

Meeting Minutes

Board of Directors of the Big Park Domestic Wastewater Improvement District
May 21, 2025 at 9:30 a.m.
Improvement District Services, Inc.
3603 Crossings Drive, Prescott, AZ 86305
VIA ZOOM VIDEO CONFERENCE

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 and directed to the Board Chairperson, and shall begin with stating and spelling of the speaker's name and address. 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.

Join Zoom Meeting

<https://us02web.zoom.us/j/88569396118>

Meeting ID: 885 6939 6118 / Dial by your location: 346-248-7799 / 669-444-9171 / 669-900-9128

Contact jbartos@idsadmin.com to request a Zoom meeting invitation to be emailed to you.

Call to Order – David Sheets, Jim Kautz, Rich Gardner, Pat Hennessy, Ralph Pinto and Greg Williams present.

Also present and participating in the meeting: Jennifer Bartos, District Clerk/Administrator, Diana King (virtual), Administrator, Improvement District Services, Inc.; Brad Bowers, District Operator, Environmental Biomass Services; Dave Dirren, District Engineer, Daniel Langsmith (new District Engineer), Gordan Bean (inspector) and Chris Query (GIS projects), Sunrise Engineering; Bill Weber, NFP Insurance (District Agent); Caprice Daniels, OneAZ Credit Union (banking representative), Melissa Seida and Alexis Madden, Keegan, Linscott & Associates, PC (Federal Auditors).

1. Discussion and possible action regarding an insurance presentation by Bill Weber of NFP.
Bill Weber reviewed the District's insurance coverage. It was questioned whether or not the \$1,000,000 pollution coverage was enough. Bill will provide Jennifer with a quote for the Board at a future meeting.
2. Discussion and possible action regarding a banking presentation by OneAZ Credit Union.
Caprice Daniels of OneAZ gave a presentation to the Board of some possible future options for interest investments that will have the balances guaranteed. She will send more information when that project is finalized. Chairman Sheets suggested that Caprice attend future meetings quarterly to speak to the Board about interest rates and options. Caprice agreed that she is willing to attend future meetings.
3. Discussion and possible action to review and approve the annual Federal audit for FY 2023-2024.
Melissa Seida and Alexis Madden attended the meeting virtually. They reviewed the audit documents with the Board and indicated there are no apparent issues with the audit and bookkeeping procedures with the District's operation.
Motion: made by Director Hennessy to approve the audit results, second by Vice-Chair Kautz.
Unanimous Approval
Melissa said she will send the Management Letter to Diana King and Jennifer Bartos for signature.
4. Discussion and possible action to approve the Effluent Reuse Contract with the Village of Oakcreek Association (VOCA).
The contract was included in the agenda documents. Vice-Chair Kautz said that the VOCA Board does not meet until after the contract expires. Mr. Kautz told them that the District will honor the agreement until their Board can approve the contract.
5. Discussion and possible action to approve the meeting minutes of April 16, 2025.
Motion: made by Vice-Chair Kautz to approve the meeting minutes, second by Director Hennessy.
Unanimous Approval
6. Discussion and possible action to approve the checks written in April 2025.
Motion: made by Vice-Chair Kautz to approve the checks written in April, second by Director Hennessy.
Unanimous Approval

7. Discussion and possible action regarding projects:

On going projects

- a) WWTP property line gate, grading & drainage and Yavapai County abandonment of right-of-way; Jennifer Bartos told the Board that she spoke to Martin Brennan, Attorney for the Board of Supervisors, regarding a waiver on the need for signatures and a hearing on releasing this easement because the District owns all of the surrounding property and this easement release affects no properties except the District. She said that Mr. Brennan told her he cannot issue a waiver, but if he receives 10 signatures from any registered voter in the State of Arizona, then he will recommend the Board of Supervisors approve the easement abandonment.
- b) Update Master Plan and System Modeling; Sunrise Engineers continue to work on this project. Daniel Langsmith and Dave Dirren told the Board that the flow meters from RH Borden are critical to understanding the actual flows in certain sewer mainlines.
Motion: made by Director Gardner to approve up to \$10,000 for flow meters, second by Director Hennessy.
Unanimous Approval
- c) New solids removal system (belt press replacement);
The equipment manufacturing and design is in process.
- d) Move sprinkler water line in lab and fire suppression modifications;
Brad Bowers said this item is complete and can be removed from the agenda.
- e) Low pressure sewer mainline from the manhole on Wild Horse Mesa to Hutson Lane;
This project is in design.
- f) WWTP interior rehab, insulation, etc.;
- g) 10 Willow Court
Jennifer told the Board that a small sewer connector line running from Highway 179 to this location was constructed in approximately 1975 before the current District standards were in place. She said that records show in 2007 that 10 Willow Court requested to connect. At that time, the connection was discussed and approved, provided that the property owner(s) maintain the line. Jennifer said she provided all available 2007 records to the property owner of 10 Willow Ct.
- h) Raise lift station #8 wall and gate.
No discussion.

