

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 **Tuesday, January 19, 2010** at **6:00** 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:

Chairman Tom Reski, Vice Chairman Glenn Panaro, Director Michael Howard, Director Bruce Hansen, and Director Michael Howard.

The following Executive Staff members were present:

Ron Huber, District Manager, Larry Udall, Legal Counsel, Tori Sawyer, Controller, and Penny Cook, Assistant Secretary.

Agenda Item No. 2

Assumption of Chairman's duties by Vice Chairman and election of new Vice Chairman.

The duties of Chairman were turned over to Vice Chairman Panaro for 2010.

Director Reski nominated Director Howard as Vice Chairman for 2010. Director Hansen seconded the motion, which passed unanimously.

Agenda Item No. 3

Approval of Minutes: Regular Meeting: 12/15/09.

A motion was made by Director Thomson to approve the minutes of the Regular Meeting of December 15, 2009 as presented. Director Reski seconded the motion which passed unanimously.

Agenda Item No. 4

Call to public.

There was no public comment.

Agenda Item No. 5

District Manager's report; items to be discussed include plant and recharge statistics for December, permit compliance, progress on ASR Well No. 5, status of former State Trust Land, Flow Equalization Basin Expansion/Interim Digester Mods project and addition of fifth microfiltration rack, Reclaimed Water Use agreements – FireRock, Eagle Mountain, and Town, Aquifer Protection Permit Amendment, SRP Grant, Reclaimed Water System Planning Project, Utilizing Solar Energy at District Facilities, and general direction from Board.

- District Manager reported the District's total recharge credit available as of December 31, 2009 was 292,161,979 gallons.
- All District facilities were in compliance with their respective permit requirements for the month of December.
- The District received the final draft plans and specifications on December 31, 2009 for the ASR Well No. 5 project. This project includes pumping and electrical work that would be required at the Advanced Water Treatment Facility, connecting piping from the AWTF to the well and down well pump and controls and vault at ASR Well No. 5. Staff is currently reviewing the submittal.
- All that remains on the Flow Equalization Basin Expansion/Interim Digester Mods portion of the project is the clarifier rehab (still waiting on Clarifier No. 1 drive that has been ordered), the two buildings on top of the digester to be painted and punch list items. The actual start up of the Fifth Microfiltration Rack is scheduled for Thursday, January 21, 2009.
- District Manager is currently working on a draft agreement for reclaimed water use between the District and the Town.
- The District received a letter from ADEQ requesting additional information on the APP amendment.
- The District received the final draft report on the Reclaimed Water System Planning Project and met with Valentine Engineers to discuss the minor changes that need to be made. District Manager explained some of the points of the report and will have a complete review at the next Board meeting.
- District staff met with representatives of Eco Distributing regarding the use of solar energy at District facilities. They estimated that the District would use 3 MW of power from solar energy panels. 1 MW of power requires approximately 16 acres of solar energy panels and the District does not have the space at the WWTP for the quantity of solar panels required.

District Manager will continue to research the possibility of utilizing solar energy.

- District Manager has learned that Wayne Bailey from Water and Energy Science has not done anything regarding the SRP Grant for the FEB project. District Manager and Chairman Panaro will meet with Nexant to try to ascertain what they are waiting for and see what needs to be done to continue the process of acquiring the SRP Grant.

Agenda Item No. 6

Controller'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 Controller reported that the General Fund Income Statement for December was slightly favorable to budget.

The number of new Sewer Service Agreements is still below budget.

Billing is on track.

Agenda Item No. 7

Discussion and consideration to approve the following policies and/or policy amendments: Inventory Policy, Property Disposition Policy, and Financial Accounting and Capital Assets Policy.

Director Thomson made a motion to approve the Inventory Policy, Property Disposition Policy and Financial Accounting and Capital Assets Policy. Director Reski seconded the motion which passed unanimously.

Agenda Item No. 8

Discussion and possible direction to staff regarding annexation of former state trust land.

Director Thomson moved and Director Reski seconded to go into executive session pursuant to A.R.S. § 38-431.03(A)(3) & (4), for the purpose of discussion or consultation with the District's legal counsel for legal advice regarding the annexation process and/or to consider the District's position and instruct its counsel regarding a pre-annexation (or similar) agreement involving the former state trust land. Motion carried unanimously and the regular session adjourned at 6:31 p.m.

Regular session resumed at 6:42 p.m. There was no discussion and no direction given to staff.

Agenda Item No. 9

The chairman, 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.

There were no comments.

Agenda Item No. 10

Adjournment.

Director Reski made a motion to adjourn the meeting at 6:43 p.m. Director Thomson seconded the motion which passed unanimously.

Dated this 20th day of January, 2010.

Fountain Hills Sanitary District

Minutes Prepared By: 
Penny Cook, Assistant Secretary