

WATER UTILITIES COMMUNITY FACILITIES DISTRICT
CITY OF APACHE JUNCTION, ARIZONA
REGULAR MEETING
June 20, 2017

The regular meeting of the District Board of the Water Utilities Community Facilities District, City of Apache Junction, Arizona, was held on June 20, 2017 at the Apache Junction City Council Chambers pursuant to the notice required by law.

CALL TO ORDER

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

ROLL CALL

Board Members Present: Chairperson Serdy
Vice Chairperson Wilson
Mrs. Barker
Mrs. Rizzi
Mr. Struble
Mr. Waldron

(Mrs. Evans was absent.)

Staff Present: Bryant Powell, District Manager
Kathleen Connelly, District Clerk
Joel Stern, District Legal Counsel
Frank Blanco, District Director
Donna Meinerts, District Treasurer
Matt Busby, Assistant City Manager
Michael Loggins, District
Superintendent

Others Present: Evie McKinney, Utility Billing
Supervisor
Eric Yuva, Assistant City Attorney
Al Bravo, Public Information Officer

APPROVAL OF MINUTES OF MAY 2, 2017
AND MAY 16, 2017)

) Chairperson Serdy called
for a motion.

Mr. Waldron MOVED THAT THE
MINUTES OF MAY 2, 2017 AND MAY 16, 2017 BE APPROVED.

Mrs. Rizzi SECONDED THE
MOTION.

VOTE: Unanimous.

The motion carried.

PROPOSED DISTRICT BUDGET FOR FISCAL
YEAR 2017-2018 TO INCLUDE PROPOSED
RATES, FEES AND CHARGES APPLICABLE
DURING FY 2017-2018)

) District Manager Frank
Blanco briefed the board on the item.

Mr. Waldron asked what the
increase in Central Arizona Project costs is due to. There has
been a rapid increase from 2013 to 2017.

District Manager Frank Blanco
stated a lot of it has to do with the energy costs, the cost to
pump the energy now that they are looking at the Navajo
generating station going off line. It was a source for Central
Arizona Project electricity. They have projected that will have
an impact on their electrical costs. The cost of electricity is
pretty significant, the cost of equipment replacement and
maintenance is also a big cost. The capital charge has to do
with paying back for the actual canal. It was thought that
would not increase at that dramatic a rate. He continued with
his briefing.

District Superintendent Mike
Loggins briefed the board on the proposed rates and changes.

District Director Frank
Blanco briefed the board on the proposed classification and
compensation plan.

Mrs. Barker commented no questions means they have done an excellent job of presenting this the times we have seen it and walking us through it.

PUBLIC HEARING ON PROPOSED FINAL
BUDGET AND RATE SCHEDULES FOR
2017-2018)

) Chairperson Serdy opened the public hearing on the item. There being no one wishing to speak, he closed the public hearing and opened the item to board discussion. There being no further discussion, he closed the item and moved on to the next item.

RESOLUTION NO. 2017-003, ADOPTING
ESTIMATES OF EXPENDITURES BY THE
WATER DISTRICT FOR FISCAL YEAR
BEGINNING JULY 1, 2017 AND ENDING
JUNE 30, 2018 AND DECLARING SUCH
ACTION TO ESTABLISH THE BUDGET FOR
FISCAL YEAR 2017-2018)

) Chairperson Serdy called for a motion.

Mrs. Barker MOVED THAT
RESOLUTION NO. 2017-003, 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) FOR FISCAL YEAR BEGINNING JULY 1, 2017 AND
ENDING JUNE 30, 2018; DECLARING THAT SUCH ACTION SHALL ESTABLISH
THE BUDGET FOR THE WATER UTILITIES COMMUNITY FACILITIES DISTRICT
(CITY OF APACHE JUNCTION, ARIZONA) FOR FISCAL YEAR 2017-2018, BE
APPROVED.

Mrs. Rizzi SECONDED THE
MOTION.

VOTE: Unanimous.

The motion carried.

