

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, August 18, 2015** 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 Thom Besett, Director Robert Thomson, Director Tom Reski, and Director Gregg Dudash. Vice Chairman Bruce Hansen was absent.

The following Executive Staff members were present:

Ron Huber, District Manager, Bill Sullivan, Legal Counsel, and Penny Cook, Assistant Secretary.

Agenda Item No. 2

Approval of Minutes: Regular Meeting: 07/21/15

A motion was made by Director Reski to approve the minutes of the Regular Meeting of July 21, 2015 as presented. Director Dudash seconded the motion which passed unanimously.

Agenda Item No. 3

Presentation of Service Recognition Award to Jeff Klem for 30 years of District service.

District Manager thanked Jeff Klem for his 30 years of service and presented him with a service recognition award.

Agenda Item No. 4

Call to public.

There was no public comment.

Agenda Item No. 5

Presentation by Carollo Engineers on RO Feasibility Study.

Dana Tromke from Carollo Engineers presented the Board their findings on the RO Feasibility Study. Dana presented options, approximate costs, and answered questions from the Board.

Director Thomson requested District Manager to talk to the golf course superintendents regarding the Mineral Polarization Technology and report back to the Board on their discussion.

Agenda Item No. 6

District Manager's report; items to be discussed include plant and recharge statistics for July, permit compliance, WWTP Influent Screen and Pump Replacement, Ashbrook Wash Flood Control Project, Reclaimed Water Use Agreements for Desert Vista Park and Golden Eagle Park, RO Feasibility Study, and general direction from Board.

- District Manager reported the District's total recharge credit available as of July 31, 2015 was 534,095,849 gallons.
- The District exceeded its fecal coliform limit of 23 CFU/100ml on July 2, 2015. The actual test result was 30 CFU/100 ml and staff could not find a cause for the exceedance. This exceedance has not happened again and all reports were filed with ADEQ.
- The screen was delivered for the WWTP Influent Screen and Pump Replacement project.
- The pre-bid conference was held for the Ashbrook Wash Flood Control project. The relocation of the District's 18" fiberglass force main from pump station No. 4 is included in the Town's project. Construction of one line relocation has been completed by District staff. The gravity sewer line relocation will also be done by District staff and began on August 18, 2015.

Agenda Item No. 7

Financial report; items to be discussed include status of income and expenditures, billing, report on collection efforts to date, and general direction from Board.

The financial report indicates the General Fund Income Statement for July was favorable to budget.

Billing is on track.

Agenda Item No. 8

Discussion and consideration to engage Henry & Horne LLP to conduct the FY 2014/2015 financial audit of the District.

Director Thomson moved approval to ratify the District Manager's execution of the Henry & Horne LLP agreement to conduct the District's FY 2014/2015 financial audit. Director Reski seconded the motion which passed unanimously.

Agenda Item No. 9

Discussion and consideration approve Resolution No. 262 requesting cancellation of the November 3, 2015 District Election.

Director Thomson made a motion to approve Resolution No. 262 requesting cancellation of the November 3, 2015 District Election. Director Reski seconded the motion which passed unanimously.

Agenda Item No. 10

Discussion on comments Chairman Besett received regarding billing issues.

Director Besett had a previous conversation with Hazel Cunningham regarding the billing processes that the District uses and all of his questions and concerns were answered.

Agenda Item No. 11

Discussion and possible direction to staff regarding Bart Shea's desire to pay capacity fee for Park Place development in portions as well as reducing the capacity fee for apartment units.

District Manager informed the Board that he had a meeting with Bart Shea regarding Park Place Development and reported that Mr. Shea is requesting capacity fees be reduced for apartment units and also if the capacity fees can be paid in portions during construction. District Manager asked Mr. Shea to request these items in writing to the Board at which time they can be put on a future agenda for discussion.

Agenda Item No. 12

VOTE TO GO INTO EXECUTIVE SESSION FOR THE FOLLOWING PURPOSE: pursuant to A.R.S. Section 38-431.03(A)(1) discussion regarding timetable of events associated with District Manager's retirement and hiring his replacement.

Director Thomson moved and Director Dudash seconded to go into executive session pursuant to A.R.S. Section 38-431.03(A)(1) for discussion regarding District Manager's retirement and hiring his replacement. Regular session adjourned at 7:32 p.m.

Agenda Item No. 13

RETURN TO REGULAR SESSION.

Regular session resumed at 7:54 p.m.

Agenda Item No. 14

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. 15

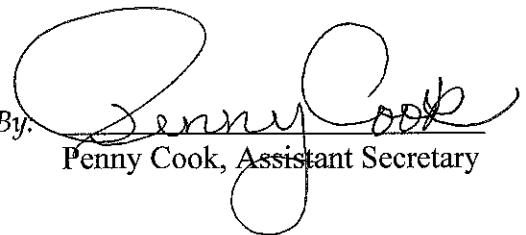
Adjournment.

Director Dudash made a motion to adjourn the meeting at 7:56 p.m. Director Thomson seconded the motion which passed unanimously.

Dated this 19th day of August, 2015.

Fountain Hills Sanitary District

Minutes Prepared By.


Penny Cook, Assistant Secretary