

ICR Water Users Association

Board Meeting Minutes

April 24, 2007

Minutes approved: May 25, 2007

Those Present:

Board Members

Earl Cummings, President
Hal Lobaugh, Vice President
Bill Meyer, Secretary/Treasurer
R.J. Howard, Director
Shirley Lilien, Director

Contract Staff

Bob Busch, Manager
Chris Williamson, A Quality Water Co.

Guests:

Dane Taylor

1. The meeting of the ICRWUA was called to order at 9:02 a.m. by Earl Cummings. Meg Kleinman, Recording Secretary was absent. Bob Busch recorded the minutes of the meeting.
2. **RJ moved to approve the Minutes of the March 27, 2007 Board Meeting with revisions to par. 4c noted; seconded by Bill; motion passed unanimously.**

3. **REPORTS**

a. **Financial Reports**

Since the board only just received the March financials, it was agreed to postpone the March Financial Report until the next meeting.

b. **Manager's Report**—Bob Busch

1. **System Operations:**

Site Security—Bob spoke with neighbors who had no problem with the **well site** fencing plan. Bob has arranged for the contractor to begin fencing on Friday, April 27th.

Water Audit—March data was provided. The ICR system showed more water sold than pumped in March. The ongoing loss still is a concern to The Board. After some discussion about possible sources of loss, including hundreds of pipe joints in the transmission line, it was agreed that comparing water pumped, Magner Tank levels and Distribution Pump meter readings would give the board a baseline transmission line loss.

Action Item: Bob and Chris will prepare a report containing the discussed information for a 90-day period. Available information will be presented at the next meeting.

Water leaks—The leak at the Grey Bears pump station has not been repaired. Chris suggested digging up the spot where water ponds outside the pump station to see if there is an additional leak. The Board has already authorized the modification of the pump station piping.

Air in lines at TRR-- There is still air getting into the system and customers continue to comment about the problem. Chris discussed the numerous air relief valves added to the system and other modifications that have been made to eliminate the problem. There still seems to be air entering the system at the jockey pump, although no leaks or other problems have been found. There also seems to be sizeable air bubbles being introduced from the main pump manifold.

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The discussion then focused on the control system and several weaknesses and abnormalities Chris has experienced. After further discussion about obtaining possible help for Chris in tracking down the problems, The Board agreed that Bob, Bill and Chris would investigate possible consulting engineering firms and recommend a scope of work.

Action Item: Bob, Chris and Bill will investigate consultants who may be able to assist, and recommend a scope of work and course of action to the board at the next meeting.

Backflow testing—Letters to appropriate customers have been sent out and some test results received. Bob will follow up with remaining customers.

2. Bills of Sale:

Preserve at the Ranch—The ICR attorney prepared and forwarded to Bob a draft assumption to the Line Extension Agreement. Bob made a suggestion for revision and is waiting for a redraft.

Talking Rock—Harvard Investments is working on the Bill of Sale.

Whispering Canyon—Bob has received no response.

Inscription Canyon Ranch—Shirley reviewed the ICR Bills of Sale and suggested that additional details be added, ie, reference to drawing, plans or other legal descriptions.

Action Item: Bob will add reference information to the Bill of Sale

3. **ADEQ Notice re wells influenced by surface water**—Nothing new to report.

4. **Well Abandonment**—Bob has contacted ADWR and the Well Driller (Del Rio Drilling) and is working out an implementation plan for abandoning the well.

5. **Williamson Valley Fire District**—The draft agreement was forwarded to the board members for review and comment. Board members had no comments.

Action Item: Bob will advise the attorney that the board has no comments or changes to the proposed agreement.

6. **Non-profit status**—The attorney has drafted changes to the Bylaws and Articles of Incorporation which were emailed to the board member. RJ and Earl were unable to read the email attachment.

7. **Rate Case Filing**— Bob is working with the CPA to answer questions concerning data provided.

8. **Line of Credit**—The ACC Staff sent a letter requesting answers to 17 items. The initial response deadline of April 16th was reset to May 6th. Most responses have been provided. A notice has been sent to the Prescott Courier to publish the required notice of the financing application. A Compliance Status Report received from ADEQ noted major reporting deficiencies in both 13-263 and 13-303 water systems. ADEQ has no initial chemistry in file on either system, and is requiring sampling for lead/copper. The sampling needs to be done over a 6 month period, and involve 20 customer samples on each system. ADEQ is providing a letter indicating what will be required.

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Action Item: Chris & Bob will present a sampling plan and procedure to the board at the next meeting- based on ADEQ instructions.

9. System water plan—Bob has begun a draft plan.

10. Financial Audit—Bob has talked to two firms who are interested in performing an audit. Proposals should be available by next meeting.

11. Acceptance of Plant –TRR – Bob has discussed with Clint a formal process to turnover and accept plant completed by the developer. The process would involve a walk-thru By TRR, ICRWUA(A Quality Water & Manager) engineer and contractor prior to acceptance.

4. OLD BUSINESS:

a. Review Action Items – The following action items are still pending, all others have been completed or closed:

Action Item: Earl and Shirley will meet with a county representative to discuss options for the maintenance of the flagpole parcel and the entrance.

Review of the Minutes of the February 17, 2007 Annual Meeting was tabled until the April 24, 2007 Board Meeting.

b. Aqua Meadows Agreement—No Action Taken (remain as an agenda item)

c. Review of TRR well agreement— No Action Taken (remain as an agenda item)

5. NEW BUSINESS

a. Non Profit Status - Since RJ and Earl were not able to open the email attachments with the proposed modifications, The Board will consider this at the next meeting.

Action Item: Bob will provide copies of the proposed changes to Earl and RJ.

b. Financing Application – A corporate resolution documenting the decision to obtain financing and filing for approval with the ACC is needed by the Commission Staff. A previous motion to that effect has been passed by the board, and the Secretary/Treasurer was directed to sign and attest to the Resolution.

RJ moved to adjourn the meeting, seconded by Hal. Passed unanimously. Meeting adjourned at 12:30PM.

June Meeting—June 26, 2007, 9:00 a. m.