

**APPROVED MINUTES FOR THE BLACK CANYON CITY WATER IMPROVEMENT DISTRICT
SPECIAL BOARD MEETING
MARCH 4, 2025**

CALL TO ORDER

Board Chair, Elaine Clayton, called the special board meeting to order at 11:00 am at the Black Canyon City Library on Tuesday, March 4, 2025.

ROLL CALL

The following Board Members were present making a quorum: Elaine Clayton, Chair; Melina Reylek, Treasurer; Tom Strizak, Secretary

Operations Management - Bob Hanus – was in attendance only after the Board reconvened after the Executive Session.

INTRODUCTION OF GUESTS

Bill Whittington, Board District Attorney

Members of the Public in attendance:

There were no members of the public in attendance.

AGENDA ITEM #3 DISCUSSION AND POSSIBLE ACTION RE: OPERATOR'S CONTRACT

The Board may discuss with the Operator possible modifications to the operator's agreement.

Bob Hanus, operator, was not available but would be present later in the meeting. The topic was tabled until Bob was in attendance.

AGENDA ITEM #4 EXECUTIVE SESSION

A. Discussion and possible action re: possible vote to go into executive session for legal advice pursuant to A.R.S. 38-431.03 (A)(3), and possible instructions to legal counsel pursuant to A.R.S. 38-431.03 (A)(4), and possible instructions to the Board's real estate representative pursuant to A.R.S. 38-431.03 (A)(7)re: 1. The District's Management contract; the District's commercial office lease contract; the District's Operations contract; 2. Possible additional training by the District's attorney re: Open Meeting Law and Board roles and responsibilities pursuant to A.R.S. 38-431.03 (A)(3): The Board Chair made a Motion to go into Executive Session with regard to Item A, parts 1 and 2 listed above. Melina seconded the Motion. During discussion, Tom asked what was going to be discussed that couldn't be discussed in public. Mr. Whittington responded with permission from the Board Chair that he was going to provide legal advice to the Board and legal advice is private and confidential. He is going to provide legal advice on the 3 contracts listed in Agenda Item 4A, #1 and legal advice on the Board's actions listed in Agenda Item 4A, #2. He explained that everything the District's Attorney says to the Board is confidential. All voted in favor of going into Executive Session. There were no opposed. The Motion passed unanimously.

THE BOARD ENTERED INTO EXECUTIVE SESSION AT 11:22 AM.

THE BOARD RECONVENED INTO PUBLIC SESSION

AGENDA ITEM #3 DISCUSSION AND POSSIBLE ACTION RE: OPERATOR'S CONTRACT

The Board may discuss with the Operator possible modifications to the operator's agreement.

The Board Chair and Bob Hanus discussed the Operator's Contract and the Operator's responsibilities. The Chair requested that Bob share his understanding of the contract and responsibilities. Bob stated the operators are responsible for the day to day operations of the water system. They check all locations to ensure water is flowing. They handle emergencies as they arise. They provide the equipment like a truck, backhoe and small supplies. The District is responsible for the major non-consumable supplies, such as, piping, valves, meters and electrical items.

Bob stated the inter-face with the office is not working well. There's no space to work in the office. He stated work orders were getting misplaced, lost and mishandled. Bob has asked for passwords so they can start logging work orders online. Typically when there is a water outage, Bob's team calls the office and asks that they contact the customers to let them know.

The operator is not located in Black Canyon City all of the time. Bob mentioned that having his employees come down on Saturday and Sunday is problematic. Discussion was held regarding hours on Saturday so the operators are available for the customers. The Chair stated that the Operator's contract states they are to be available 24/7 with 365 day telephone answering service for emergencies as well as part-time or full-time personnel as deemed necessary to perform the field operations. Bob stated that the unanswered question is what constitutes an emergency. Turning water on and off so an owner/user can repair a leak would not be an emergency.

Bob stated that when the contract was being negotiated, the understanding was if the leak was less than a garden hose amount, it can be fixed Monday through Friday. If a leak is more than a garden hose on the District's property, it is considered an emergency.

The Board has received invoices for \$6000 and \$11,000 with no detail concerning the work completed. The Board needs to know prior to incurring large expenses. Mr. Whittington explained the Board's fiduciary responsibility which is why they need to know about these expenditures.

The Chair requested a status on Bob's efforts to obtain prices for electrical panels at Schoolhouse Road. He stated he was still working on this and was waiting for information from Foster Electric.

The Chair asked how it was determined that Bob would handle both oversight of the WIFA project and the financial aspect of the project. Mr. Whittington explained that the Board would be responsible for approving this. He also explained that best practices would have two different people where one is responsible for project management and the other one is responsible for the financial aspect. Bob explained that there is \$10,000 - \$12,000 in the WIFA loan specifically set for the management of the finances but there is no money allocated for project management.

Bob wanted to discuss the hours for his staff. They don't get paid overtime. To compensate for the extra time the staff has to work when there are leaks, Bob flexes time with the staff allowing them to go home early if there is nothing happening and they are not needed. He would like to keep the ability to flex the time with his staff. An example was shared that if the staff worked 8-5 typically but had to stay until 8 pm one day to work on a leak, Bob would give them 3 hours off on another day. When the staff covers the weekend, Bob gives them a day off during the week. Typically it takes them 4 hours to do their regular responsibilities but they are required to be on call 24 hours each day.

The Chair asked about an inventory so the Board would know how many meters are available. She explained that an inventory allows the Board to know what is available on site and what needs to be purchased to complete a project. Bob stated there is an inventory filed in the BCCWID office.

THE VIDEO RECORDING STOPPED ABRUPTLY AT THIS POINT IN THE MEETING.

No further transcription of minutes was possible.

CERTIFICATION:

I, Donna L. Chandler certify that the Agenda for the March 4, 2025 Regular Board Meeting was publicly posted at the Water District Office and Post Office on March 3, 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.