

**MINUTES FOR THE
BLACK CANYON CITY WATER IMPROVEMENT DISTRICT
January 15, 2009 REGULAR BOARD MEETING**

Bob Marley (acting chair) called the meeting to order at the new time of 6:30 PM, expressing appreciation to the public in attendance for coming to the meeting. A roll call showed a quorum of Board members present:

Bob Marley, Joyce Kobold, Ron Lee and Mary Brown with Floyd Ballinger also in attendance but not yet duly sworn into office because of his absence from the December meeting.

Also in attendance: Management – Randy and Sarah Hrabina

Owners/Users: Polly Ballinger, Cindy Brannan, Tony Chavez and Ed Konieczny

Media: Diana Baker/Big Bug

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

Agenda Item #3: Swearing in of Returning Board Member Floyd Ballinger

Bob Marley indicated he was glad to be working with Floyd for another term and administered the Oath of Office to Floyd Ballinger. Congratulations were bestowed upon F Ballinger by both the board members and public. B Marley stated he would scan the oath of office and post it to the website where previous oaths of office were already posted.

Agenda Item #4 Reorganization of Board Officers (for calendar year 2009)

Bob Marley opened the discussion and indicated the Board annually selects the members for the positions of chair, vice chair, secretary, treasurer and member-at-large.

Chair- motion by J Kobold seconded by R Lee for Bob Marley to continue as chair;

Secretary- motion by M Brown seconded by J Kobold for Ron Lee to continue as secretary;

Treasurer- motion by M Brown seconded by R Lee for Floyd Ballinger to continue as treasurer;

Member-at-large- motion by F Ballinger seconded by R Lee for Mary Brown to continue as member-at-large;

Vice Chair- motion by M Brown seconded by F Ballinger for Joyce Kobold to serve as vice chair

All motions were unanimously approved.

It was noted for banking purposes signature cards for the new board would have to be signed and executed. Management will notify the bank and County.

Agenda Item #5 Board Member Reports

Ron Lee and Bob Marley both indicated they participated in the ADEQ inspection of the District water system on December 23rd (2008). R Lee stated the inspector was impressed with our system and commented one of the wells shut down (Cholla Well) was actually in better shape than some of the on-line wells elsewhere that he has inspected.

Agenda Item #6 Approval of Board Minutes – December 18, 2008

M Brown moved to accept the minutes of the December 18, 2008 Regular Board meeting as written. R Lee seconded the motion and upon vote the minutes of the December 18, 2008 Board meeting were approved unanimously.

Agenda Item #7 Treasurer's Report (as of 12/31//2008)

Treasurer Floyd Ballinger presented the financial report for the period ending 12/31/2008 with beginning and ending balances for each account:

Account	Beginning	Ending
General Fund	\$114,521.46	\$116,904.14
Security Deposits	\$40,500.00	\$40,500.00
Capital Reserve	\$255,704.18	\$266,844.76
Arsenic Sinking Fund	\$20,163.00	\$23,579.28
Bank of the West	\$9,972.31	\$9,396.29

December billing totaled \$25,594.88 with 835 active accounts. The gallonage for the month was reported at 4,116,000; compared to 6,307,000 the previous month. The December '07 comparison was 4,305,000 gallons. Total gallons for the fiscal year-to-date was reported at 40,163,000 gallons.

The cash management reports show total receipts for the month of \$41,041.31, and total disbursements of \$27,905.05. The financials include In-Hance audits #8731 through #8776 and QuickBooks invoices #995 to #1003 with the accounts receivable balancing in both at \$28,201.56. One impact fee was collected during Dec.- audit #8767 for account #781 of \$2,500.00. It was noted budget and monthly general journal entries were also attached to the report. The data was respectfully submitted by Management, Sarah Hrabina, and approved by Treasurer Floyd Ballinger for final Board approval.

Chair Marley noted he asked Management to re-configure the budget report citing the expenditure for the arsenic media as an example and preferring it to be in the section of other expense since it is not an "ordinary" expense. S Hrabina, Management supplied the Board members with revised budget reports with the change and also noted making a change to reflect the amount of the carry-over funds. It was noted the new format would be used in all future reports.

