

WASTEWATER MANAGEMENT ADVISORY COMMITTEE
MEETING MINUTES
June 16, 2005

Committee Members Present:

John Carlson Bill Carnes Ann Marie Wolf

Committee Members Absent:

Brad DeSpain Steve Halverson Armando Membrila
Mark Stratton

Wastewater Management Department Staff Members Present:

Paul Bennett Mike Bunch Ed Curley
Laura Fairbanks Suzy Hunt Jackson Jenkins
Steve Munsell Jeff Nichols

Other County Staff Present:

John Bernal, Juanita Garcia-Seiger, Harlan Agnew,
County Administration County Administration County Attorney's Office

Paul Loucks,
County Attorney's Office

- I. **CALL TO ORDER.** Vice Chair, John Carlson, called the meeting of the Wastewater Management Advisory Committee (WMAC) to order at 7:47 a.m.
- II. **APPROVAL OF MINUTES.** As there was not a quorum, approval of the minutes of the May 18, 2005 WMAC Committee meeting was tabled. The formal meeting was then adjourned and informal presentations and discussion followed.
- III. **COMMITTEE/SUBCOMMITTEE REPORTS.**
 - A. **Citizens' Water Advisory Committee Update.** No update was presented.
- IV. **WASTEWATER MANAGEMENT STAFF REPORT.** John Bernal, Deputy County Administrator for Public Works, noted that Committee members would receive updates on the Black & Veatch Rate Study and the Spring 2005 Financial Plan later in the meeting. He commented further that the Financial Plan was presented on June 7, 2005, to the Board of Supervisors. Final adoption of the County's FY2005-06 budget and Connection and User Fee rate increases will be considered by the Board at their June 21, 2005 Board meeting.

Mr. Paul Bennett presented the Staff Report and reported on the following items.

- **FY2005-06 Budget.** The County Administrator has recommended approval of the Financial Plan's Package D to the Board of Supervisors with some revisions. As noted above, the budget is scheduled for final adoption on June 21, 2005.
- **Spring 2005 Financial Plan and Black & Veatch (B&V) Rate Study.** On June 7, 2005, staff presented the Department's Proposed Financial Plan to the Board of

Supervisors. The B&V Rate Study Report also was presented by B&V Project Manager, Mr. Ken Martin. The Board then directed the Department to prepare the revised User and Connection Fee Ordinances to include a new base rate for the monthly fixed "Service Fee" (formerly called the Administrative Service Charge) of \$5.30, and an eight percent increase in the Service Fee and Sewer User Fee, as well as a 10 percent increase in the Connection Fees. These rate increases would be sufficient to fund the Financial Plan's Package D. Staff then revised the User and Connection Fee Ordinance Amendments to reflect the County Administrator's recommendations and the Board's direction made at the June 7 Board meeting. The Amended Ordinances are scheduled for the Board's consideration at their June 21, 2005 Board meeting.

Mr. Carlson asked if the Board had indicated whether they would consider approval of percentage increases for each year. Mr. Bennett responded the Board has indicated they will re-evaluate the fixed service fee in four years and the user and connection fees annually. In addition, he commented the Department will probably want another rate study to analyze the existing rates at that time. In the meantime, staff and management will be reviewing the other policy issues raised in the B&V Report.

Mr. Bennett noted that the Rate Study would be discussed later in the meeting under Agenda Item V.A.2., Black & Veatch Rate Report/Schedule Update.

- **Water Infrastructure Financial Authority (WIFA) Loans.** On June 15, 2005, the WIFA Board approved the Department's requested amendment to its existing WIFA loan for an additional \$1.9 million of funding for the 1997 Bond Projects (i.e., Marana Wastewater Management Treatment Facility and Santa Cruz Interceptor Projects). Mr. Bennett and Department Controller, Jeff Nichols, attended the WIFA Board meeting and also met with WIFA staff regarding the Department's anticipated submittal of an application for additional WIFA funding of \$8.5 Million of 2004 Bonds Projects.
- **Arid West Water Quality Research Project.** AWWQRP has initiated two new studies. They are "Ammonia Water Effect Ratio" and "Evaluation of the Environmental Protection Agency's (EPA) Recalculation Procedure."
- **2005 Draft Metropolitan Area Facility Plan.** During May 2005, staff gave presentations on the Draft Facility Plan to County Public Works departments, the WMAC, the local chapter of the American Public Works Association, Tucson Water, and Pima Association of Governments' Watershed Planning and Environmental Planning Committees. In addition, an update on the Facility Plan was included in the Department's monthly briefing to the Board of Supervisors.
- **Community Relations.** Community Relations staff, Laura Fairbanks, is developing a public relations campaign for the Department with input from the Department's Deputy Directors and Controller.
- **Capital Improvement Projects (CIP):**
 - **Ina Road Water Pollution Control Facility (WPCF) – 12.5 MGD Expansion.** The Ina Road WPCF 12.5 mgd Expansion Project is 96% complete. Substantial completion is anticipated by October 2005 with final completion anticipated sometime in the first quarter of 2006.

