

Henry P. Roybal
Commissioner, District 1

Anna Hansen
Commissioner, District 2

Robert A. Anaya
Commissioner, District 3



Anna T. Hamilton
Commissioner, District 4

Ed Moreno
Commissioner, District 5

Katherine Miller
County Manager

DATE: *June 5, 2018*

TO: *Board of County Commissioners*

FROM: *Michael Kelley, Public Works Department Director* MK 6/5/18

VIA: *Katherine Miller, County Manager*

ITEM AND ISSUE: *BCC Meeting June 12, 2018.*

Request To Approve Ordinance No. 2018 - _____, An Ordinance Amending Ordinance No. 1998-16 ("An Ordinance Establishing Provisions For Extension Of Sewer Service; Adopting Operating And Management [Procedures]; Setting Rates; And Establishing Design Standards For The Santa Fe County Wastewater Utility") To Update Rates And Charges; And Repealing Section 4 of Ordinance No. 2014-11 (A Prior Amendment of Ordinance No. 1998-16). (Public Works Department/John Dupuis)

BACKGROUND:

The current rate schedule for the Utility does not generate adequate revenue to cover the costs of operation and maintenance.

DISCUSSION:

Staff is requesting approval of An Ordinance Establishing Santa Fe County Utility Wastewater Service Rates and Charges and Repealing All Prior Wastewater Service Rates and Charges (Ordinance), which establishes wastewater service rates and charges to recover recent increases to the County Wastewater Utility (Utility) operational and maintenance costs. Additionally, the proposed rate increase provides for repair, replacement, and emergency reserves. The attached Ordinance provides the specifics on the proposed rates and charges.

ACTION REQUESTED:

Approve An Ordinance Establishing Santa Fe County Utility Wastewater Service Rates and Charges and Repealing All Prior Wastewater Service Rates and Charges.

Attachment:

Ordinance Establishing Provisions For Setting Santa Fe County Utility Wastewater Service Rates and Charges and Superseding All Prior Rates and Charges.

ORDINANCE NO. 2018-__

AN ORDINANCE AMENDING ORDINANCE NO. 1998-16 (AN ORDINANCE ESTABLISHING PROVISIONS FOR EXTENSION OF SEWER SERVICE; ADOPTING OPERATING AND MANAGEMENT [PROCEDURES]; SETTING RATES; AND ESTABLISHING DESIGN STANDARDS FOR THE SANTA FE COUNTY WASTEWATER UTILITY) TO UPDATE THE SERVICE RATES AND CHARGES; AND REPEALING SECTION 4 OF ORDINANCE NO. 2014-11 (A PRIOR AMENDMENT OF ORDINANCE NO. 1998-16)

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

1. Paragraph 5.1 of Exhibit A to Ordinance No. 1998-16 is hereby deleted in its entirety and replaced with the following:

5.1 Each residential and nonresidential connection within the service area for which water consumption records are available shall be assessed a monthly fixed fee, plus a monthly usage charge per 1,000 gallons of applicable base period water use above the base rate of 1,000 gallons. Fees and charges by fiscal year are set forth in the following chart:

Fiscal Year During Which Rates are Effective	Monthly Fixed Fee	Monthly Usage Charge (Per 1,000 Gallons Above Base Rate of 1,000 Gallons)
FY19	\$8.59	\$5.10
FY20	\$9.02	\$5.31
FY21	\$9.47	\$5.54
FY22	\$9.94	\$5.77
FY23	\$10.44	\$6.01
FY24 and Each Fiscal Year Thereafter	The rates and charges shall automatically be adjusted by the corresponding change in the Consumer Price Index (CPI) for Western Region for Urban Wage Earners and Clerical Workers. The SFCU shall post each new rate and fee schedule on the Santa Fe County website.	

A. A residential connection shall include single and multi-family residences, mobile home parks, commercial greenhouses, churches, properties owned and operated by the U.S. Government, the State of New Mexico, the City of Santa Fe, the County of Santa Fe and Santa Fe Board of Education and private elementary and secondary schools and colleges.

2. Section 4 of Ordinance No. 2014-11 is hereby repealed in its entirety. Except as partially repealed by this Ordinance, Ordinance No. 2014-11 shall remain in effect.

3. Except as amended by this Ordinance, Ordinance No. 1998-16 shall remain in effect.

4. This Ordinance shall take effect thirty days after it is recorded with the County Clerk.

PASSED, APPROVED, AND ENACTED THIS ____ DAY OF _____, 2018.

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

By: _____
Anna Hansen, Chair

ATTEST:

Geraldine Salazar, Santa Fe County Clerk

Date: _____

APPROVED AS TO FORM:

R. Bruce Frederick, Santa Fe County Attorney

Date: _____

FINANCE DEPARTMENT APPROVAL:

By: _____
Stephanie Schardin Clarke
Santa Fe County Finance Director

Date: _____

ORDINANCE NO. 2014- 11

AN ORDINANCE AMENDING ORDINANCE NO. 1998-16 (AN ORDINANCE ESTABLISHING PROVISIONS FOR EXTENSION OF SEWER SERVICE; ADOPTING OPERATING AND MANAGEMENT PRODECURES; SETTING RATES; AND ESTABLISHING DESIGN STANDARDS FOR THE SANTA FE COUNTY WASTEWATER UTILITY) TO UPDATE THE SERVICE RATES AND CHARGES AND SERVICE AREA

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

1. Paragraph 2.B of Ordinance No. 1998-16 is hereby replaced with the following:

B. Service Area

The County's sewer service area is defined to coincide with Sustainable Development Area 1 as indicated on the Sustainable Land Development Code Official Map Series Map 6 - *County Water and Sewer Utilities*, as such may be amended from time to time.

