

Mayer Domestic Water Improvement District

Sept. 20, 1990

Meeting Called to Order at: 7:40 PM.

Roll Call: Present Samsill, Houser, Tesky, Sandy, Diskin.

Motion by Walter Diskin, second by Bert Tesky, written minutes accepted unanimously as furnished.

Phil Albins arrived a few minutes after start of meeting as requested. He explained that he had read the offer submitted by the Board and he was accepting it with two exceptions: That there be a penalty clause for late payment and that there would be separate contracts for Mayer Water Company and for Phil and Jean Albins property.

Discussion followed in regard to a late payment provision. Phil explained that it would be 5% of the overdue payment after 15 days beyond the due date, which will be agreed on in the contract worked out.

Question by Ed Shandley as to the meaning of the 40% payment to Albins on the Subdivisions as they are acquired by the District. It was explained that the 40% has been reduced to 10% and that is paid to Albins in return for the work done to set up the water system deal with the subdividers. It only begins after the first hook up and terminates in fifteen years. All equipment at the time of the first hook up becomes the property of the District.

Question by Charles Baines as to the cycle of billing and the due date for payment on mortgage. Albins clarified that it will be in the contract.

Question by Ed Shandley as to what is to be included in the sale. It was explained that it included all assets of Mayer Water Company and those properties belonging to the Albins, mentioned in the offer by the Board. It includes the new well and a tank site in Poland Jct. and the new well next to the creek frontage property below Gary Bell's house.

Motion by Bob Houser, second by Bert Tesky that we agree to the exceptions to the offer as made by Phil Albins, with the provision that it is subject to approval by the Board of Supervisors. A vote was taken; unanimous approval.

In regard to drawing up an agreement, it was suggested that Phil Albins lawyer check the legality of the document from our agree-

ment and it be checked by an Assistant County Attorney to protect us. We would like to complete the transaction by the end of the year. We are trying to do this as inexpensively as possible. It was mentioned that Chet Lockwood is the attorney for Black Canyon City Water District and he has agreed to act for us on a delayed payment basis.

Question by Johnny Hines about the use of the County Attorney as our lawyer. It was explained that we may not be able to use that office, and when you do, you are charged for it. A discussion was held about the use of County Officials and their fee schedule.

Question from Duane Hines as to whether the customer has to pay sales tax on water from the District. The Secretary consulted the Revenue Code to be sure. We pay tax on purchases and remit tax on sales.

Question by Bert Tesky as to liability for sales tax on the sale of this property. Albins and Joe Samsill expressed opinion that it would not apply.

Teskey asked if there was asbestos pipe in the system, how much, will it have to be replaced. Albins reported about 1/3rd is asbestos, all put in prior to Albins ownership. Nothing is in the works so far to remove it.

Discussion on notices of meetings and conduct of meetings, approval by Board of Supervisors. Discussion of appointments and voting on Board of Directors, relationships and terms of office. Request by Bill Dunham that the Secretary post a meeting notice of any Supervisors meeting that concerns the Water District. Question by Johnny Hines about the terms of office. Discussion followed. Three members are serving 2 years, 2 members are serving 3 years.

Move to adjourn by Walter Diskin, second by Bert Tesky.
Adjourned at: 8:58PM