

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, April 17, 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

Approval of Minutes: Budget Workshop and Regular Meeting: March 28, 2024

A motion was made by Director Thomson to approve the minutes of the Budget Workshop and Regular Meeting of March 28, 2024 as presented. Director Dudash seconded the motion which passed unanimously.

Agenda Item No. 3

Call to Public.

There were no comments.

Agenda Item No. 4

District Manager's report; items to be discussed include plant and recharge statistics for March, permit compliance, new and existing sewer services, active project updates, public communication efforts, and Town communication and/or coordination efforts.

The District Manager reported for the month of March: The average daily influent flow was 2.171 MGD.

Total WW treated for March was 67,294,000 gallons.

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

March Reclaimed Water delivered to reusers was 17,995,000 gallons.

The District Manager reported the District's total recharge credit available as of March 31, 2024 was 637,839,346 gallons.

There were eight new single-family sewer service agreements issued in March.

The contractor has mobilized to the park site for the ASR Well 1 Vault Replacement project. The fencing is up, a temporary pedestrian walkway has been designated, and north bound traffic has been restricted to one lane. A project website and flyer have been developed. Building permit and traffic control plans have been approved by the Town. The Parks Superintendent is invited to weekly progress meetings for coordination.

The District is awaiting a response or approval from Arizona Department of Water Resources on the USF Permit Renewal.

Submittals from the electrical equipment supplier, promised by April 15th, have not been received for the Blower VFD Replacement project. There will be a 35-week delivery time after approval.

District staff will be reviewing technical specifications received from the electrical engineer to order a replacement generator (or 2) for the PS Generator Replacement (FERR) project. Delivery times are estimated to be one year or more.

A request to approve a contract is later on the agenda to move the Plant Control Building project forward.

There are currently three staffing vacancies: Two WWTP Operators and Project Manager. The two WWTP Operators will not be filled in FY 2024/25.

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.

A finalized Memo of Understanding has been completed with the Town Manager regarding the ASR Well Vault 1 Replacement project.

There was a meeting with the Parks Director to discuss the irrigation system around Well project.

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 March was favorable to budget.

Agenda Item No. 6

Discussion and ratification of reallocated System and Facility Improvements (SFI) funds between projects for fiscal year '23-'24 as specified.

District CPA indicated approval is needed to reallocate approved '23-'24 FY budget SFI funds from designated projects that have not been able to move forward to the ASR Well 1 Vault replacement project.

After a discussion, Vice Chairperson Maroon made a motion to ratify the reallocation of SFI funds between projects for fiscal year '23-'24 as specified in the amount of \$2,312,100. Director Cory seconded the motion which passed unanimously.

Agenda Item No. 7

Discussion and consideration to approve FY 2024/2025 Preliminary budget and fee schedule for publication and to set public hearing thereon.

District CPA presented the Board with a revised FY 2024/2025 Proposed Budget which included changes discussed at the March 28, 2024 budget workshop meeting.

Director Dudash and Director Thomson suggested a notice be submitted to The Times indicating there will be no increase in user fees for FY 2024/25.

After a discussion, Director Thomson made a motion to approve FY 2024/2025 preliminary proposed Fee Schedule with discussed amendment for publication and to set public hearing thereon. Vice Chairperson Maroon seconded the motion.

After further discussion, Director Thomson made a motion to approve the FY 2024/2025 preliminary proposed budget for publication and to set public hearing thereon. Director Dudash seconded the motion which passed unanimously.

Agenda Item No. 8

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

Legal Counsel updated the Board on the Arizona Department of Water Resources' rulemaking for alternative designations of assured water supply and proposals to account for effluent as a non-groundwater resource available to meet new subdivision demands.

Agenda Item No. 9

Discussion and consideration to approve contract with Kimley-Horn and Associates for professional engineering services for the Plant Control Building Improvement project in the amount of \$46,450.00.

District Manager is requesting approval of a contract with Kimley-Horn and Associates for professional engineering services for the Plant Control Building Improvement project in the amount of \$46,450.00 to move this project forward. Kimley-Horn would serve as a project manager and help create documents and specs.

After a discussion, Director Thomson made a motion to approve a contract with Kimley-Horn and Associates for professional engineering services for Plant Control Building Improvement project in the amount of \$46,450.00. Director Corey seconded the motion which passed unanimously.

Agenda Item No. 10

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 indicated he was thrilled to see that the ASR Well 1 Vault Replacement project was moving forward.

Agenda Item No. 11
Adjournment.

Vice Chairperson Maroon made a motion to adjourn the meeting at 6:00 p.m. Director Dudash seconded the motion which passed unanimously.

Dated this 18th day of April 2024.

Fountain Hills Sanitary District

Minutes Prepared By:

A handwritten signature in black ink that reads "Penny Cook". The signature is written in a cursive style with a large, looping initial "P".

Penny Cook, Assistant Secretary