

Pine-Strawberry Water Improvement District (“PSWID”)

REGULAR MEETING MINUTES

of the Board of Directors at the following time and place:

Thursday, February 26, 2026, 4:00 p.m.

**Pine-Strawberry Water Improvement District Administration Building
6306 W. Hardscrabble Mesa Road, Pine, Arizona 85544**

REGULAR MEETING MINUTES

1. CALL TO ORDER – Cory Ellsworth at 4:05PM
2. PLEDGE OF ALLEGIANCE – Cory Ellsworth
3. INVOCATION – Paul Hendricks
4. ROLL CALL – Cory Ellsworth
 - a. Present: David Diggs, Kent Thompson, Cory Ellsworth, Beth Pierson, Teresa Hasenwinkel--remote, Brent Pruitt-remote.
 - b. Declaration of a Quorum – Cory Ellsworth
5. APPROVAL OF MINUTES OF THE FOLLOWING MEETING(S):
 - a. Regular Meeting held on 01-22-2026 – Draft
 - i. Motion to approve – Beth Pierson, 2nd – Teresa Hasenwinkel, All said Aye
6. CALL TO THE PUBLIC FOR ITEMS NOT ON THE AGENDA. Members of the public may address the Board of Directors regarding items not on the Agenda. If you wish to speak on a matter not on this Agenda, please fill out the blue card from the sign-in table. Such remarks shall be limited to three (3) minutes.
7. REPORTS TO THE BOARD. No discussion is allowed.
 - a. District Manager Report – Melissa Durbin
 - i. Melissa introduced a new Managers report format that includes water quality and number of work orders the field staff has acted upon for the month. We have increased our Preventative maintenance work such as exercising valves on a regular schedule.
 - b. District Attorney’s Report – Steve Wene
 - i. No report.
8. REGULAR AGENDA ITEMS The following topics may be subject to Board of Directors consideration, discussion, approval, or other action. All items are set for possible action. Any person is permitted and encouraged to speak on any of the following agenda items. If you wish to speak on a matter, please fill out the blue card from the sign-in table. When the Board considers the agenda item, you will be asked to provide your comments. Such remarks shall be limited to three (3) minutes.
 - A. WIFA/EUSI Program Manager’s Report – Paul Hendricks

- I. SV3 (Strawberry Deep Well) backup generator has been installed. The startup and testing of the Generator have been delayed until we get three phase APS power to the site. KP will install the well string closer to when APS power becomes available.
 - II. We have line up Apache Underground and Excavating to install some three-phase conduit underground to speed up the project.
 - III. We have a small section (46 feet) of three phase conduit run that is on Gila County owned land. We must get county permission to transit this section of land with our underground conduit from the County board of Supervisors. This hearing is March 17th. We expect approval then.
- B. IT Proposal for Fiscal Year -Teresa Hasenwinkel
The proposal was to change our Managed IT provider to Verticomm, Tempe, AZ.
Motion to approve—David Diggs, 2nd Beth Pierson—All said Aye
- C. Authorize PSWID to use district funds to self-fund 1.5m USDA loan. This is to correct funding confusion during the SV3# project. All these funds will come back to the district after processing is complete. Motion to approve – Kent Thompson –2nd Cory Ellsworth – all said Aye.
- D. SV3 house Update and Vote—Beth Pierson
District Manager melissa Durban recommended we demolish the house due to the issue of Ingress and Egress for trucks into the site. Cory Ellsworth has conversed with the closest neighbor to the site and they concur with the demolition of the house. Cory Ellsworths will work on the demolition project.
Motion to demolish the house –Beth Pierson 2nd –Kent Thompson –All said Aye.
- E. District Manager signing authority increase to \$15,000.00. --Beth Pierson -- Motion to approve Teresa Hasenwinkel—2nd –Kent Thompson – All said Aye
- F. RCAC (Rural Community Assistance Corporation) study update and recommendation for proposed future rates for final planning purposes. Kent Thompson—Kent recommended we use scenario #3 of the study. This would be an increase in the rates for 2027 by 4.7% for base and usages rates as well as for property tax and to use 3m from our unrestricted emergency fund to supplement capital asset reserve needs. We will be scheduling two more community hearings on this issue.
- G. Ponderosa Water update. David Diggs –David is working with Albert Hunt and Steve Wene to finalize the contract to supply wáter to the Ponderosa wáter company.
- H. SV3 Underground conduit installation—Apache underground and Excavation Inc. Approval. (Cory Ellsworth) –This project is to install some of the SV3 three phase conduit run down the hill form the site ourselves to speed up the three phase underground conduit installation in the District easements. Kent Thompson made a motion to spend \$195,835.93 plus a possible 10% contingency, with existing project funds, to have Apache underground install conduit. 2nd Beth Pierson. – All said aye.
9. IDENTIFY POTENTIAL AGENDA ITEMS FOR THE NEXT SCHEDULED BOARD OF DIRECTORS’ MEETING ON DATE.
- A. WIFA & WIFW/EUSI Program manager’s report (Paul Hendricks)
 - B. RCAC study update (Kent Thompson)

C. SV3 House Demolition (Cory Ellsworth)

D. Ponderosa Water contract status. (David Diggs)

10. MOTION TO ADJOURN - Cory Ellsworth. David Diggs, 2nd – Cory Ellsworth – All said Aye.

DRAFT