

WATER METERS – ARE THEY RIGHT FOR ANACONDA...

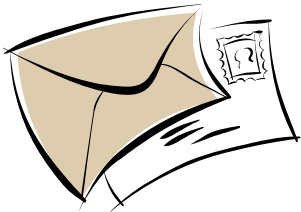
This document is intended to inform you on the water metering process and how it could affect you.



HISTORY

The drinking water supply and delivery system for Anaconda was installed over a century ago. Since then, the system has been owned and maintained by several companies including the Anaconda Company, MERDI, and ARCO. The system Anaconda-Deer Lodge County (ADLC) "inherited" in 1992 was dilapidated and leaking badly – wasting large amounts of water that consumers pay to pump from the ground.

ADLC is in the middle of a program to upgrade its water delivery system but is faced with three inescapable challenges.



CHALLENGE ONE EQUITY IN BILLING

Without individual meters it is impossible for ADLC to utilize an equitable and fair rate structure based on "pay for what you use". In the current system, water users pay a flat rate. This means that a user that currently runs irrigation water down the gutter for 6 hours a day pays essentially the same amount as a user that irrigates responsibly.



CHALLENGE TWO LIMITED WATER SUPPLY

In addition to the obvious surface water and soil contamination in Anaconda, our smelting history has resulted in contamination of much of the groundwater in the area.

Currently our drinking water is supplied by several wells which extract uncontaminated groundwater found west of town. Because of the groundwater contamination found in other areas, ADLC's ability to extract more water for public drinking is severely restricted.

For this reason, it is extremely important to conserve the limited amount of usable water available to the community. In 2004 ADLC had an analysis performed of the drinking water system to determine how efficiently it was working. The study found that leakage and water wasted by consumers are major problems in Anaconda.

Leakage: Up to three-quarters (75%) of the water produced, approximately 2.0 million gallons per day, is lost through leaks in century old water pipes. This means that at current costs, approximately \$75,000 are spent every year to extract groundwater that is lost back into the ground before ever reaching your faucet.

Effects of the limited water supply in Anaconda are most evident in the summer months when water restrictions are required.



Wasted Water: Leaking toilets, continuously running faucets, and inefficient/excessive irrigation waste a considerable amount of our water supply.

CHALLENGE THREE MONEY!!!



To date, ADLC has upgraded the supply wells, installed new chlorination facilities, constructed a new storage tank, and replaced approximately 46,000 feet of water line. These projects have historically been funded by applying for grants from the Natural Resource Damage Program (NRD). Money available from this program has been set aside to help repair the damage caused by mining in the Upper Clark Fork River Basin, including Anaconda. When a project is funded by NRD or other grant agencies, Anaconda pays only a small percentage of the actual project costs.

It is estimated that approximately 44,000 feet of century old water mains still need to be replaced in addition to major upgrades to ADLC's supply wells and treatment facilities. Based on construction costs of previous projects, replacing the remaining pipes could cost more than 12 million dollars.

Unfortunately, the pot of money set aside through NRD is limited. There are not enough dollars to fund all the water system improvements needed and preparing a competitive grant application is becoming increasingly difficult. Therefore, the remaining water replacements may need to be funded by one of the following options.

Option 1: ADLC can raise water rates and pay for 100% of the water system improvements using ratepayer's money.

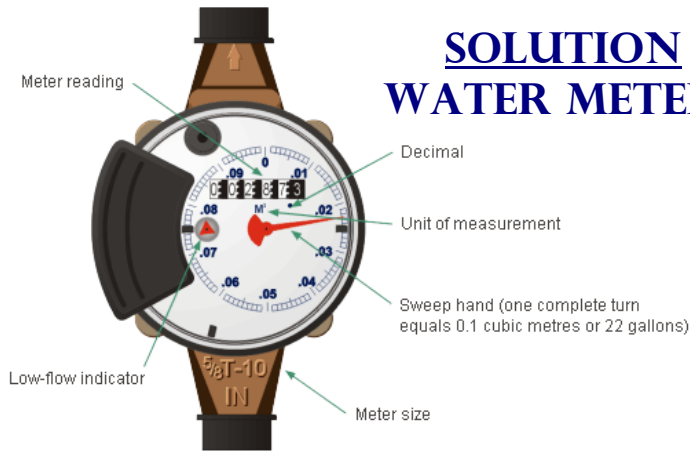


Option 2: ADLC can apply for additional NRD funding or grants from other programs such as Community Development Block Grants (CDBG), the Treasure State Endowment Program (TSEP), or Rural Development Grants. With any of these programs as with past projects funded through the NRD, ADLC would pay a portion of the costs but the majority could be funded by grants. The challenge for Anaconda with competitive grant programs, including the NRD, is that system metering is becoming a basic eligibility criterion. For example, a statement released by TSEP said the following...

"It is the policy of TSEP to encourage the use of water meters wherever appropriate... When scoring applications Montana Department of Commerce will take into consideration whether the applicant has proposed to install meters."

Currently, the majority of the water services in Anaconda are not metered. Therefore, Anaconda is at a disadvantage in competing for these grants.

SOLUTION WATER METERS



A water meter is a device installed on each individual water service that measures the amount of water being used at that service. Installing water meters throughout its entire water system, ADLC would take a significant step towards solving the problems discussed above.

Water Availability: Water metering has a track record of conserving water. Once the entire system is metered, ADLC can track whether water is being lost to leakage or being used by consumers.

Studies show that with no incentive to limit and/or wisely use the municipal water supply, customers tend to use considerably more water.

Equity in Billing: The installation of water meters would create a fair billing system where people pay based on their usage much like other utilities such as electricity or gas. This means that the people that responsibly use water in their homes pay less than those who are wasteful with water.

Money: Funding is becoming increasingly difficult to obtain in un-metered communities. Meters are considered a critical water system management tool, thereby, demonstrating responsible operation and use of the water system supply. The absence of meters indicates to funding agencies a lack of water conservation planning and an ineffective accounting of actual water use in the community. If ADLC's water system were metered, funding projects with money other than ratepayer dollars could become easier to obtain.

? ARE WATER METERS RIGHT FOR ANACONDA ?

For more information visit www.anacondadeerlodge.mt.gov and watch the Anaconda Leader for these future events. Feel free to send comments or questions to the address below.

Introductory Public Meeting

Water Conservation School Education Program

Additional Information in Your Mail Box

Detailed Public Meeting

Contact: Cheryl Baird
50 Main St.
Anaconda, MT 59711



Anaconda – Deer Lodge County
800 South Main St.
Anaconda, MT 59711

Postage

John Doe
1111 Somewhere
Anaconda, MT 59711

Inside: Find out how the water metering decision could affect you...



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