

Granite Oaks Water Users Association
Board Meeting Minutes
Meeting of September 30, 2020

Approved October 28, 2020

THOSE PRESENT

BOARD MEMBERS

Contract Staff

Ken Nelson, Vice President John James, Treasurer - absent Bonnie Pearson, Member Daryl Mathern, Secretart Ron Weber - Member
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Bob Busch, Manager, GOWUA Allen Kaplan – Accountant Cheryl Ibbotson – Wallace Utility Billing Derek Scott- A Quality Water Co.-Operator
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Absent – Jim Bricker

1. The meeting was convened at 9:00 am at 371 Garden Street, Prescott, by Vice President Ken Nelson.

Vice President Ken Nelson opened the meeting and announced that there was no election (there being the same number of candidates as Board positions up for election) and the Board has one new member, Ron Weber, and called for election of officers. There was some discussion about the procedure for selecting officers.

MOTION: Daryl Mathern moved to adopt the following slate of officers for the upcoming year:

Jim Bricker – President
Ken Nelson -- Vice President
John James -- Treasurer
Daryl Mathern – Secretary

Ron Weber seconded the motion. The motion passed unanimously without discussion

2. Minutes of Meeting of August 26, 2020

Ken Nelson pointed to a few typos and minor changes needed to a couple of sentences in the minutes.

Motion: Daryl Mathern moved to approve the minutes with the changes discussed. Bonnie Pearson seconded. Motion passed.

3. Reports:

3a. Financial Report

Allen handed out a report for the period ending in August, 2020. He stated that water sales thru August were 131k, up about 5k from last year. Expenses so far this year are at 157.2k, up about 23k from last year. The main items are legal fees of 11k, repairs of 4k and accounting expense of 5k. Year to date, there is a profit of 2.2k vs last year of 19.8k. Total cash increased about 3k from July at 185k.

John James reported that the balance in the Operating Account is \$25,109 and the Corporate Account has a balance of \$68,962.

Allen Kaplan stated that the new CD allows for adding funds at any time, but withdrawals are subject to penalty.

3b. Operator's Report

Derek Scott reported 9 blue stake requests were completed in August. He said the system used 12.0 gallons of 12.5% chlorine solution in August. He said there is still some remaining from the pallet he ordered last spring. He reported to the Board that in responding to Blue Stake requests, AQuality does not mark on private property, only on public right of way. He only marks from the roadway to the meter box. . He reported that the valve caps that were broken during the inspection have been replaced. He reported that he has been unable to find one valve that is shown on plans. He said the valve location is suspect because a valve isn't needed at that location. There was general agreement that searching be discontinued. Derek said the valve locations have been documented and are at the maintenance desk at Post Oak.

Derek reported that he has been helping to educate customers about how to find leaks on their property. He stated that the antenna for the Mission Control alarms was replaced and the system is working properly. He reported that ADEQ inspected recently and only minor observations were noted. Derek stated that he is waiting for his mower to be repaired in order to complete landscape cleanup. He noted that some repair work on the fencing at Glenshandra should be considered.

3c. Wallace Report

Cheryl Ibbotson reported that yesterday, she and Bob Busch had discussed some items regarding the rate case. She stated that the notice to customers would have to be a special mailing, because the bills are already being sent for mailing. Bob handed out a proposed notice to customers that he sent to the ACC for their approval to mail. The ACC rep stated that they would respond today. Ken Nelson asked about the Decision number. Bob Busch commented that the Decision number has not yet been assigned. After some discussion, it was suggested that a note be added to the notice, indicating that the minimum service charge does not include any water use.

Ken Nelson expressed an interest in comparing the revenue generated under the old rate with revenue generated with the new rate for September billing. Some discussion followed, and it was agreed to have a comparison prepared.

Action Item: Cheryl Ibbotson will prepare a revenue comparison for September billing and forward to Bob Busch.

Cheryl commented that the proposed rate order included the possibility of payment by credit card. She said Wallace accepts credit cards for several other water systems. They charge a convenience fee of \$2.50 per transaction. She also uses a service that costs \$25.00 to subscribe plus 2.65 to 3.83%. She stated that she could provide a list of services and options. Bob Busch read from the proposed order that "Staff agrees to the pass-through fee collected by the vendor."

Action Item: Cheryl will forward a list of credit card payment options to Bob Busch for consideration at a future meeting.

4c. Manager's Report

Bob Busch reported that he sent the Board a copy of the letter from Rick Mabery regarding water issues. He stated that unaccounted for water was low again this month, 1.3%. He said that there seemed to be a problem with the High Users Report. The last two customers have identical use. He will look into it. He referred to one of the customers on the list who, according to a neighbor, plans to drill a well to irrigate his vineyard, orchard and garden. The neighbor was concerned because the planned well is near the property line, and close to a propane tank and septic. According to the neighbor, a variance can be applied for concerning the setbacks. Bob told the neighbor that there is nothing the water company can do about it.

Bob showed the Board a copy of the shutoff notice that we hang on a customer's door. He stated that there is no contact number or information on the tag. He said he purchased a stamp with the contact information and AQuality could stamp the tag so customers will have the contact information.

Bob reported that the Mabery letter recommended submitting the Statements of Claim for the wells, and that perhaps that is all the attorney needs to do at this time.

There was a discussion about possible sources for water in the event of a need to augment the water supply. No action was taken.

5. Old Business

5a. Action Items – All action items have been completed.

5b. Possible Amendment to Bylaws.

The Board reviewed and discussed the proposed 4th amendment to the Bylaws dealing with the election time and term for Board members.

Motion: Bonnie Pearson moved to approve Amendment No 4 to the Bylaws. John James seconded. The motion passed without further discussion.

Bob Busch asked whether the Board would like to include an announcement about the Board election and offices for the new year.

Action Item: Bob Busch will prepare an announcement about the Board election and officers to include with the next billing.

5c. Water Rights Issues

There was some discussion about what the attorney has done in connection with the well information and ADWR. It was the general view of the Board that the Statements of Claim Forms should be filed with ADWR. Bob Busch has all the information necessary to complete the forms.

Motion: Daryl Mathern moved to file the Statement of Claim forms for the three wells with ADWR. Bonnie Pearson seconded. Motion passed unanimously.

6. New Business

6a. Post Oak Well

Although this item is not on the agenda, Bob Busch commented that in early summer, the Board considered a proposal to rehab the Post Oak well, and decided to postpone the

matter until fall. He said that it would likely take a month or two to get things in motion, and perhaps the Board wanted to consider doing something now. There was some discussion about the possible cost. Bob Busch indicated that about 50k was likely. He indicated that it will likely be a two step process. An engineer would look at the well. The pump would need to be pulled, the well analyzed to determine if a rehab or augmentation should be considered. The well will likely be out of service for several months. Daryl Mathern suggested it would be a good idea to look into it.

Motion: Daryl Mathern moved to proceed with the engineering work on the Post Oak well. John James seconded. Motion passed unanimously.

There being no further business, the meeting was adjourned at 10:35 am.

Next meeting is scheduled for Wednesday, October 28, 2020 at a Wingspace, 371 Garden Street in Prescott.

Minutes transcribed by Bob Busch

Submitted By:

Secretary