

TRI-CITY REGIONAL SANITARY DISTRICT
Regular Board Meeting Minutes
September 14, 2026

- Item # 1** C. Callaway called the meeting to order at 5:26 p.m.
- Item # 2** M. Buzan led the Pledge of Allegiance.
- Item # 3** **Board Members Present:** M. Buzan, C. Callaway, M.A. Moreno, J. Stanneart, S. Williams
Counsel Present:
M. Harper, District Counsel – Harper Law Offices, PC
T. Stratton, Bond Counsel – Stratton Law Firm, PLLC
Consultants' Present:
D. Patton (Z) – Deborah Patton and Associates, LLC
M. Krebs, VP Environmental Water Div. (Z) – PACE Advanced Water Eng.
W. Griffin – W.A.G. I.T. Solutions
D. Zimmerman, Principal – Bayes Strategic
M. Zuza – Sonoran District Services
Public: S. Salazar
- 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 August 17, 2026.
Approval of Executive Session Meeting Minutes from August 17, 2026.

S. Williams made a motion to approve the minutes from the Regular Board Meeting from August 17, 2026, and the minutes from the Executive Session from August 17, 2026.
M. Buzan seconded. Carried 5-0.
- Item # 6** **Financial Report:**
J. Stanneart reported that the Ad Valorem account had \$386,420.28 balance ending August 30, 2026.
- Item # 7** **Payment of Bills.**
J. Stanneart read the following bills. M. Buzan made a motion to pay following bills.
S. Williams seconded. Carried 5-0.

District Operations				
Date	No.	Payee	Category	Total
Funding: Ad Valorem				
08/31/2026	8-2026	Deborah Patton	Miscellaneous Contract Services	609.40
08/31/2026	322701	NEXXUS CONSULTING	Advocacy	5,000.00
09/01/2026	2953	Avix Accounting, LLC	Recurring Accounting Fees	8,032.73
09/01/2026	84	IBEW	Rent, Parking, Utilities	100.00
09/01/2026	014	WAG IT Solutions LLC	Miscellaneous Contract Services	500.00
09/08/2026	15615	HARPER LAW OFFICE	General Representation	5,711.19
Total Operations Invoices				\$ 19,953.32

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Capital Project				
Date	No.	Payee	Category	Total
<i>Funding: Phase I Interim Loan - USDA (Payable)</i>				
08/25/2026	App #6	B4 Enterprises	Phase I Construction	706,425.31
08/31/2026	12331	PACE Engineering	Phase I Construction	75,058.00
				\$ 781,483.31
<i>Funding: Phase I Interim Loan - USDA (Reimbursable)</i>				
08/31/2026	214	The Stratton Law Firm	Phase I Representation	4,250.00
08/31/2026	215	The Stratton Law Firm	Phase I Representation	13,005.00
09/08/2026	15616	HARPER LAW OFFICE	Phase I Representation	16,935.26
09/08/2026	15617	HARPER LAW OFFICE	Easement & Right of Way Work	2,144.72
				\$ 36,334.98
<i>Funding: 2024 EPA EC #1 Grant</i>				
08/28/2026	App #7	KE&G Construction	Phase I Construction	802,123.95
				\$ 802,123.95
<i>Funding: Phase II</i>				
				\$ -
Total Capital Project Invoices				\$ 1,619,942.24

Item # 8

Retention of Executive Director.

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

Daniel Zimmerman, Principal – Bayes Strategic:

- Has background in construction and was a general contractor.
- Has started several businesses.
- Has dealt with utility companies.
- Has become familiar with the contracts and construction of the District.
- Has already started working on some issues without knowing if he would be hired.

S. Williams made a motion to appoint Daniel Zimmerman as the Executive Director and to approve the contract as written inserting a \$500.00 threshold for expenses without board approval. M.A. Moreno seconded. Carried 5-0.

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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. Krebs presented an update:

- This is the final easement needed for EDA.
- Located near the hospital and Russell Road.

M.A. Moreno made a motion to approve the Easement Agreement with BHP relating to Phase II of the project. S. Williams seconded. Carried 5-0.

Item # 10 Arizona Water Company – Easement for Treatment Facility:

Discussion and possible approval of easement for pipelines to serve the District's new treatment facility.

M. Kreb presented an update:

- Will need the survey added to the PACE drawings
- Will need a fire hydrant and a meter.

S. Williams made a made a motion to approve the easement with verification of the legal description. M.A. Moreno seconded. Carried 5-0.

Item # 11 Project Update:

Discussion of Construction status of both projects for the Board and Public information.

M. Krebs presented update:

- Due to technical difficulty regarding the Wi-Fi – M. Krebs will email the board the documents.
- KE&G is moving along with the project.
- The manholes are not all completed.
- Plant site is close to possibly being able to pour the slab around October.
- Construction has made headway on Starview.
- The lift station still needs to be installed.
- Old Oak – manholes were tested and waiting on an easement from Eastern Arizona Railroad.
- CAG has been a big help with public relations.

