



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 15, 2021

6:00 PM

City Council Chambers

Notice of Meeting

NOTICE OF PUBLIC MEETING AND AGENDA OF THE DISTRICT BOARD OF THE WATER UTILITIES COMMUNITY FACILITIES DISTRICT (CITY OF APACHE JUNCTION, ARIZONA)

Pursuant to A.R.S. § 38-431.02, notice is hereby given to the members of the District Board of the Water Utilities Community Facilities District, (City of Apache Junction, Arizona), and to the general public, that on Tuesday, June 15, 2021 at 6:00 p.m., the District Board of the Water Utilities Community Facilities District will hold a meeting open to the public at the Apache Junction City Council Chambers, 300 E. Superstition Blvd., Apache Junction, AZ.

A. Call to Order

Chairperson Wilson called the meeting to order at 6:03 p.m.

B. Roll Call

Present 6 - Chairperson Wilson, Boardmember Schroeder, Boardmember Biggs,
Boardmember Nesser, Boardmember Evans, and Boardmember Gremmel

Excused 1 - Vice Chair Rizzi

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

Luiza Yordanova, District Superintendent

Evie McKinney, Utility Billing Supervisor

Rita Vineyard, Administrative Assistant

Leslie DeReche, District Treasurer

Connie Chow, District Controller

Al Bravo, Public Information Officer

C. Agenda Items

1. [21-299](#) Approval of minutes of the special meeting of May 4, 2021.

Board Member Nesser made a motion to approve the minutes of the special meeting of May 4, 2021. Board Member Biggs seconded.

Yes: 6 - Chairperson Wilson, Boardmember Schroeder, Boardmember Biggs, Boardmember Nesser, Boardmember Evans and Boardmember Gremmel

No: 0

Excused: 1 - Vice Chair Rizzi

2. [21-300](#) Discussion and consideration of Resolution No. 2021-006, declaring portions of the public utility easement located at 1955 East Old West Highway, Apache Junction, Arizona, are no longer necessary for public use as public utility easements and are hereby extinguished.

Board Member Biggs made a motion that Resolution No. 2021-006, a resolution of the Board of Directors of the Water Utilities Community Facilities District (City of Apache Junction, Arizona) declaring portions of the public utility easements located at 1955 East Old West Highway, Apache Junction, Arizona are no longer necessary for public use and are hereby extinguished, be approved. Board Member Nesser seconded.

Yes: 6 - Chairperson Wilson, Boardmember Schroeder, Boardmember Biggs, Boardmember Nesser, Boardmember Evans and Boardmember Gremmel

No: 0

Excused: 1 - Vice Chair Rizzi

District Director Loggins presented an overview of Resolution No. 2021-006, a request to extinguish the water utility easement and declaring portions of the public utility easements located at 1955 East Old West Highway, Apache Junction, Arizona are no longer necessary for public use as public utility easements.

3. [21-301](#) Discussion and consideration of Resolution No. 2021-007, authorizing the execution of the subcontract between the United States, Central Arizona Water Conservation District, and Water Utilities Community Facilities District for 817 acre feet of Non-Indian Agricultural Priority, Central Arizona Project water.

Board Member Biggs made a motion that Resolution No. 2021-007, a resolution authorizing the execution of the subcontract between the United States, Central Arizona Water Conservation District, and Water Utilities Community Facilities District (City of Apache Junction, Arizona) for 817 acre feet of Non-Indian Agricultural Priority, Central Arizona Project water be approved. Board Member Schroeder seconded.

Yes: 6 - Chairperson Wilson, Boardmember Schroeder, Boardmember Biggs, Boardmember Nesser, Boardmember Evans and Boardmember Gremmel

No: 0

Excused: 1 - Vice Chair Rizzi

District Director Loggins presented an overview of Resolution No. 2021-007, authorizing the execution of the subcontract between the United States, Central Arizona Water Conservation District, and Water Utilities Community Facilities District for 817 acre feet of Non-Indian

Agricultural Priority, Central Arizona Project water. The water will become available in 2022 and will be stored for when its needed. The cost of the water is \$2,050.00 per acre feet for a total of \$1,674,850.00 and will be paid for over a five-year period.

Board Member Biggs asked for clarification on the water being available 50% of the time. District Director Loggins explained there are different tiers of drought which may result in cut backs or reductions in available water when the levels are low. If this occurs, the Water District can only order the water 50% of the time. Board Member Biggs asked if we were currently using the 817 acre feet of water and District Director Loggins responded that we are not and that the water would be used to replenish our aquifers for future use.

