MINUTES FOR THE BLACK CANYON CITY WATER IMPROVEMENT DISTRICT AUGUST 16, 2007 REGULAR BOARD MEETING

Vice Chair James Evans opened the meeting at 7:30 PM and called for the customary reflection period to be observed by the Board and Public.

Roll Call showed a quorum present with the following Board members present:

Jim Evans, Vice Chair Ron Lee, Secretary

Floyd Ballinger, Treasurer Mary Brown, Member-at-large

Absent: Robert Marley, Chair

Also in attendance

Management: Randall Hrabina and Sarah Hrabina Owner/Users: Marlene Evans, Levon VanDusen Public: Media: Dianna Baker-Hahn

Agenda Item #4: Board Member Reports – Ron Lee, Secretary reported having served on the Board for many years and has decided it's time to "retire". He will submit his formal letter of resignation at the September Board meeting.

Agenda Item #5 Approval of Board Minutes – July 19, 2007

M Brown stated she read the minutes and found them to be accurate, moving to accept the minutes from the July 19, 2007 Regular Board meeting. F Ballinger seconded the motion and upon vote the motion to accept the minutes from the July 19, 2007 Regular Board meeting were approved unanimously.

Agenda Item #6 Treasurer's Report (as of 7/31/2007)

Treasurer Floyd Ballinger presented the Financial Report for the period ending 6/30/2007 with the beginning and ending balance for each account provided:

Account	Beginning	Ending
General Fund	\$131,464.21	\$150,734.06
Security Deposits	\$40,040.00	\$40,320.00
Capital Reserve	\$97,682.78	\$81,276.39
Arsenic Sinking Fund	\$70,492.59	\$72,013.44
Bank of the West	\$ 12,334.69	\$8,362.06

F Ballinger reported there was no change in the Set-aside Funds from the last report.

July billing totaled \$48,536.74 with 833 active accounts. The gallonage for the month was reported at an all time high of 10,819,000 as compared to 8,252,000 the previous month. The July '06 comparison was 8,648,000 gallons.

The cash management reports show total receipts for the month of \$35,503.17 and total disbursements of \$33,410.41. The financials include audit #7973 through #8027 and QuickBooks invoices #819 to #827 with the accounts receivable balancing in both at \$47,652.85. No impact fees were collected during July and both the budget report and monthly general journal entries were included with the report for approval. The data was respectfully submitted by Management, Sarah Hrabina, and approved by the Treasurer, Floyd Ballinger, for final Board approval.

The Vice Chair indicated he would entertain a motion to accept the Financial Report with R Lee so moving. M Brown seconded the motion and upon vote the Financial Report for the period ending 7/31/2007 was approved without opposition.

Agenda Item #7 Operations Report (as of 8/13/07)

R Hrabina presented an overview to the Board and Public: 26 Completed Work Orders, 6 Blue Stakes marked; pink slips not yet processed for the month at time of report. The all-time high usage resulted in above average re-reads with all but one incorrect. It was noted one customer registered 141,000 gallons with an additional 10,000 used when re-read the following day. The usage was the result of a toilet malfunction with the owner out of town. Water samples, for bacteria, for the month were negative.

Management reported meeting with Yavapai County regarding the line replacement work on David and Church Street. It was agreed the District would slurry up to the top of the trenches

and that's what was done. The County now wants the District to black top all the trenches. R Lee inquired about the original plans for the County to pave those streets with R Hrabina indicating they changed their minds and do not plan to pave now. R Hrabina indicated he told the County Management did not feel the District should have to pave the trenches since the County changed their plans with the Board members present agreeing.

