

**Metropolitan Domestic Water Improvement District  
Board of Directors Meeting**

**May 13, 2019**

**Approval of Purchase Agreements for the  
Acquisition of Two Well Sites**

**Synopsis**

The Board of Directors is requested to consider approval of two purchase agreements with the Town of Marana (Marana) for the acquisition of two well sites on Marana property in the vicinity of the Marana Regional Airport in the amount of \$26,800.00

**Background**

Metro Water District (District), the Town of Marana (Marana) and the Town of Oro Valley store water underground or utilize groundwater savings facilities in the north Marana area. To use this water, the three entities have entered into an intergovernmental agreement to construct the Northwest Recharge, Recovery, and Delivery System (NWRDRS), to transport water from north Marana to meet current and future water demands in the north area of the Tucson Basin.

To recover and construct recovery wells for its recharged water resources, the District has leased three well sites located on Arizona State Land Department property. The District desires to acquire two additional well sites in the vicinity of the Marana Regional Airport. Both well sites are located on Marana property immediately east of the Marana Regional Airport.

**Issues**

Tierra Right of Way, consultant to the District for land acquisition, has provided independent fee appraisal documentation showing that the fair market value of both parcels is \$15,000.00 per acre.

Well site 1 consists of approximately 0.78 acres and just compensation is \$11,700.00.

Well site 2 consists of approximately 0.77 acres and just compensation is \$11,565.00.

Compensation for both parcels totals \$23,265.00. Closing costs are not known at this time as Stuart Title is continuing to evaluate releases that are required for one of the sites. For budgeting purposes, closing costs are estimated at approximately 15% for a total estimated acquisition cost of \$26,800.00 (rounded).

For both well sites, the purchase agreements require the District to relocate the existing airport boundary fencing so that the well sites are located outside of the airport boundary fencing which is

not included in the acquisition cost. The purchase agreement for well site 2 prohibits the District from taking access through Marana's remaining property. Access to that site will be from the Avra Valley Recharge Project (AVRP).

The purchase agreements grant the District to access the sites for limited activities prior to closing, which will allow the advancement of native plant surveys and other investigative work to commence immediately. District staff is also prepared to submit recovery well permits upon closing. In order to reduce the overall amount of time associated with closing, staff recommends prefunding Escrow. Any excess funds above the actual closing costs will be returned to the District after closing.

The Fiscal Year 2019 budget includes funding for land acquisitions for NWRDSD.

### **Staff Recommendation**

It is recommended that the Board of Directors approve two purchase agreements with the Town of Marana for the acquisition of two well sites on Marana property in the vicinity of the Marana Regional Airport, authorize the General Manager to prefund Escrow in the amount of \$26,800.00, and authorize the General Manager to allocate up to \$5,000.00 for increased costs that may be associated with closing.

### **Suggested Motion**

I move to approve two purchase agreements with the Town of Marana for the acquisition of two well sites on Marana property in the vicinity of the Marana Regional Airport, to authorize the General Manager to prefund Escrow in the amount of \$26,800.00, and to authorize the General Manager to allocate up to \$5,000.00 for increased costs that may be associated with closing.

Respectfully submitted,

Sheila M. Bowen, P.E.  
District Engineer

I concur with the above-noted recommendation.

Respectfully submitted,

Joseph Olsen, P.E.  
General Manager