

**OFFICIAL MINUTES FOR THE
BLACK CANYON CITY WATER IMPROVEMENT DISTRICT
MAY 22, 2018 REGULAR BOARD MEETING and
PUBLIC BUDGET HEARING**

Chair, Dave Moore called the meeting to order at 5:47 PM.

Roll Call showed a quorum (4 of 5):

Dave Moore, Chair; Eva Berst, Vice Chair; Vicki Zimmerman, Secretary; Jed Carter, Member-at-Large

Also in attendance: Management– Randy Hrabina, Sarah Hrabina

Public: Cindy Brannan, Shawn Snelling

Not in attendance: Barrie Dickerson, Treasurer

The Chair asked for a moment of silence for the customary Reflection Time

Agenda Item #3 Board Member Reports

Dave Moore reported the postings made to BCCWID website and Eva Berst reported the postings to the Black Canyon City Bulletin Board on Facebook. Vicki Zimmerman reported on the system inspection she took with Randy, stating it was very informative.

Agenda Item #4 Approval of Minutes 4/24/18 Regular Board Meeting

The April 24, 2018 Regular Board Meeting minutes were reviewed. All Board members stated they had read the minutes and found no corrections necessary. Eva Berst made the motion to accept the minutes as written. Vicki Zimmerman seconded the motion and, upon vote, the minutes from the April 24, 2018 Regular Board Meeting were approved unanimously.

Agenda Item #5 Treasurer's Financial Report for Approval as of 4/30/18

Since Treasurer Barrie Dickerson was not in attendance, Chair Moore called upon the Management Sarah Hrabina to present the financial report.

Sarah presented the 4/30/18 Financial Report:

Account	Beginning	Ending	Change
General Fund	\$ 75,800.92	\$ 62,891.06	-\$ 12,909.86
Security Deposits	\$ 45,110.00	\$ 45,110.00	\$ -0-
Impact/Capital Fund	\$273,759.70	\$240,237.47	-\$ 33,522.23
Arsenic Sinking Fund	\$116,310.08	\$118,014.66	+\$ 1,704.58
Recap/Bank of the West	\$ 18,415.60	\$ 5,871.76	-\$ 12,543.84
Account Totals =	\$529,396.30	\$472,124.95	-\$ 57,271.35

Cash Management	Deposits	\$ 32,121.69
GJ Adjustments:		
Monthly scanner fee		- \$ 45.00

Cash Management	Deductions/checks	<u>-\$ 89,348.04</u>
	Net Gain/(Loss)	<u>-\$ 57,271.35</u>

(Note #1: Includes legal expense of \$6,575.74; Reynolds Road Project \$19,780.77; AdEdge Arsenic Upgrades Project \$29,266.80

Note#2: AZ Sales Tax payment is made with a DEBIT from the Bank of the West account)

April billing totaled \$42,830.46. Water consumption for the month was reported at 4,934,000 gallons compared to 3,389,000 gallons the previous month and the April 2017 comparison of 4,679,000 gallons. Total gallons billed for the fiscal year-to-date was 46,621,000 gallons (10 months); with comparison to previous fiscal year-to-date of 42,755,000 gallons. The financials include Quick Books invoices #2359 to #2371 and In-Hance Audits #15,714 through #15,775 with the accounts receivable in both In-Hance and Quick Books balancing at \$30,802.87.

No Impact Fees were posted in April.

Dave Moore moved to accept the April 30, 2018 Financial Report, with Jed Carter seconding the motion. Upon vote the Financial Report as of 4/30/18 passed unanimously.

Agenda Item #6 Operations Report and Approval as of 5/21/18

Randy Hrabina presented the Operations Report, giving a recap of the April 24, 2018 through May 21, 2018 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 3 Blue Stakes marked for the period; 46 pink slips.

Test results from Test America for monthly Bac-t's (E-Coli & Coliform) for the month were negative.

WELL STATS: Well levels dropped again this month

<u>Water Levels:</u>	<u>Last Report/ April 2018</u>	<u>This Report/ May 2018</u>
Big John #1	25' Draw to 27'	26' Draw to 29'
Big John #2	25' Draw to 27'	26' Draw to 29'
GOA #1	25' Draw to 27'	26.5' Draw to 29'
GOA # 2	25' Draw to 27'	26.5' Draw to 29'
Oasis # 1	25' Draw to 27'	27' Draw to 30'
Oasis # 2	25' Draw to 27'	27' Draw to 30'

Randy Hrabina stated that the District does now have the permits to drill the new well, approved at last month's Board meeting. He is still waiting to hear from the driller as to when he intends to do the drilling, but he believes it will probably be at least 4 weeks away.

Randy expressed concern about the current drought conditions and he gave each Board member a copy of the District's Drought Emergency Plan. In June 2002 the District went to Level 2 of the Plan and has remained at that level since that time. However, if the drought continues and well levels keep dropping, it may become necessary in the future to go to Level 3, which is much more stringent and includes stipulations such as no washing of driveways or cars. While Management would not "police" Level 3 recommendations, going to this level will let the public know how serious the problem is. It was suggested, and all seemed to agree that the Drought Emergency Plan should be posted online so all owner/users can read the plan for themselves to see what needs to be done.

