

WATER UTILITIES COMMUNITY FACILITIES DISTRICT
CITY OF APACHE JUNCTION, ARIZONA
REGULAR MEETING
April 19, 2016

The regular meeting of the District Board of the Water Utilities Community Facilities District, City of Apache Junction, Arizona, was held on April 19, 2016 at the Apache Junction City Council Chambers pursuant to the notice required by law.

CALL TO ORDER

Chairperson Insalaco called the meeting to order at 6:00 p.m.

ROLL CALL

Board Members Present: Chairperson Insalaco
Vice Chairperson Barker
Mrs. Evans
Mr. Serdy
Mr. Waldron
Mr. Wilson

(Mrs. Rizzi was absent.)

Staff Present: Bryant Powell, District Manager
Kathleen Connelly, District Clerk
Joel Stern, District Legal Counsel
Giao Pham, Utility Director
Frank Blanco, District Director
Matt Busby, Assistant City Manager
Michael Loggins, District
Superintendent
John White, District Finance Manager

Others Present: Andria Samuels, Senior Management
Assistant
Evie McKinney, Utility Billing
Supervisor
Al Bravo, Public Information Officer

APPROVAL OF MINUTES OF DECEMBER 15,

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2015 _____)
) Vice Chairperson Barker
MOVED THAT WE APPROVE THE MINUTES FROM DECEMBER 15, 2015.

Mrs. Evans SECONDED THE
MOTION.

VOTE: Unanimous.

The motion carried.

RESOLUTION NO. 2016-001, DECLARING
A PORTION OF PUBLIC UTILITY
EASEMENT LOCATED AT 16TH AVENUE
BETWEEN TOMAHAWK AND VISTA ROAD IS
NO LONGER NECESSARY FOR PUBLIC USE
AND IS HEREBY EXTINGUISHED)

) District Director Frank
Blanco stated the resolution is for the extinguishment of a
public utility easement no longer required for public use. It
is in the Bel Agave subdivision on the 16th Avenue alignment
between Tomahawk and Vista. The subdivision plat will include
new public utilities so this one is no longer required.

Chairperson Insalaco called
for any discussion. There being no discussion he called for a
motion.

Mr. Waldron MOVED THAT
RESOLUTION NO. 2016-001, A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE WATER UTILITIES COMMUNITY FACILITIES DISTRICT (CITY OF
APACHE JUNCTION, ARIZONA) DECLARING A PORTION OF THE PUBLIC
UTILITY EASEMENT LOCATED AT 16TH AVENUE BETWEEN TOMAHAWK AND
VISTA ROAD IS NO LONGER NECESSARY FOR PUBLIC USE AND IS HEREBY
EXTINGUISHED, BE APPROVED.

Mrs. Evans SECONDED THE
MOTION.

VOTE: Unanimous.

The motion carried.

RESOLUTION NO. 2016-003,
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AMENDING AND CORRECTING RESOLUTION
2015-017 AS PASSED AND ADOPTED)

) District Director Frank Blanco briefed the board on the item. He stated this resolution is for a scrivener's error, changing the word "of" to the word "and". By using the word "and" it had the effect of the east 33' of the south 33'. When looked at, it looks like the little spot that is red on the overhead by the crosshatched area would also be included if it was changed to "and". It is a bit of a difference.

Vice Chairperson Barker commented she has not seen the word scrivener in a long time.

District Director Frank Blanco stated he had never heard of it until after Joel had told him about it.

Chairperson Insalaco called for any further discussion. There being no further discussion, he called for a motion.

Mrs. Evans MOVED THAT
RESOLUTION NO. 2016-003, A RESOLUTION OF THE BOARD OF DIRECTORS OF THE WATER UTILITIES COMMUNITY FACILITIES DISTRICT (CITY OF APACHE JUNCTION, ARIZONA) AMENDING AND CORRECTING RESOLUTION NO. 2015-017 AS PASSED AND ADOPTED ON THE 19TH OF MAY 2015; DECLARATION OF INTENT; PROVIDING FOR RECORDATION; REPEALING ANY CONFLICTING PROVISIONS; AND PROVIDING FOR SEVERABILITY, BE APPROVED.

