



Splash

Metro Water
Newsletter
Fall 2017

25th Anniversary

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Metropolitan Domestic Water Improvement District is a municipal water provider with more than 21,000 connections, serving the water needs of more than 50,000 people and hundreds of businesses in northwest, northeast and southwest metropolitan Tucson. Formed in 1992, we are the largest domestic water improvement district in Arizona and the second largest water provider in the Tucson Region.

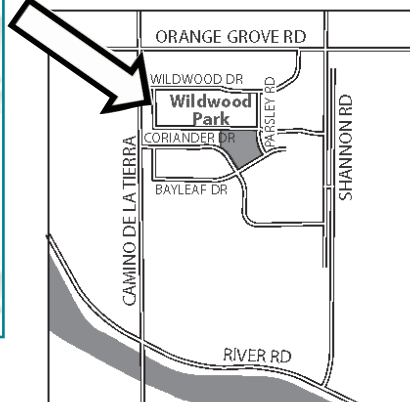
This year we celebrate our 25th Anniversary. We would like to take this opportunity to thank the residents, businesses, and community leaders of the District. Special thanks goes to our dedicated Board of Directors, the Finance Oversight Committee, and Staff - past and present. The District has accomplished great success since 1992 with continual focus on our mission "to deliver safe, reliable water to our customers."

To celebrate this momentous occasion, please join us on September 30, 2017 at Wildwood Park (see map) from 11am to 1pm. We will be barbecuing ribs, brisket, hamburgers, brats, and hot dogs so be sure you bring your family and your appetite! We have some fun activities planned but just a warning you might get wet. We also have some great prizes and raffles but you must be present to win.

YOU'RE INVITED 25th Anniversary Celebration

SEPT 30, 2017
11AM TO 1PM

WILDWOOD PARK



FOOD

GET READY TO HAVE
SOME FUN!
FREE ACTIVITIES
JUST A WARNING,
YOU MIGHT GET WET!

WINNER!!
ENTER TO WIN
SOME GREAT PRIZES
(MUST BE PRESENT TO
WIN)
AND JOIN IN ON THE FUN
ACTIVITIES FOR MORE
CHANCES TO WIN!

FUN

FAMILY

BRING
YOUR APPETITE!
WE'LL BE BARBECUING
* RIBS
* BRISKET
* HAMBURGERS
* HOT DOGS
* BRATS



On June 12, 2017, the District's Board of Directors approved:

- Fiscal Year 2018 Budget
- 0% percent increase in customer rates and fees

How is it possible for NO increase in rates when other utilities and water providers are continually charging you more?

Metro Water staff is making wise financial actions to save over \$1,200,000 annually, out of a \$20M budget by:

Using what we have wisely



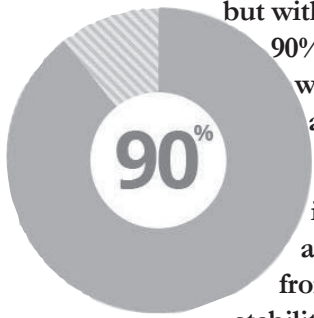
- *Priority-driven budget process
- *Achieving revenue stability goals
- *No new debt since 2013
- *Paying a loan off 15 years early; saving over \$100K

Increasing Revenue



- *Credit Purchase Agreement generates \$50,000 annually for 20 years
- *Pima County Sewer Billing Agreement increased to match costs of service generating \$75,000 annually
- *Reliability Amendment released \$924,000 in infrastructure funding to Metro Water

What is the result of using what we have wisely and increasing revenue?



90% fixed cost recovery. Okay it was actually 89.95% but with the power of rounding we will say 90%. This makes Metro Water the first water utility to achieve this in Arizona, and perhaps even the United States.

Balancing fixed and variable revenue improves revenue stability, affordability, and the conservation message. Revenue from fixed charges means more financial stability to meet costs.

- American Water Works Association (AWWA) Journal, March 2015, E165

What about increases in the future?

While moderate increases may be a necessity in the future, due to issues beyond our control like the cost of power or Central Arizona Project (CAP) water, we can commit to achieving our mission of delivering safe reliable water to you without increasing your rates this year!

