

**MINUTES FOR THE
BLACK CANYON CITY WATER IMPROVEMENT DISTRICT
August 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, will all Board members present:

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

Also in attendance: Management- Sarah Hrabina

Owner/Users: Polly Ballinger, Cindy Brannan, Raymond Cox, Tom & Diana Kenson, Joyce Kobold, Ed Konieczny, Sue Marley and Eugene Wolbert

Media: Diana Baker, Big Bug News

During the special reflection time Chair Marley asked the public to especially remember Matt Hrabina, killed 8/11/08. Several members from the Board and from the public shared special thoughts. Matt was the District's grade 3 operator and he will be greatly missed by all.

Agenda Item #3: Board Member Reports –

Ron Lee reported he visited the school tank site road retention job, reporting it appeared to be coming along fine. Chair Marley reported he also visited the work site and took pictures of the work in progress.

Agenda Item #4 Approval of Board Minutes – July 17, 2008

Chair Marley asked if everyone had a chance to look over the minutes. A minor typo was noted followed by J Evans moving to approve the minutes as corrected. The motion was seconded by R Lee and upon vote the minutes of the July 17, 2008 Regular Board meeting, as corrected, were approved unanimously.

Agenda Item #5 Treasurer's Report (as of 06/30//2008)

Chair Marley indicated the Treasurer's Report last month had been reviewed by the Board but no action was taken because Treasurer, Floyd Ballinger had been on vacation and had not approved them as of the meeting date. Having completed the reconciliation and approved by Floyd (Ballinger), J Evans moved to approve the Treasurer's Report for the period ending 6/30/2008. The motion was seconded by M Brown and upon vote passed without opposition.

Treasurer's Report (as of 7/31/2008)

F Ballinger presented the financial report with beginning and ending balances for each account;

Account	Beginning	Ending
General Fund	\$107,279.47	\$81,404.89
Security Deposits	\$40,320.00	\$40,320.00
Capital Reserve	\$225,747.36	\$240,650.75
Arsenic Sinking Fund	\$88,536.11	\$91,915.26
Bank of the West	\$62,637.28	\$12,201.56

No change reported in the Set-aside Funds from the last report.

July billing totaled \$39,226.46 with 830 active accounts. The gallonage for the month was reported at 7,685,000 as compared to 6,642,000 the previous month. The July '07 comparison was 10,819,000 gallons.

The cash management reports show total receipts for the month of \$35,129.81, and total disbursements of 46,188.71. The financials include In-Hance audits #8520 through #8552 and QuickBooks invoices #946 to #952 with the accounts receivable balancing in both at \$36,254.84. No impact fees were collected during July and it was noted the monthly general journal entries were attached to the report. The data was respectfully submitted by Management, Sarah Hrabina, and approved by Treasurer Floyd Ballinger for final Board approval.

The Chair called for any questions or motion and J Evans moved to accept the Financial Report presented. R Lee seconded the motion and upon vote the Financial Report for the period ending 07/31/2008 was approved unanimously.

Agenda Item #6 No Operations Report this month

Agenda Item #7 Lien Hearings for delinquent accounts

Chair Marley deferred opening remarks to Sarah(Hrabina/Management). S Hrabina stated two certified notices had been sent out regarding the delinquent status of their accounts. Notice for account #678/Billips at 35201 S River Ridge Road with an amount of \$240.69 owing has been paid in full. Notice for account #218 Estate of Norma Burlingame/Sherry Harker (daughter) at 18800 W Phyllis Street with \$814.44 owing. In addition to the certified letters, the properties were also posted. Both certified letters were returned, unclaimed. Management reported no communication with Ms Harker. After due consideration M Brown moved to lien the property and Management to remove the meter. The motion was seconded by F Ballinger and upon vote passed unanimously.

Agenda Item #8 Presentation/special request by Ray Cox for re-instatement of water service at 32370 Maggie Mine Road

Chair Marley called upon Mr. Cox to explain his circumstances. Mr. Cox stated he sold the property to Mr. Schmidt in 2003 with the property connected and water service provided by the District. Mr. Cox was holding the mortgage and in addition to not paying the District, Mr. Schmidt stopped paying the mortgage forcing Mr. Cox to foreclose. Mr. Cox indicated he consulted an attorney and any liens are null and void with the foreclosure process. Mr. Cox indicated he would like the Board to consider re-establishing the water service. Chair Marley suggested a possible solution for Board consideration would be for Mr. Cox to pay the amount owed in arrears (\$1,330.75 to date) and just the normal application and security deposit with the fees for "new" service including the impact and meter fees waived. J Evans indicated he was concerned doing so could set a precedence. Additional discussion followed including Mr. Cox indicating he would be agreeable to paying the amount owed in arrears to re-establish service and have the lien removed from the property. M Brown moved to approve the payment of the amount owed in arrears by Mr. Cox and waive the additional impact and meter fees to re-establish service to 32370 Maggie Mine Road. R Lee seconded the motion and upon vote passed unanimously. Upon payment, Management will record a lien release

Agenda Item #9 ADEQ Monitoring of two low pressure complaints

Chair Marley opened the discussion explaining he was informed by Karen Berry at ADEQ of two low pressure complaints they received. ADEQ has been doing pressure test monitoring at the two unknown locations with the Chair indicating ADEQ found no readings below the minimum 20 psi requirement. A report will be forthcoming from ADEQ with the findings. **No action required**

Agenda Item #10 Dog Track Developers request "Will Serve Letter"

Chair Marley reported the Dog Track developers recently requested a "Will Serve" letter be delivered to Yavapai County Planning to enable them to proceed with their development. Copies of emails between the Chair and the developer's engineering company were given to all Board Members. Without an agreement on the amount of water to be delivered, the funding, size, and placement of a required large storage tank, and the funding of the additional distribution system needed to supply the project's required water, the Chair responded that a "Will Serve" letter was not possible. There are currently no legal problems and it is expected that negotiations will resume at some future time. No action required.

Agenda Item #11 2008 Election

Chair Marley reported Yavapai County Board of Elections has indicated there were only three candidates filing the necessary petitions to run for the three Board positions in the upcoming November election. Pursuant to County regulations, the Board of Supervisors will cancel the election since only three candidates filed. The three candidates to file petitions to run for the Board are: Floyd Ballinger, Ronald E. Lee and Joyce Kobold. **No action required**

Agenda Item #12 Loss of Grade 3 Operator, Matt Hrabina

Chair Marley opened the discussion indicating he had contacted ADEQ regarding the death of Matt Hrabina, the District's grade 3 operator. Under unusual circumstances, ADEQ indicated the District could have up to a year to resolve the issue. The Chair asked the Board and Management to begin consideration of finding a suitable replacement. **No action taken**

Agenda Item #13 Public Call

Diana Kenson inquired if it would be possible to have customer's last payment included on the monthly bills. Management explained the postcards are preprinted and what is included is probably limited by the software. Management will look into the matter and report on the findings.

With no other business to come before the Board the Chair thanked the Public for attending and the meeting adjourned at 8:17 PM.

CERTIFICATION:

I, Cindy Brannan, certify that the Agenda for the August 21, 2008 Regular Board Meeting was publicly posted at the Black Canyon City Post Office Bulletin Board, on Friday, August 15, 2008 on or before 4:30 PM.

Cindy Brannan
Cindy Brannan

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.
Ronald E. Lee, Sr., Secretary

Transcription of minutes completed by Sarah J. Hrabina on 9/12/2008

Amended: YES NO

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

action on: _____