



From: Jan Leshner Jan.Leshner@montgomerycountymd.gov
County Administrator

The Regional Wastewater Reclamation Advisory Committee reviewed the proposed increases, which are based on the FY 2024-25 Financial Plan prepared by RWRD and the Finance Department, and voted to support them with 9 members in favor, 2 members opposed, and 2 members absent.

The Honorable Chair and Members, Pima County Board of Supervisors

Re: **Additional Information on Pima County Wastewater Rate Increase for the June 17, 2025, Board of Supervisors Meeting**

June 11, 2025

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The current annual average residential sewer fees (service charge + volume charge) in Pima County are \$417.29. If approved, the 3% increase proposed for FY 2025/26 will result in the annual amount of \$429.81, which is an average residential increase of \$1.04 / month.

The current annual residential sewer fees nationally are \$588.00. The Town of Marana and Town of Sahuarita currently average \$518.31 and \$679.49 respectively for their annual residential sewer fees.

The current residential house utility fee (connection fee) is \$4,188. If the increases of 3% are approved, the fee will be as follows:

FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29
\$4,314	\$4,443	\$4,536	\$4,713

Proposed Discontinuation of Utility Fee (Connection Fee) Discount Program

The rate proposal also includes discontinuation of the utility fee Discount Program that has been available to the development community for when a developer constructs sewer line improvements with unused capacity across property owned by another party. Projects have used the program 28 times over the past 13 years.

Details on usage and the rational for discontinuing the program, as well as available options to achieve similar outcomes, are included in the attached memorandum. The Southern Arizona Homebuilders Association (SAHBA) has noted their opposition to discontinuing the Discount Program.

Sewer Outreach Subsidy (SOS) Enhancement

Understanding the impact on individuals paying residential sewer fees, Pima County has offered a sewer subsidy for low-income residents since 2007. The program is structured based on Federal Poverty Guidelines, and depending on income and household size, customers may qualify for a 25%, 50%, or 75% discount on their monthly sewer fees.

With the proposed rate increases, RWRD is working with Tucson Water to reevaluate the existing tier structure of the SOS Program to expand the program from 3 to 4 tiers and increase the subsidy available to residents with household income up to 200% of the federal poverty level. Additional details are included in the attached memorandum. An amendment to the program will be presented to the Board of Supervisors for consideration in the upcoming few months.

The Honorable Chair and Members, Pima County Board of Supervisors

Re: **Additional Information on Pima County Wastewater Rate Increase for the June 17, 2025, Board of Supervisors Meeting**

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Recommendation

I recommend approval of the proposed wastewater rate increases to achieve the necessary financial stability to meet the operational, maintenance, and debt service ratio needs of the Regional Wastewater Reclamation Department.

JKL/je


Attachment

c: Carmine DeBonis, Jr., Deputy County Administrator
Steve Holmes, Deputy County Administrator
Art Cuaron, Director, Finance & Risk Management Department
Jackson Jenkins, Director, Regional Wastewater Reclamation Department

June 4, 2025

TO: Jan Leshar, County Administrator

THRU: Carmine DeBonis, Jr., Deputy County Administrator – Public Works

FROM: Jackson Jenkins, Director - RWRD 

SUBJECT: **Consideration of Proposed Pima County Sewer Rate Increase**

The Pima County Finance and Risk Management Department, along with the Regional Wastewater Reclamation Department (RWRD), annually prepare a financial plan addressing the financial needs of RWRD based on projected expenses and capital improvements for the current fiscal year and the following four fiscal years.

The focus of the financial plan is to determine the optimal sewer rates needed to ensure that there is sufficient revenue to meet all operating and maintenance expenses, debt service payments, required reserves, and to maintain an adequate debt service ratio to maintain favorable bond ratings.

Annual Financial Evaluation

The Fiscal Year (FY) 2024/2025 Financial Plan recommended the adoption of a series of rate increases to be implemented at the start of FY 2025/2026 as follows:

- A three percent (3%) increase to the wastewater utility fee; and
- Annual increases for four (4) years of 1.75% the sewer volume fee; and
- Annual increases for four (4) years of 1.75% the service charge.

The increases were recommended to ensure sufficient revenues to meet all operating and maintenance expenses, debt service payments, and required reserves. The Regional Wastewater Reclamation Advisory Committee (RWRAC) reviewed the FY 2024/2025 Financial Plan and unanimously supported the plan and the recommendations (**Attachment 1**).

Reevaluation during the FY 2025/2026 budget planning process determined that the previously proposed rate increases would be insufficient to maintain the needed 1.3 debt service ratio due to inflationary pressure and increased costs to operations and maintenance expenses, resulting in the following updated rate increase recommendations:

Subject: Consideration of Proposed Pima County Sewer Rate Increase

June 4, 2025

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- A three percent (3%) increase in the wastewater utility fee annually for four (4) years (FY 2026 - 2029); and
- A three percent (3%) increase to sewer volume rate in FY 2025/2026, followed by an annual 1.75% annual increase for the next three (3) years; and
- A three percent (3%) increase to the service charge in FY 2025/2026, followed by an annual increase of 1.75% for the next three (3) years.

The proposed fee increase was presented to the full Regional Wastewater Reclamation Advisory Committee (RWRAC) at the January 23, 2025, meeting for review and discussion. The committee members discussed the revised rate increase proposal and voted to support it as presented with nine (9) in favor, two (2) opposed, and two (2) members absent (**Attachment 2**).

Public Notice Requirements

State statute establishes public notice and hearing requirements for rate increases, which requires one public hearing. To ensure that residents and customers had an opportunity to review the proposed increase and the supporting documents and provide input, the following public hearings were held. There was very minimal public participation in these meetings and there were no members of the public who spoke out against these proposed rate increases:

Date	Time	Location
Friday, March 7, 2025	10:30 a.m. -11:30 p.m.	Kirk-Bear Canyon Library 8959 E. Tanque Verde Rd. Tucson, AZ 85749
Wednesday, March 12, 2025	5:00 p.m. - 6:00 p.m.	Water Campus 2955 Calle Agua Nueva Tucson, AZ 85745
Thursday, March 27, 2025	8:00 a.m. - 9:00 a.m.	Abrams Public Health Center 3950 S. Country Club Tucson, AZ 85713

Notice of these public hearings occurred in print media, social media and through press releases.

Notification of the revised ordinance has been posted on the Pima County webpage, and the ordinance is available for review leading up to a June 17, 2025, Board of Supervisors public hearing on the recommended rate increases.

The three public meetings and one public hearing exceed the number of meetings required by state statute and ensured the public had ample opportunity to participate in the rate process.

RWRD in conjunction with the Pima County Communications Department also opened up an on-line comment website for the proposed sewer fee increases. There were many responses sent via on-line communication. The summary of these responses along with copies of the public comment forms are included in (**Attachment 3**).

Along with the public meetings, RWRD also held meetings with development industry stakeholders such as the Southern Arizona Homebuilders Association and Metropolitan Pima Alliance to discuss the proposed rate increases and the proposed sunseting of the discount program. Please see **(Attachment 4)** regarding the Sunsetting of the Discount Program as well as **(Attachment 5)** which is SAHBA's response to our proposed ordinance changes. In spite of SAHBA's request to consider some form/option for discounts, the Department still recommends the sunseting of the program. In reviewing the recipients of the discounts, we could not find any of those projects over the past 13 years were required to make a development project viable.

The utility fee discounts original purpose seemed to provide developers with a calculated value to the remaining/unused capacity within the required sewer line for the given development only if the installed sewer line crossed a third-party property that could benefit from it.

1. Discounts have not been common as developers tend to wait for the parcels leading to their property to develop and then proceed to extend the sewer service to their property.
2. Discount tend to promote the development of areas far from existing services, versus letting the natural growth and extension of services outward from the city core.
3. In the spirit of development funding their own way, this reimbursement or discount is subsidizing private development that should consider the cost of the sewer line in their feasibility assessment.
4. The developer has options to coordinate with adjacent property owners to share in the cost of installing a sewer line that would benefit their respective projects.
5. I am not aware of other utilities that provide a similar discount feature, meaning the wastewater discount dollar amount is not a trigger for a go/no-go decision for development of a particular area. Developers are expected to fully fund the other utilities infrastructure as part of their project. The Sunset of the Discounts puts RWRD on par with the industry standard for utilities relationship with development.

