

GRANITE OAKS WATER USERS ASSOCIATION

October 10th , 2026 Share Holders Meeting

Meeting Date: September 23, 2026 (9:30 am Start)

Location: Prescott Public Library 215 E. Goodwin St. 86303

Form of Meeting: Annual Share Holders Meeting

BOARD MEMBERS & OFFICIALS IN ATTENDANCE

- Bob Finke – Newly Elected President
- Don Murphy – Board Member / Newly Elected Secretary
- Marv Barrish – Newly Elected Vice President
- Matt Olson – Board Treasurer
- Joe Stone – Board Member / Newly Elected
- Allen Kaplan – Accounting / Financial Reporting

Granite Oaks Water Board Meeting

Transcript

https://otter.ai/u/2RKTSFav-qTA_baU6q8Udzxxrvo?view=summary

The **Granite Oaks Water Board** met to discuss financial stability, current water resources, water conservation, and long-term infrastructure planning.

Financial Status

Alan Kaplan provided an overview of the company's fiscal health, noting that while last year saw a \$43,000 loss due to a \$23,000 write-off from an abandoned exploration, the first half of this year shows a profit of \$11,000.

- Operating revenue for the first 6-Months of 2026 reached \$140,000 against a budget of \$122,000.
- Cash reserves include approximately \$76,000 in checking/treasurer accounts and \$175,000 in a **Schwab** account.
- **Matt Olson** detailed cash accounts including a **Wells Fargo** CD at 4.05% maturing April 7th 2027 and a pending **SoFi Bank** CD at 4.525%.

Water Resources

Bob Finke presented hydrological data indicating that water levels are dropping by four to six feet annually due to increased pumping since the year 2000. He estimated the current wells have 25 to 30 years of predictable water supply remaining.

- **Conservation Strategies:** **Bob** highlighted that 15% of GOWUA customers use 50% of the water, with some reaching 337,000 gallons (one acre foot) per month via irrigation. He proposed pursuing punitive rate structures through the **Arizona Corporation Commission**.
- **Infrastructure Proposals:** The board is investigating several options:
 1. Re-drilling the **Deerfield Well** deeper (potentially up to 850 ft deep. 1000 ft is the limits set by the ADWR.
 2. Developing new wells and storage tanks in the north section of the subdivision on approximately 4 identified lots.
 3. Utilizing **WIFA** loans for capital improvements like the estimated \$3 million to \$5 million required for expansion and redundancy.

Community Engagement

The board emphasized transitioning from reactive management to proactive planning to preserve property values under Arizona seller disclosure laws.

Action Items

- [] Present the water-system expansion and conservation case to Arizona Corporation Commission representatives and pursue regulatory support for an appropriate rate structure.
- [] Pursue a meeting with Selina Bliss to seek state-level political support for the water infrastructure and conservation program.
- [] Develop the long-term water infrastructure plan, including engineering, land, funding, and regulatory details, and produce a two-page buyer-assurance pamphlet by the end of 2027.
- [] Quarterly News Letter for online viewing was suggested by Share Holders

Outline

Board Introductions and Financial Overview

- Bob Finke, the newly elected president with an engineering background, introduced the Granite Oaks Water Board members, including Marv Barish, Joe Stone, Matt Olson, and Don Murphy.
- Financial advisor Alan Kaplan reported that the company experienced a loss of nearly \$43,000 last year due to a \$23,000 write-off from an abandoned exploration project.
- For the first half of this year, operating revenue increased to \$140,000 against a budget of \$122,000, resulting in a profit of \$11,000.

- Kaplan noted that while expenses have risen due to necessary repairs and maintenance, the company's cash flow remains strong with approximately \$76,000 in checking and \$175,000 in Schwab accounts.

Cash Reserves and Investment Status

- Treasurer Matt Olson detailed the current cash reserves, noting that total funds across all accounts reached \$176,973.28 as of late June.
- GOWUA manages several certificates of deposit with interest rates ranging from 3.9% to 4.525% through Wells Fargo and SoFi Bank.
- Olson emphasized that the board acts as fiduciaries and maintains a risk-averse strategy by investing in short-term treasuries and money markets to stay ahead of inflation.

Water Resource Challenges and Hydrology

- Bob Finke addressed the critical issue of dropping water levels, noting that wells in the Williamson Valley area are dropping at a rate of four to six feet per year.
- Based on current usage and hydrological profiles, Bob Finke estimated that existing water supplies may last for the next 25 to 30 years.
- He highlighted the importance of understanding the local aquifer and the impact of surrounding developments like Granite Mountain Estates on the water supply.

Water Conservation Strategies

- Finke pointed out that 15% of GOWUA customers use 50% of the water, citing an instance where one customer used 330,000 gallons in a single month.
- He discussed how property covenants limit irrigation to 9,000 square feet, which should ideally translate to roughly a Maximum of 16,000 gallons per month per household.
- The board is pursuing a punitive rate structure through the Arizona Corporation Commission to discourage excessive usage by those exceeding 50,000 gallons per month.
- An educational program is proposed to teach residents how to maintain beautiful landscaping using drought-resistant native plants.

Infrastructure Expansion Plans

- To prolong the water supply, Finke suggested re-drilling the Deerfield Well deeper, which could potentially cost around \$750,000 to \$800,000.
- A second plan involves developing a new pump house and storage tanks in the north end of the subdivision to provide redundancy and better fire protection.
- Finke mentioned the possibility of tapping into volcanic deposits below 500 feet deep, which could serve as a significant water source if discovered.
- The board is also exploring ways to camouflage new infrastructure using decals and landscaping to maintain residential aesthetics.

Long-Term Planning and Community Involvement

- Bob Finke emphasized that securing water is essential for preserving property values and meeting Arizona's strict seller's disclosure laws.
- He proposed creating an engineered two-page plan pamphlet to reassure potential homebuyers that Granite Oaks has a proactive long-term water strategy.
- The board aims to secure funding through agencies like the Water Infrastructure Finance Authority (WIFA) and seeks community volunteers for political activism and education.
- Long-term goals include maintaining independence for up to 50 years before potentially seeking annexation into the City of Prescott.

Minutes Submitted By: Don Murphy, Board Secretary

Minutes Approved By: _____, Board President