

Meeting Minutes

Board of Directors of the Big Park Domestic Wastewater Improvement District

May 20, 2014 - 9:30 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.

1. Call to Order – Lee Meiner, David Sheets, Joanne Johnson, Ruth Kane, Martha Nohowec, Dorothy Vandelinde present.

Also present and participating in the meeting were: Jennifer Bartos, District Clerk / Administrator, Karen Davis, Administrator, and Dakota King of Improvement District Services, Inc.; Brad Bowers, Environmental Biomass Services; Tom Pender, Pender Engineering, District Engineer; Dave Dirren, Tyson Glock, and Doug Edgar of Sunrise Engineering

Pledge of Allegiance

2. Discussion and possible action regarding an update on the 2012 Treatment Plant Modification Project.
Tyson Glock told the Board that construction started about three weeks ago and the grubbing and grading is nearly finished.
No action taken.
3. Discussion and possible action regarding an amendment from Sunrise Engineering for construction administration for the 2012 Treatment Plant Modification Project, in the amount of \$149,000.
Tyson explained that the original contract included only six months of construction administration because it was not known during design how long the construction period would be. This amendment covers an additional seven months of estimated time for construction, with a total of 13 months. He said if their time is not needed then it won't be charged.
Motion: made by Director Vandelinde to approve the contract amendment with Sunrise Engineering in the amount of \$149,300, second by Director Kane.
Unanimous Approval
4. Discussion and possible action regarding an amendment with for value engineering to move the Biolac control panel, in the amount of \$2,500.
Tyson said the idea for this change came from the contractor.
Motion: made by Director Vandelinde to approve the change order #2 for zero dollars and amendment #6 for \$2,500, second by Director Kane.
Unanimous Approval
5. Discussion and possible action to approve an invoice from Sunrise Engineering for Construction Administration \$2,641.50; Permitting Assistance \$575.00 Contractor Selection \$2,296.25 and Reproduction Costs \$14.75, totaling \$5,527.50.
Motion: made by Vice-Chairman Sheets to approve the invoices in the amount of \$5,527.50, second by Director Johnson.
Unanimous Approval
6. Discussion and possible action regarding improvement of Hutson Lane with asphalt millings from Northern Arizona Construction Services for \$9,750.
Motion: made by Director Vandelinde to approve \$9,750 for millings on Hutson Lane, second by Director Johnson.
Unanimous Approval
7. Presentation of the Engineer's Report by Tom Pender of Pender Engineering.
Tom said the AZPDEZ paperwork is in and the permit should be issued soon. Brad told the Board that he spent several days compiling reports of historical data for the permit.
8. Discussion and possible action regarding an invoice from Pender Engineering for Famous Pizza grease trap review in the amount of \$150.00.
This item was held over from last month. Vice-Chairman Sheets asked why this task wouldn't be covered under the general professional engineering representation of the District. Tom responded that this task was to review plans and should be charged back to the customer.

It was agreed that as a policy, the grease trap reviews by the District Engineer – one hour of Engineer time is included in the permit fee. The customer will be billed for any overage of the Engineer's time.

Motion: made by Vice-Chairman Sheets to approve the invoice in the amount of \$150.00, second by Director Johnson.
Unanimous Approval

Motion: made by Vice-Chairman Sheets to move to item #10, second by Director Nohowec.
Unanimous Approval

9. Discussion regarding the 2014/2015 Tentative Budget figures, PSM projects, potential fees to include new fees for restaurants, undersized grease traps and/or grease trap pumping requirements, and if applicable set the hearing date and time as June 17, 2014, 9:30 a.m.

Motion: made by Director Johnson to adopt the tentative budget and set the hearing date and time as June 17, 2014 at 9:30 a.m., second by Director Johnson.

Unanimous Approval

10. 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 Kane to convene into Executive Session, second by Director Johnson

11. The Board may vote to convene into Executive Session pursuant to A.R.S. 38-431.03.1 for discussion or consideration of the appointment of a District Engineer appointee.

12. Discussion and possible action regarding a contract for District Engineering Services, currently month to month with Pender Engineering.

Chairman Meiner told Tom Pender that the Board has agreed to not continue the month to month contract, nor agree to the new contract.

Motion: made by Director VandeLinde to not renew the contract and end the relationship with Pender Engineering, second by Director Nohowec.

Unanimous Approval

13. 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.

Jennifer told the Board that the Moore sewer line Bill of Sale was submitted.

14. The Board may vote to convene into Executive Session pursuant to A.R.S. 38-431.03.7 for discussions or consultations with designated representatives of the public body in order to consider its position and instruct its representatives regarding negotiations for the purchase, sale or lease of real property.

15. Consent Agenda:

- a) Approve the meeting minutes of April 15, 2014.

- b) Approve warrants written in April 2014.

