

## WASTEWATER MANAGEMENT ADVISORY COMMITTEE

May 17, 2007

### Committee Members Present:

Adam Bliven	Sheila Bowen	John Carhuff
John Carlson	Marcelino Flores	Steve Halverson
Rob Kulakofsky	Mark Stratton	

### Committee Members Absent:

Brad DeSpain	Armando Membrila	John Sawyer
Ann Marie Wolf	Mike Gritzuk	

### Staff Present:

Paul Bennett	Mike Bunch	Ed Curley
Mary Hamilton	Suzy Hunt	Mike Kostrzewski
Jackson Jenkins	Mike Lueken	Jeff Nichols

### Other County Staff Present:

Pat Cavanaugh  
Executive Aide District I

**I. CALL TO ORDER.** Chair, Adam Bliven, called the meeting of the Wastewater Management Advisory Committee (WMAC) to order at 7:48 A.M.

At this point in the meeting, Mr. Bliven introduced Ms. Barbee Hanson who was appointed by the Board of Supervisors as Supervisor Day's new representative to the Committee.

**II. APPROVAL OF MINUTES.** The Committee approved the minutes of the April 19, 2007, WMAC meeting.

### **III. COMMITTEE/SUBCOMMITTEE REPORTS.**

**A. Citizens' Water Advisory Committee (CWAC) Update.** Mr. John Carhuff presented the CWAC Update. The City of Tucson Water Department's rate making process is underway. A public hearing on the rates will be held in late May 2007. Tucson Water's Financial Plan, which was approved by the City Mayor and Council, includes a rate increase of 6.2% for FY 2008 and increases over the next four years ranging between 5% and 6.2% annually.

**IV. Wastewater Management Director's Report.** Mr. Paul Bennett, and Mr. Mike Bunch presented individual portions of the Director's Report, and reported on the following items:

- **"H.R. 1503, The Avra/Black Wash Reclamation and Riparian Restoration Project."** Mr. Bennett reported that Mr. Mike Gritzuk, Department Director, is in Washington DC, presenting testimony before the U.S. House of Representatives Committee on Natural Resources (Subcommittee on Water and Power) Hearing on "H.R. 1503, The Avra/Black Wash Reclamation and Riparian Restoration Project." The Department is seeking approximately \$14 million to help with restoration efforts around the Avra Valley Wastewater Treatment Facility (WWTF) and also pay for some of that project.
- **Regional Optimization Master Plan (ROMP) Update.** The Department is reviewing portions of the ROMP Final Report which were prepared by the Project Consultant, Greeley and Hanson. The Consultant and Department staff have developed a concept

using a formal Expression of Interest to request responses from consultants, contractors, financial institutions, and service providers as to how they would implement the ROMP. The components of this Expression of Interest include: 1) Project delivery methods - such as reaching out to major contractors and consultants asking them how they would proceed with the design and construction of the overall ROMP Program; and 2) Public/private partnerships - such as attracting a power company to build a bio-gas co-generation plant at the Ina Road Water Pollution Control Facility (WPCF) site. (Power companies have a requirement to generate a certain amount of "green power" and bio-gas falls into this category.)

The Department also wants to explore whether there is any public/private partnership approach possible for the reuse and disposal of biosolids.

The week of May 21, 2007, the County Procurement Department will advertise for a Master Program Manager for the overall ROMP Program. That same week, the Department will interview design consultants for the Plant Interconnect. Within the next three weeks, the County will advertise for a Construction-Manager-At-Risk for construction of the Plant Interconnect.

- **Odor Control Program.** Mr. Mike Bunch reminded Committee members that the Department previously identified 22 "quick fix" odor abatement projects that are within the conveyance system and at the treatment facilities. Two of the projects have been identified as not being needed at this time. The Department has decided to postpone the installation of two chemical dosing stations to see how well the chemical feed improvements are doing before installing these stations. The bio-tower project at the Roger Road Wastewater Treatment Plant (WWTP) has been delayed, possibly until fall 2007, because a cultural site has been identified in the location where odor scrubbers were to be constructed. Completion of the five remaining odor abatement projects is scheduled for the end of July 2007.

