RIM TRAIL DOMESTIC WATER IMPROVEMENT DISTRICT

SPECIAL BOARD MEETING SUMMARY / MINUTES

September 16, 2026

1. MEETING INFORMATION

Legal Name of Public Body: Rim Trail Domestic Water Improvement District (RTDWID)

Date: September 16, 2026

Meeting Type: Special Board Meeting

Meeting Time: Approximately 6:21 PM to 7:54 PM.

Meeting Location/Platform: Teams

The Chair conducted a roll call and confirmed that a quorum was present. The meeting was identified as a special meeting limited to two new-business items: the proposed water operator agreement and discussion of the District budget

Members Present

- JT Driscoll, Chair/Board Member
- John Tanner, Vice Chair
- Ray Tanner, Treasurer
- William Regg, Secretary
- Jeff Manley, Parliamentarian

Members Absent

- None.

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2. GENERAL BUSINESS & DISCUSSIONS

Because this was a special meeting, the Board did not conduct regular or old business. Discussion was limited to the two noticed new-business matters.

Proposed Water Operator Agreement

The Board considered a proposed revised agreement with HydroTech/Ben Rowe for continued operation of the District's water system.

JT Driscoll summarized four principal issues that had arisen in discussions with the operator following his earlier indication that he intended to resign:

- Implementation of the previously discussed automation system.
- An increase in compensation.
- Clarification that the water treatment plant was not currently considered part of the active operating system under the base agreement.
- More timely payment of invoices, including a proposed late-payment provision.

The Board discussed the proposed increase in the monthly retainer to approximately **$3,000**, the proposed reduction in required routine site visits, additional charges for certain services and projects, and an increase in the termination-notice period.

Discussion included whether the revised compensation was reasonable in light of:

- The operator's relocation to Maricopa.
- Travel distance and emergency-response considerations.
- The limited number of properly certified water operators in the Payson area.
- The operator's familiarity with ongoing District projects.
- The difficulty the District had experienced finding qualified operators in the past.
- The possibility of obtaining services from a different local or regional operator.

Several Board members expressed support for actively searching for alternative operators while maintaining uninterrupted certified operator coverage.

Potential alternative operators or firms discussed included Dean Schaefer and A Quality Water. Board members discussed contacting qualified operators to determine availability, certification level, pricing, and willingness to service the District.

Ray Tanner expressed concern about approving increased compensation and reduced routine visits before determining whether a less expensive qualified operator might be available. William Regg emphasized that terminating the current relationship without first securing replacement coverage could leave the District without a qualified operator.

The Board also discussed comparing the proposed agreement with earlier operator contracts and potentially using redlined versions of previous agreements in future negotiations.

Operator Agreement Motion Development

William Regg initially proposed approving the revised agreement while beginning a search for a replacement operator. That initial proposal did not immediately receive a second, and further discussion continued. RTDWID-meeting-minutes

After additional discussion, the proposed action was modified to delay the effective date of the new agreement until **Monday, September 21, 2026**, allowing Board members several days to contact potential alternative operators before the revised agreement became effective.

The Board agreed that if a viable alternative operator were identified before September 21, a properly noticed meeting could be convened before the HydroTech agreement took effect.

Draft FY 2026-2027 Budget Discussion

The second and final agenda item was discussion of a preliminary District budget.

The Chair explained that the prior fiscal year's budget had expired in June and that the District did not currently have an adopted budget. This created limitations on the District's ability to make expenditures, including implementing projects previously approved by the Board. The draft under review was described as a discussion document rather than a final proposed budget. A subsequent formal budget and rate hearing would be required. RTDWID-meeting-minutes

Water Treatment Plant / Turbidity

The draft proposed reducing the amount allocated for resolving turbidity issues.

Discussion included:

- A prior allocation of approximately $25,000.
- Relatively little of the prior allocation having been spent.
- The possibility of eventually installing a flocculation system.
- Whether sufficient funding should remain available until a final decision is made regarding the future of the water treatment plant.

Ray Tanner recommended retaining adequate funding because the turbidity issue had not yet been fully resolved.

Water Rights / SRP

The Board discussed a proposed reduction in the water-rights budget allocation.

Discussion included:

- Previous negotiations with SRP concerning water rights.
- A potential acquisition of approximately 12 acre-feet of water rights.
- Estimated acquisition and ongoing maintenance costs.
- Whether the District should continue reserving approximately $20,000 for a potential future water-rights obligation.
- Prior legal review of the dispute.
- The possibility of significant litigation costs if the matter were contested.

No decision was made on the final amount.

Emergency and Elective Capital Expense

The Board discussed maintaining a contingency or emergency capital-expense allocation.

The purpose of the line item was described as providing budget authority for unexpected capital needs, emergency repairs, legal expenses, or other Board-approved expenditures that were not specifically anticipated elsewhere in the budget.

Board members generally recognized the need to maintain an emergency reserve or contingency mechanism.

