

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 **Wednesday, December 19, 2012** 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 Thom Besett.

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: 11/21/2012

A motion was made by Vice Chairman Thomson to approve the minutes of the Regular Meeting of November 21, 2012 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 November, permit compliance, progress on ASR Well No. 5 Project, Fountain Lake Water Quality, status of former State Trust Land, Reclaimed Water Use Agreements with Town, AWTF Chlorine Feed System Mods Project, Diffuser Failure in Digester, EFM/CIP Project, and general direction from Board.

- District Manager reported the District's total recharge credit available as of November 30, 2012 was 103,467,979 gallons.
- The District had two fecal coliform violations (11/10/12 & 11/11/12) when the operator sampled from the wrong sampling port. Signs were placed at the correct sampling location and ADEQ was notified of this action.
- MGC has constructed a template for the installation of stiffeners on the divider wall of the ASR Well No. 5 project vault. The stiffeners have been manufactured and galvanized. MGC will be installing the stiffeners December 20, 2012. Testing will be done the following week after Christmas.

- The chlorination equipment is currently being installed for the AWTF Chlorine Feed System Mods project.
- 75% plans and specifications were submitted for the EFM/CIP Project. The plans are currently being reviewed by District staff.

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's report indicated the Income Statement for November was favorable to budget.

Billing is on track.

Agenda Item No. 6

Ratification of purchase order to MGC for the purchase of new digester diffuser equipment from Mooers Products (Flexcap Diffusers) in the amount of \$146,752.00.

District Manager is requesting ratification of the issuance of a purchase order to MGC to procure new diffuser equipment from Mooers Products for the District's digesters in the amount of \$146,752.00.

A motion was made by Vice Chairman Thomson to ratify the issuance of the purchase order in the amount of \$146,752.00. Director Panaro seconded the motion which passed unanimously.

Agenda Item No. 7

Authorization for District Manager to purchase a used rough terrain forklift in an amount not to exceed \$30,000.

District Manager is requesting authorization to purchase a used rough terrain forklift for the AWTF in an amount not to exceed \$30,000.

Vice Chairman Thomson made a motion to authorize District Manager to purchase a used rough terrain forklift in an amount not to exceed \$30,000. Director Besett seconded the motion which passed unanimously.

Agenda Item No. 8

Discussion and consideration to authorize District Manager to execute Task Order No. 7 for engineering services from Carollo Engineers in the amount of \$75,250 associated with the replacement of the influent screens and influent pumps.

Legal Counsel has requested that a new front-end contract be done since this scope of work doesn't apply to the contract that Task Order No. 7 would be associated with. District Manager is requesting authorization to execute the work that is being advertised under Task Order No. 7 but only after legal counsel has had an opportunity to review a new front end document that goes with the scope of work. The Task Order would be renamed as Task Order No. 1.

Director Panaro made a motion to authorize District Manager to execute the scope of work presented for the replacement of the influent screens and influent pumps from Carollo Engineers in the amount of \$75,250 after legal counsel review and approval. Director Reski seconded the motion which passed unanimously with Director Besett abstaining.

Agenda Item No. 9

Discussion and consideration to approve IGA with Town of Fountain Hills to perform various services for each other.

District Manager presented the latest version of the IGA with Town of Fountain Hills to perform various services for each other and is requesting approval.

After a discussion, Vice Chairman Thomson made a motion to approve the IGA with Town of Fountain Hills to perform various services for each other with changes as discussed. Director Reski seconded the motion which passed unanimously.

Agenda Item No. 10

Discussion and direction to staff concerning Reclaimed Water Use Agreement for Fountain Park.

Legal Counsel responded to the comments from the Town of Fountain Hill's legal counsel. A letter was written with the District's responses to his comments and returned to the Town's legal counsel. District is awaiting their comments.

Agenda Item No. 11

Discussion and direction to staff re: draft Fountain Lake intergovernmental agreement (IGA).

After a discussion, Chairman Hansen requested this item be tabled until the Reclaimed Water Use Agreement has been finalized. At that time, this item would be reopened for discussion.

Director Panaro made a motion that this item be tabled until the Reclaimed Water Use Agreement has been signed or until the Chairman requests this item be placed back on the agenda. Director Reski seconded the motion which passed unanimously.

Agenda Item No. 12

Discussion and consideration to purchase new ultrafiltration equipment from Tonka Equipment Company in the amount of \$1,373,700.

District Manager is requesting authorization to purchase new ultrafiltration equipment from Tonka Equipment Company in the amount of \$1,373,700 to replace the current microfiltration equipment at the AWTF.

After a discussion, Director Reski requested that District Manager procure a quote from the Pall Corporation to enable the Board to compare their quote to the Tonka quote.

Agenda Item No. 13

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

Vice Chairman Thomson requested District Manager contact the Ellman Companies and see if they are still interested to obtaining an annexation agreement.

Agenda Item No. 14

Discussion and direction to staff regarding District monthly meeting day.

After a discussion, it was decided that the District would change its monthly meeting date to the second Wednesday of the month.

Agenda Item No. 15

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.

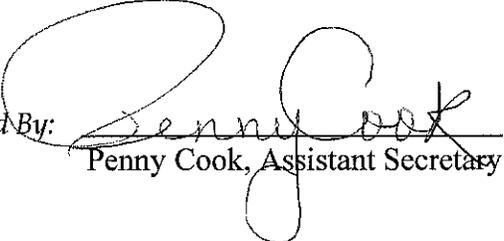
Agenda Item No. 10

Adjournment.

Vice Chairman Thomson made a motion to adjourn the meeting at 7:24 p.m. Director Besett seconded the motion which passed unanimously.

Dated this 20th day of December, 2012.

Fountain Hills Sanitary District

Minutes Prepared By: 
Penny Cook, Assistant Secretary