

CITIZENS' WATER ADVISORY COMMITTEE (CWAC)



Wednesday, September 2, 2015, 7:00 a.m.
Director's Conference Room
Tucson Water, 3rd Floor
310 W. Alameda Street, Tucson, Arizona

Summary Minutes

1. Roll Call:

The meeting was called to order by CWAC Chair, Brian Wong at 7:08 a.m. Those present and absent were:

Present:

Brian Wong	Chairperson, Representative, City Manager
Mark Murphy	Representative, Mayor
Jean McLain	Representative, City Manager
Catlow Shipek	Representative, City Manager
Mark Taylor	Representative, City Manager
Mitch Basefsky	Representative, City Manager
Chuck Freitas	Representative, City Manager
Mark Stratton	Representative, City Manager
Ryan Lee	Representative, Ward 1 (arrived 7:30 a.m.)
Bruce Billings	Representative, Ward 3
Mark Lewis	Vice Chair, Representative, Ward 5
Kelly Lee	Representative, Ward 6
Albert Elias	Tucson Water, Acting Director, Ex-Officio Member
Jackson Jenkins	Pima County Regional Wastewater Reclamation Department Director, Ex-Officio Member

Absent:

Placido dos Santos	Representative, City Manager
Amy McCoy	Representative, Ward 2
George White	Representative, Ward 4

Tucson Water Staff Present:

Sandy Elder	Deputy Director
Scott Clark	Deputy Director
Andrew Greenhill	Intergovernmental Affairs Manager
Chris Rodriguez	Water Administrator
Melodee Loyer	Water Administrator
Pat Eisenberg	Water Administrator
Ray Wilson	Water Administrator
Fernando Molina	Water Program Supervisor
Wally Wilson	Chief Hydrologist
Steven Ritter	Management Coordinator
Theresa Bourne	Lead Financial Accountant
Candace Rupprecht	Public Information Specialist
Johanna Hernandez	Staff Assistant
Kris LaFleur	Staff Assistant

Others Present:

Chris Avery	City of Tucson, Attorney's Office
Katie Bolger	City of Tucson, Ward 2
Amy Stabler	City of Tucson, Ward 6
Michael Block	Metro Water

Citizens' Water Advisory Committee (CWAC)

Summary Minutes

September 2, 2015

2. **Announcements** – Chairperson Wong introduced new members Mr. Mark Stratton and Mr. Ryan Lee. A brief biography was given for both new members.

Member McLain announced that the Water Resources Research Center brown bag sessions start in two weeks, on September 15th, and the first presentation will be on the upcoming El Niño.

Member Basefsky noted that the CAP board meeting is in Tucson on September 3rd. The meeting is located at the Desert Diamond Casino.

3. **Call to Audience** – Mr. Albert Lannon, representative of the Avra Valley Coalition, addressed the Committee regarding the use of glyphosate on Tucson Water's Avra Valley's properties. Mr. Lannon provided two flyers regarding the use of glyphosate.

4. **Review of June 3, 2015 Legal Action Report and Meeting Minutes** – Committee Member Freitas motioned to approve the Meeting Minutes of June 3, 2015. Member Murphy seconded. Motion passed unanimously by a voice vote of 11-0.

9. ***Michael Ortega** – City Manager Michael Ortega addressed the Committee regarding the City Manager's Office water perspectives. Water is of the utmost importance. Focus needs to be on cost structure and on fixed costs versus variable costs. Dialogue needs to be had about the political aspects versus the operational aspects of rate structure. Cooperative relationships with Phoenix and with legislators are crucial for long term planning. City Manager Ortega discussed developing rate structures that encourage conservation and also capture costs. A brief discussion was held on the nature of water companies he has worked with in the past. Also discussed was the process for communications between appointees and the City Manager's Office. Communications will be addressed more completely upon the appointment of the new Tucson Water Director.

A discussion was held regarding Rocking K development and coordination. The developer is considering their options for water service. Regardless of their ultimate jurisdiction, the City will be coordinating with the developer to ensure future plans for the area are aligned.

5. **Director's Report** – Acting Director Albert Elias introduced himself to the Committee and provided a brief background on himself.

- a. **Mayor and Council Items** – On June 23rd, Mayor and Council considered and approved an acquisition for an easement to resolve outstanding infrastructure issues.

- b. **Department Updates** – Tucson Water currently has 62 vacancies, 29 active recruitments and 3 pending new hires. The Utility is aggressively pursuing filling its vacancies.

Tucson Water is happy to welcome Scott Clark as the new Deputy Director. Mr. Clark oversees Business Services, Customer Services, and Human Resources. Deputy Directory Sandy Elder will continue his responsibilities overseeing Maintenance, Planning and Engineering, and Water Quality and Operations. Jeff Biggs will be re-focusing on his responsibilities as Administrator over Strategic Initiatives. Melodee Loyer has taken on the additional temporary responsibility as Business Services Administrator. Tucson Water also welcomes Steven Ritter as Management Coordinator.

