

**WMINUTES OF REGULAR MEETING
OF THE BOARD OF DIRECTORS
OF THE
WHITE MOUNTAIN SUMMER HOMES
WATER IMPROVEMENT DISTRICT**

June 21 2024

A regular meeting of the Board of Directors of the White Mountain Summer Home Water Improvement District of Navajo County, Arizona was held on Friday **June 21, 2024** in the Maintenance Building located at 2950 Aspen Loop in the White Mountain Summer Home Subdivision, Pinetop, Arizona. Chairman Ladigo called the meeting to order at **8:00 AM** and upon roll call the following Directors/Guests were present:

P. Ladigo, Chairman
G. Koether, Secretary
M. Lacey

T. Deming, Operations Manager
K. Garcia, Office Manager
R. Thompson Office Manager

Approval of Minutes

Chairman Ladigo called the meeting to order with a quorum. Chairman Ladigo asked if there were questions or comments before approving the minutes from **May 17, 2024**. Director Koether mentioned the slight difference in where the pump is set, which is 485, not 475. Director Lacey seconded the motion. Motion approved.

Operations Report

Operations Manager Deming explained the wells are in good shape now. We are at 8% water loss, which includes the winter and all of the spring flushing. Anything below 10% is good and the national average is 12-15%. Well 4 was put back in. The maintenance was preventative. The water level did not come up any more. It cleaned the perforations out and we have more cascading water. The pump was reduced from 15 to 10 horse power. In doing that we had to purchase a new screen because the old was mounted on the outside of the box and is now inaccessible to program the new pump. The new one VFD was \$1300 and the electrician will be out next week to install it, inside the box. Four out of six fire hydrants have been installed. We have about 8 left to do. The new hydrants can be rebuilt, whereas the old ones cannot.

Financial/Treasurers Report

Director Suft was not present, so Chairman Ladigo discussed financials. We will exceed the budget income. I approved a \$3,000 piece of equipment for Trevor to read the meters. The Office Manager can spend up to \$500 without approval. Directors can approve anything up to \$5,000 at their discretion. Above \$5,000 requires a Board vote. The Board needs to approve the budget. We adjusted repair and maintenance following last meeting, mirroring what we had last year, \$75,000. Wells 5 and 7 will be addressed next year. Well 5 was drilled but never conditioned. It has never been developed. We spend a lot of time with it, flushing it. The plan is to put in a bigger pump. Currently it doesn't have the power to pump to the tanks. It requires a booster pump. It runs dirty and after hours it will clean up. The water gets thrown out. It was recommended to have a spare pump for 7. Chairman Ladigo made the motion to approve next year's budget, which includes the 10-year long range capital plan. Director Koether seconded the motion. Motion approved.

Office Management

Office Manager Thompson explained the new software company is working on implementing the last part, which includes paperless billing and autopay. We've received a lot of payments, but we have received a stack of returned statements. There is a huge problem with the mail service. It took up to 12 days to reach destination, without being returned. The goal is to get as many as possible to enroll in ACH. It saves postage, paper and we get paid in a timely manner. I've been reaching out to those who are past due, even the habitual delinquents. Chairman Ladigo added that he notified the Club that their water bill will increase due to 4 meters that have not previously been billed for the two restrooms on the course and two watering stations. Operations Manager Deming offered that he can install touch-read meters to these four for \$220 for the meter and \$150 for the labor. Chairman Ladigo requested that he proceed with purchasing and installing the 4 new meters. This does not require a vote.

New Business

Chairman Ladigo announced that Director Pace recommended the WID should increase the base and rate. We have not raised the base in over 10 years. We are in the lower third for base rate in the state and we are not hurting for money. We've made \$50,000 to \$75,000 per year, net profit. Director Pace also wanted us to consider raising the metered rate by a couple cents per gallon. It's not easy to discuss this without looking at our loan with BMO, which is due to be renegotiated this December. When we discuss water rates, we first need to know what will happen with our loan rates. That is the key element. The rate will hold for the next 5 years. The total amount will be due at that point. We may have to update water rates this fall. I'd like to defer making any rate adjustments until we know what the bank will do regarding the interest on the loan. We don't have the reserves to pay it all off. Directors Lacey and Koether were in support of this decision.

Old Business

No old business.

Executive Session

No Executive Session was held.

Call to Public

No comments from the public.

Announcements

Unless otherwise directed the next meeting will be Friday **July 19**, at 8:00 AM in the Water District Office located at 2950 Aspen Loop.

There being no further business to come before the board, Chairman Ladigo called for an adjournment of the meeting. Meeting adjourned at **8:41 AM**.

Respectfully Submitted,
Robin Thompson