City of Las Vegas
1700 N. Grand Avenue | Las Vegas, NM 87701 | T 505.454.1401 | lasvegasnm.gov
Madam Mayor Tonita Gurulé-Girón

CITY OF LAS VEGAS
SPECIAL CITY COUNCIL AGENDA
December 11, 2019–Wednesday– 4:00 p.m.
City Council Chambers
1700 N. Grand Ave

(The City Council shall act as the Housing Authority Board of Commissioners on any matters on the Agenda concerning the Housing Department.)

I. CALL TO ORDER

II. ROLL CALL

III. PLEDGE OF ALLEGIANCE

IV. MOMENT OF SILENCE

V. APPROVAL OF AGENDA

VI. PUBLIC INPUT (not to exceed 3 minutes per person and persons must sign up at least fifteen (15) minutes prior to meeting.)

VII. PRESENTATION

- Presentation by Stantec Project Manager Georgette Aronow on 2019 Water, Wastewater and Solid Waste Utility Rate Assessment Study and feedback and direction from the Governing Body.

VIII. EXECUTIVE SESSION

THE COUNCIL MAY CONVENE INTO EXECUTIVE SESSION IF SUBJECT MATTER OF ISSUES ARE EXEMPT FROM THE OPEN MEETINGS REQUIREMENT UNDER § (H) OF THE OPEN MEETINGS ACT.

A. Personnel matters, as permitted by Section 10-15-1 (H) (2) of the New Mexico Open Meetings Act, NMSA 1978.

B. Matters subject to the attorney client privilege pertaining to threatened or pending litigation in which the City of Las Vegas is or may become a participant, as permitted by Section 10-15-1 (H) (7) of the New Mexico Open Meetings Act, NMSA 1978.

C. **Matters pertaining to the discussion of the sale and acquisition of real property, as permitted by Section 10-15-1 (H) (8) of the Open Meetings Act, NMSA 1978.**

IX. ADJOURN

ATTENTION PERSONS WITH DISABILITIES: The meeting room and facilities are accessible to persons with mobility disabilities. If you plan to attend the meeting and will need an auxiliary aid or service, please contact the City Clerk's Office prior to the meeting so that arrangements may be made.

ATTENTION PERSONS ATTENDING COUNCIL MEETING: By entering the City Chambers, you consent to photography, audio recording, video recording and its/their use for inclusion on the City of Las Vegas Web-site, and to be televised on Comcast.

NOTE: A final agenda will be posted 72 hours prior to the meeting. Copies of the Agenda may be obtained from City Hall, Office if the City Clerk, 1700 N. Grand Avenue, Las Vegas, N.M 87701

Special

CITY COUNCIL MEETING AGENDA REQUEST

DATE: 11/25/19 **DEPT:** Utilities **MEETING DATE:** 12/11/19

ITEM/TOPIC: Presentation on 2019 Water, Wastewater and Solid Waste Utility Rate Assessment-Study.

ACTION REQUESTED OF COUNCIL: N/A

BACKGROUND/RATIONALE: Stantec project manager Georgette Aronow will be presenting the results, findings and preliminary recommendations of the Utility Rate Assessment-Study to the governing body. The Utilities Department is also asking for feedback and direction from the governing body.

STAFF RECOMMENDATION: N/A

COMMITTEE RECOMMENDATION: N/A

THIS REQUEST FORM MUST BE SUBMITTED TO THE CITY CLERK'S OFFICE NO LATER THAN 5:00 P.M. ON FRIDAY ONE AND A HALF WEEKS PRIOR TO THE CITY COUNCIL MEETING.

