

**Regular Meeting Minutes
Duncan Common Council
Tuesday, May 17, 2022; 5:00 pm
Duncan Town Hall, 506 SE Old West Highway
Duncan, Arizona 85534**

Call to Order: Mayor Anne Thurman 5:04 p.m.

Roll Call: Mayor Anne Thurman, Council Member Jill Wearne, Interim Town Manager Kelly Udall, Staff Lorisa Strain and Assistant Clerk Brianne McGrath present. Vice Mayor Valerie Smith present via phone and then present in Council Chamber.

Pledge of Allegiance: Mayor Anne Thurman

Prayer: Mayor Anne Thurman

- 1. Consent Agenda:** Council Member Jill Wearne moved to approve consent agenda. Vice Mayor Valerie Smith seconded. All favored, motion carried.

- 2. Call to Public:** Joan Johns, President of the Pride Society, spoke about the electric at the park and how it needs to be fixed. The ice cream machine almost caught on fire and Lloyd Crabtree lost three speakers. There is not the proper voltage with the outlets there. She also said that JT is trying to get the water on at the Billingsley House.

- 3. Summary of Current Events:**
 - a. Mayor's Report:** Mayor Anne Thurman thanked Public Works and Office Staff.

 - b. Council Members Report:** Vice Mayor Valerie Smith gave her gratitude to Town staff. Council Member Jill Wearne thanked Office Staff and Public Works.

 - c. Town Manager's Report:** Interim Town Manager Kelly Udall stated well failure due to an electrical problem. We have an Electrician and potential solutions. Schedule for recurrent time-lines for discussion. There are 2 dates that will be critical. June 8th for first draft of budget and July 13th for the final budget. Council member Jill Wearne asked how close are we with Pat walker? Interim Town Manager Kelly Udall stated he hasn't heard from Pat but we are close with Kat. Received notice from Southwest Risk Pool. Chose to get a credit for our part of \$7,299.00. 1/25 of premiums. Parks are looking up. Touched base with Patsy to make sure damages of bathroom were turned in to insurance. Senior Center looks good. Despite staff's efforts, after an inspection, too much work is needed this year and supplies are hard to get to open pool. Town is applying for a grant at FMI to fix pool and add enhancements.

4. **Consideration and Approval of Resolution 22-05-17 Adopting a One-time Unusual Water Usage Incident Policy:** Interim Town Manager stated that this will be a way for us to deal with customer water breaks and what not. It is an outline of how the policy will work. One time only. Council Member Jill Wearne called around and this seems pretty standard and similar to other places. Council Member Jill Wearne moved to approve Resolution 22-05-17 adopting a One-time Unusual Water Usage Incident Policy. Vice Mayor Valerie Smith Seconded. All Favored, motion carried.

5. **Consideration of Kairos Insurance Proposal for Town Employees:** Interim Town Manger Kelly Udall stated that this is an effort to normalize the benefits. It has been the number one complaint from staff. Staff would be charged a fee or declined. This is a well-known company in Arizona. In the packet is an overview on the company. What sold Kelly on the company was there was only a slight difference in cost and better coverage. Town HR/ Billing Lorisa Strain broke down all of the different benefits. Employees will not have to spend as much out of pocket. Better coverage for their families as well. Lorisa Believes it will be easier to speak with someone about policies and such then it is now. Interim Town Manager Kelly Udall believes option 1 is the best and it is his recommendation to go with Kairos. It will go into effect July 1st. Vice Mayor Valerie Smith moved to approve Kairos Insurance for Town Employees. Council Member Jill Wearne seconded. All favored, motion carried.

6. **Consideration of Applicants to Fill Council Vacancies. The Council may vote to discuss this matter in Executive Session pursuant to A.R.S. § 38-431.03 (A) (1) and (3):** Interim Town Manager Kelly Udall stated there are 2 applicants. Can ask any questions to the applicants or can move to executive session. Council Asked Donna Show some questions. Mayor Anne Thurman stated to move Items 6,7&8 to Executive Session. Vice Mayor Valerie Smith moved to go into executive session. Council Member Jill Wearne seconded. All favored, motion carried. 6:42p.m.

Council Member Jill Wearne moved to resume regular Session. Mayor Anne Thurman seconded. All Favored, motion carried. 7:05 p.m.

7. **Selection and Appointment of Applicants to Town Council to Fill Council Vacancies.** Discussed in Executive Session. Vice Mayor Valerie Smith moved to approve Donna Show to fill Council Vacancy. Mayor Anne Thurman seconded. All favored, motion carried.

