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

MONDAY, JUNE 8, 2026

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

MINUTES

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

Board Members Not Present: Scott Schladweiler, Chair

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. Sarti, Vice 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, and Richard Sarti were present. Scott Schladweiler was not present.

II. General Comments from the Public

There were no comments from the public.

III. Consent Agenda

A. Approval of Minutes – May 11, 2026 Public Hearing Meeting
B. Approval of Minutes – May 11, 2026 Board Meeting
C. Ratification of Billing Adjustments

Mr. Foulk moved to approve the consent agenda. Mr. Jacobs seconded the motion. Motion passed by a roll call vote of 4-0.

IV. 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 1.3% lower in Metro Main, 0.1% higher in Metro Hub, and 0.1% higher in Metro Southwest. As of the end of March, 2,000 acre-feet (AF), out of the District's Central Arizona Project (CAP) order of 8,460 AF, has been delivered and stored and the April storage report has not yet been provided by CAP. The remaining portion of the 2026 CAP order is anticipated to be stored by the end of the calendar year.

The District is one of the funding partners with Arizona Department of Water Resources (ADWR) for surface deformation to be measured via synthetic aperture radar to determine areas of subsidence and uplift. Each year, ADWR provides a map of the region showing the District's service areas along with the subsidence and uplift features. The regional map shows one subsidence and two uplift features. The uplift features are typically associated with aquifer storage. The one subsidence feature is not located within any of the District's service areas and the two uplift areas are throughout the District's three southwest service areas. The amount of uplift is between 0.5 centimeter (cm) and 3 cm over a 16-year period.

Discussion ensued and staff answered questions.

Mr. Sanders provided an update on noteworthy maintenance projects.

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

B. Financial Report

Mr. Wengert provided an update on the District's financial report.

C. Authorizing an Agreement for Engineering Services for the Ina-CDO Treatment Facility

Mr. Olsen stated that the Horizon Hills well was taken offline in 2016 due to 1,4-dioxane and PFAS levels that were above the then current health advisory levels. The District since joined in the PFAS water settlement class action process and has already received the majority of the anticipated $3.8 million in PFAS settlement funds. The plan is to use the settlement funds to support a multi-well treatment solution at the new Ina-CDO well site. The Horizon Hills well will pump directly to the new Ina-CDO well site where an Advanced Oxidation Process (AOP) treatment system will remove 1,4-dioxane and PFAS compounds. Geosyntec performed the engineering services to support the design and construction of a similar treatment system at the District's South Shannon well. Over the past couple years, staff have gained familiarity with the AOP system at South Shannon, which is currently removing 1,4-dioxane and other constituents. As such, it is recommended that a similar AOP treatment system be installed at the new Ina-CDO site and that the Board authorize Geosyntec to perform the engineering services necessary to design and construct an AOP at the new Ina-CDO well site.

Mr. Foulk moved to authorize the General Manager to negotiate and execute an agreement with Geosyntec Consultants, Inc., to perform engineering services to support the design and construction of a treatment facility at the Ina-CDO site in the amount $1,051,400 using the cooperative agreement for Statewide Assessment and Remediation of Hazardous or Regulated Substances or Materials and to authorize the General Manager to approve up to an additional $50,000 for any unforeseen conditions. Mr. Jacobs seconded the motion. Motion passed by a roll call vote of 4-0.

D. Authorizing an Agreement and Payment to Tucson Electric Power for Ironwood Well and Authorizing the General Manager to Execute Similar Agreements with Tucson Electric Power and Trico Electric Cooperative

Mr. Olsen stated that when the District constructs water infrastructure, such as a production well at a new property, a new electrical service needs to be established. This includes both the service connection and any off-site electrical extension to connect to existing electrical infrastructure. The cost of the new electrical service is often above the General Manager's authority in the procurement policy, as is the case of the new electrical service connection to the Ironwood Well site, which Tucson Electric Power (TEP) calculated as $36,943.21. Depending on the property location, there is only one electrical provider, either TEP or Trico. Also, the cost for the electrical service connection must be paid in advance before the work can commence. Depending on the Board meeting schedule, this could cause significant delays in getting new water facilities into production. As such, it is recommended that the Board approve two motions: to approve the specific electrical connection cost for the new Ironwood well and to authorize the General Manager to execute service agreements with TEP and Trico, even if the cost of the new service connection is above the General Manager's authority in the procurement policy.

Mr. Foulk moved to authorize the General Manager to execute the service agreement and authorize payment of $36,943.21 to Tucson Electric Power for the Ironwood well. Mr. Jacobs seconded the motion. Motion passed by a roll call vote of 4-0.

