

Oak Creek Water District

Serving West Sedona Quality Water Since 1953

June 2022 www.oakcreekwater.org

Board Elections: There are 4 of the 7 Board member positions up for election on November 8, 2022. These are four-year terms. Nomination Papers can be submitted to Yavapai County between June 13, 2022 and July 11, 2022. It requires a petition of at least 5 qualified voters. Packets are available at the office or can be found on the County website at <https://yavapaiaz.gov/electionsvr/forms> under the heading "Special District Candidate Packets". This notice of election is required to be posted in the Red Rock News on June 1, 2022 and June 8, 2022.

Board member positions are crucial in keeping Oak Creek Water District the most affordable and most purist water system in the State of Arizona. Essentially each Board member is representing about 150 water customers. They are residents and customers just like you. They act like a second set of eyes to review what the District staff has done, issues they have encountered and what the future plans are and making sure that we are all on the same page in reaching the goals mentioned earlier

Consumer Confident Report: The annual CCR's for 2021 are available on the website. This is an annual requirement by ADEQ to have these posted by June 30, 2022. The CCR's gives the most recent water quality data. Copies can also be obtained in the office.

***** CONSTRUCTION *****

Arsenic Removal System and Tank Rehab: The Contract has been awarded to Fann Environmental. The contractor has began the ordering of the equipment for this removal system. There is about a four month delivery time frame.

Water Main Replacement: The water main plans have been approved by ADEQ and awaiting USDA approval. Most of the water mains have been designed about 3 feet off their current location. Plans are available at the office.

Construction Costs: The cost for construction has almost doubled since receiving the grant/loan funding. USDA is requiring us to bid the project before submitting a request for additional funds. The 5 year rate study consultant was contacted and supplied us with estimates on how various additional loan fund amounts tied to additional grant funds would effect our rates. These discussions have taken place at the last couple of board meeting. They can be found in our Board minutes on the website. Of course we would prefer for you to show up and get involved than just read

Quarterly Arsenic Results: The results were below the limit of 10 ppb and were 9.2, 9.7 and 9.8. Attached is a required public notice due to the fact that the annual average is above 10 ppb.

Service Response Time: The District has now lost a third water operator in the last year due to the impossible housing situation. We are currently interviewing for a new operator. Expect service response times to be longer than expected. Whenever we have had a gap between operators the following delays have occurred. A required wait of an extra day for customers water to be turned off or back on due to a leak on their property. The District used to be able to turn customers water back on after lack of payment immediately upon receipt, but now customers are waiting an extra day. This is just a few examples of what has been going on. **This Short Term Rental issue is serious and effecting our District.** Please contact this office or come to a Board Meeting if you have a solution.



Yavapai County

Nonpartisan
NOMINATION PAPER
DECLARATION OF QUALIFICATION
A.R.S. § 16-311(B)

FOR OFFICE USE ONLY

You are hereby notified that I, the undersigned, a qualified elector, am a candidate for the office of _____ at the election to be held on the _____ day of _____, 20____.

I will have been a citizen of the United States for _____ years before my election, will have been a citizen of Arizona for _____ years before my election, and I will be at least _____ years of age upon taking said office. I have resided in _____ County for _____ years and in precinct _____ for _____ years before my election.

Actual residence address _____ City or Town _____ Zip _____
or description of place of residence (required)

Post office address (if applicable) _____ City or town _____ Zip _____

Print or type your name on the following line in the exact manner you wish it to appear on the ballot, last name first.

LAST NAME FIRST NAME

I declare, under penalty of perjury, that the information in this Nomination Paper and Declaration of Qualification is true and correct, and that at the time of filing I am a resident of the county, district or precinct which I propose to represent, that I have no final, outstanding judgments against me of an aggregate of \$1,000 or more that arose from failure to comply with or enforcement of campaign finance law, and as to all other qualifications, I will be qualified at the time of election to hold the office that I seek.

CANDIDATE SIGNATURE

DATE

Nonpartisan Nomination Petition

**Put
optional
photo
here**

I, the undersigned, a qualified elector of the county of , state of Arizona, and of
 (here name political division or district from which the nomination is sought) hereby nominate
 who resides at in the county of for the office of
 to be voted at the election to be held , and I hereby declare that I am qualified to vote for this office and that I have
 not signed, and will not sign, any nomination petitions for more persons than the number of candidates necessary to fill such office at the next ensuing election. I further
 declare that if I choose to use a post office box address on this petition, my residence address has not changed since I last reported it to the county recorder for purposes
 of updating my voter registration file.

	Signature	Printed name	Actual residence address, description of place of residence or Arizona post office box address, city or town	Date of signing
1				
2				
3				
4				
5				
6				
7				
8				
9				
10				

**IMPORTANT INFORMATION ABOUT YOUR DRINKING WATER
OAK CREEK WATER DISTRICT PWS #13041
Has Levels of Arsenic Above Drinking Water Standards**

Our water system Oak Creek Water District recently violated a drinking water standard. Although this is not an emergency, as our customers, you have a right to know what happened, what you should do, and what we did (are doing) to correct this situation.

We routinely monitor of the presence of drinking water contaminants. Testing results we receive in May 2022 for the second quarter of 2022 show that our system met the maximum contaminant level (MCL) for arsenic. The MCL for arsenic is 10 parts per billion (ppb). The test results for the three wells were 9.2, 9.8 and 9.9. The required noticed is due to the average level of arsenic over the last four quarters has exceeded the 10 parts per billion (ppb).

What should I do?

You do not need to use an alternative (e.g. bottled) water supply. However, if you have specific health concerns, consult your doctor.

What does this mean?

This is not an immediate risk. If it had been you would have been notified immediately. Some people who drink water containing arsenic in excess of the MCL over many years could experience skin damage or problems with circulatory system, and many have an increased risk of getting cancer.

What is being done?

Drawings for the new Arsenic Treatment system have been approved by ADEQ and are now waiting final approval from USDA. We anticipate construction for this new treatment system to start this coming Spring.

For more information, please contact Doug Bowen, Board of Directors or Brian Bratcher, Operator at 928-282-3404.

