

**MINUTES FOR THE  
BLACK CANYON CITY WATER IMPROVEMENT DISTRICT  
May 21, 2009 REGULAR BOARD MEETING; 6:45 PM BUDGET HEARING;  
and 7:00 PM ORDINANCE/RATE HEARING**

Chair Bob Marley called the meeting to order at 6:30 PM and roll call showed a quorum of Board members present:

Chair Bob Marley                      Vice Chair Joyce Kobold  
Treasurer Floyd Ballinger        Member-at-Large Mary Brown

Absent: Secretary Ron Lee (on vacation)

Also in attendance: Management – Randy and Sarah Hrabina

Owners/Users: Polly Ballinger, Cindy Brannan, Jeri Coslett, Susan Marley,  
Eugene Wolbert and Greg Watts

Media: Diana Baker/Big Bug News

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

**Agenda Item #3:            Board Member Reports - None**

**Agenda Item #4            Approval of Board Minutes – March 19, 2009 and April 16, 2009**

The Chair noted the minutes from two meetings were given for review and approval with all Board members indicating they had read them. M Brown stated she could only attest to the March meeting because she had been absent from the April meeting. The Chair called for a motion to approve the March 19, 2009 Board meeting with F Ballinger so moving. J Kobold seconded the motion and upon vote the minutes from the March 19, 2009 Regular Board Meeting were approved unanimously. The Chair called for a motion for the April 16, 2009 Board meeting and J Kobold moved to accept as written. F Ballinger seconded the motion and upon vote the minutes of the April 16, 2009 Regular Board Meeting were approved by a majority vote with M Brown abstaining from the vote.

**Agenda Item #5            Treasurer's Financial Report as of 4/30/2009**

Treasurer Floyd Ballinger presented the financial report for the period ending 04/30/2009 with beginning and ending balances for each account:

Account	Beginning	Ending
General Fund	\$139,909.94	\$86,961.04
Security Deposits	\$40,500.00	\$40,500.00
Capital Reserve	\$255,960.16	\$60,239.43
Arsenic Sinking Fund	\$33,796.16	\$37,181.70
Bank of the West	\$6,867.40	\$10,822.38

April billing totaled \$29,002.88 with 839 active accounts. The gallonage for the month was reported at 5,165,000; compared to 5,018,000 the previous month. The April '08 comparison was 4,655,000 gallons. Total gallons for the fiscal year-to-date was reported at 59,659,000 gallons. The cash management reports show total receipts for the month of \$31,879.41, and total disbursements of \$267,953.86 which included the \$249,273.09 payoff to Wells Fargo making the District debt-free for the first time in its history! The financials include In-Hance audits #8927 through #8991 and QuickBooks invoices #1043 to #1063 with the accounts receivable balancing in both at \$27,556.02. No impact fees were collected during April. 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 called for a motion and M Brown moved to accept the financial report as presented. J Kobold seconded the motion and upon vote the Financial Report for the period ending 4/30/2009 was approved unanimously.

**Agenda Item #6            Operations Report as of 4/20/2009**

R Hrabina/Management presented a recap of the month's activities with 25 work orders, including several repairs at the well and booster sites. There were fourteen (14) blue stakes marked for the period and 23 pink slips were issued in April.

Monthly bac-t samples were negative and, it was noted agenda item #7 would deal with the ADEQ notification now requiring arsenic testing quarterly.

**Agenda Item #6 Operations Report (con't)****Well Stats as of 5-18-09**

No change in water levels from last month; slight increase in running time

Water levels:	LAST REPORT	THIS MONTH
Big John #1	20' Draw to 23'	20' Draw to 23'
Big John #2	20' Draw to 38'	20' Draw to 38'
		Running time 4 ½ -6 ½ hrs
GOA #1	20' Draw to 24'	20' Draw to 24'
GOA #2	20' Draw to 36'	20' Draw to 36'
		Running time 5 -6 ½ hrs
Oasis #1	21' Draw to 30'	21' Draw to 30'
Oasis #2	22' Draw to 29'	22' Draw to 29'
		Running time 2 ½ -3 ½ hrs

Gallons Pumped:

April 20 to May 22 6,700,000 gallons

R Marley inquired about the approx. one million gallons pumped verses gallons billed with R Hrabina stating the leak could account for a great deal of it and it is unknown how long it was leaking before it was detected. He also noted the district has a lot of old meters and older meters slow down and could contribute significantly to the difference. Replacing all the old meters would be costly.

