

OPEN PUBLIC SPECIAL SESSION MINUTES  
5pm at Hope Chapel, 5145 Ramada Drive, Prescott, AZ  
APRIL 28, 2014

1. CALL TO ORDER

Chair LaMar called the session to order at 5:03pm.

2. ROLL CALL

PRESENT = P (P W/ TIME AFTER IF LATE) NOT PRESENT = NP

Marielle LaMar (P)	Pat Autrey (P)	Mona Welsh (P)	Susan Echenrode (P)	Gloria Mason (NP)
CHAIR	TREASURER	VICE CHAIR	CLERK/SECRETARY	MEMBER NOTIFIED CHAIR

Chair recognized: Good's System Management (GSM): Margie Good, Manager, Cari Good - NP/vacation - Customer Relations Manager, and Ron Good, Field Tech.

3. OLD BUSINESS FROM PREVIOUS MEETINGS

A. Consideration of Draft Resolution R2014-4-28A(Upgrades/RepairsBeforeReplacementProject)

Member Autrey motioned to approve the resolution as drafted, seconded by Member Welsh, and carried by unanimous vote.

[Action: Clerk/Secretary to record resolution as approved and send out.](#)

4. NEW BUSINESS

A. Consideration with Possible Action of Draft Resolution R2014-4-28C(Conduct&Ethics)

After some discussion Member Autrey motioned to approve the resolution as drafted, seconded by Member Echenrode, and carried by unanimous vote.

[Action: Clerk/Secretary to record resolution as approved and send out.](#)

B. Consideration with Possible Action of Draft of DVWD Rule of Conduct, Code of Ethics, and Conduct of Meetings Form

After some discussion Member Autrey motioned to approve the form as drafted, seconded by Member Echenrode, and carried by unanimous vote.

[Action: Clerk/Secretary to record form as approved and send out to those present who signed copies. Absent Member to sign at next meeting.](#)

C. Consideration of Liability Account for Deposits thru District's Pass-Thru Bank

By Board consensus it was approved to step-up a customer deposit account at Foothills Bank to hold said funds (to be reported as a liability to facilitate proper accounting practices/tracking), and to update the current District Board signers according to bank policy for the signature cards.

[Action & Follow-Up: Treasurer to set-up the account and then notify Members when to go to the bank to complete signature cards with appropriate ID. Clerk/Secretary to remind Treasurer to send the bank these draft minutes and than follow-up by sending the bank the approved minutes. Clerk/Secretary to also send PDF copy of the current Board/Management List to the Treasurer to send the bank.](#)

D. Consideration of District Office Space

There was some discussion and this item is to be tabled until the next special meeting on 5/12/2014 at 5pm when Member Autrey can also investigate another location she knows of.

[Tabled & Follow-Up: Member Autrey to provide an additional location for better consideration at next meeting on 5/12/2014.](#)

E. RWAA Annual Membership Renewal

After some discussion Member Autrey motioned to approve renewing the District's annual membership, seconded by Member Welsh, and carried by unanimous vote.

[Action and Follow-Up: Margie Good to pay invoice for renewing annual membership.](#)

5. REPORTS AND CORRESPONDENCE From PREVIOUS MONTH

A. (GSM) Operational Report – March 2014

Margie Good gave her report and reviewed the RVS System Totals for March, which showed a 28.61% water loss (751,390 gallons). Other items reported on:

- Arizona Department of Water Resources annual water use report for 2013 was properly completed and submitted prior to final due date.
- WIFA notified manager the Project Priority List application had been approved and the District can move forward with the loan application.
- Working with engineer approved to produce the parameters for the design package for the RFQ that will be needed for the system replacement project.
- Backflow requirements notices to customers were sent out with responses received, and all requirements were met.

- Ramada Pump Station pressure tank unable to sustain adequate pressure to support pumps, resulting in pump failure. Alternative options were given to the Board for the best options to upgrade the pumping system.
- First Orkin bi-monthly extermination service began at Ramada, Emerald, and Lisa building sites.
- One main line break at Emerald was repaired.