Please share this information with all the other people who drink this water, especially those who may not have received this notice directly (for example, people in apartments, nursing homes, schools, and businesses). You can do this by posting this notice in a public place or distributing copies by hand or mail.

This notice is being sent to you by Oak Creek Water District. Public Water System ID#: AZ-04-13041. Date distributed: June 6, 2022.

Any ADEQ translation or communication in a language other than English is unofficial and not binding on the State of Arizona.

Cualquier traducción o comunicado de ADEQ en un idioma diferente al inglés no es oficial y no sujetará al Estado de Arizona a ninguna obligación jurídica"

Oak Creek Water District

Serving West Sedona Quality Water Since 1953

March 2022 www.oakcreekwater.org

Board Elections: There will be 4 of the 7 Board member positions up for election in November and the other 3 will be up for election in November of 2024. These are four-year terms. Now is the time to start thinking if you want to be of service to our District. These Board member positions are crucial in keeping Oak Creek Water District the most affordable and most purist water system in the State of Arizona.

Essentially each Board member is representing about 150 water customers. They are residents and customers just like you. They act like a second set of eyes to review what the District staff has done, issues they have encountered and what the future plans are and making sure that we are all on the same page in reaching the goals mentioned earlier. They receive Board meeting packets prior to the monthly meetings for review and have a chance to ask questions and get clarification prior to the meetings. If Board members have special skills, whether it be legal, financial, human resources, we encourage them to help with specific issues that come up.

If you are not the type to run for a Board member position that's understandable. We will still hope you start participating in monthly meetings throughout the year. It's never surprising when we get great feedback or a different viewpoint on an issue from a resident in attendance.

Election candidate packets, prepared by Yavapai County, will be available soon. Nomination papers can be submitted starting June 11, 2022 with the deadline being July 11, 2022. Based on our District size all candidate will need a required 5 signatures. Early voting will begin October 12, 2022 with Election day being November 8, 2022.

***** CONSTRUCTION *****

Arsenic Removal System and Tank Rehab: Construction Bids due March 17, 2022.

Water Main Replacement: Based on utility potholing and geotechnical soil borings, water main locations are being reviewed and will most likely be placed in the same trench as the original water mains but shifted a few feet. The cost of avoiding rock versus the future contractor required to install temporary above ground water mains is being analyzed. Based on current increase in material costs globally, the District will have two options: to cut back on the project limits or request more grant/loan funds. USDA recommended us to bid the entire project out and then work on additional funding if necessary. This will continually be discussed at future board meetings. Revised plans, 75% complete, will be on the website soon. Also there will be 11 x 17 printed out versions of these plans for viewing in the Office.

Service Response Time: This year more and more of our customers are experiencing the effects of the housing crisis on the District response time to service you. This is a major issue. Until we can find affordable housing for our operator customers might have to wait an extra day for their water to be turned off or back on due to a leak on their property. The District used to be able to turn customers water back on after lack of payment immediately upon receipt, but now customers are waiting an extra day. This is just a few examples of what has been going on. This Short Term Rental issue is serious and effecting our District. With construction coming up, this could be a major issue for more and more customers. Please contact this office or come to a Board Meeting if you have a solution. Screaming at this office is not a solution. Just saying.

Oak Creek Water District

Serving West Sedona Quality Water Since 1953

January 2022 www.oakcreekwater.org

Public Notice: 2022/2023 Budget, 2023 Rate Increase and 5 Year Rate Study

The District will discuss the above topics at our January 18, 2022 at 4:30PM at 90 Oak Creek Blvd. Included in this newsletter is the proposed budget, summary of the 5-year rate study and proposed rate increase for 2022. After public comments the Board of Directors will vote on a final Budget and Rate Increase at the February 15, 2022 Board meeting. This notice will also be published in the Red Rock News twice as required by the Arizona Revised Statute 48-910. The complete 5-Year Rate Study is posted on the Website.

******* CONSTRUCTION *******

Arsenic Removal System and Tank Rehab: Drawings should be out for bid by the end of this month.

Water Main Replacement: Revised plans, 60% complete, will be on the website soon. Also there are 11 x 17 printed out versions of these plans for viewing in the Office. As stated in the last newsletter, these water mains have been in the ground for over 40 years. Over the past four decades landscaping plants, designer rocks, etc have been planted or naturally grown over these mains that are in the public right-of-way. These will get disturbed during construction. Driveways will be replaced in kind but landscaping plants (cactus, bushes, small trees) along the trench line will not. Mailboxes will be temporarily removed and replaced in sections as the contractor progresses. If you have any concerns, now is the time to get them addressed. There will be temporary water outages throughout next year during constructions. If you haven't sign up for the alerts.



HOUSING: For the past 60 Years we have been fortunate to have our water operator living close when emergencies struck. With increased Airbnb's and increased house prices, this is becoming impossible. We as a District have got to find a way to make this work if we value that 24/7, 20 minute response time. Until we solve this, expect after hours response times to take 60 to 90 minutes. The emergency line will still receive your calls immediately. If any district member knows of any affordable housing or ideas please contact the office. We will be discussing options at the next couple of board meetings. IN THE MEAN TIME, please restrict doing non-emergency water/irrigation projects to Monday thru Thursday. AND make sure your plumber is licensed and calls us before doing ANYTHING.

Arsenic Treatment System and Tank Rehabilitation Project: See attached Arsenic Notice. The arsenic sample results are not back yet from the lab. They are multiple weeks behind. We know our annual average will still be over the 10.0 ppb so we are sending this notice by January 10, 2022 as required by ADEQ. We will update everyone of the actual numbers through the alert system with the January meeting agenda.

2022 PROPOSED RATE INCREASE

Summary:

The proposed rate increase for 2022 is 3.69%. The District's average ¾-inch Residential customer uses 7,200 gallons for a \$36.40 average monthly bill. After the proposed rate increase, this average 7,200 gallon a month bill would increase by \$1.17. The proposed 5-Year Rate Study determining this rate increase is available for viewing on the District's website. It can also be viewed at our office. This includes a breakdown of the rate increase by base rate and by the three water usage tiers for all residential and commercial user classifications. It should be noted that the above ¾-inch residential customer example above was used since 65% of our customers fall under that category.

