MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE APACHE JUNCTION SEWER DISTRICT (the "District") held in the District's Board Room, 5661 S. Ironwood Drive, Apache Junction, Arizona 85120 on Tuesday, September 22, 2026 at 8:00 AM.

PRESIDING: Ms. Kathleen Waldron

PRESENT: Kathleen Waldron – Chairperson
Jim Reynolds – Vice Chairperson
Phil Tremonti – Treasurer
Jesse Gage - Secretary
Roy Starr – Board Member

Staff Present: Darron Anglin – District Manager
Traci Coronado – Executive Assistant
James Drye – Operations Supervisor
Paul Gonzales – Collection System Supervisor
Kathy Huckfeldt – Management Analyst
Corina Jimenez – Utility Services Supervisor
Anne Latimer – District Engineer
Maria Zagar – Financial Services Supervisor

Others Present: Jason Cassidy – District Counsel

1. Call to Order.

Ms. Waldron called the meeting to order at 8:00 AM.

2. Invocation and Pledge of Allegiance.

Mr. Reynolds gave the Invocation.

Mr. Gage led the Pledge of Allegiance.

3. Approval of the Minutes of the August 25, 2025 Regular Meeting.

Ms. Waldron asked if there were any additions or corrections to the meeting minutes.

Mr. Gage requested that Item 7 of minutes include the unit million gallons per gallon (MGD).

The minutes were accepted as corrected.

4. Monthly Disclosure Report for August 2026.

Mr. Reynolds said the debt coverage ratio has increased this year. Ms. Zagar stated for the YTD debt ratio, staff updated the methodology in August to use a prorated baseline from the Water Infrastructure Finance Authority (WIFA) forecast. She also stated because the District is in an active draw period the current loan balance fluctuates too much to create a steady benchmark. Ms. Zagar said that the underlying payment structure may adjust on January 1st according to the WIFA amortization forecast and staff will update the prorated baseline accordingly to keep the YTD ratio accurate.

Mr. Tremonti asked about BFL's requested bond form. Mr. Cassidy stated that BFL had requested the use of an industry standard bond form and after negotiations, BFL and staff reached a bond acceptable to the District.

5. Monthly Project Status Report for August 2026.

Mr. Gage asked if staff are using the new recharge basin. Mr. Anglin stated they are not**.** He said photographs, as-builts and additional paperwork must be completed and sent to ADWR for approval.

Mr. Gage asked if the flocculation would still be completed in October. Mr. Anglin stated it is under construction, shade canopies are ready to be installed, and electrical work should begin anytime now. Ms. Latimer stated staff just need to schedule startup with the representative.

Ms. Latimer stated there are delays with the steel manufacturer for the Operations and Maintenance (O&M) building, with steel delivery scheduled for October. She also said the contractor is submitting a change order to extend the contract, which staff received yesterday and will review. Ms. Latimer stated staff also made revisions to allow SCADA to be brought into the building before final completion to not impact the WRF Expansion project schedule. The anticipated completion is proposed to move from October to March.

6. Discussion and update of the Water Reclamation Facility (WRF) Expansion and action as determined.

Mr. Tremonti asked about the use of the project contingency. Ms. Latimer explained the changes including design and usability items and said they did not anticipate exceeding the budget.

Ms. Latimer provided an overview of the current construction in progress on the plant.

Mr. Tremonti asked about the status of the generator. Ms. Latimer stated the anticipated delivery is still November.

7. District Manager's Report for August 2026.

Mr. Anglin reported that staff attended the Tri-State seminar for operator training in Las Vegas.

Mr. Anglin stated implementation of the District's updated records management software, Laserfiche, is currently in progress. He said Laserfiche will help staff organize and maintain the District's records in accordance with government statutes.

There was discussion regarding the safety measures Archer Western Construction has in place. District staff receive weekly updates on incidents or safety concerns, with no serious incidents reported.

Mr. Anglin recognized Austyn Judd for ten years of service and presented him with a certificate of appreciation.

8. Discussion and review of the District Manager's goals for Fiscal Year 2027 and action as determined.

Mr. Anglin said the Board's comments and feedback have been incorporated into the goals.

Mr. Tremonti stated onsite security should be addressed sooner. Mr. Anglin said the main gate will be upgraded. Mr. Anglin stated security measures have been deferred due to the administrative building moving further out. Mr. Anglin confirmed the buildings are armed every night, and the cameras are fully functional.

There was discussion on the fire department's annual inspections of the District's fire alarms and accessible systems.

Mr. Gage asked if staff had considered hiring a consultant to handle safety instead of hiring a safety coordinator. Mr. Anglin stated the District currently uses staff and consultants for safety. He also stated the safety coordinator will assume additional responsibilities that align with the District's expanding operations

MOTION made by Mr. Reynolds to approve the District Manager's goals for Fiscal Year 2027 as presented at this meeting; seconded by Mr. Tremonti.

Yes (5): Board Member Starr, Board Member Tremonti, Vice Chairperson Reynolds, Board Member Gage, Chairperson Waldron

No (0): None

MOTION CARRIED

Mr. Tremonti stated he would like next year's goals for the District Manager and the treatment facility to be written separately.

9. Call to the public. The Board will neither discuss nor take legal action on a matter raised during the call to the public but may refer the matter to the District staff for review or direct the matter to be put on a future agenda. Members of the Board may respond to matters raised as permitted by Arizona Revised Statutes § 38-431.01.I.

No member of the public appeared to comment.

10. Direction from the Board of Directors to staff regarding items to place on the next regular board meeting agenda.

Mr. Reynolds requested that election of officers be placed on the October agenda.

11. Adjournment.

There being no further business, the meeting was adjourned at 8:42 AM.