

EL PASO WATER RESOURCE MANAGEMENT PLAN

TASK NO. 15

ESTABLISH POLICY FOR EXTENSION OF WATER & SEWER SERVICES

TECHNICAL MEMORANDUM



**Boyle
Engineering
Corporation**

consulting engineers

Suite 600-E
6400 Uptown Boulevard, N.E.
Albuquerque, New Mexico 87110

505 / 883-7700
FAX 505 / 881-9328

prepared for

El Paso Water Utilities Public Service Board

and

El Paso County Water Improvement District No. 1

August, 1991

TABLE OF CONTENTS

	<u>Page</u>
1.0	INTRODUCTION15-1
1.1	Background15-1
1.2	Steering Committee15-2
2.0	INVESTIGATIONS AND FINDINGS15-4
2.1	Data Acquisition and Compilation15-4
2.2	Results of Basic Investigations15-6
2.3	Funding Sources15-8
3.0	DETERMINATION OF PRIORITIES15-12
3.1	Socioeconomic Concerns15-12
3.2	Planning and Jurisdictional Concerns15-12
3.3	Procedure for Determining Priorities15-13
3.4	Priorities of Potential Customers15-14
4.0	POLICIES GOVERNING EXTENSIONS OF SERVICES15-17
APPENDICES:	
A.	List of Public Water Systems in El Paso County
B.	Water Purveyors in El Paso County Having Certificates of Convenience and Necessity
C.	Current Water Rates Charged by Utilities in El Paso Area
D.	Law Regarding Policy on Serving Outside City Limits
E.	Priority Rankings of Potential Outside-City Customers

LIST OF TABLES

	<u>Page</u>
Table 15.1	Outside City Service Policy Survey Results Tabulation15-7
Table 15.2	Population by Planning Area15-8

LIST OF FIGURES

Figure 15-1	El Paso County Water Districts and SuppliersIn Pocket at back
Figure 15-2	El Paso County Potential Customers for Water Service.....In Pocket at Back
Figure 15-3	Priority Service Areas by Planning AreasIn Pocket at Back

EL PASO WATER RESOURCE MANAGEMENT PLAN

TECHNICAL MEMORANDUM

TASK NO. 15 - ESTABLISH POLICY FOR EXTENSION OF WATER & SEWER SERVICES

1.0 INTRODUCTION

This memorandum report describes the analyses, findings, conclusions and recommendations relative to the development of policies and procedures for extending water and sewer services to customers residing outside of the corporate limits of the City El Paso, but within El Paso County, Texas.

1.1 Background

On December 13, 1990 the El Paso Water Utilities/Public Service Board (EPWU/PSB) unanimously adopted a change in the Board's policy that had been in effect for 17 years which prohibited extending water or sewer services outside of the corporate limits of the City of El Paso. The change in policy which now permits the EPWU to extend water and sewer services outside of the City of El Paso was made subject to five conditions as follows:

1. That the Public Service Board will seek City Council approval.
2. That the Public Service Board will not violate any of its bond covenants.
3. That expansion costs will not affect existing water and sewer rates inside the City.
4. That the Public Service Board does not violate any current contractual obligations with other organizations.
5. That the new policy is formed with guidance of leaders from the City and the County.

This task was undertaken to develop policies and procedures governing the extension of water and sewer services outside of the City consistent with the above five conditions mandated by the PSB. The purpose of the policies developed in this study is to provide guidelines for the EPWU to fairly and uniformly evaluate and approve requests for service extensions outside the City and establish priorities for implementing the service extensions. The underlying objective of the implementation policies and procedures is to provide water and sewer service on a planned, equitable basis to county residents who are not now served, or who are served on a substandard basis, which condition creates hazards to public health throughout the area and a deterioration of the quality of life.

In developing the policies and procedures governing the extension of water and sewer services outside the City, the investigations and evaluations were grouped into four general categories or sub-tasks as follows:

1. Data Acquisition and Compilation
2. Identification and Evaluation of Funding Sources
3. Development of the Procedure for Determination of Priorities
4. Formulation of Policy Governing Extensions

Underlying the regulatory authority of the PSB is the fiduciary responsibility to maintain an economically viable utility. Accordingly, the policies and procedures developed in this study are based on being fiscally sound and consistent with accepted engineering principles for physical expansion of the system. Obviously there are serious socioeconomic concerns to be considered in any service extension policy. The PSB is committed to non-discrimination against any rate payor or class of customer. Therefore, to the extent possible, financing by agencies who are committed to meet socioeconomic needs will be identified as supplemental funding sources. An example is the El Paso Community Foundation which, unlike the EPWU, can finance plumbing improvements for individual households.

1.2 Steering Committee

In accord with the fifth condition mandated by the PSB, a Steering Committee was appointed on April 24, 1991 to guide the policy development effort. The Steering Committee was comprised of eight knowledgeable City or County leaders as follows:

David R. Brosman, P.E., Chairman
Deputy General Manager, EPWU

Hon. Alicia Chacon
County Judge El Paso County Commissioners Court

Manny Cooper
Finance Manager, EPWU

Dr. Laurance Nickey
Director, El Paso City-County Health District

Justin Ormsby
Executive Director, Rio Grande Council of Governments

Alan Rash, Esq.
Bond Attorney, Diamond, Rash, Leslie, Smith & Samaniego, P.C.

Mary Carmen Saucedo
Trustee, El Paso Community Foundation

Nestor Valencia
Vice-president for Planning, El Paso Community Foundation
Formerly Director of El Paso Department of Planning, Research and
Development

Two other EPWU staff attended the Steering Committee meetings and served as advisors throughout the study:

John Balliew, P.E.
Project Coordinator for the Water Resource Management Plan studies

Herb Prouty, Esq.
PSB General Counsel

The Steering Committee met seven times during the period from May 16, 1991 to August 19, 1991. Results of the study investigations and analyses were reviewed and proposals for incorporation into the policies and procedures were worked out during these Committee meetings. Minutes for each meeting were taken and recorded.

2.0 INVESTIGATIONS AND FINDINGS

2.1 Data Acquisition and Compilation

Collection of data, evaluations and analyses were performed to the extent considered adequate to identify major needs and as a basis for comparative value judgements involved in the formulation of the water and sewer service extensions policies. However, they should not necessarily be considered adequate for final engineering and management decisions required for implementation of service extensions.

The following types of data were acquired and compiled for use in this study:

- o Mapping -- Jurisdictional boundaries, limits of EPWU present water service, location of colonias and other potential outside-city customers
- o Population and Water Use -- Updated estimates of present and projected populations by planning areas
- o Level of Water Service -- Characterization of existing water service
- o General Water Quality -- Classification relative to suitability for domestic purposes
- o Water Purveyor Interviews-- Existing water supply situations in the County outside the City of El Paso

2.1.1 Mapping

The following agencies and organizations were contacted to obtain data for a base map for the study:

City of El Paso Department of Planning, Research and Development
County of El Paso Central Appraisal District

United States Geological Survey
Parkhill, Smith & Cooper, Inc.
El Paso County Lower Valley Water District Authority
Mareno-Cardenas, Inc.
Tornillo Water Supply Corporation
Westway Control and Improvement District
El Paso County Water Authority

Map data obtained from the above entities was used to develop a computer-generated base map prepared by AutoCAD to facilitate boundary changes and allow flexibility for analyses and portrayal of population, water use, and other data. Figure 15-1 located in the pocket at the back of this report shows the jurisdictional boundaries of the principal water districts and suppliers, including the EPWU, in El Paso County.

2.1.2 Population and Water Use

These data were based on the projections developed in Task 2 of the Water Resource Management Plan study. Because of the more detailed population assessments required in this study, comparisons were made with other sources (Water and Wastewater Management Plans - Parkhill, Smith and Cooper, Inc. 1988). Adjustments were made to planning area populations for purposes of consistency in several instances. Determination of water use under present circumstances in outside-city areas was not performed. The various levels of service in many of the existing outside-city areas impose serious restrictions on water use. When and if water service is provided at municipal service standards, it is assumed that the per-capita usage will evolve to levels of consumption which were determined in Task 2 of the Water Resource Management Plan study.

2.1.3 Level of Water Service

Determination of levels of water service was based on observations and interviews. The level of service may vary for individual developments within a service area, but characterizations referred to herein are for service areas considered on the whole.

2.1.4. General Water Quality

Water quality was evaluated based on information developed in other tasks of the Water Resource Management Plan for the various sources of water. For example, wells in the Hueco Bolson located in the Lower Valley area are known to be brackish and marginally fit for potable water supplies; therefore, if a development is dependent upon a source of supply using such wells, it is classified as poor quality.

2.1.5 Water Purveyor Interviews

A list of public water systems other than the EPWU was obtained from the Texas Department of Health Region 3. This list is reproduced in Appendix A and indicates the types of systems classified as community systems, non-community systems, and supplied by hauled water. Personal interviews and/or telephone contacts were conducted with representatives of a majority of the water systems listed in Appendix A. Prior to the start of this study, the EPWU surveyed a number of cities in the Southwest to ascertain what their policies and practices are with respect to providing water and sewer services outside of their corporate city limits.

2.2 Results of Basic Investigations

The results of the EPWU survey of other cities in the Southwest are shown in Table 15.1. Details for the City of El Paso are included for comparison. All but one of the cities who responded provide water service outside of their corporate limits, and a majority also provide outside-city sewer services.

Figure 15-2 shows the information compiled on population concentrations, colonias, subdivisions, mobile home parks, large industries, and other water users. Where applicable and available, the data shown includes present populations, number of homes, number of lots and percentage of vacancies. The vacancy value is representative of potential future growth which may be accelerated by the provision of water. Appendix B is a listing of those water systems and providers which currently hold Certificates of Convenience and Necessity (CCN) from the Texas Water Commission. A summary of population data by planning area is given in Table 15.2. In general, the highest density of potential customers is in the Lower Valley, followed by the Northwest and East planning areas.

TABLE 15.1

OUTSIDE CITY SERVICE POLICY SURVEY RESULTS TABULATION

CITY	ST	OUTSIDE SERVICE	WATER	SEWER	WHOLE SALE	RETAIL	RATE DIFFER	RATE BASIS	ANNEX POLICY	SERVICE AREA	CITY ONLY	NOTES
Oklahoma City	OK	YES	YES	YES	YES	YES	YES	COS	NO	550,000	450,000	1,2
Denver	CO	YES	YES	NO	YES (3)	YES	YES	COS	NO	1,000,000	800,000	3
Denver (S)	CO	YES	NO	YES	YES	NO	NO	--	NO	1,300,000	500,000	
Salt Lake City	UT	YES	YES	NO	NO	YES	YES	1.5	YES	185,000	275,000	
San Antonio	TX	YES	YES	NO	YES (5)	YES	YES	1.3	NO	950,000	928,000	6
San Antonio (S)	TX	YES	NO	YES	YES	YES	YES	COS	NO	950,000	928,000	4,7
Las Vegas	NV	NO	--	--	--	--	--	--	--	300,000	300,000	
Las Vegas (S)	NV	YES	NO	YES	YES (1)	YES	NO	--	YES	300,000	270,000	6
Fort Worth	TX	YES	YES	YES	YES (20)	YES	YES	COS	NO	700,000	450,000	4
Tucson	AZ	YES	YES	NO	NO	YES	NO	--	NO	583,000	400,471	5
Tucson (S)	AZ	YES	NO	YES	NO	YES	NO	--	NO	685,184	400,471	
Albuquerque	NM	YES	YES	YES	NO	YES	NO	--	YES	437,000	391,000	8
Dallas	TX	YES	YES	YES	YES (24)	YES	NO	--	NO	1,812,928	982,750	
Phoenix	AZ	YES	YES	YES	YES (6)	YES	YES	1.5	YES	1,000,000	975,000	9
Austin	TX	YES	YES	YES	YES (24)	YES	YES	1.5	YES	645,000	405,000	8
El Paso	TX	YES	YES	NO	YES (2)	YES	YES	2.0	NO	583,000	530,000	9

General notes:

- A. The mark "---" indicates that data is not applicable.
- B. The number in parentheses in the Wholesale column is the number of wholesale customers when available.
- C. Houston did not respond to the questionnaire. The Salt Lake City sewer agency did not respond.
- D. It is assumed that wholesale rates are different from retail rates unless there is a "Specific Note" to the contrary.
- E. If there is a multiplier type rate differential, the multiplier is listed in the Rate Basis column.
- F. The notation "(S)" adjacent to a city denotes a separate sewer agency.
- G. "Rate Differential" refers to that difference between rates charged to inside city customers versus the rate charged to outside city customers, not to the difference between wholesale and retail rates.

