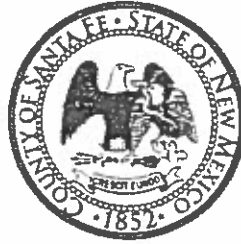


Henry P. Roybal
Commissioner, District 1

Miguel M. Chavez
Commissioner, District 2

Robert A. Anaya
Commissioner, District 3



Kathy Holian
Commissioner, District 4

Liz Stefanics
Commissioner, District 5

Katherine Miller
County Manager

DATE: November 14, 2016

TO: Board of County Commissioners

FROM: Vicki Lucero, Building and Development Services Manager *VL*

VIA: Katherine Miller, County Manager
Penny Ellis-Green, Growth Management Director *PEG*

RE: Ordinance 2016-___. An Ordinance Amending and restating in its Entirety Exhibit A to the Fee Ordinance of Santa Fe County, Ordinance 2015-10. (FIRST PUBLIC HEARING)

BACKGROUND:

On October 25, 2016, the Board of County Commissioners (BCC) gave approval to publish title and general summary of this Ordinance.

On December 8, 2015, the BCC approved Ordinance No. 2015-10, Permit and Review Fee Ordinance (Fee Ordinance) in conjunction with the Sustainable Land Development Code.

After several months implementing the Fee Ordinance, and comments made by the BCC, staff is recommending the following changes to Exhibit "A" of Fee Ordinance:

- Inclusion of Residential remodels with a valuation up to \$25,000 with Residential Accessory Structures of 600 sq. ft. or less, which imposes a \$25 permit fee.
- Addition of new line item for Non-Residential remodels with a valuation of up to \$50,000, which will be assessed a \$75 permit fee, as opposed to a maximum \$2,200 fee as required by the current ordinance.
- Addition of a new line item for Minor Amendments through a Conceptual Site Development Plan which will be assessed a \$500 fee, as opposed to a \$3,000 fee under the current ordinance.
- Clarification that the variance fee is \$300 per variance.
- Clarification that the fee for Third Party Reviews is \$10,000 per review.

With the proposed changes, staff is proposing to restate Exhibit A of the Fee Ordinance in its entirety.

REQUESTED ACTION:

This is the first public hearing; no action is required at this time.

EXHIBITS:

Ordinance and Proposed Changes To Exhibit A

**THE BOARD OF COUNTY COMMISSIONERS
OF SANTA FE COUNTY**

ORDINANCE NO. 2016-_____

**AN ORDINANCE
AMENDING AND RESTATING IN ITS ENTIRETY EXHIBIT A TO THE FEE
ORDINANCE OF SANTA FE COUNTY, ORDINANCE NO. 2015-10**

**BE IT ENACTED BY THE BOARD OF COUNTY COMMISSIONERS (BOARD)
OF SANTA FE COUNTY:**

1. The Board adopted Ordinance No. 2015-10, the Fee Ordinance of Santa Fe County, on December 8, 2015.

2. Exhibit A to the Fee Ordinance of Santa Fe County sets forth development permit and review fees for various applications.

3. On December 13, 2016, the Board adopted multiple amendments to the fees set forth in Exhibit A to the Fee Ordinance of Santa Fe County.

4. The public, Santa Fe County staff, and Board will benefit from having Exhibit A to the Fee Ordinance of Santa Fe County restated in its entirety such that there is a single Exhibit A with all amendments included.

5. Exhibit A to the Fee Ordinance of Santa Fe County is hereby amended and restated in its entirety as set forth in the attached.

6. The effective date of the amendments to Exhibit A to the Fee Ordinance of Santa Fe County shall be 30 days after this Ordinance is recorded with the County Clerk.

PASSED, APPROVED, AND ENACTED this 13th day of December, 2016.

THE BOARD OF COUNTY COMMISSIONERS OF SANTA FE COUNTY

By: _____
MIGUEL M. CHAVEZ, Chair

ATTEST:

GERALDINE SALAZAR, County Clerk

APPROVED AS TO FORM:

GREGORY S. SHAFFER, County Attorney

**SANTA FE COUNTY
GROWTH MANAGEMENT DEPARTMENT
DEVELOPMENT REVIEW FEES**

APPLICATION TYPE	BASE FEE	ADDITIONAL FEES
Permits		
Agricultural, Grazing and Ranching Accessory Structures where the principal use is Agriculture, Grazing or Ranching	No Fee	
Development Permit Residential*, Residential Accessory Structures over 600 sq. ft.* & Community Service Facilities	\$200	Valuation Fee
Development Permit Residential Accessory Structures of 600 sq. ft. or Less or remodel up to \$25,000 valuation*	\$25	
Residential Accessory Structures used only for storage that are 120 sq. ft. or less	No permit or fee required	
Residential additions with a valuation of less than \$10,000*	\$50	
* Seniors over 62 years of age and Veterans and their spouses will receive a 25% reduction in fees for residential permits with a valuation for new construction of \$150,000 or less or a remodel valuation of \$75,000 or less. (A reduced fee shall be available only to an applicant of a residential development permit who owns and/or resides on the residential property requiring a fee.)		
Project Valuation		
\$0 - \$25,000		\$75
\$25,001 - \$50,000		\$150
\$50,001 - \$100,000		\$350
\$100,001 - \$200,000		\$550
\$200,001 - \$250,000		\$950
\$250,001 - \$300,000		\$1,150
Each Additional \$100,000 in constuction value or part thereof:		\$500
Development Permit Non-Residential		
Remodel up to \$50,000 valuation \$75		
Development Permit Non-Residential Mixed Use & Multi Family	\$700	Valuation Fee
Project Valuation		
\$0 - \$999		\$175
\$1,000-\$4,999		\$600
\$5,000-\$49,999		\$1,100
\$50,000-\$149,999		\$1,500
\$150,000-\$499,999		\$2,500
\$500,00-\$749,999		\$3,500
\$750,000-\$999,999		\$5,000
\$1,000,000-\$1,999,999		\$7,000
\$2,000,000 and above		\$10,000 for first \$2 Million
Each Additional \$1,000,000 in constuction		\$1,000

value or part thereof:	(\$20,000 max)	
APPLICATION TYPE	BASE FEE	ADDITIONAL FEES
Conditional Use Permit	\$1,000	
Medium Impact Home Occupation	\$500	
Site Development Plan for Permitted Uses	\$200	
Sign Permit	\$245	
Burial Permit (For Human Burial)	\$150	
Film Permit		
Small Scale Production	\$25	\$10 per day
Major Production	\$100	\$10 per day
Episodic Television Production	\$100	\$70 per week
Demolition Permit	\$100	
Demolition Permit Due to Natural Disaster	\$15	
Blasting Permit	\$1,000	
Grading & Clearing Permit-Single Family Residential or Community Service Facility (Not Required if part of a Development Permit)	\$100	
Grading & Clearing Permit-Subdivision/ Non-Residential/Mixed Use/Multi Family	\$750	
Road or Driveway Cut Permit	\$200	
PV Solar-Private Residential	\$100	
Temporary Use Permit	\$125	
Itinerate Vendor Permit	\$150	
After the Fact Permit	2X the base permit fee	

Subdivisions and Other Plat Reviews		
Minor Subdivision	\$350	\$25 per lot
Major Subdivision	\$1000 Prelim \$500 Final	\$100 per lot \$50 per lot
Exempt Land Divisions & Other Plat Reviews	\$200	
Plat for creation of a TDR sending area	\$25	
Non-Residential/Mixed Use Subdivision	\$1,000 Prelim/\$1,500 Final	\$100 per lot
Vacation of Plat or Easement	\$300	
Plat Amendment/Replat	\$300	
Boundary Survey	\$250	
Time Extension	\$300	

Zoning/Re-Zoning/Text Amendments		
Planned Development District	\$3,000	\$10 per acre
Zoning Map Amendment	\$3,000	
Overlay Zone	\$200	
SLDC Text Amendment	\$3,000	

