

PINETOP-LAKESIDE SANITARY DISTRICT

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REGULAR SESSION  
MINUTES  
April 10, 2019

1. CALL TO ORDER

Board Chairman Whittle called the Board meeting to order at approximately 6:03 PM.

2. OPENING CEREMONY

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

3. ROLL CALL OF BOARD MEMBERS

Present were: Neal Whittle, Board Chairman, Patrick B. Place, Board Vice-Chairman; Christopher C. Kengla, Board Secretary, Paul W. Meier, Board Member and Diana W. Butler, Board Member. Staff Members present were: David J. Smith, District Manager, Mark Heberer, Finance Manager and Alexandria Shea, Engineering Tech II. William R. Whittington, Legal Counsel for the Governing Board was also present.

4. CONSENT AGENDA

*Board Member Meier made a motion approving the Consent Agenda, which included the Minutes of March 13, 2019, Regular Session, March 19, 2019, Special Session and the Presentation, Approval and Payment of Bills, Invoices, Warrants and Capital Purchases; as presented by Staff. Board Secretary Kengla seconded.*

*The vote was as follows: Board Chairman Whittle, yes; Board Vice-Chairman Place, yes; Board Secretary Kengla, yes; Board Member Meier, yes and Board Member Butler, yes. Motion passed unanimously.*

5. CALL TO THE PUBLIC

*Board Chairman Whittle 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 Chairman Whittle did not have a report.

Board Secretary's Report.

Board Secretary Kengla did not have a report.

Manager's Report.

Update – Collection System Departments activities.

The District Manager reported that the Collection System crew cleaned 9016 linear feet, televised 6960 linear feet and inspected 30 manholes. The crew was still actively looking for I/I.

Update – Plant Department activities & Treatment Plant Clarifier Re-build Project.

The District Manager reported that the average daily flows for the month of March 2019 were 1.87 MGD, organic removal was at 98%, and the total nitrogen results were slightly increased at 5.4 mg/L, which was still a good number. The Plant did experience 3.0 MGD during a one day weather event.

The District Manager reported that the Composting Facility received 33 tons of paper/cardboard, compost produced was -0- tons (not moved out of the building) and compost sold was 129 yards.

The District Manager reported that he would cover the Clarifier Re-build Project under Agenda Item 7. G.

Board Secretary Kengla asked the District Manager it appears that the nitrogen level has doubled and what would be the cause. The District Manager responded to Board Secretary Kengla that it was a combination of not having the right type of microorganisms in the system. Board Secretary Kengla asked the District Manager then would that be the result of the ditch. The District Manager responded to Board Secretary Kengla that it would be attributed to the ditch.

The District Manager reported that when you try to bring your solids down you could waste too much and get rid of the good microorganisms then you try air patterns to change the ammonia to an NO<sub>2</sub> - NO<sub>3</sub>. You try to starve them of oxygen and it appears that there were not enough microorganisms and the air pattern was not turned off long enough. The clean water standard is 10 and the District was running between 20 and 30, prior to the upgrade.

Board Member Meier asked the District Manager what was the effect to the Plant processing 3.0 MGD. The District Manager responded to Board Member Meier that it was stressful. Board Member Meier then asked the District Manager could the District store 3.0 MGD. The District Manager responded to Board Member Meier that with the increased flows it does limit the time that the solids settle out in the Clarifier and then you have the pumps running additional hours; the solids then overflow to the pond and then the pond pumps back to the ditch. Staff just can't get it fast enough to the Marsh.

The District Manager reported that Staff will discuss adding a larger pump in the future.

Board Secretary Kengla asked the District Manager if there was too much inflow could the water go straight to the ponds, without any environmental violation. The District Manager responded to Board Secretary Kengla that the District could send it to the pond under the District's permit. Staff tests for fecal coli form and then inject with chlorine and it would not give it enough time for the chlorine to react. Technically the District doesn't have a time limit on the suspended solids, the clarity of the water may not be a concern, and it just affects the chlorine if there are additional solids.

Board Secretary Kengla asked the District Manager if you have extra inflow then it would be diluting it. The District Manager responded to Board Secretary Kengla that you have the BOD and that is how Staff measures the food for the microorganisms. Normally Staff tries to maintain 220 mg/L or 250 mg/L that was how much food was in a liter of water and during the rain event Staff measured 60 mg/L so it was diluted.

