

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

August 18, 1999

****Board Room**
Metropolitan Domestic Water Improvement District
6265 N. La Cañada Drive
Tucson, AZ 85704**

MINUTES

Board Members Present: Sam Ray, Chair
 Marlene Wright, Vice-Chair
 Jim Doyle, Member
 Dennis Polley, Member

Board Member Absent: Pete Schlegel, Member

District Staff: Mark R. Stratton, General Manager
 Warren J. Tenney, Clerk of the Board

I. Call to Order and Roll Call

Sam Ray, Chair of the Board of Directors of the Metropolitan Domestic Water Improvement District (District), called the special Board meeting to order at 5:00 p.m. Jim Doyle, Dennis Polley, Sam Ray and Marlene Wright were present. Pete Schlegel was absent.

II. Award of the Construction Contract for Auxiliary Power Improvements

Christopher Hill, Deputy Manager, told the Board Greeley & Hanson's contract with the District included assisting the District to institute auxiliary pumping at four sites before the year 2000.

Mr. Ray requested information of the bids received.

The Board recessed at 5:03 p.m. for purpose of staff to copy and distribute the report on the bids received and staff recommendation for the award of the contract.

During the recess, Mark Stratton, General Manager, advised the Board of the recent news media reports regarding radon and the proposed EPA rule that is due to be published in the future. Mr. Hill distributed a previous report to the Board regarding radon and analyses results of radon testing in

the District in March, 1996 and in June, 1999. Mr. Stratton said that staff would look at addressing the radon issue with customers through billing inserts and press releases in local papers.

The Board reconvened the meeting at 5:16 p.m.

Mr. Doyle made a motion to award the construction contract for Auxiliary Power Improvements for four well sites Bell, DeConcini, New Linda Vista and Oracle Jaynes (MW-99-01) to Sturgeon Electric in the amount of \$905,093 and to grant the General Manager the authority to approve the following changes to the construction contract: 1) allocate additional funding a cumulative amount not to exceed \$50,000 and 2) increase the original construction contract term a cumulative amount not to exceed sixty (60) calendar days. Approval of this authorization will allow work to proceed promptly should any unforeseen conditions be encountered during construction. Any changes in excess of the above limits will be submitted to the Board of Directors for approval. Mr. Polley seconded the motion.

Mr. Doyle asked why the District might need to extend the contract for 60 days. Mr. Stratton replied it would be based on if the District caused the change, such as in the event of an emergency based upon an inability to serve water to our customers and we interrupted their construction time frame. Staff does not foresee anything in delaying construction.

Mr. Ray asked why the District needed to be pushed to have it done by the end of the year. Mr. Stratton answered that the District wanted to be prepared for any possible Y2K issues.

Mr. Ray called for a vote on the motion to award the construction contract for Auxiliary Power for Four Well Sites to Sturgeon Electric in the amount of \$905,093 and to grant the General Manager the authority to approve changes in the construction contract to allocate additional funding a cumulative amount not to exceed \$50,000 and increase the original construction contract term a cumulative amount not to exceed sixty days. The motion passed unanimously.

III. Discussion of Employee Incentive Programs

Mr. Ray thanked staff for providing information on incentive programs and suggested soliciting information from employees. Mr. Stratton stated he has had discussions with staff and there is a perceived interest in forming a committee to research and identify issues. He suggested that this committee present its ideas to a Board member committee, who could then provide comments, and present it to the whole Board prior to the budget adoption next year so that monetary issues could be addressed.

Mr. Polley asked who was eligible for merit increases. Mr. Stratton replied that every full-time employee except the General Manager was eligible. Ms. Wright added that she would like to see what all employees had to say.

Mr. Ray said that regarding committees, he thought the current Board member committees should

be revisited and made into standing committees. Mr. Stratton said that he would see that that issue was placed on the next agenda. Mr. Polley asked how many Board member committees there were and Mr. Stratton responded there were five. Mr. Ray directed staff to put the issue of formalizing standing committees on the agenda for the next Board meeting.

Mr. Polley indicated he thought it important to get input from all employees and their involvement was critical. Mr. Stratton recommended having the committee comprised of staff from all divisions, not just staff at the General Manager's level, and let the staff committee research and develop the background material to present to the Board. Mr. Ray recommended one staff member from each division, to be selected by that division, to represent them thereby taking management out of the picture and instituting a "grass-root" employee initiative.

Mr. Stratton agreed with Mr. Ray's position in that gives lower level staff the opportunity to become more familiar with the Board members. Ms. Wright asked who had been responsible for gathering information on incentive programs and with human resources. Warren Tenney, Assistant to the General Manager, replied that he has been collecting information and would be glad to provide suggestions to any committee(s) on where to look for information. Mr. Stratton indicated that he would like to have the process started by November so the committee's input could be included in any budget preparation activities.

Ms. Wright asked what kind of benefits staff currently has, i.e., picnics, etc. Mr. Stratton and other staff replied that some of the benefits included annual picnics, tickets to sporting events, sponsorship of a softball team, flex time if situation allows, four-day work weeks for utility staff, plus paid holidays and sick time.

Joyce Osborne, Administrative Services Manager, said the committee will be successful if its task is well defined. Mr. Tenney suggested that staff send a survey to all staff questioning what incentive programs they desire to have and a poll of everyone willing to participate which may generate ideas for the committee and everyone will have a voice. Ms. Wright stated she would like to see how staff views their existing benefits as incentives. Mr. Ray agreed.

Ms. Wright indicated that she enjoyed having study sessions where everyone sits around and discusses issues informally. Ms. Stratton stated that he also found it beneficial and would like to schedule a study session once a month to allow broad discussion. Mr. Polley said he also appreciated the study sessions and it was helpful in addressing complicated issues. Mr. Tenney stated that scheduling of study sessions would be included on the agenda at regular Board meetings for the Board to decide if they needed it.


Mr. Stratton informed the Board about two future agenda items to be scheduled, which included Lang's contract and the General Manager's performance appraisal and contract. He also stated that future study sessions would include an agenda item for a General Manager's report.

IV. Adjournment

The meeting was adjourned at 5:54 p.m.



Clerk of the Board



Sam E. Ray, Chair of the Board