Well Stats – R Hrabina stated there was no change in the well depths from the last report Statistics for the past two (2) months:

Water levels: LAST MONTH THIS MONTH Big John #1 25'; Draw to 28'; 25'; Draw to 28' 25'; Draw to 50'; 25'; Draw to 50' Big John #2 Running time 8 – 10 ½ hrs/day Running time 8-12 ½ hrs/day GOA #1 24'; Draw to 27'; 24'; Draw to 27' GOA #2 25'; Draw to 45' 25'; Draw to 45' Running time 7 ½ - 11 ½ hrs/dav Running time 9 to 12 ½ hrs/day Oasis #1 37'; Draw to 58' 37'; Draw to 58' 37'; Draw to 48' Oasis #2 37'; Draw to 48' Running time 5 - 6 hrs/day Running time 5 - 6 hrs/day

Total gallons pumped for the period was an all-time high of 11,525,000 gallons.

Management reported CPA Darlene Wood has scheduled the audit for August 29, 2007. J Evans inquired if the additional running time (of wells) is due to the higher water volume with R Hrabina indicating it is. With no other questions Vice Chair Evans indicated he would entertain a motion with R Lee moving to accept the Operations Report as presented. M Brown seconded the motion and upon vote passed without opposition.

Agenda Item #8 Cleaning of Tanks – LiquiVision Technology

R Hrabina opened the discussion stating routine tank inspection and cleaning has been done periodically by the District for a number of years and improves the quality of the water plus increases the life of the tanks. The last time the tanks were cleaned was in 2004 by LiquiVision. LiquiVision also serviced the tanks in 2002, providing excellent service both times. They have quoted a price of \$2,995.00 for the three (3) tanks- April, Indian Hills and the School tank. Any repair work is in addition to the cleaning quote and based on the previous years, 2-hours of repairs at #350/hr. would bring the total cost estimate to \$3,695.00, a slight increase from the cost in 2004 of \$3,400.00. Management highly recommended continuing the tank maintenance program with LiquiVision. It was estimated the service, if approved, would be scheduled for the late fall or by year end. M Brown inquired if the water has to be off temporarily for the service with R Hrabina explaining it does not. LiquiVision has certified divers that do the work all to ADEQ requirements. It was also noted their work can be monitored on site and they also provide a CD or video for documentation.

Vice Chair Evans called for a motion and F Ballinger moved to approve the tank cleaning by LiquiVision. R Lee seconded the motion and upon vote was approved unanimously.

Agenda Item #9 ESRI –Arch View software maintenance agreement

R Hrabina opened the discussion indicating ESRI/Arch View is the software program the District purchased for creating the maps of the distribution system. Keeping the maintenance agreement current aids problem solving and Management recommended continuing it at a cost of \$425.40. F Ballinger stated it's a way of maintaining your own IT Department for \$425. M Brown moved to approve the maintenance agreement be kept in place and to budget for it annually. R Lee seconded the motion and upon vote was approved unanimously.

Agenda Item #10 Schedule Lien Hearing for September

S Hrabina opened the discussion noting there are several accounts in arrears that need to be notified by certified mail to pay or be subject to a lien hearing. Management asked for the Board to approve the notifications setting the September 20, 2007 for the Lien Hearings. J Evans indicated the liens would not apply to foreclosures. R Lee motioned to approve the Lien Hearing for the September 20, 2007 Board meeting with M. Brown seconding the motion. Upon vote the motion passed unanimously.

Agenda Item #11	Public Call - NONE
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With no other business to come before the Board the Chair thanked the Public for attending and the meeting adjourned at 7:52 PM.

CERTIFICATION:

I, <u>Sarah J. Hrabina</u>, certify that the Agenda for the August 16, 2007 Regular Board Meeting was publicly posted at the Black Canyon City Post Office Bulletin Board, on Friday, August 10, 2007 at 4:00 AM.

Sarah J. Hrabina
Sarah J. Hrabina

ATTESTED:

I, Ronald E. Lee, Sr. f that the minutes, as transcribed, a Respectfully submitted,	, ,	Water Improvement District certify best of my knowledge and belief.
Ronald E. Lee, Sr.		
Transcription of minutes completed by Amended: [] YES [] NO		17/2007
Minutes of the Regular August 16, 20 action on:	007 Board Meeting approve	d as herein transcribed by Board