

INSCRIPTION CANYON RANCH SANITARY DISTRICT

P.O. Box 215 Chino Valley, AZ 86323

~PUBLIC SESSION MINUTES~

September 1, 2017

Approved November 17, 2017

Date: Friday September 1, 2017

Time: 9:00 a.m.

Place: The meeting was held in the Conference Room at 5360 W. Inscription Canyon Drive
Prescott AZ

1. CALL TO ORDER.

The Governing Board for the Inscription Canyon Ranch Sanitary District convened into public session at 9:00 a.m.

2. ROLL CALL.

Present were David Barreira, Chairman; Al Poskanzer, Board Member; Bill Dickrell, Board Member; Bill Whittington, Legal Counsel; Bob Busch, District Manager, and Isabel Yribe, Clerk. The following people were in the audience:

- Tyson Glock
- Jim Binnick
- Derek Scott
- Tom Blair

3. CALL TO THE PUBLIC

Mr. Blair commented that he noted from earlier meeting minutes that noise dampening was removed from the new generator. He also commented that he was concerned that building lighting was also changed. He stated that there is frequent odor coming from the plant when tank lids are opened. He also noted that there was a question about whether or not an odor permit was required.

4. Al Poskanzer made a motion to go into Executive Session for discussion or consultation for legal advice with the attorneys of the Inscription Canyon Ranch Sanitary 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 litigation 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. Discussion and consideration of the employment agreement and status of the District Manager, including term of employment**
- B. Discussion and consideration of Earned Paid Sick Time Policy for the District.**
- C. Possible financing and repayment options for WWTP replacement and expansion.**
- D. WWTP expansion project construction bidding and contract requirements.**
- E. Request for Public Records – American Transparency**

Bill Dickrell seconded the motion. The motion passed unanimously without discussion.

RECONVENE from Executive Session at approximately 9:35 a.m.

5. REPORTS

Report from District Manager

- **Status of Plant Operations** *Mr. Busch stated that the district paid \$130 for repairs on Vengeance Trail. He also stated that there was a repair cost of \$2,632 on Electra in connection with a new service hookup. It was discovered that the line from the main to the homeowner's valve had 4 valves within a space of 13 ft, and one was glued closed. Also, there was a repair of \$591 for replacement of valves in the effluent lift station. Mr. Busch reported that two lot owners on Forever View were reimbursed at \$210 each.*
- *Mr. Busch stated that he attended the Rural Water Assn of Az conference in Prescott. He attended two sessions, one was on financing and the other was on open meeting laws.*
- **Plant treatment daily averages/Plant Capacity Chart** *Mr. Busch reported that the daily average for June was 45,999 gpd. July had a daily average of 57,069 gpd. He also reported that there were 12 days in July that had daily averages of more than 60,000 gpd.*
- **WIFA Grant/Funding information** *Mr. Busch stated that the district is well past the point of receiving any grants for engineering costs. Grants are also based on need, and it is questionable if ICRSD could meet that criteria.*
- **Request for Public Records -American Transparency** *Mr. Busch reported that he responded via email to the Open the Books request. The email was rejected and he subsequently sent a letter to the Florida office of Open the Books.*

6. CONSENT AGENDA (Routine items that may be approved by one motion)

Minutes of Meetings

- Minutes of Hearings & Public Meeting of June 28, 2017
- Executive Session Minutes of June 28, 2017

Reimbursement to District Manager for \$192.58

- Registration Fee- Rural Water Association of Arizona Conference (\$170.00)
- Walmart- copy Paper (\$9.65)
- Office Max – colored office paper (\$12.93)

Mr. Poskanzer made a motion to approve the consent agenda. Mr. Dickrell seconded the motion. The motion passed unanimously.

7. OLD BUSINESS - DISCUSSION & POSSIBLE ACTION RE:

A. Possible financing and repayment options for WWTP replacement and expansion

Mr. Dickrell stated that there were three different WIFA loan repayment options. One was a payment via tax levies. The second was implementing user/capacity fees. The third option was employing infrastructure fees.

Mr. Barreira made a motion to instruct legal counsel to proceed as discussed in Executive Session in regard to this matter. Mr. Poskanzer seconded the motion. The motion passed unanimously without further discussion. Mr. Barreira suggested Board Members review the financing options considering the implications that complying with Davis-Bacon would involve.

B. Discussion and consideration of the employment agreement and status of the District Manager, including term of employment

Mr. Barreira made a motion to approve the draft of the employment agreement with edits he suggested and including the manager's duties (exhibit A). Mr. Poskanzer seconded the motion. The motion passed unanimously without discussion.

C. Setting a time and place for future meetings of the District Board. *Mr. Busch would notify the board members and its counsel with potential dates for the next board meeting.*

8. NEW BUSINESS - DISCUSSION & POSSIBLE ACTION RE:

A. Request for Public Records – American Transparency. *It was the consensus of the Board that Mr. Busch should resend the letter to the Open the Books people via certified mail.*

B. Approval of Financial Reports for June and July 2017. *There was some discussion about the \$6,500 lot fee income and subsequent reimbursement. The payment of the \$6,500 may not have been paid until August. Since the income was booked in June, Mr. Dickrell stated that the MDI accounting needs to reflect the repayment in fiscal 2016. Mr. Busch reported that a number of July checks were booked to Fiscal 2016 (June). Mr. Dickrell commented that this will cause a budget underrun until June next year. Mr. Dickrell suggested that MDI look into accruing some of these known expenses so that we have a more true look vs budget. Mr. Busch stated that he would communicate this to Mr. Bruce Eldredge. Mr. Dickrell made a motion to approve the financial reports for June and July 2017. Mr. Poskanzer seconded the motion. The motion passed unanimously without further discussion.*

C. Discussion and consideration of Earned Paid Sick Time Policy for the District. *Mr. Barreira made a motion to approve and proceed as discussed in executive session. Mr. Dickrell seconded the motion. The motion passed unanimously without further discussion.*

D. Approval of Bid Package for the construction of Phase 1 Improvements to the WWTP, and the approval to proceed to obtain bids. *Mr. Jim Binnick had questions for Tyson*

Glock of Sunrise Engineering. Mr. Glock joined the meeting via telephone. These are the comments/concerns by Mr. Binnick to Sunrise Engineering.

