

**OFFICIAL MINUTES FOR THE
BLACK CANYON CITY WATER IMPROVEMENT DISTRICT
APRIL 27, 2021 REGULAR BOARD MEETING**

Chair Dave Moore called the meeting to order at **5:01 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.

Agenda Items:

Item #1 **Roll Call** showed a quorum; 5 of 5 board members present:
 In-Person: Dave Moore, Chair; Dorothy Moore, Treasurer; Scott Butler, Vice Chair
 Telephonically: Karen Gray, Secretary; Jed Carter, Member-at-Large
 Management: Randy Hrabina, Sarah Hrabina
 Public: None

Item #2 The Chair asked for a **moment of silence** for the customary Reflection Time.

Item #3 Board Member Reports

- Dave Moore verified with Scott Butler that the usual District information was posted on the Facebook pages. Scott reported no Facebook feedback was received.
- Dave reported posting the current board meeting Agenda and the **February** Approved Board Minutes to the BCCWID website. Dave also reported calling the Public Library and High Desert Park, as an alternative, and neither locations are allowing group meetings to be held at this time. Dave will continue to pursue finding an in-person meeting place. In the interim, Management consented to continue to allow the Water Office to be used for board meetings with telephonic attendance.

Item #4 Approval of Minutes for 03/23/2021 Regular Board Meeting

The minutes for the March 23, 2021 Board Meeting were received and 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 March 23, 2021 Board Meeting were unanimously approved.

Item #5 Approval of Treasurer's Financial Reports as of 03/31/2021

Treasurer Dorothy Moore presented a recap of the 03/31/2021 Financial Management Report:

Account	Beginning	Ending	Change
General Fund	\$ 98,579.20	\$ 98,851.46	+\$ 272.26
Security Deposits	\$ 46,250.00	\$ 46,250.00	\$ -0-
Impact/Capital Fund	\$118,594.85	\$127,085.65	+\$ 8,490.80
Arsenic Sinking Fund	\$ 84,429.08	\$ 89,462.87	+\$ 5,033.79
Recap/Bank of the West	\$ 11,550.70	\$ 18,086.49	+\$ 6,535.79
Account Totals =	\$359,403.83	\$379,736.47	+\$ 20,332.64
Cash Management	Deposits		+\$ 54,318.81
GJ Adjustments:			
Plus: Voided CK# 22038	(replaced)		+\$ 15.79
Less: Monthly scanner fee			-\$ 45.00
Cash Management	Deductions/checks		-\$ 33,956.96
	Net Gain/(Loss)		<u>+\$ 20,332.64</u>

March billing totaled \$39,061.68. Water consumption for the month was reported at 3,584,000 gallons compared to 4,635,000 gallons for the previous month, and the March 2020 comparison of 3,023,000 gallons. Total gallons billed for the fiscal year-to-date 2020/21 was 42,630,000 gallons (9 months); with comparison to previous fiscal year-to-date 2019/20 of 38,029,000 gallons. The financials include Quick Books invoices #2774 to #2794 and In-Hance Audits #17,849 through #17,930 with the accounts receivable in both In-Hance and Quick Books balancing at \$19,744.07.

Review of all audit adjustments was done – delinquent & penalty fees posted; final reads/refund security deposits; re-read/corrections; turn-ons/turn-offs; one impact fee was collected in March for \$2,500.00, Audit #17,927, Acct. #804. Attached are the monthly General Journal Entries for approval.

Respectfully submitted by Sarah J. Hrabina, Management and approved by Dorothy Moore, Treasurer.

After a few questions regarding two of disbursements, no additions or corrections were noted for the Treasurer's Financial Report. Scott Butler made a motion to accept the 03/31/2021 Financial Reports as presented. Dave Moore seconded the motion and, upon vote, the motion carried unanimously.

Item #6 Approval of Operations Report as of 04/26/2021

Randy Hrabina presented the Operations Report, giving a recap of the March 23, 2021 through April 26, 2021 activities with 34 work orders completed including turn-ons, turn-offs, new/removed meters, meter/valve/box repair/replacements, line break/leak repairs, well/pump/system repairs, meter re-read/final reads, water pressure/conditions and other service needs.

There were 15 Blue Stakes marked for the period; 43 pink slips issued for the period. Water Sample test results from Test America for monthly Bac-t's (E-Coli & Coliform) were negative.

WELL STATS: Well levels have dropped again, except Big John #1 and #2 were up in levels.

Water Levels:	<u>Last Report/March 2021</u>	<u>This Report/April 2021</u>
Big John #1	25'4" Draw to 28'	24' Draw to 24'
Big John #2	25'4" Draw to 28'	24' Draw to 26'
GOA #1	25'4" Draw to 28'	26' Draw to 29'
GOA #2	25'4" Draw to 28'	27' Draw to 27'
Oasis #1	25'4" Draw to 28'	can't dip
Oasis #2	25'4" Draw to 28'	26' Draw to 29'
GOA #3 – Not Online		

The engineer worked up a price to certify the GOA #3 well and certification is anticipated to be submitted to ADEQ by the middle or end of May, 2021. ADEQ assured Randy that there would be a ten day turn-around time after certification is submitted by engineer. Randy expects the GOA #3 well to be online by the beginning of June, 2021.

System Operator, Bob Hanus inspected the daily logbook for the system, as required by ADEQ, and found everything to be in order for the March, 2021 reporting period.