Zoning Statement or Residential	\$150
Condominium Confirmation Statement (No charge for confirmation of Zoning District)	

APPLICATION TYPE	BASE FEE	ADDITIONAL FEES
Conceptual Site Development Plan	\$3,000	
<u>Conceptual Site Development</u>	<u>\$500</u>	
<u>Plan Minor Amendment</u>		
Supplemental Uses/Other		
Home Occupation/Registration:		
No Impact	\$50	
Low Impact	\$100	
Wind Energy Facilities		
Large Scale	\$1,500	
Single Parcel Use	\$100	
Wireless Communication Facilities		
Substantial Modification/ New Facilities	\$3,000	
Non-Substantial Modification, Roof/Surface Mounted, or Stealth Amateur Radio Antennae	\$1,000 \$100	
Sexually Oriented Businesses	Initial - \$5,000/Renewal - \$1,500	
Beneficial Use		
Determination	\$500	
Development of County Wide Impact		
Overlay District	\$7,500	
Conditional Use Permit	\$3,000	
Inspection	\$250	
Business Registration (When Site DP not req'd)	\$225	
Swimming Pool	\$545	
Utility Authorization		
Residential/Agricultural/ Community Service Facility (Not req'd if part of a Development Permit)	\$200	
Non-Residential/Mixed Use Multi Family (Not req'd if part of a Development Permit)	\$300	
Well Only	\$100	
Franchise Review /Expansion/ Renewal	\$600	
Inspections during construction (incl. SWPP and grading)/Final Inspections for release of Financial Guarantee	\$250	Per Inspection
Courtesy Inspection (Will be credited at time of Development Permit)	\$100	
Floodplain Determination Letter (No Application Fee Required)	\$50	
<u>Variance (per variance)</u>	\$300	
Appeal	\$200	
Review of Special Reports (ie. Traffic Impact Analysis, Geohydrologic Report)	\$500	

Liquor License Transfer	\$220
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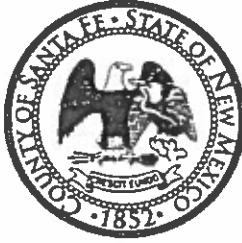
APPLICATION TYPE	BASE FEE	ADDITIONAL FEES
3rd Party Reviews		
County Reviewed SRAs (TIA, APFSA, WSAR, FIA, EIR)	Full Cost of Review by Outside Consultant In An Amount Not To Exceed \$10,000	<u>Per Review</u>
Specialized Review if Needed	Full Cost of Review by Outside Consultant In An Amount Not To Exceed \$10,000	<u>Per Review</u>

* See Section 6.2 of the SLDC

Henry P. Roybal
Commissioner, District 1

Miguel M. Chavez
Commissioner, District 2

Robert A. Anaya
Commissioner, District 3



Kathy Holian
Commissioner, District 4

Liz Stefanics
Commissioner, District 5

Katherine Miller
County Manager

Date: November 29, 2016

To: Board of County Commissioners

From: Penny Ellis-Green, Growth Management Director and Land Use Administrator
Andrea Salazar, Assistant County Attorney

Via: Katherine Miller, County Manager

Re: Ordinance No. 2016-___, An Ordinance Amending And Restating In Its Entirety The Santa Fe County Sustainable Land Development Code (SLDC), Ordinance 2015-11.

OVERVIEW:

On October 25, 2016, the Board of County Commissioners (BCC) gave approval to publish title and general summary of Ordinance No. 2016-___, An Ordinance Amending And Restating In Its Entirety The Santa Fe County Sustainable Land Development Code (SLDC), Ordinance 2015-11. The SLDC became effective on January 15, 2016.

Included in the SLDC was a requirement to review the code six months after its effective date. Staff initiated the review process on July 26, 2016.

As part of the review process, staff held 4 area meetings, reaching out to the community for feedback from August 9, 2016, through August 30, 2016. On October 20, 2016, the Planning Commission reviewed the amendments to the SLDC and made a recommendation to restate the SLDC with the recommended amendments.

SUMMARY:

For simplification and readability, the changes have been addressed chapter by chapter in the following table:

Chapter	Section	Change and Reason
Chapter 1	Section 1.3, Effective Date	Language was added to clarify when the SLDC became effective

Chapter 2	Section 2.1.5, Area, Community, and District Planning Process	The text only explained the process for community planning but was supposed to be for area, community, and district plans, so we changed the language to reflect the intent of the section.
Chapter 3	Section 3.5, Hearing Officer	Since we are restating the SLDC we are incorporating the amendment to this section that was adopted earlier in the year.
Chapter 4	Section 4.3.1, Legislative	This section was clarified to be consistent with the language in Chapter 1, Section 1.15.4, which explained when hearing is legislative rather than quasi-judicial. The sections were in conflict without this clarification.
	Section 4.4.14, Subsequent Applications	The SLDC failed to have a section that specifically addressed what would happen if an applicant submitted the same application for public hearing that had been denied, so this section now includes this scenario.
	Section 4.8, Administrative Development Approval	This section was previously in Chapter 14, we brought it into Chapter 4, so that all procedural and application processes were located in the same chapter.
	Section 4.9, Development Approvals Requiring a Hearing	This section was previously in Chapter 14, we brought it into Chapter 4, so that all procedural and application processes were located in the same chapter.
Chapter 5	Section 5.7.5.3, Adverse Opinions	In order for this section to be clarified, the exact statutory text was added to this section to better explain the timeframe for the process regarding adverse opinions.
	Sections 5.7.3.3 and 5.8.4.5	Clarification was necessary because of issues arising during application process for subdivisions connecting to county utility, public utility or publicly regulated water or waste water systems. These sections now make it clear at what stage a Board approved water allocation or water delivery agreement is required. This is needed to provide consistency between approvals and puts in writing what our practice has been
	Section 5.7.9.1	Added a decrease in the number of lots as a minor amendment, when overall layout, design and services conform to the preliminary plat
	Section 5.14, Appeals	There were inconsistencies between this section and Chapter 4, Section 4.5, this was corrected by directing all appeal process to Chapter 4, rather than having two appeals sections.
Chapter 6	Section 6.4.2.3(7)(a)	This section was removed to comport with law regarding supply requirements.

	Section 6.5.5.3(1)	This section was added to comport with statute regarding irrigation water rights that are appurtenant to the land, which have been severed.
	Section 6.6.7, Expiration of TIA	In the County's growth areas, TIA's may change more frequently than in other areas; this addition gives the Administrator the ability to request a TIA sooner than the 3 year expiration date.
Chapter 7	Table 7-A, Setback Table and Section 7.3.8(13) and (14)	The setbacks were changed and exceptions were added to allow additions to structures that are already built in a setback and a reduction where there is no way for an applicant to meet a required setback.
	Section 7.4.3.1, Utility Easements	A calculation formula was added to clarify this section to determine the width of an easement where storm drainage pipes are used.
	Section 7.6.8.6, Alternative Landscaping, (6-8)	Further alternative were necessary to add due to properties that have zero lot lines, or there is no place on the property for landscaping, or where a fire station needs a solid fence rather than landscaping for safety reasons.
	Section 7.9, Signs	Sign regulations were substantially rewritten and simplified to avoid any arguable content based restriction. The section now includes the stylist types of signs, the dimensional requirements for those signs, and how they are regulated based on the zoning districts.
	Section 7.10.7, Shared Parking	This section addresses multi-use facilities and shared parking capabilities, which were not provided for in the SLDC.
	Section 7.10.15, Accessibility Requirements	Added exception for single family residences.
	Tables 7-12 and 7-13	Road requirements for SDA2 have been moved to the rural standards
	Section 7.11.11.5, Standards for Residential Development	The same ability given to subdivision exemptions was extended to residential development to use the same easement allowed by a plat.
	Section 7.11.12.2.5	Added the ability to use an existing driveway for an existing dwelling and their accessory structure.
	Tables 7-17 and 7-18, When Connection is Required	Made the tables uniform and applicable to specific development and made it clear that residential connection is for a dwelling. The tables were split up for water and sewer as our legal ability to require connection is different for each of these utilities.
	Section 7.13.2.4. Required connection to the County, or a public water and wastewater systems	Clarification that some zoning districts required community water and sewer.

