

INSCRIPTION CANYON RANCH SANITARY DISTRICT

P.O. Box 215 Chino Valley, AZ 86323

~ PUBLIC SESSION MINUTES ~

February 4, 2019

Approved March 18, 2019

Date: Monday, February 4, 2019

Time: 1:00 p.m.

Place: The meeting was held in a conference room at Springhill Suites by Marriot, 200 E. Sheldon Street, Prescott, AZ

1. CALL TO ORDER.

The Governing Board for the Inscription Canyon Ranch Sanitary District convened the Call to Order at 1:04 p.m.

2. ROLL CALL.

Present were: David Barreira, Board Chairman; Bob Hilb, Director; Bob Summers, Clerk of the Board; Robert Busch, Manager; Stephen Polk, Legal Counsel; Robert S. Lynch, Legal Counsel; Bill Whittington and Jeannine Yeager, Clerk.

Members of the Public: Alan Cocherell, Wally Holsworth, Jeanette Summers, Mark Emanuele, Jimmy Stoner, Chris Stoner, Stan Salzman, John Terwilliger, Laurel Bailey, Al Poskanzer, Bob Klamer, Eileen McGowan, Roy Kneale, Derrill Fulkerson, Walt Gontowsn, Jim Cooper, Ken Rosemeyer, James R Schulz, Jerry DeSantis, Suzanne Terwilliger, Bob Benjamin, David Morris, Pat McDowell, Pat Carpenter, Jim Taylor, Ken Waltrip, Linda & Ray Damesek, Virginia Brubaker, Mark Arnold, Ted & Barbara Durham, Bob Davidson, Meline & Andrew Knevel, Tom Sullivan, Clint Poteet, Bill Weber of Weber, NFP Insurance, Lisa Jensen, Kimberly Glassman, Dayne Taylor, Shem Hawes (Civiltec), Rick Shrouds (Civiltec), Richard Aldridge (Civiltec), Tim Emberlin, and Derrick Scott (Operator of the treatment plant)

Mr. Barreira called the meeting to order at 1:07pm and the roll call of the Board Members was taken.

3. CALL TO THE PUBLIC

First to speak was Jerry DeSantis. Mr. DeSantis asked about the effluent that is being pumped to the golf course and if there was any data on the website that he could look at from past years such as 2010 to the present. Mr. Barreira responded that he would have to

ask Mr. Busch, the District Manager, when he returned. Mr. Barreira pointed out Derrick Scott, the Operator from the plant, who said that he had the data that Mr. DeSantis was requesting. Mr. Barreira stated that he would ask Mr. Busch about putting the data on the website.

Next, Al Poskanzer asked about the engineering report from Civiltec. He wanted to know if they took samples on a daily basis and coordinated the quality from those samples from the actual flow coming out of the plant. Mr. Poskanzer stated that if they did not do that, then they did not meet the primary objectives of that report and they could not accurately show what the actual capacity was of the plant. Mr. Poskanzer felt that if Civiltec did not meet the primary objective of the report, then they shouldn't be paid.

Mr. Barreira stated that there were representatives from Civiltec at today's meeting and that they would be giving a talk on the report and he would ask them to address Mr. Poskanzer's concern at that time.

Next is Eileen McGowan. Mrs. McGowan stated that she has been attending these meetings for many years and she read the M.O.U. that Talking Rock LLC had given to the Board and was on the website. She stated that Talking Rock was trying to control this Board by wanting Mr. Barreira to resign. She stated that she felt that this was out of place and that she hoped that Mr. Barreira would stay with the Board because is a very positive member of the Board. She also stated that Talking Rock wanted Mr. Hilb to take over the position of Chairman and she felt that would not be appropriate because Mr. Hilb had previously taken over the Board and recalled three of the members. Mrs. McGowan felt that the previous dealings with Talking Rock have put this Board in the position that they are in today.

Mr. Hilb requested to respond to Mrs. McGowan's comments. Mr. Hilb stated that she had forgotten to mention that the reason that the three Board members were recalled was due to a lawsuit that cost everyone over \$1 million and the only way you could put an agreement together was that you had to require that the sewer district or the developers had to come up with a whole bunch of cash. That's why it was extended out over the time period.

Jim Cooper spoke next. Mr. Cooper wanted to address the proposed M.O.U. dated January 9, 2019. He stated that he felt the document was very one-sided and pointed in the direction of the developer. Mr. Cooper finds the document completely irresponsible and he requested that the Board take no action to that agreement. He believes that the Board should just continue on to the overburden that the developers have put upon their sanitary district.

