

Meeting Minutes

Board of Directors of the Big Park Domestic Wastewater Improvement District

May 19, 2015

10:00 a.m. Executive Session – 11:00 a.m. Public Meeting

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, Joanne Johnson, Dorothy VandeLinde and Ruth Kane present. Martha Nohowec absent.

Also present and participating in the meeting: Jennifer Bartos and Diana King, Administrators, Improvement District Services, Inc.; Brad Bowers, District Operator, Environmental Biomass; Dave Dirren, Sunrise Engineering; Moneesh Chatterjee and Dave Norton, VOC property owners.

Pledge of Allegiance

2. The Board may vote to convene into Executive Session pursuant to A.R.S. 38-431.03.2 for discussions or consultations with designated representatives of the public body in order to consider its position and instruct its representatives regarding records exempt by law from public inspection.
3. Discussion and possible action regarding an update on the 2012 Treatment Plant Modification Project. Dave Dirren reviewed the status of the construction project with the Board. No action taken.
4. Discussion and possible action regarding the project schedule and possible liquidated damages for the WWTP Improvement Project due to delays. No discussion or action taken. This item is to remain on the agenda until complete.
5. Discussion and possible action regarding the Engineer's Report by Dave Dirren, Sunrise Engineering. Jennifer was asked to notify Yavapai County that there is now a working manhole near the Circle K.
6. Discussion and possible action to approve invoices from Sunrise Engineering for:
 - a) District Engineering Services – Miscellaneous \$300.00; BOD Meeting Attendance \$750.00; Sewer Connection Requests \$525.00; Private Sewer Lines \$75.00; Sewer Extension/VOCA Easement \$150.00; Hwy 179 Manhole \$375.00; Update District Maps \$225.00 - Total of invoice \$2,400.
Motion: made by Director Kane to approve the invoices in the amount of \$2,400, second by Director VandeLinde.
Unanimous Approval
 - b) Construction Observation \$22,812.73; Post Construction Services \$3,277.50; BOD Meeting Attendance \$690.00; Funding Assistance \$290.00; Permitting Assistance \$1,102.50; APP Permit Amendment \$3,288.50 - Total invoices \$31,461.23.
Motion: made by Vice-Chairman Sheets to approve the invoices in the amount of \$31,461.23, second by Director VandeLinde.
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. He said the manhole on Hwy 179 near Bell Rock is now open. Brad said he will pursue reimbursement from ADOT for the expense to open the manhole.
8. Discussion and possible action regarding a proposal from JCH for the pump upgrade at lift station #10. Brad said he received a quote from MGC for \$19,117.00 for installation.

This item should be placed on the next meeting agenda.

9. Discussion and possible action to approve the FY15/16 Tentative Budget and Ordinance Amendments, and if appropriate set the hearing date and time as June 16, 2015 at 10:00 a.m.
Jennifer was instructed to move the proposed collection schedule up by 30 days and increase the monthly administrative fee for disconnected properties to \$1.18 per ERU per day.
Motion: made by Director Kane to approve the FY15/16 Tentative Budget and Ordinance Amendments, and set the hearing date and time as June 16, 2015 at 10:00 a.m., second by Vice-Chairman Sheets.
Unanimous Approval

10. Discussion and possible action regarding the Administrative Services Staff Report from Jennifer Bartos of Improvement District Services, Inc. regarding staff activities, District financials and direction to the Clerk for future agenda items.
Jennifer and Diana reviewed the report with the Board.

11. Discussion and possible action to amend the administrative services contract with Improvement District Services, Inc., at no additional cost to the District.
Motion: made by Director Johnson to approve the contract amendment with I.D.S., second by Director VandeLinde.
Unanimous Approval

12. Consent Agenda:
 - a) Approve the Call of Election for November 2015;
 - b) Approve the meeting minutes of April 21, 2015;
 - c) Approve warrants written in April 2015.
 Motion: made by Director VandeLinde to approve the consent agenda, second by Vice-Chairman Sheets.
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 2015/2016 Final Budget

Exhibit A

<u>EXPENSE</u>	<u>FY 14/15</u>	<u>Actual as</u>	<u>12-month</u>	<u>FY 15/16</u>
<u>Operations and Maintenance</u>	<u>Budget</u>	<u>of</u>	<u>Estimate</u>	<u>Budget</u>
<u>Administration:</u>		<u>5/1/2015</u>		
Administrative Svcs Contract	\$337,485	\$249,513	\$332,684	\$342,665
Activation Fees	2,975	4,180	5,573	2,975
Additional Admin Services	0	0	590	0
Admin Contingency (WIFA)	0	477	636	177
Collections	1,200	1,510	3,200	5,000
Disconnection-Delinquent Accts	0	0	0	50,000
Attorney Services	5,000	2,112	3,168	5,000
Bank Charges	50	0	25	50
Director's Compensation	6,300	4,050	5,400	6,300
Elections	7,500	0	0	9,800
Financial Audit	22,000	13,607	13,607	18,000
Insurance Premium	20,510	20,333	24,186	24,978
Meeting Room Rental	420	350	420	420
Office Supplies	750	413	708	700
Postage	936	30	882	850
Publishing	1,400	0	600	1,400
Registrations				

