

**MEETING MINUTES OF OPEN PUBIC MEETING**  
**BOARD OF DIRECTORS**  
**DIAMOND VALLEY WATER DISTRICT OFFICE**  
**(LEGAL SHIELD BUILDING)**  
1277 N. RHINESTONE, PRESCOTT, AZ  
**10:00 AM**  
**Wednesday, November 13, 2015**

**CALL to ORDER**

Chairman D. Cracknell called the **Special Session** to order at 10:02 am.

**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; 4 DV Members of the Public.

**ADMINISTRATIVE HOUSEKEEPING**

D. Cracknell acknowledged Bill Hunt's service for Veteran's Day, *and thanked all Veterans for their service.*

**CALL TO THE PUBLIC**

Lynn Serviss presented the Board, PayClix FAQ regarding fee is set by merchant. [DM11.04.15 item 5]

Customer had reading error on their bill.

Lynn Serviss asked about email notifications for emergency and repair outages. D. Cracknell explained we wanted to have the simplest solution, for now; too complicated. [M9.28.15 item 5]

**1. WELL ABANDONMENT - 4892-4894 DIAMOND COURT QUOTE**

Don Bohlier received estimate this morning of \$2,588.39, for "treatment" to properly abandon two wells, based on depths shown on ADWR list. [DM11.04.15 item 3]

D. Cracknell motioned to accept the quote; J.A. Holt seconded.

**APPROVED** 5-0.

K. Womack requested taking pictures of the "treatment" process for the first wells DVWD is addressing.

**2. LEGAL OPINIONS**

**A. Water Cost Recovery/System Improvement Fees** [DM11.04.15 item 6]

1. Remove fee from rate schedule and reinstate with 2016-2017 Budget. Adjust amount if so desired. This will require a AFO manual revision at the new fiscal year.

2. Leave the fee in, start charging it beginning with the new quarter review amount at yearly Budget review. Income potential is \$11,944. Public Hearing not required.

Water Cost Recovery Fees (WCRF) - scrap it, D. Cracknell reviewed 2009 Minutes, could not find anything remotely related to the WCRF. K. Womack researched at last meeting, confirmed no "WCRF" in the Prescott Valley contract. D. Bohlier told Dave the WCRF was instituted when he was running the water system before DVWD, under the ACC (Arizona Corporation Commission), should not have made it to the Rate Fee chart. Dave reviewed the Rates from 2009 to the 2014 rate

increase, it was dropped 2014, not in the 2015 Budget; when the Masons reverted back to the previous rates, copied the old sheet showing the WCRF. J. Heberer confirmed the previous Manager was not charging the WCRF.

J. Heberer and B. Hunt preferred option 2 at first. J. Heberer made the point that the District has not been charging it, when we should have been, considering cost of repair and maintenance is higher than expected, need to reinstate sooner than later. Kurt asked how much per customer; Dave said less than \$3 per month (*\$280 based on average of 4,000 gal. per user per month*).

D. Cracknell motioned to adopt option #2 for the System Improvement Fee, beginning Jan. 1, 2016; J.A. Holt seconded.

**APPROVED** 4-0, K. Womack abstained.

D. Cracknell motioned to scrap the Water Cost Recovery Fee; B. Hunt seconded.

**APPROVED** 5-0.

B. Vacant Lots w/ Meter Boxes & C. Removal of Meters that pose a leak threat  
[\[DM11.04.15 item 1\]](#)

Can and probably should remove meters from vacant lots, however since there is a meter set or a service shutoff valve in the box, it is presumed that at some point a service fee was paid for and thus cannot charge full development fees. Will work with Don to develop a separate fee schedule for those circumstances. At the time when these lots are developed, it will not be reported as a new hookup for Prescott Valley.

K. Womack stated that it's difficult to determine if a meter was installed prior to 1996, if it was, no fee was paid to Prescott Valley, and PV must have no reliable records. J. Heberer said if we don't charge, we don't pay PV. D. Cracknell asked Don Bohler to make a list of all vacant lots with meter set and/or meter, shut-off valve, verify on map, create a list of removed meters for future reference; cannot charge full fees when new meter is set. J. Heberer suggested "cost recovery" for the cost of removing service line/meter.

