

WASTEWATER MANAGEMENT ADVISORY COMMITTEE
MEETING MINUTES
October 20, 2005

Committee Members Present:

John Carhuff	John Carlson	Bill Carnes
Rob Kulakofsky	Armando Membrila	Ann Marie Wolf
Mike Gritzuk		

Committee Members Absent:

Steve Halverson	Brad DeSpain
Mark Stratton	William Thornton

Staff Present:

Paul Bennett	Mike Bunch	Bob Decker
Ed Curley	Frank Gall	Suzy Hunt
Jackson Jenkins		

Other County Staff Present:

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 7:52 a.m.
- II. **APPROVAL OF MINUTES.** The Committee approved the minutes of the September 15, 2005, meeting.

At this point in the meeting, Mr. Carlson welcomed Mr. Kulakofsky as Mr. Elias' representative to the Committee.

III. **COMMITTEE/SUBCOMMITTEE REPORTS.**

- A. **Citizens' Water Advisory Committee Update.** Mr. John Carhuff provided the CWAC Update. CWAC will review Tucson Water's Capital Improvement Program at their November 9, 2005, meeting.

IV. **WASTEWATER MANAGEMENT (PCWMD) STAFF REPORT.** Staff provided WMAC members with copies of the Staff Report.

V. **DISCUSSION.**

A. **Old Items**

1. **WMAC Committee Administrative Items**

- a. **WMAC Appointment Update.** WMAC Coordinator, Ms. Suzy Hunt, reported that on October 4, 2005, the Board of Supervisors approved Mr. Rob Kulakofsky's appointment as Supervisor Elias' second representative on the Committee.
- b. **WMAC Membership Expansion.** Ms. Hunt reported no additional new appointments were scheduled for the Board of Supervisors consideration at this time.

B. Reports/Updates

1. **Director's Report.** Mr. Michael Gritzuk presented the Director's Report, and reviewed major activities underway in the Department. The Request for Qualifications for the Regionalization Study (to determine whether there is a better way than operating two independent treatment facilities) is currently being advertised. The City of Tucson will be a partner in the Study. The results of the first phase of the study (including the preferred treatment option) are anticipated about one year after award of the contract.

The second phase of the Regionalization Study will develop a de-nitrification implementation plan for the Ina and Roger Road Facilities and take about two years.

Development of a comprehensive system-wide odor control master plan is a high priority for the Department. Staff are currently preparing a "Request for Qualifications" to develop this master plan. Once completed, the master plan will be presented for policy decisions to County Administration.

Mr. Carhuff asked if the Department has the staff necessary to provide the appropriate level of oversight and financial control of these simultaneous studies, and implementation of study recommendations once completed. Mr. Gritzuk responded the Department does need more additional staff, and additional FTE's will be requested in the next budget period. Also, he commented further that Department engineers will be completing training on how to manage CIP Projects through the American Society of Engineers in November 2005. The County has other controls in place that provide project oversight. Mr. Jackson Jenkins noted that the Department has staff dedicated solely to monitoring the CIP.

Mr. Carlson asked staff to comment on the status of prequalification of contractors for projects. Mr. Gritzuk responded the Department now has project delivery methods that it uses for pre-qualification of project managers for the more complex CIP projects (i.e., Construction-Manager-At-Risk).

Also, Mr. Gritzuk provided an update on the Department's staff development activities. PCWMD has contracted with the American Water Works Association to conduct a QualServe Self Assessment Survey, a national survey of water and wastewater utilities, of all Department staff. The results of the survey will be used to identify areas where there is need for improvement in staff development and infrastructure. The Department's approach is to give the staff all the talents/tools they need to do their jobs effectively – enable staff to work smarter, not harder.

The Department hopes to initiate a multi-skills program where certain operational and maintenance (O&M) functions will be combined into one. As a result, O&M staff will be able to work more effectively in a combined division. Also, the Department is in the process of developing a skill-based pay program.

Mr. Carhuff asked if the proposed skill-based pay program could be implemented under the County's current system. Mr. Gritzuk responded that he introduced/piloted a similar skill-based program in Phoenix at the Water Department's five water and three wastewater treatment plants, which generated a sustained annual savings of \$13 million. Over the five years of the pilot

program, the savings was approximately \$117 million to the point where the program was permanently implemented. Mr. Carhuff suggested that the WMAC Committee receive a more in-depth review of the proposed skill-based program and consider making a recommendation to the Board of Supervisors.

In addition, Mr. Gritzuk reported on the status of coordination efforts with the City of Tucson Water Department on the Wastewater Management Facility Plan and Tucson Water's 50-Year Plan. Also, the two Departments are meeting to resolve issues related to the 1979 Intergovernmental Agreement (IGA) for reclaimed water between Pima County and the City of Tucson.

