



---

Meeting Date: May 18, 2016

Staff Contact: Hobert Warren, Customer Services Division Manager

**TITLE: O-16-1 – Amending the Albuquerque Bernalillo County Water Utility Authority Water and Sewer Rate Ordinance to Update Utility Expansion Charge and Water Supply Charge by the Engineering News Report Index and Clarify Fire Hydrant Permit Process**

**ACTION: Recommend Approval**

**SUMMARY:**

This Legislation amends the Water Authority's Water and Sewer Rate Ordinance to increase the Utility Expansion Charge and Water Supply Charge by the Engineering News Report (ENR) index per sections 1-1-8(A)(1) and 1-1-8(D)(1) of the Ordinance. The proposed amendment adjusts the charges by 2.9% based upon the April 1, 2016 ENR Building and Construction Cost Indexes.

**FISCAL IMPACT:**

The net increase in Utility Expansion Charges and the Water Supply Charge for the average residential connection will be \$86 for water, \$64 for sewer and \$44 for the Water Supply Charge.

The proposed amendments are consistent with the ten-year financial.



1 COUNTY. Bernalillo County, New Mexico.

2 CUSTOMER. Any person, association, corporation, or entity receiving  
3 Utility service, related products or services in the metropolitan Service Area.

4 DEBT SERVICE REQUIREMENTS. With respect to System Obligations  
5 for any given period, the sum of: (1) the amount required to pay the interest, or to make  
6 reimbursements for payments of interest, becoming due on System Obligations during that  
7 period, plus (2) the amount required to pay the principal or Accreted Value, becoming due  
8 on System Obligations during that period, whether at maturity, an accretion term date or  
9 upon mandatory sinking fund redemption dates, plus (3) the periodic payments required to  
10 be made by the Water Authority pursuant to a Qualified Exchange Agreement minus (4) the  
11 periodic payments to be received by the Water Authority pursuant to a Qualified Exchange  
12 Agreement. No payments required for any System Obligations which may be tendered or  
13 otherwise presented for payment at the option or demand of the owners of System  
14 Obligations, or which may occur because of the exercise of an option by the Water  
15 Authority, or which may otherwise become due by reason of any other circumstance or  
16 contingency, including acceleration or early termination payments, which constitute other  
17 than regularly scheduled payments of principal, Accreted Value, interest or other regularly  
18 scheduled payments on System Obligations shall be included in any computation of Debt  
19 Service Requirements for that period.

20 DROUGHT. Drought occurs when there is insufficient precipitation combined  
21 with other environmental factors that cause an increase of overall water usage.

22 DROUGHT MANAGEMENT STRATEGY. The Water Authority's Drought  
23 Management Plan which contains four different drought severity levels, with each level  
24 containing increasingly stringent measures to reduce demand on the Water Authority's  
25 water system.

26 EXECUTIVE DIRECTOR. The Executive Director of the Water Authority.

27 EXPENSES. All expenses necessary for the operation and maintenance of  
28 the water and sewer systems, excluding depreciation, amortization and payments in lieu of  
29 taxes and expenditures for capital items.

30 FISCAL YEAR. July 1 through June 30.

31 FRANCHISE. The authorizations granted by the City of Albuquerque,  
32 City of Rio Rancho, Bernalillo County or Village of Los Ranchos to the Water Authority to

1 use their respective rights-of-way and public places to construct, operate, and maintain  
2 Water Authority water and wastewater systems.

3           LOW INCOME HOUSING DEVELOPMENTS. Any multi-family residential  
4 development constructed by the City of Albuquerque or Bernalillo County or a non-profit  
5 developer in conjunction with one of these local governments which is substantially  
6 intended to provide affordable housing to very low income citizens as defined by 60 percent  
7 or less of median income as established by the US Department of Housing and Urban  
8 Development.

9           METER SIZE.           The physical size of a water meter as designated by  
10 AWWA Standard.

11           NET REVENUES. The Revenues of the Utility less the Expenses. For  
12 purposes of calculating compliance with Sections 1-1-2(B) and 1-1-2(C) and the Additional  
13 Bonds Tests and Rate Covenants in the Debt Management and Policy & Guidelines, Net  
14 Revenues shall be defined and calculated in accordance with the definition of Net  
15 Revenues established in the applicable ordinance authorizing the issuance of the relevant  
16 System Obligations.

17           PAJARITO MESA MUTUAL DOMESTIC WATER AND WASTEWATER  
18 CONSUMERS ASSOCIATION (PMMDWWCA). Non-profit organization generally located  
19 in the Pajarito land grant established in 2000 under the laws of New Mexico Sanitary  
20 Projects Act.

21           REVENUES.           For this purpose revenues will include all charges for  
22 current water and sewer service, income from miscellaneous services or property, interest  
23 on investments of the Joint Water and Sewer Funds, connection fees, and interest on notes  
24 or other receivables.

25           RIO RANCHO           The City of Rio Rancho, New Mexico.

26           SENIOR OBLIGATIONS. System Obligations now outstanding or hereafter  
27 issued with a first lien, but not an exclusive first lien, on the Net Revenues on a parity with  
28 the lien of the Outstanding Senior Obligations.

29           SERVICE AREA. Those parts of Bernalillo County and contiguous territory  
30 served by the Water Authority.

31           SERVICE SIZE.       Service sizes range from size 1 to size 8. Each size is  
32 based upon the meter size or equivalent for each account.

1           SUBORDINATE OBLIGATIONS. System Obligations now outstanding or  
2 hereafter issued with a lien on the Net Revenues subordinate to the lien thereon of the  
3 Senior Obligations but superior to the lien thereon of the Super Subordinated Obligations.

4           SUPER SUBORDINATED OBLIGATIONS. System Obligations now  
5 outstanding or hereafter issued with a lien on the Net Revenue subordinate to the lien  
6 thereon of the Senior Obligations and subordinate to the lien thereon of the Subordinate  
7 Obligations.

8           SYSTEM OBLIGATIONS. All bonds and other similar indebtedness payable  
9 solely or primarily from the Net Revenues, including, without limitation, the Senior  
10 Obligations, the Subordinate Obligations, and the Super Subordinated Obligations.

11           UEC. Utility Expansion Charge

12           UTILITY. The water and wastewater facilities and all operations and  
13 management of such facilities necessary to provide water and wastewater service in the  
14 Service Area.

15           VILLAGE OF LOS RANCHOS. Village of Los Ranchos de Albuquerque,  
16 New Mexico.

17           WATER AUTHORITY. The Albuquerque Bernalillo County Water Utility  
18 Authority or its authorized agent.

19           WATER SUPPLY CHARGE (WSC). A charge that will be assessed by  
20 the Water Authority at the time of meter sale or application for service to any new water  
21 user customer requesting connection to the water system in an area not located within the  
22 Water Authority's service area and requiring a development agreement .

23           WINTER MEAN. For all customers, the average monthly water use billed  
24 in the months of December, January, February and March for each account. If a customer  
25 has a new account and does not have a full four months to calculate a winter mean or if a  
26 customer's winter mean is zero, then the mean for that customer will be based off the class  
27 and size average mean. For those residential customers that have a winter mean greater  
28 than zero units but less than four units and does not fall in the category of a new account  
29 then their winter mean used for the Conservation Surcharge will be four units. For those  
30 residential customers that have a winter mean greater than 15 units their winter mean used  
31 for the Conservation Surcharge will be 15 units.

1 (B) Computation of Revenues, Expenses and Debt Service. At the end of each  
2 quarter of the fiscal year a determination will be made as to the total revenues, expenses  
3 and current debt service requirements of the system in accordance with definitions in §1-1-  
4 2(A). The determination will be made by the end of the first month following the end of  
5 each quarter. The results of the determination will be transmitted to the Water Authority.

6 (C) Increasing Minimum Monthly Fixed Charges. So long as there are Senior  
7 Obligations outstanding, if the determination of §1-1-2(B) above shows that the Net  
8 Revenues are less than 133 percent of the Debt Service Requirements on the outstanding  
9 Senior Obligations, the fixed monthly charge will be increased for water and sewer  
10 accounts. So long as there are Subordinate Obligations outstanding, if the determination of  
11 §1-1-2(B) above shows that the Net Revenues are less than 120 percent of the Debt  
12 Service Requirements on the outstanding Senior Obligations and outstanding Subordinate  
13 Obligations, the fixed monthly charge will be increased for water and sewer accounts. The  
14 increase in the fixed monthly charges will be a percentage of the established fixed monthly  
15 charges that produce additional revenues so that if the adjusted charges had been effective  
16 the previous quarter, the total Net Revenues would have been sufficient to meet the  
17 requirements of this paragraph. As applicable. If the determination of §1-1-2(B) above  
18 shows that the Net Revenues are insufficient to meet the requirements above, it shall be  
19 determined if the revenue loss is due to efforts of Water Authority Customers to conserve  
20 water by reviewing usage patterns. If the usage study shows that the reduced revenues  
21 are due to conservation efforts, the Executive Director shall analyze the Utility's operations  
22 for the purpose of determining whether or not corresponding expense reductions can be  
23 effected and shall present any such expense reduction proposals to the Water Authority.

