

**REGIONAL WASTEWATER RECLAMATION ADVISORY COMMITTEE (RWRAC) MEETING
Virtual Microsoft Teams Meeting**

Thursday, February 24, 2022

8:00 a.m.

Members Present: Steve Foley, Alison Jones, Bill Katzel, Scott Kolt, Matt Matthewson, Armando Membrila, Scott Oldendorph, Asia Philbin, Ann Marie Wolf, Claire Zucker

Members Absent: Rob Kulakofsky, Corin Marron, Mark Taylor

Others Present:

Melaine Alvarez (PAG), Mandy Armenta (FRMD), Marla Berry (RWRD), Michelle Campagne (FRMD), Isai Centeno (FRMD), Luke Cole (Sonoran Institute), Max DiSante (RWRD), Mike Gerstenberger (RWRD), Andrew Greenhill (Tucson Water), Jodi Hoskinson (Jacobs Engineering), Jackson Jenkins (RWRD), Veronica Lopez (RWRD), Mona Orozco (RWRD), Jeff Prevatt (RWRD), Jaime Rivera (RWRD), Robert Shay (RWRD), Robert Szilagyi (FRMD), Mary Valencic (RWRD), Eric Wieduwilt (RWRD)

A. Call to Order / Roll Call

Scott Oldendorph, Chair, RWRAC, called the meeting to order at 8:00 a.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. Safety Share

Bill Katzel, Member, RWRAC, reminded everyone to stay alert while driving.

E. Approval of Minutes – Meeting Minutes for January 27, 2022

ACTION: Matt Matthewson made a motion to approve the meeting minutes from January 27, 2022. Steve Foley seconded the motion. The motion passed unanimously.

F. Discussion/Action

1. Sonoran Institute Living River Report

Luke Cole, Sonoran Institute, presented a PowerPoint on the Living River report. Mr. Cole explained the Santa Cruz River is a living, flowing river and the foundation of community and prosperity from Mexico to Marana. Mr. Cole stated achieving this mission would not be possible without the work from RWRD with long-term planning and day-to-day activities. Mr. Cole described the flow of the Santa Cruz River watershed. Mr. Cole stated the Living River partnership between Pima County, Tucson Water, and the Sonoran Institute has been ongoing for ten years. The first Living River Report was published utilizing research from 2013 and each report is available on the Sonoran Institute webpage. Mr. Cole continued to discuss the exceptional quality

of water that has come from the Tres Rios Water Reclamation Facility (WRF) and the Agua Nueva WRF. The ecosystem has been able to thrive and succeed based on the stability of this water quality. Mr. Cole stated the Living River Report is now 12 pages and is published in Spanish for the first time. The 2022 report showcases Pima County priorities, which includes: RWRD's sustainability mission statement, the Biogas Project, El Rio Preserve, and increased wildcat habitat and wildlife. This report is mailed to over 11,000 households, emailed to over 9,000 contacts, and broadcasted to over 10,000 social media contacts.

Mr. Cole stated the Sonoran Institute is conducting an assessment of trash in the Santa Cruz River. Mr. Cole continued to discuss the various collaboration outreach events that have occurred and that are scheduled for future dates. Currently, Sonoran Institute is working with the U.S. Fish and Wildlife Service to explore creating a Santa Cruz River urban wildlife refuge. Claire Zucker, Vice-Chair, RWRAC, commended both Pima County and the Sonoran Institute for their work. Mr. Cole answers various questions from the Committee.

2. Director's Report

a. Biogas Update

Jackson Jenkins, Director, RWRD, recognized both Jeff Prevatt and Jaime Rivera, Deputy Directors, RWRD, and their staff for the great work they have done with regards to the Biogas Project. Mr. Jenkins stated the new facility has been up and running at near full capacity since the new calendar year; however, staff is working with the contractor to address some technical issues. Mr. Jenkins discussed the potential revenues the Department is expected to receive.

b. CIP

Mr. Jenkins stated the increase in inflation has presented challenges and has created upward pressures on the Department's budget. With regards to CIP, a few projects were re-evaluated to identify where minor changes could be made to best deliver these projects from a cost perspective. Approximately \$10 million was added to the CIP five-year budget, which is mostly due to inflation.

3. CIP Subcommittee Report

Asia Philbin, CIP Subcommittee Chair, RWRAC CIP Subcommittee, provided an overview of what was discussed at last month's meeting related to CIP. Discussion ensued.

a. Five-Year CIP Program

ACTION: Matt Matthewson made a motion that the RWRAC support RWRD's proposed FY 2023 CIP Five-Year Plan. Steve Foley seconded the motion. The motion passed unanimously.

Ann Marie Wolf, Member, RWRAC, requested that a letter be drafted from the RWRAC Chair to the Board of Supervisors communicating the committee's support of the CIP Plan.

4. Rate Workbook Review

Michelle Campagne, Director, Finance and Risk Management Department (FRMD), presented the most recent draft of the FY 2022 Rate Workbook. Ms. Campagne reiterated that one of the goals is to maintain the current credit agency ratings and in order to do that, one of the main objectives is to ensure a debt service ratio remains at 1.3 percent or above and an unrestricted cash balance of \$50 million or more. FRMD worked with RWRD staff to update the revenue and expense and CIP assumptions utilized within the workbook. Ms. Campagne continued to provide explanation of the workbook and announced FRMD does not recommend rate increases at this time.

5. Financial Subcommittee Report

There were no updates to report.

6. Fiscal Year 2021/22 Expense and Revenue Summary

Mandy Armenta, Administrative Support Services Manager, FRMD provided the Fiscal Year 2021/22 Expense and Revenue Summary for Period 7. The O&M budget is adopted for \$86.5 million and the forecast is \$86.3 million. The main driver for this savings is in Personnel Services. The adopted revenue budget is \$187 million and the projected revenue is estimated at \$185.7 million. This reduction in revenues is due to the slight delay in the Biogas Project coming online.

7. CWAC Report – Meeting Report and Tucson Water Activities

Alison Jones stated the CWAC requested that she follow-up with Mr. Jenkins on attendance at the CWAC meetings. Due to scheduling conflicts, Mr. Jenkins has been unable to attend the CWAC meetings. Mr. Jenkins explained why it is difficult for him to attend and stated he may recommend appointing Kathy Chavez or Colby Bowser to replace him on the CWAC. Ms. Jones stated she will relay this information back to the committee.

Ms. Jones stated the CWAC met on February 2, 2022 and reported what was discussed at that meeting. Ms. Jones provided the current number of Tucson Water Department vacancies and active recruitments. Ms. Jones stated there are new members on CWAC, so an overview of the committee's roles and responsibilities was discussed. The CWAC also received a presentation of the five-year Financial Plan.

G. Future Agenda Items

- Financial Plan Review
- Cyber Security Update

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

I. Adjournment – The meeting adjourned at 9:19 a.m.

ACTION: Alison Jones made a motion to adjourn the meeting. Steve Foley seconded the motion. The motion passed unanimously.