



RCAC

Lower Rio Grande PWWA Rate Presentation March 9, 2021





WE ARE ONE

REGIONAL WATER & WASTEWATER AUTHORITY

Created in NM Statute by five founding Mutual Domestic Associations, strengthened by those who joined afterward, providing economies of scale for our systems and a stronger voice for our communities.

WE ARE MANY

16 Rural Southern New Mexico Communities

11 Former Mutual Domestic Water Associations & 1 Private System

2 Wastewater Systems

4 Separate Service Areas

7 Voting Districts

4 House & 4 Senate NM Legislative Districts



Periodic Rate Analysis

- Fulfills a statutory requirement
- Satisfies USDA-RD requirements for federally funded projects
- Is done by a 3rd party to perform the rate analysis, determine fiscal capacity and make recommendations
- Findings and recommendations are presented to the public, then to the board for consideration & implementation

NMSA 1978 §73-26-1 Lower Rio Grande Public Water Works Authority

F. The authority shall exercise all powers allowed pursuant to law, including:

- (1) regulating, supervising and operating the authority's facilities;
- (2) establishing rates and imposing assessments, fees and charges and taking action necessary for the enforcement thereof;
- (3) assessing a standby charge for the privilege of connection into the authority's service at some date in the future if the property line is within three hundred feet of the authority's service lines and the property line is located within the boundaries of the authority. This section applies to new connections after the enactment of this act



Need for Appropriate Rates

- A well designed rate structure is part of the proper management of a utility system
- Recovers the actual cost of water and wastewater services to ensure adequate levels of service
- Provides coverage for debt service to rehab and expand existing infrastructure, and keeps up with inflation in operating costs

A Rate Structure Should

- Generate sufficient and stable revenue to cover all operating expenses
- Be equitable
- Be easy to explain and understand
- Be updated on a regular basis

General Observations by RCAC

The Lower Rio Grande PWWA is

- Growing (~0.5% annually).
- Well managed (25 loans fully paid, received funding of \$52M in the last few years, including \$37M in grants)
- Continuing to have needs for infrastructure improvement and expansion

FY22-26 Infrastructure Capital Improvements Plan

Infrastructure Capital Improvement Plan FY 2022-2026

Lower Rio Grande Public Water Works Authority Project Summary

ID	Year	Rank	Project Title	Category	Funded to date	2022	2023	2024	2025	2026	Total Project Cost	Amount Not Yet Funded	Phases?
22905	2022	001	Water System Rehabilitation & Improvements	Water - Water Supply	435,632	2,315,941	3,479,347	3,275,671	0	0	9,506,591	9,070,959	Yes
30435	2022	002	Central Operations Facility	Facilities - Administrative Facilities	3,285,619	834,661	0	0	0	0	4,120,280	834,661	No
21301	2022	003	Authority Brazito Sewer Project	Water - Wastewater	22,993,860	4,812,137	0	0	0	0	27,805,996	4,812,137	No
24026	2022	004	System-Wide Information Technology Standardization	Equipment - Other	67,000	1,080,000	150,000	100,000	250,000	0	1,647,000	1,580,000	Yes
19248	2022	005	Authority Interconnect Looping Project	Water - Water Supply	0	100,000	0	0	0	0	100,000	100,000	No
25937	2022	006	40 Year Water Plan Update	Water - Water Supply	0	75,000	0	0	0	0	75,000	75,000	No
25920	2022	007	Water Rights Purchase	Water - Water Rights	0	1,800,000	0	0	0	0	1,800,000	1,800,000	Yes
25096	2022	008	Heavy Equipment Purchase	Equipment - Other	220,000	571,000	100,000	100,000	100,000	100,000	1,191,000	971,000	Yes
30449	2022	009	Contaminant Removal Facilities and Equipment	Water - Water Supply	0	600,000	600,000	600,000	0	0	1,800,000	1,800,000	Yes
21300	2023	001	Water Supply and Treatment Plant	Water - Water Supply	961,684	0	5,000,000	500,000	0	0	6,461,684	5,500,000	No
34438	2023	002	Close Wetlands	Water - Wastewater	250,000	0	150,000	0	0	0	400,000	150,000	No
22906	2023	003	Light Equipment Purchase	Equipment - Other	160,145	0	160,000	90,000	90,000	80,000	580,145	420,000	Yes
27612	2025	001	Green Projects	Other - Other	0	0	0	0	100,000	0	100,000	100,000	No
34436	2025	002	Water Audit	Water - Water Supply	0	0	0	0	50,000	0	50,000	50,000	No
30447	2025	003	Water Master Plan	Water - Water Supply	110,000	0	0	0	50,000	0	160,000	50,000	No

