

Rim Trail Domestic Water Improvement Special District Board Meeting Minutes

March 23, 2023, Held via zoom

RTDWID Minutes DRAFT until approved at next Meeting.

1. The meeting was called to order at 6:10 PM by Vice Chairman Will Regg

2. Roll was called – Chairman Will Regg (WR), Treasurer Ray Tanner (RT), Secretary John Tanner (JT), Parliamentarian Jeff Manley (JM), JT Driscoll (JTD) Vice Chairman, and a quorum was established.

District Manager: Dan Utz (DU)

Public: None

3. Approval of Minutes of Prior Meeting on 1/28/23: JM motioned to accept minutes and RT 2<sup>nd</sup> motion – motion passed unanimously.

4-1 Treasurer Report: RT As of 2/28/23, Total Administration expenses are \$1,061 under budget, Total Water Operations expenses are \$2,811 over budget. Overall, \$2,942 loss greater than budgeted due mainly because of some extraordinary expenses on repairs to our water line, an adjustment on the Mark Parish account regarding the agreement on well #4 purchase (8 months of base water fee), some Eldorado entry discrepancies, and an approximately \$900 adjustment due to water line issues with Hedstrom. RT pointed out the power bill for the Treatment plant electric, when the treatment plant is not being used, and asked DU to look into it and determine what is on. It was determined in our conversation that the bill is in line with previous months and the reason may be the heaters are running. Another major expense is the two line breaks we had on the 32 Rd. RT mentioned all the wells are running high on the electric bills and asked DU to double check and make sure the heaters are set properly and not more than what is needed to keep the pipes from freezing. On the Balance sheet, our cash position is \$76,000 and that is \$49 less than we had last year at this time. RT mentioned a couple of items on the balance sheet are little unusual, we have \$11,000 in the suspense account showing for a small property tax bill not properly credited with the County and the purchase of the two tanks for the WTK project. The accounts receivable account is 2,900 less than what it was a year ago and that is a big part of the adjustment account that is showing on the income side. RT was hoping to have all the financial statements posted but there was one other thing, they have not been able to get the depreciation schedule updated. Mario has not been able to come up with it and RT will have to piece it together and will get it straightened out before he hands it over to DU.

4-2 District Manager Report: DU on District activity: DU reporting: 1. Leaks: Stein residence between meter and house and it is under repair, 2. 3" galvanized near Belluzzi and Rim Trail intersection (1,000 gal./day) and Primary repaired it. A couple weeks later we had another leak on the same line and it too was repaired by Primary. DU indicated a concern about Cragin water has a corrosive nature and we need to blend it with well water to reduce corrosive capability.

DU checked well levels and Well #2 is at 16'-4" which is a gain of 4.5', Well #3 is at 42'-7" which is a gain of 2' and Well #4 is at 68' which is gain of 7'. DU did two blue stakes on Belluzzi for a customer doing septic line repairs and where the water leak was located. Russel Ramirez has purchased the cabin at 483 Belluzzi and it has been vacant for 50 years, the map does not show a meter and DU will let him know he will have to pay the installation fee and service line cost. There is a question that that previous owner may not have paid the bond when District started, and the owner may have to pay that along with the installation fee. DU moved all the RTDWID file boxes from the Ascoli residence to the WTP office (about 5 file boxes and two partially filled file cabinets). Regarding Ana Kilichouske (AK) account; the amount due is \$2,590 and DU spoke to her on Monday, and she is ready for the water to be turned on. There is no meter at her house. Regarding Ongoing projects: 1. WIFA WTK tank replacement – the Design Report is almost finished, and the ATC is filled out and ready for signatures from our Engineer and District Manager. Waiting for the Engineer to finish the design report (should be finished by the end of this month). When the design is completed, DU will confirm pricing with Primary. 2. WIFA AMR/AMI purchase: DU met with Mike Ellis of Aquaflow Solutions, (the seller of Master Meters (MM)) and reviewed a presentation showing the capabilities of the Master Meter. DU also met with (MM) rep. Dave Conaway (DC). The (MM) are capable of backflow detection, leak detection and alarms. They do not transmit a signal through water and DC advised risers should be installed in meter boxes that fill with water during wet weather. DU also spoke to Jordan Miller (JM) of Ferguson (the seller of Badger Meters). The Badger Meters are compatible with our Mueller meters. JM has meters in stock and his quote includes software, hardware, training, and fees. Based on the estimates from Master and Badger meters, it is a wash on the cost. Regarding contractor quotes, both Primary and Wainscott Contracting (WC) (WC from Florence recommended by Ferguson) need to give DU updates on meter installation cost. Future projects: DU still needs to test Generac generators at Well #3 and WTP. A discussion took place on the question of the conditions and age of water lines and the need for accurate assessment of them, and at some point, to replace lines would require an another WIFA loan.

