Timberland Acres Domestic Water Improvement District
PO Box 1531
Show Low, AZ 85902
Special Hearing Meeting
Minutes

June – 20th - 2026

Members present:

JS Ison,	Chair
Dan Crane,	Treasurer
Raymond Brown,	Secretary
Steve Wene	Lawyer
Blake Anderson	Contractor

Call to Order	(9:02 AM)	JS Ison, Chair
Pledge of Allegiance		NONE
Quorum		Confirmed by JS Ison, Chair

1. **JS started off talking about the new Web Site – and how both the Water Board and Road Board with be working together to ensure the Community will always be updated on all meetings and updated work.**
2. **Call to Public : CM : – asked about the most recent bill for electric – ($-18,000) – who's controlling the lights - ? – and or other areas. Are all areas being monitored - ?. JS stated that He did not know this, and thought that they were on timers, and shut off automatically. JS stated that He would be looking into it.**
3. **Steve Wene : Short introduction on Himself, as well as Blake.**
4. **CM : Asked if this was the time to discuss Policies and Procedures / Rules - ? – Steve stated that we would be getting into that later in the meeting.**
5. **CM : Asked what was being done about the Sulfur smell in the water - ? – He also stated that we used to have good clean water years back, and now we have this Sulfur smell. Blake stated that the smell is coming from His water heater, and it was due to some type of bacteria build up in His water heater. Blake stated that there is a process He could do to clean His water heater, and that using this process, should clear up the Sulfur smell. Blake stated that He would get with Him after the meeting.**
6. **Blake talked about Well #-2, and how the casing is showing to have a hole in it, and that it is just a matter of time before it will need to be replaced. It's over – 40yrs old, and the casing is made of carbon steel. The new well pump casings will be Stainless Steel. The well is currently turned off, and Wells - # - 1 & 3 – are currently suppling the Community. When all three Wells are running, Blake will look to Cycle them, which will save the life of the pumps, as well as reduce our electric bills. Blake also stated that water is heavy – (1-gallon of water – is 8lbs), it takes a lot of electricity to move it. Blake talked about replacing the Well site overall. New site will still be somewhere near the current Well site. Blake stated that Clay Springs just received some funding to help update their water district. This is a good sign for money still being given out.**
7. **CM : Asked how do we go about getting the funding - ? – Blake expressed that first you have to be a DWID – along with the Community showing to have the money to cover pay back expenses. CM : what size is the submersible pump - ? – VS – Turbine - ? – Blake stated that Turbine use is just not feasible. Blake also talked about – 8 – previous Well**

site digs. Seven of those digs did not show to produce water. More information will be available at our next meeting.

8. **JS Made a motion to approve the Minutes – CM – Stated that She had not seen the Minutes or read them. Another – CM - spoke up and stated that the Minutes were on the Website. Minutes were placed in the April Minutes within the Website. JS again made a motion to approve the Minutes – Ray Brown – 2nd the motion – all those in favor say – I – I – no questions, no concerns, motion passed.**
9. **Steve Wene : Talked on and about the Consent Agenda – Steve explained that a consent agenda – is a meeting practice that groups, or business report into - one agenda item.**
10. **JS made a motion to approve the Consent Agenda – Ray Brown – 2nd the motion – All those in agreement say - I – I - no questions, no concerns, Motion passed.**
11. **Blake talked about the Budget – Electric Bill – Well #-3 – is our most expensive Well to run. Blake also talked about Scada expense – depreciation / expenses.**
12. **JS made a motion to accept the Budget – Ray Brown – 2nd the motion – all those in agreement say – I – I - no questions, no concerns, Motion passed.**
13. **CM : asked are we running on a negative depreciation – Blake stated that depreciation is ongoing, and always continue for the next – 50 plus – years. Negative depreciation would only change if we catch up with our water rates.**
14. **CM : Asked why charges were not passed on to other parties - ? - it was explained that this was built into Blakes contract.**
15. **CM : Asked why depreciation went from - $-2,000 – to - $-5,000 - ? – this again stated above – it's planned on a - 50yr – plus depreciation schedule, sampling – cost of Lab fees, along with other contaminants being tested in our community water. The price of all has been raised – 2024 / 2025 – and on throughout – 2026 – and on.**
16. **Steve Wene : Spoke directly about someone who worked on a cash basis – pumps motors – 8 – to – 10 yrs. These being pulled and replaced. Costs continue to rise - $-12,000 – to – $-15,000. Nayroot standard will determine the length of life span on equipment – this will also allow for proper planning for future repairs within our community.**
17. **CM : Asked if the Community should start a reserve fund – (4%). Steve stated that we should have been building in a reserve fund all along.**
18. **Blake : Talked about the project Mapping along with the cost. This has allowed us to move ahead with our community water projects and plans. Also with the rate increase, this will also help with having a reserve fund.**
19. **Dan Crane : Spoke on our current bank funds – ($ 200,000), our current CD status, and our depreciation now being in place.**
20. **Steve Wene : Spoke about our operating expense – ($134,000 to 194,000), operating expense in place – and depreciation.**
21. **Dan Crane made a motion to accept the Budget – JS – 2nd the Motion, all those in favor say – I – No questions – no concerns – Motion passed.**
22. **Steve Wene : Stated that the Budget made and set – Community Rates are also designed to match, and in turn Budget should be met.**
23. **CM : Asked if this is the rates we are looking at – (Holding up a sheet of paper) - ?**
24. **Blake : Talked about rate increase – everything has gone up – inflation – parts – and that rate increase should be looked at yearly. Blake talked about how the information was put into a program, broke it down in a number of groups. Bulk usage, fell below – 5,000 – Gal, extra Gallon's used did not show to pay, so the rate increase is needed.**
25. **CM : Example given on Bi Monthly Pay – 5,000 – Gal – Plus - $ 2.50 – for every – additional 1,000, follow the Rate Chart attached & what was passed out.**
26. **CM : Cost Per Equipment – and how are the $-dollars monitored - ? – Blake, Cost due to damaged on Customers property, Service calls, after hours calls, no cost if it on T/A's side, Customer will have to pay if on their side of meter.**

27. **CM : Customer asked who to call prior to digging – (Blue Stake - #-811), this is done to the property line.**
28. **JS : Made a motion to approve the Rate increase – Dan Crane 2nd the motion – all those in favor say – I – I - no questions, no concerns, motion passed.**
29. **Steve Wene spoke about where we stand with neighboring area on water rates - ? – T/A shows to be behind in water rates.**
30. **CM : Asked how are we looking with our water table - ? – Our Water Aquifer shows to be doing great, while other areas are struggling.**
31. **JS spoke a little bit on the cost to the changing from By Laws to Policies and Procedures / Rules. JS made a motion to approve the change – Dan Crane 2nd the motions, all those in favor say – I – I - no questions, no concerns, motion passed.**
32. **Steve Wene gave quick difference between who should use By Laws – Corporations – and who should use the Policies and Procedures / Rules – Communities. Steve also mentions John Cheney, and how the By Laws became part of T/A.**
33. **Dan Crane talked about how the Board will be the only one's to vote on and future changes to the Policies and Procedures / Rules.**
34. **CM : Asked about how we would be mandating water restrictions, when the wells show to be at or below – 50% - ? - Self monitor, as well as know the important high volume visit dates, play your part as a community member, and cut back if you can.**
35. **CM : Asked about a Stand Pipe – Standalone water pipe not connected to the house - None shown to be in the T/A Community.**
36. **CM : Asked about the number of gallons held in the tanks when full - ? - (262,000 - Gallons). Well pumps can pull – (60-Gallons), a minute, not including well #-2.**
37. **Blake talked about a – 1,500-FT – PC – of pipe between Juniper & Geronimo. If this were to fail, we will be in trouble. He also talked about both the Road Board and Water Board working with Blake / WIFA – to – replace that pipe with a – 6" – Main Pipe – to help supply all homes in the area. This is a plan in the works.**
38. **Steve Wene talked quickly on the handling of monies, and the move to be made with our check book being moved from Dan to our accountant.**
39. **CM : Asked if the Free water went away – Steve stated yes.**
40. **CM : Asked about the Fees, if documents are requested. Steve stated that you have to be careful, and yes they can place a fee on the request for documents.**
41. **Dan Crane talked to the Community on and about where we were – 5-Yrs – ago, compared to where we are today. Look how far we have come and what has been accomplished. Dan received an applause from the Community.**
42. **JS made a motion to approve the Check Book to be move to our accountant – Dan Crane 2nd the motion – all those in favor say – I – I - no questions, no concerns, motion passed.**
43. **JS made a motion to approve Blake Andersons Contract, Ray Brown 2nd the motion, all those in favor say – I – I - no questions, no concerns, motion passed.**
44. **Steve Wene talked about labor expense – see attachment.**
45. **CM : Asked about the Web Site – it was said that you can get a lot of information there, but you have to register.**
46. **CM : Talked about how He had been paying for a Service, He showed to have a – 150' – to – 200' – water line break, and the company paid for all of it. Example was also given that if He had this happen in the valley, the cost could be double or triple.**
47. **Blake / Steve – Procurement code – State – County – City – must follow. We Follow Comment Law, Prudent standard mans law. Example : Call 3 People, get – 3 – quotes, use common sense.**
48. **Blake gave quick example of State Funds – and how we have to follow proper rules in both filing, and receiving those funds.**

