

**MINUTES FOR THE
BLACK CANYON CITY WATER IMPROVEMENT DISTRICT
May 22, 2014 REGULAR BOARD MEETING & PUBLIC RATE & BUDGET HEARING**

Chair, Robert Marley called the meeting to order at 6:35 PM and welcomed the public.

Roll call showed a quorum.

Chair: Robert Marley

Treasurer: Barrie Dickerson

Vice Chair: Will Stice

Member-at-Large: Susan Marley

Secretary: Lavon Van Dusen not in attendance

Also in attendance: Management –Randy and Sarah Hrabina

Public: Ed Konieczny, Tony Chavez

Reflection time was observed by the Board and Public.

Agenda Item # 3 Board Member Reports

None

Agenda Item # 4 Approval of Minutes: 04/17/14 Regular Board Meeting

The minutes from the 04/17/14 regular board meeting were provided to the Board. With no corrections or additions, Susan Marley moved to accept the minutes. The motion was seconded by Will Stice.

Agenda Item # 6 Treasurer's Financial Report and Approval as of 04/30/14

Barrie Dickerson presented the financial report for the period ending 04/30/14, with beginning, ending and change balances for each account reported.

Account	Beginning	Ending	Change
General Fund	\$57,951.79	\$61,158.32	\$3,206.53
Security Deposits	\$42,925.00	\$42,925.00	0.00
Impact/Capital Fund	\$186,696.43	\$195,647.27	\$8,950.84
Arsenic Sinking Fund	\$63,229.09	\$65,273.66	\$2,044.57
Recap/Bank of the West	\$7,055.19	\$14,231.51	\$7,176.32
Account Totals =	\$357,857.50	\$379,235.76	\$21,378.26
Cash Management:	Deposits	\$39,913.07	
	Disbursements	<u>\$18,534.81</u>	
	Net Gain/(Loss)	\$21,378.26	

April billing with 835 active accounts totaled \$34,252.91. Water consumption for the month of April was reported at 5,014,000 gallons compared to 3,328,000 gallons the previous month and the April 2013 comparison of 3,882,000 gallons. Total gallons billed for the fiscal year-to-date was 46,043,000 gallons (10) months. The financials include Quick Books invoices #1817 to #1839 and In-Hance Audits #12,103 through #12,172 with the accounts receivable in both In-Hance and Quick Books balancing at \$41,101.28.

One new Impact Fee in the amount of \$2,500.00 was received for new service for a/c#791/Audit#12,150

The data was respectfully submitted by Management, Sarah Hrabina, and reviewed by Treasurer, Barrie Dickerson, for final board approval.

Will Stice moved to accept the Financial report with Susan Marley seconding the motion. Upon vote the financial report for April was unanimously approved.

Agenda Item # 5 Public Rate and Budget Hearing

The Public Rate and Budget Hearing was quickly dispensed with. Only two served property owners were present and one of them had been involved in the budgeting process as a budget committee member and attended the previous Board meetings that dealt with the subject. Since there was no new public input Susan Marley moved to close the Rate and Budget hearing and accept the advice of the Board to implement the 16% water rate increase and the associated budget. The motion was seconded by Barrie Dickerson and upon vote the measure was passed unanimously.

Agenda Item # 7 Operations Report and Approval as of 05/20/2014

Randy Hrabina presented the Operations Report, giving a recap of the past month's activities with 36 work orders completed including turn-ons, turn-offs, meter re-reads, meter/valve repair/replacement, line break/leak repairs, and other service needs. There were 7 blue stakes marked for the period and 34 pink slips were mailed. Test results from Test America Labs for monthly Bac-t's (E-Coli & Coliform) for May were negative.

2nd Quarter Arsenic Results:

	5/05/14 (2nd Qtr)	previous 2/18/14 (1st Qtr)
GOA	0.0080	0.0072
Big John	0.0067	0.0059
Oasis	0.0047	0.0030

WELL STATS: The May well levels were holding when compared to the April readings but still are expected to fall as the summer heat begins and especially if the drought continues. Pump running time has increased significantly.

