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Meeting Date: November 20, 2024  
Staff Contact: Marta Ortiz, Chief Financial Officer

**TITLE: C-24-33 - FY2025 1st Quarter Financial Report**

**ACTION: Recommend Approval**

**SUMMARY:**

Submitted to the Board for review and informational purposes are the financial reports for the quarter ended September 30, 2024. The reports provide a year-to-date comparison between the approved FY25 budget and actual expenses through September 30, 2024. The reports also include revenue and expense projections to June 30, 2025. The projections are based on actual, trend, and historical information. As with any estimates, this information is subject to change.

These reports have been reviewed and approved by the State Department of Finance and Administration Local Government Division.

Also, the results of Water Authority Investments and the budget Performance Plan highlights and goals and objectives as of September 30, 2024.

See attached report.

# Albuquerque Bernalillo County Water Utility Authority

Albuquerque, NM

## Quarterly Financial Report For the month ending September 30, 2024



Note: The Quarterly Financial Report is prepared each quarter and is utilized to analyze and assess the current financial condition of the Albuquerque Bernalillo County Water Utility Authority's (Water Authority) General Fund, Debt Service Fund, San Juan-Chama Project Contractors Association Fund (SJCPCA), and Capital Funds. The information found in this report is drawn from the Water Authority's general ledger as of the last day of each month, and occasional variances may occur. This report should be used for informational purposes only.

### Introduction

This report provides an overview of the Water Authority's financial condition through the third month of the fiscal year. The year-to-date (YTD) spans between [July 1, 2024](#), through [September 30, 2024](#). This report includes budget to actual comparisons in the General Fund (by revenue/expense category and department/division), the Debt Service Fund, the SJCPCA Fund, the Capital Funds, and overall financial performance.

The report was prepared by the Business/Financial Services Division in collaboration with departmental staff across the Water Authority and will be reviewed and approved by the State of New Mexico Department of Finance and Administration (DFA) Local Government Division.

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## General Fund Revenue Highlights

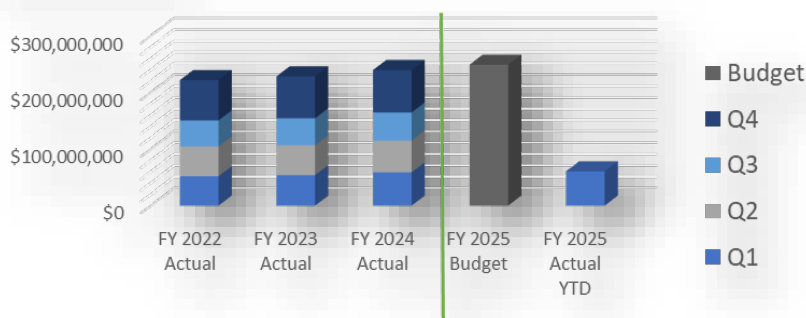
The total FY2025 General Fund revenue budget is \$257.4 million. Through September, \$63.6 million has been recorded, or 24.7% of the revenue budget. The FY2025 adopted revenue budget increased by +\$4.5 million from the FY2024 adopted budget, recognizing the adopted rate revenue adjustment and aligning with new and expansion business announcements. The tables and charts reflect the total water, wastewater, and miscellaneous revenue to illustrate monthly, quarterly, and year-to-date (YTD) activity excluding year-end revenue accruals.

Revenue Type	FY 2025 Adopted Budget	Jul-24	Aug-24	Sep-24	FY 2025 Total YTD	% YTD	FY 2025 Projection	Budget vs Projection
Water Service	\$ 116,670,000	\$ (2,577,151)	\$ 13,251,249	\$ 12,716,211	\$ 23,390,309	20.0%	\$ 113,670,000	\$ 3,000,000
Water Facilities Rehab	34,022,000	3,691,684	4,134,653	4,057,678	11,884,016	34.9%	34,022,000	-
Wastewater Service	64,143,000	4,096,736	4,542,927	4,540,871	13,180,534	20.5%	62,143,000	2,000,000
Wastewater Facilities Rehab	28,982,000	3,170,811	3,632,873	3,637,218	10,440,902	36.0%	28,982,000	-
Connections	375,000	21,803	26,939	25,103	73,845	19.7%	375,000	-
Water Resources Management	4,500,000	485,574	516,450	494,170	1,496,194	33.2%	4,500,000	-
SW Admin Fee	1,836,000	-	153,000	153,000	306,000	16.7%	1,836,000	-
DMD Admin Fee	379,000	-	31,590	31,590	63,180	16.7%	379,000	-
Interest	3,500,000	654,993	517,856	1,159,673	2,332,522	66.6%	8,500,000	(5,000,000)
Miscellaneous	3,000,000	156,173	121,599	216,304	494,076	16.5%	3,000,000	-
<b>Grand Total:</b>	<b>\$ 257,407,000</b>	<b>\$ 9,700,624</b>	<b>\$ 26,929,137</b>	<b>\$ 27,031,817</b>	<b>\$ 63,661,578</b>	<b>24.7%</b>	<b>\$ 257,407,000</b>	<b>\$ -</b>

### Rate Revenue

Rate revenue is the largest revenue category in the General Fund, representing approximately 98.0% of the total. Water and Sewer rates are for the sale of water and collection and disposal of sewage as defined in the Water Authority Rate Ordinance. Revenue budget amounts are derived with the expectation of very limited growth in the service area for the next several years coupled with moving towards the Water Authority GCPD goal of 110 by 2037.

Rate Revenue



Water Authority charges include:

**Water-Fixed Monthly Charge:** This fee recovers costs associated with providing “fixed costs” of service associated with providing capital facilities (pump stations, reservoirs, transmission lines, wells, etc.). Fixed costs occur whether or not any water is used.

**Water-Commodity Charge:** This charge represents the “unit costs” of pumping, treating, and delivering the commodity (water) itself.

**Water-State Surcharge:** This tax is a pass-through cost from the state, through the Water Authority, and to the customer for funding the State’s water quality testing.

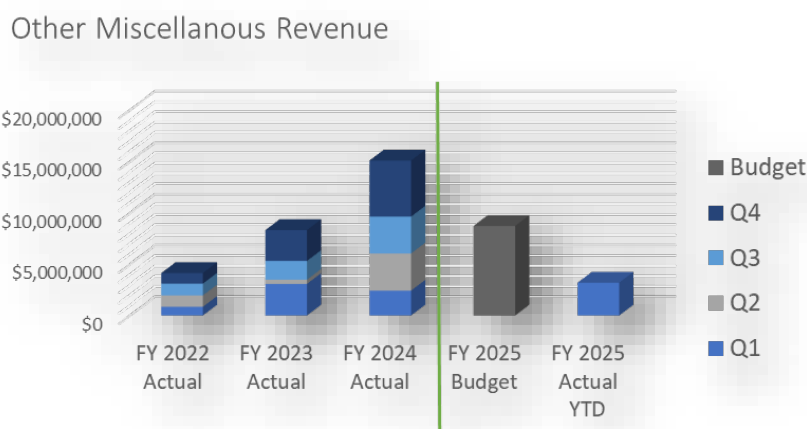
**Sewer-Fixed Monthly Charge:** This fee recovers costs associated with providing “fixed costs” of service such as sewage lift stations, odor control stations, large diameter interceptor lines, etc. Fixed costs occur whether or not any wastewater flows into the sewer system.

