

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, June 17, 2026** at 4:30 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, and Director Jeff Esposito. Director Tammy Bell and Director Tim Phillips were absent.

(Note: Unanimous votes refer to all Directors present)

The following Executive Staff members were present:

Dana Trompke, District Manager, Daniel Jones, Legal Counsel, Tori Myers, District CPA, and Penny Cook, Secretary.

Agenda Item No. 2

Call to Public

There were no comments

Agenda Item No. 3

Approval of Minutes: Regular Meeting: 05/20/2026

A motion was made by Director Esposito to approve the minutes of the Regular Meeting of May 20, 2026, as presented. Vice Chairperson Dudash seconded the motion which passed unanimously.

Agenda Item No. 4

Consideration to approve Resolution No. 298, the FY 2026/2027 fee schedule.

A motion was made by Vice Chairperson Dudash to approve Resolution No. 298, the FY 2026/2027 fee schedule. Director Esposito seconded the motion which passed unanimously.

Agenda Item No. 5

Consideration to approve FY 2026/2027 budget.

A motion was made by Director Esposito to approve FY 2026/2027 budget. Vice Chairperson Dudash seconded the motion which passed unanimously.

Agenda Item No. 6

District Manager's report; items to be discussed include plant, recycled water, and recharge statistics for May, 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 May: The average daily influent flow was 1.738 MGD.

Total WW treated for May was 53,864,000 gallons.

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

June Reclaimed Water delivered to reusers was 78,532,000 gallons.

District Manager reported the District's total recharge credit available as of May 31, 2026 was 481,203,938 gallons.

There were five new Sewer Service Agreements issued in May.

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

The generator for PS 17 Generator Replacement project is scheduled for delivery in September 2026.

ASR Well #1 is still out of service. Since this well is the largest capacity well, the District's ability to deliver stored RW to RW users has been slowed by it being out of service. RW users have been notified. The pump is being installed this week and should start up on Friday, June 19th.

There is no change regarding the USF Permit Renewal.

Design is progressing on the Headworks and Digester Improvements project. Design will last through the end of the year.

District Manager informed the Board the Collection System Department along with Asst. District Engineer, Chris Kiriluk, have GPS verified all but two of over 5,500 manholes.

Water service for a customer with a very large outstanding balance was turned off on Wednesday, June 10th. District has not heard anything from the customer to have their water turned back on.

There is one staffing vacancy for a Project Manager.

An IGA for participation in a joint project at Golden Eagle Park with the Town will be discussed later on the agenda.

Agenda Item No. 7

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.

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

Agenda Item No. 8

Legal Counsel updates and discussion of procedural matters and possible future legislation.

Legal Counsel indicated the Department of Water Resources lost the lawsuit challenging the groundwater model for the assured water supply program. The model was for a moratorium of subdivision assured water supply determination in Phoenix and the valley. The use of the groundwater model has been overturned, and DWR will appeal the decision.

Agenda Item No. 9

Discussion and consideration to approve an IGA with the Town of fountain Hills for joint participation in an improvement project at Golden Eagle Park.

District Manager indicated this an IGA to include concrete protection of one manhole at Golden Eagle Park that would need to be approved by the District. Because of ADWR permitting, the Town wanted to use one contractor. The District's portion would be approximately \$120,000. The Town will go out to bid and be the main contracting administrator and the District will reimburse the Town for the District's portion.

District Manager and Legal Counsel returned the IGA to the Town with comments, for approval. The IGA was not returned in time for the Board meeting.

This item will be agendized at the July 2026 regular meeting.

Agenda Item No. 10

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.

There were no comments.

Agenda Item No. 11

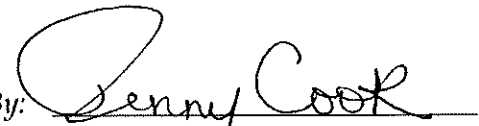
Adjournment.

Vice Chairperson Dudash made a motion to adjourn the meeting at 5:10 p.m. Director Esposito seconded the motion which passed unanimously.

Dated this 18th day of June, 2026.

Fountain Hills Sanitary District

Minutes Prepared By:


Penny Cook, Secretary