ADEQ	5,500	0	5,500	9,000
Blue Stake	0	374	374	400
Transfer to WIFA Reserve	73,846	0	73,846	73,165
WIFA Loan Payment	369,228	227,589	397,908	450,000
Engineering:				
General Engineering Services	12,000	12,674	19,011	20,000
Additional Engineering Services	12,000	9,160	15,000	25,000
GIS Updates	2,000	425	4,000	4,000
Permit Renewal/Modification	0	7,155	10,000	0
Operations:				
Operations Services Contract	355,947	300,383	400,511	412,526
Grease Trap Testing	0	0	0	1,600
Operator Overtime	0	0	0	12,000
Electric	150,000	100,551	150,827	162,000
Dialer System	0	0	6,500	0
Emergency Maintenance	28,000	26,062	35,000	35,000
Fencing & Landscaping (old TP site)	0	0	0	12,000
Filter Replacement	528,609	0	10,000	160,000
Hauling & Disposal	64,000	45,513	72,821	71,000
Hwy 179 Manhole Repair	0	0	9,000	0
Laboratory				
Laboratory Analysis	28,000	11,861	17,792	35,000
Laboratory Certification	0	2,035	2,035	2,100
Laboratory Supplies	0	2,500	3,529	25,000
Lighting System Upgrade	0	0	7,624	0
Operating Equipment & Supplies	135,000	43,294	64,941	145,000
Resurface Road & Yard	0	2,500	2,500	2,500
Sewer Line Projects (Private Lines)	0	0	0	18,427
System Maint - see project list	250,000	34,094	105,594	250,000
Telephone & Alarm System	2,800	4,644	6,556	6,556
Water	2,800	1,300	1,835	2,100
Contingency	145,337	11,816	17,724	205,729
<i>subtotal</i>	<i>2,571,593</i>	<i>1,140,505</i>	<i>1,832,107</i>	<i>2,608,418</i>
Reimbursable Eng. Svc.	10,000	925	925	10,000
Reimbursable Annexation Fees	2,000	883	883	2,000
Total O&M Expenses	\$2,583,593	\$1,142,313	\$1,833,915	\$2,620,418

Capital Expense

Emergency Cap. Fund	\$835,561	\$0	\$0	\$190,645
Attorney - Property Acquisition	50,000	93,120	159,634	50,000
Construction Administration	149,000	215,619	310,619	35,000
Engineering-Survey&Property Acq.	0	0	1,200	0
Filter Replacement	98,378	24,610	24,610	0
Funding Assistance	7,800	9,096	12,000	0
Permit Modifications	0	8,749	10,000	0
Property Purchase	225,000	9,322	9,322	225,000
TP Modification & Filter Replacement	4,747,388	3,214,813	4,229,956	1,000,000
Contingency	517,919	4,620	6,930	10,000
Total Capital Expense	\$6,631,046	\$3,579,949	\$4,764,271	\$1,510,645

Total Expense Budget	\$9,214,639	\$4,722,262	\$6,598,186	\$4,131,063
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REVENUE	FY 14/15	Actual as	12-month	FY 15/16
Operations and Maintenance	Budget	of	Estimate	Budget
		5/1/2015		
User Fees	\$1,477,840	\$1,262,486	\$1,370,070	\$1,370,070
Activation/Transfer Fee	2,571	3,380	3,500	2,975
Ad Valorem Tax	0	0	0	0
Collection Fees	0	1,010	1,200	55,000
Hookup Fees	1,950	4,800	4,800	2,000
Interest	5,292	4,814	5,000	2,500
Miscellaneous O&M Income	28,781	78,992	78,992	0
Reuse Effluent Income - VOCA	<u>29,726</u>	<u>19,302</u>	<u>26,000</u>	<u>26,000</u>
<i>Subtotal O&M Revenue</i>	<i>1,546,160</i>	<i>1,374,784</i>	<i>1,489,562</i>	<i>1,458,545</i>
Reimb. Engineering Fees	10,000	0	925	10,000
Reimb. Annexation Fees	<u>2,000</u>	<u>0</u>	<u>883</u>	<u>2,000</u>
Total O&M Revenue	\$1,558,160	\$1,374,784	\$1,491,370	\$1,470,545

Capital Revenue

Capacity Fees	\$11,200	\$34,800	\$43,500	\$11,200
Interest	1,500	3,899	4,000	1,500
Line Upgrade Fees	0	2,550	2,550	0
Miscellaneous	0	0	0	0
WIFA Loan Reimbursement	<u>5,229,956</u>	<u>3,580,233</u>	<u>4,229,956</u>	<u>1,000,000</u>
Total Capital Revenue	\$5,242,656	\$3,621,482	\$4,280,006	\$1,012,700

Total Revenue	\$6,800,816	\$4,996,266	\$5,771,376	\$2,483,245
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WIFA Loan Reserve Transfer

Loan Payment Reserve	\$73,846	\$0	\$73,846	\$73,165
Interest	<u>100</u>	<u>0</u>	<u>0</u>	<u>100</u>
Total Loan Reserve Fund	\$73,946	\$0	\$73,846	\$73,265