Chairman of the Board, Bill Spain, called the meeting to order at 3:00pm

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

**1.  Open**3 PM

**2.  Pledge of Allegiance**

**3. Roll Call**

Present: Bill Spain, Bob Timberman, Gail Van Deurzen, Dick Drinen, Kass Kral, Barb Sherman

Absent: Len Friedlund

**4. Administrative information – Retirement of Gail Van Deurzen and discussion of potential new member, Giebelhaus or Hickman**

Gail Van Deurzen served on the Pinewood Sanitary District’s Board for 8 years. Two candidates had indicated interest. In discussion regarding new board members, it was noted that Mark Giebelhaus was present for the appointment agenda item while Mr. Hickman was absent and may have scheduling conflicts in the future as well.

Motion to appoint Mark Giebelhaus to the Board: Gail Van Deurzen

2nd: Dick Drinen

Discussion requested by Bill Spain. Mark Giebelhaus answered that he had been a full time resident since 2019 and owned his property since 2004.

Ayes: Len Friedlund (by proxy), Kass Kral, Barb Sherman, Bob Timberman, Bill Spain, Dick Drinen, Gail Van Deurzen

Nayes: None

**5.  Approval of the Board Minutes on November 9, 2023 and November 16, 2023**

Discussion on both meeting minutes requested by Bill Spain. No discussion followed.

Motion to approve minutes of November 9, 2023 as written: Dick Drinen

 2nd: Gail Van Deurzen

 Ayes: Bob Timberman, Kass Kral, Barb Sherman, Dick Drinen, Gail Van Deurzen

 Nayes: None

Motion to approve minutes of November 16, 2023 as written: Kass Kral

 2nd: Barb Sherman

 Ayes: Bob Timberman, Dick Drinen, Gail Van Deurzen, Kass Kral, Barb Sherman

 Nayes: None

**6.  Correspondence**

Jim Carpenter to report on correspondence under item 14 later in the meeting - Moonshot update.

**7. Expense Review of November 30, 2023 Balance Sheet and discussion of Legal fees**

Bill Spain opened the discussion by clarifying who vendors EnviroTech and Interbasin are and their scopes of work. David Richardson answered questions.

Brandon Kavanagh explained attorneys fees were based on discovery requests in litigation and resulted in larger than expected legal fees. He expressed that going forward, legal fees would be dependent on the discovery process.

Barb Sherman requested that an updated budget reflecting these changes be made available to the Board members prior to the next meeting. Bill Spain agreed.

**4. The Board returned to Item 4.**

Mark Giebelhaus was sworn in and joined the board.

Bill Spain gave a packet of past oaths and resumes he had to Lisa Fraizer for maintenance of the records going forward.

**8.  Operations Report: Plant Operations- Jim Carpenter / Collections- Mike Pepe. Update from Jim Carpenter regarding Phosphorus Exceedance, Springtime Staffing Needs, Safety Training and Fire Extinguishers**

Jim Carpenter reported that there was another phosphorus exceedance but it has been resolved with the use of chemicals. This will be prevented by the on hand supply of appropriate chemicals. Bill Spain discussed who Spencer the outsourced Lab Technician with InnerBasin is and his scope of work. He questioned what action Arizona Department of Environmental Quality may or may not take.

Jim Carpenter reported that springtime staffing needs are unknown at this time. Discussion among board members included staffing needs, training time, and scopes of work. Barb Sherman requested a staffing plan, including current staff and where we need to build to. There was discussion about reducing overtime. Hiring a new employee has cut down on overtime costs.

Jim Carpenter reported that Safety Training was completed by 6 employees; 3 completed in person chlorine safety training and 3 completed chlorine interaction training online. Chlorine cylinders have been replaced. The local fire department is unable to handle chlorine emergencies. Jim Carpenter is researching removal of the chlorine systems and future replacement with a non-chlorine solution.

Jim Carpenter reported that Fire Extinguishers have been inspected and replaced as needed. Pinewood Sanitary District is within code and the issue is resolved.

Jim Carpenter reported that a new pump should be delivered by January, 2024.

**B. Unfinished Business:**

1. **Discussion and possible action regarding Schuster Construction Costs Escrow Agreement.**

**The Board may enter into executive session under ARS 38-431.03 (A)(4) for negotiations. The Board may enter into executive session under ARS 38-431.03 (A)(3) for legal advice.**

The Board moved this item to the end of the meeting.

1. **Update, discussion, and resolution of complaint letter from Deborah Elders**

After reading the staff-prepared response letter, the Board considered the issue is resolved and the letter should be sent out.

1. **Update about Moonshot Mission status and video conference**

Jim Carpenter reported that he and Dave Richardson have a January 4, 2023 meeting at 8am. The board requests an update at the January board meeting. The report will be available at the January 2024 meeting.

