

## INSCRIPTION CANYON RANCH SANITARY DISTRICT

P.O. Box 215 Chino Valley, AZ 86323

~PUBLIC SESSION MINUTES~

January 11, 2017

Approved March 7, 2017

**Date:** Wednesday January 11, 2017

**Time:** 9 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 9 a.m.

### 2. ROLL CALL.

Present were Bill Dickrell, Chairman; Al Poskanzer, Board Member; Dave Barreira, Board Member; Bill Whittington, Legal Counsel; Bob Busch, District Manager, and Isabel Yribe, Clerk. The following people were in the audience:

- Tom Sullivan
- Harvey Roberts
- Bill Weber

### 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.*

The following letter was read by Mr. Roberts to the board:

"My name is Harvey Roberts. I am a director of the ICR Water Users Association. We have been informed by Dayne Taylor that the Sanitary District is planning a major expansion. As you know, we have adjacent property on Grey Bears Trail. We would like to have a meeting with you to understand how we may be affected by the expansion. Our board will be installing new officers in 2 weeks. Can you discuss this in the following Executive Session and provide me an answer? I need to leave by 9:45. After that you can reach me at 928-237-4405. Thanks."

*Mr. Dickrell asked Mr. Whittington if it could be addressed in executive session. Mr. Whittington stated that this matter would have to be discussed in public session. Mr. Dickrell asked that Mr. Roberts communicate with Mr. Busch and schedule a joint meeting and submit a proposal/plan. Mr. Barreira suggested that perhaps a joint meeting with the water company be held after a progress meeting with Sunrise Engineering, at which time the direction of the design improvements will be better identified..*

Mr. Dickrell then took up item 8E from the New Business Agenda: **8E. Discussion and possible approval of insurance proposal for 2017 (Reviewed by Bill Weber, Webers Insurance Agency).** *After a brief discussion of the policy premiums and limits by Mr. Weber and the board members, Mr. Barreira made a motion to approve the insurance proposal for 2017. Mr. Poskanzer seconded the motion. Mr. Busch stated that there was an omission on the property inventory. Only one backup generator is listed. The District has two backup generators. He stated that he would relay the corrected information to Mr. Weber after the meeting. The motion passed unanimously without further discussion.*

**4. Mr. Dickrell made a motion to go into Executive Session for Discussion and consideration of the employment agreement and status of the District Manager, including term of employment and salary pursuant to ARS 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 for legal advice 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. WWTP building design approvals**
- C. Possible District Credit Card**
- D. Possible Action Against TDLC Development for Damage to Sanitary System**

*Mr. Barreira 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*

RECONVENE INTO PUBLIC SESSION AT APPROXIMATELY 10:00AM.

## **5. REPORTS**

### **Financial Report (Mr. Busch reporting)**

Mr. Busch reported on behalf of Mr. Bruce Eldredge. Mr. Busch noted that the Board Members had both October and November reports in the Board Packets and unless there were questions about the October report, he would skip them and review November Report. He discussed various line items of the November financial reports. There were no significant comments or discrepancies to report.

### **District Manager Report**

Mr. Busch stated that for October, the average daily flow through the treatment plant was 42,549 gallons per day and 47,238 gallons per day for November. He also stated that as of December 1, 2016, there were 540 connections to the system. Mr. Busch stated that he went through all 21 boxes of documents pertaining to the Nelson lawsuit. He removed any duplicated documents and only one box was removed, leaving 20 boxes. Mr. Busch stated that the fee to keep these boxes at a storage facility was \$77 per month. It was his recommendation that these documents be stored for another 5 years as public records. Mr. Busch reported that Sunrise Engineering would be at approximately 60% of the

design stage by late February or late March. He stated that perhaps Sunrise Engineering could return to address any questions the board might have at that time. Mr. Busch stated that Sunrise Engineering might be willing to help with a loan outside of the WIFA. He stated that grants for up to \$35,000 in engineering assistance have been made for 2017. Applications for 2018 grants will not be available until July 1st. He will follow up with to submit an application at that time.

