

TOWN MANAGER’S EXECUTIVE REPORT

Town of Oro Valley | January 2026

TO COUNCIL



Happy New Year! As we begin the new year, our Town enters a season of renewed focus, building on the meaningful momentum and progress we achieved in 2025.

Oro Valley Town Court Expansion

Oro Valley’s multi-million-dollar Town Court expansion is set to have its ribbon cutting on Feb. 3. The modernized facility adds additional space with major upgrades including attorney and jury deliberation rooms, and a Sally Port to better protect the public and staff. The upgrade adds much-needed tools and capabilities to better serve the community.

Engagement & Community Highlights

OV’s Path Forward: In December, Town residents helped refine the draft plan through working group meetings, bringing it to 90% complete. The draft will now go to partner jurisdictions, then to Planning & Zoning and Town Council this spring.

Business Connections: Staff continues to advance business retention and expansion by meeting directly with major employers to understand business needs and align Town support. With over 100 business visits completed in 2025, the BRE program continues to deliver relationship-driven engagement.

Volunteer Appreciation: In December, the Town of Oro Valley celebrated more than 300 volunteers at our Volunteer Appreciation Reception. Their thousands of hours of service each year power our programs and reflect the true spirit of Oro Valley.

Key Milestones & Ongoing Projects

Naranja Multi-Use Path: Contractors continue their efforts with new slope cuts and drainage pipes. ADOT and Granite have begun working on traffic control plans for lane closures for the relocation of large amounts of dirt.

Oro Valley Marketplace Redevelopment Project: Construction continues on both the apartment site and park, with the pedestrian tunnel scheduled to be completed by mid-January. Utility installations have begun west of Water Harvest Way.

Northwest Recharge Recovery and Delivery System (NWRDRS): Installation of pipe continues with recovery wells and reservoir now completed. With partnership projects with the Town of Marana and Metro Water nearly finished, this project is on schedule to be completed in late 2026.

Transportation Art by Youth: Public Works staff met with the artists to finalize the locations for the animal displays. Concrete pads will be constructed in the coming weeks, and installation of the artwork will begin.

As we begin this new year, our community is entering a period of both opportunity and responsibility. With Council’s leadership and the dedication of our staff and community partners, we are well-positioned to deliver exceptional service and measurable outcomes for residents. I look forward to working with you in the year ahead to strengthen service delivery, maintain long-term financial stability, and continue making our town a place where people can thrive.

Best regards,
Jeff Wilkins
Town Manager



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ADMINISTRATION

TOWN MANAGER'S OFFICE

Ask OV's Top Inquiries: December 1-31, 2025:

| | |
|-------------------------------|---|
| Parks & Recreation Facilities | 6 |
| Horses on Linda Vista Trail | 5 |
| Right of Way | 7 |
| Police Department | 5 |

OV Youth Advisory Council (YAC)

The Youth Advisory Council (YAC) dedicated December to giving back to the community and celebrating their service. YAC hosted a cookie-decorating booth at the Oro Valley Tree Lighting, spreading holiday cheer. They also helped fulfill holiday wishes for ten seniors through the Interfaith Community Services Gifts of Love program. To cap off the month, YAC attended the Oro Valley Volunteer Appreciation Reception, an event they look forward to each year as a meaningful recognition of their volunteer efforts.



GRANT AND CONGRESSIONAL FUNDING OPPORTUNITIES

For the latest list of grants applied and awarded per calendar year, [click here](#).

| Year | Awarded | Pending |
|------|-------------|-------------|
| 2022 | \$1,993,735 | \$0 |
| 2023 | \$80,694 | \$0 |
| 2024 | \$4,127,759 | \$0 |
| 2025 | \$313,151 | \$8,352,904 |

STRATEGIC PLAN Q2 REPORT

As of January 1, 2026:

- 86 % (31 out of 36 projects) are on schedule
- 4 projects/initiatives are on hold
- 1 project is completed

For the full status of each Strategic Plan project, [click here](#).

