

Blue Ridge Domestic Water Improvement District (BRDWID)
Regular Open Public Meeting Minutes
September 18, 2021, at 9:00 a.m.
Starlight Pines Community Center, 2740 Arapaho Drive, Happy Jack, AZ 86024
Call-in number: 630-424-4734; Toll free 800-920-7487, Pin 76217278

1. Call to order, Roll Call, and Quorum

Chairperson John Ritter called the Open Board of Directors Meeting to order at 9:00 a.m.

Board Members Present: John Ritter, Ronald Krug, Sue Davis, Mike Bourne, and Paul Schmidt (by phone).

Board Members Absent: None

Quorum: Chairperson John Ritter determined that five of five Board Members present constituted a quorum to conduct business.

Others Present in Person per Attendance Sign-In Sheets:

Randy and Susan Wood, SPR Lot 379

Pal Sch?, SPR Lot 379

Dave Janecke, SP 409

Suzi Janecke, SP 409

Jeanie & Keith Greiner, SPR Lot 70

David R. Peters, SPR Lot 16

Theresa Bayer, BRE Lot 136

Holly Billings, SP Lot 495

Ed Rahn, SP Lot 18

Becky & Frank Pettit, SP Lots 366 & 367

Ray Weimer, SP Lot 148

Vickie Taylor, SP Lot 505

Dave Wang, PC Lot 80

Margaret & Kevin Hickey, SP Lot 224

Others Present by Phone:

Janet Griego

Brian Willia, SP Lot 298

Matt Porter, SPR Lot 10

Jim Belcamp

Anne Whitmore

Valerie Myers

Kathy Langford

Pam Overly

Daryl Smith

2. Accept Meeting Agenda as presented

Motion: Approve Agenda as presented. **Action:** Approve. **Moved by** John Ritter **Seconded by** Sue Davis. **The Motion passed unanimously.**

3. Call to the Public for Items not on the Agenda

John Ritter asked the public to bring forward items that were not on the Agenda.

Bruce Willia asked if the status of the purchase of Starlight Water would be on the Agenda? John Ritter responded, yes.

Kathy Langford reported that she was unable to subscribe to notices on the website. Sue Davis said she would refer that information to the Webmaster.

4. Consent Agenda Item

A. Motion: Approve Draft August 21, 2021, Open Meeting Minutes as presented. **Moved by** Sue Davis. **Seconded by** Mike Bourne. **The Motion passed unanimously.**

5. Regular Agenda Items.

Motion: To Discuss all items in Agenda 5 as suggested by Mike Bourne. **Action.** To Approve. **Moved by:** Mike Bourne. **Seconded by:** Sue Davis. **Motion passed unanimously.**

A. Discuss status of BRDWID offer to purchase the Starlight Water Company, Inc.

John Ritter distributed to the Board a summary of the back and forth discussions and September 13th teleconference between him, Steve Wene, and Riley Snow to resolve final details in the purchase of Starlight Water. BRDWID will receive one consolidated final agreement document affirming that the deal is final to discuss in a special executive session meeting before signing.

John didn't think the October 1 purchase date would happen, but Starlight Water wants to close this year. The Arizona Corporation Commission will not sign off on their oversight authority until BRDWID has purchased Starlight Water. The forest service has to grant a new special use permit

for the pipe to cross forest service land, and ADOT may have to approve piping under the highway. Lee Thompson will conduct a walkthrough with Board Members. Mike Bourne, Sue Davis and Paul Schmidt were interested in going on the walkthrough depending on when it was scheduled.

John Ritter commented that pumps in Starlight Pines Ranchettes had failed several times after repairs. Lee Thompson and Starlight Water are responsible for outsourcing the repairs.

B. Discuss Elector Issues: Who can vote for board members or run for board seats

John Ritter reported that anyone who was a registered voter in Arizona and owned property in the District have the right to vote in the District. The issue is how people who are not registered in Coconino County could vote or run for the Board. While recently attending a Prescott water conference, John Ritter and Mike Bourne learned that eligible voters in a District should ask their county election department for a water district Ballot. The District is responsible for mailing election information to members. Property owners initiate the process. BRDWID would need to develop a District mailing list and budget extra costs for mailing a notice.

