

REGIONAL WASTEWATER RECLAMATION ADVISORY COMMITTEE

Transamerica Building
Pima Association of Governments' 5th Floor Conference Room
177 North Church Avenue

Wednesday, November 17, 2010

MEETING SUMMARY

Committee Members Present:

Sheila Bowen	Barbee Hanson
John Carlson	Bob Iannarino
Brad DeSpain	Mark Stratton

Committee Members Absent:

Jim Barry	Kendal Kroeson	Armando Membrila
Jeff Biggs	Rob Kulakofsky	Ann Marie Wolf
Bill Katzel	John Lynch	Mike Gritzuk

I. CALL TO ORDER. Chair Sheila Bowen called the meeting of the Regional Wastewater Reclamation Advisory Committee (RWRAC) to order at 7:50 a.m.

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

III. APPROVAL OF MINUTES. The minutes of the October 21 meeting were not approved as a quorum had not been reached.

IV. COMMITTEE/SUBCOMMITTEE REPORTS

Citizens' Water Advisory Committee (CWAC) Update. No update was presented at this meeting.

V. DISCUSSION

A. Old Items/Updates

1. Regional Optimization Master Plan (ROMP) Update. Eric Wieduwilt gave a slideshow update of the ROMP program.

- **Ina Road Upgrade and Expansion.** Mr. Wieduwilt stated that the County was moving ahead with the Ina Road construction project and has awarded about \$217 million in contracts to date. Construction is now going vertical after all of the earthwork has been completed.

Mark Stratton asked if the floors to the new digesters were being done in a single pour. Mr. Wieduwilt said that the contractor was performing monolithic pours for this project.

Mr. Wieduwilt continued to say that GMP8 was awarded yesterday by the Board of Supervisors (BOS) and that this action moves the key electrical elements forward. Currently, the overall project is on schedule. The Class A Master Plan was also awarded yesterday by the BOS. This is a \$300 thousand project to develop a long range plan for biogas and biosolids that has a duration of 180 days and will begin once negotiations have been completed.

Sheila Bowen asked if biosolids from plants other than the Roger Road Plant were being conveyed to the Ina Road Facility. Mr. Wieduwilt said that the Ina Road Facility handled all biosolids with the exception of Green Valley biosolids which were diverted to the mine reclamation project.

- **Plant Interconnect.** The last key structure has been completed and the installation of the odor control units is expected to be completed by December of this year.
- **Water Reclamation Campus Project.** The campus is a Design-Build-Operate procurement method and is scheduled to be presented to the BOS in December for award. The schedules presented by the competing entities both show construction starting in mid 2011.

Mr. Stratton asked which of the BOS December meetings was slated for this item. Jackson Jenkins indicated that it

would was most likely be on December 7th.

Bob Iannarino asked if the selection process had been completed. Mr. Wieduwilt stated that the selection process was still being finalized.

Mr. Wieduwilt added that the earthwork for the laboratory complex had reached the final elevation for the vertical building and the construction had been awarded yesterday at the BOS meeting as well. Construction will begin once the Notice to Proceed is issued. The site design currently stands at ninety percent.

As a recap, Mr. Wieduwilt stated that \$11 million had been spent to date.

Mr. Iannarino asked for clarification regarding the table that was presented and asked if, in fact, it showed that the project was \$3.4 million under budget. Mr. Wieduwilt said that was correct with respect to awarded GMPs.

2. Overall Financial Update. No Financial update was presented at this meeting.

3. Anonymous Communication. Ms. Bowen introduced this agenda item and asked for comments or questions from the committee. Mr. Stratton expressed that he had several financial questions but stated that he had some initial misgivings about the accuracy of the letter given that it was sent anonymously. He noted that the County Administrator had responded to some of the issues in a memo to the BOS but encouraged the Finance Department to proceed with more transparency in future processes.

John Carlson asked Mr. Stratton for his opinion on the validity of the letter. Mr. Stratton answered that he could understand the concept of some of the comments made in the anonymous letter. Mr. Stratton continued by saying that this was one of the reasons he felt the Finance Department needed to be more open about their process.

