

Oak Creek Water District

"Serving West Sedona Since 1953"

90 Oak Creek Blvd
Sedona, AZ 86336

Date: May 16, 2025

RE: General Manager Report

Financial

The billing charges for May were \$61,100

Infrequent and one-time major expenses in May:

\$19,571 Grundy Liability Insurance

\$ 696 Tow and Mike Alignment repair

Infrequent and one-time major revenue for May: None

Operations

-2024 CCR finished/2025 began compiling

-Backflush of arsenic media, all vessels.

-Tree trimming at shop, green debris picked up by city at sites.

-Easter Sunday FDC break at Oak Creek and 89A.

-Exercising/Flushing Birch and Willow

-Todd Brock assisted at Villas

-Well 004 motor down, KP Ventures working to pull and replace.

-Mission SCADA went down 5/16/2025 all day manual operation, and leftover issues with 004 for entire weekend.

Management

USDA Grant/Loan Update: Lam is no longer the state engineer for USDA. A State Engineer from Michigan approved the last change order request. 90% of Section A is complete. Summit working on the Panorama storage tank site. Fly lines will be moved from Panorama to Park Circle and Sierra Road this week. The required audit is finally in motion.

Lead and Copper Inventory: After the last letter we finally received ADEQ feedback. ADEQ have now reduced the testing to a random sample of 20% of the unknowns as long as all are the same material and non-lead. One of the two required tests per dwelling can now be a visual inspection of where the water connection enters the building.

Saddlerock Crossing: Design work as begun again per Ardurra. Tom Bourassa was involved in establishing hook-up fees for A.C.C approval.

Sedona Lofts: City staff stated it's a slow motion project, 2-3 years before built.

EyeOnWater: We have been stressing to everyone the importance of signing up for this.

Caselle and Billing: Base Rate is now separated out in the monthly billing. See attached comparison of our base rate to neighboring water systems. A.C.C website is vague on the Arizona Water rate increase. Big Park Water submitted a 27% rate increase this February to the A.C.C.

**Oak Creek Domestic Water Improvement District
Public Meeting - held at 90 Oak Creek Boulevard, Sedona, Arizona
April 15, 2025**

1. Call to order and roll call:

Called to order at 4:30 P.M..

Present: Bob Bareuther, Doug Bowen, Creed Ostler, Chan Smith

2. Call to the Public for Item(s) not on the Agenda:

Members of the public may address the Board regarding items not on the Agenda.

3. Manager's Report:

General Manager and Operation Manager updated the BOD - See attachment.

4. Consent Agenda Items:

A. Approval of March Board Meeting minutes

B. Approval of March financials.

**Chan Smith made motion to approve minutes and financials. Seconded by
Bob Bareuther/ All approved.**

5. Regular Agenda Items:

A. Status Update and Discussion about USDA Grant/Loan Projects

6. Executive Sessions:

7. Announcements:

A. Next Regular Board Meeting: May 20, 2025, at 4:30 P.M.

B. Future Board agenda items.

8. Adjournment:

- Motion to adjourn/ 5:25/ Creed Ostler

Respectfully submitted,

Creed Ostler

Secretary, Oak Creek Domestic Water Improvement District

BASE RATE QUESTIONS

¾-inch Meter (90% of the users)

	<u>Current</u>	<u>Increase</u>	<u>Year</u>	
Oak Creek:	\$21.49	\$23.21	2026	Incremental 5 Year Rate Study, Year 2029 = \$26.30
Big Park:	\$28.71	\$49.20	2026	A.C.C. Submittal Process, Hearings in October
Az Water:	\$37.42	\$53.92	2025	A.C.C. Approval Process, including current surcharges

Base Rate and Usage Rate:

The base rate covers fixed costs regardless of usage. This includes maintenance of water lines, storage tanks and treatment systems. It also includes things like regulatory testing, insurance and creating reserves. The usage rate is variable and based on consumption. This includes power, personnel, treatment media, depreciation, etc...