

**AVRA WATER CO-OP, INC.
BOARD OF DIRECTORS
REGULAR MEETING MINUTES
Wednesday, July 15, 2015
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 7:02 p.m.

2. ROLL CALL

Board Members present at the meeting included:

Doug Schneider, President Jack Wheat, Treasurer
Colleen McDonald, Secretary Micha Koepfel, Director
Eugene Boettcher, Director (Via telephone)

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 present.

4. REVISION AND ADOPTION OF THE AGENDA

MOTION: It was moved by Jack Wheat to approve the agenda for the meeting on July 15, 2015.

**SECONDED
APPROVED**

5. READING, CORRECTION AND APPROVAL OF PREVIOUS BOARD MINUTES

MOTION: It was moved by Micha Koepfel to approve the minutes from the Board Meeting on June 17, 2015.

**SECONDED
APPROVED**

6. OFFICER'S REPORT

PRESIDENT'S REPORT – The president reported that he and Jack Wheat had met with the Town of Marana regarding our CAP allocation. A motion was approved by the Town Council to authorize John Kmiec, Utility Director, to move forward with negotiations in respect to our CAP allocation. Doug would like to see something crafted into the agreement that mentions the two systems interconnect so that at some point in the future, Marana could supply water to AWC. The town will draft an agreement in approximately three weeks and Doug will touch base with them in a week or so. He and Jack will keep our Board apprised of any new information.

TREASURER'S REPORT - Jack reported that income was in excess of expenses for the month of June and there were all "yes's" on the financials for the month.

MOTION: It was moved by Micha Koeppel to approve the Treasurer's Report.

SECONDED

APPROVED

7. ADMINISTRATIVE MANAGER & OPERATIONS MANAGER'S REPORT

Water Quality Report – The report was completed and posted to our website by the July 1st deadline. Confirmation and a copy were sent to ADEQ.

Hoover Power Update – We are still awaiting a final determination of the proposal set by the APA regarding a 100kw allocation for Avra Water. There is a meeting at the APA on July 17th and we will have an answer then.

Community Development Block Grant – We received a letter from Sharon Bronson's office confirming our CDBG grant request was approved for the Aging Meter Replacement Program for the amount of \$40,000. There is a mandatory meeting on July 16th that will give more details. Staff has been working on collecting income verification postcards in order to prove the Target Area for the grant is within the low to moderate income requirement.

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

SECONDED

APPROVED

Monthly Update – Jeff Feasel reported that three service line leaks occurred this month. Operations replaced an entire service on one which was located on Anthony due to existing poly pipe deterioration. A contractor will be replacing a similar service across the street, due to traffic control needs.

Tula Place – Work continues on this main replacement. Pressure test and Back-T results were good. Operations will continue with service replacements and tie-ins as time permits.

New MXU's – We received the new MXU's and ¾" and 1" meters. Installation continues and Zone 21 is now completed.

Well #11 – The well situation is still not resolved. There is still noise coming from below and Weber will be here to evaluate it again July 16th.

Well #6 Abandonment – The Board had asked to be reminded at the end of the year on abandoning Well #6. There was an estimate from Weber in the amount of \$15,000 to complete the job. The Board asked if it would be more cost effective to put a fence around it. Jeff will have the homeowners' document and the abandonment application at the next meeting.

MOTION: A motion was made by Colleen McDonald to approve the Operations Manager's report.

SECONDED

APPROVED

8. UNFINISHED BUSINESS

Well #9 – Staff discussed listing our lot with Picture Rocks Realty. Lots are sitting on the MLS because there is such a large inventory of homes listed. The listing price recommended by the realtor was somewhere in the \$20k to \$30k range. It was suggested by the Board to have an appraisal done and list the lot at that amount. Cathy will contact our appraiser and get that going.

MOTION: A motion was made by Jack Wheat to direct staff to get an appraisal and then contact the president to list the property at 6830 N. Sandario.

SECONDED

APPROVED

CAP Allocation – Noted in President's Report.

2015-16 Budget – Linda Paxton reported that the 2015-16 rough draft is similar to prior years. Linda did decrease revenue as sales have been down and power, salaries, supplies, and miscellaneous expenses were all lower as well.

MOTION: A motion was made by Jack Wheat to approve the budget for the 2015-16 fiscal year.

SECONDED

APPROVED

9. NEW BUSINESS

Review of Governance Policies – In reviewing the Governance Policies it was noted that wherever General Manager is mentioned in them, they should be updated to indicate Administrative Manager. Any documents with reference to General Manager will be updated with Administrative Manager and those documents will be edited whenever discovered.

MOTION: A motion was made by Jack Wheat to direct staff to update the Governance Policies and replace General Manager with Administrative Manager.

SECONDED

APPROVED

MOTION: A motion was made by Jack Wheat to have staff review other company documents and, as discovered, to edit General Manager to Administrative Manager.

SECONDED

APPROVED

MOTION: A motion was made by Jack Wheat to adjourn.
SECONDED
APPROVED

The Board adjourned at 8:46 p.m.
Respectfully submitted by,
Cathy Kuefler
Administrative Manager

Approved by the Co-op Board on August 19, 2015:



Colleen McDonald, Secretary