



## MWDOC Update to Mesa Water

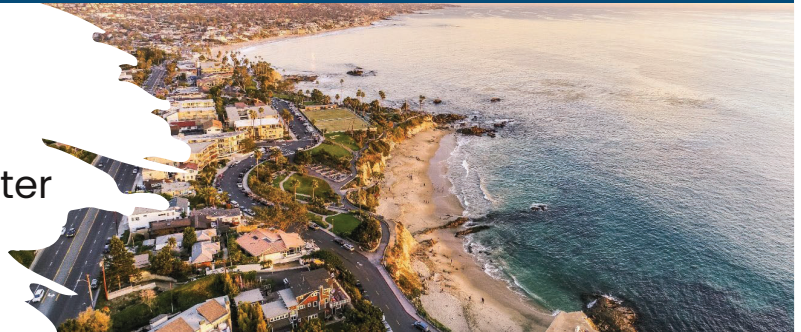
Harvey De La Torre, General Manager

04.23.2025



## Agenda

- 💧 MWDOC's Partnership with Mesa Water
- 💧 Metropolitan Rates
- 💧 Metropolitan's Business Model



# MWDOC & Mesa Water

## 💧 MWDOC & Mesa Water's Partnership FY 24-25

### 💧 Water Use Efficiency Rebates

- 💧 **90,361 sq. ft.** of turfgrass transformed to CA Friendly Landscapes
- 💧 Rebated **81** Indoor Devices | **30** Smart Timers | **7,465** Drip Emitters

### 💧 Water Loss Control

- 💧 **100 miles** of distribution system leak detection (In Progress)
- 💧 A distribution system pressure survey (completed)
- 💧 Water Audit Validation (completed)
- 💧 Customer meter accuracy testing **275 meters** (completed)



# MWDOC & Mesa Water

## 💧 MWDOC & Mesa Water's Partnership FY 24-25

### 💧 Co-hosted a MWDOC Water Resources and Conservation Patch Clinic, bringing hands-on learning to **41 Girl Scouts** and **25 of their parents and siblings**

- 💧 Journey Through the Water Cycle
- 💧 Aquifer & Water Pump
- 💧 Water for All

### 💧 Participant in the Orange County Demand Study

### 💧 Urban Water Management Plans (2010, 2015, 2020)

### 💧 Annual Water Supply & Demand Assessments







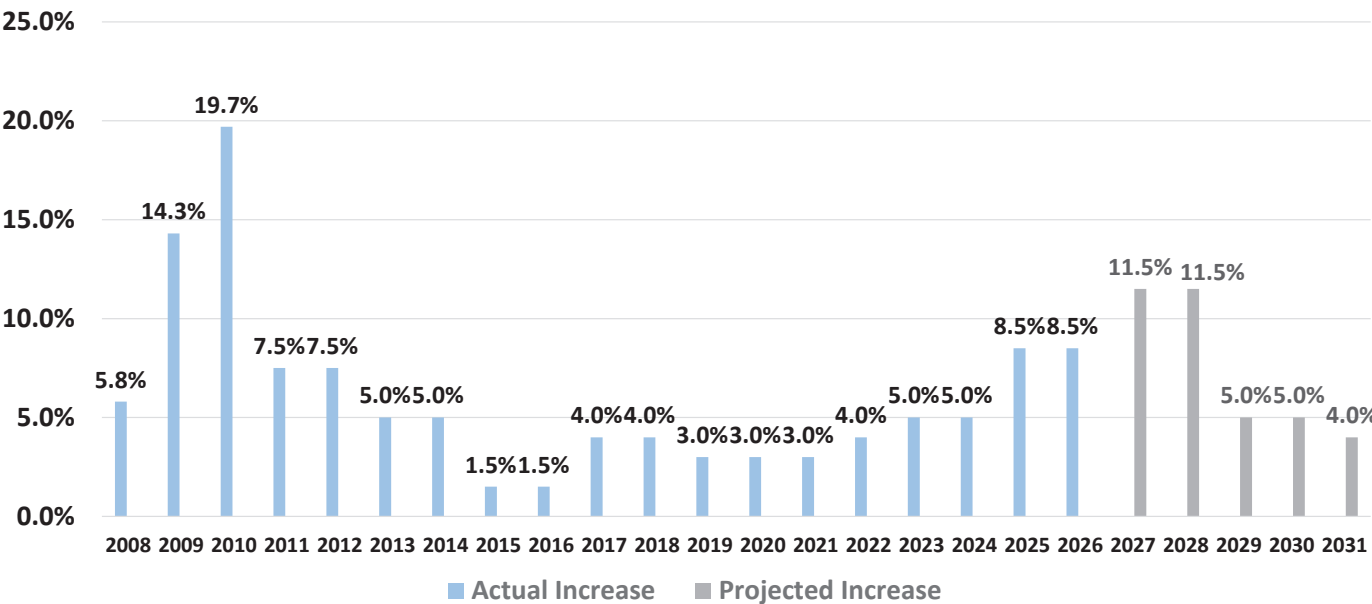
## Metropolitan Rates Historical & Future

### Metropolitan Key Rate Drivers

- ◆ Lower Projected Water Transactions  $\approx 7\%$  impact
- ◆ Budget for **FY23-24** demands was **1.54 MAF**.
  - ◆ Actual demands were **1.17 MAF** the lowest demand on MET in **50 years**.
- ◆ Increased costs for expenditures, primarily for construction, chemical costs, and general inflation  $\approx 7\%$  impact
- ◆ Prior budgets not meeting full cost recovery  $\approx 7\%$  impact



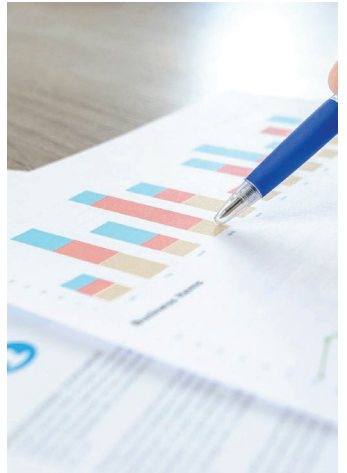
# Metropolitan Rate Increases



## Metropolitan's Business Model

# CAMP4W & Business Model Background

- ◆ CAMP4W revealed questions about key areas of MWD's business model in response to changing hydrology
- ◆ Board Leadership provided guidance for a review of the business model and formation of a GM Ad Hoc Working Group
- ◆ GM Working Group met monthly and identified following areas of focus
  - ◆ Finance Sub-working Group
  - ◆ Water Resources Sub-Working Group
  - ◆ Engineering Sub-Working Group



## Business Model Sub-Working Group Scope

### Finance Sub-working Group

- ◆ Treated Water Surcharge
- ◆ Reserve Policy
- ◆ Water sales Assumptions
- ◆ Level Payment Plans

### Water Resources Sub-Working Group

- ◆ Member agency Exchange Program
- ◆ Policy for Sales outside the service area
- ◆ Conservation & Local Resources Planning

### Engineering Sub-Working Group

- ◆ Level of Service Policy
- ◆ Member agency requests for system flexibility improvements





# Business Model Next Steps

- ◆ Recommendations presented to Metropolitan Subcommittee on Long term Planning (April 22, 2025)
- ◆ Information & Action items move to the committees of jurisdiction to incorporate into the FY2026/27 & FY2027/28 biennial budget
- ◆ Outstanding items to be finalized in advance of the biennial budget starting FY2028/29.



Thank you for your attention.  
Please **let us know** if you have questions.