

PINETOP-LAKESIDE SANITARY DISTRICT

2600 W. ALISA LN. * LAKESIDE, AZ 85929 * PHONE (928) 368-5370 * FAX (928) 368-6039

**REGULAR SESSION
MINUTES
March 09, 2022**

1. CALL TO ORDER

Board Vice-Chairman Place called the Board meeting to order at approximately 6:02 PM.

2. OPENING CEREMONY

Board Member Kenny Keith led the Board and Staff in the Pledge of Allegiance.

3. ROLL CALL OF BOARD MEMBERS

Present were: Patrick Place, Board Vice-Chair, John M. Beeler, Board Secretary, and Kenny Keith, Board Member. Staff Members present were: David J. Smith, District Manager, Mark Heberer, Finance Manager, and Amber Wright, Accounting Clerk.

Paul W. Meier, Board Member joined the meeting via conference call. Diana W. Butler, Board Chairman, and Legal Counsel were excused.

4. CONSENT AGENDA

Board Secretary Beeler made a motion approving the Consent Agenda, as presented by Staff for February 2022 bills and invoices... Board Member Keith seconded.

Motion passed unanimously.

5. CALL TO THE PUBLIC

Board Vice-Chairman Place read the Call to the Public statement and opened the Call to the Public at approximately 6:03 PM. There was no response from the public, and therefore Board Vice-Chair closed the Public Hearing at approximately 6:04PM.

6. REPORTS AND CORRESPONDENCE

Board Chair's Report.

Board Vice-Chair Place did not have a report.

Board Secretary's Report.

Board Secretary Beeler did not have a report.

Manager's Report.

Update – Collection System Department activities.

District Manager Smith reported that the Collection System crew cleaned 4,735 linear feet of sewer line, televised 7,911 linear feet, 42 manholes inspected.

All employees went to CPR/First Aid Training last Wednesday and Thursday.

We had a well go out, you will see the Arizona Water bill next month. Got new motor put in last week.

Board Secretary Beeler asked when are they going to do manholes? District Manager Smith stated the 4th of April when hoses aren't freezing up.

Update – Plant Department activities.

District Manager Smith reported that the average daily flows for the month of February were 0.75 mgd organic removal was at 98%, nitrogen results 3.0 mg/L. Compost produced cubic yards. The District sold 8-10 yards of compost. Dewatered Biosolids sent to the landfill 76 wet tons.

We have been trying to keep all the materials inside, and no materials outside of the building. With that being said, they put wood chips on the air header and got down to 27-29% moisture to use more sludge per volume of wood chips to manage piles and composting needs.

We should have plans for the Clarifier in the next couple of weeks to start talking to Contractors.

Clarifier Project

1. Plans will be sent out for approval in the next couple of weeks

The District Manager's Reports concluded.

Accounting Report

Finance Manager Heberer reported 1 new connection, and 1 Suspension for February bringing the District up to 8586 connections no change. Everything is running smoothly in front office, customers are nice, we like to keep it nice and smooth for you all.

The Finance Manager Reports concluded.

7. BUSINESS

A. Discussion regarding Board Member Compensation.

Compensation for Board members is set by Arizona Revised Statutes and is described As follows:

48-2010. Board of directors; qualifications; term; appointment; election; conversion; reorganization; compensation; expenses

E. Each director of a sanitary district shall receive not more than one hundred fifty dollars per month or a lesser amount as set by the board of directors of the district plus necessary travelling expenses, but members of the board of supervisors when serving as directors of a sanitary district shall receive no compensation for attending meetings but shall be reimbursed for their necessary expenses. No director shall receive compensation, other than expenses, for attending more than four meetings of the board meeting during a calendar month.

Discussion concluded.

B. Discussion, Consideration, and possible action regarding Position Description.

This is a new position and would require Board approval if the determination is made to create this position.

District Manager Smith stated he had a conversation with Diana today on good verbiage on budgets, and made a change on the description. More descriptive of what budget duties are. This would be a new position. We have Collections, and Treatment Supervisor.

Board Secretary Beeler No, I support it I see it's a good idea to promote within. A good idea for auditors to come in and go over everything.

Finance Manager Heberer says let me clarify a spot check. And Mr. Beeler said like a 2 year period every 6 months or something.