WATER FUND



LRGPWWA Water System Observations

- Additional funding is needed for loan component of new projects & operating costs
- Last rate increase was in 2014 phased in over 2 years ending 7/1/2016
- Current residential rates are comparable to other systems
- Current rates are lower than the state average



Selected Area Water Rates

System Name	# Connections	Residential (6K Gallons)	Commercial (6K Gallons)
LRGPWWA	5022	\$33.82	\$45.90*
Elephant Butte	1062	\$46.77	\$42.21
Anthony W&SD	2996	\$34.38	\$39.84*
Silver City	7257	\$34.79	\$34.79
2020 Average Rate (N-5)	5000-10000	\$39.86 = Average rate per connection	

This information comes from NM Environment Department Drinking Water Bureau annual statewide Survey of water & sewer rates.

https://www.env.nm.gov/drinking_water/notices/

*Small Commercial Rate



Major Water Projects



- South Valley Water Supply & Treatment (\$3,952,400 Grant - \$1,014,000 Loan)
- Central Office Building (\$3,285,619 Loan)
- Valle Del Rio Water System Ph. II Project (\$1,297,269 Grant - \$432,423.00 Loan)
- East Mesa Water System Improvements (\$7,884,617 – applications for funding)
- High Valley Water System Improvements (\$747,072 Grant - \$140,416 Loan, \$521,083 funding application)