Board Action/Dates to Remember:

January 18, 2022, Board Meeting

Discussion on the proposed 2022 Rate Increase, the 5-year plan and the proposed budget.

Written comments can be submitted by mail to the Office or by email through the District website.

February 15, 2022, Board Meeting

After discussing all comments received by February 15th, the Board will propose and approve:

A 5-Year Rate Plan, a 2022 Rate Increase and a District's 2022-2023 Budget for submittal to Yavapai County

Background:

In 2020, property owners of Oak Creek Water Company went through the approval process to become Oak Creek Water District. This accomplished two major things. It removed us from under the Arizona Corporation Commission (ACC) and qualified us for more grant opportunities. After obtaining an \$8 Million dollar grant/loan (71%/29%), the District approved the expenditure for a 5-year rate study to determine rates needed to pay for this loan, for building reserves for emergencies (like Christmas Day) and future system needs (well pumps, booster pumps, etc.) along with slowly building a reserve for the facilities built with the grant monies. This rate study was completed by a gentleman that has over 30 years' experience in working for the ACC and working on his own completing rate studies for water utilities all over the State.

The 5-year plan is a guide and has best educated assumptions built into it. To keep a healthy District, the 5-year plan shows increasing our revenue by \$85,000 from its current base rate by the year 2027. This results in distributing a 14.76% increase over a 5-year period (3.69%, 3.69%, 2.46%, 2.46%, 2.46%). It should be noted that each proposed rate increase must be voted by the Board of Directors annually after receiving public comments. The biggest assumptions included in the plan are that materials and labor will go up 3% each year and that we will increase our customer base by approximately 86 EDU's during this period. If these assumptions change then the plan can be adjusted along the way.

For example, the plan included a future growth of 86 EDUs (equivalent dwelling units) starting in 2024 coming from the proposed Sunset Lofts and the Saddlerock Circle Hotel with workforce units. The proposed rate increase in years three through five are lower assuming these units would increase our revenue. If for some reason these developments do not occur the proposed 5-year plan could be altered, if needed.

After applying for the Grant, our neighborhood characteristics have changed. A large portion of our long-term rentals (LTRs) became short term rentals (STRs). The loss of these LTR's will not allow us to qualify as a low to moderate income (LMI) District since we lost a lot of our account holders that had tourist job. The consequence is that future grant to loan ratios will be reduced, and our loan interest rates will increase for future grant submittals. We need to make sure we have the reserves to adjust for this. It should be noted that while obtaining the information for the 5-year study it was discovered that some of the unknown STR's in our District were classified as residential while the rest were classified as commercial. All STR's will now be properly classified as commercial users and this plan creates a separate user classification for this so we can track it better.

The 5-year plan is a guide and we hope each and every customer spends some time reviewing it. Over the past four years it has been stated in previous newsletter: "an education user is the best user". Hopefully more users will start coming to meeting and get involved. Questions? Contact the office. We will be glad to discuss this with you.

**OAK CREEK WATER DISTRICT
PROPOSED 2022-2023 BUDGET**

Operations		\$ 128,350.00
Repairs to Plant - Contractor - Mains	\$ 17,500.00	
Repairs to Plant - Contractor - Electrical/Pumps	\$ 13,500.00	
Repairs to Plant - Contractor - Wells	\$ 6,500.00	
Operations: Materials and Supplies	\$ 21,000.00	
Operations: Tools and Shop	\$ 4,600.00	
Power Purchased	\$ 50,000.00	
Aid to Construction	\$ 500.00	
Insurance - Property and Liability	\$ 8,000.00	
Transportation Expenses	\$ 6,750.00	
Office		\$ 105,735.00
Az Sales Taxes & City Franchise Fees	\$ 60,000.00	
Advertising - Mailings, Website	\$ 2,900.00	
Billing Expenses	\$ 21,950.00	
Telecommunications	\$ 11,400.00	
Office Utilities	\$ 4,085.00	
Office Supplies/Equipment	\$ 3,400.00	
Officers Insurance	\$ 2,000.00	
Contractual Services		\$ 44,900.00
Contractual Accounting/Auditing	\$ 20,000.00	
Contractual Legal	\$ 7,500.00	
Contractual Lab Testing	\$ 5,800.00	
Contractual Monitoring & Security	\$ 3,000.00	
Contractual Management	\$ 3,600.00	
Contractual Arborist	\$ 5,000.00	
Personnel		\$ 244,500.00
Salaries and Wages	\$ 213,000.00	
Employer Taxes 8.35% & Unemployment	\$ 18,000.00	
Benefits and IRA	\$ 10,000.00	
Insurance Liability, Workman	\$ 3,500.00	
Reserves & Debt		\$ 70,700.00
Short Term Reserves (USDA Req. \$20,700)	\$ 20,700.00	
Long Term Reserves	\$ 50,000.00	
Total Expenses		\$ 594,185.00
Operations Revenue		\$ 600,000.00

<p>Public Hearing at 4:30pm on February 15, 2022: Proposed Budget Public Comments Prior to Board Voting Comments can be sent prior to the meeting at info@oakcreekwater.com</p>

IMPORTANT INFORMATION ABOUT YOUR DRINKING WATER OAK CREEK WATER DISTRICT PWS #13041 Has Levels of Arsenic Above Drinking Water Standards

Our water system Oak Creek Water District recently violated a drinking water standard. Although this is not an emergency, as our customers, you have a right to know what happened, what you should do, and what we did (are doing) to correct this situation.

We routinely monitor of the presence of drinking water contaminants. Testing results we receive in January 2022 for the fourth quarter of 2021 will show that our system exceeds the maximum contaminant level (MCL) for arsenic. The MCL for arsenic is 10 parts per billion (ppb). The average level of arsenic over the last year has exceeded the 10 parts per billion (ppb).

What should I do?

You do not need to use an alternative (e.g. bottled) water supply. However, if you have specific health concerns, consult your doctor.

What does this mean?

This is not an immediate risk. If it had been you would have been notified immediately. Some people who drink water containing arsenic in excess of the MCL over many years could experience skin damage or problems with circulatory system, and many have an increased risk of getting cancer.

What is being done?

