

CENTRAL ARIZONA GROUNDWATER REPLENISHMENT DISTRICT
PRELIMINARY 2021/2022 - 2025/2026 RATE SCHEDULE
REVISION 1

April 15,2021

CENTRAL ARIZONA GROUNDWATER REPLENISHMENT DISTRICT ASSESSMENT RATES

Units = \$/acre-foot

| | Tier Zero | Tier Zero | Tier 1 | Tier 1 | Tier 1 | Tier 1 | Tier 1 |
|---|-----------|-----------------|---------------------|---------|---------|-----------------------------|--------|
| | 2019/20 | Firm 2020/21 | Proposed 2021/22 | 2022/23 | 2023/24 | Advisory 2024/25 2025/26 | |
| Phoenix Active Management Area | | | | | | | |
| Water & Replenishment Component ¹ | \$ 238 | \$ 239 | \$ 251 | \$ 266 | \$ 294 | \$ 300 | \$ 299 |
| Administrative Component ² | 41 | 47 | 50 | 49 | 48 | 48 | 48 |
| Infrastructure & Water Rights Component ³ | 353 | 353 | 353 | 353 | 353 | 353 | 353 |
| Replenishment Reserve Charge ⁴ | 95 | 103 | 114 | 120 | 133 | 135 | 136 |
| Total Assessment Rate (\$/AF) | \$ 727 | \$ 742 | \$ 768 | \$ 788 | \$ 828 | \$ 836 | \$ 836 |
| Pinal Active Management Area | | | | | | | |
| Water & Replenishment Component ¹ | \$ 211 | \$ 243 | \$ 272 | \$ 287 | \$ 316 | \$ 322 | \$ 323 |
| Administrative Component ² | 41 | 47 | 50 | 49 | 48 | 48 | 48 |
| Infrastructure & Water Rights Component ³ | 353 | 353 | 353 | 353 | 353 | 353 | 353 |
| Replenishment Reserve Charge ⁴ | 103 | 103 | 114 | 120 | 133 | 135 | 136 |
| Total Assessment Rate (\$/AF) | \$ 708 | \$ 746 | \$ 789 | \$ 809 | \$ 850 | \$ 858 | \$ 860 |
| Tucson Active Management Area | | | | | | | |
| Water & Replenishment Component ¹ | \$ 242 | \$ 243 | \$ 272 | \$ 287 | \$ 316 | \$ 322 | \$ 323 |
| Administrative Component ² | 41 | 47 | 50 | 49 | 48 | 48 | 48 |
| Infrastructure & Water Rights Component ³ | 353 | 353 | 353 | 353 | 353 | 353 | 353 |
| Replenishment Reserve Charge ⁴ | 102 | 103 | 114 | 120 | 133 | 135 | 136 |
| Total Assessment Rate (\$/AF) | \$ 738 | \$ 746 | \$ 789 | \$ 809 | \$ 850 | \$ 858 | \$ 860 |
| Contract Replenishment Tax - Scottsdale ⁵ | | | | | | | |
| Cost of Water | \$ 199 | \$ 211 | \$ 213 | \$ 242 | \$ 256 | \$ 284 | \$ 290 |
| Cost of Transportation | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. |
| Cost of Replenishment | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. |
| Administrative Component ² | 41 | 47 | 50 | 49 | 48 | 48 | 48 |
| Total Tax Rate (\$/AF) | \$ 240 | \$ 258 | \$ 263 | \$ 291 | \$ 304 | \$ 332 | \$ 338 |