INFORMATION TECHNOLOGY

During the month of December, the IT Department continued to advance both infrastructure reliability and cybersecurity preparedness. A key operational focus was the remediation of the IT closet at Water Utility.

In addition to infrastructure improvements, the IT Director represented the Town at the State of Arizona Cybersecurity Summit and participated in the Arizona State Cyber Tabletop Exercise. These engagements strengthened the Town's alignment with statewide cybersecurity initiatives, enhanced incident response readiness, and provided valuable insight into emerging threats, best practices, and intergovernmental coordination. Lessons learned from these events will inform future security planning, policies, and resilience efforts across the Town's technology environment.

COMMUNICATIONS AND MARKETING

December productions: Click on links below to view documents.

PRESS RELEASES

[OV offers tree recycling program starting Dec. 26](#)

PUBLICATIONS & ADVERTISING

Vista Newsletter ([Jan. 2026 / Feb. 2026](#))

December Bear Essentials print ad

Thank You Volunteers Explorer print ad

Hot Cocoa 5K Registration Explorer print ad

SnOV Explorer print ad

This Month in Parks & Recreation Explorer print ad

[Popular Annual Financial Report \(PAFR\)](#)

Other

Volunteer Reception program

Drainage Maintenance Guidelines

MOVE Across shirt design

Council E-Card

Annual Comprehensive Financial Report (ACFR) Cover

VIDEO

[Resolve To Run: Hot Cocoa Challenge](#)

[Resident Working Group Refinement Meeting](#)

[Host Your Wedding at Steam Pump Ranch](#)

WARM WISHES
FOR A JOYOUS HOLIDAY SEASON
AND A HAPPY NEW YEAR!

TOWN OF ORO VALLEY MAYOR, COUNCIL AND TOWN MANAGER

THIS MONTH
Oro Valley Parks & Recreation
JANUARY

PROGRAMS

| ORO VALLEY YOUTH SERIES: | OUTDOOR NATURE PLAY | SENIOR SOCIAL: HYPOFORES |
|---|--|---|
| IRMA CANYON Saturday, Jan. 3, 9-11:30 a.m. Ages: 10+ Cost: \$10 1633 E. Wagon Rd. Tucson, AZ 85718 | Jan. 4-28, 10-11 a.m. Ages: 4-12 Cost: \$10 Riverbend Park 53 W. Lambert Ln. Tucson, AZ 85718 | Wednesday, Jan. 22, 5-6:30 p.m. Ages: 55+ Cost: Meal cost Cotton River Adult Center 12045 N. Oracle Rd. |


GADGET GUIDANCE
Thursday, Jan. 8, 10 a.m. - noon
Ages: 10+ | Cost: FREE
Steam Pump Ranch
18901 N. Oracle Rd.

SENIOR SOCIAL: JUNK JOURNALING AND COLLAGE
Thursday, Jan. 15, 10-11:30 a.m.
Ages: 55+ | Cost: FREE
Steam Pump Ranch
18901 N. Oracle Rd.

EVENTS

| HOT COCOA 5K | SECOND SATURDAYS AT STEAM PUMP RANCH |
|--|--|
| Thursday, Jan. 1, 11:30 a.m. All ages Cost: \$40 Steam Pump Ranch 18901 N. Oracle Rd. | Saturday, Jan. 24, 9 a.m. - 1 p.m. All ages Cost: FREE Steam Pump Ranch 18901 N. Oracle Rd. |

Find more to do, or register for these programs and events online at [PLAYON.COM](#)



COMMUNITY AND ECONOMIC DEVELOPMENT

BUSINESS RETENTION/EXPANSION AND MARKETING

New Businesses (ready to open): *Certificate of Occupancy issued and store front business licenses issued:*

- Synergy Wellness, 11115 N. La Canada Dr., Unit 155 (new business)
- Bloom Tea, 12115 N. Oracle Rd., Suite 145 (new business)

In December, business licenses were issued to new businesses in the following categories:

- Store front: 4 total license was issued
- Home occupations: 3
- Shared space: 0
- Intelligent office: 1 (is a physical location that a business owner can use for package and mail delivery, meetings and other business-related functions)

A total of 552 new business licenses were issued during the 2025 calendar year.

