

Rim Trail Domestic Water Improvement Special District Board Meeting Minutes

December 17, 2022, Held at Keystone Homes office, Scottsdale, AZ

RTDWID Meeting Minutes Approved

1. The meeting was called to order at 12:03 PM

2. Roll was called – Chairman Bruce Johnson (BJ), Treasurer Ray Tanner (RT), Vice Chairman Will Regg via telephonic (WR), Secretary John Tanner (JT), Parliamentarian Jeff Manley (JM) were present, and a quorum was established.

District Manager: Mario Ascoli (MA) and Dan Utz (DU)

Public: JT Driscoll (JTD) present, via telephonic was Rich and Sherry Grady (RSG), Harry Jones (HJ) and Buddy Rice (BR).

3. Approval of Minutes of Prior Meeting on 11/17/22: JM motioned to accept minutes and RT 2nd motion – motion passed unanimously.

4-2 District Manager Report: DU on District activity: DU replaced 2" isolation valve and repaired leak in Mark Ponds driveway and installed larger meter box over valve. Identified leak on Ranch Lane (owner side) and notified customer. Received a copy of the ADEQ Field Inspection Report and completed corrective action for listed potential deficiencies. On repair and upgrades: DU replaced roof on Well house #2. On Ongoing Projects: 1) WIFI WTK Tank replacement, DU spoke to ADEQ Technical Assistance Coordinator, and they stated they are working out some details with their contractors for engineering assistance. We should have an update Friday of next week. 2) WIFI AMR/AMI installations, MA to report later in this meeting. Future projects 1) Move Chlorine tanks outside of the well house (#2 and #3), it is causing corrosion and poor air quality. 2) Test Generac Generators at Well #3 and WTP. 3) Prepare WTP for startup. 4) Install Pressure Level Sensor on all tanks, it will prevent tanks from overflowing and make it easier to control production. 5) Automatic switching of wells, used to automate the system and have better monitoring of water supply. 6) Install booster pump at Well #3.

Other: The meter box at Osborn property is buried, DU spoke to Construction Supervisor, and he will have workers uncover it.

4-1 Treasurer Report: RT reported: On the income side we had \$34,868 which is within \$300 of budget. Admin Expenses were \$848 under budget with a total of \$12,714. Water Operation Expenses were \$24,850 which about \$186 over budget. Overall, the total expenses are \$1,000 under budget and ordinary income is \$700 over budget. Looking at the Balance Sheet the cash amount effective at end of November is currently \$76,000 in the bank which is \$3,900 more than we had last year at this time. On another matter there was discussion on going with an online version of QuickBooks and on account of the expense it was tabled for now. BJ asked MA about billing process; MA explained Janel picks up the bills from DU and processes them and send out. For the income, she would process those and enter them in Eldorado. BJ pointed out that this is the last month he will be able to sign checks so MA will need to consolidate and streamline this process and come up with a plan that will work for everyone. Some of it is handled thru ACH but have to look into streamlining this. There is still a need to get ACH completely straightened out and MA will work on that. RT mentioned there is no late fees being paid and MA pointed out customer concessions he is making and will be getting back to applying late fees.

5 Discuss and take possible action related to:

- a. Finalize the District Manager, Operator Contract and Bookkeeping/Accounting contracts: DU presented his redlined copy of District Manager Agreement (DMA) he provided to the Board and there were some discrepancies that need to be cleared up. Regarding the billing, bookkeeping, and accounting portion of the agreement. RT recommended we separate the bookkeeping/accounting portion from the agreement and yet the management of that person should still reside with the District Manager. Also, a job description needs to be developed for the bookkeeping/accounting person, so we are clear on the responsibilities and scope of the position. Janell had mentioned to DU that she would like to raise the bookkeeping fee to \$500 because there is some management responsibilities tied to it. RT suggested that he and DU will get together on the DMA as will the bookkeeping and will get back to us a more finalized form of the contract. So, RT and DU will finalize form on the DMA, get it to JM for a revised redlined version of contract presentable at next Board meeting. Regarding the Operation & Maintenance Agreement (OMA) – DU presented the redline version of OMA and after discussion on the Board on how to handle the dollar increase without exceeding the budget, it was decided to approve the cost-of-living increase at the monthly amount of \$1,945. DU will have to contract separately for the backhoe and currently he uses Carl Harden that charges \$80/hr. JM moved to approve the redlined version of the OMAs written and BJ 2nd the motion – motion carried unanimously. OMA Contract will be effective December 1, 2022.
- b. WIFA updates n WTK tank and meter purchase and installation: DU and MA reported ADEQ is working on confirming Engineer and after the Engineer is confirmed, we can get ADEQ, the Engineer, Paul Wirth (PW) and DU together on a site visit to verify any requirements for the tank/s hookup. At that point PW can confirm price and we can proceed with tank install. Regarding AMR/AMI meters: MA presented an Electronic Meter Comparison as well as information on Master Meter (MM) as a fourth option. The pricing comparison showed Mueller, Badger, Neptune and Master Meters. MM suggested the brass version (vs. the plastic version) on

