

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, June 19, 2019** 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 Gregg Dudash, Vice Chairman Jerry Butler, Director Mike Maroon, Director Robert Thomson, and Director Tom Reski.

(Note: Unanimous votes refer to all Directors present)

The following Executive Staff members were present:

Dana Trompke, District Manager, William Sullivan, Legal Counsel (arrived at 5:40 p.m.), Tori Myers, District CPA, and Penny Cook, Assistant Secretary.

Agenda Item No. 2 **Approval of Minutes: Regular Meeting: 05/22/2019**

A motion was made by Director Thomson to approve the minutes of the Regular Meeting of May 22, 2019 as presented. Director Reski seconded the motion which passed unanimously.

Agenda Item No. 3 **Call to Public**

Mr. Bob Shelstrom stated: "I just want to say thanks to Attorney Sullivan, who unfortunately is not here right now and hope you will relay my thanks. I had some concerns about the applicability of construction management at risk because the way the statutes were written where special districts in title 34, they specifically spelled out the type of applications, irrigation, power, drainage, but for some reason they didn't specifically name sanitary districts. I wasn't quite sure why. So, I sent a letter to all of you showing my concern and he answered promptly, professionally, thoroughly, and I was completely satisfied with his response."

Agenda Item No. 4 **Consideration to approve Resolution No. 278, the FY 2019/2020 fee schedule.**

District CPA stated that there have been no changes or increases in fees from the prior year.

A motion was made by Director Thomson to approve Resolution No. 278, the FY 2019/2020 fee schedule. Director Butler seconded the motion which passed unanimously.

Agenda Item No. 5 **Consideration to approve FY 2019/2020 budget.**

District CPA stated the discussed changes have been implemented in the 2019/2020 budget. The substantive change is the year end estimates, basically the beginning budgetary fund balance items.

A motion was made by Director Thomson to approve FY 2019/2020 budget. Director Maroon seconded the motion which passed unanimously.

Agenda Item No. 6

District Manager's report; items to be discussed include plant and recharge statistics for May, permit compliance, new and existing sewer services, active project updates, recent activities, public communication efforts, Town communication and/or coordination efforts, and general direction from Board.

District Manager reported for the month of May: The average influent flow was 1.837 MGD and total Wastewater treated was 56,948,000 gallons.

District facilities were in compliance with all permit requirements for the month of May.

The previously noted exceedance from October 2018 was not confirmed in follow up sampling. The lab, ADEQ and ADHS have yet to resolve their differences in minimum detection limits for this parameter, so the lab has yet to issue final reports. However, based on the preliminary results *not confirming* the exceedance, we have suspended the extra sampling and resumed normal quarterly sampling.

May Reclaimed Water delivered to reusers was 62,356,900 gallons.

District Manager reported the District's total recharge credit available as of May 31, 2019 was 775,100,036 gallons.

There were four new sewer service agreements for the month of May - three single family and one non-residential.

The ASR Well Vault Replacement project has formally kicked-off with visible activity. The Contractor has placed security fencing around the work site and erected the project signs. They have begun the necessary site preparation and grading modification to construct the buildings. Construction is anticipated to last through the end of the year.

District staff has scheduled a time to take delivery of and receive training on both the GIS and hydraulic models. Staff is reviewing draft/initial evaluations on the capacity of the collection system and wastewater treatment plant. Findings will be provided to the board once properly vetted.

Contractor completed all the cleaning and TV inspection of the lines to be slip-lined for the Sewer Rehabilitation (slip-ling) Project FY 18-19. Actual slip-lining process started this week. The line at Kern Plaza that goes under Shea Blvd. has been completed. Also, the line under one of the dams has been completed which was another critical piece that staff wanted to accomplish first. At the present time, the Contractor is working at the Summit at Crestview. Everything has been going well. The residents have been properly notified. The District sent two letters, one letting them know it was coming and before the cleaning, another letter was sent to let them know we are coming back for the cleaning and the rehab. The Contractor has been good about putting door hangers and notifying residents. So far, no comments, complaints, or issues have come up.

There is no update to the Air Compressor Replacement project.

Municipal Sewer & Water Magazine is writing a story on the Sanitary District. They did a phone interview and came out and took photos of crews working. The article should be published in the August edition.

Training is scheduled for the new Computerized Maintenance Management System (CMMS) software over the last 2 weeks of June. As mentioned in a prior report, the reorganization of the internal maintenance staff and implementation of the CMMS are initiatives to get ahead of reactive maintenance and into proactive and predictive maintenance efforts. "Maintenance" will be a formal department with this next FY.