Drawings for the new Arsenic Treatment system have been approved by ADEQ and are now waiting final approval from USDA. We anticipate construction for this new treatment system to start this coming Spring.

For more information, please contact Doug Bowen, Board of Directors or Brian Bratcher, Operator at 928-282-3404.

Please share this information with all the other people who drink this water, especially those who may not have received this notice directly (for example, people in apartments, nursing homes, schools, and businesses). You can do this by posting this notice in a public place or distributing copies by hand or mail.

This notice is being sent to you by Oak Creek Water District. Public Water System ID#: AZ-04-13041. Date distributed: January 10, 2022.

Any ADEQ translation or communication in a language other than English is unofficial and not binding on the State of Arizona.

Cualquier traducción o comunicado de ADEQ en un idioma diferente al inglés no es oficial y no sujetará al Estado de Arizona a ninguna obligación jurídica"

Oak Creek Water District

Serving West Sedona Quality Water Since 1953

November 2021

HOUSING: For the past 60 Years we have been fortunate to have our water operator living close when emergencies struck. With increased Airbnb's (85 of our 550 residential accounts are registered with the City) and increased house prices, this is becoming impossible. We as a District have got to find a way to make this work if we value that 24/7, 20 minute response time. Until we solve this, expect after hours response times to take 60 to 90 minutes. The emergency line will still receive your calls immediately.

If any district member knows of any affordable housing or ideas please contact the office. We will be discussing options at the next couple of board meetings.

IN THE MEAN TIME, please restrict doing non-emergency water/irrigation projects to Monday thru Thursday. AND make sure your plumber is licensed and calls us before doing ANYTHING.

***** CONSTRUCTION *****

Preliminary water line construction plans are completed and ready for viewing. Most of the water mains in our District will be replaced starting next spring. There will be a full sized paper set of drawings in our office and there are electronic versions on the website. www.oakcreekwater.org

As stated in the last newsletter, these water mains have been in the ground for over 40 years. Over the past four decades landscaping plants, designer rocks, etc have been planted or naturally grown over these mains that are in the public right-of-way. These will get disturbed during construction. Driveways will be replaced in kind but landscaping plants (cactus, bushes, small trees) along the trench line will not. Large landscaping rocks will be put back in the area but not over the water main. Any material like landscape pavers will be placed in a pile. The area will be graded with native dirt. Mailboxes will be temporarily removed and replaced in sections as the contractor progresses. Masonry or stone mailboxes will try to be avoided.

If you have any concerns, now is the time to get them addressed. There will be temporary water outages throughout next year during constructions. If you haven't sign up for the alerts.



Arsenic Treatment System and Tank Rehabilitation Project: See attached Arsenic Notice. The arsenic limit for all three wells were below the 10.5 requirement this quarter but since the annual average was over the limit a notice had to go out. The contractor for the arsenic treatment plant system should be going out for bids by the first of the year.

Oak Creek Water District

Serving West Sedona Quality Water Since 1953

July 2021

Arsenic Treatment System and Tank Rehabilitation Project: See attached Arsenic Notice. The arsenic limit is 10.0 ppb. The results for the three wells were 10.2, 10.7, and 10.8. The Arsenic Treatment plans have been approved by ADEQ and currently USDA is doing their final review. It is anticipated this project will be bid out for construction this September.

***** **IMPORTANT** *** **IMPORTANT** *** **IMPORTANT** *****

Construction plans are being completed for the water main replacement on the majority of the streets in our District. These water mains have been in the ground for over 40 years. Over the past four decades landscaping plants, designer rocks, etc have been planted or naturally grown over these mains that are in the public right-of-way. These will get disturbed during construction.

The contractor will be required to submit a video of current conditions. Driveways will be replaced in kind but landscaping plants (cactus, bushes, small trees) along the trench line will not. Large landscaping rocks will be put back in the area but not over the water main.

Any material like landscape pavers will be placed in a pile. The area will be graded with native dirt. Mailboxes will be temporarily removed and replaced in sections as the contractor progresses. Masonry or stone mailboxes will try to be avoided. Contractor specifications for the rehab will be available to review this fall.



What can you do? **First and foremost, go to our website and sign up for alerts to your cell phone or email.** When plans are nearing completion for your street, we will be sending out notices this way. It costs the District over \$500 per mailing and this is not feasible. Links to scanned versions of the plans will be included in these texts and emails. Also, the notice will state that large scale drawings are available in the office for viewing. At this point you as a homeowner will see what areas will be disturbed and will then have several months to decide what should be relocated on your own.

As always, we welcome everyone to come to the monthly meetings at 4:30 on the third Tuesday of every month. Get involved. Remember board members are residents and customers of the District just like you.

www.oakcreekwater.org

Oak Creek Water District

Serving West Sedona Quality Water Since 1953

April 2021

Arsenic Treatment System and Tank Rehabilitation Project: See attached Arsenic Notice. The arsenic limit is 10.0 ppb. The results for the three wells were 10.2, 10.2, and 11.0 Good News: The Plans and Specifications for the Arsenic Treatment Plant and Rehabilitation of the Storage Tanks has been submitted to ADEQ, the regulatory agency for water district, and USDA, the grant provider. Once these plans are approved by both agencies the project will be bid out for construction.

Consumer Confidence Report : The CC&R for 2020 is now on available on our website. This annual reports shows the water quality and all the test results for the year as required by ADEQ. This was sent last week by email. If you didn't get it, sign up for "alerts" from the website.

Meetings and Getting Involved.

Thinking of volunteering and being part of the next generation of board members? Requirement: Wanting Oak Creek Water to continue to have the best Quality water in Arizona at the most reasonable cost along with award winning customer service. Coming to a meeting is the best start. Next Board Meeting: April 20th at 4:30 pm.

If you are not receiving our monthly meeting reminder with the link to the agenda then go to our website at www.oakcreekwater.org and hit the "Sign Up For Alerts" button. This alert can be in the form of an email and/or text message. Our meetings are open air, with shade by 4:30pm with social distancing practiced.



SAVING WATER IN YOUR HOME

Let's all work together to treasure our water.
It's the little things we do in our homes that can make a big difference.



Did you know that waiting for a full load to do your washing could save you 15,000 litres a year?

