

ORDINANCE NO. C _____

AN ORDINANCE ENACTING WATER RATE INCREASES REPEALING AND REPLACING SUBSECTION A, B, AND C OF SECTION 8-6-5 OF THE MUNICIPAL CODE OF THE CITY OF GALLUP

WHEREAS, there is an urgent need to increase the rates and fees within the water utility to meet operations and maintenance costs and future system replacement and upgrade needs and costs, and;

WHEREAS, pursuant to agreements between the New Mexico Finance Authority through the New Mexico Water Trust Board and the City of Gallup to repay loans related to the projects involved in the Navajo-Gallup Water Supply Project and;

WHEREAS, the recommended water rate increases now come before the City Council in the form of an ordinance.

NOW THEREFORE, BE IT ORDAINED by the Governing body of the City of Gallup, New Mexico, that:

Section 1. Subsections A, B, and C of Section 8-6-5 of the Municipal Code of the City of Gallup be repealed and replaced to read:

8-6-5: **WATER RATES & FEES:** For service rendered on or after July 1, 2022, the rates, fees, and other charges charged for water service to residential, non-residential and all other customers of the City of Gallup shall be increased by an average of 22.50 percent (22.50%). Section 8-6-5 of the Gallup Municipal Code shall be replaced in its entirety with the following new section 8-6-5:

(A) Rate Schedule A:

1. Residential: Effective July 1, 2022, service to single family RESIDENTIAL dwellings and commodity rate for water shall be:

Residential Commodity Charge	New Rate
Zero to 500 cubic feet	\$0.037222
501 to 1,000 cubic feet	\$0.055223
1,001 to 2,000 cubic feet	\$0.092875
2,001 to 5,000 cubic feet	\$0.148098
Over 5,000 cubic feet	\$0.170688

(B) Rate Schedule B:

1. Non-Residential/Commercial: Effective July 1, 2022, service to NON-RESIDENTIAL/COMMERCIAL facilities the commodity rate for water shall be:

Non-Residential/Commercial Commodity Charge	New Rate
0 – 1,000	\$0.068988
1,001 – 2,000	\$0.070860
2,001 – 4,000	\$0.078045
4,001 – 100,000	\$0.84307
Over 100,000	\$0.084393
Separately Metered Irrigation	\$0.120730
Unmetered	\$0.137978
Gallup City Usage	\$0.075888

2. Un-metered water is any un-metered water sales from the domestic water supply, sales from the water loading station, and sales from the non-domestic supply.
3. Sub Metered Multi-Family and Mobile Home Parks: for service to master metered multi-family dwellings and mobile home parks having private sub metered on each individual dwelling the commodity rate for water shall be at the commercial rate for monthly usage in the Zero (0) to One Thousand (1,000) rate block.
4. City of Gallup; for service to the City of Gallup the commodity rate for all usage shall be 110% of the Commercial rate for water usage from Zero (0) to One Thousand (1,000) cubic feet.
5. Outside Service: for service outside of the corporate boundary of the City of Gallup, the commodity charge shall be one and one half the rate for service inside the City of Gallup corporate boundary.

6. Navajo-Gallup Water Supply Project: for revenue requirements to reimburse costs to provide for this project, all water usage will be billed with an additional volumetric charge according to the table below:

Effective Date	Uniform, \$/cf	Effective Date	Uniform, \$/cf
1-Aug-14	0.0015	1-Jul-27	0.0220
1-Jul-15	0.0032	1-Jul-28	0.0225
1-Jul-16	0.0049	1-Jul-29	0.0225
1-Jul-17	0.0068	1-Jul-30	0.0225
1-Jul-18	0.0088	1-Jul-31	0.0225
1-Jul-19	0.0116	1-Jul-32	0.0225
1-Jul-20	0.0146	1-Jul-33	0.0225
1-Jul-21	0.0170	1-Jul-34	0.0225
1-Jul-22	0.0196	1-Jul-35	0.0225
1-Jul-23	0.0201	1-Jul-36	0.0225
1-Jul-24	0.0205	1-Jul-37	0.0225
1-Jul-25	0.0210	1-Jul-38	0.0225
1-Jul-26	0.0215	1-Jul-39	0.0225

(C) Monthly Service Charge:

1. The monthly meter charge shall be:

Meter Size	New Rate
5/8"	\$12.69
1"	\$28.33
1 1/2"	\$53.04
2"	\$78.23
3"	\$170.02
4"	\$272.05
6"	\$589.43
8"	\$1,051.90

2. For existing facilities with meters of over 4 inch but which are being charged the service charge for a 4-inch meter at the passage of this ordinance shall continue to be charged the service charge for a 4-inch meter until such time as they upgrade or modify their service at which time the service charge shall be increased in relation to the meter size as provided above.
- D. Water Consumer Price Index Increase: The service and volume charges for water service set forth in this section shall be increased or decreased annually to reflect the changes in the consumer price index. The “consumer price index” shall mean the average for “all items” shown as the “United States City average for all urban consumers as promulgated by the Bureau of Labor Statistics of the United States Department of Labor” (CPI-U). On or about April 1, 2028 and every year thereafter the city manager or designee will notify the governing body of the proposed water rates adjusted by the CPI-U. The proposed water rates will automatically go into effect on the following July 1 unless by June 1 the governing body votes otherwise.

Section 2 Law. This Ordinance shall be effective after publication by title and summary as provided by law.

PASSED, APPROVED AND ADOPTED this _____ day of _____, 20____.

CITY OF GALLUP, NEW MEXICO

By: _____
Louis Bonaguidi, Mayor

ATTEST:

Alfred Abeita, City Clerk