8. Discussion and possible action to adopt the FY 2025/2026 Tentative Budget and Fees, if appropriate set the hearing date and time as June 18, 2025 at 9:00 a.m. via Zoom.

Jennifer told the Board that the current budget is over budget due to the needs of the wastewater system and this current budget will also not allow for a Reserve Account, which the Board had previously requested to be kept at a balance between \$500,000 to \$1,000,000. She said that the District could raise rates to cover these expenses, however there is a \$1.3 million dollar expense for the screw press that will not occur next year which would then result in the District collecting more money than it would need. Jennifer said that she went through the O&M budget and moved any possible expenses that could be considered a Capital Expenditure down under the Capital budget. However, by doing this, the balance in the Capital Fund will be greatly reduced and future expenses for expanding sewer lines would be eliminated until the Capital Fund would build back up. Jennifer said the Capital Fund does not receive regular deposits because it is based on new construction, so planning for future expansion is not possible in advance.

The budget items were reviewed:

Jennifer said that the 2024/2025 expenditures from O&M for the Master Plan & Modeling Project could be reimbursed to the O&M account from the Capital Fund because this project is solely for the benefit of new construction.

Brad Bowers and Dave Dirren commented on the following:

Line Item #137 "Engineering for Water Service Upgrade" should stay in the budget because it is related to the New Gate Project.

No expenses were added to line item #154 "Operating Equipment and Supplies"

Line Item #157 "RH Borden Flow Meters" was increased from \$5,080 to \$6,380.

No expenses were added to line items #161 "Generator Maintenance" and #162 "Compressor Service".
Line Item #188 "10-Year Sand/Median Replacement" – Brad explained that the \$100,000 expenditure was intended to be a long term, 10-year budget plan to put away funds for the future. Jennifer was to replace the \$100,000 expenditure with a \$10,000 deposit to a savings fund, that should be made annually for this future expense.

Line Items #191 through #198 (Lift Stations #1 and #2 Replacement) will be eliminated from this 25/26 budget and will reappear in 26/27.

Brad, Dave Dirren and Jennifer confirmed that #200 "Lift station #8 Erosion" should be zero

Line Item #213 "Water line & meter to WWTP" will be eliminated for this fiscal year.

Jennifer will revise the budget accordingly and send it to all attendees.

Motion: made by Director Williams to adopt the Tentative Budget as modified and set the hearing date and time as June 18, 2025 at 9:00 a.m. via Zoom, second by Director Pinto.

Unanimous Approval

9. Discussion and possible action to approve invoices for Sunrise Engineering for engineering services.

Motion: made by Director Hennessy to approve the invoices, second by Vice-Chair Kautz.

Unanimous Approval

10. Discussion and possible action regarding a new District Engineer from Sunrise Engineering.

Daniel Langsmith will be the new District Engineer upon Dave Dirren's retirement.

11. Executive Session: The Board may convene into Executive Session pursuant to A.R.S. 38-431.03.3 for legal consultation regarding property acquisition.

12. Discussion and possible action to give direction to staff on possible property acquisition.

Direction to staff: Jennifer Bartos was asked to acquire an appraisal. Brad Bowers and Dave Dirren were asked to provide with Mr. Kozak the reasoning why Lift Station #8 is critical to its current position. Director Pinto, due to his long history as a developer in the District, was asked to comment on the need for acquiring this property prior to development.

