

Rim Trail Domestic Water Improvement District Board Meeting Minutes

May 30, 2020

Held – Telephonically

DRAFT UNTIL APPROVED AT THE NEXT BOARD MEETING

1. The meeting was called to order at 12:02 PM

2. Roll was called – Chairman Bruce Johnson (BJ), Parliamentarian Judy Scott (JS), Treasurer Ray Tanner (RT) and Secretary John Tanner (JT), Vice Chairman Will Regg (WR) were present, and a quorum was established.

District Manager: Don Ascoli (DA)

Public: Harry Jones(HJ), Jay Jenson(JJ), Matt Patterson(MP)

3. BJ moved to approve minutes from 3-14-20 Board meeting, JS seconded. Minutes were approved

JT moved to approve minutes from Work Study on 4/6/20, RT second. Minutes were approved.

4-1). RT reviewed the Treasure Report – Our Gross Profit thru April \$4698 over Budget, Income being \$74,000 vs. Budget of \$67,000. The added expense due mainly to Connection cost/LF for new homes. The Total Admin cost is \$2,500 under budget and the Total Water Operations is \$3,300 over budget. Net Ordinary Income is \$3,900 over budget and again this is due to the added income for new water meter. We incurred some expenses for the New Well. The budget for the well is \$65,000 and so far we have spent \$10,447. WR motion to accept the Treasure report and JT seconded it. Motion passed

4-2). DA on District Manager report: For this last period, we had no ownership changes since last Board Meeting. There was 6 Blue Stake request since the last Board Meeting: DA is working with James Mouer on removing the large pine tree that dropped across the river by the lift station. RT suggested he knows a logger that may give a reasonable price to remove it knowing the benefit of the log material he could obtain. RT to get with DA on this. We have had a suspicious water pooling issue at the intersection of White Tail Knob and the driveway of 897 Whitetail Knob Rd. They found two sets of meter boxes that were not marked on the District map. One set housed a valve and the other was a water line. Since discovery, water in the meter boxes has slowly dried up. DA will re-install valve boxes over the shutoff valve; note the water line at that location and backfill the hole. On 3/25 DA discovered two customer leaks. One leak was at 192 Ranch Rd and the other at 136 Orchid Lane. estimated total loss of 41,000 gallons. Owners notified and repairs made. On 3/31 DA discovered a leak at 197 Harvest Lane. It was a broken customer water line with estimated loss of 25,000 gallons. On 4/8 a leak was discovered 378 Rim Trail Rd. It was a broken water heater, estimated loss 25,000 gallons. These four leaks represented 91,000 gallons of water loss (from the owner's meters), more than our whole tank capacity. DA will re-iterate with the next water bill mailing for our residents to use their shutoff valves when they are gone for more than 3-4 days. This being summer, we need to greatly reduce our customer water loss. Due to all the water loss from customer leaks and early frequent travel to our area from the Coronavirus, we have had difficulty reaching full storage tank capacity Our daily water usage has ranged from 8,000 to 12,000 gallons per day and daily well output is +/- 8,000 gallons. DA wants to obtain a water severity indicator wheel to post for all residents to see and re-enforce the need for water conservation. RT inquired about current status of Water Treatment Plant, noting it had not been used in over a year. DA reported he is still dealing with turbidity issue and needs to seek outside help. After much discussion HJ suggested he would go to plant with DA and look into it with him. It was suggested we might be able to run plant a 15 minute intervals and DA will look into making those adjustments. WR suggested DA keep a Log on any work done on the Plant, DA currently keeps a current Log at the Plant.

Meeting interrupted by Space X Launch.

DA upgraded to Microsoft Office 2019. We lost our ability to email water bills to our ACH customers due to the Microsoft Outlook we had was from 2007.

BJ motioned to accept District Managers report, JS seconded it. Motion passed and report accepted.

5.1) RT motioned to adjourn meeting and move to Budget Rate Hearing, JT 2nd and motion passed at 12:59 pm meeting adjourned.

