

Meeting Minutes

Board of Directors of the Big Park Domestic Wastewater Improvement District
May 20, 2020 – 10:00 a.m. - 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 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.

Join Zoom Meeting

<https://us02web.zoom.us/j/87288209468?pwd=aE5iViZ0NkFRbTEuVjQxZWJLeEN5QT09>

. (see telephone numbers below for those without an electronic device). Please Read the Zoom User Guide prior to the meeting. All participants will be on Mute when joining the meeting except Board members and we will Unmute after discussion of any motion made and before a vote to solicit input from the public, with a 2 minute time limit, after which the participant will be muted. Your cooperation and understanding will be appreciated so the Board can conduct business under difficult circumstances.

Meeting ID: 872 8820 9468

Password: 248457

One tap mobile +13462487799,87288209468#,1#,248457# US (Houston), +16699009128,,87288209468#,1#,248457# US (San Jose)

Dial by your nearest location 346 248 7799 US (Houston), 669 900 9128 US (San Jose), 253 215 8782 US (Tacoma)

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

Call to Order – David Sheets, Gary Livermont, Jim Kautz, Brien Gidlow, Ruth Kane and Joanne Johnson present. Lee Meiner absent.

Also participating in the meeting: Jennifer Bartos, District Clerk/Administrator and Diana King, District Administrator, Improvement District Services, Inc.; Dave Dirren, District Engineer, Sunrise Engineering; Brad Bowers, District Operator, Environmental Biomass Services.

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.
The staff report was reviewed.
2. Consent Agenda:
 - a) Approve the meeting minutes of March 11, 2020;
 - b) Approve checks written in March and April 2020.Motion: made by Director Kane to approve the consent agenda, second by Vice-Chair Livermont.
Unanimous Approval
3. Discussion and possible action to approve the Fiscal Year 2020/2021 Tentative Budget and if applicable, set the hearing date and time as June 17, 2020, as a Zoom video conference.
Motion: made by Director Kautz to approve the Fiscal Year 2020/2021 Tentative Budget and set the hearing date and time as June 17, 2020, 10:00 a.m. as a Zoom video conference, second by Director Johnson.
Unanimous Approval
4. 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.
The report was reviewed. Brad said there was no reuse sent to VOCA because of the problem with the panel. It was confirmed that the new Reuse Contract with VOCA will start June 1, 2020, and will be billed monthly.
5. Discussion and possible action regarding the Engineer's Report by Dave Dirren, Sunrise Engineering, to include facility maintenance, connection requests and the project status for the Fairway Oaks/Chaparral/Sugarloaf Sewer Line Extension Project.
The report was reviewed and Dave Dirren gave an update on the sewer project.
6. Discussion and possible action to approve invoices from Sunrise Engineering for District Engineering Services.

Dave Dirren told the Board that Work Release #4 is for the design work performed for the Arch Drive extension. Motion: made by Vice-Chair Livermont to approve the invoices and Work Release #4, second by Director Johnson.

Unanimous Approval

7. Discussion and possible action regarding a request from Andrzej & Anna Zelek to install a low-pressure mainline for sewer access to parcel 405-34-004Z, contingent upon annexation and applicable fees.

Dave Dirren said he spent time with this property owner reviewing the option for a low-pressure mainline. Dave confirmed that he informed them that the line must be sufficient to supply service to all properties that could potentially connect to that line. Jennifer said that the property owner wants approval for a low-pressure line prior annexation. She said she has already created the documents and used the legal description from the original deed.

Motion: made by Director Johnson to approve the low-pressure sewer line contingent upon prior annexation, second by Director Kane.

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.

No public joined the meeting.

