

# 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, October 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:*

Acting Chair Jerry Butler, Vice Chairman Gregg Dudash (telephonically), Director Tammy Bell, and Director Michael Maroon. Chair Robert Thomson 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 (telephonically), Tori Myers, District CPA, and Penny Cook, Assistant Secretary.

## **Agenda Item No. 2**

### **Approval of Minutes: Regular Meeting: September 21, 2022**

Director Bell made a motion to approve the Regular Meeting Minutes of September 21, 2022 with suggested amendments. Director Maroon seconded the motion which passed unanimously.

## **Agenda Item No. 3**

### **Call to public.**

There was no comment.

## **Agenda Item No. 4**

### **District Manager's report; items to be discussed include plant, recycled water, and recharge statistics for September, 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 September: The average daily influent flow was 1.717 MGD.

Total WW treated for September was 51,513,000 gallons.

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

September Reclaimed Water delivered to reusers was 70,344,000 gallons.

The District Manager reported the District's total recharge credit available as of September 30, 2022 was 453,076,015 gallons.

The District issued six sewer service agreements for the month of September – 1 single-family and five multi-family units.

The District is experiencing significant supply-chain disruption issues which are impeding operations. Items on order with very long or undetermined delivery dates include the following: electrical components needed at FireRock Pump Station, Wastewater Treatment Plant, Monitor Well #4, and motor for effluent pump #4. The pipe couplings and o-rings for the aeration basin air piping were received. Upcoming projects are noting 32-65-week delivery times for electrical gear, generators, and motors. This will affect the UV replacement, ASR Well 1 Vault Replacement, and PS 10 Improvements projects.

The District found a different mechanic that resolved an elusive problem for the Vaccon Sewer Cleaning Truck, S-9, at a cost of \$2,300. Staff reports this machine is working better than ever. The District will not need to order a new sewer cleaning truck at this time.

The field work for the Sewer Assessment project, in addition, the pest control and GPS projects are occurring at the same time, has started and work has gone smoothly for the first two weeks. A flyer with some public information on these projects was sent out on the back of the quarterly newsletter, sent to Bob Burns at the Times, and was posted on the website. Also, letters were sent out to individual homeowners that potentially could have a manhole on their property giving them notice that the District will need access to the manholes, along with door hangers indicating when access will be needed.

Director Butler requested that after the work has been completed on the individual properties, the door hangers be removed, if they have not already been removed.

District staff is working with the architect on floor plan and finishes for the Plant Control Building.

Due to supply-chain delays, the Effluent Pump No. 4 Replacement project won't start until November.

SRP is scheduled to start the conduit work for moving their power lines on December 2<sup>nd</sup> on the ARV Replacement project.

Staff is working with the engineer and the City of Scottsdale to progress the design for the Reclaimed Water Outfall project.

The new engineer is working on the design for the Pump Station No. 10 project.

There are currently two employee vacancies: One Maintenance Technician and one Project Manager/Engineer. An offer has been made for the Maintenance Technician to a candidate who is moving in from out of state and will probably start work after Thanksgiving.

New flyer was placed on the website and information printed in Fountain Hills Times on October 12<sup>th</sup>.

A presentation and tour were given to the Leadership Academy on October 6<sup>th</sup>.



District Manager presented the ASR Well #1 project to the Town Council. The Council approved the project unanimously.

**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.**

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

**Agenda Item No. 6**

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

Legal Counsel updated the Board on water shortage issues.

**Agenda Item No. 7**

**Discussion and consideration to adopt revised District Purchasing Policy.**

After a discussion, Director Maroon made a motion to approve the revised District Purchasing Policy with suggested changes. Vice Chairman Dudash seconded the motion which passed unanimously.

**Agenda Item No. 8**

**Discussion and consideration to adopt new Write-Off Policy.**

District CPA informed the Board that the District has not had a written Write-Off Policy in the past and staff has requested a written policy be implemented.

After a discussion, Director Maroon made a motion to approve the Write-Off Policy with discussed changes. Director Bell seconded the motion which passed unanimously.

