*Original Bill*
*With Proposed Staff Amendments Incorporated*
*(Italicized Text)*

**CITY OF SANTA FE, NEW MEXICO**

**BILL NO. 2012-____**

**INTRODUCED BY:**

Mayor David Coss

**AN ORDINANCE**

**RELATING TO WATER RATE ADJUSTMENTS; AMENDING SECTION 25-4.2 SFCC 1987 TO ALLOW *EXISTING* COMMERCIAL WATER CUSTOMERS *[~~WHO HAVE WATER METERS THAT ARE 1½" OR LESS~~]* TO APPLY FOR A WATER RATE ADJUSTMENT [*~~WITHIN 30 DAYS OF THE EFFECTIVE DATE OF THIS ORDINANCE~~*].**

**BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF SANTA FE:**

**Section 1. Section 25-4.2 SFCC 1987 (being Ord. #1995-19, §1 as amended) is amended to read:**

**25-4.2 Rates and Charges Adopted.**

A. *The intent of this Section is to encourage:*

*(1) Participation in water conservation; and*

*(2) The use of existing incentive programs for water conservation that are offered by the city of Santa Fe water division.*

*B. For purposes of this Section:*

*(1) A commercial customer includes a business or non-residential entity,*

*including a non-profit entity.*

*(2) Unique circumstances are related only to existing commercial customers who are considered to be high water use types who will be eligible for consideration for a water rate adjustment.*

*C.* Rates and charges related to water service by the Santa Fe municipal water system are hereby adopted by reference and incorporated as part of this chapter as Exhibit B.

*[~~B.~~]D.* The water division director may approve an adjustment to the rate schedule set forth in Exhibit B, located at the end of this chapter, as follows:

(1) *[~~Only commercial customers with meters that are [one (1") inch] one and one-half inches (1½") or less may apply.~~]* *Only existing commercial customers, of a type having a consumption of more than one acre foot per year, as outlined in the standard formulas by water use category for calculating development water budgets, adopted by separate resolution of the governing body, which may be amended from time to time, may apply.*

(2) The customer shall submit an application [*~~by [May 12, 2010] _____, 2012, (thirty (30) days from the effective date of this amended subsection),~~*] to the water division demonstrating:

(a) That there are unique circumstances regarding the type of business resulting in water delivered to the applicant from the city's water distribution system being a substantial part of the finished product and/or service offered by the applicant at the service address in question.

(b) That the customer's previous water use exceeded the established Tier I allotment for the applicant's meter size by at least ten percent (10%) in each of the preceding twelve (12) months; and

(c) That the customer has made a reasonable attempt *or an investment* to

*[~~minimize water use~~]* *use water more efficiently* and eliminate water waste.

*(d) That the customer can show the water savings resulting from the conservation measures taken on a gallons per unit basis, based on existing consumption data.*

(3) Upon receipt of an application staff shall:

(a) Review the application;

(b) Conduct an inspection of the customer's service address to evaluate the extent of the customer's conservation efforts and to verify the efforts claimed by the customer in the customer's application. Staff shall evaluate customer's water conservation efforts based on the following criteria:

(i) The customer has installed certified low-flow fixtures, appliances, equipment, and devices such that eighty percent (80%) of all fixtures, appliances, equipment, and devices at the service address are low-flow, *high efficiency devices,* consistent with Uniform Plumbing Code and industry standards.

(ii) Customer fixtures as well as primary service connection at the meter are free of leaks.

(iii) Any irrigation equipment located at the service address is equipped with *[~~rain-gauge~~]* *rain-sensor* cut offs, smart *(weather-based)* controllers, or other similar technology to prevent irrigation when such irrigation is unnecessary due to favorable weather conditions. *Irrigation system must also be free of leaks.*

(iv) Water processing equipment or processes at the customer's service address are free of leaks, including water lost to evaporation.

(c) Review the customer's previous twelve (12) month water use history

and costs to determine if usage has exceeded the Tier I allotment by ten percent (10%) or more for the entire previous twelve (12) months.

(d) Compare the customer's water demand with the water division's engineering criteria to determine if a larger size meter is appropriate.

*(e) Water consumption calculations shall be considered on a gallon per unit basis, pre-investment/post-investment comparison basis or pre-consumption/post consumption amount.*

*[~~(e)~~](f)* Present a written recommendation to the water division director regarding the options set forth in paragraph (4) below.

(4) The water division director may decide one of the following options:

(a) A change in the actual meter is not warranted, but rather a rate adjustment is appropriate establishing a commercial water rate eliminating the high water use charge; or

(b) A change in the meter is warranted and the corresponding rate change with all applicable fees shall be paid *by the customer*; or

(c) A change in the meter is warranted with all applicable fees paid with a rate adjustment eliminating the high water use charge; or

(d) No rate adjustment is warranted because:

(i) The customer has not met the criteria provided for in paragraph (3)(b) to minimize water use and eliminate water waste; or

(ii) The customer's usage does not exceed the established Tier I allotment by ten percent (10%) or more for each of the previous twelve (12) months.

(e) No meter change is warranted because the customer's water demand does not exceed the water division's engineering criteria.

*(f) Provide an incentive, which may include, but not be limited to:*

*(i) Commercial processes rebate to water bill based on improvements made; or*

*(ii) Rebates determined on a case by case basis.*

(5) If a rate adjustment *or incentive* is approved, staff shall monitor the customer's water use and water conservation efforts *for a minimum of twelve (12) months* and if the water use is not consistent with the initial application, recommend to the water division director revocation of the adjusted rate. *Rate adjustments or incentives are non-transferrable and only apply to the account where water efficiency improvements have been made.*

(6) Appeals of decisions of the water division director may be heard by the public utilities committee as per Rule 22. Customer Complaint Procedures of Exhibit A located at the end of this chapter.

APPROVED AS TO FORM:

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GENO ZAMORA, CITY ATTORNEY

*CAO/Melissa/Bills 2012/water rate adjustments(red-line with staff amendments)*