

**PINETOP-LAKESIDE SANITARY DISTRICT**

**2600 W. ALISA LN. \* LAKESIDE, AZ 85929 \* PHONE (928) 368-5370 \* FAX (928) 368-6039**

---

**REGULAR SESSION  
MINUTES  
February 13, 2019**

1. CALL TO ORDER

Board Chair Butler called the Board meeting to order at approximately 6:03 PM.

2. OPENING CEREMONY

Board Secretary Place 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 J. 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 Meier commented on check number 15109, regarding the amount of the check.

***Board Secretary Place made a motion approving the Consent Agenda, which included the Minutes of January 09, 2019, Regular Session and the Presentation, Approval and Payment of Bills, Invoices, Warrants and Capital Purchases; as presented by Staff. Board Member Kengla, 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.***

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 Staff cleaned approximately 5,000 linear feet of sewer lines, televised 4,538 linear feet of sewer lines and inspected 10 manholes. The sewer line that was cleaned was in the Rainbow Lake area and there were roots, debris and rocks.

Board Member Meier asked the District Manager if the debris was coming in through surface water or how was it entering the sewer line. The District Manager responded to Board Member Meier that the debris could have entered if there was a repair on the line it was hard to say if it was from the surface. The crew was successful in cleaning and clearing the sewer line.

The District Manager reported that the crew repaired a water line by the District and repaired a lateral that was full of roots.

Update – Plant Department activities.

The District Manager reported that the average flows for the month of January 2019 averaged 1.06 MGD; Organic removal was staying steady at 98% and the nitrogen level decreased to 1.2 mg/L.

The District Manager reported that the paper/cardboard received for January 2019 was 30.5 tons, compost produced was 87 tons and compost sold was -0-.

Board Chair Butler asked the District Manager who was hauling out the compost in the past week. The District Manager responded to Board Chair Butler that it was Show Low Schools; they use it to refurbish their athletic fields.

Board Member Meier asked the District Manager the status of the filamentous. The District Manager responded to Board Member Meier that they are still around. They then discussed the settleability, wasting, the bottle necking and that Staff was making a little headway. The District Manager then stated hopefully just a few more weeks to clear up the filamentous.

The District Manager reported that next month he would have the figures for the average flows based on the most recent weather events.

Board Secretary Place asked the District Manager if there was enough room to waste or was it getting steadily worse over the years. The District Manager responded to Board Secretary Place that it wasn't getting any worse over the years it just hasn't gotten any better. The Treatment Plant with the volume that Staff wastes of sludge in dry tons hasn't increased or decreased significantly over the past years, it hangs around 300 dry tons per year. Normal times of the year it's not critical, the District only has a 40K gallon storage tank to waste to and at this time of year it sometimes becomes critical.

Board Secretary Place asked the District Manager if there should be consideration to purchase a belt filter press. The District Manager responded to Board Secretary Place that the District does have a belt press that was installed in 2006; if the press fails then that could be a critical situation.

Board Secretary Place asked the District Manager was that a concern, should a second belt press be considered or a larger one. The District Manager responded to Board Secretary Place that a question to answer would be it needs its own building and perhaps sometime in the future that could be a consideration. Installing it in the compost building was not a consideration because of the wet environment.

Board Secretary Place asked the District Manager if the District had drying beds. The District Manager responded to Board Secretary Place that the District does have drying beds they are filled in one day with 40,000 gallons.

Board Secretary Place asked the District Manager if there was a place to store the sludge off of the belt filter press. The District Manager responded to Board Secretary Place that there was a place to store the sludge.

Board Chair Butler stated that maybe this discussion could be placed on a future agenda.

Board Member Kengla asked the District Manager if the District still had the dehydrator. The District Manager responded to Board Member Kengla that at one time the District did have a dehydrator, but it was no longer around.

***The Manager's Reports and discussions concluded.***

#### Accounting Report

The Finance Manager reported that there was an increase of one sewer connection increasing the total to 8,225. Staff was trying new methods of payments and Staff was also working on revisions and updates to the District's website.

***The Finance Manager's Reports concluded.***

7. BUSINESS

Discussion, consideration and possible action regarding a Joint Meeting with the Town of Pinetop-Lakeside and Navopache Electric Cooperative, Inc...