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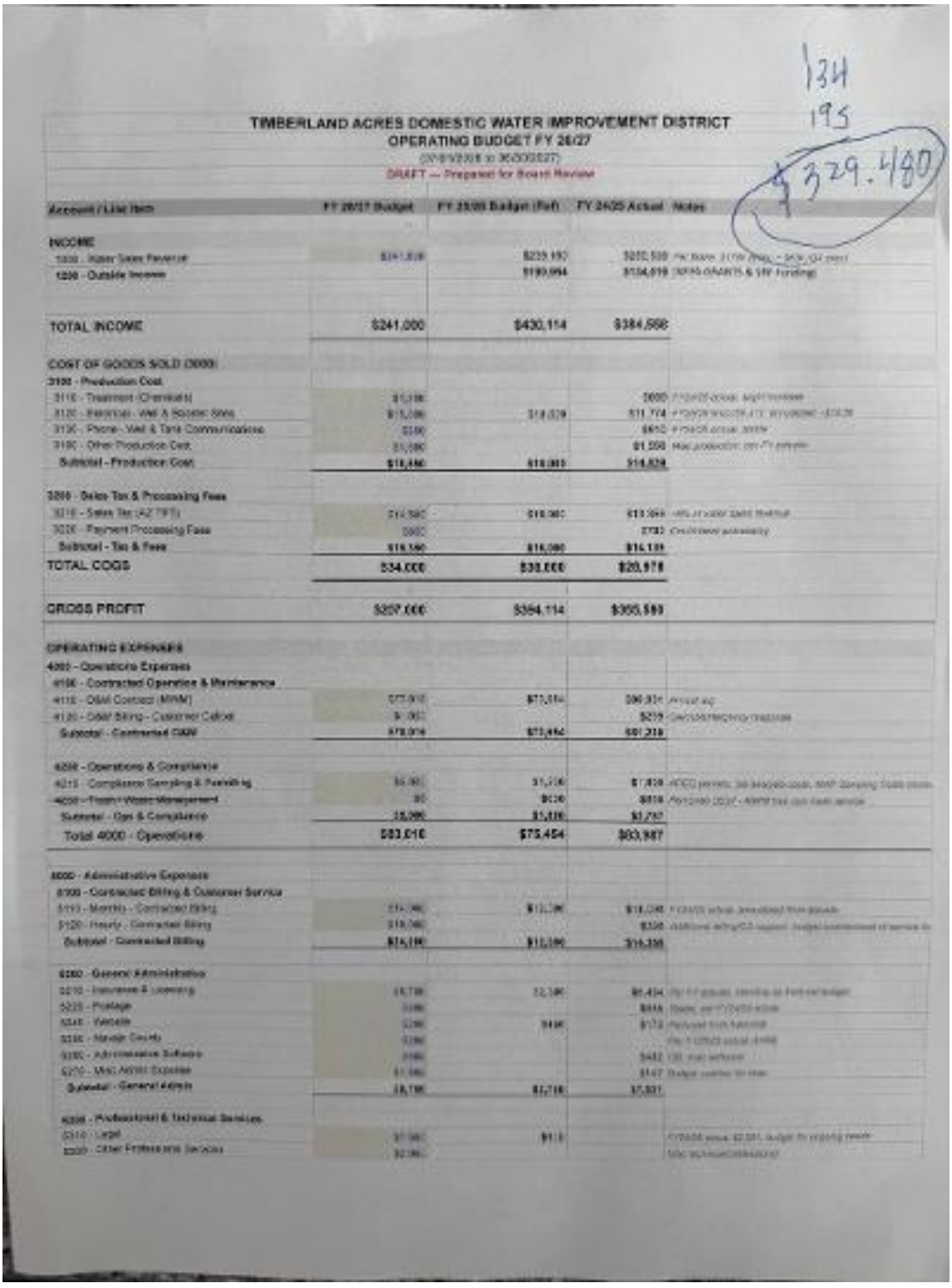

134
195
$329.480

TIMBERLAND ACRES DOMESTIC WATER IMPROVEMENT DISTRICT
OPERATING BUDGET FY 26/27
(07/01/2026 to 06/30/2027)
DRAFT — Prepared for Board Review

Account / Line Item	FY 26/27 Budget	FY 25/26 Budget (Rvd)	FY 24/25 Actual	Notes
INCOME				
1000 - Water Sales Revenue	$241,000	$235,193	$250,509	Per Board 2/19/26 mtg. + 3/30/26 mtg.
1200 - Outside Income		$190,994	$134,019	DEMS GRANTS & SRF funding
TOTAL INCOME	$241,000	$430,114	$384,668	
COST OF GOODS SOLD (3000)				
3100 - Production Cost				
3110 - Treatment (Chemicals)	$1,200		$600	FY24/25 actual, split increase
3120 - Electrical - Well & Booster Sites	$15,000	$18,029	$11,774	FY24/25 actual - $12,029
3130 - Phone - Well & Tank Communications	$780		$652	FY24/25 actual, prorate
3190 - Other Production Cost	$1,000		$1,558	Misc production cost FY actuals
Subtotal - Production Cost	$16,480	$18,809	$14,624	
3200 - Sales Tax & Processing Fees				
3210 - Sales Tax (AZ TPT)	$14,500	$16,000	$13,966	6% of water sales revenue
3220 - Payment Processing Fees	$680		$793	Credit card processing
Subtotal - Tax & Fees	$15,180	$16,000	$14,759	
TOTAL COGS	$34,000	$38,000	$29,978	
GROSS PROFIT	$207,000	$384,114	$355,589	
OPERATING EXPENSES				
4000 - Operations Expenses				
4100 - Contracted Operation & Maintenance				
4110 - O&M Contract (MWM)	$77,910	$71,514	$66,311	Annual adj.
4120 - O&M Billing - Customer Call-out	$ 760		$215	Call-outs/emergency response
Subtotal - Contracted O&M	$78,670	$71,464	$66,216	
4200 - Operations & Compliance				
4210 - Compliance Sampling & Reporting	$2,500	$1,716	$1,858	ADEQ permits, lab analysis costs, MWP Sampling Costs (more
4220 - Trash / Waste Management	$0	$120	$859	Removed 2027 - MWP has own trash service
Subtotal - Ops & Compliance	$2,500	$1,836	$1,797	
Total 4000 - Operations	$83,010	$73,454	$68,987	
5000 - Administrative Expenses				
5100 - Contracted Billing & Customer Service				
5110 - Monthly - Contracted Billing	$14,400	$13,200	$13,200	FY24/25 actual, annualized from episode
5120 - Hourly - Contracted Billing	$1,800		$336	Additional billing/CS support - budget maintained at service le
Subtotal - Contracted Billing	$16,200	$13,200	$13,536	
5200 - General Administration				
5210 - Insurance & Licensing	$3,720	$2,280	$1,434	Up FY actuals, trending up from last budget
5220 - Postage	$180		$165	Down per FY24/25 actuals
5240 - Website	$240	$480	$172	Reduced from $480/yr
5250 - Meeter Counts	$360			Per 1 FY24/25 actual - $180
5260 - Administrative Software	$180		$462	QB, misc software
5270 - Misc Admin Expense	$1,080		$147	Budget overrun for year
Subtotal - General Admin	$5,760	$2,760	$2,381	
6200 - Professional & Technical Services				
6210 - Legal	$7,500	$1,500		FY24/25 actual $2,381, budget for ongoing needs
6220 - Other Professional Services	$2,000			Misc as needed/unbudgeted

