

**CENTRAL ARIZONA GROUNDWATER REPLENISHMENT DISTRICT
FINAL CAGR 2020/2021 - 2025/2026 RATE SCHEDULE**

August 6, 2020

CENTRAL ARIZONA GROUNDWATER REPLENISHMENT DISTRICT ASSESSMENT RATES

Units = \$/acre-foot

| | 2019/20 | Firm | Prov | Advisory | | | |
|---|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| | | 2020/21 | 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2025/26 |
| Phoenix Active Management Area | | | | | | | |
| Water & Replenishment Component ¹ | \$ 238 | \$ 239 | \$ 233 | \$ 257 | \$ 270 | \$ 275 | \$ 277 |
| Administrative Component ² | 41 | 47 | 50 | 49 | 48 | 46 | 44 |
| Infrastructure & Water Rights Component ³ | 353 | 353 | 353 | 353 | 353 | 353 | 353 |
| Replenishment Reserve Charge ⁴ | 95 | 103 | 103 | 114 | 120 | 121 | 122 |
| Total Assessment Rate (\$/AF) | \$ 727 | \$ 742 | \$ 739 | \$ 773 | \$ 791 | \$ 795 | \$ 796 |
| Pinal Active Management Area | | | | | | | |
| Water & Replenishment Component ¹ | \$ 211 | \$ 243 | \$ 245 | \$ 271 | \$ 284 | \$ 288 | \$ 289 |
| Administrative Component ² | 41 | 47 | 50 | 49 | 48 | 46 | 44 |
| Infrastructure & Water Rights Component ³ | 353 | 353 | 353 | 353 | 353 | 353 | 353 |
| Replenishment Reserve Charge ⁴ | 103 | 103 | 103 | 114 | 120 | 121 | 122 |
| Total Assessment Rate (\$/AF) | \$ 708 | \$ 746 | \$ 751 | \$ 787 | \$ 805 | \$ 808 | \$ 808 |
| Tucson Active Management Area | | | | | | | |
| Water & Replenishment Component ¹ | \$ 242 | \$ 243 | \$ 245 | \$ 271 | \$ 284 | \$ 288 | \$ 289 |
| Administrative Component ² | 41 | 47 | 50 | 49 | 48 | 46 | 44 |
| Infrastructure & Water Rights Component ³ | 353 | 353 | 353 | 353 | 353 | 353 | 353 |
| Replenishment Reserve Charge ⁴ | 102 | 103 | 103 | 114 | 120 | 121 | 122 |
| Total Assessment Rate (\$/AF) | \$ 738 | \$ 746 | \$ 751 | \$ 787 | \$ 805 | \$ 808 | \$ 808 |
| Contract Replenishment Tax - Scottsdale ⁵ | | | | | | | |
| Cost of Water | \$ 199 | \$ 211 | \$ 213 | \$ 215 | \$ 240 | \$ 252 | \$ 256 |
| 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 | 46 | 44 |
| Total Tax Rate (\$/AF) | \$ 240 | \$ 258 | \$ 263 | \$ 264 | \$ 288 | \$ 298 | \$ 300 |

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 |

ANNUAL MEMBERSHIP DUES

| | | | | | | | |
|--|----------|----------|-----------|-----------|-----------|-----------|-----------|
| Member Land Annual Membership Dues (\$/Lot) ⁹ | | | | | | | |
| Phoenix Active Management Area | \$ 28.59 | \$ 25.78 | \$ 27.79 | \$ 27.61 | \$ 30.00 | \$ 31.50 | \$ 32.71 |
| Pinal Active Management Area | \$ 19.36 | \$ 18.65 | \$ 20.62 | \$ 21.03 | \$ 23.46 | \$ 25.29 | \$ 26.96 |
| Tucson Active Management Area | \$ 31.04 | \$ 29.24 | \$ 31.72 | \$ 31.72 | \$ 34.69 | \$ 34.69 | \$ 38.31 |
| Member Service Area Annual Membership Dues (\$/AF) ⁹ | | | | | | | |
| | \$ 97.22 | \$ 93.73 | \$ 104.22 | \$ 106.91 | \$ 120.03 | \$ 130.27 | \$ 139.80 |

**CENTRAL ARIZONA GROUNDWATER REPLENISHMENT DISTRICT
FINAL CAGR 2020/2021 - 2025/2026 RATE SCHEDULE**

August 6, 2020

NOTES:

- 1) The Water & Replenishment Component covers the projected annual costs of satisfying replenishment obligations, including the purchase of long-term storage credits (LTSC) and the purchase and replenishment of water and effluent. For the Phoenix Active Management Area (AMA), replenishment is planned to be accomplished at direct underground storage facilities (USFs) and groundwater savings facilities (GSFs). For the Pinal AMA, replenishment is planned to be accomplished by purchase of credits from CAWCD. For the Tucson AMA, replenishment is planned to be accomplished at USFs.
- 2) The Administrative Component covers CAGR 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 CAGR 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 establishing a replenishment reserve of LTSCs 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.
- 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 CAGR 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 CAGR's conservation program.
- 8) The Activation Fees are in accordance with the Preliminary 2014/15 - 2019/20 CAGR Activation fee schedule adopted by the Board on November 7, 2013.
- 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 CAGR Annual Membership Dues adopted by the Board on April 7, 2011.

