

DRAFT
GRANITE OAKS WATER USERS ASSOCIATION
Board of Directors Meeting
July 28, 2004

Board Members

Gerry Garcia,
Jeff Deming
Dirk Stringham
Chuck Faust
Ken Mino
Ed Tumey
Bruce Bleeker Absent

Contract Staff

Bob Busch
Lee Hixson
Allen Kaplan

Stakeholders

Duane Gann

The meeting was called to order at 8:00 a.m. by Gerry Garcia

The first order of business was the election of officers for the upcoming year. After nominations were made, the following slate of officers was elected and adopted by resolution of the members present to serve until July of 2005:

President:	Gerry Garcia
Vice President	Jeff Deming
Secretary	Ed Tumey
Treasurer	Bruce Bleeker

Action Item: Chuck Faust will accompany the Ed and Bruce to the bank to transfer authorized signors on the bank accounts.

A motion was made, seconded to adopt a resolution to limit the term of the board member elected as Treasurer to two consecutive one year terms. The motion carried.

President, Gerry Garcia then called for additions or changes to the minutes of the previous board meeting.

Jeff Deming noted that he was not absent as indicated in the header of the minutes. He also noted that on page two under "Conservation" he did not report usage was down 20%.

Motion by Chuck Faust to approve the June board meeting minutes as revised, seconded by ? ; motion passed unanimously.

1. ENVIRONMENTAL BIOMASS REPORT

Report presented by Lee Hixson and made part of the July board meeting minutes.

Lee reported total water pumped during the month at 8.78 mg, with the Glenshandra Well usage at 4.93 mg, the Deerfield Well at 3.9 mg, and the Post Oak Well at .6 mg. Total gallons pumped since last meter reading was 10.37 mg.

Lee reported two emergency call-outs during mid July. Both were related to pressure switches tripping out the Glenshandra and Deerfield well pumps. Part of the problem seems to come from the fact that both wells are pumping water into the common 8" line feeding the storage tanks. Lee recommended that the Deerfield well be switched back to the 4" line feeding the tanks and the Glenshandra remain on the 8" line. The board accepted his recommendation.

Action Item: Lee Hixson will make the necessary changes.

Lee also recommended that a new water-proof flow switch *costing approximately* \$320 be installed. The board accepted his recommendation and noted that he has authority to purchase repair items up to \$500 per month. He also reported that adjustments have been made to the “soft start” feature at Deerfield. The pump now starts with approximately the same starting load as Glenshandra.

Lee also reported that Yavapai Electric is looking at setting up controls to limit the generator startup to occur when power is out AND the controls call for the pump to start. Presently the generator starts at a power interruption, whether or not the pump is needed. The pump may not need to start during the entire power interruption.

Action Item: Lee will consult with AGM to determine if the generator can be set to start with a phase imbalance rather than a full power interruption.

The County seems to be placing a removable patch on all valve covers as the chip seal the streets in the subdivision.

Action Item: Bob Busch will follow up after the county completes work to verify that all valve covers have been exposed and cleared for access.

2. MISCELLANEOUS DEDUCTIONS REPORT

Manager’s Report & MDI Reports were presented by Bob Busch and made part of the July board meeting minutes.

Glenshandra Building: Bob reported that the county will not object to downsizing the building, provided other stipulations in the variance are met.

Distribution Pump Retrofit: Bob supplied power recording data to Jim Sebbens of Grand Canyon Pump. Jim consulted with the Grundfos factory and recommended that a “buck booster” transformer be installed to minimize impact of power fluctuations. He obtained a pricing option equipping only 3 of the 4 slots in the manifold, leaving out one of the 30hp pumps. The total cost for the 4-slotted manifold equipped with 3 pumps, pressure by-pass, buck booster transformer is approximately \$67,333.

Some discussion followed concerning the possible timing of the project. If the board proceeds now, the work could be done in October.

Motion by Chuck Faust and seconded by Jeff Deming to proceed with the distribution pump replacement project, with the 4-slot manifold, equipped with 3 pumps, pressure bypass and a buck booster transformer. Motion passed unanimously.

Action Item: Bob will prepare a contract between GOWUA and Grand Canyon Pump/PumpTech for Gerry Garcia’s signature.

3. Auditor’s Report: Allen Kaplan reported after some adjustments were made to the financials, the financial reports are in reasonably good condition. Due to the change from cash to accrual accounting of revenues, some adjustments are necessary to track with the budget and previous year’s results. Including those adjustments, results are reasonably close to budget, with operating expenses being higher than budget, primarily due to software conversion expenses.

4. OLD BUSINESS

Shareholders Meeting: July 31 at 9:00 a.m. is the scheduled GOWUA Shareholders Annual Meeting to be held at the fire station across from the Granite Oaks community.

Approximately 20 proxies have been received thus far.

For the after meeting tour of facilities, the following board members will be on site:

Post Oak	Jeff, Ken
Deerfield	Chuck, Dirk
Glenshandra	Ed, Bruce

5. NEW BUSINESS

Generator Modifications: Ed Tumey reported recommended that the large, trailer mounted diesel generator be moved to the Post Oak site. It is large enough to carry all the equipment (including the new distribution pumps). The propane generator now at Post Oak could be moved the Glenshandra or Deerfield. It could handle either location.

Motion by Chuck Faust, seconded by Ken Mino and passed, to obtain a cost proposal from AGM to move the generators and reinstall the diesel at Post Oak and the propane generator at Deerfield.

Action Item: Bob will consult with AGM to obtain a price proposal.

If approved, this work would be scheduled following the distribution pump changeout.

Acceptance of Credit Cards: The MDI office receives inquiries every month about the possibility of payment of water bills with credit card or autopay. Bob presented a summary of items for the board to consider. There are several costs involved in a credit card transaction: a) a % of the transaction, b) a per transaction fee, c) a monthly maintenance fee and d) an account set up fee. For GOWUA, these costs would approach \$100/ month for only 20 customers. Since the customer cannot be billed without a tariff approved by the Arizona Corporation Commission, the board dropped consideration of accepting credit cards for payment of water bills

Curtailment Tariff: The board discussed the letter from the ACC advising that this type of tariff be filed by all small water companies.

Action Item: Bob will investigate requirements for filing the tariff, consulting with Dirk and Doug Nelson and report at the August meeting.

Motion by Jeff Deming to adjourn the June board meeting, seconded by Chuck Faust; motion passed unanimously. The July board meeting was adjourned at 10:20 a.m. Meeting minutes recorded by Bob Busch.



NEXT BOARD MEETING IS SCHEDULED FOR AUGUST 25, 2004

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