

Pinewood Sanitary District

TO THE CLERK OF THE BOARD OF SUPERVISORS OF COCONINO COUNTY AND THE GENERAL PUBLIC: PLEASE TAKE NOTICE THAT THE BOARD OF DIRECTORS OF THE PINWOOD SANITARY DISTRICT OF COCONINO COUNTY, ARIZONA, WILL HOLD THE MONTHLY BOARD MEETING ON JUNE 20, 2024 AT THE PINWOOD SANITARY DISTRICT OFFICE, 18044 S. FAIRWAY DR. AT 2:00 PM.

PURSUANT TO ARIZONA REVISED STATUTES SECTION 38-431.03 (A)(3), THE BOARD MAY VOTE TO GO INTO ONE OR MORE SEPARATE EXECUTIVE SESSIONS FOR LEGAL ADVICE FOR ANY ITEM ON THIS AGENDA

A. Administration: (Board members only)

1. Open

Bill Spain, Chairman, called the meeting to order at 2:00pm.

2. Pledge of Allegiance

3. Roll Call

Mark Giebelhaus called roll. Dick Drinen, Mark Giebelhaus, Bill Spain, Barb Sherman, Len Friedlund were present. Kass Kral was absent to start the meeting but joined later.

16. Discussion and possible action to appoint Joe Hedgecock to vacant seat on the Board for the remainder of the term of Robert Timberman

Joe Hedgecock spoke regarding his work experience and interest in community service and joining the Board. He has been a full-time Munds Park resident for five years. Mark Giebelhaus disclosed their 6 yearlong personal acquaintance with one another. The Board discussed responsibilities of the Board members and the re-election process that will occur in December 2024 and upcoming due dates.

Mark Giebelhaus moved to appoint Joe Hedgecock to the vacant seat on the Board for the remainder of Bob Timberman's term. Dick Drinen seconded the motion. Dick Drinen, Mark Giebelhaus, Barb Sherman, and Len Friedlund voted in favor. There were zero votes against.

Joe Hedgecock was sworn in as a Board member at 2:07pm.

5. Approval of the Board Minutes for May 9, 2024

Mark Giebelhaus moved to approve the May 9, 2024 meeting minutes. Barb Sherman seconded the motion. Dick Drinen, Mark Giebelhaus, Barb Sherman, Len Friedlund, and Joe Hedgecock voted in favor. There were zero votes against.

Kass Kral arrived at 2:09pm

6. Correspondence

David Richardson (DR) spoke regarding VFDs (variable frequency drives) needing replacement, the shop garage door spring getting replaced, removing a storage room, June 12th, 2024 staff 8 hour training by Paul Cornejo, possible plant operation improvements, a possible new operator from Camp Verde, possibly hosting safety training classes with Paul Cornejo, and Krolak lift station pump damaged by hit and run has been repaired.

8. Operations Report: Plant Operations- David Richardson / Collections- Mike Pepe

Collection-Fixed Diffusers, WIFA, Animal Hill Manhole Rehab, Shuster Properties Billing

DR reported that over 77,000 feet of lines have been televised through the end of May 2024. The manholes rehab taking place on Animal Hill has been completed. Tiffany Construction was complimented for working with park residents in a professional manner. Staff was given instructions regarding a July 20th, 2024 community meeting.

B. Unfinished Business:

9. Discussion and possible action regarding proposed settlement agreement in Royce litigation as a result of mediation. 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.

Dick Drinen moved to enter executive session under ARS 38-431.03 (A)(4) for negotiations. Joe Hedgecock seconded. Dick Drinen, Mark Giebelhaus, Barb Sherman, Len Friedlund, Kass Kral, and Joe Hedgecock voted in favor. There were zero votes against.

The Board entered Executive Session at 2:20pm.

The Board entered General Session at 2:54pm.

Dick Drinen moved to accept the draft settlement as proposed to the Board with any revisions acceptable to legal counsel. Barb Sherman seconded. The Board chose to vote by voice. Len Friedlund voted in favor. Kass Kral voted in favor. Barb Sherman voted in favor. Joe Hedgecock voted in favor. Mark Giebelhaus voted in favor. Dick Drinen voted in favor.