The District Manager stated that he was approached by the Town of Pinetop-Lakeside to schedule a Joint Meeting at their new Town Offices. The dates suggested were March 5<sup>th</sup>, 6<sup>th</sup>, 7<sup>th</sup> and 19<sup>th</sup>. The District Manager also stated that he may be out of the Town for the dates of March 5<sup>th</sup>, 6<sup>th</sup> and 7<sup>th</sup> and if one of those dates was chosen it wasn't necessary for him to be in attendance.

The Board discussed with the District Manager that they would want him present at the Joint Meeting.

***By Consensus the Board directed the District Manager to contact the Town with the date of Tuesday, March 19, 2019 for the Joint Meeting.***

Discussion, consideration and possible action regarding the District Manager to attend the RWAA 28<sup>th</sup> Annual Technical Conference, March 5<sup>th</sup>, 6<sup>th</sup> and 7<sup>th</sup>, 2019 in Laughlin, Nevada.

The District Manager explained that he was interested in attending the RWAA Conference in Laughlin, Nevada and that because it was an out of State Conference it does require Board approval. The District Manager also explained that he would be earning Professional Development Hours for his attendance at the Conference.

***Board Member Meier made a motion approving the District Manager's Travel to the RWAA 28<sup>th</sup> Annual Technical Conference in Laughlin, Nevada. 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 a slide show presentation of Facility Maintenance.

Board Secretary Place and the District Manager presented a slide show presentation of an example of Plant Facilities from three different Plants. Roseburg, Oregon would have the most slides; the current slide was referencing the maintenance of the Pump Room. The Plant in Sweet Home, Oregon was a very old Plant and Board Secretary Place asked the employees in Sweet Home to send him some pictures and the current picture was of one of the pump rooms.

Board Secretary Place discussed the slides highlighting the painting of the walls.

Board Secretary Place asked the District Manager if the pictures of the District's Pump Gallery Stains were mold. Because of the mold was why the Town of Pinetop Lakeside had to relocate to a new building. The District Manager responded to Board Secretary Place that the stains were water stains from the roof leaking and they were mineral deposits.

Board Secretary Place pointed out the piping and the labeling on the piping and emphasized that the Plants were old and well maintained. The Roseburg Plant was rebuilt on top of an old Plant in 1985 and he pointed out the maintenance of the pump room. The next slide was of the Plant located in New River, Oregon, which also was a very old Plant. He pointed out the piping out in the yard for the odor control and their problem was the geese and Staff worked very hard to keep it clean. The Plant when his firm worked with them they did some tune ups and upgraded the Plant and they haven't had to do anything else to it. He pointed out the lighting and the difference that it makes in the pump room.

The District Manager pointed out that the pump rooms are labeled indicating the noise level.

Board Secretary Place stated that Municipalities are not really liable to OSHA, unless there is a complaint to OSHA, and then you have 30 days to correct the issue. Private companies could be visited by OSHA at anytime. Board Secretary Place also stated that he made it a practice to contact OSHA and have them visit the Plant and give them any suggestions of areas that need to be looked at or corrected.

The District Manager stated that he contacted OSHA ten years ago when he received a complaint from an ex-employee and that they visited and made some suggestions to the Management and any issues they found were corrected.

Board Secretary Place stated that it was important to be proactive.

Board Secretary Place stated that the newer Plants were painted and cleaned with good lighting and when you have visitors they want to go through the room and not shy away from it because of the condition of the area. When we look at spending money there are some areas that could be looked at with spending fewer monies.

Board Member Meier stated that he did see the value in the lighting and painted walls improving and cleaning up the area.

***There was no action; this Agenda Item was for discussion and presentation only.***

Discussion, consideration and possible action regarding the proposed Treatment Plant Clarifiers Re-build Project, a proposal from EVOQUA.

The District Manager stated that EVOQUA came back with the \$554K if they did the labor for a turnkey project. The District Manager also stated that he discussed

replacement of the bridge and their discussion was the District hiring a contractor to save money. If the District did hire a contractor then there could be a savings in the dollar amount. The District Manager stated that he never received a price from the contractor and that it could be a difference of \$118K.

Board Member Meier stated that his concern would be running into the same issues that the District has experienced with the WWTP SCADA and who was going to warranty the contractor's work, who would the District get to do the project.

Board Member Meier stated that he would want the vendor to hire the contractor.

Board Member Kengla stated that this was a specific item and the District would want skilled labor to conduct the work, because they do it all the time.

