

# **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, August 15, 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 Jerry Butler, and Director Michael Maroon.

*The following Executive Staff members were present:*

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

## **Agenda Item No. 2**

### **Swearing in of new Director, Michael Maroon.**

Legal Counsel swore in Michael Maroon as Director. Michael Maroon was appointed at the July 18, 2017 regular Board meeting to complete the term ending December 31, 2019 which was vacated by Thom Besett.

## **Agenda Item No. 3**

### **Approval of Minutes: Regular Meeting: 07/18/17**

A motion was made by Director Dudash to approve the minutes of the Regular Meeting of July 18, 2017 as presented. Vice Chairman Reski seconded the motion which passed unanimously.

## **Agenda Item No. 4**

### **Call to public.**

There was no public comment.

## **Agenda Item No. 5**

### **Follow up to Historical Review of Reclaimed Water.**

Special Asst. to the District Manager, Ron Huber, presented the Board with a follow up the Historical Review of Reclaimed Water. He indicated that there were two parcels of land that the District owned that should not be sold. One at the AWTF that would be needed if the District needed to construct a RO treatment system. The other, at the Fire Rock Pump Station, currently has underground utilities. If the District were ever to decide this parcel is no longer needed, title would revert to MCO Properties.

## **Agenda Item No. 6**

### **Historical review of early years of expanding the District's collection system.**

Special Asst. to the District Manager presented the Board with a Historical review of the District's collection system along with agreements with MCO pertaining to the collection system.

**Agenda Item No. 7**

**Synopsis of State Trust Land saga from November 2003 through July 2017.**

Special Asst. to the District Manager presented the Board with a synopsis of the State Trust Land previous sale and what took place in the process leading up to annexing the State Trust Land into the Sanitary District. The process was not completed and the State Trust Land was not annexed into the District.

**Agenda Item No.**

**District Manager's report; items to be discussed include plant and recharge statistics for July, permit compliance, New and Existing Sewer Services, Solids Handling and Headworks Improvement Project, Swimming Lagoon at Fountain Park, and general direction from Board.**

- District Manager reported the District's total recharge credit available as of July 31, 2017 was 597,272,512 gallons.
- The District was in compliance with all permit requirements for the month.
- There were three new sewer service agreements issued in the month of July
- To date, 26 out of the 35 service lines have been repaired in Eagle Mountain 15.
- The Guaranteed Maximum Price for the remainder of the Solids Handling and Headworks Improvements Project was negotiated and contracts have been executed. Equipment is being selected, approved and ordered. Work is anticipated to be from November 2017-June 2018.
- District Manager attended a meeting on August 14<sup>th</sup> regarding the proposed swimming lagoon at Fountain Park. District Manager did remind the committee that the District has a lot of infrastructure and an ASR well located in the area they were proposing for the Lagoon location.
- Staff is completing a review of a utility assistance programs.

**Agenda Item No. 9**

**Financial 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 July was favorable to budget.

Billing is on track.

**Agenda Item No. 10**

**Discussion and consideration to approve revisions to FY 2017-2018 Budget due to the final contract costs for the Solids Handling and Headworks Improvement project.**

District CPA presented an amended 2017-2018 Budget to the Board. The amended Budget reflects the changes made from the 2017-2018 Adopted Budget due to the increased cost of the Solids Handling and Headworks Improvement project. The total amount of the Budget, property taxes and user fees do not change from the adopted budget. Changes were made to reduce operating expenses and moving capital outlay projects to the future in order to fully fund the Solids Handling within the current fiscal year.

After a discussion, Vice Chairman Reski made a motion to approve the amended 2017-2018 Budget. Director Butler seconded the motion which passed unanimously.

**Agenda Item No. 11**

**Discussion and consideration approve Social Media Policy.**

After a discussion, Director Dudash made a motion to approve the Social Media Policy with changes subject to no additional request to discuss at next meeting. Vice Chairman Reski seconded the motion which passed unanimously

**Agenda Item No. 12**

**Discussion and consideration to approve revised Purchasing Policy.**

Special Asst. to the District Manager informed the Board the major change to the Purchasing Policy was reformatting with a few minor changes.

After a brief discussion, a motion was made by Director Dudash to approve the Purchasing Policy with discussed changes. Vice Chairman Reski seconded the motion which passed unanimously.

**Agenda Item No. 13**

**Discussion and consideration to move regularly scheduled Board meeting dates.**

Chairman Thomson requested that the schedule of District Board meetings be changed due to the Town Council meetings being moved to the first and third Tuesdays of the month, and some of the Directors my want to attend the Town Council meetings.

After a brief discussion, a motion was made by Director Butler to move the Regular District Board Meetings to the third Wednesday of each month at 5:30 p.m. Director Maroon seconded the motion which passed unanimously.

Direction was given to staff to file and post the necessary paperwork.

**Agenda Item No. 14**

**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 welcomed Director Maroon to the Board.

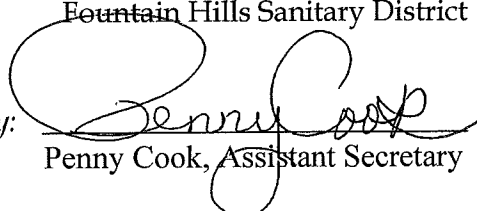
Chairman Thomson requested a wall plaque with all past and present Directors be placed on the Board Room Wall.

**Agenda Item No. 15**

**Adjournment.**

Vice Chairman Reski made a motion to adjourn the meeting at 7:49 p.m. Director Dudash seconded the motion which passed unanimously.

*Dated this 17th day of August, 2017.*

Fountain Hills Sanitary District  
Minutes Prepared By:   
Penny Cook, Assistant Secretary