

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

June 8, 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 E. Osborne, Recording Secretary
Lisa Chase, Legal Counsel

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, Ms. Martha Cramer and Mr. Jim Tripp were present.

II. Comments From the Public

Mr. Tripp thanked the District for the beautiful plant and card he received after his hip surgery.

III. Consent Agenda

- A. **Approval of Minutes - May 11, 1998 Board Meeting.**
- B. **Approval of Minutes - May 11, 1998 Joint District Board and District Municipal Property Corporation Board Meeting.**
- C. **Ratification of Billing Adjustments.**
- D. **Approval of Bill of Sale - Panorama Ridge, Lots 1-8.**
- E. **Approval of Water Service Agreement - Panorama Ridge, Lots 1-8.**

F. Approval of Bad Debt Write-offs.

Mr. Tripp made the motion to approve the consent agenda with typographical corrections to the minutes as noted by Mr. Ray. Mr. Ray seconded the motion.

Ms. Cramer asked about the high billing adjustment for Windsail Apartments water leak. Mr. Land explained that the apartments were given one half the difference for the prior year's usage for that month.

The Board and the District discussed the need to revisit the adjustments given to businesses. Mr. Ray noted that the Board had left the billing adjustments to the direction of the General Manager and suggested that Mr. Stratton revisit the commercial billing adjustments. Ms. Cramer agreed it was important to show good will towards customers but there should be a difference between single family and commercial customers.

Mr. Johnson requested the General Manager to review the District's rate policy toward multi-family complexes in general.

Mr. Doyle called for a vote for the motion to approve the consent agenda. The motion passed unanimously.

IV. General Business - Items for Discussion and Possible Action

A. Financial Report.

Ms. Cramer asked if the year end figure of \$1,377,000 over budget was correct. Mr. Land explained that the change was due to the loan recently received by the Municipal Property Corporation.

B. Approval of Employee Health Insurance Coverage.

Mr. Tripp made the motion to approve the District paying the entire cost of the medical insurance increase for the employee's health insurance coverage. Ms. Cramer seconded the motion.

Ms. Cramer asked if the District was reimbursing the entire cost of medical and dental benefits and if staff had researched other companies to compare rates and employee contribution amounts. Mr. Land explained that the District pays the insurance coverage for the employee and then a part of additional coverage the employee may have for spouse and/or family. The employee's contribution is less than Pima County since the last two to three increases have been picked up by the District and not passed on to the employee. In talking with other jurisdictions, they pay 75% for spouse and family and other places are from 75-95%.

Ms. Lisa Chase of Brown and Bain asked how many employees had insurance coverage for more than just themselves. Mr. Stratton said it was approximately half of the District employees.

Mr. Johnson said the District paying the entire cost of the insurance increase was such a small impact on the District's budget. He thought the District should pay the entire cost as a gesture to its employees. Mr. Tripp agreed.

Mr. Doyle called for a vote for the motion to approve the District paying the entire cost of the medical insurance increase of the employee's health insurance coverage. The motion passed unanimously.

C. Approval of Mail Service Contract.

Mr. Tripp made a motion to approve the contract with Automated Presort Services subject to approval of legal counsel. Mr. Ray seconded the motion and it passed unanimously.

D. Approval of Increase for On-Call Compensation.

Mr. Tripp made the motion to approve the on-call compensation as recommended. Ms. Ray seconded the motion.

Ms. Cramer asked for further clarification on yearly costs not including overtime. Mr. Warren Tenney, Assistant to the General Manager, explained that presently the District is paying \$3,700 and with the proposed compensation would pay \$6,900 for the year so the District is looking at an increase of about \$3,200. Mr. Stratton said that on-call duties required an employee to be able to respond to an emergency after hours. The on-call compensation was only for being on-call or on stand-by. The employee is paid overtime if actual work is performed due to an emergency. Mr. Stratton explained that staff felt the on-call compensation should be reviewed and after examining other utilities, it became clear the District's compensation for on-call was low.

Mr. Ray asked if a Board member committee had reviewed this proposal. Mr. Stratton said Board member committees have been used generally in the past to discuss controversial issues prior to presenting them before the Board. He could recommend that a committee review the information and bring it back to Board at a later date.

Mr. Johnson asked how many people are on call and if it was distributed equally among qualified people. Mr. Hill said one person is on-call during the week.

Mr. Doyle called for a vote for the motion to approve the increase to on-call compensation. The motion passed unanimously.

