



ARIZONA SMALL UTILITIES ASSOCIATION

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To: Andy D.

October 10, 2002

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Mr. Mike Schumacher
Mayer Domestic Water Improvement District
P.O. Box 522
Mayer Arizona 86333

Subject: Contract Termination

Dear Mr. Chairman:

It has been a pleasure to have had the opportunity to serve the Mayer Domestic Water Improvement District. It is with sincere regret that we inform you that it is the intent of the Association to terminate our contractual relationship effective December 31, 2002.

Our regret comes because the members, board and staff believe the Association has much to offer the Mayer community. The Arizona Small Utilities Association employs its network of competent professionals to provide for small water/wastewater system viability support through training, technical assistance and contractual services. The intent will be to enable water and wastewater systems to achieve compliance with applicable National and State regulations. ASUA programs are designed with the flexibility to provide specific attention to emerging or emergency issues related to the managerial, financial and technical capacity of small municipal and rural water and wastewater systems.

It appears that a small number of community members, serviced by the Mayer Domestic Water Improvement District, have become dissatisfied with the services provided by the Association. The onslaught of complaints and investigations are beginning to create a significant hardship and are taxing to the District's financial and employee resources. We believe it to be in the best interest of the District to have these individuals realize the burden they are creating for themselves and the community in which they live. In the absence of such a realization, however, we believe the only course of action available is to terminate our contractual relationship. We hope that in the future, if the District can be served by membership services with the Association, you will not hesitate to call on us.

Sincerely,

Timothy A. Edwards
Executive Director

Cc: Board of Directors

MEMBER



NRWA
(580) 252-0629
2915 South 13th Street
Duncan, Oklahoma 73534