

**OPEN PUBLIC MEETING MINUTES OF**  
**The Diamond Valley Water District (DVWD) on**  
**MONDAY, JULY 28, 2014**  
**AT HOPE CHAPEL, 5145 RAMADA DRIVE, PRESCOTT, ARIZONA**  
**5:30 PM**

**1. CALL TO ORDER**

Chair LaMar called the meeting to order at 5:34pm

**2. ROLL CALL**

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

**5-MEMBER BOARD (MINIMUM OF 3-MEMBERS REPRESENTS A QUORUM)**

Marielle LaMar (P)	Pat Autrey (P)	Mona Welsh (NP)	Susan Echenrode (P)	Vacant
CHAIR	TREASURER	VICE CHAIR	CLERK/SECRETARY	

Chair recognized the following: Good's System Management (GSM) with Margie Good, Manager, Cari Good, Customer Relations Manager, and Ron Good, Field Tech. Also recognized was the attorney for the District, Bill Whittington and Robert Kosak, and Reg Destree for Verizon

[The Chair gave an overview of how the meeting would progress and the below reminders.](#)

Open Meeting Law Reminders:

- Board Members shall only speak on agenda items during the meeting. No discussion shall take place before or after any meetings on an agenda item between Board Members or between Board Members and the public.
- A third party can record any public meeting without letting the Board or public know. However, both the Board and the public need to be mindful of the Open Meeting Laws at all times.

Note: Call To The Public is at the end of this meeting due to scheduled presenter(s) at the beginning of the meeting and the amount of business the District needs to address and attend to first. The District will try to make convenient future Call To The Publics at the beginning of the meeting when the amount of business becomes less.

**3. NEW BUSINESS**

**A. Verizon**

**1.) 3-Correspondences from and to Verizon (6/14/14, 6/17/14 and 6/27/14)**

**2.) Preliminary 6/13/2014 Plan**

The Chair gave an overview of the 2009 past Verizon/DVWD history with existing lease agreement. Currently Verizon is back to offer the District another Preliminary Plan to put up a temporary solution for a ground structure on the District's Ramada tank property with the WAPA power tower, and will then need to make arrangements with WAPA to put up the proposed/approved wireless equipment on the WAPA tower.

The Chair recognized Reg Destree from Verizon and he gave a brief overview of the preliminary plan, and other details that were currently in process between both parties legal attorneys with details of the revised proposed contract's proposed amount and other monetary compensation for the legal expenses the District incurred back in 2009.

By Board consensus (3-members) the item was approved to be tabled and further addressed when both parties' attorneys come back with a proposed contract with the monthly/yearly amount once the wireless equipment is put up by WAPA personnel directed by Verizon, and provisions for back District legal expenses from the review of the 2009 contract the District signed, but Verizon did not because of the now resolved issues with WAPA.

[Tabled:](#) To stay on agenda under Old Business and be addressed as events progress. CS to file the Preliminary short and 1-large version of the Verizon wireless Site Name: AZ2 Hwy 69.

**B. Draft of Proposed Revision DVWD By-Laws of 3/9/2009**

The revised draft requires some added legal language and items. The attorney was directed by the Chair (POC) to send his additions to the Chair so the Clerk/Secretary could put in another draft and to address at another meeting.

[Tabled with Follow-Up:](#) Chair to get edits to CS so another draft is ready for another meeting.

**C. Draft Resolution R2014-7-28(Clarification Rates, Fees, Charges)**

The resolution was reviewed for the clarifications pointed out in the document.

Member Autrey motioned to approved R2014-7-28 as drafted, seconded by Member Echenrode, and carried by unanimous vote (3-members)

[Action with Follow-Up:](#) CS to finalized resolution as drafted and approved, get the Chair's signature, sent to Board and Management, and recorded/filed.

**D. Ratification of Request for DVWD Records Form**

After the already suggested edits from attorney Kosak, there were 2-edits: (remove (*circle one*) in second sentence as there is nothing to circle, and the other to add the standard DVWD letterhead information at the bottom of the form.

By Board consensus the ratification with above edits was accepted.

Action: CS to edit the final Request for DVWD Records Form as ratified, sent to Board and Management, and recorded/filed.

**E. Approval of Yavapai County Elections Intergovernmental Agreement (IGA)**

By Board consensus (3-members) the IGA Agreement for Election Services approved to be signed by Chair and Attorney Whittington, and sent to the County Elections Director.

Action with Follow-Up: The County is to be sent the document signed by Chair and attorney. The form will be completed with County signature after the County receives all of the IGAs, which may well be after August 6. They will return the completed documents via the P.O.Box listed as the address. If they have questions the County will contact the District via the phone number listed, which is GSM's office number.

