



COUNCIL SUBCOMMITTEE ON WATER ISSUES MEETING

REGULAR SUBCOMMITTEE MEETING MINUTES

TUESDAY, May 4, 2021, 9:30 AM

201 S Cortez Street
Prescott, AZ 86303
Council Chambers

Steve Blair, Councilman - Chairman

Phil Goode, Councilman – Member

Steve Sischka, Councilman - Member

MINUTES OF THE REGULAR SUBCOMMITTEE MEETING OF THE PRESCOTT COUNCIL SUBCOMMITTEE ON WATER ISSUES HELD ON MAY 4, 2021, IN THE 201 S CORTEZ STREET PRESCOTT, AZ 86303 COUNCIL CHAMBERS.

The following Agenda will be considered by the Prescott Council Subcommittee on Water Issues at Regular Subcommittee Meeting pursuant to the Prescott City Charter, Article II, Section 13. Notice of the meeting is given pursuant to Arizona Revised Statutes, Section 38-431.02. One or more members of the Council may be attending the meeting through the use of a technological device.

1. CALL TO ORDER

Chairman Blair called the meeting to order at 9:31 a.m.

2. ROLL CALL

Chairman Steve Blair
Member Steve Sischka
Member Goode

3. PUBLIC COMMENT

Public Comment will be accepted following each agenda item and limited to three (3) minutes. Please complete a comment card and return it to the City Clerk, speakers will be called in the order received.

4. DISCUSSION & ACTION ITEMS

A. Approval of the April 6, 2021 Meeting Minutes.

MOTION BY MEMBER SISCHKA TO APPROVE ITEM 4.A; SECONDED BY MEMBER GOODE: PASSED [3-0].

B. Infrastructure Topic - Pumping vs. Recharge 2021 Update

Public Works Administration Support Services Manager Gwen Rowitsch provided a presentation to the Subcommittee regarding March 2021 pumping versus recharge delivery; the graph is year-to-date and includes comparisons to last year's pumping versus recharge delivery. Ms. Rowitsch noted that the 2020 effluent delivery number may be incorrect; it will be double-checked and corrected if needed by next month's meeting.

Member Goode asked if there is any significant analysis of trends.

Ms. Rowitsch stated staff has seen some increase in pumping over last year, however it is early in the year and the prediction is for continued drought in our region so we expect to see the same or maybe a little higher pumping for summer of 2021.

Chairman Blair commented that pumping runs consistent at 14.915 AF per day.

Member Sischka noted that Public Works Director Craig Dotseth previously stated that meters on some of the new developments are broken and therefore not metering the amount sent back to the recharge facility and asked if these have been fixed.

Mr. Dotseth confirmed they have been fixed and according to the manufacturer are calibrating correctly. Staff is watching them to be sure.

Member Sischka asked if staff is now seeing a higher average of return than what is metered.

Mr. Dotseth responded that he cannot speak to that; he has not seen the numbers in order to compare.

Member Sischka addressed Chairman Blair to request a percentage of recharge as soon as possible in order to see what the new developments are sending back. Public talks about new development as

detrimental, but with modern water efficiency those homes should be returning far more than what the average for the city is and would like confirmation.

Chairman Blair asked if they are reading those numbers monthly; it is important to show the public the amount of recharge that is being recaptured.

Mr. Dotseth responded that staff is getting the accurate recharge at the recharge facility but also have to be accurate in regards to the Prop 400 requirements on those subdivisions. Will have meter readings and confirmation on calibration at a future meeting.

Member Goode agreed that this information should be a standard part of the monthly reports.

This item was for discussion only, no formal action was taken.

