

**MINUTES FOR THE  
BLACK CANYON CITY WATER IMPROVEMENT DISTRICT  
JANUARY 18, 2007 REGULAR BOARD MEETING**

Chair James Evans opened the meeting at 7:30 PM expressing appreciation for the Public's attendance and called for the customary reflection period to be observed by the Board and Public. Roll Call showed a quorum present with all Board members present with Chair Evans welcoming newly elected Bob Marley back to the Board -

Jim Evans, Chair                      Floyd Ballinger, Treasurer                      Mary Brown, Member-at-large  
Ron Lee, Secretary                      Bob Marley

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

Public: Polly Ballinger, Tony Chavez, Bob Cothorn, Marlene Evans, Joyce Kobold, Ed Konieczny, Susan Marley, all Owner/Users. Also in attendance Cindy Brannan, Bruce Colbert, Big Bug News and Stacie Priest and Shelly Niven, Squaw Peak Realty

**Agenda Item #4:                      Board Member Reports - None**

**Agenda Item #5                      Approval Board Minutes**

Chair Evans called for a motion to accept the minutes with M Brown indicating she had read them and moved to accept the minutes as written with F Ballinger seconding the motion. Upon vote the minutes from the December 21, 2006 Regular Board Meeting were approved as written without opposition.

Chair Evans stated the FYI-Book was available at the back of the room for public inspection with the contents including: the Treasurer's Report (as of 12/31/06); Oaths-of Office – Robert Marley and Mary J. Brown; Correspondence from December Board action (a) on special request to survey existing water easement and special request for water line removal and relocation; and information on the posting & publication of the approved audit for fiscal year ending 6/30/2006.

**Agenda Item #6                      Treasurer's Report (as of 12/31/2006)**

Treasurer F Ballinger began the Financial Report reporting the beginning and ending balance in each account:

| Account              | Beginning    | Ending       |
|----------------------|--------------|--------------|
| General Fund         | \$237,768.45 | \$276,392.77 |
| Security Deposits    | \$ 39,710.00 | \$ 39,710.00 |
| Capital Reserve      | \$137,115.80 | \$138,708.31 |
| Arsenic Sinking Fund | \$ 51,247.94 | \$ 58,080.59 |
| Bank of the West     | \$ 45,812.45 | \$ 7,771.99  |

The Treasurer noted as reported last month mp transfer was not done in November; therefore two transfers were made in December. In addition the quarterly transfer was made from the Capital Fund to the General Fund for disbursements made during the quarter. F Ballinger also noted no change in the Set-aside Fund from the last report.

December billing totaled \$28,632.64 with 833 active accounts. The gallonage for the month was reported at 5,286,000 as compared to 6,940,900 the previous month. The Dec '05 comparison was 4,834,000 gallons. Total year-to-date (6 months) was reported at 41,807,000 gallons.

The cash management reports showed total receipts for the month of \$36,241.61 and total disbursements of \$25,796.59. The Treasurer indicated the financials included audit #7646 through #7706 and QuickBook invoices #754 to #769 with the accounts receivable balancing in both at \$28,827.64. No impact fees were collected during December; and both the budget report and monthly general journal entries were attached for approval.

Chair Evans called for a motion to accept the Treasurer's Report and M Brown so moved. R Lee seconded the motion on the floor and upon vote the Treasurer's Financial Report for the period ending 12/31/2006 was approved unanimously.

**Agenda Item #7                      Operations Report (as of 1/17/07)**

R Hrabina presented an overview to the Board and Public: 23 Completed Work Orders, 12 Blue Stakes marked and 31 "Pink Slips" for past due accounts were processed. Details of the work done were given including freezing occurring at every site with the recent cold snap. The Happy Jack booster completely froze, however, no damage resulted. Although insulating was previously done, additional insulation was added for added protection.

**Agenda Item #7 Operations Report (con't)**

Water samples (for bacteria) for the month were negative.

