

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, April 19, 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, Daniel Jones, Legal Counsel, Tori Myers, District CPA, and Penny Cook, Assistant Secretary.

Agenda Item No. 2

Approval of Minutes: Budget Workshop and Regular Meeting: March 24, 2023

A motion was made by Director Lessig to approve the minutes of the Budget Workshop and Regular Meeting of March 24, 2023 as presented. Director Corey seconded the motion which passed unanimously.

Agenda Item No. 3

Call to Public.

There were no comments.

Agenda Item No. 4

Discussion and consideration to approve FY 2023/2024 Preliminary budget and fee schedule for publication and to set public hearing hereon.

District CPA presented the Board with a revised FY 2023/2024 Proposed Budget which included changes discussed at the March 24, 2023 budget workshop meeting.

After a discussion, Director Maroon made a motion to approve FY 2023/2024 preliminary budget and fee schedule for publication and to set public hearing hereon. Vice Chairperson Bell seconded the motion which passed unanimously.

Agenda Item No. 5

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 2.233 MGD.

Total WW treated for March was 69,211,000 gallons.

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

March Reclaimed Water delivered to reusers was 11,001,000 gallons.

District Manager reported the District's total recharge credit available as of March 31, 2023 was 679,471,015 gallons.

There were 14 new single-family, one multi-family, and one non-residential sewer service agreements issued in March.

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 ARV Replacements project has been completed.

A Construction Manager @ Risk (CMAR) was selected (PCL Contractors) after a public request for qualified contractors. They are working to develop costs for Task Order 1 to procure long-lead items. It is planned to bring this to the Board for review and approval at the June Meeting. Task Order 2, for the actual construction, will be in Spring 2024.

The engineer has submitted a 90% set of plans for review for the PS 10 project design. One of the JOC contractors will begin developing a cost proposal for the project for consideration. It is planned to bring this contract to the Board at the May meeting for review and approval.

Plans have been finalized for the Plant Control Building project. A contractor had been selected but has backed out of the project. A new contractor will be required to move forward.

The next design submittal for the Outfall Feasibility Study is scheduled for May.

There are currently three staffing vacancies: One Plant operator, one CSO operator, and PM/Engineer positions. District Manager informed the Board that the CSO Manager indicated they do not need an additional CSO operator at this time, this position will not be fulfilled, and is not included in the 2023/2024 budget. District Manager indicated a decision was made to promote one of the District's most senior staff members and move him into the PM/Engineer position and his position will be advertised.

District Manager presented an overview of the District to the Four Peaks Rotary Club at the March 23rd meeting which was well received.

District Manager is working with Bo Larsen on a sodium pollution article to be included in the next FH Insider magazine.

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 March was favorable to budget.

District CPA informed the Board that solicitations were sent out and also advertised for an auditing firm to perform the District's annual audit. There were two proposals received.

Agenda Item No. 7

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

Legal Counsel updated the Board on the Colorado River water shortage issues.

Agenda Item No. 8

Discussion and consideration to authorize Felix Construction to perform the UV System Replacement project in the amount of \$530,000.

District Manager informed the Board that after publication of the agenda, further negotiations resulted in a decreased price of \$496,269.15. District Manager is requesting authorization for Felix Construction to perform the UV System Replacement project in the amount of \$496,269.15.

Director Maroon made a motion to authorize Felix Construction to perform the UV System Replacement project in the amount of \$496,269.15. Director Corey seconded the motion which passed unanimously.

Agenda Item No. 9

Consideration to approve Resolution No. 291, Call for Non-partisan Election on November 7, 2023.

After a discussion, Vice Chairperson Bell made a motion to approve Resolution No. 291, Call for Non-partisan Election on November 7, 2023. Director Lessig 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 District Manager's salary range.

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

Regular session adjourned at 6:01 p.m.

Agenda Item No 11
RETURN TO REGULAR SESSION.

Regular session resumed at 6:27 p.m.

Agenda Item No. 12
Discussion and establishing the salary range for the District Manager.

Director Maroon made a motion to set the District Manager salary range at \$150,000-\$213,000. Director Corey seconded the motion which passed unanimously.

Agenda Item No. 13
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 Corey and Director Lessig asked if a tour of District facilities could be arranged.

Agenda Item No. 14
Adjournment.

Director Lessig made a motion to adjourn the meeting at 6:31 p.m. Vice Chairperson Bell seconded the motion which passed unanimously.

Dated this 20th day of April 2023.

Fountain Hills Sanitary District

Minutes Prepared By:


Penny Cook, Assistant Secretary