Comments on the Considerations Requested

- Systemwide infrastructure improvements are funded by the connection fees, paying for discounts take away funds that could be directed to the sewer system.
- Attached is a spreadsheet with details on the past 13 years (2012 to 2025) of discounts issued broken down by Active, Under Development and Built Out agreements. It includes the respective companies the agreements were made with.
- Sewer Service agreements are available to development to pursue public-private partnerships that will aid in the development of particular areas that will promote development within the County, for example the Twin Peaks Blue Bonnet arranged for County and Developers to team up to install an interceptor to serve an area in the northwest of Pima County. A similar approach is being pursued for the Canoa Ranch interceptor installation to serve and benefit the Canoa Ranch area development.

Jan Leshar, County Administrator

Subject: Consideration of Proposed Pima County Sewer Rate Increase

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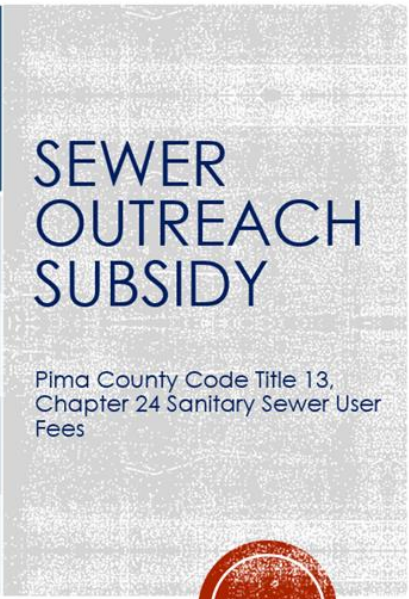
List of Discount Recipients (13 years)

Project Name	Applicant	\$ in Discounts Granted	\$ Amount Discounts Issued
Sonoran Ranch Estates II, Lots 378-384, 431-455, 478-495, 511-540 and 549-570	Heritage Home, Inc	\$25,500.00	\$4,400.00
Vista Del Lago, Lots 1-123 & CA A & B	Landmark Title Assurance Agency of Arizona, LLC, Trust No 18199-T	\$110,000.00	\$110,000.00
Los Saguaros at Dove Mountain, Lots 1-133	Landmark Title Assurance Agency of Arizona, LLC, Trust No's 18169-T & 18365-T	\$146,300.00	\$0.00
Tortolita Reserve, Lots 1-79 & CA's A-C	Title Security Agency of Arizona, Trust No 2042	\$49,500.00	\$2,200.00
Rocking K South	Diamond Ventures	\$1,120,900.00	\$782,100.00
Cascada Development (Phase I, II, III, IV)	Pacific International Properties/Bourne Co	\$26,400.00	
Vail Crossings South and Desert Vistas	BP Vail Partners/Bourne Co	\$727,100.00	
Vail Crossings North	BP Vail Partners/Bourne Co	\$92,400.00	
Verano Section 10	SBH Verano LP/Sunbelt Co	\$452,100.00	
La Cima Esplendor, Lots 1-57 & CA A-C	Landmark Title Assurance Agency of Arizona, LLC, Trust No 18174-T	\$15,400.00	\$13,200.00
Las Abuelitas (Lots 1-4 in Block 9 of Chattman's Addition)	The Primavera Foundation, Inc.	\$7,700.00	\$0.00
Christ Lutheran Vail Church	Christ Lutheran Vail Church	\$13,200.00	\$0.00
1714-22 S Cherry Ave	Joseph B. Anderson	\$2,200.00	\$1,100.00
Boulder Bridge Pass at DM, 1-88	Landmark Title Assurance Agency of Arizona, LLC, Trust No's 18355, 18277, 18278 & 18379	\$96,800.00	\$96,800.00
Tanque Verde Village, Lots 1-10 Block A & B	First American Title Insurance Company, Trust No 9154	\$8,800.00	\$0.00
CAID Industries	William R. and Molly M Assenmacher	\$27,500.00	\$27,500.00
Del Webb at Dove Mountain Lots 109-167, Blk 1 & CA A & B	Landmark Title Assurance Agency of Arizona, LLC, Trust No's 18300-T & 18379-T	\$64,900.00	\$58,300.00
Golden Barrel PLC @ Dove Mountain Lot 1-172 Blk 1 CA A&B	Landmark Title Assurance Agency of Arizona, LLC, Trust No 18379-T	\$189,200.00	\$189,200.00
Desert Willow Ranch, Lots 1-51 and CA's A-C	Title Security Agency of Arizona, Trust No 2055	\$53,900.00	\$49,500.00
The Place at Presidio Trail Block 1	Title Security Agency of Arizona, Inc.	\$70,400.00	\$0.00
Vista Del Lago Norte, Lots 40-70, 89-114 and 133-194	Landmark Title Assurance Agency of Arizona, LLC, Trust No 18357-T	\$179,300.00	\$167,200.00
Sterling - Tyndall Avenue Public Offsite Sewer	Class A Investors Tucson, LP, a Delaware Limited Partnership	\$63,800.00	\$71,005.00
Saguaro Trails Off-site sewer	Mattamy Tucson, LLC	\$121,660.00	\$0.00
MICA Mountain High School & Vail Inclusive Preschool	Vail School District No. 20	\$56,110.00	\$0.00
MICA Mountain High School & Vail Inclusive Preschool	Vail School District No. 20	\$56,110.00	\$0.00
El Portal Dorado, Lots 1-5	Stewart Title & Trust of Tucson, Trust No 3750	\$19,800.00	\$0.00
Weissman Ridge, Lots 1-201 & CA 'A'	Vail UPRR South, LLC	\$62,700.00	\$0.00
The Place at Mason Ranch Apartments (Amendment 01)	Mason Ranch Apartments, LP	\$162,800.00	\$0.00

Sewer Outreach Subsidy (SOS)

The Pima County Sewer Outreach Subsidy (SOS) Program was established in July 2007 to assist low-income customers with their sewer user fees. It is a low-income subsidy program authorized by the Pima County Board of Supervisors (BOS) in response to concerns about the ability of low-income residents to pay steadily increasing sewer rates. The SOS Program currently has a three-tiered rate structure based on Federal Poverty Guidelines. Depending on income and household size, customers may qualify for a 25%, 50%, or 75% discount on their monthly sewer fees.

In response to these rate increases, RWRD is working in conjunction with City of Tucson/Tucson Water to reevaluate the existing tier structure of the SOS Program and potentially expand the program from 3 to 4 tiers and updating the breakdown for the subsidy to be available to residents with household income up to 200% of the federal poverty level.

User Class	Current Household Income As a percentage of the Federal Poverty Level (FPL) guidelines	Existing Percent Discount	Proposed Percent Discount	
1A	Less than or equal to 100%	75%	80%	
1B	Greater than 100%, less than or equal to 125%	50%	60%	
1C	Greater than 125%, less than or equal to 150%	25%	40%	
1D	Greater than 150%, less than or equal to 200%		20%	

We will continue to develop the proposal of Pima County Sewer Outreach Subsidy (SOS) Program revisions in order to provide an increased number of Pima County residents impacted by utility costs with assistance.

For FY2023/24, there were 5,120 RWRD SOS participants who were subsidized approximately \$1.3 million. The SOS Program modifications are expected to go before the BOS on September 2, 2025. If approved, all current SOS participants will automatically be aligned with the new criteria. Since the new proposed tier 4 level for those who fall between 150% to 200% of the Federal Poverty Level (FPL) are not currently in the system, they will need to go through the SOS approval process with Pima County Community Action Agency in order to receive the subsidy.

The Pima County Communications Department is preparing for a marketing blitz and enhanced outreach effort in an attempt to better reach those not currently in the program but whom likely would qualify for the subsidy. Their current plans are to utilize the County's web page, social media, Pima County Libraires and they will be reaching out to respective

Subject: Consideration of Proposed Pima County Sewer Rate Increase

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BOS members for additional recommendation on how best to reach constituents in their Districts.

Summary

- RWRD has not raised sewer user fees or wastewater utility fees (connection fees) in more than 8 years. The last increase to both of these fees was in June 2017, which was a 3% increase for each.
- The current formula used to determine a customer's respective monthly sewer bill is the following:

Service Fee + (Volume Fees x Average Water Usage during the Winter Quarter Average (WQA) months) or the lowest 3 consecutive months in 100's of Cubic Feet (ccf)

$$\$13.00 \text{ Service Fee} + \$3.629 \text{ Volume Fees} \times \text{WQA (ccfs)}$$

- Please refer to the Proposed Sewer User Rates (**Attachment 6**).
- The current annual average residential sewer fees in Pima County are \$417.29. If approved, the 3% increase proposed for next year will result in the annual amount of \$429.81, (average residential increase of \$1.04/month).
- The current residential annual sewer fees nationally are \$588.00.
- The Towns of Marana and Sahuarita, who are the nearest public sewer providers, currently average \$518.31 and \$679.49 respectively for their annual residential sewer fees.
- The most recent cost of capacity calculation in 2017 was \$16.50/gallon and is used to determine current connection fees/wastewater utility fees. The current residential house connection fee is \$4,188. If the increases of 3% are approved, the fee will be as follows:

FY2026	FY2027	FY2028	FY2029
\$4,314	\$4,443	\$4,536	\$4,713

We are spreading the increase out over a 4-year period to help the development community better plan for this change.

