

**AVRA WATER CO-OP, INC.
BOARD OF DIRECTORS
REGULAR MEETING MINUTES
Wednesday January 21, 2026**

1. CALL TO ORDER

President Dayv Marlow called the meeting to order at 6:01 p.m.

2. ROLL CALL

Board Members present at the meeting included:

Dayv Marlow, President	Colleen McDonald, Secretary
Nils Julin, Vice President	Steve Wilcox, Director
Jack Wheat, Treasurer	

Staff Members present at the meeting included:

Cathy Kuefler, Admin. Mgr.	Linda Coronado, Admin Asst.
Sal Madrid, Op's Superintendent	

3. CALL TO MEMBERSHIP AND WELCOME TO GUESTS – There were no guests.

4. REVISION AND ADOPTION OF THE AGENDA FOR JANUARY 21, 2026

MOTION: It was moved by Nils Julin to approve the agenda for January 21, 2026

SECONDED

APPROVED

5. READING, CORRECTION AND APPROVAL OF BOARD MINUTES FROM DECEMBER 17, 2025.

MOTION: It was moved by Jack Wheat to approve the minutes from the Regular Board Meeting on December 17, 2025.

SECONDED

APPROVED

6. OFFICER'S REPORT

PRESIDENT'S REPORT – The president reported Rural Water hired Dean Hayes as the Executive Director for the association. He is from the North Dakota Rural Water Association and should be a great asset to AZ. We will try to invite him to one of our board meetings. The RWAAZ 2026 Spring Convention is on April 9-10, 2026 here is Tucson.

TREASURER'S REPORT – Jack reported that for the month of December expenses were in excess of income but for the year to date we are still in good condition and we had all yes's on the board financials.

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

SECONDED

APPROVED

7. ADMINSTRATIVE MANAGER'S REPORT

Employees – Martin had his baby on January 1st. We have had some turnover with our new employees, but as of yesterday we are now fully staffed. Gabriel Caron came back and we also hired an additional operator. Our part-time laborer hired to help with the meter replacement program has been doing very well, so we are considering cross-training him and offering a full time position.

Employee Benefits – Our medical, dental, life, STD & LTD renewals came in. Medical had a 7% increase and dental had a 5% increase. The others stayed the same. Not bad considering most medical has had increases of up to 20%.

2024-2025 Audit & Internal Controls – Heather's annual letter was included in the board packet for the board to review. Segregation of duties was on the list again. Cathy spoke with Heather for any recommendations and this will probably always come up since we are so small, but she was happy with having more board involvement. Heather, Mayra, Linda and I met and went over the other two deficiencies and how to correct them – revenue & cash receipt posting and clarifying the difference between AIAC & CIAC.

Nissan Trucks – We purchased two new 2026 Frontiers from Thoroughbred Nissan. Sal will be installing the toolbox and GPS systems on them this week.

WIFA Grants – Meter and Conservation Program – We have submitted another grant to Pima County CDBG for \$40, 000 for our meter program and Linda is working on getting our first Water Harvesting Workshop scheduled for Feb.

Employee Handbook Review – It's time to review the handbook again, the last review was done in 2020. Cathy is looking at a handbook builder from SHRM - Society of Human Resource Management. They offer a cloud based handbook which includes federal and state updates. She will do a little more research and then sit down with Nils and Dayv to see about other changes we may want to make.

Annual Report – ADOR, ACC, ADOR & CAGR reports are all due by April we have started working on them. The CAGR report was completed and has been very easy to date, but as the new developments come in they will need to be carefully completed every year as usage is reported back to Pima County for property taxes.

Ina Road Extension & New Developments – We received the ACC approval for phase 1 of Montanas De Sol and construction can start. Rancho Del Sol Phase 1 is completed. We haven't taken it over yet, but the pressure test is complete and Bac T's are done. As far as we know Pulte Homes will be the builder. Vista Del Sol development has been split into three parcels which causes some issues with water eligibility for some of the properties. We will work with them on that.

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

SECONDED
APPROVED

8. OPERATIONS MANAGER'S REPORT

- Meters are being installed in section 34, we are also going to start cleaning out meter boxes to prepare for the next batch of meters
- Leaks: we had two service leaks in section 4 & 34
- Hauled material to eroded areas

- We hired two new operations techs and operation's will now have a full staff
- Martin had his new baby and is out on maternity leave

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

SECONDED

APPROVED

9. UNFISHED BUSINESS

9.1 Ina Mainline Extension – It has been completed and approved by ADEQ.

9.2 Ina Rd Improvements – Smyth has given Sal the final design report, he will go out and do a walk through and will start getting bids for the construction portion.

10. NEW BUSINESS

10.1 Conflict of Interest Policy Review – Cathy included the forms in the board packet for all of the board to review and sign.

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

SECONDED

APPROVED

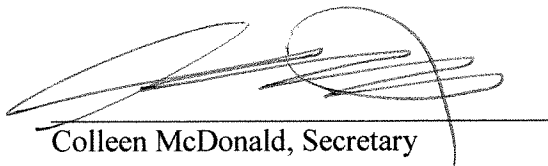
The Board adjourned at 6:51 p.m.

Respectfully submitted by,

Linda Coronado

Administrative Assistant

Approved by the Co-op Board on February 18, 2026:



Colleen McDonald, Secretary