

**OFFICIAL MINUTES FOR THE
BLACK CANYON CITY WATER IMPROVEMENT DISTRICT
APRIL 23, 2019 REGULAR BOARD MEETING**

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; Dorothy Moore, Treasurer; Scott Butler, Secretary

Also in attendance: Management– Randy Hrabina, Sarah Hrabina

Public: Bob and Wanda Chauklin (both arrived at 6:00PM)

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 the Black Canyon City Bulletin Board on Facebook as well as to the BCCWID website.

Agenda Item #4 Approval of 3/26/19 Regular Board Meeting Minutes

The March 26, 2019 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. Dorothy Moore seconded the motion and, upon vote, the minutes from the March 26, 2019 Regular Board Meeting were approved unanimously.

Agenda Item #5 Treasurer's Financial Report for Approval as of 3/31/19

Treasurer Dorothy Moore presented the 3/31/19 Financial Report:

Account	Beginning	Ending	Change
General Fund	\$ 72,191.52	\$ 50,380.32	-\$ 21,811.20
Security Deposits	\$ 45,540.00	\$ 45,540.00	\$ 0.00
Impact/Capital Fund	\$103,639.50	\$104,169.89	\$ 530.39
Arsenic Sinking Fund	\$ 89,011.85	\$ 91,944.63	\$ 2,932.78
Recap/Bank of the West	\$ 5,888.78	\$ 26,088.40	\$ 20,199.62
Account Totals =	\$316,271.65	\$318,123.24	\$ 1,851.59

Cash Management	Deposits	\$ 52,413.80
GJ Adjustments:		
Monthly scanner fee		-\$ 45.00
Cash Management	Deductions/checks	-\$ 50,517.21
	Net Gain/(Loss)	<u>\$ 1,851.59</u>

(Disbursements include annual D&O ins \$3,463; AdEdge arsenic upgrades \$3,565.80)

March billing totaled \$36,028.16. Water consumption for the month was reported at 2,691,000 gallons compared to 3,750,000 gallons the previous month and the March 2018 comparison of 3,389,000 gallons. Total gallons billed for the fiscal year-to-date was 36,428,000 gallons (9 months); with comparison to previous fiscal year-to-date of 41,687,000 gallons. The financials include Quick Books invoices #2478 to #2482 and In-Hance Audits #16,391 through #16,428 with the accounts receivable in both In-Hance and Quick Books balancing at \$19,557.28.

Review of all audit adjustments was done- delinquent fees posted;

And one \$20 credit to a/c#3072 for construction water used to flush main line after a repair,

No Impact Fees were collected in March.

Dave Moore made a motion to accept the 3/31/19 Financial Report as presented. Eva Berst seconded the motion and, upon vote, the motion carried unanimously.

Agenda Item #6 Operations Report for Approval as of 4/22/19

Randy Hrabina presented the Operations Report, giving a recap of the March 16, 2019 through April 22, 2019 activities with 33 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 6 Blue Stakes marked for the period; 25 pink slips.

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

WELL STATS: Well levels continue to be in the NORMAL range

Water Levels:	Last Report/ Mar 2019	This Report/ April 2019
Big John #1	21' Draw to 23'	21' Draw to 23'
Big John #2	21' Draw to 24'	21' Draw to 24'
GOA #1	21' Draw to 23'	21' Draw to 23'
GOA #2	21' Draw to 25'	21' Draw to 25'
Oasis #1	22' Draw to 25'	22' Draw to 25'
Oasis #2	22' Draw to 25'	22' Draw to 25'

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 March 2019.

Dave Moore requested further information regarding the replacing of booster pumps at upper Kings Ranch and Happy Jack. Randy Hrabina stated that both pumps were 1.5 HP and were 10+ years old. When Dave asked the approximate cost of replacement, Randy answered that with the cost of the pump and all the components that needed to be replaced along with the pump, the cost per site was approximately \$1,500 to \$1,750.

Chair Moore then asked about the repair done on Reynolds road where the County had hit a water line. Randy replied that it was not a difficult repair job. The service line that was hit was an old one that neither the County nor Management knew was there. Management repaired, then buried the line so it won't get hit again.

With no further discussion or questions, Dave Moore made a motion to accept the operations report as of April 22, 2019. The motion was seconded by Dorothy Moore and, upon vote, the measure passed unanimously.

Agenda Item #7 Board Position Realignment

Chair Dave Moore began by stating that each January, in accordance with the law, the Board undergoes a re-organization for the new year. Usually, the Board members retain their selected positions from that point on for the rest of the year. However, there is nothing to preclude a Board member changing position with another Board member, if both parties are agreeable. Eva Berst, Vice Chair, has a contract on her house and is due to close at the end of May, and Eva will be moving to Anthem. When this happens, she will no longer be living in the Black Canyon City Water Improvement District and so will be unable to continue as a Board member. The Board felt it would be easier to advertise for replacement of the Board Secretary, rather than the Vice Chair. Therefore, Eva asked to switch positions with Scott Butler who is currently serving as Board Secretary. Scott agreed to the change. Other Board members agreed this would be a good change in light of the circumstances.

Dave Moore made a motion to move Eva Berst from the Vice Chair position to the Secretary position and move Scott Butler from the Secretary position to the Vice Chair position. The motion was seconded by Dorothy Moore and, upon vote, the measure passed unanimously.

