



Utilities New Water Meter Cost Analysis

Pursuant to ARS § 9-511.01, the following provides a cost analysis for the proposed fee increase for the purchase and installation of water meters.

Through the comprehensive review of utility fees, Town staff has identified that the fee the Town is charging no longer covers the cost of new water meters and other associated fees. To achieve full cost recovery, the schedule of new water meter fees is shown below.

Meter Description	Current Fees	Proposed Fee	Increase
3/4" Meter	\$ 463.00	\$ 500.00	\$ 37.00
1" Meter	\$ 554.00	\$ 600.00	\$ 46.00
1 1/2" Meter	\$ 858.00	\$ 1,600.00	\$ 742.00
2" Meter	\$ 1,083.00	\$ 1,800.00	\$ 717.00
3" Meter	\$ 1,483.00	\$ 2,300.00	\$ 817.00
4" Meter	\$ 2,413.00	\$ 4,200.00	\$ 1,787.00
6" Meter	\$ 5,623.00	\$ 7,200.00	\$ 1,577.00

The water meter measures the volume of water used by residential and commercial customers and has several components which include the MXU and parts. The MXU is a radio signal device which broadcasts the hourly meter readings to Sensus meter data systems. The parts associated with the water meter include reducers and adapters for the transition to the valve thread size. The schedule below shows the fee components that total each proposed fee for the water meter.

Meter Type	Water Meter Price	MXU Price	Parts & Installation	Admin Fee	Total Proposed Fee
3/4"	\$202.64	\$156.70	\$90.94	\$49.72	\$500
1"	\$312.14	\$156.70	\$69.74	\$61.42	\$600
1 1/2"	\$1,172.24	\$156.70	\$98.45	\$172.61	\$1,600
2"	\$1,390.46	\$156.70	\$98.63	\$154.21	\$1,800
3"	\$1,732.74	\$156.70	\$184.90	\$225.66	\$2,300
4"	\$3,373.27	\$156.70	\$290.90	\$379.13	\$4,200
6"	\$6,073.01	\$156.70	\$292.66	\$677.63	\$7,200

The annual revenue increase will depend on the number of meters purchased, mainly as a result of new, single-family homes constructed. Assuming that number is 1,500 in a fiscal year, with an

expectation that 88% of those new meters will be ¾” meters, the annual revenue increase would be \$98,015 as shown in the schedule below.

Fee Increases per Meter

Meter Type	Number of Meters Purchased	Proposed Fee Increase Per Meter	New Revenue
¾”	1325	\$ 37.00	\$ 49,025
1”	120	\$ 46.00	\$ 5,520
1 1/2”	25	\$ 742.00	\$ 18,550
2”	25	\$ 717.00	\$ 17,925
3”	2	\$ 817.00	\$ 1,634
4”	3	\$ 1,787.00	\$ 5,361
6”	0	\$ 1,577.00	
Total	1,500		\$ 98,015

The Queen Creek Town Council will consider the fees for new water meters at the Town Council meeting on Wednesday, April 17, 2024 at 6:30 p.m. The meeting will be held in the Community Chambers, 20727 E. Civic Parkway, Queen Creek, Arizona. Information relating to the proposed fee change is available in the Town Clerk’s office at 22358 S. Ellsworth Road, Queen Creek, Arizona and on the Town’s website QueenCreekAZ.gov.