

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, March 26, 2013** 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 Bob Thomson, Vice Chairman Tom Reski, Director Glenn Panaro, Director Thom Besett, and Director Bruce Hansen.

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

A motion was made by Vice Chairman Reski to approve the minutes of the Regular Meeting of February 26, 2013 as amended. 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 February, permit compliance, progress on ASR Well No. 5 Project, status of former State Trust Land, Reclaimed Water Use Agreements with Town, AWTF Chlorine Feed System Mods Project, diffuser failure in digester, AWTF Membrane Replacement and EFM/CIP Project, Replacement of Influent Screens and Influent Pumps Project, and general direction from Board.

- District Manager reported the District's total recharge credit available as of February 28, 2013 was 233,570,979 gallons.
- All District facilities were in compliance with their respective permits for the month of February.

- District received an analysis from CDM, the engineer, on the ASR Well No. 5 Project. Their analysis indicates that they still believe that there is a problem with the stiffness of the vault in relationship to the way it is set on its foundation. They will be looking further into this situation and should have a response back to the District next week.
- The District still needs to prepare reclaimed water use agreements for Golden Eagle and Desert Vista Parks.
- The AWTF Chlorine Feed System Mods Project is progressing very well. Some testing will be done and then it will set until the completion of the ultrafiltration equipment.
- The submittals for the new diffuser system were returned to the manufacturer for further information.
- The third design workshop was held on March 13, 2013 for the AWTF Membrane Replacement and EFM/CIP Project. It is expected that the 90% plans will be ready for review on April 10, 2013.

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 the General Fund Income Statement for February was favorable to budget.

Connection Fees were higher than expected.

Billing is on track.

Agenda Item No. 6

Discussion and consideration to select MGC Contractors, Inc. as the Construction Manager at Risk to perform pre-construction and construction services including preparing the guaranteed maximum price (GMP) for the AWTF Membrane System Replacement Project.

District Manager informed the Board that the District solicited through public notice advertising pursuant to the state statutes for the CM@Risk type delivery method of procurement. Statements of qualifications for the AWTF Membrane System Replacement Project were solicited and only one submittal was received from MGC Contractors.

District Manager is requesting authorization to select MGC Contractors to generate a guaranteed maximum price for the construction associated with this project.

Director Panaro made a motion to select MGC Contractors as the construction manager at risk. Vice Chairman Reski seconded the motion which passed unanimously.

Agenda Item No. 7

Discussion and direction to staff regarding the preparation of an IGA for the District's involvement with Fountain Lake.

After a discussion, it was decided that the District Manager would go through the current version of the IGA that was marked up by the Town's legal counsel and make a list of the points, meet with Town Manager and go through the points to see if there can be an agreement.

Agenda Item No. 8

Discussion and possible direction to staff regarding reclaimed water quality and the golf courses.

District Manager had a meeting with the golf course managers along with one of the golf course owners regarding the continuing problems with the reclaimed water quality.

They will be working up some numbers to be presented to the Board at a later date.

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.

District Manager will be mailing his performance evaluation form to the Board to enable the Board to complete his annual performance evaluation review at the April meeting.

District Manager informed the Board that the Fountain Lake pump back system is now in operation.

Bill Sullivan informed the Board that HB 2331 did not get out of the House.

Agenda Item No. 10

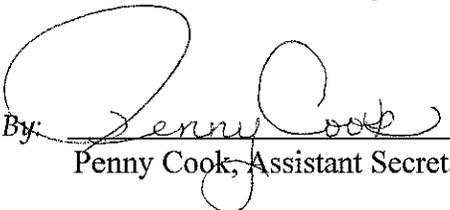
Adjournment.

Director Hansen made a motion to adjourn the meeting at 6:37 p.m. Vice Chairman Reski seconded the motion which passed unanimously.

Dated this 27th day of March, 2013.

Fountain Hills Sanitary District

Minutes Prepared By:


Penny Cook, Assistant Secretary