SUBMITTER'S SIGNATURE

REVIEWED AND APPROVED BY:

TONITA GURULÉ-GIRÓN
MAYOR

TANA VEGA
INTERIM FINANCE DIRECTOR
(PROCUREMENT)

ANN MARIE GALLEGOS
INTERIM CITY MANAGER

PURCHASING AGENT
(FOR BID/RFP AWARD)

ESTHER GARDUNO-MONTOYA,
CITY ATTORNEY
(ALL CONTRACTS MUST BE REVIEWED)

City Clerk's Office

NOTICE OF A SPECIAL CITY COUNCIL MEETING

Notice is hereby given that the City Council of the City of Las Vegas, NM, will hold a Special meeting on Wednesday, December 11, 2019 starting at 4:00 p.m. at the City of Las Vegas Council Chambers, 1700 N. Grand Ave. Items to be discussed: Presentation on 2019 Water, Wastewater and Solid Waste Utility Rate Assessment Study and feedback and direction from the Governing Body. The Council may convene in Executive Session if the subject matter of such discussion or action is exempt from the open meeting requirement under Section 10-15-1 (H) of the Open Meetings Act. A copy of the agenda may be obtained from the City Clerk, 1700 N. Grand Avenue, during regular business hours. The Meeting is open to the public.

City of Las Vegas

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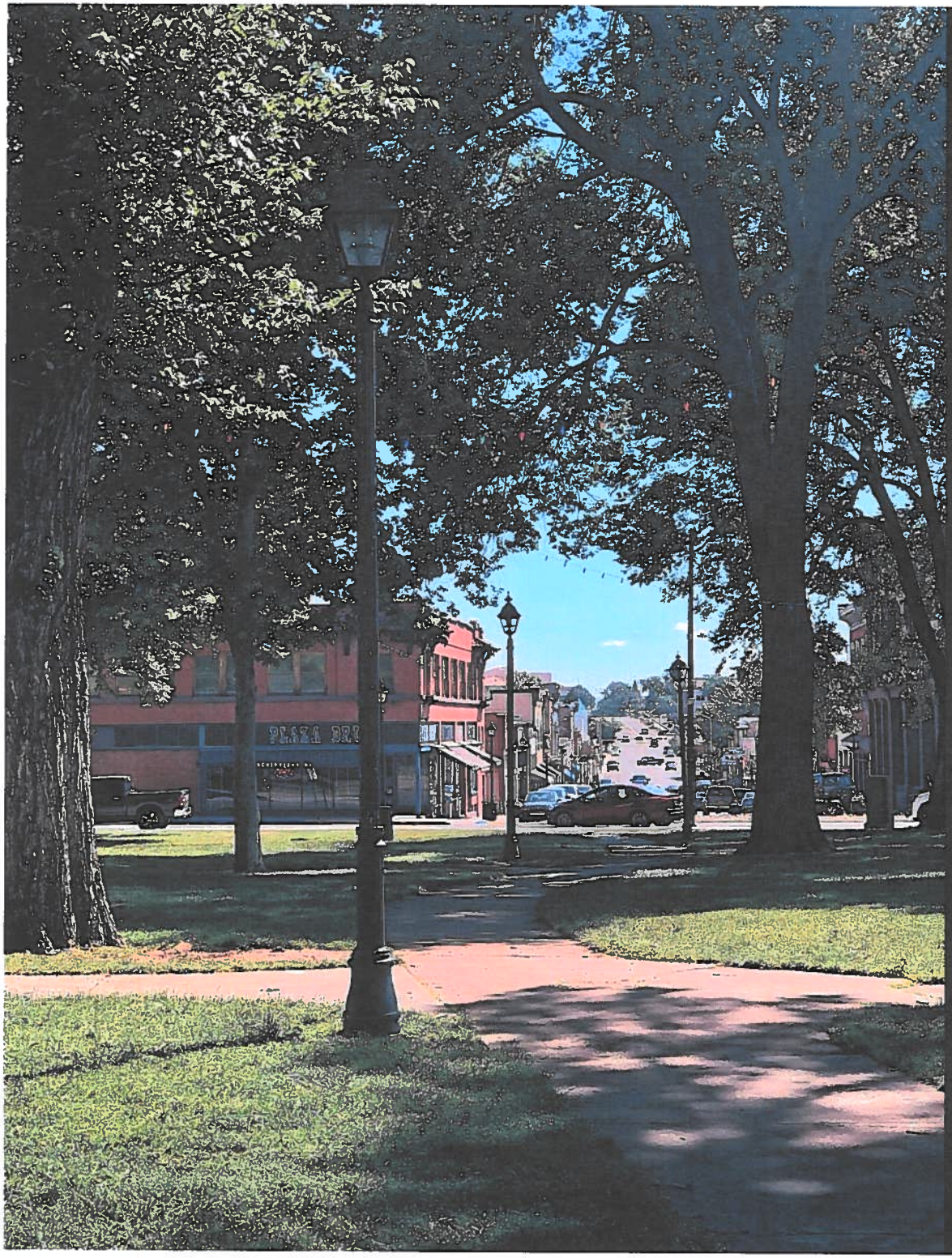
Casandra Fresquez
City Clerk

