

**OFFICIAL MINUTES FOR THE
BLACK CANYON CITY WATER IMPROVEMENT DISTRICT
APRIL 28, 2020 REGULAR BOARD MEETING**

Chair Dave Moore called the meeting to order at 5:52 PM, explaining that this month's meeting was being held at the Water Office since the Public Library, the usual location for the Board meeting, is closed due to the COVID-19 virus.

Roll Call showed a quorum (5 of 5):

Dave Moore, Chair; Dorothy Moore, Treasurer

Attending Telephonically: Scott Butler, Vice Chair; Karen Gray, Secretary; Jed Carter, Member-at-Large Management– Randy Hrabina, Sarah Hrabina

Public: None

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

Agenda Item #3 Board Member Reports

Dave Moore verified with Scott Butler that District information was posted on the usual Facebook pages. Dave also reported the postings to the BCCWID website. He mentioned that, due to the COVID-19 virus, it is uncertain as to whether or not public facilities will be open in time for the May 26 Regular Board Meeting and Public Budget Hearing. If public facilities are not open, Dave stated that the Budget Hearing will most likely be postponed as it must be open to the public and the Water Office does not have adequate space for the Board, Management, and the Public.

Agenda Item #4 Approval of Minutes for 3/24/20 Regular Board Meeting

The minutes for the March 24, 2020 Regular Board Meeting were reviewed. All Board members stated they had read the minutes and found no corrections necessary. Karen Gray made the motion to accept the minutes as written. Dorothy Moore seconded the motion and, upon vote, the minutes from the March 24, 2020 Regular Board Meeting were approved unanimously.

Agenda Item #5 Treasurer's Financial Report for Approval as of 3/31/20

Treasurer Dorothy Moore presented the 3/31/20 Financial Report:

Account	Beginning	Ending	Change
General Fund	\$ 29,582.73	\$ 28,310.06	-\$ 1,272.67
Security Deposits	\$ 45,990.00	\$ 45,990.00	\$ 0
Impact/Capital Fund	\$ 93,311.88	\$104,891.76	+\$ 11,579.88
Arsenic Sinking Fund	\$ 38,996.63	\$ 41,559.50	+\$ 2,562.87
Recap/Bank of the West	\$ 19,404.11	\$ 18,541.67	-\$ 862.44
Account Totals =	\$227,285.35	\$239,292.99	+\$ 12,007.64
Cash Management	Deposits		+\$ 41,747.88
GJ Adjustments:			
Less: Monthly scanner fee			-\$ 45.00
NSF check returned			-\$ 100.00
NSF Fees			-\$ 15.00
Cash Management	Deductions/checks		- \$ 29,580.24
	Net Gain/(Loss)		+\$ 12,007.64

March billing totaled \$34,586.31. Water consumption for the month was reported at 3,023,000 gallons compared to 3,448,000 gallons the previous month and the March 2019 comparison of 2,691,000 gallons. Total gallons billed for the fiscal year-to-date was 38,029,000 gallons (9 months); with comparison to previous fiscal year-to-date of 36,428,000 gallons. The financials include Quick Books invoices #2627 to #2637 and In-Hance Audits #17,128 through #17,205 with the accounts receivable in both In-Hance and Quick Books balancing at \$25,177.89.

Review of all audit adjustments was done- delinquent & penalty fees posted; Final Reads/refund Sec Deposits; re-read/corrections; turn-on;/turn-off

No Impact Fees were recorded in March

Karen Gray asked why there was such a difference in the current year-to-date gallonage figure compared to last years figure. Sarah Hrabina stated there could be several factors involved including temperatures, weather, and number of days in billing cycle. However, she did agree that the water usage was up from this time last year.

With no further questions or discussion, Jed Carter made a motion to accept the 3/31/20 Financial Report as presented. Scott Butler seconded the motion and, upon vote, the motion carried unanimously.

Agenda Item #6 Operations Report for Approval as of 4/27/20

Randy Hrabina presented the Operations Report, giving a recap of the March 20, 2020 through April 27, 2020 activities with 30 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 9 Blue Stakes marked for the period; 38 pink slips.

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

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

Water Levels:	Last Report/ March 2020	This Report/ April 2020
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 logbook for the system, as required by ADEQ, and found everything to be in order for the month of March 2020.

Management stated that GOA #3 is still not online. Randy talked with ADEQ and they e-mailed him another form that needs to be filled out regarding the engineering of the project. When they receive the completed form, they will call for an inspection within 2 weeks to inspect the well and how it will be connected, then sign off on the project. Randy will have an update by the next Board meeting and believes the well should be online by that time.

Jed Carter requested more information about the chlorinator gate valve. Randy explained that the gate valves cracked frequently, requiring replacement. He stated that between the three well sites he was having to replace, on average, one valve per month.

