

Granite Oaks Water Users Association  
**Board Meeting Minutes**  
Meeting of May 27, 2015

draft2

Approved July 22, 2015

THOSE PRESENT

BOARD MEMBERS

Contract Staff

Gerry Garcia, President Jim Peoples, Vice President John James, Treasurer John Monroe, Secretary Jim Peterson, Board Member Jim Peoples, Board Member Larry Dorrell, Board Member
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Bob Busch, MDI Taxes & Acctg Allen Kaplan – Accountant Jim Muylle - Fann Environmental
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The meeting was convened at 8:00 am by President Gerry Garcia.

**1 Minutes of March 25, 2015**

**John Monroe moved to approve the draft1 of Minutes of the March 25, 2015 Meeting. Jim Peoples seconded. The motion carried unanimously.**

**2a. Financial Report**

Allen Kaplan reported that so far this year revenue is down by about \$2,000 from budget and expenses are about \$5,000 less than budget, leaving the financials about \$3,000 ahead of budget.

Allen recommended moving about \$50,000 from the Corporate Account.

*Action Item: John James will move \$50,000 from the Corporate Account to the Money Market Account.*

John James reported that the Operating Account currently has approximately \$23,000.

**2b. Operator Report**

Jim Muylle reported on the damage at the Glenshandra wellsite caused by a freakish incident. He reported that on a Saturday evening he received a call that the generator had been running for several hours. Their electrician, Gary Regnier, lives in the subdivision and was dispatched to check out the problem. When he arrived, he found that the building had about 3 ft of water inside. He was able for force the door open an let water out. He discovered that the well check valve had failed, allowing water to return down the well. When the controls called for the well to start, it caused a severe water hammer that broke a pvc pipe in the well house, spraying water all over. The spraying water caused the generator controls to start the generator. Damage was not severe, but cost about \$1,800 to replace the check valve, motor saver and building insulation.

He reported that Gary Regnier continues to work on the control system improvements

*Action Item: Jim Muylle will follow up to get the control improvement work completed.*

### **2c. Manager's Report**

Bob Busch commented that unaccounted for water has been in the 5-6% range for the past two months.

He reported that almost all the backflow device testing has been completed. He indicated that he does not have the test reports for the new customer on Granite Oaks Drive who has a well. He will continue to monitor until completed.

Bob reported that following the last meeting, he reviewed the electric bills for this year and last year to determine the apparent discrepancy in pumping volume and electric bills from last year. He noted that for the first three months of 2014 and 2015: (1) billing is only slightly less in 2015 although we pumped 8 acre feet less water. (2) there are two electric rates not present in 2014- (a) Federal Environmental Improvement Surcharge (small amt) and (b) Four Corners Adjustment - approximately \$10/month for Post Oak and (c) and increase in the LFCR Adjustor of more than \$7.00 for Post Oak. These factors seem result in a higher cost per pumping unit.

He reported that an incorrect sized meter had been installed for the new customer on Granite Oaks Drive. A 1 inch meter was initially installed, but was changed to a standard sized meter as the customer initially requested.

He noted that the service connection on Granite Oaks Drive was completed in early March. He reported that line from the main to the meter was completed on March 9th, but the connection from the meter to the home has not been verified. The line was located with electronic detection. The property owner hired Frontier Excavation to do the work. No tracer wire was found on the main line. A tracer wire was installed on the new service connection line from the tap to the meter.

### **3. Old Business**

#### **3a. Review of Action Items:**

All action items cleared.

Jim Peterson commented that the Board has previously discussed and considered repairing the sounding tube on the Glenshandra well. He indicated that he would like the Board to reconsider the matter, as it seems for reasonably small cost, the Company would be able to determine the water level in one of its most important wells. There was some discussion, generally supporting the idea, and questions about the cost to pull the pump and install a new sounding tube.

**Motion: Jim Peterson moved to obtain prices on pulling the well and installing a new sounding tube. Larry Dorrell seconded. Motion passed unanimously.**

*Action Item: Bob will obtain prices to install a new sounding tube.*

Jim Peterson then noted that the minutes of the last meeting included some discussion about rental properties and potential losses from non-payment by renters. He asked for some background on the subject. The Company has no recourse against the property owner if a tenant moves with an unpaid balance. The company can't require a deposit only on rental accounts. All customers must

be treated the same. One possibility is requiring property owners to cosign on the rental accounts. There was some discussion of how that might be done.

*Action Item: Bob will prepare a document for property owners to cosign on rental accounts.*

#### **4. New Business**

##### **4a. Email Billing**

Bob reported that MDI has investigated the possibility of emailing bills to customers and reports that it can be done using our present billing software. Bob distributed a sample email bill, which is similar to the paper bill. In response to a question by one Board Member, he indicated that emailing bills would eliminate the paper bill, unless the customer requested both an email and paper bill. He stated that a notice could be sent along with regular billing, soliciting customers to sign up for email billing and giving them instructions.

**Motion: John Monroe moved to accept and adopt email billing. Larry Dorrell seconded. Motion carried unanimously.**

##### **4b. 2015 Election**

Board seats currently held by John James and Jim Peoples are up for election. John James indicated he is willing to run again. Jim Peoples said he will not run for re-election.

Bob indicated that an announcement about the election and a request for interested candidates will go out with this month's billing. Ballots will go out with next month's billing and be counted prior to the Annual Shareowner Meeting in July.

##### **4c. Annual Meeting**

Gerry Garcia stated that the Annual Meeting could be held in the RV garage at her home again this year. There was a general consensus that an agenda should be sent out with the Notice of the Annual Meeting. It should be similar to previous meetings. Jim Peterson indicated he could give an update on the Firewise Program. There was some discussion of having a speaker at the meeting who could talk about water conservation.

Various Board Members indicated they would check with contacts/acquaintances for a possible speaker at the Annual Meeting and advise Bob. The Meeting Announcement is scheduled to be sent with June billing - the last full week in June.

##### **4d. Conservation**

Larry Dorrell stated that he wished to add a discussion about conservation to the agenda. He said he has been on the Board for two years, and the Board has not taken any action to conserve water. He suggested that perhaps the Company should require all meters to be standard size meters and existing customers be required to change if they had meter sizes other than the standard 5/9x3/4 meter. Considerable discussion followed about the authority to force meter change outs, whether it would effect conservation and whether it would be permitted by tariff or the ACC. Larry persisted in commenting that the Board should do something concrete to fulfill its responsibility. He said the Board should do something to educate customers/shareholders about the need to conserve. He felt that something should go out with the Annual Meeting Notice to get peoples attention, such as including the well level charts. Further discussion took place concerning how to get more people to attend the Annual Meeting.

*Action Item; Larry Dorrell will draft a letter about conservation and send it to Board Members for comment. The letter is to be sent with the Annual Meeting Notice.*

**Motion: Jim Peoples moved to adjourn. John Monroe seconded. It passed unanimously.**

The meeting was adjourned at approximately 9:15 a.m.

**Next meeting: Wednesday, July 22 2015, 8:00am – Post Oak Site.**

Minutes transcribed by Bob Busch

**Submitted By:**

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**Secretary**