

INSCRIPTION CANYON RANCH SANITARY DISTRICT

P.O. Box 215 Chino Valley, AZ 86323

~PUBLIC SESSION MINUTES~

May 27, 2015

**revised 6/2/15
Approved 6/24/15**

Date: Wednesday May 27, 2015

Time: 10:35 a.m.

Place: 5360 W Inscription Canyon Dr, Prescott, AZ 86305

1. CALL TO ORDER.

The Governing Board for the Inscription Canyon Ranch Sanitary District convened into public session at approximately 10:35 a.m.

2. ROLL CALL.

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

3. CALL to the PUBLIC *No comments from the public audience were made.*

4. Dave Barreira made a motion to VOTE 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. Missing and unaccounted for records and documents, property of the District, that have not been produced by the previous District Board Members.**
- B. Damages incurred in conjunction with the defense of the developer lawsuit and possible direction to pursue settlement.**
- C. Possible claim against PurSolar & Electric for damages to the Silent Moon Lift Station.**
- D. Professional Services contract for use in connection with possible services for conceptual expansion plan for the Wastewater Treatment Plant.**
- E. Engagement letter with Alyx Cohan, CPA for Financial Review of District financials for the fiscal 2014-15 year. The proposed review would not exceed \$3,600.**

F. Service agreement with Gen-Tec for servicing the backup generator at the Talking Rock lift station. (Empire Cat proposal - \$1,075; Gen-Tech proposal- \$2,296.29)

G. Investment of District funds.

Bill Dickrell 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.

Executive session began at approximately 10:40 a.m.

RECONVENE INTO PUBLIC SESSION at approximately 11:10 a.m.

5. REPORTS

Report from Accountant

- **Review of Financial Reports for January, February, March and April 2015.** *Mr. Eldredge proceeded with his financial reports. The Board received clarifications for their questions regarding line items. There were no significant discrepancies to report.*

Report from District Manager

- **Status of Plant Operations.** *Mr. Busch reported that there were currently 505 connections to the plant and 42 new lots under construction. Mr. Busch stated that he preformed a physical review of all homes and matched them against the office records and only found four discrepancies. He stated that he and Mr. Eldredge have sent bills to those four property owners. Mr. Busch will continue to monitor sales to see if the District is collecting all the appropriate fees.*
- **Plant treatment daily averages.** *Mr. Busch reported that the average daily flows were approximately 40,000 gallons for January, 39,391 gallons per day for February, 40,099 gallons per day for March, and 38,807 gallons per day for April.*
- **Status of Sludge Handling Pilot Project.** *Mr. Busch reported that to date the Sludge Handling Pilot Project has saved the District over \$20,000. Mr. Busch also stated that the line at 3 Sisters was plugged and has been repaired. Mr. Busch stated that it cost the District approximately \$475 to repair the cooler at the waste water treatment plant as well.*
- **Website changes.** *Software updates/web builder program was purchased through GoDaddy at the cost of \$77.88. The software allows for easier updating. The website has been upgraded to include photos and improved menus.*

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

Minutes of Public Meeting of January 21, 2015
Executive Session Minutes of January 21, 2014
Minutes of Public Meeting February 6, 2015
Executive Session Minutes of February 6, 2015
Minutes of Public Meeting of April 17, 2015
Executive Session Minutes of April 17, 2015

Minutes of Public Meeting April 29, 2015

Reimbursement to the District Manager for \$651.36.

Home Depot - Evaporative Cooler and 1/2 hp motor- replacement for cooler at wwtp (\$475.64)

GoDaddy.com - web builder (\$77.88)

Wal-Mart - copy paper, binders & folders (\$49.09)

Cartridge World - Toner cartridge (\$48.75)

Mr. Barreira made a motion to approve the consent agenda with the exception of the Executive Session Minutes for April 29, 2015 as that meeting did not have an executive session. Mr. Dickrell seconded the motion. The motion passed unanimously.