C. Review and Discussion of Draft City of Prescott Water & Sewer Connection Policy

Mission and Goal

Mr. Dotseth delivered a presentation on the Draft City of Prescott Water and Sewer Connection Policy to the Subcommittee. The Water and Sewer Connections Commission was formed in June of 2020 to create a water and sewer connection policy. The mission and goal of the Water and Sewer Connections Commission was to complete a comprehensive policy and implement a sewer service expansion program through identification of what needs improvement and why, reviewing and identifying funding, and reviewing unsewered areas. All watered connections on sewer and septic and all impaired bodies of water and waterways within the City of Prescott were identified. Noted point source pollutants of the Upper Granite Creek Watershed are:

- E. Coli, including human E. Coli
- Nitrogen
- Phosphorus

Mitigation strategies are to: 1) connect septic systems to Municipal Sewer when possible; and 2) adopt an Ordinance requiring connection to city sewer when available for new development.

Recharge and Recovery

Mr. Dotseth introduced the groundwater recharge facility. This facility recharges surface water and treated effluent supplies. The facility meets State and City water management efforts for maintaining long-term groundwater supplies, and has all required state permits.

Sewer Connection Draft Report

Ms. Rowitsch presented a Sewer Connection Draft Report prepared by Carollo Engineers. Twelve (12) unsewered areas were identified to include the number of parcels and the population within each area. Each of the twelve areas were presented individually to familiarize the Subcommittee with location, potential sewer area operations, lift station necessity, type of excavation, existing piping, and expense. Infrastructure Summary is as follows:

- 3,895 parcels serving approximately 8,218 people
- Estimated reclaimed water is 405.7 acre feet per year (AFY)
- Total Estimated Cost including inside unsewered areas and off-site infrastructure is \$86,588,000

Sewer Connection Policy Statements:

Individual residential dwelling units are the primary target for this policy; new development must construct and connect to city sewer as a condition of receiving city water. The Connections Policy consists of five (5) policy statements:

- New Home Construction Adjacent to or Abutting a Sewer main – new construction receiving city water shall connect to an existing sewer main when the home is built if the sewer main is adjacent to or abutting the property.
- New Home Construction Not Adjacent to or Abutting a Sewer main – if new home construction receiving city water is not adjacent to or abutting a sewer main, the property owner will be required to extend the sewer main and connect to it. At the request of the owner, a reimbursement district per PCC2-1-11 may be created to recover additional costs. Not required for parcels located within the twelve unsewered areas identified in the Carollo report dated Dec. 2020.
- Use of Septic System – The Public Works Director or his designee may allow septic systems that would otherwise be prohibited by these rules. In all cases of installation of the new septic systems, the owner shall sign and the city shall record in the office of the Yavapai County Recorder's Office, and instrument requiring abandonment of the septic system and connection to an abutting or adjacent sewer main when available, regardless of the age or condition of the septic system.
- Existing Homes Connecting to Existing Sewer Mains – Existing homes receiving city water which are using a septic system and that are adjacent to or abutting a sewer main will be required to connect to city sewer at the soonest occurrence of:
 - Within eighteen (18) months of adoption of the Sewer Connection Policy
 - When the property is sold and ownership transferred
 - When the existing septic system and/or leach field fail.

- Existing Homes Connecting to New Sewer Mains – A sewer connection plan shall be established which will identify and prioritize the design, construction and funding for new sewer mains in those areas that are served by city water but are currently on septic systems. The program will include annual funding in the city’s budget for design and construction of projects within unsewered areas. At the completion of construction of the sewer main, existing homes will be required to connect to the new mains.

Cost Responsibility, Fees and Funding

Recommendations from Commission outlining who should pay for infrastructure, proposed fees, and potential funding sources:

- Infrastructure
 - Trunk Mains & Treatment Plant – Wastewater Fund Rate Payers and Development Impact Fees
 - Neighborhood Collection Mains – Wastewater Fund Rate Payers, Grants and Fees
 - On-Site Lot Improvements and Development Impact Fee – Homeowner
- Proposed Fees
 - Monthly Sewer Fee = Average Bill by Class, for water users adjacent or abutting a sewer main but not connected
 - Water Finite Resource Fee (Water Surcharge Fee), for water users not connected to sewer to help recover the loss of the ability to recharge
 - Water Pollution Penalty, for water users adjacent or abutting a sewer main but not connected
- Potential Funding Sources
 - Off-Site Improvements
 - Grants (Federal and State)
 - Environmental Infrastructure Act Funding
 - Special Assessment District
 - Wastewater Fund (Sewer Rates) with rate increase
 - On-Site Improvements (yard line, abandon septic tank)
 - Paid by Homeowners
 - Special Assessment District

