

REGIONAL WASTEWATER RECLAMATION ADVISORY COMMITTEE

Transamerica Building
Pima Association of Governments' 5th Floor Conference Room
177 North Church Avenue

Thursday, March 18, 2010

REGULAR MEETING

Committee Members Present:

Jim Barry	John Carlson	Rob Kulakofsky	Mark Stratton
Jeff Biggs	Mike Gritzuk	Armando Membrilla	
Sheila Bowen	Bill Katzel	Corey Smith	

Committee Members Absent:

Brad DeSpain	Barbee Hanson	John Lynch	Ann Marie Wolf
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Staff Present:

Ed Curley	Sandy Current	Melaney Seacat	Harlan Agnew
Diana St. John	Laura Fairbanks	Lorraine Simon	Charles Wesselhoft
Jackson Jenkins	Mary Hamilton	Lillian Von Rago	
John Warner	Gregg Hitt	Tom Burke	
Eric Wieduwilt	Jeff Prevatt	Ron Meck	

Others:

Dick Bayse	Craig Cannizzaro, P.E.	Claire Zucker, Pima Association of Governments
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I. CALL TO ORDER. Chair Sheila Bowen called the meeting of the Regional Wastewater Reclamation Advisory Committee (RWRAC) to order at 7:53 a.m.

II. CALL TO THE AUDIENCE. Mr. Dick Basye, 2649 E. Exeter Street, Tucson AZ, requested to speak. He noted that he previously spoke at the January 21, 2010 Public Meeting regarding spending millions of dollars to put highly treated effluent into the Santa Cruz River when he believes it can be put into a pipe and sent to the Avra Valley cotton farmers instead. The growing season does stop and start, so when the season stops, the effluent can be put into the River occasionally, but mainly it can be stored in a gravel pit while farmers are switching crops. He believes it would be cheaper for the farmer as well and the public doesn't have to pay millions of dollars. He has not heard any response to his questions. He has heard that the effluent may be saved and pumped to the Avra Valley recharge facility where Central Arizona Project (CAP) water is recharged into the ground. As a last resort that would be tolerable to take wastewater and use it for human consumption – "toilet to tap" – if there was no other source. That would be grotesque and unacceptable to the citizens if, at the same time, the farmers and mines are told they can drink all the good ground water. It is un-American to think that we would take sewer water and spend millions to make it somewhat potable and at the same time say that the farmers and the mines get the good stuff. He thinks that the Committee would do a cursory study to the viability of piping that water to the farmers in Avra Valley. Since the Department didn't study it, they can't say it's not viable. It is so logical – he does not understand why this Committee can not recommend the Department give a cursory examination of that option.

Ms. Bowen said that Jackson Jenkins did comment [at the Public meeting] that regulations are such that at the point it leaves the treatment plant it has to meet certain regulatory requirements.

Mike Gritzuk said that if the Committee wants the Department to evaluate it they will, however, the plan has many flaws. The Department is in a regulated program now with a compliance schedule and permit requirements that have to be met for quality. Until there is relief from the regulatory agencies the Department is not going to sway from the ROMP program.

Jim Barry asked what the daily effluent flow is to the Santa Cruz River. Mr. Gritzuk said 60 millions of gallons per day Of which 28,000 acre feet (AF), or more than 50 percent of what is discharged, is owned by the Federal government.

John Carlson said that the subject is very complex, and if the Committee is to consider it they need to be educated in the form of a briefing paper from staff or from Mr. Bayse. But, as far as he knows, water still has to be put in the Santa Cruz River.

Jeff Biggs said that the City of Tucson owns approximately 30,000 AF after it is divided among other entities. Mr. Bayse's comment about him hearing that the City is considering piping effluent to the recharge facility in Avra Valley is untrue. With the regulatory requirements and the Federal government owning so much of the effluent, piping effluent to farms in Avra Valley is problematic now and in the future.

Mr. Bayse asked if they own it why they don't clean it up. If the City has spent millions of dollars on reclaimed water lines to bring the water to golf courses and parks around the City, is that water going to be cleaned to Grade 1 standard before it goes into the reclaimed? A lot of money has been wasted on reclaimed water lines that are separate from regular water lines.