- **Arthur Pack Golf Course.** The Department is working with the County's Natural Resources, Parks and Recreation Department and Tucson Water on this project to provide a reclaimed water source to the Arthur Pack Golf Course other than the existing reclaimed line from the Ina Road Facility.

In addition, Mr. Bennett reported that the reclaimed line from Ina Road to the Park was damaged on June 14, 2005 by a contractor, but has already been repaired.

- **Randolph Park Water Reclamation Facility (WRF).** The contractor for the Randolph Park WRF Project, PCL, is working to complete all remaining construction punch-list items. Demobilization of the Project is scheduled for June 27, 2005. The Facility is producing about 1.9 million gallons per day (mgd) of effluent.
- **Avra Valley WWTF – Interim Capacity Planning and Certification.** The consultant, Kennedy Jenks, submitted a final Design Basis Report for the Avra Valley Facility, which deemed possible an interim increase of the Facility's treatment capacity from 1.2 mgd to 2.2 mgd. Project design/construction costs are estimated at \$1.7 million. The design phase is expected to start July 2005, pending approval of funding by the Board of Supervisors.
- **Corona de Tucson WWTF.** The design phase of this Project is complete to increase the Facility's treatment capacity by 300,000 gallons per day (gpd) with installation of a soil aquifer treatment (SAT) basin with discharge pump and piping. The Department has received the Arizona Department of Environmental Quality's (ADEQ) final approval of the Facility's Operating Permit so installation can begin.

The Department currently is reviewing options on how to site the next 500,000 gpd planned expansion facility at Avra Valley. Completion of this expansion is expected to be delayed until early 2006.

- **Marana WWTF – Capacity Expansion Projects.** The Marana WWTF's fourth package plant is installed, and has increased the Facility's treatment capacity to 200,000 gpd. The Department currently is evaluating whether to proceed with installation of an interim 0.5 gpd facility expansion, or with full construction of a 1.0/1.5 mgd biological nitrogen removal oxidation ditch (BNROD). Mr. Bennett commented further that Department staff would be coordinating closely with the Town of Marana on population growth numbers to determine when additional capacity will be needed.
- **New Federal Prison, Tucson, Arizona.** On June 14, 2005, the County issued the Contractor, Westland Resources, a Notice to Proceed with design of the gravity sewer for the new Federal Prison in Tucson.

- **Field Operations Division.**

- **Sanitary Sewer Inspection and Inventory Project.** This project is approximately 83 percent complete. Project completion is anticipated by the end of FY2006-07.
- **Vector (Roach) Control.** During May 2005, the Department received 286 vector-control-related calls, and staff treated 112 manholes. In addition, Mr. Bunch

informed Committee members that staff has prepared a Request for Proposals to contract out the Department's Vector Control service. The new Service will be more cost efficient and proactive, as every manhole in the County sewer system will be treated every other year.

- **Conveyance System Odor Control.** Field Operations is using a new chemical for conveyance system odor control. Mr. Bennett reported that he recently received a comment on the noticeable lack of odors emitting from the Roger Road Plant from a member of the general public.

Mr. Bunch commented further that the Department will consider implementing the chemical's use throughout the conveyance system if it continues to prove successful at controlling odors at the Roger Road Plant. He added that a biofilter, which was successfully tested at the Ina Road WPCF, currently is being installed at the Alameda siphon. During FY2005-06, another of these biofilters will be installed near the Silverbell Golf Course.

V. DISCUSSION.

A. Old Items/Updates

1. **WMAC Committee Administrative Items**
 - a. **WMAC Appointment Update (Citizen's Water Advisory Committee).** Department staff is submitting Mr. Carhuff's appointment as the Citizens' Water Advisory Committee representative to the WMAC to the Clerk of the Board for placement on the Board of Supervisors agenda.
 - b. **WMAC Membership Expansion.** The Board of Supervisors will consider An amendment to the WMAC Ordinance to expand the membership of the Committee from eight to 13 members at their June 21, 2005 Board meeting. Under this ordinance amendment, each Board member will have the authority to appoint two members to the Committee.
 - c. **Nominating Committee Report and Election of Officers.** The Nominating Committee – which consisted of Mr. Halverson, Mr. DeSpain, Ms. Wolf – recommended Mr. Stratton for Chair and Mr. Carlson for Vice Chair of the WMAC for FY2005-06. As there was not a quorum, action on these nominations is continued to the next Committee meeting.
2. **Black & Veatch Rate Study Report/Schedule Update.** Mr. Martin presented the Rate Study's key rate recommendations as revised and accepted by the County Administrator, which are being recommended to the Board of Supervisors for implementation in FY2005-06. These are:
 - Re-title the User Fee Ordinance's existing administrative fee to a service fee;
 - Recover Department's full fixed costs in the service fee;
 - Adjust the monthly service fee to \$5.30 (from the existing \$2.71) per service connection/per month in order to recover the Department's full fixed costs

