

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

Chair, Dave Moore called the meeting to order at 5:47 PM,  
 Roll Call showed a quorum (3 of 5):  
 Dave Moore, Chair; Scott Butler, Vice Chair; Dorothy Moore, Treasurer  
 Not in Attendance: Jed Carter, Member-at-Large  
 Secretary: position currently open  
 Also in attendance: Management– Randy Hrabina, Sarah Hrabina  
 Public: Karen Gray  
 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 Minutes for 5/28/19 Regular Board Meeting and Public Budget Hearing**

The minutes for the May 28, 2019 Regular Board Meeting and Public Budget Hearing were reviewed. All Board members stated they had read the minutes and found no corrections necessary. Scott Butler made the motion to accept the minutes as written. Dorothy Moore seconded the motion and, upon vote, the minutes from the May 28, 2019 Regular Board Meeting and Public Budget Hearing were approved unanimously.

**Agenda Item #5 Treasurer's Financial Report for Approval as of 5/31/19 & 6/30/19**

Treasurer Dorothy Moore first presented the 5/31/19 Financial Report:

Account	Beginning	Ending	Change
General Fund	\$ 54,933.89	\$ 69,988.30	+\$ 15,054.41
Security Deposits	\$ 45,540.00	\$ 45,540.00	\$ 0.00
Impact/Capital Fund	\$104,313.69	\$106,956.72	+\$ 2,643.03
Arsenic Sinking Fund	\$ 6,069.69	\$ 11,143.85	+\$ 5,074.16
Recap/Bank of the West	\$ 12,884.14	\$ 23,600.12	+\$ 10,715.98
Account Totals =	\$223,741.41	\$257,228.99	+\$ 33,487.58
Cash Management	Deposits		\$ 57,451.29
GJ Adjustments:			
Monthly scanner fee			-\$ 45.00
Cash Management	Deductions/checks		- \$ 23,918.71
	Net Gain/(Loss)		<u>+\$ 33,487.58</u>

May billing totaled \$35,245.00. Water consumption for the month was reported at 3,646,000 gallons compared to 4,597,000 gallons the previous month and the May 2018 comparison of 5,302,000 gallons. Total gallons billed for the fiscal year-to-date was 44,671,000 gallons (11 months); with comparison to previous fiscal year-to-date of 51,923,000 gallons. The financials include Quick Books invoices #2495 to #2512 and In-Hance Audits #16,481 through #16,551 with the accounts receivable in both In-Hance and Quick Books balancing at \$20,066.82.

Review of all audit adjustments was done- delinquent & penalty fees posted;  
 (2) re-reads/corrections; (2) turn-on; turn-off; (5) tier-rate adj.

Four Impact Fees recorded in May- a/c#3087 Audit#16,547; a/c#519 Audit#16,549;  
 a/c#397 Audit#16,507; a/c#419 Audit#16,484 \$ 10,00.00

Dorothy then presented the 6/30/19 Financial Report:

Account	Beginning	Ending	Change
General Fund	\$ 69,988.30	\$ 97,722.38	+\$ 27,734.08
Security Deposits	\$ 45,540.00	\$ 45,990.00	+\$ 450.00
Impact/Capital Fund	\$106,956.72	\$117,113.70	+\$ 10,156.98
Arsenic Sinking Fund	\$ 11,143.85	\$ 16,154.86	+\$ 5,011.01
Recap/Bank of the West	\$ 23,600.12	\$ 10,386.97	-\$ 13,213.15
Account Totals =	\$257,228.99	\$287,367.91	+\$ 30,138.92

  

Cash Management	Deposits	\$ 40,207.96
GJ Adjustments:		
Monthly scanner fee		-\$ 45.00
Cash Management	Deductions/checks	<u>-\$ 10,024.04</u>
	Net Gain/(Loss)	<u>+\$ 30,138.92</u>

June billing totaled \$42,854.42. Water consumption for the month was reported at 4,806,000 gallons compared to 3,646,000 gallons the previous month and the June 2018 comparison of 5,442,000 gallons. Total gallons billed for the fiscal year-to-date was 49,477,000 gallons (year-end total); with comparison to previous fiscal year-to-date of 57,365,000 gallons. The financials include Quick Books invoices #2513 to #2524 and In-Hance Audits #16,552 through #16,625 with the accounts receivable in both In-Hance and Quick Books balancing at \$26,477.72.

