

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

June 12, 2003

**** Board Room ****

**Metropolitan Domestic Water Improvement District
6265 N. La Cañada Drive
Tucson, AZ 85704**

PUBLIC HEARING

MINUTES

Designated Hearing Officer: James Tripp, Board of Director Member

District Staff Present: Christopher W. Hill, Deputy Manager
Alice Stults, Recording Secretary

PUBLIC HEARING

I. Call to Order and Roll Call

James Tripp, Designated Hearing Officer for the Board of Directors of the Metropolitan Domestic Water Improvement District (District), called the Public Hearing to order at 9:05 a.m.

II. Presentations Regarding National Townhomes, LLC and Mona Lisa Village

A. Comments from Steven Nanini, Developer, Mona Lisa Village

Steve Nanini, National Townhomes, LLC; Magee/La Cholla Investments, LLC; La Cholla Investments, LLC and developer for Mona Lisa Village (MLV) was present to discuss issues occurring at the Mona Lisa Village townhome project. There are 100 units in the project located at the corner of Mona Lisa and Magee Road. Mr. Nanini said the issues relate to the lack of landscaping completed along Magee Road, and the low water pressure in MLV, both of which Mr. Nanini believes are the responsibility of Metro Water.

Mr. Nanini said he is currently in control of the MLV Homeowners Association but will soon turn the HOA over to the residents. He believes the sale of the remaining townhomes in MLV have been hampered due to a strip of land along Magee Road that has no landscaping and creates an eyesore. Mr. Nanini explained that he is unsure if it is Pima County or the District's responsibility to address the landscaping issue. He said the District completed the engineering design of the transmission main and contracted the work on Magee Road.

Mr. Nanini does not believe the water system functions as intended. He explained that the water distribution system in MLV is designed in two phases, with 60 units to the west end, and 40 units to the east end. Mr. Nanini recently checked the water pressure at the meters (two meters for domestic use, two meters for irrigation) and said there was 48 psi on the west end, and 43 psi on the east end. The design plans developed by the District indicated four meters for domestic water usage; however, there are currently only two meters installed at MLV.

Mr. Nanini believes the required backflow devices that were installed restrict the water flow to the homes by approximately 12 psi. He noted that as a result, he is receiving complaints from residents about the water usage appliances such as dishwashers and toilets not operating properly due to the low water pressure, and is concerned about lawsuits against him from the homeowners. Mr. Nanini said Pima County adopted the 2000 International Residential Code (Chapter 29) which states that the minimal amount of pressure at the building entrance will be 40 psi. He said due to the loss of 12 psi from the backflow devices means that water pressure at the entrance to the homes is less than the required 40 psi. Mr. Nanini said at the west entrance there is 36 psi and on the east entrance there is 31 psi.

Mr. Nanini said that at the time the original designs were completed by District engineers for MLV, there was a pump driven system. The District has since eliminated the pump system and has gone to a gravity flow system. Mr. Nanini said the District has described MLV as being in a marginal or fringe area, and believes the District should have notified him when the system was changed from a pump system to a gravity flow system. He believes this is another contributing factor for the loss of psi.

Mr. Nanini said he has withheld final payment of the area development fees in the amount of \$30,000 because of the mitigated landscaping issues along Magee Road, the improperly operating water delivery system, and his personal potential liability that exists beyond completion of the homes. He explained that steps are being taken to file a class action law suit against the District, but hopes that a solution to the problems can be worked out by the District increasing water pressures. He noted that Charlie Maish, District Engineer, made suggestions such as putting a pump and tank on his side of the meter, or cut the loop system within MLV, but does not believe that it is his responsibility to make changes.

B. Comments from Christopher Hill, District Deputy Manager

Mr. Hill briefly explained the chronology of the events at MLV. He said that in February 1998 the District's distribution system was completed for MLV. During March 1998 the area development fees were assessed, and three meters were installed in 1998 and 1999. Mr. Hill said correspondence occurred between the District and Pima County regarding the newly imposed native plant preservation policies, and the District was in compliance with those established rules and policies.

Mr. Hill noted that after changing from the pump driven system to a gravity flow system the water pressures were slightly lower than they had historically been at MLV. The pressures taken by District staff have indicated slightly higher pressure readings than those taken by Mr. Nanini and his

representatives. On the MLV side of the meter the reading was 37 to 45 psi during the summer of 2002. During January 2003 the reading at the west entrance before the meter was 50 psi, and within MLV the readings ranged from 40 to 43 psi. The District put data loggers on all three meters from late January to early February 2003 to establish patterns and trends. Mr. Hill said a two inch meter used 10,000 to 11,000 gallons of water, a one inch meter on the west side used 6,400 gallons, and the one inch east side irrigation meter used 50,000 gallons of water.

