

ORDINANCE NO. 1209

AN ORDINANCE AMENDING CHAPTER 52, (UTILITIES), ARTICLE III (WATER AND SEWER RATES AND CHARGES), SECTION 52-71 (WATER RATES) OF THE TOWN OF SILVER CITY MUNICIPAL CODE

WHEREAS, the Town Council of the Town of Silver City, after due consideration and consultation with the Town Manager, has made the determination that the current monthly rates for water consumption inside and outside the Town limits are neither compensatory nor appropriate; and

WHEREAS, the Town Council concludes that a modest three percent (3%) increase of water rates applicable to all consumers of water, both within and without the Town's boundary, is necessary to cover costs and charges incurred by the Town in the construction, repair and maintenance, operations, and expansion of the Town's water system infrastructure; and

WHEREAS, the Town Council finds that the rates and charges for water service and consumption should be annually reviewed and adjusted by the Town Council during its consideration of the next fiscal year budget, and that adjustments should be accomplished by Resolution; and

WHEREAS, the Town Council finds that the adoption of this ordinance is necessary for the health, safety and welfare of the Town and its inhabitants;

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE TOWN OF SILVER CITY, GRANT COUNTY, NEW MEXICO, that:

Effective September 1, 2012, Chapter 52, §52-71 is deleted in its entirety and replaced with:

Chapter 52, §52-71. Water rates.

(A) The Town Manager shall make his recommendation to set water rates commensurate with the projected debt service costs for the next 12 months. This shall include consideration of all expenses to operate, maintain, repair, expand, improve the water system and maintain a

minimum of 1/12 reserve to cover emergent costs of maintaining the water system and provision of water that is not planned. There shall be a base monthly rate. In addition, there shall be a charge per 1,000 gallons of metered water consumed per month. The charge, therefore, shall be commensurate with the users' pro rata share of the projected total operating expenses of the town's water system as projected for the next following 12 months.

(B) Water rates for residential and commercial users, both in-town and out-of-town, shall be those rates described in Appendix "A" of this Chapter and incorporated herein.

(C) The Town Manager shall annually, and prior to June 1st of each year, recommend to the Town Council revised rates. The Town Council shall consider the recommendation and any other information it deems appropriate and may adjust those rates concurrent with its consideration of the preliminary budget for the Town's next coming fiscal year.

(D) The water rates described in Appendix "A" will be effective with the account billings in September, 2012, and shall remain such until revised by the Town Council.

(E) This provision does not obligate the Town to offer or provide water service outside Town limits, which shall remain within its sole discretion under terms and conditions described in this municipal code of ordinances.

PASSED, ADOPTED AND APPROVED by vote of the Council of the Town of Silver City, Grant County, New Mexico, this 23rd day of August, 2012.

(Seal)

TOWN OF SILVER CITY

/s/

James R. Marshall, Mayor

ATTEST:

/s/

Ann L. Mackie, Town Clerk

Appendix A Water Rates.

a) *In-town Residential.* The monthly rates or charges per account for water delivery service furnished inside Town limits to residential customers shall be as follows:

In-town Residential Water Rates

Minimum charge	\$10.25 for the first 3,000 gallons
Second tier	\$3.44 per 1,000 gallons over 3,000 up to 13,000 gallons
Third tier	\$4.21 per 1,000 gallons over the 13,000 gallons

(b) *In-town Commercial.* The monthly rates or charges per account for water delivery services furnished inside the Town limits, to other than residential customers and businesses whose business requires less than 100,000 gallons per month shall be as follows:

In-town Commercial Water Rates

Minimum charge	\$10.25 for the first 3,000 gallons
Second tier	\$3.44 per 1,000 gallons over 3,000 up to 417,000 gallons monthly
Third tier	\$4.21 per 1,000 gallons over 417,000 gallons monthly

(c) *Out-of-town Residential.* The monthly rates or charges per account for water delivery service furnished outside Town limits to residential customers shall be as follows:

Out-of-town Residential Water Rates

Minimum charge	\$18.02 for the first 3,000 gallons
Second tier	\$5.90 per 1,000 gallons over 3,000 up to 13,000 gallons
Third tier	\$6.98 per 1,000 gallons over the 13,000 gallons

(d) *Out-of-town Commercial (less than 100,000 gallons per month):*

Out-of-town Commercial Water Rates

Minimum charge	\$18.02 for the first 3,000 gallons
Second tier	\$5.90 per 1,000 gallons over 3,000 up to 13,000 gallons
Third tier	\$6.98 per 1,000 gallons over the 13,000 gallons

(e) All water association water rates shall be increased by 3%.