Vice Chairperson Barker
SECONDED THE MOTION.

VOTE: Unanimous.

The motion carried.

RESOLUTION NO. 2016-004, DECLARING
A PORTION OF PUBLIC UTILITY
EASEMENT LOCATED AT 3710 SOUTH
GOLDFIELD, LOT 498, IS NO LONGER
NECESSARY FOR PUBLIC USE AS PUBLIC
UTILITY EASEMENT AND IS HEREBY

EXTINGUISHED)

) District Director Frank Blanco stated this is also an extinguishment of an 8' public utility easement that runs down the middle of Lot 498. It essentially cuts the lot down the middle making it almost useless. There is no need for that as there are no utilities in the area. They are asking that it be extinguished.

Vice Chairperson Barker commented that would make it a really small lot.

Chairperson Insalaco called for any further discussion. There being no further discussion, he called for a motion.

Vice Chairperson Barker MOVED THAT RESOLUTION NO. 2016-004, A RESOLUTION OF THE BOARD OF DIRECTORS OF THE WATER UTILITIES COMMUNITY FACILITIES DISTRICT (CITY OF APACHE JUNCTION, ARIZONA) DECLARING A PORTION OF THE PUBLIC UTILITY EASEMENT LOCATED AT 3710 SOUTH GOLDFIELD ROAD, LOT 498, APACHE JUNCTION, ARIZONA IS NO LONGER NECESSARY FOR PUBLIC USE AND IS HEREBY EXTINGUISHED, BE APPROVED.

Mrs. Evans SECONDED THE MOTION.

VOTE: Unanimous.

The motion carried.

DISTRICT MANAGER REPORT

None.

DISCUSSION ON DATE, TIME AND
LOCATION FOR BUDGET WORK SESSIONS
FOR FISCAL YEAR 2016-2017)

) District Finance Manager John White stated the budget calendar put together by the city, which the district tries to parallel, would have the date and time at 6 p.m. on Tuesday, May 3. That is the staff recommendation. They would follow with tentative budget adoption two weeks later on May 17.

Chairperson Insalaco

commented that works for them. This was a discussion item only with no action to be taken. He closed the item with no further discussion and moved on to the next item.

DISTRICT DIRECTOR REPORT

District Director Frank Blanco stated they would be discussing the water festival, the lead and copper rule, a customer online and autopay update, a water system update, a Central Arizona Project water treatment plant update and an overview of Fiscal Year 2016-2017 budget. The water festival will be on April 28 and promises to be a fun time. They are looking for volunteers from the water board. They had a lot of fun with the kids last year.

Vice Chairperson Barker commented she already got to us.

District Director Frank Blanco stated the lead and copper rule was adopted in 1986 as part of the Safe Drinking Water Act, which was established in 1974. There was a recent change to the lead and copper rule in 2014. There are additional revisions proposed in 2017. In 2014 the revision was for the reduction of lead in drinking water act. It does not allow the sale of any fixtures such as residential faucets and residential valves to have any lead, not even a small, minute amount. Prior to that it was low lead. It continues to be looked at due to the toxicity of lead in drinking water. Lead toxicity came in at low concentrations. The maximum contaminant goal for lead is zero. It is combined with copper. Inside residential plumbing there will be lead if you have lead soldering and copper if you have copper pipes. The Environmental Protection Agency began looking at the levels in order to set some standards. The requirements would be based on public health and safety. The maximum contaminant level for copper is 1,300 parts per billion. One part per billion would be like one drop of water in the largest tanker that transports gasoline. It is a very low level. An action level for lead is 15 parts per billion. If 10 percent of our samples exceed the contaminant level then we are required to take action on those particular levels. He asked if they had any questions on action levels.

