

**OFFICIAL MINUTES FOR THE
BLACK CANYON CITY WATER IMPROVEMENT DISTRICT
March 22, 2016 REGULAR BOARD MEETING**

Chair, Robert Marley called the meeting to order at 5:45 PM. Roll call showed a quorum.

Chair: Robert Marley
Secretary: Lavon Van Dusen
Vice Chair: Barrie Dickerson: not in attendance

Treasurer: David Moore
Member-at-Large: Susan Marley

Also in attendance: Management– Randy Hrabina, Sarah Hrabina
Owners/Users: Eva Wells, Greg Watts, Ed Konieczny

Agenda Item # 3 Board Member Reports

Dave Moore reported on Black Canyon City Bulletin Board Facebook postings. During the month he posted the February summary and March agenda.

Agenda Item # 4 Approval of Minutes: 2/23/16 Regular Meeting

The minutes from the 2/23/16 regular Board meeting were provided to the Board. Sue Marley moved to accept the minutes as written, Dave Moore seconded and, upon vote the minutes for the 2/23/16 Regular Board meeting were accepted unanimously.

Agenda Item # 5 Treasurer's Financial Reports for Approval as of 2/29/2016

Dave Moore presented the financial report for the period ending 2/29/2016, with beginning, ending and change balances for each account reported.

Account	Beginning	Ending	Change
General Fund	\$61,468.97	\$55,209.69	(\$6,259.28)
Security Deposits	\$44,625.00	\$44,625.00	\$0.00
Impact/Capital Fund	\$196,221.41	\$202,705.65	\$6,484.24
Arsenic Sinking Fund	\$50,018.08	\$52,519.18	\$2,501.10
Recap/Bank of the West	\$9,070.28	\$13,738.80	\$4,668.52
Account Totals =	\$361,403.74	\$368,798.32	\$7,394.58

Cash Management:	Deposits	\$34,831.98
Less: General Journal cash account entries:		
monthly scanner fee		\$45.00
(2) NSF Returned checks & bank fees		\$110.74
	Disbursements	\$27,281.66
	Net Gain/(Loss)	\$7,394.58

February billing with 837 active accounts totaled \$34,032.77. Water consumption for the month of February was reported at 3,701,000 gallons compared to 3,507,000 gallons the previous month and the February 2015 comparison of 4,055,000 gallons. Total gallons billed for the fiscal year-to-date was 38,209,000 gallons (8 months) compared to last year's total gallons billed for fiscal year-to-date of 36,387,000 gallons. The financials include Quick Books invoices #2073 to #2082 and In-Hance Audits #13,302 through #13,356 with the accounts receivable in both In-Hance and Quick Books balancing at \$22,846.83.

One new Impact Fee of \$2,500.00 was collected in February. Audit#13,322; a/c#3084.

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 report. The motion was seconded by Lavon Van Dusen and, upon vote the financial report for February was unanimously approved.

Agenda Item # 6 Operations Report and Approval as of 3/21/2016

Randy Hrabina presented the Operations Report, giving a recap of the month's activities with 25 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 35 pink slips mailed out for March. Test results from Test America Labs for monthly Bac-t's (E-Coli & Coliform) for the month were negative.

1st Quarter Arsenic, as reported to ADEQ:

	1st Qtr	4th Qtr
Big John	<3.0	<3.0
GOA	3.7	3.3
Oasis	<3.0	<3.0

WELL STATS: Well level are unchanged since last month and continue to be in the "normal" range

<u>Water levels:</u>	<u>Feb 2016</u>	<u>Mar 2016</u>
Big John #1	21' Draw to 24'	21' Draw to 24'
Big John #2	21' Draw to 25'	21' 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'

Lavon Van Dusen 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 # 8 Budget Committee Recommendations

Chair, Bob Marley, presented the revision of the Policies and Procedures Handbook that had been mostly completed during the Budget Committee meetings. This document was last reviewed in 2007 and the Board has passed numerous policies in the intervening years. He still has a number of minor changes that he thought were needed. Board Member, Susan Marley, also has readability changes. Both Sarah and Dave had things they thought should be added. Not wishing to see a document that is still in flux approved, the Chair suggested tabling the Handbook until the final edits could be made and then have another presentation made at the April meeting. The Board agreed to table the revision discussion until the April meeting.

Management, Sarah Hrabina, then presented the 2016-2017 Budget that had been discussed in the Annual Budget Committee meetings and recommended for Board review and possible approval. Adjustments had been made to expense categories to cover expected increases. The Chair pointed out water sales revenues would only be met if water use continued to run 5-6% above the past fiscal year (the multi-year trend until the past six months has been declining water sales annually). If use declines to previous levels this could result in a \$15,000.00 to \$20,000.00 shortfall in expected revenue. After limited discussion, Dave Moore made a motion to approve the Budget Committee recommendation for the 2016-2017 fiscal year with no rate increases. The motion was seconded by Sue Marley and, upon vote, was passed unanimously.

Chair Marley presented a review of the rate tiering for both commercial and residential accounts. He believes all tiers are not currently used in the commercial sector and some are so high they are unlikely to ever be used. His suggestion was a minor modification to the top commercial tiers to further promote conservation and insure all the step rates were being applied as they are for residential users. The remaining Board members and Management were reluctant to take this on until a more extensive rate review or future increase is warranted. The proposal was tabled without Board action.

Agenda Item # 7 Easement on Property in Kings Ranch area (Cary Ansel)

A letter from owner/user, Cary Ansel, regarding a water line on his property was discussed by the Board. After asking to be placed on the meeting agenda, Mr. Ansel did not attend the meeting, so the Board was unable to ask him questions about his letter. The sense of the Board and Management was a couple of his comments seemed to be without basis and others were matters of opinion. After discussion the Board decided it was not possible to accept or even discuss any agreements/actions proposed by Mr. Ansel as doing such would be admitting he controlled the water line easement rather than the BCCWID. Mr. Ansel stated in his letter the easement has existed since 1991, so there is no doubt about its existence (in Arizona a prescriptive easement

exists after 10 years in place). Chair Bob Marley made a motion that, although the Board understands Mr. Ansel's concerns, many of them are differences of opinion, and the Board could not accept any of the suggested agreements or courses of action requested by Mr. Ansel as doing so could cause the BCCWID to lose the prescriptive easement. The motion was seconded by Lavon Van Dusen and, upon vote the motion was passed unanimously.

Agenda Item # 9 Call to the Public

Greg Watts asked Management about the reason for the new County two foot deep slurry requirement when working within two feet of street blacktop. Earlier discussion had pointed out this cost was minimally \$500.00 for each occurrence. Operations Manager, Randy Hrabina, believes the County's goal is to minimize compaction at dig sites.

With no other business to come before the Board, the Chair adjourned the meeting at 6:31 P.M.

CERTIFICATION:

I, Sarah J. Hrabina, certify that the Agenda for the March 22, 2016 Regular Board Meeting was publicly posted at the Black Canyon City Post Office Bulletin Board, on Friday, March 18, 2016 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 4/13/2016. A full recording is available – 46:00 minutes.