



City of Bayard
CITY COUNCIL REGULAR MEETING
August 23, 2022 at 5:30 PM
Bayard City Hall

AGENDA

WORK SESSION

CALL TO ORDER: Mayor Chon S. Fierro

PLEDGE OF ALLEGIANCE

ROLL CALL

APPROVAL OF THE AGENDA

PUBLIC INPUT

ORDINANCES/RESOLUTIONS

Adoption of Ordinance 4-2022 Municipal Utility Rates

Adoption of Ordinance 5-2022 Wastewater User Fees

1. Adoption of Ordinance 4-2022 Municipal Utility Rates
2. Adoption of Ordinance 5-2022 Wastewater User Fees

ADJOURNMENT

ORDINANCE 4-2022

AN ORDINANCE ADOPTING AMENDMENTS TO
CHAPTER 40 ARTICLE III. RATES AND FEES

BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF BAYARD, NEW MEXICO, the following amendments are hereby made to the Chapter 40 Article III Rates and Fees of the City of Bayard Code of Ordinances:

ARTICLE III. RATES AND FEES

Sec. 40-56. Water services.

- (b) All new accounts (each water meter) shall be charged a \$250.00 water meter deposit fee. Water meter deposit fees are non-transferable. Letters of credit shall not be accepted. Payment of said deposit shall be paid before utility services may commence.
- (c) Water service fees shall be increased on an annual basis (every July) utilizing the Consumer Price Index rate released during the month of May. The proposed annual operating budget shall determine the CPI method to be used each year:
 - 1. Individual service rate increase: or
 - 2. All items listing.
- (d) Residential accounts within the city limits shall be charged as follows:
 - (1) The minimum rate of \$27.35 plus gross receipts tax per month for the first 3,000 gallons of water or less.
 - (2) For consumption over 3,000 gallons per month, the following rates shall apply:

3,001—10,000	\$4.64 plus gross receipts tax per 1,000 gallons
10,001—25,000	\$5.05 plus gross receipts tax per 1,000 gallons
25,001—100,000	\$5.50 plus gross receipts tax per 1,000 gallons
100,001—200,000	\$5.92 plus gross receipts tax per 1,000 gallons
200,001—300,000	\$6.35 plus gross receipts tax per 1,000 gallons
Above 300,001	\$6.74 plus gross receipts tax per 1,000 gallons

(e) Residential accounts outside the city limits shall be charged as follows:

(1) The minimum rate of \$36.87 plus gross receipts tax per month for the first 3,000 gallons of water or less.

(2) For consumption over 3,000 gallons per month, the following rates shall apply:

3,001—10,000	\$5.05 plus gross receipts tax per 1,000 gallons
10,001—25,000	\$5.50 plus gross receipts tax per 1,000 gallons
25,001—100,000	\$5.92 plus gross receipts tax per 1,000 gallons
100,001—200,000	\$6.35 plus gross receipts tax per 1,000 gallons
200,001—300,000	\$6.74 plus gross receipts tax per 1,000 gallons
Above 300,001	\$7.16 plus gross receipts tax per 1,000 gallons

(f) Commercial accounts shall be charged as follows:

(1) The minimum rate of \$36.87 plus gross receipts tax per month for the first 3,000 gallons of water or less.

(2) For consumption over 3,000 gallons per month, the following rates shall apply:

3,001—10,000	\$5.39 plus gross receipts tax per 1,000 gallons
10,001—25,000	\$5.86 plus gross receipts tax per 1,000 gallons
25,001—100,000	\$6.31 plus gross receipts tax per 1,000 gallons
100,001—200,000	\$6.77 plus gross receipts tax per 1,000 gallons
200,001—300,000	\$7.19 plus gross receipts tax per 1,000 gallons
Above 300,001	\$7.50 plus gross receipts tax per 1,000 gallons

Sec. 40-58. Sanitary sewer services.

