



REGIONAL WASTEWATER RECLAMATION ADVISORY COMMITTEE

Transamerica Building
Pima Association of Governments'
177 N. Church Avenue, 5th Floor Conference Room

MEETING MINUTES

Thursday, June 21, 2012

Committee Members Present:

Ann Marie Wolf	Barbee Hanson	Amber Smith	Alan Forrest
John Lynch	Bob Iannarino	Mark Stratton	
Sheila Bowen	Rob Kulakofsky	Mark Taylor	
John Carlson	Armando Membrilla	Jackson Jenkins	

Committee Members Absent:

Bill Katzel
Kendall Kroesen

A. CALL TO ORDER. Ann Marie Wolf, Chair, called the meeting of the Regional Wastewater Reclamation Advisory Committee (RWRAC) to order at 7:45 a.m. Veronica Lopez took the roll call and a quorum was present.

B. PLEDGE OF ALLEGIANCE.

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

Ms. Wolf announced that the Committee has two new members and asked both Alan Forrest and Mark Taylor to introduce themselves. Mr. Forrest stated that he is the new Director of Tucson Water and that it is a pleasure to be a part of this Committee. Mr. Forrest added that Tucson Water has had a great working relationship with the Regional Wastewater Reclamation Department (RWRD) and looks forward to continuing to work with RWRD staff and with the RWRAC. Mark Taylor stated that he has been appointed by the Citizens' Water Advisory Committee (CWAC) to replace Ms. Amy McCoy. Mr. Taylor stated that he is the Chairman for CWAC and has worked for Westland Resources for 15 years. Mr. Taylor stated that he too is glad to be a part of the RWRAC. Ms. Wolf welcomed both Mr. Forrest and Mr. Taylor to the Committee.

D. APPROVAL OF MINUTES.

1. Meeting Minutes of May 23, 2012

ACTION: Rob Kulakofsky made a motion to approve the minutes of the May 23, 2012 meeting. Mark Stratton seconded the motion. Motion passed unanimously.

E. COMMITTEE/SUBCOMMITTEE REPORTS.

- 1. CITIZENS' WATER ADVISORY COMMITTEE.** Mark Taylor stated that the City of Tucson Mayor and Council recently approved Tucson Water's revised rate schedule, which reduced the volume range at the rate blocks to encourage conservation and to provide rate stability. Mr. Taylor stated that CWAC is working on roles and responsibilities for the committee and ironing out some issues with the Open Meeting Law. The CWAC will meet again in September.

John Carlson asked about Mr. Taylor's statement that the rate structure was shifted downwards. Mr. Taylor clarified that the total rate revenue rate structure was not shifted downward, the categories of the rate structure were, and the category of 0-10 cubic feet for the new rate structure was approved. The total impact of all the rate increases for each category, as adopted several months ago by the Mayor and Council, is expected to produce 8.3% in additional revenue to Tucson Water. Mr. Forrest added that it is an adjustment on how the rates are calculated by moving some of the block rates and needed to be more in line with the average bills. Mr. Forrest stated that the main goal was to move the blocks to provide more stability in the revenues.

F. DISCUSSION/ACTION.

- 1. DIRECTOR'S UPDATE.** Jackson Jenkins, Director, RWRD, stated that the Regional Optimization Master Plan (ROMP) is continuing to go very well. The Water Campus Project is over 5 months ahead of schedule and the Ina Road Project is also on schedule. Mr. Jenkins stated that no changes have been made to the ROMP budget. Mr. Jenkins noted that the Biosolids/Biogas Master Plan is almost complete and the report will be distributed to the Committee upon completion and will also be added as an agenda item for discussion.

Mr. Jenkins stated that Eric Wieduwilt, Division Manager, RWRD, and his staff did a tremendous job with working on the Sewer Connection Fee Revision and he will have Mr. Wieduwilt discuss what occurred at the last Board of Supervisors' (BOS) meeting on the next agenda item. Mr. Jenkins stated that Ms. Wolf's letter, on behalf of the Committee, did get sent to the BOS with the recommendation that there not be a credit/rebate given prior to the May 15, 2012 action approving the ordinance change. However, the BOS did approve the credit/rebate by a 4-1 vote.