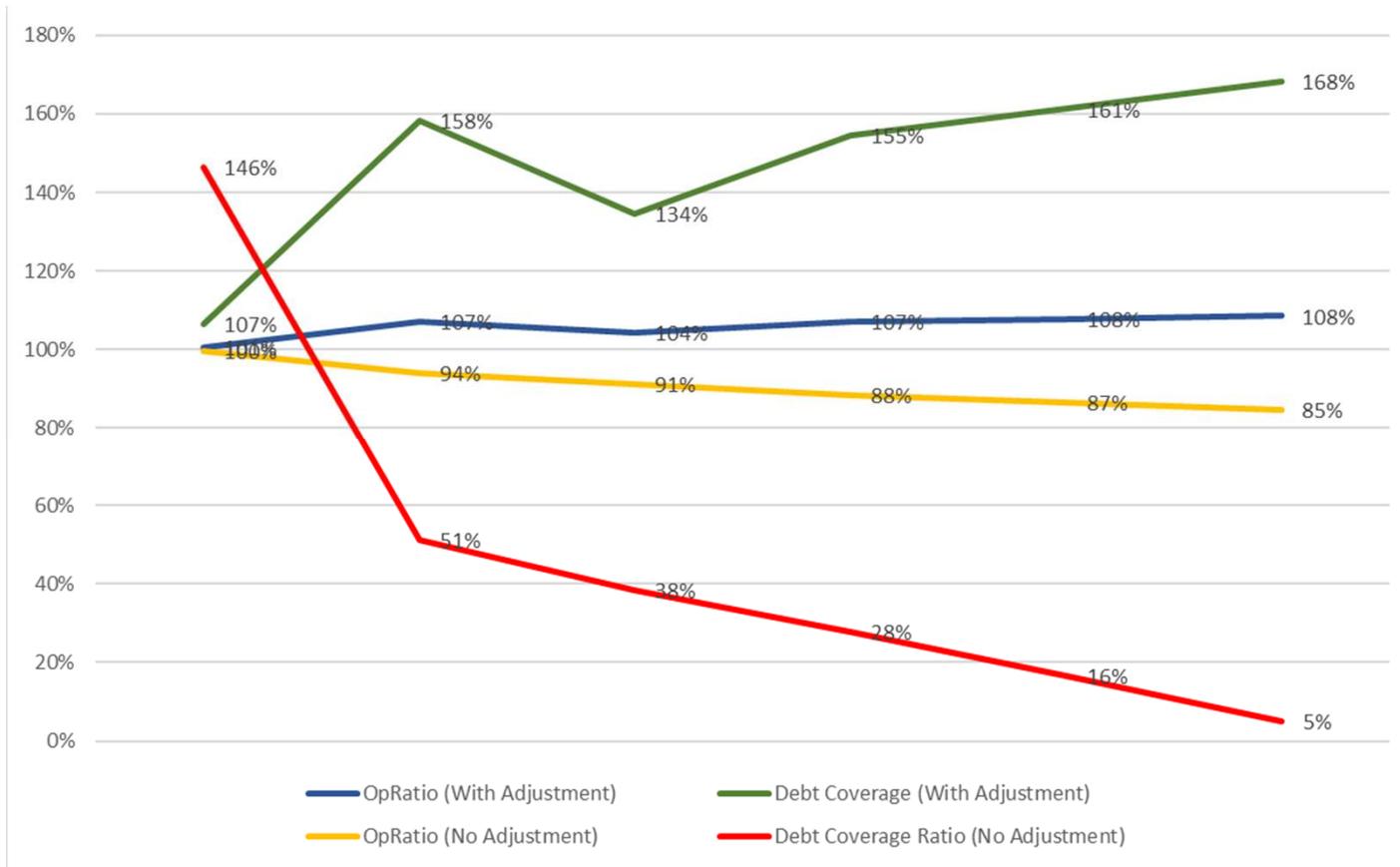
5-Year Water Revenue Forecast (No Rate Adjustment)

