

Mayer Domestic Water Improvement District
Minutes to July 25, 2002
Special Meeting at Mayer Rec Center

- I. Call to Order 7:05 p.m.
- II. Roll Call of Board - All Present
- III. Approval of Past Minutes

Motion to approve July 11, 2002, minutes. Mike King has change on last page. Regarding the Oak Hills survey bid - it wasn't mentioned that he was upset that the entire board did not receive the opportunity to review bids prior to the last meeting. Mike King moves to adopt the minutes from the regular meeting with that change incorporated. Dick Diffenderfer seconds, all in favor, motion carried.

Chairman requests motion for acceptance to the Executive Session minutes from July 11, 2002. Duane Hines motions, Mike King seconds executive session minutes, all in favor, motion carried.

IV. Public Comments

Chairman announces this portion of the meeting will go as last time. All who filled out the sheets will speak, and the time limit will be five minutes for your comments.

A person in attendance requests for the Board to introduce themselves.

Mike King requests to speak as a water user. He has concerns. I believe that now there are negotiations between the Board / management company and Phil & Jean Albins that may ultimately involve this Board to spend about \$160,000 or more for us to build a water tank on this property. Part of the deal when we bought the water company was that there were a number of meters included with the price of water company. Dave has mentioned we average about 24 new meters a year I believe there are probably 5 times that many involved in the deal. Also, I'd like to know whether or not anyone has decided to run for a seat on the Board? The deadline is coming up real soon and there may be positions available. Please don't let time run out. Thank you.

Ben Filer. Thank you for allowing me to speak. I live at 1261 Mosier Lane, am a real estate broker, and have been working out of Prescott for five years. I purchased 10 acres of land in Poland Junction with a partner, and we subsidized it into 5 parcels. I have worked with the Board in the last five years towards putting in a water line extension - based on surveying, etc. It took longer to sell the property than expected. We split development of water lines into two phases. The original intent was to put the extension in and have a final yield of five meters. Now I have three meters. In the mean time I've



been giving easements to allow the water company to install a produceable well, unfortunately, the well wasn't producing enough. None the less, I have cooperated fully all along not only giving easements for wells but, another easement for the off-shot of a main line extension so that eventually we can take the line under the highway. Again, I feel I've been acting in good faith, spent considerable amounts of money per the Boards requests. I have a user who is sitting next to me tonight, Mr. Riley, who I have sold a parcel to and who wants to build a church. Based on my good faith, I'd like this Board to reconsider giving Mr. Riley a water meter at this point.

Mike King: Is Riley on the waiting list?

Ben Filer: I can't say, but this was my commitment through the Board. I believe I've been promised these meters for a long time so I didn't know that a waiting list existed. I am surprised that there were people on a list to receive meters. I've been made a promise to for some time. Thank you.

Mr. Riley: I am the pastor of the church, when we started working with purchasing the property I talked with Frank Soto. I've known him for quite a few years - he said don't worry about it when the time comes you'll get it. Recently, Riley asked Frank about putting it in a special place - then Frank told him about the moratorium.

Jim Brown: I'd like to say something. We have a deal with Mayer Water to be provided water. I've spent \$100,000 the initial deal was 18 lots and sourcing fees I'm paid up, and waiting for service. My sales have been slow. We just lost a sale this week because of the water. I have two pending sales now - this is my whole year's quota - I'm in jeopardy. Jim reiterates his story and history. I just want you to know I'm loosing money each day the moratorium continues. Thank you.

Patty Hollbrook: I go along with Jim - you've heard everything I've said before. I've had two clients and have been telling them they would have water and that the moratorium was called without notice. This makes my reputation sound foolish. Why wasn't there any kind of notice given at all? I also put one property in escrow and the man sold his house in Phoenix and is putting in his own well. People who want to buy in Mayer have no other choice but to put their own wells in. This issue also needs to be looked at. We have two in escrow now and are waiting til tonight's decision. We talked earlier about a waiting list - was there anything put on notice for a waiting list? How many people are on the list? This information would be helpful to us as realtors, so we can let people know. Also, this kinda relates to the moratorium. I'm on the Chamber of Commerce - as others here tonight. We've put a lot of effort to that. We've spent money on maps and brochures. We want to see growth and development in Mayer. This moratorium has done nothing to help growth. We've sent invitations to you from meetings we've had and there has been no response. I'd like to see Oak Hills get all the meters they ask for. We want 5 now. Tomorrow we're out of business if we can't sell lots.

