

SUNBURST FARMS IRRIGATION DISTRICT  
Regular Board of Directors Meeting  
Sunburst Elementary School Library  
14218 N. 47<sup>th</sup> Avenue  
Glendale, AZ 85306

June 3, 2014

MEMBERS PRESENT: Kay Lorenzen, President  
Victor Armendariz, Secretary  
Brett Harrison, Member

EMPLOYEES PRESENT: Brenda Brown  
Richard Mitten

OTHERS PRESENT: (See attached sign-in list)

1. CALL TO ORDER: The meeting was called to order by Kay Lorenzen, President, at 7:12 P.M.

President Kay Lorenzen stated that the following guidelines shall be in place for this meeting. Homeowners will have three (3) minutes to address the Board in the Call to the Public. Input from the public on agenda items should be provided during Call to the Public. Homeowners must be recognized by the Presiding Officer to speak. Only one (1) person may speak at a time. Homeowners will address the Board, not each other, once recognized by the Presiding Officer. The Board may not discuss irrigation issues with each other outside of Open Meetings; noticed meetings are the only time business issues may be discussed. It is the Board's time to discuss issues. Time permitting, the Board may allow input from the public during the meeting. Homeowners may speak only one time per issue.

2. CALL TO THE PUBLIC:

1. Homeowner Les Hatfield thanked the Board of Directors for their efforts for the work in his bridle path. Les stated that the Board needs to take another look at the bridle path because the problem is still there. Les requested to have this issue on the next agenda
2. Homeowner Rob Meyers gave a presentation regarding the elevation of his bridle path and asked the Board to have the issue on the next agenda. Rob provided handouts to the Board Members
3. Homeowner Walt Michels stated his concerns regarding the \$184,000 journal entry. Walt also requested to have the journal entry that was suggested by Seely & Mullins in Fiscal Year 2011-2012 review back on the agenda. Walt felt that this should have not been tabled indefinitely because in his opinion, it has not been resolved

4. Homeowner Don Repp requested Secretary Victor Armendariz's resignation
5. Homeowner Larry Hudson reported that the information that he put together regarding the driver safety and vehicle life should be added to the employee handbook. Larry stated his concerns regarding accountability, consequences and being more proactive regarding the vehicles and the bridle path cleanup. Larry also stated his concerns regarding the journal entry in the amount of \$184,000 and questioned if money should be refunded
6. Homeowner Tim Johnson stated his opinion regarding motions that are currently being made by the Board of Directors. Tim also stated that he would like for the agenda to go out two (2) weeks in advance.

### 3. APPROVAL OF MINUTES:

**MOTION** Member Brett Harrison *made a motion to approve the Regular Board of Directors Meeting of May 6, 2014 and the Budget Committee Meeting of May 21, 2014.* Secretary Victor Armendariz seconded the motion. **Motion Passed**, unanimously.

**MOTION** Secretary Victor Armendariz *made a follow up motion to approve the Regular Board of Directors Meeting of May 6, 2014 and we reverse the decision to approve the Budget Committee Meeting of May 21, 2014.* Member Brett Harrison seconded the motion. **Motion Passed**, unanimously.

President Kay Lorenzen tabled the Regular Board of Directors Meeting of April 1, 2014 and the Budget Committee Meeting of May 21, 2014.

### 4. REPORTS:

#### A. Financial Report:

Accountant Cathy Hacker stated that the objective of these reports is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the reports. The intended purpose of these reports is for management discussion and review. See Attachment

#### 1. Tax Exempt Information:

Tabled

#### 2. Discuss Fiscal Year 2012-2013 review

President Kay Lorenzen stated her concerns regarding the Capital Expenditure Fee in the amount of \$2.50 and it's stated in the review assessment, capital assessment and capital contributions. See below

Page 6 under Revenue Source – Assessment \$24,840

Page 9 under Non-Operating Revenue – Capital Assessments \$24,840

Page 10 under Cash Flows from Capital and Related – Capital Contributions \$24,480

President Kay Lorenzen requested Cathy Hacker to contact Mary Hanss to get a clarification. Kay also brought up an item on page 9 under operating expenses – bad debt expense \$17,904 and is requesting for it to be called something other than bad debt. Kay also stated that the district operated under accrual and cash basis and it should be noted on page 13 first paragraph. Kay also requested clarification regarding that the district's major proprietary fund is the enterprise fund. Kay also reported that the federal depository insurance covers up to \$250,000 per account and that if we exceed that amount we are not covered. If necessary we can deposit into a different account or open a new account.

3. Approval of financial report:

**MOTION** Secretary Victor Armendariz *made a motion to approve April 30, 2014 Financial Statements*. Member Brett Harrison seconded the motion. **Motion Passed**, unanimously.

**B. Summary of Current Events:**

President Kay Lorenzen stated that Richard did not have an opportunity to do a report therefore she will be reporting items that he would have. Fifteen (15) repairs were completed; this leave twenty three (23) repairs remaining. The district hired two (2) maintenance employees. The office is sending out over 20 letters per week in regards to bridle path cleanup, low berms and or gopher holes. Kay also stated that the board members received the RFP information from the attorney and it will be addressed at the next regular board of director meeting.

Secretary Victor Armendariz stated after reviewing the RFP the scope of work is where the district fills in the information.

Member Brett Harrison stated that he has the scheduler pulling durations from the database and now he's working on the one time change request. Discussion ensued regarding the fillable forms that are available on the district's website.