**Sewer-Commodity Charge:** This charge represents the “unit costs” of collecting, treating, and disposing of wastewater.

**Facility Rehabilitation Charge:** This fee funds the repair or replacement of aging water and sewer lines.

### Miscellaneous Revenue

Other miscellaneous revenue represents 2.0% of the total. This includes interest revenue, Solid Waste (SW) and Department of Municipal Development (DMD) administrative fees from the City of Albuquerque, lease (rental) revenue, and compost sales. The large increase in FY24 is a result of interest earnings totaling \$10.5 million. For more information, please refer to the investment highlights section on page 13.

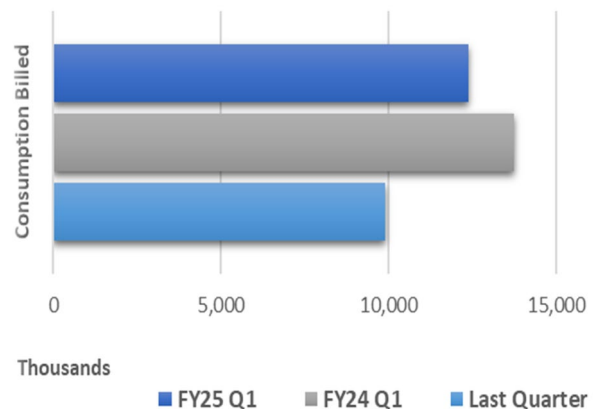
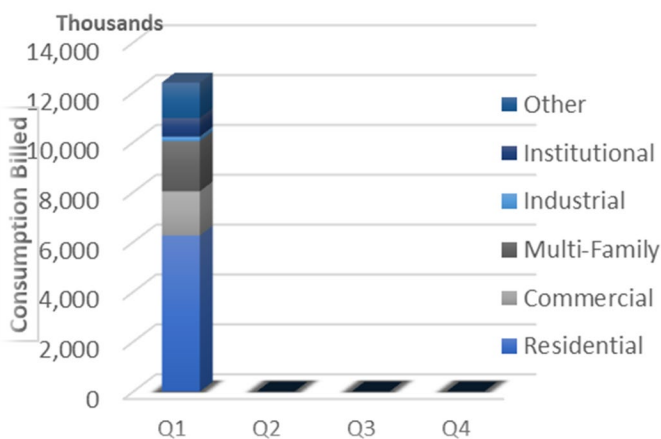


## Consumption Usage

Total number of active billed accounts are 218,226, of which, 213,583 are metered based on service size 1-8. Water customer consumption is billed the following month for the previous month's usage. Consumption is the portion of water used that is not returned to the original water source after being withdrawn and no longer available for reuse.

Consumption usage for all customer classes is illustrated below. These consumptions are (10.4%) lower compared to this time last year and 125.2% higher than FY24 Q4.

Consumption	FY 2025					
Customer Class	Jul-24	Aug-24	Sep-24	Qtr Total	% last Yr	% last Qtr
Residential	2,040,901	2,153,446	2,065,457	6,259,804	-10.5%	122.3%
Commercial	568,668	611,157	590,767	1,770,592	-14.9%	122.5%
Industrial	54,296	62,459	65,401	182,156	-11.2%	125.1%
Institutional	245,126	255,206	246,282	746,614	-13.0%	131.6%
Multi-Family	663,253	684,634	662,364	2,010,251	-3.7%	123.0%
Other	473,830	495,965	453,859	1,423,654	-12.1%	143.7%
<b>Total</b>	<b>4,046,074</b>	<b>4,262,867</b>	<b>4,084,130</b>	<b>12,393,071</b>	<b>-10.4%</b>	<b>125.2%</b>



## General Fund Expense Highlights

Overall expenses for the General Fund ending the first quarter were **35.3%**, which is above the anticipated (25%) range of actuals after the first quarter of FY 2025. The tables and charts reflect total expenses excluding year-end accruals.

Expense Type	FY 2025 Adopted Budget	Jul-24	Aug-24	Sep-24	FY 2025 Total YTD	% YTD	FY 2025 Projection	Budget vs Projection
Wages & Benefits	\$ 71,344,422	\$ 4,953,553	\$ 5,027,720	\$ 5,044,081	\$ 15,025,354	21.1%	69,874,181	1,470,241
Wages Overtime	2,201,300	180,334	194,586	206,560	581,480	26.4%	2,228,205	(26,905)
Power	16,296,000	800,497	326,841	1,980,706	3,108,044	19.1%	15,388,583	907,417
Chemicals	15,660,000	82,485	604,725	593,437	1,280,647	8.2%	15,969,275	(309,275)
Other Operating Expenses	44,061,278	3,564,686	5,708,915	3,162,470	12,436,071	28.2%	45,143,121	(1,081,843)
Transfers to Other Funds	95,784,000	24,732,000	24,732,000	4,632,000	54,096,000	56.5%	95,784,000	-
<b>Grand Total</b>	<b>\$ 245,347,000</b>	<b>\$ 34,313,555</b>	<b>\$ 36,594,788</b>	<b>\$ 15,619,254</b>	<b>\$ 86,527,597</b>	<b>35.3%</b>	<b>\$ 244,387,365</b>	<b>\$ 959,635</b>

### Personnel Expense

Wages & Benefits costs through Q1 were approximately **21.1%** of the total fiscal year budget. Personnel was underspent slightly through Q1, mostly attributed to Water Authority-wide vacancies. Overtime is **26.4%** slightly above budget levels due to staffing shortages and vacancies. The **vacancy rate** through Q1 was **8.0%**, which is above the **7.0% goal** for FY 2025.

Personnel costs through September were **\$15,606,834**, which is comprised of: wages (\$10,153,057), other fringe benefits (\$4,872,297), and overtime (\$581,480).

### Other Operating Expense (O&M)

Overall operations & maintenance (O&M) costs are under (**22.1%**) the estimated amount largely attributed to continued long lead times in receiving products. Overall, General Fund expenses are within the anticipated range (25.0%) and tracking under the actuals through September. Specifically, repairs and maintenance are tracking at \$3.9 million through Q1 as higher costs are estimated for repairs and subscription for information technology needs.

