

Mayer Domestic Water Improvement District

Meeting Called to Order at: 19:30 June 21, 1990

Present: Joe Samsill, Gary Sandy, Robert Houser, Walter Diskin, Bert Tesky. Phil Albins and nine members of the public were present.

Joe Samsill questioned Phil Albins about the transfer of Forest Service wells. Phil Albins explained that the permit is for the well site and the roadway, but no other use. Question: How many wells are in use? Two upper wells are on Terrill property, two lower ones are Grape Vine. All are not being used, upper Terrill is not in use. The new well in Poland Jct. is not hooked up, the other Poland wells are just serving Poland Jct. David's well (65 GPM), and Lucas well (120 GPM) are in service but don't have a booster on them. Oak Hills well (140 GPM) is not in system. The contract requires that before they can get water, they will have to deed the well and certain other properties to the Water Co.

Questions and Answers:

Johnny Hines- How many wells go with the sale? Answer: 12 good wells. The Board toured the System and assured ourselves about its condition.

Victor Tervin- What is the average depth of the wells? Deepest well is 500', the average depth of the water level is from 25' to 100'.

Joe Barth- Do the pumps have a low water shutoff? No, they have to be monitored. They know their wells.

Charles Baines- What type and size are the pumps? All are submersible. District is compiling a chart of the pumps, wells, tanks and lines as to their specifications, capacity, etc.

Eileen Marsh- What are names of Board members? Board was introduced.

Lou Barth- What is the situation with Quail Hollow? Developers have to pay \$24,000 for assured source of water to meet its needs.

Water Resources reports adequate water.

Charles Baines- Does the company own the tank out on the Goodwin road? Yes, it is a reserve tank, kept full, but not feeding system. It is used by the Fire Department.

Joe Barth- Is there a time limit as to when this will be consummated. No time limit, we are to discuss the offer and what it will cost at this meeting.

20:11 Phil Albins is excused.

Robert Houser question: What are and will be the costs to operate the system? Figures quoted from budget to present to the Board of Supervisors. \$145,000 was listed as income to the Corporation Commission on Albins 1989 report. We have to be able run the company on half of that, because the other half goes to Albins to retire the loan. Discussion on cost figures from Albins report. Discussion on Anthony Orlando's impression of the system. He felt it was in compliance with state. Discussion on employment of local talent to do tasks for District. Robert Houser reported that Tony Orlando says we are required to have a Class 2 operator for this size system.

Discussion on a counter offer. Bill Dunham suggested that the amortized cost should be taken into the account in deciding what the actual cost would be. Bert Tesky suggested \$750,000. The general opinion seemed to hold with about \$700,000. Interest to be at 7.5%. Question as to what is included in sale. Everything is included, parts etc. Question as to what the various costs quoted, includes. The total asked, \$841,000 included everything. Question as to monthly income was asked. It was suggested that it is about \$12,000.

Charles Baines- What is the cost of interest? The rate would be at .00625 per month. First month's interest would be \$4687.50 on \$750,000. Discussion on appraisals. Discussion on getting more people out. Discussion on potential for grants.

All Board members are for the purchase if a satisfactory price can be agreed on.

21:22 Adjourned.