2. **Capacity, Management, Operations and Maintenance (CMOM) Program.** Mr. Mike Bunch presented an update on the Department's CMOM Program. The purpose of the CMOM Program is to prevent sanitary sewer overflows (SSOs), and meet the new CMOM Rule (Arizona Revised Statutes 18-9-C3056.205).

Over the past five years, the Department has implemented many process improvements which are now mandated under the new CMOM Rule. As a result, conveyance system cleaning productivity has increased from 1,313 total miles in 2000 to 2,358 total miles, and the cost per mile decreased from \$7,392 to \$3,080 per miles by year-end 2004. In addition, SSOs have decreased from 238 in calendar year 2000 and are expected to be fewer than 100 reportable SSOs in calendar year 2005.

Two key requirements remain to be implemented on the process side in order for the Department to achieve CMOM compliance: 1) the County needs to establish IGAs with state and federal facilities and Indian tribes in order to obtain the cooperation and information from upstream collection systems; and 2) the Department needs a new flow model in order to identify conveyance system bottlenecks for augmentation to provide sufficient sewer capacity for a 10-year, 24-hour rain event. The Department is working with the County Attorney's Office on setting up initial discussions regarding establishment of IGAs with the Indian tribes, and also is in the process of purchasing new flow model software.

The CMOM Rule also has an investment component. The Department's 10-year cost estimate to implement the CMOM Program is approximately \$116 million. The Department expects to submit an Operations and Management Budget for FY2006-07 that includes an additional \$8-\$10 million for closed circuit television inspection (CCTV) condition assessment and rehabilitation of the County's sewers. The Department has televised 10 percent of the sewer system, and identified \$178 million of sewer system rehabilitation that needs to be accomplished over the next 10 years. In FY2004-05, the Department expended \$700 thousand on rehabilitation activities and expects to spend approximately \$5.5 million in FY2005-06.

Mr. Bunch told the members that one-third of the SSOs are caused by vandalism to manholes, and noted that the County Attorney's Office has hired a full-time investigator to handle these types of SSOs.

Mr. Carlson asked staff if the Department was required (under the CMOM Rule) to continue the inspection of the County's entire sewer system, once the initial 10 year inspection was completed. Mr. Bunch responded in the affirmative.

Mr. Armando Membrila asked, with these forecasted budget increases, if the Department has considered where budget cuts might be required to other programs. Mr. Gritzuk responded the Department will be able to maintain its Rehabilitation and Capital Improvement Programs as long as it has the necessary Connection and User Fees rates/revenues. The Department will need additional rate increases as identified in the Black & Veatch Rate Study Report to avoid a negative effect on the Department's O&M and Rehabilitation Programs.

Mr. Bunch said the contractor, Brown and Caldwell, has been selected to assist the Department in achieving International Standards Organization certification for its CMOM Program and the Conveyance System. He anticipates the Department will be ISO certified in FY2006-07. PCWMD will be the first utility in the state of Arizona to have this certification. He expressed concern that the Department will need the investment piece for the CCTV/Condition Assessment and Rehabilitation Programs to comply with CMOM and maintain ISO certification.

3. **Treatment Update.** Mr. Jackson Jenkins presented the Treatment Update, and reviewed ways that the Division has made improvements and saved money.

New explosion-proof hoods were installed at the Ina Road Organic Laboratory. As a result, oil and grease samples no longer have to be sent for testing to outside laboratories.

A powerhouse chiller was installed at the Ina Road powerhouse in July 2005. All of the methane gas produced in the treatment process now provides a portion of the Facility's electrical power.

The Division received an \$80,000 grant that enabled the purchase of a mobile laboratory. With the mobile lab, Treatment staff are able to respond immediately to urgent situations and perform in-field analyses.

The Industrial Wastewater Commission has purchased software that will be used to schedule compliance inspections and track inspection results.

The Division has purchased a digester mixer that was pilot tested at the Ina Road Facility that will save the Department \$30,000/year in electrical costs. In addition, maintenance costs are also significantly reduced. The Division has plans to purchase four more of these digester mixers.

Disinfectant and de-chlorinating agents are now controlled through an automated oxidation-reduction potential (ORP) chemical feed process that staff can monitor remotely and safely. One of Treatment's longer-range plans for continued cost savings is to put more process control into the treatment system.

A chemical that has proven successful at controlling odors at the Roger Road Plant is going to be implemented throughout the conveyance system.

The Green Valley Facility routinely produces Class A biosolids. The biosolids are provided to the ASARCO mines for re-vegetation of mine tailings, thus reducing dust and respiratory illnesses.