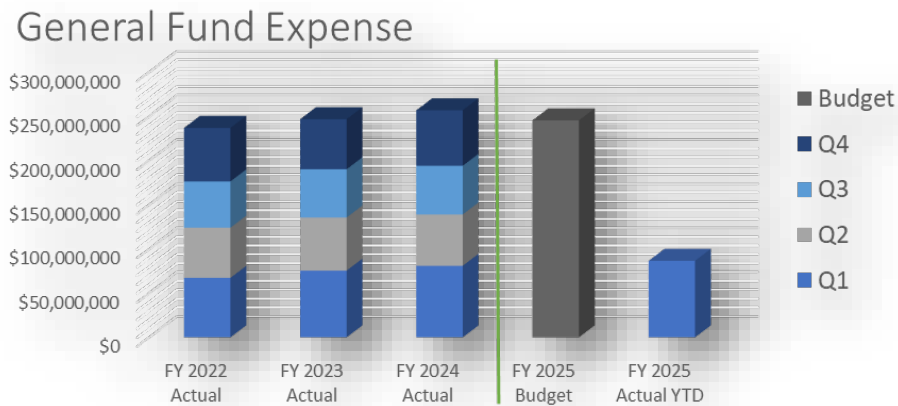
### Power and Chemicals Expense

Power and Chemicals are one of the highest expenses of O&M. Power costs are incurred for the running of the San Juan-Chama Water Treatment Plant (SJCWTP), groundwater pumping operations, and the Southside Water Reclamation Plant (SWRP). Chemical costs have seen a dramatic increase in the last few fiscal years due to inflationary factors such as increased manufacturing and transportation costs. Total YTD costs are at **27.3%**, which is slightly over the anticipated (25.0%) range.

## Transfers to Other Funds

The Water Authority pays much of its debt service in July (annual principal and semi-annual interest payments); therefore, the majority of the annual budget (\$75,000,000) is expensed in the first quarter of the fiscal year. Under existing financial policy, other transfers comprise of funding for the CIP basic program (\$19,382,000) and Water 2120 projects (\$1,402,000).

The graph below shows expenses are higher from the last three years by 86.2% through Q1 for each year.





## Budget to Actual Variances

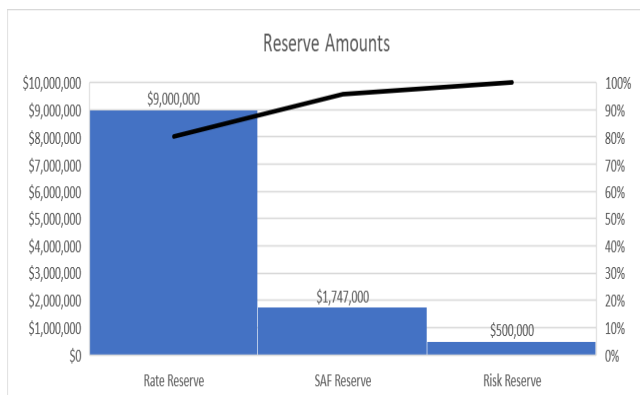
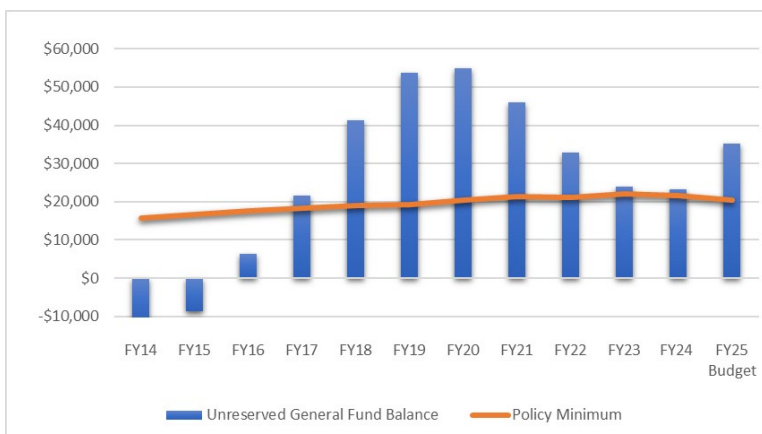
### General Fund Departments

	Personnel			Overtime			O&M Expenses & Transfers		
	YTD	FY 2025		YTD	FY 2025		YTD	FY 2025	
		Adopted	%		Adopted	%		Adopted	%
	Actual	Budget	Budget	Actual	Budget	Budget	Actual	Budget	Budget
Administration	\$ 265,996	\$ 1,202,815	22.1%	\$ 37	\$ 500	7.5%	\$ 133,463	\$ 792,675	16.8%
Risk	156,431	674,279	23.2%	2,095	1,000	209.5%	2,985,953	6,249,713	47.8%
Legal	53,861	233,700	23.0%	-	-	0.0%	45,718	754,292	6.1%
Human Resources	407,023	1,809,013	22.5%	31	500	6.1%	8,138	196,479	4.1%
Information Technology	1,366,380	6,001,908	22.8%	6,010	20,000	30.0%	3,140,141	5,609,084	56.0%
Finance	615,524	2,830,479	21.7%	9,840	36,000	27.3%	560,106	1,843,582	30.4%
Customer Service	751,115	3,780,245	19.9%	48,456	81,000	59.8%	429,596	1,796,915	23.9%
Asset Management	178,278	767,600	23.2%	-	-	0.0%	2,987	36,392	8.2%
Wastewater Plant	1,892,030	9,287,296	20.4%	126,287	580,000	21.8%	428,800	2,548,704	16.8%
SJC Water Treatment Plant	840,380	3,831,400	21.9%	40,987	200,000	20.5%	73,361	865,600	8.5%
Groundwater System	1,328,218	6,189,761	21.5%	47,056	255,000	18.5%	213,067	1,288,239	16.5%
Wastewater Collection	1,412,116	6,495,088	21.7%	47,388	145,000	32.7%	453,447	1,432,912	31.6%
Water Field Operations	3,063,494	13,749,826	22.3%	223,993	780,000	28.7%	1,195,375	7,481,174	16.0%
Compliance	1,157,845	5,659,033	20.5%	11,488	29,300	39.2%	306,756	1,189,667	25.8%
Fleet & Facility Maintenance	315,404	1,835,063	17.2%	17,608	71,000	24.8%	861,830	4,773,937	18.1%
Central Engineering	728,931	3,986,700	18.3%	25	-	0.0%	11,771	52,650	22.4%
Planning & Utility Development	139,785	986,047	14.2%	-	-	0.0%	35,402	86,945	40.7%
Water Resources	284,268	1,534,169	18.5%	109	2,000	5.5%	575,029	3,591,506	16.0%
Power & Chemicals	-	-	0.0%	-	-	0.0%	4,388,691	31,956,000	13.7%
Taxes	-	-	0.0%	-	-	0.0%	286,380	740,000	38.7%
Overhead	68,274	490,000	13.9%	71	-	0.0%	368,658	1,115,812	33.0%
San Juan Chama	-	-	0.0%	-	-	0.0%	320,093	1,615,000	19.8%
Transfers to Other Funds	-	-	0.0%	-	-	0.0%	54,096,000	95,784,000	56.5%
<b>Total</b>	<b>\$ 15,025,354</b>	<b>\$ 71,344,422</b>	<b>21.1%</b>	<b>\$ 581,480</b>	<b>\$ 2,201,300</b>	<b>26.4%</b>	<b>\$ 70,920,762</b>	<b>\$ 171,801,278</b>	<b>41.3%</b>