**Agenda Item No. 9**

**Discussion and consideration of Board Vacancy.**

Director Butler submitted a letter of resignation to the Board with his resignation being effective no later than December 31, 2022.

District Manager stated she will speak on behalf of everyone and that we are sorry that Director Butler is stepping down. "It has been a pleasure to have him on the Board, we have appreciated his contributions, and he will be missed."

A timeline was provided for filling the vacant position. An ad will be placed in the Times for the next two weeks, applications will be due November 15<sup>th</sup>, Board meeting on November 16<sup>th</sup>, interviews to be held between November 28 – December 14<sup>th</sup>, and Board meeting on December 21<sup>st</sup>.

Direction was given to staff to place the ad in the Times and continue with the timeline.

**Agenda Item No. 10**

**Discussion of proposed communication with Park Place developer.**

Since the Town came to a development agreement with the Park Place developer at the Town Council meeting on October 18<sup>th</sup>, the letter submitted for discussion will not be sent at this time.

District Manager had a brief conversation with Mr. Shea after the Council meeting, and he indicated he would send a set of plans and come in to discuss the project with District staff.

**Agenda Item No. 11**

**Discussion and consideration to authorize District Manager to purchase a 2022 John Deere 410L Backhoe in the amount of \$162,535.27.**

District Manager informed the Board that the current Backhoe needs to be replaced and is requesting authorization to purchase a 2022 John Deere 410L Backhoe in the amount of \$162,535.27. This is not a scheduled item in the current budget and funds would come from the FERR account.

After a discussion, Vice Chairman Dudash made a motion to authorize District Manager to purchase a 2022 John Deere 410L Backhoe in the amount of \$162,535.27. Director Butler seconded the motion which passed unanimously.

**Agenda Item No. 12**

**Discussion and consideration to authorize repair and rebuilding of a pump at Pump Station 4 in the amount of \$37,190.08.**

District Manager informed the Board that a pump at PS No. 4 needs rebuilt. A new pump runs around \$130,000. This pump is one of the originals and has not been rebuilt or refurbished. District Manager is requesting authorization to repair and rebuild the pump at Pump Station 4 in the amount of \$37,190.08.

Director Maroon requested staff to check with the supplier to see if their quoted sales tax is based on cost of materials or does the sales tax include labor and based on total cost.

After further discussion, Director Maroon made a motion to authorize the repair and rebuilding of a pump at Pump Station 4 not to exceed \$37,190.08. The District Manager will go back to the supplier and request a revised quote. Director Bell seconded the motion which passed unanimously.

**Agenda Item No. 13**

**Discussion and consideration to purchase replacement UV System in the amount of \$427,200.**

District Manager informed the Board that this project is listed in the 2022/2023 FY budget. Since the lead time is 42-46 weeks, District Manager is requesting authorization to purchase the equipment only in the amount of \$427,200. Engineering and contractor costs will be brought to the Board at a later date.

After a discussion, a motion was made by Director Maroon to purchase replacement UV System in the amount of \$427,200. Vice Chairman Dudash seconded the motion which passed unanimously.

**Agenda Item No. 14**

**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.**

Director Dudash stated “I understand we serve the public based on our abilities and other interests. At a certain point, we decide it’s time we want to retire, and I will say that I have the highest respect for Director Butler. Not only do I admire what he has done in the past six years, but he has become a good friend and I will be very sorry to see you go, Jerry.”

Director Butler stated “Even though I may not be on the Board and sit here and discuss these expenditures with you, there’s always an opportunity to come and listen as an interested resident. Thank you for your comment.”

**Agenda Item No. 15**


**Adjournment.**

Vice Chairman Dudash made a motion to adjourn the meeting at 6:11 p.m. Director Maroon seconded the motion which passed unanimously.

*Dated this 20<sup>th</sup> day of October, 2022.*

Fountain Hills Sanitary District

Minutes Prepared By:



Penny Cook, Assistant Secretary