Board Secretary Kengla stated that he recalled in past years during a weather event that the lids were blowing off the manholes.

Board Member Butler stated that she thought that was in 1992.

Board Vice-Chairman Place asked the District Manager how much the electric cost increased to pump all the extra water. The District Manager responded to Board Vice-Chairman Place that he doesn't have a figure but Staff keeps track of the hours so that an increase could be calculated.

***The District Manager's Reports and Discussions concluded.***

#### Account Report

The Finance Manager reported the residential sewer user fees would be approximately \$35k over budget and commercial sewer user fees were approximately \$7k over budget.

The Finance Manager reported that the fourth quarter sewer user fee billing went smoothly and was out in the mail the first part of the month.

***The Finance Manager Reports concluded.***

7. BUSINESS

Discussion, consideration and possible action relating to Resolution No. 2019-02, a Resolution Authorizing, Adopting and Amending The Boundaries of the Pinetop-Lakeside Sanitary District; for the inclusion of certain real property Assessor's Parcel Number 212-07-042R, property owner – Tiger Financial Investors LLC, property location 5756 Wagon Wheel Lane, Lakeside, Arizona.

Board Chairman Whittle read the Resolution.

The District Manager stated that the Resolution was an Annexation request; the property owner was moving their business from Highway 260 to the referenced parcel. A portion of the parcel was not within the District boundaries and for them to build their building they needed to include that portion into the District boundaries to connect to sewer and to accommodate the layout of their new building.

***Board Member Meier made a motion approving Resolution No. 2019-02, a Resolution Amending the District's Boundaries for the inclusion of Assessor's Parcel Number 212-07-042R. Board Secretary Kengla seconded.***

***The vote was as follows: Board Chairman Whittle, yes; Board Vice-Chairman Place, yes; Board Secretary Kengla, yes; Board Member Meier, yes and Board Member Butler yes. Motion passed unanimously.***

***Legal Counsel Whittington advised Board Chairman Whittle that the amended Resolution No. 2019-02; with the updated wording was the one that should be signed by the Board.***

Discussion, consideration and possible action regarding Resolution No. 2019-05, a Resolution Authorizing a request for the Town of Pinetop-Lakeside to consider and approve by Ordinance or Resolution inclusion of certain real property in the Boundaries of the Pinetop-Lakeside Sanitary District; Assessor's Parcel Number 212-39-013P, property owner – Reed Johnson located at 1199 S. Woodland Road, Lakeside, AZ.

Board Chairman Whittle read the Resolution.

The District Manager stated that the property owner would like to annex into the District boundaries and install sewer to his home that he was planning to build. He was unable to

request the annexation into the District without the Town of Pinetop-Lakeside's approval. This Resolution is the formal request for the Town's approval of the annexation.

Board Member Meier asked the District Manager if the parcel was vacant land. Board Member Butler responded to Board Member Meier that the property was split and it was currently vacant land.

***Board Member Meier made a motion approving Resolution No. 2019-05, authorizing a request for the Town of Pinetop-Lakeside to consider by Ordinance or Resolution the inclusion of Assessor's Parcel Number 212-39-013P into the Pinetop Lakeside Sanitary District's Boundaries. Board Secretary Kengla seconded.***

***The vote was as follows: Board Chairman Whittle, yes; Board Vice-Chairman Place, yes; Board Secretary Kengla, yes; Board Member Meier, yes and Board Member Butler, yes. Motion passed unanimously.***

***Legal Counsel Whittington asked Board Chairman Whittle if that was an approved copy that had been sent to the Town. Ms. Shea responded to Legal Counsel Whittington that there hasn't been a copy sent. A signed copy would be sent to the Town on Thursday, April 11, 2019.***

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

The District Manager stated that through all his research Staff narrowed the replacement equipment to three units. The representative from Aries Equipment was planning to come to the District on April 16<sup>th</sup> and do a demonstration for the crew. The Aries equipment was currently what the District has, their equipment was reliable, and when there have been issues with the current camera their service department has always come through and provided good customer service. One of the problems was the tails and they now have a swivel joint. They are offering the District their demo truck and the pricing was at approximately \$156,927.00.

