

**MEETING MINUTES OF OPEN PUBIC MEETING**  
**BOARD OF DIRECTORS**  
**DIAMOND VALLEY WATER DISTRICT OFFICE**  
**(LEGAL SHIELD BUILDING)**  
1277 N. RHINESTONE, PRESCOTT, AZ  
**7:00 PM**  
**Monday, February 01, 2016**

**CALL to ORDER**

Vice Chair Jean Heberer called the **Special Session** to order at 7:00 pm.

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

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

**Also present:** Don Bohler for District Management; 7 DV Members of the Public (Jodi Savage).  
D. Cracknell absent due to snow.

**ADMINISTRATIVE HOUSEKEEPING**

J.A. Holt notified the Board the IRS has lowered the milage allowance down to .54 cents per mile, effective Feb. 1.

J. Heberer said the newsletter is delayed due to program can do only active customers (not all property owners), will be mailed separately as a flyer.

K. Womack asked about who will be the Point Of Contact, since we didn't delegate last meeting. Will put on future agenda.

**CALL TO THE PUBLIC**

Barry McCoy wanted the Board to reconsider the costs capital and other non critical improvements until the potential Waste Water Improvement District has made definite progress. J. Heberer requested written statement *to be submitted via website and to D. Cracknell*.

Jodi Savage asked if she needed to request items to be put on agenda; Jean said yes, *and instructed her to submit request to DVWD website*.

**1. LOWERING OF NEW HOOKUP FEE**

Jodi Savage wanted to speak for some of the other contractors too. She had summarized the Minutes posted online: began with March 6 [M3.06.2015(SS1.30pm), [OLD BUSINESS - Budget and Water Rate Reduction](#)], started with April 17 it was mentioned in (long) range discussion [M4.17.2015(SS10.30am), [item 3 - 4b](#)], on May 2 the Board discussed a hookup fee between \$4,200 and \$6,000, wanted to know where the \$5,800 came into effect [M5.02.2015(SS1.00pm), [item 3.B](#)]. On May 15 discussion about a Resolution for the change [M5.15.2015(SS10.30am), [item 5](#)], on May 25 letter from attorney about budget and service fee was read [M5.25.2015(R7.00pm), [item 8](#)], approved the Resolution that was to be read at June 15 [M6.15.2015(PH7.00pm), [item 5](#)], on June 10 [Public Hearing for the Budget] the Resolution was read [M6.10.2015(SS10.00am), [item 1](#)]; at June 29 [Public Hearing for Hookup Fee, no comments from the Public] meeting the Resolution was read [M6.29.2015(PH,SS7.00pm), [Adoption of Resolution R2015-06-29](#)]. Jodi noted the water rate was almost immediately lowered to the 2013-14 rates, the hookup fee was raised 82% within 8 weeks after rate was lowered, some references are to "impact fee" and other is "hookup fee". Jodi

researched other impact fees, which include permits, sewer, water, trash, fire department, sidewalks, street maintenance, Yavapai County doesn't get any of that, claimed we are the highest impact fees for Yavapai County. Diamond Valley fee schedule pays \$1,200 to Prescott Valley, \$65 for the meter and 1 hour for installation, means DV is "pocketing" \$4,500. Reason they wanted this discussed, for a spec home, had not budgeted \$9,000 for water. Requested the old hookup rate put in, should not be put upon builders, feels they had been singled out.

Comment from another spec home builder: Cliff Rose is \$8,300, Yavapai Hills \$13,000; in DV paved street lot is \$9,000, add \$10,000 alternate septic system, price per square foot doesn't pencil out.

J. Heberer said comparing municipalities to our District, is like comparing apples to oranges, we don't have tax revenue like municipalities; not realistic to ask those living here to pay more, when builders are in the business to make a profit.

Cindy Lee Davies works in real estate, talked about perception of Diamond Valley, knows the system needs to be fixed. Affordable housing is hard to find, growth is inevitable; look at it as a whole, not single out one entity.

