

ICR Water Users Association
Board Meeting Minutes - Draft
June 26, 2007

Minutes approved:
July 17, 2007
As corrected

Those Present:

Board Members

Earl Cummings, President
Bill Meyer, Secretary/Treasurer
Shirley Lilien, Director
Hal Lobaugh, Director

Contract Staff

Bob Busch, Manager

Guests:

Dane Taylor

1. The meeting of the ICRWUA was called to order at 9:02 a.m. by Earl Cummings. Board member R. J Howard and Meg Kleinman, Recording Secretary were absent. Bob Busch recorded the minutes of the meeting.

2. During a review of the minutes, it was noted that Mr. Craig Krumweide's name was misspelled. **Hal moved to approve the Minutes of the May 25, 2007 Board Meeting, with corrections as noted; seconded by Shirley; motion passed unanimously.**

3. REPORTS

a. Financial Reports

Bill presented the May financial report, summarizing Revenues, Expenses and Net Income, both for the Month and YTD, as follows:

	<u>May</u>	<u>YTD</u>
Revenues	\$ 27,580.09	\$125,204.84
Expenses	\$ 18,915.61	\$ 142,293.79
Net Income	\$ 8,664.48	\$ (17,088.95)

During further review of the financials, it was determined that the check register included with the financial reports was not for the May 2007 period. It was decided to hold consideration of the May financial report until the correct check register could be obtained.

Action Item: Bob will arrange to have the proper report emailed to board members for review.

b. Manager's Report—Bob Busch

1. System Operations:

Water Audit—May data was provided. For the ICR system, the unaccounted for water between the wells and customer was 401,916 gallons, or 9.7%. This month, an additional reading at the Booster Station showed unaccounted for water between the wells and the Booster station to be 213,616 gallons between the Booster Station and customers to be 188,300 gallons. These readings will be monitored for the next few months to see if these ratios hold. Additional data for the Talking Rock System showed that of the 875,185 gallons sold, 546,702 were used by non-residential customers (landscaping and common area).

Water leaks—The leak at the Grey Bears pump station has not been repaired.

Air in lines at TRR-- Nothing new to report.

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Backflow testing—All customers have completed testing, except for the newly discovered requirement at the entrance to The Preserve. The developer has been sent a notification letter. Follow-up will continue.

Bills of Sale:

Preserve at the Ranch—The Assumption Agreement for The Preserve/Talking Rock transfer was received from the attorney- nothing new to report.

Action Item: Shirley will review the documents sent from the attorney and report back to the board.

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

Whispering Canyon—Bob has received no response.

Inscription Canyon Ranch—Bills of Sale are ready for board review and execution.

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

Williamson Valley Fire District— Nothing new to report.

Action Item: Earl will review the agreement with Steve Pierce prior to his signing. The board has authorized his execution of the agreement.

Non-profit status—Redraft of Articles of Incorporation & By Laws are expected any day from the attorney.

Action Item: Bob will email the redraft to board members when they arrive.

Rate Case Filing— The rate case is expected to be filed next week.

Line of Credit— All Staff questions have been answered. We are waiting for action or a response from the Commission staff.

System water plan—Bob has begun a draft plan. Nothing new to report.

Financial Audit—Bob has received two responses concerning a proposed audit and forwarded to the board for review. Nothing new to report.

Whispering Canyon – Bob has discussed the problem with meter boxes with the developer and engineer. So far, the developer seems cooperative in finding a solution.

Auto Payment – MDI is setting up the Auto Pay System. Some difficulties are being encountered because of our account numbers. The problem is being investigated by our software vendor.

Consumer Confidence Reports. CCR's were mailed to all customers in early June. Two different reports were required. One for ICR and one for TRR.

Action Item: Bob will email a copy of both reports to all board members.

The remainder of the agenda was suspended due to the anticipation of Harvard representatives for a meeting concerning a plan to test the Talking Rock wells.

Shirley move to adjourn the meeting, seconded by Bill; Motion passed unanimously.

Meeting was adjourned at 9:50 a.m.

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The meeting was subsequently reconvened by President Earl Cummings at 11:50 a m, with the above members present.

Motion by Bill to adopt the Water Theft Policy drafted by Bob, with the change in Paragraph A to include the words “including but not limited to” in place of “ie.” , seconded by Shirley; Motion passed unanimously.

A discussion ensued regarding the advisability of a fine as an additional remedy for the water company when encountering illegal hookups. It was suggested that an estimate of water use is not a significant penalty for illegal hookups, and a fine should be imposed.

Motion by Bill, Seconded by Hal, to seek an addition to ICRWUA tariffs permitting levying a fine of \$2,500 for the illegal connection to or illegally obtaining of water from the ICRWUA System.

After a discussion about the difficulties in policing the subdivisions for possible water theft, and hearing that contractors are virtually required to use significant quantities of water on a lot when excavating at the start of home construction (for compaction and dust mitigation required by developers).

Motion by Shirley, seconded by Hal, to seek a tariff of \$300.00 as an “impact fee” to cover the cost of lost or unaccounted for water actually used in lot improvements prior to the request to connect a meter. Motion passed unanimously.

Bill moved to adjourn the meeting, seconded by Shirley. Passed unanimously. Meeting adjourned at 12:10 PM.

July Meeting—July 17, 2007, 9:00 a. m. AND July 24, 2007, 9:00 a. m.

Minutes recorded by Bob Busch