Specific notes:

- 1. Wholesale and retail rates are the same.
- 2. There is no sewer rate differential, only for water.
- 3. Cost of service plus rate of return.
- 4. Limited retail.
- 5. Some areas are subject to surcharges.
- 6. The rate differential applies only to retail customers in unincorporated areas. Wholesale rates are cost of service based.
- 7. Did not receive survey form. Contact was made by telephone.
- 8. Provision of outside city service is sometimes related to an annexation policy depending on the area served.
- 9. The current policy information is shown. Currently in the process of developing a new policy.

TABLE 15.2
POPULATION BY PLANNING AREA

<u>Planning Area</u>	<u>1990 Population Not in EPWU Service Area</u>	<u>Estimated Population w/o Water Service</u>	<u>Percent of Total Population w/o Water Service</u>
Northwest	15,459	3,710	24%
Lower Valley	42,906	16,304	38%
East	10,464	1,960	19%
Total in EL Paso County	68,829	21,974	32%

Appendix C is a compilation of the current water rates of 14 water purveyors in the El Paso area. Typical water rates vary between \$1.00 and \$2.00 per 1,000 gallons. A family of four using water at the rate of 160 gallons per person per day will require approximately 20,000 gallons per month.

2.3 Funding Sources

Investigation of funding sources for water systems extensions outside the present EPWU service area revealed five possible sources of funds. The sources and a description of each are as follows:

2.3.1. Texas Water Development Board (TWDB)

The Texas Water Development Board administers loans for water supply, wastewater treatment, flood control, municipal solid waste and agricultural projects. Funds for the projects are provided from bond proceeds obtained from the sale of Texas Water Development Bonds which are secured by the full faith and credit of the state. Applicants for these funds must be political subdivisions of the state. Successful applicants must meet criteria which indicates their ability to repay the loan. The Board accepts as security for the loans, borrower pledges such as general obligation bonds,

revenue bonds, and tax and revenue certificates of obligation. The State currently has an AA bond rating which provides a lower cost of financing than the applicant can normally obtain.

Texas Water Development Board loans may be available from one or more of the following funds or accounts:

a. Texas Water Development Fund, Water Supply Account

Provides loans for financing such water related projects as water wells, retail and wholesale transmission lines, storage tanks and water treatment plants.

b. Texas Water Development Fund, State Participation Account

State may purchase an interest of up to 50 percent in a reservoir or regional water supply facility to enable construction of the facilities to optimum size and the oversizing of transmission and collection lines. The state's interest in the facilities is purchased by the borrower at a future specified date.

c. Texas Water Development Fund, Economically Distressed Areas Program (EDAP)

Loans and/or grants can be made to finance construction, acquisition or improvements to water supply (and wastewater) and treatment facilities, including necessary engineering work. Funds are available only for areas meeting the definition of "economically distressed area" (El Paso County does). Customers of extended EPWU water services constructed under an EDAP funds cannot be charged water rates higher than charged City of El Paso residents. Further, the sponsoring entity must contribute financially by either guaranteeing repayment of the debt service of the bond issue or by paying the lesser of \$500,000 or 2.5 percent of the total project costs. This program was initially funded in 1989 with authorization to issue \$100 million in bonds. It is understood the Texas Legislature has authorized an additional \$150 million for this fund which is pending voter approval.

It is possible to receive a grant/loan combination from the EDAP. The grant to loan ratio is established based on the ability of the borrower to repay the loan.

d. Water Assistance Fund, Water Loan Assistance Fund

Loans are available to eligible political subdivisions for water supply and treatment projects, among others.

e. Water Assistance Fund, Research and Planning Fund

Provides for 50/50 matching grants to finance, among other works, regional water supply plans. Financial assistance under this sub-fund must be initiated by the TWDB by identifying a problem area and soliciting an application. The planning area project must involve more than one political subdivision.

2.3.2 Texas Department of Commerce (TDC)

a. Community Development Block Grant Program

Federal funds available from the U.S. Department of Housing and Urban Development (HUD) are furnished to, and administered by, the TDC. The financial assistance is available to low to moderate income counties and is in the form of a grant. The El Paso Region (consisting of 6 counties) traditionally gets four grants per year, of which two have traditionally been made to El Paso County agencies. Grants have been limited to a maximum of \$250,000, but consideration is being given to increasing this limit by 10 percent. The grantee must provide 15 percent matching funds.

b. Farmers Home Administration (FmHA)

Financial assistance is in the form of a combination grant/loan. The grant portion is limited to a maximum of 75 percent. The application and evaluation procedure is complex. Evaluation by the FmHA will continue to be based on 1980 census values until the 1990 census becomes official.

2.3.3 El Paso Water Utilities/Public Service Board

The EPWU/PSB has a good bond rating which in most cases is similar to the State's bond rating. Therefore, when applicable, the PSB could use their bonding ability to finance projects at possibly a lower rate than the State can loan funds.

2.3.4 El Paso Community Foundation

The El Paso Community Foundation has been very active in locating grant funds for community projects. The Ford Foundation through the El Paso Community Foundation has given grants to projects in economically distressed areas. There are other sources of funds that can be utilized through the efforts of the El Paso Community Foundation. The El Paso Community Foundation should be made an active participant in the funding of potential water projects in economically distressed areas.

A single funding source will normally not be sufficient to fund a project. An individual project may require a combination of grants and loans from the above sources.

3.0 DETERMINATION OF PRIORITIES

3.1 Socioeconomic Concerns

Everyone needs water for survival. Those who do not have water service at municipal standards (that is, piped into plumbing in their homes at adequate pressure) will obtain water by hauling or from shallow wells. These non-municipal types of service are easily contaminated and often contribute to serious health problems.

The usually accepted priority for providing adequate water supplies to users is:

- | | |
|-------------------|-----------------------|
| 1. Drinking Water | 6. Sanitary (Toilets) |
| 2. Culinary Water | 7. Irrigation |
| 3. Bathing | 8. Cooling |
| 4. Dishwashing | 9. Commercial |
| 5. Laundry | 10. Industrial |

The first six uses are necessary for life and health, whereas the last four are normally only necessary for enjoyment and economic well being. It is usually a difficult decision to not provide any or all of the water needed for economic or enjoyment purposes. However, this study addresses the pragmatic issues of how to provide the extension of life-line water service for public health benefit to the greatest number of people who do not now have adequate water, in the fastest practical time, and within the bounds of financial possibility.

3.2 Planning and Jurisdictional Concerns

The extension of water service to customers outside of the EPWU's present service area will have three effects; (1) it will end the deprivation and improve public health conditions of current residents, (2) it will promote additional growth in subdivisions and other developments due to the availability of water, and (3) it will significantly increase the amount of wastewater discharge.

Orderly growth requires an organized approach to utility extension. It provides for the most favorable rate structure for the water users. Extension of water and sewer services by "leap-frogging" to areas which are not contiguous with developed water distribution and/or sewage collection systems is contrary to basic planning objectives and invariably leads to operational and financial concerns. After extensive evaluations of the physical system requirements

needed to serve potential customers and much debate by the Steering Committee it was agreed that contiguity should be the primary factor in considering areas desiring extensions of water and/or sewer services.

Jurisdictional concerns involve the rights and potential problems which might arise in situations where the EPWU would be extending services into the extraterritorial jurisdiction (ETJ) of another municipality or an area covered by a Certificate of Convenience and Necessity (CCN). Appendix D contains legal opinions on the factors which must be considered for the EPWU to extend services into other ETJ's or CCN areas.

3.3 Procedure for Determining Priorities

Based on the relative importance of the factors discussed above, a weighted numerical rating procedure was developed for the purpose of uniformly ranking the potential customers to determine their relative priority and phasing for extensions of service. The adopted procedure consists of rating each potential customer for three categories of factors: 1) Jurisdictional, 2) Present Quality of Life, and 3) Cost/Funding. The relative importance of each factor is defined by a numerical weight. The factors for which potential customers are rated to establish their priority and the relative weight of the factors are as follows:

<u>Factor</u>	<u>Relative Weight</u>
1) Jurisdictional Factors	
a. Site in El Paso ETJ	150
b. Site contiguous to EPWU	100
c. Water resource available	50
2) Present Quality of Life Factors	
a. Without access to public system	10
b. Inadequate water quantity	4
c. Inadequate water quality	8
d. Water contamination potential	9
e. Sewer or septic system available	8
3) Cost/Funding	
a. Funding available	10
b. Able to pay rates	6

Note that the above factors do not include consideration of the comparative cost of service. It is assumed that if municipal service is extended to customers outside of the municipal boundaries, the water and sewer rates will comply with the applicable Rules and Regulations of the EPWU/PSB, and that such rates might be comparable to or lower than the current cost to individual households.

In rating a potential customer, each factor is considered a question which is answered "Yes" or "No". A "Yes" answer is denoted as 1 and a "No" answer is denoted as 0. Each factor is then multiplied by either 1 or 0 to obtain the weighted rating for that factor. Finally the weighted factor scores are summed to obtain the relative numerical priority.

In order to satisfy many of the concerns, it was concluded that, except in extraordinary situations as determined by the PSB, service extensions by the EPWU should be limited to within the ETJ of the City of El Paso. Within El Paso's ETJ, each of the three general planning areas adopted for this study were divided into contiguous service areas. The areal extent of these service areas were defined by the following two criteria:

- a. Contiguity to EPWU's existing pipeline network.
- b. A cost of approximately \$1,000,000 required for the construction of transmission and distribution facilities within the service area. (Not included in the cost is any impact fee or plumbing within the residences).

The service areas are shown on Figure 15-3 designated with Roman numerals. Only those service areas numbered I are presently contiguous to EPWU's present water system. As the first service area in each Planning Area becomes served, the adjacent service area becomes contiguous. The priority rating procedure is structured so that a prospective customer must receive a priority rating higher than 300 to satisfy the requirement of contiguity. Accordingly only those prospective customers ranked with a relative priority of 300 or higher would be considered in the initial phase of extending services.

3.4 Priorities of Potential Customers

Using the adopted prioritization procedure, the 131 potential customers listed on Figure 15-2 were rated to determine their relative priorities. The resulting numerical priority rating matrix is presented in Appendix E. In completing the priority matrix, several assumptions were made. A potential customer within five miles of the corporate limits of El Paso was considered to be

within El Paso's ETJ, even if it was located within the ETJ of another entity. This allows a logical extension of services without allowing "leap frogging". In addition, it was assumed that: 1) water resources are available to all potential customers, 2) funding is available to all potential customers, and 3) all potential customers would be able to pay for the service provided.

The prioritization matrix in Appendix E indicates there are 19 potential customers within the highest relative priority (355). Three of these are in the Northwest Planning Area:

- #4 - La Union Estates
- #5 - Serene Acres
- #6 - Adelante Estates

The remaining 16 are in the Lower Valley Planning Area:

- #53 - Grijalva Gardens
- #54 - Delip
- #55 - North Loop Acres
- #56 - Bagge Estates
- #57 - Gurdev
- #58 - Sunshine
- #59 - Spanish Trail
- #60 - Alameda Estates
- #61 - Villa Espana
- #62 - San Augustin
- #63 - Rio Rancho
- #64 - La Fuente
- #65 - Monterosales
- #66 - La Jolla
- #67 - Ellen Park
- #68 - Hillcrest Manor

Eight other potential customers received priorities higher than 300 and would be considered eligible for the first phase of service extensions. They are:

Northwest Planning Area:

- #1 - Canutillo ISD**
- #2 - Canutillo Area**
- #3 - Gaslight Square Water Distribution**
- #7 - Prado Verde**
- #8 - Edmundo Kauffman Estates**

East Planning Area:

- #24 - Turf Estates**
- #25 - Desert Oasis**
- #26 - Monte Vista Trailer Park**

When the first phase service extensions have been substantially completed, the first service areas will have been essentially incorporated in the EPWU's service area. The next adjacent service areas (number II on Figure 15-3) will then be considered to be contiguous and the prioritization matrix should be re-scored.

4.0 POLICIES GOVERNING EXTENSIONS OF SERVICES

In consultation with the Steering Committee and the PSB's General Counsel, policies embodying the concepts and constraints discussed in this report were developed for adoption and guidance of the PSB. The statement of those policies follows.

