

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

May 8, 2000

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

MINUTES

Board Members Present: Pete Schlegel, Chair
 Jim Doyle, Vice-Chair
 Dennis Polley, Member
 Marlene Wright, Member

Board Member Not Present: Sam Ray, Member

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

I. Call to Order and Roll Call

Pete Schlegel, Chair of the Board of the Metropolitan Domestic Water Improvement District (District), called the Board meeting to order at 6:03 p.m. Jim Doyle, Dennis Polley, Marlene Wright and Pete Schlegel were present. Sam Ray was not present.

II. General Comments From the Public

There were no comments from the public.

III. Consent Agenda

- A. Approval of Minutes – March 27, 2000 Study Session.**
- B. Approval of Minutes – April 10, 2000 Board Meeting.**
- C. Approval of Minutes – April 26, 2000 Study Session.**
- D. Ratification of Billing Adjustments.**

Mr. Polley made a motion to approve the Consent Agenda and Mr. Doyle seconded the motion. The motion passed 3-0, with Ms. Wright abstaining from the vote.

IV. General Business – Items For Discussion and Possible Action

A. Financial Issues.

Michael Land, Chief Financial Officer, explained that the Financial Report was a comprehensive report detailing the expenditures for the first three-fourths of this fiscal year. He noted that there were not large sums of money being spent on Capital Improvement Projects as of yet. Mr. Schlegel asked if expenditure of capital funds would catch up with the amounts budgeted. Mr. Land responded that this is the case and that staff would prepare a report detailing the expenditures versus budgeted amounts.

B. November 7, 2000 Election.

- 1. Approval of Resolution 2000-3 – Call of Election for Board of Directors.**
- 2. Approval of Intergovernmental Agreement with Pima County Division of Elections.**

Ms. Wright made a motion to approve Resolution 2000-3 to call an election for November 7, 2000 for the purpose of electing members of the Board of Directors to fill the seats currently held by Dennis Polley and Sam Ray. Ms. Wright made an additional motion to approve an intergovernmental agreement with Pima County for conducting the election to be held on November 7, 2000 and Mr. Polley seconded the motion. The motion passed unanimously.

C. Discussion of Consumer Confidence Report/Water Quality Report.

Mark Stratton, General Manager, stated that the Environmental Protection Agency (EPA), requires all public water providers to provide its customers with a consumer confidence report. He said that staff had completed the report to be sent in May, as was done last year, and meets the July EPA deadline. Warren Tenney, Assistant to the General Manager, explained that the water quality report followed the same format as was used last year. He further stated that some of the text required exact wording, other parts required certain information. Staff also included additional information to provide customers with a better understanding of water quality issues. Mr. Tenney said the report would be mailed directly to all District residences, with a separate report being mailed to the residents in the Metro-Hub service area.

Mr. Polley commented that this is a very comprehensive report that truly reflects the District's pro-active efforts. Mr. Schlegel agreed with Mr. Polley's comments.

D. Ratification of SCS Engineers, Inc., for Phase I Environmental Assessment at Sumaya Well Property.

Mr. Doyle made a motion to ratify the agreement between the Metropolitan Domestic Water Improvement District and SCS Engineers, Inc., to complete an environmental assessment of the

Sumaya well property on a time and materials basis in the amount not to exceed \$1,350. Ms. Wright seconded the motion and it passed unanimously.

Mr. Stratton stated that the remaining agenda items were for the Board's consideration for approval on annual service contracts. He added when the Board had previously approved these service contracts, they did allow for extensions and possible additional funds.

E. Approval of Amendment No. 1 to Miscellaneous Survey Services Contract (III) with Collins/Piña Consulting Engineers, Inc.

Mr. Polley made a motion to approve the contract Amendment No. 1 with Collins/Piña Consulting Engineers, Inc., for the Miscellaneous Survey Services (III) for the FY 2000/2001 and the contract amendment will extend the expiration date to June 30, 2001. Ms. Wright seconded the motion.

Ms. Wright noted that the report indicated not all the \$100,000 in funds had been expended and inquired as to the remaining balance. Mr. Maish replied that only \$30,000 has been used to date. Mr. Schlegel asked if staff anticipated more survey work to be performed this year. Mr. Maish responded that the remaining funds should be sufficient for all projects this fiscal year. Mr. Stratton pointed out that monies for this contract would be reimbursed through bond funds.

Mr. Schlegel called for a vote on the motion to approve the contract Amendment No. 1 with Collins/Piña Consulting Engineers, Inc., for the Miscellaneous Survey Services (III). The motion passed unanimously.