Mr. Barry called for a point of order. The Committee should not become engaged in dialog during a call to the audience. If Mr. Bayse wants this on the Agenda someone has to ask for it.

Ms. Bowen asked if the Committee could get a very brief summary as to why the proposal may not be feasible.

Mr. Barry asked how much water 60 million gallons of water per day actually is and can farmers actually absorb that much? How much water do the farmers actually use in a year? There is a lot he does not understand about effluent.

Bill Katzel said that he would like this subject added as an Agenda item and that Mr. Bayse be notified when it will be on the Agenda.

III. APPROVAL OF MINUTES (*approved out of order).

- A. **February 9, 2010 - Public meeting.** The minutes of the February 9, 2010 Public meeting were approved (UNANIMOUS).
- B. **January 21, 2010 - Regular meeting.** The minutes of the February 9, 2010 Regular meeting were approved (UNANIMOUS).

IV. Discussion.

A. Old Items/Updates.

- 1. **Regional Optimization Master Plan.** Mike Gritzuk, Director, gave an update of the Regional Optimization Master Plan (ROMP).

- **Ina Road WRF Upgrade and Expansion.** Construction is actively underway and several early Guaranteed Maximum Price (GMP) packages have been issued. There is a substantial amount of earthwork underway, site clearing and the start of the digester complex. Originally a power plant was planned to replace the existing plant. Discussions have begun with Tucson Electric Power (TEP) since they submitted a new proposal to provide total electrical power to the facility with a looped electrical system (power would come from different directions and generating stations). This proposal meets the Arizona Department of Environmental Quality (ADEQ) requirement for redundant electrical power. The Department's consultant evaluated the proposal and submitted a detailed report recommending that the proposal be accepted. This reduced the \$22 million allotted in the budget for the power plant to \$4 million. This results in a savings of \$18 million in capital costs.

RWRD is in negotiations with the construction manager at risk (CMAR) contractor regarding the next guaranteed maximum price (GMP) component of the project. This GMP is the biggest component of the project with a value of approximately \$170 million.

Corey Smith asked where the \$18 million reduction would be from – the first or second \$165 million debt issuance and if it could be reduced by \$18 million? Mr. Gritzuk said that we already have some of the money from the 2004 bonds; the rest would be from the first \$165 million. The largest component of this project has not been bid therefore no reductions can be made at this time.

- **Plant Interconnect.** Only 100 feet of pipe are left to install. The major terminal portion in the Roger Road area is now being constructed. The design area for the turnout which diverts the flow into the new water campus is complete and is being negotiated with the CMR contractor at a cost of approximately \$500,000. Overall the contract is 90 percent finished with a completion date of December 2010. The project is ahead of schedule and under budget. The remaining work is to install conduits to the Supervisory Control and Data Acquisition (SCADA) operation to install or divert the sludge line in the right of way, cleanup and surfacing. We will also start part of a bike path over the right-of-way.

- **Water Campus.** RWRD has received qualification statements, short-listed the design-build-operate (DBO) companies, and requested preliminary technical proposals. These proposals are now being evaluated and technical discussions are now occurring. These discussions will continue until each proposal is technically acceptable. There will be several more meetings before they submit a cost proposal. The target date is November 2010 to have a package before the County Administrator

and to this Committee and the Board of Supervisors by early December 2010.

- **Central Lab Complex.** Two design-bid-build procurements have been done: one for the site civil work, the other for the design and construction of the building complex. HDR Engineer Architects have been selected and are now actively involved in the design of the complex, which consists of the laboratory, regulatory affairs office, including the industrial waste program, and training center. The scheduled delivery date is December 2011.

Mr. Barry asked if the administrative offices will still be downtown. Mr. Gritzuk said yes.

2. **Financial Update.** Mr. Gritzuk distributed a memorandum to the Committee regarding the Fiscal Year 2010/11 Financial Plan that was submitted to the Board of Supervisors. The Financial Plan was conditionally approved by the Board of Supervisors in a 4-0 vote. The Board added a requirement that a special revenue fund be created for available unrestricted cash revenue to be used only to pay down existing debt or for rebates to rate payers as approved by the Board of Supervisors. There will be a substantial build up of cash during this program. The Supervisors want the unrestricted cash in a special revenue fund from which only they can authorize the release of funds. Finance and Risk Management Department is to return to the Board annually to propose any adjustment to the rate increase structure.