Publish: Las Vegas Optic – Wednesday, December 4, 2019 and Friday, December 6, 2019 Papers
Available on City Website: www.lasvegasnm.gov
Fax: KFUN-KLVF Radio and KNMX-KMDZ-KBQL Radio for PSA



City of Las Vegas 2019 Water / Wastewater / Solid Waste Rate Study

Rate Scenarios

December 11, 2019

Stantec

DRAFT – FOR DISCUSSION PURPOSE

Rate Scenario Summary

Fund	Scenario A	Scenario B	Scenario C	Scenario D
Water	5% decrease for tiers 1-3 in **Years 1-3**	5% decrease for tiers 1-3 in **Years 1-3**	5% decrease for tiers 1-3 in **Years 1-3**	10% and 5% decrease in **Year 1 - 2** for all 4 **tiers** rate
Wastewater	10% volumetric rate increase in Years 1-5	8.5% volumetric rate increase in Years 1-5	No Rate Increases	5% volumetric rate increase in Years 1-5
Solid Waste	5.5% rate increase in **Years 2-5**	5.5% rate increase in **Years 2-5**	No Rate Increases	3% rate increases in **Years 2-5**

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Water Scenario Impacts

Key Drivers	Current Year	Base/ Original Proposal	Scenario A, B, & C	Scenario D
Rate Plan (Years 1-5)	--	0% increase in Year 1 and 2, 4% in years 3-5	5% decrease to volumetric tiers 1-3 in years 1-3	10% and 5% decrease in Year 1 - 2 for all 4 tiers rate
Base Year O&M* $	$3.3M	$4.5M	$4.1M	$4.1M
Year 5 O&M* $	N/A	$5.2M	$4.3M	$4.3M
O&M Execution (From 2020 Budget)	N/A	100%	90%	90%
CIP** (10-year annual avg: Cash & Debt)	$2.5M	$2.2M	$1.6M	$1.5M
Est. O&M Reserve – Current/Year 10**	Current: $4.6M	$4.8M = ~12 Mo.	$2.1M = ~6 Mo.	$2.1M = ~6 Mo.

*Includes debt service and transfers
**Excludes Encumbered Projects

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Wastewater Scenario Impacts

Key Drivers	Current Year	Base/ Original	Scenario A	Scenario B	Scenario C	Scenario D
Rate Plan (Years 1-5)	--	10% inc. annually	10% inc. volume annually	8.5% inc. volume annually	0% annually	5% inc. volume annually
Base Year O&M* $	$2.9M	$3.3M	$3.2M	$3.1M	$2.5M	$2.8M
Year 5 O&M* $	N/A	$3.7M	$3.5M	$3.3M	$2.7M	$3.0M
O&M Execution (From 2020 Budget)	N/A	90%	84%	79%	55%	68%
CIP (10-year annual avg)	N/A	$695K	$632k	$632k	$632k	$632K
Est. O&M Reserve at 10 Years**	Current: $2.2M	$3.1M = ~12 Mo.	$2.6M = ~12 Mo.	$2.4M = ~12 Mo.	$1.7M = ~12 Mo.	$2.1M = ~12 Mo

*Includes debt service and transfers
**In all scenarios assumes draw down to 3 months until last three years of projection period

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Solid Waste Scenario Impacts

Key Drivers	Current Year	Base/ Original	Scenario A, B	Scenario C	Scenario D
Rate Plan (Years 2-5)	--	5.5% inc. annually	5.5% inc. annually	0% inc. annually	3% inc. annually
Base Year O&M* $	$2.8M	$3.2M	$3.2M	$2.8M	$3.0M
Year 5 O&M* $	N/A	$3.5M	$3.5M	$2.9M	$3.2M
O&M Execution (From 2020 Budget)	N/A	92%	92%	75%	85%
CIP (10-year annual avg)	N/A	$756K	$756K	$756k	$756K
Est. O&M Reserve at Year 10	Current: $3.7M	$1.8M = ~6 Mo.	$1.8M = ~6 Mo.	$1.5M = ~6 Mo.	$1.7M = ~6 Mo.

