

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, February 15, 2023** 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:

Chairman Gregg Dudash, Vice Chairperson Tammy Bell, Director Michael Maroon, Director Jeff Lessig, and Director Clayton Corey.

(Note: Unanimous votes refer to all Directors present.)

The following Executive Staff members were present:

Dana Trompke, District Manager, Tori Myers, District CPA, and Penny Cook, Assistant Secretary.

Agenda Item No. 2

Approval of Minutes: Regular Meeting: January 18, 2023

A motion was made by Director Maroon to approve the minutes of the Regular Meeting of January 18, 2023 as amended. Director Bell seconded the motion which passed unanimously.

Agenda Item No. 3

Call to public.

There was no public comment.

Agenda Item No. 4

District Manager's report; items to be discussed include plant, recycled water, and recharge statistics for January, 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 January: The average daily influent flow was 2.090 MGD.

Total WW treated for January was 64,779,000 gallons.

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

January Reclaimed Water delivered to reusers was 3,343,000 gallons.

District Manager reported the District's total recharge credit available as of January 31, 2023 was 590,348,015 gallons.

There were three new single-family sewer service agreements issued in January.

The District continues to experience supply chain issues for electrical components and noting 32-65 week delivery times for items needed for the UV Replacement, ASR Well 1 Vault Replacement, and PS 10 Improvements projects.

The contractor has completed 3 of the 6 ARV sites and currently working on 2 for the ARV Replacement project. ARV21, behind Big O Tire, is scheduled for week of 2/20/2023.

The Engineer submitted a 50% submittal for the ASR Well 1 Vault Replacement project and is making good progress for a 90% submittal. An RFP has been issued to solicit interest from Construction Managers for the project.

The consultants have completed the acoustical sound assessment of 961,093 LF of sewer line and inspections of 5,271 manholes for the Sewer Assessment project. Out of the 964,409 LF assessed, 97.7% was rated good, 1.90% was rated fair, 0.2% was rated poor, and 0.1% was blocked (which is new construction not yet connected). There were 5,295 manholes assessed in which indicated the following deficiencies:

- Lids – 1 urgent and 8 poor,
- Collar – 1 urgent and 47 poor,
- Structure Condition – 81 poor, and
- Shelf/Trough – 3 poor.

All urgent items were immediately addressed.

There are currently three staff vacancies: Maintenance Tech, CS Operator and PM/Engineer positions.

District Manager met with Town's Park staff to confirm lighting requirements for the ASR Well 1 Control Building and presidential statue relocations.

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.

The District CPA reported that the General Fund Income Statement for January was favorable to budget.

Agenda Item No. 6

State of the budget presentation with preliminary information and estimates.

District CPA presented preliminary information and estimates for the 2023/2024 Budget.

Agenda Item No. 7

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

There were no updates.

Agenda Item No. 8

Discussion and consideration to authorize District Manager to purchase a replacement ASR Well Control Valve in the amount of \$41,962.50 plus tax.

District Manager explained that the control valve is a critical component of the ASR wells and is requesting authorization to purchase a replacement ASR Well Control Valve in the amount of \$41,962.50 plus tax.

After a discussion, Director Lessig made a motion to authorize District Manager to purchase a replacement ASR Well Control Valve in the amount of \$41,962.50 plus tax. Director Corey seconded the motion which passed unanimously.

Agenda Item No. 9

Discussion regarding possible participation in the Fountain Hills Day event on March 18, 2023.

Vice Chairperson Bell indicated that the District participated in the Fountain Hills Day event last year and suggested that the District participate again this year bringing awareness to the sodium pollution.

After a discussion, it was decided that the Board will participate in the event. Direction was given to staff to register for the event and provide Board members with supplies and informational materials.

Agenda Item No. 10

Discussion and review of reclaimed water supply and demand.

District Manager presented the Board with a review of the reclaimed water supply and demand over the last 20 years. Following are highlights of the presentation.

- There has been a reclaimed water deficit in 12 of the last 14 years. Average deficit is 50 MG per year, but has been as high as 108 MG.
- 2022 reclaimed water delivered to reusers was 593,175,500 MG.
- Prior Board Actions:
 - Phase out GW lease, FHSD will only claim GW pumped for amount of annual RW deficit. Did not claim full amount of lease (97.75 MG) in 2019, 2020, and 2021.
 - Did not renew the groundwater lease after 2021.
 - Implemented a tiered RW fee schedule in FY 2022/2023 based on annual RW usage, where highest rate tier is equal to, or higher, than potable water irrigation rates.
- Proposed Actions Under Consideration:
 - Adopt a trigger point of a minimum water storage balance account that would require Board action to implement measures to immediately reduce demand to sustainable supply amounts, such as developing a policy for cutting off supply to users.
 - Proposed trigger point = 250 MG in water storage account balance.

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.

There were no comments.

Agenda Item No. 12

Adjournment.

Director Maroon made a motion to adjourn the meeting at 7:02 p.m. Director Corey seconded the motion which passed unanimously.

Dated this 16th day of February 2023.

Fountain Hills Sanitary District

Minutes Prepared By:


Penny Cook, Assistant Secretary