

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, February 19, 2020** at **5:00 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 Jerry Butler, Vice Chairman Michael Maroon, Director Tom Reski, and Director Gregg Dudash. Director Thomson arrived at 5:08 p.m.

(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

Approval of Minutes: Regular Meeting: January 15, 2020 and Work/Study Session: February 5, 2020.

A motion was made by Director Dudash to approve the minutes of the Regular Meeting of January 15, 2020 as modified. Director Maroon seconded the motion which passed unanimously.

A motion was made by Director Dudash to approve the minutes of the Work/Study Session of February 5, 2020 as presented. Director Reski seconded the motion which passed unanimously.

Agenda Item No. 3

Call to public.

There was no public comment.

Agenda Item No. 4

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

District Manager reported for the month of January: The average daily influent flow was 2.161 MGD.

Total WW treated for January was 66,981,000 gallons.

The District was in compliance with all permit requirements for the month.

January Reclaimed Water delivered to reusers was 14,983,000 gallons.

District Manager reported the District's total recharge credit available as of January 31, 2020 was 713,882,057 gallons.

There were 4 new sewer service agreements issued in January – three single-family and one non-residential.

The contractor is running a couple of weeks behind on finishing the Well #4 facilities for the ASR Well Vault Replacement Project. The final C of O was issued today, February 19th. The contractor, District Manager, and Kevin Snipes, Town Parks Department representative walked the facility. Kevin Snipes, the Parks Superintendent, was very comfortable with opening the facility February 20th to the public. Most of the landscaping is done other than sod needing to be laid, which will come in on Friday.

Director Dudash wanted it noted some of the delay in the project being completed was due to a change in the building inspection procedures which caused a delay in the SRP meter being installed, and that staff had done all they could to keep the project on track.

There are additional items that need to be addressed for completion of the ASR Well Vault Replacement project. A couple of trees need to be planted, sod needs to be laid, and final punch list items inside the well control building.

A final version of the Master Plan Study should be received by February 21st. District Manager will send the final executive summary to Directors when available. Chairman Butler requested a full copy of the study.

Felix Construction has begun preliminary investigations and work for the Air Compressor Replacement project. This project is anticipated to be complete by May.

Staff and contractor have closely coordinated with the disc golf course association representatives. They are extremely pleased with the improvements that were made to mitigate the impact the new facilities had on their established courses.

No other additional public outreach efforts this month above and beyond the District's usual outstanding customer service.

Parks Supervisor, Kevin Snipes, had been very involved and instrumental in the well vault project. His participation has been very much appreciated and has been a good contribution to the team.

Director Thomson requested District Manager send a letter to the Mayor and copy the Town Manager expressing the District's appreciation for the work and help given by Kevin Snipes during the well vault replacement project.

The District sponsored a table at the Mayor's State of the Town Address on January 28, 2020. The District's partnership and restroom contribution was publicly recognized by the Mayor.

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 January was favorable to budget.

Agenda Item No. 6

State of the budget presentation with preliminary information and estimates.

District CPA presented preliminary information and estimates for the 2020/2021 Budget.

- Focus on reserves with FERR minimum of \$3,000,000
- Staff is recommending \$1.00 increase in User Fees to keep pace with inflation.
- Property tax assessment rate is projected to remain the same to continue funding reserve accounts, while considering a moderate rate decrease if possible.
- Anticipated spending remains stable with only a \$20,000 increase.

Agenda Item No. 7

Discussion and consideration to authorize District Manager to execute a Job Order to MGC Contractors for the rehabilitation of Clarifier #2 and repair of a RAS Valve.

District Manager is requesting authorization to execute a Job Order to MGC Contractors for the rehabilitation of Clarifier #2 and repair of a RAS (Return Activated Sludge) Valve. The total dollar amount for this project is \$160,111.00.

This project has been identified as an SFI project in this current fiscal year.

Director Thomson made a motion to authorize District Manager to execute a Job Order to MGC Contractors for the rehabilitation of Clarifier #2 and repair of a RAS Valve. Director Reski seconded the motion which passed unanimously.

Agenda Item No. 8

Discussion regarding recycled water management and direction to staff regarding (1) reporting usage of groundwater lease, (2) discontinuation of groundwater lease, and (3) considerations of options for long-term sustainable deliveries and near-term deficits.

After a discussion, direction was given to District Manager that the District will report only pumping the quantity of groundwater needed to meet the annual recycled water deficit, if any.

After further discussion, it was directed that the District plan to not obtain a groundwater lease after the year 2021.

Chairman Butler proposed that he and the District Manager meet with the golf courses individually to discuss the problem, asked if there was any objection and there was none.

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.

There were no comments.

Agenda Item No. 11
Adjournment.

Director Maroon made a motion to adjourn the meeting at 7:06 p.m. Director Reski seconded the motion which passed unanimously.

Dated this 20th day of February, 2020.

Fountain Hills Sanitary District

Minutes Prepared By:


Penny Cook, Assistant Secretary