

Water supply in Oro Valley is an integral part of our community for both public health and economic vitality. In Oro Valley we take our water supply very seriously to assure it is safe and reliable. The Utility is committed to the long-term sustainable production and delivery of water resources that meets or exceeds all water quality standards in a cost-effective and environmentally responsible manner.

Serving a population of 47,000 residents and covering a service area of approximately 30 square miles, the Oro Valley Water Utility is the second largest municipal provider in Southern Arizona. The Utility is funded solely from water sales and fees with an asset value over \$110 million dollars. Water Utility assets include 18 production wells, four Central Arizona Project (CAP) water delivery stations, 12 reservoirs, 26 booster stations and 385 miles of distribution mains. The Utility is operated and maintained by a staff of 40 water professionals.

Prior to 2005, the only source of water supply available was groundwater. Understanding that relying on groundwater alone to meet the needs of a growing community was not sustainable, past leadership established the means to utilize other sources of supply. Today, the Water Utility delivers groundwater, CAP water, and reclaimed water to meet the water resource needs of the community.

Approximately 65 percent of Oro Valley's drinking water supply comes from groundwater; the other 35 percent comes from CAP water deliveries.

**Groundwater** exists in the ground approximately 300 feet below the land surface and extends over 1000 feet below the land surface. This water is pumped from 18 wells located throughout the Utility's service area. Since 2005, groundwater pumping has been reduced by 56 percent. This is a result of the Town's use of other sources of supply, such as CAP water for potable use, and reclaimed water for irrigation and construction purposes.

In 2022, the Utility had the second lowest annual groundwater pumping in the history of the Water Utility. This reduction in groundwater pumping is a testament to the conservation ethic of the community, as well as the utilization of water resources other than groundwater to meet the community's water resource needs. Groundwater deliveries currently make up about 65 percent of Oro Valley's drinking water supply.

**CAP water** deliveries are made possible thanks to the 336-mile CAP canal that extends from the Colorado River to Southern Arizona. CAP water deliveries to the Utility's service area began in 2012. This water is delivered to nearby aquifer storage facilities that allow the CAP water to filter through the ground to replenish the aquifer and remain stored underground until it is pumped for delivery to Utility customers. Of the Utility's entire CAP water allocation, the utility delivers about 25% of its allocation to customers, about 45% is used to replace the groundwater that has been pumped and the remaining 30% is left in the aquifer to be used in the future if needed.

The storing of unused CAP water allows the Town to accumulate long-term groundwater storage credits for future use. This is an important component of the Town's water resource management plan. The Town will continue to store a portion of its CAP water allocation until it is needed for direct delivery to customers. CAP water deliveries make up approximately 35 percent of Oro Valley's drinking water supply.

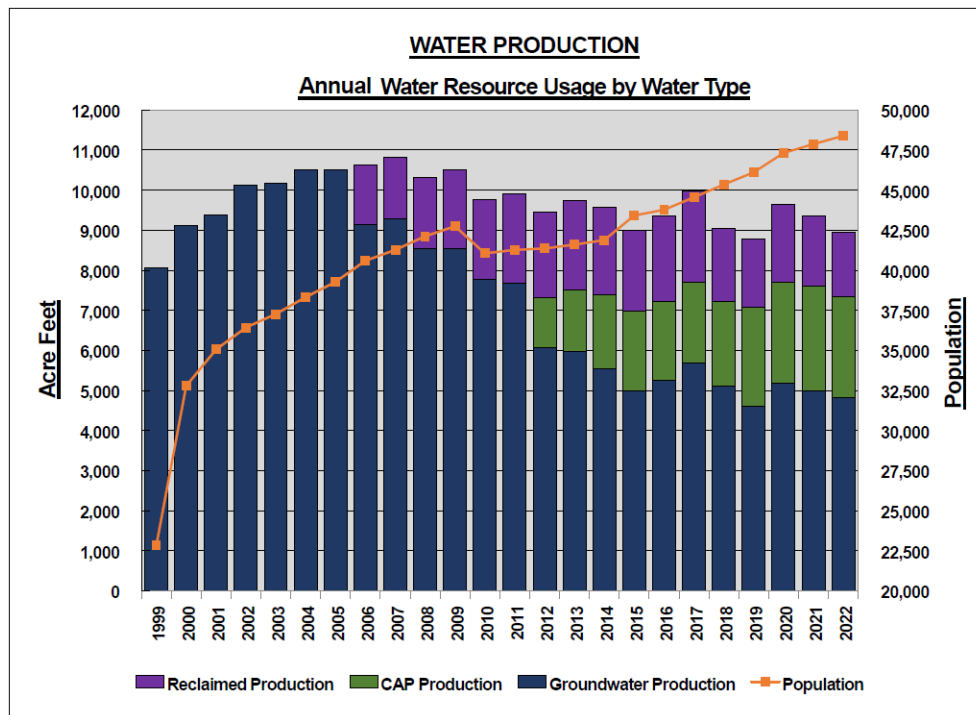
It is anticipated that future growth will require an increase in CAP water deliveries. To accommodate the need for additional CAP water deliveries, the Town has entered into an intergovernmental agreement—

