

# **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 19, 2008** 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 Bruce Hansen, Vice Chairman Bob Thomson, Director Tom Reski, Director Glenn Panaro, and Director Mike Howard.

*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**

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

The duties of Chairman were turned over to Vice Chairman Thomson for 2008.

Director Hansen nominated Director Reski as Vice Chairman for 2008. Director Panaro seconded the motion, which passed unanimously.

## **Agenda Item No. 3**

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

A motion was made by Director Hansen to approve the minutes of the Regular Meeting of January 15, 2008 as presented. Vice Chairman 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 January, permit compliance, progress on ASR Well No. 5, status of former State Trust Land, Crestview Repeater Site, Pump Station No. 4 Modifications, Force Main Replacement, Flow Equalization Basin Expansion/Interim Digester Mods project and addition of fifth microfiltration rack, Aquifer Protection Permit (APP) amendment, tracer study, Saguaro Woods property, and general direction from Board.**

- District Manager reported the District's total recharge credit available as of January 31, 2008 was 375,511,979 gallons.

- All facilities were in compliance with permit requirements for the month of January.
- The District received a revised scope of work from CDM for ASR Well No. 5 on February 13, 2008. District Manager has reviewed the scope of work and will be meeting with CDM on February 20, 2008 to make changes pursuant to District Manager's review.
- Staff is putting together a schedule to have landscaping done by the end of March at both the Crestview Repeater Site and Crestview Pump Station.
- A reclaimed water line is being relocated away from the pump station on the Pump Station No. 4 Modifications project. SRP has changed their method of getting power to the new station which will result in a change order to the contractor and is expected to be in the \$10,000 – 15,000 range.
- The fiberglass force main pipe for the Force Main Replacement project was shipped on February 19, 2008.
- District Manager received the first draft for the guaranteed maximum price for the FEB/Interim Digester Mods. And Addition of Fifth Microfiltration Rack project. A value engineering meeting will be held on February 20, 2008 to discuss options to reduce costs.
- The second revised draft was received for the APP Amendment. District Manager returned a few minor comments back to the permit writer and the permit has now gone to the director.
- The Tracer Study expires at the end of February. To date, tracers have not been observed at the new monitor well. Staff would like to continue the study until the tracers are observed or until the end of April.
- There is nothing to report on the Saguaro Woods property.

**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 January was slightly favorable to budget.

The number of new Sewer Service Agreements is below budget.

Billing is on track.

Chairman Thomson requested that a Capital Projects projection be included in the March controller's report.

**Agenda Item No. 7**

**Consideration to authorize District Manager to purchase replacement tow-behind air compressor from Volvo Construction Equipment and Services for \$10,789.00.**

District Manager is requesting authorization to purchase a tow-behind air compressor from Volvo Construction Equipment and Services for \$10,789.00 to replace the one purchased in 1986.

A motion was made by Vice Chairman Reski to authorize District Manager to purchase a tow-behind air compressor from Volvo Construction Equipment and Services for a cost of \$10,789.00. Director Hansen seconded the motion which passed unanimously.

**Agenda Item No. 8**

**Discussion and possible action concerning District connection fees.**

District Manager and Controller informed the Board that the Capacity Fee needs to be increased in order to cover capital project requirements related to growth within current District boundaries. The total estimated cost for increasing capacity would be approximately \$20,580,000. Additionally, staff estimates 1,740 new connections remain within current District boundaries. These estimates indicate that the District will need approximately \$11,828 per housing unit to develop the collection, treatment, and reclaimed water distribution system to build-out capacity.

Staff is asking the Board to increase the Capacity Fee from \$5,355 to \$10,000 to cover the costs for the projected capital projects. After a discussion, direction was given to staff to start the process to increase the capacity fees to be effective July 1, 2008.

**Agenda Item No. 9**

**Discussion regarding annexation of former state trust land and consideration to set special meeting to discuss annexation criteria particularly the method of contract administration for procurement of engineering and construction services.**

There was a discussion regarding the annexation criteria which will be presented to the owner of the former State Trust Land.

Direction was given to staff to set a Work Study session to further discuss annexation criteria. A tentative date of March 10, 2008 was set.

**Agenda Item No. 10**

**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. 11**

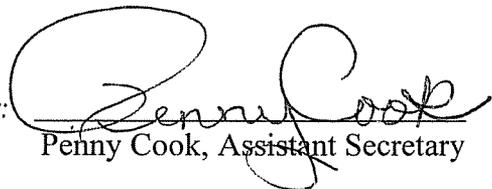
**Adjournment.**

Director Hansen made a motion to adjourn the meeting at 7:26 p.m. Vice Chairman Reski seconded the motion which passed unanimously.

*Dated this 20th day of February, 2008.*

Fountain Hills Sanitary District

Minutes Prepared By:

  
Penny Cook, Assistant Secretary