

TRI-CITY REGIONAL SANITARY DISTRICT
Regular Board Meeting Minutes
February 17, 2026

- Item # 1** C. Callaway called the meeting to order at 5:15 p.m.
- Item # 2** S. Williams led the Pledge of Allegiance.
- Item # 3** **Roll Call:** M. Buzan (via telephone), C. Callaway, J. Stanneart, S. Williams
Excused Absent: M.A. Moreno
Also: M. Harper, District Counsel; T. Stratton, Bond Counsel; D. Patton (Z); M. Krebs (Z); L. Valdez (Z); D. Abbott (Z)
Public: T. Werner, M. Warbington, H. Farester, W. Griffin, R. Jacques
- Item # 4** **Reminder to the Public to Utilize Sign-in Sheet**
- Item # 5** **Approval of Meeting Minutes.**
Approval of Regular Board Meeting Minutes from January 14, 2026.
Approval of Special Board Meeting Minutes from January 20, 2026.
Approval of Special Board Meeting Minutes from January 30, 2026.
- S. Williams made a motion to approve the Regular Board Meeting Minutes from January 14, 2026, and the Special Board Meeting Minutes from January 20, 2026, and January 30, 2026. M. Buzan seconded. Carried 4-0.
- Item # 6** **Financial Report:**
S. Williams reported that the District has \$11,493, 377.79 in the bank. The District did not receive any information on how much is in the Ad Valorem account. The District will get this information for the next meeting.
- Item # 7** **Payment of Bills.**
S. Williams read the following bills. S. Williams made a motion to pay the following bills. J. Stanneart seconded. Carried 4-0.

District Operations				
Date	No.	Payee	Category	Total
Funding: Ad Valorem				
1/13/2026	43752	Raftelis Financial Consultants	Rate Study Services	1,480.00
1/30/2026		JoLee Stanneart	Supplies	37.00
			Miscellaneous Contract	
1/31/2026	11	Deborah Patton	Services	812.50
1/31/2026	322485	NEXXUS CONSULTING	Advocacy	5,000.00
2/1/2026	2730	Avix Accounting, LLC	Recurring Accounting Fees	9,888.26
2/1/2026	77	IBEW	Rent, Parking, Utilities	500.00
			Miscellaneous Contract	
2/1/2026	7	WAG IT Solutions LLC	Services	500.00
2/1/2026	15172	HARPER LAW OFFICE	General Representation	6,597.56
2/12/2026	109506	HeinfeldMeech	Audit Fees	7,200.00
			Total District Operations	
			Invoices	32,015.32

TRI-CITY REGIONAL SANITARY DISTRICT
Regular Board Meeting Minutes
February 17, 2026

Capital Project				
Date	No.	Payee	Category	Total
<i>Funding: Phase I Interim Loan - USDA (Payable)</i>				
1/31/2026	11369	PACE Engineering	Construction in Progress	4,645.15
				<u>4,645.15</u>
<i>Funding: Phase I Interim Loan - USDA (Reimbursable)</i>				
2/1/2026	172	The Stratton Law Firm	Phase I Representation	7,225.00
2/4/2026	15173	HARPER LAW OFFICE	Project Related Legal Fees	10,859.29
2/4/2026	15174	HARPER LAW OFFICE	Easement & Right of Way Work	108.15
				<u>18,192.44</u>
<i>Funding: WCGF-WIFA</i>				
N/A				<u>0.00</u>
<i>Funding: Phase II</i>				
1/31/2026	1368	PACE Engineering	Phase II and III Representation	39,866.90
				<u>39,866.90</u>
				<u>0.00</u>
Total Capital Project Invoices				0.00

Item # 8

Responses to Call to the Public:

T. Werner Questions:

- **At the January special meeting, Tim said the Bond would be covered by a grant. After the meeting, I asked about the bond and he said we would be assessed for the Bond?**

Answered by T. Stratton:

- I think that you are talking about two different things.
- WIFA bond – comes from grants
- Assessment bond – is paid by the assessment
- The interim loan is with Co-Bank and it is spent first and then RD starts paying the remainder with grants.

- **On my tax bill, we are paying TRSD tax. So after we are hooked up, will we still have this and how will we pay the 23 million loan? How will it be collected?**

Answered by T. Stratton:

- Ad Valorem is for operation of the District
- Assessment – is a line item on your property tax bill that will pay down the loan

TRI-CITY REGIONAL SANITARY DISTRICT
Regular Board Meeting Minutes
February 17, 2026

- **Any answers on how residents will be charged, who will collect funds? We can't cross this bridge when we come to it.**

Answered by T. Stratton:

- Residents will be charged:
 - A line item on their property tax bill
 - Receive a monthly statement – like other utility bills you receive

- **Are the bids a package deal? If there are problems, delays and extra costs, is there funding figured out for that?**

Answered by M. Krebs:

- The bids are a package deal.
- We do not anticipate that there will be any changes.
- There is a contingency in place of approximately 2.5 million

H. Farester Questions:

- **Resolution to increase note from 12 million to 23.3 million is that just for Phase 1? Would like to review that.**

Answered by M. Krebs:

- Yes, for the expanded Phase 1. It closed about two weeks ago.

