HAVASU HEIGHTS DOMESTIC WATER IMPROVEMENT DISTRICT
PUBLIC SESSION MINUTES

October 15, 2024

PUBLIC MEETING

1. **Call to Order.**
Chairperson, Mark Schroeder called the PUBLIC MEETING to order at 6:00 p.m. on October 15, 2024

2. **Roll Call.**
Present were Mark Schroeder, Chairperson Jimmy Wilson, Clerk; Lucetta Richard, Board Member, Bill Stellhorn, Board Member; Melinda Crawford, Board Member.

3. **Pledge of Allegiance.**

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

5. **A. System Operator's Report.**

Jaime Wilson, Operator stated blue stakes have slow down. Only did a couple locates. The people (new development) I don't think there with Apex whatever they're really worried about our well down and for some reason I saw him down there again yesterday Mark asked doing what? Jamie responded surveying; bids are out paving Jaime asked Jacqueline if they came up here to talk to you? cause they were supposed to cause I don't have all information. There putting in curb and sidewalk all through here. They know are water lines going that way. Can't tell them when we're starting that. Jimmy Wilson stated should be in the easement. Jamie stated won't be much time down with it, it's almost cut down were sidewalk & curb will go. they're also digging up where the storm drains over there. Mark Schroeder stated their putting in curb and gutter? Jamie responded yeah. Lucetta Richard asked inside the development? (E Havasu Heights Blvd) Jaime responded yes.
Don Shed, Operator Been playing with the CL2 trying to get it back to normal. Having a hell of a time again. Heat then cold, heat then cold. Installing Low E Lighting on all 3 wells, to avoid getting bite by a rattlesnake. Guys over there (New development) I've been watching them and they're well won't support the

System Operator's Report cont...
water truck during the day when they're trying to do their digging, you see the big dust cloud over there. They can fill up in the morning but it takes about two hours to fill up the 2nd time so their well not supporting anything. They put in an extra tank; it's not working out for them. It's a dog and pony show over there. Mark Schroeder stated obviously they fooled someone to get the ok. To get the green light on the project. Don sated you can get the ok. Just need to meet those demands and there not going to meet those demands. Mark Schroeder stated it remains to be seen once they put in their whole system. Lucetta Richard asked about the Low E lights? Don responded outside lights only cost about 95 cents a year. Just over the meters so I can see. Don Stated meeting with the people on Friday (October 18) Well Depth Test. (Static Water Test) Annual Test every October/November. Mark Schroeder stated it's likely to be lower no rain this summer. Don Stated it doesn't matter if it rains here, rain in the mountains were good.

B. Administrative Manager Report.
Jacqueline Moore reported. PFAS testing came back clear that's the plastics testing that ADEQ does for us. The Bac-T came back clear, got that back today. The Lead and Copper inventory was submitted to the state on October 7. The deadline was October 16. The vacuum cleaner was repaired and cleaned it cost us a whole six dollars for a new belt. The answer to the questions of the CC payments yes it does do point of sale and it also does auto pay, the fees have gone down from $2.95 to $1.95 for each check and $1.95 minimum for credit card or 3.5% whichever is more so that the answers to the questions I think you asked about the point of sell, Kevin. So, if we went with that it is available. Check with Farm Bureau to see if they can get us a better deal with our insurance, their underwriter absolutely said no they said they could try to take it to brokerage which would be the same brokerage that we have now so I'm going to keep trying and see if I can find somebody to see if they can get a better deal. Got quotes for Cyber Security 500K option it's $1,140 for $1 million it's $1,320 and for a 2 million it's $1,770 to do Cyber security yeah, it's not cheap apparently. Lucetta Richard asked is this for online security. Bill Fisher asked to protect assets, system pumps, stuff like that? Jacqueline Stated Protection for credit cards but that's also going to be through a cloud base through El Dorado if we went that route so I don't know if they have, probably have security set up, I don't know but those were the quote from NPF who we have our insurance through they no longer carry cyber security. We had it before with them but they no longer carry it and when I called Farm Bureau and asked them about it, it was something they covered and they said it's no longer part of their packages anymore it's a separate policy. Mark Schroeder stated to be clear it was part of the package before.

