

Granite Oaks Water Users Association  
**Board Meeting Minutes**  
Meeting of January 25, 2017

Approved March 22, 2017

**THOSE PRESENT**

**BOARD MEMBERS**

**Contract Staff**

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| Gerry Garcia, President<br>Matt Bornyasz, Vice President<br>John James, Treasurer<br>Larry Dorrell - Secretary<br>Jim Peterson, Board Member<br>Claire Hutt, Board Member<br>Jim Bricker, Board Member |
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| Bob Busch - MDI Financial Svcs., Inc.<br>Allan Kaplan – Accountant<br>Jim Muylle - Fann Environmental |
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Guest- Bill Weber- NFP Property & Casualty Services, inc.

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The meeting was convened at 8:00 am by President, Gerry Garcia.

**1. Minutes Board Meeting of November 16, 2016**

There being no additions or corrections offered;

**Motion: Jim Bricker moved to approve the minutes of the November 16, 2016 meeting. They were approved unanimously without a second to the motion.**

**Report on Insurance Coverage for GOWUA**

President Garcia turned the meeting over to Bill Weber for the purpose of reviewing the insurance coverage carried by GOWUA. Bill Weber explained that the policy renewed in December of 2016. He reviewed each section of coverage, explaining provisions as they pertain to GOWUA. Matt Bornyasz presented a list of questions and concerns for discussion. Bill Weber responded to the questions and clarified coverage. As a result of the discussion, the following actions were agreed upon by consensus:

NFP will request that the carrier present a renewal package to the Company at least 30 days before its scheduled Board Meeting. Since the renewal is in December, and the Board meets in mid-November, the renewal should be sent out in October.

The property schedule will be modified to reflect:

- Tanks located at Post Oak
- Hydrants and meters located in Prescott vs Chino Valley
- A generator added to Deerfield
- Confirmation of values for the items listed

**Motion: Gerry Garcia moved to increase the umbrella insurance amount from \$3 million to \$5 million. Claire Hutt seconded. The motion carried unanimously.** (Exact premium addition was not known, but estimated by Bill Weber at about \$500 per 1 million additional coverage)

The Board thanked Bill Weber for attending and for his explanations.

## **2a. Financial Report**

Allan Kaplan reported that for the year 2016, revenues were about \$222,000. Expenses were about \$214,500, about \$2,000 under budget. After including Other Income of \$4,800, Net Income for the year was about \$12,500, about \$10,000 over budget. Repairs and Maintenance for 2016 was \$22,300, up nearly \$7,000 from last year. Cash is \$27,000 higher than a year ago. Only one meter deposit was collected for the year. No assets were purchased in 2016. Allan commented that in 2005 there were 451 customers with revenue of over \$227,000. In 2016, we had 466 customers, 15 more, with less revenue of \$222,000. He noted that total expenses are slowly increasing over the years. John James reported that the Operating Account has a balance of \$24,388 and the Corporate Account has a balance of \$61,550 as of last night.

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

Jim Muylle reviewed the Operator Report. He stated that two coliform samples were taken. Both were clean. He reported that the new magmeter has been received and will be scheduled for installation at Post Oak. He handed out an updated Emergency Plan. A new chlorine test kit was ordered and received to replace the one that failed. He reported that a fire hydrant on Royal Oak Court was not draining properly and needed repair. It has been dug up, and further repair is needed. The hydrant is functional and the repair will be scheduled in the next week or two. There was some discussion about the diesel generators and diesel fuel. Generators are tested weekly and fuel is checked and tested once a year. Tanks are filled about twice a year. Handheld meter readers are not functioning properly and need to be serviced.

*Action Item: Bob will check on scheduling servicing of handheld meters.*

Jim Peterson asked about the depth of the pump for the Post Oak well. Jim Muylle responded that no information is available on the depth setting for that well. The only way to determine it is to pull the pump.

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

Bob Busch reported that water loss for the last two months has gone from about 6% to about 8%. Both are consistent with losses for the same time a year ago. There was a brief discussion about the possible reasons for the fluctuation in loss, month to month.

Bob reported that GOWUA is finally up to date with Annual Reports to ACC Corporation Division. The year end 2015 report was filed recently, and during the process, he discovered that the year end 2014 report was not on the ACC website. After contacting ACC, the 2014 report was refiled.

The Annual Consumer Confidence Report (CCR) is due to be completed in the next month or two. Since it is now 6 pages, we no longer mail the CCR, but post it on the website. In addition, this year, we are required to send a Notice of Violation for the Coliform monitoring violations that occurred last year. He suggested sending a letter to customers informing them that the CCR is on the website, attach and explain the Notice of Violation. He handed out a suggested letter for Board Member review. There followed a brief discussion about the CCR, Notice and proposed letter. It was the consensus of the Board to send the letter and Notice with the billing at the end of February. The CCR would be posted on the website, but not the Notice.

## **2d. Conservation Committee Report**

No report. The committee is no longer active.

## **2e. Preparedness Committee.**

Claire Hutt reported that she has recruited several residents to serve on the committee along with she and Jim Bricker. She stated that she has obtained information from Yavapai County regarding

emergency procedures, but the committee has not had time to review the information. There was discussion about:

- Possibly obtaining and hardening circuit boards for emergency generators
- Customers storing 2-3 days supply of water for emergency
- Possible customer alerting mechanisms such as volunteers going door to door, signs at subdivision entrances, phone calls and emails and use of door hangers.
- Possible need to modify and update Curtailment Tariffs.
- Possible assistance by Yavapai County in emergencies
- Use of two-way radios

Claire indicated that the request for volunteers should be removed from the website.

### **3. Old Business**

3a. Action Items. All action items are complete except: Bob will check on chemical cost differences year to year.

### **4. New Business**

#### **4a. Master Calendar**

Matt Bornyasz suggested that the Company consider preparing and maintaining a master calendar that would have all the milestone events for the company, ie meetings, report due dates and other events. It could be posted on the website.

*Action Item: Bob will investigate possibility of creating and posting a master calendar on the website.*

#### **4b. Conservation**

Larry Dorrell stated that in spite of the attention given to conservation last year, with the bill inserts and committee activity, water use was 4.5 million gallons more than last year. He asked for the Board to consider what other action could be taken. There was a brief discussion, with no action taken.

There being no other business before the Board, President Gerry Garcia adjourned the meeting without a motion.

The meeting was adjourned at approximately 10:30 am.

**Next meeting: Wednesday, March 22, 2017, 8:00am – Post Oak Site.**

Minutes transcribed by Bob Busch

**Submitted By:**

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**Secretary**