

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 21, 2017** 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 Robert Thomson, Vice Chairman Tom Reski, Director Gregg Dudash, Director Thom Besett, and Director Jerry Butler.

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 **Approval of Minutes: Regular Meeting: January 17, 2017, Special Meetings: January 20, 2017 and January 23, 2017.**

A motion was made by Director Dudash to approve the minutes of the Regular Meeting of January 17, 2017 as presented. Vice Chairman Reski seconded the motion which passed unanimously.

A motion was made by Director Dudash to approve the minutes of the Special Meeting of January 20, 2017 as presented. Vice Chairman Reski seconded the motion which passed unanimously.

A motion was made by Vice Chairman Reski to approve the minutes of the Special Meeting of January 23, 2017 as presented. Director Dudash seconded the motion which passed unanimously.

Agenda Item No. 3 **Call to public.**

There was no public comment.

Agenda Item No. 4 **District Manager's report; items to be discussed include plant and recharge statistics for January, permit compliance, Reclaimed Water Use Agreements for Desert Vista Park and Golden Eagle Park, Park Place, Pump Station No. 14 Improvements, Solids Handling and Headworks Improvement Project, Eagle Mountain Parcel 15 Sewer Service Lines, and general direction from Board.**

- District Manager reported the District's total recharge credit available as of January 31, 2017 was 639,951,284 gallons
- District facilities were in compliance with all permit requirements for the month of January.

- Town Manager, Grady Miller, was not aware of the draft agreements that had been discussed with the previous Town Manager and will be checking with Andrew McGuire, the Town Attorney.
- Sewer Service Agreements for Park Place were executed and payment was received per the Payment Agreement one week late.
- Pump Station No. 14 Improvements have been completed and the total project cost was \$204,399.04 which is \$4,399.04 over budget.
- Work continues on the final plans and specifications for the Solids Handling and Headworks Improvement Project. On Thursday, February 9, 2017, staff attended a meeting at ADEQ to discuss changes to the Aquifer Protection Permit (APP) necessitated by this project.
- Seven service lines have been repaired to date at Eagle Mountain Parcel 15.

Agenda Item No. 5

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

Billing is on track.

Agenda Item No. 6

Presentation by Terry Cox re: District Employees Retirement Plan with discussion and direction to staff and/or consideration to change plans and/or financial advisor.

District Manager explained to the Board that District employees are not satisfied with the level of help they are receiving from their current advisor.

Terry Cox of Raymond James and Adam Johnson of John Hancock presented the Board with a comparison of retirement plans for the District employees.

After a discussion, direction was given to staff to change financial advisor to Terry Cox and the plan to John Hancock.

Agenda Item No. 7

Discussion and consideration to approve Social Media Policy.

After a discussion, direction was given to staff to do further research in the wording and content of the Social Media Policy.

Agenda Item No. 8

Discussion and consideration to purchase new main gate and opener.

Vice Chairman Reski made a motion to authorize District staff to purchase a new main gate and opener from Whiting Iron in the amount of \$24,335.00. Director Besett seconded the motion which passed unanimously.

Agenda Item No. 9

Discussion on the status of improvements to Fountain Lake water.

Director Butler informed the Board that there was a conversation at a Town Council meeting regarding possible improvement to the Fountain Lake water quality.

District Manager informed the Board that the improvements they were discussing was cost prohibitive and there would also need to be a change to the Arizona Department of Quality regulations pertaining to reclaimed water.

Agenda Item No. 10

Discussion regarding the Sanitary District billing Town Environmental Fees.

Director Butler also informed the Board that the District billing Town Environmental Fees came up in the Town Retreat conversation. The Town may revisit the possibility of the District taking over the billing of the Environmental Fees at a later date.

Agenda Item No. 11

Discussion and direction to staff re: analysis of multi-family Capacity Fees vs. single family Capacity Fees.

The District Manager informed the Board that staff has reviewed the data received from Epcor and are not sure that it is accurate. Epcor has stated that they would like to supply the District with more accurate updated information.

District Manager has presented the Board with two different scenarios, one where multifamily is considered 2 units or more and the other where multifamily is considered 5 units or more from the original data received from Epcor.

After a discussion, the Board asked District Manager to revisit the figures provided and present it to the Board. The Board has decided that the District will classify multifamily as 2 or more units.

The Board has directed staff to schedule a special meeting for March 13, 2017 at 6:00 p.m. to review the updated information.

Agenda Item No. 12

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.

Director Dudash asked if the 208 plan discussion was going to be agendized at a later date.

Agenda Item No. 14
Adjournment.

Vice Chairman Reski made a motion to adjourn the meeting at 7:52 p.m. Director Dudash seconded the motion which passed unanimously.

Dated this 22nd day of February, 2017.

Fountain Hills Sanitary District

Minutes Prepared By

A handwritten signature in black ink that reads "Penny Cook". The signature is written in a cursive style with a large loop at the beginning and a long horizontal stroke at the end.

Penny Cook, Assistant Secretary