

# **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, September 20, 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**

### **Approval of Minutes: Regular Meeting: August 16, 2023**

A motion was made by Director Maroon to approve the minutes of the Regular Meeting of August 16, 2022/2023 as presented. Vice Chairperson Bell seconded the motion which passed unanimously.

## **Agenda Item No. 3**

### **Call to Public.**

There was no public comment.

## **Agenda Item No. 4**

### **Discussion and consideration of request from developer/owner to modify the way "change of use" capacity fees are calculated.**

Mr. Brown indicated that he is purchasing a hotel in Fountain Hills and will be converting the hotel units into apartment style living units. Mr. Brown is requesting the Board modify the way "change of use" capacity fees are calculated.

After a discussion, there was no consideration to modify the way "change of use" capacity fees are calculated.

**Agenda Item No. 5**

**District Manager's report: items to be discussed include plant, recycled water, and recharge statistics for August, 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 August: The average influent flow was 1.718 MGD.

Total WW treated for August was 53,261,000 gallons.

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

August Reclaimed Water delivered to reusers was 86,513,000 gallons.

The District Manager reported the District's total recharge credit available as of August 31, 2023 was 508,946,015 gallons.

There were three new single-family and five new multi-family sewer service agreements issued in August.

Regularly scheduled progress meetings are held to track Contractor's progress on procuring long-lead items for the ASR Well 1 Vault Replacement project. Underground utility excavation and confirmation is occurring this week.

The UV equipment for the UV System Replacement projects is arriving the week of September 18<sup>th</sup>. The contractor will start the demo of old system, modifications, and installation of new system on October 2<sup>nd</sup>. Start-up of the new system is planned for November 1<sup>st</sup>.

The consultant is completing the application, writing the report and performing groundwater modeling for the USF Permit Renewal.

There is currently two staffing vacancies: WWTP Operator and Project Manager positions are vacant.

**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.**

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

**Agenda Item No. 7**

**Discussion and consideration to accept the FY 2022-2023 audit report and direction to issue financial statements.**

District CPA presented the board with a draft FY 2022-2023 audit report.

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After a discussion, a motion was made by Director Corey to accept the FY 2022-2023 audit report and to issue financial statements. Vice Chairperson Bell seconded the motion which passed unanimously.

**Agenda Item No. 8**  
**Legal Counsel updates.**

Legal Counsel updated the Board on current water supply issues.

**Agenda Item No. 9**  
**Discussion and consideration to authorize Southwest Environmental for manhole rehabilitation in the amount of \$41,710.**

District Manager is requesting authorization for Southwest Environmental for manhole rehabilitation in the amount of \$41,710 for six manholes. This item is identified in the current budget.

Director Maroon made a motion to authorize Southwest Environmental for manhole rehabilitation in the amount of \$41,710. Director Corey seconded the motion which passed unanimously.

**Agenda No. 10**  
**Discussion and review of End of Year 2022-2023 Operations Report.**

District Manager presented the Board with highlights of the End of Year 2022-2023 Operations Report.

- Total Revenues for FY2022-23 were just \$24,190 (0.2%) higher than budget estimates.
- Operating Expenditures ended 5.0% under the FY 22-23 adopted budget.
- Over 4,400 manholes were located by the global position system (GPS), within 2-inches of accuracy.
- An acoustic sewer assessment was completed on over 90% of the collection system to identify blockages and deteriorated conditions. A visual inspection of 97% of the manholes within the collection system were completed as part of the study.
- Maintenance and Plant Operations staff collaborated to repair, replace or refurbish a significant amount of process equipment.
- The removal and/or replacement of Air Release valves along the 16" East Boundary Recycled Water (RW) main was completed.
- The District continues to struggle with engineers, contractors, and vendors being able to complete projects in a timely manner and within established budgets.

**Agenda No. 11**  
**Discussion and review of USF permit renewal process.**

LRE Water is the hydrogeologist doing the District's underground storage facility (USF) permit renewal. The Permit is a 20-year permit which expires in 2024.

District Manager presented the Board with a modeling and local aquifer summary.



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**Agenda Item No. 12**

**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.**

Chairman Dudash indicated at Tuesday's Town Council meeting, there was a presentation on water use from Bo Larsen, Town Relations Manager. Apparently, he had worked with the District Manager who provided some slides and information. They were very complimentary about the Sanitary District.

**Agenda Item No. 13**

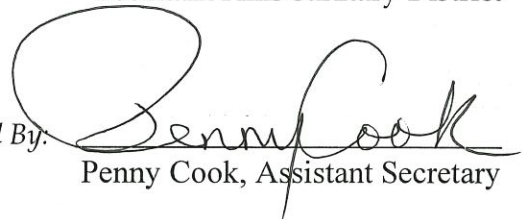
**Adjournment.**

Director Maroon made a motion to adjourn the meeting at 6:33 p.m. Director Corey seconded the motion which passed unanimously.

*Dated this 21<sup>st</sup> day of September 2023*

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Minutes Prepared By:

A handwritten signature in black ink, appearing to read "Penny Cook", is written over a horizontal line. The signature is fluid and cursive.

Penny Cook, Assistant Secretary