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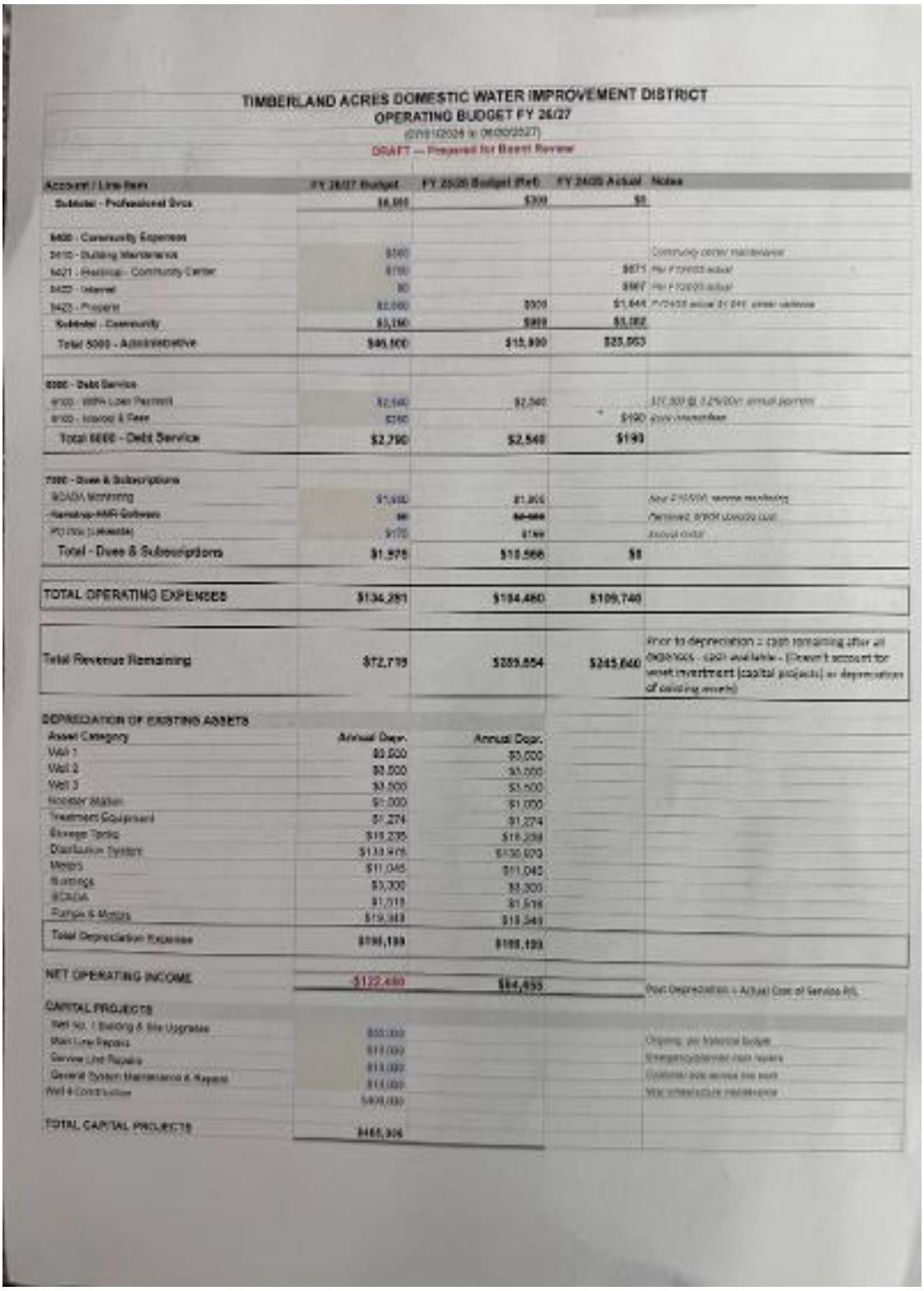

TIMBERLAND ACRES DOMESTIC WATER IMPROVEMENT DISTRICT
OPERATING BUDGET FY 26/27
(07/01/2026 to 06/30/2027)
DRAFT — Prepared for Board Review

Account / Line Item	FY 26/27 Budget	FY 25/26 Budget (Ref)	FY 24/25 Actual	Notes
Subtotal - Professional Svcs	$6,000	$300	$0	
6400 - Community Expenses				
6410 - Building Maintenance	$500			Community center maintenance
6421 - Meetings - Community Center	$700		$671	Per FY24/25 actual
6422 - Internet	$0		$867	Per FY24/25 actual
6423 - Property	$2,000	$900	$1,644	FY24/25 actual $1,644; under estimate
Subtotal - Community	$3,190	$889	$3,182	
Total 5000 - Administrative	$85,500	$15,990	$25,053	
6000 - Debt Service				
6100 - 889% Loan Payment	$2,640	$2,640		$21,309 @ 3.25%/20yr; annual payment
6120 - Interest & Fees	$150		$190	$100 interest/fees
Total 6000 - Debt Service	$2,790	$2,640	$190	
7000 - Dues & Subscriptions				
SCADA Monitoring	$1,650	$1,800		New FY26/27; service monitoring
~~Handicap-WMR Software~~	~~$0~~	~~$2,500~~		Removed; WMR canceled
PO Box (Lakeside)	$175	$190		Annual rental
Total - Dues & Subscriptions	$1,975	$10,566	$0	
TOTAL OPERATING EXPENSES	$134,291	$104,480	$109,740	
Total Revenue Remaining	$72,719	$259,654	$245,640	Prior to depreciation = cash remaining after all operations - cash available - (Doesn't account for asset investment (capital projects) or depreciation of existing assets)
DEPRECIATION OF EXISTING ASSETS				
Asset Category	Annual Depr.	Annual Depr.		
Well 1	$3,000	$3,000		
Well 2	$3,000	$3,000		
Well 3	$3,500	$3,500		
Booster Station	$1,000	$1,000		
Treatment Equipment	$1,274	$1,274		
Storage Tanks	$18,235	$18,235		
Distribution System	$133,905	$130,920		
Meters	$11,045	$11,045		
Buildings	$3,300	$3,300		
SCADA	$1,519	$1,519		
Pumps & Motors	$19,349	$19,349		
Total Depreciation Expense	$198,199	$196,199		
NET OPERATING INCOME	-$122,480	$64,455		Post Depreciation = Actual Cost of Service P/L
CAPITAL PROJECTS				
Well No. 1 Building & Site Upgrades	$50,000			
Main Line Repairs	$15,000			Ongoing, per historical budget
Service Line Repairs	$15,000			Emergency/planned main repairs
General System Maintenance & Repairs	$15,000			Customer line across the road
Well 4 Construction	$400,000			New infrastructure investment
TOTAL CAPITAL PROJECTS	$495,000			

