

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 18, 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, Director Clayton Corey, Director Robert Thomson, and Director Gregg Dudash. Vice Chairperson Michael Maroon 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 Debra Begotka, Acting Assistant Secretary.

Agenda Item No. 2

Approval of Minutes: Regular Meeting: August 21, 2024

A motion was made by Director Thomson to approve the minutes of the Regular Meeting of August 21, 2024, as presented. Director Corey seconded the motion which passed unanimously.

Agenda Item No. 3

Call to public.

There was no public comment.

Agenda Item No. 4

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 daily influent flow was 1.686 mgd.

Total WW treated for August was 52,271,000 gallons.

Total WW treated YTD has been 468,199,000 gallons.

Modifications to the backwash procedure at the AWT were put in place in May which reduce the amount of returned RW to the treatment plant, thereby lowering total plant influent.

August reclaimed water delivered to reusers was 80,288,000 gallons.

Total reclaimed water delivered YTD to reusers was 398,991,000 gallons.

The District Manager reported the District's total recharge credit available as of August 31, 2024 was 524,320,346 gallons

The District is investigating RW meter discrepancies. Replacement meters have been ordered.

There were two new single family sewer service agreements issued in August.

The ASR Well 1 Vault Replacement project walls are complete and the roof structure is being added. The new vault is installed. The well pump and accessories will be put into place next week.

There has been no change regarding the USF Permit Renewal. District is waiting on review from ADWR. Response is estimated at January 2025.

There has been no change regarding the Blower VFD Replacement project. The VFDs have been ordered and delivery is estimated for February 2025.

There has been no change regarding the PS Generator Replacement (FERR). P.O.s have been issued and delivery time is estimated at mid-February.

The Plant Control Building project will be going out to bid a second time. One bid was received from the first round but was deemed unqualified.

There has been no change in the Outfall Design project.

There is one staffing vacancy – Project Manager. District Manager is actively working with three recruiting firms to fill this vacancy.

An article was published in the Fountain Hills Insider on the District.

The District is coordinating efforts with the Town to perform an evaporation test of Fountain Lake next week.

Agenda Item No. 5

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 August was favorable to budget.

Agenda Item No. 6

Discussion and consideration to accept the FY 2023-2024 audit report and direction to issue financial statements.

The auditors finished field work and compiled reports for the Board to review. The auditors indicated the financials are stated fairly.

District CPA recommended minor corrections to the financial statements. After a discussion, direction was given by the Board to issue financial statements with discussed corrections.

Agenda Item No. 7

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

Legal Counsel updated the Board on rulemakings by the Arizona Department of Environmental Quality relating to PFAS limits and monitoring requirements. Legal counsel also reported on the Arizona Department of Water Resources' commingling rule, which could increase opportunities for developers and water providers to count effluent as a renewable resource in Assured Water Supply applications.

Agenda Item No. 8

Discussion and approval of Resolution No. 295 for change of 401a and 457(b) plan provider from John Hancock to ASRS Supplement Savings Plan.

After a discussion, Director Thomson made a motion to approve Resolution No. 295 for change of 401(a) and 457(b) plan provider from John Hancock to ASRS Supplement Savings Plan. Director Corey seconded the motion which passed unanimously.

Agenda Item No. 9

Discussion and consideration to authorize the District Manager to contract with Advantage Reline to slip line approximately 1300 LF of recycled water main for an amount not to exceed \$348,353.

After a discussion, Director Thomson made a motion to authorize District Manager to contract with Advantage Reline to slip line approximately 1300 LF of recycled water main for an amount not to exceed \$348,353. Director Dudash seconded the motion which passed unanimously.

Agenda Item No. 10

Discussion regarding lake liner replacement discussions to date.

The Town is planning to replace the lake liner in 2030, and they are looking at funding options and logistics of water displacement issues. Since the highly concentrated sodium in the water cannot be returned to the sewer plant, a study would need to be performed to analyze options for handling the lake water disposal.

Agenda Item No. 11

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 Thomson thanked the District Manager for the tour of the plant building today.

Director Corey inquired about the outflow of water around the neighborhood near Panaroma. A study is being conducted to see if it is due to the lake liner. The District Manager will attend a meeting with the Town and neighborhood representatives to discuss this area of concern.

Agenda Item No. 12

Adjournment.

Director Dudash made a motion to adjourn the meeting at 6:13p.m. Director Corey seconded the motion which passed unanimously.

Dated this 19nd day of September, 2024.

Fountain Hills Sanitary District

Minutes Prepared By: Debra Begotka
Debra Begotka, Acting Assistant Secretary