- (a) The rate for sewer service furnished by the city for residential and commercial users shall be as follows:
 - (1) A minimum of \$19.04 for residential users in city limits, \$22.14 for residential users out of city limits and \$20.57 for all commercial users plus gross receipts tax per month shall be charged for all services connected to the city sewer service system.
 - (2) An additional charge of \$0.60 plus gross receipts tax per 1,000 gallons of metered water per month, based upon the previous winter monthly consumption average, for the months of December, January and February. Billing dates are to be calculated as follows:
 - a. December: Bills printed on January 1;
 - b. January: Bills printed on February 1;
 - c. February: Bills printed on March 1;
 - d. Prorated sewer amounts billed on the bills printed on April 1.
 - (3) Sewer tap fees shall be as follows:
 - a. \$500.00 for residential connections in city limits.
 - b. \$750.00 for residential connections out of city limits.
 - c. \$600.00 for commercial users in city limits.
 - d. \$850.00 for commercial users out of city limits.
- (b) Sewer service fees shall be increased on an annual basis (every July) utilizing the Consumer Price Index rate released during the month of May. The proposed annual operating budget shall determine the CPI method to be used each year:
 - 1. Individual service rate increase: or
 - 2. All items listing.

Sec. 40-60. Landfill service.

- (a) Landfill fees for residential and commercial customers within the Bayard City limits and for customers residing outside the city limits but receiving garbage and landfill services are hereby established as follows, and payment shall be collected by the City of Bayard in conjunction with the billing of water services to the subject premises:
 - (1) *Residential.* For each single family residential unit the monthly rate shall be \$13.49 per month for residents within the city limits and \$16.78 for non-city residents utilizing the service, for each bin serviced plus gross receipts tax.
 - (2) *Commercial.*

- a. *Small commercial.* For each small commercial account (90 gallon garbage bin serviced once per week) the rate shall be one half of the charge for a large commercial account for each garbage bin serviced plus gross receipts tax.
- b. *Medium commercial.* For each medium commercial account (90 gallon garbage bin serviced three times per week) the rate shall be \$8.04 per cubic yard per month \$57.49 minimum rate per garbage bin serviced plus gross receipts tax.
- c. *Large commercial.* For each large commercial account (300 gallon garbage bin) the rate shall be \$8.04 per cubic yard per month \$57.49 minimum rate per garbage bin serviced plus gross receipts tax.

Formula: # bins × # pick ups × # cubic feet × rate × 52 weeks divided by 12 months + 10% per bin

New cubic yard rate shall be the base rate for the next annual increase.

- (b) Landfill service fees shall be increased on an annual basis (every July) utilizing the Consumer Price Index rate released during the month of May. The proposed annual operating budget shall determine the CPI method to be used each year:
 - 1. Individual service rate increase: or
 - 2. All items listing.

Sec. 40-61. Garbage collection service.

- (a) Garbage collection fees for residential and commercial customers within the Bayard City limits and for customers residing outside the city limits but receiving garbage and landfill services are hereby established as follows, and payment shall be collected by the City of Bayard in conjunction with the billing of water services to the subject premises:
 - (1) *Residential.* For each single family residential unit the monthly rate shall be \$14.85 for residents within the city limits and \$18.14 for residents out of city limits for each bin serviced plus gross receipts tax.
 - (2) *Commercial.*
 - a. *Small commercial.* For each small commercial account (90 gallon garbage bin serviced once per week) the rate shall be one half of the charge for a large commercial account for each garbage bin serviced plus gross receipts tax.
 - b. *Medium commercial.* Each medium commercial account (90 gallon garbage bin serviced three times per week) shall be charged a flat rate of \$44.19 minimum charge per month per garbage bin serviced plus gross receipts tax. This rate is the minimum large commercial rate.
 - c. *Large commercial.* Each large commercial account (300 gallon garbage bin) the rate shall be \$6.18 per cubic yard per month \$44.19 minimum rate per garbage bin serviced plus gross receipts tax.

