

Mayer Domestic Water  
Improvement District

*Paul Orme*  
*Bill Baker*

Apr. 2, 1992

Meeting Called to Order at:7:34 PM

ROLE CALL: Present Bert Tesky, Robert Houser, Walter Diskin, Duane Hines and Gary Sandy. Motion by Sandy, second by Diskin that minutes be accepted as amended. Approved unanimously.

MANAGER'S REPORT: Financial sheets were distributed covering March. Total operating expense is \$3192.00 credit, outside services was credited \$3400.00. Bill Dunham became an employee as of the first of the year. The outside services were backed out and put into salaries. Payroll will scheduled will be bimonthly. There will be no Social Security. The independent insurance policy has been canceled. Houser will look over the Officers Liability Policy.

It was moved by Bob Houser to hire Bill Dunham as an employee District Manager, retroactive to January 1, 1992. Second by Duane Hines. Approved unanimously.

We traded in the old Rockwell and Sensus meters to the manufacturer for new meters at a cost to us of \$28.00 per meter for 15 meters. Aged account receivable appear to be back to normal. Power usage and water usage declined slightly. The pressure control valve is installed. There is a potential for vandalism. We will enclose it to prevent unauthorized tampering.

Bill Dunham and JB House attended the ASUA meeting at Casa Grande. Bill Dunham was asked to run for the Board. It was a three year term. JB nominated him. Bill voted against himself and was defeated. He says the government agencies are going to make it tougher and tougher with higher requirements. The grant and loan picture is looking better. Now is the time to look to securing a grant. ASUA has a commitment from Washington of more funds in the near future. 1993 is the year for Yavapai County to receive their share. There is a park in Prescott applying for them. We have the proper demographics to make a good case for receiving funds. He suggested we might hire a professional to draw up the grant. It was suggested that we contact Mike Lytle and Chet Lockwood for suggestions. The District received a plaque indicating our membership in the Association.

Both Bill Dunham and JB House took the Certified Operator test

for Water Treatment 1 and Water Distribution 1 at Flagstaff. Neither knows if they passed it. They will learn the outcome about the end of the month. Dunham reported that he had given Dan Sharp, the ASUA Circuit Rider, a tour of the system. Bill said that Mr. Sharp felt that our operation was excellent. He approved of our improvements.

UNFINISHED BUSINESS: Acquisition of storage barn and or exchange of wells. The previous option to acquire the Cliff and Gate wells, with guarantee of satisfaction, the undeveloped well and Jacob's storage barn for \$100,000 became unacceptable to both parties. Mr Albins made a new proposal to sell us the Cliff Well and the Gate Well and two sights for drilling in Poland Junction, no Jacobs Barn or acreage and no guarantee, in exchange for David's Well and \$50,000. No amortization of this proposal was available. David's Well cost us \$35,000, about the same as for Lucas Well. Mr. Albins stated that the price for those wells was inflated for tax purposes at the time of the sale, because they were privately owned as opposed to being owned by the Corporation. Discussion followed on the ramifications. Costs of putting the new wells in operation would be considerable, due to installation costs for power line, pumps and pipe.

The Chairman questioned the Manager in regard to the circulation in the 69 loop. The Manager said at the present time it is flowing both directions, after we start chlorinating, it will flow only one direction. The question is in regard to stagnant water. There should be no problem according and the manager and Mr. Albins. Discussion followed on the condition of the two new wells and the original reason for drilling for them. Question as to the locations of the two well sites in Poland Junction that Mr. Albins was making available for drilling. He indicated the site of the one was in the area to the left of the exit from the subdivision, the other was at the foot of the mountain above the Putnam well, on the Putnam claim.

A discussion took place on water rights as regards to other people drilling in the areas near to us. Motion by Houser to postpone further discussion until we have more information. Mr. Albins offered to leave to make discussion easier. Offer accepted. Motion died for lack of a second.

Discussion centered on what we are getting and what we are giving up from his offer. We decided to make a counter offer. The Board discussed the value of David's Well, the fact is, the pump is in and operating and the two new wells are just cased and will cost a considerable amount to put in service. We feel we can pay \$26,000 and give up David's Well, for the Gate Well, the Cliff Well, two well sites of our choice, use of the Jacobs Barn until we acquire a site, an electrical easement and guarantee of the two wells. Must be able to pay off ahead of time. We might be able to pay off the whole loan if we can get a FHLLA loan at a lesser rate.

OLD BUSINESS:

Cross Connect Ordinance: Dunham reported that he had not had time to proceed with the Cross Connect Ordinance.

Cap Allotment: Discussion of water rights situation and possibility of our lawyer giving us advice in regard to block grants and sale of our CAP allotment. Unless we find out differently, we will follow the lead of Globe. The Secretary will contact Chet Lockwood, the lawyer to see if he knows anything about Community Block Grants and CAP allotments.

Storage Facility: Already discussed under previous subject. Dunham will check with the owner of the janitorial supply building about renting.

Question by Sandy in regard to the election of new directors this fall. Candidates may pick up materials from the County Clerk's office. Terms will be up for Sandy, Diskin and Houser.

Hines had a question in regard to the powder magazine. Houser checked it out with Chief Coe. It is out the U Cross Road. It poses no danger except for the trucks going in and out through Mayer.

Adjourned at: 9:38 PM

BERT TESSY  
P.O. Box 224  
MAYER, AZ 86333