



Water Rate Increase Outreach Meeting

Heidi Lasham, PE – Water Director

11/13/2025

Marana Water

By the numbers

218 Miles of Water Mains

106 Miles of Sewer Mains

1,349 Fire Hydrants

2,196 Manholes

12,595 Water Customers

7,862 Water Reclamation Customers

**Safe and reliable utility
service to support health,
safety and economic
vitality**

Delivered

24/7/365

**For less than 2
pennies per gallon**

Why Increase Water Rates Now?

- Last rate study was conducted in 2019
- Last rate adjustments for 2020 – FY 2024
- Rates not adjusted in 2025
- Based on a projection of operating and capital expenses, existing rate **revenues are insufficient to cover costs over the next 5 years.**
- **Recommendation:** annual increases in water and water reclamation rates.

Factors Impacting Need for Rate Increase



Declining per Capita Demand
(Conservation)



Inflationary Pressures



Regulatory Requirements
(PFAS treatment)

Town commits to continue to be...

- Fair and reasonable
- Safe and reliable drinking water
- High-quality service today and into the future

Rate study
findings.??



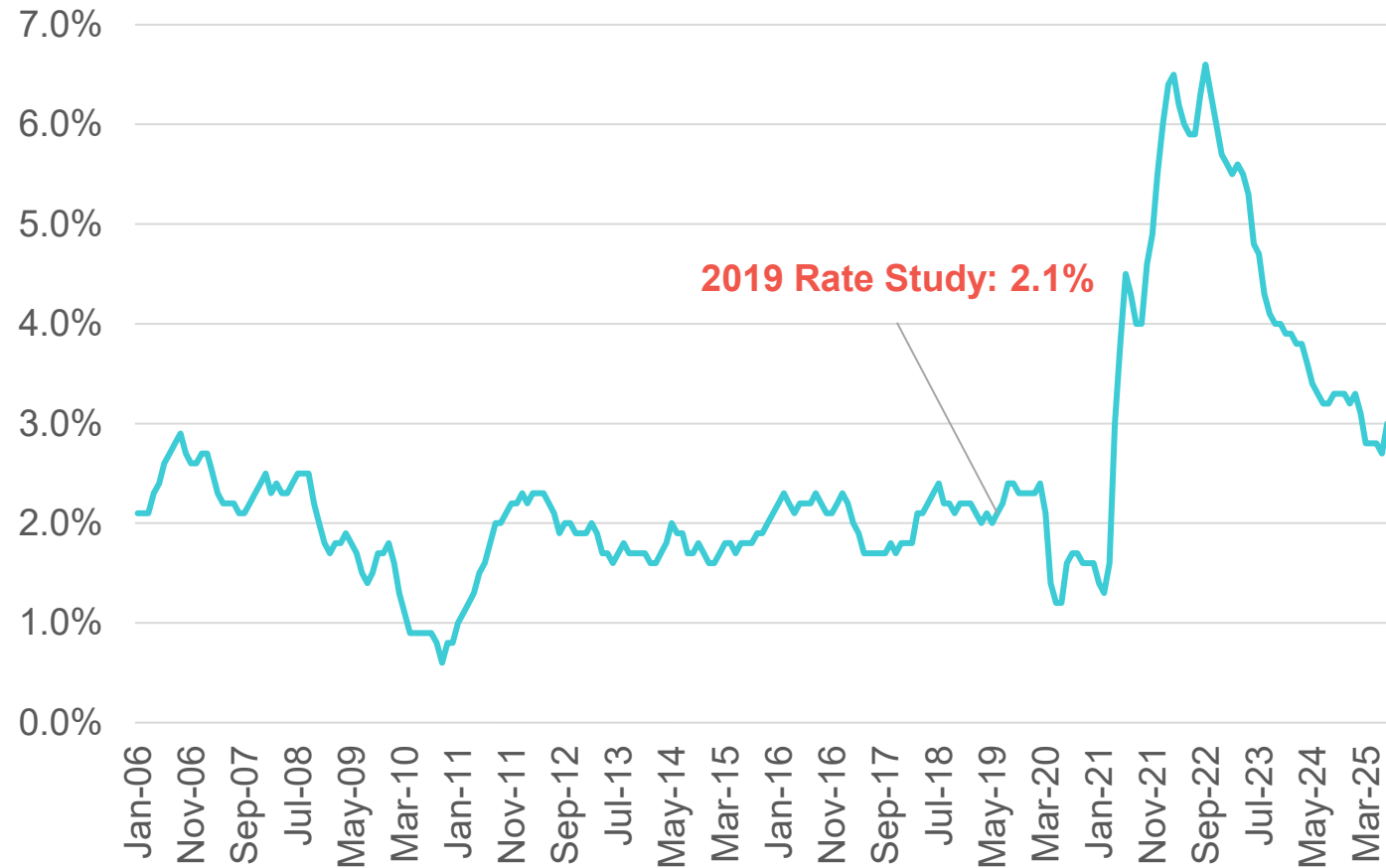


Step 1: Forecast Baseline Revenue

1. Revenue projections under existing rates.
2. Account Growth Forecast
 - a. Water – adding approx. 480 homes/ year
 - b. Sewer – adding approx. 400 homes/ year
3. Usage Growth Forecast