**4. OLD BUSINESS FROM PAST MEETINGS**

**A. Updating GSM Exhibit A/Scope of Services with Re-Negotiation of Possible Increase with DVWD**

By Board consensus a future meeting with possible Executive Session with Attorney Whittington to be scheduled so both parties can review and edit the re-negotiate and update of Exhibit A/SOS.

Tabled with Follow-Up: Someone to arrange if an Executive Meeting is to be scheduled.

**B. Updated Proposed Informational Timeline for DVWD Replacement Project**

By Board consensus this item is to be handled in a possible Executive Meeting.

Tabled with Follow-Up: Someone to arrange this item for a possible Executive Meeting.

**C. Possible Response to 7/7/2014 Mr.G.Pehl's Community Letter**

The Chair read aloud the possible response letter from the District.

? Completed - No Action, Tabled or Postponed was taken at this time.

**D. Approved DVWD Project Manager (Engineering Oversight) of the DVWD Replacement Project with Proposed Benchmarks**

By Board consensus (3-members) approved tabling this item. The tasks need to be established by the DVWD Manager (Engineering Oversight) first.

Tabled with Follow-Up: DVWD Manager (Engineering Oversight) needs to provide the established tasks to be benchmarked.

**E. Update of Notices to be sent to Newspaper on 7/29/14 to be Published on Sunday 8/3/14:**

**1.) Topographical Survey RFP**

**2.) Geotechnical Soil Investigation RFP**

The Chair reported both RFPs were sent to the Prescott Courier for 7/27/14 publication.

? Completed: CS doesn't have any note that action was taken other than the reporting of publication date for both RFPs.

**F. Vacant Board Position(s) and Any Community Applicant(s) Interested**

**District Prerequisites (Rev.6/23/2014) Need to Be Met**

Pamela Boyers spoke up and gave her experience as having water experience in billing, water meter reading and more. She said she would contact the website and give her information and read the posted prerequisites a new member needs to do before appointment is considered.

Tabled and Stays on agendas until vacant Board position(s) can be filled.

**G. Drafts of Board Position of Duties**

**1.) Clerk/Secretary**

Member LaMar motioned to approve the draft as edited and that all Board duties drafts include A. of Clerk/Secretary's duties, require that all drafts also include the footnotes that reference the A.R.S. of the duties, and that all the position duties are living documents that will be updated by the member whose signature is on the form with date, seconded by Member Autrey, and carried by unanimous vote (3-members).

Action with Follow-Up: CS to edited draft as approved and also add A. from the Clerk/Secretary's draft to all of the members' Board description of duties.

**2.) Treasurer**

Member LaMar motioned to approve the draft as edited and that all Board duties drafts include A. from the Clerk/Secretary's duties, require that all drafts also include the footnotes that reference the A.R.S. of the duties, and that all the position duties are living documents that will be updated by the member whose signature is on the form with date, seconded by Member Autrey, and carried by unanimous vote (3-members).

[Action with Follow-Up](#): CS to edited draft as approved and also add A. from the Clerk/Secretary's draft to all of the members' Board description of duties.

### 3.) Chairperson

Member LaMar motioned to approve the draft as edited and that all Board duties drafts include A. from the Clerk/Secretary's duties, require that all drafts also include the footnotes that reference the A.R.S. of the duties, and that all position duties are living documents that will be updated by the member who signature is on the form with date, seconded by Member Autrey, and carried by unanimous vote (3-members).

[Action with Follow-Up](#): CS to edited draft as approved and also add A. from the Clerk/Secretary's draft to all of the members' Board description of duties.

### 4.) Vice Chairperson

Draft was suggested to be edited and include A. from Clerk/Secretary duties and follow the original instructions (January 2014) and to start with what's in the current District By-Laws, AFO manual, A.R.S.s that apply, be willing to be "the Chair in training", and commit to organize and run 1-2 meetings/year under the current Chair's training and direction.

[Tabled with Follow-Up](#): CS agreed to edit this draft and have ready at a future meeting.

### 5.) Member at Large

Draft was suggested to be edited and include A. from Clerk/Secretary duties and follow the original instructions (January 2014) and to start with what's in the current District By-Laws, AFO manual, A.R.S.s that apply.

[Tabled with Follow-Up](#): Treasurer agreed to edit this draft and have ready at a future meeting.

## H. Update on District Office Space

Pat Autrey updated the progress on the office at 1277 N. Rhinestone #A2 and has been sending the inventory to Clerk/Secretary to set-up an inventory list and account for all purchases of electronic equipment, furniture, and office supplies.

[Completed](#) as office is getting set-up and further updates not necessary.