EL PASO WATER UTILITIES / PUBLIC SERVICE BOARD

POLICIES GOVERNING

EXTENSION OF WATER AND SEWER SERVICES

OUTSIDE THE CORPORATE LIMITS OF THE CITY OF EL PASO

BUT WITHIN EL PASO COUNTY, TEXAS

Whereas, the El Paso Water Utilities Public Service Board (hereinafter sometimes referred to as the "EPWU") has, by their Resolution of December 13, 1990, determined that the best interests of the citizens of El Paso will be served if water and sewer service extensions are provided by the EPWU to private residences and other users (including those of a commercial or industrial nature) who now have no service, or substandard service, outside the corporate limits of the City of El Paso, but within El Paso County, Texas; and

Whereas, presently thirty two percent (32%) of the population in El Paso County outside of the City of El Paso (approximately 22,000 people) suffer from inadequate water service and an even larger number do not have adequate sewer service; and

Whereas, this condition constitutes a great public health hazard to a significant portion of all the population of El Paso County; and

Whereas, the lack of adequate water and sewer services deprives the affected citizens of full enjoyment of their homes and property; and

Whereas, although the EPWU has no legal obligation to extend water and sewer services outside the corporate limits of the City of El Paso, it is deemed to be in the public interest to extend said services on a fair and reasonable basis, and in a manner that will result in such extensions of services being provided without violating existing bond covenants which bind the EPWU and without imposing undue financial burdens upon existing water and sewer customers inside the corporate limits of the City of El Paso; and

Whereas, consistent with good practices of utility management and operations, any extension of service should be planned and programmed so as to serve the most citizens in the shortest time practical and at the least capital costs while at the same time recognizing the imperative of protecting the public health; and

Whereas, the EPWU recognizes that these existing conditions are partially due to the inability of current laws to adequately control development outside the City of El Paso's extraterritorial jurisdiction (herewith sometimes referred to as "ETJ"); and

Whereas, appropriate rules and regulations will be adopted to govern the extension of water and sewer services to customers outside the corporate limits of the City of El Paso that will preserve and protect the public health; and

Whereas, by extension of water or sewer services on a wholesale basis to customers located outside the corporate limits of the City of El Paso, the EPWU assumes no responsibility or obligation for the quality of service and/or rates charged to individual customers for water or sewer service by the EPWU as the wholesaler.

NOW THEREFORE, be it resolved that all extensions of water and sewer services outside of the corporate limits of the City of El Paso by the El Paso Water Utilities Public Service Board shall be governed by the following policies:

I.

WITH RESPECT TO EXTENSIONS OF WATER AND SEWER SERVICES, BOTH RETAIL AND WHOLESALE, IN GENERAL:

1. For purposes of these policies, an "outside-city customer" for water and/or sewer services from the EPWU shall be defined as any person, municipality, town, village, unit of government, governmental agency, corporation, utility, community, water district, water supply and sewer service corporation, subdivision and other groupings of residences, commercial establishments, institutions, and industries, or any other entity or combination thereof who desire water and sewer service from the EPWU. To be considered for extensions of water and/or sewer services, such outside-city customer must not be located in the extraterritorial jurisdiction or the corporate limits of any municipality other than the City of El Paso, or in a service area covered by a current Certificate of Convenience and Necessity ("CCN") held by any public utility or other

entity other than the EPWU, unless such other municipality or public utility has certified in writing that it has no interest in providing the water and/or sewer services to the requesting outside-city customer and has entered into an agreement with the EPWU to allow the EPWU to serve in such service area and where such service is in full compliance with the rules and regulations of the Texas Water Commission and the requirements of the applicable CCN. Nothing herein shall prevent the EPWU from serving outside-city customers in another entity's service area where the EPWU has acquired the right to serve through a dual certification or where the entity is decertified or is in the process of being decertified by the Texas Water Commission, the Department of the Environment or any successor agency and the EPWU has otherwise been granted the right to provide service by the appropriate legal or regulatory authorities.

2. Water and sewer services will be extended by the EPWU only to outside-city customers within the ETJ of the City of El Paso, as it may now exist or hereinafter be extended, and within El Paso County, except that in exceptional or emergency situations, as solely determined by the Public Service Board, the EPWU may extend water or sewer services beyond the ETJ of the City of El Paso when it is deemed to be in the interest of public safety, health or welfare to do so, and it is done pursuant to the requirements and conditions herein set forth.
3. Extensions of water and sewer services will be contingent upon an engineering determination by the EPWU that the available water supply and sewage handling and treatment capacity, at the point from which the extensions of service would be made are adequate, or can reasonably be made adequate, to provide the extended service and when such extensions can be made in full compliance with all applicable laws, rules and regulations, as they may now read or be hereinafter amended.
4. Any outside-city customer to which water and/or sewer services are extended must acknowledge in writing that they understand that obtaining water and/or sewer service from the EPWU does not imply nor guarantee that any other City of El Paso services whatsoever such as fire protection, fire suppression, solid waste disposal or police protection will be provided. (Fire protection includes hydrants, minimum residual pressure, and storage capacity to maintain flows for extended periods). The City of El Paso and the EPWU have limited authority to provide municipal services outside their

corporate limits and an extension of water and/or sewer services outside such corporate limits does not imply, guarantee or in any way warrant or otherwise obligate the City or the EPWU to extend or provide additional municipal services.

5. Any outside-city customer to which water and sewer service is extended must agree in writing to comply with all EPWU Rules and Regulations pertaining to water and sewer use, including, but not limited to rules and regulations governing industrial wastewater pretreatment requirements, and to City of El Paso ordinances regarding water conservation and all other applicable laws, rules or regulations which are in effect at the time or which may be enacted in the future or hereinafter amended.
6. Any outside-city customer to which water service is extended, who is located within the El Paso County Water Improvement District No. 1 and has rights to Rio Grande Project water must agree in writing to assign said entitlements to Project Water to the EPWU, to the extent said customer may make such an assignment under the law, before water service will be extended.
7. All water and sewer facilities required for service extensions shall be designed and constructed in conformance with EPWU standards. The EPWU shall review and approve all design documents prior to construction and shall review and approve all construction prior to acceptance for operation and maintenance.
8. Prior to extending retail service to areas outside the City, the County shall agree to the use of County public rights-of-way for installation of water and/or sewer lines and shall grant easements at no cost to the EPWU and further shall agree there will be no franchise fees or other charges by the County for extension of said water and/or sewer lines.

II.

WITH RESPECT TO SUBDIVISIONS EXISTING AT THE TIME OF ADOPTION OF THESE POLICIES GOVERNING THE EXTENSION OF WATER AND SEWER SERVICES:

1. An application for extension of water service only will not be considered by the EPWU until a certification is made by the El Paso City-County Health Department that the customer has adequate sewage collection and disposal systems and that providing a new or additional water supply to the customer will not create a public health problem.

the City of El Paso, consistent with maintaining a viable utility and without impacting the water and sewer rates of existing customers. It is acknowledged that the ability to obtain public and private funding to provide for such capital costs will be a significant factor in establishing priorities for extension of water and sewer services.

III.

WITH RESPECT TO SUBDIVISIONS NOT EXISTING AT THE TIME OF ADOPTION OF THESE POLICIES GOVERNING THE EXTENSION OF WATER AND SEWER SERVICES:

1. All proposed developments located outside of the corporate limits of the City of El Paso must conform to the City's subdivision regulations and applicable ordinances and EPWU Rules and Regulations in effect at the time the application is submitted for the extension of water or sewer service.
2. The outside-city customer, or its designated agent, shall post cash or other security acceptable to the EPWU into escrow to the account of the EPWU. The amount to be escrowed shall be one hundred twenty-five percent (125%) of the estimated increase in the EPWU's current Capital Improvements Program reasonably attributable to the additional or expanded water or sewer facilities required for extending services to the proposed outside-city customer. Alternatively, the applicant for extended water or sewer services may elect to construct the facilities on its own account. Said additional or expanded facilities shall conform to the City of El Paso's Master Plan or any amendments thereof existing at the time of application for extended service. In the event subsequent development by other parties connects to the original extended service facilities, such further development by outside-city customer will be levied a connection fee assessed pro rata to their service demand in comparison to the full capacity of the service facilities extension. Said connection fee shall be reimbursed to the original applicant.

**LIST OF PUBLIC WATER SYSTEMS
IN EL PASO COUNTY**

APPENDIX A



Texas Department of Health

Robert Bernstein, M.D., F.A.C.P.
Commissioner

Robert A. MacLean, M.D.
Deputy Commissioner

Public Health Region 3
6090 Surety Dr., Suite 115
El Paso, Texas 79905
(915) 779-7783

Gordon Cox, M.D.
Regional Director

April 12, 1991

Thomas T. Mann, Jr., P.E.
Boyle Engineering Corporation
5778 N. Mesa, Suite 200
El Paso, Texas 79912

Dear Mr. Mann:

Enclosed is the information you requested of the public water systems (community and non-community) located in El Paso County.

0710140 - NC Americana Inn (915) 852-3025
14387 Gateway West
El Paso, Tx 79936
Don Bhaga, Owner
No certified operator

0710157 - NC Arvey Park (915) 598-7522
George Dashley, Owner
11200 Montana Box 6
El Paso, TX 79936
No certified operator

0710078 - C Ft. Bliss Biggs Army Airfield (915) 568-7594
0710020 - C Ft. Bliss Main Base Area same
0710083 - C Site Monitor same
Bill Lewis - Water Plant Manager
ATZC-ISE-WM
Ft. Bliss, TX 79916-0058
Bill Lewis - B

0710118 - C Butterfield MHP (214) 786-6388
13313 Round Dance #7
Roy Bennett, Owner
P O Box 935
Pottsboro, TX 75076

Mr. Thomas T. Mann
April 12, 1991
Page 2

0710095 - C Cuadrilla Improvement Corp (915) 764-3332
 Jose Gomez, President
 P.O. Box 1213
 El Paso, TX 79838
 Joe Cera - D
 Water bought from Fabens

0710007 - C Desert Oasis Park (915) 855-3366
 located at 12705 Montana
 Joseph Shau Cho Wong, Owner
 5287 S. Boston
 Greenwood Village, CO 80111
 Chuck Martin - D

0710085 - NC Deluxe Inn (915) 858-0415
 11700 Gateway East
 El Paso, TX 79927
 Ernie McCracken, Owner

0710105 - C East El Paso Water Corp (915) 857-4158
 14300 Montana Ave.
 El Paso, TX 79936
 Norman Salome, Manager
 W.F. Kelton - C

0710123 - C Eastwind MHP (915) 857-10150
 14521 Montana
 El Paso, TX 79936
 J.A. Lightborn, Owner
 J.A. Lightborn - D

0710004 - C El Paso County WCID - Westway (915) 886-3756
 1002 Tiffany
 Canutillo, TX 79935
 Ema Villalobos, President
 Raul Quintero - B

0710096 - NC W. Silver Inc. (915) 886-3553
 located at 9059 Doniphan
 Mark Finnebock, President
 Star Rt 71
 Anthony, TX 79821

Mr. Thomas T. Mann
April 12, 1991
Page 3

0710050 - C Hillside MHP (915) 877-2396
P.O. Box R
Canutillo, TX 79835
Jesse Trigg, Owner
Jesse Trigg - D

0710158 - C Lee Limas MHP (915) 877-3607
P. O Box 327
Canutillo, TX 79835
Leroy Limas, Manager
Leroy Limas - D

0710099 - NC Little Diner (915) 877-2176
Ray Gallegos, Owner
324 Crane Street
El Paso, Texas 79922

0710018 - C El Paso County WCID #4 - Fabens (915) 851-2288
Alex Fierro, President
P. O. Box 277
Fabens, TX 79838
Kenneth Wilson - C

0710005 - C El Paso County Water Authority (915) 852-3917
John Ensor, President
1539 Pawling
El Paso, TX 79927
Ronald Rodenhaver - B

0710117 - NC Love's Country Store (915) 751-9000
Reba Baker, Admin. Asst.
P.O. Box 26210
Oklahoma City, OK 73126

0710100 - C San Elizario MUD (915) 859-7272
Jim Ivey, President
960 Americas Ave. N
El Paso, TX 79907
Raul Murrillo - C
Water bought from Fabens

Mr. Thomas T. Mann, Jr., P.E.