Chairperson Wilson asked if the cut back of agricultural water happening in Pinal County next year would have any effect on the availability of this water. District Director Loggins explained the state would have to go into a tier two shortage for Non-Indian agricultural water to be affected. The Non-Indian Agricultural water would be used first to replenish the aquifer and keep the current Municipal and Industrial water for later use.

Public Hearing

4. [21-303](#) Presentation, discussion, public hearing and consideration of Resolution No. 2021-004, fully adopting estimates of expenditures by the Water Utilities Community Facilities District (City of Apache Junction, Arizona), for Fiscal Year beginning July 1, 2021 and ending June 30, 2022; declaring establishment of the budget and rate schedule for the Water Utilities Community Facilities District (City of Apache Junction) for Fiscal Year 2021-2022.

Board Member Nesser made a motion that Resolution No. 2021-004, 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, 2021 and ending on June 30, 2022; declaring that such action shall establish the budget for the Water Utilities Community Facilities District (City of Apache Junction, Arizona) for Fiscal Year 2021-2022, be approved. Board Member Gremmel seconded.

Yes: 6 - Chairperson Wilson, Boardmember Schroeder, Boardmember Biggs, Boardmember Nesser, Boardmember Evans and Boardmember Gremmel

No: 0

Excused: 1 - Vice Chair Rizzi

District Director Loggins presented the final District budget for Fiscal Year (FY) 2021-2022 to include a summary of revenues and expenditures for the year. The proposed budget amount is \$7,164,245.00.

Board Member Biggs asked if the District normally uses reserves to fund the department. District Director Loggins explained the reserves are from system connection fees to be used for capital projects. District Manager Powell reiterated that these are planned reserves for capital one-time expense.

District Director Loggins presented a summary of revenues and expenditures for FY 2021-2022. Capital projects proposed for FY 2021-2022 include the second phase of the build of a raw water impound at Superstition Area Water Plant and the drilling of a new well on the Superstition Vista Subdivision site. Other expenditures include a new Utility Billing Software program, a proposed rate structure with Central Arizona Project, a study by Salt River Project for the Verde River Sedimentation Mitigation project and additional Non-Indian Agriculture water to be purchased over the next five years.

Chairperson Wilson called for a Public Hearing on the final budget for Fiscal Year 2021-2022. There being no one wishing to speak, he closed the public hearing with no further comments and called for a motion.

5. [21-304](#) Presentation, discussion, public hearing and consideration of Resolution No. 2021-005, re-adopting all existing rates, user fees and charges for Fiscal Year 2021-2022, including new rates for monthly base services charges inside and outside city limits, water consumption rate per 1,000 gallons outside city limits, system connection fees, water acquisition fees; and establishing an effective date.

Board Member Nesser made a motion that Resolution No. 2021-005, a resolution of the Board of Directors of the Water Utilities Community Facilities District (City of Apache Junction, Arizona) re-adopting all existing rates, user fees and charges for Fiscal Year 2021-2022, including new rates for monthly base service charges inside and outside city limits, water consumption rate per 1,000 gallons outside city limits, system connection fees, water acquisition fees; and establishing an effective date, be approved. Board Member Gremmel seconded.

Yes: 6 - Chairperson Wilson, Boardmember Schroeder, Boardmember Biggs, Boardmember Nesser, Boardmember Evans and Boardmember Gremmel

No: 0

Excused: 1 - Vice Chair Rizzi

District Director Loggins presented an overview of the final rate adjustments for FY 2021-2022 to include a 2.1% overall increase for customers within the city limits and a 4.8% overall increase for customers in county area. He is also proposing an increase in residential system connection fees and water acquisition fees. The increases will go into effect October 1, 2021.

Chairperson Wilson called for a Public Hearing on the final rates for Fiscal Year 2021-2022. There being no one wishing to speak, he closed the public hearing with no further comments and called for a motion.

D. District Manager Report

District Manager Powell thanked District Direct Loggins and his staff for the great job done on planning the new budget and making water available and safe in our community. He also thanked the Mayor and Council for their support.

E. District Director Report

District Director Loggins thanked the board for keeping the increase in rates low and steady.

F. District Treasurer Report

District Treasurer DeReche had no report but wanted to comment on the reserves. She explained with the new system she is hoping to come up with better identification on what the reserves are for and setting reserve policies for both the City and the Water District.

G. Adjournment

Chairperson Wilson adjourned the meeting at 6:27 p.m.

ACCEPTED THIS _____ DAY OF _____, 2021, 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 _____, 2021.

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 _____, 2021.

JENNIFER PENA
District Clerk