

Approved
12/7/95

**MAYER DOMESTIC WATER IMPROVEMENT DISTRICT
BOARD OF DIRECTORS MEETING
November 2, 1995**

1. **CALL TO ORDER**-Clerk Johnnye Hines called meeting to order at 7:00 PM.
2. **ROLL CALL OF BOARD**-Present were Johnnye Hines, Walt Diskin and Rita Neff. Gary Sandy and Gene Miller were absent.
3. **APPROVAL OF MINUTES**-Rita made a motion to accept the minutes of October 5, 1995 as presented. Walt seconded and it passed.
4. **CORRESPONDENCE**-Jan had some correspondence that will be talked about in later topics on the agenda.
5. **REPORTS-a-Managers report**-The check listing was reviewed. Income was up approximately \$2000, labor down, plant supplies was up, other P&E expense was down and office expense was down. Other operating expenses was down as was other income. Current assets are up, total assets are \$990,019.93 and total liabilities are &795,108.64. Received a phone call from David Laughlin. He is looking into buying the Meredith property. Wanted to know if the District would like the wells on the property. Wrote a Thank You to Mr. Watson of APS for putting in the 3 phase. Got a refund back from the insurance for \$236. Installed 9 meters for Mr. Albins. Would like to know if the Board has thought anymore about a mail drop in the door. Filed pre-existing expenses with CAP totaling \$1745.35. Talked to Mr. Lillywhite about the heater in the office. He said that he would be willing to help.

b-Operators report-Had 4 major leaks, the largest across from Circle K. Northern Pipeline may bill the District for it because they dug 14 feet away from where Frank said it was and they hit it. Frank, Walt and Mr. Albins went up to the future tank site in Poland and it is now back where Mr. Albins said it was in the first place. Hired Bob Sasser as part time help. APS bluestaking lines on relocation and donated a pole at the Lucas Well site. Got a letter from ADOT concerning traffic during construction. Frank was asked to be on the committee studying this. Walt stated that the District need an easement behind the tank at Poland for a road.
6. **OLD BUSINESS-a-Timothy Bray, President Southwest Community Resources, Inc. Update on the exchange of CAP allocations**-Mr. Bray gave the background on the CAP and his involvement. City of Scottsdale, Department of Interior, Mayer Water and CAWCD must all approve the agreement before the exchange can occur. The District will receive \$258,000 after expenses. Dec. 8th Scottsdale is have a signing ceremony. They will then deposit the funds in and esqrow account. Then file for a hearing with the Supreme Court. There is a 65 day waiting period. On March 1st. money will be available in the District's trust fund. The District has 25 years to spend the fund. Any left over goes back to CAWCD. The District has to make the May payment to CAWCD of \$5300 and very likely the Sept. payment.

b-Bill Nelson and Karen Kahler attorneys from the Law Firm of Squire, Sanders & Dempsey-Explain what is involved with a Bond Council for our RECD Grant/Loan-Mr. Nelson explained that it would be impossible to go for the March election as the District will not be ready in time. There has to be

120 days between the filing and the actual election. To have a March election the District would have had to file by November 13. The next election that could be met would be May 21st with a January 22nd filing. He then explained what a Bond Council does. They assume responsibility for all paper work. There has to be a lot of research through the Assessors Office to determine property owners. Prepare all legal documents concerning the bonds. The Board is the entity who issues the bonds. They will take the Board step by step through the procedure. Their fee of 15-20 thousand dollars is included in the bond. If the bond issue does not pass they do not get paid. They ask only for out of pocket expenses. This will be a Water Revenue Bond which puts no lien on property. Qualified electors in the District and non-residents of the State are eligible to vote.

Rita made a motion to table any discussion on Impact Fee. Bert asked that the impact fee be explained. Mr. Albins objected to his having to pay the impact fee on his property. The motion died for lack of a second.

c-Sunrise Engineering-Presentation and possible approval and signing of contract for Phase One Project-Discussion and possible decision on payment to Sunrise for Phase One-Update on RECD grand/loan project- Kent told the Board that all of the grant money for the Oct. funding had been allocated. There is a pooling in April for the projects that were not funded in Oct. The next funding would be in Oct. 1996. The Board had asked for a contract from Sunrise and a letter from RECD. The letter has not be arrived. The RECD representative will come to next months meeting. He presented the Board with a contract already signed by Sunrise. Donzil did admit that the original agreement was no payment until the funds from RECD came through. Kent argued that their part of the Phase One project was complete. Also that the Phase One came up after the initial agreement. Rita made motion to table until next or until a Special Meeting could be arranged. Walt seconded and it passed. Kent then talked about the RECD report and how the changes that they suggested could be done. Milben told the Board that he would no longer be associated with Sunrise and the Board wished him luck in his new job.

d-Discussion and possible decision on easement from Ms. Kerr-Donzil gave the Board a letter from Ms. Kerr's attorney. The letter stated that the Board had to respond with-in 10 days. Walt made a motion to contact Mr. Lockwood, for him to respond in a letter stating that we had received her letter. Rita seconded and it passed.

e-Jim Brown-Impact fee on phase one of Oak Hills Subdivision-Request of letter from Board ref: water service to other properties-Request changes for line extension agreement and possible decision on same on phase one of Oak Hills Subdivision-Jim told about 20 acres other than the Oak Hill that he is trying to sell. A Mr. O'Leary wants to buy a parcel. He was told that it would take a 1200 ft. line extension to get to his property. Jim wanted a letter of commitment for water service from the Board. Since the District is already committed to serving anyone in the district the letter is unnecessary. Jim will get estimate and engineering report on the line extension. He also objected to having to pay the impact fee referring to the wording of the policy that states that where sourcing fee is applied there was no impact fee. Walt made a motion to waive the impact fee to Jim Brown's original 18 lots. Johnnye seconded and it passed 2-1. Johnnye asked if Jim would like a special meeting to discuss the line extension changes as it will be

a long discussion. A special meeting was set for November 16, 1995 at 7:00PM. The rest was tabled until then.

f-Discussion and possible decision on utility easement to Lucas Well-Dave Albins wants the utilities off his property. The meter to Lucas Well is on his pole and it should be by the well. The well needs to be surveyed. Mr. Albins will pay for half of the survey. Discussion was held on how to move the chlorinator.

g-Mr. Albins:Discussion of Impact Fee-Since this was to be a lengthy discussion, Johnny Mr. Albins if he would like to be on the agenda at the special meeting. He said he would. The subject was tabled until Nov. 16.

7. NEW BUSINESS-a-Discussion and possible decision on a Bond Council for the RECD grant/loan-The other quote from Keith Hoskins was \$40,000. Walt made a motion to retain Squires, Sanders and Dempsey as the Bond Council for \$20,000 with no out of pocket costs. Rita seconded and it passed.

b-Discuss implementing commercial water rates-Tabled until next regular meeting.

c-Training of backup person for office and a salary for same-Jan asked if the Board would consider a part-time person to back her up in the office since she may have to take some time off for her Mother. She said a lady had put in an application. Frank asked that he be considered for the position. The Board thought he would be the perfect candidate. The Board then considered salary. Rita made a motion to have Frank train as back-up for Jan at \$8.50 an hour. Walt seconded and it passed 2-1.

d-Request of letter from Board for Noreen Passmore ref: use of upper road by Jacobs Tank-Noreen wanted a letter of commitment to give quit claim deed for blanket easement to abandon upper road in favor of 3 easements. No action was taken.

8. COMMENTS-a-Public- None.

b-Board-None.

9. ADJOURNMENT-A motion to adjourn was made and seconded.