

Granite Oaks Water Users Association  
**Board Meeting Minutes**  
January 27, 2010

Approved March 24,2010

THOSE PRESENT

Board Members

Jim Peoples, President  
Rusty Miner, Secretary  
John James, Treasurer  
Ken Mino, Director  
John Monroe, Director  
Dirk Stringham  
Dave Kramer

Contract Staff

Bob Busch, MDI  
Jim Muylle, Fann Environmental  
Allan Kaplan

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The meeting was convened at 8:00 by President, Jim Peoples

**1. Minutes of the Previous Meeting**

Jim called for comments on the minutes, (11/18/09). Their being none, he called for a motion to approve.

**Motion: John Monroe moved to adopt the minutes of November 18th. Ken seconded; motion carried.**

**2. Financial Report**

Allan Kaplan reported that revenue for the year was down about \$9,000 from 2008 and about \$18,000 under the 2009 budget. Expenses were up about \$7,000 higher than last year, but about \$8,000 less than budgeted for 2009. The result was net income about \$14,000 less than 2008, and about \$8,000 less than budgeted for 2009.

Water use was less in 2009 vs 2008, accounting for the lower revenue. Water Testing Expense was the largest expense increase - \$3,500 over 2008, due to additional testing requirements.

Cash balance has increased from January 1<sup>st</sup> by \$58,928.

Allan noted that customer refunds for meter installations were only \$2,700 this year. The amount of future refunds due is down to less than \$10,000. About \$6,500 in assets were placed in 2009.

**3. Operator Report**

Jim Muylle reported that he is still evaluating the type of chlorine storage shed to place at Post Oak.

He reported that when Gen Tech serviced the Glenshandra generator, the discovered a leaking head gasket. Gen Tech is to send a quote for repair.

A tree has fallen across the easement access to the Deerfield well, and the site cannot be accessed with a vehicle.

*Action Item: Bob will inspect the site following the meeting and arrange to have the tree branch(es) removed from the easement road.*

Jim also inquired as to the Company's intended use for the old booster pumps removed from the Post Oak Pump Station, now stored at Post Oak. It was generally agreed GOWUA would have

no use for the pumps. Jim offered to check with another company they do business with to see if they would be interested in buying one or more. Dave Kramer also had a company that might have an interest.

#### **4. Managers Report**

Bob reported that 14 late notices and 2 disconnect notices were sent out this month. All have paid except 3 delinquencies. Those will receive disconnect notices if not brought current by early next month.

Revision to the Policy Manual including referent to the list of approved backflow devices was sent to the board. If acceptable, it should be adopted and included with the Policy Manual.

Gen Tech submitted a repair estimate of \$3,664.90 for repair of the head gasket on the Glenshandra generator. The cost includes load testing.

Bob reported that in reviewing well records, he could not find any documents that confirm filing GOWUA's claim for water withdrawn for the Deerfield and Glenshandra wells. The Statement of Claim form is filed with ADWR and puts GOWUA on record as having a claim on groundwater in connection with the General Adjudication of All Rights to Use Water in the Gila River System and Source, Nos. W-1, W-2, W-3 & W-4 (Consolidated) that has been ongoing since the mid 1970's. He obtained a partial record from Swazye McCrain's files, but the document had no signature page nor an ADWR file number. He could not confirm from the ADWR website that the document has ever been filed. Bob recommended that the forms be signed and filed with ADWR along with an explanatory letter.

**Motion: Dirk moved to adopt resolution 2010-1 approving the filing of Statement of Claimant Forms for the Glenshandra and Deerfield wells. John Monroe seconded. Motion carried.**

A request was received to provide service to a property adjoining, but outside GOWUA service territory. The property, at Bard Ranch Rd. and Williamson Valley Road presently is served by a well that is apparently going dry or in need of significant rework. The property owner (DeIGrolice) has asked GOWUA to provide service to them. Bob has contacted the ACC and has gotten a preliminary indication that the Company could serve them by providing pertinent information to the Commission in accordance with ACC Rules.

Following a lengthy discussion concerning establishing a precedent, details of serving the customer and other potential customers that might have the same circumstances arise, the board agreed to postpone further consideration until a firm response from the ACC is received, along with further service details.

*Action Item: Bob will continue to follow up with the ACC and with the property owner and provide a detailed report to the board for consideration.*

**Motion: John James moved to adopt resolution 2010-2, adopting the latest revision to the Policy Manual incorporating the approved backflow prevention devices. Dirk seconded; Motion carried.**

**Motion: Dave moved to adopt resolution 2010-3 authorizing the repair of the Glenshandra generator at a cost of \$3,664.90; Ken seconded; motion passed.**

#### **5. Old Business**

##### **5a. Action Items**

Open items:

*Action Item: Fann Environmental will be responsible for arranging for checking motors periodically and graphing the results to help determine when motors are susceptible to failure. Ongoing.*

#### **5.b. Generator Noise/Post Oak**

Jim Peoples reported that he met with Terry Lewis prior to a meeting with adjoining property owners to discuss potential noise abatement at Post Oak. Jim chaired a meeting at Post Oak attended by Ed Tumey, Jim Christopher and Bob Busch to discuss the situation. After discussion options which included a screen/sound wall and landscaping, a consensus was reached that landscaping should be added as a first choice. Mr. Lewis agreed that landscaping could be placed on his property (East of Post Oak), but that he would like the water company to provide whatever water is required.

There was some discussion about the groups recommendation, concerning what kind of plants, how large they would have to be to be effective, and the amount of time it might take for plants to grow enough to be effective. There was general agreement that GOWUA should get a recommendation from Charlie Hildebrandt as to the type and size of plants the should be used.

*Action Item: Bob will contact Charlie Hildebrandt for his recommendations.*

### **6. New Business**

#### **6a. 2010 Operating Budget**

There was some discussion about the amount of repair & maintenance included in the draft budget. Following the discussion, it was generally agreed that \$20,000 (\$5,000/quarter) be budgeted for repairs in 2010. It was also generally agreed that \$5,000 be included for capital expenditures for Post Oak Landscaping.

**Motion: Ken Mino moved to adopt resolution 2010-4 approving the 2010 budget as modified; John James seconded. Motion carried.**

**6b. Service Extension – Bard Ranch Road – action taken – see above.**

**6c. Generator Repair - action taken - see above.**

#### **6d. Future Water Issues**

Dirk reported on his activities on the Safe Yield Group of the Upper Verde Water Protection Commission. He indicated that the group is about to complete a report including recommendations and he wanted to fulfill his obligation to keep the board informed.

He reported that water use in the AMA is presently twice the natural recharge rate. Chino Valley has nearly 8,000 of the 12,000 wells in Yavapai County. Well static levels are declining throughout the region. Chino Valley is considering some measures considered to be severe by some, that include prohibiting the use of water from the water system outside the home, ie for landscape irrigation.

Dirk stated that he will provide a link to the presentation made by Mark Holmes, [Chino Valley Water Resources Manager](#) to the [Citizens Water Advocacy Group November meeting](#). It presents a view of the water use and supply issue for Chino Valley and the area.

Dirk reported that the Safe Yield Group report will include some options to address the water shortfall; from do nothing, to continue piecemeal activities to the creation of a multi-city wide group with the authority to act.

There being no further business to discuss, Jim Peoples called for a motion to adjourn.

**Motion: John James moved to adjourn; Dirk seconded; motion carried.**

The meeting was adjourned at 9:50a.m.

**Next meeting: Wednesday, March 24th, 8:00am – Post Oak Site**

Minutes recorded by Bob Busch

**Submitted By:**

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**Secretary**