A national recruitment for Director is on-going and the Utility and City are confident that the recruitment will yield many great candidates. An announcement is expected in the near future. As part of the effort to select both a strong leader and an experienced professional, the recruitment will not be limited to professional engineers. Tucson Water and the City will be working with a professional recruiter to complete this recruitment.

- c. **Informational Items** – Acting Director Elias provided a brief update on the financial status of the Utility. Tucson Water is pleased to have finished the year within projections of the Financial Plan. Meetings about the new financial cycle will be beginning soon. After meeting with the Subcommittee, the full Committee will consider the Capital Improvement Program in November, the Operation and

Citizens' Water Advisory Committee (CWAC)

Summary Minutes

September 2, 2015

Maintenance budget in December, and the Financial Plan in January. Though water production was down 3.7% from last year, multiple variables allowed Tucson Water to finish the year within projections. These variables, and the relationship between demand and costs, will be a focus at upcoming meetings.

6. **Scott Clark** – Deputy Director Scott Clark introduced himself to the Committee. Deputy Director Clark provided a personal and professional background. Mr. Clark will be focusing primarily on customer service improvements and maintaining financial stability.

7. **Subcommittee Reports –**

Technical, Policy, and Planning Subcommittee – Subcommittee Chair Murphy reported that the next meeting of the TPP Subcommittee is scheduled for Wednesday, September 23rd at 12 p.m.

Finance Subcommittee – Subcommittee Chair Billings reported that the next meeting of the Finance Subcommittee is scheduled for Thursday, September 17th at 11 a.m.

Conservation and Education Subcommittee – On behalf of Subcommittee Chair McCoy, Member Shippek reported that the next C&E Subcommittee meeting is scheduled for Wednesday, September 9th at 3:30 p.m.

Bill Redesign Ad-Hoc – Subcommittee Chair Freitas reported that he attended an organizational meeting in August with staff, and the next Bill Redesign meeting is scheduled for Tuesday, September 22nd at 11:30 a.m.

RWRAC Update – Member Taylor reported that meetings will now be held once every 2 months. Member Taylor was recently elected Chair of RWRAC. Ex-Officio Member Jenkins reported that rate increases were not passed. It was noted that the debt service ratio can be maintained without an increase this year; however, for strategic reasons, two smaller increases were requested over multiple years instead of one large one next year. The failed increases may impact services in the future projections, though no immediate impact is expected. With debt service decreasing and O&M stabilizing, multiple scenarios will need to be run to determine future needed rate increases. The Aerospace area developments are already budgeted in the Capital Program.

8. **PR Strategy and Public Engagement** – Staff member Fernando Molina presented a Prezi on Public Relations Strategy and Public Engagement. Tucson Water's guiding document is the recently completed Strategic Plan 2020. This plan aligns the Utility's missions and values and directs efforts in operations and future planning. Mr. Molina provided a brief overview of the Strategic Plan, with a focus on those aspects that ensure effective engagement. The central theme of the Strategic Plan is the Utility's Water Reliability program. One aspect of the Plan related to PR Strategy and Public Engagement is Transparency and Communication. The Water Reliability program addresses Transparency and Communication through uniformity in messaging, accessibility, tailored messaging to identified audiences, and exploring various methods of communications and outreach. Mr. Molina reviewed the five elements of Water Reliability: Water Supply, planning for the future; Water Quality, matching quality to use; Water Customers, guided by feedback; Water Operations and Systems, delivering water; and Conservation/Education, equity and effectiveness.

Discussion was held on meeting attendance, customer behavior studies, website usability, and social media and advances in technology as methods for reaching out to customers.

10. **Process for CWAC Member Elections** – After discussion by the Committee it was determined that nominations, self or otherwise, would be sent to Tucson Water staff. Staff will confirm nominations and separate time will be set aside for discussion with candidates and voting at the December meeting. At the request of the Committee, voting will take place by ballot.
11. **Consideration of Committee Processes** – Member Lewis spoke as to why he believes the Committee may want to form By-Laws. Members discussed the current Rules and Regulations, and whether they are sufficient. Member Lewis motioned for the presentation of additional information regarding the need

Citizens' Water Advisory Committee (CWAC)

Summary Minutes

September 2, 2015

of by-laws. Member Lewis subsequently withdrew his motion. At direction of the Committee, staff will send out information previously provided by Member Lewis regarding the formation of by-laws. The Committee will review this information and possibly address the subject at a future meeting.

12. Future Meetings/Agenda Items – See projected agenda.

13. Adjournment – Meeting was adjourned at 8:50 a.m.

***Item taken out of order**

Approved 10/7/15