

MINUTES OF OPEN PUBLIC MEETING
BOARD OF DIRECTORS
DIAMOND VALLEY WATER DISTRICT OFFICE
(FORMERLY KNOWN AS LEGAL SHIELD BUILDING)
 1277 N. RHINESTONE DR., PRESCOTT, AZ

7:00 PM
Monday, June 25, 2018

CALL to ORDER

Chair Dave Cracknell called the **Regular Meeting** to order at 7:04 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: Five Members of the Public. **Don Bohlier** for District Management was in attendance.

1. AUTHORIZE THE ELECTION FOR THREE DVWD BOARD SEATS ENDING 12-31-2018

Chair Cracknell formerly called for the election, notified that 3 seats will be open for candidates.

2. ANNOUNCEMENTS

Chair Cracknell offered to sit down with each Board member to go through the RCAC Workshop matrix. [[M05.07.2018 \(SS6.30pm\), item 1](#); [M06.11.2018\(H-SS7.00pm\), item 2](#)]

Budget Workshop July 12, Chair Cracknell is planning to attend.

3. NOTES FROM ARIZONA WATER LOSS REDUCTION WORKSHOP 6-19-18 PHOENIX ARIZONA

Chair Cracknell attended. Even though DVWD loss is “ugly”, *other municipalities are worse off i.e. City of Clarkdale* has been working 10 years to reduce from 40% to 30%, we have gone from 30% to 20% in 3 years. Dave has the software to do an audit, that helps determine areas for improvement.

4. TREASURER’S REPORT

Barry gave his June report as follows:

Category	31-May-18	28-April-18	% Change
Cash Balance	\$557,121.92	\$544,610.32	2.30%
Accounts Receivable	\$ 70,088.73	\$ 68,600.82	2.17%
Total Income	\$ 73,198.44	\$ 43,877.76	66.82%
Cost of Water (PV)	\$ 15,793.51	\$ 14,910.39	5.59%
Repairs & Maintenance	\$ 472.52	\$ 1,770.65	-73.31%
Capital Outlay - Service Line Replacement	\$ 64,173.41	\$ 24,751.80	**%

***Percentage not shown due to variability extremes.*

5. ADMINISTRATIVE

Chair Cracknell requested to [Suspend The Rules], to move C to first item, agreed by consensus.

C) Hand out Bylaws and Board Description for reference to Bylaws exercise.

Since the *Board positions/responsibilities in the AFO* (Administrative Financial Operations) Manual refers to the Bylaws, need to confirm it is done. Each Board member to review that their position description is accurate.

*Barry needed to be excused at 7:20 pm.

A) Approve Special Session Meeting Minutes, June 11, 2018.

Chair Cracknell had some minor revisions. Kurt wanted to clarify what is not written in the Agenda can be added to Minutes headings.

K. Womack made the motion to accept amended June 11, 2018 Minutes, seconded by J.A. Holt.

APPROVED: 4-0.

B) Approve Executive Session Meeting Minutes May 7, 2018.

K. Womack made the motion to accept amended May 7, 2018 Executive Session Minutes, seconded by B. Hunt.

APPROVED: 4-0.

6. MANAGER'S REPORT

A) May Monthly Report.

Don gave his report:

Total active customers - 737; Total Water Sales Revenue - \$18,721.09; Total Base Service - \$31,680.57; Total Tax collected - \$3,317.85 (AZ Municipal tax \$17.88); Total Current charges - \$56,217.88. Total Establishment Fees - \$420.00.

Using the current RVS system, Average water bill \$75.46; Total Gallons pumped - 3,612,541; Total Gallons Sold - 2,748,690; Accounted Water Loss - 0; Unaccounted Water Loss - 863,851; actual **PERCENT WATER LOSS - 23.91%**. Meters read from 4-19-18 to 5-18-18, 30 days.

Applications 5 owners and 2 renters. Water quality tests were good for total Coliform (two per month). 740 drive-by meters installed to date, COMPLETED! No leak detection done.

A leak was reported, had been running for over 5 days that was about 20 gallons a minute (which accounts for about 4%); another leak had been running for months creating a pond. People need to report suspicious and obvious leaks, how to encourage that?

Four new hookups - 4865 Amber 5-12-18, 4545 Kristen 5-21-18, 4560 Catherine 5-21-18, 1700 Lapis 5-21-18.

B) Capital Improvements Progress report

Due to the County repaving Ramada Drive service replacements: 5107 and 5115 on 5-8-18, 5121 on 5-9-18; and 4878 Diamond Drive on 5-24-18 couldn't change out meter.

[M02.26.2018(RM7.00pm), item 2B; M04.06.2018(SS10.00am), item 1C]

K. Womack asked about the testing of our master meter, and Prescott Valley's master; Don said testing was done and showed it's operating at 100%. [M02.26.2018(RM7.00pm), item 3]

7. RATIFY RESOLUTION R2018-6-25 SERVICE GUIDELINES

Chair Cracknell read the Resolution regarding the Public Hearing changes to fees and rates.

Chair Cracknell made the motion to approve Resolution R2018-6-25; seconded by J.A. Holt.
APPROVED: 4-0.

CALL TO THE PUBLIC

Jim & Ann Timney are new owners, grandchildren are residents. Has read the Minutes, was going to ask about the master meter, which was addressed earlier. Asked about who pays for lost water after the meter; Don confirmed owner does. Mr. Timney is chairman Donning Park water co-op in Flagstaff. Had questions about the wells that have been decommissioned as shown on DVWD website; Kurt gave a brief history regarding why we get water from Prescott Valley now. Some discussion about how they operate their 3,400 customers, 44 square mile, established 1936 system, \$42,000 monthly electric bill; recently installed radio read meters with electronic pressure loss system, difficulty detecting leaks, tank repairs, loss of about 7%.

Mr. & Mrs. James Ryan have an issue with huge increase in *their bill due to a high meter read*; Don will check out *the meter* the next day.

Patti Sheafler asked about a creek near Diamond Dr. that has always had water, is it from water pipe leak or septic systems overflowing. Asked who pays for the lost water, would the rates have to be raised to make up for it; Cracknell explained rates are set for a year, not going to happen, absorbed from profit. Don and Kurt explained that wash has always had some water, Kurt said water samples would indicate chlorine or other byproducts from septic, some people say there is a spring.

Mrs. Timney asked if they as owners, but not residents, would be able to vote for Board members; *residents need to be registered in the county where election is held*. Chair Cracknell explained there has never been an election, always appointments, but answer is no.

8. NEXT MEETING

Regular Meeting with Manager and Treasurer reports.
July 23, 7:00pm.

ADJOURNMENT

Adjourned by consensus.
Meeting adjourned at 8:09 PM

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

[aa] Robert's Rules Of Order. *Revisions in italics.*

Meeting Minutes prepared by Kurt Womack, Clerk/Secretary and made available on 07-19-18.

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: JULY 17, 2018 by D. Cracknell, B. McCoy, J.A. Holt, K. Womack, B. Hunt.