

# 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 **Wednesday, May 16, 2012** 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 Bruce Hansen, Director Tom Reski, Director Glenn Panaro, and Director Thom Besett. Vice Chairman Bob Thomson arrived a few minutes late.

*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: 04/17/12 and Special Meeting: 05/1/12**

A motion was made by Director Panaro to approve the minutes of the Regular Meeting of April 17, 2012 and Special Meeting of May 1, 2012 as presented. Director Besett 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 April, permit compliance, progress on ASR Well No. 5 Project, Fountain Lake Water Quality, status of former State Trust Land, Reclaimed Water Use Agreements with Town, AWTF Chlorine Feed System Mods Project, and general direction from Board.**

- District Manager reported the District's total recharge credit available as of April 30, 2012 was 137,190,979 gallons.
- All facilities were in compliance with permit requirements for the month of April.
- CDM gave the District a testing protocol for the ASR Well No. 5 project and District staff performed additional tests utilizing the pump that was installed under the contract at the product water basin that delivers the water that is recharged at the well. Data was given to the engineer for review.
- District Manager and Legal Counsel will be rewriting the Reclaimed Water Use Agreement with the Town to deal with some of the issues that have arisen with respect to the reclaimed water shortage.

- The construction of the AWWTF Chlorine Feed System Mods Project started on May 14, 2012.

**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 April is favorable to budget.

There were no new Sewer Service Agreements received in April.

Billing is on track.

**Agenda Item No. 6**

**Discussion and consideration to approve the FY 2012/2013 preliminary budget and fee schedule for publication and to set public hearing hereon.**

Controller presented the Board with the suggested changes discussed at the May 1, 2012 Special Meeting. With those changes, the Sewer User Fees will increase \$2.00 per month in FY 2012/2013 instead of \$1.00 per month in FY 2012/2013 and another \$1.00 per month in FY 2014/2015.

After a discussion, Director Panaro made a motion to approve the FY 2012/2013 preliminary budget and fee schedule as amended for publication and to set public hearing. Director Reski seconded the motion which passed unanimously.

**Agenda Item No. 7**

**Discussion and consideration to approve Controller's contract for FY 2012/2013.**

Director Reski made a motion to approve the Controller's contract for FY 2012/2013 as presented. Director Besett seconded the motion which passed unanimously.

**Agenda Item No. 8**

**Discussion and direction to staff re: draft Fountain Lake intergovernmental agreement (IGA).**

Legal Counsel is making changes as per direction from the Board at the April 17, 2012 meeting. When the changes are done, the agreement will be presented to the Town.

**Agenda Item No. 9**

**Discussion and direction to staff re: reclaimed water shortage.**

District Manager reported that the Sanitary District has the ability to lease a Type 2 grandfathered groundwater right. With a permit to operate a non-exempt well, the Sanitary District would be able to recover water out of the existing wells. There are some restrictions on the District's recovery well permit and HydroSystems is working on the District's behalf with the Department of Water Resources. District Manager has a meeting with Chaparral City Water on Monday, May 21<sup>st</sup>, to discuss an agreement to purchase raw CAP water from them for the long term.

**Agenda Item No. 10**

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

There was no discussion.

**Agenda Item No. 11**

**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. 12**

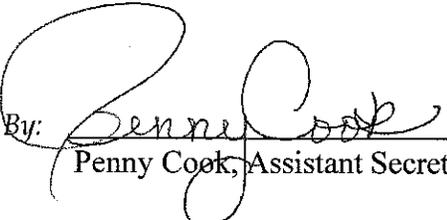
**Adjournment.**

Director Besett made a motion to adjourn the meeting at 5:45 p.m. Director Panaro seconded the motion which passed unanimously.

*Dated this 17th day of May, 2012.*

Fountain Hills Sanitary District

Minutes Prepared By:

  
Penny Cook, Assistant Secretary