F. Approval of Amendment No. 1 to Miscellaneous Survey Service Contract (III) with DJA Engineering Corporation.

Mr. Doyle made a motion to approve the contract Amendment No. 1 with DJA Engineering Corporation for the Miscellaneous Survey Services (III) or the FY 2000/2001 and the contract amendment will extend the expiration date to June 30, 2001. Mr. Polley seconded the motion and it passed unanimously.

G. Approval of Amendment No. 2 to Miscellaneous Hydrological Services Contract (III) with Groundwater Resources Consultants, Inc.

Ms. Wright made a motion to approve the contract Amendment No. 2 to the Miscellaneous Hydrogeological Services (III) in FY2000/2001 and the contract amendment will extend the expiration date to June 30, 2001 and increase the not-to-exceed contract amount by \$25,000. Mr. Polley seconded the motion and it passed unanimously.

H. Approval of Amendment No. 1 to the Analytical Laboratory Services Contract for Conducting Testing of Synthetic Organic Chemicals with Aqua Tech Environmental Laboratories, Inc.

Mr. Polley made a motion to approve the contract Amendment No. 1 for the Analytical Laboratory Services Contract for Conducting Testing of Synthetic Organic Chemicals with Aqua Tech Environmental Laboratories to extend the contract expiration date to June 30, 2001. Ms. Wright seconded the motion.

Mr. Schlegel asked if this contract covered the Metro-Hub Service area. Mike Block, District Hydrologist, stated that testing for the Hub-Metro service area was actually performed by ADEQ because of the size of that area and that ADEQ requested it as a separate service area. Mr. Stratton said that because Hub Water Company was previously a separate water company and based on its size, ADEQ guidelines provide that they collect the water samples and perform the testing.

Mr. Schlegel called for a vote on the motion to approve the contract Amendment No. 1 for the Analytical Laboratory Services Contract for Conducting Testing of Synthetic Organic Chemicals with Aqua Tech Environmental Laboratories. The motion passed unanimously.

I. Approval of Amendment No. 1 to the Analytical Laboratory Services Contract for Conducting Testing of Volatile Organic Chemicals, Total Trihalomethanes, Maximum Trihalomethanes, Haloacetic Acids, Bromate, and Chlorite Analyses with Aqua Tech Environmental Laboratories, Inc.

Mr. Doyle made a motion to approve the contract Amendment No. 1 for the Analytical Laboratory Services Contract for Conducting Testing of Volatile Organic Chemicals, Total Trihalomethanes, Maximum Trihalomethanes, Haloacetic Acids, Bromate and Chlorite analyses with Aqua Tech Environmental Laboratories to extend the contract expiration date to June 30, 2001, and to increase the contract amount by \$60,000. Mr. Polley seconded the motion and it passed unanimously.

J. Approval of Amendment No. 1 to the Analytical Laboratory Services Contract for Conducting Testing of Inorganic Chemical Analysis with Turner Laboratories, Inc.

Ms. Wright made a motion to approve the contract Amendment No. 1 for the Analytical Laboratory Services Contract for Conducting Testing of Inorganic Chemical Analyses with Turner Laboratories, Inc., to extend the contract expiration date to June 30, 2001, and increase the contract amount by \$24,000. Mr. Polley seconded the motion and it passed unanimously.

K. Approval of Amendment No. 1 to the Analytical Laboratory Services Contract for Conducting Testing of Radiochemical Analyses with Precision Analytical, Inc.

Mr. Polley made a motion to approve the contract Amendment No. 1 for the Analytical Laboratory Services Contract for Conducting Testing of Radiochemical Analyses with Precision Analytical, Inc., to extend the contract expiration date to June 30, 2001 and to increase the contract amount by \$7,600. Ms. Wright seconded the motion and it passed unanimously.

L. Approval of Laboratory Services for Coliform Analysis.

Mr. Doyle made a motion to approve the awarding of laboratory services for coliform analysis to Precision Analytical Laboratories, Inc., at the cost of \$8.00 per sample, for a period beginning July 1, 2000 and ending June 30, 2003. Mr. Polley seconded the motion.

Mr. Schlegel asked if the Board should approve the contract as one-year as opposed to a three-year contract. Michael McNulty, Legal Counsel, stated that from a legal standpoint, this Board could not bind future Board's action, and they could refudiate this action. He stated that from a business standpoint, the Board could decide whether not to approve a three-year contract.

