

*Corrected
& approved
8/1/94*

**MAYER DOMESTIC WATER IMPROVEMENT DISTRICT
BOARD MEETING
August 4, 1994**

1. **Call to order**-Chairman Teskey called meeting to order at 7:08 PM.
2. **Roll Call of Board**-Members present were Bert Teskey, Gene Grizzle, Gary Sandy and Duane Hines. Walt Diskin was absent.
3. **Approval of minutes from July 1, 1994-executive session July 1, 1994 and special meeting July 19, 1994**-Bert had some typo correction on the July 1, 1994 minutes. Gary made motion to accept minutes as corrected. Gene seconded and it passed. Duane made motion to accept the July 1, 1994 executive session minutes as read. Gary seconded and it passed. Gene made motion to accept the special meeting July 19, 1994 minutes as read. Duane seconded and it passed.
4. **Correspondence**-Jan received a letter from FEMA about the completion of the Grapevine relocation. A letter from the Adult Probation about the prevention of graffiti. She also had a letter from Arizona Department of Resources in regards to the adequate supply for the Oak Hills Subdivision.
5. **REPORTS-a-Managers** Gallons pumped were 4,605,200, up from last month. Demand was also up at 106.60. Pumping cost were up due to the demand. The check register was reviewed. Income was up slightly, operating expenses were down, total operating expenses were up due to supplies and utilities, other p&e expense were up due to $\frac{1}{2}$ of insurance payment. Office expense were up due to copy machine service. Other operating expenses are down, total operating expenses are up, total other income are down and net profit is slightly up. Current assets are up \$3000 and current liabilities are down. A motion by Gary to accept the check register. Duane seconded and it passed. Motion by Duane to accept the Statement of Income and Expense. Gene seconded and it passed. Jan talked to ~~ADEQ~~ about the CDBG grant. There are 22 others in the general area that it could be split among or it could go to only one. Received a bill from Paul Orme for \$32 for a phone call with a Bill Allen inquiring about CAP water that the District has for sale. She talked to ADEQ about the Chaffey-Lottenberg test that the lab let get out of date. ADEQ states that the District must do the test over at a cost of approximately \$40,000, even though Jan had the test in before the deadline. Will check on this further. She talked to the Treasurers Office and the District has an assessed value at \$4,660,742. Waiting for Chet Lockwood to go over the contract with Mr. Ablins to see if all of his properties are already sourced. There is 2 members up for re-election this year. Jan has checked with the election board. There is a seminar put on by the Arizona Small Utilities in Flagstaff in October.

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b-Operators report-Frank worked 146 hours and drove 1048 miles. Had 4 leaks. He reports that the water table is down. Also found out that the Jacobs Tank very slow to react to the rest of the system.

6. OLD BUSINESS-a-Regulatory fee-Bert explained to the public about the expenses that the District is experiencing. There are expensive mandatory testing and relocation of the highway pipeline. There are loans available or tax liens on property owners. Mr. Albins has offered the Board interest only payments for 30 months. The Board is considering this. There is also the expense of the CAP. Actual highway relocation is between the Catholic Church and Circle K. The State quotes the cost at \$200,000, which the Board thinks is too high. The meeting was then opened for questions from the public. Some of the questions were:

Q: Why was the test that cost \$40,000 not in on time?

A: It was in on time. In fact it was in 2 months ahead of time and the lab let it get out of date.

Q: Can the old pipe be dug up and reused to save money?

A: Some of the pipe is 100 years old and not reusable. Also the District has tried to sell some used pipe with no luck.

Q: What about grants to relocate the pipeline?

A: There is no grants available for relocation of the pipeline.

Q: How about somebody from the Board sitting in on the meetings on the highway relocation?

A: There has been Board members sitting in on the meetings and Frank has meet with them at times.

Q: How about coordinating with the contractor doing the relocation?

A: The work will have to be coordinated with them.

Q: How about raising the rates until the \$40,000 is paid and then lower them again?

A: That is only part of the expense.

Q: How about money from the lottery?

A: That has been checked into and did not pan out.

Q: Are massive repairs needed?

A: Parts of the system is 100 years old. The system has been band-aided together. Some of the lines are running through private property.

Q: What will the regulatory fee be based on?

A: A percentage of the total bill. It would not be like taxes. It can be removed at any time.

At this time Mr. Albins spoke up to say that a base rate would be better than a percentage. The District would then know how much income would be coming in each month. If a percentage was charged the customers would cut down on their water usage.