Mr. Gritzuk said that RWRD's Operations and Maintenance (O&M) increases are now restricted to 3.4 percent over the prior year actual expenditures. The Board authorized the sale of the first \$165 million installment of the sewer revenue obligations. Finance and Risk Management Department is to prepare a draft offering statement, which will be distributed to RWRD for comment upon receipt.

Ms. Bowen said she spoke to the Board and expressed the Committee's concerns regarding the need for an annual review.

Tom Burke said the special revenue fund was the formal way the Board adopted what was presented to this Committee and this Committee talked about: that the excess funds are not to be used except to reduce debt and to reduce future rate increases. It was set aside so the County Administration and RWRD could not use the funds without Board approval and designated the fund for those purposes. The Board asked that an annual review be done as part of the annual budget presentation. It would come to this Committee before the Board.

Armando Membrila asked if this allowed the Board to use the money as they see fit at a later date if debt is not paid down and there is a surplus amount and a rebate is not done. Mr. Burke said that the County's enterprise funds are restricted by bond, sewer revenue obligation and Water Infrastructure Finance Authority (WIFA) covenants. The funds can only be used for providing sewer services. The board could not use it for other County purposes.

Mr. Gritzuk said that the Board stated the fund is "to be used only to pay down existing debt or for rebates to rate payers."

Mr. Membrila asked if that could be changed by the Board at any time. Mr. Burke said yes. It was created by a majority vote, not by statute or commitment to a third party. Another majority vote could override this vote. It would still have to be used for expenditures related to the sewer system but it could be used for other purposes other than paying down debt.

Mr. Barry asked if the excess cash be used to pay for a construction contract thereby reducing the amount of sewer obligations that would have to be sold or would it have to be used to pay down existing debt? Mr. Burke said yes, it could be used for that purpose as it would be an appropriate use of the funds. Currently the County is at its expenditure limit and it could not be used for that unless funds were reduced elsewhere. The Legislature is considering bills that would allow funds to be used for capital projects and a general exception for providing sewer services from the expenditure limitation. If those bills pass the money could be used in that manner and not as much would have to be borrowed.

Mr. Katzel asked the status of his request to add the 2009 rate increase information was added to the Financial Plan. Mr. Burke said that increases from the prior year were added to the Financial Plan.

(*A quorum having been achieved, the February 9, 2010 Public Meeting and February 9, 2010 Regular Meeting minutes were approved.)

3. **Pharmaceutical Working Group (Dispose-A-Med) Update.** Jeff Prevatt gave a PowerPoint presentation updating the Committee on the activities of the Pharmaceutical Working Group.

Mr. Katzel asked if corporate sponsors had been solicited to be stake holders in the Working Group. He feels that they have a residual liability and should give the community a remedy for disposing of it. Mr. Prevatt said yes. They are soliciting five grants with the assistance of the PAG, and RWRD and the City of Tucson are also working on some. The Oro Valley Optimist Club asked if they could become involved and gave a donation of \$7,000. The Optimist Club recently advised the Group that they wanted to take the issue nationally to other Optimist Clubs. The Club asked the Working Group to write a letter of endorsement for the Oro Valley program, which the County Administrator signed yesterday. The Drug Enforcement Agency is sending one as well.

Mr. Carlson noted that the media articles contained an article about a law in the State of Maine. Is there any hint of attempting to get an ordinance or law regarding leftover pharmaceuticals? Mr. Prevatt said that the Maine legislation prohibits flushing of medications. There is a \$.01 fee on every prescription to cover the costs and forces pharmacies to take medications back. Mr. Carlson asked what this Committee is recommending and what is the Department recommending. Mr. Prevatt said that the EPA is considering future monitoring requirements to develop a baseline to determine the extent of the problem. Any regulation from EPA (on allowable levels) will be at least a decade down the road.

Mr. Gritzuk said that there are currently no monitoring requirements. However, we are participating in research projects to get prepared. There have been times when the EPA has asked for samples of effluent to test. RWRD is on top of this by following what EPA is doing and participating in local community efforts, but there is no mandatory enforcement requirement at this time.

