

TRI-CITY REGIONAL SANITARY DISTRICT
Regular Board Meeting Minutes
July 18, 2025

- Item # 1** J. Stanneart called the meeting to order at 5:16 p.m.
- Item # 2** C. Callaway led the Pledge of Allegiance.
- Item # 3** **Roll Call:** M.A. Moreno (Z); J. Stanneart; S. Williams (Z); C. Callaway; M. Harper, District Council
Absent: M. Buzan
Also: M. Krebs, PACE; D. Patton (Z)
Public: M. Warbington, H. Farester, T. Werner
- Item # 4** **Approval of Meeting Minutes.**
Approval of Regular Board Meeting Minutes from June 16, 2025.
M.A. Moreno made a motion to approve the Regular Board Meeting Minutes from June 16, 2025. C. Callaway seconded. 4-0.

Approval of Public Hearing Meeting Minutes from June 23, 2025.
M.A. Moreno made a motion to approve the Public Hearing Meeting Minutes from June 23, 2025. C. Callaway seconded. Carried 4-0.
- Item # 5** **Financial Report:** J. Stanneart reported that as of June 30, 2025, the District has \$54,964.00 in the ad valorem account. A deposit of \$225,587.81 was made today (7/18/25).
- Item # 6** **Payment of Bills.** M.A. Moreno made a motion to approve payment of the following bills, C. Callaway seconded. Carried 4-0.

District Operations				
Date	No.	Payee	Category	Total
Funding: Ad Valorem				
06/30/2025	14671	HARPER LAW OFFICE	General Representation	6,442.65
06/30/2025	2580	Avix Accounting, LLC	Recurring Accounting Fees	6,800.00
06/30/2025	69	IBEW	Rent, Parking, Utilities	200.00
06/30/2025	322295	NEXXUS CONSULTING	Advocacy	5,000.00
06/30/2025	6-30-2025	Deborah Patton	Miscellaneous Contract Services	1,255.00
07/11/2025	2586	Avix Accounting, LLC	Recurring Accounting Fees	1,463.40
7/15/2025	40781	Raftelis	Rate Study Services	4,294.11
Total Operations Invoices				25,455.16

Capital Project				
Date	No.	Payee	Category	Total
Funding: Phase I Interim Loan - USDA (Payable)				
06/30/2025	10214	PACE Engineering	Construction in Progress	55,188.60
06/30/2025	10387	PACE Engineering	Construction in Progress	18,580.60

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				73,769.20
Funding: Phase I Interim Loan - USDA (Reimbursable)				
06/30/2025	14672	HARPER LAW OFFICE	Phase I Representation	5,915.29
06/30/2025	140	The Stratton Law Firm	Phase I Representation	3,400.00
6/30/2025	430055X	ADEQ	Misc WFA/CoBank Reimbursable Fees	1,710.00
				11,025.29
Funding: WCGF-WIFA				
N/A				
				-
Funding: Phase II				
06/30/2025	10372	PACE Engineering	Phase II Representation	23,451.40
				23,451.40
				108,245.89

Item # 7 **Municipal Capital Markets Group, Inc.:** M.A. Moreno made a motion to table this item until the next meeting. S. Williams seconded. Carried 4-0.

Item # 8 **Credit Card Policy and Travel Policy:** There was discussion and suggestions on several items within the credit card and travel policies. M.A. Moreno made a motion to have C. Callaway review and re-write both policies within the next two months and to bring those recommendations to the September board meeting. S. Williams seconded. Carried 4-0.

Item # 9 **Evaluation of BIDS Received for Bid Packages #1 (WRF Site Prep and Main Line) and #2 (Phase 1 Collection System):**
Bid Package #1 – WRF Site & SM: received 3 bids (figures are rounded up)

1. KE&G: \$14 million
2. Standard Construction: \$16 million
3. Jonovich: \$18 million

- Bids are approximately 30% over budget
- USDA has been involved with the evaluation and moving the project forward

Bid Package #2 – Collection System & Residential Connection: received 1 bid (figure is rounded up)

1. Redpoint Construction: \$63 million

- Redpoint was the only bid
- Bid is approximately 100% over budget
- Comes out to approximately \$32,000/per house

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Board concerns are:

- We are committed to Cloacina and plant should be delivered by the end of 2025
- The treatment plant is the priority and so the site prep needs to be ready

Item # 10 **Discussion of Moonshot Missions:** M. Krebs gave an update on Moonshot Missions. They will attend the meeting in August and bring with them the top 10 policies that they recommend. Moonshot Missions will work with the Board Members to select the top 5 polices and that will be the scope for Moonshot Missions to complete.

Item # 11 **Discussion and Possible Action on Bid Received for Collection System and Residential Connections:** There was a lot of discussion on the bid from Redpoint Construction and possibilities moving forward. PACE Engineering recommends that the Board reject the bid, and USDA is on board with that as a possibility. C. Callaway made a motion to reject the bid and to authorize J. Stanneart to sign the notification letter to Redpoint Construction. M.A. Moreno seconded. Carried 4-0.

M. Krebs passed out materials and maps of how to re-structure in order to break the project down into more manageable areas to increase the number of potential bidders. Phase I would be broken down into 9 basins. It would be three separate bids for the collection system:

1. Basins: 1, 2, 9
2. Basins: 3, 4, 5
3. Basins: 6, 7, 8
4. Main lift station if not included in Bid #1

The District will advertise and make documents available on July 31, 2025. A non-mandatory pre-bid meeting will be held on August 2, 2025, at the Gila County Fairgrounds and the bids will be due on August 22, 2025.

M.A. Moreno made a motion to re-bid the collection system and lift stations. S. Williams seconded. Carried 4-0.

Residential: M. Krebs met with Gila County representatives to talk about how to get right-of-way entry to properties and was given a recommendation on a company that the County uses. Gila County also identified local contractors that may be interested in bidding on the projects. It was suggested that a mailer could go out explaining the right-of-entry with permission forms and SASEs included along with a District Newsletter.

M.A. Moreno made a motion to go and re-bid the residential connections. S. Williams seconded. Carried 4-0.

Item # 12 **Update regarding EDA funding:** The EDA funding application needs to be updated and documents uploaded to EDGE. D. Patton has previous knowledge and experience with this program.

C. Callaway made a motion that D. Patton amend the application, upload and submit the required documentation. M.A. Moreno approved. Carried 4-0.

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Item # 13 **Consideration of PACE Agreement:** Discussed in Item #11.

Item # 14 **Call to the Public:** The following questions were asked by the public:

1. If we are over budget, will we always re-bid?
2. Are there new loans?
3. Was the KE&G bid over budget?
4. Does the plant look like the plant in the flyer?

Item # 15 **Executive Session:** No Executive Session was held.

Item # 16 **Items Discussed in Executive Session:** No Executive Session was held.

Item # 17 **Announcements:** None

Item # 18 **Schedule any Topic or Issue:** Next Regular Board Meeting will be Monday, August 18, 2025.

Item # 19 **Adjournment:** S. Williams made a motion to adjourn the meeting at 6:18 p.m. C. Callaway seconded. Carried 3-0.