Mr. Carlson asked if the Citizen Odor Control Committee of which he is a member would be having further meetings. Mr. Bennett responded that the Department is holding an open house on the ROMP and the Odor Control Program on Monday, May 21, 2007 at Randolph Park. He added that staff would forward information about the Open House to Committee members. (On May 17, 2007, staff forwarded the Open House information to Committee members.)

- **2008 Bond Program.** Department staff met again with the Public Works Bond Subcommittee of the County Bond Advisory Committee and discussed the priority of the Department's bond projects. The amount of the Bond Request is \$565 million. This includes \$445 million for the ROMP and \$120 million for other projects identified in the Department's 20-year Metropolitan Facility Plan Update. These proposed bond projects identify needs in the areas of regulatory compliance, rehabilitation, growth/capacity expansion, and odor control. The Department now views odor control as a regulatory need because of setback requirements at the treatment facilities.
- **Marana Wastewater Treatment Facility (WWTF).** The start-up of the Marana WWTF BIOLAC® expansion occurred on March 28, 2007. This recent expansion takes the capacity of the Marana WWTF to 0.7 MGD and allows for a timely completion of the next phased expansion, which is a 1.5 MGD biological nutrient removal oxidation ditch (BNROD). The Department is working with the contractor to resolve difficulties that have occurred with getting the BIOLAC® system to de-nitrify.

## V. DISCUSSION.

### A. Old Items/Updates.

1. **Regional Optimization Master Plan and Odor Control Plan.** These items were previously discussed under Agenda Item IV., Wastewater Management Director's Report.
2. **FY2007/08 Budget Update.** Mr. Nichols presented the FY2007/08 Budget Update and reviewed the schedule for adoption of the budget. The Board of Supervisors Fiscal Year (FY) 2007-08 budget hearings and tentative budget adoption are scheduled for May 22, 2007. The Department's requested FY2007-08 total budget is \$125.3 million. The Operations and Maintenance (O&M) requested budget is approximately \$101.3 million. On May 1, 2007, the Board of Supervisors approved implementation of the Low-Income Assistance Program and implementation of a 6% user fee rate increase, both effective July 1, 2007. The rate increase is included in the Department's FY2007-08 requested budget.

The Department's total projected revenues are \$129.5 million. Cash in revenue is approximately \$114.5 million. Based on these revenue projections and projected O&M expenses, the Department should have approximately \$13.2 million of System Development Funds for Capital Improvement Projects (CIP) at the end of the fiscal year.

Mr. Bliven asked about the status of the Department's emergency fund. Mr. Nichols responded that the County's Central Finance Department has set aside \$10 million for that purpose. The Department would like to get a percentage of the O&M budget set aside so, as the Department grows, the fund grows as well. Discussion followed.

Mr. Carlson commented that he attended a recent meeting of the Tucson Metropolitan Chamber of Commerce at which City and County budgets were presented. He felt, based on the information presented, there is a large difference between City of Tucson and Pima County salaries.

In addition, Mr. Carlson reminded Committee members that if 100% of eligible customers participated in the Low-Income Assistance Program, the estimated cost is approximately \$3.9 million. The rate impact of this expense would approximate a user fee rate increase of 6%. He added that Supervisor Day informed him that the Board of Supervisors decided that this expense would come out of the County's General Fund at the time they approved implementation of the Low-Income Assistance Program. Mr. Nichols responded that the Department would be tracking the impact of the Low-Income Assistance Program on the Department's revenues as well as the success of Program and report these results to the WMAC and the Board of Supervisors on a regular basis. The Department is working with the Pima County Community Action Agency on creating a memorandum of understanding (MOU) for the Agency to provide intake services for the Program.

Mr. Carlson felt the Committee should send a letter to the Board of Supervisors indicating the Committee's support for funding the Low-Income Assistance Program from the County's General Fund. A motion was made and seconded to send a letter to the Board of Supervisors. Discussion followed. Mr. Bennett suggested that Department staff provide an update at the next Committee on the status of the MOU with Pima Community Action Agency before the Committee decides whether to send a letter to

the Board of the Supervisors. The Committee decided to discuss the Low-Income Assistance Program at the next WMAC meeting.

3. **Capital Improvement Program Update.** Mr. Bennett presented the CIP Update. In FY2005-06, the Department spent \$20 million on CIP projects. The FY2006-07 CIP budget is \$42.7 million, and anticipated expenditures are approximately \$42 to \$45 million. Next year's requested CIP budget is \$93 million. Mr. Bennett informed Committee members that the Department has 16 engineering/technical vacancies. With this in mind, the Department is focusing its efforts on getting the larger CIP projects launched on this priority.

