

# Granite Oaks Water Users Association

## Board Meeting Minutes

July 26, 2006

### Board Members

Gerry Garcia - President  
Jeff Deming - Vice President  
VACANT – Secretary  
Dirk Stringham – Treasurer  
Ken Adkins – Director  
John James – Director  
Ken Mino – Director  
Jim Peoples - Director

### Contract Staff

Bob Busch  
Allen Kaplan  
Meg Kleinman  
Mike Young

### Guest

Bill Weber – Weber Insurance

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**1. The meeting was called to order** at 8:02 a.m. by President, Gerry Garcia. **PRESENT:** Gerry Garcia, President; Dirk Stringham, Treasurer; John James, Director; Jim Peoples, Director; Bob Busch, Meg Kleinman, Allen Kaplan and Mike Young, Contract Staff; Bill Weber, guest. **ABSENT:** Jeff Deming, Vice President; Ken Adkins, Director; Ken Mino, Director.

**2. Nominations for office:**

Gerry Garcia	President
Jeff Deming	Vice President
Jim Peoples	Secretary
Dirk Stringham	Treasurer

**Motion by Dirk Stringham to accept the slate of officers, seconded by John James, passed unanimously.**

**3. Motion by Gerry Garcia to approve the April 26, 2006 Board Meeting minutes, seconded by Jim Peoples, passed unanimously.**

**4. INSURANCE PRESENTATION:** Bill Weber from Weber Insurance updated the Board on the policy discussed at the April 26 meeting. There was considerable discussion regarding costs, liability limits, the need for and the length of a “tail policy” with CNA, possible exposure to liability suits. Bill informed the Board there would be a negligible savings to eliminate the employee coverage.

**Motion by Dirk Stringham to contract with Weber Insurance for the Rural Special District Policy at the time the current CNA policy expires (December 2006) and obtain a one-year tail policy from CNA at that time. Seconded by Jim Peoples, passed unanimously.**

*Action Item:* Bill Weber will provide a new quote at the October meeting, at which time the Board will approve the contract if the cost is substantially the same as discussed today.

## 5. REPORTS

**a. Financial Report:** The Auditor’s Reports were presented by Allen Kaplan and made part of the July Board Meeting minutes.

Allen reported that 2006 second quarter revenue was \$1000 above budget, which is attributable to an increase in water that was pumped compared to the second quarter in 2005. Expenses were lower than budgeted by about \$17,000 mostly due to tank repairs and maintenance costs being substantially less than expected.

The Balance Sheet shows a significant increase in Accounts Receivable due to greatly increased water use when compared with figures from December 2005.

The Cash Account includes two CD with staggered maturity dates, and a Max Saver account earning 4.38% interest. The Treasurer Checking Account funds are building to pay for 12 fire hydrants. Following that expenditure, some of the remaining funds may be transferred to the Max Saver account.

The Cash Flow Analysis shows income is up and expenses are down.

**b. MDI Report: Bob Busch**

- Fann Environmental continues to verify meters
- The new energy rate plan in effect for Glenshandra should save about \$2500 per year
- All member who will get fire hydrants at their property have been notified and all are satisfied
- One member's water meter was replaced though no problems could be verified. The member's water use figure returned to a normal amount.
- The Annual Shareholders' Meeting is Saturday, July 29, 2006 at 9:00 a.m. at the old Fire Station on Williamson Valley Road.

**c. FANN ENVIRONMENTAL REPORT: Mike Young**

- Twenty-five meters were verified
- A new chlorine pump was purchased
- Fann is taking the ADEQ-required two bacterial samples
- All three wells are running fine
- The bok heater needs to be changed out
- Glenshandra will need a new generator
- The trailered generator should be kept for emergency use
- The current water storage capacity is 180,000 gal.
- Current usage is about 300,000 gal. per day
- Current ADEQ allowed usage is 250 acre-feet per year
- There is a written service record of all repairs and maintenance done by Fann

*Action Item: Mike Young will provide a written Second Quarter Report at the Annual Meeting*

A discussion ensued regarding the consequences of going over the allowed acre-feet amount and what is being done to encourage conservation by all members. Letters are sent out, but usually ignored. A rate increase would have to be requested from the Corporation Commission.

*Action Item: Bob Busch will contact an accountant to arrange an analysis of GOWUA's rates*

## **6. OLD BUSINESS**

**a. Addition of fire hydrants:** Twelve additional fire hydrants will be installed beginning in the fall when water usage is down. All affected members have been notified and there were only minor objections. Those were alleviated by changes in the planned locations of the hydrants. The materials will be purchased soon to take advantage of current prices, and stored on site until installation. It is estimated the shut off time will be minimal during installation, only an hour or so and all affected members will need to be notified in advance.

*Action Item: Bob Busch will contact JBT to ensure affected residents will be notified of shut-offs*

**b. Review Action Items - Ongoing Items**

- *Mike Young will check into the cost for minimal zeriscape surrounding the Glenshandra well*
- *Jeff Deming, Mike Young, and Gerry Garcia will work on a site plan to zeriscape the Glenshandra well site*

**c. Landscaping and other improvements – Glenshandra:** Water is available at the site. Volunteers would be recruited to do the work. Volunteers are not covered under the GOWUA insurance policy. Further discussion is tabled until the October meeting.

**7. NEW BUSINESS**

**a. Agenda for Annual Meeting**

- Introduce new Board members
- Introduce new officers
- Review minutes of 2005 Annual Meeting
- Financial report
- MDI report
- Fann Environmental, Inc., report

*Action Item: Bob Busch will provide 40 copies of the minutes of 2005 Annual Meeting*

*Action Item: Allan Kaplan will include two additional financial reports for the Annual Meeting—a recap of previous years and a list of capital improvements since the last meeting*

**b.** Possible zeriscape of Glenshandra by landscaper from Highland Center, as demonstration to members and example of how to use native plants.

*Action Item: Dirk Stringham will contact the Highland Center and present idea*

**8. Motion by John Peoples to adjourn the meeting, seconded by Dirk Stringham, passed unanimously.**

The meeting was adjourned at 10:00 a.m. Meeting minutes were recorded and transcribed by Meg Kleinman.



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