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

Item # 1 C. Callaway called the meeting to order at 5:15 p.m.

Item # 2 J. Stanneart led the Pledge of Allegiance.

Item # 3 **Roll Call:** M. Buzan (T), C. Callaway, J. Stanneart, S. Williams
Absent: M.A. Moreno
Counsel: M. Harper, District; T. Stratton, Bond
Consultants: D. Patton (Z); J. Tomaszewski - AVIXOne (Z); M. Hoerig-Heinfeld/Meech (Z); M. Krebs - PACE,
Public: W. Griffin, M. Warbington, F. Farester, S. Stapleton, D. Zimmerman, M. Miller (Z), S. Carroll-ASDA (Z)

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 July 20, 2026.

M. Buzan made a motion to approve the Regular Board Meeting Minutes from July 20, 2026. S. Williams seconded. Carried 4-0.

Item # 6 **Financial Report**:
J. Stanneart reported that the Ad Valorem account had $264,796.13 balance ending July 31, 2026.

Item # 7 **Payment of Bills.**
J. Stanneart read the following bills. S. Williams made a motion to pay following bills. M. Buzan seconded. Carried 4-0.

District Operations

Date	No.	Payee	Category	Total
Funding: Ad Valorem				
07/15/2026	47245	Raftelis Financial Consultants	Rate Study Services	740.00
07/16/2026		Woodruff Leavitt Ins.	Insurance - Liability, D and O	7.00
07/18/2026	113-9622488-8179401	JoLee Stanneart	Supplies	11.72
07/18/2026	113-1262705-6757805	JoLee Stanneart	Supplies	6.34
07/31/2026	7-2026	Deborah Patton	Misc. Contract Services	573.10
07/31/2026	322668	NEXXUS CONSULTING	Advocacy	5,000.00
08/01/2026	83	IBEW	Rent, Parking, Utilities	100.00
08/01/2026	005	WAG IT Solutions LLC	Misc. Contract Services	500.00
08/03/2026	2910	Avix Accounting, LLC	Recurring Accounting Fees	7,104.83
08/17/2026		Arizona Special District Alliance	Annual Membership	150.00
08/10/2026	15562	HARPER LAW OFFICE	General Representation	6,671.39

Total Operations Invoices	$	20,864.38

Capital Project

Date	No.	Payee	Category	Total
Funding: Phase I Interim Loan - USDA (Payable)				
07/27/2026	App #5	B4 Enterprises	Phase I Construction	637,472.09
07/31/2026	App #13	CLOACINA	Phase I Construction	309,326.69
07/31/2026	12186	PACE Engineering	Phase I Engineering	75,058.00
				$ 1,063,585.54
Funding: Phase I Interim Loan - USDA (Reimburseable)				
07/02/2026		* Arizona Water Co.	Deposit - AZ Water Lift Station	4,000.00
07/06/2026		* Arizona Water Co.	Deposit - AZ Water Treatment Facility	7,500.00
07/21/2026	7668	Earthquest Plumbing & Pumping	Phase I Construction	5,000.00
07/30/2026	209	The Stratton Law Firm, PLLC	Phase I Representation	17,085.00
07/30/2026	208	The Stratton Law Firm, PLLC	Phase I Representation	7,607.50
08/10/2026	15563	HARPER LAW OFFICE	Phase I Representation	12,091.17
08/10/2026	15564	HARPER LAW OFFICE	Easement & Right of Way Work	4,772.01
				$ 58,055.68
Funding: 2024 EPA EC #1 Grant				
07/31/2026	App #6	KE&G Construction	Phase I Construction	793,534.42
				$ 793,534.42
Funding: Phase II				
07/31/2026	12187	PACE Engineering	Phase II and III Representation	51,189.00
				$ 51,189.00
			Total Capital Project Invoices	$ 1,966,364.64

Item # 8 **<u>Review of District Procurement Policy:</u>**

Review, discussion and possible approval of update to the District's Procurement Policy.