Board Chair Butler asked the District Manager how much of a labor force there was to do the work. The District Manager responded to Board Chair Butler that there could be contractors out of Phoenix or Tucson and he suggested that the District wait and see.

Board Chair Butler suggested that the Board wait and receive more information regarding a contractor to do the project.

Board Member Kengla stated that it wasn't eminent that it has to be done right now, the District has time to make sure we cover all bases with the vendor and contractor.

The District Manager stated that he was hoping to hear from the contractor regarding an estimated price but he did not hear anything as of yet.

Board Member Meier and the District Manager had a discussion on the items that were listed on the proposal and seemed to be very major and that could be more than a couple of hundred dollars. The District Manager stated that piping valves was already there.

Board Member Meier stated that the vendor appears to have excluded some items that didn't appear to be minor.

The District Manager stated that the floor grates, ladder and hand rails, his question was are we going to get a bridge without any floor grates, ladders and hand rails. The vendor responded to the District Manager that no it was standard boilerplate stuff and the one concern would be the electric line back in the center of the Clarifier.

Board Member Meier asked the District Manager then there was other areas where they have to address and have to do. The District Manager responded to Board Member Meier that they indicate minimum field welding was required so it appears that pieces are coming and have to be welded and bolted.

The District Manager stated that he was concerned about a technician for \$1200.00 a day, and then the proposal indicates approximately 4 days, two trips, and four days for each technician.

***The Board Chair directed the District Manager to bring this back to a future Board Meeting with the additional information regarding the contractor for the Clarifiers re-build project.***

Discussion, consideration and possible action regarding the purchase of replacement CCTV Equipment.

The District Manager stated that he spent quite a bit of time with the Houston Galveston Area Cooperative Program (HGACP) regarding the pricing of the purchase of the CCTV Equipment and vehicle.

The District Manager passed out an updated quote proposal regarding the total pricing for the equipment, which included a Nissan Cargo Van. He explained the code on the proposal that matches up to the Van.

The District Manager explained that Staff looked at several brands of camera equipment and the equipment attachments that come with it and the costs for the additional equipment needed. You could go anywhere from \$140K to \$192K depending on the adders. The power lift tracker lifts the camera above the water to see the sewer line and that was an option for \$3200.00, which was half the price of the other company's equipment. Then there was the software program, POSM Software and the upgraded controller, the other option was the Protrak crawler or wheel and both have pros and cons and the pricing for the Protrak was very reasonable because the trak for the other company upgrade was \$24K versus the \$8,000.00, for the Protrak. The price for the package for the CCTV Equipment was \$96K and \$135K with tax and \$175K with a vehicle and the other vendor was \$215K, with the vehicle.

Board Member Kengla asked the District Manager in a comparison of the equipment, was the cargo van out that was listed. The District Manager responded to Board Member Kengla that the cargo van was purchased separate.

Board Member Kengla and the District Manager discussed the Nissan Cargo Van and the District Manager showed Board Member Kengla a photo of the van.

Board Member Meier asked the District Manager could the new CCTV equipment be retrofitted into the District's current van. The District Manager responded to Board Member Meier that the District's current van was approximately 20 years old. Board Member Meier stated that the van was older, but that it must have minimal miles.

The Finance Manager stated that the van was purchased in 1998 and was used at that time.

Board Member Meier asked the District Manager would you estimate putting 1,000 miles a year on the van. The District Manager responded to Board Member Meier that Staff would put more than 1,000 miles a year on the vehicle. Board Member Meier asked the District Manager would you estimate then 2,500 miles a year. Board Member Meier also asked the District Manager would there be a reason that we could not look at the secondary market for a panel van that maybe has around 50K miles on it for the CCTV equipment. The District Manager responded to Board Member Meier that Staff could look at the secondary market.

The District Manager stated that the vendor doesn't care and whatever vehicle the District wants to put the CCTV equipment would be okay with them.

Board Secretary Place stated that in previous discussions it does make sense to replace the vehicle.

Board Member Meier stated that with the limited amount of drive time the vehicle will have. He couldn't see why the replacement vehicle could not be a used vehicle.

The District Manager stated that the CCTV Equipment is patterned and built in the interior in the vehicles and the vendor recommends; a sprinter van, Ford Cargo Van, the Nissan Van, step vans and square cargo vans.

Board Member Meier asked the District Manager is there a resale market with the Nissan that could be retrofitted. The District Manager responded to Board Member Meier that he could check the secondary market.