Ms. Wright suggested that a not-to-exceed price cap be added to the motion if it is approved for a three-year period. Mr. Doyle amended the motion to approve for a three year contract, subject to annual reviews and a cap of not-to-exceed \$29,952. Mr. Polley agreed.

Mr. Schlegel called for a vote on the amended motion to approve the awarding of laboratory services for coliform analysis to Precision Analytical Laboratories, Inc., at the cost of \$8.00 per sample, for a period beginning July 1, 2000 and ending June 30, 2003, subject to annual Board approval and for an amount not-to-exceed \$29,952. The motion passed unanimously.

M. Award and Approval of Telemetry Materials 2000.

Ms. Wright made a motion to approve the purchase of Telemetry Materials 2000, Order #2 not to exceed \$31,768.12 and Hub Telemetry Materials 2000, Order #1 not to exceed \$23,105.34 from Border States Electric Tucson. Mr. Polley seconded the motion and it passed unanimously.

N. Approval of Disposal of District Vehicles.

Mr. Schlegel stated that he had contacted Bill Palser who is experienced in assessing the values of used trucks and he is willing to serve as a consultant to do an appraisal of the value of the District's trucks for a fee of \$150. He further stated that Mr. Palser's suggestion was to offer these trucks for public bid by advertising for sealed bids with a minimum purchase price. Ms. Wright agreed with Mr. Schlegel's proposal and endorsed the requirement of a minimum bid.

Mr. Polley made a motion that staff be directed to dispose of vehicles through a sealed bid process after having the vehicles appraised for a minimum bid price. Mr. Doyle seconded the motion and it passed unanimously.

V. General Manager's Report

Mr. Stratton alerted the Board that on the agenda for next meeting would be discussion for approval for staff to apply for Non-Per Capita Conservation Program under the Third Management Plan. He stated the District is currently participating in the Second Management Plan and cautioned that technically since the District is in alleged violation of the Second

Management Plan's GCPD requirements, it may become an issue as to whether or not it can participate in the Third Management Plan. Mr. Tenney clarified that the issue to be discussed in June was only to be for approval for the application to the Third Management Plan and that actual requirements and agreement would only be approved after negotiations. He stated that applications needed to be submitted by June 29, 2000.

Mr. Stratton commended Mr. Tenney on the success of the Demonstration Garden Workshop held April 29, 2000. He stated that there were over 30 participants at this seminar and many expressed support and interest in it.

Mr. Stratton stated that there would be Supervisor Training on May 16, 2000 for all District supervisors. He invited all Board members to attend. He stated that Margaret Dykinga was a consultant who would be doing the three-hours training session in the morning to discuss performance evaluations and Sally Simmons, Legal Counsel, would conduct the afternoon session regarding legal issues.

Mr. Stratton informed the Board of a theft of employee property. He stated that an employee's purse had been stolen while she was in another part of the building. The Sheriff's office has been notified and an investigation is pending. Mr. Tenney indicated that it appears that no staff was involved and suspicions are that an outsider is responsible for the theft.

Mr. Stratton said that a customer contacted Mr. Block with concerns about a person taking water samples. He reminded the Board about a similar situation two years ago and that staff would further investigate and may prepare a press release to inform District residents.

Mr. Stratton stated that he and Mr. Hill had a meeting with representatives from the fire districts regarding hydrant fees. He added that their positions remained the same, the fire districts think the water district should bear the costs for hydrant fees and the water district feels that the fire districts should bear the costs. He stated that they would continue to try and negotiate a resolution prior to any future rate hearings. Mr. Polley asked how the City of Tucson handled this situation since they provided both water and fire services. Mr. Stratton explained that the water department did have a hydrant fee charge they assessed to the fire department, but because of budget restraints, the City Council instructed the water department to eliminate this fee.

Mr. Stratton stated that there was support from the water community for the District's pro-active stance on bulk water users. He stated that the environmental supporters gave positive comments, but that the contractors were not so supportive.

Mr. Stratton introduced Gary Burchard, Hydrologist II, as the District's newest staff member. He commended the Hydrology and Utility Divisions for another award receive at the AWPCA conference for the Groundwater Protection Program.

VI. Legal Counsel's Report

Mr. McNulty stated he had nothing further to add.

VII. Future Meeting Dates; Future Agenda Items

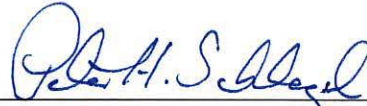
The next regular Board meeting will be held Monday, June 12, 2000 at 6:00 p.m.

VIII. Adjournment

The meeting adjourned at 6:45 p.m.



Clerk of the Board



Peter H. Schlegel, Chair of the Board