

**NOTICE OF INTENT TO ADOPT AN ORDINANCE AMENDING TITLE V
(PUBLIC WORKS), CHAPTER 54 (GENERAL UTILITIES; SEWERS), §54.047 OF THE
TOWN OF SILVER CITY MUNICIPAL CODE**

The Council of the Town of Silver City, Grant County, New Mexico hereby gives notice of its intention to adopt a proposed amendment to the Town of Silver City Municipal Code of Ordinances.

This notice is given the title as follows:

ORDINANCE NO. 1155

**AN ORDINANCE AMENDING TITLE V (PUBLIC WORKS), CHAPTER 54
(GENERAL UTILITIES; SEWER), §54.047 OF THE TOWN OF SILVER CITY
MUNICIPAL CODE**

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

WHEREAS, the Town Council concludes that the rates and charges applicable to users of the Town's sewer system should be based upon a methodology that considers all costs and charges incurred by the Town in the construction, repair and maintenance, and expansion of the Town's sewer system infrastructure; and

WHEREAS, the Town Council, therefor, concludes that the base cost for service should be tied to the Town's total costs for debt service related to sewer and waste water projects, that the additional charges based upon consumption shall be tied to the total operating costs of the sewer system and infrastructure, and that the additional charge for waste water shall be tied to the total operating costs of the waste water treatment facilities; and

WHEREAS, the Town Council finds that the rates and charges mentioned herein shall be annually reviewed and adjusted as appropriate; and

WHEREAS, the Town Council finds that the adoption of the methodology for calculating sewer use rates will promote fiscal responsibility and conservation, and is necessary for the health, safety and welfare of the Town and its inhabitants;

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

Chapter 54, §54.047 (A) (1) is hereby deleted and replaced with the following:

(1) *Sewer users with water service (In-Town)*. Effective July 1, 2009, there shall be a base monthly rate charged for all water service consumer accounts connected to the town sanitary sewer system. The base monthly rate shall be calculated by the Town Manager in consultation with the Director of Utilities, and shall be commensurate with the projected debt service costs for the next following 12 months. In addition to the base rate, there shall be a charge per 1,000 gallons of metered water consumed per month, based upon the previous winter monthly consumptive average, for the months of December, January and February. The charge therefor shall be commensurate with the user's pro rata share of the projected total operating expenses of the Town's sewer system projected for the next following 12 months. Further, there shall be a monthly charge per 1,000 gallons of metered water consumed, based upon the previous winter monthly consumptive average, for the months of December, January and February. The charge therefore shall be commensurate with the user's pro rata share of the projected total operating expenses of the Town's waste water treatment plant.

Chapter 54, §54.047 (A)(2) is hereby deleted and replaced with the following:

(2) *Sewer users without water service (In-Town)*. Sewer users without water service are deemed to use 6,000 gallons of metered water per month for the purpose of calculating the base rate and the additional rates for consumptive use and waste water treatment.

Add a new subsection §54.047 (A)(3) which reads as follows:

(3) All “in-Town” and “out-of-Town” rates and charges associated with sewer service and effective July 1, 2009 shall be contained in an Appendix “A” to this Chapter. Thereafter, the Town Manager shall annually and prior to June 1st of the next following year recommend to the Town Council revised rates based upon the methodology described herein, which rates upon acceptance by the Town Council shall be incorporated into said Appendix “A”.

Chapter 54, §54.047 (B) is hereby deleted and replaced with the following:

B. The monthly rates or charges for sewer service furnished outside the Town limits shall be as follows.

(1) *Out of Town sewer users with Town water.* Effective July 1, 2009, the monthly base rate for service shall be double the rate for in-Town service, except that the consumptive and waste water treatment charges shall be the same as those charged to “in-Town” customers.

(2) *Out of Town sewer users without Town water.* Effective July 1, 2009, the monthly base rate for service shall be double the rate for in-Town service, but the additional charges for consumptive use and waste water treatment shall be the same as in-Town, except that there shall be a minimum charge calculated on the basis of 6,000 gallons of water usage.

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

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APPENDIX “A” Rates and Charges for Sewer Service

In-Town for those customers with Town water service:

Monthly base rate: \$6.63
Consumptive rate: \$0.97/thousand gal.
Waste water rate: \$1.80/thousand gal.

In-Town for those customers without Town water service:

Monthly base rate: \$6.63
Consumptive rate: \$0.97/thousand gal. *
Waste water rate: \$1.80/thousand gal. *

Out-of-Town, customers with no Town water:

Monthly base rate: \$13.26
Consumptive rate: \$0.97/thousand gal. *
Waste water rate: \$1.80/thousand gal. *

* Minimum charge calculated on the basis of 6,000 gallons usage per month.

Out-of-Town, customers with Town water:

Monthly base rate: \$13.26
Consumptive rate: \$0.97/thousand gal.
Waste water rate: \$1.80/thousand gal.

PASSED, ADOPTED AND APPROVED by vote of the Council of the Town of Silver City, Grant County, New Mexico, this _____ day of _____, 2009.

TOWN OF SILVER CITY

(Seal)

James R. Marshall, Mayor

ATTEST:

Ann L. Mackie, Town Clerk

Consideration of the final adoption of such proposed ordinance will not take place until at least two (2) weeks subsequent to the date of this notice and only at a public meeting called and held in accordance with Section 3-17-3, N.M.S.A. 1978. Consideration of adoption of said ordinance is currently scheduled for and will not take place prior to June 23, 2009.

/s/

May 27, 2009

Ann L. Mackie, Town Clerk

Date