Manager also received the estimates on 4/28/2014 for the electrical work needed at the Ramada pump station regarding the costs for the 200 vs. 400 amps APS service plus field work. At the last meeting it was reported once these estimates were provided to consider ASAP at the next meeting. The below approval is necessary as the in-progress VFD upgrade is almost complete and the following electrical work needs to occur.

The Board reviewed the distributed copies of the estimates (sent via email 4/28/2014) as follows:

[Estimate for new service entrance equipment] (Turner to do as already on-site for VFD upgrade)

\* Additional APS applicable engineering, permitting or construction fees

200 amps [\$2,900] + \$10,000-\$12,000\* = \$12,900 - \$14,900

400 amps [\$4,400] + \$10,000-\$12,000\* = \$14,400 - \$16,400

After discussion it was determined it was more appropriate to approve the 400 amps option because if future pumps were added no further electrical upgrade costs would be incurred.

Member Autrey motioned for the District to approve the estimates for the 400 amps Ramada electrical work and for the total costs not to exceed \$20,000, seconded by Member Echenrode, and carried by unanimous vote.

**Action:** Margie Good to move forward on the 400 amp electrical work approved above.

**1.) Management Report and Midco Report (4/11/2014) with the following Possible Action:**

The manager's report of 4/11/2014 was not reviewed and this item will be considered at another meeting as the final Midco Report just came out along with video. In addition, the manager will be meeting with the Engineering America representative on May 1, 2014 in Prescott.

**Tabled & Follow-Up:** Manager has provided completed Midco report, but possible estimates on all the options in resolving the operational findings of the Ramada storage tank are still needed for consideration at a future meeting.

**2.) Insulation and Drywall**

After Ron Good gave the estimates for materials and labor to be under \$1,000, and by Board consensus approved Ron Good to complete the Ramada housing's inside insulation and drywall, which quoted the expenses to not exceed \$1,000.

**Action:** Manager to schedule Mr. Good to complete the Ramada insulation and drywall.

**3.) Update on WIFA-Financial Assistance (TADW-026-2014)**

Manager reported the loan is still in process with late May having further updates.

**4.) GSM Update on DVWD Website and On-Line Billing**

Cari Good to report next month as she was on vacation at this meeting.

**B. Financial Report – March 2014**

The Treasurer reviewed the Balance Sheet and Profit and Loss Sheet for March and future reporting is being worked on to align with the auditor's suggestions. In addition the, Manager will be providing QuickBooks reports to show tracking of financials with operations.

Balance Sheet March 2014

Assets and Liability Total: \$1,036,839.36

Profit and Loss Sheet for March 2014

Net Income Total: (\$ 1,997.72)

Net Income Y-T-D \$ 32,363.25

**Follow-Up:** Manager to provide, starting with April's monthly QuickBooks reports, which support auditor's suggestions.

**6. APPROVAL OF DRAFT MEETING MINUTES**

**A. District Regular Session on March 24, 2014 (5pm and 7pm)**

Member Autrey motioned to approve the minutes as drafted, seconded by Member LaMar, and carried approval by 3 votes (LaMar, Autrey, and Echenrode) with Member Welsh abstaining due to not reading/reviewing the minutes.

**7. REVIEW OF ACTION ITEMS FROM PREVIOUS MEETING**

**A. Letter of Engagement for Bookkeeping Services by Tara Sholle, CPA**

**Completed:** Reported as recorded and sent out on 3/31/2014.

**B. DVWD Authorized Signature Form Updated**

**Completed:** Reported as recorded and sent out on 3/26/2014 with Treasurer sending to Yavapai office.

C. Engineer Design Study to Provide RFQ Package for the Necessary DVWD System Replacement  
Project Items

Completed: Reported as recorded and sent out on 3/26/2014.

8. ADJOURNMENT

Chair LaMar adjourned the meeting at 6:36pm.

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OPEN PUBLIC REGULAR SESSION MINUTES  
7pm at Hope Chapel, 5145 Ramada Drive, Prescott, AZ  
APRIL 28, 2014

1. CALL TO ORDER

Chair LaMar called the session to order at 7:02pm.

