

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

September 8, 2014

Approval to File Quiet Claim for Ranch House Well Site Lot

Synopsis

The Board of Directors is being requested to approve the filing of a Quiet Claim to obtain clear title to Ranch House Well Site Lot.

Background

At the August 12, 2013 meeting, the Board of Directors was informed of a letter that the District received from a property owner adjacent to the Ranch House well site who is interested in acquiring the property. A property appraisal was obtained to determine the value of the property, which is no longer used as a well site and the well has been properly abandoned. At the December 9, 2013 meeting, the Board was informed that staff was proceeding with the disposal of that property per statutory requirements. At the February 10, 2014 meeting, the Board of Directors was informed that an ownership issue was discovered through the title search and the District's land agent, Tierra Right of Way Services (Tierra), was directed to clear-up the property issues.

Tierra had discovered that the District did not have title to one of the parcels (Parcel No. 10216095B). The plat for Ranch House Estates subdivision approved by Pima County in 1956 reserved a lot for a well site. In April 1965, Thermal Co-op, the property owner of the Ranch House Estates well site lot, deeded the property to the Metropolitan Water Company; however, it only included the western portion of the well site lot. Records indicate the reason was an adjacent property owner did not want any additional water system improvements to be constructed on the easterly portion of the well site lot. An official property split was never obtained, however the Pima County Assessor's office simply assigned two parcels to the well site lot upon the recording of the deed from Thermal Co-op to the Metropolitan Water Company. In December 1991, the City of Tucson purchased the Metropolitan Water Company and the Company transferred the deed for the westerly portion of the well site lot to the City of Tucson. For some unknown reason, the Assessor's Office assigned the ownership of both parcels of the well site lot to the City of Tucson. In October 1992, when the Metropolitan Domestic Water Improvement District purchased the water system from the City of Tucson, the transferred deed included only the westerly portion of the well site lot and the Assessor's Office retained the City of Tucson as the property owner of the easterly portion of the well site lot.

Issues

Tierra and its legal counsel (Law Offices of Diane M. Miller) have been in discussions with the City of Tucson Real Estate Department and the City Attorney's office to discuss this matter. The City of Tucson acknowledges that it does not have title to the easterly portion of the well site lot. It appears that the legal owner of the easterly portion of the well site lot remains with Thermal Co-op; however, records indicate that the Arizona Corporation Commission revoked Thermal Co-op's charter in 1983. Records also indicate the Metropolitan Water Company's legal counsel attempted to resolve this issue in 1989 but could not locate anyone associated with Thermal Co-op to discuss this matter and efforts by Tierra have also been unsuccessful.

Tierra's legal counsel has recommended filing a Quiet Claim to clear up the title to the easterly portion of the well site lot so that the District can proceed with selling of the entire well site lot. A Quiet Claim is a legal process used to establish ownership to property when there is some question about clear title or a recording problem. Since the City of Tucson is willing to waive its right to the property, and efforts to contact anyone associated with Thermal Co-op have been unsuccessful, it is expected that no one will contest the Quiet Claim. Tierra's legal counsel will need to provide documentation to the court that it has authorization from the District to pursue the Quiet Claim.

Staff Recommendation

It is recommended that the Board of Directors approve the filing of the Quiet Claim to clear title to the Ranch House Estates well site lot (Parcel No. 10216095B) and authorize the Chair of the Board to sign a letter authorizing the Law Offices of Diane M. Miller to represent the District in this matter.

Suggested Motion

I move to approve the filing of the Quiet Claim to clear title to the Ranch House Estates well site lot (Parcel No. 10216095B) and authorize the Chair of the Board to sign a letter authorizing the Law Offices of Diane M. Miller to represent the District in this matter.

Respectfully submitted,

I concur with the above-noted recommendation.

Respectfully submitted,

Charlie A. Maish, P.E., R.L.S.
District Engineer

Joseph Olsen, P.E.
General Manager