

CITIZENS' WATER ADVISORY COMMITTEE
(CWAC)

Wednesday, February 4, 2026, 8:00 a.m.

Hybrid Meeting – Microsoft Teams

Legal Action Report and Meeting Minutes

1) Call to Order / Opening Statement:

CWAC Chair Rory Juneman called the meeting to order at 8:03 a.m.

2) Roll Call:

Those present and absent were:

Present:

Steven Washburn (Chair)

Representative, City Manager

William Ellett (V. Chair)

Representative, Ward 6

Hilari Varnadore

Representative, City Manager

Claire Zucker

Representative, City Manager

Raul Ramirez

Representative, Ward 1

Lisa Shipek

Representative, Ward 3

Melissa Lal

Representative, Ward 4

Robert Jaramillo

Representative, Ward 5

John Kmiec

Ex-Officio (non-Voting) City of Tucson Water
Department Director

Absent:

Ed Hendel

Representative, Mayor

Alan Forrest

Representative, City Manager

Andrea Gerlak

Representative, City Manager

Tom Prezelski

Representative, Ward 2

James Doyle

Ex-Officio (Non-Voting) Pima County Regional
Wastewater Reclamation Department

3) Announcements — None.

4) Review and approval of January 7, 2026, Legal Action Report and Meeting Minutes –

Motion: Member Jaramillo moved to approve the Legal Action Report & Meeting Minutes. Member Ellett duly seconded the motion. **Discussion:** None. The motion passed on a voice vote, 6 – 0.

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

- a) Mayor and Council items

Member Varnadore arrived at 08:05 a.m.

- b) Colorado River Update
- c) Potable and Reclaimed Water Demands

Committee members asked questions throughout the presentation. No action was taken on this item.

- 6) **Financial Update** – Colin Jones, Administrator, City of Tucson Water, presented a review of previous materials for discussion FY27-FY30 Financial Plan, Cost of Service, Rate Design, Miscellaneous Fees, and CAP Water Resource Fee. The committee was also given a presentation on the updated fee study. Mr. Jones explained how Tucson Water updated its miscellaneous fee study and developed proposed changes to both miscellaneous service fees and the CAP Water Resource Fee. He summarized the proposed miscellaneous fee updates, noting that 114 fees were analyzed, average increases, and implementation is proposed to be phased in over four years. The plan also includes a detailed section on plan review fees, comparing current, proposed, and an “incentivized” fee structure designed to encourage better-quality submittals earlier in the review process and reduce repeat reviews.

Staff presented the recommendation for CWAC consideration regarding the proposed FY27–FY30 Water Rate Schedules developed through the Cost of Service and Rate Design process. Staff explained two options for the water rate schedule recommendation: Option 1 (3.5% annual system-wide revenue adjustment in each of FY27–FY30) and Option 2 (maintaining the previously approved 5.5% increase in FY2027, followed by 3.5% annual increases in FY2028–FY2030). Staff also recommended approval of the updated Miscellaneous Fee Schedule and proposed CAP Resource Fee as presented.

Motion 1: Member Ellet moved to recommend Option 2. Member Shipek seconded the motion. **Discussion:** Claire Zucker expressed interest in accepting Option 1; however, no amendment was made to the motion at that time. Member Ramirez then moved to amend the motion to also include the recommendation of the updated Miscellaneous Fee Schedule and the proposed CAP Resource Fee. The amendment was accepted by the maker (Member Ellet) and seconded by Member Jaramillo. Additional **discussion** followed. Member Zucker stated she would not support the motion because Option 1 was not included. Member Shipek asked why CWAC was being asked to support the Miscellaneous Fee Schedule and CAP Resource Fee; staff responded to the question. Member Jaramillo asked why CWAC could not proceed with both Option 1 and Option 2. Member Shipek also asked how the recommendation would be transmitted to Mayor and Council and whether the communication would come from staff or from CWAC. Member Zucker called for the vote and requested discussion be concluded. A roll call vote was taken on the motion, as amended (Option 2 plus the updated Miscellaneous Fee Schedule and proposed CAP Resource Fee). The motion failed, 3–4.

Motion 2: Member Zucker moved to recommend both Option 1 and Option 2, and to include the updated Miscellaneous Fee Schedule and the proposed CAP Resource Fee. Member

Jaramillo seconded the motion. **Discussion:** Lisa Shippek requested confirmation that Option 2 was included in the motion. A roll call vote was taken. The motion passed, 7–0.

Final CWAC Action: CWAC approved a recommendation to forward both Option 1 and Option 2 for the FY27–FY30 Water Rate Schedules, together with the updated Miscellaneous Fee Schedule and the proposed CAP Resource Fee, to Mayor and Council for consideration.

- 7) **Subcommittee Reports** - Each subcommittee chair reviewed agenda items and discussions held at previous meetings and updated the committee on future subcommittee topics. The committee needs to identify an RWRAC representative.
- 8) **Call to Audience** – None.
- 9) **Future Meeting / Agenda Items** – The committee discussed future agenda items to be added to the running list, which include Digital Transformation AMI and HR Update
- 10) **Adjournment** – The meeting was adjourned at 9:47 a.m.