

PINETOP-LAKESIDE SANITARY DISTRICT

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**REGULAR SESSION
MINUTES**

July 10, 2019

1. CALL TO ORDER

Board Chairman Whittle called the Board meeting to order at approximately 6:00 PM.

2. OPENING CEREMONY

Board Vice-Chairman Place led the Board, Staff and Legal Counsel in the Pledge of Allegiance.

3. ROLL CALL OF BOARD MEMBERS

Present were: Neal Whittle, Board Chairman, Patrick B. Place, Board Vice-Chairman; Christopher C. Kengla, Board Secretary, Diana W. Butler, Board Member and Paul W. Meier, Board Member. Staff Members present were: David J. Smith, District Manager, Mark Heberer, Finance Manager, Alexandria Shea, Planning and Design (as board secretary) and Marcia Theiner, Accounting Clerk. William R. Whittington, Legal Counsel for the Governing Board was also present by telephone.

4. CONSENT AGENDA

Board Member Butler made a motion approving the Consent Agenda, which included the Minutes of June 12, 2019, Regular Session and the Presentation, Approval and Payment of Bills, Invoices, Warrants and Capital Purchases; as presented by Staff. Board Vice-Chairman Place seconded.

The vote was as follows: Board Chairman Whittle, yes; Board Vice-Chairman Place, yes; Board Secretary Kengla, yes; Board Member Butler, yes; and Board Member Meier, yes. Motion passed unanimously.

5. CALL TO THE PUBLIC

Board Chairman Whittle did not read the Call to the Public statement as there wasn't any Public present.

6. REPORTS AND CORRESPONDENCE

Board Chair's Report.

Board Chairman Whittle commented that he had used the Town of Pinetop-Lakeside's new collection center and that it was very nice.

Board Secretary's Report.

Board Secretary Kengla did not have a report.

Manager's Report.

Introduction of Employee – Scott Amos.

The District Manager introduced Scotts Amos, the new Collection System's Operator Staff member. The Board welcomed Mr. Amos.

Update – Collection System Departments activities.

The District Manager reported that the Collection System crew cleaned 7300 linear feet of sewer line, televised 8700 linear feet and inspected 30 manholes. The crew encountered deteriorating DIP with the concrete lining failing in areas causing the DIP to rust. A plan will be devised as to the best solution for the failing DIP. The District Manager explained a possible solution being slip lining the pipe known as CIPP and how this works.

Update – Plant Department activities.

The District Manager reported that the average daily flows for the month of June were 0.9 mgd, organic removal was at 98%, and a conveyor belt was replaced. The District Manager indicated that the Plant was running good. The District Manager reported that the Composting Facility received 5700 lbs of cardboard/paper from the Town of Pinetop-Lakeside's new collection facility and 2000 lbs from other sources. The District produced 42 tons of compost and sold 25 yards of compost. The District Manager explained the photo included in the board packet was taken when a Waste Management truck discharged their load, showing plastics mixed with the cardboard.

The District Manager's Reports concluded.

Accounting Report

Introduction of Employee – Amber Wright.

The Finance Manager introduced Amber Wright, the new Billing Clerk Staff member. The Board welcomed Ms. Wright. The Finance Manager indicated that Ms. Wright was able to work with Ms. Theiner, the current billing clerk, in processing the quarterly billing statements.

The Finance Manager reported that there is a field audit scheduled for July 19, 2019.

The Finance Manager Reports concluded.

7. BUSINESS

A. Discussion, consideration and possible action regarding Resolution No. 2019-09, a Resolution and Order Amending the Boundaries of the Pinetop-Lakeside Sanitary District for the inclusion of Assessor's Parcel Number 212-09-138, known as the Hawkes property, 5621 State Route 260, Lakeside AZ 85929, located in the Wagon Wheel area.

The District Manager explained that this was formerly known as Al's RV. The property owner has requested annexation into the District with sewer available to the property.

Board Member Meier made a motion approving Resolution No. 2019-09, a Resolution Authorizing and Amending the Boundaries of the Pinetop-Lakeside Sanitary District; for the inclusion of certain real property Assessor's Parcel Number 212-09-138, property owner, – Richard Hawkes, property location 5621 State Route 260, Lakeside, AZ 85929. Board Secretary Kengla seconded.

The vote was as follows: Board Chairman Whittle, yes; Board Vice-Chairman Place, yes; Board Secretary Kengla, yes, Board Member Butler, yes and Board Member Meier, yes. Motion passed unanimously.

B. Discussion regarding Sewer User Fee Billing payments being received and processed through a Lockbox vendor.

The Finance Manager explained that the billing receivables process takes staff approximately 60 hours. Staff must also process walk-in and phone-in customers for payments, billing questions, new account openings, sewer permits, etc. The Lockbox vendor, is through Chase Bank, and would process payments, post to file and put into accounts. This external receiving station puts one more step between staff for audit purposes. The Finance Manager anticipates it would take 1 year to have 85% of the payments processed through the Center. This would be a labor savings devise but not inexpensive.

Board Chairman Whittle directed Staff to proceed with establishing a Lockbox through Chase Bank.

C. Discussion, consideration and possible action regarding: Dewatering Equipment.

The District Manager explained that the belt press is the pinch point for the sludge dewatering process and with no redundancy, if this 13 year old machine breaks, the process stops. The District Manager further explained the different processes for dewatering sludge: centrifuge which has high rpm spins resulting in high electrical bills; the screw

press which we would need 2, at a cost of \$350,000 each; and the belt press which costs between \$286,000 to \$386,000 for the base machine only.

Board Chairman Whittle directed Staff to proceed with obtaining pricing information for a new belt filter press.

D. Discussion consideration and possible action regarding: the remodeling of the Crew Break/Lunch Room into the Dewatering Equipment Building and Remodeling the District's Office Building.

The District Manager explained that the belt press needs a less corrosive environment from where it is currently located in the composting facility. Expanding the former sludge dryer building where the crew room is currently located would provide working space of 7' - 8' around each press. He further explained two options to provide for a different location for the crew room and an option for a belt press building: remodel the existing administration office to accommodate a break room for the crew, including a front office and boardroom re-design, and re-location of the men's restroom; extend the administration building 20 feet to the north adding a break room and relocating the men's restroom; add onto the north side of the sludge dryer building expanding to accommodate 2 belt filter presses.

Board Chairman Whittle directed Staff to obtain bids for the costs of a new belt filter press, expansion of the former sludge dryer building to accommodate a new and the existing belt filter presses, and extending the administration building 20 feet to the north for the new break room and men's restroom.

8. FUTURE AGENDA ITEMS

No items were requested by staff or board.

Board Chairman Whittle directed the Board Members that if they have any items for the Agenda to contact the District Manager.

9. ADJOURNMENT

Board Chairman Whittle adjourned the meeting at approximately 7:14 PM.

Adopted and approved this 14th Day of August, 2019.

/s/Patrick B. Place
Patrick B. Place, Board Vice-Chairman