

MINUTES OF OPEN PUBLIC MEETING

DIAMOND VALLEY WATER DISTRICT

BOARD OF DIRECTORS

PRESCOTT VALLEY TOWN HALL
CONFERENCE ROOM #330 3RD FLOOR
7501 E. SKOOG BLVD., PRESCOTT VALLEY, AZ 86314

5:00 PM

Thursday, August 27, 2020

CALL to ORDER

Chair Dave Cracknell called the **Regular Meeting** to order at 6:05 pm.

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

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

Also present: One Member of the Public. **Don Bohlier** for District Management, and **Robert Kozak** DVWD Attorney was in attendance.

1. ADJORN TO EXECUTIVE SESSION FOR LEGAL COUNSEL

Adjourned at 5:00pm.

2. RETURN TO SPECIAL SESSION – ROLL CALL

All present, at 6:05pm.

3. REVISION TO BY-LAWS MEETING SCHEDULE FREQUENCY

Chair Cracknell consulted with Attorney Kozak, came to the conclusion that we don't need to meet monthly, due to no major projects *requiring attention*. Four times that we had to meet as a Board: Budget workshop, approving of the Budget, Public Hearing, and end of calendar year for the financial audit. By-Laws Section 2 *to be amended to read*, district should be held quarterly, four times a year, (A.R.S. 431.2 D & F). Kozak said he reviewed legal documents, *did not find anything that required us* to meet monthly. Practical consideration, since we are volunteers, *not having a permanent meeting location*, recommends doing quarterly, but we can add more as required such as ratifying large expense for emergency repairs. Womack said sounds good, less Minutes to write.

[Since the Call To The Public was not on the Agenda], Kozak said we could allow Member Janice Norman to ask questions. Since the Board felt things were going okay, she thought we had issues and wondered why we thought that, considering the previous Board wanted to replace the system. Attorney and the Board responded, summarized previous actions that were derailed. Kurt asked for the longest time resident M. Schumacher to explain his position: he explained that Transite pipe is everywhere around the country, and explained how Prescott Valley is allowing Transite to remain during improvements such as Sunset Drive, also Prescott is not replacing *their* Transite *pipe*. Don Bohlier explained his position as Manager since the mid 1980s (before DVWD was established), we have been replacing failed sections with C900. Ms. Norman asked if we have been mapping; yes that has been ongoing about 3 years. Ms. Norman asked to confirm that we were served by Prescott *at one time*; Don

said when radon from the wells was a problem, we got hooked up on an emergency basis in the late 80s. Ms. Norman asked if we have been testing for asbestos; no, but Don offered to test at her home. Ms. Norman wanted to know why we are still around 28% leak rate; Don explained that when repairs are done, the pressure builds up and creates new leaks. Schumacher said Prescott Valley also has leaks. Ms. Norman asked how much is the leakage costing us; Cracknell said about \$4,000 per month. Ms. Norman had a concern about getting shut down if we don't reduce the leakage, according to the previous Board; Kozak said we understand that ADWR (AZ Dept. of Water Resources) sees we are working on it, shut down not happening. Womack explained that at a Town Hall regarding water that he attended, some ADWR representatives begged people to contact our legislators to demand more funding to do their job.

Kurt asked if the Minutes will have 3 months in the Minutes; Cracknell said there will be a synopsis, with Reports added *monthly*, as he did for the *April and May* Minutes.

M. Schumacher made the motion to do quarterly meetings, seconded by J. A. Holt.

APPROVED: 4-0. Cracknell - YES, Womack - YES, Schumacher – YES, Holt – YES.

4. TREASURER’S REPORT

Mike Schumacher handed out copies. Revenue is up because of the drought.

Category	31-July-20	31-June-19	% Change
Cash Balance	\$ 605,642.77	\$ 597,683.07	1.33%
Accounts Receivable	\$ 70,274.53	\$ 69,349.17	1.33%
Water Revenues	\$ 60,505.04	\$ 57,095.78	5.97%
New Hookup Contributions/Fees Total Income	\$ -	\$ 6,295.27	**
Cost of Water (Cal. Mo.)	\$ 20,024.30	\$ 19,947.12	0.39%
Repairs & Maintenance	\$ 886.48	\$ 18,422.26	**
Capital Outlay - Service Line Replacement	\$ -	\$ 1,588.76	**

**Percentage not shown due to extreme variability.

5. ADMINISTRATIVE

A) Approval of Meeting Minutes Public Hearing, Special Session August 19, 2020.

Cracknell asked if there were any changes, none provided. D. Cracknell made the motion to accept amended Minutes, seconded by K. Womack.

APPROVED: 4-0. Cracknell - YES, Womack - YES, Schumacher – YES, Holt – YES.

6. MANAGER’S REPORT

A) Monthly Report. Don gave his report. July 2020 Managers Report:

Total active customers - 758; Total Water Sales Revenue - \$25,111.40; Total Base Service - \$32,546.30; Total Tax collected - \$3,814.95 (AZ Municipal tax \$22.42); Total Current charges - \$63,914.21. Total Establishment Fees - \$210.00.

Average water bill \$84.31; Total Gallons pumped – 4,725,784; Total Gallons Sold – 3,462,144;

Accounted Water Loss – 201,000; Unaccounted Water Loss – 1,062,000. Actual **PERCENT WATER LOSS – 22.47%**. Meters read from 06-19-19 to 07-20-20, 32 days.

Applications 6 owners and 1 renters, no new hook-ups. Water quality tests were good for total Coliform (two per month).

On 6/25 at 5016 Regina Ct., blue poly service leak 20 gpm, 201,000 gallons. ZCORR leak detection and meter leak detection is ongoing.

B) New Billing Format

CUSI billing software *went online August 1*. New sheets of paper and envelopes, but late fees were miscalculated, and “valley” was missing from Prescott Valley address. E-check is an issue, they said it was going to be free when we signed up, now they show \$2 fee, Accountant is working on getting that dismissed.

Bohler asked why Jean Drive isn't getting done. Cracknell said the Yavapai County Flood Control, next Fiscal Year they will fix the erosion on Rose Quartz, they will do concrete encasement of the pipe. We need to coordinate for when the new main will be installed to Jean Dr., which will have to tie in upstream. CivilTec has done a survey. Don put in ductile iron pipe in 2006, and a valve. Kurt asked if there is any plan for this; essentially no. Kurt asked that we should put on the Agenda every meeting, since it has been in the Budget. Cracknell asked Bohler how long it would take *for construction*; about a week.

CALL TO THE PUBLIC

Agreed by consensus to allow Janice Norman to address the Board.

Janice Norman thanked the Board. Asked if there is an over-the-counter test kit; Don can order a test kit. Asked about the mapping; Don said he has a map in his truck to make notes on for repairs. Asked what percentage of pipe has been replaced; Don did not know. Asked how many miles; Don said 72,000 feet, Dave said *that's about* 13.6 miles. Kurt asked how many services *still need to be* replaced; Don said 328.

7. NEXT MEETING REVIEW

One more before the end of the year, to be determined.

ADJOURNMENT

Adjourned by consensus.

Meeting adjourned at 7:13 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 09-21-20.

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 5145 Ramada Dr., 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: contact-us@dvwdist.com

APPROVED ON: September 17, 2020 by D. Cracknell, K. Womack, M. Schumacher, J.A.Holt.