

## Questions and Answers

**To further clarify the rate correction that goes into effect July 1, 2024, CRRUA provided the following information to questions requested by Reporter Oriana Bottaro with KTSM 9 News in EL Paso, TX:**

Q: What factors led to the delay in implementing the rate adjustments approved by the CRRUA board in 2019?

- There are no records or reports indicating why the board's direction in 2019 was not implemented by the previous administration.

Q: How will the new rate adjustments impact residential and non-residential customers in terms of their water and wastewater bills?

- Water and Wastewater bill impacts will vary by customer and their consumption.
- The Residential base water rate will increase by \$2.83/month.
- The Residential base wastewater rate will increase by \$6.38/month.
- The Commercial base water rate will increase by \$3.07/month.
- The Commercial base wastewater rate will increase by \$4.73/month.

Q: Could you provide more details on the specific improvements or upgrades that will be funded by the additional revenue from the rate correction?

- The rate correction can help fund on-going operating costs (staffing, materials, supplies, services, and repairs) and potentially for debt payment on new loans to cover urgent capital improvements.
- Rate corrections go into effect July 1, 2024, the beginning of the new fiscal year.
- The allocation of revenues is accomplished by the CRRUA board as a part of their budget development process.
- CRRUA administration will recommend where all projected revenues will be allocated within the proposed FY 24/25 budget (representing the period from July 1, 2024, to June 30, 2025).

Q: What measures does the CRRUA plan to take to ensure transparency and accountability in the allocation of funds from the rate correction?

- CRRUA is committed to provide open and transparent allocation of all resources.
- All decisions on the budgeting of funds will be done in a public meeting in accordance with the state open meetings act.
- All expenditures of CRRUA funds are subject to an annual independent financial audit and public disclosure process to ensure compliance and accountability.
- CRRUA administration is required to publicly present to the CRRUA board any proposed changes to approved budgets.

Q: Can you elaborate on the current state of CRRUA's infrastructure and how the additional revenue will contribute to its maintenance and improvement?

- CRRUA's infrastructure is complex system of wells, tanks, water treatment facilities, lift stations, lines, valves, meters, manholes, and wastewater treatment facilities all of which are in a constant state of change (due to use, age, and exposures).
- The value of all of these systems was recently quantified by an external audit to be \$81 Million. Industry standards for reinvesting in these systems is a minimum of 2% per year which equates to over \$1.6 million per year of reinvestment.
- Additional revenue will enable CRRUA to start making some of these investments but without a new market driven rate assessment and associated adjustment, the system reinvestment will continue to be underfunded.
- The current state of CRRUA's infrastructure relating to recent challenges is regularly reported on its website at CRRUA.org.

Q: Have there been any community consultations or public hearings regarding these rate adjustments, and if so, what was the feedback received?

- As a part of the rate assessment in 2018, the consultant had a series of public input sessions in English and Spanish to educate the rate payers of their proposed changes.
- When the CRRUA board voted to approve some of the recommendations in February 2019, the public weighed in, protested, and asked the board to avoid increasing rates.

Q: Are there any provisions in place to assist low-income customers who may struggle to afford the increased rates?

- Similar to utilities all across the Southwest, CRRUA encourages customers to conserve water and limit their use when possible. [WATER SAVING TIPS](#)
- A small reduction in use can help offset the additional costs.