2. ROLL CALL

PRESENT = P (P W/ TIME AFTER IF LATE) NOT PRESENT = NP

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Marielle LaMar (P)	Pat Autrey (P)	Mona Welsh (P)	Susan Echenrode (P)	Gloria Mason (NP)
CHAIR	TREASURER	VICE CHAIR	CLERK/SECRETARY	MEMBER NOTIFIED CHAIR

Chair recognized: Good's System Management (GSM): Margie Good, Manager, Cari Good, Customer Relations Manager - NP/vacation, and Ron Good, Field Tech. Both Margie and Ron Good requested to leave around 7:50pm.

3. CALL TO THE PUBLIC

None present

4. OLD BUSINESS FROM PREVIOUS MEETINGS

A. Proposed Budget Process and Timeline Worksheet (Report of 4/10/2014 needs to be given – see below)

1.) Timeline Process Sheet:

Black: Agreed Upon Deadlines      Green: Key District Deadlines:      Red: WIFA Deadlines

a.) Report of 4/10/2014 Workshop by Member Attending

Completed: Report recorded and sent out on 4/16/2014.

- 4/28/2014 DVWD Regular Session Meeting for approval of Proposed Budget for 2014-2015
- 5/3/2014 Possible Date to Publish Approved Proposed Budget
- 5/5/2014 Possible community education presentation by RCAC Before Public Hearing 5/26/2014
- 5/10/2014 Possible Date to Publish Approved Proposed Budget
- 5/12/2014 Community education presentation by RCAC
- 5/24/2014 Possible Date to Publish Approved Proposed Budget
- 5/26/2014 Public Hearing followed by regular session to approve proposed budget with new rates and fees. Send WIFA a copy of the approved proposed budget with new rates and fees.
- end of 5/2014- 6/2014 WIFA sends DVWD, a DWID, the Project Finance Application (PFA) after receipt of the red noted above.
- mid 6/2014 WIFA (Sara Konrad & Angie Valenzuela) visit DVWD to see current situation, and to answer any question or provide any clarification on the PFA.
- 6/20/2014 WIFA due date for the District completing PFA
- Before 7/1/2014 Provide Yavapai County with approved budget for 2014-2015
- 7/1/2014 New Rates and Fees become effective
- 8/20/2014 1:30pm WIFA Board Meeting. Attendance by DVWD required.
- Possibly by 9/17/2014 WIFA loan to DVWD CLOSING

B. Discussion, Consideration with Possible Action on Proposed FY 2014-2015 Budget

After review and discussion Member Autrey motioned for the District to approve the 2014-2015 budget as proposed, seconded by Member Echenrode, and carried by unanimous vote.

Action & Follow-Up: Clerk/Secretary to finalized proposed record and make ready an appropriate abbreviated version for publication in local newspaper ASAP for Treasurer.

1.) Proposed Rate Change Options Worksheet

The Rate Analysis Report (2/18/2014) options for rate changes/structures were reviewed and discussed to support the District 2014-2015 proposed budget and plans to move forward on the 5 million loan with WIFA. After further discussion there were 2-rate options with the District contributing \$10K/month that were reviewed more closely. The manager gave the percentages of where the current water usage falls within the following tiers:

15% for 10-2,000 gallons  
41% for 2,001-4,000 gallons

27%	for 4,001-6,000 gallons
9%	for 6,001-8,000 gallons
3%	for 8,001-10,000 gallons
2%	for 10,001-20,000 gallons

The District's guaranteed income comes primarily from the base fee and not the commodity rate or water usage revenues. So after further discussion Member Autrey motioned the District approve rate option five in the Rate Analysis Report, seconded by Member Welsh, and carried by unanimous vote.

Rather than providing the information here and to save time please go to the District's website as a May Newsletter posting by May 1, 2014 will show all these results along with the Proposed Budget of 2014-2015 in its entirety.