## 5. REPORTS AND CORRESPONDENCE From PREVIOUS MONTH – All Items Set For Possible Action

### A. (GSM) Operational Report – June 2014

#### 1.) Management Report

The Manager gave her report:

- RVS System Totals
  - Water Sales Revenue: \$56,699.44
  - Other Revenue: \$7,082.60
  - Sales Tax collected: \$3,625.59
  - Age Three Arrears: \$1,448.33
  - Water Pumped: 4,259,070 gallons
  - Water Sold: 3,388,519 gallons
  - Water Loss at 20.44% or 870,551 gallons
  - Total Active Meters: 704
- All meters read on June 20 concluding the old rate schedule
- Two service disconnect shut-offs due to non-payment
- Four service line leaks reported and repaired for June
- Six new service line requests for June
- Now using Deposit Reserve Account to process customer deposit funds
- Bookkeeping arrangements with Sholle Accounting reviewed
- Interviewed bookkeeping with Stephen Crandall Accounting
- Began transition of bookkeeping from Sholle to Crandall
- News Update and CCR 2013 delivered via mail to all customers and delivery affirmation certified mailing to ADEQ
- Meeting and system's tour with Sara Konrad and Angie Valenzuela of WIFA
- WIFA loan application completed and submitted prior to due date

- ADEQ announced establishment of Unregulated Contaminants Monitoring Rule (UCMR)
- Application to APS for 400 amp service for Ramada site submitted
- Ongoing work coordinating future system events schedule

**2.) Update Insulation and Drywall**

Electrical work needs to be completed and is scheduled this week.

**3.) Update on WIFA-Financial Assistance (TADW-026-2014) – Loan Application Phase**

As noted in above Manager reporting

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

Cari Good reported the on-line application processing is improving for ease of use.

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**B. Financial Report – June 2014**

Treasurer Autrey reported:

Balance Sheet June 2014

Assets and Liabilities Total: \$1,063,375.42

Profit and Loss Sheet for June 2014

Net Income Total: \$ 25,920.90

Net Income Y-T-D: \$ 52,001.60

**1.) Discussion with Possible Action on District Bookkeeping Services**

**a.) Sholle Disengagement 6/27/2014 Letter**

By Board consensus ratified Sholle disengagement letter was accepted.

[Action with Follow-Up: CS to record/file letter as accepted.](#)

**b.) Crandall Engagement 6/25/2014 Letter**

By Board consensus ratified Crandall engagement letter was accepted.

[Action with Follow-Up: CS to record/file letter as accepted.](#)

**2.) Update on 6/27/2014 PRAMA Public Hearing at Prescott Valley Public Library**

No member was able to go and Chair suggested if anyone wanted further information to look-up on the ADEQ website regarding Prescott Active Management Area.

[Completed](#)

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**C. Correspondence(s) to the District - June 2014**

**1.) 6/16/2014 Attorney Letter for Lapis Drive Property Owners**

The Manager reported the issue was resolved.

[Completed with Follow-Up: CS to record/file all related paperwork.](#)

**2.) 6/23/2014 Board Member Resignation**

Chair tabled.

[Tabled](#)

**3.) 6/23/2014 Contractor Email /Letter**

Already read and received by all.

[Completed with Follow-Up: CS to record/file email/letter](#)

**4.) 6/25/2014 Attorney Letter with Additional Fees**

**5.) 6/25/2014 Attorney Letter with Legal Suggestions on District's RFP Documents**

**6.) 6/30/2014 RCAC-2014 TMF and Work Plan Closed**

4.), 5.) and 6.) Received

[Completed and Follow-Up: CS to record/file all.](#)

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**D. Correspondence(s) from the District**

**1.) Website Newsletter**

To check website for all postings.

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**6. APPROVAL OF DRAFT MEETING MINUTES**

**A. District Public Special Session (5:30pm) & Regular Session (7pm) on June 23, 2014**

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

[Completed Action: CS to record/file minutes as approved and email send to Board and Management.](#)

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

Due to time all of the below were sent as noted but not individually reported on.

**A. Approved New Board Member Prerequisites Before Appointment**

**1.) Approved New Board Member Prerequisites Compliance Form**

Both sent to Board and Management on 6/24/2014.