Additional Work Items

- Amend City Code to require sewer connection
- IGA with Yavapai County Environmental Services relating to the issuance of septic permits
- IGA with Yavapai County for Special Assessments primarily outside city limits
- Create instrument with which to record future abandonment of septic systems
- Consideration of new fees and penalties

Chairman Blair commented that this is a lot of information and everyone will need time to digest and formulate questions.

City Manager Michael Lamar commented that there are much less expensive ways to collect 405 AF of water.

Chairman Blair responded that the city should look at being responsible by taking some of the older systems out.

Member Goode stated this is a very complex proposal and policy. He feels the Committee should consider utilizing a weighted analysis system tool to determine which areas are priority. Priority should be given to those unsewered areas most detrimental to water bodies, not to the least expensive to improve or closest.

Member Sischka agreed with Member Goode, and questioned whether the community as a whole should have to pay a share of the cost since once a sewer system is in, home values go up.

Public Comment:

Member of the public Howard Mechanic addressed the Subcommittee stating he believes there is no opposition to cleaning up the lakes and streams, and asked if this is economically feasible and what the plan to do so is. He believes the twelve areas should be tested to see if any sewage reaches the creek. Mr. Mechanic also recalled the Granite Creek Watershed Plan of 2012 which states human fecal contamination was found in all types of areas and that there is no strong conclusion regarding the source. The report did not state that the contamination came from septic systems and asked the city to prove it.

Member of the public Art Atonna addressed the Subcommittee stating the city's proposal to eliminate septic systems is ill conceived, inadequately studied and poorly targeted. The goals have not been clearly

defined or identified, the public has not been given opportunity to weigh in, the cost is astronomical and funding sources have not been identified nor has municipal bonding been considered.

Member of the Public Jim Kaercher addressed the Subcommittee, stating that in the Antelope Hills Subdivision there are some homes not piped with sewer which do not contribute to pollution; they are downstream from Watson Lake and over half mile from Granite Creek, and these residents should not be charged a sewer charge if they are not sewered or charged a penalty if not contributing to the pollution. He doesn't have a problem with having a sewer system, he has a problem with a mandate to connect to city sewer. Need to annex areas when given water.

Member of the public Michael Breen addressed the Subcommittee stating that he was a former member of the Commission and believes his viewpoints were not reflected in the final draft. He doesn't believe this proposal is cost-effective as you can buy water for \$250/AF. In terms of pollution, 70% of the waterways in the state do not conform to the Clean Water Act and the State has no mandated programs. Mr. Breen said he is in agreement with most of the speakers and Member Goode that we have a long way to go.

Deputy City Clerk Jennifer Wiita read the following public comments:

Lorraine West – “I see two potential benefits to having a water and sewer connection policy. First, a reduction in pollution of the Upper Granite Creek Watershed. Second, an increase in permanent recharge of treated effluent. One question I have for the committee is which of the 3,895 property parcels is in a position to pollute the Upper Creek Watershed? The statement “There is a direct correlation between the lakes and streams and unsewered areas within the Prescott area” is too broad and generalized to justify the proposed policy and associated costs. If any of the recharge is going towards water credits, then this policy proposal has identified the wrong sources of funds. As a Prescott taxpayer and recipient of Prescott water service, I have no interest in funding an increase in water credits. The policy does not appear to address multi-family residential and commercial properties that are already receiving Prescott water service but are not connected to city sewer. Am I correct in assuming that none exist? The Carollo report states that “some of the unsewered areas still have a significant percentage of the land that is not yet developed and there is no guarantee that all parcels will develop.” Therefore, the estimate of 406 AFY of reclaimed water is likely an overestimate and the average cost to connect a house in these areas an underestimate.”

