

**TRI-CITY REGIONAL SANITARY DISTRICT**  
**Regular Board Meeting Minutes**  
**April 20, 2026**

- Item # 1** C. Callaway called the meeting to order at 5:15 p.m.
- Item # 2** M. Buzan led the Pledge of Allegiance.
- Item # 3** **Roll Call:** M. Buzan, C. Callaway, J. Stanneart,  
**Excused Absent:** M.A. Moreno  
**Also:** M. Harper, District Counsel, T. Stratton, Bond Counsel,  
**Zoom:** D. Patton, M. Krebs, J. Tomaszewski, M. Hoerig  
**Public:** W. Griffin, T. Werner, M. Warbington,
- Item # 4** **Reminder to the Public to Utilize Sign-in Sheet**  
C. Callaway reminded the public to sign-in.
- Item # 5** **Approval of Meeting Minutes.**  
Approval of Regular Board Meeting Minutes from March 16, 2026.  
  
M. Buzan made a motion to approve the Regular Board Meeting Minutes from March 16, 2026. C. Callaway seconded. Carried 3-0.
- Item # 6** **Financial Report:**  
J. Stanneart reported that the Ad Valorem account had \$266,938.23 balance ending March 31, 2026.
- Item # 7** **Payment of Bills.**  
J. Stanneart read the following bills. C. Callaway made a motion to pay the following bills. M. Buzan seconded. Carried 3-0.

District Operations				
Date	No.	Payee	Category	Total
<b>Funding: Ad Valorem</b>				
03/12/2026	31223r1	**Michael Krebs	--Split--	\$ 1,983.96
03/13/2026	31326	Steven Flinn	Printing and Copying	75.00
03/16/2026	44974	Raftelis Financial Consultants	Rate Study Services	760.00
03/31/2026	109765	HeinfeldMeech	Audit Fees	10,800.00
03/31/2026	3-2026-2026	Deborah Patton	Miscellaneous Contract Services	1,488.50
04/01/2026	2770	Avix Accounting, LLC	Recurring Accounting Fees	12,984.61
04/01/2026	15285	HARPER LAW OFFICE	General Representation	5,970.43
04/01/2026	79	IBEW	Rent, Parking, Utilities	200.00
04/01/2026	322545	NEXXUS CONSULTING	Advocacy	5,000.00
04/01/2026	009	WAG IT Solutions LLC	Miscellaneous Contract Services	500.00
04/01/2026	018	WAG IT Solutions LLC	Miscellaneous Contract Services	500.00
Total Operations Invoices				\$ 40,262.50

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<b>Capital Project</b>				
<b>Date</b>	<b>No.</b>	<b>Payee</b>	<b>Category</b>	<b>Total</b>
<b>Funding: Phase I Interim Loan - USDA (Payable)</b>				
03/31/2026	11649	PACE Engineering	Phase I Engineering	\$ 65,716.07
04/01/2026	App #1	B4 Enterprises	Phase I Construction	318,006.46
				<b>\$383,722.53</b>
<b>Funding: Phase I Interim Loan - USDA (Reimbursable)</b>				
03/31/2026	181	The Stratton Law Firm, PLLC	Phase I Representation	\$ 6,842.50
03/31/2026	15286	HARPER LAW OFFICE	Phase I Representation	7,864.05
03/31/2026	15287	HARPER LAW OFFICE	Easement & Right of Way Work	775.08
03/31/2026	184	The Stratton Law Firm, PLLC	Phase I Representation	5,312.50
				<b>\$ 20,794.13</b>
<b>Funding: WCGF-WIFA 75% - Phase I Interim Loan - USDA Payable 25%</b>				
03/30/2026	App #2	KE&G Construction	Phase I Construction	\$346,727.11
				<b>\$346,727.11</b>
<b>Funding: Phase II</b>				
04/01/2026	15288	HARPER LAW OFFICE	Phase II and III Representation	\$ 166.86
				<b>\$ 166.86</b>
<b>Total Capital Project Invoices</b>				<b>\$751,410.63</b>

**Item # 8**

**Resolution 2006-004, PACE Preparing Assessment Maps:**

Discussion and possible action regarding authorization for PACE to begin preparation of the assessment maps.