Then Lisa Jensen spoke and she read a written statement. The statement was as follows: "I strongly disagree with frivolous lawsuits that serve nothing but to intimidate, bully and financially harm individuals on this Board who are just trying to do their job. If anyone in this room, or outside, disagrees with the decision that this Board may come to, what good is

a lawsuit? It seems to me that the grownup way to handle a disagreement with a decision that this Board may come up with, would be to conduct a fair and impartial study of whether we do or don't have sewer capacity to further grow Talking Rock or one of our other communities. A lawsuit does absolutely nothing to help two differing sides come to a mutual agreement. A lawsuit in this situation only serves to disrupt, tear down and instill complete mistrust and fuel for anger. But much more disgusting than a lawsuit is that someone has found it necessary, I don't know who, to suspend Talking Rock member privileges of someone on this Board, making this person an outcast in their own community. Who does these things? So my requests for the record today are 'Please stop this completely unnecessary lawsuit and do not make Dave Barreira step down'."

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

Minutes of Meetings

Public Meeting Minutes of January 22, 2019.

Executive Session Minutes (as redrafted)

Executive Session Minutes of July 9, 2018

Executive Session Minutes of September 27, 2018

Executive Session Minutes of November 27, 2018

Executive Session Minutes of December 21, 2018

Executive Session Minutes of January 22, 2019

Reimbursement to District Manager (\$368.36)

Springhill Suites- Meeting Room for Public Meeting of January 22nd (\$357.00)

Walmart- copy paper & Supplies(\$11.36)

Mr. Barreira stated that on the agenda there were Public Meeting minutes from January 22nd, Executive Session minutes from July 9th, September 27th, November 27th, December 21st and January 22nd and that the Executive Session minutes from November 27th and January 22nd would be deleted from the Consent Agenda. Mr. Barreira made a motion to approve the Consent Agenda as he had modified it. Mr. Summers stated, "So moved" and Mr. Hilb seconded the motion. Mr. Hilb requested to have the November 27th Executive Session minutes discussed in the Executive Session today to attain legal advice about it. Mr. Barreira asked for any other discussion and then all three Board members stated "aye" and the motion was approved.

5. SPECIAL REPORTS AND POSSIBLE ACTION:

A. Review of 2019 District insurance renewal quote from Allied Public Risk by Bill Weber, NFP Insurance and possible Board approval.

Mr. Weber handed out information to the Board Members and the District Manager and then he spoke to the Board and the public regarding the renewal of the insurance policy. Mr. Weber recommended that the Board stay with their current carrier and stated that the rates had gone up because it is costing more to fix items, materials have gone up in price and labor costs are more. The rate is about \$500 more than last year and that this

is consisting of a requirement that the carrier put cyber liability on the policy due to things like information breaches online. 80% of cyber attacks are against smaller businesses because they do not have the resources like the larger companies have for their clients' protection.

Mr. Weber also stated that last year the Board did accept "Terrorism" in their insurance and that was included in the new proposal. Mr. Weber also recommended that they continue to keep that coverage in their policy. They also sent out the Schedule of Property to Mr. Busch who had returned it to the insurance company and that was carried over into this year's policy.

Mr. Weber stated that the policy renews on February 7th and that he would recommend that the Board give him an endorsement today to renew the policy. Then Mr. Weber asked if there were any questions. Mr. Hilb asked if there was any increase of the worth of the property and Mr. Busch responded that there was no significant increase and that the only thing that is pending is the generator replacement that is not installed yet. Mr. Weber stated that for this policy and for last year it was the same amount, \$762,944.00 in coverage. Mr. Barreira asked if there were any other questions and Mr. Summers asked if the Board could do this earlier next year instead of having only 3 days to decide to renew the policy. Mr. Weber asked if the Board had not received the email in January regarding the renewal and then he stated that he would make sure that the Board received the information earlier next year. This proposal is dated January 11th but the Board had not received it earlier.

Mr. Barreira asked if the coverage is basically the same except that the cyber protection has been added and Mr. Weber stated that was correct. Mr. Barreira asked Mr. Busch if the customer information was on the website or only in the accountant's office and Mr. Busch stated that it was only in the accountant's office. Mr. Barreira stated that they would have to get with the accountant's office to make sure they have safeguards for their clients' information. Mr. Busch stated that he thought they already had that but Mr. Barreira requested that the Board get a statement from the accountant's office saying that they have this protection. Mr. Cochrell stated that, through the website, residents do input their information and email addresses so the webmaster should also be required to safeguard the information. Mr. Barreira instructed Mr. Busch to contact the appropriate parties to make sure that all safeguards were in place to protect customer information.