J. Heberer said we weren't singling out, based on advice of CPA, attorney, and Manager, it was a reasonable way to generate a small amount of income, collected only \$27,000 in fees past year. Verified with District attorney, *everything done legally*.

K. Womack could not find where the \$5,800 fee came from, needed to verify. J. Heberer clarified the Rate was part of the Budget discussions, the Hookup Fee was another issue discussion later.

Question was asked if we wanted the income from a lower hookup fee, or none with higher fee. Discussion about costs of homes in Diamond Valley, Jean asked what the percentage of the selling price of a home is for the hookup fee, no answer given. Range of \$90 to \$140 per square foot is current market cost. J. Heberer asked the Board for comments.

K. Womack asked what they would ask for the fee; Jodi was okay with paying the higher water rates for the System Replacement, did not understand why the rate was lowered, J. Heberer explained the rate was raised to pay for the System Replacement loan, but since it was derailed, the Rate was lowered. Jodi Savage stated that the five people at that [Rate Hearing] meeting, one person voted no, four that voted yes [M4.06.2015(RH7.00pm), Special Session - item 3.1, [Chair D. Mason](#), [G. Mason](#), [B. Hunt](#) YES, [J. Heberer](#) ABSTAIN, [K. Womack](#) NO], one of them being the president that's not here, that you all voted in [M4.06.2015(RH7.00pm), item 3], and he attended only one meeting [M4.27.2015(R7.00pm), item 4 - vote on positions], that in the DV By-Laws you are required to attend two meetings [Secretary note: not in the By-Laws, but only on DVWD website as document - BECOMING A DVWD BOARD MEMBER PREREQUISITES FOR APPOINTMENT]. J. Heberer asked if Jodi *did she have any legal points to make*, Jodi said "we are". Jean asked if they would be willing to pay for the District attorney; Jodi replied "yes it's in the By-Laws."

J. Heberer halted further discussion with the Public, *after informing Jodi that she was way off topic and talking in circles*, then asked if any motions requested to be made; no, discussion closed.

[item 4] Jodi stated she would like to hear the Chairman's point of view; Jean read a statement from Chair Cracknell: "Please let the record state, that in the opinion of the Chairman of the Board, the following proceedings of agenda item 1, are a total waste of time, and resources." J. Heberer stated that we had discussed this numerous times with Jodi during Call To The Public, Jodi complained that this was the first time it was put on the Agenda after making 3 requests.

## **2. WADE FURNITURE FENCE ENCROACHMENT ONTO DISTRICT FACILITIES**

Tabled due to D. Cracknell's absence.

## **3. PARTS INVENTORY LIST**

Don Bohler provided a list of commonly used parts, for example: 9 - sets of meter boxes, 30 - meters, mostly 1" fittings, 3 - 3" x 1" saddles, 3 - 4" x 1" saddles, 1 - 6" x 1" saddle, 2 - 4" hyrax repair couplings, 2 - 4" repair clamps, 3/4" aqua pex tubing. J. Heberer asked what is value, Don said \$5,000 - \$7,000. K. Womack asked if there is an inventory list, to check off when parts are used, at the storage; yes.

## **4. FUTURE AGENDA ITEMS**

Develop Easement letter. Kurt asked why we should have another Special Session, can it wait until Regular Meeting. Hookup fee was asked about again, J. Heberer stated it was dead, won't be changed, did everything within legal boundaries [[Suspend the Rules, back to item 1](#)] Jean read Chair's statement. Jodi asked where to get applications for the Board; Jean responded you don't, have to run an election.

## **ADJOURNMENT**

**Meeting adjourned at 7:37 PM**

**NOTE:** [[M00.00.2015](#)] Indicates reference to Minutes from previous meetings. *Revisions in italics.*  
[[aa](#)] Robert's Rules Of Order.

Meeting Minutes prepared by Kurt Womack, Clerk/Secretary and made available on 02-23-16.

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:** \_\_FEB. 22, 2016\_\_ by D. Cracknell, B. Hunt, J. Heberer, K. Womack.