Item # 12 Retention of Administrative Services Provider:

Discussion and possible action relating to the possible retention of an Administrative Services Provider for the District.

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Mckenzie Zuza – Sonoran District Services

- Items that would be handled:
 - Handle the agenda
 - Prepare the board packets
 - Work with the construction timelines
 - Administrative procedures
 - Records custodian
 - Records retention
 - Handle public records request
 - Ensure consistency
 - Handle the recurring work
 - Coordinating with consultants and vendors
- Mckenzie Zuza's background
 - Works with Title 48 entities
 - Works with other districts in Northern Arizona
- T. Stratton
 - They would do stuff that PACE and Harper Law are currently doing
- D. Zimmerman
 - Need someone that is dedicated to administration and working with the Executive Director
 - Handle SOP's

S. Williams made a motion to accept proposal from Sonoran District Services for \$5,000 a month for a term of six months. M. Buzan seconded. Carried 5-0.

Item # 13

Municipal Capital Markets Group, Inc., Invoice:

Review, discussion and possible action regarding invoice from Municipal Capital Markets, Group, Inc.

- The Board reviewed the invoice from L. Valdez for \$201,600.00.
- M. Harper suggested that he write a letter concerning the invoice.
- The District has not received any funding to-date for the particular grant/loan that he worked on.
- C. Callaway has requested specific documentation, and it has not yet been provided.

S. Williams made a motion that Harper Law write a letter to Municipal Capital Markets Group, Inc., regarding the invoice with stipulations as to the documentation and information that the Board has requested. M. Buzan seconded. Carried 5-0

Item # 14

IGA with Tri-City Regional Fire District:

Review and possible approval of an Intergovernmental Agreement with the Tri-City Fire District.

- This is an agreement stating that Tri-City Fire District requests to hook-up to the sanitary sewer system.

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M.A. Moreno made a motion to approve the Intergovernmental Agreement with the Tri-City Fire District. M. Buzan seconded. Carried 5-0.

Item # 15 **Purchase of Control Panel:**

Discussion and possible action relating to the purchase of a control panel from Pixeldrop per USDA recommendation.

M. Krebs update:

- USDA recommended that the District purchase the control panel directly as engineering contracts cannot include any project materials.
- Received three quotes:
 - SJ Controls Inc. – \$65,600.00
 - Pixel Drop - \$43,174.31
 - SRK Enterprises LLC - \$48,986.88

S. Williams made a motion to purchase the control panel from Pixel Drop in the amount of \$41,585.00. M.A. Moreno seconded. Carried 5-0.

Item # 16 **Amendment to PACE Agreement:**

Discussion and possible action relating to District's Agreement with PACE.

M. Krebs update:

- The amendment has been updated to remove the control panel from the contract.

M. Buzan made a motion to approve the PACE Agreement with regard to removing the control panel. S. Williams seconded. Carried 5-0.

Item # 17 **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. This version includes modifications of scope and cost per USDA-RD comments.

M. Krebs update:

- This was presented at last month's Board meeting.
- USDA-RD made some modifications of the scope and cost.
- Removed Item #7 from the list.
- USDA will concur once this has been approved by the Board.

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 5-0.

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Item # 18 **Responses to Call to the Public:**

Questions posed at August Board Meeting:

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?

Answered by M. Krebs:

- The contractor will meet with you to figure out the best option.

- Will there be an option to add inlet for our RV black tank and our house grey water?

Answered by M. Krebs:

- Uncertain at this time.

- Will Phase I dwelling be 100% responsible for 100% of Phase I costs (treatment plant, etc.)?

Answered by T. Stratton:

- All three phases will share on the common costs. When the project is completed all the costs will balance out on all of the phases.

- When will work begin on connecting Phase I dwellings (best guess)?

Answered by M. Krebs:

- Best guess is late summer or fall in 2027.

- How will rate be determined?

Answered by T. Stratton:

- OM cost will be based on connections
- OM rate will be a rate classification.

Item # 19 **Call to the Public:** No questions from the public.

Item # 21 **Executive Session:** No Executive Session.

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

Item # 23 **Announcements:** M.A. Moreno announced that she was relocating out of state on September 21, 2026. Her son, John, will host a “going away” event at the Holy Angels Parish Hall on September 18, 2026, from 3:00 - 5:00 p.m. and will be serving chips and guacamole.

M.A. Moreno also announced that she was resigning as Board President but would like to stay on as a Board Member. M. Harper will check into the requirements for being a Board Member.

Statements of recognition and appreciation were made by: S. Williams, M. Buzan, D. Patton, M. Krebs, T. Stratton, M. Harper, and C. Callaway.

Item # 24 **Schedule any Topic or Issue:** Next Regular Board Meeting will be Monday, October 26, 2026.

Item # 25 **Adjournment:** M. Buzan made a motion to adjourn the meeting at 6:50. S. Williams seconded. Carried 5-0.