MINUTES OF SPECIAL MEETING
BOARD OF DIRECTORS
FOUNTAIN HILLS SANITARY DISTRICT

The Board of Directors of the Fountain Hills Sanitary District met in a **Special Meeting** on **Wednesday, September 12, 2007** at **6:00** p.m. in the District's conference room located at 16941 E. Pepperwood Circle, Fountain Hills, AZ 85268.

Agenda Item No. 1
Call to order and roll call

Upon roll call the following Directors were present:
Chairman Bruce Hansen, Vice Chairman Bob Thomson, Director Tom Reski and Director Michael Howard. Director Glenn Panaro was absent.

The following Executive Staff members were present:
Ron Huber, General Manager, Bill Sullivan, Legal Council, and Penny Cook, Assistant Secretary.

Agenda Item No. 2
Discussion and possible direction to staff regarding sewer service to the State Land.

District Manager talked about existing plant unit process capacities and what facilities the developer needs to provide for serving the former State Land. District Manager also presented items that the District might want to include in a Development Agreement with the Ellman Companies. Three major items the developer would be responsible for would be: 6th Microfiltration rack at AWTF along with building expansion, additional ASR wells, and 65-90 acres of turfed area for effluent disposal.

There was a discussion regarding RO and the possibility of an RO plant if turf requirements are not met.

After a discussion, it was suggested that the District Manager do the following:

1. Write a letter to the Ellman Companies (for Chairman's signature) indicating effluent is available for their use.
2. Write a letter to the School Board (for Chairman's signature) requesting use of the Hawk site for ASR Wells.
3. Check on an approximate cost for RO.

Agenda Item No. 3

There was no public comment.

Agenda Item No. 4
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.

Vice Chairman Thomson requested that District Manager look into the possible acquisition of land adjacent to the plant.

Agenda Item No. 5
Adjournment

A motion was made by Vice Chairman Thomson to adjourn the meeting at 7:05 p.m. Director Reski seconded the motion which passed unanimously.

Dated this 14th day of September, 2007

Minutes Prepared by: Penny Cook
Penny Cook, Assistant Secretary