

**CLEAR CREEK PINES UNIT TWO**  
**WATER WELL USERS ASSOCIATION, INC.**  
**SEPTEMBER 3, 2022 BOARD MEETING**  
*Meeting Minutes*

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September 3, 2022 8:30am

The purpose of the meeting was to review the current state of water quality, review the association's current financial status, discuss the current state of planned repairs and preventive maintenance on the well, determine a recommendation for the annual assessment and to discuss other business related to the water system. The following actions and decision were accomplished.

**Board Members in Attendance:** Joe Miller, Jennifer Haggard, Scott Unglaub, Randy Garrison, John Popp, Jo Reed-Fuson, Rocky Taylor, Dave Burrows, Jim Curcio

**Board Members not in Attendance:** Robert Haggard, Rick Johnson

**Called to Order:** The Water Well Users Association Board Meeting was held at Lot 33 in Clear Creek Pines Unit 2 on September 3, 2022. The meeting was convened at 8:35 am with President Joe Miller presiding.

**General Overview:**

- Attendance was noted
- Copies of the meeting agenda and handouts were distributed
  - Handouts
    - Meeting Agenda
    - May 28, 2022 Board Meeting Minutes
      - Treasurer's Reports | Checkbook Activity | Summary of Past Due Assessments | Report of Normal Operating and Projected Expenses

**Old Business:**

- Motion to Approve May 28, 2022 CCP2 Water Well Users Association Inc Board Members Meeting Minutes
  - Unanimously Approved
- As approved by the Board of Directors on May 28, 2022, the Association invested in a Hydrostatic Level Measurement Transmitter which will electronically monitor the well levels daily (rather than annually by the Association through well level sounding or every 10 years by ADEQ). The system, which is scheduled to be installed into the well later this year, will add to the current electronic monitoring of pressure and tank levels and will provide much needed reports on the health of the well. The cost of the transmitter was \$2,787.66.
- Scott Unglaub completed pressure tests (PSI) on eight lots to assess both low and high levels of water pressure. Randy Garrison noted that our system does not have a maximum PSI requirement, but only a minimum 20 PSI requirement. Since our system is exceeding that baseline requirement, the Board continues to encourage members to maintain their water pressure concerns with either pressure reducers or pressure boosters on their system.

Lot 04 ▶ 85lbs	Lot 05 ▶ 90lbs	Lot 09 ▶ 95lbs	Lot 25 ▶ 55lbs
Lot 29 ▶ 70lbs	Lot 45 ▶ 45lbs	Lot 64 ▶ 65lbs	Lot 65 ▶ 55lbs

- Painting on the interior block wall and gang box at well site complete June 11, 2022. John Popp will obtain a commercial quote for the painting of Tank B for further discussion by the Board.
- The Association has a tap that will be installed as a test port at the well site in the coming weeks.

**New Business:**

- The Association received a notice of a failed test from the ADEQ from the August sampling. As a result of the failure, a thorough re-test was conducted of the entire system including the original testing location which came back with no contamination or deficiencies. The cause of the failed test was determined to be a result of a bad test sample.

- John Popp advised the Board Rick Johnson submitted his resignation as Director. Based on a discussion with Jeff Clement and his expressed interest to join the Board, a nomination to appoint Jeff Clement as a Director will be presented to the members during the following Members Meetings.
- Additionally, Robert Haggard's resignation was announced which was followed by a discussion about a member's concern of conflict of interest regarding spouses serving on the Board at the same time. It was noted that the Association's Bylaws do not restrict spouses from serving on the Board together and during Robert's tenure, no concerns amongst the Board or Members were ever presented.
- A concern about members watering lawns was brought forth. There are no water restrictions outlined in the Association's Bylaws or Member Agreements and no action will be taken.
- Randy Garrison inquired about the electronic proxy form submissions and text message drip campaign. Jennifer Haggard reported the that new process, which includes an option to submit a html proxy form electronically worked well, nearly doubling the submissions received in prior years (total of 16 proxy appointments were received).
- The attached Notice of Publication from the Arizona Department of Water Resources was addressed. Randy Garrison explained the adjudication is a judicial proceeding to determine the extent and priority of water rights in certain river systems in Arizona. In this case, the Court will determine the water rights of the people living or using water within the Verde River watershed. Because the community well's Aquifer feeds the Verde River Watershed, members received the notification directly from ADWR. The outcome of the adjudication is unknown as court proceedings continue and will require a ruling from the Judge. No action is necessary on our part at this time.
- Randy Garrison advised the Board the Forest Service is also seeking rights to water within 150' of the Forest boundary which may raise issues in the future.
- During the 2021 Annual Members Meeting, members passed a motion to reschedule the Annual Members Meeting from Sundays to Saturdays. A discussion about the schedule change ensued and the Directors present shared that they had not received any concerns or complaints from members about the day change.