Vice Chairperson Barker requested he do so.

District Director Frank Blanco stated an action level would be a requirement if they have an exceedance. It would require public notification and additional sampling to ensure we are not continuing to exceed that. It has to do with the customer's plumbing. The customer's plumbing is what is causing the issue. When lead is sampled, the samples are taken by the customers. The customers help us out by taking samples from their own taps, either the cold kitchen sink or the bath taps. The water has to be stagnant for 6 hours. They have 30 customers that cooperate with them and provide the samples. By stagnant for 6 hours that means you sample when you turn on the water first thing in the morning. That would have the greatest contaminant concentration of lead possible since the water has not been used and flushed. The requirements for action levels if they are exceeded again would be corrosion and control treatment, source water monitoring, lead public education and lead service line replacement. Because Apache Junction is relatively new as far as residential buildings and construction, we do not have any lead service lines to our knowledge. They have never encountered one in replacing any lines. We are fortunate in that respect. These samples are taken by water district customers tri-annually, once every three years. No exceedances have been reported as of yet for the water district. The next sample will be taken this year in the summertime between June and September. The rule will be revised in 2017.

Mr. Serdy asked what copper does to someone.

District Director Frank Blanco stated copper is a heavy metal and is not as toxic as lead. He would have to research exactly what it does to people. It would affect somehow your internal organs, possibly your kidneys or something like that. He will get him an answer on that.

Mr. Waldron commented he thinks it makes one bald.

Mr. Serdy commented externally they are making copper underwear and selling it. He thought it was good for you.

District Director Frank Blanco stated like the knee braces and things.

Mr. Serdy commented Brett Favre wears a whole copper outfit.

District Director Frank Blanco stated we are below the 15 parts per billion, which is the allowable limit, in our samples. We are more like 2.3 parts per billion in the ninety percentile. The ninety percentile means there could be more than 10% of the samples that could exceed the 15 parts. In our water system they do not. There are other water systems in which they would. One of the rule changes is going to be that the water provider has to tell the customer if they have an exceedance. The current rule does not require that. Some of the changes being made are going to be more strict on those rules as well. He commented they are working on upgrading their website. He asked Evie McKinney to brief the board on this item.

Utility Billing Supervisor Evie McKinney stated they decided their website has been lacking. They wanted to give it a facelift and make it more current-looking. They are looking at the billing section for their customers to make it easier to work there. At this point if they forget their password they have to call the district and staff has to go in and reset the password. They would then have to log back in. Some of it is clumsy and bulky. One of the new features is they can automatically select that, the computer sends them something and staff is out of the picture. The current provider since 2008 on the website is D & T Ventures in St. Cloud, Minnesota. They have been fairly accommodating but it sometimes seems their response time is not as quick as we want. They have requested them to begin ebill notification which is a notice by email letting them know their bill is available for view. They can open that email, click on the link and it will take them directly into their account. They can opt to pay or view the bill. They are also adding automatic credit card processing where they can put in their credit card information one time and it will be stored securely and safely. They will not have to remember to go online to make their payment, which is huge for the winter visitors. They have been requesting that often. They also added a mobile app. It is a snippet of what they would see when they first open the app. They are hoping the web page would be tied into the same look. Currently it is the old picture with the mountain on the top. This is much more appealing and colorful. The number one request from the customers has been autopay which has been requested 2 or 3 times a day. Over a 21 day period where they get about 2,000 personal checks, bank checks or bill pay, when a lot of our customers do online bill pay, their bank is actually processing a hard paper

check for the district. There is a lag time of 7 to 10 days. The bank will take the money from the customer account today but we may not get the check until next week. It can sometimes create a late payment. They have done their due diligence in processing the payment but it is up to the bank to get it to us. It has been an education for the customers. The call in and credit card transactions are a little over 800. They want to increase the online credit cards and online checks by offering the autopay and auto credit card processing. Anything they can do electronically. They hope those numbers will go up and the others go down. The personal checks they work on daily usually take about two hours of busy time. She feels they could do a lot better customer service if they were not having to handle all the paper. They could deal with more customer issues. The goal is to shift a lot of the payments received to a paperless transaction. It would decrease the busy work and increase the ability to perform better customer service.

