering in the District's easement. Director Johnson said that Keep Sedona Beautiful is considering this issue and they may want to pick up the garage sale boxes. Director Sidy said he thinks this should not be a KSB issue, but a District issue.
3. Discussion and possible action regarding the dirt hill across from Tequa.
Steve was asked to report on this issue at the next meeting.
4. Discussion and possible action to elect a Chairman and, if applicable, elect a Vice-Chairman.
Director Johnson nominated Dave Norton and Mark Mumaw as Chair and Vice-Chair, second by Director Sidy.
Unanimous Approval
5. Discussion and possible action regarding the fiscal year 2014/2015 budget, and if appropriate adopt the tentative budget and set the hearing date and time.
Director Sidy suggested shifting \$15,000 to the self-insured line item and maintain that amount annually. Jennifer was asked to change name on line 16 to "landscape supplies". It was recognized that the District will spend \$89,000 this year, but the income is only \$80,000, which doesn't cover the annual expense line items. Increasing the ad valorem tax line to cover this deficit was considered.
Motion: made by Vice-Chairman Mumaw to add \$5,000 to "attorney charges" and increase the ad valorem tax to 85,000.00 and set the hearing date and time as June 17, 2014, at 2:00 p.m., second Director Johnson.
Unanimous Approval
6. Discussion and possible action regarding the operations staff report by Dave Grondin, of Green Earth.
Chairman Norton said, for the record, Vice-Chairman Mumaw has a business in Bell Rock Plaza and he, Chairman Norton, manages the Bell Rock Plaza association. Vice-Chairman Mumaw asked if the landscaping was originally installed properly around Bell Rock Plaza as planned during the RRREMD project. Green Earth will check the plans to see if all the plants were planted.

7. Discussion and possible action regarding the Administrative Services Staff Report from Jennifer Bartos and Karen Davis of Improvement District Services, Inc. regarding staff activities, District financials and direction to the Clerk for future agenda items.
Karen reviewed the report with the Board. It was noted that there is one banner in storage at the County. Brad will be asked to mount the banner.

8. Approve meeting minutes of January 21, 2014.
Chairman Norton requested that this statement at the meeting be included in item #2 of the minutes, "Vice-Chairman Mumaw noted that the District's purpose and authority is to maintain the landscaping, not to enhance it."
Motion: made by Vice-Chairman Mumaw to approve the minutes as amended, second by Director Johnson.
Unanimous Approval

9. Approve warrants written in January, February and March 2014.
Motion: made by Director Johnson to approve the warrants, second by Director Sidy.
Unanimous Approval

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.

Red Rock Road Enhancement Maintenance District
Fiscal Year 2014/2015 Tentative Budget

Exhibit A

<u>EXPENSE</u>		<u>FY 13/14</u>	<u>Actual as of</u>	<u>12-month</u>	<u>FY 14/15</u>
		<u>Budget</u>	<u>3/31/2014</u>	<u>Estimate</u>	<u>Budget</u>
1	Administrative Services	\$6,000	\$4,500	\$6,000	\$6,300
2	Attorney Services	5,000	0	0	5,000
3	Bank Charges	0	0	0	0
4	Capital Replacement	72,837	0	0	68,115
5	Contracted Services	2,000	441	2,000	2,000
6	County Backbill - Elections	0	0	0	7,500
7	Director's Compensation	4,500	975	1,725	1,875
8	Electricity	2,480	1,214	1,942	2,500
9	Emergency Maintenance	2,000	1,165	1,165	2,000
10	Fees & Registration	450	0	450	450
11	Insurance	1,600	450	1,600	1,600
12	Self insured	0	0	0	15,000
13	Landscape Maintenance Services	60,000	40,000	60,000	63,000
14	Lighting Maintenance	5,000	0	5,000	2,500
15	Office Supplies	250	0	0	250
16	Landscape Supplies	20,000	2,000	3,000	5,000
17	Postage	2,000	0	0	2,000
18	Printing	500	0	0	500
19	Professional Services	2,300	0	0	2,300
20	Publishing	300	235	235	550

21	Water	4,400	1,858	2,973	3,000
22	<i>subtotal</i>	\$191,617	\$52,838	\$86,090	\$191,440
23	Contingency	19,162	1,265	3,325	19,144
24	Total Expenses	\$210,778	\$54,103	\$89,415	\$210,584

REVENUE		FY 13/14 Budget	Actual as of 3/31/2014	12-month Estimate	FY 14/15 Budget
25	Ad Valorem Tax	80,000	56,950	80,000	85,000
26	Interest	150	400	640	800
27	Total Revenue	80,150	57,350	80,640	85,800

FUND BALANCES

-	Balance as of 03/31/14	\$137,846
	Estimated Expenses 13/14	<u>35,312</u>
	Subtotal	102,534
	Anticipated Revenue 13/14	<u>23,050</u>
	Estimated Ending Balance 13/14	125,584
	Est. Beginning Balance 14/15	125,584
	Estimated Revenue 14/15	85,000
	Estimated Expense 14/15	<u>210,584</u>
	Estimated Ending balance 14/15	\$0