

**Green Valley Domestic Water Improvement District**  
**BOARD OF DIRECTORS**  
**MEETING MINUTES**  
**Wednesday, October 22, 2025**

Board Directors Present:	Eric Sullwold, Chair Edwin (Ed) Storey Randall (Randy) Howard	Lee Lemas, Vice Chair. Arrived @ 10:00 AM. Joseph (Hart) Krumrine. Arrived @ 9:15 AM. George (Doctor) Orndorff. Departed @ 10:45 AM.
Board Directors Absent:	John Green	
District Staff Present:	Pat Carlstadt, Interim District Manager. Departed @ 10:49 AM Mike Brady, Field Operations Supervisor. Departed @ 10:49 AM	
Counselors Present:	Shawna Hetz, CIC, CISR, Account Manager, Commercial Lines, M&O Agencies, Inc., dba The Mahoney Group. Via Zoom departed @ 9:19 AM. Avree Linne, Professional Lines Specialist, M&O Agencies, Inc., dba The Mahoney Group. Via Zoom departed @ 9:19 AM Robert Garcia, Partner, Farhang and Medcoff Attorneys. Via Zoom arrived @ 10:47 AM and departed @ 10:54 AM.	
Public Present:	Richard Ricksecker. Departed @ 10:49 AM.	
Clerk of the Board:	Luis Rodriguez	

1. Call to Order and Roll Call – Chair, Eric Sullwold

The meeting was called to order at 9:02 AM by Chair of the Board Eric Sullwold. Roll call was taken with a quorum announced with four (4) Directors present.

- Motion to approve September 24, 2025, Board of Directors Meeting Minutes as presented.

Moved: Ed Storey                      2<sup>nd</sup>: George Orndorff                      Approved: 4/0                      Abstain: None

2. General Business

A. Administrative – Board Chair, Eric Sullwold.

1. Opening Comments

- a. Introduction of Shawna Hetz and Avree Linne of Mahoney Group to present the district's Directors & Officers (D&O) insurance policy. The Executive Summary of the policy was discussed, and copies were forwarded to the directors and the interim District Manager.

Director Hart Krumrine arrives at 9:15 AM.

- b. Embezzlement legal proceedings update. Lead Detective Mike Wilson of the Pima County Sheriff's Department plans to submit the case to the Pima County Attorney's Office by November 24, 2025.
- c. Embezzlement civil case proceedings update. The GVWD attorney has amended the lawsuit to include fraud.

Director Lee Lemas arrives at 10:00 AM.

- d. Forensic Accounting update. The district has yet to reconcile its financial statements since May 2025. Financial statement adjustments entered for July, August, and September of 2024 must be removed for Sean Tanner of Kenan, Linscott & Associates, to determine FY 2024-25 adjustments. The draft report will be presented at the Board of Directors meeting on November 19, 2025. The interim DM plans to provide financial statements for July, August, and September 2025 at the Board of Directors meeting on November 19, 2025. The district's auditing firm will visit the week of October 27, 2025, to conduct a review of current auditing processes.

- e. Arizona Department of Revenue Sales Tax update. The GVWD Tax Attorney, Doug Johns of Frazer Ryan Goldberg & Arnold, LLP, discussed the need for district sales tax, aka Transaction Privilege Tax (TPT), from July 2017 to current. The district must collect the Super Fund Tax.
- f. Committee chairs are to provide agenda topics for the clerk by Thursday preceding the Monday committee meetings. Board and committee chairs, and the DM, are to provide board meeting agenda topics to the clerk at the conclusion of the Monday committee meetings.
- g. The GVWD attorney, Sarah Derrick, Partner, Farhang and Medcoff Attorneys, contacted Wells Fargo requesting reimbursement of fraudulent checks that Lora Burrueled cashed. Wells Fargo's response indicated that they have no liability.

- Motion effective November 01, 2025, to limit committees to a maximum of three (3) directors, to include the committee chair.

Moved: George Orndorff      2<sup>nd</sup>: Randy Howard      Approved: 5/0      Abstain: Chair

2. Technical Advisory Committee – Chair, Ed Storey.

- a. Well #2 Damage & Repair update. Damage to the exterior wall was presented and discussed. Future well-site design improvements were also discussed.
- b. Pima County sewer installation update. The status of the new sewer line installation for southern expansion was discussed. The district has completed water line markings. Construction is not likely to begin until mid-2026.

3. Financial Advisory Committee – Committee member, Eric Sullwold, in the absence of the committee chair, John Green.

- a. Forensic accounting update. Refer to Opening Comments 2.A.1.c.
- b. Financial staffing update. On October 14, 2025, Mathew Perez, Accounting Specialist, resigned due to his military service. The district currently has two (2) full-time temporary accounting personnel to assist with reconciling financial statements for July, August, and September 2025.
- c. Wastewater billing update. The interim district manager is working with Pima County Wastewater to address issues related to the district's role as the billing agent.

4. Personnel Advisory Committee – Chair, Hart Krumrine

- a. Krumrine, Chair, reported that the Ad Hoc District Manager Recruitment Committee
  - i. Re-approved HR Effortless to conduct the District Manager search
  - ii. Revised the initial ad for the District Manager
  - iii. Put on hold the revision of the District Manager job description until the new DM is hired.
- Motion to re-approve Effortless HR to conduct the District Manager search, approve the revised District Manager advertisement as presented, and authorize the Ad Hoc District Manager Recruitment Committee to immediately proceed with interviewing qualified candidates.

Moved: Hart Krumrine      2<sup>nd</sup>: Lee Lemas      Approved: 5/0      Abstain: Chair

Director George Orndorff departs at 10:45 AM.

Pat Carlstadt, Mike Brady, and Richard Ricksecker depart at 10:52 AM.

Robert Garcia arrives at 10:47 AM.

3. Executive Session – Chair Eric Sullwold

Pursuant to A.R.S. § 38-431.03.A.3, an executive session will convene to consult legal advice with the district legal counsel and its agents regarding current litigation arising from fraud and embezzlement. Pursuant to A.R.S. §38-431.03.C, all information from the executive session is to remain confidential. The general public is not permitted to attend this portion of the meeting.

- Motion to enter executive session to discuss current fraud and embezzlement litigation.

Moved: Lee Lemas      2<sup>nd</sup>: Ed Storey      Approved: 4/0      Abstain: Chair

A. The Board entered Executive session at 10:50 AM.

Robert Garcia departs at 10:54 AM.

B. No vote or action was taken while in executive session.

C. The regular Board of Directors meeting was reconvened at 10:55 AM.

4. Announcements – Clerk of the Board, Luis Rodriguez
  - A. The next Advisory Committee meetings are scheduled for Monday, November 17, 2025. The Technical Advisory Committee meeting begins at 8:00 AM, immediately followed by the Financial and Personnel Advisory Committees.
  - B. The next Board of Directors meeting is scheduled for Wednesday, November 19, 2025, at 9:00 AM.

5. Adjournment

- Motion to adjourn the meeting.


Moved: Hart Krumrine


2<sup>nd</sup>: Ed Storey

Approved: 5/0

Abstain: Chair

The meeting was adjourned at 10:56 AM

Prepared by:   
Luis Rodriguez  
Clerk of the Board of Directors

Approved by:   
Eric Sullwold  
Chair, Board of Directors