

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, November 15, 2017** 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:

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

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

Approval of Minutes: Regular Meeting: 10/18/17

A motion was made by Director Butler to approve the minutes of the Regular Meeting of October 18, 2017 with discussed changes. Director Dudash seconded the motion which passed unanimously.

Agenda Item No. 3

Call to public.

There was no public comment.

Chairman Thomson moved Agenda Item #9 before Agenda Item #4

Agenda Item No. 4

District Manager's report; items to be discussed include plant and recharge statistics for October, permit compliance, New and Existing Sewer Services, Solids Handling and Headworks Improvement Project, ASR Well Rehabilitation, Town Coordination Efforts, and general direction from Board.

- District Manager reported for the month of October: The average daily influent flow was 1.72 MGD, total WW treated was 53,379,000 gallons, and total RW delivered to reusers was 87,544,200 gallons.
- District Manager reported the District's total recharge credit available as of October 31, 2017 was 493,348,512 gallons.

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- All facilities were in compliance with permit requirements for the month of October.
- There were eight new sewer service agreements issued in October - four single-family and four multi-family units.
- All of the service line projects in Eagle Mountain Parcel 15 have been completed and the total project cost was approximately \$207,707 with the average cost per service line being \$5,934.
- The CMAR has started to mobilize for the Solids Handling and Headworks Improvement Project. The electrical contractor has started their work. Also, the majority of the large expensive pre-purchased equipment has been delivered.
- ASR Wells 4 and 5 have significantly declined in performance. The normal well and mechanical maintenance procedures that have been done to date have failed to return the wells to their desired performance. It has been determined that there is a biological fouling. A different type of chemical cleaning than what was done in the past needs to be performed.
- District Manager met with the Town Engineer, Randy Harrel and Public Works Director, Justin Weldy, for a quarterly coordination meeting in which upcoming projects were discussed.

Staff coordinated with Community Services Director, Rachael Goodwin, and Parks Director, Kevin Snipes, regarding District personnel digging up a section of the product water line in Fountain Park. It is necessary to inspect the inside and outside condition of the line to determine if there is an impact on Well 4's performance.

- There was a gentleman that was getting ready to install a water softener who called and inquired as what he could do to lower the salt content.

Another gentleman called and let the customer service representative know that he thought the District was doing a great job, the complex grounds looked great, and the people working in the field were always very friendly and very helpful.

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 October was favorable to budget. Reclaimed water revenue is slightly over budgeted as a correcting entry to remove revenues from June of the prior year was not entered until the end of the fiscal year last year, but has been properly entered with the close of fiscal year this year.

Billing is on track.

Director Maroon requested the District look into optional interest-bearing accounts for the contingency fund.

Agenda Item No. 6

Discussion and possible acceptance of the FY 2016/2017 Audit and Financial Statements for filing.

Director Dudash made a motion for acceptance of the FY 2016/2017 Audit and Financial Statements for filing. Director Maroon seconded the motion which passed unanimously.

Agenda Item No. 7

Discussion and consideration to authorize District Manager to engage a specialty well contractor for well rehabilitation services on ASR Well No. 5.

District Manager presented the Board with a proposal from Weber Water Resources to do rehabilitation on ASR Well No. 5 and is requesting authorization to execute the contract in the amount of \$110,596.

After a conversation, Director Dudash made a motion to authorize District Manager to execute the contract with Weber Water Resources in the amount of \$110,596 after Legal Counsel and Chairman Thomson have reviewed the contract. Director Maroon seconded the motion which passed unanimously.

Agenda Item No. 8

Discussion and consideration to authorize District Manager to execute a service agreement with hydrogeologist to oversee well rehabilitation services.

District Manager is requesting authorization to execute a service agreement with Clear Creek Associates to oversee the well rehabilitation services in the amount of \$20,498.

After a discussion, Director Maroon made a motion to authorize District Manager to execute a service agreement with Clear Creek Associates in the amount of \$20,498 to oversee the well rehabilitation services. Director Dudash seconded the motion which passed unanimously.

Agenda Item No. 9

Discussion and possible action regarding a low-income assistance program.

Karen Janoska, who had addressed the Board at the June 20, 2017 Public Hearing, returned to ask if there was a decision made pertaining to a senior citizen or low-income discount for user fees. She explained that she is having a hard time meeting all of her everyday obligations and would like the Board to offer a discount.

District Manager presented a recap of what staff found in researching what other sanitary district's and utility companies offered for a senior citizen program or low-income assistance program. She informed the Board that SRP and Epcor offer a low-income assistance program and do not offer a senior citizen discount. Also, other sanitary districts do not offer either program.

Director Maroon suggested that the District look into resources and charitable organizations that help low-income persons and possibly list these organizations on the website and quarterly bills.

Direction was given to staff to check with Epcor to see if they have the number of households in Fountain Hills that qualify for the low-income assistance program and how they administer the program.

Agenda Item No. 10

Discussion and consideration regarding District communication strategies.

After a discussion, Chairman Thomson requested that a workshop be set for Wednesday, November 29, 2017 to discuss this agenda item.

Agenda Item No. 11

Election canvass and consideration to approve Resolution No. 273 concerning the canvass of returns and declaring results of the November 7, 2017 regular election.

Director Butler made a motion to approve Resolution No. 273 concerning the canvass of returns and declaring results of the November 7, 2017 regular election. Director Maroon seconded the motion which passed unanimously.

Agenda Item No. 12

Discussion and consideration to approve the purchase of Holiday Gift Cards for District Employees.

District Manager is requesting authorization to purchase 42 \$50.00 Holiday Gift Cards for District employees. The District purchases grocery store gift cards that offer a 5% discount for such a large purchase.

The gift card amount has been \$50.00 since it was started in 2006 and the cost of living since that time period has risen 45 percent. After a discussion, the Board decided to increase the amount of the gift cards to \$100.00 each.

Director Maroon made a motion to approve the purchase \$100.00 holiday gift cards for the District employees excluding the Board members. Director Dudash seconded the motion which passed unanimously.

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 informed the three directors that are up for reelection in 2019, that their campaign started November 8, 2017.

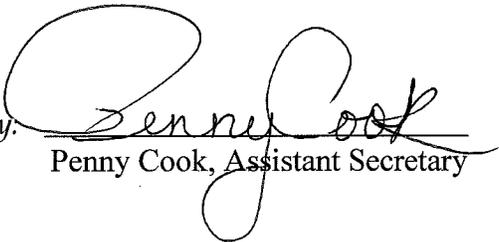
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Agenda Item No. 14
Adjournment.

Director Dudash made a motion to adjourn the meeting at 7:19 p.m. Director Butler seconded the motion which passed unanimously.

Dated this 16th day of November, 2017.

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Minutes Prepared By. 
Penny Cook, Assistant Secretary