Mr. Biggs said that Tucson Water is also performing discretionary sampling annually at all production wells near the Santa Cruz River downstream of the treatment facility and monitoring at their recharge facility to establish a baseline.

Mr. Carlson asked if this Committee should make a recommendation at a future meeting regarding regulations. Mr. Prevatt said that the National Association of Counties did that not long ago. However, legislative changes take a long time. Mr. Carlson asked if the Supervisors are aware of the situation. Mr. Prevatt said that the minutes are sent to them.

Mr. Membrila asked how law enforcement disposes of the medications collected. Mr. Prevatt said that the medications are boxed as evidence, weighed, and delivered to the DEA. The DEA incinerates the medications. Mr. Membrila asked if that created an air quality issue. Mr. Prevatt said that the air is scrubbed. Mr. Membrila said that we have no control over people who are not connected to our sewer system: they can continue to flush medications and it goes into their septic system. Do we need to recommend that the Board make an ordinance prohibiting this? Mr. Prevatt said that is impossible to write an ordinance to accomplish that: we need to educate people. The fire department is educating at the elementary level. Metro Water has detected acetaminophen, caffeine and birth control in wells that are nowhere near the Santa Cruz River, indicating that they are all derived from septic system leaching.

Mr. Smith said that Mr. Katzel wanted an agenda item next month regarding the Household Hazardous Waste funding: this would be a good place to discuss this subject. Asking the Board to take a stance on this subject could be considered.

Mr. Barry said the joint Water Study had several principles: one was how good RWRD and Tucson Water were at applying standards for discharge, but there were a lot of issues where there is growing evidence that there are incidents, if not a problem, that if standards are not set that the departments will keep on top of it. He hears that is happening.

Mr. Carlson said that he feel that there should be an agenda item that gives some background on this so the Committee can advise the Board. Mr. Prevatt said that two white papers have been produced.

Mr. Gritzuk said that the Committee could be provided with those white papers. It would be great if the Committee brings this to the attention of the Board. Mr. Barry said that there was a PowerPoint during Phase 2 of the Study that could be distributed.

B. New Items

- 1. Committee Administrative Policy on meeting attendance telephonically.** Ms. Bowen said that telephonic attendance is not intended to distract from the meeting, but if special circumstances arise, to allow participation and maintain a quorum.

Ed Curley said that most organizations have telephonic attendance in their bylaws. It has become more common with Boards of Directors to save time and ensure participation. As the Committee does not have bylaws, it would be an Administrative Policy.

Mr. Carlson said that he approves of it as long as it is not abused, and made a motion to approve it. Ms. Bowen said that

there is no longer a quorum, so no formal action could take place. Within the policy is a requirement that one week's advance notice must be given.

Mr. Barry said that the policy should set a limited number of conditions under which a member can request it. Mr. Smith said that the alternative is to just not show up. There has been a problem recently with not getting a quorum. This needs to go back to the Board that the people they appointed to represent them need to take this seriously or they should appoint someone else. Mr. Barry agreed that this policy is needed, but it needs to be restricted. Mr. Smith said that a request should go through the Chair.

Rob Kulakofsky said that he finds this type of communication very disruptive. The person on the phone does not have the ability to know who raised their hand, what facial expressions are – it is very impersonal. It's not fair to other Committee members or the member attending remotely. He is against it.

Mr. Membrilla said that he sees both sides. Due to State budget issues, they have gone to telephonic meetings and he agrees with Mr. Kulakofsky that you cannot see faces, but you can hear inflection in voices. They can be chaotic. But, having attended meeting this way, he finds that people are nicer and more considerate with each other. He works out of town and cannot attend many meetings. It would be better if he could participate or at least hear the meeting.

Mr. Smith said that the cost of Cysco's web access would be approximately \$80 for one meeting a month. It would be interesting to see what the cost would be to update the conference room with web cams.

Ms. Bowen said that the audio quality in this conference room is quite good when someone is on the phone. She has attended meetings with multiple people on the phone and it has not been an issue.

Mr. Smith said that WebX has something pop up on the screen when you want to raise your hand. It is not very disruptive.

Mr. Carlson said that this will be discussed with the full group next month and suggested they move on to another topic.