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 2025/2026 Tentative Budget

*5/21/2025 ADOPTED

Exhibit A

	Column A	Column B	Column C	Column D	Column E	
			Actual as			
<u>EXPENSE</u>		<u>FY 24/25</u>	<u>of</u>	<u>12-month</u>	<u>FY 25/26</u>	
<u>Operations and Maintenance</u>		<u>Budget</u>	<u>5/8/2025</u>	<u>Estimate</u>	<u>Budget</u>	
<u>Administration:</u>						
101	Administrative Svcs Contract	\$437,040	\$367,528	\$441,034	\$463,919	
102	Activation Fees	12,500	14,130	16,956	9,000	reimbursed
103	Additional Admin Services	250	553	664	250	
104	Collections	30,000	28,065	33,678	30,000	reimbursed
105	Attorney Services	15,000	2,450	2,940	2,000	
106	Bank Charges	1,500	1,285	1,542	1,550	
107	Director's Compensation	4,500	2,262	3,162	5,400	
108	Elections	14,000	0	0	0	
109	Auditing Services	20,550	16,500	20,550	21,000	
110	Additional Acct. Services	1,500	0	1,500	1,500	
111	Insurance Premium	65,500	55,395	58,000	58,000	
112	Postage	1,920	0	0	0	
113	Publishing	1,200	0	800	800	
114	Registrations					
115	ADEQ	3,200	4,298	4,298	4,300	
116	Blue Stake	450	302	362	400	
117	VOCA	330	0	330	330	

118	Cyber Security	0	10,690	12,885	12,885
119	Transfer to R&R WIFA Reserve Fund	74,000	0	0	0
120	WIFA Loan Payment	369,228	38,595	330,633	369,228
121	Storage Facility	1,800	1,500	1,800	1,800
122	<i>Administration Subtotal</i>	<i>\$1,054,468</i>	<i>\$543,553</i>	<i>\$931,134</i>	<i>\$982,362</i>
123	Engineering:				
124	Engineering Services				
125	Meeting w/ Board	6,000	6,471	8,628	8,650
126	CustomerCoordination/Review (moved to Capital)	13,000	7,933	10,577	0
127	System Inspection Coordination	3,000	895	1,193	3,000
128	WWTP & System Coordination	18,000	15,941	21,255	30,000
129	Additional Engineering Services	24,000	9,383	12,511	24,000
130	GreaseTrapsReview/Insp (moved to Capital)	3,000	0	0	0
	<u>Special Projects</u>				
131	UV Replacement	0	8,681	8,681	0
132	LS#8 Erosion	32,000	3,255	3,255	0
133	Solids Dewatering Unit Design	50,000	17,064	17,064	214,200
134	MasterPlan&ModelingProject (moved to Capital)	164,400	65,420	65,420	0
135	New Gate No. Property Line (moved to Capital)	3,000	6,870	6,870	0
136	Review GIS & schedule line maintenance	0	0	0	20,000
137	Water Svc Upgrade Fire Protection	40,000	90	90	40,000
138	GIS License	1,900	1,257	1,900	1,825
139	GIS Updates	12,000	3,267	5,601	12,000
140	GIS Training	0	0	0	1,600
141	<i>Engineering Total</i>	<i>\$370,300</i>	<i>\$146,527</i>	<i>\$163,045</i>	<i>\$355,275</i>
142	Operations:				
143	Operations Services Contract	364,884	302,282	364,884	372,180
144	Operator Additional Services	12,000	0	0	25,000
145	Dialer System	9,000	2,732	2,732	9,000
146	Emergency Maintenance	25,000	1,805	2,166	25,000
147	Hauling & Disposal	75,000	73,651	88,381	75,000
148	Office Supplies	500	483	483	500
149	Laboratory - Certification	2,000	0	2,000	2,000
150	Laboratory Analysis	33,000	9,420	11,899	25,000
151	Laboratory Supplies	21,000	9,014	11,386	21,000
152	Laboratory Courier Service	5,000	4,666	5,894	10,000
153	Landscape & Building Maintenance	25,000	2,652	3,350	5,000
154	Operating Equipment & Supplies	100,000	30,686	52,605	0
155	System Maintenance				
156	Pipe Inspections	120,000	11,761	14,856	120,000
157	RH Borden Flow Meters annual	5,680	0	5,680	6,380
158	Reuse Maintenance	4,000	22,364	28,249	0
159	Misc. Repairs Parts & Labor	0	0	0	7,500
160	Seal Reuse Pump Vault	0	0	0	35,000
161	Generator Maintenance	7,500	21,614	21,614	0
162	Compressor Service	22,500	0	0	0
163	Belt Press Components	75,000	83,039	90,000	5,000
164	Used Turbo Boxes (2)	0	0	0	75,000
165	Trailer Filters	0	0	0	15,000
166	WWTP				