Review of all audit adjustments was done- delinquent & penalty fees posted;  
 (6) final reads/refund Sec deposits; (3) re-reads/corrections; (1) turn-on; turn-off; (2) DF adjustments/corrections

No Impact Fees were recorded in June

Scott Butler inquired as to why there was such a big difference in gallonage from the year-to-date for 2018/2019 vs 2017/2018. Reasons included last year's weather being so dry, the District going to a Level 3 Drought Plan, people working harder to conserve water, and the district's larger water users such as High Desert Park cutting back on usage.

With no further discussion, Dave Moore made a motion to accept the 5/31/19 and the 6/30/19 Financial Reports as presented. Scott Butler seconded the motion and, upon vote, the motion carried unanimously.

**Agenda Item #6 Operations Report for Approval as of 7/22/19**

Randy Hrabina presented the Operations Report, giving a recap of the May 28, 2019 through July 22, 2019 activities with 57 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 8 Blue Stakes marked for the period; 42 pink slips.

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

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

Water Levels:	Last Report/ May 2019	This Report/ July 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 months of May and June 2019.

Chair Dave Moore asked for more information on the pump problems at the Oasis site, Randy explained that a contactor on the pump burned up, so Management just wired through it. There are two wells at Oasis, which are connected but generally, only one is used. The second one only kicks in when Randy does it manually, because there is currently not enough water usage to make it kick in automatically. So, for right now, it is wired through until Randy can get to an electric shop in South Phoenix and get a new contactor to replace the one that burned out.

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

**Agenda Item #7 Resignation of Board Secretary, Eva Berst**

Chair Dave Moore explained that, at the conclusion of the May Board meeting, Eva Berst presented her letter of resignation, effective June 1, 2019. The District is sorry to lose her, but she has sold her house and moved out of the District. Under law she is no longer qualified to serve on the Board and the District must accept her resignation. Dorothy Moore made a motion to accept Eva Berst's resignation letter. The motion was seconded by Dave Moore and, upon vote, the measure passed unanimously.

**Agenda Item #8 Open Board Position: Letters-of-Intent**

Dave Moore stated that, since Eva had given the Board notice in May that she would soon have to resign, Management, Dave, and Eva had already started searching for someone to replace her. Several prospects declined, but Karen Gray (recommended by Eva) expressed interest in serving and submitted a letter-of-intent. At Dave's invitation, Karen introduced herself and told the Board a little about herself. With no further questions or comments, Dave made a motion to appoint Karen Gray to the position of Secretary of the Board of the Black Canyon City Water Improvement District. Scott Butler seconded the motion, and upon vote, the measure passed unanimously.

At this point Chair Moore had Karen come forward, Dave administered the Oath-of-Office, Karen was welcomed to the Board, and she took a seat at the table with the other Board members.

**Agenda Item #9 Special Request Main Water Line TPN 501-03-017Q**

Dave asked Management to discuss this request. Randy Hrabina explained that on this section of private land (501-03-017Q) the Water District currently has a prescribed easement for a water line that runs through a section of the property. The property owners want to build a house which would be very close to the current line. Management would like to move the water line so that it would be farther away from the proposed house, increase the size of the line from the current 4" line to a 6" line, and to have the easement defined rather than just being prescribed. The defined easement would also include the property owner allowing the District access going up the hill to where the line runs through property owned by another individual. This project does not need to go to bid because the property owner will be doing the required digging. The District will pay the owner to do the digging, as well as paying for the materials needed to complete the project and the recording of the document for the defined easement. The total cost to the District would run \$8,000 to \$10,000.

