

**OFFICIAL MINUTES FOR THE  
BLACK CANYON CITY WATER IMPROVEMENT DISTRICT  
JULY 24, 2018 REGULAR BOARD MEETING**

Chair, Dave Moore called the meeting to order at 5:46 PM.

Roll Call showed a quorum (4 of 5):

Dave Moore, Chair; Eva Berst, Vice Chair; Barrie Dickerson, Treasurer; Jed Carter, Member-at-Large

Also in attendance: Management– Randy Hrabina, Sarah Hrabina

Public: Cindy Brannan, John Benvenuti

Not in attendance: Vicki Zimmerman, Secretary

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. Jed Carter reported on the system inspection he took with Randy, stating it was very informative, he learned how spread out the system is, and he commented there were lots of booster pumps.

**Agenda Item #4 Approval of Minutes 5/22/18 Regular Board Meeting**

The May 22, 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. Jed Carter seconded the motion and, upon vote, the minutes from the May 22, 2018 Regular Board Meeting were approved unanimously.

**Agenda Item #5 Treasurer's Financial Report for Approval as of 5/31/18 & 6/30/18**

Since there was no June meeting, there were two financial reports presented at this meeting. Treasurer Barrie Dickerson first presented the 5/31/18 Financial Report:

Account	Beginning	Ending	Change
General Fund	\$ 62,891.06	\$ 66,751.33	\$ 3,860.27
Security Deposits	\$ 45,110.00	\$ 45,110.00	\$ -0-
Impact/Capital Fund	\$240,237.47	\$242,953.35	\$ 2,715.88
Arsenic Sinking Fund	\$118,014.66	\$119,611.08	\$ 1,596.42
Recap/Bank of the West	\$ 5,871.76	\$ 16,829.43	\$10,957.67
Account Totals =	\$472,124.95	\$491,255.19	\$19,130.24

Cash Management	Deposits	\$ 51,429.73
GJ Adjustments:		
Monthly scanner fee		-\$ 45.00

Cash Management	Deductions/checks	-\$ 32,254.49
	Net Gain/(Loss)	\$ 19,130.24

(Note #1: Includes legal expense of \$3,675.32; Final Reynolds Road Project \$2,375

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

May billing totaled \$44,553.34. Water consumption for the month was reported at 5,302,000 gallons compared to 4,934,000 gallons the previous month and the May 2017 comparison of 4,336,000 gallons. Total gallons billed for the fiscal year-to-date was 51,923,000 gallons (11 months); with comparison to previous fiscal year-to-date of 47,091,000 gallons. The financials include Quick Books invoices #2372 to #2377 and In-Hance Audits #15,776 through #15,830 with the accounts receivable in both In-Hance and Quick Books balancing at \$26,427.52.

One Impact Fee was posted in May: a/c#41; audit#15,786; \$2,500

Barrie Dickerson then presented the 6/30/18 Financial Report:

Account	Beginning	Ending	Change
General Fund	\$ 66,751.33	\$ 60,978.76	-\$ 5,772.57
Security Deposits	\$ 45,110.00	\$ 45,440.00	\$ 330.00
Impact/Capital Fund	\$242,953.35	\$216,458.79	-\$26,494.56
Arsenic Sinking Fund	\$119,611.08	\$119,742.59	\$ 131.51
<u>Recap/Bank of the West</u>	<u>\$ 16,829.43</u>	<u>\$ 28,421.32</u>	<u>\$11,591.89</u>
Account Totals =	\$491,255.19	\$471,041.46	-\$20,213.73

Cash Management	Deposits	\$ 50,899.11
GJ Adjustments:		
Monthly scanner fee		-\$ 45.00
NSF ck +bank fees		-\$ 118.98

Cash Management	Deductions/checks	<u>-\$ 70,948.86</u>
	Net Gain/(Loss)	<u>-\$ 20,213.73</u>

(Note #1: Includes legal expense of \$60,387.50

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

June billing totaled \$45,543.49. Water consumption for the month was reported at 5,442,000 gallons compared to 5,302,000 gallons the previous month and the June 2017 comparison of 5,441,000 gallons. Total gallons billed for the fiscal year-to-date was 57,365,000 gallons (12 months); with comparison to previous fiscal year-to-date of 52,532,000 gallons. The financials include Quick Books invoices #2378 to #2387 and In-Hance Audits #15,831 through #15,906 with the accounts receivable in both In-Hance and Quick Books balancing at \$30,133.40.