- 1) *Sheet G2 – Treatment Plant Operations and Access Note: Add a conspicuous note that the existing treatment plant shall remain in operation at all times and the Contractor shall be responsible for providing temporary power, bypass utilities or other installations as may be required to avoid interruption due to Contractor's work. Access shall be provided to the site at all times during construction to enable ICRSD staff to operate and maintain the treatment facility. (This is redundant to the Supplemental General Conditions comment but it is recommended to highlight this requirement on the plans also.)*
- 2) *Sheet G2 – General Note 6: Modify to read "Sunrise Engineering and ICRSD will not be responsible for job-site safety procedures or conditions."*
- 3) *Sheet G2 – General Notes 10: Modify to read ".... debris deemed unsalvageable by the Engineer or ICRSD per the provisions set forth."*
- 4) *Sheet G2 – General Note 14: Modify to read "The Engineer and ICRSD will not guarantee any elevations at locations of the...."*
- 5) *Sheet G2 – Sewer General Notes: Please lower the minimum depth of the typical gravity sewer to 4 feet minimum. I understand we probably won't be needing any new lines for this project but this may apply for the next phase of construction.*
- 6) *Sheet C1 – Project Area Phase 1 Delineation: This can be construed as the limits of work. I would recommend that a limit of work be identified to prevent the contractor from encroaching on neighboring properties and the treatment works.*
- 7) *Sheet C4 – Existing Transformer Pad: Please provide a finish pad elevation or confirm that the regrading in the area will not compromise the transformer.*
- 8) *Sheet C4 – Revise the grading at the southwest corner of the property to stay within the ICRSD boundary. Suggest routing the swale to the drainage that way by directing flow further north.*
- 9) *Sheet SP1.0 – Water District Structure Specifications: Is there a reason we state the structure type/occupancy of a building outside our property?*
- 10) *Sheet A1.0 – ADA Restroom Improvements: Based on the discussion with the Board, no restroom improvements are in the work. Please coordinate with the County to mitigate any confusion and possible requirements for ADA accessibility. Since no improvements are proposed in the restroom, there will be no need for addressing ADA issues at this time.*
- 11) *Sheet M1.1 – Condensate Drain Line: Relocate so that discharge does not occur on the pad at the front door. You had talked about routing it further east to discharge onto the gravel driveway. I would also recommend a small scupper to direct moisture away from the building pad.*
- 12) *Sheet M1.1 – Key Note 2 Regarding Interior Air Handler: Clarify the note to provide a minimum head clearance requirement for the handler.*
- 13) *Sheet E202 – Copper Bus Bar Grounding and UFER Details: Please refer to details on Sheet E501 if these are to be used. Is UFER already in the existing slab?*

Bid Documents:

- 14) *Agreement for Construction Services: Arbitration Clause for disputes is required.*
- 15) *Supplemental General Conditions: Incorporate a paragraph detailing the requirements of the Contractor to keep the wastewater treatment facility fully operational and accessible to ICRSD for maintenance and operations.*

Mr. Glock will email the updated costs to Bob Busch. Mr. Tim Blair asked Mr. Glock if the noise would be loud as he noticed the district did not opt to get the sound deafening for the generator. Mr. Glock stated that he did not know the exact decibel count for the generator but that it would be less noisy than it was now. Building lighting will stay as it is since a new building was removed from the project. Mr. Poskanzer made a motion to approve the bid package, including the modifications mentioned today. Mr. Dickrell seconded the motion. The motion passed unanimously.

- E. Approval for District Manager to purchase and construct storage building for the WWTP in the amount not to exceed \$3,600. District Manager will be reimbursed for the actual cost of building and materials. *This item was tabled for a future board meeting.***
- F. Approval to share 50% of the cost to repair roadway in Talking Rock (Saloon Train). District share is estimated at \$5,000. *Mr. Barreira made a motion to approve to share 50% of the cost to repair roadway in Talking Rock (Silent Springs). Mr. Dickrell seconded the motion. The motion passed unanimously.***
- G. Approval of one-year Service Agreements with Empire Cat for servicing backup generators (\$1,187 each). *Mr. Poskanzer made a motion to approve two contracts, one for \$1,187 and another for \$799 with Empire Cat for servicing backup generators. Mr. Dickrell seconded the motion. The agreement for \$799 does not include a load test for the generator at the wwtp, as it will be replaced in a few months. The motion passed unanimously.***
- H. Transfer of funds from District Restricted Capital Fund to the Operating Account in the Yavapai County Accounts in the amount of \$6,500 (refund of Developer Lot fees collected from Edmunds TRR). *Mr. Dickrell made a motion to approve the transfer of funds from District Restricted Capital Fund to the Operating Account in the Yavapai Counting Accounts in the amount of \$6,500. Mr. Poskanzer seconded the motion. The motion passed unanimously.***

9. ADJOURNMENT *Mr. Poskanzer made a motion to adjourn the meeting. Mr. Dickrell seconds the motion. The motion passes unanimously.*

Therefore, the meeting was adjourned at 11:24 a.m.