## Working Capital Balance (Fund Balance)

General Fund Working Capital Balance (also known as Fund Balance) began the FY 2025 year at \$24,044,454 and as of the end of September is currently \$23,147,837, which is slightly below the 1/12th total expense target. A rate adjustment was passed at the June board meeting to keep up with inflation, among other things.

The FY 2025 year end estimate is targeted to be \$35,208,000.

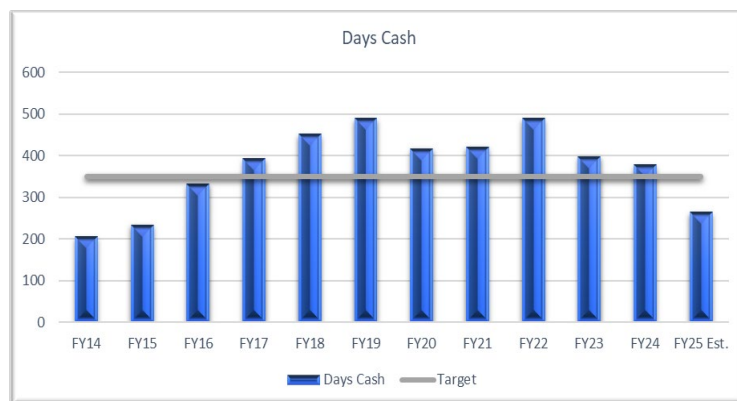


## Reserve Amounts

The Rate Reserve, which is available to support unanticipated revenue declines or emergency expenditure needs, is funded at \$9.0 million. Other reserves include risk (\$500.0 thousand) and the Soil Amendment facility (\$1.7 million).

## Days Cash on Hand

The chart below shows days cash on hand by fiscal year. YTD for FY 2024 is 378 days cash available, above the target of 350. The final days cash on-hand calculation will be determined after the annual audit is completed. FY 2025 Q1 cash available is calculated at 264.



## Other Funds Highlights

Below are the FY 2025 total revenues and expenses YTD for each fund.

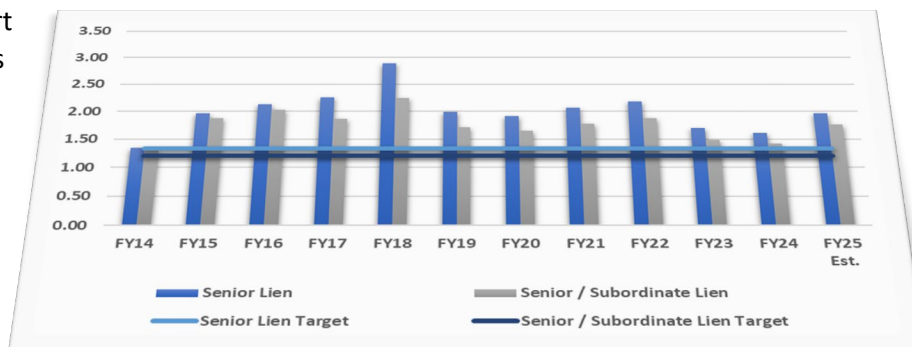
	Revenue			Expense		
	YTD Actual	FY 2025 Adopted Budget	% Budget	YTD Actual	FY 2025 Adopted Budget	% Budget
Debt Service Fund	\$ 51,935,436	\$ 83,640,000	62.1%	\$ 69,540,330	\$ 99,865,000	69.6%
SJCPCA Fund	15,667	39,042	40.1%	3,575	39,042	9.2%
Capital Rehab Fund	4,845,500	19,382,000	25.0%	6,554,400	173,043,492	3.8%
Capital Growth Fund	14,032,710	113,274,518	12.4%	4,798,103	123,685,223	3.9%
Capital Water 2120 Fund	669,706	18,427,000	3.63%	9,212	24,325,407	0.04%
<b>Total</b>	<b>\$ 71,499,019</b>	<b>\$ 234,762,560</b>	<b>30.5%</b>	<b>\$ 80,905,621</b>	<b>\$ 420,958,164</b>	<b>19.2%</b>

### Debt Service Fund

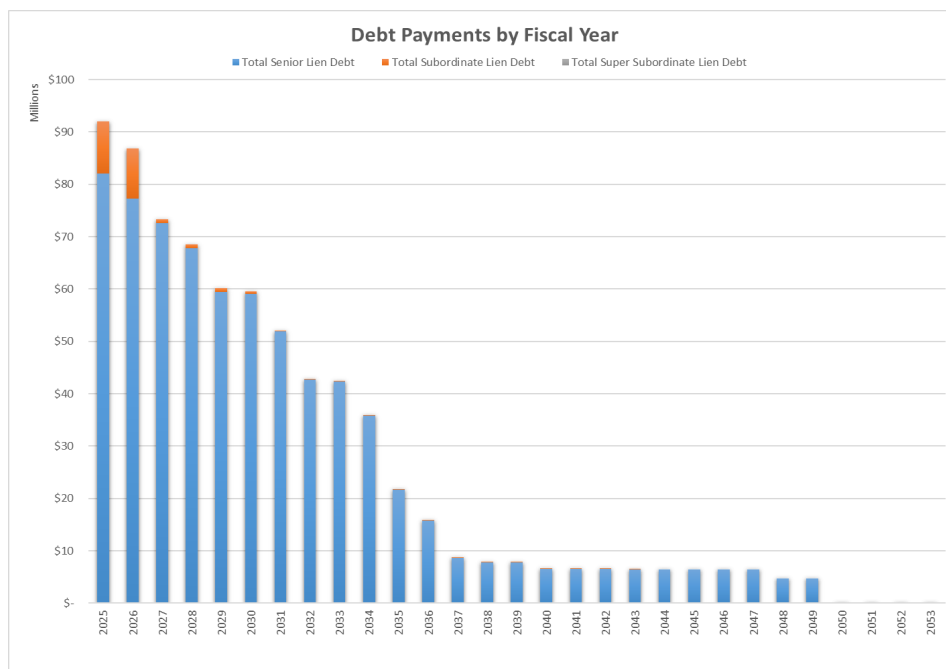
The debt service fund is used to account for the revenues, other financing sources, financing uses, and the related expenses for long-term debt. This includes accounting for bond and loan principal, interest, and other debt expenses. The majority of principal and interest payments for Water Authority debt obligations are paid in the first quarter (July 1<sup>st</sup>) of every fiscal year. Below illustrates the budget to actual variances:

	FY 2025 Adopted Budget	Jul-24	Aug-24	Sep-24	FY 2025 Total YTD	% YTD
Principal	\$ 69,819,000	\$ 67,124,629	\$ -	\$ 3,657	\$ 67,128,287	96.1%
Interest	21,401,000	880,677	-	22,248	902,925	4.2%
Other Debt Related Expense	320,276	7,866	-	1,253	9,119	2.8%
Transfers to Other Funds	4,000,000	500,000	500,000	500,000	1,500,000	37.5%
<b>Grand Total</b>	<b>\$ 95,540,276</b>	<b>\$ 68,513,172</b>	<b>\$ 500,000</b>	<b>\$ 527,158</b>	<b>\$ 69,540,330</b>	<b>72.8%</b>

The debt service coverage ratio (DSCR) is a measurement of the Water Authority's available cash flow to pay current debt obligations. Many lenders will set a minimum requirement between 1.20 and 1.25, however, the Water Authority's policy minimum is set at 1.33 for senior lien and 1.20 for senior and subordinate lien debt. The chart shows the Water Authority is above the DSCR minimum requirements.



The Water Authority's current annual principal and interest debt obligations for FY 2025 total \$92.0 million. Pre-payment and payoff loans amounts are estimated at \$2.0 million. The chart illustrates the required annual debt payments through FY 2053.



Albuquerque Bernalillo County  
Water Utility Authority,  
Fiscal Agent

PO Box 568  
ABQ, NM 87103

City of Belen  
Ohkay Owingeh  
Town of Bernalillo  
El Prado Water &  
Sanitation District  
Town of Taos

Village of Los Lunas  
Middle Rio Grande  
Conservancy District  
City of Santa Fe  
Village of Taos Ski Valley  
Jicarilla Apache Nation

### San Juan-Chama Project Contractors Association Fund

The Water Authority is the fiscal agent on behalf of the San Juan-Chama Project Contractors Association (SJCPCA) that was established in FY 2022 with supervision of the SJCPCA board. Members of the SJCPCA are assessed annually on an equitable basis not to exceed fifty (50) cents for each acre-foot of each agency's annual project water amount. SJCPCA may also establish special assessments on an as needed basis by supermajority (75%) of the members.

Revenues collected for FY 2025 total \$15,667 and expenses YTD are \$3,575 or 9.2% of the total budget.

## Capital Funds

The FY2025 amended Capital Improvement Program (CIP) total **\$321.1 million**, excluding debt, for all CIP funds. CIP costs are defined as those costing over \$5,000 with an expected useful life of at least two years. The CIP is also categorized by various facilities, infrastructure, improvements, and equipment. Multiple funding sources are utilized to provide the budget for CIPs, including from the General Fund, Debt Service Fund, miscellaneous CIP funds, loans, and grants. The table and chart illustrate the budget to actual variances for each CIP category:

	<b>FY 2025 Adopted Budget</b>	<b>Jul-24</b>	<b>Aug-24</b>	<b>Sep-24</b>	<b>FY 2025 Total YTD</b>	<b>% YTD</b>
Sanitary Sewer Pipeline Renewal	\$ 27,658,798	\$ (1,808)	\$ 720,695	\$ 297,205	\$ 1,016,091	3.7%
Drinking Water Pipeline Renewal	10,346,478	(59,397)	254,142	855,096	1,049,841	10.1%
Southside Water Reclamation Plant Renewal	29,689,414	19,995	282,050	902,949	1,204,994	4.1%
Soil Amendment Facility Renewal	1,020,869	-	138,535	13,486	152,021	14.9%
Lift Station & Vacuum Station Renewal	7,119,375	-	-	-	-	0.0%
Odor Control Facilities Renewal	1,187,220	-	-	22,749	22,749	1.9%
Groundwater Production & Dist. Renewal	20,890,523	101,594	288,163	490,529	880,286	4.2%
SJCWTP Renewal	34,448,958	17,812	61,942	267,322	347,076	1.0%
Reuse Pipeline & Plant Renewal	4,459,739	-	1,197	3,655	4,852	0.1%
Compliance	565,290	-	-	-	-	0.0%
Shared Renewal	12,339,706	-	38,023	80,028	118,051	1.0%
Franchise Fee Compliance	6,923,846	1,808	25,708	10,599	38,115	0.6%
Vehicles & Heavy Equipment	4,867,192	-	758,082	152,833	910,915	18.7%
Special Projects	121,825,243	180,661	2,252,822	2,703,147	5,136,629	4.2%
Growth Projects	13,386,064	4,838	205,666	260,378	470,883	3.5%
Water 2120 Projects	24,325,407	-	-	9,212	9,212	0.0%
<b>Grand Total</b>	<b>\$ 321,054,122</b>	<b>\$ 265,503</b>	<b>\$ 5,027,025</b>	<b>\$ 6,069,187</b>	<b>\$ 11,361,715</b>	<b>3.5%</b>

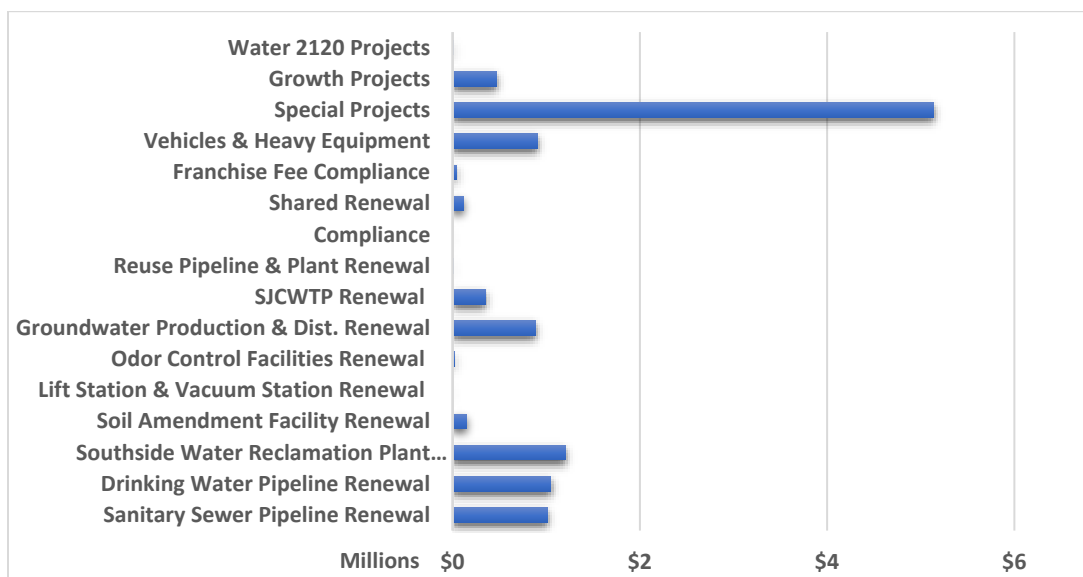
To comply with the State of New Mexico Department of Finance and Administration policy on requirements for a budget adjustment resolution (BAR), the Water Authority has adopted an administrative policy for “Capital Funds Excess/Deficit Budget Rollovers.” This policy allows for rollovers of CIP funds in excess and/or deficit from each previous fiscal year’s remaining budget.

