

Hearing and Meeting Minutes
Board of Directors of the Big Park Domestic Wastewater Improvement District
April 17, 2019 - 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, Gary Livermont, Lee Meiner, Joanne Johnson, Jim Kautz, Ruth Kane present.
Moneesh Chatterjee absent

Also present and participating in the meeting: Jennifer Bartos, District Clerk and Diana King, District Administrator, Improvement District Services, Inc.; Dave Dirren, District Engineer, Sunrise Engineering; Brad Bower, District Operator, Environmental Biomass Services; Patrick Murphy, Sundance Townhome HOA

*Unanimous Approval indicates a unanimous vote by all Board Members present.

Pledge of Allegiance

Open Public Hearing on Ordinance Amendments:

Chairman Sheets opened the public hearing and called for public comments.

Article 1, Section 101

Revise District Office address: c/o Improvement District Services, Inc., 3603 Crossings Drive, Prescott, Arizona 86305

Article 3, Section 302:

Add: Contractor shall submit information regarding type of connection (manufacturer name and model no.) being installed along with a sketch showing location of connection point to the existing sewer main. No flexible, soft or rubber wyes will be accepted for connection to District sewer main. Only hard PVC or other non-flexible materials will be approved.

Article 3, Section 303:

Add: New manholes or existing manholes with new connections are required to be sealed on all inside surfaces with 2 coats of a protective coating from the following list:

- A. Raven Lining Systems #405
- B. Superior Environmental Products SP2000R or SL100
- C. Sauereisen Sewergard N-210
- D. Permaform COR+GARD
- E. Or approved equal as determined by the District Engineer.

Manhole surfaces shall be cleaned and prepared in accordance with the coating manufacturer's recommendations prior to application of any coatings.

Article 3, Section 306:

Add: Grease traps/interceptors shall be in accordance with Yavapai County Health Department and ADEQ. Sizing calculations prepared and sealed by an Engineer or Architect registered in the state of Arizona shall be submitted to the District Engineer for review. Additional information required for review are construction plans, details and manufacture cut sheets for the proposed grease trap or interceptor.

Remove: "A food preparation or food handling facility with a seating capacity of up to one hundred persons shall install a grease interceptor with a minimum one thousand gallon holding capacity. Owners of facilities requiring larger interceptors or traps shall contact the District to determine the appropriate size required."

Article 4, Section 401.A:

Revise: Any property inside the district boundaries located within 200 feet of an existing sewer mainline, and having legal access, shall be required to connect to the District wastewater system if any of the following conditions apply.

1. New construction of any home, building or structure.
2. Replacement of an existing private wastewater system due to failure or the expansion of an existing home, building or structure.

All cost associated with the connection to the District wastewater system shall be the responsibility of the property owner.

Patrick Murphy asked if this amendment would affect the Sundance Townhomes. Jennifer Bartos said that because there is not a sewer mainline in that area it will not affect Sundance Townhomes.

After public comment, Chairman Sheet closed the public hearing.
Close Public Hearing

Convene into Special Meeting

Discussion and possible action to adopt Ordinance 2019-1.

Dave Dirren asked to have a plan of all new connections sent to him for every permit application.

Motion: made by Director Kautz to adopt Ordinance 2019-1, second by Director Johnson.

Unanimous Approval

Convene into Regular Meeting

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.
2. Consent Agenda:
 - a) Approve the meeting minutes of March 27, 2019;
Motion: made by Director Meiner to approve the meeting minutes, second by Director Kautz.
Unanimous Approval
 - b) Approve checks written in March 2019.
Motion: made by Vice-Chairman Livermont to approve the checks, second by Director Kautz.
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.
Chairman Sheets asked Brad to include a reuse report every month. Brad said he will make an appointment with Jim Jones for a security project at the treatment plant. Chairman Sheets asked if Brad has completed the inventory. Brad said he will have inventory ready by the next meeting.
4. 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 reviewed his report with the Board.
5. Discussion and possible action regarding updates on the Fairway Oaks/Chaparral project and public meeting.
Dave Dirren will set a meeting with the County to submit the plans. He is contacting companies to pot hole the project areas for rock.
6. Discussion and possible action to approve invoices from Sunrise Engineering for District Engineering Services, for March.
Motion: made by Director Meiner to approve the invoices, second by Vice-Chairman Livermont.
Unanimous Approval
7. Discussion and possible action to the Fiscal Year 2019/2020 Tentative Budget, rates and fees and if appropriate set the hearing date and time as May 15, 2019 at 10:00 a.m.