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Paul Hines: About Oak Hills well. I've been told we're going to retest. Who is going to pay for that retesting since this District has already paid once? I assume that the responsible party will pay for the retesting. Also, from the board, where and from who may receive there information and expert opinion as to running the six in main as opposed to the transmission line? If they have engineers or someone who is qualified to make that sort of determination, who did they get information from? It doesn't seem like sound thinking that we would spend \$60,000 when we can do the same job for under 30,000. Thank you.

Dave Albins: I don't think there is any reason for the moratorium to have been enacted, other than what Frank Soto said, and the Board trusted Frank. I was told by the Board. It makes since that the Board based their decisions from their belief in Frank. There is not a shortage - there is enough water to take care of the growth in Mayer. It's obvious if I asked everyone in the room: Should a moratorium make you feel more comfortable? No one raised his or her hands. Second: Do you think better management of this company would be more likely to assure you water tomorrow? Do you feel something is lacking in the management of this company? Almost all raised their hands. People who have opened their eyes to this issue realize. First, according to Walt Diskin, the worst well sits across from Oak Hills. Its poor - one has been abandoned. That well has about 5 or 6 gallons a minute. that would take care of the peak growth in this community. How many new hook-ups last year?

Frank Fuentes: says approximately . . .he didn't know.

Dave Albins: In other words the growth is not very big. This horrible well could take care of everything we need. Walt Diskin says its the lower Goodwin well. 21,000 gallons a month it can pump and the pump is in the well- just hook it up. In 3.5 days this company lost 45,000 gallons last week. This water is what we owed and made commitments to supply. The water came out of the tank. They have been told to keep that tank full at any price. They try their best to keep it full. They check it and that well starts to exceed that tank and the water drops. What happens? - the water overflows during the night. The only reason that happens is because this system is like a manual typewriter. ASUA has been here about 3 years - before that Frank was an employee of the district for years. There should be altitude valves on the tanks, there could be mercury switches on the tanks. If you have a well, you have a tank with a mercury switch so that when the water gets to a certain level it will just cut off. Course there should be a flow meter in every place. There should be a kilowatt-hour graph that someone could have looked at before making the moratorium decision. Some people asked Tim what would happened if they pumped out of Hackleberry.

Chairman: Please wrap it up - There is a discussion about time limits

Dave Albins: The main problem is that the system needs to be updated. I can give you information if you'd like, its not a cost factor - that sort of thing. If we have water, which I think we do - than why did Frank create a false shortage? That is a question we all

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have. Frank Fuentes is probably the most knowledgeable person here. If we asked Frank - he'd say there was enough water. I don't want to put him on the spot, but you can. Why was there false readings about lab tests - what about antimony? Was antimony a problem in that year?

Tim Edwards: Said Frank never said we had a problem with antimony.
Discussion / argument about frank saying there was a problem.

Dave Albins: Now we're told Frank only said it was close to the limit of antimony. Why did Frank cancel the test? Frank new he has a stacked debt and new certain people had certain things to gain by the Hackleberry well. They should be allowed to vote on that cause they should know they had a conflict of interest.

Mr. Reynolds: Wants to give my time to Dave Albins -

Chairman, Mike Schuhmacher states this is not allowed.

Mr. Reynolds: I'm looking to buy property in Mayer and this man knows more than anyone about these wells. I suggest you listen to Dave Albins.

