

Granite Oaks Water Users Association
Board Meeting Minutes
Meeting of August 23, 2023

Approved 9/20/23
Contract Staff

BOARD MEMBERS

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

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

Bill Whittington – Board Legal Counsel

1. The meeting was convened at 9:02 AM at 302 W. Willis St., Prescott, by President Ken Nelson.

2. Approval of Minutes of meeting of July 27, 2023

There were a couple of typographical errors noted in the minutes..

Motion: Matt Olson moved to approve the minutes of July 27, 2023 with the corrections as noted. Ron Weber seconded the motion . Motion passed unanimously.

3. Approval of Minutes of the Annual Meeting on July 29th.

Motion: Jim Bricker moved to approve the minutes of the annual meeting with corrections as noted. Ron Weber seconded. Motion passed unanimously.

President Ken Nelson then changed the order of business to introduce Dylan Easthouse of Matrix New World Engineering. Mr. Easthouse stated that there were some options to consider in designing the new well. He stated that the market for drilling wells at the moment have increased costs considerably. Estimates he has obtained price the cost of drilling that are nearly double the amount anticipated for the project. He stated that the well volume pumped from the new well cannot exceed the amount pumped from the current Glenshandra well. He said the current limit for the Glenshandra well is 249 acre ft per year. He stated that a well of up to 35 gallons per minute may be drilled without an impact study that determines the impact to other wells in the area from the planned well. Mr. Easthouse commented that with the state of the aquifer, GOWUA has about 20 year's water supply. He explained that GOWUA is on the edge of the aquifer, and when the static level reaches a certain point, the level will begin to drop much quicker. There was some discussion about the long term possibility of obtaining land or rights to drill a well east of the current boundary of GOWUA.

There was a discussion about the purpose of the proposed well. Mr. Easthouse stated that with a backup well, a 6 inch well could provide sufficient water. With a PVC casing, the well could be drilled at close to the amount anticipated in the project.

Mr. Easthouse indicated that he needed some direction from the Board to complete the design and the specifications. The Board discussed various possible options; size of well, manner of drilling, etc..

MOTION: Ron Weber moved that GOWUA continue the well design using a 6 inch, PVC casing. Jim Bricker seconded. Motion carried with Matt Olson abstaining.

3. Reports:

3a. Financial Report

Allen Kaplan handed out the financial reports for July, 2023. He reported that the Net Income YTD is 25K, which is 8.5 K than last year due principally to the 8K rebate from APS last year. YTD sales of 145k are 9k less than last year.

Allen Kaplan reported that there was 6.3k in Construction in Progress in July. He reported that cash is about 302K, down about 6k from June and down about 19k from year end 2022..

Allen reported that ARPA reimbursements and the APS rebate received last year should be booked as a Contribution in Aid of Construction, and that Cheryl made an adjustment to the 2022 financials to reflect the adjustment. Allen also suggested that an account be set up for these contributions.

There was some discussion about the notes and CD's in the Schwab account. One matured on 8/15, another on 9/7 and one on 9/22. The Deerfield generator replacement and the ARPA projects will require payments in the next few months.

Motion: Matt Olson moved to renew the matured and maturing accounts for 1 month periods. Ken Nelson seconded the motion. Motion passed unanimously.

3b. Operator's Report

Derek Scott reported that he has had to order a new chlorine injection pump. He reported that weed abatement is ongoing. He reported that he has been contacted for the annual MAP testing.

Static water levels as of August 3rd: Glenshandra -275.7 ft. Deerfield – 274.6 ft Post Oak- 325.9 ft.

3c. Arizona Utility Billing

Cheryl Ibbotson reported that there were 9 customers with multiple leak calls. They were door tagged and were still listed on the report. She asked whether they should continue to call/tag these customers. There was some discussion about what could be done with these customers. Jim Bricker suggested and the Board concurred, that these customers continue to receive a door tag.

3d. Manager's Report

Bob Busch reported that the unaccounted for water was 162,845 gallons this month, less than 2%. He reported that there were 76 high users accounting for over 4 million gallons representing over 50% of total usage.

He reported that we have received payments for the first two invoices received for the ARPA projects, about 17k.

He reported that he received a phone call from the ACC staff representative who said the only reason to submit a purchased power adjustment was to adjust for an increase in APS rates.

Therefore, a PPAM was not needed..

Mr. Busch reported that he has not received a response from the ACC regarding his draft financial application for a line of credit. He is continuing to follow up.\

Mr. Busch reported that as of the meeting date, he has received all the annual backflow preventer test reports.

4. OLD BUSINESS

4a. Action Items

- *Action Item: Derek Scott will invite a Fever Controls representative to a Board Meeting to review the system and the estimates to the alarms.*
Derek explained that Fever Controls will be at the September meeting.

4b. Discussion and possible action concerning the addition of a tank at the Post Oak site (ARPA 0040)

Nothing additional to discuss. No action taken.

4c. Discussion and possible action concerning obtaining a line of credit for \$100,000.

Nothing additional to discuss. No action taken.

4d. Discussion and possible action concerning updating the approved signers on the bank account at Foothills Bank.

The list of officers have been updated on the website and the officers may sign up at the Foothills Bank on Miller Valley Rd.

5. NEW BUSINESS

5a. Discussion and possible action concerning developments at Granite Mountain Water Company.

After some discussion about the current situation at the Granite Mountain Water Company, no action was taken.

5b. Discussion and possible action concerning design option for the additional well at Glenshandra. (ARPA 0036)

Action approved as noted above.

Meeting was adjourned at approximately 11:10 AM.

Next meeting is scheduled for Wednesday, September 20, 2023 at 302 W. Willis.

Minutes transcribed by Bob Busch

Submitted By:

Secretary