

**WASTEWATER MANAGEMENT ADVISORY COMMITTEE**  
**MEETING MINUTES**  
**September 15, 2005**

**Committee Members Present:**

John Carhuff	John Carlson	Bill Carnes
Brad DeSpain	Steve Halverson	Mark Stratton
Mike Gritzuk		

**Committee Members Absent:**

Armando Membrila	Ann Marie Wolf
------------------	----------------

**Wastewater Management Department Staff Members Present:**

Paul Bennett	Mike Bunch	Ed Curley
Laura Fairbanks	Suzy Hunt	Jackson Jenkins
Jeff Nichols	Eric Wieduwilt	

**Other County Staff Present:**

Pat Cavanaugh, Executive Aide, District 1

- I. **CALL TO ORDER.** Chair Mark Stratton called the meeting of the Wastewater Management Advisory Committee (WMAC) to order at 7:48 a.m.
- II. **APPROVAL OF MINUTES.** The Committee approved the minutes of the May 19 and June 16, 2005 meetings.
- III. **INTRODUCTION AND REMARKS – MICHAEL GRITZUK, DIRECTOR**

- **Directions and Initiatives for the Department.** Mr. Gritzuk provided a brief summary of a report that he is presenting on October 4, 2005, to the Board of Supervisors and encouraged WMAC members to attend this session if possible. This report addresses the status of issues facing the Department which were identified in the Black & Veatch Management Audit and, in addition, reviews Mr. Gritzuk's first 90 days as Director of the Department.

Mr. Gritzuk told the members that, currently, he is evaluating Wastewater Management's organizational structure and staffing needs, Capital Improvement Program (CIP), Operations and Maintenance Programs (O&M), Regulatory Compliance Program, and the Department financial/fiscal condition. He noted that he has already performed a few preliminary physical condition assessments of the County's sewer system infrastructure.

Mr. Gritzuk informed the members that the County executed a consent decree with the Arizona Department of Environmental Quality (ADEQ) and paid a \$500,000 penalty because of the Speedway sewer main collapse. The Supplemental Environmental Project (SEP), another portion of the Consent Decree, requires the County to purchase environmentally sensitive property at a cost of no less than \$800,000 over the next two years. The Department is in the process of identifying that type of property for approval by ADEQ as purchases under the SEP. The Consent Decree also has stipulated penalties for any sanitary sewer overflow (SSO) exceeding 2,000 gallons. In addition, the County Attorney's Office is handling litigation between Pima County and the City of

Tucson, as well as a class action suit and a mass action suit filed against Pima County over the sewer main collapse.

Mr. Gritzuk noted that development of a comprehensive Countywide odor control master plan is a high priority for the Department. Department staff are preparing a Request for Qualifications to develop this master plan. Once completed, the master plan will be presented for policy decisions to County Administration.

Implementation of a more proactive Vector Control Service is another high priority for the Department. Mr. Gritzuk anticipates that the County will award a new contract for vector control service in October 2005. The new service will be more cost efficient and proactive as every manhole in the County sewer system will be treated every other year.

Looking to the future, the Department will continue to work on staff development, the CIP Program, and the CMOM Program. Staff development issues to be addressed include: creation of a multi-skilled career program for O&M staff; development of a salary survey; development of an employee recognition program; and improvement of employee working conditions. Engineers will receive additional training on how to manage CIP Projects through the American Society of Engineers. The Department is moving ahead with seeking International Standards Organization (ISO) certification for its CMOM Program. The Department will also be looking to hire investigators through the County Attorney's Office to investigate/litigate actions against those entities which illegally dump into the sewer system.

The Department plans on undertaking a regionalization study to determine whether there is a better way than operating two independent treatment facilities (e.g., decommission the Roger Road Plant and bring all of the flows to Ina Road for one regional facility; or another option might be to consider creating a regional reclaimed facility. Tucson Water will participate in the study. WMAC members will receive future updates on this study. Discussion followed.

Mr. Carnes asked whether the study would include the eastside of Metropolitan Pima County. Mr. Bennett responded that the County would probably work jointly with the City of Tucson to develop an overall wastewater/reclaimed master plan for the Houghton Road area.

