

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, February 19 2025** 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:

Vice Chairperson Clayton Corey, Director Robert Thomson, Director Gregg Dudash, and Director Tammy Bell. Chairperson Michael Maroon arrived at 4:35 p.m.

(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: Regular Meeting: January 15, 2025.

Director Thomson made a motion to approve the minutes of the January 15, 2025 regular meeting as presented. Director Dudash 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 January, 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 January: The average daily influent flow was 2.008 MGD.

Total WW treated for January was 62,254,000 gallons.

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

January Reclaimed Water delivered to reusers was 18,575,000 gallons.

District Manager reported the District's total recharge credit available as of January 31, 2025 was 516,884,938 gallons.

There were 17 sewer service agreements issued in January: One single-family and 16 multi-family.

Staff is addressing the minor comments from the facility assessments for the Safety Program Review and Update. The consultant is now reviewing the Confined Space Program. A review of all Safety Program documentation, practices, and training programs will be completed over the first half of 2025.

The contractor has mobilized to the site for the Plant Control Bldg. project. The control building has been vacated, and temporary facilities are set up. Construction is expected to last from February to the middle of June.

The majority of all site, sod and building work has been completed for the ASR Well 1 Replacement project. The few remaining items include the installation of permanent electrical control panel (which has been received) and replacement of the driveway. This is scheduled to be completed by the end of March.

Director Thomson indicated the well vault structure was phenomenally built and the statue location improvement was much better.

Director Dudash noted that the new well vault facility in the park provides a much safer working environment for staff.

The contractor is preparing to start the first week of March and be completed by mid-April for the Blower VFD Replacement (FERR) project.

Generators are expected to ship March 4th for the PS #3 and PS #5 Generator Replacement (FERR) project. The contractor is waiting for actual delivery before establishing a work schedule to swap generators and commission new ones.

There is no change on the USF Permit Renewal. ADWR has confirmed they will not meet the review deadline that was extended to January 2025. ADWR will return the \$2,000 review fee. The current permit is valid until a new one is issued.

There have been two inquiries from two different home builders for the State Trust Land.

District Manager presented the Board with a list of requirements that should be supplied to the developers/home builders who inquire about what is needed for the State Trust Land to be annexed into the District. This will be revised after further discussion with legal counsel.

There are currently two staffing vacancies: One Project Manager and one Plant Operator.

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 January was favorable to budget.

Agenda Item No. 6

State of the budget presentation with preliminary information and estimates.

District CPA presented preliminary information and estimates for the 2025/2026 Budget.

Agenda Item No. 7

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

Legal Counsel indicated Bill #1013 is currently in legislation requiring the County Board of Supervisors to approve any increase in a levy or imposition of any tax or assessments by a two-thirds majority vote.

Bill #1391 is currently in legislation requiring the Department of Environmental Quality to adopt aquifer water quality standards for various permits that EPA doesn't currently have standards.

Agenda Item No. 8

Discussion and consideration to authorize District Manager to purchase a replacement mixing system for the Flow Equalization Basin in the amount of \$57,935.00 plus tax.

District Manger is requesting authorization to purchase a replacement mixing system for the Flow Equalization Basin in the amount of \$57,935.00 plus tax. District Manager informed the Board this item is not identified in the current budget but will be in the 2025/2026 budget. Since there is a 48-52 week lead time, District Manager is requesting authorization to order the replacement mixing system.

Director Thomson made a motion to authorize District Manager to purchase a replacement mixing system for the Flow Equalization Basin in the amount of \$57,935.00 plus tax. Director Dudash seconded the motion which passed unanimously.

Agenda Item No. 9

Discussion and consideration to authorize the purchase of a replacement pump for Pump Station #5 in the amount of \$49,052.64.

District Manager is requesting authorization to purchase a replacement pump for Pump Station #5 in the amount of \$49,052.64. This item is identified in the current 2024/2025 budget.

Director Dudash made a motion to authorize the purchase of a replacement pump for Pump Station #5 in the amount of \$49,052.64. Director Thomson seconded the motion which passed unanimously.

Agenda Item No. 10

Discussion and review of recycled water supply and demand.

District Manager presented the Board with a review of the recycled water (RW) supply and demand over the last 16 years. Following are highlights of the presentation.

- Over the last 5 years, there has been a slow population growth of .0.3% per year.
- Annual ADF has declined for the last 5 years with the exception of the 2020 COVID year.

- 2024 WW Flow was 1.899 which is at 65.5% of capacity.
- There was 38,580,494 gallons of unaccounted water due to faulty valves. Staff is endeavoring to order and replace all critical meters due to age and concern over accuracy.
- 2024 RW delivered to reusers was 592,429,000 MG, but this is believed to be underreported.
- For end of year 2024, there was 481 MG in the water storage account: a reduction of 29 MG from 2023.
- The RW fee tier breakpoint of 160 MG and Tier II fee for reusers is recommended to remain the same for the 2025/2026 FY budget.

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 Bell requested the Board attend the 2026 State of the Town.

Agenda Item No. 12
Adjournment.

Director Dudash made a motion to adjourn the meeting at 6:20 p.m. Vice Chairman Corey seconded the motion which passed unanimously.

Dated this 20th day of February 2025.

Fountain Hills Sanitary District

Minutes Prepared By:


Penny Cook, Assistant Secretary