Is your rainwater tank connected to your toilet and washing machine? This could save you 50,000 litres a year. Ask your plumber how!



Shower heads with a 3 star WELS rating could save 50 litres each shower, equal to 20,000 litres a year.

Leaks waste 2 million litres of water across the Hunter every year. You can do your bit by checking your home for leaks.



Oak Creek Water District

Serving West Sedona Quality Water Since 1953

November, 2020

Arsenic Treatment System Project:

See attached Arsenic Notice. The arsenic limit is 10.0 ppb. The results for the three wells were 9.9, 9.6 and 10.1.

ADEQ, the regulatory agency for water contaminants, offered a three month pilot treatment plant grant. This mini treatment system is testing 3 medias to see which one will have the best removal efficiency for our water. Our operator is taking weekly tests for ADEQ. The end results should be finalized in January. The full scale treatment plant design should be completed by then except for adding the most efficient media to the specifications. ADEQ is requiring us to bring the level down to 75-80% of the 10 parts per billion limit. The system is being designed to be able to lower this limit, if the Federal limit were to change in years to come.

Tank Rehabilitation Project:

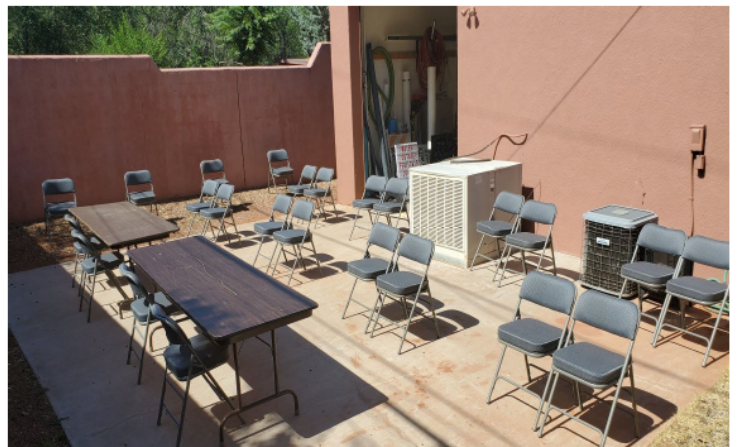
In case you missed the photos in the October 30, 2020 Red Rock Newspaper, Rubicon Applied Divers dove in and inspected our 5 water tanks. The results will be used to create a set of specifications. It appears the tanks are in great condition and most likely the bulk of the expense will go towards adding cathodic protection and painting as required. This project will be bid out this spring with the Arsenic Treatment System.

Water Main Replacement:

This portion of the Grant/Loan will take longer to design. Over the next six months you will see crews from SWI Engineering and Surveying in your neighborhood. Video taping of each street will be completed prior to commencing of construction.

Meeting Agendas:

If you are not receiving our monthly meeting reminder with the link to the agenda then go to our website at www.oakcreekwater.org and hit the "Sign Up For Alerts" button. **This alert can be in the form of an email and/or text message.** The best kind of customer is an educated customer. Our meetings are open air, with shade by 4:30pm with social distancing practiced. We will check temperatures and have masks available. During the cooler months, if needed, we will be moving the meetings into the garage. Social Distancing and masks will be required per City requirements.



USDA Grant/Loan: Grant: \$5.66 Million Loan: 2.33 Million for 40 years at 1.375%

Oak Creek Water District

Serving West Sedona Quality Water Since 1953

July 24, 2020

Arizona Corporation Commissioner: DWID & Rate Increase

Oak Creek Water did a record request on the A.C.C. to determine what the hold up was with the 14% Rate Increase that was submitted on September 19, 2019. After confronting the A.C.C. staff on the findings, they stated they would expedite the Transfer of Assets if we would drop the rate increase application. Attached you will find the notice for a August 5th Open Meeting at the A.C.C. with an opportunity for comments telephonically. Combining the Public Meeting and Open Meeting in one will eliminate 4 months of time and expenses. This would remove us from under the A.C.C. in August instead of December. Seeing the benefits we agreed. The two main reasons for becoming a District was to qualify for more funding opportunities and to remove ourselves from the A.C.C. Once this process is complete Oak Creek Water will send a letter to the A.C.C. Commissioners addressing the findings in the record request.

Here are the steps necessary to set the rates as a District (Check Website for updates):

1. Hold a public comment hearing at the July 21, 2020 Board Meeting on proposed budget & rates. COMPLETED
2. Adopt a preliminary Budget & Rates (Rates that were submitted to A.C.C. in September, 2019). COMPLETED
3. Notify the Public of a Hearing to Finalize the Budget: Red Rock News, Yavapai County Clerk & Website.
4. Hearing scheduled for 4:30pm on August 18, 2020 at 90 Oak Creek Blvd: Adopting 2021 Budget & set rates.
5. Rates would be effective with the September billing. Rates based on A.C.C. September, 2019 Submittal.

Meeting Agendas:

If you are not receiving our monthly meeting reminder with the link to the agenda then go to our website at www.oakcreekwater.org and hit the "Sign Up For Alerts" button. You really need to do it "now". The best kind of customer is an educated customer. Our meetings are open air, with shade by 4:30pm with social distancing practiced. We will check temperatures and have masks available.



USDA Grant/Loan: We have started the process of completing the engineering agreement that USDA has provided. The Arsenic removal system, storage tanks rehabilitation and loan refinancing will be Phase 1. Phase 2 will be replacing community water mains, hydrants and valves. Goal is to have the Arsenic System completed within a year. Grant: \$5.66 Million Loan: 2.33 Million for 40 years at 1.375%

Oak Creek Water Company No. 1

Serving West Sedona Quality Water Since 1953

June 1, 2020

USDA Grant/Loan:

At our May 19th meeting (where were you?), a USDA representative was here. We have been approved for a \$5,660,000 grant and a \$2,325,000 loan (40 years at a 1.375% maximum interest). The \$8 million in funds will resolve are arsenic violations, refinance our current high interest rate loans, inspect and repaint our storage tanks, replace our neighborhood substandard water mains, hydrants and valves and create a needed water main loop to solve our pressure problems. We will begin the planning phases for engineering, constructions and means to finance the loan. Hopefully everyone will start coming to meetings. The best kind of customer is an educated customer.

