

# ANNUAL REPORT



PIMA COUNTY  
WASTEWATER RECLAMATION

FISCAL YEAR 2017/2018



## ***RWRAC Mission....***

*To review and make recommendation on policies and procedures for the Regional Wastewater Reclamation Department; the Department's short and long range capital improvement needs; proposals concerning rate structure formulation; and, proposed State and Federal legislation regarding wastewater reclamation issues.*



## FROM THE DIRECTOR

Jackson Jenkins, *Director*

I would like to begin by welcoming our newest members to the Pima County Regional Wastewater Reclamation Advisory Committee (RWRAC), and extend my sincere appreciation to the Committee for the many valuable hours, dedication to the community, and the service they provided during Fiscal Year 2017/18. The RWRAC is instrumental in making significant improvements to our utility, together with the many hardworking employees; our utility runs a well-oiled machine! I am proud of the continued efficiencies Regional Wastewater Reclamation Department (RWRD) achieves to remain at or just under our budgetary obligations that ultimately transcend to our ratepayers.

The Department underwent significant personnel changes last fiscal year, with two leadership changes with the retirements of two tenured Deputy Directors and the appointment of their successors, Deputy Directors **Jaime Rivera** and **Jeff Prevatt**. Coupled with the consolidation of the Development Liaison Unit functions to Pima County Development Services Department, RWRD continues to move forward with our commitment and promise to provide quality service.

On the financial aspect of our business, despite the unsuccessful 16% increase proposal to our high strength factor for the commercial billing class, we made great strides this fiscal year as Pima County Finance and Risk Management Department (FRMD) found a new financial accounting practice known as in-substance defeasance. As you know, RWRD is in the process of repaying the \$600 million spent on

the expansion and rehabilitation of the water reclamation facilities. This debt appears on our balance sheets and can have significant effects on the County's business, investments, and credit rating. This practice allows the County to place cash into a trust or escrow account dedicated to pay future debt and then the County does not have to consider those future debt service costs when setting sewer system rates. It also helps maintain the County's favorable credit rating by global resource credit rating agencies.

In our efforts to improve efficiencies and find methods to offset costs for our customers, RWRD has actively explored renewable energy options in order to sell the remaining biogas produced at the Tres Ríos Water Reclamation Facility (WRF) as a result of the wastewater digestion process. Currently, RWRD utilizes approximately 20% of the biogas to heat the facilities and specific unit processes. The remaining biogas is flared into the atmosphere and as part of the County's renewable energy policy, RWRD has moved forward on the design and build out of a biogas cleaning facility for the sale of the pipeline quality biogas produced. Once compressed, the facility pipeline will deliver the cleaned biogas to the Southwest Gas pipeline installed near the Tres Ríos WRF which will deliver biogas to a buyer who will, in turn, pay RWRD for the biogas purchased. Thus, provides a positive revenue stream to the Department. The Department will also earn renewable index numbers (RINs) for this sale which also has additional value.

Another innovative approach

RWRD undertook this fiscal year was the recent struvite (magnesium ammonium phosphate) abatement process completed to mitigate and control the buildup that causes operating costs to increase at Tres Ríos WRF. This sustainable measure uses carbon dioxide from digester gas cleaning to control the struvite build up. The Nutrient Recovery Project has moved forward and a design and build contractor has been selected. This measure will offset chemical and operating costs and the resulting bioproduct from the processes will also be used as fertilizer in agriculture and land application.

Supporting growth and economic development in our service area is an integral part of RWRD and our Capital Improvement Program (CIP) made significant strides by their accomplishment in the completion of the Southeast Interceptor Augmentation project. This project engaged public involvement and incorporated RWRD's first ever public art project that improves aesthetics in the region. The front cover of the Report highlights the themed manholes, which integrate hope, unity, culture, and diversity art. This project together with the Twin Peaks Gravity Sewer project and the Continental Ranch Regional Pump Station modifications pointedly increases capacity in our infrastructure and aids in the growth of businesses and communities in Pima County.

RWRD proudly enters into a new fiscal cycle with a continued flat and fixed budget a fifth straight year. Although declining revenue due to water conservation efforts

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## FROM THE CHAIR

Corin Marron, *Chair*

Fiscal Year 2017/18 has been another significant year in our efforts to evaluate organizational initiatives and formulate recommendations to guide decision-making at the Regional Wastewater Reclamation Department (RWRD). As Ambassadors to the Pima County Board of Supervisors, we also serve in the public's best interest and seek input related to initiatives that impact the community.

The Regional Wastewater Reclamation Advisory Committee (RWRAC) convened 11 times throughout FY 2017/18. Initially the Committee spent considerable time discussing the Rate Structure Study Report by Raftelis Financial Consultants, which included several scenarios and objectives for the Committee to evaluate. The Report included RWRD's pricing objectives associated with the provision of wastewater services, the cost of service for RWRD's customer classes, the strengths and weaknesses of RWRD's current wastewater rate structure, and comparative alternative rate structures that align best with RWRD's most important pricing objectives.