Mr. Bennett provided updates on the following CIP projects:

- **Avra Valley WUTF Expansion Projects.** Next year's CIP budget includes \$25 million for the 4.0 MGD Avra Valley WUTF Expansion Project. Sundt Corporation is the Construction-Manager-At Risk, Malcolm Pirnie is the design consultant and Kennedy Jenks is the project manager for this project. On May 15, 2007, the Board of Supervisors approved the first guaranteed maximum price (GMP) for the long-lead time items and initial construction at the Facility. On-site construction should begin by July 2007 and completion of the project is anticipated within two years.

Under an agreement with the Department, a major Avra Valley developer, KB Homes, has contracted with Ashton Company, Inc. to modify the existing BNROD from 1.2 MGD of capacity to 2.2 MGD. Project completion is expected within 30 to 60 days.

- **Santa Cruz Interceptor (Phase II and III).** The County received cultural resource clearances for excavation of the Santa Cruz Interceptor (Phases II and III) \$21.7 million Project. A local contractor, Don Kelly Construction, was awarded the contract for Phase II and has begun construction.
- **Marana WWTF Expansion.** The Department's FY2007-08 Proposed Budget includes \$9.3 million for construction of the Marana WWTF 1.5 MGD BNROD. Design of the Marana WWTF expansion is 98% complete.
- **Roger Road Wastewater Treatment Plant Projects.** Roger Road WWTP Projects include:
  - **Odor Control Projects.** The Department's FY 2006-07 Budget and FY2007-08 Proposed Budget include a total of \$6.8 million for Roger Road Odor Control Projects. These projects include covering of the headworks, primary clarifiers, and yard structures. Project completion is scheduled for July 2007. The remaining odor control project, construction of the biotower odor control structure, is scheduled for Fall 2007.
  - **Rehabilitation Projects.** The \$4.2 Roger Road Rehabilitation Projects include multiple projects in design and construction. This includes conversion of one of the digesters, which is in the design phase.
- **Ina Road Water Pollution Control Facility (WPCF).** The \$4.5 million project for design of the initial scope of work for the Ina Road WPCF nitrification/denitrification project is moving forward.

- **Corona de Tucson WWTF Expansion Project.** This \$2.0 million 1.1 million gallons per day (MGD) expansion of the Corona de Tucson WWTF is nearing completion. The expanded facility should be operational in approximately 60 to 90 days.
- **Mission View Wash Interceptor Project.** The Department in cooperation with the Regional Flood Control District is developing the \$1.3 million Mission View Wash project to install a larger interceptor in the area.
- **Santa Cruz Interceptor (Phase IV).** The Roger Road to Ina Road facility interconnect project has been renamed the Santa Cruz Interceptor (Phase IV) project. The Department has identified the project manager for this project, and design consultant and is in the process of selecting the construction manager. Completion of the \$1.1 million interconnect alignment study is expected by July 2007.

Mr. Halverson asked how much cost there was associated with having to outsource project management versus having projects managed in-house if the Department had adequate engineering/technical staff. Mr. Bennett responded money could be saved if projects were brought in-house, but there also is expertise that contractors bring. He added that the County is not offering high enough salaries to attract engineers.

4. **Staffing and Salary Issues.** Mr. Nichols presented the report on staffing and salary issues. He informed Committee members that in early 2007, the County Administrator approved range increases of 10% to the beginning hiring ranges for most job classifications within the County effective February 18, 2007. At the same time, County Administration retained a consultant to conduct a County-wide salary survey. The Board of Supervisors will receive the results of the survey by fall 2007.

In addition, the County Administration recently approved some hiring minimum salaries within the Department's Operations Division.

Mr. Nichols reviewed the status of vacancies in the Department. Recently, County Human Resources approved the Department's request to increase the hiring salary for engineering classifications. The Department does not feel that adjustment brought the engineering matrix and its ability to offer positions in the engineering/technical side in-line with the market. The Department has two unclassified – at will - positions of Senior Project Manager and Project Manager positions that it is currently filling which have more flexibility in the salaries that can be offered.

