

**MINUTES FOR THE
BLACK CANYON CITY WATER IMPROVEMENT DISTRICT
December 18, 2008 REGULAR BOARD MEETING**

Chair Bob Marley called the meeting to order at 7:30 PM thanking the public in attendance for coming to the meeting. A roll call showed a quorum of Board members present:

Bob Marley, Chair Jim Evans, Vice Chair

Ron Lee, Secretary Mary Brown, Member-at-large

Absent: Floyd Ballinger, Treasurer (The Chair noted with the heavy rains Floyd may not have been able to safely cross the river to get to the meeting from his house)

The customary reflection period was observed by the Board and Public.

Also in attendance of the Board meeting: Management- Randy and Sarah Hrabina

Owner/Users: Cindy Brannan, Tony Chavez, Marlene Evans, Ed Konieczny, Joyce & Donald Kobold and Patrick

Media: Diana Baker/Big Bug

Agenda Item #3: Board Member Reports – none

Agenda Item #4 Approval of Board Minutes – November 20, 2008

M Brown moved to accept the minutes of the November 20, 2008 Regular Board meeting as written. R Lee seconded the motion and upon vote the minutes of the November 20, 2008 Board meeting were approved unanimously.

Agenda Item #5 Treasurer's Report (as of 11/30//2008)

With the absence of Treasurer Floyd Ballinger, Chair Marley presented the financial report with beginning and ending balances for each account. The Chair indicated Floyd had prepared

Account	Beginning	Ending
General Fund	\$113,997.32	\$114,521.46
Security Deposits	\$40,500.00	\$40,500.00
Capital Reserve	\$241,993.92	\$255,704.18
Arsenic Sinking Fund	\$16,537.58	\$20,163.00
Bank of the West	\$16,028.66	\$9,972.31

It was noted the substantial decrease in the arsenic sinking fund of about \$89,000 was for the arsenic media replacement paid last month.

November billing totaled \$36,999.30 with 834 active accounts. The gallonage for the month was reported at 6,307,000; compared to 5,905,000 the previous month. The November '07 comparison was 6,273,000 gallons. Total gallons for the fiscal year-to-date reported at 36,044,000 gallons.

The cash management reports show total receipts for the month of \$34,505.53, and total disbursements of \$27,415.62. The financials include In-Hance audits #8679 through #8730 and QuickBooks invoices #983 to #994 with the accounts receivable balancing in both at \$39,386.89. No impact fees were collected during Nov. and 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.

M Brown moved to accept the financial report as presented and J Evans seconded the motion. Upon vote the Financial Report for the period ending 11/30/2008 was approved unanimously.

Agenda Item #6 Operations Report as of 12/17/2008

R Hrabina/Management presented a recap of the month's activities with 15 work orders, including one (1) meter installed. There were ten (10) blue stakes marked for the period; monthly bac-t samples were negative. Chair Marley inquired about nitrates with R Hrabina indicating we aren't required to sample monthly. At this point we are required to sample quarterly with the next testing scheduled for February (2009). The samples last month tested below the trigger point of 5 and Management indicated we're hopeful it will continue so we can go back to only testing annually instead of quarterly. Water levels remain the same with R Hrabina noting he did not

include the total gallons registered and would do so next month. R Hrabina also reported there had been an ADEQ inspection scheduled for Tuesday, 12/16/08 but was cancelled. It has been rescheduled for Tuesday 12/23/08 with a different inspector. No problems with the system are anticipated. It was indicated ADEQ although they call it a semi-annual inspection, the last time ADEQ performed an inspection was over 4 years ago. Chair Marley indicated he had requested to be present for the inspection and asked if there was anyone else on the Board interested. R Lee stated he could be available as well. With no other questions, Chair Marley called for a motion and R Lee moved to accept the Operations Report as presented. M Brown seconded the motion and upon vote the Operations Report was approved unanimously.

