

MAYER DOMESTIC WATER IMPROVEMENT DISTRICT

12994 CENTRAL AVENUE

P.O. BOX 416

MAYER, ARIZONA 86333

Board Meeting Minutes

Regular Session

July 11, 2013

1. CALL TO ORDER:

Pat Champion, Chairman, called the meeting to order at 6:00 p.m.

2. ROLL CALL OF BOARD MEMBERS:

Pat Champion, Gordon Nelson, Kevin Jones, Joe Mish, and Rita Macdonald were present.

3. APPROVAL OF MINUTES FOR JUNE 13, 2013 AND JUNE 18, 2013:

Kevin made a motion to approve the minutes as stated. Joe seconded.

Rita gave corrections for the June 13, 2013 minutes all board members read corrections. Motion passed.

Pat made a motion to approve the June 18, 2013 minutes. Joe seconded. Rita stated she had a correction for the June 18, 2013 minutes. Pat said we could come back to this when Agenda no. 7 was discussed. It was tabled until no. 7 on agenda to be discussed.

4. CALL TO THE PUBLIC: Pat made it clear that statements by the public were limited to 3 minutes.

Kathy King 12300 E. Jacobs Rd: It is a misconduct issue when the Water Company delivers a threatening letter to customers houses saying they are going to fine them. Kathy also stated that there should be no whispering among board members as this violates open meeting law. Kathy then pointed out that employee salaries had increased by 14%. She wanted to know who gave the authority to increase salaries. Kathy commented on the fact that salaries had risen over the budgeted amount of \$127,12.25 by \$9,12.25, and that Mayer Water had used up the Verizon telefund plus \$30,000 more. She said these salary increases limit the amount of money to source new water. Kathy asked, "Where is the leadership? And who is running this water company?"

Frank Soto 6105 Oak: One of his renters gave him a copy of the annual CCR. Frank is concerned that Mayer Water is spending too much money on the arsenic treatment

when there is no violation of arsenic in our wells. He also feels it is not good business practice for the water company to not go out for bids for the pipeline project. Frank then went on to say that someone told him Casey fixed a leak that was on the customer's side of the meter, knowing it was on the customer's side.

Maria Arthur 13084 Main St: Went to Mayer Water office to ask questions about the letter regarding outside watering with a minimum of a \$100 fine she received at her house. She asked how the water company could justify a fine, and wanted facts to support this. She said she was met with hostility from Casey Boone, who could not produce a form which he told her she had to fill out. When Maria asked where Heather was, Casey said Heather was in the emergency. She said Casey said, "Are you are happy." Maria felt this was outrageous of Casey to say this. This two day incident ended with Casey filing a grievance against Maria at the Sheriff's office. She admitted she called him names also. She says she is questioning what is going on at the water company and the board. She asked, "Whatever happened to the million gallons of water that was lost a few months ago?" Maria also wanted to know why Mayer Water is working on lines in this critical time of summer, and why couldn't they work on the lines in the spring or the fall. She added, Casey called her names and said she was crazy. She wants to be put on the next agenda about this issue.

Joanne Coe 12855 E Border St.: Commented that she just wanted to discuss a few things, one of them being the budget. She said the board is not abiding by the laws concerning the passing of the budget. Joanne said, "You guys need to learn what you need to do – and you need to do it."

Joanne also stated that Violations of open meeting law are still going on. At the last meeting the chairman was unseated and a new chairman took office. No discussion – if that doesn't have the appearance of being pre-planned, I don't know what does. You cannot discuss anything you are going to vote on with more than one board member – ever – that is a violation.

Joanne went on to explain, that the board cannot impart authority to Casey that they cannot do themselves. A rate increase is anything that has any money attached to it. You cannot just do that, it is not allowed. Statutes say what you have to do. The rate increase has to be justified. She said, "You guys don't have a conservation plan in place. You don't have policies."

Joanne also stated that employees Stephen O'Bresly and Mike Boothe told her that the Pump Tech well was just pumping 9 ½ gals per minute and it was red water and capped. Joanne continued if this was not true, then why are we not using it? She questioned what is our plan if we run out of water? She said, you guys have made an attempt to get

the CAP money, and you are saying you are going to build wells – you haven't voted on it.

