
ORDINANCE 5-2022

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

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

Sec. 40-107. User charge system.

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

Bayard

Current Population 2116 divided by Total Population 5368 = 39%

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

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

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

Hurley

Current Population 1256 divided by Total Population 5368 = 23%

County of Grant

Current Population 159 divided by Total Population 5368 = 5%

Old Ft. Bayard Site

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

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

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

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

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

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

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

EFFECTIVE DATE

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

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

Chon S. Fierro
Mayor

ATTEST:

Kristina Ortiz, MMC
Clerk Treasurer