

Granite Oaks Water Users Association

Board Meeting Minutes

Meeting of January 22, 2025

Approved February 26, 2025

Contract Staff

BOARD MEMBERS

Ken Nelson, President
Matt Olson - Vice President
Daryl Mathern, -Board Member
Ron Weber – Treasurer
JD Sale - Board Member
Diane Harlan – Board Member

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

Bill Whittington–Legal Counsel
Tomas Montoya- Legal Counsel

Guests: DW Tower Dale Wilson, Todd Droust, Michael Frazier

1. The meeting was convened at 9:00 AM at 125 Granite Street, by President Ken Nelson. He welcomed Diane Harlan as a new Board Member. He also welcomed the representatives of DW Tower and moved the meeting to item 4d. See below.

2. a. Review/Approval of Minutes of Board Meeting of December 4, 2024.

Motion: Matt Olson moved to approve the Minutes of December 4, 2024 with corrections as noted. Daryl Mathern seconded. Motion passed unanimously.

3. Reports:

3a. Operator's Report

No report.

3b. AZ Utility Billing Report

Cheryl Ibbotson had nothing to report.

3c. Manager's Report

Bob Busch reported that he talked to Sonn Albrect about a rate case. She is available to meet with the Board at the March meeting if desired. The new generator at Deerfield is finally complete. Bob reported that the Franchise Agreement with the County is up for renewal in March. He said he submitted the renewal application to the County. It is on the agenda for approval by the Board of Supervisors at its next meeting.

3d. Financial Report

Allan Kaplan reported that the December, 2024 year end actuals were very close (within \$2,000) to the 2024 Budget. He stated that Net Income last year was \$25K, vs a loss of \$13K this year, due mostly to higher Repairs & Maintenance and Legal Fees. Allan reported that 2 CD's with Charles Schwab mature next month. Total cash is at \$213K. He reported that cash flow increased by \$49K for the year. He reported that 2024 was the first year of the last 4 that shows a loss.

Motion: Ken Nelson moved to accept the financial report. JD Sale seconded. Motion passed unanimously.

4. OLD BUSINESS

4a. Action Items

- *Action Item: Legal Counsel will contact Deepwell Ranch representatives to determine whether the Deepwell Ranch easement at Post Oak Rd. could be used for GOWUA access and pipeline.*

Bill Whittington reported that he has contacted a Deepwell Ranch representative and gave him information about our request for a possible easement. Bill said the rep was very non-committal about the information he was given. We will continue with our requests for this information.

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

Ken Nelson reported that he is working on a plan, and will keep the Board informed.

No Action taken on this item at this time.

4c. Discussion and possible action concerning filing a rate case for GOWUA.

Action Item: Bob Busch will invite Sonn Albrecht to attend the March meeting to discuss rate case options and strategy.

No further action taken on this item.

4d. Discussion and possible action concerning the disposition of the property at Glenshandra.

Dale Wilson introduced members of the DW Tower team, Michael Frazier and Dodd Droust. Mr. Frazier explained DW Tower's possible plans for a cell site on the Glenshandra property. He presented conceptual photos of pine tree towers that could be located on the site, along with a possible building plan for equipment. He explained that the building would have three rooms, to accommodate up to three different cell service companies.

Mr. Droust explained that DW tower is willing and able to work with local property owners to gain support for such a project.

Mr. Wilson explained that DW Tower was flexible as to the type of agreement they could commit to, noting that it would depend on the financial terms.

Considerable time was spent discussing options for an agreement between the parties, ie, sale of all or part of the property, or a lease. Discussion included sale issues, lease issues, revenue sharing, permitting issues and building/tower construction issues.

Motion: Matt Olson moved to sell a portion of the property to DW Tower except for the portion for the GOWUA well, for \$140,000, with DW Tower pay all the costs. JD Sale seconded. Motion passed with 4 voting "aye", one voting "nay" and one abstaining.

Following approval of the motion, Ron Weber suggested an appraisal be obtained on the property. There followed a discussion about which path to follow, leasing or sale, and the first step in this decision making process would be obtaining an appraisal for the property.

Action Item: Bob Busch will arrange to obtain an appraisal on the land and report to the Board.

4e. Discussion and possible action concerning a possible location for a new well.

No action taken on this item at this time.

4f Discussion and possible action to fill vacancy on the Board of Directors.

Ken Nelson stated Diane Harlan is a new member of the Board of Directors.

5. NEW BUSINESS

5a. Discussion and possible approval of Employee Policies.

No Action taken at this time.

Meeting was adjourned at approximately 11:50 AM.

Next meeting is scheduled for Wednesday, February 26, 2025.

Minutes transcribed by Bob Busch

Submitted By:

Secretary