24 (D) Increasing Water Commodity Charges. If the quarterly analysis of power cost  
25 related to water pumping shows that costs are increasing or decreasing, the Executive  
26 Director is authorized to adjust the water commodity charge to reflect the change. An  
27 adjustment in the commodity charge will only be made if the needed commodity charge  
28 adjustment is \$0.01 or greater, and shall be in \$0.01 increments. The Electric Fuel Cost  
29 Adjustment is to be calculated:  $(\text{Fuel Rider} - \$0.50) \times \text{Average annual kWh} / \text{Annual Billed}$   
30  $\text{Consumption in CCF}$ .

31 (E) General Procedural Provisions. The Executive Director may enact  
32 regulations to carry out the purposes of this Ordinance.

1 1-1-3. WATER RATES.

2 (A) Definitions. As used in this Section, unless the context otherwise requires:  
3 CUSTOMER CLASSIFICATIONS Include:

4 (1) RESIDENTIAL. Single-family detached, condominiums served by  
5 individual meters, townhouses served by individual meters, duplexes served by individual  
6 meters, or mobile homes served by individual meters.

7 (2) MULTI-FAMILY. Any metered/account serving more than one  
8 dwelling unit; i.e., duplexes, residences with guests houses, triplexes, four-plexes,  
9 apartment complexes, condominiums, town-homes, or mobile homes served by common  
10 meters.

11 (3) COMMERCIAL. Retail, offices, hotels, motels, shopping centers, none  
12 of which use process water in the conduct of business.

13 (4) INDUSTRIAL. Manufacturing, or process facility which is engaged in  
14 producing a product.

15 (5) INSTITUTIONAL. Government buildings, hospitals, schools, and  
16 other facilities that provide public and quasi-public services.

17 (B) Water Credit Eligibility and Procedures.

18 (1) Single-family detached, condominiums, townhouses, duplexes or  
19 triplexes served by common or individual meters; mobile homes served by individual  
20 meters; but limited to those Customers who own the dwelling in which they reside and  
21 qualify under the United States Department of Health and Human Services poverty  
22 guidelines.

23 (2) The Executive Director shall establish procedures regarding  
24 certification for water credits and shall periodically make administrative changes to the  
25 income guidelines as circumstances require.

26 (C) Metered Water Service.

27 (1) The rates and compensation to be paid to the Water Authority for  
28 public and private use of water supplied by the Water Authority for any and all purposes  
29 shall be in accordance with the following schedule of charges.

30 Fixed Monthly Charge - Metered Service

Serv Size	Meter Size	Residential	Commercial	Industrial	Institutional	Multi-family
-----------	------------	-------------	------------	------------	---------------	--------------

1	1	$\frac{5}{8} \times \frac{3}{4}$	\$9.77	\$10.23	\$19.17	\$10.53	\$12.00
2	2	1	20.17	20.60	40.21	20.97	24.52
3	3	1½	56.47	58.68	120.02	61.27	71.82
4	4	2	121.05	125.46	261.82	131.42	155.25
5	5	3	231.69	240.78	496.70	251.55	295.79
6	6	4	523.28	541.71	1140.54	568.36	673.57
7	7	6	887.70	899.33	1846.13	938.54	1101.35
8	8	8 & over	1859.16	1928.45	4026.25	2190.91	2385.26

9 Effective July 1, 2017

10 A 5 percent revenue increase is approved and a schedule of charges will be designed and  
 11 implemented based upon the Water Authority's Cost of Service Rate Model.

12 (2) The rates and compensation to be paid to the Water Authority for  
 13 public and private use of water supplied by the Water Authority for Wholesale Water Users  
 14 shall be in accordance with the following schedule of charges.

15 Fixed Monthly Charges- Pajarito Mutual Domestic

16 Meter Size

17	$\frac{3}{4}$	\$13.20
18	1	26.64
19	1½	77.07
20	2	165.49
21	3	343.93
22	4	764.47
23	6	1290.40
24	8	2737.11

25 Effective July 1, 2017

26 A 5 percent revenue increase is approved and a schedule of charges will be designed and  
 27 implemented based upon the Water Authority's Cost of Service Rate Model.

28 (D) Unmetered Water Service.

29 (1) For service connections to the utility for private fire protection.

30 Applicable to all service through which water is used solely for extinguishing accidental  
 31 fires.

32 Fixed Monthly Charge



Line Size (inches)	Service Area
2	\$4.62
3	6.93
4	9.24
6	17.33
8	26.57
10	36.96
12	54.29

Effective and July 1, 2017

A 5 percent revenue increase is approved and a schedule of charges will be designed and implemented based upon the Water Authority's Cost of Service Rate Model.

(2) Unmetered water service for any purpose other than standby fire protection will be a violation of this Ordinance and subject to the penalties specified herein; except by written agreement approved by the Executive Director.

(E) Private Use of Fire Hydrants for Non-Potable Use.

(1) Permits.

(a) Connections to fire hydrants at any location are prohibited except by the Water Authority, Fire Departments within the service area or by written permit (fire hydrant meter permit) issued by the Water Authority. The Fire Departments within the service area are given permission to use fire hydrants based upon written agreements with the Executive Director which pertain to inspection and maintenance. Each Fire Department is required to perform agreed upon maintenance on all fire hydrants within their service area as a condition of use.

(b) A qualified applicant (business owner or licensed contractor) or designated agent wishing to obtain a fire hydrant meter permit must submit a completed application form to the Water Authority. Completed and signed applications may be ~~mailed~~ submitted online or hand delivered. If the applicant assigns a designated agent to obtain the permit, a designated agent certification form must be signed and notarized by the business owner or licensed contractor and submitted with the completed application.

1 (c) Fire hydrant meter permits may be issued for a period not to  
2 exceed one year. Failure to comply with one or more of the terms and conditions shall be  
3 cause for terminating the permit.

4 (d) Under a standard fire hydrant meter permit, the applicant may  
5 ~~request the use of any fire hydrant from the Water Authority's designated network of green-~~  
6 top fire hydrants. Applicants desiring to use an out-of-network hydrant must submit a an  
7 ~~written request with the fire hydrant meter~~ alternate location application stating the  
8 reason(s) for needing to use the out-of-network hydrant. Water Authority staff will review  
9 such requests on a case by case basis and a decision shall be issued within three business  
10 days of receiving the request.

11 (e) The Water Authority reserves the right to refuse to issue a fire  
12 hydrant meter permit to any applicant or to require an applicant to pay all current charges  
13 on the applicant's Water Authority account as a condition to the issuance of a permit.

14 (2) System Connection and Water Use.

15 (a) Water taken from fire hydrants may be used only for non-  
16 potable, non-recreational purposes within the Water Authority service area. The use of  
17 non-potable water taken from fire hydrants for swimming pools is prohibited.

18 (b) The permit holder shall utilize a backflow prevention method or  
19 device acceptable to the Water Authority at all times the fire hydrant meter is in use to  
20 protect the Water Authority's water supply. Failure to use an acceptable backflow  
21 prevention method or device shall be cause for confiscating the fire hydrant meter and  
22 terminating the permit.

23 (c) The Executive Director can appoint employees to inspect fire  
24 hydrant meters at any time, but not less than once per annum. Permit holders shall make  
25 provisions for such inspections.

26 (d) For permit holders that contract with the Water Authority, the  
27 Executive Director is authorized to withhold all or a portion of the surety bond for  
28 outstanding fire hydrant meter charges including but not limited to repair and replacement  
29 of the hydrant meter and usage.

30 (3) Loss, Damage and Payment Surety Bond.

31 (a) A loss, damage and payment surety deposit of \$3,000.00 for  
32 each fire hydrant meter is required at the time the permit is issued. If a fire hydrant meter is

1 lost or stolen, the \$3,000.00 deposit shall be forfeited and the permit holder shall be  
2 assessed up to a \$1,000.00 charge for water usage.

3 (b) All or a portion of the loss, damage and payment surety deposit  
4 will be refunded depending upon the cost of repairing the fire hydrant meter and the  
5 outstanding balance for meter charges when it is returned to the Water Authority. The  
6 Water Authority shall cause the repair work and compute the time and materials necessary  
7 to rehabilitate the fire hydrant meter.

8 (c) The Executive Director can waive the loss, damage and  
9 payment surety deposit for special events or non-construction related short term projects.

10 (4) Reporting. The permit holder shall be required to report and pay for  
11 fire hydrant water usage on a monthly basis. Fire hydrant meter readings shall be  
12 submitted, in writing between the first (1st) and tenth (10th) day of the month for water  
13 usage during the previous calendar month, regardless of whether any water usage  
14 occurred during that month. Failure to submit meter readings between the first (1st) and  
15 the tenth (10th) of the month shall result in a \$20.00 late meter reading fee per occurrence.  
16 Failure to report meter readings on or before the last day of the month the readings are due  
17 shall be cause for confiscation of the meter and termination of the permit.

18 (5) Fees and Charges.

19 (a) The A nonrefundable connection program fee is of \$230.00 is  
20 issued for each hydrant issued for a fire hydrant meter permit.

21 (b) All fire hydrant meter permit holders shall pay a monthly  
22 maintenance base charge of \$70.00. This monthly maintenance base charge shall not be  
23 prorated.

24 (c) All water withdrawn from a fire hydrant shall be charged at the  
25 current commodity rate. Connections to fire hydrants in violation of this Ordinance will be  
26 subject to the penalties specified herein and shall be considered an illegal connection and  
27 be subject to hydrant meter confiscation.

28 (d) The permit holder shall be required to remit payment for all  
29 water withdrawn from fire hydrants on a monthly basis. Failure to remit payment in full  
30 within ten (10) days after final notice is issued shall result in a \$50.00 late payment fee per  
31 occurrence, and shall be cause for confiscation of the fire hydrant meter and termination of  
32 the permit.

