

MINUTES OF MEETING BOARD OF DIRECTORS FOUNTAIN HILLS SANITARY DISTRICT

The Board of Directors of the Fountain Hills Sanitary District met in a **Budget Workshop and Regular Meeting** on **Thursday, March 28, 2024** 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:

Chairperson Tammy Bell, Vice Chairperson Michael Maroon, Director Robert Thomson, and Director Gregg Dudash. Director Clayton Corey 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.

The following District Staff were present.

Kirsten DeBie, Administrative Services Manager, Preston Brown, CSO Manager, Brent Klinger, Maintenance Manager, and Bryan Tiglas, Plant Operations Manager.

Agenda Item No. 2

Work/Study session with staff to discuss FY 2024/2025 preliminary budget and fee schedule.

Overview

District CPA presented staff proposals for the fiscal year 2024/2025 budget and fee schedule and answered questions from the Board.

Highlights of the Preliminary Proposed Budget are as follows:

There will be no change in the proposed property tax rate for FY 24/25.

Staff is proposing no increase in residential Sewer User Fees for the FY 24/25.

The total operating budget for FY 24-25 is expected to decrease by 1.3% over the FY 23-24 adopted budget. This decrease is attributable to fewer personnel.

District CPA will incorporate discussed changes and the Proposed Budget will be agendaized at the April 24, 2024 Regular Board Meeting for further discussion.

Chairperson Bell called for a recess at 5:40 p.m. The regular meeting began at 5:45 p.m.

Agenda Item No. 3

Approval of Minutes: Regular Meeting: February 21, 2024.

A motion was made by Vice Chairperson Maroon to approve the minutes of the Regular Meeting of February 21, 2024 as presented. Director Dudash seconded the motion which passed unanimously.

Agenda Item No. 4

Call to Public.

There was no comment.

Agenda Item No. 5

District Manager's report; items to be discussed include plant and recharge statistics for February, 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 February: The average daily influent flow was 2.186 MGD.

Total WW treated for February was 63,403,000 gallons.

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

February Reclaimed Water delivered to reusers was 6,044,000 gallons.

The District Manager reported the District's total recharge credit available as of February 29, 2024 was 601,430,346 gallons.

There were four new single-family sewer service agreements issued in February.

The contractor is preparing to mobilize to the park site around April 15th for the ASR Well 1 Vault Replacement project. A PR person has been hired to assist with public communications and a project website and flyer have been developed. A meeting is scheduled with the Parks Director to discuss irrigation of the park around the work zone and project. Traffic control plans and building permits have been submitted to the Town for review.

ADWR has provided a letter requesting more information for the USF Permit Renewal. The consultant has submitted a response with a revised model as requested. An updated O&M manual for the wellfield operation was prepared as one of the items requiring more information.

Submittals from the electrical equipment supplier were promised by April 15th for the Blower VFD Replacement project. It was indicated there will be a 35-week delivery time after approvals.

District is waiting for a technical specification from the electrical engineer to order a replacement generator (or 2) for the PS Generator Replacement (FERR). Delivery times are estimated to be one year or more.

District Manager has requested an outside consultant engineer to provide a scope for the Plant Control Building project.

Director Dudash requested District Manager move forward with an agreement with the City of Scottsdale for the Outfall Design project.

There are currently three staff vacancies: Two WWTP Operators, and Project Manager. New Admin Assistant to start on April 1.

Information for the ASR Well 1 Replacement project will be released soon. District Manager has met with the Town Manager and Parks Director and is finalizing a Memo of Understanding (MOU) with the Town Manager. District Manager will be meeting with the Parks Director to discuss irrigation systems around Well project.

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 February was favorable to budget.

Agenda Item No. 7

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

Legal Counsel updated the Board on negotiations for the Post-2026 Guidelines for Colorado shortages. Current proposals would increase shortage volumes borne by Central Arizona Project users.

Agenda Item No. 8

Discussion and consideration to authorize a change order to MGC Contractors to procure the unfulfilled items of previous contractor in the amount of \$116,780.82.

District Manager is requesting authorization of a change order to MGC Contractors to procure the unfulfilled items of previous contractor in the amount of \$116,780.82.

District Manager informed the Board there were items on the previous contractor's contract that were not procured for the ASR Well 1 Replacement project. District Manager is requesting authorization for redirection of the funds from the previous contractor to MGC Contractors in the amount of \$116,780.82.

After a discussion, Vice Chairman Maroon made a motion to authorize a change order to MGC Contractors to procure the unfulfilled items of previous contractor in the amount of \$116,780.82. Director Thomson seconded the motion which passed unanimously.

Agenda Item No. 9

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.

Director Dudash indicated that he has served on the Board for nine years.

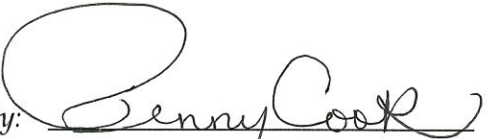
District Manager met with the General Manager of FireRock and he indicated they have a project coming up in which they will be redoing all their irrigation system and replacing all of the turf. They estimate their water savings will be around 20 percent. The project is to start March 2025. District will be able to inspect some of the manholes this summer, and if any repairs are needed, the District will be able to perform them during their closure beginning March 2025.

Agenda Item No. 10
Adjournment.

Director Dudash made a motion to adjourn the meeting at 6:46 p.m. Director Thomson seconded the motion which passed unanimously.

Dated this 1st day of April 2024.

Fountain Hills Sanitary District

Minutes Prepared By: 
Penny Cook, Assistant Secretary