

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

November 9, 2015

**Amendment No. 1 to Intergovernmental Service Agreement for Interim Remedial Action
with the Arizona Department of Environmental Quality
for the South Shannon Treatment System**

Synopsis

The Board of Directors is requested to approve Amendment No. 1 to Intergovernmental Service Agreement between the Arizona Department of Environmental Quality (ADEQ) and Metropolitan Domestic Water Improvement District regarding the Interim Remedial Action for the South Shannon Treatment System. This amendment provides the District with the ability to seek reimbursement for the granular activated carbon change from September 21, 2015.

Background

At the June 8, 2015 meeting, the Board approved the Intergovernmental Agreement between ADEQ and the District, which allows the District to recover monthly costs for the operational and maintenance (O&M) expenses at the South Shannon Treatment System from the Water Quality Assurance Revolving Fund (WQARF). The agreement did not include reimbursement for granular activated carbon (GAC) change outs because ADEQ intended to use a non-WQARF funding source for such change outs. ADEQ told the District that it would reimburse for the GAC change outs when the District submitted an invoice.

Issues

The District submitted a draft request to ADEQ for the GAC change out from September 21, 2015. Upon review of the year to date expenditures in the WQARF budget, ADEQ concluded that the WQARF budget could be used to reimburse the District for the GAC change out specifically for September 21, 2015. Since such a provision was not included in the Intergovernmental Service Agreement, ADEQ is requesting a contract amendment be made so ADEQ can use WQARF funds to reimburse the District for this one GAC change out amounting to \$20,000.

Recommendation

Staff recommends that the Board of Directors approve Amendment No. 1 to the Intergovernmental Services Agreement for Interim Remedial Action at the South Shannon Facility between the Arizona Department of Environmental Quality (ADEQ) and the Metropolitan Domestic Water Improvement District with a new contract amount of \$59,000. That amount includes the

additional \$20,000 for the September 21, 2015 change out.

Suggested Motion

I move to approve Amendment No. 1 to the Intergovernmental Services Agreement for Interim Remedial Action at the South Shannon Facility between the Arizona Department of Environmental Quality and the Metropolitan Domestic Water Improvement District with a contract amount of \$59,000.

Respectfully Submitted,

Warren Tenney
Assistant General Manager

I concur with this recommendation.

Respectfully submitted,

Joseph Olsen, P.E.
General Manager