

AVRA WATER CO-OP, INC.
BOARD OF DIRECTORS
REGULAR MEETING MINUTES Wednesday, May 25, 2016
(Rescheduled from the Regular Meeting Wednesday, May 18, 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 7:00 p.m.

2. ROLL CALL

Board Members present at the meeting included:

Doug Schneider, President Greg Hamilton, Director

Jack Wheat, Treasurer Micha Koepel, Director

Staff Members present at the meeting included:

Cathy Kuefler, Administrative Manager Jeff Feasel, Operations Manager

Linda Paxton, Contract Bookkeeper Linda Coronado, Administrative Assistant

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 May 25, 2016 as amended: Correct the Administrative Manager's Report title Hoover Power Update to CAP Allocation Update.

SECONDED

APPROVED

5. READING, CORRECTION AND APPROVAL OF PREVIOUS BOARD MINUTES

MOTION: It was moved by Micha Koeppel to approve the correction of last month's minutes from the Board Meeting on April 20, 2016.

SECONDED

APPROVED

6. OFFICER'S REPORT

PRESIDENT'S REPORT – Doug reported that we need to follow up on the Hoover Power and CAP allocation transfer to make sure we are looking out for the best interest of our members.

TREASURER'S REPORT – Jack reported that income was in excess of expenses for the month of April 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’S REPORT

Community Development Block Grant –Doug signed the contract twice and the new meters are being put in. Apparently HUD doesn’t think we will use the money and that we will let it sit, therefore we had to make an agreement with Pima County that they will reimburse 50% of the meters when we pay for the meters and 50% upon completion of the project.

Hoover Power Update – Cathy has been working with our consultant, Evelyn Magnusson, and gone over the numbers from Trico and the APA. They put out an analysis for what Hoover Power would cost. The credit that would be given to each Co-op would be about 2.5cents while others are seeing about 4 cents. June 17th is the new deadline to decide if we would like to return our allocation for reassignment. There is going to be a meeting locally for allottees to discuss other options. Cathy will attend and then give a report.

CAP Transfer – ADWR has sent a letter on to CAWCD regarding our transfer and their recommendations. No word back regarding that.

Tohono O’odham Gaming Grant – We received the grant application paperwork and we will be submitting one for \$12,000 to repair roads within our service area and another for \$17,000 for a line looping project.

DNP’s – There were 29 disconnections due to non-payment in April.

Vehicles – We finally got our new Nissan truck to replace the 2013 Toyota, we have someone interested in purchasing the Toyota at fair market value which is \$24,000.

Banking – Discover is no longer doing Business Banking. Cathy shopped for other banking options and Hughes Federal Credit Union currently has the best rates for business CDs. She will get that paperwork started for the officers to go sign. Cathy and Linda also met with another credit card processing merchant that looked over our current merchant account with Xpress Bill Pay/Bank of America. They seem to think they can save us about \$250 per month. We are waiting for a quote from them and will follow up.

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

8. OPERATIONS MANAGER’S REPORT

A new water service line was installed in section 12, and a service line leak repair was done in section 9.

We finished up the tie in of the new 6” line to the existing 2” line on Orange Grove & Calvin. AWC abandoned and tie-in to existing pipe as needed.

Steve Baker from ADHS came out to do a follow-up inspection of Avra Water chlorine monitoring and testing. The inspection went well and was approved.

New MXU's installed in section 5, 8, and 9. New meter installed in section 9 and 11.

Noel – Jeff met with Gary at Smythe to discuss the Noel Reservoir. Jeff had the scope of work to present to the board as well as the estimate that was received from Westland last fall. Smythe can do the design and build an additional storage tank of 500,000-700,000 gallons. This project would give us an extra tank to avoid low levels of water. Jeff also had a concern about the wash that goes through the property but that can be handled, if necessary, by a hydrologist before design. Doug requested that Jeff get a broader scope of work from Smythe showing engineering and permit costs and another estimate from Westland for the engineering cost to compare to Smythe. Doug also asked Cathy to contact Rural Development and WIFA to see if there are any grant or funding options available.

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

9. UNFINISHED BUSINESS –

MOTION – A Motion was made by Jack Wheat to “rescind the motion that was made on April 20, 2016 to approve the Administrative Manager’s contract for another year” and a new motion was made by Jack Wheat to “approve the evaluation for the Administrative Manager’s continued employment under the current terms”.

SECOND
APPROVED

10. NEW BUSINESS –

There was no new business.

11. EXECUTIVE SESSION –

MOTION: A motion was made by Jack Wheat at 8:32 p.m. to move into Executive Session.
SECONDED
APPROVED

MOTION: A motion was made by Jack Wheat at 8:39 p.m. to adjourn the Executive Session.
SECONDED
APPROVED

MOTION: A motion was made by Jack Wheat to approve a one-time merit bonus equal to an amount of 4% of Jeff's annual salary and continue employment under the current terms.

SECONDED
APPROVED

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

SECONDED
APPROVED

The Board adjourned at 8:40 p.m.

Respectfully submitted by,

Linda Coronado

Administrative Assistant

Approved by the Co-op Board on June 15, 2016:

Colleen McDonald, Secretary