Vice Chairperson Barker commented that looks really good.

Utility Billing Supervisor Evie McKinney stated they met with Wells Fargo with a list of requirements. The top four were the ones they really wanted to see and who could meet them. The current provider has met them all. Real time payments is a biggie. Because D & T is already our web host they can connect into our database. When a customer goes in online they can make a payment immediately. They can be on the phone with the customer and see the payment go into their account. Wells Fargo would only be a payment portal and they would do a batch at midnight. They would download it the next morning, import that into the customers and there would again be a lag time. They could be shut off or just get late charges. That is what they are wanting to avoid. They both can do insufficient fund notification. They would still need to have a web host if they went through Wells Fargo.

Vice Chairperson Barker commented a lot of research went into this.

District Superintendent Mike Loggins gave a quick update on the water system. Approximately 6 months ago they finished relocating the Ironwood water line. The city started the storm drain project. With the first piece of pipe they went to stick in the ground they immediately ran into an existing water line

in the Broadway and Ironwood intersection. They quickly called the water district. They had a contractor out there within a day and dug the water line up that night. They realigned the water pipe since the storm drain is gravity flow system. It cannot go higher or lower so they had to move the pressurized system to dip under that line. They quickly mobilized as to not delay the public works project. They found they have a quarter section in their distribution system that is by itself. It is a single feed going out to a number of customers. It was the water line they had to realign. If they cut that section out it will cut service to 500 connections, which is about 1,500 people and Arby's and McDonald's. They had to come up with an alternate plan. They had a fire hydrant across the street on the school property. Across the street is one from Arizona Water Company. They called Arizona Water to get a fire hydrant meter and, partnering with Rain for Rent, they put basically a speed bump across Ironwood and used Arizona Water Company's water pressure to supply water to our customers for the outage. This was all done within 24 to 48 hours. They had it lined up at 9 p.m., shutting off the main, transferring to Arizona Water Company, and within 10 hours they had the vertical realignment done, they pressurized the system back up, got off Arizona Water Company's pressure and finished. It was a great partnership working with the public works manager out there, Arizona Water Company, Garney Construction which is the district contractor, Combs Construction which is the public works contractor and Rain for Rent to get this all going within a 48 hour period so the customers did not even realize anything happened out there.

Vice Chairperson Barker asked if the water pipe is under the storm drain.

District Superintendent Mike Loggins stated that is correct. It is about 10' deep in that area so they could dip underneath.

Vice Chairperson Barker commented they will get real cool water.

District Superintendent Mike Loggins stated just in that area. Usually the water lines are only 4' so this one has some depth they are not used to. That is why the water district did not handle this themselves; they hired a contractor to do the work. They are also currently working on the downtown city park. There was an existing water line Arizona Water Company is going to abandon. The district is working with the city to relocate

the water line to keep the costs down so the project can keep moving forward. Arizona Water Company bid out the project. If a contractor had been hired to do the project it would have been \$125,000. The district went out, looked at the materials, and the district will use its own labor force in conjunction with Arizona Water Company. They are hoping to do it for less than \$8,000. They are also trying to partner with Arizona Water on a demonstration garden showing water conservation and different things in the park. They are working with the parks department to come up with some designs for that. It is a great community project and they are trying to do their part with partnering with everybody in the city. He proceeded with an update on the water treatment plant. They last saw a picture of this specific part of the site in November. They are doing some compaction here. The part where the green pipes are coming up now looks like the strainer area, the right hand side of the screen. There is a big difference from what they saw before. It is all coming above ground now. There is no more underground work. A lot of concrete and pipe work. He showed them a slide of where the initial grand opening ceremony took place, the water tank that was partially done, and a concrete slab on top of that with pumps on top of it. It is about 24' to 30' deep with pumps hanging in that tank to pump up the finished water in the end.

