

**MINUTES FOR THE
BLACK CANYON CITY WATER IMPROVEMENT DISTRICT
February 21, 2008 REGULAR BOARD MEETING**

Chair Marley 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 present with the following Board members present:

Robert Marley, Chair Lavon Van Dusen, Secretary
Jim Evans, Vice Chair Mary Brown, Member-at-large

Absent due to illness: Floyd Ballinger, Treasurer

Also in attendance

Management: Randall Hrabina and Sarah Hrabina

Owner/Users: Marlene Evans, Cindy Brannan

Media: Diane Baker

Agenda Item #4: Board Member Reports – none

Agenda Item #5 Approval of Board Minutes – January 17, 2008

M Brown stated she read the minutes and found them to be accurate, moving to accept the minutes from the Jan. 17, 2008 Regular Board meeting. J Evans seconded the motion and upon vote the motion to accept the minutes from the Jan 17, 2008 Regular Board meeting were approved unanimously.

Agenda Item #6 Treasurer's Report (as of 01/31//2008)

In the absence of Treasurer Floyd Ballinger, Sarah Hrabina presented the Financial Report for the period ending 01/31/2008 with the beginning and ending balance for each account provided:

Account	Beginning	Ending
General Fund	\$136,201.66	\$125,216.45
Security Deposits	\$40,320.00	\$40,320.00
Capital Reserve	\$147,380.64	\$162,544.13
Arsenic Sinking Fund	\$79,755.95	\$81,233.79
Bank of the West	\$13,913.01	\$13,455.60

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

January billing totaled \$33,052.43 with 831 active accounts. The gallonage for the month was reported at 5,365,000 as compared to 4,305,000 the previous month. The Jan. '07 comparison was 5,782,800 gallons.

The cash management reports show total receipts for the month of \$31,080.18, and total disbursements of \$22,496.89. The financials include Taabs/In-Hance audits #8274 through #8311 and QuickBooks invoices #885 to #890 with the accounts receivable balancing in both at \$33,523.53. No impact fees were collected during Jan. This data was respectfully submitted by Management, Sarah Hrabina, and approved by the Treasurer, Floyd Ballinger, for final Board approval.

It was noted that Management has implemented the new In-Hance billing software following an on-line training session completed by both S Hrabina and Chair Marley. The conversion is going very well and for one complete month Management will run both the new In-Hance and old Taabs programs simultaneously to assure a smooth transition for the customers.

M Brown motioned to accept the Financial Report with L Van Dusen seconding the motion. Upon vote the Financial Report for the period ending 01/31/2008 was approved without opposition.

Agenda Item #7 Operations Report (as of 02/19/08)

R Hrabina presented an overview to the Board and Public: 17 Completed Work Orders, 20 Blue Stakes marked; 32 pink slips processed for Jan.

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

Feb. 4: arsenic sampling was done; report due back in a week or so.

Well Stats – R Hrabina stated due to continuing heavy rains, water levels are up to “normal”

Statistics for the past two (2) months:

Water levels:	LAST MONTH	THIS MONTH
Big John #1	20' 6" Draw to 24';	20' 6" Draw to 24'
Big John #2	20' 6" Draw to 29';	20' 6" Draw to 28'
Running time 3 - 6 hrs/day		
GOA #1	20' 6" Draw to 23';	20' 6" Draw to 23'
GOA #2	21' Draw to 30'	20' 6" Draw to 29'
Running time 4 - 7 hrs/day		
Oasis #1	23' Draw to 30'	23' Draw to 30'
Oasis #2	23' Draw to 32'	23' Draw to 30'
Running time 2 ½ - 3 ½ hrs/day		

Training has been completed for the new In-Hance billing software and conversion is being implemented. Management is currently running both Taabs and In-Hance programs simultaneously for one full month before ending the old Taabs/Multi-Plus program. All is going well with only a few minor glitches. February billing will be the final phase of the conversion from one program to the other.

Due to the increase in work load created by the new billing software and running both programs simultaneously, completion of the rebate research won't be ready until next month.