2. Page iii of Ordinance No. 1998-16 is hereby amended by deleting the phrase "Exhibit C - Service Area Map".
3. Ordinance No. 1998-16 is hereby amended by deleting Exhibit C.
4. Paragraph 5.1 of Exhibit A to Ordinance No. 1998-16 is hereby replaced with the following:

5.1 Each residential and nonresidential connection within the service area for which water consumption records are available shall be assessed a monthly fixed fee, plus a monthly usage charge per 1,000 gallons of applicable base period water use above the base rate of 1,000 gallons. Fees and charges by calendar year are set forth in the following chart:

Calendar Year During Which Rates are Effective	Monthly Fixed Fee	Monthly Usage Charge (Per 1,000 Gallons Above Base Rate of 1,000 Gallons)
2015	\$7.54	\$4.50
2016	\$7.73	\$4.50
2017	\$7.95	\$4.69
2018	\$8.18	\$4.89
2019 and Each Calendar Year Thereafter	\$8.42	\$5.10

A. The base period for residential connection is the most recent December through February period preceding the fiscal year of fee assessment.

B. A residential connection shall include single and multi-family residences, mobile home parks, commercial greenhouses, churches, properties owned and operated by the U.S. Government, the State of New Mexico, the City of Santa Fe, the County of Santa Fe and Santa Fe Board of Education and private elementary and secondary schools and colleges.

C. The base period for a non-residential connection is the most recent April through March period for which water use records are available preceding the fiscal year of fee assessment. Upon written application to the Department, metered water use for non-residential connections may be reduced by two (2) gallons per month for each square foot of irrigated property. Reductions may be applied from March through November.

5. Exhibit A to Ordinance No. 1998-16 is hereby amended by adding the following new Paragraph 5.6:

5.6 This paragraph applies to those residential and nonresidential connections for which the County is a wholesale sewer customer of the City of Santa Fe (City).

A. Notwithstanding anything in this Ordinance seemingly to the contrary, if the fees, charges, and surcharges, however denominated, under this Ordinance are less than the fees, charges, and surcharges that the City charges the County for sewer service for such connections, the County shall assess the customer the difference in addition to the fees, charges, and surcharges (if any) due under this Ordinance. The preceding sentence applies to surcharges but does not apply to the base monthly service rate and usage rate.

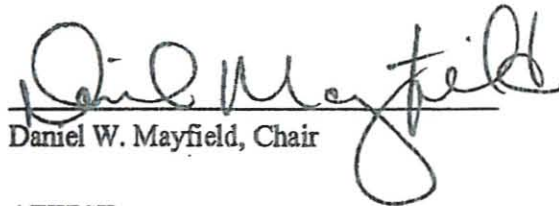
B. Service for such connections shall also be subject to all terms and conditions in the agreement between the County and the City pursuant to which the City agrees to provide sewer services for the connection, in addition to any terms of service established in or pursuant to this Ordinance.

6. This Ordinance shall take effect thirty days after it is recorded by the County Clerk, pursuant to NMSA 1978, § 4-37-9.

2000 JAN 13 10:00 AM RECEIVED 13/01

PASSED, APPROVED, AND ADOPTED THIS 25th DAY OF NOVEMBER, 2014

THE BOARD OF COUNTY COMMISSIONERS OF SANTA FE COUNTY


Daniel W. Mayfield, Chair

ATTEST:


Geraldine Salazar, Santa Fe County Clerk

11-25-2014

APPROVED AS TO FORM:


Gregory S. Shaffer, Santa Fe County Attorney

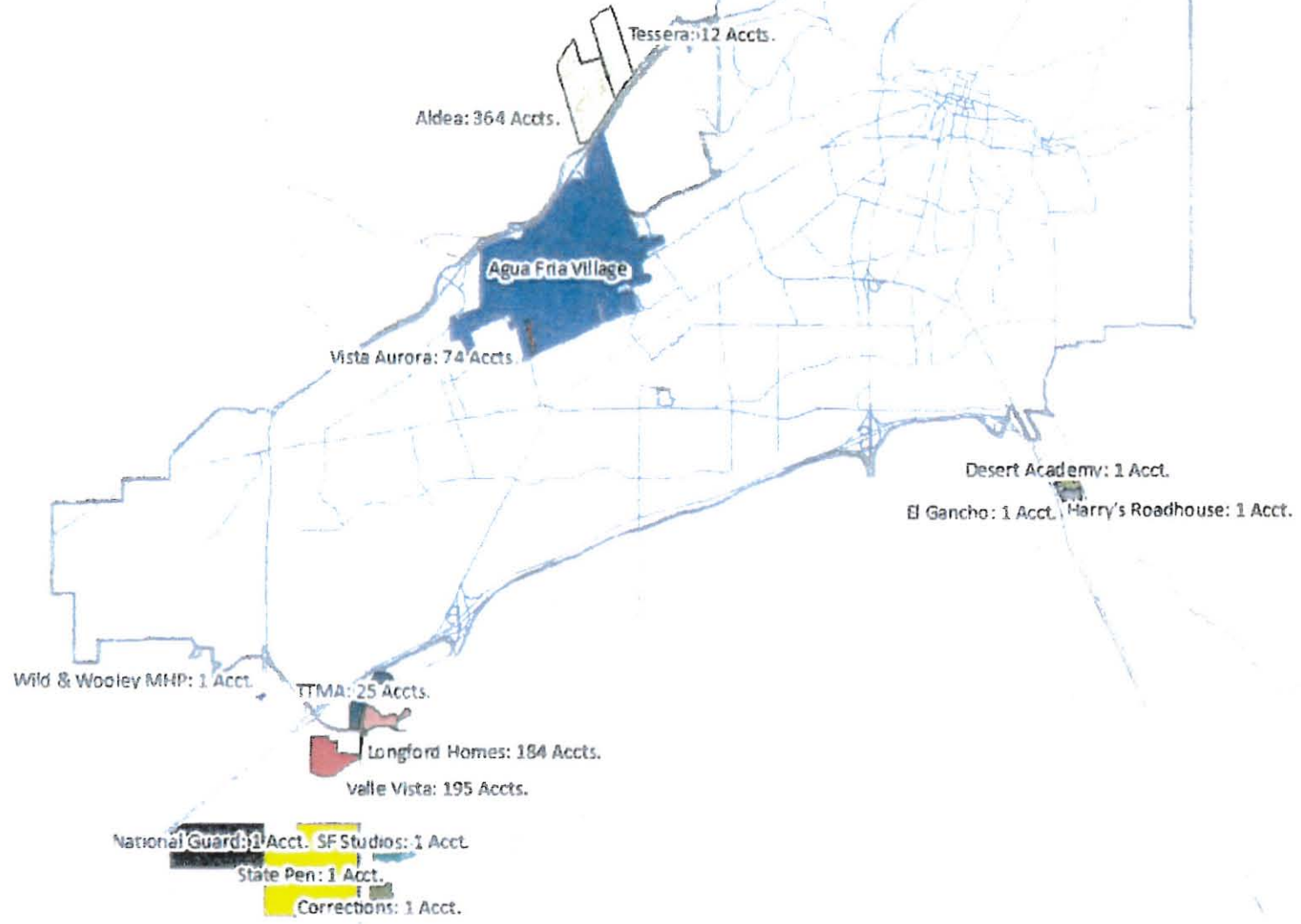


COUNTY OF SANTA FE) BCC ORDINANCE
STATE OF NEW MEXICO) ss PAGES: 4

I Hereby Certify That This Instrument Was Filed for
Record On The 2ND Day Of December, 2014 at 11:58:18 AM
And Was Duly Recorded as Instrument # 1752079
Of The Records Of Santa Fe County

Witness My Hand And Seal Of Office
Geraldine Salazar
Deputy  County Clerk, Santa Fe, NM

ATTACHMENT 2



LEGEND

SFCU Sewer Service Areas:

- Harry's Roadhouse
- El Gancho
- Desert Academy
- Valle Vista

- State Pen
- Santa Fe Studios
- Corrections
- National Guard
- Aldea

- Tessera
- Longford Homes
- Turquoise Trail Master Assoc.
- Wild & Wooley
- Vista Aurora

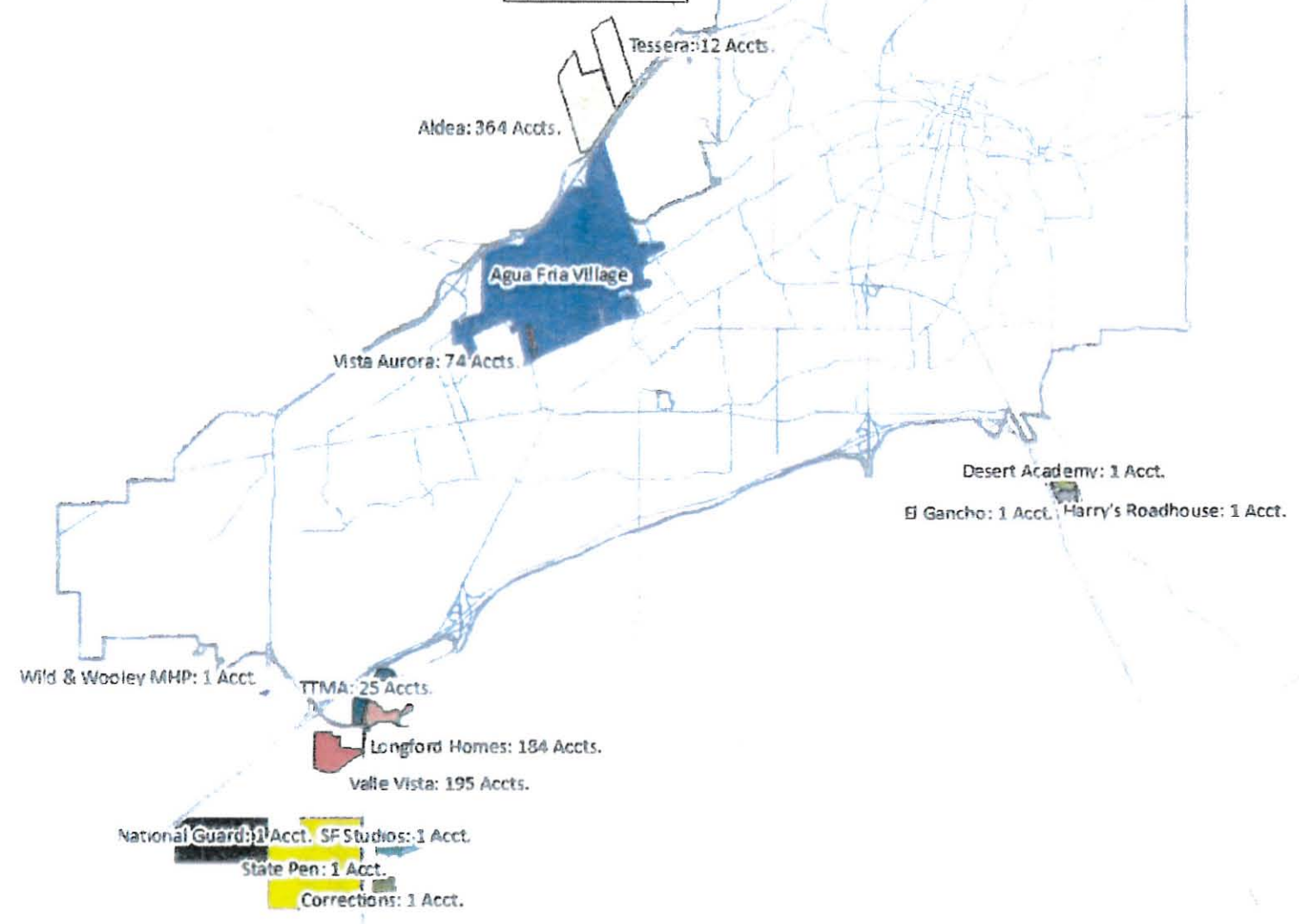
- Agua Fria Village
- GPS Roads
- Major Roads
- All other Roads
- City of SF Boundary

Total Number of Accounts to be affected by Rate Increase: 862



SFCU Sewer Service Areas

ATTACHMENT 2



LEGEND			
SFCU Sewer Service Areas	State Pen	Tessera	Agua Fria Village
Harry's Roadhouse	Santa Fe Studios	Longford Homes	GPS Roads
El Gancho	Corrections	Turquoise Trail Master Assoc.	Major Roads
Desert Academy	National Guard	Wild & Wooley	All other Roads
Valle Vista	Aldea	Vista Aurora	City of SF Boundary

Total Number of Accounts to be affected by Rate Increase: 862

1 inch = 5,000 feet

SFCU Sewer Service Areas

Henry P. Roybal
Commissioner, District 1

Anna Hansen
Commissioner, District 2

Robert A. Anaya
Commissioner, District 3



III.D.2.
Anna T. Hamilton
Commissioner, District 4

Ed Moreno
Commissioner, District 5

Katherine Miller
County Manager

DATE: May 3, 2018

TO: Board of County Commissioners

FROM: Michael Kelley, Public Works Department Director MK 5/3/18

VIA: Katherine Miller, County Manager

ITEM AND ISSUE: BCC Meeting May 8, 2018.

