

Mayer Domestic Water Improvement District

Minutes of Regular Meeting

June 24, 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 Jacque Burruss – Present, Member Ed Cocchiola – Present
- 3. PLEDGE OF ALLEGIANCE**
- 4. PUBLIC HEARING ON 2021-2022 BUDGET** No comments or questions from the public regarding the 2021-2020 budget.
- 5. COMMENTS FROM THE PUBLIC** No comments from the public.
- 6. CONSENT AGENDA**
 - 6.1.** Approval of April 2021 financials
 - 6.2.** Approval of May 27, 2021, Regular Meeting Minutes

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

7. ADMINISTRATION/STAFF REPORTS

7.1. Manager's Report – by Frank Soto

- 6 blue stakes as of June 24, 2021.
- No main line water leaks this month. We did have 4 meters with leaks in the boxes.
- Maria has resigned from the District. Her resignation letter is in your packet.
- Backhoe is back in service. There were several leaks that were repaired plus oil changes and filters. Approximately \$12,000.00.
- Arsenic filter test at Cliff and Gate wells showed very little change. We are still blending.
- Fann Environmental has assigned Mike Young and Jim Muylle as our operators and have already started taking samples on our behalf. Lead and copper samples were taken but no results yet.
- The 2002 Dodge truck is really getting tired and is need of new/used tires. We are looking for another used truck that would fit our needs.
- Mardi Befort is doing an excellent job both in the office and in the field. She has earned the \$1.00 hour raise that was promised her in her contract. We will be asking to hire another person to help in the office and that might help in the field also.
- Well levels are all over the place.
- Tom Thurman was given a tour of the system and will help when he can.

7.2. Office Report – By Mardi Befort

1. Water Turn Off's

- a.** We had 8 people on the turn off list. This was for accounts over 3 months past due.
 - i.** 4 people paid the day of turn off to avoid being turned off.

- ii. 2 people were turned off both have made payments and are turned back on.
 - iii. 2 people are on a payment plan, and I reminded them their payment needs to be to the office by the 10th of each month or they will be shut off and payment in full will need to be made.
 - b. Next month we will be going back to our policy of over 1 month past due on turn off day. Every account that was past due was stamped past due and a note added that the past due amount needs to be made by the 10th or they will be shut off.
2. Past Due Accounts
- a. We have a total of 55 past due accounts as of 6/23/2021.
 - b. 5 are off with no residents.
 - c. 4 are on a payment plan.
 - d. 7 are 2 months past due.
 - e. 32 are 1 month past due.
 - f. 7 have a past due balance less than \$20.00 past due.
3. The 2 properties we are filing liens on.
- a. 1 bill has been paid in full and the property was sold. The person who called was extremely unhappy we continued to bill when the owner had passed away. I explained our policy and that we were also unaware of the situation, or we would have explained it to someone had they reached out as we continued to send out a monthly bill which was never returned so someone was receiving it.
 - b. I received a phone call from someone who is taking care of the property for the 2nd lien, the owner is still in jail and once he is released next year, he will start making payments on his account. We are still proceeding with the lien on the property.
4. Website usage
- a. In the past 7 days our website has had 162 views and 34 unique visits.
 - b. I had added a page for the employment application and job openings.
 - c. I also made the new account application fillable online.
5. Water usage this month
- a. Because of the heat it took 4 days to read meters and do rereads. We can typically read meters and do rereads in less than 2 days.
 - b. The water usage significantly increased this month. We sold 960,500 more gallons of water in June than May. Usage over 10,000 gallons increased from 36 customers to 91 customers. Most of them, this is typical water usage this time of year.
6. Leaks on customers side of the meter resulted in some very high-water bills and unhappy customers. One customer came in on June 23, 2021, with a 32,700-gallon water bill for \$421.15 he looked everywhere and cannot find a leak. He is on social security and doesn't know how he will pay his bill. Another customer came in on June 22, 2021, had 44,500-gallon water bill for \$676.96. He found his leak and was able to repair it but was extremely upset he was billed so much when it was something out of his control. To put this in comparison; the trailer park had a 93,200-gallon water bill this month for \$319.69 they are commercial and have a different water use tier.

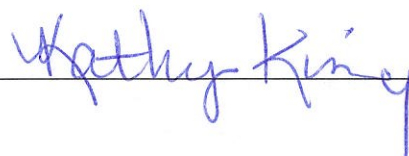
7. Some customers are not happy about the 3% fee for paying with a card. While other customers are understanding and happily pay it because of the convenience. The customer who paid the over \$600.00 water bill was extremely unhappy because his fee was almost \$20.00, he suggested we add the fee into our water usage rates.
8. This month's direct deposit check for the Bank of the West account was \$7,562.01.

