

**CITIZENS' WATER ADVISORY COMMITTEE
(CWAC)**

Wednesday, April 2, 2025, 8:00 a.m.

Hybrid Meeting – Microsoft Teams

Legal Action Report and Meeting Minutes

1) Call to Order / Opening Statement:

CWAC Chair Val Little called the meeting to order at 8:00 a.m.

2) Roll Call:

Those present and absent were:

Present:

Val Little, Chair	Representative, City Manager
Rory Juneman, Vice Chair (Virtual)	Representative, City Manager
Ed Hendel (Virtual)	Representative, Mayor
Alan Forrest	Representative, City Manager
Steven Washburn	Representative, City Manager
Andrea Gerlak	Representative, City Manager
Juliet McKenna	Representative, City Manager
Hilari Varnadore	Representative, City Manager
Raul Ramirez (Virtual)	Representative, Ward 1
Robert Jaramillo	Representative, Ward 5
William Ellett	Representative, Ward 6
John Kmiec	Ex-Officio (non-Voting) City of Tucson Water Department Director
James Doyle (Virtual)	Ex-Officio (Non-Voting) Pima County Regional Wastewater Reclamation Department

Absent:

Steven Washburn	Representative, City Manager
Tom Prezelski	Representative, Ward 2
Lisa Shipek	Representative, Ward 3
Melissa Lal (Virtual)	Representative, Ward 4

- 3) Announcements—**Member Forrest and the AZ Water President announced that the AZWater Association was hosting its 98th Annual Conference & Exhibition from April 15th to 17th, 2025. Chair Little shared that Water Director Kmiec was on television making a public service announcement for Tucson Water before the NCAA Tournament Duke vs. Arizona game.

- 4) Review and approval of February 5, 2025, Legal Action Report and Meeting Minutes – Motion:** Member Juneman moved to approve the Legal Action Report & Meeting Minutes.

Member McKenna duly seconded the motion. **Discussion:** None. The motion passed on a voice vote 10 – 0.

5) **Director's Report** - Tucson Water Director John Kmiec provided brief updates as follows:

- a) Mayor and Council items:
 - i) Review of April agenda items
 - ii) Notice of Intent (NOI)
 - (1) Differential Rate
 - (2) Conservation Fee
 - (3) Green Stormwater Fee
- b) Colorado River Update
- c) Potable and Reclaim water demands

Members asked questions; Director Kmiec fielded questions throughout his report to clarify information for the committee and provide important information on water matters. No action was taken on this item.

6) **Human Resources Update** — Munerra Acosta, Human Resources Manager for the City of Tucson Human Resources department on the water departments vacancies, and current recruitment activities. No action was taken on this item.

7) **Differential Rates** – Colin Jones, Business Organizational Support Services Administrator for Tucson Water Department provided a presentation to the committee. The items reviewed and discussed were:

- a) Subject matter expert panel
- b) Return on Equity Study
- c) Return on Equity vs. Cost of Capital
- d) Cost of Capital
- e) Calculating differential
- f) Next Steps

The committee had an opportunity to ask questions throughout the presentation. Member Forrest **motion:** If the Mayor and Council adopt a differential rate, the committee supports it based on the studies and recommends that the current July rate increase already in the four-year plan be offset one month to align with the adoption of the differential rate.

Member Juneman duly seconded the motion. **Discussion:** Member Ramirez wanted to clarify the motion was not following the finance subcommittee motion. The motion passed on a voice vote 12-0.

8) **Subcommittee Reports** - Each subcommittee chair reviewed agenda items and discussions held at previous meetings and updated the committee on future subcommittee topics.

9) **Call to Audience** – None.

10) **Future Meeting / Agenda Items** –New items suggested for discussion include:

a) Advanced Water Purification (AWP)

11) **Adjournment** – The meeting was adjourned at 09:12 a.m.