

# 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, May 19, 2009** 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**

*The following Directors were present*

Chairman Tom Reski, Vice Chairman Glenn Panaro, Director Bruce Hansen, and Director Bob Thomson. Director Michael Howard was absent.

*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 Director Thomson to approve the minutes of the Regular Meeting of April 21, 2009 as presented. 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 April, permit compliance, progress on ASR Well No. 5, status of State Trust Land, Flow Equalization Basin Expansion/Interim Digester Mods project and addition of fifth microfiltration rack, Saguaro Woods property, Reclaimed Water Use agreement, Town Square / Downtown Area, and general direction from Board.**

- District Manager reported the District's total recharge credit available as of April 30, 2009 was 445,790,979 gallons.
- All District facilities were in compliance with their respective permits for the month of April.
- Staff completed its review of the 90% plans and specifications for the ASR Well No. 5 project. Comments were returned to CDM on April 24, 2009 for correction.
- Construction of Clarifier No. 3 is nearing completion for the Flow Equalization Basin Expansion/Interim Digester Mods and addition of Fifth Microfiltration Rack project. After Clarifier No. 3 is placed in operation, Clarifier No. 1 will be taken down for rehab work. Once Clarifier No. 1 is done, Clarifier No. 2 will be taken down for rehab. Piping and diffuser work are ongoing in the empty digester cell. Once that digester cell is completed, piping and diffuser work will be done in the other digester cell.

- The draft reclaimed water use agreements were distributed to SunRidge Canyon and FireRock Golf Courses for comment. Comments were received from SunRidge Canyon. District Manager has a meeting scheduled on May 26, 2009.

- There have been some discussions regarding the vision for the Town's downtown area. One of the ideas was to possibly do a commercial development in the park. The District does have ASR wells, monitor wells, sewer lines, effluent lines, and fiber optic lines in the park.

There has also been some discussions regarding charging the District for having its wells in the Park. The District's facilities are located in the park via an easement which can be utilized for any reclaimed water facilities.

**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 April was favorable to budget.

The number of new Sewer Service Agreements is still below budget.

Billing is on track.

**Agenda Item No. 6**

**Discussion regarding plant energy survey.**

District staff had an opportunity to meet with SRP and an energy consultant regarding conducting an energy survey at the WWTP and AWTF with the goal of energy savings. SRP has grants available to do energy surveys. Once construction is complete, District Manager would like to look into the grants for the purpose of having an energy survey done.

**Agenda Item No. 7**

**Discussion and possible direction to staff regarding paving at Pump Station No. 4.**

District Manager informed the Board that after doing some research, it was found that if there are less than 20 vehicle trips per day, it is not required by any regulation to pave the alleyway. The need for the District to do any pavement in the area is strictly based upon the District needing an all-weather access. District Manager is suggesting that the north/south access off of Saxon Drive be paved as far as a valley gutter that would run the drainage from the west side of the alley into the wash.

The Board directed staff to submit the plans to pave the north/south access off of Saxon Drive to the Town. If the Town does not agree with this plan and requests that the entire alley be paved, further research will need to be done and this item will need to be agendaized at a future date.

**Agenda Item No. 8**

**Discussion and possible direction to staff regarding the concept of charging the Town for reclaimed water.**

Director Hansen would like the Board to look into charging the Town for reclaimed water. After a discussion, Director Thomson suggested that this item be agendaized at a future meeting.

**Agenda Item No. 9**

**Discussion and direction to staff regarding letter of intent to purchase new jetter truck.**

Director Thomson made a motion to authorize District Manager to write a letter of intent to purchase a VacCon Model HS1600HA Jet Rodder for delivery in November 2009. Director Hansen seconded the motion which passed unanimously.

**Agenda Item No. 10**

**Discussion and consideration to approve Controller's contract for FY 2009/2010.**

Director Thomson made a motion to renew the Controller's contract for the FY 2009/2010 as presented. Director Hansen seconded the motion which passed unanimously.

**Agenda Item No. 11**

**VOTE TO GO INTO EXECUTIVE SESSION FOR THE FOLLOWING PURPOSE: pursuant to A.R.S. Section 38-431.03(A)(1) evaluation of District Manager's performance, discussion regarding District Manager's annual salary for FY 2009/2010.**

Vice Chairman Panaro moved and Director Hansen seconded to go into executive session pursuant to A.R.S. § 38-431.03(A)(1), for the purpose of evaluation of the District Manager's performance and discussion regarding District Manager's annual salary for FY 2009/2010. Motion carried unanimously and the regular session adjourned at 6:44 p.m.

**Agenda Item No. 12**

**RETURN TO REGULAR SESSION.**

Motion was made by Director Thomson to resume the regular session at 6:48 p.m.. Director Hansen seconded the motion which passed unanimously.

**Agenda Item No. 13**

**Consideration to set District Manager's salary for FY 2009/2010.**

Director Hansen made a motion to table Agenda Item No. 13 till the next regular meeting. Director Thomson seconded the motion which passed unanimously.

**Agenda Item No. 14**

**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 he received a letter from the Town indicating that the District owed the Town \$74,232 for slurry seal for the street cuts pertaining to the Force Main project. The District accommodated the Town with a deepening of the Force Main after the plans and specifications had been approved. It required the lowering of the force main, additional air/vac valve installation, and engineering costs totaling \$52,535.71. Because of the poor quality of the street, the projected amount of 3,842 square yards of pavement replacement became 5,758 square yards at an additional cost of \$80,472.00. District Manager sent a letter to the Town listing the District's additional costs incurred to accommodate the Town and is awaiting a reply.

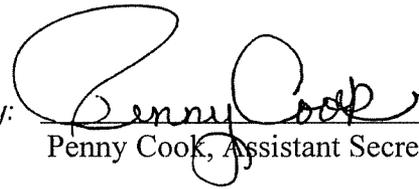
**Agenda Item No. 15**  
**Adjournment.**

Director Hansen made a motion to adjourn the meeting at 6:55 p.m. Vice Chairman Panaro seconded the motion which passed unanimously.

*Dated this 20th day of May, 2009.*

Fountain Hills Sanitary District

Minutes Prepared By:

A handwritten signature in black ink, appearing to read "Penny Cook", written over a horizontal line.

Penny Cook, Assistant Secretary