Ribbon Cuttings

Due to the holidays, there were no ribbon cuttings in December

Making Connections

In December, staff continued its Business Retention and Expansion (BRE) efforts through a series of business visits and stakeholder meetings with local businesses and major employers. These engagements focused on strengthening relationships, understanding operational needs, identifying opportunities for collaboration, and aligning Town resources with business and workforce priorities across the community. The Town surpassed 100 total business visits in 2025, reflecting a sustained and intentional focus on direct business engagement through the BRE program.

TOURISM

- Monthly Social Media Analytics
 - Facebook: views - 4,605; interactions - 64; visits - 304; new followers - 24
 - Instagram: views - 104,600; interactions - 2,226; new followers - 156
- Explore Oro Valley App Analytics: 2,486 users; 3,480 sessions; 91 app downloads
- Event-driven booked room nights
 - Legendary Cup: 302 room nights (Westward Look)
 - Tucson Marathon: 304 room nights (El Conquistador)
 - Tucson Bicycle Classic: 63 room nights (Westward Look)
- Sports event/tournament leads
 - 36 total events
 - Average economic impact: \$66,000
 - Total hotel rooms: 83,000
 - New Events: Wicked Fast Marathon (Feb. 2026); Pickleball Powerplay (March 2026); TBC Oro Valley 5K (Feb. 2026); Legendary Women's Cup (Dec. 2026)

PLANNING DIVISION

OV's Path Forward – In December, all Oro Valley residents were invited to participate in the Resident Working Group meetings to review the comments from the BIG Community Review and refine the draft plan. These meetings resulted in a 90% draft that will be distributed to surrounding jurisdictions and agencies for comment. The 90% draft will be presented to the Planning and Zoning Commission and the Town Council this spring. Stay engaged and read the draft 10-year plan. Learn more at OVPathForward.com.

OVMP Construction Update – Construction continues on both the apartment sites adjacent to Tangerine Road and the north park located between Tuk Tuk Thai and Walmart. The west half of the pedestrian tunnel under Water Harvest Way is targeted for completion for mid-January. The majority of truck loads moving dirt between the north park and apartment sites have been completed. Earth work in Development Area 1 (west of Water Harvest Way) is primarily complete, and utility installation has begun. Earth work to level Development Area 2 (east of Water Harvest Way) continues and should be completed soon.

PERMITTING & STATISTICS

Statistics

Single Family Residential Activity – 12 new Single Family Residential Permits were issued for the month of December. A total of 103 SFR permits were issued during the 2025 calendar year, compared to 161 issued in 2024.

Permitting Activity – 191 total permits were issued during the month of December. A total of 1,953 permits were issued during the 2025 calendar year, compared to 2,087 issued during 2024.

Permitting

New Businesses

- Anytime Fitness at Canada Hills Marketplace - 10540 N. La Canada Drive #150 (TI Permit Applied)
- Code Ninjas at Oro Valley Marketplace - 12125 N. Oracle Road #129 (TI Permit Applied)
- Jimmy John's at El Corredor (former Kneaders building) - 9660 N. Oracle Road #150 (TI Permit Issued)
- Mountainside Fitness at Oro Valley Marketplace - 11935 N. Oracle Road (TI Permit Applied)
- Pet Care at Entrada del Oro – 7861 N. Oracle Road (TI Permit Issued)

Other Permits

- Miller Ranch Spine Road, Leman to Tangerine Connection – 1410 W. Tangerine Road (Type 2 Grading Permit Applied)
- Vistoso Trails Nature Preserve, Pond Improvements – 955 W. Vistoso Highlands Drive (Type 3 Grading Permit Applied)

ECONOMIC DEVELOPMENT AND NEW PROJECTS

Entrepreneurship/Small Business Support

In December, the Economic Development Newsletter featured a business-to-business connection between Tucson Tamale and fellow Oro Valley business owners of Just Kabab, creating space for shared learning around scaling operations, packaging, distribution, and regional growth strategies. These facilitated conversations are designed to strengthen the local business ecosystem by encouraging collaboration and knowledge sharing among established and growing businesses .

