

DATE: August 24, 2021



TO: Honorable Mayor and
Council Members

FROM: Mark Taylor
Chair, CWAC

SUBJECT: 2020 CWAC Annual Report

The Citizens' Water Advisory Committee (CWAC) is pleased to transmit its 2020 Annual Report to you. The report summarizes the actions and decisions taken by the Committee.

CWAC and its subcommittees worked on a wide range of topics this year such as Tucson Water's Financial Planning, and processes, Conservation programs, Policy review, and community outreach programs.

On behalf of CWAC, I would like to thank Interim Director John Kmiec Deputy Director Silvia Amparano and the Tucson Water staff, for their work and support throughout the year. I would also like to thank my fellow Committee members for the opportunity to serve as Chairperson.

Attachment: 2020 CWAC Annual Report

cc: Michael Ortega, City Manager
John Kmiec, Interim Director, Tucson Water
Roger Randolph, City Clerk
CWAC

2020 CWAC Annual Report

Membership

Membership of the Citizens' Water Advisory Committee (CWAC) for 2020 is provided in the table below.

Member	Role	Appointed by/ Classification
Jean McLain	Chairperson	Representative, City Manager
Mark Taylor	Chairperson / Vice Chairperson	Representative, City Manager
Alison Jones	Vice Chairperson / Member	Representative, Ward 6
Mark Murphy	Member	Representative, Mayor
Ed Hendel	Member	Representative, Mayor
Placido dos Santos	Member	Representative, City Manager
Mitch Basefsky	Member	Representative, City Manager
Mark Stratton	Member	Representative, City Manager
Rory Juneman	Member	Representative, City Manager
Steven Washburn	Member	Representative, City Manager
Raye Winch	Member	Representative, City Manager
Ryan Lee	Member	Representative, Ward 1
Michelle Crow	Member	Representative, Ward 2
Steven Arnquist	Member	Representative, Ward 2
Val Little	Member	Representative, Ward 3
George White	Member	Representative, Ward 4
Mark Lewis	Member	Representative, Ward 5
Jackson Jenkins	Ex-Officio Member	Pima County Wastewater Director
Timothy Thomure	Ex-Officio Member	Tucson Water Director

Meetings

CWAC met on seven occasions in 2020: January 8, February 5, March 4, September 4, October 2, November 6, and December 4. Due to the Covid -19 pandemic, in-person meetings were canceled in the interest of social distancing and public protection. Meetings resumed virtually on September 5.

Actions

Formal votes were taken on the following:

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|-------------|---|
| February | voted to approve the Finance subcommittee recommendation of Scenario C, a rate increase over four years and passed 14-0 |
| | voted to approve the Conservation Report and send to Mayor and Council with the provided inputs from the Committee, passed 14-0 |
| April -June | During the COVID 19 pandemic, all in-person public meetings were canceled. The meetings reconvened virtually in September to allow for healthy practices and social distancing. |
| September | voted to appoint Alison Jones as Vice-Chair passed in a voice vote of 8-0 |
| | voted to change the virtual meeting time from 7:00a to 9:00a passed in a voice vote 8-0 |
| December | voted to approve the 2021 meeting schedule passed in a voice vote 11-0 |
| | voted to continue the appointments of Mark Taylor as Chairperson and Alison Jones as Vice Chair passed in a voice vote 11-0 |

Sub-Committee Activities

The *Finance Subcommittee* received several presentations and utilized meetings to review Tucson Water's Financial Plans. Follow-up topics and recommendations were presented with primary focus areas, including Cost of Service, Proposed Rates, Delinquency Process, and Limited-Income Assistance Program. Tucson Water staff provided a review of the financial planning process; background to the Capital Budget (CIP) FY 2020; Operations and Maintenance Budget FY2020; update of the Financial Plan; Wages; and additional financial policies. The Finance Subcommittee used the information gathered to help form decisions and recommendations to full CWAC.

The *Technical, Planning and Policy Subcommittee* received several presentations about various topics such as Sewer Line Warranty of America (SLWA), Glyphosate update, Tucson Airport Remediation Program (TARP) and Northwest Area Recharge & Recovery Project, Bureau of Reclamation, and the Santa Cruz Basin Study. The Subcommittee also performed its annual review of the Water Checkbook and Water Service Area Policy without recommendations for change to the policy.

The *Conservation and Education Subcommittee* works diligently with Tucson Water Staff to refine the Conservation Annual Report and Tucson Water's water conservation programs each year. Main areas of focus included: Residential HET & Clothes Washer Rebates; Smartscape Program; WaterSense Program; Rainwater Harvesting Program; and Limited-Income Rainwater Harvesting Program. The Subcommittee received various presentations on Conservation Program Budget, Environmental Education Exchange Program, and Project WET Program. Subcommittee often praises Conservation Staff members about the information contained in the reports and continuously provides feedback to improve reporting metrics.

Presentations

The CWAC Committee received the following presentations throughout the year:

- | | |
|----------|--|
| January | <p>FY 2020 Mid-Year Review
Staff led a review and discussion of Tucson Water's Revenues, Expenditures, and Capital Improvement Program.</p> <p>Per- and Polyfluoroalkyl Substances (PFAS) Update
Director Timothy Thomure provided a PFAS update sharing the standards set by Tucson Water standards and operational targets. Mr. Thomure explained that drinking water is safe and reviewed current practices and next steps to continue serving safe drinking water.</p> |
| February | <p>Financial Plan, Cost of Services & Rates Discussion
Mrs. Kimberly Sotomayor, Tucson Water Administrator, presented Mayor and Council policies, Financial Plan Goals, and a Financial Summary. The Committee received a rate recommendation by Tucson Water staff, adoption of a four-year rate schedule. The Committee asked clarifying questions before motioning to support a rate increase.</p> |

One Water 2100

Mrs. Jamie Galayda, Tucson Water Project Manager, presented an overview of One Water 2100, discussed Conservation principles, and provided CWAC a schedule for participation and engagement.