Mr. Weber stated that they insure a large amount of special districts and he recommended that the policy be approved as it is. Mr. Barreira entertained a motion to approve the new insurance policy, Mr. Hilb stated "so moved", Mr. Summers seconded the motion. All three Board members stated "aye" and the motion was approved. Mr.

Weber asked Mr. Barreira to sign off on the terrorism agreement due to the time constraints. Mr. Barreira signed the agreement as Board Chairman.

B. Report and review of wastewater treatment plant operating status and capacity and status of plans for expansion by Civiltec Engineering with possible Board action.

Mr. Shem Hawes with Civiltec Engineering introduced himself and explained how their company was given the task to research the wastewater flow generation rates for possible upgrades to the plant system and possible expansion. The plant is permitted for 62,500 gallons per day and there is a need to expand that capacity to 90,000 gallons per day. Mr. Hawes discussed the findings in their report and he explained that there are weak links in the current process that do not meet industry standards. He stated that there is insufficient capacity in the clarifier and there is insufficient capacity in the aeration process. Mr. Hawes stated that there are some things that can be done but they are basically a "Bandaid" effect and so improvements need to be made. Civiltec's design criteria would be able to treat the flow at a higher capacity than where it is currently.

One of the design improvements is to add another clarifier to give them some additional clarification on the back end of the process. It would also include improvements to the flow equalization including a new pump. The current aeration process needs additional ability to deliver air into that particular unit process and to be able to metabolize the waste stream coming into the plant. Also to meet State requirements to the effluent, Civiltec felt they needed more retention time in the anoxic zone to convert the nitrogen into nitrogen gas. They felt that the clarifier was the weakest link and that means having another clarifier installed first.

Mr. Busch asked about the inflow from the Whispering Canyon station but there is no mention of the large line that comes in from Talking Rock and whether that affected the results of the study or not. Mr. Hawes stated that it did not affect their data because this report spring boarded off of the past study that they did. Mr. Hilb stated that Mr. Poskanzer had an earlier question regarding the study. Mr. Hawes responded to Mr. Poskanzer's earlier question and then Mr. Poskanzer stated that he is a chemist and that if you increase the flow through the plant and you don't improve the process, then at some point the quality of the effluent will drop off and unless Civiltec did that, then they can't actually say what the plant capacity is. Mr. Hawes explained that the water quality for the plant is standard for the State. Mr. Poskanzer asked if they gathered the influent data on a day to day basis during their study and Mr. Hawes stated that they did not have day to day variation but they could certainly do that and correlate influent quality with effluent quality.

Mr. Hilb asked if there was ever an amount that exceeded the State mandated limitations for the effluent. According to the report, there was one day of 132,000 gallons per day of

influent. Mr. Hawes stated that when that happens the operator has to make adjustments to the process but on a continued basis it is just not prudent to do that every day. Mr. Hawes stated that by doubling the clarifier they can process the extra amount of influent faster and meet industry standards. Mr. Rick Shrouds, Civiltec President, stated that the ADEQ is only going to want to test the water quality at a certain place and make sure that it complies. There is a mixing going on with mixing clean with not so clean water.

Discussion ensued about the capacity and inflow stabilization of the plant. Mr. Hilb asked about the “per household” of 78.55 gallons and he felt that this number was misleading and needs to be adjusted as to older houses verses newer houses. Mr. Summers asked about the 605 connections currently and the amount of seasonal residents. Mr. Busch stated that he has this data and he could let Mr. Hawes look at it. Mr. Summers is concerned about the numbers being approved by ADEQ and Mr. Hawes and Mr. Shroud assured the Board that there would not be an issue with ADEQ. Mr. Summers also stated that the public had not heard the amount of the estimate which is \$408,233.91 but also it states that addition diffusers could also be necessary and he asked if there is some sort of estimate of the overages. There is a contingency of 20% for the estimate. Mr. Barreira stated that they would put the report on the website so everyone could see it.