	FY20	FY21	FY22	FY23	FY24	FY25	FY26
REVENUE							
Water Sales	\$ 2,772,623.13	\$ 2,850,000.00	\$ 2,864,250.00	\$ 2,878,571.25	\$ 2,892,964.11	\$ 2,907,428.93	\$ 2,921,966.07
Other Operating Revenue	\$ 208,747.90	\$ 105,000.00	\$ 105,000.00	\$ 105,000.00	\$ 105,000.00	\$ 105,000.00	\$ 105,000.00
Number of Customers	4975	5022	5047	5073	5098	5123	5149
Combined Water Sales	\$ 2,981,371.03	\$ 2,955,000.00	\$ 2,969,775.00	\$ 2,984,623.88	\$ 2,999,546.99	\$ 3,014,544.73	\$ 3,029,617.45
Percent Revenue Increase	0%	0%	0%	0%	0%	0%	0%
Additional Revenue from Rate Increase Adjustment		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Total Operating Revenue	\$ 2,981,371.03	\$ 2,955,000.00	\$ 2,969,775.00	\$ 2,984,623.88	\$ 2,999,546.99	\$ 3,014,544.73	\$ 3,029,617.45
New Connections & Water Rights	\$ 88,775.75	\$ 70,000.00	\$ 70,000.00	\$ 70,000.00	\$ 70,000.00	\$ 70,000.00	\$ 70,000.00
Other Non -Operating Revenue	\$ 215,511.43	\$ 171,000.00	\$ 171,000.00	\$ 171,000.00	\$ 171,000.00	\$ 171,000.00	\$ 171,000.00
Total Revenue	\$ 3,285,658.21	\$ 3,196,000.00	\$ 3,210,775.00	\$ 3,225,623.88	\$ 3,240,546.99	\$ 3,255,544.73	\$ 3,270,617.45
Base Operating Expenses	\$ 2,653,328.56	\$ 2,917,000.00	\$ 3,004,510.00	\$ 3,094,645.30	\$ 3,187,484.66	\$ 3,283,109.20	\$ 3,381,602.47
Additional Operating Expenses						\$ -	\$ -
Existing Annual Debt Service	\$ 178,768.62	\$ 279,000.00	\$ 370,791.17	\$ 370,791.17	\$ 370,791.17	\$ 370,791.17	\$ 370,791.17
USDA Loan - S. Valley Improvements		\$ 10,041.00	\$ 40,164.00	\$ 40,164.00	\$ 40,164.00	\$ 41,368.92	\$ 42,609.99
E. Mesa Water Improvements (Phase 1)				\$ 31,329.71	\$ 31,329.71	\$ 31,329.71	\$ 31,329.71
E. Mesa Water Improvements (Phase 2)					\$ 35,116.20	\$ 35,116.20	\$ 35,116.20
High Valley Improvements (Phase 3)					\$ 5,210.83	\$ 5,210.83	\$ 5,210.83
Total Operating Expenses & Debt	\$ 2,832,097.18	\$ 3,206,041.00	\$ 3,415,465.17	\$ 3,536,930.18	\$ 3,664,885.74	\$ 3,761,715.20	\$ 3,861,449.55
NET SYSTEM REVENUE	\$ 453,561.03	\$ (10,041.00)	\$ (204,690.17)	\$ (311,306.31)	\$ (424,338.75)	\$ (506,170.47)	\$ (590,832.09)
Plus: Beginning Cash Balance		\$ 881,534.84	\$ 760,706.41	\$ 412,129.26	\$ (132,378.78)	\$ (800,572.26)	\$ (1,550,597.46)
Net Position Before Reserves	\$ 453,561.03	\$ 871,493.84	\$ 556,016.24	\$ 100,822.95	\$ (556,717.53)	\$ (1,306,742.73)	\$ (2,141,429.55)
RESERVES and TRANSFERS							
Existing SLA		\$ 109,783.33	\$ 109,783.33	\$ 109,783.33	\$ 109,783.33	\$ 109,783.33	\$ 109,783.33
SLA - South Valley Project			\$ 25,754.25	\$ 103,017.00	\$ 103,017.00	\$ 103,017.00	\$ 103,017.00
SLA - E. Mesa (Phase 1)				\$ 12,052.00	\$ 12,052.00	\$ 12,052.00	\$ 12,052.00
SLA - E. Mesa (Phase 2)					\$ 10,653.00	\$ 10,653.00	\$ 10,653.00
SLA - High Valley (Phases 1-3)			\$ 4,333.00	\$ 4,333.00	\$ 4,333.00	\$ 4,333.00	\$ 4,333.00
Debt Reserve -S. Valley Improvements		\$ 1,004.10	\$ 4,016.40	\$ 4,016.40	\$ 4,016.40	\$ 4,016.40	\$ 4,016.40
Other Reserves				\$ -			
Total Reserves	\$ -	\$ 110,787.43	\$ 143,886.98	\$ 233,201.73	\$ 243,854.73	\$ 243,854.73	\$ 243,854.73
Net Position After Reserves		\$ 760,706.41	\$ 412,129.26	\$ (132,378.78)	\$ (800,572.26)	\$ (1,550,597.46)	\$ (2,385,284.28)
Operating Ratio (No Adjustment)		100%	94%	91%	88%	87%	85%
% Debt Coverage Ratio (No Adjustment)		97%	50%	30%	11%	-6%	-23%

5-Year Water Revenue Scenario (3% Adjustment with 10% in FY22 and FY23)

