



MAYOR AND COUNCIL Study Session Minutes

Approved by Mayor and Council
on August 6, 2025.

Date of Meeting: February 19, 2025

The Mayor and Council of the City of Tucson met in a study session in the Mayor and Council Chambers in City Hall, 255 West Alameda Street, Tucson, Arizona at 1:06 p.m. on Wednesday, February 19, 2025, all members having been notified of the time and place thereof.

OFFICIAL MEMBERS

PRESENT:

Mayor Regina Romero
Vice Mayor Lane Santa Cruz (Ward 1) (arrived at 1:57 p.m.)
Council Member Cunningham (Ward 2)
Council Member Kevin Dahl (Ward 3)
Council Member Nikki Lee (Ward 4)
Council Member Richard G. Fimbres (Ward 5) (electronic attendance)
Council Member Karin Uhlich (Ward 6)

OFFICIAL MEMBERS

ABSENT:

None

STAFF:

Timothy M. Thomure, City Manager
Mike Rankin, City Attorney
Yolanda Lozano, Chief Deputy City Clerk

Mayor Romero announced that Council Members Fimbres would be participating electronically through Microsoft TEAMS.

(NOTE: Minutes for Study Session are transcribed in verbatim format.)

1. Mayor and Council Executive Session – Caine v. City of Tucson, et al., Pima County Superior Court Case No. C20234850 (City Wide) SS/FEB19-25-27

It was moved by Council Member Dahl, duly seconded, and CARRIED by a voice vote of 6 to 0 (Vice Mayor Santa Cruz absent/excused), to enter into executive session as noticed on the agenda.

Mayor Romero: Let's start our study session of Wednesday, February 19th. For the record, Council Member Fimbres is attending this meeting electronically

Council Member Richard Fimbres: I'm here, Madam Mayor.

Mayor Romero: Item 1 is an executive session, Ms. Clerk.

Chief Deputy City Clerk Yolanda Lozano: Item one is noticed as executive session, Cain versus City of Tucson et al., Pima County Superior Court case number C 20234850 and is being held pursuant to ARS, Section 38-431.03 (A)(3) and (A)(4).

Mayor Romero: Alrighty, may I have a motion to go into executive session?

Council Member Dahl: So, moved.

Council Member Fimbres: Second.

Mayor Romero: There's a motion and a second. Any further discussion? Hearing none. All those in favor signify by saying aye.

All: Aye.

Mayor Romero: Any against, motion carries.

City Attorney Mike Rankin: And Mayor one quick clerical correction. The spelling of the plaintiff's name has an E at the end. So, it's Caine. Thank you.

RECESS: 1:07 p.m.

RECONVENED: 1:24 p.m.

MAYOR & COUNCIL: All present, except Mayor Romero

STAFF: All present

Executive Session was held from 1:11 p.m. to 1:18 p.m.

It was moved by Council Member Lee duly seconded and carried by a voice vote of 7 to 0, to return to open session.

Mayor Romero: Alrighty, we need a motion to return to study session please.

Council Member Lee: So, moved.

Council Member Dahl: Second.

Mayor Romero: There's a motion. There's a motion and a second. Any further discussion? Hearing none, all those in favor, please indicate by saying aye.

All: Aye.

Mayor Romero: Any against, motion carries. Item 2 is direction to staff.

2. Mayor and Council Direction Relating to Executive Session – Caine v. City of Tucson, et al., Pima County Superior Court Case No. C20234850 (City Wide) SS/FEB19-25-28

It was moved by Council Member Fimbres, duly seconded, and carried by a voice vote of 7 to 0, to authorize and direct the City Attorney to proceed as discussed in executive session and settle this lawsuit for the amount of \$60,000.

Mayor Romero: What is the Council's pleasure for Item 2?

City Attorney Mike Rankin: Mayor, I'd ask for a motion that the Mayor and Council authorize and direct the city attorney to proceed as discussed in executive session and to settle this lawsuit for the amount of \$60,000.

Council Member Fimbres: So, moved.

Council Member Cunningham: Second.

Mayor Romero: There's a motion and a second. Any further discussion, hearing none. All those in favor signify by saying aye.

All: Aye.

Mayor Romero: Any against, motion carries. Item 3

3. Fiscal Year 2026 (FY26) Budget Discussion (City Wide) SS/FEB19-25-32

Introductory comments were made by Timothy M. Thomure, City Manager.

Information and presentation were provided by Anna Rosenberry, Assistant City Manager/Chief Financial Officer and Angele Ozoemelum, Business Services Department Director, who fielded and answered questions on the Fiscal Year 2026 Budget Rate and Fee Increases, Employee & Retiree Health Insurance Benefits, Employee Enrollment in Health Insurance Benefits, Costs, and remaining Budget Calendar.

Discussion ensued; no formal action was taken.

Mayor Romero: Time has been set aside for discussion regarding the fiscal year 2026 budget, Mr. Manager.

City Manager Timothy M. Thomure: Honorable Mayor, Members of the Council, thanks for the chance to continue our discussion about the FY26 budget development. We're going to cover a few items here today and to kick us off, we'll have our Business Services Director Angele Ozoemelum talking through a few of the items. And then our CFO, Anna Rosenberry, will cover the health insurance parts of the discussion. So, without further ado, Angele.

Business Services Director Angele Ozoemelum: Alright, good afternoon, Mayor and Council. I will be reporting on the rates and fees and also provide me and Council with an update on the impact of federal funding activities and what concerns we have as they relate to federal funding that the City receives from Washington. Rates and fees the table before you reflect projected collections of rates and fees. Fee increases approved by this body in FY2020. The July 1st roll out of permit fees increased. Increases covered planning and development services, fire and transportation and mobility departments. Fee increases in the second phase will take effect on July 1, which is the beginning of fiscal year 2026, at which point the city expects to see the full impact of these approved fee changes. This increase to permit fees across the three departments is expected to generate a total of \$400,000 of additional revenues included also in the table is the phase second phase of the planning and development services permit valuation assessment fees and that's on Route 2 of the of the of the table before me and Council. These fees will take effect in fiscal 26. We've anticipated additional collections of \$133,000 and steadily increasing over future years.

The next fee increase we will look at is for Park Tucson as mayor and Council may recall, Park Tucson's parking revenues was significantly impacted during the COVID-19 pandemic. During that time, the fund balance was completely depleted in fiscal 23. \$1.5 million was allocated to Park Tucson from the Upper Disaster Relief funds in 2024. However, there were no. So, there were no transfer. You know, resources into the practice on fund. As such, we saw a deficit of \$404,000 in that fund as the add the end of fiscal 2024 reflected in reflected in the table before us are the projected revenues for fee in projected revenues for fee increases. Of eight and 17% to two different St. permits that will take effect in fiscal 26, we anticipate collections of approximately \$22,000 on these fees in 26 with projections of \$47,000 in future or in subsequent years.

The last item on the table is the water utility department fees. Next year, we'll mark the third year of the approved four-year plan. For a 5.5% increase in water utility fees and we were expecting collections of \$12 million on in 2025 with \$12 million increase in 2027 for a total of 2412 million-point \$12.5 million increase. In 2027, for a total of 24.5 in 27 and beyond.

City Manager Thomure: Mayor and Council, before we do this slide, just so we don't leave the quiet part unspoken, this is showing additional revenues coming into some of our funds. Program to bond previous approvals. These are not revenues that are able to be reallocated to other needs of the city. So, when you see revenues in the water fund, they stay in the water fund, they cannot

be used to fund. I don't know things like police or fire. You see the funds that are in the general fund are fungible within the General Fund. These are collected in order to support the planning and development services and related departments that process development permits and things of that nature. So, I just wanted to make it absolutely clear that these are necessary funds to make these services whole. Keep fund balance, especially in the water utility not dropping. And they're not reallocated.

Director Ozoemelum: Overall, we're projecting. 533 million dollars, \$533,000 in the General Fund and twelve \$12 million in the other funds, as reflected on the table before us. I will move on to provide Mayor and Council an update on federal funding concerns admin. Where the new administration? Issued a pause on January 30th of all activities related to obligations. And disbursement of federal grants and financial assistance. But that was rescinded and then blocked by federal court actions. Staff continue to actively monitor federal actions through various sources in order to not be caught off guard by any future development. The Business Services Department is actively working with department directors to understand the impact that any change in federal funding may have on the city, and we are working accordingly to take steps necessary to keep our about 200 grand funded positions and additional staff that are indirectly grant funded to keep them employed.

We are taking steps to identify resources and or possible alternate employment within the city to accommodate these employees, the city has \$617.5 million in active federal awards. However, it only has an unspent balance from these awards of 283.9 million. Dollars and that spans out several years depending on the individual grants purpose. The areas within the city that could be more adversely affected by federal funding action, police, fire, housing and community development and transportation. As I indicated earlier, staff are actively engaged and will continue to will strive to continue to identify potential employment opportunities. And other resources were available to accommodate situations that may arise from a pause in federal funding. We would like to assure Mayor and Council that we are prepared and will manage through new federal policies and financial impacts. Accordingly, we will remain vigilant monitoring the Tucson economy, of course and potential financial impacts to our current and future budgets and workforce.

City Manager Thomure: Honorable Mayor, members of the Council, what I'd like to add on this item is that we are actively monitoring as, as Angele indicated, the status of our grants. We don't have a list for you today, but we will be providing with you shortly the list of 6 grants. That we have contracts for that we've received either formal or informal correspondence that they're on pause. And so, the impacts are beginning to become real even though. The issues are not finally decided in practice. We are paused on some of our federal grants.

Mayor Romero: And if I understand correctly nearly \$284,000,000 in grants and federal grants are at risk.

City Manager Thomure: That is correct, Mayor. That's the unspent balance.

Mayor Romero: And these \$284,000,000 covers not just capital, but staff.

City Manager Thomure: That's correct. There are 200 grant funded staff with the city right.

Mayor Romero: 200 grant funded positions. And the departments that are at risk are police, fire, housing, community development and transportation.

City Manager Thomure: Honorable Mayor, that's the primary list. There are other programs as well, but those are the Big Four.

Mayor Romero: So, are you trying to tell us that we could possibly lose police officers, firefighters, housing community development staff, as well as transportation staff?

City Manager Thomure: Honorable Mayor, that is a realistic outcome, under the current understanding.

Mayor Romero: Council Member Cunningham.

Council Member Cunningham: My question. A little separate. Do we have a forecast for 25? I mean, I see the 26 forecast and I appreciate it. We have our 25 numbers. We should have a pretty good idea what we're going to finish on.

City Manager Thomure: Honorable Mayor, Members of the Council, that information was included in last study session. We did at that time present that our revenues were expected to in 25 expected to. exceed the revenue budget expenditures were expected to be.

Council Member Cunningham: I'm talking about just for the rates and fees

City Manager Thomure: Oh, I'm sorry, Sir.

Council Member Cunningham: And comparing to just to apples I got our projections and I'm sure we came up with good numbers for the 400,000 across the board. I have a couple questions on that: 1) Number one is that I'm not sure. I think we can probably have some tweaks and so that number increases gradually each year; 2) is that if we because we're doing that lower the number two is that it would be helpful to look at 23 and 24, 25 to see how those numbers trend. Just so we have an idea in your methodology, and we can answer back when people ask us, well, how did you come up with that? So that's all I'm asking for. I'm asking for the same rate and fee calculations for planning and development for what we think we're gonna end up on 25 and then how we did in 24. I think that would probably give everybody at the table some perspective. Totally not shooting holes in your presentation. Just think that would be helpful information.

City Manager Thomure: Honorable Mayor, Members of the Council. We can provide that information. I just want to reemphasize that this is the net increase of increased revenues. These are not the total revenues for any of those line items. Thank you. So, but we can provide you a backward and then forward-looking projection.

Mayor Romero: OK. Go ahead.

Assistant City Manager/Chief Financial Officer Anna Rosenberry: I think the rest of the material is related to health insurance and there is a lot of it. So, thank you for bearing with us and going through the information. We're really in this memorandum and at this study session trying to take a big picture, look at where our health benefit health insurance programs are sitting. Oh, Angele has the magic touch, I hope. So, we'll give you the big picture today. And the we'll be presenting the city manager's recommendation for the health insurance program changes at the next study session on March 4th will be asking for a final indication to proceed from you at that meeting. We need this at this point in the year because open enrollment for employees and retirees, is held during the month of May 30-day period. We usually take the entire month of May and we have numerous education and enrollment sessions to set up as well as any a bunch of documents to make changes if we have associated plan changes for the year and we need the time to prepare for those events and get open enrollment going.

All of that obviously happens before final budget is adopted, so these are decisions that need to be made before we get to final budget. You all know that each year we have been working to find strategies that lower the financial impacts of this really important benefit. That the city provides its workers and retirees, and this is we continue that work this year is no different and thankfully we've had a lot of assistance from our health benefits consultant staff within the benefits team and our Employee Benefits group. On slide two, we have information related to general cost increases for the city's three health plans that we offer. Within our five-year plan, the five-year forecast we have projected that we're estimating that medical costs will grow at a rate of 8 1/2% year over year. That's tied to historical medical inflation and some of our experience over the years. That's the general number that we we've worked into our projections and we kind of are planning for.

Over the past 12 months, two of our three medical plans have experienced significantly higher cost growth, particularly in the area of prescription drugs and the projected plan expenses are shown in Table 2. So, what you have in the columns you see a column that says network plan. Then our HRA plan and our HSA plan and the total impact as well as the number of employees and retirees that we have participating in those plans. So if you think about our for planning purposes, expecting to see an 8 1/2 percent increase in these costs, you can see the bottom line for the network plan and the estimate that we will need 20.1% more to fund that plan next year. Then we're providing this year and for the HRA plan an additional 22.9% you can see that these costs are significantly outstripping what we've been planning for within our model, the health savings account, the HSA plan is actually in a positive POS. There with a negative number. That what that is, that column is telling you is that the projected plan expenses for next year. Are actually less than what we're charging in the current year to the city and the employees that participate in that plan so that that plan is fully funded and actually has a funding surplus of \$2.6 million in this projection.

