

ICR Water Users Association



MEMORANDUM

TO: Board Of Directors

FROM: Bob Busch

Date: November 13, 2007

Subject: Manager's Report

1. System Operations

Water Audit – The usage reports for September and October are attached.

Water Leaks- Leak at the Grey Bears pump station – Repair work not completed yet.

Air in lines at TRR – TRR is proceeding with design engineering work to add a tank fill line on the outside of the TRR tank.

Water Meter Theft- A hydrant meter placed on Whispering Canyon Drive near Iron Hawk was stolen less than a week after it was installed. It was reported to the Yavapai Co. sheriff. Insurance coverage is being investigated.

Fire Hydrant Damage – A fire hydrant on the corner of Whispering Canyon Drive and Darius Circle was destroyed by persons unknown in early October. It has been repaired at a cost of approximately \$4,000. An insurance claim has been filed.

Insurance Coverage – I spoke with Bill Weber regarding fire hydrant coverage. He recommended that with the upcoming renewal, ICRWUA list the number of fire hydrants (at various locations) and a value for assurance of coverage. There are presently 420 hydrants in service, valued at just over \$410,000. This would add about \$500 to the insurance premium.

2008 Operating Budget – I forwarded a draft budget to board members for review.

2. Bills of Sale

Preserve at the Ranch – On hold.

Talking Rock – Nothing new to report.

Whispering Canyon – Nothing new to report.

3. ADEQ Notice – re wells influenced by surface water - (Nothing new to report)

4. Williamson Valley Fire District - Nothing new to report.

5. Non Profit Status – By-Law revisions are ready for board member vote. Information has been sent to Bill Whittington for preparing the Application for the 501c-12 tax exemption.

6. Rate Case Filing -- Two Commission Staff members made a site inspection of the system on Sept 29th. The tour lasted about 4 hours. Most of their interest was focused on the water delivered to the golf course and the well agreement. They asked for contact names and numbers for someone at the Sanitary District and Harvard. The deadline for intervenors was October 1st. No one intervened.

7. Line of Credit - The Commission Staff has completed its report/recommendation for the Commission. They are recommending approval of a \$50,000 line of credit. In addition, they are recommending that ICRWUA file with the rate case, a plan to increase equity % in plant investment (it would be nearly impossible to increase equity investment in plant without first having higher rates??) A decision on the financing application will likely not be issued until after the first of the year. National Bank has indicated they are still interested in completing the loan, but will not renew the commitment letter.

8. System Water Plan - I completed a draft System Water Plan and forwarded to Bill Meyer for comments.

9. Financial Audit- Constance Pinney preformed the procedural audit on Oct 16th. Her report has been emailed to board members.

10. Auto-Payment (Account Debiting) – All banking issues have finally been resolved. A trial using Earl Cummings as a test customer should be completed with next month’s billing.

11. Lead/Copper Testing – Nothing new to report.

Respectfully submitted,

Bob Busch

Attachments:

Water Usage Summary- September & October