	FY20	FY21	FY22	FY23	FY24	FY25	FY26
REVENUE							
Water Sales	\$ 2,772,623.13	\$ 2,850,000.00	\$ 2,950,177.50	\$ 3,261,421.23	\$ 3,605,501.17	\$ 3,732,234.53	\$ 3,863,422.58
Other Operating Revenue	\$ 208,747.90	\$ 105,000.00	\$ 105,000.00	\$ 105,000.00	\$ 105,000.00	\$ 105,000.00	\$ 105,000.00
Number of Customers	4975	5022	5047	5073	5098	5123	5149
Combined Water Sales	\$2,981,371.03	\$2,955,000.00	\$3,266,752.50	\$3,611,394.89	\$3,738,335.42	\$3,869,737.91	\$4,005,759.20
Percent Revenue Increase	0%	3%	10%	10%	3%	3%	3%
Additional Revenue from Rate Increase Adjustment		\$ 85,500.00	\$ 295,017.75	\$ 326,142.12	\$ 108,165.03	\$ 111,967.04	\$ 115,902.68
		(\$56,430.00)	(\$147,508.88)	(\$163,071.06)	(\$54,082.52)	(\$55,983.52)	(\$57,951.34)
Total Operating Revenue	\$ 2,981,371.03	\$ 2,984,070.00	\$ 3,414,261.38	\$3,448,323.83	\$3,684,252.90	\$3,813,754.39	\$3,947,807.86
New Connections & Water Rights	\$ 88,775.75	\$ 70,000.00	\$ 70,000.00	\$ 70,000.00	\$ 70,000.00	\$ 70,000.00	\$ 70,000.00
Other Non -Operating Revenue	\$ 215,511.43	\$ 171,000.00	\$ 171,000.00	\$ 171,000.00	\$ 171,000.00	\$ 171,000.00	\$ 171,000.00
Total Revenue	\$3,285,658.21	\$3,225,070.00	\$3,655,261.38	\$3,689,323.83	\$3,925,252.90	\$4,054,754.39	\$4,188,807.86
Base Operating Expenses	\$ 2,653,328.56	\$ 2,917,000.00	\$ 3,004,510.00	\$ 3,094,645.30	\$ 3,187,484.66	\$ 3,283,109.20	\$ 3,381,602.47
Additional Operating Expenses						\$ -	\$ -
Existing Annual Debt Service	\$ 178,768.62	\$ 279,000.00	\$ 370,791.17	\$ 370,791.17	\$ 370,791.17	\$ 370,791.17	\$ 370,791.17
USDA Loan - S. Valley Improvements		\$ 10,041.00	\$ 40,164.00	\$ 40,164.00	\$ 40,164.00	\$ 41,368.92	\$ 42,609.99
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High Valley Improvements (Phase 3)					\$5,210.83	\$5,210.83	\$5,210.83
Total Operating Expenses & Debt	\$2,832,097.18	\$3,206,041.00	\$3,415,465.17	\$3,536,930.18	\$3,664,885.74	\$3,761,715.20	\$3,861,449.55
NET SYSTEM REVENUE	\$ 453,561.03	\$ 19,029.00	\$ 239,796.20	\$ 152,393.64	\$ 260,367.16	\$ 293,039.19	\$ 327,358.31
Plus: Beginning Cash Balance		\$ 881,534.84	\$789,776.41	\$885,685.63	\$804,877.55	\$821,389.98	\$870,574.44
Net Position Before Reserves	\$ 453,561.03	\$ 900,563.84	\$1,029,572.61	\$1,038,079.28	\$1,065,244.71	\$1,114,429.17	\$1,197,932.75
RESERVES and TRANSFERS							
Existing SLA		\$ 109,783.33	\$ 109,783.33	\$ 109,783.33	\$ 109,783.33	\$ 109,783.33	\$ 109,783.33
SLA - South Valley Project			\$ 25,754.25	\$ 103,017.00	\$ 103,017.00	\$ 103,017.00	\$ 103,017.00
SLA - E. Mesa (Phase 1)				\$ 12,052.00	\$ 12,052.00	\$ 12,052.00	\$ 12,052.00
SLA - E. Mesa (Phase 2)					\$ 10,653.00	\$ 10,653.00	\$ 10,653.00
SLA - High Valley (Phases 1-3)			\$ 4,333.00	\$ 4,333.00	\$ 4,333.00	\$ 4,333.00	\$ 4,333.00
Debt Reserve -S. Valley Improvements		\$ 1,004.10	\$ 4,016.40	\$ 4,016.40	\$ 4,016.40	\$ 4,016.40	\$ 4,016.40
Other Reserves				\$ -			
Total Reserves	\$ -	\$ 110,787.43	\$ 143,886.98	\$ 233,201.73	\$ 243,854.73	\$ 243,854.73	\$ 243,854.73
Net Position After Reserves		\$ 789,776.41	\$ 885,685.63	\$ 804,877.55	\$ 821,389.98	\$870,574.44	\$954,078.02
Operating Ratio (With Adjustment)		101%	107%	104%	107%	108%	108%
% Debt Coverage Ratio (With Adjustment)		107%	158%	134%	155%	161%	168%