for rehabilitation and repair of the County's existing sewer system. The Study determined that the existing fee was not covering all of these costs.

- Allocate the debt service associated with rehabilitation and repair activities to the User Fees.
- Provide sufficient revenues to support the Department's CMOM Program, and work toward the Department achieving the goal of being in the top 25 percent of wastewater utilities in the Nation.
- Increase the service fee by eight percent.
- Increase the volume charge for all user fee customer classes by eight percent.
- Increase the connection fee by 10 percent.
- Continue to increase the connection fee over a 10 year period to fund the CIP Program.

Mr. Bernal noted that the County Administration's recommendation for the rate increases to Connection Fees reflects a new "pay as you go" approach for new capacity/expansion as opposed to accruing additional debt costs.

Mr. Bernal also noted that the largest impact was the Service Fee adjustment. Mr. Martin said B&V calculated that these rate increases will increase the monthly sewer bill for the average residential sewer customer (for 10 ccf) by \$3.91, raising it from \$13.61/month to \$17.52/month.

Also, Mr. Bernal said the B&V Report included many observations on policy questions, which will continue to be discussed in the Department's monthly action plan updates to the Board over the coming months.

Staff is preparing the Department's final recommendation for the FY2005-06 budget, which includes an additional \$15 million proposed in new revenue and indicates how these funds would be used to enhance operations, maintenance, and rehabilitation of the regional wastewater system. (Note: On June 17, 2005, Committee members received electronic copies of the Department's June 2005 Action Plan Update to the Board of Supervisors, which includes these budget recommendations.)

3. **Spring 2005 Financial Plan.** (The Financial Plan was discussed under the previous agenda item.)
4. **2005 Facility Plan Update.** Mr. Bennett presented the Facility Plan Update. The Department is working with the City of Tucson to coordinate planning efforts using the Department's Facility Plan and Tucson Water's 50 Year Water Plan.

Mr. Carlson commented that he has noticed that the City and County were coordinating efforts on the Houghton Corridor program. Mr. Bernal responded that the County sent a letter to the City of Tucson regarding the Houghton Area Master Plan and wastewater facilities in the southwest area. The City's response was that they would be interested in discussing the timing of wastewater infrastructure.

B. **New Business**

1. **Tucson Water 2000-2050 Plan.** Tucson Water staff, Mr. Tim Thomure, gave a presentation on Tucson Water's 2000-2050 Plan. Committee members received copies of the Plan. In addition, they received copies of information about Tucson Water's Reclaimed System CIP and its Assured Water Supply Program. Mr. Thomure offered to come back and provide a presentation on the Assured Water Supply Program to the Committee at a later date.

Mr. Thomure also informed the members that the City of Tucson has formed a community conservation task force, which will be working in concert with Tucson Water to make recommendations on how to bring the community's total demand for water down through conservation. The Task Force represents a broad cross section of the community. Ms. Linda Smith of Tucson Water said she would provide information on the membership of the Task Force to WMAC members.

Mr. Carlson commented that groups within the community are discussing the possible formation of a combined water/wastewater utility district.

Mr. Thomure observed that development of the Santa Cruz River Managed Recharge Facility -- whose cooperators include the Town of Marana, Flowing Wells, Pima County, Metro Water and Tucson Water -- was a big step towards cooperative efforts between the municipalities.

- VI. **FUTURE AGENDA ITEMS.** Election of Officers; Annual Report to the Board of Supervisors; Regulatory Update; Randolph Park Facility Tour; Legislative/Regulatory Update; FY2005-06 Budget; Spring 2005 Financial Plan Update; Ina Road Facility Tour; Wastewater Management Strategic Plan; and Arid West Water Quality Research Project Update; Tucson Water Assured Water Supply Presentation.
- VII. **CALL TO THE AUDIENCE.** There being no response from the audience, Mr. Carlson adjourned the meeting.
- VIII. **ADJOURNMENT.** The meeting was adjourned at 9:20 a.m.