Mr. Barry asked how often quorum issues occurred. Ms. Bowen said that the quorum challenges have been addressed as the EPAC member is being replaced and John Lynch has been appointed and will start next month. Armando's attendance is dictated by his work location. Mr. Curley said that after the quorum issues during the Financial Plan process, new members were recruited. No matter how much the roster declines, the quorum requirement is on the total number of 13 positions: we need seven to make a quorum.

Mr. Membrilla said that this Committee used to meet every other month. The agenda increased and the meetings had to be held every month. At some point in time will the meetings need to be expanded to more than a couple of hours, will they be able to cut back to every other month, or will a larger venue need to be explored. Ms. Bowen said that would be good conversation for future meetings. During ROMP there is reason to meet more frequently.

Claire Zucker said that the issue of video conferencing has come up, especially since the State budget decreases. Many meetings are moving to Phoenix creating a concern about the ability to attend. PAG is discussing how to incorporate video conferencing. She will advise her management about this conversation.

Mr. Carlson said the he sits on a City committee that will not continue to meet if a quorum is not met. This is a much better committee in that even without a quorum, discussions are still held.

Ms. Bowen said that she would like this tabled until next month. She has heard some good suggestions to put restraints on this Policy. She asked staff to revisit the Policy and add some constraints based on the discussion.

2. **RWRAC Purpose/Ordinance Discussion.** Sheila Bowen reviewed the purpose of the Committee: to advise RWRD and the Board and individually to our appointing authority. She would like to see the Committee come together more and achieve a consensus on topics.

Mr. Carlson said that is what the Committee has been doing. Ms. Bowen said that everyone has their own opinion as to how we are doing as a Committee. She would like to continue the discussion to next month when more of the Committee is present.

Mr. Barry said that the Board and Mayor and Council approved the Resolutions adopting the Phase 2 Water Study Report and recommended implementation of the recommendations, they also said they wanted this Committee, the Citizens' Water Advisory Committee (CWAC) and the joint Planning and Zoning Departments to act on the implementation of those recommendations. An annual report should be made to both those bodies as to how the Committee thinks. Regular

agenda items and regular reports from both the County and the City should be given.

Mr. Carlson asked if we could ask CWAC members to attend the Committee meetings. Ms. Bowen said that she felt it should be from a staff perspective as to how they are implementing the recommendations. Mr. Carlson said that there still needs to be dialog with everyone involved. Ms. Bowen said that is up to this Committee. Ms. Bowen said that we are an advisory committee: we look at issues presented, and are not limited to just a Financial Plan. Mr. Carlson said that to make a decision they need information. Mr. Barry said that joint meetings have been held before. Mr. Curley said that this Committee does not need authorization to have a joint meeting.

Ms. Bowen said that these are good points as to how we interpret our charge, where we are going and how to be as effective as we can be.

Mr. Smith said that given the amount of time spent as a Committee and the amount of time spent outside this room reviewing materials they should be far more active in making recommendations, or at least policy recommendations, to the Board whether on a formal or informal basis. There were a limited number of recommendations the Committee made to the Board. The manhole cover issue had no involvement by this Committee. Mr. Carlson said that the whole manhole issue was discussed years ago by this Committee. Mr. Smith said that he is referring to the recent \$500,000 expenditure. The Committee should be involved in those types of issues prior to so at the very least so they can advise their appointing authority.

Mr. Kulakofsky said that he agrees with Mr. Smith to a certain extent. The Committee does have a responsibility to talk to their individual appointing authority but also have a responsibility to the citizens at large as the citizens consider the Committee experts on the subject. Many people asked him about the manhole issue and only because he researched it and knew about it when the first phase was done he was able to talk to people about it intelligently. It was unfair of RWRD to not let the Committee know what was going on so that they would be able to talk intelligently about it, whether or not they agreed with it. Mr. Smith said that \$500,000 is a large expenditure for a non-budgeted item. That is what he is responding to, how the person was chosen, why RWRD couldn't do the service themselves and the cost of RWRD doing in versus an outside agency.

Ms. Bowen asked to table this discussion until the next meeting.

