

Mayer Domestic Water Improvement District

Minutes of Regular Meeting

May 27, 2021

1. CALL TO ORDER 6:00 P.M.

2. ROLL CALL OF MEMBERS Chairman Joe Mish – Present, Clerk Kathy King – Present, Member Kevin Jones – Present, Member Ed Cocchiola – Present, Member Jacque Burruss Present via phone

3. PLEDGE OF ALLEGIANCE

4. COMMENTS FROM THE PUBLIC No comments from the public.

5. ADMINISTRATION/STAFF REPORTS

5.1. Manager's Report – By Frank Soto

- 7 blue stakes as of May 27, 2021
- No main line water leaks this month.
- Backhoe is being worked on at Bingham Equipment. They are doing a complete service and putting seals in all the hydraulic cylinders that were leaking.
- Mardi Befort and I met with James Gregory, our new Country Supervisor to discuss District/County relationship.
- Mardi Befort and I met with representatives of USDA Rural Development and Granite Basin Engineering to kick off the PER grant. We gave them a tour of the system that needs to be improved.

5.2. Office Report – By Mardi Befort

- Past Due accounts
 - As of Today, there is a total of 27 past due accounts totaling \$8,312.31.
 - 16 are more than 3 months past due totaling \$6,549.38.
 - 6 are off with no resident.
 - Of the 10 remaining was stamped on their bills that if payment is not made before the 10th of June their meter will be turned off.
 - The 11 remaining past due (less than 3 months) totaling \$1,762.93 have been notified on their bills that the past due amount is due before June 10th or their meters will be turned off.
- Frank and I invited the new District 2 County Supervisor James Gregory to the office to talk to him about some of the ongoing issues with the District, he informed us there are some opportunities for Grants through the county. We invited him here tonight to introduce himself and share some information with the Board.
- Frank and I hosted the SEARCH Grant/PER kick off meeting with Jim Binick of Granite Basin, Michael Dean of USDA Rural Development as well as the USDA Engineer Lam Ho (attended via ZOOM did not attend the tour of the system) on Tuesday, May 18th. We spent an hour in the office going over questions and concerns and getting clarification from USDA, then spent a few hours in the field with Jim and Michael giving them a tour of the system and the areas of most concern.

- The Attorney Tosca Henry has been working on the liens for the 2 past due accounts. As I suspected might happen because of the booming market, one of the properties was listed for sale this week.
- The new computers were installed on Friday, May 21st, we are still waiting on 2 new monitors.
- We have a meter training with John Bjorkland with Badger meters next month here at the office. The different trainings we have had the past few months have been extremely valuable for the employees. One of the trainings we were able to go out in the field with the trainer and install an Air release/Vacuum valve where she was able to show us live what to look for to make sure the valve is working properly. All the trainings have been free.
- This month's direct deposit check for the Bank of the West account was \$11,120.60.

Clerk King motioned to accept the Administration/Staff Reports, Member Jones 2nds, Vote - Chair Mish - Aye, Clerk King - Aye, Member Jones - Aye, Member Cocchiola - Aye, Member Burruss - Aye - PASSED

6. CONSENT AGENDA

- 6.1. Approval of January 2021 financials
- 6.2. Approval of February 25, 2021, Regular Meeting Minutes
- 6.3. Approval of March 4, 2021, working session minutes.

Clerk King motions to accept the consent agenda, Member Jones 2nds, Vote - Chair Mish - Aye, Clerk King - Aye, Member Jones - Aye, Member Cocchiola - Aye, Member Burruss - Aye - PASSED

7. ACTION AND DISCUSSION ITEMS

7.1. OLD BUSINESS

- 7.1.1. Discussion and possible action on hiring a Grade 3 water distribution & Grade 1 water treatment operator. (Frank/Mardi)

The board was presented with 3 options for a Grade 3 water distribution & Grade 1 water treatment operator,

Fann Environmental, LLC scope of services: Check in with the District's water service staff on a weekly basis and will be available by phone anytime to provide advice, support and direction as needed. All required regulatory reports will be completed and provided to District Manager for approval and submission. The monthly fees for the basic service will be a **\$800.00 per month.**

All emergency callouts will be charged at a minimum of two hours per call out at a rate of \$75 per hour. Any additional required service will need approval from an authorized representative before the work is performed. Additional work will be charged out using our Standard Fee Schedule and a T&M basis.

We can also provide any required water quality sampling at the following prices:

Bacteriological Sample (2 per month)	\$ 40.00/sample
Arsenic	\$ 35.00/sample
TTHM's	\$140.00/sample
HAA5	\$275.00/sample

AJT Solutions, scope of services:

Routine Tasks: Conduct weekly operational inspection of all system components. Response to calls for guidance and assistance for system operational concerns. All system compliance sampling/monitoring and delivery to certified lab. Mayer DWID will pay lab fees when invoice is submitted. Review, update and submit annual Consumer Confidence Report (CCR). Regulatory submittals for water utility operations. Attend one Board Meeting annually as requested by the Board or its designee. Attend one Yavapai County Board of Supervisors meeting annually for Mayer DWID Board Support.

