

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, May 20, 2019** 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 Robert Thomson arrived at 5:14 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 (telephonically), and Penny Cook, Assistant Secretary.

Agenda Item No. 2 **Public hearing concerning the FY 2020/2021 fee schedule.**

The public hearing concerning the FY 2020/2021 fee schedule was opened by Chairman Butler.

There was no comment.

Director Dudash made a motion to close the public hearing. Vice Chairman Maroon seconded the motion which passed unanimously.

Agenda Item No. 3 **Public hearing concerning the FY 2020/2021 budget.**

The public hearing concerning the FY 2020/2021 budget was opened by Chairman Butler.

There was no comment.

Chairman Butler closed the public hearing.

Agenda Item No. 4 **Approval of Minutes: Regular Meeting: April 17, 2019**

A motion was made by Director Reski to approve the minutes of the Regular Meeting of April 15, 2020 as presented. Director Maroon 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, recycled water, and recharge statistics for April, permit compliance, new sewer services, active project updates, public communication efforts, and Town communication and/or coordination efforts.

District Manager reported for the month of April: The average daily influent flow was 2.174 MGD.

Total WW treated for April was 65,222,000 gallons.

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

April Reclaimed Water delivered to reusers was 46,436,900 gallons.

District Manager reported the District's total recharge credit available as of April 30, 2020 was 721,414,057 gallons.

There was one new single-family sewer service agreement issued in April.

The final project invoices have been received for the ASR Well Vault Replacement Project. The entire project, from concept to completion, ended up \$54,866.35 over budget over the course of three fiscal years. This is 1.83% of the total project budgets.

Chairman Butler commented that knowing the complexity of this project and over a three-year period, 1.83% is fantastic.

Due to the delays in the construction activities, the engineer provided services long after their original contract estimates. The General Contractor provided a cost deduct in the amount of the additional engineering services totaling \$13,857.55.

The final contractor cost was \$20,865.05 under the GMP contract value. Additional construction costs that were not included in the CMAR contract included fiber relocation and connection for the District's overall control system and additional control system programming.

The AWTF was shut down the week of April 20th for the Air Compressor Replacement project. It was discovered that some of the electrical breakers and wiring were undersized. The air compressors did not start as planned. A temporary wiring arrangement was made in order to put one air compressor into service and allow AWTF to be operational again. The engineer and contractor worked through several alternatives to resolve the issue with the least impact to schedule, the lowest cost alternative, and provide the best value for the District. A change order is required for this modification and is a separate item on the agenda. The entire project is anticipated to be complete by end of May.

The Aeration Basin Improvement Project is the next large project that will replace and add internal baffle walls within the aeration basins, improve the air distribution headers, and install additional instrumentation for better monitoring and control of the biological treatment process. In working through the design, it was discovered that a significant upgrade will be required for the existing control program to accommodate the new functions. In addition, the computers (PLCs and HMIs) that run the aeration control

system are approximately 12 years old and undersized. It was decided to replace those items as part of this project. Requests to authorize a contractor and engineer for the project are included later on this agenda.

The contractor for the Clarifier No. 2 Rehabilitation project has been working for several weeks. As noted in prior communications, there was an accident that occurred on Friday May 1, 2020. An employee of the painting subcontractor fell off some scaffolding, inside the clarifier, about 7 feet above the concrete floor. The local fire department responded but did not have the appropriate equipment to be able to remove the gentleman safely from inside the clarifier. Several other fire departments were called to assist. The large number of emergency responders and vehicles attracted local news media, who also showed up to inquire into the event. The gentleman was safely extracted from the basin, treated for non-critical injuries at a hospital, and was released the next day.

The contractor immediately stopped all work activities, performed safety investigations, held safety meetings with all employees and subcontractors, and corrected the deficiencies that lead to the accident. The contractor has resumed work again and should complete the project by mid-June.

Vice Chairman Maroon requested District Manager and staff reach out to the local Fire Department to give them a tour to enable them to become familiar with District facilities.

For the last eight weeks, the District modified its staff work schedules to accommodate physical distancing and "stay-at-home" orders as much as possible in reaction to COVID 19. Since the Governor's "Stay Home" executive orders expired on May 15th, the District returned to normal work shifts on May 18th. Staff has modified internal practices in order to continue with proper hygiene, frequent cleaning, and accommodate physical distancing as much as possible.

A flyer was posted on the website to answer some FAQ's regarding corona virus in wastewater and what the District is doing in response.

Since it has been difficult procuring supplies, District Lab staff has begun to make in-house hand sanitizer.

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, 5-year SFI Plan, and general direction from Board.

District CPA reported the General Fund Income Statement for April was favorable to budget.

Vice Chairman Maroon requested that a 90-day plus receivables 3-year average information be included in the District CPA report.

District CPA presented an updated 5-year SFI Plan and explained the adjustments that were made. The changes made do not reflect any revenue changes to the proposed budget.