*Includes debt service and transfers

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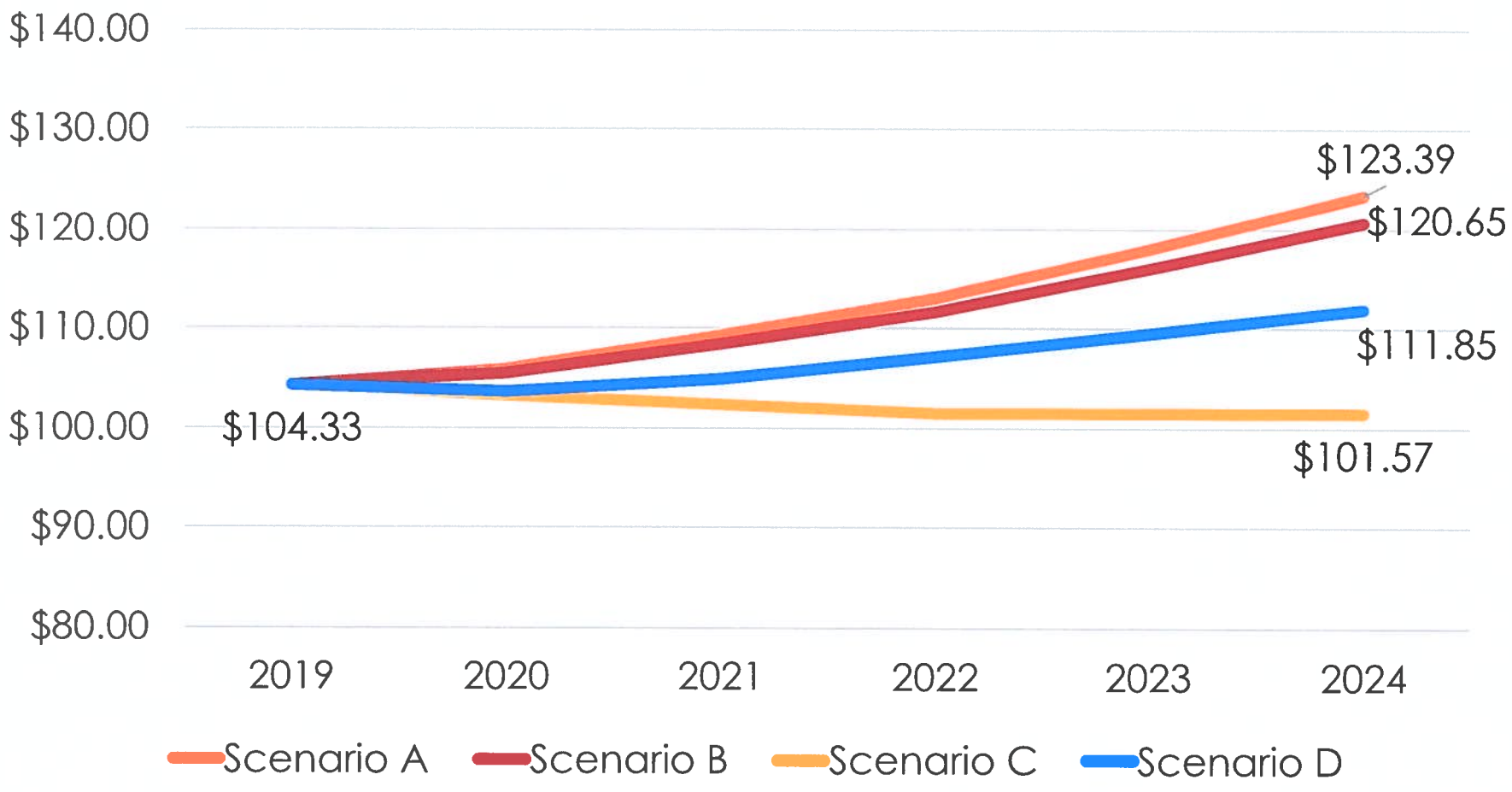
Bill Impact Combined through Year 5