Mr. Stratton stated that one of his questions involved the reference to RBC Capital Markets, cited in the letter as Pima County's financial advisor. If RBC was not, in fact, the financial advisor then who came up with the plan for the sewer obligation bonds? Mr. Stratton said that he spoke with some of his associates in the Phoenix area and learned that they solicit for competitive bid for bond underwriter's and Pima County does not currently follow this procedure.

Mr. Iannarino added that transparency and perception were critical as the County moves ahead in the next five to ten years. The public will start to drill down on some of these issues as evidenced from the RTA. With the RWRD having significant expenditures for ROMP we can count on an increased public interest.

Mr. Stratton reiterated the possibility of using a competitive bid for bond underwriters. He added that the ratepayers absorb the extra costs and from a utility standpoint, a majority of the complaints received were on wastewater bills because of the high increase. He stated that he had heard a similar concern from Tucson Water regarding their customers. Given that there are three more rate increases of ten percent over the next three years it will continue to draw public interest. It will be important to do things in a cost effective manner.

Ms. Bowen asked how the committee might get the Finance Department to respond to their concerns.

Mr. Stratton suggested that the item be placed on a future agenda as old business and ask that a representative of the Finance Department come to answer questions.

B. New Items

1. Marana Wastewater Reclamation Facility Purchase Offer. Mr. Wieduwilt gave an overview of the actions by both Pima County and the Town of Marana thus far.

Mr. Carlson said that it was important for the region to operate in cooperation rather than split into smaller entities where the region might then run into trouble.

Mr. Iannarino stated that, speaking from the standpoint of the private sector, there needed to be some surety and structure. There are complicated questions to be answered but the interest cannot be ignored and there has to be a compromise.

Ms. Bowen wanted to remind the committee members that the 208 Process was moving forward and that there is ongoing dialog on a regional basis.

Mr. Stratton stated that there might be some confusion regarding costs. Why would the County want to continue to

operate a facility that costs more than allowing Marana to operate the facility? He also suggested that Marana should be given the authority to operate within their own jurisdiction especially given the costs savings.

Mr. DeSpain stated that he felt this issue would be best resolved if the facility were managed at a local level. He encouraged further discussion between Pima County and the Town of Marana in hopes that a solution could be arrived at that worked towards community interests.

Mr. Stratton asked for clarity regarding the judicial determination given in the lawsuit about the service area. He said his understanding was that Marana had the right to serve Marana residents but, in Mr. Huckelberry's Oct. 13th letter, Mr. Huckelberry stated that any diversion of flows from the Marana Treatment Plant could be fought by the County.

Mr. Wieduwilt said that he would bring a more detailed description of the proposed Marana 208 Plan Amendment to a future meeting including the major issues. The litigation is still ongoing.

Mr. Stratton said that there was a lot of background information that the committee did not have and thought it was difficult to have a discussion without that information.

Ms. Bowen asked if there would be any benefit to having the Town of Marana make a presentation to the committee?

Mr. Stratton said it might be worthwhile and added that it might also be valuable to have someone from the County Attorney's office as well as the Town of Marana to answer questions.

Mr. Carlson said that it was hard to argue principles and the Town of Marana shouldn't be confined to town limits as they will likely grow but we need to look at the collective community.

Mr. DeSpain said that if we are realistic we need to have everybody understand the issue and this can be achieved through a regional dialog. There might be costs but it is a lesson that must be learned if one is going to control their own destiny.

Mr. Wieduwilt added that he would update the committee on capacity allocation at the Marana WTF at a future meeting.

Dorothy O'Brien (representing the Town of Marana and invited as an open call to the audience) expressed that the Town of Marana would be happy to present at the December meeting.

2. Water-Related Research in Southern Arizona. Dr. Robert Arnold gave a PowerPoint Presentation on the water resources in the West.

VI. FUTURE AGENDA ITEMS. Approval of October RWRAC meeting minutes, discussion of letter from Concerned Employees, 208 Process presentations from Pima County and the Town of Marana, Odor Control Update.

VII. CALL TO THE AUDIENCE. Linda Smith, Tucson Water, offered to present on Water Quality and Quantity at a future meeting.

VIII. ADJOURNMENT. The meeting was adjourned at 9:21 a.m.