April 12, 1991

Page 4

0710017 - C Snug Harbor Motel and MHP (915) 877-3459
Lucia Vogt, Owner
P.O. Box 295
Canutillo, TX 79835
Ruben Vogt - D

0710139 - C Valley Acres MHP (915) 877-2249
797 Barley Drive, Space R
Anthony, NM 88021
Juan Michel, Owner
Juan Michel - D

0710071 - C Vinton MHP (915) 877-2955
Don Sims, Manager
8248 Kiely Rd.
Anthony, NM 88021
Don Sims - D

0710151 - C Vinton Village Estates (915) 581-4827
Bob Brown, Owner
P.O. Box 1288
Canutillo, TX 79835
Don Sims - D

0710010 - C Urlaub WS (505) 589-0983
James Urlaub, Owner
Drawer 130
Canutillo, TX 79835
James Urlaub - C

0710066 - NC Green Acres MHP and Riverview Estates WS (915) 833-3545
Terry Bourbon, Owner
P O Box 290
Canutillo, TX 79835
Terry Bourbon - C

0710052 - NC Hall's Lounge and Grill (915) 877-9994
Richard H. Hall, Owner
P.O. Box 316
Anthony, NM 88021

Mr. Thomas T. Mann, Jr., P.E.
April 12, 1991
Page 5

0710076 - C FCI - La Tuna (915) 886-3422
Tom L. Wooten, Warden
P.O. Box 1000
Anthony, NM 88021
Frank Garcia - C

0710147 - C Mayfair #5 Subdivision (505) 522-1307
Sam Osborne, Owner
P.O. Box 104
Canutillo, TX 79835
Merle Osborne - D

0710073 - NC Mountain Pass Canning Co. (915) 886-3951
Dick Ray, Field Manager
P.O. Box 220
Anthony, NM 88021

0710131 - NC Rocky's Restaurant and Bar (915) 778-9620
7926 Doniphan
Rogelio Barraza, Owner
1118 Marlow
El Paso, TX 79905

0710030 - NC Border Steel Mills Inc. (915) 886-2000
I-10 @ Vinton Rd
Henry Wilson, Plant Engineer
P.O. Box 12843
EL Paso, TX 79912

0710093 - NC Cal-Tex Spice Co. (915) 886-3501
8909 Kingway St.
Fernando Nova, Plant Manager
P.O. Box 1682
Anthony, NM 88021

0710112 - C Danny Boy MHP (915) 886-4769
Charles Flory, Owner
Star Route 1 Box 364
Anthony, TX 79821
Charles Flory - D

0710009 - C Gaslight Square MHP (915) 877-2238
William Steel, Owner
500 Transmountain Rd C-4
Canutillo, TX 79835
Anthony Tarquin - D

0710121 - NC Great Southwest Water & Irrigation Dist. (915) 779-3048
Clinton McCombs, President
P.O. Box 1520
Canutillo, TX 79835

0710159 - C Sparks - Ramirez WS (915) 852-3742
Socorro Ramirez
250 Holy Cross
El Paso, TX 79927
No certified operator

0710034 - C Turf Estates (915) 857-1268
Gary Lucas, Owner
15961 Marsha Rd RR#3
El Paso, TX 79936
Gary Lucas - D

0710086 - C Vista Montana Court (915) 857-3112
Alfredo Garcia, Manager
13999 Montana Space 26
El Paso, TX 79936

0710001 - C City of Anthony (915) 886-2807
Jerry Montgomery, Mayor
P.O. Box 1269
Anthony, TX 79821
Jacob Morales - B

0710040 - NC Bergen Southwest Steel (915) 877-2300
Michael Jordan, Manager
7450 Doniphan Dr.
P.O. Box 12909
El Paso, TX 79912

0710092 - C Homestead MUD (915) 857-1051
Gary Crossland, President
4027 A Las Casitas
El Paso, TX 79936
Serapio Saucedo - B

0710156 - HW Hueco Tanks Country Store/Cafe (915) 857-1095
Enriqueta Zavala, Owner
6011 Hueco Tanks Rd.
El Paso, TX 79936

0710064 - NC Texas Parks & wildlife Dept. Hueco Tanks (915) 426-3533
Park Rd 68
Tom Palmer
P.O. Box 1058
Ft. Davis, TX
Bob Miles - C

0710145 - C McCracken Estates WS (915) 857-0054
5200 O'Shea St
Bob Brooker, Owner
El Paso, TX 79936
Bob Brooker - D

0710115 - C Montana Land Estates (915) 591-4436
4360 Rancho Vista
O.R. Brooker
10201 Gateway W Suite 400
El Paso, TX 79925

0710116 - NC Mountain View and Mountain Vista (915) 851-4172
Clint ISD
Thomas Rodriguez, Head Maintenance
P.O. Box 779
Clint, TX 79836
Thomas Rodriguez - D

0710124 - C Mountain Meadows WS (915) 565-4681
B.M. Jobe, Owner
1 McKelligon Canyon
El Paso, TX 79930
Mario Ojeda - D

Mr. Thomas T. Mann, Jr., P.E
April 12, 1991
Page 8

0710084 - C Pasoview Estates (915) 857-2528
7000 Miracle Lane
El Paso, TX 79936
Gene McCardle, Owner
Lewis Horn - C

0710075 - NC Phelps Dodge Refining Corp (915) 778-9881
6999 North Loop
Fred Harvie, Engineer
P.O. Box 20001
El Paso, TX 79998
Stan Stevenson - D

0710125 - C Fern Village (915) 857-0309
Jeff Kaake, President
14900 Montana #4
El Paso, TX 79936
Debbie Kish - D

0710097 - NC Hacienda Adobe Hall (915) 544-5403
G.O. Torres, Owner
7200 Magger
El Paso, TX 79936

0710091 - C Hacienda Del Norte WID (915) 857-1092
13901 Montana
Lajay Goue, President
1391 Sagebrush
El Paso, TX 79936
Lewis Horn - C

0710133 - HW Hilde's Diner (915) 857-1188
1455 Montana
Hilde Lynch
256 Columbia
El Paso, TX 79907

0710087 - C E & L Non-Profit Water Corp. (915) 855-3766
4190 Krag
El Paso, TX 79936
Craig Russell, President
Craig Russell - C

Mr. Thomas T. Mann, Jr., P.E.
April 12, 1991
Page 9

0710154 - C EP County Lower Valley Water Dist. Authority (915) 852-4334
Michael Ciesielski, General Manager
E. Peyton Rd.
El Paso, Texas 79927

0710082 - NC El Paso Natural Gas - Hueco Club (915) 541-5655
13000 Montana
Pete McDonald, Manager
P.O. Box 1492
El Paso, TX 79978

0710144 - HW Esther's Tavern (915) 857-1550
13515 Montana
Esther Cornell
11180 Shoreline
El Paso, TX 79936

0710134 - NC El Rancho Escondido (915) 566-5525
14549 Montana
Nick Nabhan, Owner
4832 Hastings
El Paso, TX 79903

0710142 - HW Lucy's Bakery (915) 851-1151
Rodolfo Guevara, Owner
390 Bauman
Socorro, TX 79927

0710019 - C Tornillo WSC (915) 764-2820
H.R. Seybert, President
P.O. Box 136
Tornillo, TX 79853
Raul Murrillo - B

**NC - Non-community
C - Community
HW - Hauled water

Mr. Thomas T. Mann, Jr., P.E.
April 12, 1991
Page 10

If we may be of further assistance, please contact our office at
(915) 779-8016.

Respectfully submitted,

Robert Mauer for

Fernando Rico, Jr., P.E.
Water Hygiene
Program Manager, PHR 3

FR:RM:dg

**WATER PURVEYORS IN
EL PASO COUNTY
HAVING
CERTIFICATES OF CONVENIENCE
AND NECESSITY**

APPENDIX B

TEXAS WATER COMMISSION
TWC WATER/SEWER UTILITIES SYSTEM
REPORT OF WATER UTILITIES

CCN #	REC #	TDH #	PHONE/ CONTACT PHONE	UTILITY-NAME/ CCN HOLDER/ ADDRESS	CONTACT NAME/ CONTACT TYPE	TWC DIST COUNTY NAME OWNERSHIP*
00000	A0282	0710145	915 857-0054 915 857-0054	MCCRACKEN ESTATES WATER SYSTEM BROOKER, BOB 5200 O'SHEA EL PASO TX 79938-0000	BOB BROOKER OWNER	I
00000	P0848		915 585-4440 000	EL PASO CO LOWER VALLEY WATER 10005 ALAMEDA AVENUE SUITE P EL PASO TX 79927-0000	MICHAEL H CIESTELSKI GENERAL MANAGER	D
00000	U0039	0710120	915 833-3275 915 833-3275	DEERFIELD PARK WATER SUPPLY SY C/O JOE KENNARD - PRESIDENT P O BOX 13021 EL PASO TX 79913-0000	JOE KENNARD PRESIDENT	W
10211			915 533-9701	EL PASO CITY OF 320 S CAMPBELL P O BOX 511 EL PASO TX 79968-0000	EDMUNDO ARCHULETA GENERAL MANAGER	C
10745	1090018		817 878-3271 817 878-3271	BRANDON-IRENE WATER SUPPLY COR C/O ROY SUROVIK C/O ROY SUROVIK BOX 389 ITASCA TX 78055-0000	JESSE SCHREINER PRESIDENT	W
11017			915 589-0883 915 589-0883	U R L A U B DRAWER 130 CANUTILLO TX 79835-0000	JAMES URLAUB OWNER	I
11418	0710019		915 764-2380 915 764-2799	TORNILLO WATER SUPPLY CORPORAT C/O H R SEYBERT - PRESIDENT PO BOX 138 TORNILLO TX 79853-0000	H R SEYBERT PRESIDENT	W
11785			915 833-3545 915 542-8290	GREEN ACRES/RIVERVIEW WTR WKS BOURBON, TERRY P O BOX 290 CANUTILLO TX 79835-0000	TERRY BOURBON OWNER	I

*OWNERSHIP: C=CITY, D=DISTRICT, I=INVESTOR, M=MOBILE HOME PARK, P=POLITICAL SUBDIV, S=SUBMETERING, W=WATER SUPPLY CORP,
X=MISC/UNKNOWN

TEXAS WATER COMMISSION
TWC WATER/SEWER UTILITIES SYSTEM
REPORT OF WATER UTILITIES

CCN #	REG #	TDH #	PHONE/ CONTACT PHONE	UTILITY-NAME/ CCN HOLDER/ ADDRESS	CONTACT NAME/ CONTACT TYPE	TWC DIST COUNTY NAME	OWNERSHIP*
11841			915 857-2528 915 857-0410	PASO VIEW WATER SYSTEM C/O GENE MCCARDLE 7000 MIRACLE LANE EL PASO TX 79936-0000	GENE MCCARDLE CO-OWNER	10 EL PASO	I
11861			915 779-6341	VALLEY DOMESTIC WATER 14201 NORTH LOOP P O BOX 10698 CLINT TX 79836-0000	BENNY DAVIS	10 EL PASO	I
12127	0710118		214 786-6388 214 786-6388	BUTTERFIELD MOBILE HOME PARK P O BOX 935 POTTSBORO TX 75078-0935	ROY B & SHIRLEY M BE CO OWNERS	10 EL PASO	I
12150			915 857-0125 000	FERN VILLAGE WATER SYSTEM FERN VILLAGE HOMEOWNERS ASSN. 14900 MONTANA, #4 EL PASO TX 79936-0000		10 EL PASO	I
12184	0710034		915 857-1268 915 857-1268	TURF WATER SYSTEM C/O GARY LUCAS C/O GARY LUCAS 15961 MARSHA RD - RR NO 3 EL PASO TX 79936-0000	GARY LUCAS OWNER	10 EL PASO	I
12208			915 592-5160 915 592-5180	O R B DEVELOPMENT, INC. C/O JO ANN BROOKER 1819 ARNOLD PALMER EL PASO TX 79935-0000	JO ANN BROOKER OWNER	10 EL PASO	I
12225	0710124		915 532-8888 915 565-4681	MOUNTAIN MEADOW ESTATES WATER JOBE, B M C/O B M JOBE 18 MCKELLIGON CANYON EL PASO TX 79930-0000	B M JOBE OWNER	10 EL PASO	I
12389	0710105		915 544-6208 000	EAST EL PASO WSC C/O NORMAN SALOME - MANAGER 4420 NORTH MESA EL PASO TX 79902-0000	NORMAN SALOME MANAGERWN	10 EL PASO	W

