

Meeting Minutes

Board of Directors of the Big Park Domestic Wastewater Improvement District

May 18, 2016 - 10:00 a.m.

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 Chairperson, 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, Clerk of the Board of Directors, for the Big Park Domestic Wastewater Improvement District, 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. Pursuant to A.R.S. 38-431.03, the Board of Directors may vote to recess the meeting and move into Executive Session on any item, which will be held immediately after the vote and will not be open to the public. Upon completion of Executive Session, the Board of Directors may resume the meeting, open to the public, to address the remaining items on the agenda.

1. Call to Order – Lee Meiner, David Sheets, Dorothy Vandelinde, Moneesh Chatterjee, Ruth Kane and Joanne Johnson present.

Pledge of Allegiance

Also present and participating in the meeting: Jennifer Bartos, District Clerk and Diana King, District Administrator, Improvement District Services, Inc.; Brad Bowers, District Operator, Environmental Biomass; Tyson Glock and Dave Dirren, Sunrise Engineering.

2. Discussion and possible action regarding an update on the 2012 Treatment Plant Modification Project. Tyson presented the as-built drawings and manuals. He also presented the Board with a list of warranty dates and said the filter warranty has not started yet. Jennifer was asked to remove this item from future agendas. No action taken
3. Discussion and possible action regarding the Engineer's Report by Dave Dirren, Sunrise Engineering, to include updates on the GIS and Lift Station #7 projects. Dave was asked to have the lift station 7 costs for the next agenda. No action taken
4. Discussion and possible action to add additional administrative information to the GIS program for customer connectivity, customer capacity and building permits, for an amount not to exceed \$4,000. Motion: made by Director Johnson to approve the additional services in the amount of \$4,000, second by Director Kane. Unanimous Approval
5. Discussion and possible action regarding grease trap inspections and requirements and Ordinance Amendments. If applicable, set the hearing date and time as June 15, 2016, at 10:00 a.m. Motion: made by Director Johnson to approve the ordinance amendments and set the hearing date and time as June 15, 2016 at 10:00 a.m. second by Director Vandelinde. Unanimous Approval
6. Discussion and possible action to approve invoices from Sunrise Engineering for:
 - a) District Engineering Services \$1,925.00, GIS \$8,048.50– Total Invoice \$9,973.50
Motion: made by Vice-Chair Sheets to approve the invoice in the amount of \$9,973.50, second by Director Johnson
Unanimous Approval
 - b) Construction Services/Observation – Total \$2,605.43
Motion: made by Vice-Chair Sheets to approve the invoice in the amount of \$2,605.43, second by Director Kane
Unanimous Approval
7. Presentation of the Operator's Report from Brad Bowers of Environmental Biomass Services, regarding the operation and maintenance of the wastewater facility and sewer system to include flow information, water quality, reuse and activities; updates on the Perpetual System Maintenance Projects. Brad reviewed the report with the Board.

Motion: made by Director Johnson to move to item #9, second by Director Vandelinde.

Unanimous Approval

8. Discussion and possible action to approve the invoice from Environmental Biomass Services for additional services in the amount of \$1,473.94.
This invoice was not approved because the Board felt these items should be considered part of the current contract.
9. Discussion and possible action to approve a new contract with Environmental Biomass Services for operations services.
Chairman Meiner and Vice-Chair Sheets said that tasks performed during normal business hours are being charged as extra work.
Motion: made by Vice-Chair Sheets to refer to the letter from the Board dated 5/18/16 regarding the contract extension, second by Director Johnson
Unanimous Approval
10. Discussion and possible action to adopt the Fiscal Year 2016/2017 Tentative budget, rates and fees and set the hearing date and time as June 15, 2016, at 10:00 a.m.
Motion: made by Director Kane to approve the tentative budget, rates and fees and set the hearing date and time as June 15, 2016, at 10:00 a.m., second by Director Johnson.
Unanimous Approval
11. Discussion and possible action to schedule a Dedication Ceremony for the new wastewater treatment plant. It was decided to hold the ceremony late in September. The invitations should go to the ADEQ staff that participated, Parkson, Yavapai County Board of Supervisors, Governor Ducey, Lloyd Barnett, Dave Shephard and others.
12. Discussion and possible action to establish a bank account with the Arizona State Credit Union for an O&M account and other policies regarding money handling, spending limits and approvals.
Jennifer told the Board that during the previous audit it was noted by the accountant that the District does not have access to cancelled checks written from the County Treasurer's account. She suggested opening a checking account with the Arizona State Credit Union to use as a checking and clearing account for the Operations and Maintenance Fund; this account would replace the Chase clearing account and the transactions written from the O&M Treasurer's Account. She said monies in excess of \$250,000 will be transferred to the Treasurer's Account.
Motion: made by Director Johnson to authorize Jennifer Bartos to open a District O&M checking account with the Arizona State Credit Union to replace the current Chase clearing account, second by Director VandeLinde.
Unanimous Approval
13. Consent Agenda:
 - a) Approve the meeting minutes of April 19, and study session minutes of May 11, 2016;
 - b) Approve warrants written in April 2016.Motion: made by Director Kane to approve the consent agenda, second by Director Johnson.
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.