Staff were instructed on the statutory process for a public hearing before August 1, 2024, on the expected petition to de-annex. Legal Counsel recommended against any specific date deadlines until settlement documents are completed.

Legal Counsel exited at 2:56pm.

10. Update and possible action on WIFA loan and loan documents. The Board may enter into executive session under ARS 38-431.03 (A)(3) for legal advice.

DR reported that the final documents from WIFA should be sent to PSD soon, per Evan Marsh with WIFA. Communication with Ardurra has increased regarding WIFA document collaboration. DR voiced concerns regarding where Ardurra was surveying.

11. Discussion and possible action regarding ADEQ / AG consent judgment discussions and offer. 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.

No discussion

7. May 2024 Budget Review

Barb Sherman presented the reformatted monthly budget summary to the Board. Revenue was up for 2024. Equipment repair and replacement is currently categorized under Collections. Office expenses are over budget due to litigation and IT legal requests. Board discussed payroll for staff. The Board discussed where revenue funds were allocated and the upcoming WIFA loan payment. Amortization of WIFA loans and the resulting payments were discussed.

14. Update on Budget and County due date of July 10th, 2024

Barb Sherman presented the budget to the Board and explained line items and their amounts. The importance of bringing on more staff was emphasized.

Kass Kral moved to approve the 2024-2025 fiscal year budget with the adjustments based upon the most recent resolution. Dick Drinen seconded. Dick Drinen, Mark Giebelhaus, Barb Sherman, Len Friedlund, Kass Kral, and Joe Hedgecock voted in favor. There were zero votes against.

Board instructed staff to add electing a Treasurer and Chairperson to the July 2024 agenda.

Staff was instructed to enter the new budget into PSD accounting software.

12. Update and discussion regarding commercial fixture accounts

Staff requested direction from the Board on moving forward with the new commercial billing system.

The Board instructed staff on the need for public hearings, the resolution, and the recording process. Staff was instructed to present topic at July 2024 meeting.

13. Update and possible action regarding Rules and Regulations

The Board tabled this issue until July 2024 Board Meeting. Legal Counsel is reviewing.

15. Discussion and possible action on proposed water station and construction proposals for installation

DR presented customer uses for non-potable water. The need for proper permits to be in place. The projected cost for construction is \$13,341. Staff was instructed to create a proposal and present at the July 2024 Board Meeting.

C. New Business

21. Discussion regarding acquiring property surrounding plant location

The need for more land to expand the plant was discussed. Pinewood Country Club owns the land closest to the plant location. Bill Spain, Kass Kral, and DR will investigate further. Proposal will be presented at July 2024 meeting.

17. Discussion and possible action with John Patton, electrician, regarding electrical repair work

John Patton spoke regarding the plant's pumps and plant maintenance. He spoke about modernization equipment for the plant. APS is offering rebates to customers who upgrade specific equipment. DR is collecting bids. John Patton explained the benefits of using blowers with SCADA upgrades is reduced personnel and overtime.

18. Update on New Operator-Plant Side

DR reported that we will know if a new operator will join PSD by the end of the week and he will give an update at the July 2024 meeting.

19. Discussion on Fire Department Sewer Main

There is a sewer main that crosses the Fire Department's property. It is a safety hazard to allow building over an AC line. DR and The Board requests that legal counsel review the documents between the Fire Department and PSD. The Board directed Staff to send the Fire Department's Bond paperwork to Legal Counsel.

The Board was made aware that the Fire Department does not pay a sewer bill for the current building. PSD and the Fire Department worked closely together with safety situations and training previously.

20. Discussion on ADEQ Notice of Violation

DR reported that mechanical bar screens need to be repaired. The plant will need flow meters. DR reported that he is fighting the most recent NOV regarding dissolved oxygen levels.

22. Discussion and possible action regarding increasing board membership from 7 to 9 members. The Board may enter into executive session under ARS 38-431.03 (A)(3) for legal advice

The Board tabled this issue until the July 2024 Meeting.

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)

D. Adjourn

Meeting adjourned at 5:12pm.