Motion: made by Director Kane to adopt the tentative budget and set the hearing date and time, second by Director Meiner.
 Unanimous Approval

Pending Issues:

8. Discussion and possible action regarding an asset inventory.

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 2019/2020 Tentative Budget

<u>EXPENSE</u>	Exhibit A			
	FY 18/19 Budget	Actual as of 3/20/2019	12-month Estimate	FY 19/20 Budget
<u>Operations and Maintenance</u>				
Administration:				
Administrative Svcs Contract	\$350,584	\$234,607	\$351,911	\$360,000
Activation Fees	4,000	10,725	12,268	12,268
Additional Admin Services	0	130	260	260
Collections	6,000	11,505	14,130	14,130
Attorney Services	5,000	1,225	1,838	1,838
Bank Charges	1,100			
ACH Debit Fee		70	120	120
Online Payment Fee		344	516	516
Banking Fees		490	735	735
Director's Compensation	6,825	2,775	4,163	4,163
Elections	0	0	0	30,000
ERU Chart Modification	0	0	20,000	0
Auditing Services	18,000	16,183	16,183	16,183
Additional Acct. Services	16,000	0	0	0
Insurance Premium	25,000	26,014	26,014	28,000
Meeting Room Rental	585	270	450	540
Postage	2,205	0	100	100
Publishing	850	0	850	850
Registrations				
ADEQ	3,000	500	3,000	3,000
Blue Stake	450	635	636	636
VOCA	181	0	181	181
Transfer to R&R WIFA Reserve Fund	74,000	74,000	74,000	74,000
WIFA Loan Payment	369,228	62,147	369,228	369,228
Storage Facility	1,603	924	1,449	1,449
<i>Administration Subtotal</i>	<i>\$884,611</i>	<i>\$442,544</i>	<i>\$898,031</i>	<i>\$918,196</i>
Engineering:				
General Engineering Services				
General Services	6,000	1,689	3,378	6,000
Meeting w/ Board	12,000	4,275	7,329	12,000
New Customer Coordination	4,000	3,276	3,276	4,000
ProPipe Coordination	1,500	675	2,700	2,700
WWT System Coordination	1,500	2,431	3,000	3,000

Additional Engineering Services		75	75	0
New Tap Review/Inspections	2,500	0	3,000	3,000
Grease Traps Review/Inspections	2,500	1,200	3,000	3,000
Private Line Acquisition	5,000	0	0	5,000
Survey Services	5,000	0	5,000	5,000
GIS Phase 3	0	5,394	5,394	0
SR179 to Fairway Oaks	0	638	638	0
GIS License	1,900		1,900	1,900
GIS Updates	10,000	0	12,000	12,000
<i>Engineering Subtotal</i>	<i>\$51,900</i>	<i>\$19,653</i>	<i>\$50,690</i>	<i>\$57,600</i>
Operations:				
Operations Services Contract	307,800	207,252	310,878	310,878
Operator Additional Services	3,000	680	1,020	1,020
Emergency Dialer System	3,000	2,636	2,636	2,636
Emergency Maintenance	35,000	10,714	18,367	18,367
Hauling & Disposal	80,000	101,636	152,454	120,000
Indigo Project	0	0	12,552	30,000
Laboratory				0
Laboratory Analysis	18,105	9,269	15,890	15,890
Laboratory Certification	0	0	0	0
Laboratory Supplies	11,000	8,579	14,707	14,707
Landscape Maintenance	7,500	0	7,500	7,500
Operating Equipment & Supplies	25,000	18,000	30,857	50,000
Security at WWTP	0	0	0	25,000
System Maint - see project list		7,892	7,892	7,892
Dust, Flush & Video Lines	60,000	0	60,000	60,000
Generator Maintenance	5,500	2,253	5,500	5,500
Bio Cube Media	19,800	0	19,800	22,770
Headworks Maintenance	5,000	2,196	5,000	6,500
UV Components	27,500	7,079	27,500	50,000
Compressor Service	4,336	2,088	4,336	4,336
UV Compressor	8,000	0	8,000	0
SCADA System	0	0	0	0
Belt Press Components	15,000	11,908	15,000	35,000
Reuse Pump Upgrade	28,259	0	28,259	0
Bio Barge	16,395	0	16,395	0
Biolac Difusers R&R and Clean	8,250	0	8,250	8,250
Clean and Swap FEQ tanks	12,500	0	12,500	7,500
Reuse Pump Panel Upgrade	0	0	0	35,000
Treatment Plant Erosion/Settling	14,000	3,000	9,000	9,000
Training - GIS Program	0	0	0	0
Electric				
Treatment Plant	90,500	67,004	94,594	94,594
LS #8	9,000	7,590	10,715	10,715
LS #10	3000	2,090	2,951	2,951
Treatment Plant Riprap	0	0	0	0
Telephone	1,950	1,058	1,693	1,693
Water	1,925	1,161	1,858	2,000
Internet	775	545	885	1,020

