

## BOARD MEETING MINUTES, PINEWOOD SANITARY DISTRICT

December 8, 2022

Clerk of the Board, Gail Van Deurzen, called the meeting to order at 3:00pm

### **A. Administration: (Board members only)**

#### **1. Open**

#### **2. Pledge of allegiance**

**3. Swear in new member, Kass Kral:** Kass Kral read the Loyalty Oath to the Board, signed the Oath and Gail Van Deurzen witnessed the Oath.

**4. Roll Call:** Present – Bob Timberman, Dick Drinen, Gail Van Deurzen, Tom Eade, Kass Kral  
Absent – Len Friedlund

Gail Van Deurzen announced the resignation of Tom Gulliver on 12/7/22, effective as of that date.

#### **5. Approval of the Board Minutes for November 10, 2022:** Approved

Motion: Dick Drinen

Second: Bob Timberman

Ayes: Tom Eade, Kass Krall, Dick Drinen, Bob Timberman

Nayes: None

#### **6. Correspondence:** Nothing to report

#### **7. Expenses Review:** Nothing to report

#### **8. Operations Report: Plant – Lee Krosnicki / Collections – Mike Pepe:** No questions regarding report

### **B. Unfinished Business:**

#### **9. Discussion and possible action regarding letter from Pinewood Partners regarding payment for cost sharing agreement and documentation for their portion of “annexed” construction costs.**

The item was introduced by Gail Van Deurzen.

Motion: Dick Drinen moved to go into Executive Session, under A.R.S. §38-431.03(A)(3) for legal advice at 3:07pm

Second: Tom Eade

Ayes: Bob Timberman, Kass Kral, Tom Eade, Dick Drinen

Nayes: None

Executive Session ended at 3:20pm and the Board returned to open session... Gail Van Deurzen asked if there was any action on the item. None being taken, the Board moved on to the next item.

#### **10. Discussion and possible action regarding approval of resolution confirming actions of Pinewood Sanitary since 2012 annexation request to confirm lien rights under statute for collection of Westside construction costs.**

The item was introduced by Gail Van Deurzen

Motion: Dick Drinen moved to go into Executive Session under A.R.S §38-431.03(A)(3) for legal advice at 3:24pm

Second: Tom Eade

Ayes: Bob Timberman, Kass Kral, Dick Drinen, Tom Eade

Nayes: None

Executive Session ended at 3:54pm and the Board returned to open session.

Gail Van Deurzen asked if anyone in attendance wanted to make a comment on this item.

Royce/Inspire representatives asked to have further explanation of the sewer inspection fee and further explanation of the term, "real property". Inspire wanted to know who was responsible for the \$250 inspection fee, the owner of the land or the owner of the mobile home or trailer unit.

Dick Drinen responded by saying that their situation is special to the Sewer Use Ordinance and the responsible party for the fee has not been discussed beyond what the current ordinance states for "real property".

Per Lee Krosnicki, the 6" line was inspected, and the manholes were all tested, however the 6" line from the home to the main line has not been inspected. We could possibly have infiltration or exfiltration, either way, it is not good. Also, since PSD did not put in the lateral lines, they must be inspected. Lee also mentioned the protection of the backwash valve and its value.

Per Dick Drinen, before we can add this question to a future Board Agenda, as it isn't the item that is described in this agenda. PSD needs to review the Sewer Use Ordinance and consider a revision, which will take more time. PSD Board also needs to clarify with Inspire on the Sewer Use Ordinance, is there a difference between what we are going to charge for an RV spot vs a Park Model. These two items need to be addressed by going through the process of establishing a public hearing, the Board can then make a decision on who pays, (if different than as currently written), the landowner or the unit owner. Lisa Frazier added that we do not have any unit owner information for billing.

Royce/Inspire representatives asked again what is, "real property"? Per Brandon Kavanagh, "real property" means the dirt and anything permanently affixed to it, which would indicate the current ordinance would charge the fee to the owner of the dirt.

