

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

Approved 5/22/24
Contract Staff

BOARD MEMBERS

Bill Whittington– Board Legal Counsel

1. The meeting was convened at 9:00 AM at 302 W. Willis St., Prescott, by Vice President Matt Olson.

2. **Review/Approval of Minutes of Board Meeting of March 27, 2024.**

Motion: JD Sale moved to approve the Minutes of March 27, 2024 with the corrections noted. Jim Bricker seconded. Motion passed unanimously.

3. Reports:

3a. Financial Report

Allan Kaplan reported that through March, revenue was right on budget at 45K. Expenses are 54K, about 8K under budget. Net Income is a loss of 8K so far, which is 6K more than budget. Water sales are up about 1.5K from last year to date. Expenses are about .6K more than last year. Net Income is about 5K less than last year (a loss of 8K vs a loss of 3K last year.) He reported that about 10K was capitalized for a new meter, and about 29K from Matrix. There is \$317,400 of Construction Work in Progress. He reported that cash flow was 87K thru March, with \$125K in ARPA grants.

MOTION: Ron Weber moved to accept the financial report as given. Daryl Mathern seconded. Motion passed unanimously.

Allan then proposed that his financial reports be done quarterly rather than monthly. In addition, he proposed that his hourly rate be increased by \$5.00 per hour.

There was some discussion about Allan's proposal, with Allan responding to questions.

Motion: Ron Weber moved to accept Allan Kaplan's proposal that his financial reports be given quarterly, with an increase of \$5.00 to his hourly rate. Ken Nelson seconded. Motion passed unanimously.

There was some discussion about how to invest the cash and funds at Schwab Financial, with several options discussed.

Motion: Ken Nelson moved to invest \$50,000 in a 3 month CD and 2 other CD's of \$50,000 each for 6 months. JD Sale seconded. Motion passed unanimously.

3b. Operator's Report

Derek Scott reported that the transducer is installed in the tank at Post Oak. The fence has also been repaired and the gate reinstalled. ADWR sounded the wells and reported that the aquifer has been fairly stable this year. All equipment is working well. Derek reported that he has checked all the vacant lots in the service area and all have meter boxes in place, so we should never have to add another service line, as was required on Granite Oaks Drive.

In response to a question about a payment of \$645 to Empire Cat, it was confirmed that it was for a service call concerning alarms.

3c. Arizona Utility Billing

Cheryl Ibbotson reported the annual report to the ACC Utility Division was completed and sent to the ACC. She reported that Arizona Billing provided all service connection information to ADEQ for their lead inquiry.

3d. Manager's Report

Bob Busch reported that GOWUA sold 251,215 more gallons than was pumped in March. There were 7 high users during the month. He reported that we received the final bill of \$26,786.20 from Matrix for the tank project. Once the cancelled check is received from Matrix, we will request the final ARPA 0040 grant of about \$9,300.

OLD BUSINESS

4a. Action Items

- *Action Item: Ken Nelson with work with Bill Whittington to contact someone with the Deepwell Ranch to explore the possibility of a well site on Deepwell Ranch.*
Ken Nelson has received contact information for a representative of the Deepwell Ranch and will contact them.
- *Action Item: Bob Busch will recommend the amount of legal fees to be charged to the two ARPA projects.*
Bob Busch recommended that \$13,649 be charged against ARPA 0036 (Well addition) and \$18,039 be charged against ARPA 0040 (New Tank).

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

Bob Busch reported that the ACC issued a Decision on April 18, 2024, approving the line of credit with some conditions; ie it is to be used for financing the well.

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

No action taken. Fever Controls will attend next meeting.

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

See action item above. No other action taken.

4. NEW BUSINESS

5a. Discussion and possible action concerning filing a rate case for GOWUA.

There was some discussion about an email response from two persons contacted about possibly assisting with a rate case. Their response discouraged filing a rate case. There were some comments that a rate case would be for financial reasons as much or more than for conservation reasons. It was suggested that one other possible consultant be contacted regarding their possible assistance with a rate case.

Action Item: Bob Busch will contact the consultant concerning possible assistance with a rate case.

5. Discussion and possible action to select an Assistant Treasurer for the Board.

It was the Board's consensus to discuss this at a later meeting. No action taken.

Meeting was adjourned at approximately 9:55 AM.

Next meeting is scheduled for Wednesday, May 22, 2024 at 302 W. Willis.

Minutes transcribed by Bob Busch

Submitted By:

Secretary