So if we are to make no changes to these plans, no changes to the network plan or the HRA plan, we will need to see those correlating increases in the premiums that are charged and the employer and employee costs related to those plans. The other thing that I'd like to point out where we've started to analyze each of these plans separately on their own because they offer distinctly different benefits. And there's a different premium structure for them. Employees get to make a choice based on their premiums. And so if you look at the deficits that the costs that

exceed resources within the network plan and the HRA plan, it's actually a total of \$9.9 million. In costs for those two plans, the net over in the far column is actually. Masked by that positive position of the HSA plan.

So, the network and the HRA plan we really need to come up with almost \$10 million to cover the projected cost for the coming years. As I said, we've been forecasting within the five-year model that we would have cost increases of 8 1/2% per year. That amounts to \$4 million in the general Fund and additional \$800,000 in the other funds, approximately \$4.8 million. When you compare what we have in the financial model available \$4.8 million with the cost that need to be covered in those plans at 9.9 almost \$10 million, you see that we have we have a math problem that we need to solve.

Table three shows us the total cost of the plans we again, we've been starting to analyze and really look at the how we're managing these plans and managing our benefit choices on a plan by plan basis. What you see is that the total cost, the total annual premiums for the network plan, whether you're having employee only coverage, employee and spouse, employee and children or employee and family going down the column, there are much higher than they are for the HRA plan and the HSA. Plan, in particular the health Savings Account plan is our lowest cost plan and the network plan is our highest cost plan. So, we've, as you're aware, we have been doing a lot of education because the cost of the plans and the choices that employees make as an employer, we're funding the lion's share of that cost. We've really been on an effort to educate employees about their plan choices and how they can benefit particularly from considering enrolling in the Health Savings Account plan and establishing a health savings account funding for themselves and their families.

You can see that we've been actually pretty successful in getting people interested in trying the health savings account plan in fiscal year 23, we had, you know almost 2 thirds, 2/3 of our employees active employees were enrolled in the network plan. The most expensive plan and. Less than 1/4 of them enrolled in the health Savings account plan or the lowest cost plan. We've really moved the needle in the last three years. And for our most recent year fiscal year 25, we have roughly an equal split between people deciding to participate in the network plan and that health savings account plan with a small sliver of folks continuing to enroll in that health reimbursement account plan. Although that percentage is slowly declining as well. I guess one of the things that I would say as well that I don't have a separate slide for, we added exhibits to your materials talking about showing you how the city's contributions and the employee share of the health costs compared to other.

Arizona cities and counties around the state and one of the things that we've been tracking on this and these comparators for a number of years. And we, we continue to see that the City of Tucson shoulders a larger burden of the cost of healthcare plans for our employees than the average of other comparators in the state. And we continue to have that situation. We've been moving the needle on that slowly in that last year we had a 1% of total premium shift to the employees from the employer. And that continues to be a part of the discussion because our ability to fund health benefit increases competes directly with our ability to fund other things in the budget, including wage increases and increased pension costs. These are all competing for scarce dollars, so we're really trying to take a look at where other employers, other municipal employers.

Around the state are with their contributions to employee health care. We've included some information in the memo regarding retiree costs.

Table 4 and Table 5 in your memo show the relative costs of covering retiree healthcare versus active employee healthcare. The cost to cover retirees exceeds the amount of contributions from retirees. That's what table 4 is showing you. We're showing you for active employees the contributions that they provide. And that's that. Both the employee and the employer contribution compared to the costs that are generated by that that group. And how that same methodology of contributions versus costs pans out for retirees, the retiree loss ratio is higher than it is for employees.

And on table 5 in the memo, we've shown you the per member per month cost for the period of July through November, just a recent period of time and that shows you that retirees cost nearly twice the dollars within these plans of active employees. And those aren't. We found these trends, both the loss ratio and the per member per month cost to be similar for other periods of time. I think, actually very standard within medical plans around the country. The amount of healthcare that we consume as we age goes up. And so, you usually find that when you're covering a pool of retirees, it's much more expensive than covering a pool of active employees. And we're no different. We find ourselves in that situation when it comes to determining how much employees and retirees are charged in premiums. We have had a blended premium where we lump the employee costs and the retiree costs all together to determine the annual premium amount.

Mayor and Council may want to consider decoupling this. It has been conversation in the past and that could allow for different premium pricing between the groups that could more accurately match contributions with costs. I think that's the last slide that I have for you on the memo on page 8, when we talk a bit about, I've mentioned the Employee Benefits Committee, they're meeting regularly. We have members of all of our labor groups invited to that committee, non-represented employees and our benefits consultant from Siegel attends that meeting and is available for questions from any of the employees participating there.

Table six in the memo talks about a number of options that the committee has been considering. In the last months that they've explored to help solve for this issue of the cost escalation within the plans and the renewal for the next year within the network plan, the committee has been considering plan design changes that could include increasing deductibles, increasing existing coinsurance. Establishing coinsurance where none has been paid in the past and really adding another tier to our drug plan to try to address. Retail specialty drugs. There are estimated cost savings that the group has been looking at in this area that range from 2.6 to \$3.8 million a year.

On the Health Reimbursement that HRA plan design changes, they've been looking at ideas like increasing out of pocket, maximum increasing coinsurance on the plan, reducing the reimbursement account contribution that comes from the city. They've also considered a prescription drug benefit change that would move it from a copay system like it has now to more of a coinsurance plan that would mirror what happens on the health Savings account plan with prescription drugs. They've also considered adding that Tier 4 retail special drug co coinsurance. The estimated cost savings for HRA plan design changes that they've been looking at. Range

from a few \$1000 up to a total of \$1,000,000 for the year. On the health savings account plan. They are also considering that Tier 4 retail Specialty drug coinsurance just so all three of the plans will mirror each other in how They're looking at specialty drugs and noting that the current premiums cover more than the expected cost for next year. The group haven't really been looking at cost containment items for the health Savings account plan changes. They have been discussing the enhanced health savings account contributions. The committee continues again to talk about that employer employee cost shift to try to bring City of Tucson more in alignment with comparator cities or the average of comparator cities for how much the employer is paying and the employee. That was kind of changes range in savings generated of around 450,000 to \$480,000 for the year. They've also studied self-funding our dental insurance. The city moved to self-funding its medical plans, I think five or six years ago.

We're still purchasing dental insurance, just buying insurance. They've done a fair amount of analysis on self-insuring for one of the plans, our dental PPO and there could be an estimated annual savings without making any changes to the plan or increasing premiums for employees of savings of \$247,000. They've also, we're looking at the retiree dental HMO. There is a 4% increase in that. That is a plan that we would continue to just purchase as insurance a 4% increase for retirees on that plan. It's a pass through from the insurer. The city picks up the full cost of this for employees.

Again, the estimated cost of the city on this would be nothing, but it is a pass through to retirees that enroll. So again, I know we presented you with a lot of information. We do intend to present the city manager's health insurance recommendation at our next meeting for your final indication to proceed.

City Manager Thomure: Honorable Mayor, \Members of the Council, before Anna wraps up with the budget engagement portion just want to foreshadow what I'm expecting to bring to you on the 4th. I want to compliment the Employee Benefits Committee for the work they've done. This is not a one off for them. They kind of meet year-round on a variety of issues and they've done some great work here. I'm expecting to bring you a recommendation that reflects much of what the Employee Benefits group is recommending. I do want to highlight under #3 in your table, the HSA plan design changes the Employee Benefits Committee is recommending that we retain the incentive for the HSA plan, just as a reminder.

Traditionally, the HSA upfront contributions from the employer were \$1000 for individual and \$2000.00 for family. The move to \$1500/\$3000 was a one-year incentive that we continued for a second year. The year we're in as an incentive, I'm leaning toward a recommendation to actually go back to the 1000/2000. I just wanted to put that on the table for you to, consider as well. It's not in front of you for action today, but I just wanted to signal that is one area where I'm still evaluating what to recommend to you and the cost impact of that is about \$1.3 million that would be saved. And having said that, I think the vast majority of their work will see where they land ultimately, but I think it's gonna land in a place that I can bring it forward to you. Perhaps with that one change.

Mayor Romero: Thank you, Mr. Manager. Based on the incentives for the HSA and the migration from network to HSA and fiscal year 23 and 24, it seemed as though the additional

funds for the HSA to move from network to HSA worked because we were at 67% network, which is our most expensive plan. I'm curious to see what the benefits committee is recommending for mayor and council to do, and I generally like incentivizing. A move where people feel comfortable that they're coming in with especially an employee and a family coming in with enough to be able to pay for. For their healthcare needs.

My big question is we have seen previous years and we've gone through budgeting. I've gone through budgeting for the last 16 years as a council member and a mayor. Why 20% increase? We've seen 8% increase 8.5% increase 6 1/2. This is a 20.1% increase for the network. What is happening? Why the big jump?

ACM/CFO Rosenberry: Mayor, you know, in plans like this that cover thousands of individuals, it's never just one thing, but the biggest thing that we are seeing is the cost of prescription drugs. And especially in the network and the HRA plan that have co-pays, set dollar co-pays for those drugs when the plan says, you know, your copay will be \$30.00 for a drug. For instance, when the price of that drug goes up and the copay doesn't change the full cost increase is borne by the plan or the employer. We have also seen just the price of prescription medications skyrocket, and so again the committee has been fairly well focused on analyzing recommend changes that they could recommend, including that 4th tier. Higher tier for some of the most expensive retail specialty drugs to have higher co-pays or to have a higher level of Co insurance required as ways to try to help share the cost between the person that's using the service and the employer and the other people on the plan who are paying a monthly premium. So those things are being considered. But this year in particular, we've seen the impact of the cost of prescription medication increases.

Mayor Romero: Will the City of Tucson have any capacity to negotiate like, you know, the federal government tried to and was successful at negotiating prices for certain specialty drugs used by Medicare. Is that any possibility? I mean we are self-funded, and I don't know if that makes any difference. I think that one of the reasons why we became self-funded was because we wanted to put pressure. On the percentage increases in our healthcare, is that against the law or have you been tried?

ACM/CFO Rosenberry: Mayor, I'm not certain if it's against the law. I'm not certain what we could achieve. I think that the discussion about what's happening within the prescription drug market is a very big discussion and I'm not the most qualified person to lead that discussion. We could certainly get some of our consultants, both from Cigna and Segal here to talk about it, one of the elements within the cost of each of these plans for a number of years has been an actual deduction for rebates that we are receiving from the drug manufacturers. I think some you hear some of it in some of their advertising about rebates that are offered. Cigna has a program where they go after those rebates on behalf of our employees. And our plan and that actually comes back and positively. The impacts it reduces our cost. Well, we are seeing those rebates dry up. They're declining. I think what's happening in the market with the drug manufacturers is that they're, I don't know if they're reducing those programs or they're going away, but that's also in addition to prices increasing. We are seeing the rebate opportunities decrease. I can certainly ask. Ask our folks what you know, what more, what other measures we could be taking.

Mayor Romero: What other measures and if they could provide us a drill down a little bit more in terms of what? What are the drugs that are costing these exorbitant amounts of money? Council Member Cunningham.

Council Member Cunningham: Few things number one, we talked about unblending last year. We also talked about the idea that we probably can't unblend if we can't think of a second option for our retirees, I don't know if we can get an HSA for retirees. We also have a lot of retirees that go on to a second career and they can be insured by their new employer. So, there's some pieces to that. We've got to really consider and that's one of the things about the unblending part is that you know, I'd really if we have, if we have an employee that goes on to a second career, we actually shouldn't be responsible to ensure them, but we can give them the option to purchase. So that's that. We should at least give them the option to purchase within our HSA or something like that. We kind of, I've always said that, that's where we've kind of hit an impact.

Secondly, just so you know up front, I can tell you I'm with the mayor. If you decrease it, I'm probably not going to want to vote. Yeah, we can't decrease the incentive for the cost savings. That's just doesn't make any sense to me fiscally, but more to go above and beyond that. What I'll tell you is that if you increase the HSA premiums, I won't vote for that either. I don't want to see an increase in HSA premiums at all. In fact, I'd like to see it decrease. The other thing is there's three different types of programs. I use GoodRX, not trying to do an advertisement for a multimillion-dollar company, but I probably am right now. Everyone can use this, and we can probably incentivize our employees to step up and do that. That would probably help us with the coinsurance piece with prescription drugs. So, I think there's, all those pieces are really, really important if we want to self-insure dental, just understand that you can use your HSA for dental. I just did that. So, I want people to think about kind of how we can augment their own dental, their own HSA for dental and add to it with the premium they would have been paying for dental anyway. And maybe we match it like \$0.50 on the buck or something like that. That may help some of our problems.

Finally, we still need to go out to our employees and convince them that this is actually a good deal. The HSA is actually a pretty good deal. I know that I think at least five of us at this table. We use it so. It's worked out pretty well for me in this past, like three years. I've chopped off my finger. Ah. My wife broke her ankle. And actually, it was a compound fracture in her leg. I broke my ankle. My son got a really bad concussion playing basketball. All those things happen to our family in an 18-month period. And guess what? The HSA covered all of it. We didn't come out of pocket really at all, so I think there's a myth out there that this stuff doesn't cover things and we wanted to dispel that myth. It's how we can save money. I think if you make some of the tweaks and torques to it again, do not burden the HSA side. I think that's the biggest piece and ultimately, we may have to increase the HSA premium, but there's really. No need to do that.

Unless a lot of us are on that HSA. So those are my comments for today. I just want to let you know where I'm coming from up front. I do hope it does affect some of the recommendations you have planned, Mr. Manager, because it gives you some informed kind of understanding of where I am on this side of the table. I think it's really important to let you know from an interest of just transparency, but. Also, from kind of what I'm thinking is, is that those are the those are the list that I have. I'm happy to hear what my colleagues have to say, thank you, Mayor.

Mayor Romero: Council Woman Lee.

Council Member Lee: One or just a couple interesting observations, one on, on the retiree piece, I'm really curious and you may not have this answer right now. It seems like there's an unusually large percentage of retirees that are on the HRA instead of the HSA, so I'm really curious as to why the migration from the network to the HRA and not all the way to the HSA. Do you have any Intel on that?

