

# **MINUTES OF MEETING BOARD OF DIRECTORS FOUNTAIN HILLS SANITARY DISTRICT**

The Board of Directors of the Fountain Hills Sanitary District met in a **Budget Workshop and Regular Meeting** on **Wednesday, March 16, 2022** at **4:30 p.m.** in the District's Board Room located at 16941 E. Pepperwood Circle, Fountain Hills, Arizona.

## **Call to order and roll call**

*Upon roll call the following Directors were present:*

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

(Note: Unanimous votes refer to all directors present)

*The following Executive Staff members were present:*

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

## **Agenda Item No. 1**

### **Work/Study session with staff to discuss FY 2022/2023 preliminary budget and fee schedule.**

#### **Overview**

District CPA presented staff proposals for the fiscal year 2022/2023 budget and fee schedule and answered questions from the Board.

#### **Highlights of the Proposed Budget are as follows:**

There is a proposed decrease to the property tax rate.

Staff is proposing a \$1.00 per month increase in Sewer User Fees for the 22-23 fiscal year to begin January 1, 2023.

Total operating and SFI budget for FY 22-23 is expected to increase by 7.9% over the FY 21-22 adopted budget. This increase is attributable to inflation, personnel costs, and safety.

District CPA will incorporate discussed changes and the Proposed Budget will be agendized at the April 20, 2022 Regular Board Meeting for further discussion.

## **Agenda Item No. 2**

### **Adjournment.**

Chairperson Thomson adjourned the Budget Workshop at 5:50 p.m. and the regular meeting began.

**Agenda Item No. 3**

**Approval of Minutes: Regular Meeting: February 16, 2022.**

A motion was made by Director Butler to approve the minutes of the Regular Meeting of February 16, 2022 as amended. Director Bell seconded the motion which passed unanimously.

**Agenda Item No. 4**

**Call to Public.**

There was no comment.

**Agenda Item No. 5**

**District Manager's report; items to be discussed include plant and recharge statistics for February, 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 February: The average daily influent flow was 2.193 MGD.

Total WW treated for February was 61,409,000 gallons.

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

February Reclaimed Water delivered to reusers was 20,015,000 gallons.

The District Manager reported the District's total recharge credit available as of February 28, 2022 was 620,454,115 gallons.

There were nine new single-family and four multi-family sewer service agreements issued in February.

There has been slow progress of the EFF Pump Replacement and PS 10 Improvement projects.

The Contractor mobilized to locate the main and buried ARV for the ARV Replacement project. Work was projected to last 2-3 weeks but a 72 KVA SRP line, in conduit, was discovered directly on top of the District's main. SRP will need to move their line before this project can be completed.

Due to the complexity of the site next to the Splash Pad, efforts are renewed to flush out the possibility of locating the building at one of the other initial sites for the ASR Well 1 Vault Replacement project. The District Manager met with the Town Manager and presented two architectural designs for the well site. The Town Manager indicated a preference for one of the two proposals to coordinate with Town future plans.

The contractor is scheduled to mobilize the week of March 21<sup>st</sup> for the AWTF Strainer and Tote Replacement project.

City of Scottsdale has indicated approximately 350 gallons per minute is going to be the limit of what they can hydraulically accept for the Outfall Feasibility Study.



The second batch of replacement membranes has arrived and will be placed into service around the week of April 4<sup>th</sup> for the AWTF Membrane project.

There are currently two vacancies: One Plant operator and one CSO operator. One CSO operator offer is pending.

A newsletter was provided with the January billing, and staff is preparing the next issue for April.

The Men's Discussion Group requested a tour, which was given on March 9<sup>th</sup>.

Director Butler indicated that two of the men from the Men's Discussion Group had complemented the District Manager on conducting the tour and were surprised at how large the facility is, how complex it is, and how clean it is.

District Manager is continuing to work with the Town Communications Director on publishing sodium-pollution related articles for the *Fountain Hills Insider*.

**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, and general direction from Board.**

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

**Agenda Item No. 7**

**Legal Counsel updates and discussion of procedural matters and possible further legislation.**

Legal Counsel updated the Board on bills that will be reviewed or have been dropped from the current State Legislative session.

**Agenda Item No. 8**

**Discussion and consideration to authorize District Manager to engage Degan Construction to rehabilitate and repair five manholes for the amount of \$61,370.00.**

District Manager is requesting authorization to engage Degan Construction to rehabilitate and repair five manholes for the amount of \$61,370.00. District Manager indicated that Degan Construction is the contractor we have used in the past and has done a good job.

Vice Chairperson Dudash made a motion to authorize the District Manager to engage Degan Construction to rehabilitate and repair five manholes for the amount of \$61,370.00. Director Butler seconded the motion which passed unanimously.

**Agenda Item No. 9**

**Discussion and consideration to authorize District Manager to engage Otis Architecture for design services of the Plant Control Building and Lab Improvements project in the amount of \$125,000.00.**

District Manager is requesting authorization to engage Otis Architecture for design services of the Plant Control Building and Lab Improvements project in the amount of \$125,000.00.

After a discussion, Vice Chairperson Dudash made a motion to authorize District Manager to engage Otis Architecture for design services of the Plant Control Building and Lab Improvements project in the amount of \$125,000.00 with discussed changes to the agreement. Director Bell 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 of the District Manager's salary range.**

Vice Chairperson Dudash moved to go into executive session pursuant to A.R.S. Section 38-431.03(A)(1), for discussion of the District Manager's salary range. Director Bell seconded the motion which passed unanimously.

Regular session adjourned at 6:46 p.m.

**Agenda Item No. 11**

**RETURN TO REGULAR SESSION.**

Regular session resumed at 7:00 p.m.

**Agenda Item No. 12**

**Discussion and adjust, as deemed appropriate, of the salary range of the District Manager.**

Vice Chairperson Dudash moved to increase the high end of the District Manager salary range to \$189,000.00. The low end of the range will remain the same at \$126,480. Director Bell seconded the motion which passed unanimously.

**Agenda Item No. 13**

**Discussion and consideration to change the July regular meeting date.**

District Manager is requesting the date of the July regular meeting be moved to either the second or fourth week of July.

After a discussion, direction was given to staff to change the July 2022 regular meeting date to July 27, 2022.

**Agenda Item No. 14**

**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.**

Chairperson Thomson thanked Vice Chairperson Dudash for taking the lead on the District Manager Salary range agenda item.

**Agenda Item No. 15**  
**Adjournment.**

Vice Chairperson Dudash made a motion to adjourn the meeting at 7:04 p.m. Director Butler seconded the motion which passed unanimously.

*Dated this 17<sup>th</sup> day of March 2022.*

Fountain Hills Sanitary District

Minutes Prepared By:

  
Penny Cook, Assistant Secretary