



April 3, 2026

**To the Members of Community Water Company of Green Valley,
(An Arizona nonprofit corporation with members)**

On June 10, 2026, Community Water Company will mark 49 years of reliable water delivery to our community. For five decades, the utility has provided water that meets all regulated standards, supported by local governance and professional operations. That record matters. It exists because members have trusted this nonprofit to plan and act responsibly. Today, our water delivery system delivers about 2.3M gallons of water per day, produced from four wells with arsenic treatment facilities, maintains 6.6M gallons of storage capacity, and 150 miles of mains, serving about 12,900 residential and 400 commercial units, a community of about 24,000.

During 2025, we restored Well 10 to service, strengthening system reliability and adding flexibility during peak demand. We began replacing Well 6 with Well 12 after the old well experienced operational failures caused by casing issues. Replacement is critical to maintain system reliability and meet our water production requirements. A replacement warehouse was secured to replace facilities built in 1982, to help address staffing needs, and improve operational efficiency.

We have advanced our use of GPS-based digital maps, moved our billing systems to the internet, and adopted a sampling and monitoring system to reduce errors, delays, and regulatory exposure. We are proud to introduce a “water outage” feature that allows customers to look up water-related issues in their area on our website www.communitywater.com.

Much of the backbone of our water delivery system was installed during the 1960s and 1970s. While the system continues to perform well, the infrastructure of that age requires planning for replacement. Deferring that work increases the risk of service interruptions and additional long-term costs. Our goal is to act before problems become emergencies.

In July 2025, the Arizona Corporation Commission approved a rate adjustment that allows the company to recover current operating costs; the last rate adjustment was approved in September 2016. Over the next three years, the company expects to incur more than \$8 million in new debt to replace aging infrastructure. This includes completing Well 12 and beginning selective replacement of older mains. All debt and rates remain subject to review and approval by the Arizona Corporation Commission.

To fund the debt, the company plans to request approval for an emergency surcharge of approximately \$7 per month per home. The purpose of this surcharge is to recover the cost of principal and interest on new debt related to capital replacement and to meet our cash flow needs. Delaying capital replacements increases the risk of outages and emergency repairs. This surcharge marks the first step in a broader financial reset, as the cost of maintaining a sustainable water delivery system continues to rise. As required, the company will file a full rate case within the next 24 months to substantiate the need for the surcharge and adjust for any increases in labor and operating expenses.

The water delivered to our members and customers met or exceeded all health and safety requirements set by the United States Environmental Protection Agency, the Arizona Department of Environmental Quality, and the Pima County Department of Environmental Quality. The Annual Water Quality Reports are published each July, and the current report is available on www.communitywater.com/wqr.pdf.

In 2007, Project Renewals was initiated to bring renewable water supplies to our community, ensuring a sustainable future. This project, which connects to the Central Arizona Project (CAP) at the CAP Terminus, encompasses pipelines along roads in our region and includes a long-term lease on a recharge site. Implementing Project Renewals has been a significant step towards securing our water supply without imposing costs on our members.

The People Who Serve You - We remain proud of the system we operate and the people who operate it. Like many utilities, we face ongoing challenges recruiting and retaining certified operators due to retirements, housing constraints, and a competitive labor market. We are proud of our new service technicians as they develop skills and experience in the water industry, and we recognize the need to continue investing in training and professional growth to support reliable water delivery.

We are also grateful for the independent and thoughtful guidance provided by our volunteer Board of Directors. Board members bring a variety of professional experiences to our board and give their time on behalf of the membership, setting the character and philosophy that guide our utility operation. Throughout 2025, staff and leadership stayed focused on system reliability, financial discipline, and long-term planning. This work is not always visible, but it is essential to our success.

Members are encouraged to participate in the utility's governance. Please plan to attend the Annual Meeting on April 29, 2026. We are also seeking additional board consultants to serve on committees and help guide the utility's direction. Member involvement strengthens oversight and improves decision-making.

As we approach our 50th year of service, Community Water Company remains committed to reliable water delivery, responsible planning, and local accountability. We appreciate the trust you place in this organization and take seriously the responsibility that comes with it.