Request Authorization to Publish Title and General Summary of Ordinance No. 2018 - ____, An Ordinance Establishing Santa Fe County Utility Water Service Rates and Charges and Repealing All Prior Water Service Rates and Charges. (Public Works Department/John Dupuis)

BACKGROUND:

The current rate schedule for the Utility does not generate adequate revenue to cover the costs of operation and maintenance.

DISCUSSION:

Staff is requesting to publish title and general summary of an Ordinance Establishing Santa Fe County Utility Water Service Rates and Charges and Repealing All Prior Water Service Rates and Charges (Ordinance), which establishes water service rates and charges to recover recent increases to the County Water Utility (Utility) operational and maintenance costs. Additionally, the proposed rate increase provides for repair, replacement, and emergency reserves. The attached draft Ordinance provides the specifics on the proposed rates and charges.

ACTION REQUESTED:

Approval to publish of title and general summary of an Ordinance Establishing Santa Fe County Utility Water Service Rates and Charges and Repealing All Prior Water Service Rates and Charges.

Attachment:

Draft Ordinance Establishing Provisions For Setting Santa Fe County Utility Water Service Rates and Charges and Superseding All Prior Rates and Charges.

Summary of the Present and Proposed Residential Water Rates

Rate Components	Present Rate [1]	2019	2020	Proposed [2] 2021	2022	2023
Customer Service Fee (Monthly)						
5/8"	\$14.50	\$18.00	\$22.83	\$22.83	\$22.83	\$22.83
3/4"	15.68	24.68	24.68	24.68	24.68	24.68
1"	17.99	28.32	28.32	28.32	28.32	28.32
1-1/2"	38.99	61.38	61.38	61.38	61.38	61.38
2"	40.42	63.63	63.63	63.63	63.63	63.63
3"	51.06	96.15	96.15	96.15	96.15	96.15
Usage Charge per 1,000 gals						
First 4,000	\$6.12	\$6.43	\$6.75	\$7.08	\$7.44	\$7.81
Next 4,000	8.43	8.85	9.29	9.76	10.25	10.76
Next 4,000	13.02	13.67	14.35	15.07	15.83	16.62
Next 4,000	17.62	18.50	19.43	20.40	21.42	22.49
Above 16,000	----	22.81	23.95	25.14	26.40	27.72

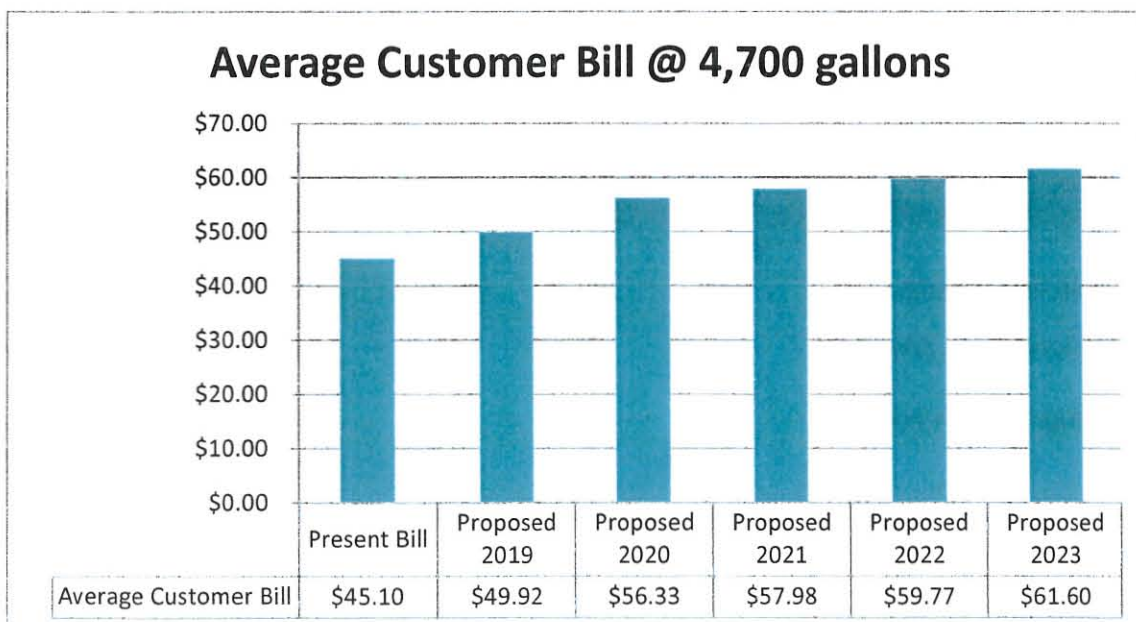
1 – Present rate is four, 5,000 tier blocks.

2 – Proposed rate is five, 4,000 tier blocks.

Santa Fe County recently completed a comprehensive water and sewer rate study. The results show the need to adjust water and sewer rates to adequately support the operating needs of each utility.

The above proposed cost-based water rates meet the operating needs of the water utility. The current water rate structure was maintained, however, it is important to note that the increasing tier sizes have been revised from 4,000 gallons each to 5,000 and an additional tier has been added.

Based on the proposed rates, the average customer bill can be developed.



Proposed rates were also developed for the non-residential water customers. The same rate structure changes were made for the non-residential customers for the usage charge tiers.