**B. Approved District Attendance at RWAA August 26 – 28, 2014 Conference**

- 1.) Registration Form
- 2.) RWAA District Voting Delegation Form  
 Both were handled by Pat Autrey and sent on 7/11/2014 for 3-Members.
- C. Approval of District Office Space  
 Pat Autrey sending all related purchases, lease agreement, and other related utilities set-up records to CS and gave her sheet out of inventory.
- D. Approval of Closing RCAC 2014 Work Plan for District  
 Email from Deborah Patton sent to Board and Management on 6/30/2014 stating closed.
- E. District Response (6/23/2014) to 6/5/14 Attorney Letter Addressing 12-Points  
 Sent to Board and Management on 6/24/2014.
- F. Approval of Attorney for the DVWD Replacement Project  
 Sent to Board and Management on 6/24/2014.
- G. Approval of District's Following Documents:
  - 1.) Draft of Request for Proposal for Engineering Design
    - a.) Cover Letter for the RFP Engineering Design Packet
    - b.) Design RFP Letter Publication for Newspaper
    - c.) Approval of Possible Attorney's Review and Edits of the Above Drafts
      - 1.) through c.) above sent to Board and Management on 6/24/2014.
- H. Approved DVWD Project Manager (Engineering Oversight) to Prepare RFP of the following:
  - 1.) RFP Topographical Survey
    - a.) RFP for Publication
  - 2.) RFP for Geotechnical Soil Investigation
    - a.) RFP for Publication for Newspaper
 All of the above were sent to Board and Management on 6/24/2014.

**8. PROPOSED AGENDA ITEMS FOR NEXT SCHEDULED MEETING: August 25, 2014 at 7pm**

- A. All Action, Tabled, and Update Items from Past Meetings
- B. Other Requests please Contact Chair for Direction/Guidelines of District's Future Agenda List
- C. Consideration of District Monthly Meeting Start Time

**9. CALL TO THE PUBLIC (Three Minutes Time Limit per Person)**

Open Meeting Law Reminders Regarding Call To The Public:

- Call To The Public is consideration and discussion of comments and complaints from the public. Those wishing to address the District need not request permission in advance. Management and consultants are exempt from this requirement. The Board is not permitted to discuss, take action, or legal action on any item raised in the Call To The Public. However, individual Board Members may respond to criticism directed at them. The Board via the Chairperson can direct that the matter be reviewed and follow-up on by the appropriate Member and/or Management Team Member as appropriate, or request that it be placed on a future agenda.

Public that spoke with counts "as remembered":

1. Opposed Loan and/or System Replacement and Rate Increases	20
2. Another Solution than Loan and System Replacement or wants second opinion	3
3. OK with matters after getting question(s) answered	1
4. Check into financial options of assessing properties vs. incr. rates to pay for loan	1
5. Request that any criticism is understandable, but all threats to the Board and/or Management have been reported to the police, and if the person(s) become known making the threats may incur penalties to the full extend of the law.	1
6. Stated it was heard WIFA loans could be forgiven if the community couldn't pay on loan	1
TOTAL	27

Note: A preliminary count (not sure the folks in back of the church hallway were all gotten, so it's an estimation) was 100-150. Many folks had left during the meeting and the Call To The Public at various times and about 70 were left when The Call To The Public part occurred. There was 6-rows of seating x 7 chairs x 2 sides when full (total of 84) to keep track of the changing public count minus the people recognized at the meeting. Included in count was 1-person who was allowed to do his Call mid-way through meeting as he needed to leave with a child, and 1-person who provided the Board with 5-copies of a 7/28/2014 5-page letter.

Also hand delivered at the meeting during the Call To Public were 13-pages of community petition opposing the loan with signatures provided by 2-3 public members as they came up to speak.

**10. CLOSE and ADJOURNMENT OF SESSION**

Chair LaMar closed and adjourned the meeting at 8:45pm

Approved Minutes Respectfully submitted by: Marielle La Mar, DVWD Chairperson and made available on 8/28/2014

**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: 8/25/2014** by Pat Autrey, Marielle LaMar, and Gloria Mason.

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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

ACC	=	Arizona Corporation Commission
ADWR	=	Arizona Department of Water Resources
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)
CS	=	Clerk/Secretary
DWID	=	Domestic Water Improvement District
ERU	=	Equivalent Residential Units (District Budget Tool uses and calculates for a more statistically consistent and valid approach)
File	=	Hard paper copy was filed in appropriate manner
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
PRAMA	=	Prescott Active Management Area
RCAC	=	Rural Community Assistance Corporation
RCAP	=	Rural Community Assistance Partnership
Record	=	Electronic copy was put into the District records
RFP	=	Request for Proposal (Bid)
RFQ	=	Request for Qualifications
RWAA	=	Rural Water Association of Arizona
RVS	=	Billing Software Used for Customers
TMF	=	Technical, Managerial, Financial (RCAC Assessment Tool)
SOS	=	Scope of Services
VFD	=	Variable Frequency Drive (changes the electrical power of a motor more efficiently)
WAPA	=	Western Area Power Authority
WIFA	=	Water Infrastructure Finance Authority
UCMR	=	Unregulated Contaminant Monitoring Rule
UVRWPC	=	Verde River Watershed Protection Coalition