1. **Update and discussion regarding WIFA loan**

Jim Carpenter asked Brandon Kavanagh where he can get copies of the prior 3 years of financial information for WIFA request. Brandon Kavanagh noted the CPA for PSD, Tim Hansen, should have the information easily available in electronic form to forward to WIFA.

**C. New Business**

 **13. Discussion on canvass of election results**

Bill Spain discussed how to conduct the canvass of election results. The Board has discussed it and the Board realizes there is a 76% positive vote and the Board formally canvassed the vote at the meeting. Pinewood Sanitary District is to formalize a letter and send it to the Coconino County Elections Office.

**14. Discussion and possible action on ADEQ / AG draft consent judgment. The Board may enter into executive session under ARS 38-431.03 (A)(4) for negotiations. The Board may enter into executive session under ARS 38-431.03 (A)(3) for legal advice.**

The Board moved this item to the end of the meeting.

 **15. Discussion on payables over $5,000**

Jim Carpenter explained that several of the items over $5000 were compliance related and therefore necessary. The Board requests being informed of the purchases in emergency situations between Board meetings.

**16. Discussion and possible action on Phase 5 Will Serve Letter. The Board may enter into executive session under ARS 38-431.03 (A)(4) for negotiations. The Board may enter into executive session under ARS 38-431.03 (A)(3) for legal advice.**

The Board moved this item to the end of the meeting.

**17. Discussion and possible action on New Equipment. District needs to acquire new CCTV inspection camera.**

Jim Carpenter explained that Pinewood Sanitary District needs a remotely operated inspection camera that is portable. Dave Richardson explained how the equipment demonstration went and how easily he was able to use the camera and accompanying software. The software is updatable at no additional cost. The expense is not to exceed $130,000 from the collections budget line. The current camera is antiquated. The Board determined this is a high priority item.

Motion to approve a new inspection camera up to $130,000 after budget review for funding: Dick Drinen

2nd: Bob Timberman

Ayes: Gail Van Deurzen, Kass Kral, Barb Sherman, Mark Giebelhaus, Dick Drinen, Bob Timberban

Nayes: None

 **18. Discussion and possible action on funds for engineering services, costs $125,000**

Motion to approve funds up to $125,000 for Andurra Engineering Services for repair and improvement efforts after budget review for funding: Dick Drinen

 2nd: Gail Van Deurzen

 Ayes: Bob Timberman, Kass Kral, Barb Sherman, Mark Giebelhaus, Dick Drinen, Gail Van Deurzen

 Nayes: None

 **19. Discussion and possible action on WIFA Environmental Survey**

Approval was given in November 2023, approved up to $50,000 as funded by WIFA for the purpose. Dave Richardson gave the engineers a map for them to focus on surveying specific areas that belong to Pinewood Sanitary District. Board requests itemized bills showing where the areas were located.

**20. Discussion and possible action on Equipment Repair. Caterpillar Loader needs $12,000 in hydraulic repairs**

Dave Richardson explained that the Caterpillar Loader equipment had been hastily repaired once already but the quote is to completely repair the hydraulic system on the Loader. Jim Carpenter requested that the Board vote on this issue today, since this current quote is $3000 higher than the same quote made last year.

Motion to approve $12,000 as per quote to repair the Caterpillar Loader: Kass Kral

2nd: Mark Giebelhaus

Ayes: Dick Drinen, Gail Van Deurzen, Bob Timberman, Barb Sherman, Kass Kral, Mark Giebelhaus

Nayes: None

**9. Return to Item 9 (Shuster Agreement).**

Motion to enter executive session under ARS 38-431.03 (A)(4) for negotiations: Dick Drinen

2nd: Bob Timberman

Ayes: Gail Van Deurzen, Kass Kral, Mark Giebelhaus, Barb Sherman, Dick Drinen, Bob Timberman

Nayes: None

Executive Session began at 4:17 pm after a short break.

Executive session ended and the Board returned to open session at 4:37 pm. No action was taken.

**16. Return to Item 16 (Will Serve letter).**

Motion to approve Will Serve letter for Phase 5 at required gallons per minute if construction costs owed for Phase 5 are paid in full by December 31, 2023 - Gail Van Deurzen

Second – Dick Drinen

Ayes: Dick Drinen, Gail Van Deurzen, Bob Timberman, Barb Sherma, Kass Kral, Mark Geibelhaus

Nays: None

14. Return to Item 14 (AG/ADEQ)

Motion to enter executive session under ARS 38-431.03 (A)(4) for negotiations: Dick Drinen

2nd: Bob Timberman

Ayes: Gail Van Deurzen, Kass Kral, Mark Giebelhaus, Barb Sherman, Dick Drinen, Bob Timberman

Nayes: None

Executive Session began at 4:44pm.

The Board exited executive session and re-entered general session at 5:10pm.

The Board directed legal counsel to act as discussed in executive session.

**D. Final Adjourn** 5:12pm