RanchBot Monitoring Project and WIFA Financing

The Board revisited the RanchBot monitoring project previously approved by the Board.

Discussion included:

- The previously approved approximately $13,000 project cost.
- Whether District funds should be used directly or whether the project should be delayed for potential WIFA financing.
- The possibility that WIFA assistance could cover a substantial percentage of qualifying project costs.
- The need for appropriate project-management and administrative support to pursue WIFA funding.

- Whether Cheryl Ibbotson could handle the administrative paperwork associated with a WIFA application while another person handled field/project management.
- The fact that the RanchBot proposal had already been signed and the implementation process initiated.

No new action was taken regarding RanchBot during this meeting.

Infrastructure Replacement

The Board discussed future infrastructure planning and replacement.

Potential work included:

- Mapping the District's existing distribution system.
- Identifying pipe types and conditions.
- Potholing and verification work.
- Developing a prioritized replacement strategy.
- Replacing aging or problematic pipeline sections.
- Addressing the Whitetail Knob pipeline and reported rusty-water concerns.

The Board agreed that anticipated infrastructure work would likely exceed the preliminary amounts shown in the draft budget and could be an appropriate candidate for WIFA financing.

Cash Reserves

The Board discussed an estimated beginning cash reserve of approximately $128,000.

Discussion included:

- How much reserve the District should maintain.
- A recollection that a prior Board policy may have targeted approximately six months of operating expenses.
- The relationship between reserves, contingency spending, planned capital projects, and government accounting practices.

No formal reserve level was established at this meeting.

District/Project Management

The draft budget included potential funding for district management or project-management services.

Discussion included whether the District should plan to hire a dedicated district manager, use individual project managers for major projects, or assign some project-management responsibilities to an operator when appropriate.

Board members indicated that continued funding for management functions should remain in the budget while the District determines its preferred organizational approach.

Budget Next Steps

The Board agreed that JT Driscoll and Ray Tanner would continue refining the budget based on the discussion.

A completed proposed budget would then be distributed to the Board and processed through the required budget/rate-hearing procedure.

No vote was taken on the budget. William Regg specifically noted during discussion that the Board was reviewing budget line items for background and direction, not adopting the budget at this meeting. RTDWID-meeting-minutes

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3. FORMAL MOTIONS AND ACTION ITEMS

Agenda Item: Revised HydroTech Water Operator Agreement

After substantial discussion and modification of the original proposal, the final motion was stated as follows:

Motion: To accept the agreement presented by HydroTech, effective **Monday, September 21, 2026**.

Motion Made By: William Regg

Seconded By: Jeff Manley

The Chair restated the motion immediately before the vote as approval of the HydroTech agreement as presented, effective September 21. RTDWID-meeting-minutes

Voting Record

Ayes:

- JT Driscoll

- John Tanner
- William Regg
- Jeff Manley

Nays: None recorded

Abstentions:

- Ray Tanner

Result: Motion passed, 4-0-1.

The Chair initially stated that there were three affirmative votes and one abstention, but John Tanner and William Regg corrected the count. The Chair then confirmed **four affirmative votes and one abstention**. RTDWID-meeting-minutes

Related Direction

The Board intended to use the period before September 21 to contact potential alternative operators.

If a suitable alternative were identified before the effective date, the Board could convene another properly noticed meeting to reconsider the matter. Otherwise, the approved HydroTech agreement would become effective September 21.

Agenda Item: FY 2026-2027 Draft Budget

Formal Motion: None.

Action: Discussion only.

The Board directed continued development of the draft budget and preparation for a formal budget/rate hearing.

Agenda Item: Adjournment

The transcript reflects discussion concerning a motion to adjourn, followed by William Regg stating that he seconded the motion.

Motion: To adjourn the meeting.

Seconded By: William Regg

The transcript does not clearly identify the maker of the adjournment motion by name.

Voting Record

The Chair called for those in favor, then for opposition and abstentions. No opposition or abstention was recorded.

Result: Motion passed without opposition.

The individual verbal responses are not completely captured for every Board member, so the minutes should not attribute a separate affirmative verbal vote to a member whose response is not clearly reflected in the transcript. RTDWID-meeting-minutes

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4. EXECUTIVE SESSION

No executive session was recorded during the meeting.

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5. NEXT MEETING

The Board discussed its next regular meeting date.

After identifying a calendar discrepancy, the Board generally agreed to schedule the next regular meeting for **October 15, 2026**.

The date could be adjusted if necessary to accommodate statutory notice requirements for the budget/rate hearing or if an earlier meeting became necessary regarding the water operator agreement.

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6. ADJOURNMENT

The meeting adjourned at approximately **7:54 PM**. RTDWID-meeting-minutes

Source Note: This summary was prepared solely from the September 16, 2026 meeting transcript. Where the transcript did not clearly identify a motion maker, individual verbal vote, or meeting location/platform, that information has not been inferred or added.