Mr. Carlson felt development of a common utility district should be kept in mind. Mr. Gritzuk responded the Department would be evaluating development of a regional system with Tucson Water. Mr. Stratton also noted that the Southern Arizona Water Users' Association has been looking at creation of an entity that would be a wholesaler to treat and deliver supplies to the various water providers. He added that members are starting to make presentations on this concept to governing bodies.

Mr. DeSpain asked whether the Department was considering the addition of scalping facilities. He said the Town of Marana would like to discuss adding a scalping facility in the Continental Ranch/Tangerine Road area.

Mr. Gritzuk noted that he was looking forward to working with the WMAC Committee on these issues in the future.

#### IV. COMMITTEE/SUBCOMMITTEE REPORTS.

- A. **Citizens' Water Advisory Committee Update.** Mr. John Carhuff provided the CWAC Update and reviewed CWAC's calendar of events for its rate review process. WMAC members were invited to attend CWAC's Finance Subcommittee meeting, which is going to discuss Tucson Water's CIP Program on September 15, 2005 at 10:00 AM. In addition, Mr. Carhuff said Tucson Water's proposed rates would take effect in April 2006, so as not to coincide with when the Department's potential rate increases might take effect.

In addition, Mr. Carhuff extended his welcome to Mr. Gritzuk as the new Director of the Department, and offered CWAC's assistance at improving communications with Tucson Water.

#### V. WASTEWATER MANAGEMENT STAFF REPORT. Mr. Paul Bennett presented the Staff Report and reported on the following items:

- **Roger Road Wastewater Treatment Plant (WWTP).** The Department has hired consultants to develop recommendations on repairs necessary at the Roger Treatment Facility. Mr. Carlson asked whether these repairs would require revision to the Department's Capital Improvement Program (CIP). Mr. Bennett responded some of the repairs were anticipated, but the consultant's evaluation will determine what additional funds may be needed.

In addition, Mr. Gritzuk told members the Department's approach to Roger Road is to move ahead with identified interim emergency structural repairs until the Regionalization Study is completed. He added that the Facility's electrical system will require emergency rehabilitation to address safety concerns.

- **FY05-06 Financial Plan.** On June 7, 2005, the Board of Supervisors adopted the Department's Spring 2005 Financial Plan, which includes amendments to the Connection Fee and User Fee Ordinances. On June 21, 2005, the Board approved the Amended Ordinances, which included significant rate increases that became effective on July 22, 2005.
- **FY05-06 Budget.** On June 21, 2005, the Board of Supervisors adopted the County Administrator's recommended budget. The Adopted Budget provides future funding for the Department's O&M Programs and bringing additional treatment capacity on-line at the Randolph Park, Corona de Tucson and Ina Road facilities, and also provides a significant amount of rehabilitation funding.
- **Black & Veatch Rate Study.** On July 13, 2005, the Black & Veatch Rate Study was finalized. The Study recommended a series of future rate increases over and above those approved by the Board of Supervisors on June 21, 2005.
- **Water Infrastructure Financial Authority (WIFA) Loans.** On June 15, 2005, WIFA approved additional 1997 Bond Authorization funding for the new Marana Wastewater Treatment Facility (WWTF) Expansion Project and the Santa Cruz Interceptor (Prince to Franklin), Phase II and III Projects. Also, the Department is preparing WIFA applications for low interest loans to fund five projects included in the 2004 Bond Authorization (i.e., Roger Road WWTP Rehabilitation, Santa Cruz Interceptor – Prince to Franklin – Phases

II and III, Roger Road to Ina Road Plant Interconnect, new Marana Wastewater Treatment Facility Expansion, and Miscellaneous Conveyance System Rehabilitation and Repair.)