**website: [diamondvalleywaterdistrict.com](http://diamondvalleywaterdistrict.com)**

**2.) Arrangement of Publications of Proposed FY 2014-2015 Budget if Approved**

The requirements for publication were reviewed and the Chair directed the Treasurer to submit the current budget and the Proposed Budget of 2014-2015 along with the current Fees, Rates, Service Charges and the Proposed Fees, Rates, and Service Charges of 2014-2015. The newspaper version may be abbreviated to save on costs.

**Urgent Follow-Up: Treasurer to work with Clerk/Secretary to provide the document to send to the local paper for publication in 2-consecutive weekends notices with the 1<sup>st</sup> publication not less than 10-days of the Public Hearing scheduled on 5/26/2014. Treasurer to send newspaper verification to Clerk/Secretary for the record.**

**C. Approval of Updated DVWD Fees, Rates and Charges Document (AFO Manual, page 15, last updated on 7/1/2012)**

Member Autrey motioned the District approve the DVWD Fees, Rates, and Service Charges document as drafted and updated, seconded by Member Echenrode, and carried by unanimous vote.

**Action & Follow-Up: Clerk/Secretary to finalized the document as approved and send out.**

**The new fees, rates, and service charges are effective July 1, 2014 if the Proposed Budget of 2014-2015 is approved at the 5/26/2014 regular session meeting, which follows the Public Hearing.**

**D. Approval of the Draft Water Service Documents:**

**1.) Application for Water Services and Deposit Receipt**

**2.) Application for New Construction Hook-Up, Water Services and Deposit Receipt**

Both 1. and 2. above had no changes to the drafts after some brief discussion.

Member Autrey motioned the District approve both applications as drafted, seconded by Member Echenrode, and carried by unanimous vote.

**Action & Follow-Up: Clerk/Secretary to finalized the applications as approved and send to Management. Again these applications are effective on July 1, 2014 if the Proposed budget of 2014-2015 is approved at the 5/26/2014 meeting following the Public Hearing.**

**3.) Resolution R2014-4-28B(ServicesGuidelines)**

**4.) DVWD Basic Water Services Guidelines(Rev.4.28.2014)**

There were no changes to above 3. and 4. resolution and water services guidelines drafts.

Member Autrey motioned the District approve the above resolution and document as drafted, seconded by Member Welsh, and carried by unanimous vote.

**Action & Important Follow-Up: Clerk/Secretary to finalized the above as approved and send out. District needs to send out (mail) the resolution and guidelines to all owners, renters, property owners of rentals, and Property Managers during the first week in June 2014 (may combine with sending CCR for 2013 if ready). Clerk/Secretary is POC for printing coordination and GSM is POC for RVS mailing addresses to printer.**

**E. Consideration of District Community Presentations and Speakers**

**1.) Monday, May 12, 2014 7pm for Community Presentation**

**2.) Monday, May 26, 2014 7pm Community Presentation at Public Hearing**

There are four approximately 15-minute presentations before opening for comments to the public/community. The following agreed to prepare and present for the 5/12 and 5/26 at 7pm at Hope Chapel:

Part I: Deborah Patton of the RCAC (Several topics she already has)

Part II: Susan Echenrode: Past and Current History

Part III: Margie Good: Rate Analysis Report of 2/18.2014 Overview

Part IV: Pat Autrey and Marielle LaMar: Proposed Budget Overview with Proposed Rate Structure Changes

Part V: Open for public comments: Deborah Patton to facilitate

**Important Follow-Up: Clerk/Secretary POC for coordinating speakers and drafting any printed materials needed along with getting the speakers to give the Clerk/Secretary the main points of their presentations for slide preparations.**

**F. Drafts of Board Position of Duties Submitted by 2014 Appointed Officers**

- 1.) Clerk/Secretary
- 2.) Treasurer
- 3.) Chairperson
- 4.) Vice Chairperson
- 5.) Member at Large

Postponed until July Meeting: Clerk/Secretary to make sure above items get on the July agenda.

**5. REPORTS AND CORRESPONDENCE From PREVIOUS MONTH**

**A. Correspondence(s) to the District - March 2014**

**1.) 3/14/2014 Email Correspondence**

Email will be placed in the Correspondence(s) to the District records.

**B. Correspondence(s) Going Out from the District**

**1.) Website Posting(s)**

April Newsletter already posted to website.

