

**ICR Water Users Association
Board Meeting Minutes – Draft
July 17, 2007**

**Minutes Approved:
July 24, 2007**

Those Present:

Board Members

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

Contract Staff

Bob Busch, Manager

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1. The meeting of the ICRWUA was called to order at 9:03 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. Several corrections were made to the draft Minutes of the June 26 during a review.

Motion: Hal moved to approve the Minutes of the June 25, 2007 Board Meeting with the corrections as noted during the meeting; Seconded by Bill; motion passed unanimously.

3. REPORTS

a. Financial Reports

Some discussion occurred about the correct Check Register and Cash Disbursements Journal sent to board members after the June 25th meeting not affecting the Income Statement or Balance Sheet reports for May.

Motion: Bill moved to accept the May 2007 financials, with the correct dated Check Register and Cash Disbursements Journal; Seconded by Shirley; Motion passed.

b. Manager's Report –Bob Busch

1. Water Audit -Bob presented the water audit report for June. The ICR system showed 4,086,000 gallons pumped, 4,033,600 gallons going through the Pump Station, and 3,936,562 gallons sold to customers. Unaccounted for water between the wells and customers was 149, 438 gallons or 3.66%.

The Talking Rock System showed 24,218,000 gallons pumped and 24,908,025 gallons sold. There were 690,025 more gallons sold than pumped this month. This is a difference of -2.85%. (Some discussion ensued about the numbers and the likelihood of this much more water sold than pumped.)

Action Item: Bob to investigate the cost of repairing the meter at the pump station in order to get another data collection point.

2. **Backflow Testing**-Has been completed. The developer at The Preserve at the Ranch has a backflow device on the landscape meter at the entrance to the subdivision, and is providing the test data.
3. **Bills of Sale** -Bills of Sale from Talking Rock for infrastructure improvements were received on July 12th. (These will be actioned later.)
4. **Non-Profit Status**- Redraft of the Article of Incorporation revisions and changes to By Laws were received from the Attorney and are ready for board consideration.
5. **Rate Case Filing** - Rate Case has been filed. We received our first request for information – a copy of a customer bill (example). The Commission Staff has not yet ruled on the sufficiency of the application.
6. **Whispering Canyon Meters** - A solution to the difficulty in setting new customer meters was worked out with the developer. The developer is in the process of resetting all meter boxes with the correct configuration to permit a meter yoke. ICRWUA supplied an initial 40-50 meter yokes to the developer for the reinstallation. The remainder of the boxes will be installed in the correct configuration without the yokes.

Action Item: Bob will check to see if the meter charge requested in the rate case filing can be increased.

4. OLD BUSINESS

Review of Action Items- All action items from the meeting of June 25th had been completed.

Items 4b (Aqua Meadows Agreement) and 4c (Review of the TRR Agreement) of the agenda were deferred to a later meeting.

4d. Non-Profit Status –

A discussion took place regarding the Articles of Incorporation, By Laws and the procedure for gaining approval of each. It was noted that the Articles of Incorporation must be approved by a majority of members at a special meeting called for that purpose. The By Law revisions may be approved by the majority of the board members present at any meeting of the board. The board will consider approval of the By Laws after action on the Articles of Incorporation by the members.

Motion: Hal moved to send to all members, a letter announcing the date of the special meeting (to be September 25th, 9:00 a.m.) and describing the purpose of the meeting along with copies of both the current Articles of Incorporation and the proposed Articles of Incorporation. Motion seconded by Bill; Motion carried.

Action Item: Shirley to prepare a draft of the announcement letter for board comment.

Items 4e (Hiring of Engineering Consultant) and 4f (Audit Proposals)- The board generally agreed they were not prepared to discuss in detail at this meeting, and agreed to placing these on the agenda for the meeting scheduled for July 24th.

4g. TRR Well Testing - Earl reported on several contacts with Harvard regarding well data requested in the meeting with Harvard on June 25th which has not been received. Harvard has suggested a meeting on July 24 to discuss well testing. Harvard also prefers to follow the plan suggested by Southwest Groundwater for several reasons, among them concerns for the golf course, fire danger and that SWG has hydrologists on staff and prefer to rely on SWG's recommendations over those of Board Member Bill Meyer who is a geologist.

Bill Meyer pointed out to the board that he has a graduate degree in hydrology and has worked in that field for 40 years.

Action Item: Earl is to contact Harvard, suggesting an alternate date of July 31st for a joint meeting with Harvard, on condition of receiving well data previously requested prior to July 24th.

Action Item: Bob is to prepare a list of TRR phases approved for Service by ICRWUA along with the number of lots represented in those phases.

Action Item: Bill and Bob will;

- a. research data at ADWR in Phoenix to establish the existence of Water Adequacy Reports for the TRR subdivision.*
- b. Research Yavapai County record for plat approval/water adequacy data.*

The board agreed generally that it needs to determine how the water adequacy report(s) filed with ADWR need to be updated or changed if well capacity or plat changes are made.

NEW BUSINESS

5a. Information request from ICRSD

The Sanitary District has asked if ICRWUA would provide water use data to the District for commercial users. The Sanitary District continues to bill commercial customers, and would like to base the bill on water used by the customer. The board discussed pros/cons of supplying the information.

Motion: Hal moved to provide the water use of commercial customers to the ICR Sanitary District, provided they get prior approval from Talking Rock/Harvard. Shirley seconded, motion passed.

5b. TRR contractor water use.

The board discussed the water theft policy and its implications for lot owners and builders beginning home construction. It is difficult to excavate lots without water in large quantities of water more than can be provided by a residential meter. Contractors have in the past used either water from the developer, or obtained water from fire hydrants, legally or otherwise. It is difficult for owners/contractors to comply with the new theft policy of ICRWUA. Some practical solution is needed. Some discussion took place about possible ways to accommodate these users.

Motion: Bill moved that a meter be attached to a designated fire hydrant for construction of private residences and that the owner/contractor be assessed a fee for estimated use of water for lot development/construction of \$300.00, and to include this information in the water theft letter being drafted for issuance to all developers in the franchise area. Hal seconded; motion carried.

It was noted that action has been taken against one lot owner found to have an illegal hookup. The lot owner was sent a bill for estimated use along with legal fees. The bill has been paid by the lot owner.

Motion: Motion to adjourn made by Bill; seconded by Shirley; motion passed and meeting adjourned at 11:30 a. m.

Next meeting is July 24th at 9:00 a. m. at the ICR Sales Office.

August Meeting will be August 28th.