

**OFFICIAL MINUTES FOR THE
BLACK CANYON CITY WATER IMPROVEMENT DISTRICT
Sept 27, 2016 REGULAR BOARD MEETING**

Vice Chair, Barrie Dickerson called the meeting to order at 5:45 PM. Roll call showed a quorum.

Vice Chair: Barrie Dickerson
Secretary: Lavon Van Dusen

Treasurer: David Moore

Not in attendance: Member-at-Large: Susan Marley

Also in attendance: Management– Randy Hrabina, Sarah Hrabina
Owners/Users: Eva Wells, 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 official minutes for the July 5 Special Board meeting as well as agenda/meeting notices and a reminder notice for the September Regular Board meeting.

Agenda Item # 4 Approval of Minutes: 7/28/16 Regular Meeting

The minutes from the 7/28/16 regular Board meeting were provided to the Board. With no corrections necessary to the minutes, Dave Moore made a motion to accept the minutes as written. Barrie Dickerson seconded and, upon vote the minutes for the 7/28/16 Regular Board meeting were approved unanimously.

Agenda Item # 5 Treasurer's Financial Report for Approval as of 7/31/2016 and 8/31/16

Since there was no Board meeting in August, there were two financial reports to review. Dave Moore first presented the financial report for the period ending 7/31/2016 with beginning, ending and change balances for each account.

Account	Beginning	Ending	Change
General Fund	\$80,195.40	\$90,175.56	\$9,980.16
Security Deposits	\$44,475.00	\$44,475.00	\$0.00
Impact/Capital Fund	\$236,710.12	\$246,427.13	\$9,717.01
Arsenic Sinking Fund	\$72,595.64	\$77,616.82	\$5,021.18
Recap/Bank of the West	\$7,282.50	\$18,468.25	\$11,185.75
Account Totals =	\$441,258.66	\$477,162.76	\$35,904.10

Cash Management:	Deposits	\$56,978.35
And/Less: General Journal		
cash account entries:		
Monthly scanner fee		\$45.00
NSF returned ck + bank		
fees charged		\$68.55
NSF returned ck + bank		
fees charged (posted 8/2)		49.40
	Disbursements	\$20,911.30
	Net Gain/(Loss)	\$35,904.10

July billing with 838 active accounts totaled \$44,261.35. Water consumption for the month of July was reported at 5,656,000 gallons compared to 6,400,000 gallons the previous month and the July 2015 comparison of 6,336,000 gallons. Total gallons billed for the fiscal year-to-date was 5,656,000 gallons (1 month) compared to last year's total gallons billed for fiscal year-to-date of 6,336,000 gallons. The financials include Quick Books invoices #2124 to #2134 and In-Hance Audits #13,576 through #13,631 with the accounts receivable in both In-Hance and Quick Books balancing at \$29,077.51.

Three impact fees were collected in July:
NEW a/c #797 audit#13,601 \$2,500.00

a/c #529 audit #13,617 (prev. foreclosure) \$2,500.00
 a/c #408 audit #13,619 (prev. foreclosure) \$2,500.00

Dave Moore then presented the financial report for the period ending 8/31/2016 with beginning, ending and change balances for each account.

Account	Beginning	Ending	Change
General Fund	\$90,175.56	\$85,060.22	(\$5,115.34)
Security Deposits	\$44,475.00	\$44,475.00	\$0.00
Impact/Capital Fund	\$246,427.13	\$262,937.89	\$16,510.76
Arsenic Sinking Fund	\$77,616.82	\$82,629.80	\$5,012.98
Recap/Bank of the West	\$18,468.25	\$10,670.95	(\$7,797.30)
Account Totals =	\$477,162.76	\$485,773.86	\$8,611.10

Cash Management:	Deposits	\$50,323.36
And/Less: General Journal cash account entries:		
Monthly scanner fee		\$45.00
	Disbursements	\$41,667.26
	Net Gain/(Loss)	\$8,611.10

Note: disbursements for the month include 1st legal service payment of \$6,479.50 and CPA payments of \$5,000.00 during this period.

August billing with 838 active accounts totaled \$40,000.17. Water consumption for the month of August was reported at 5,020,000 gallons compared to 5,656,000 gallons the previous month and the August 2015 comparison of 6,746,000 gallons. Total gallons billed for the fiscal year-to-date was 10,676,000 gallons (2months) compared to last year's total gallons billed for fiscal year-to-date of 13,082,000 gallons. The financials include Quick Books invoices #2135 to #2146 and In-Hance Audits #13,632 through #13,688 with the accounts receivable in both In-Hance and Quick Books balancing at \$24,228.03.

One impact fee was collected in August: a/c#321 audit#13,678 (prev. foreclosure) \$2,500.00

The data was respectfully submitted by Management, Sarah Hrabina, and reviewed by Treasurer, Dave Moore, for final board approval. Lavon Van Dusen made a motion to accept both the financial report for the period ending July 31, 2016 and the report for the period ending August 31, 2016. The motion was seconded by Barrie Dickerson and, upon vote, both financial reports were unanimously approved.

