

# INSCRIPTION CANYON RANCH SANITARY DISTRICT

P.O. Box 215 Chino Valley, AZ 86323

~PUBLIC SESSION MINUTES~

March 7, 2017

**Date:** Tuesday March 7, 2017

**Time:** 1:30 p.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 1:30 p.m.

## 2. ROLL CALL.

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

- Tyson Glock
- Bruce Eldredge
- Harvey Roberts
- Jim Binnick
- Derek Scott
- Bob Hilb

## 3. CALL TO THE PUBLIC

*Those wishing to address the Inscription Canyon Ranch Sanitary District Board need not request permission in advance. The Sanitary District Board is not permitted to discuss or act on any item not specifically identified on the agenda (A.R.S. 38-431.01(G)). However, individual Board members may be permitted to respond to criticism directed to them. Otherwise, the Board may direct that staff review that matter or that the matter be placed on a future agenda*

Mr. Harvey Roberts asked if the board had given the Water District's proposal any consideration. Mr. Dickrell stated that this matter was on the agenda and it would be discussed during that time.

## 4. **Mr. Dickrell made a motion to go into Executive Session for discussion and consideration of the employment agreement and status of the District Manager, including term of employment and salary pursuant to ARS Section 38-431.03(A)(1) and possible legal**

advice on the same, pursuant to A.R.S. Section 38-431.03. (A)(3) and; 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) re:

- A. Possible financing and repayment options for WWTP replacement and expansion.**
- B. WWTP expansion project design approvals**

*Mr. Barreira seconded the motion. The motion passed unanimously without discussion.*

*During the Executive Session, the public was asked to leave the Board meeting room until the public session is re-convened*

RECONVENE INTO PUBLIC SESSION AT APPROXIMATELY 2:15PM.

## **5. REPORTS**

### **Report from District Manager**

- **Status of Plant Operations** *Mr. Busch reported that the daily average flow for December was 48,812 gallons per day and 45,722 gallons per day for January.*
- **Miscellaneous:** *Mr. Busch stated that the payment that was made to the developers was \$51,119 instead of the \$59,925 that was previously estimated. Mr. Busch also stated that the sub-contractor paid the District \$1,273.69 for the damages caused on Forest View in Talking Rock. As of March 1, 2017, the price of effluent increased by 10 cents to \$1.20 and lot fees increased by \$250 to \$3250. Mr. Busch stated that the district paid approximately \$5800 for sludge bag/waste management (plus Derek's time). Mr. Dickrell voiced his concerns regarding the rise in the gallons per day the plant has recently experienced. Mr. Busch stated that perhaps the wet season thus far has caused incursion. Mr. Poskanzer stated that once the rain stops, the gallons per day should decrease.*

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

- **Minutes of Meetings**
- **Minutes of Public Meeting of January 11, 2017**
- **Executive Session Minutes of January 11, 2017**

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

## **7. OLD BUSINESS - DISCUSSION & POSSIBLE ACTION RE:**

- A. Setting a time and place for future meetings of the District Board.** *Mr. Busch will set the date and time for the next meeting once the board members and legal counsel Whittington submit their availability.*
- B. Review, discussion and possible approval of 60% completed design plans for WWTP expansion project.** *Tyson Glock, of Sunrise Engineering, spoke to the reason on why the*

cost of completing phase one of the plant expansion went from \$175,000 to approximately \$310,000. Mr. Glock stated that there wasn't as many underground utilities needed as were once anticipated. Mr. Glock also stated that the proposed addition of the bathroom and eyewash/shower station would need to meet Osha and ADA requirements. Because the shower would need to have a specific gallons per minute, a large water heater would have to be purchased. Mr. Glock stated that there were no windows in the new building on the original plan, and the board would have to add those if they wanted to for approximately \$600 each. Mr. Derek Scott asked about having skylights installed. Mr. Barreira mentioned installing solar tubes. Mr. Glock said that he would communicate those questions to the project architect and inquire about prices as well. He stated that he would talk to Mr. Busch about prices and which option the board wanted to go with. Mr. Glock did not want to hold up the process by waiting for an answer at the next scheduled board meeting. Mr. Glock told the board that the AC units were going to be larger than anticipated. Mr. Jim Binnick asked if the emergency eyewash station was even necessary and suggested using an eyewash kit instead. Mr. Glock stated that having a built-in eyewash station wasn't required. He also stated that leaving out the shower feature could save the district money on costs. Mr. Binnick asked about where the water would go if the eyewash/shower station was used in an emergency as there was no drain in its proximity. Mr. Glock stated that water would have to be mopped up and that an emergency superseded a wet floor. He also said that to add a drain would raise costs as a sewer line would have to be added. Mr. Dickrell asked if the eyewash station had any mandatory requirements and Mr. Glock said he'd ask the Mechanical Engineer. Jim Binnick asked if the District facilities were considered a lab per state regulations. Mr. Glock stated that they were and compared the lab to one in a high school setting. Mr. Binnick asked about the plant currently having security lighting. Mr. Scott answered by stating that it employed motion sensors now. Mr. Glock then suggested having two, one at each corner of the front of the building. Mr. Binnick asked what was going to be done with the generator that was being replaced. Mr. Glock said that it was up to the Board to decide if they wanted to salvage it or sell it. Mr. Scott suggested selling it. Mr. Binnick suggested that all locks be similarly keyed. Mr. Glock stated that he'd let the architect know to do so. Mr. Binnick also asked if the Fire Department had any regulations that the District had to adhere to. Mr. Glock stated that after speaking with them, there weren't any requirements but would ask the architect for confirmation. Mr. Binnick suggested speaking to the Department of Air Quality regarding an air quality discharge permit. Mr. Glock said he would relay the information to the architect. Mr. Binnick also asked that bollards be put in front of the transformer to protect it from being hit by a vehicle. Mr. Binnick went on to mention the floor elevation being too shallow. Mr. Glock stated that there was 2 inches of foundation above ground. After having gone through each line item, Mr. Glock mentioned that the two presented totals differed in that the smaller amount didn't have the contingency built into it. Mr. Binnick noticed that Sunrise Engineering had two contingencies built into the cost. Mr. Glock stated that the hope was not having to use it at all and that he'd rather have both contingencies just in case. Mr. Glock stated that one of the larger costs incurred was \$23,000 for a new bathroom. The AC unit(s) had a cost of \$48,000. As far as electrical costs going up, Mr.

*Glock stated that the in consideration to safety, the 200-amp electrical panel would have to be replaced with a 400-amp electrical panel. He also stated that the generator had to be upsized and that had caused a rise in costs. Mr. Poskanzer stated that the grand total for Phase II of the project would also be going up and was concerned about the cost and finding a financier. Mr. Binnick stated that the cost had already gone up 40% at 10% of the build and was concerned about the price continuing to go up. Mr. Poskanzer stated that initially, the turn-key price for the project was \$1.6 million and that now it was projected to be at the \$2 million mark. He voiced his concerns about being able to find financing to see the project through to the end.. Mr. Binnick suggested identifying elements to retrofit the existing structure. Mr. Glock then presented the Board with “Value Engineering” to cut costs. He suggested completely discarding the option to build and eyewash/shower station. The savings to the District would be approximately \$15,000. He also suggested that the board rethink the sound attenuation upgrade. Mr. Glock would research what the decibel readings are without the sound attenuation and compare them with the decibel readings now. If the Board chooses to forgo the upgrade, they would save approximately \$5,000. This item was set aside for further review. There was a brief conversation regarding the need for AC units. Mr. Binnick and Mr. Scott both opined that window units would be sufficient as that is what has been used to date without any problems. Mr. Binnick also mentioned that with having smaller window units, there would be no need for larger generators. Mr. Glock stated that he would talk to the HVAC specialist about keeping the existing AC units. The sound enclosure option was discarded and saved the District approximately \$4,000 in costs. The gravel that was going to be used to help prevent mudding the access way to the transformer was decided against. The cost savings for opting out of the gravel path is approximately \$4,000. In deciding to keep the existing bathroom, the cost savings to the District is approximately \$5,000 to \$10,000. Mr. Binnick suggested keeping the old generator and adding an automatic switch for big savings. Mr. Busch stated that that generator was already 10 years past its life span. Mr. Glock stated that he would be in communication touch with Mr. Busch for any questions or concerns by either party.*

**C. Possible financing and repayment options for WWTP replacement and expansion.**

*There is nothing to report at this time.*

**D. Discussion and consideration of changes to the employment agreement with the District Manager.** *There is nothing to report at this time.*

**8. NEW BUSINESS - DISCUSSION & POSSIBLE ACTION RE:**

**A. Review and approval of financial reports for December, 2016 and January, 2017.** *Mr. Eldredge went through financial and budget reports for December 2016 and January 2017 with no discrepancies. Mr. Barreira made a motion to approve the financial reports for December 2016 and January 2017. Mr. Poskanzer seconded the motion. Mr. Eldredge was concerned about “last minute” meetings cutting into the peak of his tax season. Mr. Dickrell stated that he could call into the meeting or communicate the details of the*

*financial reports with Mr. Busch if he was unable to make it. Mr. Dickrell stated that if the Board had any concerns, Mr. Eldredge would have to report back immediately to them with clarifications. The motion passed unanimously with no further discussions.*

**B. Review and discussion of proposal from ICR Water Users Assn. regarding their building near the water treatment plant.** *Mr. Harvey Roberts spoke about the Water District's proposal to somehow come to a solution that benefits both the Sanitary District and the Water District regarding the existing building that is owned by the Water District. Mr. Roberts stated that the Water District is feeling squeezed in by the Sanitary District's expansion. He also stated that they would like an easement as their pipes cross over into the Sanitary District's property. Mr. Poskanzer suggested that the building be gutted out and used for both District's meetings. Mr. Dickrell stated that perhaps Mr. Poskanzer could make a trip out to see the building and report back to the Board.*

**C. Election of Officers of the Governing Board** *Mr. Dickrell made a motion to appoint Mr. Barreira as the Inscription Canyon Ranch Sanitary District Chairman of the Board. Mr. Poskanzer seconded the motion. The motion passed unanimously. Mr. Poskanzer made a motion to appoint Mr. Dickrell as the Inscription Canyon Ranch Sanitary District, District Clerk. Mr. Barreira seconded the motion. The motion passed unanimously.*

## **9. ADJOURNMENT**

*Therefore, the meeting was adjourned at 4:02 p.m.*

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Date

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Board Clerk