

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 17, 2009** 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, and Director Bruce Hansen. Director Bob Thomson arrived a few minutes late.

The following Executive Staff members were present:

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

Agenda Item No. 2 **Approval of Minutes**

A motion was made by Director Hansen to approve the minutes of the Regular Meeting of January 20, 2009 as presented. Director Howard 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, Pump Station No. 4 Modifications, Flow Equalization Basin Expansion/Interim Digester Mods project and addition of fifth microfiltration rack, Saguaro Woods property, Town Square Project, Economic Stimulus Package, and general direction from Board.**

- District Manager reported the District's total recharge credit available as of January 31, 2009 was 397,504,979 gallons.
- All facilities were in compliance with their respective permit requirements for the month of January.
- The 90% plans and specifications for the ASR Well No. 5 project are being reviewed by District staff.
- Doors were installed, motor control centers were installed, the roof was installed, and painting was done for the Pump Station No. 4 Modifications project. Startup should occur sometime mid-March. There were minor delays due to the rain. SRP has installed the transformer but still needs to pull wires and install the meter.

- All of the blower piping for the remaining three blowers was installed for the Flow Equalization Basin Expansion/Interim Digester Mods. and Addition of Fifth Microfiltration Rack project. They are working now on the installation of the return activated sludge (RAS) line between Clarifier No. 3 and the RAS pump station. Pads were put down for the HVAC equipment and moved in an evaporative cooler that will serve the storage building. The equipment for the clarifier was sandblasted and primed.

The guaranteed maximum price (GMP) for the Flow Equalization Basin Expansion/Interim Digester Mods project did not include the Addition of Fifth Microfiltration Rack. This piece of the project was put off as long as possible. However, things are starting to get rather critical over at the Advanced Water Treatment facility. The two compressors that provide the air for the backwashes of the microfiltration modules both stopped working within two weeks of each other. District Manager removed the replacements from the Fifth Rack addition scope and had MGC procure and install new ones at a cost of \$194,645.00. District Manager did receive a GMP for the Fifth Microfiltration Rack (minus the compressors). This part of the project has been delayed; however, the recent wet weather and temperature changes have shown the need to have the fifth rack in service by this time next year. Therefore, we will need to consider the acceptance of the GMP at the next meeting so that equipment can be ordered and delivered on time.

- District Manager received an e-mail from Westcas indicating that the final bill passed for the economic stimulus package and includes four billion dollars nationwide for wastewater. Of that, Arizona's share of that money is \$26,408,646.

Agenda No. 5

Controller's report; items to be discussed include status of income and expenditures, billing, report on collection efforts to date, schedule for budget and fee schedule events, and general direction from Board.

The Controller reported the Income Statement for January was favorable to budget.

Sewer Service Agreements are still below budget.

Billing is on track.

The Controller presented the Board with dates for the proposed budget and fee schedule events. Director Thomson suggested that the preliminary Budget and Fee schedule to Directors be moved up a week to April 10, 2009, the Budget & Fee Schedule Workshop be scheduled for April 21, 2009 at 5:00 p.m. before the regular meeting, and the Special meeting (if necessary) be scheduled for May 5, 2009.

Agenda Item No. 6

Consideration to authorize District Manager to purchase new ½ ton pickup to replace aging S-1.

District Manager is requesting authorization to purchase a new 2009 Ford F150 long bed ½ ton pickup to replace S-1, 1994 Chevy Van, at the state contract price of \$17,492.20.

Director Thomson made a motion to authorize District Manager to purchase the 2009 Ford F150 pickup at a price of \$17,492.20. Director Hansen seconded the motion which passed unanimously.

Agenda Item No. 7

Discussion and possible direction to staff re: acquisition of Saguaro Woods property adjacent to WWTP.

Director Thomson moved and Vice Chairman Panaro seconded to go into executive session pursuant to A.R.S. § 38-431.03(A)(3) & (7), for the purpose of discussion or consultation with the District's legal counsel for legal advice and/or to consider the District's position and instruct its counsel regarding Agenda Item 9. Motion carried unanimously and the regular session adjourned at 6:22 p.m.

Motion by Director Thomson and seconded by Vice Chairman Panaro to reconvene into regular session. Motion carried unanimously and the regular session resumed at 6:25 p.m.

There was no discussion and no direction given to staff.

Agenda Item No. 8

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

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.

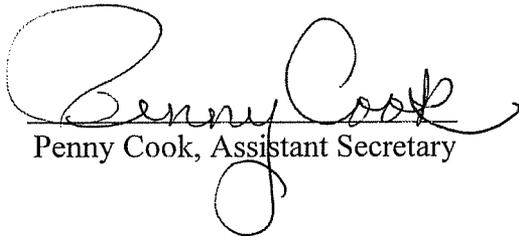
Agenda Item No. 10

Adjournment.

Director Thomson made a motion to adjourn the meeting at 6:26 p.m. Director Hansen seconded the motion which passed unanimously.

Dated this 18th day of February, 2009.

Fountain Hills Sanitary District

Minutes Prepared By: 
Penny Cook, Assistant Secretary