

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, February 16, 2016** at **6:00 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 Tom Reski, Director Gregg Dudash, and Director Thom Besett.

The following Executive Staff members were present:

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

Agenda Item No. 2

Presentation of Service Recognition Award to Hazel Cunningham for 20 years of District service.

District Manager thanked Hazel Cunningham for her 20 years of service and presented her with a service recognition award.

Agenda Item No. 3

Approval of Minutes: Regular Meeting: 01/19/16

A motion was made by Director Besett to approve the minutes of the Regular Meeting of January 19, 2016 as presented. Vice Chairman Thomson seconded the motion which passed unanimously.

Agenda Item No. 4

Call to public.

There was no public comment.

Agenda Item No. 5

District Manager's report; items to be discussed include plant and recharge statistics for January, 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, and general direction from Board.

- District Manager reported the District's total recharge credit available as of January 31, 2016 was 601,507,849 gallons.

- A minor violation occurred with regards to a leaking gate valve in the effluent pump station which allowed unchlorinated effluent to be mixed with chlorinated effluent and delivered to SunRidge Canyon Golf Course for a few hours. There was no health concern and the gate valve was repaired. ADEQ was notified of this violation per the District's permit.
- District electrical engineer met with SRP regarding a new service entrance for the Pump Station No. 14 Improvement Project.

Agenda Item No. 6

District CPA's report; items to be discussed include status of income and expenditures, billing, report on collection efforts to date, 2014/2015 budget schedule, and general direction from Board.

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

Billing is on track.

Budget and Fee Schedule Calendar of Events for 2016-2017 Budget was presented for review.

Agenda Item No. 7

Discussion regarding upcoming projects.

District Manager informed the Board that there are three budgeted projects that are now starting.

The first one is the Sanitary Sewer Rehabilitation Project FY 2015/2016 in which 2,819 lineal feet of sewer line will be rehabilitated utilizing a cured-in-place fiberglass liner. Specifications have been developed by staff and expected to be advertised for bid by the end of February.

The Solids Handling and Headworks Improvement Project includes the replacement of two thickening and two dewatering centrifuges along with pumps, controls and miscellaneous accessories. This project combines with what's left of the Influent Pump Station Project. During the installation of the new screens, it was found that piping is corroded, valves are worn out, wiring is corroded, electrical panels and controls are corroded and worn and will need to be replaced. District Manager has received a scope of work and associated cost from Carollo Engineers to perform the pre-design and design work for this project and it has been returned to Carollo with comments. A request to authorize execution of a contract with Carollo Engineers will be presented at the March meeting. This project is expected to be accomplished via the Construction Manager at Risk form of procurement.

The third project is the ASR Well Vault Replacement and Piping Rehabilitation Project. District Manager is working with the Town to build an above-ground building at each of the three ASR wells in the park which would incorporate restroom facilities which the District would build but the Town would maintain. This project would be accomplished under the "design-build" method of procurement.

Agenda Item No.8

Review of employee grievance procedures and possible direction to staff.

Vice Chairman Thomson and Director Dudash had requested a review of the District's grievance procedure.

After a discussion, direction was given to staff to look into employing an HR consultant to review the employee handbook, rewrite with current laws, if applicable, and present to the Board for approval.

Agenda Item No. 9

Discussion regarding the Reclaimed Water article published in the February 10, 2016 edition of the Fountain Hills Times.

There was a brief discussion regarding the Reclaimed Water article published in the Fountain Hills Times.

Agenda Item No. 10

Authorization to release "Proposed Timetable of Events Associated with District Manager's Retirement and Hiring his Replacement" to the public.

Authorization was given to the District Manager to discuss his retirement and the timetable discussed in previous Board meetings.

Agenda Item No. 11

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. 12

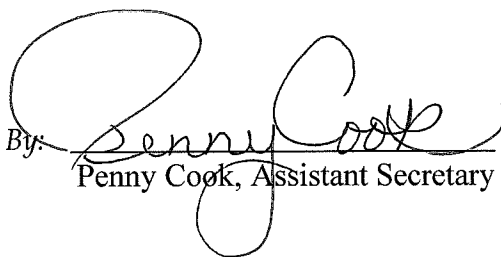
Adjournment.

Vice Chairman Thomson made a motion to adjourn the meeting at 6:47 p.m. Director Reski seconded the motion which passed unanimously.

Dated this 17th day of February, 2016.

Fountain Hills Sanitary District

Minutes Prepared By:


Penny Cook, Assistant Secretary