SaddleBrooke Resident Survey – Results & Next Steps

The SaddleBrooke Resident Survey collected 909 resident responses from HOA 2 residents providing insight into healthcare access, dining and retail preferences, mobility and transportation, communication preferences, and Town engagement. A presentation to the SaddleBrooke Public Affairs Commission, and meetings with the HOA 1 and HOA 2 Boards, has given the Economic Development staff a clear approach that ensures continued collaboration, clear communication, and data-informed decision-making as the Town strengthens its partnership with the SaddleBrooke community.

PARKS & RECREATION

ADMINISTRATION

In the month of December, the Department held a successful SnOV event at the Community & Recreation Center, as well as Second Saturdays at Steam Pump Ranch and winter camp. Staff also prepared for the Hot Cocoa 5K along the multi-use path at Steam Pump Ranch.

AQUATIC CENTER (OVAC)

OVAC hosted the Winter Lights Invite from Dec. 4–7, welcoming 750 entries—the most entries for this event, to date. This milestone reflects the growing popularity of the event and our commitment to delivering exceptional aquatic experiences.

COMMUNITY AND RECREATION CENTER

The CRC hosted the final Movie on the Lawn of the year on Saturday, Dec. 6. More than 100 individuals came out to see a special showing of the holiday classic, Elf.

The CRC hosted the Pickle-icious Jingle Jam at the Community & Recreation Center on Dec. 12-14. The event, hosted by We Care Tucson, featured over 250 players over the three-day event. The event will be hosted at the CRC in 2026 and 2027.

SnOV, an annual holiday event, took place on Thursday, Dec. 18, at the CRC. This free community event, which brought in approximately 1,500 community members, featured games, arts and crafts, a movie, food trucks, a visit from Santa and 30 tons of snow (*photo*).



On January 24 staff will be facilitating a group trip to the University of Arizona Men's Basketball game vs. the University of West Virginia. This trip, which will include 25 participants, will include tickets to the game, as well as transportation to and from the CRC.

RECREATION AND CULTURE

Winter Break Camp took place on Dec. 30, with 35 kids attending and making some fun winter crafts.

Camp included indoor and outdoor activities, featuring nature play and winter-themed STEM projects, highlighting some of the best parts of snow days and winter break.



PARK MAINTENANCE

Projects outside of standard core services:

Naranja Park:

- Removed fencing from around other half of turfed areas at dog park. The winter rest period is completed.
- Detailed restrooms near fields 1 and 2.

Riverfront Park:

- Installed new basketball nets.
- Pressure washed pickleball courts.

VISTOSO TRAILS NATURE PRESERVE UPDATES

- The VTNP Access Map was completed.
- Staff continued collaboration regarding the Desert Ecosystem Restoration Project, with 90% design plans are anticipated to be received in late January, with final plans anticipated in late February.
- Town staff worked on the publication of the invitation for bid for the selling of a donated home. Proceeds from the sale will be utilized to support specific portions of the Desert Ecosystem Restoration Project.
- Staff continued work on the Standards for Adjacent Homeowners, as well as the prescriptive standards for plants and pests. The stakeholder group has been providing feedback on the documents.

INDIGO GOLF PARTNERS

Golf Rounds for January are budgeted for 7,850 rounds at the 36-hole facility and Pusch Ridge is budgeted for 2,500 rounds of golf. All 45 holes of golf are open for play.

As of Dec. 20, we have 457 Full Memberships including 19 Corporate Memberships compared to end of November 2024 we had 414 Full Memberships including 22 Corporate Memberships. The marketing focus for January will continue to focus on full time, corporate, and Pusch Ridge memberships.

January events include weekly Ladies, Men's, and Couples competitions. We will be hosting 15+ social events during the month including music night and four specialty dinner evenings.

