



City of Apache Junction, Arizona

Meeting Minutes Water Utilities Community Facilities District

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

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

Tuesday, June 20, 2023

6:00 PM

City Council Chambers

A. Call to Order

Chairperson Wilson called the meeting to order at 6:00 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
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
Leslie DeReche, District Treasurer
Connie Chow, District Controller
Evie McKinney, Deputy District Clerk
Al Bravo, Public Information Officer
Rob Wisler, Management Analyst

C. Agenda Items

1. [23-345](#) Approval of minutes of the regular meetings of April 18, and May 16, 2023
and the special meeting of May 2, 2023.

Boardmember Soller made a motion to approve the meeting minutes of the regular meeting of April 18, 2023, and the May 16, 2023 and the special meeting of May 2, 2023. Boardmember Heck 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. [23-346](#) Presentation, discussion, public hearing, and consideration of Resolution No. 2023-003, fully adopting estimates of expenditures by the Water Utilities Community Facilities District (City of Apache Junction, Arizona), for Fiscal Year beginning July 1, 2023, and ending June 30, 2024; declaring establishment of the budget and rate schedule for the Water Utilities Community Facilities District (City of Apache Junction) for Fiscal Year 2023-2024.

Boardmember Heck made a motion that Resolution No. 2023-003, 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, Arizona), for Fiscal Year beginning July 1, 2023 and ending on June 30, 2024; declaring that such action shall establish the budget for the Water Utilities Community Facilities District (City of Apache Junction, Arizona) for Fiscal Year 2023-2024, 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

Mr. Loggins presented an overview of the current fiscal year’s budget. The FY 2022-2023 budget is expected to be approximately \$15 million.

Mr. Loggins presented an overview of the FY 2023-2024 budget. The Water District is proposing an \$11 million budget. Expenses are made up of daily operations, debt services, capital outlay and contingency dollars for a total of \$11 million.

Larger projects proposed for FY 2023-2024 include installation of the bi-directional pipeline from the Superstition Area Water Plant to the Apache Junction Sewer District, and the implementation of new utility billing software with a go-live date of August 2023. Informational postcards have been sent out to customers informing them of the upcoming changes and additional information will be sent out with the new bills. The District is planning on having meetings possibly at the Library to assist customers with navigating the new system. Also planned is a pilot study for advanced water treatment to treat effluent water to drinking water standards for future needs.

Work continues with Salt River Project on the Verde River Sedimentation Mitigation study for a cost of \$100,000 per year over the next three years. The District is currently in year three of the study. A vote was conducted calculating the demands versus the water resources currently available and was passed unanimously by the 21 cities on the committee. Water allocation between the 21 cities is still being discussed to determine each city’s needs.

The Central Arizona Project funding for 817 acre-feet of Non-Indian Agricultural water continues at a cost of \$325,000 per year and the District is in year three of the five years financed.

Chairperson Wilson called for a Public Hearing on the final budget for Fiscal Year 2023-2024.

There being no one wishing to speak, he closed the public hearing, and called for a motion.

3. [23-347](#) Presentation, discussion, public hearing, and consideration of Resolution No. 2023-004, re-adopting all existing and adopting new potable and non-potable rates, user fees and charges for Fiscal Year 2023-2024, including new potable and non-potable water rates, service connection fees, water acquisition fees; and establishing an effective date.

Boardmember Cross made a motion that Resolution No. 2023-004, 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 2023-2024, 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 2023-2024. For customers within the city limits this would include a 5% increase in the base rate and no change to the consumption rate or tiers for a 2.2% overall increase or \$1.58 per month. For customers in the county area this would include a 5% increase in the base rate, 5% increase in the consumption rate and, no change to any consumption tiers for a 4.7% overall increase or \$4.00 per month. He proposed an increase in the residential connection fees and water acquisition fees which will not affect current customers. The increases will go into effect October 1, 2023.

Chairperson Wilson called for a Public Hearing on the rate schedule for Fiscal Year 2023-2024. 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

4. [23-348](#) Presentation, discussion, and update on District wide water system.

Mr. Loggins reported on the Arizona Department of Water Resources (ADWR) annual report, including information on the District's current water portfolio. The question was raised if the District has enough water to supply the new development in the state land area. Mr. Loggins presented the District's water portfolio for 2022 consisting of total assets of 7,831-acre feet of water. He explained the total water used in 2022 was 3,411-acre feet. Based on these numbers the District has roughly 4,000-acre feet available for new development.

Mr. Loggins reported that the District will start serving customers in the Radiance subdivision in the last week of June. While installation of the 24" water line is still under construction, a work

around is available to serve these customers.

G. District Treasurer Report

No report.

H. Adjournment

Chairperson Wilson adjourned the meeting at 6:26 p.m.

ACCEPTED THIS _____ DAY OF _____, 2023, 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 _____, 2023.

WALTER "CHIP" WILSON
Chairperson

ATTEST:

JENNIFER PENA
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 _____ day of _____, _____
. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this _____ day of _____, 2023.

JENNIFER PENA
District Clerk