Shredding

167	Biolac Difusers R&R and Clean	29,500	442	758	45,000	
168	On-site Reuse Pressure System Upgrade	0	0	0	35,000	
169	WASS Flow Meter	0	0	0	5,000	
170	Headworks Maintenance	15,500	2,368	2,991	0	
171	Repairs	0	0	0	15,000	
172	Bypass Bar Screen Removal	0	0	0	18,000	
173	Discharge Auger Using Old Auger	0	0	0	75,000	
174	20-Yard Roll Off for onsite garbage	0	0	0	8,500	
175	FEQ Tanks Maintenance	22,500	2,013	2,543	22,500	
176	Blower Maintenance/Spare	25,000	7,103	8,972	25,000	
177	Fire Suppression	15,000	400	686	25,000	
178	Manhole/Wash Erosion Repair	75,000	7,772	7,772	50,000	
179	UV System	5,000	0	0	0	
180	Parts & Repairs	0	0	0	6,500	
181	Ventilation System	0	0	0	7,500	
182	Clarifier Maintenance	150,000	405	405	0	
183	Dewatering North & South	0	0	0	50,000	
184	Coating	0	0	0	150,000	
185	Lift Station General Maintenance	0	2,801	5,158	0	
186	Sand Filter Maintenance	87,000	59,716	75,431	0	
187	Components	0	0	0	15,000	
188	10-Year Sand Plan/Media Replacement	0	0	0	10,000	Annual deposit to savings
189	Compressor Service	0	0	0	22,500	
190	Replacement Compressor	0	0	0	55,000	
191	Lift Station #1					Budget for 26/27
192	Sealing Wet Well	0	0	0	0	17,500
193	Replace Pump Station	0	0	0	0	95,000
194	Labor to R&R Verify Operation	0	0	0	0	40,000
195	Lift Station #2					
196	Sealing Wet Well	0	0	0	23,500	Budget for 26/27
197	Replace Pump Station	0	0	0	0	\$100,000
198	Labor to R&R Verify Operation	0	0	0	0	\$40,000
199	Lift Station #8					
200	LS#8 Erosion	100,000	75,872	75,872	0	
201	Raise Block Wall	0	0	0	25,000	
202	Swap out Generator & ATS	0	0	0	65,000	
203	Electric					
204	Treatment Plant	88,000	75,196	94,984	95,000	
205	LS #8	8,500	6,808	8,600	8,700	
206	LS #10	3,500	2,556	3,229	3,400	
207	Water	1,600	1,974	2,493	2,700	
208	Internet	3,000	1,080	1,364	1,500	
209	UV Replacement	0	4,494	4,500	0	
210	Air Conditioner	0	0	0	9,500	
211	Replace Construction Trailer	125,000	13,552	13,552	125,000	
212	Replace Solids Dewatering Unit	750,000	0	0	1,308,085	
213	Water line & meter size increase to WWTP	400,000	0	0	0	

214	Gate North Property Line (moved to capital)	0	400	400	0
215	Contingency	92,000	663	118,878	100,000
216	<i>Operator Subtotal</i>	<i>\$2,903,164</i>	<i>\$841,784</i>	<i>\$1,134,766</i>	<i>\$3,241,445</i>
217	<i>subtotal</i>	<i>\$4,327,932</i>	<i>\$1,531,864</i>	<i>\$2,228,945</i>	<i>\$4,579,082</i>
218	Reserve Account	\$556,094	\$0	\$0	\$715,624
219	Total O&M Expenses	\$4,327,932	\$1,531,864	\$2,228,945	\$5,294,706

