

**MINUTES OF THE INITIAL MEETING BOARD OF DIRECTORS ESCUDILLA MOUNTAIN  
DOMESTIC WATER IMPROVEMENT DISTRICT APACHE COUNTY, ARIZONA  
Saturday, May 27, 2023 at 10:00am at the Nutrioso Fire Station.**

CALL TO ORDER: At 10:04 David Knobbe welcomed those present. The board members present included: Melissa Chivers, John Cochran, Mike Draper via “teams” and David Knobbe thus constituting a quorum. Pat Cruse was absent. All have signed their loyalty oaths.

ELECTION OF CHAIR AND VICE-CHAIR OF THE BOARD OF DIRECTORS. David Knobbe volunteered to be CHAIR for one year, Melissa nominated David Knobbe, seconded, 3 in favor, Knobbe abstained, passed. David Knobbe nominated Pat Cruse as VICE-CHAIR, seconded, 4 in favor, passed.

SELECTION OF BOARD MEMBERS WITH TWO-YEAR TERMS. John Cochran and Mike Draper volunteered to have a two year term. Their term expires in 2024. Melissa Chivers, Pat Cruse and David Knobbe terms expire in 2026.

**APPOINTMENTS OF DISTRICT OFFICERS AND STAFF.**

- District Project Manager - motion was made by David Knobbe and seconded to appoint Melissa Chivers as District Project Manager, 3 in favor, Chivers abstained, passed.
- District Clerk - motion was made by David Knobbe and seconded to appoint Lorie Knobbe as District Clerk, seconded, 4 in favor, passed.
- District Attorney - motion was made by David Knobbe and seconded that Frank Cassidy be appointed district attorney. Discussion on conflict of interest due to Frank Cassidy representing David and Lorie Knobbe during the formation phase of the DWID. Conflict of interest waived. Passed unanimously.

IDENTIFICATION OF WHERE THE PUBLIC NOTICES OF THE BOARD OF DIRECTORS MEETINGS WILL BE POSTED AND APPROVAL OF WEBSITE. A motion was made, seconded and passed unanimously that: Notices will be posted at the Nutrioso Post Office and on the EM DWID website once set up.

The Apache County Clerk will be notified and an email will be sent to all members with email addresses on file and mailed to those without the two locations where notices will be posted. Lorie Knobbe to create a website through Rural Water Impact. Reimbursement for hard costs only.

**CURRENT EVENTS**

Recap of the Apache County Board of Supervisors Meeting to establish the EM DWID.  
Call to the members present for volunteers with bookkeeping, water quality certifications.  
Survey results from September of 2022.  
Completion of the first two phases of the WIFA guide, Identification and Establishment.  
Currently in the Design phase.

DISCUSSION ON LEASE AGREEMENT WITH MORGANS. All agreed to have Frank Cassidy pursue once the EM DWID has an income source.

DISCUSSION ON ANNEXATION. Call to the public. After discussion the annexation process/procedure moved and seconded to be put on a future agenda.

DISCUSSION REGARDING REIMBURSEMENT FROM PROPERTIES LOCATED WITHIN THE JURISDICTIONAL BOUNDARIES OF THE EMDWID FOR THEIR FAIR SHARE PROPORTION OF COSTS IN THE FORMATION OF THE EM DWID. Tabled to a future meeting.

DISCUSSION ON FEES AND ASSESSMENTS. Call to the public. After public comments a motion was made to create a special committee to establish proposals for rates and fees and present them at the next meeting. Motion approved. Board Member Mike Draper will chair this committee.

DISCUSSION REGARDING THE PURSUIT OF POSSIBLE FUNDING FROM WIFA AND THE USDA. Motion made and approved to have David and Lorie Knobbe contact these agencies and provide a report for a future meeting.

NEXT MEETING DATE: June 30, 2023

#### FUTURE AGENDA ITEMS

Discussion and possible action regarding the establishment of proposed fees and rates. Setting of a hearing for their adoption.

Selection and/or appointment of additional district staff. Bookkeeper and Water Operators.

EXECUTIVE SESSION: Non required.

ADJOURNED: Motion to adjourn by David Knobbe, seconded and unanimously approved.  
11:35.