

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

August 10, 1998

Wilson Room
Tohono Chul Park
7366 North Paseo del Norte
Tucson, Arizona 85704

MINUTES

Board Members Present: Jim Doyle, Chair
 Jim Tripp, Vice-Chair
 Herb Johnson, Member
 Sam Ray, Member

Board Members Not Present: Martha Cramer, Member

District Staff: Mark R. Stratton, General Manger
 Joyce E. Osborne, Recording Secretary
 Michael McNulty, Legal Counsel

Call to Order and Roll Call

Mr. Doyle, Chair of the Board of Directors of Metropolitan Domestic Water Improvement District (MDWID) called the Regular Session of the Board to order at 5:03 p.m. Mr. Jim Tripp, Mr. Herb Johnson,, and Mr. Sam Ray were present. Ms. Martha Cramer was not present.

Mr. Tripp made a motion for the Board to move into Executive Session. Mr. Johnson seconded the motion. The Board went into Executive Session at 5:07p.m.

Executive Session pursuant to A.R.S. § 38-431.03 (A) (3) (consultation for legal advise with the attorney or attorneys of the District) and/or executive session pursuant to A.R.S. § 38-431.03 (A) (7) (to negotiate for the purchase or lease of real property) regarding the following:

- A. Acquisition, Construction, Reconstruction or Repair of Waterworks for the Delivery of Water for Domestic Purposes.

The Board returned from Executive Session at 5:55 p.m.

Regular Session

I. Call to Order and Roll Call

Mr. Doyle, Chair of the Board of Directors of Metropolitan Domestic Water Improvement District (MDWID), called the regular Board meeting to order at 6:00 p.m. Mr. Herb Johnson, Mr. Sam Ray, and Mr. Jim Tripp were present. Ms. Martha Cramer was not present.

II. Comments From the Public

There were no comments from the public.

III. Consent Agenda

- A. Approval of Minutes – July 13, 1998 Board Meeting**
- B. Ratification of Billing Adjustments**
- C. Ratification of Bill of Sale – Foothills Mall waterline Relocation (Linen & Things)**

Mr. Tripp made the motion to approve the Consent Agenda Items. Mr. Johnson seconded the motion and it passed unanimously.

IV. General Business – Items for Discussion and Possible Action

A. Financial Report.

Mr. Land, Chief Financial Officer for the District, commented that the District installed 42 new meters during July which was one ahead of the 202 for the same period in 1997.

B. Approval to Eliminate Fee in Fire Hydrants

Mr. Tripp made the motion to eliminate the monthly fee of \$5.00 that has been charged on the seven fire hydrants throughout the Northwest Fire District. Mr. Ray seconded the motion. Mr. Doyle abstained from voting due to a conflict of interest. The motion passed with 3 ayes and 1 abstention.

C. Election of Director for the Municipal Property Corporation

Mr. Tripp made the motion to accept the resignation of Mr. John Beatty as Director from the Board of the Metropolitan Domestic Water Improvement District Municipal Property Corporation and elect Scott Eisenfeld as the Director to fill the vacancy on the Board of the Municipal Property Corporation. Mr. Ray seconded the motion and it passed unanimously.

D. Direction to Staff to Provide Support and Assistance to the District Municipal Property Corporation

Mr. Tripp made the motion to give direction to the General Manager to provide support and assistance to the District Municipal Property Corporation (MPC) as needed. Mr. Johnson seconded the motion.

Discussion followed with Mr. Ray stating that this was unnecessary since Mr. Stratton was part of the MPC Board. Mr. Stratton provided clarification at this point that he was not a member of the MPC Board. Mr. McNulty, Legal Counsel for the District, explained that the formation of the MPC was established to work as a financing mechanism only with the resolve that all District employees be available to the MPC with Mark Stratton as the General Manager of the District.

Mr. Ray contended that the MPC should not have been responsible for signing the contract for the new office building and that the responsibility should have been the District Board of Directors. Mr. McNulty agreed and legal counsel was asked to clarify if contracts that are financed by the MPC need to be approved by the Board of Directors instead of the MPC. At this point, Mr. Ray wanted to make an amendment to the motion giving the General Manager the authority over the contract and making him the General Contractor. Mr. Tripp said it was his understanding that the Board of Directors can only direct and authorize the General Manager to direct District employees as is useful.

Mr. Tripp made a motion to amend the previous motion to state that the Board of Directors directs the General Manager and authorizes him to direct District employees as is useful to provide support and assistance to the District Municipal Property Corporation as needed. The amended motion was seconded by Mr. Johnson and it passed unanimously.

E. Approval to Fund Waterline Improvements at La Cañada Drive and Orange Grove Road.

Mr. Tripp made the motion to approve for the District to fund and construct the waterline improvements at La Cañada Drive and Orange Grove Road. Mr. Johnson seconded the motion.

Mr. Ray did not see the reason for the motion. He thought that since this is something that the District is doing for themselves and that the District is the one that will benefit immediately, the MPC should be financing the project. Mr. Johnson disagreed with Mr. Ray and said that since the whole area would benefit from the increased water lines for fire flow that the District, not the MPC, should be paying for the installation of the lines.

