

INSCRIPTION CANYON RANCH SANITARY DISTRICT

P.O. Box 215 Chino Valley, AZ 86323

~ PUBLIC SESSION MINUTES ~

June 7, 2019

revised June 11, 2019

Approved July 2, 2019

revision appvd 9/4/19

Date: Friday, June 7, 2019

Time: 8:30 am

Place: The meeting was held at the Days Inn, 688 Fletcher Court in Chino Valley, AZ

1. CALL TO ORDER.

Mr. Hilb called the meeting to order at 8.30 am.

2. ROLL CALL.

Present were: Bob Hilb, Board Member; Al Poskanzer, Board Member; Robert Busch, District Manager; and Jeannine Yeager, Clerk.

Members of the Public: Martha Montemayor, Karl Anttila, Alan Ford, Olga Ford, G.L. Swanson, Ken Rosenthal, Jim Cooper, Ken Maffei, Marc Arnold, Clint Poteet, Rebecca Arnold, Dawn Meidinger, Dean Humphrey, Bob Klaucher, Derrill Fulkerson, Roy Kneale, Ray Damesek, Chris Stoner, Jimmy Stoner, Eileen McGowan, Evelyn Zimmerman, Mark Emanuele, and Tom Sullivan.

3. SELECTION OF CHAIRMAN

Members of the Public were telling the Board Members that this was not a legal meeting. Someone shouted Point of Order. Mr. Hilb replied that there would be no comments from the Public and then he stated that he would "call the sheriff" if the Public body did not "keep quiet". Some members of the Public appeared to be upset and were arguing with Mr. Hilb and Mr. Poskanzer. Mr. Hilb stated that the bylaws require that a chairman must be selected at a regular meeting. There has not been a regular meeting in a number of years, we really haven't had a chairman or clerk for all of these years. The previous chairman was not elected officially. There is a provision in the bylaws that in the absence of a Chairman or Clerk a temporary chairman for the meeting may be elected by the Board of Directors.

Al Poskanzer then made a motion to make Bob Hilb the temporary Board Chairman. Mr. Hilb seconded the motion and the motion was passed with Mr. Hilb and Mr. Poskanzer voting "aye".

There was shouting from the members in the audience stating that this was not an official meeting and that Mr. Poskanzer was not a legal Board Member.

4. POSSIBLE RESPONSE TO AG'S OFFICE RELATING TO BOARD MEMBER POSKANZER'S STATUS; RELATED OPEN MEETING LAW CONCERN.

Pursuant to the Attorney General's letter of May 24, 2019, Open Meeting Law and the Inscription Canyon Ranch Sanitary District, Bob Hilb made a motion that this meeting is in response to the requirement that the District acknowledges the AG conclusions about Al Poskanzer's status as a lawful member of the District Governing Board at a duly noticed meeting. Al Poskanzer seconded the motion and the motion was passed with both Mr. Hilb and Mr. Poskanzer voting "aye".

Bob Hilb made another motion pursuant to the AG letter of May 24 that Al Poskanzer's request for the minutes of the executive session of November 27, 2018 and any other executive minutes, should he request them, will be provided. Al Poskanzer seconded the motion and it was passed with both Mr. Poskanzer and Mr. Hilb voting "aye".

*Mr. Dean Humphrey asked to be heard and he stated that the Board was indeed doing the correct thing and that there should be a five member Board and that there were only two Members here. **He said that we may not like it, but screaming and yelling at them would not solve the issue.** Mr. Hilb made another motion to accept the letter from the AG's office regarding Mr. Bob Summers not being a member of the Board. Mr. Poskanzer seconded the motion and both Mr. Poskanzer and Mr. Hilb stated aye. Someone in the audience stated that they did not have a quorum.*

5. POSSIBLE VOTE TO GO INTO EXECUTIVE SESSION FOR: discussion or consultation for legal advice with the attorneys of the Inscription Canyon Ranch Sanitation District pursuant to A.R.S. Section 38-431-03.(A)(3) and discussion or consultation with the attorneys of the Inscription Canyon Ranch Sanitary District in order to consider its position and instruct its attorneys regarding the District's position regarding contracts that are the subject of negotiations, in pending or contemplated litigations or in settlement discussions conducted in order to avoid or resolve litigation pursuant to A.R.S. Section 38-431.03.(A)(4) re:

- A. Claim by Talking Rock Land, LLC
- B. Communications with insurance company re: possible involvement in settlement efforts with Talking Rock Land, LLC.

