

PRESS RELEASE

For Immediate Release

Rex Scott, District 1

Sunday, November 28, 2021

Statement regarding Wednesday's BOS differential water rate vote

PIMA COUNTY- Pima County Supervisor Rex Scott has issued the following statement regarding the decision the Board of Supervisors made last Wednesday to pursue a lawsuit against the City of Tucson's imposition of higher water rates on Tucson Water ratepayers in unincorporated Pima County. The statement also addresses comments made by Tucson elected officials about the Board's decision:

Over three months ago, Supervisor Sharon Bronson, the chair of the Pima County Board of Supervisors, sent a letter to Tucson Mayor Regina Romero addressing the city's intent to charge higher water rates to Tucson Water ratepayers in the unincorporated areas of the county. The letter noted that Pima County was interested in engaging in "constructive dialog on this subject." All five supervisors approved the content of the letter, which included the following recommendations to the city:

- 1. Respectfully ask the City of Tucson Mayor and Council to rescind their actions of June 22, 2021 adopting a differential water rate for only customers in the unincorporated area of Pima County.
- 2. Request the City of Tucson Mayor and Council assume a leadership role in regional water resource management as envisioned by past Mayors and Councils of the City of Tucson, including substantial revision to their service area policy, reflecting the originally contemplated regional water entity.
- 3. Allow Pima County to participate in a legitimate cost of service study to determine if differential water rates for unincorporated customers meet the "just and reasonable test" for establishing differential water rates for only unincorporated area customers.
- 4. Commit to establishing a zone or cost of service rate structure where similarly situated users pay the same water rate for service regardless of jurisdictional boundary, including those customers within the City of Tucson. Otherwise, charge a uniform service rate for all customers regardless of their jurisdictional location.
- 5. Request the City of Tucson establish a Water Sustainability Fund transferring the City of Tucson overhead and service cost paid by Tucson Water customers (subject to audit); said fund to be used to supplement the water supply for the region. If committed to do so by the City of Tucson, Pima County also commits to establish a Water Sustainability Fund for those same charges applied by Pima County to our wastewater utility.
- 6. All funding from the City of Tucson and Pima County paid into the Water Sustainability Fund is to be used to purchase "drought insurance" by acquiring Central Arizona Project surface water supplies and recharging same in Pima County regional aquifers, making said water available in the future if necessary.

To date, we have received no response to this letter. In addition, the Board has received from county staff significant and detailed analyses of the cost of service study done by the city noting its flaws and omissions. We have also learned that the city has exempted certain ratepayers in the unincorporated county from these higher rates. This inequity comes on top of the unfair decision the city made some time ago to not charge Tucson Water customers who live in other incorporated jurisdictions higher rates for their water, even though the cost of service study would infer a higher cost to deliver their water.

Since the letter noted above was written, the city has not only finished their inadequate cost of service study, but has also adopted a new ordinance enacting higher water rates solely on ratepayers in the unincorporated sections of the county. Both these actions are consistent with the city's pattern of behavior since they began talking about this plan. They have always intended to enact these higher rates and have taken the actions they feel are necessary to validate and protect their original intentions. Even the counsel against this plan by their own Citizen's Water Advisory Committee could not deter them.

The majority vote of the Board of Supervisors was a necessary and prudent action given the city's lack of response to our attempts to resolve this matter amicably and collaboratively. We also needed to respond to the city's blatant and obvious efforts to provide cover for their plans. More importantly, we had an obligation to act on behalf of our constituents who would be forced to pay these higher rates solely because of where they live, or do business.

Mayor Romero, during a Wednesday afternoon radio interview, accused the Board majority of "castigating" city residents by taking this vote. This was a stunning choice of verbiage given that she and her colleagues voted to impose higher water rates on people who have no political recourse against this unjust action because they have no voice in city government. These county residents instead sought assistance from those who do represent them. We are taking appropriate action on their behalf.

Mayor Romero also referred to the pending lawsuit as "purely symbolic," while Councilmember Paul Cunningham claimed that we are "wasting public resources for a lawsuit that will ultimately have no merit." Any decision by a government to seek legal action, especially against another government, must be made with seriousness and only after ample contemplation. The Board majority cast our vote not to engage in some sort of symbolic exercise, but in direct response to the city's behavior in this matter. Although she voted against pursuing the lawsuit, Supervisor Adelita Grijalva was critical of the city's actions in "imposing" these higher rates on only certain ratepayers during the Board's discussions Wednesday morning.

The Board majority took no joy in pursuing legal action against the city. However, we feel confident that a court will take a critical, discerning look at all the actions taken within city government since this plan was developed and render the appropriate judgment. In their criticisms of our necessary actions, city officials have merely added on to their unfortunate efforts to justify and explain their inequitable acts.