

approved
4/2/94
WMT.

MAYER DOMESTIC WATER IMPROVEMENT DISTRICT
BOARD MEETING
March 3 1994

CALL TO ORDER-Bert Teskey called meeting to order at 7:02 PM.

ROLL CALL-Present were Bert Teskey, Gary Sandy, Walt Diskin, Gene Grizzle and Duane Hines.

APPROVAL OF MINUTES-There was a correction from 'moderate yearly rate' to moderate yearly increase'. Walt made motion to accept the minutes as corrected. Gene seconded and it passed.

CORRESPONDENCE-Jan received a letter from Shafer-Smith-Ankaney about crime insurance which is insurance against employee theft not vandalism as she had hoped. Vandalism insurance would be \$250-\$500 deductible. The vandalism the Co. suffered so far has not been that much.

REPORTS-Managers Report-Income is up about \$1000, labor is up due to SEP-IRA, plant operating expenses are up due to the Terrel Wells payment, p&e is down, office expense is up, other operating expense is down and the net profit is up. The check register was reviewed. Current assets are up. Received \$300 check back from Darla Terrel because she had leased the claim and the water rights go with the lease. The Co. will have to get with the people who now lease the claim. There is some doubt about who actually has the rights to the water. Jan will check with BLM. Chimney Ranch has their leach lines in and working. If they have been inspected is a question. Jan contacted Margaret Keene about the grant that the Co. just missed last year and she said to resubmit the paper work from last year if there were no changes. Received a bill from Mr. Orme for \$985 for the validation of CAP. Received final bill for 3 test on the Phase 2-Phase 5 testing for \$750.

Operators Report-It was a slow month for leaks. Five booster pumps repaired for \$200. There was vandalism of Putnam Well electric meter. Frank is still going to school for the backflow testing. It is a 10 week course. He drove 1446 miles. Hours were 148. Wells at Chimney Ranch are testing clean so far.

NEW BUSINESS-APS Rates on Wells and Possible Meter Removal of Some-Gene Miller from APS explained how Time of Use rates would benefit the Co. on the electric bills. There are definitely some benefit to five of the wells although there is a stiff penalty for going over the time allotted which is any 8 hour period that the Co. chooses.

Marty Johnson-Relocate Meter at St. Vincent-Their meter is about 100 yards from their property and he wanted to know if there was a leak with damage to someones property, who would be held responsible. Frank told him that after the water goes thru the meter the responsibility would be the owner. They would have to pay for a line extension to their property line for the meter to be moved. They also need to know where the easement runs.

Saturday Field Day with Frank-Frank thought it would be a good idea for all the board members to tour the system. There are a lot of problem areas and

Discussion was held. It was decided to allow customer to disconnect their well to the Co. satisfaction. The motion passed. Walt made motion to give the customer of 30-15-5 days to put in their device. Gary seconded and it passed.

Operators Duties and Responsibilities-Frank has been working between 5-7 hours a day and he feels that he needs more work. He ask the board to allow him take on additional work outside the Water Co. Discussion was held. Gene made motion to try 5½ hours a day. Withdrawn. It was suggested that he find the best hours to work that would be best for himself and Jan. The board decided that they needed more time for thought on this matter. Frank thinks that the Co. need a better system for finding water pipes especially with the highway relocation coming up. The State requires accurate Blue Staking.

Room Allowance for Tucson Conference-Holiday Inn charges about \$60. Frank is taking his family so he made reservations at another motel. Gene made motion to allow up to \$35 a night for Jan and Frank. Gary seconded and it passed. The conference runs 3 days.

COMMENTS-Public-Mr. Rogers expressed his support for Jan and Frank for jobs well done. Gene Miller was impressed with the board and how they handled business concerning the community interest. Frank thinks it would be a good idea to rent office space.

Board-Gene asked when the Co. could sell their CAP water. Mr. Orme was to contact Goodyear to see if they were still interested.

ADJOURNED at 11:35.

a lot of changes are going to have to be made. Frank needs their input on some of these things. Saturday, March 12, was set as the day. Everybody will meet at the Community Center at 9:00 AM.

Highway Pipeline Relocation-The man from ADOT was to come up and talk to Frank and some board members but he had other commitments. Everything Frank can find out is that the Co. will have to pay for the relocation. According to ADOT's map it is about 4000 ft. and will cost \$65,000. Construction will start in March of 1995. The board thinks that is a little too high. There is probably a less expensive way to go. There is no grants for highway relocation.

Have Tank Yard Surveyed-There is some confusion as to the location of the 2 tanks on the hill. Mrs. Albins thinks that the new tank is on the Co. property but the old tank is encroaching on Mrs. Light's property. Mrs. Light might want to sell her property and that would cause the Co. no end of trouble. The Co. property need to be surveyed. Gene thinks that the well sites at Chimney Ranch need to be surveyed also. There may be trailers encroaching on our well sites. Walt made motion to have both sites surveyed. Gary seconded and it passed.

Discuss and Possible Decision on Yearly Rate Increase-Since the Co. is facing a lot more expenses due to ADEQ mandates it was suggested that a small yearly rate increase would be easier than a large increase. Also the possibility of refinancing to get our monthly payments down in order to build up some cash flow. Bert and Bill Dunham have looked into FHA. Gene is to check with Bill about what he recalls about the discussion. The possibility of advertising and selling the old tank on the hill was discussed. No decision was made on the rate increase.

OLD BUSINESS

Duane made motion to move 7C before 7A. Walt seconded and it passed.

Carroll Agee Oak Hills Subdivision-Carroll Agee own 6 lots with other family members owning the rest. There are 34 lots all together. The plan is to develop the area without getting into subdividing. He want to clean up the present pipe system in order to tie into the water system. He would have to pay for the line extension and put in the areas system and deed it back to the Co. who will pay him back over a period of time according to number of meters. The board told him he would have to provide the sourcing for that many homes. He wanted to know if there was not sourcing available where did he stand. Discussion was held but no decision was made. He is to look into sourcing.

Pipeline Grapevine-Paul Hines has not done anything on the pipeline. He is possibly waiting for some money. It was decided in the future to get a written contract with time limits signed.

Backflow and Decision on Private Wells-Frank has talked to a lot of people about the backflow and it is a question of how much liability does the Co. want to take. Other companies are requiring all with private wells to have a backflow device. Duane made motion to have all customers who have private wells and also use Co. water to have an RP device. Gene seconded.