

Ponderosa Park Domestic Water Improvement District Draft Board Meeting Minutes

February 16, 2021

I. Call to order

Meyers called to order the monthly meeting at 6:00PM on 2/16/2021.

II. Roll call

The following persons were present. Chairperson – Mary Meyers, Board Members –Robert McBurnie, A.J. Adamkiewicz, Dereck Rice, Recorder – Michael Wimmer, Southwest Utility Management – Stuart McLean, Office manager, Dorinda (via phone), Moyer and associates, /SUM & PPDWID attorney– Steve Wene (via phone)

McBurnie raised an objection to the modifications of the agenda. Last month the board had agreed to the agenda items listed and two dully elected officials asked to address the agreed agenda items, yet they were withheld. It prevented the board from addressing open meeting laws, procedures the web site, minutes and the special districts hand book. Second objection is that it is not duly notified, copies were handed out with AZ state open meeting law. Rice agreed with McBurnie’s objections, board had agreed and the chair decided not to include item. The reinstatement of Robert’s Rules in addition to the afore mentioned objections. Next Adamkiewicz reported that he did not need to repeat all that Rice had stated but agreed with him. Mary gave the floor to Wene, Steve Wene, agreed with process and procedures with McBurnie and Rice. Advised to go through agenda as posted. All of new board members should have their open meeting training completed through the county. It is usually a requirement and would be helpful. Have new board members received their open meeting training. McBurnie reminded Wene that he was not listed on the agenda. Yavapai county does not provide training.

III. Approval of Minutes

- a) Meyers moved to approve the minutes from November 19 (Meeting was November 17,2020) and January 19. McBurnie reported that he was not a board member and thought that it was settled last month that the new board members were not comfortable approving minutes when they were not board members. McBurnie, Rice, and Adamkiewicz abstained from voting on the November minutes as they were not board members at the time. Meyers asked Rice, and Adamkiewicz if they will pass. Rice discussed liability for new board with not following AZ state law. Mary reported that Roberts Rules have never been approved in this public body. Wene stated, approved, deny or abstain. Mary made the motion to approve the November minutes, McBurnie, Rice and Adamkiewicz all abstained. Mary voted to pass. Meyers stated the motion failed. Wene stated that the motion passed. Immediate objections were raised as Wene explained that abstaining from the vote was different then an objection. The new board members were unclear about the difference between abstaining and denying a motion. McBurnie told new board members, and Wene to please stop any discussion, multiple times. Adamkiewicz felt

that Wene had not been forthright with the new board members. Wene told them they were “you supposed to know that idiot.” Both Adamkiewicz and Rice asked Wene to be removed from the call. McBurnie motioned to pass the January minutes with correction that he added, to accept the minutes. Myers stated that “since you don’t have a chair” and left the meeting, immediately telling Mclean that she had resigned as chair and walked out the door. Mary’s personal phone was the teleconnection to the meeting and at approximately 16 minutes into the meeting the tele-access ended.

The motion is to add the red additions to the January 19, 2021 minutes, Adamkiewicz seconded the motion. The motion passed all in favor. The recorder was asked to add and post the additions. Wimmer reported that he would. January 17, 2021, minutes were posted late. Discussion on the late submission of minutes. Agreed to add to next months agenda.

McBurnie ask to continue the meeting if there were no objections, no stated.

IV. Review Financials

McBurnie states that the proper protocol had not been followed by the board, Al Jossic left and now Mary Meyers had left us. He is unsure on how to handle the rest of the meeting they are all in the dark. Rice recommends to please follow Roberts Rules, agenda, and every thing else, more transparency, with an example.

- a) McBurnie motioned to table the approval of the January financials. Adamkiewicz seconded.

V. Operator’s / Manager Report -Mclean

- a) McBurnie expressed that Mclean was not required to go over the details of each month, only those items that would warrant immediate action. Mclean reported that Brien would give McLean a report and Mclean would send that to Meyers to share with the other board members. The board would like more information so it can be added to the agenda with content. The board also found out that Mclean does not charge to attend the meetings. McBurnie asked to have the Mclean educated on proper meeting ediqette. McBurnie also wanted to continue with the tour that was discussed in the January 17, 2021 meeting.
- b) Mclean reported there were no critical issues only cost and testing.
- c) Filters were taken off the agenda by the previous chair. Mclean was prepared to address this. McBurnie gave a hand out regarding 1-micron filters to Mclean. There was a discussion on using exploring them in the new system. Mclean agreed to look into the viability of the filters in PPDWID’s filtration system.
- d) McBurnie asked Mclean to have content on what he needs to discuss at the meeting with some content.

VI. Old Business Mclean

- a) Officer Assignments
 - i) McBurnie asked for officer assignments to be tabled until a future meeting.
 - ii) Adamkiewicz motioned that McBurnie server as acting chair until the assignments could be made. Rice seconded the motion. The motioned passed unanimously.