2<sup>nd</sup> question by Inspire, what will the monthly charges look like? He needs this answer for his budgets and it has been quite challenging. Per Dick Drinen, the cost has been given by prior documentation and decisions and it will be \$50.57 a month.

There being no further comment, Gail Van Deurzen asked if there were any motions.

Dick Drinen moved to table to a special meeting on 12/29/22 at 3pm

Second: Tom Eade

Ayes: Bob Timberman, Kass Kral, Dick Drinen, Tom Eade

Nays: None

**11. Update from Lisa Frazier on status of invoicing of all "annexed" parcels construction costs and any response.** PSD had one response from the westside, Nancy Huzar. She wants to build her house now and is upset because she said she was not told about the fees for adding sewer. She is also requesting a breakdown of the fees. Nancy has requested that her response come through email and not a verbal response. Lisa Frazier will respond with info from the Sewer Use Ordinance and also offer her to come in and view all of the construction invoices.

**12. Update from Lee Krosnicki on the breakdown received from Stanley Engineering.**

Lee Krosnicki has not received much from Stanley and is still waiting for the timeline for improvements from Stanley. This timeline was due on 12/1/22. ADEQ is ok at this point.

**13. WIFA loan update, ADEQ current review from Lee.**

Per Lee Krosnicki, the loan officer is coming for a visit on 12/14/22. She would like to inspect all of the westside to see what has been completed before giving her final decision.

The question of whether to have an election was raised as per a letter from WIFA. Per Brandon Kavanagh, if we move forward with the WIFA loan, we need to either hold a general election for approval or have permission for assessments on parcels in area being served through a petition signed by at least half of the owners of the parcels that will be covered by WIFA loan assessments. Since the WIFA loan would be used to make system-wide improvements, that would likely mean half the owner of the parcels in Pinewood Sanitary.

A decision needs to be made to go with the general election or petition by half of the owners. Dick Drinen brought up a potential way of not needing to have an election or petition and it was generally discussed about bringing the question up to the WIFA loan officer when they come to visit, since WIFA has the final say on it.

**14. Update from Lisa Frazier on the possibility of County being able to assist with new billing process and update on visit with Kachina on viewing their program.**

Per Lisa Frazier, she will be meeting with Kachina next week.

The County can put Pinewood Sanitary customers on their tax roll for about \$600 a year. Lisa would no longer have to contact people about their late bill or calling them to discuss shutting off their service. The county would do everything. Per Dick Drinen, this would mean that we are tax based and not fee based. When the District was started, it was stated that we would be fee based and not tax based. Budgeting would become very difficult if we change to tax based.

Per Lisa Frazier, the second option would be to look into an IT Company for a new program for billing. This will be put into place to save money and to stop hard copy billing for those who want to pay by credit card or auto pay.

**15. Update from Lee Krosnicki on need of backflow for Phase 3, what was discovered in the Sewer District Ordinance and whether backflow needs to be considered for phases prior to Phase 4.**

Previously discussed in the meeting.

**16. Follow up from Genna Caviness on missing minutes.**

Lisa Frazier reported for Genna that all of the minutes are now complete and in binders.

**17. Approval for budget for FY 22/23**

A general discussion resulted on placing this item on Special Board Meeting agenda for 12/29/22.

**18. Discuss District Manager contract.**

A general discussion resulted on placing this item on Special Board Meeting agenda for 12/29/22, noting that the current contract expires as of December 31. Staff will coordinate with Brandon Kavanagh to provide earlier versions of the document so an updated version can be considered at the special meeting.

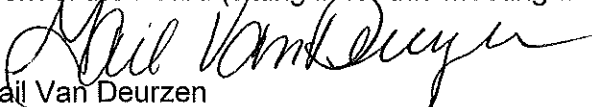
**C. New Business**

**Call to the public for non-agenda items – no action will be taken on any subject not on the agenda. (Limits to 5 minutes will be enforced)**

None

**Adjourn: 4:45pm**

Clerk of the Board (sitting in for this meeting as a temporary Chair)

  
Gail Van Deurzen