ASSUMPTIONS:

- Annual Membership Dues (AMDs) are set at the maximum allowed by state statutes for all years
- Water Replenishment & Replenishment Reserve rates are dependent on CAWCD rates

**CENTRAL ARIZONA GROUNDWATER REPLENISHMENT DISTRICT
FINAL CAGR 2020/2021 - 2025/2026 RATE SCHEDULE**

August 6, 2020

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 | \$ 226 | \$ 250 | \$ 262 | \$ 267 | \$ 269 |
| Phoenix AMA | Tier Zero | \$ 233 | \$ 257 | \$ 270 | \$ 275 | \$ 277 |
| Phoenix AMA | Tier 1 | \$ 260 | \$ 286 | \$ 302 | \$ 309 | \$ 311 |
| Phoenix AMA | Tier 2a | \$ 270 | \$ 295 | \$ 314 | \$ 321 | \$ 322 |
| Phoenix AMA | Tier 2b | \$ 276 | \$ 302 | \$ 321 | \$ 329 | \$ 331 |
| Phoenix AMA | Tier 3 | \$ 288 | \$ 315 | \$ 335 | \$ 344 | \$ 346 |

Replenishment Reserve Charge

| | | | | | | |
|-------------|-----------|--------|--------|--------|--------|--------|
| Phoenix AMA | Normal | \$ 100 | \$ 111 | \$ 117 | \$ 118 | \$ 119 |
| Phoenix AMA | Tier Zero | \$ 103 | \$ 114 | \$ 120 | \$ 121 | \$ 122 |
| Phoenix AMA | Tier 1 | \$ 114 | \$ 126 | \$ 133 | \$ 135 | \$ 136 |
| Phoenix AMA | Tier 2a | \$ 119 | \$ 130 | \$ 138 | \$ 140 | \$ 141 |
| Phoenix AMA | Tier 2b | \$ 121 | \$ 133 | \$ 141 | \$ 144 | \$ 145 |
| Phoenix AMA | Tier 3 | \$ 126 | \$ 138 | \$ 147 | \$ 150 | \$ 151 |

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 | \$ 264 | \$ 276 | \$ 280 | \$ 281 |
| Pinal AMA | Tier Zero | \$ 245 | \$ 271 | \$ 284 | \$ 288 | \$ 289 |
| Pinal AMA | Tier 1 | \$ 272 | \$ 300 | \$ 316 | \$ 322 | \$ 323 |
| Pinal AMA | Tier 2a | \$ 282 | \$ 309 | \$ 328 | \$ 334 | \$ 334 |
| Pinal AMA | Tier 2b | \$ 288 | \$ 316 | \$ 335 | \$ 342 | \$ 343 |
| Pinal AMA | Tier 3 | \$ 300 | \$ 329 | \$ 349 | \$ 357 | \$ 358 |

Replenishment Reserve Charge

| | | | | | | |
|-----------|-----------|--------|--------|--------|--------|--------|
| Pinal AMA | Normal | \$ 100 | \$ 111 | \$ 117 | \$ 118 | \$ 119 |
| Pinal AMA | Tier Zero | \$ 103 | \$ 114 | \$ 120 | \$ 121 | \$ 122 |
| Pinal AMA | Tier 1 | \$ 114 | \$ 126 | \$ 133 | \$ 135 | \$ 136 |
| Pinal AMA | Tier 2a | \$ 119 | \$ 130 | \$ 138 | \$ 140 | \$ 141 |
| Pinal AMA | Tier 2b | \$ 121 | \$ 133 | \$ 141 | \$ 144 | \$ 145 |
| Pinal AMA | Tier 3 | \$ 126 | \$ 138 | \$ 147 | \$ 150 | \$ 151 |

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 | \$ 264 | \$ 276 | \$ 280 | \$ 281 |
| Tucson AMA | Tier Zero | \$ 245 | \$ 271 | \$ 284 | \$ 288 | \$ 289 |
| Tucson AMA | Tier 1 | \$ 272 | \$ 300 | \$ 316 | \$ 322 | \$ 323 |
| Tucson AMA | Tier 2a | \$ 282 | \$ 309 | \$ 328 | \$ 334 | \$ 334 |
| Tucson AMA | Tier 2b | \$ 288 | \$ 316 | \$ 335 | \$ 342 | \$ 343 |
| Tucson AMA | Tier 3 | \$ 300 | \$ 329 | \$ 349 | \$ 357 | \$ 358 |

Replenishment Reserve Charge

| | | | | | | |
|------------|-----------|--------|--------|--------|--------|--------|
| Tucson AMA | Normal | \$ 100 | \$ 111 | \$ 117 | \$ 118 | \$ 119 |
| Tucson AMA | Tier Zero | \$ 103 | \$ 114 | \$ 120 | \$ 121 | \$ 122 |
| Tucson AMA | Tier 1 | \$ 114 | \$ 126 | \$ 133 | \$ 135 | \$ 136 |
| Tucson AMA | Tier 2a | \$ 119 | \$ 130 | \$ 138 | \$ 140 | \$ 141 |
| Tucson AMA | Tier 2b | \$ 121 | \$ 133 | \$ 141 | \$ 144 | \$ 145 |
| Tucson AMA | Tier 3 | \$ 126 | \$ 138 | \$ 147 | \$ 150 | \$ 151 |