

**MINUTES OF THE BOARD OF DIRECTORS OF THE ESCUDILLA MOUNTAIN
DOMESTIC WATER IMPROVEMENT DISTRICT OF APACHE, ARIZONA,
MAY 31, 2025 AT 11:00 AM AT THE ALPINE FIRE STATION #2 IN NUTRIOSO, AZ**

1. CALL TO ORDER David Knobbe called the Meeting to order at 11:09 am. Pat Cruse, Mike Draper and David Knobbe were present. Melissa Chivers and Mark LaCombe attended by phone. Seven district members were in attendance. One non district member arrived after the meeting was in progress.

2. APPROVAL OF THE AGENDA. Mike Draper motioned to approve the agenda. Pat Cruse seconded. Unanimously approved.

3. APPROVAL OF THE MINUTES FROM MAY 10, 2025 MEETING. The minutes were previously distributed. Pat Cruse motioned to approve the minutes from the May 10, 2025 meeting, seconded by Mike Draper. Unanimously approved.

4. CHAIR, BOARD MEMBERS AND CLERK REPORTS.

- Financial Report - Lorie Knobbe reported that the EMDWID has a total of \$47,128.18. This amount is held between the Apache County account and the BMO account.
- David reported that SWCA, the environmental group WIFA hired to do the Biological Assessment, received notice from the US Fish and Wildlife Service that the Biological Opinion was completed for the New Mexico meadow jumping mouse. The opinion is good news for our district in that it is going to allow construction of the waterline across Nutrioso Creek with minor restrictions.
- David reported that the loan of \$40,000 from the Greater Arizona Development Authority (GADA) will be deposited into the DWID's Apache County account next week. This money will be used for additional expenses related to permitting and design of the standpipe. The loan is a one year interest free loan. The intention is to include it in the WIFA loan so we can take advantage of the forgivable principal. The assessment can be adjusted in the future once we know the exact amount of the loan.
- Melissa Chivers is working on setting up a site visit with Zach Barlow from Ironside Engineering and Development. Hopefully in mid June. The grant money from ADEQ needs to be spent by September 31st and Linda Taunt from ADEQ estimated it would take them about 2 months to complete the design. David added that Ironside will give us an opinion of probable cost.

5. FOLLOWING THE PUBLIC HEARING, A DISCUSSION TO CONSIDER

APPROVAL OF A FINAL DISTRICT BUDGET AND FEE FOR FISCAL YEAR ENDING JUNE 30, 2026. Mike Draper motioned to adopt the Proposed Budget and Fee for FY26. Pat Cruse seconded. All approved. Motion passed. The Resolution will be signed and sent to Apache County to be recorded.

6. DISCUSSION AND POSSIBLE ACTION TO APPROVE THE ANNEXATION REQUESTS. Three property owners with 4 lots have asked to be annexed. They have paid the Standpipe Infrastructure / Access Fee and all legal costs associated with the annexation in full. Pat Cruse motioned to allow, Mike Draper seconded. Unanimously approved. The Resolution will be sent to the Apache County Recorder's Office

7. DISCUSSION AND POSSIBLE ACTION TO APPROVE DEANNEXATION REQUEST. As required by State Statute a Hearing needs to be scheduled within 40 days of the receipt of the signed and notarized request. The Hearing was set for Saturday, July 5, 2025 at the Alpine Fire Station #2 in Nutrioso at 3:00pm. A notice will be posted in the White Mountain Independent. Once approved the Resolution will be sent to the Apache County Recorder's Office.

8. CALL TO PUBLIC - David opened the meeting to questions. Jay DeWitt asked if it was decided to go under or over the creek. The USFWS requested the EMDWID go over the creek to reduce the disturbance to the New Mexico meadow jumping mouse. He also asked if the DWID was going to use electricity or solar? A discussion was had about the options of electric vs solar and cost savings if licenced members of the DWID do the work. Bob Tetzloff inquired about the card reader. Mike Draper gave the pros and cons of the two systems in question and why the FS20 model would be better fit for our district. Eric Sayer asked if the design has to be completed by the end of September is there a chance we could have the standpipe up and running this year. David mentioned he would like to see that happen but there are many entities involved in the project that place restrictions and conditions on the EMDWID and we just don't know if it is possible.

9. ANNOUNCEMENTS - The next meeting will be held on Saturday, June 7, 2025 at 11:00 am at the Alpine Fire Station #2 in Nutrioso. This meeting was postponed to June 14, 2025. Property owners were emailed and the website was updated.

10. EXECUTIVE SESSION- None required

11. ADJOURNMENT- Pat Cruse motioned to adjourn, Mike Draper seconded. All in favor. Meeting adjourned at 11:44 am.

Minutes approved at the 6-14-2025 meeting. Ik