Consumption – 4kgal



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Year 1 Rate Summary

Residential at 4Kgal per Month

Fund	Current	Scenario A	Scenario B	Scenario C	Scenario D
Water	$38.58	$37.61	$37.61	$37.61	$36.65
Wastewater	$39.85	$42.41	$42.03	$39.85	$41.13
Solid Waste	$25.90	$25.90	$25.90	$25.90	$25.90
Total	**$104.33**	**$105.92**	**$105.54**	**$103.36**	**$103.68**

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Year 2 Rate Summary

Residential at 4Kgal per Month

Fund	Scenario A	Scenario B	Scenario C	Scenario D
Water	$36.69	$36.69	$36.69	$35.78
Wastewater	$45.23	$44.39	$39.85	$42.47
Solid Waste	$27.32	$27.32	$25.90	$26.68
Total	**$109.24**	**$108.41**	**$102.44**	**$104.93**

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Year 3 Rate Summary

Residential at 4Kgal per Month

Fund	Scenario A	Scenario B	Scenario C	Scenario D
Water	$35.82	$35.82	$35.82	$35.78
Wastewater	$48.32	$46.95	$39.85	$43.89
Solid Waste	$28.83	$28.83	$25.90	$27.48
Total	**$112.97**	**$111.60**	**$101.57**	**$107.14**

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Year 4 Rate Summary

Residential at 4Kgal per Month

Fund	Scenario A	Scenario B	Scenario C	Scenario D
Water	$35.82	$35.82	$35.82	$35.78
Wastewater	$51.73	$49.73	$39.85	$45.37
Solid Waste	$30.41	$30.41	$25.90	$28.30
Total	**$117.97**	**$115.96**	**$101.57**	**$109.44**

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Year 5 Rate Summary

Residential at 4Kgal per Month

Fund	Scenario A	Scenario B	Scenario C	Scenario D
Water	$35.82	$35.82	$35.82	$35.78
Wastewater	$55.48	$52.74	$39.85	$46.92
Solid Waste	$32.09	$32.09	$25.90	$29.15
Total	**$123.39**	**$120.65**	**$101.57**	**$111.85**