**Big Park Domestic Wastewater Improvement District
Fiscal Year 2020/2021 Tentative Budget**

Exhibit A

| EXPENSE | | FY 19/20 | Actual as of | 12-month | FY 20/21 |
|-----------------------------------|-----------------------------------|------------------|---------------------|------------------|------------------|
| Operations and Maintenance | | Budget | 4/11/2020 | Estimate | Budget |
| Administration: | | | | | |
| 101 | Administrative Svcs Contract | \$360,000 | \$281,405 | \$373,571 | \$373,570 |
| 102 | Activation Fees | 12,268 | 25,850 | 26,150 | 15,000 |
| 103 | Additional Admin Services | 260 | 0 | 0 | 260 |
| 104 | Collections | 14,130 | 21,638 | 25,000 | 15,000 |
| 105 | Attorney Services | 1,838 | 2,653 | 2,700 | 50,000 |
| 106 | Bank Charges | | | | |
| | ACH Debit Fee | 120 | 58 | 77 | 75 |
| | Online Payment Fee | 516 | 373 | 497 | 500 |
| | Banking Fees | 735 | 485 | 554 | 500 |
| 107 | Director's Compensation | 4,163 | 3,450 | 5,175 | 6,825 |
| 108 | Elections | 30,000 | 337 | 337 | 0 |
| 109 | Auditing Services | 16,183 | 20,000 | 20,000 | 20,000 |
| | Additional Acct. Services | 0 | 3,563 | 6,000 | 6,000 |
| 110 | Insurance Premium | 28,000 | 27,667 | 27,667 | 32,000 |
| 111 | Meeting Room Rental | 540 | 500 | 585 | 585 |
| 112 | Postage | 100 | 0 | 0 | 100 |
| 113 | Publishing | 850 | 561 | 850 | 400 |
| 114 | Registrations | | | | |
| | ADEQ | 3,000 | 950 | 3,000 | 3,000 |
| | Blue Stake | 636 | 462 | 675 | 700 |
| | VOCA | 181 | 0 | 362 | 362 |
| 115 | Transfer to R&R WIFA Reserve Fund | 74,000 | 0 | 74,000 | 74,000 |
| 116 | WIFA Loan Payment | 369,228 | 58,503 | 369,228 | 369,228 |
| 117 | Storage Facility | <u>1,449</u> | <u>975</u> | <u>1,440</u> | <u>1,440</u> |
| 118 | <i>Administration Subtotal</i> | <i>\$918,196</i> | <i>\$449,430</i> | <i>\$937,869</i> | <i>\$969,545</i> |
| Engineering: | | | | | |
| 201 | General Engineering Services | | | | |
| | General Services | 6,000 | 536 | 804 | 6,000 |
| | Meeting w/ Board | 12,000 | 5,816 | 8,724 | 12,000 |

