

Granite Oaks Water Users Association
Board Meeting Minutes
Meeting of March 22, 2017

Approved May 24, 2017

THOSE PRESENT

BOARD MEMBERS

Contract Staff

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| Gerry Garcia, President Matt Bornyasz, Vice President John James, Treasurer Larry Dorrell - Secretary Jim Peterson, Board Member |
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| Allan Kaplan – Accountant Jim Muylle - Fann Environmental |
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absent: Claire Hutt, Jim Bricker, Bob Busch

The meeting was convened at 8:05 am by President, Gerry Garcia.

1. Minutes Board Meeting of January 25, 2017

Mathew expressed concern over Bill Weber's presentation in prior meeting – bringing in the wrong policy proposal and not having opportunity to review the new policy or receiving a copy thereof. Asked opinion of other board members – Gerry said that she has known Bill Weber for years and has been used by many of her subcontractors in her business and has always seemed to look out for the best interests of the GOWUA in looking for policies that suit the water company. Discussed further that it has been a while since the board has sought out other estimates from other insurance companies even though Bill is a broker. Bob to seek additional proposals in the fall prior to policy becoming due again and make sure that the board received proposal in advance.

Action Item: Bob to seek additional proposals in the fall prior to policy becoming due again and make sure that the board received proposal in advance.

Motion: John James moved to approve the January 25, 2017 minutes (draft2). The motion carried without a second.

2a. Financial Report

Allen Kaplan reported that for the year 2017, thru February, net income is about a negative \$5,000. We are \$1,300 less on revenue this year so far than last year. Repairs and Maintenance are down from last year, so we are comparable. He reported on a charge of \$457 to Granite Basin Engineering charged to Account 105.

Action Item: Bob will verify the charge and advise the Board.

Allen commented that one meter deposit has been booked in the last year and two months.

Allen also stated that there was about \$1,200 in interest that was not posted to the checking/savings accounts for 2016. It was subsequently posted following receipt of form 1099 and the reports updated.

John gave report on Operating Account Balance of \$35,398. Corporate Account Balance \$36,035.

2b. Operator's Report

Jim Muylle reported that 2 Coliform samples pulled 2/1/17 Post Oak/Glenshandra – Both Negative. The hand held meters are still out for service. He was not aware if they had been repaired yet. Gerry asked where they were stored and Mike responded with MDI who programs them and that he picks them up prior to reading meters and drops off after. Currently reporting meter reading on paper and does not know if they have been repaired.

ADWR read static levels in early March and there was a slight increase in the static level in the Deerfield Well by approximately 7" higher showing some recovery vs Glenshandra dropping an additional 5.2' Gerry and Mike discussed why this may occur since they are both so close to each other – possibly drawing from different aquifers and the proximity to Equestrian Estates where there are many wells drawing water closer to Glenshandra well site.

Mike stated that the new meter for Post Oak has been installed and that should help the loss % and calculation between water pumped and sold.

2c. Manager's Report – BOB BUSCH ABSENT – GERRY READ REPORT

Motion: Gerry Garcia moved to approve filing the consent to email service documents with the Arizona Corporation Commission. Mathew Bornyasz seconded the motion. who wanted to add a caveat of storing documents – discussion on using online data storage – Gerry suggested drop box that is a data sharing program to store all water company documents, filings etc. and remade motion to include Dropbox or equivalent sharing program to limit waste of paper and cost. Mathew Bornyasz 2nd and all were in favor.

3. Old Business

ACTION ITEMS REVIEWED:

Manager to create master calendar under progress – concerned that not enough prior notification of events are scheduled on calendar was discussed and access to it.

Larry Dorrell polled the board on the continuance of Water's Nursery Discount Coupons this year and the cost of it. He is still receiving the coupons and Gerry suggested to forward them to her so that she could post them on Nextdoor.com. The board was in agreement to suspend including them in the bill since there has been no feedback on the response to this program.

Larry Dorrell also wanted to discuss the high water use in 2016 of 4.5 million gallons more than 2015 and a brief discussion in water conservation was pursued.

Action Item: Larry will forward to Gerry an analogy of what that usage means in numbers relating to water users that will be posted also on Nextdoor.com to help push conservation.

4. New Business

Mathew brought up the need for a place to store, identify who is responsibility for the activities of the water company – Policies and Procedures – descriptions of duties for Manager, Board Members – President, VP, Treasurer, Secretary, Operators, MDI and Allan – Auditor, ETC. Gerry also agreed that there are housekeeping issues that need to be resolved – such as who has access to the pump station in the event of a water emergency. Who has a key etc.

In addition Mathew expressed concerns over the President signing any reports to governing agencies without review by Alan Kaplan in advance to verify numbers. Also expressed concerns over reports that he has reviewed with incorrect data and how to better implement checks and balances. This is due to concerns of the AZ Corporation Commission desire to extend the reach and impose additional fees on water companies to offset the costs of poorer performing water companies with outdated systems and huge water losses. ACC wants to lower the standard of water loss and put compliance in the way of fines – the need to be proactive was discussed in minimizing water loss a priority.

Larry Dorrell expressed concern over multiple documents that he has not received with signatures for reconciliation, documentation and storage. Gerry recommended to get together with Bob to fill in the gaps of missing documents.

Bruce Eldridge dropped in with AZ Department of Revenue – Water, Sewer and Wastewater Utility Companies filing report due to 4/1/17. Gerry had Allan review and verify the numbers with Bruce and will have document notarized and sent. Also discussed with Bruce was the fact that board members do not receive their packages with enough time in advance to review. He stated that Bob Busch contributes some of the data and will move their dates back so that board members receive packages well in advance of meeting. Also Gerry and other board members requested that the packages be reorganized to match the agenda with agenda being on top and follow in the progression of the meeting, numbered and categorized per section with corresponding agenda items. Helping to eliminating the time consumption in finding the correct documents to review during board meetings. Also some of the packages have been coming incomplete was discussed with Bruce at that time. He stated that he believed that Bob Busch generated the list of documents but would pursue the changes requested. It was also discussed the monthly fee to MDI included Bob Busch's salary and they pay the withholding taxes, workers compensation as part of their monthly fee which help to answer why the fee seemed to be high for the work performed.

It was also discussed with several board members after meeting adjourned the need for a notification process by auto dialer and text to notify the members in case of water emergency – Bruce being present recommended a system that search and rescue uses and would research the cost which he thought was annually \$1,500 – I asked how hard it would be to import phone list and if he had a CVS file or not. He stated that he did have a list and was going to check into if Core had any add-on for the system that they use now for GOWUA.

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

The meeting was adjourned at approximately 9:30 am.

Next meeting: Wednesday, May 24, 2017, 8:00am – Post Oak Site.

Minutes transcribed by Bob Busch/Gerry Garcia

Submitted By:

Secretary