

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

March 1, 1993
5:00 P.M.
7493 North Oracle Road, Suite 219
Tucson, Arizona

MINUTES

ATTENDANCE:

Members: Alex Jacome, Chairman
Herb Johnson, Member
Pete Schlegel, Member
Jim Tripp, Member

Others Present: Michael McNulty, Brown and Bain
Jim Peterson, Oro Valley
Theresa Bibbens
Bud Dooley
Roy Jensen
Jack Conovaloff, General Manager
Sheila Lewis, Staff of the MDWID
Lucia Spohn, Staff of the MDWID
Mark Stratton, Staff of MDWID
Bob Gomez, Staff of MDWID
Kathy Tanner, Staff of the MDWID
Dave Tanner, Staff of the MDWID
Dan M. Offret, Community Watch Committee

A. CALL TO ORDER AND ROLL CALL

1. The meeting was called to order at 5:18 p.m. by Alex Jacome, Chairman. All members were present with the exception of Kate O'Rielly.
2. Jim Tripp moved that the Board approve the meeting notice and agenda for March 1, 1993. Herb Johnson seconded. The motion passed unanimously.
3. Jim Tripp moved that the Board approve the minutes of the January 1, 1993 meeting. Herb Johnson seconded and the motion passed unanimously.

OLD BUSINESS

B. ITEMS FOR DISCUSSION AND POSSIBLE ACTION

1. Discussion/action on remodel of Paseo Del Norte property.

Mr. Tripp informed the members of the Board that he has obtained the architectural drawings of the house at a

cost of \$250.00. A meeting is scheduled for Wednesday, March 3, 1993 with the architect, Mr. Warren Edminster, to finalize the plans for the property on Paseo Del Norte. The plans will be given to each Board Member for their approval before the project will be proceeded.

Pete Schlegel suggested instead of building a reservoir, the District could create an engineering building and a work shed area. This would leave the main building with the administration and customer service branches which are the major congestions of the district business. Pete Schlegel advised to inform the architect to include above mentioned items in his space study.

It was decided that it will be discussed by the Board of Directors during the staff report.

To speed up the process regarding the Paseo Del Norte Property, the Board of Directors agreed to a meeting, scheduled for March 8, 1993 at the administration building of the Town of Oro Valley, preceding the Northwest Water Alliance meeting.

2. Introduce, consider and if deemed appropriate, adopt:
 - a. RESOLUTION NO. 15, ratifying and confirming the execution of the Joint Resolution regarding the Northwest Water Alliance.

Due to 2 new entities, Pima and Pinal County, RESOLUTION NO. 15 had to be re-adopted. A motion was made by Jim Tripp and seconded by Pete Schlegel to adopt RESOLUTION NO. 15 as amended, effective the first day of March 1993.

- b. Consideration and discussion of sub-regional recharge facility.

Discussion of the recharge project letter addressed to Tom Clark, Director of the Central Arizona Water Conservation District (CAWCD), lead to the conclusion that the letter needs to be modified. The modified letter will emphasize that the Board of Directors of Metro Water District and the Town of Oro Valley are seeking assistance from the CAWCD for the funding and construction of the joint use of a Northwest area recharge project. Pima County will also be a party in this arrangement along with USBR, ADWR, Metro Water District and CAWCD.

Pete Schlegel questioned if the recharge project should be handled by the Northwest Water Alliance. It was decided to distribute the letter of the Recharge Project in the Northwest Water Alliance Meeting as to inform them of the intention.

A motion was made by Pete Schlegel and seconded by Jim Tripp to direct staff to word a letter to CAWCD expressing our interest in a joint recharge project. The motion carried unanimously with 4 members voting.

3. Introduce, consider and if deemed appropriate, adopt:

RESOLUTION NO. 16, ratifying and confirming the execution of the amendment to the Intergovernmental Agreement with the Town of Oro Valley.

Without objection this item was continued to the next meeting.

4. Discussion/action on the functions and organization of the Metropolitan Domestic Water Improvement District Board of Directors.

As presented by Herb Johnson the Board of Directors will have to meet the time requirements of the Intergovernmental Agreement with Oro Valley. The Intergovernmental Agreement consists of an Equalization Report, a Budget Report for Fiscal Year 93/94 and a Masterplan of proposed Improvements.

The Board is to submit both the report on the equalization of the two systems and the Budget Report by March 30, 1993. The equalization report will require a complete inventory on both systems. Overall the 2 systems are in poor safety conditions.

Herb Johnson suggested having a preliminary meeting scheduled with the engineering department of Oro Valley within the next 30 days to discuss the equalization in detail.

Furthermore, Mr. Johnson proposed to have committees of two members work on the agreement combined with local expertise. The committees should be assigned with duties that are legal to perform the work done.

Mr. Johnson distributed a memo for review along with the organization charts to the Board Members. It introduces guidelines regarding the organization of Metro Water District staff. He suggested the memo and charts be reviewed, revised and discussed in the next Board Meeting.