<u>Water levels:</u>	<u>LAST REPORT</u>	<u>THIS MONTH</u>
Big John #1	23' Draw to 25'	23' Draw to 25'
Big John #2	23' Draw to 25'	23' Draw to 27'
GOA #1	21' Draw to 23'	23' Draw to 25'
GOA # 2	21' Draw to 23'	23' Draw to 24'
Oasis # 1	23' Draw to 25'	23' Draw to 25'
Oasis # 2	23' Draw to 27'	23' Draw to 27'

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 2014.

Barrie Dickerson made a motion to accept the Operations Report as presented. Sue Marley seconded the motion and upon vote the operations report was unanimously approved.

NEW BUSINESS

Agenda Item # 8 Chair Proposal for Customer Onsite Line Failure District Self Insurance

The Chair again asked the Board and Management to consider the implications of catastrophic on-site water line failure. These failures happen infrequently, a couple of times a year at most, but when they do the resulting bills can be heart stopping because of the District's tiered rate structure. After much discussion it became apparent there were significant difficulties implementing a single procedure that would be free from user manipulation, that could apply equally to commercial and residential accounts, that could work for both small and large water users, and that could separate acts of God from carelessness. Since the Board was unable to develop a satisfactory procedure the issue was tabled.

Agenda Item # 9 Contract November Election with Yavapai County

The Board reviewed a memorandum from Yavapai County regarding contracting with them to hold the November election. Barrie Dickerson made a motion to contract with Yavapai County to hold the November 2014 elections. The motion was seconded by Susan Marley and upon vote the motion was passed unanimously.

Agenda Item # 10 Consumer Confidence Report 2013

The Board reviewed the Consumer Confidence Report as prepared by Management for mailing to all the holders of our active accounts. ADEQ requirements have caused this report to become voluminous, so Management is going to review formatting the mailing to minimize the number of pages, reducing their size if necessary, to reduce the weight and resulting postage costs. Will Stice made a motion to approve the Consumer Confidence Report, seconded by Susan Marley. Upon vote the motion passed unanimously.

Agenda Item # 11 Capital Improvement Project-Bertha Street

Management presented a Capital Improvement project needed on Bertha Street. The project had been discussed in the past but put on hold until enough Capital Improvement monies had been collected to fund it and leave a reasonable emergency reserve. The project will be advertised in August, the bids opened at the September meeting, and a start date set in October. Failing transite pipe and the galvanized pipe connections to the property meter boxes will be replaced. Failing to do this would continue to subject the District to costly repeated line failures and our customers would experience increasing periods with loss of service. Cost of the project is estimated at approximately \$130K. Bob Marley made a motion to move forward with this project, advertising for bids in August and reviewing bids/selecting contractor in September. The motion was seconded by Susan Marley and upon vote the measure passed unanimously.

Agenda Item # 12 Call to the Public

Tony Chavez asked about the freeway boring project under I-17 that established a second connection to the east side customers. Management responded that the project was completed earlier this spring and was in service.

With no other business to come before the Board, the Chair adjourned the meeting at 7:30 P.M.

CERTIFICATION:

I, Sarah J. Hrabina, certify that the Agenda for the May 22, 2014 Regular Board Meeting was publicly posted at the Black Canyon City Post Office Bulletin Board, on Tuesday, May 20, 2014 on or before 4:30 PM.

Sarah J. Hrabina

Sarah J. Hrabina

ATTESTED:

I, Lavon Van Dusen, Secretary for the Black Canyon City Water Improvement District certify that the minutes, as transcribed by myself, are true and correct to the best of my knowledge and belief.

Respectfully submitted,

Lavon Van Dusen

Lavon Van Dusen

Transcription of minutes completed on 06/23/14

A full recording is available – 55.50 minutes.