

MEETING MINUTES OF OPEN PUBIC MEETING
BOARD OF DIRECTORS
DIAMOND VALLEY WATER DISTRICT (DVWD)
STEPPING STONES COMPLEX, ROOM #2
(6719 E. 2ND ST., PRESCOTT VALLEY, AZ)
1:00 PM
Saturday, May 2, 2015

CALL to ORDER

Chair Dave Cracknell called the meeting to order at 1:00 pm.

ROLL CALL of BOARD MEMBERS P = PRESENT NP = NOT PRESENT

DAVE CRACKNELL (P) BILL HUNT (P) JEAN HEBERER (P)
KURT WOMACK (P) JO ANN HOLT (P)

Also present: Don Bohlier FOR DISTRICT MANAGEMENT. Approximately 4 attended.

CALL TO THE PUBLIC

None.

1. APPROVAL OF DRAFT MINUTES

Tabled.

2. TREASURERS REPORT

Tabled.

D. Cracknell motioned to Table both at the same time, until applicable (Regular) meeting. K. Womack second.

APPROVED: 5-0

3. BUDGET STUDY SESSION

A. PRIORITIZATION OF IMPROVEMENT PROJECTS

J. Heberer recapped meter replacement plan from last meeting.

Comparison of management costs over the past two years.

Accountant and legal costs are up due to recent issues. "Other" professional such as leak detection service considered.

Election fees.... stipend, \$18,000 high estimate. J.A. H. had legal question about Stipend.

One line item J. Heberer discussed was regarding the website management. Audience Lynn Serviss volunteered to research the platform of the DVWD website to see what other features are available to use. K. Womack discussed website's usability, and was able to access via the coffee shop wifi to see meeting posted on Home Page. Email blasts for meetings is time for someone. \$2,400 for website management proposed by J. Heberer.

Testing & Lab fees another item, K. Womack asked D. Bohlier if that will go up. D.B. said lead and copper tests this year (every 3 years 10 sites), ATTM and HHA5 annually, \$1,700, J.H. upped to \$2,200.

Utilities, electric has gone up a bit. Don said it was because of the demand of the leaks (not fixed). \$211,000.

Insurance, need to follow up possible cheaper and better coverage lead from previous Treasurer to Gloria. Are we adequately covered, by a company that specializes in water districts. J. H. said to leave until we change. K. Womack read basic summary of insurance 2014, had Pat Fitzgerald listed.

D. B. commented saddle on main to meter replacement costs as Emergency until end of FY2014 from \$150,000 budgeted. Starting FY2015 in July it will be Repair. \$70,000 enough for Emergency repairs, yes.

J.H. \$50,000 Contingency and Emergency.
\$30,000 budgeted, \$18,000 meter replacement, FY14-15 not budgeting for repair.
Total Net Expenses: \$515,000+-
Net Operating Income FY 15-16: \$55,000+-
\$150,000 come from Reserve Funds for meter project.
\$12,800 Impact Fees.... do have that agenda item now.

D. Cracknell motioned to suspend the rules to consider Agenda item B; K. Womack seconded.
APPROVED: 5-0.

B. New Service line fees

J. Heberer discussed Prescott and Prescott Valley fees, thinks DVWD establishment fee should go up. K. Womack read what P.V. rates are. D. Bohlier explained contractor bid on a new service. After some discussion, J. H. asked to not pass a resolution now, but before July, for budget purposes to raise our “impact fee”. K. Womack read from Kal Miller’s rate analysis, part of conclusion page 10 (4), regarding impact fees and stub outs of \$4,200 for future hook up. \$6,000 another figure discussed. Dirt road/paved road same price. J.H. proposed increasing our service “impact” fee to help fund a new Capital Improvements.

C. Budget line items

J. Heberer Disussion about selling of lots, K. Womack said no to selling property, except maybe one lot.

Mapping, management responsible for dimensions. Discussion about format, need of survey and civil engineering, digital map developed from site measurements, notebook version for using in the field. D. Bohlier said about 4-6 months to see where we’re at.

D. Bohlier leak detection going very slow. Only got Opal and Turquoise. K. Womack suggested now hiring the company suggested by K. Grief. J.H. asked about when to hire leak detection, why until after meters are replaced? Don reported that about 18 meters to get replaced, about 5 a month are added to the list.

J. Heberer motioned to re-evaluate the Leak Detection Program in July. B. Hunt seconded.
APPROVED: 5-0. Put on hold for now while D. B. replaces meters.

D. Bohlier proposed fixing Jade Circle wash-out, one of the streets not maintained by County, to cover up exposed pipe.

K. Womack explained the need for up-to-date map, with survey, GIS, computer input. Gather information before handing over to surveyor or others. J. Heberer explained 2009 technical loan from WIFA for Tetra Tech, now can’t get another loan, just an engineering loan. Discussion about digital conversion, start with Yavapai County, to find out best map option.

J. Heberer motioned to accept draft budget with line item adjustments and have Accountant S. Crandall to complete the final Budget, and put Leak Detection and Mapping on hold. D. Cracknell seconded.

APPROVED: 5-0.

D. Allocation of funds to County Warrants

We have an Emergency fund, Equipment fund, Reserve fund and General fund. Jean discussed why we need the equipment fund, and amount in reserve; change the equipment account into a capital improvement account.

4. Possible Committees

D. Crandall motioned to Table, second by J. Heberer.

APPROVED: 5-0.

5. Future agenda items

- Website updates
- Office finalization
- Executive Session regarding PV

ADJOURNMENT

D. Cracknell motioned to adjourn. K. Womack seconded.

APPROVED: 5-0.

Meeting adjourned at 3:24 PM

Meeting Minutes by: Kurt Womack, DVWD's Clerk/Secretary prepared and made available on 5-27-15.

DRAFT/To Be APPROVED of these Meeting Minutes sent via email to all current Board Members and Management for review. Board approval to be an agenda item at the next scheduled DVWD REGULAR Meeting. In addition, two copies maintained and available in a file box at DVWD Office location at 1277 N. Rhinestone Dr., #2, Prescott, AZ 86301 (is finalized) in Diamond Valley for interested public.

An email copy of future DVWD Meeting Minutes and Agendas can be sent by requesting to be put on the electronic PerDVEmailRequest group list and providing an email address to: <http://diamondvalleywaterdistrict.com>

APPROVED ON: MAY 25, 2015 by B. Hunt, J. Heberer, K. Womack, D. Cracknell, J.A. Holt.