Golf Rounds Reports:

| 2025-2026 ROUNDS - 36 HOLE | | | | | | |
|----------------------------|---------------|----------------|--------------|---------------|---------------|-----------------|
| Month | Member Rounds | Non-Mem Rounds | Comp Rounds | Outing Rounds | Total Rounds | Prior YTD Total |
| 7/31/2025 | 3,224 | 2,701 | 549 | 172 | 6,646 | 5,777 |
| 8/31/2025 | 3,182 | 2,867 | 372 | 193 | 6,614 | 6,425 |
| 9/30/2025 | 3,139 | 2,545 | 275 | 399 | 6,358 | 6,077 |
| 10/31/2025 | 3,360 | 2,101 | 210 | 181 | 5,852 | 6,019 |
| 11/30/2025 | 3,691 | 3,232 | 204 | 806 | 7,933 | 8,983 |
| 12/31/2025 | | | | | | |
| 1/31/2026 | | | | | | |
| 2/28/2026 | | | | | | |
| 3/31/2026 | | | | | | |
| 4/30/2026 | | | | | | |
| 5/31/2026 | | | | | | |
| 6/30/2026 | | | | | | |
| Total Rounds | 16,596 | 13,446 | 1,610 | 1,751 | 33,403 | 33,281 |

| 2025-2026 PUSCH RIDGE GOLF ROUNDS | | | | | | |
|-----------------------------------|---------------|----------------|-------------|-----------------------|--------------|-----------------|
| Month | Member Rounds | Non-Mem Rounds | Comp Rounds | League/ Outing Rounds | Total Rounds | Prior YTD Total |
| 7/31/2025 | 0 | 0 | 0 | 0 | 0 | 0 |
| 8/31/2025 | 0 | 0 | 0 | 0 | 0 | 0 |
| 9/30/2025 | 0 | 0 | 0 | 0 | 0 | 0 |
| 10/31/2025 | 119 | 685 | 26 | 29 | 859 | 658 |
| 11/30/2025 | 416 | 2,128 | 69 | 144 | 2,757 | 2,604 |
| 12/31/2025 | | | | | | |
| 1/31/2026 | | | | | | |
| 2/28/2026 | | | | | | |
| 3/31/2026 | | | | | | |
| 4/30/2026 | | | | | | |
| 5/31/2026 | | | | | | |
| 6/30/2026 | | | | | | |
| Total Rounds | 535 | 2,813 | 95 | 173 | 3,616 | 3,262 |

POLICE DEPARTMENT

CASES, INCIDENTS AND STATISTICS

Case 1: Child Abuse

- OVPD was contacted by school.
- Investigation showed evidence of excessive discipline.
- Parent arrested for Endangering Life Health of Minor.

Case 2: Package Thefts

- OVPD has received numerous reports of packages being stolen from residences.
- OVPD is using analytics to track trends.
- Detectives working leads on a person of interest.

DEPARTMENT NEWS

- On December 11, Lt. Weston Barkley graduated from the FBI National Academy. This intense program is a great opportunity for our future leaders (*photo below*).
- Officer O'Vee, the Elf made his annual appearance this month. Proof of the effectiveness of the intended community engagement the elf brings was evidenced by a community member who 3D printed an elf sized bodycam in response to a post we made joking about the regular cameras being too big (*photo below*).
- OVPD held the annual Cops and Kids event, where local kids get a chance to shop for gifts with an officer.
- CRU assisted our CVAP Volunteers, who had collected donations for Esperanza, an organization that helps homeless veterans.



PUBLIC WORKS

GENERAL PROJECTS UPDATES

Naranja Multi-Use Path from La Cañada Drive to First Ave:

Granite Construction continues to work on several large slope cuts along the project, with all work west of the residential driveways. Several drainage pipes have been extended and newly installed, and the rebar for the box culvert west of Copper Creek Drive was delivered. ADOT and Granite are working on traffic control plans for a lane closure at two of the large slope cuts – one west of Musette Drive and the second across from Pomegranate Drive. Both locations have a two-way-left-turn-lane that will be utilized to maintain two-way traffic. The lane closures will allow a large amount of dirt cut from the slopes to be moved to other locations along the project.

