

TRSD answers questions about project

The TRSD map was created when the Cobre Valley Sanitary District (CVSD) and the Pinal Sanitary District merged in 2011.

In response to reports and editorials in the Arizona Silver Belt, Mike Krebs of PACE Advanced Water Engineering and Bob Zache, president of the Tri City Regional Sanitary District (TRSD) board, met with Silver Belt staff to explain the district's preliminary engineering report (PER) and to clear up what it feels are misconceptions in the community.

After six years of studies and three different engineering firms — including the Barcón Corp. owned by Fred Barcón, who completed the district's initial PER — the district is poised to begin the project expected to bring a modern sewer system to an area rife with failing cesspools and septic systems.

The U.S. EPA banned cesspools in 1976, so solutions to regional wastewater treatment problems are decades overdue. According to lead engineer Krebs, about 90 percent of the cesspools and septic systems in the district are failing.

“There's a perception out there that we're some fly-by-night operation and we haven't been doing anything,” Krebs said. “But that's simply not true.”

Krebs has overseen the design and construction of wastewater treatment systems throughout rural Arizona and has a long record completing infrastructure projects. His firm has participated in projects receiving more than \$50 million in USDA Rural Development funding throughout the western U.S.

The current project seeks to bring the wastewater treatment system of the unincorporated area between Globe and Miami into the 21st century. Zache and fellow board member Mary Anne Moreno have been working on sewer issues in the region for more than 40 years and hope they are both alive to see the culmination of a lifetime of work.

“The community turned down the bonds to build this in 1978 by a 2-1 margin or this thing would have been built already,” Zache said. “People think we're trying to hide something, but we really want people to know what we're doing.”

The USDA has approved the funding so once the project clears a few more hurdles, such as getting its final designated management area (DMA) map approved by Central Arizona Governments (CAG) and a mandatory outreach campaign to district residents, TRSD is poised to put shovels in the ground within the next two years.

The three-phase project is estimated to cost about \$70 million, according to cost analysis by the district and the USDA. Phase I will be paid by USDA funding of \$28 million, with a 60/40 split between grant and loan. That means residents in the Phase I map will be on the hook for \$12 million on a 40-year loan. Krebs said that when all three phases of the project are complete, the entire district would accrue about \$30 million in total debt.

The remaining phases have yet to be funded or completely conceptualized, but district board members, Krebs and even the USDA anticipate funding as the project proceeds once Phase I is complete and the district has a source of income beyond its tax base.

Future phases are also more likely to see partnerships with the adjacent municipalities of Miami and Globe – particularly Globe – as the project picks up momentum.

For several years, TRSD functioned on the fringes of perception, so it was not until recently that the district and its preliminary plans have come under public scrutiny.

Whereas the board often had its space at the Tri-City Fire District building in Claypool to itself, with the exception of public officials aware of what was happening, meetings since June have packed the building with a 30-person capacity and have been moved to the IBEW building on the north side of Highway 60.

Along with increased attendance has been intense scrutiny from a populous suspicious of taxing districts and – often on fixed incomes – who must be conscious of every penny spent.

Many have questioned the overall project cost and why the district has not worked with the municipalities for a cheaper solution.

According to both the TRSD and Krebs, the USDA insisted all options were studied, including the cost of a standalone system and combinations of partnerships with Globe and Miami.

“From day one, the USDA wanted us to explore if collaboration was the best alternative,” Krebs said. “For those that think we didn’t do our due diligence, we documented 60 meetings with the Town of Miami from July 2013 to Sept. 2016.”

From the outset, there were issues getting information about the cost of running the Miami system and coming to a fiscally acceptable agreement. Often when there were no records to be found, PACE analyzed similar sized systems on other rural communities to come up with costs estimates.

“We put together an initial intergovernmental agreement (IGA) that was acceptable to the district,” he said. “Bond counsel suggested moving forward or we would lose the window to get funding. The audits we received from Miami didn’t have sufficient information.”

Additionally, the Town of Miami, which purportedly has enough excess capacity to serve at least part of the district, did not offer adequate capacity even for Phase I. TRSD would have had to build infrastructure anyway, Krebs said.

“Miami offered 225,000 gallons of capacity and we needed 250,000 just for phase I,” he said. “Once we hit Phase II, we would have had additional costs associated with increasing capacity. In direct costs, to build our own system will be about \$3.6 million for Phases I and II whereas collaborating with Miami would have cost \$6.3 million.”

Another recurring issue is the need for pump stations to keep the wastewater flowing. Krebs pointed out that all the existing systems, both potable water and wastewater, require pumps due to the topography of an area with precious few flat spots.

“Miami Gardens would use gravity to the lift station, but needs pressure going in the opposite direction,” Krebs said. “We’d need it even if we were going with Miami.”

One of the many new observers of the TRSD goings on is Mariano Gonzalez, a longtime emergency management professional who worked at the county level for 16 years and also for the State of Arizona as a top-level emergency planner.

Gonzalez became interested when a family member who lives in the district became concerned with media reports about taxation and other questions that have arisen recently.

“I think the board is doing the right thing,” Gonzalez said. “They know what they need to do to get the funding. There are good people on the board, but I don’t think they were prepared” for the public reaction.

Gonzalez, as well as some public officials observing the proceedings, believe the district has “won the lottery,” as far as funding is concerned.

At the base of the issue, though, is that the district has the authority to levy taxes and has been obligated by the state to fix the problems in the region, and Gonzalez thinks district residents should take advantage of the opportunity while it is here and support the project.

The TRSD began its outreach meetings this week. Check out next week’s edition of the Silver Belt for another project update.

Previous Silver Belt coverage of the issue [is located here](#).