*Mr. Poskanzer made a motion to move approval of the Financial Reports item to the consent agenda. Mr. Barreira seconded the motion. The motion passed unanimously without discussion.*

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

**Minutes of Public Meeting of November 18, 2016**

**Executive Session Minutes of November 18, 2016**

**Minutes of Public Meeting of December 8, 2016**

**Minutes Reimbursement to District Manager for \$191.45**

Staples - Office Supplies (\$18.41)

Walmart-Copy paper (\$11.28)

Office Max-Copier/Fax Machine (\$161.76)

**Financial Reports for October and November, 2016**

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

## **7. OLD BUSINESS - DISCUSSION & POSSIBLE ACTION RE:**

**A. Setting a time and place for future meetings of the District Board.** *Mr. Busch will set a time and date once all members submit date availability.*

**B. WWTP building design approvals** *No action necessary at this point.*

**C. Possible financing and repayment options for WWTP replacement and expansion.**

*Mr. Dickrell made a motion to direct Mr. Busch to explore the WIFA application requirements. Mr. Barreira seconded the motion. The motion passed unanimously without further discussion.*

## **8. NEW BUSINESS - DISCUSSION & POSSIBLE ACTION RE:**

**A. Approval of financial reports for October and November, 2016.** *(This item was moved to the consent agenda.)*

**B. Discussion and consideration of changes to the employment agreement with the District Manager.** *Mr. Dickrell made a motion to have Mr. Whittington proceed as directed in executive session. Mr. Barreira seconded the motion. The motion passed unanimously without discussion.*

**C. Discussion and possible approval to obtain a District Credit Card for purchase of selected materials & supplies.** *Mr. Busch stated that Derek Scott of AI Water was uncomfortable using his own credit card to rent the loader needed to remove the bags of sludge. The rental company requires that a credit card be used to rent any of its equipment. Mr. Dickrell made a motion authorizing Mr. Busch to ask Chino Rentals to extend credit to*

*the District in lieu of using a credit card. Mr. Barreira seconded the motion. The motion passed unanimously.*

**D. Possible Action Against TDLC Development for Damage to Sanitary System** *Mr. Dickrell made a motion to instruct Mr. Busch to follow up on the November 9th letter to TDLC and determine ownership of property involved. Mr. Dictrell then made a motion to change the “November” letter to the “December” letter. Mr. Poskanzer moved to instruct Mr. Busch to notify members via email. Mr. Dickrell moved as modified. Mr. Barreira seconded the motion. The motion unanimously passed as modified.*

**E. Discussion and possible approval of insurance proposal for 2017 (Reviewed by Bill Weber of Weber’s Insurance Agency).** *This item was moved to the beginning of the meeting.*

**F. Approval of 2016 Annual Financial Review and approval to submit Annual Report to Yavapai County.** *Following a brief discussion about the financial review and the spreadsheet report required by Yavapai County, Mr. Dickrell made a motion to approve the annual financial review and authorize Mr. Busch to submit the Annual Report to Yavapai County. Mr. Poskanzer seconded the motion. The motion passed unanimously without further discussion.*

**G. Approval of Annual Repayment to Developers of approximately \$52,216.** *It was noted that the spreadsheets provided with the Board Packets showed the payment to be \$50,925, not including revenue for December 2016, which is not yet available. The actual payment would be a few hundred dollars more once December revenue is included. There was a brief discussion about the inclusion of the insurance settlement payment in the total revenue used to compute the 2016 repayment amount. Mr. Dickrell then made a motion to approve the annual repayment to Developers in the amount of \$50,925 (within \$1000 plus/minus, dependent on the December numbers reported by the accountant) and authorize Mr. Busch to make the repayment. Mr. Barreira seconded the motion. The motion passed unanimously without further discussion.*

## **9. ADJOURNMENT**

*Therefore, the meeting was adjourned at 10:29 a.m.*

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Date

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Board Clerk