

## Meeting Minutes

Board of Directors of the Big Park Domestic Wastewater Improvement District

May 21, 2013 - 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 – Ruth Kane, David Sheets, Lee Meiner, Joanne Johnson and Martha Nohowec present. Woody Ano and Dorothy VandeLinde absent.

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

Pledge of Allegiance

2. Discussion and possible action regarding the progress of the 2012 Treatment Plant Modification Project, ADEQ submittal and the APP Permit.  
Tyson said the APP is almost complete and he is going to meet with the ADEQ staff tomorrow. He said there has not been a clean closure completed on the pond with ADEQ. It was decided not to do a closure and keep the pond as is. Tyson said his current estimate for the project cost is \$5.55 million. He said that the SCADA equipment will not be installed. Karen told Tyson that it might be helpful if he tells the ADEQ of our limited timeframe on the loan.
3. Discussion and possible action regarding the pre-qualification of contractors for the treatment plant modification project.  
Tom said he felt the process went really well. He said they did select three contractors. Tom said that all the firms have been notified. Director Sheets and Director Meiner said the interviews were very interesting and informative. Tom said that from this point forward he will turn the project over to Dave Dirren.
4. Discussion and possible action to approve invoices from Sunrise Engineering, Inc. for Permit Assistance \$1,610.00, BOD Questions \$666.25 and \$1,875.00, RFQ Assistance \$6,930.00, Total \$12,081.25.  
Motion: made by Director Sheets to approve the invoices in the amount of \$12,081.25, second by Director Meiner  
Unanimous Approval
5. Presentation of the Engineer's Report by Tom Pender of Pender Engineering, regarding updates on the Perpetual System Maintenance Projects and the status of current projects.  
Tom said Brad will take over the PSM project list.
6. Discussion and possible action to approve invoice from Pender Engineering for Pre-qualification of contractors \$3,725.20.  
Motion: made by Director Sheets to approve the invoice, second by Director Nohowec.  
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.  
Brad said the flows were high at the beginning of the month due to tourism. He said they have been struggling with the filter all month.
8. Discussion and possible action regarding the ownership and responsibility of private sewer lines connected to the District's system.  
Jennifer to review the Aaron Sheehan line. Tom will prepare a map showing where the individual systems are located.
9. 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.  
Discussion and consultation with the District's attorney for legal advice and to consider the District's position and instruct its attorney regarding pending or contemplated litigation: BPDWWID v. Gilgoff et al., CV201280328; BPWWID v. Gilgoff, et al., CV201280329; BPWWID v. Gilgoff, et al., CV201280330; BPWWID v. Camino del Diamante, et al., CV201280331; BPWWID v. Easterday, et al., CV201280332. A.R.S. §38-431.03(A)(3) & (4).  
\*During an executive session the public will be asked to leave the meeting room\*
10. Discussion and possible action regarding the review of the Fiscal Year 2013/2014 Budget, Rates and Fees and if appropriate, adopt the tentative budget and set the hearing date for June 18, 2013 at 9:30.  
Motion: made by Director Meiner to approve the tentative budget and set the hearing date as June 18, 2013 at 9:30, second by Director Sheets.  
Unanimous Approval
11. 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.  
The staff report was reviewed.
12. Consent Agenda:
  - a) Approve meeting minutes of April 22 and May 15, 2013.
  - b) Approve warrants written in April 2013.
 Motion: made by Director Sheets to approve the consent agenda, second by Director Meiner  
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 2013/2014 Tentative Budget

<u>EXPENSE</u>	FY 12/13	Actual as		FY 13/14
		of	12-month	
<u>O&amp;M</u>	<u>Budget</u>	<u>3/1/2013</u>	<u>Estimate</u>	<u>Budget</u>
Administrative Services	\$309,727	\$209,840	\$324,319	\$332,502
Activation Fees	2,975	2,870	3,827	2,975
Operations Services	366,104	221,207	335,448	347,412
Gen Engineering Services	12,000	8,000	12,000	12,000
Add Engineering Services	8,000	2,662	3,993	13,000
GIS Updates	1,800	0	0	1,800
Attorney Services	5,000	0	1,000	5,000