Formula: # bins × # pick ups × # cubic feet × rate × 52 weeks divided by 12 months + 10% per bin

The new cubic yard rate shall be the base rate for the next annual increase.

- (b) Garbage collection service fees shall be increased on an annual basis (every July) utilizing the Consumer Price Index rate released during the month of May. The proposed annual operating budget shall determine the CPI method to be used each year:
 - 1. Individual service rate increase: or
 - 2. All items listing.
- (g) *Effective date:* The effective date of this section shall begin with the utility bills printed on September 1, 2022.
- (h) *Repeal:* This user charge system hereby repeals and replaces any/all user fee ordinances previously adopted.
- (i) *Severability of provisions:* If any section, subsection, sentence, clause or phrase of this section is for any reason is held to be unconstitutional or invalid such decision shall not affect the validity of the remaining portions of this section, it being the intent of the City of Bayard to enact such section, subsection. sentence, clause or phrase of this section separately and independently of each other section, subsection, sentence, clause or phrase.
- (j) *Amendments:* Any section of this section may be amended upon approval by the city council and proper publication on such amendments.

EFFECTIVE DATE

This ordinance shall take effect on the 28th day of August.

PASSED, APPROVED AND ADOPTED this 23rd day of August.

Chon S. Fierro
Mayor

ATTEST:

Kristina Ortiz, MMC
Clerk Treasurer

ORDINANCE 5-2022

AN ORDINANCE ADOPTING AMENDMENTS TO CHAPTER 40 ARTICLE III. RATES AND FEES

BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF BAYARD, NEW MEXICO, the following amendments are hereby made to the Chapter 40 Article III Rates and Fees of the City of Bayard Code of Ordinances:

Sec. 40-107. User charge system.

- (b) *Computation of costs:* The percentage of costs to be distributed to (Bayard, Santa Clara, Hurley, N. Hurley) is the average of the 2020 census and the number of current connections.

Bayard

Current Population 2116 divided by Total Population 5368 = 39%

Santa Clara and Ft. Bayard Medical Hospital (New Facility)

Santa Clara Current Population 1637 divided by Total Population 5368 = 30%

Ft. Bayard 200 Patient Beds divided by Total Population 5368 = 2%

Hurley

Current Population 1256 divided by Total Population 5368 = 23%

County of Grant

Current Population 159 divided by Total Population 5368 = 5%

Old Ft. Bayard Site

Contribution of fees is set at 2 commercial units (Santa Clara rate).

- (c) *Capital cost recovery:* The annual amount to be recovered for wastewater debt shall be determined as necessary to maintain funding of infra-structure projects. Facility improvements are on-going and fluctuation in funding resources are required for project implementation. The user charge system formula shall be used to calculate the capital cost recovery fees. FY2023 capital cost recovery amount in \$85,031.00.
- (e) *Operation cost recovery:* Operation costs are determined to be anticipated expenditures related to the full operation of the treatment plant which include but are not limited to fixed expenses (salaries), variable expenses (operations) and

reserve requirements (short- and long-lived assets) - debt service is calculated under capital cost recovery.

The estimated operation costs for FY2023 shall equal \$679,697.00.

The formula for capital cost recovery shall follow the same procedure as the user charge formula.

The estimated operation costs of the prior year shall be used to calculate the CPI increase using the methods established within section 40.107(b)(1)&(2).

- (g) *Effective date:* The effective date of this section shall begin with the utility bills printed on September 1, 2022.
- (h) *Repeal:* This user charge system hereby repeals and replaces any/all user fee ordinances previously adopted.
- (i) *Severability of provisions:* If any section, subsection, sentence, clause or phrase of this section is for any reason is held to be unconstitutional or invalid such decision shall not affect the validity of the remaining portions of this section, it being the intent of the City of Bayard to enact such section, subsection. sentence, clause or phrase of this section separately and independently of each other section, subsection, sentence, clause or phrase.
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