

**OFFICIAL MINUTES FOR THE
BLACK CANYON CITY WATER IMPROVEMENT DISTRICT
SEPTEMBER 25, 2018 REGULAR BOARD MEETING**

Chair, Dave Moore called the meeting to order at 5:45 PM.

Roll Call showed a quorum (3 of 5):

Dave Moore, Chair; Eva Berst, Vice Chair; Barrie Dickerson, Treasurer

Also in attendance: Management– Randy Hrabina, Sarah Hrabina

Public: Cindy Brannan, Scott Butler, Diana Butler, Alyx Cohan, CPA (arrived a few minutes late)

Not in attendance: Jed Carter, Member-at-Large

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.

Agenda Item #4 Approval of Minutes 7/24/18 Regular Board Meeting

The July 24, 2018 Regular Board Meeting minutes were reviewed. All Board members stated they had read the minutes. Dave Moore found one minor correction needed in the section regarding the Operations Report. Eva Berst made the motion to accept the minutes with the needed correction. Barrie Dickerson seconded the motion and, upon vote, the minutes from the July 24, 2018 Regular Board Meeting were approved unanimously.

Agenda Item #5 Treasurer's Financial Report for Approval as of 7/31/18 & 8/31/18

Since there was no August meeting, there were two financial reports presented at this meeting. Treasurer Barrie Dickerson first presented the 7/31/18 Financial Report:

Account	Beginning	Ending	Change
General Fund	\$ 60,978.76	\$116,700.91	\$ 55,722.15
Security Deposits	\$ 45,440.00	\$ 45,440.00	\$ -0-
Impact/Capital Fund	\$216,458.79	\$221,689.11	\$ 5,230.32
Arsenic Sinking Fund	\$119,742.59	\$ 70,991.71	-\$ 48,750.88
Recap/Bank of the West	\$ 28,421.32	\$ 15,659.68	-\$ 12,761.64
Account Totals =	\$471,041.46	\$470,481.41	-\$ 560.05

Cash Management	Deposits	\$ 50,360.76
GJ Adjustments:		
Monthly scanner fee		-\$ 45.00

Cash Management	Deductions/checks	-\$ 50,875.81
	Net Gain/(Loss)	-\$ 560.05

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

July billing totaled \$49,307.54. Water consumption for the month was reported at 6,100,000 gallons compared to 5,442,000 gallons the previous month and the July 2017 comparison of 6,487,000 gallons. Total gallons billed for the fiscal year-to-date was 6,100,000 gallons (1 month); with comparison to previous fiscal year-to-date of 6,487,000 gallons. The financials include Quick Books invoices #2388 to #2400 and In-Hance Audits #15,907 through #15,975 with the accounts receivable in both In-Hance and Quick Books balancing at \$34,690.62.

One Impact Fee was posted in July: a/c#311; audit#15,928; \$2,500

Barrie Dickerson then presented the 8/31/18 Financial Report:

Account	Beginning	Ending	Change
General Fund	\$116,700.91	\$ 62,509.91	- \$54,191.00

Security Deposits	\$ 45,440.00	\$ 45,440.00	\$ -0-
Impact/Capital Fund	\$221,689.11	\$216,216.51	- \$ 5,472.60
Arsenic Sinking Fund	\$ 70,991.71	\$ 73,491.71	\$ 2,500.00
Recap/Bank of the West	\$ 15,659.68	\$ 20,213.10	\$ 4,553.42
Account Totals =	\$470,481.41	\$417,871.23	-\$52,610.18

Cash Management	Deposits	\$ 48,481.13
GJ Adjustments:		
Monthly scanner fee		-\$ 45.00

Cash Management	Deductions/checks	<u>-\$101,046.31</u>
	Net Gain/(Loss)	-\$ 52,610.18

(Note #1: Payment of \$48,863.87 for GOA media replacement
 Note #2: Pump Tech BJ pump replaced: \$7,972.60
 Note #3: Annual liability insurance paid: \$10,044.00
 Note #4: AZ Sales Tax payment is made with a DEBIT from the Bank of the West account)

August billing totaled \$43,163.37. Water consumption for the month was reported at 4,767,000 gallons compared to 6,100,000 gallons the previous month and the August 2017 comparison of 4,927,000 gallons. Total gallons billed for the fiscal year-to-date was 10,867,000 gallons (2 months); with comparison to previous fiscal year-to-date of 11,414,000 gallons. The financials include Quick Books invoices #2401 to #2410 and In-Hance Audits #15,976 through #16,034 with the accounts receivable in both In-Hance and Quick Books balancing at \$30,297.14.

