

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, April 20, 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 Thomson, Vice Chairperson Gregg Dudash, Director Tammy Bell, Director Jerry Butler, and Director Michael Maroon.

(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.

The following District Staff were present:

Kirsten DeBie, Administrative Services Manager, Clark Moskop, Plant Operations Manager, Mark Cantwell, Maintenance Manager, and Preston Brown, CSO Manager.

Agenda Item No. 2 **Budget Workshop with staff to discuss FY 2022/2023 preliminary budget and fee schedule.**

Department Managers updated the Board with activities, current projects, and upcoming projects in their respective departments.

District CPA presented the Board with a revised FY 2022/2023 Budget which included changes discussed at the March 16, 2022 budget workshop meeting.

Chairperson Thomson recessed the Budget Workshop at 5:08 p.m. and opened the Regular Meeting for the Call to public Agenda Item #5.

Budget Workshop resumed at 5:15 p.m.

The Board and District CPA discussed further changes to the proposed budget.

After a discussion, direction was given to staff to include a \$2.00 per month residential user fee increase in the budget. All other residential and commercial user fees will be increased proportionately.

Agenda Item No. 3
Adjourn Budget Workshop and Open Regular Meeting.

Chairperson Thomson adjourned the Budget Workshop and the Regular Meeting began at 6:54 p.m.

Agenda Item No. 4
Approval of Minutes: Regular Meeting: March 16, 2022

A motion was made by Director Butler to approve the minutes of the Regular Meeting of March 16, 2022 as presented. Vice Chairperson Dudash seconded the motion which passed unanimously

Agenda Item No 5
Call to public

Don Misheff, Owner, and Ron Rupert, Superintendent, of the SunRidge Canyon Golf Club addressed the Board regarding proposed Recycled Water fee schedule.

Mr. Misheff indicated he is concerned the way the pricing program is structured and he believes it eliminates their priority position.

Agenda Item No. 6
Discussion and review of Low-Income Assistance Program (LIAP).

After a discussion, Vice Chairperson Dudash made a motion to increase the discount percentage from 20 percent to 25 percent for the Low-Income Assistance Program. Director Maroon seconded the motion which passed unanimously.

Agenda Item No. 7
Discussion and consideration to approve FY 2022/2023 preliminary budget and fee schedule for publication and to set public hearing hereon.

Director Butler made a motion to approve the FY 2022/23 preliminary budget and fee schedule, with discussed changes and subject to Chairperson Thomson review, for publication and to set public hearing for May 18, 2022 at 4:30 p.m. Director Bell seconded the motion which passed unanimously.

Agenda Item No. 8
District Manager's report; items to be discussed include plant and recharge statistics for March, permit compliance, new and existing sewer services, active project updates, public communication efforts, and Town communication and/or coordination efforts.

District Manager reported for the month of March: The average daily influent flow was 2.121 MGD.

Total WW treated for March was 65,759,000 gallons.

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

March Reclaimed Water delivered to reusers was 45,833,000 gallons.

District Manager reported the District's total recharge credit available as of March 31, 2022 was 629,722,115 gallons.

There were seven new single-family and four multi-family sewer service agreements issued in March.

District staff is working with the contractor to determine the full extent of the SRP conduits buried on top of the RW mains for the ARV Replacement project.

District Manager, Town Manager, and Parks and Recreation department met to discuss the location for the ASR Well 1 Vault Replacement project near Fount Rushmore. They were amenable to the location.

The Contractor is onsite and working on the AWTF Strainer and Tote Replacement Project. However, they are experiencing delivery delays and delivery of incorrect parts. They have had to demobilize, go back offsite, and still should finish by June 30th.

The second batch of replacement membranes for the AWTF Membrane project arrived and were placed into service. It only took about 3-12 days with a combination of plant operators and maintenance crews.

There are currently two staffing vacancies: One Plant operator and one CSO operator.

A newsletter was provided with the April quarterly billing.

District Manager is continuing to work with Town staff on sodium-pollution related articles for the FH Insider.

Agenda Item No. 9

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.

There were no comments.

Agenda Item No. 10

Legal Counsel updates and discussion of procedural matters and possible future legislation.

Legal Counsel updated the Board on water shortage issues and drought conditions.

Agenda Item No. 11

Discussion of status and activities of SRP electrical conduits conflicting with District reclaimed water main.

District Manager informed the Board that District Staff met with SRP and has a contact person to work with from a municipal design group. More exploration will be done to determine the extent of the conflict.

Agenda Item No. 12

VOTE TO GO INTO EXECUTIVE SESSION FOR THE FOLLOWING PURPOSE: Pursuant to A.R.S. Section 38-431.03(A)(1) discussion of legal counsel's conflict of interest in representing the District in SRP matters.

Vice Chairperson moved to go into executive session pursuant to A.R.S. Section 38-431.03(A)(1), for discussion of legal counsel's conflict of interest in representing the District in SRP matters. Director Maroon seconded the motion which passed unanimously.

Regular session adjourned at 7:26 p.m.

Agenda Item No 13

RETURN TO REGULAR SESSION.

Regular session resumed at 7:32 p.m.

Agenda Item No. 14

Direction to staff regarding legal counsel for SRP matters.

There was no direction to staff.

Agenda Item No. 15

Discussion and consideration to authorize District Manager to purchase a replacement pump for Pump Station No. 18 in the amount of \$36,125.

Director Maroon made a motion to authorize District Manager to purchase a replacement pump for Pump Station No. 18 in the amount of \$36,125. Director Butler seconded the motion which passed unanimously.

Agenda Item No. 16

Discussion and reporting of pump repair at Pump Station No. 4 in the amount of \$26,226.90.

District Manager indicated that there was an emergency pump repair needed at Pump Station No. 4 at a cost of \$26,226.90. Since this was an emergency and the amount was over her spending limit, District Manager authorized the repair and is informing the Board of the expense in accordance with the District's purchasing policy.

Agenda Item No. 17

Discussion and review of the District's participation in the Fountain Hills Community Day held on March 26, 2022.

Chairperson Thomson and Director Butler indicated that the Fountain Hills Community Day was a very productive day. Approximately 90 percent of the people they talked to indicated they have switched or would switch from sodium chloride to potassium chloride for their water softeners.

Chairperson Thomson recommended that the District participate in this event again next year.

Agenda Item No. 18

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.

Vice Chairperson Dudash thanked Chairperson Thomson and Director Butler for all their time and work at the Fountain Hills Day event.

Agenda Item No. 19
Adjournment.

Director Maroon made a motion to adjourn the meeting at 7:37 p.m. Director Bell seconded the motion which passed unanimously.

Dated this 21st day of April 2022.

Fountain Hills Sanitary District

Minutes Prepared By:


Penny Cook, Assistant Secretary