

Granite Oaks Water Users Association
Board Meeting Minutes
Meeting of May 24, 2017

Approved July 26, 2017

THOSE PRESENT

BOARD MEMBERS

Contract Staff

Gerry Garcia, President Matt Bornyasz, Vice President John James, Treasurer Larry Dorrell - Secretary Jim Peterson, Board Member Claire Hutt, Board Member Jim Bricker, Board Member
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Allan Kaplan – Accountant Jim Muylle - Fann Environmental Bruce Eldredge, MDI Taxes & Accountin

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

1. Minutes Board Meeting of March 22, 2017

There being no changes suggested to the minutes, the President called for a motion to approve.

Motion: Jim Bricker moved to approve the March 22, 2017 minutes (draft1). John James Seconded. The motion carried unanimously.

The President changed the Order of Business to allow Bruce Eldredge to discuss an emergency calling system.

Bruce passed out a brochure from One Call Now. He explained that the Search & Rescue Organization uses the system for mass contacting volunteers. GOWUA would likely not need a response from the customer, so the system would be more simple and less costly. A similar system for GOWUA would cost \$150 per year for 1000 calls per year.

The system works by entering a message which is then broadcast to customers over a specified period. A report is then available showing those who have answered the phone (which includes those messages going to voice mail). The system continues to attempt calling over a period of time. The call list can be segmented into various groups as needed. The caller ID information would indicate that the call is from Granite Oaks Water Users Assn.

There was discussion about possible uses: notice of annual shareholder meeting, emergency water shutoff situations, special board meetings and fire emergencies we mentioned.

MDI implementation costs would be \$300 for conversion, including transfer of data from CORE to the One Call Now system. Bruce recommended verifying phone numbers with the customer at the time of conversion so we have a completely up to date list of phone numbers. He recommended sending a notice with bills containing the customer's phone number of record and asking them to notify MDI if the number shown is incorrect. The cost of the sending the letter is about \$75.00. An ongoing fee of \$2.00 for new customers would also be charged (to maintain the call list data-separate from CORE billing data). Bruce indicated that it might be possible to include the notice in

the current billing cycle. Email bill customers would need to receive separate notification for phone number confirmation.

Motion: Gerry Garcia moved to approve purchase and implementation of the One Call Now System. Larry Dorrell seconded. Motion carried with Matt Bornyasz opposed.

Bruce commented that monthly report package pages are now ordered to follow the meeting agendas, and MDI now checks each members packet against a checklist.

Bruce reported that MDI now color codes GOWUA invoices which are placed in a separate folder for payment to avoid any future mixup in payments.

Matt Bornyasz asked about the reasons for extensions for tax returns and state reports. Bruce explained that extensions allow additional time so that the reports are not late. Three sets of reports all have to agree: GOWUA financials, tax returns and ACC reports. Depreciation for the ACC is figured differently from federal government tax returns. In addition, some information is not available early in the year. Bruce said that for example, he did not find out about some interest payments to one of the bank accounts until late, requiring some adjustments. He indicated that there is no additional cost for the extensions. All the reports have been submitted by the due date for the extension. It was generally agreed by the Board that the extensions were not a problem.

2a. Financial Report

Allen Kaplan reported that for the year end 2016 results were adjusted to include the interest mentioned by Bruce, The results are exactly in agreement with the tax returns. March actuals compared to budget show GOWUA is a negative \$6,000 net income vs a negative \$9,000 budgeted. Revenue this year is down about \$3,000 from last year, including two additional customers and net income is about \$4,000 less than a year ago. There was a discussion about the cost of chemicals being about \$1,600 higher so far this year than last year.

A Compass Bank CD for about \$102,000 matures next month.

2b. Operator's Report

Jim Muylle reported that 2 coliform samples pulled – Both Negative. Jim reported that he has made some adjustments to the static levels to agree with the information on the ADWR website. He reported that the new meter at Post Oak was set up on May 1st. It will be read with meter reading which is being done today. He commented that Mike Young suggesting bringing a product representative to the next meeting to discuss meter types to possibly improve the accuracy. There was a discussion about monthly water loss and a running 12 month average water loss.

Larry Dorrell asked if anything is being done to address water hardness. Jim Muylle commented that only chlorine is added to the water system.

Matt Bornyasz asked about the location(s) used for collecting samples. Jim Muylle explained where samples are collected.

2c. Manager's Report

Bob Busch reported that unaccounted for water was 7.83% in March last March it was 6.7%. In April it was 10.49% and last April it was 3.56%.

Bob reported that his attempted to get Central Yavapai Fire and Medical has not been very successful. The Fire Marshall is no longer in charge of fire hydrant testing. He referred our letter to someone who responded that a request to provide notice was sent to the local station house. There followed a discussion about how to get CYFDM cooperation.

Action Item: Bob will contact Mike Young (on the Board of CYFDM) to attempt to get action on our concerns.

Bob reported that the Consent to Email Service has been filed with the ACC. No confirmation or order has been received from the Commission. Bob has followed up with the ACC, through the Ombudsman's office and will continue to press for confirmation and an Order.

He reported that DropBox has been set up with files of GOWUA documents available to all Board Members.

All governmental reports that are due in the next few months have been filed. All reports are up to date.

Bob reported that he has received inquiries or complaints about water pressure. Most have been informed that the water pressure should be at least 55psi. if less, the customer should check their fixtures, appliances or pressure regulator. One additional report was made a day or two ago about water hammering noise at the meter. Fann Environmental is checking that today.

There was a brief discussion about an event this summer sponsored by Rural Water Association of Arizona. The programs for the event is not available yet, but will be forwarded to Board Members.

2d. Preparedness Committee

Claire Hutt passed out a marked up Curtailment Tariff, with possible changes to update the tariff. There was some discussion about how the use of One Call Now would change the notification provisions. There was also discussion about the general content and construction and use of the signs to be placed at the 3 street entrances to the service area. There was a discussion about possibly removing the requirement to augment the water supply in the event of a severe reduction in supply.

Action Item: Bob Busch will contact the ACC staff and attempt to determine if the section requiring augmenting the water supply is a Commission requirement.

3. Old Business

ACTION ITEMS REVIEWED:

All action items have been completed, except:

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.

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.

Matt Bornyasz asked whether the Company's umbrella insurance policy would cover a possible fraud by a Board Member without having to carry a separate policy.

Action Item: Bob Busch will check with the insurance agent to get clarification on the Company's insurance as it pertains to Board fraud.

4. New Business

Annual Meeting - Larry Dorrell brought up the matter of the Annual Shareowner Meeting. It will be July 29th, at 9:00am. Gerry Garcia offered her RV garage again this year. Possible agenda items included the One Call Now system and a possible presentation from Doug McMillan, water specialist.

Action Item: Bob Busch will invite Doug McMillan to discuss water recharge at the annual meeting.

There was a discussion about the renewal of the CD that will mature next month. It was the consensus of the Board to renew for 12 months.

There being no other business...

Motion: John James moved to adjourn. Motion carried without a second.

The meeting was adjourned at approximately 9:40 am.

Next meeting: Wednesday, July 26, 2017, 8:00am – Post Oak Site.

Minutes transcribed by Bob Busch

Submitted By:

Secretary