1 (F) Water Commodity Charge.

2 (1) (a) In addition to the Fixed Monthly Charge, all water used by a  
3 Customer within the Service Area for any purpose whatsoever shall be charged at the rate  
4 of \$2.018 per unit (one unit equals 100 cubic feet). In addition, there shall be a charge of  
5 0.024 per unit, added to this commodity charge, which is the amount necessary to  
6 compensate the Water Authority for the water conservation fee charged by the State of  
7 New Mexico. This is determined by the meter reading or by estimating the usage by  
8 statistical methods. Customers shall pay bills monthly.

9 Effective July 1, 2017

10 A 5 percent revenue increase is approved and will be implemented based upon the Water  
11 Authority's Cost of Service Rate Model.

12 (b) Included in the commodity charge is a \$0.116 charge per unit  
13 that will be dedicated to the Water Resources Management Program in Fund 621 to fund  
14 the Ground-Water Protection Policy and Action Plan, the Water Conservation Program,  
15 Water Resources Management Planning and Arsenic Investigations. All interest earned on  
16 these dedicated funds shall be used only for this purpose.

17 Effective July 1, 2017

18 A 5 percent revenue increase is approved and will be implemented based upon the Water  
19 Authority's Cost of Service Rate Model.

20 (c) In addition to the Fixed Monthly Charge customers with a  
21 wholesale water rate shall be charged at the rate in accordance with the following schedule  
22 of charges.

23 Pajarito Mutual Domestic - \$1.400 per 100 CCF

24 Effective July 1, 2017

25 A 5 percent revenue increase is approved and will be implemented based upon the Water  
26 Authority's Cost of Service Rate Model.

27 (2) Bills may be based on the estimated average annual water use in  
28 units, annualized and divided by 12 months, plus the fixed monthly charge. Any special  
29 charges, such as UEC, shall be included on the bill. The Executive Director may  
30 administratively adjust bills periodically by crediting and debiting accounts as appropriate if  
31 errors have been found and verified.

32 (3) (a) Surcharges for irrigation-only water accounts shall be

1 assessed annually in the year following the water usage based upon an annual irrigation  
2 budget allowance established for such accounts and in accordance with the following:

3 (i) Water budgets will be established by the Water Authority  
4 whenever a new irrigation account is established or an existing account is converted to an  
5 irrigation account.

6 (ii) All usage will be calculated annually on a per site basis.  
7 Any usage of individual wells at these sites shall be submitted in writing to the Water  
8 Authority by the 15<sup>th</sup> of the month following the use.

9 (iii) All golf courses existing prior to October 1, 1995 will be  
10 allowed up to 40 inches of water over the entire landscaped area per calendar year.

11 (iv) All new golf courses or existing golf course expansions  
12 permitted after October 1, 1995 will be allowed up to 37 inches of water over the entire  
13 landscaped area per calendar year.

14 (v) Athletic fields will be allowed up to 45 inches of water over  
15 the entire landscaped area per calendar year.

16 (vi) All other landscaped areas will receive a water budget of 35  
17 inches of water over the entire landscaped area per calendar year.

18 A surcharge will be applied to the usage above the annual irrigation budget allowance. For  
19 excess usage up to 150 percent (first tier) of the annual irrigation budget, the surcharge  
20 shall be 50 percent of the commodity rate shown in §1-1-3(F)(1)(a). For excess usage  
21 greater than 150 percent (second tier) of the annual irrigation budget, the surcharge shall  
22 be 100 percent of the commodity rate shown in §1-1-3(F)(1)(a). For excess usage greater  
23 than 200 percent (third tier) of the annual irrigation budget, the surcharge shall be 150  
24 percent of the commodity rate shown in §1-1-3(F)(1)(a).

25 (b) The surcharge amount added for each unit exceeding 200  
26 percent of the Winter Mean water usage as calculated in §1-1-2(A), shall be equal to 50  
27 percent of the commodity charges in §1-1-3(F)(1)(a), and shall be added to the total charge  
28 determined in §1-1-3(F)(1)(a) for usage during the following months of April through  
29 October. For those residential customers that have a Winter Mean equal to or greater than  
30 15 units, the surcharge amount added for each unit exceeding 200 percent of the Winter  
31 Mean water usage as calculated in §1-1-2(A), shall be equal to 100 percent of the

1 commodity charges in §1-1-3(F)(1)(a), and shall be added to the total charge determined in  
2 §1-1-3(F)(1)(a) for usage during the months of April through October.

3 (c) The surcharge amount added for each unit exceeding 300  
4 percent of the Winter Mean water usage as calculated in §1-1-2(A), shall be equal to 50  
5 percent of the commodity charges in §1-1-3(F)(1)(a), and shall be added to the total charge  
6 determined in §1-1-3(F)(3)(b) for usage during the months of April through October. For  
7 those residential customers that have a Winter Mean equal to or greater than 15 units, the  
8 surcharge amount added for each unit exceeding 300 percent of the Winter Mean water  
9 usage as calculated in §1-1-2(A), shall be equal to 100 percent of the commodity charges  
10 in §1-1-3(F)(1)(a), and shall be added to the total charge determined in §1-1-3(F)(3)(b) for  
11 usage during the months of April through October.

12 (d) The surcharge amount added for each unit exceeding 400  
13 percent of the Winter Mean water usage as calculated in §1-1-2(A) shall be equal to 50  
14 percent of the commodity charges in §1-1-3(F)(1)(a), and shall be added to the total charge  
15 determined in §1-1-3(F)(3)(c) for usage during the months of April through October. For  
16 those residential customers that have a Winter Mean equal to or greater than 15 units, the  
17 surcharge amount added for each unit exceeding 400 percent of the Winter Mean water  
18 usage as calculated in §1-1-2(A), shall be equal to 100 percent of the Commodity Charges  
19 §1-1-3(F)(1)(a), and shall be added to the total charge determined in §1-1-3(F)(3)(c) for  
20 usage during the months of April through October.

21 (e) Drought Related Surcharges. Under the four levels of Drought  
22 defined in the Drought Management Strategy, the Water Authority may, at its sole  
23 discretion, increase surcharges described in §1-1-3 by a factor of two, three or more as  
24 may be necessary to assist in water use reduction during a drought. During a drought, the  
25 Water Authority shall declare to the public the Drought Level, which can be raised and  
26 lowered by the Water Authority, and the proposed increase in surcharges. The Drought  
27 level only applies to the current year and must be approved by the Water Authority on a  
28 year by year basis. The Water Authority delegates the implementation of the Drought  
29 Management Strategy including the increase of surcharges to the Executive Director.  
30 Based on the Drought Level approved by the Water Authority, the Executive Director shall  
31 implement the Drought Management Strategy and announce the effective date of the new  
32 surcharges.

1 (f) For residential class Customers only having service sizes 1  
2 through 3, a 50 percent discount shall be applied to the commodity charges in §1-1-  
3 3(F)(1)(a) for water usage greater than the customer's Winter Mean water usage during the  
4 months of April through October when water usage is equal or less than 150 percent of the  
5 Class Winter Mean water usage.

6 (G) Multiple Meter Service. Customers with service by more than one meter to  
7 any premise shall be charged the applicable fees associated with each meter except for  
8 single-family residential Customers who have two meters, of which one is used for  
9 irrigation. The monthly fixed charge for these single-family residential Customers will be  
10 based on the largest meter at the single-family residence.

11 (H) Water Credit. For those accounts included within the Water Credit  
12 classification, a credit of \$10.31 per month will be applied to their billing; the billing shall be  
13 calculated using the Fixed Monthly Charge and Commodity Charge as set forth in this  
14 Ordinance.

15 (I) Tag and Testing Charge. When a Customer disputes meter accuracy, a "Tag  
16 & Test" service will be done after all the steps taken by the Water Authority have been  
17 exhausted and if requested in writing by the legal property owner or his/her authorized  
18 representative.

19 (1) Meters 5/8 X 3/4" to 2"

Meter Size	Tag and Testing Charge Service
5/8" x 3/4"	\$140
1"	185
1-1/2"	380
2"	455

25 The meter in question will be removed and a new one installed so that service can  
26 be maintained. The removed meter will be bench tested by the Water Authority in  
27 accordance with AWWA Standard C705. Should the meter fail the accuracy test such that  
28 the requestor was being overcharged, there would be no charge to the requestor.

29 (2) Meter 3" and greater. The meter in question will be tested in place in  
30 accordance with AWWA Standard C701, C702 or C703 and AWWA manual M6. Should  
31 the meter fail the accuracy test such that the requestor was being over charged, there  
32 would be no charge to the requestor. The testing charge for this will be \$500 for all sizes.

1 (J) Customer utility statements shall contain the following itemized element:  
2 "Facility Rehabilitation: \$`x,' where `x' shall be the cost of the rate increase to fund facility  
3 rehabilitation."

4 (K) Real property owners receiving water service from the Water Authority are  
5 responsible for hiring a licensed plumber to connect their customer service line to the Water  
6 Authority system at the point of metered service, or obtain a Homeowner Permit from the  
7 permitting Agency, allowing the property owner to make the connection.

8 1-1-4. NON-POTABLE WATER RATES.

9 (A) Definitions. Refer to §1-1-3(A) Water Rates for the definitions of Customer  
10 Classifications, which apply to this Section.