Vice Chairperson Barker commented it is amazing how rapidly they have been able to do that.

District Superintendent Mike Loggins showed them a picture from a couple of weeks ago of the treatment plant building and everything that is going up out there. It has changed in the last week as they have already paved around the entrance, the gates are being installed and a fence is all around the property. It is coming along very quickly. They are hoping to take them out for a visit in the next couple of months. They will be doing some start ups of each individual component in the month of May and will be doing a soft start in June before they actually send water through the distribution system.

Mr. Wilson commented they are looking forward to it.

District Superintendent Mike Loggins stated the project is still on time and under budget. They are doing a good job on maintaining all that stuff.

Vice Chairperson Barker commented they are doing great.

District Manager Bryant Powell stated the initial thought is it will be very, very warm when they do the soft start. They would like to have a neat opportunity for the community. After talking to staff, they would like to do a grand opening in October and invite everyone in the community out to see their water treatment plant.

Vice Chairperson Barker commented absolutely.

District Manager Bryant Powell stated the partnership effort going on between the district and Arizona Water has been doing lots of different things to make the downtown park happen. It was wonderful to hear they were able to do that and he gave kudos to Frank, Mike and their team. Also, he received a scary phone call from Frank saying they have a hiccup on the Ironwood project which called for moving a lot of different utilities, stormwater project, curb, gutter, sidewalk and full reconstruction of the road. The day they are finally getting the new paving contractor and stormwater contractor together they tell him of where the water line is. They mobilize. When they mobilize the contractor is not able to work and there is time, energy and money that could be on us. To be able to have Frank and his team come out, make that assessment, get all the groups together in a short period of 10 hours, involving lots of residents and businesses, was really a miracle. He thanked them for their creativity and ability to have partners to talk to.

District Superintendent Mike Loggins stated some of the major capital items for the budget this coming fiscal year will be to finish up the water treatment plant and full replacement of Well #6. They have had that for the last couple of years and have been lucky it has not failed. They will continue with it to see how long they can sustain it. There has been no drop off of production or lowering of the water levels so we are doing okay for now. They still want to plan for an emergency if something happens out there.

Vice Chairperson Barker commented she had wanted to ask if there is a plan.

District Superintendent Mike Loggins stated during the design of the water treatment plant they did some value engineering and

cut out the generator they initially start out with for emergency back up. They will budget for next year to install that so that does not have to go down if they lose power out in that area. Central Arizona Project water is going up slightly next year from \$22 an acre foot to \$23 an acre foot. It will be a slight bump in the budget. Over the next few years it will continue to go up.

Vice Chairperson Barker commented as the water goes down in the north the prices will go up here.

District Superintendent Mike Loggins stated also in the budget is the water treatment plant. They have not had these expenses in the past as they had to pay Mesa to treat the water. These will be some of the areas we will go up and other areas will decrease because we are doing it ourselves. There will be an increase of \$125,000 in electrical. These are all estimates put together by the engineers who designed the plant for us based off of other treatment plants in the valley. We will have some decrease in costs for the City of Mesa and a decrease in capacity. Currently we reserve a capacity in the Mesa treatment plant of 5,000,000 gallons a day. The plan is once they get the plant up and going to have an emergency interconnect with them rather than reserve capacity. It will lower our cost that we do not have to reserve that capacity from them.

Vice Chairperson Barker commented that would be \$5,000 plus when you add and subtract.

District Superintendent Mike Loggins stated they have an increase in Central Arizona Project water delivery because we are taking it plus recharging it.

Vice Chairperson Barker commented they still end up with \$5,000.

District Superintendent Mike Loggins stated that is correct.

Vice Chairperson Barker commented which is nice.