Mr. Tripp asked why a one inch irrigation meter was installed on a two inch port. Mr. Hill replied that this was the size of meter that was requested. Mr. Nanini noted that the irrigation meter requirements are considerably less than the domestic water meter requirements. Mr. Hill explained that the two, one inch meters are designated as irrigation meters, and the two inch meter is designated as a domestic meter. He noted that in March 2003 a fourth meter was installed after the data loggers were removed.

Mr. Hill said the District's legal counsel sent a letter to Mr. Nanini requesting payment for the remaining \$30,000 for development fees. A notice of a possible lien was sent to Mr. Nanini for non-payment of the development fees, as well as a notice providing him with the opportunity to a hearing process. On May 15, Mr. Nanini requested an on-site meeting. District staff attempted to schedule this meeting with Mr. Nanini to discuss possible resolution to the issues; however, Mr. Nanini decided not to meet with District staff.

Mr. Hill said that as recent as yesterday, pressure checks were taken on the District's side of the meters and the readings ranged from 50 to 45 psi, depending on location. On the MLV side of the meters the pressures are 34 psi. Mr. Hill explained that the reference Mr. Nanini made to the International Residential Code addressed private plumbing. The District's requirements distinctly differ in that the District must meet fire flow and distribution requirements. Engineering Bulletin 10, Chapter 7 as approved by the Arizona Department of Health Services requires a minimum 20 psi under all flow conditions. Mr. Hill noted that this is the code the District uses for its design criteria.

Mr. Hill said that the one inch meters have the capacity to be changed to two inch meters, and that there is also the capability of adding two additional meters. Mr. Tripp verified that there was capacity for six meters, and asked if the MLV complex was complete. Mr. Nanini said it is 80% complete, and that he was anticipating adding two additional meters in the future. Mr. Hill said that the District recently discovered the domestic meters and irrigation meters are feeding a common line. Based on the District's requirements and experience, 34 psi should be adequate pressure to allow the water usage appliances to operate properly.

III. Recommendations

Mr. Tripp said that he would take the information into consideration before offering recommendations or making a decision. He asked whom the property owner is for the strip of landscaping Mr. Nanini wants done on Magee Road. Mr. Nanini said the area he wants landscaped is in Pima County's right-of-way. Mr. Tripp noted this right-of way is currently being used by construction vehicles, many of which belong to Pima County, and that items are being stored there.

Mr. Nanini said that residents of MLV want to see this strip of right-of-way closed off to vehicles and vegetation put in place.

Mr. Tripp asked if the District met Pima County's native vegetation requirements. Mr. Hill replied yes. Mr. Maish said that six trees were identified in the wash. Per County instructions two trees were salvaged and moved to other locations, and four trees were destroyed. The District was also instructed to hydro seed and complied with those instructions. However, due to the lack of rain and the continued vehicle traffic in the area, no growth occurred as a result of the hydro seeding.

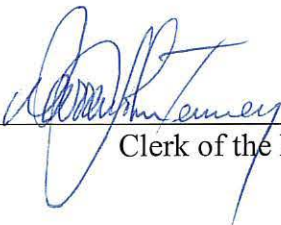
Mr. Nanini said Pima County did put in vegetation landscaping at the corner of Magee and La Cholla. He explained that he believed the development fees paid/owed to the District were to provide money for landscaping. He added that for \$10,000 the District could put in vegetation and landscaping on Magee Road and this would appease him and the MLV homeowners. He suggested this money could be taken out of the \$30,000 balance he has left owing to the District.

Peter Vokac, consultant to Mr. Nanini, spoke briefly regarding the water pressures within MLV. He noted that the meter on the west side of the project is handling most of the water. Mr. Tripp questioned which side of the project was handling most of the water demand. Mr. Hill said that the east side is where most of the water is flowing into MLV. Mr. Vokac believes that this was temporary and due to pipe breaks. Mr. Hill said that regardless of which side, the majority of the water passed through the one inch meter.

Mr. Hill explained that the development fees pay for the infrastructure to supply water. He noted that he will contact Pima County to determine if it is abiding by the 2000 International Residential Code. Mr. Hill said installing two additional water meters in MLV will not increase water pressure; it will only provide additional volume. Currently, there is enough water pressure to address public health and safety concerns, including fire flow. Mr. Nanini asked if he was required to cut his internal water system in half. Mr. Hill said that he does not believe this would be necessary, or would enhance the overall system.

IV. Adjournment

The Public Hearing adjourned at 10:07 a.m.



Clerk of the Board



James Tripp, Designated Hearing Officer