	Table 7-20, Well Test Requirements, and Section 7.13.7.3, Standards for hydrologic reports	Both the County Utilities Division and the County Hydrologist needed to require longer pumping standards for larger developments to obtain accurate testing results.
	Section 7.13	It imposes the same 99 year water supply requirement on all water suppliers.
	Section 7.13.11.1	The 0.25 acre foot per year limit on water used for domestic purposes was clarified in Section 7.13 and in the accompanying definitions. Specifically, revisions are proposed that clarify that this limit applies to new residential dwellings constructed on new lots only and that it does not apply to water harvested using rainwater catchment systems and gray water. The exact language now states:
	Section 7.13.11.7, Water Conservation, water harvesting	The language of this section has been updated to be more precise about when these requirements are placed on a property and the requirement of 2,500 square feet size trigger for cisterns has been changed to 2,500 heated square feet (what was in the repealed water harvesting ordinance) because the desire was to have cisterns for larger and more expensive homes.
	Section 7.13.12	Due to our ability to require hooking up to the County utility, a County domestic well permit requirement was added in the service area of the County utility. This allows us to permit these wells to ensure the hook up requirements are met.
	Section 7.14, Energy Efficiency	This section has been updated to be more user friendly, including a calculation for compliance with energy performance standards for ventilation requirements.
	Section 7.17.9.1 Applicability (Steep Slopes, Ridge tops, Ridgelines, and Shoulders)	(1) was added to clarify the section that ridgetop standards apply within 200 ft of the shoulder.
	Section 7.17.11(2), Development at or above 7800 Feet in Elevation	The requirement for a conditional use permit to build a house in this area was taken out because a residence is permitted in this area and conditional use permits are for uses that are only conditionally permitted.
	Section 7.25, Special Protection of Riparian Areas	This section was reviewed and edited for simplification of the section by referring to the diagram for stream side, managed use and upland zones.
Chapter 8	Section 8.8.5 Side and Rear Setbacks, and Table 8-17.1, Side and Rear Setbacks P/I	These sections have been deleted because the application of these sections was too restrictive

	Section 8.10.2.8. Infrastructure requirements	Changed the section to clarify that new PD districts require connection to community water and sewer systems
	Section 8.10.3.4 (10), Conceptual Plan, and Section 10.3.13(1)(b and c)	These sections required employment centers to include residential, which is not practical upon application, so it was removed.
	Section 8.11.7, Agricultural Overlay	This section was added to implement the Board adopted agricultural plan.
	CCD Use Matrix	Includes changes which match the Use Table in Appendix B; adding Tap or Tasting Rooms; changing Churches, temples, synagogues, mosques, and other Religious Facilities to Religious Facilities; and differentiating Sand and Gravel to Small Scale Sand and Gravel Extraction and Sand and Gravel Extraction.
Chapter 9	All sections containing signage requirements	All sections have been updated per the discussion above about avoiding any arguable content-based restriction.
	Use Tables	For all Use Tables throughout Chapter 9, Staff has included the explanation of codes and classification, which is before the Use Table in Appendix B. Added Stables and other equine-related facilities- All personal use and changed the other Stables section to Commercial, per Board direction. Additionally, all Use Tables have changed Churches, temples, synagogues, mosques, and other Religious Facilities to Religious Facilities and differentiated the Sand and Gravel Use to Sand and Gravel to Small Scale Sand and Gravel Extraction and Sand and Gravel Extraction.
	Section 9.8, Table 9-8-1	The Riparian Buffer Corridors has been changed to match the table in Chapter 7.
	Section 9.8, 9.9, 9.12, 9.14, and 9.15.4 Setbacks	All these setback requirements now include that where a setback would prohibit development of a parcel the Administrator may approve the setback in accordance with Chapter 7, Section 7.3.
	Section 9.14, Movie Ranch	San Marcos Community District Rural Residential incorporated Movie Ranches as allowable with specific requirements because San Marcos already has a Movie Ranch.
	Section 9.15.4, GCD Overlay Zone	Galisteo Planning Committee identified need to include the rural commercial overlay zone from the Galisteo community the plan. This Section was drafted and approved by the planning committee in Galisteo.
Chapter 10	Section 10.3, Accessory	Additions to this section were made to be clearer that

	Structures	an accessory structure cannot be used or designed to be used as a dwelling.
	Section 10.4 Accessory Dwelling Units	Staff identified that in major subdivision that were already platted and have a higher density, an accessory dwelling unit was not contemplated, so no water availability, traffic study or fire protection was contemplated for additional dwellings. If every house added an accessory dwelling unit it would further impact the water, wastewater, traffic, fire protection, and foot print of the community.
	Section 10.6.6, Noticing Requirements for Home Occupations	This section was added for clarity.
	Section 19, Small Sand and Gravel	After reviewing public comments and upon advisement of the BCC, Staff added an additional setback of 1000 ft. from existing residences and a 2 year timeframe for any Small Sand and Gravel uses.
	Section 10.22, Land Use Restrictions on Medical Use of Cannabis	New Mexico law has changed: all licensed non-profit producers to comply with local ordinances regarding zoning, occupancy, licensing, and building codes – which in turn gives the County authority to determine the locations for these production locations on our use table. In an effort to simplify, we have listed which medical cannabis uses will be allowed with what uses. All medical cannabis facilities must also comply with the New Mexico Administrative Code requirements regarding the location of these facilities but the SLDC has identified where these uses may be place.
	Section 10.24, Tap Room or Tasting Room	We added this category to the Use Table because there is a demand for Tap Rooms and Tasting Rooms.
Chapter 11	All Sections referring to Hazardous Materials	For all these sections we added that the impoundment structure should be lined and designed by a registered NM Professional Engineer.
Chapter 12	Section 12.14.7.3 TDR Unit Equivalencies	Amended additional units allowed per TDR in receiving area to incentivize the use of TDRs based on input from focus groups and study.
Chapter 13	Title	Changed title to Fair and Affordable Housing to clarify purpose.
	All of the Chapter	Refined language in several provisions to clarify intent but not change the basic requirement and eliminate unnecessary definitions in text.
	Section 13.1	Delineate Fair Housing purpose in accordance with existing state and federal law.
	Section 13.2.1.2 Income Range 1	Added this section to allow each dwelling provided in Income Range 1 to count as two affordable dwellings based on Affordable Housing Focus Group

		recommendation and Board direction.
	Table 13-1	Added to clearly identify affordable housing distribution requirements by creating a table with requirements for each income range. Additionally, combined the percentage of affordable dwellings required by Table 13-1 for income range 1 and 2 to eliminate the requirement for income range 1 but still maintain the overall percentage required.
	Section 13.2.1.4	Added section to establish opportunity for Affordable Rental Units in accordance with Board Direction.
	Section 13.6	Amended Affordable Housing Incentives to clarify language and intent.
	Section 13.9.1	Amend section to eliminate any reference to "mortgage" and replace with "lien". The use of "mortgage" led to making buyers execute "notes," which makes them personally liable to the County and makes it appear as if the County provided the loan. (A mortgage is still appropriate where we do actually lend money, i.e. down payment assistance.) Amend section to eliminate any county sharing in market appreciation to eliminate inconsistencies. Eliminated any reduction in the lien amount, except for hardships (as allowed currently) in order to eliminate inconsistency with adopted ordinance.
	Section 13.9.2.	Added new section Exceptions to the Affordability Lien to eliminate the need for an affordability lien for market rate transactions and Exceptions to the Affordability Lien to allow a non-profit housing organization to hold a lien in lieu of the County if certain requirements are met.
	Section 13.10	Deleted this section in order to remove the language for establishment Affordable Housing Administrator position. Position currently not filled. Replace language in chapter with Administrator.
Chapter 14	Sections 14.3, 14.4, 14.5, 14.6, and 14.7, Violations of the SLDC, Penalties, Criminal Enforcement, Civil Enforcement, and Other Remedies	These sections have been incorporated into one Code Enforcement section to streamline the chapter, update state statutes, and guarantee a fair process.
	14.8 and 14.9, Ministerial Development Approval and Development Approvals Requiring a Hearing	These sections have been moved to Chapter 4 because they are more procedural and should be at the beginning of the SLDC.
Appendix A	Part 2: Definitions	Sign definitions are proposed to be removed, since

