

**APPROVED MINUTES FOR THE BLACK CANYON CITY WATER IMPROVEMENT DISTRICT
SPECIAL BOARD MEETING
JANUARY 10, 2025**

CALL TO ORDER

Chair, Elaine Clayton called the meeting to order at 1:00 pm.

ROLL CALL

Roll Call showed a quorum with the following Board Members present: Elaine Clayton, Chair; Melina Reylek, Treasurer; Tom Strizak, Secretary.

Also, in attendance from Management– Bob Hanus, Operations; Lisa Chandler, Office Management

INTRODUCTION OF GUESTS

Bill Whittington, Board District Attorney

Members of the Public in attendance:

Gregory Watts-Black Canyon City, Cindy Malandro-Black Canyon City, Irene Brooks-Black Canyon City

AGENDA ITEM #2 GOVERNING BOARD OFFICER APPOINTMENTS

Elaine Clayton reported three positions will be voted on-Board Chair, Board Secretary, and Board Treasurer. Elaine reported the Board members' oaths of office have been submitted to and recorded by Yavapai County. The oaths and the open meeting law training certificates are on file in the District office. Tom Strizak made a Motion to appoint Elaine Clayton as the Board Chair. Melina seconded the Motion. All were in favor. The Motion passed unanimously. Elaine made a Motion to appoint Tom Strizak as Board Secretary. Melina seconded the Motion. All were in favor. The Motion passed unanimously. Tom Strizak made a Motion to appoint Melina Reylek as Board Treasurer. Elaine seconded the Motion. All were in favor. The Motion passed unanimously. The Board members for 2025 were confirmed as Elaine Clayton, Chair; Tom Strizak, Secretary; and Melina Reylek, Treasurer.

AGENDA ITEM #3 THANKS TO OUTGOING BOARD MEMBERS

The Board thanked the outgoing Board Members – Dave Moore, Dorothy Moore, Alice aka Krissy Matheson - for their service and commitment to the District and wished them well in their future ventures.

AGENDA ITEM #4 ESTABLISHING BOARD MEETING DATES AND TIMES

The Chair led a discussion concerning extending the length of the Board meetings by 30 minutes to allow time for discussion of all agenda items. Melina made a Motion to extend the length of the meetings by 30 minutes. Tom seconded the Motion. All were in favor. The Motion passed unanimously. Board meetings will be held on the fourth Tuesday of every month from 5:00-6:30 pm.

AGENDA ITEM #5 DESIGNATION OF SIGNERS FOR BMO ACCOUNT

On 12/31/2024 Dave Moore, Dorothy Moore and Krissy Matheson were removed as signors on the BMO Account. The Chair made a Motion that Elaine, Tom and Melina be added to the BMO Account as signers. Tom seconded the Motion. All were in favor. The Motion passed unanimously.

AGENDA ITEM #6 NEW BMO WATER ANGEL ACCOUNT

The Board discussed having a separate account from the District's other accounts specifically for the Water Angel donations so tracking of donations and payments would be clear. Elaine made a Motion that all Water Angel donations be deposited into a new BMO Water Angel Account and any funds in the District's accounts currently (\$450.00) that belong to the Water Angel Account be transferred to it. Melina seconded the Motion. All were in favor. The Motion passed unanimously.

AGENDA ITEM #7 AUTHORIZED SIGNATURES FOR YAVAPAI COUNTY ACCOUNTS

Dave Moore, Dorothy Moore and Alice Matheson were removed as signors on Yavapai County Accounts on 12/31/2024. On 1/1/2025, Elaine Clayton, Tom Strizak and Melina Reylek were added as signers. Tom made a Motion that Elaine, Tom and Melina be appointed as signers for the Yavapai County Accounts. Elaine seconded the Motion. All were in favor. The Motion passed unanimously.

AGENDA ITEM #8 BCCWID'S IT SYSTEM AND SECURITY AND ACCOUNTING PROCEDURES

NAIT completed assessment of BCCWID's computer system and reported there was no security on the systems leaving the District's data vulnerable. NAIT recommended system be upgraded to allow backup of information in the workstations. Office Management purchased a basic security package for less than \$100.00 and it was installed by NAIT. NAIT removed the hard drive from a District-owned computer previously kept at a prior Board member's home. It was placed in a secure location. The Chair made a Motion to approve the cost of the backup for the desktop with NAIT in the amount of \$79.10 per month. Tom seconded the Motion. All were in favor. The Motion passed unanimously.

The Quick Books accounting program was updated because the Board had been using a 2016 version, which was too outdated to allow updates, including integration with the inHANCE system. Payment of the QuickBooks upgrade (\$1481.00) will be placed on the next meeting's agenda for ratification. The Chair clarified that Agenda Item #8 and Agenda Item #12 are related. Both include discussion of the inHANCE software being used in conjunction with Quick Books. The prior Board approved payment of \$7000.00 annually for the inHANCE software.