11 (B) Metered Service. The rates and compensation to be paid to the Water  
12 Authority for public and private use of non-potable water supplied by the Water Authority  
13 within the Service Area for any and all purposes shall be in accordance with the schedule  
14 of charges listed in §1-1-3(A) for potable water metered service.

15 (C) Commodity Charge.

16 (1) In addition to the Fixed Monthly Charge, all non-potable water used by  
17 a Customer within the Service Area shall be charged at the rate corresponding to 80  
18 percent of the potable water commodity rate (one unit equals 100 cubic feet). This is  
19 determined by the meter reading or by estimating the usage by statistical methods.  
20 Customers shall pay bills monthly.

21 (2) Bills may be based on the estimated average annual non-potable  
22 water use by units, annualized and divided by 12 months, plus the fixed monthly charge.  
23 Any special charges, such as UEC, shall be included on the bill. The Executive Director  
24 may administratively adjust bills periodically by crediting and debiting accounts as  
25 appropriate if errors have been found and verified.

26 (3) All surcharges for irrigation-only water accounts shall be charged at  
27 the rate based upon the non-potable water commodity rate (one unit equals 100 cubic feet).

28 (D) Multiple Meter Service. Customers with non-potable water service by more  
29 than one meter to any premise shall be charged the applicable fees associated with each  
30 meter.

31 (E) Tag and Testing Charge. Refer to §1-1-3 (I) for applicable provisions and  
32 charges.



1 (F) Utility Expansion Charge (UEC).

2 (1) A Utility Expansion Charge shall be paid to the Water Authority at the  
3 time of non-potable meter sale or application for non-potable water service for all new  
4 services connecting to the non-potable water system. The UEC may be paid in full at the  
5 time of non-potable service application, or paid over time with an initial minimum of 5  
6 percent down payment. The balance shall be subject to a fixed monthly charge to include a  
7 carrying charge set at 7 percent per annum. On all connections, the balance shall be paid  
8 in full within 120 months.

9 (2) The UEC for non-potable water service shall be the same as the UEC  
10 for potable water service. Refer to §1-1-8(A) for applicable provisions and charges.

11 (3) Existing water Customers wishing to receive non-potable water shall  
12 not be charged a UEC unless the new combined potable and non-potable system capacity  
13 exceeds the Customer's previous existing potable system capacity.

14 (4) Redundant potable water and non-potable water metered services are  
15 not required for non-potable service.

16 (G) Non-potable Water Meter and Service Installation Fees. Refer to §1-1-9 for  
17 applicable provisions and charges.

18 (H) Customers that are currently using potable water for irrigation or other  
19 qualified industrial purposes as determined by the Water Authority and whose property is  
20 located within 200-feet of a non-potable water line are required to connect to the non-  
21 potable system within one year of service availability. Connection to non-potable system is  
22 a condition of service. The Water Authority is required to provide written notification to the  
23 property owner that non-potable water is available and that connection to the system is  
24 mandatory. If requested, the Water Authority will meet with the affected property owners  
25 and provide additional information regarding service availability, connection locations and  
26 other information that may be deemed necessary. The property owner has one year from  
27 the date of notification. Failure to connect may result in termination of service.

28 (I) Water Rights Leases. Beginning July 1, 2006, except for lease agreements  
29 that provide for periodic rate increases, water rights leases entered into by the Water  
30 Authority for the purpose of offsetting depletive effects on the Rio Grande from pumping by  
31 others shall be charged at the non-potable water rate.

1 1-1-5. SEWER RATES.

2 (A) Definitions. For the purpose of this Section, the following definitions shall  
3 apply unless the context clearly indicates or requires a different meaning.

4 BOD or BIOCHEMICAL OXYGEN DEMAND. The quantity of oxygen utilized  
5 in the biochemical oxidation of organic matter by Standard Methods procedures in five days  
6 at 20° C. expressed in milligrams per liter (mg/l).

7 CLEANOUT. A tee section in the sanitary sewer located outside any  
8 structure accessible 24 hours a day and constructed according to the Utility's standard  
9 detail.

10 COD or CHEMICAL OXYGEN DEMAND. A measure of the oxygen-  
11 consuming capacity of organic and inorganic matter present in wastewater as milligrams  
12 per liter (mg/l), by Standard Methods procedures.

13 NH<sub>3</sub>N OR AMMONIA NITROGEN. Total Ammonia – A measure of the  
14 total ammonia as nitrogen concentration as milligrams per liter (mg/L) by Standard Methods  
15 or EPA approved procedures.

16 CUSTOMER CLASSIFICATIONS.

17 (1) RESIDENTIAL. Single-family detached, condominiums served by  
18 individual meters, townhouses served by individual meters, duplexes served by individual  
19 meters, or mobile homes served by individual meters.

20 (2) MULTI-FAMILY. Any metered/account serving more than one  
21 dwelling unit; i.e., duplexes, residences with guests houses, triplexes, four-plexes,  
22 apartment complexes, condominiums, town-homes, or mobile homes served by common  
23 meters.

24 (3) COMMERCIAL. Retail, offices, hotels, motels, shopping centers, none  
25 of which use process water in the conduct of business.

26 (4) INDUSTRIAL. Manufacturing, or process facility which is engaged in  
27 producing a product.

28 (5) INSTITUTIONAL. Government buildings, hospitals, schools, and other  
29 facilities that provide public and quasi-public services.

30 (6) WHOLESALE-SPECIAL CONTRACTS. Contract Customers that are  
31 responsible for a collection system beyond the point where their respective wastewater  
32 discharges into the Water Authority's interceptors.

1 (7) KIRTLAND AIR FORCE BASE (KAFB).

2 (8) FOOD SERVICE ESTABLISHMENT or FSE. Any establishment,  
3 commercial or noncommercial, such as a restaurant, cafeteria, snack bar, temple, mosque,  
4 church, synagogue, worship hall, banquet facility, preschool, school, or meeting place, with  
5 a kitchen that is used for preparing, serving, or otherwise making available for consumption  
6 foodstuffs in commercial amounts in or on a receptacle that requires washing and that  
7 discharges to the Water Authority's POTW.

8 INDUSTRIAL WASTE. Wastes resulting from any process of industry,  
9 manufacturing, trade, or business, or from the development, recovery, or processing of  
10 natural resources.

11 LATERAL SEWER. An individual user's sewer pipe beginning at the public  
12 sewer and extending to the premises actually served. The lateral sewer includes the stub  
13 to which a user connects to the public sewer and all appurtenances on such lateral sewer.  
14 The user is responsible for the maintenance of the lateral sewer including those portions  
15 that may be within any right-of-way. The term is interchangeable with "house service  
16 connection," "sewer service line," or "building sewer."

17 NORMAL DOMESTIC WASTEWATER. Effluent which contains constituents  
18 and characteristics similar to effluent from a residence and specifically for the purposes of  
19 this Ordinance does not contain BOD, COD, NH<sub>3</sub>N and TSS in excess of the following  
20 concentration:

21 BOD -- 250 mg/l

22 COD -- 500 mg/l

23 TSS -- 330 mg/l

24 NH<sub>3</sub>N – 25 mg/l

25 PUBLICLY OWNED TREATMENT WORKS or POTW. A treatment works as  
26 defined by §212 of the Clean Water Act, (33 USC 1292) which is owned by the Water  
27 Authority. The term also includes Water Authority works, as defined in §502 of the Clean  
28 Water Act, (33 USC 1362) which has jurisdiction over the indirect discharges to and the  
29 discharges from such a treatment works. The "treatment works" includes all plants,  
30 sanitary sewers, lift stations, odor control stations, and all other properties, now or hereafter  
31 existing, used or useful in connection with the collection, pumping, disposal and treatment  
32 of wastewater, as now or hereafter added to, expanded or improved.

1 SEWER CREDIT ELIGIBILITY AND PROCEDURES. Single-family  
2 detached, condominiums, townhouses, duplexes or triplexes served by common or  
3 individual meters; mobile homes served by individual meters; but limited to those  
4 Customers who own the dwelling in which they reside and qualify under the United States  
5 Department of Health and Human Service poverty guidelines.

6 STANDARD METHODS. The laboratory procedures set forth in the latest  
7 edition, at the time of analysis, of Standard Methods for Examination of Water and  
8 Wastewater, as prepared, approved and published jointly by the American Public Health  
9 Association and American Water Works Association and the Water Pollution Control  
10 Federation.

11 TOTAL SUSPENDED SOLIDS or TSS. Those solids which are retained by a  
12 standard glass fiber filter and dried to constant weight at 103 – 105° C. expressed in  
13 milligrams per liter (mg/l), by Standard Methods procedures.

14 WASTEWATER. The used water of a community. Such used water may be a  
15 combination of the liquid waterborne wastes from residences, commercial buildings,  
16 industrial plants and institutions.

17 (B) Methodology and Calculation of Rates and Charges.

18 (1) The rates and charges described in this Ordinance are developed in  
19 conformance with standard cost-of-service rate making principles as recommended by the  
20 American Water Works Association, the Water Environment Federation, and the United  
21 States Environmental Protection Agency (USEPA).

22 (2) The Water Authority's rates and charges are calculated based on  
23 each customer classification's use of the system. Historical billed flows by classification  
24 and a systematic allocation of operation, maintenance, and capital costs were used to  
25 calculate the schedule of charges contained in this Ordinance.

26 (C) Fixed Monthly Charge.

