

Meeting Minutes
Board of Directors of the Red Rock Road Enhancement Maintenance District
April 19, 2017 – 2:00 p.m. at
Sedona Fire Station #3, 125 Slide Rock, 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. 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 - Dave Norton, Ruth Kane, Joanne Johnson, Paul Gazda & Ann Crossland Present.

Also present and participating in the meeting: Jennifer Bartos, District Clerk, Improvement District Services, Inc. ; Dakota King, District Administrator, Improvement District Services, Inc.; Dave Grondin, Green Earth; Barb Gordon, Lou Ann Bruck, Marty Landa, Dana Galbavy, Cathy Gazda and Mark Mumaw, members of the community.

Pledge of Allegiance

1. Discussion and possible action regarding the field reports from Green Earth for January, February, and March 2017. Vice-Chairman Johnson asked if all of the newly bought trash receptacle lids are fully intact, to which Dave responded that they are. Director Gazda stated there was a discrepancy between the March report and the field report from Mark. The field report states an amount of 15.75 Gallons of pesticide, where the March report states a different amount. Dave Grondin stated that the amount could be left over, not used from the pack, and stated that there is not a discrepancy there.
2. Discussion and possible action regarding the Green Earth response to a question made by Director Gazda.

Director Gazda stated that, upon research of IPM, that he should check with the state to ensure they are permitted in a public right of way. He discovered that any pesticide used must be registered in the State of Arizona. He then asked Diana to send a question to Dave, to which Dave responded. Director Gazda proposed that the Board ensure through legal council if the statute that Director Gazda has in compliance with RRREMD.

Motion: made by Director Gazda to contact the board legal counsel about ARS Title 3,20,2 and its applicability to the RRREMD, second by Director Crossland.

Discussion: Chairman Norton stated that he sees it as an insult. Improvement District Services was asked by Director Johnson and Chairman Norton to consult the state, pesticide division, about its applicability before going to legal council.

Director Gazda revoked his motion.

3. Discussion on an update on IPM research and consideration of a second study session to review research materials.

Chairman Norton stated that the research is not complete, but he would like to establish a second study session. Vice-Chairman Johnson stated that she would find it beneficial to hold another study session. Each board member stated that they are in favor of the second study session. Director Gazda stated that the board must remember that the IPM research is not a stringent set of rules, and would like to invite Green Earth to the study session. Dave Grondin stated that he is only a subcontractor, and is not acute to the issue of IPM, and simply wishes to be told what the Board would like. Director Gazda stated that Green Earth has the "on-the-ground" expertise, and the Board needs both sides of the conversation to be productive. Director Gazda asked the board about early June, and Chairman Norton stated Tuesday, June

13th at VOCA or the Fire Station 9:00 AM if space is available. The Board also wished to invite Dr. Mike Wagner, a local expert on IPM, to the study session.

4. Discussion and possible action to renew or amend the contract with Green Earth.

Chairman Norton stated that the current contract expires June, 2017, and the board must decide whether to renew the contract.

Motion: made by Vice-Chairman Johnson to renew the contract for one year and a representative will attend the quarterly meeting, second by Director Kane.

Discussion: Director Gazda stated that he promotes using Green Earth, whether the board decides to go with IPM or not. Dave Grondin stated that there may be an increase if the board goes with a one year renewal. Director Johnson amended the motion to read "two year". Director Gazda asked for clarification about Dave's increase in price if the board goes with IPM, and further stated that the Board would not ask Green Earth to go beyond their current scope without a price increase. Director Kane asked that the contract be renewed to June 30, 2019.

Unanimous Approval.

Director Gazda stated that the current contract has a rate schedule that was not attached, and Chairman Norton asked to have Improvement District Services, Inc. find and attached this.

5. Discussion and possible action regarding the pedestrian light in front of the Bell Rock Inn.

Director Norton stated that Brad Bowers of EBS has been proactive on handling the lights for all of RRREMD, creating an inventory on the lights. Director Kane asked if the crosswalk at Bell Rock and 179 could be handled.