One scenario the RWRAC

recommended and that required a public hearing was the 16% increase proposal to the high strength factor for the commercial billing class. RWRD presented the recommendation to the Pima County Board of Supervisors at the February 6, 2018 meeting and the proposal was not approved. The Committee this fiscal cycle will look to the Department for other avenues to take encumbrances off revenue streams and look at alternative and focused methods for either a fixed residential fee, reduction of the number of industrial classes, and/or eliminate the Winter Quarter Average for commercial/industrial classes.

Most of the RWRAC Members also served on either Financial or the Capital Improvement Project (CIP) Subcommittees. The CIP Subcommittee met twice this fiscal year and was updated on the five-year CIP projects, including the projected expenditures on projects for FY 2018/19 through FY 2022/23. One element the Department uses to determine the capital needs beyond five years is the 2016 Wastewater Facility Plan. To better understand the Department's infrastructure

needs, the Department provided the Committee a comprehensive overview of the 2016 Wastewater Facility Plan. With the understanding that the community relies upon reliable wastewater service, the Committee supported RWRD's efforts in prioritizing asset management projects and RWRD's sewer system operation requires continual reinvestment to maintain safe and reliable delivery service. The Department's facility planning on various components in need of replacement or repair as they near the end of their useful service lives ensures their commitment to the community.

The Financial Subcommittee met eight times throughout FY 2017/18 and discussed the financial aspects of RWRD's fiscal elements that included an understanding of the bond repayment schedule, debt service ratio, cash balance, and rate structures as they relate to the revenue sources and operational expenses.

In tandem with the Financial Subcommittee's recommendations, the RWRAC assessed various financial

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## REGIONAL WASTEWATER RECLAMATION ADVISORY COMMITTEE MEMBERS

The Regional Wastewater Reclamation Advisory Committee (RWRAC) was established by the Pima County Board of Supervisors in 1986 to act as its official advisory body on wastewater management matters. Each appointed member serves a four (4) year term.

<b>Ally Miller District 1</b>	<b>Ramón Valadez District 2</b>	<b>Sharon Bronson District 3</b>	<b>Steve Christy District 4</b>	<b>Richard Elías District 5</b>
Shaun McClusky** Scott Oldendorph	Armando Membriila* Mark Taylor* **	John Lynch* Claire Zucker	Bill Katzel Charles Matthewson* **	Rob Kulakofsky Ann Marie Wolf**
<b>Citizens' Water Advisory Committee</b>		<b>Arizona Water Association</b>		<b>Ex-Officio</b>
Jean McLain		Asia Philbin**		Jackson Jenkins, <i>Director</i> , RWRD
<b>Environmental Planning Advisory Committee</b>				Timothy Thomure, <i>Director</i> , Tucson Water
Corin Marron*				

\* Financial Sub-Committee member \*\* Capital Improvement Program Sub-Committee member

# AZ Pure Water Brew Challenge Top Exhibitor at Symposium

The Arizona Pure Water Brew Challenge generated a whirlwind of activity beginning with the design and construction of a fully operational mobile advanced water purification facility, comprehensive water quality testing requiring seven laboratories to validate the process. It also included the Team's lobbying efforts that led to the issuance of Arizona's first direct potable reuse permit rescinding a multi-decade statewide prohibition against direct potable reuse, and finally followed by several months of face-to-face interaction and constructive dialog with citizens throughout the state about water management and expanded water reuse.

The Arizona Pure Water Brew Challenge Team, which included two RWRD staff members and two RWRAC members, Deputy Director and AZ Pure Water Project Manager **Jeff Prevatt**, Compliance and Regulatory Affairs Manager **Barbara Escobar**, City of Tucson Water Director and Ex-Officio Member **Tim Thomure**, and RWRAC's Chair and Environmental Planning Advisory Committee Member **Corin Marron**.

The Arizona Pure Water Brew Challenge – culminated September 10, 2017, at the 32nd Annual WaterReuse Symposium in Phoenix, Arizona. With more than 100 presentations, panel discussions, and workshops, the Conference attracted more than 500 water professionals from across the country with interests in advancing the policy, technology, innovation, and public acceptance of water reuse. The Arizona Pure Water Brew Challenge was the Conference's top



Attendees visit the AZ Pure Water exhibit where they are able to view the mobile water purification facility.

exhibitor with its statewide campaign to increase awareness regarding water issues, water reuse, and new technologies currently available to purify recycled wastewater ultimately producing safe, high-quality drinking water. The Arizona Pure Water mobile advanced water purification truck was on display after having treated more than 80,000 gallons of recycled wastewater and having traveled over 7,700 miles.

