

**TRI-CITY REGIONAL SANITARY DISTRICT**  
**Regular Board Meeting Minutes**  
**May 18, 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, M.A. Moreno, J. Stanneart,  
**Also:** M. Harper, District Counsel (Z); T. Stratton, Bond Counsel; D. Patton (Z); M. Krebs,  
 PACE (Z); J. Tomaszewski, AVIX ONE (Z)  
**Public:** W. Griffin, T. Werner, M. Warbington, F. Farester, J. Lentz
- 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 April 20, 2026.  
  
 M.A. Moreno made a motion to approve the Regular Board Meeting Minutes from April 20, 2026. M. Buzan seconded. Carried 4-0.
- Item # 6** **Financial Report:**  
 J. Stanneart reported that the Ad Valorem account had \$294,288.60 balance ending May 18, 2026.
- Item # 7** **Payment of Bills.**  
 J. Stanneart read the following bills. M.A. Moreno made a motion to pay and file for audit the following bills. M. Buzan seconded. Carried 4-0.

<b>District Operations</b>				
<b>Date</b>	<b>No.</b>	<b>Payee</b>	<b>Category</b>	<b>Total</b>
<b>Funding: Ad Valorem</b>				
04/10/2026	31223r1	**Michael Krebs	--Split--	300.00
04/21/2026	444826	O'Rourke Media Group	Advertising/Legal Publications	4,633.02
04/30/2026	#4-2026	Deborah Patton	Miscellaneous Contract Services	1,067.10
04/30/2026	322575	NEXXUS CONSULTING	--Split--	5,615.51
05/01/2026	2791	Avix Accounting, LLC	Recurring Accounting Fees	11,163.41
05/01/2026	80	IBEW	Rent, Parking, Utilities	100.00
05/01/2026	010	WAG IT Solutions LLC	Miscellaneous Contract Services	500.00
05/01/2026	15385	HARPER LAW OFFICE	General Representation	5,966.28
<b>Total Operations Invoices</b>				<b>\$ 29,345.32</b>

<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>				
04/30/2026	11788	PACE Engineering	Phase I Engineering	65,716.07
04/28/2026	App #2	B4 Enterprises	Phase I Construction	447,466.67
<b>Total</b>				<b>\$ 513,182.74</b>

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**Funding: Phase I Interim Loan - USDA (Reimbursable)**

05/01/2026	187	The Stratton Law Firm	Phase I Representation	4,547.50
05/01/2026	188	The Stratton Law Firm	Phase I Representation	6,162.50
05/12/2026	15386	HARPER LAW OFFICE	Project Related Legal Fees	8,258.03
05/12/2026	15387	HARPER LAW OFFICE	Easement & Right of Way Work	2,811.90
				<b>\$ 21,779.93</b>

**Funding: WCGF-WIFA 75% - Phase I Interim Loan - USDA Payable 25%**

04/23/2026	App #3	KE&G Construction	Phase I Construction	498,853.93
				<b>\$ 498,853.93</b>

**Funding: Phase II**

04/30/2026	11787	PACE Engineering	Phase II and III Representation	82,859.38
05/12/2026	2962	HARPER LAW OFFICE	Phase II and III Representation	166.86
05/12/2026	2963	HARPER LAW OFFICE	Phase II and III Representation	166.86
				<b>\$ 83,193.10</b>

<b>Total Capital Project Invoices</b>	<b>\$ 1,117,009.70</b>
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**Item # 8      Municipal Advisory Services Proposal:**

Discussion and possible action with regard to Hilltop Securities Municipal Advisory Services Proposal.

T. Stratton introduced J. Lentz from Hilltop Securities

J. Lentz:

- Hilltop Securities has been working with the District since 2024.
- Assisted with the second note in February
- Worked with USDA, T. Stratton, and Cobre Valley Regional Medical Center and so are not new to the community.
- They are the 2<sup>nd</sup> largest advisors in the country.