- 5a. Board member contact information on the District Website: WR pointed out he had his contact information removed because there was problem with Phishing text and mistakenly all the Board contact information was removed. It became a question of what contact information is necessary or required to post. JM to confirm contact information required to be posted on the Website and get back to the Board. This will be tabled until the next meeting.
- 5b. Review insurance policy in accordance with 90-day review prior to fiscal year ending 6/30. JM reported the problem with getting coverage in rural areas. JM will reach out to Crabtree and Associates and invite anyone to suggest another possibility for an insurance quote. JM needs to verify the limits of insurance and the districts equipment inventory and valuations. DU to verify equipment inventory list. JTD will research his network for potential insurance quotes.
- 5c. Review meter proposals, including meter, meter install an option for check valve install and option for riser. DU provided quotes from Primary and Wainscott Contracting. There were questions remaining on both quotes, we need quotes installing the correct check valves. DU noted we are better off using plastic lids (\$20/each) on both the Badger and Master meter however the Master meter will work with metal lids. After discussion it was believed to be too complex to include customer shut-off valves with back flow preventer and the board decided to ask contractor if they will deal directly with owner to install separate check valve and shutoff valve. DU to get confirmation from Mario A. on which units have the necessary shutoff and backflow valves and associated addresses. DU to also get a riser quote for meter boxes 3 deep or more. DU will address these questions to the contractor and get revised quotes. Once he has revised the numbers, he will be in touch with WR to schedule a short Board meeting to award meter contract.
- 5d. Review WTK tank installation contract with confirmed engineering signature and execute contract: DU still waiting on engineering, and he is expecting it by the end of the month. Once DU has the engineering, he can get it to Primary to revise their quote. DU to also point out to Primary the revisions (RT email) that need to be included in revised pricing.
- 5e. Review By-Laws on Accounting review/audit requirements based on WIFA and Insurance requirements, also the timing notice for meetings and amend if necessary: JM pointed out that according to AZ Statutes and Insurance companies, that we are not required to provide an accounting review nor audit of the district's financials. RT is still waiting to hear back from Lindsay at WIFA on if they require a review. After discussion, JTD made a motioned "That we initiate a review of our accounting financials effective with statements from year end June 30<sup>th</sup>, 2022. JM 2<sup>nd</sup> the motion. After discussion a vote was taken and Motion passed 4-1. Further discussion it was decided that next meeting we all need to review the By-laws and be prepared to discuss and amend any changes. JM pointed out that the important topics to include are the accounting review, notice of the meeting, and the insurance requirements.
- 5f. Review Rules and Regulations especially as it pertains to required water pressure. The district replaced the pump at Mark Ponds home and currently there are no additional water pressure issues that have been reported. WR pointed out that the pressure requirement is set forth by the Corporation Commission and he suggests that we leave that in our rules and regs and handle any future issues on a case-by-case basis.
- 5g. Review water bill amount in the rears and decide on amount due from AK: DU noted there is no water meter at the AK residence, and it had been removed when Don Ascoli had noted they had unauthorized use of the water on a locked meter and were several years in the rears on paying their water bill. DU provided past water bills that amounted to \$2,590, after further interpolation of billing period and length of time AK had owned the property – it was determined to be closer to \$5,000 in the rears when you date it back to the purchase year of 2015. After consideration and discussion of the hardship incurred by AK family - RT motioned to forgive \$2,590 current water bill and charge the \$3,000 meter install fee offering 24-month payment terms plus the monthly water bill charge. WR 2<sup>nd</sup> the motion. Motion passed unanimously. Billing to start in January and DU to go ahead and install the meter.
- 5h. PR discussion, PR relations bulletin of accomplishments we could send out with water bills: WR suggest the Board come to the next meeting with suggested points on Board accomplishments to use and be prepared to share your ideas.
- 5i. Document storage for the district. Need to place a place to store documents long term. See 5j below for resolution on physical storage area.
- 5j. Consider making an electronic copy of district legal records: RT recommends converting current files to electronic files. RT motioned that the Board authorizes converting the districts documents into electronic form and eliminate the physical documents converted. RT will pursue quotes on this and is authorized to approve if cost does not exceed \$1,000. After discussion the motion passed unanimously.
- 5k. Tracking of district distribution system. Health, age, general status of pipes, etc.: RT suggested DU continue the process that Don Ascoli was doing on making notes of the water system condition, age, status of our water system pipelines and be prepared to share it with the Board. WR had a copy of the water line system that showed meter locations and presumed repairs that he had received from Bruce Johnson. WR will share this map with the Board. DU will check with Mario to see if there is any other information available that Don Ascoli could have filed.
6. Call to the public: None

7. Call to Staff and Board for non-agenda items, updates, and recommendations for future meetings:
  - a. Schedule in the immediate future once the quotes have been revised - a review of water meter replacement proposals, including meter, meter install, an option for check valve install (between contractor and owner) and option for riser. DU to include breakdown of total check valves and risers needed accompanied with addresses.
  - b. Schedule in immediate future when Tank Engineering is complete and Primary's quote revised, confirm pricing, and authorize WTK tank replacement.
  - c. JM and JTD to give update on potential insurance company willing to quote the district's insurance policy.
  - d. Board to review bylaws for any changes in particular pertaining to accounting review, notice of the meeting, and the insurance requirements.
  - e. Board is to come prepared to suggest bullet points of accomplishments that can accompany water bill.
  - f. RT to report on update of electronic file for districts files.
  - g. JM to report required contact information for Board members on website.
  - h. JM to report on requirements on limits of insurance and DU to verify equipment inventory list.

8. Possible Executive Session: None

9. Schedule for next Board Meeting: WR will follow up via email.

10. Adjournment: Meeting motion to adjourn and JTD 2<sup>nd</sup> motion. Meeting adjourned at 8:49 PM.

Respectfully Submitted

John Tanner

Secretary