Mr. Hawes stated that the “permitted” capacity is 62,500 per day and that they can operate efficiently at 40,000 per day. Mr. Emanuele, resident of Talking Rock, asked why Santec was not consulted about the operation and efficiency of the plant. Mr. Barreira stated that the Board put an RFP out for this and Santec was a bidder. Then Mr. Emanuele asked about the inflow meters for Whispering Canyon and Talking Rock and the preserve and the non operational meter from Talking Rock. He asked what flow rates they looked at and at what time of the year, during the holidays and so on. Mr. Hawes stated that they looked at data from 2014 and 2017 and that’s what they used to establish peaks and valleys in the flow rates. Mr. Busch stated that they have no inflow meters anywhere and what they measure on a daily basis is the effluent/outflow. Mr. Hilb wanted to know if they could increase the estimate to 100, 000 or 120,000 capacity so that they could see what the difference would be from the 90,000 capacity. Mr. Barreira asked why they don’t just take all of the data to ADEQ and see what they say about how much they need to increase the capacity of the plant. Mr. Hilb stated that they already talked with ADEQ and they were told to have the engineers calculate it. Mr. Shrouds stated that they do add 20% to some parts of the quote for the protection of the public. Mr. Hilb stated that there were two or three stations to hold the influent for equalization. Mr. Andrew Knevel asked about the 10 year term and what is the plan for the future. Mr. Barreira stated that the Board previously commissioned an engineering firm to design a new plant with 125,000 gallon per day capacity The cost was estimated at 2.1 million. The cost to increase from 125,000 gallons per day to 250,000 would only

cost an additional \$800,000 and that would take the plant to long beyond the lifespan of anyone in the room..

Mr. Dayne Taylor stated that originally all of the developers were responsible to the owners for putting money into the funds and how does this study compare to the study done in 2008-2009. Mr. Hawes stated that only the water quality has changed from the original parameters from the Santec design. Al Cochrell asked about the life of the plant and how long the equipment will last. Mr. Hawes stated that the blowers maybe 5-10 years and the processors about 30 years. Mr. Jim Cooper stated that he was wondering about the 132,000 gallon capacity day and questioned the ability of the plant to process during holidays and when seasonal people were in their residences. Mr. Hilb stated that it could have been a thunderstorm that day that caused many leaks and that those numbers may not be accurate. Mr. Busch stated that the 132,000 was an aberration in the data and that the day before or the day after registered as 0 or a very small number. Mr. DeSantis stated that no one designs to full capacity because it would be very expensive and not cost effective.

Mr. Pat Carpenter asked about composite samples and flow calculations. Mr. Derek Scott, Operator at the plant, asked about bagging and hauling the solids and the sludge processing. Mr. Hawes stated that there was no requirement for dealing with solids so Mr. Scott's input would be important to the cost balances. Mrs. Karen Benevidias asked how the expense of the upgrade was going to affect her and Mr. Barreira stated that the money for the improvements and the expansion are in the Capital account and this would not have any impact on the residents. Mrs. Jensen stated that she felt there were some differences of opinion between the Board members. Mr. Barreira said that there should be an expansion to the 90,000 gallons and since there are new members then they have to review it. Mr. Hilb wants to see what the capacity to the next increment would cost.

Mr. Barreira discussed the Board going to the processing plant in Sedona and they were all impressed and then they thought to put it out for bid. But the ICR plant started bumping up to capacity and they missed an opportunity to put a bond from WIFA on the ballot and so they have to implement a long term solution for the plant. Mr. Busch stated that the Board was looking at expanding the current plant or adding another plant and the cost effectiveness of that. Mr. Jimmy Stoner stated that there were two reports mentioned in the discussion and he was wondering if they are on the website. Mr. Barreira stated that Mr. Busch said that he thought the July 24, 2018 report was already on the website. Mr. Busch stated that the updated report will be put up on the website, along with the July 24th report if it is not already there.

Mr. Barreira stated that they did not need to make a motion on the proposal because Civiltec already had a contract to design the full 90,000 capacity and Mr. Hilb stated

that he felt the action would be to update the report based on today's discussion. Mr. Hawes stated that they could do that in 2-3 weeks. Mr. Summers asked if it would be posted on the website when it comes in.

Mr. Barreira made a motion to post it on the website when it comes back in, Mr. Summers stated "so moved", Mr. Hilb seconded and all three Board members stated "aye". Motion was approved unanimously.

Mr. Summers stated that they also needed to make a motion to get the updated report in 2-3 weeks. Mr. Whittington stated that they could make a motion or do it by consensus. All Board members agreed to consensus.

Mr. Barreira stated that this portion of the meeting was adjourned at 2:43pm

Mr. Barreira made a motion to go into Executive Session and Mr. Hilb seconded the motion and all Board members stated "aye".