 - a. Assumed conservation and increased efficiency of new accounts.

Inflation – A Recent History

Year over Year Change in Core Inflation



The Town is impacted by inflation, like any other consumer of goods and services.

The rate of inflation has decreased, but costs are still higher than in 2019.

Step 2: Operating Expense Projections

1. **Start with Council Approved Budget**
2. **FY 2027** and beyond includes inflation and incremental adjustments
3. **Major Inflation**
 - a. Payroll, Health Insurance, Variable Costs (CAP Water, Power, Chemicals)
4. **Detailed forecasts for**
 - a. Additional positions
 - b. Additional vehicles and equipment and associated maintenance
 - c. Water Quality O&M
 - d. Water and Water Reclamation Contracted Services

Contracted Services

1. Meter replacement program (\$300k/yr)
2. UV maintenance (\$130k/yr)



Water Project Highlights

1. Well rehabilitation program
 - a. One well per FY (\$120,000)
2. Reservoir rehabilitation program
 - a. Budget for tank inspection (\$30,000)
 - b. One reservoir per FY as needed (\$120,000)



Water Project Highlights Continued...

- Water service line replacement program (\$32,000)



Water Reclamation Project Highlights

1. Manhole rehabilitation program (~\$300K)
2. Sewer cleaning and CCTV inspections (\$165k)
3. Lift station rehabilitation (\$1.2M)