Summary of the Present and Proposed Non-Residential Water Rates						
Rate Components	Present Rate [1]	2019	2020	Proposed [2] 2021	2022	2023
Customer Service Fee (Monthly)						
5/8"	\$30.68	\$48.30	\$48.30	\$48.30	\$48.30	\$48.30
3/4"	43.59	68.62	68.62	68.62	68.62	68.62
1"	69.42	109.28	109.28	109.28	109.28	109.28
1-1/2"	133.99	210.93	210.93	210.93	210.93	210.93
2"	211.46	332.89	332.89	332.89	332.89	332.89
3"	407.77	641.93	641.93	641.93	641.93	641.93
4"	484.45	762.64	762.64	762.64	762.64	762.64
6"	964.05	1,517.64	1,517.64	1,517.64	1,517.64	1,517.64
8"	1,539.58	2,423.67	2,423.67	2,423.67	2,423.67	2,423.67
10"	2,138.00	3,365.72	3,365.72	3,365.72	3,365.72	3,365.72
Usage Charge per 1,000 gals						
First 4,000	\$5.91	\$6.21	\$6.52	\$6.84	\$7.18	\$7.54
Next 4,000	8.16	8.57	9.00	9.45	9.92	10.41
Next 4,000	12.65	13.28	13.95	14.64	15.38	16.14
Next 4,000	17.07	17.92	18.82	19.76	20.75	21.79
Above 16,000	----	22.81	23.95	25.14	26.40	27.72

1 – Present rate is four, 5,000 tier blocks.

2 – Proposed rate is five, 4,000 tier blocks.

Sewer rates were developed to prudently fund the sewer utility operating expenses. The proposed rate structure is based on the monthly customer service fee and a charge for all metered water consumption over the first 1,000 gallons.

Summary of the Present and Proposed Sewer Rates						
Rate Components	Present Rate	2019	2020	Proposed 2021	2022	2023
Customer Service Fee (Monthly)	\$8.18	\$8.59	\$9.02	\$9.47	\$9.94	\$10.44
Usage Charge > than 1,000 gallons	\$4.89	\$5.10	\$5.31	\$5.54	\$5.77	\$6.01

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Commissioner, District 3



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Commissioner, District 4

Ed Moreno
Commissioner, District 5

Katherine Miller
County Manager

DATE: *June 1, 2018*

TO: *Board of County Commissioners*

FROM: *Michael Kelley, Public Works Department Director* MK 6/5/18

VIA: *Katherine Miller, County Manager*

ITEM AND ISSUE: *BCC Meeting June 12, 2018.*

Request To Approve Ordinance No. 2018 - _____, An Ordinance Establishing Santa Fe County Utility Water Service Rates and Charges and Repealing All Prior Water Service Rates and Changes. (Public Works Department/John Dupuis)

BACKGROUND:

The current rate schedule for the Utility does not generate adequate revenue to cover the costs of operation and maintenance.

DISCUSSION:

Staff is requesting approval of An Ordinance Establishing Santa Fe County Utility (SFCU) Water Service Rates and Charges and Repealing All Prior Water Service Rates and Charges (Ordinance), which establishes water service rates and charges to recover recent increases to the SFCU operational and maintenance costs.

With the exchange of customers with the City of Santa Fe resulting from the annexation agreements the SFCU has experienced a significant increase in customers. In 2011 the SFCU only served a population of 4,216 through 1,718 meter connections. The exchange of customers occurred during 2013 and by 2014 SFCU served a population of approximately 9,690 through 3,456 connections (The growth since is ~1% with 3,589 connections in 2017). Santa Fe County has committed significant funds from non-rate revenue sources to support improvements for previous customers, these new customers and future growth. The SFCU is transitioning to an enterprise fund by proposing this rate increase to fund operational and maintenance costs and begin to fund annual renewal and replacement capital costs in year 5. This is just a step toward the SFCU becoming an enterprise fund.

Santa Fe County has offset and continues to offset the overall costs of the Utility by investing in significant capital purchases like the BDD Water Treatment Plant and Water Rights. Below is a table summarizing these major investments which the majority of debt service is paid from future payments.

Bond Revenues for Water / Water Rights / Wastewater							
FY	General Obligation Bond (GOB)	GRT Revenue Bond (GRTRB)	Series	Percentage	Principal and Int.		
2009		\$ 12,090,000	Series 2009 GRT	100.00%	\$ 17,083,005.00	Water Rights	
2010		\$ 22,300,345	Series 2010A GRT	100.00%	\$ 32,442,240.00	BDD	
2010		\$ 10,195,000	Series 2010B GRT	100.00%	\$ 15,408,442.00	BDD	
2005	\$ 10,019,805		Series 2005A GOB	50.10%	\$ 7,879,044.10		
2007	\$ 8,500,000		Series 2007B GOB	42.50%	\$ 4,829,400.06		
2008	\$ 32,860,446		Series 2008 GOB	100.00%	\$ 45,255,368.00	BDD	
2009	\$ 1,000,000		Series 2009 GOB	5.88%	\$ 1,317,619.12		
2011	\$ 7,000,000		Series 2011 GOB	42.42%	\$ 5,012,185.82		
2013	\$ 4,664,463		Series 2013 GOB	22.99%	\$ 5,720,340.44		
2015	\$ 2,600,000		Series 2015 GOB	29.13%	\$ 18,143,058.29		
2016	\$ 3,031,000		Series 2016 GOB	37.89%	\$ 11,918,716.50		
2017	\$ 1,500,000		Series 2017 GOB	6.81%	\$ 2,525,153.93		
Total	\$ 71,175,714	\$ 44,585,345			\$ 167,534,573.25		

To date payments for utility projects using property tax and GRT revenue is \$75,221,731 and \$97,812,842 in future payments (An annual breakdown is provided below.). This will begin to move the utility closer to an "enterprise" fund. The attached Ordinance provides the specifics on the proposed rates and charges.