Sincerely,

Community Water Company of Green Valley



Thomas E. Cooke
Chair of the Board



Arturo R. Gabaldón
President



COMMUNITY WATER COMPANY OF GREEN VALLEY 2026 PROXY STATEMENT

This statement is furnished in connection with a solicitation by the management for proxies to be used at the Annual Meeting of the Members of the Corporation to be held at the GV Recreation East Center, 7 S Abrego Drive, Green Valley, Arizona, on Wednesday, April 29, 2026, at 9:30 AM.

Members in good standing at the close of business on Wednesday, March 25, 2026, are entitled to vote.

The Bylaws of the Corporation do not provide for cumulative voting.

Signed proxy postcards to appoint Heather Graves and Pierre Hanhart as proxies for the members will be executed at the meeting. Proxies may be revoked at any time, either by subsequent written revocation or in person at the meeting.

The Board of Directors consists of the following people, their former or current occupation, and the year their present term as a director will expire. Directors whose terms expire in 2026 are indicated by **BOLD CAPITAL LETTERS**.

SALLYANN BEAVER (2026),
Retired Finance Director,
American Red Cross/Biomed

TERRY GOEWERT (2026),
Retired Environmental Planner

PIERRE HANHART (2026),
Finance Director,
Community Water Company of Green Valley

JOHN HOLLAND (2026),
Retired Consulting Civil Engineer

Arturo Gabaldón (2027),
General Manager,
Community Water Company of Green Valley

Ronald Woelfel (2027),
Retired Manufacturing/Industrial Engineer
and Financial Analyst

John Woerner (2027),
Retired Rates Analyst,
Wholesale Electric Transmission and Power

Jerry Bergeman (2028),
Retired Military Pilot and former Teller
County, CO Commissioner

Thomas Cooke (2028),
Retired Trial Attorney,
Cooke Lamanna Smith & Cogswell

Heather Graves (2028),
Administrative Services Manager,
Community Water Company of Green Valley

Paul Mena Jr (2028),
Retired Washington State Employee

ELECTION OF DIRECTORS

Your Board is nominating for reelection **Terry Goewert, Pierre Hanhart, and John Holland**, and for election **Sallyann Beaver**, who has served as a board consultant since 2025, each to serve three-year terms as directors.

The proxies for the members named in the enclosed 2026 PROXY are to vote such proxy for the election of the above-named as directors. Management is assured that each nominee is qualified and can serve as a director. Proxies intend to vote for another qualified person of any nominee who cannot accept the nomination.

OTHER BUSINESS

Management knows of no other business to be brought before the meeting. Members who would like to present motions to the Board on the day of the Annual Meeting must submit these motions, in writing, with name and address to Community Water Company of Green Valley, no later than **Wednesday, April 15, 2026**. The meeting will follow Robert's Rules of Order. Motions may be sent as follows:

Mail: Community Water Company of Green Valley
Attn: Secretary of the Board
1501 S La Canada Dr
Green Valley, AZ 85622; or
Email: info@communitywater.com

The proxies for the members, named in the enclosed **2026 PROXY**, are to vote such proxy for or against such motions before the Board in accordance with their best judgment on such matters.

***The Future of Water:** As a not-for-profit, member-driven utility, we are seeking volunteer Board Consultants to help shape the future of our local water environment. Lend your expertise and contribute to important discussions regarding our water utility. Interested? Call Heather Graves at 520-625-8409.*

COMMUNITY WATER COMPANY OF GREEN VALLEY NOTICE OF MEETING

To the Members of Community Water Company of Green Valley:

Notice is hereby given that the Annual Meeting of Members of Community Water Company of Green Valley will be held at the GV Recreation East Center, 7 S Abrego Drive, Green Valley, Arizona, on **Wednesday, April 29, 2026**, at **9:30 AM** for the following purpose:

- (1) To elect four (4) directors each to hold office until a successor shall have been elected and qualified for a term of three (3) years; and
- (2) To vote on any other business properly presented at the meeting or any adjournment thereof.