		<p>those definitions would not be used in the substantive provisions concerning signs.</p> <p>The vested rights definition has been change to the definition used in case law.</p> <p>Affordable housing definitions changed to reflect Chapter 13 changes.</p> <p>Church was changed to religious facilities</p> <p>Shoulder was changed to a 30% slope from a 20% slope, through implementation it was found that this was overly restrictive</p> <p>Numerous definitions were changed, clarified, and struck out. Many changes were due to application of the Code, including identifying that the terms did not exist in the Code.</p>
	Part 3: Acronyms and Abbreviations	All acronyms and abbreviations that exist in the SLDC are now contained in this section.
Appendix B	Use Table	<p>Changed Stand- alone Store or shop was to Store or shop no drive through facility to be clearly differentiated from Shop or store with drive-through facility.</p> <p>Added Tap or Tasting Room was added to the Use Table as these uses exist in the County but were not listed on the use table.</p> <p>Changed Churches, temples, synagogues, mosques, and other religious facilities was changed to Religious Facilities, to match the definition of Religious Facilities. Additionally, the definition of a Religious Facility no longer includes ancillary uses because there is a great impact on the community with ancillary uses, so these facilities only include the Religious Facility itself.</p> <p>Since there was no difference between Child care institution (basic) and (specialized) we took out the language and only kept one Child care institution use.</p> <p>Added Small scale wind facilities to the use table because there were not included in the use table, but they are in the rest of the SLDC.</p> <p>Changed the Stables Uses so it is clearly differentiated what is personal use and what is commercial use.</p> <p>The Sand and Gravel titles on the use table were changed for clarity.</p>
All Chapters	All Sections	All internal citations to the SLDC have been uniformly changed from § to Section.
	All Sections	Citations to New Mexico Statutes have been corrected to follow the New Mexico Supreme Court General Rules for Citations

	All Sections	All :’s have double-spacing after them
	All Sections	There have been capitalization changes throughout the SLDC
	All Sections	The Table of Contents have been updated to match the updates
	All Sections	All spelling or repetition in the SLDC has been corrected
	All Sections	The structure of sections have been changed to make the section easier to read.
	All Sections	Renumbering where the numbering was found to be incorrect.

These recommended changes have been made in response to new developments in the law; through application of the SLDC, which include direction from the BCC; grammar, punctuation, spelling, consistency, and usability changes; and changes recommended for a combination of the other three reasons.

STAFF RECOMMENDATION:

This is the first public hearing; no action is required at this time. Staff requests direction for any additional changes that the Board would like drafted so these can be presented at the second public hearing.

The second public hearing is scheduled for December 13, 2016.

EXHIBITS: (under separate cover)

- Exhibit A - public comments database
- Exhibit B – Additional Public comments from Planning Commission hearing
- Exhibit C – Ordinance and SLDC in redline format

Henry P. Roybal
Commissioner, District 1

Miguel Chavez
Commissioner, District 2

Robert A. Anaya
Commissioner, District 3



Kathy Holian
Commissioner, District 4

Liz Stefanics
Commissioner, District 5

Katherine Miller
County Manager

MEMORANDUM

DATE: *November 18, 2016*

TO: *Board of County Commissioners*

FROM: *Michael Kelley, Public Works Department Director MK*

VIA: *Katherine Miller, County Manager*

ITEM AND ISSUE: *BCC Meeting November 29, 2016*

Request Approval of Ordinance No. 2016 - _____, An Ordinance Establishing Provisions For Setting Santa Fe County Utility Water Service Rates and Charges and Superseding All Prior Rates and Charges with Proposed Amendments (Public Works/Claudia Borchert)

SUMMARY:

Staff is requesting approval of Ordinance No. 2016 - _____, An Ordinance Establishing Provisions For Setting Santa Fe County Utility Water Service Rates and Charges and Superseding All Prior Rates and Charges (Ordinance) **with proposed amendments**. The proposed Ordinance establishes water service rates and charges to recover recent increases to the County Water Utility (CWU) operational and maintenance costs and to fund reserve accounts. The attached draft Ordinance has been amended to provide an exemption for low-income customers (Section 6.D, page 3) per BCC direction on 11/8/2016 and clarifies language regarding Agreement Surcharges, Section 13.Q.

BACKGROUND:

At the previous Board of County Commission (BCC) meeting, staff presented background information, the increased costs the utility is facing, the methods of the in-house costs of service, findings and results, an outreach schedule, and the proposed increased water rates and fees.

The proposed rate increase would provide for the following:

- Increased Buckman Direct Diversion (BDD) costs associated with sediment removal: **\$250,000**
- Annual payment of back-up water under City-County 2005 Water Resources Agreement: **\$175,000**
- Increase of wholesale/ back-up rate from City of Santa Fe from \$3.79/1,000g to \$6.06/1,000g: **\$104,000**
- Operational cost increases (e.g. salary, benefits, supplies, electricity, meter replacements, additional lift station pumps): **\$87,000**

- Pojoaque Valley regional water system non-capital costs (salary, outreach, planning): **\$228,000**
- Assets and capital improvements (e.g. vehicle replacement, improved meter reading technology, upsizing of infrastructure, master meters, system communication): \$202,000, an increase of **\$72,000**
- Repair, replacement, and emergency funds: **\$224,000**
- **Total needs: \$1,140,000**

The approval of the proposed cost increases would result in the following Utilities Division budget.

Line Item	Amount (\$) ¹
BDD Water Supply	1,989,500
Backup Supply	258,681²
Personnel	1,416,252
Operations and Maintenance	801,066
Asset Renewal & Replacement	210,000
Transfer to General Fund	135,000
Emergency & Reserves	224,995³
Total	5,035,494

As a reminder, the cost-of-service analysis revealed the following findings.

- The average SFCU residential customer uses less than 5,000 gallons/month.
- SFCU cost to BDD for potable water is \$5.47 per 1,000 gallons and \$2.66 for raw water.
- The current rates do not cover recent cost increases. In order to cover operational costs increases and fund essential reserves (repair, replacement and emergency), an additional \$1.14 M is needed. Utilities FY17 projected revenue is \$3.9M
- Current rate structure is not equitable across customer classes. For example, some of the non-residential, government, and wholesale customer class are not bearing their share of the utility costs.
- The utility is “upside down” in the following classes: mutual domestic/government (at \$3.22 per 1,000 g) and wholesale potable (sell at \$5.47 per 1,000 g).
- In the non-residential customer class, the utility has many large, institutional, and governmental water users and few small-business customers.

DISCUSSION:

Since staff presented the Ordinance to the BCC on 11/8/2016, staff has presented the proposal to the Water Policy Advisory Committee, a public meeting on 11/17/2016, the Las Campanas Water and Sewer Cooperative (Coop), and the Club at Las Campanas (the Club). Staff has contacted the NM Department of Corrections, the Institute of American Indian Arts, NM Department of Military Affairs, Santa Fe County Department of Safety, and the Santa Fe Community College in hopes of setting up one-on-one meetings to discuss the proposed rates.

A letter (attached) notifying our customers of the proposed water rate increase, inviting them to the public meeting, informing them of the BCC's schedule, and summarizing the rates in the Ordinance was mailed to every SFCU customers. The same letter was email to the approximately 650 customer for whom we have email addresses. Also, the Santa Fe New Mexican ran an article on the proposed rate increase in the November 10, 2016, issue, which gathered no online comments. Finally, the Utilities' customer service staff have been mentioning the proposed rate increase and the public meeting to all the Utilities' walk-in and call-in customers. The paragraphs below summarize the comments from each of those meetings.