Board Member Meier asked the District Manager that in his write up there was a statement about the bells and whistles and asked if they are not needed would we buy them or pass. The District Manager responded to Board Member Meier that there are a few items that we wouldn't purchase, but they are including some of them in the pricing because they are already installed in the demo unit.

Board Member Meier stated one thing that he did see was the vehicle was the Ford Transit Van, which the crew indicated that was the unit they were interested in because of the space.

Board Secretary Kengla stated that the low mileage of 3,600 on the unit was good to see.

The District Manager stated that if the crew doesn't like the unit when it was up here for the demo the backup plan was the RST/Subsit, which was now owned by Toro, the pricing was the second lowest.

Board Member Meier asked the District Manager what the cost of the Aries would be if the District wanted to order it and build it from scratch. The District Manager responded to Board Member Meier that it would be approximately \$167k, so there is an approximate discount of \$4k.

Legal Counsel Whittington asked Board Chairman Whittle if the purchase would be financed or cash. The Finance Manager responded to Legal Counsel Whittington that it would be paid in cash/check, there would be no financing.

Board Vice-Chairman Place asked the District Manager that he stated in his memo that the unit meets 90% of their needs what was the 10%. The District Manager responded to Board Vice-Chairman Place that an electric crane to lower the camera; 1600' of cable would be an upgrade just some minute items that are not needed by the crew.

Board Vice-Chairman Place asked the District Manager that the 10% would not have anything to do with safety items for the crew to do their job. The District Manager responded to Board Vice-Chairman Place that it did not have anything to do with safety items.

The District Manager stated that someone could indicate that I could hurt my back because I have to lower a 40 pound camera down. The District Manager also stated that to him that was a mute point.

Board Vice-Chairman Place asked the District Manager does their job description indicate being able to lift at least 50 pounds. The District Manager responded to Board Vice-Chairman Place that their job descriptions does include wording for the lifting of the 50 pounds.

The District Manager stated as a side note that the software program that was used by the crew was Win Cam and they also have a program for the GPS/GIS and they indicated that they could sent a representative to install it and import it. This normally was a \$16k software program addition and with this program you could map the manholes and update the information when the system was televised. You could bring it up on Google Earth and have it layer and show the system.

Board Member Meier asked the District Manager if the Win Cam GPS/GIS was part of the cost or additional. The District Manager responded to Board Member Meier that it

was an additional cost, but the District currently has Win Cam and he would ask Aries about integrating it, looking at the future this could be something to consider.

Board Member Meier asked the District Manager if the Win Cam the crew has on the District's current vehicle could it be transferred to the new equipment without any issues or additional fees. The District Manager responded to Board Member Meier that we would want to upgrade to the newer version that would be an additional cost.

The District Manager stated that he wanted to discuss this with the representative and get costs if this was something he decided would be advantageous for the District.

Board Member Meier asked the District Manager then when the crew received the demo next week and they like it then they could go out to work.

The District Manager stated that the software uses icons and is user friendly and easy to navigate.

Board Vice-Chairman Place stated that he has viewed the software and it was a time saver and easy to use.

Board Secretary Kengla stated that when you look at the time saver it saves the time an employee has to mill through the maps and go back to the Office to look at the maps. This in turn could save costs and valuable time.

***Board Member Meier made a motion approving the purchase of the Aries CCTV Equipment and Vehicle not to exceed \$170,000.00, if this was the vehicle the District Manager decided was the unit for the District. If the Aries Unit was not the CCTV Equipment and Vehicle for the District then the purchase of the RST/Subsit would be the next unit, with a purchase price not to exceed \$180,000.00. The Board authorizes the District Manager to determine, which unit would be purchased to fit the needs of the District. Board Member Butler seconded.***

***The vote was as follows: Board Chairman Whittle, yes; Board Vice-Chairman Place, yes; Board Secretary Kengla, yes; Board Member Meier, yes and Board Member Butler, yes. Motion passed unanimously.***

There was a discussion if the District's current CCTV Equipment/Vehicle would be sold and receive any value. It was indicated that this would be determined at a later date.

Discussion, review, consideration and possible action regarding the District's Operating and Non-Operating Budget for Fiscal Year End: 2019/2020; Rates and Fees; Revenue – Operational and Capital; Recap of Operations; Expenses – Collections, Treatment and

Administration; Expenses and Revenue; Capital Funding Sources and Capital Project Expenditures.