Big Park Domestic Wastewater Improvement District				
Fiscal Year 2016/2017 Tentative Budget				
	Exhibit A			
EXPENSE	FY 15/16	Actual as of	12-month	FY 16/17
Operations and Maintenance	Budget	3/31/2016	Estimate	Budget
Administration:				
Administrative Svcs Contract	\$342,671	\$234,128	\$348,204	\$342,230
Activation Fees	4,854	4,950	5,940	2,500
Additional Admin Services	0	69	69	0
Admin Contingency (WIFA)	177	330	330	0
Collections	5,000	9,505	10,610	8,000
Disconnection-Delinquent Accts	50,000	0	0	0
Attorney Services	5,000	1,065	1,598	5,000
Bank Charges	50	0	0	1,000
Director's Compensation	6,300	3,975	5,963	6,300
Elections	9,800	29	29	0
Financial Audit	18,000	17,975	17,975	24,000
Insurance Premium	24,978	0	24,000	34,000
Meeting Room Rental	420	360	540	550
Office Supplies	700	0	0	0
Online Payment Fees	0	104	156	200
Postage	850	75	75	0
Publishing	1,400	0	450	450
Registrations				
ADEQ	9,000	2,927	2,927	3,500
Blue Stake	400	324	324	400
VOCA	0	180	180	180
Transfer to WIFA Reserve	0	0	0	73,162
WIFA Loan Payment	450,000	61,815	307,413	450,000
Engineering:				
General Engineering Services	20,000	7,613	20,000	20,000
Additional Engineering Services	25,000	0	25,000	25,000
Grease Traps		1,963	6,000	0
Lift Station #7 Evaluation		788	2,000	5,000
Private Line Acquisition		1,020	8,000	2,500
Sewer Connections		1,200	6,000	0
SR179 to Fairway Oaks		1,020	3,000	0
GIS Updates	4,000	49,192	55,000	55,000
Permit Renewal/Modification	0	1,988	3,600	2,000
Operations:				
Operations Services Contract	409,467	247,209	409,467	410,328
Grease Trap Testing	1,600	0	1,600	1,600
Operator Additional Services	12,000	5,200	7,800	12,000
Alarm System	2,500	1,774	1,774	2,500
Emergency Maintenance	35,000	8,890	13,335	35,000
Fencing & Landscaping (old TP site)	12,000	0	0	0
Filter Replacement	495,000	13,065	13,065	0
Hauling & Disposal	71,000	47,306	70,959	85,000
Laboratory				

