

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, January 17, 2018** at **5:30** 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 Robert Thomson, Vice Chairman Tom Reski, Director Gregg Dudash, Director Jerry Butler (telephonically), and Director Michael Maroon.

The following Executive Staff members were present:

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

Agenda Item No. 2 **Swearing in of elected Directors; Thomas Reski and Gregory Dudash.**

Legal Counsel swore in Thomas Reski and Gregory Dudash who were elected at the November 7, 2017 election for the term of January 1, 2018 through December 31, 2021.

Agenda Item No. 3 **Assumption of Chairman's duties by Vice Chairman and election of new Vice Chairman.**

The duties of Chairman were turned over to Vice Chairman Reski for 2018.

Director Thomson nominated Director Dudash for Vice Chairman for 2018. Director Maroon seconded the motion which passed unanimously.

Agenda Item No. 4 **Public hearing concerning Amended FY 2017/2018 fee schedule.**

The public hearing concerning Amended FY 2017/2018 fee schedule was opened by Chairman Reski.

District Manager would like to incorporate the comments from the December 20, 2017 regular meeting pertaining to the changes to the FY 2017/2018 fee schedule. The change would return the basis of hotel, motel, and bed and breakfast units capacity fee to a "per unit" basis rather than "per occupant".

Chairman Reski closed the public hearing.

Agenda Item No. 5

Consideration to approve Resolution 274, Amended 2017/2018 fee schedule.

Director Thomson made a motion to approve Resolution 274, Amended 2017/2018 fee schedule, to return the basis of hotel, motel, and bed and breakfast units capacity fee to a “per unit” basis rather than “per occupant”. Vice Chairman Dudash seconded the motion which passed unanimously.

Agenda Item No. 6

Approval of Minutes: Regular Meeting: December 20, 2017

Vice Chairman Dudash made a motion to approve the Regular Meeting minutes of December 20, 2017 with discussed changes. Director Maroon seconded the motion which passed unanimously.

Agenda Item No. 7

Call to Public.

There were no public comments.

Agenda Item No. 8

District Manager’s report; items to be discussed include plant and recharge statistics for December, permit compliance, new and existing sewer services, Solids Handling and Headworks Improvement Project, recent activities, Town communication and/or coordination efforts, and general direction from Board.

- District Manager reported for the month of December: The average daily influent flow was 1.87 MGD, total WW treated was 58,098,000 gallons, and total RW delivered to reusers was 25,877,000 gallons.

Total WW treated for 2017 Year End was 667,180,000 and RW delivered to reusers for 2017 was 672,093,300.

- District Manager reported the District’s total recharge credit available as of December 31, 2017 was 531,799,512 gallons.
- All District facilities were in compliance with permit requirements for the month of December.
- There were six new sewer service agreements issued in December – four single-family and two multi-family units.
- The CMAR is actively working on-site for the Solids Handling and Headworks Improvements Project. The 20-year old dewatering equipment is projected to be taken off-line by February 15th. A temporary dewatering unit will be delivered on February 7th and will operate until the new equipment is installed, tested and properly commissioned.
- District Manager has proposed presenting an “Historical Review of Funding Sources (fees, taxes, bonds, etc.)” at the February 21, 2018 regular meeting and a “Summary of Facility and Equipment Assets” at the March 21, 2018 regular meeting.

- Staff is reviewing all assets to develop a 5-year capital spending plan.
- Staff is updating the policy manual for new constituents added to the DOT drug testing panel.
- There will be an operational “Salt Miner”, single unit removal system, at the Multi-State Salinity Coalition Conference, Las Vegas, NV, Feb. 7-9, 2018.
- Weber Water Resources is actively working to provide well rehabilitation services for ASR Well 5. The majority of the work was completed by Friday, January 12th. Final testing, cleanup, and equipment re-installation will continue through the end of January.
- District Manager attended a quarterly lunch meeting with Town Manager on January 10, 2018 and determined the items to be included in the Draft Agenda for the Joint Town Council – FH Sanitary District Meeting to be held on February 27, 2018:
 1. Update on Sanitary District project to install recharge well control rooms/restrooms at Fountain Park.
 2. Opportunity to streamline permit process between the Town and Sanitary District.
 3. Notification from the Town on any proposed development projects with increased densities that might impact the Sanitary District in the Delivery of sanitary sewer services.
 4. Possible collaboration on improving irrigation at Fountain Park.
 5. Discussion regarding the impact of water softeners on the sanitary sewer system and users of reclaimed water.
- District Manager and Jim Tant, Asst. Plant Operations Manager, provided a brief overview, and tour of the WWTP, ASR Well No. 4, and AWTF to Town personnel.
- The sliplining project under Shea Blvd. is scheduled for the week of February 5, 2018. The contractor is obtaining the appropriate permits from the Town.

Agenda Item No. 9

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 December was favorable to budget. The reclaimed water budget amount has been corrected to reflect year-to-date reclaimed water sales after the year end adjusting entry was made in October.

Billing is on track.

Agenda Item No. 10

Discussion regarding revised budget schedule.

District CPA presented the Board with the 2018/19 budget schedule. The budget discussion will begin at the February 21, 2018 regular meeting with the District Manager presenting a historical review of funding sources (fees, taxes, bonds).

Agenda Item No. 11

Discussion regarding communication efforts and public outreach.

- Staff held a meeting with Bob Burns, reporter for the Fountain Hills Times, to establish a good working relationship and share the District's intent for increased public notifications and communications.
- A tour of the WWTP facility to a home school co-op organization is scheduled for January 25, 2018. There is estimated approximately 37 students and parents will be in attendance.
- A meeting with the District's webpage designer/service provider was held on January 12, 2018 to discuss planned revisions.
- A new sign notifying residents of the "Solids Handling Project" construction project has been placed near the intersection of Saguro Blvd. and Pepperwood Circle.
- A table has been reserved for the Chamber of Commerce's "State of the Town" event on January 18, 2018.

Agenda Item No. 12

Discussion and direction to staff regarding strategic planning for future effluent disposal.

Vice Chairman Dudash presented the Board with a follow-up to Director Butler's presentation from the January 10, 2018 special meeting. He presented cost estimates for the various scenarios presented and also the effects on the District. Future effluent disposal options and their estimated costs will be studied further in the master plan scheduled for next fiscal year.

Agenda Item No. 13

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.

Vice Chairman Dudash congratulated and thanked outgoing Chairman Thomson for his leadership, wisdom, and friendship.

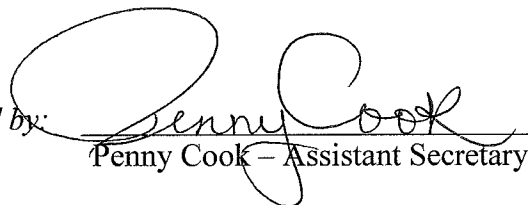
Agenda Item No. 14

Adjournment.

Director Thomson made a motion to adjourn the meeting at 6:58 p.m. Vice Chairman Dudash seconded the motion, which passed unanimously.

Dated this 18th day of January, 2018.

Fountain Hills Sanitary District

Minutes prepared by: 
Penny Cook - Assistant Secretary