Agenda Item #8 Special Request-34175 Mud Springs Road

Dave Moore started by giving some background on this situation. Bob Chaulklin stopped in the office last week wanting to get water re-established at the property at 34175 Mud Springs Road. The meter had been pulled back in May 2017 after the property had been posted and a certified letter was mailed to Robert and Wanda Chaulklin, to the address on record in Phoenix, AZ. The certified mail was returned "unclaimed". Mr. Chaulklin said they never received it. Mr. Chaulklin provided information he received from a Christopher Bush (all Board members were given a copy of this information in their packets) and they feel, citing AZ Revised Statutes Title 9, Chapter 4, Article 6.2, §463.05, that the Board should remove the Impact Fee.

At this point Dave gave Bob Chaulklin a chance to include any other information he felt would explain their position. He gave a brief rundown of how he obtained the property and a bit about who had occupied the home as well as times the property was vacant since he had owned it. Recently, he has been fixing up the property in hopes of selling it. He does not understand why he is required to pay the impact fee in order to get water service re-established. Wanda Chaulklin added that what they are wanting to do is get the water turned on so they can check the plumbing and sell the property.

Dave explained that, being a Water District, we are not subject to Title 9, which is for municipalities and incorporated cities and towns. Black Canyon City is an unincorporated community. The District is under Title 48 which has completely different regulations. The District has Policies and Procedures which dictate how this type of situation is to be handled. The rules state that, after 4 months of nonpayment, the property is posted indicating that the meter will be pulled. Past due notices will have been sent prior to that but the final posting that the meter is going to be pulled is posted prior to the meter being pulled and a certified letter is sent to the last known address of the customer. All of that was done in this situation. The Board does not and cannot make any exceptions to this process. The District does have a payment agreement that Management oversees, that is spread out over a period of one year. Management Sarah Hrabina explained to the Chaulklins that if they wanted to set up a payment plan, they would be required to pay \$500 down and \$250 per month toward the impact fee until the entire amount was paid (with no interest being charged during that time). If the house sold before the entire amount was paid, the Chaulklins would need to pay the balance owed at the time of closing. She added that another option would be to have a meter installed once there is a contract on the home so the inspection can be done and the sale can be completed. The buyer would then pay for establishing service. Sarah did stress that the Chaulklins would need to disclose this expense to potential buyers.

Bob then asked if there would be additional expenses while he was paying off the Impact Fee. Sarah explained that there would also be a monthly water bill for service and water used, each month.

With no further questions, the Chaulklins thanked the Board for their time, the Board thanked them for coming, and then the Chaulklins left the meeting.

No Board action was required on this item.

Agenda Item #9 Consumer Confidence Report

Chair Moore explained that the 2018 Consumer Confidence Report is due to ADEQ by June 30, 2019. Management, annually, compiles the data required for the ADEQ report. In addition to the report, the District also includes an optional, informative letter to go along with the report. The report and letter are mailed to all Water District Owner/Users.

Management has provided the proposed letter for the Board's review and approval and suggestions for any additional helpful information. The section regarding the Budget (page 2) is subject to final Board action and if for some reason the budget were to be modified, this section would also be modified prior to printing and mailing.

Randy Hrabina stated that he would like to find a YouTube link that could be included in the letter that would educate owner/users on the need for and importance of cleaning out water heaters and how to do it. He occasionally gets calls from people complaining that their water is dirty, and he has to explain to them that the dirt is coming from their water heater.

Dave Moore pointed out that the listing of Board members and their positions will also need to reflect the current and upcoming changes.

Scott Butler made a motion to approve the 2018 Consumer Confidence Letter pending the budget approval at the May meeting and making the necessary adjustments to the list of Board Members. Dave Moore seconded the motion and, upon vote, the motion carried unanimously.

Agenda Item #10 Palo Verde Line Replacement Project

Chair Dave Moore invited Management Randy Hrabina to discuss this item. Randy began by stating he would like to reclassify the project as the Mud Springs Road Project. He then asked that, since summer is quickly approaching, and with it, the extreme heat, this item be tabled until Fall.

In compliance with Randy's request, this item was tabled until Fall.

Agenda Item #11 Board Bank Authorization/Signers

Dave Moore asked Sarah Hrabina to discuss the need for the new bank paperwork. Sarah explained that, due to Board member position changes and new Board members, this process needs to be completed again. Sarah recommended the Board hold up on Bank of the West since they will soon be losing a member and getting a new member. When this happens, everything for Bank of the West has to be done all over again. She requested that this paperwork be postponed until the changes in the Board are complete. The Bank of the West account only involves one transfer, once a month, so the current signers can take care of that transaction.

Sarah does have the documents for the Yavapai County accounts and requested that each Board member come in to the office within the next week to sign those papers. The General Fund, through Yavapai County is the one on which most checks are written so that is the account in need of multiple signers to be available.

No Board action was needed on this item.

Agenda Item #12 Call to the Public

None

With no other business to come before the Board, the Chair adjourned the meeting at 6:40 P.M.

Chair Dave Moore thanked everyone for their attendance and announced that the next Board Meeting and Public Budget Hearing will be May 28, 2019.

Certification:

I, Sarah J. Hrabina, certify that the Agenda for the April 23, 2019 Regular Board Meeting was publicly posted at the Black Canyon City Post Office Bulletin Board, on April 17, 2019, on or before 4:30 PM.

Sarah J. Hrabina

Sarah J. Hrabina

ATTESTED:

I, Eva Berst, 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, Secretary

Transcription of minutes completed by Lavon Van Dusen 5/15/2019.

A full recording is available; 0:53:10 in length