Meeting Agendas:

Did you know that the monthly public meeting agendas are posted on our website? If you want to know when the next agenda is posted and what's on it then go to our website at www.oakcreekwater.org and hit the "Sign Up For Alerts" button. As soon as its posted, you will get an email. We will be attempting to merge some older emails we have on file for these alerts. Also, think about using Xpress Bill Pay: pay your bill automatically on the 15th of every month and never get a late fee. Lastly, call us to go paperless and help save money on postage.

Revenue:

Thanks to the many customers that have made over payments, for a credit on their accounts. It has helped OCW and has given our neighbors that are currently struggling time to catch up on their bills. A special thanks to the couple of residents that paid off water bills for customers that could not make their payments due to being unemployed. What a loving and given community we have.

Consumer Confidence Report:

The CCR's for 2019 are now available on the website. This gives a summary of our water system and details on the water quality testing completed last year.

DWID (Domestic Water Improvement District):

Thanks to everyone that submitted a proxy or came out to vote at our May meeting. It was unanimously with 112 votes to transferring the Company assets to the District. Attached is the A.C.C. public hearing notice which is the last step for Oak Creek Water Company becoming a District.

Required A.C.C. Rate Increase:

The required rate increase was submitted on September 19, 2019. Unfortunately it is still going through the lengthy A.C.C. process. If the Transfer of Assets occurs first we will be removing this request and approving it as a district at an open meeting. The request submitted last year was for a 14% increase. Current rates are based on 2015 data.

Oak Creek Water Company No. 1

Serving West Sedona Quality Water Since 1953



April 23, 2020

Global Conditions & Revenue: Like every other business, Oak Creek Water is feeling the effects of the current global conditions. With the hotels, restaurants and businesses closed our revenue is down by 35%. Also, some of our neighbors that work tourism jobs are making partial payments until things improve. We have reduced personnel hours by 25% and our APS bill is proportionally reduced with water usage. We have also contacted the State asking for a couple month deferral of our loan payment. What can we do as fellow customers? Continue to make whatever payments you can afford. Those that can make over payments, for a credit on ones account, will help OCW and give our neighbors that are currently struggling time to catch up on their bills. It is our goal to continue supplying the best water in Arizona to each and every one of us through this crisis.

DWID (Domestic Water Improvement District) Thank you to everyone that signed the petition to become a DWID. We submitted a property list having 74% of the property owners signatures on it. It was approved by Yavapai County on March 18, 2020. The next step is transferring the assets from a "company" to a "district". See attached notice.

Arsenic Violation Notice for the Second Quarter of 2020 Attached is the quarterly violation notice. This test is required quarterly by Arizona Department of Environmental Quality (ADEQ). The average for the three wells was 11.0 ppb which are above the 10.0 ppb limit.

USDA Grant/Loan Submittal The revised Engineering and Environmental Application was submitted on April 1, 2020. USDA requested we include improvements to of our aging system. The top priority continues to be the Arsenic Treatment, rehabilitation for our 4 water tanks & refinancing the \$350,000 existing loans reducing the interest rate from 4.5% to 1.3%). We are hoping USDA can submit our application for funding and get construction started before the end of the autumn. They did state we qualify for the lowest interest loan and that the grant percentage could be up to 75% depending on the funds available.

Required A.C.C. Rate Increase The required rate increase was submitted on September 19, 2019. Unfortunately it is still going through the lengthy A.C.C. process. If the Transfer of Assets occurs first we will be removing this request and approving it as a district at an open meeting. The current request submitted was for a 14% increase.

Contact Information Do we have your current email or cell phone number? We need this in case of an emergency water shut off. Please email us, call us or write it on the back of the next payment stub. **Also go to our website at www.oakcreekwater.org and hit the "Sign Up For Alerts" button. You will get notified for any alerts along with when our next meeting agenda is posted.** Use Xpress Bill Pay: pay your bill automatically on the 15th of every month and never get a late fee. Call us to go paperless and help us save money on postage.

Garage Sale Thanks to everyone that donated for the sale. We brought in about \$900.00. The remaining stuff will go to an A to Z Estate Sale once the global conditions change. We are hoping to clear another \$300.00 from that.

IMPORTANT INFORMATION ABOUT YOUR DRINKING WATER
OAK CREEK WATER CO NO 1, PWS # 13041
Has Levels of Arsenic Above Drinking Water Standards

Our water system Oak Creek Water Co. No. 1 recently violated a drinking water standard. Although this is not an emergency, as our customers, you have a right to know what happened, what you should do, and what we did (are doing) to correct this situation.

We routinely monitor of the presence of drinking water contaminants. Testing results we received for the FIRST quarter of 2020 show that our system exceeds the standard, or maximum contaminant level (MCL), for arsenic. The standard for arsenic is 10 parts per billion (ppb). The test results for this quarter averaged 11.0 parts per billion.

What should I do?

You do not need to use an alternative (e.g. bottled) water supply. However, if you have specific health concerns, consult your doctor.

What does this mean?

This is not an immediate risk. If it had been you would have been notified immediately. Some people who drink water containing arsenic in excess of the MCL over many years could experience skin damage or problems with circulatory system, and many have an increased risk of getting cancer.

What is being done?

We have created a preliminary layout for new arsenic treatment facilities at both well sites. We are working closely with ADEQ and USDA to obtain a low interest rate loan and partial grant. We anticipate obtaining funding and starting construction by late Fall 2020.

For more information, please contact Doug Bowen, Board of Directors President or Jim Reider, Water Operator at (928) 282-3404 or at 90 Oak Creek Blvd., Sedona, AZ 86336.

Please share this information with all the other people who drink this water, especially those who may not have received this notice directly (for example, people in apartments, nursing homes, schools, and businesses). You can do this by posting this notice in a public place or distributing copies by hand or mail.

This notice is being sent to you by Oak Creek water Co. No. 1, Public Water System ID#: AZ-04-13041. Date distributed: April 24, 2020.

Any ADEQ translation or communication in a language other than English is unofficial and not binding on the State of Arizona.