Water Capital Project Highlights

1. PFAS Projects

a. Heritage Park Well

- i. \$15.4 million
- ii. 100% Impact Fee

b. Marana Park Well

- i. \$13.7 million
- ii. 38% Rates, 62% Impact Fees

c. Pioneer Well

- i. \$9.6 million
- ii. 56% Rates, 44% Impact Fees

d. Airport NW Well

- a. \$31.9 million
- b. 56% Rates, 44% Impact Fees

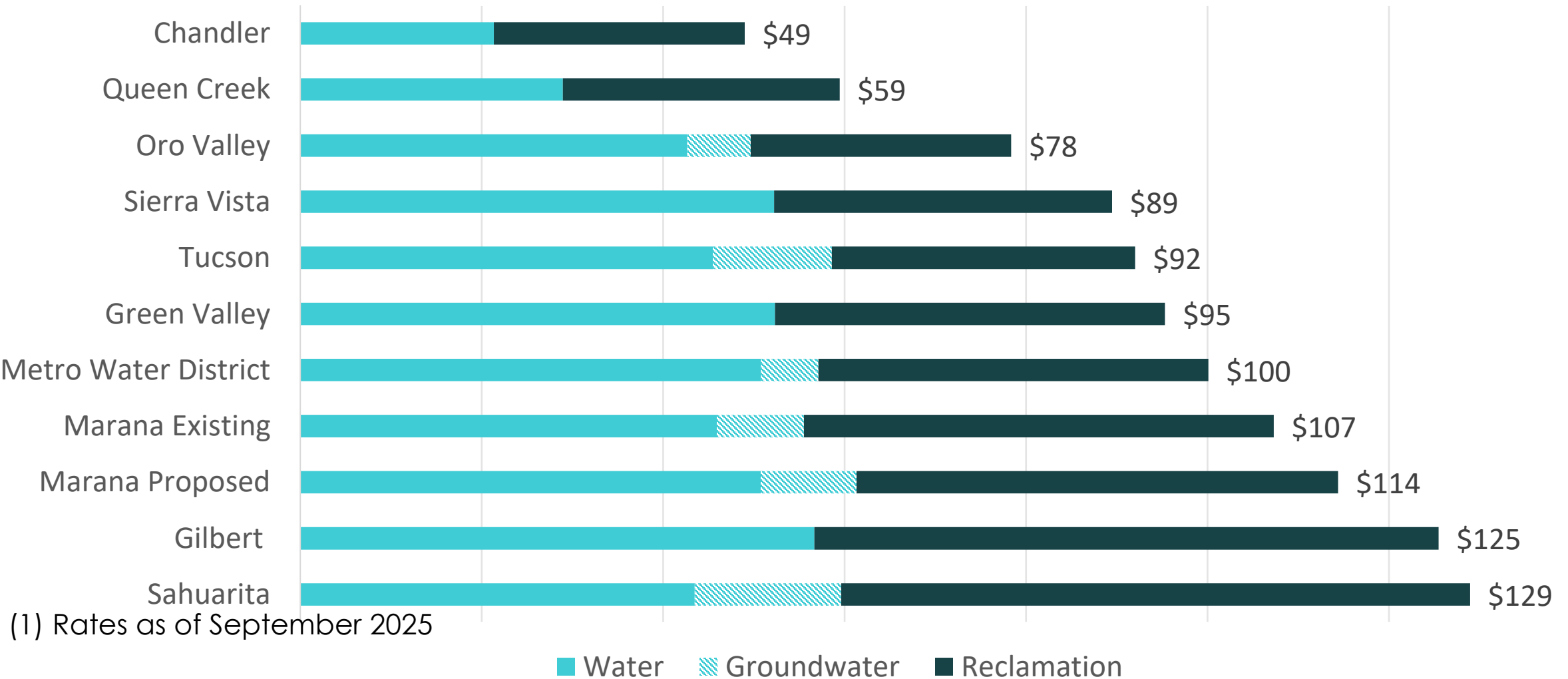


Rate Recommendation

1. Revenues under existing rates are **insufficient to fund projected expenses** over the next 5 years.
2. **Recommendation:**
 - a. Water Rate Increase: 10.5% per year
 - b. Reclamation Rate Increase: 2.5% per year

