



Rim Trail Domestic Water Improvement District
240 E. Box Elder Lane • Payson, AZ 85541 • 928 472-7585
www.rimtrailwater.org

Board Members

Chairperson: Dave McKibben
Secretary: Gary Richardson
Treasurer: Ray Tanner, Jr

Management: Donald Ascoli

Operator: A Quality Water Co.

DRAFT UNTIL APPROVED AT THE NEXT BOARD MEETING

Minutes of the Rim Trail Domestic Water Improvement District Board Meeting held at Whispering Pines Fire Station on Saturday, February 7, 2015 at 1:00 pm as well as telephonic conference at (712) 432-5610, access code 1214.

1. Call to order: The meeting was called to order at 1:00pm by Chairman Dave McKibben.
2. Roll Call and Determination of a Quorum of Board Members Present: A quorum was present with Chairman McKibben and Treasurer Ray Tanner in attendance. Secretary Gary Richardson arrived at 1:15 pm. Also in attendance were Don Ascoli, Manager, and Gary Busenkell and Bruce Johnson, property owners. One person attended via teleconference line, Harry Jones.
3. Approval of minutes of prior meeting: The minutes of the prior Board meeting of December 13, 2014 were presented and approved.
- 4(1). Managers Report:

WATER SYSTEM ACTIVITY

1. WHITE TAIL KNOB WATER LEAK:

- On Tuesday, December 30, received a call from Mark Pond on Whitetail Knob Rd indicating he had no water at the home. Called Water Operator Jim Bossert who came out and found WTK storage tank empty. He turned on well #3 to begin filling up the tank and supply water to the line.
- Tried to turn on filter plant to supply more water but line from plant to main tanks was frozen. The following week the supply line to the main tanks became unfrozen and was able to supply water from filter plant.
- From the first week of January Jim B and myself walked the water lines trying to find the leak. Finally found the leak on Rob McCarver's place, Parcel E.
- Leak was flowing under a large wood pile. Hired JB Contracting and they removed the wood pile Friday. Cost to be split between McCarver and the District (approx \$600)
- Leak will be fixed this coming Monday
- Estimated water loss: 200,000 gallons

2. BLUE STAKE

- Received a request to Blue Stake the Chris Menghini property by Peter Gorraiz who is renting. Putting a pole fence around the pond and wanted to make sure he doesn't hit the water line. Jim Blue Staked the property. I have met with him several times and he has complied with our requests.

3. CALIBRATION OF FILTER PLANT

- In the process of cleaning and calibrating the chlorinator and the turbidity meters in the filter plant.

4. SECURITY

- Following good business practices, had the key locks on the filter plant changed as well as the combination for all the combination locks

DISTRICT BUSINESS

- As a result of the Blue Stake request, I had our file updated with the change in management.
- The District phone number is now forwarded to the District Manager's cell phone.
- Have changed the procedure for delinquent water customer accounts. If a customer is delinquent, they now receive the water bill on red paper. Of five delinquent customers, four are now current.

PLANS FOR 2015

- Review the tank diver's video to determine a plan of action with our storage tanks:
 - * Repair the tanks
 - * Repair and Replace
- Have a very active Water Rights Advisory Committee in which we can present our water rights claims to SRP and other governing bodies.
- Address the Turbidity issues with the Filter Treatment Plant
- Work with town of Payson and SRP on the CC Craigin pipeline so we can assure the best possible outcome and impact to our water infrastructure along the path of the pipeline.
- Work with a survey company to redraw the district map and to more precisely locate our water lines and water meter locations. Cannot do the best job troubleshooting for a leak if the maps we have to use are not up to date accurate.
- Working with AZ State Representative Brenda Barton who, on our behalf, is introducing a bill to change ARS 48 on Special Taxing Districts to make it more practical for a DWID to increase the number of sitting board members from 3 to 5. Using ARS law for a sanitary district as a model for DWID's.
- Working with AZ State Senator Sylvia Allen on changes to the open meeting law in order to better define what is a meeting of board members. SB 1435 amends the law to better define when a meeting occurs. If enacted, it would put more common sense and practical experience into the open meeting law
- Continue to review and plan for improvements to the District's infrastructure
- Look at sending our water bills by email to make our process more efficient and more cost effective.
- Review the District Rules and Regulations document.

4(2). Treasurer's Report: The financial report was presented by Treasurer Ray Tanner. Net income YTD is ahead of last year by about \$18,000. We have about \$83,000 in the bank. Chairman McKibben asked why our A/R is so low. It was mentioned that there is one large bill (Menghini) that was not listed as a receivable. Bruce Johnson asked if our water leak impacts the budget in any way. Chairman McKibben told him that our there is lost opportunity for income, but very little actual cost incurred.

4(3). Clerk/Secretary's report: None.

4(4). Chairman's Report: Chairman McKibben said he is pleased with Don Ascoli's prospective approach to the District's needs, and for his action on legislative items.

5 A. Approval of District Manager's Contract: Secretary Tanner presented the contract between the District and Don Ascoli. Changes were made to paragraphs 11 and 15, providing that the contract would automatically renew for another year, and deleting references to federal requirements. Chairman McKibben moved acceptance of the contract, and Secretary Richardson seconded the motion. It passed unanimously.