Administrative Manager Report. cont... Jacqueline responded yes. For some reason this year the insurances have dropped it and now it's an additional. You have to get it somewhere else. Melinda Crawford responded it has nothing to do with our request for auto pay. Bill Fisher you're not really paying for any security, it's insurance in case you get hacked. The million dollars is just how much they would pay out. Fines for us. Lucetta Richard asked why don't we just put a VPN in? A private network. And do a backup that way. Jacqueline stated I do believe we get some sort of security with Vertical IT. We pay them $83 a month. I can check with them and check. Lucetta Richard asked what is our data we are concern that someone would hack? Jacqueline responded I don't know if we are, we were just checking into it since it no longer carried it. So, you guys asked me to get a quote, so I did. Wirefree is available out here. Wes talked to him and he said he can give us a better deal. Then what we are paying with Frontier. Once the year contract is up, we can change. Wes, Public stated Wirefree is running fiber out here. Mark Schroeder stated we would lose the phone. Jacqueline responded he has phone. VOIP. We just signed a one-year contact with them. Lucetta Richard asked what the cost is $211a month. Mark Schroeder stated look at the contract and see what the early cancellation is. Assessment semi-annual bills were mailed out Saturday. Just a reminder the office will be closed October 21 – October 25. It's posted on the bulletin board, website and in office.

6. **Consent Agenda Items:**
Lucetta Ricard made a motion to approve item A-D, Jimmy Wilson, second the motion. Motion carried.

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.** Jacqueline Reported after talking to Channing with WIFA we do not qualify for that loan that we were applying for. We would have to have $80K more in revenue. They have a new loan that we could possibly qualify for but it's only for new construction so their suggestion to us was to keep the loan that we currently have to cover the renovation on the old tank and that we applied for this new loan. Got everything pretty much done, just need one paper signed by Mark and I got that tonight. Will get that sent over to them. They're saying with this loan we could get more forgiveness and also lower interest rates. This loan was just recently available. Needs to be submitted to them by February 5 which I

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. cont…** should have that to them hopefully soon and then the March 19 is the WSD committee meeting which is what the loan we're doing. WIFA part of it meets April 16. Unfortunately, it's going to take a while. Lucetta Richard no way to get it in sooner? Jaqueline responded No they meet quarterly. Bill Stellhorn asked if we have an estimate on what the payment would be? Jacqueline responded no. It depends on how much forgiveness. Bill stated we have been working on this for 3 years. Suddenly in one day you don't qualify. Jaqueline responded We're a very small company and we can't make the money like a big company. Lucetta Richard asked on this new application we have to increases and show another $80K. Jacqueline responded No. They did not say anything about that. Bill Fisher asked how they figure the forgiveness part. Jacqueline responded it's on a point system so once I turn in the application then it goes through this point system and then they determine how much money they're going to give us in forgiveness. Mark Schroeder stated the good thing is WIFA turned us on to them, so they're still willing to work with us. The next good thing is this is a new financial entity and we would be getting it at the ground floor. The only other thing I can think of that would be positive is that the point system because we are small company and WIFA is vying for us and referring us to this other loan place that they're in support of us getting this and then hopefully that they will buy for us and they will see that were small so however they add up their points with zero means you get full forgiveness or you got 100 points cause you don't have enough money and you get full forgiveness we should fall in a really good bracket of a substantial amount of forgiveness one with being that we are such a small company. Jacqueline stated with the original loan they were going to give us $590,000 forgiveness. I'm hoping with this one it will be more. I contact Pat Burns and explain to them what was going on.

B. **Discussion and possible action re: Approval of HHDWID Financial review report for the year ending June 30, 2024 by Gene Newman, CPA. Gene went over the financial review in** detail. Lucetta Richard made a motion to approve the HHDWID Financial review report for the year ending June 30, 2024 as presented by Gene Newman, Jimmy Wilson second the motion. Motion carried unanimously.

C. Discussion and possible action re: Rates & Fees increase
Jacqueline supplied a spreadsheet of increases since 2021. After much discussion on increasing the rates and fees and the reasoning for it. The agenda item is being tabled to next month meeting with homework for the Board members on the best ways to go about it. (Service Charge Rate fee, usage fee or the Tax rate fee.)

8. Announcements.

A. Future Meeting Date
The next **Board Meeting** will be **Tuesday, November 19, 2024** at 6:00 p.m.
B. Future Board Agenda Items
Rates and Fees Continue

9. Adjournment.
Lucetta Richard made a motion to adjourn at 7:27 p.m. Melinda Crawford seconded the motion. Motion carried unanimously.

Jacqueline Moore
Administrative Service Manager

Jimmy Gibbs
Acknowledged…Chairperson or Clerk

11-19-2024
Date