Council delays water rate hike vote

Written by By Holly J. Wagner Sun Correspondent
Friday, 03 June 2022 04:56

Gallup residents will have a little more time to comment on a pending water rate hike of 22.5 percent this year and again next year.

On a 3-2 vote the City Council delayed approving the hike, which may yet take effect on July water bills, to get more community input. A date for reconsideration has not been set.

The city has kept rate increases more in line with cost of living since a fixed-amount increase approved in 2014, Chief Financial Officer Patty Holland said.

"It's been, on average, about 4 to 5% per year and that is just not sufficient for the needs we have and current staffing levels that have changed and the needs of the department," she said.

The city has been spending about half its annual water budget on repairs to antiquated pipes, Water and Sanitation Director Tim Bodell said. That depletes city finances and makes it harder to get money for capital projects. Lenders want agencies to have 180 days cash on hand, and the water department has been falling behind.

"This is what it will take for us to be fiscally responsible. Right now we are spending half of our multimillion-dollar budget each year on fixing problems," Bodell said. The best return on investment is "to fix these problems that are costing us a million dollars a year anyway."

He tried to put the increase in context, noting that for every person on the planet, there is only

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about six Olympic swimming pools' worth of fresh water.

"We pay the same amount for a whole month of fresh, clean, healthy water into our homes as we pay for one gallon of gas," he said, noting the increase amounts to $30 to $45 a year per customer. "Some of us spend $45 a week on coffee every morning. Some of us spend that much for one meal. Consider cell phones and other luxury items we have that our kind has lived for 300,000 years without. None of us can live for more than four or five days without water."

The council was set to narrowly approve the increase, but Councilor Sarah Piano, Dist. 3, asked to put it on hold.

"I'm not against the increase, but the insane amount of increase. It's too high," she said. "I think there was very little time to give the community readiness for such a huge increase. This is not only an increase of 22.5% over just one year, but almost a 50% increase over two years. I'd like to have more community input."

Councilors Linda Garcia, Dist. 1, and Michael Schaaf, Dist. 2, voted with Piano to postpone. They all agreed the steep hike will be difficult for low- and fixed-income customers, and want city staff to come up with a less painful way to make ends meet.

"I talked to some seniors today and they are on fixed incomes. Even a dollar a month will be hard. We've got to find another way," Garcia said.

Mayor Louie Bonaguidi and Councilor Fran Palochak, Dist. 4, wanted to approve the increase, saying things will only get harder if the city waits.

"I want the public to know that we struggle with the decisions we make, but you elected us to look out for your very, very best interests," Palochak said. "In making this decision it's been difficult, but I'm willing to pay my share to make sure that I have water in the future and to make sure the water fund is fiscally responsible. We cannot keep putting it off because eventually they're going to have to pay even more."

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Bonaguidi admitted he was one of the culprits in postponing stiffer rate hikes sooner.

"I was on council for 12 years. I was part of the bunch that said, 'we've got to keep it down,'" he said. "At some point you can't keep it down, you've got to take a raise. That's the killer. Everything in this damn world is expensive. All we can do is just meet it head on and take on the expense. It hurts me too."

By Holly J. Wagner
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