Total annual payments for Utility projects using property tax and GRT revenues			
FY			
1997	\$ 5,500,000.00		
2007	\$ 2,520,076.65		
2008	\$ 2,007,968.92		
2009	\$ 1,652,184.61		
2010	\$ 4,945,944.74		
2011	\$ 6,728,931.28		
2012	\$ 6,576,152.84		
2013	\$ 7,686,254.09		
2014	\$ 6,951,327.09		
2015	\$ 7,184,124.28		
2016	\$ 7,213,183.40		
2017	\$ 7,478,979		
2018	\$ 8,776,604.46	\$ 75,221,731.45	Total payments 1997 - Current
2019	\$ 8,659,473.67		
2020	\$ 10,727,547.43		
2021	\$ 10,638,262.25		
2022	\$ 10,218,794.56		
2023	\$ 10,131,971.40		

2024	\$	9,905,316.30	
2025	\$	9,779,171.89	
2026	\$	6,314,987.14	
2027	\$	6,930,486.48	
2028	\$	4,854,831.51	
2029	\$	4,542,797.21	
2030	\$	3,817,243.98	
2031	\$	560,438.23	
2032	\$	397,327.74	
2033	\$	166,112.31	
2034	\$	168,079.72	\$ 173,034,573.25 Total payments 1997 - 2034

ACTION REQUESTED:

Approve An Ordinance Establishing Santa Fe County Utility Water Service Rates and Charges and Repealing All Prior Water Service Rates and Charges.

Attachment:

Ordinance Establishing Provisions For Setting Santa Fe County Utility Water Service Rates and Charges and Superseding All Prior Rates and Charges.

THE BOARD OF COUNTY COMMISSIONERS OF SANTA FE COUNTY

ORDINANCE NO. 2018-____

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 (1996).

3. **DEFINITIONS.**

The definitions set out in the Sustainable Land Development Code (“SLDC”), County Ordinance No. 2016-9 and County Resolution No. 2012-88, as the same may be amended from time to time. In addition:

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

“Director” means the SFCU Director.

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

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

4. **FINDINGS.**

A. SFCU service rates and charges must be just and reasonable and based on the cost of service.

B. The existing SFCU service rates and charges have historically generated substantially less revenue than the cost of service.

C. The service rates and charges established under this Ordinance are based on a rate study and will, over time, better enable the County to cover the cost of service to SFCU 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 SFCU customers and those required to connect to the SFCU under the SLDC.

B. **Terms of Payment.** All bills are net and payable within thirty (30) days from the date of bill. If payment for any service rendered is not made within forty (40) days from the date of billing, 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 late fees, charges assessed and taxes if any, and then to the oldest bill before any amount is applied to the current bill. Any checks that are denied payment due to insufficient funds will be charged the penalty as set out in Section 11 or as assessed by the County bank and the County Treasurer if greater.

6. WATER SERVICE RATE SCHEDULE RESIDENTIAL (SINGLE or MULTI-FAMILY)

A. Residential service shall apply where (i) a single water meter serves a single dwelling unit for indoor and outdoor domestic water use and (ii) where a single water meter serves more than one dwelling unit for domestic water use, but only if use is limited to the residents and their guests and not open to the general public or to non-resident membership. The meter may also serve uses commonly associated with residential dwelling units, such as lawful home occupations, home 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. A customer may request a separate irrigation meter to serve outdoor residential domestic use, which separate outdoor use may be supplied using potable, non-potable, or reclaimed water in accordance with SFCU policies.

D. 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 Table 1.

Table 1: Monthly Service Charges per Meter Size & Commodity Rates (per 1,000 gallons)

		FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
RESIDENTIAL WATER SERVICE						
Monthly Customer Service Fee	\$/Meter					
5/8"		\$18.00	\$22.83	\$22.83	\$22.83	\$22.83
3/4"		24.68	24.68	24.68	24.68	24.68
1"		28.32	28.32	28.32	28.32	28.32
1-1/2"		61.38	61.38	61.38	61.38	61.38
2"		63.63	63.63	63.63	63.63	63.63
3"		96.15	96.15	96.15	96.15	96.15
	\$/1,000 gals					
Water Usage Charge per Month						
First 4,000 gallons		\$6.43	\$6.75	\$7.08	\$7.44	\$7.81
Next 4,000 Gallons		8.85	9.29	9.76	10.25	10.76
Next 4,000 Gallons		13.67	14.35	15.07	15.83	16.62
Next 4,000 Gallons		18.50	19.43	20.40	21.42	22.49
Above 16,000 Gallons		22.81	23.95	25.14	26.40	27.72

7. WATER SERVICE RATE SCHEDULE – NON-RESIDENTIAL

A. Non-residential water rates shall apply to water meters not classified by the SFCU 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 Table 2:

Table 2: Monthly Service Charges per Meter Size & Commodity Rates (per 1,000 gallons)

		FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Monthly Customer Service Fee	\$/Meter					
5/8"		\$48.30				
3/4"		68.62				
1"		109.28				
1-1/2"		210.93				
2"		332.89				
3"		641.93				

4"	762.64
6"	1,517.64
8"	2,423.67
10"	3,365.72

Water Usage Charge per Month	\$/1,000 gals				
First 4,000 gallons	\$6.21	\$6.52	\$6.84	\$7.18	\$7.54
Next 4,000 Gallons	8.57	9.00	9.45	9.92	10.41
Next 4,000 Gallons	13.28	13.95	14.64	15.38	16.14
Next 4,000 Gallons	17.92	18.82	19.76	20.75	21.79
Above 16,000 Gallons	22.81	23.95	25.14	26.40	27.72

8. WATER SERVICE RATE SCHEDULE – HIGH VOLUME

A. High-volume water rates shall apply where a water meter serves a use not classified as single family residential or multi-family residential service and the meter is greater than 2 inches. High Volume use includes those uses classified as Wholesale 1 and Domestic Association under the former utility rate schedule adopted under Resolution No. 2012-88 and Rate Schedule 5 (Wholesale Water Sales) under Resolution No. 2011-79. If a compound meter is installed, the meter charge will be based on the larger meter 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 3 and 4:

Table 3: Monthly Service Charges per Meter Size

Meter Size	Monthly Service Fee	Effective Date
3-inch	641.93	July 1, 2019
4-inch	762.64	July 1, 2019
6-inch	1,517.64	July 1, 2019
8-inch	2,423.67	July 1, 2019
10-inch	3,365.72	July 1, 2019

Table 4: Commodity Rate (per thousand gallons; no tiers)

Tier Range (gallons)	Price per 1,000 gallon	Effective Date
All	\$ 6.54	July 1, 2019
All	\$ 6.74	July 1, 2020
All	\$ 6.93	July 1, 2021
All	\$ 7.14	July 1, 2022

Exclusion. A mutual domestic water consumers association serving a designated traditional historic community shall not be charged for metered water used as an emergency backup to their existing water supply due to equipment failure. The amount of water used for such purposes, if any, shall be determined by the Utility Director. The Association shall immediately notify SFCU of an equipment failure requiring emergency backup by SFCU and shall also notify SFCU on the date it restores normal service. Upon receipt of such notices, SFCU will promptly take meter readings to determine the amount of emergency backup use.