The Challenge was on as water reclamation facilities throughout the state teamed up with 26 local brewers in a competition to produce the best tasting craft beer using Arizona Pure Water. On September 9, 2017, Mr. Beer in Tucson hosted a beer judging where professional judges sanctioned through the Beer Judge Certification Program

rated the craft beer developed by the participating breweries. During the Conference, Dragoon Brewing Company's Clear Water Pilsner was declared the winner of the Challenge and received a HACH orbisphere – a machine used in breweries to measure the oxygen and hydrogen levels in water – valued at \$12,000. Runner-up Arizona Wilderness received a HACH multimeter – a device used to measure electric current – valued at \$3,000.

Though the Arizona Pure Water Brew Challenge competition came to a successful conclusion at the Conference, the mobile advanced water purification truck continued its outreach efforts until the end of FY 2017/18.

Overall the numbers proved this project to be a huge success!

## PERFORMED

3,300



Field, validation and permit analyses

288



Unregulated pollutants analyzed

## PRODUCED

94,000

Gallons of AZ Pure Water

22,000

Bottles of AZ Pure Water

99,000

Pints of beer brewers produced from AZ Pure Water

# FINANCIAL SUBCOMMITTEE UPDATE

RWRAC's Financial Subcommittee met eight times and worked collaboratively with FRMD to review the financial information for the sanitary sewer services provided by RWRD and reported back to the full committee at the regularly held monthly meetings. The focus of the review is to determine the optimal sewer rates needed to ensure that the County has sufficient revenues to meet all operating and maintenance expenses, debt service payments, required reserves, and to maintain an adequate debt service ratio to maintain a favorable bond rating. An analysis of RWRD's financial status shows that overall RWRD runs in a very cost-efficient manner.

The Financial Subcommittee supported the approved recommendations outlined in the 2018 Financial Plan as follows:

### Revenues:

As future system revenues are expected to decrease, Fiscal Year 2018-19 revenues are projected to decrease slightly from the prior fiscal year due to reduced volume usage, despite the increase in population growth. From Fiscal Year 2019-20 through Fiscal Year 2021-22, user fee revenues are expected to remain relatively flat. Figure 1 portrays Total Revenues by Type, for Fiscal Year 2016-17, including projections through Fiscal Year 2021-22, with a portion of those revenues attributable to connection fees. The connection fees are expected to remain at or below \$13.1 million

### Operation and Maintenance Expenses:

The Department completed Fiscal Year 2017-18 with Operating and Maintenance (O&M) expenses at or around \$82.4 million. The budget for Fiscal Year 2018/19 was

approved at \$195,526,132 Million. The Department's recommended budget for O&M was \$83.5 million. This is a 1.4% decrease from FY 2016-17, however, increases in operating costs of up to one to two percent are estimated for the following fiscal years (see Figure 2). Employee compensation represents 38 percent of total operating expenses and accounts for the greatest portion of O&M costs.

### Debt Service:

The total debt service payments are expected to remain constant over the next few years, because the County anticipates issuing additional debt as shown in Figure 3 and will utilize unrestricted cash to prepay debt. Debt service for Fiscal Year 2017-18 was \$70.0 million, with the use of \$16.6 million in unrestricted cash to prepay the 2008 Sewer Bonds. \$8.3 million of the prepaid 2008 Sewer Bonds was scheduled for payment the end of Fiscal Year 2017-18. The current year debt service payments were reduced from \$74.6 million in debt payments last year.

The Financial Subcommittee moved and approved the following recommendation at its April 18, 2018 meeting.

1. Continue to issue new sewer revenue debt as planned, to finance the capital needs of maintaining and expanding the County's sewer system
2. Use unrestricted cash as planned, to prepay sewer revenue debt.
3. An increase in revenues generated by sewer user fees is not needed at this time.

The full RWRAC moved and approved this recommendation at its April 26, 2018 regular meeting.