5. **Board Member Reports:** Kevin Jones says he is pleased that the community is very active on the issues of the company wells. He said we shouldn't nit pick the little issues when there is a bigger picture.
6. **Reports and Correspondence:**
 - A. **Managers report:**

Casey Boone said that we turned out negative on our bacti tests. We passed our pressure test. All of the fire plugs are hot and active. We had 3 leaks that were repaired. Pat asked Casey if the the main st project was causing a major loss of water. Casey said no because we are using the well here at this property. We are flushing out the lines with this water. It is high in nitrates. Rita asked Casey about the Pump Tech well, asking him if he was doing the soundings that Pat had requested. He said it was in the Sounding Reports. Rita said she hadn't gotten a chance to read it yet. Casey said, "You need to read it." Joe Mish made a motion to accept the managers report, Gordon Nelson seconded. Motion carried.

B. Financial Report:

Because the finances have not being correct, this was tabled. Pat did say that she would get with Tara (Alyx's office) and get the finances straightened out.

7. **Adopting Budget for 2013-2014:** Pat made a motion to pass the budget for 2013 – 2014, Joe Mish seconded. Rita Macdonald said that the legal on the actual for 2012- 2013 was wrong. Heather had it down for \$40,000 actual, Rita said she had added up all of the legal that she was given and it came to \$55,000 and she did not have all of it since she didn't have all of the figures from Sheila Schmidt, so it would be more. Pat wanted to know what this had to do with the budget proposal. Rita stated that if the actual budget from last year was not right, then the proposed budget for next year would not be right, since it is based on last year. Pat said she would get the legal fees to Rita. Rita also made the statement that the CAP money was not in the budget and couldn't be used if it was not. Pat said, we are not a taxing district and I think things are different for us. She said she would find out.
All were in favor of proposed Budget, except Rita. Motion carried.
8. **Sheila Schmidts Response to the AG's Office:** Pat read the districts response to the Open Meeting Law Violation letter from the AG's office. Joe Mish said he thought the Attorney's fees were getting out of hand over bull crap and that it needed to be stopped. Gordon and Pat agreed.

There was a later complaint that Rita had not gotten until one day before the meeting, she asked Pat if she (Rita) was the only one that hadn't gotten notice of the later complaint. Pat said she didn't know.

Pat asked Rita to read her response to the Open Meeting Law Violation letter from the AG's office, she did.

9. **Adopting a Policy Regarding Placement of Agenda Items:** Pat asked if the board members had in their packets a certain ARS 48-1011 resolution policy. Nobody did, including Pat. We recessed while Pat and Michael printed out the missive. Back in session. Pat said that in the past it has been an issue that we already had the agenda made out and someone wanted something added, and then we would have to scratch the old agenda. Pat also reminded the board that the AG's office was questioning if things were clear enough when put on the Agenda. Pat said from now on things would be clear and concise. Pat made a motion that items to be placed on the agenda had to be gotten on the agenda three days before the meeting, after that they could not be put on that agenda – except in special cases – but could be put on the next one. Joe made a motion to pass. Kevin seconded. Motion passed
10. **Rita Macdonald making independent requests of the DA:** Pat read to the board, emails between Pat, Sheila, and Rita, where Rita was requesting totals on Hackett issue, Lucas Well, Pump Tech well, and Rita's cost of talking to Sheila. Rita wanted all of those costs broken down separately and she did not want them from the Mayer Water office, Pat Champion, or the Mayer Water Board. She insisted she only wanted them from Sheila because Heather had not been able to separate them at the time. Pat said, Sheila emailed her and asked if this is what she wanted. Pat told Sheila, Rita is not authorized to get these costs. Rita said, I have only cost the district \$95.00 so far, Casey Boone, Joe Mish, and Heather Pressley have cost this district in upwards of \$50,000. Gordon Nelson said, we as a board did. Rita said, oh no we have not. Pat said to Rita Macdonald, you have been very adamant about it being a five-member board, so this is the way it is going to be.
I said up until then it had not been and that I hoped from now on it will be. Pat said she would pull those records for me and they would be itemized. Joe Mish made a motion to have only the chairman and the clerk confer with Attorney. Kevin seconded. The board voted all in favor. Motion passed.
11. **Hearing 23rd July, 2013 on Rate Increase:** Pat said Emery Layton was going to prepare some kind of a chart to show the low levels of water. Pat said she thought over time it could be shown in a cumulative way that the levels have lowered. Gordon thought we would have to average it out. Gordon made a motion to have the hearing on the 23rd, July, 2013. Kevin Jones seconded. Motion passed.

12. Suggestion Per Ombudsman; Reducing Rate Charge For Public Requests for Records.

Gordon moved to lower the rates for requests for records to \$15, \$1 per page. Kevin seconded. Motion carried. Rita made the point that the \$15 would only be required if it had to be researched and not if the person just had to press a key to get copies. Joe cut her discussion with Pat on this off. He yelled meeting adjourned.

13. Adjournment