M. Harper gave an update:

- The only change to the policy was Section I on page four of the document.
- It has included verbiage concerning bidding requirements that shall not apply for professional services that require special knowledge, education or skill.

- Professional services may include, but are not limited to: physicians, attorneys, engineers, architects, software providers and other IT support, auditors, banking.

S. Williams made a motion to approve the update to the District's Procurement Policy. M. Buzan seconded. Carried 4-0.

Item # 9 **BHP Easement Agreement for Phase II:**
Discussion and possible approval of an Easement Agreement with BHP relating to Phase II of the project.

M. Harper gave an update:

- The agreement is for the Phase II lift station.
- BHP has made some changes to the agreement.
- The agreement has been reviewed with changes and returned to BHP.
- BHP has not returned the signed agreement.
- This will be put back on the agenda for the next meeting.

Item # 10 **Administrative Policy:**
Discussion and possible action regarding a new Administrative Policy for the District.

There was discussion on the Policy:

- The District would fall under the ASRS (Arizona State Retirement System).
- The Policy would be able to be changed, if needed, once the District starts hiring employees.

S. Williams made a motion to approve the new Administrative Policy for the District. J. Stanneart seconded. Carried 4-0.

Item # 11 **Project Update:**
Discussion of Construction status of both projects for the Board and Public information.

M. Krebs presented update:

- Presented several maps showing the work that is going on in Claypool.
- The plant is ~~in~~ progressing. They are currently ~~and~~ working to get the electrical underground work done so that the slab can be poured.
- Currently doing potholing near Starview.
- Communication is on-going on Highway 188.
- There is a plan in place for emergency situations.

J. Stanneart

- Concerns from the public are that the driveways on Highway 188 are one way in and one way out.

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Item # 12a **<u>PACE Amendment No. 6</u>:**

Discussion and possible action relating to the potential approval of PACE Contract Amendment No. 6 pertaining to two items:

1. The need for Utility Potholing and the main lift station control panel for the SCADA system, subject to USDA concurrence.

M. Krebs presented a map of all the potholing that has been done in the Claypool area.

S. Williams made a motion to approve the PACE Contract Amendment No. 6 pertaining to the need for Utility Potholing and the main lift station control panel for the SCADA system, subject to USDA concurrence. C. Callaway seconded. Carried 4-0.

Item # 12b **<u>Payment of CMS Invoices</u>:**

2. Discussion and possible action relating to the potential approval of Payment to CMS for Potholing on the following days on August 4th, 5th, 6th 10th, 11th totaling items: $22,420.09, invoice will be paid from project funding and subject to USDA Approval.

S. Williams made a motion to approve the payment to CMS for Potholing on the following days on August 4th, 5th, 6th 10th, 11th totaling items: $22,420.09, invoice will be paid from project funding and subject to USDA approval. J. Stanneart seconded. Carried 4-0.

Item # 13 **<u>Resolution for WIFA Loan re Emergent Contaminants:</u>**

Review, discussion and possible approval of Resolution authorizing the District to apply for a new forgivable WIFA Loan.

T. Stratton update:

- Resolution for emerging contaminants grant and loan from WIFA.
- The is a 100% forgivable loan.
- The loan is not to exceed $1,476,000.

S. Williams made a motion to approve Resolution No. 2026-007 to authorize the application for an emerging contaminants grant and loan from the Water Infrastructure Finance Authority of Arizona. M. Buzan seconded. Carried 4-0.

Item # 14 **<u>Resolution for Membership Services:</u>**

Review, discussion and possible approval of Resolution for Membership Services between the District and the Arizona Special Districts Alliance (ASDA).

S. Carroll presented the ASDA membership services.

- ASDA was formed in 2025.
- ASDA works with Maricopa, Pinal, and Yavapai counties.
- Bring resources and training across Arizona for special districts.
- Potential resource for vendors.
- Training for board members.
- Support to build the community of special districts.
- Work with Title 48 taxing districts.

