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## MAYOR AND COUNCIL Study Session Minutes

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Approved by Mayor and Council  
on March 21, 2023..

Date of Meeting: July 12, 2022

The Mayor and Council of the City of Tucson met in study session in the Mayor and Council Chambers in City Hall, 255 West Alameda Street, Tucson, Arizona at 1:36 p.m., on Tuesday, July 12, 2022, all members having been notified of the time and place thereof.

### OFFICIAL MEMBERS

#### PRESENT:

Mayor Regina Romero  
Vice Mayor Lane Santa Cruz (Ward 1)  
Council Member Cunningham (Ward 2)  
Council Member Kevin Dahl (Ward 3)  
Council Member Richard G. Fimbres (Ward 5) (departed at 4:20 p.m.)  
Council Member Nikki Lee (Ward 4)  
Council Member Steve Kozachik (Ward 6)

### OFFICIAL MEMBERS

#### ABSENT:

None

#### STAFF:

Michael J. Ortega, City Manager  
Michael Rankin, City Attorney  
Suzanne Mesich, City Clerk

### 1. **City Manager's Report and Update on COVID-19, Ongoing City and County Mitigation Measures; Funding and Appropriations; and Related Legal Matters (City Wide) SS/JUL12-22-121**

Information was provided by Michael J. Ortega, City Manager, who fielded and answered questions. He said COVID levels were still at medium which was cause for everyone to be cautious and should consider social distancing if they had any concerns about their health. He also stated that the restriction for travel for unvaccinated employees would be lifted.

Comments were made by Mayor Romero via information received from Dr. Theresa Cullen, Pima County Health Department.

Discussion ensued; no formal action was taken.

**3. One Water 2100 Master Plan Community Engagement Campaign; Update on EPA Release of PFAS Health Advisories; Update on Colorado River System Conservation Efforts; and Mayor and Council Direction to Proceed with Agreement(s) with Other Central Arizona Project (CAP) Customers and Water Rights Holders to Enhance System Conservation Relating to Lake Mead (City Wide and Outside City) SS/JUL12-22-127**

(This item was taken out of order.)

Introductory comments were made by Michael J. Ortega, City Manager, stating that the conversation would take place in three parts.

Information and presentation were provided by John Kmiec, Tucson Water Department Director, assisted by Candice Rupprecht, Tucson Water Department, Conservation Program who fielded and answered questions on Tucson's planning efforts titled One Water 2100 Master Plan. He said it was different from their planning efforts in the past because this plan had a unique focus that looked at water in the community in the broadest aspect that not just focused on ground water, Colorado River water, effluent, but also talked about rainwater and stormwater to completely have an integrated plan that meets the full urban water cycle for the city. The presentation included a timeline, themed drivers, increased/decreased portfolio diversification, goals, deliverables, and next steps

Discussion ensued.

Mr. Kmiec continued his presentation with an update on PFAS. He said this was kind of off schedule and he still had plans to do his quarterly update in August. He informed that there had been some recent development by the EPA that he wanted to make the Mayor and Council aware of. He said there were some health advisories related to PFAS and two of those advisories were already in place for the compounds of PFOA and PFOS. He said they also added two more compounds at the national level, PFBS and Gen X. He said Tucson Water already had a standard for PFBS and has started looking for Gen X compounds and would incorporate it into their screenings. He recapped stating that Tucson Water would be screening for seven (7) operation guided targets as follows:

- PFOA and PFOS at non detect levels,
- PFHXS - 7-parts per trillion,
- PFHPA – 7-parts per trillion,
- EFPS – 420
- PFHXA – 200 parts per trillion
- Gen X – 10 parts per trillion

Discussion continued.

Mr. Kmiec stated that the last part of his presentation was an update on the conditions of Lake Mead and the action items that were given in May about potentially pursuing participating in system conversation, making an offer of the remaining CAP water supply for

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calendar year 2022 to be possibly used to shore up the climbing lake levels in Lake Mead. He said there were four major cities, City of Tucson, City of Phoenix, City of Scottsdale and the City of Peoria, in conjunction with the Gila River Indian Community.

