

# 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 21, 2015** 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 Thom Besett, Vice Chairman Bruce Hansen, Director Robert Thomson, Director Tom Reski, and Director Gregg Dudash.

*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 Services Operations Manager, Clark Moskop, Plant Operations Manager, Hazel Cunningham, Administrative Services Manager, and Chris Kiriluk, Asst. District Engineer.

## **Agenda Item No. 2**

### **Workshop with staff to discuss FY 2015/2016 preliminary Budget and Fee Schedule.**

#### **Overview**

District CPA presented to the Board of Directors staff proposals for the fiscal year 2015/2016 budget and fee schedule.

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

#### **Highlights of the Proposed Budget and Fee Schedule are as follows:**

- Net assessed property values within the District increased 15.0%. District staff is proposing that the property tax rate will increase to \$0.8009 per \$100 in AV for the 2015/2016 fiscal year from the 2014/2015 adopted budget of \$0.8007 per \$100 in AV.
- No increase in Sewer User Fees is proposed.
- Total operating budget for fiscal year 2015-2016 is expected to increase 1.1% over the 2014-2015 adopted budget.

- A significant portion of Capital Outlay spending is made up of equipment purchases for the replacement of aged pumps, valves, generators, and building components.

The Board is requesting that staff revisit the proposed equipment purchases to see if there are some that can be pushed back to enable the District to lower the proposed property tax rate.

- Staff is requesting reorganization and changes to commercial user fees. The Board requested that this not be changed for the 2015/16 fiscal year and be discussed at a future Board meeting.
- The capacity fee for Hotel and motel units, bed and breakfast units, assisted living units, and similar multi-unit facilities is proposed to change to \$3,500.00 per occupant (based on maximum occupancy of facility) and not charging for a water meter capacity fee.
- The Lien Fee is proposed to increase to \$150.00.

### **Agenda Item No. 3**

#### **Discussion and consideration to approve the FY 2015/2016 preliminary budget and fee schedule for publication and to set public hearing thereon.**

A special meeting will be scheduled to review discussed changes to the proposed 2015/2016 budget and consider approval at that time.

### **Agenda Item No. 4**

#### **Approval of Minutes**

A motion was made by Vice Chairman Hansen to approve the minutes of the Regular Meeting of March 17, 2015 as presented. Director Reski 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, WWTP Influent Screen and Pump Replacement, Ashbrook Wash Flood Control Project, Reclaimed Water Use Agreements for Desert Vista Park and Golden Eagle Park, Summit @ Crestview, and general direction from Board.**

- District Manager reported the District's total recharge credit available as of March 31, 2015 was 551,083,414 gallons.
- All District facilities were in compliance with their respective permits for the month of March.
- The equipment manufacturer has responded to comments by Carollo Engineers and District staff for the WWTP Influent Screen and Pump Replacement Project. The changes were reviewed and accepted and equipment will now go into production
- The Ashbrook Wash Flood Control Project is ready to be bid.

- Legal counsel prepared and sent the revised letter settlement agreement for Summit @ Crestview.

**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.**

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

Billing is on track.

**Agenda Item No. 8**

**Discussion and direction to staff regarding overspray from Fountain.**

It was discussed that District Manager contact Town staff and request a report regarding what measures were taken to control the overspray from the fountain on windy days which violates reuse regulations and our Reclaimed Water Use Agreement. Director Reski will also send a letter to the Mayor and Town Council indicating his HOA's and his concerns with the overspray on their properties.

**Agenda Item No.9**

**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.**

There were no comments.

**Agenda Item No. 10**

**Adjournment.**

Director Thomson made a motion to adjourn the meeting at 7:12 p.m. Vice Chairman Hansen seconded the motion which passed unanimously.

*Dated this 22nd day of April, 2015.*

Fountain Hills Sanitary District

Minutes Prepared By:

  
Penny Cook, Assistant Secretary