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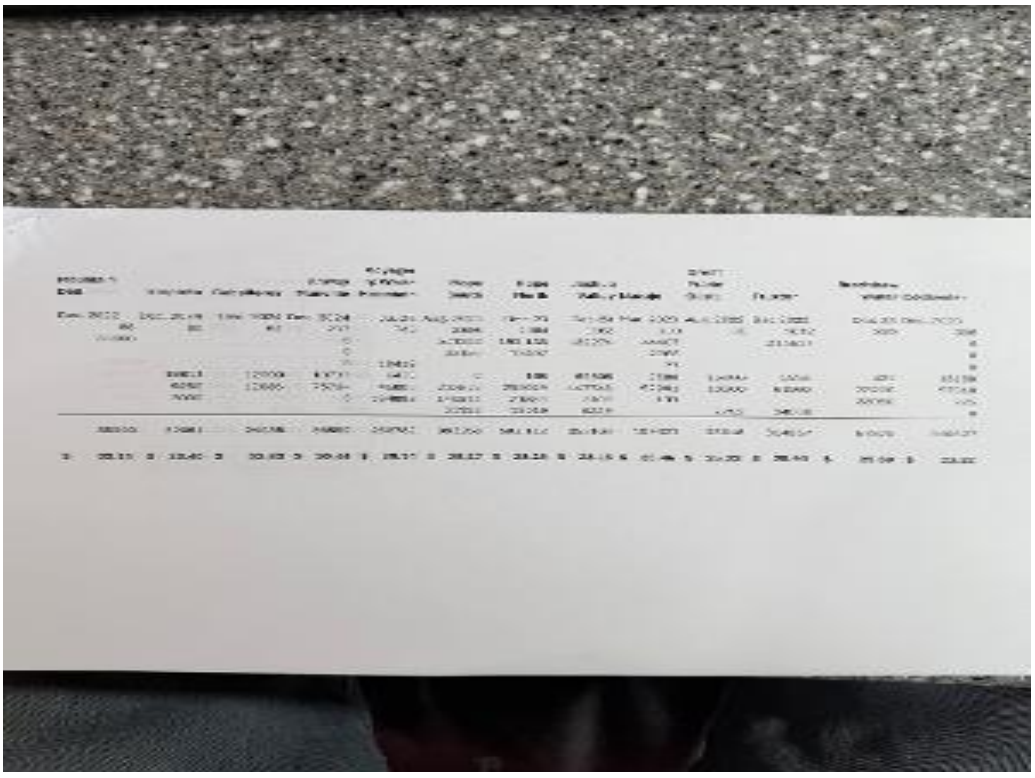
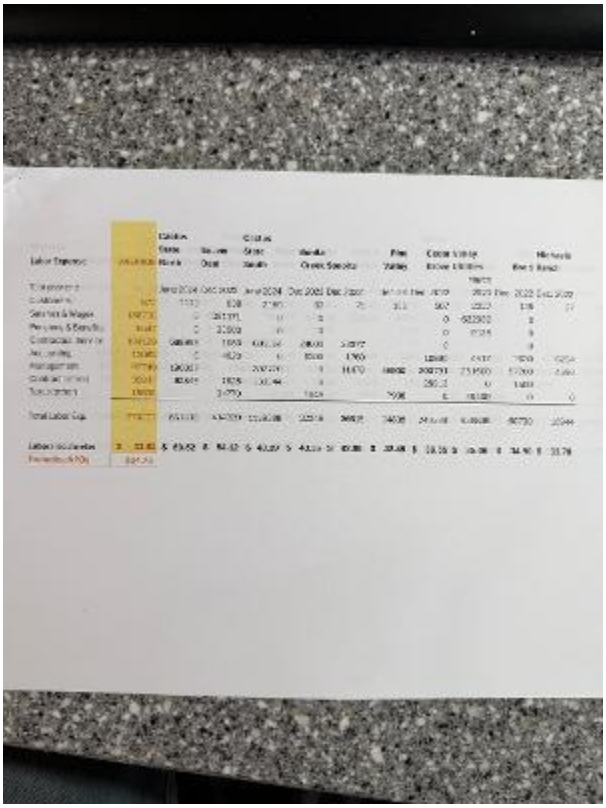


Humboldt		Yarnell	Granite Oaks	Verde Lakes
Jul 2022		June 2023	Dec 24	Dec-23
	371	529	470	861
				159940
	24000			6885
	46024	51300	36057	1500
	18790	99803	63935	
	8301	40183	3837	10855
		0	1102	5556
	97115	191286	104931	184736
$	21.81	$ 30.13	$ 18.60	$ 17.88
		Nonprofit	Nonprofit	Nonprofit

SAME



Timberland Acres Domestic Water Improvement District

Board Governance and Administration Policies

These Board Governance and Administration Policies govern the internal operations of the Timberland Acres Domestic Water Improvement District ("District"). They are adopted under Arizona Revised Statutes Title 48, Chapter 6, and shall be administered in accordance with applicable law. Where any provision of these Policies conflicts with Arizona law, the law shall control. These Policies, together with the District's Rules and Regulations, supersede and replace the District's prior By-Laws.

Definitions

As used in these Policies: "Board" means the District's Board of Directors; "Director" means a member of the Board; "Bookkeeper" means the certified public accountant or bookkeeper engaged by the District to maintain its financial records, prepare billing, and process payments; "Operator" means the licensed operator and other qualified personnel authorized by the District to operate and maintain the water system; and "Fiscal Year" means July 1 through June 30.

1.0 Governance Framework

1.1 The District is a domestic water improvement district organized under Arizona Revised Statutes Title 48, Chapter 6, Article 4 (§§ 48-1011 through 48-1020), and is a political subdivision of the State of Arizona located in Navajo County. The District's existence, governing board, and powers derive from statute.

1.2 These Policies do not restate Arizona statutes. Where a matter is governed by statute — including the open meeting law (A.R.S. §§ 38-431 et seq.), conflicts of interest (A.R.S. §§ 38-501 et seq.), public records (A.R.S. §§ 39-121 et seq.), Director compensation (A.R.S. § 48-1013), and the establishment of fees (A.R.S. § 48-910) — the statute controls, and any provision of these Policies that conflicts with the statute is void to the extent of the conflict.

1.3 The Board consists of three (3) Directors. Each Director must be a qualified elector of the District. Directors serve staggered four-year terms. A vacancy is filled by the appointment of a qualified elector by the remaining Directors for the unexpired term. The Board shall elect officers from among its members each year.

1.4 Officers. The Board shall have a Chair, a Treasurer, and a Secretary, each selected from among the Directors.

- The Chair presides at meetings, sets and publishes the agenda, works directly with contracted personnel, and executes agreements as authorized by the Board.
- The Treasurer oversees the financial affairs of the District, presents financial reports to the Board, and is responsible for ensuring compliance with the fiscal-control and purchasing policies in Sections 2.0 and 3.0. The Treasurer does not maintain the District's books of account.
- The Secretary maintains the minutes of Board meetings, ensures that draft minutes or a recording are available to the public within three (3) working days, posts meeting notices and agendas, and serves as the District's Records Custodian under Section 6.0.

1.5 Contracted Personnel. The District may engage a Bookkeeper, an Operator, Legal Counsel, and other contracted service providers as needed. The Bookkeeper maintains the District's financial records and processes payments; the Independent Reviewer, who shall be independent of the Bookkeeper, performs the annual financial review; the Operator operates and maintains the water system; and legal counsel advises the Board on legal matters.

1.6 Meetings. The Board should meet quarterly at a minimun and shall conduct all meetings in accordance with the Arizona open meeting law. Notice and an agenda stating the specific matters to be considered shall be posted at

least twenty-four (24) hours in advance at the District's designated posting location and on its website. The Board may take action only on matters listed on the posted agenda. Draft minutes or a recording shall be available to the public within three (3) working days. Executive sessions may be held only for the purposes permitted by A.R.S. § 38-431.03 and only as stated in the notice.

1.7 Adoption and Amendment. These Policies are adopted, amended, or repealed by resolution of the Board at a public meeting. A vote of the property owners is not required. A proposed amendment shall be placed on a posted agenda to allow public comment before the Board acts.