*OWNERSHIP: C=CITY, D=DISTRICT, I=INVESTOR, M=MOBILE HOME PARK, P=POLITICAL SUBDIV, S=SUBMETERING, W=WATER SUPPLY CORP,
X=MISC/UNKNOWN

WC0400
UTIL-RPT

TEXAS WATER COMMISSION
TWC WATER/SEWER UTILITIES SYSTEM
REPORT OF WATER UTILITIES

12 JUL 1991
PAGE 3

CCN #	REG #	TDH #	PHONE/ CONTACT PHONE	UTILITY-NAME/ CCN HOLDER/ ADDRESS	CONTACT NAME/ CONTACT TYPE	TWC DIST COUNTY NAME OWNERSHIP*
12542		0710147	505 382-5670 505 522-1307	MAYFAIR NO 5 WATER COMPANY MAYFAIR 5 JOINT VENTURE P O BOX 104 CANUTILLO TX 79835-0000	SAM C OSBORNE PARTNER	I 10 EL PASO
12563		0710151	915 581-4827 915 581-4827	VINTON VILLAGE EST WTR SYS BROWN, R H P O BOX 1288 8010 KIELY RD CANUTILLO TX 79835-0000	R H BROWN OWNER	I 10 EL PASO
12575		0710139	000 - 915 877-2249	VALLEY ACRES MHP WATER SYSTEM JJM DEVELOPMENT INC 757 BARLEY DRIVE SPACE R ANTHONY NM 88021-0000	JUAN J MICHELLE OWNER	M 10 EL PASO
20881			915 584-2577 000 -	TENNIS WEST SEWAGE ASSN. P O BOX 220177 EL PASO TX 79913-0000		I 10 EL PASO

*OWNERSHIP: C=CITY, D=DISTRICT, I=INVESTOR, M=MOBILE HOME PARK, P=POLITICAL SUBDIV, S=SUBMETERING, W=WATER SUPPLY CORP,
X=MISC/UNKNOWN

**CURRENT WATER RATES
CHARGED BY UTILITIES IN
EL PASO AREA**

APPENDIX C

CURRENT MONTHLY WATER RATES

AS OF MAY 29, 1991

RATES		
<u>CITY/DISTRICT</u>	<u>INSIDE CITY/DISTRICT</u>	<u>OUTSIDE CITY/DISTRICT</u>
Anthony, TX	0-3,000 gal = \$6.50 greater than 3,000 = \$6.50 + \$0.66/1,000 gal	N/A
Albuquerque, NM	\$4.67 + \$0.69/1,000 gals	N/A
Las Cruces, NM	0-5,000 gal = \$4.80 + \$0.46/1,000 gal 5,000-10,000 gal = \$7.10 + \$0.51/1,000 gal 10,000-50,000 gal = \$9.65 + \$0.93/1,000 gal greater than 50,000 = \$46.85 + \$1.33/1,000 gal	N/A
Dona Ana Mutual Water DWCA	0-5,000 gal = \$9.89 greater than 5,000 = \$9.89 + \$1.46/1,000 gal	N/A
Tornillo WSC	0-5,000 gal = \$15.00 greater than 5,000 gal = \$15.00 + \$0.90/1,000 gal	N/A
El Paso County WCID No. 4	0-7,500 gal = \$9.25 greater than 7,500 gal = \$9.25 + \$0.60/1,000 gal	N/A
Homestead MUD	0-12,000 gal = \$19.50 12,000-18,000 gal = \$19.50 + \$1.50/1,000 gal 18,000 - 24,000 gal = \$28.50 + \$1.75/1,000 gal greater than 24,000 gal = \$39.00 + \$2.00/1,000 gal	N/A
Haciendas Del Norte WID	Annual O & M Fee = \$110.00 + 0-10,000 gal = \$8.00 10,000-20,000 gal = \$8.00 + \$1.00/1,000 gal 20,000-30,000 gal = \$18.00 + \$1.25/1,000 gal greater than 30,000 gal = \$30.50 + \$2.25/1,000 gal	N/A
Paso View	0-6,000 gal = \$15.00 greater than 6,000 gal = \$15.00 + \$2.50/1,000 gal	N/A
El Paso County WCID	0-4,000 gal = \$8.00 4,000-8,000 gal = \$16.00 8,000-20,000 gal = \$16.00 + \$2.00/1,000 gal greater than 20,000 gal = \$40.00 + \$6.00/1,000 gal	N/A

CITY/DISTRICT

INSIDE CITY/DISTRICT

OUTSIDE CITY/DISTRICT

Alamogordo, NM

0-4,500 gal = \$5.50
greater than 4,500 = \$5.50 + \$0.91/1,000 gal

0-4,500 gal = \$15.00
greater than 4,500 =
\$15.00 + \$1.82/1,000 gal.

El Paso County
Water Authority

0-5,000 gal = \$2.00
5,000-35,000 gal = \$2.00 + \$0.40/1,000 gal
35,000-50,000 gal + \$14.00 + \$0.75/1,000 gal
50,000-500,000 gal + \$23.25 + \$1.00/1,000 gal

0-5,000 gal = \$11.70
greater than 5,000 gal =
\$11.70 + 2.34/1,000 gal

El Paso Water
Utilities

0-3,000 gal = \$3.33
3,000 - 175% AWC = \$3.33 + \$1.02/1,000 gal
greater than 3,000 + 175% AWC = \$1.89/1,000 gal

2 times the rate
of a user within the city.

El Paso County
Lower Valley Water
District Authority

0-8,250 gal = \$15.27
8,250 - 15,750 = \$15.27 + \$2.43/1,000 gal
15,750 - 23,250 gal = \$33.50 + \$2.77/1,000 gal
greater than 23,250 = \$54.28 + \$3.24/1,000

N/A

**LAW REGARDING POLICY
ON
SERVING OUTSIDE CITY LIMITS**

APPENDIX D



INTEROFFICE MEMORANDUM

TO : Ed Archuleta
General Manager

FROM : Herb Prouty
General Counsel

DATE : October 12, 1990

SUBJECT: Law Regarding Policy on Serving Outside City Limits
=====

You have asked me to research the ability of the Board to expand its water and sewer service outside the City of El Paso. The Public Service Board is interested in revising its policy for service outside the city limits. In considering such a policy, it is important to determine what effect this policy would have on submitting ourselves to the jurisdiction of the Texas Water Commission (TWC).

Many of the issues concerning expansion and jurisdiction of the TWC over rates have been previously addressed in a paper presented by Mike Willatt, an Austin water law attorney, to the City Attorney's Association in 1987 entitled, "The Price of Water Regulation of the Cities and by the Cities in Matters Concerning Water Rates". A copy of this paper is attached, to this memo, for your information. Some of the conclusions reached in the memo have been altered by amendments to the Texas Water Code passed by the 1989 session of the Texas Legislature.

I.

Authority of PSB to Expand Beyond City Limits

The Texas Water Code contains no restrictions on an expansion of municipal water and sewer services beyond the city limits. However, there are certain limitations. The first of these is that the PSB could not expand into the area of another utility, which has an existing certificate of convenience and necessity from the Texas Water Commission, covering that area. The only way that the PSB could serve such an area is to get the original utility decertified, or to obtain dual certification. Either one of these actions is difficult to obtain.

The second limitation is, according to Bob Bustamante, that we have some restrictions on our ability to deliver or to obtain water outside the city limits in some of our water right contacts with other entities. For instance, Bob has indicated that our 1989 contract with the El Paso County Lower Valley Water District Authority, to provide for water and sewage treatment outside the city limits within the Authority's area, contains certain limitations. This contract does provide that we will agree not to drill any water wells within the boundaries of the Authority. (Article 12(A)).

Thirdly, the Public Service Board's ability to extend service past the city limits may be affected by the extraterritorial jurisdiction limits of the City of El Paso and other municipalities. We should be able to serve within our extraterritorial jurisdiction which, in El Paso's case, extends at least five miles beyond the city limits. (See Sec. 42.021(5) Local Govt Code).

There appear to be some limits to serving beyond the City's extraterritorial jurisdiction, especially if that service area falls within the boundaries of another city or within that city's extraterritorial jurisdiction. If we attempt to serve within the boundaries of another city, we will have to obtain that city's consent. We might even have to obtain a franchise for service from the city and pay a municipal franchise fee. There are potential prohibitions, if we serve within the extraterritorial jurisdiction of another city. These include, the prohibition against creating a political subdivision to supply water or sewer services in the extraterritorial jurisdiction of another city, unless we obtain the city's written consent, (See Sec. 42.042 Local Govt Code and Sec. 54.016(e), Water Code). These latter sections have traditionally been applied to municipal utility district (MUDS). I do not think these sections would apply to a mere extension of water and sewer service by an existing water utility like the PSB, but since extraterritorial jurisdiction was created to allow cities to exercise some control over development within the extraterritorial jurisdiction, it would not be safe for the PSB to serve customers within another city's ETJ without first obtaining the consent of that city. The Attorney General has ruled that a county has no authority to require utilization of its water and sewer systems, in the extraterritorial jurisdiction of a city, over the objection of that city. (See Opin. Atty. Gen. 1974, No. H-412).

II.

Submission to Jurisdiction of the Texas Water Commission

In expanding sewer and water service beyond municipal boundaries, we should be aware that we may be increasing our exposure to the jurisdiction of the Texas Water Commission.

A municipality, like the PSB, retains jurisdiction over utility rates, operations, and services provided exclusively within its corporate limits, (See Sec. 13.042(a) Tex. Water Code). However, the Texas Water Commission does have authority, within and outside the city limits, to determine wholesale rates with respect to a municipality's contract with another political subdivision, (See Sec. 12.013(d) Tex. Water Code). As Mr. Willatt indicated in the attached paper, this provision has been interpreted not to give the Texas Water Commission any authority to regulate the wholesale

rates charged by a city to water supply corporations, or other entities which are not political subdivisions. However, a recent 1989 amendment, to the Texas Water Code, provides that a retail public utility that receives water or sewer service from another retail public utility or political subdivision, may appeal to the Commission a decision of that provider of water or sewer service affecting the amount paid for water or sewer service. (See 13.043(f), Tex. Water Code). The definition of a retail public utility includes a political subdivision or municipality and a number of other entities, including water supply corporations. Therefore, even a dispute under a contract with a private water supply corporation or other entity, which is not a political subdivision, involving wholesale rates on water being supplied by the PSB within our city limits could be appealed to the TWC.

Although there are other sections of the Water Code which indicate that the Commission might have authority over retail rates charged by a municipality such as the PSB, the Commission has usually interpreted 12.013(d) of the Water Code to limit its authority to wholesale rates.

The Texas Water Commission retains exclusive original jurisdiction over water and sewer utilities providing services outside the corporate limits of a city, (See Sec. 13.042(e), Tex. Water Code). The definition of a water and sewer utility does not include a municipal corporation such as the PSB. However, by expanding into areas outside the city, we may be submitting ourselves to the appellate jurisdiction of the TWC. This is limited to a situation where, we are supplying a rate payer who resides outside the corporate limits of the City. To invoke the TWC's jurisdiction, the ratepayer must file a petition signed by the lesser of 10,000 or 10% of those rate payers whose rates have been changed and who are eligible to appeal. (See 13.043(b)(3) & (c), Tex. Water Code)

Finally, even if the TWC's authority over our water and sewer rates outside the City is somewhat limited, any rate payer would have the authority to take us to court for setting rates that unreasonably favoring in-city over out-of-city customers. Mike Willatt covers this very adequately in his memorandum on the bottom of Page 7 and 8. He states that courts do recognize, that cities may charge a higher rate to out-of-city customers if the city can demonstrate that the cost of service provided these customers is higher. Botkin et al. vs City of Abilene, 262 S.W. 2d 732 (Tex. Civ. App. Eastland 1953, writ ref. n.r.e.); Town of Terrell Hills et al. vs City of San Antonio, 318 S.W. 2d 85 (Tex. Civ. App. San Antonio 1958, writ ref. n.r.e.). Mike also indicates that the courts' jurisdiction may not be limited to discrimination, but may also extend to the prohibition of unreasonably high rates. The key here is not to establish outside water and sewer rates by some arbitrary formula, but to relate those rates to our actual cost of serving outside-the-city customers.

III.

Serving Outside the County and the State.