Nancy Roberts – “My husband and I are retired on fixed incomes. We live outside the city limits but have city water and our own septic which we maintain. We can't afford to pay for sewer hookups. I would suggest a "grandfather clause" for those such as us.”

Jacquie McClish – “I clearly understand that long term sustainability of our water supply is under threat and reclaiming water from Septic systems is one way to capture a bit more water. If, however, this reclaimed water is not recharging our aquifers and instead is being used for new development, there is no gain to a secure water future for our area. Since new developments will have access to the gained 400AFY of reclaimed water, they should pay for a large chunk of the City's Infrastructure costs, plus help pay the homeowner connection costs. As the Draft policy is currently written, the burden of paying for the reclaimed water rests entirely on our area residents. The Draft policy is unreasonable in expecting households to connect to the sewer system within 18 mos of its availability. This short timeline will likely force many of our residents to either sell their homes, or put their financial future in jeopardy by paying \$15 - \$20,000 plus to decommission their septic tanks and connect to the sewer. It will also be overwhelming to many if they have to find, screen and choose contractors and then oversee the work. The penalty clause written into the Draft Policy just pours salt in the wound. The City must work with homeowners to provide:

- *an explanation how they can force County residents to connect to city sewers,
- *ample, publicized opportunities to provide input on the Proposed policy,
- *answers to how developers will contribute to the cost of improvements,
- *affordable cost sharing and financing options, and
- *screened contractors with negotiated package pricing for the Areas. This is an issue that could force people from their homes and will lower the value of their property if they have to sell and a new buyer would have to spend the \$15,000-\$20,000+ to connect to the sewer. Please consider the ramifications to each homeowner, carefully. Thank-you.”

Chairman Blair stated he hopes it doesn't come to the Federal Government or the EPA forcing us to do something; and if so hopes he doesn't hear why the city didn't do something when that is what the city is attempting now and only hitting a roadblock. He will have a conversation with the City Manager and Public Works to see if they want to spend money looking at each parcel to identify those with a problem.

Mr. Lamar addressed the Subcommittee with suggestions if the proposal moves forward:

- An Environmental Study to make a more informed decision
- The amount of water reclaimed will be put to permanent recharge

Member Sischka commented that the hang up is on the 405 AFY and asked Mr. Dotseth how long the proposed infrastructure will last.

Mr. Dotseth responded a minimum of seventy (70) years.

Member Sischka responded that would be a good investment if justifiable.

Chairman Blair stated he would like to know more before putting any more time into this and suggested putting out a Q&A to the residents of the twelve areas discussed, asking if they are interested in sewer connection. If consensus is sewer is not wanted, then it becomes cost burdensome. It is important that we try to take care of our environment, but can't be done unless people are willing to help. If the will of the people is absent, he is not willing to move on with this.

Member Goode concurred with Chairman Blair on the Q&A, and added that the average age in Prescott is 56 years old, so most won't live to see the benefit of connecting to the sewer system. Believes residents should be able to vote on it.

Member Sischka added staff needs to look what the effect on property values a sewered vs. unsewered system has, suggests asking an expert in the real estate field.

Chairman Blair agreed and suggested consulting with Jud Simmons who was voted on to do set property values.

This item was for discussion only, no formal action was taken.

5. ADJOURNMENT

There being no further business to discuss, Chairman Blair adjourned the meeting at 11:09 a.m.


STEVE BLAIR, Chairman

ATTEST:


JENNIFER WIITA, Deputy City Clerk

CERTIFICATION

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the regular Subcommittee Meeting of the Council Subcommittee on Water Issues of the City of Prescott, Arizona held on January 12, 2021. I further certify the meeting was duly called and held and that a quorum was present.

Dated this 1st day of June, 2021

AFFIX
CITY
SEAL



J. K. Siep for:
Sarah M. Siep, City Clerk