Two Impact Fees were posted in June: a/c#363; audit#15,856; \$2,500  
 a/c#3086 audit#15,860 \$2,500

Dave Moore noted the larger than normal June legal expense resulting in the net decrease in fund balance. Eva Berst moved to accept both the May 31, 2018 and the June 30, 2018 Financial Reports, with Jed Carter seconding the motion. Upon vote the Financial Reports as of 5/31/18 and 6/30/18 passed unanimously.

**Agenda Item #6 Operations Report and Approval as of 7/23/18**

Randy Hrabina presented the Operations Report, giving a recap of the May 22, 2018 through July 23, 2018 activities with 46 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; 48 pink slips.

Test results from Test America for monthly Bac-t's (E-Coli & Coliform) for both June and July were negative.

WELL STATS: Despite the rain, well levels have dropped another three feet since last report.

<u>Water Levels:</u>	<u>Last Report/ May 2018</u>	<u>This Report/ July 2018</u>
Big John #1	26' Draw to 29'	29' Draw to 31'
Big John #2	26' Draw to 29'	29' Draw to 31'
GOA #1	26.5' Draw to 29'	29' Draw to 30'
GOA # 2	26.5' Draw to 29'	29' Draw to 32'

Oasis # 1	27' Draw to 30'	30' Draw to 32'
Oasis # 2	27' Draw to 30'	30' Draw to 33'

Randy Hrabina stated that due to the wells continuing to drop, the Board may need to consider going to Level 3 water conservation measures.

Arsenic media was replaced at the GOA site. Quoted price is \$46,185 (plus sales tax), but management is still waiting for the bill from AdEdge. Randy stated that the other sites are okay at this time with the highest arsenic level being 5.5 at Big John, so the District should not need to replace media again for another year to year and a half.

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 months of May and June 2018.

At this point there was discussion as to whether or not the Board should not wait, but go ahead and move to Level 3 water conservation measures immediately. Randy pointed out that regulations stated that if well levels continued to drop after 30 days of being at a Level 2, (which they have) the District should move to a Level 3. The Board determined they could make the decision as part of the Operations Report agenda item, and therefore opted to move to Level 3. This step would include posting flyers publicly as well as mailing written notices to all owner/users in the district.

Chair Dave Moore made a motion to accept the operations report as presented, move to a Level 3 conservation measure, instruct Management to mail out notices to all owner/users, and approve postage expense for these mailings. The motion was seconded by Barrie Dickerson and, upon vote, the measure passed unanimously.

In regards to the increasing need for water, Randy mentioned that he was going to call Drill Tech who was to be drilling a new well at the GOA site. As yet, they have not given a date that the new well would be drilled, and when Randy called them a couple of weeks ago, he was told the District was not even on the two month list yet. If they cannot provide a date for the drilling, Randy recommends that the permit be changed to Western Drilling (who would put in an 8" well). He prefers a 12" well, but an 8" would suffice, and the District needs to get scheduled with someone as soon as possible, since the District is in need of this well.

#### **Agenda Item #7      Big John #1 Pump Replacement**

Due to problems with Big John #1, a well driller had to be called out and the pump was pulled. Through testing with a gauge, it was determined the bearings were worn on the pump motor, which would mean the impellers were as well. The decision was made to replace the pump since it would probably need to be replaced in the near future. Considering the cost of pulling the pump, it made sense to replace it now. All but the first 21 feet of piping was also replaced, along with the wire. The District does not yet have the bill for the job, but Management estimates it will be less than \$10,000. Barrie Dickerson made a motion to approve the Capital Expenditure for the new pump. Eva Berst seconded the motion and, upon vote, the measure passed without opposition.