Chairman Butler moved Agenda Item #9 before Agenda Item #8

Agenda Item No. 8

Discussion and consideration to authorize District Manager to execute a change order in the amount of \$46,065.00 to Felix Construction for the AWTF Air Compressor project.

District Manager is requesting authorization to execute a change order in the amount of \$46,065.00 to Felix Construction for the AWTF Air Compressor Replacement project.

Director Reski requested District Manager request Carollo to itemize the cost of the additional engineering services related to the change order. Director Dudash requested that staff indicate to Carollo that the Board is not happy with the error in the undersized breakers and wiring.

Director Reski made a motion to authorize District Manager to execute a change order in the amount of \$46,065.00 to Felix Construction for the AWTF Air compressor project. Director Dudash seconded the motion which passed unanimously.

Agenda Item No. 9

Discussion and consideration to approve District CPA's contract for FY 2020/2021.

District CPA presented a proposed FY 2020/2021 contract and noted that the only changes from the FY 2019/2020 contract are date changes and an addition of a 2% COLA increase.

Vice Chairman Maroon made a motion to approve District CPA's contract for FY 2020/2021 as submitted. Director Reski seconded the motion which passed unanimously.

Agenda Item No. 10

VOTE TO GO INTO EXECUTIVE SESSION FOR THE FOLLOWING PURPOSE: Pursuant to A.R.S Section 38-431.03(A)(1) discussion and consideration of the District Manager's performance and annual salary adjustment for FY 2020/2021, and, possibly, the salary range for the position.

Director Thomson moved to go into executive session for discussion and consideration of District Manager's performance and annual salary adjustment for FY 2019/2020, and, possibly, the salary range for the position. Director Dudash seconded the motion which passed unanimously. Regular session adjourned into executive session at 6:25 p.m.

Agenda Item No. 11

RETURN TO REGULAR SESSION

Regular Session resumed at 6:50 p.m.

Agenda Item No. 12

Discussion and establishing the salary adjustment for FY 2020/2021 and, as deemed appropriate, the salary range for the District Manager.

Director Thomson moved to increase the District Manager salary by a merit increase of one percent plus two percent cost of living, included in the budget, for FY 2020/2021 and increase the top end of the salary range to \$169,200. Vice Chairman Maroon seconded the motion which passed unanimously.

Agenda Item No. 13

Discussion and consideration to authorize District Manager to execute a Job Order with PCL Construction for the Secondary Treatment System (Aeration Basin) Improvements project.

District Manager is requesting authorization to execute a Job Order with PCL Construction for Secondary Treatment System (Aeration Basin) Improvements project in the amount of \$1,912,265.55. District Manager explained that this project will run over three fiscal years.

Director Reski made a motion to authorize District Manager to execute a Job Order with PCL Construction for the Secondary Treatment System Improvements project. Director Dudash seconded the motion which passed unanimously.

Agenda Item No. 14

Discussion and consideration to authorize District Manager to execute a contract with Carollo Engineers to provide engineering services during construction of the Secondary Treatment System Improvements project.

District Manager is requesting authorization to execute a contract with Carollo Engineers to provide engineering services during construction of the Secondary Treatment System Improvements project.

After a discussion, direction was given to the District Manager to have Carollo Engineers clarify the costs indicated for other direct costs, and also, have legal counsel review the contract language.

Chairman Butler tabled this item until the June 2020 regular meeting.

Agenda Item No. 15

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 Butler stated that with all of the things going on in our lives, the Board may need to think about alternative methods for holding meetings. Last month the Board met in a telephone conference and this month with social distancing wearing face masks. Chairman Butler is asking the District Manager to consider sending out a questionnaire to the Board regarding formatting the Board meetings going forward. Are we comfortable sitting here with masks on, are they necessary, could we go back to telephone conferences, etc. This is all changing, and he would like to stay on top of it and also be responsive to all of the CDC recommendations and all of the unknowns going on right now. What happens this fall if the second wave hits that some are forecasting. Chairman Butler is requesting staff look into alternatives.

Director Thomson is requesting that District Manager reach out and meet with the new members of the Town Council.

Agenda Item No 16

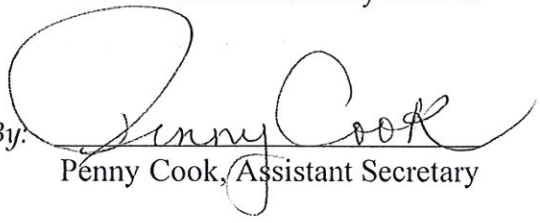
Adjournment.

Vice Chairman Maroon made a motion to adjourn the meeting at 7:13 p.m. Director Reski seconded the motion which passed unanimously.

Dated this 21st day of May, 2020.

Fountain Hills Sanitary District

Minutes Prepared By:


Penny Cook, Assistant Secretary