

MINUTES OF MEETING BOARD OF DIRECTORS FOUNTAIN HILLS SANITARY DISTRICT

The Board of Directors of the Fountain Hills Sanitary District held a **Meeting on Wednesday, November 20, 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, Director Robert Thomson, and Director Gregg Dudash.

(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

Call to order and roll call.

There were no comments.

Agenda Item No. 3

Approval of Minutes: Regular Meeting: October 16, 2024.

Director Thomson made a motion to approve the minutes of the October 16, 2024 regular meeting as presented. Director Corey seconded the motion which passed unanimously.

Agenda Item No. 4

District Manager's report; items to be discussed include plant, recycled water, and recharge statistics for October, 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 October: The average daily influent flow was 1.745 MGD.

Total WW treated for October was 54,106,000 gallons.

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

October Reclaimed Water delivered to reusers was 72,989,000 gallons.

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The District Manager reported the District's total recharge credit available as of October 31, 2024 was 497,467,000 gallons.

There were two single family and two multi-family sewer service agreements issued in October.

The 401a/457 Plan Accounts were successfully moved from John Hancock to Nationwide Retirement Systems (NRS) on November 1. Employees are able to access their accounts on the NRS website. There were no hiccups with the November 6th payroll deductions.

There have been some delays and hiccups on the ASR Well 1 Vault Replacement project. The roofing materials were delivered much later than expected, delaying its installation. Some late-minute revisions to grading around the building delayed the completion of the landscaping and statues near the building. The electrical motor control center (MCC) was expected in November and has now been pushed to December, at best. A temporary power system had to be designed and implemented as we need the well for our injection season. The work area site has required rework and additional effort. The sod will be pulled up and replaced. A request to use the additional money left over from PCL's discontinued contract (about \$84,000) to cover some additional costs is later on the agenda. Traffic control and fencing is scheduled to be removed November 27, 2024.

A second notice to solicit bids for the Plant Control Bldg. project was published. Three qualified bids were received on 10/25/2024. A request to approve the contract is later on the agenda. If approved, the contractor will mobilize to the plant in the first week of February. Construction is expected to last from February to the middle of June.

Delivery is estimated at mid-February for the PS Generator Replacement (FERR). A request to approve the proposal from Felix Contractors to remove the old generators, install the new ones, and make the electrical modifications necessary is later on the agenda.

ADWR has confirmed they will not meet the review deadline that was extended to January 2025 for the USF Permit Renewal. ADWR will return the \$2,000 review fee. The current permit is valid until a new one is issued.

There is no change for the Blower VFD Replacement project. VFDs were finally ordered and waiting for delivery estimated for February 2025.

There is currently one staffing vacancy for a Project Manager.

A meeting with the Town and concerned residents regarding the Panorama pump-back system is scheduled for December 10th. The District Manager was asked to attend.

The District Manager is working with Community Services Director and Parks staff to address sod and irrigation system issues in Fountain Park near ASR Well 1.

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.

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

Agenda Item No. 6
Legal Counsel updates.

Legal counsel updated the Board on PFAST litigations. Legal counsel indicated the Department of Real Estate in conjunction with the Governors office and Attorney General have issued cease and desist orders on wild cat subdividers in Rio Verde that are skirting their way around the assured water supply rules.

Agenda Item No. 7
Discussion and consideration to allow District Manager to use the \$84,000 of remaining funds from PCL contract to cover overages for current MGC contract for the ASR Well 1 Vault Replacement project.

Director Thomson made a motion to allow District Manager to use the \$84,000 of the remaining funds from PCL contract to cover overages on the current MGC contract for the ASR Well 1 Vault Replacement project. Director Dudash seconded the motion which passed unanimously.

Agenda Item No. 8
Discussion and consideration to authorize Felix Construction to replace emergency generators at Pump Station Nos. 3 and 5 in the amount of \$166,949.31.

District Manager indicated that this is a job order contract for the physical labor to replace the emergency generators, which the District has purchased, for Pump Stations 3 and 5. There is approximately \$111,000 left in the budget to replace the generators so this item is over budget by approximately \$55,000. Since this is a FERR item, the remaining balance will come from the FERR account.

Director Thomson made a motion to authorize Felix Construction to replace emergency generators at Pump Station Nos. 3 and 5 in the amount of \$166,949.31. Director Dudash seconded the motion which passed unanimously.

Agenda Item No. 9
Discussion and consideration to authorize a contract to August Building Company for the WWTP Control Building Improvements Project in the amount of \$1,038,590.00.

District Manager indicated that three qualified bids were received and August Building Company was the lowest bidder. District Manager is requesting authorization to issue a contract to August Building Company for the WWTP Control Building Improvements Project in the amount of \$1,038,590.00

Director Thomson made a motion to authorize a contract to August Building Company for WWTP Control Building Improvements project in the amount of \$1,038,590.00. Vice Chairperson Maroon seconded the motion which passed unanimously.

Agenda Item No. 10
Discussion and consideration to authorize Kimley-Horn and Associates to provide engineering and construction oversight services for the WWTP Control Building Improvements Project in an amount of up to \$59,940.00.

District Manager is requesting authorization to contract with Kimley-Horn and Associates to provide engineering and construction oversight services for WWTP Control Building Improvements Project in an amount of up to \$59,940.00.

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Director Thomson made a motion to authorize Kimley-Horn and Associates to provide engineering and construction oversight services for WWTP Control Building Improvements project in an amount of up to \$59,940.00. Director Corey seconded the motion which passed unanimously.

Agenda Item No. 11

Discussion and consideration to approve the purchase and distribution of holiday gift cards for employees.

After a discussion, Director Corey made a motion to approve the purchase and distribution of holiday gift cards for employees. Director Dudash seconded the motion which passed unanimously.

Agenda Item No. 8

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 Corey asked how the odor complaints fix was going.

District Manager indicated the Collection System Operations crew have been working diligently to clean the sewer lines.

Chairperson Bell requested the December regular Board meeting be cancelled.

Agenda Item No. 9

Adjournment.

Director Corey made a motion to adjourn the meeting at 5:31 p.m. Director Dudash seconded the motion which passed unanimously.

Dated this 21st day of November 2024.

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Minutes Prepared By:


Penny Cook, Assistant Secretary