Dave Wang said that some lots are owned by corporations not individuals. Mike Bourne said it was his experience that corporations could not vote. Question raised: If a lot was owned by more than one person, would all of the owners be eligible to vote in the District or is it one vote for each lot?

C. Discuss management contract statement of work

Mike Bourne distributed the Blue Ridge DWID Scope of Work to the Board and reported that he had sent it out to a number of companies. He had received five responses. After telephone interviews, three dropped out, and two submitted formal proposals: Municipal Accounts and Consulting and Southwestern Utility Management (SWUM). He distributed a comparison chart to the Board. He believed the Board still needed to consider the option of hiring employees even though many applicants were not qualified. He recommended that the Board consider turnkey outsourcing. Two management company options are local and have contracts with other local water systems. SWUM is the current Starlight Water Co. management company and is able to diversify their billing format. It would be easier to go with them, but Mike didn't think the Board should make that decision yet. Options going forward were contracting with a management company or hiring employees.

D. 8-21-2021 Call from the Public: Kristin Hamblin, How much water is in the aquifer and how long are water customers guaranteed water?

John Ritter contacted Coconino County which has no requirement that a District guarantee a 100-year water supply or how long water customers would be guaranteed water. John reported that the BRDWID aquifer has lots of water but is not required to guarantee the quantity of water. Mike Bourne says no one can guarantee the quantity of water in an aquifer and referenced a lawsuit 15 years against SRP for having guaranteed a water supply. They quit advertising.

E. 8-21-2021 Call from the Public: Brian Willia provide ADEQ reports to show quantity of water in aquifer

Mike Bourne reported that the Arizona Department of Environmental Quality (ADEQ) does not care how much water is in an aquifer and only has an obligation to report if the water is drinkable and high quality. ADEQ looks at levels of water because as an aquifer is depleted, the level of "nasty" minerals increases and decrease water quality. The BRDWID aquifer is the Little Colorado River Water Plateau Basin. ADEQ has two monitoring wells near BRDWID to gauge water levels and reports over the last 20 years the basin has a -85 to +40 foot variance. The average depth changes only one foot. The well south of Blue Ridge is gaining water. There are 1,200 wells, many abandoned, from Winslow to Clint's Well with no agricultural draws. The Blue Ridge aquifer is very healthy, one of the healthiest in AZ. At risk is if someone came in and

started tapping it and selling the water. Mogollon Ranch has 17 wells. The aquifer ranges from Navajo Nation at Four Corners to Tonto Basin and is one of the largest aquifers in the country. Paul Schmidt added that the aquifer's land area is 21,655 square miles and more data to support the aquifer's stability. Southwest Utility Management that Starlight Water wells depths are 500 to 545 feet.

An unnamed attendee asked if Native Peoples were trying to restore their rights to this aquifer? Paul Schmidt: Forest Lakes has ongoing litigation regarding Native Peoples.

F. Discuss response to employment ads

Sue Davis reported that she had placed one ad in the *Payson Roundup* and one ad in *Flagstaff's Arizona Daily Sun* in multiple publications that each paper owns to hire a General Operations Manager and a Field Technician. We received one response from Pat Carpenter dba A Quality Water in Williams who sent a resume and list of contacts at water systems he contracts with. Sue checked his business with the Arizona Corporation Commission. He has a business license with no complaints. She referred his name to Mike Bourne as a contact. Mike added that he had called Pat Carpenter who is not interested in being an employee but a management contractor. He would hold off on a bid until he had a chance to see the BRDWID system. Mike will schedule a walk-through for him.

G. Discuss/Approve revised Rate/Fee Structure

Mike Bourne reported that after the Rate Schedule was approved at the August meeting, he had received some valuable feedback from DWID members that should be included in the Schedule. Rather than amending the approved Rate Schedule, he recommended that the Board vote on the revised schedule he provided to the Board at this meeting.