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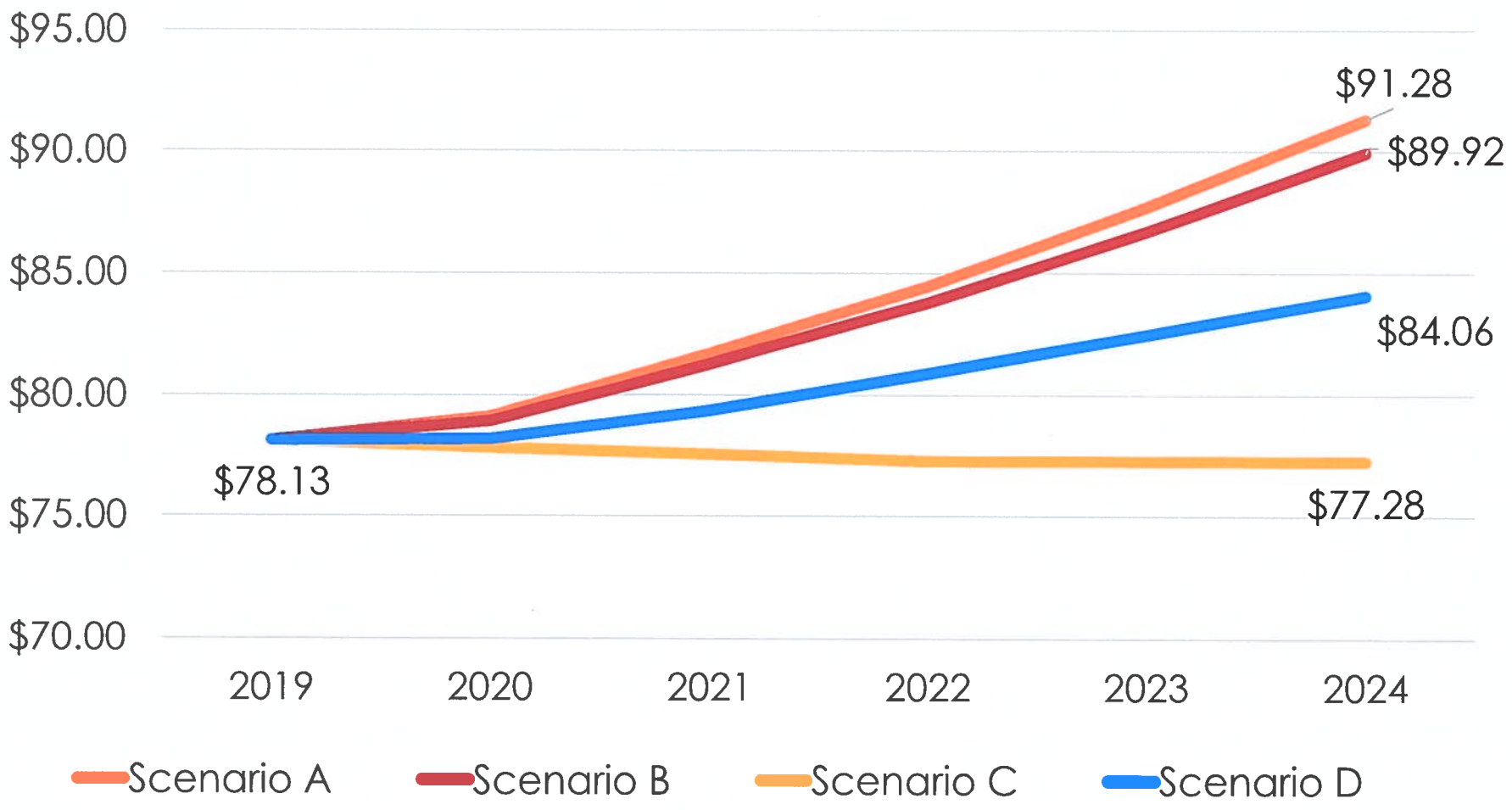
Bill Impact Combined through Year 5

Consumption – 2kgal



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Water Rate Schedule – Scenarios A, B, C

	Current	Year 1	Year 2	Year 3	Year 4	Year 5
Fixed Charge - 5/8"	$19.24	$19.24	$19.24	$19.24	$19.24	$19.24
Volumetric Rate						
Tier 1 - 2kgal	$2.97	$2.82	$2.68	$2.55	$2.55	$2.55
Tier2 - 6kgal	6.70	6.37	6.05	5.74	5.74	5.74
Tier 3 - 10kgal	15.07	14.32	13.60	12.92	12.92	12.92
Tier 4 - >10kgal	37.69	37.69	37.69	37.69	37.69	37.69
Bill Impact - 4kgal	**$38.58**	**$37.61**	**$36.69**	**$35.82**	**$35.82**	**$35.82**
Bill Change %		**-2.51%**	**-2.44%**	**-2.38%**	**0.00%**	**0.00%**

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Water Rate Schedule – Scenario D

	Current	Year 1	Year 2	Year 3	Year 4	Year 5
Fixed Charge - 5/8"	$19.24	$19.24	$19.24	$19.24	$19.24	$19.24
Volumetric Rate						
Tier 1 - 2kgal	$2.97	$2.67	$2.54	$2.54	$2.54	$2.54
Tier2 - 6kgal	$6.70	6.03	5.73	5.73	5.73	5.73
Tier 3 - 10kgal	$15.07	13.56	12.88	12.88	12.88	12.88
Tier 4 - >10kgal	$37.69	33.92	32.22	32.22	32.22	32.22
Bill Impact - 4kgal	**$38.58**	**$36.65**	**$35.78**	**$35.78**	**$35.78**	**$35.78**
Bill Change %		**-5.01%**	**-2.37%**	**0.00%**	**0.00%**	**0.00%**