The Water Authority records the carryover of all unobligated funds remaining at the end of the budget year to the next budget year to cover allowable costs in that budget period. This carryover does not require Water Authority Board approval. Restricted funds, grants, bond and loan proceeds, and cash transfers that are recorded in CIP funds are the only cumulative balances allowed.

The adopted budget recognizes the carryover of unobligated funds from FY 2024 in the amount of **\$189.2 million** and any new or amended CIP budget resolutions approved by the Board since July 1st.

## Capital Status Report

The Water Authority expended a total of \$11,361,715 through Q1 of FY 2025. Of the \$11.4 million capital spending in Q1, the highest proportion was spent on various special projects (\$3.0 million) to include: The Volcano Cliff Arsenic Treatment Facility, the ToHajiilee pipeline. Furthermore, approximately \$3.3 million in capital funds have been allocated to fleet vehicle and equipment replacement, interceptor rehabilitation, automated meter infrastructure (AMI), water meter/service line renewal, and planned small diameter waterline repair/replacement.



## Project Timeline and Cost Impacts

Timelines for virtually all CIP projects continue to extend by 3-6 months due to delays in material availability and shipping. This is an expected schedule impact that will likely extend over the next 1-2 years due to current supply chain challenges.

Regarding cost impacts, the Water Authority is seeing ongoing project cost escalations driven by:

1. The cost escalation of materials (pipe, pumps, valves, fuel, concrete, steel, etc.),
2. The Albuquerque contractor pool with a limited amount of available skilled wet utility contractors, and
3. A highly competitive construction project market with lots of projects being bid by the City of Albuquerque, Bernalillo County, New Mexico Department of Transportation (NMDOT), Albuquerque Metropolitan Arroyo Flood Control Authority (AMAFCA), Sandia Labs, and others.

The Water Authority continues to manage these cost impacts through improving cost estimating and cost contingency evaluation, and a robust asset management approach to prioritizing projects, which creates flexibility to shift projects based on budget availability and bidder costs for specific projects.

A sample of active CIP projects that have budget authority in FY 2025 are listed as follows:

Project	Life-to-Date			Year-to-Date		Project Phase	Estimated Completion Date		
	Total Budget	Total Spend*	Spend %	Total Budget	Total Spend*		As of 1Q 2025	Current	Comments/Notes
Volcano Cliffs Arsenic Treatment and Transmission Line	\$ 41,978,024	\$ 9,503,065	22.64%	\$ 35,261,776	\$ 2,786,817	Construction	30-Sep-26	Yes	Both the arsenic treatment facility (ATF) and off-site transmission line (TL) under construction. TL construction is going through rock excavation. ATF had challenges with existing utility conflicts. Estimated completion for TL is January 2025. Estimated completion for ATF is Fall 2026.
To'Hajiilee Transmission Line	20,000,050	2,729,750	13.65%	18,306,089	1,035,790	Construction	31-Mar-26	Yes	Under Construction estimated completion March 2026
KAFB Tijeras Interceptor Rehab	11,093,449	10,423,811	93.96%	721,427	51,789	Construction	31-Jul-24	Yes	Construction complete; Project closeout imminent.
SVDWP Phase 8/9 Waterline Extension	8,000,000	605,085	7.56%	7,436,495	41,580	Construction	31-Mar-26	Yes	Project awarded (NMUU). Est. Completion March 2026.
MDC Water & Sewer Improvements	16,173,086	720,232	4.45%	15,494,376	41,521	Construction	31-Mar-26	Yes	Under Construction. Estimated Completion Spring 2026.
Carnuel Wastewater System	5,829,346	537,205	9.22%	5,297,366	4,705	Construction	11/31/2025	Yes	Project awarded & in construction. Est. completion by Nov 2025.
Carnuel Waterline System	2,550,000	27,363	1.07%	2,525,390	2,754	Construction	30-Nov-24	Yes	Project awarded & in construction. Construction complete by end of Nov. 2024.
Bosque WRRP Reuse System	23,754,652	1,744,454	7.34%	22,273,027	361,828	PER	Unknown	Yes	Final Basis of Design Report (BDR) received. PER will be complete by Jan. 2025. CMAR solicitation anticipated Nov 2024.
SWRP Outfall Realignment	9,096,813	872,577	9.59%	8,246,598	22,362	Construction	31-Jul-25	Yes	Project awarded (CF Padilla) & in construction. Est. Completion July 2025.
Mesa Del Sol Pump Station	5,706,468	625,188	10.96%	5,081,279	-	Design	31-Mar-26	Yes	Ph. 1 design in progress (DAR & 30%) – Ph. 1 design package ready to bid March 2025. CWSRF Funding request for Ph. 1 in progress.
Tijeras/Winrock Reuse System	9,526,900	1,719,984	18.05%	7,959,682	152,766	Design	31-Aug-26	Yes	Design complete by Dec. 2024. Bidding in Nov. 2024.
Arsenic Treatment Facilities (Thomas/Santa Barbara/Miles)	2,242,378	351,268	15.66%	1,919,769	28,659	PER	Unknown	Yes	Final PER ready by Nov. 2024. 30% SBATF design due in Dec. 2025 - design complete by Aug 2025. FY25 NMFA WTB application submitted for construction funds (\$14M).

\*Total Spend represents actual expenses.

Note: Year-to-date information as of September 30, 2024.

