

PINETOP-LAKESIDE SANITARY DISTRICT

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**REGULAR SESSION
MINUTES
November 14, 2018**

1. CALL TO ORDER

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

2. OPENING CEREMONY

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

3. ROLL CALL OF BOARD MEMBERS

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

Excused: Neal Whittle, Board Vice-Chair.

4. CONSENT AGENDA

Board Member Kengla declared a conflict of interest regarding check #14949; the check included a payment for Board Member's Kengla's company.

The District Manager explained to Legal Counsel Whittington that the District Staff purchased an item from Mr. Kengla's business and that was why he was declaring a conflict of interest.

Legal Counsel Whittington advised Board Member Kengla and the District Manager that a conflict of interest should be declared for the record and that Board Member Kengla should exit the room.

Board Member Kengla exited the room at approximately 6:02 PM.

Board Member Meier made a motion approving the Consent Agenda, which included the Minutes of October 10, 2018, Regular Session, Presentation, Approval and Payment of Bills, Invoices, Warrants, Capital Purchases and Navajo County Warrants

Nos. 541900106 and 541900107; as presented by Staff. Board Secretary Place, seconded.

The vote was as follows: Board Chair Butler, yes; Board Secretary Place, yes; and Board Member Meier, yes. Motion passed unanimously.

Board Member Kengla re-entered the room at approximately 6:05 PM.

5. CALL TO THE PUBLIC

Board Chair Butler did not read the Call to the Public statement as there wasn't any Public present.

6. REPORTS AND CORRESPONDENCE

Board Chair's Report.

Board Chair Butler did not have a report.

Board Secretary's Report.

Board Secretary Place did not have a report.

Manager's Report.

Update – Collection System Department activities.

The District Manager reported that the Collection System Crew cleaned approximately 12,000 linear feet of sewer lines, they televised approximately 5,000 linear feet of sewer lines, inspected 15 manholes and raised 1 manhole.

The District Manager reported that the CCTV equipment broke down and that the parts were received this week to repair the equipment and it was back up and running. Staff has started to look at cameras, because of the age of the equipment and parts for repair were becoming obsolete. Staff was currently looking at CCTV equipment and obtaining prices.

The District Manager reported that he was looking at the Houston/Galveston Cooperative program to obtain bid pricing and he planned to bring this to the Board at a future Board Meeting once all the information was collected.

The District Manager reported that the Collections System Crew plans to repair a broken interceptor, which was approximately thirty feet. Board Chair Butler asked the District Manager where it was located. The District Manager responded to Board Chair Butler that it was located on Woodland Road in Lakeside.

The District Manager reported that pumps were ordered for the Quality Hills and Mountain View Lift Stations; the lift stations were currently running on one pump.

The District Manager reported that Steve Peterson was hired to replace an employee and he starts his employment with the District the week of November 26th.

Update – Plant Department activities.

The District Manager reported that the average flows for the month of October 2018 averaged <.9 MGD, Organic removal was at 98% the nitrogen level was < 1.0 mg/L and that the nitrogen level was < the detection limit. The inspection on the Clarifiers was scheduled for Thursday, November 15th.

The District Manager reported that the Composting Facility received 38 tons of paper/cardboard from Waste Management. Compost produced was 64 yards with 14 yards sold. The screen equipment that was back ordered was delivered this week and was in use.

The District Manager reported that the nitrogen level table in the Board's packet was to show the trend over the past 5 years. There are three wells at the Marsh and well #1 was always dry. What wells #2 and #3 indicate to Staff was that the water being discharged from the Plant to the Marsh was improving over the years as indicated by the samples at wells #2 and #3. Well #2 was 3.5 and then was 3.8, Staff starting denitrifying in the latter part of 2016 and the following year it was cut in ½ and today was at .9. When numbers fluctuate that could be an indication that something could be happening, protecting the ground water was the District's goal.

Board Secretary Place asked the District Manager the location of well #3 in relation to well #2. The District Manager responded to Board Secretary Place that well #3 was the furthest north of the Marsh and well #2 was in the center on the west side of the Marsh.

