

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, February 16, 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 Glenn Panaro, Director Bruce Hansen, Director Bob Thomson, and Director Tom Reski. Vice Chairman Mike Howard was absent.

The following Executive Staff members were present:

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

Agenda Item No. 2

Approval of Minutes: Regular Meeting: 01/15/08

A motion was made by Director Reski to approve the minutes of the Regular Meeting of January 19, 2010 as presented. Director Hansen 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 and recharge statistics for January, 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 Amendment, SRP Grant/Rebate, 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 January 31, 2010 was 332,370,979 gallons.
- The WWTP experienced two separate four day periods where the fecal coliform concentration was other than zero. It was determined that the cause is worn filter cloth allowing some particulate matter to pass the filters requiring a much higher chlorine residual for disinfection. The life of the filter cloth is 3-7 years and the cloth being replaced is 6-1/2 years old. New filter cloth and frames were ordered at a cost of \$43,000.

- Staff has completed its review of the draft final plans and specifications for the ASR Well No. 5 project. District Manager will be meeting with CDM on February 17, 2010 to go over staff comments.
- Punch list work is winding down on the Flow Equalization Basin Expansion/Interim Digester Mods project. The last thing that remains to be completed is minor rehabilitation of Clarifier No. 2. Start up of the Addition of Fifth Microfiltration Rack at the AWTF has been scheduled for February 22, 2010.
- Another Reclaimed Water Use Agreement was furnished to FireRock for review.
- Revised maps for the Aquifer Protection Permit Amendment were sent to ADEQ on January 29, 2010.
- In discussions with employees of Nexant, the District was told that the SRP grant/rebate program is essentially for projects that are not in construction. The project must be approved prior to any construction being done. There seems to be some indication on the part of Nexant that they will try to proceed on recommending a rebate to SRP when they receive all the information from the District.

Agenda Item No. 5

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 January was slightly favorable to budget.

The number of new Sewer Service Agreements is below budget.

Billing is on track.

Agenda Item No. 6

Discussion and consideration to approve new drug and alcohol polices (General and Department of Transportation).

Pursuant to A.R.S. Section 38-431.03(A)(3)&(4) for discussion with District's legal counsel, Director Hansen moved to go into Executive Session at 6:22 p.m. Director Reski seconded the motion which passed unanimously.

Regular session resumed at 6:32 p.m. Director Thomson moved to approve the Department of Transportation Drug and Alcohol policy. Director Reski seconded the motion which passed unanimously.

After a discussion, the General Drug and Alcohol Policy was tabled until the March 16, 2010 board meeting.

Agenda Item No. 8 was moved before Agenda Item No. 7

Agenda Item No.8

Discussion and consideration to approve the purchase and installation of security glass at the front counter of the office building.

Director Thomson made a motion to approve the purchase of security glass at the front counter of the office building. Director Reski seconded the motion.

After a discussion, the motion failed to pass with a vote of 1 yea and 3 nays.

It was suggested that staff look into installing a video surveillance system in the front lobby.

Agenda Item No. 7

Presentation and discussion regarding Reclaimed Water System Planning Project.

District Manager presented the Board a brief summary of the Reclaimed Water System Planning Project study done by Valentine Engineers.

Agenda Item No. 9

Discussion and consideration to approve purchase of 2010 Ford Escape from Five Star Ford in the amount of \$20,690.38.

A motion was made by Director Thomson to authorize District Manager to purchase a 2010 Ford Escape from Five Star Ford in the amount of \$20,690.38. Director Reski seconded the motion which passed unanimously.

Agenda Item No. 10

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

District Manager requested that at the March 16, 2010 Board meeting that the Board look at where they are regarding the negotiation letter.

Agenda Item No. 11

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.

Director Thomson requested that the District look closely at the amount of property taxes requested in the 2010/2011 budget.

Agenda Item No. 12

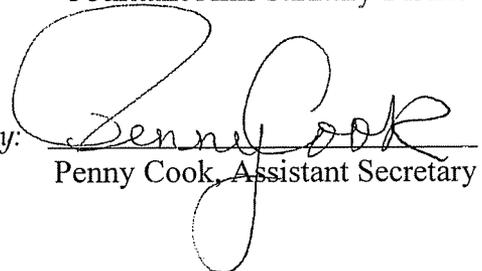
Adjournment.

Director Reski made a motion to adjourn the meeting at 7:20 p.m. Director Thomson seconded the motion which passed unanimously.

Dated this 17th day of February, 2010.

Fountain Hills Sanitary District

Minutes Prepared By:


Penny Cook, Assistant Secretary