Well Stats – R Hrabina noted very little change; water levels were reported with the previous period also shown for comparison as follows:

| Water levels:                    | LAST MONTH          | THIS MONTH       |
|----------------------------------|---------------------|------------------|
| Big John #1                      | 22'; Draw to 26';   | 22'; Draw to 26' |
| Big John #2                      | 22'; Draw to 44';   | 22'; Draw to 44' |
| Running time 4 ½ -6 hrs a day    |                     |                  |
| GOA #1                           | 20'6"; Draw to 24'; | 21' Draw to 24'  |
| GOA #2                           | 21'; Draw to 38'    | 23' Draw to 40'  |
| Running time 3 ½ - 4 ½ hrs a day |                     |                  |
| Oasis #1                         | 36'; Draw to 42'    | 30'; Draw to 52' |
| Oasis #2                         | 35'; Draw to 45'    | 27" Draw to 44'  |
| Running time 3 ½ -4 ½ hrs a day  |                     |                  |

Total gallons pumped from the period 12/12/06 thru 1/13/07 was 6,333,000 gallons.

R Hrabina informed the Board Management is working on the rebate program put into place by the Board along with the small rate increase that went into effect on 8/1/2006. The Rebate Program was initiated to "reward" customers who conserve water on an annual basis using 36,000 gallons or less for the entire year. Preliminary numbers show 153 customers will qualify with a total in rebates of \$3,287.00. Final report will be provided for the February Board meeting for approval.

Chair Evans indicated he would entertain a motion to accept the Operations Report with B Marley so moving. The motion to accept the Operations Report was seconded by M Brown and upon vote passed with no opposition.

**Agenda Item #8 Reorganization and Appointment of Board Position for 2007**

Chair Evans opened the discussion indicating the five positions on the Board – Chair, Vice Chair, Secretary, Treasurer and Member-at-large. Asking for the floor, B Marley stated he spoke with members of the Board with Ron (Lee) indicating he was willing to continue as Secretary, Floyd (Ballinger) as Treasurer and Mary (Brown) as Member-at-large. B Marley indicated he had served as Vice Chair for the 14-months he served previously on the Board and stated he would like to offer himself as Chair for 2007. F Ballinger, M Brown and R Lee all confirmed they would like to be reappointed to their positions. J Evans stated he would also like to continue as Chair with R Marley suggesting he and Jim abstain from voting and call for the vote of the other three members for the position of Chair. Calling for the vote for the position of Chair, J Evans received one vote from F Ballinger and B Marley received votes from M Brown and R Lee appointing B Marley to the position as Chair for 2007 with a 2 to 1 majority vote; J Evans to serve as Vice Chair. At this point the chairmanship of the meeting was passed to Bob Marley with B Marley expressing appreciation to Jim (Evans) for the commendable job he has done serving on the Board and as Chair; his support and assistance given to Management and noted he looks forward to working well together in the upcoming year. Applause of appreciation by the Board and Public was given to Jim Evans.

**Agenda Item #9 Mission Statement for BCCWID**

Chair B Marley opened the discussion noting prior to his departure from the Board discussion about approving a Mission Statement had taken place but never finalized. The Chair indicated the board packets included his suggestion and called for Board discussion. Vice Chair stated he felt a Mission Statement could be a good thing, but thought the proposed statement was a bit too long and should be more precise. The Chair read the current statement, noting it has been included with the annual CCR (Consumer Confidence Report) and explained his revisions includes only minor changes and only a couple of extra lines. Asking for any additional comments or motion, M Brown stated she had no problem with either version and moved to approve the Mission Statement presented by B Marley. The motion was seconded by R Lee and upon vote the Mission Statement for the BCCWID passed unanimously.