Agenda Item #7 Number of Board meetings required per year

Chair Marley indicated Ron Lee had asked for this agenda item and called upon R Lee to open the discussion. R Lee indicated in the past there had been some discussion, noting particularly in the summer months consideration to eliminate a couple of meetings if they weren't necessary and helping vacation schedules. Additional discussion followed. M Brown inquired of the possibility of holding the Board meetings quarterly. Chair Marley stated he checked the Arizona Revised Statutes and as a special district the minimum was to hold board meetings quarterly. J Evans noted his only concern would be if there was a customer-issue that may need action in a timelier manner. It was noted a special meeting could be called with a minimum 24-hour notice. After due consideration, M Brown moved to hold the Board meetings monthly, except during the summer months with no regular meetings during June and August. R Lee seconded the motion and upon vote the revised schedule for Board meetings (for 2009) was approved without opposition. Chair Marley indicated a letter should be drafted to Yavapai County Board of Supervisors of the change.

Agenda Item #8 Change of Meeting Time

Chair Marley opened the discussion indicating the Board had set the time of the Board meetings at 7:30 PM to accommodate Jim's (Evans) schedule and commute from Phoenix to Black Canyon City. Jim is retiring from the Board and with all the other board members available earlier the Chair asked if anyone wanted to consider starting the meetings earlier. Additional discussion followed and both 7 PM and 6:30 PM were suggested as possible times to start. After due consideration, M Brown moved to set the time for the Board meetings at 6:30 PM. The motion was seconded by R Lee and upon vote the time set for the Board meetings to begin at 6:30 PM was approved unanimously.

Agenda Item #10 Special Request – a/c#3061 20101 Camino del Sol; Request to Waive Delinquent Fees

Chair Marley called upon Sarah (Hrabina/Management) to open the discussion with S Hrabina stating the customer, Mr. Mulhern, owns the property and had been using it as a rental property. The tenant paid all fees incurred by him and vacated the property. The monthly bills were mailed to Mr. Mulhern in Massachusetts. Mr. Mulhern, however, indicated to management that he had health issues, was hospitalized for an extended period and was unable to take care of his mail. He indicated he would pay immediately the base bill, which he did and the balance owing at this time is \$69.40 which is all delinquent fees and penalties. Mr. Mulhern is asking for the Board's consideration to waive those fees. S Hrabina indicated Management was not making the recommendation to waive the fees, but was obligated to bring the matter to the Board as the customer's request. Additional discussion followed and M Brown stated the Board should not set a precedent by waiving the fees and moved to deny the customer's request to waive the fees. J Evans seconded the motion and upon vote the motion to deny the request to waive the penalty and delinquent fees was unanimous by the Board.

Agenda Item #10 Oaths of Office

Chair Marley administered the Oaths of Office to Ronald E. Lee, Sr. and Joyce Kobold with the Board and public giving a round of applause. Floyd Ballinger was not present and his oath will be done at a later time. Terms for all three are January 1, 2009 through December 31, 2012.

Chair Marley extended a hand to Jim Evans, thanking him for his years of service. Jim served on the Board for nine years with R Marley indicating that's a long time of service and is greatly appreciated. The public joined in applause of appreciation.

Agenda Item #11 Call to the Public

Diana Baker of the Big Bug newspaper inquired if there had been any more discussion regarding the Dog Track property. Management, R Hrabina stated there has been no contact whatsoever for months.

Tony Chavez inquired about policy regarding special requests, such as the one on the agenda. Management indicated a customer has a right to request it (under the Ordinance) and for the Board to consider on a case-by-case basis.

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 18, 2008 Regular Board Meeting was publicly posted at the Black Canyon City Post Office Bulletin Board, on Monday, December 15, 2008 on or before 4:30 PM.

Sarah J. Hrabina
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.
Ronald E. Lee, Sr., Secretary

Transcription of minutes completed by Sarah J. Hrabina on 12/19/2008

Amended: YES NO

Minutes of the Regular December 18, 2008 Board Meeting approved as herein transcribed by Board action on: _____