AGENDA ITEM #9 DISTRICT INFRASTRUCTURE

Bob Hanus reported that there are needs at all of the BCCWID's sites, but the most important need is the arsenic treatment system. The tanks are at the end of their life expectancy. If the District exceeds the EPA's maximum contamination level for arsenic, the District cannot provide water. There are electrical issues at all of the well sites and the booster pump stations. There are water meters over 20 years old which is over 3 times their life expectancy. There are transit lines and galvanized service lines that need replacement. The inability to locate lines is another concern and has caused additional expense when lines are struck accidentally during projects. The Chair stated that a Preliminary Engineering Report would inspect all aspects of the system and provide recommendations for upgrades/replacements. No action was taken on this item in this meeting.

AGENDA ITEM #10 SECURING SERVICES OF RCAC (Rural Community Assistance Corp)

Chair explained services that RCAC can provide include developing an asset management plan and mapping that can be digitized. They would do a revenue analysis and rate study and provide assistance with funding applications and strategies. They provide an overview of the condition of the system and needs that could be supplemented by the PER. They also provide Board training. They do not charge for their services. The Chair made a Motion to accept RCAC's offer to provide

the various free services to BCCWID. Melina seconded the Motion. All were in favor. The Motion passed unanimously.

AGENDA ITEM #11 SECURING SERVICES OF STREAMLINE FOR WEBSITE DEVELOPMENT

The Chair opened discussion on the services offered by Streamline to assist with the development of the District's website. Streamline offers software that will notify owner/users of water outages by text, email and on the website. They assist with development of on-line bill pay on the website. Streamline tailors their service to Special Districts. Tom shared that Streamline is ADA Compliant and their system is user-friendly. Streamline's set-up fee is \$500.00 and \$200.00-\$300.00 per month after set-up. Discussion concluded that other vendors should be considered. Further discussion of this matter was deferred to a future meeting.

AGENDA ITEM #12 ONLINE BILL PAY OPTIONS

This topic was discussed under Agenda Item #8.

AGENDA ITEM #13 SECURING SERVICES OF NATALIE GALGANO (Municipal Accounts and Consulting) The Chair opened discussion concerning securing CPA services. Natalie Galgano has excellent qualifications and is experienced working with Arizona Special Districts. Her services include creating budgets and completing audits. Natalie has experience managing WIFA loans and reimbursement requests. Natalie's resume was provided to the Board members. Natalie's fee is \$15,000-\$20,000 annually but can be less depending on the services she provides. Natalie is willing to review the financial reports for the last fiscal year from June 2024 to June 2025 for a one-time fee of \$3500-\$5500. The Chair made a Motion that the Board sign an agreement with Natalie with an estimated fee of \$15,000-\$20,000 annually and agrees to the additional fee of \$3500 - \$5500 for the one-time fiscal year to date record review. Tom seconded the Motion. All were in favor. The Motion passed unanimously.

AGENDA ITEM #14 SECURING SERVICES OF NORTHERN ARIZONA IT (NAIT)

This topic was discussed and addressed under Agenda Item #8.

AGENDA ITEM #15 ALTERNATE FINANCING OPTIONF FOR THE DISTRICT

The Chair reported that the Board is researching opportunities for financing from various sources. Bob Hanus was asked to provide input on WIFA loans and grants and USDA loans. He explained that WIFA loans are usually for 2 months to a year so good for short term needs. The USDA loan will run from 1.5 years to 5 years so good for long term needs. Bob expressed concern about waiting 6 months for the RCAC assessment because the arsenic systems are at their life expectancy now. Bob did submit an application to WIFA for arsenic funding, but it wasn't approved. The next time WIFA will approval applications is next year. The Board Chair deferred this topic until a future meeting.

AGENDA ITEM #16 CALL TO THE PUBLIC

One member of the public expressed concern about expenditures discussed in the meeting and requested information on how to contact Board Members with questions. Chair recommended itemizing concerns and questions and email the Chair at chair@bcc.org.

ADJOURNMENT

The Board Chair adjourned the meeting.

CERTIFICATION:

I, Donna L. Chandler, certify that the Agenda for the January 10, 2025, Regular Board Meeting was publicly posted at the Water District Office and Post Office on January 9, 2025, on or before 4:30 PM.

_____(Signature)

Donna Lisa Chandler

ATTESTED:

I, _____(name), _____(position) 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,

_____(Signature)

Print Name and Position

Transcription of the minutes was completed by Irene Brooks (maryibrooks@msn.com) for Donna Lisa Chandler, PLLC – Office Manager for Black Canyon City Water Improvement District on 6/12/2025.