

**UNOFFICIAL UNAPPROVED
MINUTES OF OPEN PUBLIC MEETING**

**BOARD OF DIRECTORS
DIAMOND VALLEY WATER DISTRICT OFFICE
(LEGAL SHIELD BUILDING)
1277 N. RHINESTONE, PRESCOTT, AZ**

7:00 PM

Monday, September 25, 2017

CALL to ORDER

Chair Dave Cracknell called the **Regular Meeting** to order at 7:02 pm.

ROLL CALL of BOARD MEMBERS P = PRESENT NP = NOT PRESENT

DAVE CRACKNELL (P) JO ANN HOLT (P) KURT WOMACK (P)

BARRY MCCOY (P) BILL HUNT (P)

Also present: Two Members of the Public, one guest. **Don Bohlier** for District Management.

Chair Cracknell requested a [Change of Order], item 8 moved to 2, then switch 3 and 4., agreed by consensus.

1. ADMINISTRATIVE HOUSEKEEPING

Chair Cracknell wanted to confirm, next meeting will be a Special Session, with an Executive Session with DVWD Attorney Kozak. Asked for B. McCoy to verify with Legal Shield date and time.

2. PRESENTATION BY STEPHEN CRANDALL

A) FY 2016-2017 Preliminary Year End Report.

Mr. Crandall passed out copies of Balance Sheet and Profit & Loss. Year end presentation as of June 30, 2017, will have annual review by independent accountant soon. Highlights:

Current Assets - Total Checking/Savings is \$692,740 as of June 30, 2017 (17), last year (16) was \$675,967. Crandall said we are doing well to have half a year's operation on hand.

No change to Total Fixed Assets, \$564,166.

Liabilities & Equity - Total is \$162,534, was \$108,738. No long term debt.

Ordinary Income/Expense - Water Revenues \$603,095, was \$560,774.

Hook-up Construction Fee - This year \$29,600, was \$35,412, lower due to lowered fee.

System Repairs & Maintenance - \$118,378, was \$128,791.

Capital Outlay Service Line Replacement Total - \$171,470, was 143,007.

Total Operations & Maintenance - \$296,092, was \$304,149.

Meter Installation - \$10,489, was \$777.

Total Office & General Operations - \$29,347, was \$33,662.

Management/Operations/Admin - \$110,484, was \$90,000.

Accounting/Bookkeeping - \$24,756, was \$30,735.

Legal Fees and Costs - \$5,204, was \$13,058.

B) Transferring DVWD Board E-mail to website domain address.

Crandall will set up a Google business account \$25/month, will have passwords kept by Clerk/Secretary for individual email accounts. Will have a database for documents and financial records, will need to discuss how it will be structured. Cracknell will notify our DVWD website manager for this to be implemented.

Chair Cracknell asked for a motion to establish the Google database and email suite account, budget for \$540 per year. B. Hunt made the motion, D. Cracknell seconded.

APPROVED: 5-0.

3[5]. MANAGER'S REPORT

A) August Monthly Report:

Total active customers - 728; Total Water Sales Revenue - \$18,761.52; Total Base Service - \$31,250.57; Total Tax collected - \$3,298.30 (AZ Municipal tax \$17.94); Total Current charges - \$64,568.92.

Average water bill \$75.90; Total Gallons pumped - 3,768,900; Total Gallons Sold - 2,752,853; Accounted Water Loss - 5,000; Unaccounted Water Loss - 800,997; actual **PERCENT WATER LOSS - 22.6%**. Meters read from 7-21-17 to 8-18-17, 29 days.

Applications 5 owners and 1 renter. Changed out 1 dead meter. Water quality tests were good for total Coliform (two per month).

5431 & 5439 Sapphire black poly service leak 5,000 gallons, 7-21-17. 1710 Pearl Ln. black poly service leak (loss in next month report), 8-28-17. 1891 Emerald new install 8-29-17, builder Kenneth Knock has 6 more lots getting developed.

B) Capital Improvement Projects.

Have found some of the new LP meters had been failing for low flow, had tested one in Scottsdale, replaced with upgraded model 25 for free. Taking 2 more meters down for testing.

4[3]. INTRODUCTION OF NEW GSW EMPLOYEE TO DVWD BOARD OF DIRECTORS

Don Bohler introduced Christian (Chris) G. Clark, who submitted a Resume.

