

**Board of Directors of the Trujillo Trail DWID, SCC Arizona**  
**Meeting Minutes, May 24, 2023 at 5:00 P.M. MTS Time via Zoom**



1. **Call to Order & Roll Call:** Meeting called to order at 5:00 p.m. MST. J. Combo, D. Luckadoo, and J. Jenkins were present. Also present were E. Stubbs. F. Cassidy and M. Flanders, D. Cole, E. Bender, D. Elias. G. Goggins, J. Lopez were also present.

2. **Approval of Agenda:** D. Luckadoo moved to approve agenda, seconded and unanimously approved.

3. **Approval of Minutes of the May 24, 2023 Meeting:** D. Luckadoo moved to approve the minutes, seconded and unanimously approved. J. Jackson abstained as he missed some of the meeting.

4. **Chair, Board Members, and/or Treasurer and Clerk Reports. Summary of current events.** The water trailer has been registered with ADOT. J. Combo has the registration. The license plate is affixed. We need to find a way to affix the registration to the trailer. We are a little low at Echo Canyon. It is pumping 2.7gpm. Trujillo Trail is a little below half. The 42 yard is full. D. Luckadoo suggested that we need to increase the system pressure about 10lb. It needs to be balanced in both yards. We should probably increase the pressure gradually, so that we don't stress the system. We are in the highest demand time, so usage will be high, so we need to agree when and how to haul water from 42 Yard. We need to stay ahead of water usage and stay on top of the water system. We can fill 1500gph from 42 yard.

5. **System Operator Report:** We need to send out notifications to users to be especially conservative with water usage and that they need to be especially aware of any leaks that may be happening around their homes. We are reading the water meters on the 6<sup>th</sup> of June. J. Combo will read meters at the well yards, so we can let the membership know what the median average water usage is. In April of 2022, we were in the high 2000s for a median usage and 4000 as an average usage.

6. **Discussion and Possible Action regarding 90% complete pipeline design:** J. Jackson spoke with Team Converse with Allan Converse and all the updated material has been shared with us. Converse believes we are at 100% design stage, so we need to get any changes to him right away. We will be using Maricopa County (MAG) Standards, rather than Tucson standards. MAG is a larger consortium of jurisdictions that follow very similar criteria and specs. They are easily accessible for any contractor. We will not be able to take the access across the Alhaurin property as shown because it cuts through what would be a building pad. We may be able to access it a bit further west. D. Luckadoo will speak to them again about different options. We want to be on the east side of the cattle guard.

7. **Discussion and Possible Action to trigger SEAGO help:** J. Combo reached out to Evan Marsh; he then was instructed to speak with Samantha. We haven't really had contact with SEAGO. SEAGO was saying that they would normally work with the design contractor.

8. **Discussion and Possible Action regarding the bid package and standard specifications to be included in the invitation to bidders for the pipeline project:** We could break up our bid package, but Davis Bacon would have to be included in each package. It would probably be simpler to set up a single bid. We would go

out for a single bid and then if it is too high, we could reject all the bids and would then have to look at individual bids to see if they would be better for us. We would have to show good cause for such rejection.

**9. Discussion and Possible Action regarding request for bids to construct the pipeline.** When it goes out for bid it goes out to any approved contractor that wants to bid, but we are also able to send the package to people that we want to be notified of our project, so that we will have more competition on the bid for our project.

**10. Discussion and Possible Action regarding retaining project manager and obtaining permits if any are required.** The project manager has oversight over the entire project on our behalf, to make sure that all of the requirements are being met. The contractor would typically obtain necessary permits. We have clearance for the historic preservation item. Converse is ready to submit the application to ADEQ for approval to construct which ADEQ won't do without receiving the fee. The engineer will take care of getting the application to ADEQ. It will take about 30 days for the process. Having a Project Manager could help us manage our long lead times and keep us moving. Costs were discussed. The fees for ADEQ are pretty standard. J. Jenkins made a motion to allow E. Stubbs to submit payment to ADEQ for submission of our application, seconded and approved.

**11. Board resolution approving pipeline easement from Caracal Point to Trujillo Trail yard and any associated expenses.** This needs to be delayed. D. Luckadoo is still working on that.

**12. Discussion and possible Action regarding non-WIFA scope of this project, for example modifying the storage tank at 42 ASR including epoxying the tank.** This has been taken care of. We need clarification on whether the work to be done at the 42 yard is part of the \$700,000 WIFA. J. Jenkins will follow up with WIFA.

