

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, January 19, 2022** at **4:30** 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:

Chairperson Michael Maroon, Vice Chairperson Robert Thomson, Director Gregg Dudash, Director Tammy Bell, and Director Jerry Butler.

(Note: Unanimous votes refer to all Directors present)

The following Executive Staff members were present:

Dana Trompke, District Manager (telephonically), Daniel Jones, Legal Counsel, Tori Myers, District CPA, and Penny Cook, Assistant Secretary.

Agenda Item No. 2

Assumption of Chairperson's duties by Vice Chairperson and election of new Vice Chairperson.

The duties of Chairperson were turned over to Vice Chairperson Thomson for 2022.

Director Bell nominated Director Dudash for Vice Chairperson for 2022. Director Butler seconded the motion which passed unanimously.

Agenda Item No. 3

Approval of Minutes: Regular Meeting: December 15, 2021

Vice Chairperson Dudash made a motion to approve the Regular Meeting minutes of December 15, 2021 as amended. Director Bell seconded the motion which passed unanimously.

Agenda Item No. 4

Call to Public.

There were no public comments.

Agenda Item No. 5

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

The District Manager reported for the month of December: The average daily influent flow was 2.015 MGD. Average daily influent flow for 2021 was 1.952 MGD.

Total WW treated for 2021 year-end was 712,236,000 gallons, a decrease of 5.6% from 2020.

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

December Reclaimed Water delivered to reusers was 11,491,000 gallons. Total RW delivered to reusers for 2021 year-end was 600,712,100 gallons.

The District Manager reported the District's total recharge credit available as of December 31, 2021 was 541,519,015 gallons.

There were seven new single family sewer service agreements issued in December.

Staff engineer, Joel Peterson, is leading the design efforts for the Effluent Pump Replacement Project and PS #10 Improvement project.

District Manager is working with the JOC contractor to provide a quote for the ARV Replacement project.

The contractor is waiting for delivery of ordered equipment for the AWTF Strainer and Tote Replacement Project.

District Manager had a conversation with the Director of Scottsdale Water on the Outfall Feasibility Study. District Manager will report back to the Board when her questions have been answered by the Director of Scottsdale Water.

District Staff is awaiting delivery of the replacement membranes for the AWTF Membrane project.

Plant and Lab Staff has implemented a new record keeping database program, Waterly, to reduce errors, have better retention of plant process and inspection records, and streamline some of the monthly reporting.

There are currently 2 CSO Operator vacancies.

The last newsletter generated two emails with additional questions on the use of potassium chloride in lieu of sodium chloride.

Agenda Item No. 6

District CPA's report; items to be discussed include status of income and expenditures, billing, report on collection efforts to date, FY 2022/23 budget schedule, and general direction from Board.

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

District CPA provided a copy of the proposed 2022/2023 FY Budget schedule.

Chairperson Thomson moved Agenda Item #10 before Agenda Item #7

Agenda Item No. 7

Legal Counsel updates and discussion of possible future.

Legal Counsel updated the Board on current bills that will be reviewed during the current State Legislative session.

Chairperson Thomson moved Agenda Item #9 before Agenda Item #8

Agenda Item No. 8

Discussion and direction to staff regarding minimum water storage account balance and managing reclaimed water storage and demand.

District Manager presented a water storage account balance trigger point as requested by the Board from prior discussions. The trigger point would require action to drive a reduction in recycled water use, by use of a tiered rate schedule.

After a discussion, direction was given to District Manager to retrieve the prior proposed tiered rate schedule along with water usage graphs for discussion at the February 2022 regular Board meeting.

Agenda Item No. 9

Discussion and consideration to authorize the District Manager to purchase a replacement forklift from Bingham Equipment Company in the amount of \$64,999.26.

District Manager informed the Board a purchase for a new forklift was identified in the 2021/2022 FY Budget. District staff has found a 2019 used Case forklift in the amount of \$64,999.26 and District Manager is asking for authorization to purchase the 2019 Case forklift in the amount of \$64,999.26.

After a discussion, Vice Chairperson Dudash made a motion to authorize District Manager to purchase the 2019 Case forklift in the amount of \$64,999.26. Director Maroon seconded the motion which passed unanimously.

Agenda Item No. 10

Discussion and possible direction to staff regarding cost-of-living adjustment for the next fiscal year budget.

Chairperson Thomson indicated he wanted a discussion on this item. He wants the Board to give guidance to staff before the 2022/23 Budget was generated as to what the starting point should be for the cost-of-living adjustment for the 2022/23 fiscal year.

After a discussion, direction was given to staff that the starting point for the 2021/22 cost-of-living adjustment for the 2022/2023 Budget be at three percent; and depending on new data, the Board reserves the right to adjust the amount at any point up to the public hearing and budget adoption.

Agenda Item No. 11

The Chairperson, 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 Butler informed the Board that he and the District Manager will be making a presentation to the Men's Discussion group in Town on January 31st.

Director Bell indicated there was a discussion at a recent Town Council meeting regarding the District's maintenance of the washes.

Agenda Item No. 12
Adjournment.

Director Maroon made a motion to adjourn the meeting at 6:30 p.m. Vice Chairperson Dudash seconded the motion, which passed unanimously.

Dated this 20th day of January 2022.

Fountain Hills Sanitary District

Minutes prepared by:


Penny Cook – Assistant Secretary