

Granite Oaks Water Users Association  
**Board Meeting Minutes**  
April 23, 2008

Minutes approved:

THOSE PRESENT

Board Members

Jeff Deming, Vice President  
Ken Mino, Director  
Jim Peoples, Secretary  
Dirk Stringham, President  
Ken Adkins, Director  
John James, Treasurer

Contract Staff

Bob Busch, MDI  
Alan Kaplan  
Jim Muylee, Fann Environmental

Shareholders

Duane Gann  
Ed Tumey

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The meeting was convened at 8:00 by President, Dirk Stringham. Director Balin Strickler was not present

**1. Minutes of Previous Meetings**

The minutes of the January 23, 2008 Meeting were discussed.

One correction was noted on page two – John James reported he had transferred \$23,000 To a CD.

**Motion: Ken Adkins moved that the minutes of the January 23<sup>rd</sup> meeting be approved as corrected; seconded by John James; motion carried.**

**2. Financial Report**

Alan presented the financial results for the end of the 1st quarter 2008.

Revenues: \$41,375  
Expenses: \$39,350  
Income : \$ 2,025

Income is positive in first quarter, which is somewhat unusual. As compared to 1<sup>st</sup> qtr last year, property tax was paid in 1<sup>st</sup> qtr in '07. This year's will be paid in April. Also, there were only 2 months of power bills that were paid and booked in the first quarter of this year. Revenue and Expenses are relatively flat compared to last year.

It was pointed out that the insurance refund for the Glenshandra pump failure, (\$13,827.58) did not impact the Income Statement. In accordance with NARUC accounting rules, the refund was handled as salvage, and credited to the Accumulated Depreciation Account on the Balance Sheet.

Allan reported that a \$30,000 CD matures in June 08, and comparable interest rates will not be available. He indicated the Downey Savings has a 4+% CD available on an introductory program until the end of the month.

*Action Item: John James will investigate the possibility of purchasing a CD with Downey Savings from the checking account now, and cashing out the CD maturing in June.*

**NOTE:** Subsequent to the meeting, it was determined that in order to purchase a CD at Downey, substantial GOWUA information would have to be provided. A CD is available through Edward Jones, (the current CD agent) at about ½ % lower. A CD will be purchased through Edward Jones )

### **3. Operators Report**

Jim Muylee distributed a report showing Fann Environmental activities during 1t quarter. ADWR measured well static levels recently. They are: Post Oak Well – 311.8 ft, nearly the same as the last couple of years. Deerfield Well – 185.6 ft. This is down about 40 ft. from 5 to 6 years ago. The pump in that well is set at 585 ft.

New chlorine lines have been installed at Post Oak. Power monitoring equipment is being set up at Glenshandra to monitor incoming power. Monitoring will begin around Memorial Day and continue until after the 4<sup>th</sup> of July. This is the period of most of the power problems.

There followed a discussion concerning several customer disconnects for non-payment that were made during first quarter. Jeff reported that in many cases, the customer has been disconnected and reconnected the same day, requiring special trips both times. Board members questioned whether additional charges would apply to these situations. Bob indicated that GOWUA is governed by tariffs, but that an emergency call out for disconnect, reconnect may be appropriate under the tariff.

*Action Item: Bob will investigate GOWUA tariffs to determine if additional charges may apply to disconnect/reconnect situations – and report back to the board.*

### **4. Managers Report**

Bob reported that Bill Weber recommended GOWUA not purchase earthquake coverage, as the exemptions included would result in little actual coverage for GOWUA.

Letters have been sent to customers with backflow devices for annual testing. No resistance has been encountered so far. A report to the board will be made when this year's testing is complete.

There was a difference noted from the annual ADWR water withdrawal report and the end of year Comparison Report. The reports differ about 6 acre feet. It may be due to the Comparison Reports only containing 11 months of data. Bob will check this out.

The spring newsletter is being drafted now, and will go out near the end of the month. Ideas for content are needed. Some items to be included: Upcoming elections, Annual Meeting.

## **5 Old Business**

### **a. Review of Action Items**

The following action items remain open:

*Action Item: Bob to check into the need to own his own LLC for proper insurance coverage.*

### **b. Landscaping Improvements – Glenshandra**

Duane Gann reported that landscaping will start next week. Volunteers are needed to help spread landscape rock. This could be noted in the newsletter. The Granite Oaks Garden Club will help with low water use plants.

