

ENVIRONMENTAL SERVICES ADVISORY COMMITTEE (ESAC)

Thursday, September 10, 4:00 PM

Hybrid Meeting

Legal Action Report and Meeting Minutes

Approved on [*]

1. Call to Order/Roll Call

The meeting was called to order by Mr. Ledbetter at 4:06 PM.

Those present and absent were:

Present:

Kris Yarter, Chairperson
PM)

Margot Garcia
Douglas Jennings
Val Little

Alfredo "Fred" Araiza

Polly Parks

Chuck Ray

Frank Pyrdeck

Trevor Anthony Ledbetter

Halley Hughes
PM)

Representative, City Manager's Office (Joined at 4:06

Representative, City Manager's Office

Representative, City Manager's Office

Representative, City Manager's Office

Representative, Ward 2

Representative, Ward 5

Representative, Ward 6 (Virtually)

Representative, Ward 4

Representative, City Manager's Office

Representative, City Manager's Office (Joined at 4:10

Absent: -

Staff Members Present:

Pat L. Tapia

Isaac Marcor

Frank Bonillas

Cristina Polsgrove

Kris LaFleur

Brittany Aldrich

Nadia Ispiani

Noemi Mills

Interim Director, Environmental Services

Finance Manager, Business Development Services

Administrator, Environmental Services

Management Coordinator, Environmental Services

Project Manager, Environmental Services

Staff Assistant, Environmental Services

Management Assistant, Environmental Services

Management Assistant, Environmental Services

Additional presenter:

ByFusion Representative, Brian Ellison

The committee members, staff, and the ByFusion representative attended the meeting in person, except for Mr. Ray, who attended virtually as noted above.

2. Approval of Minutes for August 13, 2026

Mr. Araiza called for a motion to approve the minutes as written or as corrected. The motion passed unanimously.

3. Chairperson's Report

Ms. Yarter shared an article regarding the Hefty Renew program to be discontinued and encouraged members to sign up for the upcoming training on plastic film scheduled for September 17, 2026.

4. ByFusion Update

Brian Ellison, representing ByFusion, provided an update on the facility transition from Los Angeles to the Los Reales Landfill building. Major equipment has been moved in, contractor selection for interior build-out is underway, permits have been submitted, and financing is being finalized. The tenant agreement is nearly complete. ByFusion's target is to be operational by November 2026, with a conservative estimate of end of year.

The Southern California facility has been closed and all equipment relocated to Tucson. Approximately 130 tons of plastic is in storage and ready to process. The machine is rated at 200 tons per month. Hefty Renew confirmed it will cover the cost of processing bales stored at Friedman separately from the City contract.

Staff and ByFusion are coordinating a public relaunch that includes updated container decals, revised outreach materials, and removal of Styrofoam from the accepted materials list. ESAC input on the relaunch approach was welcomed. ByFusion is also exploring an Arizona DEQ grant for a Styrofoam densifier that would allow EPS foam to be processed separately into a saleable product. Commercial partners are already under contract, and ByFusion anticipates reaching full capacity within 12–15 months, producing 10,000–18,000 blocks per month.

The committee members asked several questions during the presentation and no formal action was taken.

5. Director's Report

Pat L. Tapia, Cristina Polsgrove, Kris LaFleur, and Frank Bonillas, provided the following update on the Electric Truck, Clean City Fee, and LRSC Gas Collection System Update.

Mr. Tapia reported that the City's electric refuse truck, purchased approximately three years ago at a cost of \$750,000, remains at the manufacturer's facility and has been used for fewer than 20 hours. A demand letter sent earlier this year received no response. The attorney who drafted the original letter has since left the City, and the matter has been transferred to Procurement and outside counsel. A new attorney has been assigned and a meeting is being scheduled.

Mr. Tapia requested that ESAC members consider drafting a support letter to the manufacturer if no resolution is reached by a specified deadline. The committee expressed support for that approach. Mr. Tapia noted that while the City's contract lacks built-in penalty provisions, the state lemon law is the primary legal avenue being pursued. The City of Phoenix has experienced the same issue with the same manufacturer.

Mr. Tapia shared the implementation plan for the Clean City Fee, a \$3/month charge recently approved by Mayor and Council, expected to generate approximately \$5.6 million annually. The fee will fund five program areas: Team Up to Clean Up, graffiti abatement, illegal dumping response, homeless camp cleanup, and the homeless work program. Graffiti abatement was previously funded by the General Fund; the remaining programs were previously absorbed by the Environmental Services Enterprise Fund, diverting brush and bulky staff from core services.

