

**AVRA WATER CO-OP, INC.
BOARD OF DIRECTORS
REGULAR MEETING MINUTES
Wednesday, July 16, 2014
7:00 p.m.
Avra Water Co-op, Inc.
11821 West Picture Rocks Road
Tucson, Arizona 85743**

1. CALL TO ORDER

President Warren Thompson called the meeting to order at 7:00 p.m.

2. ROLL CALL

Board Members present at the meeting included:

Warren Thompson, President
Colleen McDonald, Secretary
Jack Wheat, Treasurer

Doug Schneider, Vice President
Camille Julin, Director

Staff members present:

Chris Ward, General Manager
Linda Paxton, Contract Bookkeeper

Cathy Kuefler, Administrative Assistant

3. CALL TO MEMBERSHIP AND WELCOME TO GUESTS

There were no guests this evening.

4. REVISION AND ADOPTION OF THE AGENDA

MOTION: It was moved by Jack Wheat that the meeting agenda be approved as written.

**SECONDED
APPROVED**

5. READING, CORRECTION AND APPROVAL OF PREVIOUS BOARD MINUTES

MOTION: It was moved by Colleen McDonald that the Board Minutes be approved as written for June 18, 2014.

**SECONDED
APPROVED**

6. OFFICERS REPORT'S

PRESIDENT'S REPORT

The President had nothing to report.

TREASURER'S REPORT

It was reported that there were all "yes's" on the financials this month.

MOTION: It was moved by Doug Schneider to approve the Treasurer's report.

SECONDED

APPROVED

7. GENERAL MANAGER'S REPORT

- Chris reported that we have received another CDBG in the amount of \$38,954 to replace aging meters in the system.
- Our Waterline Replacement Project we are doing funded in part by our WIFA grant is almost complete. Westland is working on the maps and aging of the pipes and Utah State University is wrapping up the research on the pipe samples we sent to them. Chris reported that the results are better than he had expected as far as the condition and life expectancy of our pipes. He hopes to have the project wrapped up for the next board meeting but September's at the latest.
- Now that the monsoons have started, the guys are busy out clearing easements and filling areas that get washed out. They should be busy the next few months.

MOTION: It was moved by Jack Wheat to approve the General Manager's report.

SECONDED

APPROVED

8. UNFINISHED BUSINESS

CAP Allocation Update – Chris passed out a rough draft letter that is going to be sent to David Modeer at the CAP. The board members will review that draft and make any changes or additions they would like and then Chris will forward to Carlos Ronstadt to review before sending it off.

Discussion Regarding Solar Power – Cathy spoke with Jim West at SolarH2O and Electric regarding information on how it could benefit the co-op. He said most commercial incentives have been depleted, however it could still be beneficial for the company. The board suggested we have him come out and see the system and then draw up a proposal. If there could be benefits, we will have Jim come and speak at an upcoming meeting.

Employee Benefits/Health Insurance – Cathy reported that we had not received our renewal from UHC as of the meeting and she sent an employee census to our insurance broker so that we could go out to market and get other quotes. That information had not come back as of the meeting either. The broker did say that UHC was offering "transitional relief" to existing customers which means that we would have an option to keep our plan for one additional year at approximately a 13% increase in premium. That was good news as opposed to the 30% increase we were

expecting. We still do not have anything on paper, but as soon as we receive those numbers, Linda will revise the budget and get it out to the board to review before the next meeting.

FY 2014-2015 Budget Draft – As the members have been reviewing the budget, a couple questions were on the following: On page 3 under Account Number Clarification, it states that “if the individual types of expenses exceeds \$10,000, then one or more of these individual expenses will be given separate account numbers until the “other” account is less than \$10,000”. Doug suggested that 675.05 be broken down using classes, lodging, travel, etc. and Warren agreed that this was a good idea. Linda will get that done. Account 604 was for the employee benefits and we are waiting for the renewal quote from UHC. Page 46, under Computer Lease went to -0- and Warren asked why that was. Linda explained that lease was just completed and it was for our server which is not being released. This account is specifically for the server and any new computers would go into the Capital Budget. Page 47 had the Property Taxes account and Warren asked if that was in fact accurate since Pima County just approved the 16% increase in property taxes. Chris will look into that as well and have Linda make an adjustment if necessary. There were other minor changes that Linda would update like fixing “error” messages that show up. All of this would be updated and ready for the next meeting. Doug also suggested that the board get a 2013/14 Actuals vs. 14/15 Budget to compare. As the benefits continue to change, Cathy will start a salary survey as well.

9. NEW BUSINESS

Senator Kyle’s Future of Water in AZ – Doug had forwarded some information regarding this survey. It is very involved and very long, so he suggested that Chris fill out what he thought was applicable to AWC and then forward it to the board at some point in the next 90 days.

MOTION: A motion was made by Jack Wheat to enter into Executive Section at 8:19 p.m.

SECONDED
APPROVED

MOTION: A motion was made by Jack Wheat to adjourn the Executive Session at 8:32 p.m.

SECONDED
APPROVED

MOTION: A motion was made by Camille Julin to accept Chris’ performance review and extend his contract for one more year.

SECONDED
APPROVED

MOTION: A motion was made by Jack Wheat to adjourn the meeting.

SECONDED

APPROVED

The Board adjourned at 8:37 p.m.

Respectfully submitted by,

Cathy Kuefler
Administrative Assistant

These minutes are a summary made from the Avra Water Co-op Board Meeting, tapes and notes by Cathy Kuefler. The tapes of the meeting details are available to the board members for examination of complete meeting detail.

Approved by the Co-op Board on September 23, 2014:



Colleen McDonald, Secretary