

# **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 **Thursday, May 18, 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, and Director Clayton Corey. Director Jeff Lessig 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. 2**

### **Public hearing concerning the FY 2023/2024 fee schedule.**

The public hearing concerning the FY 2023/2024 fee schedule was opened by Chairman Dudash.

There were no comments, and the public hearing was closed.

## **Agenda Item No. 3**

### **Public hearing concerning the FY 2023/2024 budget.**

The public hearing concerning the FY 2023/2024 budget was opened by Chairman Dudash.

There were no comments, and the public hearing was closed.

## **Agenda Item No. 4**

### **Approval of Minutes: Regular Meeting: April 19, 2023**

A motion was made by Director Maroon to approve the minutes of the Regular Meeting of April 19, 2023 as presented. Vice Chairperson Bell seconded the motion which passed unanimously.

## **Agenda Item No. 5**

### **Call to public.**

Robert Thomson commended the Board on the proposed FY 2023/2024 budget and indicated that he would have like to see the cost of living increased to 7% and other than that it is a great budget.

**Agenda Item No. 6**

**District Manager's report; items to be discussed include plant, recycled water, and recharge statistics for April, permit compliance, new sewer services, active project updates, public communication efforts, and Town communication and/or coordination efforts.**

District Manager reported for the month of April: The average daily influent flow was 2.097 MGD.

Total WW treated for April was 62,897,000 gallons.

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

April Reclaimed Water delivered to reusers was 60,515,000 gallons.

District Manager reported the District's total recharge credit available as of April 30, 2023 was 671,997,015 gallons.

There were two new single-family and four multi-family sewer service agreements issued in April.

District is waiting for equipment delivery, estimated for late September, for the UV System Replacement project.

PCL Contractors was selected as the Construction Manager @ Risk for the ASR Well 1 Vault Replacement project. They are working to develop costs for Task Order 1 to procure long lead items. The District Manager plans to bring this to the Board at the June meeting. Task Order 2, for the actual construction, will be in Spring of 2024.

The Contractor submitted a proposal for the PS #10 project which was considerably higher than budgeted. District staff has requested the contractor review their cost proposal. The current fiscal year's budget funds will be deferred to next year to ensure the District can meet the project's minimum stated objective within available budgets.

There are several issues with the Plant Control Building project construction plans. The architect and engineers must revise and address several conflicts. This project will roll into FY 2023/2024.

The next design submittal for the Outfall Feasibility Study project is scheduled to be submitted May 19<sup>th</sup>.

There are three staffing vacancies: One Plant operator, one CSO operator, and PM/Engineer.

The District Manager provided a draft MoU regarding the ASR Well 1 Control building to the interim Town Manager for review and is waiting for a response.

**Agenda Item No. 7**

**District CPA's report; items to be discussed include status of income and expenditures, billing, report on collection efforts to date, upcoming audit engagement for fiscal year 2021-2022, and general direction from Board.**

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

**Agenda Item No. 8**

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

Legal Counsel updated the Board on current water issues.

**Agenda Items No. 9 and No. 12**

**Pursuant to A.R.S. Section 38-431.03(A)(1)(3), VOTE TO GO INTO EXECUTIVE SESSION FOR THE FOLLOWING:**

- a. Discussion and consideration of renewing District CPA's FY 2023/2024 contract.
- b. Discussion and consideration of District Manager's performance and annual salary adjustment for FY 2023/2024.

Vice Chairperson Bell moved and Director Maroon seconded to go into executive session for: a. Discussion and consideration of renewing District CPA's FY 2023/2024 contract. b. Discussion and consideration of District Manager's performance and annual salary adjustment for FY 2023/2024. Motion passed unanimously.

Regular session adjourned into executive session at 4:54 p.m.

**Agenda Items No. 10 and No. 13**

**RETURN TO REGULAR SESSION.**

Regular session resumed at 5:24 p.m.

**Agenda Item No. 11**

**Discussion and consideration to approve District CPA's contract for FY 2023/2024.**

Director Maroon made a motion to approve District CPA's contract for FY 2023/2024. Director Corey seconded the motion which passed unanimously.

**Agenda Item No. 14**

**Discussion and establishing District Manager's salary for FY 2023/2024.**

Vice Chairman Bell made a motion for the Board to provide the District Manager a 2.5% merit increase for FY 2023/2024. Director Corey seconded the motion which passed unanimously.

**Agenda Item No. 15**

**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 asked if the District was aware if a community residence wanted to increase their occupancy, would they need to reach out to the Sanitary District?

District Manager Trompke explained that assisted living facilities are billed based on the number of beds they are licensed to have with the County Health Department, not the number of toilets. Yes, increasing occupancy requires notification to the District.



**Agenda Item No 22**  
**Adjournment.**

Vice Chairman Bell made a motion to adjourn the meeting at 5:30 p.m. Director Maroon seconded the motion which passed unanimously.

*Dated this 19<sup>th</sup> day of May, 2023.*

Fountain Hills Sanitary District

Minutes Prepared By:

  
Penny Cook, Assistant Secretary