District Superintendent Mike Loggins stated which is good. They missed one point. They are not purchasing the sewer district effluent credits. They have made them a partner with Central Arizona Project and CRGRD that are purchasing the credits in the meantime. They will use the Central Arizona Project water and

replenish that so they do not have to pay for the water. We increase by \$110 with Central Arizona Project deliveries but we do not have to pay \$270,000 to the sewer district to purchase their effluent credits. They are trying to offset some of these costs.

Vice Chairperson Barker commented good job. They are almost getting enough to pay for the generator.

District Superintendent Mike Loggins stated they are starting up the new plant. The estimated values are probably pretty conservative coming from our engineer. They will have more data in upcoming years as the plant comes online. The next thing they will be proposing are the rate adjustments for the next fiscal year. They did a similar thing last year. They are looking at raising their base rate 5%, no change to the consumption rate and no change to the consumption tier rates like they did last year. The base rate is for general service. It is for them to meter read and maintain pumps, tanks and service lines. Consumption rates are actually for the water they receive. We are delivering water to them so the district has to pay for chemicals, electric and other different components. The Salt River Project rates have not hurt them too bad so they are keeping that the same and raising the base rate.

Vice Chairperson Barker commented at least they are not going up 29%.

District Superintendent Mike Loggins stated that is the big thing here. Even though they are raising the base rate, the overall cost is only an increase of 2.3% to our average customers compared to an article from Casa Grande where they are looking at a 29% increase. They like to try to keep between the 3% and 5% each year so that we do not have a rate shock like they are having and have the community upset. They went out and got everybody's rate structures across the valley and came up with an average rate basis of \$21.34. The proposed base rate came out to be the same as the averages across the ten or twelve water systems that were asked. They did not want raise the consumption rate as we are \$1.00 higher than every other city in the valley in all three tiers. They are catching up to others in their base rate yet keeping the consumption rate from being raised higher than they currently are. The average customer would use 4,300 gallons with a bill of \$41.54. The proposed

increase would raise the base rate to \$21.34 for a \$1.02 difference. The consumption rate would not change and there would be additional taxes. The difference for the average customer's bill would be \$1.13. It is about 2.3% for the rate increase. A larger user that would have a multi-family or five people would have 15,000 gallons. The base rate would be raised \$1.52, no change in the consumption rate and taxes would be up slightly for a total increase of less than 2%. They are keeping the rate changes very low overall. They also have single family, multi-family and hook-up fees that were taking up the construction fees that were raised across the nation. Construction costs were raised 3.1% which were matched with the hook-up fees for infrastructure for pumps, pipelines and different things. It only affects new construction, not any of the existing customers or people who have established service in the past.

Vice Chairperson Barker commented he did a great job of explaining how it works.

District Superintendent Mike Loggins stated they are adding an account re-establishment fee. They have not done this in the past. They have winter visitors. In April and May they get a huge disconnect list. They no longer want to have service with us. They turn their water off until September or October. They get charged nothing at that point in time. They still have to go out there and read the meter to verify there is no consumption on that meter. They still have to maintain all the service lines, tanks, booster pump stations and wells so when they come back they have water. The district cannot lay off the field staff or customer service representatives because they have all these customers that leave in the summertime. We have to have them to maintain the system. They are proposing to charge them the base rate, even when they are gone, so that they can maintain the system for when they come back. The sewer district is currently doing this. Arizona Water Company is doing this. It is not something new around the city, it is just something new to the water district.

Vice Chairperson Barker commented a customer who leaves in April and returns in September, say October, would pay the base rates for the months that they had disconnected.

District Superintendent Mike Loggins stated that would be correct. They would have to pay the monthly minimums while they are gone rather than paying zero right now.

Vice Chairperson Barker asked if they would be billed monthly for that.

District Superintendent Mike Loggins stated they would.

Vice Chairperson Barker commented they are not just going to say if they reconnect it will cost them \$560.

