



ANDRES Z. SILVA, MAYOR

RICHARD F. MCINTURFF, ADMINISTRATOR

Phone (575) 546-8848 • Fax (575) 546-6442  
E-MAIL: deming@cityofdeming.org • Website: www.cityofdeming.org  
P.O. BOX 706 • DEMING, NEW MEXICO 88031  
POPULATION 14,000

**CITY COUNCIL**  
***Special Meeting***  
**June 4, 2013**  
**9:00 A.M.**  
**AGENDA**

Call to Order / Pledge of Allegiance

1. Public Hearing to Consider an Ordinance Amending Title 9 of the City of Deming Municipal Code Pertaining to Garbage Service; Landfill
2. Meeting Adjourned

*The next regularly scheduled workshop and meeting is June 10, 2013 commencing at 4:00 p.m. and 6:00 p.m.*

# CITY COUNCIL SPECIAL MEETING MINUTES

June 4, 2013

## Council Present:

Andres Z. Silva, Mayor  
Joe "Butter" Milo, Councilor

Linda Franklin, Mayor Pro Tem  
William Shattuck, Councilor

## Council Absent:

David Sanchez, Councilor

## Staff Present:

Richard F. McInturff, Administrator  
Wes Hooper, Community Services Director  
Brandon Gigante, Police Dept. Chief  
Vicki Engle, Human Resource Specialist

Aaron Sera, Assistant City Administrator  
Edgar Davalos, Fire Dept. Chief  
Jim Massengill, Public Works Director

Recording Secretary: Lila Jasso, Administrative Secretary/Assistant Deputy Clerk

Mayor Silva called the meeting to order and led the pledge of allegiance at 9:00 a.m.

- 1. Public Hearing to Consider an Ordinance Amending Title 9 of the City of Deming Municipal Code Pertaining to Garbage Service; Landfill:** Mr. McInturff presented this item to Council and gave a review of the Solid Waste Fund Rate Analysis. He noted the Estimated Operating Expenses at the landfill at \$1,689,300. He stated that the Capital Asset Replacement Costs were estimated at \$263,763 per year. The debt service is estimated at \$100,000 per year for the next 5 years and Liner Expense at approximately \$200,000 per year. The liner expense can either be a reserve or a debt service. If it's a reserve, it means the City will receive a grant for the current cell expansion. If City is not successful in obtaining the grant, then the City will have to borrow the funds to complete this project.

The following items help reduce the cash requirements:

- Multi-Services agreement with Luna County-help reduce \$120,000
- Investment Income
- Penalties
- Rents and Royalties

After calculating all figures, the Estimated Revenue Needed from Services comes to \$2,099,263.

Based on the calculations, the revenue needs to be increased by approximately 24 percent.

In the Comparison Analysis, Deming's residential trash services are currently at \$14.86. Mr. McInturff noted some of the rates of the surrounding municipalities. He stated that the rates proposed are similar to the regional rates.

Mr. McInturff then went on to summarize the Wastewater Fund Rate Analysis. He stated that in the rate analysis handout, the Estimated Operating Costs are \$814,810 per year; the Capital Asset Replacement Costs are estimated at \$150,860 per year. He also noted the one year of debt service of \$141,790, which is part of the amount borrowed to complete the liner replacement at the wastewater treatment plant.

The following items decrease the Total Revenue Needed from Services:

- Estimated revenue from a Rate Increase at (\$100,000). This rate increase will take effect June 2013
- Connections
- Investment Income
- Penalties
- Rents and Royalties
- Miscellaneous

After calculating all figures, the Total Revenue needed from Services is \$954,910. Currently, the City is generating \$875,000; indicating that a 9.13% increase is needed.

In the Comparison Data, Deming is currently at \$13.93. With the previously approved increase which will take place June 2013, the rate will increase to \$16.49, and will be increased to \$17.73 if the approved by Council; based on Option 1. Mr. McInturff cited rates from some of our peers, and stated that in this analysis Deming's rates are in the middle of the range of similar cities that were researched.

Mr. McInturff summarized the ordinance changes. He stated that all items were considered in the recommendation to increase the rates and that the proposed increase would become effective in June 2014, if passed.

Mayor Silva opened this item to the public for a public hearing session.

