

# MINUTES OF MEETING BOARD OF DIRECTORS FOUNTAIN HILLS SANITARY DISTRICT

The Board of Directors of the Fountain Hills Sanitary District met in a **Budget Workshop and Regular Meeting** on **Wednesday, March 25, 2026** at **3:30 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:*

Chairperson Robert Thomson, Vice Chairperson Gregg Dudash, Director Tim Phillips, and Director Jeff Esposito. Director Tammy Bell was absent.

(Note: Unanimous votes refer to all directors present)

*The following Executive Staff members were present:*

Dana Trompke, District Manager, Tori Myers, District CPA, and Penny Cook, Assistant Secretary.

*The following District Staff were present.*

Kirsten DeBie, Administrative Services Manager, Preston Brown, CSO Manager, Brent Klinger, Maintenance Manager, and Bryan Tiglas, Plant Operations Manager.

## Agenda Item No. 2

### Work/Study session with staff to discuss FY 2026/2027 preliminary budget and fee schedule.

#### Overview

District CPA presented staff proposals for the fiscal year 2026/2027 budget and fee schedule and answered questions from the Board.

#### Highlights of the Preliminary Proposed Budget are as follows:

There is a slight decrease in the proposed property tax rate for FY 26/27.

Staff is proposing a \$1.00 per month increase in residential Sewer User Fees for the FY 26/27.

The total operating budget for FY 26-27 is expected to increase by 4.4% over the FY 25-26 adopted budget. This increase is attributable to personnel costs.

District CPA will incorporate discussed changes and the Proposed Budget will be agendized at the April 15, 2026 Regular Board Meeting for further discussion.

*Chairperson Thomson called for a recess at 5:22 p.m. The regular meeting began at 5:30 p.m.*

**Agenda Item No. 3**

**Approval of Minutes: Regular Meeting: February 18, 2026.**

A motion was made by Director Phillips to approve the minutes of the Regular Meeting of February 18, 2026 as presented. Director Exposito seconded the motion which passed unanimously.

**Agenda Item No. 4**

**Call to Public.**

There was no comment.

**Agenda Item No. 5**

**District Manager's report; items to be discussed include plant and recharge statistics for February, permit compliance, new sewer services, active project updates, public communication efforts, and Town communication and/or coordination efforts.**

The District Manager reported for the month of February: The average daily influent flow was 2.005 MGD.

Total WW treated for February was 56,129,000 gallons.

The District was in compliance with all environmental permit requirements for the month.

February Reclaimed Water delivered to reusers was 22,720,000 gallons.

The District Manager reported the District's total recharge credit available as of February 28, 2026 was 535,339,938 gallons.

There were three new single-family sewer service agreements issued in February.

The Mini Combo Sewer Vac-Truck is estimated to be delivered in September 2026.

The generator for the PS 17 Generator Replacement project is expected in May 2026.

The Mixer for the FEB Mixer Replacement project has been delivered. The contractor is scheduled to install the replacement mixer the week of March 30<sup>th</sup>. Plant staff will go back to overnight shifts for one week while the Flow EQ Basin is down for the work.

Field work has been completed for the Arc Flash Study. Final reports and recommendations are in progress. An additional effort will be to perform some testing of generators to diagnose the cause of electronic equipment failures when transferring from main power to standby power. Power quality monitors have been installed.

District staff has found that they are receiving and installing sub-par material in the fittings of the air lines needed to operate the down-well control valve, the Baski Valve, for the ASR Wells. The failure of the air lines shuts down the control valve and well and the District has spent time and money to pull the wells out multiple times. District staff is working with suppliers, vendors and contractors to find a longer-lasting solution to the problem.

There has been no change for the USF Permit Renewal. District Manager prepared and submitted the annual Recharge and Recovery report to ADWR. The District recovered 21.4 Acre-fee (6.979 MG) for the 2025 calendar year.

