

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, October 16, 2007** 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 Bruce Hansen, Vice Chairman Bob Thomson, Director Tom Reski, Director Glenn Panaro, and Director Michael Howard.

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: Special Meeting: 09/12/07 and Regular Meeting: 09/18/07

A motion was made by Vice Chairman Thomson to approve the minutes of the Special Meeting of September 12, 2007 and Regular Meeting of September 18, 2007 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

District Manager's report; items to be discussed include plant and recharge statistics for September, permit compliance, progress on addition of fifth microfiltration rack and ASR 5, status of former State Trust Land, Crestview Repeater Site, Pump Station No. 4 Modifications and Force Main, Flow Equalization Basin Expansion/Interim Digester Mods project, Aquifer Protection Permit (APP) amendment, tracer study, Saguaro Woods property, Town Environmental policy meeting, and general direction from Board.

- District Manager reported the District's total recharge credit available as of September 30, 2007 was 308,139,979 gallons.
- All facilities were in compliance with permit requirements for the month of September. There was an unannounced air quality inspection on October 2, 2007 that resulted in administrative deficiencies which have since been addressed. The District should receive a Notice of Violation acknowledging that the administrative issue has been addressed. At this time, it is unsure if any fines will be levied.

There was an ADEQ annual inspection done Wednesday, October 10, 2007 in which the draft report showed nothing was found out of compliance.

- District staff is still in the process of gathering data for the engineer on the addition of Fifth Microfiltration Rack and ASR Well No. 5 Project. This data will be used to create a model of the reclaimed water distribution system. The model will be used to size the pipe and pump at ASR 5.
- District Manager will be attending a meeting at Town Hall on October 25, 2007 at 1:30 p.m. regarding the development of the former State Trust Land.

As a result of the District's special meeting held on September 12, 2007, two letters were sent. One was sent to the developer regarding the use of effluent on school sites to which no response has been received. The other was sent to the School Board President regarding the use of the Hawk Dr. school site for ASR wells in which a response was received from the Assistant Superintendent, Tim Leedy. The District will provide the requested information.

- Bids will be opened on Friday, October 19, 2007 at 2:00 p.m. for the Pump Station No. 4 Modifications and Force Main project.
- Plans and specifications were received at the 50% level on October 3, 2007 for the Flow Equalization Basin Expansion/Interim Digester Mods project. A workshop is scheduled for October 24, 2007 to discuss comments. Another workshop is scheduled for October 31, 2007 to discuss control system comments.
- There is nothing new to report on the Aquifer Protection Permit Amendment.
- A meeting was held on September 26, 2007 to discuss details of the Tracer Study. The study is scheduled to begin October 29, 2007.
- District Manager sent a letter to the Saguaro Woods HOA on September 20, 2007 to see if there was any interest in selling the triangular portion of land adjacent to the WWTP. To date, no response has been received.
- District Manager has attended two meetings concerning the generation of a Town environmental policy. One of the topics discussed pertained to reclaimed water use on Four Peaks Park site. Also, the potential of setting up a different way of irrigating Golden Eagle Park and combining that new facility with a facility to water the high school ball field was discussed briefly.

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 September was favorable to budget.

The number of new Sewer Service Agreements is below budget.

Billing is on track.

The audit is behind schedule due to unforeseen circumstances and should begin the week of October 22, 2007.

Agenda Item No. 6

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.

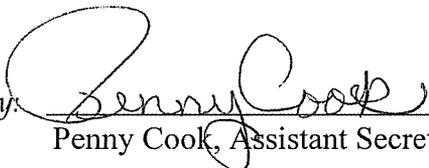
Agenda Item No. 7

Adjournment.

Vice Chairman Thomson made a motion to adjourn the meeting at 6:18 p.m. Director Reski seconded the motion which passed unanimously.

Dated this 17th day of October, 2007.

Fountain Hills Sanitary District

Minutes Prepared By: 
Penny Cook, Assistant Secretary