

# **MARANA DOMESTIC WATER IMPROVEMENT DISTRICT**

Board of Directors Meeting Minutes

**April 11, 2016**

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, April 11, 2015**

## **1. Call to order and Pledge of Allegiance**

Vice-Chairman Mr. Emholtz called the meeting to order at 4:07 P.M.

Mr. Emholtz asked led the Pledge of Allegiance.

## **2. Roll Call**

Upon roll call, those present were as follows:

Board Members Present were;

Gordon Emholtz, Vice-Chairman  
Alecia Guise  
Kathy McDaid  
Patrick Nilz

Staff Members present were;

Clerk, L. Katy Walker

11 members of Public present

Mr. Emholtz said Interim System Manager left on her own.

### **3. Call for Public Comment (limit 3 minutes)**

Mr. Spaulding said my name is Stu Spaulding, I live at 1022 N. Anway Rd.  
I would like it verbatim what I say in the minutes.

Ms. Walker said would you mind stepping closer to the microphone?

Mr. Spaulding said I don't mind at all. Can you hear me from here? On March 30 you had a meeting and it went to Executive Session and that meeting wasn't posted and there was no agenda for it and anything under the State law that is held in unposted meeting, whatever actions you took then are not legal under A.R.S. 49 and under the State code and it's considered a major violation of organizations to violate the open meeting law. You must know, having served on committees. I contacted the Attorney General. I've turned in the documents to have an investigation. Anything you did at that meeting, hiring people, firing people, restructuring is not legal. That's my opinion and I think it will be the Attorney Generals. My advice is to contact your attorney to see what to do about this and also, if you go in to Executive Session, then you can't vote in Executive Session, you have to come out of Executive Session and as you know and have another voting meeting. But I understand that didn't happen, you voted in Executive Session. Further, any personnel that are involved need to be notified. If you take action on a personnel and you can say personnel action and there are (3) three ways that you can have Executive Session, either buying and selling land, either personnel or having something to do with a legal opinion if the attorney wants to talk to you. Well if it's personnel action, before you go in to Executive Session, you need to notify the person so that they can have their attorney there to defend themselves and also the person has a right to say I don't want Executive Session, I want the open session so they can't hold it, to protect the people's rights, so if you, and I've met Mr. Allen, he's a very competent person you might want to talk to the attorney and prior to because I think it's important that you get somebody here, prior to it you might want an emergency meeting to hire him in case this one is not (inaudible)

Mr. Emholtz said well thank you are you finished or no?

Mr. Spaulding said oh no.

Mr. Emholtz said well you only have (3) three minutes so squeeze it in.

Mr. Spaulding said I'll squeeze the next one in. You have a Possible Executive Session regarding Personnel issues here, whoever it's about or whatever it's about you should give that person's name and give that person's name and I was gonna, that's what I wanted to mention these things here so you need to talk to the attorney.

Mr. Emholtz said all right let me address this, in the fact that yes we have hired an attorney, what is the name of the attorney?

Mr. Nilz said Rothchild.

Mr. Emholtz said Rothchild attorney and we have him on retainer. We are aware there may be some questions and we are gonna, anything you want to address, you can address to the attorney, through Rothchild.

Mr. Spaulding said no I am not going to address it through the attorneys (inaudible) the attorney general.

Mr. Nilz said I just have a question. I've never met you, it's nice to meet you. I have heard good things about you. What I really don't understand is the dynamic that you're in the office and typing and running operations as a third party person in there with Mike Sniffen and the staff. I don't really understand that dynamic.

Mr. Spaulding said since you've ask it extends my (3) three minutes (inaudible). Then what happened was, Candy took the job, and you know she was interim and I'm on the State Board for making laws for wastewater and water, professional engineer, I was on the ADWR committee and the chairman to make rules for our rules, I did the APPs, I serve on the Federal, I've done this forever, I'm old, and I was manager here. Well when Candy took over she was a very smart competent person, but she didn't know the files, she didn't know all that system so even though I wrote a letter saying I didn't want to be involved when Becky was here, I said and I was manager here, I showed her how to do things the best that I could but I wasn't one of the people coming in like Mike and Pat, Mike and Kathy and Alecia doing work, I didn't do that, that work.

Mr. Nilz said didn't you collaborate in that whole, I wasn't there, I missed that Mike Sniffen, Theresa, in all that? (Inaudible)

Mr. Spaulding said yes let me explain what happened there. I came in and as I remember

Mr. Nilz said did you go in there with Board authorization to function in those offices? I don't understand.

Mr. Spaulding said let me explain that, what I did

Mr. Casenadas said can we get on with the meeting? You being on a Board, you should know Can you take his name and have a conference with him.

Mr. Spaulding said I'm on the agenda down below and I'll stay for that.

Mr. Nilz said that's good, I look forward to talking with you.

#### **4. Consent items**

A. Approval of meeting minutes from the March 8, 2016 meeting.

It was moved by Ms. McDaid, seconded by Mr. Nilz, and carried that;  
**the minutes of the March 8, 2016 meetings of the Marana Domestic Water Improvement District shall be approved as presented/amended.**

**4 Ayes**

**0 Opposed**

**0 Abstain**

**Absent**

#### **5. Discussion and possible action regarding March 30 interview of System Manager and hiring.**

It was moved by Ms. McDaid, seconded by Ms. Guise, and carried that; **to hire Allen Lohn as System Manager.**

**4 Ayes**

**0 Opposed**

**0 Abstain**

**Absent**

#### **6. Discussion and possible action regarding Chairman authorizing office specialist termination terms without board action.**

Mr. Emholtz said the prior made commitments to the office specialist that he was not authorized to do. Our lawyer is also reviewing that and we're trying to do the best for her.