The residential driveways to the east of Sawtooth Rd have been marked where they will be sawcut and removed. Granite will provide approximately 2 week notice to the residents prior to any removals.

TABY (Transportation Art by Youth)

The animals are nearly ready for installation at the intersections, with some minor work after installation. The benches and concrete pad for each animal to sit upon will be constructed by a concrete contractor in the coming weeks. Town staff are currently coordinating with the contractor for permits and for the Town to supply traffic control devices. PW Engineering staff met on site with Hiro (artist) and Tyler (Art State Arizona) to finalize the locations and review utilities.

New Police Main Station, 13101 N. Oracle Rd.

Facilities Maintenance has continued its work on the building. Exterior site cleanup has been completed, and exterior painting is in progress. Proposals have been sent out for pest control, trees, and bush trimming. The internal design committee lead group continues to formulate user groups. The design will be led by a committee so that all PD users have a voice in the configuration of the new facility.

Community and Recreation Center, Exterior Restroom

Demolition, excavation, and plumbing (underground) are complete. Project remains on schedule.



STREET & DRAINAGE OPERATIONS

- Hot Applied Crack Seal Surface Treatments have been completed in the Vistoso Highlands (1-68) Subdivision with crews are currently working to complete the Canada Ridge (1-126) Subdivision.
- Townwide sweeping of all town residential is delayed and backlogged due to numerous breakdowns of equipment. Operations will resume once repairs are completed.
- Townwide right-of-way landscape maintenance continues with Town staff, ADC, and Town contractor crew.
- Street and Drainage Crews have completed various sidewalk repairs within the Catalina Shadows (1-169) and Sun City Vistoso Unit 1A (5-17,41-43) subdivisions. Crews are now currently continuing repairs on Rancho Vistoso Blvd (*photo below*).



STORMWATER UTILITY

Sierra Wash Drainage Improvement at Glover Road

The Sierra Wash Drainage Improvement Project at Glover Road continues to progress under FEMA Disaster Recovery Grant DR-4524. Improvement Plans and Drainage Report remain under permitting review with the Community and Economic Development (CED) department.

Pomegranate Drive Drainage Improvement Project

The Pomegranate Drive Drainage Improvement Project remains under FEMA review and is currently in the Request for Information (RFI) stage, as confirmed by the Arizona Department of Emergency and Military Affairs (DEMA) in December 2025. While the federal review is ongoing, Town staff continue design development to prepare for permitting. Survey and utility data have been incorporated into the base drawing, and work is underway to complete the existing conditions and begin the proposed design. Staff will continue to advance design efforts in parallel with the FEMA review to maintain project momentum and readiness for implementation once funding is obligated.

Vistoso Trails Nature Preserve Pond

Remediation efforts at the Vistoso Preserve Pond continue in coordination with Ninyo & Moore (N&M) and Kary Environmental Services (KES). Removal of most 55-gallon drums is completed, and disposal profiling confirmed acceptance by Waste Connections Landfill. Soil exposed during recent removal showed no signs of chemical staining. The remaining soil samples will focus on areas adjacent to the large storage tank, once its contents are removed. If post-removal inspection reveals leakage, additional sampling and testing will be performed.

Mutterer's Wash Drainage Project

Psomas initiated office processing of GNSS and conventional survey data, including CAD linework, Civil3D surface model, alignments, profiles, and cross-sections. Quality control review is scheduled for early January, with final deliverables expected by end of January.

Sierra Wash Drainage Improvement at Via Mandarin

Reseeding operations tentatively scheduled for the week of Jan. 11, 2026. The salvage plant inventory is being refined to align with site conditions, maintenance access, and available resources. A sole source cost proposal for salvaging plant material from the Water Department's project is being advanced with draft budget and contractor scope materials, with management approval anticipated in January.