E. Approval of Funds for Meritorious Awards for Staff.

Mr. Tripp made the motion to approve not more than \$41,000 from the contingency fund for merit increases at the discretion of the General Manager. Ms. Cramer seconded the motion and it passed

unanimously.

F. Approval of 1998-1999 Well Maintenance Contract.

Mr. Tripp made the motion to approve the well maintenance contract with Farwest Pumps, Inc. in an amount not to exceed \$45,000 and the District Chairman is authorized to sign the contract following approval by legal counsel. Mr. Ray seconded the motion and it passed unanimously.

G. Approval of Contract for Water Policy Consulting.

Mr. Tripp made the motion to approve Mark Myer's contract for one (1) year in an amount not-to-exceed \$20,000.04. Mr. Ray seconded and the motion passed unanimously.

H. Award for Professional Agreement for Miscellaneous Water Distribution Design Service.

Mr. Tripp made the motion to direct staff to secure a Miscellaneous Water Distribution Design Services Contract with Cella Barr & Associates in an amount not-to-exceed \$50,000. Mr. Johnson seconded the motion and it passed unanimously.

I. Approval of Amendments to Miscellaneous Survey Services II Contracts.

1. Amendment No. 2 for Contract with DJA Engineering.

Mr. Tripp made the motion to approve Amendment #2 to Miscellaneous Survey Services Contract with DJA Engineering in an amount not-to-exceed \$25,000 with an expiration date on June 30, 1999. Mr. Johnson seconded the motion and it passed unanimously.

2. Amendment No. 2 for Contract with Alpha Engineering.

Mr. Tripp made the motion to approve Amendment #2 to Miscellaneous Survey Service Contract with Alpha Engineering in the amount of not-to-exceed \$25,000 with expiration date on June 30, 1999. Ms. Cramer seconded the motion and it passed unanimously.

J. Approval of Amendment No. 1 to the Miscellaneous Geotechnical Services Contract with AGRA Earth and Environmental Inc.

Mr. Tripp made the motion to approve Amendment #1 to Miscellaneous Geotechnical Services Contract with AGRA Earth and Environmental Inc. in an amount not-to-exceed \$25,000 to be used during Fiscal Year 1998-1999. Ms. Cramer seconded the motion and it passed unanimously.

K. Approval of Amendment to Contract for Inorganic Chemical Analytical Services.

Mr. Tripp made the motion to approve the amendment to contract for Inorganic Chemical Analytical Services to Turner Laboratories at a cost not-to-exceed \$10,500. Ms. Ray seconded the motion.

Mr. Ray said that it appeared Bolin Labs had given information to the District that was erroneous and incorrect. Mr. Maish explained that the District learned of the inaccurate information after the fact and that the District is trying to get reimbursed for those mistakes but that so far nothing has been received. Mr. Ray recommended that legal counsel send a letter to Bolin Labs regarding the reimbursement to the District.

Mr. Doyle called for a vote for the motion to approve the amendment to the contract with Turner Laboratories. The motion passed unanimously.

V. General Manager's Report

Mr. Stratton gave an update regarding the CAP transfer and noted that documents were awaiting signature from the Town of Oro Valley before they are forwarded to the US Bureau of Reclamation. A delay on signatures from the Town has occurred, but staff and legal counsel were working to resolve the issue quickly.

Mr. Doyle wanted to know if the drug policy will be discussed with a Board member committee. Mr. Stratton explained that the policy was implemented as part of the General Manager's overseeing of personnel matters. Mr. Doyle asked how the random testing will be done. Mr. Tenney explained that the random testing will be done by a the health care facility through its software. Legal Counsel and the medical review officer has reviewed the policy. Mr. Doyle asked about accidents and drug testing. Mr. Stratton said it is at the supervisor's discretion if the employee contributed to the accident. Mr. Tenney noted that if the accident requires filing an accident report and worker's compensation report, then a drug test is to take place. Mr. Ray said he felt one of the most effective ways to limit the District's liability is if the health care facility can provide positive information that the employee was using or not using an illegal substance at the time of the accident.

Mr. Tenney gave the Board welcome packets that were developed by the Water Conservation Alliance of Southern Arizona to be distributed to new customers. The welcome packets contain various conservation information as well as coupons. The packets are distributed by staff when the customer has their water turned on for the first time.

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 scheduled for July 13, 1998.


VIII. Adjournment

The Board adjourned the meeting at 6:54 p.m.



James O. Doyle, Chair of the Board

ATTEST:



Clerk of the Board