Board Member Meier asked if Mr. Heberer was the one also in charge of complaints and grievances. Mr. Heberer replied yes.

District Manager Smith said we kind of share that duty, took that and gave to Mark, but share duty. Only District Manager can fire someone but most of it al is a combined effort. Will most likely continue to be. As needed HR services if needed, we only have 16 employees.

Board Vice-Chair Place asked about crossed out SID's. Mr. Heberer replied with we don't have any active SID's, and don't anticipate or see a need for it or to borrow any money. You have access to funding now.

Board Secretary Beeler made a motion to approve and accept new job description for Office Supervisor. Board Member Keith seconded.

Motion passed unanimously.

C. Discussion, Consideration, and possible action regarding Pinetop Lakes #1 Generator.

This lift station has the greatest occurrences of power outages and has a small capacity for storage. The P. Lakes #2 lift station also pumps into this station, so when the electricity is lost this requires constant monitoring with a portable generator until power is restored.

The District has received several proposals for the purchase and installation of a stand-by generator, and the proposals include the following:

- Phil Stratton Electric- 14kW liquid cooled \$17,605
- Advanced Air Systems- 20kW 3 phase, air cooled \$10,721, expected delivery November 2022
- Temperature Control, Inc- 20kW \$11,095

The other option is the District could purchase and install the generator.

- AP Electric Generators- 20kW w/transfer switch \$6,715 (8-10 weeks out)
- Norwall Power Systems- w/transfer switch \$12,066 (22-48 weeks out)
- Northern Tool and Equipment- 20kw w/transfer switch \$6,427 (46-48 weeks out)

Recommendation:

Purchase a 20kW, 3 phase generator with transfer switch for \$6,714.69 including taxes. Expected delivery time would be 8-10 weeks. The generator would be purchased from AP Electric Generators.

Board Secretary Beeler asked if we can put this in ourselves? Mr. Smith replied yes. Board Member Meier also asked if it is a naturally aspirated generator, and Mr. Smith Replied we are going to set a propane tank.

Board Member Meier made a motion to approve recommendation to purchase 20kW, 3 phase generator with transfer switch for \$6,714.69 including tax. Board Secretary Beeler Seconded.

Motion passed unanimously.

D. Discussion, Consideration, and possible action regarding Change Order for PACE.

This change order is a reflection of additional work resulting from additional prints needed to be added to the GIS/GPS project. The original proposal included the estimate of 846 pages and 456 pages were added. We also found an additional 28 pages this month that will also need to be added. This change is for \$20,976 as referenced in the following attachment.

Board Member Meier asked District Manager Smith if this was our mistake? Mr. Smith replied with yes, yes it is unfortunately on our end. The good news is it doesn't affect the percent of the whole project, just basically adds to the work of putting it digital on to the GIS/GPS program.

Board Secretary Beeler made a motion to approve the change order for PACE. Board Member Meier seconded.

Motion passed unanimously.

E. Discussion, Consideration, and possible action regarding District Budget Planning for Fiscal Year End 2022/2023.

Finance Manager Heberer stated this is just the Preliminary kind of our starting point, probably don't have to raise our rates again this year for 6 years now. I realize the cost of some items are going up. Payroll will decrease with the elimination of my position, and the person that replaces me. Only price increase we are looking at are annexation fees, cpi connection fees. There are a couple other things I want to double check and dig a little deeper on, but other than that I do see a slight surplus. Revenues are forecasted to exceed expenses.

I worked on this with Amber Wright who is sitting here with us so she is familiar with the budget process, and some of her input, and planning was insightful.

Discussion concluded.

8. FUTURE AGENDA ITEMS

Board Secretary Beeler Brought up he would like to discuss homeowner that pays \$20.00 A month allowed to dump into clean out. Put on next agenda extra connections on property/ courtesy RV dump.

Board Secretary Beeler would also like discussion regarding Auditors every 3-6 month as back up for Supervisor position.

Board Vice-Chairman Place directed the Board Members that if they have any items for the agenda to contact the District Manager.

9. ADJOURNMENT

Board Vice-Chair Place adjourned the meeting at approximately 6:33 PM.

Adopted and approved this 13th Day of April 2022.

c/c Patrick B. Place
Patrick B. Place, Board Vice-Chair