S. Williams made a motion to approve the Resolution for Membership Services between the District and the Arizona Special Districts Alliance (ASDA). J. Stanneart seconded. Carried 4-0.

Item # 15 **Administrative Support/Technical Assistance with CAG:**

Review, discussion and possible approval of a contract with CAG for both Administrative Support and Technical Assistance with needs of the District's Public Outreach on the project.

- Assistance to deal with public outreach.
- Have a separation between CAG and engineering.

S. Williams made a motion to approve the contract with CAG for both Administrative Support and Technical Assistance with needs of the District's Public Outreach on the project. M. Buzan seconded. Carried 4-0.

Item # 16 **B4 Enterprises Change Order No. 1**

Discussion and possible action relating to the potential approval of B4 Enterprises Contract Change Order No. 1 pertaining to six request items: Due to gas line relocation, headwall replacement, underground concrete walls, soft digging, traffic rated utility boxes and tracer wire on curve sewer line, subject to USDA concurrence.

M. Krebs update:

- Where there is gas line, soft digging has to occur.
- Headwall replacements.
- One change order but they keep a change order log and can be requested at any time.

S. Williams made a motion to approve the B4 Enterprises Contract Change Order No. 1 pertaining to six request items: Due to gas line relocation, headwall replacement, underground concrete walls, soft digging, traffic rated utility boxes and tracer wire on curve sewer line, subject to USDA concurrence. M. Buzan seconded. Carried 4-0.

Item # 17 **Retention of Executive Coordinator**.

Discussion and possible action relating to the possible retention of an Executive Coordinator to provide assistance to the District.

D. Zimmerman with Bayes Strategic presented a proposal for Executive Consulting Services.

S. Williams made a motion to table Item 17 for the next Board meeting. M. Buzan seconded. Carried 4-0.

Item # 18 **Contract for Audit Services.**

Discussion and possible action regarding extension to contract with Heinfeld Meech for audit services relating to the District.

M. Hoerig presented revised quote for audit services.

- Completed five (5) audits for the District since 2023.
- The size and complexity of the District has increased.
- The District's number of grants has increased from one to approximately five (5) as of June 30, 2025.
- Costs have increased.
- Fee for 2025-2026 - $18,000.
- Fee for 2026-2027 - $26,750

S. Williams made a motion to approve the revised quote for audit services for $26,750. J. Stanneart seconded. Carried 4-0.

Item # 19 **<u>Responses to Call to the Public:</u>**

Questions posted at July Board Meeting:

H. Farester:

- How much does Phase I owe in loans?
  Answered by T. Stratton:
  - $23,300,000
- How many EDU's are in Phase I?
  Answered by T. Stratton:
  - 1,802 EDU's
  - Includes – residential, commercial, and vacant lots.

Item # 20 **Call to the Public:** The following questions were asked by the public:

S. Stapleton:

- I am not from here, but my husband is and we moved here about 5-6 years ago.
- Seeing the ongoing work in Claypool is exciting!
- How do I find out where line will be placed from El Camino to our house?
- Will there be option to add inlet for our RV black tank and our house grey water?
- Will Phase I dwelling be 100% responsible for 100% of Phase I costs (treatment plant, etc.)?
- When will work begin on connecting Phase I dwellings (best guess)?
- How will rate be determined?

Item # 21 **Executive Session:** S. Williams made a motion to adjourn to Executive Session at 6:51 p.m. J. Stanneart seconded. Carried 4-0.

Executive Session convened at 6:54 p.m.
Regular Session reconvened at 7:35 p.m.

Item # 22 **Items Discussed in Executive Session:** No items to report.

Item # 23 **Announcements:** No Announcements.

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Item # 24 **Schedule any Topic or Issue:** Next Regular Board Meeting will be Monday, September 14, 2026.

Item # 25 **Adjournment:** S. Williams made a motion to adjourn the meeting at 7:37. C. Callaway seconded. Carried 4-0.