- Developer Discounts should be sunsetted as we cannot find any viable reason to subsidize development.
- The Sewer Outreach Subsidy proposed modification will go before the Board of Supervisors at the September 2, 2025 BOS meeting.

Attachments

ATTACHMENT 1



WASTEWATER RECLAMATION
201 NORTH STONE AVENUE
TUCSON, ARIZONA 85701-1207

JACKSON JENKINS
DIRECTOR

PH: (520) 724-6500
FAX: (520) 724-6545

April 25, 2024

The Honorable Chair and Members
Pima County Board of Supervisors
33 N. Stone Avenue, 11th Floor
Tucson, Arizona 85701

**RE: Regional Wastewater Reclamation Department's Fiscal Year 2024/2025 Financial Plan –
Regional Wastewater Reclamation Advisory Committee's Letter of Support**

Dear Honorable Chair and Members of the Board:

The Regional Wastewater Reclamation Advisory Committee (RWRAC) was established by the Board of Supervisors (Board) to act as the official advisory body on the Capital Improvement Program (CIP) planning and rate structure formulation to County government; annually review the proposed Regional Wastewater Reclamation Department's (RWRD) CIP and recommend to the governing body an annual and five-year Capital Program; and annually review the revenue requirements of the sanitary sewerage system and recommend to the governing body rate adjustments as required.

Each year, the Pima County Finance and Risk Management Department (FRMD) prepares a Financial Plan, which addresses the financial needs of RWRD based on the projected expenses and projected CIP for the current fiscal year and for four subsequent fiscal years.

The 2024 Financial Plan recommends the following:

1. Issuing \$296 million of new sewer revenue obligations to fund future CIP projects as follows:
 - a. \$54 million in Fiscal Year 2024-25,
 - b. \$67 million in Fiscal Year 2025-26,
 - c. \$82 million in Fiscal Year 2026-27, and
 - d. \$93 million in Fiscal Year 2027-28.
2. Using unrestricted cash to prepay debt as follows:
 - a. \$18.2 million in Fiscal Year 2024-25,
 - b. \$22.4 million in Fiscal Year 2025-26
 - c. \$22.3 million in Fiscal Year 2026-27, and
 - d. \$19.1 million in Fiscal Year 2027-28.
3. Maintain the current sewer revenue rates for Fiscal Year 2024-25. Beginning in Fiscal Year 2025-26, request an annual increase of 3% per year to the Sewer Utility Fee and an annual increase for four (4) years of 1.75% each to the Sewer Volume Fee and the Service Charge.

In August 2023, both Fitch Ratings and Standard and Poor's reaffirmed the County's current sewer debt rating of AA for the Sewer Revenue Obligations. The issued reports explained the analysis of the County's financial condition for its sewer debt. The bond ratings reflect the rating agencies' evaluation of the financial stability of the County and its ability to repay debt. As ratings increase, the interest rates offered by lenders decrease, reducing the overall debt cost to the County.

The RWRAC Financial Subcommittee discussed the FY 2024/2025 Financial Plan key assumptions, inflationary pressure on increased cost, and the impact of increased salaries and benefits due to implementation of the Pima County class and compensation study. These items were discussed to inform discussions about the potential need for increased user fee rates at the January 26, 2024, and February 15, 2024, meetings.

The full RWRAC committee reviewed the Rate Workbook at their February 22, 2024, meeting, where committee members were presented with two (2) scenarios for consideration which implemented user fee rate increases and discussed CIP projections through Fiscal Year 2027/2028. During the meeting, committee members voted to recommend to FRMD that the financial plan be based on the scenario with a gradual 1.75% sewer volume rate increase, beginning in FY2025/2026 and continuing for 4 consecutive years. In conjunction to that rate increase, an increase of 1.75% to the service charge would be instituted during the same time period. The sewer utility fee (previously known as connection fees) would also be increased by 3% annually. The motion passed nine (9) to two (2).

The draft FY 2024/2025 Financial Plan was reviewed and discussed during the March 28, 2024, RWRAC meeting. The RWRAC Financial Subcommittee met on April 9, 2024, to discuss and resolve any remaining questions regarding the financial plan. The meeting resulted in a unanimous vote by the subcommittee members to accept the financial plan as presented and recommend that the RWRAC support the plan.

During the April 25, 2024, RWRAC meeting, the RWRAC Financial Subcommittee Chair recommended to the full committee that the RWRAC support the FY 2024/2025 Financial Plan. After discussion amongst the committee and staff, the committee passed a motion unanimously, in support of the Financial Plan recommendations.

Therefore, the RWRAC recommends to the Pima County Board of Supervisors the approval of the RWRD FY2024/2025 Financial Plan.

The RWRAC appreciates the opportunity to provide our recommendation to the Board of Supervisors and we are available at your convenience for any questions or further discussion.

Sincerely,

A handwritten signature in blue ink, appearing to read "Claire Zucker", with a long horizontal flourish extending to the right.

Claire Zucker, Chair
Regional Wastewater Reclamation Advisory Committee

- c: Jan Leshner, County Administrator
Carmine DeBonis, Deputy County Administrator – Public Works
Jackson Jenkins, Director, Regional Wastewater Reclamation Department
Ellen Moulton, Director, Finance and Risk Management Department
Melissa Manriquez, Clerk of the Board
Members, Regional Wastewater Reclamation Advisory Committee

ATTACHMENT 2



WASTEWATER RECLAMATION
201 NORTH STONE AVENUE
TUCSON, ARIZONA 85701-1207

JACKSON JENKINS
DIRECTOR

PH: (520) 724-6500
FAX: (520) 724-6545

February 25, 2025

The Honorable Chair and Members
Pima County Board of Supervisors
33 N. Stone Avenue, 11th Floor
Tucson, Arizona 85701

RE: Regional Wastewater Reclamation Advisory Committee's Letter of Support of the Regional Wastewater Reclamation Department's Proposed Rate Increase

Dear Honorable Chair and Members of the Board:

The Regional Wastewater Reclamation Advisory Committee (RWRAC) was established by the Board of Supervisors (BOS) to act as the official advisory body on the Regional Wastewater Reclamation Department (RWRD) Financial Plan and to annually review the proposed Financial Plan and recommend to the governing body an annual, five-year, and ten-year financial program. The RWRAC also has the responsibility of reviewing proposed Wastewater fee adjustments and ordinance changes.

The RWRAC began its review of the Department's proposal to modify the sewer volume rate, service charge, and the wastewater utility fee (previously known as connection fees) at the RWRAC Financial Subcommittee in January 2024. The full RWRAC committee reviewed the Rate Workbook on February 22, 2024, and after considering two scenarios voted to recommend to the Finance and Risk Management Department (FRMD) that the financial plan be based on the scenario with a gradual 1.75% sewer volume rate increase, beginning in FY 2025-2026 and continuing for 4 consecutive years. In conjunction with that rate increase, an increase of 1.75% to the service charge would be instituted during the same time period. The wastewater utility fee would also be increased by 3% annually during that timeframe. In a vote of nine (9) to two (2), the RWRAC passed the motion to recommend to the Pima County Board of Supervisors the proposed rate increases as presented in the FY 2024-2025 Rate Workbook and Financial Plan. A Letter of Support was forwarded to the Board on April 25, 2024 (see attached).

On January 15, 2025, the RWRAC Financial Subcommittee was presented with the initial draft Rate Workbook, which contained revisions to the previously proposed rate increase values. FRMD revised the rate increase, determining that the initial values were insufficient to maintain RWRD's debt service ratio above the 1.3 level in response to inflationary pressure and increased costs to operations and maintenance expenses. The FY 2025-2026 draft Rate Workbook presented a proposed 3% sewer volume rate increase beginning in FY 2025-2026, followed by an annual 1.75% annual increase for the next three (3) years. In conjunction to that rate increase, a 3% increase to the service charge would be instituted in FY 2025-2026, followed by an annual increase of 1.75% for the next three (3) years. The wastewater utility fee would be increased by 3% annually for the noted 4-year period (FY 2026 -2029). Extensive review by the Financial Subcommittee resulted in forwarding this scenario to the full RWAC committee for consideration. The information was presented to the full RWRAC at their January 23, 2025, meeting, for review and discussion. Based on the timeline requirements for ensuring the rate increase inclusion in the Board of Supervisor FY 2025-2026 budget approval process, the committee members discussed the revised rate increase proposal, providing continued support of the rate increase proposal as presented. The motion of support passed with a vote of nine (9) affirmatives, two (2) against, and two (2) members absent.