| | | | | | |
|-----|----------------------------------|--------------------|--------------------|--------------------|--------------------|
| | New Customer Coordination | 4,000 | 754 | 1,131 | 4,000 |
| | ProPipe Coordination | 2,700 | 660 | 990 | 3,000 |
| | WWT System Coordination | 3,000 | 3,052 | 4,578 | 3,000 |
| 202 | Additional Engineering Services | | | | |
| | New Tap Review/Inspections | 3,000 | 0 | 0 | 3,000 |
| | Grease Traps Review/Inspections | 3,000 | 0 | 0 | 3,000 |
| | Private Line Acquisition | 5,000 | 0 | 0 | 5,000 |
| | Survey Services | 5,000 | 0 | 0 | 5,000 |
| 203 | GIS License | 1,900 | 297 | 1,900 | 1,900 |
| 204 | GIS Updates | 12,000 | 545 | 818 | 12,000 |
| 205 | <i>Engineering Subtotal</i> | <i>\$57,600</i> | <i>\$11,660</i> | <i>\$18,945</i> | <i>\$57,900</i> |
| | Operations: | | | | |
| 301 | Operations Services Contract | 310,878 | 235,467 | 313,956 | 329,654 |
| 302 | Operator Additional Services | 1,020 | 0 | 0 | 0 |
| 303 | Dialer System | 2,636 | 442 | 2,636 | 2,636 |
| 304 | Emergency Maintenance | 18,367 | 15,349 | 23,024 | 40,000 |
| 305 | Hauling & Disposal | 120,000 | 94,907 | 126,543 | 120,000 |
| 306 | Indigo Project | 30,000 | 34,634 | 48,895 | 52,000 |
| 307 | Laboratory - Certification | 0 | 1,905 | 1,905 | 2,000 |
| | Laboratory Analysis | 15,890 | 14,471 | 20,430 | 16,000 |
| | Laboratory Supplies | 14,707 | 2,072 | 5,000 | 10,000 |
| 308 | Landscape Maintenance | 7,500 | 0 | 5,500 | 7,500 |
| 309 | Operating Equipment & Supplies | 50,000 | 13,231 | 25,000 | 25,000 |
| 310 | Security at WWTP (gate) | 25,000 | 0 | 0 | 35,000 |
| 311 | System Maint - see project list | 7,892 | 0 | 0 | 0 |
| | Dust, Flush & Video Lines | 60,000 | 693 | 132,000 | 60,000 |
| | Generator Maintenance | 5,500 | 3,003 | 5,500 | 5,500 |
| | Bio Cube Media | 22,770 | 0 | 0 | 22,770 |
| | Headworks Maintenance | 6,500 | 3,653 | 3,653 | 14,000 |
| | UV Components | 50,000 | 29,640 | 50,000 | 50,000 |
| | Compressor Service | 4,336 | 4,365 | 4,365 | 4,336 |
| | Belt Press Components | 35,000 | 23,419 | 35,000 | 20,000 |
| | Biolac Difusers R&R and Clean | 8,250 | 0 | 8,250 | 25,000 |
| | Clean and Swap FEQ tanks | 7,500 | 7,000 | 9,000 | 15,000 |
| | Reuse Pump Panel Upgrade | 35,000 | 0 | 0 | 35,000 |
| | Treatment Plant Erosion/Settling | 9,000 | 7,000 | 7,000 | 9,000 |
| | Blower Motor Spare | 0 | 0 | 0 | 3,000 |
| | Blower Spare | 0 | 0 | 0 | 15,500 |
| | Fire Suppression | 0 | 0 | 0 | 1,500 |
| 312 | Electric | | | | |
| | Treatment Plant | 94,594 | 58,113 | 87,170 | 90,000 |
| | LS #8 | 10,715 | 5,143 | 7,715 | 8,500 |
| | LS #10 | 2,951 | 1,980 | 2,970 | 3,300 |
| 313 | Telephone | 1,693 | 1,237 | 1,856 | 1,900 |
| 314 | Water | 2,000 | 1,059 | 1,589 | 1,850 |
| 315 | Internet | 1,020 | 596 | 894 | 1,100 |
| 316 | Contingency | 107,798 | 20,067 | 30,101 | 104,521 |
| 317 | <i>Operator Subtotal</i> | <i>\$1,068,516</i> | <i>\$579,446</i> | <i>\$959,948</i> | <i>\$1,131,567</i> |
| 318 | <i>subtotal</i> | <i>\$2,044,312</i> | <i>\$1,040,536</i> | <i>\$1,916,762</i> | <i>\$2,159,012</i> |
| 319 | District O&M Reserve Fund | 1,368,384 | 0 | 0 | 682,507 |
| 320 | Reimbursable Eng. Svc. | 25,000 | 0 | 0 | 25,000 |
| 321 | Reimbursable Annexation Fees | 2,000 | 0 | 0 | 2,000 |
| 322 | Total O&M Expenses | \$3,439,696 | \$1,040,536 | \$1,916,762 | \$2,868,519 |
| | Capital Expense | | | | |
| 401 | Emergency Cap. Fund | \$66,460 | \$0 | \$0 | \$518,258 |

| | | | | | |
|-----|---------------------------------|-------------|-------------|-------------|-------------|
| 402 | FairwayOaks/Chaparral/Sugarloaf | 679,602 | 1,265 | 840,623 | 93,404 |
| | Engineering | 0 | 38,300 | 62,550 | 6,950 |
| 403 | Contingency | 0 | 0 | 0 | 0 |
| 404 | Total Capital Expense | \$746,062 | \$39,565 | \$903,173 | \$618,612 |
| 405 | Total Expense Budget | \$4,185,758 | \$1,080,101 | \$2,819,935 | \$3,487,131 |

| REVENUE | | FY 19/20 | Actual as of | 12-month | FY 20/21 |
|-----------------------------------|---------------------------------|------------------|---------------------|------------------|------------------|
| Operations and Maintenance | | Budget | 4/11/2020 | Estimate | Budget |
| 501 | User Fees | 1,682,660 | \$1,271,398 | \$1,498,198 | 1,400,000 |
| 502 | Activation/Transfer Fee | 12,268 | 16,415 | 16,715 | 15,000 |
| 503 | Ad Valorem Tax | 0 | 0 | 0 | 0 |
| 504 | Collection Fees | 11,203 | 19,098 | 21,223 | 15,000 |
| 505 | Permit Fees | 3,875 | 3,900 | 3,900 | 2,275 |
| 506 | Interest | 13,711 | 25,542 | 28,795 | 28,000 |
| 507 | Miscellaneous O&M Income | 3,000 | 12,250 | 12,250 | 1,000 |
| 508 | Reuse Effluent Income - VOCA | 7,500 | 18,210 | 24,280 | 15,000 |
| 509 | <i>Subtotal O&M Revenue</i> | <i>1,734,216</i> | <i>1,366,813</i> | <i>1,605,361</i> | <i>1,476,275</i> |
| 510 | Transfer From R&R WIFA Fund | 74,000 | 0 | 74,000 | 74,000 |
| 511 | Reimb. Engineering Fees | 25,000 | 0 | 0 | 25,000 |
| 512 | Reimb. Annexation Fees | 2,000 | 0 | 0 | 2,000 |
| 513 | Total O&M Revenue | \$1,835,216 | \$1,366,813 | \$1,679,361 | \$1,577,275 |