6. Discussion and possible action regarding new RRREMD website requirements and services.

Director Gazda reiterated the top priorities of the board members to have on the website. Director Crossland stated that the website should have some sort of e-mail communication and to have the minutes and recordings available. Jennifer Bartos stated that the website must be able to be updated immediately. Jennifer also stated that only recorded minutes would be difficult on the administrative side, needing to listen through the entire meeting to find any action. Director Gazda stated he wanted to look into a recording service to write where each agenda item starts, and would prefer written minutes in addition to audio recording. Chairman Norton stated that there was nothing he wished to be on the website more than there currently is, and rejects the idea that draft minutes would be on the website. He also believes that hiring someone to record the meeting and write it out would not be in the best interest of the board. In addition, he does not want his email on the website, and wishes to be contacted via I.D.S.. He believes the budget and prior minutes should be present. He believes that if the board puts the agenda packet on the website, they should only post the most recent. Director Johnson stated that there is a simple issue for the board and if the public wishes to comment, they should attend the meeting. Director Kane stated that all that is needed from meetings are the agendas and minutes. Chairman Norton stated that it is necessary to have the prior minutes available, but not the prior agendas. Jennifer Bartos stated that she can accommodate having email links on the website, and would insist that the public cannot break open meeting laws by discussing the opinion of each individual member of the board. She also stated she must keep minutes and budgets on the website. Director Gazda stated that his top priority for the website is to have a channel for the public to talk with board members, and proposes that the board set up a free e-mail through g-mail to have a channel to talk with the members of the public, which has 15 GB of storage. Chairman Norton stated that the board has I.D.S. in place as a channel from the public to the board. Jennifer Bartos stated that the issue with e-mail is that it would not easily be distributed to some board members. Director Gazda stated that a computer and internet is available for free at the library. Jennifer stated that the board must be aware not to break open meeting laws. Chairman Norton stated that he does not believe there is a large amount of public who wish to have this option. Director Gazda stated that because each member of the board has stated that they have an e-mail, can IDS forward emails from the public to the board members. Director Kane stated that she doesn't need to get e-mails from the public. Director Crossland

stated that it is unfair to assume all the public can attend the board meeting, and that the public should have the opportunity to have their comment read at the meeting. IDS was directed to make an email to have the public send emails to, to then send to the board members to respond with.

Motion: made by Director Johnson to have a separate email to place on the IDS website for public communication to forward to each board member who wish to receive email communication from the public, second by Director Kane.

Unanimous Approval.

7. Discussion and possible action regarding a request by Pine Realty for ADOT right-of-way work.

Chairman Norton stated that the work has been completed. Dave Grondin stated that they had been contracted via Pine Realty to replace the trees. Chairman Norton stated that he hopes the irrigation was placed by ADOT under the concrete. He wanted to state that he wants to ensure the planted trees are in compliance with ADOT with respect to line of sight. Jennifer stated that they have paid their capacity fees and it has been inspected. Chairman Norton asked that this item be removed from future agendas.

8. Discussion and possible action regarding ADOT creating a driveway close to Cortez roundabout.

Chairman Norton stated that a self storage facility has submitted plans for approval. He stated that they have a legal right to build the building without contacting anybody. Jennifer stated that ADOT stated they control the design of the roads, and RRREMD does not have the authority to prevent this. Director Johnson stated that she wishes ADOT would contact RRREMD about this in the future, to which all the Board Members agreed. Chairman Norton stated that the board should try to be aware of any impediments by ADOT. He also stated that a letter be sent to Audra Merrit and another contact in ADOT to notify RRREMD of any construction in the district.

9. Discussion and possible action regarding the Administrative Services Staff Report from Improvement District Services, Inc. regarding staff activities and direction to the Clerk for future agenda items.

Director Gazda suggested that the director names be removed from the public comment form, and suggests that the board purchase name-plates instead. Chairman Norton stated he agreed. Jennifer asked if the current Public Participation forms can be used first, to which the board agreed. Jennifer also asked that the Board consider the option to create a policy to have a Board Member place an item on the agenda more easily as a suggestion. She states that it should be limited to 2 minutes to see if the board is willing to put the item on the agenda. The board gave direction to IDS to create this for the next agenda.