Therefore, the RWRAC recommends to the Pima County Board of Supervisors the approval of the RWRD FY 2025-2026 proposed 3% sewer volume rate increase, followed by an annual 1.75% annual increase for the next three (3) years. In conjunction with that rate increase, a 3% increase to the service charge would be instituted in FY 2025-2026, followed by an annual increase of 1.75% for the next three (3) years. The wastewater utility fee would also be increased by 3% annually for the noted 4-year period (FY 2026 - 2029).

The RWRAC appreciates the opportunity to provide our recommendation to the Board of Supervisors and we are available at your convenience for any questions or further discussion.

Sincerely,

A handwritten signature in blue ink, reading "Claire L. Zucker", with a stylized flourish at the end.

Claire L. Zucker, Chair
Regional Wastewater Reclamation Advisory Committee

c: Jan Leshar, County Administrator
Carmine DeBonis, Deputy County Administrator
Jackson Jenkins, Director, Regional Wastewater Reclamation Department
Art Cuaron, Director, Finance and Risk Management Department
Melissa Manriquez, Clerk of the Board
Members, Regional Wastewater Reclamation Advisory Committee

ATTACHMENT 3

Public Comment Responses – Summary

The Public Comment Form regarding the Pima County Regional Wastewater Reclamation Department (RWRD) proposed ordinance revisions to the Pima County Code, Title 13, Chapter 24 Sanitary Sewer User Fees and Chapter 20 Sanitary Sewer Construction, Connection, and Fees (Code) was made publicly available on April 18, 2025. A summary of the responses received is noted below:

- Respondents noted that the majority of their water usage was for irrigation rather than sewage. One response indicated that the proposed sewer user fee increases, the method used to calculate residential sewer bills is inaccurate and inequitable because it does not take into account non-sewage water usage.
- Respondents indicated that their water bill is high and continued sewer user fee increases were excessive and unnecessary. Some responses pertained directly to the City of Tucson/Tucson Water differential water rates, water quality, or sale of water, indicating that some residents believed the proposed increases are directly related to City of Tucson/Tucson Water.
- Respondents questioned the need for the proposed sewer user fee increases, suggesting that wages and profits within the County or department are excessive and need to be reevaluated. Some responses suggested that state, county, and city funds be used to offset costs, and budgets should be reviewed. Several respondents suggested that funds obtained through the implementation of the proposed increase would be appropriated for other, non-department usage or as profit. Other responses questioned services provided by other county departments (e.g. Department of Transportation) and suggested the County re-evaluate expenditures.
- Respondents indicated that the increases are necessary in order to address the lack of a rate increase in 8 years, rising costs, and the need to maintain the sewer system. One response suggested annual Cost of Living Adjustment (COLA) be applied to the sewer user fees, while another suggested differential sewer rates be applied similar to City of Tucson/Tucson Water proposed rates. Respondents requested that the proposed increases be efficient, effective, equitable, and modest.
- Respondents indicated that they are already experiencing financial hardship due to inflation and life events (e.g. retirement, health problems, loss of family members) and increased sewer user fees would be harmful.

Public Comment Form responses received from April 24, 2025, through May 19, 2025.

Against	Neutral	For	Total Responses
17	6	5	28

Based on the addresses provided by respondents, 19 are serviced by City of Tucson/Tucson Water, 2 by Marana Domestic Water, 1 by MetroWater, 2 by Oro Valley Water Utility, 1 by Southwestern Utility Management (Thim Water Company) and 2 by Vail Water Company. One respondent did not include an address.

Wastewater Public Comment Form

Public Comment Regarding Proposed Sewer Fee Increases

First Name	Linda
Last Name	Wood
Street Address or P.O. Box	4643 W. Red Wolf Dr
City	Tucson
ZIP Code	85742
Email	lhquietyard@aol.com
Comments	Totally against this rate increase. As a gardener the majority of the water I use is outside going on alot of potted and in ground plants not into the sewer!!! Years ago when this fee started if we reported the amount of plants we were watering the fee went away. So what happened???? I use very little water inside the house. The outside water is not going into the sewer !!!!!!!

Wastewater Public Comment Form**Public Comment Regarding Proposed Sewer Fee Increases**

First Name	Rosette
Last Name	Crisboi
Street Address or P.O. Box	22321 S. Triangle X Ln.
City	Tucson
ZIP Code	85713
Phone Number	4408654014
Email	rcrisb25@yahoo.com
Comments	Our water bill is already so high. This is very bad. We are all learning water. We are weary of the relentless raising of prices that actually only hurt us the buyers while too many pockets being lined as it is! The people are getting very discontent.

Wastewater Public Comment Form

Public Comment Regarding Proposed Sewer Fee Increases

First Name	Kacy
Last Name	Colledge
Street Address or P.O. Box	PO BOX 1073
City	CORTARO
ZIP Code	85652
Phone Number	520-460-5046
Email	SOLARPYRO@GMAIL.COM
Comments	<p>I believe the revision should essentially be more futureproof to reduce administrative burdens.</p> <p>Given that the rates haven't changed in 8 years, it would be a great reference to use the COLA applied to each of those years. 2017-2%, 2018-2.8%, 2019-1.6%, 2020-1.3%, 2021-5.9%, 2022-8.7%, 2023-3.2%, 2024-2.5%. The total combined is 28% and average is 3.5%.</p> <p>We should increase all fees as proposed for 2026, and increase per COLA each year thereafter. This would reduce the need to revisit this until 2029 when preparing the 2030 budget.</p> <p>If expenses and fees collected created a surplus of more than 2.5%, it could be a decrease or set to 0% for every 5th year such as 2030, 2035, 2040 to align with half-decade assessments and readjustments.</p> <p>Otherwise the major adjustment would be set based on actual expenses since this adjustment or expected cost increases for 2030, which is keeping the same COLA rate adjustment for the rest of the decade.</p>

Wastewater Public Comment Form

Public Comment Regarding Proposed Sewer Fee Increases

First Name	Jody
Last Name	Spar
Street Address or P.O. Box	3769 N Nash Creek Ct
City	Tucson
ZIP Code	85745
Phone Number	5209554633
Email	hisredeemed1@gmail.com
Comments	I am very unhappy about another rate increase. Tucson raised unincorporated residents a few years ago, lost in court, and never did reimburse the residents. Worse yet, Pima County has done nothing to retrieve that money. Now they want to raise it again? While all politicians are feeling very important, residents are getting taken advantage of.

Wastewater Public Comment Form**Public Comment Regarding Proposed Sewer Fee Increases****First Name** cynthia**Last Name** Rayford**Street Address or P.O. Box** 4100 N Romero Rd**City** Tucson**ZIP Code** 85705

Comments I test my own tap water and the pmi was almost 600! It can't be consumed by even animals, so why the rate increase? The area I live in smells like sewage everyday & is disgusting. Class action lawsuits popping up due to citizens getting cancer from the very water coming from the faucets. Where's the infrastructure funds going? To replace roads daily that don't even need it and let the destroyed roads stay the way they are. Seems like someone or a dept is not doing anything but waste. I don't agree with an increase, maybe figure out why there so much waste being spent on things that don't need fixing & fix what needs fixing like major daily crime.

Wastewater Public Comment Form

Public Comment Regarding Proposed Sewer Fee Increases

First Name	Thomas
Last Name	Sette Jr
Street Address or P.O. Box	4060 North Círculo Manzanillo
City	Tucson
ZIP Code	85750
Phone Number	5205778291
Email	tsette@msn.com
Comments	I think the county should consider a differential sewer rate for persons in the incorporated City of Tucson in a reciprocal manner to the water rates the city is attempting to charge county residents. The overall volume of sewage from the highly dense populations in the incorporated cities requires more extensive infrastructure than would be the case for the less dense county.

Wastewater Public Comment Form

Public Comment Regarding Proposed Sewer Fee Increases

First Name	SHIHFEN
Last Name	DOAN
Street Address or P.O. Box	4366 W SUMMIT RANCH PL
City	MARANA
ZIP Code	85658
Phone Number	8125683777
Email	jenniferdoan@yahoo.com
Comments	If my sewer bill is \$100 this year, it will increase to \$112.55 in four year. That is a lot of increase. Should you advertise this increase to all the property owners in Pima County? Not just voted in the chamber of the supervisors. The proofs for I'm not a robot are too bothersome.