a partnership—with the Metropolitan Water Improvement District and the Town of Marana to construct the Northwest Recharge, Recovery & Delivery System (NWRDRS). This project is slated for completion in 2025. Once completed, the Oro Valley Water Utility will have the capacity to increase CAP water deliveries to our service area by up to 150%. This volume of water is enough to further reduce groundwater pumping as well as support all of the Town’s drinking water needs to Town buildout and beyond.

**Reclaimed water** deliveries began in 2005. This further reduced the Utility’s reliance on groundwater and is used to meet the water demands of the Town’s irrigation customers. The largest irrigation customers are the Town’s golf courses, parks and school athletic fields. The addition of reclaimed water to the Utility’s water resource portfolio reduced the use of drinking water for turf irrigation by 26%.

The reclaimed water system is a separate system from the potable water system. The reclaimed water system has its own separate sources of supply, reservoirs, booster stations and transmission mains. Great care is taken to protect the public and ensure that reclaimed water and potable water systems maintain separation.

The graph below shows the water resource usage by type for the past 24 years. The water volume shown is in units of acre-Feet. An acre-foot of water equals 325,851 gallons. For context an acre-foot of water is enough water to cover a football field with 1-foot of water or another way to think about it is 1-acre-foot is about how much water 3-4 residential homes use in a calendar year.



For over two decades the Oro Valley Water Utility has been strategically planning for a warmer and dryer climate. To ensure the sustainability of our community and support community growth the Utility has developed a strategic water resource utilization plan that accommodates water shortages in the following ways:

**First**, we are moving forward with efforts to deliver additional CAP water to our service area to support growth and to further reduce the reliance on groundwater to serve existing customers.

**Second**, we continue to store unused CAP water in nearby underground aquifer storage facilities. This stored water can be recovered and delivered in times of water shortage if needed.

**Third**, the Utility is a member of the Arizona Water Banking Authority. This membership provides a means for the Utility to utilize CAP water that has been stored by the state in underground aquifer storage facilities since 1996.

**Fourth**, the Utility is a member of the Central Arizona Groundwater Replenishment District. This membership provides water resources that further firms the Utility's water resources.

**Fifth**, the Utility maintains a Designation of Assured Water Supply (DAWS) with the Arizona Department of Water Resources. Understanding that groundwater supply is our community's ultimate backup water supply the DAWS ensures that our community has enough groundwater supply to last for at least 100-years.

**Sixth**, we continue to utilize and look for ways of economically expanding the use of reclaimed water for non-potable uses, as well as explore the possibility of treating reclaimed water to a potable standard and delivering it as drinking water.

**Seventh**, we continue to partner with local, state, tribal and federal agencies to explore and discuss the feasibility of future water resource availability possibilities.

**Eighth**, providing a continuous, reliable, and safe water supply to a community is expensive. The Water Utility is self-supporting with all costs associated with operating the utility being funded solely through water rates and fees. The responsible implementation of water rate increases is necessary for the foreseeable future. Our community can expect annual water rate increases between 4-8% every year for the next 3 years. The Utility works hard to keep water rates as low as possible but the costs of purchasing power to operate the water system and the water resource costs themselves continues to increase every year.

**And finally**, On an individual level, we can all conserve water. You can also save money by conserving water so there is a dual benefit. A conservation tool we have for you to use is through our WaterSmart web portal, <https://orovalley.watersmart.com/index.php/welcome>, where you can see your water use and receive alerts regarding overuse or water leaks. This can also save any potential costs for you if you have damage due to one of your pipes leaking.

In summary, the Oro Valley Water Utility is well positioned to provide continuous water service to our community. We are financially sound and will remain successful through the continued good stewardship of our resources as well as the responsible implementation of water rate increases necessary to keep pace with the rising costs associated with municipal waterworks.

For more information, please visit our website at:

<https://www.orovalleyaz.gov/Government/Departments/Water-Utility>

For an in depth understanding of how the Utility operates and manages our communities water resources please download our 2023 annual report here:

<https://www.orovalleyaz.gov/files/assets/public/v/1/documents/water-utility/water-utility-commission-reports/2023-annual-report.pdf>