

TIMBERON WATER AND SANITATION DISTRICT BOARD OF DIRECTORS

RESOLUTION TO ADOPT A STANDBY CHARGE

Because the Timberon Water and Sanitation District has entered into formal agreement to purchase the essential assets of the Timberon Water Company which is in bankruptcy, and is committed to continue to operate a water service to the residents of Timberon based initially on use of these assets; and because the condition of these assets is deteriorated due to lack of maintenance and the existing assets are inadequate to ensure the safety and reliability of water service to the residents of Timberon; and because the improvements that are necessary to bring the water system to acceptable health and reliability standards will cost far more than the present rate-payers can possibly support, even though their rates have already been dramatically increased to sustain and improve this system; and because the value of every property in Timberon that has access to this water distribution system depends directly on the success of this acquisition and improvement effort, so that this effort will provide substantial potential financial recovery, if it succeeds, or further financial loss if it fails, to each owner of such a property;

We, the Board of Directors of the Timberon Water and Sanitation District hereby resolve to assess a standby charge as authorized by New Mexico State Law in Article 21, "Water and Sanitation Districts," Section 73-21-16. This standby charge shall be \$42.00 per lot per year effective January 1, 1994 and payable annually in advance, and shall be assessed against each and every lot that has a water distribution line adjacent to it that is either in service or can reasonably be put in service on demand.

Gail L. Legate
Gail L. Legate, Director

Lawrence L. Watson
Lawrence L. Watson, Director

The above named members of the Timberon Water and Sanitation District Board of Directors read this resolution, voted to adopt it, and signed it in open public meeting on July 1, 1993.

Ruby Roberts
Ruby Roberts, Notary