Mrs. Polsgrove and Mr. LaFleur presented the campaign launch plan, centered around a citywide cleanup event scheduled for October 8th, in coordination with the Mayor's Office and ward offices. A public-facing Clean City Hub will be built on the City's existing software platform to provide near real-time dashboard reporting on program activity, spending, and outcomes across all five program areas. The hub will include geospatial mapping of work orders with before-and-after documentation. Branding will carry the tagline "Making It Better Together," with regular social media updates and a dedicated program website.

Key Performance Indicators (KPIs) under development include number of Team Up events and volunteer hours, bags of litter removed, graffiti incidents reported and resolved, illegal dumping sites addressed, and homeless camp cleanups completed. The primary performance target is resolution of 90% of reported incidents within two business days of receipt. Baseline data is still being established for most metrics, the graffiti abatement contractor has historical data that will inform initial benchmarks. Priority target areas include VIVA zones, Thrive neighborhoods (29th Street and the 05), and MDOT areas such as 12th Avenue.

Mr. Bonillas presented an update on the Los Reales Landfill Gas Collection System Improvement Plan, shared that the system is regulated under an air quality permit managed by the Pima County Department of Environmental Quality. A full assessment of the system was completed in two phases, including field observations of all well sites, infrastructure modeling, and an efficiency evaluation. The assessment found that the system required significant infrastructure upgrades to maintain compliance and improve gas extraction capacity.

The resulting improvement plan is structured in four overlapping phases, each estimated at 10–12 months, with a total project cost estimated at approximately \$7 million, funded through the existing Groundwater Protection Fund, which currently carries a \$6.5 million balance. Phases include well abandonment and replacement, lateral and header pipe upgrades, a new blower and flare station (current system is approaching end of its approximately 25-year life), and expansion into newer southern cells as waste placement thresholds are reached.

Upon full implementation, gas extraction capacity is projected to increase to between 2,960 and 3,900 SCFM. The long-term goal is to reach sufficient extraction levels to support a gas-to-energy program that would fuel City fleet vehicles.

Phase 1 proposals have already been requested from two firms under existing on-call contracts. The target completion timeline runs from Phase 1 (January 2027) through Phase 4 (December 2029), with overlapping phases where possible to compress the schedule.

The committee members asked several questions during the presentation and no formal action was taken.

6. Financial Monthly Report

Isaac Marcor, Finance Manager, reported on the following items:

FY26 Year-End Results. Total revenues ended at \$76.2 million, exceeding the \$75.6 million budget, driven in part by vehicle asset disposal proceeds. Expenditures came in at \$72.6 million, under budget but higher than FY25 (\$66 million), primarily due to the equipment replacement program. After debt service payments, the department contributed \$3.5 million to fund balance. Numbers are near-final pending audit.

FY27 Early Outlook. Commercial revenues are already tracking above budget at a projected \$9.8 million versus the budgeted \$8.4–8.5 million, reflecting recent fee increases. Expenditures remain near budget at \$82.7 million projected. Staff noted it is too early in the fiscal year to make significant forecast adjustments.

The ESD carries no bond debt and pays cash for equipment. The restricted post-closure fund holds approximately \$18 million, with \$1 million contributed annually, Mr. Marcor noted closure costs are projected to reach \$67 million or more. Upcoming capital expenditures, including the \$7 million gas collection system improvement and a new container maintenance facility. A new separate fund has been established to track Clean City Fee revenues and expenditures independently from Fund 502.

No action was taken on this item.

7. Subcommittee Reports, Appointments, Meeting Dates, and Assignments

- Waste Diversion, Collections, and Education

There was not enough time for this agenda item. Members were directed to review the recording of the previous Waste Diversion, Collections, and Education Subcommittee meeting for reference.

8. Future Agenda Items:

Future agenda items are as follows:

- Styrofoam Update
- Alley Safety, Alley Ownership, Additional Trash Bin
- Zero Waste Map Update

Staff noted that due to the ongoing Environmental Services Department leadership transition, some requested future agenda items may be postponed for several months until new leadership is in place.

9. Call to the Audience:

Kevin Greene, Chair of Sustainable Tucson's Zero Waste Committee, addressed the committee with a recommendation that the Environmental Services Department improve how it measures and reports the performance of Tucson's recycling and composting programs.

10. Adjournment – The meeting was adjourned at 6:04 PM.

DRAFT