ADEQ has implemented new Aquifer Water Quality Standards effective 8/4/2025 for the ADEQ Aquifer Protection Permit (APP). Two years of baseline monitoring is required to see whether or not the plant is capable of meeting the new water quality standards. A new permit, with permit modifications, will need to be issued in 2029, after two years of testing. District estimates an additional \$18,000/yr in laboratory costs until new permit is mandated.

District Manager is negotiating with a consultant for design services for the Headworks and Digester Improvements. A scope and fee will be on the agenda for discussion at the April meeting.

The District notified a customer of its intent to disconnect the property's sewer service on March 31<sup>st</sup> due to unpaid sewer fees that go back over 15 years and total over \$9,000. After investigations into the location and depth of the sewer service and sewer main, it is not practical to physically disconnect the sewer without significant disruption to the property and possibly a neighbor. Instead, we will wait for approval of the agreement with EPCOR to have the water service turned off. The agreement is on the next Open meeting agenda of the Corporation Commission, scheduled for April 8, 2026.

There is currently one staffing vacancy for a Project Manager.

Notice was provided to Park Superintendent regarding District activities to pull ASR Well 1 equipment. The District delayed its activities a week or so to not interfere with the Irish Fest and "Greening of the Fountain" day.

The website was updated with the Director's new photos and biographies.

Saturday, March 28<sup>th</sup>, is the Touch-a-Truck event in which the District has participated in the past. The Town hosts the event, and District takes the big sewer truck and camera truck. The kids come to look at and touch the equipment. This event will be combined with the easter egg hunt so there will be several children. District has planned a coloring contest with give aways of two toy sewer trucks. CSO staff are excited to be involved in the event.

Chairperson Thomson requested an executive session be agendized at the April regular board meeting to discuss the Project Manager position and compensation.

Chairperson Thomson requested the April 2026 regular meeting begin at 3:30 p.m.

#### **Agenda Item No. 6**

**District CPA's report; items to be discussed include status of income and expenditures, billing, report on collection efforts to date, and general direction from Board.**

District CPA reported the General Fund Income Statement for February was favorable to budget.

#### **Agenda Item No. 7**

**Legal Counsel updates and discussion of procedural matters and possible further legislation.**

There were no updates.

**Agenda Item No. 8**

**Discussion and Consideration to amend the Rules and Regulations to include notice of agreement with EPCOR to turn off water service for shared customers with a large balance of unpaid sewer fees and provisions to require a separate sewer service and associated fees when a lot is subdivided.**

Chairperson Thomson requested this item be deferred to the April regular meeting.

**Agenda Item No 9**

**Discussion and consideration to approve an additional work task order to JE Fuller for construction administration and permitting services for the protection of a manhole in Golden Eagle Park in the amount of \$41,248.00.**

District Manager indicated this item has been identified in the FY 25/26 budget.

Director Phillips made a motion to approve an additional work task order to JE Fuller for construction administration and permitting services for the protection of a manhole in Golden Eagle Park in the amount of \$41,248.00. Director Esposito seconded the motion which passed unanimously.

**Agenda Item No. 10**

**Discussion and consideration to approve MGC Contractors to remove and replace a failed sluice gate at Pump Station #5 in the amount of \$61,640.23.**

District Manager indicated this item has been identified in the FY 25/26 budget.

Director Phillips made a motion to approve MGC Contractors to remove and replace a failed sluice gate at Pump Station #5 in the amount of \$61,640.23. Chairperson Dudash seconded the motion which passed unanimously.

**Agenda Item No. 11**

**The Chairperson, 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 Phillips indicated District Manager weekly updates are great.

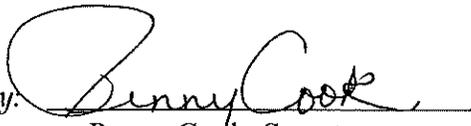
**Agenda Item No. 12**

**Adjournment.**

Vice Chairperson Dudash made a motion to adjourn the meeting at 6:13 p.m. Director Esposito seconded the motion which passed unanimously.

*Dated this 26<sup>th</sup> day of April 2026.*

Fountain Hills Sanitary District

Minutes Prepared By:   
Penny Cook, Secretary