

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 **Wednesday, May 16, 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

Vice Chairman Gregg Dudash, Director Jerry Butler, Director Michael Maroon, and Director Robert Thomson. Chairman Tom Reski was absent.

The following Executive Staff members were present:

Dana Trompke, District Manager, Bill Sullivan, Legal Counsel, and Tori Myers, District CPA.

Agenda Item No. 2 **Approval of Minutes**

A motion was made by Director Maroon to approve the minutes of the Regular Meeting of April 18, 2018 with discussed changes. Director Thomson 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 April, permit compliance, new and existing sewer services, Solids Handling and Headworks Improvement Project, ASR Well Vault Replacement Project, recent activities and Public communication efforts, Town communication and/or coordination efforts, and general direction from Board.**

District Manager reported for the month of April: The average daily influent flow was 1.849 MGD, total WW treated was 55,480,000 gallons, and RW delivered to reusers was 64,557,900.

District Manager reported the District's total recharge credit available as of April 30, 2018 was 667,591,512 gallons.

District facilities were in compliance with all permit requirements for the month of April.

There were 13 new sewer service agreements issued in April – one single-family and 12 multi-family units.

The Construction Manager at Risk (CMAR) is continuing to work on site for the Solids Handling and Headworks improvement Project. Start-up of the new Solids Handling facility is scheduled for June.

There have been no noise or odor complaints during construction.

An RFP for well rehab services for Well Nos. 2 and 4 has been issued.

The architect has conceptual plans completed for the ASR Well Vault Replacement project. District Manager has a meeting scheduled with Town staff to discuss the plans to get their feedback.

District Manager is working on a draft Letter of Understanding to submit to the Town Manager to better define the size of the facilities to be provided and the expectations for continued maintenance.

Beginning July 1, 2018, quarterly billing will be at the same time, the first month of the quarter. At the present time, they are being staggered over 2 months per quarter.

District Manager facilitated a meeting with Town and EPCOR to discuss opportunities to share Geographic Information System (GIS) and other electronic data sets.

A meeting was held with the superintendents of two of the golf courses to better coordinate their fall schedule for overseeding, which helps the District in Reclaimed Water delivery.

Staff is coordinating with the Town's Public Works staff to make manhole ring and cover improvements in the streets currently being milled and re-surfaced.

The District sponsored an ad in the April 25, 2018 edition of the Times promoting the "National Drug Take Back Day" as part of the District's partnership with the sheriff's department and FH Coalition.

Billing staff has received 6-10 comments of appreciation for their kindness and helpfulness.

District Manager was invited to a meeting with the FH Chamber of Commerce to discuss and suggest possible topics for an upcoming Mayoral debate.

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.

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

Billing is on track.

Agenda Item No. 6

Discussion regarding ASR Well performance, recent and planned rehabs, and future considerations.

District Manager presented the Board with a summary of the ASR Well distribution system.

District Manager suggested moving forward, the following activities be performed. Item Nos. #1 and #2 need to be done to assess the well's condition before the well vault replacement project:

1. Perform a strong chemical rehab of ASR Well 4 in the summer of 2018 (FY 18-19). This will determine if the well's performance can be improved and better assess its longevity.

2. Perform a chemical rehabilitation of Well 2 in summer 2018 (FY 18-19). The well's performance has declined, and it is due for both a chemical cleaning and replacement of physical components.
3. Closely monitor performance of Well 5. If the well's performance significantly declines, it may be best to plan for its replacement.
4. Begin planning for construction of the next ASR well.
5. Plan to perform a chemical rehabilitation at Well 3 and replace the control valve in the summer of 2019 (FY 19-20).

Agenda Item No. 7

Discussion and consideration to authorize District Manager to execute change order for MGC Contractors in the amount of \$192,099 to install variable frequency drives on the new non-potable water pumps.

District Manager explained that the variable frequency drives (VFDs) on the new non-potable water pumps had been removed from the scope of work to fit in the current fiscal year's budget. Now that the new pumps are installed, running the pumps in a single speed are presenting an operational challenge. District Manager is requesting authorization to execute change order to MGC Contractors in the amount of \$192,099 to install variable frequency drives on the new non-potable water pumps.

Director Butler made a motion to approve the change order for MGC Contractors in the amount of \$192,099 to install variable frequency drives on the new non-potable water pumps. Director Maroon seconded the motion which passed unanimously.

Agenda Item No. 8

VOTE TO GO INTO EXECUTIVE SESSION FOR THE FOLLOWING PURPOSE: Pursuant to A.R.S. Section 38-431.03(A)(1) discussion and consideration of District CPA's contract for FY 2018/2019.

Director Thomson made a motion to go into executive session to discuss and consider District CPA's contract for FY 2018/2019. Director Butler seconded the motion which passed unanimously. Regular session adjourned into executive session at 6:27 p.m.

Agenda Item No. 9

RETURN TO REGULAR SESSION

Regular session resumed at 6:45 p.m.

Agenda Item No. 10

Discussion and consideration to approve District CPA's contract for FY 2018/2019.

Director Thomson moved to approve the District CPA's contract for FY 2018/2019. Director Maroon seconded the motion which passed unanimously.

Agenda Item No. 11

VOTE TO GO INTO EXECUTIVE SESSION FOR THE FOLLOWING PURPOSE: Pursuant to A.R.S. Section 38-431.03(A)(1) discussion and consideration of District Manager's performance and annual salary for FY 2018/2019.

Director Thomson made a motion to go into executive session to discuss and consider District Manager's performance and annual salary for FY 2018/2019. Director Butler seconded the motion which passed unanimously. Regular session adjourned into executive session at 6:47 p.m.

Agenda Item No. 12
RETURN TO REGULAR SESSION

Regular session resumed at 7:12 p.m.

Agenda Item No. 13
Discussion and establishing District Manager's salary for inclusion in FY 2018-19 budget.

Director Maroon moved to set the District Manager's salary for the FY 2018-19 at \$152,000 with 26 paid personal time off days beginning July 1, 2018 for FY 2018/19. Director Thomson seconded the motion which passed unanimously.

Vice Chairman Dudash stated that this compensation package recognizes the District Manager's achievements in performing all of the required duties of the District Manager position. He also recognized Ron Huber's mentorship and that Ron set the District up for success when he brought Dana in as his assistant for several months in order to insure a smooth transition.

District Manager thanked the Board for the confidence it had in her.

Agenda Item No. 14
Discussion regarding updated FY 2018/2019 Proposed Budget.

District CPA presented an updated FY 2018/2019 Proposed Budget which incorporates the changes discussed at the April 18, 2018 regular Board meeting.

Agenda Item No. 15
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.

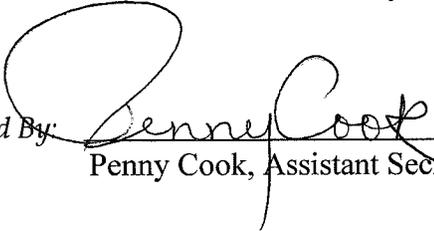
There were no comments.

Agenda Item No 16
Adjournment.

Director Butler made a motion to adjourn the meeting at 7:24 p.m. Director Thomson seconded the motion which passed unanimously.

Dated this 23rd day of May, 2018.

Fountain Hills Sanitary District

Minutes Prepared By: 
Penny Cook, Assistant Secretary