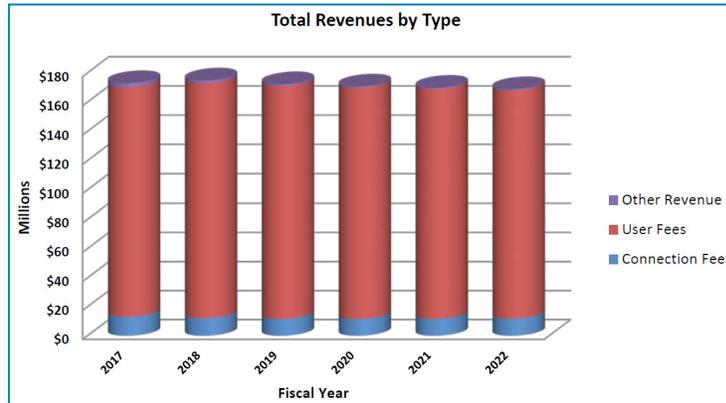


Figure 1. Total Revenues by Type

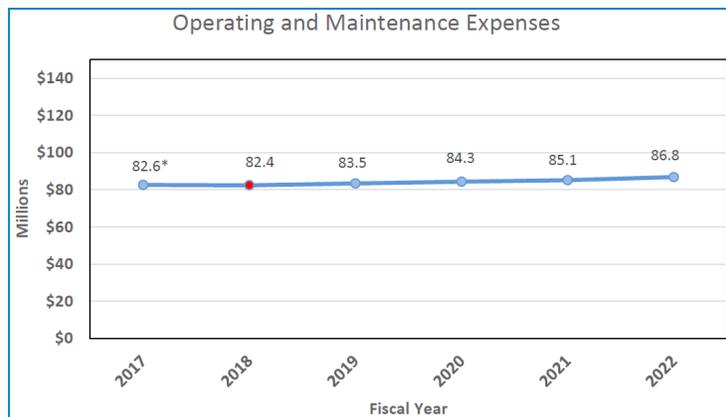


Figure 2. Operation and Maintenance Expenses (excluding a non-cash accounting entry for Pension expenses)

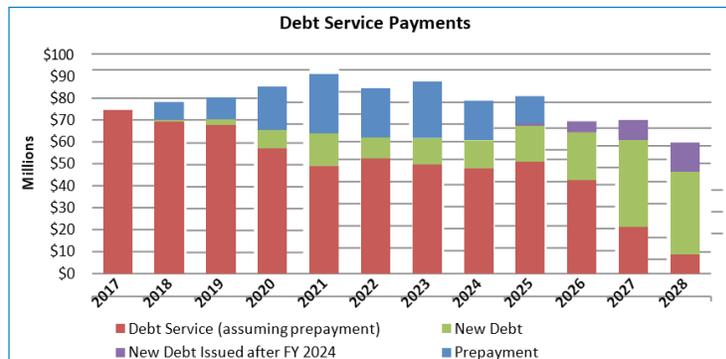


Figure 3. Debt Service Payments

# CAPITAL IMPROVEMENT PROGRAM SUBCOMMITTEE UPDATES

The RWRAC CIP Subcommittee met twice during FY 2017/18. At these meetings, the subcommittee received updates on current CIP projects and proposed budgets for the next fiscal year and the 5-year CIP projections. Capital expenditures are estimated to be \$202 million through the end of Fiscal Year 2021-22 (see Figure 1). Typically, an additional \$35 to \$45 million in capital improvements are anticipated annually, thereafter. Projected future capital expenditures may change throughout the year as plans are refined and actual construction costs are determined.

The 2018 Financial Plan will continue to fund RWRD's CIP Projects with new sewer revenue obligations, using unrestricted cash to prepay debt, and maintain the current sewer rates. Based on the Board of Supervisor's approval, FRMD will allocate \$155 million of new sewer revenue obligations to fund future capital improvement projects from fiscal year 2018-19 through 2021-22 (see Figure 2).

The following large CIP projects were discussed at the two meetings:

### **Southeast Interceptor Augmentation:**

This project was identified in 2012 as necessary to augment the existing Southeast Interceptor, which was experiencing flows near 85% of capacity. The augmentation project involved construct of 36" - 48" diameter sewer along 36th Street from Euclid Avenue west to near 18th Street and Interstate 10. The project involved several jack and bore operations and property acquisition for the alignment. Part of the alignment was within an abandoned rail line, which was converted into a greenway for pedestrian and bicycle use. The project was constructed in close proximity to many historic neighborhoods so public involvement was paramount to success. Construction was completed on this \$18.5M project and neighbors provided accolades to the project team for their consideration during construction. The project was RWRD's first art project, which included manhole cover art and a bike path kiosk. (The front page contains highlights of

manholes.)

Major projects that were kicked off this year by the CIP group include the:

**Tres Ríos WRF Nutrient Recovery Project:** This \$7.5M Design-Build (DB) project will add a unit process to the

sludge handling at the Tres Ríos Water Reclamation Facility (WRF). The equipment will remove crystalline phosphate from the sludge stream to prevent struvite formation in process equipment and piping. Currently, RWRD staff spends considerable time and money removing struvite build up on piping and valves and uses ferric chloride for struvite control. It is anticipated that this CIP project will reduce Tres Ríos WRF operation and maintenance costs up to \$500,000 per year.

### **Biogas Cleaning and Utilization Project:**

RWRD has begun this \$7.0M DB project to make beneficial use of 100% of the biogas produced at the Tres Ríos WRF. The project will design and construct a biogas cleaning facility for the sale of the pipeline quality biogas. The proposed facility will receive all the biogas currently routed to the plant flares and process the biogas to remove moisture, impurities, and compress

the cleaned biogas to the proper pressure. Once the biogas is compressed, the facility pipeline will deliver the cleaned biogas to Southwest Gas pipeline near Tres Ríos WRF as the means to deliver to a biogas buyer.

To further align ourselves with current County policy to utilize renewable energy to the maximum extent possible, the sale of biogas will also provide a positive revenue stream to the Department. This project will eliminate the need to flare the excess biogas into the atmosphere, thus eliminating the perception that odors could be emanating from the active flare of biogas.

