

MINUTES OF MEETING BOARD OF DIRECTORS FOUNTAIN HILLS SANITARY DISTRICT

The Board of Directors of the Fountain Hills Sanitary District held a **Meeting on Wednesday, November 28, 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:

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

(Note: Unanimous votes refer to all Directors present.)

The following Executive Staff members were present:

Dana Trompke, District Manager, Bill Sullivan, Legal Counsel, Tori Myers, District CPA, and Penny Cook, Assistant Secretary.

Agenda Item No. 2

Public hearing concerning Amended FY 201/2019 fee schedule.

The public hearing concerning the Amended FY 2018/2019 fee schedule was opened by Chairman Reski.

There was no public comment.

Chairman Reski closed the public hearing.

Agenda Item No. 3

Consideration to approve Resolution 276, Amended 2018/2019 fee schedule.

Director Thomson made a motion to approve Resolution 276, Amended 2018/2019 fee schedule. Director Maroon seconded the motion which passed unanimously, which raised the residential sewer user fee by one dollar per month, to a new rate of \$28.00 per month effective January 1, 2019.

Agenda Item No. 4

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

Vice Chairman Dudash made a motion to approve the minutes of the Regular Meeting of October 17, 2018 as presented. Director Butler seconded the motion which passed unanimously.

Agenda Item No. 5

Call to public.

There was no public comment.

Agenda Item No. 6

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 Vault Replacement Project, ASR well rehab projects, recent activities, public communication efforts, Town communication and/or coordination efforts, and general direction from Board.

- District Manager reported for the month of October: The average daily influent flow was 1.848 MGD, total WW treated was 57,287,000 gallons, and total RW delivered to reusers was 33,786,500 gallons.
- District Manager reported the District's total recharge credit available as of October 31, 2018 was 550,918,036 gallons.
- All facilities were in compliance with permit requirements for the month of October.
- There were seven new sewer service agreements issued in October - five single-family and two multi-family units.
- ASR Well 2 rehabilitation was a success. The ability to inject water improved 28% and the ability to recover water improved by almost 50%.

ASR Well 4 rehabilitation is complete and the improvement was noticeable. There is an approximate 8% increase in flow rates and 20% increase in specific capacity.

- The Solids Handling and Headworks Improvements Project is complete except for a few items such as close-out documents and a warranty issue on a pump. The project is a success, all new equipment is working as anticipated, and the WWTP's electric bill is showing a substantial decrease in usage.
- District staff is collecting and sharing data with the consultant for the Master Plan Study. Flow monitoring in critical locations of the collection system is scheduled for January.
- District has re-established regular Safety Committee meetings and is currently reviewing and finalizing Safety Program documents.
- District Manager will be hiring a maintenance supervisor in the first quarter of next year to improve District maintenance operations and better implement a computerized maintenance management system (CMMS). The newly created position will fit within the current FY salary budget.
- District Manager has been reviewing CMMS and asset tracking software(s) to find one that best meets the District's needs.

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- A developer for the property at the corner of Palisades and Shea, originally thought to be a resort, has approached the District for preliminary planning information. The developer has indicated that they want to construct apartments on the parcel.
- The District will be soliciting bids for sewer slip-lining services, as identified as a project in the FY18-19 budget.
- District Manager met with Town Manager Grady Miller to discuss the Well Vault project in Fountain Park.
- Staff coordinated with Parks staff regarding the recent well repairs and restored the newly seeded grass.
- District Manager met with Town Community Services Director and Economic Development Director to discuss population and growth plans the District should consider in the Master Plan.
- Three members of the last Fountain Hills Leadership Academy class approached the District about wanting to help with the sodium issue.
- The District Manager met with a resident regarding damage to his property from a mudslide during an August storm. The mudslide started from adjacent Town-owned-property in which the District has a sewer easement and live sewer main installed in 2000. The District Manager reported that the District was not responsible for the property or damage from mudslide. The resident may file a suit or claim naming the Town and the District.

Agenda Item No. 7

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.

Agenda Item No. 8

Discussion regarding a request by a resident to have the RV station available for use at all times instead of just during regular business hours.