ACM/CFO Rosenberg: I can talk a little bit about what I've heard and also. There's some history behind it. So up until last year we did not allow retirees to select the HSA plan. It was closed to them. Their options were the network plan or the HRA. So, we find a lot of them, obviously within those two plans and we've only had sort of one year where they've been eligible to move into it. I think we have 53 who selected it in the current year, but hopefully there will be more migration. The other circumstance is that for those who have used that reimbursement account for a number of years and built up a balance, once you leave the plan, you abandoned that balance. And that's the nature of a reimbursement account. That's how it works. It's not like a health savings account, and so it's not as advantageous. It's not portable to the employee, so I think it has probably kept some people in that plan, so they don't lose their balance.

But it's also the reason that we're the last employer out of all of those comparators. To even still offers a reimbursement account plan. I think they've just really been replaced with a health savings account type plan because they're more portable for the employees. You know, the money is yours. It's in an account that's yours. It's not your employers. And if you were to leave employment, you take the account with you. It's totally portable. So those are, I think it's a combination of some of those circumstances as to why we still have a large portion of retirees in that health reimbursement. Account.

Council Member Lee: OK. That's super helpful to know. So, it sounds like our objective really is how do we get folks on the retiree side and the employee side from the network over to the HSA plan? That sounds like that's our area of opportunity there. Thank you for explaining that. And you know every time and even last time I talked about our goals, seeing the numbers in front of us, we have. Like you said, it's almost 5050 with a few HRA folks in the middle. On the employee side, I would be really curious. Where the math would tell us to go. Like how many people this cycle do we want to get from? From the HSA, you're gonna over to the HSA from the network side, so we can continue to, you know, work the math and get this thing where it needs to be from the funding standpoint. So, I would really like to see that as we go into open enrollment.

So we know, kind of what number we're marching to and the other piece I think I mentioned to Tim in a one-on-one conversation, when we look at our education around the HSA plan, I read a number like 90% of people who have HSA Plans don't use those funds. For investing, you can actually invest your HSA funds and our plan offers anything above \$1000. You have to keep \$1000 cash in your HSA account to cover your medical expenses, but anything above and beyond that you can invest that in whatever your choice is in the market, so those funds can continue to grow, which is a really valuable tool that we have available to us too within the

structure. And then my other question is just on the HSA piece with about the \$2.7 million. I don't want to use the word overfunded. That's the right word. But what happens with those funds? And then to your point that my colleagues have talked about, you know, I think people on the HSA side were the math is working well on this. So not giving the full incentive to move over. I'm just trying to understand that if we're over funded in that category.

City Manager Thomure: Honorable, Mayor, Council Member Lee, if that full 2.7 million stays in the plan, it actually goes to subsidize the other two plans. It brings the overall cost of the premiums for the network plan and the HRA plan down. If you end up approving it where you take, if you retain the incentives for the HSA plan, it stays within the HSA plan. And then it would be the residual that would ultimately what it does is it brings down the cost for the other plans.

Council Member Lee; Thank you for explaining that.

Mayor Romero: Great question. Any other questions, comments, Vice Mayor?

Vice Mayor Santa Cruz: Can we set up our own pharmacy for our employees? I'm serious. Like, hey, is that something we could look into as a starting point? You know, there's all across Latin America where municipal governments are providing a pharmacy for community because it's such a high cost. So, they can get it. At cost and then just add another 15% for administration so that we could have. You know lower cost, so I'm just throwing that out there.

Mayor Romero: I think El Rio has a similar program where they purchase, and they purchase a lot of generic so. I don't know it's. I mean, we have to think innovatively and have to look into different ways of doing business. Things are changing and I think we should change too. Any other questions, comments. Alrighty. Thank you so much for the presentation. We really appreciate you. Alrighty. We move on to item number 4.

4. Update on PFAS and the City of Tucson Water Supply (City Wide and Outside City) SS/FEB19-25-29

Information and update were provided by John Kmiec, Tucson Water Director, who fielded and answered questions on the Central Tucson PFAS Project (CTPP), Overview, ADEQ Actions, Groundwater Sampling Results, Conceptual Site Model, Demonstration Remedy Operation, System Outcomes, CTPP Discharge and 2024 Demonstration System Performance.

Discussion ensued; no formal action was taken.

Mayor Romero: Time has been set aside for an update on PFAS. You spelled out. I'm not going to say the appropriate names. PFAS and the city's water director, Mr. Manager.

City Manager Timothy M. Thomure: Honorable Mayor, Members of the Council, thank you. This is our quarterly report on per- and polyfluoroalkyl substance, AKA, PFAS and our Water Director, John Kmiec is here to talk you through that.

Tucson Water Director John Kmiec: Good afternoon, Honorable Mayor, Members of Council. This PFAS quarterly update is to document for the public actions and activities that have occurred at a national, state and local levels during the fourth quarter of the calendar year 2024, October 1st through December 31st.

First and foremost, Tucson Water portable system should be free. Of any known PFAS impacts, rigorous testing over the years have identified several areas of the aquifer in the Tucson Basin that need to be avoided to ensure PFAS compounds are not unknowingly distributed. It to the community. To date, we have proactively turned off 22 wells over the past. Over the last few years and have restricted to use to emergency only for eight additional wells in addition to Tucson Airport remediation project has been rerouted from the portable system to a non-portable beneficial use status. Applying water for the reclaim water system as well as a discharge location on the Santa Cruz River, now known as the Heritage Park Irving Outfall. On average just under 10% of the daily production from the facility is going to the outfall into the Santa Cruz River. While vast majority of treated water is being distributed by the reclaimed water system across the community.

October 1st through December 31st, 2024, Tucson Water collected and tested 286 water samples for PFAS upon direction received from Mayor and Council back in October 22 Tucson Water started the work on the Randolph Park Groundwater Treatment Facility, which will install new well and PFAS treatment facility in Randolph Park, located just North End of the existing plume of PFAS in that area. The project is intended to capture and treat contaminated groundwater from further migration into Tucson Water Service area preventing further impact. The Tucson Water Central well field treated water will be beneficially reused for irrigation at the golf course. This project is funded in part by 6.7 from the 2022 system conservation proceeds as previous approved by council. Additionally, the Consolidated Appropriations Act of 2024 will provide an additional \$2.25 million for the project. This act was signed into law on March 9, 2024 and was supported by our local representatives and senators.

Work for the fourth quarter included continued well development. The well has not yet developed enough extraction capacity to continue with the current proposed treatment design, Tucson Water, in partnership with ADEQ, are working actively on other potential alternatives to increase extracted groundwater flow from the area to meet the intended goals of halting plume advancement into the central wellfield. As an update to the Tucson Airport remediation project, the final design of the TARP fast treatment. Pretreatment project was completed in June of 2024 and was submitted to ADEQ Tucson. Planning and development services and EPA Region 9 guaranteed maximum price contracts for long lead items and the balance of construction have now been encumbered in field construction commitment. Commencement actually began on January. 6th of this year, with the completion date of December 2026. The project is currently receiving majority funding from the state of Arizona and will have a total cost near 26.7 million.

Tucson Water continues to work cooperatively with the Air Force Air National Guard in two Tucson Airport authority to resolve the additional cost from PFAS that have been incurred by the utility Tucson Water and the Airport Authority are now current on all pass billings related to TC and 1:00. For docking discussions on PFAS related costs are still in progress. US Air Force is currently performing a PFAS phase one remedial investigation at Air Force Plan 44. A contract was awarded to sustainment and Restoration Services.

In September of 22, the site is being characterized to delineate the nature and extent of PFAS from 2 past aqueous film, forming foam releases in the area. Phase two of the remedial investigation will focus on human health and ecological risk assessments, materials being investigated by Air Force plant 44 project include soil wash sediment, groundwater and surface water. Groundwater monitoring and existing and new monitoring wells was completed in March 2024 on this project, so step out sampling of soil, groundwater, sediment surface water was conducted disinfectant in September 24 to determine the extent of PFAS contamination. Air forces in the process are also utilizing existing extraction well to capture PFAS in the area of Plant 44 with high concentrations with construction and start up scheduled this past December.

The final remedial investigation report is expected to be completed in December of 2025 and the Air Force also awarded a design contract in August of 24 to construct a long-term PFAS groundwater treatment plant with an estimated completion date of 2028. Moving north to the city's NW wellhead treatment facility, project is moving forward as planned. Tucson Water is working with the city of Tucson Real estate to address. Remaining existing site issues in the area. An RFQ was issued to hire engineering consultant to design the treatment facility as well as the collection pipeline to bring the water from the wells for treatment. The contract for design services consultant is being finalized this month with reference to our ongoing product liability lawsuit, the court has. Granted preliminary approval. Proposed settlement between some of the defendants and municipal water providers, which would include the city of Tucson. Tucson Water employees have compiled a list of PFAS affected water resources and laboratory sample results. Was part of a city staff effort to evaluate terms against the city's claims. The city attorney will brief the mayor and council at the conclusion of these efforts in the near future, honorable mayor and members of Council that concludes the quarterly update.

Mayor Romero: I have a lot of questions. Not because I don't know what's happening, but I think that there's some confusion out there in terms of, what federal funds are coming in? And which ones are not and so forth. First and foremost, thank you so much. Really appreciate the update. It's an important topic for Tucsonans but I do want to make sure that we are moving in the most appropriate direction.

First and most importantly, that Tucson Water and the City of Tucson are delivering safe drinking water for our community and that has not changed. One area that I have said the last eight years is that we must hold polluters accountable and that the citizens and Tucson water rate payers should not take on the burden. Of remediating PFAS from our aquifer. Our community deserves transparency and action and investment in solutions that protect both our environment and our people. So, talking back to holding polluters accountable, there have been conversation with our congressional delegation. Our senators, both Sinema and Kelly, and our new Senator Gallego that have been paying attention to the PFAS issues here in Tucson. Part of the

conversation was to hold DM or the Department of Defense accountable for them being the polluters in this case. So, how is that conversation going with the new administration?

Director Kmiec: Yeah. Thank you. Honorable Mayor, Members of Council. So those negotiations are continuing with the Department of Justice representing the Department of Defense on the issues related to TARP. We are also including in those negotiations, the Tucson Airport Authority. So, all those active principal responsible parties that have been identified in the past. Tucson Water and the City of Tucson attorney's office first and foremost, with our outside counsel, we have been engaged in back and forth conversations on a negotiations of settlements related to PFAS cost in the city's burden in the past that we've put out there.

Mayor Romero: Another report that we've seen is that the City of Tucson and Tucson Water are in danger of not receiving the \$86 million for pure water system. Can you talk about that?

City Manager Thomure: Honorable Mayor, I'll lead and then John will probably clean up some of this. So, the system conservation agreements for the Colorado River that have funded Tucson Water on a number of activities largely are funded under the Inflation Reduction Act. That is one of the acts that was initially targeted for pause and is still uncertain. So, we have signed contracts to do a number of things, some of them we've completed and been paid for, some of them we have not yet completed and not been paid for. So specifically, we're in the third year of system conservation where we were being paid for every acre foot we didn't order and didn't take. We are paid to do that if that funding is frozen.

But we're still doing the action that that's an uncomfortable uncertainty for us, so. I have to triage. How much in 2025 we can make expect to be compensated for the actions we're taking now. We also were approached by the federal government to enter into a fourth year. We have executed an agreement that does a fourth year. That's for next year in my mind, that funding is uncertain and so therefore when we have to have resolution on that before October 1st before we place our order for next year. And then finally you mentioned the advanced Water Purification project. The \$87 million project that's also from the same. It's a different bucket, but within the same funding mechanism, we have not received anything officially that says we're not getting it. We have signed a contract and executed a contract to do it. So, we are intending to move ahead with the project, and we are intending the federal government to meet their obligations under that contract.

Director Kmiec: Nothing to add.

Mayor Romero: Any questions or comments on this item? Good to hear none. I think we are going to move. Item 6, next, correct (Item taken out of order.)

**6. Discussion regarding Fire Preparedness and Risk Mitigation in Tucson (City Wide)
SS/FEB19-25-33**

(This item was taken out of order.)

Introductory comments were provided by Council Member Lee.

Information was provided by John Kmiec, Tucson Water Department Director and Chuck Ryan, Tucson Fire Department Chief, who fielded and answered questions.

Discussion ensued; no formal action was taken.

Mayor Romero: So, time has been set aside to discuss fire preparedness and risk mitigation in Tucson and this item was requested by Councilwoman Lee. So, Councilman Lee, take it away.

Council Member Lee: Thank you, Mayor. It was just last month that we saw a series of eight destructive wildfires affect Los Angeles metro area in San Diego County, and it, I don't know if it's just me, but it doesn't feel like it was just last month with all the demands on our time and. Jumping from one crisis to the next. But I really appreciate this opportunity to pause and look at some of the lessons learned and experiences and challenges that we saw out in Los Angeles area. Because I think like a lot of folks, when things were happening, we realized that this could happen to us. We've been dealing with drought conditions and a lot of variables. Granted, we don't have the Santa Ana winds, thankfully, but I think a lot of folks looked around and said this. This could be us at some point.

So, I really wanted to put a conversation together so we can talk about what we learned. The Arizona Department of Forestry and Fire Management. They're responsible for creating and managing the risk maps that the insurance companies use to determine our homeowner's insurance rates. And I don't live in a Mountain Home. Nestled in the foothills anywhere I live in the city. In the valley and my home is now in a high risk of wildfire area. Our insurance premiums are going up and thousands of families in ward four and across the city are rates are going up and we now live-in high-risk wildfire areas that we didn't used to last year.

So, this is like a lot of families, working families. Our home is our largest investment. So, I think a lot of folks are starting to really pay attention to this issue because it's directly affecting our bottom line now. Pima County recently discussed this month a similar topic and they came away with an action to come back at the Board of Supervisors level with a regional plan to round communication and coordination with the jurisdictions. And I know that we are connected to that work as well and. This item is just an opportunity to again reflect and look at what happened in California, specifically to talk about our water infrastructure as it relates to firefighting.

