APPROVED
by board Dec 16, 2025

HAVASU HEIGHTS DOMESTIC WATER IMPROVEMENT DISTRICT
PUBLIC SESSION MINUTES

November 18, 2025

PUBLIC MEETING

1. **Call to Order.**
Chairperson, Mark Schroeder called the PUBLIC MEETING to order at 6:00 p.m. on November 18, 2025

2. **Roll Call.**
Present were Mark Schroeder, Chairperson; Lucetta Richard, Clerk; Bill Fisher, Board Member Michele Hannah, Board Member.

3. **Pledge of Allegiance.**

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

5. **A. System Operator's Report.**
Operator Don Shed reported Did some Bluestakes. Well 1 didn't start up on November 4th. Had to start manually. On the November 5 meet with the electrician and had them add surge protections. No issues since. Meet up with MAP tester. Doesn't do his job correctly. No cleaning and didn't run water long enough. Repaired chlorine station on well 1. We have a lot of blue tape showing due to the storm. Will need to order new 3" meters for the wells. Well 3 is starting to stick. About $4,200 for all 3.
Operator Jamie Wilson reported, Did some bluestakes. Got the lists to start working on our annual/bi-annual fire hydrants, valves and air valve relief inspections, cleaning the airboxes out. Mainly where construction will be, get any bad ones replaced before construction starts.

B. Administrative Manager Report.
Jacqueline Moore Manager reported. Got our MAP testing done on November 5 (Used for the CCRs) We did get a exceeds Trigger limit on Nitrate. .01 above, not above EPA standards. It did happen in 2020. But I don't show a retest for it. We will have to wait to see if AQEQ will request a retest or not. Don, Operator stated he did not clean or run water long enough. The bank is holding off on making changes until we get the new board member so they don't have to keep submitting

B. Administrative Manager Report, cont
changes. Terminated Lot 138 for non-pay. The Electric company changed our due date from end of the month to the middle of the month. So, we will need to make another payment in November so we are not late. I called Unisource and asked if they could change it back and they said no. We haven't gotten late fees. Got Bac-T back today. It's clear. FYI Got an email from Britt Wolfe from Apex West Investments for DL Ranch and they are looking at selling their water and sewer utilities to Nexus Water Group. And if we wanted any information on it. Ignore it.

6. Consent Agenda Items:
After a few questions. Lucetta Richard made a motion to approve item A-D, Michele Hannah second the motion. Motion carried unanimously.

7. Regular Agenda Items.

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. (Letter to lot 24 & 25 piping through easement) Jacqueline, manager asked if we wanted to send letters to lot 24 & lot 25 to let them know we or wait until construction starts? Mark, chairperson stated we can send them out now. Talked to the lawyer today with Drew from Pat Berns, and Lucetta, Clerk. Drew and Steve (Lawyer) both agreed on the changes to be made. The lawyer will be making the changes and send it out to us by Thursday. Some question came up regarding how fast it takes to get funds, if we need to have board approve invoices etc. Morgan from WIFA stated it takes around 10-14 days from request to payment received as long as it's direct deposit. Invoices are sent to WIFA via online and payment is disbursed, no board approval or motion needed for paying invoices, asked accounting angels if we needed a new code for this project, she said we can use the same code from the Engineering. Board agreed that we should have a separate code, due to M3 may bill us if something pops up. Jacqueline, manager reported that we do not need to have a separate bank account for this. Currently working with M3 to get the Approval to Construct resubmitted due to it expiring. Because they have a new system, M3 has to resubmit all the paperwork. We had to setup a MyDEQ account for HHWD. Waiting for approval from ADEQ. Then I can add M3 as a submitter to upload documents. We will be getting a quote from them on this work and a quote if they need to come out for any reason. Jacqueline, asked for the ACH if we want CTX or CCD+ format. Basically, CTX give more information and is for multiple invoicing. Board agreed on CTX. Jacqueline presented Resolution 11-18-2025 (Execution and delivery of the

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. (Letter to lot 24 & 25 piping through easement) cont.** loan.) Lucetta Richard made a motion to adopt resolution 11-18-2025. Michele Hannah second the motion. Motion carried unanimously. Drew (pat Berns Construction) questioned the type of piping M3 used HDPE instead of C900. I believe this was mentioned before. We want to make sure we go with C900. This will need to be as built to be updated. Michele, board member asked about the $44k in taxes? After much discussion if we go through a prime contractor for the services and material, we have to pay taxes. Bill, board member stated there could be a work around, if we purchased the material. However, it put the liability on us. We will be paying the $44k in taxes. Jacqueline, manager stated it seem like the TPT Tax exempt only works on certain materials. (4" or larger Pipes). Michele, board member asked about the $220K in Davis-Bacon, BABA and Bonded? Jacqueline, manager responded no, we are not required to pay Davis-Bacon wages or use BABA on this loan. Regarding the bond I think they were asking if we wanted to remove to save money. We need to have it bonded. (basically insurance) The lawyer went over the limits of liability with Drew (Pat Berns Construction). Please note we will have to pay the $63,057 upfront to start. After much discussion on using reserves and using loan funds, this will continue throughout the project. Michele, board member asked any ideal on timing when this project will start. Jacqueline, manager reported it all depends on fast closing documents get done, ADEQ approval for construct.

B. **Discussion and possible action re: Financial Investment Policy. (Sub-committee)** Lucetta Richard, board member recommends that Michele and Bill be the sub-committee. Jacqueline manager stated the lawyer really liked the Financial Investment Policy. Lucetta Richard, clerk made a motion to accept the Financial Investment Policy with Michele and Bill as a sub-committee. Mark Schroeder, chairperson second the motion. Motion carried unanimously.

C. **Discussion and possible action re: Resignation of Board Member, Melinda Crawford.** Mark Scroeder, chairperson made a motion to accept her resignation. Lucetta Richard, second the motion. Motion carried unanimously. Jacqueline, manager to post vacancy for 2 weeks on bulletin boards and website.

8. Announcements.

A. Future Meeting Date
The next **Board Meeting** will be **Tuesday, December 16, 2025** at 6:00 p.m.

B. Future Board Agenda Items
CD mature date January 2026

9. Adjournment.
Lucetta Richard made a motion to adjourn at 6:52 p.m. Mark Schroeder seconded the motion. Motion carried unanimously.

Jacqueline Moore
Administrative Service Manager

Lucetta Richard
Acknowledged…Chairperson or Clerk

12-16-2025
Date