### **Twin Peaks – Blue Bonnets Road Gravity Sewer Project:**

This \$5.6M design build project is a fast tracked construction project to support development near the Twin

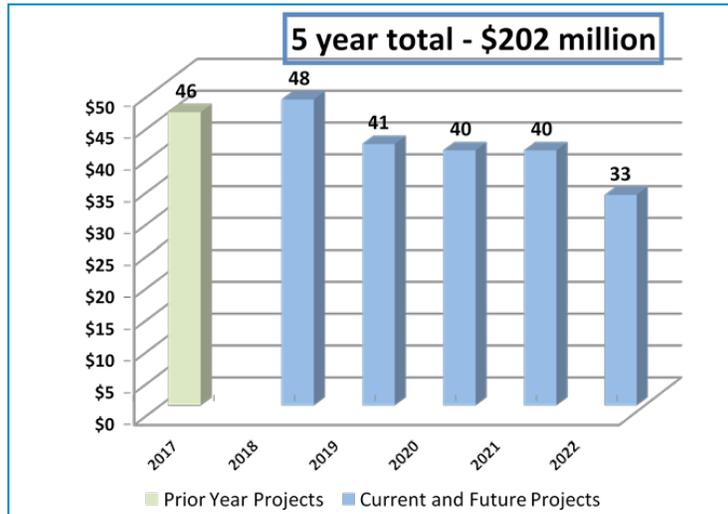


Figure 1. 5 Year Total

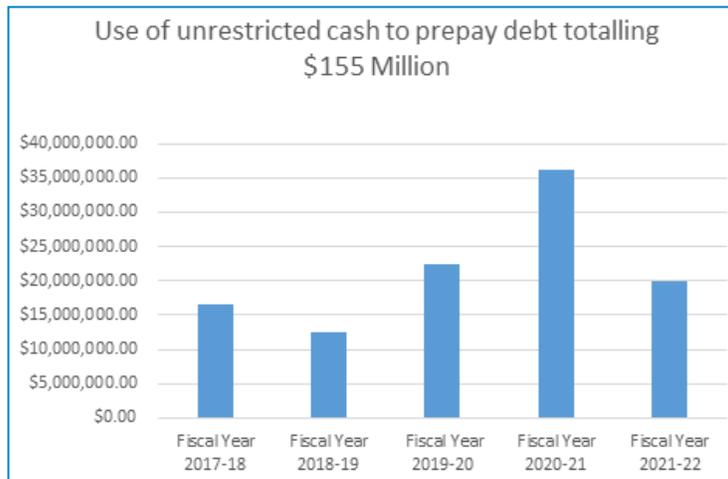


Figure 2. Use of unrestricted cash to prepay debt

# CAPITAL IMPROVEMENT PROGRAM SUBCOMMITTEE UPDATES

Peaks Road alignment. The first segment of this project is one and half miles of 15" diameter sewer from Linda Vista Blvd to Twin Peaks Road along the Blue Bonnet Road alignment. The Design-Build team has been tasked to have construction complete by the end of December 2018 even though the contractor was awarded their contract in June 2018. The remaining sections will be complete by December 2019 and will allow RWRD to decommission the Tangerine Road Pump Station and force main.

## **Continental Ranch Regional Pump Station (CRRPS)**

**Facility Modifications:** The CRRPS is RWRD's largest pump station, capable of pumping 5.8 Million Gallons per Day (MGD) from the northwest portion of RWRD's collection area. The pump station has been in operation since 1997 without a major upgrade or overhaul. When complete, this project will remove all of the interior piping, pumps, and controls and replace them with state-of-the-art components and increase the capacity of the station as well as construct a permanent bypass pump station. This bypass system will allow sewage to be diverted from the main pump station for maintenance or emergency operation. This fiscal year the



*Continental Ranch Regional Pump Station*

bypass pumping system was constructed as Phase I of the overall project.

## **"DIRECTOR" FROM PAGE 2**

as customers lower their net consumption, represents aspects of the overall financial resilient challenges for water and wastewater utilities. Nevertheless, RWRD continues to rise to the challenge by providing quality service in our efforts to protect the public's health and safety. In light of these challenges facing water and wastewater utilities, the Department and the Committee will look forward at other avenues to properly classify our industrial customers and ensure equitable billing calculations to all customers. This includes looking at potential changes in our current rate structure and comparing the structure with a non-volumetric flat charge that has shown to provide revenue stability, including, reductions in billing costs, eliminate bill volatility, and it is easier for customers to understand their sewer bill.

The Department and the Committee proudly celebrate RWRD's achievements and see the challenges not as a roadblock, but as ways to continue to collaborate and engage in the analysis of our business with resilience, dedication, and a public service mindset.

