

ICR SANITARY DISTRICT
PO Box 1963, Prescott, AZ 86302

Public Meeting

July 12 , 2022

Date: Tuesday, July 12, 2022

Approved August 9, 2022

Time: 2:00 p.m.

Place: Chino Valley Bible Church, 1578 N Hwy 89, Chino Valley, AZ.

1. CALL TO ORDER *Mr. Bob Summers called the meeting to order at 2:00 p.m.*

2. ROLL CALL *Present were: Mr. Bob Summers, Board Chairman; Mr. Jerry DeSantis, Board Member; Mr. Jeff McLeod, Board Member; Mr. Tyler Godbehere, Legal Counsel; Mr. Bob Busch, District Manager.*

*Mr. Summers made a motion to **GO INTO EXECUTIVE SESSION:** For discussion or consultation for legal advice with the attorneys of the ICR Sanitary District pursuant to A.R.S. § 38-431.03(A)(3) and discussion or consultation with the attorneys of the ICR 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, re:*

- A. *Legal advice concerning a proposal from Santec Corporation covering the design and installation of a sludge handling system at the treatment plant and for submitting and obtaining an amendment to the Aquifer Protection Permit including the decommissioning of the pond at the wastewater treatment plant.*
- B. *Legal advice concerning the Amended and Restated Development Agreement and the District's possible financial liability if subdivisions within the District expand beyond their current boundaries.*

Mr. DeSantis seconded the motion. The motion passed unanimously without discussion.

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

CONVENE INTO EXECUTIVE SESSION: 2:03 p.m.

RECONVENE INTO PUBLIC SESSION: 2:30 p.m.

1. CALL TO ORDER

Mr. Summers called the meeting back into order at 2:30 p.m.

2. ROLL CALL

Present were Mr. Summers, Board Chairman; Mr. Jeff McLeod, Board Member; Mr. Jerry DeSantis, Board Member; Mr. Tyler Godbehere, Legal Counsel; Mr. Bob Busch, District Manager.

3. CALL TO THE PUBLIC

There were no members of the public present.

4. REPORTS

Reports from the Board

Mr. McLeod reported that he received a few comments from customers concerning the newsletter. Most were positive, and one had some questions he attempted to answer. Both Mr. Summers and Mr. DeSantis indicated they received a positive comment.

Manager's Report

Mr. Busch reported that the plant output for June was 2,210,200 gallons. He said that it averaged to approximately 73,673 gallons per day.. Mr. Busch reported that the District had 804 active connections with another 117 that were pending.

He reported that some repairs were completed on Secret Springs costing approximately \$540. He reported that he has had an ongoing email exchange with one customer complaining about the late quarterly bill. He said he received the bill on July 9th. Mr. Busch stated that payments are due on the 20th. He has received no other complaints. It was suggested that if late billing is a problem, either late fees may be waived or the payment deadline could be extended to the 25th of the month.

Mr. Busch then handed out a capacity analysis report showing that the June effluent per home was 93 gal/day. If that rate continues with the 117 pending connections, the plant would reach capacity with only 47 additional connections. He stated that if the current rate continues, the plant would reach 100% capacity in early 2024.

Mr. Busch reported that Mr. Woodyard has requested a hearing concerning the repair bill and letter he received for Chloe Trail. He said that a hearing would be scheduled on a future date.

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

Minutes of Meetings

- Minutes of Public Meeting- June 7, 2022
- Minute of Executive Session – June 7, 2022
- Minutes of Public Hearing on Rates & Fees – June 9, 2022
- Minutes of Public Hearing on the Engineering Report from Kimley-Horn – June 9, 2022
- Minutes of Public Meeting – June 9, 2022
- Minutes of Executive Session – June 9, 2022

Reimbursement to District Manager (\$1,075.16)

- Polycom- Adapter for Cell Phone (\$54.36)
- Prescott Courier -published notice of election (\$1,020.80)

There were comments concerning several typographical errors in the minutes of the Engineering Hearing and the Budget and Rate Hearing minutes..

Mr. Summers moved to approve the Consent Agenda with the exception of the Executive Session Minutes of June 9th and the corrections noted in the Rate and Budget Hearing and the Engineering Report Hearing. Mr. DeSantis seconded. Motion passed unanimously.

6. OLD BUSINESS

A. Discussion and possible action concerning treatment plant upgrades or replacement.

Jeff McLeod moved to issue a proposal to accept bids for a sludge handling system at the treatment plant. Mr. Desantis seconded.

Mr. McLeod commented that it be a design/build proposal for a capacity of 170,000 gallons/day.

Motion passed unanimously.

B. Possible approval of the transfer of funds from the General Fund to the Restricted Capital Fund as called for in the Second Amendment to the Amended and Restated Development Agreement.

No action required. This item covered previously.

7. NEW BUSINESS

A. Possible approval of financial reports for May, 2022.

Bob Summers moved to approve the financial reports for May, 2022. Mr. McLeod seconded. Motion passed unanimously.

B. Possible approval of a proposal from Santec Corporation for the design and installation of a sludge handling system at the treatment plant and for submitting and obtaining an amendment to the Aquifer Protection Permit P-103119 including the decommissioning of the pond at the wastewater treatment plant.

No action taken.

C. Discussion and possible approval of Capacity Assurance Forms for Whispering Canyons, Phase 11.

There was some discussion about the documents for phase 11, There are 53 lots proposed for phase 11.

Bob Summers moved to approve the Capacity Assurance forms for Whispering Canyons, Phase 11. Mr. DeSantis seconded. Motion passed unanimously.

D. Discussion regarding District financial liability if sub-divisions within the District expand beyond their current boundaries.

Mr. Summers approved to have the attorneys proceed as discussed in Executive Session. Mr. DeSantis seconded the motion. Motion passed unanimously.

E. Discussion and possible approval of Bills of Sale for Talking Rock phases 6, 12A2, 13, and Double Adobe Rd Extension and Sterling Ranch Phases 1 and Double Adobe Rd. Extension.

Mr. Busch pointed out that each of the 5 Bills of Sale have different dates of transfer on the Bills of Sales, from 2019 to 2021. The documents are signed and notarized on July 2, 2022.

There followed a discussion about the time difference between the dates on the document and the notarized signatures.

Mr. McLeod asked whether any turnover documents are signed with developers when construction is completed. Mr. Busch indicated that no turnover document is signed by the parties.

All three Board Members are required to sign and have their signature notarized. There was a discussion about the arrangements with the office at Talking Rock to notarize signatures. Mr. McLeod may not be able to sign until he returns from a trip.

Mr. Summers moved to approve and execute the five Bills of Sale presented by Talking Rock (Talking Rock, Phase.6, 12A2,&13, and Double Adobe Rd Extension and Sterling Ranch Phases 1.) Mr. DeSantis seconded the motion. The motion passed unanimously.

8. ADJOURNMENT

Therefore, the meeting was adjourned at approximately 3:30 p.m. .

Board Clerk

Date