BCC: The BCC asked that staff include a provision for the exemption of the monthly water service fee for residential customers with low income. An amendment of Section 6 of the Ordinance has been drafted in the attached resolution for the BCC's consideration and is attached.

Water Policy Advisory Committee (WPAC) Meeting November 10, 2017: The WPAC was generally in favor of the proposed water rate increase and approved two motions.

Motion #1: WPAC endorses the concept of an adequately-funded water utility, recommends that the rates in the future recover full costs of water service, and that the proposed process and resulting rates are an important step in that direction.

Motion #2: WPAC recommends eliminating Section 14 regarding the index provision because the use of an index is premature and does not adequately capture the needs to be addressed in a future cost-of-service study.

For documentation and clarity, some of the members requested that staff generate a cost-of-service report describing the process and analysis, how costs were distributed to the different customer classes, data input/output, and results. A recommendation to have a professional cost-of-service study was discussed. An opinion was voiced that the proposed rates increase isn't large enough, because the proposal doesn't recover all of the utility's costs. Additionally some members suggested that instead of the average, the median water use be used for showing the impact on half of the residential users. There was also some discussion about simplifying the tier structure, whether the ordinance was fair, and whether the adoption timing was appropriate.

Public Meeting November 17, 2017:

The Utilities Division hosted an open house on November 17, 2016, from 5:30 to 7:30. Staff set up six different stations including: Welcome, Your Metered Service, Conservation/Water Quality, Your Water Utility, Customer Service, and Ordinance/Rates. Approximately 25 attended. The following comments were noted:

- "The rate increase doesn't look too bad."
- "The rate increase sounds reasonable."
- "I like the lower boundary of Tier 1 at 4,000 gallons to incentivize conservation."
- "I think development should pay for itself."
- "I would like to see more cooperation between the City and County, and maybe a regionalized water system."

The following 3 statements were submitted into our "comment" box:

- “Clear explanation. Brief and to the point. Makes sense.”
- “Thank you for your time, expertise, and consideration for the residents. Wasn’t as painful as we thought it would be! ☺ Great info!”
- “Water rate increases should be based strictly on usage by high end users who don’t bother saving water. The monthly service charge should not be raised on the backs of poorer people and those with fixed incomes. The 1,000-5,000 gallon group should be almost free to encourage savings.”

The Las Campanas Club Meeting November 15, 2016:

The Club provided some of following comments during our one-on-one meeting:

- The study appears thorough and reflects a great deal of effort from staff.
- The Club looks forward to receiving the spreadsheets to further consider the analysis.
- The operational costs include BDD FY17 projected budget. BDD’s end-of year actual budget has traditionally been 15-20% less than that budgeted.
- The cost recovery of \$11,000/acre-foot for water rights does not necessary reflect the price the County paid, and therefore may not be the appropriate.
- The proposed rate doesn’t give the Club consideration for their annual contributions to the BDD costs under the Facilities, Operations and Procedures Agreement (FOPA), especially in light of the fact that they are not partial owners of the project.
- The included operational costs of \$250,000/year for BDD litigation and /or repair of the sediment removal facility may not be appropriate.
- The Club may not need the same degree of City-provided back-up supply (11%) as potable water customers.
- The Club may be interested in amending some of the provisions of the County-Club 2011 Raw Water Agreement, such as the provision the has the County reserving 600 acre-feet; their ongoing need may be much less.

Las Campanas Coop Meeting November 16, 2016:

The Coop offered the following observations at our one-on-one meeting and may submit comments after additional review of the material.

- The operational costs include BDD FY17 projected budget. BDD’s end-of year actual budget has traditionally been 15-20% less than that budgeted.
- The operational costs include \$250,000/year for BDD litigation and /or repair of the sediment removal facility plus \$104,000/year for the BDD’s repair and replacement fund. There is uncertainty associated with these figures.
- The proposed rate doesn’t give the Coop consideration for their annual contributions to the BDD costs under the Facilities, Operations and Procedures Agreement (FOPA).

Emails and calls:

We have received approximately 10 calls and emails. Generally, the complaints stem around the frustration of the impact of increased water service rates, doubting the need, and resignation that the increase will happen, regardless of the customers’ actions. Some customers have confused us with the City, and wonder why we need a rate increase given the 10s of millions of dollars in the reserve fund. Others have compared our rate nationally and don’t understand why we can’t charge the same as other water utilities elsewhere.

SUMMARY:

Rate increases are never popular. The analysis performed by staff clearly demonstrates that the proposed rate increase is fair and necessary. The increase will cover external costs that are beyond the Utilities control and will delineate funds the Utility needs to maintain, repair, and replace the over estimated \$8M water system infrastructure that the County owns. This cost increase does not fully cover all the Utility costs; it does cover current Buckman Direct Diversion debt service nor anticipated future debt for utility capital projects.

ACTION REQUESTED:

Approval of Ordinance No. 2016 - _____, An Ordinance Establishing Provisions For Setting Santa Fe County Utility Water Service Rates and Charges and Superseding All Prior Rates and Charges **with the amendments** addressing an exemption for low-income customers (Section 6.D, page 3) per BCC direction on 11/8/2016 and clarifying language regarding Agreement Surcharges, Section 13.Q.

Attachments:

- Draft Ordinance No. 2016 - _____, An Ordinance Establishing Provisions For Setting Santa Fe County Utility Water Service Rates and Charges and Superseding All Prior Rates and Charges **with proposed amendments**.
- November 4, 2016, letter from Santa Fe County Utilities Division to all County water service customers.

THE BOARD OF COUNTY COMMISSIONERS OF SANTA FE COUNTY

ORDINANCE NO. 2016-____

AN ORDINANCE ESTABLISHING SANTA FE COUNTY UTILITY WATER SERVICE RATES AND CHARGES AND REPEALING ALL PRIOR WATER SERVICE RATES AND CHARGES

BE IT ORDAINED BY THE BOARD OF COUNTY COMMISSIONERS OF
SANTA FE COUNTY:

1. **SHORT TITLE.** This Ordinance shall be cited as the “Water Utility Service Rates and Charges Ordinance” and is referred to herein as “the Ordinance” or “this Ordinance.”

2. **AUTHORITY.** This Ordinance is enacted pursuant to NMSA 1978, § 4-37-1 (1975), and § 4-36-10.

3. **DEFINITIONS.**

The definitions set out in the Sustainable Land Development Code (“SLDC”), County Ordinance No. 2015-11, and in County Resolution No. 2012-88, as the same may be amended from time to time. In addition:

“County Water Utility” or “CWU” means the water system owned and operated by Santa Fe County.

“Director” means the CWU Director.

“Water Budget” means the total water requirement of a development, or phase of development, that will be provided by the CWU plus twenty percent (20%).

“Water Service Connection” means the physical connection of a property to the CWU water system.

4. **FINDINGS.**

A. County water utility service rates and charges must be just and reasonable and cover the cost of service.

B. The existing CWU service rates and charges are not adequate because they do not cover the County’s cost in providing water service.

C. The service rates and charges established under this Ordinance will enable the County to better cover the cost of service to CWU customers.

D. The rates and charges adopted under this Ordinance are equitable across customer classes and water system users.

E. The service rates and charges adopted under this Ordinance are designed to encourage water conservation

5. GENERAL PROVISIONS

A. **Rate Applicability.** The water utility service rates and charges adopted by this Ordinance shall apply to all CWU customers and those required to connect to the CWU under the SLDC.

B. **Terms of Payment.** All bills are net and payable within twenty (20) days from the date of bill. If payment for any service rendered is not made within thirty (30) days from the date the bill is rendered, the Utility shall apply an additional late charge of 1 ½ percent per month to the total balance in arrears, excluding gross receipts tax. Partial payment of amount due by Customer is applied first to the oldest bill, including any other fees or charges assessed, if any, before any amount is applied to current bill. Any checks that are denied payment due to insufficient funds will be charged the penalty as assessed by the County bank and the County Treasurer.

