

PINETOP-LAKESIDE SANITARY DISTRICT

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**REGULAR SESSION
MINUTES
February 8, 2017**

1. CALL TO ORDER

Board Secretary Butler called the Board meeting to order at approximately 6:00 PM.

2. OPENING CEREMONY

Board Member Whittle led the Board, Staff and Legal Counsel in the Pledge of Allegiance.

3. ROLL CALL OF BOARD MEMBERS

Present were: Diana W. Butler, Board Secretary, Neal Whittle, Board Member; Patrick B. Place, Board Member and Paul W. Meier, Board Vice-Chairman was also present by telephone. Staff Members present were: David Smith, District Manager; Mark Heberer, Finance Manager and Linda Lionberger, Executive Assistant. Mr. William R. Whittington, Legal Counsel for the Governing Board was also present.

Excused: Christopher C. Kengla, Board Chair

4. CONSENT AGENDA

Board Member Place made a motion approving the Consent Agenda, which included the minutes of January 11, 2017, Regular Session; the Presentation, Approval, and Payment of Bills, Invoices, Warrants and Capital Purchases and the Navajo County Warrant No. 541900098 in the amount of \$134,467.79, as presented by Staff. Board Member Whittle seconded. Motion passed unanimously.

5. CALL TO THE PUBLIC

Board Secretary Butler opened the Call to the Public at approximately 6:03 PM; there were no public members present. Therefore Board Secretary Butler closed the Call to the Public at approximately 6:04 PM.

6. REPORTS AND CORRESPONDENCE

Board Chair's Report.

The Board Chair was excused there was no report.

Board Secretary's Report.

The Board Secretary did not have a report.

Manager's Report.

Update – Plant and Collection System Departments activities.

The District Manager reported that there was approximately 2 ½ inches of precipitation received for the month of January 2017. The daily flows increased to 1.4 million gallons, the removal efficiency remained at 96% and the nitrogen removal was approximately 95% with 49 tons of paper/cardboard received. The District Manager then reported that the water quality was good and that the Treatment Plant was working well.

The District Manager reported that the Collection System crew was plowing snow to provide access around the District grounds/lift stations and that they were also doing their routine lift stations maintenance. The crew was also preparing for next year's budget by evaluating the condition of the equipment reviewing what may need to be replaced.

The District Manager reported that the crew cleaned 2,350 linear feet of sewer lines and had nine call outs for the month of January 2017.

Board Vice-Chairman Meier asked the District Manager with the flows increasing in January, which was approximately a half a million gallons a day than in December how does the Plant handle it. The District Manager responded to Board Vice-Chairman Meier that the additional flows are considered I/I (Inflow and Infiltration). The Plant was designed for 2.0 mgd and this week the Plant received 2.3 mgd, with an average of 1.4 mgd. The District Manager discussed that it could be higher in February and that the Plant was processing fine with the additional flows.

Board Vice-Chairman Meier asked the District Manager because of the I/I are we processing a lot of clean water. The District Manager responded to Board Vice-Chairman Meier that we could be processing I/I and that the crews are out in the field looking for the infiltration into the system, which could be cleanouts with caps off, defects in the manholes and low manholes.

Board Member Place asked the District Manager who was responsible to raise or lower the manholes when a road is resurfaced. The District Manager responded to Board Member Place that the entity doing the work was responsible for including the cost of the

manholes in their project costs and having their contractor do the work. The District Manager stated that the District works with the entities regarding the manholes.

Board Member Place and the District Manager discussed how the manholes are sealed. They discussed that when the roads are resurfaced the manholes are covered with a plate and a concrete ring was poured.

Board Member Whittle stated that the District was not alone in receiving I/I, with the amount of Precipitation State wide all Sanitary Facilities are dealing with the additional flows.

The District Manager reported that another way that Staff monitors the I/I was through the lift stations, the pumps running additional hours could indicate that a certain area was receiving I/I. The crews identify I/I by doing smoke detection and visual inspections looking for sitting water. The District Manager indicated that other methods are very costly to reduce the I/I.

Board Member Place asked the District Manager with the pumps pumping additional flows, how much does that increase the electrical costs. The District Manager responded that the electrical statement that was just paid increased approximately \$1,000.00 over last month's statement. The District Manager also responded to Board Member Place that he has not analyzed the electrical costs of the lift stations.

Legal Counsel asked the District Manager if the District considered blowing the pipe with a type of epoxy to fix breaks in the pipeline. The District Manager responded to Legal Counsel that the cost for the contractor to come up here and repair was expensive. The District has used in the past a slip lining method in the Wagon Wheel area to replace pipe and that each lateral had to be cut out when this was done. The District Manager stated that I/I usually will leak through the laterals, where the private lines connect into the sewer mains.