RELIABILITY AGREEMENT AMENDMENT APPROVED

Reliability during planned maintenance outages in the southern area of the Central Arizona Project (CAP) canal has been an issue of concern since the 1980s. On January 4, 2011, the Central Arizona Water Conservation District (CAWCD), the City of Tucson, Flowing Wells Irrigation District, Metropolitan Domestic Water Improvement District, the Town of Marana, and the Town of Oro Valley entered into an agreement to address these planned maintenance outages. A portion of that agreement created a reliability fund of \$6 million that would be used to construct various infrastructure features that would enhance utilization of this renewable water resource.

After negotiations, the Tucson Area reliability partners arrived at an amendment, which all parties' governing bodies unanimously approved, including the District's Board of Directors, to disburse the remaining funds. \$2.4 million of the remaining funds were released to Metro Water District, the Town of Marana, and the Town of Oro Valley (referred to as the Northwest Providers) based on proportional partnership in the Northwest Recharge, Recovery, and Delivery System (NWRRDS). Metro Water's portion is approximately \$924,000.

These funds will be used to develop and construct the NWRRDS planned booster / forebay facility along with other associated efforts which will help recover and deliver CAP water to the Northwest Providers' service areas from the Avra Valley Recharge Project, Lower Santa Cruz Recharge Project, and adjacent groundwater savings facilities. This is a positive resolution to an issue that has been present for over 30 years.

In May, Joseph Olsen, General Manager, and Sheila Bowen, Deputy General Manager / District Engineer, attended the Arizona Municipal Utilities Leadership Institutes (AMULI) annual conference. Attendees included heads of water providers throughout Arizona. Mr. Olsen had the privilege of presenting the District's revenue stability journey including the 10-steps the District followed to attain revenue stability. Many of the attendees expressed an interest to implement similar revenue stability initiatives in their respective utilities.



QUIZ TIME

Generating \$23,300,000 over 20 years in non-customer revenue avoids what percent increase to the average District resident?

- A) 3.0%
 - B) 7.5%
 - C) 10.5%
 - D) More than any increase in a decade
- Answer on last page



Two of Metro's Sites Get a Fresh Coat of Paint



In March, the Board of Directors approved the external painting of the New Linda Vista and Horizon Hills storage tanks. Additionally, the District logo on both tanks had faded significantly and was repainted. While the vast majority of the District's water infrastructure is underground and out of site, we wanted to share with you the efforts we take on your behalf to maintain all of the features of the water distribution system to ensure safe and reliable water.

Bobby Martinez (Utility Technician II) connects a new 2-inch copper service line at Pima Canyon Plaza (Ina and Thornydale) while Eric Gaytan (Utility Technician II) provides assistance. This copper service line replaced an old PVC line that was prone to failure. District staff performed the entire 200 feet service line replacement in-house while minimizing impacts to the commercial customers.



SPOTLIGHT ON METRO SOUTHWEST



To ensure resilient and reliable water service in the Metro Southwest - E&T service area, a diesel powered booster pump was recently installed at the E&T 22 well site. This booster pump will help minimize water service interruptions during power outages.



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Metro Water offices will be closed on:

Monday, October 9, 2017 Columbus Day

Friday, November 10, 2017 Veteran's Day Observed

Thursday, November 23, 2017 Thanksgiving Day

Friday, November 24, 2017 Thanksgiving Friday

Board of Directors:

Judy Scrivener, Chair
 Bryan Foulk, Vice Chair
 Jim Doyle, Member
 Helen Ireland, Member
 Dan M. Offret, Member

Board Meetings:

Wednesday, October 11
 Monday, November 13
 Monday, December 11

Board meetings are held at
 6265 N. La Cañada Drive
 and typically start
 at 6:00 p.m.

*Board meetings are typically held
 the second Monday of each month.
 If it falls on a holiday, the meeting
 is moved to Wednesday.

ANSWER TO QUIZ

from page 2

It is kind of a trick question.

The answer is C and D.

Average monthly water bill = \$47.25
 \$23.3M over 20 years = \$1,165,000/year
 Which would be approximately
 \$5 more each month
 \$5.00 = 10.5% increase which is also
 more than any increase in a decade!



visit us at:

call us at:

like us on facebook:

www.metrowater.com

575-8100



Office Hours:
 Monday - Thursday 7:30 - 5:30
 Friday 7:30 - 1:00