APPROVED
By board 9-23-25

HAVASU HEIGHTS DOMESTIC WATER IMPROVEMENT DISTRICT
PUBLIC SESSION MINUTES

August 19, 2025

PUBLIC MEETING

1. **Call to Order.**
   Chairperson, Mark Schroeder called the PUBLIC MEETING to order at 6:00 p.m. on August 19, 2025

2. **Roll Call.**
   Present were Mark Schroeder, Chairperson via phone; Lucetta Richard, Board Member; Bill Fisher, Board Member Via Zoom; Melinda Crawford, Board Member;

3. **Pledge of Allegiance.**

4. **Call to the Public**
   No Comment

5. **A. System Operator's Report.**
   Operator Don Shed reported telemetric system went down before vacation, it was a power surge and battery being weak. Changed out battery at tank. System went down again, called (Arthur's Sales & Service) to come look at it. One Blue Stake. Surge protector at office went out and had to be replace it. Bill, Board Member asked about the purchase of air valves. Well 1 loss the air valve. Ordered 3. One for each well.
   Operator Jamie Wilson reported filled in for Don while he was on vacation. Got sent to lot 155 for no water pressure. Hose running in back yard. No locates this month.

   B. Administrative Manager Report.
   Jacqueline Moore Manager reported. Sent information on the investment account to look at. Have not heard back from lawyer on the investment policy. Will reach out to him. Bac-T came back clear. Meeting with WIFA board for loan at 9:00am, Bill and Lucetta, Board Members will join. Lot 22 wanted us to turn water on for inspector. Don and I went talk to inspector, turned on for a brief moment for them to check water pressure. Good leak under house. Closing escrow on August 29 and we should get paid. Business as usual.

6. **Consent Agenda Items:**
Melinda Crawford made a motion to approve item A-D, Bill Fisher second the motion. Motion carried unanimously.

7. **Regular Agenda Items.**

A. Discussion and possible action re: Increasing amount of W.I.F.A. loan to help pay additional storage tank and possible new line for all pay additional storage tank and possible new line for all three "3" wells to pump directly to storage tank The board discussed a loan for water infrastructure improvements, with Bill, Board Member explaining that while the committee had approved the project, board approval was still needed. The board clarified that while the board's vote would be important, the loan was contingent on demonstrating the ability to pay back the loan through rate increases, which needed to be formalized through a resolution. The board also discussed the timeline for implementing rate increases, with Bill, Board Member noting that while they could use property tax revenue for operational expenses, they couldn't use it to pay the loan, and would need to show a clear 3-year plan to WIFA. Jacqueline to reach out to Scott & Evan from WIFA to clarify exactly what they need in their resolution. Jacqueline, Manager forwarded the board members the information on WIFA board meeting tomorrow at 9am, in case they wanted to attend.

B. Discussion and possible action re: Financial Review for HHDWID Gene Newman, CPA summarized detailed overview of the financial highlights, including net assets, long-term debt, and operating expenses. The group discussed the budget for the year, which included a 5% cost of living increase and reserves for capital repairs. They also reviewed the notes to the financial statements, covering topics such as fund structures, accounting principles, and fixed assets. The financial statements, noting that there was no material modifications needed and total assets decreased by $31,018. The operating income increased by $21,357, and the cash balance increased by $15,489. The conversation ended with Lucetta Richard, made a motion to approve HHDWID Financial Review, Melinda Crawford, second the motion. Motion carried unanimously.

C. Discussion and possible action re: Rates and fees The board discussed financing options for a new water tank, with Bill, Board Member estimating annual loan payments of around $75,000 yearly. They talked about increase in property taxes by $300 per lot over three years to cover operational expenses, while using water usage fees to pay the loan. The board decided to draft a formal proposal for WIFA and put it on next month's agenda, with Bill, Board Member taking the action item to write up detailed resolution to present to WIFA.

D. Discussion and possible action re: Investment Account The board discussed their investment strategy and financial performance. They decided not to use the investment advice of a previous consultant due to poor returns and HHDWID restrictions. Bill, Board member reported that their interest-bearing accounts are now generating more income, with $1,059.36 in interest for July. The Board agreed they should do something with the $150,000 that is currently sitting in an investment account. They also noted that they need to determine which investment options are available to them. The board discussed investing $150,000 in a CD, with Bill, Board member proposing a 4-month CD at or above 4% interest rate. Board request that Jacqueline contact PNC bank to set up the CD. The board agreed this approach would allow time to work out longer-term investment strategies while earning minimal interest in the meantime. Bill Fisher made a motion to move the $150,000 to a 4-month CD with 4% or more interest rate. Mark Schroeder second the motion. Motion carried unanimously.

E. Discussion and possible action re: Lot 125 Impact 928 (Foster Care Home) Todd, Public discussed concerns about a proposed foster care home on Lot 125, which would require a 2.5-inch water line with 55 fixtures, including a 20x40 greenhouse. Can the district support a 2-inch line or larger which could be required. The board decided to wait for the project to be presented to them before making any decisions, Don, Operator stated that the maximum line size they can support is 1 inch.

F. **Discussion and possible action re: Resignation of Board Member, Jimmy Wilson** Jimmy Wilson sent Mark Schroeder, Chairperson an email last week and his resignation. Lucetta Richard, made a motion to accept Jimmy Wilson resignation and thanked him for his service. Mark Schroeder second the motion. Motion carried unanimously. Jacqueline, manager stated she would post a notice of vacancy. Board agreed with posting on the website and bulletin boards for 2 weeks starting 08/20/2025.

8. **Announcements.**

A. Future Meeting Date
The next **Board Meeting** will be **Tuesday, September 23, 2025** at 6:00 p.m.

B. Future Board Agenda Items

9. **Adjournment.**
Lucetta Richard made a motion to adjourn at 7:40 p.m. Melinda Crawford seconded the motion. Motion carried unanimously.

Jacqueline Moore
Administrative Service Manager

Lucetta Richard
Acknowledged…Chairperson or Clerk

9-23-2025
Date