RECONVENE INTO PUBLIC SESSION AT 3:43pm

Mr. Barreira went back to the Consent Agenda in regards to the Executive Session minutes from November 27th and January 22nd and he made a motion to approve those two minutes as discussed in Executive session with the November 27th minutes having no changes and the January 22nd minutes being modified as per their discussion. There was a statement in the January 22nd minutes that was attributed to Mr. Barreira that Mr. Summers actually made and that needs to be changed. Mr. Whittington stated that they wanted to make a motion to approve the minutes from January 22nd with modifications and no modifications for the minutes from November 27.

Mr. Barreira made the motion, Mr. Hilb seconded and all Board members stated "aye" and the motion is passed.

7. REPORTS

Report from the District Manager

- *Status of District operations*
- *Latest Average daily flows through the treatment plant- Mr. Busch stated that the daily average flows through the plant for January 2019 were 51,640 gallons per day which is 82.6% of the 62,500 gallon capacity. The monthly total processed was 1,600,848 gallons. Mr. Barreira has requested that Mr. Busch put these figures on the agenda from now on.*
- *Status of Phase I improvements to WWTP- Still waiting for APS to complete the transformer changeout for the backup generator and they have said that it will be the last week of February for that project. The Yavapai County Treasurers office is still being slow in getting monthly reports for the accounts the District has on deposit with the County.. The reports they received for January, when they finally arrived, did not have any interest included on them. During the last meeting it was decided that Mr. Busch was to get from legal counsel, a written response to the request from Mr. Poskanzer for copies of the*

Executive Session minutes. He reported he has not received that letter yet. Mr. Barreira stated that Mr. Polk was going to issue that letter.

8. OLD BUSINESS

A. Setting a date and time for future ICRSD Board meetings-

Mr. Barreira instructed Mr. Busch to coordinate that and inform the Board members and the Public when the next meeting is to take place.

B, C, D & E. Report on status of litigation and claims and communication with the insurance company.

Mr. Barreira requested that Mr. Lynch address the public in regards to all four items. Mr. Lynch stated that nothing has changed since the last meeting and that they are still waiting for the Judge's decision to be made and he has 60 days to make that decision. The claim from Talking Rock requires that the claimant say what they are willing to settle for and that is \$5 million dollars and that claim by itself and there has been no action on that. The communications with the insurance company and Mr. Lynch has sent the information with the adjuster for the company and he still has not heard from the adjuster as to what they will be doing. Section 12 of the agreement states that there could be Mediation followed by Arbitration and then Litigation and this claim would fall under that section. There has been no activity in regards to mediation and so that is on hold also.

F. Appointment of the District Manager as Responsible Corporate Officer in connection with reporting periodic reports and testing results to ADEQ. This will permit electronic filing of reports.

Mr. Barreira stated that at the last meeting, Mr. Polk was to do some investigating to see if they could appoint Mr. Busch to that position or if he had to be elected to that position. Mr. Whittington stated that they recommended that they appoint a Board Member as the Primary Responsible Corporate Officer and that Mr. Busch be named as the Delegated Responsible Officer and that allows the Board Member to sign off on things of a monetary nature. Mr. Busch stated that the ADEQ needs the person to have a name.

Mr. Barreira made a motion that the Board Clerk will be the Primary Responsible Corporate Officer and that Mr. Busch will be the Delegated Responsible Officer to deliver the reports. Mr. Hilb seconded the motion, Mr. Summers and Mr. Barreira and Mr. Hilb stated "aye" and the motion was passed unanimously.

9. NEW BUSINESS

A. Approval of financial reports for December 2018

Mr. Busch reviewed the financial reports for December, 2018; Inspections Fees were \$250 and YTD was \$3,275 that represents at least a dozen inspections. Hookup Fees for Inscription Canyon were \$3,250 for December and \$5250 for YTD and the other two hookups were \$1,000 hookups that occurred before the fee increase. Application/Transfer

Fees were \$945 and \$3,365 YTD and Developer Lot Fees were \$9,750 and \$16,250 for YTD and that represents 5 lots.

Consulting services were \$21,685 for December and \$119,220 for YTD. Then on to the balance sheet that shows currently between the restricted and the unrestricted Capital accounts there is about \$970,000 in those two accounts. Plus there is approximately \$220,000 in the current assets that would represent funds that we could pay current expenses from, and then there is \$167,000 in account 1125 of receivables, that is taxes remaining to be collected for the year. Operational funds are okay for the remainder of the year. Account 1800, Fixed Assets, has \$229,600 in there for the plant upgrade in progress which is Phase I and the engineering for Phase II.