## **"CHAIR" FROM PAGE 3**

components that were provided by the Pima County Finance and Risk Management Department (FRMD). Thorough monthly financial forecasting was presented and throughout the entire fiscal year, the operation and maintenance expenditures remained continuously under budget, thus a testament to the Department's fiscal responsibility and their innovative approach to offset cost to its customers. The Committee also spent considerable time discussing debt service ratio and the utilization of unrestricted cash to prepay the debt service for the 2008 Sewer Bonds. After months of discussion, the committee recommended 1.2 debt service ratio to pay down the Department's debit. Another financial element that enhanced the Department's balance sheets is a concept presented by FRMD that uses excess cash to prepay debt through in-substance defeasance. The Committee approved the recommendation of the government accounting practice of in-substance defeasance and RWRD set forth the successful approval from the Pima County Board of Supervisors. The Committee

also approved the 2018 Financial Plan, which addresses the financial needs for RWRD based on projected revenues, expenses, and capital improvement projects.

Throughout the fiscal year, several members of RWRD provided the Committee with updated and informative data, presentations, and addressed volatile revenue source concepts with innovative projects, which assists RWRD in addressing other revenue streams. The information provided the RWRAC with appropriate process tools in problem-solving and other aspects of potential deliberations.

Looking forward, RWRD, the Committee, and FRMD's staff will work actively to ensure the rate structure is more equitable for customers and long-term revenue stability. Overall, FY 2017/18 was met with great Department accomplishments and accolades and the Committee will continue to work collaboratively with the Department's leadership to improve processes by considering industry best practices, responding to changing conditions, improving customer understanding, and promoting efficiencies.

# DEPARTMENT AWARDS

RWRD is proud of the important work it contributes to the community and has been recognized nationally, statewide, and locally for its excellence and groundbreaking impact. The following are the awards received for FY 2017/18:

## National Association of Clean Water Agencies:

- *Platinum Peak Performance Award* went to Avra Valley Wastewater Reclamation Facility (WRF) for excellence in permit compliance.
- *Platinum Peak Performance Award* went to Green Valley WRF for excellence in permit compliance.
- *Platinum Peak Performance Award* went to Mt. Lemmon WRF for excellence in permit compliance.
- *2018 National Environmental Achievement Award* in the category of Printed Public Information and Education for The Living River Project Annual Report Series.

## AZ Water Association:

- *2018 Water Reuse Project of the Year* for the Arizona Pure Brew Water Challenge.
- *2018 Treatment Plant of the Year - Large System* awarded to the Agua Nueva WRF and partner CH2M, now Jacobs.
- *2018 Wastewater System Project of the Year* for the Job Order Master Agreement Project.

## Arizona Department of Environmental Quality:

- RWRD was awarded the *Bronze Award* for excellence in compliance in the Voluntary Environmental Stewardship Program.

## American Public Works Association Arizona State Chapter:

- The North Rillito Interceptor Project received the *State Chapter Project of the Year Award* in the Environmental Category for projects between \$5 and \$25 million. This particular project involved over 10 miles of sewer rehabilitation and affected various neighborhoods and constituents.
- The Job Order Master Agreement Project received the *State Chapter Project of the Year Award* in the Environmental category for projects more than \$75 million.

The *Project of the Year Awards* recognize outstanding engineering excellence and achievement in the following categories: water system, water treatment plant, wastewater system, wastewater treatment plant, and water reuse.



RWRD Conveyance Division JOC Program holding their State APWA Project of the Year Award: (L to R) Tom Foley, B&F Contracting (B&F); Kyle Foley, B&F; Shawn Tillson, Pima County (PC); David Badger, PC; Lilian Von Rago, PC; Kyle Synder, Achen-Gardner; and Jason DeCarlo, Achen-Gardner.



Deputy Director Jeff Prevatt and Jacobs Project Manager Greg Smith at 2018 Arizona Water Conference.

## American Public Works Association Southern Arizona Chapter:

- *Employee of the Year Award* went to Deputy Director of the Conveyance Division, Jaime Rivera.
- The Broadway Boulevard Sewer Augmentation Project received the *Project of the Year Award* for Environmental category less than \$5 million.
- The North Rillito Interceptor Project received the *Project of the Year Award* for Environmental category for projects \$5 to \$25 million.
- The Job Order Master Agreement Project received the *Project of the Year Award* for Environmental category for projects more than \$75 million.

## Metropolitan Pima Alliance:

- Arizona Pure Water Brew Challenge was selected for the *Common Ground Award*.

# COMINGS AND GOINGS

This year, the RWRAC welcomed three new members:

**Asia Philbin** was reappointed on March 2, 2018 as the Arizona Water Association representative. Asia has been employed with the Town of Marana Water Department as a Resources Coordinator, where she manages water portfolios, plans and implements asset management, and water resource recovery programs. Prior to working with Marana Water, she worked as a hydrologist for the City of Tucson Water for over 12 years, where she assisted in the planning, analysis,



*Philbin*

and tracking of Tucson Water's water resources and energy portfolios. Asia is active in the AZ Water Association, a nonprofit educational organization, where she serves as the AZ Water Treasurer. She also serves as the Arizona Member Associate of the Water Environment Federation, and the Arizona section of the American Water Works Association. Asia holds a Bachelor of Science degree from the University of Miami in Marine Science and Geology, with a Biology minor.

