

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, 2015** at **5:00** 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 Thom Besett, Vice Chairman Bruce Hansen, and Director Tom Reski. Director Robert Thomson arrived a few minutes late.

The following Executive Staff members were present:

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

Agenda Item No. 2

VOTE TO GO INTO EXECUTIVE SESSION FOR THE FOLLOWING PURPOSE: Pursuant to A.R.S. Section 38-431.03(A)(1) interview candidates for Director vacancy.

Director Reski moved and Vice Chairman Hansen seconded to go into executive session pursuant to A.R.S. § 38-431.03(A)(1), for the purpose of interviewing candidates for the Director vacancy. Motion carried unanimously and the regular session adjourned at 5:01 p.m.

Agenda Item No. 3

RETURN TO REGULAR SESSION

Regular session resumed at 6:03 p.m.

Vice Chairman Hansen moved and Director Thomson seconded to go into executive session pursuant to A.R.S. § 38-431.03(A)(1), to continue interviewing candidates for the Director vacancy. Motion carried unanimously and the regular session adjourned at 6:11 p.m.

Regular session resumed at 6:31 p.m.

Agenda Item No. 4

Approval of Minutes: Regular Meeting: 01/20/15

A motion was made by Vice Chairman Hansen to approve the minutes of the Regular Meeting of January 20, 2015 as presented. Director Reski seconded the motion which passed unanimously.

Agenda Item No. 5

Call to public.

There was no public comment.

Agenda Item No. 6

Consideration to select candidate to fill Board vacancy.

Vice Chairman Hansen made a motion to appoint Gregg Dudash to fill the Director vacancy for the term ending December 31, 2017. Director Reski seconded the motion which passed unanimously.

Chairman Besett requested a letter be sent to the remaining applicants indicating the Board's appreciation for their interest.

Agenda Item No. 7

District Manager's report; items to be discussed include plant and recharge statistics for January, permit compliance, WWTP Influent Screen and Pump Replacement, Ashbrook Wash Flood Control project, Reclaimed Water Use Agreements for Desert Vista Park and Golden Eagle Park, Summit @ Crestview, and general direction from Board.

- District Manager reported the District's total recharge credit available as of January 31, 2015 was 469,562,414 gallons
- District facilities were in compliance with all permit requirements for the month of January.
- Drawing submittals were received by the District and Carollo Engineers for review on the WWTP Influent Screen and Pump Replacement Project.
- Ashbrook Wash Flood Control Project will be put out to bid shortly.
- Draft Reclaimed Water Use Agreements for Desert Vista Park and Golden Eagle Park were sent to the Town for comment.

Agenda Item No. 8

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 slightly favorable to budget.

Billing is on track.

Agenda Item No. 9

Discussion and consideration of offer concerning the Summit at Crestview Subdivision pipeline defects.

After a discussion, Director Thomson made a motion to accept the offer of \$61,000 concerning the Summit at Crestview Subdivision pipeline defects. Vice Chairman Hansen seconded the motion which passed unanimously.

The \$61,000 will be divided by the 24 remaining lots requiring service agreements and the \$2,542 will be included on each service agreement when issued. Legal Counsel suggested that a Lien be filed indicating that there is money owed as a connection fee. The lien will run with the land. For each lot to connect to the sewer, the connection fees plus the \$2,542 per lot must be paid.

Agenda Item No.10

Discussion and consideration to authorize District Manager to engage the services of Moore and Associates Engineering to assist in analyzing the existing and future conditions at Pump Station No. 14.

District Manager informed the Board that there is \$750,000 designated to upgrade Pump Station No. 14. Pump Station No. 14 does not have any standby power. Rather than initiating a project to replace a major portion of Pump Station No. 14, it makes sense to have somebody take a look at flow studies and determine if maybe all that is needed is a standby generator.

District Manager is requesting authorization to engage the services of Moore and Associates Engineering to assist in analyzing the existing and future conditions at Pump Station No. 14 and proceed on the recommendations that are given.

After further discussion, Director Thomson made a motion to authorize District Manager to engage Moore and Associates Engineering for a lump sum fee of \$10,480.00 to assist in analyzing the existing and future conditions at Pump Station No. 14. Director Reski seconded the motion which passed unanimously.

Agenda Item No. 11

Discussion and direction to staff regarding possible changes to the 2014/2015 Fee Schedule for capacity fees.

District Manager informed the Board that District staff would like to change the connection fees charged for senior living facilities.

After a discussion, direction was given to staff to look at possible changes and present the changes to the fee schedule at the 2015/2016 Budget Workshop.

Agenda Item No. 12

Discussion and direction to staff regarding the feasibility of utilizing reverse osmosis in its treatment process and direct potable reuse.

District Manager presented an Engineering Services Proposal for an RO Feasibility Study to be performed by Carollo Engineers.

After a discussion, direction was given for District Manager to go back to Carollo Engineers with discussed points and bring the proposal back to the Board at a later date.

Agenda Item No. 13

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. 14
Adjournment.

Vice Chairman Hansen made a motion to adjourn the meeting at 7:22 p.m. Director Reski seconded the motion which passed unanimously.

Dated this 18th day of February, 2015.

Fountain Hills Sanitary District

Minutes Prepared By:

A handwritten signature in cursive script that reads "Penny Cook". The signature is written over a horizontal line.

Penny Cook, Assistant Secretary