- **Arid West Water Quality Research Project (AWWQRP).** Mr. Ed Curley reported that the AWWQRP's Regulatory Working Group (RWG) is meeting on September 14 and 15, 2005 in Tucson. Research results for Phase I Research Projects, which are in the final stages of completion, are being presented at the RWG meeting. Staff will provide a presentation on the outcomes of Phase I (which officially ends on October 31, 2005) and the status of Phase II of the AWWQRP at the December 2005 WMAC meeting.
- **Engineering Division.** Engineering Division staff are preparing the second update of the Project Manager's Manual. In addition, as noted earlier, Project Managers will be attending training over the next two months. Recently, some staff attended classes on alternate delivery methods for job order contracting and construction-manager-at-risk training in Phoenix.
- **Draft 2005 Metropolitan Area Facility Plan Update.** Over summer 2005, the Draft 2005 Metropolitan Area Facility Plan was presented to management and staff for the Towns of Sahuarita and Marana, the City of Tucson Water Department, Rio Nuevo Project, and Urban Planning Department, as well as local water providers in the Southern Arizona Water Users Association.
- **Community Relations.** Ms. Laura Fairbanks continues to respond to public questions/concerns regarding sewer odors in the Roger Road area. In addition, Mr. Bunch was interviewed for several media stories about roach control. Staff completed the first draft of the Department's Internal Communication Plan, which currently is being reviewed by the Department's Business Leadership Team. During July and August 2005, Mr. Gritzuk and the Department's Administrative team visited all Department sections/divisions and shifts. Ms. Fairbanks is compiling a report of employees' comments at these meetings.
- **Safety Training and Development Division.** Department administration is focusing on reducing accidents and holding employees accountable for their safety, which is paying dividends.
- **Capital Improvement Projects:**
  - **Ina Road WPCF – 12.5 mgd Expansion Project.** Substantial completion of the Project is anticipated by December 2005, with final completion by February 2006.
  - **Arthur Pack Golf Course.** The Department is working with County Parks and Recreation and the Tucson Water Department to provide a reclaimed water source to the Arthur Golf Course other than the existing reclaimed line from Ina Road. The County has selected a Construction-Manager-At-Risk for this project.
  - **Randolph Park Water Reclamation Facility (WRF).** The Contractor, PCL, has demobilized from the Randolph Park WRF site. To date, the WRF has produced and delivered approximately 680 acre feet of Class A effluent to Tucson Water's reclaimed delivery system. The WRF should be at its full 3.0 mgd treatment capacity within the next three weeks.

- **Avra Valley Interim Capacity Planning and Certification.** The Department has executed a contract with the contractor, Kennedy Jenks, to provide a detailed design for Phase I improvements to the Avra Valley Facility (increasing treatment capacity from 1.2 mgd to 1.6 mgd). In addition, Department staff are in the process preparing a developer construction funding agreement with an Avra Valley developer group to get this capacity increase implemented.
- **Corona de Tucson WWTF – 300,000 Gallons Per Day (GPD) Expansion.** Treatment capacity at the Corona de Tucson WWTF has been expanded to 300,000 gpd. In addition, the Department is working with a Corona de Tucson developer group to install a 0.5 mgd facility by mid-2006.
- **Marana WWTF Interim Capacity Expansion.** The Marana Facility now has four 50,000 gpd package units on site and able to operate with a total capacity of 200,000 gpd. Currently (July/August 2005), the Facility is producing about 80,000 gpd of effluent.

In addition, based on adjusted development projections, influent flows to the Marana Facility are not increasing at rates requiring the construction of an interim 0.5 mgd treatment train, so the lower projected growth rates should be able to be satisfied with modifications to the existing interim facility and additional package plant capacity until the Marana WWTF Expansion Bond Project is completed. The Department will be working closely with the Town of Marana to meet the Town's sewer capacity needs during this period.

- **Marana WWTF – Phase II Expansion.** The Department is in the process of selecting a design firm for the Marana WWTF, Phase II Project. In addition, the Department expects to have selected a Construction-Manager-At-Risk for the Project in November 2005 in order to start construction in the first quarter of 2006.
- **New Federal Prison, Tucson, Arizona.** The Contractor, Westland Resources, is moving forward with the design of the gravity sewer for the new Federal Prison in Tucson.
- **Field Operations:**
  - **Sanitary Sewer Inspection (Condition Assessment) and Inventory Project.** This Project is about 87 percent complete.
  - **Vector (Roach) Control.** The Department anticipates that the successful bidder recommendation for the vector control contract will be forwarded for the Board of Supervisors consideration in early October 2005.