**Dr. Jean McLain** was reappointed on March 2, 2018 by the Citizens' Water Advisory Committee (CWAC). Jean is a Research Scientist at the University of Arizona Department of Soil, Water and Environmental Science, and Assistant Dean of the College of Agriculture and Life Sciences. Jean's work in Environmental Microbiology includes the management of an internationally renowned research program focused on establishing the human health and environmental risks



*McLain*

of using recycled municipal wastewater for crop irrigation, replenishment of surface water, groundwater recharge, and human consumption. Jean holds a Bachelor of Science Degree in Forestry from the University of Vermont, and a Master's Degree in Forest Science from Yale University. She received her Ph.D. from Duke University in Microbial Ecology in 2002.

**Claire Zucker** was appointed by Supervisor Sharon Bronson on May 15, 2018. Claire is the Associate Director at the University of Arizona's Water Resources Research Center and the Program Director for the university-wide Water, Environmental, Energy Solutions (WEES) Initiative. Throughout her career, she has worked extensively on a variety of watershed management topics with a focus on the interface between environmental resource management and urban planning. Until 2015, she



*Zucker*

worked at Pima Association of Governments as the Director of the Sustainable Environment Program where she conducted wastewater planning under Section 208 of the Clean Water Act and facilitated the Statewide Water Quality Management Working Group. Claire brings an expertise in groundwater and surface water hydrology, storm water management, regional

wastewater planning, sustainability, agency, and committee coordination, and community engagement.

Claire holds a Bachelor's degree from the Department of Earth and Planetary Sciences at the University of Tennessee, Knoxville, TN, and a Master's degree in Geological Sciences from the University California, Santa Barbara, CA. She currently serves on the Board of Directors for both the Sky Island Alliance and the Tucson Friends of Traditional Music.

The Committee bids farewell to **Amber Smith** and **Mark Stratton**. Amber Smith currently serves as the President and CEO of the Tucson Metro Chamber of Commerce - the largest business advocacy organization in Pima County. In her role she will implement the vision and goals of the Board by creating policies, ordinances, and procedures that encourage a vibrant community and promote commerce. With strong and positive relationships amongst Pima County local government leadership of all ideologies, Amber is a strong advocate



*Smith*

on both business and community issues focusing on workforce development, talent attraction, retention, small business growth, and infrastructure improvements. Amber is very involved in the community and serves on a variety of boards, committees, and commissions. Amber's strength is creating solutions to problems by bringing the right people around the right table at the right time.

Mark Stratton served on the RWRAC as the AZ Water Association representative since 1995. During his tenure on the Committee, Mark also served as the RWRAC Chair and Vice Chair for numerous years.



*Stratton*

After a career in the water industry that spanned over 32 years, Mark retired in 2014. He was employed by the Metropolitan Domestic Water Improvement District (District) for over 20 years as the General Manager. Prior to his work with the District, Mark was a Planning Manager for RWRD.

Mark has been involved with numerous associations in the water and wastewater field, which included: President of the AZ Water Association, President of Southern Arizona Water Users Association (SAWUA), American Water Works Association (AWWA) Board of Directors and several statewide water committees.

Mark is currently the Director of the Tohono O'odam Utility Authority and continues to serve on the Tucson Water Citizens Water Advisory Committee.

Thank you Amber and Mark for your dedication and servant leadership, the RWRAC wishes you both great success in your new roles.

The Committee looks forward to continue to work collaboratively and develop innovated means to be fiscal stewards for the taxpayer and the Board Members and organizations we serve.

# RWRAC MEETING HIGHLIGHTS: JULY 2017 - JUNE 2018

**July 2017:** No meetings were held.

**August 2017:** The RWRAC Financial Subcommittee (FSC) discussed the Raftelis Rate Structure Study, the Bond Repayment Schedule, and the Department's revenue. The FSC unanimously voted to support the concept of a 15-year debt service re-payment schedule due to the overall cost savings and interest. At the full committee meeting, the RWRAC voted to accept the FSC's recommendation on the Bond Repayment Schedule.

**September 2017:** **Greg Hitt**, Program Manager, Sr., gave a presentation on the Twin Peaks Sewer Extension Public/Private Partnership Details to the RWRAC FSC. **Jason Grodman**, Permit and Regulatory Compliance Officer, presented to the full committee on the sampling data for the Commercial Billing Class. **Keith Dommer**, Director (Retired), Finance and Risk Management Department, provided an overview on the recommendation of the optimum debt service coverage ratio and the minimum cash balance. The RWRAC welcomed two new members, **Asia Philbin** and **Dr. Jean McLain**.

**October 2017:** The RWRAC held a special evening public meeting on the proposed rate increase to the Commercial Billing Class. At both the RWRAC FSC meeting and the full committee meeting, the discussion primarily focused on the Rate Structure Study. Director **Jackson Jenkins**, congratulated **Jaime Rivera** as the newly appointed Deputy Director of the Conveyance Division.