Board Member Meier stated that it would be worth looking into because of the low mileage that the District would be putting on the vehicle.

Board Secretary Place asked the District Manager what about a used U-Haul Van. The District Manager responded to Board Secretary Place that there are different prices for the equipment so the pricing would change when you choose a different vehicle or trailer. The price that was received was with the Nissan Van and that a generator would not be required, they install meps, which take the place of the generator installed on the motor. Staff looked at several different sizes and the box would be too big and the transit van would be bigger than the van the District has and the Nissan was the same size as the van the District has.

Board Member Meier stated that he didn't have a problem with the Nissan Van, but he feels it would be worthwhile looking for a used vehicle to possibly save dollars.

The District Manager stated that he did look at the secondary market and that the vans were owned by plumbing companies and had been harshly used with a lot of miles.

Board Member Meier stated that it was just a thought to consider the secondary market because of the District's usage of the CCTV vehicle.



Board Member Meier asked the District Manager what are the miles on the District's van. The District Manager responded to Board Member Meier that he couldn't tell him the miles that were put on this year was maybe 4K, because of the sewer lines maintenance program.

The Finance Manager also responded to Board Member Meier that prior to that the District didn't have an active maintenance program and there could have only been 15K miles on the vehicle.

Board Member Meier stated that he was okay with the decision from Management regarding a new or used vehicle he just wanted to cover all avenues.

The District Manager stated that he looked at used vehicles and CCTV equipment to see if he could find equipment that was only a couple of years old. What he has been finding was equipment older than the District's equipment.

Board Secretary Place asked the District Manager if it doesn't have a generator is the motor running full time. The District Manager responded to Board Secretary Place that it would be running. This is what is used in ambulances; they prefer not to use generators in the vehicles anymore.

Board Member Meier asked the District Manager how many days a week was the District's CCTV vehicle used. The District Manager responded to Board Member Meier that it was used approximately 2 days a week.

Board Secretary Place stated that the hours on the engine should be considered also.

Board Member Kengla asked how big of a generator was needed. The District Manager responded that the generator needs to be 6300 kilowatts and with the technology it is quieter on the motor.

The District Manager stated that he could look for a used vehicle, the vehicle must be able to drive down the easements, and the box vehicles could be difficult to driving down the easements.

Board Secretary Place stated the reason he mentioned U-Haul was because they turn their inventory over and they are maintained routinely.

The District Manager stated that he was looking for the size of the Nissan Van.

Board Secretary Place stated his thought was the 1 ton vehicles that U-Haul has.

Board Member Meier asked the District Manager if the mounted air conditioner was necessary or was it part of the package and if the equipment generated a lot of heat. The

District Manager responded to Board Member Meier that it does get warm and that the current van has an air conditioner but it currently doesn't work.

Board Member Meier stated that he wasn't sure how to move forward with the van, but he was willing to move forward with the CCTV equipment.

The District Manager stated that changing the vehicle changes the pricing of the CCTV Equipment.

***Board Member Meier started to make a motion to include the CCTV Equipment Vehicle.***

Board Chair Butler asked the District Manager that these were two agenda items and they shouldn't be combined into the motion. The District Manager responded to Board Chair Butler that the CCTV Equipment and the CCTV Vehicle were from two different companies and the price varies depending on the vehicle.

***Board Member Meier made a motion to move forward and authorize the District Manager with the purchase of the CCTV Equipment. Board Secretary Place seconded.***

Board Member Kengla asked the District Manager if he didn't just allude that the pricing varies based on the vehicle that was purchased to house the CCTV Equipment and that perhaps with the motion we are putting the cart before the horse. The District Manager responded that was correct.

Board Secretary Place asked the District Manager if the CCTV equipment was designed for the Nissan and if a different vehicle was chosen then there could be a change in the pricing. The District Manager responded to Board Secretary Place yes it does depend on the vehicle because it has to be installed and retrofitted to the vehicle.

Board Member Meier asked a question based on the discussion with the due diligence that has been done by the District Manager that he felt very strong with the Nissan that this was the appropriate vehicle for the District and the equipment.

The District Manager responded to Board Member Meier that it was the size of the vehicle that would work for the District.

Board Member Meier stated that he would like to move forward based on the District Manager's recommendation and he would like to see if the District Manager could find a vehicle in the secondary market and save the District some money. If there weren't any reasonable options then we go with the new vehicle.