Wastewater Public Comment Form

Public Comment Regarding Proposed Sewer Fee Increases

First Name	Deborah
Last Name	Stageberg
Street Address or P.O. Box	4801 E 12th St
City	Tucson
ZIP Code	85711
Phone Number	5203236479
Email	Mads1797@cox.net
Comments	Many of us can not keep up with all these increases! Maybe decrease wages and get rid of waste in the department! Tucson is becoming a city of increases on everything! Time to stop!

Wastewater Public Comment Form

Public Comment Regarding Proposed Sewer Fee Increases

First Name	Sharon
Last Name	Thomas
Street Address or P.O. Box	7401 N Camino Sin Vacas
City	Tucson
ZIP Code	85718-1278
Phone Number	5203907779
Email	swwthomas100@gmail.com
Comments	A reasonable sewer fee increase seems like a good idea in order to maintain the system and avoid breakdowns from lack of maintenance.

Wastewater Public Comment Form

Public Comment Regarding Proposed Sewer Fee Increases

First Name	Nicholas
Last Name	Green
Street Address or P.O. Box	4044 E Flower St Unit 15
City	Tucson
ZIP Code	85712
Phone Number	5206378732
Email	thebox590@gmail.com
Comments	Please don't increase the rate. It so hard to live as it is; to survive its hard

Wastewater Public Comment Form

Public Comment Regarding Proposed Sewer Fee Increases

First Name	Justo
Last Name	Guerra
Street Address or P.O. Box	3434 S Desert Lantern Rd.
City	TUCSON
ZIP Code	85735
Phone Number	6616072147
Email	just1war@frontier.com
Organization	homeowner
Comments	As a retiree of LA Dept. of Water & Power, I am well aware of water system challenges. However, how can you propose a rate increase when you sell water "at cost" to other entities that keep allowing Uncontrolled growth?

Wastewater Public Comment Form**Public Comment Regarding Proposed Sewer Fee Increases**

First Name	Gerardo
Last Name	Covarrubias
Street Address or P.O. Box	6695 E Via Boca Grande
City	Tucson
ZIP Code	85756
Email	cheezy1979@gmail.com
Comments	<p>Hello, I understand that inflation has made things worse, but as an Arizona resident our taxes are already more than enough. The state, city and counties need to budget the money that's already there better. We as residents only have our job and that's it, no other income. The state gets money from the federal government and on top all the taxes which are pretty high already. Rates should not go up and stress and strain the residents more that we already are. This is unacceptable, the state, cities and counties need to budget the funds better and stop trying to get more out of its residents. I can guarantee that if this increases passes nothing will change, because someone else or something else will take this extra revenue and waste it on something pointless. Just like the DPS money that was collected during vehicle registration, the teachers getting paid better and so on and so on. We are tired of the lack of leadership but as much as we don't like it, no matter who gets elected things get worse and worse and our roads are still the same and prices for electricity, water and sewer and gas just keep going up. How about the state, city and counties stop getting pay raises and wasting money, pass a working budget that's good for arizona residents and lower the costs for all these utilities instead. We don't even have seperate residential water meaters to water our yards. All that water goes back in the ground and not in the sewer, but we still get charged per gallon of water and per gallon of sewage. Leave rates alone or lower them but stop strain the residents with even more price hikes, inflation is bad enough for us all. I hope that the county actually listens to its residents this time.</p>

Wastewater Public Comment Form

Public Comment Regarding Proposed Sewer Fee Increases

First Name	Victor
Last Name	Gasho
Street Address or P.O. Box	660 E. Sterling Canyon
City	Vail
ZIP Code	85641
Comments	I think it is egregious to charge customers outside the city additional sewer charges when Tucson Water illegally overcharged for water services in these areas. These monies have never been repaid or credited back to those customers. Therefore, I believe it would only be appropriate for Pima County to increase rates on City customers to make up for these wrongs.

Wastewater Public Comment Form

Public Comment Regarding Proposed Sewer Fee Increases

First Name	Steven
Last Name	Steinberg
Street Address or P.O. Box	310 E Lester St
City	Tucson
ZIP Code	85705
Comments	I am not against a rate hike. I believe that the current system of basing the rate on water use is inequitable and inaccurate. Most of my water is for irrigation yet I pay more for wastewater than people who use much more. I am actually subsidizing them. How about a set fee just like waste collection?

Wastewater Public Comment Form

Public Comment Regarding Proposed Sewer Fee Increases

First Name	Volker
Last Name	Russ
Street Address or P.O. Box	9320 E Helen St
City	Tucson
ZIP Code	85715
Comments	Just retired and really don't want to see a rate increase.

Wastewater Public Comment Form

Public Comment Regarding Proposed Sewer Fee Increases

First Name	Billie
Last Name	George
Street Address or P.O. Box	7810 W Sourwood Ct
City	Tucson
ZIP Code	85743
Phone Number	5204034771
Email	kbgeorge1@hotmail.com
Comments	We do not support an increase! As with our household budget... it is necessary for you to adjust with the budget you currently have just as we do when costs rise. We all have to buckle down from time to time, and adjust our spending and operating costs. I'm sure you have somewhere you could make an adjustment instead of just passing it on to customers.

Wastewater Public Comment Form

Public Comment Regarding Proposed Sewer Fee Increases

First Name	G B
Last Name	Sette
Street Address or P.O. Box	4060 North Círculo Manzanillo
City	Tucson
ZIP Code	85750
Phone Number	5205778291
Email	gsette@msn.com
Comments	Rate increases are never welcome; however, it's been a long while (2017) since the last one. Please be as efficient and effective and equitable as possible. Thx. *equitable - City of Tucson charging a differential water rate to non-incorporated Pima County residents is not equitable.

Wastewater Public Comment Form

Public Comment Regarding Proposed Sewer Fee Increases

First Name	Jon
Last Name	Chapman
Street Address or P.O. Box	7949 W BLUE HERON WAY
City	Tucson
ZIP Code	85743
Phone Number	(907) 460-0434
Email	raven742us@yahoo.com
Comments	I understand the rising costs. I only request that the raise in rates be modest.

Wastewater Public Comment Form

Public Comment Regarding Proposed Sewer Fee Increases

First Name	Shelley
Last Name	Semler
Street Address or P.O. Box	18195 s rustling leaf tr
City	Vail
ZIP Code	85641
Phone Number	5208910571
Email	Shelleysemmler@cox.net
Organization	Na
Comments	Rather than passing the cost to consumers, why don't you audit your organization and cut the fat (like Doge would do). The use those savings to cover the increased expenses. Let people know this is what you did and they will love you for working hard to save them money.

Wastewater Public Comment Form

Public Comment Regarding Proposed Sewer Fee Increases

First Name	Linda
Last Name	Cammarano
Street Address or P.O. Box	14393 N Copperstone Dr
City	Oro Valley
ZIP Code	85755
Phone Number	5206658050
Email	lmc_lcswh@comcast.net
Comments	I understand the need to increase in rates etc. Unfortunately, there has been no increase in my income for me to factor in your increase. This will be a hardship

Wastewater Public Comment Form**Public Comment Regarding Proposed Sewer Fee Increases****First Name** Carmen Gloria**Last Name** Rose**Street Address or P.O. Box** 14460 N. Choctaw Drvie**City** Oro Valley**ZIP Code** 85755**Phone Number** 713-254-3590**Email** tucsonroses@live.com**Organization** Retired

Comments Dear pima County Reclamation Department. Since your last increase, I have retired, lost my husband and in general the cost of all my necessities have increased, and my income has been cut in half! My lifestyle is very conservative, I spend as little as I can and I am also on assistance, trying to make every dollar count and yet keep my plants alive. My water usage has been affected by a very expensive leak in which I had to have all my plumbing replaced. Everything has increased for me and an increase on my rates would have negative impact for me and many others I know.

It seems the increased population would cover some of the increased costs of running your program. If you increase our rates I hope you will keep in mind the needs of the less fortunate and at least offer a good break in our rates, it appears to me that you are trying to do an increase and decrease any assistance or discounts to rate payers. I hope you will reconsider all you will be implementing in the new rate program. I am certain this letter will have little impact even though you have asked for feed back, but I truly hope I am mistaken and that I will at least receive a reply from you in regards to how this will impact lower income rate payers like me

Respectfully submitted, Carmen Gloria Rose

Wastewater Public Comment Form

Public Comment Regarding Proposed Sewer Fee Increases

First Name	Martha
Last Name	Cunningham
Street Address or P.O. Box	4848 W Bluebell Way
City	Tucson
ZIP Code	85742
Phone Number	7136284437
Email	marty1128@gmail.com
Comments	I have lived in Sunset Point subdivison off Cortaro and I-10 since 2009. This is the second time an increase has been proposed to our very small unincorporated area. Across the street it is incorporated. How can you justify another increase when the courts have said NO YOU CANNOT DO THAT! I cannot vote in any local elections but my neighbors a mile away can. This is a COUNTy issue, not a Tucson, Oro Valley, Marana or an unincorporated area within those communities. Please do not raise the rates. We cannot afford more lawyers to fight this.