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

A. Raw/Non-Potable water rates shall apply where non-potable water service is provided from the Buckman Direct Diversion.

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 Table 3 and Table 5:

Table 5: Commodity Rate (per thousand gallons; no tiers)

Tier Range (gallons)	Price per 1,000 gallon	Effective Date
All	\$ 4.32	July 1, 2019
All	\$ 4.45	July 1, 2020
All	\$ 4.58	July 1, 2021
All	\$ 4.72	July 1, 2022

10. WATER SERVICE RATE SCHEDULE – PRIVATE FIRE HYDRANT AND FIRE SERVICE LINE

A. This rate applies to owners of private fire hydrants used exclusively for 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 a special permit issued by the SFCU.

C. Rates: For each private fire hydrant billing shall occur annually and consist of a \$1165.00 fee. For each fire service line billing shall occur annually and consist of the applicable charges set out in Table 6:

Table 6: Rate Schedule for Fire Service Line

Service Line Size	Annual Fee
3-inch	\$ 641.93
4-inch	\$ 762.64
6-inch	\$ 1,517.64
8-inch	\$ 2,423.67
10-inch	\$ 3,365.72

11. WATER SERVICE CHARGES

A. Account Set-up: A charge of \$18.00 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 shall be submitted with the service application. 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 the property shall co-sign the new service account agreement and agree to be responsible for any unpaid balances. A property owner may elect to receive a copy of the monthly bill.

B. Customer Deposit: A deposit of \$100 will be charged to all new accounts and shall be submitted with the application. 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 12-month history of timely payment with SFCU or provides proof of a 12-month timely payment history with another water utility.

C. Reconnection: Whenever service is discontinued for payment delinquency, a reconnection fee of \$70.00 plus tax shall be charged to the customer. Once payment is received service will be reconnected during normal business hours.

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

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

F. 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 after written notice is provided to the customer and before installation of the service line.

Meter Service Size	MEU	Water Service Charge
5/8-inch	1.00	\$2,750
3/4-inch	1.50	\$3,385
1-inch	2.50	\$3,385
1½-inch	5.00	\$3,385
2-inch	8.00	\$6,835
3-inch	15.00	\$6,835
4-inch	25.00	\$18,602
6-inch	50.00	\$31,925
8-inch	80.00	\$92,377
10-inch	115.00	\$129,769

G. Meter Can Inspection: The fee for inspecting a meter can to assure its installation to SFCU standards is \$30 per inspection and is payable upon submittal of the application.

H. 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. The meter installation charge is payable upon submittal of the application. Legal lots of record for which meters without registers were previously provided to the SFCU will be charged for registers.

Meter Size	Installation Charge
5/8 or 3/4 -inch	\$ 400
1-inch	\$ 450
1 ½-inch	\$ 1750

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 SFCU and pay SFCU customary rates to install it.

I. 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.

J. Water Infrastructure Improvement Project Design Document Review Fee: For any water infrastructure build for the SFCU, the SFCU shall charge a project design document review fee of 0.5% of the Engineer's approved cost estimate of the customer-requested line extensions to cover the cost of reviewing the project design documents in order to assure that the infrastructure meets SFCU specifications. Payment shall be due prior to final SFCU approval of the project design documents.

K. Water Infrastructure Improvement Project Inspection Fee: For any water line extension to be constructed and dedicated to the County, the SFCU shall charge a project inspection fee of 1.5% of the Engineer's approved cost estimate of the line extension to cover the cost of inspecting the construction to assure that it meets SFCU specifications. The payment shall be made prior to initiation of construction.

L. Stand-by: Persons who own a legal lot of record for which no water service connection with the SFCU has been established and which fronts a SFCU distribution line that is currently tapped or can be tapped for a future water service connection shall pay a stand-by charge of \$7.50 per month. The SFCU shall bill the lot owner of record for the standby charge annually or, to the extent not billed annually or timely paid, at the time the 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.

M. Master Meter Surcharge: Where fewer than one hundred SFCU customers are served by a City of Santa Fe master meter, the SFCU 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.

N. System Acquisition Surcharge: If approved by resolution of the Board or by written agreement, the SFCU 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 SFCU system, whether the system is a significant distance from SFCU operations, and whether it imposes significant additional costs on the County that should not be borne by the rest of the SFCU customer base. This surcharge shall not be applied if an agreement surcharge has been applied.

O. Agreement Surcharge: If approved by resolution of the Board or written agreement, the SFCU 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. This surcharge shall not be applied if a system acquisition surcharge has been applied.

P. Taxes: Billings under this Ordinance shall 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.

Q. Insufficient Funds Penalty: will be charged at \$25 per occurrence.

12. PROGRAMMED ANNUAL RATE AND FEE ADJUSTMENT

Beginning July 1, 2023, and each year thereafter, the rates and charges adopted through this ordinance shall automatically be adjusted by the corresponding change in the Consumer Price Index (CPI) for Western Region for Urban Wage Earners and Clerical Workers. The SFCU shall post each new rate and fee schedule on the Santa Fe County website.

13. 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.

14. 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.

15. EFFECTIVE DATE. This Ordinance shall become effective thirty (30) days after it is recorded in the office of the County Clerk.