Many of these same principles would apply to service outside the County and the State of Texas. However, due to the New Mexico litigation, my unfamiliarity with New Mexico law, and the complexity of the entire subject, I would suggest that research and recommendations on this aspect of expansion of services await the Board's establishment of a policy to extend service beyond the city limits but within the County of El Paso.

IV.

Historical Viewpoint

Darcy Frownfelter, attorney for the Lower Valley Water District Authority, recently contributed to a symposium on Water Law in the Oklahoma Law Review. A copy of his article entitled, "State Groundwater Sovereignty After Sporhase: The Case of the Hueco Bolson", is attached for your information. On page 36 of that article, in footnote 39, he provides a history of the "extraterritorial water service policy", of the PSB. With the exception of the so-called "Johnson" Policy, which was in effect from January 11, 1972, to October 25, 1977, Darcy indicates that the PSB's policy, with regard to extraterritorial water service, has been very restrictive for the following reasons: (1) protection of land values and tax base inside El Paso; (2) conservation of water resources; (3) promotion of orderly development; (4) promotion of in-city development; and (5) elimination of incorporation of communities on the outskirts of El Paso. The current policy on service outside the city limits is contained in Section II-15, of the PSB's Rules and Regulations No. 1, last revised on April 6, 1988.

V.

Summary

I would recommend that a Board policy of expanding water and sewer service outside the city limits incorporate and recognize the following factors:

1. The initial area of expansion to be considered should be consistent with the extraterritorial jurisdiction of the City, i.e., 5 miles.
2. Any expansion inside or outside the extraterritorial jurisdiction should include a policy of obtaining the consent of other cities within whose extraterritorial jurisdiction the service area falls.

3. Any water contact, which restrict the PSB service outside city limits, should be renegotiated in an attempt to remove these restrictions.
4. No service be attempted in areas where another water utility has a certificate of convenience and necessity from the Texas Water Commission.
5. No service be attempted within the city limits of another municipality, unless that municipality invites such service and consents to same for a reasonable consideration.
6. Expansion of water and sewer service, outside the city limits, does carry with it increased exposure to the Texas Water Commission's appellate jurisdiction over water and sewer rates charged outside-the-city customers.
7. Rates for outside water and sewer service should be set based on the actual cost of service to customers and not based on an arbitrary formula unrelated to cost.
8. Expansion of the service area outside the city limits should be based on sound financial and public service considerations. Conditions such as those imposed by the "Johnson" Policy, along with other modern considerations, including water conservation policy, and new federal and state regulations on water and sewer treatment, should be considered in developing conditions for expansion of the service area outside the city limits. The Board's Rules and Regulations should be amended to incorporate these conditions.

HP/sm
OSdCyLmt.Mem

cc: Manny Cooper
Finance Officer

EL PASO WATER UTILITIES
Public Service Board

June 20, 1991

TO : David R. Brosman, P.E.
Deputy General Manager
Chuck Reich, P.E., Project Manager
Boyle Engineering Corporation

FROM : Herb Prouty
General Counsel

SUBJECT: Supplement to Memo on Law Regarding Policy on Serving
Outside City Limits

=====
This is a supplement to my earlier memo to General Manager, Ed Archuleta, on the "Law Regarding Policy on Serving Outside City Limits" of October 12, 1990, a copy of which is attached to this memo. Hopefully, this will assist you and the Steering Committee develop the policies and procedures for outside city water and sewer services.

EXTRATERRITORIAL JURISDICTION

My earlier memo, of October 1990, recommended that the policy adopted by the Public Service Board for expanding water and sewer service outside the city limits initially call for expansion within the extraterritorial jurisdiction (ETJ) of the City (5 miles). Even within the ETJ, El Paso Water Utilities (EPWU) would still have to obtain the consent of other cities within whose ETJ or within whose city limits the service area falls. The following legal considerations are relevant to this conclusion:

1. With certain very limited exceptions, such as housing authorities which are considered subdivisions of municipalities (§392.014, Loc. Govt Code), only municipalities have ETJs. Those ETJs are established as follows:
 1. One-half (1/2) mile outside the city limits, in cases of municipalities with populations less than 5,000;
 2. One (1) mile outside the city limits, in cases of municipalities of 5,000 to 24,999;
 3. Two (2) miles outside the city limits, in cases of municipalities of 25,000 to 49,999;
 4. Three and one-half (3 1/2) miles outside of the city limits, in the case of municipalities having a population from 50,000 to 99,999;
 5. Five (5) miles outside the city limits for all municipalities having a population of 100,000 or more, such as El Paso. (§ 42.021, Loc. Govt. Code)

Mr. David R. Brosman
June 20, 1991
Page 2

Although we must be concerned about the ETJ of municipalities within any expanded service area, water improvement districts, municipal utility districts, private water supply corporations and other entities within the expanded service area have no ETJ.

2. Generally speaking, EPWU may not expand its water or sewer service into the ETJ of another municipality without either gaining that municipality's consent, a favorable vote of the majority of the people of that municipality, or upon a petition and favorable action by the Texas Water Commission. (§§ 42.048, 42.041, 42.042, Loc. Govt. Code, and § 54.016(e), Tex. Water Code)
3. The City has the power to regulate the development of subdivisions through the approval of plats and through regulations included in its Subdivision Ordinance (§§ 212.002, 212.004, 212.005, 212.006, Loc. Govt. Code; and Chap. 19, Subdivision Ordinance, El Paso Municipal Code). However, the City, through its Planning Commission, has the power to approve plats and to impose subdivision regulations to assure orderly development through its Subdivision Ordinance only within its 5-mile ETJ. Therefore, orderly development and control of land, as water and sewer services are extended outside the city limits, could be better assured within the ETJ. Although the County Commissioner's Court is vested with power concerning streets and roads in subdivisions outside the corporate city limits but within the County (§232.003, Loc. Govt. Code), the County, at the current time, does not have the same degree of control over development inside the County that the City has in its ETJ through its Subdivision Ordinance. The County and the City have concurrent jurisdiction concerning subdivisions outside the city limits but within the 5-mile ETJ.
4. Outside of the statutes granting the City authority to control development within the ETJ, there is very little additional authority under the law to control development or adverse situations outside of the ETJ. A home rule city, such as the City of El Paso, does have the authority to prohibit the pollution of streams, drains, or tributaries that may constitute the source of its water supply, both inside or outside of its municipal boundaries (§401.002, Loc. Govt. Code). Although this statute would apparently authorize the City to address significant public health and safety problems relating to the pollution of sources of its water supply outside of its ETJ, the Attorney General has apparently ruled that a city's authority under the statute is limited to its

Mr. David R. Brosman
June 20, 1991
Page 3

ETJ (Op. Atty. Gen. 1984, No. JM-226). There have been no Texas cases interpreting the meaning of the statute. Therefore, the power of the City to regulate under this statute outside its ETJ is doubtful. In addition, a home rule municipality, like El Paso, has the power to enforce all ordinances necessary to prevent and normally abate and remove a nuisance within 5,000 feet of its municipal boundaries (§217.042, Loc. Govt. Code). However, this power covers much less territory than El Paso's ETJ.

There are sound legal reasons for limiting the initial expansion of water and sewer services outside the city limits to the ETJ of the City of El Paso. EPWU will probably need to obtain the consent of municipalities within that ETJ to serve within their city limits or their extraterritorial jurisdiction. In addition, unless EPWU has acquired dual certification or is confident that it has a situation which will allow it to obtain decertification by the Texas Water Commission, EPWU would need to obtain the consent of municipal utility districts, water improvement districts, private water supply corporations, and other entities providing water and sewer services within the extraterritorial jurisdiction, prior to commencing service. As we discussed, there are ways of doing this, short of actually taking control of the water or sewer supply system from these entities, such as entering into contracts for the management and control of the system. It is also possible, under certain circumstances, to annex various water improvement districts which would result in the automatic dissolution of the district and the transfer of the facilities to EPWU within 90 days. However, any such action should be carefully considered, because, in addition to acquiring the often inadequate facilities of the dissolved district, EPWU would have to absorb all of the entity's then existing debt, which in many cases could be considerable.

FAIR & UNIFORM SERVICE

The courts of this state have held that a utility, such as EPWU, has no obligation to extend water or sewer services outside of its city limits. However, once a municipality makes a decision to extend water and sewer services outside its municipal boundaries, it must do so in a reasonable and nondiscriminatory manner. (Texarkana vs. Wiggins, 246 S.W. 2d 622 (1951); The City of El Paso vs. State Line, Inc., 570 S.W. 2d 409, (Court Civ. App., El Paso 1978); § 35.35(g), Vol 12, McQuillen Mun. Corp., 3rd Ed). This does not mean that the policy or procedure adopted for "out of city services" must treat all applicants exactly the same. However, any extension of services policy must treat applicants in similar circumstances similarly. Therefore, there is a need for some uniformity of treatment in the policy to avoid lawsuits and other challenges to the procedures adopted.

Herbert L. Prouty
General Counsel, PSB

Mr. David R. Brosman
June 20, 1991
Page 4

SUBMISSION TO JURISDICTION OF TEXAS WATER COMMISSION

As indicated in my October 12, 1990 memo, the Texas Water Commission does retain jurisdiction to review wholesale rates with respect to a municipality's wholesale water supply contract with another political subdivision. It appears that by extending services outside the city limits, we may be entering into more wholesale water supply contracts which will naturally increase our exposure to Texas Water Commission review. As indicated above, this underscores the need for a fair and nondiscriminatory policy. An "outside the city" ratepayer, who feels that our "outside the city" rates are unreasonable and are unreasonably favoring "in city" over "out of city" customers, may either petition the Texas Water Commission or file a lawsuit challenging our rates. This topic has been adequately discussed in my earlier memorandum. However, I would like to emphasize the need for setting "outside city" rates which can be justified on the basis of the cost and expense of extending the services.

AMENDMENT OF PUBLIC SERVICE BOARD RULES AND REGULATION

The current "Service Outside the City Limits" policy is contained in § II-15, Public Service Board Rules & Regulations No. 1. When the Steering Committee makes its recommendations to the Public Service Board, its policy should be expressed in an appropriate amendment replacing § II-15 of Rules & Regulations No. 1. I would be glad to assist you in developing a resolution amending the "outside the city limits" policy for consideration both by the Public Service Board and the El Paso City Council.

HP/sm
StComSvs.Mem

Encl.

cc: Ed Archuleta, P.E., General Manager
Steering Committee Members for Development of Policies &
Procedures for Extension of Water & Sewer Service Outside
City Limits
Central Files

**PRIORITY RANKINGS
OF
POTENTIAL OUTSIDE-CITY
CUSTOMERS**

APPENDIX E

P R I O R I T Y R A N K I N G M A T R I X

NORTHWEST PLANNING AREA		JURISDICTIONAL FACTORS				PRESENT QUALITY OF LIFE FACTORS						COST/FUNDING FACTORS			GRAND TOTAL
		Site in El Paso ETJ	Site contiguous to EPWU	Water resource available	SUB TOTAL	Without access to public system	Inadequate water quantity	Inadequate water quality	Water contamination potential	Sewer or septic system available	SUB TOTAL	Funding available	Able to pay rates	SUB TOTAL	
Potential Customer / / Relative Weight	150	100	50		10	4	8	9	8		10	6			
1 Canutillo ISD	1	1	1	300	0	1	1	1	1	29	1	1	16	345	
2 Canutillo area	1	1	1	300	0	1	1	1	0	21	1	1	16	337	
3 Gaslight Square Water Distrib.	1	1	1	300	0	0	0	1	1	17	1	1	16	333	
4 La Union Estates	1	1	1	300	1	1	1	1	1	39	1	1	16	355	
5 Serene Acres	1	1	1	300	1	1	1	1	1	39	1	1	16	355	
6 Adelante Estates	1	1	1	300	1	1	1	1	1	39	1	1	16	355	
7 Prado Verde	1	1	1	300	0	0	0	1	1	17	1	1	16	333	
8 Edmundo Kauffman Estates	1	1	1	300	0	0	0	1	1	17	1	1	16	333	
9 Town of Anthony	0	0	1	50	0	0	0	0	0	0	1	1	16	66	
10 La Tuna Fed. Corr. Inst.	0	0	1	50	0	0	0	0	0	0	1	1	16	66	
11 W. Silver Inc.	1	0	1	200	0	0	0	0	0	0	1	1	16	216	
12 Great Southwest Water Irrigation	1	0	1	200	0	0	0	0	0	0	1	1	16	216	
13 Border Steel Inc.	1	0	1	200	0	0	0	0	0	0	1	1	16	216	
14 Metal Processing	1	0	1	200	0	0	0	0	0	0	1	1	16	216	
15 Town of Vinton	1	0	1	200	1	1	1	1	1	39	1	1	16	255	
16 Hillside Mobile Home Park	1	0	1	200	0	0	0	1	1	17	1	1	16	233	
17 Nu-way	1	0	1	200	1	1	1	1	1	39	1	1	16	255	
18 Mayfair	1	0	1	200	1	1	1	1	1	39	1	1	16	255	