R Hrabina stated the system operator, Bob Hanus inspected the system and daily log book as required by ADEQ and found everything to be in order for the month of April 2009.

Chair Marley called for any questions from the Board or motion and M Brown moved to accept the operations report as presented. J Kobold seconded the motion and upon vote the operations report was approved unanimously.

The time was noted as 6:43 PM and the Regular Board Meeting closing to allow the Budget Hearing to begin at 6:45 PM.

**6:45 PM 2009-2010 Public Budget Hearing**

Chair Marley opened the Public Budget Hearing stating the Board has already reviewed the proposed budget and, as required, is bringing the proposed budget to the public to give the people an opportunity to comment. Asking for a show of hands for anyone wishing to address the Board the Chair noted only one hand and called upon Jeri Coslett to address the Board. Ms Coslett stated she was in attendance two years ago when the \$15 assessment was imposed (delinquent fee). She asked for copies of the minutes, wanting to know what was actually approved. In her opinion the delinquent fee was being charged after two weeks, not 30 days which was not how it was approved. She stated it was an abuse of power. The Chair asked how the comments relate to the budget hearing with Ms Coslett indicating the amount shown in the budget for line item 305.01 may need to be adjusted. The Chair asked for comments from Management regarding the matter and S Hrabina stated she felt Ms Coslett was incorrect, but it could certainly be checked out. She noted when bills go out Management reviews each and every one of the 800+ bills and any bill that has a previous balance the amount is highlighted along with the message that the amount needs to be paid before the end of the month or a \$15 delinquent fee will be assessed. Management noted only about 6% of the Owner/Users are assessed the delinquent fee which means 94% of the public pay on time which is the goal. Additional discussion followed including the Chair indicating what he is hearing from Ms Coslett is she would like the \$15 fee to "go away" with Ms Coslett responding, no and again asking for copies of the minutes and ordinance. The Chair indicated both are available on line at [www.bccwid.org](http://www.bccwid.org).

The Chair closed the floor to the public and reverted discussion back to the Board asking if any further review was needed. J Kobold moved to accept the 2009-2010 Proposed Budget as submitted with F Ballinger seconding the motion. Upon vote the 2009-2010 BCCWID Budget was approved unanimously.

This concluded the Public Budget Hearing and the time was noted as 6:58 PM.

**7:00 PM Public Ordinance/Rate Hearing**

The Chair opened the Public Ordinance/Rate Hearing asking if there was anyone in the Public wishing to comment. J Coslett asked if the changes were just related to commercial accounts with Chair Marley indicating that was correct. It was also noted the other changes were development-oriented and adding additional tiered structure which was done last year to residential accounts. The revisions have been duly posted and advertised. Ms Coslett asked for an explanation of the term "stub-in". Chair Marley provided the explanation giving as an example a large shopping mall with multiple units (stores). Under the current policy they pay the same as a single unit. The new plan will account for that with additional charges based on units served under the base meter for any new developments.

With no other questions or comments, the Chair closed the floor to the public and called for any additional discussion from the Board or motion. F Ballinger moved to approve the ordinance and rate changes as proposed with J Kobold seconding the motion. Upon vote the ordinance and rate changes presented were approved without opposition and the Public Ordinance/Rate Hearing ended at 7:03 PM.

Returning to the Regular Board Meeting Agenda

**Agenda Item #7 ADEQ Notification for Quarterly Arsenic Testing**

Chair Marley called upon Randy Hrabina (Management) to open the discussion with R Hrabina stating the District was actually cited for not testing the first quarter of 2009. He indicated ADEQ never notified anyone of this new requirement and upon receipt of the citation he called the ADEQ inspector who checked into the matter. An email was received from a Ben Chow at ADEQ and it was clear there is no federal requirement to test quarterly. Currently the testing is done annually under the state MAP program which we pay for that service. Additional discussion followed but no Board action required or taken.

