

INSCRIPTION CANYON RANCH SANITARY DISTRICT

P.O. Box 215 Chino Valley, AZ 86323

~PUBLIC SESSION MINUTES~

October 9, 2015

Approved November 16, 2015

Date: Friday October 9, 2015

Time: 8:00 a.m.

Place: Prescott Realty 5360 W Inscription Canyon Drive, Prescott, AZ 86305

1. CALL TO ORDER.

The Governing Board for the Inscription Canyon Ranch Sanitary District convened into public session at approximately 8:00 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.

Members of the public:

- Kimble McClymonds
- Davin Benner,
- Clint Poteet
- Bob Hilb
- Derek Scott

3. CALL to the PUBLIC

- **Bob Hilb** asked if the proposals of the responses to the Request for Proposal for the design of improvements to the wastewater treatment plant were going to be made public.
- **Kimble McClymonds** wanted information on the status of District Standards and grinder pump database and installation certification procedure.

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. Damages incurred in conjunction with the defense of the developer lawsuit and possible direction to pursue settlement.

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

C. Consideration of responses to the Request for Proposal for the design of improvements to the wastewater treatment plant; possible rejection of all proposals; possible consideration of other options; possible consideration of a design/build proposal from Carrier Construction.

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 8:05 a.m.

RECONVENE INTO PUBLIC SESSION at approximately 8:31 a.m.

5. REPORTS

Financial Report from Bob Busch (Mr. Eldredge was not present)

Mr. Busch gave a brief overview of the financial report in Mr. Eldredge's absence. He reviewed the Budget vs Actual Report for August and the Income Statement/Balance Sheet for August. He answered questions from the Board.

Report from District Manager

- **Status of Plant Operations** *Mr. Busch stated that the license for the testing lab has been renewed for another year. He also stated that currently, there are 529 connections to the plant, 8 are under construction and 12 more are at some stage of application or preliminary construction. Mr. Busch also stated that the Financial Report from Alyx Cohan, CPA is due to be submitted to the county by February. He stated that Alyx Cohan was working on that now and it should be ready by the end of October or early November.*
- **Plant treatment daily averages** *Mr. Busch stated that the average daily flows for August were 44,440 gpd and 44,357gpd for September. Mr. Busch also went over a capacity chart and stated that there would have to be a plant expansion in 2021/2022 approximately. Mr. Busch stated that there is presently \$736,000 in the Restricted Capital Fund, and developer lot sales may not added enough by the time expansion is needed. Funding a plant expansion could be a problem .*

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

Mr. Barreira made a motion to approve the consent agenda with the exception of the Executive Minutes for July 24, 2015 and the Executive Minutes for August 31, 2015. Mr. Dickrell seconded the motion. The motion passed without any discussion.

- Minutes of Public Meeting of July 24, 2015
- Executive Session Minutes of July 24, 2015
- Minutes of Public Meeting of August 31, 2015
- Executive Session Minutes of August 31, 2015
- Reimbursement to District Manager for 23.85.
Walmart - copy paper and binders for Board Packets (\$23.85)

6. OLD BUSINESS – DISCUSSION & POSSIBLE ACTION RE:

- A. Damages incurred in conjunction with the defense of the developer lawsuit and possible direction to pursue settlement.** *There is no action on this matter at this moment.*
- B. Claim against PurSolar & Electric for damages to the Silent Moon Lift Station.** *Mr. Dickrell made a motion to authorize Mr. Poskanzer to sign and send out the demand letter on behalf of the District as discussed in Executive session. Mr. Barreira seconded the motion. The motion passed unanimously without discussion.*
- C. Possible approval of District Standards and grinder pump database and installation certification procedure** *Mr. Davin Benner stated that his firm has updated the proposed standards document with comments received from stakeholders. He sent the District a redline document showing all the changes made. The standards are intended to identify equipment and designs used by developers in future plats. In the future, pump requirements for lots are to be included on the plat.. He also stated that the document is a living document that will always evolve and can be amended as needed. Mr. Bob Hilb asked what lots would be affected by this document. Mr. Benner stated that it not affect lot owners, but rather it is guide for developers new infrastucture placed.. Mr. Busch stated that Granite Basin has developed a spread sheet to assist lot owners or contractors determine what type of pump is appropriate for a given lot. The spreadsheet connects to the appropriate Design Report for that development/phase/lot. Some of the Design Reports for Inscription Canyon Ranch are very vague. They were prepared based on ICR utilizing STEP systems. Mr. Hilb commented that when the Santec Plant was installed, it was decided to switch from STEP systems to grinder pumps. Mr. Poskanzer made a motion to accept the document with all the changes incorporated and that it then be put on the District website. Mr. Dickrell seconded the motion. The motion passed without discussion.*
- D. Setting a time and place for future meetings of the District Board.** *The next board meeting would be set by Mr. Busch pending responses from the four companies that sent in proposals for plant expansion and their availability.*

7. NEW BUSINESS - DISCUSSION & POSSIBLE ACTION RE:

- A. Consideration of responses to the Request for Proposal for the design of improvements to the wastewater treatment plant; possible rejection of all proposals; possible consideration of other options; possible consideration of a design/build proposal from Currier Construction.** *Mr. Poskanzer addressed Mr. Hilb's question regarding the public posting of the proposals. Mr. Poskanzer stated that at this moment, the District would not be posting them publicly as there is a question regarding the proprietary aspect of the information in the proposals..*

Mr. Poskanzer stated that Currier Construction's propoaal was non responsive to the RFP and it would not be considered. Currier would still be eligible to compete for the construction aspect.

There was a brief discussion regarding the invitation to the two lowest bids to interview with the Board. Mr. Barreira made a motion to invite the two lowest proposal companies to interview with the Board Members. Mr. Dickrell seconded the motion. The motion passed unanimously.

Mr. Poteet asked if he could have the names of the companies that submitted proposals. Mr. Busch named Sunrise Engineering, NCS Engineers, Shephard-Wesnitzer, Inc., and Valentine Environmental Engineers. Derek Scott commented that there is newer technology in the industry and it would benefit the members to go out to see a plant with newer technology in Sedona. Mr. Poskanzer stated that if he set up a field trip, interested parties could attend along with the Board

Members. Mr. Busch asked if he should respond in some way to the two higher bidders. Mr. Poteet suggested that the Board invite all four companies for an interview, should the low bidders somehow “fall through”. Mr. Barreira then made a motion to rescind the previous motion and to invite all four companies for an interview and presentation of their ideas to the Board and that Mr. Busch be authorized to set up and schedule those meetings. Mr. Dickrell seconded the motion. The motion passed without any further discussion.

8. ADJOURNMENT

Mr. Poskanzer made a motion that the board meeting be adjourned. Mr. Dickrell seconded the motion. The motion passed unanimously without discussion. Therefore the meeting was adjourned at 9:30 a.m.

Date

Board Clerk