***Our Mission Statement*** – *"We, the Board members and the Management Office of the Black Canyon City Water Improvement District, are dedicated to assured delivery to every user within the Water District boundaries of quality water that meets, or exceeds, all county, state and*

**Agenda Item #9 Mission Statement for BCCWID (con't)**

*federal requirements. We believe in superior service for our customers and competitive rates. When capital improvements are required for your system they will, to the greatest extent possible, be revenue financed. We ask all our Owner/Users to help protect our water resources and learn and practice conservation methods as much as possible to help safeguard our way of life and our community's future."*

**Agenda Item #10 Volunteer to Post Board Meeting Summaries Monthly**

Chair B Marley opened the discussion indicating agendas are posted, according to law, at the post office bulletin board so the Public knows what will be discussed at the Board meetings. Previously when he served on the Board he volunteered to post a summary after the meeting so people would know what took place and what decisions were made. The Chair suggested this be re-instated and indicated a volunteer was needed and asked for Board discussion. Vice Chair J Evans indicated it was a good idea. Calling for a motion, J Evans moved to post a meeting summary with F Ballinger seconding the motion. Upon vote the motion to re-instate posting a meeting summary for the Public was approved unanimously. Chair R Marley volunteered to write the summaries.

**Agenda Item #11 Donation/Rent for use of Community Church for Board Meetings**

Vice Chair B Marley opened the discussion indicating Jim (Evans) had asked for this to be placed on the agenda, noting he was pleased with the facility and would not want to move the location. J Evans indicated the Board meetings were previously held at the High Desert Park facility with the District paying \$150.00 (annually) for the use and he felt it was only right the District make some type of payment for the use of the facility and recommended \$100.00. R Lee agreed the facility was a much better location. Calling for a motion, M Brown noted she felt \$100.00 was not enough and moved for the District to pay \$150.00 annually for the use of the Community Church fellowship hall. The motion was seconded by R Lee and upon vote passed without opposition.

**Agenda Item #12 Develop BCCWID Website**

Chair B Marley opened the discussion noting during the election campaign some of the issues that came up included how independent audits occurred and indicated he felt a good way to handle some of these Public concerns would be to create a website. It was noted the Fire Department has a website, the Chamber of Commerce, the School and it would be appropriate for the Water District to have a website. In preparation, B Marley indicated he set a site up temporarily on his website so other Board members could review. Chair Marley indicated he did not think the exact contents would be resolved at tonight's meeting but was looking for the approval to move forward and the format. The Chair opened the floor for Board member discussion with R Lee indicating he liked the idea. J Evans suggested having a form for customers to ask questions. Chair Marley indicated hosting sites include multiple e-mail mailboxes that could be set up. Additional discussion followed regarding the site name with BCCWID.ORG being suggested. The Chair called for a motion and F Ballinger motioned to approve creating the website on a one-year trial basis. Chair Marley noted the cost is minor, indicating it would run less than \$100.00. The motion approving the creation of the website was seconded by M Brown and upon vote passed unanimously. Chair Marley noted some of the items the website could include, such as: agendas, minutes, our financials, information on our system, our audits. M Brown indicated she pulled it up on line and was very impressed. Chair Marley indicated the discussion on the information to be included on the website will be discussed again at the February meeting.

**Agenda Item #13 Line Extension Approval – K-Mine to Hill Street**

Chair Marley directed opening discussion to Randy (Hrabina/Management) with R Hrabina stating the request is for a property south of the Community Center off of Hill Street. It was stated there is no water main on Hill Street with the existing homes on Hill Street serviced from Vine Street. To obtain water service a line extension will be needed from K-Mine to Hill Street. The line extension needs to be approved by the Albins in accordance with the leased well agreement in place and that approval has been received. The burden of cost for the line extension, which would include approximately 500-feet of 6-inch main, valves and a fire hydrant, is on the property owner or Developer with the exception of a 6" valve, tee and approximately 20-

**Agenda Item #13 Line Extension Approval – K-Mine to Hill Street (con't)**

feet of pipe Management would recommend the District install for a future improvement to tie-in the Vine and Hill Streets mains which has nothing to do with this property. It was also noted the line extension would have to be engineered and approved by either ADEQ or the County. F Ballinger excused himself from the discussion due to a conflict of interest with the property owner being a family member. There were no objections to the line extension from the Board and R Hrabina (Management) noted he assumes it will need to be a 6-inch line unless the engineer calculates it and determines 4-inch to be sufficient. Chair Marley called for a motion and M Brown motioned to approve the line extension requested. R Lee seconded the motion and upon vote the motion carried without opposition and with F Ballinger abstaining from the vote.