5 B. Approval of subcontract for administrative services: The contract was presented for \$350 per month. Chairman McKibben moved its approval, Secretary Richardson seconded, and the motion passed unanimously.

5 C. Approve funding for legal counsel to advise District on water rights issues and negotiations with Salt River Project: Bruce Johnson asked what has been done so far by Dave Brown. He was advised that mostly research has been done. His work costs us \$300 per hour. Treasurer Tanner has a box of documents detailing what has been done on this issue in the past. He received it from Judy Bailey. Secretary Gary Richardson moved we appropriate up to \$5,000 more for additional work by Dave Brown, under the direction of Ray Tanner. Secretary Tanner seconded the motion, and it passed unanimously.

5 D. Status and possible reorganization of subcommittee established to examine SRP issue: Chairman McKibben suggested we dissolve the Board-appointed subcommittee, since it would be hampered in its discussion by the open meetings law. Chairman McKibben, moved, Secretary Richardson seconded, a motion to dissolve the committee. Chairman McKibben then requested Don Ascoli to appoint a subcommittee to report to him on this issue. Don Ascoli accepted this direction from the Chairman.

5 E. Board Member to be appointed as the Authorized Representative for the Chase Depository Relationship: Don Ascoli prepared the letter for Chase Bank authorizing Treasurer Ray Tanner to be the Authorized Representative, and members of the Board and Don Ascoli to be signers on the account. Chairman McKibben moved, Secretary Richardson seconded, and the motion passed unanimously to name Treasurer Ray Tanner as the Authorized Representative of the Board.

5 F. Review homeowner bill for damages to District infrastructure: Chairman McKibben mentioned that Mr. Menghini did not meet the blue stake requirements. Don Ascoli said that the District has sent a bill to the customer, and that the customer is also significantly past-due on his regular water monthly water bill. Don Ascoli suggested that Chairman McKibben send a demand letter to Mr. Menghini. It should go out over the signature of Chairman McKibben and Don Ascoli, emailed to the Board members, with the answer from Menghini to go to Don Ascoli. We should have an attorney look at the letter before it goes out. Treasurer Tanner asked if we really need an attorney. Don Ascoli mentioned that we do have an attorney that we could ask to look at it. Treasurer Tanner said we don't need an attorney. Bruce Johnson asked if the Gila County Attorney could use his official position to advise our Board. Don Ascoli said maybe he could. Harry Jones suggested we file a utility lien on the Menghini property. It was asked if we need to advise Mr. Menghini first. Treasurer Tanner suggested we file the lien. He said Chairman McKibben should call the customer and give him 15 days in which to pay the bill. He further suggested we don't pay Harry Jones' bill until the issue is resolved with Mr. Menghini. Bruce Johnson said we may have to pay Harry's bill first, then negotiate with Mr. Menghini. Treasurer Tanner said Mr. Menghini might dispute Harry's bill. Harry Jones said we have the authority to bill a customer for damage to the

District system. Chairman McKibben moved, and Secretary Richardson seconded, a motion to pay Harry's bill. The motion passed unanimously. Chairman McKibben moved, and Secretary Richardson seconded, a motion to send Mr. Menghini a notice to pay the entire bill including delinquent monthly bills, or we will file lien by February 25. The motion passed unanimously. Harry Jones was asked if the District had ever billed a resident for time spent by the DM to repair damage caused by a resident. He said, "Not to my recollection," or something to that effect. Harry Jones also agreed to provide electronic documents, not including emails, to Don Ascoli that Harry has on his computer.

5 G. Proposed dates for quarterly board meetings: Chairman McKibben announced this is the meeting for the first quarter of 2015. We have no specific dates for future meetings. We will have the dates within the next two weeks. Don Ascoli will email the Board with the possible dates.

5 H. Charge for meter shut-off due to leak on homeowner side of meter: Don Ascoli suggested we implement a \$60 fee to shut off a customer's meter if there is a leak on the homeowner's side. Chairman McKibben said only if it requires a special trip to find the leak. If it is found during a meter reading done anyway, there should be no charge. Don Ascoli will bring language to the next meeting to implement this change.

5 I. A Quality Water contract renewal: The previous contract was brought to the Board. It was suggested that paragraph one be changed to indicate a water operator be assigned per ADEQ requirements for the task to be done. Don Ascoli was asked to sign the contract with them. Treasurer Tanner asked if we really need to have their presence every single day of the summer. Are there any savings to the District if we do not require their presence every day? Don Ascoli will look into this for the Board.

6. Call to the public: None

7. Call to Staff and Board Members for non-agenda updates and recommended topics for future meetings: None

8. Adjournment. The meeting was adjourned by Chairman McKibben at 4:05 pm.

Addendum to minutes

After the meeting, Secretary Richardson informed the Board and Don Ascoli that he will be serving a mission for his Church for a year beginning March, 2015, in Salt Lake City Utah. After further discussion over the phone, Secretary Richardson emailed his resignation to Chairman McKibben and followed up with a hard copy letter to Don Ascoli. Chairman McKibben produced a flyer to be included in the water bills encouraging anyone who is interested in serving on the Board to contact him or Don Ascoli.