Mayer Water District

Regular Board Meeting
Date: December 19, 2024 **Time:** 6:00 pm

1.0 MEETING OPENING

1.1The meeting was called to order at 6:05 p.m. by Chair, Kathy King.

Roll Call: Kathy King - Present, Shasta Guthrie – Present via Zoom, Keith Francen - Present, Kevin Jones –Entered meeting at 6:10 p.m., Trish Pittman – Present via Zoom

Staff Present: Bob Hanus and Carrissa Anderson

1.2 Pledge of Allegiance

1.3 No comments from the Public

2.0 CONSENT AGENDA

Jones motioned to accept the consent agenda. King seconded the motion.

The motion passed: 4/0

3.0 ADMINISTRATIVE/STAFF REPORTS

3.1 Chair Report –

Kathy wished everyone a Merry Christmas and Happy New Year! She also wanted to thank all the customers for being patient during the transition of meters. King also thanked the staff for everything they did this year.

3.2 Field Administrator Report –

Hanus gave an update on on-going projects. The crew is continuing site cleanup. A new rounds log has been created and is being tested out by the crew. Supply inventory has been completed and handed in to be ordered. Also working on Lucas well Motor Saver and blending plan. Hanus will create a master sample schedule that will be posted in the office. Hanus reported November samples came back well below the acceptable levels.

3.3 Business Administrator Report –

Anderson reported on the continuing customer audit. Along with the audit the office is working on cleaning up the Past Due accounts. The office is still reaching out to the customer about possible leaks. Anderson also reported about the new Badger supplier and their offer of training at a reduced rate. Anderson recommended the training be accepted so that field and office staff can have improved knowledge and utilize the new system to its fullest extent.

4.0 NEW BUSINESS ACTION AND DISCUSSION ITEM

4.1 Discussion and possible action on Quotes for building repairs.

King provided two quotes on building improvements.

Jones motioned to accept the lowest bid, with Make It Better.

King seconded the motion.

Jones asked when the project would be completed. King explained that the repairman has a very busy schedule, but he would fit in the broken door as soon as possible and then the other two parts of the project would be fit into his schedule as he can.

Motion Passed 3 Aye: King, Jones, Francen/ 2 Nay: Guthrie, Pittman

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4.2 Discussion and possible action on approval of 2025 CPA Contract

King moved to accept the contract.

Guthrie seconded motion.

Motion Passed 5/0

5.0 OLD BUSINESS ACTION AND DISCUSSION ITEM

5.1 Update on Lucas Well litigation. (*Executive session per A.R.S. §§ 38-431.03 (A)(1))

Michael Foy is not ready with an update at this time.

5.2 Discussion and ratify/vote on COO contract with AJT Solutions.

King stated that this contract was voted on the previous month pending legal counsel review. Minor changes were made to protect this district so the Board needed to vote again.

Jones seconded the motion.

Guthrie again raised concerns:

The proposal is flawed in many ways but the points of greatest concern are as follows, and I would like these included in the minutes:

III. The preparation of a CIP should not be open-ended; it should have a 'not to exceed' cap. **I recommend a cap be set at $1000.**

IV. Term. A contract term starting in 2024 through 2027 provides for 2 renewals (2025 and 2026), **not 3.**

VI. As written, Contractor requests the right to perform services for others. **I recommend that competitive bids be specifically excluded so that the District is not potentially competing with other applicants also represented by Contractor.**

VI., XIX. etc. Throughout this proposal, the language commits AJT Solutions to provide the services, not Jerry Postema personally. If his certifications and years of experience in the industry have value, as argued by the Chair, then we should be assured of getting his direct services. **As written, he could subcontract with literally anyone, without any credentials or experience, and without Board input.**

XIX. Liability Insurance. Contractor requests to be covered by the District's Insurance. NFP, our broker for Selective Insurance, has advised that the policy cannot be extended to cover an independent contractor. **This provision should be stricken as it cannot be provided.**

The Board has binding, legal arrangements with a number of contractors who provide services to the District. To insert a third party and affect those relationships by creating a change in oversight and authority would be a breach of contract. [Example: the CPA has a contract *with the Board* which cannot be reassigned to an intermediary.] **The proposal conflicts with preexisting contracts.**

Finally, I have received alarming feedback from various staff, contractors and others who would be impacted by this proposal that they have concerns. **I feel strongly that these should be explored and respected.**

Pittman stated she was confused on when the position was discussed by the Board and how the position would be funded.

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King clarified that Jerry's name is on the contract and he has his own insurance that has a $1 million dollar total. The position was discussed at the last meeting. He is not allowed to hire without Board approval. The Board must approve the CIP. This would combine the position of COO and Grant as well as get us off the ala carte charges.

Motion Passed 3 Aye: King, Jones, Francen/ 2 Nay: Guthrie, Pittman

5.3 Approval of Board meeting minutes for September 26th.

King motioned to approve the minutes with the changes requested by Guthrie and Pittman. Jones seconded the motion.

Motion Passed 5/0

5.4 Signing of Resolution #112124

King wanted all the Board members to sign the Resolution approved at the last Board Meeting. This will then be submitted along with the approved meeting minutes and agenda. King explained how important this WIFA will be to the District allowing many projects to be completed and others to be started. This could include improved security at the well sites, improvement on the water tanks, and digging more wells. King, Jones and Francen signed the Resolution. Guthrie and Pittman will stop by the office soon to sign.

6.0 ADJOURNMENT

Jones moved to adjourn. King seconded.

The motion passed 5/0

Meeting adjourned at 6:41 p.m.

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Approved by the Board on _____. Signed by _____.