Our police or our Fire Chief will talk about staffing, equipment and other things in his department. And then I really want to leave on a positive note with some things that we can all do to best prepare and prevent the spread of wildfires. I couldn't get Smokey the bear here, but if I could, I totally would have. So, I want to start out by throwing it over to our water director. I do have a few closing potential action items pending what our team wants to talk about, but director Kmiec

Tucson Water Director John Kmiec: All right. Thank you, Madam Mayor. Thank you, Council Member Lee, and thank you Council for entertaining this this item here. Often, I have

almost 99.9% of the time only talk about drinking water or reclaim water issues. So, this actually gives me the opportunity to talk about how the water systems built and that is for the protection for the Community from fire. So, this is great. So, yeah, going back in time, it was the mayor and council in 1882, that, as the city was growing rapidly, they knew one of the biggest threats to a growing community in the west, and then industrialized country was fire. Many people across the country remembered a great Chicago Fire of 1871.

So, it was at the top of mind as communities began to develop and more urbanization was occurring to not get to a point where your whole city burns down after you spend 5 or 10 years building it up. So, the Mayor and Council created the Tucson Water Company, which was a public private partnership in the fall of 1882. And that first direction was to bring pressurized water near this area here to the intersection of Main and McCormick and put the first fire hydrant for the protection of this community.

So, moving forward over time, by 1900, the Tucson Water Company became the Tucson Water Department. And just to in the protection of the Community, in partnership with Tucson, Fire was always first and foremost for protection of the citizens. And then later it became a drinking water system. So, it was a Fire Protection system first. The way Tucson Water designs and construction maintains the water system is for the protection of fire primarily, but it does serve a clean water. So, it's a dual mission system. So as each new development or neighborhood or commercial structure wishes to expand and connect, and we'll talk about the main Tucson water system. They come into our development and planning and services and what exercise that goes through. Who is a Fire Protection exercise? Making sure that what development is going to be at which elevation. What the water pressures and supplies will be at that elevation to meet, whether it's residential acute fires or if it's a big commercial building, enough fire flow and protection for a commercial structure and it goes through a series of modelling events to know what type of infrastructure that. Developer is going to be required to bring to the table to the City of Tucson to make sure. Fire Protection services are there, so if it's a neighborhood, it's generally a four-hour flow. Duration is necessary for acute structures for at 1500 gallons per minute. If it's a commercial building, it can be as much as 3000 gallons per minute.

All that, dent tells the department to tell the and this is working with the fire department on the jurisdiction it's in is to tell the developer. You need to do this type of upgrade. You need to help add storage to the system. You might need to put in booster pumps. You might need to do this diameter pipeline all that to make sure those minimum standards are there. As a system grows. So that's a lot. How does how the system gets built? So pretty much anywhere in the urban environment you have these minimum standards of protection to meet, you know, the national standards for Fire Protection and flow duration and all that. And then on top of that storage? Tucson Waters Storage system, which are the 60 plus tanks and reservoirs throughout the community, can hold as much as 300 million gallons of capacity throughout the community where our daily demand is less than 100 million gallons a day. So, we do have a lot of storage.

Some of it is in the city system that needs to be boosted around, but a lot of it is what we call gravity flow. So, it's set up in the hills, whether it's the Tucson mountain. The Catalina foothills, the Rio and that gravity storage. Helps maintain pressure and can provide enough fire flows to meet those four-hour minimum requirements in those areas. In those pressure zones. So, the fire

departments can access those, those that water from the system. It should be substantial enough and long enough to put out again acute structure fires that our system is designed for. So once, once all that becomes part of the Tucson Water portfolio, then there's maintenance that actually has to be involved. And so, we manage over, I think over 22,500 hydrants throughout the Tucson water system. Many of those are on an annual maintenance and review program. There's the use of not only the Tucson water crews when there's reports of potential outages or if a car hit a hydrant or damaged like that, that can go on, make it repair.

But we also use consultant services to have a baseline maintenance program where numbers of hydrants are given full inspections repair. Maintenance procedures throughout the course of the year so, a lot of activities go around firefighting. I'm glad I'm able to actually talk about something different, but yeah, the Tucson water system is very strong and resilient and has a lot of capacity and a lot of storage. And that's actually one of the benefits of having a groundwater base system too. We have dozens and dozens of sources that can contribute active water. During the case of a large-scale fire, multi building fire, like that. That can contribute also to the storage that's already on hand with our system. So, with that, I will turn it over to Chief.

Tucson Fire Chief Chuck Ryan: Thanks John. Honorable Mayor and Council. I'll echo what director Kmiec said. We are end users of the water system and very appreciative of all the work our partners at Tucson Water put into it. Similar in time, Tucson Fire Department established in 1881 as a Volunteer Fire Department. As most of the country. Is still protected by today. Except in largely urban and suburban areas. And over time has grown to where we are now with 21 stations that service the city one station. That's captive, if you will, on the Raytheon plant near the airport, through a fee for service arrangement with Raytheon Corporation and 645 dedicated men and women of the Tucson Fire Department. In those stations 24/7 365. You know, as you know, and as our annual report, which we share every year over time, our call volume has grown dramatically in this city.

I arrived in Tucson in late September of 2019 and in that year, we had about 87,000 calls for service last. Year we concluded with just shy of 106,000 calls for service. So, any anyone who doubts the population growth and the service demand in the city of Tucson is not paying attention to the numbers. Certainly, we have of our, of our staff, our Commission staff, all of us are trained, at least as emergency medical technicians. So, the residents and visitors of Tucson get 2 employees for the price of 1, so to speak, and we have 243 folks who are certified as emergency paramedics as well, so. That being said. The fire service has morphed over time and Tucson is no is no stranger to that. Certainly, starting as a structural Fire Protection System but has since moved into emergency medical services that has become sort of the backbone of Firebase. EMS is a national model right now, and about 85% of our call volume is medical in nature. Here in the city, we also, the fire department sort of becomes the Swiss army knife, if you will, for city services. And so technical rescue, hazardous materials response, both of which Tucson Fire represents, not just the city of Tucson, but provide service all across southern Arizona, not only in terms of response, but training our partner agencies here in Pima County, Cochise County, Santa Cruz County and as far away as Yuma and also swift water rescue during monsoon season as well.

So, all of those things combined to make us a very busy place and now we have the wildfire issue added to it. And that's a unique thing for an urban fire department. When I, when I talk to my colleagues in the Metropolitan Fire Chiefs, very few of them have wild land fire teams because they're protecting urban cities where wildfire has not been a problem yet. But as colleagues in New York City have found out, the Denver area, it is becoming an urban problem. And it is truly a National Fire problem. So, we do have a lean but very dedicated wildland fire team of approximately 10 of our members. So, these are structural firefighter EMTs who are cross trained. In the wildland environment as well. Because wildland firefighting and structural firefighting are two very different animals, and we are proud cooperator with the Department of Forestry and Fire Management sending our resources when needed. Outside the city when we can afford to do so when it's safe to send them. To fires wildfires here within Arizona, as well as in other Western states. Most recently, we had a team of four for 2 1/2 weeks in Southern California as part of the wildfire response. It's there so. Happy to answer any questions.

Council Member Lee: OK, I do have a couple comments. So Chief, we had talked about possibly some things that folks can do to reduce the risk, some things that are top of mind for me are fireworks. I heard a lot of complaints online about fireworks around Christmas time, New Year's, even January 12th and most offensive. To me, was during the Super Bowl because I'm a Chiefs fan. But that's not why I bring this up. But there are a lot of very large fireworks that are going off randomly all the time for some reason and that's concerning to me 'cause I know the amount of work we put into preserving A Mountain and making sure that that mountain doesn't catch on fire during our fireworks displays.

So, between fireworks and making sure that we're responding to those calls, when people do call those in, I think is important. Also, warming fires. I know that we talked a little bit about the risk of those, and I don't know if they confirmed, the South. Some of the South Tucson fires being from warming fires. Can you talk about any tips that we have or things that we may be able to think about as homeowners and business owners?

Chief Ryan: Sure. With respect to the fireworks question, first there's state statute that controls the legal times of year that fireworks can be sold and the types of fireworks that are legally available by retail. You know the number one tip is don't use illegal fireworks, right? That seems like a pretty straightforward thing. Anything that rises up into the air more than three or four feet is illegal in the City of Tucson. And so, folks go across state lines and make purchases and bring stuff back. And then skyrocket and all that in that cascades. And as you know, even some of the larger mortars, I live on the West side, but even in and around my neighborhood, there's some pretty startling booms sometimes, so that, you know, they light off, they explode. And then they spread embers as far as the wind can carry them, right? So that creates a risk for not only wildfire, but a structural fire as well. We have seen that over the past on 4th of July. Thankfully not many, but it does happen.

So, so there, there's that piece of it. The other piece with respect to things people can do some real basic house. Keeping around your property is super important, right? It's super easy. We call it defensible space and creating a gap between your property and combustible vegetation. So, if you have a Mesquite tree that is, the branches are on your house, cut them back so they're not touching your house. Basically, try to put like a 5-foot barrier around your house and that

includes taking out weeds moving not just and it's not just plants, it's combustible things as well. Outside storage, things like that. And so just little tips like that can really help save some of the homes because one of the things I can tell you I was I was able to get a tour of the Altadena area in California after the fires and that a very built environment, I mean the homes are very closely spaced. They're one and two-story clapboard post World War II homes and the fire started in the wildland but burned into the built environment. And then the built environment became the fuel for the fire, right? So, it stopped being a wildland problem when the first house caught fire and then swept through almost the entire small city of Altadena.

Council Member Lee: Yeah. No, thank you for touching on that. I guess for me, the, I have four kind of things, action items, I don't think we need to do this in the motion, but then I want to get these out and hear what my colleagues have to say, but I would definitely like to, you know, understanding the staffing challenges with TPD. But make sure that when people are calling in. Calling 911 for fireworks that if we have the capacity to respond that we do respond because I think that's very important. I understand, don't do illegal fireworks, but that hasn't been much of a deterrent so far, so I think enforcement on that is going to be really important and I just want to put that out there that that we need to be enforcing that.

Warming fires. I know to the city attorney you are working on a suite of things that we need to consider for the Arizona level Proposition 312 risk management around the city. So, can you talk a little bit about when we can expect to see some stuff that might include warming fire risks.

City Attorney Mike Rankin: Mayor, Council Woman Lee, we're on course to bring that back to the first meeting in March based on the prior direction of the Mayor and Council to clean up and tighten up some of our codes, to put ourselves in a better position in light of the voter approval of Proposition 312. It will include activity within the washes, which would be defined to include warming fires or the setup or equipment for having fires.

Council Member Lee: OK. So, we'll talk about that and then this is just another idea that I had around brush and bulky pickup. I know we have that going on throughout the city all the time, but if there's a way to help educate the public on just what you said, Chief, on how to trim back vegetation right before we come out and pick up their brush, I think would be a really good thing that maybe ES could help us communicate and educate the public on. Since we're going to be around anyway and then on the state level policy, things that I think we need to see during the wildfires in LA insurance companies were dropping people's coverage while they were evacuating. And I don't know, I would love to see if Andres is aware of anything moving through the legislature around the consumer protect aspect of this right now, but people are paying their premiums every month and expecting to have that help when they need and it's astonishing to me that they're able to drop people's coverage whenever they feel like it.

So, I would really be interested to see if there's anything moving through the legislature now, and if not, make sure that we note that for next year's legislative agenda because again, we didn't move to a wildfire area, the wildfire area moved to us and a lot of people across the state in this region are going to be dealing with the same thing. And then my neighborhood doesn't know this yet, but they will. Now I am volunteering us to go through the Fire Wise USA certification

program. It's just something that neighborhoods can do to educate themselves and work together as a micro community to reduce the risk of wildfires.

So my neighborhood will be hearing a lot about that in the future, so that's something I'm taking on to experiment and learn with that process is to go through so that I can share with more word for neighborhoods and with everyone along the way. So those are all my comments, but I want to throw it back over to you, Mayor.

Mayor Romero: No, those are good action items to, you know, just do. I think we need a motion first Chief Ryan. I really am incredibly thankful for our Tucson Firefighters Paul Maxwell, Justin Keith, Tom Roth and Tyler Blankenship on Tucson Brush 22, who went to California last month to help the Los Angeles crisis. Incredibly proud of our team and happy that we were able as a city to participate in helping our neighbors in California. It was devastating and you know, for insurance companies to be dropping people when they were going through such horrible circumstances is reprehensible. So, you know, last year and this is this is an issue that is concerning climate change, right? And we are seeing much more droughts. We are seeing much more wildfires and it's a cause of concern.

This last year, in 2024, I led the effort to recruit mayors across our country to sign on to a letter to FEMA, to categorize wildfires. And extreme heat as natural disasters and the reasons we wanted and still want FEMA to recognize wildfires as natural disasters is because we can have the federal government help cities and counties that have to go through these wildfires, as you said, Chief, urban wildfires are a newer thing, and just as I am appreciative of Council bringing this item to the table, I am appreciative of our fire department to be ready and hopefully we can continue the conversation with FEMA if it's not completely dismantled by this administration, so Fire service investments are really, really important and it is astounding. 85% of your calls are now medical calls, so you're the first responders. The first line of medical service in our community which is important for people to understand that that load that you're carrying and the more medical service we provide, the more expensive it is because of the need in our community. So, thank you, Councilman Lee. Any other questions or comments? Council Member Dahl

Council member Dahl: Thank you, Mayor, and thanks for the presentations and thanks to my colleague, Council Member Lee, for bringing this up. Fireworks drive me crazy. I have a dog and so every 4th of July, New Year's Eve, I have to comfort my dog. Babies are woken up. People who have experienced trauma during warfare, our Veterans are disturbed by it and most people are drunk when they're doing it. In my neighborhood, we have to do something to stop fireworks and I would like to see us no longer do fireworks as a city, on A Mountain.

