

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

Wednesday, September 4, 2024, 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	Representative, City Manager
Ed Hendel (Virtual)	Representative, Mayor
Steven Washburn	Representative, City Manager
Juliet McKenna	Representative, City Manager
Hilari Varnadore (Virtual)	Representative, City Manager
Alan Forrest	Representative, City Manager
Raul Ramirez (Virtual)	Representative, Ward 1
Lisa Shipek	Representative, Ward 3
Robert Jaramillo (Virtual)	Representative, Ward 5
William Ellett	Representative, Ward 6
James Doyle	Ex-Officio (Non-Voting) Pima County Regional Wastewater Reclamation Department
John Kmiec	Ex-Officio (non-Voting) City of Tucson Water Department Director

Absent:

Melissa Lal	Representative, Ward 4
Andrea Gerlak	Representative, City Manager

3) Announcements – None

4) Review and approval of June 5, 2024, Legal Action Report and Meeting Minutes –Motion:

Member Washburn moved to approve the Legal Action Report & Meeting Minutes.

Member McKenna duly seconded the motion. **Discussion:** None. The motion passed on a voice vote 9 – 0.

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

a) Mayor and Council items:

Hilari Varnadore arrived at 8:04 a.m.

Steven Washburn left at 8:29 a.m.

- i) August 7
 - (1) Study Session: PFAS Update
 - (2) Regular Meeting: Aquifer Monitoring USGS
- ii) September 11
 - (1) Study Session: Water Resources Update
- b) Colorado River Update
- c) Potable and Reclaim Demand
- d) Santa Cruz River Heritage Update
- e) Human Resources Update

Members asked questions; Director Kmiec fielded questions throughout his report to clarify information for the committee and provide important information on water matters.

- 6) **Cost of Service Methodology** – Amber Kerwin, Rates and Revenue Manager, City of Tucson Water, led the discussion on the work of a Subject Matter Expert (SME) panel tasked with advising on developing a differential rate structure. The panel, comprising external experts and city rate consultants, completed Phase I by assessing the materials and data needed to support a differential rate framework.

In Phase II, the panel focuses will be on cost-of-service and rate development. The next steps involve finalizing a five-year financial plan, updating cost of service data, and presenting rate recommendations to the Mayor and Council. Members asked questions; Mrs. Kerwin fielded questions to clarify information for the committee and provide additional perspective. No action was taken on this item.

- 7) **Financial Plan Update** – Amber Kerwin, Rates and Revenue Manager, City of Tucson Water, led the discussion. The items reviewed and discussed were:

- a) Revenue Projections
- b) Operational and Maintenance Expenses
- c) Capital Investments
- d) Debt Service
- e) Rate Increases
- f) Fund Balances

Members asked questions; Mrs. Kerwin fielded questions to clarify information for the committee and provide additional perspective. No action was taken on this item.

- 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** – The Alliance for Water Efficiency (AWE) selected Tucson Water as the recipient of the 2024 Excellence in Equity Award.

- 10) **Future Meeting / Agenda Items** – The Committee reviewed the list of future agenda items. Member Shipek requested additional details to the PFAS quarterly update. **Motion:** Member Juneman motioned to move the December meeting to December 11th, 2024. The motion was duly seconded by member McKenna. **Discussion:** None. Motion passed on a voice vote.
- 11) **Adjournment** – The meeting was adjourned at 09:51 a.m.