Legend: Yes = 1, No = 0

P R I O R I T Y R A N K I N G M A T R I X

NORTHWEST PLANNING AREA		JURISDICTIONAL FACTORS				PRESENT QUALITY OF LIFE FACTORS						COST/FUNDING FACTORS			GRAND TOTAL
		Site in El Paso ETJ	Site contiguous to EPWJ	Water resource available	SUB TOTAL	Without access to public system	Inadequate water quantity	Inadequate water quality	Water contamination potential	Sewer or septic system available	SUB TOTAL	Funding available	Able to pay rates	SUB TOTAL	
Potential Customer / / Relative Weight	150	100	50		10	4	8	9	8		10	6			
19 Valley Acres	1	0	1	200	1	1	1	1	1	39	1	1	16	255	
20 Mountain Valley	1	0	1	200	1	1	1	1	1	39	1	1	16	255	
21 Ponderosa Mobile Homes	1	0	1	200	0	0	0	1	1	17	1	1	16	233	
22 Schuman Estates	1	0	1	200	1	1	1	1	1	39	1	1	16	255	
23 Westway	1	0	1	200	0	1	1	0	0	12	1	1	16	228	

Legend: Yes = 1, No = 0

P R I O R I T Y R A N K I N G M A T R I X

EAST PLANNING AREA				JURISDICTIONAL FACTORS				PRESENT QUALITY OF LIFE FACTORS				COST/FUNDING FACTORS			GRAND TOTAL
Potential Customer / / Relative Weight	Site in El Paso ETJ	Site contiguous to EPMU	Water resource available	SUB TOTAL	Without access to public system	Inadequate water quantity	Inadequate water quality	Water contamination potential	Sewer or septic system available	SUB TOTAL	Funding available	Able to pay rates	SUB TOTAL		
	150	100	50		10	4	8	9	8		10	6			
24 Turf Estates	1	1	1	300	0	0	0	0	0	0	1	1	16	316	
25 Desert Oasis	1	1	1	300	0	0	0	0	0	0	1	1	16	316	
26 Monte Vista Trailer Park	1	1	1	300	0	0	0	0	0	0	1	1	16	316	
27 Hillcrest	1	0	1	200	1	1	1	1	1	39	1	1	16	255	
28 Butterfield Trail	1	0	1	200	0	0	0	0	1	8	1	1	16	224	
29 Flamingo	1	0	1	200	1	1	1	1	1	39	1	1	16	255	
30 Eastwind MHP	0	0	1	50	0	0	0	0	1	8	1	1	16	74	
31 Vista del Este	1	0	1	200	0	0	0	0	1	8	1	1	16	224	
32 Las Casitas	1	0	1	200	0	0	0	0	1	8	1	1	16	224	
33 Southwest Estates	1	0	1	200	0	0	0	0	1	8	1	1	16	224	
33 Desert Glen	1	0	1	200	0	0	0	0	1	8	1	1	16	224	
33 Homestead Meadows South	1	0	1	200	0	0	0	0	1	8	1	1	16	224	
33 Homestead	0	0	1	50	0	0	0	0	1	8	1	1	16	74	
34 Deerfield Park	0	0	1	50	0	0	0	0	1	8	1	1	16	74	
35 Homestead Meadows	1	0	1	200	1	1	1	1	1	39	1	1	16	255	
36 Haciendas del Norte	1	0	1	200	0	0	0	0	1	8	1	1	16	224	
37 Acacia Grove	0	0	1	50	1	1	1	1	1	39	1	1	16	105	
38 Montana Land Estates	0	0	1	50	1	1	1	1	1	39	1	1	16	105	

Legend: Yes = 1, No = 0

P R I O R I T Y R A N K I N G M A T R I X

EAST PLANNING AREA				JURISDICTIONAL FACTORS				PRESENT QUALITY OF LIFE FACTORS				COST/FUNDING FACTORS			GRAND TOTAL
Potential Customer / / Relative Weight	Site in El Paso ETJ	Site contiguous to EPMU	Water resource available	SUB TOTAL	Without access to public system	Inadequate water quantity	Inadequate water quality	Water contamination potential	Sewer or septic system available	SUB TOTAL	Funding available	Able to pay rates	SUB TOTAL		
	150	100	50		10	4	8	9	8		10	6			
39 Yucca Foothills	0	0	1	50	1	1	1	1	1	39	1	1	16	105	
39 Montana East	0	0	1	50	1	1	1	1	1	39	1	1	16	105	
40 Sundown	0	0	1	50	0	0	0	0	1	8	1	1	16	74	
40 John Micheal	0	0	1	50	0	0	0	0	1	8	1	1	16	74	
40 Western Heritage	0	0	1	50	0	0	0	0	1	8	1	1	16	74	
41 Paso View	0	0	1	50	0	0	0	0	1	8	1	1	16	74	
42 Paso View West	0	0	1	50	0	0	0	0	1	8	1	1	16	74	
43 Desert Meadows Estates	0	0	1	50	1	1	1	1	1	39	1	1	16	105	
44 Primrose Acres	0	0	1	50	1	1	1	1	1	39	1	1	16	105	
45 Vista de Lomas	0	0	1	50	1	1	1	1	1	39	1	1	16	105	
46 Butterfield City Unit #2	0	0	1	50	1	1	1	1	1	39	1	1	16	105	
47 Butterfield City Unit #4	0	0	1	50	1	1	1	1	1	39	1	1	16	105	
48 Hueco Valley	0	0	1	50	1	1	1	1	1	39	1	1	16	105	
48 Eisenberg Estates	0	0	1	50	1	1	1	1	1	39	1	1	16	105	
49 Camelback Estates	0	0	1	50	1	1	1	1	1	39	1	1	16	105	
50 Monte Carlo	0	0	1	50	1	1	1	1	1	39	1	1	16	105	
51 Hueco Mountain Estates	0	0	1	50	1	1	1	1	1	39	1	1	16	105	
52 Wilco	0	0	1	50	1	1	1	1	1	39	1	1	16	105	

Legend: Yes = 1, No = 0

P R I O R I T Y R A N K I N G M A T R I X

LOWER VALLEY PLANNING AREA		JURISDICTIONAL FACTORS				PRESENT QUALITY OF LIFE FACTORS					COST/FUNDING FACTORS			GRAND TOTAL
		Site in El Paso ETJ	Site contiguous to EPWU	Water resource available	SUB TOTAL	Without access to public system	Inadequate water quantity	Inadequate water quality	Water contamination potential	Sewer or septic system available	SUB TOTAL	Funding available	Able to pay rates	
Potential Customer / / Relative Weight	150	100	50		10	4	8	9	8		10	6		
53 Grijalva Gardens	1	1	1	300	1	1	1	1	1	39	1	1	16	355
54 Delip	1	1	1	300	1	1	1	1	1	39	1	1	16	355
55 North Loop Acres	1	1	1	300	1	1	1	1	1	39	1	1	16	355
56 Bagge Estates	1	1	1	300	1	1	1	1	1	39	1	1	16	355
57 Gurdev	1	1	1	300	1	1	1	1	1	39	1	1	16	355
58 Sunshine	1	1	1	300	1	1	1	1	1	39	1	1	16	355
59 Spanish Trail	1	1	1	300	1	1	1	1	1	39	1	1	16	355
60 Alameda Estates	1	1	1	300	1	1	1	1	1	39	1	1	16	355
61 Villa Espana	1	1	1	300	1	1	1	1	1	39	1	1	16	355
62 San Augustin	1	1	1	300	1	1	1	1	1	39	1	1	16	355
63 Rio Rancho	1	1	1	300	1	1	1	1	1	39	1	1	16	355
64 La Fuente	1	1	1	300	1	1	1	1	1	39	1	1	16	355
65 Monterosales	1	1	1	300	1	1	1	1	1	39	1	1	16	355
66 La Jolla	1	1	1	300	1	1	1	1	1	39	1	1	16	355
67 Ellen Park	1	1	1	300	1	1	1	1	1	39	1	1	16	355
68 Hillcrest Manor	1	1	1	300	1	1	1	1	1	39	1	1	16	355
69 Horizon Country Club Estates	1	0	1	200	0	0	0	0	1	8	1	1	16	224
70 Horizon Heights	1	0	1	200	0	0	0	0	1	8	1	1	16	224

Legend: Yes = 1, No = 0

P R I O R I T Y R A N K I N G M A T R I X

LOWER VALLEY PLANNING AREA				JURISDICTIONAL FACTORS				PRESENT QUALITY OF LIFE FACTORS				COST/FUNDING FACTORS			GRAND TOTAL
Potential Customer / / Relative Weight	Site in El Paso ETJ	Site contiguous to EPWU	Water resource available	SUB TOTAL	Without access to public system	Inadequate water quantity	Inadequate water quality	Water contamination potential	Sewer or septic system available	SUB TOTAL	Funding available	Able to pay rates	SUB TOTAL		
	150	100	50		10	4	8	9	8		10	6			
71 Desert Mesa	1	0	1	200	1	1	1	1	1	39	1	1	16	255	
72 Horizon Manor	1	0	1	200	0	0	0	0	1	8	1	1	16	224	
73 Horizon Industrial Park	1	0	1	200	1	1	1	1	1	39	1	1	16	255	
74 Horizon Hills	1	0	1	200	1	1	1	1	1	39	1	1	16	255	
75 Sparks	1	0	1	200	1	1	1	1	1	39	1	1	16	255	
76 Panorama Village	1	0	1	200	1	1	1	1	1	39	1	1	16	255	
77 El Paso Hills	1	0	1	200	1	1	1	1	1	39	1	1	16	255	
78 Wiseman Estates	1	0	1	200	1	1	1	1	1	39	1	1	16	255	
79 Belen Plaza	1	0	1	200	1	1	1	1	1	39	1	1	16	255	
80 Lynn Park	1	0	1	200	1	1	1	1	1	39	1	1	16	255	
81 Mary Lou Park	1	0	1	200	1	1	1	1	1	39	1	1	16	255	
82 Country Green	1	0	1	200	1	1	1	1	1	39	1	1	16	255	
83 Socorro Mission	1	0	1	200	1	1	1	1	1	39	1	1	16	255	
84 Las Milpas	1	0	1	200	1	1	1	1	1	39	1	1	16	255	
85 Poole	1	0	1	200	1	1	1	1	1	39	1	1	16	255	
86 Aldama	1	0	1	200	1	1	1	1	1	39	1	1	16	255	
87 San Ysidro	1	0	1	200	1	1	1	1	1	39	1	1	16	255	
88 Sunhaven Farms	1	0	1	200	1	1	1	1	1	39	1	1	16	255	

Legend: Yes = 1, No = 0

P R I O R I T Y R A N K I N G M A T R I X

LOWER VALLEY PLANNING AREA				JURISDICTIONAL FACTORS				PRESENT QUALITY OF LIFE FACTORS				COST/FUNDING FACTORS			GRAND TOTAL
Potential Customer / / Relative Weight	Site in El Paso ETJ	Site contiguous to EPWU	Water resource available	SUB TOTAL	Without access to public system	Inadequate water quantity	Inadequate water quality	Water contamination potential	Sewer or septic system available	SUB TOTAL	Funding available	Able to pay rates	SUB TOTAL		
	150	100	50		10	4	8	9	8		10	6			
89 Bauman Estates	1	0	1	200	1	1	1	1	1	39	1	1	16	255	
90 McAdoo	1	0	1	200	1	1	1	1	1	39	1	1	16	255	
91 Roseville	1	0	1	200	1	1	1	1	1	39	1	1	16	255	
92 Vinedo Estates	1	0	1	200	1	1	1	1	1	39	1	1	16	255	
93 Mesa Verde	1	0	1	200	1	1	1	1	1	39	1	1	16	255	
94 Jones	1	0	1	200	1	1	1	1	1	39	1	1	16	255	
95 Aljo	1	0	1	200	1	1	1	1	1	39	1	1	16	255	
96 Melton Place	1	0	1	200	1	1	1	1	1	39	1	1	16	255	
97 Friedman Estates	1	0	1	200	1	1	1	1	1	39	1	1	16	255	
98 Lewis	1	0	1	200	1	1	1	1	1	39	1	1	16	255	
99 Angie	1	0	1	200	1	1	1	1	1	39	1	1	16	255	
100 El Campestre	1	0	1	200	1	1	1	1	1	39	1	1	16	255	
101 El Gran Valle	1	0	1	200	1	1	1	1	1	39	1	1	16	255	
102 Valle Real	1	0	1	200	1	1	1	1	1	39	1	1	16	255	
103 Santa Martina	1	0	1	200	1	1	1	1	1	39	1	1	16	255	
104 Rancho Mirival	1	0	1	200	1	1	1	1	1	39	1	1	16	255	
105 Bejar Estates	1	0	1	200	1	1	1	1	1	39	1	1	16	255	
106 Quail Mesa	1	0	1	200	1	1	1	1	1	39	1	1	16	255	