Director Gazda asked that important district documents, such as policies, order of establishment, contracts and Public Participation forms, be available online. The board directed IDS to create a RRREMD Official Documents page to house this information for the public.

Director Gazda asked for clarification on the miscommunication that occurred with the agenda. Dakota King stated that there was a miscommunication between board members as to whether an item should be placed on the agenda. Director Gazda asked if there could be revised draft agendas could be sent to the board members earlier.

9. Discussion and possible action to approve meeting minutes of January 18, 2017 and February 9, 2017.

Motion: to approve both meeting minutes as written, no second. Motion fails.

Director Gazda stated he had some changes to the January 18 minutes. Changes made to item 4, item 5, item 8, item 9, and item 10. Director Gazda rescinded his change to item 4.

Motion: made by Director Gazda to approve the minutes with amended minutes, second by Director Johnson. Unanimous Approval.

Chairman Norton stated he had some changes to the February 9 minutes.

Chairman Norton asked that the comment about the percentage of toxin-free RRREMD should not be included in the minutes. Upon polling the board, Director Johnson, Director Kane, and Chairman Norton wished to have the paragraph removed. Director Gazda opted to remove the paragraph as a result. Director Gazda also will add sentence after paragraph ending "it was pointed out that the use of these alternative method took longer to kill weeds". Chairman Norton wished to change the budget reallocation line. Director Gazda will take out "but agreed some reallocation might be possible". Chairman Norton wished to add requested written letters from each example city. The wording was left as written.

Chairman Norton stated that he wished the supplemental material not attached to the minutes. He felt that the materials were not discussed by the members of the board. Jennifer stated that the only materials that she has attached to minutes is the budget, which is required statutorily. Director Gazda explained that the materials are attached to refresh memories of the board members for the study session, and because it is a study session, it is necessary to have the materials attached to the minutes. Chairman Norton stated that there should be a separate document, such as a study packet, with the materials, not attached to the minutes. Director Crossland stated that there should be a statement at the end of the minutes referencing the documents, rather than having them attached. Chairman Norton stated that the study packet will be available when the board is finished review of the IPM issue.

Director Gazda will also change the top to read "Study Session Minutes" and will send to Dakota King.

Motion: made by Director Gazda to approve the minutes with amendments, second by Director Crossland. Unanimous Approval.

10. Discussion and possible action to approve warrants written in January, February, and March 2017.

Director Gazda asked about Blue Stake, which Jennifer responded is an annual cost. He also asked about trash lids and why they were under Contingency rather than Landscape Maintenance Repairs and Replacement, and Jennifer stated that the lids are new, not replacements. Director Gazda also asked about the 8 administrative contract charges for \$16.00. Chairman Norton stated that the meeting space was under Contingency, to which Jennifer responded that it was not in the Budget.

Motion: made by Director Gazda to approve warrants written in January, February, and March 2017, second by Director Kane. Unanimous Approval.

11. Discussion and possible action to adopt the tentative FY 17/18 budget and, if appropriate, set the hearing date and time.

Director Gazda asked about the insurance line, and why the budgeted amount is severely less. Jennifer stated that part of the payments was in the previous year's premium, and that \$6,000 is correct. Director Gazda asked why the contingency was less with a larger subtotal, and why capital replacement was not included in the contingency. Director Gazda proposed that some money be reallocated from capital replacement to provide for an IPM trial. Director Johnson disagreed with the proposal, stating that the board has yet to agree with this initiative. Director Gazda clarified that line items of the budget could be moved around by a vote of the Board, to which Jennifer affirmed. Director Gazda asked to increase the recording line item from \$750 to \$1000. Chairman Norton stated that adjusting the funding be moved to the new "possible future agenda items" segment. Chairman Norton asked if the Ad Valorem Tax should be decreased, to which Jennifer responded that there would be a small change. Jennifer will add the Meeting

Space line at 45 x 6, change the contingency to 10%.

Motion: made by Director Johnson to approve the tentative budget as amended and set the hearing time as June 21, 2:00 PM, second by Director Kane. 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.