6. WATER SERVICE RATE SCHEDULE – SINGLE-FAMILY RESIDENTIAL

A. Residential service shall apply where single water meters serving only one residential dwelling unit for domestic water use or a single water meter which serves more than one dwelling unit for normal domestic water provided that the use is limited to the residents and their guests and are not open to the general public or to memberships for persons not residing there. The meter may also serve uses commonly associated with residential dwelling units, such as home occupation, as permitted by the County, spas, and landscaping.

B. Where a dwelling unit is used for both residential and non-residential purposes not associated with home occupations, the water service will be billed under the applicable non-residential rate schedule. When separate piping is installed to meter water service to each class of service, billing will be rendered in accordance with the applicable rate schedule.

C. Monthly Rates: The water service bill shall be based on the total of the applicable service charges set out in Tables 1 and 2:

Table 1: Monthly Service Charge per Meter Size

Meter Size	Monthly Service Fee	Effective Date
5/8-inch or 3/4-inch	\$17.00	January 1, 2017
	\$18.42	January 1, 2018
1-inch	\$19.70	January 1, 2017
	\$21.42	January 1, 2018

Table 2: Commodity Rate (per thousand gallons)

Tier Range (gallons)	Price per 1,000 gallon	Effective Date
Tier 1: 0-4000g	\$ 6.12	January 1, 2017
Tier 2: 4,001-10,000g	\$ 8.75	January 1, 2017
	\$ 9.00	January 1, 2018
Tier 3: >10,000 g	\$18.00	January 1, 2017
	\$21.72	January 1, 2018

D. Low-Income Exemption.

(1) Single-family residential customers meeting the following criteria shall be exempt from the monthly service fee: (a) the customer's total gross annual household income does not exceed one hundred twenty percent (120%) of the most recent federal poverty guidelines issued by the U.S. Department of Health and Human Services; (b) the customer completes and submits an application on a form provided by the Utility; (c) the customer attaches to the application such documentation, including household tax returns, as the Director may require as proof of household income; (d) the customer swears under penalty of perjury that the information and statements provided on the application are true and correct to the best of the customer's knowledge; and (e) the customer fully cooperates with the Utility in providing any further proof of income reasonably requested by the Utility.

(2) The Low-Income Exemption shall remain in effect for one year after the date of the Director's approval and may be renewed for one year periods thereafter by filing a new application with the Utility.

(3) The Director may partially write-off past due amounts equal to three months of accrued unpaid monthly service fees upon approval of a Low-Income Exemption application.

(4) If the Director approves an application and later discovers credible information indicating that the application understated the customer's household income, the Director shall so notify the customer in writing. The notice shall further inform the customer that they will be disqualified from receiving the Low-Income Exemption unless, within 30 days of the date of the notice, the customer demonstrates to the Director's satisfaction that the application was true and correct when submitted. The Director shall thereafter provide a second written notice informing the customer of the Director's determination. If the Director determines that the customer knowingly understated the customer's household income on the application,

the Director shall disqualify the customer from receiving the exemption and demand repayment of all formerly exempted amounts. If full repayment is not made within a reasonable time, as determined by the Director, the County Attorney may on behalf of the County bring suit against the customer to recover the exempted amounts and pursue any other claims the County may have against the customer at law or equity.

(5) Customers qualifying for the Low-Income Exemption shall not be exempt from paying the applicable monthly commodity rate, as set out in Table 2, for water delivered to the customer's meter.

7. WATER SERVICE RATE SCHEDULE – MULTI-FAMILY RESIDENTIAL

A. Multi-Family Residential service shall apply to single water meters for domestic use serving more than one dwelling unit. The meter may also serve uses commonly associated with multiple dwelling units such as home occupations, spas, landscaping, and common rooms, etc., provided that their use is limited to the residents and their guests and are not open to the general public or to memberships for persons not residing at the unit.

B. Monthly Rates: The water service bill shall be based on the total of the applicable service charges set out in Tables 3 and 4:

Table 3: Monthly Service Charges

Monthly Service Fee (per dwelling unit)	Effective Date
\$17.00	January 1, 2017
\$18.42	January 1, 2018

Table 4: Commodity Rates (per thousand gallons)

Tier Range (gallons multiplied by number of dwelling units)	Price per 1,000 gallon	Effective Date
Tier 1: 0-4000g	\$ 6.12	January 1, 2017
Tier 2: 4,001-10,000g	\$ 8.75	January 1, 2017
	\$ 9.00	January 1, 2018
Tier 3: >10,000 g	\$18.00	January 1, 2017
	\$21.72	January 1, 2018

8. WATER SERVICE RATE SCHEDULE – NON-RESIDENTIAL

A. Non-residential water rates shall apply to water meters two inches or less serving uses not classified by the CWU as single-family residential or multi-family residential service. Where a dwelling unit is used for both residential and non-residential purposes not associated with a home occupation, the water service will be billed under the applicable non-residential rate schedule. When separate piping is installed to separately meter water service to

each class of service, billing will be rendered in accordance with the applicable rate schedule.

B. Monthly Rates: The basic water service bill exclusive of any additional charges, fees, or penalties shall be based on the total of the applicable charges set out in Tables 5 and 6:

Table 5: Monthly Service Charges per Meter Size

Meter Size	Monthly Service Fee	Effective Date
5/8-inch	\$ 29.17	January 1, 2017
	\$ 32.81	January 1, 2018
¾-inch	\$ 45.34	January 1, 2017
	\$ 47.08	January 1, 2018
1-inch	\$ 72.20	January 1, 2017
	\$ 74.97	January 1, 2018
1½-inch	\$139.35	January 1, 2017
	\$144.71	January 1, 2018
2-inch	\$219.92	January 1, 2017
	\$228.38	January 1, 2018

Table 6: Commodity Rates (per thousand gallons)

Tier Range (gallons)	Price per 1,000 gallon	Effective Date
Tier 1: 0-5000 g	\$ 6.07	January 1, 2017
	\$ 6.23	July 1, 2017
	\$ 6.38	January 1, 2018
Tier 2: 5,001-10,000 g	\$ 8.38	January 1, 2017
	\$ 8.60	July 1, 2017
	\$ 8.81	January 1, 2018
Tier 3: 10,000-15,000 g	\$12.99	January 1, 2017
	\$13.33	July 1, 2017
	\$13.66	January 1, 2018
Tier 4: >15,000 g	\$17.53	January 1, 2017
	\$17.99	July 1, 2017
	\$18.44	January 1, 2018

9. WATER SERVICE RATE SCHEDULE – HIGH VOLUME

A. High-volume water rates shall apply where water meter(s) serves a use not classified as single family residential or multi-family residential service as set forth above and are served by a meter greater than 2 inches. High Volume use includes those uses classified as Wholesale 1, Wholesale 2, and Mutual Domestic under the former utility rate schedule adopted under Resolution No. 2012-88 and Rate Schedule 5 (Wholesale Water Sales) under Resolution No. 2011-79. Non-residential water service shall also apply where the water meter(s) serves a

combination of residential and commercial services. If a compound meter is installed, the meter charge will be based on the meter line size.