Since making these changes to the salaries and hiring minimums, the Department has been able to reduce the number of vacant positions. However, it still is having difficulty filling vacancies previously mentioned on the engineering technical side.

Mr. Nichols informed the members that there is a shortage of engineers throughout Pima County. He noted that with the Department's ROMP Program and the Regional Transportation Authority, and Tucson Water's infrastructure needs – there is going to be a need for a lot of contractors, contract management and engineering staff over the next 10 to 15 years. Discussion followed.

Mr. Halverson felt that it seems to take years for the County to determine whether its salaries are competitive and adjust them accordingly. Mr. Nichols responded that, with

the County having 7,000 employees and many different classifications, it needs to determine how a potential salary increase would affect other positions which requires a detailed study to make sure there is external equity with the market but also internal equity within the County – that the balance between the various positions and the functionalities is not upset.

Mr. Carhuff felt it would be beneficial for the Department to prepare a report that would compare/quantify CIP costs with the unfilled engineering positions for each year that could be presented to the Board of Supervisors. He felt the Department needed exceptional treatment to address the engineering shortage.

Mr. Bliven asked if the same engineering matrix is used by the County to evaluate engineering applicants for all County Departments. Mr. Bennett responded in the affirmative. Mr. Bliven felt the Department could make the argument that water and wastewater engineers require a different skill set.

Mr. Carhuff made a request that staff come back at the next WMAC meeting with further data on what they believe the impact of the Department's engineering shortage is in terms of cost to the CIP. The Committee could then consider whether to write a letter to the Board of Supervisors.

Mr. Marcelino Flores agreed and felt that providing this information as well as noting the Department's impending ISO certification might help distinguish those attributes that are needed by the Department's engineer/technical staff. He also suggested that the Department contact TREO to see if it is recruiting specifically for construction management or those types of firms.

5. **Southwest Infrastructure Study.** Mr. Ed Curley presented the report on the Southwest Infrastructure Plan (SWIP) and referred members to information they received prior to the meeting. The SWIP Study was a short-term intensive effort originated from the County Administrator's office to pull all of the County departments and stakeholders together and determine the land planning future of the Southwest (Avra Valley) area and the corresponding future infrastructure needs. The Study defined Sandario Road as the border between the urban and rural parts of Avra Valley.

The results of the Study indicate that \$800 million of infrastructure is needed to develop the Avra Valley area to the projected population build-out. The Department was closely involved with the wastewater portion of the Southwest Infrastructure Plan - so that it reflects the Department's program for the area. The Project was very successful from the County's perspective, because it included participation of every County department and major stakeholder in the area. Mr. Curley felt it would serve as model for other areas.

The Department also evaluated existing and committed treatment capacity for the Avra Valley area. Mr. Stratton asked if the Department has looked at other areas where population projections had forecast a certain thing (i.e. Corona de Tucson) versus what actually happened to see where the differences were and using that as part of its evaluation. Mr. Curley responded in the affirmative and said the Department identified near-term real and future capacity commitments of approximately 3.2 mgd for Avra Valley.

Mr. Curley also reviewed the PowerPoint presentation that Mr. Gritzuk is giving today in Washington D.C. on "H.R. 1503, The Avra/Black Wash Reclamation and Riparian

Restoration Project” to the U.S. House of Representatives Committee on Natural Resources (Subcommittee on Water and Power) hearing.

**B. New Items.**

1. **Election of Nominating Committee.** Mr. Stratton volunteered to serve and act as Chair of the Nominating Committee and to select nominees for WMAC Chair and Vice Chair. He will select the other members of the Nominating Committee. The Committee will report at the next WMAC meeting.
2. **Summer Meeting Schedule.** The members discussed canceling one of the summer Committee meetings. A motion canceling the regularly scheduled July 2007 WMAC meeting was unanimously approved.

**VI. FUTURE AGENDA ITEMS.** Staffing and Salary Issues; Sahuarita WWTF; 2007 Financial Plan Update; FY2007-08 Budget; Regional Master Plan and Odor Control Plan Update; Treatment Update – Outlying Facilities; Nominating Committee Report and Elections; Avra Valley WWTF Tour; and Wastewater Management Strategic Plan.

**VII. CALL TO THE AUDIENCE.** There being no response from the audience, Mr. Bliven adjourned the meeting.

**VIII. ADJOURNMENT.** The meeting adjourned at 9:10 A.M.