

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, April 15, 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 Thomson, Vice Chairman Reski, Director Panaro, Director Howard, and Director 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: Regular Meeting: 03/18/08 and Special Meetings: 3/14/08 & 3/29/08.

A motion was made by Director Hansen to approve the minutes of the Regular Meeting of March 18, 2008 and Special Meetings of March 14, 2008 and March 29, 2008 as presented. Vice Chairman Reski 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 March, 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, FireRock Reclaimed Water Pump Station Landscaping, and general direction from Board.

- District Manager reported the District's total recharge credit available as of March 31, 2008 was 431,597,979 gallons.
- All facilities were in compliance with permit requirements for the month of March.
- Landscaping at the Crestview Repeater site is complete and the Crestview pump station should be complete by April 25, 2008.

- Work is progressing slowly on the excavation of the wet well on the Pump Station No. 4 Modifications project.
- Except for testing on the Force Main Replacement project, the force main construction between Pump Station No. 4 and Kiwanis Dr./Fountain Channel is complete. After testing is successfully completed, construction will move to the north end of Fountain Park.
- Notice to proceed date of May 5, 2008 was established for the Flow Equalization Basin Expansion/Interim Digester Mods. and Addition of Fifth Microfiltration Rack.
- The amended APP was received on April 7, 2008.
- The tracer study will end on April 30, 2008. To date, there has been no migration of THM's to the new monitor well.
- District Manager will call an appraiser for the Saguaro Woods property.
- District Manager met with the Firerock HOA president and several homeowners and established locations for placement of trees along Balera Drive. Work on this project will begin after the Crestview sites are complete.

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 March continues to be positive.

The number of new Sewer Service Agreements is below budget.

Billing is on track.

Agenda Item No. 6

Discussion and possible direction to staff regarding response to annexation request for former state trust land.

Director Hansen moved and Vice Chairman Reski seconded to go into executive session pursuant to A.R.S. § 38-431.03(A)(3) & (4), for the purpose of discussion or consultation with the District's legal counsel for legal advise regarding the annexation process and/or to consider the District's position and instruct its counsel regarding a pre-annexation (or similar) agreement involving the former state trust land. Motion carried unanimously and the regular session adjourned at 6:14 p.m.

Motion by Director Hansen and seconded by Director Panaro to reconvene into regular session. Motion carried unanimously and the regular session resumed at 6:54 p.m.

The Board expressed a willingness to support annexation of the former state trust land provided a Pre-Annexation Agreement is in place to insure the proposed annexation will benefit both District and owner.

Director Panaro made a motion to finalize and send a letter to Mr. Kyle of the Ellman Companies regarding the annexation of the former state trust land. Vice Chairman Reski seconded the motion which carried unanimously.

Agenda Item No. 7

Discussion and possible direction to staff regarding amendment to CDM's engineering contract.

District Manager is requesting authorization to increase the scope of work to CDM' Engineering contract for the design of a reclaimed water supply pipeline from the AWTF to ASR Well No. 5, a recovery water pipeline from ASR Well No. 5 to the SunRidge Canyon Golf Course Lake and ASR Well No. 5 equipment at an increase in cost of \$246,000.

Vice Chairman Reski made a motion to approve the amendment to CDM's engineering contract on the ASR Well No. 5 project. Director Howard seconded the motion which passed unanimously.

Agenda Item No. 8

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 informed the Board that staff is doing research with regard to total organic carbon removal by RO.

Chairman Thomson requested that the RO study being done by staff be reported to the Board in the District Manager's weekly report.

Director Hansen reported that there had been a complaint from Mama's Kitchen that there were no left turn signs on Parkview making it difficult for customers to get into their business. District Manager and Bill Cunningham, Field Services Manager, got the situation resolved with the Town and the left turn signs were straightened out. Director Hansen wanted to thank Ron and Bill for a good job.

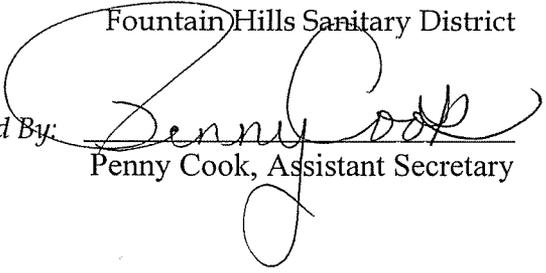
Director Hansen would like to request that a meeting be set up with the intergovernmental people from Fort McDowell.

Agenda Item No. 9

Adjournment.

Vice Chairman Reski made a motion to adjourn the meeting at 7:00 p.m. Director Hansen seconded the motion which passed unanimously.

Dated this 17th day of April, 2008.

Fountain Hills Sanitary District
Minutes Prepared By: 
Penny Cook, Assistant Secretary