		FY 24/25	Actual as of 5/8/25	12-month Estimate	FY 25/26 Budget
	Capital Expense	Budget			
220	Emergency Cap. Fund	\$1,608,112	\$0	\$0	\$189,341
221	New Compressor	50,000	0	0	0
222	Sewer Mainline Expansion-WildHorseMesa	0	0	0	120,000
223	Wild Horse Mesa Sewer Design	0	0	0	22,500
224	System Expansion Engineering Estimates	0	0	0	20,000
225	Master Plan & Modeling Project	0	0	0	150,000
226	Reimburse O&M Fund	0	0	0	65,420
227	Land Acquisition	0	0	0	85,000
228	Land Acquisition Legal Svcs	0	0	0	15,000
229	Gate at North Property Line	0	0	0	96,864
230	Gate at North Property Line Engineering	0	0	0	5,000
231	Customer Coordination / Review	0	0	0	14,000
232	New Grease Traps Review/Inspections	0	0	0	2,000
231	Contingency	0	0	0	58,000
232	Total Capital Expense	\$1,658,112	\$0	\$0	\$843,125

233	Total Expense Budget	\$5,986,044	\$1,531,864	\$2,228,945	\$6,137,831
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Big Park Domestic Wastewater Improvement District
Fiscal Year 2025/2026 Tentative Budget

	Column A	Column B	Column C	Column D	Column E
	REVENUE	FY 24/25	Actual as	12-month	FY 25/26
	Operations and Maintenance	Budget	of 5/8/2025	Estimate	Budget
234	User Fees	\$2,221,044	\$1,877,219	\$2,266,398	\$2,221,044
235	Activation/Transfer Fee	12,500	14,419	17,303	15,000
236	Ad Valorem Tax	0	0	0	0
237	Collection Fees	30,000	34,186	37,294	30,000
238	Permit Fees	2,125	4,226	4,610	2,600
239	Interest	20,000	72,998	87,598	30,000
240	Miscellaneous O&M Income	0	0	0	0
241	Reuse Effluent Income - VOCA	40,000	17,767	19,382	25,000
242	Grant Funds	-	-	-	-
243	UV Replacement	0	226,458	226,458	0
244	Transfer Interest WIFA Reserve Fund	0	0	0	66,590
245	Reimburse from Capital Master Plan	0	0	0	65,420
246	<i>Subtotal O&M Revenue</i>	<i>2,325,669</i>	<i>2,247,273</i>	<i>2,659,043</i>	<i>2,455,654</i>

247	Transfer From R&R WIFA Fund	74,000	0	0	0
248	Total O&M Revenue	\$2,399,669	\$2,247,273	\$2,659,043	\$2,455,654

Capital Revenue

249	Capacity Fees	\$882,528	\$30,450	\$30,450	\$29,000
250	Lateral Line Reimbursement	0	0	0	1,500
251	Interest	23,000	36,528	39,849	10,000
252	Miscellaneous	0	0	0	0
253	Total Capital Revenue	\$905,528	\$66,978	\$70,299	\$40,500

254	Total Revenue	\$3,305,197	\$2,314,251	\$2,729,342	\$2,496,154
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Big Park Domestic Wastewater Improvement District **Fiscal Year 2025/2026 Tentative Budget**

FUND BALANCES

<u>Operations & Maintenance Fund</u>		
255	Balance OneAZ checking as of 5/8/2025	\$108,647
256	O&M Treasurer Fund	719
257	OneAZ Savings	13
258	Business Term Certificate as of 5/8/2025	\$534,061
259	OneAZ Club Savings	\$2,480,923
260	Estimated Expenses 24/25	<u>697,081</u>
261	Subtotal	2,427,282
262	Anticipated Revenue 24/25	<u>411,770</u>
263	Estimated Ending Balance 24/25	2,839,052
264	Est. Beginning Balance 25/26	2,839,052
265	Estimated Revenue 25/26	2,455,654
266	Estimated Expense 25/26	<u>5,294,706</u>
267	Estimated Ending Balance 25/26	\$0

<u>Capital Fund</u>		
268	Balance as of 5/8/2025	\$799,304
235	Estimated Expenses 24/25	<u>0</u>
236	Subtotal	799,304
237	Anticipated Revenue 24/25	<u>3,321</u>
238	Estimated Ending Balance 24/25	802,625

239	Est. Beginning Balance 25/26	802,625	
240	Estimated Revenue 25/26	40,500	
241	Estimated Expense 25/26	<u>843,125</u>	
242	Estimated Ending Balance 25/26	\$0	

Savings Accounts

243	Business Term Certificate as of 5/8/2025	\$534,061	O&M
244	OneAZ Club Savings	\$2,480,923	O&M
245	WIFA Restricted Cash	\$435,817	