Pete Schlegel informed the Board of Directors of a Computer Program for setting up manuals including job descriptions and policies. Jim Tripp and Jack Conovaloff will further investigate this option.

Michael McNulty informed the Board of Directors of a manual from a private company that might be very helpful in the creation of a manual for Metro Water District.

5. Discussion on Canada Hills Water Company and Rancho Vistoso Water.

A meeting was held on March 1, 1993 at 11:00 a.m. with Mark Stratton, Jack Conovaloff and Alex Jacome representing Metro Water District and Mark Weinberg as well as three members of the general partners of the water company. No further action has been taken. Metro Water will examine the information provided to them about the water companies. Being an information item it was decided to carry it on to the next meeting.

6. Discussion/action on vehicles.

Bob Gomez, Operations Manager, provided the Board of Directors with a list of the vehicles to be purchased. Included were 4 more vehicles, one for the General Manager, one for the District Engineer and 2 for the office and field. The fleet would then exist of 14 vehicles. Alex Jacome required a mileage study in terms of field consumption and an overall economical study that will justify the trade-in of the vehicles and/or the additional purchases of new vehicles. The item will be further discussed at the next meeting.

NEW BUSINESS

C. ITEMS FOR DISCUSSION AND POSSIBLE ACTION

1. Staff Report.

Northeast Reservoir:

The Board of Directors instructed Mark Stratton to pursue the availability of the site he had identified for the new reservoir in the Northeast.

Alex Jacome informed the Board of Directors of two letters originated by Brown and Bain. One is to explore the possibility if the City of Tucson would be interested in selling their Northwest Reservoir located on Thornydale and Hardy Road. Second is to express the idea of building a reservoir in the National Forest which would enable us to use the gravity to keep the pressure up and to build a substantial size reservoir without carrying major real estate expenses.

Casas Adobes Terrace.

No action has been taken on this project, due to a letter from the City Attorney saying that Metro Water District has not lived up to the obligations to such an agreement.

Utility Plan Relocation.

Without objection this item was approved as presented by Mark Stratton.

Subdivision Development.

This items was postponed to a later time in consideration of the recent rate- and re-connection fee increase.

Request for Proposals.

a. Water Storage Tank Structural Survey.

Herb Johnson moved and Jim Tripp seconded that the request for the Water Storage Structural Survey be approved as to basic form with subsequent information to be added. The motion carried unanimously with 4 members voting.

b. Miscellaneous Water Systems Consulting Design Services.

Mr. Johnson moved that Mr. Stratton be empowered to advertise for the bids and shall prepare a report to the Board of Directors with an engineering evaluation of the bids. Jim Tripp seconded and the motion passed unanimously with 4 members voting.

Per request by Mark Stratton it was decided to create a 2 member committee for the review and approval of the 2 Requests for Proposals. The 2 member committee will be conducted by Herb Johnson and Pete Schlegel.

Alex Jacome recommended to direct staff to create RFPs on the Hydrogeological Study and the Systems Analysis Evaluation. Pete Schlegel moved and Jim Tripp seconded to approve Metro Water District staff to proceed in this process. Without objection the motion passed unanimously with 4 members voting.

Survey of Metro Water District Properties.

As presented by Mark Stratton this item was approved by the Board of Directors.

Request for 2 new positions.

a. Accounts Payable/Purchasing Clerk.

Jim Tripp made the motion to authorize Staff to proceed in hiring an Accounts Payable/Purchasing

Clerk. Pete Schlegel seconded and the motion passed unanimously with 4 members voting.

b. Engineering Assistant.

Jim Tripp required a qualification list for the Engineering position.

Herb Johnson made the motion that the request for the position of the assistant engineer be granted at a rate between \$30,000 and \$33,000 annually. Jim Tripp seconded and the motion was passed unanimously with 4 members voting.

2. Warrants and Demand List.

Jim Tripp moved and Herb Johnson seconded that the Warrants and Demand List as presented by Sheila Lewis be approved. The motion passed unanimously.

3. Discussion on finalizing the art work for the Metro Water District Logo.

Board agreed unanimously that this item had been discussed and approved in the previous meeting.

4. Establishment of Board of Directors Meetings on regular basis.

Alex Jacome moved and Jim Tripp seconded that the Board of Directors Meetings for the Metropolitan Domestic Water Improvement District will be taking place on every second Monday of each month, effective the month of April. "Out of sequence" meetings will be scheduled on demand. The motion passed unanimously.

5. Payment to the Board of Directors for attending Board Meetings.

Herb Johnson made the motion that the Board of Directors will be paid at the end of each month for the attendance of Board Meetings held during that month. Staff was directed to investigate payment for mileage. Jim Tripp seconded and motion passed unanimously.

Sheila Lewis requested a statement of mileage from each of the Board Members in order to accomplish the mileage investigation.

