

# MINUTES OF MEETING BOARD OF DIRECTORS FOUNTAIN HILLS SANITARY DISTRICT

The Board of Directors of the Fountain Hills Sanitary District met in a **Regular Meeting** on **Tuesday, April 16, 2016** at **5:00 p.m.** in the District's Board Room located at 16941 E. Pepperwood Circle, Fountain Hills, Arizona.

## Agenda Item No. 1

### Call to order and roll call

*Upon roll call the following Directors were present*

Chairman Bruce Hansen, Vice Chairman Robert Thomson, Director Gregg Dudash, and Director Thom Besett. Director Tom Reski was absent

*The following Executive Staff members were present:*

Ron Huber, District Manager, Bill Sullivan, Legal Counsel, Tori Myers, District CPA, and Penny Cook, Assistant Secretary.

*Also in attendance:*

Bill Cunningham, Collection System Operations Manager, Clark Moskop, Plant Operations Manager, and Chris Kiriluk, Asst. District Engineer.

## Agenda Item No. 2

### Workshop with staff to discuss FY 2016/2017 preliminary Budget and Fee Schedule.

#### Overview

The District CPA presented to the Board of Directors staff proposals for the fiscal year 2016/2017 budget and fee schedule.

The District CPA reviewed each section of the proposed budget and answered questions asked by the Board.

#### Highlights of the Proposed Budget are as follows:

Net Assessed Value of properties within the District increased 7.5% which will help the District fund increasing operating expenditures while the property tax rate used to determine each resident's property tax assessment is decreased by 1.0%.

After a discussion, it was proposed to increase Sewer User Fees for residential customers \$1.00 per month from \$24/month to \$25/month.

Total operating budget for fiscal year 2016-2017 is expected to increase 7.1% over the 2015-2016 adopted budget due to aging equipment needing be repaired and/or replaced and additional personnel.

A 2% cost of living increase was proposed.

**Agenda Item No. 3**

**Discussion and consideration to approve the FY 2016/2017 preliminary budget and fee schedule for publication and to set public hearing thereon.**

A motion was made by Director Besett to approve the FY 2016/2017 preliminary budget and fee schedule for publication with modifications as discussed and set the public hearing for June 21, 2016. Director Dudash seconded the motion which passed unanimously.

**Agenda Item No. 4**

**Approval of Minutes**

A motion was made by Vice Chairman Thomson to approve the minutes of the Regular Meeting of March 15, 2016 as presented. Director Dudash seconded the motion which passed unanimously.

**Agenda Item No. 5**

**Call to public.**

There was no public comment.

**Agenda Item No. 6**

**District Manager's report; items to be discussed include plant and recharge statistics for March, permit compliance, Ashbrook Wash Flood Control Project, Reclaimed Water Use Agreements for Desert Vista Park and Golden Eagle Park, Morningstar and Park Place Projects, Pump Station No. 14 Improvements, review of employee handbook, Solids Handling and Headworks Improvement Project, Sanitary Sewer Rehabilitation Project FY 2015/2016, ASR Well Vault Replacement, and general direction from Board.**

- District Manager reported the District's total recharge credit available as of March 31, 2016 was 670,887,849 gallons.
- All District facilities were in compliance with their respective permits for the month of March.
- Currently, there is no work being done on the Ashbrook Wash Flood Control Project. After April 25, 2016, work in Saguaro Blvd. will switch to the northbound lanes in which District facilities could be affected.
- Two manholes have been installed by District staff for the Pump Station No. 14 Improvements. This will allow the bypassing of the pump station during the replacement of the electrical controls. Some of the piping has been replaced. SRP is designing the new service entrance for the station.
- District staff received comments back from the HR consultant reviewing the District's Employee Handbook. The consultant advised that the handbook was one of the best they had reviewed. Staff will implement the comments for Board review and approval.
- Carollo staff along with District staff have examined the facilities requiring modification or replacement for the Solids Handling and Headworks Improvement Project. Trips are being arranged to observe different types of sludge thickening and dewatering equipment.
- Plans and specifications have been completed for the Sanitary Sewer Rehabilitation Project FY 2015/2016 and are awaiting advertisement. A bid opening is planned for June 8, 2016.

- The ASR Well Vault Replacement Project is delayed until July 2017. For two of the vault locations, the Town is interested in an above-ground building which will also house restroom facilities. The final decision will be made by the Town Council after a presentation is made to them showing conceptual drawings. The conceptual drawings will be done as part of the design build effort after a contractor is hired by the District.

**Agenda Item No. 7**

**District CPA's report; items to be discussed include status of income and expenditures, billing, report on collection efforts to date, and general direction from Board.**

District CPA reported the General Fund Income Statement for March was favorable to budget.

Billing is on track.

**Agenda Item No. 8**

**Discussion and request for authorization for A-PAC to stabilize the foundation of the Pump Station No. 5 building in the amount of \$56,701.00.**

District Manager is requesting authorization for A-PAC to stabilize the foundation of the Pump Station No. 5 building in the amount of \$56,701.00.

Vice Chairman Thomson made a motion to authorize District staff to have A-PAC stabilize the foundation of the Pump Station No. 5 building in the amount of \$56,701.00. Director Dudash seconded the motion which passed unanimously.

**Agenda Item No. 9**

**Presentation and approval of salary range and advertisement associated with District Manager's retirement and hiring his replacement.**

After a discussion, direction was given to the District Manager to publish the advertisement for the District Manager position with discussed changes.

**Agenda Item No. 10**

**The Chairman, the individual members of the Board and the District Manager will each be permitted to provide a brief summary of current events. The Board will not propose, discuss, deliberate or take legal action at the meeting on any matter addressed in the summaries, unless the specific item is otherwise properly noticed.**

District Manager passed out his evaluation forms to the Board members for their review at the May meeting.

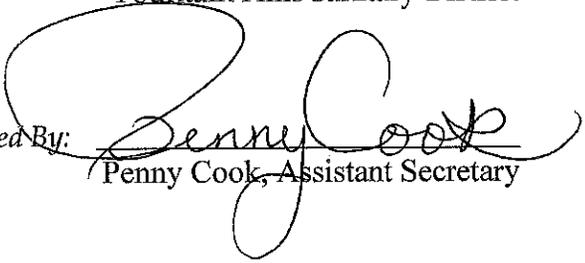
**Agenda Item No. 9**  
**Adjournment.**

Director Besett made a motion to adjourn the meeting at 6:40 p.m. Director Dudash seconded the motion which passed unanimously.

*Dated this 20th day of April, 2016.*

Fountain Hills Sanitary District

Minutes Prepared By:

  
Penny Cook, Assistant Secretary