

## **“Questions and Answers” from May 28 community meeting held at the Rancho Solano Preparatory Academy**

**1. Would this acquisition be considered an Improvement District and would there be any assessments or fees charged to the customers?**

An Improvement District would not be formed. There would be no special assessments or fees charged to former New River Utility Company customers as a result of the acquisition. Former New River Utility Company customers would be charged the normal water rates charged throughout the rest of the city.

**2. If the City were to purchase this system would the City use the same water supply?**

Water provided by New River Utility Company is groundwater. The City may or may not use the existing New River Utility Company wells. Water provided by the City of Peoria is groundwater, Salt River Project water treated at the City’s Greenway Water Treatment Plant, and Central Arizona Project water treated at the City of Glendale’s Pyramid Peak Water Treatment Plant. All water must meet the same Federal, State, and County water quality requirements. The City’s Consumer Confidence Report provides detailed water quality information for the past calendar year and can be found online at [http://www.peoriaaz.gov/uploadedFiles/NewPeoriaAZ/Residents/Home\\_and\\_Property\\_Resources/Water/2014\\_CCR\\_web.pdf](http://www.peoriaaz.gov/uploadedFiles/NewPeoriaAZ/Residents/Home_and_Property_Resources/Water/2014_CCR_web.pdf).

**3. Are water rates different across the city?**

No, water rates are standardized throughout the city. Rates vary based on size of meter and volume used, but not by geographical location. The City’s current rate sheet can be found online at <http://www.peoriaaz.gov/NewSecondary.aspx?id=27446>. An online rate calculator can be found at <http://www.peoriaaz.gov/NewSecondary.aspx?id=30616>.

**4. If City acquires the New River Utility Company, would the Central Arizona Groundwater Replenishment District (CAGR) fee go away?**

Yes, the former New River Utility Company customers would no longer pay the CAGR fee assessed on customer’s property tax bills.

**5. If the City did not acquire the New River Utility Company, and another private provider purchased the company, would rates go up?**

If a private utility company were to acquire the New River Utility Company rates may or may not increase. Private utilities companies are regulated by the Arizona

Corporation Commission. Rates can be increased through an application process initiated by a private utility company. An administrative process takes place ultimately leading to a decision by the Arizona Corporation Commission on approved rates.

**6. Why does the City want to acquire the New River Utility Company?**

The City would acquire the New River Utility Company in order to better coordinate and control water resources and water quality within the City's planning area, increase integration and planning of the water system infrastructure by elimination of a "cut-out" area (i.e., the New River Utility Company service area), and to address low pressure issues reported to the City by some customers of the New River Utility Company.

**7. Would the City raise the current rates?**

The City has no planned or approved rate increases. It is envisioned that water rates could increase from 1% to 4% over the next three years subject to further analysis and subsequent approval by City Council.

**8. How does the City communicate regarding potential rate increases?**

Rate increases are discussed in Council meetings open to the public. Press releases and mailed notices may be issued regarding a potential or approved rate increase.

**9. How would the acquisition affect sewer rates?**

The acquisition would not affect your sewer rates. Sewer rates are based on winter-time water usage. The City currently obtains water usage information from the New River Utility Company in order to determine your sewer bill.

**10. Would water pressure improve for New River Utility Company customers?**

Many New River Utility Company customers have expressed low water pressure issues, especially those living in areas located at higher elevation or those owning two-story homes. Water pressure would improve for New River Utility Company customers after the two water systems are interconnected. This is due to the more robust nature and slightly higher operating pressures of the City water system as compared to the New River Utility Company system.

**11. What capital improvements are needed for the water system and how would the city/residents pay for it? Would former New River Utility Company customers have to pay for this?**

Capital improvements would need to be determined and quantified. Once determined, a Capital Improvement Plan would be developed. Ultimately, costs for system repairs and upgrades would be recovered by the rates charged to all customers throughout the city.

**12. What is the City's long-term water supply?**

The City has a robust water portfolio consisting of many types of water, including CAP, SRP, groundwater, and storage credits garnered from the storage of reclaimed and other water. The City has a goal to prepare for a long-term drought by having storage credits sufficient to provide six years of supply. The City is making good progress on this goal and has credits sufficient to provide several years of drought protection.

**13. What is timeframe to acquire New River Utility Company?**

The process to acquire the New River Utility Company is envisioned to take several months once the decision to do so is made. It would take several more months to interconnect the systems. The acquisition/interconnection process could take between one year and 18 months.