

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

**February 26, 2007**

**\*\* Board Room \*\***

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

**MINUTES**

Board Members Present:           Judy Scrivener, Chair  
  Dan M. Offret, Vice Chair  
  Jim Doyle, Member  
  Lauretta Ovsevit, Member  
  James Tripp, Member

District Staff:                     Mark Stratton, General Manager  
  Warren Tenney, Clerk of the Board  
  Alice Stults, Recorder

**Study Session**

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

Judy Scrivener, Chair of the Board of Directors of the Metropolitan Domestic Water Improvement District (District), called the Board Meeting to order at 5:05 p.m. Judy Scrivener, Dan M. Offret, Jim Doyle, Lauretta Ovsevit, and James Tripp were present.

**II.    General Comments from the Public**

There were no comments from the public.

**III.   Ratification of Amendment No. 1 to the Storage Tank Coating 2006-2007 Contract for the Emergency Replacement of the DeConcini Tank Floor**

Mr. Tripp made a motion to ratify Amendment No. 1 to the Storage Tank Coating 2006/2007 Contract in the amount of \$37,800 for the repair of the DeConcini Storage Tank. Further, to authorize \$17,265 from the Contingency Fund to make up the difference in the budget. Mr. Offret seconded the motion.

Mr. Offret asked how the floor of the DeConcini Storage Tank would be replaced. Steve Shepard, Utility Superintendent, explained that a hole would be cut out and sheets of metal would be brought in to lie on top of the existing floor. Mr. Offret asked that staff find out exactly how this process will be done and report back to the Board.

The motion to ratify Amendment No. 1 to the Storage Tank Coating 2006/2007 Contract in the amount of \$37,800 for the repair of the DeConcini Storage Tank, and further, to authorize \$17,265 from the Contingency Fund to make up the difference in the budget passed unanimously.

**IV. Overview and Status of the Northwest Central Arizona Project Water Treatment and Delivery System**

Mark Stratton, General Manager, explained that a presentation had been prepared by staff to provide information to the Board regarding the Northwest Central Arizona Project (CAP) Water Treatment and Delivery System. He also noted that Joe Herrick, who was present at this meeting, would be assisting in lobbying the Federal Government to seek funding for this project. Mr. Stratton began by discussing the primary pieces that would be required to begin the project. He explained that the District's current water resources are wells, Central Arizona Project Allocation, and effluent.

Mr. Stratton said the District is currently in Stage 2 of its Drought Plan. He explained that wells within the District are seeing a decline of an average of three feet per year overall, and new wells are expensive to drill and equip, as is the land for the wells. In respect to the District's groundwater credits, the District has typically used all of its allocated credits, whether they are paper or wet water credits. Mr. Stratton explained recharge credits and noted the yearly amounts the District has recharged or recovered. At the conclusion of a water management study with the US Bureau of Reclamation (BOR), it was determined that treatment and direct delivery of CAP water was identified as the preferred alternative for securing additional water resources for the Northwest Tucson area. Therefore, a pilot investigation of slowsand filtration and reverse osmosis treatment of CAP water was recommended by the BOR. That study was concluded, and a new study is now being conducted which also looks at what to do with the brine concentration left over from the treatment of the CAP water. The District is currently working with the BOR regarding CAP utilization through a treatment system and reliability reservoir. It is anticipated that a treatment system will be in place by 2012.

Warren Tenney, Assistant to the General Manager, explained the financial and governance pieces required to bring the CAP treatment system to fruition. The four partners involved in the formation of the treatment system are Flowing Wells Irrigation District, Town of Marana Water, Metro Water District, and Town of Oro Valley Water. These partners have been meeting for a number of years to discuss direct treatment and delivery of the treated CAP water. Mr. Tenney explained the proposed location of the treatment system, and the location where it is anticipated that each of the four water utilities would connect to the system. He noted that in addition to the treatment system,

a reliability reservoir would be needed in the event CAP water was turned off or unavailable for any reason. The treatment system requires a continuous flow of water; therefore, the reservoir would provide water in the event none was temporarily available through CAP. A cost estimate study is currently being completed to determine the costs for all portions of the system. This study will also assist the participating entities when they begin preparation of conducting a financial analysis to determine how the treatment system will be paid for. Mr. Tenney said that meetings have also been held by the partners to discuss the governance for the treatment system, and further discussions will take place on the political and legal structure for the system.

