

# Oak Creek Water Co. No. 1

**“Serving West Sedona Since 1953”**

90 Oak Creek Blvd

Sedona, AZ 86336

928 282-3404

**\*\*\* IMPORTANT MEETING NOTICE \*\*\***

## **Formation of a Domestic Water Improvement District (DWID)**

**MEETING DATE: July 16, 2019, 7:00 P.M.**

Oak Creek Water Company is pursuing becoming a DWID. There will be a meeting held at our office on Tuesday, July 16, 2019 at 7:00 P.M. to discuss the formation process and why it is important to become a DWID.

Forming a DWID means the Arizona Corporation Commission (ACC) would no longer regulate our operations. We would have a self-governing political subdivision of the State with an independent, locally elected board of directors, like a town or an irrigation district. This is similar to how we operate now, except without ACC regulation. We would become a special district of Yavapai County.

To become a DWID, we need a petition signed by either a majority of landowners or landowners who own most of the land within the proposed district. We anticipate starting this process after the meeting.

In its 66th year as a not-for-profit company Oak Creek Water is at a crossroads. Our infrastructure is aging. It is time to make improvements to keep this locally run water system thriving with the best quality water in Sedona and keep it at the lowest rates possible. The Board of Directors believes that by not moving forward and becoming a DWID we will be missing out on some major benefits to reach our goal. As a government entity, some of the benefits are:

- DWIDs are eligible for substantial amounts of grant funding unavailable to corporations;
- DWIDs are eligible for subsidized low-interest loans;
- DWIDs are not subject to certain taxes, such as property taxes, which were \$12,900 last year;
- DWIDs may not be subject to transaction taxes (this is an ongoing issue);
- DWIDs can adjust their rates at a cost of about \$1,000, whereas adjusting rates at the ACC costs about \$40,000;

These costs savings can be put back into protecting, maintaining and improving our water system.

Lastly, as a DWID, the requirements of open public meeting and public records requests would be established, so there is guaranteed public transparency in all decisions made by the DWID board of directors. We would be our own governmental agency. The County would oversee election voting procedures, recall requests and require an annual budget.

Hopefully, everyone can make this meeting and our Annual Meeting on August 13th at 7:00 P.M.

Sincerely,  
Douglas Bowen, President