District Manager noted that the RV dump station is a free service for its residents that are current on billing. The station may only be accessed during normal business hours to ensure only approved material is dumped and to collect fees from non-District or commercial users.

After a discussion, direction was given to staff to not change the District's policy regarding the RV Station hours.

Agenda Item No. 9

Discussion and consideration to authorize District Manager to execute work orders with Building Technology Solutions up to the amount of \$36,000 to install new fiber optic cables between the wastewater treatment plant, the advance water treatment facility, ASR well #1, and ASR well #4.

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Director Thomson made a motion to authorize District Manager to execute work orders with Building Technology Solutions up to the amount of \$36,000 to install new fiber optic cables between the wastewater treatment plant, the advance water treatment facility, ASR well #1, and ASR well #4. Director Dudash seconded motion.

After a discussion, Vice Chairman Dudash moved to amend the motion to have staff who is familiar with the current fiber optic cables attend the Board meeting to answer questions from the Board. There was no second to the motion to amend and the motion to amend failed.

The original motion passed with a vote of 4 to 1 with Chairman Reski, Director Butler, Director Maroon, and Director Thomson voting aye and Vice Chairman Dudash voting nay.

Agenda Item No. 10

Discussion and general direction to staff regarding the ASR well vault replacement project.

District Manager presented the Board with a summary of efforts to-date that have been completed and/or authorized on the Well Vault Replacement project. The well vaults must be replaced due to their deteriorated condition. For safety concerns, the District would like the well equipment to be in an above ground facility. District staff and Town staff have mutually agreed to plan for the vault replacement at well nos. 2 and 4. Well no. 1 is postponed until after a flood study is completed by the Town.

District Manager is requesting approval to present the project to the newly seated Town Council at their Council meeting of December 18th and approval to begin to develop an IGA with Town.

Director Butler asked legal counsel if the District is going outside the limits of the District's responsibility to build the restroom facility. Legal Counsel informed the Board that since the facility is on property that is Town controlled, a public area, and needs to be designed in such a way to accommodate the Town wishes, it would not be an overstretch to build the restrooms.

After further discussion, approval was given to District Manager to present the project as a concept to the Town Council. It was noted that there are many steps that need to be taken before it is ultimately approved and that the District does not have a firm cost yet. The Board is interested in moving forward, assuming cost is acceptable, but a final decision has not yet been made. If the District is to move forward with this project, the District Manager needs to begin to negotiate a Guaranteed Maximum Price with a Construction Manager in February 2019 in order to have a final cost by March or April 2019. If the District decides to move forward with this project, construction would be scheduled during the summer of 2019 between Town activities.

Agenda Item No. 11

Discussion and consideration to authorize District Manager to execute a contract with Hunter Contracting Co. for construction manager at risk (CMAR) preconstruction services in the amount of \$50,541.40.

District Manager is requesting authorization to execute a contract with Hunter Contracting Co. for construction manager at risk (CMAR) necessary preconstruction services in the amount of \$50,541.40 for the ASR Well Vault Replacement project.

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Vice Chairman Dudash made a motion to authorize District Manager to execute a contract with Hunter Contracting Co. for CMAR preconstruction services in the amount of \$50,541.40. Director Maroon 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 Thomson was questioning if the Board was going to have yearly joint meetings with the Town Council. The last meeting was in February 2018 and he requested this item be agendized for a future meeting.

Director Thomson requested that the District Manager reach out to the newly appointed council members that had not received the presentation given to the candidates for the Town Council.

District Manager reminded the Board that a work session will be scheduled for Wednesday, January 9, 2019 at 5:30 p.m. to discuss "Longterm Planning for Recycled Water Demand and Availability".

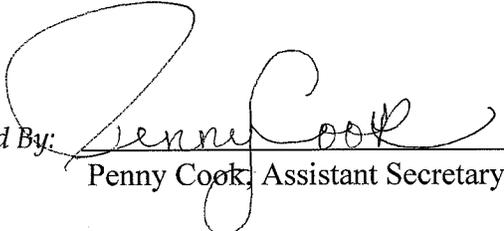
Agenda Item No. 14

Adjournment.

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

Dated this 29th day of November, 2018.

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Minutes Prepared By: 
Penny Cook, Assistant Secretary