II. Citizens' Water Advisory Committee (CWAC) Update. Jeff Biggs gave the CWAC update. At the February 3, 2010 CWAC meeting, the CWAC Committee approved the five-year financial plan by a vote of 10-2. The financial plan includes revenue needs increases of: 9.7 percent for Fiscal Year 2011; 7 ½ percent for Fiscal Years 2012 and 2013; and 5 percent for fiscal Years 2014 and 2015. These are not actual rate increases. In the Financial Report, in Fiscal Year 2012 for the first time purchase their full CAP allocation of just under 145,000 acre feet and store it in their facilities. The Department is currently delivering 120,000 acre feet per year, so more water can be "banked" for the future. With climate change and potential drought on the Colorado River it is a milestone for the Department. The Mayor and Council approved the Financial Plan in February.

They are currently doing a cost of service analysis. The consult and CWAC decide where that 9.7 percent revenue increase needs to be in regards to all rate payers. CWAC will vote on that in March. It will then go to Mayor and Council in April. The cost of service analysis will show how much of an actual rate increase will be in different rate structures. Most of the time the lower users (less than 15 ccf) will see a rate increase lower than the revenue increase needs. A public hearing for the rate increase will be May 25, 2010. If passed, the rate increases will take effect July 5, 2010.

Mr. Barry said he forwarded an email to Mr. Biggs in which there is a strong possibility that the Active Management Area (AMA) office in Tucson will be closed. In fact, all of Arizona Department of Water Resources (ADWR) could be closed. He said that Tucson Water is going to take a stand. He suggested that CWAC also take a stand.

Mr. Biggs said that he understands that on July 1 the state is going to cut ADWR's budget by two-thirds. All the AMA offices could be closed or consolidated in Phoenix. It will be of concern in Tucson as there is a good working relationship. Tucson Water is writing a letter of support. He has asked the City to write a separate letter. A letter from CWAC would also be important. Any support given will be helpful. Arizona Department Environmental Quality will also face budget cuts.

Mr. Membrilla said that this is something we would like to see continued. Do we have an alternative plan to present to support keeping the office open? Ms. Bowen said that ADWR had proposed to become a self-funded agency. It went through the Governor's office. It included fees and charges to water providers, mining, and agriculture. Mr. Membrilla said that if there is support by any group, will it be to support them in their quest to be self-funded? Mr. Biggs said that in Tucson Water's Financial Plan, potential fee increases from ADWR were included. That is how important ADWR is to Tucson Water – money was included to attempt to help them. Mr. Barry asked what was budgeted for ADWR. Mr. Biggs

said \$750,000 per year for ground water withdrawal fees, permitting fees, plan reviews, etc.

Mr. Membrila asked how this Committee could be supportive. Mr. Curley said the bulk of our interaction with ADWR is permitting. ADWR has been supportive of RWRD.

Mr. Barry wanted to make the Committee aware of the situation as this Committee and RWRD have a stake in successful implementation of the Groundwater Management Act.

Mr. Membrila said that if there are fees and other obligation, how it impacted the County. Mr. Curley said that if fees were raised it would affect RWRD's budget. Ms. Bowen said that in the proposal for annual reporting for recharge putting them more online so there would be less staff time and considering an hourly charge for staff to work on things.

Mr. Carlson said the Committee should tell the supervisors that this is vital to the community. Mr. Curley said that sending a letter of support would be an administrative action and not need a formal vote. Mr. Barry said that if the Committee did that, he would suggest coordinating with Martin Willett, who does the lobbying for the County. Ms. Bowen said that the Southern Arizona Water Users Association did send a letter on behalf of the members of that group indicating strong support for the management plan and activities for the AMA and their presence in the southern region. Ms. Bowen suggested a letter supporting the presence of ADWR in the southern region be drafted and passed to the Committee by email for consensus. Mr. Biggs will get staff a copy of their letter to staff.

III. Water Infrastructure, Supply and Planning Study – Summary of Phase 2 Report. Melaney Seacat distributed a draft joint City/County Resolution to the Committee. She does have a PowerPoint presentation that goes more in depth. Both the City and County adopted resolutions that are identical but separate. Between the Board approval and the Mayor and Council approval, substantial public comment was received. The Study Committee now has a mandate to move forward. The next step is to develop an action plan. As called for in the Resolution, the action plan should be developed in six months. Their target is July 2010. They will build on the excellent teamwork established in the first two Phases. There are four categories: Comprehensive Integrated Planning, Water Supply, Demand Management and Respect for the Environment.