Board Member Meier asked the District Manager what was the depth of the wells. The District Manager responded to Board Member Meier that they were approximately 200 to 250 feet and the water level was 90 to 100 feet.

Board Member Meier asked the District Manager over the past 18 months the camera issues have been discussed and that repair of the tails was discussed with the crew at the District's Open House. Should we put a little more emphasis regarding pursuing the purchase of CCTV equipment? The District Manager responded to Board Member Meier that yes it was time to pursue CCTV equipment. The current unit was over 10 years old and when the parts stock runs out, Staff would be unable to repair the camera and that spurred Staff to consider the search to start looking at CCTV equipment. Staff does not need the Cadillac of equipment they would only pursue the equipment to fit the District's needs.

The District Manager stated that he hopes to bring this to the Board Meeting in December for discussion.

The District Manager discussed that ACE Pipe Cleaning one of the largest companies for cleaning pipe was very familiar with the top 3 brands and they indicated that depending on the type of Collection System the District has there was the track type and the steerable type of CCTV Equipment. From the District Manager's discussion of the Collection System they recommended that the District look at the track type.

Board Member Meier asked the District Manager if there has been any feedback on the increase to the compost pricing. The District Manager responded to Board Member Meier he hasn't had any feedback on the price increase. The Executive Assistant also responded to Board Member Meier that sales did pick up this week prior to the pricing increase. There was only one customer that asked why the increase and it was explained to him that due to costs of producing the compost this would help defray some of the costs. His response was that everything was going up. There was not any other input from any of the large haulers and that they were all notified by Staff of the price increase.

The Manager's Reports and discussions concluded.

Accounting Report

The Finance Manager reported that there was one new connection for the month of October 2018, bringing the total to 8,208. The revenues and expenses were on track for budget year 2019.

The Finance Manager reported that Staff was working with a new company to develop a new website for the District and that the proto type should be ready to review the first week of December. The website company was yomama.

Board Member Kengla stated to Staff that when he tried calling in on Monday, November 12th his phone call was forwarded to an ex-employees personal phone.

The Finance Manager responded to Board Member Kengla that there were some issues with the phone system on Monday and that Staff would be contacting the phone company to correct the issues.

The Finance Manager's Report and discussion concluded.

7. BUSINESS

Discussion, consideration and possible action regarding the District's annual Audit/Financial Statements for Fiscal Year End July 1, 2017 through June 30, 2018.

The Finance Manager stated that the final Audit was conducted and completed by Fester/Chapman C.P.A. and asked if the Board Members had any questions after reviewing the Audit/Financial Statements for fiscal year end 17/18.

The Board did not have any questions for the Finance Manager as there were no major issues regarding the Audit/Financial Statements.

Board Member Kengla made a motion approving the District's annual Audit/Financial Statements for Fiscal year End July 1, 2017 through June 30, 2018. Board Secretary Place seconded.

The vote was as follows: Board Chair Butler, yes; Board Secretary Place, yes; Board Member Kengla, yes and Board Member Meier, yes. Motion passed unanimously.

Discussion, consideration and possible action regarding scheduling a date and time for the District Manager's annual performance appraisal.

The District Manager explained that the Board has conducted his annual appraisal at the regular monthly December Board Meeting as directed in the past.

Board Chair Butler asked the Board Members if they would be present at the December 12th Board Meeting to conduct the District Manager's annual appraisal.

The Board Members present indicated they would be attending the December 12th Board Meeting.

The Board Chair directed Staff to schedule the District Manager's annual appraisal on the December 12, 2018; Board Meeting Agenda.

8. FUTURE AGENDA ITEMS

Board Chair Butler requested that the following Agenda item was scheduled for the Board Meeting of December 12, 2018:

- (1) The District's Clarifiers inspection and report.
- (2) CCTV Equipment.
- (3) District Manager's annual appraisal.

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

9. ADJOURNMENT

Board Chair Butler adjourned the meeting at approximately 6:23 PM.

Adopted and approved this 12th, Day of December, 2018.

/s/ Diana W. Butler

Diana W. Butler, Board Chair