

PINETOP-LAKESIDE SANITARY DISTRICT

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**REGULAR SESSION
MINUTES
February 14, 2018**

1. CALL TO ORDER

Board Chair Meier called the Board meeting to order at approximately 6:00 PM.

2. OPENING CEREMONY

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

3. ROLL CALL OF BOARD MEMBERS

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

4. CONSENT AGENDA

Board Member Kengla moved approving the Consent Agenda, which included the minutes of January 10, 2018, Regular and Executive Sessions; the Presentation, Approval, and Payment of Bills, Invoices, Warrants and Capital Purchases, as presented by Staff. Board Member Place, seconded. Motion passed unanimously.

5. CALL TO THE PUBLIC

Board Chair Meier noted that there was not any public present.

6. REPORTS AND CORRESPONDENCE

Board Chair's Report.

Board Chair Meier did not have a report.

Board Secretary's Report.

Board Secretary Whittle did not have a report.

Manager's Report.

Update – Collection System Department activities.

The District Manager reported that the Collection System crew cleaned approximately 4800 linear feet of sewer pipe, inspected approximately 2037 linear feet of sewer lines.

The District Manager reported that two employees in the Collection System Department attended ADEQ Certification training and tested for Grade 2 certifications and passed.

The District Manager reported that the Collection System and Plant Personnel attended training at the Hon Dah Conference Center sponsored by ADEQ and that they earned Professional Development Hours.

Update – Plant Department activities.

The District Manager reported that the average flows decreased less than 0.70 mgd, the organic removal was at 98%; the nitrogen results were 1.9 mg/L.

The District Manager reported that a Plant Employee attended the ADEQ Certification training and tested for his Grade 1 and passed.

The District Manager reported that the District received 38 tons of paper/cardboard; compost produced was 41 tons and compost sold was 2 yards.

The District Manager reported and passed out a flyer regarding the annual meeting of the Little Colorado Coalition Meeting, scheduled for April 6, 2018 and if any Board Members were interested in attending to let him know so he could RSVP.

Board Chair Meier asked the District Manager if anyone could just show up, because according to the flyer it was a public meeting. The District Manager responded to Board Chair Meier that he thought it was just for the Members but that it does indicate it was a public meeting.

Board Secretary Whittle stated that the meeting was a great networking opportunity, for a nominal fee. The District Manager responded to Board Secretary Whittle that the District are members of the Coalition and that the meeting would be at no-charge for those in attendance from the District.

The Manager's Reports and discussions concluded.

Accounting Report

The Finance Manager reported that the District added two new connections bringing the total to 8,174. The user fee billing cycle was right on with the budget and with the sale of the Camel Truck there would be a revenue surplus.

Board Member Kengla asked the Finance Manager what percent of the customers come into the office to pay. The Finance Manager responded to Board Member Kengla that approximately 100 to 200 customers come into the Office to pay their quarterly bill.

The Finance Manager reported that Staff was working on streamlining the automatic payment features and the checks received from the consumers Bank online bill payments to reduce the time spent on processing this type of payment. Staff was continually marketing the ACH Auto payments to the consumers this gives the District the revenue in a quicker timely fashion.

Board Chair Meier asked the Finance Manager could there be an incentive added to the consumer that uses the ACH/Auto payments to receive a reduction because of the savings on the cost to process the payments, perhaps as an example a \$10.00 credit. The Finance Manager responded to Board Chair Meier that he was looking at a possible reduction for those customers that do save the District monies in processing their payment by ACH/Auto payments or paying one year in advance.

The Finance Manager's Reports and discussions concluded.

7. **BUSINESS**

Discussion, consideration and possible action regarding, Quit Claim of Easement for Assessor's Parcel Number 311-32-004A.

The District Manager discussed that the property owners executed a new easement, which does encumber the correct main sewer line alignment. Staff was recommending that the incorrect recorded easement was Quit Claimed to the property owners.

Board Vice-Chair Butler asked the District Manager what happens to the main sewer line under the building. The District Manager responded to Board Vice-Chair Butler that the main sewer line where it sits is only approximately four feet away from the building it is very tight and edges the corner of the building.

Board Chair Meier asked the District Manager was this the property that was going to have two buildings on it. The District Manager responded to Board Chair Meier that the property owner wanted to install one more structure on it but Staff let him know that he could not build or place a structure over the main sewer line easement.

Board Member Kengla moved approving the Quit Claim of Easement of the existing easement for Assessor's Parcel Number 311-32-004A. Board Vice-Chair Butler seconded. Motion passed unanimously.

Discussion, consideration and possible action regarding the replacement/purchase of a heating & air conditioning unit for the District's Administration Building.

The District Manager discussed that the Administration Building has three units that service the building. There was one located in the hall way for the back portion of the building, one in the Board room and one in the Front Office. There are two units that are electrical units and the one in the Front Office was gas. The one in the Front Office was replaced in 2008 for approximately \$12K. For the building the gas costs are approximately \$127.00 to \$150.00 per month, the electrical costs are \$900.00, per month with the summer time costs at approximately \$430.00. The unit in the hallway was installed in 2003. With the new technology the units would be replaced with one unit with zoning technology and would be gas and installed in the storage room down the hall.

Board Chair Meier and the District Manager discussed were the heater was in the ceiling in the Board Room and that the contractor planned to pull the two units and use the existing duct.

Board Member Place asked the District Manager if the \$900.00 was for all the electrical in the Office or just the heating/cooling units. The District Manager responded to Board Member Place that it was the total for the Office.

Board Chair Meier stated that with the new technology and the efficiency of the new unit he would not be surprised if the electrical cost decreased for the Office.

Board Member Kengla stated that he would not be surprised with the upgrade to 96% should give the District a little bit more bang for the buck.

Board Vice-Chair Butler asked the District Manager if it would be propane or natural gas. The District Manager responded to Board Vice-Chair Butler that it would be natural gas.

The District Manager explained that he requested three bids and only received two bids from local companies. The District Manager also explained that he included the "Addendum To Agreement for the Materials Vendors".

Board Member Kengla made a motion approving the expenditure and allowing the District Manager latitude to negotiate final cost and purchase of the Heating/Cooling unit not to exceed \$13,000.00. Board Member Place seconded. Motion passed unanimously.

8. FUTURE AGENDA ITEMS

Board Chair Meier requested that the following Agenda items were scheduled for the Board Meeting of March 14, 2018:

- (1) Preliminary Budget Discussions for FYE 2018/2019.

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

9. ADJOURNMENT

Board Chair Meier adjourned the meeting at approximately 6:20 PM.

Adopted and approved this 14th, Day of March, 2018.

/s/ Diana W. Butler
Diana W. Butler, Board Vice-Chair