

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

THOSE PRESENT

BOARD MEMBERS

Jim Bricker, President
Claire Hutt, Vice President
John James, Treasurer
Bonnie Pearson, Secretary
Daryl Mathern, Board Member
Gerry Garcia, Board Member

Contract Staff

Pat Carpenter – A Quality Water Co.
Bob Busch, MDI Taxes & Accounting (absent)
Bruce Eldredge- MDI Taxes & Accounting
Allen Kaplan - Accountant

Guests: Bill Weber- Weber NFP Insurance

Matt Bornyasz, Granite Oaks Estates.

1. The meeting was convened at 8:00 am by President Jim Bricker. He changed the agenda order to allow Matt Bornyasz discuss with the Board the possibility of extending water service to the common area in Granite Oaks Estates. There was discussion about where the service would be set, and whether is could be done in connection with service to the GOWUA property on Williamson Valley Road. Additionally, there was discussion about possibly providing the service by connecting to the dead end loop on Glenhaven. There would be one meter on the inside of the fence for Granite Oaks Estates and one on the outside of the fence for GOWUA.

Motion: Ken Nelson moved to authorize A Quality Water to provide an estimate for the cost to add a line to Granite Oaks Estates and to the property on Williamson Valley Road, separating the cost for GOWUA and Granite Oaks Estates. Gerry Garcia seconded. Motion carried.

2. MINUTES BOARD MEETING OF SEPTEMBER 26, 2018.

President Jim Bricker asked if there were any comments on the draft minutes. It was noted that a paragraph was duplicated from the May report and a couple of typographical corrections were needed.

Motion: Claire Hutt moved to approve the minutes of September 26 with the typographical changes noted. Gerry Garcia seconded. Motion passed unanimously.

President Bricker then called on Bill Weber to discuss insurance coverages for the upcoming year. Bill stated that he has information on worker's compensation and package coverage for the year.

Bill Weber noted passed out material regarding workers compensation coverages. He said coverage for the employee manager would cost \$272 per year. Auto insurance coverage would be covered as a part of Non-Owned Auto portion of the insurance package.

Bill Weber then summarized the insurance coverages maintained by GOWUA. The package is specifically designed for water companies. He discussed property coverages, public officials, crime coverage, core general liability, cyber liability and umbrella coverage. Umbrella coverage adds 5 million coverage to the base package.

Approval of the package will be on the agenda for the November 28th meeting.

3. REPORTS:

3a. Financial Report

Allen Kaplan explained that page one of his reports shows how last year's expenses compares to this year's budget and the actual expenses year to date. He reported that revenue year to date is right at budget. Expenses are up about \$17,000 due to increased expenses. He reported that page two is a comparison of last year to date compared to the current year to date. Revenue is about \$8,000 from last year. Expenses are up about \$25,000, again due to repairs and maintenance. Income is down about \$16,000 from last year. Page three of the reports is a quarter by quarter view.

Ken Nelson asked whether the expenses could be printed in a graph.

Action Item: Allen will investigate whether expenses could be shown in graph form.

There was some discussion about the telephone expense and what services and lines were covered.

Action Item: Ken Nelson will investigate the telephone services and report back to the Board.

Allen then explained that next report page is the Balance Sheet. The top section shows all the company assets. Total assets are up about \$15,000 from last year. The bottom section shows all the liabilities for the company. Allen then explained the next page which details all the cash the company has on hand.

Jim Bricker reported that he, Claire Hutt and John James are visiting all the banks on Tuesday to bring all the authorized signers up to date.

Allen reported that there were assets purchased and retired in the third quarter.

The final page of reports shows the cash flow for the company. The cash has decreased by \$8,000 from the beginning of the year.

Bruce Eldredge explained that all cash received from the customers goes into the Corporate Account controlled by John James. John transfers money to the Operating Account that MDI uses to pay expenses.

3c. Operator's Report

Pat Carpenter reported that the Deerfield well generator was serviced recently because it was not cycling properly. All other operations are running well. He asked about the final quote from Envirotech for the control cabinet. The final quote has not been received. It is to include the cost for an overnight cutover.

3d. Manager's Report

Jim Bricker summarized the Manager's report in the Manager's absence.

Bob Busch is waiting for salvage credit information from Pump Tech and from Grundfos regarding whether the spare pump will fit in the existing chassis. Jim Bricker summarized the estimates Bob Busch obtained for the ductless air conditioning unit for the equipment room.

There was a discussion about the type of air conditioning to use for the equipment room. Ken Nelson commented that a 30,000 BTU unit would cost about \$900. It would cost a lot less than a ductless unit. There was a discussion about use of an attic fan.