27 (1) The rates and compensation to be paid to the Water Authority for  
28 public or private use by discharge of liquid waste into the Water Authority within the Service  
29 Area for any and all purposes whatsoever shall be in accordance with the following  
30 schedules of charges. The Fixed Monthly Charge for Customers with Water Authority  
31 water service shall be based on the water service size. The Fixed Monthly Charge for  
32 Customers without Water Authority water service shall be based on the liquid waste flow.

1 Liquid waste flow will be calculated in accordance with the methodology set forth in the  
 2 Commodity Charge Section of §1-1-5(D).

3 (2) Fixed Monthly Charge for Customers with water service:

4 Serv Size	Meter	Resid	Comm	Indust	Instit	Multi- 5 family
6 1	$\frac{5}{8} \times \frac{3}{4}$	\$3.91	\$4.84	\$22.01	\$3.75	\$6.50
7 2	1	6.34	7.93	37.28	6.06	10.76
8 3	1½	25.96	32.85	160.58	24.70	45.30
9 4	2	64.59	81.94	403.47	61.42	112.93
10 5	3	86.50	109.78	541.22	82.25	151.37
11 6	4	184.27	234.02	1155.95	175.18	322.89
12 7	6	245.41	310.13	1540.32	233.30	430.13
13 8	8 & over	436.26	554.20	2740.22	414.71	764.93
14 Effective July 1, 2017						

15 A 5 percent revenue increase is approved and a schedule of charges will be designed and  
 16 implemented based upon the Water Authority's Cost of Service Rate Model.

17 (3) Fixed Monthly Charge for Customers without water service:

18 Liquid Waste

19 Flow (CCF)	Residential	Commercial	Industrial	Institutional	Multi-family
20 0-10	\$3.91	\$4.84	\$22.01	\$3.75	\$6.50
21 11-19	6.34	7.93	37.28	6.06	10.76
22 20-63	25.96	32.85	160.58	24.70	45.30
23 64-82	64.59	81.94	403.47	61.42	112.93
24 83-343	86.50	109.78	541.22	82.25	151.37
25 344-599	184.27	234.02	1155.95	175.18	322.89
26 600-803	245.41	310.13	1540.32	233.30	430.13
27 804-over	436.26	554.20	2740.22	414.71	764.93
28 Effective July 1, 2017					

29 A 5 percent revenue increase is approved and a schedule of charges will be designed and  
 30 implemented based upon the Water Authority's Cost of Service Rate Model.

31 (4) Fixed Monthly Charges for Wholesale and KAFB

32 Serv Size	Wholesale	Item	KAFB
--------------	-----------	------	------

1	1	\$4.95	Per Month	\$15,752.25
2	2	8.10		
3	3	17.92		
4	4	83.86		
5	5	112.37		
6	6	239.53		
7	7	319.05		
8	8	540.28		

9 Effective July 1, 2017

10 A 5 percent revenue increase is approved and a schedule of charges will be designed and  
 11 implemented based upon the Water Authority's Cost of Service Rate Model.

12 (D) Commodity Charge. All wastewater discharge shall be charged on the basis  
 13 of the Commodity Charges for Retail and Special Customers rate table on a per unit basis  
 14 (one unit equals 100 cubic feet).

15 Commodity Charges for Retail and Special Contract Customers

16	Customer Class	Base (\$/CCF)	Rehab (\$/CCF)	Total Commodity (\$/CCF)
17	Retail Customers			
18	Residential	\$1.181	\$0.244	\$1.425
19	Commercial	1.181	0.244	1.425
20	Industrial	1.181	0.244	1.425
21	Institutional	1.181	0.244	1.425
22	Multi-family	1.181	0.244	1.425
23	Special Contracts			
24	Wholesale	\$0.616	\$0.128	\$0.744
25	KAFB	0.616	0.128	0.744

26 Effective July 1, 2017

27 A 5 percent revenue increase is approved and a schedule of charges will be designed and  
 28 implemented based upon the Water Authority's Cost of Service Rate Model.

29 (1) Customers with Water Service. The commodity charge for usage  
 30 during the months of December, January, February and March (winter months) shall be  
 31 based upon 95 percent of the metered or estimated volume of water usage during each of  
 32 these months for each account. The commodity charge for usage during other months

1 shall be based upon 95 percent of the metered or estimated volume of water usage during  
2 that month or shall be based upon 95 percent of the prior winter months' average,  
3 whichever is less for each account. The winter months' average is determined by  
4 averaging the metered or estimated volume of water used during the winter months.

5 (2) Customers without Water Service. The volume of wastewater  
6 discharge shall be determined by the physical measurement at the expense of the  
7 customer; however, where accurate and reasonable estimates can be made by statistical  
8 methods, such estimates shall be considered the volume of discharge upon which the  
9 Commodity Charge is based. The Water Authority expressly reserves the right to  
10 determine the estimated wastewater volume for any customer without water service, which  
11 determination may be appealed to the Executive Director.

12 (3) Special Wastewater Discharge Volume. The Water Authority  
13 recognizes that sewage discharge patterns for individual Customers may vary to a great  
14 extent from the norms of any particular class; therefore, any Customer may, at their own  
15 expense, provide the Water Authority with sewage flow data for consideration of a special  
16 wastewater discharge volume. Such data shall be certified by an engineer registered in the  
17 state. The Water Authority expressly reserves the right to determine the estimated  
18 wastewater volume for any Customer, which determination may be appealed to the  
19 Executive Director.

20 (E) Extra-Strength Surcharge.

21 (1) All Customers discharging wastewater into the POTW are subject to a  
22 surcharge if the discharged wastewater exceeds normal domestic wastewater strength.

23 NORMAL STRENGTH is defined as:

- 24 (a) Chemical Oxygen Demand (COD) less than or equal to 500  
25 mg/l; and
- 26 (b) Biochemical Oxygen Demand (BOD) less than or equal to 250  
27 mg/l; and
- 28 (c) Total Suspended Solids (TSS) less than or equal to 330 mg/l;  
29 and
- 30 (d) Ammonia Nitrogen (NH<sub>3</sub>N) less than or equal to 25 mg/l.

31 (2) The Water Authority shall determine strength as defined by the above  
32 parameters in §1-1-5(E)(1) above. The procedures are described §1-1-5(I) below. If it is

1 determined that the wastewater strength exceeds the limits specified, a surcharge shall be  
2 levied at the rate of:

- 3 (a) \$.16 per pound of COD for the excess of 500 mg/l of COD; and
- 4 (b) \$.31 per pound of BOD for the excess of 250 mg/l BOD; and
- 5 (c) \$.26 per pound of TSS for the excess of 330 milligrams per liter
- 6 of TSS; and
- 7 (d) \$.77 per pound of NH<sub>3</sub>N for the excess of 25 mg/l of NH<sub>3</sub>N.

8 (3) Any customer that is a Food Service Establishment permitted by the  
9 City of Albuquerque, Village of Los Ranchos, Bernalillo or Sandoval County shall be  
10 charged an extra strength surcharge of \$1.96 per unit (100 cubic feet).

11 (4) The Water Authority shall promulgate regulations to carry out the  
12 provisions of the extra-strength surcharge.

13 (F) Septic Tank Truck Discharge. No user owning vacuum or "cesspool" type  
14 pumping trucks or other liquid waste transport trucks shall discharge such waste into the  
15 POTW, unless such person shall first have applied for and received a Septic Tank  
16 Discharge or Chemical Toilet Discharge Permit from the Industrial Pretreatment Engineer  
17 pursuant to the Sewer Use and Wastewater Control Ordinance Section 3-3-7.

18 (G) Sewer Use Regulations. The Water Authority's Sewer Use and Wastewater  
19 Control or successor Ordinance, shall govern all discharges of wastewater to the POTW.

20 (H) Sampling; Metering Manhole Requirements. When required by the Utility, the  
21 owner of property serviced by a lateral sewer carrying industrial wastes shall install a  
22 suitable control manhole or cleanout together with such necessary meter and other  
23 appurtenances in the lateral sewer to facilitate observation, sampling, and measurement of  
24 the wastes. Such monitoring locations shall be accessible, safely located, and constructed  
25 in such a manner as to prevent infiltration of ground and surface waters. They shall be  
26 constructed in accordance with plans approved by the Utility. The Utility has established  
27 standard details. The monitoring location and all equipment shall be installed by the owner  
28 at his expense, and shall be maintained by him so as to be safe and accessible at all times.

29 (I) Sampling and Testing Procedures.

30 (1) All dischargers subject to monitoring according to the Water  
31 Authority's Sewer Use and Wastewater Control Ordinance, will be monitored by the Water  
32 Authority. The discharge will be sampled and tested for compliance with the Water



1 Authority's Sewer Use and Wastewater Control Ordinance, and to determine the surcharge  
2 amount.

3 (2) All measurements, tests and analysis of the characteristics of waters  
4 and wastes shall be determined in accordance with the latest edition of Standard Methods  
5 for the Examination of Water and Wastewater, published jointly by the American Public  
6 Health Association and Water Pollution Control Federation, and the American Waterworks  
7 Association.

8 (3) Sampling shall be carried out by customarily accepted methods. The  
9 particular analyses involved will determine whether a 24-hour composite of all outfalls of a  
10 premise is appropriate or whether a grab sample or samples should be taken. Normally,  
11 but not always, BOD, COD, NH<sub>3</sub>N and TSS analyses are obtained from 24-hour  
12 composites of all outfalls.