Public Comments:

Dana Galbavy - Very happy board is having this conversation. She is taking time off work to attend meeting and appreciates the boards willingness

Marty Landa - The website and the email is important to promote to the public.

Cathy Gazda - Commended on desire to increase what is available on website. As a taxpayer, she has been saddened to see that her comments were not added to the minutes.

Barb Gordon - Disappointed that as board members, they do not want to be contacted by public. Confused by result that the medium must be through 3rd party. Wishes the board to clarify with a definite motion.

Barb Gordon - She does not believe there was enough information in the minutes to show public opinion of toxic weed control. She believes meeting minutes were incorrect and misleading, to show to the rest of the public that there are other members of the public passionate about this issue as well. -

Dana Galbavy - Expressed appreciation of board into initial research into IPM. She is concerned of the cancerous effect of Roundup and is willing to pay more as a tax payer to have a safer alternative.

Barb Gordon - Feels agendas do not provide reasonable representation of board meetings. Does not feel that a board member cannot put an item on the agenda. Finds it concerning that there has not yet been a second study session, and feels as though IPM should be on the agenda to simply vote on and conclude.

Marty Landa - Heard there was a reaction and response about criticism, and felt it was clear it was regarding to him. Wishes such comments to be less vague. Wishes the board to feel not offended, but is concerned with the animosity between board members. He has no intention to be critical of anyone, but does want to respond about his feelings on issues.

Mark Mumaw - This is ADOT's right of way, not RRREMDs. It is clearly ADOT's responsibility to create curb cuts. Pine Reality was doing a favor by contacting RRREMD, and the board should be happy about the communication they got.

Motion: made by Director Johnson, second by Director Gazda. UA. Meeting adjourned. 5:45 PM.

**Red Rock Road Enhancement Maintenance District
Fiscal Year 2017/2018 Tentative Budget**

	Adopted 4/19/17	Exhibit A			
	<u>EXPENSE</u>	FY 16/17 <u>Budget</u>	Actual as of <u>4/10/2017</u>	12-month <u>Estimate</u>	FY 17/18 <u>Budget</u>
1	Administrative Services	\$6,564	\$4,923	\$6,564	\$6,768
2	Additional Admin Svcs.	650	172	352	650
3	Attorney Services	5,000	795	1,035	5,000
4	Bank Charges	25	0	0	150
5	Elections	11,000	7,817	7,817	0
6	Fees & Registration	450	56	56	450
7	Insurance	6,000	1,650	7,343	6,000
8	Self insured	15,000	0	0	15,000
9	Meeting facility rental	0	0	0	270
10	Office Supplies	250	0	0	250
11	Postage	3,500	13	13	350
12	Professional Services	2,300	0	0	2,300
13	Publishing	1,000	423	1,000	1,000
14	Director's Compensation	2,250	1,125	1,875	2,250
15	Landscape Maintenance:				
16	Monthly Maintenance	60,000	45,000	60,000	60,000
17	Backflow Testing	150	0	150	150
18	Landscape Supplies	5,000	0	0	5,000
19	Repairs & Replacement	5,000	120	120	5,000
20	Lighting Maintenance	2,500	482	482	2,500
21	Timers	300	255	255	300
22	Contracted Services	1,500	0	0	1,500
23	Blue Stake	500	354	354	500
24	Electricity	3,200	1,063	1,500	3,200
25	Water	3,000	1,417	1,900	3,000
26	Website	1,500	0	0	1,500
27	Recording Services	750	0	0	750
28	Emergency Maintenance	2,000	0	0	2,000
29	Capital Replacement Reserve	53,475	0	0	83,477
30	<i>subtotal</i>	\$192,864	\$65,665	\$90,815	\$209,315
31	Contingency	17,762	1,996	1,996	20,932
32	Total Expenses	\$210,626	\$67,661	\$92,811	\$230,247
	<u>REVENUE</u>	FY 16/17 <u>Budget</u>	Actual as of <u>4/10/2017</u>	12-month <u>Estimate</u>	FY 17/18 <u>Budget</u>
33	Ad Valorem Tax	90,000	65,458	90,000	90,000
34	Interest	600	477	600	600
35	Total Revenue	90,600	65,935	90,600	90,600