

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

**October 1, 2001**

**\*\* Board Room\*\***

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

**Study Session  
MINUTES**

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

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

**I.     Call to Order and Roll Call**

Pete Schlegel, Chair of the Board of Directors of the Metropolitan Domestic Water Improvement District (District), called the Study Session to order at 5:30 p.m. Pete Schlegel, Dan M. Offret, Jim Doyle, Dennis Polley and Marlene Wright were present.

**II.    General Comments from the Public**

Mr. Schlegel called for comments from the public, there were none.

**III.   Sound System for Board Room**

Mr. Polley began discussions by saying he does not believe the District needs a sound system for the Board room.

Mr. Offret said he had reconsidered the need for a sound system. He commented that the use of a sound system gave the proceedings a feeling of formality and made them more authoritative. He added that he believed the system would not only benefit the District but other groups or organizations using the Board room as well.

Ms. Wright said she felt under most circumstances a sound system was not needed but she had attended the Bluff Homeowners Association meeting in which it was hard to hear. She said she preferred an installed system. She expressed concerns regarding other groups or organizations being allowed to use the equipment and having someone available to monitor its use. Ms. Wright indicated that under certain circumstances governmental agencies or select groups may be allowed to use the system, if the Board decided to purchase a system.

Mr. Doyle said he had not previously used a sound system and indicated that he did not want to appear authoritative at meetings, but rather friendly and open. He does not believe the District needs a system and would prefer not to use it.

Mr. Offret offered that the sound system could be used to automatically record the conversations. Mr. Schlegel said that recordings of meetings are important from a legal standpoint and a recording provides more information than can be received from a written report. The concern is that if the Board room was to fill up and people were forced to stand outside or in the lobby area they would not be able to hear what was being said in the meeting. Mr. Polley said he would like to see the District get to the point where there were that many interested citizens attending the meetings before getting a sound system.

Mr. Stratton said that based on the current conversations it appeared that a majority of the Board wanted a sound system, and agreed that system requirements needed to be defined. He offered that a portable system may be more appropriate in the event staff wanted to take the system outside of the District offices. Mr. Offret suggested a fixed system in which portable components were included in the package. Mr. Schlegel noted that a portable sound system could be rented if one was needed outside of the District Office which would allow more flexibility. However, he felt that a stationary system would be more appropriate for the Board room. Mr. Land said to rent a portable system that included microphones, speakers, etc., would be approximately \$350.

Mr. Schlegel and Mr. Offret volunteered to work together to detail the components of a sound system so that staff could then seek proposals for those specifications. The Board agreed with this process.

#### **IV. Education Reimbursement Program**

Discussion centered on an educational program versus an employee development program. Mr. Stratton said that he, Mr. Land, and Mr. Offret had met to discuss the Education Reimbursement Program and struggled with the fine line between the benefit to the employee and the benefit to the District. Funding for the program was also discussed by the education committee and the Board agreed to fund a portion of the program out of the Board's contingency fund for the remainder of the current fiscal year if need be.

Mr. Stratton said a suggestion had been made to use a tiered system that would allow additional money for managers and/or supervisors as the costs for the level of training or development for these employees was generally higher than for a person in a less skilled position. Ms. Wright

and Mr. Doyle felt this would be perceived as favoritism and were in favor of all employees receiving the same amount.

The proposed program would allow employees to bank or save their educational monies allotted yearly and carry the amount over for a period of three years, enabling the employee to have the ability to consider alternative training options.

Board members agreed with the concept of the Personal Development Program but asked that the program and process be further defined. Mr. Offret and Mr. Stratton said the committee will meet again and bring forth its recommendations to the Board.

Steve Dean, Utility Superintendent, addressed the Board and requested to be reimbursed for half the costs involved with college credit courses he has been attending. He made the request under the District's current education reimbursement policy. He said the courses he was requesting reimbursement for were related to his employment and benefited the District. If granted, Mr. Dean's request would mean a supplement to the existing budget, therefore, this item will be continued over to the next regularly scheduled Board meeting.

