

Q&A

On **MARCH 6**, Raton voters like you will decide whether or not we renew a supplemental gross receipts tax (**SGRT**) and approve the bonds for improvement of our city's water delivery and storage system infrastructure.

What is the SGRT?

The **SGRT** is a **GROSS RECEIPTS TAX** on taxable purchases (*not including food and medical*) made by residents and visitors in the Raton municipality. This **SGRT** will be at a lesser amount than what has been in place since 1982.

Why is the city asking for this?

Many key components of our water delivery system are aging — including miles of transmission pipe, pumping stations, storage tanks, and water distribution mains. The previous **1.00% CITY TAX** that has paid the Supplemental Cimarron System bonds and sustained previous replacement and upgrade projects is **EXPIRING**.

Is this a tax hike?

It is, in effect, a tax **REDUCTION**. The previous tax to support water infrastructure was **1.00%**. Ordinance No. 997 proposes a **SGRT of 0.75%**. Raton's gross receipts tax would **DROP BY 0.25%** on January 1, 2019.

Raton Water Works
224 Savage Ave.
PO Box 99
Raton, NM 87740



Facts for Voters

Supplemental Gross Receipts Tax (**SGRT**)
for Raton Water Infrastructure
(*Ordinance No. 997*)

Municipal Election on March 6, 2018

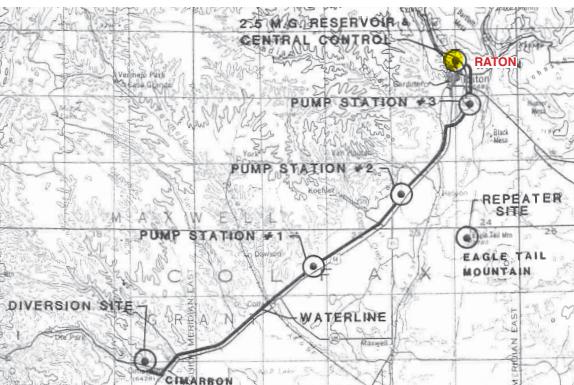


Raton
WATER
WORKS

Secure our water future
Keep rates low

Q&A

LOWER OUR TAXES AND STILL IMPROVE WATER INFRASTRUCTURE



What is the proposed project for initial bonding?

The bond revenue will be used to upgrade the Cimarron System which was constructed in 1982 with the initial 1.00% SGRT. This system has provided Raton's supplemental water from our Eagle Nest Lake water rights. It consists of a Cimarron River intake, pretreatment facility, and three booster pump stations. This system has provided our water through multiple drought years, Lake Maloya turnover periods, and after the 2011 Track Fire. The system is over 35 YEARS OLD and needs substantial upgrades to continue to provide Raton's future water security.

What other kind of projects will the SGRT money be used for?

Any remaining revenue will only be used for water system capital improvements as it has been for almost 35 YEARS. Revenues are not used for system operations but only for capital improvements as per state statute. The SGRT will be for improvements of the 70 year old water treatment plant and storage tanks (*Goat Hill and Scenic*). Also to upgrade/replace water distribution mains, fire protection, reservoir dams, and reclaim irrigation system.

What happens if the voters say no?

Raton Water Works estimates that, absent other sources of funding for critical replacement and upgrades, residential and commercial rates for water usage would have to be INCREASED 30 - 35%. (*Rates typically raise only 3-5% annually*)

The City could also be exposed to potentially EXPENSIVE LIABILITIES for not being compliant with federal and state regulations, further driving up water prices.

The SGRT allows the traveling public to assist with revenues for upgrades to the system which we all use.



When will the SGRT take effect?

The TAX REDUCTION TO 0.75% would occur on January 1, 2019, when the existing 1.00% SGRT expires.

When is the election?

MARCH 6, 2018. We urge all registered voters of Raton to come out and **MAKE YOUR VOICES HEARD** on two very important questions (*bonds and SGRT*) about the direction of our city!

How do I vote?

Contact the City Clerk's Office for absentee or early voting or at your polling location on **MARCH 6, 2018**.



**Make an informed vote on
March 6, 2018**



Where can I get information?

Visit <https://www.facebook.com/RatonWaterWorks/> for a live FAQ that answers these and other questions. You can submit new questions here, which we will answer in as timely a fashion as possible. You can also call the Raton Water Work's office at 575-445-3861. Additionally, a complete copy of Ordinance 997 is available for review at Raton City Hall (224 Savage Ave.), open during normal business hours or on the city's website, www.RatonNM.gov.