

**MINUTES FOR THE
BLACK CANYON CITY WATER IMPROVEMENT DISTRICT
AUGUST 17, 2006 REGULAR BOARD MEETING**

Due to a scheduling conflict, the meeting was held at the Albins Civic Center, 19055 E K-Mind Road, Black Canyon City. Chair Jim Evans opened the meeting at 7:30 PM and called for the customary reflection period to be observed by the Board and Public.

Roll Call showed a quorum of Board members present -

Jim Evans, Chair Ron Lee, Secretary
Ralph Van Dusen, Vice Chair Floyd Ballinger, Treasurer

Absent - Mary Brown, Member-at-large

Also in attendance: Water Management - Randall Hrabina and Sarah Hrabina

Public: Polly Ballinger, Joseph Brokow, Bob Cothorn and Marlene Evans all Owner/Users; Also in attendance Cindy Brannan, BCC resident and Diana Baker-Hahn from the Big Bug News.

Agenda Item #4: Board Member Reports

R Lee reported he went down to the (storage) yard with Randy (Hrabina/Management) to see the materials we need to get rid of and also noted he found an individual who would do so. Chair Evans noted this could be discussed in the Operations Report.

Agenda Item #5 Approval Board Minutes

Chair Evans called for a motion to accept the minutes with R Van Dusen so moving. The Chair asked for any discussion and with no discussion F Ballinger moved to second the motion and upon vote the minutes from the July 20, 2006 Regular Board Meeting were approved as written.

Agenda Item #6 Treasurer's Report (as of 7/31/2006)

F Ballinger presented the Treasurer's Report and provided the beginning and ending balances for all accounts:

Account	Beginning	Ending
General Fund	\$276,932.47	\$258,933.88
Security Deposits	\$ 39,710.00	\$ 39,710.00
Capital Reserve	\$125,707.78	\$139,371.18
Arsenic Sinking Fund	\$ 37,218.86	\$ 40,662.65
Bank of the West	\$ 13,664.30	\$ 23,443.27

F Ballinger noted no change in the Set-aside Fund from last month.

July billing totaled \$33,907.59 with 826 active accounts. The gallonage for the month was reported at 8,648,000 as compared to 8,590,000 the previous month. The July '05 comparison was 9,021,000 gallons. July is the first month of the new fiscal year, therefore, the total year-to-date was reported at 8,648,000 gallons.

Cash Management Reports show total receipts of \$46,050.42 and disbursements of \$37,283.67. The financials for the month included Qbook invoices 704 through 708 and the Taabs audit numbers were 7401 through 7439 and the accounts receivable balanced in both at \$34,439.82. Six (6) impact fees of \$1,500.00 were collected in June for new accounts- Audit #7435, 7436, 7437, 7438 (2 services) and 7413 for a total of \$9,000.00

The Treasurer indicated the monthly budget analysis and general journal entries were also attached for approval and Chair Evans indicated he would entertain a motion for accept the Treasurer's Report. R Lee so moved and the motion was seconded by R Van Dusen. Upon vote the Financial Report for the period ending 7/31/2006 was passed unanimously.

FYI-Book – Chair Evans inquired of the FYI-Book with S Hrabina/Management indicating there were no new items for the month.

Agenda Item #7 Operations Report (as of 08/15/06)

R Hrabina presented an overview to the Board and Public: 19 Completed Work Orders, 14 Blue Stakes marked and with the new extended due date of the 15th, "Pink Slips" for past due accounts were not yet processed. New services were installed- two on Indian Hills and one on Nasty Ridge; Four leaks were reported and repaired with a new service line being installed for the church (Community Church/Phyllis St), with R Hrabina noting this was scheduled with the Phyllis Street Capital Improvement Project, but since the line was hit, it only made sense to do it at the same time as the repair; Three leaks were also repaired at the well sites, Big John, Oasis & April. Water samples (for bacteria) for the month were negative.

Agenda Item #7 Operations Report (con't)

The Well Stats were reported as having no change in the levels from the last report, with R Hrabina noting he had not given the total gallons pumped last month and reported the total gallons for the period 6/13 to 7/12 at 9,589,000 gallons. From 7/13 to 8/12 the total was 9,318,000 gallons, noting a slight decline but also noting the 9,589,000 gallons was an all time high.

Chair Evans called for any questions (none) with the Chair indicating he would entertain a motion to accept the report with R Van Dusen so moving. R Lee seconded the motion and upon vote the Operations Report was approved without opposition.

Agenda Item #8 Special Request for Relief – 20210 Camino del Sol a/c#3027

Chair Evans opened the discussion noting the customer experienced a high water usage due to a split pipe and asked the property owner to provide the Board with the details. Mr. Joseph Brokaw introduced himself and explained a galvanized pipe split causing the high usage. Mr. Brokaw indicated he realizes he must pay for the water usage and was only asking for a payment plan, noting he could pay \$75.00 a month, and asking the Board to waive any late or penalty fees. The Chair asked for any questions or comments from the Board with R Lee indicating there had been a similar request a while back, but noted he did not recall if the late fees were waived. R Hrabina indicated the Board did waive the late fees at that time. The Chair stated he felt it was a reasonable request and indicated he would entertain a motion. R Lee motioned to accept the payment terms of \$75.00 a month, provided the payments are not paid late. F Ballinger seconded the motion and upon vote the motion carried without opposition. Bob Cothorn was called upon who indicated he did not feel the motion included the wording to waive the penalty fees and, for the record, the motion was amended by R Lee to waive the interest and penalty fees provided the customer pays \$75.00 a month until the account is paid in full with all Board members approving.

Agenda Item #9 Gila River Adjudication of Water Rights follow-up (from 7/20/06)

Chair Evans opened the discussion, asking for Floyd (Ballinger) to give an update. F Ballinger stated he talked with a Gary Parker who is with the Gila River Indian Community Irrigation District. It was indicated he did not feel it would impact us on the ground water issue. If anything, it would be a benefit to us. He also referred me to Arizona Water Resources. F Ballinger indicated it might be important for a Board representative to attend one of the upcoming public meetings to better educate ourselves. It was noted the Phoenix meeting is scheduled for September 12th at 7 PM and other locations include Casa Grande and Safford. Chair Evans inquired about the "report" that is referred to, asking Floyd (Ballinger) if he could obtain a copy with F Ballinger indicating he would do so. Chair Evans suggested getting it to Sarah (Hrabina/Management) prior to the next meeting so copies could be made for each Board member. **DISCUSSION ONLY; NO BOARD ACTION TAKEN**

Agenda Item #10 Call to the Public - NONE

With no other business to come before the Board, the meeting adjourned at 7:55 PM.

CERTIFICATION:

I, Sarah J. Hrabina, certify the Agenda for the August 17, 2006 Regular Board Meeting was posted for the public at the Post Office Bulletin Board, on Friday, August 11, 2006 at 4 PM.

Sarah J. Hrabina

ATTESTED:

I, Ronald E. Lee, Sr. for the Black Canyon City Water Improvement District certify that the minutes, as transcribed, are true and correct to the best of my knowledge and belief.

Respectfully submitted,

Ronald E. Lee, Sr.

Transcription of minutes completed by Sarah J. Hrabina on 8/23/2006

Amended: YES NO

Minutes of the Regular August 17, 2006 Board Meeting approved
by Board action on: _____ as herein transcribed