The Finance Manager stated that this included the same information that was presented at the March Board Meeting. The sewer user fees would not be increased. The Budgets are based on projected expenses for the next fiscal year. There are some rate increases that are written into the District's Policies, they would be the Annexation, Density and Connection Fees. The reason the Connection Fee would increase is because it is tied into the Density Fee, so it increases a little. The increase is based on the Consumer Price Index (CPI) of 3.35%.

Board Secretary Kengla asked the Finance Manager was the CPI a fixed percentage. The Finance Manager responded to Board Secretary Kengla that the CPI comes from the Bureau of Labor Statistics from December 2017 to December 2018. We are always six months behind.

Board Vice-Chairman Place asked the District Manager why there was an increase in wages of \$41,000.00. The Finance Manager responded to Board Vice-Chairman Place that part of that was that there would be an opening in the Front Office. Ms. Lionberger has given notice that she would be retiring, we will be hiring an individual to start training, and there would be an extra person for six months. Medical costs increased and Arizona State Retirement has a slight increase that was all in the wage number.

Board Member Meier asked the Finance Manager what was the bulk 2017, 2018 & 2019 indicating \$125k, \$137k and then to \$184k for payroll taxes and benefits. The Finance Manager responded to Board Member Meier that the insurance benefit increases depending on the type of coverage.

Board Member Meier stated that it appears to be a large increase.

The Finance Manager stated that there were some employees that did not participate in the insurance benefit program so it did not increase as much as thought.

Board Member Meier asked the Finance Manager on the 2018/2019 forecast was the CCTV Vehicle and Equipment in the forecasted total. The Finance Manager responded to Board Member Meier that it was a capital purchase and the funds for this would be collected from the prior year and it would be coming out of the rolling stock depreciation fund. The money was set aside in the capital fund based on needs.

Board Member Meier asked the Finance Manager then the equipment replacement would be the routine replacement costs. The Finance Manager responded to Board Member Meier that one dollar per month comes out of the sewer user fees for replacement equipment the Ad Valorem funds come from all the members in the District. The Ad



Valorem funds are used for the capital improvements such as expansion of the equipment and Plant expansion.

Board Secretary Kengla stated that he did notice a reduction in the Ad Valorem tax rate.

The Finance Manager stated that it had a reduction, as requested by the Board of Directors the Ad Valorem collected was at \$400k, so when the values of property goes up the tax rate decreases. The current rate was at 2.27% in the past it has been as high as 3.91%.

Board Vice-Chairman Place asked the Finance Manager was the projected increase in natural gas anticipated. The Finance Manager responded to Board Vice-Chairman Place that Staff does project an increase in anticipation and that Staff tries not to overestimate.

The Finance Manager stated that these are budgetary guidelines.

Board Vice-Chairman Place stated the reason he asked the question was to inquire if there was a change we are doing something different in the Plant.

The Finance Manager stated that he checks with the local gas company to try and find out if there would be an increase and sometimes they are unaware of any increases until they hit.

***This was for discussion only with no action taken.***

Discussion, consideration and possible action regarding Resolution No. 2019-03, a Resolution Setting a Time and Place for the Hearing on Fees Charged by the Sanitary District.

The Finance Manager explained this item would be for publishing for the public hearing for the increase to the Rates and Fees at the June 12, 2019, Board Meeting.

***Board Secretary Kengla made a motion approving Resolution No. 2019-03, a Resolution Setting a Time and Place for the Hearing on Fees Charged by the Sanitary District. Board Vice-Chairman Place seconded.***

***The vote was as follows: Board Chairman Whittle, yes; Board Vice-Chairman Place, yes; Board Secretary Kengla, yes; Board Member Meier, yes and Board Member Butler, yes. Motion passed unanimously.***

Discussion, consideration and possible action regarding Resolution No. 2019-04, a Resolution tentatively adopting a Budget for Publication and Setting Time and Place for the Hearing on the Proposed Budget for Fiscal Year End 2019/2020.