RESOLUTION NO. 2017-004,
RE-ADOPTING ALL EXISTING RATES,

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USER FEES AND CHARGES FOR FISCAL
YEAR 2017-2018, INCLUDING NEW RATES
FOR MONTHLY BASE SERVICE CHARGES
AND WATER CONSUMPTION RATES PER
1,000 GALLONS INSIDE AND OUTSIDE
CITY LIMITS, RESIDENTIAL SERVICE
AND METER INSTALLATION FEES, SYSTEM
CONNECTION FEES STANDPIPES AND FIRE
HYDRANT METERS; AND ESTABLISHING AN
EFFECTIVE DATE)

) District Director Frank
Blanco briefed the board on the item.

Chairperson Serdy called for
any discussion.

Vice Chairperson Wilson asked
if he could ask a question about something that has nothing to
do with this. He asked who pays for the water that is being
delivered if there is a fire for a fire situation.

District Director Frank
Blanco stated the water district pays for the water and they
make sure that the water is available when it is needed. The
district is enabled to be able to supply that water to put out
the fire by all of those that are connected to the system that
are customers paying the monthly base rate. The customers
connected to the system will pay for that water.

Vice Chairperson Wilson asked
if that is part of the base rate being charged.

District Director Frank
Blanco stated that is correct.

Vice Chairperson Wilson
commented they are providing for everyone in the area.

District Director Frank
Blanco stated that is correct. That is the monthly base rate.

Vice Chairperson Wilson
commented someone asked him about if someone decides they do not

want to have water service and he told them they still have to have the water circulating in the system. The water cannot sit still and become stagnant. He asked if that was correct.

District Director Frank
Blanco stated that is correct. It still has to meet the requirements for safe drinking water as well.

District Manager Bryant
Powell asked if there are any other reasons the board may need to know as to why it needs to be maintained.

District Director Frank
Blanco stated they have to make sure everything is operating. They cannot stop treating the water as there are safe drinking water standards because there are less people out there. They have to meet all the same requirements they do year round. The water has to be readily available for health and safety.

Vice Chairperson Wilson
commented they cannot lay people off because half the people shut their system down because all the work still needs to be done.

District Director Frank
Blanco stated they still have to check the water to make sure it is safe. They still have to do everything they normally do.

Chairperson Serdy asked if
the district donates the water when the fire district fills a tanker.

District Director Frank
Blanco stated they keep track of how much water they use so that the district can report it on an annual basis to the Department of Water Resources. We do not charge them for the water.

Chairperson Serdy closed the
discussion with no further comments and called for a motion.

Mrs. Rizzi MOVED THAT
RESOLUTION NO. 2017-004, A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE WATER UTILITIES COMMUNITY FACILITIES DISTRICT (CITY OF

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APACHE JUNCTION, ARIZONA), RE-ADOPTING ALL EXISTING RATES, USER FEES AND CHARGES FOR FISCAL YEAR 2017-2018, INCLUDING NEW RATES FOR MONTHLY BASED SERVICE CHARGES INSIDE AND OUTSIDE CITY LIMITS, WATER CONSUMPTION RATES PER 1,000 GALLONS INSIDE AND OUTSIDE CITY LIMITS, RESIDENTIAL SERVICE AND METER INSTALLATION FEES, SYSTEM CONNECTION FEES, STANDPIPES AND FIRE HYDRANT METERS; AND ESTABLISHING AN EFFECTIVE DATE, BE APPROVED.

Mr. Waldron SECONDED THE MOTION.

VOTE: Unanimous.

The motion carried.

DISTRICT MANAGER REPORT

None.

DISTRICT DIRECTOR REPORT

None.

DISTRICT TREASURER REPORT

None.

ADJOURNMENT)

) Chairperson Serdy called for a motion to adjourn the meeting.

Vice Chairperson Wilson MOVED TO ADJOURN THE MEETING.

Chairperson Serdy adjourned the meeting at 6:25 p.m. with no vote.

ACCEPTED THIS _____ DAY OF _____, 2017,
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 _____,
2017.

Jeff Serdy
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 20th day of June, 2017. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this 17th day of July, 2017.

Kathleen Connelly
District Clerk