Mr. Jenkins stated the BOS adopted RWRD's budget and we will now be operating with a \$75 million Operations & Maintenance (O&M) budget, which is slightly higher than last year. The overall budget is approximately \$165 million and the difference is the debt service which is more than the O&M costs.

Mr. Jenkins discussed the recent activity with the Town of Marana (TOM). The court ruled in favor of Pima County and agreed that the TOM is not authorized to run the Marana Wastewater Reclamation Facility (MWRF). Mr. Carlson asked who is currently running the plant. Mr. Jenkins stated that the TOM is running the plant, but there is a lot of ongoing litigation and executive discussions occurring and what happens next is yet to be determined. Mr. Carlson asked if RWRD is involved at all with the daily operation or maintenance of the MWRF. Mr. Jenkins stated that initially when RWRD transferred the facility to the TOM there was some dialogue, but the TOM preferred that RWRD staff not

be on-site and involved with the facility. Therefore, RWRD has not had any discussion or interaction with the TOM in regards to the daily operation of the facility.

John Lynch asked with regards the TOM situation, how this will impact RWRD's budget that was just approved and will there be any implications. Mr. Jenkins stated that when the budget was submitted, RWRD did budget for the MRWF, in the event that it may be needed. Mark Stratton asked if the County will be making the debt service payment that is due July 1st. Mr. Jenkins stated that yes RWRD will make payments, but they have provided the information and payment requests to the TOM.

- 2. FY 2011/12 BUDGET AND FY 2012/13 FINANCIAL PLAN UPDATE/BUDGET.** Patrick McGee, Finance and Risk Management Department, stated that based on May 30th numbers, the sewer user revenue is right on budget at \$130.9 million and connection fees are at \$19.1 million, which is over what was budgeted for at \$16.7 million. Mr. McGee stated that in regards to the expenditures, RWRD is currently at 86% of the budget, which is slightly under what they should be and Finance is working with RWRD on a daily basis to keep them updated on their budget so not to exceed their budget by June 30th. Mr. McGee also noted that RWRD's FY 2012/13 budget was approved by the BOS on June 19th with no changes. The O&M budget is \$75.5 million for FY 2012/13.
- 3. SEWER CONNECTION FEE REVISION UPDATE.** Mr. Wieduwilt provided a brief overview of the process taken to change the methodology in calculating sewer connection fees from a fixture unit equivalent (FUE) to a water meter size. Mr. Wieduwilt stated that at their May 15, 2012 meeting, the BOS asked RWRD to conduct an evaluation and respond in 30 days on a refund or credit process incorporated into this change of connection fee methodology. For most commercial and residential customers, there is a reduction of fees with the new rate structure. The County Administrator recommended a credit for commercial and residential. Mr. Wieduwilt explained this would be for the time period of January 1, 2012 through May 14, 2012 and then discussed how the credit process would work.

Mr. Wieduwilt stated that it was agreed that a refund was reasonable and this would be cash directly back to customers that request it, from May 15, 2012 through July 1, 2012. The ordinance will become effective on July 1, 2012. Mr. Wieduwilt stated that staff is communicating with customers that if they are going to save money by paying by FUE, they need to do this before the end of June. If they want to pay now, there is a possibility of a refund process or if they wait by July 1st they can pay by the new water meter methodology. Mr. Wieduwilt noted that the BOS has accepted the concept of a refund, but the RWRD needs to respond to the BOS with an ordinance that firms this process up, and until the BOS adopts this ordinance, the refund process is not certain.

Mr. Carlson asked if this ordinance will affect RWRD's budget. Mr. Wieduwilt replied that the estimates of the impacts of these credits total approximately \$800,000, but due to the short-time period it is expected that not everyone will utilize those credits. All of that money would be calculated as lost revenue for next fiscal year. Mr. Jenkins commented that the extra \$2.4 million connection fee revenues that were collected this fiscal year, could easily absorb the refund/credit costs and he does not foresee any impact to the users.

Ms. Wolf announced that Armando Membrilla joined the meeting via telephone at 8:07 a.m.