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Wastewater Rate Schedule – Scenario A

	Current	Year 1	Year 2	Year 3	Year 4	Year 5
Rate Plan		10.00%	10.00%	10.00%	10.00%	10.00%
Fixed Charge - 5/8"	$14.25	$14.25	$14.25	$14.25	$14.25	$14.25
Volumetric Rate	$6.40	$7.04	$7.74	$8.52	$9.37	$10.31
Bill Impact - 4kgal	**$39.85**	**$42.41**	**$45.23**	**$48.32**	**$51.73**	**$55.48**
Bill Change %		**6.42%**	**6.64%**	**6.85%**	**7.05%**	**7.25%**

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Wastewater Rate Schedule – Scenario B

	Current	Year 1	Year 2	Year 3	Year 4	Year 5
Rate Plan		8.50%	8.50%	8.50%	8.50%	8.50%
Fixed Charge - 5/8"	$14.25	$14.25	$14.25	$14.25	$14.25	$14.25
Volumetric Rate	$6.40	$6.94	$7.53	$8.17	$8.87	$9.62
Bill Impact - 4kgal	**$39.85**	**$42.03**	**$44.39**	**$46.95**	**$49.73**	**$52.74**
Bill Change %		**5.46%**	**5.62%**	**5.77%**	**5.92%**	**6.06%**

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Wastewater Rate Schedule – Scenario C

	Current	Year 1	Year 2	Year 3	Year 4	Year 5
Rate Plan		0.00%	0.00%	0.00%	0.00%	0.00%
Fixed Charge - 5/8"	$14.25	$14.25	$14.25	$14.25	$14.25	$14.25
Volumetric Rate	$6.40	$6.40	$6.40	$6.40	$6.40	$6.40
Bill Impact - 4kgal	**$39.85**	**$39.85**	**$39.85**	**$39.85**	**$39.85**	**$39.85**
Bill Change %		**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**

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Wastewater Rate Schedule – Scenario D

	Current	Year 1	Year 2	Year 3	Year 4	Year 5
Rate Plan		5.00%	5.00%	5.00%	5.00%	5.00%
Fixed Charge - 5/8"	$14.25	$14.25	$14.25	$14.25	$14.25	$14.25
Volumetric Rate	$6.40	$6.72	$7.06	$7.41	$7.78	$8.17
Bill Impact - 4kgal	**$39.85**	**$41.13**	**$42.47**	**$43.89**	**$45.37**	**$46.92**
Bill Change %		**3.21%**	**3.27%**	**3.32%**	**3.38%**	**3.43%**

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Solid Waste Rate Schedule – Scenario A & B

	Current	Year 1	Year 2	Year 3	Year 4	Year 5
Rate Plan		0.00%	5.50%	5.50%	5.50%	5.50%
Fixed Charge - 5/8"	$25.90	$25.90	$27.32	$28.83	$30.41	$32.09
Bill Impact	**$25.90**	**$25.90**	**$27.32**	**$28.83**	**$30.41**	**$32.09**
Bill Change %		**0.00%**	**5.50%**	**5.50%**	**5.50%**	**5.50%**

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Solid Waste Rate Schedule – Scenario C

	Current	Year 1	Year 2	Year 3	Year 4	Year 5
Rate Plan		0.00%	0.00%	0.00%	0.00%	0.00%
Fixed Charge - 5/8"	$25.90	$25.90	$25.90	$25.90	$25.90	$25.90
Bill Impact	**$25.90**	**$25.90**	**$25.90**	**$25.90**	**$25.90**	**$25.90**
Bill Change %		**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**

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Solid Waste Rate Schedule – Scenario D

	Current	Year 1	Year 2	Year 3	Year 4	Year 5
Rate Plan		0.00%	3.00%	3.00%	3.00%	3.00%
Fixed Charge - 5/8"	$25.90	$25.90	$26.68	$27.48	$28.30	$29.15
Bill Impact	**$25.90**	**$25.90**	**$26.68**	**$27.48**	**$28.30**	**$29.15**
Bill Change %		**0.00%**	**3.00%**	**3.00%**	**3.00%**	**3.00%**

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