

UNAPPROVED UNOFFICIAL 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

4:00 PM Thursday, May 30, 2024

CALL to ORDER

Chair Mike Schumacher called the **Regular Meeting** to order at 4:10 pm.

ROLL CALL of BOARD MEMBERS P= Present. NP= Not Present

MIKE SCHUMACHER (P)

JO AN HOLT (P)

KURT WOMACK (P)

NICHOLE KOWALSKI (P)

RICK COSTIANES (P)

Also present: No Members of the Public. **Dennis Charles** for District Management, and **John Sullivan** from Accountant Crandall's SCCA Solutions was in attendance.

1. ANNOUNCEMENTS

a. Board Member vacancies.

This is Jo Ann Holt's last meeting, she is moving. Everyone thanked her for her service. K. Womack said he had a lead. Jo Ann has been talking to Bill Hunt who served previously.

2. 24-25 BUDGET WORKSHOP

a. Discuss proposed Budget.

John Sullivan walked through a worksheet, that had columns for FY '24 Budget, July '22 - June '23, Feb. '23 - Jan. '24, and FY '25 projection. Water revenues increased 5% because of more people and higher rate. Projecting 12 new homes next year. Water purchase expense will increase, currently it's \$220,000, next year projected \$328,000 (\$9,000 /mo). Sullivan was able to find the original agreement between Triangle Development (long before the District was formed) and Shamrock (before Prescott Valley took over the town's system) was a wholesale purchase rate, it was grandfathered, but there is not much more information. Postage and electricity is expected to increase. Otherwise across the board no dramatic changes. Contingency expenses was lowered from \$50,000 to \$23,000. The total Budget will be \$882,000.

b. Approve Budget.

J.A. Holt made the motion to accept the proposed '24 - '25 Budget, seconded by R. Costianes.

APPROVED: 5-0 Schumacher - YES, Womack - YES, J.A. Holt - YES, Kowalski - YES, Costianes - YES.

c. Set Hearing date.

M. Schumacher suggested making the Hearing on the same day as the next Regular Meeting, June 27. Agreed by consensus.

3. TREASURER'S REPORT

a. John Sullivan handed out copies of February, March and April reports.

| Category | 24-Feb-24 | 31-Mar-23 | 30-Apr-23 |
|--|--------------|--------------|--------------|
| Cash Balance | \$329,606.78 | \$321,236.17 | \$316,953.04 |
| Accounts Receivable | \$ 95,414.00 | \$ 95,286.25 | \$ 97,556.80 |
| Water Revenues | \$ 52,538.88 | \$ 52,502.40 | \$ 54,234.79 |
| New Hookup Contributions/Fees Total Income | \$ 3,183.82 | \$ 4,245.10 | \$ 3,300.00 |
| Cost of Water (Cal. Mo.) | \$ 23,773.60 | \$ 27,300.40 | \$ 24,639.40 |
| Repairs & Maintenance | \$ - | \$ 11,573.58 | \$ 24,961.10 |
| Capital Outlay - Service Line Replacement | \$ - | \$ 4,245.10 | \$ 9,000.00 |

John said the District is still in the positive, doing well. Capital Reserves is recovering from Ramada tank and Rhinestone realignment. Kurt's Turquoise Dr. leak was about \$35,000. John said we should update signatures at the banks. John was released at 4:35 pm.

4. MANAGER'S REPORT

a. Monthly Report. Dennis gave his March and April 2024 Monthly Reports:

March: •Total active customers 779. •Total Water Sales Revenue \$16,096.16. •Total Base Service \$34,628.92. •Total Tax Collected \$3,324.88 (AZ Municipal tax \$15.23). •Total Current charges \$58,472.27. •Total Establishment Fees \$385.

•Average water bill \$75.06. •Total gallons pumped 3,568,900. •Total gallons sold 2,337,894.
•Accounted water loss 432,000. •Unaccounted water loss 799,006. •Actual PERCENT WATER LOSS = 22.39%. •Meters read from 2/19/24 to 3/20/24 (30 days).

Applications 2 owners and 3 renters, one new hook-up.
New hook-up at 4956 E. Ramada Dr.

K. Womack reported a sign of leak at the Turquoise Dr. bridge, confirmed 3/14, huge leak.

April: •Total active customers 780. •Total Water Sales Revenue \$18,126.51. •Total Base Service \$35,053.20. •Total Tax Collected \$3,492.07 (AZ Municipal tax \$16.87). •Total Current charges \$59,589.99. •Total Establishment Fees \$105.

•Average water bill \$76.39. •Total gallons pumped 3,589,200. •Total gallons sold 2,595,986.
•Accounted water loss 182,200. •Unaccounted water loss 811,014. •Actual PERCENT WATER LOSS = 23.60%. •Meters read from 3/20/24 to 4/20/24 (31 days).

Applications 4 owners and 3 renters, three new hook-ups.
New hook-ups at 1800 Pearl Ln., 4535 Victor Dr., 4748 Amber.

On 4/22 at 1315 Lois Dr. Service line leak - 110,000 gallons. On 4/24 at 1800 Pearl Ln. 4" main - 710,200 gal., tapping the Transite cracked it, had to put in a new section of pipe.

Filed the Consumer Confidence Report 2023 was mailed to customers.

K. Womack asked how it's been getting new meters; there is still a long backorder. We still have 20 non-radio meters for temporary use.

b. Update on Primary Service Line Under AZ69 Grant.

Engineers are still working on the design.

Insurance needs to be updated, it is expected to increase (of course).

5. ADMINISTRATIVE

a. Approval of Emergency Meeting Minutes April 03, 2024.

Kurt said they were the shortest fastest ever done. J.A. Holt made the motion to accept the Minutes, seconded by M. Schumacher.

APPROVED: 4-0 Schumacher - YES, Womack - ABSTAIN, J.A. Holt - YES, Kowalski - YES, Costianes - YES.

6. NEXT MEETING PREVIEW

June 27 at 4:00.

CALL TO THE PUBLIC

No comments.

ADJOURNMENT

Adjourned by consensus.

Meeting adjourned at 4:54 PM.

NOTE: [M00.00.2023] 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 6/03/24.

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 the file box at permanent location at 5090 E. 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@dvdist.com

APPROVED ON: _____, 2023 by M. Schumacher, K. Womack, J.A. Holt, N. Kowalski, R. Costianes.