

Granite Oaks Water Users Association
Board Meeting Minutes
Meeting of January 28, 2026

Approved February 25, 2026
Contract Staff

Board Members

Ken Nelson - President JD Sale – Vice President Matt Olson - Treasurer Daryl Mathern, -Secretary Robert Finke – Board Member-Absent Don Murphy – Board Member Nathan John- Board Member

Bob Busch - Manager, GOWUA Cheryl Ibbotson – Ariz. Utility Billing Solutions Derek Scott- A Quality Water Co.-Operator- absent
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Devon White–Legal Counsel

1. CALL TO ORDER

The meeting was convened at 9:00 AM at 302 W. Willis St., by President Ken Nelson.

2. REVIEW/APPROVAL OF MINUTES OF BOARD MEETING OF November 19, 2025

Motion: Matt Olson moved to approve the minutes of November 19, 2025 with the corrections noted. JD Sale seconded. Motion passed unanimously.

3. REPORTS:

3a. Financial Report

Allan Kaplan reported that revenue was up about 7K from last year. He commented that expenses were up about 25k from last year, mostly due to the write off of the 4th well project. The net loss for the year was 31K vs 14K from last year, again mostly due to the write-off. He reported that cash was up about 25K from a year ago. About 6.1K of assets were added in 2025. He reported that there is \$238,435 in cash accounts.

3a. Treasurer's Report

Matt Olson reported that there are 3 CD's in the Schwab account:

Northpoint: matures 4/2/26 @ 3.85%. 55K.

Allied Bank: matures 3/18/26 @ 3.85% 55K.

Sallie Mae Bank: matures 4/29/26 @ 3.8% 55K

He reported that there is a total of \$172,834.29 in the Schwab account with \$7,792.71 in cash. He reported that all CD's are short term, as they are at the best interest rates. A new FED Chairman takes over in May, and rates are expected to drop again, so all CD's are set to mature before that on purpose, so we can renew before any rate drop.

Motion: Daryl Mathern moved to accept the Treasurer's Report. Don Murphy seconded. Motion passed unanimously.

3b. Operator's Report

No Report.

Ken Nelson commented that AQuality Water (Pat Carpenter) is planning to assign his contract with GOWUA to Arizona Utilities Services (Derek Scott). GOWUA consent is required. GOWUA will

want documentation, such as the new company is a legal entity, insurance and other information. The plan is underway, but not ready for execution at this time.

3c. **AZ Utility Billing Report**

There was a question about the number of customers on the system. The financial report indicated that 7 new customers were added in 2025, when only two new meters were connected. It was determined that the Arizona Utility Billing report shows the number of bills issued vs the number of accounts.

3d. **Manager's Report**

Bob Busch reported that unaccounted for water was 5.7% in November and 6.4% in December. There were 20 high users in November using a little over 900,000 gallons. There were 9 high users in December using over 400,000 gallons. He reported that GOWUA has responded to two requests for information concerning the rate case. The latest response was sent on January 7th. A Commission Representative conducted a site visit in late December, verifying the assets reported on the GOWUA records. He reported that Elan Electric has performed the annual maintenance on the Deerfield generator, but that he has not yet received their report from their visit. Bob handed out an event calendar for 2026, listing the dates for regulatory reports, meeting dates and meter reading dates.

4. **OLD BUSINESS**

4a. **Action Items**

- *Action Item: Cheryl Ibbotson will check to determine if individual notes can be added to monthly bills.*

Cheryl indicated that notes can be added to the monthly bill. Typically, about two sentences.

- *Action Item: Derek Scott will research portable power packs.*

Not Complete

Ken Nelson commented that Bob Finke has done some research on the matter. JD Sale commented that he has also done some research on the matter.

There followed a discussion about the size and power of the proposed unit. Bob Finke's proposal was for a powerful unit, recommended by diesel companies. JD Sale's recommendation was for a smaller unit, so that one could be placed at each of the three well sites. Bob Finke commented that the 120V electrical wiring at Deerfield and Glenshandra do not meet the National Electric Code.

After considerable further discussion about the various units and whether to purchase one unit or three:

MOTION: Matt Olson moved to purchase a starting unit for Post Oak (NOCO GB251 costing \$1,199.95 plus tax and shipping). Nathan John seconded. Motion passed with a majority of directors voting "aye".

MOTION: Nathan John moved to create a checklist of items to be performed by the operator and submitted to the Board each month that would be included in the contract with the new operator. Matt Olson seconded. Motion passed unanimously.

- *Action Item: Bob Finke will research electricians in the area and consult with other Board Members on a possible plan of action. (Generator Running Alarms)*
Not completed.

4b. Discussion and possible action concerning a new well.

Bob Finke made a presentation to the Board concerning the underground water situation in the GOWUA area and potential well sites for a new well. He referred to a Hydrological Study he completed dealing with the matter. He pointed out a number of issues that need to be addressed in attempting to complete an additional well in the area. He displayed potential layouts for a well and pump station on existing lots in Granite Oaks. There was considerable discussion about how GOWUA might acquire a deed or an agreement to purchase or an easement to provide the area needed for a well and tank installation.

During the discussion, Ken Nelson turned the meeting over to Vice President JD Sale, as he had to leave the meeting.

MOTION: Bob Finke made a motion to direct Bob Busch to schedule an executive session to discuss the new well issue. Don Murphy seconded. Motion passed unanimously.
(The meeting was subsequently confirmed for March 11th at 9:00 AM at 302 W. Willis St.)

5. NEW BUSINESS

5a. Discussion and possible action concerning performing maintenance on electrical equipment.

No Action Taken on this item.

5b. Discussion and possible action concerning the assignment and consent to assignment of the service contract with AQuality Water Co. to Tri-City Backflow.

No Action Taken on this item.

5c. Discussion and possible action concerning the purchase of portable power packs for use in starting backup generators.

See item under Old Business.

6. ADJOURN

Minutes transcribed by Bob Busch

Submitted By:

Secretary