## VI. DISCUSSION.

### A. Old Items/Updates

1. **WMAC Committee Administrative Items**
  - a. **WMAC Appointment Update.** WMAC Coordinator, Ms. Suzy Hunt, reported that on July 5, 2005, the Board of Supervisors approved Mr. Carhuff's appointment as CWAC's representative on the Committee.

- b. **WMAC Membership Expansion.** Ms. Hunt reported that on September 13, 2005, the Board of Supervisors approved Mr. William Thornton's appointment as Supervisor Ellias' second representative on the Committee.
  - c. **Election of Officers.** The Nominating Committee – which consisted of Mr. Halverson, Mr. DeSpain and Ms. Wolf – recommended Mr. Stratton for Chairman and Mr. John Carlson for Vice Chairman at the June 16, 2005 Committee meeting. The WMAC accepted this slate unanimously.
2. **FY2005-06 Budget.** Mr. Jeff Nichols, Controller for Wastewater Management, presented an update on the Department's FY2005-06 Budget. The Board of Supervisors' adoption of the Department's recommended budget and authorization of increased User Fee and Connection Fees in FY 2005-06 gives the Department the ability to address the following operational issues:
- o Improvements in Planning and Engineering, Field Operations, Treatment, and Administrative Services staffing levels. Mr. Nichols noted the Department was within four full time equivalents (FTEs) of the Department's FTEs in FY2001-02;
  - o Adequate levels of materials/supplies and professional services are available to operate the County's current sewer conveyance and treatment systems;
  - o Additional training needs to improve project management and keep Department staff current on best management practices in the areas of Field Operations and Treatment;
  - o Implementation of a Refresh Program to replace aging computer equipment and network infrastructure; and,
  - o Replacements and additions of capital equipment in Field Operations and Treatment to better assist those employees in the performance of their jobs.

The Department proposes moving forward with the following issues that were not addressed in the FY 2005-06 Budget. In order to move forward on these issues, the Department will absorb all related expenses through cost savings or trade-offs. These include:

- o Increased funding for training/staff development (project management, etc.);
- o QualServe Self Assessment Survey, a national survey of water and wastewater utilities, that Wastewater staff will be asked to complete;
- o Increased funding for additional Treatment and Conveyance System condition assessment;
- o Capital outlay to purchase television trucks to perform in-house condition assessments; and,
- o Improved compensation for staff in the areas of Operation and Maintenance. In addition, a detailed salary survey and a skills based pay program will be explored.

Policy issues the Department plans on bringing forward in preparation of the recommended FY 2006-07 Budget, as well as future budgets, include:

- o Continued increased investment in property, plant and equipment to address repair, rehabilitation and replacement of aging infrastructure in the County's sewer conveyance and treatment systems;

- Operation and maintenance of current and additional sewer conveyance and treatment systems in an environmentally sound manner, as well as addressing additional staffing that may be needed due to the implementation of the County's new Synergen computer system;
- Additional funding for salaries and wages, if needed, based on the results of a detailed salary survey and skill-based pay program;
- Additional staffing needs to expand the Engineering Division's efforts, as the CIP Program and project management efforts increase;
- Increased investment in Conveyance System condition assessment to examine an additional 120 miles of larger diameter interceptor in addition to the approximately 2,915 miles of conveyance lines less than 15 inches in diameter. Mr. Mike Bunch commented the Department was in the process of moving forward with four condition assessment contracts. In addition (in order to meet the new CMOM regulations), the Department estimates over the next 10 years the annual expenditure for Closed Circuit Television condition assessments will approximate an additional \$4 million to \$6 million.
- Increased investment in automation and technology in the area of SCADA computer system, GIS/GPS and the continuation of a Refresh Program for computers and related network infrastructure.
- Increased investment in an automation plan in the Department's Maps and Records Section to convert paper files to an electronic database, which would allow customers to access County sewer records on the internet.