ENROLLMENT & ACTIVATION FEES

Units = \$/Unit

| | | | | | | | |
|--|----------|----------|----------|-----------|-----------|-----------|-----------|
| Enrollment Fee - Commercial Subdivisions ⁶ | \$ 1,094 | \$ 1,184 | \$ 1,205 | \$ 1,307 | \$ 1,422 | TBD | TBD |
| Enrollment Fee ⁷ | \$ 284 | \$ 304 | \$ 325 | \$ 347 | \$ 372 | TBD | TBD |
| Activation Fee - Minimum ⁸ | \$ 282 | \$ 302 | \$ 323 | \$ 345 | \$ 369 | TBD | TBD |
| Activation Fee - Phoenix AMA ⁸ | \$ 1,080 | \$ 1,180 | \$ 1,290 | \$ 1,400 | \$ 1,520 | TBD | TBD |
| Activation Fee - Pinal Post-2007 ⁸ | \$ 1,080 | \$ 1,180 | \$ 1,290 | \$ 1,400 | \$ 1,520 | TBD | TBD |
| Activation Fee - Tucson AMA ⁸ | \$ 810 | \$ 880 | \$ 880 | \$ 960 | \$ 1,050 | TBD | TBD |
| Member Land Annual Membership Dues (\$/Lot) ⁹ | | | | | | | |
| Phoenix Active Management Area | \$ 28.59 | \$ 25.78 | \$ 25.46 | \$ 27.09 | \$ 28.84 | \$ 29.76 | \$ 30.38 |
| Pinal Active Management Area | \$ 19.36 | \$ 18.65 | \$ 18.90 | \$ 20.63 | \$ 22.55 | \$ 23.89 | \$ 25.04 |
| Tucson Active Management Area | \$ 31.04 | \$ 29.24 | \$ 29.07 | \$ 31.13 | \$ 33.35 | \$ 34.64 | \$ 35.58 |
| Member Service Area Annual Membership Dues (\$/AF) ⁹ | \$ 97.22 | \$ 93.73 | \$ 95.51 | \$ 104.91 | \$ 115.40 | \$ 123.05 | \$ 129.84 |

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NOTES:

- 1) The Water & Replenishment Component covers the projected annual costs of satisfying replenishment obligations, including the purchase of long-term storage credits (LTSC) from the Infrastructure & Water Rights reserve and from CAWCD. The purchase of LTSC are at the market value, which is based on the CAWCD delivery rates, recharge rates and aquifer losses.
- 2) The Administrative Component covers CAGRDR administrative costs except labor related costs associated with the acquisition of infrastructure and water rights. \$2/AF has been added to this component to fund the Board's CAGRDR conservation program.
- 3) The Infrastructure & Water Rights Component covers the cost to develop additional water supplies and the cost to construct additional infrastructure as the need arises.
- 4) The Replenishment Reserve Charge covers costs associated with progress toward the replenishment reserve target as provided in ARS Sections 48-3774.01 and 48-3780.01.
- 5) The components of the Contract Replenishment Tax - Scottsdale reflect the provisions in the Water Availability Status Contract to Replenish Groundwater between CAWCD and Scottsdale. only available if CAGRDR has access to excess CAWCD water which is currently not forecasted.
- 6) Enrollment Fees for Commercial Subdivisions are established per the November 5, 2015 CAP Board Amended Enrollment Fee and Activation Fee Policy. Enrollment Fees for Commercial Subdivisions are phased in over a two year period and starting in the 2018/2019 fiscal year forward are equal to the Member Land Enrollment Fee plus the Tucson AMA Activation Fee. If a Commercial Subdivision enrolls with more than 50 parcels, then the Commercial Subdivision Enrollment Fee applies on the first 50 parcels, and only the Member Land Enrollment Fee applies to the number of parcels over 50.
- 7) The Enrollment Fee is collected pursuant to the CAGRDR Enrollment Fee and Activation Fee Policy adopted by the Board on May 1, 2008. A \$2 per housing unit fee is included in the Enrollment Fee to help fund CAGRDR's conservation program.
- 8) The Activation Fees are in accordance with the Preliminary 2014/15 - 2019/20 CAGRDR Activation fee schedule adopted by the Board on November 7, 2013 and updated in 2019 as identified in March 21, 2019 CAGRDR and Underground Storage Committee meeting and rate established June 6, 2019.
- 9) The Annual Membership Dues for Member Lands and Member Service Areas are pursuant to ARS Sections 48-3772.A.8. and 48-3779 as well as the Policy on Collection of CAGRDR Annual Membership Dues adopted by the Board on April 7, 2011.

