

**MINUTES FOR THE
BLACK CANYON CITY WATER IMPROVEMENT DISTRICT
April 15, 2010 REGULAR BOARD MEETING**

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

Chair: Bob Marley

Treasurer: Barrie Dickerson

Vice-Chair: Ron Lee

Secretary: Susan Marley

Also in attendance: Management – Randy and Sarah Hrabina

Public: Cindy Brannon

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

Agenda Item #3: Board Member Reports

Susan Marley reported that the District's Okidata printers, which we had been unsuccessfully trying to sell, have been donated to AZ Strut. A donation receipt was turned in to Sarah Hrabina.

Agenda Item #4: Approval of Board Minutes – March 18, 2010

The Chair noted the minutes from the March 18 Board meeting were available for review and approval, with all Board members indicating they had read them. R. Lee moved to accept them as written. B. Dickerson seconded the motion and upon vote the March minutes were unanimously approved.

Agenda Item #5: Treasurer's Financial Report as of 3/31/2010

Treasurer, B. Dickerson presented the financial report for the period ending 3/31/2010 with beginning and ending balances for each account:

Account	Beginning	Ending
General Fund	\$40,697.86	\$39,051.33
Security Deposits	\$41,130.00	\$41,130.00
Capital Reserve	\$151,700.24	\$165,244.12
Arsenic Sinking Fund	\$70,801.81	\$74,211.56
Bank of the West	\$11,689.21	\$8,216.48

March billing with 844 active accounts totaled \$20,363.41, less 2009 rebates of \$2978.00 for a total of \$17,385.41. The gallonage for the month was reported at 2,993,000, a record low; compared to 4,047,000 the previous month. The March '09 comparison was 5,018,000 gallons. Total gallons billed for the fiscal year-to-date was reported at 49,409,000 gallons. The cash management reports show total receipts for the month of \$29,312.60, and total disbursements of \$17,152.65.

The financials include QuickBooks invoices #1171 to #1181 and In-Hance audits #9440 through #9486 with the accounts receivable balancing in both at \$22,338.19. No Impact fees were collected in March. It was noted budget vs. year to date analysis and monthly general journal entries were also attached to the report. The data was respectfully submitted by Management, Sarah Hrabina, and reviewed by Treasurer, Barrie Dickerson, for final Board approval. S. Marley moved to accept the financial report as presented. R. Lee seconded the motion and upon vote the Financial Report for the period ending 3/31/2010 was unanimously approved.

Agenda Item #6 Operations Report as of 4/15/2010

R Hrabina/Management presented a recap of the past month's activities with 15 work orders, with no repairs at the well and booster sites. There were 8 blue stakes marked. Monthly bac-t samples were negative.

Well Stats as of 4/14/10

No change in water levels:

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'
Run Time: 3-5 hours		
GOA #1	20' Draw to 24'	20' Draw to 24'
GOA #2	20' Draw to 36'	20' Draw to 36'

Run Time: 3-6 hours
Oasis #1 21' Draw to 30' 21' Draw to 30'
Oasis #2 22' Draw to 29' 22' Draw to 29'
Run Time: 2-4 hours

Randy expects run times to increase next month with the hotter weather. System operator Bob Hanus inspected the system and daily log book as required by ADEQ. He found everything to be in order for the month of March 2010.

Chair Marley called for any questions from the Board. B. Dickerson asked if the District tests for antibiotics in the water. Randy replied that this is not required and not done. There was a short discussion on testing for heavy metals, PCB's etc. R. Lee moved to accept the operations report as presented. B. Dickerson seconded the motion and upon vote the operations report was approved unanimously.

