

Draft Minutes

**Board of Directors of the Big Park Domestic Wastewater Improvement District  
March 21, 2018 - 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., 3603 Crossings Drive Prescott, AZ 86305. 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.*

Call to Order – David Sheets, David LaFrance, Lee Meiner, Joanne Johnson, Moneesh Chatterjee, Ruth Kane and Gary Livermont present.

Also present and participating: Jennifer Bartos, District Clerk; Dakota King & Diana King, Improvement District Services, Inc.; Mike & Rodica Stamo, members of the community.

Pledge of Allegiance

1. Discussion and possible action regarding the Administrative Services Staff Report from Improvement District Services, Inc. regarding staff activities, District financials, budgets, collections, direction to the Clerk for future agenda items and other administrative issues.

Vice-Chairman LaFrance asked about the purpose of the Google walk-through, to which Diana responded that it was a technology similar to Google Street View. The Board directed IDS staff to pursue this opportunity.

Chairman Sheets asked about future situations where a potential or current customer asks for assistance that needs to be completed by a qualified engineering firm like Sunrise Engineering (SEI). Jennifer indicated that any work required by an engineer would be the responsibility of the potential/current customer. Chairman Sheets entertained the idea of crediting any engineering fees borne by a potential customer back to the customer when the work is completed. Vice-Chairman LaFrance stated that the customers are not mandated to use SEI but if they want to use their services it would be the responsibility of the homeowner to contract directly with SEI.

Jennifer provided a sample flyer used by the city of Prescott informing residents of specific work that was going to be completed in their area that might directly affect them. It was suggested by Jennifer that we use a similar flyer for our customers whenever we are going to be performing work that might affect them. Chairman Sheets indicated the next time such work is to be performed that IDS send out a notification to customers indicating the work to be performed, timeline and what impact it may have on them.

Director Livermont and Chairman Sheets asked for clarification about the active service counts report that was included in IDS's report.

2. Consent Agenda:

- a) Approve the meeting minutes of January 17, 2018;

Motion: made by Director Meiner to approve the meeting minutes of January 17, 2018, second by Director Johnson. Unanimous Approval.

- b) Approve checks written in January and February 2018;

Motion: made by Director Meiner to approve the checks written in January and February, 2018, second by Director Chatterjee. Unanimous Approval.

3. 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 Bowers absent. No report given.

4. Presentation of Finance Committee report regarding the Finance Committee meeting of February 14 & March 7, 2018.

Vice-Chairman LaFrance stated that the Finance Committee has been investigating various options for expanding the sewer line to new neighborhoods - specifically areas where there have been serious inquiries by homeowners to expand. Upon looking at the cost per homeowner and the work required on their part to get consensus for installing lines in any given neighborhood it was agreed by the FC that it is not practical to have neighborhoods pay for the installation of sewer lines. The FC concluded that an Ad Valorem tax may be the most appropriate way to proceed and they will continue to pursue this option with the assistance of IDS.

5. Discussion and possible action regarding district contribution to the expansion of the sewer lines.

Director Chatterjee stated that it is essential to review the capacity of the treatment plant if the District is intending to expand. Director Johnson stated that she is concerned with the debt the District would incur from expanding the district and stressed the importance of focusing expansion only on areas that are requesting expansion. Director Chatterjee suggested conducting a referendum vote of the District members to see if there is majority support for such expansion.

Vice-Chairman LaFrance suggested conducting a public meeting to discuss the cost of the tax and the capacity fee/hook-up fee once the customer hooks up. Chairman Sheets asked each individual Board Member what their position would be to move forward with exploring an Ad Valorem tax with the following results:

- Director Kane stated that she would support the tax but knows it would highly impact the community.
- Director Johnson stated she does not support creating the tax.
- Director Meiner expressed he was in support.
- Chairman Sheets stated that he believes the tax is the right thing to do but would like the full support of for the Board.
- Vice-Chairman LaFrance expressed that he is highly in favor of the tax and expansion, but also felt the support should be unanimous.
- Director Chatterjee stated that he believes the tax is good for the environment and the community but believes there may be additional costs that must be accounted for in the tax.
- Director Livermont stated that he is also in support and finds it essential to convince fellow members of the community that the expansion and tax are necessary, and to do so by stressing the environmental necessity.

Jennifer stated that the tax cannot go toward mainline expansion, because the tax must be for a "general obligation". Several Board members requested that Jennifer confirm this and provide the Board with specific wording from the Arizona Revised Code.

6. Discussion and possible action regarding sewer mainline expansion, to include:

- a) A district commitment for building of the Chapparal sewer line in exchange for easement from Whittman.

Vice-Chairman LaFrance stated that the Board has been pursuing an easement from Barbara Whitman for over a year. He stated that the Finance Committee has suggested building the line to the corner of Sugarloaf and Chapparal, and that the owner of the property on Sugarloaf then would bring the line down to the corner. The property owner (present at the meeting) asked if the Board could have the customers along the line reimburse the property owner for construction. Chairman Sheets indicated this would not be allowed. He further stated the Finance Committee recommends the approval of SEI's bid to expand the sewer main to the Chapparal area in the amount of \$112,186.80.

Motion: made by Director Livermont to approve construction of the Chapparal sewer line estimated at \$112,186.80, second By Director Meiner. Unanimous Approval.

- b) Approval to construct a sewer line along the edge of the golf course and through parcel 405-27-405 to Chaparral.
- c) Consideration to create a joint construction project with the customer-built line on Sugar Loaf.
- d) Construction of a sewer main around the outer edge of Sundance Townhomes to Oakcreek Drive.

Items B, C, & D were tabled.

7. Discussion and possible action to review the Fiscal Year 18/19 tentative budget.

Jennifer stated that the budget has become quite cumbersome and would like to see it condensed and consolidated in the Engineering and Operations sections. She also suggested moving to a purchase order system. Diana requested that the Board direct IDS which line items should remain and which are cumbersome. Director Chatterjee suggested deciding on the items at the Finance Committee. It was generally agreed that these issues would be taken up at the next FC meeting.

Diana also recommended increasing the activation fee from \$50.00 to \$150.00. The Board agreed to the increase.

8. Discussion and possible action regarding the VOCA reuse agreement.

Chairman Sheets stated that he had intention of sending a letter to VOCA regarding the reuse agreement. He stated that the District does not appear to be losing money with the current agreement as long as there are no major repairs required (pumps, lines). Vice-Chairman LaFrance stated that, should the transmission line require repair, there may be liability exposure on the District. He recommended that the District notify VOCA in writing that the District is not willing to renew the contract in its current form and would be willing to continue the agreement but with modifications. Chairman Sheets and Vice-Chairman LaFrance will work together to draft a letter to be presented to the VOCA HOA.

9. Discussion and possible action regarding the Engineer's Report by Dave Dirren, Sunrise Engineering, to include facility maintenance, connection requests, GIS updates and grease trap installs/inspections.

Dave Dirren absent. No report given. Chairman Sheets stated that there are still a number of charges for customer calls being invoiced to the District. Jennifer will follow-up with Dave Dirren to confirm the appropriateness of these charges and report back to the Board.

10. Discussion and possible action to approve invoices from Sunrise Engineering for District Engineering & GIS Project Services - \$2,225.00

Motion: made by Director Meiner to approve the invoice from Sunrise Engineering in the amount of \$2,225.00, 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.

Meeting adjourned – 12:06