Mr. Carhuff asked if the Department had means to benchmark staffing levels to national averages. Mr. Nichols responded that the Business Leadership Team was evaluating key performance indicators for each area. In addition, he noted that the Department was budgeted for 534 FTEs; however, there are many vacancies, which the Department is having difficulty attracting qualified candidates. Also, Mr. Bunch referred Mr. Carhuff to the Black & Veatch Report which includes benchmarking information relevant to staffing.

3. **2005 Metropolitan Facility Plan Update.** Mr. Curley reported on the status of the 2005 Metropolitan Facility Plan Update Project. Significant discussions on the Plan continue with the City of Tucson Water Department staff and management. Department staff are also reviewing, in conjunction with the Pima Association of Governments and Tucson Water, the base population assumption and projections to establish a common basis for both agencies' long-range planning. Upcoming presentations of the Plan for September/October 2005 include: the Southern Arizona Home Builder's Association, the City of South Tucson, Oro Valley, Tucson Audubon Society, and the Sonoran Desert Coalition.

## B. **New Business**

1. **WMAC Annual Report to Board of Supervisors.** Members reviewed the WMAC FY2004-05 Annual Report to the Board of Supervisors, which they received prior to the meeting. Mr. Bunch requested that references included in the Report to the Sanitary Sewer Inventory Project be revised to read Sanitary Sewer Inventory Project and "Condition Assessment". A motion was unanimously approved accepting the WMAC Annual Report to the Board of Supervisors with these revisions. Staff was directed to forward the WMAC Annual Report to the Board of Supervisors. (Note: The Revised Annual Report was forwarded on September 26, 2005, to the Board of Supervisors.)

2. **2006 Financial Plan.** Mr. Bennett presented a brief report on Department activities related to preparation of the 2006 Financial Plan. Currently, Department staff and management are reviewing policy issues identified in the Black & Veatch Rate Study Report as needing further consideration because of their significant impact on Department revenues. These include: adjusting volume charges for each customer class based on the consideration of the sewage strength contribution to the sewer system and analyzing the possible elimination of winter averaging for commercial and industrial customers.

In addition, Mr. Bennett said, the Department is in the initial stages of developing the CIP Budget for FY2006-07. Discussion followed.

Mr. Carhuff asked staff to provide an analysis of the Department's current fuel and utility costs and how these costs have changed from the current budget. Also, Mr. Stratton commented that the prices of P.V.C. pipe, steel, concrete and other materials are increasing, which is impacting construction costs. Mr. Bennett responded that a few years ago the projected cost of the Santa Cruz Interceptor Project was \$26 million and now the estimated cost is in the low \$30 million range because of increasing concrete costs.

Mr. Stratton felt that the 2006 Financial Plan also should address staff compensation issues.

- VII. FUTURE AGENDA ITEMS.** Randolph Park Facility Tour; Legislative/Regulatory Update; Proposed FY2006-07 Budget; Metropolitan Facility Plan Update; Ina Road Facility Tour; Wastewater Management Strategic Plan; Capital Improvement Program Update; 2006 Financial Plan; Arid West Water Quality Research Project Update; and a Tucson Water Assured Water Supply Presentation.

At this point in the meeting, Mr. Jenkins informed the members that a U.S. Ninth Circuit Court decision has overturned the EPA's assigning primacy to the state of Arizona. Department staff are meeting on September 26, 2005, with ADEQ to get clarification on the status of the Department's 35 permits.

Also, Mr. Carlson said he sits on a City of Tucson citizen's committee, and meetings are cancelled if a quorum of this committee's membership is not present. He asked staff to clarify how the Open Meeting Law addressed this issue. Mr. Carhuff commented that the City Attorney's Office interpretation of the Open Meeting Law is that Committee meetings cannot be held for discussion purposes only, if a quorum of the members is not present.

- VIII. CALL TO THE AUDIENCE.** There being no response from the audience, Mr. Stratton adjourned the meeting.

- IX. ADJOURNMENT.** The meeting was adjourned at 9:35 a.m.