

**BOARD OF DIRECTORS  
METROPOLITAN DOMESTIC WATER IMPROVEMENT DISTRICT  
PIMA COUNTY, ARIZONA**

**MONDAY, SEPTEMBER 8, 2025**

**\*\*BOARD ROOM\*\*  
METROPOLITAN DOMESTIC WATER IMPROVEMENT DISTRICT  
6265 N. LA CAÑADA DRIVE  
TUCSON, ARIZONA 85704**

**MINUTES**

**Board Members Present:** Scott Schladweiler, Chair  
Richard Sarti, Vice Chair  
Jim Doyle, Member (Participated Electronically)  
Bryan Foulk, Member  
Lee Jacobs, Member

**District Staff:** Joseph Olsen, General Manager  
Sheila Bowen, District Engineer  
Alex Sanders, Utility Superintendent  
Diane Bracken, Chief Financial Officer (Participated Electronically)  
Theo Fedele, Clerk of the Board  
Mark Patton, Legal Counsel (Participated Electronically)

**Regular Session**

**I. Call to Order and Roll Call**

Mr. Schladweiler, Chair of the Board of Directors of the Metropolitan Domestic Water Improvement District (District), called the Board Meeting to order at 6:00 p.m. Jim Doyle, Bryan Foulk, Lee Jacobs, Richard Sarti, and Scott Schladweiler were present.

**II. General Comments from the Public**

Cheryl Crawford, a District resident shared their concerns regarding a larger than usual water bill.

Mr. Olsen explained that he would look into the account and would follow up with Ms. Crawford and the Board Members.

**III. Consent Agenda**

**A. Approval of Minutes – August 11, 2025 Board Meeting**

**B. Ratification of Billing Adjustments**

Mr. Sarti moved to approve the consent agenda. Mr. Foulk seconded the motion. Motion passed by a roll call vote of 5-0.

**IV. General Business – Items for Discussion and Possible Action**

**A. Monthly Status of the District**

Mr. Olsen stated that the fiscal year-to-date consumption compared to last fiscal year-to-date was 1.9% higher in Metro Main, 23.7% higher in Metro Hub, and a decrease of 1.2% in the Metro Southwest service areas. This comparison is based on only two months of consumption.

With the increased infiltration rates at the Avra Valley Recharge Project (AVRP) facility, the 7,200 acre-feet (AF) of the City of Phoenix inter-AMA firming storage for 2025 has been completed. Phoenix will not be able to participate with the District in inter-AMA firming in 2026 and staff are exploring potential storage partnerships with other entities.

Discussion ensued and staff answered questions.

Mr. Sanders provided an update on noteworthy maintenance projects.

Ms. Bowen provided an update on the Northwest Recharge, Recovery, and Delivery System (NWRDSD) and the Metro-only portion, and the Ironwood well.

**B. Financial Report**

Ms. Bracken stated that revenue and expenditures for Fiscal Year 2026 are both favorable when compared to the adopted budget. Revenue is \$103,747 over budget and expenditures are \$119,633 under budget. The revenue in excess of expenditures is favorable by \$223,380. When comparing the total revenue to the prior fiscal year, revenue in Fiscal Year 2026 was lower by 3.46% or \$90,417. The operating expenditures in July were \$137,910 lower than they were at the end of July 2024.

The Arizona State Treasurer Pooled Collateral Program Statement for July included deposits totaling \$30,106,765.62 in the Statewide Pooled Collateral Program.

The Capital One Bank MasterCards were used to purchase \$29,407.99 on the August statement with up to 1.25% cash back earnings. The inception-to-date cash back total is \$31,246.36.

There were 4-meter applications received in August, for the Metro Main service area. There were 11 new meter applications received in August of the prior fiscal year. Year-to-date, 5 new meter applications have been received compared to 39 in the prior fiscal year.

**C. Approval of the Oracle Jaynes Well Site Fence Installation**

Mr. Olsen stated that one of the investments to support the District mission in the current fiscal year adopted budget is the Oracle Jaynes fencing. This project would secure the Oracle Jaynes property to enable centralized storage of aggregate materials, a wash pit, and functional storage for equipment including dump trailers and vacuum excavator trailers. This will also open space up at the Hardy well site and decompress parking at the District headquarters. The adopted budget included \$47,054 for this initiative and it is recommended that the Board approve the lowest responsive bid of \$31,750 to Stark Fence Company.