Agenda Item # 6 Operations Report and Approval as of 9/26/2016

Randy Hrabina presented the Operations Report, giving a recap of the past two month's activities with 39 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 12 blue stakes marked for the period. There were 47 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.

3rd Quarter Arsenic, as reported to ADEQ:

	3rd Qtr	2nd Qtr
Big John	7.7	<3.0
GOA	5.3	4.8
Oasis	<1.0	<3.0

WELL STATS: Well levels are unchanged since July and continue to be in the "normal" range

<u>Water levels:</u>	<u>July 2016</u>	<u>Sept 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'

Annual backflow letters were mailed out August 1, 2016. No second notice letters needed to be mailed. All customers were contacted either directly or via their tester, confirming testing has been scheduled. The majority of testing is scheduled for the first week of October.

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 2016.

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

Agenda Item # 7 Letters of Intent from Public for Open Board Position & Possible Reorganization

Public notice was posted on August 2, 2016 seeking letters of intent from owner/users desiring to fill the Board position left empty with the resignation of Chair Bob Marley in July. The term for this position expires at the end of December 2016. In addition to reviewing the letters of intent, the Board also needed to consider reorganization of Board positions as a new Board member might not be comfortable in assuming the role of Chairperson. The Board received one letter which was submitted by Eva Berst, who was in attendance at the meeting. After some discussion, Eva agreed to assume the position of Vice Chair, with the understanding that Barrie Dickerson, current Vice Chair would move to the position of Chair. Lavon Van Dusen made a motion to accept Eva's application to fill the empty Board position. Dave Moore seconded the motion and upon vote the motion passed unanimously. Barrie Dickerson then swore-in Eva Berst as the new Board member, who was then welcomed by the rest of the Board.

Lavon Van Dusen next made a motion to move Barrie Dickerson from the position of Vice Chair to Chair and appoint Eva Berst as the new Vice Chair. The motion was seconded by Dave Moore and upon vote, the measure passed unanimously.

Agenda Item # 8 Cancellation of Board Election by Yavapai County Board of Supervisors

The Board reviewed a letter from Yavapai County Board of Supervisors, cancelling the elections due to a lack of candidates. Because of the absence of candidates for the three positions up for re-election, the Board will have to publicly post a notice requesting letters of intent from anyone interested in the open positions and, in January, appoint interested persons to the available positions. No Board action was required on this item.

Agenda Item # 9 Capital Improvement – Replacement of Generator for April Tank Site

Management, Randy Hrabina, presented the necessity for a new generator for the April tank site. Due to continuing problems with the old generator, making it unreliable and expensive to maintain, there is a need to replace it. The new generator would be identical to the one recently installed at the Cholla site. The cost may be a bit less than what was spent at the Cholla site because there is already a concrete pad on which to place the generator. Management has requested that the seller deliver the new generator to insure safe loading and unloading, and also take the old generator and drop it off at the yard at GOA. The Board at some point will need to decide what will be done with the old generator. The cost for this project would be no more than \$11,950.00.

Management then presented the next project needing to be done at this time which is to extend the fence at Cholla site to enclose the propane tank, to put barbed wire across the top of the fencing, and to erect shading over pump sites at Kings Ranch: upper and lower, Indian Hills, and Maggie Mine. Total cost of fencing and shading projects is projected at \$3,500.00.

The final project presented was the first part of the 10 year Capital Improvement Plan, which is placement of valves at Wagon Wheel Circle, Vladimir, and Saguaro Drive. Cost for each valve (materials and labor) is \$2,300, for a total project cost of \$6,900. The valves are necessary to isolate areas during an emergency repair and minimize the disruption of service to a large number of customers.

Dave Moore made a motion that all points of agenda item #9 Capital Improvements, and the valve program be approved. Lavon Van Dusen seconded the motion and, upon vote, the measure passed unanimously.

Agenda Item #10 Update on Ansel v. BCCWID Yavapai Co Superior Court #P1300CV2016-00448

Dave Moore gave a brief update of what has been done so far regarding the case. The attorney for the District has filed the Initial Response and the Initial Disclosure statement, and will be submitting the Request for First Production of documents by Friday, Sept 30. The cost to the District thus far is \$10,694. No Board action was required on this item.

Agenda Item #12 Call to the Public

None

With no other business to come before the Board, the new Chair adjourned the meeting at 6:46 P.M.

CERTIFICATION:

I, Sarah J. Hrabina, certify that the Agenda for the September 27, 2016 Regular Board Meeting was publicly posted at the Black Canyon City Post Office Bulletin Board, on Friday, September 23, 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 10/18/2016. A full recording is available—1:01:01.