D. Other: (TPT refunds) [\[DM11.04.15 item 7\]](#)

Attorney Kozak mentioned that we could be expending more time and cost than what the average refund would be. Asked Accountant Crandall if there were any strings attached to the refund, and Stephen confirmed that there were no strings attached. Kozak recommended the refunds be placed in the Repair fund, and S. Crandall concurred. J. Heberer confirmed the total refund amount is about \$5,000. If any customers (owners, not renters) calculate an amount, a check will be cut.

D. Cracknell motioned to deposit the TPT refund amount (approx. \$5,000) into the Repair fund account; seconded by J.A. Holt.

**APPROVED** 4-0, J. Heberer abstained.

### **3. ADDITION OF ISOLATION VALVES**

Don provided a section of map, reported a new leak from last Friday, at 5180 Diamond Dr., Gavin Pehl found a leaking service, involved 5171 (the leak, which was tied into 5189). The main line needs to be repaired, which means de-watering the system, which involves the cluster of 3 isolation valves at Diamond & Emerald, need a new valve at Diamond & Pearl. Jean asked Don about the point of putting in new valves, if the other end of a section has inoperable valves. Don confirmed in this case, the valve on the end of Emerald at the Ramada water tank works, and that Ed Pehl had

installed new 4" C900 from Diamond Dr. up Emerald to the water tank. Don stated that he has a running list of isolation valves. K. Womack asked why the Leak Detection didn't find this leak; did put a sensor unit on valve at well #3 (2 lots east) but detected nothing; this valve is also not working. K. Womack asked if 5189 service line is now spliced; yes, should replace all but requires street cut. Jean asked if repairs are being correlated with map; yes.

Don Bohler submitted \$2,800 per valve with labor in dirt, asphalt add \$1,600, cluster of valves will be less per valve, quote from Pehl Construction. [DM11.04.15 item 2]

Due to this being an emergency repair, approved by consensus.

#### **4. FINISH AFO (Administration Financial & Operational) MANUAL REVIEW**

Resumed at Financial Procedures (pg.18) [M10.5.15 item 5] No changes pages 18-21.

Page 22: 2. D. Purchases ... \$1,500 ... [add] excluding system related supplies. ...

Inventory: [revision] ... A monthly inventory record of supplies shall be maintained by the Manager. Inventory reconciliation shall be made by the Manager, or directed by the Board. ...

Discussion about the key for the pump house resulted in only the Manager having the key, not contractors.

Page 23: 3. B. Capital Improvements Budget. J. Heberer discussed the veracity of this as a separate budget, we haven't been doing systematic replacement. Should also review A.R.S. and include for reference.

Page 25: CROSS CONNECTION POLICY [Replace ... the Town of Prescott Valley ... with ADEQ back-flow rules]

Page 28: RESTRICTIONS: [remove paragraph] Will have attorney Kozak review.

#### **5. BY-LAWS IMPLEMENTATION**

D. Cracknell and K. Womack signed the final draft of the By-Laws, effective Nov. 13, 2015. [M10.5.15 item 4]

#### **6. FUTURE AGENDA ITEMS**

K. Womack discussed the Emerald Dr. property: demolition of pump house shed, reroute water line, eliminate APS service, abandonment treatment of two wells, possibly combining the two lots.

Audit review proposal. AFO Manual finalization. Surge protection.

Set for Regular Meeting, Monday Nov. 23, 7:00 PM.

#### **ADJOURNMENT**

D. Cracknell moved to adjourn by consensus.

NOTE: [M00.00.2015] Indicates reference to Minutes from previous meetings.

[aa] Robert's Rules Of Order. *Revisions in italics.*

#### **Meeting adjourned at 11:59 AM**

Meeting Minutes prepared by Kurt Womack, Clerk/Secretary and made available on 11-14-15.

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 Permanent location at 1277 N. Rhinestone Dr., #2, Prescott, AZ 86301 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: 11-23-2015 by D. Cracknell, B. Hunt, J. Heberer, K. Womack, J.A. Holt.