PRESCOTT CITY COUNCIL
COUNCIL WORKSHOP
APRIL 24, 2007
PRESCOTT, ARIZONA

A WORKSHOP OF THE PRESCOTT CITY COUNCIL WAS HELD ON TUESDAY, APRIL 24, 2007, in the Prescott Municipal Building, 201 S. Cortez Street, Prescott, Arizona.

Mayor Simmons opened the meeting at 2:00 P.M. and asked City Clerk Elizabeth Burke to call the roll, which was as follows:

Present:	Absent:
Mayor Simmons	None
Councilman Bell	
Councilman Blair	
Councilman Lamerson	
Councilman Luzius	
Councilman Roecker	
Councilwoman Suttles	

I. Presentation by Carollo Engineers regarding the Wastewater Collection, Treatment and Effluent Recharge System Model.

Public Works Director Craig McConnell gave a brief introduction to the Council, explaining the presentation today regarding the wastewater collection, treatment and effluent recharge system model would be similar to the presentation on the water system model and the computerized hydraulic model of the City's wastewater treatment and effluent recharge system and it would assist the City in looking at operational needs but also Capital Projects for dealing with deficiencies due to lack of capacities, deficiencies in the system due to aging and deteriorating pipes. He said it would identify the unsewered areas, and would provide information regarding the existing system, the effects of development and new growth and each was separate and would aid in the development of a plan and budget to make improvements in the future. Mr. McConnell introduced Mark Courtney of Carollo Engineers.

Mr. Courtney presented a Powerpoint presentation (see attached Exhibit A).

Councilman Lamerson asked how old the pipelines were and Mr. Courtney replied in the downtown area they were very old and most of the lines were undersized for today's capacities. The sewer model was designed to look at total City build-out and then a system could be designed to handle maximum capacity.

Councilman Luzius asked if new growth was taxing the existing older equipment and pipelines. Mr. Courtney replied that the model could look at what improvements would be necessary for the existing infrastructure and what was necessary to accommodate new growth. The software chosen for the wastewater model was compatible with the water model software.

Mayor Simmons asked what percentage of the sewer lines and pump stations were inspected and Mr. Courtney said the model looked at hydraulic capacity and none of the sewer lines or pump stations were inspected. That would be another project.

Mr. Courtney explained $105 million was recommended for a capital improvement plan for the existing collection system upgrade and that was to build-out of the General Plan area. The sewer service area extended into the County because City water lines extended into the County.

Councilman Luzius asked if the improvements to the existing water reclamation facility expansion would include treating in-born contaminants and raise the water quality and Mr. Courtney replied the model looked at capacity, not quality, but another process would look at equipment and processing.

Mr. Courtney mentioned a third wastewater treatment plant might be added in the northeast service area, which was northeast of the airport and the existing system condition assessment and rehabilitation looked at capacity of the entire system, collection, treatment, pumping, and reuse. He said that what it didn't look at were the actual conditions of the existing infrastructure. Another assessment might be done later of actually putting a camera through the lines and doing a physical structural inspection to see the condition of the infrastructure.

Mayor Simmons asked what percent of the system would be done and Mr. Courtney responded the first year might do representative sections that amount to 10-15% of the system and then each year do segments until 100% was known within 5 to 7 years; it would depend on how much money was available; and both capital needs and operational needs had to be considered.

Councilman Luzius asked what a first class utility system meant and Mr. Courtney replied it was a system that satisfied the performance criteria rather than a rating scale. The goal was to satisfy the benchmarks; it wasn't a Cadillac system, but rather a reliable system. If the system could handle the waste adequately upon build-out it would be a first class system.

Councilman Luzius said the antiquated existing infrastructure was being affected and taxed by new growth, and impact fees could only be used for new infrastructure projects, not the replacement of older infrastructure; Council was reluctant to raise impact fees and asked if impact fees could be used to repair the old system because its demise was being caused by new growth.

Mr. McConnell explained the process would be similar to the process used with the water model; a rate study was done and rates and impact fees were substantially raised to pay for growth. If a line went through the City and it was decided it must be upsized because of new growth funds would be allocated from two sources, one was the sewer fund because it was an existing deficiency and one from new development fees to cover new growth. There would be coding and funding of capital projects so the distinction could be made between deterioration and additional capacity.

Councilman Blair asked how projects would be prioritized; the North Prescott sewer area had septic tank failures and he asked when the public health and safety was considered. He said that when street projects were being designed the infrastructure replacement should be part of the planning.