V. Manager / Operator Report

Tim Edwards: Members of the Board, public, as part of this report you have given us responsibility. I want to share with you the response that the staff has undertaken and is currently working on on your behalf. The Oak Hill well issue, the Baker's easements, we've been approached by Mr. Hunsicker regarding an easement, the Bennett line extension, it was suggested we look at street valve markers. We will be working on that issue. We had an issue about copying fees, we took care of that. Oversight protection was raised, we have added that to our list of issues, regulatory fee funds - what can and can't be done with those fees being held in the interest bearing account. On various occasions the staff has been approached regarding the delinquent account policy. This is also a current issue. We've been asked by Phil Albins to extend the time period in his contract to cover the period of the moratorium. We've been asked by the public to consider supplemental wells. Some community members have offered the use of their wells especially during the moratorium period. There are others. I didn't list them all this evening. But I wanted to give a quick report towards upgrades and storage facilities. These issues we will proceed to work on and bring back to the board for action. We wanted to give you an accounting. I might say that most of our time during the last week has been focused on the moratorium as time is permitted in collecting data to present information to you this evening.

VI. Discussion / Decision Regarding Lifting the Moratorium

Tim Edwards: Everyone, I want to offer my appreciation to those who have collected and interpreted the information I bring to you this evening. Brenda, Billy, Bill Roberts and

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Frank Fuentes. Thanks for your efforts in order to provide you with information needed to make a decision regarding continuation of the moratorium. Tim goes over definitions of various water terminologies.

Tim shows by diagram water levels for all wells.

Gate well: In March it was 75 feet over - less water in aquifer.

Cliff: In March it was approximately 95 feet - today is 148 ft. now its at 200 ft. pump setting is a 220 ft., 20 ft and that well pumps nothing.

Poland Junction: In March: shows less of a decline at 60 ft. Today its 63-64 ft. The volume in that well is diminishing.

Lucas: The readings in March and were approximately 70 and 61 ft. The well is off so that the aquifer can recover. When it was turned on on April 15 it was 140 ft. Subsequent to that in May it was 150 ft. and it was turned off at that point to recover. Levels were up to 80 and 85 ft. Levels dropped back to 150 ft. It was turned off then rose again to 85 ft.

Grapevine II: In March: 30 ft. level raised some - this well is throttled so it doesn't exceed the acceptable yield. Can't produce what the pump can pump so the decline is managed rather than having it completely depleted.

There are others, but it didn't go on the sheet, but its repetitive. Additional data you may want to consider. 2001 water consumption for domestic purposes, irrigation, etc. March of 2001: Approximately 2,200,000 gallons was consumed by Mayer. It peaked in June to over five million and then by October of 2001, it declined to just a little under 3.5 million gallons per month. The smallest amount occurs between January through March at that point they all run to 3 million gallons each month. The most consumption is used is also when the tables are declining significantly. In March of 2002: Least amount of usage 2.3 millions gallons of usage per month. Latest reading in July where the district pumped 4.5 million gallons. During that time we've show in the aquifer declining water levels.

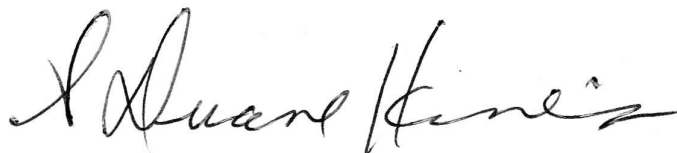
The lowest point during winter is 132 gallons a day. The highest point is 263 gallons a day per household. This is on the average.

Dave Albins: Does that include the overflow from the tank?

Tim Edwards: Just the consumption. Presently in 2000 there were 616 service connections, out of them there are 526 active accounts. The Board and the District has committed not to provide to the active accounts, but to the 616 service connections in 2000. In 2001 there were 624 service connections. Out of that 534 were active accounts. In 2003 estimated pending applications, we didn't include that number here - but active accounts presently have reached 568. 2002 - 637 connections. 538 active accounts.

Tim: Safe yield: Annual quantity of water that can be taken without depleting source during wet years. In 1980 groundwater act - its in excess of the safe yield. By 2025 water will be greatly depleted. Tim explains monsoon storms do not cure the drought.

The Board has made a commitment to provide service to the residents, and they in turn have responsibility. We have choices, one is to do nothing - to leave the moratorium as it is - second is to leave the moratorium with an amendment like maintain the moratorium,



but allow for those that are waiting on the list to have meters have them - third to drop the moratorium completely. I cannot recommend to lift the moratorium.

Paul Hines: How did this correspond with last year's static levels?: Were they the same or were they different?

Walt Diskin: Moves to lift this moratorium for now until further notice. Motion dies because no one seconds.

