

INSCRIPTION CANYON RANCH SANITARY DISTRICT

P.O. Box 215 Chino Valley, AZ 86323

~PUBLIC SESSION MINUTES~

November 18, 2016

Approved January 11, 2017

Date: Friday November 18, 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 Bill Dickrell, Chairman; Al Poskanzer, Board Member; Dave Barreira, Board Member; Bill Whittington, District Counsel; Bob Busch, District Manager, Isabel Yribe, Clerk and the following audience members.

- Derek Scott
- Vince DiBella
- Bruce Eldredge
- Leo Sullivan
- Jim Binick
- Tyson Glock
- Martin Saemisch
- Vince DiBella
- Randy Knapp
- Dayne Taylor

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.

- **Dayne Taylor** was given a brief synopsis on what the verbiage “Land Use”, as listed in the agenda, was intended to mean. Mr. Taylor was concerned about this issue, as “Land Use” was too broad a term to be used when describing an item on the agenda. Mr. Dickrell agreed that such a broad term shouldn’t and wouldn’t be used in future agendas.

**4. Bill Dickrell made a motion to VOTE TO GO INTO EXECUTIVE SESSION FOR:
Discussion and consideration of the employment agreement and status of the District Manager, including term of employment pursuant to A.R.S 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 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. District Land Issues

Mr. Poskanzer seconded the motion. The motion passed unanimously without further discussion.

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

RECONVENE INTO PUBLIC SESSION AT APPROXIMATELY 9:30AM.

5. REPORTS

Accountant's Report

- **August, September and October financial reports.** *Mr. Eldredge went through line items on the income statement and balance sheet for August, September and October. The only significant concern for the collective monthly reports was line item 1800 on the balance sheet showing a balance of approximately \$33,000, Treatment Plant Upgrade. Mr. Eldredge stated that he would return to his office and communicate with Mr. Busch regarding this line item amount. (Subsequently, Mr. Eldredge advised that the amount was a year-end journal entry that would be looked at in more detail)*

There was also some discussion about Engineering Consulting Fees, There is approximately \$19,000 in expense that is associated with the plant expansion project, and will be recoded as a capital expenditure. That will reduce the amount in Account 7750- Engineering Services.

Manager's Report

- **Status of plant operations** *Mr. Busch stated that the plant was running efficiently. He stated that the generators were serviced and load tested. He also stated that the pump in the FEQ tank was replaced for approximately \$3000. He reported that a repair of a street valve was nearly completed on Secret Springs. A heavy vehicle pushed the valve collar onto the valve and damaged it. He stated that the Wastewater Treatment Plant was cleaned up and weeds were removed for approximately \$800. He reported that the sludge bag was due to be emptied in the next few weeks.*
- **Plant treatment daily averages** *August average was 50,265 gallons per day, September's average was 43,265 gallons per day and October's average was 43,330 gallons per day.*
- **Possible financing sources** *Mr. Busch stated that he researched some grants and loans for the plant expansion. He stated that there were grants available for up to \$35,000 for engineering and design phases. He reported that he found no grants available for "construction", only low cost loans. Mr. Busch stated that he obtained a financial impact report from WIFA, showing that on a loan of \$1 million, the annual carrying cost is about \$61,000.*

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

Minutes of Meetings
Minutes of Public Meeting of August 19,2016
Executive Session Minutes of August 19,2016

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.** *The date and time for the next board meeting will be in January or February. Mr. Busch will poll all parties and establish a date..*
- B. District Land Use Issues.** *No action needed.*
- C. Possible financing and repayment options for WWTP replacement and expansion.** *No action needed.*

8. NEW BUSINESS - DISCUSSION & POSSIBLE ACTION RE:

- A. Approval of financial reports for August, September and October, 2016.** *Mr. Barreira made a motion to approve the financial reports for August, September and October, 2016. Mr. Poskanzer seconded the motion. The motion passed unanimously without discussion.*
- B. Discussion and consideration of changes to the employment agreement with the District Manager.** *Mr. Barreira made a motion to proceed as directed in Executive Session. Mr. Poskanzer seconded the motion. The motion passed unanimously without discussion.*
- C. Report and recommendations from Sunrise Engineering concerning status of design of improvements for the WWTP and consideration of possible directives to Sunrise Engineering.** *Mr. Gluck of Sunrise Engineering went over their plans for the treatment plant upgrades and expansion. He presented two options for the expansion of the buildings on the Plant property. Mr. Glock stated that option one was the most sensible option as it allowed for chemicals to be stored in safer quarters. Mr. Glock stated that option two put the chemical storage in potentially dangerous proximity to employees, namely Derek Scott. Mr. Scott opined that an AC unit instead of a swamp cooler would keep the temperatures regulated in both the equipment room and storage room. By manner of consensus, the Board is going with option one. Mr. Glock stated that Sunrise Engineering would also be searching for communication and utility lines underneath the existing building to see if anything needs to be replaced or moved. By manner of consensus the Board instructed Mr. Glock to proceed with the search for underground utilities and moving the generator to the west side of the building. There was discussion about an acceptable sound level emanating from the generator. There was also a discussion about odor control. The hydrogen sulfide levels from the plant are much too high for activated charcoal to be effective. Biological odor control will be required. Mr. Glock suggested composite sampling to verify the influent makeup. It was the consensus of the Board to proceed with the sampling. Cost projections at this stage for phase one are within the contract cost estimates. Several action items for Sunrise Engineering were identified for resolution for the next review session with the Board, sometime in January or February.*

9. ADJOURNMENT

Mr. Poskanzer made a motion that the meeting be adjourned. Mr. Dickrell seconded the motion. The motion passed unanimously.

Therefore, the meeting was adjourned at 10:50 a.m.

Date

Board Clerk