

**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, November 28, 2016

CALL to ORDER

Chair Dave Cracknell called the **Regular Meeting** to order at 7:01 pm.

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

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

BILL HUNT (P) BARRY MCCOY (P)

Also present: 2 Members of the Public; 2 Guests. Physically absent **Don Bohler** for District Management.

Chair Cracknell asked to suspend the rules, to switch the order of the Agenda, moving Manager's Report to #5.*

FORMAL ANNOUNCEMENT OF BOARD VACANCY BEGINNING 1/1/17.

D. Cracknell stated a seat will be vacant Jan. 1, 2017. B. McCoy had been appointed to Jean Heberer's seat, term ending Dec. 2018. [[M08.10.2016\(SS10.30am\)](#), [item 1](#)] Announcement will be posted on the website.

1. FISCAL YEAR 2015-16 PRESENTATION BY DAVID SNYDER

D. Cracknell introduced David A. Snyder CPA, PLLC, and DVWD Accountant Stephen Crandall.

Mr. Snyder gave a summary of his 13 page Review Report. Highlights: During the year, the District's total net position increased by \$52,862. Total District operating revenue received in 2016 decreased by \$210,914 from 2015 (due to lowering the Rates). Total District operating expenses in 2016 decreased by \$1,062 from 2015.

Net Position - comparison of 6-30-2016 and 2015:

Total assets: \$1,398,386 & \$1,373,977.

Total liabilities: \$107,861 & \$136,314.

Total Revenues: \$623,259 & \$822,176.

Total Expenses: \$570,397 & \$580,297.

Total net position: \$1,290,525 & \$1,237,663.

Expenses for professional services and general administrative cost decreased by \$77,905 from 2015 to 2016. The decrease is primarily attributed to a change in the District's water management company service provider and as well as a decrease in other cost incurred only in 2015 to explore the conditions of the District's water distribution system.

Cost of water delivery and operations increased by \$76,843 in 2016 due to certain water system improvement projects budgeted and performed in 2016.

To request the full report, please contact the Diamond Valley Water District at PO Box 26527, Prescott Valley, AZ 86312; or see the District's website for the Budget.

2. MANAGER'S REPORT*

A. Monthly Report, Don reported via phone, copies were delivered to Board members.

Total active customers - 725; Total Water Sales Revenue - \$13,926.44; Total Base Service - \$31,112.96; Total Tax collected - \$2,954.00; Total Current charges - \$51,997.43.

Average water bill \$68.23; Total Gallons pumped - 2,931,200; Total Gallons Sold - 2,110,477; Accounted Water Loss - 104,000; Unaccounted Water Loss - 716,723; **PERCENT WATER LOSS - 24.00%**. Read 30 days from 9-16 to 10-15.

NOTE: The following was reported last month: > Behind Wades Furniture store, on Rhinestone Dr. 9-18, 4" main 30,000 gallons, called out 10:00AM. Wades #2 9-18, 4" main 30,000 gal., called out 6:30 PM. Wades #3 9-19, 4" main 30,000 gal. called out 7:00 AM. Wades #4 9-23 replaced 48 feet of transite main with 4" C-900, 5,000 gal. Caused by Juniper tree's roots, previous main breaks within 20 feet of each other, removed trees. K. Womack asked if previous repair clamps were taken out and will be reused; yes, restocked in pump house. K. Womack stated that a neighbor claims trees are not a problem, Don said all the Juniper trees on *the edge of* Opal Dr. were planted on the water main, could be a problem. 1145 Rose Quartz blue poly service, 10-5, 3,000 gal. < 1501 Rose Quartz 10-11, 4" transite pipe cracked 2,000 gal. 1505 Rose Quartz 10-11, contractor hit saddle 4,000 gal.

K. Womack questioned the amended loss percentage amounts, D. Cracknell and D. Bohlier will review the calculations.

Applications 4 owners and 1 renter. Water quality tests were good for total Coliform (two per month).

B. Capital Improvements Progress Report: Rose Quartz project - changed out 15 meters, 1 over million gallons, 1 not registering properly, 1 dead and had to put in for total replumbing because it was rigid pipe, 18 total.

1900 Crystal service line and meter box needs to be moved, the owners had their lot surveyed and their service line and meter box was put on another lot.

C. Regina Ct. Realignment Project: Lots were surveyed, found main was off, need to relocate the 4" main. Civiltech report, and D. Cracknell had verified easement. D. Bohlier had been in contact with owners, regarding moving of chain link and wood fence. (End of teleconference with Don) Discussion of project scope, including landscaping and fence, owner of 5011 was invited for clarification. K. Womack asked if fence and landscaping will be separated from pipe specifications bid documents, and how to categorize accounting, did not think it should be considered as Capital Improvement, B. Hunt agreed; D. Cracknell will get advice from Accountant S. Crandall and D. Bohlier.

Go to Item 5.*

3. TREASURER'S REPORT

A. September: Total income was \$49,109.16; Total Operations & Maintenance \$15,930.95; Total Utility costs \$20,473.44; Total COGS \$36,404.39; Gross Profit \$12,704.77.

Total expenses \$1,403.23. Net income \$12,658.39.

B. October: Total income was \$50,049.38; Capital Outlay - service line replacement \$43,559.98; Total Operations & Maintenance \$47,733.36; Total Utility costs \$12,655.88; Total COGS \$60,389.24; Gross Profit -\$10,339.86.

Total expenses \$11,454.53. Net income -\$20,466.08. Loss due to Rose Quartz project disbursements of \$41,947.48.

4. APPROVAL OF DRAFT MINUTES

A. Monthly Session October 24, 2016.

D. Cracknell had some revisions, with amendment from D. Bohler. K. Womack made the motion to approve revised Minutes for the October 24 Regular Meeting; seconded by J.A. Holt.

APPROVED: 5-0.

Go to Item 2.*

5. AUTHORIZATION TO REQUEST BIDS FROM DVWD CONTRACTORS FOR REGINA REALIGNMENT PROJECT

Continued from Item 2.* [M10.24.2016(RM7.30pm), item 2B]

D. Cracknell motioned to approve authorization; B. Hunt seconded.

APPROVED: 5-0.

CALL TO THE PUBLIC

No comments.

Due to no Administrative Housekeeping, B. McCoy gave a copy of the Water Loss workshop that he and K. Womack attended, will give report at future meeting.

6. FUTURE AGENDA ITEMS DECEMBER

AFO Manual, newsletter coordination, Water Loss seminar report. Dec. 12 Special Session, 7 PM.

Monthly reports, award bid for Regina realignment. Dec. 19 Regular Meeting, 7 PM.

[M10.24.2016(RM7.30pm), item 1]

Bid documents package will be available Dec. 6.

ADJOURNMENT

Meeting adjourned at 8:09 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 11-01-16.

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. Hunt, B. McCoy.