Mike King has a question for Tim: How many people are on the waiting list? I get the impression that a lot are "here says" from people.

Tim Edwards: (confers with Brenda Lawyer) I believe there are six filed applications.

Mike King: Is this included?

Discussion regarding process of applications and deposit money that has been returned.

Discussion of how many people are on waiting list.

Discussion of whether people have been told they could fill out an application to be put on the waiting list.

The Board talks among themselves.

Mike King reads resolution which has been written by Anna Young.

leave as is

_____ leave moratorium but ??? (i can't hear)
drop moratorium altogether.

Mr. Riley: Again; if there are only five or six applications, I'm not sure if my five meters were ever applied for. Before the moratorium was put into place - I don't know that your numbers may reflect are accurate number of applicants. There is a well on my property that you all drilled. Based on Tim's number of households and maximum usage of 230 gallon a day. If I did my numbers right - my well would supply 31 households per day. I suggest uncapping that well and entering it into the system.

Paul: Tim, did you correlate from last year what our drop is every summer from what it is now to what it was last year? It seems to be 18 ft. different I don't understand - it looks so dramatic on paper. Every summer we pump that aquifer down. During winter it replenishes. We are pumping a subterranean flow that doesn't affect our ground water. We do this every year if you look back, our wells started Lucas: 76 ft. this didn't happen over night and is a critical matter. It is a continuous supply and demand problem.

Dave Albins: When we talk about surface water - its the water we have to put a casing in we have to eliminate. Surface water is the first to go in the case of a drought. That's the part that affects the well, which may be 10 or 20% we can expect that. But, that doesn't



mean the water will go out. We need to understand. Dave explains plates, and principles of the aquifers and history of our area and fractures, cavities, etc. The land we are pumping today is not sensitive to the drought. Dave Albins talks about systematic pumping of the wells - and replaceable yield.

Jim Brown: I'm thinking as what we have seen in the chart there is a draw down - but we haven't run out yet - and we have other wells we can use. It seems there are other resources, I think we've over reacted and I don't think this moratorium is justified. We should lift it, there are only about 20 or 30 more meters that would be hooked up, and you all could concentrate on upgrading the system with switches, etc.

Walt Diskin: Dave offered a good well - if we came to the point we needed it and I don't know if he was even thanked.

Some lady: to me if you get concerned you tell the consumer - you advertise it. That should be the first step, rather than do a moratorium.

Patty Holbrook: Did you give us a notice before the moratorium?

Board: No

Lady: I'd be happy to conserve -

A man: There has been confusion and accusations of the past. Tim - you give a heck of a report. I just wanna know is your report having your named stamped on it - did you do all the work yourself? Will you back-up this report with your signature?

Tim: Yes.

Bert Teskey: Looking at kilowat hours - I'm sure they are right. I noticed that during the winter (Oct. - March) we use a lot more electricity than we currently are. Is that cause the wells have dropped , we aren't pumping them or because we don't need that much water in the system? If we were pumping as much or needing as much the electricity should be higher now than during the winter.

Tim: I'm not prepared to respond to this.

Bert: Looking at currently winter, spring & summer.

Mr. Riley: If you aren't going to lift the moratorium I would hopefully have your Board seriously consider lifting it for those people who have spent money, time, etc. and have prior promises for service. There is a relatively small number of applicants. Maybe 8 or 12 legitimate people who have submitted applications. I, personally, have spent over 5,000 dollars and have been promised meters - I hope you have consideration

Patty: I agree with Walt to lift the moratorium at this time. There haven't been a great abundance of requests for meters.

Dave Albins: There is water continuously running out of some tanks if you could stop


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this leaking - you could put that water to use servicing people. Everyone would be fine.

Chairman: entertain a motion?

Walt Diskin moves to lift the moratorium and see what happens in 30 days then we can put it back on. Resolution 2002-7-25 - revoke the moratorium. Duane Hines seconded. Roll call Walt: Yes, Mike King: Yes, Duane: Yes, Dick: Yes, Chairman: Oppose.

Walt Diskin moves to adjourn: Dick seconds; all in favor meeting adjourned. 8:32 p.m.

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