1.8 Insurance. The District shall maintain liability insurance covering the Directors in amounts determined by the Board.

2.0 Fiscal Controls and Separation of Duties

2.1 Purpose. The District administers public funds without full-time staff. These controls ensure that no single person controls the recording, payment, and review of District funds, and that the District's finances are transparent to its members.

2.2 Administration of Funds. The Bookkeeper records all financial transactions, prepares billing, and processes payments as provided in Section 2.4. The Treasurer provides oversight and ensures compliance with these Policies but does not maintain the books.

2.3 Bank Accounts and Signers. The authorized signers on District accounts are the Bookkeeper and any Director. No person may sign a disbursement payable to himself or herself or person where a conflict of interest exists.

2.4 Disbursement Authorization. Two (2) authorized signatures are required for any disbursement that equals or exceeds Ten Thousand Dollars ($10,000.00). All other disbursements may be made upon the single signature of the Bookkeeper. The Treasurer shall confirm that each disbursement complies with this Section and the purchasing policy and shall report any exception to the Board.

2.5 Reimbursement; Credit Cards. The District does not issue credit cards to Directors. A Director or contractor who pays an incidental District expense from personal funds may be reimbursed, without prior approval, up to Five Hundred Dollars ($500.00) per person per Fiscal Year, upon submission of an itemized receipt to the Secretary or Bookkeeper within thirty (30) days. Materials purchased for District construction or repair are not subject to the foregoing limit; such purchases shall be reimbursed at actual itemized cost, shall comply with the purchasing policy in Section 3.0, and shall be ratified by the Board. No person may reimburse himself or herself or sign a reimbursement payable to that person. Reimbursements shall be ratified by the Board and paid by the Bookkeeper.

2.6 Monthly Financial Reports. The Bookkeeper shall prepare each month a profit-and-loss statement, a balance sheet, and a register of disbursements. The Treasurer shall present these reports at Board meetings, and the District shall make them available to its members.

2.7 Operating Reserve. The District goal is to maintain a operating reserve of Two Hundred Thousand Dollars ($200,000.00). This goal is not a monthly minimum requirement; it is a policy statement of intent. The Board should review this goal each year during the budget process.

2.8 Fraud; Whistleblower Protection. Any suspected misuse of District funds shall be reported promptly to the Navajo County Sheriff's Office, the Navajo County Attorney, and the Navajo County Board of Supervisors. No person who reports a good-faith concern regarding financial misconduct shall be subject to retaliation.

2.9 Record Retention. The District shall retain financial and District records consistent with the state policies, rules, and regulations.

3.0 Procurement and Purchasing

3.1 Purpose. This Section governs the procurement of goods and services so that the District obtains value, treats vendors fairly, and remains within its budget.

3.2 Definitions. "Approved vendor" means a vendor approved by the Board, with the budget, for recurring or routine work. "Emergency" means an unplanned condition requiring immediate action to restore or protect water service or public health or safety.

3.3 Purchasing Thresholds. Procurement shall comply with the following thresholds, which correspond to the thresholds of the Arizona procurement code:

Amount	Requirement
Up to $10,000, budgeted	The Operator or Bookkeeper may proceed; the

	purchase shall be recorded.
$10,000 to $100,000	At least three (3) written quotes and the approval of an officer are required.
Over $100,000	A formal written solicitation and a vote of the Board are required.

3.4 Emergency Procurement. In an Emergency, the requirements of Section 3.3 do not apply. A designated person, the Operator or an officer, may immediately retain contractors and authorize the work necessary to protect or restore water service, in any amount. The Directors shall be kept informed in writing as the matter is addressed, and the Board shall review and ratify the action and the related expenditures at its next public meeting.

3.5 Approved Vendors. The Board shall review and approve the list of approved vendors and recurring obligations each year with the budget. Adding a recurring vendor during the year requires Board approval at a public meeting.

3.6 Competitive Process. For a procurement requiring quotes, the requester shall retain the written quotes with the payment record. For a procurement requiring a formal solicitation, the District shall use a request for proposals or qualifications, shall state the basis for evaluation, and shall make the selection at a public meeting.

3.7 Conflicts. No procurement shall be made in violation of Section 4.0.

3.8 Grant-Funded Procurement. Where the District expends grant funds, it shall comply with the more stringent of this Section or the procurement requirements of the grant.

3.9 Contracts. Ongoing services shall be provided under written contract and be eligible for renewal without additional procurement at the discretion of the Board.

4.0 Conflict of Interest

4.1 Purpose. The District conducts its affairs in the public interest. This Section is administered in accordance with A.R.S. §§ 38-501 through 38-511.

4.2 Definitions. "Substantial interest" and "remote interest" have the meanings given in A.R.S. § 38-502. "Relative" means a Director's spouse, child, grandchild, parent, grandparent, brother or sister of the whole or half blood and their spouses, and the parent, brother, sister, or child of a spouse.

4.3 Disclosure and Recusal. A Director who has, or whose Relative has, a substantial interest in any contract, sale, purchase, service, or decision of the District shall disclose that interest in the official records of the District and shall refrain from voting upon, or participating in, the matter.

4.4 Gifts. A Director shall not accept a gift intended to influence the Director's official action.

5.0 Director Compensation and Expense Reimbursement

5.1 Limitation. Directors are eligible to receive no more than $75.00 of compensation for no more than four Board meetings during a calendar year pursuant to A.R.S. § 48-1013.

5.2 Travel and Expenses. A Director shall be reimbursed for travel expenses. Mileage reimbursement shall be the current business rate published by the Internal Revenue Service. Meals and lodging expenses shall be reimbursed.

5.3 Procedure. A Director seeking compensation or reimbursement shall submit a request with supporting documentation to the Bookkeeper within thirty (30) days and such reimbursement shall be paid within thirty (30) days after submittal.

6.0 Public Records

6.1 Rules. The District complies with the Arizona public records law, A.R.S. §§ 39-121 through 39-122. Generally, documents held by the District are public records open to inspection. However, records involving personal, private information may not be disclosed if disclosure would invade privacy. *Carlson v. Pima Cty*., 141 Ariz. 487 (1984).

6.2 Timing. The District shall respond promptly to public records requests. .

6.2 Records Custodian. The Secretary shall serve as the District's Records Custodian. A request for public records shall be submitted to the District at tadwid@timberlandacres.com or at the mailing address posted on the District's website.

6.3 Procedure. Upon receiving a request, the Records Custodian shall:

- log the date of the request, the requester, and the records sought;
- acknowledge the request promptly;
- obtain the responsive records;
- redact information that is confidential or not public information;
- consult legal counsel where a request is novel, extensive, or sensitive;
- furnish the records, or state in writing the legal basis for withholding any record, and, for an extensive request, provide an estimated time for production and produce records on a reasonable, rolling basis; and
- retain the request and the response.

6.4 Fees Inspection of records is free of charge. If a person requests copies of documents, the District has the discretion to charge any fee it deems appropriate for copying records. The cost can take into account supplies used to produce the documents, equipment used to produce the records; and staff time necessary to copy the records. For a request made for a commercial purpose, the requester shall provide the statement of purpose required by A.R.S. § 39-121.03, and the District may charge, in addition to the cost of reproduction, a reasonable fee for the time, materials, equipment, and personnel used and the commercial value of the records.

6.5 Setting Fees. The Board may set copying rates during rate setting procedures.

Timberland Acres Domestic Water Improvement District

Rules and Regulations

These Rules and Regulations govern the provision of water service by the Timberland Acres Domestic Water Improvement District ("District"). They are adopted under Arizona Revised Statutes Title 48, Chapter 6, and shall be administered in accordance with applicable law. Where any provision of these Rules conflicts with Arizona law, the law shall control.

Definitions

As used in these Rules: "Board" means the District's Board of Directors; "Operator" means the licensed operator and other qualified personnel authorized by the District to work on the water system; "Landowner" means the owner of real property within the District that receives or applies for water service; "Lessee" means a tenant of such property; "Customer" means the Landowner and, where the property is leased, the Lessee; and "Fee Schedule" means the schedule of rates, fees, charges, and deposits set forth in Attachment B, as adjusted under Section 8.0.