Motion: made by Vice-Chairman Sheets 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 2014/2015 Tentative Budget

Exhibit A

	EXPENSE	FY 13/14	Actual as of	12-month	FY 14/15
	Operations and Maintenance	<u>Budget</u>	<u>5/15/2014</u>	<u>Estimate</u>	<u>Budget</u>
1	Administrative Services	\$332,502	\$273,046	\$327,655	\$337,485
2	Activation Fees	2,975	2,115	2,115	2,975
3	Operations Services	347,412	287,983	345,580	355,947
4	General Engineering Services	12,000	10,000	12,000	12,000
5	Additional Engineering Services	13,000	4,792	5,750	12,000
6	GIS Updates	1,800	425	425	2,000
7	Attorney Services	5,000	0	0	5,000
8	Financial Audit	18,000	16,096	18,000	22,000
9	County Backbill - Elections	0	0	0	0
10	Director's Compensation	6,300	3,600	4,575	6,300
11	Meeting Room Rental	420	210	335	420
12	Bank Charges	50	0	0	50
13	Insurance Premium	22,145	20,509	20,509	20,510
14	Postage	0	5	5	936
15	Publishing	500	705	1,410	1,400
16	Office Supplies	750	359	500	750
17	Memberships & Registration - ADEQ	4,800	0	4,800	5,500
18	Permit Modifications	10,000	6,946	10,000	0
19	Electric	150,000	96,375	136,059	150,000
20	Water	1,700	1,132	1,598	2,800
21	Telephone	3,100	2,255	3,184	2,800
22	Laboratory Analysis	22,000	11,535	16,285	28,000
23	Operating Equipment & Supplies	105,000	111,233	148,311	135,000
24	Emergency Maintenance	28,000	7,940	28,000	28,000
25	Hauling & Disposal	65,185	50,676	71,543	64,000
26	System Maint - see project list	100,000	34,602	113,642	250,000
27	Contingency (10% of Line 1-26)	125,264	13,162	18,582	144,587
28	Filter Replacement	350,000	0	0	536,859
29	Transfer to WIFA Reserve	0	0	0	73,846
30	<i>subtotal</i>	<i>1,727,903</i>	<i>955,701</i>	<i>1,290,861</i>	<i>2,201,165</i>
31	Collections & Recording Fees	550	905	1,086	1,200
32	Reimbursable Eng. Svc.	10,000	0	0	10,000
33	Reimbursable Annexation Fees	<u>2,000</u>	<u>0</u>	<u>0</u>	<u>2,000</u>
34	Total O&M Expenses	1,740,453	956,606	1,291,947	2,214,365

WIFA Loan Reserve Expense

35	WIFA Loan Payment Reserve	<u>374,283</u>	<u>73,846</u>	<u>73,846</u>	<u>73,846</u>
36	Total Loan Reserve Fund	374,283	73,846	73,846	73,846

WIFA Loan Payment Expense

37	WIFA Loan Payment	<u>369,230</u>	<u>1,055</u>	<u>213,650</u>	<u>369,228</u>
38	Total O&M Expenses	369,230	1,055	213,650	369,228

Capital Expense

39	Emergency Cap. Fund	750,000	10,686	10,686	824,561
40	Filter Replacement	677,467	0	0	98,378
41	Construction - TP Modification Project	5,226,900	4,971	4,971	4,747,388

42	Construction Admin - Sunrise	200,000	7,641	40,000	149,000
43	Attorney - Property Acquisition	50,000	44,493	61,000	50,000
44	Funding Assistance	7,800	0	7,800	7,800
45	Engineering-Survey&Property Acq.	9,920	0	0	0
46	Property Purchase	0	506,750	506,750	225,000
47	Contingency - (10% Line 38-43)	26,772	4,535	4,535	517,919
48	Total Capital Expense	6,948,859	579,076	635,742	6,620,046

49	Total Expense Budget	9,432,825	1,610,583	2,215,185	9,277,485
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**Big Park Domestic Wastewater Improvement District
Fiscal Year 2014/2015 Tentative Budget**

REVENUE		FY 13/14	Actual as of	12-month	FY 14/15
Operations and Maintenance		Budget	5/15/2014	Estimate	Budget
50	User Fees	\$1,107,840	\$944,792	\$1,107,840	\$1,107,840
51	Hookup Fees	1,000	1,950	1,950	1,950
52	Interest	1,500	5,292	5,292	5,292
53	Activation/Transfer Fee	0	2,571	2,571	2,571
54	Ad Valorem Tax	0	0	0	0
55	Reuse Effluent Income - VOCA	18,000	29,726	29,726	29,726
56	Miscellaneous O&M Income	550	28,781	28,781	28,781
57	<i>Subtotal O&M Revenue</i>	<i>1,493,605</i>	<i>1,013,112</i>	<i>1,176,160</i>	<i>1,176,160</i>
58	Reimb. Engineering Fees	0	0	0	10,000
59	Reimb. Annexation Fees	0	0	0	2,000
60	Total O&M Revenue	1,493,605	1,013,112	1,176,160	1,188,160

WIFA Loan Reserve Revenue

61	Loan Payment Reserve	0	73,846	73,846	73,846
62	Interest	0	0	0	100
63	Total Loan Payment Fund	0	73,846	73,846	73,946

WIFA Loan Payment Revenue

64	Loan Payment Fund	364,715	368,047	368,047	370,000
65	Interest	0	0	0	0
66	Total Loan Payment Fund	364,715	368,047	368,047	370,000

Capital Revenue

62	Capacity Fees	5,800	17,400	17,400	11,200
63	Interest	1,500	6,123	6,123	1,500
64	Line Upgrade Fees	0	850	850	0
65	WIFA Loan Reimbursement	5,288,117	0	0	5,229,956
66	Refund from Court	0	315,000	315,000	0
67	Miscellaneous	0	196	196	0
68	Total Capital Revenue	5,295,417	339,569	339,569	5,242,656

69	Total Revenue	7,153,737	1,794,574	1,957,622	6,874,762
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