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, August 19, 2026** at **4:30** p.m. in the District's Board Room located at 16941 E. Pepperwood Circle, Fountain Hills, Arizona.

<u>Agenda Item No. 1</u>
<u>Call to order and roll call</u>

Upon roll call, the following Directors were present:

Chairperson Robert Thomson, Vice Chairman 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.

<u>Agenda Item No. 2</u>
<u>Approval of Minutes: Regular Meeting: July 15, 2026</u>

A motion was made by Director Esposito to approve the minutes of the Regular Meeting of July 15, 2026, as presented. Vice Chairman Dudash seconded the motion which passed unanimously.

<u>Agenda Item No. 3</u>
<u>Call to public.</u>

There was no public comment.

<u>Agenda Item No. 4</u>
<u>District Manager's report; items to be discussed include plant, recycled water, and recharge statistics for July, permit compliance, new sewer services, active project updates, public communication efforts, and Town communication and/or coordination efforts.</u>

The District Manager reported for the month of July: The average daily influent flow was 1.624 mgd.

Total WW treated for July was 50,340,000 gallons.

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

July Reclaimed Water delivered to reusers was 89,089,000 gallons.

The District Manager reported the District's total recharge credit available as of July 31, 2026 was 392,078,938 gallons.

There were 3 Sewer Service Agreements issued in July. An eight multi-family unit complex was refunded (issued in early 2026), per request from customer.

Estimated delivery of the Mini Combo Sewer Vac-Truck is September 2026.

Generator for the PS 17 Generator Replacement project is expected to be delivered in September 2026.

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

District Manager indicated the sewer service for the AWTF location has failed. The cast iron pipe is crushed and completely corroded. District is in the process of procuring quotes to repair the pipe.

There is one staffing vacancy for a Project Manager.

Town Parks Department is rebuilding two ramadas at the park. District staff are providing information about the District's buried utilities which interfered with their first proposed location.

Agenda Item No. 5
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 July was favorable to budget.

District CPA indicated the 2025/26 audit is approximately 85% complete. Financial statements should be completed in the next few weeks and ready for approval at the September 2026 regular Board meeting.

Agenda Item No. 6
Legal Counsel updates and discussion of procedural matters and possible future legislation.

Legal Counsel indicated last year the EPA and Army Corps of Engineers published a proposed Waters of the United States rules determining the clean water act jurisdiction. They have published notes that they are intending to supplement that rule.

Legal Counsel also indicated DEQ is amending it's advanced water purification implementation rules.

Agenda Item No. 7
Discussion and consideration to authorize the purchase of new billing software from CUSI in the amount of $62,970.00.

District Manager is requesting authorization to purchase new billing software from CUSI in the amount of $62,970.00. The current billing software is approximately 25 years old, and District Staff have reviewed 5-6 different vendors and software packages. This item has been identified in the 2026/2027 budget.

After a discussion, Vice Chairman Dudash made a motion to authorize the purchase of new billing software from CUSI in the amount of $62,970.00. Director Esposito seconded the motion which passed unanimously.

Agenda Item No. 8
Discussion and consideration to authorize Felix Construction to relocate an electric vehicle charger in the amount of $30,406.01.

District Manager is requesting to authorize Felix Construction to relocate an electric vehicle charger in the amount of $30,406.01.

After a discussion, Vice Chairman Dudash made a motion to authorize Felix Construction to relocate an electric vehicle charger in the amount of $30,406.01. Director Esposito seconded the motion which passed unanimously.

Agenda Item No. 9
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. 10
Adjournment.

Vice Chairman made a motion to adjourn the meeting at 5:11 p.m. Director Esposito seconded the motion which passed unanimously.

Dated this 20th day of August, 2026.

Fountain Hills Sanitary District

Minutes Prepared By: Penny Cook
Penny Cook, Secretary