B. Monthly Rates: The basic water service bill exclusive of any additional charges, fees, or penalties shall be based on the total of the applicable charges set out in Tables 7 and 8:

Table 7: Monthly Service Charges per Meter Size

Meter Size	Monthly Service Fee	Effective Date
3-inch	\$ 440.39	January 1, 2017
4-inch	\$ 523.21	January 1, 2017
6-inch	\$ 1,041.17	January 1, 2017
8-inch	\$1,662.75	January 1, 2017
10-inch	\$2,309.04	January 1, 2017

Table 8: Commodity Rate (per thousand gallons: no tiers)

Tier Range (gallons)	Price per 1,000 gallon	Effective Date
All	\$ 6.07	January 1, 2017
	\$ 6.23	July 1, 2017
	\$ 6.38	January 1, 2018

10. WATER SERVICE RATE SCHEDULE – RAW/NON-POTABLE

A. Raw/non-Potable water rates shall apply where water non-potable water service is provided.

B. Monthly Rates: The basic water service bill exclusive of any additional charges, fees, or penalties shall be based on the total of the applicable charges in set out in Table 5 or 7, whichever applies, and Table 9:

Table 9: Commodity Rate (per thousand gallons: no tiers)

Tier Range (gallons)	Price per 1,000 gallon	Effective Date
All	\$ 4.23	January 1, 2017
	\$ 4.47	July 1, 2017
	\$ 4.71	January 1, 2018

11. WATER SERVICE RATE SCHEDULE – AUTOMATED SELF-SERVE WATER-DISPENSING FACILITY (OJO DE AGUA)

A. Water is available at the County's automated, self-serve, water-dispensing facility (Ojo de Agua) at the rates identified in Table 10. Payment is due in advance and payable at the CWU customer service. Self-serve residential water sales are limited to 5,000 gallons per month per customer. Each non-residential customer shall be limited to 325,851 gallons (1.0 acre-foot) per year. The water dispensing facility is available only for domestic water use to residents of Santa Fe County that are not on a domestic well or a community water system. Exceptions to the limitations above may be granted by the Director upon adequate demonstration of need.

B. Rates: The charges for self-serve water shall be as provided in Table 10:

Table 10: Commodity Rate (per gallons: no tiers)

Customer Class	Price per gallon	Effective Date
Residential	\$ 0.01	January 1, 2017
Commercial	\$ 0.02	January 1, 2017

12. **WATER SERVICE RATE SCHEDULE – PRIVATE FIRE HYDRANT AND FIRE SERVICE LINE**

A. This rate applies to owners of private fire hydrants used for only fire protection and individual customers who have a fire service line.

B. In order to assure proper operation of fire hydrants, no water shall be drawn through any fire hydrant for any other purpose than fire protection, except as provided by special permit from the CWU.

C. Rates: For each private fire hydrant or fire service line, billing shall occur annual and consist of a \$200.00 fee plus the applicable accrued monthly charges set in Table 11:

Table 11: Rate Schedule for Fire Service Line

Service Line Size	Monthly Fee
3-inch	\$ 21.19
4-inch	\$ 34.68
6-inch	\$ 68.39
8-inch	\$108.84
10-inch	\$159.89

13. **WATER SERVICE CHARGES**

A. **Account Set-up:** A charge of \$25.00 will be assessed on applications for water service account set-up due to a new service connection or a change in customer using an existing connection following the close-out of a former account. The account set-up charge will be added to the new customer's first bill. In addition to completing an application form, the applicant must submit proof of property ownership and a copy of applicant's driver's license. Applications may be submitted to the County Water Utility in person, via mail or via email. If the water service applicant is not the owner of a property, the tenant shall provide a copy of the rental agreement and the owner of a property shall co-sign the new service account agreement and agree to be responsible for any unpaid balances. Property owner may elect to receive a copy of the monthly bill to stay informed of tenant's account status.

B. **Customer Deposit:** A deposit of \$100 will be charged to all new accounts and will be added to the first customer bill. Following 12 timely-submitted monthly payments, the deposit will be credited to the customer's account. This deposit may be waived if the new account applicant has a proven history of timely payment with CWU or provides proof of timely payment history from another water utility.

C. **Reconnection:** Whenever service is discontinued for payment delinquency, a reconnection fee of \$90.00 plus tax shall be charged to the customer. Once payment is received service will be reconnected during normal business hours.

D. Water Shut-off; Meter Lock: A charge of \$30 per site visit will be assessed to customers requesting a water shut-off, seasonal meter lock, or water service resumption. Monthly service charges will still apply to all services with locked meters.

E. Customer-Side Leak Adjustment: Upon a customer's request and submitted proof of a customer-side leak repair, the CWU may adjust one monthly bill cycle to charge only the Tier 1 rate for all metered water. The CWU shall make an adjustment under this provision no more than one time per customer.

F. Meter Test: Upon request by the customer, the County shall have the customer's meter tested. The customer shall be responsible for the testing costs. The test costs will be absorbed by CWU if the meter is found to register more than 2 percent over the customer's previously registered use.

G. Water Service: Customers requesting new water service will be assessed a one-time charge based on the size of the meter. The charge for each meter service size shall be determined by multiplying the 5/8-inch meter service charge by the applicable meter equivalency units (MEU). Water service charge is due when notice is provided to the customer prior to the installation of the service line.

Meter Service Size	MEU	Water Service Charge
5/8-inch	1	\$ 400
3/4-inch	1.5	\$ 600
1-inch	2.5	\$ 1,000
1½-inch	5	\$ 2,000
2-inch	8	\$ 3,200
3-inch	15.6	\$ 6,240
4-inch	25	\$ 10,000
6-inch	50	\$ 20,000
8-inch	80	\$ 32,000

H. Meter Can Inspection: The charge for inspecting a meter can to assure its installation to CWU standards is \$30 per inspection.

I. Meter Installation: This charge applies to customers requesting a new meter installation and new water service connection and covers the cost of the meter and time and materials for installation. Water Service Connection Charge is due when notice is provided to the customer prior to the installation of the service line. Legal lots of record for which meters without registers were previously provided to the CWU will be charged for registers.

Meter Size	Installation Charge
5/8 or 3/4 -inch	\$ 400
1-inch	\$ 450
1 ½-inch	\$ 500

The cost for the installation of any meter larger than 1½-inch will be the actual price of the meter, plus material and labor costs. For expediency, a customer may purchase the meter designated by CWU and pay CWU customary rates to install it.

J. Water Rights; Fee in Lieu:

(1) As a condition of service to developments having a total Water Budget of 1 acre-foot per year or more for all phases combined, the CWU shall require the developer to transfer to the County Middle Rio Grande, pre-1907, surface water rights, valid contract rights, or other valid water rights acceptable to the CWU. The water rights or contract rights to water must be acceptable to the CWU and include a minimum consumptive use amount sufficient to meet the total Water Budget. The owner of the development shall bear the entire cost of demonstrating the validity, amount, priority, and other elements of any water rights to be transferred, transferring the water rights to the Buckman Direct Diversion or other points of diversion specified by the CWU, warranting title to the water rights, and transferring legal title to the County and recording the conveyance deed and change of ownership with the County clerk and New Mexico Office of the State Engineer.

(2) As a condition of service to developments having a total Water Budget of less than 1 acre-foot per year for all phases combined, the CWU shall require the developer to pay a fee in lieu of providing water rights or contract rights to the County, unless the developer chooses to comply with Section 13(J)(1) above. Until the Board establishes a new fee by resolution, the fee in lieu shall be \$16,000 per acre-foot multiplied by the Water Budget. The purpose of the fee in lieu is to enable the County to purchase water rights to cover the Water Budget. For the fee in lieu, a connection to single residential dwelling unit, CWU will presume a minimum use of 0.25 acre-foot per year unless otherwise approved in accordance with the SLDC.

(3) For phased developments, the developer shall transfer water rights or pay the fee in lieu, as applicable, on a phase-by-phase basis.

K. Document Preparation: For subdivisions and other developments requiring a negotiated water delivery agreement, utility extension agreement, or other agreement between the County and the customer, the customer shall pay a document preparation charge of \$500 payable upon approval of the agreement.

L. Water Infrastructure Improvement Project Review: A review fee of ½ percent of the Engineer's cost estimate of customer-requested line extensions shall be charged for review of the project design documents. Payment shall be due prior to final CWU approval of the design documents.

M. Inspection Fee: For any water infrastructure build for the CWU, the CWU shall charge an inspection fee of 1.5% to cover the cost of inspecting construction in order to assure that the infrastructure meets CWU specifications. The payment shall be due upon initiation of construction.

