

# 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 21, 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:*

Vice Chairman Robert Thomson, Director Tom Reski, Director Gregg Dudash and Director Thom Besett. Chairman Bruce Hansen was absent.

*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: 05/17/16**

A motion was made by Director Reski to approve the minutes of the Regular Meeting of May 17, 2016 as presented. Director Dudash seconded the motion which passed unanimously.

## **Agenda Item No. 3**

### **Presentation by Bart Shea of Shea Connelly Development regarding Capacity Fees for Park Place.**

Mr. Shea presented the Board a study pertaining to multi-family versus single-family residential water and wastewater use. He informed the Board that Park Place will be built in phases. He also answered questions from the Board.

## **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 May, permit compliance, Ashbrook Wash Flood Control Project, 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, Sanitary Sewer Rehabilitation Project FY 2015/2016, and general direction from Board.**

- District Manager reported the District's total recharge credit available as of May 31, 2016 was 688,007,284 gallons.
- All District facilities were in compliance with their respective permits for the month of May.

- A concrete cap was poured over our 18-inch diameter force main without incident for the Ashbrook Wash Flood Control Project.
- Pilot testing has been completed on equipment, for the Solids Handling and Headworks Improvement Project, from three manufacturers: Prime Solutions, Andritz, and Fornier. One more manufacturer's equipment will be tested in July.

**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, and general direction from Board.**

The District CPA reported that the General Fund Income Statement for May continues to be positive.

Billing is on track.

**Agenda Item No. 7**

**Public hearing concerning FY 2016/2017 fee schedule.**

Vice Chairman Thomson opened the public hearing for the FY 2016/2017 fee schedule. There was no public comment.

Vice Chairman Thomson closed the public hearing.

**Agenda Item No. 8**

**Consideration to approve Resolution No. 264, the FY 2016/2017 fee schedule.**

Director Reski made a motion to approve Resolution No. 264, the FY 2016/2017 fee schedule. Director Dudash seconded the motion which passed unanimously.

**Agenda Item No. 9**

**Public hearing concerning FY 2016/2017 budget.**

Vice Chairman Thomson opened the public hearing for the FY 2016/2017 budget. There was no public comment.

Vice Chairman Thomson closed the public hearing.

**Agenda Item No. 10**

**Consideration to approve FY 2016/2017 budget.**

Director Besett made a motion to approve the FY 2016/2017 budget as presented. Director Dudash seconded the motion which passed unanimously.

**Agenda Item No. 11**

**Discussion and consideration to engage Henry & Horne LLP to conduct the FY 2015/2016 financial audit of the District.**

District CPA informed the Board that the only change for the 2015/2016 engagement letter is an additional \$200.00 to the fee.

After a discussion, Director Dudash made a motion to engage Henry & Horne LLP to conduct the FY 2015/2016 financial audit of the District. Director Besett seconded the motion which passed unanimously.

**Agenda Item No. 12**

**Discussion and consideration to accept bid price from Achen Gardner Construction in the amount of \$572,996.00 for construction of the Sanitary Sewer Rehabilitation Project FY 2015/2016 and authorize the District Manager and Chairman to finalize and execute the contract consistent with the bid documents.**

District Manager informed the Board that on June 8, 2016, the District received a single bid for performing sliplining of 2,819 lineal feet of sewer line, mostly 18-inch diameter. Achen Gardner's bid of \$572,996.00 was over the engineer's estimate of \$445,925.00 which included construction of two manholes, that were not in the engineer's estimate, which will enable the lining to be installed in a curved sewer.

Because of the condition of the 2,819 lineal feet of sewer line, to maintain the integrity of the sewer system and prevent further damage which would be far more costly to repair, staff recommends the award of this project to Achen Gardner.

After a discussion, Director Dudash made a motion to accept the bid price from Achen Gardner Construction in the amount of \$572,996.00 for construction of the Sanitary Sewer Rehabilitation Project FY 2015/2016 and authorize the District Manager and legal counsel to finalize and execute the contract consistent with the bid documents. Director Besett seconded the motion which passed unanimously.

**Agenda Item No. 13**

**Discussion and consideration to approve Resolution No. 265 to amend the District's Rules and Regulations concerning easements.**

District Manager and Legal Counsel informed the Board that the language in Article IX, Section 3, is being replaced to enable the District to better control what can be placed in a public utility easement as well as a dedicated sewer easement.

After a discussion Director Besett made a motion to approve Resolution No. 265 to amend the District's Rules and Regulations concerning easements. Director Reski seconded the motion which passed unanimously.

**Agenda Item No. 14**

**Discussion regarding timetable of events associated with District Manager's retirement and hiring his replacement.**

District Manager informed the Board that the following changes have been made to his proposed timetable of events associated with his retirement and hiring his replacement.

Item No. 3 has been changed to read "Advertise for District Manager/District Engineer replacement in the Kachina News by September 10, 2016.

Item No. 4 has been changed to read "Advertise in the AZ Republic/AZ Central for District Manager/District Engineer replacement the last Sunday in September or the first Sunday in October.

**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.**


Director Dudash requested that an Agenda Item be placed on the July 2016 Agenda to discuss Bart Shea's presentation regarding capacity fees.

**Agenda Item No. 16**  
**Adjournment.**

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

*Dated this 22nd day of June, 2016*

Fountain Hills Sanitary District

Minutes Prepared By.   
Penny Cook, Assistant Secretary