1.0 Establishment and Continuance of Service

1.1 To receive water service from the District, a Landowner must execute a Service Agreement and pay all applicable fees and deposits. The Service Agreement is set forth in Attachment A.

1.2 If property is being leased, both the Landowner and the Lessee must sign the Service Agreement. At its discretion, the District may collect all fees from either the Landowner or the Lessee. The Landowner remains responsible for all charges and fees applicable to the property.

1.3 The District has the right to determine the size and location of the meter installed to provide water service to any property.

1.4 A new water service connection requiring a new meter and main-line tap shall be installed by the District at the applicant's expense as set forth in the Fee Schedule.

1.5 The District requires a deposit in the amount designated in the Fee Schedule for each property receiving water service. Deposits are refundable upon a change in the responsible party and settlement of the account and do not bear interest.

1.6 Where water service to a property was previously terminated for a period of less than twelve (12)

months, the Customer must reapply for service and pay all then-current fees and deposits and any outstanding balance owed on the property before service is restored.

1.7 The Landowner is responsible for ensuring the District has continuous, reasonable access to the property, including private easements and the use of public rights-of-way, as reasonably requested by the District.

2.0 Conditions of Service

2.1 The Landowner is responsible for installing, operating, and maintaining in good condition all equipment from the District meter to the Customer's point-of-use, so that water service is safe, reliable, and adequately pressurized at the point-of-use.

2.2 Each service connection must be equipped with a functioning stop-and-waste valve on the Customer's side of the meter, installed at the Customer's expense prior to the commencement of service.

2.3 Water furnished by the District shall be used only on the Customer's premises and shall not be resold or extended to serve any other property.

2.4 Only the Operator and other qualified personnel authorized by the District may operate, maintain, or repair any component of the District's water system, including mains, wells, storage, valves, and meters. No Customer, Director, or third party shall operate any District valve, tamper with any meter, or perform work on District facilities. In the event of an emergency, the Customer shall contact the District or the Operator.

2.5 Tampering with a meter or other District equipment is prohibited and shall subject the Customer to the penalties set forth in the Fee Schedule.

2.6 The Customer shall pay all charges and fees pursuant to these Rules and shall adhere to the Curtailment Rules set forth in Attachment C.

3.0 Metering and Meter Reading

3.1 The District shall read each meter each billing period. Where District equipment, including a meter, is located within the Customer's property, the Customer shall provide District staff unobstructed and safe ingress and egress to access the equipment for any purpose associated with its operation and maintenance.

3.2 A Customer may request a meter reread. If the District determines there was no material error, the Customer shall be billed the reread fee set forth in the Fee Schedule. If a material reading error occurred, there shall be no charge to the Customer and the bill shall be corrected.

3.3 A Customer may request a meter test conducted by a third party. If the meter is found to be accurate within plus or minus three percent (±3%), the Customer shall pay all fees set forth in the Fee Schedule. If the meter is not accurate within ±3%, there shall be no charge to the Customer and the bill shall be corrected.

3.4 If the District is unable to access a meter to obtain a reading, the meter-inaccessible charge set forth in the Fee Schedule shall apply, and the District may estimate the Customer's usage until access is restored.

4.0 Billing and Payment

4.1 Customers shall be billed bi-monthly (every 2 months) according to the Fee Schedule. Each bill shall state the meter reading, usage, base charge, usage charges, any other applicable fees and taxes, and the payment due date.

4.2 Payment is due within twenty-five (25) days of the date of the bill.

4.3 A bill not paid by its due date shall be subject to the late charge set forth in the Fee Schedule.

4.4 Failure to receive a bill or notice that has been properly placed in the United States mail shall not prevent the bill from becoming delinquent nor relieve the Customer of the obligation to pay. The Customer shall notify the District of any change in mailing address or contact information.

5.0 Billing Disputes and Adjustments

5.1 A Customer who disputes a bill must notify the District before the bill becomes delinquent. The District shall investigate the dispute through a reread, meter test, or account review and shall correct any genuine error.

5.2 Where a meter cannot be read, the District may render an estimated bill, which shall be reconciled to actual usage upon the next accurate reading.

6.0 Leak Adjustment

6.1 A Customer who sustains a catastrophic, concealed water leak may apply to the Board for an adjustment of the excess water charges resulting from the leak.

6.2 Granting or denying the leak adjustment is at the Board's discretion. The Customer shall remain responsible for the base monthly charge and for charges corresponding to the Customer's normal usage, determined as the average of the Customer's prior twelve (12) months of usage or the best available usage history. The District shall waive the usage charges attributable to consumption in excess of normal usage that is caused by the leak. The base monthly charge shall not be waived.

6.3 To qualify, the leak must be a genuine break and not the result of ordinary waste, an unrepaired fixture, irrigation, or pool filling. The Customer must repair the leak, provide proof of repair, and apply within thirty (30) days of discovering the leak or of receiving the District's high-usage notification.

6.4 The Customer shall submit a Leak Adjustment Request together with proof of repair. The Operator shall verify the leak and the repair, and the adjustment shall be applied to the account and reported to the Board.

7.0 Delinquency, Disconnection, and Reconnection

7.1 The District may discontinue water service if the Customer:

- violates these Rules;
- fails to pay applicable charges and fees in a timely manner without making payment arrangements acceptable to the District;
- fails to maintain the applicable deposit;
- fails to install or properly maintain required equipment;
- resells or transfers District water to other property; or
- prevents District staff from installing, inspecting, maintaining, or repairing the water system in a right-of-way or easement.

7.2 Except where immediate action is authorized under Section 7.5, the District shall discontinue service for nonpayment only after each of the following has occurred:

- a bill remains unpaid after its due date, and a late charge and a delinquency notice are issued;
- the District mails the Customer a written notice of termination at least ten (10) days before the termination date, stating the date of disconnection and the means of avoiding it; and

- the Customer fails to pay the outstanding balance or to enter an acceptable payment arrangement by the termination date.

7.3 At any time before the termination date, a Customer may enter a Deferred Payment Agreement, set forth in Attachment D, providing for payment of the outstanding balance over a term not to exceed six (6) months in addition to current charges, and may continue to receive water service so long as the agreement is honored.

7.4 Reconnection of service shall require payment of the reconnection fee set forth in the Fee Schedule, together with the outstanding balance, or the Customer's entry into an acceptable payment arrangement.

7.5 The District may terminate service and remove the meter and equipment at any time, with or without notice, where the District determines such action is necessary to prevent an immediate risk to public health or safety. Upon termination, the District shall have the right, but not the obligation, to remove any or all of its property from the Customer's premises.

8.0 Rates and Annual Adjustment

8.1 All rates, fees, charges, and deposits are set forth in the Fee Schedule and shall be established by the Board following a public hearing held in accordance with A.R.S. § 48-910.

8.2 The Board may adjust rates consistent with water industry costs index measured from December to December of the preceding calendar year as shown in the United States Bureau of Labor Statistics Producer Price Index for Water Supply and Irrigation Systems (NAICS 221310, not seasonally adjusted), to take effect July 1. .

8.3 The indexed figure shall constitute the proposed rate for the ensuing fiscal year. The Board shall hold the public hearing required by Section 8.1 to confirm the proposed rate or to establish a different rate by vote.

8.4 Notwithstanding the above, nothing herein infringes upon the Board’s plenary power to set a budget, rates, or fees

9.0 Service Calls and Charges

9.1 When a Customer requests that the District or the Operator respond to the Customer's premises, a service-call charge shall apply as set forth in the Fee Schedule, based on the timing of the response, except that no charge shall apply where the Customer requests the response with at least twenty-four (24) hours' notice and accepts a response during business hours.

9.2 No service-call charge shall apply where the responding personnel determine that the cause is the responsibility of the district.

