

**OFFICIAL MINUTES FOR THE
BLACK CANYON CITY WATER IMPROVEMENT DISTRICT
July 5, 2016 SPECIAL BOARD MEETING**

Chair, Robert Marley called the meeting to order at 9:02 A.M. Roll call showed a quorum.

Chair: Robert Marley
Vice Chair: Barrie Dickerson
Secretary: Lavon Van Dusen

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

Also in attendance, telephonically: Management– Randy Hrabina, Sarah Hrabina
Owners/Users: Kerry Kovaleski, Stacy Thurman
Public: Cindy Brannan

**Agenda Item # 3 Discussion of need to approve legal counsel for response to Superior Court Case:
Ansel v. Black Canyon City Water Improvement District**

The initial item discussed was the selection of an attorney to represent the District in filing a response to a Superior Court complaint by Mr. Cary Ansel. The complaint addresses issues related to maintenance of water lines on a prescriptive easement that crosses a 17-acre parcel he owns in the King's Ranch area. The Board had two representing attorneys and their firm's profiles before them to consider. One law firm was suggested by the District's insurer, with their offices being located in Chandler. The second specializes in Real Estate law and the legal problems of Special Districts like the BCCWID and is located in Prescott where the case would be heard and depositions probably taken. Two more documents had been received overnight that had bearing on the Board's decision, one from the insurer and the other from the Prescott attorney. These messages were discussed in detail. Sue Marley made a motion to make the Prescott attorney, William R Whittington the District's attorney of record and to proceed with the insurer's attorney, Robert Grasso, preparing a response and filing by the July 14 deadline. The motion was seconded by Dave Moore and, upon vote, was unanimously approved.

Agenda Item # 4 Tony Chandler defense in the case (a named party/our agent by contract)

The second short discussion regarded coverage of Tony Chandler, who was the contractor on the project referenced in the suit. The Board believes Mr. Chandler was our agent under contract and as such the District has a responsibility to defend him against harm in this complaint. The Chair suggested he might not be insured under our policy and that might involve the District paying for his legal assistance. The Board members still believed he should be held harmless and it was the District's responsibility. Dave Moore made a motion that the District cover the defense of Tony Chandler in this case. Lavon Van Dusen seconded the motion and, upon vote, the motion was approved unanimously.

Agenda Item # 5 Renewal of Discussion of who will interact with Selected Counsel

Since a decision by the Board had been made before the Superior Court Complaint was received, the Chair believed the Board should revisit having the Chair being the sole contact person with the attorneys. After discussion, the Board felt there should be two Board members and a member of Management involved in any meetings with lawyers. Barrie Dickerson made a motion to have at least two of the following: the Chair, one other Board member, and one member of Management, to be available for all meetings regarding any legal issues. The motion was seconded by Sue Marley and, upon vote, the measure was passed unanimously. Dave Moore and Chair Bob Marley were to meet with the insurer's law firm in the afternoon.

Public Call: Although there were two owner/user members of the public in attendance, a prior decision had been made to not have a public call for this meeting. The meeting agenda reflected that fact.

With no other business to come before the Board, the Chair adjourned the meeting at 9:44 A.M.

CERTIFICATION:

I, Robert Marley, certify that the Agenda for the July 5, 2016 Special Board Meeting was publicly posted at the Black Canyon City Post Office Bulletin Board, on Friday, July 1, 2016 on or before 4:30 PM.

Robert Marley
Robert Marley

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 7/23/2016. A full recording is available 42:46 minutes.