Mike Rankin, City Attorney, circulated information on a motion he and the City Manager were seeking approval from the Mayor and Council. He said that on May 19th, initially in Executive Session, and then in the public session, the Mayor and Council unanimously authorized and directed the City Manager, City Attorney and Staff to engage in negotiations that Mr. Kmiec had described. He said in order to try and create the agreements that could at least delay potentially a Tier 2B shortage declaration through cooperative system efforts. It was authorized to proceed in these negotiations with the other parties, but to come back and report where those negotiations were.

Mr. Rankin said the City had been in negotiations with the United States Department of Interior, CAP, GRICK and other cities. He said conversations efforts had to happen by the end of the month, therefore staff was asking for Mayor and Council approval on a motion that would authorize the mayor and the city of manager to execute system conservation agreements with the relevant parties, so long as those agreements included specific terms. He said he passed out a written version of the motion as to what those terms would be because they needed very clear authority the direction and approval of the Mayor and Council was being carried out.

It was moved by Council Member Fimbres, duly seconded, to authorize the Mayor Romero and the City Manager to execute system conservation agreements with the United States and Central Arizona project to enhance system conservation relating to Lake Mead and to adopt ancillary agreements with other Arizona system conservation partners, including the Gila River Indian Community, Scottsdale, Peoria and Phoenix so long as the agreements incorporate all of the following terms.

- First, the City of Tucson would agree to allow up to 30,000-acre feet of its allocated CAP water to remain in Lake Mead in each of the next two years, so specifically the 2022 and 2023 allocations for a total of not more than 60,000-acre feet,
  - If necessary, to avoid a Tier 2B shortage in 2023, the Mayor and City Manager may authorize the agreements for these additional system conservation efforts in 2022 as against the 60,000-acre foot total. So, in other words, if it makes sense to put more of the 60,000-acre feet into the first year versus doing it 30 and 30 but still being capped an overall total of 60,000-acre feet.
  - The city would need to be compensated for the value of this water at market rates and could be through a combination of direct funding, long term storage credits and or intentionally created surplus credits.
  - The agreements must ensure that by agreeing to conserve its CAP water in Lake Mead, the City would not be deemed to have used that water for purpose of calculating any reductions in future CAP allocations.
  - The city's actions to conserve its water in Lake Mead in 2022 would act as a credit against any reductions in the City's future CAP allocations that may be ordered by the Department of Interior for 2023.
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Mr. Rankin said that in other words, the City needed to ensure through these agreements that if they engaged in these conservation efforts in 2022, it would be a credit for the City against any ordered reductions that might happen in 2023 and was important, because Secretary and the Department of Interior recently requested the users of Colorado River water to dramatically decrease their plan deliveries for 2023.

- The fourth condition that had to be the agreements in order to be authorized to move forward would be that the agreements protect the City from any increased O&M cost assessments from the CAP and connection with the City's reduced CAP order for each of the next two years. The City did not want to lose, on the back end, through increased O&M costs what was being saved by the reduce order for the CAP allocation
- Finally, the agreements would not go beyond 2023, it would just be for the next two years.

Mr. Rankin noted that, if the motion was approved, it authorized execution by the City through the Mayor and City Manager. He said this also meant that if for some reason it was ready and the Mayor was not available, by *Code* and *Charter*, the vice mayor could sign for the mayor and a designated assistant city manager could sign for the for the city manager. But in any event, it would have to satisfy all of these conditions.

Discussion ensued.

The motion was carried by a voice vote of 7 to 0.

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## **2. Equity Office Update (City Wide) SS/JUL12-22-128**

Introductory comments were made by Mayor Romero and Michael J. Ortega, City Manager.

Information and presentation were provided by Laurice Walker, Chief Equity Office, who fielded and answered questions on her first 100 days and beyond. She touched on the City's Equity Statement, an Illustration of Equity, the Office of Equity, the next 4-12 months, normalizing equity in the City of Tucson, engaging internal/external stakeholders, and strategies,

Discussion ensued; no formal action was taken.

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## **3. One Water 2100 Master Plan Community Engagement Campaign; Update on EPA Release of PFAS Health Advisories; Update on Colorado River System Conservation Efforts; and Mayor and Council Direction to Proceed with Agreement(s) with Other Central Arizona Project (CAP) Customers and Water Rights Holders to Enhance System Conservation Relating to Lake Mead (City Wide and Outside City) SS/JUL12-22-127**

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(This item was taken out of order and considered after Item #1.)