**Agenda Item #14 Digital Recording of Board Meetings**

Chair Marley opened the discussion indicating the current method of recording the minutes by tapes is not working extremely well and suggested updating to digital recording for better quality. Additional discussion followed including M Brown inquiring about the cost and R Marley indicated he felt it could be within the amount he has estimated of \$125.00. R Lee indicated the need for better amplification as well needs to be considered and the matter was **TABLED** with R Marley and R Lee volunteering to work on getting the additional information needed to present to the Board.

**Agenda Item #15 Capital Improvement Project – line replacements for Church St, David St, Phyllis St and Albins St prior to Yavapai Co road improvements**

Chair Marley directed the opening discussion to Randy (Hrabina/Management) with R Hrabina stating Management had received notice last week that the County plans to re-do (pave) the streets starting February 1<sup>st</sup>. R Hrabina indicated he called the County letting them know the District would have to replace all the lines (water mains/service lines) and February 1<sup>st</sup> was just not possible. It was noted the County had proposed doing one street last year but tabled the project and they (County) never said anything else about it (until now). The County indicated they could put it off until May 1<sup>st</sup>, but would have to do it as part of this year's fiscal budget (by 6/30/2007). The District does not have a choice; we need an engineer and it was noted a couple of names were obtained from Jim Evans as well as the name of Kelley-Wise Engineering who is doing work on the line extension previously discussed. R Hrabina indicated Mr. Wise is very much interested in doing the work and is well qualified. A resume was faxed with copies given to the Board members in their Board packets and R Hrabina indicated he would like Board approval to move forward on the project because of the time element. After the engineering work is completed the project will have to go out for bids with R Hrabina noting the size of the project would make it impossible for Management to do the work. R Hrabina stated the County has indicated they will keep the District better informed of their upcoming projects and will provide with their new fiscal year their immediate plans and also provide a 5-year plan, although they indicated that would be subject to change. It was noted a special meeting may be needed in order to move the project along in sufficient time. R Hrabina estimated the cost would be approximately \$200,000. Chair Marley called for questions from the Board with J Evans asking about funds available with S Hrabina (Management) indicating the General Fund balance was \$276,000 and the Capital Reserve at \$138,000. Additional discussion followed regarding the mains and service lines that would need to be replaced. Upon the call for a motion, J Evans motioned to approve Kelley-Wise as the District's engineer to obtain costs for the project. R Lee seconded the motion and upon vote the motion approving Kelley-Wise Engineering passed without opposition.

**Agenda Item #16 Call to the Public**

Chair Marley noted the Board meetings, in general, is for Board discussion and discussion with Management. We do, occasionally, during the meeting seek input from the Public, but this (Public Call) is your primary time to make comment, ask questions, state concerns or complaints and opened the floor to the Public for Public Call.

Shelly Nevins and Stacie Priest of Squaw Peak Realty wished the Board well on the upcoming project.

**Agenda Item #16 Call to the Public (con't)**

Susan Marley noted a few minor grammatical revisions needed to the Mission Statement as written on the agenda item cover sheets in the Board Packets. The revisions were noted and it was indicated the correct wording had been changed and included on the pages with the website agenda item cover sheet.

With no other business to come before the Board, the meeting adjourned at 8:40 PM.

**CERTIFICATION:**

I, Sarah J. Hrabina, certify the Agenda for the January 18, 2007 Regular Board Meeting was posted for the public at the Post Office Bulletin Board, on Friday, January 12, 2007 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 1/25/2007

Amended:  YES  NO

Minutes of the Regular January 18, 2007 Board Meeting approved  
by Board action on: \_\_\_\_\_ as herein transcribed