Cualquier traducción o comunicado de ADEQ en un idioma diferente al inglés no es oficial y no sujetará al Estado de Arizona a ninguna obligación jurídica"

Oak Creek Water Co., No. 1

"Serving West Sedona Since 1953"

90 Oak Creek Blvd
Sedona, AZ 86336
928 282-3404

Call For Special Meeting

Pursuant to Oak Creek Water Co., No. 1 ("Company") Bylaws Art. VII, § 2, the Board of Directors has adopted a resolution recommending and approving the transfer of the Company assets to the Oak Creek Domestic Water Improvement District ("District"). Effectively, the Company is converting to a District to secure local governance, lower operating costs, and take advantage of grants and low interest loans to better serve the community at lower cost.

A special meeting will be held on **May 19, 2020, 7:00 pm** at the address above. The purpose is to have the members consider and authorize the transfer of assets from the Company to the District. If you are unable to attend, please vote by proxy so we can meet our quorum. For your convenience, a proxy form is provided below.

Please visit our website at www.oakcreekwater.org and hit the "Sign Up For Alerts" button. This will keep you updated on this meeting, future meetings and anything else new that is posted to the website. The best customer is an informed customer.



PROXY

Oak Creek Water, 90 Oak Creek Blvd., Sedona, AZ 86336, (928) 282-3404 Phone

The undersigned member of Oak Creek Water Co. appoints the following person to vote on his/her behalf at the May 19, 2020 Meeting. This proxy will be ineffective should the undersigned attend the meeting. Check or write one name only; more than one will invalidate this proxy.

Doug Bowen Creed Ostler Paul Slevin Chan Smith

Ron Rovey Bob Bareuther Paul LeFevre

Print Name _____ Acct # _____

Service Address _____

Signed _____ Date _____

**PUBLIC NOTICE OF AN APPLICATION FOR SALE OF ASSETS
AND THE CANCELLATION OF THE CERTIFICATE
OF CONVENIENCE AND NECESSITY BY**

Oak Creek Water Co., No. 1

Oak Creek Water Co., No. 1 has filed with the Arizona Corporation Commission (“Commission”) an application for authority to sell its assets and cancel its Certificate of Convenience and Necessity to provide water service. The water system has been sold to the Oak Creek Domestic Water Improvement District. If the application is granted, Oak Creek Domestic Water Improvement District would be the exclusive provider of water service to your area and will establish its own rates and charges.

If you have any claims against Oak Creek Water Co., No. 1, including claims for refunds of security deposits, service line and meter installations or main extension agreements and you have not already been contacted by the Company, you must present your claim to Oak Creek Water Co., No. 1 on or before June 3, 2020. Direct your claim(s) to Oak Creek Water Co., No. 1, 90 Oak Creek Blvd., Sedona, AZ 86336, 928-282-3404.

Approval of the application may be given without a hearing. If you have any questions or concerns about this application, have any objections to its approval or would like to request information on intervention in the proceeding, you may contact the Consumer Services Section of the Commission at 1200 West Washington Street, Phoenix, Arizona 85007 or call 602-542-4251 or toll free 1 800-222-7000.

Oak Creek Water Company No. 1

Serving West Sedona Quality Water Since 1953

Update: January 27, 2020

Garage Sale

Oak Creek Water will hold its second annual sale on March 5th—7th. Thank you to everyone who has already dropped stuff off or called for a pickup. We will continue to accept donations from all of us water customers, board members & staff. Now is the time of year to clean out that tool shed, thin out that clothes & shoes closet, sort through your bookcases. Last year we raised \$1,100 from employee donations and office stuff collecting dust. March is a low revenue month (February usage) and this helps supplement our expenses as a not for profit company.

Arsenic Violation Notice for the First Quarter of 2020

Attached is the quarterly violation notice. This test is required quarterly by Arizona Department of Environmental Quality (ADEQ). The average for the three wells was 10.2 ppb which are above the 10.0 ppb limit.

USDA Grant/Loan Submittal

The Engineering and Environmental Application was submitted on November 22nd. The 36 page report and 269 page appendix is available for viewing at the office. OCW and SWI Engineering received a letter from USDA on January 28th with changes and are working on them. In summary requested \$3M for Arsenic Treatment, rehabilitation for our 4 water tanks, water main replacements, hydrant and valve replacements and refinancing \$350,000 in existing loans (reduce their interest rate from 4.5% to 2.0%).



DWID (Domestic Water Improvement District)

The DWID package was submitted to our attorney on December 16th and to be filed with Yavapai County on February 6, 2020. All property owners should get their notice from Yavapai County in February in regards to the public comment period for the Public Hearing on March 18, 2020 at the Yavapai County Offices.

Required A.C.C. Rate Increase

The required rate increase was submitted on September 19, 2019 to the Arizona Corporation Commission. As of this date our attorney is very optimistic since there has only been a few requests for additional information. He is guessing a April, 2020 public hearing with an May effective date. This will put the data used for the rate increase about a year old.

Contact Information

Do we have your current email and/or cell phone number? There have been incidents that we could not make contact with a homeowner to tell them about a water outage due to a new hydrant installation or water main break repair. Please email us, call us or write it on the back of the next payment stub. Use Xpress Bill Pay: pay your bill automatically at 11:59 on the 15th of every month and never get a late fee. Go Paperless.

Oak Creek Water Company No. 1

Serving West Sedona Quality Water Since 1953

Update: October 23 2019

Arsenic Violation Notice for the Fourth Quarter of 2019 Attached is the last violation notice for this year. It is required after every test, which is required quarterly. The average for the three wells was 10.1 ppb which again is just above 10.0 ppb limit. The Preliminary Engineering Report and Environmental Report that is required for any loan or grant money for the Arsenic system should be completed and submitted within the next 30 days.

DWID (Domestic Water Improvement District) Oak Creek Water received funding to create the official map and legal description for the new district. Once completed the notice to all property owners will be sent out.

Hydrant Flushing We will be flushing fire hydrants during the months of November & December. Signs will be put out the morning of the flushing by 7:00am. You may experience discolored water or sediment in your homes which will clear up after running water through your fixtures. The water will not be harmful to your health in anyway. It's recommended that you avoid doing laundry while flushing is taking place. Please contact the office if you encounter any issues.



