



REGIONAL WASTEWATER RECLAMATION ADVISORY COMMITTEE

Transamerica Building
Pima Association of Governments'
177 N. Church Avenue, 5th Floor Conference Room

MEETING MINUTES

Thursday, May 16, 2013

Committee Members Present:

Sheila Bowen	Kendall Kroesen	Jackson Jenkins
John Carlson	Rob Kulakofsky	Jeff Biggs
Bob Iannarino	John Lynch	
Bill Katzel	Mark Stratton	

Committee Members Absent:

Barbee Hanson	Amber Smith	Ann Marie Wolf
Armando Membrila	Mark Taylor	

A. CALL TO ORDER. John Lynch, Vice-Chair, called the meeting of the Regional Wastewater Reclamation Advisory Committee (RWRAC) to order at 7:55 a.m. Veronica Lopez took the roll call and a quorum was present.

B. PLEDGE OF ALLEGIANCE.

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

D. SAFETY SHARE. Jackson Jenkins, Director, Regional Wastewater Reclamation Department (RWRD), stated there have been a lot of reported killer bee attacks and reminded everyone to be alert and cautious of killer bees.

E. APPROVAL OF MINUTES.

1. Meeting Minutes of April 18, 2013

ACTION: Mark Stratton made a motion to approve the minutes of the April 18, 2013 meeting. Rob Kulakofsky seconded the motion. Motion passed unanimously.

F. COMMITTEE/SUBCOMMITTEE REPORTS.

1. **CITIZENS' WATER ADVISORY COMMITTEE (CWAC) UPDATE.** Jeff Biggs stated CWAC held a meeting on May 8th. Mr. Biggs stated that Mark Stratton gave a presentation on Metro Water's item concerning the Regional Transportation Authority (RTA) water relocation costs. Mr. Biggs stated there was a lot of discussion on this topic. Mr. Biggs also stated that Mr. Jenkins gave a presentation and updated the Committee on the Regional Optimization Master Plan (ROMP) project. John Carlson asked when Tucson Water will announce rate increases, Mr. Biggs replied there is a public hearing with the City of Tucson Mayor and Council on May 21st and there have been four open houses for the public to provide their input.

G. DISCUSSION/ACTION.

1. **DIRECTOR'S UPDATE.** Mr. Jenkins stated Pima County RWRD received a new Aquifer Protection Permit (APP) from Arizona Department of Environmental Quality (ADEQ) for the north Marana Wastewater Treatment Facility (MWTF) for a 3.5 million gallon per day capacity. Mr. Jenkins provided some background on this topic and explained the process RWRD followed to receive the permit. Pima County RWRD will transfer the APP to the Town of Marana once the escrow is closed on the MWTF.

Mr. Jenkins noted that the Biogas Request for Proposals (RFP) is currently being advertised and the Department expects to receive all the RFP's in mid-June.

Mr. Jenkins distributed a handout titled "Sustainable Nutrients Recovery from Wastewater in Pima County." Mr. Jenkins continued to discuss this handout and explained that as part of ROMP, RWRD will move forward with a side-stream treatment project to implement a struvite recovery system that will provide various benefits.

The Roger Road facility is expected to be closed towards the end of the year. Mr. Jenkins stated that it a simple process for clean closure and explained what that entails. There is still a lot of potential for use of that facility and RWRD is going to advertise a Request for Expression of Interest (REI) for that property and expects to hold discussions with the University of Arizona. Mr. Jenkins answered various questions from the Committee.

2. **FY 2012/13 BUDGET UPDATE.** Patrick McGee, Division Manager, Finance and Risk Management Department (FRMD), discussed the Period 9 Expense and Revenue Summary handout that was distributed to the Committee. Mr. McGee stated expenses are approximately \$207,000 under the operating and maintenance (O&M) budget. Revenues are coming at approximately \$19 million under what was budgeted. This is mostly due to the anticipated growth that did not occur. Mr. McGee stated that a Period 10 Summary will be provided at next month's meeting. Mr. Lynch asked if there is anything trending differently with regards to expenses or revenues. Mr. McGee replied that there are no changes and everything is steady.
3. **DRAFT FY 2013/14 FINANCIAL PLAN REVIEW.**

- a. **FINANCIAL STAFF PRESENTATION.** Tom Burke, Director, FRMD, stated the RWRAC Financial Sub-Committee met several times to review the 2013 RWRD Financial Plan. Mr. Burke pointed out the change the Financial Sub-Committee made to the Financial Plan, which is on Page 9 of the Plan. The full Committee also adopted a debt service ratio goal of 130%. Mr. Burke stated that based on current projections, staff is not going to request that the Board of Supervisors change the previously approved rate increase that will be effective July 1st. Mr. Burke stated he is not recommending an increase for next year. Whether a rate increase will be necessary in FY 2015-16 remains to be seen.