6. Discussion on obtaining authorization for the Town of Oro Valley for Funding from January 1, 1993 through June 30, 1993 (see enclosure).

Mr. Johnson made the motion that the Board of Directors reply to Mr. Chuck Sweet, the Town Manager of Oro Valley, that they acknowledged receipt of his request and that it has been referred to counsel for review and will be returned with a reply. Jim Tripp seconded and the motion carried unanimously.

D. COMMENTS FROM THE PUBLIC

Michael McNulty talked to the Board of Directors about the present situation of the assured water supply. The Department of Water Resources took under consideration whether it would revoke the District's Assured Water Supply Designation. The Department of Water Resources recommended that Metro Water District seek an amendment to State law recognizing that we do have the powers of a city. In the due time Senator Day introduced a bill to that fact and it was heard in front of the Senate Natural Resources Committee and the only other party to attend to testify was the City of Tucson. The committee passed the bill six to nothing. Mr. McNulty will keep Metro Water District informed on that issue.

Alex Jacome and Michael McNulty informed the audience of Rita Pearson appointment as the new Director, Arizona Department Water Resources.

The Board of Directors instructed the General Manager to write a Letter of Congratulation to Rita Pearson and Betsy Reike.

Alex Jacome inquired on the pending legislation. Michael McNulty indicated that there is another bill depth that has been identified and might cause some problem. According to Michael McNulty the bill is going to collapse and the issue will be negotiated between Sun Corporation and Litchfield Park without going any further. Michael McNulty will bring it to the attention of the Board should it go any further.

Bud Dooley advised the Board Members that Alex Jacome attended the Oro Valley Forum relative to the upcoming ballot on the election of the water business. He thanked Alex for his friendly support despite the fact that the audience was fairly hostile.

Dave Tanner spoke for Ms. Bibbens on behalf of the Homeowners Association. She had left the Board Meeting earlier but wanted to make sure that her subject was addressed. She requested to have the razor wire taken down on the parking lot.

Alex had talked to Dan McEnroy and offered to sell the yard to him. Mr. McEnroy wants to know a price. Alex required an evaluation of the yard in order to set a price.

Business of regular meeting was concluded at 8:01 p.m.

E. EXECUTIVE SESSION

Pursuant to ARS 38-431.03 (A) (1) to review and discuss Metropolitan Domestic Water Improvement District's position as it related to personnel and compensation matters including the office of the General Manager.

The Board of Directors reconvened at 8:05 p.m.. Upon roll call those present and absent were as follows:

Present: Alex Jacome, Chairman
Herb Johnson, Member
Pete Schlegel, Member
Jim Tripp, Member

Absent: Kate O'Rielly

At 8:20 p.m. Jim Tripp moved to go back into regular session. Pete Schlegel seconded. The motion passed unanimously with 4 members voting.

A discussion between the Board of Directors was held addressing following items:

Herb Johnson suggested to form committees of two Board Members each. He wants a committee going with each one of the division heads and he considers to add another division for Public Relations. The members of the various committees would be the key persons for the General Manager to contact and deal with. The Board Members on those committees would use their discretion on what they would bring back to the Board before making a decision. He suggested to make an outline of these committees and also make an outline of the responsibilities of the Board Members.

In general these responsibilities would include:

Attend Board Meetings; advise General Manager on the actions of the Board; approve salary adjustments and other personnel; review all expenditures in the signing of all checks; review and act on all requests to attend seminars, conventions or meetings outside of Pima County by any staff member; review all Requests for Proposals to do work or supply materials or equipment with a cost exceeding \$10,000; be present at the receipt of bids and authorize assigning of contracts by the Board Chairman after approval by the General Manager.

Alex Jacome wants the Board to consider to allow the General Manager as a signatory to a check along with a signature of another Board Member.

Herb Johnson recommended that there be no termination executed without justifying it before the Board of Directors or in case of a division head that the Board of Directors be included in the decision.

Alex Jacome proposed that the Board of Directors stay out of personnel actions under division level.

After this discussion Jack Conovaloff has been asked to join the regular session.

Herb Johnson instructed the General Manager that they are going to design the organization chart with the different divisions. The Board Members would give any directions to the General Manager, not to the division heads. The Board Members reserve the right to talk to the individual division heads to inform themselves but not to direct them what to do. The General Manager is authorized to do any job under \$10,000 to provide proper management for Metro Water District. The Board of Directors requires scrutiny on any contract over \$10,000.

The General Manager will have contact with all the employees and the Board of Directors reserves the right to speak to the division heads. If the Board Members feel that there should be a change made they will address it directly to the General Manger.

The Board of Directors instructed the General Manager that no division is released without the advise and consent of the Board of Directors.

Jack Conovaloff presented of the status of the system to the Board of Directors.

F. ADJOURNMENT

As there was no further business to come before the Board, the meeting adjourned at 9:00 P.M.


Chair

ATTEST:

Clerk