

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

June 20, 2025

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 20, 2025** in the District Office 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
M. Pace, Vice Chairman
G. Koether, Secretary
M. Lacey
R. Thompson, Office Manager
T. Deming, Water Operator

Approval of Minutes

Chairman Ladigo called the meeting to order with a quorum and asked if there were questions or comments before approving the minutes from **May 16, 2025**. The motion was made by Vice Chairman Pace and a second by Director Lacey. Motion carries.

Operations Report

Operations Manager Deming began by informing the Board about a couple leaks over the past month. Both leaks were on Brown Bear and have been repaired. He noted Robin added the well meters into regular meter reading route so that we can more accurately determine water loss. We had about 4% water loss last month. National average is about 12%.

Operations Manager Deming informed the Board about his discussion with Director Lacey and Paul Wyatt with Beeman Drilling to discuss options for well 5. Deming continued that the pump is currently burned up and not working. Without the gravel pack during the initial drilling of the well, it will be difficult for us to develop the well in its current state. They determined with Beeman to go ahead with acid treatment and bailing. Bailing is a tool used to drop inside the well. It will bounce off the bottom to pull any sediment out. It has a design similar to a plunger that hits the bottom and fills up with sediment. When it's pulled up, the plunger closes and traps the sediment which is then lifted to the surface. They will then install a pump inside of the well. This will allow us to get rid of our current system, which has a pump that is not designed to pump up the hill to our water tank, so we have to also use a booster pump. The booster pump requires constant feed and the well doesn't provide constant feed. The bigger new pump will alleviate the issue of needing a booster pump. Vice Chairman Pace inquired how much it will cost to replace the burned out motor. Operations Manager Deming replied that Beeman was hesitant, but gave a very rough estimate of \$50-\$60,000 to do all of the work, including the acid treatment and bailing, which will require a subcontractor. Director Lacey interjected that the price is for the rehabilitation, but it is his understanding that it does not include the new pump. Operations Manager Deming did not have the same understanding. Vice Chairman Pace asked Deming to get clarification on the cost. Chairman Ladigo asked for a timeframe. Operations Manager Deming replied that once approved, they could complete the work within a week. Secretary Koether asked about the lifespan of the pump. Vice Chairman Pace replied that it's unknown. Director Lacey added feedback from his discussion with Paul from Beeman Drilling regarding the rehabilitation of well 5. Paul indicated that an aggressive rehab is not recommended due to the probability of disrupting the fine grain sediments into the Coconino, which would be very hard to get out due to the way the well was originally done. The recommended rehabilitation is more modest but should still improve the performance of the well. Chairman Ladigo said that something has to be done with well 5 and although it may not be the cheapest, this is the best option. He entertained a motion to authorize Trevor to proceed with rehabilitating well 5. Director Lacey made the motion. Vice Chairman Pace seconded the motion and the motion passed.

Secretary Koether then inquired about well 7. Operations Manager Deming responded that it's working great and he requested confirmation that the WID would like to buy back the rebuilt pump that had been removed from well 7 to use as backup. Operations Manager Deming announced he has the letter from the pump manufacturer and the motor manufacturer that they will stand by that pump warranty. It currently pumps a little less GPM than what it pumped previously. With the new SME motor design, it won't hurt it to over-spin. He continued that the warranty is 2-years. Operations Manager Deming continued that the pump and motor are from separate companies and he was concerned about the pump manufacturer standing by us turning the pump faster than what it was designed to spin. It's all specified in the letter. Secretary Koether asked how much the rehabbed motor will cost. Deming replied that he didn't know and they are in the process of rebuilding it right now. It is

beneficial for us to have that pump as backup because it's a much better quality pump and they are no longer being made. Director Lacey suggested we express an interest in buying it back but first we need to know the conditions and price before we commit to a decision. The Board was in agreement.

Secretary Koether inquired about the chemical chlorine in the garage. She asked how much we use in a typical month. Operations Manager Deming responded the WID uses 2-3 barrels per month. He continued that he uses a barrel every two weeks. Secretary Koether added that for our safety we need posted signs and Deming replied they are ordered. They will be posted here and at the storage at the water tank site. Chairman Ladigo asked Operations Manager Deming if he removed the chlorine that was in the garage that belongs to other Districts. Deming assured the board they would be removed today. Chairman Ladigo pointed out that we will have no liability other than for our own chemicals.

Office Managers Report

Office Manager Thompson began with the aging report. There is currently \$14,000 due, however there were 20 homeowners whose autopay did not process for various reasons. She sent reminders to everyone. She continued that there was a delay getting the first billing out because of the meters that were reprogrammed. Those bills had to be recalculated with the tax and superfund. She asked the board to refer to the section in the board packet that included the amount of gallons lost and the dollar figure of \$14,000 that was absorbed by the WID due to the incorrect programming over a period of at least 8 years. Office Manager Thompson informed the board that each homeowner was contacted with a letter that was included with their statement and an email, explaining what happened. This affected the figures that are used to determine the water loss last month.

Financial/Treasurers Report

In the absence of Treasurer Suft, Chairman Ladigo discussed the financials. He announced that the board approved the operating budget but that the long range capital budget still needed to be approved. There is one item scheduled for 2025 plus well 5 rehab. The short term CD with National Bank matures August 8th plus \$10,000 from the Fidelity account that will be liquid assets. Director Lacey moved to approve the long range budget capital plan. Vice Chairman Pace seconded the motion. The motion carries.

Chairman Ladigo asked the board to refer to the P & L under Water Systems. We budgeted \$75,000 and so far we've spent \$102,000, so we are quite a bit over. The majority of that overage is from the fire hydrants. We have purchased all of the hydrants that are good for a lifetime.

Otherwise we are in good shape reserve-wise. We are in good shape liquidity-wise. After we spend what is necessary for well 5, we will be able to re-ladder our investments. Chairman asked if there are any questions regarding financials and there were none.

New Business

Chairman Ladigo announced board participation. Secretary Koether suggested the board consider looking into recruiting new board members. Vice Chairman Pace inquired of Director Lacey if he had any ideas. Director Lacey offered that Bill Anger is a retired water attorney, who he's known 40 years. Chairman Ladigo commented he would like to step down as Chairman, but remain on the board as a Member at Large. He suggested that Director Pace take over as Chairman and Director Lacey fill the Vice Chairman position. Chairman Ladigo entertained a vote to make those changes on the board at this time. Secretary Koether seconded the motion. Motion carries.

Old Business

No old business.

Executive Session

No Executive Session was held.

Call to Public

No comments from the public.

Announcements

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Unless otherwise directed the next meeting will be **July 18, 2025, at 7:30 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 **9:00 AM**.

Respectfully Submitted,
Robin Thompson