Board Member Place asked the District Manager if the District had a camera to video the sewer lines. The District Manager responded to Board Member Place that the District does have a push camera and a camera van.

Board Secretary Butler stated that there are years the area moves into a wet cycle with all the water and it was always good to be prepared.

The District Manager stated that the crew reviews the lift stations and they isolate the ones that are pumping additional flows.

Board Member Whittle stated that Show Low Lake was ready to go over the spill way; that was how much water the area has received.

The Manager's Reports and discussions concluded.

Accounting Report

The Finance Manager reported that there were six new connections from the Crimson Oak Sewer Project area bringing the total sewer connections to 8,118, the District was slowly growing. The revenues are $\frac{3}{4}$ of the way regarding the sewer user fees and the District was on track to hit the budget. Expenses decreased 50%, this was in salaries, because we have not made Staff replacements at this time and electricity costs.

The Finance Manager reported that Ms. Theiner was doing well and was a good addition in the front office and all was working out. Job duties would be looked at and that Ms. Shea was helping out by doing the District's Accounts Payable.

The Finance Manager reported that the sewer user fee revenues in the first billing month accounts for 70% of the income and this was through; online bill pay; automatic credit card and checking account payments.

The Finance Manager's Reports concluded.

7. BUSINESS

Discussion, consideration and possible action regarding Chlorine Safety.

The District Manager discussed that at the last Board meeting there was concern regarding the change over from the 55 pound buckets of chlorine tablets to gas cylinders.

The District Manager said that Staff did take several items into consideration, because gas was potentially more dangerous and the Treatment Operators also could experience danger with dumping the chlorine tablets on a daily basis, because of the chlorine dust that could be irritating. The District Manager explained that according to the Chlorine Institute Manual, the worst case scenario if you have a 150 pound cylinder leak the chlorine would release in ten minutes and be emptied.

The District Manager also explained that when you have a self contained breathing apparatus you would have to have two people, because you could not just have one person enter to do any repairs. A catastrophic event of a tank would affect from the middle of the Administration Building to the back door approximately 386 feet it would be at the threshold; a person should stay 200 feet away. If there was a leak he has communicated to the District's personnel to get out of the building. The District Manager continued that by the time the personnel put on the self breathing apparatus and 911 was called the event could be over. He contacted the Fire Department Personnel and they said let them handle the hazard they are trained for these types of situations.

The District Manager stated that if the Board decides to purchase the self contained breathing apparatus he suggested that two are purchased. Between the Fire Department, the location of the District and the potential catastrophic event the individuals would be safe in the Administration building. The District Manager stated in the case of an event

he has stated to the personnel to exit the chlorine building. If the self contained breathing apparatus was purchased and utilized during an event it could be over by the time they put on the equipment and that was why he did not recommend purchasing the equipment.

Legal Counsel asked the Finance Manager if the District's insurance policy would cover any inadvertent or accidental environmental contamination. The Finance Manager responded to Legal Counsel that the insurance company does have a specific rider, because of the District's type of industry.

Board Member Whittle stated that besides the self contained breathing apparatus you would put on there was also a bunny proof type of suit, so that you are not exposed. If you rely on the Fire Department Hazmat personnel, they may come up from Mesa. The District Manager responded to Board Member Whittle that the Fire Department said that they have a local Hazmat unit that comes from Show Low.

Board Member Place asked the District Manager how would you handle a situation if a person was collapsed in the room. The District Manager responded to Board Member Place that a chemical mask would be put on and it lasts approximately ten minutes.

Board Member Place asked the District Manager when the personnel go down a deep manhole do the personnel wear an airbag. The District Manager responded to Board Member Place that the personnel monitor the air and they have fans to aerate it and they have a meter to measure the air quality. If the meter signals that the air quality is not acceptable the personnel knows not go down the manhole.

Board Secretary Butler asked the District Manager was there a way in an emergency situation to pick up the personnel. The District Manager responded that yes the personnel have a tripod.

Board Member Whittle asked the District Manager if the Staff was trained in confined space. The District Manager responded that the personnel were trained and they renew the training as applicable.

Board Member Whittle asked the District Manager how long was the shelf life of the sensing device. The District Manager responded to Board Member Whittle that he thought it was one year. Board Member Whittle gave a brief history of an incident that happened in Holbrook regarding chlorine gas.

Board Secretary Butler asked the District Manager how often was the personnel trained regarding the chlorine training. The District Manager responded to Board Secretary Butler that they went through the training approximately six months ago and they recently within the past couple of weeks did a refresher and when the Kit "A" was purchased this was reviewed with the personnel.

Board Member Place stated that he was a little paranoid because he has witnessed a lot over the years and he has seen the apparatus used.

Board Secretary Butler asked the District Manager how long does it take for the container to empty. The District Manager responded to Board Secretary Butler that it takes ten minutes for the 150 pound cylinder and for a one ton container it would take longer. After twenty minutes the concentration level is at .6 and after thirty minutes it would be at less than .2. According to the manual the maximum exposure for an hour is 1.3 ppm.