One other issue Randy brought up regarded the maintenance of the fire hydrants in Black Canyon City. In the past, the District had charged the Black Canyon City Fire Department (BCCFD) \$68 per month to maintain the hydrants. In order to avoid paying this fee, the BCCFD chose to take over the job of maintaining the fire hydrants. This arrangement was brought on years ago because the hydrants are there for the sole use of the Fire Dept. and they are the only ones (besides Management) who have access to them. The hydrants would be flushed once a year and tested once a year for the ISO rating. The people that do the rating have contacted Randy and he told them that nothing has changed in the water system since the last test. Since Daisy Mountain Fire Dept (DMFD) has taken over the BCCFD, they do not want to assume the task of maintaining the hydrants. The Board needs to address this issue either by choosing to waive the maintenance fee or to send a notice to DMFD letting them know that it will cost them \$68 per month for the District to do this maintenance. Dave Moore asked how often the maintenance has to be done on the hydrants and was told it needs to be done once a year. He then asked how many fire hydrants were in the District. Randy stated there are roughly 30 hydrants.

System Operator, Bob Hanus inspected the daily log book for the system, as required by ADEQ, and found everything to be in order for the month of April 2018.

With no other discussion, Vicki Zimmerman moved to accept the Operations Report as presented. Eva Berst seconded the motion and, upon vote, the Operations Report as of 5/21/2018 was approved unanimously.

Agenda Item #7 2018-19 Public Budget Hearing

At 6:04 Chair Dave Moore began the Public Budget Hearing, making certain everyone present had a copy of the proposed 2018-2019 Proposed Budget. He stated that the Budget Committee met and presented the Proposed 2018-2019 Budget to the Board for consideration. The proposed budget presented does not show any rate increases but, as discussed earlier, it does not take into account the issue of the maintenance and inspection fee of the fire hydrants. That issue will be addressed with the Fire Department.

At that point Dave opened the floor for public comment. As there was no public comment regarding the proposed budget, Dave closed the floor to Public comment and asked for Board discussion. After brief comments from Vicki Zimmerman concerning the previously mentioned fire hydrants, Dave Moore asked for a motion for approval. Eva Berst made a motion to accept the 2018-2019 Budget which was seconded by Vicki Zimmerman. Upon vote the 2018-2019 Budget was approved unanimously.

**Agenda Item #8 Ansel v. BCCWID Yavapai Co. Superior Court #P1300CV2016-00448
Proposed Settlement**

At 6:08 Chair Dave Moore paused the public meeting, and the Board members and Management team moved to a private conference room for an Executive Session in order to discuss with Board Members the details of the May 15, 2018 Settlement Conference with Judge Stevens

At 6:27 The Board and Management returned from the Executive Session and Chair Dave Moore reconvened the Public Regular Board Meeting.

Agenda Item #9 Update Ansel v. BCCWID Yavapai Co. Superior Court #P1300CV2016-00448

Since the Board now had knowledge of prior history of the litigation and where it stands, Dave Moore asked for a motion to approve the settlement agreement and general mutual release of all claims as decided at the May 15, 2018 Settlement Conference between the plaintiff and the defendant (Water District, et al). Vicki Zimmerman made the requested motion and Jed Carter seconded. Upon vote the Board unanimously voted to approve the settlement agreement and terms as previously decided between the plaintiff and the defendant.

Agenda Item #12 Call to the Public

Shawn Snelling had a question about the new well. She wanted to know if there was just one well being drilled and if it was located near an existing well. Randy responded yes to both questions, stating the new well will be located at the site off Todd Evans Rd.

She then asked about the number of fire hydrants in the District. Randy stated that it was a rough estimate and that a few of them are stand pipes, but most are regular hydrants.

With no other business to come before the Board, the Chair adjourned the meeting at 6:37 P.M. Chair Dave Moore thanked everyone for their attendance and announced that there is no June Board meeting and the next Board Meeting will be July 24, 2018.

Certification:

I, Sarah J. Hrabina, certify that the Agenda for the May 22, 2018 Regular Board Meeting was publicly posted at the Black Canyon City Post Office Bulletin Board, on May 18, 2018, on or before 4:30 PM.

Sarah J. Hrabina
Sarah J. Hrabina

ATTESTED:

I, Vicki Zimmerman, Secretary for the Black Canyon City Water Improvement District certify that the minutes are true and correct to the best of my knowledge and belief.

Respectfully submitted,

Vicki Zimmerman
Vicki Zimmerman, Secretary

Transcription of minutes completed by Lavon Van Dusen 06/05/2018.
A full recording is available in 2 parts: Part One: 21:59 min. in length; Part Two: 9:42 min. in length