Mr. Stratton pointed out that there are several areas i.e. Sahuaro Palms area, that will get improved fire flow protection from the waterline replacement and should be included under the main line replacement program. Mr. Ray also pointed out that the Casas Adobes Neighborhood Association has indicated that the northwest corner will possibly be going through a zoning change in the near

future to accommodate 47 homes and a single story professional office building and there will be the need for additional usage at that point.

Mr. Doyle called for a vote for the motion to approve the funding for the waterline improvements.

The motion passed with 3 ayes and 1 nay. Mr. Johnson, Mr. Tripp and Mr. Doyle voted aye and Mr. Ray voted nay.

F. Approval to Submit Application to the Arizona Department of Water Resources to Participate in the Non-Per Capita Municipal Conservation Program

Mr. Tripp made the motion to approve submittal of the application to ADWR for the District to participate in the Non-Per Capita Municipal Conservation Program. Mr. Johnson seconded the motion and it passed unanimously.

G. Approval of continued Membership in the Water Conservation Alliance of Southern Arizona

Mr. Tripp made the motion to approve funding for Water Conservation Alliance of Southern Arizona (Water CASA) in the amount of \$20,225.48 for the fiscal year 1998-1999. Mr. Johnson seconded the motion.

Val Little, Director for Water CASA credited and gave her thanks to Warren Tenney for being so instrumental in developing the outline for the Water CASA so that they could be in a position to offer welcome packets, goodie bags, etc. Ms. Little passed around a Care of Desert-Adapted Plants brochure, a 1,000 of which have been donated to Water CASA to be included in the welcome packets. Ms. Little said conservation devices including shower heads, aerators, etc. were received from the US Bureau of Reclamation from their participation with CASA. Since the CASA has the ability to disseminate conservation devices in a timely manner, the Bureau is eager to provide funds for CASA to work on other projects particularly a dual metering study to show outdoor usage vs. indoor water usage. For this study, the Water CASA is partnering with Tucson Water who will provide free meters. This affiliation provides CASA the opportunity to have input for ordinances to Pima County regarding water conservation that could save money which dove tails with the non-per capita program.

Mr. Doyle called for a vote for the motion to approve funding for Water Casa.

The motion passed unanimously.

H. Approval of Demonstration Garden for New Office Site

Mr. Tripp made a motion to direct staff to continue the development of a demonstration garden for the new office site. Mr. Johnson seconded the motion.

Mr. Stratton showed the three renderings submitted by students of the University of Arizona. Both Mr. Stratton and Ms. Little explained that the installation of the irrigation system and planting the actual plants will be a public event. The public seminars will be funded by the District and landscape students from the University of Arizona will be working with Patsy Waterfall, a registered landscape architect and Carl Kominsky, a local landscape architect who specializes in irrigation design.

Mr. Doyle called for a vote for the motion to approve the demonstration garden for the new office site.

The motion passed unanimously.

I. Approval of Contribution of Tohono Chul Park

Mr. Tripp made the motion to approve a \$500.00 donation to Tohono Chul Park for its gardening and landscape lecture series. Mr. Johnson seconded the motion and it passed unanimously.

J. Approval of Contract Amendment with Arizona Department of Water Resources on Lower Cañada Del Oro Basin Groundwater Storage Monitoring Project

Mr. Tripp made the motion to approve the contract amendment with Arizona Department of Water Resources on Lower Cañada del Oro Basin Groundwater Storage Monitoring Project. Mr. Johnson seconded the motion and it passed unanimously.

V. General Manager's Report

Mr. Stratton said that the grading at the new office site is coming along. He also corrected the date for the zoning meeting for the existing office site which will be on August 13 not August 11 as stated in the report. Mr. Stratton indicated that the meeting will probably not be highly attended and that this is simply a formality that the District has to go through in the rezoning process.

Discussion followed regarding the water fountain for the new office building. Mr. Tripp suggested looking into the fountains that Foothills Mall had before their major renovation. Engineering staff will investigate. Mr. Ray suggested that if we choose the metal fountain over the ceramic one, that maintenance will probably be much less and that a preferred height should be between 4-5 feet.

VI. Legal Counsel's Report

Mr. McNulty gave a brief status report on obtaining judicial validation on the CAP contract which is the only item left in putting the final settlement with the City of Tucson behind the District. He predicted at least another 60 days.

VII. Future Meeting Dates: Future Agenda Items

Mr. Ray said he is tired of hearing about Tucson Water recharge when Metro Water was really the leader in the recharge effort. He would like to see the District put together a "white" paper on the District's recharge efforts and release it to the media.

Mr. Ray tendered his resignation from the Municipal Property Corporation Board of Directors effectively immediately.

Mr. Stratton said there will probably be a study session held with Peacock, Hislop, Staley & Givens and the Board to discuss the issues regarding the financing of the \$23,000,000 bond package and the possible refinancing of existing bonds. Mr. Stratton will let the Board know the exact time and place as soon as it can be scheduled.

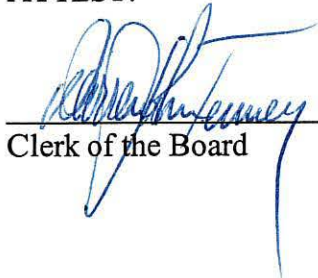
VIII. Adjournment

The meeting was adjourned at 6:45 p.m.



James O. Doyle, Chair of the Board

ATTEST:



Clerk of the Board