Comparison of Rate Scenarios



Cash Balance on 6/30/20 = \$881,534

Projected Cash Balance on 6/30/25 (w/adjustments): \$870,574.44

Projected Cash Balance on 6/30/25 (w/o adjustments): **-\$1,550,597.46**



Key Assumptions

- Large project grant components (60-80%)
- Low interest rates (1.5%-2.5%)
- 30-40 loan period
- 0.5% annual growth rate in connections
- No growth in non-operating revenue
- 3% annual increase in expenses excluding debt

Impact of 3% Adjustments to be Implemented 7/1/2021 and 7/1/2022

Lower Rio Grande PWWA Water Rates

Residential

Tier	Gallons	Rate per 1,000 gal.	Minimum Charge	3% Increase	Total w/ Increase	Next 3% Adj.	Total w/ Increase
Minimum	0-2,000	\$ -	\$ 20.13	\$ 0.60	\$ 20.73	\$ 0.62	\$ 21.36
Tier 1	2,001-5,000	\$ 3.22		\$ 0.10	\$ 3.32	\$ 0.10	\$ 3.42
Tier 2	5,001-10,000	\$ 4.03		\$ 0.12	\$ 4.15	\$ 0.12	\$ 4.28
Tier 3	10,001-15,000	\$ 4.83		\$ 0.14	\$ 4.97	\$ 0.15	\$ 5.12
Tier 4	15,001-20,000	\$ 5.64		\$ 0.17	\$ 5.81	\$ 0.17	\$ 5.98
Tier 5	20,001 & over	\$ 6.44		\$ 0.19	\$ 6.63	\$ 0.20	\$ 6.83

Water Bill Examples	Current		7/1/2021		7/1/2022
2,000 gallons usage	\$ 20.13		\$ 20.73		\$ 21.36
6,000 gallons usage	\$ 33.82		\$ 34.83		\$ 35.88
10,000 gallons usage	\$ 49.94		\$ 51.44		\$ 52.98
15,000 gallons usage	\$ 74.09		\$ 76.31		\$ 78.60



Cost of Water Comparison



J 1PK-Crystal Geysers Alpine Spring
L... Water, 16.9-oz, 24 Bottles

\$24.23



1 case of bottled water (24 Pack)=3.16 gallons=**\$24.23**

316 cases=1000 gallons=**\$7,656.68** (price is from Walmart.com)

