



**REGIONAL WASTEWATER RECLAMATION ADVISORY COMMITTEE
FINANCIAL SUB-COMMITTEE**

Conveyance Division Field Office
3355 N. Dodge Blvd.

MEETING MINUTES

Tuesday, October 8, 2013

COMMITTEE MEMBERS PRESENT:

John Lynch	Mark Taylor
Amber Smith	Ann Marie Wolf
Mark Stratton	

A. CALL TO ORDER. John Lynch called the meeting of the Regional Wastewater Reclamation Advisory Committee (RWRAC) Financial Sub-Committee to order at 1:32 p.m. Veronica Lopez took the roll call and a quorum was present.

B. PLEDGE OF ALLEGIANCE.

C. SAFETY SHARE. Jackson Jenkins, Director, Regional Wastewater Reclamation Department (RWRD), reminded everyone that if ever they are a witness to a vehicle accident or any other similar situation, to stay alert and attentive to details that may assist in that type of situation.

D. APPROVAL OF MINUTES

1. Meeting Minutes of September 4, 2013

ACTION: Ann Marie Wolf made a motion to approve the minutes of the September 4, 2013 meeting. Mark Stratton seconded the motion. Motion passed unanimously.

E. DISCUSSION/ACTION.

John Warner, Deputy Director, RWRD, suggested taking the agenda items out of order and discussing the CIP projects after the review of operating and maintenance expenses. The Committee concurred and discussed Item 2 on the agenda first.

1. **REVIEW OF OPERATING AND MAINTENANCE EXPENSES.** Patrick McGee, Division Manager, Finance and Risk Management Department, first discussed the Three Year Expense Comparison spreadsheet. Mr. McGee explained the data on the spreadsheet. Mark Stratton asked Mr. McGee to elaborate on the Supplies and Services data and why the amounts increase over the next few years. Mr. McGee stated administrative costs are also included in Supplies and Services and this affects the rise in costs. Mr. Jenkins added that the contract with CH2M Hill to run the campus facility is also a factor. Discussion ensued regarding Personnel Services and Supplies and Services.

Mr. Jenkins stated there are two factors that are causing the Department to begin the fiscal year with a projection of approximately \$1.8 million over budget. These are the increase in electricity rates and the pay raises County employees received this fiscal year. Neither of which were included in the budget; however, the vacancies from the upcoming closure of the Roger Road facility will partially help to offset this deficit. Mr. Jenkins discussed other potential saving measures.

Mr. Stratton noted the forecasting for revenues indicates that connection fees will be approximately \$5 million less. Mr. Stratton asked how this will impact the budget. Mr. McGee stated that it should not impact the budget significantly because the Department has enough user fee revenues coming in to cover this shortfall.

Mr. Jenkins provided a brief summary on the current negotiations that RWRD has with the Davis-Monthan Air Force Base in reference to their connection fees.

Ann Marie Wolf asked Mr. McGee if he can provide details on the Supplies and Services expenses at the next meeting.

2. **REVIEW OF SELECTED CIP PROGRAM PROJECTS – CONTINUED.** Mr. Warner distributed a spreadsheet listing CIP Projects to the Sub-Committee. Mr. Warner stated he and his staff will be discussing the details of the CIP Program, as well as providing a look at the work that occurs behind-the-scenes. Mr. Warner introduced Joe Siva and Shawn Tillson and stated they are responsible for the CCTV program data assessment.

Mr. Siva stated he will be explaining how the wastewater system is assessed as a whole. Mr. Siva provided a timeline of where the Department was, where the Department is currently, and where the Department is headed. In 2002, CCTV was reactive versus preventative. Therefore, the Department was primarily recording existing problem areas. All data was recorded on 12-hour VHS cassette tapes. The Speedway sinkhole occurred in 2002, and as a result, the Department created various programs to assist with preventive programs. One program that was put into place was the interceptor assessment. All interceptor lines within Pima County were scheduled to be assessed on a regular basis. Mr. Siva explained that all pipes are rated on a 1 through 5 scale for potential failure, with 5 indicating a need for immediate rehabilitation. In 2006, CMOM was adopted and the Department set a requirement that every element of the system would be assessed through the CCTV program within a 10 year period.

Mr. Siva continued to discuss the timeline through the present day and stated within the last fiscal year, a total of 600 miles of inspection were completed, which is equivalent to 12,000 inspections. Mr. Siva discussed the Department's plan going forward and how many inspections will need to be completed to finish the system for the first 10 year period. Mr. Siva displayed the TVAREA Program map and discussed the data on the map. Discussion ensued regarding the percentage of inspections done in-house versus the use of contractors to conduct the inspections. Mr. Siva explained how pipes are assessed and how he and staff read and rate the observations from the inspections. To give the Sub-Committee an example, Mr. Siva showed a video of an inspection that turned out to be a high priority repair. Mr. Warner answered various questions from the Sub-Committee regarding the CCTV process.

Mr. Warner then introduced Robert Shay, Senior GIS Analyst, who presented a detailed map of CIP projects and explained the projects that are currently active and those that are future projections. Mr. Shay continued to explain the data on the map. Staff continued to discuss each specific project on a CIP spreadsheet with the Sub-Committee and answered multiple questions.

The Sub-Committee requested that the discussion of CIP projects be continued to the next meeting with the focus on pump stations and treatment projects.

3. **OTHER RWRD BUDGET ISSUES.** No issues were discussed.
4. **OTHER ISSUES.** No issues were discussed.

F. FUTURE AGENDA ITEMS.

- Detail of supplies and services expenses
- Continued CIP discussion on pump stations and treatment

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

ACTION: Ann Marie Wolf made a motion to adjourn the meeting. Mark Stratton seconded the motion. Motion passed unanimously.

H. ADJOURNMENT. The meeting was adjourned at 3:38 p.m.