

**AVRA WATER CO-OP, INC.**  
**BOARD OF DIRECTORS**  
**REGULAR MEETING MINUTES Wednesday, February 15, 2017**  
**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

Jack Wheat, Treasurer

Micha Koeppel, Director

Greg Hamilton, Director

Keith Winans, Director

Staff Members present at the meeting included:

Cathy Kuefler, Administrative Manager

Linda Coronado, Administrative Assistant

**3. CALL TO MEMBERSHIP AND WELCOME TO GUESTS –**

Tom Martinez – Smyth Industries Inc. (See discussion notes in Unfinished Business – Noel Reservoir.)

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

**MOTION:** It was moved by Greg Hamilton to approve the Agenda as revised for February 15, 2017 (The Conflict of Interest Policy and By-laws under Unfinished Business will be separated.)

**SECONDED**

**APPROVED**

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

**MOTION:** It was moved by Micha Koeppel to approve the minutes from the Board Meeting on January 18, 2016.

**SECONDED**

**APPROVED**

**6. OFFICER'S REPORT**

**PRESIDENT'S REPORT** – The president had nothing to report this evening.

**TREASURER'S REPORT** – Jack reported that income was in excess of expenses and there were all “yes’s” on the financials for the month of January 2017.

**MOTION:** It was moved by Micha Koepfel to approve the Treasurer's report.

**SECONDED**

**APPROVED**

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

**DNP's** – There were 35 disconnections due to non-payment in January.

**Employee Reviews** – Jeff and Cathy's reviews are due in March. Cathy started a salary survey and will have it for the board next month.

**CDBG** – Two final grant requests were submitted on February 10<sup>th</sup> – Aging Meters Program and Pipeline Replacement Program. We will continue to ask members to complete the Income Survey.

**Annual Reports** – The ACC Annual Report, CAGR Annual Report for Subdivisions, ADWR Annual Withdrawal and Use Report, and ADOR Property Tax Report are all due within the next few months.

**Tula Line Extension** – The mainline extension information/application was sent off to the ACC to get approval for the project.

**Sensus/Auto-read Equipment** – Our reps came out to go over information/updates with our auto-read software. While they were here we discussed ideas for keeping up on inactive accounts and theft utilizing the software.

**SAWUA** – Rep. Bowers introduced HB 2524 that would exempt Co-op's from having to go thru the ACC for a rate case.

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

**SECONDED**

**APPROVED**

## **8. OPERATIONS MANAGER'S REPORT**

**MOTION:** A motion was made by Jack Wheat to waive the reading of the Operations Manager's Report and approve as presented.

**SECONDED**

**APPROVED**

**9. UNFISHED BUSINESS –**

**Noel Reservoir** – Tom Martinez briefed the board on the proposal sent to AWC from Smyth. He discussed adding a concrete ring to the tank design. Tom is working closely with Westland Resources on the plans and construction. The board requested that staff get a few other contract bids that they can review. A special meeting will be called if necessary.

**Roads in Service Area Discussion** – This will be discussed at the next board meeting.

**Conflict of Interest Policy** – The board reviewed the two Conflict of Interest Policies.

**MOTION:** A motion was made by Micha Koeppel to approve the Conflict of Interest Policy created by AWC’s legal counsel.

**SECONDED**  
**APPROVED**

**Bylaws** - The board reviewed the current Bylaws of Avra Water Co-op, Inc and made the following motions:

**MOTION:** A motion was made by Micha Koeppel to approve the Bylaw revision to: Article IV, Section 1: Annual General Meeting -  
“The annual general meeting of the Co-op shall be held in November of each year at a place and time as shall be designated in the notice of the meeting to the membership for the purpose of electing Directors and for the transaction of such other business as may come before the meeting. It shall be the responsibility of the Board of Directors to prepare adequate arrangements for the annual meeting. It shall be the responsibility of the President to inform the membership of all known non-compliance with all applicable legal and regulatory requirements. *Members or Directors wishing to place items on the agenda shall do so in writing, 60 days prior to the meeting, by submitting it to the Board Secretary at Avra Water Co-op.*”

**SECONDED**  
**APPROVED**

**MOTION:** A motion was made by Micha Koeppel to approve the Bylaw revision to: Article V, Section 3: Qualifications – “No person shall be eligible to become or remain a Director who is not a member of the Co-op. *No current or prior employee of the Co-op shall be eligible to become a Director until two years after their date of termination as an employee of the Co-op.*”

**SECONDED**  
**APPROVED**

**MOTION:** A motion was made by Micha Koeppel to approve the Bylaw revision to: Article V, Section 5 – Compensation – “*Directors as such shall not receive any salary for their services. Further, no Director shall receive compensation for serving the Co-op in any other capacity, nor shall any transaction be entered into involving Interested Persons or Financial*

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*Interests, unless such other compensation is paid, or transaction is entered into, only after full disclosure and in compliance with the Conflict of Interest Policy adopted by the Co-op.”*

**SECONDED**  
**APPROVED**

**6830 N. Sandario (Well # 9)** – The property has been listed by Treasure Realty for \$27,000.

**11851 W Picture Rocks Rd** – Doug received the amended title report for the property. If he receives everything necessary to close, the closing date is set for February 24, 2017. Staff will prepare plans & improvement costs for the property to discuss at the next meeting.

**10. NEW BUSINESS**

There was no new business.

**11. EXECUTIVE SESSION**

The board did not go into Executive Session.

**MOTION:** A motion was made by Micha Koeppel to adjourn.

**SECONDED**  
**APPROVED**

The Board adjourned at 8:50 p.m.

Respectfully submitted by,

Cathy Kuefler

Administrative Manager

Approved by the Co-op Board on March 15, 2017:

  
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Colleen McDonald, Secretary