There are alternatives. There's beautiful laser displays timed with music. There are drones. So that's what I'm pushing. Let's get rid of fireworks and let's get the state to let, they don't serve any purpose, except make noise and some pretty colors and we can do pretty colors other ways. City of Tucson is not only having nexus to fires with the water department and the fire department, though you both do. And I should mention our land holdings in Avra Valley. We need to look at potential wildfires there. In the past, we've had gotten buffel grass and invasive species that's highly flammable under control, and I've heard reports that comes and goes are built. We need to

make sure that we're waffle grass free on lands that we control. And I'm glad to see director Sam Credio in the audience, because the other nexus of lands is buffalo grass and other invasive inflammable grass, weeds like stink net. Isn't that a great name?

I was coming to Tucson it's taken over parts of Maricopa County, and we need to get a handle on it. Our best information on this comes from Dr. Kim Franklin at the Arizona Sonora Desert Museum who has been at the focal point of buffel grass eradication for years, and she's depressed. She is calling for a conference this year of Invasive Species and wildfire experts. I think it's going to be in Prescott. to talk about what is our strategy. We can't do a piece meal. They're gonna be sacrifice areas. Is it gonna be the east part of Saguaro National Park? Can we save the West part? Are the foothills where's our defensible space? In the foothills, it's not our fire departments, but we can be helpful. We need to get a handle on invasive species and so I'm looking to our staff for creative ways to help in partnership with the volunteers that are taking it on, by the way. Someone from my Rotary Club, it is Arizona Sonoran Desert, Buffel grass. Pull over the weekend and she came back complaining. Darn hard work. Of course, she's an elderly woman. I think it would be excellent exercise for our valiant firefighters to spend some time pulling Buffalo grass, which I'm sure is within 1/4 mile of every fire station. Just a thought, chief. Thank you, Mayor.

Mayor Romero: Council Member Uhlich

Council Member Uhlich: Thank you and thank you, Chief Ryan and director for your presentation. I recall the annual report from the fire department and immediately disseminating that to the Community. It had so much really good information and data. And so, as we move forward and try and prioritize resources and strategies, clearly, we want to reduce the sparking events right through fireworks, warming fires, etc., and sources of fuel and risk associated. So, any data points that you have historically on what are the main sources of the sparks, right? What's starting? Most of what you're seeing and then what are the primary fuel sources and are there hotspot areas, you know that that we ought to be zeroing in on? Do you have that data or is that something as we move forward and again try and prioritize that? Would be available

Chief Ryan: Honorable Mayor, Members of Council, Council Member Uhlich. I'm sure we can compile that. I don't have it readily handy, but we have a very lean but aggressive data team as well, and that's the kind of stuff we can pull from our reporting to get to you.

Council Member Uhlich: Great. I also wanted to just highlight and appreciate you and your team for your work in the 911 center in collaboration with TPD and all of our emergency responder departments. One thing that really impressed me was the ability of dispatchers when it's appropriate, receiving medical calls to link callers to TeleMed or other resources quickly so that people's needs are being met and perhaps at sometimes reducing the load on your team to actually dispatch and respond. And so, there's just so much incredible, good work happening. And I think its part of that coordination, that the Fire Department, Police Department and our Community Health and Wellness and crisis partners are doing. And I just wanted to highlight that it's so smart and its leveraging resources that are available that serve the community and acknowledge the heavy call load you have for medical. So, I wanted to acknowledge that as well. Thank you.

Mayor Romero: Any others? Thank you so much, Council Woman Lee, for bringing this item to our attention. Thank you, Chief. Thank you, John for your presentations. Really appreciate it. We're going to move back to Item 5.

5. Continued Discussion and Direction on the Regional Transportation Authority of Pima County (RTA) (City Wide) SS/FEB19-25-30

Introductory comments were made by Mayor Romero.

Information and update were provided by Sam Credio, Department of Transportation and Mobility Director, who fielded and answered questions on the next RTA Board meeting, outstanding projects from the 2006 RTA Plan, process and selection of chair and officers of the RTA.

Discussion ensued; no formal action was taken.

Mayor Romero: Time has been set aside for mayor and council on continued discussion and direction on the Regional Transportation Authority of Pima County. Mr. manager.

City Manager Timothy M. Thomure: Thank you, Honorable Mayor and Members of the Council. Approaching the table is our Director of Transportation Mobility, Sam Credio. And just one thing on the last item, an update from Andres, Smokey the Bear took a federal buyout. So, I'm not sure he's going to be there for us, but on that note, I'll hand it to you, Sam.

Director of Transportation and Mobility Sam Credio: Round of applause for my opener. I'm just kidding. Thank you, Mr. Manager. That's right. Well, good afternoon, Madam Mayor, Members of the Council. It's been a while since I've been at the table talking about RTA and what I'd like to do today, first off is let you all know that there is an RTA Board meeting scheduled for March 3rd that is upcoming, we currently don't have the material for that because it's typically publicized a week before. But what I'd like to do is provide you all with an update. on the conversations that have occurred at the RTA Board back on September 25th, 2024, when the Board last met. I also want to provide a quick update on the ongoing outreach for RTA Next. And then obviously I'll be available to answer any questions. It is also, an opportunity to share any of your concerns with the Mayor as our representative on the RTA Board.

So back on September 25th, there was a lot that was on that agenda. I won't go over all of it. I think the most critical item that was discussed during that Board meeting was the cost to complete exercise that was completed by RTA staff. That cost a complete exercise found that there is needed \$880 million to complete the RTA Plan that was approved in 2006. There're currently only programs \$695 million in the five-year tip. And so that leaves a shortfall of roughly \$195 million. It's important to note that two key projects are not fully funded in that five-year tip. That is Grant Road 5 and 6 and 1st Ave. River to Grant. Both of those projects are City of Tucson projects. We are actively working on both of those projects. There are 21

remaining projects in the RTA Plan. Four of those have already been deferred to RTA Next. That leaves 17 remaining total projects for the region to complete, and 12 of those are City of Tucson projects. It is expected that the cost of complete conversation will continue at the next RTA Board meeting. We do expect to see additional information from the RTA staff at that time.

The other major item that was discussed during that Board meeting was RTA Next and that outreach which has moved forward. In fact, at that Board meeting, the RTA Board did come to an agreement on what a draft plan could look like and the next step was to take that plan out to the public. There were fourteen in person open houses held between November 6, 2024 and January 7, 2025. There was also one virtual event. Several of our staff attended those meetings. They were held all throughout the Pima County region. There was also an RTA Next draft plan public survey that was made available. That survey did close on January 31, 2025. I don't have the final results of that survey. I do expect that will be another item that's discussed with the RTA Board at that time.

There is an RTA Next website that is available to the public that does show the draft plan and provides a little more context on how the RTA Board did arrive at that draft plan, and with that, that concludes my update and I'll be happy to answer any questions that you have. Thank you.

Mayor Romero: I, as the Mayor, represent the City of Tucson on the both Pima Association of Governments Board as well as the Regional Transportation Authority Board. We are going to see quite a change on the Board, both PAG and RTA. It's one board. It's two boards, but one board really because it's the same representatives for all of the jurisdictions. So, I want to personally welcome South Tucson Mayor Roxana Alex Valenzuela, who's going to be joining the Board, as well as Vice Chair Adelita Grijalva, who's going to be representing Pima County on the Board of Supervisors. Marana Mayor John Post and I believe Chairman Hernandez of the Pasqua Yaqui Tribe, those are all, all new members that I think there's going to have to be some onboarding both from PAG/RTA staff, but as well as at the meetings themselves. And I'm going to request that that happens updates. Not just picking up wherever we left off before because it's really a new board entirely so, Mr. Credio, I think it would be appropriate for us to request that the PAG/RTA staff to do some updates on, especially the RTA One projects that have not been funded.

And just a general description of all of the projects that are still left to build. And then I believe that there's going to be the possibility of a new Chair, vice chair, etc. Second, Vice Chair I believe is the process for both a PAG and the RTA and we need to find out what the process is for that. Does the board both on the PAG and the RTA board choose? I know that there's been a process before, but the process was determined by the executive director of the PAG/RTA. I think that needs to change. Other than that, my curiosity is how are we going to deliver the projects that we promised the voters in 2006? And that there seemed to be no answers for, before we move on to an RTA Next. First Ave is of great concern to me. That was not included in the TIP and I have no idea exactly why it was not included in the TIP. So, I think that, you know, the community deserves answers. Most of the projects that are not completed are inside the City of Tucson and that's a huge problem. So, I'll open it up for questions or comments, Council Member Dahl.

Council Member Dahl: Thank you, Mayor. I look forward to a change. I've said all along that this process has been mismanaged. I think we need to get a handle on. We're dropping projects here and there because there hasn't been good accounting. There hasn't been a lot of transparency. Neighbors along Grant Rd. have been asking us for months, what's the update? What's the update on these? And I live a block away from one of these segments. 40 years ago, they started talking to us about it's going to be expanded. And I remember a neighbor said, well, maybe when my son, who's two years old, is 30 we'll get him and he's 30 and we don't have any action there at all. It's created an hourglass shape. It can't. It can't stay. So, I'm, I appreciate your strong leadership, I appreciate that we're getting new leaders into the mix and it doesn't bode well for us being able to say, hey, let's do it again because so many mistakes have been made. Thank you.

Mayor Romero: Thank you, Council Member, Council Member Uhlich.

Council Member Uhlich: Yeah. I just want to echo Council Member Dahl's comments and actually noted in my newsletter this week that. But there's also confusion in the voter public in Tucson about Proposition 414 and the RTA Next. And so, what I try to do is just clarify through the facts that there are accountability issues with the RTA. It is governed by a regional board and it is currently a tax that sunsets next year. And it sounds like there will be unfinished projects. And quite frankly, one of the biggest concerns is for me that voters recognize there's been issues with the RTA and are potentially might conflate that with the city's management of our own historic bonds and sales tax questions, including 414. And so, I appreciate, Mr. Manager, that you laid out our accountability measures in 414, as well as our track record. The City of Tucson's track record in fulfilling promises that we put in front of the public. It is very soundtrack record, so I just wanted to really highlight that so that voters understand the difference between delivery under RTA and our track record of delivery under city initiatives.

Mayor Romero: Council Member Cunningham.

Council Member Cunningham: Couple things for 407 and 101. I think we've delivered every single project we've had. In 411 we'll do the same thing, but we've got some time. We have till 2032, we may not, but I'm pretty confident we will. It's 100% adding average., if you will. From what I understand, it's six projects for sure are out and it could be as many as 8. That means that they have 25% projects that they didn't deliver. And we wanna talk about accountability. So, I think we need to do that based on factual data. So, one group is batting 100% and one group is batting about 75%. So, that discussion has to be had. And that's where it stands right now. Those are the differences.

I think right now it's very, very the word I think of is hypocritical, to ask questions about one initiative and when we're not looking at the actual track records past initiatives. So that's all. I mean, I'm not trying to pinpoint anything about what's on the ballot now. What I'm talking about is, is if the RTA is not going to deliver at least 17% of their projects and probably 25 and compared to other initiatives that we've run, we delivered on all of our projects so far. That's how I understand it now. If I need to be fact checked, I'm happy to. I want to make sure all the information I'm giving is accurate. That's how I understand the information is I know it.

Mayor Romero: Alrighty, so I think that there's simple direction in terms of requesting projects not completed. Project updates at our next meeting. And then to have a discussion on the chairmanship of both PAG and RTA. Any additional comments or concerns that Mr. Manager you might have?

City Manager Thomure: Thank you, Mayor and Members of the Council. Just want to reiterate what your colleagues here at the table have pointed out as a track record of Tucson delivering and what I want to point out is since Mr. Credio here at the table most recently passed Prop 411 which is the do everything right. 100% of the neighborhood streets in a 10-year period, either complete or under construction right now is 20. We're in the 25% in about 2 1/2 years. So, we are moving at a pace that is on track. It is on budget and we're delivering every promise we made under prop 411, 407, 101 and we completed 409 a number of years ago. Thank you, Mayor.

Mayor Romero: All righty. Thank you so much. What I'm going to do is I'm going to take a 5-minute break so that we can start on Item 7. I believe. So, let's take a 5-minute break and we'll be back in 5 minutes to start on the strategic initiatives related to homelessness Yes, opioid public crisis and GAP analysis.

RECESS: 3:01 p.m.

RECONVENED: 3:13 p.m.

MAYOR & COUNCIL: All present, except Mayor Romero

STAFF: All present

7. Update on Strategic Initiatives Related to Unsheltered Homelessness, Opioid Public Health Crisis, and Gaps Analysis of Community Resources and Systems (City Wide) SS/FEB19-25-31

Introductory comments were provided by Liz Morales, Assistant City Manager, on the Gaps Analysis – Encampment Protocol, Shelter and Services.

Information and presentation were provided by Brandi Champion, Community Safety Program Director and Chad Kasmar, Tucson Police Department Chief, who fielded and answered questions on Gaps Analysis – Behavioral Health and Substance Use Treatment, Safety and Justice Strategies, Improve coordination among agencies for available services and resources and next steps.

It was moved by Council Member Uhlich, duly seconded, and carried by a voice vote of 7 to 0, to create a Task Force made up of people that actually are on the ground doing the work, but have decision making ability for departments they are representing, and include the Vice Mayor to work on the identified gaps with the City, County and Community stakeholders.

Mayor Romero: Thank you all so much for allowing us that 5-minute break. I think we needed it. We had been going on for some time. We are starting back up with item 7. Time has been set

aside for Mayor and Council to receive an update on the strategic initiatives related to homelessness, opioid public health crisis and gaps, analysis of community resources and systems.

I just wanted to start by saying that I wanted to thank Assistant City Manager Morales for bringing us this information today. We have been realizing as a community that fentanyl and opioid misuse continues to be significant issues, not just in Tucson. It is happening throughout our country. And we started taking action on unsheltered homeless issues. Since was it 2022, 2022 is when we said when I said I want monthly updates on this because of the issue it has become. And specifically, on opioid and fentanyl use this Mayor and Council declared fentanyl and opioid misuse, a public health emergency. In October of 2023, we also requested a GAPS analysis to make sure it's our justice system. is so big and complex, and our policies on unsheltered homelessness and what happens from when the City either arrests or we attack the issue, with attending to encampments and what happens from there.