9.3 Where the responsibility is located on the Customer's side of the meter, the service-call charge shall apply.

10.0 Damage to District Property

10.1 Any person, whether a Customer or a third party, who damages District property shall be responsible for the actual cost of repair or replacement, including materials at cost, labor and equipment at the rates set forth in the Fee Schedule, and an administrative fee.

10.2 The District may pursue the responsible person, and any applicable insurer, for the full amount, including the costs of collection.

11.0 Customer-Funded Improvements and Extensions

11.1 A Customer, or group of Customers, who requests a new facility benefiting the Customer's property including but not limited to: a fire hydrant, line extension, or upsized main; shall submit the request to

the District in writing.

11.2 The District, through its Operator or engineer as appropriate, shall determine the feasibility of the request, the applicable design standards, and an estimate of cost.

11.3 The requesting Customer or Customers shall bear one hundred percent (100%) of the cost of the improvement, including engineering, permitting, materials, labor, and District administration, pursuant to a written agreement executed before work begins. A minor improvement may proceed under a short-form agreement; an extension of District facilities shall proceed under an Extension Agreement in a form to be provided by the District.

11.4 All work shall be constructed to District standards by qualified personnel and, upon acceptance, shall become the property of the District, which shall own and maintain it. The District shall not be obligated to reimburse the requesting Customer for connections later made by other properties.

12.0 Water Curtailment

12.1 The District has adopted Curtailment Rules, set forth in Attachment C, providing for staged water-use restrictions and corresponding Customer notice as water-supply conditions warrant. Customers shall comply with the Curtailment Rules.

13.0 Property Leasing and Change of Occupancy

13.1 Landowners are responsible to the District for ensuring that all District rules regarding water service to their property are followed, including the payment of all applicable charges and fees.

13.2 Where the Landowner leases the property and is the person designated to receive notices and invoices, the District may notify the Lessee, verbally or in writing, that water service may be discontinued.

13.3 Where the Lessee is the person designated to receive notices and invoices, the District may notify the Landowner, verbally or in writing, that water service may be discontinued.

13.4 Any time the property is leased, both the Landowner and the Lessee must execute a Service Agreement, set forth in Attachment A.

14.0 Customer Complaints

14.1 A Customer who seeks Board action on a complaint shall submit the complaint and the requested action in writing to the District, at tadwid@timberlandacres.com or the mailing address posted on the District's website, at least ten (10) days before the Board meeting at which the Customer wishes the complaint to be heard. Day-to-day service concerns should first be directed to the Operator or Bookkeeper as appropriate.

Attachments

- Attachment A — Service Agreement
- Attachment B — Fee Schedule
- Attachment C — Curtailment Rules
- Attachment D — Deferred Payment Agreement
- Attachment E — Notice of Service Termination

Attachment A - Service Agreement

This Service Agreement is entered into between the Timberland Acres Domestic Water Improvement District ("District") and the Customer identified below for water service to the property described below. This Agreement is governed by the District's Rules and Regulations, as amended, the Fee Schedule, and the resolutions of the Board.

Customer Requesting Service:	
Landowner Name (Required):	
Lessee (if applicable):	
Address to be Served:	
Parcel Number:	
Person to be Billed:	
Mailing Address:	
City, State, ZIP	
Phone:	
Email:	
Emergency Contact Name:	
Phone:	
Email:	
To Be Completed by District	
Account Number:	
Date Requested:	
Paid in Full:	

Conditions of Service

The Landowner and the Lessee, if applicable, are both considered Customers for this account. By signing this Agreement, the Customer acknowledges, understands, and agrees to the following conditions of service:

1. The Customer shall review and follow the District's Rules and Regulations, as amended, the Fee Schedule, and the resolutions adopted by the Board.
2. If the property is leased, both the Landowner and the Lessee are responsible for meeting all conditions of service, including the payment of fees, charges, and deposits. At its discretion, the District may collect all fees, charges, and deposits from either the Landowner or the Lessee. The Landowner remains ultimately responsible for payment.
3. The Customer shall pay the service-establishment fee and the deposit set forth in the Fee Schedule. The deposit is refundable upon a change in the responsible party and settlement of the account and does not bear interest.
4. The District meter, service line, and related equipment are and shall remain the property of the District. Only the District's qualified personnel may operate, maintain, or repair District equipment; the Customer shall not access, operate, or perform work on the District's equipment.
5. The Customer shall install and maintain a functioning stop-and-waste valve on the Customer's side of the meter prior to the commencement of service, and shall install, operate, and maintain all equipment on the Customer's side of the meter so that service is safe and adequately pressurized at the point-of-use.
6. Water furnished under this Agreement is for the identified property only and shall not be resold or extended to serve any other property.
7. The Customer agrees that the District is not responsible for any damage caused by interruptions in service.
8. If the Customer's service is terminated, the Customer or any successor shall reapply for service and pay all then-current fees and deposits required for service establishment, including any outstanding balance for water service to the property, before service is restored.
9. The Customer grants the District the right to enter upon and reasonably use the property to install, read, inspect, maintain, and repair District equipment, including over any easement.
10. This Agreement is binding upon the Customer's heirs, assigns, executors, administrators, grantees, and successors.

Signatures

Customer(s) Requesting Service:
Landowner Signature (always required): _____
Date: _____
Lessee Signature (if applicable): _____
Date: _____
District Acknowledgement:
By : _____ Date: _____

Attachment B — Fee Schedule

User Fees

Charge	Amount
Bi-Monthly base charge	$90.00, plus applicable tax
Water usage — 0 to 6,000 gallons	$2.50 per 1,000 gallons
Water usage — 6,001 to 20,000 gallons	$4.75 per 1,000 gallons
Water usage — over 20,000 gallons	$7.00 per 1,000 gallons

Service Fees

Charge	Amount
Service establishment (existing meter)	$75.00
Service establishment (new meter and main-line tap)	$3,500.00
Deposit — owner (refundable)	$75.00
Deposit — lessee (refundable)	$250.00
Late charge (per delinquent bill)	$20.00
Shut-off / reconnection (non-refundable)	$100.00
Meter reread (no material error)	$30.00
Meter test (accurate within ±3%)	$75.00
Returned / NSF check	$25.00

Service Calls

Response	Charge
With at least 24 hours' notice, business-hours response	No charge
Same-day, business hours	$75.00
After hours	$200.00

Cost Descriptions

Item	Amount
Labor (District personnel or agents)	$75.00 per hour
Equipment	$125.00 per hour
Materials	Actual cost of purchase

Penalty Charges

Charge	Amount
Meter inaccessible	$50.00 per month, plus User Fees
Meter tampering (first / second / third / fourth offense)	$500 / $1,000 / $1,500 / disconnection
Damage to District property	Labor, materials, and equipment, plus a $50.00 administrative fee

Annual Adjustment

Rates adjust each July 1 in accordance with Section 8.0, based on the change (December to December of the preceding calendar year) in the U.S. Bureau of Labor Statistics Producer Price Index for Water Supply and Irrigation Systems (NAICS 221310, not seasonally adjusted).

Attachment C - Curtailment Rules

Timberland Acres Domestic Water Improvement District ("District") is authorized to curtail water service to all customers under the terms and conditions of water service.

This curtailment plan shall become part of the Arizona Department of Environmental Quality Emergency Operations Plan for the District.

The District shall notify its customers of this new tariff as part of its next regularly scheduled billing after the effective date of the tariff or no later than sixty (60) days after the effective date of the tariff.

The District shall provide a copy of the curtailment tariff to all new customers and any customer, upon request.

Stage 1 Exists When:

District is able to maintain water storage in the system at 100 percent of capacity District and there are no known problems with its well production or water storage in the system.

Restrictions: Under Stage 1, District is deemed to be operating normally and no curtailment is necessary.

Notice Requirements: Under Stage 1, no notice is necessary.

Stage 2 Exists When:

- District's water storage or well production has been less than 80 percent of capacity District for at least 48 consecutive hours, and

- District has identified issues such as a steadily declining water table, increased draw down threatening pump operations, or poor water production, creating a reasonable belief the District will be unable to meet anticipated water demand on a sustained basis.