Mr. Larry Caldwell referenced page 2 of the February 13, 2013 City Council Minutes, in which the mid-year budget review stated that the utility department has a \$105,184 deficit, and the reserves are \$684,885. He opposes these rate increases because of the following:

- a. The mid-year review states that the deficit was \$105,184 and the reserve is \$684,885. He stated that if those figures are used, and using the figures out of the draft Neighborhood Redevelopment Area, which states that there are 6225 residents (households) in the city. He took a conservative figure of 4000 citizens (households) and multiplied the garbage rate increase of \$3.81 for the first year. That comes out to \$150,000/year which is in excess of the mid-year budget review figure.

- b. As far as the sewer rates are concerned, he expressed that when he moved to Deming in 2003, he paid \$4.80/month for sewer service. He stated that the technology is the same, the formula for figuring the rate is the same, and now the City is proposing a \$12.50 increase. In ten years, that is about a 400% increase for the base sewer rate. The base rate increase is due to the Cities over expansion of sewer services, and has caused soaring and uncontrolled fixed costs. That is what is driving the rate increases for sewer services. These increases are highly excessive and should not be agreed to by the Council. If the deficit and reserve, and the mid-year projections are correct; the solution is to transfer sufficient amounts from the reserve, and carry a smaller reserve to avoid a rate increase. If the information is correct from the February budget review, this would be the solution.

Mayor Silva closed the public comment session, and asked if Council or staff would like to respond to Mr. Caldwell's comments.

Mayor Silva asked that it be noted for the record, that Mr. Caldwell left the building and did not wait to hear a response from City Council or staff.

Mr. McInturff stated that the City has been required to be more self-sufficient and therefore, requiring the City to carry a larger reserve amount in the enterprise fund. The state encourages that all municipalities conduct a complete analysis of what current, as well as, future needs will be. He also stated that Mr. Caldwell has given a simplified solution to this issue. However, with the City opening a new landfill and replacing the liners at the wastewater treatment plant solutions have become more complex.

Mayor Silva reiterated that back in 2003 the City did not have a new landfill or replacement of wastewater treatment plant liners. The proposed rate increases do reflect these projects that the City has completed since 2003.

Councilor Milo did want Council and staff to be mindful of the current economy and how this will affect the citizens of Deming.

Mayor Pro Tem Franklin motioned the approval of an ordinance amending Title 9 of the City of Deming Municipal Code pertaining to garbage service; landfill as presented. The motion was seconded by Councilor Shattuck. A friendly amendment was made to include the amendment of Title 9 pertaining to wastewater, as presented. The friendly amendment was accepted by Mayor Pro Tem Franklin and seconded by Councilor Shattuck. Motion carried unanimously.

2. **Adjourn Meeting.** Councilor Milo motioned to adjourn the meeting. Councilor Shattuck seconded the motion. Motion carried unanimously. Meeting adjourned at 9:24 a.m.



**CITY OF DEMING, NEW MEXICO**

Andres Z. Silva, Mayor

ATTEST:

  
Richard F. McInturff, Clerk

**ORDINANCE NO. 1236**

**AN ORDINANCE AMENDING TITLE 9 OF THE  
DEMING, NEW MEXICO MUNICIPAL CODE  
PERTAINING TO GARBAGE SERVICE; LANDFILL**

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DEMING, NEW MEXICO:

1. Title 9, Chapter 1 is hereby amended by the deletion of section 9-1-3 and is replaced with the following:

**9-1-3: GARBAGE COLLECTION:** The city and its duly authorized agents or employees shall have the exclusive right within the service area to collect or gather solid waste, with the exception of nonresidential recyclables, commercially compacted items, dead animals, construction and demolition debris, hazardous wastes and other such materials which the town is prohibited by law from collecting or disposing. No person or organization may sell within the service area any services for the systematic and routine collection, transportation or disposal of garbage, trash or refuse except for residential recyclables, commercially compacted items, dead animals, construction and demolition debris, hazardous wastes and other such materials which the city is prohibited by law from collecting or disposing.

The city shall provide sufficient employees and equipment for the collection and disposal of all garbage and the same shall be collected as frequently as may be necessary in accordance with good sanitary practices. (Ord. 227, 1949)

2. Title 9, Chapter 1 is hereby amended by the deletion of section 9-1-4 and is replaced with the following:

**9-1-4: GARBAGE COLLECTION FEES:** Garbage and collection fees payable to the city are established and identified in subsections A, B, and C of this section.