Budget vs. actual and we are halfway through the year and we are in good shape. We are over on repairs and maintenance which is \$16K+ and the budget was \$15K. The budget for consulting which is about \$6,000 over budget for the year. Mr. Barreira asked if they could pay out what they owe to Talking Rock. Mr. Busch said that was approved at the last meeting so it is not represented in the financials yet but it will be on the next financials for February. Mr. Busch stated that under reimbursement income there was \$1,568 that represents the repayment to Talking Rock for the review of Sterling Ranch plans.

Mr. Barreira entertained a motion to approve the financial reports as presented by Mr. Busch. Mr. Summers seconded and then Mr. Barreira said he would make the motion and Mr. Hilb seconded and then all three Board members stated "aye". The motion was approved unanimously.

B. Possible Response to settlement proposal from Peter Burger of Symmetry Companies.

Mr. Barreira moved to instruct the attorneys to draft a response to Mr. Burger and to have it to the Board in the next two weeks so they can have a meeting to discuss their proposal and ICRSD proposal. Mr. Hilb seconded. Mr. Barreira asked for any discussion. Mr. Cochrell asked if the Board's response would be on the website and Mr. Whittington stated that it would not, not until after the negotiations are over. Mr. Ken Waltrip asked about getting a mediator involved at this time and Mr. Barreira discussed the financial costs for Mediation and that it was too soon in the process to get into mediation. Mr. Summers stated that the only reason to go to mediation is if the parties cannot come to an agreement by themselves. Mr. Lynch spoke about being careful to not involve the insurance company until absolutely necessary and he explained the process of mediation to the public.

Mr. DeSantis asked if there are time limits and Mr. Lynch replied no. Mr. Wally Holsworth asked if the Board was keeping a running tab of what this process was costing in terms of the legal fees. Mr. Busch explained that there are two separate breakdowns in the financials. One is called District Consulting and the other is for Litigation. Mr. Barreira stated that Mr. Lynch recently billed the Board for \$4,000 for dealing with the issues with Mr. Poskanzer.

Mr. Barreira made a motion to approve the instructions to the attorneys, Mr. Summers seconded and all Board members stated "aye". Motion was approved.

- C. Discussion and possible approval of Work Orders #102 & #104 to Civiltec Engineering contract for inspection of construction activity at Sterling Ranch at Talking Rock, Phase 13 at Talking Rock and Work Order #103 for Whispering Canyons, Phases 5-7. The work is reimbursable by Developers under paragraph 3 of the Amended and Restated Development Agreement.

Mr. Busch explained that the work orders are on a time and materials basis. Work order for Phase 13 is not to exceed \$3,880, work order #104 is for Sterling Ranch and that is \$5,500 for 7 trips to the site to observe and record, then work order #103 is for Whispering Canyon which covers Phases 5, 6 & 7 with 15 trips to the site and that amount is \$10,475. Mr. Busch recommended that the Board approve the work orders to get everything going and to monitor the work accordingly.

Mr. Barreira made a motion to appoint Mr. Busch to sign the work orders and to send them to Civiltec, Mr. Summers seconded the motion and then there was a discussion regarding the time frame and reimbursement and prepayment of a deposit for the work. Mr. Barreira, Mr. Hilb, and Mr. Summers all stated "aye" and the motion was passed.

- D. Discussion and possible approval of amendment to District By-laws concerning notification to the public of Board seats up for election.

Mr. Whittington stated that he has the information prepared and will submit it to the Board next week. So Mr. Barreira stated that this item will be on the next agenda.

Mr. Holsworth asked what was the purpose of having the Executive Session in the middle of the meeting instead of before the Public meeting or after the Public meeting. Mr. Barreira explained the process was to get legal advice for items to be discussed on the agenda in Public Session and that the Board has to follow the regulations of the State regarding Open Meeting Laws. Mr. DeSantis asked if there was any way to video tape or record the meetings so that people who can't make it to the meeting could see and hear the proceedings. Mr. Barreira stated that the public can record the public sessions but that the Board doesn't have video equipment to record the session. Mr. Summers stated that on the website you can request a recording of the meeting and it is \$7 but Mr. Busch stated that he could not guarantee the quality of the recording. Mr. Holsworth asked about naming the Manager as the Clerk instead of Mr. Summers. Mr. Lynch stated that the ADEQ requires a name and not just a position.

Meeting adjourned at 4:25pm

Clerk of the Board

Date