***Board Member Meier made a motion approving Resolution No. 2019-04, a Resolution tentatively adopting a Budget for Publication and Setting Time and Place for the Hearing on the Proposed Budget for Fiscal Year End 2019/2020. Board Member Butler seconded.***

***The vote was as follows: Board Chairman Whittle, yes; Board Vice-Chairman Place, yes; Board Secretary Kengla, yes; Board Member Meier, yes and Board Member Butler, yes. Motion passed unanimously.***

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

The District Manager explained that the proposal was received in the amount of \$565,500.00 for the stainless steel material for all the submersed equipment and rebuilding of the Clarifiers. The District would be responsible for connecting the electrical back up to the two Clarifiers.

Board Member Meier asked the District Manager about the plumbing. The District Manager responded to Board Member Meier that Staff added the plumbing with a water supply that sprays the top of the Clarifier.

The District Manager explained the contractor was the manufacturer of the Clarifiers and they would be rebuilding it for the bid price.

Legal Counsel Whittington asked the District Manager if he was looking for a not to exceed motion. The District Manager responded to Legal Counsel Whittington that he was looking for a not to exceed and that there would not be any taxes, because it was equipment that goes towards the processing for the District.

Board Vice-Chairman Place asked the District Manager you had individuals review the Clarifiers and they indicated that they were in that bad of shape. The District Manager responded to Board Vice-Chairman Place that their inspection indicated they were in bad shape because of the rust.

Board Vice-Chairman Place asked the District Manager that he thought that it was indicated that there was plenty of metal. The District Manager responded to Board Vice-Chairman Place that there was plenty of metal. It was rusting and would require sandblasting and recoating. The collection tubes that settle on the bottom did have large flakes of rust coming from them.

Board Member Meier asked the District Manager to have the sandblasting and recoating done was that not in excess of \$100k. The District Manager responded to Board Member Meier that it was.

Board Member Meier asked the District Manager then that would have to be done in the future. The District Manager responded to Board Member Meier that yes it would have to be done in the future.

The Finance Manager stated that it should be done in the next 3 to 4 years.

Board Member Meier asked the District Manager when it was last done. The District Manager responded to Board Member Meier approximately 4 years ago.

The Finance Manager stated that it was a specialized process.

Board Member Meier stated that he was trying to recall the discussions going back to December 2018 regarding the Clarifiers.

Board Vice-Chairman Place stated that the reason he brought this up was we discussed possibly needing a second belt press, roof leaks, Composting Building and the flow increase or possibly another Clarifier if needed.

Board Vice-Chairman Place asked the question is the re-build project of the Clarifiers something that could be put off for another one-two years and take care of the other items in the Plant?

The District Manager responded to Board Vice-Chairman Place that we could look at where to spend the money, but he would not want to spend any more money up the hill until it was decided of what direction the Board wanted to go. That would be a discussion for another time; would you want to put more money in a deteriorating building or equipment?

Board Vice-Chairman Place stated that to him it was more important to take care of the Plant.

The District Manager stated that the topic of the Composting Facility could be a million dollar topic and if the Board wants to explore other options and would like to get serious and discuss it we could do that in the future.

Board Member Meier asked the District Manager that if the Board was willing to take a beating on the Composting Facility which would you prioritize. The District Manager responded to Board Member Meier that he would like to prioritize that, which was the bottleneck.

The District Manager stated this was not on the Agenda.

Legal Counsel Whittington advised the Board that if they were discussing the purposes of deciding of spending the monies on this particular project then the discussion could continue.

The District Manager explained that the maintenance item would not increase capacity, we have a tank that holds 40k gallons of sludge and that could be filled in a day and we could do more than that in a day, so we waste on the belt press and get by. There are times that sludge piles up in the drying bed that could not be processed and we have nowhere else to place it.

Board Vice-Chairman Place asked the District Manager should we increase the ponds. The District Manager responded to Board Vice-Chairman Place that we do need to spend some money on the ponds excavating them.

Board Vice-Chairman Place stated that the area will grow and that was an area that needs to be considered.

The District Manager stated that if you look at maintenance versus bottleneck there are items to look at. Replacing the Clarifiers maintenance was costing \$565k. If the Board was looking for other ways to clear up the bottlenecks Staff was open to that.

Legal Counsel Whittington advised the District Manager that he could not discuss that tonight as it was not on the Agenda.

The District Manager stated that he did understand that would have to be at a future Board Meeting.

The District Manager stated that we could sandblast and recoat the Clarifiers and extend their life 3 to 4 years.