8. **Discussion about Proposed Legal Services Agreement with Pierce Coleman, PLLC. The Council may vote to discuss this matter in Executive Session pursuant to A.R.S. § 38-431.03 (A) (1):** Discussed in Executive Session. Regular Session. Interim Town Manager Kelly Udall stated we put a lot of demand on Pierce Coleman. Putting in a lot more hours. Managing Partner wants to raise rates to \$12,000.00 Same rate they give Parker. For the Town's budget this is just too much. Council Member Jill Wearne moved to terminate agreement with Pierce Coleman. Vice Mayor Valerie Smith seconded. All favored, motion carried.

9. **Discussion with and Instruction to the Interim Town Manager about the employment, assignment and recruitment of a Town Attorney.** Discussion in Executive Session. Regular

session- Interim Town Manager Kelly Udall stated that I don't think we will get the same service. Tried lawyers nearby. Wasn't the same. Mayor Anne Thurman said we need someone with municipal knowledge. Encourage to get more bids. Interim Town Manager Kelly Udall need to see qualifications and fees. Available for council meetings. See what firms are available.

10. Report on Hunter Estates water project: Interim Town Manger Kelly Udall stated that this is an important project. JT took him out there to show him everything. Kelly Asked JT to make this a priority. Public Works JT Maher said that with this project we have extended the line about 7 years ago. The Final phase to connect the Fairgrounds Road and HWY 75. Need to bore under the highway to connect. The usage out at Hunter is already 1 ½ months early above normal usage. It is a necessity to get the bore done. To bore under the highway is the quickest and cheapest way to do this. Another option is to connect Carlisle Road and Family Dollar. This option would cost more and take longer. Council Member Jill Wearne asked if this can fall under the grant? Interim Kelly Udal answered Local First gave us grants to apply for. Would hesitate to move forward right now because of finances. JT is working close with Keith Dennis at SEAGO. Vice Mayor Valerie Smith asked Which option is preferred? JT said Ideally both. Would see more revenue if we chose either option. JT has had to haul water out there 2 times now. This project would be in next year's budget.

11. Water Rate Study: Paul Juhl from Tierra Water spoke. Has been helping us for the past 8 months. Rate Proposal- The rate proposal basically shows that you have not been asking enough. Gathered a lot of data but could not get anything before 2018. Based on what you should be billing. Looks like you are losing \$140,000. You want to get to breaking even. The New rate would be \$52.00 minimum for 2,000 gallons and then \$4.25 for an additional 2,000 gallons then \$6.75 after that. This would bring in \$442,000.00 a year. Vice Mayor Valerie Smith asked if people who have not been paying, could that revenue change? Paul Juhl answered yes, need to replace meters so we can get accurate billings. There is room for improvement. Council Member Jill Wearne asked if the sewer was in there? Paul Juhl said just a percentage of that was. Over time there is a lot of little things that could bring that price down. You would definitely want to do a big PR campaign and explain why and what the changes would be. Applied for a WIFA Grant for \$111,000.00. It would improve on how meters are read. Interim Town Manager Kelly Udall said the percent increase is what the increase would be. Paul Juhl said it was 48%. Interim Town Manager Kelly Udall said there are other solutions to soften the blow. Paul Juhl said a gradual increase overtime would give the public time to adjust. Paul Juhl and Jack Calum agree with JT Maher that it will benefit everyone in Town. JT's project is so beneficial. Interim Town Manager Kelly Udall said maybe we can add JT's project to the WIFA grant. Vice Mayor Valerie Smith asked what would the monthly minimum look like? Paul Juhl answered he can break it down to what it would look like in the next five years. He Could also reach out on a loan forgiveness from the USDA. Jack Calum also wants to test the static levels to see where the water levels are. It will let us know more about our wells and it is free.

12. Discussion of Date and Time of Next Meeting: June 8th at 5:30 p.m.

13. **Discussion of Items for Next Meeting:** Tentative Budget, Swear in Donna Show. Talk with other candidate.
14. **Adjournment:** Council Member Jill Wearne moved to adjourn. Vice Mayor Valerie Smith seconded. All Favored, motion carried. 7:16 p.m.

Certification: I hereby certify that the foregoing minutes are a true and correct copy of the Regular Meeting held on the 17th day of May, 2022. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this 26th day of May, 2022

Regular Meeting Minutes, May 17, 2022

**Assistant Town Clerk
Brienne McGrath**