It is such a complex process and I've been saying for years unsheltered homelessness is not the sole responsibility of cities across America. We need every level of government to participate and when an unsheltered resident is detained the whole justice system gets involved and so the past two years, I and the city manager have been meeting with the county administrator and at that time Chair Grijalva we would bring in two different meetings, the county attorney, the city attorney. We would bring in our Chief Kasmar and others into the table to talk about how to resolve some of these issues together. And that's one of the reasons why we requested a GAPS analysis to see what is broken and who else do we need to bring to the table.

So, with that, thank you, Liz and your team and Brandi and your team and all of the people that were consulted to put together this GAPS analysis together. I think it is the beginning of a strategic plan. I would still love to be able to see an action plan like these, identify the gaps, and then, this is an action plan to be able to tackle such complex issues. So, with that I'm just gonna open it up to Mr. Manager or Assistant City Manager Liz Morales.

Assistant City Manager Elizabeth Morales: Honorable Mayor, Members of City Council and Manager Thomure. I want to thank you for this opportunity and I you know this, as you mentioned this time is normally set aside to provide updates on our unsheltered efforts, on how we're working on the opioid public health crisis. But today, we're actually going to do an overview of the GAPS analysis you requested this September 25th and direction was given to analyze the gaps in the systems and services and the barriers faced not just by the individuals and families experiencing homelessness, substance use issues, but really the staff and how they help the individuals through the system.

Presenting with me as you, as you already know, is Community Safety Program Director Brandi Champion and Tucson Police Chief Kasmar. After the September 25th meeting, the city staff convened a large workshop with various staff from both the city departments from the Pima County and the various staff that they have and also various agencies that do a range of services, whether it be substance use, treat behavior health services, and agencies and really our outreach teams, our navigators, our Community Safety Care Coordinators. One of the things we did Mayor, that you reminded me in your talk is that we literally said, here's a scenario, this

individual has, is in an encampment and has these issues. Walk through the system. Here's an individual that was arrested and has these issues, let's walk through that, and that process. And so, we literally had four groups walk through the different scenarios and identified some of the gaps and where the challenges were.

In your materials you have the GAPS Analysis Report. A 17-page report which captures the outcomes of this workshops and additional meetings. This report is not meant to be all inclusive of all the gaps and needs in our community. It does capture those issues that have the most impact on serving the community. The staff that are delivering the services and it identifies the challenges we believe can really be addressed or resolved, whether it's through coordination or innovative approaches. The report identifies the issue, who we believe are the strategic partners and potential recommendations. We do not want to limit ourselves to these recommendations, as there may be better options as we dig deeper.

Some just want to share some themes that came out of this and also the three GAP areas. We categorized them into three areas which are the encampment shelter and services for unsheltered, #2 is the behavioral health and substance use treatment, and the third is around safety and justice services and strategies. And so Chief Kasmar will talk about the 3rd, and Brandi will touch on the 1st The themes I think is important just to highlight that we as what we learned going through this is there's insufficient low barrier shelter beds and long term housing options when an individual or family indicate they want to get out of their state of homelessness. Second, stronger collaboration among the various partners, including community providers, our local and state government agencies are needed to improve response efforts and to get people the help they need immediately. 3rd is access to treatment, whether it be for mental health, substance use, it's not well understood. Broadly, it's not easy to navigate, and it may not be available at the level of the individual need.

And we know there are many opportunities to improve our relationships, policies and strategies between our law enforcement and the city and county legal system to ensure we are addressing crime in the Community. We can also better understand how to navigate the challenges that this brings when the offender is either unsheltered or has a behavioral health or substance use disorders. As we discussed these things and, in our workshop, there was thoughtful consideration of how these gaps also have an impact on the community. The rise in unsheltered and the substance misuse driven by the national fentanyl public health crisis has had significant impacts on both individuals experiencing these challenges and the broader Tucson community. Our first responders and outreach teams have heard the safety concerns faced by housed residents and businesses, and addressing these issues require a coordinated approach that balances enforcement outreach, connection to shelter and support services to improve the conditions for both the unsheltered and the community at large. So, I will now turn it over to Brandi to share those what we found in the three GAP areas.

Community Safety Program Director Brandi Champion: Honorable Mayor and Members of the Council, thank you for having me. As you know, the work of housing first over the last three years has made substantial progress in bringing outreach and shelter to our unsheltered residents in the community. The effort to engage and offer services is ongoing, ensuring that we have available shelter and housing and services. As we go out and talk to folks in the community that

are unsheltered, the gaps that were identified are a result of doing this work with over 4000 plus people since October of 2021.

So, we have some really good information on what's missing. Personal property and storage, or lack of designated storage options, creates a barrier for individuals that are wanting to enter shelter. Their personal belongings sometimes are abandoned or lost. And this causes distrust and reluctance to accept shelter. We have a need for secure, accessible storage solutions to improve shelter participation from these people that we're trying to get off the streets. Emergency shelter congestion due to lack of affordable housing or housing availability prolongs shelter stays and it reduces turnover, quite frankly, and high demand is leading to overcrowding, straining staff. And our resources. Increased need for case management and housing navigation to expedite exits is another gap that we see quite often. But as directed by mayor and Council to open low barrier shelter, I'm happy to report that Amphi housing resource Amphi Housing Resource Center will be open March 1st. We'll serve 70 beds there and a congregate shelter setting operated by Old Pueblo Community Services. This will help beds. This will help bed availability. It'll add beds and it'll be a good option for those that are seeking low barrier shelter as well.

Some more things that we notice in the scopes analysis is data inaccuracies that create challenges in real time, bed availability tracking, right? So, we don't always know what people have other shelter providers have in the community just because of data and accuracies, right? Limited options for night, weekend and holiday drop offs leave people unhelpful. Sometimes we have maybe five beds here, 2 beds there for law enforcement. We really need more to get people off the streets, need for improved coordination and real time data sharing among shelter providers is really critical. That's a really big gap that we face coordinated outreach that is a multi-agency approach. We need to have everybody working with us. One example of this is 100-acre initiative that we're doing that demonstrates the impact. Of multi-agency approaches, weekly coordination efforts with partners like Primavera OPCS, CBI, Pima County Health Department and other improve engagement and resource delivery to people that are experiencing multiple trash pickups by our Environmental Services Department. Help keep the area clean and helps the encampment. The people that are in encampments have some buy in on their own area, right?

Expanding this model citywide can enhance outreach effectiveness and shelter placements, right? Shelter provider leadership inclusion we really, really need that, right? We have to have leadership at the table that have these shelter operations direct input from those provider providers can improve communication and operational alignment. Regular meetings with shelter leaders can enhance efficiency in bed utilization. End crisis response.

On to our next slide. I'm going to talk a little bit about behavioral health. Our gaps analysis highlighted that main gaps in behavioral healthcare and substance use treatment are related to multi sector coordination. Again, right, having everybody at the table, right, the availability of timely services, the six main gaps that are listed on the slide for you to see. They're all important and they impact one another. As an individual goes through this flow of services, right? We'll continue to work with our public and private sector strategic partners with specific focus on behavioral health providers and regional behavioral health authority to better integrate service delivery and decrease wait times for people to get connected to care. We have already begun

some of these quick response coordination efforts and I look forward to providing you more information during our 90 day follow up with all of you.

As we work towards recommendations for solutions, we are considering the best role for the opioid settlement funds to cover one-time investments and other gaps that can't be billed by insurance or other grant resources. For example, this week the committee heard about the model of sobering alternative FAC. Recovery or safer centers, right? Which funding is which? This funding is also included in our prop. 414 safe and vibrant cities. Bringing the opioid settlement and Prop 414 funding together could result in addressing a needed service that's not currently provided in our community. The committee is currently meeting every two weeks. The Opioid Settlement Committee is currently meeting every two weeks and finalizing the areas of investment that will be contracted to service providers with request for proposal aimed to be published by April. And that concludes my update and I will pass it to Chief Kasmar.

Tucson Police Chief Chad Kasmar: Thank you, Brandi. You're doing so good. If you wanna just knock mine out too. Mayor, Members of the Council, thank you for the opportunity to present again on some of the complexities. Mayor, I want to thank you for using the word broken because I know you and I've had a lot of conversations and you get that feedback when you're out in the community of is that you know, this perception that a system is broken and well, I think we all know at the table who have been having this conversation and your conversations with our constituents is that this the real issue is that our systems have never faced a public health crisis like fentanyl, and I've certainly not seen that in my 25 years of public safety service.

So, as we figure out how to enhance agency coordination and I'll build upon the comments from Assistant City Manager Morales and my colleague Brandi. And that when we start looking at a narcotics arrest, you've heard me speaking for almost two years now. On what does a data tell us and what it tells us on top of last year of again record numbers? Of arrest and contacts of your police officers trying to be responsive to constituent complaints about trespassing, aggressive panhandling, criminal damage, shoplifting that those types of crimes that those contacts continue to rise in 2025, we're at 473 narcotics related arrest. Year to date that's up 12% and that's up 30 a staggering 35% / a five-year average. Frankly, less deployable police officers over A5 year period, they're doing a tremendous amount of work. And that reflects the complexities of the hold that this drug puts on folks that are living within, within crisis in our community. The other number I want to talk about is deflections. That number is down and it's at 66 deflections. Just this morning I was having a conversation with one of our senior patrol officers who's out there trying to be responsive to calls for service. Received a 911 call for convenience store today of two known trespassers, some folks that were living in an unsheltered status who were known folks struggling with substance misuse disorders, and the one individual that the officer spoke with declined services, declined service even after multiple minutes of investment of the officer saying, hey, there's services available. Where does this end?

You know, I have numerous contacts that are recorded on body worn camera footage where we can show again the grip that fentanyl and Poly drug use with fentanyl, methamphetamine create on folks is it makes it really difficult to get them into treatment. So just like Brandi stated, some of the systems improvements that we've asked for a Prop 414 safe environment, cities are extended mat treatment. So again, that's folks that can go out start to receive some of those

services, meet people where they're at, put the right work in the right hands and maybe get them transitioned over to one of our housing first initiatives, staffing levels in in both we have to be. Aware of when we're evaluating systems investments and potential for improvement. Again, not, not necessarily. Finger pointing or saying that systems are broken, but enhancing systems through investment, both through Pima County leadership and city Tucson leadership, as well as our nonprofits. That result in an appropriate staff levels that can handle the amount of work that we're putting forward just year to date, we have 620 cases that we've put forward of arrest cases to this to our city prosecutors and public defender's office in an add.

Over 1600 felony cases to the Pima County Attorney now, and just understanding that we are just one client now while we're the largest client of probably both jail and Pima County Attorney Services. That's a tremendous amount of work totaling over 2400 arrests. Just through February 10th. And where did that work come from? That was generated from 15,000 calls for service from our 911 system, but also an additional 13,000 on site activities that the officers are generating, again trying to be responsive to some of the concerns and the challenges that folks living in our community are facing.

Want to touch on pre indictment narcotics arrest? We've talked and discussed, and we should continue to discuss. Pre diversion arrest programs, conviction programs. Like steps, supportive treatment and engagement program. I think there's a ton of value in this program, but I think we also have to recognize any program that was built and structured and funded before fentanyl started to impact. This community is absolutely the data will show that it's under serve, it's underserving and it's not because. We don't have dedicated individuals at both again at the City of Tucson, Pima County and nonprofits that are trying to do the work. They're just overwhelmed with the amount. Of work and so again. You know, again a believer in the program. It's intended to divert nonviolent individuals who are struggling with substance misuse and mental health disorders away from criminal justice system by promptly supplying targeted resource and treatment, which is a common theme that you've been hearing from your city, directors from city leadership, just like investments in the Transition Center that are that are yielding really good results.

I want to give the county some credit. You've heard me talk about some of the challenges when we do have folks that the right work in the right hands is actually taking somebody to jail. And making that arrest and a book. Full custodial booking is we've had some historical challenges with the booking process through navcare resources. The county responded to not only our own feedback as as the largest again consumer of their services, but they've made they're in the process of making over a \$5,000,000 investment to enhance the experience in that hand off and making sure that we have. The appropriate medical, mental health and Mat related treatment services is within the jail. The solution is not rejecting somebody back to a 22 something year old officer who's got nine months of training and is certainly not a mental health or medical professional. And that's creates a lot of high risk for the city and the county is certainly understanding that.

Again, I would just like to frame that the number one rejection is actually for blood pressure followed by open wounds and infections and trailing and 3rd in the history. Average rejections is fentanyl, other narcotics. So kudos to the county for working with us and being responsive. Most

of the systems that we're talking about today have opportunity for improvement, including our own.

And so again, it's the analysis that your team of directors are doing to say, how did these systems work last year and what changes are we going to make as Brandy covered with personal storage that can be a real inhibitor and a challenge for an officer or squad. Who's only deployed four or five officers for an entire. The entire city in a division. From let's say 9, you know from about two in the morning till about 6:00 in the morning. And so, we were giving a firm March 1st goal from our Boss, Miss Morales, which we are not going to make, but we're going to be close again this is. A metropolitan and when I use that word, I mean Pima County and City of Tucson leadership opportunity to make systems investments that give all of our field resources, all of our departments, the resources that they need. So, they have simple solutions when they're trying to be. To some of the direction that we're all giving them.

And so, I think we're close and I'm confident in the next, let's say, 60 days that we're going to come back and tell you that we have an actual plan that's been put in place. Data sharing can't say. Enough about if we're going to evaluate systems and we're all doing that on a regular basis, that we've got to have access to data and I'll continue to normalize the term data lake, the county's being a great partner in that. I'll give kudos to one of our first partners was Laura Conover, the Pima County Attorney's Office jumping in.

So we could share data, better understand how many cases are being issued, what does that process look like between our two organizations that has scaled, Citicorp is trailing behind and once they get in tandem, their justice next to system upgrade, which is an infrastructure for the report. Writing. They'll be sharing data as well. And just last week, we met with. Presiding Pima County Superior Court Judge Liwski to for her to learn more so she can go back to her constituents. Her peer group of judges, because it's going to take. All of these systems being interconnected, so from the time that we get a complaint to respond with an arrest. Or a referral or a deflection, or if it goes into the justice system, then what's the course of action through adjudication?

