



City of Apache Junction, Arizona

City Council Chambers
300 E Superstition
Boulevard
Apache Junction, AZ
85119

Meeting Minutes Water Utilities Community Facilities District

www.ajwaterdistrict.org
P: (480) 982-6030

Doors are open to the public at least 15 minutes prior to the posted meeting start time.

Tuesday, June 18, 2024

6:00 PM

City Council Chambers

A. Call to Order

Chairperson Wilson called the special meeting to order at 6:16 p.m.

B. Roll Call

Present 7 - Chairperson Wilson, Vice Chair Schroeder, Boardmember Cross, Boardmember Heck, Boardmember Johnson, Boardmember Nesser, and Boardmember Soller

Staff in attendance:

Bryant Powell, District Manager
Matt Busby, Assistant District Manager
Jennifer Pena, District Clerk
Yvette McKinney, Deputy District Clerk
Joel Stern, District Legal Counsel
Mike Loggins, District Director
Charles Briggs, Water District Project Manager
Stacy Ramirez, Utility Billing Supervisor
Rita Vineyard, Senior Administrative Assistant
Angelie Hawley, District Treasurer
Connie Chow, District Controller
Kayla Fulmer, Director of Marketing and Communications
Eli Richardson, Management Analyst
Robert Wisler, Management Analyst

C. Agenda Items

1. [24-484](#) Approval of minutes of the Water Utilities Community Facilities District special meeting of May 7, 2024.

Boardmember Schroeder made a motion to approve the special meeting minutes of the May 7, 2024, meeting. Boardmember Cross seconded the motion.

Yes: 7 - Chairperson Wilson, Vice Chair Schroeder, Boardmember Cross, Boardmember Heck, Boardmember Johnson, Boardmember Nesser and Boardmember Soller

No: 0

D. Public Hearing

2. [24-485](#) Presentation, discussion, public hearing, and consideration of Resolution No. 2024-008, adopting estimates of expenditures by the Water Utilities Community Facilities District (City of Apache Junction, Arizona), for Fiscal Year beginning July 1, 2024, and ending June 30, 2025; declaring establishment of the budget for the Water Utilities Community Facilities District (City of Apache Junction) for Fiscal Year 2024-2025.

Boardmember Heck made a motion that Resolution No. 2024-008, a resolution of the Board of Directors of the Water Utilities Community Facilities District (City of Apache Junction, Arizona) adopting estimates of expenditures by the Water Utilities Community Facilities District (City of Apache Junction, Arizona), for Fiscal Year beginning July 1, 2024 and ending on June 30, 2025; declaring that such action shall establish the budget for the Water Utilities Community Facilities District (City of Apache Junction, Arizona) for Fiscal Year 2024-2025, be approved. Boardmember Nesser seconded the motion.

Yes: 7 - Chairperson Wilson, Vice Chair Schroeder, Boardmember Cross, Boardmember Heck, Boardmember Johnson, Boardmember Nesser and Boardmember Soller

No: 0

District Director Mike Loggins presented an overview of the proposed District budget for Fiscal Year (FY) 2024-2025 to include proposed rates, fees, and charges applicable during FY 2024-2025 and classification and compensation plan for District employees.

Mr. Loggins presented an overview of the current fiscal year budget. The FY 2023-2024 budget was expected to be \$7.9 million. The District is using some of its reserves this year. Revenue is up approximately 10% due to the new construction in the southern portion of Apache Junction. A grant was received for the installation of radios attached to meters for existing customers, which will be done in FY 2024-2025. The District is projected to spend around \$9 million.

Mr. Loggins presented an overview of the FY 2024-2025 budget. The District is proposing a budget of \$13.8 million.

Some of the larger projects proposed for FY 2024-2025 include replacing the coating on the backwash tank, installing a security system at the Superstition Area Water Plant, design, replace, and improve Booster Station 2, design of new Water District office which, will take 2-3 years, install radios on all existing meters to, be paid for by a grant from Water Infrastructure Finance Authority of Arizona (WIFA), install new aquifer, storage and recovery well, and construction of an Advanced Water Purification Demonstration Trailer.

Work continues with Salt River Project on the Verde River Sedimentation Mitigation study for a cost of \$100,000 per year over a four-year period. The District is currently in year three of the study.

The District continues to purchase Non-Indian Agricultural water. This will occur over a five-year period at a cost of \$325,000 per year. The District is in year four of five.

Mr. Loggins presented an overview of the cost of CAP water. These charges are increasing annually, and operation and maintenance fees are around \$1.3 million.

Chairperson Wilson called for a Public Hearing on the final budget for Fiscal Year 2024-2025. There being no one wishing to speak, he closed the public hearing, and called for a motion.

3. [24-486](#) Presentation, discussion, public hearing, and consideration of Resolution No. 2024-009, re-adopting all existing and adopting new potable and non-potable rates, user fees and charges, service connection fees and, water acquisition fees for Fiscal Year 2024-2025; and establishing an effective date.

Boardmember Cross made a motion that Resolution No. 2024-009, a resolution of the Board of Directors of the Water Utilities Community Facilities District (City of Apache Junction, Arizona), re-adopting all existing and adopting new potable and non-potable rates, user fees and charges for Fiscal Year 2024-2025, including new potable and non-potable water rates, service connection fees, water acquisition fees; and establishing an effective date, be approved. Boardmember Soller seconded the motion.

Yes: 7 - Chairperson Wilson, Vice Chair Schroeder, Boardmember Cross, Boardmember Heck, Boardmember Johnson, Boardmember Nesser and Boardmember Soller

No: 0

Mr. Loggins presented an overview of the proposed rate adjustments for FY 2024-2025. For customers within the city limits this increase would include 5% in the base rate and no change to the consumption rate or tiers, for a 2.3% overall increase, or \$1.66 per month. For customers in the county area this increase would include 5% in the base rate and no change to the consumption rate or tiers, for a 1.9% overall increase, or \$1.66 per month. He proposed an increase in the residential connection fees and water acquisition fees which will not affect current customers.

Mr. Loggins is proposing an increase in system connection fees. The increase is based on the current consumer price index for construction. This is a one-time fee and is only for new development. These fees (funds) assist with system maintenance as well as future upgrades. Water resource acquisition fees are also increasing. These fees help to pay for the purchase of water used in the District. The increases on all fees will go into effect July 1, 2024.

District Manager Bryant Powell asked Mr. Loggins if there was more water available and what would he recommend doing to obtain additional water. Mr. Powell is thinking of the future and planning in case another city or agency who is part of the Verde River Sedimentation Mitigation study could not purchase their water. Mr. Loggins said the District is always looking into additional water supplies or treatment options and planning for the future.

Chairperson Wilson called for a Public Hearing on the final budget for Fiscal Year 2024-2025. There being no one wishing to speak, he closed the public hearing, and called for a motion.

E. District Manager Report

No report.

F. District Director Report

No report.

G. District Treasurer Report

No report.

H. Adjournment

Chairperson Wilson adjourned the meeting at 6:41 p.m.

ACCEPTED THIS _____ DAY OF _____, 2024, BY THE CHAIR
PERSON AND DISTRICT BOARD OF THE WATER UTILITIES COMMUNITY FACILITIES
DISTRICT, (CITY OF APACHE JUNCTION, ARIZONA).

SIGNED AND ATTESTED TO THIS _____ DAY OF _____, 2024.

WALTER "CHIP" WILSON
Chairperson

ATTEST:

JENNIFER PENA
District Clerk