1000 gallons=20 (50-gallon) barrels=**\$5.81** @6,000

gallon usage or **\$20.73** @1,000 gallon usage after 3% increase



Recommendations

- Implement 3% annual adjustments as of 7/1/2021 and 7/21/2022 to help keep pace with revenue needs
- Complete formal rate study incorporating additional information (Fall/Winter 2021)
- Evaluate system fees and other system revenue

SEWER FUND



Sewer Fund Observations

- System is growing with large increase in new connections expected
- Rates are considerably lower than other systems
- Major infrastructure needs identified:
 - Brazito Sewer Project Phase 1
(\$8,459,612 Grants - \$411,061 Loans)
 - Brazito Sewer Project Phase 2
(\$8,030,000 Grant - \$6,189,000 Loan)



Selected Area Sewer Rates

System Name	# Connections	Residential (6K Gallons)	Commercial (6K Gallons)
LRGPWWA	570*	\$22.50	29.25
Dona Ana County	NA	\$51.22	97.22
Anthony W&SD	2584	\$35.01	\$40.59
2020 Sewer Rate Survey Average (N=13)	1000-5000	Average rate per connection = \$33.62	

*Over 1100 connections anticipated with completion of Brazito Sewer Project

This information comes from NM Environment Department Drinking Water Bureau annual statewide Survey of water & sewer rates.

https://www.env.nm.gov/drinking_water/notices/



5-Year Sewer Revenue Scenario

	FY20	FY21	FY22	FY23	FY24	FY25	FY26
REVENUE							
Sewer Sales	\$ 141,142.38	\$145,376.65	\$313,768.84	\$660,889.83	\$684,120.11	\$708,166.93	\$733,059.00
Other Operating Revenue	\$ 5,766.83	\$ 4,500.00	\$ 6,474.95	\$ 10,028.06	\$ 10,078.20	\$ 10,128.59	\$ 10,179.23
Number of Connections Served	499	499	718	1112	1118	1123	1129
Combined Sewer Sales	\$146,909.21	\$149,876.65	\$320,243.79	\$670,917.89	\$694,198.31	\$718,295.52	\$743,238.23
Percent Rate Increase	0%	3%	50%	36%	3%	3%	3%
Adjustment		(\$3,175.70)	(\$84,196.10)	(\$173,560.49)	(\$11,615.14)	(\$12,023.41)	(\$12,446.03)
Non Operating Revenue		\$54,750.00	\$98,500.00	\$1,390.00	\$1,396.95	\$1,403.93	\$1,410.95
Total Operating Revenue	\$146,909.21	\$201,450.95	\$334,547.70	\$498,747.39	\$683,980.12	\$707,676.04	\$732,203.15
Total Revenue	\$ 146,909.21	\$ 201,450.95	\$ 334,547.70	\$ 498,747.39	\$ 683,980.12	\$ 707,676.04	\$ 732,203.15
Base Operating Expenses	\$ 98,141.45	\$ 101,085.69	\$ 104,118.26	\$ 107,241.81	\$ 110,459.07	\$ 113,772.84	\$ 117,186.02
Additional Operating Expenses			\$ 36,011.00	\$ 64,199.00	\$ 66,124.97	\$ 68,108.72	\$ 70,151.98
Existing Annual Debt Service	\$ 50,939.00	\$ 45,000.00	\$ 70,695.84	\$ 70,695.84	\$ 70,695.84	\$ 70,695.84	\$ 70,695.84
USDA Project-Phase 2			\$ 255,492.00	\$ 255,492.00	\$ 255,492.00	\$ 255,492.00	\$ 255,492.00
Other Projects				\$0.00	\$0.00	\$0.00	\$0.00
Total Operating Expenses & Debt	\$ 149,080.45	\$ 146,085.69	\$ 466,317.10	\$ 497,628.65	\$ 502,771.87	\$ 508,069.39	\$ 513,525.84
Net System Revenue	\$ (2,171.24)	\$ 55,365.25	\$ (131,769.40)	\$ 1,118.75	\$ 181,208.24	\$ 199,606.65	\$ 218,677.31
Plus: Beginning Cash Balance		\$0.00	\$30,365.25	(\$151,953.35)	(\$261,291.80)	(\$190,540.76)	(\$101,391.31)
Net Position Before Reserves	\$ (2,171.24)	\$ 55,365.25	\$ (101,404.15)	\$ (150,834.60)	\$ (80,083.56)	\$ 9,065.89	\$ 117,286.00
RESERVES and TRANSFERS							
Existing SLA	\$25,000.00	\$25,000.00	\$25,000.00	\$25,000.00	\$25,000.00	\$25,000.00	\$25,000.00
SLA-Brazito (Phase 2)		\$ -	\$ -	\$ 59,908.00	\$ 59,908.00	\$ 59,908.00	\$ 59,908.00
Debt Reserve - Existing							
Debt Reserve - Brazito (Phase 2)			\$ 25,549.20	\$ 25,549.20	\$ 25,549.20	\$ 25,549.20	\$ 25,549.20
Other Reserves				\$ -	\$ -	\$ -	\$ -
Total Reserves	\$ 25,000.00	\$ 25,000.00	\$ 50,549.20	\$ 110,457.20	\$ 110,457.20	\$ 110,457.20	\$ 110,457.20
Net Position After Reserves	\$ (27,171.24)	\$ 30,365.25	\$ (151,953.35)	\$ (261,291.80)	\$ (190,540.76)	(\$101,391.31)	\$6,828.80

