

MINUTES OF MEETING BOARD OF DIRECTORS FOUNTAIN HILLS SANITARY DISTRICT

The Board of Directors of the Fountain Hills Sanitary District met in a **Budget Workshop and Regular Meeting** on **Wednesday, March 26, 2025** at **3:30** 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 Michael Maroon, Director Robert Thomson, and Director Gregg Dudash. Director Tammy Bell arrived at 4:20 p.m. Vice Chairperson Clayton Corey was absent.

(Note: Unanimous votes refer to all directors present)

The following Executive Staff members were present:

Dana Trompke, District Manager, Tori Myers, District CPA, and Penny Cook, Assistant Secretary.

The following District Staff were present.

Kirsten DeBie, Administrative Services Manager, Preston Brown, CSO Manager, Brent Klinger, Maintenance Manager, and Bryan Tiglas, Plant Operations Manager.

Agenda Item No. 2

Work/Study session with staff to discuss FY 2025/2026 preliminary budget and fee schedule.

Overview

District CPA presented staff proposals for the fiscal year 2025/2026 budget and fee schedule and answered questions from the Board. There were discussions with the Board and questions were answered. Bryan Tiglas, Plant Operations Manager, spoke briefly about the projects that were being done in his department.

Highlights of the Preliminary Proposed Budget are as follows:

There will be a decrease in the proposed property tax rate for FY 25/26.

Staff is proposing no increase in residential Sewer User Fees for the FY 25/26.

The total operating budget for FY 25-26 is expected to decrease by 9.6% over the FY 24-25 adopted budget. This decrease is attributable to reduction in anticipated project outlays.

Cost of living adjustment for FY 25-26 is proposed at 2.5%.

A completed Proposed Budget will be agendized at the April 16, 2025 Regular Board Meeting for further discussion and approval for publication.

Chairperson Maroon called for a recess at 5:10 p.m. The regular meeting began at 5:14 p.m.

Agenda Item No. 3

Approval of Minutes: Regular Meeting: February 19, 2025.

A motion was made by Director Dudash to approve the minutes of the Regular Meeting of February 19, 2025 as presented. Director Bell seconded the motion which passed unanimously.

Agenda Item No. 4

Call to Public.

There was no comment.

Agenda Item No. 5

District Manager's report; items to be discussed include plant and recharge statistics for February, 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 February: The average daily influent flow was 2.043 MGD.

Total WW treated for February was 57,213,000 gallons.

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

February Reclaimed Water delivered to reusers was 18,331,000 gallons.

The District Manager reported the District's total recharge credit available as of February 28, 2025 was 547,916,938 gallons.

There were eleven new single-family and two non-residential sewer service agreements issued in February.

With the FireRock Country Club being under significant construction, the District was able to line a section of the effluent water main that had been problematic for years. There also were quite a few manholes that are in the fairways and play areas that the District had not been able to inspect. Collection Services Department was able to finally go through and TV camera and inspect every manhole and sewer line in FireRock. Some of the manholes had been covered with dirt and staff have been able to raise the manholes to grade and now are accessible for inspection.

Staff are addressing the minor comments from the facility assessments for the Safety Program Review and Update. The Confined Space Program has been drafted and is under review. 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 Plant Control Bldg. site. Control building has been vacated, and temporary facilities are set up. Asbestos was found in both the walls and old flooring remediation which caused a delay. Construction is now expected to last from February to the middle of July.

The permanent electrical control panel was received and installed for the ASR Well I Vault Replacement project. The panel didn't work, and components need to be replaced. The other item needed to be completed is the replacement of the driveway.

The contractor has begun work and will complete the Blower VFD Replacement (FERR) project by mid-April.

Generators have shipped and been received for PS 3 and 5 Generator Replacement (FERR) project. One of the generators was damaged in shipping and staff will be looking at it on Friday to see how bad the damage is.

There is no change for 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.

The District received a formal written request from the engineer of a developer to review treatment capacity to accommodate 1,500 homes. An internal analysis is nearly complete. A document detailing the findings will be provided to the Board.

There are currently two staff vacancies: One WWTP Operator and one Project Manager.

Agenda Item No. 6

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 February was favorable to budget.

Agenda Item No. 7

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

Legal Counsel was not present.

Agenda Item No. 8

Discussion and consideration to authorize a Felix Construction to replace five motor Variable Frequency Drivers (VFDs) at the AWTF in the amount of \$61,226.90.

District Manager is requesting authorization for Felix Construction to replace five motor Variable Frequency Drivers (VFDs) at the AWTF in the amount of \$61,226.90.

Director Thomson made a motion to authorize Felix Construction to replace five motor Variable Frequency Drivers (VFDs) at the AWTF in the amount of \$61,226.90. Director Bell seconded the motion which passed unanimously.

Agenda Item No. 9

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 Dudash indicated that this is 10th year anniversary on the Board. The Board congratulated him.

Agenda Item No. 10
Adjournment.

Director Thomson made a motion to adjourn the meeting at 5:55 p.m. Director Dudash seconded the motion which passed unanimously.

Dated this 27th day of March 2024.

Fountain Hills Sanitary District

Minutes Prepared By:


Penny Cook, Assistant Secretary