Board Member Meier stated that when discussions started on the Clarifiers he recalled that it could be 5 to 10 years. He then asked the District Manager do you think it would only be 3 years. The District Manager responded to Board Member Meier 3 years to repaint and sandblast them within in the next 3 years.

Board Member Meier asked the District Manager was it approximately \$135k to recoat and sandblast it. The Finance Manager responded to Board Member Meier that it was approximately \$120k for both. This was done a prior time and depending on today's cost.

Board Member Meier stated that he was struggling with the cost because at \$120k that was a third of what was being considered to pay for the stainless steel Clarifiers.

Board Member Meier stated he appreciated where Board Vice-Chairman Place was coming from with the other issues that need to be taken care of.

The District Manager stated the Clarifiers work, do we continue maintenance on a regular basis yes and if they were sandblasted and recoated do they last another 10 years, could be. The key was you have to get the right contractor to sandblast and recoat.

Board Member Meier asked the Finance Manager does the District have the finances to discuss both of the items. The Finance Manager responded to Board Member Meier that it depends on what direction was determined with the Plant. If you discuss replacing the Digester and Building the District does have the funding, but it would take everything the District has.

Board Secretary Kengla asked the Finance Manager of the funds how are they dispersed. The Finance Manager responded to Board Secretary Kengla that \$200k towards treatment and \$200k towards Collection.

Board Secretary Kengla stated then you have \$200k a year and if you consider accruing to replenish for the next couple of years if that's the focus. Perhaps there should be discussions and turning the focus in that direction. We are on the Clarifiers arms and clean up the hornets' nest and work up the hill.

Board Vice-Chairman Place stated that he has been in the business 28 years and right now the Clarifiers are not a necessary item. If we can't handle the solids or the flows then the District could be in trouble.

Board Secretary Kengla stated that are there not stop gaps like the belt press, the building was still functional. There could be items that are tangible like the belt press that would be that stop gap that we could look towards.

Board Vice-Chairman Place stated that it also depends on how large the belt press would be.

Board Secretary Kengla stated that those were some of the things that could alleviate the bottleneck that we are eluding too.

Board Member Meier stated that we don't need to spend the \$1.2m immediately.

The District Manager stated that if we are going to spend any monies we need to replace what was on the hill in time and you would be looking at approximately \$4m if the District stays with the process we currently have that does not include the belt press.

The District Manager stated that we could continue taking the paper and cardboard and they could watch it go into a grinder.

Board Member Butler stated that it would take some time.

Board Secretary Kengla stated that maybe that would be something to consider that wouldn't be a \$2m venture.

Board Member Meier stated that it all comes back to an education process and before I was involved with the Sanitary District all I heard was that it magically comes out compost on the other end. We could accomplish the same thing and not need the magical tube, but that would be an educational process.

Board Member Butler stated that we could look at the Clarifiers giving us time to make a change and to educate the public.

The District Manager stated that it would take quite a bit of time, because I don't have all the answers, it could be two years.

Board Member Butler stated there was a lot of planning and meanwhile we are collecting the Ad Valorem revenues.

Board Secretary Kengla stated if we deem as a Board that we shroud the Ad Valorem tax revenue for future use on the project then we cut to the chase on the second tube we rat hole the monies. We don't have to request a bond from the community and keep stockpiling the Ad Valorem revenue. We probably need to have a think tank to have a game plan of the way we want to go instead of piece to piece.

Board Vice-Chairman Place stated he agreed to strategic planning for the future.

Board Member Meier stated that he does agree with Board Vice-Chairman Place and that we have the money to do it and have it done in the long range. Perhaps, what needs to be done in the short range spending was the \$565k for the Clarifiers, because it's the easy thing to do now. He struggled about spending the monies for the recoating and sandblasting.

The District Manager stated there could be a time we don't need Clarifiers because of the membranes and you have a pump and these membranes are sucking it out and you don't need a Clarifier because of new technology.

Board Vice-Chairman Place stated then you are getting into Engineering.

Board Chairman Whittle stated that we should look at tabling this until further discussion.

Board Member Meier stated that what he was hearing I think we focus on items in front of us. Consider long range planning of what should be included over the next 3 to 5 years hasn't been done.

Board Secretary Kengla stated that he disagreed; with the Plant replacement project we are seeing the benefits of that. As a Board we could start think tanking this and instead of going shot by shot we could do long range planning and if there was a bottleneck he would like to be educated and see what needs to be done.

