

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, June 21, 2011** 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 Michael Howard, Vice Chairman Bruce Hansen, Director Bob Thomson, and Director Tom Reski, and Director Glenn Panaro.

The following Executive Staff members were present:

Ron Huber, District Manager, William Sullivan, Legal Counsel, Tori Sawyer, Controller, and Penny Cook, Assistant Secretary.

Agenda Item No. 2 **Approval of Minutes: Regular Meeting: 05/17/11**

A motion was made by Vice Chairman Hansen to approve the minutes of the Regular Meeting of May 17, 2011 as presented. Director Panaro seconded the motion which passed unanimously.

Agenda Item No. 3 **Call to public.**

There was no public comment.

Agenda Item No. 4 **Presentation of Service Recognition Award to Dan Seyb for 25 years of District service.**

District Manager thanked Dan Seyb for his 25 years of service and presented him with a service recognition award.

Agenda Item No. 5 **District Manager's report; items to be discussed include plant and recharge statistics for May, permit compliance, progress on ASR Well No. 5 Project, Fountain lake Water Quality, status of former State Trust Land, Reclaimed Water Use agreements – Eagle Mountain and Town, and general direction from Board.**

- District Manager reported the District's total recharge credit available as of May 31, 2011 was 231,356,979 gallons.
- The District reported a single failed fecal coliform sample in the wastewater treatment plant. However, it was confirmed that it was a failed test due to a contaminated sample.
- The pumps and vault for the ASR Well No. 5 project are going to be delivered by the end of June. Work has resumed on this project this week and the vault excavation was completed on Monday. ASR Well No. 5 should be operational by the end of August.

- The joint study group for the Fountain Lake Water Quality project met on June 14, 2011. District Manager raised a number of topics regarding what he felt needed to be considered in an IGA. He suggested that because there is not a reclaimed water use agreement with the Town for any of the parks, that maybe the one for Fountain Lake and Fountain Park could be wrapped up with the IGA in a combined agreement. A separate reclaimed water use agreement can be done for the other two parks.

District Manager also solicited a proposal from Rick Amalfi of Aquatic Consulting & Testing to do a Comprehensive Lake Maintenance Management Plan. The proposal has been received and comments from the District and the Town are being generated. The proposal came in with a cost estimate of \$21,200.

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

There were two new Sewer Service Agreements received in May.

Billing is on track.

Agenda Item No. 7

PUBLIC HEARING concerning the FY 2011/2012 fee schedule.

The public hearing concerning the FY 2011/2012 fee schedule was opened by Chairman Howard. Controller explained the minor changes to the fee schedule and there was no public comment. Chairman Howard closed the public hearing.

Agenda Item No. 8

Consideration to approve Resolution No. 250, the FY 2011/2012 fee schedule.

Director Reski made a motion to approve Resolution No. 250, the FY 2011/2012 fee schedule, as presented. Director Thomson seconded the motion which passed unanimously.

Agenda Item No. 9

PUBLIC HEARING concerning FY 2011/2012 budget.

Chairman Howard opened the public hearing concerning the FY 2011/2012 budget. Controller pointed out a few minor changes from the April workshop meeting and there was no public comment. Chairman Howard closed the public hearing.

Agenda Item No. 10

Consideration to approve FY 2011/2012 budget.

Director Panaro made a motion to approve the 2011/2012 budget. Vice Chairman Hansen seconded the motion which passed unanimously.

Agenda Item No. 11

Discussion and consideration to approve Controller's contract for FY 2011/2012.

Controller stated that the requested changes from the May meeting were incorporated in the contract. A motion was made by Director Thomson to approve the Controller's contract for FY 2011/2012 as presented. Vice Chairman Hansen seconded the motion which passed unanimously.

Agenda Item No. 12

Discussion and possible action relating to use of the mail ballot election process.

District Manager explained that if we share election expenses with the Town for the November 8, 2011 election that they have chosen to do an all mail ballot. The District will need approval from the County Board of Supervisors to do an all mail ballot. The request for an all mail ballot process will be on the Board of Supervisors agenda at their July 6, 2011 meeting if the District Board decides to do the all mail ballot.

After a discussion, Director Panaro made a motion to have staff pursue the all mail ballot process for the November 8, 2011 election. Vice Chairman Hansen seconded the motion which passed unanimously.

Agenda Item No. 13

Consideration to approve Resolution No. 251, call for a non-partisan election on November 8, 2011.

Director Thomson made a motion to approve Resolution No. 251, call for a non-partisan election on November 8, 2011. Vice Chairman Hansen seconded the motion which passed unanimously.

Agenda Item No. 14

Discussion and direction to staff regarding Fountain Lake Water Quality.

Vice Chairman Hansen gave a brief synopsis of the June 14, 2011 meeting and informed the Board that the next meeting is scheduled for Tuesday, June 28, 2011.

Agenda Item No. 15

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

District Manager informed the Board that he received an email from Don Kyle which was a transmittal of a 2008 letter, scope of work, and cost to have Southwest Groundwater oversee and contract for the drilling of a test well that will later be turned into a monitor well. District Manager was asked to review the transmittal and provide comments. District Manager had a conversation with the District's hydro-geologist and asked for his comments as to whether or not the scope was complete.

Agenda Item No. 16

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.

Chairman Howard informed the Board that he reviewed the District Manager's performance evaluation from last month and the weekly report will be reinstated.

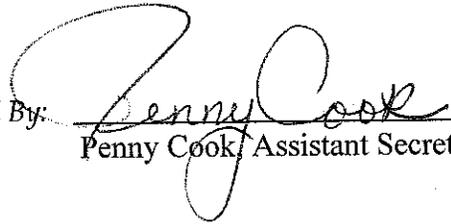
Agenda Item No. 17
Adjournment.

Vice Chairman Hansen made a motion to adjourn the meeting at 6:35 p.m. Director Reski seconded the motion which passed unanimously.

Dated this 22nd day of June, 2011.

Fountain Hills Sanitary District

Minutes Prepared By:


Penny Cook, Assistant Secretary