

It was reported the I-17 project to locate and inspect an old line under the freeway ended unable to locate the line on the west side. The East side was located and it was concluded the old line must have collapsed or torn or washed out at one time. A lot of time and effort was spent digging on both sides of I-17 but the project has been scratched.

B Dickerson inquired as to other possible options to get water to the East Side in the event of an emergency. Management spoke of 2 possibilities: (1) boring under the freeway (very expensive, if even permitted by the State); and (2) contact the state and submit a request to put a line across the (Mud Springs Road) bridge. Years ago, the state was contacted to put in a line across the bridge, but they refused. B. Dickerson made a motion to have Management look into a possible solution with the State. D. Gosney seconded the motion and upon vote the motion was unanimously approved.

The work has been completed by Pump Tech and K. P. Ventures regarding the GOA # 1 Well Re-Hab. It was re-cased back in 2002 and never could get the casing all the way down. When the well was originally drilled (approx 1955) it was drilled crooked preventing the casing from going any deeper. Currently the old casing is rusted and the well is constantly caving in. However, in the re-hab process they were able to gain another 7'. For now this is not a problem. If we would have another drought like 10 years ago, the only option would be to drill another well.

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 March, 2012.

B. Dickerson moved to accept the operations report as presented. R. Lee seconded the motion and upon vote the operations report was unanimously approved.

Agenda Item #7 18842 Mechling a/c # 547 Claim of Damages

The board received a letter and bill for alleged damages from a customer, account # 547 at 18842 Mechling Dr. The incident occurred on February 3rd through February 10, 2012. Discussion and additional comments were made by the customer, board members and management in regards to the issue. As requested by the customer, the District's insurance information was given to the customer by Chair, Robert Gosney. A claim, if filed, will be investigated by the District's insurance carrier Philadelphia Ins.

Agenda Item #8 Yavapai County Election- November 6, 2012

November 6, 2012 is an election for the Water District. The election could be conducted by an independent organization or Yavapai County. B. Dickerson motioned to engage Yavapai County for the election on behalf of the District. Motion was seconded by W. Stice and upon vote was unanimously approved. Three (3) Board positions will be available.

Agenda Item #9 2012-13 Budget Committee Report

Copies of the Budget Committee Report for 2012-13 were provided to all Board members. B. Dickerson, who served on the committee, reported a reduction in water usage resulting in a decrease in revenues, noting a large number of foreclosures. The committee recommends to REDUCE the \$5.00 capital improvement monthly base fee to the residential customers and (move it) INCREASE the operation & maintenance by the same \$5.00. This will change the format of the billing but will create a -\$0- net difference to customers. This will still generate approximately \$71,000.00 in revenue for the capital improvement budget and will increase the operations and maintenance by approximately \$50,000.00. Included in the Budget Committee Report were 5 scenarios showing the \$5.00 change plus a rate increase for operations and maintenance to all customers of \$1, \$2, \$3, \$4, or \$5 per month/per customer for Board consideration. It was explained by Management that if there are more funds at the end of the year in operations & maintenance, as a board, those funds can be moved into capital improvements. However, the board does not have the ability to move funds from capital improvements into operations & maintenance, if it was needed, as those are restricted funds. D. Gosney motioned to implement the \$5.00 rate change with a '0' dollar impact to customers and no other increase in rates. The motion was seconded by Will Stice. The board unanimously approved the 2012-2013 Proposed Budget, with NO rate increase to customers. A Public Budget and Rate Hearing will be held at the next board meeting, May 17, 2012.

With no other business to come before the Board, the Chair adjourned the meeting at 7:04 P.M.

CERTIFICATION:

I, Sarah J. Hrabina, certify that the Agenda for the APRIL 19, 2012 Regular Board Meeting was publicly posted at the Black Canyon City Post Office Bulletin Board, on Friday, April 19, 2012 on or before 4:30 PM.

Sarah J. Hrabina

Sarah J. Hrabina

ATTESTED:

I, Doris Gosney, Secretary 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,

Doris Gosney

Doris Gosney, Secretary

Transcription of minutes completed on 04/25/2012

C. Brannan, Transcriber