- **Board and Consultants said anything more would be from grants, why has it changed?**

Answered by M. Krebs:

- Nothing has changed.
- Areas from Phase 2 and 3 have been brought over to Phase 1.
- The amount authorized is still the same.
- We will have maps at the next meeting to show the expanded areas.

- **48-1612 election to authorize issuance of bond, will there be an election?**

Answered by T. Stratton

- No, this project is under the assessment bonds.

- **How many retirees are in Phase 1, 2 and 3?**

Answered by M. Krebs and M. Harper:

- The district does not know.
- The district does not maintain that information.

Item # 9

Amendment to Cloacina Agreement:

Discussion and possible action regarding amendment to the Cloacina Agreement with the District.

S. Williams made a motion to table this item. J. Stanneart seconded. Carried 4-0.

TRI-CITY REGIONAL SANITARY DISTRICT
Regular Board Meeting Minutes
February 17, 2026

- Item # 10** **District Newsletters:**
Discussion and possible action regarding newsletters for the District and the expenses of same.
- J. Stanneart suggested that the newsletter be posted on the District website each quarter.
 - C. Callaway suggested that the Board approve the newsletter for a year at a time.
- S. Williams made a motion to have the newsletter posted on the TRSD website quarterly, to approve the first quarter newsletter in the amount of \$2,320.51, and to approve the next three newsletters to not exceed \$2,500 each. M. Buzan seconded. Carried 4-0.
- Item # 11** **TRSD Board – Appointment of Vice President:**
Discussion and possible appointment of a Vice President of the District Board.
- C. Callaway made a motion to table this item. S. Williams seconded. Carried 4-0.
- Item # 12** **Access for Online Banking by CPA:**
Discussion and possible action allowing online banking and financial access to the District’s CPA, AVIX Accounting.
- S. Williams made a motion to allow online banking and financial access to the District’s CPA, AVIX Accounting. M. Buzan seconded. Carried 4-0.
- Item # 13** **Execution of Accessory Documents:**
Discussion and possible approval of the President’s authority to execute accessory documents in connection with actions already approved by the Board of Directors.
- S. Williams made a motion to table this item. M. Buzan seconded. Carried 4-0.
- Item # 14** **FMI Easement Agreement:**
Discussion and possible action with regard to FMI Easement Agreement.
- Mike Harper and Mike Krebs reported that the existing FMI Easement Agreement needs to be expanded to include a small area of additional parcels and changing the addresses for future notices. A draft Amendment was reviewed.
- S. Williams made a motion to approve the Amended FMI Easement Agreement to include the additional parcels. J. Stanneart seconded. Carried 4-0.
- Item # 15** **New District Policies:**
Discussion and possible action regarding the following proposed new policies of the District:
Sewer Use and Discharge Policy
Inspection of Facilities Policy

TRI-CITY REGIONAL SANITARY DISTRICT
Regular Board Meeting Minutes
February 17, 2026

Damage Policy
Personnel Policy
Mandatory Connection Policy

C. Callaway made a motion to add the Mandatory Connection Policy to the next board meeting and to table the other policies and bring those to the board one at a time.
S. Williams seconded. Carried 4-0.

Item # 16 **Posting of Board Approved Budgets & Accepted Annual Single-Audit Report Findings:**
Discussion and possible action to post on the TRSD website, the board-approved (1) FY-25/26 District Budget; the (2) 24/25 Single-Audit Report Findings; and (3) future Budget and Audit Reports.

C. Callaway made a motion to post the board-approved (1) FY-25/26 District Budget; the (2) 24/25 Single-Audit Report Findings to the TRSD website. M. Buzan seconded. Carried 4-0.

Item # 17 **USDA-RD Funding & Project Documents:**
Review and possible action with regard to approval of USDA-RD funding and project documents.

No action needed.

Item # 18 **Call to the Public:** The following questions were asked by the public:

M. Warbington

- What will be the cost to hook-up and the monthly fee?
- Will there be any meetings with the residents and with the commercial people involved in Phase I?

T. Werner

- TRSD County Tax Bill – how are the funds used?
- Sewer Bill – how will we be billed? How much? What funds will be used?
- Effluent water sales – how will funds be used?
- Assessments – how much? How will it be collected? How will funds be used?
- Who does Harper Law represent?

H. Farester

- What are the phases and how many phases?
- Why does mandatory hook-up keep coming up?

R. Jacques

- Monthly financial – why do the minutes not site the source of the income?
- Requested that the Board have a meeting with the Pinal Mountain Little League to address safety issues during construction.

TRI-CITY REGIONAL SANITARY DISTRICT
Regular Board Meeting Minutes
February 17, 2026

- Suggested that the issue of a possible District Manager needed to be addressed by the Board.

Item # 19 **Executive Session:** No Executive Session.

Item # 20 **Items Discussed in Executive Session:** No Executive Session.

Item # 21 **Announcements:** No announcements.

Item # 22 **Schedule any Topic or Issue:**

Next Regular Board Meeting will be Monday, March 16, 2026.

Item # 23 **Adjournment:** C. Callaway a made a motion to adjourn the meeting at 6:33 p.m.
S. Williams seconded. Carried 4-0.