

**MINUTES FOR THE
BLACK CANYON CITY WATER IMPROVEMENT DISTRICT
December 20, 2007 REGULAR BOARD MEETING**

Chair Marley opened the meeting at 7:30 PM and welcomed the public in attendance explaining the protocol of the board meeting; indicating a public call at the end of the meeting at which time members from the public can speak. It was noted the Board could take no action at public call but, if warranted, could place the matter on the agenda of an upcoming meeting. The Chair called for the customary reflection period to be observed by the Board and Public.

Roll Call showed a quorum present with the following Board members present:

Robert Marley, Chair Jim Evans, Vice Chair Floyd Ballinger, Treasurer

Mary Brown, Member-at-large

Absent: Lavon Van Dusen, Secretary

Also in attendance

Management: Randall Hrabina and Sarah Hrabina

Owner/Users: Sue Marley, Marlene Evans and Polly Ballinger

Media: None

Agenda Item #4: Board Member Reports – none

Agenda Item #5 Approval of Board Minutes – November 15, 2007

M Brown stated she read the minutes. J Evans moved to accept the minutes and F Ballinger seconded the motion. Upon vote the motion to accept the Nov 15, 2007 Regular Board meeting minutes were approved unanimously.

Agenda Item #6 Treasurer's Report (as of 11/30/2007)

Treasurer Floyd Ballinger presented the Financial Report for the period ending 11/30/2007 with the beginning and ending balance for each account provided:

Account #	Beginning	Ending
General Fund	\$141,707.83	\$130,611.07
Security Deposits	\$40,320.00	\$40,320.00
Capital Reserve	\$121,973.52	\$134,732.31
Arsenic Sinking Fund	\$76,664.69	\$78,277.99
Bank of the West	\$11,691.57	\$13,913.01

F Ballinger reported there was no change in the Set-aside Funds from the last report.

November billing totaled \$35,485.15 with 830 active accounts. The gallonage for the month was reported at 6,273,000 as compared to 6,892,000 the previous month. The Oct. '06 comparison was 6,940,900 gallons.

The cash management reports show total receipts for the month of \$38,928.76, and total disbursements of \$32,568.76. The financials include audit #8181 through #8233 and QuickBooks invoices #866 to #873 with the accounts receivable balancing in both at \$38,928.76. No impact fees were collected during Nov. The data was respectfully submitted by Management, Sarah Hrabina, and approved by the Treasurer, Floyd Ballinger, for final Board approval and also included the monthly general journal entries and budget/year-to-date analysis.

Chair Marley called for any questions from the Board or motion to accept with J Evans moving to accept the financial report presented. M Brown seconded the motion and upon vote the Financial Report for the period ending 11/30/2007 was approved without opposition.

Agenda Item #7 Operations Report (as of 12/19/07)

R Hrabina presented an overview to the Board and Public: 20 Completed Work Orders, 19 Blue Stakes marked; 32 pink slips processed for Nov.

Water samples, for bacteria, for the month were negative.

R Hrabina reported Management and Chair Bob Marley met with Kevin McDougall the civil engineer for the Canyon RV Resort/Dog Track property. It was also stated Management had just received a packet for the preliminary plan review from Yavapai County. The County will have a preliminary review on January 15th (2008) so the District will have to respond with a letter to the county. The plan shows the Developer plans to drill a well to be approved by ADEQ. The District's letter to the county will need to state what the District is looking to be included in the plan.

Well Stats – R Hrabina stated well depths with the recent rains have come up about a foot across the board.

Statistics for the past two (2) months:

Water levels:	LAST MONTH	THIS MONTH
Big John #1	24'; Draw to 27';	23'; Draw to 26'
Big John #2	24'; Draw to 46';	23'; Draw to 45'
GOA #1	22'; Draw to 27';	21'; Draw to 26'
GOA #2	24'; Draw to 42'	23'; Draw to 41'
Oasis #1	37'; Draw to 57'	36'; Draw to 55'
Oasis #2	37'; Draw to 48'	36'; Draw to 47'

Total gallons pumped for the period 11/14/07 thru 12/11/07 - 6,584,000 gallons.

R Hrabina reported the storage tank cleaning was performed by Liquivision on November 28th at a cost, as quoted, of \$2,995.00. The tanks were in very good condition and no extra repairs or rust spots were detected.

F Ballinger motioned to accept the Operations Report with J Evans seconding the motion. Upon vote the Operations Report for the period ending 12/19/2007 was approved unanimously.

Chair R Marley indicated unless there were any objections, he would like to move agenda item #11 up at this time to permit Darlene Wood, the District's auditor, to discuss the audit allowing her to leave and not stay for the remainder of the meeting. There were no objections.

Agenda Item #11 Preliminary Audit Report by Darlene Wood, CPA

Darlene Wood thanked the Chair and indicated the first part of the audit is the management discussion and analysis, noting this represents an overview of the financial condition of the District. She noted a couple of clerical errors that would be corrected before presentation of the final draft. As is the case of the past years, the District is moving in the right direction with the District assets continuing to increase. The net assets represent, basically, your net worth and have increase about 4% (for the fiscal year ending 6/30/2007). You continue to operate in the "black", which is not always the case with other water districts, so you are doing very well in that regards.

