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

Item # 1 C. Callaway asked S. Williams to lead the meeting due to not having a voice. S. Williams called the meeting to order at 5:15 p.m.

Item # 2 S. Williams led the Pledge of Allegiance and Invocation.

Item # 3
Board Members Present: C. Callaway, J. Stanneart, S. Williams
Absent Board Member: M. Buzan, M.A. Moreno
Counsel Present:
M. Harper, District – Harper Law Offices, PC
T. Stratton, Bond – Stratton Law Firm, PLLC
Consultants' Present:
W. Griffin – W.A.G. I.T. Solutions
M. Krebs, VP Environmental Water Div. (Z) – PACE Advanced Water Eng.
D. Patton (Z) – Deborah Patton and Associates, LLC
J. Tomaszewski (Z) – AVIX Accounting LLC
D. Zimmerman, Principal – Bayes Strategic
M. Zuza – Sonoran District Services
Public: M. Warbington, D. Lavery, M. Miller (Z)

Item # 4 **Reminder to the Public to Utilize Sign-in Sheet**
S. Williams reminded the public to sign-in.

Item # 5 **Approval of Meeting Minutes**.
Approval of Regular Board Meeting Minutes from October 26, 2026.

C. Callaway made a motion to approve the minutes from the Regular Board Meeting from October 26, 2026. J. Stanneart seconded. Carried 3-0.

Item # 6 **Financial Report**:
J. Stanneart reported that the Ad Valorem account had $364,730.31 balance ending October 31, 2026.

Item # 7 **Payment of Bills.**
J. Stanneart read the following bills. C. Callaway made a motion to pay following bills. J. Stanneart seconded. Carried 3-0.

District Operations

Date	No.	Payee	Category	Total
Funding: Ad Valorem				
10/31/2026	10-2026	Deborah Patton	Miscellaneous Contract Services	1,178.10
10/31/2026	322765	NEXXUS CONSULTING	Contract Services	5,000.00
10/31/2026	BS-2026-1031-01	Tesseract Strategies	Contract Services	5,416.67
11/01/2026	3049	Avix Accounting, LLC	Contract Services:Accounting Fees	14,356.08
11/01/2026	87	IBEW	Rent, Parking, Utilities	100.00
11/01/2026	Box #2198	US Postal Service	Operations:Postage, Mailing Service	172.00
11/01/2026	1003	Sonoran District Services	Contract Services	5,000.00
11/01/2026	016	WAG IT Solutions LLC	Contract Services	500.00
11/01/2026	15769	HARPER LAW OFFICE	Legal Fees:General Representation	5,482.03

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			Total Operations Invoices	$ 37,204.88

Capital Project

Date	No.	Payee	Category	Total
Funding: Phase I Interim Loan - USDA (Payable)				
10/26/2026	App #1 (Main/Lift Stations)	B4 Enterprises	Phase I Construction	229,154.25
10/26/2026	App #8 (Basins 1,2,9)	B4 Enterprises	Phase I Construction	501,321.11
10/26/2026	App #2 (Basins 3,4,5)	B4 Enterprises	Phase I Construction	330,199.38
10/26/2026	12570	PACE Engineering	Phase I Construction	75,058.00
				$ 1,135,732.74
Funding: Phase I Interim Loan - USDA (Reimburseable)				
11/01/2026	227	The Stratton Law Firm	Phase I Representation	8,330.00
11/01/2026	228	The Stratton Law Firm	Phase I Representation	12,282.50
11/01/2026	15575	Berry Riddell LLC	Project Related Legal Fees	3,352.24
11/01/2026	114996	Hilltop Securities Inc	Contract Services	1,500.00
11/09/2026	15770	HARPER LAW OFFICE	Phase I Representation	18,896.90
11/09/2026	15771	HARPER LAW OFFICE	Easement & Right of Way Work	3,192.49
				$ 47,554.13
Funding: 2026 EPA EC #2 Grant				
11/02/2026	App #9	KE&G Construction	Phase I Construction	720,622.17
				$ 720,622.17
Funding: Phase II				
10/31/2026	12569	PACE Engineering	Phase II and III Representation	193,299.00
				$ 193,299.00
			Total Capital Project Invoices	$ 2,097,208.04

Item # 8 **Policy 106: Emergency Declarations and Expenditures**

Discussion, consideration and possible adoption of the Emergency Declarations and Expenditures Policy.

- M. Zuna presented the policy.
  - Went over the purpose, definition of an emergency, and what is not an emergency.
  - Information for this policy was gathered from several sources including Green Valley Water.

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C. Callaway made a motion to adopt Policy 106: Emergency Declarations and Expenditures. S. Williamis seconded. Carried 3-0.

Item # 9 **Policy 401: Open Meetings**

Discussion, consideration and possible adoption of the Open Meetings Policy

- M. Zuna presented the policy.
- Members of the Board discussed some changes.

