

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

**MONDAY, JANUARY 12, 2026**

**\*\*BOARD ROOM\*\*  
METROPOLITAN DOMESTIC WATER IMPROVEMENT DISTRICT  
6265 N. LA CAÑADA DRIVE  
TUCSON, ARIZONA 85704**

**MINUTES**

**Board Members Present:** Scott Schladweiler, Chair  
Richard Sarti, Vice Chair  
Jim Doyle, Member (Participated Electronically)  
Bryan Foulk, Member  
Lee Jacobs, Member

**District Staff:** Joseph Olsen, General Manager  
Sheila Bowen, District Engineer  
Alex Sanders, Utility Superintendent  
Bill Wengert, Chief Financial Officer  
Theo Fedele, Clerk of the Board  
Mark Patton, Legal Counsel (Participated Electronically)

**Regular Session**

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

Mr. Schladweiler, Chair of the Board of Directors of the Metropolitan Domestic Water Improvement District (District), called the Board Meeting to order at 6:00 p.m. Jim Doyle, Bryan Foulk, Lee Jacobs, Richard Sarti, and Scott Schladweiler were present.

**II. Election of Chair and Vice Chair for the Board of Directors**

Mr. Foulk nominated Scott Schladweiler as the Board's Chair through 2026. Mr. Jacobs seconded the motion. Motion passed by a roll call vote of 5-0.

Mr. Jacobs nominated Richard Sarti as the Board's Vice Chair through 2026. Mr. Foulk seconded the motion. Motion passed by a roll call vote of 5-0.

### **III. General Comments from the Public**

There were no comments from the public.

### **IV. Consent Agenda**

- A. Approval of Minutes – December 8, 2025 Board Meeting**
- B. Ratification of Billing Adjustments**
- C. Ratification of Accounts Removed from Active Accounts Receivable**

Mr. Foulk moved to approve the consent agenda. Mr. Jacobs seconded the motion. Motion passed by a roll call vote of 5-0.

### **V. General Business – Items for Discussion and Possible Action**

#### **A. Monthly Status of the District**

Mr. Olsen stated that the fiscal year-to-date consumption compared to last fiscal year-to-date is 0.8% lower in Metro Main, 6.4% higher in Metro Hub, and 0.6% lower in Metro Southwest. All of the City of Phoenix's 7,200 acre-feet (AF) of inter-AMA firming water ordered for calendar year 2025 has been delivered to the Avra Valley Recharge Project (AVRP) and there are currently no storage activities planned at AVRP for next calendar year. All of the District's 8,460 AF Central Arizona Project (CAP) order for 2025 has been delivered to groundwater savings facilities (GSF). For calendar year 2026, the District's CAP order of 8,460 AF is scheduled to be delivered again to GSFs.

Mr. Sanders provided an update on noteworthy maintenance projects.

Ms. Bowen provided an update on the Northwest Recharge, Recovery, and Delivery System (NWRDRS) and the Metro-only portion, and the Ironwood well.

#### **B. Financial Report**

Mr. Wengert stated that the District continues to see positive trends through November for both revenue and expenses. The year-to-date operating revenue for November was \$14 million, which exceeds the budgeted expectations by \$2.1 million and prior year actual results to date by \$1.5 million. This is due to the \$2 million received for compensated system conservation and favorable

metered water sales. Development revenue is trending behind the prior year and the budget. The November operating expenses of \$6.3 million is favorable by \$825,000 compared to a straight-line budget and \$6,000 favorable to Fiscal Year 2025 actuals. Salaries and benefits are consistent with Fiscal Year 2025 and trending favorably compared to the straight-line budget. Consultant/Contract service expenses are favorable to the budget and to the prior year. Purchased power is lower than both the budget and the prior year as of November. This is reflecting a timing issue of payments made through November and the fluctuation noted this month will level off and be more consistent in December.