Mr. Hilb made a motion to go into Executive Session with the Public objecting that Mr. Hilb did not have the authority to do so. Mr. Poskanzer seconded the motion and both Mr. Hilb and Mr. Poskanzer stated aye. Mr. Hilb told the Public that they were now in Executive Session and that the Public needed to leave the room for the Executive Session.

Public Session Recessed at 8:38 am.

Some public members said that they would not leave and that Mr. Hilb and Mr. Poskanzer should leave. Mr. Hilb stated that whoever did not leave, then he would call the sheriff to

remove them. Someone in the audience told them to call the sheriff and offered their phone to make the call. After several minutes of arguing, Mr. Busch left the room for a few minutes and then Mr. Hilb, Mr. Poskanzer and Ms. Yeager left the room.

RECONVENE INTO PUBLIC SESSION at 8:59 am.

6. OLD BUSINESS-DISCUSSION & POSSIBLE ACTION RE:

Item A: Setting a date and time for future ICRSD Board Meetings

Mr. Hilb stated that they needed to have regular meetings and not all of these random meetings. Someone in the Public stated that they needed to have two Board Members to set the meeting and they did not have two members present. Mr. Poskanzer stated that in previous meetings, the public has requested that the Board have regular scheduled meetings and not ad hoc meetings. He recommended that they have regular scheduled meetings and if necessary, in case of an emergency, they could have an extra meeting. Mr. Hilb suggested that Mr. Busch contact all of the Board Members and request which dates would work for them to schedule regular quarterly meetings like the third Tuesday of every month.

A member of the Public raised his hand and asked to ask a question. Mr. Hilb stated that there would be no questions from the Public until they get to that section on the agenda and several members of the audience asked "why". Two police officers had entered the room and Officer Steven Jones addressed the Public and stated that according to Robert's Rules of Order, that there was a place and time for the public to speak. The public protested and stated that this was not a legal Board Meeting. Officer Jones stated that he just needed everyone to stay calm and that if anyone got out of hand then they would have to remove the person and arrest them. Mr. Hilb stated that he was renting the space and the Officer said that this would have to be an orderly meeting.

Jimmy Stoner stated that anyone can ask for a Point of Order and Mr. Hilb stated that Mr. Stoner was interrupting the meeting and that from then on, anyone interrupting the meeting would have to leave.

Officer Jones suggested that they might reschedule the meeting and most of the Public agreed to that suggestion. It was stated by an audience member that this was not a legal meeting.

Item B. Claim by Talking Rock Land, LLC

Nothing to report at this time.

Item C. Communications with insurance company re: possible involvement in settlement efforts with Talking Rocking Land, LLC, appointing Board representative to settlement and mediation negotiations

Nothing to report at this time

Item D. Newsletter approval and removal process

Nothing to report at this time.

7. NEW BUSINESS – DISCUSSION AND POSSIBLE ACTION RE:

Item A: Publishing a notice of the Board vacancy and soliciting of candidates.

Mr. Hilb instructed Mr. Busch to publish a notice and Mr. Busch asked for how long. Mr. Hilb responded for one week and Mr. Busch stated that it had to be for at least 5 days so Mr. Hilb stated to do that for five days.

Mr. Hilb made a motion that Mr. Busch file the notice regarding the Board vacancy. Mr. Poskanzer seconded the motion and Mr. Hilb and Mr. Poskanzer both stated aye. There were questions from the Public regarding how they would be notified of future meetings. Mr. Hilb stated that they would discuss that in the Public Session of the agenda

Item B. Legal Counsel for the District

Bob Hilb made a motion that Robert Lynch's services are no longer required and the manager is to contact him and direct him to cease all work related to the District and turn over all files and work product as a result of his employment to the District. Al Poskanzer seconded the motion and the motion was passed with both Mr. Hilb and Mr. Poskanzer voting "aye".