13 (4) Those industries suspected of discharging either high COD, BOD,  
14 NH<sub>3</sub>N wastes or high TSS wastes shall be sampled for four consecutive days by grab  
15 samples or 24-hour composite samples from a Utility manhole. If COD results exceed 500  
16 mg/l, BOD results exceed 250 mg/l, NH<sub>3</sub>N results exceed 25 mg/l, or TSS results exceed  
17 330 mg/l on any of the two of the four consecutive days, or in any of the 24-hour composite  
18 samples, a sampling manhole may be required for industries discharging greater than  
19 25,000 gallons per day or if required by the Water Authority's Sewer Use and Wastewater  
20 Control Ordinance or successor Ordinance. Upon installation of the sampling manhole, an  
21 automatic sampler will be used to gather a composite which shall be used to compute a  
22 monthly surcharge. Industries discharging less than 25,000 gallons per day and not  
23 otherwise requiring a sampling manhole may be required to install a cleanout and an  
24 automatic sampler will be used to gather a composite which shall be used to compute a  
25 monthly surcharge. Pretreatment may be required according to the Water Authority's Sewer  
26 Use and Wastewater Control Ordinance or successor Ordinance.

27 (5) The Water Authority may assess penalties for noncompliance with the  
28 Sewer Use and Wastewater Control Ordinance or successor Ordinance.

29 (J) Sewer Credit. For those accounts included within the Sewer Credit  
30 classification, a credit of \$9.62 per month will be applied to their billing; the billing shall be  
31 calculated using the Fixed Monthly Charge and Commodity Charge as set forth in this  
32 Ordinance.

1 (K) Customer utility statements shall contain the following itemized element:  
 2 "Facility Rehabilitation: \$`x,' where `x' shall be the cost of the rate increase to fund facility  
 3 rehabilitation."

4 1-1-6. WATER AND SEWER REHABILITATION FUND.

5 (A) An established portion of the revenue generated by fixed water rates and the  
 6 Water Commodity Charge shall be distributed to a Water and Sewer Rehabilitation Fund.  
 7 The fixed rate portion of the Water Rates contained in §1-1-3(B) which shall be distributed  
 8 to the Water and Sewer Rehabilitation Fund are contained in the following schedule of  
 9 charges. The portion of the water commodity rate to be distributed to the Water and Sewer  
 10 Rehabilitation Fund shall be 0.392 per unit.

11 Fixed Water Rates (per month)

12	Serv Size	Meter Size	Residential	Commercial	Industrial	Institutional	Multi-family
13	1	5/8 X 3/4	\$5.38	\$5.64	\$10.57	\$5.80	\$6.62
14	2	1	11.12	11.35	22.17	11.56	13.51
15	3	1 1/2	31.13	32.35	66.16	33.77	39.59
16	4	2	66.73	69.16	144.32	72.44	85.58
17	5	3	127.71	132.72	273.79	138.66	163.04
18	6	4	288.44	298.60	628.68	313.29	371.28
19	7	6	489.31	495.73	1017.62	517.34	607.08
20	8	8 & over	1024.79	1062.99	2219.33	1207.66	1314.79

21 Effective July 1, 2017

22 A 5 percent revenue increase is approved and will be implemented based upon the Water  
 23 Authority's Cost of Service Rate Model.

24 (B) In addition to the portion of the commodity rate to be distributed to the Water  
 25 and Sewer Rehabilitation fund as identified in §1-1-5(D) above, the following fixed rate  
 26 portions of the sewer rates contained in §1-1-5(C) shall be distributed to the Water and  
 27 Sewer Rehabilitation Fund.

28 Fixed Monthly Rehabilitation Charges

29 Fixed Sewer Rates (per month)

30 Effective July 1, 2017

31	Serv Size	Meter Sz	Resid	Comm	Indust	Instit	Multi-fam	Wholesale
32	1	5/8 X 3/4	\$6.12	\$7.57	\$34.39	\$5.86	\$10.16	\$7.73

1	2	1	9.90	12.39	58.26	9.46	16.82	12.66
2	3	1 - 1½	40.57	51.34	250.96	38.6	70.79	28.01
3	4	2	100.95	128.06	630.55	95.99	176.49	131.06
4	5	3	135.18	171.56	845.83	128.54	236.56	175.61
5	6	4	287.99	365.73	1806.54	273.78	504.62	374.34
6	7	6	383.53	484.68	2407.23	364.6	672.22	498.61
7	8	8 & over	681.79	866.11	4282.47	648.12	1195.45	844.36

8 A 5 percent revenue increase is approved and will be implemented based upon the Water  
9 Authority's Cost of Service Rate Model.

10 Monthly Rehabilitation Charges for KAFB

11	Item	KAFB
12	Per Month	\$24,617.90

13 Effective July 1, 2017

14 A 5 percent revenue increase is approved and will be implemented based upon the Water  
15 Authority's Cost of Service Rate Model.

16 (C) Committed expenditures for the rehabilitation of water wells, pump stations,  
17 reservoirs, service lines, other water lines, gate valves and the committed expenditures for  
18 rehabilitation of sewer lines, odor control stations, pumping stations and treatment facilities  
19 from revenues in the Water and Sewer Rehabilitation Fund shall not be less than \$30  
20 million dollars per year.

21 (D) The distributions from water and sewer rates to the Water and Sewer  
22 Rehabilitation Fund shall be reviewed every five years and updated as needed to adjust for  
23 construction inflation, new capital inventory, rate increases and other factors.

24 1-1-7. WATER AND SEWER SYSTEM AND UTILITY FINANCIAL POLICIES.

25 (A) The term of each and every instrument of debt shall be 12 years or less;  
26 except for sustainable water supply projects. This policy shall not apply to the possible  
27 acquisition of other operating water and wastewater utility systems or to mitigate short term  
28 rate impacts.

29 (B) At a minimum, an average of 50 percent of the cost of capital projects which  
30 constitute the normal capital program of the water and sewer system including the  
31 rehabilitation and replacement of existing facilities, and the construction of water wells,  
32 pump stations, reservoirs, service lines, other water lines, gate valves, revenue meters and

1 meter boxes, sewer lines, odor control stations, and pumping stations, and treatment  
2 facilities shall be paid with cash rather than borrowed funds. The normal capital program  
3 excludes special capital projects such as the expansion of the wastewater treatment plants,  
4 arsenic mitigation, state and federal grant projects, state and federal mandated projects,  
5 and related to water resources management to achieve a sustainable supply of water. This  
6 policy shall not apply to the possible acquisition of other operating water and wastewater  
7 utility systems or to mitigate short term rate impacts.

8 (C) At a minimum, 25 percent of the cost of capital projects not included in the  
9 normal capital program of the water and sewer system shall be paid with cash rather than  
10 borrowed funds. This policy shall not apply to the possible acquisition of other operating  
11 water and wastewater utility systems sustainable water supply or to mitigate short term rate  
12 impacts.

13 (D) Utility Expansion Charge (UEC) revenues or those of successor development  
14 fees in excess of \$6 million per year shall be transferred to the Joint Water and Sewer  
15 Capital Funds. The transfer of these funds shall be made in the fiscal year following the  
16 most recent audited Comprehensive Annual Financial Report.

17 (E) Utility Expansion Charge rates shall be based on adopted policies of the  
18 Water Authority.

19 (F) Appropriations of cash transfers from water and sewer utility operating funds  
20 or debt service funds to a Joint Water and Sewer Capital Fund shall be made in the  
21 amounts appropriated during the year for which the appropriations have been made.

22 (G) The Water Authority has implemented an asset management program to  
23 manage its capital infrastructure focusing on minimizing the total cost of designing,  
24 acquiring, operating, maintaining, replacing, and disposing of capital assets over their life  
25 cycle while achieving desired service levels. It will allow the Water Authority to manage  
26 existing assets more effectively, make informed decisions on policy and budgetary matters,  
27 and plan for future needs. Based upon this program the Water Authority will begin to  
28 incrementally increase its Capital Implementation Program spending at approximately \$3  
29 million a year until the Water Authority can reach and sustain a spending level of  
30 approximately \$76 million a year.

31 (H) A Rate Reserve Fund is established for reserving water and sewer revenues  
32 in a dedicated fund for the purpose of offsetting declines in rate revenue and to mitigate

1 future rate increases. This Rate Reserve Fund will be funded at \$2 million per year. By  
 2 Fiscal Year 2015 the goal for the Water Authority is to achieve and maintain a Working  
 3 Capital Balance that will be 1/12 of the Water Authority's annual budgeted expenditures.  
 4 The Rate Reserve Fund will be counted in the Working Capital Balance calculation,  
 5 however any expenditure from the Rate Reserve Fund will require an appropriation  
 6 approved by the Water Authority Board.

7 (I) The Water Authority's Investment Policy is attached as Appendix A and  
 8 provides the policy guidance on the investment of funds. The Water Authority's Debt  
 9 Management Policy and Guidelines is attached as Appendix B and sets forth the  
 10 parameters for issuing debt and managing the outstanding debt portfolio and provides  
 11 guidance regarding the purposes for which debt may be issued, types and amounts of  
 12 permissible debt, timing and method of sale that may be used, and structural features that  
 13 may be incorporated. The Water Authority's Post Issuance Compliance Policy is attached  
 14 as Appendix C, and provides the post-issuance tax compliance controls and procedures  
 15 related to financial obligations.