The Board of Directors has fixed Wednesday, March 25, 2026, as the close of business record date for determining Members entitled to receive notice of and to vote at the meeting.

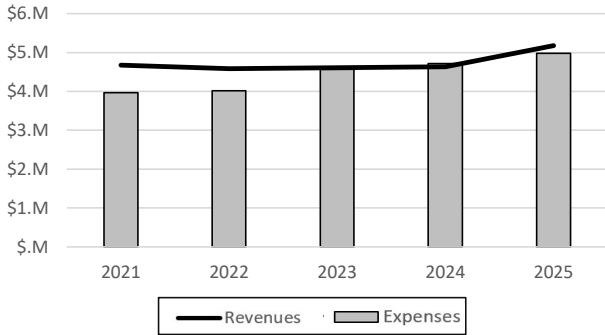
Registration of members attending the meeting will be open from 9 AM to 9:30 AM on the day of the meeting, at the meeting place. Each member who does not expect to attend in person is requested to **sign and return the enclosed proxy**. **To submit your vote online, scan the QR code below with your phone or visit communitywater.com/proxy, on or before Thursday, April 23, 2026.**



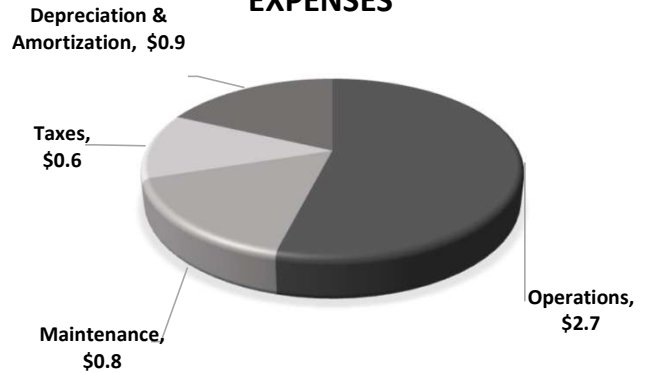
By order of the Board of Directors
Heather Graves, Secretary
April 3, 2026

Community Water Company of Green Valley
2025 Financial Highlights
 Water Utility Operations (\$Millions)