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Shortage Rates - for planning purposes

All other rates remain the same

Excludes any rate stabilization

| Water & Replenishment Component | | Provisional | | Advisory | | |
|--|-----------|----------------|----------------|----------------|----------------|----------------|
| | | <u>2021/22</u> | <u>2022/23</u> | <u>2023/24</u> | <u>2024/25</u> | <u>2025/26</u> |
| Phoenix AMA | Normal | \$ 217 | \$ 230 | \$ 254 | \$ 258 | \$ 257 |
| Phoenix AMA | Tier Zero | 224 | 237 | 262 | 266 | 265 |
| Phoenix AMA | Tier 1 | 251 | 266 | 294 | 300 | 299 |
| Phoenix AMA | Tier 2a | 261 | 275 | 306 | 312 | 310 |
| Phoenix AMA | Tier 2b | 267 | 282 | 313 | 320 | 319 |
| Phoenix AMA | Tier 3 | 279 | 295 | 327 | 335 | 334 |

Replenishment Reserve Charge

| | | | | | | |
|-------------|-----------|-------|--------|--------|--------|--------|
| Phoenix AMA | Normal | \$ 98 | \$ 103 | \$ 114 | \$ 115 | \$ 116 |
| Phoenix AMA | Tier Zero | 103 | 108 | 120 | 121 | 122 |
| Phoenix AMA | Tier 1 | 114 | 120 | 133 | 135 | 136 |
| Phoenix AMA | Tier 2a | 119 | 124 | 139 | 141 | 141 |
| Phoenix AMA | Tier 2b | 122 | 127 | 142 | 144 | 145 |
| Phoenix AMA | Tier 3 | 127 | 134 | 149 | 151 | 152 |

Water & Replenishment Component

| | | <u>2021/22</u> | <u>2022/23</u> | <u>2023/24</u> | <u>2024/25</u> | <u>2025/26</u> |
|-----------|-----------|----------------|----------------|----------------|----------------|----------------|
| Pinal AMA | Normal | \$ 238 | \$ 251 | \$ 276 | \$ 280 | \$ 281 |
| Pinal AMA | Tier Zero | 245 | 258 | 284 | 288 | 289 |
| Pinal AMA | Tier 1 | 272 | 287 | 316 | 322 | 323 |
| Pinal AMA | Tier 2a | 282 | 296 | 328 | 334 | 334 |
| Pinal AMA | Tier 2b | 288 | 303 | 335 | 342 | 343 |
| Pinal AMA | Tier 3 | 300 | 316 | 349 | 357 | 358 |

Replenishment Reserve Charge

| | | | | | | |
|-----------|-----------|-------|--------|--------|--------|--------|
| Pinal AMA | Normal | \$ 98 | \$ 103 | \$ 114 | \$ 115 | \$ 116 |
| Pinal AMA | Tier Zero | 101 | 106 | 118 | 119 | 120 |
| Pinal AMA | Tier 1 | 114 | 120 | 133 | 135 | 136 |
| Pinal AMA | Tier 2a | 119 | 124 | 139 | 141 | 141 |
| Pinal AMA | Tier 2b | 121 | 127 | 142 | 144 | 145 |
| Pinal AMA | Tier 3 | 127 | 134 | 149 | 151 | 152 |

Water & Replenishment Component

| | | <u>2021/22</u> | <u>2022/23</u> | <u>2023/24</u> | <u>2024/25</u> | <u>2025/26</u> |
|------------|-----------|----------------|----------------|----------------|----------------|----------------|
| Tucson AMA | Normal | \$ 238 | \$ 251 | \$ 276 | \$ 280 | \$ 281 |
| Tucson AMA | Tier Zero | 245 | 258 | 284 | 288 | 289 |
| Tucson AMA | Tier 1 | 272 | 287 | 316 | 322 | 323 |
| Tucson AMA | Tier 2a | 282 | 296 | 328 | 334 | 334 |
| Tucson AMA | Tier 2b | 288 | 303 | 335 | 342 | 343 |
| Tucson AMA | Tier 3 | 300 | 316 | 349 | 357 | 358 |

Replenishment Reserve Charge

| | | | | | | |
|------------|-----------|-------|--------|--------|--------|--------|
| Tucson AMA | Normal | \$ 98 | \$ 103 | \$ 114 | \$ 115 | \$ 116 |
| Tucson AMA | Tier Zero | 101 | 106 | 118 | 119 | 120 |
| Tucson AMA | Tier 1 | 114 | 120 | 133 | 135 | 136 |
| Tucson AMA | Tier 2a | 119 | 124 | 139 | 141 | 141 |
| Tucson AMA | Tier 2b | 121 | 127 | 142 | 144 | 145 |
| Tucson AMA | Tier 3 | 127 | 134 | 149 | 151 | 152 |