District Superintendent Mike Loggins stated that is kind of how the rate reads. Some of them have asked what the best way is for them not to have service. Currently it is to disconnect and they get zero charges over the summer and then reconnect. The customer service representatives will have to explain to them they will have to stay connected or they can back charge them when they come back in six months for those fees for the base rate. Most of them will end up staying on and paying their monthly minimum of \$20 a month until they come back. It is new and the wording is a little bit weird but he wanted to make sure they were clear on it.

Mrs. Evans commented they go down to this other rate for the months they are gone. They still come out and read the meters monthly.

District Superintendent Mike Loggins stated that is correct.

Mrs. Evans commented they do that to make sure nothing is happening.

District Superintendent Mike Loggins stated any time that they establish service at a residence a meter stays there. When it switches hands, when they shut off water to it, the meter is still there. Each month they still have to go out and verify that meter, make sure there are no leaks there, make sure there is nothing going through there because they have customers that get shut off or leave, a new customer comes in and cuts the lock and starts service without the district knowing. They still have to go out there every month and make sure it is what it is supposed to be.

DISTRICT TREASURER REPORT

District Finance Manager John White stated they are roughly over \$3 million through March in revenue, approximately \$150,000 more than last year through this time. The Non-Capital Expenditures excludes capital outlay because of the treatment plant expenditures would skew that significantly. The operating revenue over expenditures is \$1.2 million this year versus \$1,155,000 last year. It is a bit misleading as it does not reflect the debt service. Debt service for the year thus far is \$853,000. The cumulative base income for 9 months is \$394,000. Last year through March 2015 was \$340,000 so there is a slight increase. It does not take into account capital outlay or other one-time expenditures. The residential sales have been at \$2,448,000 through March 2015. Last year we were at \$2,326,000 so there has been an increase of \$122,000. There is also an increase in the non-residential sales and a small drop in the miscellaneous sales which are things like late payment fees, disconnect charges and other installation charges. The consumption charges will remain the same as far as the rates are concerned. They are up to \$1,418,000 to \$1,469,000. A big part of that was the changing of the tiers. The gallons per month were almost the same as last year, with both years being down from 2014. Even though 2014 had the greatest sales, we had the least amount of residential meters out there.

Vice Chairperson Barker commented a lot of people were using a lot of water.

District Finance Manager John White stated it was actually higher water use per meter in Fiscal Year 2014. There is a greater awareness and greater emphasis on consumption, conservation, more efficient appliances and low flow devices. He gave a brief overview at the water expenditures. The administration expenditures are up \$558,000 versus \$525,000 from last year. The planned expenditures are \$21,000 more than last year. The big thing is the capital outlay with expenditures so far this year at \$7,448,000, Most of that is the Ironwood project and the treatment plant.

Mrs. Evans commented it does look shocking.

District Finance Manager John White stated the treatment plant expenditures to date are at almost \$9 million. Most of that is for Garney.

District Director Frank Blanco thanked the board for their support of the budget in prior years.

ADJOURNMENT _____)
) Vice Chairperson Barker
MOVED TO ADJOURN THE MEETING.

Mr. Waldron SECONDED THE
MOTION.

VOTE: Unanimous.

The motion carried.

Chairperson Insalaco adjourned the meeting at 6:48 p.m.

ACCEPTED THIS _____ DAY OF _____, 2016,
BY THE CHAIRPERSON AND DISTRICT BOARD OF THE WATER UTILITIES
COMMUNITY FACILITIES DISTRICT, (CITY OF APACHE JUNCTION,
ARIZONA).

SIGNED AND ATTESTED TO THIS _____ DAY OF _____,
2016.

John S. Insalaco
Chairperson

ATTEST:

Kathleen Connelly
District Clerk

WATER UTILITIES COMMUNITY FACILITIES DISTRICT MINUTES
CERTIFICATION

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the regular meeting of the Water Utilities Community Facilities District of the City of Apache Junction, Arizona, held on the 19th day of April, 2016. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this 18th day of May, 2016.

Kathleen Connelly
District Clerk