The suggestion of promoting growth to increase sales was brought up. Another suggestion was to charge a certain fee per meter. Gene thought a percentage was the better way to go. Frank stated that one decision be made and stick to it. Further discussion was held. Gary made motion to charge a \$10 regulatory fee per meter per month. Duane seconded and it passed.

b-Relocation of Pipeline in Hwy Right-of-Way-ADOT wants a map and letter of the relocation plans by November 6. Discussed was 6" pipe and 12" conduit, the cost and how many feet. The exact locations and route will be decided on the field trip.

c-Meredith Meadows (Mr. Meredith and Mrs. Loomis)-They have drilled 9 wells. They have 4 small volume well measuring approximately 80 gpm. The wells have been tested for 2 hours with no recovery time tested. They will put in a 100,000 gallon storage tank which he hopes to serve 308 homes. Mr. Meredith showed the Board a sketch of the property showing the wells and tank. He also said that he would donate the system to the District in exchange for water service which also includes the development Ron Galetta plans to put in. Mrs. Loomis told the Board that a waste treatment system will be installed and will donate that to the District also. Mr. Meredith wanted another letter of intent to serve as the one already written was not accepted by the county. The Board informed them that the wells had not been tested enough to provide satisfactory information for them to provide a letter of intent to serve.

d-Oak Hills (Jim Brown)-Lee (Mr. Brown's attorney) spoke about reimbursement of the sourcing fees that Mr. Brown wanted. It was 75% for the Oak Hills Subdivision and 50% for all lots outside the subdivision. Also Mr. Brown would put in a 6" main, tie into the District system, provide booster pump for the Goodwin tank and give the well to the District. Payment would be when a new customer was on the system. It would be over a 15 year period. Mr. Brown also talked about the reimbursement that he wanted and the cost to him that he has already incurred. They will have a formal agreement in time for the field trip. There is more on this subject in the special meeting (field trip) minutes.

7:NEW BUSINESS-a-Mr. Maggard ref: Property by D&R Well-Mr. Maggard did not show up.

b-Repairs and Restoration at Poland Tank-Duane went to the site with Frank and he explained what is there and what needs to be done. The plumbing at the booster pump is a jumbled mess and should be redone. Also the tank is seeping. The rest of the Board will go to the site during the field trip.

c-Sunrise Engineering-Sunrise Engineering did not show up.

d-Schedule Special Meeting (Field Trip)-The special meeting and field trip will be on Saturday, August 13, 7:00AM at the Community Center.

8:COMMENTS-a-Public-None.

b-Board-Gene Grizzle handed in his resignation as of August 4, 1994. The Board all agreed to appoint Roger Rogers. He said he would think about it and get back with the Board very soon.

Bert brought up charges to the firefighting crew that used water from the Jacobs Tank during the recent fire. The Board gave Jan the authority to charge them what she could justify.

9:ADJOURNMENT-Gary made motion to adjourn. Duane seconded it and it passed.

4-Oak Hills (Jim Brown)-Lee (Mr. Brown's attorney) spoke about relationship of the surrounding area. Mr. Brown wanted to be 750 for the Oak Hills Subdivision and 500 for all lots outside the subdivision. Also Mr. Brown would put in a 6" main, tie into the District system, provide booster pump for the Goodwin Tank and give the well to the District. Payment would be when a new customer was on the system. It would be over a 12 year period. Mr. Brown also talked about the relationship that he wanted and the cost to him that he has already incurred. They will have a formal agreement in time for the field trip. There is more on this subject in the special meeting (field trip) minutes.

7:NEW BUSINESS-a-Mr. Maggard ref: Property by Dan Wall-Mr. Maggard did not show up.

6-Repairs and Restoration at Poland Tank-Duane went to the site with Frank and he explained what is there and what needs to be done. The plumbing at the booster pump is a jumbled mess and should be redone. Also the tank is seeping. The rest of the Board will go to the site during the field trip.

5-Sunrise Engineering-Sunrise Engineering did not show up.

4-Schedule Special Meeting (Field Trip)-The special meeting and field trip will be on Saturday, August 13, 7:00AM at the Community Center.

3:COMMENTS-a-Public-None.

2-Board-Donna Garcia handed in his resignation as of August 4, 1994. The Board all agreed to appoint Roger Rogers. He said he would think about it and get back with the Board very soon.