

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

Chair Dave Moore called the meeting to order at 5:49 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. Dave noted that the public was encouraged to attend telephonically and to email any questions they might have to the Board Chair. He did not receive any emails from the public, nor any requests to attend the meeting telephonically.

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.

Agenda Item #4 Approval of Minutes for 5/26/20 Regular Board Meeting & Public Budget and Rate Hearing

The minutes for the May 26, 2020 Regular Board Meeting & Public Budget & Rate Hearing were reviewed. All Board members stated they had read the minutes and found no corrections necessary. Jed Carter made the motion to accept the minutes as written. Scott Butler seconded the motion and, upon vote, the minutes from the May 26, 2020 Regular Board Meeting & Public Budget & Rate Hearing were approved unanimously.

Agenda Item #5 Treasurer's Financial Report for Approval as of 5/31/20 and 6/30/20

Treasurer Dorothy Moore first presented the 5/31/20 Financial Report:

Account	Beginning	Ending	Change
General Fund	\$ 38,517.89	\$ 42,254.59	+\$ 3,736.70
Security Deposits	\$ 45,990.00	\$ 45,990.00	\$ 0
Impact/Capital Fund	\$110,915.15	\$118,107.48	+\$ 7,192.33
Arsenic Sinking Fund	\$ 44,086.10	\$ 46,598.73	+\$ 2,512.63
Recap/Bank of the West	\$ 14,330.26	\$ 19,133.78	+\$ 4,803.52
Account Totals =	\$253,839.40	\$272,084.58	+\$ 18,245.18
Cash Management	Deposits		+\$ 42,360.31
GJ Adjustments:			
Less: Monthly scanner fee			-\$ 45.00
Posting Error			
corrected Audit			
#17,227/254			-\$ 150.00
Cash Management	Deductions/checks		- \$ 23,920.13
	Net Gain/(Loss)		<u>+\$ 18,245.18</u>

May billing totaled \$42,539.48. Water consumption for the month was reported at 4,892,000 gallons compared to 4,185,000 gallons the previous month and the May 2019 comparison of 3,646,000 gallons. Total gallons billed for the fiscal year-to-date was 47,106,000 gallons (11 months); with comparison to previous fiscal year-to-date of 44,671,000 gallons. The financials include Quick Books invoices #2648 to #2658 and In-Hance Audits #17,266 through #17,324 with the accounts receivable in both In-Hance and Quick Books balancing at \$26,201.69.

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 May

Dorothy then presented the 6/30/2020 financial report:

Account	Beginning	Ending	Change
General Fund	\$ 42,254.59	\$ 65,462.06	+\$ 23,207.47
Security Deposits	\$ 45,990.00	\$ 46,250.00	+\$ 260.00
Impact/Capital Fund	\$118,107.48	\$126,354.33	+\$ 8,246.85
Arsenic Sinking Fund	\$ 46,598.73	\$ 49,235.78	+\$ 2,637.05
Recap/Bank of the West	\$ 19,133.78	\$ 8,708.89	-\$ 10,424.89
Account Totals =	\$272,084.58	\$296,011.06	+\$ 23,926.48
Cash Management Deposits			+\$ 42,862.20
GJ Adjustments:			
Less: Monthly scanner fee			-\$ 45.00
Cash Management Deductions/checks			- \$ 18,890.72
Net Gain/(Loss)			<u>+\$ 23,926.48</u>

June billing totaled \$51,738.77. Water consumption for the month was reported at 6,547,000 gallons compared to 4,892,000 gallons the previous month and the June 2019 comparison of 4,806,000 gallons. Total gallons billed for the fiscal year-to-date was 53,653,000 gallons (Full Year); with comparison to previous fiscal year-to-date of 49,477,000 gallons. The financials include Quick Books invoices #2659 to #2674 and In-Hance Audits #17,325 through #17,385 with the accounts receivable in both In-Hance and Quick Books balancing at \$36,460.10.

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 June.

After a brief discussion, Jed Carter made a motion to accept the 5/31/20 and 6/30/20 Financial Reports as presented. Karen Gray seconded the motion and, upon vote, the motion carried unanimously.

Agenda Item #6 Operations Report for Approval as of 7/27/20

Randy Hrabina presented the Operations Report, giving a recap of the May 26, 2020 through July 27, 2020 activities with 48 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 11 Blue Stakes marked for the period; 62 pink slips.

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

2nd Quarter Arsenic:

	1 st Qtr	2nd Qtr
POE 1/GOA	0.0031	0.0048
POE 2/Big John	<0.0010	<0.0010
POE 4/Oasis	<0.0010	<0.0010

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

Water Levels:	Last Report/ May 2020	This Report/ July 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 months of May & June 2020.