A. Residences:

1. General: The garbage collection fees set out in this subsection A shall be included within the water or gas utility bill to each water or gas user monthly, and the city shall not accept payment of the water, sewer or the gas utility bill unless the appropriate garbage fee is paid therewith. Owners or occupants of premises which do not use city water and city gas shall be billed monthly by separate billing for the appropriate garbage fee for their premises.

2. Garbage Collection Fees: Garbage collection fees per household for residences shall be in accordance with the payment schedule set out in the table below. This fee applies to residential users who share a dumpster with others. The dumpsters are picked up once per week.

Solid Waste Category	Fee: Effective June 15th, 2013 Reflected on July 31st Billing Cycle
Residential Fee: Minimum per household	\$18.67 per month

**B. Businesses, High Volume Residences:**

1. General: The garbage collection fees set out in this subsection B shall be included within the water or gas utility bill to each water or gas user monthly, and the city shall not accept payment of the water, sewer or the gas utility bill unless the appropriate garbage fee is paid therewith. Commercial owners or owners of high volume residences or occupants of any of these premises which do not use city water and city gas shall be billed monthly by separate billing for the appropriate garbage fees for their premises.

2. Garbage Collection Fees:

a. Minimum Monthly Fees: Businesses, high volume residences shall pay a minimum monthly fee in accordance with the payment schedule set out in the table below. This fee applies to commercial and high volume residential users who share a dumpster with others. The dumpsters are picked up once per week.

Solid Waste Category	Fee: Effective June 15th, 2013 Reflected on July 31st Billing Cycle
Commercial Fee: Minimum	\$24.91 per month

b. Dumpster, Special Dumpster Pick Up and Special Trash Pick Up Fees: Businesses or residences as determined by the Director of Public Works shall be charged fees, including special container/dumpster pick up and special trash pick up fees, in accordance with the payment schedule set out in the table below.

Times Per Week Pick Up	1.5 Cubic Yard Container/Dumpster	3 Cubic Yard Container/Dumpster	4 Cubic Yard Container/Dumpster
	Monthly Fees	Monthly Fees	Monthly Fees
	Fee: Effective June 15th, 2013 Reflected on July 31st Billing Cycle	Fee: Effective June 15th, 2013 Reflected on July 31st Billing Cycle	Fee: Effective June 15th, 2013 Reflected on July 31st Billing Cycle
1	\$59.76	\$82.17	\$99.61
2	\$94.62	\$131.98	\$174.30
3	\$131.98	\$186.76	\$249.01
4	\$166.84	\$239.06	\$323.71
5	\$199.21	\$291.34	\$398.42
<b>Special Container/Dumpster Pick Up Fees</b>			
Fee: Effective June 15th, 2013 Reflected on July 31st Billing Cycle			
\$37.35 per Container/dumpster			
<b>Special Garbage Pick Up Fees</b>			
Fee: Effective June 15th, 2013 Reflected on July 31st Billing Cycle			
\$37.35 minimum plus \$37.35 per 1/2 hour labor			

C. Roll-Out Containers:

1. General: The garbage collection fees set out in this subsection C shall be included within the water or gas utility bill to each water or gas user monthly, and the city shall not accept payment of the water, sewer or the gas utility bill unless the appropriate garbage fee is paid therewith. Users of roll-out containers which do not use city water and city gas shall be billed monthly by separate billing for the appropriate garbage fees for their premises.

2. Roll-Out Container Fee: For individual roll-out containers, where the majority of subdivision residents have agreed to such services or where the Director of Public Works determines such roll-out container service to be necessary and appropriate, the fee shall be in accordance with the payment schedule set out in the table below. The roll-out containers are picked up once per week.

Solid Waste Category	Fee: Effective June 15th, 2013 Reflected on July 31st Billing Cycle
Roll-Out Container Minimum Fee	\$29.77 per month per container

D. Solid Waste:

1. For collection of solid waste placed in alleys or at curbside, the actual labor cost incurred by the city in collecting the waste. The cost shall be based on the hourly wages of the sanitation department employees who collect the waste and will be billed at a minimum of one-half (1/2) hour increments.