**6. PROPOSED AGENDA ITEMS FOR NEXT MEETING: May 26, 2014 7pm Public Hearing Followed by Regular Session Meeting**

**A. All Action, Tabled, and Update Items from this Meeting**

**B. Other Requests please Contact Chair for Direction/Guidelines of District's Future Agenda List**

**Possible Proposed Agenda Items at 5pm Special Meeting on May 12, 2014, followed by the Educational Presentations Meeting at 7pm:**

- 1. District Review: Proper Procedures for the RFQ Resulting from RFQ Design Study Package for the Necessary DVWD System Replacement Project Items Sent by the Engineer (Kal Miller)**
- 2. RWAA Annual Conference August 26-28, 2014 at the Prescott Resort for Attendance and Registration Consideration**
- 3. Review of the Ramada Tank Report of 4/1/2014 and Possible Consideration in Addressing All the Tank's Refurbishment and/or Replacement Options**
- 4. Further District Office Consideration with More Information**

**10. ADJOURNMENT**

Chair LaMar adjourned the meeting at 8:24pm.

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Respectfully submitted by: Susan Echenrode, DVWD Clerk/Secretary and made available on 5/1/2014

The DRAFT to Be APPROVED of the above Minutes (PDF) was emailed on the above date (within 3-business days of meeting) to current Board Members and Management for review before the next meeting. All corrections to the draft minutes are considered District business and need to occur and be addressed at the next Regular Public Meeting before the minutes are approved. Board approval to show as an agenda item for the next scheduled DVWD Open Public Meeting. In addition, one copy is provided at the official DVWD posting site (Hope Chapel) for interested public/community members and new signage on the outside plastic box: see DVWD Website as noted below.

**NOTE 3/24/2014:** All public/community wishing to receive the DVWD Meeting Minutes and Agendas can do so by going to the **DVWD Website: [diamondvalleywaterdistrict.com](http://diamondvalleywaterdistrict.com)**, which also provides the public with other District information.

**APPROVED ON: 5/26/2014** by Pat Autrey, Marielle LaMar and Susan Echenrode.

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Once approved the draft minutes document needs the footer changed to "APPROVED at the DVWD Meeting (insert date)", made into a PDF, sent via email to the current Board Members and Management, and to the "OTHER DISTRICT CONTACTS" listed in the up-to-date 5-MEMBER DVWD BOARD-MANAGEMENT CONTACT LIST document as directed under NOTES.

The Clerk/Secretary maintains and records Meeting Minutes by: recording an electronic PDF and filing 1-hard copy in the appropriate Fiscal Year binder in plastic protector sheet(s) for District records.

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Acronym Used in Agendas and Meeting Minutes

AFO	=	Administrative, Financial and Operational Manual for DVWD
AICPA	=	American Institute of Certified Public Accountants
AMR	=	Automated Meter Reading
A.R.S.	=	Arizona Revised Statute (State laws that DVWD governs by)
CCR	=	Consumer Convenience Report (yearly <u>required</u> water quality report to all water users, usually by July 1)
DWID	=	Domestic Water Improvement District
ERU	=	Equivalent Residential Units (District Budget Tool uses and calculates for a more statistically consistent and valid approach)
GAAP	=	Generally Accepted Accounting Principles
GAGAS	=	Generally Accepted Government Auditing Standards
GSM	=	Good's System Management (District's Management)
OML	=	Open Meeting Laws of Arizona

PayClix = RVS Customer On-Line Billing Program to Pay Bills  
PER = Preliminary Engineer Report  
POC = Point of Contact  
RCAC = Rural Community Assistance Corporation  
RCAP = Rural Community Assistance Partnership  
RFP = Request for Proposal (Bid)  
RFQ = Request for Quotation or Qualifications  
RWAA = Rural Water Association of Arizona  
RVS = Billing Software Used for Customers  
VFD = Variable Frequency Drive (changes the electrical power of a motor more efficiently)  
WIFA = Water Infrastructure Finance Authority  
UVRWPC = Verde River Watershed Protection Coalition