16 1-1-8. UTILITY EXPANSION CHARGE (UEC) and WATER SUPPLY CHARGE (WSC).

17 (A) (1) A UEC charge will be paid to the Water Authority at the time of meter  
 18 sale or application for service for all properties connecting to the water and/or wastewater  
 19 system in accordance with the following schedule. The amount of the UEC's shall be  
 20 adjusted annually by building cost or construction cost indices (BCI or CCI) as published by  
 21 the Engineering News Record (ENR). Where water service does not exist and sewer  
 22 service is to be taken and the sewer UEC is applicable, the charge shall be based upon the  
 23 wastewater flow. A unit of flow is equal to 100 cubic feet.

24 (a) Financing for Water UEC

25 Finance for Water UEC

26 Water Meter Size	Water Payment	Minimum Cash Down	Balance to Finance
27 <u>5/8 X 3/4"</u>	<u>\$3046</u>	<u>\$152</u>	<u>\$2,894</u>
28 <u>1"</u>	<u>5,076</u>	<u>254</u>	<u>4,822</u>
29 <u>1-1/2"</u>	<u>10,152</u>	<u>508</u>	<u>9,645</u>
30 <u>2"</u>	<u>16,247</u>	<u>812</u>	<u>15,435</u>
31 <u>3"</u>	<u>32,487</u>	<u>1,624</u>	<u>30,862</u>
32 <u>4"</u>	<u>50,763</u>	<u>2,538</u>	<u>48,224</u>

1	6"	101,528	5,076	96,452
2	8" or More	162,444	8,122	154,322
3	5/8 X 3/4"	\$2960	\$148	\$2,812
4	1"	4,933	247	4686
5	1-1/2"	9,866	493	9,373
6	2"	15,789	789	14,999
7	3"	31,571	1,579	29,992
8	4"	49,332	2,467	46,866
9	6"	98,667	4,933	93,733
10	8" or More	157,866	7,893	149,973

11 (b) Financing for Sewer UEC

12 Finance for Wastewater UEC

13	Water Meter Size	Liquid Waste Flow	Sewer Payment	Minimum Cash Down	Balance to Finance
15	5/8 X 3/4"	0-10	\$2,285	\$114	\$2,171
16	1"	11-19	3,808	190	3,618
17	1-1/2"	20-63	7,614	381	7,233
18	2"	64-82	12,182	609	11,573
19	3"	83-343	24,423	1,221	23,202
20	4"	344-599	39,035	1,952	37,083
21	6"	600-803	78,075	3,904	74,172
22	8" or More	804 & over	121,827	6,091	115,736
23	5/8 X 3/4"	0-10	\$2,221	\$111	\$2,110
24	1"	11-19	3,701	185	3,516
25	1-1/2"	20-63	7,399	370	7,029
26	2"	64-82	11,839	592	11,247
27	3"	83-343	23,735	1,187	22,549
28	4"	344-599	37,935	1,897	36,038
29	6"	600-803	75,875	3,794	72,081
30	8" or More	804 & over	118,394	5,920	112,475

31

1                   (2)     The UEC may be paid in full or paid over time with an initial minimum  
2 of 5 percent down payment and the balance shall be subject to a fixed monthly charge to  
3 include a carrying charge set at 7 percent per annum. On all connections, the balance  
4 shall be paid in full within 120 months.

5                   (3)     The fixed monthly charge for the UEC shall run against the property  
6 and be the responsibility of any subsequent owner until paid in full. All monies collected  
7 through the imposition of the UEC, including the fixed monthly charge, shall be placed in a  
8 separate account to be used for financing the expansion for the water and sewer system.

9                   (B)     Reactivation of disconnected service. No refund of UEC will be made for a  
10 service downsizing. Reconnections requesting larger service than was originally installed  
11 shall pay UEC determined by subtracting the current charge for the original service size  
12 from the current charge for the new service size requested.

13                  (C)     Charges for multiple residential units:

14                   (1)     Requests for residential or commercial water and/or sewer service  
15 which will provide for more than one residential unit will pay UEC according to one of the  
16 following schedules:

17                               (a)     Apartment Complexes.

18                                       (i)     With 30 dwelling units or less shall pay 50 percent of the  
19 product of the total number of units times the water and/or sanitary sewer UEC for a 5/8" x  
20 3/4" water meter.

21                                       (ii)    With more than 30 dwelling units shall pay the amount  
22 given by the equation below:

23   Equivalent Units = (0.45) x (No. of Units) + 1.49

24   Total UEC = (Equivalent Units) x (5/8" x 3/4" Meter UEC)

25                               (b)     Mobile Home Parks, regardless of size, shall pay 53 percent of  
26 the product of the total number of dwelling units times the water and/or sanitary sewer UEC  
27 for a 5/8" x 3/4" water meter.

28                               (c)     Condominiums, regardless of size, shall pay 53 percent of the  
29 product of the total number of dwelling units times the water and/or sanitary sewer UEC for  
30 a 5/8" x 3/4" water meter.

31                               (d)     Commercial service shall pay the larger of the following:

32                                       (i)     The water and/or sewer UEC as shown in §1-1-8(A).

1 (ii) 50 percent of the product of the number of equivalent  
2 residential units times the water and/or sewer UEC charge for a 5/8" x 3/4" meter.

3 (e) Low income housing developments shall pay the greater of  
4 either:

5 (i) Eight percent of the product of the total number of  
6 dwelling units times the water and sanitary sewer UEC set forth in §1-1-8(A)(1) of this  
7 Ordinance for a 5/8" x 3/4" water meter; or,

8 (ii) The UEC set forth in §1-1-8(A)(1) of this Ordinance for  
9 the meter size required to service the development. The size shall be determined by the  
10 Water Authority based on the number of water fixture units described in AWWA M-22.

11 (f) At the time the water and sewer UEC is due and payable for a  
12 low income housing development, the owner of the low income housing development shall  
13 give the Water Authority a promissory note in the principal amount that is equal to the  
14 difference between the amount of the water and sewer UEC set forth in §1-1-8(A)(1) of this  
15 Ordinance for a 5/8" x 3/4" water meter and the amount of the water and sewer UEC set  
16 forth in §1-1-8(C)(1)(e). The promissory note shall be due and payable on the date the Low  
17 Income Housing Development ceases to qualify as a low income housing development as  
18 defined in §1-1-2(A). The promissory note shall not bear any interest from the date of the  
19 promissory note with maturity date of the promissory note. The promissory note shall bear  
20 interest at the rate imposed by §1-1-8(A)(2) from the maturity date of the promissory note  
21 until the date the promissory note is paid. The promissory note shall be secured by a  
22 mortgage on the low income housing development that is subject and subordinate only to  
23 mortgages securing the costs to purchase the land for the low income housing  
24 development and to design and construct the low income housing development.

25 (2) If the service requested necessitates modification and/or installation of  
26 additional facilities other than those already in existence and available to serve the  
27 property, then the cost of such modifications and/or additional facilities shall be applied and  
28 apportioned according to existing Water Authority policy.

29 (D) (1) A Water Supply Charge (WSC), as specified herein, will be assessed  
30 by the Water Authority at the time of meter sale or application for service to any new water  
31 user customer requesting connection to the water system in an area requiring new or  
32 enhanced infrastructure through a service expansion in accordance with §1-1-8(D)(1). The



proceeds from this charge will be dedicated and restricted to the development of new water resources, rights or supplies to serve the beneficiary new customers outside of the established infrastructure consistent with the Water Authority's Regional Water Plan and Water Resources Management Strategy and other guiding principles adopted by the Water Authority. The amount of the WSC shall be adjusted annually by building cost or construction cost indices (BCI or CCI) as published by the Engineering News Record (ENR).

Financing for Water Supply Charge - WSC

Water Meter Size	Water Payment	Minimum Cash Down	Balance to Finance
<u>5/8 X 3/4"</u>	<u>\$1,573</u>	<u>\$79</u>	<u>\$1,495</u>
<u>1"</u>	<u>2,631</u>	<u>132</u>	<u>2,500</u>
<u>1-1/2"</u>	<u>5,242</u>	<u>262</u>	<u>4,980</u>
<u>2"</u>	<u>8,387</u>	<u>419</u>	<u>7,968</u>
<u>3"</u>	<u>16,776</u>	<u>839</u>	<u>15,937</u>
<u>4"</u>	<u>26,029</u>	<u>1,310</u>	<u>24,898</u>
<u>6"</u>	<u>52,535</u>	<u>2,627</u>	<u>49,908</u>
<u>8" or More</u>	<u>83,873</u>	<u>4,194</u>	<u>79,679</u>
<del>5/8 X 3/4"</del>	<del>\$1,529</del>	<del>\$76</del>	<del>\$1,453</del>
<del>1"</del>	<del>2,557</del>	<del>128</del>	<del>2,429</del>
<del>1-1/2"</del>	<del>5,094</del>	<del>255</del>	<del>4,839</del>
<del>2"</del>	<del>8,151</del>	<del>408</del>	<del>7,743</del>
<del>3"</del>	<del>16,303</del>	<del>815</del>	<del>15,488</del>
<del>4"</del>	<del>25,470</del>	<del>1,274</del>	<del>24,197</del>
<del>6"</del>	<del>51,054</del>	<del>2,553</del>	<del>48,501</del>
<del>8" or More</del>	<del>81,509</del>	<del>4,075</del>	<del>77,434</del>

(2) The WSC may be paid in full or paid over time with an initial minimum of 5 percent down payment and the balance shall be subject to a fixed monthly charge to include a carrying charge set at seven percent per annum. On all new hook-up connections, the balance shall be paid in full within 120 months.