7. OLD BUSINESS – DISCUSSION & POSSIBLE ACTION RE:

- A. Missing and unaccounted for records and documents, property of the District, that have not been produced by the previous District Board Members.** *Mr. Barreira made a motion to table this matter to a later meeting. Mr. Dickrell seconded the motion. The motion passed unanimously without discussion.*
- B. Damages incurred in conjunction with the defense of the developer lawsuit and possible direction to pursue settlement.** *Mr. Barreira made a motion to table this matter to a later meeting. Mr. Dickrell seconded the motion. The motion passed unanimously without discussion.*
- C. Setting a time and place for future meetings of the District Board.** *The next meeting is tentatively set for June 24, 2015 at 10:00 a.m. at the Chino Valley School Board Room.*

8. NEW BUSINESS - DISCUSSION & POSSIBLE ACTION RE:

- A. Approval of financial reports for January, February, March and April, 2015.** *Mr. Dickrell made a motion to approve the financial reports for January, February, March and April 2015. Mr. Barreira seconded the motion. The motion passed unanimously without discussion.*
- B. Possible selection of engineering firm to prepare conceptual expansion plan for the wastewater treatment plant and approval to negotiate a professional services contract with the selected firm.** *There was a discussion regarding the submittals received in response to the RFQ. Mr. Poskanzer was concerned that without an actual “concept” it would be difficult to decide on who to choose based on qualifications alone. There was also a brief discussion regarding whether or not the firms would be willing to provide a concept to the District free of charge without actually being given a contract.*

Mr. Dickrell made a motion that the District instruct Mr. Busch to communicate further with each firm and ask them to provide a greater detail on the conceptual design to expand our plant so that the District is able to award a design contract. Mr. Barreira seconded the motion. The motion passed unanimously.

- C. Approval of Rates and Fees Definitions for 2015-16 fiscal year.** *Mr. Poskanzer made a motion to approve the Rates and Fees Definitions for the 2015-16 fiscal year. Mr. Dickrell seconded the motion. The motion passed unanimously without discussion.*

- D. Approval to publish proposed annual budget and proposed rates and fees for 2015-16 in advance of budget and rate hearing(s).** *Mr. Poskanzer made a motion to approve and publish the proposed annual budget and proposed rates and fees for 2015-16 in advance of budget and rate hearing(s). There was a brief discussion headed by Mr. Busch regarding the sludge hauling project and how that line item amount would go down significantly next fiscal year. Mr. Busch also stated that there were also some repairs (street valves) that had to be made soon. He stated he also include a capital expenditure for a concrete slab needed to accommodate the sludge haul bagging project. Mr. Dickrell seconded the motion. The motion passed unanimously.*
- E. Approval to engage Alyx Cohan, CPA to prepare Financial Review for fiscal year ending June 30, 2015, and approval to sign engagement letter dated April 1, 2015. Cost not expected to exceed \$3,600.** *Mr. Dickrell made a motion to approve, and for any one of the Board Members to sign and execute the engagement letter (dated April 1, 2015) from Alyx Cohan, CPA to prepare the Financial Review for the fiscal year ending June 30, 2015. Mr. Barreira seconded the motion. The motion passed unanimously without discussion.*
- F. Transfer of funds from District Operating Account to the Unrestricted Capital Fund in the Yavapai County Accounts.** *The Board, by way of consensus, tabled this item until the next meeting.*
- G. Possible investment of funds in the Restricted Capital Fund. Approximately \$730,000 is currently in the fund.** *No action taken on this item.*
- H. Possible claim against PurSolar & Electric for damages to Silent Moon lift station.** *Al Poskanzer made a motion to table both items 8H and 8J until the next meeting (in one motion). The motion was seconded by Dave Barreira. The motion passed unanimously without discussion.*
- I. Consideration and possible approval of service agreement for servicing the backup generator at the Talking Rock lift station. (Empire Cat proposal - \$1,075; Gen-Tech proposal- \$2,296.29)** *Mr. Poskanzer made a motion to approve and that Mr. Busch sign and execute the service agreement to Empire-Cat for \$1,075. There was a brief discussion on which specific lift station this agreement encompassed as well as the time limit on the contract. Mr. Busch stated that there was no contract at this time and that it was for the "main" Talking Rock lift station. Mr. Dickrell seconded the motion. The motion passed unanimously.*
- J. Possible approval of District Standards and grinder pump installation certification procedure.** *This item was tabled pursuant to Mr. Poskanzer's motion under item 8H.*

9. ADJOURNMENT

Therefore the meeting was adjourned at 12:50 p.m.

Date

Board Clerk