

PINETOP-LAKESIDE SANITARY DISTRICT

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**REGULAR SESSION
MINUTES
May 9th, 2024**

1. CALL TO ORDER

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

2. OPENING CEREMONY

Board Chair Keith led the Board and Staff in the Pledge of Allegiance.

3. ROLL CALL OF BOARD MEMBERS

Present were Kenny Keith, Board Chair, Diana Butler, Board Secretary, John Beeler, Board Member. Staff Members present were David J. Smith, District Manager, Sarah Heck, Accounts Receivable, Bill Whittington, Legal Counsel for Pinetop Lakeside Sanitary District.

Amber Wright, Office Supervisor, Paul Meier, Board Vice Chair, and Patrick Place, Board Member were excused.

4. CONSENT AGENDA

Board Member Beeler made a motion approving the Consent Agenda, as presented by Staff for April 2024 bills and invoices. Board Secretary Butler 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 did not have a report.

Manager's Report.

Update – Collection System Department activities.

District Manager Smith reported that the Collection System crew cleaned no sewer lines in the month of April, televised 700 linear feet, and inspected 2 manholes. No sewer lines were cleaned due to crew working on marsh project and repairs to 8 damaged pipe locations.

Update – Plant Department activities.

District Manager Smith reported that the average daily flows for the month of April were 0.97 mgd, organic removal was at 98%, nitrogen results 2.58mg/L. Compost sold was 111 cu. yds in the District, and 36.5 cu. yds out of the District. The District has been taking names and numbers of people interested in compost due to the cost of the testing, that way we only test when we have enough interest from the public.

District Manager Smith stated there are several property owners in the White Mountain Summer Homes that would like to connect to sewer. The property owners were looking into cost before approaching the District again.

The District Manager's Reports concluded.

Accounting Report

District Manager Smith stated that everything is looking good, and the staff is working on budget. The District hired a new general clerk that started May 8th, 2024.

The Accounting Report concluded.

7. BUSINESS

A. Discussion, Consideration, and possible action regarding Joint Meeting.

Chuck Moore with Navopache Electric is organizing the next joint meeting for the 3rd or 10th of June. The meeting includes NEC, Blue Ridge Schools, Timber Mesa, Pinetop Fire, the town, and the District. The purpose is to hear all the past, present and future plans for each organization.

District Manager Smith is asking if any board members would be interested in attending. Board Chair Keith is willing to attend on June 10th with Smith.

No action required at this time.

B. Discussion, Consideration, and possible action regarding Resolution No. 2024-03, a Resolution Calling Board Member Election.

Its election time, this resolution needs to be approved so the District can move forward with the election and allow it to be published.

Board Member Beeler made a motion approving Resolution No. 2024-03 a Resolution Calling Board Member Election, Board Secretary Butler seconded.

Motion passed unanimously.

Board Chair Keith reopened agenda item. Navajo County had October date incorrect, so date was incorrect on Resolution.

Board Member Beeler made a motion authorizing District Manager Smith to modify Notice of Election reflecting appropriate date as needed to comply with the statute, Board Secretary Butler seconded.

Motion passed unanimously.

C. Discussion, Consideration, and possible action regarding Districts Operating and Non-Operating Budget for Fiscal Year 2024-2025.

District Manager Smith was asked to prepare a budget a budget that shows 0%, 5%, 10% increase in user fees. The extra revenue would be used for projects that sometimes get paid out of Capital Funding, when the projects are maintenance items. Budgets in the past didn't allow for large purchases, such as pumps and control panels. The change would allow the money to be spent from the right source. User fees have not been raised in over 11 years.

Board Member Beeler has talked to several people within the district. Nobody seems to be bothered by a user fee increase.

Board Member Beeler made a motion to increase user fees by 10%, Board Secretary Butler seconded.

Motion passed unanimously.

D. Discussion, Consideration, and possible action regarding Rules and Regulations wording change.

The District has found some inconsistencies with both the wording and application of the Rules and Regulations as currently written. After auditing several accounts,

the District found that several multi-unit facilities are charged based on units, some on partially counted units, and others on meter readings that we have little control over the accuracy.

The current rule states “note” that per unit applies to Motels/Cabin, RV/Travel Trailer Parks and Office/Retail shops. These are currently being billed based on water reads provided by the water companies.

District Manager Smith wants to simplify and clarify. Commercial should be billed based on water reads, where residential should be billed by how many dwelling units there are within that acreage.

The District also reviewed the fee structure, we found several inconsistencies with how fees are applied. Certain fees like inspection fees need to be looked at because the District is finding that contractors are moving the concrete box from one job site to the next, which is now making our inspectors must go out and inspect a job site twice. The tipping fee needs to be removed as it no longer applies to the district anymore. Compost sales should also be added to the fee structure and should be raised in price.

District Manager Smith suggested the District give a discount for high density dwellings, because we make more money off the one connection. Being ½ of monthly user fees per door/unit on the acreage. Allowing the District to accurately identify residential and commercial units.

Board Member Beeler made a motion to approve the rate and fees proposed by the District for purposes of public hearing, Board Secretary Butler seconded.

Motion passed unanimously.

E. Discussion, Consideration, and possible action regarding Major Capital Project.

District Manager Smith has been asked what the District’s next big capital project would be. One that will need to be addressed is the project to reduce the volume of biosolids needed to either be composted or taken to the landfill. Currently we produce about 2,133 wet tons of biosolids a year, that’s 41 wet tons a week. That means the truck is hauling at least 3 loads a week to the landfill.

If the District could dry the biosolids to 40% that would put the district at 800 wet tons a year, and the use of the truck hauling to the landfill to 1 time a week. This would save the District hauling expenses.

This project would require a solar dryer or large greenhouse that would use the heat from the sun and air movement to accelerate the evaporation of the water in the biosolids.

The technology has been around for decades but would benefit the District by reducing labor spent on composting, money spent on equipment maintenance and replacement, reduce money spent for landfill tipping fees, and reduce the labor used to transport material to the landfill.

No action required at this time.

- F. Discussion, Consideration, and possible action regarding Resolution No. 2024-01 setting a time and place for the hearing on fees charged by the Sanitary District.
Resolution setting a time and place for the hearing on fees charged by the Sanitary District.

Board Member Beeler made a motion to approve Resolution No. 2024-01 setting a time and a place for the hearing on fees charged by the Pinetop Lakeside Sanitary District, Board Secretary Butler seconded.

Motion passed unanimously.

- G. Discussion, Consideration, and possible action regarding Resolution No. 2024-02 tentatively adopting a budget for publication and setting a time and a place for the hearing on the proposed budget for fiscal year end 2024-2025.

Resolution tentatively adopting a budget for publication and setting a time and place for the hearing on the proposed budget for fiscal year end 2024-2025.

The District proposed 3 budgets, the first had 0% increase, the second one had a 5% increase, and the third had a 10% increase.

Board Member Beeler made a motion to approve Resolution No. 2024-02 adopting a budget for publication and setting a time and place for the hearing on the proposed budget for fiscal year end 2024-2025, Board Secretary Butler seconded.

Motion passed unanimously.

8. FUTURE AGENDA ITEMS
1. Final Budget
2. Lift station update from engineer

9. ADJOURNMENT

Board Chair Beeler adjourned the meeting at approximately 5:14 PM.

Adopted and approved this 13th day of June.

c/o Paul Meier
Paul Meier, Board Vice Chair