Mr. McConnell responded that they couldn't address one thing at the exclusion of another; it was a mix and there were different projects in different categories for different purposes to respond to different needs. Regarding the North Prescott discussion, the model would be able to figure out what was needed and at what cost and then financing options would be discussed. The cost of sewering unsewered areas in the City was $55 million and in the County it was estimated to be $95 million. Council needed to develop a policy that takes into account the cost benefits; priorities; financing; new development costs, impact fee costs, etc. He suggested each year during budget talks, staff should provide different projects in different categories that related to unsewered areas, capacity deficiencies, and new growth to allow Council to decide what should be funded.

Councilman Blair added the North Prescott area residents knew 1) they were buying land in the county and there wasn't a sewer system; 2) they had paid City taxes for many years and felt the City should help them out with their problems; and 3) it was new growth and deserved to have impact fees charged on that. The Council needed to have a policy on how much would be recouped from them by charging them a certain amount of money. Some of them were already paying $15,000 to $17,000 for alternate sewage systems.

Mr. McConnell remarked the funding was not general tax revenues but would be from the sewer fund which was an Enterprise Fund and if Council embarked upon this very expensive capital program, without having a policy discussion, there were only two places for the money to come from and that was from existing rate payers or from new development.

Councilwoman Suttles asked for more explanation on the Short and Long Term pie chart, that unsewered areas would cost $55 million and new development would cost $33 million.

Mr. McConnell explained the chart was based upon total build-out of all lots in the City based on the density allowed for each lot. It would cost $33 million in current

dollars to provide the facilities to serve the new development. Unsewered areas – already existing development but with no sewer service -- would cost $55 million to provide sewer lines into those areas. In the County there were areas that would be developed and to provide new lines to them would cost $93 million; densities were generally lower in the County and the terrain made the cost to extend lines rather expensive. This would be another part of a policy – whether to do the City infrastructure first, and then expand into the County.

Councilman Lamerson remarked the General Plan that the model was based on was antiquated and the focus at the time it was adopted might not be today's reality. He asked what kind of residential impact was taken into consideration when the costs to improve the infrastructure were estimated. Mr. Courtney responded there were growth assumptions made in both the water and sewer model projects that the City would build-out in the future within the General Plan area and the General Plan was the only adopted document available to work with.

Mr. McConnell commented this had not been a 60-day project; the model could be updated with information as it became available, such as density changes or if development plans changed.

Mr. Courtney added these models were GIS based and Prescott had one of the best GIS (Geographic Information System) systems in the State; as land use changed not everything had to be revisited, they just had to import the new data and recalculate. GIS could also help determine in a sewer line the number of gallons per day going from existing customers or from new growth flowing into the same line and it was a good measuring stick to use to set up rates and impact fees.

Mr. Courtney addressed the questions of the prioritization of project areas and he said the City would look for the biggest bang for their buck as there were limited resources. One example was there was a lot of infiltration and inflow into the wastewater treatment system and when it rained the sewer treatment plant might have eight million gallons a day instead of the usual four million gallons and one of the prioritizations could be if the existing system was tightened up by relining pipes or replacing old pipes it would be a tradeoff and the City could save some money by not having to expand the existing treatment plant. The sewer model would give the City the tools to work with.

Mayor Simmons expressed his concern about areas that were vulnerable to failure and being able to address them and he didn't think the sewer model would provide that information. He said that if a sewer or water line failed it had to be fixed immediately and then funds had to be readjusted for this unexpected expenditure.

Mr. Courtney responded that part of the master plan took a shot at prioritization and criticality and vulnerability were part of that process.

Councilman Blair asked why the lines on Ruth Street were increased in size by the use of a method known as pipebursting and whether the line determined to be failing because it wasn't due to more volumes as it was an existing neighborhood. Mr. McConnell explained that prior to doing the street improvements in front of the Prescott High School staff asked Carollo what kind of capacity was needed according to the wastewater model and after talking with City operational staff about the condition of the line it was then assessed whether to dig up the lines and replace them or enlarge by two inches through the pipebursting method which did not require opening a trench. It was decided the pipebursting method would work well.

Councilman Blair commented he hoped the City was encouraging and working with the neighborhoods to put in backflow devices on their property lines to keep from having sewer failures at each house when new sewer lines were being upgraded or replaced. Mr. McConnell said that could be an objective, but at the present time it was the property owner's responsibility and the neighbors were notified; sewer services were usually replaced at the same time.

II. Adjournment was at 2:50 P.M.

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ROWLE P. SIMMONS, Mayor

ATTEST:

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ELIZABETH A. BURKE, City Clerk