M Brown motioned to accept the Operations Report with L Van Dusen seconding the motion. Upon vote the Operations Report for the period ending 02/19/08 was approved without opposition

Agenda Item #8 Final Approval of Audit FY ending 6/30/2007

Chair Marley briefly summarized the final audit report received from District CPA Darlene Wood, stating it was basically the same as the preliminary report the Board received in Dec., with a few minor adjustments. A copy of the final report was made available to all who wanted to review it further. J Evans moved to accept the report and L Van Dusen seconded. The Board voted unanimously to accept the final audit report for fiscal year ending 6/30/2007.

Agenda Item #9 CPA Engagement Letter for FY ending 6/30/2008

CPA Darlene Wood provided an engagement letter (employment contract) for Board consideration in retaining her services for the current fiscal year. Chair Marley read the letter aloud to the Board and the issue was discussed briefly. M Brown then moved that we continue to retain the services of Darlene Wood, J Evans seconded, and the motion passed without opposition.

Agenda Item #10 2007 Consumer Confidence Report .

Management reviewed and made the necessary changes to the 2007 Consumer Confidence Report and presented it to the Board for final approval. Once approved, the report will be mailed to all the Owner/Users, posted to the website and a certification mailed to ADEQ. Upon discussion it was agreed there would be a slight additional revision made in wording concerning the arsenic issue. J Evans made a motion to accept the report with all agreed upon revisions, M Brown seconded, and the Board voted unanimously to approve.

Agenda Item #11: Dog Track Development

A lengthy discussion was held regarding the impact of the planned Dog Track development. District estimates that this development could easily become the largest District consumer of water. A rough estimate from other RV facilities currently supplied indicates possible usage of more than a million gallons a month. Unresolved questions are: Where will this water come from? The District can't just expand pumping by 10-20% without adding infrastructure like wells, tanks, treatment facilities, etc. Where will the storage be? Both the

Fire District and Water District need a large gravity fed storage tank to supply a development of this size. How does the District prevent the costs of developing the necessary major water supply from being transferred to its current, primarily residential, user base? Management pointed out that this development will have to pass through Yavapai County Planning and Zoning and BCC residents should have an opportunity to comment at that time. The feeling of the Board is the developers are going to have to work with the community to insure that a "good neighbor" relationship is created and all water costs are covered by the developer. No Board action was taken at this time.

Agenda Item #12 2008 Budget and Ordinance Review Committee

A brief discussion was held regarding the annual Budget Review meetings which are tentatively planned to be held during the latter part of March and April. The following people have indicated an interest in being a part of this committee: Management, the Chair, the Treasurer, and Tony Chavez. Anyone interested in being a part of this important committee is encouraged to contact Bob Marley, Chairman, or Sarah Hrabina, Management. No Board action was required at this time.

Agenda Item #13 Bulk Sales Request by Gregory & Cook Construction, Inc.

Gregory and Cook Construction, the gas pipeline contractor, has asked the Board to consider their request for bulk water sales. Management recommended we continue with our current policy (begun in 2002) which bans bulk sales. When allowing bulk sales there are a number of concerns including: loss of water pressure to residents when bulk water is pumped too fast, damage to pipes/system when hydrants are shut off too fast, money made from bulk sales might not be enough to cover cost to fix damage done to system. J Evans motioned to continue moratorium on bulk sales with L Van Dusen seconding. The motion passed without opposition.

Agenda Item #14 Public Call

None

With no other business to come before the Board the Chair thanked the Public for attending and the meeting adjourned at 8:18 PM.

CERTIFICATION:

I, Sarah J. Hrabina, certify that the Agenda for the February 21, 2008 Regular Board Meeting was publicly posted at the Black Canyon City Post Office Bulletin Board, on Friday, February 15, 2008 at 4:00 AM.

Sarah J. Hrabina
Sarah J. Hrabina

ATTESTED:

I, Lavon Van Dusen 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,

Lavon Van Dusen
Lavon Van Dusen

Transcription of minutes completed by Lavon Van Dusen on 3/12/2008

Amended: YES NO

Minutes of the Regular February 21, 2008 Board Meeting approved as herein transcribed by Board

action on: _____