

**REGIONAL WASTEWATER RECLAMATION ADVISORY COMMITTEE (RWRAC) PUBLIC MEETING
ON PROPOSED RATE INCREASE TO THE COMMERCIAL BILLING CLASS**

**Pima County Natural Resources, Parks and Recreation
Conference Room
3500 W. River Road
Tucson, Arizona 85741**

Monday, October 16, 2017, 6:00 p.m.

Members Present: William Garner, Bill Katzel, Rob Kulakofsky, John Lynch, Corin Marron, Matt Matthewson, Asia Philbin, Mark Taylor, Ann Marie Wolf

Members Absent: Shaun McClusky, Jean McLain, Armando Membrilla, Amber Smith

Others Present: Jennifer C. Coyle (RWRD), Carmine DeBonis (County Administration), Barbara Escobar (RWRD), Keith Dommer (FRMD), Jason Grodman (RWRD), Jackson Jenkins (RWRD), Veronica Lopez (RWRD), Jeff Prevatt (RWRD), Timothy Thomure (Tucson Water), Caroline Vargas (RWRD), Chuck Wesselhoft (PCAO), Seven Citizens

A. Call to Order / Roll Call

Corin Marron, Regional Wastewater Reclamation Advisory Committee (RWRAC), called the meeting to order at 6:00 p.m. Veronica Lopez, Program Coordinator, Regional Wastewater Reclamation Department (RWRD), took roll call and a quorum was present.

B. Pledge of Allegiance

C. Call to the Audience – There were no comments from the audience.

D. Proposed Rate Increase to the Commercial Billing Class

1. Overview and Sampling Data for the Commercial Billing Class

Jason Grodman, Program Manager, RWRD, introduced himself and explained the type of work the Industrial Wastewater Control Section performs. Mr. Grodman presented a PowerPoint presentation. To start the presentation, Mr. Grodman showed the committee a video and explained how a sample is retrieved, the methodology used in choosing sample locations, and some of the challenges they face in conducting sampling studies. (Mark Taylor arrived at 6:03 p.m.) Mr. Grodman explained the importance of quality sampling, data collection, and analysis in order to provide an understanding of where this data comes from and the process that is taken.

Mr. Grodman stated a strength of wastewater study for the residential class was conducted in 2013. Mr. Grodman displayed a map showing a sewer layout in a residential neighborhood and explained this neighborhood was chosen because it only receives sewerage from residences. A similar methodology was used with commercial customers. A strength of wastewater study for the commercial class was conducted in 2015 in which 27 locations were sampled and analyzed during the study. Results from the average of commercial complex sampling data study showed a strength factor of 1.16. The higher the Chemical Oxygen Demand (COD) and Total Suspended Solids (TSS), the more it costs RWRD to achieve the Environmental Protection Agency and the Arizona Department of Environmental Quality permit limits.

Mr. Grodman stated this year, retrieving samples from individual businesses was conducted. However, getting these samples proved to be challenging because many businesses have low or intermittent flow which makes sampling difficult. The only access to many of these individual businesses is a sewer cleanout and Mr. Grodman explained why this is not very practical due to where the cleanouts are located. Mr. Grodman

continued to discuss the sampling and analysis that was conducted at various commercial properties. Mr. Grodman also pointed out the consumption data from August 2017 for some of these businesses and what their current monthly charge is and what it would be with a 16% increase. One business would see a \$0.58 increase.

2. Discussion/Action

Mr. Grodman and County staff answered various questions from the committee and members of the public. Jackson Jenkins, Director, RWRD, noted there are currently 16 high-strength user classes, other than commercial. Commercial is the largest class of industrial users. All 16 user classes pay a high-strength premium; however, commercial currently pays the same as residential of 1.0. Mr. Grodman explained why commercial accounts cost more to treat than residential. Mr. Jenkins stated COD, TSS and TN are the three measured sampling criteria that is used to determine the strength of sewage. Discussion ensued regarding how this criteria is used to allocate costs and how this data was used to determine the proposed rate increase amount. William Garner, Member, asked if there are any assurances there will not be any future rate increases until possibly 2020. Keith Dommer, Director, Finance and Risk Management Department, stated financial forecasting is subject to unexpected future events, but the forecasting now shows another increase may be necessary in 2020. Bill Katzel, Member, asked if this rate increase is passed, will the residential customers get a break in increases. Mr. Jenkins stated that he believes, based on the revenue projections provided by FRMD, if the 16% increase to the Commercial Class is passed, there will not be an immediate need to increase residential rates for a period of time. Mr. Dommer agreed the revenues the 16% increase will generate will lessen the pressure on increasing residential rates. Mr. Grodman and Jeff Prevatt, Research and Innovation Manager, RWRD, went on to discuss rate inequities. Mark Taylor, Member, commented that he feels the data regarding the proposed rate increase is accurate and makes sense. Ann Marie Wolf, Member, requested a chart of the sampling data averages to include the standard deviation.

The Committee agreed to defer making a motion on this proposed rate increase until their next regular meeting on October 26, 2017. The Committee noted all RWRAC meetings are open to the public.

E. Call to the Audience – There were no comments from the audience.

F. Adjournment

ACTION: Asia Philbin made a motion to adjourn the meeting. Mark Taylor seconded the motion. The meeting was adjourned at 7:07 p.m.