

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

Special Meeting of The Board

Minutes

July 23, 2022

Members present:

JS Ison, Chair

Glenda Call, Treasurer

Roger Miller, Secretary of Affairs

Jackie Downey, Secretary

1. **Call to Order** 9:00 AM
2. **Flag Salute** Led by JS Ison
3. **Quorum** Confirmed by JS Ison
4. **Oath of Office Secretary, Jackie Downey** Jackie Downey recited the Oath of Office. Jackie then signed the Oath of Office document to be filed with County of Navajo, state of Arizona.
5. **Approval of Minutes for April 23 and June 9, 2022**
Jackie Downey read the minutes for April 23 and June 9, 2022. Jackie moved they be approved as presented; Motion was seconded by Glenda Call. Motion carried.
6. **4th Quarter and Annual Financial Report**
Glenda Call presented the 4th Quarter Financial Report. She stated that currently there was approximately \$50,000.00 in savings and \$20,000.00 in checking. She told everyone that there are printouts of financial reports for the year are available for anyone who would like to look at them. She mentioned she had missed the 4th quarter report in the financials and would post them for anyone wanting to look at them. JS Ison moved to approved the 4th Quarter Financial Report as presented; motion was seconded by Jackie Downey; motion carried.
7. **Billing Coordinator Report**
Dan Crane started off by thanking Chris White for all his help with meter reading. Said he could not do his job without the work that Chris did.

Dan then presented the Billing Coordinator report. Total of 367 active meters at this time. Four properties have changed ownership (two were sold and two were

passed to family members). We have one new meter waiting for installation. Philip Call stated this meter was installed as of the 19th.

He then went over the usage analysis. Noted that from Jan-June 2021 usage was 2,014,627 and from Jan-June 2022 usage was 2,142,134 an increase of 6%. He stated we needed to check into the increase usage.

We currently have 172 contracts on record. He mailed out new contracts to be filled out to update records and has only received 115.

One account continues to be over 90 days delinquent. This account has not been paid since the property owner took over in December 2021. The two previous past due accounts are now current.

Went over the Lien process and stated it costs \$250.00 to file lien. Would like the board to discuss and advise how they wish to handle liens. Asked the board to set fees for both lock off and removal of lock. He stated we needed to make it not beneficial for seasonal owners to just have water shut off and then turned back on again.

A question was asked as to the Board's recommendation on records retention. Blake Anderson commented that he has information he will give him that goes over record retention.

JS Ison moved to accept the Billing Coordinator Report; Glenda Call seconded the motion; Motion carried.

8. **Systems Report**

Blake Anderson gave update on Well 2, he stated it now automatic which is the first time in 3-4 years. Well 1 rehab will start at end of summer once summer residents have left, it is currently at 50%. Bull Elk should be completed by the end of August, beginning of September

The plan is to replace valves so that you are able to isolate by street. Once everything is completed Blake plans to put a file together that has all updated status on all wells.

Should have an updated report to present to board at October meeting.

Roger Miller asked how far down drill to Well 2, Philip stated 500 ft. He also asked where the sand came from and Blake explained it is from sandstone rock formations in the water table. Once casings are replaced it will solve the problem. All new casing will be made of PVC to eliminate this problem.

Blake mentioned that we passed the ADEQ audit that was a few months ago. Only thing questions was current maps and records. Blake stated once everything is updated he will get current maps.

9. **WIFA Tank Improvement Project Bid Update**

Blake started off by saying all bids were in. Blake explained that there are two parts to the improvements. The first part which is being done now is sandblasting and painting exteriors. Then they will install new manifold and pressure plates. They will be updating all wells so they will continue to run efficiently.

10. **Billing Infrastructure**

Glenda Call started off by stating that previous TADWID boards have discussed changes that would positively contribute to the District and the water system. Today, the District finds itself at a place where its aging water system, with the assistance of WIFA funds, is going to become more modern, technologically efficient and effective system.

With that being said, Glenda Call recommended Utility Billing Outsourcing to a CPA.

Glenda stated that it was her opinion that the district needed to make a business decision to outsource utility billing to a CPA. Outsourcing utility billing would bring in a non-partial third party who will have no direct association with the board beyond receiving payment for services rendered. Outsourcing utility billing will allow the person to focus on and utilize the job as a professional source of income which means maximizing due diligence in performance of all duties accurately, efficiently and transparently.

She stated that all budget line items currently under the Billing Department as well as the business telephone line will be eliminated from the budget as a third party will be responsible for those costs entirely. Annual billing costs for B-Monthly utility billing is currently \$14,200.00. The monthly cost for outsourcing utility billing to a CPA would be \$1,000.00 per month for an annual cost of \$12,000.00. This represents an annual savings of \$2,200.00.

Glenda stated that making this change will allow the board to focus on what is best for the District by making the best decisions for (1) all the daily operations, repairs and maintenance of the water system equipment to ensure the quality of the water. (2) keeping the system running in optimum condition. (3) meet the community's needs and (4) meet the State requirements.

Roger Miller commented that it sounded like a good idea. At that point the current Dan Crane the current Billing Coordinator interrupted and stated that he was in

effect fired? Glenda stated no and that as a contract employee he would be given a 60 day notice per his contract. At that time Dan came up and dropped his keys on the table and said he would bring back the boxes of records.

Glenda Call moved to outsource Utility Billing to a CPA effective 9/1/2022; Jackie seconded the motion; motion was carried.

11. **Bid Opening for Water Systems Operator**

Only one bid was received. The bid was from Blake Anderson. The board opened the bid and took time to read over it and ask any questions. No questions were asked by the board. JS motioned to accept the bid; Glenda seconded the motion; Motion was carried. Effective start date to be 08-01-22. Blake stated he would like to work along side Philip for the month of August for an easier transition.

12. **Community Activities Report**

Joe Brosius presented the activities report. He stated they had been busy this last quarter. Two Bingo's and a community yard sale. He stated that the BBQ went off good but with a smaller attendance probably due to COVID outbreaks.

On Tuesday volunteers met to pick up trash along Timberland Acres Road. Had a good turnout for that. Thank you to everyone who volunteered.

At this time Coffee Talk has been cancelled due to lack of participation. We may revisit getting it going again at another date.

13. **Call to Public**

Several community members commented they did not think it was right the way that Dan was notified of the Board's agenda item to outsource Utility Billing. Roger Miller and JS Ison both explained the Open Meeting Law prevents the Board from discussing agenda items. The Board would be in violation of the OML and would be fined \$500 per occurrence.

Lana Hitchens asked if there would be an audit by a CPA? The board replied yes an annual audit will be performed by a CPA.

Lana Hitchens incorrectly announced to the public that outsourcing a CPA was going to cost more money. Glenda Call responded that was not a true statement at all and per her agenda item she just presented, there will be \$2,200 in annual savings realized as a direct result of outsourcing to a CPA. Jackie Downey concurred that Glenda Call's presentation did state that TADWID will be saving \$2,200 per year.

Lana Hitchens commented that at the April 2022 meeting during Public Comment, she asked a question but never received an answer. JS. Ison advised her the answer was still being addressed and someone will get back with her.

JS Ison announced due to the meeting running over in time into the Road Board's time Public Comment would not be continued for this meeting. Lana Hitchens stated that the Board had cut off Public Comment at the last several meetings. JS Ison stated that was not true and past minutes would reflect that Public Comment has never been shut down.

14. **Adjourn**

The meeting was adjourned at 10:10 a.m.

DRAFT