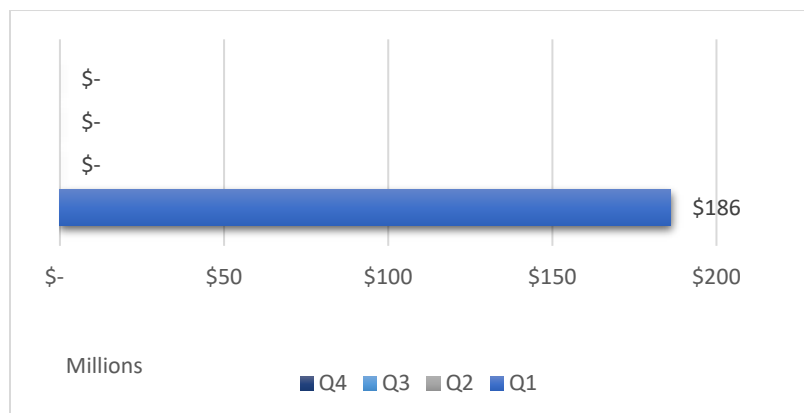
# Cash and Investment Highlights

In accordance with the Investment Policy, the Water Authority is to prudently manage the investment of public money that is not immediately required for the operations of the Water Authority. Investment Policy priorities are used in making investment decisions are:

1. Safety of funds,
2. Maintenance of liquidity, and
3. Maximum of return (yield) after the first two priorities are met.

The chart below shows cash and investment balances as of September 30, 2024. Investments help offset bankcard (merchant) and Client Analysis fees which amounted to \$593,102 in Q1.

<b>Overnight Liquid Products:</b>	<b>Balances as of 09/30/2024</b>	<b>Book Yield</b>	<b>Market Value</b>
NM State Local Government Investment Pool (LGIP)	\$ 41,790,926	5.141%	\$ 41,790,926
Wells Fargo - Stagecoach Sweep - 0555	20,546,720	4.799%	20,546,720
Wells Fargo - Stagecoach Sweep - 7076	10,359,632	4.799%	10,359,632
Wells Fargo - General Fund - 0555	20,434	4.799%	20,434
Wells Fargo Commerical Checking - 8089	2,182,206	4.799%	2,182,206
Bank of Albuquerque - 2528	5,038,409	0.550%	5,038,409
Rio Grande Credit Union	236,332	1.760%	236,332
<b>Total Highly Liquid Portfolio</b>	<b>80,174,659</b>		<b>80,174,659</b>
<b>Investment Accounts</b>			
US Bank - Public Trust Advisors	23,750,825	4.480%	23,890,755
US Bank - Public Trust Advisors (CIP)	82,216,401	5.110%	86,715,418
<b>Total Investment Accounts</b>	<b>105,967,226</b>		<b>110,606,173</b>
<b>Total Cash and Investments</b>	<b>\$ 186,141,885</b>		<b>\$ 190,780,832</b>





Illustrated below the Public Trust Advisors (PTA) investment portfolio as of September 30, 2024, balances.

Portfolio Overview

09/01/2024 to 09/30/2024

Portfolio Characteristics

	08/31/24	09/30/24
Duration	0.192	0.112
Years to Effective Maturity	0.191	0.113
Years to Final Maturity	0.191	0.113
Coupon Rate	0.460	1.496
Book Yield	5.659	4.925
Market Yield	5.098	4.453
Benchmark Yield	--	--

Asset Allocation

A pie chart illustrating the asset allocation of the portfolio. The chart is divided into three segments: a large dark blue segment representing US GOV at 66.59%, a medium grey segment representing MMFUND at 33.39%, and a very small dark blue segment representing CASH at 0.02%.

CASH	0.02%
MMFUND	33.39%
US GOV	66.59%

Detail may not add to total due to rounding.

Albuquerque Bernalillo County Water Utility Authority - Aggregate

Portfolio Summary

Summary	08/31/24	09/30/24
Historical Cost	\$119,104,292.46	\$109,967,226.13
Book Value	120,030,600.42	110,550,918.64
Accrued Interest	0.00	0.00
Net Pending Transactions	(9,917,522.37)	27,091.99
Book Value Plus Accrued	\$110,113,078.05	\$110,578,010.63
Net Unrealized Gain/Loss	32,878.70	55,338.62
Market Value Plus Accrued	\$110,145,956.75	\$110,633,349.24

Income Summary

Period Income	Income
Interest Income	\$27,091.99
Net Amortization/ Accretion Income	437,840.58
Net Income	\$464,932.57

Public Trust Advisors ①

The Economy at a Glance from: [Federal Reserve.gov](https://www.federalreserve.gov)

Policy Rate – Fed Funds Target Range: [4.75% to 5.00%](#)

The Federal Reserve steers the federal funds rate into its target range primarily by changing the interest rate paid on reserve balances and the interest rate of its overnight reverse repurchase facility. Changes in these rates influence the borrowing activity of banks and other financial institutions.

Inflation as of August 2024: [2.2%](#)

The Federal Reserve seeks to achieve inflation at the rate of 2 percent over the longer run as measured by the annual change in the price index for personal consumption expenditures (PCE).

#### Inflation (PCE)

2.2% August 2024

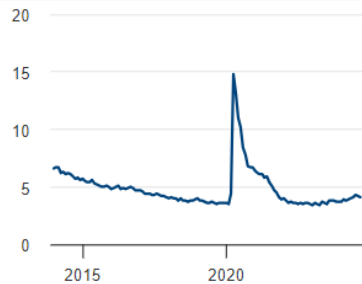


Source: Bureau of Economic Analysis

Unemployment Rate as of September 2024: [4.1%](#)

#### Unemployment Rate

**4.1%** September 2024



Source: U.S. Bureau of Labor Statistics

The unemployment rate represents the number of unemployed people as a percentage of the labor force. The labor force is made up of people who have a job and people who are jobless that are looking for a job and available for work.

Gross Domestic Product (GDP) Q2 2024: [+3.0%](#)

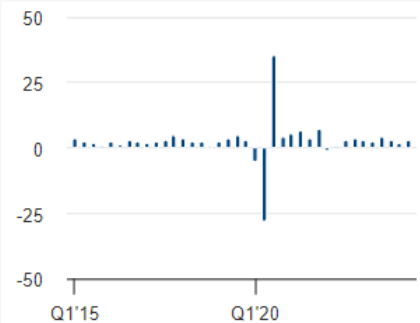
Gross domestic product, or GDP, is a comprehensive measure of U.S. economic activity that represents the value of goods and services produced in the U.S. The Federal Reserve pays attention to changes in GDP as an indicator of the overall health of the economy.

With regards to the Operating and CIP portfolios:

The portfolios are mostly liquid at this point and have begun drawing down the CIP fund and reimbursing the Operating fund for expenses. The Water Authority has sufficient liquidity in the LGIP to reinvest excess cash in both the Operating and CIP portfolios. PTA recommend trades shortly based upon the estimated cash flows and approach.

#### Gross Domestic Product (GDP)

**+3.0%** Q2 2024



Source: Bureau of Economic Analysis

# Performance Plan Highlights

The Performance Plan assesses the performance of the Water Authority using measures that are designed to help the Water Authority improve its operational efficiency and effectiveness. These performance measures help guide the operating and capital budgets in allocating the Water Authority's financial resources, thus making these budgets performance based.