Contingency	175,861	475	760	107,798
<i>Operator Subtotal</i>	<i>\$997,956</i>	<i>\$475,105</i>	<i>\$899,856</i>	<i>\$1,035,624</i>
<i>subtotal</i>	<i>\$1,934,467</i>	<i>\$937,302</i>	<i>\$1,848,576</i>	<i>\$2,011,420</i>
District O&M Reserve Fund	1,409,168	1,409,168	1,409,168	1,409,168
Reimbursable Eng. Svc.	25,000	0	0	25,000
Reimbursable Annexation Fees	2,000	0	0	2,000
Total O&M Expenses	\$3,370,635	\$2,346,470	\$3,257,744	\$3,447,588

Capital Expense

Emergency Cap. Fund	\$582,177	\$0	\$582,177	\$66,460
Chaparral Line				
Chaparral Line Engin.	30,000	0	0	0
Chaparral Line Const.	180,000	0	0	0
Reimb. Chaparral Line Engin.	15,000	0	0	0
Reimb. Chaparral Line Const.	90,000	0	0	0
Mainline Expansion	400,000	12,023	42,000	679,602
Contingency	92,500	5,800	5,800	0
Total Capital Expense	\$1,389,677	\$17,823	\$629,977	\$746,062
Total Expense Budget	\$4,760,312	\$2,364,293	\$3,887,721	\$4,193,650

REVENUE

Operations and Maintenance

User Fees	\$1,590,958	\$1,287,660	\$1,682,660	1,682,660
Activation/Transfer Fee	4,000	10,918	12,268	12,268
Ad Valorem Tax	0	0	0	0
Collection Fees	6,000	8,402	11,203	11,203
Permit Fees	2,000	3,225	3,875	3,875
Interest	12,000	10,283	13,711	13,711
Miscellaneous O&M Income (Event Fee)	0	775	1,500	3,000
Reuse Effluent Income - VOCA	0	7,305	7,500	7,500
<i>Subtotal O&M Revenue</i>	<i>1,614,958</i>	<i>1,328,568</i>	<i>1,732,716</i>	<i>1,734,216</i>
Transfer From R&R WIFA Fund	74,000	74,000	74,000	74,000
Reimb. Engineering Fees	25,000	225	225	25,000
Reimb. Annexation Fees	2,000	0	0	2,000
Total O&M Revenue	\$1,715,958	\$1,402,793	\$1,806,941	\$1,835,216

Capital Revenue

Capacity Fees	\$12,000	\$60,378	\$60,378	\$12,000
Chaparral Line				
Reimb. Chaparral Line Engineering	\$10,000	\$0	\$0	\$0
Reimb. Chaparral Line Construction	\$75,000	\$0	\$0	\$0
Interest	1,500	8,579	11,439	1,500
Miscellaneous	0	0	-	-
Total Capital Revenue	\$98,500	\$68,957	\$71,817	\$13,500
Total Revenue	\$1,814,458	\$1,471,750	\$1,878,758	\$1,848,716

WIFA Loan Reserve Transfer

Loan Payment Reserve	\$0	\$0	\$0	\$0
Interest	1,000	1,000	1,000	1,000
Total Loan Reserve Fund	\$1,000	\$1,000	\$1,000	\$1,000

WIFA O&M R&R Reserve

O&M Transfer	\$74,000	\$74,000	\$74,000	\$74,000
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Total Loan Reserve Fund	\$74,000	\$74,000	\$74,000	\$74,000
<u>District O&M Reserve</u>				
O&M Transfer	\$0	\$1,409,168	\$1,409,168	\$1,409,168
Total Loan Reserve Fund	\$0	\$1,409,168	\$1,409,168	\$1,409,168

FUND BALANCES

Operations & Maintenance Fund

Balance as of 03/20/2019	\$2,119,497
Estimated Expenses 18/19	<u>-911,274</u>
Subtotal	1,208,223
Anticipated Revenue 18/19	<u>404,148</u>
Estimated Ending Balance 18/19	1,612,372
Est. Beginning Balance 19/20	1,612,372
Estimated Revenue 19/20	1,835,216
Estimated Expense 19/20	<u>-3,447,588</u>
Estimated Ending balance 19/20	\$0

Capital Fund

Balance as of 03/20/2019	\$1,341,856
Estimated Expenses 18/19	<u>-612,154</u>
Subtotal	729,702
Anticipated Revenue 18/19	<u>2,860</u>
Estimated Ending Balance 18/19	732,562
Est. Beginning Balance 19/20	732,562
Estimated Revenue 19/20	13,500
Estimated Expense 19/20	<u>-746,062</u>
Estimated Ending balance 19/20	\$0