

INSCRIPTION CANYON RANCH SANITARY DISTRICT

P.O. Box 215 Chino Valley, AZ 86323

~PUBLIC SESSION MINUTES~

October 14, 2013

Approved December 6, 2013

Date: Monday October 14, 2013

Time: 8:30 a.m.

Place: 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 approximately 8:30 a.m.

2. ROLL CALL.

Present were Bob Hilb, Chairman; John Freeman, Board Member; Bill Dickrell, Board Member; Bill Whittington, District Counsel; E.J. Kotalik, District Counsel; and the following audience member.

Eileen McGowan

3. Bob Hilb made a motion to 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:

Claims for reimbursement of attorney fees previously paid by the District.

John Freeman seconded the motion. The motion passed unanimously without discussion.

Executive session began at approximately 8:35 a.m.

RECONVENE INTO PUBLIC SESSION at approximately 9:15 a.m

4. DISCUSSION & POSSIBLE ACTION RE;

A. Claims for reimbursement of attorney fees previously paid by the District. *Mr. Hilb stated that the court had ruled against our motion for summary judgment against the previous insurance company for attorney's fees. The court partially approved the insurance company's motion for summary judgment but ordered our claim for bad faith to proceed to trial. Our attorney advised that we were not in a very good position to prevail in the case and we had instructed him to negotiate a "walk away agreement" where we would agree not to pursue the bad faith claim or appeal the summary judgment*

and they would not pursue lawyer's fees. That is what this agreement says. Mr. Hilb made a motion that the board approve this agreement and authorize it to be executed by any board member. Bill Dickrell seconded the motion. The motion passed unanimously without discussion.

5. ADJOURNMENT

Therefore the meeting was adjourned at 9:20 a.m.

Date

Chairman