8. CALL TO THE PUBLIC

Mr. Hilb opened the floor to the Public and requested that they only take two minutes per person for their comments. Ms. Eileen McGowan asked for the name of the attorney that they talked with in the Executive Session. Mr. Hilb stated that he could not tell her that because it was in the Executive Session and he had to obey the law.

Ms. McGowan asked again which attorney they were using since they were firing attorneys that the Board already had. Mr. Hilb stated that he only fired one attorney and then retracted that and stated that the Board fired one attorney. Ms. Evelyn Zimmerman asked if there was supposed to be a quorum and since there were only two possible members at the table did that represent a quorum. Mr. Poskanzer stated that two represents a quorum. Mr. Hilb stated that according to the AG's office, Mr. Poskanzer is a Board Member and so they have a quorum and they have an open seat on the Board where Mr. Barreira was. Ms. Zimmerman asked if that was still under litigation and Mr. Hilb stated that it was up to the Attorney General. Mr. Hilb stated that they have gone through the process and that if someone wants to make a complaint then they are free to contact the Attorney General's office.

Mr. Jim Cooper stated that there was no adjudication on the opinion from the AG's office about Mr. Poskanzer being on the Board and he objects to this meeting completely. Mr. Cooper stated that there was no quorum and that if Mr. Hilb wanted to take the position of Acting Chairman, then he should take the proper action and take the time instead of pushing things through or railroading the public. Mr. Cooper wanted to make a formal statement that this is not a legal meeting and that none of the action taken in this meeting is binding.

Ms. Dawn Meidinger stated that she has had time to review the letters from the AG's office and that the meeting held a few days ago did not mention these two letters. She stated that according to the by-laws, two members are a quorum and that the decision of the AG's office is binding and that the Board members should not have to be going through with this but she applauded them for having the meeting. Mrs. Olga Ford stated this was the first time she and her husband had been at a meeting and she said that she was appalled at the two board members and how they were making decisions about these issues with the public who do not agree with the Board members. She asked what the public could do to prevent Mr. Hilb and Mr. Poskanzer from running everything the way they want and not listening to the residents. Mr. Hilb interrupted Mrs. Ford and told her that her time was up. Mr. Alan Ford stated that this was a farce and that no one was looking at a watch so the two minutes was not up. Mr. Hilb stated that he would call the police and have Mr. Ford arrested and Mrs. Ford asked him not to call the police.

Mr. Hilb called on Mr. Jimmy Stoner. Mr. Stoner asked Ms. Meidinger, who was sitting next to him, who she represented here. Mr. Hilb stated that Mr. Stoner was out of order. Mr. Stoner asked about the June 4th Executive Session meeting and that the matter of the letter from the AG's office was discussed and not voted on because the Board did not agree with it. He also stated that the letter stated that there were restrictions in the use of the letter and Mr. Stoner felt that the Board was not honoring these restrictions. Mr. Hilb stated that he did make a motion on that item but it was not seconded so there was nothing done on that item.

Ms. McGowan wanted to make another statement but Mr. Hilb told her that she already had her two minutes. Someone else in the audience stated that Ms. McGowan could have her two minutes so Mr. Hilb asked her to go ahead. Ms. McGowan stated that she was upset that the person setting up there on the Board (Mr. Poskanzer) was the person that the AG's letters came about and that there is a conflict that Mr. Poskanzer can accept the letters that are about him. Mr. Hilb stated that he was not in a position to answer that question.

Mrs. Martha Montemayor asked the Board why they were here today. Mr. Hilb stated that this was not an agenda item and that if they want to ask that question then they would need to contact the District Manager and have it put on the agenda for the next meeting.

Mr. Hilb adjourned the meeting at 9:18 am

Board Clerk: _____

Date: _____