

**Black Canyon City Water Improvement District
Minutes of the Regular Board Meeting**

July billing with 837 active accounts totaled \$45,813.74. Water consumption for the month of July was reported at 6,336,000 gallons compared to 5,969,000 gallons the previous month and the July 2014 comparison of 5,908,000 gallons. Total gallons billed for the fiscal year-to-date was 6,336,000 gallons (1 month). The financials include Quick Books invoices #1999 to #2013 and In-Hance Audits #12,954 through #13,022 with the accounts receivable in both In-Hance and Quick Books balancing at \$29,468.65.

No new Impact Fees were collected in July.

Dave Moore next presented the financial report for the period ending 08/31/15. As with the July report above, Dave presented an abbreviated report, with an overview of the August billing and the August gallonage figures. As always, a complete printed financial report was given to each Board member. All figures for the month are shown below.

Account	Beginning	Ending	Change
General Fund	\$46,101.53	\$43,043.22	(\$3,058.31)
Security Deposits	\$43,735.00	\$43,935.00	\$200.00
Impact/Capital Fund	\$144,007.60	\$153,726.24	\$9,718.64
Arsenic Sinking Fund	\$22,456.88	\$27,471.00	\$5,014.12
Recap/Bank of the West	\$11,066.17	\$9,272.60	(\$1,793.57)
Account Totals =	\$267,367.18	\$277,448.06	\$10,080.88

Cash Management:	Deposits	\$41,567.02
Less: General Journal		
cash account entries:		
monthly scanner fee		\$45.00
Reverse previous Debit		+\$316.93
entry for checks/Deluxe		
forms		\$98.81
9/1 NSF ck entries		
	Disbursements	\$31,659.26
	Net Gain/(Loss)	<u>\$10,080.88</u>

August billing with 837 active accounts totaled \$47,623.89. Water consumption for the month of August was reported at 6,746,000 gallons compared to 6,336,000 gallons the previous month and the August 2014 comparison of 5,928,000 gallons. Total gallons billed for the fiscal year-to-date was 13,082,000 gallons (2 months) compared to last year's total gallons billed for fiscal year-to-date of 11,836,000 gallons. The financials include Quick Books invoices #2014 to #2019 and In-Hance Audits #13,023 through #13,051 with the accounts receivable in both In-Hance and Quick Books balancing at \$35,832.28.

No new Impact Fees were collected in August.

The data was respectfully submitted by Management, Sarah Hrabina, and reviewed by Treasurer, Dave Moore, for final board approval. Sue Marley made a motion to accept the financial reports. The motion was seconded by Lavon Van Dusen and, upon vote the financial reports for July and August were unanimously approved.

Agenda Item # 6 Operations Report and Approval as of 9/28/2015

Randy Hrabina presented the Operations Report, giving a recap of two month's activities with 58 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 56 pink slips mailed out for September. Test results from Test America Labs for monthly Bac-t's (E-Coli & Coliform) for the month were negative.

Annual Nitrate samples taken, through the Map Testing Program, showed all BELOW the allowable limit and also a decrease at all sites from the previous 2014 tests:

	<u>2014</u>	<u>2015</u>
Big John	1.7	1.3
GOA	3.7	1.2
Oasis	1.8	1.4

All other testing done through Map on the Reduced Monitoring Program was well below the allowable limits with many marked as hardly a trace amount.

Annual TTHM's and HAA5 were completed for Disinfectant and Disinfection By-Products. Test results, with all levels well below allowable limits, sent to ADEQ as required. Copy of report is available in the office.

3rd Quarter Arsenic, as reported to ADEQ:

Big John	<0.0030
GOA	0.0032
Oasis	<0.0030

WELL STATS: Only change to report is a Big John

<u>Water levels:</u>	<u>July 2015</u>	<u>Sept 2015</u>
Big John #1	21' Draw to 24'	22' Draw to 25'
Big John #2	21' Draw to 25'	22' Draw to 25'
GOA #1	22' Draw to 24'	22' Draw to 24'
GOA # 2	22' Draw to 24'	22' Draw to 24'
Oasis # 1	23' Draw to 25'	23' Draw to 25'
Oasis # 2	23' Draw to 27'	23' Draw to 27'

Management noted that the Heritage Park pond is being filled again.

Backflow letters were sent out on Aug. 1st, with follow-up letters sent Sept 15th. Some inspections have been completed. Management reports they have received confirmation from Metering Services for a large number of upcoming inspections scheduled for Oct 9th. Compliance date is November 1st.