N. Stand-by: Persons who own a legal lot of record for which no water service connection with the CWU has been established and which fronts a CWU distribution line that is currently tapped or can be tapped for a future water service connection shall pay a stand-by charge of \$3.55 per month. The CWU shall bill the lot owner of record for the stand-by charge annually or, to the extent not billed annually or timely paid, at the time lot owner requests water service. No lot owner shall be liable for more than a total of 36 months of accrued standby charges and no current owner shall be liable for a prior owner's outstanding standby charges.

O. Master Meter Surcharge: Where fewer than fifty CWU customers are served by a City of Santa Fe master meter, the CWU may add a master meter surcharge to each customer's monthly bill served by such a master meter. The charge shall equal the monthly charge of the master meter divided by the number of customers it serves.

P. System Acquisition Surcharge: If approved by resolution of the Board, the CWU may add a monthly system acquisition surcharge to the bills of customers served by a water system acquired by the County but originally constructed by a non-County utility. In deciding whether to impose the surcharge and the amount of the surcharge, the Board shall consider whether the system is isolated from the rest of the CWU system, whether the system is a significant distance from CWU operations, and whether it imposes significant additional costs on the County that should not be borne by the rest of the CWU customer base.

Q. Agreement Surcharge: The CWU may add a surcharge to the bills of customers within a clearly identifiable area if the County agreed to assume significant additional costs related exclusively to that customer area pursuant to a written agreement between the County and the customers' water provider or homeowners' association. The Utility may also impose this surcharge if the County assumes the significant additional costs pursuant to a court judgment.

R. Taxes: Billings under this Ordinance may be increased by an amount equal to the sum of taxes payable under the Gross Receipts and Compensating Tax Act and of all other taxes, fees, or charges payable by the County and levied or assessed by any government authority on the public utility service rendered, or on the right or privilege of rendering the service, or any object or event incidental to the rendition of the service.

14. PROGRAMMED ANNUAL RATE AND FEE ADJUSTMENT

Beginning April 1, 2019, and each year thereafter, the rates and charges adopted through this ordinance shall be adjusted by the corresponding change in the Consumer Price Index (CPI) for Western Region for Urban Wage Earners and Clerical Workers. The CWU shall post each new rate and fee schedule on the Santa Fe County website.

15. REPEAL OF PRIOR RATES; EXISTING POLICIES AND PROCEDURES NOT INCONSISTENT WITH THIS ORDINANCE REMAIN IN EFFECT.

A. All water service rates formerly adopted by the County are hereby repealed, including those adopted under County Resolutions Nos. 2011-79, as amended, and 2012-88.

B. The policies and procedures adopted by the County under Resolutions Nos. 2006-57 and 2012-88, as the same may be amended from time to time, remain effective to the extent not inconsistent with this Ordinance. Resolution No. 2011-79, as amended, is hereby repealed.

16. SEVERABILITY. If a provision of this Ordinance or its application to any person or circumstance is held invalid, the invalidity does not affect other provisions or applications of the Ordinance that can be given effect without the invalid provision or application, and to this end the provisions of this Ordinance are severable.

17. EFFECTIVE DATE. This Ordinance shall become effective thirty (30) days after it is recorded in the office of the County Clerk unless specified otherwise herein

ADOPTED BY THE BOARD OF COUNTY COMMISSIONERS OF SANTA FE COUNTY THIS ___ DAY OF _____, 2016.

BOARD OF COUNTY COMMISSIONERS OF SANTA FE COUNTY

By: _____
Miguel M. Chavez, Chair

ATTEST:

Geraldine Salazar, Santa Fe County Clerk

Date: _____

APPROVED AS TO FORM:


fr- _____
Gregory S. Shaffer, Santa Fe County Attorney

Date: 11/21/2016

FINANCE DEPARTMENT APPROVAL:

By: _____
Santa Fe County Finance Director

Date: _____

Henry P. Roybal
Commissioner, District 1

Miguel M. Chavez
Commissioner, District 2

Robert A. Anaya
Commissioner, District 3



Kathy Holian
Commissioner, District 4

Liz Stefanics
Commissioner, District 5

Katherine Miller
County Manager

SANTA FE COUNTY UTILITIES DIVISION

November 4, 2016

RE: Proposed Santa Fe County Utilities Water Rate and Service Charge Increase

To all Santa Fe County Utilities water customers:

Over the past few years, Santa Fe County Utilities (SFCU) has been faced with significant, external cost increases. In order to continue to cover the costs of delivering a clean and reliable water supply to all of our water customers, SFCU is proposing an increase to water rates and service charges. The last rate increase was implemented in January of 2011. These proposed rates are similar to the current City of Santa Fe water customer rates. The proposed water rate ordinance is slated to be on the Santa Fe Board of County Commissioners' (Board) agenda as a public hearing on Tuesday, November 29, 2016.

In advance of the Board's public hearing, we welcome the opportunity to present our cost-of-service analysis to you in person and discuss the resulting proposed increased rate schedule and service charges. We therefore, cordially invite you to attend an **open house** on the proposal on **November 17, 2016, from 5:30-7:30 pm** in the conference room of the **La Cienega Fire District - Rancho Viejo Station 1 at 37 Rancho Viejo Blvd.**

On the back side of this letter we have presented a summary of some of the proposed rate increases. We also invite you to study a presentation on the rates & charges and the draft ordinance on the County's website at:

http://www.santafecountynm.gov/documents/agendas/packet_materials/BCCpacket11-8-2016part4.pdf (pgs. 23-70).

Please submit any written comments to me, Claudia Borchert via mail or email (addresses listed below). We look forward to hearing from you and continuing to provide you with clean and reliable water at reasonable rates.

Respectfully,

Claudia Borchert, Director
Santa Fe County Utilities Division
P.O. Box 424 Hwy 599 W. Frontage Rd.
Santa Fe, NM 87508
505.992.9872;
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November 17 Meeting Location!

PROPOSED RESIDENTIAL RATE INCREASE

Current		New		Delta	
5/8" Monthly Service Charge	\$ 14.50		\$ 18.42	\$ 3.92	
1" Monthly Service Charge	\$ 17.99		\$ 21.42	\$ 3.43	
Tier 1 (g)	0-5,000	\$ 6.12	0-4,000	\$ 6.12	\$ 0.00
Tier 2 (g)	5,001-10,000	\$ 8.43	4,001-10,000	\$ 9.00	\$ 0.57
Tier 3 (g)	10,001-15,000	\$ 13.02	> 10,000	\$ 21.72	\$ 8.70
Tier 4 (g)	>15,000	\$ 17.62	omitted		

- Price is per 1,000 gallons
- 4,000g residential water user bill will increase \$3.92/mo from \$38.98 to \$42.90
- Average residential customer bill will increase \$6.54/mo from \$44.55/mo to \$51.09/mo

PROPOSED NON-RESIDENTIAL RATE INCREASE

Monthly Service Charge:

Meter Size (inches)	CURRENT	NEW
5/8	\$ 30.38	\$ 32.81
3/4	\$ 43.59	\$ 47.08
1	\$ 69.42	\$ 74.97
1 1/2	\$ 133.99	\$ 144.71
2	\$ 211.46	\$ 228.38
3	\$ 407.77	\$ 440.39
4	\$ 484.45	\$ 523.21
6	\$ 964.05	\$ 1,041.17
8	\$ 1,539.58	\$ 1,662.75
10	\$ 2,138.00	\$ 2,309.04

Volumetric Rate:

	Current		New		Delta
Tier 1 (g)	0-5,000	\$ 5.91	0-5,000	\$ 6.38	\$ 0.47
Tier 2 (g)	5,001-10,000	\$ 8.16	5,001-10,000	\$ 8.81	\$ 0.65
Tier 3 (g)	10,001-15,000	\$ 12.65	10,001-15,000	\$ 13.66	\$ 1.01
Tier 4 (g)	>15,000	\$ 17.07	>15,000	\$ 18.44	\$ 1.37

- Price is per 1,000 gallons
- Overall 8% increase in both monthly service charge and volumetric rates
- Implemented in 3 phases
- Non-residential customers with a greater than 2-inch meter are in different customer class

