

# Minutes of a special Water Meeting of the Board of Directors

## Diamond Valley Community Association

July 10, 2005

We met at the home of Mary Morel and Kevin Greif. Board members in attendance were President Philip Tucker, Jackie Bennett, Mary Morel, Phyllis Matthew, and Renee Ball. Also in attendance were Secretary Phil Ball, Jim Bennett, Kevin Greif, Statutory Agent Walt Matthew, Elaine Tucker, and Bev Stadden. President Tucker called the meeting to order at 3:10 pm.

Bev Stadden, Clerk to the Yavapai County Commissioners was introduced. Jackie began by asking for a list of options about how to fix our water situation. Much discussion ensued and finally came down to these options:

1. Mary felt it would be best if we had someone with experience run the water company and would like to get Prescott Valley interested. This is not the same as being incorporated as a part of Prescott Valley. But since they own the water until it gets to us, it would cut out the “middle man” to simply have them run it all. And they have the experience and infrastructure to do the job. Kevin suggested that we go to PV and offer to make improvements to the system to bring it up to standards, and see if they would be interested.
2. A Water Improvement District was deemed as possibly the best way to deal with the problem. Bev Stadden has witnessed other areas in the County that have had problems similar to ours and this option usually works well for them. Our situation is a bit more complicated since we would have to find a way to deal fairly with owners and residents who do not wish to participate as well as owners of lots that cannot be improved.
3. Another option would be to try to resurrect the Water Company ourselves. This was not greeted with enthusiasm since none of us feels comfortable with running a water company. We have neither the experience, the time, nor the interest. Our call to the members for someone with experience and interest has gone unanswered.
4. The only other option is to do nothing. This is easier in many ways but ignoring the problem will not make it disappear. Someday, the water will shut off and there will be no one there to fix it. This option seems to be most popular with local residents, especially the non-owners, but is not very practical.

As far as ownership of the Water Company assets is concerned, the

One of the goals of this meeting was to formulate a list of questions so that when we talk to various officials, we get the information that we need. Here are the questions that we need answers to:

1. Can the Arizona Corporation Commission raise water rates when ownership is uncertain?
2. Do we, the DVCA Board of Directors, have the authority to act on this since we are not the owners but are the customers?
3. Can we simply resurrect the Diamond Valley Water User's Corporation with a new Board of Directors?

ACTION ITEMS:

Philip Tucker will talk to WIFA (Water Infrastructure Authority) about:

- i. Can we do this?
- ii. Are Grants available to assess the physical system and its needs?
- iii. How do we proceed? Are there established procedures to do this?

Bev Stadden and Yavapai County Commissioner Carol Springer, who had expressed concern over our situation, will approach Prescott Valley to see if they would be interested in taking over the running of the Water Company.

We need some resolution to the water problems. We have over 40 years of stigma hanging over Diamond Valley because of bad management of the Water Company. And the residents just keep paying the highest water rates in the state to pay for the old debts left behind by the previous management.

There was discussion about how much of this can and should be published in our newsletter and on our website. It was decided that we can publish any correspondence, either written or emails that pertain and that we need to mention to residents that we are monitoring the rate increase proceedings.

The meeting was adjourned at about 4:30 pm.

Phil Ball, Secretary