#### **Agenda Item #8      Fire Department-Hydrant Maintenance/Inspection/Certification**

Chair Dave Moore discussed the letter sent to the Daisy Mountain Fire Chief (copies included in Board packets). The letter explains how the District waived the \$68/month maintenance fee back in 2009 when Chief Birch, with the Black Canyon City Fire Department, had requested the change with the agreement that the BCC Fire Department would provide the maintenance. Daisy Mountain Fire Department has indicated they do not want to continue this arrangement. Management, Sarah Hrabina, has sent a letter to the Daisy Mountain Fire Department requesting a signature confirming their desire to discontinue this arrangement which would then re-instate the \$68 monthly fee. To date, there has been no response from Daisy Mountain. Management had intended to reinstate the

additional \$68 monthly fee with the July bills. The Board needed to decide whether to instruct Management to go ahead and reinstate the fee, or to wait until a reply is received from Daisy Mountain. Eva Berst made a motion to reinstate the \$68 fee beginning with the July billing, and motion was seconded by Jed Carter. Upon vote the motion carried unanimously.

**Agenda Item #9 Board Resignation-Vicki Zimmerman, Secretary**

Chair Moore reiterated what was mentioned during Roll Call, that Vicki Zimmerman had moved and was no longer living within the Black Canyon City Water District. Since residing in or owning property within the District is a requirement in order to serve on the Board, her resignation was necessary and had to be accepted by the Board. Barrie Dickerson made a motion to accept Vicki's resignation. Eva Berst seconded and, upon vote, the resignation was accepted unanimously.

Dave Moore stated that it was unfortunate that Vicki had to resign as she had been an excellent Board member. He expressed appreciation for the time and effort she gave while serving on the Board.

**Agenda Item #10 Interim Appointment-Acting Secretary**

With the Board Secretary position needing to be filled, Dave Moore again called on Eva Berst, asking if she would agree to serve as interim Secretary until a replacement can be found. Eva graciously agreed. Barrie Dickerson made a motion to appoint Eva Berst as the temporary Acting Secretary for the Board, and Dave Moore seconded the motion. Upon vote, the motion carried unanimously.

**Agenda Item #11 Open Board Position**

Dave Moore explained that open Board positions are filled by Board appointment. The opening will be publicly posted, with a request that anyone who is interested in serving, submit a letter-of-intent. Since there is no August meeting, this item will be put on the agenda for the September meeting. Hopefully at that time there will be several candidates to consider. No Board action was required on this agenda item.

**Agenda Item #12 Final Ansel v. BCCWID Yavapai Co. Superior Court #P1300CV2016-00448**

Chair Dave Moore presented the final update on the lawsuit. On June 20, 2018 the judge dismissed the case with prejudice (meaning it cannot be brought up again for re-litigation in the future). The District received a Quit-Claim Deed for the easement corridor from Kings Way up to the April tank, as well as a Quit-Claim Deed for the land under the tank where it encroached on Mr. Ansel's property. The Board expressed appreciation to Dave for all his hard work in dealing with this lawsuit for the past two years.

**Agenda Item #13 Call to the Public**

None

**With no other business to come before the Board, the Chair adjourned the meeting at 6:32 P.M. Chair Dave Moore thanked everyone for their attendance and announced that there is no August Board meeting and the next Board Meeting will be September 25, 2018.**

**Certification:**

I, Sarah J. Hrabina, certify that the Agenda for the July 24, 2018 Regular Board Meeting was publicly posted at the Black Canyon City Post Office Bulletin Board, on July 19, 2018, on or before 4:30 PM.

Sarah J. Hrabina  
Sarah J. Hrabina

**ATTESTED:**

I, Eva Berst, Acting 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,

*Eva Berst*  
Eva Berst, Acting Secretary

Transcription of minutes completed by Lavon Van Dusen 08/01/2018.  
A full recording is available; 46:03 min. in length