

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

September 8, 2014

**Amendment of Interim Remedial Action Contract between the Arizona Department of
Environmental Quality and the District for the South Shannon Treatment System**

Synopsis

The Board of Directors is requested to approve Amendment No. 28 of the Interim Remedial Action Contract with the Arizona Department of Environmental Quality (ADEQ) on the District's treatment system at the South Shannon Facility. This amendment provides the District reimbursement of operation and maintenance expenses up to \$91,500 in Fiscal Year 2015.

Issues

The IRA Contract allows the District to annually recover costs for the operational and maintenance (O&M) or improvement costs associated with treatment system. The District Board of Directors must annually approve a contract amendment for reimbursement each fiscal year with ADEQ. Contract Amendment No. 28 would grant up to \$91,500 in allowable operation and maintenance expenses in FY2015. However, operation and maintenance expenses are projected to be \$179,500. The ADEQ will release the remaining funds when notified by the District that expenses will exceed \$91,500. Therefore, ADEQ has requested the District approve and execute the budget operational and maintenance expenses for \$91,500 in Fiscal Year 2015 through Contract Amendment No. 28.

Recommendation

Staff recommends that the Board of Directors approve Amendment No. 28 for \$91,500 in reimbursable expenses under the Interim Remedial Action contract at the South Shannon Facility with the Arizona Department of Environmental Quality (ADEQ).

Suggested Motion

I move to approve Amendment No. 28 for \$91,500 in reimbursable expenses under the Interim Remedial Action Contract at the South Shannon Facility with the Arizona Department of Environmental Quality.

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Respectfully Submitted,

Warren Tenney
Assistant General Manager

I concur with this recommendation.

Respectfully submitted,

Joseph Olsen, P.E.
General Manager