

Blue Ridge Domestic Water Improvement District (BRDWID)
Minutes of the Board of Directors Open Public Meeting
August 19, 2023 at 1:00 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 1:02P.M.

Board Member Roll Call: Mike Bourne, Casey Samsill, Tom Osterday and John Ritter were present. Brian Willia was not present.

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

John Ritter made a motion to accept the Agenda as presented Seconded by: Casey Samsill
The motion was passed by: John Ritter, Mike Bourne, Casey Samsill and Tom Osterday.

4. Call to the Public

There were no comments from the public

5. Consent Agenda Items

Casey Samsill made a motion to accept the Draft minutes from: the May 13 2023 Budget meeting, the May 13, 2023 Board meeting and the July 15, 2023 Board meeting. Tom Osterday seconded the motion.

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

6. Regular Agenda Items

A. Status of the transition of Starlight Water Assets to BRDWID

Mike Bourne reviewed the proposed timeline for closing and the transition plan.

Tom Osterday asked about the response from Starlight Water Company (SWC) letter. The County has been contacted about getting their contractor to unseal the valve covers. Fire hydrants still need to be exercised to ensure they are working, the Fire dept is aware and is creating a plan to check the hydrants. Maintenance records will be turned over to the District at closing.

General discussion about meter reading timing around closing and how to actually test/exercise the hydrants without wasting too much water.

B. Report out on 7-26-2023 water system familiarization tour

Mike Bourne explained the water system tour.

The new operators were pleased with condition of the sytem and how well it has been maintained. Casey Samsill mentioned that the District will have open access to all the well and pump sites once the assets have been purchased.

Tom Osterday and Mike Bourne mentioned how impressed they were with the current condition of the sytem.

C/D. Consider the possible approval of utility management agreement, Introduce to the Community Southwestern Utility Management (SUM)

Steve Wene represented SUM and gave a talk about what a utility management company does and why SUM is still a good fit for the District. He took many questions from the community and either provided direct answers or took an action to get the answer. Steve Wene justified the higher per meter rate based on SUM having the resources to keep the system running in an emergency and the system historical data they had. SUM is waving the transition fees for the District.

Casey Samsill stated that Lee Thompson answered most the questions which is why SUM did not get many calls. Steve Wene replied that Lee would provide answers, but had a lot of people at SUM providing the data for the answers.

There was some discussion about a recent change in billing systems where people could not use electronic funds to pay bills, this is an issue to be addressed by SUM.

There was a question about why SUM had such a poor Google rating. There was no real answer to this question except to understand that people do not in general leave good reviews.

The board discussed the actual contract changeover and as it is a 12 month contract with a termination clause the Board would be able to cancel the contract and move services if SUM failed to meet their obligations.

Casey Samsill made the motion to Accept the current Southwestern Utility Management Contract for 12 months and add “upon closing” as the start date. Tom Osterday seconded the motion.

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

E. Consider and possible approval of Treasurer position

Mike Bourne explained that he had talked to Brian Willia about accepting the treasurer position and Brian Willia had agreed.

Casey Samsill made a motion to appoint Brian Willia to the Treasurer position of the BRDWID. Tom Osterday seconded the motion.

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

Congratulations Brian Willia as the new Treasurer.

F. Review Rate Structure

Mike Bourne discussed the new rate plan vs the existing SWC rate plan and how customers will be affected. Based on current knowledge the rate plan set in 2021 will still provide enough revenue to meet the District obligations.

G. Financial Report

Mike Bourne reported the current checking balance.

H. Discuss and possible action on the Insurance proposals

Harry Jones (General Manager) provided information about the insurance carriers and coverage he had researched and provided a policy from a local carrier to provide D&O Insurance as well as Liability and an Umbrella policy for the District.

Tom Osterday mad a motion to accept the Auto Owners Insurance Policy to Provide the District with D&O insurance and a Liability and Umbrella policy for the District.

Casey Samsill seconded the motion.

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

I. Review results of meeting with SP HOA on use of the Community Center

Mike Bourne reported that the District will be allowed to use the CommunityCenter for the monthly meeting.

7 Announcements

The next meeting will be September 16 19, 2023 at 1 pm at the Community Center, per the schedule set earlier this year.

Agenda items: No agenda items were discussed

8 Adjournment

John Ritter made a motion to adjourn the meeting at 2:59 pm Tom Osterday seconded.

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

John Ritter

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

Prepared on: Aug 21, 2023

Mike Bourne Board Chairperson
Blue Ridge Domestic Water Improvement District

Board Approved on: Sept 18, 2023