The District Manager stated that he could check into using the District's current van.

Board Member Meier asked the District Manager what was the downside of using the District's current CCTV Equipment Vehicle. The District Manager responded to Board

Member Meier that he doesn't know of any downsides. The Finance Manager also responded to Board Member Meier without having the current mileage it was hard to evaluate any downsides.

Board Chair Butler stated that the year of the vehicle sometimes makes it difficult to repair due to the age and finding parts.

Board Member Meier confirmed that the van was 20 years old.

Board Secretary Place stated that a general rule was to replace a vehicle every 12 years.

Board Member Meier stated that it does make sense to look at a vehicle that was newer.

The District Manager explained his process of finding a vehicle in the new and used market and the comparisons and pricing that was done.

Board Secretary Place stated to the District Manager that the extra work in replacing equipment was worth the extra time and comparison to make sure the District monies were spent wisely.

Board Member Kengla stated that he would like to know what the current mileage was on the District's CCTV Vehicle and if the CCTV Equipment could be retrofitted to the Vehicle and the cost.

Board Member Meier stated that on the next Board Agenda could Staff have the following information: The current condition of the District's CCTV Vehicle, mileage and research regarding used Nissan's.

The District Manager stated that he did a national search for the Nissan and that there were limited vehicles available.

Board Secretary Place asked the District Manager could the Staff install the new CCTV Equipment into the District's current vehicle. The District Manager responded that the Staff could not install the equipment and that was the price of approximately \$90K to have the vendor install the CCTV equipment into the vehicle.

The District Manager stated that Staff would have to drive the van to Petaluma, California and have the vendor install the CCTV Equipment in the vehicle.

The Finance Manager stated that we would have to make sure that the equipment would fit.

Board Member Meier asked the District Manager what was the delivery time if the Board waits till next month to consider the vehicle. The District Manager responded to Board Member Meier that it was approximately 3 months.

The District Manager asked the vendor if there could be one in the parking lot to pick up, but it doesn't work that way.

Board Member Meier stated that if the equipment was purchased new do we want to have it installed in an aged vehicle. The District Manager has done his due diligence in obtaining the information and proposals for the equipment and if we have done a search for a used vehicle and there wasn't a viable option. Then he suggested that the Board move forward with the purchase of a CCTV Vehicle.

The District Manager stated that there was one in Florida.

Board Member Meier asked the District Manager what was the cost of the van. The District Manager responded to Board Member Meier that it was a State Contract Price of \$37K. Board Member Meier asked the District Manager what was the price of the used Nissan van in Florida. The District Manager responded to Board Member Meier that it was approximately \$22K. The Nissans are not as plentiful as the Ford Transit Vans and they have a lot of miles on them and Federal Express was purchasing them and there are Sprinter Vans. Board Member Meier asked the District Manager if there was one in Florida for \$22K; could it be shipped saving the District the cost to send an employee to pick it up. The District Manager responded to Board Member Meier that Staff could check into having the vehicle shipped if it would work for the District.

Board Member Meier stated then once the Board receives additional information on the CCTV Vehicle, then the Board could move forward with the CCTV Equipment.

Board Member Kengla stated that with the three month lag that was minimal.

The District Manager stated that the camera was working today and was repaired yesterday.

***Board Member Meier withdrew his motion.***

***Board Secretary Place withdrew his second.***

***The Board directed the District Manager to provide additional information regarding the CCTV Equipment and bring it back to a future Board Meeting.***

Discussion, consideration and possible action regarding the purchase of a replacement vehicle for the CCTV Equipment.

The Board and Staff's discussion was combined on Agenda Item 7. E...

***The Board directed the District Manager to provide additional information regarding the replacement vehicle for the CCTV Equipment and bring it back to a future Board Meeting.***

8. FUTURE AGENDA ITEMS

Board Chair Butler requested that the following Agenda items were scheduled for the Board Meeting of March 13, 2019:

- (1) Information from EVOQUA – Clarifier’s Re-build Project.
- (2) CCTV Replacement Equipment.
- (3) CCTV Vehicle Replacement.
- (4) LCR Coalition April Annual Meeting.
- (5) District’s Budget Planning FYE 2019/2020.
- (6) Auditors for the District’s Annual Audit.

***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 7:15 PM.

Adopted and approved this 13<sup>th</sup>, Day of March, 2019.

/s/ Neal Whittle

Neal Whittle, Board Chair