Legend: Yes = 1, No = 0

P R I O R I T Y R A N K I N G M A T R I X

LOWER VALLEY PLANNING AREA				JURISDICTIONAL FACTORS				PRESENT QUALITY OF LIFE FACTORS				COST/FUNDING FACTORS			GRAND TOTAL
Potential Customer / / Relative Weight	Site in El Paso ETJ	Site contiguous to EPWU	Water resource available	SUB TOTAL	Without access to public system	Inadequate water quantity	Inadequate water quality	Water contamination potential	Sewer or septic system available	SUB TOTAL	Funding available	Able to pay rates	SUB TOTAL		
	150	100	50		10	4	8	9	8		10	6			
107 Athena West	1	0	1	200	1	1	1	1	1	39	1	1	16	255	
108 Brinkman	1	0	1	200	1	1	1	1	1	39	1	1	16	255	
109 Gonzalez	1	0	1	200	1	1	1	1	1	39	1	1	16	255	
110 Villalobos	1	0	1	200	1	1	1	1	1	39	1	1	16	255	
111 San Paulo	1	0	1	200	1	1	1	1	1	39	1	1	16	255	
112 Lordsville	1	0	1	200	1	1	1	1	1	39	1	1	16	255	
113 Burbridge	1	0	1	200	1	1	1	1	1	39	1	1	16	255	
114 Glorieta	1	0	1	200	1	1	1	1	1	39	1	1	16	255	
115 Plaza Bernal	1	0	1	200	1	1	1	1	1	39	1	1	16	255	
116 Campo Bello	1	0	1	200	1	1	1	1	1	39	1	1	16	255	
117 Rio Pasado	1	0	1	200	1	1	1	1	1	39	1	1	16	255	
118 Valle Villa	1	0	1	200	1	1	1	1	1	39	1	1	16	255	
119 Los Aves	1	0	1	200	1	1	1	1	1	39	1	1	16	255	
120 Colonia del Rio	0	0	1	50	1	1	1	1	1	39	1	1	16	105	
121 Wildhorse Valley	0	0	1	50	1	1	1	1	1	39	1	1	16	105	
122 Hacienda Real	0	0	1	50	1	1	1	1	1	39	1	1	16	105	
123 Connington	0	0	1	50	1	1	1	1	1	39	1	1	16	105	
124 Sunshine Acres	0	0	1	50	1	1	1	1	1	39	1	1	16	105	

Legend: Yes = 1, No = 0

P R I O R I T Y R A N K I N G M A T R I X

LOWER VALLEY PLANNING AREA				JURISDICTIONAL FACTORS				PRESENT QUALITY OF LIFE FACTORS				COST/FUNDING FACTORS			GRAND TOTAL
Potential Customer / / Relative Weight	Site in El Paso ETJ	Site contiguous to EPWU	Water resource available	SUB TOTAL	Without access to public system	Inadequate water quantity	Inadequate water quality	Water contamination potential	Sewer or septic system available	SUB TOTAL	Funding available	Able to pay rates	SUB TOTAL		
	150	100	50		10	4	8	9	8		10	6			
125 Morning Glory Manor	0	0	1	50	1	1	1	1	1	39	1	1	16	105	
126 Madrilena	1	0	1	200	1	1	1	1	1	39	1	1	16	255	
127 Gloria Elena	1	0	1	200	1	1	1	1	1	39	1	1	16	255	
128 Sylvia	0	0	1	50	1	1	1	1	1	39	1	1	16	105	
129 Cuna del Valle	0	0	1	50	1	1	1	1	1	39	1	1	16	105	
130 Colonia de las Azeleas	1	0	1	200	1	1	1	1	1	39	1	1	16	255	
131 Colonia de las Dalias	0	0	1	50	1	1	1	1	1	39	1	1	16	105	

Legend: Yes = 1, No = 0



EL PASO **WATER** UTILITIES
PUBLIC **SERVICE** BOARD

320 SOUTH CAMPBELL ST. • P.O. BOX 511 • EL PASO, TEXAS 79961-0001
PHONE: 915/533-9701 FAX: 915/532-7971

August 14, 1991

Public Service Board
El Paso Water Utilities
320 South Campbell Street
El Paso, TX 79961-0001

RE: Policies and Procedures for Extension of Water and Sewer
Services Outside City Limits

Members of the Board:

One of the five conditions attached to the change of Board policy adopted December 13, 1990 concerning extension of water and sewer services outside the city limits of El Paso was that the new policy be formed with the guidance of leaders from the City and County. Pursuant to that mandate, we, the undersigned members of the Steering Committee, have met as a committee on seven occasions and have worked closely with your Engineering Consultant, Boyle Engineering Corporation, and individuals on your staff to formulate the new policy. We unanimously endorse the attached statement of "Policies Governing Extension of Water and Sewer Services Outside the Corporate Limits of the City of El Paso, but Within El Paso County, Texas". Said policy statement is submitted herewith for your consideration relative to adoption.

Our Steering Committee membership includes citizens with special expertise and leadership positions relative to the issues involved in extending water and sewer service to areas outside of the corporate limits of the City of El Paso. We have had vigorous and informative discussions on these issues and have provided guidance to your Engineering Consultant at each stage of the policy development. We have reviewed the Consultant's Technical Memorandum which documents the investigations and findings related to the development of the recommended policy. Said Technical Memorandum quantifies and discusses the potential problem, describes the criteria and procedures adopted for establishing priorities for extending services, and lists the initial priority rankings and phasing for extending water and/or sewer services to identified potential outside-city customers. We concur with the Consultant's findings and conclusions as documented in said

Technical Memorandum. In addition to the attached policy statement, the undersigned Steering Committee makes four additional recommendations addressing the broader issues which have led to the present situation of water and sewer service in El Paso County. Several of these recommendations are generally beyond the direct purview of the Public Service Board, but we unanimously believe these are essential for the long range successful expansion of the Utilities into the County. Just as important, we feel they are necessary for wise utilization of our regional water resources in the future. These recommendations are as follows:

1. The Public Service Board should take the leadership in establishing a regional water and wastewater authority consistent with applicable laws and to reduce the number of purveyors of water and sewer services within El Paso County in order to meet the needs of the entire area for the next century and beyond. The regional water and wastewater authority should make every effort to eventually, on a long-range basis, include the planning and coordination of those services and resources with Dona Ana County and Cd. Juarez, Chihuahua, Mexico, to ensure optimum use of the available water and adequate wastewater service to the region.
2. Proliferation of substandard subdivisions outside of the City can exacerbate the problem of inadequate water and wastewater service and associated public health concerns. Accordingly the City of El Paso and the El Paso County should establish a joint City-County subcommittee of the City Planning Commission and the County Planning Commission to review and make recommendations concerning subdivision platting, arterial planning and development, flood control systems, water and sewer systems, and other development activities in the City's ETJ and beyond the ETJ and within the County of El Paso. Particular attention should be focused on subdivision platting, process and the construction of required streets and flood control systems mandated by law. The combined City-County Planning Subcommittee should request land use, major arterial, and community facilities inventories, as required, be developed to analyze growth patterns and urban densities. This would ensure a more integrated and coordinated process relative to the extension of water and sewer services in areas where there is no zoning, density or building code controls in the County of El Paso.

Eventually the City and the County should seek legislation to control urban growth in the county. Once this control is obtained, master plans of a regional scope could be formulated and implemented. In the interim, the Rio Grande Regional Council of Governments could provide coordination and support services to the joint plan commission subcommittee.

Letter to PSB
RE: Policy Statement
August 14, 1991

Page 3

3. The Public Service Board should develop comprehensive but separate rules and regulations governing the extension of water and sewer services beyond the City limits. The current rules and regulations have been developed over many years and contain existing Board covenants and contractual agreements which must be protected. Existing provisions governing extensions outside the City limits should be relocated and combined in a separate Rule and supplemented to incorporate the new policies in order to provide clear direction with respect to outside city service and prevent possible ambiguity.

4. The Public Service Board should add a staff position and necessary support dedicated to obtaining financial assistance for the extension of services outside the City. The individual filling said position should be experienced in seeking and obtaining grants and financial aid and would coordinate outside city utility services with the County, surrounding communities, neighborhoods and civic groups.

We respectfully submit that the attached policy statement and the above recommendations fulfill our charge and we will consider this Steering Committee to be disbanded unless otherwise directed by the Public Service Board.

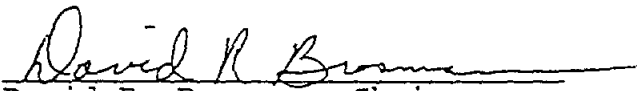
Policyst.OCS

SIGNATURES ON FOLLOWING PAGE

Letter to PSB
RE: Policy Statement
August 14, 1991

Page 4

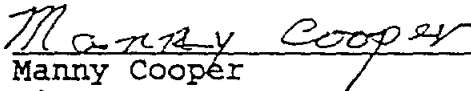
STEERING COMMITTEE FOR DEVELOPMENT OF POLICIES AND PROCEDURES FOR
EXTENSION OF WATER AND SEWER SERVICES OUTSIDE CITY LIMITS



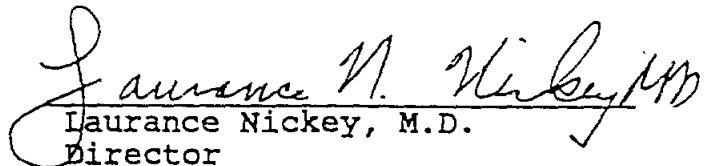
David R. Brosman, Chairman
Deputy General Manager
El Paso Water Utilities



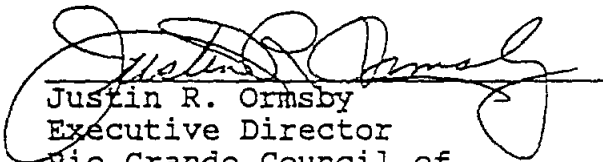
Alicia Chacon
County Judge
County Commissioners Court



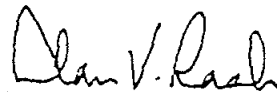
Manny Cooper
Finance Manager
El Paso Water Utilities



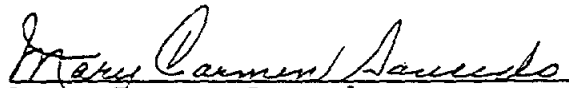
Laurence N. Nickey, M.D.
Director
City-County Health District




Justin R. Ormsby
Executive Director
Rio Grande Council of
Governments



Alan Rash
Bond Attorney
Diamond, Rash, Leslie, Smith
and Samaniego



Mary Carmen Saucedo
Vice-Chair, Board of Trustees
El Paso Community Foundation



Nestor Valencia
Vice-President of Planning
El Paso Community Foundation

**EL PASO WATER RESOURCE
MANAGEMENT PLAN
TASK NO. 15**

**ESTABLISH POLICY FOR EXTENSION OF WATER
& SEWER SERVICES**

TECHNICAL MEMORANDUM

CONTRACT #92-483-316

August, 1991

(3) Large Scale Maps located in the official file, may be copied upon request.

El Paso County Water Districts and Suppliers – Figure 15-1

El Paso County Potential Customers For Water Service –
Figure 15-2

Priority Service Areas By Planning Area Figure 15-3

**Please Contact Research and Planning Fund Grants
Management Division at (512) 463-7926.**