Bill Comparison

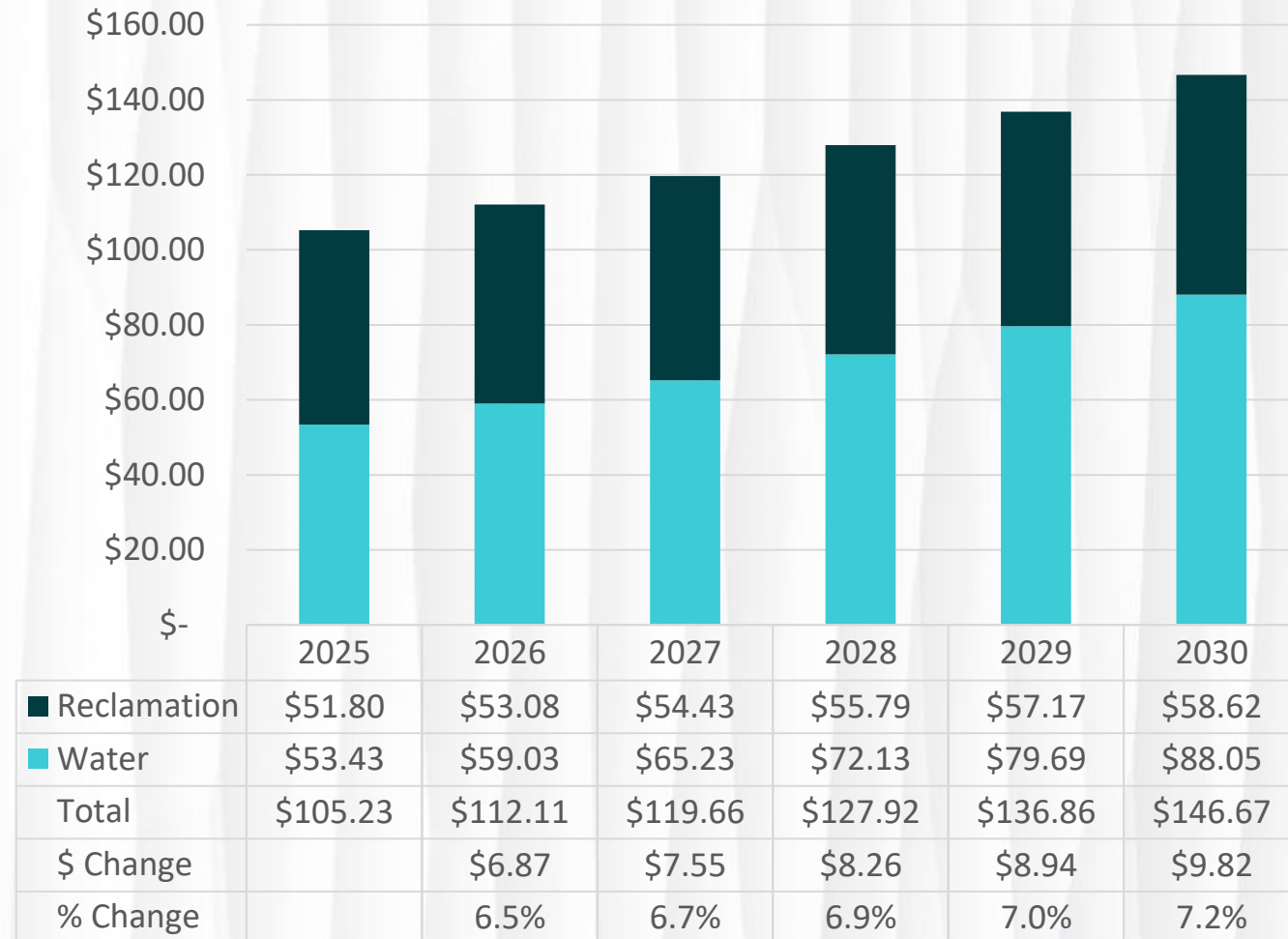
2026 Bill vs. Neighboring Utilities(1)



Typical Bill Impacts

1. Typical indoor usage assumption is **50 gallons per person per day**.
2. Usage for Household of 4:
 - a. Reclamation: $50 \times 4 \times 30 = 6,000$ gal
 - b. Water: $6,000 + \text{additional } 1,000 \text{ for limited outdoor usage} = 7,000$ gal
3. Impact on Feb 6, 2026 – 6.5%, or \$6.87
4. Cost per Gallon in 2026 – \$0.017
5. Cost per Gallon in 2030 – \$0.022

Combined Impact (7,000 gallon user)



Bill Assistance

- **Current:**

- Payment Plans
- Community Services Department – Utility help from Grant funding

- **Future:**

- Budget Billing
- Round Up Program





1. Presentation to Mayor and Council – October 21, 2025
2. Notice of Intent to Increase Rates – November 4, 2025
- 3. Outreach Meeting #1 – Thursday, November 13, 2025**
- 4. Outreach Meeting #2 – Wednesday, November 19, 2025**
5. Notice of Public Hearing – November 19, 2025
6. Written Report filed with Clerk posted to website – December 6, 2025
7. Publish in Newspaper – December 16, 2026
- 8. Public Hearing/Adoption – January 6, 2026**
- 9. Rates Effective for bill rendered on or after February 6, 2026**



H2-OH!



