

MARANA DOMESTIC WATER IMPROVEMENT DISTRICT
Official Board of Directors Meeting Minutes
October 13, 2014

The Board of Directors of the Marana Domestic Water Improvement District met in session at the Marana Domestic Water Improvement District Office 16560 West El Tiro Road Marana, Arizona **at 4:00 P.M. on Monday, October 13, 2014**

1. Call to order and Pledge of Allegiance

Chairman Mr. Sostarich called the meeting to order at 4:01 P.M.

Mr. Sostarich ask Ms. Walker to lead the Pledge of Allegiance.

2. Roll Call

Upon roll call, those present were as follows:

Board Members Present were;

Anthony Sostarich, Chairman
Don Peetoom, Vice-Chairman
Michael Young
Teresa Ball-Cummings
Michael Sniffen, Absent

Staff Members present were;

System Manager, Sig Danielson, Absent
Tony Griggers
Clerk, L. Katy Walker

3 members of Public present

Mr. Sostarich: Sig said he may be calling in via phone, he informed me earlier this afternoon and if he does, he calls in, if not, Tony Griggers is standing in for him. I told him if he's on the road, don't call in, but if he can do it, so be it.

3. Consent items

A. Approval of meeting minutes from the September 8, 2014 meeting.

Mr. Sostarich: I didn't find anything out of line with it, anybody else?

Mr. Peetoom: I didn't find nothing.

Ms. Ball-Cummings: Neither did I.

Mr. Sostarich: Mike?

Mr. Young: No.

Mr. Sostarich: Anybody want to make a movement that we?

It was moved by Mr. Peetoom, seconded by Ms. Ball-Cummings, and carried that; **the minutes of the September 8, 2014 meetings of the Marana Domestic Water Improvement District shall be approved as presented/amended.**

4 Ayes 0 Opposed 0 Abstain 1 Absent

4. System Manager's Report

- 1. We have not had any problems with the system since the last BOD meeting.
- 2. We have repaired twelve (12) additional service line leaks.
- 3. August billing included 175 late notices, which is higher than normal.
- 4. We did no shutoffs In September for nonpayment

Accounts Payable	\$ 43,952.80
Capital Expenditures	\$ 8,107.50
Accounts Receivable	\$ 42,656.44
Balance	-\$ 1,296.36

MDWID Balances Brought Forward:

MDWID Balance at Pima County	\$ 82,240.32
N B of AZ Checking	\$ 10,000.00
WIFA Reserve Account	\$ 83,842.06
RD General Account	\$ 189.30
RD Reserve Account	\$ 14,729.60
RD O&M Account	\$ 9,495.21
RD Replacement Account	\$ 8,011.09
RD Bond Account	\$ 22,738.20
Bills Pending Balance	\$ 2,438.21

Mr. Griggers: Sig had talked to Patti Davidson on the tax money and they're working on it and talking to somebody that's, they're on, they had family related issues where they couldn't be in today to talk to him so he's gonna try to talk to them tomorrow and he's gonna have the money available to us as soon as possible so he's on it.

Ms. Ball-Cummings: Excellent, excellent.

Mr. Sostarich: Are you finished?

Mr. Griggers: Yes sir.

Mr. Sostarich: Any questions for Tony regarding System Managers report? No?

Mr. Peetoom: No.

5. Discussion and Possible Action Concerning Financial Sub-Committee

Mr. Sostarich: Did Sig give you anything?

Telephone ringing.

Mr. Griggers: Actually it's Sig.

Mr. Sostarich: Go ahead and get it.

Mr. Griggers: Hey Sig. Hello. I sure will, I'm in it right now, okay, bye. He just said
to handle the meeting for him.

Ms. Ball-Cummings: Excellent.

Mr. Sostarich: Okay, did he give you any information on Financial Sub-Committee, item number
5?

Mr. Griggers: If he did, I don't recall what he said.

Mr. Sostarich: Okay, Mike?

Mr. Young: We didn't have any meeting.

Ms. Ball-Cummings: No, he didn't state nothing to me on the telephone.

6. Discussion and Possible Action Concerning Replacement of System Manager

Ms. Ball-Cummings: Excuse me, Mister Chairman.

Mr. Sostarich: Yes.

Ms. Ball-Cummings: If Sig did not mention it to anyone, shouldn't we table it til the next
meeting?

Mr. Sostarich: That sounds like an excellent idea.

Ms. Ball-Cummings: Okay, let's do that, we need to make a motion.

