

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, June 21, 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 Jeff Lessig. Director Clayton Corey arrived at 4:33 p.m.
(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: Regular Meeting: 05/18/2023**

A motion was made by Director Maroon to approve the minutes of the Regular Meeting of May 18, 2023, as presented. Director Lessig seconded the motion which passed unanimously.

Agenda Item No. 3 **Call to Public**

There was no public comment.

Agenda Item No. 4 **Consideration to approve Resolution No. 292, the FY 2023/2024 fee schedule.**

A motion was made by Director Maroon to approve Resolution No. 292, the FY 2023/2024 fee schedule. Vice Chairperson Bell seconded the motion which passed unanimously.

Agenda Item No. 5 **Consideration to approve FY 2023/2024 budget.**

A motion was made by Director Lessig to approve FY 2023/2024 budget and direct staff to submit to the county. Vice Chairperson Bell seconded the motion which passed unanimously.

Agenda Item No. 6 **District Manager's report; items to be discussed include plant, recycled water, and recharge statistics for May, 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 May: The average daily influent flow was 1.857 MGD.

Total WW treated for May was 57,566,000 gallons.

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

May Reclaimed Water delivered to reusers was 70,706,000 gallons.

District Manager reported the District's total recharge credit available as of May 31, 2023 was 651,236,015 gallons.

There were 7 new sewer services issued in May: Two single-family, four multi-family, and one non-residential (Dutch Bros. Coffee).

Equipment delivery for the UV System Replacement project is estimated for late September. A preconstruction meeting was held to have contractor initiate shop drawing submittals and develop a schedule. A request for approval of contracts is later on the agenda.

A Construction Manager @ Risk (CMAR) was selected (PCL Contractors), after a public request for qualified contractors, for the ASR Well 1 Vault Replacement project. A request for approval of contracts is later on the agenda.

The Contractor for the PS #10 (Design) project is going to review their proposal and see if the costs can be brought down.

There are several issues with the construction plans for the Plant Control Building project. The architect and engineers must revise and address several conflicts. This project will roll to the next FY.

The District Manager received a design submittal on May 19th for the Outfall Feasibility Study and will schedule to meet with City of Scottsdale.

There are three staffing vacancies in which one of them will not be filled in FY 2023/2024.

The Town Manager and Town Attorney have returned the draft MoU regarding the ASR Well 1 Control building. The MoU is now in review with the District Attorney.

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, and general direction from Board.

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

Agenda Item No. 8

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

Legal Counsel informed the Board that the Phoenix area is out of groundwater and the Department of Water Resources has released its updated Phoenix active management regional groundwater model. They will not be issuing any assured water supply certificates in the Phoenix AMA that are based on groundwater.

Legal Counsel updated the Board on the Colorado river indicating the basin states all reached an agreement on a proposal to conserve three million feet of additional water voluntarily.

Agenda Item No. 9

Discussion and consideration to approve Work Task Order for WSP for engineering services during construction of the UV replacement project in the amount of \$34,590.

Director Maroon made a motion to approve Work Task Order for WSP for engineering services during construction of the UV replacement project in the amount of \$34,590. Director Lessig seconded the motion which passed unanimously.

Agenda Item No. 10

Discussion and consideration to approve contract with LRE Water for hydrogeology and USF permit renewal services in the amount of \$112,002.

The District Manager informed the Board that the District's Underground Storage Facility permit was issued from the Department of Water Resources in 2004. The permit is a 20-year permit and is up for renewal. The District Manager is requesting approval of a contract with LRE Water for hydrogeology and USF permit renewal services in the amount of \$112,002.

Director Maroon made a motion to approve the contract with LRE Water for hydrogeology and USF permit renewal services in the amount of \$112,002. Director Corey seconded the motion which passed unanimously.

Agenda Item No. 11

Discussion and consideration to authorize Construction Manager at Risk (CM@R) contracts with PCL Construction for the ASR Well 1 Vault Replacement project. The first contract is for Pre-Construction Services in the amount of \$53,860. The second contract is for Construction Services, which will be divided into two Task Orders, as a Guaranteed Maximum Price (GMP). Gmp-1 is for early procurement of materials and equipment in the amount of \$723,477. GMP-2, for the actual site construction and equipment installation, will be developed, negotiated, and issued in Spring of 2024. The total amount of the two current contracts is \$777,337.

After a discussion, Director Lessig made a motion to authorize CM@R contracts with PCL Construction for the ASR Well 1 Vault Replacement project: Pre-construction services in the amount of \$53,860 and Task Order 1 Construction services at a GMP price of \$723,477 for a total of \$777,337. Vice Chairperson Bell seconded the motion which passed unanimously.

Agenda Item No. 12

Discussion and consideration to authorize a Work Task Order for the design engineer consultant, Wilson Engineers, to provide engineering services during the ASR Well 1 Replacement project construction in the amount of \$194,404.00.

Vice Chairperson Bell made a motion to authorize a Work Task Order for the design engineer consultant, Wilson Engineer, to provide engineering services during the ASR Well 1 Replacement project construction in the amount of \$194,404.00. Director Lessig seconded the motion which passed unanimously.

Agenda Item No. 13

The Chair, 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 Lessig informed the Board that he will not be seeking re-election to serve on the Board. He indicated that he belongs on two associations that could possibly interfere with him attending the Board meetings and doesn't feel right not being able to attend some of the Board meetings.

Director Maroon asked what happens if only two people fill out paperwork for the three positions needed for the election and wanted to know what the process was.

Legal Counsel indicated the additional open seat would be treated as a vacancy.

Vice Chairperson Bell indicated that the Chamber of Commerce will be doing the first ever "State of Maricopa County" in October.

Director Corey indicated he had enough signatures completed for the election nomination petitions.

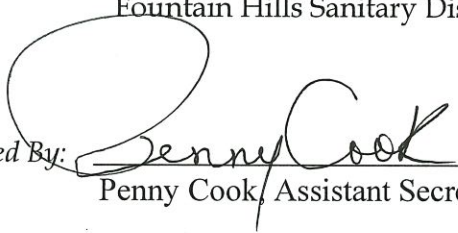
Director Maroon indicated that he will not be here for the July meeting but will be available telephonically.

The District Manager indicated that it is a possibility the July meeting would be a short meeting and could be scheduled as a telephonic meeting.

Agenda Item No. 14
Adjournment.

Director Maroon made a motion to adjourn the meeting at 6:04 p.m. Director Corey seconded the motion which passed unanimously.

Dated this 22nd day of July, 2023.

Fountain Hills Sanitary District

Minutes Prepared By: Penny Cook
Penny Cook, Assistant Secretary