M. A. Moreno made a motion to accept the Hilltop Securities Municipal Advisory Services Proposal. J. Stanneart seconded. Carried 4-0.

**Item # 9      Earthquest Plumbing & Pumping, LLC, Estimate:**

Review, discussion and possible approval of Estimate received from Earthquest Plumbing & Pumping regarding temporary septic tank.

M. Krebs explained:

- Easement needs to be re-routed.
- The homeowner is willing to work with TRSD and has agreed to the easement.
- There are not any permit fees for this work.
- Homeowner currently has a cesspool that will need to be abandoned, and a temporary septic tank installed.

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- Homeowner is aware that, once TRSD sewer is available, they will be required to connect to the system.
- Earthquest is the only company that responded to the request for service.
- This was the cheapest route to go instead of trying to remove trees, etc.

M.A. Moreno made a motion to approve the estimate received from Earthquest Plumbing and Pumping for the temporary septic tank. J. Stanneart seconded. Carried 4-0.

**Item # 10**      **Resolution re Board Member Election:**

Discussion and possible approval of Resolution 2026-006 calling TRSD Board Member Election in 2026.

M. Harper read the resolution in its entirety.

M. Buzan made a motion to approve the Resolution 2026-006 calling TRSD Board Member Election in 2026. M.A. Moreno seconded. Carried 4-0.

**Item # 11**      **Project Update:**

Update regarding current status of construction.

M. Krebs gave update on the progress to-date.

- Showed photos of the work being done in Claypool near the ball field and work at the treatment site.
- KE&G will be getting supplies to the site this month.
- There will be a meeting with WIFA for the billing that will take place in July.
- There were some discrepancies in the plans with Southwest Gas on where the actual lines were.
- A \$3 million Congressional District funding has been approved by Senators Kelly and Gallegos.

Connie Callaway:

- Explained the process – the Senators approved the \$3 million and it now goes before the Senate and the House for approval.
- TRSD is in the mix with other states asking for funding.
- Decisions won't be made until around November 2026.

**Item # 12**      **Budget:**

Review proposed Fiscal Year 2026/2027 Budget.

J. Tomaszewski presented the budget and explained some of the changes made to move money into different categories. USDA requires publishing the budget in the paper.

**Item # 13**      **Public Hearing and Authorization to Publish:**

Set date, time and place of Public Hearing and J. Tomaszewski presented the District's 3<sup>rd</sup> Quarter Budget-to-Actual Report.

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M.A. Moreno made a motion to set the Public Hearing for Monday, June 22, 2026, at 5:15 p.m. at IBEW at N AZ Highway 188, Globe, Arizona, 85501, and to authorize publication of the proposed Fiscal Year 2026/2027 Budget. M. Buzan seconded. Carried 4-0.

**Item # 14**      **Damage Policy:**

Discussion and possible action regarding a new Damage Policy for the District.

M.A. Moreno made a motion to table Item #14, Damage Policy until the next meeting. M. Buzan seconded. Carried 4-0.

**Item # 15**      **Inspection of Facilities Policy:** Discussion and possible action regarding a new Inspection of Facilities Policy for the District.

M. Buzan made a motion to table Item #15, Inspection of Facilities Policy until the next meeting. J. Stanneart seconded. Carried 4-0.

**Item # 16**      **Responses to Call to the Public:** Combined from questions posted at February and March Board Meetings:

M. Warbington

- What will be the cost to hook-up and the monthly fee?  
Answered by M. Krebs;
  - Residents – there is no hook-up fee due to the Colonia Grant Funding.
  - Businesses – will need to hire a plumbing contractor to install the pipeline from the business wastewater connection to the mainline connection point at the property. The connection from the main pipeline to the property line will need to be installed by TRSD and the Board has not determined the cost for this connection.
- Will there be any meetings with the residents and with the commercial people involved in Phase I?  
Answered by M. Harper:
  - All residents and others interested are always invited to attend all Board meetings.
  - There may be another meeting with Raftelis sometime this year.
  - There have been a number of meetings held.