2. Prior to collection of the waste, the person owning or controlling the property from which the waste is generated will be given notice to remove the waste within ten (10) days. After ten (10) days, the city will collect the waste and bill the cost of collection on utility bills. The city will annually establish days during which time such waste will be collected free of charge.

E. Large Appliances, Automotive Waste:

1. No person shall deposit in any alley, street or public way any refrigerators, freezers, or other large appliances, tires, automotive batteries or any waste which cannot be deposited in the city's solid waste facility under New Mexico environmental improvement board regulations.

2. Any person violating this provision shall, upon conviction thereof, be punished as provided in section 1-4-1 of this code. (Ord. 948, 4-14-1997)

3. Items described in this section shall be taken to the transfer station. City personnel will inspect and determine if the item is acceptable for disposition in the City landfill.

F. Future Rate Adjustments: Hereafter, the adjustment of rates and fees to be charged by the city for collection and disposal of solid waste, including landfill charges, shall be pursuant to an appropriate resolution adopted by the city council at a lawfully conducted meeting with prior notice regarding any proposed adjustments. (Ord. 1079, 9-8-2003)

3. Title 9, Chapter 1 is hereby amended by the deletion of section 9-1-6C4 and is replaced with the following:

**9-1-6: LANDFILL REGULATIONS:**

C. User Fees:

4. Fees Established: Special waste fees shall be in accordance with the payment schedule set out in the tables below:

Special Waste Fees	Minimum Fees
	Fee: Effective June 15th, 2013 Reflected on July 31st Billing Cycle
Car Tires	\$2.20 per tire
Trucks and other equipment tires	\$11.31 per tire
Large Animals	\$25.13 per animal

Transfer Station Fees	Minimum Fees
	Fee: Effective June 15th, 2013 Reflected on July 31st Billing Cycle
Residential Inside Luna County Limits	No charge for covered loads.
Residential Outside Luna County Limits	\$43.98 per ton
Small Commercial less than 1 ton	\$43.98 per ton

Butterfield Trails Regional Landfill	Minimum Fees
	Fee: Effective June 15th, 2013 Reflected on July 31st Billing Cycle
Residential	None Accepted
Commercial	\$31.42 per ton
Other waste requiring special handling	\$43.98 per ton

a. No fee will be assessed for used tires generated by non-commercial activities.  
(Ord. 1206, 12-13-2010)

4. Title 9, Chapter 5 is hereby amended by the deletion of section 9-5-8D and is replaced with the following:

**9-5-8: SEWER RATES, FORMULA<sup>1</sup>:**

D.

1. Rates:

Monthly Rate	Effective June 1, 2013, Reflected In July's Billing Cycles		
	Base Rate	Inncremental Rate Per 1,000 Gallons	Inremental Rate Per 100 Cubic Feet
Residential	\$12.50	\$0.669	\$0.499
Commercial	\$14.50	\$0.736	\$0.549
Lift Station	---	\$0.928	\$0.694

Monthly Rate	Effective June 1, 2014, Reflected In July's Billing Cycles		
	Base Rate	Inncremental Rate Per 1,000 Gallons	Inremental Rate Per 100 Cubic Feet
Residential	\$12.50	\$0.876	\$0.654
Commercial	\$14.50	\$0.964	\$0.719
Lift Station	---	\$1.216	\$0.909

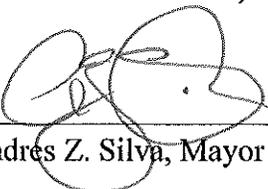
Sewer main extension greater than five feet (5') in depth to be installed at option of the city and charged at actual city cost for installation and material or the actual contract cost plus administration to the city.

2. Rate Review: Not less frequently than once every twelve (12) months, the established sewer service rates provided for hereby shall be reviewed and amended if necessary to meet the determined need to recover sufficient revenues to provide for operation, maintenance and replacement costs.

**PASSED, ADOPTED, AND APPROVED, this 4<sup>th</sup> day of June, 2013.**



**CITY OF DEMING, NEW MEXICO**

  
 \_\_\_\_\_  
 Andres Z. Silva, Mayor

  
 \_\_\_\_\_  
 Richard McInturff, City Clerk