No Impact Fees were collected in August

Eva Berst moved to accept both the 7/31/2018 and the 8/31/2018 Financial Reports, with Dave Moore seconding the motion. Upon vote the Financial Reports as of 7/31/18 and 8/31/18 passed unanimously.

Agenda Item #7 Alyx Cohan, CPA Audit Presentation for Fiscal Year 2017-18

CPA Alyx Cohan gave a recap of the audit and stated the audit went smoothly; and was unmodified with no material adjustments made. Dave Moore requested a minor revision to MDA discussed regarding easement. After Board discussion with the auditor, Barrie Dickerson moved to approve the audit for fiscal year ending 6/30/18 with Eva Berst seconding the motion. Upon vote the Board unanimously approved the audit for the fiscal year ending 6/30/2018.

Agenda Item #8 Open Board Position

Randy Hrabina had to step away from the meeting for a few minutes, so Chair Dave Moore opted to move on to Agenda Item #8, waiting to discuss the Operations Report upon Randy's return to the meeting. Despite postings online and at the Post Office of the open position for Board Secretary, Management has not yet received any letters of intent. Chair Moore encouraged all Board members to think about a suitable replacement and try to recruit them. Dave stated he had spoken to three people, two of whom said they could not do it at this time, and one who stated she would think about it. Sarah also noted she had talked with someone who knew of a possible candidate. Chair Moore suggested the opening needed to be reposted online for continued exposure to the Public. Eva Berst was concerned that people had misunderstandings of the job requirements, thinking they did not have the time or the expertise to fulfill the duties of the position. She suggested that it might be helpful to provide the Public with more information concerning the minimal hours and experience (not necessary to have knowledge of waterworks or plumbing) needed for the job. Sarah Hrabina agreed, stating that what is required is someone who has commitment and responsibility, and is willing to take part in oversight of the Management team. Dave Moore added that it would be helpful for people to know that,

as Secretary, they would not be responsible for transcription of the minutes, as that work is completed by a paid transcriptionist. There was not Board action required on this agenda item.

Agenda Item #9 Yavapai County Board of Supervisors-Cancellation of Election & Board Appointments

There were two Board positions up for election this year with qualified candidates required to submit their petitions to the Yavapai County Board of Elections. Only two petitions were received; Dave Moore and Jed Carter. With only two seats to fill, the County cancelled the Election and the Board of Supervisors officially appointed the two candidates. No Board action was required on this agenda item.

Agenda Item #6 Operations Report and Approval as of 9/24/18

Randy Hrabina presented the Operations Report, giving a recap of the July 24, 2018 through Sept 24, 2018 activities with 53 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 15 Blue Stakes marked for the period; 40 pink slips.

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

WELL STATS: Well levels have improved some.

Water Levels:	Last Report/ July 2018	This Report/ Sept 2018
Big John #1	29' Draw to 31'	28' Draw to 29'
Big John #2	29' Draw to 31'	28' Draw to 29'
GOA #1	29' Draw to 30'	26' Draw to 29'
GOA # 2	29' Draw to 32'	26' Draw to 29'
Oasis # 1	30' Draw to 32'	28' Draw to 29'
Oasis # 2	30' Draw to 33'	28' Draw to 29'

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 July and August 2018.

Eva Berst asked if the District could go back to Level 2 conservation measures in light of the improved well stats. Randy cautioned that, even though the well levels had improved, they could go down again quickly if we did not continue getting rain. It would be wise to continue at Level 3 for the time being.