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**4. Economic and Workforce Development Selection Committee Recommendations for Fiscal Year 2023 Allocations (City Wide) SS/JUL12-22-125**

Introductory comments were made by Michael J. Ortega, City Manager.

Information and presentation were provided by Barbra Coffee, Economic Initiatives Department Director, who fielded and answered questions. She said there was a total of twenty-nine (29) applications submitted from non-profit organizations totaling more than \$1.7 million in requests. She stated this two-year competitive grant cycle included a total funding allocation of \$750,000 which included an additional \$150,000 from ARPA Funds to supplement the traditional pool of funding.

Ms. Coffee explained that the RFP process solicited proposals in three primary focus areas: Small Business Support and Development, Job Training for At-Risk Adults and Youth, and Long-Term Job Training. The RFP for Special Events solicited events that build community and enhance quality of life while developing the local economy and tourism industry. She said they had two committee members who recused themselves due to conflict of interest. She stated the Committee also discussed reevaluating the program application for future grant cycles and making enhancements to the program to better align with equity goals and to create a procedure in place to handle conflicts of interest up front.

Regina Nasson, Principal City Attorney, addressed the Mayor and Council on the process of the RFP applications. Awards and the conflicts of interest. She said moving forward, it was a good idea to get information up front from individuals serving on the Committee so conflicts could be identified and evaluated.

Discussion ensued.

It was moved by Vice Mayor Santa Cruz, duly seconded, that for next year's process the following be taken into consideration:

- For consistency in how business is done, the framework used for our ARPA Grants be adapted for this grant process, in consultation with the Office of Equity.
- An Equity Tool be employed to make sure the money is going to those with the greatest needs and greatest impact in underserved communities. When funding these applicants, it should be at a level that creates greater capacity for them.
- Each Ward will have an appointee serve on the committee for the duration of its service and should be notified if their appointee is unable to serve.
- Additionally, recognize that these grants offer an opportunity to deepen community partnerships, and refer grantees to community organizations that can offer help with technical assistance, training, or other services that make the grant more impactful.

Discussion continued.

The motion was carried by a voice vote of 7 to 0.



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**RECESS:** 3:30 p.m.

**RECONVENE:** 3:45 p.m.

All members present.

All staff present

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**5. Eviction Moratorium for Public Housing Residents (City Wide) SS/JUL12-22-126**

Introductory comments were made by Michael J. Ortega, City Manager.

Information and presentation were provided by Liz Morales, Housing and Community Development Department Director who fielded and answered questions on background information regarding eviction moratorium for public housing, affected residents, implementation and proposed solutions, recommendations, and timeframe. She said as a reminder, in public housing, they had approximately 1505 units/households and the program was subsidized by the US Department of Housing and Urban Development (HUD). She said they had a high responsibility to provide safe, decent and affordable housing to their tenants.

Ms. Morales said tenants pay their rent based on their income and can be adjusted if there are any changes to their income. She said the program was heavily mandated and regulated by HUD and the City is revied in many areas, but she highlighted four main areas: vacancy rate, rent collection, quality of property/units, and time it took the City to turn units or bring them back on-line. She stated recently, the one indicator that had not been an issue in the past and was not unusual with public housing currently was rent collection. She said HUD has informed that this was a concern and asked what steps were being taken to collect rent, thus the reason for the discussion on lifting the Eviction Moratorium.

Ms. Morales stated that as tenants have not paid their rent, they have reached out to them, give them courtesy notices and asked how the City could assist them and even referred them to the Emergency Rent Assistance Program (ERAP). She said through May, they had made a decision that there were approximately 190 residents had not paid rent or at least a portion of their rent between April 2020 through May 2022. At least 112 of the 190 tenants owed more than \$1,000 and the average of the amounts owed was \$1200. She said during that time, no late fees had been applied and this was strictly rent due for a total of approximately \$135,000.

Ms. Morales indicated, should the Mayor and Council decide to lift the moratorium, she wanted to provide a quick understanding of how that would be approached in working with families, communicating with them and offering support. She said staff was asking that the moratorium be lifted as of August 1, 2022, and evictions would not begin until a later date, but this time would be used for education renters as set by their policies and procedures. All in all, they would work with renters on a payment plan. So, the entire month of August would be to educate tenants, offer assistance and around September 6-10, notices would be sent out while still continuing to contact residents, and should there still be non-responsive tenants, they would begin issuing notices on September 20. She said no evictions would occur to those who made efforts to communicate and work with HCD.