Catalina Ridge Ramp Project

A design kick-off meeting was held for the Catalina Ridge Ramp Project, and initial base plan development is underway.

ENGINEERING

Pavement Preservation: Cape Seal Treatment (*completed*)

Pavement Preservation: Liquid Road Surface Treatments (*completed*)

Pavement Preservation: Gilsonite Surface Treatments (*completed*)

National Pavement Partners was awarded a contract to apply a Gilsonite surface treatment.

- Contractor is working on punch list items consisting of power washing and surface treatment touch ups (*photos*).
- Paint subcontractor applied a second coat of paint and raised pavement marker along Lambert Lane.



Tucson Bicycle Classic

PW Engineering has been working with OVPD and CED to review the traffic control plans for the Tucson Bicycle Classic, which will be adding a 5K run prior to the start of the bicycle races.

FLEET & FACILITIES

Facilities and Fleet key projects and tasks:

- Building 680, Fuel Island Modernization: Eaton, a tank manufacturer and installer, is finalizing a proposal for replacement of the existing tanks and pump.
- Community and Recreation Center, Exterior Painting: Project complete.
- Community and Recreation Center, Fitness Flat Roof Coating : In process, 90% completed. The scope/area has been expanded to an additional roof section, to make use of surplus materials.
- Community and Recreation Center, Golf Maintenance, Siding: A partial project has been proposed by the contractor and is being evaluated to assess value and longevity.

Facilities and Fleet unscheduled projects and tasks:

- OV Library Golf Balls: Breckinridge group, the contract architect, has provided a concept drawing which will be shared with our Library partners for comment.

WATER UTILITY

CUSTOMER SERVICE

For the month of December, the Utility added 10 new service connections.

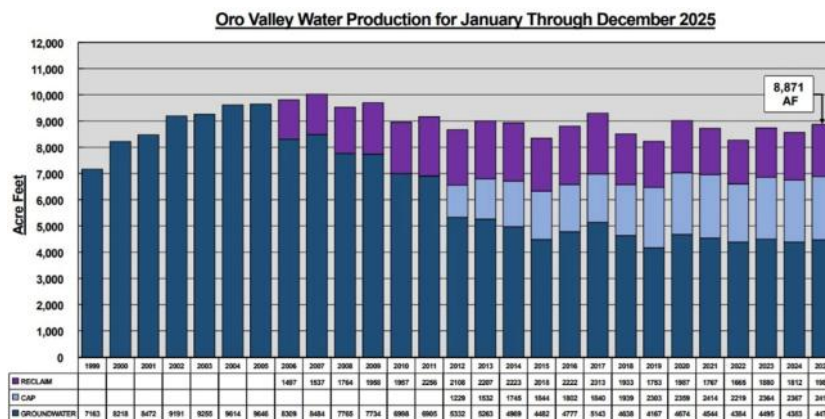
The Utility now has a total of 21,662 service connections.

WATER OPERATIONS & ENGINEERING

The following graphs compare annual water deliveries by type, through December, for the Oro Valley and Countryside service areas over the past 26 years.

Water deliveries to the Oro Valley service area through December 2025 consisted of:

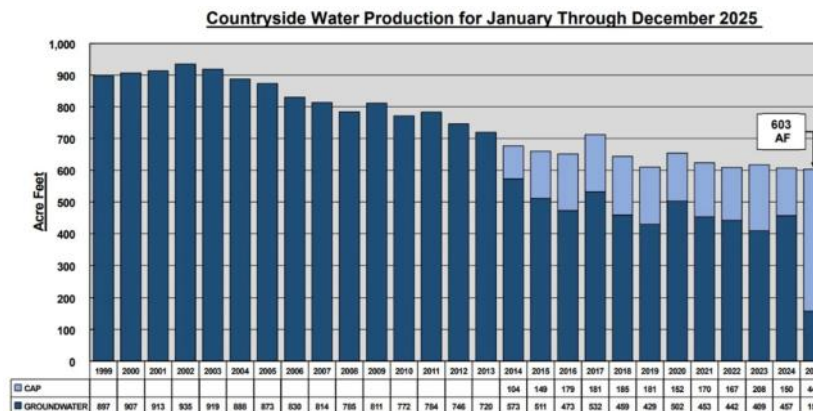
- 646 million gallons of reclaimed water
- 798 million gallons of CAP water
- 1.46 billion gallons of groundwater



Water consumption for the Utility's main service area experienced more water resource consumption than the previous 4 years. A warmer 2025 calendar year contributed to higher water usage .