**C. Irrigation Manager Report:**

No report

**D. Custodian of Records Report:**

Custodian of Records Brenda Brown reported on completed/outstanding and fees collected.

1. Ongoing request dated July 19, 2013 from homeowner Randy Videen, requesting the following information:

a. Electronic Agenda of the Regular Board of Directors Meeting of May 6, 2014 in native format with metadata

- District responded on June 03, 2014
- Approved for copying of the public record in its original form
- Fee –?

2. Ongoing request dated July 19, 2013 from homeowner Randy Videen, requesting the following information:

a. Electronic Minutes of the Regular Board of Directors Meeting of May 6, 2014 in native format with metadata

- District responded on June 03, 2014
- Approved for copying of the public record in its original form
- Fee –?

3. Ongoing request dated July 19, 2013 from homeowner Randy Videen, requesting the following information:

a. Electronic Agenda of the Budget Meeting of May 21, 2014 in native format with metadata

- District responded on June 03, 2014
- Approved for copying of the public record in its original form
- Fee –?

4. Ongoing request dated July 19, 2013 from homeowner Randy Videen, requesting the following information:

a. Electronic Minutes of the Budget Meeting of May 21, 2014 in native format with metadata

- District responded on June 03, 2014
- Approved for copying of the public record in its original form
- Fee –?

5. Two (2) outstanding public information requests from homeowner Ken Rice

- a. November and December 2013 emails from Secretary Victor Armendariz pertaining to district business
- b. Cell phone records of Secretary Victor Armendariz

5. OLD BUSINESS:

**A. Discuss Fiscal Year 2012-2013 Review:**

President Kay Lorenzen tabled this agenda item indefinitely

**B. Discuss and possible action to promote driver safety and vehicle life:**

Irrigation Manager Richard Mitten stated that many items on the list that was provided by Larry Hudson are already in the manual. There are a couple of things that we could do better on. Discussion ensued regarding the GPS and possibly changing the time intervals.

President Kay Lorenzen stated that a check list has been developed and is being used for drivers and is being turned in at the end of each shift and there are consequences if damages occur. Discussion ensued regarding that a committee should be formed and to go over suggestions and make some recommendations to the Board Members. President Kay Lorenzen appointed Larry Hudson as chairman, Brett Harrison and Richard Mitten as committee members.

**MOTION**

President Kay Lorenzen *made a motion to create a driver safety committee. Larry Hudson will be the chairman, Brett Harrison and Richard Mitten will be committee members.* Victor Armendariz seconded the motion. **Motion Passed**, unanimously.

**C. Discuss and possible action of the bridle path cleanup process and frequency:**

President Kay Lorenzen tabled this agenda item indefinitely

6. NEW BUSINESS:

**A. Discuss and possible action on Lot 519 Line 09 in regards to fence repair/replacement:**

President Kay Lorenzen tabled this agenda item until the next regular board meeting

**B. Discuss and possible action on results of APA meeting by Terry Urbine:**

President Kay Lorenzen tabled this agenda item indefinitely

**C. Discuss and possible action to move forward with litigation in regards to delinquent accounts:**

Discussion ensued between President Kay Lorenzen, Secretary Victor Armendariz, Member Brett Harrison and homeowner Peggy Schwend regarding the litigation procedures. The Board can obtain a judgment allowing a writ of garnishment against an individual's earnings or non-earnings (i.e. a bank account, etc.); garnish wages from his/her employment; a writ to general execution can be issued which is a command to the sheriff to go out and seize any personal property of the judgment debtor which he may find and which is non-exempt in order to satisfy the judgment; or foreclose upon the individual's real property.

**MOTION**

Secretary Victor Armendariz *made a motion to authorize Alan Wilson to proceed with collection on account #14907.* Member Brett Harrison seconded the motion. **Motion Passed**, unanimously.

**D. Discuss and possible action on accepting outside bids for repairing lines 6, 13 and 16 or looking at priorities for line replacements:**

Heavy discussion ensued between President Kay Lorenzen, Secretary Victor Armendariz, Member Brett Harrison and Irrigation Manager Richard Mitten regarding the condition of lines 6, 13 and 16. Richard stated that he's been trying to prioritize the lines but some are getting worse every time we irrigate.

President Kay Lorenzen tabled this agenda item until the next regular board meeting

**E. Discuss and possible action on approving ½ day vacation for Office Manager:**

**MOTION** President Kay Lorenzen *made a motion to approve ½ day vacation for Brenda Brown.* Member Brett Harrison seconded the motion. **Motion Passed**, unanimously.

**F. Discuss and possible action to accept Lot #255 proposal for payment schedule:**

Discussion ensued between President Kay Lorenzen, Secretary Victor Armendariz and Member Brett Harrison regarding the proposed payment plan and that all late fees and June and July's membership fees must be included in their last payment.

**MOTION** President Kay Lorenzen *made a motion to accept payment arrangements but we add in late fees and membership fees for June & July.* Secretary Victor Armendariz seconded the motion. **Motion Passed**, unanimously.

**G. Discuss and possible action on future agenda items:**

1. RFP Process
2. Lowering of the bridle path on line 7

7. ADJOURNMENT:

Without objection, meeting adjourned at 9:30 PM

Dated this 3<sup>rd</sup> day of June, 2014

Submitted by: Brenda Brown  
Office Manager

Minutes accepted on: July 1<sup>st</sup>, 2014 by Secretary \_\_\_\_\_.

**\*Note:** All attachments including correspondence in its entirety are filed with the original minutes and may be viewed at the District Office