Respectfully submitted by Randy Hrabina, Management.

A brief discussion took place to clarify how the wells were read. Randy again suggested that if our water levels continue to drop, perhaps we could re-drill a well to rehab it to possibly get more water from it. After the information only discussions, Dave Moore made a motion to accept the operations report as submitted for period ending April 26, 2021. The motion was seconded by Jed Carter and, upon vote, the measure passed unanimously.

Item #7 Budget Committee Report for 2021-2022

Chair Dave Moore turned the floor to Sarah Hrabina, Management. Sarah announced she sent all board members and budget committee members a copy of the upcoming year's budget recommendations, arrived at during the April 20, 2021 budget committee meeting. Sarah explained no rate increase was recommended as last year's rate increase to income was deemed sufficient to cover the upcoming year's anticipated expenses. The main increases to the upcoming year's expenses were for well water testing, increased generator maintenance and well tank cleaning and repairs. There was also an extra \$16,370.00 allocated to operating contingency reserves in the event the budget is not sufficient to cover the actual expenses. Respectfully submitted by Sarah Hrabina, Management.

After a brief discussion regarding the tank cleaning expenses, Jed Carter moved to approve the 2021-2022 recommended budget as presented with no rate increases. Scott Butler seconded the motion and, upon vote, the budget was approved unanimously.

Item #8 Schedule Public Budget Hearing

Chair Dave Moore announced it is required for a public budget hearing to be held and an announcement was advertised twice in The Daily Courier (Prescott, AZ) to meet the public posting requirements. The hearing is set to be held on Tuesday, May 25, 2021 at 5:15 PM during the Regular Board Meeting and is open to the public telephonically. Information only. No board action taken or required.

Item #9 GOA #3 Well Engineer

Chair Dave Moore noted that this topic was briefly discussed during the Operations Report, Item #6, of this board meeting and asked Randy to explain more about the engineer. Randy explained that ADEQ wanted an engineer to design the well before a well is drilled. As it turned out though, it cost much less to drill the well first and then have it certified by an engineer, than to go through an engineer for the whole process. However, most of the engineers Randy called would not certify an existing well. Randy was fortunate to find this engineer who was semi-retired that he met through an operator. The cost to have the GOA #3 well certified was \$12,730.00 to the engineer plus a fee of \$1,250.00 to ADEQ. The GOA #3 was already tested with good results and submitted to ADEQ almost a year ago, so Randy does not anticipate testing to be an issue. ADEQ assured Randy that in the event the well does not pass certification and we run out of water, that ADEQ would allow us to hook-up GOA #3 without certification in order to continue to supply water to our customers.

Also, the lease at the Big John well expires in July, 2022. It is not too early to begin the process of drilling another well now, as it may take up to a year to even get on a drillers schedule. According to the experts down in the Phoenix valley, the drought is anticipated to last at least another four years.

Dave made a motion to approve the engineer's cost of \$12,730.00 to certify the GOA #3 well and the ADEQ fee of \$1,250.00 to process the GOA #3 well certification. Scott Butler seconded the motion and, upon vote, motion passed unanimously.

Item #10 CPA Engagement Letter

Chair Dave Moore announced that we received an annual engagement letter from our CPA, Alyx Cohan, who audits the District's financials, which required that Management and a board representative sign-off on their audit for the 2020/2021 fiscal year. Alyx Cohan did merge with a few other people and created a new company, however, Alyx's letter affirmed that she would continue to be our CPA and audit representative within the new company. Her pricing under the new company continues to be in-line with her previous pricing at \$6,100.00 to \$6,800.00 to perform an audit.

Jed Carter moved to approve Alyx Cohan as the District's CPA and auditor for the upcoming 2021/2022 fiscal year. Karen Gray seconded the motion, and upon vote, motion carried unanimously.

Item #11 Consumer Confidence Report

Chair Dave Moore stated that all board members received a copy of our Consumer Confidence Report and thanked Sarah for the excellent job on the letter she composed for the first few pages of the report. The report is to be mailed to all of our Property Owner customers. The report includes all of Randy's chemical test results. We met or exceeded all state and federal standards. The two samples that did not meet the standards were tests performed on water after the District's metered water ran through the customer's pipes, not before the meter, which means the water quality was out of the District's control and in the control of the customer whose water was tested. ADEQ does not intend to establish boundaries of who is in control of the water quality being tested and is in the process of adding even more ridged standards onto the District that require testing outside the scope of the District's control and within the

scope of the customer's control. This will cost the District even more money without holding the customer responsible for correcting the water quality issue on the customer's side of the meter.

Scott Butler motioned to approve the Consumer Confidence Report as written and to be mailed to the District's property owner customers. The motion was seconded by Jed Carter and, upon vote, the motion was approved unanimously.

Item #12 Call to the Public
None

With no other business to come before the Board, the Chair adjourned the meeting at 5:51 P.M. Chair Dave Moore thanked everyone for their attendance and announced that the next Board Meeting will be held on Tuesday, May 25, 2021.

Certification:

I, Sarah J. Hrabina, certify that the Agenda for the **April 27, 2021** Regular Board Meeting was publicly posted at the Black Canyon City Post Office Bulletin Board, on **April 22, 2021**, 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 the minutes was completed by Karisse (Kriss) Stanger on 05/20/2021.
A full recording is available; 54:49 in length.