**13. Discussion and possible Action regarding obtaining insurance, both Director and Officer and general insurance for TTDWID.** Tabled

**14. Discussion and possible Action regarding beginning preparation for annual budget to include WIFA loan repayment expense.** We have to have a hearing on rates and fees by the 3<sup>rd</sup> week of July, which requires posting in the Nogales International and posting in places in the neighborhood. E. Stubbs presented us with a draft budget. A copy of the draft is attached to these minutes. Our current rates and fees are servicing us very well. We are financially healthy even with the expense of purchasing the water trailer and hauling water. We could probably bear the cost of epoxying the tank at 42, but beyond that we do not have funds in our present budget to service the WIFA loan. We have been putting \$200 per month into a WIFA reserve account for about 8 months. Very shortly we will begin servicing a \$2,130 per month debt load to WIFA for approximately 60 months. The payments are predefined. As part of the \$2,130 there is a reserve which WIFA is building for us during the 1<sup>st</sup> part of the loan at about month 60, we start putting money into that reserve account on our side of the loan. The rate for water consumption is not increased but there must be an increase in the infrastructure fee. The assumption is that we will not break ground until January of 2024. We may need to raise fees again for the 2024-2025 budget. The current infrastructure fee is \$42 and with the debt load and the expenses of a new accounting firm we have to move that to \$64. We need to check the parcel count for the Water District. This budget would become effective July 1, and will appear on the August billing. We will be adding a manual billing fee. The board agreed to a \$5 fee. The connection fee was revised in 2023 from \$7,500 to \$7,800. Prior to that it was \$6,100. There is one parcel that has a credit toward the infrastructure fee of \$4,000. We need to advise the County Treasurer that there will be no taxes for the District. There are 30 parcels connected to the district water system, including one infrastructure fee for

Alhaurin. We need to keep an eye on whether Alhaurin and Patricia, as well as one other property at the top of Rock Canyon, split their large parcels into multiple parcels. Water hauling should probably be increased from \$2,000 to \$3,000. E. Stubbs will send the Board year to date expenses, so they can see budgeted vs actual. E. Stubbs is no longer bookkeeper/biller/treasurer as of the 1<sup>st</sup> of July, so a firm has been hired to replace him. QuickBooks increased slightly, as well. The System Operator has certain qualifications necessary so that expense is necessary. The electric payment will have to go up as well, but not a great deal. UniSource bills the District for Rock Canyon, Echo Canyon, Trujillo Trail and 42. 42 is cyclical and Rock Canyon is rarely used now. We need to clarify whether we can charge the Project Managers fees against the WIFA loan or pay it out the District funds. J. Jenkins will check with WIFA. If we are comfortable with these numbers, we could start posting the notices, we may need another meeting prior to posting. Notices have to be up to 10 days before the hearing. Newspaper publications need to be 10 days before the hearing and 5 days before. We have to be aware of the publication dates of the Nogales International.

**15. Discussion and Possible Action regarding communication with Santa Cruz County road easement.** Our ability to use the Aliso Springs right of way is granted by statute. Coordination with the County of the use of the right of way clearance would be under the purview of the contractor. The County will have requirements and we will need a permit. It has been confirmed that the County owns the road all the way to Aliso Springs.

**16. Call to the Public:** Gail Goggins asked what the projected useful life of the system we are installing will be and if at some point down the line we would have augment the system. There are 3 wells serving the members now which are pumping approximately 5 gpm when they are pumping together and are between 800 and 1000 feet deep. Our water is fissure water up in Aliso Springs. The 42 can produce 76 gpm. We are looking to provide a 100-year potable water supply. 42 is in a totally different aquifer and water is at a depth of 250 feet. As we all know, the Southwest has water issues and that is an issue that would affect the entire valley. Even if we are fully built out we should still be OK. The project would make a reliable water source over the long term and make the further development of the possible. Jose Lopez wanted to thank the Board for all of their hard work, knowledge and expertise. He shares the same concerns about the future; however, he sees the benefit of the project. Gail also thanks the Board for all of their hard work. There will always be maintenance and improvements necessary to the present system over time. J. Jackson suggested a brief summary to the members regarding the project.

**17. Announcements:**

**18.A Next Meeting Date:** Will be within the next 3 Weeks.

**17.B Future Agenda Items:** Discussion and Possible Action regarding WIFA loan; Update and Possible Action regarding pipeline engineering firm design, discussion and possible action regarding pipeline project manager, Update and possible action regarding board resolution approving pipeline easements and expense, Discussion and possible action regarding Request for bides to construct pipeline, Discussion and possible action regarding having outside maintenance person on retainer in case of emergency, discussion and possible action to trigger the SEAGO help about government contracting to take advantage of WIFA's \$20,000 free SEAGO assistance, Discussion and possible action regarding the appointment of new Treasurer, Discussion and Possible Action to find new Clerk/Secretary., Discussion and Possible Action regarding budget for 2023-2024 fiscal year, approval of new accounting and billing firm; New meter reader.

**18. Executive Session:** None Required.

**19. Adjournment:** J. Jenkins moved to adjourn the meeting at 6:37, seconded and unanimously approved.