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Discussion ensued.

Ms. Morales explained there were a number of residents who were paying rent and for her it was an issue of fairness to ensure everyone was being held to the same level of accountability. She said those rents were critical of HCD's operation and helped with maintaining City units. She said finally it was more about complying with HUD. She said she was super concerned that if the moratorium was continued, it could jeopardize the work HCD was doing with HUD and put the City under a spotlight. She said they needed to follow what was called Emissions Continued Occupancy Plan which was HCDs policy document that did not allow for moratoriums unless it came down from the federal government.

Mayor Romero asked what was at stake, funding, etc., if the City did not comply with the percentages required and was there a certain percentage renters needed to be paying rent. She also asked about the timeline for the process.

Ms. Morales said she could not put a direct connection to funding, but when HUD looks at the funding the City receives, there were three pots of money; operating subsidy, capital improvement fund and rent revenue. She said HUD would not cover the City for loss of rent revenue, which would mean the entire program would be in jeopardy and their budget definitely needed that rent revenue to be effective. She said the percentage needed to be collected was at least 90% and the City was currently somewhere around 70-79%.

Ms. Morales said as far as the timeline, and as they connect with tenants, they will always work with the tenants. She said the beauty of the program was that they were always in a position where they could help tenants so long as that communication was made. She said they were flexible and really wanted to educate and assist tenants. She stated the idea of the August timeline was around education, connecting them to services and assistance.

Discussion continued.

It was moved by Council Member Cunningham, duly seconded, and carried by a voice vote of 6 to 1 (Council Member Fimbres dissenting), to proceed with the City Manager's recommendation as follows:

- Lift moratorium effective August 1, 2022.
- Residents who fail to pay rent as of August 1st will incur late fees and will receive a notice for nonpayment of rent.
- HCD staff will continue to work with Public Housing residents on payment plans or to assist with application to the Emergency Rental Assistance Program

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**6. Updates on State and National Legislation and Regional Committees (City Wide)  
SS/JUL12-22-122**

Information was provided by Andrew Greenhill, Intergovernmental Relations Manager, who fielded and answered questions.

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Discussion ensued; no formal action was taken.

(Note: Council Member Fimbres departed at 4:20 p.m.)

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**7. Mayor and Council Discussion of Regular Agenda (City Wide) SS/JUL12-22-123**

Council Member Lee requested the following items be considered separately:

Item 5b5            Liquor License Application, Raspados El Paraiso, Ward 4  
City #43-22, Series 12

Item 7s            Intergovernmental Agreement with Pima County  
Community College for It Fasttrack Scholarship Program  
Funding (City Wide) JUL12-22-188

Vice Mayor Santa Cruz request the following item be considered separately:

Item 5b11            Liquor License, Family Dollar #25088, Ward 1, City #50-  
22, Series 10

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**8. Mayor and Council Discussion of Future Agendas (City Wide) SS/JUL12-22-124**

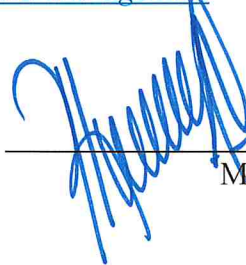
Council Member Cunningham stated requested that Planning and Development Services Department look into place S22-011 on an Agenda in August.

Michael J. Ortega, City Manager, requested Council Member Cunningham send him the information.

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**9. ADJOURNMENT: 4:31 p.m.**

*AUDIO RECORDING AVAILABLE UPON REQUEST FROM THE CITY CLERK'S OFFICE  
FOR TEN YEARS FROM THE DATE OF THIS MEETING AND IS AVAILABLE AT  
<https://www.tucsonaz.gov/gov/meeting-schedules-and-agendas>*



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MAYOR

ATTEST:



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CITY CLERK



# CERTIFICATE OF AUTHENTICITY

I, the undersigned, have read the foregoing transcript of the study session meeting of the Mayor and Council of the City of Tucson, Arizona, held on the 12th day of July 2022, and do hereby certify that it is an accurate transcription.

  
DEPUTY CITY CLERK

SM:yl