With no further discussion or questions, Dave Moore made a motion to accept the operations report as of April 27, 2020. The motion was seconded by Scott Butler and, upon vote, the measure passed unanimously.

Agenda Item #7 10 Year Capital Improvements

Chair Dave Moore began by thanking Randy for all the work he did to update the 10 Year Capital Improvements plan. Although Randy is very familiar with all the lines in the system, it takes a great deal of time to go through and update all that has been done as well as all that still needs to be completed, including updating all of the estimated costs based on current prices. He then turned things over to Randy to discuss the notebooks given to each Board member, detailing what has been completed thus far, and future projects still needing to be done.

Randy began by reviewing the page that showed all projects, both those completed and those still needing to be done. Over the last 20 years the District has put \$2 million back into the system to keep it up-to-date and running smoothly. The Board was then directed to the page listing future projects, with updated cost estimates totaling \$1.3 million. Randy stated that the total cost shown for remaining projects is based on current prices, but by the time all the projects are completed, the costs will most likely be higher as prices on everything continue to

increase. He explained that two of the projects, "Old Black Canyon Hwy and K-Field" and "Mud Springs Rd" are the two he would like to do next. Randy said he wants to do these both at the same time, stating the District will probably not have the funds to do them both until late winter or early next spring. After those are completed, Management and the Board will need to look at the remaining projects to determine which ones would come next. Many of the remaining projects will be very expensive, but they are necessary in order for the District to continue providing the quantity and quality of water required by all District owner/users. Randy emphasized again that the costs shown on the project list are at today's prices, but will increase over time as material and labor expenses rise in the future.

Randy mentioned that the plans for the line replacement on K-Field (from Wanda Dr to Valley Dr) will cost the District more than originally planned due to a project being done by Yavapai County. The County has begun work to resurface that stretch of road which means when the District does the water line replacement project they will be tearing up new blacktop. This will cost the District more due to the County requirements for replacing new blacktop torn up in the process of completing the District's project.

Jed Carter asked if it would be cost effective for the District to buy a backhoe and train District personnel to operate it rather than contracting out that work. Randy responded that doing so would require writing a new contract for the personnel running the backhoe, as well as hiring more help as the current backhoe contractor has three additional employees working with him. Hiring additional personnel for the District would mean added expense for wages as well as increased liability insurance needs. The Board would need to make that decision, but Randy did not recommend it.

Dave Moore asked a hypothetical question: If Randy had two lines that needed to be replaced, both projects being equal in expense and importance, but one line was transite and one was galvanized, which would Randy replaced first? Randy stated that if he was not having trouble with the transite line, he would do the galvanized first. However, if the transite line had been failing, having blowouts, he would do that one first due to the risk of asbestos getting into the water.

This agenda item was for informational purposes only. No Board action was required at this time.

Agenda Item #8 Management Contract Revision for Training Issues

Chair Moore asked Management Sarah Hrabina to discuss this agenda item.

Sarah began by explaining that Management's current contract runs through July 2022. Part of their contract includes employing personnel both in the field and office. Looking to "future" retirement, Sarah has been searching for an ideal candidate qualified to run the office in order to make it a smooth transition; a huge benefit for the District when Randy and Sarah retire. Although the current contract was negotiated with American Country Homes, Inc. having some part-time office staff, it was with very limited hours in the office. Sarah feels she has found an excellent individual who presently has been working only 6 hrs. a week since January. Training is extremely time consuming and is limited with so few hours. To expand the training to include all aspects of the job really requires additional hours.

This trainee is single and in need of employment. She has expressed her need and desire to work long term but really needs additional hours. Sarah would hate to see the District lose a person she believes could be the ideal replacement.

Management is, therefore, asking the District to revise their employment contract, increasing it by \$1,800 a mo. so they can increase the number of hours and hourly rate for this individual, expanding her training for the benefit of the District.

At this point Chair Dave Moore stated he would like for this agenda item to be "discuss only" at this meeting and have it on the agenda again next month for Board decision. This would give everyone an opportunity to talk with Sarah privately, if they so choose, with any specific questions or concerns rather than at a public meeting since it regards employment issues that should not be part of a public record. No other Board action was required at this time.

Agenda Item #9 Call to the Public

None

With no other business to come before the Board, the Chair adjourned the meeting at 6:35 P.M.

Chair Dave Moore thanked everyone for their attendance and announced that the next Board Meeting, which will also include the Public Budget and Rate Hearing will be held on Tuesday, May 26, 2020.

Certification:

I, Sarah J. Hrabina, certify that the Agenda for the April 28, 2020 Regular Board Meeting was publicly posted at the Black Canyon City Post Office Bulletin Board, on April 22, 2020, 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 5/13/2020.

A full recording is available; 43:49 in length.