

**MINUTES OF THE
REGULAR MEETING OF THE
I.C.R. SANITARY DISTRICT
February 9, 2011**

Approved: 2/23/11

Date: Wednesday, February 9, 2011
Time: 9:00 a.m.
Place: Williamson Valley Fire Station 15450 Williamson Valley Road, Prescott, Arizona 86305

I.C.R. Sanitary District Board of Directors

Gene Leasure, Chair
Dayne Taylor, Director
Charlie Turney, Director

Gloria Lorntzen, District Clerk

Guests

Jimmy Stoner, Homeowner
Bob and Barb Hilb, Homeowners
Cheryl Ibbotson, Wallace & Assoc.
Pat Carpenter, a Quality
Chris Williamson, a Quality
Eileen McGowan, Homeowner
Hugh Pryor, Homeowner
Clint Poteet, Talking Rock
Hal Lobaugh, Lot Owner
Tim Emberlin, Whispering Canyon

1. Call Regular Board Meeting to Order

The meeting was called to order at 9:03 a.m. by Chair Gene Leasure. A quorum was present for the purpose of conducting business.

2. Introduction of Attendees. Present were Gene Leasure, Chair; Charlie Turney, Director; Dayne Taylor, Director; Gloria Lorntzen, District Clerk; Cheryl Ibbotson; Jimmy Stoner; Chris Williamson, aQuality; Pat Carpenter, aQuality; Barb and Bob Hilb; Clint Poteet, Hugh Pryor; Hal Lobaugh; Tim Emberlin, WC; and Eileen McGowan.

3. Approval of Minutes

a. Approve minutes from Regular Meeting of January 26, 2011, and Executive Session of January 26, 2011.

The Minutes of the regular meeting of January 26, 2011 were reviewed and revised.

Motion: Mr. Leasure moved to approve the January 26, 2011 regular meeting Minutes as revised; Mr. Turney seconded; motion passed unanimously.

The Executive Session Minutes of January 26, 2011, were reviewed.

Motion: Mr. Leasure moved to approve the January 26, 2011 Executive Session Minutes as written; Mr. Turney seconded; motion passed unanimously.

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4. NEW BUSINESS

a. Financial Report by Wallace & Associates

(1) Building permits in District discussion and possible action

Mr. Leasure advised that one resident in ICR has received a Notice of Completion. He also advised that another building permit has been applied for.

b. Operator Report by aQuality Water

(1) Review operator report discussion and possible action.

Mr. Carpenter stated that the plant has been pretty quiet this month. The charcoal filter may need to be replaced, and more media needs to be ordered. Mr. Taylor asked if the media was frozen, and Mr. Carpenter stated that it shouldn't be, but he will check it.

Action Item: Mr. Carpenter will check to see if the media is frozen.

(2) Plant influent and effluent sampling test results to date discussion and possible action.

Mr. Carpenter stated that the 8 day BOD testing is complete. He advised of the results: The influent BOD's ranged from a low of 150 to a high of 537; they averaged about 240. TSS ranged about the same; they averaged about 200. The total nitrogens averaged at 58/1,000,000. There were some real high and real low numbers. The plant is designed for nitrogen of 30; 220 BOD, and 200 TSS. The nitrogen demand is almost twice the design rate. The effluent samples were mostly 95% removal. The permit is for 85% removal. Mr. Carpenter will e-mail the BOD test results to the Board.

Action Item: Pat Carpenter to e-mail the BOD test results to the Board.

(3) Status of ICR ground water intrusion inspections discussion and possible action – Tabled.

c. Recall Election discussion and possible action

Mr. Leasure advised he received an invoice from the County for verification of signatures for the recall election in the amount of \$144.50. He gave the invoice to Cheryl Ibbotson for payment.

**d. Protocol and conditions for access by Dwight Zemp of Santee for additional testing at Santee
Plant as requested by developers and reimbursement of costs by Developers discussion and possible action.**

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Mr. Leasure stated that this has all been done now. Mr. Williamson advised that aQuality will bill Harvard for the BOD testing.

Action Item: aQuality to bill Harvard for the BOD testing and send a copy of the invoice to Doug Nelson.

e. Litigation – Harvard, The Preserve and Whispering Canyon lawsuit against the District and its Board (Yavapai County Superior Court P1300CV2010000036)

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Mr. Leasure stated that there is nothing new to report on the litigation.

1. Status of case and Order to Show Cause Hearing

Mr. Leasure advised that the Court hearing is scheduled for February 16 and 17, 2011, at 9:00 a.m.

2. Developers' alleged failure to comply with Arizona's Real Estate Law and environmental Laws for committed capacity for sold lots

3. Legality of developers collecting fees on behalf of the District (Public monies collected as raised by Judge Kenton Jones)

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f. Resolution No. 2010-01 Moratorium on Sewer Hookups and Conditions for Lifting Moratorium or Partial Lifting of Moratorium (available on ICRSD Web Site) discussion and possible action

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Mr. Leasure advised that the Resolution No. 2010-01 Moratorium is on the website for review.

g. Review invoices from Doug Nelson discussion and possible action

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The Board reviewed the invoice from Doug Nelson, dated January 31, 2011, in the amount of \$2,034.28. Mr. Leasure stated that there is one item on Mr. Nelson's invoice relating to the Real Property Act litigation, and that the District is not to pay this portion of the invoice because the insurance company will be paying this item.

Motion: Mr. Leasure moved to approve paying the January 31, 2011 invoice of Doug Nelson, less the listing of time for the Real Property Act litigation; Mr. Taylor seconded; motion passed unanimously.

h. Status of wastewater treatment plant expansion cost estimate discussion and possible action.

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Mr. Taylor stated that he talked to Justin Logan last week about the plant expansion cost estimate. They discussed some options, and Mr. Logan is going to proceed with the construction design coordinator. Mr. Logan believes the estimate will be close to the 2007 estimate. The estimate will be for the original facility, with the only change being one building instead of two.

i. Sub-committee regarding plant cost of service studies and discharge permit discussion and possible action.

Mr. Stoner stated that the sub-committee has not been constituted, awaiting insurance information. Mr. Leasure stated that sub-committees will be covered in the new insurance policy, which should be received in about a week.

j. Review January 2011 Escrow account report discussion and possible action

The Board has not received the January 2011 escrow report, so this item is tabled. Mr. Leasure stated that he talked with Constance Pinney, and she doesn't believe an amendment is required regarding the District's financial statement report unless Mr. Nelson thinks there should be

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n. Review Action Item List and Motion List discussion and possible action

The Board reviewed the Motion list, and reviewed and revised the Action Item list.

5. OLD BUSINESS

a. Notice of Claims Inscription Canyon Ranch, L.P.

b. Notice of Claims Marv and Joyce

c. Properties in violation of District hookup ordinance discussion and possible action - Tabled

Additional Item: Mr. Leasure stated that the District has changed insurance brokers. They have renewed their policy with the same insurance company. He believes that communications between the broker and the District will be much better now.

6. Call to the Public:

Mr. Hilb asked if he could get a current financial report. Ms. Ibbotson stated that they are on the website, but Mr. Turney advised that they are not public documents at this time.

Action Item: Mr. Leasure will add an agenda item to the next meeting as follows: Should the financial reports become public documents on the website discussion and possible action.

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7. Announcements – Mr. Leasure reiterated that the Order to Show Cause Hearing is scheduled for February 16 and 17, 2011, at 9:00 a.m.

8. Adjourn Meeting

Motion: Mr. Leasure moved to adjourn the regular session; Mr. Turney seconded; motion passed unanimously.

Meeting adjourned at 10:00 a.m.