The December deposit accounts totaled \$48 million, which is a decrease with the loan pay-offs for the 2020 Refunding Bonds and the Water Infrastructure Finance Authority of Arizona (WIFA) loan. The investments totaled \$9.9 million and generated \$94,000 of investment income in December.

There was 1 meter application in December compared to 21 in December 2024. This year-to-date, 11-meter applications have been received compared to 79 in 2024.

In summary, improvements in other revenue streams and reductions in expenses to-date are currently offsetting shortfalls in budgeted development revenue.

Discussion ensued and staff answered questions.

**C. Authorizing Land Acquisition Services for the Existing E&T23 Wellsite and a Future E&T23A Wellsite**

Mr. Olsen stated that when the District acquired the E&T service area, the E&T23 well site was not on District owned property. Instead, the wellsite was on an easement. With plans to replace the aging E&T23 well with the E&T23A well in the current 5-year Capital Improvements Program, staff have been exploring options to ensure the new well will be drilled on District owned property. The property owner of the current E&T23 well site is willing to sell the current E&T23 well site property to the District, along with additional contiguous property to enable the drilling of the new well. The total property is approximately 0.3 acres.

In order to proceed with this purchase, it is recommended that the District utilize Tierra Right-of-way services to perform and coordinate the necessary actions, such as appraisal and cultural resources, prior to arriving at an offered purchase price.

Based on the results of these activities, the purchase of the property would be brought for Board consideration at a future meeting.

Mr. Sarti moved to authorize the General Manager to negotiate and execute an agreement with Tierra Right-of-Way for land acquisition services for the E&T23 wellsite and the future E&T23A wellsite in the amount of \$34,519.33 and to authorize the General Manager to increase the contract amount by an amount up to \$10,000.00, should any unforeseen conditions arise prior to the completion of services. Mr. Jacobs seconded the motion. Motion passed by a roll call vote of 5-0.

## **VI. General Manager's Report**

Mr. Olsen stated that today is the first day of the legislative session and a number of bills were received that were prefilled for today. House Bill 2116 appropriates \$1 million for the Colorado River Litigation Fund. The District supported a similar Bill last session given the importance of the District's CAP supply. As this Bill dropped after the Board materials were sent out, this item was not on the agenda for Board action. Instead, as the District's registered lobbyist, I will register support of this Bill for the District given that the Board had approved of this action last year.

This brings me to a more strategic discussion regarding our agility in responding to the District's support or opposition of water related legislation and is a topic that will be brought to the February Board meeting for consideration. For background and not for action tonight, for 12-years I have served as the District's registered lobbyist, which enables the District to register in support or opposition of introduced legislation. During past legislative sessions, Bills can progress from being introduced to having a committee hearing in a very short period of time. In these situations, the monthly Board meetings are not conducive to obtaining Board approval on what stance the District is taking on the Bill. Oftentimes, the critical votes on a Bill are concluded prior to the next scheduled Board meeting. Additionally, I have worked with Legislators in past sessions to rewrite proposed legislation to address unintended impacts to Domestic Water Improvement District (DWID) and/or to ensure pragmatic water policy throughout Arizona. In those situations, we typically register in support of the amended legislation. Not registering in support or opposition of legislation that the greater water community is tracking reduces the relevance and significance of the District's voice and can impact the interactions the District has with the Arizona Legislators when they seek water expert feedback. As such, in February we will recommend that I am provided the agility to register in support or opposition of water legislation and to then brief the Board on the details of the respective Bill, and the reasons for the support or opposition, at the next Board meeting.

**VII. Legal Counsel's Report**

Mr. Patton stated he had nothing to report.

**VIII. Clerk of the Board Updates; Future Meetings**

The next regularly scheduled Board meeting will be held on February 9, 2026.

**IX. General Comments from the Public**

There were no comments from the public.

**X. Adjournment**

The meeting adjourned at 6:32 p.m.

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Scott Schladweiler, Chair of the Board

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Theo Fedele, Clerk of the Board