Water deliveries to the Countryside service area through December 2025 consisted of:

- 145 million gallons of CAP water
- 51 million gallons of groundwater



The Utility's Countryside service area experienced the lowest annual groundwater pumping in the history of the water utility. The completion of the Countryside Wheeling Station upgrade project has increased CAP deliveries by 300%, greatly reducing this service area's reliance on groundwater.

CIP—CAPITAL IMPROVEMENT PROGRAM

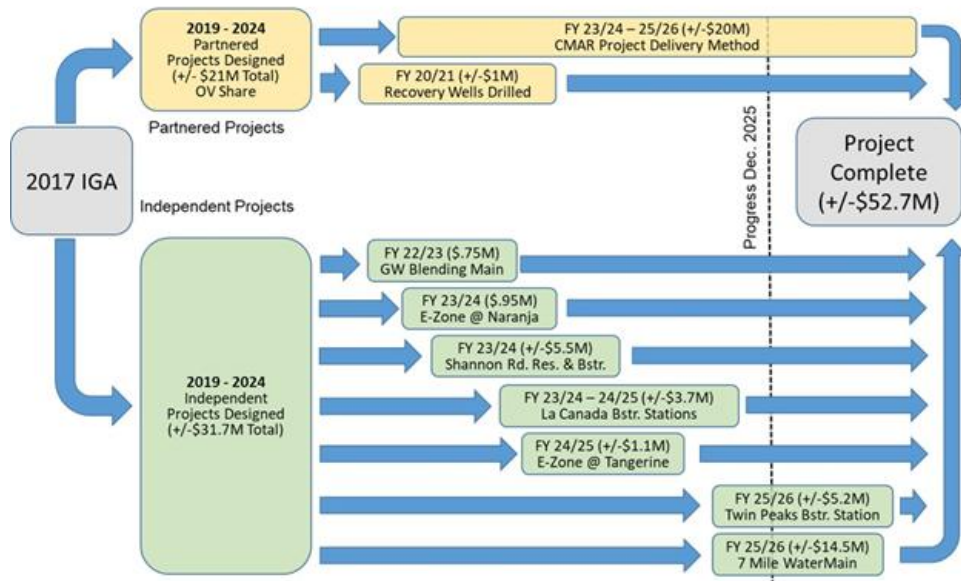
Northwest Recharge Recovery and Delivery System (NWRDRS): The NWRDRS project is composed of both partnership projects with the Town of Marana and Metro Water, as well as independent projects.

Independent Projects: The Independent projects consist of the following:

- NWRDRS D-Zone blending line – **Completed.**
- NWRDRS E-Zone discharge main at Naranja – **Completed.**
- NWRDRS Shannon Road Reservoir & Booster Station – **Completed.**
- NWRDRS La Canada Booster Stations – **Completed.**
- NWRDRS E-Zone discharge main at Tangerine – **Completed.**
- NWRDRS Twin Peaks Booster Station – **10% Complete.**
- NWRDRS Transmission pipeline – **30% Complete.**

Partnered Projects: The Partnered projects consist of the following:

- Drilling of three NWRDRS recovery wells – **Completed.**
- CMAR NWRDRS Well collector pipeline – **75% Complete.**
- CMAR NWRDRS Well equipping – **10% Complete.**
- CMAR NWRDRS Reservoir – **Completed.**



Graphical representation of the general arrangement of the phasing of the Partnered and Independent NWRDRS Projects.