Capital Revenue

| | | | | | |
|-----|------------------------------------|----------|-----------|-----------|----------|
| 601 | Capacity Fees | \$12,000 | \$87,000 | \$92,800 | \$17,400 |
| 602 | FairwayOaks/Chaparral/Sugarloaf | | | | |
| | Reimb. Chaparral Line Engineering | 0 | 0 | 0 | 0 |
| | Reimb. Chaparral Line Construction | 0 | 14,200 | 20,000 | 0 |
| 603 | Interest | 1,500 | 19,122 | 23,000 | 1,500 |
| 604 | Miscellaneous | 0 | 0 | 0 | 0 |
| 605 | Total Capital Revenue | \$13,500 | \$120,322 | \$135,800 | \$18,900 |

| | | | | | |
|-----|----------------------|-------------|-------------|-------------|-------------|
| 606 | Total Revenue | \$1,848,716 | \$1,487,135 | \$1,815,161 | \$1,596,175 |
|-----|----------------------|-------------|-------------|-------------|-------------|

WIFA Loan Reserve Transfer

| | | | | | |
|-----|--------------------------------|---------|---------|---------|---------|
| 701 | Loan Payment Reserve | \$0 | \$0 | \$0 | \$0 |
| 702 | Interest | 1,000 | 1,000 | 1,000 | 1,000 |
| 703 | Total Loan Reserve Fund | \$1,000 | \$1,000 | \$1,000 | \$1,000 |

WIFA O&M R&R Reserve

| | | | | | |
|-----|--------------------------------|----------|-----|-----|-----|
| 704 | O&M Transfer | \$74,000 | \$0 | \$0 | \$0 |
| 705 | Total Loan Reserve Fund | \$74,000 | \$0 | \$0 | \$0 |

District O&M Reserve

| | | | | | |
|-----|---------------------------|-------------|-----|-----|-----------|
| 706 | O&M Transfer | \$1,368,384 | | | \$682,507 |
| 707 | Total Reserve Fund | \$1,368,384 | \$0 | \$0 | \$682,507 |

FUND BALANCES

| Operations & Maintenance Fund | | | |
|--|--------------------------------|-------------|-------|
| 801 | Balance as of 04/11/2020 | \$397,991 | OneAZ |
| | O&M Treasurer Account | \$1,456,931 | |
| 802 | Estimated Expenses 19/20 | 876,226 | |
| 803 | Subtotal | 978,696 | |
| 804 | Anticipated Revenue 19/20 | 312,548 | |
| 805 | Estimated Ending Balance 19/20 | 1,291,244 | |

| | | |
|-----|--------------------------------|------------------|
| 806 | Est. Beginning Balance 20/21 | 1,291,244 |
| 807 | Estimated Revenue 20/21 | 1,577,275 |
| 808 | Estimated Expense 20/21 | <u>2,868,519</u> |
| 809 | Estimated Ending balance 20/21 | \$0 |

| | | |
|---------------------|--------------------------------|----------------|
| Capital Fund | | |
| 810 | Balance as of 04/11/2020 | \$1,447,842 |
| 811 | Estimated Expenses 19/20 | <u>863,608</u> |
| 812 | Subtotal | 584,234 |
| 813 | Anticipated Revenue 19/20 | <u>15,478</u> |
| 814 | Estimated Ending Balance 19/20 | 599,712 |
| 815 | Est. Beginning Balance 20/21 | 599,712 |
| 816 | Estimated Revenue 20/21 | 18,900 |
| 817 | Estimated Expense 20/21 | <u>618,612</u> |
| 818 | Estimated Ending balance 20/21 | \$0 |