So we better understand and has somebody been through the program once, twice, 10 times. And so that there can be a continuum of accountability that matches our continuum of care. TFD is also participating the Pima County Sheriff's Department. In conversations with us and we're working through the logistics between some of the our technical systems that we have and of course our public safety communications department is in the work in the works as well as well, high rates of failure to appear again as we dissect the. Data what we already know is that we have about a 50% failure rate. This again, this is being responsive into some of the information in the ask within safe and vibrant city. And I'll just remind our community that part of that is as a design of a mobile court functionality and expansions of alternative to jail.

So, we that we can use technology where we don't have to do a full custodial arrest to enhance systems and do area restrictions, again being responsive to the constituents that we're serving. So, slide 7, improving coordination among agencies. Available resources we've covered most of the points in the previous slide, but what I want to really say here is we talk a lot about data. And there's some professional staff team members that we have to really talk about. It's one thing to

have data to dissect. But then you have to have a competent team of analyst to actually do the work and digest that, and then and then produce that for city leadership to and county leadership. And frankly the region to better understand how to use it. And so, we certain. I've been working hard with our human resources team through a variety of different city departments to make sure that we have the train and skilled team members who can digest significant amounts of information and then guide us one of those. One of one of those systems in action is through our analysis. Team members that actually while we're sitting here, we are having a crime reduction meeting which is a data-driven meeting at the Tucson Police Department, which we compare 28 day snapshots and a three and a five year average to to better understand what crime trends look like and make sure that your division, captains and resources can be responsive to the crime trends that we're seeing. Expanding connection to available services related to transportation, behavioral, health and substance use treatment.

What I would say is I'll kind of connect this bullet into property. Again, we can negatively impact the trust of folks who are living in a in a in a compromised state, both the mental health and physical health. And so, it's important that while we may just drive by somebody and just see belongings in a shopping cart, that's might be everything that they own. There could be certain documents in there and it's important. In in the community service officers will absolutely play a role for us in that they'll be able to help their Commission partners out in the field with the Ford Mavericks that you helped us acquire. So, all these systems are starting to come together, so we'll have a more meaningful operations out in the field. I will just touch that, TFD leadership and Lee Hopkins, who's also available here for questions as well.

Hopefully we're covering all the material, but that your team are working to really enhance non-fatal overdoses to where how do we immediately get you know we we've had that model within core. We certainly recognize that shouldn't be our primary responsibility. So, shifting some of that work but in a through a collaborative effort of saying. How do you know when somebody does have an overdose? And I think we had over 160 Narcan deployments last year and saved lives. And that's just one department and I'm sure fire had far more than that. And I know we provided Narcan and other resources out from a variety of city departments. But how do we have that touchpoint in that contact?

So, we make sure at that moment where somebody may be at rock bottom, how do we enhance and invest resources that get them to a different place in their life. Finally, I'll close with investing and collecting data sharing on deflection and diversion, and with it with the lens of really how do we continue to improve safety and justice in our area? That's going to absolutely require court data sharing. We can't get there if we don't sit here today and I can't tell you with confidence on the majority of the cases that we had last year what happened to those cases and I really need to be able to do that.

So I'm confident that this year we're going to make. Big strides in that I want to also talk about the transition center data. That's super meaningful when we can reduce recidivism, it certainly impacts amount of resources in all of our departments that we need to be responsive to community concerns. And last but not least, I think it's at the March 4th we'll be back in front of mayor and Council and. I believe Mr. Rankin will be leading a conversation about ordinances that we need to enhance or remove. And certainly things like the meeting ordinance become a A.

Potentially legal and lawful. Viable tool with change language that that will allow your officers to be more responsive to some of the challenges that we're facing. So, thank you all for opportunity to speak.

Mayor Romero: Thank you so much for the presentation, Assistant City Manager Morales Brandi and Chief. I just want to reiterate how much we have been doing because we always think, Oh my God, we have so many gaps and we've got to do more. I want to acknowledge the work that this mayor and Council have been doing and our team. Which includes TPD, what we have been doing to. Take a hold of and be able to make a safer community for both our unsheltered residents as well as our sheltered residents, and so. You know the encampment protocol on the side of the city, the creation of our housing first program, the creation of our Community safety, health and Wellness program. The Low barrier shelter locations that we have been working on. On fast and furiously to be able to provide more locations for low barrier shelter.

It has been, you know, the collaboration between Tucson police and those programs to put the right work in the right hands is incredible. Pima County have traditionally had programs that also direct investments. For example, the Sullivan Jackson Employment Center that has been happening since 1989 as a matter of fact, my husband's when he graduated from the University of Arizona, that was his first professional job in working at the at that time, Jackson Employment Center and he worked under Paul Sullivan, and so our family has a long history of public service.

But you know, Pima County recently created the Emergency Eviction Legal Services to help prevent eviction and unintended homelessness. There's so much that we have been doing and I think we're at the cusp of really aligning ourselves both Pima County, the City of Tucson and other nonprofit partners to be able to create a system that works together and works for the community. And so. So that's what I meant by there's still, there's still gaps. There are still broken systems out there, but we have been doing incredible work together and that's exactly what we need to do to make sure that we accomplish those next steps at the beginning of the conversation. I know I talked about an action plan I usually like to have written action plans, even though I feel that action plans. Are flexible that we need to adjust.

Our systems as we go and as we learn. I believe that. We should take action now. To make sure that those next steps. Stay on track. And so, just as we've been doing with our city manager and your mayor and. The county administrator and the chair of the Board of Supervisors. And then we we brought in different agencies to the table. I really believe that we need to put together a task force. That, you know, the mayor, the chair of the Board of Supervisors, the city manager, the city, the county administrator, county attorney, chief of police, Sheriff Nanos. All of us come together to initially kick off this task force, but then, just as we did with the prosperity initiative that we kind of said, here we are. This is an important issue. The task force should be made-up of people that actually are on the ground doing the work, but that have decision making ability for the departments that they're representing.

So, I would love to be able to do that. Maybe bring the vice mayor with us. Any other people that we can bring in to create a task force that will just move? On building bridges to cover those gaps to make a system that works for all of us. So I don't know if we need a motion, but I would

like to consider that we have a motion to create a task force to be able to include the mayor and possibly vice mayor. City manager. County Administrator chair of the Board of Supervisors, Sheriff, Chief of Police, County Attorney, City attorney and those. So, I'd like a motion to proceed with that action and then bring back an action plan defining the steps of what we need to do next.

Council Member Uhlich: I'm happy to offer that as in the form of a motion and would like to integrate the involvement. One of the vice mayor to assist in just recognizing the complexity and also I know we all have just a really deep stake in trying to assist and support this effort. So, I'm glad that you included the Vice Mayor's involvement and working with you, mayor, and I appreciate your leadership on this so. In offering that as a motion couple of quick things, I just wanted to offer. The vice mayor and I met.

Mayor Romero: I'm sorry Council Member, did I hear a second for the motion. There's a motion, a second, I believe Council Member Fimbres was also jumping in. So great. Now we can go into discussion to make sure that that there's some comments, questions, whatever. We'd like to go ahead. Council Member Uhlich

Council Member Uhlich: Thank you. So, the vice mayor and I met last week with County Attorney Laura Conover. Want to thank her for her time and her team's effort. And it really is clear that as the gaps analysis highlights at each level and each lever within law enforcement in the judicial system, there are elements that we might be able to move the needle on together. And I just want to call out that. You know, with opioid settlement funds, it's going to be really critical to strategically target those where this group believes this task force. Could recommend those would be most impactful in addressing these particular gaps. I did also want to call out Arizona Complete Health and our nonprofit partners in the treatment and recovery and housing community. I couldn't agree with you more that we really need them to help us shape approaches and coordinate approaches to expand resources. You know to have a public health emergency, so integrally intertwined with law enforcement is really challenging because to effectively address it, you can't arrest it away, nor should our officers be expected to, you know, to address what isn't is really a crisis. It's a massive number of concerns and incidents.

So, I just want to acknowledge the great efforts of TPD and your teams and I want them to hear that. We're with you. We're ready to look at this and strategically invest. And at the same time, because it is a public health emergency, actually I think that having Arizona complete health, the regional behavioral health authority. At in this working group is going to be critical. This task force and Liz shared with me before the meeting that Arizona complete health likely will offer the involvement of Dr. Mayday Levine-Mata. She is incredible and she's exactly the right person because of the people she works with on substance use, crisis services, etc. So, I have enormous respect for her. So, I'm really there are four bullets, right? And a key one is we got to coordinate online action. This is how we do it and I appreciate the motion. And look forward to really taking steps forward so we can invest and support our teams more effectively.

Mayor Romero: Vice Mayor oh, Council Member Fimbres

Council Member Fimbres: Our unsheltered people who are seeking assistance when no funding is available at the time of the request for help. What are we doing for that matter, Mayor?

Mayor Romero: Yeah, that's the absolute whole question that we're trying to tackle, Council Member Fimbres and I believe that we have created systems that are working, but there's still coordination and I think that the motion is very specific to coordination and Mr. Manager and Assistant City Manager, I think that I didn't define the task force more because I know that there. For example, there's already a task force that the city manager and the county administrator have put together for the opioid settlement funds, and I absolutely agree that within Proposition 414 we have \$5,000,000 available for the construction of a sobering alternative for recovery center and that. Something that Dr. Cullen has made abundantly clear that we need. How do we put it to work right? How do we start the process of creating that and who will manage and operate it? The city through prop. 414 would have capital investment in that. Facility. But we do not have either by Charter or the knowledge to be able to manage and operate something like this. It would be, then Arizona, Complete Health or others that have very specific experience with offering those services.

So those are the things that we have to kick the ball forward to make sure that they are happening. Because we're having good conversations, we're doing good work, but we need to create. The systems that will help. Help us with those huge gaps that we have so I hope I answered your question, Council Member. Vice Mayor.

Vice Mayor Santa Cruz: I just wanted to jump in and thank you for your remarks and the work that you've been doing. And I think we've been like at an impasse of like, who's responsible for which part and just seeing this as an opportunity to have a better coordination this. Was one of the items that I had brought up in my letter of interest for Vice Mayor. Here is to accelerate the work around. Interrupting the root causes of substance misuse, specifically around fentanyl, that we need a combined prevention intervention and harm reduction efforts, and that we need to strengthen our collaboration with our law enforcement, our court system, our county agencies, our state legislators. So, that we're all aligning and an effective response to the public health crisis that we're confronting. I again just want to bring to the forefront that. Fentanyl use isn't just something happening with our unsheltered population that the majority of our people who are actively in addiction have housing, have homes. There are relatives so that as we continue to have this conversation that we can kind of step back. And not just think of it as like the parts that we get to see on the streets. It's a lot. There's an entire iceberg underneath. You know that we we're not seeing. So, I look forward to continuing to support the mayor and this Council in coordinating with all of these partners.

Mayor Romero: Thank you, Vice Mayor.: We have to remember that this is like. A 3-legged stool, right? I mean it is the. It's a public health crisis and the three legged so as the public health because it's a crisis public health crisis. Public safety and the courts. And then, of course, the housing options. And one of the next steps that you indicated in the GAPS analysis. This is the agency coordination. That's exactly what we want to do. Now we don't have to wait. We can put it together now and start. Thinking together. Mr. Manager, Assistant City Manager. Chief, and Brandi. How do we, who do we need at the table to get to get to action? And so, I appreciate the report. I am missing our mark position, you know that Mari Vasquez was doing. I think that it is

important that we have a multi-agency resource coordinator that the county and the city are both investing in because this information needs to get to Pima County and the Board of Supervisors. There was recently a change in the chair of the Board of Supervisors. I don't want us to lose the momentum and the actions that we have been taken. Because there's a lack of information shared. With our new chair at the Board of Supervisors, I want to make sure that our new chair, Chair Scott, receives this information, gets an update as to what we have been working on, and if that there is a possible way, Mr. Manager that you can help arrange that. With the county administrator to make sure that all of this information, all of the work that we have been doing with the previous chair of the Board of Supervisors gets to the chair and the rest of the board. That would be incredible because we can't miss a beat. We have to make sure that we're all operating with the same information.

City Manager Thomure: Honorable Mayor, if I may, if assuming that we would be receiving a positive vote on this motion. We would take that as direction to convene the task force as you've outlined and create the action plan as you've outlined. And we would also take it as direction to not stop all the other things that we're doing that are in this space. And I just want to highlight a couple things for you. In today's presentation, you heard a few things that are coming to fruition with March 1st deadlines, Liz and I. Both, like March 1st deadlines we give them often, but those are only possible because in September you reallocated some ARPA dollars that became available to these very initiatives. You didn't wait for an action plan, you didn't wait for this GAS analysis.

You said go get Amphi housing up and running. Do the data lake and get data sharing going and some investments in DB DS fleet needs among many other things that you funded in that day, but that that's an example of how this Mayor and Council allocates. Available resources to the highest priority. To the community, as reflected in today's item and we're delivering on all those promises. So, we look forward to your direction on this item.

Mayor Romero: Thank you so much. So, with that, are there any other comments or questions? All those in favor of the motion, please indicate by saying aye.

All: Aye.

Mayor Romero: Any against, motion carries. Thank you, team. Really appreciate you. All right. So, we are moving on to item 8.

8. Update on and Direction Relating to State and National Legislation, Executive Orders and Administrative and Agency Orders; and Update on Federal, State and Regional Committees; and Update and Direction Relating to Any Associated Litigation (City-Wide and Outside City) SS/FEB19-25-24

Information and presentation were provided by Andres Cano, Intergovernmental Relations Director who fielded and answered questions.

Discussion ensued.

It was moved by Council Member Fimbres, duly seconded, and CARRIED by a voice vote of 7 to 0, to support HB2209, HB1357, HB2660, HB2106, HB2842, HB2843 and SB 1308, oppose SB1523, SB1288, and SB1313 and take a neutral stand on HB 2191.