Management stated that GOA #3 is still not online. Randy stated ADEQ is now requiring an Engineer Report. He estimates the inspection could cost \$10-15,000.

GOA fire perimeter: Randy explained that a neighbor by the GOA site reported to the County that the property at GOA was not cleared in compliance with county ordinance regarding brush and weeds. The District was cited for non-compliance and was given 10 days to properly clear brush and weeds from the property or risk a \$750/day fine. A local company was hired and the work was completed for a total of \$12,000.

After brief discussion, Dave Moore made a motion to accept the operations report as of May 25, 2020. The motion was seconded by Jed Carter and, upon vote, the measure passed unanimously.

Agenda Item #7 Indian Hills Tank Site Parcel

Chair Dave Moore began with some brief background information, explaining that, as a Special District of Yavapai County, the District is exempt from property taxes. On the property at 33630 Incline Dr., the District has a 200,000 gallon water storage tank, a pressure tank, and 2 boosters. Unknown to the district, in January 2009 the previous property owner recorded a deed, conveying the property to the Black Canyon City Water Improvement District, presumably to avoid paying taxes on the property since it was not "buildable". The County, in error, has continued to assess property taxes on the property and tax liens have accrued from 2008 to present. Per an email to the Water District, the County Attorney plans to present the error made by the Assessor's office to the Board of Supervisors at their Aug 5th Board meeting, asking the Board to approve abating the taxes from 2009 forward. Assuming that is approved, the only remaining taxes are the ones from 2008. Dave's research has shown that the 2008 tax lien was purchased at a tax sale on 2/9/2010. According to what Dave has read, since it is over 10 years, the tax certificate is invalid. Mr. David Bonfiglio, the attorney for the purchaser of the lien, has indicated, through a letter to the District, that his client intends to foreclose on the lien. Sarah attempted to contact Mr. Bonfiglio by phone but he is out of the office until Aug 15. She then sent an email summarizing the action being taken by the County to clear up this matter.

After some discussion and questions from Board members, Dave made a motion that the Board allow the District to deal with the situation on the Indian Hills tank site parcel up to \$3,000 if the District has to pay back taxes to avoid foreclosure on this property. The motion was seconded by Scott Butler and, upon vote, the motion passed unanimously.

Agenda Item #8 Management Contract Revision for Training Issues

Chair Moore stated that he had put this item on the agenda but finds that he still needs some additional information before proceeding with addressing this item. He requested that this item be tabled until the September Regular Board meeting. With no objections from other Board members, this item was tabled.

Agenda Item #9 Discussion & Possible Action on Accepting Credit Cards Payments

Dave Moore opened this topic by explaining that, although the District has never accepted credit card payments, over the years many customers have requested that option. He then presented information he had found regarding accepting such payments either through a program through Bank of the West (Elavon), Pay Pal, or Square. There was some question as to whether the customer or the District would pay the fees if such an option were made available. After some discussion, all Board members stated they would like to think about this and get more information before proceeding further. With all Board members in agreement, this agenda item was tabled at this time.

Agenda Item #10 33820 Cat Claw Special Request to Combine Tax Parcels

Chair Dave Moore explained that a Water District customer has submitted a request to combine two adjacent tax parcels into one. Like a customer who made a similar request several months ago, this person already has water service. He is not asking for an additional meter, he just wants the property to be all one parcel, within the

same tax district. Per stipulations in the Big John #2 Well Lease Agreement, the District must first obtain permission from Jeanne Albins before granting this request. This is merely a technicality as this action would be increasing the "size of the Water District" but not increasing the number of meter hookups.

After a brief discussion, Jed Cater made a motion to approve the special request for the annexation. The motion was seconded by Karen Gray. However, before voting, Dorothy Moore asked for more clarification on this request, questioning whether or not there is another department that the customer should be submitting this request to. Dave Moore withdrew the motion and there was a brief time of additional explanation as to why this action was necessary.

Dave Moore then reintroduced the motion to approve the special request for the annexation. Scott Butler seconded the motion and, upon vote the measure passed with four yes votes and Dorothy Moore abstaining.

Agenda Item #11 Call to the Public

None

With no other business to come before the Board, the Chair adjourned the meeting at 6:56 P.M.

Chair Dave Moore thanked everyone for their attendance and announced that the next Board Meeting will be held on Tuesday, Sept 22, 2020, as there is no Board meeting in August.

Certification:

I, Sarah J. Hrabina, certify that the Agenda for the July 28, 2020 Regular Board Meeting was publicly posted at the Black Canyon City Post Office Bulletin Board, on July 24, 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 9/8/2020.

A full recording is available; 1:10:34 in length.