

Granite Oaks Water Users Association

Board Meeting Minutes Meeting of September 22, 2021

Approved October 27, 2021

THOSE PRESENT

BOARD MEMBERS

Contract Staff

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

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

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1. The meeting was convened at 9:00 am at 302 W. Willis St., Prescott, by Vice President Ken Nelson.

Ken Nelson began the meeting by welcoming J D Sale to the Board and asking him to introduce himself and give the Board a bit of background. Ken Nelson then asked each of those present to introduce themselves and explain their connection to the Board.

2. Approval of Minutes of Previous Meetings Meeting of August 25, 2021

Motion: Daryl Mathern moved to approve the minutes of August 25th with the typographical corrections noted. J D Sales seconded. Motion passed unanimously.

3. Reports:

3a. Financial Report

Allen Kaplan reported that water sales of 177.6k year to date (thru August) water sales of are up about 20k more than a year ago. Expenses year to date are about 9.4k less than a year ago, at 147.8k.

Year to date net income of 30k is 27.8k more than last year's profit of 2.2k. Cash balance increased 3.5k from July to 255k.

Allen presented a table comparing the usage of GOWUA's largest customer showing the amount billed this year at current rates compared to what the billing would have been at the previous rates. It showed about a 15% increase in billing, due to the change in rates.

3b. Operator's Report

No report.

Bob Busch commented that the Deerfield well was down for a couple of days recently due to a bad electrical connection. Luckily, nothing was burned out, only the well went off line. Daryl Mathern added that he talked to the service tech about the problem. Apparently several of the electrical connections were loose besides the one that failed.

Daryl Mathern reported that the VFD installation is not completed yet. John Patton is still waiting on proper parts.

3c. Arizona Utility Billing

Cheryl Ibbotson reported that everything is going well. She reported that there are only two accounts are past due. Both have been given disconnect notices.

Cheryl handed out a spreadsheet showing last years' July water pumped vs this July. Even though the water sold this year was considerably less than a year ago, the tiered rates generate higher billings this year.

3d. Manager's Report

Bob Busch reported he is continuing to follow up on backflow testing. One customer with a new well on Holly Oak will have his device in and tested soon and the other customer on Fair Oaks has been sent a letter requesting testing results.

Bob went through the three ARPA applications (VFD, new well and additional tank) and the Board discussed each one.

In discussing the VFD application, it was suggested that the completion date be moved to end of November, and a map included with the application.

Motion: Daryl Mathern moved to approve and submit the VFD application as discussed. J D Sale seconded. Motion passed.

Bob reviewed the application for a new well. He suggested that the total cost of the project be increased to:

Eng & Design	\$ 45,000
Well Drilling & Eqpt	\$175,000
Power upgrades/controls	\$ 80,000
Excavation/piping/connections	<u>\$ 50,000</u>
Total	\$350,000

Bob reported that he has requested a quote from KP Ventures several weeks ago, but he has not received it.

Motion: Ken Nelson moved to approve and submit the new well application, with \$50,000 contributed by GOWUA, and that if a well quote is obtained with a higher amount, the Company would still contribute \$50,000. Daryl Mathern seconded. Motion passed.

Bob reviewed the application for an additional tank.

Motion: Daryl Mathern moved to approve and submit the application for an additional tank as discussed, with GOWUA contributing \$40,000. J D Sales seconded. Motion passed.

It was the consensus of the Board that the Board President should sign the applications.

4. Old Business

4a. Action Items –

- *Action Item: Jim Bricker will investigate rates at Foothills Bank and New York Bank and advise the Board. COMPLETED*

- *Action Item: Derek Scott will check to see what type(s) of meters are available and what the cost would be to replace the current meter. PENDING*
- *Action Item: Bob Busch and Cheryl Ibbotson will investigate the status of the Hollander account. COMPLETED*
- *Action Item: Bob Busch will prepare applications for the three projects and submit to the Board for approval. COMPLETED*
- *Action Item: Bob Busch will verify the ACC requirement for meter accuracy testing.*

Bob read the ACC rules stating that each company should establish a customer meter testing program. He read from the GOUWA policy manual stating that the system operator is to present a testing program to the Board. The program should test all customer meters over a 10-15 year period.

4b. Status of VFD Installation

Discussed above

5. New Business

5a. Appointment of New Board Member

Completed above

5b. Election of Officers

Postponed to next month

5c. Discussion and Approval of Application for Funding

Completed above

5d. Possible approval of proposal from Empire Cat for backup generator maintenance

There was some discussion about the frequency and services performed by Empire Cat.

Action Item: The operator will report on the age, condition and availability of parts for each of the backup generators.

Motion: Daryl Mathern moved to approve the service agreement with Empire Cat for backup generator services for 2021-22. J D Sale seconded the motion. Motion passed.

Meeting was adjourned at approximately 10:30 am.

Next meeting is scheduled for Wednesday, October 27th at 302 W. Willis.

Minutes transcribed by Bob Busch

Submitted By:

Secretary