As called for in the Resolution, this Committee, CWAC and the Planning and Zoning Commissions of the two jurisdictions will act as forums for public input on the action plan development. Progress reports will be given as they go forward with implementation. There will be an annual report card on the implementation of the action plan as well.

Ms. Bowen said that she would like Ms. Seacat to come back and give the PowerPoint presentation. She asked if the action plan was part of the Phase 3 effort. Ms. Seacat said that the action plan looks at the Phase 2 recommendations and how to implement them. There are 56 recommendations and 19 goals. 14 of the recommendations have been identified as being regional in scope. That will be a skeleton of a process outline for consideration in a regional process. PAG is in charge of that process. Jim Barry suggested Claire Zucker be present during the presentation and that Claire be asked to talk to the CWAC as well.

Claire Zucker said that PAG was glad to be chosen as the regional agency in this process. PAG has begun to conceptualize how to move forward. PAG's first step is to go into the community to see how they felt about the City/County process, what parts would work well in a regional process and to present PAG's early conceptualization as to how PAG can go forward. They have met with the business community and the Town of Marana. Meetings are scheduled with the Town of Sahuarita, the Town of Oro Valley and Sustainable Tucson. She has received great input from Mr. Barry. She plans to go back to PAG Regional Council in May for approval to move forward. The process would probably not start until July, after the first of the fiscal year. At this point, they envision a year-long process before going forward. She has received feedback that the educational aspect of the Study was exceptional.

Mr. Kulakofsky asked what business sectors she has spoken to. Ms. Zucker said that she has talked to David Godlewski [Southern Arizona Home Builders Association] and Vince Vasquez. She will be talking to other members of Tucson Regional Water Coalition and anyone else suggested. Mr. Kulakofsky said that in Arizona, the business community becomes the development industry. There is a large business community, including Raytheon, Davis-Monthan Air Force Base and the University of Arizona, and there are hundreds of small businesses, all of which use a lot of water. He wants to make sure the business community that PAG meets with is diverse. Ms. Zucker said that it is difficult to talk to an interest group as they only represent themselves. It is challenging. That is why they are conceptualizing a completely open process.

Mr. Barry said that there were two other things that the Mayor and Council directed – take immediate action to review the conservation effluent pool (CEP) and to take immediate action review the obligated service area. Currently there is a policy to not extend the service area beyond the existing obligated service area. There was a lot of business opposition to both

the CEP and the obligated service area. Mr. Biggs said that the City is currently working with the County on the CEP. There is a study session in April regarding the obligated service area. Ms. Seacat said she is coordinating with them on these issues.

Mr. Barry said that he would like the RWRAC to be briefed on these topics. There are two issues that should be monitored: what the City and County do about the recommendations that apply specifically to them and what is happening on the regional level.

Mr. Carlson said asked if the action plan would be done by July. Ms. Seacat said the action plan will identify the recommendations- deliverables, timelines, etc. Mr. Carlson would like a briefing in May or June.

Mr. Smith said that Ms. Zucker should speak with Chris Scheaf. Also, both positive and negative comments would be useful.

Mr. Barry said that during the implementation process, other City and County departments involved. When appropriate, they should be invited to the RWRAC meetings to answer questions the Committee may have.

IV. FUTURE AGENDA ITEMS. In addition to the annual work plan items, Ms. Bowen said that Mr. Katzel asked that an update on the Household Hazardous Waste funding be placed on the next agenda. He would like to ensure that the various areas, including Green Valley, are included. He would like the Committee to recommend that PAG takes a lead in coordinating an equitable distribution of costs. Also, white papers and information on pharmaceutical, PowerPoint of Water Study recommendations, continuation of discussion on the RWRAC purpose and Administrative Policy #1.

Mr. Biggs said that he can give a water quality update to coincide with the pharmaceutical presentation.

V. CALL TO THE AUDIENCE. There were no comments from the audience.

VI. ADJOURNMENT. The meeting was adjourned at 9:50 a.m.