Restrictions: Under Stage 2, the District may request the customers to voluntarily employ water conservation measures to reduce water consumption by approximately 50 percent. Outside watering should be limited to essential water, dividing outside watering on some uniform basis (such as even and odd days) and eliminating outside watering on weekends and holidays.

Notice Requirements: Under Stage 2, the District is required to notify customers by delivering written notice door to door at each service address, or by United States first class mail to the billing address or, at the District's option, both. Such notice shall notify the customers of the general nature of the problem and the need to conserve water.

Stage 3 Exists When:

1. District's water storage or well production has been less than 50 percent of capacity District for at least 24 consecutive hours, and

2. District has identified issues such as a steadily declining water table, increased draw down threating pump operations, or poor water production, creating a reasonable belief the District will be unable to meet anticipated water demand on a sustained basis.

Restrictions: Under Stage 3, District shall request the customers to voluntarily employ water conservation measures to reduce daily consumption by approximately 50 percent. All outside watering should be eliminated, except livestock, and indoor water conservation techniques should be employed whenever possible. Standpipe service shall be suspended.

Notice Requirements:

1. District is required to notify customers by delivering written notice to each service address, or by United States first class mail to the billing address or, at the District's option, both. Such Notice shall notify the customers of the general nature of the problem and the need to conserve water.

2. Beginning with Stage 3, District shall post at least 5 signs showing the curtailment stage. Signs shall be posted at noticeable locations, like at the well sites and at the entrance to major subdivisions served by the District.

Stage 4 Exists When:

1. District's total water storage or well production has been less than 25 percent of capacity District for at least 12 consecutive hours, and

2. District has identified issues such as a steadily declining water table, increased draw down threating pump operations, or poor water production, creating a reasonable belief the District will be unable to meet anticipated water demand on a sustained basis.

Restrictions: Under Stage 4, District shall inform the customers of a **mandatory** restriction to employ water conservation measures to reduce daily consumption. Failure to District will result in customer disconnection. The following uses of water shall be prohibited:

- Irrigation of outdoor lawns, trees, shrubs, or plant life is prohibited
- Washing of any vehicle is prohibited
- The use of water for dust control or any outdoor cleaning uses is prohibited
- The use of drip or misting systems of any kind is prohibited
- The filling of any swimming pool, spas, fountains or ornamental pools is prohibited
- The use of construction water is prohibited
- Restaurant patrons shall be served water only upon request
- Any other water intensive activity is prohibited

The District's operation of its standpipe service is prohibited. The addition of new service lines and meter installations is prohibited.

Notice Requirements:

1. District is required to notify customers by delivering written notice to each service address, or by United States first class mail to the billing address or, at the District's option, both. Such notice shall notify the customers of the general nature of the problem and the need to conserve water.
2. District shall post at least 5 signs showing curtailment stage. Signs shall be posted at noticeable locations, like at the well sites and at the entrance to major subdivisions served by the District.

Customers who fail to comply with the above restrictions will be given a written notice to end all outdoor use. Failure to comply within two (2) working days of receipt of the notice will result in temporary loss of service until an agreement can be made to end unauthorized use of outdoor water. To restore service, the customer shall be required to pay all authorized reconnection fees. If a customer believes he/she has been disconnected in error,

the customer may contact the District to initiate an investigation.

Attachment D - Deferred Payment Agreement

Deferred payment plan.

- The District may, prior to termination, offer a deferred payment plan for the customer to defer unpaid bills for District service.
- Each deferred payment agreement entered into by the District and customer due to the customer's inability to pay an outstanding bill in full shall provide that service will not be discontinued if:
  - The customer agrees to pay the outstanding bill in six equal payments to be paid in the monthly billing. This would be a total of a current billing cycle and the 1/6 payment.
  - The District upon agreement with the customer will create the payment plan. The customer will receive the additional payment in the monthly billing in addition to the current fees and charges.

Attachment E: Grounds for refusal of service or removal from service.

1. 1. The district may refuse to establish or maintain service for any of the reasons below:
a. The property or applicant has an outstanding amount due and the property owner or applicant is unwilling to make arrangements with the District for payment.
b. A condition exists which in the District's judgment is unsafe or hazardous to the applicant, the general population, or the District's facilities.
c. Refusal by the applicant to provide the District with a deposit, application fee and/or signed application for service. Refusal of providing true and correct owner/responsible party information.
d. Customer is known to be in violation of the District's user fees.
e. Failure of the customer to furnish such funds, service, equipment, and/or rights-of-way necessary to serve the customer and which have been specified by the District as a condition for providing service.
f. Applicant falsifies his or her identity for the purpose of obtaining service.
g. Failure to properly submit an application. Applications must be made by legal date of responsibility.
2. The district may refuse to reestablish service for the reasons below:
a. Service to property has been discontinued for a period of greater than consecutive ten (10) years
b. District Operator identifies that service line material, fittings, or components are of substandard quality and do not meet current district standards.
3. The district may remove district meter/equipment to a property:
a. At 90 days delinquency of an outstanding fee, tax, or assessment.
b. After the district has made a good faith effort to contact the property owner.
c. Property owner is verified with county tax/property records.

TADWID Water Rate Model — Rate Inputs

Blue cells are editable inputs. Change any base fee, tier rate, or breakpoint and the whole model recalculates.

CURRENT STRUCTURE (bi-monthly billing — every other month)

Base / minimum fee per bi-monthly bill	$80.00	*Includes first 5,000 gallons*
Included gallons in base	5,000	*gallons (no separate charge)*
Tier 1 upper bound (gal)	20,000	
Tier 1 rate (5,001–20,000) per 1,000 gal	$4.25	
Tier 2 upper bound (gal)	60,000	
Tier 2 rate (20,001–60,000) per 1,000 gal	$5.00	
Tier 3 rate (60,001+) per 1,000 gal	$7.50	

OPTION A — REVENUE-NEUTRAL MONTHLY (no minimum; monthly billing)

Base fee per month	$36.00
Tier 1 upper bound (gal/month)	3,000
Tier 1 rate (0–3,000) per 1,000 gal	$2.25
Tier 2 upper bound (gal/month)	10,000
Tier 2 rate (3,001–10,000) per 1,000 gal	$4.25
Tier 3 rate (10,001+) per 1,000 gal	$7.50

OPTION B — YOUR PROPOSAL (MONTHLY) (no minimum; monthly billing)

Base fee per month	$42.50
Tier 1 upper bound (gal/month)	3,000
Tier 1 rate (0–3,000) per 1,000 gal	$2.25
Tier 2 upper bound (gal/month)	10,000
Tier 2 rate (3,001–10,000) per 1,000 gal	$4.25
Tier 3 rate (10,001+) per 1,000 gal	$7.50

OPTION C — CAPITAL-BUILDING MONTHLY (no minimum; steeper conservation)

Base fee per month	$45.00

Tier 1 upper bound (gal/month)	3,000
Tier 1 rate (0–3,000) per 1,000 gal	$2.50
Tier 2 upper bound (gal/month)	10,000
Tier 2 rate (3,001–10,000) per 1,000 gal	$4.75
Tier 3 upper bound (gal/month)	20,000
Tier 3 rate (10,001–20,000) per 1,000 gal	$7.00
Tier 4 rate (20,001+) per 1,000 gal	$10.00

OPTION D — MODERNIZED BI-MONTHLY (keep every-other-month cycle; no minimum)

Base fee per bi-monthly bill	$85.00	*(2 x $42.50/month)*
Tier 1 upper bound (gal/cycle)	6,000	
Tier 1 rate (0–6,000) per 1,000 gal	$2.25	
Tier 2 upper bound (gal/cycle)	20,000	
Tier 2 rate (6,001–20,000) per 1,000 gal	$4.25	
Tier 3 rate (20,001+) per 1,000 gal	$7.50	

Adjourn
The meeting was adjourned at – 10:49 - AM.

DRAFT