

Granite Oaks Water Users Association
Board Meeting Minutes
Meeting of December 21, 2022

Draft

BOARD MEMBERS

THOSE PRESENT

Contract Staff

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

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

1. The meeting was convened at 9:25 AM at 302 W. Willis St., Prescott, by President Ken Nelson.

2. Approval of Minutes of meeting of November 16, 2022

Matt Olson noted a couple of typographical errors in the minutes.

Motion: Daryl Mathern moved to approve the minutes of November 16, 2022 with the corrections as noted. Ron Weber . Motion passed unanimously.

3. Reports:

3a. Financial Report

Allen Kaplan handed out the financial reports for November, 2022. He said that Revenue, at 236k is about 6k lower than last year at this time. Expenses of 234k are 24k more than a year ago, principally due to legal expenses, and 3k in accrued property taxes. This was offset by the APS refund of 8k. Net income at 11k is 23k less than last year. Cash balance is down 9k from October.

3b. Operator's Report

Derek Scott was absent. Nothing in addition to the written Operator Report was discussed.

3c. Arizona Utility Billing

Since the data is more than a week old, they will only call on the severe leaks. She handed out a list of the customers with continuing leaks.

3d. Manager's Report

Bob Busch reported that the unaccounted for water was about 7.19%- 224,286 gallons., 47.2k more than last month. There followed a discussion about the possible reasons for the fluctuation and the problem with the present totalizing meter. Ken Nelson commented that the cost of more than 20k for the proper meter made it a low priority in view of all the ARPA contract work and Deerfield Generator Replacement being undertaken this year.

Bob Busch reported that he sent bid packages for the tank project to 15 firms. He conducted two site visits from prospective bidders. He reported that the gravel repair work near the fence at Glenshandra is scheduled for January. He has contacted two vendors for quotes to repair the 3-rail wooden fence, but so far has received no quotes. The County has sent a notice that American steel is not required for the Tank Project.

OLD BUSINESS

4a. Action Items

- *Action Item: Bob Busch will review and update property schedules and provide a map with the fire hydrant and meter information.*

Completed

- *Action Item: Derek Scott will obtain a price for the tank transducers and present to the Board for consideration.*

Pending

4b. Discussion and possible action concerning the proposed backup generator at Deerfield.

Awaiting information of scheduled delivery date. No action taken.

4c. Discussion and action concerning the possible reimbursement of legal fees in connection with the APRA project.

No action taken.

5. NEW BUSINESS

5a. Discussion and possible action including authorization to obtain bids for new well at Glenshandra.

Bob Busch commented that the project could be broken into 4 pieces: design of the well, drilling of the well, design of the connections and installation of the connections. He asked for the Board's preference on how many projects we should establish. A discussion ensued as to the number of sections to undertake. Ken Nelson suggested that one company be engaged to do the design for the whole project. It was the consensus of the Board that one firm be engaged to complete design for the entire project: well design and connection.

Action Item: Bob Busch will prepare a bid package for complete design work for the project and report at the next meeting.

5b. Discussion and possible action concerning additional Directors & Officers liability insurance coverage and additional theft coverage.

Bob Busch reported that he received quotes for additional Director's & Offices Liability coverage:

\$6M: \$3,900 total excess premium

\$7M: \$4,500 total excess premium

The Board discussed whether or not additional coverage was warranted.

Motion: Ron Weber moved to keep Board Liability coverage remain as is. Daryl Mathern seconded. Motion passed unanimously.

Bob Busch reported that he received quotes for additional theft coverage:

\$250,000: \$600 premium

\$500,000: \$900 (employee theft)

The Board discussed whether or not additional coverage was warranted. Bob Busch reported that the insurance company had asked a number of questions concerning handling of bank accounts and checks, the answers to which would likely result in a refusal of coverage (ie are 2 signatures required on checks?). As existing coverage is \$100,000, it was the consensus of the Board to take no action on this item.

Ron Weber commented that the cost of personal umbrella coverage is relatively inexpensive compared to the quote we received.

5c. Discussion and possible action concerning approval of an expense and capital budget for 2023.

Bob Busch handed out copies of a proposed 2023 budget. The Board review the draft and several changes were made.

Motion: Matt Olson moved to approve the 2023 budget as discussed. Ron Weber seconded. Motion passed unanimously.

Meeting was adjourned at approximately 10:35 AM.

Next meeting is scheduled for Wednesday, January 25, 2023 at 302 W. Willis.

Minutes transcribed by Bob Busch

Submitted By:

Secretary