The District Manager explained that the closest home to the District was from 750 to 800 feet away. The District Manager said that he wasn't indicating that there wasn't a risk it was that the benefits outweigh the risks, if you are careful and follow the procedures.

Board Secretary Butler stated that she just wanted to make sure the personnel was continually made aware of the risks and that they follow the procedures.

The District Manager stated that there are three individuals that change the cylinders, they are: himself, Neil Cromwell and Mike Baker.

Board Vice-Chairman Meier stated that the information provided was very good and that he has to defer to trusting and the due diligence of the District Manager and there was no liability to the District. Because the District Manager works in the industry and that he supported the District Manager's opinion.

The District Manager responded to Board Vice-Chairman Meier that he tries to lower the liability, because you can never get rid of it 100%. Board Vice-Chairman Meier responded that you can never get rid of the liability 100%, but as far as the liability from the stand point that the Board and Staff were not being neglectful of our obligations to the District, surrounding area and personnel.

There was no action regarding this agenda item only discussion.

Possible vote to go into Executive Session for legal advice pursuant to A.R.S. §38-431.03 (A)(3); to give instructions to legal counsel pursuant to A.R.S. §38-431.03 (A)(4) and to instruct the Boards representatives pursuant to A.R.S. §38-431.03 (A)(7) re: possible abandonment of easement; possible acquisition of new easement; possible authority to move the sewer mainline and sewer lateral; re: parcel #311-32-004A.

Board Vice-Chairman Meier stated that he did not receive any information regarding the agenda item in his Board Packet.

Board Secretary Butler responded to Board Vice-Chairman Meier that because it was an Executive Session item there was not any information included in the Board packets.

The District Manager indicated that he would describe the area and location of the easement when they convene in Executive Session for Board Vice-Chairman Meier so that he could have an idea of the area.

Board Vice-Chairman Meier made a motion to go into Executive Session at approximately 6:30 PM for legal advice pursuant to A.R.S. §38-431.03 (A)(3); to give instructions to legal counsel pursuant to A.R.S. §38-431.03 (A)(4) and to instruct the Boards representatives pursuant to A.R.S. §38-431.03 (A)(7) re: possible abandonment of easement; possible acquisition of new easement; possible authority to move the sewer mainline and sewer lateral; re: parcel #311-32-004A. Board Member Whittle seconded. Motion passed unanimously.

Board Secretary Butler reconvened into Public session at approximately 6:50 PM.

Discussion and possible action re: possible abandonment of easement; possible acquisition of new easement; possible authority to move the sewer mainline and sewer lateral re: parcel #311-32-004A.

Board Secretary Butler moved directing the District Manager to proceed looking into the situation, as directed in Executive Session. Board Vice-Chairman Meier seconded. Motion passed unanimously.

Discussion, consideration and possible action re: Resolution No. 2017-01, a Resolution authorizing agents to deposit, transfer, withdraw & invest District monies.

The Finance Manager discussed that this was a housekeeping item to add the new Board Members on the District's financial accounts at Navajo County and Chase Bank.

Board Vice-Chairman Meier made a motion adopting Resolution No. 2017-01, a Resolution authorizing agents to deposit, transfer, withdraw & invest District monies. Board Member Whittle seconded. Motion passed unanimously.

Discussion and review of the Open Meeting Laws for the Pinetop Lakeside Sanitary District's Board of Directors.

Board Secretary Butler asked Legal Counsel if this Agenda item should be rescheduled when a full Board could be present. Legal Counsel responded to Board Secretary Butler that he would recommend that this be rescheduled when a full Board could be present.

Board Secretary Butler confirmed with the Board Members present that they would be in attendance at the March 8th; Board meeting.

Board Secretary Butler asked Staff to confirm with the Board Chair that he would be present at the March 8, 2017; Board meeting prior to rescheduling the Agenda Item for March 8th.

Legal Counsel recommended to Staff that the Agenda item should include Board Authority.

8. FUTURE AGENDA ITEMS

The Board requested that the following Agenda items to be scheduled for the Board Meeting of March 8, 2017:

- (1) Open Meeting Laws and Board Authority.
- (2) Budget Preparation for FYE 2017/2018.
- (3) Digester discussion.
- (4) Joint Meeting with the Town of Pinetop Lakeside, NEC and Blue Ridge School Superintendent.

Board Secretary Butler directed the Board Members if they have any items for the Agenda to contact the District Manager.

9. ADJOURNMENT

The Board Secretary adjourned the meeting at approximately 7:05 PM.

Adopted and approved this 12th, Day of April, 2017.

/s/Christopher C. Kengla
Christopher C. Kengla, Board Chair