

# ESTIMATED COSTS for the RIO VERDE FOOTHILLS DWID

## WATER

The proposed DWID is sharing **estimated costs** so that petition signers have an idea of what the fees and rates may look like once the DWID is formed.

Once the DWID is formed, the first step will be to secure water. After it has been determined what water sources are available and the costs, the findings will be presented to our members for a discussion on which water source will be the best and most affordable option for the District for both short and long-term water supplies.

For this illustration we are purchasing 200-acre feet or 65,170,200 gallons of wet water, per year. This is more than our entire community is hauling, including water from Global Water, as of 2021.

**There will be NO PROPERTY TAX.**

### ONE TIME PARCEL INCLUSION FEE:

This is a one-time fee for every parcel that joins the District. Members that join the first year will be charged a lower membership fee than members who join in later years since they will have paid addition yearly fees - this makes it equitable to everyone. Parcel members will be invoiced once the District is formed and will have the option of paying in full, quarterly, or monthly.

### ESTIMATED ONE TIME PARCEL INCLUSION FEES:

Year	Parcel Fee
2022	\$1,000
2023	\$1,200
2024	\$1,400

### ESTIMATED BASE FEE (This fee starts the year AFTER joining):

The base fee goes towards operation, maintenance, and repair (OMR). This may be paid annually, quarterly, or monthly.

MONTHLY BASE FEE
\$16

### ESTIMATED WATER RATE (DOES NOT INCLUDE TAX/REQUIRED FEES):

WATER RATE
\$10 per 1,000 gallons

This rate is based on short-term water supplies for the next 5 years. Due to the delay of a decision by the Maricopa County Board of Supervisors on the petition, the rates for long-term water suppliers have expired and the future cost of the actual water, a component in determining the cost of the DWIDs water, is increasing. If the DWID is approved, a new cost estimate for long-term water will be obtained and presented with a detailed cost estimate, including the proposed water rate, in a public meeting.

Delivery rates will be determined by each water hauler. There will be a fill station set-up for private water haulers.

## THE WATER RATES ARE DEPENDENT ON SIX COMPONENTS:

- 1) The cost of water charged by the water source.
- 2) Cost of land, build out of fill station and connection to the City water line.
- 3) The cost for Central Arizona Project (CAP) to “wheel” the water to Scottsdale.
- 4) Water treatment and delivery costs charged by the City of Scottsdale.
- 5) A non-resident fee of 15% charged by the City of Scottsdale.
- 6) Conservation guidelines that must conform to requirements mandated by Arizona Department of Water Resources.

## PARCEL SPLIT:

If a member splits a parcel into 2 or more parcels, all parcels except one will incur a One Time Parcel Inclusion Fee at the current rate at the time of the split to be included in the DWID.

## PARCEL SALE:

The membership to the DWID passes with the parcel to the new owner.

## FILL STATION

On 1/6/2022, GHD, a company that offers engineering, architecture, environmental and construction services, provided a conceptual estimate of probable construction costs for the Fill Station with a 35% built in contingency. That estimate came to \$1,074,590. GHD has no control over changes in market conditions, such as material and labor costs, that may impact the accuracy of this estimate.

The DWID, once formed, will hire an engineer to prepare plans and specifications\* for the Fill Station. An estimate of the total costs of the improvement, including construction, engineering, financial costs and a reserve fund will be filed with the Board of Directors. Once the DWID goes through the process and orders, by resolution, the proposed improvements to be done, a notice of the passage of the resolution ordering the work and inviting sealed bids for making the improvement is made based on the requirements of A.R.S. Title 48 Chapter 6.

The final design, specifications and estimated costs will be determined by the DWID’s engineer and input from AZDEQ.

Land Costs are estimated at \$700,000.

Connection to Scottsdale is not included in the fill station estimate.

\* Arizona Dept. of Environmental Quality will conduct a detailed technical review of the designs prior to and after construction to ensure the systems are designed and built to standards that provide safe, potable water to customers.

1. All estimates are based on a 3% financing rate.
2. If required by the Arizona Department of Water Resources, the District will have conservation rate schedules. These will be determined once the District is formed. The above rates do not include required fees/tax.
3. These estimates do not include possible loan reductions such as the following:  
\$250,000 WIFA loan forgiveness, up to \$50,000 WIFA assist on engineering & current/new funds available for grants/infrastructure.

*\*\*This is a projected Estimate of Cost. Due to changes in timing and the fluid market conditions all projections are subject to change.*