Mr. Sostarich: That will be the 10th of November.

Mr. Young: Can I question something, did we put an ad in the paper yet?

Mr. Sostarich: According to Sig, he did, that's all the information I have.

Mr. Young: Okay.

Mr. Sostarich: The ad is in and he's gonna get ahold of you, Annette and have you put it, but he
said they're gonna put it in the Star's web search engine as well as put it in the
newspaper.

Ms. Ball-Cummings: Exactly, okay.

Mr. Young: Okay.

Mr. Griggers: He said it's active now.

Mr. Young: Okay.

Mr. Sostarich: That would have come up under item number 6.

Ms. Ball-Cummings: Correct.

Mr. Sostarich: Which is what we're on right now, we're on item 6, replacement of System Manager, that's all he told me today. He's at a Doctor's appointment. He's obviously

Ms. Ball-Cummings: That's correct, that's correct, yes, that's what he said to me.

Mr. Sostarich: Okay that's all I have.

Mr. Young: Can he bring a Doctor's excuse?

Ms. Ball-Cummings: Sure he can.

Mr. Peetoom: So we'll table it til November then.

Ms. Ball-Cummings: Yeah.

Mr. Sostarich: Okay we'll table that, that's a movement.

Ms. Ball-Cummings: No movements, we have motions here. Movements, we can go outside.

It was moved by Mr. Peetoom, seconded by Ms. Ball-Cummings, and carried that; **BOD table the replacement of System Manager until November**

4 Ayes

0 Opposed

0 Abstain

1 Absent

Mr. Peetoom: November the 10th.

Mr. Sostarich: Correct.

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Ms. Ball-Cummings: Correct.

7. Call for Public Comment (limit 3 minutes)

Mr. Sostarich: Gordon Emholtz, who says he's just attending.

Mr. Emholtz: I just want to meet everybody, and I'm retired and I thought I better get out and see what the rest of the world's doing. Actually, don't tell my wife, it's a way to get out of the house.

Mr. Young: Yeah, they're pretty bored.

Mr. Sostarich: Well you came to the right place, the more the merrier here.

Mr. Young: That's right.

Mr. Emholtz: Thank you.

Mr. Sostarich: Marlin Perry, you got 3 minutes.

Mr. Perry: I, first meeting I have attended and I just wonder if that running in the negative in the checking account, is that normal? Is that bad planning?

Mr. Young: It's outstanding bills, people that haven't paid, so some months it's real good, some months it's real bad. Now since the summer has passed, we have lower customer use.

Mr. Perry: You don't make like an overflow so you don't run in to the negative? I'm new, I just don't like anything running in to the negative.

Mr. Young: Neither do we.

Mr. Griggers: May I say something?

Mr. Sostarich: You may.

Mr. Griggers: That actually is due to capital expenditures. purchases from Dana Kepner and what have you, actually from. That's why it's negative.

We had some
and that's what that's

Mr. Perry: Things that weren't budgeted for?

Mr. Griggers: Right.

Mr. Perry: Okay. I don't know how that works, I'll just be quiet.

Mr. Sostarich: Well you've still got a few minutes here.
in town, who are you?

Are you new

Mr. Perry: We've been here for 7 years.

Mr. Sostarich: Yeah.

Mr. Griggers: Welcome to the Board meeting.

Mr. Perry: Well I was saying, you know that I read the newsletters saying that we were having financial difficulties and it's like it's hard for me to fathom, when we've got water which is a most precious resource and if it's managed right, it should be self-perpetuating, you know. I mean it's basic economics. I know some of you got to be college graduates based on supply and demand but then it goes back to the old theory if we don't use the water, we'll lose it, somebody else will take it and then if we don't, I came from a town where they raised it too high and they had a problem with the water stagnating, so you gotta figure out a happy medium. On the same token you gotta have it budgeted for replacement for equipment wearing out. Like I say I'm new so I'm just gonna, I'm just trying to understand.

(Inaudible, overlapping statements)

Mr. Young: Sure, did you hear how many late notices?

Mr. Perry: I'm one of them.

Mr. Young: Okay

Ms. Ball-Cummings: I think everybody has a late notice.

Mr. Perry: I got in that car accident, like I said I kind of throws things out of kilter, the check's sitting there, it's just that I haven't

Mr. Young: So our fall's gonna get better, you think?

Ms. Ball-Cummings: I think so. You're ornery.

