

Granite Oaks Water Users Association
Board Meeting Minutes
March 25, 2009

THOSE PRESENT

Board Members

Dirk Stringham, President
Jim Peoples, Vice Pres.
Rusty Miner, Secretary
John James, Treasurer
Ken Adkins, Director
Ken Mino, Director

Contract Staff

Bob Busch, MDI
Alan Kaplan
Jim Muylee, Fann Environmental

Shareholders

Ed Tumey
Jeff Deming
David Kramer (appointed to Board in this meeting)

Guest: Charles Hildebrandt- Mountain Path Landscaping

The meeting was convened at 8:00 by President, Dirk Stringham.

1. Minutes of Previous Meeting

The updated minutes of the January meeting were not sent to board members.

Action Item: Bob will email the January Board Meeting Minutes to board members for approval via email.

2. Board Vacancy

Dave Kramer was introduced to the board and following a brief discussion:

Motion: Dirk Stringham moved to adopt a resolution appointing Dave to the board to fill the vacant position, the term of which will expire in June of 2010. Ken Mino seconded; motion carried.

3. Report from Charles Hildebrandt, Mountain Path Landscaping

Charles' firm was involved in the Water Consultation Program in GOWUA in 2008 and reported some of his findings & recommendations to the board. His observations included:

- The lack of anti-backflow devices on landscape watering systems.
- Not many high users participated in the program in 2008.
- Abuse to native vegetation – over-pruning, disturbing or removing natural cover, overwatering
- Lack of automatic irrigation
- Lack of understanding of watering needs of native and other plants

Charles reported that there are now about 6 certified water auditors in the area who can perform consultations.

The board discussed various aspects of anti-backflow devices and the water company's responsibility with respect to requiring anti-backflow preventers. The Company is responsible for any contamination occurring in the water system. Backflow preventers provide protection to the water system.

There was a discussion about the cost to install devices and whether the Company could get discounts for its customers.

Articles and information should be included in the next newsletter. It was suggested that a committee be formed to look into these issues (policy and public information) and make recommendations to the Board.

Motion: Rusty moved to establish a committee to develop articles for the newsletter and to investigate how to continue with the Consultation Program. Ken Adkins seconded; motion carried. Dirk, Rusty John and Jim will be committee members

4. Financial Report

Alan made a brief financial report of the first two months of 2009. This is the first period for reporting without quarterly information. For the first 2 months:

Revenues are down from the last year period by \$1,700

Expenses are up about \$2,000

Net Income is -\$800 vs \$3,000 for last year

The trailer and power analyzer were retired from service in February.

There was a \$55 monthly bank charge in the operating account.

Action Item: John will contact the bank and investigate the \$55 bank charge.

Action Item: Send to Alan the quarterly financial report to MDI for inclusion in the monthly board report package.

Action Item: Bob will investigate the apparent discrepancy in the higher water use and lower revenue for the first two months.

5. Operator Report

Jim Muylee presented a report of Operator activity for the first two months of 2009.

One meter was replaced. It was off by 30%. (A credit of approximately \$250 was given to the customer).

6. Managers Report

Bob reported that checks were received for sale of the power analyzer and trailer. A Bill of Sale was executed and sent to Fann. Fann is attempting to obtain a certificate of manufacture from Gen Tech in order to license the trailer.

Bob obtained a price for a chain link fence and indicated that a budget price for a block fence would be about \$35-\$38 per foot. The property has a perimeter of about 400ft. A block fence would cost about \$14,000 for the fence, with gates. Including gates and removal, the project would cost \$16,000-\$18,000. A permit would be needed for a block fence. CCR's state that a wall cannot exceed six feet in height.

After some discussion about the purpose for revising the current fence/gates, it was generally agreed that there are three purposes: One for aesthetics/security; another for sound attenuation, and another for better heavy equipment access through the current gates. It was felt that a chain link perimeter fence should be accomplished first and the sound problem handled separately.

Action Item; Bob will contact Mike Young to see if Fann has information or experience in constructing sound attenuation walls.

Motion: Ken Mino moved to adopt a resolution (#2009-3) authorizing installation of a chain link fence w gates up to an amount of \$7,000. Jim Peoples seconded; motion was approved

Bob indicated that a records retention list had been forwarded to the board. After some discussion;

Motion: John James moved to adopt a resolution (#2009-4) adding the Records Retention List to the Company Policy Manual. Ken Adkins seconded; motion carried.

Action Item: Bob will contact Mike Young about possible sources for destruction of records ready for destruction.

7. OLD BUSINESS

Review of Action Items:

Remaining Items:

Action Item: Bob will work contact the City of Prescott's conservation representative to see if the City has a feedback questionnaire that might be helpful and will work with Dirk and Rusty to develop a form to obtain feedback from those receiving a consultation.

8. NEW BUSINESS

8a. Glenshandra Fence

Ken Adkins reported on the damaged fence at Glenshandra. He indicted that the fence could be repaired and some dirt or rock brought in to fill the eroded area. Bob stated he checked with Yavapai County regarding placing rip rap along the side of the wash. The county will require an engineering report prior to making a change of that nature. The board generally agreed that a minimum of work and repair would be preferable. The board agreed that the fence could be repaired with volunteers and rock could be brought in to stabilize the area.

Action Item: Ken Adkins will head up the volunteer work to repair the fence. Due to Ken's schedule, the work may not be done until after mid-May.

8b. Investment of Funds

John James indicated that a \$47,000 CD will be maturing in May. There is \$58,000 in the MaxSaver Account and \$23,000 in the Operating Account

Following some discussion about where the funds should be placed:

Motion: Ken Adkins moved to create a new \$25,000 CD from funds in the Corporate Account. Ken Mino seconded; motion passed.

Action Item: John James, Jim Peoples, Rusty Miner and Bob Busch will reexamine files to locate documents, invoices etc recording the purchase of assets.

8c. Newsletter

Bob suggested that the newsletter be delayed for a few weeks as necessary to allow for the new committee to determine what articles and information about the Consultation Program should be included. The board was in general agreement with the postponement.

Action Item: Bob will prepare an insert for this month's bill to include a spring irrigation check list.

Motion: John James moved to adjourn the meeting. Ken Mino seconded; Motion carried.

The meeting was adjourned at 10:15a.m.

Next meeting: Wednesday, May 27th, 8:00am – Post Oak Site

Minutes recorded by Bob Busch

Submitted By:

Secretary