Wastewater Public Comment Form**Public Comment Regarding Proposed Sewer Fee Increases**

First Name	Sean
Last Name	Daughtery
Street Address or P.O. Box	4201 east Monte vista
City	Tucson
ZIP Code	85712
Phone Number	(520) 304-3634
Email	seandaughtery@gmail.com
Organization	Mast
Comments	<p>MAST (Make A Safe Tucson) exists to protect the well-being and livelihoods of Tucson's working families by challenging the outsized influence of elite environmental activists on public policy. While we recognize the reality of climate change and looming water shortages, the current activist-driven agenda has produced stagnation—not solutions—and put public safety and jobs at risk. These policies, crafted by those far removed from daily economic struggle, have burdened the working poor with higher costs and fewer opportunities. We believe that real progress begins with good-paying jobs, housing security, and a grounded, responsible approach to environmental challenges—one that puts people, not ideology, first.</p>

Wastewater Public Comment Form**Public Comment Regarding Proposed Sewer Fee Increases****First Name** M**Last Name** J**Street Address or P.O. Box** PO**City** Tucson**ZIP Code** 85751

Comments

Why are the water rates for county residents increasing at a higher rate than Tucson residents? This is taxation without representation. We are not permitted to vote for any city officials so why are our rates higher.

Why are some county representatives just going along with the city of Tucson, no questions asked????

Why did the city of Tucson not reimburse county residents after a Maricopa judge mandated it from a prior hike.

Why are some representatives just washing their hands of the county residents and stating - no comment, the city can do what they want. Why are you not negotiating this hike? It is not fair and equitable for anyone involved.

Wastewater Public Comment Form

Public Comment Regarding Proposed Sewer Fee Increases

First Name	Gloria
Last Name	Kriss
Street Address or P.O. Box	2456 W Ian Place, Tucson, Arizona 85741
City	Tucson
ZIP Code	85741
Phone Number	5202934271
Email	gkriss2530@gmail.com
Organization	Retired woman - 81ys old
Comments	I just got my bill today 5/22. If you want to hear from customers why didn't you send this awhile ago. Anyway, I can understand the increases, however we are experiencing so many apartments being built and how are you going to handle the water situation then? I'm a concerned customer. Developers are only thinking about the money they will make but the rest of us that have lived here for years will take the brunt of it all.

Wastewater Public Comment Form**Public Comment Regarding Proposed Sewer Fee Increases**

First Name	Mary
Last Name	Westmoreland
Street Address or P.O. Box	6732 N. Los Arboles Cir.
City	Tucson
ZIP Code	85704-4111
Phone Number	5206033504
Email	mwest137@comcast.net
Comments	<p>While the sewer rate won't affect me directly because we are on septic, I think that Pima County should charge City of Tucson residents a higher rate. Since the City of Tucson apparently hates unincorporated Pima County residents and has recently chosen to charge them a significantly higher rate for water, it seems only fair to have a higher sewer rate for them. Most of unincorporated Pima County is already built out, their excuse of higher infrastructure costs comes off as a lame excuse to fund their ridiculous spending.</p>

Wastewater Public Comment Form

Public Comment Regarding Proposed Sewer Fee Increases

First Name	Logan
Last Name	White
Street Address or P.O. Box	1621 west hudson drive
City	tucson
ZIP Code	85704
Comments	Due to global warming increasing temperatures even in winter and lack of rain, watering landscaping is required even in the winter. Current method of calculating maximum sewer charge does not take into account the necessity of watering plants in the winter. Residents should not pay to treat water used for landscape which does not go down the sewer.

ATTACHMENT 4



WASTEWATER RECLAMATION
201 NORTH STONE AVENUE
TUCSON, ARIZONA 85701-1207

JACKSON JENKINS
DIRECTOR

PH: (520) 724-6500
FAX: (520) 724-9635

May 21st, 2024

TO: Jackson Jenkins, Director

FROM: Jaime Rivera, Deputy Director *JR*

SUBJECT: Recommendation to sunset Sewer Connection Fee Discount Ordinance

After reviewing the Sewer Connection Fees Discount account balance sheet with staff, the discussion turned as to the background history of the discounts. After some research and further discussion, we are questioning the need to continue with the discount process and propose the Department sunset the ordinance section dealing with the Sewer Connection Fee Discounts. Some background and details follow.

The current Ordinance 2019-20, section 13.20.250.C.3 allows for 'Credits' to be issued as a reimbursement to a Developer when the **Department requires** an upsize or deepening of the proposed developer funded line for a given development. The request by the Department to augment will benefit the public and future Development.

The current Ordinance 2019-20, section 13.20.250.C.4, allows for 'Discounts' for qualifying system improvements. The historical reason for the Discounts is to reimburse a Developer for the excess capacity that may remain in the sewer line installed to serve the area under development that could potentially be utilized by other parcels. These sewer lines are required to provide sanitary sewer service for new development, their installation will take place regardless of Discounts being provided. **County did not request the installation** of such sewer lines. These lines are installed strictly for the benefit of the Development project seeking access to sanitary sewer service as opposed to the department's required augmentations that may trigger a Credit.

When Discounts are applied, the current Discount administrative process includes.

1. RWRD Engineering group calculates the number of Discounts for a given development project.
2. A Wastewater Service Agreement (WSA) between the applicant and the County is signed and executed, allocating conveyance and treatment capacity for the Applicant. Subsequent development can request allocation, on a first come first served basis, of the remaining system capacity. Discount amounts are recorded as part of the WSA.
3. Once the sewer line serving the Development is constructed and accepted by the County, the Discounts are applied and the Wastewater Utility Fees (WUF) within the development area is discounted by DSD following the WSA terms.
4. An accounting of the Discounts issued versus the Discounts utilized to offset WUFs is maintained by DSD.

Since 2018 approximately \$1.1M in discounts have been issued to Developers. The discounts for treatment and for downstream conveyance capacity are calculated by providing \$1,100 for each 25 feet of sewer line fronting parcels not related to the development project and are applied against each WUF issued. This reduction in revenue could be equated to an equal increase in profit to a Developer or a subsidy to Development.

Discounts Issued

	FY 2018-2019	FY 2019-2020	FY 2020-2021	FY 2021-2022	FY 2022-2023	FY 2023-CURRENT	
Commercial	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
Residential	-\$114,550.00	-\$60,500.00	-\$213,400.00	-\$437,610.00	-\$170,500.00	-\$115,500.00	
Total	-\$114,550.00	-\$60,500.00	-\$213,400.00	-\$437,610.00	-\$170,500.00	-\$115,500.00	-\$1,112,060.00
The total discounts include \$1,250 for Treatment				\$250 for Treatment Discounts, \$660 Connection Fee Discount per WSA			

We are requesting to pursue a sunset of the Discount process under 13.20.250.C.4 based on:

- The Department is currently looking at increasing customer rates to fund the rising cost of operation and maintenance. This increase in operational costs has been driven up by economic inflationary pressures.

- Eliminating the Discount subsidy will increase the annual revenue of the Department and reduce the amount of future rate increases.
- Because Discounts are a reduction in the full Wastewater Utility Fees paid by development, it can be argued that current rate payers are subsidizing development through their user fees.
- A sunset of the Discount process will allow for development to carry the full cost of its construction as part of their calculation of the return on investment for the development without County providing subsidies. Development will fully pay its own way.
- Both RWRD and DSD have personnel in charge of calculating, recording, and managing the balance of available discounts. These personnel can be better utilized by reallocating their time and efforts to other areas of responsibility that add value to each Department.

The sunset clause would allow current development in the system with existing and pending Wastewater Service Agreements to proceed under the existing Discount process while future/new development would not qualify to make use of the discounts. It may take several years to retire the use of the discount process while the ongoing developments are approved, constructed, and connected.

A sunset of the Discount process can be quantified and presented along with a future rate increase request to show the Department actions to minimize the impact of a rate increase on the rate payers.

Let me know what you think and if it is worth pursuing further.

