



Metro Water District
invites you to two meetings
about your water and
revenue stability

Wednesday, May 13, 2015

6:00 p.m.

Information Meeting
about Your Water Provider

Monday, May 18, 2015

6:00 p.m.

Public Hearing on
Revenue Stable Rate Structure

Both meetings at

Metro Water District

6265 N. La Cañada Drive

Board Conference Room

Call us at 575-8100 or
email us at info@metrowater.com
if you would like more information

Revenue Stability and Rates—

Metro Water sees an opportunity to restructure its rate schedule to secure greater revenue stability with **minimal impact** to customers.

Revenue stability is having the right balance of revenue for both fixed and variable costs to operate, maintain, and improve water infrastructure. How water rates are structured determines how much revenue stability can be achieved.

Balancing Rates—

The goal is to balance the rates so the revenue from the Water Availability Rate (or base rate) covers fixed costs and the revenue from the Water Consumption Charges (or usage charges) covers variable expenses.

Fixed costs are those expenses that Metro must pay for regardless if water is consumed or not.

Variable costs are those that fluctuate with how much water is used.

Such balancing of rates increases financial stability for Metro Water customers.

Proposed Restructuring—

The proposed balancing would adjust the Water Availability Rate and the Water Consumption Charges so the average customer has **less than a \$1.00** change to their water bill.

The Water Availability Rate would increase to \$27.00 from \$22.00 **but** the 1st Tier for Consumption Charges would **decrease** from \$2.00 to 99¢ and the 2nd Tier would be reduced from \$2.70 to \$2.66.

This alteration of the rate structure would mean that the Water Availability Rate could fund about 83% of Metro's fixed expenses regardless of how much water is used. This would give Metro significantly more revenue stability. Currently, only 69% of fixed costs are covered by the Water Availability Rate.

Metro is also proposing adjustments to its Water Service Connection Fees to ensure development continues to pay for itself.

With greater revenue stability, Metro Water will have a stronger financial foundation to ensure you continue to receive safe and reliable drinking water whenever you turn on the faucet.

Information Meeting—

The May 13th Information Meeting is an opportunity for you to learn more about Metro Water District including revenue stability and balancing the rate structure. It is also a chance for you to ask questions about your water provider.

Public Hearing—

Metro's Board is required to hold a hearing and receive public comments regarding any proposed rate adjustment. The May 18th public hearing is about the recommended change to the Rate Schedule. **If you are unable to attend, you may still give comments via phone (575-8100), letter, or email (info@metrowater.com).**



Average Residential Customer & Proposed Rate Structure

Average Monthly Usage for Residential Customers	8,000 gallons
Cost for 8,000 gallons under Proposed Rate Structure	\$41.60 (currently \$40.80)
Average Residential Customer Cost Increase Per Month	80¢

Proposed Rate Schedule

Metro Main & Hub
Residential—5/8" Meter
(Would become effective July 1, 2015)

Water Availability Rate
\$27.00
(currently \$22.00)

Water Consumption Charges

1st Tier (0 - 4,000 gallons)
99¢ per 1,000 gallons
(currently \$2.00)

2nd Tier (4,001 - 11,000 gallons)
\$2.66 per 1,000 gallons
(currently \$2.70)

3rd Tier (11,001 - 18,000 gallons)
\$4.30 per 1,000 gallons
(currently \$4.21)

4th Tier (18,001 - 25,000 gallons)
\$5.70 per 1,000 gallons
(currently \$5.62)

5th Tier (over 25,001 gallons)
\$7.02 per 1,000 gallons
(currently \$7.02)

Commercial and multi-family customers' rates will be equated to this proposed rate schedule according to their larger meter sizes.