

# **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 22, 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 Clayton Corey, and Director Gregg Dudash. Director Robert Thomson was absent.

(Note: Unanimous votes refer to all Directors present)

*The following Executive Staff members were present:*

Dana Trompke, District Manager, Mike Foy, Legal Counsel, Tori Myers, District CPA, and Penny Cook, Assistant Secretary.

## **Agenda Item No. 2**

### **Public hearing concerning the FY 2024/2025 fee schedule.**

The public hearing concerning the FY 2024/2025 fee schedule was opened by Chairperson Bell.

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

## **Agenda Item No. 3**

### **Public hearing concerning the FY 2024/2025 budget.**

The public hearing concerning the FY 2024/2025 budget was opened by Chairperson Bell.

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

## **Agenda Item No. 4**

### **Approval of Minutes: Regular Meeting: April 17, 2024.**

A motion was made by Director Dudash to approve the minutes of the Regular Meeting of April 17, 2024 as presented. Director Corey seconded the motion which passed unanimously.

## **Agenda Item No. 5**

### **Call to public.**

There was no public comment.

**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 2.142 MGD.

Total WW treated for April was 64,262,000 gallons.

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

April Reclaimed Water delivered to reusers was 42,737,000 gallons.

The District Manager reported the District's total recharge credit available as of April 30, 2024 was 644,043,346 gallons.

There were nine new single-family and 5 multi-family sewer service agreements issued in April.

The contractor has begun construction and is making progress on the ASR Well 1 Vault Replacement project. There have been no issues or calls from the public to date.

District is waiting on review and approval from Arizona Department of Water Resources for the USF Permit Renewal.

Submittals were received from the contractor for the Blower VFD Replacement project. The engineer has reviewed them, and a meeting will be coordinated to address the comments.

A request for approval to purchase replacement generators for Pump Stations 3 and 5 is later on the agenda for the PS Generator Replacement (FERR) project.

A kick-off meeting was held with Project Manager/civil engineer for the Plant Control Building project. A tentative schedule was developed with plans to bid the project in July/August.

The District Manager confirmed the agreement with the Asst. Director of Scottsdale for the Outfall Design project. Method of metering and communications are still to be determined.

There are three staffing vacancies: Two WWTP operators and Project Manager/Engineer. The two WWTP Operators will not be filled next FY.

Information was released about the ASR Well 1 Replacement project to Town staff and their communication paths, FH Times, District newsletter with April billing, and Chamber.

The District Manager met with Bo Larson, Town Communications Director, who will be putting an article in the next edition of the Insider about the ASR Well project.

The District Manager met with Town Public works and Engineering staff regarding improvements in Ashbrook Wash and protection of District infrastructure.

**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.**

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 water quality pertaining to PFAS and possible future regulations.

**Agenda Item No. 9**

**Discussion and consideration to approve a work task order to Degan Construction for manhole rehabilitation in the amount of \$48,980.**

District Manager indicated this item is identified in the 2023/2024 budget.

After a discussion, Vice Chairperson Maroon made a motion to approve a work task order to Degan Construction for manhole rehabilitation in the amount of \$48,980.00. Director Corey seconded the motion which passed unanimously.

**Agenda Item No. 10**

**Discussion and consideration to authorize purchase of two replacement generators from Cummins Power Generation Equipment in the amount of \$88,865.55.**

The District Manager indicated the intended budget and project for the year was \$100,000 for PS #5 generator replacement which would be \$40-50,000 for the cost of the generator and another \$40-50,000 for the contractor to install it. Pump station #5 was going to be done this fiscal year and pump station 3 was going to be budgeted in the 2024/2025 fiscal year for \$100,000. Because of electrical supply chain issues, it will take 35 to 52 weeks to deliver the generator. Instead of keeping the \$100,000 for pump station #5, the District Manager is requesting authorization to order two generators for both PS #5 and PS #3 for \$88,865.55. In FY 2024/2025 there will still be \$100,000 budgeted for PS #5 and PS #3 installation.

After a discussion, Director Corey made a motion to authorize the purchase of two replacement generators from Cummins Power Generation Equipment in the amount of \$88,865.55. Director Dudash seconded the motion which passed unanimously.

**Agenda Item No. 11**

**VOTE TO GO INTO EXECUTIVE SESSION FOR THE FOLLOWING PURPOSE:**

- a. **Pursuant to A.R.S. Section 38-431.03 (A)(1) discussion and consideration of renewing District CPA's FY 2024/2025 contract.**
- b. **Pursuant to A.R.S. Section 38-431.03 (A)(1) discussion and consideration of District Manager's performance and annual salary adjustment for FY 2024/2025.**

Director Dudash moved and Vice Chairperson Maroon seconded to go into executive session for: a. Discussion and consideration of renewing District CPA's FY 2024/2025 contract. b. Discussion and consideration of District Manager's performance and annual salary adjustment for FY 2024/2025. Motion passed unanimously.

Regular session adjourned into executive session at 5:25 p.m.



Regular session resumed at 5:57 p.m.

**Agenda Item No. 12**

**Discussion and consideration to approve District CPA's contract for FY 2024/2025.**

Director Dudash made a motion to approve District CPA's contract for FY 2024/2025. Director Corey seconded the motion which passed unanimously.

**Agenda Item No. 13**

**Discussion and establishing District Manager's salary for FY 2024/2025.**

Director Dudash made a motion for the Board to provide the District Manager with a 5% salary adjustment for FY 2024/2025. Vice Chairperson Maroon seconded the motion which passed unanimously.

**Agenda Item No. 15**

**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.**

District Manager introduced Debra Begokta to the Board as the new Administrative Services Assistant.

**Agenda Item No 22**

**Adjournment.**

Director Dudash made a motion to adjourn the meeting at 6:02 p.m. Director Corey seconded the motion which passed unanimously.

*Dated this 23<sup>rd</sup> day of May, 2024.*

Fountain Hills Sanitary District

Minutes Prepared By:

  
Penny Cook, Assistant Secretary