

Granite Oaks Water Users Association
Board Meeting Minutes
Meeting of January 24, 2024

BOARD MEMBERS

Approved February 28, 2024
Contract Staff

Bill Whittington– Board Legal Counsel-absent

1. The meeting was convened at 9:03 AM at 302 W. Willis St., Prescott, by President Ken Nelson.

2. Review/Approval of Minutes of Board Meeting of November 29th and December 18th,

There were several typographical corrections to the minutes of November 29th.

Motion: Matt Olson moved to approve the Minutes of November 29th with the corrections noted. Ron Weber seconded. Motion passed unanimously.

Since the December 18th Minutes were not included in the Board packet, no action was taken on this item.

3. Reports:

3a. Financial Report

Allan Kaplan reported that total Revenues for the end of year were up about 5K from last year at 258K. He reported that expenses were up about 8K from a year ago and interest income was about 7K higher than last year. Net Income for the year was 25.3K up from 19.5K last year. Repairs and Maintenance has been very consistent from year to year. He reported that, as usual, the second and third quarter Net Income was positive, while 1st and 4th quarters show a loss. He reported that the Cash Balance at year end was 163.6K and that 274.9K was spent on assets, some of which has been reimbursed thru ARPA.

There was some discussion about the legal fees under Construction Work in Progress. Bob Busch reported that he had reviewed the legal fees and coded those that related to ARPA. It is planned to split the legal fees that apply to ARPA to the Tank and the Well Project, on a percentage basis.

Bob Busch commented that the Mission Control Unit added in 2023 should have a corresponding retirement. Derek Scott reported that the original Mission Control Unit was installed in 2008.

Motion: Ron Weber moved to accept the Financial Report. Daryl Mathern seconded. Motion passed unanimously.

3b. Operator's Report

Derek Scott reported that all equipment is working properly at this time. The new tank is complete and we are waiting for approval to operate. He reported on the static levels for the wells. As of December: Post Oak was 328.0 ft., Deerfield was 275.2 ft., Glenshandra was 277.4 ft. He reported that all required samples were completed and delivered to the lab with no issues. During a discussion about the meter reading and leak reports, Cheryl Ibbotson asked if the letter to customers concerning the leak reports was still to be sent.

Action Item: Bob Busch will send the letter to customers to Arizona Utility Billing for mailing to customers.

3c. Arizona Utility Billing

Nothing to report.

3d. Manager's Report

Bob Busch reported that the unaccounted for water was higher than usual at 362,043 gallons or 11.4%. Derek Scott reported that the new tank was filled in December and would account for the higher amount of unaccounted for water. Bob Busch reported that GOWUA received a reimbursement of \$60,268 for the New Tank Project, ARPA 0040. He reported that he also received an invoice from Matrix for \$120,537.90 for ARPA 0040 that invoice has been paid. Since GOWUA has been reimbursed for \$108,481 so far, \$76,519 of the invoice will qualify for reimbursement (bringing the total to \$185,000). There remains about \$58,000 of the Matrix contract that remains and will probably be billed on the final bill. GOWUA will be responsible for that payment. He reported that the ACC staff is reviewing the line of credit application and hope to have it's review completed in the next few days. If so, it could be submitted to the full Commission in the next 30-60 days.

4. OLD BUSINESS

4a. Action Items

- *Action Item: Bob Busch will contact Cummins and inquire as to possible penalty for cancellation. Item Completed.*
- *Action Item: Daryl Mathern will set up a meeting with a nearby property owner to discuss an alternate well site. Daryl Mathern reported that the property owner has changed her mind about possibly making an area available for a well site.*

Action Item: Daryl Mathern will check back with the property owner.

- *Action Item: Bob Busch will check with Elan to determine if a load test is included. Item Completed. Load test is included.*

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

No action taken.

4c. Discussion and possible action concerning the addition of alarms at the GOWUA wells.

Action Item: Derek Scott will contact Fever Controls for a quote.

There was a discussion about the existing alarms at Post Oak and the fact that there currently are no alarms originating from Deerfield or Glenshandra.

4d. Discussion and possible action to approve a proposal to service the backup generators for the upcoming year.

Item postponed to next month.

4e. Discussion and possible action concerning the addition of a new well at the Glenshandra site (ARPA 0036).

There was some discussion about whether to proceed with this project or to select a different site to drill a well. It was discussed that the well as planned could only be used as a backup well. It could not be run at the same time as the existing well. Other possible locations were discussed. It was the Board consensus to table this matter to the next meeting.

5. NEW BUSINESS

5a. Discussion and possible approval of capital and expense budget for 2024.

The proposed budget was reviewed and several changes were suggested.

Motion: Ron Weber moved to approve the 2024 capital and expense budget with the changes suggested. JD Sale seconded. Motion passed unanimously.

5b. Discussion and possible approval of extension of the contract with Arizona Utility Billing Solutions.

After some brief discussion:

Motion: Daryl Mathern moved to approve the new contract with Arizona Utility Billing. Ron Weber seconded. Motion passed unanimously.

Meeting was adjourned at approximately 10:20 AM.

Next meeting is scheduled for Wednesday, February 28th, 2024 at 302 W. Willis.

Minutes transcribed by Bob Busch

Submitted By:

Secretary