With no further discussion or comments, Dorothy Moore made a motion to approve the expenditure of \$8,000 to \$10,000 for the completion of the project on parcel 501-03-017Q. Scott Butler seconded the motion, and, upon vote, the measure passed without opposition.

**Agenda Item #10 Tank Inspection for Cathodic Protection**

Chair Moore asked Randy Hrabina to discuss this agenda item. Randy explained that the District has three tanks: two 200,000 gallons and one 120,000 gallons. The District has never had an independent

company come in and do a cathodic protection inspection. In the past, when the District has had diving teams clean the tanks, they have also done a quick visual inspection of the cathodic protection and claimed they looked okay. Randy feels it would be in the interest of the District to hire a company that specifically inspects the cathodic protection to make certain that everything is working as it should be. He has selected the company Corpro to do the inspection. The cost would be \$925 per tank and only covers the actual inspection, making sure the DC controls are working properly, and are set properly. It does not cover any additional work or parts, if needed. Even though Randy felt that was a lot of money, he pointed out that replacing a tank would be extremely expensive, so he was recommending the District should have this inspection done. This would be a one-time inspection costing a total of \$2775 for the inspection of the cathode protection in the three tanks.

With no other questions or comments, Dave Moore made a motion to approve the expenditure of \$2775 for the one-time inspection of the cathode protection for the three water storage tanks. The motion was seconded by Scott Butler and, upon vote, the measure passed unanimously.

#### **Agenda Item #11 Capital Improvements**

Dave Moore asked Randy Hrabina to discuss upcoming Capital Improvements projects. The first project he discussed was the drilling of a new well at the GOA site. This project had been approved by the Board over a year ago, with a cost estimate of \$15,000 plus the cost of the pump. However, the District has had problems in this area with sand (one of the current wells is caved in which caused the well depth to shrink from 70 feet to 52 feet). Garth, the well driller, stated that, due to the excessive sand, the traditional methods of well drilling would not be as stable or effective as alternative methods. He suggested using Johnson screen, a 17.5" bore hole, and filling it with well rock. Garth's estimate for the alternate method of drilling the well is \$36,690.75. This is in addition to the cost of the pump, estimated at \$10,000.

After further discussion, Dave Moore made a motion to approve the drilling of GOA well #3 at an additional cost of approximately \$21,000 (above the previously approved \$15,000) plus \$10,000 for the pump. The motion was seconded by Dorothy Moore and, upon vote, the measure passed unanimously.

The second project Randy proposed (named "North Vladimir/Thalhofer") is to replace all the galvanized lines and service lines, running from K-Field and Vladimir going north, then on Thalhofer all the way to the end, and going the other direction to Bertha St. Water lines needed include: 1,100 ft of 4" line, 180 ft of 2" line to the church, and 240 ft of service lines. The estimated cost for this project is \$85,000. Randy would like to advertise for bids, have the bids opened at the September Board meeting, with work to begin in mid-October. Following brief discussion, Dave Moore made a motion to approve advertising for bids on the North Vladimir/Thalhofer Project. The motion was seconded by Scott Butler and, upon vote, was passed unanimously.

Since the Board approved the bid process, Management will advertise for project bids, to be submitted no later than the Monday (Sept 16, 2019), a week before the September Board meeting.

#### **Agenda Item #12 Call to the Public**

None

**With no other business to come before the Board, the Chair adjourned the meeting at 7:01 P.M.**

**Chair Dave Moore thanked everyone for their attendance and announced that the next Board Meeting will be September 24, 2019.**

#### **Certification:**

I, Sarah J. Hrabina, certify that the Agenda for the July 23, 2019 Regular Board Meeting was publicly posted at the Black Canyon City Post Office Bulletin Board, on July 18, 2019, on or before 4:30 PM.

*Sarah J. Hrabina*

Sarah J. Hrabina

**ATTESTED:**

I, Karen Gray, 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,

*Karen Gray*

Karen Gray, Secretary

Transcription of minutes completed by Lavon Van Dusen 8/5//2019.  
A full recording is available; 1:15:20 in length