

Granite Oaks Water Users Association

Board Meeting Minutes

January 23, 2008

Minutes approved: April 23, 2008

THOSE PRESENT

Board Members

Jeff Deming, Vice President
Ken Mino, Director
Jim Peoples, Director
Dirk Stringham, President
Ken Adkins – Director
John James - Treasurer

Contract Staff

Bruce Eldridge, MDI
Alan Kaplan
Jim Muylee, Fann Environmental

Others Present

Bill Weber, Webers Insurance
Ed Tumey

The meeting was convened at 8:00 by President, Dirk Stringham. Directors not present were; Balin Strickler

1. Minutes of Previous Meetings

Minutes of the meeting of October 24, 2007 were reviewed.

Motion: Ken Mino moved that the minutes of the October 24, 2007 meeting be approved with corrections of minor typos. Motion carried.

2. Financial Report

Alan Kaplan reviewed the quarterly financial reports, some of the points made were;

1. 2007 was a record year for income
2. Expenses were up appx. 3 to \$4000
3. Property taxes were down from previous year.

The board thanked Alan for his report.

3. Operators Report

Jim Muylee indicated that estimates for a new generator was included in the agenda packet. Ed Tumey reported that Duane Gann was obtaining prices for used generators used by film companies that were highly soundproofed. The estimates would be available by the next meeting. Jeff Deming requested that all estimates be obtained and submitted to the board as soon as possible so that action might be taken by the second quarter.

A discussion ensued about the discrepancy between reports prepared by Fann, and MDI on total acre feet of water pumped by our wells. As much as 15 AF/mo. difference has occurred. These numbers are critical with regard to our water rights and are reported to the state water resources. Bruce of MDI will work with Jeff and Bob Busch to pursue the differences and make an effort to reconcile them.

4. Insurance Review

Bill Weber reviewed our current insurance coverage

In response to a question, he indicated that the well pumps were covered, but not actual well itself. Will check into whether coverage is available for underground and earthquake coverage.

He also recommended that if any portable generators are moved, that he be notified, since current policy would not provide coverage if involved in an accident on the road.

The board discussed Bill Weber's recommendation to increase umbrella coverage.

Motion: Ken Adkins moved, that umbrella coverage be raised by an additional one million dollars for an estimated \$600 per year; seconded by Ken Mino. Motion carried

It was recommended that Bob Busch may need his own LLC. Bruce of MDI to check into.

A discussion arose re: the Glenshandra pump failure and if there was any insurance coverage since the insurance had not been notified at the time of the occurrence on 6/8/07. Bill Weber indicated he would check into it with carrier.

BACK TO OPERATIONS REPORT.

A discussion was held re: Shortening of time for service termination on delinquent accounts as recommended by Bob Busch.

Motion: Motion was made by Jeff Deming, and seconded by Ken Adkins to approve recommended new policy as read by MDI staff. Motion carried.

Ken Mino excused himself and left meeting at 9:15 am.

Treasurer John James reported that he had transferred \$23,000 to a CD.

ACTION ITEMS

Action Item: Bob Busch to check status of claim with APS on Glenshandra pump failure.

Action Item: Jim Peoples to deliver copy of APS letter to Bill Weber and inform him that operators log verified date of Glenshandra pump failure as 7/8/07 which was date that APS acknowledged two power failures.

Action Item: Bob Busch to correct error in last newsletter that board meetings are held on the fourth Wednesdays, instead of the last Wednesday of the month in each quarter.

Jim Peoples requested that a discussion item be placed on the next agenda re: frequency of meetings. He feels that quarterly may not be sufficient as continuity of items suffer. He recommended that we might consider bi-monthly.

Landscaping improvements at Glenshandra.

Ed Tumey reported that an old hand pump had been obtained and was in the process of be converted to a sign for Glenshandra. Boulders had been delivered by Fann, but further landscaping work would be held off till spring.

Jell Deming recommended that we should consider rip-rap protection on the bank adjacent to the well because of the angle of the side drainage channel.

Ed Tumey indicated he would check with Duane re; making a bid to insulate the Glenshandra building.

5. New Business

Bruce of MDI reported that his firm was developing an operating manual for the CORE software, and that they performed frequent backups to their records in an effort to avoid any future problems.

Jeff Deming reported that in an effort to anticipate contract renewal dates of staff, the contract with Fann Environmental will be up for renewal consideration next Sept. Jeff recommended a committee be set up to review the contract between the April and July meetings.

A discussion was held re: a golf cart or quad type vehicle for meter reading.

Action Item: Ken Adkins to obtain info and prices on quad type vehicles

Action Item: Jim Peoples to pursue obtaining updated copies of The Water Board Bible published by the Arizona Small Utilities Assoc. for the use of the board members.

Submitted by Jim Peoples, Secretary