

**AVRA WATER CO-OP, INC.
BOARD OF DIRECTORS
REGULAR MEETING MINUTES
Wednesday, August 19, 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 7:00 p.m.

2. ROLL CALL

Board Members present at the meeting included:

Doug Schneider, President	Jack Wheat, Treasurer
Micha Koeppel, Director	Camille Julin, Vice President
Eugene Boettcher, Director (Via telephone)	

Staff Members present at the meeting included:

Cathy Kuefler, Administrative Manager Linda Coronado, CSR/Admin Assistant
John Mussulman, System Operation Specialist – Stopped by for Manager’s Report

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 Micha Koeppel to approve the agenda for the meeting on August 19, 2015.

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 July 15, 2015.

SECONDED

APPROVED

6. OFFICER’S REPORT

PRESIDENT’S REPORT – The president had nothing to report.

TREASURER’S REPORT - Jack reported that income was in excess of expenses for the month of July 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

Hoover Power Update – AWC received the 100 kW allocation. Staff is working on the transmission contract and spoke with Trico, who is waiting on AEPCO to get a transmission cost. Once received, Trico will do a survey to make sure there will be a financial benefit to AWC.

Inland Marine Insurance – We are in our third year locked rate for general liability and inland marine coverage. Next year will be our review for premiums. Inland marine is an additional coverage on top of our umbrella and it is where we get our flood coverage.

Health Insurance Coverage – Our premium for medical care decreased this year by 9.6%.

Community Development Block Grant – We received a CDBG grant for the Aging Meter Replacement Program in the amount of \$40,000. Staff has been working on collecting income verification postcards so we can verify our eligibility for the grant based on HUD's 51% low to moderate income requirement.

Chase Refund Account – Linda P. found fraudulent activity while she was reconciling the refund account. The account was closed and a new account was opened. The Sheriff's department was contacted and an investigation is being done.

Well #11 – The well situation is still not resolved. There is still noise coming from what we believe is the motor. Jack feels that if the motor is the issue, then Weber needs to fix it without any cost to Avra Water. Staff would like to purchase a backup motor for Well 10, which we could test on Well 11. Jeff is getting estimates on a new motor. Cathy will sit down with Jeff when he returns from vacation and determine which direction to go. There is money in this year's budget for the new motor.

Well #6 Abandonment – At this time the Board is not interested in spending \$15,000 to abandon Well #6. Cathy suggested that we put the fence back up around the well for liability purposes. Staff will revisit this sometime in the future and determine if we want to fit it into the budget.

New MXU's – Our field techs reprogrammed the new meters so that they were logging 30 days of usage instead of the default of 7 days (15 hours). This has been useful with helping customers determine when water usage is highest and if they have leaks.

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

SECONDED

APPROVED

8. UNFINISHED BUSINESS

Well #9 – The property at 6830 N. Sandario Rd. (Well #9) has been appraised and that came back at \$27,000. The property will be listed for that price by Picture Rocks Realty. The commission is 10% and that was verified with Colleen McDonald as the going rate for vacant land. If the property sells at that price, the Co-op should net approximately \$22,000.

MOTION: A motion was made by Jack Wheat to approve entering into a contract with Picture Rocks Realty for the property at Well #9.

SECONDED

APPROVED

CAP Allocation – Doug spoke with John from the Town of Marana and they are working on the assignment agreement. Both parties would need to acknowledge the assignment agreement and the agreement amending the CAP contract. A joint letter signed by both parties would then be sent to ADWR outlining the proposal and justification for the Town of Marana to be assigned our CAP allocation. ADWR will then publish a public notice and depending on the feedback a recommendation will be made to the Bureau of Reclamation who then has to agree. CAWCD has to approve it and then they submit the agreement to the State Superior Court who petition the validation of agreement. The State Superior Court then makes it's ruling. The process could take up to two years.

9. NEW BUSINESS – No new business.

10. EXECUTIVE SESSION – No executive session.

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

SECONDED

APPROVED

The Board adjourned at 8:12 p.m.

Respectfully submitted by,

Linda Coronado

Administrative Assistant/Billing Specialist

Approved by the Co-op Board on September 16, 2015:


Colleen McDonald, Secretary