DA and RT introduced the Budget. The Budget remained basically the same. Discussion followed.

5.2) Comment from public HJ, questioned source of proposed budget. The process was discussed and timing being a factor the Budget and Rate schedule was presented as is. Comment from HJ that we can't have a negative Cash Balance on proposed budget. It was noted that two of the major expenses (Tank replacement and New well are subject to WIFA loan*and subject to Board approval. After discussion the Proposed Budget language was changed on the \$21,000 expense for New Storage Tank – to read "Will be paid by WIFA Loan.

There were two major differences in the new Rate Schedule: One being that it introduces a two rate schedule – one for winter and one for summer. Summer being May thru September. The second major change was a \$3,000 addition to “Assessment for Newly Created Lots” not included in the 1980 and 1984 District Bonding. After much discussion about these changes – BJ motion to accept a two rate structure, JT seconded motion. Motion passed 4-1 to have a two rate structure. Another motion was made by RT: Do we want to adjust the 2 rate schedule as proposed on New Rate Schedule. BJ second the motion. Motion failed 5-1. We keep 2 rate schedule as proposed (Summer and Winter rate schedule). Discussion went to Item E (Assessment of \$6,000 on newly created lots).

WR motioned to leave the assessment at \$3,000, BJ second the motion. Motion failed 2-2, BJ abstained. Discussion followed. After feed-back from most everyone in meeting.

RT made motion to adjust Assessment to \$4,000 for newly created Lot. JT seconded the motion. Motion passed 4-0 with BJ abstaining.

RT motioned to close Budget Rate Hearing: JT second the motion. Motion passed 5-0. BR Hearing concluded at 2:51 pm. Reconvene to Regular Meeting at 2:52 pm

5.a) RT motioned to accept 2020-2021 Budget, Rate and Fees as corrected in Hearing. JS second the motion. Motion passed 5-0.

5.b) Procedure for electing three Directors to the District Board on November 3, 2020. BJ asked to verify participants in upcoming election. JS will not be running. WR and JT will be running for re-election. DA informed the Board that Matt Patterson will be running in JS place.

5.c) Update on purchase on New Well #4. DA reporting the well passed the all test and we now own the well. The Board received a copy of the Warranty Deed. We are in position now that we need to hire an Engineer. DA presented 3 quotes from 1) Sun Rise @ \$25K 2) Painted Sky @\$5,840 and 3) Verde Engineering @ \$4,500. DA gave a breakdown of the quotes and feed-back on each firm. There were additional comments and discussion and the public HJ weighing in. Based on Engineers quotes and participation in putting numbers together, DA recommended Painted Sky Engineering to the Board. WR moved to approve Painted Sky Engineering. JS second the motion. Motion passed 5-0. DA suggested time frame is one month for Engineering, one month for ADEQ and one month for construction. DA is expecting Well #4 to be online in October.

5.d) Update on procuring a WIFA Loan for upgrades to the water system. DA presented a “General Debt Authorization Resolution” to start the WIFA Loan process. After discussion RT indicated he would like time to review this document before voting on approval for Board to authorize. JT made a motion that subject to RT, DA and BJ mutual review and agreement, (RT, DA and BJ to meet in coming week) that the Board approves and signs this document and proceeds with WIFA Loan process. WR second the motion. Motion passed 5-0. RT, DA and BJ will be reviewing this document right away and notify the Board and myself. At that point, BJ and JT can sign Resolution and RTDWID can proceed with WIFA Loan effort.

6) Call to public: HJ get that well up and running as fast as you can.

7) Call to Staff and Board Members for non-agenda items: Future topics: None

8) No Executive Session

9) Schedule Date for next Board Meeting: DA will be getting email out to us regarding an 8/15 or 8/22 meeting date.

12. Meeting Adjourned at 3:39 pm.

Respectfully submitted,

John Tanner

Secretary