A discussion followed about the Clay Valve that used to be installed at the Glenshandra well site. It was removed because it caused some problems occasionally, especially in the colder months.

*Action Item: Jeff will arrange to have Fann re-install the Clay valve this summer.*

The possibility of insulating the building was also discussed. Duane Gann indicated that he had used a contractor out of the Verde Valley that quoted a price less than retail cost of material. Others in the subdivision have also used the contractor, Wolf Insulation.

*Action Item: Bob will contact Wolf Insulation to see if he can obtain a quote for insulating the building.*

Duane pointed out that the Granite Oaks Women's group had asked about the possibility of obtaining customer lists from GOWUA, but had not received a response from the board. After some discussion focused on problems associated with releasing customer information, it was decided that customer lists could not be provided. A notice could be included in the newsletter requesting persons who want to be included in a Granite Oaks Directory contact Duane.

### **c. Backup Generator**

Jim indicated he has not received information from Fann Env. needed for sizing the generator. It was emphasized that the info. is needed from the Operator before quotes can be obtained. Jim will contact Mike Fann to get the necessary information. Bob will work with Jim on the project.

## **6. NEW BUSINESS**

### **a. Auto payment Plan**

Bob described an auto payment plan available with CORE software that will permit monthly bill amounts to be withdrawn from a customer account. The customer must sign up and provide authorization and account information to initiate the program. There is no cost from the bank. The withdrawal is made each month on the same (or nearly the same date).

**Motion: Jeff moved to approve offering the Auto Payment plan to GOWUA customers; Ken seconded; motion carried.**

### **b. Cart for meter reading**

Ken presented information he collected from various vendors on costs for a motorized vehicle that could be used for meter reading. The pricing varied from over \$6,000 to \$12,000, depending on the features included.

After some discussion, it was the general opinion that the cost for a vehicle used 12 times per year was not justifiable at this time, particularly since meter reading is included in the Operator Contract. Under the present contract, the operator is responsible for providing personnel and vehicles for reading meters. No action was taken on the matter. Ken will provide the research information to Fann, as Fann has been investigating the possibility also.

### **c. Operator Contract**

Dirk indicated that he would like a committee formed to review the Operator Contract (due to expire at the end of September) and make a recommendation to the board.

*Action Item: Ken Mino, John James and Jim Peoples will serve on the committee. They will review the contract, and potential vendors and make a recommendation at the next meeting.*

**d. Annual Meeting**

The Annual Meeting will be held on Saturday, July 26<sup>th</sup>. The board discussed problems with the fire station; diesel smells, road noise, speaker noise, difficulty getting it opened up on time. Duane Gann offered his RV garage as a possible location (8855 N. Live Oak Dr.). The board readily accepted with thanks.

**e. Annual Elections**

This year, the seats held by Jeff Deming and Ken Mino are up for election. Jeff stated he will not be running for re-election. Ken indicated he will seek re-election. A notice will be included in the newsletter, and ballots will go out in May so that ballots can be counted by mid-June.

**f. Conservation Initiative**

Dirk and Jeff reported on a meeting they had with director, Balin Strickler, where he suggested the board consider a plan to take conservation education directly to the customer. The plan would involve providing the customer with a personal consultation with a landscape/water use specialist to educate and assist customers in conserving water.

The board discussed ways to implement such a plan, and the cost associated with it. Jeff stated that one consultant used previously by the board has indicated the cost per customer for a 1 ½ hour consult would be about \$65.

New customers should be included along with 'higher users'.

**Motion: Jim moved that \$7,000 be allotted for 2008 for a conservation/education program. Qualified customers would be provided with up to 2 hours with a consultant, at no charge. The plan is to be offered this year to customers using more than 20,000 gallons during summer months; seconded by John; motion carried.**

A discussion followed concerning frequency and dates of meetings. Meeting every other month was discussed. The possibility of changing the meeting date to a day other than Wednesday was mentioned. The topic will be discussed more fully at the meeting in July.

**Motion: Jeff moved to adjourn; Ken seconded; motion carried.**

The meeting was adjourned at 10:30a.m.

**Next meeting: Wednesday, July 23<sup>rd</sup>, 8:00am – Post Oak Site**  
Minutes recorded by Bob Busch

**Submitted By:**

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**Secretary**