



City of Apache Junction, Arizona

Special Meeting Minutes Water Utilities Community Facilities District

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

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

Tuesday, May 20, 2025

6:30 PM

City Council Chambers

A. Call to Order

Chairperson Wilson called the meeting to order at 6:30 p.m.

B. Roll Call

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

Staff in attendance:

Bryant Powell, District Manager

Matt Busby, Assistant District Manager

Yvette McKinney, 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 & Communicaiton

Robert Wisler, Management Analyst

Riley King, Management Analyst

C. Agenda Items

1. [25-234](#) Presentation, discussion, and consideration of Resolution No. 2025-002
declaring as public record and adopting certain documents filed with the
District Clerk entitled "Apache Junction Water District Utilities Community
Facilities District Classification and Compensation Plan for Fiscal Year
2025-2026".

**Boardmember Cross made a motion that Resolution No. 2025-002, declaring as public record and
adopting certain documents filed with the District Clerk entitled "Apache Junction Water Utilities
Community Facilities District classification and compensation plan for Fiscal Year 2025-2026"; be
approved. Boardmember Nesser seconded the motion.**

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

No: 0

Mr. Loggins presented an overview of the proposed classification and compensation plan for District employees. This will include a 2.5% one step increase for all employees, and a 4.5% increase on average to health insurance premiums. The premium cost is shared between the District and the employees.

D. Public Hearing

2. [25-235](#) Presentation, discussion, public hearing and consideration of Resolution No. 2025-003, pursuant to A.R.S. § 48-716, adopting a proposed budget for the fiscal year beginning July 1, 2025 and ending June 30, 2026; adopting proposed rates, fees, deposits, water resources acquisition fees and charges applicable for the Fiscal Year beginning July 1, 2025 and ending on June 30, 2026; establishing a public hearing on the proposed budget; and directing district staff to solicit comments for the City of Apache Junction on the proposed annual budget.

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

No: 0

District Director Mike Loggins presented an overview of the proposed District budget for Fiscal Year (FY) 2025-2026 to include proposed rates, fees, and charges applicable during FY 2025-2026 and clarified Boardmember Heck had some questions that were brought up at the May 6, 2025 special meeting. After reviewing the data, it was discovered that employee salaries were missing from the operating expenses. It was also discovered that the totals for charges for services and operating grants and contribution were incorrect. The numbers were revised and the totals updated.

Mr. Loggins presented an overview of the current fiscal year budget. The FY 2024-2025 budget was expected to be \$13.8 million. The District is projected to spend around \$12 million.

Mr. Loggins presented an overview of the FY 2025-2026 budget. There were a few projects that did not get finished this year that will be carried over to next year's budget. The District is proposing a budget of \$15.7 million. Water resource acquisition fees and system connection fees make up a large portion of the revenue. The system connection fees are used for upgrading the water system and the balance of the fund is around \$5.5 million. The water resource acquisition fees are used for purchasing additional water in the future and the balance of this fund is around \$11 million. The water resource acquisition funds are being put into a saving account to be used to fund the Bartlett Dam Project.

Mr. Loggins presented an overview of vehicles and equipment to be purchased during FY 2025-2026. The District will be purchasing two (2) new ¾ ton service trucks, two (2) new mid-size trucks and one (1) new track hoe and trailer.

Mr. Loggins presented an overview of capital projects proposed for FY 2025-2026 which include the design and construction of a new Water District office. Installation of a 12-inch waterline under Highway 60 at Goldfield Road and replacing an existing 12-inch waterline and installing a

new 12-inch waterline under Highway 60 at Idaho Road. The District will purchase one (1) two (2) million gallon a day (MGD) treatment train 5 at the Superstition Area Water Plant, construct a new booster station at Water Campus #2, drill a new well at Superstition Vistas, and finish construction of an Advanced Water Purification Demonstration Trailer.

Mr. Loggins presented an overview of the expenditures proposed for FY 2025-2026. 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. This will be the last of the four payments. Due to an increase in costs, two additional payments of \$180,000 are required for the next two years.

The District will be purchasing Non-Indian Agricultural (NIA) water. Payments of \$334,000 for five years were financed through Central Arizona Project (CAP). This will be the final payment to CAP for the NIA water.

Mr. Loggins presented an overview of the cost of CAP water. These charges are increasing annually, and operation and maintenance fees are around \$1.4 million. Capital fees to CAP are \$390,000. Costs have increased over the last 10 years.

Mr. Loggins presented an overview of the proposed rate adjustments for FY 2025-2026. 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 \$1.75 per month. For customers in the county area this increase would include 5% in the base rate, 5% consumption rate and no change to the tiers, for a 4.8% overall increase, or \$4.30 per month. These numbers are based on an average customer household using 7,500 gallons per month. He proposed an increase in the residential connection fees and water acquisition fees which will not affect current customers.

Mr. Loggins presented information on the rate increases from the Town of Gilbert and the Town of Queen Creek. Gilbert is raising their water rates by 25% and Queen Creek is raising their water rates by 15%. He explained that the District had a study done on rates and it was recommended to have the rates raised incrementally every year to avoid a higher rate increase.

Mr. Loggins is proposing an increase of 1.8% 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. He is also proposing an increase of 1.8% in Water Resource Acquisition fees. These fees help to pay for the purchase of water used in the District.

Mr. Loggins was also asked at the May 6, 2025' meeting for a breakdown of the current impact fees and how they compare with other cities. He presented a breakdown of the fees for installing a new connection, which comes out to \$12,760.00. He presented a comparison to other cities and the District falls somewhere in the middle.

Chairperson Wilson called for a Public Hearing on the proposed budget and rate schedule for

Fiscal Year 2025-2026. 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

3. [25-236](#) Presentation, discussion, and update on District wide water system.

Mr. Loggins explained that a public notice will be going out due to an exceedance in our disinfection byproducts. This is not an emergency, but the District is required by the Arizona Department of Environmental Quality to notify its customers when this occurs. The levels are based on a running annual average. About four quarters ago, there was a high level. The annual average is supposed to stay below 80. One location read at 80.2 and another read at 84. The next reading will bring the annual average back down below 80 and the District will be back in compliance.

G. District Treasurer Report

No report.

H. Adjournment

Chairperson Wilson adjourned the special meeting at 6:56 p.m.

ACCEPTED THIS _____ DAY OF _____, 2025, 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 _____, 2025.

WALTER "CHIP" WILSON
Chairperson

ATTEST:

EVIE MCKINNEY
District Clerk