R Lee moved to accept the financial report as presented along with the new format for the budget report and J Kobold seconded the motion. Upon vote the Financial Report for the period ending 12/31/2008 was approved unanimously.

Agenda Item #8 Operations Report as of 1/13/2009

R Hrabina/Management presented a recap of the month's activities with 21 work orders, including two (2) new meters installed. It was noted the Yavapai County required barricades for the line repair on Mesquite and the appropriate barricades were rented through Trafficade. There were thirteen (13) blue stakes marked for the period; monthly bac-t samples were negative; and water levels remain the same. It was reported the total gallons pumped for the previous period were 7,129,000 gallons and for this period 4,912,000 gallons. R Hrabina was pleased to report to the Board the ADEQ inspection that was held on December 23rd resulted in no system violations! Mr. Gregory Frech was the inspector out of Phoenix. In addition to Management, also in attendance were Board members Ron Lee and Bob Marley. Mr. Frech indicated he was very impressed with our system. R Hrabina also reported the arsenic media replacement work has been started (as contracted out through Adedge Technologies). Chair Marley inquired if Big John is out of service during the change out with R Hrabina indicating it is not. They do one vessel at a time. On motion by M Brown seconded by F Ballinger the operations report as presented was approved unanimously.

Agenda Item #9 2007-08 Annual Audit review with CPA Darlene Wood

CPA Darlene Wood was not in attendance and the matter was tabled. NO BOARD ACTION TAKEN

**Agenda Item #10 Customer Complaint regarding Capital Improvement Charges;
a/c#179**

Chair Marley opened the discussion inquiring if the customer requesting the matter to come before the Board was in attendance. S Hrabina/Management indicated he was not present. Chair Marley called upon Sarah (Hrabina/Management) to give the Board a short review of the complaint. S Hrabina indicated the residential customer (a/c#179) is one of the high consumption users using water for grass and landscape needs. Typical usage can be 40- 50,000 gallons and as high as 80,000 gallons. The customer offered and paid a lesser amount than owed, factoring in the old capital improvement charge of \$15.00 a month. When requesting Board review he indicated he felt the new fee structure was not acceptable. S Hrabina indicated she explained how the new rates were initiated, including Board hearings and a mailing to all customers prior to the rate change. The customer indicated he was unaware and wanted to at least have an opportunity to be heard. The customer was given the date and time of the Board meeting and the customer indicated he would attend. Management also suggested to the customer if they wanted to get more involved the Board always looks for volunteers from the public to help on the budget

committee. Since the customer was not present, no action was taken by the Board. Chair Marley noted water treatment costs money and is why the new format includes a base rate plus a cost per gallons used. R Marley also suggested it might be a good idea to keep a list of such customers and take extra effort to notify them of rate hearings or proposed changes.

Agenda Item #11 Update BCCWID Officers of Record for State

Chair Marley opened the discussion indicating the Arizona Department of Revenue needs the District to update the District officers for the transaction privilege tax license. In reviewing the form the information included the District EIN number, state sales tax number and social security numbers of the Board officers. On motion by R Lee seconded by J Kobold and passed without opposition the completed form should be submitted as requested by the State with the exclusion of the social security numbers of the Board members.

Agenda Item #12 Discussion of Website Use and Continuation in 2009

Chair Marley opened the discussion regarding the current District website (www.bccwid.org) noting it is not a high volume site but, nevertheless, a source of valuable information for the public and owner/users of the community. J Kobold moved to continue and maintain the website with R Lee seconding the motion. Upon vote the motion carried unanimously. The Chair indicated the hosting fees are approximately \$100.00 annually for the site.

Agenda Item #13 Call to the Public

Tony Chavez commented Cave Creek has million dollar financial problems associated with their water system and expressed his appreciation to the Board for how well run the District is.

With no other business to come before the Chair thanked the public for attending and the Board meeting adjourned at 7:05 PM.

CERTIFICATION:

I, Sarah J. Hrabina, certify that the Agenda for the January 15, 2009 Regular Board Meeting was publicly posted at the Black Canyon City Post Office Bulletin Board, on Friday, January 9, 2009 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 1/28/2009