ATTACHMENT 5



**Southern Arizona
Home Builders
Association**

2840 N. Country Club Rd.
Tucson, AZ 85716
P: 520.795.5114
www.sahba.org

PRESIDENT & CEO
David M. Godlewski

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Vasquez Custom Construction

Secretary/Treasurer

Randy Agron
A.F. Sterling Homes

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Steve Crawford
Pepper Viner Homes

Affiliated With



SENT VIA ELECTRONIC MAIL

May 20, 2025

Mr. Jackson Jenkins

Director, Regional Wastewater Reclamation Department
Pima County
201 N. Stone Avenue
Tucson, AZ 85701

RE: Proposed Sewer Connection Fee Increases and Sunset of Utility Fee Discounts

Mr. Jenkins,

The Southern Arizona Home Builders Association (SAHBA) appreciates the opportunity to provide feedback on the proposed changes to the County's sewer connection fees and the sunset of Section 13.20.250.C.4 of the Pima County Code.

We understand the importance of long-term infrastructure planning and recognize that the proposed increase in sewer connection fees—from \$4,188 to \$4,701 with annual 3% adjustments—is rooted in cost-of-service calculations. While modest on paper, this increase adds to the cumulative costs already impacting residential development and housing affordability.

More concerning is the proposed sunset of the utility fee discount for qualifying infrastructure improvements. We understand this provision has historically provided a useful mechanism to support infrastructure investment in areas where system capacity is limited or non-existent. As Pima County continues to grow, especially in outlying areas like the southwest, removing this tool may inhibit development where it is most needed.

We appreciate that credits for upsizing or deepening sewer lines will remain available when requested by RWRD. However, this narrow scope may not account for other critical improvements, such as treatment plant enhancements or offsite extensions, that make projects feasible.

To that end, we respectfully request that the County consider:

- Retaining or revising the current discount program to allow flexibility for systemwide infrastructure improvements;
- Providing a clear summary of past projects that utilized this provision;
- Exploring alternative mechanisms to support cost-sharing in areas of constrained infrastructure.

We welcome the opportunity to work with RWRD to ensure policies reflect both the County's infrastructure priorities and our shared commitment to expanding housing access.

Thank you for your consideration.

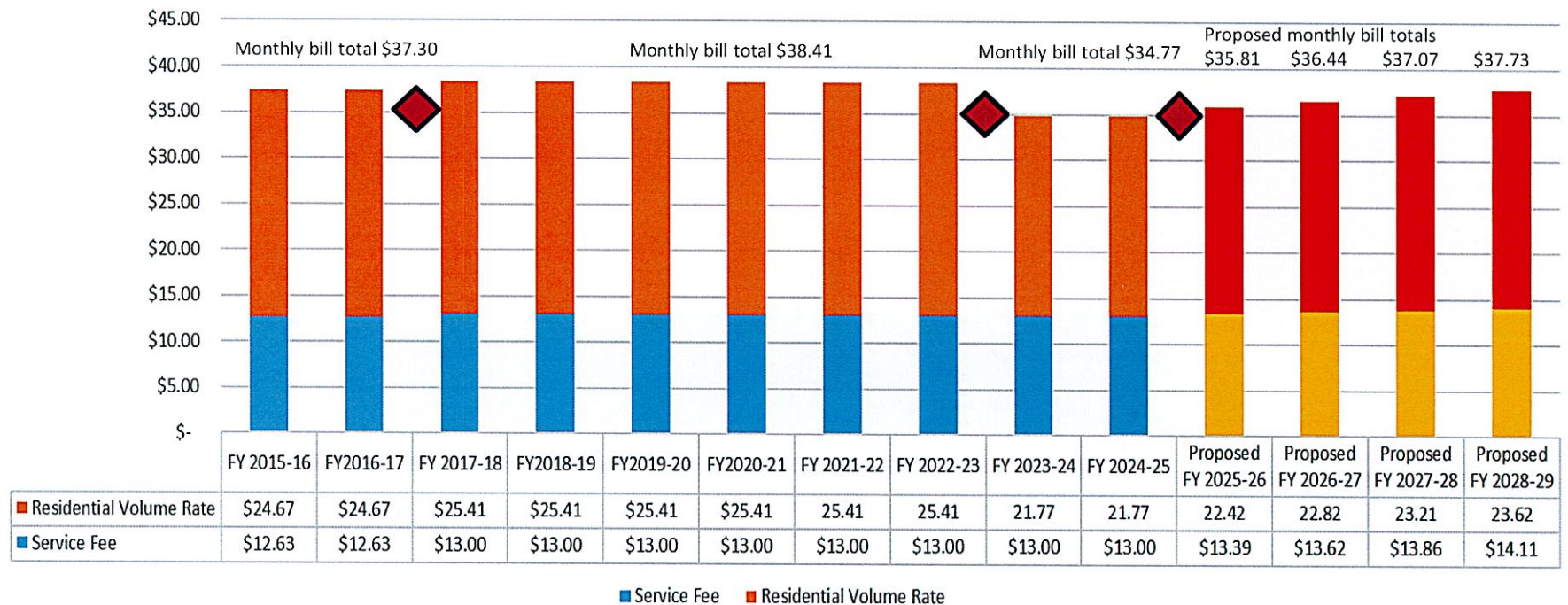
BT Lyons

Brendan Lyons, MPA
Director of Government Affairs
Southern Arizona Home Builders Association

ATTACHMENT 6

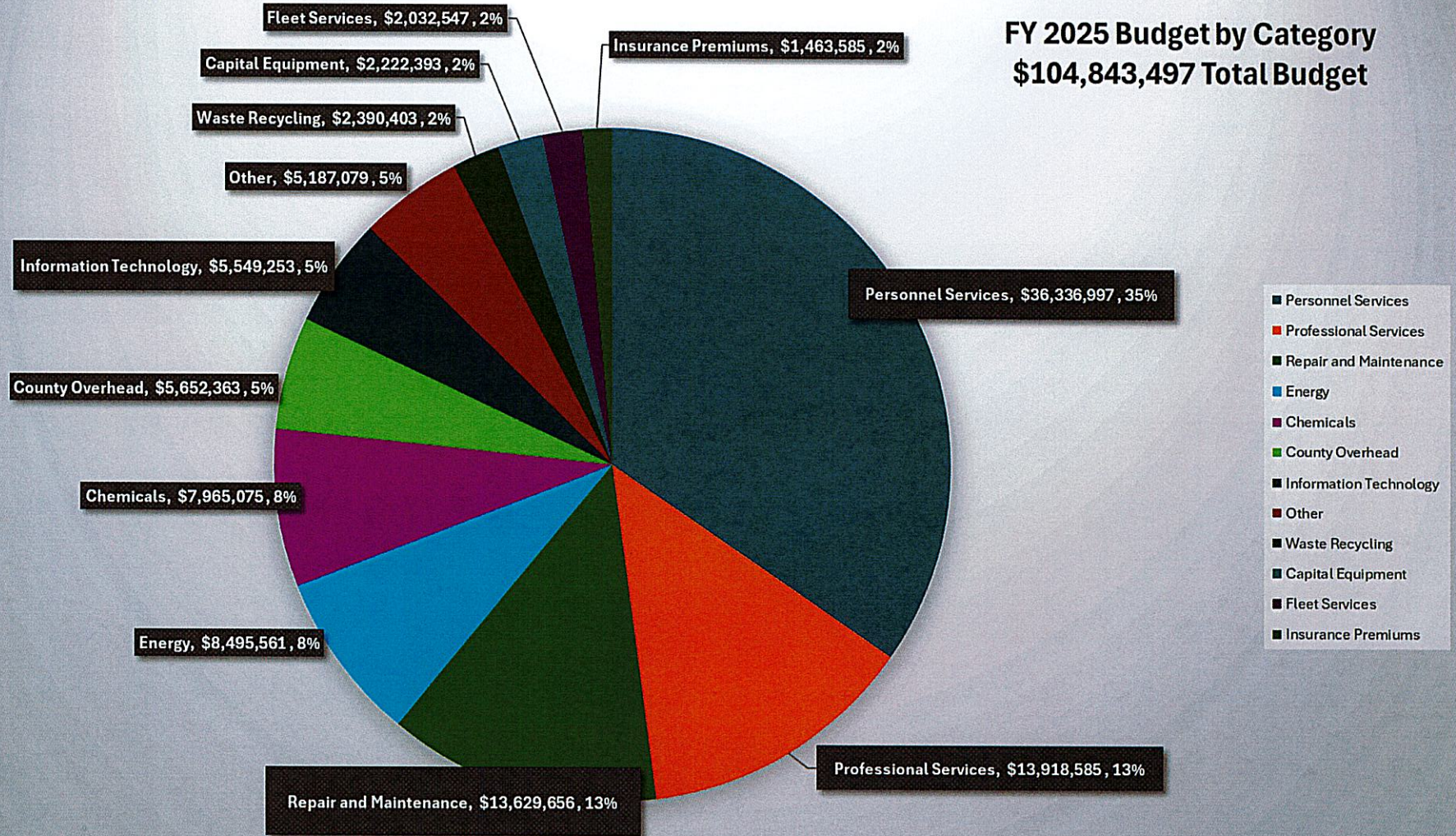
Proposed Sewer User Rates

User Fee Rate History
Residential Class Code Rates Based on 7 CCFs unitl FY 2023-24
FY 2023-24 Winter Quarter Average for Residentail Users Dropped to 6 CCFs