Clerk King motions to accept the administration staff reports, Member Burruss 2nds, Vote - Chair Mish - Aye, Clerk King - Aye, Member Jones - Aye, Member Burruss - Aye, Member Cocchiola - Aye - PASSED

8. ACTION AND DISCUSSION ITEMS

8.1. OLD BUSINESS

- 8.1.1. Discussion and possible action on 2021-2022 budget
Clerk King motions to approve the 2021-2022 budget, Member Burruss 2nds, Vote - Chair Mish - Aye, Clerk King - Aye, Member Jones - Aye, Member Burruss - Aye, Member Cocchiola - Aye - PASSED
- 8.1.2. Discussion and possible action regarding the renewal of the cell tower lease. (Tosca)
Discussion only - Attorney Tosca Henry informed the Board American Tower has gone dark since the Board voted to not add the Arizona Broadband Company to the tower. Ms. Henry has some concerns they may be looking in a different direction. Member Burruss asked "Are they not responding to your calls?" Ms. Henry responded, "I have followed up in writing, to let me know does this mean American Tower is moving in a different direction.?" She has the American Tower representatives, cellphone number, direct line number, email and mailing address and repeated her concerns they may be exploring other avenues and waiting and holding off on our contract. She does not have confirmation of that but in light of the momentum we had previously, that is her feeling. Member Burruss asked when the contract expires, Ms. Henry stated September 2022, Mr. Henry stated there is still time and she will continue to reach out to them. Ms. Befort asked how much revenue would the District lose if American Tower did not renew the contract. To which Ms. Henry replied. It would over 6 figures every year. That does not include the third tenant the Board voted not to add to the tower lease, which was just shy of \$30,000 a year. Member Jones asked if Ms. Henry was dealing with the corporation Blackrock, if that was who was holding up the negotiations? Mr. Henry replied that American Tower is the actual entity that is not responding.
- 8.1.3. Discussion and possible action on Oak Hills well and Racetrack Well. (Frank/Mardi)
Discussion only - Mr. Soto updated the Board that the engineer Greg Carlson has signed off on all the water sampling tests and hydrostatic pressure testing on the water lines to the Oak Hills Well. He has sent everything off to the ADEQ for final approval. Once we have that back we can begin to use the well. Racetrack well, Greg Carlson has also brought up the final plans for the Racetrack well and has submitted them to ADEQ for final approval. Then we will submit the approval to construct. We are dealing with several different entities.
- 8.1.4. Discussion and possible action on treatment for nitrates at Chimney 1 & 2 Wells (Frank/Mardi)
Discussion only - Mr. Soto stated there is no update, we were waiting for the



results on the filter test, we didn't get the results we were hoping so it will have to be either treatment of blending Mr. Soto will have more information at the next meeting.

- 8.1.5. Discussion and possible action on choosing a realtor to list for sale the District property at 13193 E. Central Avenue (Mardi/Frank)

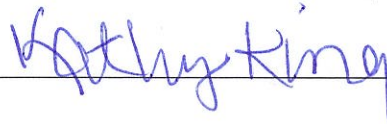
Mr. Soto stated Ms. Befort sent out RFPs for 10 or 11 realtors, we received 2 back one is a realtor Member Burruss works with which we feel would be a conflict of interest. The other is Patty Holbrook. Mr. Soto recommends they go with Ms. Holbrook. Member Burruss asked what the 2 appraisals were that the District had done. Mr. Soto replied one was in the \$50's and one was in the \$80's, Member Burruss wanted to know if the higher appraisal was after we put \$30,000 (it was only \$5000) into fixing up the property? Mr. Soto replied the \$80,000 appraisal was done first but both were done after the work was completed. Member Burruss stated that was a big difference. Mr. Soto stated that the Board voted a few meetings back to list the property at \$150,000 and that is what he will tell the realtor. Chair Mish stated he would be getting with Ms. Befort in the morning regarding another property on Stagecoach Rd. and the taxes haven't been paid in 4 years there's \$30,000 owed on it. Ms. Henry interrupted Chair Mish and apologized that we needed to stay on the agenda item and to get with the staff at a later time.

Clerk King motions to offer the contract to Realty Executives Arizona Territory, Patty and Jake Holbrook, Member Jones 2nds, Vote - Chair Mish - Aye, Clerk King - Aye, Member Jones - Aye, Member Burruss - Aye, Member Cocchiola - Aye - PASSED.