**ADOPTED BY THE BOARD OF COUNTY COMMISSIONERS OF SANTA FE
COUNTY THIS ____ DAY OF _____, 2018.**

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

By: _____
Anna Hansen, Chair

ATTEST:

Geraldine Salazar, Santa Fe County Clerk

Date: _____

APPROVED AS TO FORM:

R. Bruce Frederick, Santa Fe County Attorney

Date: _____

FINANCE DEPARTMENT APPROVAL:

By: _____
Stephanie Schardin Clarke
Santa Fe County Finance Director

Date: _____

Summary of the Present and Proposed Residential Water Rates

Rate Components	Present Rate [1]	2019	2020	Proposed [2] 2021	2022	2023
Customer Service Fee (Monthly)						
5/8"	\$14.50	\$18.00	\$22.83	\$22.83	\$22.83	\$22.83
3/4"	15.68	24.68	24.68	24.68	24.68	24.68
1"	17.99	28.32	28.32	28.32	28.32	28.32
1-1/2"	38.99	61.38	61.38	61.38	61.38	61.38
2"	40.42	63.63	63.63	63.63	63.63	63.63
3"	51.06	96.15	96.15	96.15	96.15	96.15
Usage Charge per 1,000 gals						
First 4,000	\$6.12	\$6.43	\$6.75	\$7.08	\$7.44	\$7.81
Next 4,000	8.43	8.85	9.29	9.76	10.25	10.76
Next 4,000	13.02	13.67	14.35	15.07	15.83	16.62
Next 4,000	17.62	18.50	19.43	20.40	21.42	22.49
Above 16,000	----	22.81	23.95	25.14	26.40	27.72

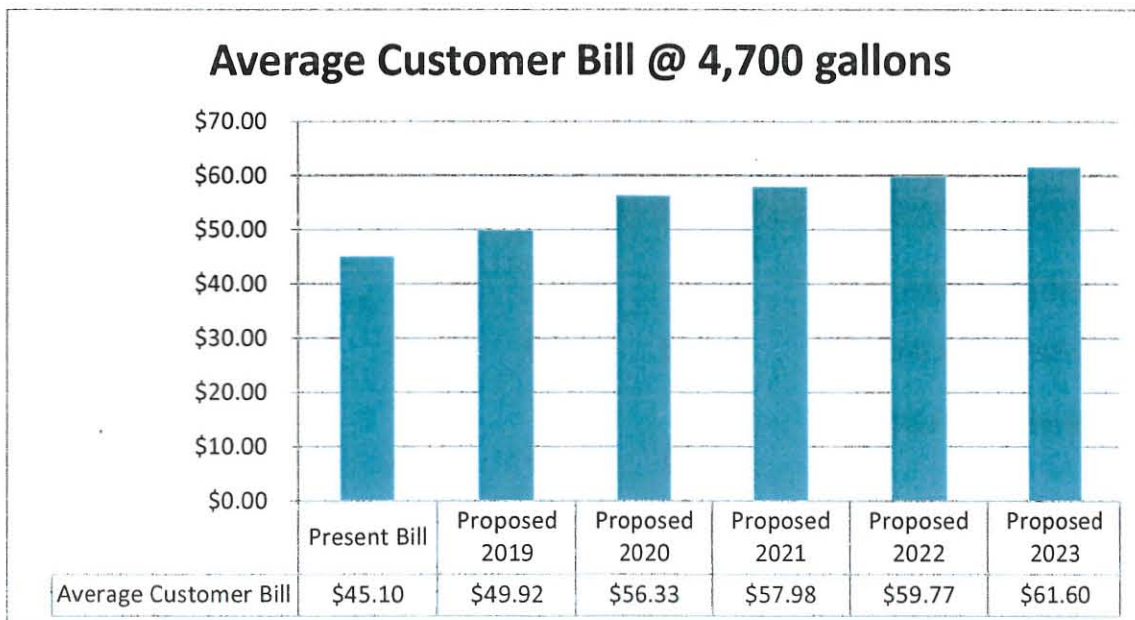
1 – Present rate is four, 5,000 tier blocks.

2 – Proposed rate is five, 4,000 tier blocks.

Santa Fe County recently completed a comprehensive water and sewer rate study. The results show the need to adjust water and sewer rates to adequately support the operating needs of each utility.

The above proposed cost-based water rates meet the operating needs of the water utility. The current water rate structure was maintained, however, it is important to note that the increasing tier sizes have been revised from 4,000 gallons each to 5,000 and an additional tier has been added.

Based on the proposed rates, the average customer bill can be developed.



Proposed rates were also developed for the non-residential water customers. The same rate structure changes were made for the non-residential customers for the usage charge tiers.

Summary of the Present and Proposed Non-Residential Water Rates						
Rate Components	Present Rate [1]	2019	2020	Proposed [2] 2021	2022	2023
Customer Service Fee (Monthly)						
5/8"	\$30.68	\$48.30	\$48.30	\$48.30	\$48.30	\$48.30
3/4"	43.59	68.62	68.62	68.62	68.62	68.62
1"	69.42	109.28	109.28	109.28	109.28	109.28
1-1/2"	133.99	210.93	210.93	210.93	210.93	210.93
2"	211.46	332.89	332.89	332.89	332.89	332.89
3"	407.77	641.93	641.93	641.93	641.93	641.93
4"	484.45	762.64	762.64	762.64	762.64	762.64
6"	964.05	1,517.64	1,517.64	1,517.64	1,517.64	1,517.64
8"	1,539.58	2,423.67	2,423.67	2,423.67	2,423.67	2,423.67
10"	2,138.00	3,365.72	3,365.72	3,365.72	3,365.72	3,365.72
Usage Charge per 1,000 gals						
First 4,000	\$5.91	\$6.21	\$6.52	\$6.84	\$7.18	\$7.54
Next 4,000	8.16	8.57	9.00	9.45	9.92	10.41
Next 4,000	12.65	13.28	13.95	14.64	15.38	16.14
Next 4,000	17.07	17.92	18.82	19.76	20.75	21.79
Above 16,000	----	22.81	23.95	25.14	26.40	27.72

1 – Present rate is four, 5,000 tier blocks.

2 – Proposed rate is five, 4,000 tier blocks.

Sewer rates were developed to prudently fund the sewer utility operating expenses. The proposed rate structure is based on the monthly customer service fee and a charge for all metered water consumption over the first 1,000 gallons.

Summary of the Present and Proposed Sewer Rates						
Rate Components	Present Rate	2019	2020	Proposed 2021	2022	2023
Customer Service Fee (Monthly)	\$8.18	\$8.59	\$9.02	\$9.47	\$9.94	\$10.44
Usage Charge > than 1,000 gallons	\$4.89	\$5.10	\$5.31	\$5.54	\$5.77	\$6.01