#### **Preparation for the Annual Members Meeting:**

- Randy Garrison will report on the Water Quality advising members of the bad sample recorded during the August testing. No other events to report out on.
- Scott Unglaub will report on System Operation and Maintenance providing members with an update on system repairs and planned maintenance.
- New water system members will be introduced in the Annual Members Meeting:
  - Lot 62, Paul Novak and Kelly McDermid, Transfer of Membership (September 2021).
- John Popp will provide the members with a recap of Board activities, outlining highlighted events and savings throughout the year including the legal review of the Association's Bylaws.
- Members will be advised during the proceeding Annual Members of the following actions regarding the Association's Bylaws:
  - Statutory Agent (Section 10.0)
    - The Board will meet to appoint Jim Curcio to act as the Association's Statutory Agent whose responsibility will be to accept Service of Process or legal documents on behalf of the association. The previous appointment was assigned to Heritage Certified Public Accountants, PLLC. If approved, the amendment to section 10.0 of the Association's bylaws will be made accordingly.
  - Number of Board of Directors (Section 3.0)
    - The Board will be taking action to finalize the amendment process to Section 3.0 of the Association's bylaws. Approved amendment: number of directors shall be not less than five, nor more than eleven.
- Jo Reed-Fuson, Treasurer, will report the current financial status of the Association to the members.
- The Board reviewed the Association's standard operating expenses, which was determined to be approximately \$12,000 annually. A review of the 2022 ytd checkbook activity was also completed, noting the current bank balance of \$30,680.25. The Board agreed that annual member assessments should cover the standard operating expenses and the account should maintain approximately \$30,000 in a reserve fund earmarked to cover unplanned maintenance and repairs (replacement of tanks, pumps, boosters, etc.) with a consideration for economic cost inflation.
- It was noted that two members are currently in arrears on their water assessment (deficit of \$500), while the Association collected \$4450 in outstanding payments in 2022. John Popp will follow up with the property owners.

- Scott Unglaub motioned that the Board would recommend a \$250 annual assessment which was seconded by John Popp. The motion was passed by the Board (9-0).

The Board adjourned at 9:34 am for the Annual Members Meeting scheduled at 10:00 am.

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### **Return to Session**

- At 10:55 am, proceeding the Annual Members Meeting, the Board returned to session for the election of officers
  - During the Annual Members Meeting, it was motioned and approved by the members to retain the current board of directors: Jo Reed-Fuson, Randy Garrison, Jennifer Haggard, Rick Johnson, Joe Miller, John Popp and Scott Unglaub.
  - During the Annual Members Meeting, the following members were nominated and approved as Directors to the Board to fill two vacancies: Jeff Clement and Steve Smith.

### **Election of Officers**

- Upon nominations duly made and seconded, the following Officers were unanimously elected (9-0):
  - Joe Miller: President
  - John Popp: Vice-President
  - Jo Reed-Fuson: Treasurer
  - Jennifer Haggard: Secretary
  - Scott Unglaub: Operations & Maintenance Officer
  - Randy Garrison: Water Quality Liaison

### **Future Board of Directors Meeting**

- Spring Meeting – To be announced

### **Adjourn**

Without objection, the meeting was adjourned at 10:59 am.

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### **Bylaw Amendments**

After the Board Meeting adjourned it was recognized that we missed an agenda item to follow through with two items that were scheduled to come to a vote. To solve the matter, the items below were presented to the Board via email communication for approval with a response deadline of September 9, 2022.

- Statutory Agent (Section 10.0)
  - The Board will act to appoint Jim Curcio to act as the Association's Statutory Agent whose responsibility will be to accept Service of Process or legal documents on behalf of the association. The previous appointment was assigned to Heritage Certified Public Accountants, PLLC. If approved, the amendment to section 10.0 of the Association's bylaws will be made accordingly.
- Number of Board of Directors (Section 3.0)
  - The Board will be taking action to finalize the amendment process to Section 3.0 of the Association's bylaws. Amendment: number of directors shall be not less than five, nor more than eleven.