Mr. Wieduwilt explained that part of the refund/credit process is that the customers will need to request it, possibly online. It is hoped to have this in place by September. By October RWRD should know how many people applied for credits and then begin the process of tracking the 12 and 18-month life of those credits.

The BOS asked RWRD to conduct a 6 month analysis to further review a few more items that the stakeholder community is concerned about: 1) whether the rate structure is fair to shell buildings and some unique commercial entities, 2) the difference in the one-inch meters, and 3) whether the 1½-inch meter and two-inch meter are too broad a spectrum for a single rate and should RWRD take the 2-inch meter and break into three individual rates. The RWRD requested to respond in a year on this analysis, but the BOS requested a response in 6 months. Discussion ensued.

Ms. Wolf suggested that the Committee may want to meet in July if they want to review and provide input on the refund/credit ordinance before it goes to the BOS in August. Ms. Wolf stated the Committee can discuss this during Item F.6 of the agenda.

- 4. DISPOSE-A-MED UPDATE.** Jeff Prevatt, Compliance and Regulatory Affairs Office, provided a brief overview of the Dispose-A-Med Program and presented a PowerPoint Presentation. Mr. Prevatt stated that in 2009, he was asked to spearhead a program to educate the public on how wastewater facilities treat pharmaceuticals in the water and the proper disposal of unused pharmaceuticals.

Mr. Prevatt stated there are over 50 agencies that are involved in this program and information regarding the monthly collection events are posted on the Dispose-A-Med website. National Take Back Day was on April 28, 2012 and 2,304 pounds of unused medications were collected locally and 8,327 pounds were collected state-wide. Mr. Prevatt stated that on July 1, 2012, the Pima County Health Department will be taking over this program. RWRD will still be a participating member in the program.

Mr. Prevatt explained once the unused medication is collected, it is then released to the Drug Enforcement Agency (DEA) for incineration. This program has been very successful, but the bulk of the expense for this program has gone towards law enforcement's collection of the medications and funding is being requested to help with the reimbursement of these expenses.

Mr. Prevatt stated that state legislation will make it easier to have a law enforcement presence with collections of unused medications. Ms. Wolf added that "control substances" need to be collected by law enforcement, which is why some programs have disappeared. Mr. Carlson noted that there should be more public outreach via television and/or radio. Ms. Bowen suggested that a list of Police Departments that have drop boxes for unused medication be added to the Dispose-A-Med website.

Discussion ensued regarding the treatment of emerging contaminants and the potential benefits for RWRD in partnering with the University of Arizona. Mr. Taylor asked how much of the emerging contaminants comes from the improper disposal of medications versus the passing through of the body. Mr. Prevatt explained the majority of the

contaminants comes from the body, and one-percent comes from improper disposal. The main reason this program was started was to help address prescription drug abuse by teens.

5. ELECTION OF OFFICERS.

ACTION: Mr. Kulakofsky made a motion that the Nominating Committee would like to re-nominate the existing Chair and Co-Chair, Ann Marie Wolf and John Lynch. John Carlson seconded the motion. Motion passed unanimously.

6. SUMMER SCHEDULE. Ms. Wolf stated that traditionally the Committee does not hold a meeting in July, but the Committee may want to hold a meeting in July to discuss the credit/refund ordinance prior to presentation to the BOS in August. Mr. Jenkins noted that the Committee will be invited to a Biogas/Biosolids Master Plan final report meeting to provide input, which will be scheduled for July or August. Discussion ensued regarding the summer schedule. The Committee decided to hold a meeting on Thursday, July 19th and will determine at the July meeting whether an August meeting is necessary.

Mr. Stratton inquired about the Open Meeting Law Presentation/Training. Mr. Curley stated that in lieu of a presentation/training, handouts will be provided to the Committee on the Open Meeting Law. The Committee concurred.

G. FUTURE AGENDA ITEMS. Ms. Wolf stated that the Biogas/Biosolids Master Plan and an update on the MWRP will be on next month's agenda.

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

ACTION: Rob Kulakofsky made a motion to adjourn the meeting. Mark Stratton seconded the motion. Motion passed unanimously.

I. ADJOURNMENT. The meeting was adjourned at 8:44 a.m.