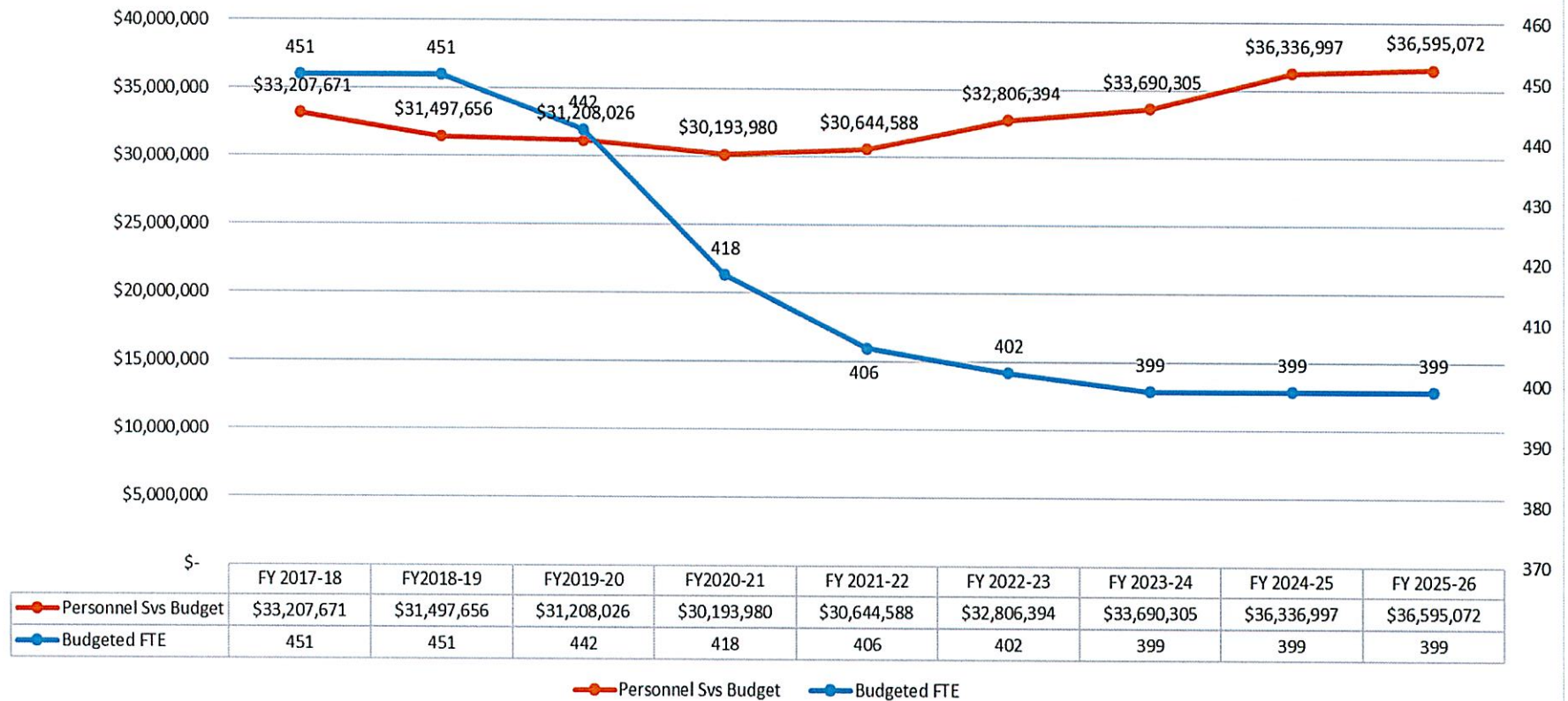
FY 2025 Budget

FY 2025 Budget by Category
\$104,843,497 Total Budget



Budgeted Positions

Budgeted FTEs and Personnel Services Budget

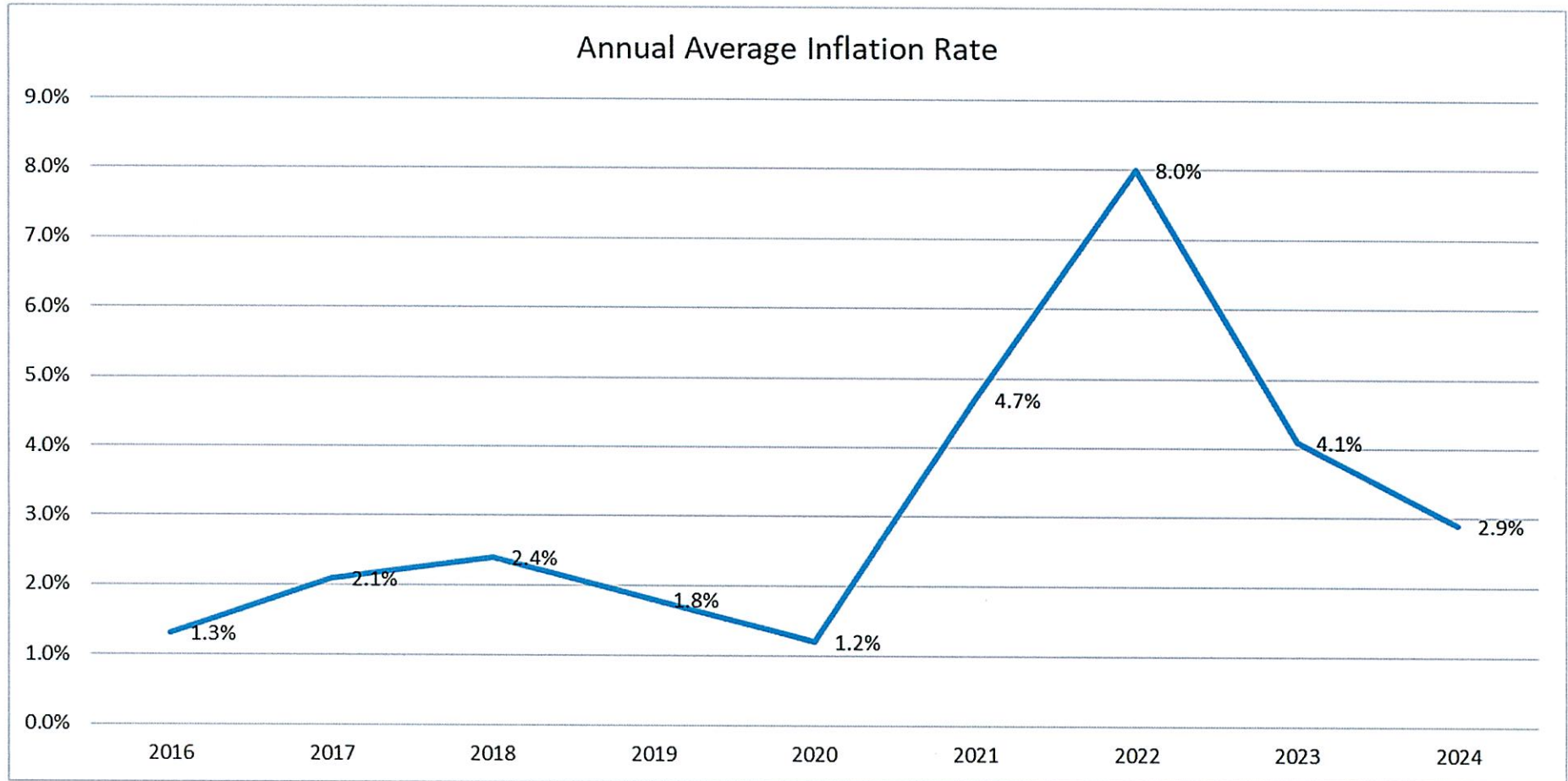


Electricity Usage vs. Expense



The calculated rate per kilo watt hour has increased from 9 cents per kWh to 13 cents per kWh. A 52% increase in the rate paid by RWRD.

Consumer Price Index



Comparison of Pima County Sewer Fees

