

INSCRIPTION CANYON RANCH SANITARY DISTRICT

P.O. Box 215 Chino Valley, AZ 86323

~RATE HEARING/PUBLIC SESSION MINUTES~

June 24, 2015

Approved July 24, 2015

Date: Wednesday June 24, 2015

Time: 10:00 a.m.

Place: 650 E. Center Street Chino Valley, AZ 86323

1. CALL TO ORDER.

The Governing Board for the Inscription Canyon Ranch Sanitary District convened into public session at approximately 10.00 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 arriving later during the meeting:

Kimble McClymonds

Davin Benner

3. CALL to the PUBLIC *No comments from the public audience were made. Mr. McClymonds spoke on Agenda Item 7E with the board's permission as he was not present during the call to the public.*

4. RATE HEARING and BUDGET HEARING: The chairman called to order the hearing for the possible adoption of the budget for fiscal 2015-16 and for the possible adoption of the rates and fees pursuant to ARS: 48-2026 and 48-2027. There being no members of the public present, the hearings for the budget and rate hearings were closed by Al Poskanzer by matter of consensus at 10:10 a.m.

5. 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. Supplemental request for information in connection with an RFQ issued in January of 2015**
- G. Investments of District Funds**

Bill Dickrell seconded the motion. The motion passed unanimously without 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 10:10 a.m.

RECONVENE INTO PUBLIC SESSION at approximately 10:35 a.m.

5. REPORTS

Report from District Manager

- **Status of Plant Operations** *Mr. Busch reported that repairs were made to the generator at the Talking Rock lift station at a cost of \$1510. The cause was a blown fuse. The battery charger and block heater with a total load of 14.5 amps was connected to a 15 amp fuse. When the fuse blew, the battery drained down completely and had to be replaced due to it not being charged. An alarm is now tied to the circuit. The two loads should be put on a separate circuit. Mr. Dickrell stated that a permanent solution to this problem should be made so as to prevent future costs. Mr. Busch will get a quote on adding another circuit to separate the loads.*
- **Plant treatment daily averages** *Mr. Busch reported that the average daily flows were approximately 42,000 gallons per day. He also stated that three new streets (with new home construction) have been opened and will need to be flushed. Mr. Dickrell inquired if there was going to be any intrusion due to the upcoming monsoon rains. Mr. Busch stated that it will be hard to determine at this point, partly because the additional FEQ tank buffers the extra load coming into the plant..*
- **Status of Sludge Handling Pilot Project** *Mr. Busch reported that the dumpster to haul off the first bag of sludge is being delivered within the next couple of days. The District is now starting to fill up the second bag. Mr. Busch stated that so far this year, the District has saved approximately \$20,000.*

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

Minutes of Meetings

Minutes of Public Meeting of May 27, 2015

Executive Session Minutes of May 27, 2015

Mr. Barreira made a motion to approve the consent agenda. 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. Poskanzer suggested that perhaps on the next agenda this item could be removed from the agenda. If a specific item comes up in the future, it could be added under New Business.*
- B. Damages incurred in conjunction with the defense of the developer lawsuit and possible direction to pursue settlement.** *Mr. Poskanzer made a motion to have legal counsel proceed as instructed in Executive Session. Mr. Barreira 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 will be decided on at a later time and Mr. Busch will communicate that date and time with the board members. Possible meeting towards the end of July.*
- D. Possible claim against PurSolar & Electric for damages to the Silent Moon Lift Station.** *This item will be tabled until the next meeting.*
- E. Possible approval of District Standards and grinder pump installation certification procedure** *There was a brief discussion regarding the grinder pumps that homeowners/vendors were installing at their homes. The concept is to provide a data base with information on the pump requirement for each lot within the District. A homeowner or vendor could go the the data base and determine what grinder pump would need to be or should be installed for a particular lot.*
- **Davin Benner** of Granite Basin Engineering suggested that for future phases, pump requirements should be included with the final Plat Map.
 - **Kimble McClymonds** of Yavapai Water Production spoke regarding the grinder pumps not being able to handle the pressure requirements at Whispering Canyon/The Preserve. He provided the Board with Orenco Co. packets. He spoke on hoping that the District considers using STEP (septic tank ejection pump) systems as it was his opinion these would benefit the District by way of less pipe breakage.
 - **Davin Benner** stated that the District should consider giving developers information on its subdivisions and what type of equipment should be used within the District. Mr. Benner suggested that instead of going through the entire draft document presented to the board regarding this matter, they send it out to all those with vested interests and ask that they submit their ideas/changes via email back to his firm. *By way of consensus the Board instructed Mr. Busch and Mr. Benner to send out the document electronically to solicit feedback.*
- F. Transfer of funds from District Operation Account to the Unrestricted Capital Fund in the Yavapai County Accounts as recommended in the 2014 Reserve Study.** *Mr. Dickrell made a motion to transfer \$40,000 from the District Operation Account this fiscal year to the Unrestricted Capital Fund in the Yavapai County Accounts as recommended in the 2014 Reserve Study. Mr. Barreira seconded the motion. The motion passed unanimously.*

8. NEW BUSINESS - DISCUSSION & POSSIBLE ACTION RE:

- A. Supplemental request for information in connection with an RFQ issued in January of 2015** *By way of consensus, the board instructed Mr. Busch along with Mr. Whittington prepare a draft RFP and finalize it, asking the firms to bid on the project and include a conceptual design extending out to a “full build”.*
- B. Approval of Rates and Fees for 2015-16 fiscal year.** *Mr. Barreira made a motion to approve the Rates and Fees as published for the 2015-16 fiscal year. Mr. Dickrell seconded the motion and the motion passed without discussion.*
- C. Approval and Adoption of District Budget for fiscal 2015-16 and setting and certifying the tax levy amount for fiscal 2015-16.** *Mr. Dickrell made a motion to approve and adopt the District Budget for fiscal 2015-16 as published and setting the tax levy amount for fiscal 2015-16 at \$305,175 as discussed. Mr. Barreira seconded the motion. Discussion encompassed Mr. Busch going through each line item to make sure the board knew the specifics of each item. The motion passed unanimously after the discussion.*
*** Mr. Barreira made a motion to amend the Approval and Adoption of District Budget for fiscal 2015-16 and setting and certifying the tax levy amount for fiscal 2015-16 to include the totals in the form that is to be submitted to Yavapai County. The total amount is \$495,600. Mr. Dickrell seconded the motion. The motion passed unanimously without further discussion. ***
- D. Service agreement with Empire Cat for servicing the backup generator at the Wastewater Treatment Plant. (Empire Cat proposal-\$1,075)** *Mr. Barreira made a motion to approve the service agreement with Empire Cat for \$1,075. Mr. Dickrell seconded the motion. The motion passed unanimously.*

9. ADJOURNMENT

Therefore the meeting was adjourned at 12:00 p.m.

Date

Board Clerk