8.2. NEW BUSINESS

- 8.2.1. Discussion and possible action on updating the Rules and Regulations policy to include open meeting law training requirements for board members. (Tosca)

Ms. Henry let the Board know the Open Meeting Laws do not require that newly elected Board members take Open Meeting Law training but rather review the open meeting law materials. Member Cocchiola interrupted her and held up an Open Meeting Law pamphlet and asked, "You mean like this?" Ms. Henry responded "Absolutely like that; you can get this from the Ombudsman's office." Member Cocchiola responded. "Counselor I am all for it anything that keeps my cousin working, I'm for it 100%, I would suggest that the whole Board do it." Ms. Henry stated. She is taking it one step further than just newly elected Board Members taking the open meeting law training. She recommends that the entire Board voluntarily agree per policy to an annual refresher. Near the beginning of the year so newly elected or appointed member can take the course at the same time. There are members that have served for many many years it is good for staff, the Board and Counsel to all be on the same page. That is the request tonight that you not just adopt a policy for new members but also refreshers for current members. There are many options for training, and it would be a good idea to do it as a group as we go over many topics, such as notice, what has to be in the agenda, how far is too far off an agenda topic, which we sometimes see in our meetings, conflicts of interest, boardmanship and ethics. Member Cocchiola said "I am with you 100%, it's a great idea. Besides that, I think I will go down there to 16th Street and get a free lunch, I haven't decided yet. But I am with you 100% I feel the whole Board should do a refresher, it's a good idea.



Clerk King motions that we add a refresher Open Meeting Law Course on a yearly basis in our Rules and Regulation policy for Open Meeting law Training for all Board Members, Member Burruss 2nds, Vote - Chair Mish - Aye, Clerk King - Aye, Member Jones - Aye, Member Burruss - Aye, Member Cocchiola - Aye - PASSED

- 8.2.2. Discussion and possible action on updating the Rules and Regulations policy to include a policy regarding Boardmanship conduct at all board meetings. To include no threatening behavior, no foul language. (Tosca)

Ms. Henry passed out Revised statute 48-1016 Revocation of authority of elected board of directors to Board members and staff.

Ms. Henry "Yes, thank you again Board President and Board Members, this dove tales on the agenda item we just discussed. Which was the open meeting laws, a component of the training frequently includes boardmanship and what exactly is boardmanship it can include a number of items, such as ethics, what are your ethical duties, fiduciary duties to the Board and how to interact as a board member with each other, with staff and with members of the public. If you recall we recently had a visit from our current District 2 Supervisor, James Gregory who advised the Board members that the county has funds that it is looking to allocate to different public entities throughout the county but that he had concerns about whether or not the District was handling its affairs in a fiscally sound manner and we did hear him raise that concern. I just passed out a statute which "Inaudible" I did speak with the former District 2 Country Supervisor Tom Thurman that this statute in his experience which is vast with his tenure with the county."

Member Cocchiola interrupted Ms. Tosca "Tell me counselor what's brining on these concerns from Jim Gregory?"

Ms. Henry "Our recent board meetings have been concerning too not just to."

Member Cocchiola "In his opinion?"

Ms. Henry "I'm not going to put words in his mouth."

Member Cocchiola "No I want to know the answer, in his opinion, or what, where are we coming from?"

Ms. Henry "I am not going to put words in his mouth, you were present at the meeting and you heard the concerns, the concerns were, we have money to give, but we need to make sure that this organization is going to handle those funds in a responsible manner, and the word that he used, I quote is that he has some concerns now if you would like..."

Member Cocchiola "I wonder where he is getting his concerns from that's my question."

Clerk King asks Member Cocchiola "Why are you concerned?"

Member Cocchiola responded to Clerk King "Hold it."

Ms. Henry "That would be a question directly for him..."

Member Cocchiola "What?"

Ms. Henry "I would urge you to have that conversation directly with him. I am not going to put words in his mouth. However, when have..."

Member Cocchiola "We can't put words in his mouth, I would like to hear it from him."

Ms. Henry "When we have our current County Supervisor saying that there are concerns, that then leads legal and staff to have discussions."

Member Cocchiola "Let's bring the concerns forward put it up in the store window."

Ms. Henry "I will express my concerns, this Board has recently not acted professionally, with each other and with staff."

Member Cocchiola "In who's opinion?"

Ms. Henry "In my opinion."

Member Cocchiola "In your opinion?"

Ms. Henry "In my personal opinion."