Two years ago, as part of a Roger Road improvement project, a building was built to house the chemical addition processes; however, funds were not

available to complete the project. Treatment Division staff completed the project the summer of 2005.

Mr. Membrila asked how much money these improvements have saved the Department. Mr. Jenkins responded an estimated \$160,000/year will be saved.

4. **Planning/Engineering Update.** Mr. Paul Bennett presented the Engineering Update. Feedback on the Metropolitan Facility Plan has been positive. Joint meetings with the Pima Association of Governments and Tucson Water regarding population forecasts and population distribution to develop a uniform set of base data and projections are continuing. Presentation and Adoption of the Facility Plan to the Board of Supervisors is anticipated to be completed by June 2006. The Department is also working with Tucson Water on developing the water/wastewater components of the Houghton Area Master Plan.

The Department's 2006 Financial Plan, which includes amendments to the Connection Fee Ordinance and User Fee Ordinance, is in the initial stage of preparation. Staff are currently reviewing CIP and O&M budgets, and capital and operating needs for FY2006-07. The proposed schedule includes presentation of the Financial Plan to the community and the Board of Supervisors in spring 2006 and adoption of rates concurrent with FY 2006-07 Budget Adoption (June 2006).

Phase I Research projects for the Arid West Water Quality Research Project are in the final stages of completion. Research results were presented to the Projects' Regulatory Working Group at their meeting that was held in Tucson on September 14-15, 2005. Phase II Research will continue until October 2006.

Engineering staff have completed further updates and received training on the CIP Project Management Manual. Addressing Mr. Carhuff's concern about the monitoring of CIP projects, Mr. Bennett said the Department now has a formal project approval process, and each project is assigned to a project team. In addition, weekly meetings are held with project managers for review and update of project status.

The Department is considering hiring a consultant to update the engineering directives and design standards that are available on the County's website.

Mr. Bennett also informed members that the Randolph Park Water Reclamation Facility, since its startup in April 2005, has delivered 950 acre feet of effluent to Tucson Water's reclaimed system, and the 1979 IGA requires delivery of 1,000 acre feet per year.

5. **2006 Financial Plan.** This item was previously discussed under Agenda Item, A.4., Planning/Engineering Update.

C. **New Business**

1. **Proposed Revisions to Connection Fee Ordinance (Participating/Non-Participating Status).** Mr. Bunch explained that the Department is proposing revisions to the Connection Fee Ordinance that would eliminate the concept of participating/non-participating rates from the Ordinance. Under the proposed Ordinance, there would be one standard connection fee rate and developers

would receive a dollar-for-dollar discount against the standard connection fee for any off-site sewer they built. Discussion followed.

Members unanimously approved a motion that the WMAC endorses the concept of replacing the two rate (participating/non-participating) connection fee structure with a single rate connection fee structure that provides a discount for the value of developer-funded offsite public sewer improvements.

Staff was asked to forward the Committee's recommendation along with the Proposed Connection Fee Ordinance Amendment documents to the Board of Supervisors.

At this point in the meeting, Mr. Membrila asked what financial resources the Department has should there be another event like the Speedway sewer main collapse. Mr. Bunch responded the Department is in a much better financial situation; however, it could not presently pay for another such event. The Department is building up a cash reserve to handle just such emergencies and does have an emergency response plan. In addition, Mr. Robert Decker informed the members that most of the repair of the County's major sewer lines has been accomplished. He noted that since 1990, the Department has been systematically rehabilitating the major sewer lines, and the Northwest Outfall was the last major line (of any length) that had serious deterioration and was rehabilitated.

Mr. Membrila then asked what the Committee needed to do to support the efforts of the Department. Mr. Gritzuk responded that the Department had had the second lowest rates in the nation before the last rate increase was implemented. He said that, if the Department gets the future rate increases recommended in the Black & Veatch Rate Study, it will be able to continue with the rehabilitation of the County's wastewater treatment facilities and sewer system.

- VI. FUTURE AGENDA ITEMS.** Legislative/Regulatory Update (December 2005); Proposed FY2006-07 Budget; Skill-Based Pay Program; Metropolitan Facility Plan Update (staff will arrange briefing for new Committee members); Ina Road Facility Tour; Wastewater Management Strategic Plan; Capital Improvement Program Update; 2006 Financial Plan (November and December 2005); Arid West Water Quality Research Project Update (December 2005); and a Tucson Water Assured Water Supply Presentation.
- VII. CALL TO THE AUDIENCE.** There being no response from the audience, Mr. Carlson adjourned the meeting.
- VIII. Tour of the Randolph Park Water Reclamation Facility.** Immediately following adjournment of the meeting, members toured the Randolph Park Facility.
- IX. ADJOURNMENT.** The meeting was adjourned at 9:33 a.m.