

**Timberland Acres Domestic Water Improvement Domestic
PO Box 1531
Show Low, AZ 85901**

Regular Meeting of The Board

Minutes

January 22, 2022

Members present:

JS Ison, Chair
Jutta Lunario, Secretary
Glenda Call, Treasurer
Roger Miller, Secretary of Affairs

1. **Call to Order** 8:30 AM
2. **Flag Salute** Led by JS Ison
3. **Quorum** Confirmed by JS Ison

4. **Approval of Minutes**

Jutta Lunario presented the minutes for October 23, 2021. Glenda Call made a motion to approve the minutes as presented which was second by Js Ison, the motion carried. Copies of the minutes were made available at the meeting desk for residents to pick up.

5. **Quarterly Financial Report**

Glenda Call presented the Quarterly Financial Report. Currently there is approximately \$16,000 in the checking account and approximately \$16,000 in savings. The report includes Balance Sheets as of 10/1/21, 12/31/21 and 1/22/22. Financially TADWID is doing well as Bull Elk Pipeline project is soon coming to a close. Copies of this meeting's Financial Reports are available to the residents at the meeting desk.

Jutta Lunario moved to approve the Quarterly Financial Report as presented and second by JS Ison; motion carried.

6. **Billing Coordinator's Report**

Bob Reed reported there are 367 active meters of that 147 are electronic (40%), 220 are manual (60%). We have 156 permanent residence and 211 seasonal residents. Bob shared a usage analysis beginning Jan. 2021 – Dec. 2021 indicating a total of 6,6006,901 total usage.

7. Systems Report

Philip Call reported there were only a few minor leakages recently. He reported Well #2 is now formed and ready to have the concrete pad poured in preparation for the new metal building. Once weather improves, the project will continue with the pour.

8. Asset Management Plan

Blake Anderson, the Remote Operator and WIFA Project Manager for TADWID, provided an update on the WIFA (Water Infrastructure Finance Authority of Arizona) loan/grant process. Blake summarized the Asset Management Plan which was recently performed and submitted to TADWID by Arizona Department of Environmental Quality (ADEQ). The AMP was performed at no cost to TADWID. Out of the eighteen (18) items identified by asset inventory, condition, useful life, and service required, the AMP identified four (4) items as high priority; two (2) had minimal impact/cost and two (2) should be addressed soon. The rehab costs are estimated at \$189,000.

Blake also reported the TADWID Due Diligence Report was performed by EWL (Engineered with Layton), also at no cost to TADWID. The Due Diligence Report is a very technical and detailed report comprised of approximately 30 pages. Blake stated WIFA's proposal is for TADWID to apply for a \$250,000 grant/loan barring any unforeseen repairs.

He stated the total amount of the loan/grant of \$250,000 may also subject to a 25% forgiveness with the actual amount used to be amortized over 20 years at an interest rate of 2.00%. The loan/grant will update TADWID's water system making it more functional and with an early warning system installed in the system, among other upgrades.

9. Resolution 2022-01

Blake Anderson presented Resolution 2022-01. The resolution is required allowing TADWID to apply and secure WIFA approval for a loan/grant. This resolution must be submitted to WIFA together with TADWID financials and a formal application by mid-February 2022 to secure the loan/grant this year. The next WIFA review board meeting will be April 2022. Therefore, it is most advantageous for Resolution 2022-01 be adopted and TADWID's application submitted for review at the April 2022 WIFA meeting. If TADWID does not adhere to these time constraints, TADWID could possibly receive approval later this year which would push the improvement projects to the Spring of 2023 due to the winter season and weather.

JS Ison made a motion to approve Resolution 2022-01, Jutta Lunario second, the motion carried.

10. Project Manager Agreement, WIFA Loan/Grant Funding

JS Ison addressed the Project Manager Agreement. The agreement is for Blake Anderson to continue the WIFA loan/grant process resulting in a \$250,000 loan/gran. Glenda Call moved to approve the agreement, Jutta Lunario seconded the motion, motion carried

11. Rates and Contract

Jutta Lunario stated the current TADWID fees were last reviewed and adjusted in 2018. She presented four (4) random items regularly used in the day-to-day maintenance of the water system. Some materials increased as much as 159+% between 2019 and today. Due to the continual increase in costs for maintenance materials and supplies, the current fee structures are no longer sustainable for TADWID. With Blake Anderson's assistance and analysis of our financial budgets compared to competing DWIDs fees, it was determined TADWID's rates were mostly lower with some closer to the other DWIDS.

The following rate increases were therefore recommended:

- New meter installation from \$3,000.00 to \$3,500.00
- Basic BI-Monthly Maintenance fee from \$65.00 to \$80.00 plus Municipal & State Sales Tax
- 5,001 to 20,000 gal. usage from \$2.75 per every 1000 gal. to \$4.25 per 1000 gal.
- 20,001 to 60,000 gal. usage from \$3.75 per every 1000 gal. to \$5.00 per 1000 gal.

The new rate increases shall be effective March 1, 2022.

Jutta Lunario invited Bob Reed for additional comments pertaining to billing. He informed the board there are two (2) accounts in arrears with both possibly being a hardship situation. Bob inquired as to when a lien is deemed necessary.

Jutta Lunario proposed the lien issue for accounts in arrears be tabled to the April 2022 meeting at which time the board will provide solutions regarding delinquent account procedures.

Juttla also proposed revising some verbiage on the contract also be tabled to the April 2022 meeting.

Jutta Lunario moved to approve the proposed rate increase. Glenda Call second the motion, motion carried.

12. Staffing

Philip Call announced he will not be renewing his contract when it expires this September 2022. JS Ison stated TADWID would welcome a change of mind between now and September but understands Philip's decision. A round of applause was given thanking for Philip Call for his service.

13. Community Activities Committee

Olivia Perez reported the Thanksgiving dinner was a great success. At this time no activities are planned but the committee is working on the 2022 CAC events calendars. Olivia also announced Coffee Talk will be on the third Wednesday of the month until further notice.

14. Call to Public

A resident stated that the rate increase could be difficult for some owners who are on a fixed income with Social Security and limited budgets. Jutta Lunario and JS Ison empathized with all residents in that situation but stated the cost of goods throughout the economy is behind the rate increase. Dan Crane proposed to establish a fund to support residents in such a situation with perhaps adding \$1 each month to water payments which would be used to assist those less fortunate. The Board at this time reminded attendees TADWID's By Laws do not allow for this type of billing change. Dan Crane indicated he will work with Olivia Perez and the Community Activities Committee to come up with a community financial assistance program.

15. Adjourn

The meeting adjourned at 9:58 AM

Minutes Approved: April 23, 2022