

Doney Park Water
"A Member-Owned Cooperative"
(Administrative Session)
Minutes
March 31, 2010

Directors Present: Bob Lupo
Jim Timney
Larry Davis
Del Porter
Ed Peacock
Richard Downey

Directors Absent: Selden Wasson

Also Present: Bill Linville – General Manager
Tori Stevens - Staff

Members Present: Dale Cowan
Charles Griffin
Bo Fleming

The Board of Directors held their regularly scheduled meeting (**Administrative Session**) at the Doney Park Water office at 5290 E Northgate Loop, Flagstaff AZ. Executive Director Bob Lupo called the meeting to order at 5:00 p.m.

The first agenda item was the **approval of the February 2010 Board Meeting Minutes**. Director Lupo reviewed the minutes with the Board, and Director Timney made a motion to approve the February Board Minutes. Director Peacock seconded the motion, all were in favor, and the motion to approve was passed.

Next on the agenda was **communication from members**.

First to speak was **Mr. Dale Cowan**. He confirmed his receipt of the letter stating his two options for resolution to the issue as decided in the January Board Meeting. He wished to talk about the issue at hand which is that the meter that serves his property is located on a neighboring parcel owned by Mr. Lynn Mickelson, a current Doney Park Water member, and it also serves that parcel.

Mr. Cowan began by stating that at the development of this property in 1968 his neighbor was Gene Slayton and together they put in a water line and a meter that was paid for by Mr. Cowan. He further explained that there was extreme difficulty getting a reasonable depth for the line because of the limestone shelf. After dealing with that issue they decided to share the water and run a line to extend the service from the meter on Mr. Slayton's property to Mr. Cowan's residence. He explained that for a long time this was fine as far as the water company was concerned and he didn't have any problems until 1986 when he received a letter from the water company stating that they were switching to a computerized system and they could no longer split the bill for them. It further stated that since the water meter was on Mr. Slayton's property they would bill Mr. Slayton and they could work out the billing between themselves as to how it was paid.

Mr. Cowan continued by saying that everything was fine with this arrangement until 2003 when he was notified that he was not in compliance. He attended a Board Meeting at that time where he stated his case including agreements for splitting the water bill and providing receipts for the water meter he paid for. He was advised that the Board would talk it over and get back to him. He claims they never did get back to him.

Then in 2010 He received a letter from Mr. Rek Guthrey explaining two options for bringing the issue into compliance. Mr. Cowan stated that Mr. Mickelson is agreeable to working out whatever needs to be done to fix this for Mr. Cowan. Mr. Bill Linville explained that some work was done by Mr. Mickelson to combine two parcels, and asked whether he had inquired about getting a flag lot, or purchasing a small portion of land from Mr. Mickelson. Mr. Cowan stated that he had asked the County about that and that it would require a variance from the County that would cost him a non-refundable fee of \$800.00. He said there would still be the issue of the rock shelf as shallow as 19 inches. Mr. Linville inquired as to whether Mr. Cowan had ingress egress easements and Mr. Cowan confirmed that he does.

Mr. Cowan proposed that he excavate along the existing line and easement and put in a second line next to the first one and another meter.

Mr. Linville explained that this proposal wouldn't solve the issue which is that the ACC ruled that there must be one meter serving one property and that the meter must be on the property served by that meter. He explained that we would have to extend the mainline to Mr. Cowan's property and put a meter there.

Director Timney asked Mr. Cowan if he could get an agreement from his neighbor to extend the mainline across his property to Mr. Cowan's property. Mr. Cowan was reluctant to speak for Mr. Mickelson. Mr. Linville suggested they table the issue and come up with an agreeable solution and get back with Mr. Cowan with the least costly option for him when they have some more information. Mr. Cowan was agreeable to that, thanked them for their time and left.

Next to speak was **Mr. Charles Griffin** and his wife Ann regarding a 2nd Development Fee. Mr. Griffin began by stating that in December he received a letter from DPW stating that he owed a \$2,000.00 development fee for a commercial property. The words "commercial property" caused them concern because they do not use the property for anything other than residential purposes. Their daughter lives in the second dwelling while she is going to school, nothing more. Mr. Linville explained that they call it "commercial" because of the wording in the tariff, but that it applied to anything that is not deemed one single residence. Mr. Griffin then explained that he could show documentation showing that the additional dwelling was completed and inspected by the county in February 1994. Mr. Linville explained that if that was the case then he would only owe \$1,000.00 for the development fee. Mr. Griffin then requested that we waive the \$1,000.00 fee and not hold them responsible for a previous owner's obligation. Mr. Linville then referred to our tariffs which state that if the previous owner has not paid the second development fee then the current owner is responsible. Director Lupo elaborated on the legal issue of the second dwellings and explained that we have to comply with ACC's ruling. Mr. Griffin asked for a payment arrangement and was informed he can call the office and the office staff can help him with that.

The next to speak was **Mr. Bo Fleming** regarding the 2nd development fee for Daybreak Behavioral Resources. He explained that he does not use the structure for a residence that it does have a bathroom that they use for employees but that this has been converted to a

garage and is being used as office space only. It is not insulated and still has the garage door. There was an open discussion about what constitutes a second dwelling and it was agreed that we would give Mr. Fleming some time to remove anything necessary and then he would call us to do a follow-up inspection. If it is determined at that time to our satisfaction that it is indeed a garage or office then we will be able to remove the 2nd development fee.

The next agenda item was to **Review the 2010 Annual Board Meeting Information.**

- The Board approved the **Nominating Committee of Matt Lee, Peggy McClure, and Cindy Woods-Wilson.** Director Timney motioned to approve them, Director Davis seconded all were in favor and the motion was passed.
- The Board **set the date** by which the Nominating Committee must submit candidate names. Director Peacock moved that the date be set as **May 7th**. Director Downey seconded the motion, all were in favor and the motion was passed.
- The Board **set the Record Date.** Del Porter moved that the date be set as **April 20th**. Director Timney seconded, all were in favor and the motion passed.
- Director Timney Motioned, Director Davis seconded, all were in favor and the motion was passed to **Direct the Staff to Prepare:**
 - Notice of Meeting
 - Tentative Agenda for Meeting
 - Newsletter
 - Alphabetical Member List as of Record Date
 - Form of Ballot/Proxy

The Next Item on the agenda was Reports. Director Lupo read the reports aloud; there was open discussion for each. Director Downey moved to approve the reports, Director Timney seconded, all were in favor and the motion to approve was passed.

The final agenda item was **approval of the February 2010 Financials.** The Board reviewed the information on the check register and financial statements. Director Porter made a motion to approve the financials and check register, Director Peacock seconded the motion, all were in favor, and the motion to approve was passed.

The Board then discussed the rate increase and debated Flat Rate or Tiered Rate billing. Director Lupo mentioned that we should bring it up to our members at the Annual Meeting. Director Porter made the motion to bring it up to the members, Director Timney seconded, all were in favor and the motion passed.

Next Mr. Randy James introduced himself and described his history and qualifications. He mentioned that he is not actively pursuing an appointment to the Board but would like to throw his name in the hat as an alternate and offer his services should the need arise.

Director Porter made a motion to adjourn, Director Davis seconded the motion, all were in favor, and the motion was passed. The meeting adjourned at 7:10 p.m.

Secretary

Date