

Pine-Strawberry Water Improvement District (“PSWID”)

REGULAR MEETING MINUTES

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

Thursday, March 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 4:00PM
2. PLEDGE OF ALLEGIANCE – Cory Ellsworth
3. INVOCATION – Cory Ellsworth
4. ROLL CALL – Cory Ellsworth
 - a. Present: David Diggs, Kent Thompson, Cory Ellsworth, Beth Pierson, Teresa Hasenwinkel, Roger Childers, Brent Pruitt-remote.
 - b. Declaration of a Quorum – Cory Ellsworth
5. APPROVAL OF MINUTES OF THE FOLLOWING MEETING(S):
 - a. Regular Meeting held on 02-26-2026 – Draft
 - 1 Motion to approve – Beth Pierson, 2nd – David Diggs, 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
 - 1 The Manager updated the board on water testing, water quality and testing for lead and copper as well as identification of galvanized pipe. We had no water main breaks for the month. New water lines installation for Pinecone Trail to commence in May. Water conservation campaign at Pine/Strawberry Elementary April 24th at 10:00am. Informing the public about rain water catch barrels.
 - b. District Attorney’s Report – Steve Wene
 - 1 Ponderosa Water contract nearing completion.
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
 - 1 KP Ventures reinstalled the well string for SV3 Deep Well on March 13, 2026. The well is ready for startup when 3 Phase power from APS is available. APS power remains the critical path to SV3 deep well commissioning.
 - 2 Apache Underground and Excavating mobilizing to install three-phase conduit underground starting at the SV3 well site on March 31, 2026.
 - 3 The small section (46 feet) of three phase conduit run that is on Gila County owned land and required a vote by the County Supervisors to cross this property with our conduit has received permission from the County board of Supervisors on March 17, 2026.
 - B. A motion was made, to be signed by the Chairman, to award the SV1&2 Waterline Replacement Phase One Project to Apache Underground and Excavation LLC in the amount of \$306,813.00. Motion – Kent Thompson, 2nd –Roger Childers. All said Aye.
 - C. SV3 Site House Demolition—A Motion was made to accept the low bid for the demolition. The bid from Workhorse Solutions is \$33,500.00. Motion – Cory Ellsworth, 2nd –Brent Pruett. All said Aye
 - D. RCAC Final Rate recommendation scenario includes at 4.7% increase in base and usage rates plus a 4.7% increase in the mill rate for property tax for FY2027. The recommendation also requires the use of \$3M in district unrestricted funds to make up shortfall in yearly capital asset maintenance and replacement requirements through fiscal year 2029.
 - E. The Ponderosa Water Contract to include PSWID as a backup water supply source to Ponderosa Water.
 - F. The District Staff and Field employee's health plan from the *Rural Arizona Group Health Trust* rates have increased by 3.3%. The recommendation was made to keep the coverage at the same percentages and have the District absorbed the 3.3% increase. Motion—Cory Ellsworth, 2nd – Kent Thompson—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. District Manager's Report --(Melissa Durbin)
 - C. District Attorney's Report --(Steve Wene)
 - D. Ponderosa Water contract status. (David Diggs)
 - E. Fee, billing policy? review for property renter's and change of property ownership within families.(?)
 - F. Notification of pending election for three District board member seats in 2026.
 - G. Budget public hearings for fiscal year 2027, scheduled for April 30th and May 28th.
10. MOTION TO ADJOURN - Cory Ellsworth. Beth Pierson, 2nd – Teresa Hasenwinkel – All said Aye.

DRAFT