Water Rate Schedule (revised August 2021)

Water use monthly base fee

Meter Size	3/4"	1"	1 1/2"	2"	3"	4"	6"
Monthly Base Fee	\$47.00	\$65.30	\$114.30	\$178.30	\$343.30	\$528.30	\$1,048.30

Water Usage Rate Tiers

Usage Tier	Tier 1	Tier 2	Tier 3	Tier 4	Tier 5	Commodity Rates
Water Usage per billing period	1 to 4,000 gallons	4,001 to 7,000 gallons	7,001 to 10,000 gallons	10,001 to 50,000 gallons	50,001 to unlimited gallons	Metered standpipes, water sold to others
Rate per 1,000 gallons	\$4.50	\$5.75	\$8.00	\$12.00	\$15.00	\$10.00

Fees

Meter Size	5/8"	3/4"	1"	1 1/2"	2"+	3"	4"
New Meter Install Fee	\$1,200.00	\$1,250.00	\$1,350.00	note 1	note 1	note 1	note 1
Impact fee Note 2	\$2,000.00	\$2,000.00	\$2,300.00	\$2,900.00	\$3,500.00	\$3,500.00	\$3,500.00

note 1 - At BRDWID Cost

note 2 - Impact fee applies to a location where service has never been established

Fire Sprinklers

Monthly Service for Fire Sprinklers:

4" OR SMALLER	\$5.00-\$5.15	\$5.28	1% of monthly minimum for a comparable size meter connection, but no less than \$5.00 per month. The service charge for fire sprinklers is only applicable for service lines that are separate and distinct from the primary service line.
6"	\$10.35	\$10.48	
Larger than 8"	tbd	tbd	

Miscellaneous Fees

Type of Fee	Fee Amount	Description
NSF	\$30.00	All returned payments
Establishment Fee	\$100.00	All new and transferred customers to setup account
Re-establishment fee	\$100.00 + (Base fee rate x number of months service was terminated up to 12 months)	When customers of BRDWID stops service and then restarts service at the same address
Re-connection fee	\$75.00	Due to shut off for non-payment
Turn Water on/off	\$75.00	At customer request for a non-emergency
Meter Re-read Fee	\$75.00	If requested by customer and initial read was correct
Meter Field Test Fee	\$75.00	If requested by customer and meter is accurate
Meter Re-install Fee	\$150.00	Minimum Charge if pre-plumbed for meter.
Security Deposit	\$150.00	Required for all customers
Hourly Technician Rate	\$62.50	For regular hours (7:00am-4:00pm, Monday through Friday)
Hourly After Hours Service Fee	\$125.00	At customers request. Minimum fee 1 hour
Late Fee	\$5.00 + 2% monthly	Charged monthly on balance due until current
Adjust Meter Box	\$250 Minimum Fee	At customer request or due to damage from customer negligence
Meter Relocation (or) Meter Elevation Change	\$250 Minimum Fee	At customer request

Motion: Approve 9-18-2021 BRDWID Rate Schedule and post on the Website. **Moved by:** Sue Davis. **Seconded by:** Mike Bourne. **The Motion passed unanimously.**

6. Announcements.

A. Future meeting dates.

John Ritter and Mike Bourne reminded the Board there might be a need for a special session
Motion: To set the next meeting date for Saturday, October 16, 2021, at 9:00 a.m. at the Starlight Pines Community Center, 2740 Arapaho Drive, Happy Jack, AZ. **Action:** Approve. **Moved by** John Ritter. **Seconded by** Sue Davis. **The Motion passed unanimously.**

B. Future Board agenda items.

1. Discuss status of BRDWID offer to purchase the Starlight Water Company, Inc.
2. Discuss Elector issues: who can run and who can vote for BRDWID board members
3. Discuss/Approve water system management
4. Discuss response to employment ads
5. Discuss Website subscription process and adding meeting attachments on the website to allow attendees to be informed before the meeting

7. Adjourn.

Motion: To Adjourn the Meeting **Action:** To Approve: **Moved by:** Mike Bourne **Seconded by:** Sue Davis **The Motion passed unanimously.**

Chairperson John Ritter adjourned the meeting at 10:05 a.m.



Sue Davis, Board Secretary and Clerk
Blue Ridge Domestic Water Improvement District

Prepared on: October 5, 2021



John Ritter, Board Chairperson
Blue Ridge Domestic Water Improvement District

Board Approved on: October 16, 2021