

Granite Oaks Water Users Association  
**Board Meeting Minutes**  
Meeting of July 27, 2022

Approved August 24, 2022

**THOSE PRESENT**

**BOARD MEMBERS**

**Contract Staff**

Jim Bricker – President -  
Ken Nelson, Vice President  
Daryl Mathern, - Secretary  
Ron Weber – absent  
J D Sale -Board Member - absent  
Matt Olson – Board Member

Bob Busch, Manager, GOWUA  
Allen Kaplan – Accountant  
Cheryl Ibbotson – Ariz. Utility Billing Solutions  
Derek Scott- A Quality Water Co.-Operator

1. The meeting was convened at 9:00 AM at 302 W. Willis St., Prescott, by President Jim Bricker.

**2. Approval of Minutes of meeting of June 22, 2022**

There were several typographical corrections noted in the minutes.

**Motion: Ken Nelson moved to approve the minutes of June 22<sup>nd</sup> as corrected. Daryl Mathern seconded. Motion passed unanimously.**

**3. Reports:**

**3a. Financial Report**

Allen Kaplan handed out his summary for June, 2022. He said that Revenue is within 1K of last year at this time, while expenses are about 25K less than the same time last year. Net income is about 35K more than last year.

There was some discussion about how to account for the \$8,050 APS rebate for the VFDs. After discussion, it was agreed to book the full amount of the asset and book the rebate as Other Income. Cash is about 11K more than at the end of 2021. There was some discussion about the CD's and what the withdrawal penalties might be. Allen stated that interest rates are on the rise, and moving funds may be an option. One CD matures in September. He summarized the asset purchases made by the Company over the past 20 years.

**3b. Operator's Report**

Derek Scott reported that valves have been checked. One hydrant was found leaking and was repaired. Derek explained how hydrants work and how they are tested in response to a question from Ken Nelson. Ken then asked about how much the second meter reading each month cost. Bob Busch responded that it costs about \$300. Jim Bricker complemented A Quality Water on the site mowing completed recently. Derek noted that the well static levels are listed on his report- wells are pumping all the time during the summer. So, measurements are not considering a two hour shutdown before reading. He reported that he is checking one customer meter to verify that it has not been reversed and is running backward.

**3c. Arizona Utility Billing**

Cheryl Ibbotson reported we are running about 25 leak alerts each month. She said there were 9 customers who were on both alert reports for the month. Cheryl reported that their office received several customer calls asking about the alert calls for the annual meeting. They apparently had not answered the call, but were asking why they were receiving calls. Bob Busch explained that the One Call Now system attempts to call and leave a message. If there is no answer, the system will try again later, until the time limit is reached.

### **3d. Manager's Report**

Bob Busch reported that the unaccounted for water was about 2.2%. He said he is still waiting on a quote for the barbed wire on the Glenshandra fence. He reported that there are two customers who have not sent in their backflow preventer test results. He said he has sent follow up letters and will continue to follow up.

Bob reported that he has been working with Bill Whittington's office and with Carlos Ronstadt, a Phoenix water attorney, on updating the Statement of Claimant information filed with ADWR. He said he plans to update all information for all three wells and will send the information to the Board prior to submitting to ADWR.

Ken Nelson asked about the test wells listed in the service area. Bob responded that he is following up with the well driller, McGee Drilling, to see what information is available.

Bob said he received a quote for the totalizing meter (about \$18,000) for material. He has not received a quote for installation. He said the work should be done in the fall or winter when demand is lower. Matt asked what the meter will fix. It was explained that the totalizing meter is placed in the outgoing side of the distribution pumps and measures all water pumped into the distribution system. Currently, we add the output from each well to arrive at the water pumped, and compare it with the customer meter readings, not taking into account the water in the tanks. There was a comment that this might be one of the lower priority projects being considered.

Bob handed out a report that analyzed the water pumped, electrical cost and electrical use for the three wells for the past 4 months. The report showed that although the electrical cost has gone up, the KWH per 1000 gallons is down slightly, indicating that the VFD's are working.

## **4. OLD BUSINESS**

### **4a. Action Items**

*Action Item: Bob Busch will investigate the test well applications filed in the GOWUA service area.*

This item is still open.

### **4b. Discussion and possible approval of proposal to replace the backup generator at Deerfield.**

Bob Busch reported that he forwarded the signed purchase order to Cummins. He said he has received a call from Cummins indicating they want payment in advance. He said he has not received an installation quote as yet. He stated that with the ARPA grants, and the amount of GOWUA money needed to complete them, there may not be enough money to pay for the generator.

Bob handed out proposed budgets for the well and tank project awards from Yavapai County.

He stated that if the budgets are correct, GOWUA may have to spend up to 268K to complete the projects. He said that is about all the money GOWUA currently has in the bank. GOWUA may not have enough money to buy the generator.

Bob reported that GOWUA has 30 days from July 12<sup>th</sup> to submit a budget and 40 days to sign the contracts for the ARPA grants with the County. He said he sent the contracts to Bill Whittington for review.

There was some discussion about whether or not the well would need to be operational to receive the grant. Bob Busch reported that according to the County, GOWUA would need to spend the award, and not necessarily complete the well to full operations. There was some question about the payment and reimbursement process. Bill Whittington commented that he has planned a meeting next week with the County reps to discuss some of these questions.

There was a discussion about whether or not to sign the contracts with the County. It was the consensus of the Board the contracts should be signed before the deadline.

Ken Nelson asked whether some of the other governmental agencies, ie., the ACC, ADWR, ADEQ have any influence, oversight or input on these grants.

**Motion: Matt Olson moved to approve signing the APRA contracts for the well and tank with Yavapai County and authorize legal counsel to investigate other state agencies for possible impact. Ken Nelson seconded. Motion passed unanimously.**

**4c Discussion and possible approval to purchase totalizing meter for Post Oak.**

No action at this time.

**4d. Discussion concerning location and agenda for Annual Meeting.**

There was a brief discussion about the agenda for the annual meeting. It was agreed that AQuality and AZ Utility Billing need not report, but could answer questions. Jim Bricker stated that due to recent health issues, he requested that someone else chair the meeting. Ken Nelson said as VP, it probably falls to him. It was suggested that the annual election be included in the discussion items on the agenda.

**4e. Discussion of possible actions to be taken concerning ARPA Grants, ie seeking bids or proposals.**

Covered under 4b.

**5 NEW BUSINESS**

**5a. Discussion and possible action concerning Statements of Claims for the GOWUA wells.**

Bob Busch reported that he is working on updating the Statement of Claimant amendments. He said he hopes to have the amendments completed before the next Board Meeting. He said he plans to forward all the documents to the Board prior to submitting to ADWR. He commented that Carlos Ronstadt is available to discuss the SOC's and other water issues if the Board wants. It was the consensus of the Board that Mr. Ronstadt be invited to the August meeting.

Meeting was adjourned at approximately 10:40 AM.

**Next meeting is scheduled for Wednesday, August 24th at 302 W. Willis.**

Minutes transcribed by Bob Busch

**Submitted By:**

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**Secretary**