

# 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** to conduct a joint work study session with the Board of Directors of the Fountain Hills Unified School District on **Thursday, November 29, 2007** at 6:00 p.m., at the Fountain Hills Unified School District Board room, 16000 E. Palisades, Poet's Corner, Room 212, Fountain Hills, Arizona, to consider the following.

## 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, General Manager, Bill Sullivan, Legal Counsel, Tori Sawyer, Controller, and Penny Cook, Assistant Secretary.

*The following were present from the Fountain Hills Unified School District:*

President Helen Howard, Vice President Dana Saar, Director Patricia Green, Director Jeanette Simmons, Director C. T. Wright, Superintendent Bill Mahr, and Asst. Superintendent Tim Leedy.

## Agenda Item No. 2

Joint Work Study Session with the Board of Directors of the Fountain Hills Unified School District to discuss the use of school sites for direct use and recharge of reclaimed water, a Memorandum of Understanding or alternative documentation between FHSD, FHUSD, and developer of former State Trust Land expressing nonbinding mutual interest and support of such use of reclaimed water.

Don Kile and Lynsi Waggoner from the Ellman Companies presented their proposed plans for the development of the former State Trust Land and answered questions from both Boards.

Chairman Hanson again requested that the developer petition the Sanitary District for annexation into the District. After a discussion, District legal counsel informed the Ellman Companies legal counsel that under Section 48, Subsection, Paragraph I of the same statute, it allows a landowner of contiguous property to just simply petition annexation with the legal description.

Vice Chairman Thomson stated his concerns about the non-binding issue of the MOU and asked what other mechanism would give the developer comfort as to the seriousness of the District's undertaking to work with the developer. He stated his concerns regarding some of the language in the

MOU that may not be interpreted as non-binding. Chairman Hansen and Vice President Saar, FHUSD, also stated their concerns regarding the wording in the document.

Chairman Hansen asked FHUSD Board their opinions on the Hawk Site and possible construction of ASR wells. Vice President Saar stated his concerns regarding devaluing the property with the construction of ASR wells. He thinks that the construction of two ASR wells next to the wash on the Hawk Site would be a fair exchange for reclaimed water on their fields, but does have a problem with the 3<sup>rd</sup> ASR well devaluing the property.

District Manager answered questions from the FHUSD Board regarding the ASR wells.

It was decided that legal counsels from all parties sit down and rewrite the MOU into a document that would satisfy the concerns of all parties. Legal Counsel, Bill Sullivan, suggested that the document be called "Non-binding Statement of Interest".

**Agenda Item No. 3**

There was no public comment.

**Agenda Item No. 4**  
**Adjournment**

A motion was made by Vice Chairman Thomson to adjourn the meeting at 7:30 p.m. Director Reski seconded the motion which passed unanimously.

*Dated this 29th day of November, 2007*

Minutes Prepared by:

A handwritten signature in black ink, appearing to read "Penny Cook". The signature is written in a cursive style with a large initial "P" and a long, sweeping underline.

Penny Cook, Assistant Secretary