

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, November 17, 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

Upon roll call, the following Directors were present:

Chairman Tom Reski, Vice Chairman Glenn Panaro, Director Michael Howard, Director Bruce Hansen. Director 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: 10/16/07

A motion was made by Vice Chairman Panaro to approve the minutes of the Regular Meeting of October 20, 200 as amended. Director Hansen seconded the motion which passed unanimously.

Agenda Item No. 3

Call to public.

There was no public comment.

Agenda Item No. 5

District Manager's report; items to be discussed include plant and recharge statistics for October, permit compliance, progress on ASR Well No. 5, status of former State Trust Land, Flow Equalization Basin Expansion/Interim Digester Mods project and addition of fifth microfiltration rack, Saguaro Woods property, Reclaimed Water Use agreements – FireRock and Eagle Mountain, Aquifer Protection Permit Amendment, SRP Grant, Reclaimed Water System Planning Project, and general direction from Board.

- District Manager reported the District's total recharge credit available as of October 31, 2009 was 253,331,979 gallons.
- All facilities were in compliance with permit requirements for the month of October.
- All that remains on the Flow Equalization Basin Expansion/Interim Digester Mods. portion is clarifier rehab, the generator exhaust sound barrier wall, some painting, and punch list work. On the Addition of Fifth Microfiltration Rack portion, the fifth rack has been installed (minus modules). Electrical work continues. Piping will follow shortly.

- The Saguaro Woods Property transaction closed on October 22, 2009.
- Draft reclaimed water agreements were provided to both the FireRock and Eagle Mountain Golf courses for review. No comments have been received by either party.
- On October 29, 2009, the District received a letter requesting a map showing the pollutant management area and discharge impact area for the Aquifer Protection Permit APP Amendment. This request stops the licensing time frame clock until the map is submitted.
- Corrections to the draft report for the Reclaimed Water System Planning Project are being made by the engineer. A final draft is expected by Thanksgiving.

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 October was favorable to budget.

The number of new Sewer Service Agreements is still down.

Billing is on track.

Agenda Item No. 6

Discussion and consideration to accept the FY 2008/2009 audit report and issue financial statements.

After a discussion, Director Hansen made a motion to accept the FY 2008/2009 audit report for filing as amended and issue financial statements. Director Howard seconded the motion which passed unanimously.

Agenda Item No. 7

Discussion and consideration to award Speedy Gonzalez Construction, Inc. a contract to install underground electrical conduit from the ASR Well No. 1 electric service entrance to Monitor Well No. 2 for the lump sum of \$11,625.00.

Director Thomson made a motion to award Speedy Gonzalez Construction, Inc. a contract to install underground electrical conduit from the ASR Well No. 1 electric service entrance to Monitor Well No. 2 for the lump sum of \$11,625.00. Director Hansen seconded the motion. After a discussion, the motion passed unanimously.

Agenda Item No. 8

Discussion concerning landscaping and sign on WWTP site.

District Manager informed the board that the District landscaping around the WWTP has been carried in the Capital budget. This project has been put on hold until the majority of the FEB project has been completed. The remainder of the olive trees along the WWTP will be removed and replaced with a mixture of Palo Verde, Mesquite and Ironwood trees. The trees would be planted further apart than the previous "crop". A new reclaimed water irrigation line will be installed by District forces replacing the existing one. A sidewalk will be installed along Saguaro Blvd. between the District's south property line and Pepperwood Circle and a new masonry sign would replace the old metal one. The sidewalk and sign will be contracted with others.

This project is scheduled to complete by May of 2010.

Agenda Item No. 9

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

There was no discussion.

Agenda Item No. 10

Consideration to approve the purchase of \$50 holiday gift cards for the District employees.

Director Hansen made a motion to approve the purchase of \$50 holiday gift cards for District employees. Director Thomson seconded the motion which passed unanimously.

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.

Director Hansen requested a progress report on the discussions between the Town and District IGA. Chairman Reski would like to know if the District has looked into energy savings for the Administration Building and elsewhere.

Agenda Item No. 12

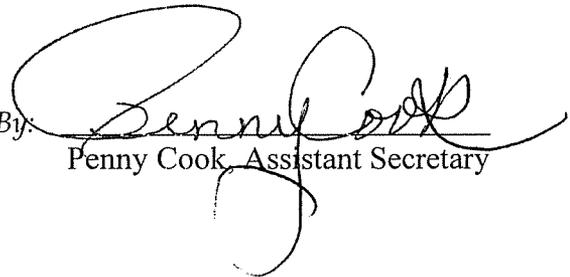
Adjournment.

Director Hansen made a motion to adjourn the meeting at 7:05 p.m. Vice Chairman Panaro seconded the motion which passed unanimously.

Dated this 18th day of November, 2009.

Fountain Hills Sanitary District

Minutes Prepared By:



Penny Cook, Assistant Secretary