Mr. Jacobs moved to authorize the General Manager to execute service agreements with Tucson Electric Power and Trico Electric Cooperative, Inc., and to authorize associated payments in excess of the District's current procurement policy. Mr. Foulk seconded the motion. Motion passed by a roll call vote of 4-0.

E. Authorizing Analytical Laboratory Services Contract with Legend Technical Services, Inc.

Mr. Olsen stated that to ensure compliance with the Safe Drinking Water Act, the District utilizes state approved labs to perform water quality analyses. Eurofins-Eaton Analytical Inc. and Turner Laboratories Inc. currently provide these services to the District and it is recommended that Legend Technical Services be added as a third laboratory to provide additional flexibility in sample scheduling and to help ensure compliance samples are completed on time per state requirements.

Mr. Foulk moved to authorize the General Manager to negotiate and enter into a contract for Analytical Laboratory Services with Legend Technical Services, Inc. for Fiscal Years 2026-2031. Mr. Jacobs seconded the motion. Motion passed by a roll call vote of 4-0.

F. Approval of Bids for Hydrogen Peroxide at the South Shannon Facility

Mr. Olsen stated that the AOP Treatment at the South Shannon well site requires the addition of hydrogen peroxide to the treatment vessel in order to remove 1,4-dioxane. The hydrogen peroxide dosing system consists of a vessel containing 2,700 gallons of hydrogen peroxide and a dosing skid. Bids were sought to ensure timely delivery of hydrogen peroxide. Two bidders responded and it recommended the Board authorize staff to use the lowest responsible bidder first and to use the next lowest bidder if the lowest bidder is unable to meet District requirements.

Discussion ensued and staff answered questions.

Mr. Jacobs moved to approve all pricing submitted for Hydrogen Peroxide and to direct staff to use the lowest responsible bidder first based on the District's Hydrogen Peroxide requirements. If the lowest bidder is unable to meet District requirements, then staff is authorized to use the next lowest bidder. Mr. Foulk seconded the motion. Motion passed by a roll call vote of 4-0.

G. Approval of Quotes for Miscellaneous Annual Services and Material for the Utility Team

Mr. Olsen stated that each year the Board is asked to approve quotes for various services and materials that the Utility team relies on to ensure deliveries of safe, reliable water to our customers. While individual purchases for these items are typically under the procurement policy threshold for Board authorization, the threshold may be exceeded on a cumulative basis over the course of the year. These quotes include chlorine purchases, asphalt patching services, and analytical services for coliform testing.

The Board is requested to approve these quotes and direct staff to use the lowest quote when possible.

Mr. Foulk moved to approve the annual quotes for chlorine purchases, asphalt patching services, and analytical services for coliform testing from the corresponding lowest bids per item as presented by staff, and to direct staff to use the next lowest bidder for a particular service or material if performance or quality of service from the lowest bidder does not meet the District's needs. Mr. Jacobs seconded the motion. Motion passed by a roll call vote of 4-0.

VI. General Manager's Report

Mr. Olsen stated that since 2020, the District has participated in compensated system conservation agreements (CSC) with CAP and Bureau of Reclamation (BOR). Under these agreements, the District has left up to 5,000 AF annually to support Lake Mead levels and the District has received up to $2 million annually in non-ratepayer revenue. The current CSC program expires at the end of 2026. The BOR reached out to the District to determine interest in CSC participation in calendar years 2027 and 2028 but at a rate of $325 per AF compared to the previous $400 per AF due to the limitation of funding and the goal of shared contribution to the health of the Colorado River System. Given that it is likely that the District will experience a mandatory reduction of 14 to 20% to the District's CAP allocation in 2027, the District would not be able to have 5,000 AF available to participate in the CSC. For planning purposes, Mr. Olsen responded that the District would be interested in up to 3,000 AF annually for those two years but that would be contingent on the specific reduction to the District's CAP allocation. In other words, the District would only participate in CSC on any remaining CAP allocation that is beyond the annual CAP usage by the District's ratepayers.

As a Commissioner, Mr. Olsen attended the Arizona Water Banking Authority meeting and shared some of the critically important topics covered regarding firming obligations in 2027.

Discussion ensued and staff answered questions.

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 July 13, 2026.

IX. General Comments from the Public

There were no comments from the public.

X. Adjournment

The meeting adjourned at 6:46 p.m.

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Scott Schladweiler, Chair of the Board

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Theo Fedele, Clerk of the Board