Mr. Nilz said this should have read Specialists terms not termination.

Mr. Spaulding said (inaudible) when I came to the office and I was standing outside the cage and Theresa was crying packing her stuff. Kathy was there and Mike Sniffen was there and I said what's going on?

Mr. Emholtz said why were you there, did someone call you? You just happened to stop in at that time?

Mr. Spaulding said I just happened to stop in see how things were going because if they wanted my help (inaudible).

Mr. Nilz said I understand where you're going with this but I don't think as a point of order on that item I think, let me just say I think Mr. Sniffen operated out of his realm of authorization without board authorization. Let's just say that closes that item. I don't think that's it's really any intention of ours.

Mr. Spaulding said yes it is, let me explain why, because on the agenda you can take care of the matter and make it official what this man did. Mike Sniffen and I don't agree on a lot of things but one thing that he did do is say you're fired take your stuff and leave. Well I said she has like 5 to 8 days before she's been here 10 years.

(Inaudible)

Mr. Nilz said as a point of order, I don't think this is the time or place to have this conversation defending the legal issues. I think you're out of order with that.

Mr. Spaulding said yes it is that's what this is about.

Mr. Nilz said I appreciate your point.

Mr. Spaulding said no you haven't heard my point. Give me a chance to hear it. She has 5 to 6 days before she lost her retirement after 10 years and no reprimands and he said my gosh we can extend it 2 weeks and take care of this and, and he did what I think was the right thing to do in that case after all that time and no notice and an illegal meeting getting rid of her and saying it's a point of order. (Inaudible) If that's what you want to do and they way you want to act, all it's gonna do is lead to problems.

Mr. Emholtz said we can't really say anything about that now.

(Inaudible)

Mr. Spaulding said all right I said what I was gonna to say even though it was hard because not everybody wanted to listen and then the idea is to treat people like that isn't the way to go after 10 years she paid in to it, in to a retirement and then to try to get rid of the retirement (Inaudible) and that's awful. I've never heard of that, I've never heard on anyone doing that, (Inaudible)that's the (Inaudible) thing I've ever heard in my life.

Mr. Emholtz said we have an attorney. We're not going to do it right here.

(Inaudible)

Mr. Spaulding said I wanted to bring it up and let you guys know and I don't think everything Mike's done is correct but I think that that was the reasonable thing to do after working here 10 years and in just a few days to keep her from her retirement.

Mr. Nilz said I received a phone call saying you were telling Mike what to do. I think we need to focus on the solution rather than the problem now for the future.

(Inaudible)

Mr. Spaulding said I didn't tell, if you know Mike I didn't tell him what to do because he's a man of his own opinion. I can't tell you what to do, I can tell but I can give this situation.

## **7. Discussion and possible action regarding hiring attorney.**

It was moved by Ms. Guise, seconded by Ms. McDaid, and carried that; **we hire Rothchild as our attorney.**

Mr. Nilz said I would like to amend that motion that he become a statutory agent for the water company and for the board.

**4 Ayes**

**0 Opposed**

**0 Abstain**

**Absent**

**8. Discussion and possible action regarding April 5 to appoint interim office assistant.**

Mr. Emholtz said Candy said she didn't want to be involved. She called Alecia to come in and take over.

It was moved by Mr. Nilz, seconded by Ms. McDaid, **to make Alecia Guise interim office specialist until another office specialist comes in.**

**4 Ayes**

**0 Opposed**

**0 Abstain**

**Absent**

**9. Discussion and possible action regarding system analysis of business system/operating system short term audit by our accounting firm.**

**10. Discussion and possible action regarding Jesica Gray.**

Jesica is not here so we're going to skip that one.

**11. Discussion and possible action regarding Stu Spaulding.**

**12. System Managers report**

There will be a system manager report in the future.

Mr. Nilz said I think we're moving forward in a positive way.

I don't want to be part of the problem, I would like a part of the solution. I will do the best that I can for the community.

**13. Discussion and possible action regarding Administrative details.**

No administrative details.

**14. Possible Executive Session regarding personnel matters  
per A.R.S. § 38-431.03 (A) (1).**

**15. Executive Session regarding personnel matters  
per A.R.S. § 38-431.03 (A) (1).**

**16. Discussion and possible action regarding Executive Session regarding  
personnel matters per A.R.S. § 38-431.03 (A) (1).**

**17. Announcement of next meeting.**

**The next scheduled meeting of the Marana Domestic  
Water Improvement District Board of Directors shall be on  
Monday, May 9, 2015 at 4:00 P.M. at the District Office**

**18. Adjournment.**

It was moved by Mr. Nilz; seconded by Ms. McDaid and carried that;  
**this meeting of the Board of Directors of the Marana Domestic Water  
Improvement District shall be adjourned at: 4:48 P.M.**

**3 Ayes**

**0 Opposed**

**0 Abstain**

**1 Absent**

---

Minutes prepared by  
L. Katy Walker  
**Clerk of the Board**