System Operator, Bob Hanus, inspected the system and daily log book, as required by ADEQ, and found everything to be in order for the months of July and August 2015.

Lavon Van Dusen made a motion to accept the Operations Report as presented. Dave Moore seconded the motion and upon vote the motion was unanimously approved.

Agenda Item # 7 Raising the Generator at Big John

Supervisor Tom Thurman recently met with Randy Hrabina, Dave Moore, and Chair Bob Marley. He wanted to review the completion of the county storm drain project. It is hoped the existence of this drain will prevent future flooding at the District's Big John well site. He mentioned additional County concern regarding the backup generator location and asked us to present a request to the Board to elevate the generator three feet on a concrete slab. After Board discussion, Dave Moore made a motion to authorize Management to proceed with the elevation change requested by the Supervisor at a cost of no more than \$4,000.00. The motion was seconded by Barrie Dickerson and, upon vote the measure passed unanimously.

Agenda Item # 10 Delinquent Accounts in Excess of Four Months

Management presented a survey of all accounts that were greater than four months delinquent. Because of the large number of important discussion items, the Chair requested this item be tabled. No Board action required.

Agenda Item # 9 A Customer Relief Policy for Property One-time Service Failures

A customer relief program for on-property water distribution failures was discussed. The District's tiered water pricing is for conservation purposes and can become punitive if an owner/user has an unnoticed water problem

on their property. The proposed relief plan is to bill at the first tier only and waive additional conservation tiers. This relief would only apply when water use for a monthly billing is greater than three times the customer's previous maximum monthly use, including months where previous relief might have been given. The program would be retroactive to the start of the fiscal year. Barrie Dickerson made a motion to implement the proposed relief policy, effective as of the start of the 2015/2016 fiscal year. The motion was seconded by Lavon Van Dusen and, upon vote, was passed unanimously.

Agenda Item # 11 Policy/Procedure for an Owner/User's Request-Written Description Requirement in Advance for Board Packets?

The Board discussed the appearance of owner/users before the Board and felt a policy was needed outlining the procedure to be followed in making such an appearance. After Board discussion it was decided that any owner/user wishing to enter into a discussion with the Board, as part of the meeting agenda, would need to communicate that desire to either a Board Member or Management, including a written description of the topic or topics to be discussed so Board members could be adequately prepared. This request would need to be submitted no later than 7 days prior to the Board meeting. A motion was made by Sue Marley and seconded by Barrie Dickerson, to implement the discussed policy regarding an owner/user being placed on the meeting agenda. Upon vote, the measure passed unanimously.

Agenda Item # 8 Review of the Rate Structure and Possible Rate Increase

A lengthy discussion of the District's expected budget shortfall resulted in three possible actions the Board could take. Do nothing and let the shortfall occur. Increase the base fee for all own/users from \$12.00 to \$15.00. Tighten the billing tiers to generate additional revenue. The advantage/disadvantage of this last possibility is that further conservation might be achieved by customers' decreasing consumption and some expected revenue may not be realized. It was noted that the 9% increase in expenses in the 2014/2015 fiscal year was higher than in past years. Much of this was attributed to unusual occurrences such as the need for arsenic media replacement at all three sites in a very short time period, as well as some expensive repairs made necessary by storm /weather erosion damage. It was felt that expenses in the current fiscal year may be less than the budgeted amount so the shortfall may be lower than projected. Dave Moore made a motion that the second option of increasing the base rate by \$3 for all water users be chosen, with no changes made to the tiers. Sue Marley seconded that motion and, upon vote, the measure passed unanimously. The rate issue will now go to a formal public hearing to be held at the November Board meeting.

Agenda Item # 12 Call to the Public

There were five first-time attendees at the meeting who were unfamiliar to the Board, although at least two of them have left critical comments on the BCC Bulletin Board (Facebook). The Board treated all questions posed as potential criticism and, as allowed by the appropriate ARS, various Board members responded to the questions in an attempt to correct circulating misinformation. Questions answered included, but were not limited to, where to find information, how the Board is selected, and how the proposed rate increase was determined.

With no other business to come before the Board, the Chair adjourned the meeting at 7:01 P.M.

CERTIFICATION:

I, Sarah J. Hrabina, certify that the Agenda for the September 29, 2015 Regular Board Meeting was publicly posted at the Black Canyon City Post Office Bulletin Board, on Friday, September 25, 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 10/22/2015 A full recording is available – 63.01 minutes.