C. Callaway made a motion to table this item until the December board meeting. J. Stanneart seconded. Carried 3-0.

Item # 10 **WIFA 2022 Design Loan: De-obligation or Reallocation**

Review, discussion and possible action regarding the 2022 WIFA Design Loan, including possible approval of signing of the De-obligation page or possible Reallocation of the loan funds.

C. Callaway made a motion to table this item until the December board meeting. J. Stanneart seconded. Carried 3-0.

Item # 11 **EDA: Agreement and Mortgage**

Review, discussion and possible approval of the EDA Checklist and Agreement and Mortgage.

C. Callaway made a motion to table this item until the December board meeting. J. Stanneart seconded. Carried 3-0.

Item # 12 **USDA Rural Development Funding Application (SF 424)**

Review, discussion and possible action regarding the USDA-RD funding application, which requires the Board President's signature.

M. Krebs presented the application:

- Application to provide funding for Basins 6, 7, 8, 20, 21, 22, 23, 24, 26, 27 and 28.
- The Board President needs to sign the document.

J. Stanneart made a motion to approve the Application SF-424 and to authorize the Board President, C. Callaway, to sign the application. C. Callaway seconded. Carried 3-0.

Item # 13 **WIFA Water Supply Development Revolving Fund (WSDRF) Resolution**:

Discussion and possible adoption of a Resolution to authorize the District to apply for up to $5,000,000 in Water Supply Development Revolving Fund (WSDRF) Loans and Grants from WIFA.

T. Stratton:

- This is a WIF program and allows the district to borrow up to $5,000,000 from a revolving fund for Phase III.
- The process is to get on the project priority list and then the District can receive an application to apply for the funds.
- To be able to get on the WIFA funding list.
- S. Williams read the Resolution.

C. Callaway made a motion to authorize the application for a Water Supply Development Revolving Fund Loan from the Water Infrastructure Finance Authority of Arizona. J. Stanneart seconded. Carried 3-0.

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Item # 14 **Utilization of the Subsurface Utility Engineering (SUE) Program**

Discussion and possible action regarding utilization of the Subsurface Utility Engineering (SUE) program.

D. Zimmerman presented information about the program:

- Provides a transfer of responsibility to see exactly what is under the surface.
- Different methods of technology are used to assure what is underground.

No action was taken at this time.

Item # 15 **Removal of Signer on District Bank Accounts**

Discussion and possible action regarding removing M.A. Moreno as a signer on the District's bank accounts.

J. Stanneart:

- The bank needs M.A. Moreno off the accounts before I can add the two other designated signers.

J. Stanneart made a motion to remove M.A. Moreno off the accounts at Enterprise Bank & Trust and with the Gila County Treasurer's Office. C. Callaway seconded. Carried 3-0.

Item # 16 **Responses to Call to the Public:**

D. Lavery

1. Which contractor or subcontractor was responsible for the equipment involved in the April 9, 2026 incident?
2. Which company employed or controlled the operator of that equipment?
3. What records does TRSD have identifying the equipment, operator, contractor, or subcontractor involved?
4. What was the factual and legal basis for TRSD's denial of Charles Johnsen's claim?
5. What investigation was conducted before the claim was denied?
6. After the denial, was the claim forwarded to any contractor, subcontractor, insurer, or attorney? If so, to whom and on what date?
7. If TRSD is denying responsibility, which contractor does TRSD believe is responsible for the April 9, 2026 damage?
8. Can TRSD provide the correct legal names, mailing addresses, registered-agent information, and insurance information for the contractors and subcontractors involved?
9. Has any insurance carrier been notified of the claim? If so, which carrier, and is there a claim number?
10. Is there any additional documentation Charles needs to provide to TRSD, its attorney, a contractor, or an insurer?
11. What is the next step Charles should take ow that TRSD has denied the claim?
12. Will Charles Johnsen's April 9, 2026 property damage claim be placed on the November 16, 2026 agenda for formal discussion?

M. Harper advised that since this was an on-going Notice of Claim not to answer these questions at this time.

No action was taken.

Item # 17 **Call to the Public:** No questions from the public.

Item # 18 **Executive Session:**

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S. Williams made a motion to adjourn to Executive Session at 5:56 p.m. C. Callaway seconded. Carried 3-0. Executive Session convened at 5:59 p.m.. Regular Session reconvened at 6:25 p.m.

Item # 19 **Items Discussed in Executive Session:** No Executive Session.

Item # 20 **Announcements:**
T. Stratton stated that we are on the WIFA agenda for December 8th and the full WIFA board on December 16th.

S. Williams wished everyone a great Thanksgiving.

Item # 21 **Schedule any Topic or Issue:** Next Regular Board Meeting will be Monday, December 21, 2026.

Item # 22 **Adjournment:** C. Callaway made a motion to adjourn the meeting at 6:28pm. J. Stanneart seconded. Carried 3-0.

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