- b) Audit Discussion
 - i) McBurnie read the bilaws about the yearly audit. motioned that audits be conducted every year at a cost of approximately \$7200. Last year there were two issues, one was the truck and the other was that both Jossis were being paid by the water board. The board will be responsible for reviewing the records annually. Rice made the motion to continue with the yearly audit and Adamkiewicz seconded. The motion passed unanimously.
- c) Al Jossis Resignation
 - ii) i) McBurnie stated that no resignation letter was provided and therefore Jossis would be reported as abandoning public post. Adamkiewicz motioned to recognize Jossis's resignation. Rice seconded. The motion passed unanimously. McBurnie motioned to accept Jacqueline Wheeler as a board member. Adamkiewicz seconded. The motioned was passed unanimously. Adamkiewicz suggested that Chuck Silvera or Michael Wimmer be considered for a role on the board. Rice asked about Meyers resignation, if there is not a letter of resignation, it is required according to the bylaws. Mary resignation will be on the next agenda to be address at that time.
- d) Discussion and Possible Action on Rate Review
 - i) Adamkiewicz and McBurnie expressed being overwhelmed with the large amount of paperwork provided by SUM regarding rates. The review will be delayed until such time the information can be digested and an informed decision can be made.
 - ii) Mclean made a case to maintain rates at a level that would provide a surplus for future emergencies or unexpected maintenance. Another water district recently experienced the failure of their main storage tank, costing the company more than \$500K. Fortunately, the company had been prepared and was able to cashflow the repairs without having to secure a loan or financially impacting their customers. Brien also had looked at the age of the current well pumps. Well pumps life is average max of 13 years. Also, for Maize will send reports to new board members. Pumps do not get replaced until they die. Time frame for replacement was also discussed.
- e) Discussion and Possible Action on Budget 2021-2022
 - i) . McBurnie suggested a "capped" budget that would prevent the board from spending an amount greater than what was agreed upon in the final approved budget. Rice motioned to keep the current budget caps. Adamkiewicz seconded. It passed unanimously. There is a process of public notice, meetings, report to the county. McBurnie postponed until there was adequate time to review the financial records

VII. New Business

- a) Discussion and Possible Action on Face Masks
 - i) Adamkiewicz motioned that face masks be worn at the discretion of the attendees. This would be in line with the Yavapai County's decision to not mandate masks. There was a discussion about the viability of masks. Rice seconded. McBurnie decentered. The motion passed with yes for Rice and Adamkiewicz. The motion will be taken up again at a later meeting once there are more board members.
- b) Discussion and Possible Action on Service Award to Brad Bean
 - i) McBurnie motioned to deny any sort of cash award to any member serving the board. He expressed that while public recognition should be made on the website, it was not within the rules of the board

to pay for any form of recognition that would come out of the PPDWID funds. Post on the web site, everyone's service on the board, for all the board members in the past from 1997. The decision was made last month

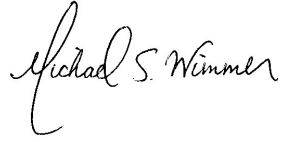
VIII. Board Discussion of Priority and/or Agenda Item: Mclean, Maize

- a) Rice asked Review legal services, for a public body. The board felt that Steve Wene has a conflict of interest given he represents our operator and management company and PPDWID. Mclean reports that Wene had been the attorney before associated with SUM. Public body water company is important. The board will need to find out if there is a contract.
- b) McBurnie suggested other board members review the Arizona open meeting law procedures.
- c) Do they need to have a second meeting, to try and catch up with issues? Only if needed.
- d) McBurnie thanked the recorder, new minutes are great however suggested that meeting minutes no longer be written and instead be provided as an audio recording. Website issue, video for the entire meeting. Rice asked Mclean what he had experienced with his water boards and videos.
- e) McBurnie requested that Robert's Rules and procedures and the PPDWID bylaws be posted to the website including the special districts handbook.
- f) Mclean agreed to determine the viability of the 1-micron filters and to determine the costs associated with their potential use. Mclean also agreed to present the quarterly radium testing costs. MAP is one test a year. This is needed for the yearly budget, if there will be an increased cost.
- g) Mclean recognized Brien's excellent work in maintaining PPDWID. McBurnie also asked Mclean to let the board know if there is a need to have items added to the agenda, send an email with some content. Asked to have spread sheet each month with any other pertinent information. Mclean had the well information as requested last month. Maize showed a diagram of well depth and levels of all 5 wells. And other well information.
- h) McBurnie made a statement regarding the purpose of the board per the bylaws. He felt the boards only mission was to set policy and offer guidance. SUM staff is managing the system and asked for SUM with tallies and any issues to be brought to the boards attention. SUM staff, Darinda, to talk with board members to see what their new needs will be perhaps an activity report is one short page. To make that happen he suggested the board follow the Arizona open meeting laws and adopt Robert's Rules for meetings.
- i) Mclean offered to contact Meyers to determine which charges were being processed manually. And the banking information. He will contact the board members by phone/text/email.
- j) SUM can handle these charges as part of the management agreement. What is included in the SUM hospitality package?
- k) Facility tour was scheduled for Friday 2-19-2021 for the board members. McBurnie will post the notice of the tour. Jackie Wheeler will also be included in the tour.
- l) McBurnie asked the board members to familiarize them selves with the open meeting laws and the handbook for District Improvement by Yavapai County and Roberts Rules.

IX. Adjournment

- a) McBurnie adjourned the meeting at 7:39PM.

Minutes submitted by:

A handwritten signature in black ink that reads "Michael S. Wimmer". The signature is written in a cursive style with a large initial 'M'.

Date Submitted: 2/18/2021

Approved by board member:

Date Approved: