

INSCRIPTION CANYON RANCH SANITARY DISTRICT

P.O. Box 215 Chino Valley, AZ 86323

~PUBLIC SESSION MINUTES~

January 5, 2016

Approved January 21, 2016

Date: Tuesday January 5, 2016

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 approximately 9:00 a.m.

2. ROLL CALL.

Present were Al Poskanzer, Chairman; Bill Dickrell, Chairman; Bill Whittington, District Counsel; Bob Busch, District Manager and Isabel Yribe, District Clerk. Board Member Dave Barreira was absent.

Members of the public:

- Bruce Eldredge
- Derek Scott
- Bill Weber
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3. CALL TO THE PUBLIC (No comments from the public.)

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. Consideration to award a design contract for a series of improvements and expansion of the wastewater treatment plant at 14000 Grey Bears Trail. The contract is not expected to exceed \$300,000 for the design. Actions may include holding further work sessions or field trips.

B. Claim against PurSolar & Electric for damages to the Silent Moon Lift Station.

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

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

Executive session began at approximately 9:05 a.m.

RECONVENE INTO PUBLIC SESSION at approximately 9:45 a.m.

5. REPORTS

Manager Report

Mr. Busch stated that as of December of 2015 there are 530 active connections in the District. The daily average flows for the month of October were 39,503/gpd, 41,296/gpd for the month of November and 42,351/gpd for the month of December. He reported that an air relief valve was damaged by a landscaping firm doing work on a home on Inscription Canyon Drive. The contractor paid for the repairs. He also stated that there was a slow leak on Harmony Drive that was repaired for the amount of \$5,100. Derek Scott recommended that at some point in the near future, the generator at the plant would have to be replaced. Mr. Busch stated that the District received a Request for Public Documents from Kimble McClymonds. Mr. Busch is currently working with Mr. Whittington on a response to that request as it is unclear if Mr. McClymonds inquiry falls under a Commercial Request. Mr. Busch stated that the invoice for Granite Basin's attendance for the interviews of potential design firms for the plant expansion was \$2,524. He reported that the District Standards and Grinder Pump Data Base are now on the District website.

Financial Report

Bruce Eldredge stated that he would be providing the board members a "trending cash flow" report in addition to his regular reports. Mr. Eldredge provided financial information for the month of October at the meeting and clarified any questions the board had. There was nothing extraordinary to report for the month of October. Mr. Eldredge provided financial information for the month of November at the meeting and clarified any questions that the board had. There was nothing extraordinary to report for the month of November.

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

Minutes of Public Meeting of November 16, 2015

Executive Session Minutes of November 16, 2015

Minutes of Work Session of November 16, 2015

Minutes of Work Session of December 10, 2015

Reimbursement to District Manager for \$66.08.

A&E Reprographics - As Built Drawings- Whispering Canyons Phase 3 (\$47.67)

Staples - paper supplies for Board Packets (\$18.41)

Mr. Dickrell made a motion to approve the consent agenda. Mr. Poskanzer seconded the motion. The motion passed unanimously without discussion.

7. OLD BUSINESS – DISCUSSION & POSSIBLE ACTION RE:

A. Consideration to award a design contract for a series of improvements and expansion of the wastewater treatment plant at 14000 Grey Bears Trail. The contract is not expected to exceed \$300,000 for the design. Actions may include holding further work sessions or field trips.

Mr. Dickrell made a motion to authorize Bob Busch to collaborate with Mr. Whittington on formulating a contract for approval by the board for submittal to Sunrise Engineering. Mr. Poskanzer seconded the motion. Mr. Poskanzer asked Mr. Whittington if the board should notify the other firms who submitted quotes. Mr. Dickrell suggested that the board should hold off until it solidified the contract with Sunrise Engineering. Mr. Derek Scott asked if the old plant would be sold off once the new plant was online. He stated that he knew of a potential buyer in case it was ever considered to be sold. The motion passed unanimously.

B. Claim against PurSolar & Electric for damages to the Silent Moon Lift Station. Mr. Poskanzer made a motion that Bob Busch be authorized to collaborate with Mr. Whittington as directed in Executive Session.

C. Setting a time and place for future meetings of the District Board. *Mr. Busch will set the time and date according to the response of Bill Weber, Insurance Agent and additional rate quotes.*

8. NEW BUSINESS - DISCUSSION & POSSIBLE ACTION RE:

A. Approval of financial reports for September, October and November, 2015. *Mr. Dickrell made a motion to approve the financial reports for September, October and November 2015. Mr. Poskanzer seconded the motion. The motion passed unanimously.*

B. Approval for the District Manager to submit the Annual Financial Report for Fiscal Year Ending June 30, 2015 to Yavapai County. *Mr. Dickrell made a motion to authorize Mr. Busch to submit the Annual Financial Report for Fiscal Year Ending June 30, 2015 to Yavapai County. Mr. Poskanzer seconded the motion. The motion passed unanimously.*

C. Approval to issue the annual repayment to developers in accordance with the Amended & Restated Development Agreement. The repayment amount for 2016 is estimated at approximately \$35,000. *Mr. Dickrell made a motion that Mr. Busch be authorized to issue the annual repayment to developers in accordance with the Amended & Restated Development Agreement for 2016 not to exceed \$35,000. Mr. Poskanzer seconded the motion. The motion passed unanimously.*

D Approval of insurance proposals (Liability-Alteris Insurance Services, Inc.: D&O insurance – Ace Municipal Advantage). Presented by Bill Weber- Weber Insurance Agency. *Mr Weber presented a renewal package for the Board's review. He stated that there was very little change to this year's rates for the package coverage. He said he did not yet have a quote on the D/O policy, but he speculated that the rate this year could be as much as 50% less than last year due to the time since the lawsuit settlement.. He said that he would be in communication with Mr. Busch regarding the D/O policy and rates. Mr. Weber also recommended that the District purchase an umbrella policy.*

Mr. Dickrell made a motion to authorize the Chairman of the Board to sign the insurance package, exclusive of a D/O policy. Mr. Poskanzer seconded the motion. There was a brief discussion regarding the amount of coverage for the umbrella policy Mr. Weber was suggesting. Mr. Weber indicated an umbrella policy could be obtained in 1 million increments to 5 million dollars. Mr. Busch suggested that this matter could be discussed at another board meeting. The motion passed unanimously.

E. Election of Officers of the Governing Board. *This matter was tabled for a future board meeting.*

9. ADJOURNMENT

Therefore, the meeting was adjourned at 10:55 a.m.

Date

Board Clerk