

PINETOP-LAKESIDE SANITARY DISTRICT

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

REGULAR SESSION

MINUTES

April 11th, 2024

1. CALL TO ORDER

Board Chair Keith called the Board meeting to order at approximately 4:00 PM.

2. OPENING CEREMONY

Board Member Beeler led the Board and Staff in the Pledge of Allegiance.

3. ROLL CALL OF BOARD MEMBERS

Present were Kenny Keith, Board Chair, Paul Meier, Board Vice Chair, John Beeler, Board Member. Staff Members present were David J. Smith, District Manager, Amber Wright, Office Supervisor, Mariah Tatum, Accounts Receivable, Bill Whittington, Legal Counsel for Pinetop Lakeside Sanitary District attended by conference call.

Diana Butler, Board Secretary was excused. Patrick Place, Board Member was excused.

4. CONSENT AGENDA

Board Member Beeler made a motion approving the Consent Agenda, as presented by Staff for March 2024 bills and invoices. Board Vice Chair Meier seconded.

Motion passed unanimously.

5. CALL TO THE PUBLIC

Board Chair Keith read the Call to the Public statement and opened the Call to the Public at approximately 4:02 PM. There was no response from the public, and therefore Board Chair Keith closed the Public Hearing at approximately 4:02PM.

6. REPORTS AND CORRESPONDENCE

Board Chair's Report.

Board Chair Keith did not have a report.

Board Secretary's Report.

Board Secretary Butler, excused.

Manager's Report.

Update – Collection System Department activities.

District Manager Smith reported that the Collection System crew cleaned 490 linear feet of sewer line, televised 6,413 linear feet, and inspected 32 manholes. Several defective lateral lines identified, plans for repairs are being made.

Update – Plant Department activities.

District Manager Smith reported that the average daily flows for the month of March were 0.95 mgd, organic removal was at 98%, nitrogen results 3.17mg/L.

100 Cubic Yards of Compost sold equally amongst in and out of district.

The District Manager's Reports concluded.

Accounting Report

Office Supervisor Wright reported 1 new connection and 1 suspension in March. This leaves our active connections at 8,722. We are still on track for budget this year. The girls up front did the last billing for this Fiscal Year. The new paper sorter and printer were ordered and delivered.

The Office Supervisor's Reports concluded.

7. BUSINESS

A. Discussion, Consideration, and possible action regarding Required Repairs to manholes located in Pine Lakes Area.

Repairs to a few manholes in the Pine Lakes area are needed as large boulders have been pushed off a steep ravine and caused sections of the manholes to be pushed about 8" off the base and cracked the lower barrel section. Repairs will require replacing the broken sections, repairing the pipe, and stabilizing the embankment. Brent Reidhead will do the work and Perkins Concrete to provide the needed manhole pieces.

Board Vice Chair Meier made a motion to approve repairs not to exceed \$18,000 for the project. Board Member Beeler seconded.

Motion passed unanimously.

B. Discussion, Consideration, and possible action regarding the District's Operating and Non-Operating Budget for Fiscal Year End: 2024/2025: Rates and Fees: Revenue-Operational and Capital; Recap of Operations: Expenses – Collections, Treatment, and Administration; Expenses and Revenue; Capital Funding Sources and Capital Project Expenditures.

Discussion regarding the Fiscal Year End 2024/2025 Budget . Board Vice Chair Meier states that if we go back to 2017/2018, our average increase of budget is about 2.7% per year. The last 3 years, cumulative inflation is over 20% and The District is less than 10% overall. We are trending way below where actual inflation has been.

District Manager Smith stated we have not raised user fees in 6-7 years. Board Vice Chair Meier stated a rate increase of 5-10% may be necessary due to inflation and necessary upcoming repairs to include lifts station upgrades, repairs and slip lining of damaged pipes, and equipment reaching life expectancy.

Board Vice Chair Meier asked for a draft budget be created with a 5% and 10% rate increase to discuss at the next Board Meeting.

No action needed at this time. Discussion Concluded

C. Discussion, Consideration, and possible action regarding Recommended Changes to the Rates and Fees.

Recommended Changes to the Rates and Fees were not discussed as changes would need to reflect possible changes made to Budget for Fiscal Year End 2024/2025.

Board Vice Chair Meier asked for this to be tabled as it will need to reflect changes made to item 7B.

No action needed at this time. Discussion Concluded

D. Discussion, Consideration, and possible action regarding Suggested Rules and Regulations Modifications.

Many pages in the District's Rules and Regulations need to be updated to provide better clarification to both the staff and the public. Clarifications include Connection, Tap and Lateral fees and who can tap into the main line.

Another discussion regarding removing the meter reads for charging user fees for places that are not commercial, such as high-density residential living facilities. The user fee would be based on the number of units on the parcel. We could provide a discount for multiple units on the parcel, since the district would benefit from income on ten units per acre versus one unit per acre. Examples provided were trailer parks and apartment complexes.

Board Vice Chair Meier makes a motion to approve the verbiage clarification portion regarding Connection, Tap and Lateral fees of the suggested modifications to the Rules and Regulations. Board Member Beeler Seconded.

Board Vice Chair Meier asked for examples of high-density accounts to be taken off water reads and onto “per unit” billing to be provided at the next meeting.

Motion passed unanimously.

E. Discussion, Consideration, and possible action regarding Increasing Effluent Pumping Capacity.

3rd quote for the pumps was received but after further investigation, none of these pumps will work due to the curve of the pump.

District Manger Smith asked for this item to be tabled.

No action needed at this time. Discussion Concluded

8. FUTURE AGENDA ITEMS

1. Budget item 7B
2. Changes to the Rates and Fees item 7C
3. High Density account examples per item 7D
4. Pump Quotes for item 7E
5. Election information

9. ADJOURNMENT

Board Chair Keith adjourned the meeting at approximately 5:30 PM.

Adopted and approved this 9th day of May.

c/c Kenny Keith
Kenny Keith , Board Chair