

**City of Aztec  
Ordinance 2017-463  
Amending Chapter 16, Division 3, Section 16-201 Water Rates**

**WHEREAS:** In August 2016, Raftelis Financial Consultants, Inc. was contracted to provide a utility cost of service and rate study for the electric, water and wastewater utilities; and

**WHEREAS:** Public workshops were held on April 3, 2017 and May 8, 2017 providing the results of the cost of service and proposed rate structures for each of the utilities; and

**WHEREAS:** Three water rate structures were proposed in the rate study as well as the cost of service study including new debt proposed for three large water capital projects. Until a decision is made on which of the rate structures to implement, staff recommends a flat increase of \$5.65 per month to all classes of customers for water capital projects. This increase is not reflected in any of the rate structures proposed by Raftelis; and

**WHEREAS:** This proposed increase would generate an estimated \$100,000 in the current fiscal year (based on January 2018 effective date) and thereafter, \$200,000 per fiscal year. The funds would be used to fund water capital projects and/or provide partial funding for the debt reserve requirements of any new debt. This increase does not address revenue requirements for operations and maintenance and would continue the water utility reliance on electric revenues potentially creating a situation, in 4 to 5 years, resulting the electric utility would be required to assume debt to fund capital projects; and

**WHEREAS:** Actual impact of this proposed increase would be \$5.65 per month to all water customers within the municipal limits and \$8.48 per month to customers outside the municipal limits;

**NOW, THEREFORE, BE IT ORDAINED** by the Governing Body of the City of Aztec, New Mexico that Ordinance 2017-nnn Amending Chapter 16, Division 3, Section 16-201 Water Rates to be adopted as follows:

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**ARTICLE IV. UTILITY FEES**

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**DIVISION 3. UTILITY RATE FEES**

**Sec. 16-201. Water Rates.**

1. Class I: Residential.

Base/System Charge	\$17.20
Water Capital Reserve	\$5.65
	per 1,000 gallons
0 – 5,000 gallons	\$3. <sup>00</sup>

5,001 – 10,000 gallons	\$3.50
10,001 – 15,000 gallons	\$4. <sup>00</sup>
15,001 – 25,000 gallons	\$4.50
25,001 – 50,000 gallons	\$5. <sup>00</sup>
50,001 gallons and over	\$5.50

2. Class II: Mult-Residential.

Base/System Charge	\$15.60
Water Capital Reserve	\$5.65
	per 1,000 gallons
First 4,000 gallons/unit	\$3. <sup>00</sup>
Excess of 4,000 gallons/unit	\$4. <sup>00</sup>

3. Class III: Commercial.

Base/System Charge	\$18.90
Water Capital Reserve	\$5.65
	per 1,000 gallons
0 – 10,000 gallons	\$3.50
10,001 – 15,000 gallons	\$4. <sup>00</sup>
15,001 – 30,000 gallons	\$4.50
30,001 – 100,000 gallons	\$5. <sup>00</sup>
100,001 gallons and over	\$5.50

4. Class IV: Outside Watering.

Base/System Charge	\$16.20
Water Capital Reserve	\$5.65
Unlimited usage/1000 gal	\$4. <sup>00</sup>

5. Class V: Industrial.

Base/System Charge	\$23.90
Water Capital Reserve	\$5.65
Unlimited usage/1000 gal	\$4. <sup>00</sup>

6. Class VI: Institutional.

Base/System Charge	\$16.20
Water Capital Reserve	\$5.65
Unlimited usage/1000 gal	\$3.50

7. Class VII: Residential Special Wholesale Consumption.

Base/System Charge	\$22.80
Water Capital Reserve	\$5.65
Unlimited usage/100 gal	\$0.45

8. Class VIII: Commercial Special Wholesale Consumption.

Base/System Charge	\$26.85
Water Capital Reserve	\$5.65
Unlimited usage/100 gal	\$0.825

9. Class IX: Fire Hydrant Meter User.

Base/System Charge	\$26.85
Water Capital Reserve	\$5.65
Monthly Assessed Fee with no usage	\$500. <sup>00</sup>
Unlimited usage/100 gal	\$0.825

10. Class X: Non-Metered Department Water.

All water used and not metered, whether the same be used by the Parks, Street, Water and Fire Departments and/or any other Department, the amount of water used for whatever purpose shall be estimated or measured monthly by the Department using the same and a report of said use shall be given in writing to the Finance Director.

11. Class XI: Customers Outside Municipal Incorporated Limits.

Customers living outside the Municipal Incorporated limits shall be billed at 150% of the applicable rate.

12. Class XII: Water User Associations.

Water User Associations rates will be negotiated independently through agreements approved by the Aztec City Commission. These agreements should reflect rate increases associated with the increased cost of facilities and operation, maintenance and capital improvements of the system.

13. Class XIII: Metered Department Water.

All metered water used by City facilities/departments shall be assessed a rate per 1,000 gallons defined established with the annual budget adoption.

(Ord. 2010-384, eff. 2010-July-01; Code 2007)

**Sec. 16-202. Water Rights Rates.**

1. Rates for Meter Sizes Without and With Return Flow.

	<i>Meter Size</i>	<i>Without Return Flow</i>	<i>With Return Flow</i>
(1)	5/8 inch	\$ 900. <sup>00</sup>	\$ 600. <sup>00</sup>
(2)	1 inch	\$ 2,250. <sup>00</sup>	\$ 1,500. <sup>00</sup>
(3)	1-1/2 inch	\$ 4,500. <sup>00</sup>	\$ 3,000. <sup>00</sup>
(4)	2 inch	\$ 7,200. <sup>00</sup>	\$ 4,800. <sup>00</sup>
(5)	3 inch	\$ 14,400. <sup>00</sup>	\$ 9,600. <sup>00</sup>

(6) 4 inch  
(Code 2007, 16-202)

\$ 22,500.<sup>00</sup>

\$ 15,000.<sup>00</sup>

**Secs. 16-203 to 16-210. Reserved.**

**PASSED, APPROVED, SIGNED AND ADOPTED** this \_\_\_\_ day of \_\_\_\_\_ 2017.

By the Aztec City Commission, City of Aztec, New Mexico.

\_\_\_\_\_  
Mayor Sally Burbridge

ATTEST:

\_\_\_\_\_  
Karla Sayler, City Clerk

APPROVE AS TO FORM:

\_\_\_\_\_  
Larry Thrower, City Attorney

ADVERTISED DATE OF FINAL ADOPTION: \_\_\_\_\_

EFFECTIVE DATE OF ORDINANCE: \_\_\_\_\_