**November 2017:** Director Jenkins informed the RWRAC of the reorganization with the three primary RWRD Divisions and the renaming of the Planning and Engineering Division to the Technical Services and Engineering Division. The RWRAC voted to support the FRMD's recommendation of a 1.2 debt service ratio, as well as an additional unrestricted cash balance of 90-days of operational and maintenance expenses. **Eric Nelson**, Technical Services Manager, provided an update on the Treatment Division.

**December 2017:** The RWRAC CIP Subcommittee discussed and reviewed the FY 2016/2017 and 2017/2018 CIP projects, as well as reviewed the FY 2017/2018 budget and five-year CIP budget. The CIP Subcommittee unanimously voted to recommend the approval of the FY 2018/2019 CIP budget and the five-year CIP budget. **Jeff Prevatt**, Deputy Director, gave a presentation at the full committee meeting on the Tres Rios Nutrient Recovery (Struvite) Project. Director Jenkins provided an overview of the proposed revisions to Pima County Code Title 13 and updated the committee on the Department's FY 2018/2019 budget preparations. The RWRAC continued discussions on the modifications to the Rate Structure Study and other billing alternatives.

**January 2018:** The RWRAC FSC received an update of the 2018 Financial Plan. Mr. Rivera gave a presentation to the full committee on the Conveyance Division. The presentation covered topics, such as: the Division structure, the CCTV Program, and

the Capital Improvement Program. The committee also received departmental updates from Director Jenkins, as well as updates on the Department's expenses and revenues and an update from the Citizens' Water Advisory Committee (CWAC).

**February 2018:** **Dan Quintanar**, Project Manager, Tucson Water, gave a presentation that included a brief history/profile, mission and a more in-depth explanation of the purpose of the Dispose-A-Med Program. Mr. Quintanar explained how the Dispose-A-Med Partnership is working towards informing the community about the importance of the Program and the impact the Partnership has had both at the local and national level. Director Jenkins stated RWRD was presented with the 2018 National Environmental Achievement Award for the Living River Project.

**March 2018:** Director Dommer gave a PowerPoint Presentation on the 2018 Financial Plan, which addressed the financial needs for the Department based on projected revenues, expenses, and Capital Improvement Program expenses for Fiscal Year 2017/2018 through Fiscal Year 2021/2022. The full committee received departmental updates, as well as updates on the activities of the CWAC.

**April 2018:** Director Jenkins, presented Dr. McLain with a Certificate of Recognition from the National Environment Achievement award for the Living River Project, in which the University of Arizona was a partner. Director Jenkins recognized the staff from the Conveyance Division, the Community Relations Office, and the Industrial Wastewater Control Section, for all of their hard work and combined efforts, which contributed to the reductions of odor complaints and Sanitary Sewer Overflows. The RWRAC unanimously voted to support the findings and recommendations as outlined in the 2018 Financial Plan. Mr. Prevatt gave a presentation on the Actual Water Usage versus the Winter Quarter Average for commercial sewer accounts. **Jennifer C. Coyle**, Special Assistant to the Director, presented on the Sewer Outreach Subsidy Program, which makes essential sewer service more affordable in customers in need of support.

**May 2018:** The RWRAC FSC continued to review and discuss the three topics regarding the modifications to the rate structure. Ms. Coyle presented to the full committee on the residential sewer user fee rate structure. **Timothy Thomure**, Director, Tucson Water, gave a presentation on the Tucson Water Financial Plan. Director Jenkins announced **Claire Zucker** will replace **Amber Smith** as one of Supervisor **Sharon Bronson's** representatives for District 3.

**June 2018:** The RWRAC CIP Subcommittee reviewed and discussed the five-year CIP Projects, the 2016 Wastewater Facility Plan, and other long-term planning considerations. Mr. Grodman presented to the full committee on the number of high strength user classes. **Corin Marron** and **Matt Matthewson** were re-elected to serve as the RWRAC Chair and Vice-Chair for the upcoming fiscal year 2018/2019.

## REGIONAL WASTEWATER RECLAMATION ADVISORY COMMITTEE MEETINGS: FY 2018/2019

August 23, 2018  
September 27, 2018  
October 25, 2018

November 15, 2018  
December 13, 2018

January 24, 2019  
February 28, 2019  
March 28, 2019

April 25, 2019  
May 23, 2019  
June 27, 2019

General Regional Wastewater Reclamation Department activities can be viewed on the Department's website: [www.pima.gov/wastewaterreclamation](http://www.pima.gov/wastewaterreclamation)

To view agendas and minutes from the Regional Wastewater Reclamation Advisory Committee visit the Department's website and click on the right sidebar button:

### Boards, Commissions & Committees

Regional Wastewater Reclamation Advisory Committee meetings are held monthly on the fourth Thursday (with the exception of November and December due to the holidays) at 8:00 a.m., at the Water Campus, 2955 W. Calle Agua Nueva, Tucson. Times and dates are subject to change.

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