**Agenda Item #8 Transcription of Board Minutes**

Chair Marley deferred opening discussion to Sarah (Hrabina/Management) with S Hrabina indicating the transcription of minutes is a Board function that she has voluntarily been doing the past ten (10) years. S Hrabina suggested the Board could hire someone to transcribe the minutes, noting Lavon VanDusen had done the transcribing while she served on the Board and is willing to do so again. Additional discussion followed with a flat rate of \$45.00 per month suggested as the amount to be paid. On motion by F Ballinger, seconded by J Kobold and unanimous vote the Board will retain Lavon VanDusen beginning the 2009-2010 fiscal year to transcribe the Board minutes at a cost of \$45.00 per month.

**Agenda Item #9 Laser Printer and New Bill Format**

Chair Marley deferred opening discussion to Sarah (Hrabina/Management) with S Hrabina stating some time ago there had been a customer who asked if our bills could include the previous amount paid. With the current postcard bills, that is not possible; however, with a laser printer a different format can be used and this could be done, but it would be 8 ½ x 11 in size which would increase costs monthly as well as a custom programming charge to set it up. It was estimated the increased costs would be approximately \$200 per month with S Hrabina stating Management certainly could not recommend this change. A customer's bill shows a previous balance and the average customer who pays their bill in full each month, the previous balance shows \$0.00 which confirms their previous payment was received and posted. There are no additional software costs for upgrading to a laser printer and the cost of the bills, in the postcard format, will remain basically the same. Chair Marley added the timing is of importance because we typically order about a one year quantity and the time to re-order is within the next several months. The quality of the print will be superior with the laser and the cost of laser printers are about \$500.00. The Chair called for a motion and M Brown moved to authorize the Chair, Bob Marley, to purchase a laser printer for the District with J Kobold seconding the motion. Upon vote the motion to approve the purchase of a laser printer was unanimous. It was also noted that the District would continue the postcard format.

**Agenda Item #10 2008 Consumer Confidence Report**

Chair Marley opened the discussion asking the Board members if they had an opportunity to read and if there were any questions. The Chair indicated there were several slight revisions he would like to recommend. Additional discussion followed regarding the changes and M Brown motioned to approve the 2008 Consumer Confidence Report with the changes noted. The motion was seconded by F Ballinger and upon vote was approved without opposition.

**Agenda Item #11 Board Review Only/communications with Canyon RV Resort Project**

The Chair opened the discussion indicating each Board member received in their packet all of the communications between the District and the principals of Canyon RV Resort. At one point they started copying the communications to all the Board members with the Chair stating he had to ask them not to do that concerned that if anyone pushed the button to reply to all it would put the District in violation of the open meeting laws. The Chair indicated this was for information only and no Board action was required.

**Agenda Item #12 Backwash Water Disposal/Sale**

Chair Marley deferred opening discussion to Randy (Hrabina/Management) with R Hrabina stating Management is in receipt of a letter from ADEQ regarding the discharge of water at the Big John well site. R Hrabina explained the media was changed out in December and that material is orange in color but is non-toxic and non-hazardous. Someone called, however, and ADEQ came out to inspect. They agree the arsenic media is non-toxic but in their report they wrote the water we were discharging was orange in color which was not an accurate statement. The water that is discharged is crystal clear and de-chlorinated. To discharge water ADEQ wants the District to get an aqua-protection permit. What the district discharges is about 2,000 gallons of water every 3-months, far less than what the neighboring property discharges every week to water their lawn. R Hrabina stated the solution he presented to ADEQ to the problem is to sell the backwash water to a contractor and eliminate the discharge. They have it under review at this time, but the matter is still open. Chair Marley inquired what Board action was needed with R Hrabina indicating the need for Board approval to sell the backwash water. On motion by J Kobold, seconded by F Ballinger and unanimous vote Management was authorized to sell the backwash water at \$3.50 per one thousand gallons.

**Agenda Item #13 Call to the Public**

Chair Marley called upon Jeri Coslett who stated she had a need for information the previous month and she appreciated the service management provided.

With no other business to come before the Chair thanked the public for attending and the Board meeting adjourned at 7:50 PM.

**CERTIFICATION:**

I, Sarah J. Hrabina, certify that the Agenda for the May 21, 2009 Regular Board Meeting was publicly posted at the Black Canyon City Post Office Bulletin Board, on Friday, May 15, 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 7/15/2009