

**VILLAGE OF TAOS SKI VALLEY**  
**Village Council**  
**Agenda Item**

AGENDA ITEM TITLE: **Introduction: Ordinance No. 2019-68 Approving an Annual Increase to Water, Sewer, and Trash Rates for Fiscal Year 2020 and Continue to Increase by that Rate Each Fiscal Year for the Next Four Fiscal Years: 2021, 2022, 2023, and 2024**

DATE: May 14, 2019

PRESENTED BY: John Avila, Village Administrator

STATUS OF AGENDA ITEM: Old Business

CAN THIS ITEM BE RESCHEDULED: Not Recommended

**BACKGROUND INFORMATION:**

The Village of Taos Ski Valley provides Water, Sewer and Trash service through self-supporting enterprise operations that require user fees. The rates for these services have been addressed from time to time in order to pay for capital and operational expenditures. Historically, the General Fund has helped to augment or subsidize the Enterprise Fund services. In order to make these services self-reliant, the rates collected need to at least cover expenses. The rate ordinance has been reviewed over the past year and information and methodologies were presented in the Council Workshop on March 5, 2019. From the Workshop discussions, rates sufficient to cover yearly expenses are recommended in Ordinance 2019-68. The Ordinance also includes a yearly adjustment to rates so as to maintain pace with incremental costs for these services.

The costs of managing trash collection is forecast to increase locally with: increased cost for hauling by Waste Management, increased participation/program costs predicted from the Landfill Board, and reduction in Recycling availability from the Town of Taos. In order to directly match waste mitigation services with the fluctuating demand by visitors it is also recommended to tie the fee for service to water usage.

**STAFF RECOMMENDATION:** As this is the introduction of **Ordinance No. 2019-68**, no action is required at this time. A Public Hearing will be held at the next Council meeting for adoption of the Ordinance.

**ORDINANCE NO. 2019-68**

ORDINANCE NO. 2019-68 TO APPROVE AN ANNUAL INCREASE TO WATER, SEWER, AND TRASH RATES FOR FISCAL YEAR 2020 AND CONTINUE TO INCREASE BY THAT RATE EACH FISCAL YEAR FOR THE NEXT FOUR FISCAL YEARS: 2021, 2022, 2023, and 2024

**Whereas**, the Village of Taos Ski Valley Council approved the fiscal year 2019 budget without a compensating water, sewer, and trash rate increase; and,

**Whereas**, in regards to the water and sewer rates, for the Fiscal Year 2020 budget, staff is recommending a 4% increase yearly in the fixed and variable water and sewer rates. This equates in FY2020 to the variable rate going from \$0.0454/gallon to \$0.0472/gallon, or a \$.0018/gallon increase, and fixed service rate going from \$56.82/EQR to \$59.09/EQR, or increase of \$2.27/EQR;

**Whereas**, waste products are best managed by mitigating environmental impact throughout the community, through a stable, comprehensive system that encourages reduction in solid waste in the local environment, "Waste Mitigation" fees are required;

**Whereas**, in regards to the "Waste Mitigation" (trash collection) rates; the budget summary states staff is requesting a 5% increase to the "Waste Mitigation" fee. Waste Mitigation fees would go from \$4.77 to \$4.81 per EQR, or up \$0.24/EQR;

**Whereas**, the rate increase will also be adopted yearly and approved as part of the fiscal year 2020, 2021, 2022, 2023 and 2024 budgets ;

**NOW THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE VILLAGE OF TAOS SKI VALLEY, NEW MEXICO:**

That the 4% increase to water/sewer rates each fiscal year for four years and 5% increase to the "Waste Mitigation" (trash collection) rates each fiscal year for four years will be implemented starting with the 2020 Fiscal Year budget as of July 1, 2019.

PASSED, ADOPTED AND APPROVED this 11th day of June, 2019.

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CHRISTOFF BROWNELL, Mayor

(Seal)

ATTEST:

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ANN M. WOOLDRIDGE, Village Clerk