Board Member Butler stated that we could prioritize what needs to be done.

Board Secretary Kengla stated that was what the Board has the District Manager to think tank the game plan for the Board.

Board Member Meier stated up the hill was a touchy subject and if we should have some type of proactive game plan.

Board Member Butler stated if there was a game plan you could educate the public with the plan.

Board Secretary Kengla stated that what the District Manager was alluding to was a grinder mixing with sludge was no different than the digester. We could accomplish the same thing and possibly at a reduced cost.

The District Manager stated that the problem with the tube, there's sludge on the ground, the individuals or businesses coming in they want their papers in it now. The recipe needs to be just right if not the paper balls up and nothing gets torn apart. There is a misconception of how it works.

Board Member Meier stated that he was there one morning and what would need to be explained to the community of what we're doing would be better and a better result than what we're doing right now.

Board Secretary Kengla stated that the Board could suffer those slings shots and arrows and call it a day.

***Board Secretary Kengla made a motion to table the Clarifier Re-build project. Board Member Meier seconded.***

Board Member Meier stated that the quote was for 60 days and do we place it on the next Agenda.

Board Secretary Kengla stated that he could pull his motion and vote on this and we could go ahead and put this in and clean the hornets' nest up but what he was hearing it may not be a daunting project as it is and we could use the Clarifiers a little longer. We could pull the trigger and with what the District Manager alluded to there could be other technologies we need to look at and that made me think.

Board Member Meier stated he agreed and maybe we push it down the road, we have a window here and if it needs to be on the May Agenda then we need to place it on the Agenda.

Board Vice-Chairman Place stated that not too long ago we purchased a new Vac Truck to clean the sewer lines, now we're considering spending monies to purchase CCTV Equipment and now ½ million on re-building the Clarifiers. People appreciate that we haven't raised the rates and next year we have to raise the rates. Could an increase in rates be the result of all the equipment the District has purchased or being considered to be purchased?

The District Manager stated that he could explain the spending of the monies.

Board Vice-Chairman Place stated he just wanted to have everyone look at both sides.

Board Member Butler asked Board Member Meier than your motion would be to move it to the May Board Meeting for a final decision.

Board Secretary Kengla stated he could pull the motion and table it to discuss the bigger picture.

Board Member Meier stated it would be helpful to receive figures of what needs to be done over the next 5 years. There could be alternate options that could be considered and it could be lower than \$4m.

Board Member Butler stated that we need to get a plan together.

Board Secretary Kengla stated that we could get a grinder, composting may be not as good as well as in the warmer climates.

The District Manager stated they have tested some piles and it has worked.

Board Chairman Whittle stated you can keep it environmentally clean and windrow.



Board Secretary Kengla stated you can get a compost pile in the winter and steam comes off of it. He also stated that his motion to table stands.

Board Vice-Chairman Place stated to the District Manager he apologizes to him for throwing a wrench in his presentation, because of all the work he has put into this.

The District Manager responded to Board Vice-Chairman Place that he didn't need to apologize, if there was something else that was a higher priority we need to consider it.

Board Vice-Chairman Place stated we need to show the public a plan for the future.

Board Secretary Kengla stated that we will sell the idea of changing the technologies.

Board Member Meier stated it will be how it is presented and how changing the process could be received by the community.

Board Secretary Kengla stated we are being environmentally conscious.

***Board Chairman Whittle asked for a vote of the motion to table Agenda Item No. 7.G.***

***The vote was as follows: Board Chairman Whittle, yes; Board Vice-Chairman Place, yes; Board Secretary Kengla, yes; Board Member Meier, yes and Board Member Butler, yes. Motion passed unanimously.***

8. FUTURE AGENDA ITEMS

Board Chairman Whittle requested that the following Agenda items were scheduled for the Board Meeting of May 8, 2019:

- (1) Schedule a date for a retreat/workshop to discuss the District's future plans and priorities, with the District Manager.

***Board Chairman Whittle directed the Board Members if they have any items for the Agenda to contact the District Manager.***

9. ADJOURNMENT

Board Chairman Whittle adjourned the meeting at approximately 7:27 PM.

Adopted and approved this 8<sup>th</sup>, Day of May, 2019.

/s/ Neal Whittle

Neal Whittle, Board Chairman