

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

February 9, 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  
  Marty Cramer, Member  
  Herb Johnson, Member  
  Sam Ray, Member

District Staff:                   Mark R. Stratton, General Manager  
   Joyce Osborne, Recording Secretary  
   Lisa Chase, Legal Counsel

**Executive Session**

Mr. Doyle, Chair of the Board of Directors of Metropolitan Domestic Water Improvement District (District), called the regular Board meeting to order at 5:32 p.m. Ms. Marty Cramer, Mr. Herb Johnson, and Mr. Jim Tripp were present. Mr. Sam Ray was not present.

Ms. Cramer made a motion to for the Board to move into Executive Session. Mr. Tripp seconded the motion. The Board went into Executive Session at 5:33 p.m.

Executive Session pursuant A.R.S. § 388-431.03 (A) (3), (consultation for legal advice with the attorney or attorneys of the District) and/or executive session pursuant to A.R.S. § 38-431.03 (A) (4), (to consider the Board's position and instruct its attorneys in pending or contemplated negotiations or litigation) regarding the following:

**A.     Litigation and Settlement Agreement with the City of Tucson.**

Mr. Ray arrived at 5:48 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. Ms. Marty Cramer, Mr. Herb Johnson, Mr. Sam Ray and Mr. Jim Tripp were present.

## **II. Comments From the Public**

There were no comments from the public.

## **III. Consent Agenda**

- A. Approval of Minutes - January 12, 1998 Board Meeting.**
- B. Ratification of Billing Adjustments.**
- C. Approval of Water Service Agreement - Casa Miravista Apartments.**

Mr. Tripp made a motion to approve the Consent Agenda. Ms. Cramer seconded the motion and it passed unanimously.

## **IV. General Business - Items For Discussion and Possible Action**

- A. Consideration and Possible Approval of First Amendment to Amended and Restated Settlement Agreement with the City of Tucson and Town of Oro Valley.**

Mr. Tripp made the motion to approve the First Amendment to Amended and Restated Settlement Agreement with the City of Tucson and Town of Oro Valley. Mr. Ray Seconded the motion and it passed unanimously.

Mr. Tripp made the motion to authorize the Chair of the Board to sign the trust agreement for the settlement agreement upon review by the General Manager and Legal Counsel. Mr. Johnson seconded the motion and it passed unanimously.

- B. Financial Report.**

The Board had no comments or questions regarding the financial report.

- C. Selection of Consultant for Comprehensive Plan and Rezoning Process of the Existing Office Site.**

Mr. Tripp made the motion to give direction to staff to negotiate and finalize scope of work, schedule and a not to exceed \$25,000 contract with Planners Ink for the Comprehensive Plan Amendment and Rezoning Process services for the existing office site and to grant the Chairman of the Board the authority to sign the contract with legal counsel's approval. Ms. Cramer seconded the motion. Mr. Stratton clarified the rezoning process and comprehensive plan deals with the existing office site

and not the new office.

Mr. Doyle called for a vote for the motion regarding the selection of Planners Ink for the Comprehensive Plan and Rezoning Process services. The motion passed unanimously.

**D. Pima County Board of Supervisors' Direction to Develop and Beneficially Use Effluent Water Resources.**

Mr. Tripp made the motion to authorize the Chair of the Board to commence negotiations with the Mayor and Council of the City of Tucson with regards to the management and use of effluent resources derived from water used by customers of the District. Mr. Ray seconded the motion and it passed unanimously.

**E. Waiver of Meter Connection Fees for Pima County Parks and Recreation Department.**

Mr. Tripp made the motion to approve of the waiver of meter connection fees for Pima County Parks and Recreation Department for the 5/8" and 2" water meters for the proposed Linda Vista Park. Ms. Cramer seconded and the motion passed unanimously.

**F. Award of Contract for Volatile Organic Compound (VOCs) and Total Trihalomethanes (THMs) Analytical Testing Services.**

Mr. Tripp made a motion to approved the award of Contract for volatile Organic Compound (VOCs) and Total Trihalomethanes (THMs) Analytical Testing Services to Aquatech Environmental laboratories not to exceed \$43,100 and to expire June 30, 1999. Mr. Ray seconded the motion and it passed unanimously.

**G. Approval of Full-scale Avra Valley Recharge Project Lease Agreement with Central Arizona Water Conservation District.**

Mr. Tripp made a motion to approve the lease agreement for Avra Valley Recharge Project between Central Arizona Water Conservation District and Metropolitan Domestic Water Improvement District subject to approval of the General Manager and legal counsel. Mr. Johnson seconded the motion.

Mr. Ray asked if this project was part of the fiscal year budget. Mr. Stratton said it was and could be found under the line item of CAP.

Mr. Doyle called for a vote for the motion regarding the lease agreement for the Avra Valley Recharge Project. The motion passed unanimously.