#### **V. Legislative Issues for 2002**

Mr. Stratton and Mr. Tenney reported to the Board that draft legislative language had been written based on the Board's discussion from the September 10, 2001 meeting. The language specifically addresses an increase in the compensation to Board members for attending meetings as well as clarifies that expenses incurred by Board members will be reimbursed. Mr. Tenney pointed out that he had spoken with Fred Rosenfeld, Bond Counsel, and Dana Belknap, District Lobbyist, regarding the legal and political feasibility of the language.

Mr. Offret questioned if the language was clear enough to determine if a Board members expense was official business of the District. The Board discussed this matter and determined that the District lobbyist as well as legislative aids would ensure correct language.

The Board expressed support for pursuing legislation to increase Board compensation as well as changing Special District statutes for incurring expenses.

#### **VI. Potential Acquisitions of Public Water Works**

As requested by the Board, staff researched ideas and ways to broaden the amount of customers the District provides water service to in an attempt to increase revenues. Mr. Stratton provided the Board with information regarding the District's ability to purchase other water utilities. Mr. Offret asked about the difficulty of moving District boundary lines. Mr. Stratton replied that the District could have service areas outside its existing boundary areas.

The Board directed staff to explore the possibility of purchasing other water utilities if there were any available for purchase. Mr. Polley cautioned that potential acquisitions would need to benefit the District's existing customers as well as the overall operation of the District.

## **VII. Proposed Rate Adjustment and Scheduling of a Public Hearing**

Mr. Stratton outlined for the Board the proposed rate adjustment and recommendations for other water fees. The other fees were for credit card payments and pre-occupancy fees. Mr. Stratton explained that staff had learned that Tucson Water was interested in pursuing something similar to the preoccupancy fee. Mr. Hill explained the reasons why it would help save cost and labor for the District. Mr. Stratton said staff recommended not pursuing the preoccupancy fee now but wait until it can be done in conjunction with Tucson Water and support has been gained from the Southern Arizona Home Builders Association.

Ms. Wright expressed concerns that holding a public hearing in December did not seem appropriate and she preferred to schedule the public hearing date for January. The Board asked staff to determine what the financial implications upon the District would be if the rate adjustment hearing was to be postponed until after the first of the year, and to provide this information at the October 10, 2001 Board meeting.

## **VIII. General Managers Report**

Mr. Stratton noted the Board received a draft letter commenting on the recommendations of the Governor's Water Management Commission to be discussed at the October 10, 2001 meeting.

Mr. Stratton mentioned that staff has purchased a flag pole which will be located in the middle of the island in front of the District Office. It will be illuminated with lights at night. Mr. Schlegel asked staff to consider options for making the District Office more visible at both entrances. He also asked staff to research options for creating a turn lane at the main entrance for southbound traffic.

A draft of the District audit has been sent to Pima County for its review and approval. Mr. Stratton advised Board members a copy of the draft would be provided to them at their request.

Mr. Stratton said Chris Hill will attend a special WESTCAS meeting in Albuquerque on October 5, 2001 to assist in developing the final comments on the proposed Arsenic Rule. He added that it would have been better for the District if the Environmental Protection Agency (EPA) had not withdrawn the Arsenic Rule.

The District met with the Town of Marana, City of Tucson, Cortaro/Marana Irrigation District, and Pima County to discuss the Managed Recharge Project in the Santa Cruz River utilizing the available effluent. Discussions were divided with the Town of Marana and City of Tucson indicating they were going to file permit applications. Mr. Stratton said the District is currently in the middle, and more discussion will take place before any permit application is filed.

Mr. Doyle commented that he believes the District should make arrangements to recognize staffs that were responsible for the excellent well site inspection report the District recently received.

Mr. Schlegel suggested a luncheon. Mr. Stratton said staff will look at some options and bring forth recommendations.

Mr. Tenney reported that he is still researching the possibilities of the District offering a rebate program for hot water circulators.

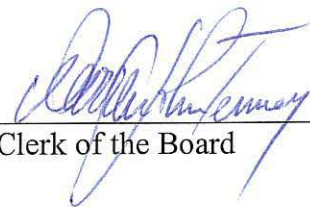
Mr. Stratton asked if the Board members wanted to discuss security issues at the October 10, 2001 meeting. The Board said yes

**IX. General Comments from the Public**

There were no comments from the Public.

**X. Adjournment**

The meeting adjourned at 7:50 p.m.



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Clerk of the Board



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Peter H. Schlegel, Chair of the Board