(3) The fixed monthly fee for the WSC shall run against the property and be the responsibility of any subsequent owner until paid in full. All monies collected through the imposition of the WSC shall be placed in a separate account to be used for

1 financing the development of additional long term water supplies to serve expansions of the  
2 Water Authority's service area subsequent to June 15, 2007.

3 (4) The WSC is not reimbursable under the line extension policy except  
4 for master planned water, wastewater, and reuse supply projects as contained in  
5 development agreements. All revenues generated from the WSC will be maintained in its  
6 own activity and to be used only as specified in §1-1-8(D)(1).

7 (5) Master planned developments outside the service area shall meet  
8 additional water, wastewater, and reuse service provision requirements in accordance with  
9 Water Authority policies and plans.

10 1-1-9. SPECIFIC SERVICES.

11 Fees for specific services shall be as follows:

12 (A) Metered Service Lines.

13 (1) 5/8 X 3/4" meter set only, \$295

14 (2) 1" meter set only, \$ 355

15 (3) 1 1/2" meter set only, \$555

16 (4) 2" meter set only, \$635

17 (5) 3" metered service line installation.

18 (a) 3" meter set only with compound meter without vault, \$2,185

19 (6) 4" metered service line installation.

20 (a) 4" meter set only with compound meter without vault, \$3,125

21 (b) 4" meter set only with fire assembly meter without vault \$7,210

22 (7) 6" metered service line installation.

23 (a) 6" meter set only with compound meter without vault, \$5,140

24 (b) 6" meter set only with fire assembly meter without vault \$7,520

25 (8) 8" metered service line installation.

26 (a) 8" meter set only with fire assembly without vault \$13,040

27 (9) 10" and larger: Contact the Utility for price quote

28 (B) Meter Size Reduction Installation.

29 (1) 5/8 X 3/4" through 1-1/2", contact the Utility for price quote

30 (2) 2", contact the Utility for price quote

31 (3) 3" and larger, contact the Utility for price quote

32 (C) Nonpayment Delinquency Fee.

1 (1) 5/8 X 3/4" and 1", \$45

2 (2) 1-1/2" through 10", \$60

3 (D) Combined Fire-Domestic Meters.

4 (1) Requests for this type of metered service, which provide both fire  
5 protection and domestic-irrigation service, may be made at the New Services Section of  
6 Utility Development. Upon the satisfactory determination of peak flow water delivery  
7 requirements, as certified by an engineer registered in the State of New Mexico, in  
8 accordance with the City and the County fire codes and the AWWA M22 an equivalent  
9 meter size will be determined for the service. Fixed monthly charges for private fire  
10 protection shall also be applied commensurate with the degree of fire protection capacity  
11 being provided.

12 (2) Fees for installation (set only) is in §1-1-9(A).

13 (E) Cross Connection Fees

14 (1) Containment Inspection Fees. An inspection fee of \$50 shall be  
15 assessed to all customers required to have premise inspections to cover expenses incurred  
16 by the Water Authority during the initial inspection of the premise. The inspection fee shall  
17 be assessed only to those customers whose premise are not in compliance with this  
18 Ordinance at the time of inspection.

19 (2) Backflow Prevention Assembly Administrative Charge. All customers  
20 required to provide cross-connection control by containment and/or isolation shall be  
21 assessed an annual administrative fee of \$30 (fee is not to be prorated in case of change in  
22 ownership) for each backflow prevention assembly located at the premise. This fee  
23 incorporates expenses incurred by the Water Authority to maintain records, to process  
24 required testing notices and to enter data as required.

25 (F) Meter Reset

26 (1) Contact the Utility for a price quote.

27 1-1-10. FRANCHISE FEE.

28 There shall be a charge of four percent on the total sales of water and sewer  
29 services added to customer billings to compensate the Water Authority for the franchise fee  
30 charged by the City, County and the Village of Los Ranchos and a charge of two percent  
31 on the total sales of water and sewer services added to customer billings to compensate  
32 the Water Authority for the franchise fee charged by the City of Rio Rancho for the granted

1 authorization to use rights-of-way and public places to construct, operate, and maintain  
2 water and wastewater systems.

3 1-1-11. PAYMENT.

4 All charges shall be payable at any location as designated by the Water Authority  
5 and will become delinquent 15 days following the "due by" date on the Customer's utility  
6 statement.

7 1-1-12. PENALTY FOR DELINQUENT ACCOUNTS.

8 A penalty of 1.5 percent per month may be imposed on all delinquent accounts.

9 1-1-13. PENALTY FOR NONCOMPLIANCE WITH THE SEWER USE AND  
10 WASTEWATER CONTROL ORDINANCE

11 (A) Any permitted Industrial User who has violated, or continues to violate, any  
12 Pretreatment Standard or Requirement as defined in the Sewer Use and Wastewater  
13 Control Ordinance shall be assessed a penalty of up to \$1,000 per violation per day.

14 (B) Any other violations of the Sewer Use and Wastewater Control Ordinance  
15 may be subject to a penalty up to \$ 1,000 per violation per day.

16 1-1-14. RESPONSIBILITY OF PAYMENT, LIENS, AND DEPOSIT.

17 (A) The assessed fees and service charges provided for herein are the personal  
18 responsibility of the owner of record, as reported by the Bernalillo County Assessor for the  
19 real property served.

20 (B) The Water Authority may file a lien of record on such real property for such  
21 charges including any interest or penalties accruing on same.

22 (C) Reasonable deposits may be required of any Customer including tenants.  
23 Deposits not to exceed six months in duration. Such deposits and accrued interest shall be  
24 applied to the utility account immediately upon becoming delinquent or the expiration of six  
25 month period. Any credit status created by applying the deposit will be absorbed by the  
26 monthly service charges and considered prepayments for services. Such deposits shall  
27 draw reasonable interest.

28 1-1-15. DISCONTINUANCE OF SERVICE; HEARING.

29 (A) The Water Authority may cause the water supply to be turned off and  
30 discontinue service to the property if any charge provided for herein remains unpaid for a  
31 period of 30 days from the "due by" date on the Customer's utility statement. Service may  
32 not be discontinued for delinquencies of a previous owner unless a lien, or record has been

1 filed prior to the real property changing ownership or responsibility with the Bernalillo  
2 County Clerk indicating that outstanding Utility charges remain.

3 (B) In order to discontinue service, a written notice shall be sent to the Customer  
4 at least ten calendar days' notice before termination of service and notice of the right to  
5 protest the Water Authority's proposed action at an administrative hearing.

6 (C) The Customer must request in writing that a hearing be held and such  
7 request must be received by the Executive Director on or before the date the services are  
8 to be terminated. If the Customer requesting the hearing is not the owner of record, the  
9 Customer must provide proof that the owner of record will be bound by the decision of the  
10 hearing officer.

11 (D) At such hearing, the Customer may present evidence as the Water Authority  
12 and the Executive Director may affirm, overrule or modify the decision to terminate the  
13 services. The decision shall be final.

14 (E) In the event a hearing is requested, the services shall not be terminated until  
15 and in accordance with that decision.

16 (F) A nonrefundable hearing fee of \$50.00 shall accompany each appeal filed  
17 pursuant to this §1-1-15.

18 (G) For purposes of expediting the satisfaction of delinquent accounts the  
19 Executive Director may at his discretion waive, credit, and or remove penalty fees or other  
20 fees from any account.

#### 21 1-1-16. EFFECTIVE DATE AND PUBLICATION.

22 The effective date of this Ordinance will be ~~July 1, 2015~~ July 1, 2016 unless  
23 otherwise stated.

#### 24 1-1-98. PROHIBITIONS.

25 (A) No person shall use or cause to be used any water produced or distributed by  
26 the Water Authority without the consent of Water Authority. Water distributed through  
27 authorized meter or obtained by any means authorized by ordinances or administration  
28 rules and regulations shall constitute the consent of the Water Authority.

29 (B) No person shall discharge or cause to be discharged any liquid waste to the  
30 liquid waste collection or treatment system operated by the Water Authority without the  
31 consent of the Water Authority and compliance with the Water Authority's Sewer Use and

1 Waste Water Control Ordinance. Approved connections or permits shall constitute such  
2 consent.

3 (C) No person shall willfully break, injure, or tamper with any property of the  
4 Water Authority, including but not limited to: wells, pump stations, reservoirs, sewage  
5 treatment plants, lift stations, distribution lines, fire hydrant service lines, meters, gate  
6 valves, manhole covers or grates.

7 (D) Violation of any of the above described Prohibitions constitutes a violation of  
8 the conditions of Water Authority service and shall be subject to a connection service  
9 charge of \$400.00 per occurrence and charges of four years of usage based upon prior  
10 usage or the customer class average or termination of service.

11 **Section 2. SEVERABILITY CLAUSE.** If any Section, paragraph, sentence, clause, work  
12 or phrase of this Ordinance is for any reason held to be invalid or unenforceable by any  
13 court of competent jurisdiction, such decision shall not affect the validity of the remaining  
14 provisions of this Ordinance. The Water Authority hereby declares that it would have  
15 passed this Ordinance and each Section, paragraph, sentence, clause, word or phrase  
16 thereof irrespective of any provision being declared unconstitutional or otherwise invalid.

17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29