At the Financial Sub-Committee's request, a review of the Financial Plan assumptions and indicators will be provided every month or two with the Sub-Committee and, if necessary, will be shared with the entire Committee to determine if the financial data reflects what was anticipated. Bill Katzel asked what the indicators are. Mr. Burke stated they are: capital projects, growth, and expenditures. Mr. Burke explained that growth is a major factor on whether there is an increase in rates. Discussion ensued regarding what other factors will be considered in determining whether further rate increases will be necessary for and after FY 2015-16.

Rob Kulakofsky suggested that if further rate increases are necessary, that increases are made on a temporary basis and as soon the debt service is paid, that there then will be a rate decrease. Mr. Jenkins stated that is what RWRD is focused on and hopes that no further rate increases will be needed. The Department is doing all it can to be efficient and watching costs very closely.

b. RWRAC FINANCIAL SUB-COMMITTEE UPDATE. Mr. Lynch stated at the last Financial Sub-Committee meeting, the Sub-Committee requested that a letter be drafted for the Committee's approval and support of the 2013 RWRD Financial Plan.

ACTION: Mark Stratton made a motion that the Committee approve the 2013 RWRD Financial Plan. Rob Kulakofsky seconded the motion. Motion passed unanimously.

Discussion ensued. Mr. Lynch provided edits that should be made to the BOS letter. The Committee concurred with these changes.

ACTION: Mark Stratton made a motion that the Committee approve the letter to the Board of Supervisors showing the Committee's support of the 2013 RWRD Financial Plan. Bill Katzel seconded the motion. Motion passed unanimously.

4. **DISPOSE-A-MED UPDATE.** Claire Zucker, Sustainable Environment Director, Pima Association of Governments (PAG), presented a PowerPoint presentation to the Committee. Ms. Zucker explained how PAG got involved with this partnership. This Dispose-A-Med partnership assists and coordinates responsible entities in their efforts to safely and consistently dispose of unused medications. The program is affiliated with the 501c3 Center for Pima Basin Sustainability (CPBS). PAG is the financial administrator and will provide staff support for this organization. Decisions will be made by the Committee under their bylaws.

Ms. Zucker provided details of what the general membership, steering committee and sub-committee/task forces are. A Donating Partners program will be set up so any general member may elect to become a "donating partner" by providing monetary support to the Dispose-A-Med Partnership. Bob Iannarino asked if the monetary support is specific to the Dispose-A-Med Partnership. Ms. Zucker replied yes and explained how each program under the CPBS is handled separately.

Ms. Zucker then discussed potential expenditures and some of the many ideas that are being considered, such as: take-back box purchase and installation, shared outreach material and website development. Ms. Zucker displayed a timeline for developing this program. It is expected that by the Summer of 2013, the Steering Committee will hold elections and begin task force work to establish a finance plan and project wish list. Mr. Katzel complimented Ms. Zucker on her work with this program.

John Sherlock, Deputy Director, RWRD, stated that April 27th was National Take Back Day and 6½ tons of unused medication was collected in Arizona.

5. **APPOINTMENT OF NOMINATING OFFICERS.** Mr. Lynch asked the Committee for volunteers to serve on the nominating committee. Mark Stratton and Rob Kulakofsky volunteered to serve.

H. FUTURE AGENDA ITEMS.

- CWAC Presentation
- Election of Officers
- Summer Schedule

Mr. Lynch asked the Committee to send any agenda items or suggestions on a Summer Schedule to himself, Ms. Wolf or Ed Curley.

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

ACTION: Sheila Bowen made a motion to adjourn the meeting. Bob Iannarino seconded the motion. Motion passed unanimously.

J. ADJOURNMENT. The meeting was adjourned at 9:14 a.m.