Non-Routine Tasks: Capital Improvement Plan development with Board. Capital Improvement work/oversite. Supervisory work for contractors or special projects not covered in Section A - Routine Tasks. Attendance at other board or other meetings at the request of the board. All other projects or activities determined to be non-routine by mutual agreement of Mayer DWID and AJT Solutions.

Fee: The monthly fee for Routine Services as outlined in Section A shall be billed at a flat rate of \$1,000.00 per month. All Non-Routine items shall be billed at \$65.00/hour.

A Quality Water Co., Scope of services:

Operators will check with district staff weekly and be available by phone to provide advice, support and direction as needed. Complete all regulatory reports and have them reviewed by District manager as needed. Complete all sampling required by ADEQ/permits and deliver samples to a certified laboratory in Flagstaff as needed. The District will be responsible for payment of laboratory fees.

a Quality Water co. proposes to complete the above tasks for \$2,560.00 per month.

We also have a sister company a Quality Excavation that could respond to emergency situations as needed, on an hourly rate.

Member Cocchiola motioned to hire Fann Environmental, Member Jones 2nds, Vote - Chair Mish - Aye, Clerk King - Aye, Member Jones - Aye, Member Cocchiola - Aye, Member Burruss - Aye - PASSED

- 7.1.2. Discussion and possible action regarding the renewal of the cell tower lease. (Tosca) **Attorney Tosca Henry did not have any new updates for the Board but gave a brief reminder summary of the terms for the Tower Leases see attached summary from Ms. Henry. Chair Mish asked Ms. Henry if they needed to motion to table this agenda item. Ms. Henry replied no because it was just an update. No action was taken.**
- 7.1.3. Discussion and possible action on Oak Hills well and Racetrack Well. (Frank/Mardi) **Mr. Soto gave the Board an update on how the Oak Hills and Racetrack wells are coming along. No action was taken.**
- 7.1.4. Discussion and possible action on treatment for nitrates at Chimney 1 & 2 Wells (Frank/Mardi) **Mr. Soto gave the Board an update on the different options he was looking into for the high nitrates and Chimney 1 & 2 wells, blending or treatment. No action was taken.**

- 7.1.5. Discussion on new computers for the office (Mardi) **Ms. Befort gave an update on the new computers and how they were working. Member Cocchiola asked if Ms. Befort was happy with the new computers, and Clerk King was happy to hear the District has extra security for the first time when it comes to the Districts computers. No action was taken.**

7.2. NEW BUSINESS

- 7.2.1. Discussion and possible action on choosing a realtor to list the District property at 13193 E. Central Avenue (Frank/Mardi) **Discussion only, Mr. Mish stated he had a realtor who could list the property she lives in Dewey, she will put the property on the MLS then any realtor can sell it. Ms. Henry stated that we should really send out a Request for Proposal (RFP) so there can be no accusations of favoritism. Mr. Mish agreed, Clerk King stated she would like to see the listing go to a local realtor who resides in Mayer. It was stated that the realtor picked could not work for the same realty company as Member Burrus does. Mr. Soto asked if he could make the decision on which Realtor to pick or if the Board would like to choose. It was stated that after the District gets the responses from the RFP, they will be brought to the Board to make a choice at the next Board meeting.**
No action was taken.

- 7.2.2. Discussion and possible action on employee status and benefits. (Frank/Mardi) **Mr. Soto stated that he asked that this be put on the agenda because it was stated by Mr. Mish several times that employees were leaving (mainly Lana Coder) because the District did not offer insurance benefits and has alluded to the fact that it was somehow Mr. Soto's fault. Mr. Soto presented the board with Lana Coders resignation letter and asked that Mr. Mish read it out loud. Mr. Mish read it:**

"Frank and The Board, I respectfully give my 2 weeks notice and my last day will be November 13th Lana Coder."

Frank stated that nowhere in her resignation letter did it state her reason for resigning and in fact she did not stay the full 2 weeks. Mr. Soto also presented the Board with meeting minutes from 6/1/2017 where the Board took action to revise/update employee handbook sick leave/vacation policy from 5 hours per 40-hour work hours to 1 hour per 30-hour work hours effective June 2, 2017, and minutes from 4/26/2018 where the Board took action to discontinue paying for any type of monthly employee insurance reimbursement and took action to discontinue any fulltime employees, all employees to be part time. Frank stated that he wanted it on public record that these were Board decisions and not Mr. Soto's decisions. Mr. Cocchiola stated that was a very good idea of Frank. No action was taken.