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Mr. Perry: I, yeah, I don't know, I'm not from here, you know I don't know the, you know the ratio to late verses on time verses, you know, I just know that somewhere they should be able to figure what the average is and maybe set up a counter balance when that does happen that we don't run in to the negative. I'm new so I don't know what the checks and balances are. I'm sure there are some there but at this point.

Mr. Peetoom: The only thing is that it has to be paid by the 15th of the next month.

Mr. Perry: Well I'm just saying you know, it's gotta balance itself out, you can jump money from one account to another but the idea is what money do we have coming in verses what's going out verses how many or what do you call necessary no matter what where other ones are you can delay them or extend it or like I say I'm new, I'm just learning.

Mr. Sostarich: Speaking of time, you've run out of 3 minutes. Let me ask you a question, do you have a computer with an online access capability?

Mr. Perry: Oh yeah, just when I was home, I was working on the computer, I just put a brand new Ethernet like I say so I can

Mr. Sostarich: If you want to find out more about us you, we can have an online address that you can check out and with back issues and meeting minutes and

Mr. Perry: That brings up another question, I'm out of the 3 minutes, but why haven't we set up an electronic bill pay? I would love that

Mr. Sostarich: You will find that out once you go through the meeting minutes in the past. We've been through that before. It's not economically feasible.

(Inaudible, overlapping statements)

Mr. Perry: Right, you know, cause this is the only bill I think the wife says that we have to write a check or we can't set down and, like the electric bill automatically taken out.

Ms. Sostarich: Check with your bank because a lot of banks that do electronic bill pay, you can still pay the bill and the bank will actually cut a check and send it to the payee.

Ms. Ball-Cummings: Correct.

Mr. Perry: Wow, my wife doesn't quite want to give them that much power.

Ms. Sostarich: Well you're giving them that much power anyway if you pay your bills online so don't worry about it.

Mr. Perry: (Inaudible, overlapping statements)

Ms. Sostarich: Well you've already given them that much power so check and see if the bank will actually send a check to the water company cause they often will.

Mr. Perry: But then, I just, you know paper for free, let's put it that way, does that make sense?

Ms. Sostarich: Yeah. Well it will be paper free from your point of view, it just won't be paper free from the standpoint of the

(Inaudible, overlapping statements)

Mr. Perry: The bank, I just wonder, cause I, you know the gas company, everybody else and it's nothing, I just

Ms. Sostarich: Yeah.

Mr. Sostarich: Are we ready to move on to item 8 here?

Mr. Perry: My 3 minutes are up.

Ms. Ball-Cummings: Thank you for your input, we appreciate it.

8. Discussion and Possible Actin Concerning Administrative Details

Mr. Sostarich: The only thing I have to add is, I'm well received at my job up in Goodyear. My regular days off is Sunday and Monday, however I've been informed that we will probably be working six tens, which means that the next meeting I will probably be here in the phone. Does anybody else have any administrative details they'd like to bring up?

Ms. Ball-Cummings: I do. Okay, now there's always been a question in the past with any board members as far as their terms, how many terms they do and when the terms up and it states in the ARS that if you're a public official and your term's up when someone is ready to maybe want to run again and they're not on the ballot or they're not a write-in and there's a space possibly open, you know if someone doesn't get the space, then they can, then after the elections are over, I believe it's the end of January that you're allowed to do it, if my memory serves me correctly, you can't do any, appoint any person within the community until their term is fully up and that there's an opening on the ballot, make sure you know everybody has ran for the elections so that's just something that everybody's had an issue about over the years, you know, cause that's how I got in, back 13 years ago, because there was an opening and so they appointed me as a board member because there was nobody there that you know run on the ballot so that's something that's, it's good for everybody to know, you know because that's the way it works.

Mr. Sostarich: Yeah. I'm glad you've clarified that because that issue did come up last meeting I believe.

Ms. Ball-Cummings: Yeah it's in the ARS if you read your green book and the blue book, of course I guess anymore they don't distribute it unless you call the Capital up there in Phoenix and they'll distribute the books you know cause it's limited so much, but if you need more you call them up there in Phoenix and then they'll give you more books. The county is the one that takes the federal funding and they'll just issue you know copies online and you can print them out but you can request them from Phoenix so yeah, anyways that's where it stands with the elections, and that's with any election, it doesn't matter if it's President or the Governor, you know Secretary of State whatever it may be, you know you have to wait til election is over and if there's an opening then you can be appointed by the board members. Got a question for the gentleman over there, Mr. Chairman?