Key Assumptions

- Brazito Sewer Project Phase 2 should be in operation by FY23
- 1112 connections expected by FY23
- 3% annual increase in expenses excluding debt
- Cost of wastewater treatment will increase annually under Doña Ana County contract

Calculated Average Monthly Rate per Connection (FY23) = \$49.53



Impact of 3% Adjustments to be Implemented 7/1/2021 and 7/1/2022

Lower Rio Grande PWWA Sewer Rates

Residential

Tier	Gallons	Rate per 1,000 gal.	Minimum Charge	3% Increase	Total w/ Increase	Next 3% Adj.	Total w/ Increase
Minimum	0	\$ -	\$ 12.00	\$ 0.36	\$ 12.36	\$ 0.37	\$ 12.73
Tier 1	0-20,000	\$ 1.75		\$ 0.05	\$ 1.80	\$ 0.05	\$ 1.85
Tier 2	over 20,000	flat	\$ 35.00	\$ 1.05	\$ 36.05	\$ 1.08	\$ 37.13

Sewer Bill Examples	Current	7/1/2021	7/1/2022
2,000 Gallons Usage	\$ 15.50	\$ 15.97	\$ 16.43
6,000 Gallons Usage	\$ 22.50	\$ 23.18	\$ 23.83
10,000 Gallons Usage	\$ 29.50	\$ 30.39	\$ 31.23
15,000 Gallons Usage	\$ 38.25	\$ 39.40	\$ 40.48



Recommendations

- Implement 3% annual adjustment 7/1/2021 and 7/1/2022
- Complete formal rate study incorporating additional information (2021)
- Evaluate system fees and other system revenue
- Formal rate study will result in an additional increase due to new debt service and higher treatment fees

Summary

- Additional revenue needed to maintain operation and pay for needed infrastructure (especially sewer)
- 3% per year initial rate adjustment identified implemented 7/1/2021 & 7/1/2022
- Complete formal rate studies for water and sewer incorporating additional growth from proposed subdivisions

Comments



**Comments will be recorded and provided to the Board of Directors.
Questions will be noted and a written response provided.**

Thank You for participating!

Our Web Site: <https://lrgauthority.org>

Provide comments by email or request board meeting information: board@LRGauthority.org

Provide comments by mail to:

LRGPWWA Board, P.O. Box 2646, Anthony NM 88021



LOWER RIO GRANDE
Public Water Works Authority