Finance Review	3,200	0	0	0
Financial Audit	18,000	0	18,000	18,000
Elections	0	0	0	0
Director's Compensation	5,400	2,250	4,050	6,300
Meeting Room Rental	420	210	350	420
Bank Charges	40	25	25	50
Insurance Premium	21,500	0	21,500	22,145
Postage	0	59	59	0
Publishing	800	0	800	500
Office Supplies	1,250	224	500	750
Registration - ADEQ	4,800	2,500	4,700	4,800
Permit Modifications	22,000	1,080	1,080	10,000
Electric	160,000	72,962	134,699	150,000
Water	2,000	822	1,409	1,700
Telephone	3,800	1,775	3,043	3,100
Laboratory Analysis	40,000	12,793	21,931	22,000
Ops Equip & Supplies	100,000	59,290	101,640	105,000
Emergency Maint	28,000	13,526	23,187	28,000
Hauling & Disposal	55,000	38,024	65,184	65,185
System Maint Projects	822,717	28,928	60,000	100,000
Contingency	117,182	154	50,991	125,264
Filter Replacement	0	0	0	350,000
WIFA Loan Reserve	565,581	0	73,845	374,283
WIFA Loan Payment		156,875	301,433	369,230
Parkson Filter	0	2,000	21,000	0
Collections	550	498	498	550
Reimb Eng. Svc.	10,000	819	819	10,000
Reimb Annexation Fees	<u>2,000</u>	<u>0</u>	<u>0</u>	<u>2,000</u>
Total O&M Expenses	\$2,689,846	\$839,393	\$1,591,330	\$2,483,966
<u>Capital Expense</u>				
Emergency	\$1,535,386	\$30,800	\$30,800	\$750,000
Filter Replacement	0	0	0	677,467
TP Modification Project	0	0	0	5,226,900
Construction Admin	0	0	0	200,000
Engineering Final Design	0	235,007	254,000	0
Property Appraisal	0	4,500	22,563	0
Attorney - Property	0	59,048	101,225	50,000
Funding Assistance EngSurvey&Property Acq.	0	5,574	7,000	7,800
Property Purchase	0	4,804	8,804	9,920
Property Purchase	0	848,741	848,741	0
Contingency	<u>0</u>	<u>0</u>	<u>0</u>	<u>26,772</u>
Total Capital Expense	\$1,535,386	\$1,188,474	\$1,273,133	\$6,948,859
Total Expense Budget	\$4,225,232	\$2,027,867	\$2,864,463	\$9,432,825
<u>REVENUE</u>				
<u>Operations and Maintenance</u>				
User Fees	\$1,665,736	\$943,228	\$1,220,188	\$1,107,840
Hookup Fees	1,000	2,850	3,500	1,000
Interest	1,700	2,351	2,500	1,500
Activation/Transfer	2,975	3,530	4,707	2,975
Ad Valorem Tax	0	14	14	0
Reuse Effluent	25,000	18,146	18,146	18,000
Loan Payment Fund	0	156,875	209,167	364,715

Misc O&M Income	<u>0</u>	<u>1,336</u>	<u>1,336</u>	<u>550</u>
<i>Subtotal O&amp;M Revenue</i>	<i>1,696,411</i>	<i>1,128,330</i>	<i>1,459,557</i>	<i>1,496,580</i>
Reimb. Engineering Fees	10,000	0	819	10,000
Reimb. Annexation Fees	<u>2,000</u>	<u>0</u>	<u>0</u>	<u>2,000</u>
Total O&M Revenue	\$1,708,411	\$1,128,330	\$1,460,376	\$1,508,580
<u>Capital</u>				
Capacity Fees	\$4,200	\$5,800	\$5,800	\$5,800
Interest	5,000	5,096	5,400	1,500
Line Upgrade Fees	0	0	0	0
WIFA Loan Reimb			217,783	5,288,117
Miscellaneous	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Capital Revenue	\$9,200	\$10,896	\$228,983	\$5,295,417
Total Revenue	\$9,200	\$1,139,226	\$1,689,359	\$6,803,997