

Meeting Minutes

**Board of Directors of The American Ranch Domestic Water Improvement District
October 11, 2017
10:00 a.m. at
The American Ranch – Ranch House
9500 American Ranch Road, Prescott, 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.

Call to Order – Bill Yates, Monte Anderson, Cynthia Baker present. Brent Matthews present telephonically. Jason Gisi absent.

Also present and participating: Jennifer Bartos, District Clerk; Dakota King, District Administrator, Improvement District Services; Bob Hanus, Western Environmental Technology; Tiffany Taylor, American Ranch Home Owners Association; Mark Kaplan and Roy Engerhousen, members of the community.

1. Discussion and possible action regarding the monthly operations report from Bob Hanus of Western Environmental Technologies regarding the operation and maintenance of the water and sewer facilities and status of projects.

Bob reviewed the status of the plant. He stated that there are several new meters installs throughout American Ranch. He also stated that the meter for lot 206 had a bad meter, and was replaced. Bob stated he is looking into using a hand-held reader, based off of recent errors in reading digital meters. Director Anderson stated that the meters should be replaced with the new meters. Bob stated that he has looked into programs from surrounding cities and municipalities on the procedure for replacing the old meters. Jennifer stated she will bring the budget to the next meeting to discuss the viability of a meter replacement project.

Regarding the high bill on the AR-Entry, IDS will get an average usage based on the previous few months to bill AR-Entry.

Roy Engerhousen asked if the hand-held device would be able to be used while driving by the meter, to which Bob stated he was looking at devices that must be used in close proximity to the meters.

2. Discussion and possible action regarding a Memorandum of Understanding with the American Ranch Homeowner's Association. (Please see website at ARDWID.com for most recent Memorandum of Understanding).

Director Yates stated that there is only one word he has an issue with in the revised Memorandum of Understanding. He stated that he does not wish to sign anything that has a misstatement of fact in it. Because there seems to be several different sources stating who has power of authority over well regulation, Director Yates wishes to follow the county and the county attorney precedent over creating an agreement in 2000 stating that they have the authority to regulate wells. Director Anderson stated that he wishes the HOA American Ranch Board to take the initiative to enforce well regulation. Director Baker stated that she believes that the HOA wishes to see a statement that states the DWID get out of the well regulation business. She further stated that the DWID should be more concerned with getting the

Memorandum of Understanding approved, rather than discussing the relevancy of one word. Director Yates reinforced that he wishes to approve an Memorandum of Understanding, but does not want to sign a document that has a misstatement in it. Director Anderson stated that there has seemed to be a failure in communication due to rules and regulations based on the Statutes. Jennifer stated that the Board could have a joint meeting with the HOA if the Board members so wish. Director Baker stated that the DWID should notify the HOA about why they wish to strike the added word. Director Matthews stated that he agrees with the current discussion. Director Baker stated that the letter of necessary change should be sent between Director Yates and Brad Fain of the HOA board, but would like to see the letter before it is sent out. Director Yates stated that he believes, with the recent sale of Deep Well, there may be future requirements to monitor water usage. Director Matthews stated that the HOA board must remember that the current DWID board may differ from a future DWID board, and may be revised in the future. Director Baker asked if the Board took initiative by changing the rates, to which Director Matthews stated that it was the most logical conclusion to the situation at hand. Director Yates further stated that the DWID is a government entity, and does not have the right to not follow the law. Director Yates further stated that the only legal document that the DWID has is from the county attorney Randy Shurr. Director Anderson stated that the crux of the Memorandum of Understanding is to have the HOA follow the CCRs. Director Baker stated that she would like Jennifer at I.D.S. to send out the letter, as well as the revised Memorandum of Understanding without the word "sole" to the Board.

3. Discussion and possible action regarding a modification to the District Ordinance.

No action taken.

4. Discussion and possible action regarding ACH auto-withdraw and a new district website and URL.

Dakota stated that he has been working with OneAZ Credit Union to establish an ACH auto-withdraw program for the DWID. He explained that, once a form is filled out, a homeowner would have their monthly or quarterly bill taken out of their bank account, and receive a bill that states that they do not need to pay their bill.

Motion: by Director Baker to approve the use of the ACH program with OneAZ Credit Union, with the monthly amount not to exceed \$250.00 per transaction, second by Director Anderson.
Unanimous Approval.

Dakota also stated that he has designed a new website, which will be available for the public at ARDWID.com once it has become active.

5. Discussion and possible action regarding administrative issues to include:

- a) District financials and delinquent accounts;
Jennifer verbally discussed the current delinquencies. Director Anderson asked about the timing of delinquent customers. Jennifer stated that the statutes stated that the lien can only be filed with 90 days of delinquency, a lien notice is sent out after 60 days, and a late stamp occurs after the customer becomes delinquent.
- b) Approve meeting minutes of July 12, 2017 & August 21, 2017;
Motion: made by Director Baker to approve the meeting minutes for July 12 and August 21, second by Director Anderson. Unanimous Approval.
- c) Approve checks written since July 2017.
Motion: made by Director Anderson to approve the checks written since July 2017, second by Director Baker. 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.

The next public meeting will occur at 10:00 AM on January 10th. Director Yates wished to post a list of meeting dates for 2018.

Roy stated that he would like to see the handouts of the financials and wished to see them published online. Director Yates stated this was acceptable.

Roy further stated that he gets on his bank website to pay for his ARDWID bill. He wishes to establish an electronic debit from his bank to the District Bank. Director Anderson stated that Roy should contact IDS to see if his bill has arrived on time.

Tiffany stated that she has received two large water bills for the AR-Entry. She has had a plumber come out to look at it, and did not see any leak. Bob stated that the meter has been inspected and the meter is functional. Tiffany further stated that she has a limited budget and wishes to figure out this issue as soon as possible. She further stated that a wireless reader would allow the DWID to catch leaks significantly faster. Tiffany also asked if the DWID would consider working with the HOA to be able to pay off these large amounts.