Chris Hill, Deputy Manager, discussed the infrastructure for the Northwest Central Arizona Project Water Treatment and Delivery System. He explained that the entities are looking at items such as treatment options of the water, managing TDS levels, concentrate management, operating costs, future water quality standards, and land acquisition for the treatment facility. Mr. Hill detailed the five alternatives recently provided by Carollo Engineers for the treatment of the water, and proposals on how the system would operate. It is anticipated that Carollo Engineers will also provide a cost breakdown for the different treatment options in the near future. Mr. Hill explained that there are two right-of-ways being considered for the delivery system, Tangerine Road and Moore Road. The design of the facility includes regulatory/environmental considerations, right-of-ways, utility conflicts, ease of operation and maintenance, and operating and capital costs. The four entities will share in the cost of the treatment system, although each entities portion is yet to be determined. Mr. Hill noted that it is anticipated the reliability reservoir, which is essential in the treatment and direct delivery of CAP water, will be approximately 3,000 acre-feet, 25 feet deep.

Mark Myers, water policy consultant, provided information regarding the 1986 Plan 6 Agreement that included information on dams that were planned in the Southwest that would provide additional water to entities. However, these dams were not built. This agreement also addressed the reliability feature commitment for the Tucson Area which says, "as reasonably reliable a supply of Municipal & Industrial (M&I) water for water users in the Tucson area as is provided for other major CAP M&I water subcontractors." However, the Tucson area CAP users are more vulnerable to aqueduct outages than users in the Phoenix area. Therefore, an agreement was made in a 1992 Resolution between the Bureau of Reclamation, CAWCD and City of Tucson to ensure short-term reliability. However, for the Northwest Tucson area reliability it was determined that it would be necessary for the participating partners to have direct delivery of CAP water as the preferred alternative for their CAP allocation, and a reliability reservoir. Mr. Myers said it is necessary for the District to secure support from CAP for this project, and receive lobbying assistance at the federal level for funding for the reservoir and the delivery and treatment system.

Mr. Stratton explained that public relations will be an important element in educating our customers on the need for the treatment system, and the information will need to be presented to customers in the appropriate sequence. Mr. Stratton said it will be necessary to hire a public relations firm that will also help the District to determine customer's willingness to pay for the system, and their willingness to drink the water. Mr. Stratton noted the importance of having customer confidence

during this entire process. He added that it is anticipated a financial package from the cost estimate study will be ready to be presented to the Board in June 2007.

Mr. Offret explained that he would like to also see local lobbying done with Pima County to secure funding. Mr. Stratton said that staff has been working on this issue, and noted that the Town of Marana and Town of Oro Valley would probably be more successful in securing money for this project from Pima County. However, the District will be providing them with additional support.

**V. General Manager's Report**

Mr. Doyle inquired about the Central Arizona Project Colorado River tour study. Mr. Stratton suggested that any Board members interested in attending the tour notify Warren or Alice.

Mr. Stratton provided the Board with an update regarding the Blackwell condemnation, and explained that the District has received the easements in exchange for credit towards future water bills, removing the need for condemnation. The bids for this project are due Friday.

In March 2007, Mr. Stratton will receive an award from the American Public Works Association for its Professional Leader of the Year. Board members congratulated Mr. Stratton on receiving this prestigious award.

**VI. Adjournment**

The meeting adjourned at 6:45 p.m.

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Judy Scrivener, Chair of the Board

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Warren Tenney, Clerk of the Board