LOWER RIO GRANDE
Public Water Works Authority

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http://LRGauthority.org

WATER RIGHTS ACQUISITION POLICY
Amended January 21, 2026

WHEREAS, *the Lower Rio Grande Public Water Works Authority ("Lower Rio Grande PWWA") own and operate a water system delivering domestic water to its merging members in accordance with its bylaws and state law and that the Lower Rio Grande PWWA also owns water delivery and distribution infrastructure of its own; and*

WHEREAS, *the Lower Rio Grande PWWA has vested and leased water rights sufficient to serve the needs of their existing member customers located within the Lower Rio Grande PWWA's service area, but not those of an increasing and expanding population within its service area; and*

WHEREA*S, the New Mexico State Engineer declared the Lower Rio Grande Underground Water Basin in order to regulate and control the appropriation, use, and transfer of groundwater which restricts Lower Rio Grande PWWA's and its merging members' ability to acquire and develop additional water rights which may be necessary for future water service; and*

WHEREAS, *a stream adjudication has been filed in the state district court which may in the future require groundwater pumpers to offset depletions of surface flows of the Rio Grande; and*

WHEREAS*, the Lower Rio Grande PWWA believes that it should address the issue of population growth and offsets through a program of acquiring water rights for new development uses;*

***NOW, THEREFORE**, the Lower Rio Grande PWWA adopts this policy, which will apply to all applications for water service submitted to the Board by subdividers and commercial users after **January 21, 2026**:*

Section I – Definitions – Water Acquisition Policy

A. "Applicant" means a person or entity requesting water service from the Lower Rio Grande PWWA, including developers of subdivisions and real property owners.

B. "Lower Rio Grande PWWA" means the Lower Rio Grande Public Water Works Authority.

C. "Consumptive use" means the amount of water depleted from the gross amount of water diverted.

D. "Groundwater right" means a vested right to appropriate, pump, and use groundwater of the Rio Grande stream system under the laws of the State of New Mexico.

Section II - Water Acquisition Policy

A. Conveyance Requirement.

1. *Conveyance of Pre-1960 Water Rights is a Prerequisite for Water Service: In conjunction with all applications for water service after **January 21, 2026**, each applicant shall convey to the Lower Rio Grande PWWA at the time of application or at a later time to be determined by the Board of Directors, title to pre-1960 groundwater rights in an amount sufficient to satisfy the consumptive use of water that will result from existing and future development of the lands identified in the application for service. The conveyance of water rights set forth in this policy shall be a condition of service.*

B. Amount of Water Rights Required for Conveyance.

1. *Upon approval of an application, the Applicant will convey to the Lower Rio Grande PWWA pre-1960 groundwater rights in the amount*

of one third of an acre foot per year (consumptive use) for each house, single family residential lot, or residential unit (i.e., within multiple units, apartments, etc.) sought to be served by the Lower Rio Grande PWWA. The Lower Rio Grande PWWA shall determine, on a case by case basis, the water rights conveyance requirement for each commercial, industrial, or other similar type of use other than residential use, that is proposed to be served by Lower Rio Grande PWWA, if it has the ability to serve commercial and industrial uses.

2. *Once a written application is filed with the Lower Rio Grande PWWA, should the Applicant be able to establish to the satisfaction of the Board of Directors that a proposed plan of development for the land relating to the application will require a smaller amount of water rights to offset consumptive use of water, the Applicant will be permitted to convey the reduced amount of groundwater rights to the Lower Rio Grande PWWA.*

3. *The Office of the State Engineer may also determine the amount of water rights required to serve the effected land to be a different quantity. The Board of Directors shall accept the larger amount of needed water rights as between the Office of the State Engineer's determination and the Board's set forth in this policy.*

C. Cash Payment in Lieu of Water Rights Transfer.

Where it can be shown to the satisfaction of the Lower Rio Grande PWWA that a parcel of land identified in an application does not have appurtenant pre-1960 groundwater rights, the Lower Rio Grande PWWA in its discretion may allow the Applicant to pay a sum of equivalent money that would enable the Lower Rio Grande PWWA itself to purchase groundwater or surface water rights necessary to offset the consumptive use that would result from the existing and future development of lands effected in the application. Until changed by resolution of the Lower Rio Grande PWWA's Board of Directors, the sum is hereby fixed at ***$10,500*** *per acre of pre-1960 groundwater rights, or* ***$9,000*** *per acre of consumptive use of EBID surface water rights. The cash payment shall be made at a time designated by the Board of Directors, after*

considering the application, but shall be before delivering water service to the Applicant. The manner of payment shall also be determined by the Board of Directors of the Lower Rio Grande PWWA.

Section III - Miscellaneous Matters

A. Lower Rio Grande PWWA shall determine the acceptability of all groundwater rights proposed for conveyance and may reject those deemed inadequate due to later priority dates or other matters of concern to the Association based upon State Engineer records, EBID records, and other public records.

B. All conveyances of pre-1960 groundwater rights provided for in this ordinance shall comply with the applicable water laws of the State of New Mexico and rules, regulations, and applicable permit or license conditions of the New Mexico State Engineer.

C. Severability. It is hereby declared to be the intention of the Lower Rio Grande PWWA that the sections, paragraphs, and sentences of this policy are severable, and if any portion of this policy shall be declared unconstitutional or invalid by a valid judgment or decree of any court of competent jurisdiction, such unconstitutionality or invalidity shall not effect any of the remaining portions of this policy.

D. This policy shall be interpreted pursuant to the laws of the State of New Mexico.

*ENACTED and APPROVED this **21st** day of **January, 2026**.*

Attest

Chairperson *Secretary*