



Metro Water District
invites you to two meetings
about financial stability,
water resource goals, and
water rates

Wednesday, May 18, 2016
6:00 p.m.

Information Meeting
about Your Water Provider

Monday, May 23, 2016
6:00 p.m.

Public Hearing on
Restructuring Rates

Both Meetings are at
Metro Water District
6265 N. La Cañada Drive

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

Strengthening

Financial Stability —

Building on last year's balancing of the rate structure to better cover fixed costs, Metro Water aims to further streamline its rates in 2016 for greater financial stability and to also propose **NO** rate adjustment for 2017.

For this year, four modifications are proposed to be effective July 1st. This would collectively be a \$2.28 increase (5.37%) for the average customer.

- 1) The Water Availability Rate (or base rate) would be increased by \$2.75 to cover 90% of fixed costs. Fixed costs are those expenses Metro must pay for regardless if water is consumed or not.
- 2) The above increase is alleviated by including the first 3,000 gallons a customer uses into the Water Availability Rate. This means the first tier of the Water Consumption Charges would start at 3,001 gallons and reduce the tiers from five to four.
- 3) The 2nd, 3rd, and 4th tiers of the Water Consumption Charges are adjusted to cover variable costs to operate, maintain and improve our water system and encourage conservation.
- 4) The Water Resources Utilization Fee is a designated fee used for efforts that increase our use of CAP water and recycled water. This fee is proposed to increase from 40¢ to 50¢ per 1,000 gallons. Utilizing more renewable supplies minimizes our dependence on groundwater. The fee is important for funding the design phase for the CAP Recharge, Recovery and Delivery System.

NO Proposed Rate increase for 2017 —

By making these adjustments, Metro Water secures a stronger financial standing. Projecting forward, Metro will be in a position to not need a rate increase in 2017, barring any unforeseen adverse event.

Metro has closely managed the budget to ensure revenue stability for the District. This enables Metro to request only a modest increase this year and **NO** increase next year.

With a strong financial foundation,

Metro Water can ensure you continue to receive safe and reliable drinking water whenever you turn on the faucet.

Information Meeting —

The May 18th 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 23rd public hearing is about the recommended changes 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 | 8,800 gallons |
| Cost for 8,800 gallons under Proposed Rate Structure | \$44.64 (currently \$42.36) |
| Average Residential Customer Cost Increase Per Month | \$2.28 |

| | |
|--|---|
| <p>Proposed Rate Schedule Metro Southwest—E&T Residential—5/8" Meter (Would become effective July 1, 2016)</p> | <p>Water Availability Rate \$24.75 includes the first 3,000 gallons (currently \$22.00)</p> |
| <p>Water Consumption Charges (3,001 - 10,000 gallons) \$2.67 per 1,000 gallons (currently \$2.60)</p> <p>(10,001 - 17,000 gallons) \$4.60 per 1,000 gallons (currently \$4.30)</p> <p>(17,001 - 24,000 gallons) \$6.10 per 1,000 gallons (currently \$5.70)</p> <p>(over 24,001 gallons) \$7.10 per 1,000 gallons (currently \$7.02)</p> | <p>Water Resource Utilization Fee 50¢ (currently 40¢)</p> <p>Commercial and multi-family customers' rates will be equated to this proposed rate schedule according to their larger meter sizes.</p> |