

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, June 20, 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, and Director Jerry Butler.

The following Executive Staff members were present:

Ron Huber, District Manager, Dana Trompke, Asst. District Manager, William Sullivan, Legal Counsel, Tori Myers, District CPA, and Penny Cook, Assistant Secretary.

Agenda Item No. 2 **Public hearing concerning the FY 2017/2018 fee schedule.**

The public hearing concerning the FY 2017/2018 fee schedule was opened by Chairman Thomson.

Public that was present expressed their concerns regarding the \$2.00 per month proposed increase and requested the Board revisit the need for the increase. Also, one public member requested that the Board consider offering a senior citizen discount.

Board members along with staff explained the increase was for replacement of aged equipment that could no longer be repaired and needs to be replaced.

Chairman Thomson closed the public hearing.

Agenda Item No. 3 **Consideration to approve Resolution No. 270, the FY 2017/2018 fee schedule.**

Vice Chairman Reski made a motion to approve Resolution No. 270, the FY 2017/2018 fee schedule, as presented. Director Butler seconded the motion which passed unanimously.

Agenda Item No. 4 **Public hearing concerning FY 2017/2018 budget.**

Chairman Thomson opened the public hearing concerning the FY 2017/2018 budget.

District CPA pointed out a few minor changes from the May workshop meeting and there was no public comment.

Chairman Thomson closed the public hearing.

Agenda Item No. 5

Consideration to approve FY 2017/2018 budget.

Director Dudash made a motion to approve the 2017/2018 budget. Vice Chairman Reski seconded the motion which passed unanimously.

Agenda Item No. 6

Approval of Minutes: Special Meeting: 05/10/17 and Special Meeting: 06/6/2017

A motion was made by Vice Chairman Reski to approve the minutes of the Regular Meeting of May 10, 2017 as presented. Director Butler seconded the motion which passed unanimously.

A motion was made by Vice Chairman Reski to approve the minutes of the Special Meeting of June 6, 2017 as presented. Director Dudash seconded the motion which passed with a vote of 2-1. Director Butler abstained since he did not attend the meeting.

Agenda Item No. 7

Call to public.

There was no public comment.

Agenda Item No. 8

District Manager's report; items to be discussed include plant and recharge statistics for May, permit compliance, New and Existing Sewer Services, Solids Handling and Headworks Improvement Project, State Trust Land, Reclaimed Water Use Agreements for Desert Vista Park and Golden Eagle Park, and general direction from Board.

- Asst. District Manager reported the District's total recharge credit available as of May 31, 2017 was 669,992,512 gallons.
- The District was in compliance with all permit requirements for the month of May.
- The District issued a total of 10 sewer service agreements for the month of May totaling 179 for the fiscal year.
- Sewer service agreements for Phases C and D were revised to reflect the new fee and sent along with a statement of balance to the developer of Park Place. The balance due is \$46,000.00 and to date has not been received.
- Two residents sent very complimentary emails regarding their interactions with Collection System Dept. staff and both emails commended staff on their professionalism and quality of work.
- To date, 20 out of 35 services lines have been repaired in Eagle Mountain Parcel 15.
- A Purchase Order for long-lead item equipment was issued in the amount of \$1,652,471 to MGC to procure the solids thickening and dewatering equipment and Influent Pump Station pumps for the Solids Handling and Headworks Improvement Project.

Staff is currently negotiating with CMAR for a guaranteed maximum price for the remainder of the project. It is anticipated to have the GMP as an agenda item at the July Board meeting.

- District Manager received a call from a real estate appraiser who is working for the state land department and looking for information on the State Land parcel. District Manager forwarded the letter that was sent to the Town which described what the footprint of the plant is capable of treating.

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.

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

Billing is on track.

Agenda Item No. 10

Discussion and consideration to approve District CPA's contract for FY 2017/2018.

District CPA presented the Board with her contract for the FY 2017/2018 which includes an annual increase in the amount of \$2,080.00.

Director Dudash made a motion to approve the District CPA's contract for FY 2017/2018. Vice Chairman Reski seconded the motion which passed unanimously.

Agenda Item No. 11

Discussion and consideration to approve revisions to Employee Handbook regarding Paid Sick Leave policy in advance of state law to take effect July 1, 2017.

Asst. District Manager explained that the District's Sick Leave policy has been changed to reflect the state law taking effect July 1, 2017 in which employers are to pay one hour sick pay for every 30 hours worked. This does not affect the current sick pay policy for full time employees. The new law only affects part-time employees.

After a discussion, Director Dudash made a motion to approve revision to Employee Handbook regarding paid sick leave policy. Director Butler seconded the motion which passed unanimously.

Agenda Item No. 12

Discussion and direction to staff regarding position description for Special Assistant to District Manager.

District Manager presented the Board with a position description for Special Assistant to District Manager. This position is a new part time position for the current District Manager to be able to assist the new District Manager when needed.

After a discussion, it was decided that this item will be revisited at the July Board meeting after staff has looked into the requirements to extend some or all benefits to a part-time position.

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.

Director Dudash requested staff research if SRP and/or other Sanitary Districts give senior citizen discounts and if they do, how they handle them.

Agenda Item No. 14

Adjournment.

Vice Chairman Reski made a motion to adjourn the meeting at 7:20 p.m. Director Butler seconded the motion which passed unanimously.

Dated this 20th day of June, 2017.

Fountain Hills Sanitary District

Minutes Prepared By:


Penny Cook, Assistant Secretary