FALL 2025 EDITION



FROM THE WATER DIRECTOR'S DESK: SAFEGUARDING OUR MOST VITAL RESOURCE

Water is a foundation of life, ensuring a safe, reliable, and sustainable water supply is a responsibility we take seriously. Behind every drop that comes from your tap is a dedicated team of engineers, operators, technicians, and administrative staff working tirelessly to maintain infrastructure, monitor water quality, and plan for the future. Here are some of the significant accomplishments of the Water Department:

1 Infrastructure Improvements

As part of our water meter replacement program, crews have been working to upgrade and implement Advanced Meter Infrastructure or AMI. This project will help residents detect potential leaks more quickly to conserve water & reduce unexpected spikes in their water bill.

2 Water Quality Monitoring

We continue to meet all state and federal drinking water standards. Our water quality team conducts daily testing, ensuring the water you drink is clean, safe, & great tasting.

To view CCRs & map visit:
Maranaaz.gov/WaterQuality

3 Drought Resilience & Conservation

We continue to monitor our local aquifer and regional climate conditions, which informs both our short and long-range water resource planning. Our investment in deploying new technologies like AMI and development of programs such as our Drought Preparedness Plan, reflect our passion and commitment to reliably serve our Marana community.

To guide the Town's priorities in the years to come, enhancements are underway on three Master Plans: Water, Water Reclamation and SCADA (Supervisory Control and Data Acquisition). This includes modernizing aging infrastructure, adopting new technologies, and ensuring we're prepared for future demands due to continued development in Marana. Together along with our customers, we can ensure that our water system remains strong, resilient, and sustainable for generations to come.

Sincerely,

Hadi Lasham

Marana Water Director

MORE INFO



DID YOU KNOW?

The Town of Marana owns, operates, and maintains the wastewater collection and treatment systems that serve North Marana. Despite the furthest point in the collection system being a mere 10 miles away from Marana's Water Reclamation Facility (WRF), there are over 100 miles of sewer mains throughout North Marana that convey wastewater flow to the WRF.

TELL US MORE!

We're always looking for effective ways to reach out to our customers. Please give us your feedback on a survey & help us provide you with the information you want to know.



WATER QUALITY

Each year, Water Quality staff collects hundreds of samples from 36 designated "sampling stations" located in neighborhoods throughout the water distribution system.

We are committed to ensuring the highest quality of your water. Marana meets all EPA established drinking water standards and is required to publish an annual Consumer Confidence Report (CCR) to provide results for each water system within our service area.

To view CCRs & map visit:
Maranaaz.gov/WaterQuality



Watch Water Wednesdays on Instagram to keep up to date with water news!

RECIEVED A HIGH USE BILL?

We offer assistance for high use bills through the High Use Payment Plan Program for Marana Water residential customers.

For more information visit:
Maranaaz.gov/Water-FAQ

SAVE WATER THIS WINTER



Winter is the ideal time to save water. Landscape plants don't require as much water in the winter months. However, if you overseed your grass, your water use goes up and so does the cost and time spent for maintaining a winter lawn. Give your lawn a break and skip the overseed this year.

Visit our Conservation webpage:
Maranaaz.gov/WaterConservation

STAFF SPOTLIGHT SCADA...It's a big Deal.

SCADA or Supervisory Control and Data Acquisition is a high-level network of computers and monitoring equipment that alerts operations staff when a part of the system is in need of attention.



Scott Anderson, our SCADA Administrator, manages the Water Department's SCADA network and industrial automation systems.

"Together with dedicated team members across the organization—from operations and maintenance to customer service—we deliver safe, reliable, high-quality water to the community while supporting water conservation efforts" —Scott Anderson