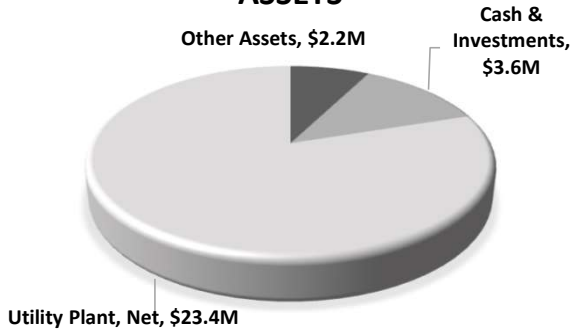
REVENUES & EXPENSES



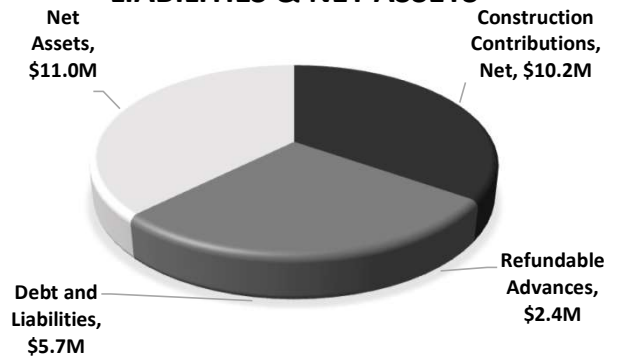
EXPENSES



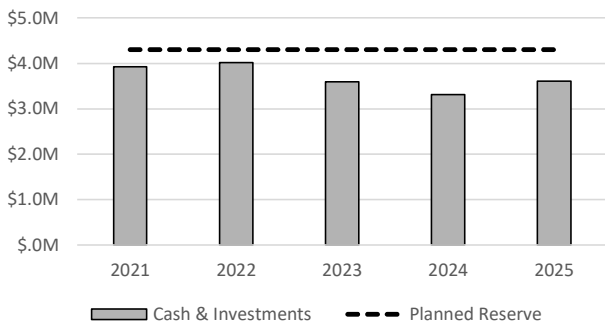
ASSETS



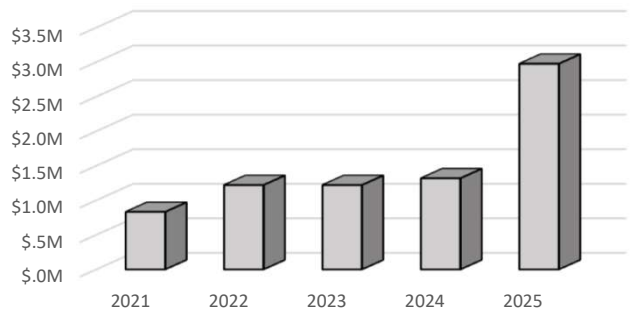
LIABILITIES & NET ASSETS



CASH & INVESTMENTS



CAPITAL EXPENDITURES



Notes

- Organized as an Arizona nonprofit corporation with members
- Operates a four-well system, and delivering through about 150 miles of mains
- Maintains a storage capacity of 6.6 million gallons of water
- Meets the AWWA standard of a 48-hour emergency water supply
- Delivers an average of 2.3-million gallons of water daily
- Serves about 12,900 active residential and 400 active business customers
- Audited financial statements are available at www.communitywater.com or by calling us at (520) 625-8409

**DIRECTORS, BOARD CONSULTANTS,
AND MANAGEMENT**

As of April 3, 2026

Directors:

Thomas Cooke, Chair
Paul Mena Jr., Vice-Chair
Arturo Gabaldón, President
Pierre Hanhart, Treasurer
Terry Goewert, Assistant Treasurer
Heather Graves, Secretary
John Holland, Assistant Secretary
Glen Barnes
Sallyann Beaver
Jerry Bergeman
Ronald Woelfel
John Woerner

Board Consultants:

Virgil Davis, Chair Emeritus
Jack Frazier
Donna Severidt, Treasurer Emeritus
Paul Williamsen

Supervisors:

Saul Leal, Operations Manager
Trey Harris, Operations Supervisor

**MINUTES OF THE ANNUAL MEETING OF THE MEMBERS
OF COMMUNITY WATER COMPANY OF GREEN VALLEY**

Wednesday, April 23, 2025

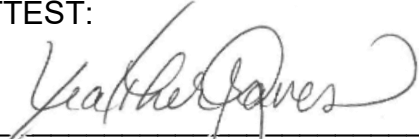
Mr. Cooke opened the Annual Meeting of the Members held at GVR East Center, 7 S Abrego Dr, on Wednesday, April 23, 2025, at 9:30 AM, under the Notice of the Annual Meeting mailed to all registered members. The safety share included comments on ladder safety.

Ms. Graves, Board Secretary, reported that the Board of Directors had fixed the close of business on Wednesday, March 19, 2025, as the record date for determining the members entitled to vote at the annual meeting. On that date, there were 10,513 members. Five percent (5%) of the membership, or 526 members, constitutes a quorum for conducting business. The number of voting members present (21) and by proxy (1,372), for a total of 1,393. Without objection, Ms. Graves announced the suspension of the reading of the 2025 Notice of Meeting and minutes of the April 24, 2024, Annual Meeting of the Members. The minutes of the 2024 Annual Meeting of Members were distributed and accepted as presented.

Ms. Graves facilitated the election of directors. Upon a motion duly made and seconded by Arturo Gabaldón, the members elected Jerry Bergeman, Thomas Cooke, Heather Graves, and Paul Mena each to serve as a Director for three-year terms ending in 2028, with 1,393 votes in favor, and none opposed.

Mr. Cooke, Chair, Mr. Gabaldón, President, and Mr. Hanhart, Treasurer, presented reports. Ms. Graves reported no unfinished or new business. Mr. Cooke addressed questions and comments. The meeting adjourned at 10:37 AM.

ATTEST:



Heather Graves, Clerk of the Board