Jim Bricker suggested that further research is needed and the subject be deferred to a later meeting.

3e. MDI Report

Bruce Eldredge reported that he received a report from Cat Commercial that indicated that GOWUA has a revolving credit card with Cat Commercial. In addition, there was a \$14.60 charge with no explanation. More information is needed.

4. OLD BUSINESS:

4a. Action Items:

Open Action items:

1. *Bob Busch will verify that a 20hp motor will work with the existing chassis.*
2. *Pat Carpenter will provide a quote to place a water line to the property (GOWUA) with a yard hydrant.*

Jim Bricker reported that he, John James and Claire Hutt will visit banks on Tuesday to change signers on the accounts.

4b. Review/Approval of purchase of customer water meters.

Ken Nelson stated that two customers approached him asking about installing a larger meter. There was discussion about putting out a notice prior to installing the new meters telling people how much a larger meter would cost and how to go about requesting it. After discussion, it was the consensus of the Board to leave the matter alone.

Pat Carpenter commented that he believes all laterals from the street are 1”.

Bruce Eldredge asked about the Harmony Mobile Annual Hosting Support and the setup with CORE to accept the Master Meter software. There may be additional costs to make it compatible. He also asked that he be made aware of the schedule as much in advance as possible because of the time he may need to make the transition. There is a \$5 per meter cost for making the change in the database.

Ken asked if GOWUA owned any equipment or computers at the MDI office. Bruce responded that there was a computer and printer some time ago, but there is not any GOWUA equipment at MDI presently. The CORE Software is owned by GOWUA. The handhelds are owned by GOWUA and they can be retired and sold after the conversion.

Pat Carpenter stated that the old meters will be removed and put in the new meter carton. They will put the address on the old meter.

MOTION: Ken Nelson moved to purchase the meters based on the new quote provided. Claire Hutt seconded. Motion passed unanimously.

The contract amendment to the A Quality Water Co. contract was then discussed:

Ken Nelson asked whether we have a lawyer review these documents. The Company does not presently have an attorney to review documents.

There was a discussion about sending out a notice prior to the changeout. It was the Board consensus that a notice be sent prior to the changeout. The notice should include request to clean around meter boxes.

Motion: Gerry Garcia moved to approve the amendment to the A Quality Water contract. Ken Nelson seconded. Motion passed unanimously.

4c. Discussion/approval of quote for water line to property at Granite Oaks Drive.

This item deferred awaiting quote for new scope of work including meter for Granite Oaks Estates.

4d. review/approval of Manager contract

Jim Bricker commented that the weekly pay totals \$12,000 per year. The overtime rate is \$75.00 per hour, but overtime pay is unlikely because the Manager's hours have never exceeded 40 hour/week.

There was a question about website maintenance and who is the actual administrator. It was determined that the company is Clear Choice.

MOTION: Claire Hutt moved to approve the contract with the typographical corrections noted. Gerry Garcia seconded. Motion carried.

4e. Review/approval of MDI Contract

The new contract would be effective January 1, 2019.

MDI will handle the employee withholding, government reporting for the manager.

MOTION: Gerry Garcia moved to approve the new MDI contract effective 1/1/19. Bonnie Pearson seconded. Motion passed.

5. NEW BUSINESS:

5a. Review/approval of Auditor Contract

Jim Bricker commented that Allen Kaplan has done work for the Company for many years without anything in writing. The draft agreement documents the arrangements.

Allan Kaplan remarked that in reviewing the contract, he realized that it has been awhile since he has adjusted his rate. He requested that the agreement reflect a new rate of \$95 per hour, with a 1 hour minimum.

MOTION: Claire Hutt moved to approve the professional services contract with Allen Kaplan with the rate of \$95 per hour with a 1 hour minimum. Bonnie Pearson seconded. Motion passed.

5b. Review/approval of quote for air conditioning unit at Post Oak.

This item covered above

5c. Review/approval of contract amendment with Q Quality Water for meter installation.

This item covered above

5d. Review/approve insurance package for 2018/19 (liability/Workers Comp)/

It was the consensus of the Board to defer action on this item until next month.

5e. Discussion regarding possible addition of water storage tank.

Jim Bricker opened the discussion asking whether the Board should consider adding to the water storage. Could a tank be added at Post Oak? An additional tank should be considered in case well

outages. There was a discussion about the well rehab projects, doing Glenshandra early next year.

It was the consensus of the Board to continue to look into the possibility, including determining the cost and possible location.

There being no further business, President Jim Bricker declared the meeting adjourned at 11:10 am..

Next meeting will be Wednesday, November 28th at Post Oak, 9:00 am.

Minutes transcribed by Bob Busch

Submitted By:

Secretary