- 7.2.3. Discussion and possible action to hire Tom Thurman as a consultant as needed for District issues (Frank/Mardi)
Mr. Soto informed the Board that Mr. Thurman has many connections with his many years as County Supervisor and could be an asset to the District. Clerk

King motions to hire Tom Thurman as a consultant as needed for District issues, Member Jones 2nds, Vote - Chair Mish - Aye, Clerk King - Aye, Member Jones - Aye, Member Cocchiola - Aye, Member Burruss - Aye - PASSED

- 7.2.4. Discussion and possible action on paying the Hartford Workman's Comp insurance bill of \$6,798.99 with a credit card to earn cashback. (Mardi)
Member Cocchiola motions to pay the Hartford Workman's Comp insurance bill of \$6,798.99 with a credit card to earn cashback, Clerk King 2nds, Vote - Chair Mish - Aye, Clerk King - Aye, Member Jones - Aye, Member Cocchiola - Aye, Member Burruss - Aye - PASSED
- 7.2.5. Discussion and possible action on 2021-2022 Budget (Mardi/Frank) **Discussion only regarding the Budget, Mr. Soto stated we will have a public hearing on the budget next month. No action was taken.**
- 7.2.6. Discussion and possible action on letter from Attorney William O'Leary addressed to the Board. **No motion, no discussion. Letter is attached in these minutes.**
- 7.2.7. Discussion and possible action with the new District 2 County Supervisor James Gregory concerning District and County issues. **Mr. Gregory stood and introduced himself. He stated that Mayer is special to him as he was a resident for many years. He would like to see the District improve its infrastructure and will do what he can to help. However, he would not be interested in helping the District if it is not functioning properly and getting long. Meaning the Board of Directors. Mr. Gregory informed the Board there are Federal Grants being given to the County for infrastructure improvements which the Mayer Water District could benefit from.**

7.3. OLD BUSINESS POSSIBLE EXECUTIVE SESSION ITEMS.

- 7.3.1. Discussion and possible action concerning meter for account 722 (Mardi/Frank/Tosca)
Pursuant to Arizona Revised Statutes 38-431.03(A)(3) or (A)(4), the Board may vote to convene in executive session for discussion or consultation for legal advice with the attorney or attorneys of the public body or for discussion or consultation with the attorneys of the public body in order to consider its position and instruct its attorneys regarding the public body's position regarding the meter for account 722. No action will be taken in executive session.
Ms. Henry suggested we skip 7.3.1 & 7.3.2 and go to 7.3.3 as the Attorney William O'Leary was on zoom and it would be the best use of his time to skip these 2 agenda items until after 7.3.3.
- 7.3.2. Discussion and possible action concerning easement for account 681 (Parcel 500-09-128). (Mardi/Frank/Tosca)
Pursuant to Arizona Revised Statutes 38-431.03(A)(3) or (A)(4), the Board may vote to convene in executive session for discussion or consultation for legal advice with the attorney or attorneys of the public body or for discussion or consultation with the attorneys of the public body in order to consider its position and instruct its attorneys regarding the public body's position regarding the easement for account 681(Parcel 500-09-128). No action will be taken in executive session.

There was discussion on if the Board should continue without Chair Mish as he had left the District grounds. Ms. Henry stated that these 2 items are time sensitive, and it would be best if we proceed. It would be fine if Mr. Soto and/or Ms. Befort updated Mr. Mish on what happened during the executive session. Clerk King motioned to go into executive session to discuss agenda items 7.3.1 & 7.3.2 with legal counsel Tosca Henry. **Vote - Clerk King - Aye, Member Jones - Aye, Member Cocchiola - Aye, Member Burruss - Aye - PASSED**
Clerk King motions to exit the Executive session at 7:54 p.m., Member Cocchiola 2nds. **Vote - Clerk King - Aye, Member Jones - Aye, Member Cocchiola - Aye, Member Burruss - Aye - PASSED**

- 7.3.3. Discussion and possible action regarding the Lucas Well Litigation.
Pursuant to Arizona Revised Statutes 38-431.03(A)(3) or (A)(4), the Board may vote to convene in executive session for discussion or consultation for legal advice with the attorney or attorneys of the public body or for discussion or consultation with the attorneys of the public body in order to consider its position and instruct its attorneys regarding the public body's position regarding contracts that are the subject of negotiations, in pending or contemplated litigation or in settlement discussions conducted in order to avoid or resolve litigation on the Lucas Well Litigation. No action will be taken in executive session.

Mr. Mish exited the meeting at 7:08p.m.

Member Cocchiola motioned to go into Executive session at 7:08 p.m., Clerk Kind 2nds, Clerk King - Aye, Member Jones - Aye, Member Cocchiola - Aye, Member Burruss - Aye - PASSED

Clerk King motions to exit the executive session at 7:29 p.m., Member Jones 2nds, Vote - Clerk King - Aye, Member Jones - Aye, Member Cocchiola - Aye, Member Burruss - Aye - PASSED

ADJOURNMENT Member Cocchiola motions to Adjourn, Clerk King 2nds, Vote - Clerk King - Aye, Member Jones - Aye, Member Cocchiola - Aye, Member Burruss - Aye - PASSED Meeting Adjourned at 7:55 p.m.