T. Stratton presented:

- This is the first of the assessment process and falls under Statue 48-2057.
- The engineer has to prepare maps of all the lots.
- Previously the Board decided that the minimum of 1 EDU and maximum of 5 EDU's.
- Once the map has been completed, it will be brought back to the Board for the next steps.

M. Buzan made a motion for PACE to begin preparation of assessments maps relating to bond issuance. C. Callaway seconded. Carried 3-0.

**Item # 9**

**Review of Consultant Agreement 2026-27:**

Review and possible action regarding proposed Consultant Agreement for Deborah Patton.

D. Patton presented the new agreement to the Board.

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M. Buzan made a motion to approve the Consultant Agreement for Deborah Patton. C. Callaway seconded. Carried 3-0.

**Item # 10**      **Review of District General Counsel Fees:**

Review and possible action of proposed new fees for the District's General Counsel, Harper Law Offices, PC.

M. Harper presented new billing hours - \$390/per hour for his services and \$175/per hour for his paralegal.

M. Buzan made a motion to approve the new fees for Harper Law Office, PC. C. Callaway seconded. Carried 3-0.

**Item # 11**      **Arizona Silver Belt Newspaper:**

Discussion and possible action regarding the publishing contract with the Arizona Silver Belt Newspaper.

There were three options to choose from and will be a one-year contract.

- Option 1) Copper Country News only
- Option 2) Arizona Silver Belt only
- Option 3) Copper Country News and Arizona Silver Belt

C. Callaway made a motion to go with Option 1 (Copper Country News only). J. Stanneart seconded. Carried 3-0.

**Item # 12**      **FY24/25 District Single Audit Report:**

Review and discussion regarding the final Audit received from HeinfeldMeech, discussion to include public website disclosure of same.

M. Hoerig, HeinfeldMeech:

- The Board reviewed the audit packet from HeinfeldMeech.
- The audit timeline is currently ahead of schedule.
- Financial Report Highlights:
  - Page 1-3 – Independent Auditor's Report (Unmodified, "clean")
  - Page 4-7 – Management's Discussion and Analysis
  - Page 8-10 – Financial Statements
  - Page 11-19 – Notes to Financial Statements
  - Page 21-30 – Single Audit Section
  - Page 31-33 – Management's Corrective Action Plan
- Single Audit Section
  - Reports/Letters
    - Report on Internal Control and on Compliance (pg. 21-22)
    - Uniform Guidance Report on Internal Control and Compliance (pg. 23-25)

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- Schedule of Expenditures of Federal Awards (SEFA) (pg. 26)
- Schedule of Findings and Questioned Costs (pg. 28)
- Financial Statement Findings (pg. 29-30)
- Federal Compliance Findings (none noted)
- Management’s Corrective Action Plan (pg31-33)

C. Callaway made a motion to accept the audit package presented. M. Buzan seconded. Carried 3-0.

**Item # 13**      **Review of 3<sup>rd</sup> Quarter Budget-to-Actual Report:**

Discussion and possible action with respect to the District’s 3<sup>rd</sup> Quarter Budget-to-Actual Report.

J. Tomaszewski presented the District’s 3<sup>rd</sup> Quarter Budget-to-Actual Report

- Avix Accounting will start sending quarterly report as we will soon start having expenditures
- Approximately 22% of the loan has been spent and approximately \$38 million left

M. Buzan made a motion to accept the quarterly report. C. Callaway seconded. Carried 3-0.

**Item # 14**      **District Draft FY 26/27 Budget:**

Review, discussion, direction, revisions, comments and possible action regarding the District’s FY 26/27 First Draft of the Budget. Discussion and possible action with respect to the District’s 3<sup>rd</sup> Quarter Budget-to-Actual Report.