T. Werner

- TRSD County Tax Bill – how are the funds used?  
Answered by M. Harper:
  - Funds are used for operations of the District, as reported at meetings and based on the annual budget.
- Sewer Bill – how will we be billed? How much? What funds will be used?  
Answered by M. Harper:
  - T. Beckley, our consultant with Raftelis, had mentioned that the amount of the monthly bill is not yet certain.

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- Effluent water sales – how will funds be used?

Answered by M. Harper:

- This decision has not yet been made by the Board and will be made at the time funds are received.

- Assessments – how much? How will it be collected? How will funds be used?

Answered by T. Stratton:

- How much – we don't know yet and are still figuring out how much each property will pay.
- How collected – It will be collected by the County on your tax bill.
- How funds used – Funds will be used to pay the payments on the loans.

- Who does Harper Law represent?

Answered by M. Harper:

- Harper Law Offices represent the District Board of Directors.

- Instead of spending \$2,300 on a newsletter, publish the letter in the Globe-Miami Times once a month. I'm sure Robert Jacques didn't pay much to have the article published. Then take the \$2,300 and get an office – no brainer.

Answered by M. Harper:

- Duly noted. This appears to be a suggestion rather than a question. The USDA requires that we publish weekly construction updates.

- Where are all the boxes of records that were kept at the Central Heights School (County Building)?

Answered by M. Harper:

- The old records are currently held at Harper Law Offices in Payson.

- Are all the meetings, special meeting agendas, and executive sessions records in Payson?

Answered by M. Harper:

- Yes.

- How many members have been involved in a Davis-Bacon job?

Answered by M. Krebs:

- Not sure that I understand the question.
- If Construction funding requires Davis-Bacon (DB) wages, then the contractor that was awarded the work is required to pay the defined wage rates as provided by DB rate schedule for Gila County.
- KE&G is currently the only contractor required to pay DB wages.

H. Farester

- What are the phases and how many phases?

Answered by M. Krebs:

- There are only three (3) phases.

- Why does mandatory hook-up keep coming up?

Answered by M. Harper:

- When a policy is prepared for the Board, it requires the Board to review and look at several versions prior to being finalized and approved.

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R. Jacques

- Monthly financial – why do the minutes not site the source of the income?

Answered by M. Harper:

- The Ad Valorem account report is given monthly and this is stated in the minutes.

- Requested that the Board have a meeting with the Pinal Mountain Little League to address safety issues during construction.

Answered by M. Krebs:

- The TRSD contractor has been in communication with the PMLL Board for an understanding of their season and construction on the south edge of the field.

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

Answered by M. Krebs:

- This is an on-going discussion with the Board.

**Item # 17**

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

M. Warbington

- What is the cost per month for residents and commercial?
- Thank you for the article that was recently put in the paper.

H. Farester

- I would like to review the lawyers' unredacted itemized statements for what they have been charging the District for the past two months.
- Assessments – retired versus working residents should pay the same.

T. Werner

- Assessment rates are to pay the loan?
- Will every resident hooked up to the sewer be charged the same rate, no reduced rates?
- When a vacant lot is developed, will they be charged the same rates?
- When a property is sold, will the new owner assume the balance of the remaining assessment?

**Item # 18**

**Executive Session:** No Executive Session.

**Item # 19**

**Items Discussed in Executive Session:** No Executive Session.

**Item # 20**

**Announcements:** Bullion Plaza Museum will be having an Honor Quilts Exhibit for the month of June. The quilts will then be given to local veterans.

**Item # 25**

**Schedule any Topic or Issue:** Next Regular Board Meeting will be Monday, June 15, 2026.

**Item # 26**

**Adjournment:** M.A. Moreno a made a motion to adjourn the meeting at 6:21 p.m. M. Buzan seconded. Carried 4-0.