At the arsenic sites, new equipment was delivered last week. The old recycling pumps and electronics have been torn out and new ones put in place (but not yet hooked up). Tomorrow the Oasis site will be shut down for two days and all the piping will be connected. After that is completed Management will have AdEdge come out and connect the wiring for the electronics (AdEdge needs to do the actual wiring work to keep warranty valid). Management will be talking with AdEdge to see if they will credit the District for part of the expense, since Management, in order to complete the job sooner, has done some of the installment work that AdEdge was supposed to do.

With no further discussion or questions, Barrie Dickerson made a motion to accept the operations report as presented. The motion was seconded by Eva Berst and, upon vote, the measure passed unanimously.

Agenda Item #10 Notices Posted at Properties & in Danger of Having Meters Removed

Chair Dave Moore asked Management Sarah Hrabina to discuss this agenda item. Sarah explained that, according to District Policies and Procedures any account over four months in arrears is to have the meter removed. Currently, there are two accounts (#328 and #397) that are well over the four

month mark and are in need of having the meters removed. In one case, the property owner is deceased and Management has been unable to contact the family. The other property is a foreclosure. Unless someone comes forward to bring these accounts current, the meters are scheduled to be removed on Oct 5. After that date, if someone wants to reinstate either of those accounts, they will be required to pay the impact fee to get service reestablished. Dave Moore made a motion to approve the removal of the meters for Accounts #328 and #397 if the accounts are not brought current by Oct. 5, 2018. Eva Berst seconded the motion and, upon vote, the measure passed unanimously.

Agenda Item #11 Capital Improvements

Chair Dave Moore turned this item over to Randy Hrabina for presentation and discussion. The proposed project is part of the 10 Year Capital Improvement plan that was presented to the Board in 2016, which Randy hopes to complete before he leaves the District Management position. The current proposed project is to replace the old 4" transite, 4" galvanized, and 2" galvanized lines on Ann Black and S K-Field streets with approximately 1,450 feet of 6" Schedule 90 pipe. The section on K-Field runs from Bertha St to behind the Squaw Peak Realty building. The work on Ann Black street runs from K-Field to K-Mine and includes replacement of all services. The estimated cost will be roughly \$75,000 due to the amount of blacktop and slurry needed to complete the project. All plumbing material (including approximately 1,450 feet of 6" main line and 100 feet of ¾" service line) and permits will be supplied by BCCWID. All labor, equipment, ABC, and slurry are to be supplied by the contractor. All backfill material needs to be approved by BCCWID and all work is to be inspected and signed off before the backfill is done. After a brief discussion Barrie Dickerson made a motion to approve going out for bids for the Ann Black/K-Field Main Line Replacement Project. Eva Berst seconded the motion and, upon vote the measure passed unanimously.

Agenda Item #12 Survey/Legal Quit-Claim Deed for TPN 501-03-017Q

Tabled until next meeting due to time constraints.

Agenda Item #13 Monument Markers for TPN 501-03-017P and Q

Tabled until next meeting due to time constraints.

Agenda Item #14 Call to the Public

Scott and Diane Butler stated this is the first time they have had public water and they wanted to see how things were run in the District. They were very impressed and happy to see that things are in good hands. Scott had a concern about drought issues and was wondering what would happen if the District ran out of water. Randy Hrabina responded that about 16 years ago the water supply was extremely low and the District had to drill four new wells. He pointed out that currently the District is preparing to drill another new well. He hopes that with conservation and preventive measures, the District will not run out of water.

With no other business to come before the Board, the Chair adjourned the meeting at 6:57 P.M. Chair Dave Moore thanked everyone for their attendance and announced that the next Board Meeting will be October 23, 2018.

Certification:

I, Sarah J. Hrabina, certify that the Agenda for the September 25, 2018 Regular Board Meeting was publicly posted at the Black Canyon City Post Office Bulletin Board, on September 21, 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 10/18/2018.
A full recording is available; 1:11:39 in length