**H. Ratification of Agreement between Arizona State Land Department and Metropolitan Domestic Water Improvement District.**

Mr. Tripp made the motion to ratify, approve and confirm the agreement between Arizona State Land Department and Metropolitan Domestic Water Improvement District for storage of incentive recharge water effective January 29, 1998. Mr. Johnson seconded the motion.

Lisa Chase of Brown & Bain explained that the agreement had been previously approved by the Board; however, the Board had approved it to be effective in 1997. The State Land Department's process took much longer than anticipated and the State did not approve the contract until 1998. Therefore, the Board is ratifying the contract's new effective date.

Mr. Doyle called for a vote for the motion to ratify the agreement with the Arizona State Land Department. The motion passed unanimously.

**I. Approval of Amendment No. 2 to the Professional Service Agreement with Black & Veatch.**

Mr. Tripp made the motion to approve Amendment #2 to the Professional Service Agreement with Black and Veatch in an amount not to exceed \$38,500 to the existing contract. Ms. Cramer seconded the motion. The motion passed by a 4 to 1 vote with Mr. Johnson against the motion.

**J. Update of Bond Oversight Committee.**

Mr. Stratton explained that the Bond Oversight Committee (BOC) had been meeting to review the Capital Improvement Program (CIP) and that the BOC had some questions as to its role and obligations to the Board. The BOC was formed to ensure that the bond monies were spent on the capital improvement program as identified in the bond election. However, the BOC needed reaffirmation from the Board that that was their role and if there were any other recommendations that the Board would like to make to the BOC. The BOC has expressed concern about how the bonds are to be financed, the effect of the rate increase and how the revenues generated from the increase may exceed the debt service in the future.

Ms. Cramer asked if there were members of the BOC who wanted to do more than the original mission. Mr. Stratton explained that there were very talented BOC members who understood the issues and financing on debt service, and asked pointed questions.

Mr. Ray said he agrees that the BOC was formed to watch over how the bond monies were spent for the CIP. If the BOC would like to bring other aspects concerning the District bonds and finances, they can come before the Board to make their views known but it is not part of their responsibility. The BOC can make recommendations that they feel the Board should review.

Mr. Johnson said that the BOC may want to confer about altering the CIP projects if Oro Valley Water Improvement District #1 (OV#1) is separated from the District. A possible revision might have to be considered by the Board.

**K. Legislative Update.**

Mr. Stratton passed out a updated legislative handout from the Arizona Metro Water Users Association (AMWUA). He explained that one legislation of concern to the District would be to remove The Arizona Department of Environmental Quality's (ADEQ) authority in regulating a backflow program and leaving it to the water provider to implement that program. If ADEQ's governance of the regulation is removed, it may make it more difficult for water providers to have a backflow prevention program. Mr. Fleury of Flowing Wells Irrigation District, would like to have ADEQ's authority removed and is supportive of the legislation. Mr. Stratton said he thought the District's position is to keep ADEQ in the regulatory role to require backflow prevention programs to ensure water quality. Mr. Tripp explained that he can sympathize with both sides but he believes that ADEQ needs to be involved with backflow prevention programs.

Mr. Stratton said another legislative issue involves water rights owned by the City of Tucson in Avra Valley. He explained that this does not directly impact the District but there is some disagreement on it, from Marana area water users and Avra Valley Co-op who are against it. The District may want to consider taking a position if Avra Water Coop and the Town of Marana seek our support to oppose it. Mr. Tripp agreed. Jim Peterson of the Town of Oro Valley said members of the Northwest Water Alliance (NoWA) are opposed to the legislation and have asked for support from other NoWA members.

**V. General Manager's Report**

Mr. Stratton reported that Pima County agreed that the District does not need rezoning for the new office site property. Mr. Armstrong is updating his schedule and by the end of the month building plans should be submitted to Pima County Building Code for approval.

Mr. Stratton said he received a memorandum from the Pima County Board of Supervisors regarding a February 24 study session to discuss the impact of growth on the community. Mr. Stratton said he was asked to prepare a report clarifying how the District is preparing for this projected growth and will present it at the Pima County's Board of Supervisors February study session.

Mr. Stratton noted that Mr. Peterson has resigned as Chairman of NoWA and commended him for efforts.

Mr. Stratton said he was invited to a small utility conference and was asked to inform other domestic water improvement districts what they can and cannot do. Mr. Ray asked how many water improvement districts exist. Mr. Stratton said there are 38 in the state but there has not been a formal

organization for them. This provides an opportunity for the District to be involved with coordinating issues that impact water improvement districts.

**VI. Legal Counsel's Report**

Ms. Chase had nothing further to report.

**VII. Future meeting Dates; Future Agenda Items**


The next regular Board meeting is March 9, 1998

**VIII. Adjournment**

The meeting was adjourned at 6:32 p.m.

  
James O. Doyle, Chair of the Board

ATTEST:

  
Clerk of the Board