Agenda Item #7 Budget Committee Report

S. Hrabina presented the Budget Committee Report. The Operation & Maintenance (O&M) Budget was proposed with no changes to the rate structure. The Committee presented two options regarding the Capital Improvement (CI) Budget, recommending the one with no change in rates over the other with a small decrease in rates. Since water usage has steadily dropped, CI collections will be dropping with it. The Board feels that it is better to have a small surplus on hand than an emergency without the funds to resolve the problem. B. Dickerson motioned that the Board take the Committee's budget recommendation with no change in rates. S. Marley seconded the motion and the vote to approve was unanimous.

Agenda Item #8 Rate Comparison Review

R. Marley presented a recent Arizona Republic article showing the water rates for 10 Valley incorporated cities to range from a low of \$31.00/month to a high of \$52.00/month. The typical BCCWID residential user pays \$30.00 or less. The Board believes our rate structure is very competitive in comparison. No action was taken.

Agenda Item #9 Flood Control Issue at Big John Well Site

R. Hrabina believes that recent trenching by the County will actually worsen the flooding potential at our Big John well site. Apparently he has also heard that the Army Corp of Engineers is unhappy that they were not consulted before the running of our temporary emergency line at Maren Crossing. The water in the Black is going down and it is expected that we will be able to begin work on the permanent line fairly soon.

Agenda Item #10 Foreclosure and Delinquent Accounts

S. Hrabina presented a Delinquent Accounts review revealing 9 accounts that are significantly out of compliance with the District's collection policies. Five were foreclosures now held by banks. Four have an active status but are many months delinquent. A couple more are expected to go delinquent soon (more than four months behind on payments). The Board directed Management to explicitly follow our collection policies. For any account delinquent over 4 months the meter should be pulled and a lien filed against the property. When necessary, uncollectable debts should be written off and no further water deliveries occur without full payment of a new service connection fee. S. Marley made a motion that Bob and Sarah customize letters to be mailed to the last known addresses and posted on the properties, giving the users 30 days to settle their bills and have the meters reinstalled; authorizing Randy to pull those meters immediately; and authorizing Sarah to write off the bad debt. B Dickerson seconded the motion and the vote was unanimous.

Two active accounts with large bills from a leak and vandalism sought special relief from the Board. The Board directed Management to offer them a payment plan that would cover all current costs plus approximately 1/3 of their unpaid bill each month. In return the District would waive penalties during the catch-up period if all payments were made as agreed. Any failure to pay would result in all fees and penalties being reinstated, liens against the properties filed, and the meters pulled per the District's collection policies. B. Marley made a motion to accept

this plan of action. B. Dickerson seconded the motion and the vote was unanimous. S. Hrabina will contact these users to outline the terms.

Agenda Item #11 Board Policy and New Special Circumstances Vote

Neither the Policies and Procedures Manual nor the legislature has given direction regarding a hopelessly deadlocked Board (2:2 or 1:1). A minor change to the manual was recommended by the Budget Committee. If a deadlocked vote concerns the appointment of a new Board member, an emergency expenditure of over \$10,000, or a response to a regulatory agency, and has been discussed with no resolution at two consecutive Board meetings (regular or emergency) the highest ranking board member (order: Chair, Vice-Chair, Treasurer, Secretary, and Member-at-Large) will be empowered to vote a second time to resolve the issue. B. Dickerson made a motion to write this change into the Policies and Procedures Manual. R. Lee seconded the motion and the Board voted unanimously to adopt it.

Agenda Item #12 Call to the Public

There were no additional comments during Public Call.

With no other business to come before the Board, the Chair thanked the public for attending and the Board meeting adjourned at 7:45 PM.

CERTIFICATION:

I, Sarah J. Hrabina, certify that the Agenda for the Apr. 15, 2010 Regular Board Meeting was publicly posted at the Black Canyon City Post Office Bulletin Board, on Saturday, April 10, 2010 on or before 4:30 PM.

Sarah J. Hrabina
Sarah J. Hrabina

Transcription of minutes completed by Susan Marley, BCCWID Board Secretary on 4/19/2010

Full digital recording available 1 hour and 16 minutes long.