

TRI-CITY REGIONAL SANITARY DISTRICT
Regular Board Meeting Minutes
October 28, 2024

- Item # 1** Mary Ann Moreno called the meeting to order at 5:15 p.m.
- Item # 2** C. Calloway led the Pledge of Allegiance
- Item # 3** Roll Call: R. Jacques (absent); M.A. Moreno; M. Buzan; C. Calloway; M. Harper, District Counsel
 Also: M. Krebs PACE; D. Patton (Z); L. Valdez (Z); T. Beckley (Raftelis)
- Item # 4** **Approval of Meeting Minutes.** C. Calloway moved to approve the Regular Board Meeting Minutes from September 16, 2024. M. Buzan seconded. Carried, 3-0. C. Calloway moved to approve the Executive Session Minutes from August 26, 2024, August 28, 2023, and August 24, 2023. M. Buzan seconded. Carried, 3-0. No action was taken on the Executive Session Minute from April 12, 2024.
- At this point in the meeting, R. Jacques joined the meeting by Zoom.
- Item # 5** **Financial Report:** M.A. Moreno reported that the Gila County Treasurer reported \$493,160.40 in the TRSD account as of September 30, 2024.
- Item #6** **Payment of Bills.**

Name	Reason	Amount
NON-CoBANK REIMBURSABLE		
Connie Callaway	Conference, Meeting-Meals, Reimb	\$118.61
AVIX Accounting, LLC	Recurring Accounting Fees	\$2,227.00
Harper Law Offices, PC	General Legal	\$2,475.09
IBEW Building Corp.	Room Rental, Parking, Utilities	\$100.00
Deborah Patton	Outside Contract Services	\$2,241.00
NEXXUS Consulting	Advocacy	\$5,000.00
AZ Silverbelt	Advertising/Legal Publication	\$56.82
Kai O'Driscoll	Social Media Contract Services	\$500.00
CoBANK REIMBURSABLE		
Harper Law Offices, PC	Project Representation	\$5,783.45
Harper Law Offices, PC	Rights of Way/Easements Legal	\$2,892.76
The Stratton Law Firm	Phase II and III Representation	\$78.28
ADEQ	MSC WFA/CoBank Reimbursable	\$174.00
CoBANK EXPENSES PAYABLE UNDER INTERIM LOAN		
PACE Engineering	Construction in Progress	\$17,428.81

M. Buzan moved to approve payment of the above bills and file them for audit, seconded by C. Calloway. Carried, 4-0.

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- Item # 7** **Board Member Vacancy.** M.A. Moreno reported that Steve Williams, employed by Gila County, had expressed interest in filling the current Board vacancy. Mr. Williams addressed the Board and expressed his interest in the project and in serving as a Board Member. He expressed concern that the current state of wastewater disposal in the area was placing groundwater at risk. Mr. Williams answered questions from M. Buzan and C. Calloway regarding the location of his residence and his clearance to serve with his superior at the County. R. Jacques moved to appoint Mr. Williams to serve the remainder of the term of the current Board vacancy. M. Buzan seconded. Carried, 4-0.
- Item # 8** **Payment of Cloacina from Ad Volurm Tax Fund –** M. Krebs explained to the Board that Cloacina had completed its work on the shop drawing and was seeking payment. He explained that this payment, in the amount of \$300,000.00 may be made out of the Ad Volurm Tax Fund, and then would be partially reimbursed by WIFA – in roughly the amount of \$163,000.00. C. Calloway moved to authorize the payment to Cloacina in the amount of \$300,000.00 to be paid from the Ad Volurm Tax Fund. M. Buzan seconded. Carried, 4-0.
- Item # 9** **Arizona Eastern Railroad Easement Payment.** M. Harper provided a status report on the Arizona Eastern Easement. A final form of the Easement was presented for approval and authorization for Mary Ann Moreno to sign on behalf of the Board. In addition, M. Harper provided a summary of the negotiations relating to the cost of the easement, which is \$105,200.00. R. Jacques moved to authorize M.A. Moreno to execute the Easement on behalf of the District and to authorize payment for the Easement in the amount of \$105,200.00. M. Buzan seconded. Carried, 4-0.
- Item # 10** **Raftelis Rate Study.** Tom Beckley was present in person at the meeting and provided a presentation regarding the status of the Rate Study Raftelis has been commissioned to perform on behalf of the District. Mr. Beckley explained that the Rate Study was in its early stages and that he would not recommend that the District set rates until it was close to the time to provide service, which will likely be in 2027. He recommends that the Board approve a methodology to assess properties and set rates. He explained the various income streams that the District has and will have. M. Krebs asked if there was anything unusual about the process and what the District is doing. Mr. Beckley said there was not. Mr. Beckley explained the concept of EDUs. He explained the possibility of a Board Work Study session early in 2025. M.A. Moreno stated that these issues are actually more complex than she might have thought. Mr. Beckley answered questions from the audience. Also, a member of the audience commented to the Board regarding a situation with a project in Portland, OR. Mr. Beckley stated that additional information would become available as the date for the commencement of operations comes closer, which will allow for a more informed rate setting process. Mr. Beckley explained that the goal was to balance equity and fairness when setting rates.
- Item # 11** **Letter to District Residents.** C. Calloway presented for review a letter drafted to District residents providing information regarding the project and its status. M. Buzan moved to approve. R. Jacques seconded. Discussion took place between C. Calloway and R. Jacques

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regarding the content of the letter. C. Calloway, M.A. Moreno and M. Buzan voted in favor of sending the letter as drafted. R. Jacques voted against doing so. Carried, 3-1.

- Item # 13** **Call to the Public.** JoLee Stanneart asked for responses to the following: (1) how can minutes be corrected; (2) Board conduct with public; (3) whether September 16 meeting video was posted; and (4) whether definitions posted on website are TRSD's definitions. Also, a member of the audience spoke to the Board approvingly regarding the letter to the residents.
- Item # 13** **Executive Session.** M. Buzan moved to enter Executive Session. C. Calloway seconded. Carried, 4-0.
- Item # 13** **Announcements.** There were no announcements.
- Item # 14** **Next Regular Meeting will be Monday, November 18, 2024, at 5:15 p.m.:** If anyone has an item they wish to add to the Agenda, please submit an e-mail to robertbjacques@gmail.com and mjh@harperazlaw.com no later than 10 a.m. on the 4th day prior to the scheduled meeting day.
- Item # 15** **Adjournment.** M. Buzan moved to adjourn the meeting, seconded by C. Calloway seconded. Carried, 4-0.

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