Mr. Perry: Now on this board, do you have to reside in the community?

Mr. Sostarich: Yes.

Ms. Ball-Cummings: Yes you have to be yes, that's what I was going to ask.

Mr. Sostarich: Speaking of elections, the last two lines on this leaflet that we were given is the actual names of the people that will be accepted as write-in candidates for the Board of Directors. Gordon Emholtz and Alecia Guise.

Ms. Ball-Cummings: Okay.

Mr. Sostarich: So when you go to, I mean just 1 vote will get them in, but these are the only 2 people that we've been able to find that are willing to run when the time was right to do so.

Mr. Perry: Excuse me I did put in, they said I didn't put in in enough time.

Mr. Sostarich: Yeah, okay.

Mr. Perry: They sent all my stuff back.

Ms. Ball-Cummings: Okay.

Mr. Sostarich: Any other Administrative Details? Mike.

Mr. Young: I would like to answer his question. I wonder if I can.

Mr. Sostarich: You may.

Mr. Young: Okay, you were wondering about our income, our revenue. Well what we did since we've lost some customers in the area, what they're doing right, we're right now as a board turned it over where they're gonna assess value to each lot in here which will be funding, will help fund the water district and they're working on that right now. There's a lot of empty lots, people have water lines running by it and all that so we feel that they should help contribute towards the water system so we're going after that levy on the property.

Mr. Perry: Where we're from they decided here just recently that must be similar that they still have to pay a set fee even whether the water is used because you have to have the service there. Whether the meter is in place or not you're providing a service to that lot and it's usually a minimal fee so many dollars but on the same token that means that there's water there when they pull up and decide

Mr. Young: Right. That's exactly what we did. Sure.

Mr. Perry: That's what we had done in a different township we had a hundred lots that nobody's there but the water guys are out there fixing the lines and you know to the meters and stuff and it cost just to maintain to the property. Like I say you know I'm just learning so I'm new to the game so.

Mr. Sostarich: Well Mr. Perry I hope that we see more of you.

Mr. Perry: I'll probably be here, it's the, I marked it down as the second Monday of every month I take it.

Mr. Sostarich: I'll get you our website address when this meeting is over all right?

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Ms. Ball-Cummings: Mr. Chairman?

Mr. Sostarich: Yes?

Ms. Ball-Cummings: I have one more under the Administrative Details. I don't know if you all spoke about it in the last meeting since I was not here, did you talk about a new System Manager and how to go about doing it?

Mr. Sostarich: Yes we had an Executive Session last week at this time, a basic outline was approved and adopted which includes advertising in a local paper and having Mike Young and Sig Danielson doing the preliminary interview of any potential candidates and if they find anybody that meets the qualifications they'll bring them before the board for full approval.

Ms. Ball-Cummings: Okay did you guys consider the Water Utilities Company, because they're the ones that have the older gentleman that came and took the place at one time and that was fine. So I mean he's just a temporary until you get someone in there permanently, he has all his credentials so that's something that you might want to consider

Mr. Young: We talked about that.

Ms. Ball-Cummings: Did you?

Mr. Sostarich: There were three options, finding somebody through the newspaper is one option, hiring a contractor to come in and find a person for us if we couldn't find one, an agency and third option would be farming all of this out to, contracting the whole operation out if worse came to worse and they said they were prepared for that. You follow that?

Ms. Ball-Cummings: Yeah. Excellent.

Mr. Sostarich: Okay and that was the, I guess you could say the general consensus of last weeks meeting. That's what we came up with in Executive Session and right now Sig has taken the first step in placing an ad in the newspaper. Okay, is there anything else?

Ms. Ball-Cummings: Okay Excellent, thank you, no that's it.

Mr. Sostarich: Don?

Mr. Peetoom: No.

Mr. Sostarich: Okay no more items to discuss on item 8.

9. Announcement of Next Meeting

The next scheduled meeting of the Marana Domestic Water Improvement District Board of Directors shall be on Monday, November 10, 2014 at 4:00 P.M. at the District Office at 4:00 p.m.

10. Adjournment

It was moved by Mr. Peetoom; seconded by Ms. Ball-Cummings and carried that; **this meeting of the Board of Directors of the Marana Domestic Water Improvement District shall be adjourned at: 4:24 P.M.**

4 Ayes

0 Opposed

0 Abstain

1 Absent

Minutes prepared by
L. Katy Walker
Clerk of the Board