J. Tomaszewski presented the first draft of the District’s FY 26/27 budget.

- The final draft will be presented and discussed at the next regular board meeting on May 18, 2026.
- Send any questions or suggestions to M. Harper.
- If you have any specific questions, you can also reach out to J. Tomaszewski.

Budge Schedule	
03/16/26	Meeting: Regular Board Meeting – Budget Calendar distributed
04/20/26	Meeting: Board given First Draft of Budgets for review, discussion, direction, revisions, comments. Possible approval to publish.
05/18/26	Meeting: Board is given a Final Draft of Budget. Approval to publish.
05/21/26	Deadline for Budgets delivered to Arizona Silver Belt.
05/27/26	Publish notice and proposed FY 2025/2026 Budgets (25 days). Not less than 20 (6/3/26 or more than 30 (5.24.25) days before Public Hearing
06/15/26	Meeting: Regular Board Meeting
06/22/26	Meeting: Public Hearing – Budgets, Rates, & Fees to approve FY 2025/2026

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**Item # 15**      **Amendment to Cloacina Agreement:**  
Discussion and possible action regarding amendment to the Cloacina Agreement with the District.

C. Callaway made a motion to table the Amendment to Cloacina Agreement. M. Buzan seconded. Carried 3-0

**Item # 16**      **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.

M. Buzan made a motion to approve Resolution NoI. 2026-005 to authorize the Board President to execute accessory documents in connection with actions that have already been approved by the Board. C. Callaway seconded. Carried 3-0.

**Item # 17**      **District Policy for Mandatory Connection:**  
Discussion and possible action regarding a new Mandatory Connection Policy of the District.

M. Harper reviewed the policy for Mandatory Connection which included the changes from the last meeting.

M. Buzan made a motion to accept the Mandatory Connection Policy with the four (4) changes mentioned by M. Harper and other Board members. C. Callaway seconded. Carried 3-0.

**Item # 18**      **KE&G Change Order #1:**  
Discussion and possible action regarding Change Order #1 from KE&G regarding construction contract.

M. Krebs presented Change Order #1 from KE&G.

- Change order is due to the BABA Act
  - BABA (Build America. Buy America Act requires that all iron, steel, manufactured products and construction materials used in federally funded infrastructure projects be produced in the United States)
- Total change order - \$112,693.38
  - \$58, 498.00 – submersible sewage pumps, sewer main, influent lift station piping
  - \$36,696.38 – additional material for Force & Gravity Sewer Main
  - \$17,499.00 – trailer for engineers for 12 months

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M. Buzan made a motion to approve Change Order #1 from KE&G regarding the construction contract. C. Callaway seconded. Carried 3-0.

**Item # 19**      **Approval of BHP Easement:**

Discussion and possible action regarding approval of BHP Easement.

M. Harper went of the BHP easement.

M. Buzan made a motion to approve the BHP Easement. C. Callaway seconded. Carried 3-0.

**Item # 20**      **KQSS Agreement with the District:**

Discussion and possible action with regard to an agreement with KQSS Radio in Miami/Globe for radio announcements on behalf of the District.

J. Stanneart made a motion to approve the agreement with KQSS Radio. C. Callaway seconded. Carried 3-0.

**Item # 21**      **Call to the Public:** The following questions were asked by the public:

T. Werner

1. An IGA with globe has been mentioned, we are in the TRSD boundary, hook-up all residents 100%, the plant 100% first, we don't need more costs or delays!
2. When a business is hooked up, how will they be billed? Will the money go to the const account?
3. Are the businesses that were annexed by Globe to be hooked up to TRSD paying TRSD property tax assessment?
4. Are Bechtal Tract residents being charged Miami fees?

**Item # 22**      **Executive Session:** No Executive Session.

**Item # 23**      **Items Discussed in Executive Session:** No Executive Session.

**Item # 24**      **Announcements:** No announcements.

**Item # 25**      **Schedule any Topic or Issue:** Next Regular Board Meeting will be Monday, May 18, 2026.

**Item # 26**      **Adjournment:** J. Stanneart a made a motion to adjourn the meeting at 6:54 p.m. C. Callaway seconded. Carried 3-0.