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, October 21, 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 Pledge of Allegiance.

Vice Chairman Gregg Dudash called the meeting to order and led the Pledge of Allegiance.

Agenda Item No. 2
Roll Call.

Upon roll call, the following Directors were present:

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

Agenda Item No. 3
Approval of Minutes: Regular Meeting: September 16, 2026

Director Phillips made a motion to approve the Regular Meeting Minutes of September 16, 2026, as presented. Vice Chairman Dudash 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, recycled water, and recharge statistics for September, 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 September: The average daily influent flow was 1.708 MGD.

Total WW treated for September was 51,230,000 gallons.

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

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September Reclaimed Water delivered to reusers was 56,161,000 gallons.

The District Manager reported the District's total recharge credit available as of September 30, 2026, was 412,887,000 gallons.

There were 2 multi-family Sewer Service Agreements issued in September.

Estimated delivery for the Mini Combo Sewer Vac-Truck is November 2026.

The contractor mobilized to the project site on Monday 10/19/2026 for the PS 17 Generator Replacement project.

Design of the digester aeration system improvements has hit some major obstacles for Headworks and Digester Improvements project, which are bringing the value and expense of the proposed option into question. Additional design funds will be requested once a clear path forward is determined. Design will last through spring of next year.

There are currently two staffing vacancies: Project Manager and CS Operator.

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.

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

Agenda Item No. 7
Discussion and request of Board direction to allocate funds from the General Fund to the FERR Fund.

After discussion, direction was given to staff to move $2.8 million from the General Fund to the FERR Fund.

Agenda Item No. 8
Discussion and consideration to accept the FY 2025-2026 audit report and direction to issue financial statements.

District CPA presented the FY 2025-2026 Audit Report to the Board. After a discussion, Director Esposito made a motion to accept the FY 2025-2026 audit report and issue financial statements. Director Phillips seconded the motion which passed unanimously.

Agenda Item No. 9
Legal Counsel updates and discussion of procedural matters and possible future legislation.

There were no updates.

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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. 9
Adjournment.

Director Phillips made a motion to adjourn the meeting at 5:23 p.m. Director Bell seconded the motion which passed unanimously.

Dated this 22nd day of October 2026.

Fountain Hills Sanitary District

Minutes Prepared By: _____
Penny Cook, Assistant Secretary

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