Mr. Foulk moved to approve the bid from Stark Fence Company for \$31,750.00 for the installation of 880-feet of fencing at the Oracle Jaynes well site to secure the property, and to authorize the General Manager to approve up to an additional \$5,000.00 for miscellaneous costs. Mr. Jacobs seconded the motion. Motion passed by a roll call vote of 5-0.

**D. Approval of Adding a Swimming Pool Removal Rebate to the District's Conservation Rebate Program**

Mr. Olsen stated that the District has had a conservation rebate program since 1995 when rebates were offered to replace toilets with low flow model toilets. Over the intervening years, rebates have been offered for greywater and rainwater harvesting. The current rebate amounts are \$50 for replacing low flow toilets and up to \$200 each for rainwater and greywater rebates. Over the past ten years, the rebates have never exceeded the allocated budget.

Over the past two months, the District has partnered with Tucson Water, the Town of Oro Valley, and the Town of Marana to host pool removal workshops. The District's contribution has been hosting these workshops on the weekend in the District's Board room. The decision to remove a pool contains many facets including water conservation. An average size pool saves one AF of water lost to evaporation over the course of a decade. This equates to the annual water consumption of approximately three homes in the District. Given the importance of using water wisely, staff are proposing a rebate of \$2 per square foot of pool removed, up to a total pool removal rebate of \$200. The \$200 would match the rebates of greywater and rainwater harvesting. Also, the current fiscal year adopted budget includes adequate conservation funding to support this new rebate.

Given the ongoing challenge in the Colorado River System, and that the future cost of water will far exceed that of current Central Arizona Project (CAP) rates, it is recommended that the Board approve this conservation rebate of \$200 for pool removals. The District would also be the first water provider in the region to offer such a rebate. Other entities in Arizona, including the Cities of Peoria and Scottsdale, offer pool removal rebates.

Discussion ensued and staff answered questions.

Mr. Jacobs moved to approve a swimming pool removal rebate for an amount up to \$200 for reimbursement of qualifying removal of an existing swimming pool. Mr. Sarti seconded the motion. Motion passed by a roll call vote of 5-0.

#### **E.     Approval of Liability Insurance**

Mr. Olsen stated that each year, the District must renew its liability insurance coverage for property, automobile, and commercial general. It is recommended that the Board approve the liability insurance coverage to Glatfelter Public Practice, who has provided this service to the District since before 2013. After a careful review of the District's policy, Glatfelter was able to offer the same coverage elements as the previous year for \$219,520, which is an increase of \$3,188 or 1.5% over the current annual premium. This increase is largely due to inflationary increases on insured property values.

Last year, the District also sought separate cyber liability insurance coverage as cyber liability was no longer included in the District's blanket liability insurance. This year, staff have again sought \$1 million of cyber liability insurance with an annual premium of \$10,358. This is an increase of \$671 over last year. This is below the District's Procurement Policy threshold for Board approval but this information was provided to the Board for transparency.

Mr. Foulk moved to approve the Liability Insurance Policy with Glatfelter Public Practice with a total annual premium cost of \$219,520 from October 1, 2025 through September 30, 2026. Mr. Jacobs seconded the motion. Motion passed by a roll call vote of 5-0.

#### **V.     General Manager's Report**

Mr. Olsen stated that the second payment from 3M for the PFAS settlement was received. To date, \$1,527,780.80 has been received, which is approximately 66% of the total anticipated settlement amount from 3M. The settlement amounts for the DuPont, TYCO and BASF class action settlements have not yet been released. As discussed previously, the PFAS settlement funding will

support the construction of Advanced Oxidation Process (AOP) treatment at the new Ina/CDO well site.

The registration for the Colorado River Water Users Association (CRWUA) has opened up and the conference will be December 16-18, 2025. This conference could potentially include critically important information regarding the post 2026 operating guidelines of the Colorado River System. Please, let Ms. Fedele or me know if any Board member wishes to attend CRWUA.

On Wednesday this week, Mr. Olsen will be in Phoenix serving on the Arizona Water Banking Commission where a purchase agreement with the Bureau of Reclamation for firming credits for the Tucson AMA will be considered.

**VI. Legal Counsel's Report**

Mr. Patton stated he had nothing to report.

**VII. Clerk of the Board Updates; Future Meetings**

The next regularly scheduled Board meeting will be held on Wednesday, October 15, 2025.

**VIII. General Comments from the Public**

There were no comments from the public.

**IX. Adjournment**

The meeting adjourned at 6:31 p.m.

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Scott Schladweiler, Chair of the Board

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Theo Fedele, Clerk of the Board