

Blue Ridge Domestic Water Improvement District (BRDWID)
Minutes of the Special Board of Directors Open Public Meeting
June 28, 2023 at 3:00 P.M.
Starlight Pines Community Center, 2740 Arapaho Drive, Happy Jack, AZ 86024
Call-in number: 720-740-9623, PIN 5894439#

1. Call to Order

Chairman Mike Bourne called the Blue Ridge Domestic Water Improvement District (BRDWID) meeting to order at 3:00P.M.

Board Member Roll Call: Mike Bourne, Casey Samsill, Tom Osterday were present John Ritter attended by telephone.

Quorum: Mike Bourne declared that 4 board members were present and that constituted a quorum to conduct business.

2. Pledge of Allegiance

3. Accept Agenda as Presented:

Motion: Accept Agenda as presented Moved by: Tom Osterday Seconded by: Casey Samsill
The motion was passed by: John Ritter, Mike Bourne, Casey Samsill and Tom Osterday.

4. Regular Agenda Items

A Discuss and possible approve the transition plan for Starlight Water Company (SWC) assets to the BRDWIB.

A general discussion was had by the board on a proposed timeline and transition plan to complete the acquisition of the assets of SWC after receiving approval of the sale and purchase by the AZ Corporation Commission on June 21, 2023.

There are many steps to complete in a very short timeline and tasks were assigned to Board members to coordinate efforts.

Some of the major steps include:

A re-review of the proposed contracts to ensure they are still current

Acquiring proper insurance for the District

Consider transitioning our legal representation to another firm

Scheduling a walk-through of the system by our Contractors and creating a “punch list” of items needing repair.

Casey Samsill made a motion to accept the proposed Transition Plan as presented to move the Starlight Water Company assets to control of the District with the understanding that the timeline is very aggressive and may be extended.

Tom Osterday seconded the motion

The motion was passed by: John Ritter, Casey Samsill, Tom Osterday and Mike Bourne.

B Discuss and possibly approve the agreement with HDJ Consulting for the General Management of the District water system.

Mike Bourne explained the history of the decision for the Board to use outsourced contractors instead of having District employees.

A general discussion was had between the Board and HDJ regarding the need to local office space and HDJ's experience running water systems for both private companies and Water Districts.

Casey Samsill was not able to fully review the proposed contract prior to this meeting. A discussion was held around postponing the final approval of the contract until he had a chance to review it, but in the interest of time it was decided that we could vote on the contract as we still had 3 Board members who had reviewed the contract.

Tom Osterday made a motion to accept the agreement with HDJ with the understanding that the contract had to be updated prior to being signed by both sides. Mike Bourne or his delegate is given the authority to do a final review approve the contract.

John Ritter seconded the motion.

The motion was passed by: Casey Samsill, Tom Osterday, John Ritter and Mike Bourne.

- C Discuss and possibly approve agreement with Susan Thompson as Administrative Assistant to District Manager.

A discussion was held about who actually pays the wages of the Admin and whether the position is acting as a District employee or as a Contractor.

It was decided that as the contract is written the position is not a direct employee but can be considered a contractor.

John Ritter made a motion to accept the agreement with Susan Thompson as Administrative Assistant to HDJ.

Tom Osterday seconded the motion.

The motion was passed by Casey Samsill, Tom Osterday, John Ritter and Mike Bourne.

- D Discuss and possibly approve agreement with A Quality Water Company to operate and maintain the water system and ensure the water system meets all regulatory requirements.

Mike Bourne explained a history of A Quality and their commitment to this system by hiring an additional person to provide a back-up operator.

A general discussion was had about how bills are paid by the operator, management company and District manager.

A discussion about future use of electric read meters and how they could be used to notify operators of system failures or abnormalities within customers usage. This was tabled for the future.

The contract for A Quality Water was created in 2022 and needs to be updated in terms of locations and timelines as relevant to our District. In the interest of time, it was proposed to accept the agreement as a draft and when the changes are made to review and approve the agreement.

Tom Osterday made a motion to Accept the A Quality Agreement as is with the understanding that there will be a clean-up of the wording as relevant to our district and change the billing to a net 30 days with a penalty of 2% per month after 60 days. Mike Bourne or his delegate have the authority to review and approve the contract when the changes are complete.

Casey Samsill seconded the motion.

The motion was passed by Casey Samsill, Tom Osterday, John Ritter and Mike Bourne.

E Discuss and possibly approve agreement with Arizona Utility Billing Solutions (AUB), LLC

Mike Bourne provided a history of the decision process to down select to AUB with cost estimates and services provided.

The current agreement needs revision to add liability insurance for AUB and make sure the District is protected.

Casey Samsill made a motion to accept the AUB agreement with the revision to add liability insurance to protect the District.

Tom Osterday seconded the motion.

The motion was passed by Casey Samsill, Tom Osterday, John Ritter and Mike Bourne.

5. Next meeting July 15 , 2023 at 1 pm at the Starlight pines community center.

Agenda items

Introduce the new contractors

6. Adjournment

Tom Osterday motioned for adjournment; Casey Samsill seconded.

Mike Bourne, Casey Samsill, Tom Osterday and John Ritter approved the adjournment

Chairman Mike Bourne adjourned the Meeting at 5:03 P.M.

John Ritter

John Ritter Board Secretary and Clerk
Blue Ridge Domestic Water Improvement District

Prepared on: June 29, 2023

Mike Bourne Board Chairperson
Blue Ridge Domestic Water Improvement District

Board Approved on: July 15, 2023