Clerk King "In my opinion too."

Member Burruss "I do too"

Member Cocchiola "I've been here I haven't seen anything out of the ordinary or illegal."

Ms. Henry "The recommendation... I haven't said illegal. But my recommendation tonight is that as a board we look at professionalism and ways in the levels of professionalism with each other, with our staff, and with the public."

Member Cocchiola "Counselor, I will go on the record right now, I have seen this Board operate I haven't seen one thing wrong, not one."

Chair Mish "The Chairman will go to work and says there has been enough discussion and we are going to go onto the next order of business."

Member Cocchiola "Let's"

Ms. Henry "So, so"

Chair Mish, "I shut it off."

Ms. Henry "Well technically okay".

Chair Mish "It's off, bring it up at the next meeting."

- 8.2.3. Discussion and possible action on job posting for office clerk/field operator (Mardi/Frank) Mr. Soto stated that the office clerk Maria resigned, her resignation letter is in your packet we do need some help in the office especially with Mardi, I will let Mardi take over. Ms. Befort explained that there was a job description in the packet. There is a lot that goes on in the office. We are looking for someone who can work in the office doing everything that needs to be done and, in the field, as needed.

Clerk King motions post the job for the Office Clerk/Field Operator position.

Member Burruss 2nds, Vote - Chair Mish - Aye, Clerk King - Aye, Member Jones - Aye, Member Burruss - Aye, Member Cocchiola - Aye - PASSED

- 8.2.4. Discussion and possible action on Arizona Department of Transportation (ADOT) spraying defoliant within the District watershed. (Kevin)

Member Jones let the board know that back in 2009 we found out that ADOT would come through here and spray defoliant down the shoulder of the road and we found out that when it rained the runoff would go towards our wells. We petitioned them to no longer spray in the area and they haven't. Their

management just turned over, so they came through here and sprayed defoliant through our district. We had an agreement that they would just cut the weeds. Member Jones contacted them, and we are in the process of refreshing their memory that they are supposed to cut the weeds. Mr. Soto reminded the Board we are always fighting the different contaminants, and this is just one more that could potentially cause us to lose a well. Member Jones stated that he gave Ms. Befort the contact information to write a letter to remind them to cut the weeds and not spray defoliant. Chairman Mish suggests all Board members sign the letter, so they know it is not just one board member but the entire board.

Member Cocchiola motions to send a letter to ADOT signed by the entire board to no longer spray defoliant in the District but rather cut the weeds, Clerk King 2nds Vote - Chair Mish - Aye, Clerk King - Aye, Member Jones - Aye, Member Burruss - Aye, Member Cocchiola - Aye - PASSED

- 8.2.5. Discussion and possible action on purchasing another used work truck. (Frank/Mardi) Mr. Soto stated that the old Dodge is on its last leg and not worth putting any more money into it. He found a truck today and had to jump on it and purchased it with his own cash. If the Board decides not to buy it then he guesses he just bought himself a new used truck.

Chair Mish motions to reimburse Frank (Soto) for the purchase of the truck, it is time to retire the old Dodge, Member Cocchiola 2nds, Vote - Chair Mish - Aye, Clerk King - Aye, Member Jones - Aye, Member Burruss - Aye, Member Cocchiola - Aye - PASSED

8.3. OLD BUSINESS POSSIBLE EXECUTIVE SESSION ITEMS

- 8.3.1. Discussion and possible action concerning reasonable access to read the meter 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.

Clerk King motions to go into executive session, Member Burruss 2nds Vote - Chair Mish - Aye, Clerk King - Aye, Member Jones - Aye, Member Burruss - Aye, Member Cocchiola - Aye - PASSED entered into executive session at 6:45p.m.

Clerk Mish motions to exit the executive session at 7:17 p.m., Clerk King 2nds, Vote - Chair Mish - Aye, Clerk King - Aye, Member Jones - Aye, Member Burruss - Aye, Member Cocchiola - Aye - PASSED

Clerk King motions to establish reasonable access to meter for account 681 utilizing the Districts current or existing easement and we direct our legal counsel to send a letter to that effect. Member Burruss 2nds, Vote - Chair Mish - Aye, Clerk King - Aye, Member Jones - Aye, Member Burruss - Aye, Member Cocchiola - Aye - PASSED

9. **ADJOURNMENT** Clerk King motions to adjourn at 7:18 p.m. Member Burruss 2nds, Vote - Chair Mish - Aye, Clerk King - Aye, Member Jones - Aye, Member Burruss - Aye, Member Cocchiola - Aye - PASSED