Delinquent Water Shut Notice Courtesy Calls First of all, to the 93% of the customers that pay their bills on time....THANK YOU! At the October board meeting a motion was approved to limit the number of courtesy calls to delinquent water customers to three times a year. Why? Because it's the same 50 customers every month. Interesting, there are many customers that look forward to the call each month and are now relying on it; on the other hand there many customers that desire to have the same argument or excuses each month and creating a hostile tone on the phone. In either case this is costly and consumes a full 8 hour day. That is why the three time limit. We understand that people go out of town or life gets in the way so we don't want to stop this service completely. You should receive your water bills by the 1st of the month. Bill are due by the 15th of the month. Shut off is the 30th of the month. This deadline notice is written on every bill. Current late fee: \$5.00. Current shut off fee: \$35.00.

Garage Sale Last March, Oak Creek Water held a garage sale selling old unwanted items laying around the office along with donations from a couple employees and raised \$1,100. March is the lowest revenue month (February water usage) and this helps supplement our expenses. We are planning on having the 2nd Annual Garage Sale next March and we will be accepting any donations from all of us water customers. As a not for profit company, the more revenue we receive from sources like this, the less likely we would have to request emergency surcharge funds like we had to do last year due to all those emergencies. So as the holidays and the New Year approaches, think about dropping off unwanted items instead of tossing them.

Contact Information: Do we have your current email and/or cell phone number? There have been incidents that we could not make contact with a homeowner to tell them about a water outage due to a new hydrant installation or water main break repair. Please email us, call us or write it on the back of the next payment stub. Use Xpress Bill Pay: pay your bill automatically at 11:59 on the 15th of every month and never get a late fee. Go Paperless.

Oak Creek Water Company No. 1

Serving West Sedona Quality Water Since 1953

April 29, 2019 Update

Bill Due Date - Policy Reminder: Monthly payments are due on the 15th of every month. Bills paid after the 15th are subject to a \$5 fee. Delinquent accounts will be subject to water shut off by the end of the month. Oak Creek water has been lenient in the past, only enforcing this policy bi-monthly and to the same dozen or so customers. It will be enforced monthly. Unfortunately we recently had a customer tamper with our system and turn their water back on after being shut off. First offense for this was a \$100 fine. All additional offenses are subject to a \$100 fine followed up with a police report. Kudos to the 99% of the customers that pay their bills on time and understand the importance of keeping this neighborhood not-for-profit water company thriving.

Consumer Confidence Report (C.C.R.): The consumer confidence report for 2018 is available at www.oakcreekwater.org/water-quality-report. You can also request a copy of this water quality report from our office.

Arsenic : From the attached you can see we are just hovering around the 10 ppb limit with one well at 9.7 ppb and the other well at 10.9 ppb. Last week USDA representatives came to visit to discuss the project and to drive through the neighborhood. They will be starting by giving us a grant for up to \$30,000 to complete the engineering and environmental report. Once that is complete they will finalize the project application and determine what percent will be grant and what percent will be low interest loan.

Annual Meeting: Mark your calendars for August 13th at 7:00 P.M. You will receive an official notice in July.

OLD NEWS FROM LAST MONTH

Emergency Rate Increase Public Notice: Reminder that the rate increase is \$20.16/month per standard residential 3/4-inch meter implemented the months of April, May, June & July. Thanks to everyone that has been supportive and making payments promptly.

Express Bill Pay (We have now passed 40% of the accounts taking advantage of this system!)

Want to check your current balance? Want to see a breakdown of your current bill? Express Bill Pay is the answer. You don't have to pay your bills on line to take advantage of the information available. Every account is already there. Just head to xpressbill-pay.com (yes its without an "e") and register with an email address. You will have access to all of your account information. If your out of town and need to make a one time payment it is there for you.

Paperless: Interested in helping the environment? Interested in helping this not-for-profit water company save money? The answer is by going payless. Contact our office and Claire will be more than happy to set you up.

Email Correspondence: Are you on our email list? If not, why not? When ever there is an emergency water break or a need to shut down part of the water system, you will be given an email. Every time Oak Creek Water's website is updated with a water quality report, annual meeting notice, consumer confidences report, etc., you will be automatically be sent an email.

Sincerely, Doug Bowen, President

Oak Creek Water Company No. 1

Serving West Sedona Quality Water Since 1953

Oak Creek Water Customers: March 28, 2019 Update

Emergency Rate Increase Public Notice

Enclosed is the Public Notice from the Arizona Corporation Commission establishes our emergency rate increases based on the judge's recommendation from the March 7, 2019 public hearing. As stated in the February newsletter, this emergency rate increase will help financially to recover from the \$120,000 in unexpected repairs from last October through January and for replacing six non-functioning hydrants and two leaking valves that need immediate attention.

The rate increase is \$20.16 per month per standard residential 3/4-inch meter implemented the months of April, May, June and July. Based on our water meter reading schedules, that is for water usage from Mid-February through Mid-May, avoiding having the surcharge during the peak summer water usage months. For meter sizes larger than 3/4-inch the A.C.C. assigned an equivalent meter multiplier.

Thanks to all the customers that came to the open forums and for submitting letters of support for your not-for-profit water company. Rate increase documents, the final court hearing docket and the public comments can be found at azcc.gov or copiers are available in our office on our front desk.

Express Bill Pay

Want to check your current balance? Want to see a breakdown of your current bill? Express Bill Pay is the answer. You don't have to pay your bills on line to take advantage of the information available. Every account is already there. Just head to xpressbill-pay.com (yes its without an "e") and register with an email address. You will have access to all of your account information. If your out of town and need to make a one time payment it is there for you.

Paperless

Interested in helping the environment? Interested in helping this not-for-profit water company save money? The answer is by going payless. Contact our office and Claire will be more than happy to set you up.

Email Correspondence

Are you on our email list? If not, why not? When ever there is an emergency water break or a need to shut down part of the water system, you will be given an email. Every time Oak Creek Water's website is updated with a water quality report, annual meeting notice, consumer confidences report, etc., you will be automatically be sent an email.

Sincerely,
Doug Bowen, President