

Agenda Item # 6 Operations Report and Approval as of 3/23/2015

Randy Hrabina presented the Operations Report, giving a recap of the month's activities with 21 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 5 blue stakes marked for the period. There were 43 pink slips mailed out for March. Test results from Test America Labs for monthly Bac-t's (E-Coli & Coliform) for March were negative.

WELL STATS: No Change

<u>Water levels:</u>	<u>January 2015</u>	<u>March 2015</u>
Big John #1	23' Draw to 25'	23' Draw to 25'
Big John #2	23' Draw to 27'	23' Draw to 27'
GOA #1	23' Draw to 25'	23' Draw to 25'
GOA # 2	23' Draw to 24'	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 February 2015.

Arsenic media replacement has been completed at the Oasis well site.

All backflow inspections have been completed. Correct contact information for the Dollar Store had been received after the last Board meeting and the property owner immediately called Metering Services to inspect. It was found that the backflow device had been removed (assumption was it was stolen at some point for scrap metal value). Arrangements were made to install a new device and Management has received confirmation it has been completed.

Yavapai County has subcontracted out the task of installing a storm drain along the front of Heritage Park. Work crews have begun the project which the operations manager hopes will reduce or eliminate the flooding at the Big John well site when heavy rainfall occurs.

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

Agenda Item # 7 Review of Backflow Program

An initial review of the District's backflow program was presented. It appears the material contained in the District's Policies and Procedures manual plus the Ordinance may be less than complete. Specific weaknesses were outlined for the Board Members. The Chair and management hope to increase the material in both areas and present the resulting verbiage to the Board at the next meeting for possible approval. The letters which are mailed to commercial and other accounts needing backflow devices were also reviewed and possible alternatives given to the Board members for review. The hope was to bring about greater understanding of the program and the need to comply by utilizing three very different letters (initial contact, follow-up reminder, and final notice) rather than one almost generic one that is sent three times. The Chair believes the mailing date for the three letters should be reviewed and suggested considering a first request that would be sent on August 1 as is currently done, a compliance-is-needed request letter sent on October 1, and a shut-off-notice letter sent on November 1. Board members will review the material handed out to get up to speed for a possible decision at the next Board meeting. No Board action was needed at this time.

Agenda Item # 8 Review of 2014-15 Budget vs Actual Performance

A comparison of the first eight months of the fiscal year financial results and the budget expectation was presented by management. There is danger that the net ordinary income for the fiscal year is going to fall short of the budgeted amount. This is of concern because the District's ability to avoid future taxation or bonding results solely from income generated by operations and the Capital Improvement funds. The operations revenues are primarily driven by water sales and they are currently running 8% behind the budget forecasting for eight months. Since April, May, and June are usually our dry months, there is some possibility the approaching summer season will boost sales. The operating expenses have also been higher than expected for water testing, system maintenance, office expenses, and professional fees. The declining revenue, coupled with increasing expenses has resulted in heavy pressure on net income from operations. A possible anomaly was also noticed for Capital Fund collections that management is going to review. The annual Budget committee meetings will be occurring during the next month and this situation will undoubtedly be discussed during those meetings. The Board will be considering the Budget Committee recommendations at the next Board meeting. No Board action was needed at this time.

Agenda Item # 9 Call to the Public

There was a comment from one member of the public. Tony Chavez pointed out the Fire Department and School may require working backflow valves.

With no other business to come before the Board, the Chair adjourned the meeting at 6:50 P.M.

CERTIFICATION:

I, Sarah J. Hrabina, certify that the Agenda for the March 24, 2015 Regular Board Meeting was publicly posted at the Black Canyon City Post Office Bulletin Board, on Friday, March 20, 2015 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 04/09/2015

A full recording is available – 45.16 minutes.