Mayor Romero: Item 8 - time has been set aside for the Mayor and Council to receive an update on state and national legislation and regional committees, executive orders and direction to any associated litigation. I just wanted to start the item and then we'll make sure that we kick it off to the City Manager and to Mr. Cano.

I sent a letter on behalf of the City of Tucson to members of our congressional delegation recently, expressing serious concerns about the Trump administration and Elon Musk's Department of Government efficiencies plan to cut nearly half of the federal workforce in the US Department of Housing and Urban Development, known as HUD for our city, the housing and Community Development Department relies on HUD. For 95% of its budget these proposed cuts would severely impact our ability to provide critical services such as rental assistance programs that help households with low incomes to afford their homes. The construction and preservation of affordable rental housing for those in need, efforts to address and prevent homelessness, which is at a record high nationally the operation maintenance of public housing and affordable housing for seniors, people with disabilities and families with young children.

It would affect neighborhood revitalization and economic development and improvements to community facilities, infrastructure and services in areas with persistent poverty. It would affect reforming zoning and land use regulations that drive up housing costs, such as those that we have recently announced through the Pro housing grant and the investigation and enforcement of Fair Housing and civil rights laws. These cuts to Hud's workforce could slow down the progress we've made and exacerbate the housing and unsheltered homelessness crisis in Tucson and across the country. In fact, the agreement that housing and affordability is a crisis is one of the few. Areas of bipartisan agreement.

Now more than ever, we must strengthen the federal investments. And solutions for housing and homelessness that does not undermine them. A particular request was made to Senator Gallagher because of his role on the Senate Banking, Housing and Urban Affairs Committee. So, this leads nicely into another issue I want to highlight at our state legislature. My colleagues on the Council and I have made housing affordability a top priority for Tucson. That's why I work with the city manager and housing community development staff to craft a comprehensive approach that increases housing supply while maintaining quality and affordability.

And that's our has plan or housing affordability strategy for Tucson right now, the legislature is considering bills like. HB2371, that would. Strip cities of the ability to manage growth responsibly. While we are all recognized the need for more housing, preempting local zoning is not the answer. Individual cities must retain the ability to ensure quality development, protect infrastructure capacity and promote affordability in a way that meets local needs. We have been doing a lot this mayor and Council have been doing. A lot. As a matter of fact, we led in the creation of ADUs and ADU policies. We were first in the state to do that zoning reforms to

encourage responsible density and makes use development are important in the city of Tucson is taking those steps. Most recently, the Community corridors tool, which allows for greater flexibility in housing design while protecting neighborhood character and building density allowing affordable housing. Incentives and streamline permitting is something that I believe we should pass in the City of Tucson, this work didn't happen overnight. It was the result of careful planning and collaboration with city staff, housing experts, community stakeholders and we continue to advocate, advocate, and push for additional policies to create affordable housing.

But every city and every town have to do it in its own way. And In, instead of overriding local authority, I urge the state legislature to expand the Arizona Housing Trust Fund to support new affordable housing projects. I urge the legislature to invest in infrastructure and water resources to ensure sustainable housing growth and enhance tax credit programs to make work for housing more sustainable. Tucson has proven that we know how to do this. We've done it with our community. We've done it with each other. We've done it with developers and all of the necessary stakeholders at the table. Preempting local decision making is not the answer for building affordable housing in our state. So, with that, I just wanted to make sure that I put that into the record that I informed you what I have been working on. With our congressional delegation. And there are bills in the state legislature that are moving quickly. That could preempt local control further. On how to build housing affordability and I just wanted to make sure that you all know where I stand in that position with that Mr. Manager.

City Manager Thomure: Thank you, Mayor and Members of the Council. Joining us online is our Director of State and Federal Affairs, Andres Cano, and I'll just turn it over to Andres to lead you through the next part of this item.

Director of State and Federal Affairs, Andres Cano: Thank you so much, Mr. City Manager and Honorable Mayor and Members of the Council. It's an honor to join you virtually to give you a brief update on our state and federal updates. Want to first start off in Washington last last two weeks, the House Budget Committee held a markup to consider the fiscal year 2025 budget resolution. In short, this is the framework that is going to guide congressional appropriators, specifically the majority party for the budget.

Season ahead. This legislation is expected to focus on increasing defense spending, bolstering border and energy security, cutting domestic spending and extending provisions from the tax cuts and JOBS Act of 2017. We are expected based on this framework, which passed on a party line vote to see at least \$2 trillion in spending cuts this. Includes cuts to the house education and Workforce Committee, the House Judiciary Committee, the Natural Resources Committee Senate. Appropriators are not in complete alignment with the House budget framework, but rest assured that your federal team and I are paying close attention to monitoring all of the congressional activity as mentioned in the meeting earlier today. We are also paying close attention to.

The executive orders and figuring out which court is fling, which amicus brief for or which kind of motion? To be able to keep track of all of this activity that is changing by the day by the hour, certainly, and we will keep you abreast of those issues. There has been a summary of the federal activity sent to your inboxes as well. That's the update from Washington. I want to briefly update

you on what is happening at our state legislature, to the mayor's point, there is an abundance of activity happening at the state legislature right now. 1600 bills. Were introduced over the last 38 days of the legislative session and we are now approaching crossover week at the state legislature. That means that House bills that. Are actively being considered and it is the final week for House bills to be decided and vice versa. It's also the last week for Senate bills to be heard in their respective chambers after the next two weeks, we expect there to be the official crossover with week, which means.

All of the legislation that is being proposed, that is moving or not in the legislature will be advancing. Republican leadership has signaled that major policy issues, including election laws and perhaps some of those decisions impacting municipalities, may be referred directly to the 2026 ballot if they do not reach consensus with the governor. One of those. First, vetoes of the governor's this week was veto to an election. Bill that has now been vetoed and is now back into negotiations. Moving forward, we expect there to be about \$200 million in discretionary spending for the legislature to appropriate in the coming weeks. We are still yet to receive direction on Prop 123, which as you know is an extension of the state land appropriation to be able to support. Funding of our K12 schools.

And to the mayor's point, I want to expand upon. And very briefly, some of the housing and zoning bills that are moving before the legislature at this current time, several bills have been introduced that would override local zoning authority, reducing Tucson's ability to regulate lot sizes, home designs and density requirements. We are working closely with our Southern Arizona delegation to advocate for a compromise approach that promotes housing development while maintaining local control. In Tucson, as the mayor mentioned, we do have a stellar track record of advancing locally driven responses that will promote the development of our housing supply so as crossover week approaches we will keep you posted on bills that are moving throughout the legislative session.

We'll continue engaging with our legislative leaders to advocate for Tucson's priorities on housing, on water and on local control and, most importantly in your inboxes as well. You do have a set of bills that have been recommended. By the city manager for key support, House Bill 2209 and 1357, extending the Arizona Department of Housing and extending its ability to operate as a state agency. House Bill 2660 extends the affordable housing Low Income Housing Tax Credit, in addition to Senate Bill 1308, strengthening regulations on sober living homes, improving oversight and ensuring compliance with local regulations. And House Bill 2106, which establishes an advanced water purification permit program supporting Tucson Waters, water reuse and conservation efforts. Those are the bills we're asking for you to consider supporting in addition to a neutral position on HB2191, which advances zoning rules for religious institutions, property development, we're recommending a neutral position.

And last but not least, Honorable Mayor and Members of the Council and Mr. City Manager recommending opposing 3 particular bills, Senate Bill 1523 limiting Tucson's ability to implement water efficient urban planning, Senate Bill 1288, adding restrictions on police vehicle inspections, imposing unnecessary costs and operational challenges. And last but not least, opposing Senate Bill 1313, which would, as proposed, limit the municipal recycling programs that would hinder Tucson sustainability efforts. These updates reflect what is happening at the

state and federal level, and. With Adam available for any questions. Honorable Mayor, members of the Council. Thank you.

Mayor Romero: Andres, do you need a motion to approve those recommendations? OK. We need a motion to approve

Council Member Fimbres: So, moved.

Council member Dahl: Second.

Mayor Romero: So, there's a motion and a second. And I know my colleagues have some questions. Council Woman Lee and then Council Member Cunningham.

Council Member Lee: Thank you, Mayor. There was two that I was trying to get added to the to the list here. There are two bills that are related to veterans that were introduced by Democratic whip Stacey Travers that I would like to, if possible, amend and add into the motion. That's House Bill 2842, this helps veterans when they're working with organizations to be advised on veterans benefits to protect them from excessive fees or misleading direction as they're trying to navigate the complexities of veteran's benefits. This bill is supported by the Arizona Department of Veterans Services, the city of Chandler, City of Phoenix and more and House Bill 2843, also for veterans, establishes the Veterans Specialty Court program to support municipalities and counties in creating better in court programs focused on rehabilitation. In an integration. So if I could add those two bills in the motion to support,

Mayor Romero: Add them in the motion to support, yes, OK. And the motion maker accepts the changes as well as the second. OK. So, we're adding those two bills. Council Member Cunningham.

Council Member Cunningham: What's the status on 2599?

Director Cano: Thank you so much, Honorable Mayor and Members of the Council. We, as part of your legislative agenda, have approved Tucson support for construction condo defect reform, which would essentially allow. The business community and developers, particularly to be able to boost their development of condos. This is a key part of the housing affordability strategy for Tucson, guided by Tucson's Mayor and Council. Unfortunately, this bill, as I mentioned earlier, we are in the middle of crossover week and this bill did not get heard in the respective committee for this bill to advance. That means that for the time being, the legislation is on hold. We have engaged on stakeholder participation over the last several weeks to figure out how to put.

Our fingerprint on this particular issue, but it as it appears. At this moment, construction defect reform will not be advancing in this current legislative session Council Member Cunningham and Honorable Mayor, Members of the Council.

Council Member Cunningham: Just wanted to say first of all in this day and age, it's rare, but I want to thank Republican Walt Blackman for sponsoring the bill. It's disappointing, but not surprising. The special interests drive certain decisions at the legislature. We have this kind of

culture that's built that puts people over profits and that shouldn't be the case when it comes to housing. It's kind of a little bit of both. I mean, yeah, you can make your money, but when you're doing housing, you're more in the people business than in the profit business. This is what's fueling some of the things with unattainable home ownership for people. It's fueling. Rate rental rates that skyrocket above the rate of inflation, and we'll continue to try to find solutions. The one thing I'll say about this. This lack of action for 2599 is a memo will come from my office.

Eventually, sometime later but I'd like to talk about it right before the fiscal year where we talk about possibly the city providing that GAP Insurance through our self-insurance program for middle housing projects. I think it would be in our interest to look at that to see if it's legal because I think we can help solve this problem ourselves. And promote some of that gap. Housing promote some of that middle housing builds. Especially in areas where we want some infill. So, I think there's opportunity there and I just want to put that idea in everybody's mind, and we'll talk about it later. But there it is. Thank you. I wanted to also. Ask if it was possible to keep track of. The bills in the state legislature that. That could become initiatives. And put. To the voters. So, you mentioned Mr. Kano, one that would limit. The ability for people to vote if there are any others that are being heard in committee, can we? Be informed as quickly as possible so that Tucson can take a position. Whether it's reporter opposition.

Director Cano: Honorable Mayor, Members of the Council, of course, we will provide a list of the House or Senate concurrent resolutions that are essentially ballot referrals that bypass the governor.

Mayor Romero: All right. Thank you. Any other questions or comments on this item?

Council Member Cunningham: Call the question

Mayor Romero: Alrighty. So, all those in favor of the motion, please signify by saying aye,

All: Aye.

Mayor Romero: Any against, motion carries. Thank you so much, Mr. Cano, for your presentation. Really appreciate you writing some. We move on to Item 9.

9. Mayor and Council Discussion of Regular Agenda (City Wide) SS/FEB19-25-25

Mayor Romero requested the following items be considered separately:

- Item 7g - Intergovernmental Agreement (IGA): with Arizona Department of Transportation (ADOT) to build Cushing Street Skate Park (Ward 1) FEB19-25-51
- Item 7h - Intergovernmental Agreement (IGA): with Rio Nuevo to Fund Cushing Street Skate Park (Ward 1) FEB19-25-50

Item 7l - Amending Tucson Code Section 22-91(a)(7) to Rename the César E. Chávez Holiday to the “César E. Chávez and Dolores Huerta Holiday” (City wide) FEB19-25-60

Council Member Dahl and Mayor Romero requested the following item be considered separately:

Item 7i - Parks and Recreation: Authorizing an Approving the renaming of Columbus Park to Danny Lopez Park (Ward 3) FEB19-25-52

Mayor Romero: Does anyone have any items to remove from the consent agenda and we have several, Mr. Dahl.

Council Member Dahl: Thank you, Mayor. I'd like to remove item I, renaming Columbus Park to Danny Lopez Park.

Mayor Romero: And I'd like to request that we consider separately items G & H both to build the Cushing St. Skate Park, and then I'd like to consider separately item L renaming Cesar Chavez Holiday to the Cesar Chavez and Dolores Huerta holiday to consider separately.

Council Member Dahl: Yeah, but I didn't want to remove it. I wanted to consider it separately

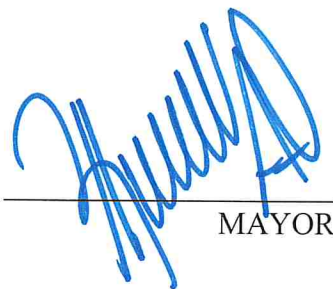
Mayor Romero: Consider separately. Any others? Alrighty, hearing none study session. Oh no. Does anyone have any Item 10?

10. Mayor and Council Discussion on Future Agendas (City Wide) SS/FEB19-25-26

No items were identified.

Mayor Romero: Does anyone have any items for future agendas? All righty, hearing none. Study Session is adjourned, and we will return to regular session at 5:30pm.

ADJOURNMENT: 4:18 p.m.



MAYOR

ATTEST:



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 19th day of February 2025, and do hereby certify that it is an accurate transcription.



DEPUTY CITY CLERK

SM:yl