A majority of Board of Directors was in favor of the proposed changes and actions will proceed to amend the bylaws as outlined above (9 responses in favor and 2 did not respond).

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### **Financial Oversight Committee Meeting/Audit**

Members of the Financial Oversight Committee, John Popp and Randy Garrison (with Jo Fuson present) conducted an internal audit and 2021 financial review of the Association's books. The committee found no issues other than 3 outstanding checks, which have yet to clear the bank. It was asked of Jo to look into the ability to accept electronic payments at the request of some members. An electronic payment submission has been set up and the option will be included on the 2022 – 2023 Annual Water Assessment Invoice.

## ARIZONA DEPARTMENT OF WATER RESOURCES NOTICE OF PUBLICATION

On August 29, 2022, the Arizona Department of Water Resources (ADWR) released a Technical Report for inspection and comment. The Technical Report was filed with the Maricopa County Superior Court in the Gila River adjudication contested case W1-106, *In re Subflow Technical Report, Verde River Watershed*.

The purpose of the Technical Report is to identify small water uses for domestic (household), stockpond, stockwatering and wildlife purposes that collectively have only a minimal impact on surface water leaving the Verde River watershed, also known as *de minimis* water uses. These small uses may be eligible for a faster and more simplified adjudication process. If the court approves an expedited process to determine water right attributes (characteristics, such as quantity and priority date) for any of the small water uses analyzed in the Technical Report, those standards will be applied when ADWR issues future reports on individual domestic, stockpond, stockwatering, and/or wildlife watering uses for the Verde River watershed.

You are receiving this notice because you are either on the court approved mailing list for this contested case, a person or entity who filed a Statement of Claimant (SOC) claiming a water use in the Verde River watershed, or a person or entity that is believed to be using water in the Verde River watershed.

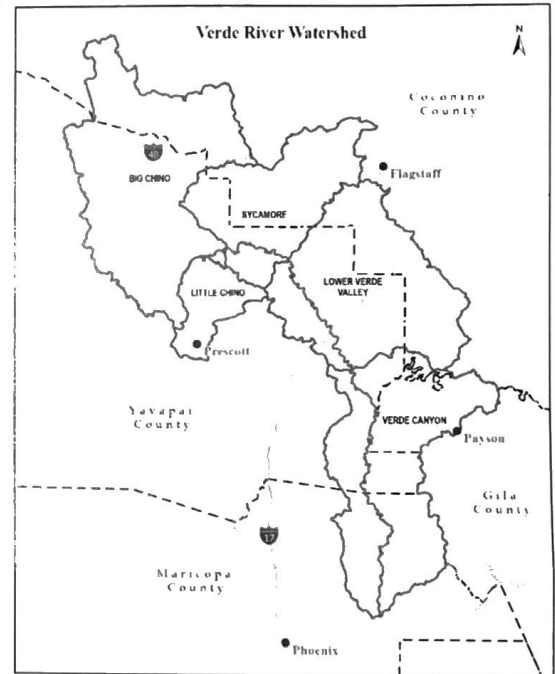
Persons and entities described above have the opportunity to review the Technical Report, available on ADWR's website and some local libraries in the Verde River watershed, and, if necessary, file comments or objections. Comments or objections must be filed on a Comment and Objection Form (available by contacting ADWR or on ADWR's website) and must be *received* by the court no later than **October 28, 2022**. Persons or entities who file comments or objections will be notified later of further court proceedings concerning the Technical Report.



**VIEW:**  
**THE REPORT, FAQs AND OTHER  
INFORMATION, ONLINE AT**  
<https://new.azwater.gov/adjudications>

**FILE:**  
**COMMENTS OR OBJECTIONS ARE DUE  
TO THE COURT NO LATER THAN  
OCTOBER 28, 2022.**

**CONTACT ADWR:**  
**866-246-1414 (TOLL FREE) OR  
602-771-8634.**



This report does not analyze any individual water uses or claims. ADWR is preparing Hydrographic Survey Reports (HSRs) for the Verde River watershed that will address water rights and claims in more detail. The first HSR for the Verde River watershed will be filed January 2024.