

Granite Oaks Water Users Association  
**Board Meeting Minutes**  
Meeting of January 24, 2018

Approved March 19, 2018

THOSE PRESENT

BOARD MEMBERS

Contract Staff

Gerry Garcia, President Matt Bornyasz, Vice President John James, Treasurer Claire Hutt, Secretary Jim Bricker, Board Member Bonnie Pearson, Board Member Ken Nelson, Board Member
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Allan Kaplan – Accountant Pat Carpenter- A Quality Water Co. Bruce Eldredge, MDI Taxes & Accounting Bob Busch, MDI Taxes & Accounting Bill Weber, NFP Insurance Tracy Hunter, Dana Kepner Co., Inc
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The meeting was convened at 8:05 am by President, Gerry Garcia.

**1. Minutes Board Meeting of September 27, 2017 and November 15, 2017.**

**Motion: Claire Hutt moved to approve the minutes of September 27, 2017. Gerry Garcia seconded. Motion carried unanimously.**

**Motion: Bonnie Pearson moved to approve the minutes of November 15, 2017. Claire Hutt seconded. Motion passed unanimously.**

President Garcia then turned the meeting over to Pat Carpenter to discuss meter replacement.

Pat referred to the results of the meter audit recently completed by AQuality Water Co. that indicated most meters in the GOWUA system are more than 20 years old, and most have recorded more than a million gallons. Pat then introduced Tracy Hunter of Dana Kepner Co. who discussed the proposal presented to GOWUA for the replacement of customer meters with Touch Read and Radio Read meters. The following summarizes the points discussed:

- Touch Read Meters (are meters that upload read data to handheld devices when the meter cap is touched by the handheld device).
- The proposal provided was for material only, plus 1 year of support
- Annual support cost is \$2,400.
- Meters are guaranteed for 20 years, 100% accuracy.
- The meter includes a transmitter device that is placed in the meter lid. When the handheld touches the transmitter, data is uploaded to the handheld.
- The meter lid must be modified to accept the transmitter.
- Over 700 data points (31 days of hourly read data) can be downloaded from the meter
- Meters have a display, indicating current read information.
  
- Radio Read Meters are identical to Touch Read Meters, with the addition of a transmitting device that fits in the meter box.
- Meters can be read from a vehicle driving through the area. No contact with the meter is necessary.

- A Fixed Base system consists of the radio meters plus an antenna that transmits the data to an office, without meter readers. An antenna would cost approximately \$65,000. One or more would be needed for GOWUA. Number of antennas determined by a propagation study.
- Power is needed at the antenna site.
- Annual service for the fixed base system would be about \$15,000 with a 5 year agreement.

Bruce Eldredge stated that data from the Touch Read meters from Trimble are compatible with the CORE Billing System. He was unsure if historical data would be lost.

*Action Item: Bruce Eldredge will verify with CORE if historical data will be preserved.*

The Board asked questions and discussed the alternatives. It was the consensus of the Board that additional information is needed.

*Action Item: Pat Carpenter will prepare cost information on the alternatives: Conventional meters, Touch Read and Radio Read systems, including material and installation costs.*

There was some discussion about the possibility of obtaining a WIFA loan or grant to cover some or all of the costs. The Board will consider this further when cost data is available.

Gerry then called on Bill Weber of NFP Insurance who reviewed the insurance coverage carried by GOWUA. He reviewed the Property Coverage, Commercial Crime Coverage, Commercial General Liability Coverage, Public Officials and Management Liability and Terrorism coverage. Bill commented that the number 1 claim handled is connected with Public Officials and Management Liability. He also discussed the Excess Liability Policy (umbrella). The Board carries a 5 million umbrella. He discussed the Privacy Liability and Network Risk Insurance Policy. Coverage is 1 million. The policy protects GOWUA against any breaches of privacy that might occur at a vendor, ie MDI Taxes & Accounting.

## **2a. Financial Report**

Allen Kaplan handed out the financial report for the period ending 12/31/17. He noted that net income (\$23,339) was more than last year by nearly \$20,000. The major difference was in Repairs & Maintenance, \$8,000 vs \$10,000 budgeted. 2017 was the best profit year in some time.

Cash went up by About \$35,000 from 2016. No new meter deposits were made in 2017. He noted that the total cash on hand at year end was \$394,332. He reported that two capital items were purchased in 2017 for about \$8,000.

John James reported that the current balance in the Corporate Account is \$75,642 and the Operating Account is \$32,954. He mentioned that he was considering moving funds from the Corporate Account to the Money Market Account. After some discussion, it was the consensus of the Board that he move \$50,000 to the Money Market Account.

## **2b. Operator's Report**

Pat Carpenter commented that there is a problem with the pumps at Post Oak. A pump continues to run 24/7, when it should ramp up and down with usage. The pump should shut down when there is no demand. The problem could be pressure switches or programming. He has a control electrician looking into the problem. Pat also commented that if one of the pressure switches fails, the system would shut down without the ability to run at all. Pat is arranging to get spares to keep on hand. The continuously running pump causes more wear on the pump and increases the electric bill.

Pat noted the Read Routes have been changed, and will be used this month. It should reduce the time needed to read meters.

Two fire hydrants were reported in need of repair by the Central Yavapai Fire Department. Pat reported that one checked out ok. The other may need a rebuild kit costing \$800-900. It was the Board consensus that he proceed with repairs.

Pat reported he is continue to investigate the totalizing meter at Post Oak.

There was some discussion about the chlorine in the system. Pat reported that he is using a higher concentration than the previous operator. Some Board Members commented that they notice a different taste periodically. Pat noted that the residual chlorine is to be within 0.02 to 0.07 milligrams per liter. He tries to maintain 0.05 milligrams per liter. He commented that when AQuality first took over, the residual level was very low.

Pat commented that he will keep a close eye on the residual levels and develop a flushing plan for the dead end streets.

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

Bob Busch reported that unaccounted for water in November was 12.27% and December was 5.37%. He reported that there were two accounts off and billed for over 90 days past due, and he has instructed MDI to write the amount off (approximately \$44.). He summarized several customer contacts about water use and billing.

Bob handed out revisions to the Board Manuals. There was some discussion about By Laws, Board Policies and Curtailment Tariff. The Board Policies can differ from the Curtailment Tariff, however the Curtailment Tariff still must be followed. The Board Policies may cover broader issues than the Curtailment Tariff deal with. The emergency provisions of the Board Policy can be in addition to the Curtailment Tariff.

### **3. Old Business**

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

All action items completed

#### **3b. One Call Now Policy**

The Board reviewed the draft policy.

**Motion: Gerry Garcia moved to approve the draft policy. Ken Nelson seconded. The motion passed without opposition.**

#### **3c. Review of Insurance Coverage**

See above report

### **4. New Business**

#### **4a. Meter Replacement**

No action taken. See above.

#### **4b. Asset Replacement Program**

Bob Busch presented a worksheet showing the cost of replacement of major equipment and meters. The Board discussed the various items with further action deferred to a future meeting. There being no other business...

**Motion: Matt Bornyasz moved to adjourn. John James seconded. Motion carried.**

The meeting was adjourned at approximately 11:00 am.

**Next meeting will be Wednesday, March 19<sup>th</sup> at Post Oak, 8:00 am.**

Minutes transcribed by Bob Busch

**Submitted By:**

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**Secretary**