[M09.11.2017, item 3]

Chris wanted to not have to travel around the state for work. Kurt asked if he knew the history about Diamond Valley, specifically about the two elderly gentleman who ran Triangle Development, who kept all infrastructure information in their heads. Don has been giving some history, while showing the system and operations. Don will have Chris work on Friday 9-1 in his office; is also going to hire another secretary covered by his management fee.

Chair Cracknell requested [change of Order] to move 5 up to 4, agreed.

5[4]. RATIFY REQUEST FOR INCREASE IN GSW MANAGEMENT FEE FOR NEW EMPLOYEE AS PRESENTED 9-11-2017

Chair Cracknell motioned to approve . K. Womack made the motion to add Chris Clark to the Management team; seconded by J.A. Holt.

APPROVED: 5-0.

Chair Cracknell had to excuse himself at 7:57 PM, handed over to J.A. Holt.

6. TREASURER’S REPORT

Barry gave his report as follows:

Category	31-Aug.-17	31-July-17	% Change
Cash Balance	\$648,503.81	\$668,428.26	-2.98%
Accounts Receivable	\$ 73,535.23	\$ 69,611.13	5.64%
Total Income	\$ 69,000.38	\$ 58,161.18	18.64%
Cost of Water (PI)	\$ 14,815.66	\$ 19,650.39	-24.60%
Repairs & Maintenance	\$ 21,862.52	\$ 19,949.52	9.59%
Capital Outlay - Service Line Replacement	\$ 2,726.00	\$ 36,898.94	***%

Cost of Water Billing 7-10-17 to 8-10-17, 3,460,688 gal. \$14,815.66.

7. APPROVAL OF DRAFT MINUTES

A) Sept. 11 Special Session.

Chair Crandall had some revisions.

Kurt Womack made the motion to approve revised Minutes, seconded by B. Hunt.

APPROVED: 4-0.

8[2]. OPENING OF BIDS FOR SALE OF DVWD REAL PROPERTY LOCATED AT 5190 E. DIAMOND DRIVE

Chair Cracknell read the advertisement, to be run in the Courier legal section, also post on the DVWD website, and post on the site.

SOLICITATION OF BIDS

Diamond Valley Water District is accepting sealed bids for the sale of real property located at 5190 E Diamond Drive Prescott AZ. Sealed bids will accepted until 5:00 pm on October 20 2017. Sealed bids will be opened at the October monthly meeting of the Diamond Valley Water District Board of Directors at 7:00 pm October 23 2017. Sealed bids may be mailed to Diamond Valley Water District PO Box 26527 Prescott Valley Arizona 86312 or to Granite Springs Water Company 4750 N. Tonto Court, Prescott Valley Arizona 86314. The Board of Directors reserve the right to reject any bids below appraised value.

CALL TO THE PUBLIC

The Board begged long time resident Mike Schumacher for a comment, CWAG was mentioned. Six year resident Linda Clark, Chris Clark’s mother attended for support.

9. UPCOMING AGENDA ITEMS/ NEXT SCHEDULED MEETING

Special Session, Executive Session, Manager report on a recent main location discovery.

Special Session Oct. 9 at 6:30PM.

ADJOURNMENT

K. Womack motioned to adjourn.

Meeting adjourned at 8:17 PM.

NOTE: [M00.00.2015] Indicates reference to Minutes from previous meetings.

[aa] Robert’s Rules Of Order.

Meeting Minutes prepared by Kurt Womack, Clerk/Secretary and made available on 09-29-17.

DRAFT to be APPROVED of these Meeting Minutes sent via email to all current Board Members and Management for review. Board approval to be an agenda item at the next scheduled DVWD REGULAR Meeting. In addition, two copies maintained and available in a file box at Permanent location at 1277 N. Rhinestone Dr., #2, Prescott, AZ 86301 in Diamond Valley for interested public.

An email copy of future DVWD Meeting Minutes and Agendas can be sent by requesting to be put on the electronic PerDVEmailRequest group list and providing an email address to: <http://diamondvalleywaterdistrict.com>

APPROVED ON: _____ by D. Cracknell, J.A. Holt, K. Womack, B. McCoy, B. Hunt.