Conservation Report Review

Mrs. Candice Rupprecht, Conservation Manager, discussed key points of the Conservation report.

March

Review and Discussion of Tucson Water’s Proposed FY 2019 – FY 2022 Rate Package

Mrs. Kimberly Sotomayor, Tucson Water Administrator, presented Mayor and Council policies,

Sewer Line Warranty of America (SLWA)

Andrew Squire, City of Tucson Public Information Officer, explained the City of Tucson Partnership with the company and explained distribution and advertising of the service. Mr. Squire shared the renegotiation process and rates for services. Mr. Squire worked to address all the concerns of the committee.

Low-Income Update

James MacAdams and Candice Rupprecht, Tucson Water Public Information and Conservation staff, updated the low-income assistance program scheduled for launch in early 2021. The campaign program offers water conservation incentives, and water staff will use its traditional outreach venues, the internet, bill inserts, and media. Outreach will be in English and Spanish to maximize customer outreach.

September

Water Checkbook/Water Service Area Annual Review

Dee Korich, Tucson Water Chief Hydrologist, presented the Water Checkbook annual review. Ms. Korich presented on the water production progression from 1940 to 2020. Tucson Water was dependent on groundwater in 1940 and progressed to include CAP, Tucson Airport Remediation Project (TARP), and Reclaimed Water. In 2017, Tucson Water reported zero groundwater use and reported complete dependence on renewable supply.

FY21 Financial Plan

Mrs. Silvia Amparano led a presentation about the Financial Plan Goals and a Financial Summary which included revenues and spending. Mrs. Amparano provided the department's current standing and effects of COVID-19 Pandemic; this included a moratorium on locks, increasing delinquent accounts. The Committee requested regular updates on the status of the utility and Pandemic effects.

Plaque Presentation

Member Jean McClain and Member Ryan Lee were recognized for their service to the utility and the Committee by Tucson Water staff and members of the Committee. Chair Taylor presented the members with a plaque recognizing their efforts and time.

- October **Water Service Area Policy Review**
Richard Sarti, Tucson Water Engineering Manager, and Tucson Economic Advancement Center Administrator, presented on the Water Service Area Policy. Mr. Sarti provided background on the Water Service Area Policy and its approval on August 4, 2010. Mr. Sarti explained expansion areas and potential annexation areas defining the term PADA (Pre-Annexation Development Areas). Mr. Sarti provided essential milestones and dates for the Water Service Area Policy. Mr. Sarti provided information on the Water Service Area Review Board (WSARB) formation, purpose, and detailed responsibilities. Mr. Sarti provided the statistical data, approvals, and denials over the course of a year.
- November **FY20 Results & FY21 Projections**
Deputy Director Amparano and staff presented Tucson Water's preliminary unaudited Year-End results and a projection of FY2021 Water Revenues. Mrs. Amparano provided information on Operating expenses, Capital Expenses, Delinquents. She proposed FY 2020-2014 CIP budget. Mrs. Amparano explained a comparison of CIP budgets and modifications; a review of proposed new projects; planned vs. actual spending, previous years' CIP budgets; and CIP accomplishments. Ms. Amparano concluded the presentation with a review of the next steps in Tucson Water's financial planning process. She indicated that the utility would not perform a cost-of-service and rate design review of the 5-year financial model and comprehensive financial policies.
- December **Adoption of 2021 CWAC Meeting Schedule**
Members briefly discussed the proposed 2021 schedule before the Committee. The Committee voted to approve the schedule as presented, which passed on a voice vote of 11 -0. In 2021, CWAC will continue to meet on the first Wednesday of the month at 9 a.m.; no meetings are scheduled in July or August. Meetings will continue to be held virtually.
- CWAC Officer Elections**
After a brief procedural discussion, the Committee voted on the nominations for Mark Taylor and Alison Jones to remain in their current seats as chair and vice-chair by a unanimous roll call vote of 11-0.

Attendance Report

NAME OF PUBLIC BODY: CITIZENS' WATER ADVISORY COMMITTEE (CWAC) 2020										
MEMBER'S NAME	1/8	2/5	3/4	April Canx	May Canx	June Canx	9/2	10/7	11/4	12/2
Jean McLain	P	P	P							
Mark Taylor	P	A	P				P	P	P	P
Alison Jones	P	P	P				P	P	P	P
Mark Murphy	P	P	P							
Ed Hendel							P	P	P	P
Placido dos Santos	P	P	P				P	P	A	P
Mitch Basefsky	A	P	P				P	P	P	P
Mark Stratton	A	P	P				P	A	P	P
Rory Juneman	P	P	P				P	P	P	P
Steven Washburn	P	P	A				A	P	P	P
Raye Winch	P	P	P				A	A	P	P
Ryan Lee	P	P	P							
Michelle Crow	A	P	A				A			
Steven Arnquist								P	P	P
Val Little	P	P	P				P	P	P	P
George White	A	P	A				A	P	P	P
Mark Lewis	P	P	P				A	P	A	P