Two air release valves failed on an effluent main along Saguaro Blvd. Crews immediately responded to identify and stop the problem. Crews have been working closely with Town Streets dept. to inform them and work out a temporary traffic control plan. Repair components are on order. Staff had committed to the Town to have the repairs completed by July 4th but have learned today that has been extended until mid-July because staff wanted the supplier to confirm the traffic rating of the new vaults that are being installed.

District Manager would like to initiate an internal project using the latest two new tools which are the GIS system and CMMS system. The GIS system has an overall mapping of all the sewer mains, force mains, and pump stations. District Manager would like to include all the air release valves on all the pressurized mains into the GIS system. It will be an extra task order for the Master Plan consultant to add a GIS layer. Also, these would be added to the new computerized maintenance management program so staff can track inspection and maintenance efforts.

The Town's Parks Superintendent is included in the weekly construction meetings of the well control bldg./restroom project to be aware of the activities and the contractor may coordinate directly with them regarding irrigation systems, events, etc.

Town staff wanted to confirm whether or not the District would be interested in a joint session in the fall and if there were any suggestions for dates. This will be placed on a future meeting agenda to discuss proposed dates and discussion items.

Staff is working on ways to commemorate the District's 50th Anniversary which will be July 21, 2019. The District will host an open-house event at the AWTF on Monday, July 22nd. In addition, there will be staff and Board celebrations on Wednesday, July 17th.

Staff met with the PR consultant to brainstorm ideas and develop a plan for launching a sodium public education campaign.

Chairman Dudash asked District Manager to reach out and try to find out how the product Marty Jessen was developing is coming along regarding sodium removal.

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 the General Fund Income Statement for May was favorable to budget.

Agenda Item No. 8

Discussion and consideration to authorize District Manager to enter into a GIS data sharing agreement with EPCOR for the purposes of exchanging GIS maps of water and sewer mains.

District Manager presented the Board with an agreement with EPCOR for GIS data sharing. District Manager is requesting approval of the agreement to be able to obtain GIS maps of water from EPCOR and share the District's sewer main maps with them.

After a discussion, Director Reski made a motion to authorize District Manager to enter into a GIS data sharing agreement with EPCOR for the purposes of exchanging GIS maps of water and sewer mains with discussed modification. Director Butler seconded the motion which passed unanimously.

Agenda Item No. 9

Discussion and direction to staff regarding security of staff and facilities.

Chairman Dudash would like the District to research security options for staff and facilities. He suggested staff ask MCSO to take a look at our facilities and give us some ideas. Also, he would like staff to look into the ASU active shooter preparedness training video. Direction was given to staff to talk to MCSO to do an audit, look into some of the consulting firms that do security audits, take a look at the price so staff has something to report back to the Board with what that involves.

Agenda Item No. 10

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.

Chairman Dudash stated: "I would like to comment on some very disturbing events that have recently occurred involving an individual in the community attacking the executive team of the Sanitary District. This individual has gone well beyond the normal confines of politics and crossed the line into the politics of personal destruction. In written and verbal communications, this individual has literally attacked the integrity of the Board and the District Manager. We have been accused of graft, corruption, and unethical conduct regarding the Well Vault/Restroom project. I find such behavior to be disappointing. More than that, I find it to be disgusting, detestable and despicable. We are dealing with what some people have called a 'malignant narcissism' and these personal attacks have been largely focused on our District Manager. She has now been threatened with having an ethical complaint filed against her with the National Society of Professional Engineers. Make no mistake, this is nasty stuff, a direct personal attack and unbridled character assassination. As Chairman, I will not tolerate personal attacks disparaging the integrity of our people. In the face of these attacks, we are going to look at our options. We will likely make these communications public so that the Fountain Hills community can see what is actually going on (not sure about that yet, but it's a thought). I have the greatest respect for our fellow residents. They are smart people. We will simply show them the facts that are available and let them decide. We will also explore our legal options against such vile defamation. No malice is involved on our part. But make no mistake, we will defend our people. Fair warning".

Director Maroon commended staff on their forward thinking regarding the budget. The budget indicates that over the next five years the District is planning for "hay in the barn" which gives the District the foresight to have a proactive approach on developing resources for replacement projects. It is exactly what the District should be doing.

Agenda Item No. 11
Adjournment.

Vice Chairman Reski made a motion to adjourn the meeting at 6:22 p.m. Director Butler seconded the motion which passed unanimously by all Directors present.

Dated this 20th day of June, 2019.

Fountain Hills Sanitary District

Minutes Prepared By:


Penny Cook, Assistant Secretary