account of the terrain where they will be installed. MM had brass meters in stock and had the most effective pricing. MA was talking to Mike Ellis with Aqua Flow (AF) regarding the MM's. The MM meters came from recommendation from HJ. If we could provide HJ more information, he would be happy to look at it and offer his feedback. AF is willing to come up and demonstrate their MM meters and DU and MA will get with Mike Ellis on any of our questions and have AF come and demonstrate how their meters work on our system. At 1:56 PM meeting called a short break. At 2:03 meeting continued.

- c. SRP water rights: RT apologized that he has had internet issues and could not get all the SRP information to the Board. RT explained that our last contact with them was 2/22/21 and at that time they were responding to a letter we had sent to them offering a solution from our perspective that we sent on 5/18/18. It took almost 3 years to get that response. We did make some headway with them, but everyone here should have time to review all the information to review. BJ mentioned that we do have a lawyer on retainer when we are in position to need one. There is a long-standing proof of final affidavit for the Belluzzi Homestead that was established on May 1, 1875 showing that he had resided and cultivated this land since then. And that is the date we all should be using on our "Water Claims". BJ has a map available that shows the historical acreage that was used which helps establish the number of acre feet of water we could claim. This map shows up to 20-30 acres that could have been cultivated for water use back when the homestead was formed. RT will email all of us the documents he has on SRP water rights.
 - d. JM on D and O insurance and verify there is no requirement for accounting certification: JM reporting that insurance is up for renewal next month with South West Risk. JM will get other bids from Auto Owners and Crabtree Insurance Agency. JM will put together a comparison sheet showing the price difference. JM reporting that our By-Laws do require reviewed financials once per year. JM believed there is a statute that requires reviewed financials. RT requested a copy of that Statute. JM will look that Statute up and bring it to next board meeting for discussion.
 - e. Will to investigate alternate propane generator for back up at Well #4: WR provided Board a cost breakdown of using a 10KW Generac w/100amp ATS. Cost included the Generac generator, 10 yr. warranty, battery Die Hard Gold, Generator pad, 250-gallon propane tank, 200 gal. of propane, gas hookup, electrician, and Miscellaneous cost totaling \$10,917. With out pad or 10 yr. warranty it came to \$9,532. We could save a couple thousand dollars by going to a 7.5 KW generator, but WR wanted to make sure cost included everything we would need. WR estimated that the propane tank would run the pump for a month with no power from SRP.
 - f. RT to verify operations of chlorinator during operations and possibility of increasing wattage on solar collector to run other aspects of well: RT's solar contacts wants to come up and look at all the electrical needs for the Well #4 to give an accurate estimate. With the correct system, it would require a battery pack which would drive the cost up. RT's solar contacts estimated that with all our needs and the addition of a battery pack, it could run twice the original quote which was a pump direct system. We have the chlorinator, light, heater, timer some of which would require the battery pack. BJ pointed out that the funds for any emergency backup system would have to come from any leftover WIFA funds. WR commented before we look into obtaining a new backup system of Well #4 we should circle back and make sure the existing backup generators are in working condition at Well #3, #2 and WTP. We should be working at completing service on these units sooner than later. BJ indicated Jerry Gibson could help us with that service and BJ will reach out to him and get that set up.
6. Call to Public: No comment from public JTD, BR or HJ.
 7. Call to staff and Board for non-agenda updates and recommended topics for future meetings:
 - a. Verify when Master Meters is coming out to do the meter demonstration.
 - b. Determine meter selection and install
 - c. WTK tank update and award contract
 - d. Finalize the District Manager once it is submitted.
 - e. Review By-Laws and amend if necessary
 - f. Swearing in of new Board member JTD

8. No Executive Session

9. Potential schedule for next Board Meeting: Saturday 1/21/23 at 12:00 PM. We will follow up with email to confirm.

Meeting Adjourned at 3:03 PM.

Respectfully Submitted

John Tanner

Secretary