

Granite Oaks Water Users Association

**Board Meeting Minutes**  
Meeting of October 5, 2022

Approved 10-26-22

**THOSE PRESENT**

**BOARD MEMBERS**

**Contract Staff**

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

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

Bill Whittington- Legal Counsel

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

Appointment of New Board Members and Election of Offices for the coming year.

There were no new Board Members to appoint. Jim Bricker volunteered to serve on the Board for another term, but not as an officer.

After some discussion, the following officers were selected for the next 12 month period:

President: Ken Nelson  
Vice President: Matt Olson  
Secretary: Daryl Mathern  
Treasurer: Ron Weber

*Action Item: As Ken Nelson was absent, Daryl Mathern will contact Ken Nelson to confirm his willingness to serve as president*

**2. Approval of Minutes of meeting of August 24, 2022**

**Motion: Daryl Mathern moved to approve the minutes of August 24th. Ron Weber seconded. Motion passed unanimously.**

**3. Reports:**

**3a. Financial Report**

Allen Kaplan handed out his summary for August, 2022. He said that Revenue, at 175.5k is about the same as last year (2k less). Expenses are about 2k more than a year ago at 149k. Net Income of 34k is about 4k more that last year at this time. Cash balance of 315k is in increase of 6k from July.

Allan noted that in checking the Board Policies, the placement of funds in Treasury Bonds is not specifically referenced in Board Policies. There was some discussion about what action should be taken.

**Motion: Matt Olsen moved to direct the Manager to prepare appropriate revisions to the Board Policies to include Treasury Bonds as an investment option, and to include**

**an agenda item for the next Board meeting to approve the revision and ratify the investment. JD Sale seconded. Motion passed unanimously.**

### **3b. Operator's Report**

Derek Scott reported that no alarm was received after the recent lightening strike because the Mission Control System was down for three days at that time plus, the system included incorrect email addresses for the backup email alarm that is supposed to be sent. Both items have been corrected. The system now has 3 email addresses for A Quality Water personnel. (It was suggested that Bob Busch's email also be added to the list)

Bob Busch reported that a few days ago, a lightning strike near the Deerfield well knocked out the automatic controls for all three wells. Daryl Mathern commented that the strike hit his neighbor's mailbox, knocked it across the street and blew a hole in the concrete driveway. It did not damage the control cable. The problem was apparently discovered by the Operator during a site visit. The wells were operated manually for several days to maintain water levels in the tank, until repair parts arrived and the auto controls were restored.

Derek Reported that the system is operating properly with the exception of a PLC at Glenshandra that locked out the generator yesterday. The problem has been corrected.

Bob Busch commented that the test results for the PFOA/PFOS compounds have come back negative. He read a proposed notice to customers explaining the test and results for inclusion in October billing. It was the consensus of the Board to include the notice.

### **3c. Arizona Utility Billing**

Cheryl Ibbotson stated she had nothing to report. Collections are fine and August was quiet.

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

Bob Busch reported that the unaccounted for water was about 3.23%. 16 customers used over 30,000 gallons, which was 2.5% of all customers, significantly less than July. He reported that the barbed wire installation on the fence at Glenshandra has been completed. He also reported that the Backflow testing has been completed for the year. A copy of the testing report summary was included with the board packet. Bob reported that the Amended Statement of Claimants for all three wells have been completed and submitted to ADWR. He reported that he received a notice from ADWR concerning a Technical Report concerning the Verde River Watershed advising that the adjudication is underway.

Bill Whittington passed out a summary of a review of the ARPA requirements for the contracting for work under the ARPA grants.

Bob Busch handed out a summary of the funding requirements for the various projects being considered by the Board: 2 ARPA projects: Deerfield Generator: Totalizing Meter, He commented that it appears that the Company can undertake all the projects with the current funding available.

There was some discussion about the generator quote and whether Cummins would require full payment in advance. JD Sale understood Cummins wanted full payment OR a purchase order. Bob Busch understood they would accept payment on delivery on condition of an approved credit application – which he stated he has not completed pending a decision by the Board to proceed with the project.

## **OLD BUSINESS**

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

- *Action Item: Jim Bricker will visit the bank and recommend an action to the Board via email.*  
Completed
- *Action Item: Bob Busch will investigate to determine if an alarm would have occurred when water in the tanks reached a low level.*  
Completed
- *Action Item: Bob Busch will investigate to determine what can be done to treat water containing the PFOA, PFOS compounds.*  
Completed.

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

**MOTION: Matt Olson moved to approve of the purchase of the propane generator from Cummins up to a maximum of \$30,000. JD Sale seconded. Motion passed unanimously.**

**MOTION: Matt Olson moved to authorize Bob Busch to negotiate with Cummins to obtain agreement to make payment upon delivery of the generator. Daryl Mathern seconded. Motion passed unanimously.**

## **5. NEW BUSINESS**

### **5a. Ratification of expenditures for fees paid to Carlos Ronstadt for legal work in connection with water rights and amendment to Statements of Claimant.**

Bob Busch reported that the amount paid to Carlos Ronstadt to date is \$3,835.50.

**MOTION: Daryl Mathern moved to ratify the approval and payment to Carlos Ronstadt in the amount of \$3,835.50. Ron Weber seconded. Motion passed unanimously.**

### **5b. Discussion and possible action including approval of proposals received for projects associated with ARPA grants: addition of storage tank and new well. Possible action to approve contracts for same.**

*Action Item: Bob Busch will coordinate with Bill Whittington to prepare contracts for work under the APRA agreements.*

### **5c. Bob Busch brought to the Board's attention a proposal from Empire Cat for annual services to the 3 generators beginning November, 2022 in the amount of \$3,890.**

There was some discussion about alternatives that might be available for generator services. It was the Board consensus that we should remain with Empire Cat.

**MOTION: Daryl Mathern moved to authorize Bob Busch to approve the Empire Cat proposal for annual services in the amount of \$3,890. Ron Weber seconded. Motion passed unanimously.**

There was a brief discussion about a phone call Jim Bricker received asking if GOWUA might be for sale. It was the Board consensus that the Company should not consider a sale.

Meeting was adjourned at approximately 10:05 AM.

**Next meeting is scheduled for Wednesday, October 26th at 302 W. Willis.**

Minutes transcribed by Bob Busch

**Submitted By:**

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**Secretary**