



CITIZENS' WATER ADVISORY COMMITTEE (CWAC)

Wednesday, September 1, 2021, 9:00 a.m.

Virtual Meeting – Microsoft Teams

Legal Action Report and Meeting Minutes

1. Call to Order / Opening Statement:

CWAC Chair Mark Taylor called the meeting to order at 9:02 a.m.

2. Roll Call:

Those present and absent were:

Present:

Mark Taylor, Chair	Representative, City Manager
Alison Jones, Vice Chair	Representative, Ward 6
Ed Hendel	Representative, Mayor
Raye Winch	Representative, City Manager
Mitch Basefsky	Representative, City Manager
Rory Juneman	Representative, City Manager
Steven Washburn	Representative, City Manager
Mark Stratton	Representative, City Manager
Raul Ramirez	Representative, Ward 1
Steve Arnquist	Representative, Ward 2
Val Little	Representative, Ward 3

Absent:

Placido dos Santos	Representative, City Manager
George White	Representative, Ward 4
Bobby Jaramillo	Representative Ward 5

- 3. Announcements** – Chair Taylor remarked on his appreciation of Marie Pearthree and Mark Lewis. Both members resigned from CWAC over the summer break. The chair also introduced Bobby Jaramillo (absent) as a new CWAC representative for Ward 5. Mr. Jaramillo will be provided time at the upcoming meeting for further introduction. The League of Cities and Towns is currently hosting their Conference in Phoenix; John Kmiec will represent Tucson Water at 4 p.m. Member Basefsky Central Arizona Project (CAP) will hold its next CAP University on September 29; additional information is available on the CAP website. The next CAP meeting is scheduled for September 2; agenda items include information on the Tier 1 shortage starting January. The October CAP meeting will be held in Tucson at the Omni Resort, also live-streamed.
- 4. Review and approval of June 2, 2021, Legal Action Report and Meeting Minutes** - Member Stratton moved to approve the Legal Action Report & Minutes. Member Juneman duly seconded the motion. Discussion: None. The motion passed on a voice vote of 10 – 0.

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5. **Director's Report** - Interim Director John Kmiec provided a brief update on Mayor and Council proceedings, potable & reclaimed water demands, and department updates.

a. Water Demand

- i. Reclaim Daily Demand 18.1 MGD
- ii. Potable Daily Demand 93.5 MGD

b. Department Update:

- i. Vacancies 88
- ii. Active Recruitments 25
- iii. Pending New Hires 13

c. Mayor and Council Updates:

- i. The Mayor and Council approved pay Structures for Tucson Water staff based on Market Rates.

ii. August 10

1. Discussed: Water Security Overview

- a. 2020 Water checkbook
- b. Tier 1 shortage review
- c. 2022 CAP water purchase
- d. 2020 Conservation Program report
- e. PFAS update

2. Approved:

- a. Differential Rate Phase II NOI
- b. Santa Rita Bel Air Interconnect Agreement, Amendment #2

iii. September 14

1. Water User debt Relief)

iv. October 19

1. Water Service Area Policy Review
2. PFAS quarterly review
3. Differential Rate Phase II Public Hearing

6. **Tucson 'Water's Per- Poly fluoroalkyl substances (PFAS) Management & Tucson Airport Remediation Project (TARP) update** – Interim Director John Kmiec provided a brief update; those items reviewed and discussed were:

- a. Regional Groundwater Contamination Areas
- b. PFAS in Groundwater – TARP / Air National Guard (ANG)
- c. PFAS in Groundwater – Davis-Monthan AFB
- d. PFAS in Groundwater – Reclaimed Water System
- e. PFAS in Groundwater - Northwest Tucson

Mr. Kmiec presented eight slides of maps depicting the information being shared.

Members had an opportunity to ask questions and clarify information throughout the presentation. No action was taken on this item.

7. **Mayor and Council Perspectives** – (item taken out of order) Council Member Kozachik thanked the committee for their hard work and service. He acknowledged their professionalism and dedication to the field of Water. He respected the work put into the differential rate discussions and inquired about future feedback from the committee on the Cost of Service (COS) analysis and the recent memorandum from Pima County Administrator Huckleberry' '. He acknowledged

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Tucson 'Water's recent award from Water Alliance as a National Leader for a Public Utility and committees' role. He also appreciated the committee for guiding the utility and the council. The council member shared his perspectives on Water, and his primary focus PFAS – the city's response to the contaminant and litigation status.

8. Differential Water Rates Discussion –

- a) Interim Director John Kmiec shared the June 22 Mayor and Council decision to implement Differential Water Rates. The council was provided eight options for consideration. The council voted to implement option #7, 10% on the base rate plus escalating tiers beginning December 1, 2021. The council also directed staff to provide a Cost of Service (COS) analysis.
- b) Deputy Director Silvia Amparano provides a preliminary calendar of staff processes regarding differential water rates and COS analysis. Additional calendar dates were provided regarding regular financial planning and rate development.
- c) Finance subcommittee Chair Steve Washburn shared an overview of the July subcommittee meeting, which incorporated phase 1 of the COS analysis
- d) Open Discussion chair Taylor allowed members to add to the discussion.

No action was taken on this item.

9. Subcommittee Reports & Membership – Chair Taylor advised that updates were provided in writing and distributed with meeting materials before the meeting.

10. Call to Audience – None

11. Future Meetings / Agenda Items – Chair Taylor requested CWAC Roles & Responsibilities discussion as a future agenda item and to add Debt cancelation, Lower Water Rates for impoverished areas, and Legal Obligations to the differential water rates discussion in October.

12. Adjournment – Meeting ended at 11:01 a.m.