The procedures and processes you have in place are very good; you have a lot of good controls in place. Ms Wood commended the efforts the Board makes to review transactions and documents (monthly).

The balance sheet includes a comparison from fiscal year '06 to '07 with the '06 net assets at 1,183,000 compared to '07 at \$1,226,000. Again, the significance of this is it shows the District is moving in the right direction. Additional discussion followed on the remainder of the statement with Ms Wood indicating she would be happy to answer any specific questions or to provide any additional detail. R Marley noted on page 6 the impact fees indicated of \$1,500 residential and \$1,800 commercial appear to be the "old" rates, not the "new" rates with S Hrabina noting the new rates (\$2,500 and \$2,800 respectfully) were affective August 2006. Ms Wood indicated she would make a correction for the final statement.

With no other questions the Chair called for a motion and F Ballinger moved to accept the preliminary audit for the fiscal year ending 6/30/07. The motion was seconded by M Brown and upon vote the preliminary audit was accepted unopposed. Chair Marley thanked CPA Darlene Wood for her attendance and presentation.

Agenda Item #8 Special Request a/c#411 18777 W Phyliss St

Chair Marley opened the discussion inquiring if the property owner was present. S Hrabina indicated they were not and gave a brief overview of the request and customer history. The matter was TABLED with no Board action taken on the request.

Agenda Item #9 BCCWID Ordinance Update

Chair Marley opened the discussion stating a substantial amount of effort has gone into the review process by the committee and called upon Floyd (Ballinger) to report. F Ballinger stated the Ordinance Committee had its first meeting a week after the last Board meeting and each week thereafter to review the Ordinance 98-3 in place since 1998. It was noted the original document appeared to have been borrowed from another utility or district that was also, most likely, a combination of water and sewer because of the number of references to sewer in the document. It also appeared the document was most likely "scanned" producing a number of errors, including grammar. F Ballinger expressed appreciation for the "grammar police" (Sue Marley) and after weekly meetings to review the document the committee is pleased to finalize it. It was noted the format changes and revisions do NOT alter the original content. It was also noted the new format included any reference to fees to refer to the Fee Schedule (Section 1001) thereby making it easy to locate fees and simple to revise in the future having only one place to make changes without multiple locations throughout the document. "I feel this was one of the most major efficient changes made to the document", F Ballinger stated. After three weeks of review and changes the final document has been provided to the Board for final review and critique.

R Marley noted both he and Floyd are very familiar with the final document and called for any questions or comments from the remainder of the Board members and again stressing the document being presented at this time combines everything currently in place and does NOT alter the content. The committee looked at this as a two-step process with actual content changes to be addressed later going through the public hearing process. Chair Marley called on J Evans for comments with J Evans indicating the 1994 Uniform Building Code is referenced in the document (page 4) and adding most cities now use the International Building Code. He suggested a date not be used in the verbiage and change to the International Building Code. S Hrabina noted that would be the type of change that would need to be addressed as an upcoming revision because it would change and could not be changed at this point. Chair Marley indicated he would note the change and add it to the committee's list of potential changes. J Evans stated he felt putting all the rates in a separate, one-page source was a good idea and commended the committee for a great job. Chair Marley indicated the recommendation of the committee to the Board is to accept the document in its new format. Calling for a motion, M Brown moved to accept the new format for the 98-3 Ordinance as submitted by the Ordinance Review Committee. J Evans seconded the motion and upon vote was approved unanimously. Chair Marley indicated he would post the ordinance on the website for the public (www.bccwid.org).

S Hrabina stated, and the Chair concurred, it would be appropriate to thank Tony Chavez for participating on the review committee. Chair Marley added Tony has helped many times in the past and the Board will mostly likely see him volunteer in the upcoming months as well possibly for the budget committee.

Chair Marley indicated the committee had about twelve changes plus the one Jim (Evans) added will need to be addressed at a later date. These types of changes will need to include the public hearing process, noting the Board could possibly bundle it with the budget (hearing) process. No Board action taken.

Agenda Item #11 Moved; see above

Agenda Item #12 Change of Meeting Place

Chair Marley opened the discussion stating Management had been informed this location (Community Church) will no longer be available after the first of the year. It was noted the fellowship hall is being converted for daycare use. As such, we need a new meeting location. Discussion followed and several locations were expressed as possibilities including the Catholic Church, VFW Civic Center and the public library. Also discussed was rental fee/cost. F Ballinger volunteered to check with the various places and make the necessary arrangements for a suitable location.

Agenda Item #11 Public Call : None

With no other business to come before the Board the meeting adjourned at 8:15 PM.

CERTIFICATION:

I, Sarah J. Hrabina, certify that the Agenda for the December 20, 2007 Regular Board Meeting was publicly posted at the Black Canyon City Post Office Bulletin Board, on Friday, December 14, 2007 on or before 4:00 AM.

Sarah J. Hrabina
Sarah J. Hrabina

ATTESTED:

I, Robert Marley, Chair 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,

Robert Marley

Robert Marley, Chair

(Note: The Chair has attested to the accuracy of the minutes in lieu of the Secretary who was absent from the December meeting.)

Transcription of minutes completed by Sarah J. Hrabina on 1/14/2008

Amended: YES NO

Minutes of the Regular December 20, 2007 Board Meeting approved as herein transcribed by Board

action on: _____