

WDMWW Board of Trustees Vote to Move Forward and Negotiate Agreements for Metro Regionalization

JANUARY 26, 2022 — The West Des Moines Water Works Board of Trustees unanimously approved a [resolution](#) to begin negotiations on agreements that would establish a regional water treatment and production utility, [Central Iowa Water Works \(CIWW\)](#).

Leading up to the 5-0 vote, the trustees hosted seven forums and meetings to gather public comments and opinion. While the vote allows the WDMWW to negotiate 28E/F agreements to work with other water utilities and cities, all of the trustees were adamant in their comments that the vote does not constitute an approval of metro regionalization.

In fact, the vote on the motion, simply allows the board and staff to negotiate with Des Moines Water Works and the Urbandale Water Utility on an agreement that would govern the establishment and operation of a full metro regional water utility. West Des Moines Water Works will ultimately only join CIWW if the 28E/F agreement appropriately protects the long-term interests of West Des Moines ratepayers.

THREE UTILITIES VOTE TO NEGOTIATE 28E/F; OTHER CITIES SOON TO DECIDE

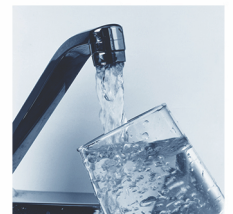
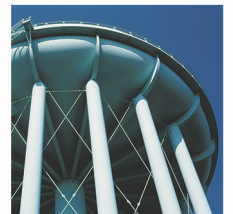
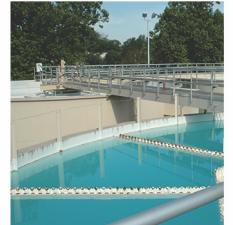
In addition to the WDMWW board's decision, Des Moines Water Works, the Urbandale Utility and the City of Waukee have all decided to move forward with negotiating 28E/F agreements for metro-wide regionalization. Several other metro communities are considering the measure soon including Ankeny and Clive.

WDMWW's participation will hinge on how many of the other cities in the metro participate in CIWW, which requires all entities to purchase all of their respective water capacity from the regional utility. In addition, rural water providers Warren Water District and Xenia may also be joining the regional effort.

For many years, utilities have discussed the merits of water treatment and production regionalization, but no workable plan emerged. The WDMWW board considered the resolution to create Central Iowa Water Works, after members from the three board-governed utilities worked together as the Regional Micro Group on a framework for regionalization. The group issued two reports, the most recent of which was released to the public in November of 2021. While the Micro Group framework serves as a guide in negotiations, none of the recommendations are binding.

It is estimated that the formation of CIWW will save WDMWW customers up to 30 percent over the next 40 years compared with building a new water treatment facility near Van Meter. WDMWW received the necessary permits to pursue that project from Iowa Department of Natural Resources in 2020. The estimated \$100 million price tag to build a new treatment plant doesn't mean WDMWW can pump the water without restriction. The DNR permits carry limits during times of drought and low flow in the Raccoon River that would reduce the ability of the plant to produce its full capacity of 8 million gallons of water per day. Even at full capacity, however, the increased water capacity from the proposed Van Meter plant alone would not be enough to ensure that WDMWW customers and ratepayers had adequate water for the future.

PUBLIC PROCESS One of the salient discussions in the public meetings centered on control and transparency. While WDMWW produces 10 million gallons of water per day, it purchases additional capacity—about 30 percent from Des Moines Water Works. The areas of the city served with water produced at A.C. Ward are nearly fully developed, while the other three pressure districts are served with water purchased from Des Moines Water Works.





The most dynamic growth in West Des Moines today is occurring in the areas served with purchased water. Yet, WDMWW have no say in the cost or quality of the water purchased from Des Moines and there is no transparency on pricing. The full metro regional plan addresses those concerns and should allow for pricing transparency, shared governance over all water production, collaboration on building new treatment and production capacity and cost-sharing.

Over the next several months there will be multiple reports on the negotiations of the 28E/F process and the public is welcome to

attend these meetings and forums. **Monthly trustee meetings take place on the third Wednesday of every month at 4 p.m.** All public meetings are posted on the website.

HOW WILL REGIONALIZATION WORK

CIWW is a new entity that is capitalized by the participating utilities, communities and rural water districts with money and water production and treatment assets. WDMWW will contribute the AC Ward treatment plant and its source water (deep and shallow wells). Des Moines Water Works will do the same along with some core distribution mains and shared pumping stations. CIWW will own these assets within five years of the agreement being ratified by all participants.

Under the framework, West Des Moines Water Works will continue to operate the A.C. Ward Municipal Treatment Plant as well as own and manage its distribution system, finance, billing and other business functions. In general, customers will not notice a difference in the administration and operation of WDMWW.

This framework for regionalization differs from previous proposals in that every owner of CIWW has a seat at the table. Rather than centralizing water production, operations, and assets into one existing utility, full metro regionalization will truly have collaboration and shared governance over the treatment and production of water for the entire metro. Some communities will buy into CIWW with funding depending on their asset structure. Initial funding from each entity has yet to be finalized. All participants regardless of the assets they transfer to CIWW agree to buy all of their water from the new entity.

CIWW will be led by an independent executive director, not currently tied to the existing water utilities. Each entity has a board seat, and Des Moines Water Works will have two because it represents a population of more than 100,000. Though DMWW has two seats, the composition of the board prevents any one utility—even with a weighted vote—from having a majority on its own.

Public input is encouraged! The public may provide input via email to the Board at comments@wdmww.com.