

**AVRA WATER CO-OP, INC.**  
**BOARD OF DIRECTORS**  
**REGULAR MEETING MINUTES Wednesday, December 7, 2016**  
**(Rescheduled from December 21, 2016)**  
**7:00 p.m.**  
**Avra Water Co-op, Inc.**  
**11821 West Picture Rocks Road**  
**Tucson, Arizona 85743**

**1. CALL TO ORDER**

President Doug Schneider called the meeting to order at 6:58 p.m.

**2. ROLL CALL**

Board Members present at the meeting included:

Doug Schneider, President	Colleen McDonald, Secretary
Jack Wheat, Treasurer	Greg Hamilton, Director
Micha Koeppel, Director	Keith Winans, Director

Staff Members present at the meeting included:

Cathy Kuefler, Administrative Manager  
Jeff Feasel, Operations Manager  
Linda Paxton, Contract Bookkeeper

**3. CALL TO MEMBERSHIP AND WELCOME TO GUESTS -** There were no guests at the meeting.

**4. REVISION AND ADOPTION OF THE AGENDA**

**MOTION:** It was moved by Micha Koeppel to approve the Agenda for December 7, 2016.

**SECONDED**

**APPROVED**

**5. READING, CORRECTION AND APPROVAL OF PREVIOUS BOARD MINUTES**

**MOTION:** It was moved by Jack Wheat to approve the minutes from the Board Meeting on October 26, 2016 and November 16, 2016.

**SECONDED**

**APPROVED**

**6. OFFICER'S REPORT**

**PRESIDENT'S REPORT** – The president reported that the Town of Marana attorney, Frank Cassidy, filed their Petition for Verification of the CAP agreement. We anticipate this in the next 60 days or so and then the CAP would be in a position to reimburse us for our CAP allocation.

**TREASURER'S REPORT** – Jack reported that income was in excess of expenses for the month of September and there were all “yes’s” on the financials for the month of September.

**MOTION:** It was moved by Micha Koeppel to approve the Treasurer’s report.

**SECONDED**

**APPROVED**

## **7. ADMINISTRATIVE MANAGER’S REPORT**

**DNP’s** – There were 40 disconnections due to non-payment in November. Customer Service will contact members as a “holiday courtesy” before December’s disconnect and that will hopefully cut way down on disconnects.

**Water Theft/Damage** – The defendant, Ms. Yates, did not show for the November 9<sup>th</sup> hearing. There is now a case management hearing on December 21<sup>st</sup> and a new prosecuting attorney. She is being charged with a misdemeanor. There have been lights on at the Calvin residence and staff contacted Trico who confirmed services are not on. They were sending techs out to verify there is no service. Staff also went to the local sheriff’s office to see if they could do something more or had more information. The deputy’s suggestion was to contact the non-emergency number if we suspected any suspicious activity.

**Annual Audit** – Our audit was completed and letter sent to the board. Heather recommended balancing Caselle to Quickbooks monthly which has been initiated, have a board member view cancelled checks at the time they view the check register through the on-line banking statement, and recommended using the bank’s Positive Pay system to provide closer control of all disbursements that are made out of the bank accounts.

**Annual Meeting** – There was a good response from the members who attended and filled out the surveys. Every comment was positive. The final count for member attendance was 42 which is about the norm.

**Leak Adjustment Request** – We had our first request come in for a leak adjustment. Unfortunately, it was not a leak. The board was very specific when the policy was approved in October and we cannot make adjustments for accidents.

**Member Refund** – After meters were read and the customer service department went through all of the accounts, they found an account that was billed for a 1” meter when in fact they had a 5/8 x 3/4 meter. This was corrected and the customer was refunded for the difference in the base charges which amounts to \$42.44 per month.

**MOTION:** A motion was made by Jack Wheat to approve the Administrative Manager’s report.

**SECONDED**

**APPROVED**

**8. OPERATIONS MANAGER'S REPORT**

- Started winter line flushing on dead ends.
- Relocated one water service in section 10.
- Replumb (raised) one meter, including customer plumbing in section 3.
- Replumb two customer service lines related to AWC work (meter replacement and backfilling).
- Meter stop replaced in section 33 that was damaged during shut-offs.
- Extensive fence line repair along Orange Grove, east of the canal.
- Flow meter replaced at Rudasill Reservoir pump station.
- Replaced a DVA in section 1. (Bad valve found during line flushing.)
- New pump and motor installation (replacement) for Booster Station #7.
- Winterized pump and well sites and sample stations.
- New water service installation in section 35.
- Had dirt hauled in to fill in areas of concern over the 8" main along Pelto Path.

**MOTION:** A motion was made by Micha Koepfel to accept the Operations Manager's Report.

**SECONDED**

**APPROVED**

**9. UNFINISHED BUSINESS –**

**Noel Reservoir** – There were two proposals for the engineering services for the new 700,000 gallon Noel Reservoir. Westland Resources came in at \$20,000 and Smyth Industries was \$21,420. After some discussion from the board a decision was made to move forward with Westland Resources.

**MOTION:** A motion was made by Micha Koepfel to approve the Professional Engineering Services for the New Noel Reservoir prepared by Westland Resources in accordance with their proposal dated 12/2/2016.

**SECONDED**

**APPROVED**

**Roads in Service Area Discussion** – There was no information regarding the roads this month but it will be discussed at the January meeting.

**CAP Allocation** – Discussed in President's report.

**Customer Request Regarding High Usage** – We have no information from the Sheriff's department. Reports show there has historically been high usage, so at this time there will be no adjustment.

**Conflict of Interest Policy & By-laws Discussion** – The board had directed staff to draft a Conflict of Interest policy which was done from non-profit, on-line templates and Doug had inadvertently requested our attorney draft a policy as well. Jack Wheat requested that staff's policy be reviewed as that was what was directed by the board. Micha Koepfel recommended the board review both of the policies and discuss at the January

meeting. Doug also mentioned (which was in the email correspondence from the attorney dated 10-26-16) that if the board is to approve a Conflict of Interest policy, he would recommend minor changes to the By-laws which would require a properly noticed Board Meeting and agenda item, adoption by vote of the board, and then notice to the members of the By-law change. Micha suggested a thorough review of the By-laws by the board be put on the next agenda as well.

**Discussion Re: 6830 N Sandario (Well 9) & 11851 W Picture Rocks Rd** – The co-op's property at 6830 N. Sandario is no longer listed. Doug attempted to make contact with no follow up from the previous realtor. We are still interested in the property at 11851 W Picture Rocks Rd. Greg suggested staff contact the property owners and make an offer. Keith thought we should run some comps and see what is out there prior to making a decision.

**10. NEW BUSINESS –**

**Annual Mission Statement Review** – The current mission statement was reviewed and the Board felt it was adequate at this time.

**11. EXECUTIVE SESSION**

**MOTION:** A motion was made by Jack Wheat to move into Executive Session at 8:16 p.m.

**SECONDED**  
**APPROVED**

**MOTION:** A motion was made by Jack Wheat to return to regular session at 8:25 p.m.

**SECONDED**  
**APPROVED**


The Board adjourned at 8:26 p.m.

Respectfully submitted by,

Cathy Kuefler

Administrative Manager

Approved by the Co-op Board on January 18, 2017:

  
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Colleen McDonald, Secretary