Laboratory Analysis	35,000	11,070	16,605	35,000
Laboratory Certification	2,100	2,035		2,100
Laboratory Supplies	25,000	10,188	15,282	25,000
Lighting System Upgrade	0	382	382	0
Operating Equipment & Supplies	145,000	69,324	103,986	145,000
Sewer Line Projects (Private Lines)	18,427	0	0	15,000
System Maint - see project list	250,000	28,954	28,954	
Dust, Flush & Video Lines		7,469	11,204	59,500
Effluent Meter		5,643	8,465	0
Lift Station #10 Upgrade		42,113	63,170	0
Reuse Vault Rehab		2,016	3,024	0
UV System Components		17,211	17,211	0
Lift Station #7 Upgrade	0	0	0	387,507
Dialer Upgrades				8,600
Generator Maintenance				5,500
Bio Cube Media				10,000
PSM Needs Assessment				500
Collection System Inventory				1,000
Oil Spray Hutson Lane				2,500
UV Components				27,500
UV Compressor				12,000
Inventory				15,000
SCADA System				35,000
Belt Press Components				50,000
PM Plan for Plant Equipment				2,500
Reuse Pump Upgrade				135,000
Training - GIS Program	0	0	0	2,500
Utilities				
Electric	162,000	74,019	111,029	115,500
Treatment Plant				
LS #7				
LS #8				
LS #10				
Telephone	6,556	1,860	2,790	2,800
Water	2,100	1,274	1,911	2,000
Treatment Plant				
LS #8				
LS #10				
Internet	0	280	420	450
Contingency	<u>205,729</u>	<u>0</u>	<u>0</u>	<u>230,000</u>
<i>subtotal</i>	<i>2,869,079</i>	<i>999,877</i>	<i>1,757,813</i>	<i>2,934,857</i>
Reimbursable Eng. Svc.	10,000	0	0	10,000
Reimbursable Annexation Fees	<u>2,000</u>	<u>0</u>	<u>0</u>	<u>2,000</u>
Total O&M Expenses	\$2,881,079	\$999,877	\$1,757,813	\$2,946,857
Capital Expense				
Emergency Cap. Fund	\$190,645	\$0	\$0	\$396,242
Juniper Street Sewer Line	0	0	0	11,000
Attorney - Property Acquisition	50,000	80,751	90,000	0
Construction Administration	35,000	81,820	85,000	0
Filter Replacement	0	4,800	4,800	0
Funding Assistance	0	3,909	3,909	0

Permit Modifications	0	3,077	6,000	0
Property Purchase	225,000	8,038	93,038	0
TP Modification & Filter Replacement	1,033,609	1,402,446	1,402,446	0
Contingency	<u>10,000</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Capital Expense	\$1,544,254	\$1,584,841	\$1,685,193	\$407,242
Total Expense Budget	\$4,427,833	\$2,584,718	\$3,443,006	\$3,354,099
REVENUE	FY 15/16	Actual as of	12-month	FY 16/17
Operations and Maintenance	Budget	3/31/2016	Estimate	Budget
User Fees	\$1,472,250	\$1,281,637	\$1,555,641	\$1,555,641
Activation/Transfer Fee	2,975	3,204	5,940	2,500
Ad Valorem Tax	0	0	0	0
Collection Fees	55,000	7,919	10,610	8,000
Hookup Fees	2,000	3,800	3,800	2,000
Interest	2,500	4,312	4,312	1,000
Miscellaneous O&M Income	0	0	0	0
Reuse Effluent Income - VOCA	<u>26,000</u>	<u>12,486</u>	<u>18,000</u>	<u>18,000</u>
<i>Subtotal O&M Revenue</i>	<i>1,560,725</i>	<i>1,313,358</i>	<i>1,598,303</i>	<i>1,587,141</i>
Reimb. Engineering Fees	10,000	0	0	10,000
Reimb. Annexation Fees	<u>2,000</u>	<u>0</u>	<u>0</u>	<u>2,000</u>
Total O&M Revenue	\$1,572,725	\$1,313,358	\$1,598,303	\$1,599,141
Capital Revenue				
Capacity Fees	\$11,200	\$40,635	\$40,635	\$11,600
Interest	1,500	3,427	3,500	1,500
Miscellaneous	0	0	0	0
WIFA Loan Reimbursement	<u>1,000,000</u>	<u>1,376,991</u>	<u>1,376,991</u>	<u>0</u>
Total Capital Revenue	\$1,012,700	\$1,421,053	\$1,421,126	\$13,100
Total Revenue	\$2,585,425	\$2,734,411	\$3,019,429	\$1,612,241
WIFA Loan Reserve Transfer				
Loan Payment Reserve	\$0	\$0	\$0	\$73,162
Interest	<u>0</u>	<u>1,321</u>	<u>1,321</u>	<u>1,500</u>
Total Loan Reserve Fund	\$0	\$1,321	\$1,321	\$74,662