## Quarterly Performance Indicator Scorecard

The Scorecard Indicators are categorized by Level of Service areas which include:

- Regulatory
- Reliability
- Quality
- Customer Service
- Finance

The Scorecard Indicators are developed through benchmarking and performance assessments to identify performance gaps and to establish targets to address performance gaps. The Scorecard Indicators Targets are linked to performance benchmarking, the Goals and Objectives, Customer Opinion Survey responses, and Effective Utility Management. The purpose of this report is to provide a one-page snapshot of the utility's performance so that stakeholders can easily gauge how the utility is performing in these Level of Service areas which is consistent with the feedback received through the Customer Conversation forums on reporting preferences.

The report identifies the fiscal year-to-date performance compared to the established target. A status of each indicator is provided in three categories: target achieved, work- in-progress, or target not met. Below shows the actual and target performance for all 22 indicators.

## Goals and Objectives

The FY 2024 Goals and Objectives were established and approved by the Water Authority Board on April 19, 2023, and are linked to the budget process, performance measurements, and is consistent with the desired conditions of the Water Authority's service area.

The Goals are as follows:

- Goal 1: Water Supply and Operations
- Goal 2: Wastewater Collection and Operations
- Goal 3: Customer Services
- Goal 4: Business Planning and Management
- Goal 5: Organization Development

Within each goal are multiple objectives identified. The attached FY 2025 Goals and Objectives report shows the results of the FY 2025 first quarter progress of each objective within each goal.



## Quarterly Performance Indicators FY25 1st Quarter Scorecard

Level of Service Area	Indicator	FY25 Actual (FY TO DATE)	FY25 Target	Status
Regulatory	Number of Permit Excursions	4	≤ 5	▲
	Reported Overflows	7	< 40	▲
	Sewer Use/Wastewater Control Ordinance Compliance	80% Permitted Industrial Users 62% FOGS Estabs. 106% Dental Offices	≥ 87% Permitted Industrial Users ≥ 87% FOGS Est. ≥ 87% Dental Office	■
Reliability	Facility Planned Maintenance Ratios	79% ground water 89% surface water 51% water reclamation	≥ 70% ground water ≥ 70% surface water ≥ 45% water reclamation	▲
	Water System Inspection Effectiveness	195 miles surveyed 339 miles monitored 33 leaks found 4.7 MGY water loss reduced	> 650 miles surveyed > 2,200 miles monitored > 80 leaks found >75 MGY water loss reduced	▲
	Miles of Sewer Line Cleaned	82 miles	400 to 600 miles	▲
	Sewer Line Inspection Effectiveness (CMOM 10 Year Target)	1083 miles televised	≥ 1072.5 miles televised	▲
	Injury Time	97 hours	< 2,500 hours	▲
Quality	Water Quality Complaints Rate (per 1,000 customers)	1.9	< 3	▲
	% of Biosolids to Compost	28%	> 30%	■
	Renewable Energy	27% Biogas 10% Solar	≥ 20% Biogas ≥ 5% Solar	▲
	Water Consumption	9.4 BGY GW 0.4 BGY SW	< 21 BGY GW > 14 BGY SW	▲
Customer Service	Wait Time (minutes)	0:15 seconds	< 1 minute	▲
	Contact Time (minutes)	4:23 minutes	< 4 minutes	■
	Abandoned Call Ratio	1%	< 3%	▲
	First Call Resolution	98%	> 95%	▲
	Bill Exception Rate (per 10,000 Bills)	1	< 8	▲
Finance	Rehabilitation Spending	\$6 million	≥ \$64 million	■
	Pipe Infrastructure Emergency vs. Planned Spending	95% Planned 5% Emergency	≥ 50% Planned ≤ 50% Emergency	▲
	Cash Reserves (Days)	264 days	≥ 350 days	■
	Revenue to Expenses	74%	≥ 100%	■
	Expenses to Budget	141%	≤ 100%	■

### Performance Key

▲  
On Target/Target Achieved

■  
Work in Progress / Below Target

▼  
Target Not Met

## FY25 Goals and Objectives

### Goal 1: Water Supply and Operations

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*Provide a reliable, safe, affordable, and sustainable water supply by transitioning to renewable supplies and minimizing long term environmental impacts on the community and natural resources while ensuring the ability of the community to grow in a responsible manner.*

**Objective 1.1**      **Develop a long-term strategy for utilizing existing wells that are currently out of service within the water system and identify priority Arsenic Treatment plant projects for design and construction by the end of the 4th Quarter of FY25.**

*Staff Assignment: Berman/Andrade/Laughlin/Kelly*

Tasks		Stakeholder
<i>Task Update/Description</i>	<i>Status</i>	<i>Description &amp; Key Info</i>
Santa Barbara ATF	In Design	CDM-Smith final design by June 2025 FY25 WTB Application submitted for Construction (\$14M)
Miles ATF	Not Active	Design targeted in FY26
Stranded Assets Study	In Progress	Waiting on IIP Update for updated Demand Forecaster data Stranded Assets Study completion by Q4 FY25

**Objective 1.2**      **Complete the assessment that began in FY23 of the impact of widescale power outages upon water system production and pumping facilities by the end of the 4th Quarter of FY25. Work directly with the Public Service Company of New Mexico (PNM) and the Water Authority's Geographical Information System (GIS) group to determine potential impact areas. Subsequently, engage the services of a hydraulic modeling consultant to perform strategic hydraulic modeling to assess resulting water supply capacity limitations and water outage timelines.**

*Staff Assignment: Berman/Andrade*

Task	Status
PNM-prepared map of power grid	Complete
Water system sites affected by widespread power outage	PNM preliminary identification
Meet with PNM -extent of outages, estimated power restoration time	Next Step
Perform water system hydraulic modeling simulations	WUA staff – Q4

## FY25 Goals and Objectives

- Objective 1.3**      **Develop and execute a program of regular inspections of the inventory of drinking water reservoirs at a frequency consistent with good practices for steel and concrete reservoir assets and American Water Works Association (AWWA) Partnership for Safe Water-Distribution goals by the end of the 4th Quarter of FY25.**

*Staff Assignment: Berman/Andrade*

Task	% Complete
Inventory Inspections	30%

- Objective 1.4**      **Monitor the following in the Maximo asset management system:**

- **Checklist for Groundwater Swing Shift Operators to complete the Swing Shift standard operating procedure (SOP) requirements for each site and report through the end of the 4th Quarter of FY25.**
- **Checklist for Groundwater Weekly Disinfection for operators to complete the chlorine generation equipment weekly data gathering in Maximo and report through the end of the 4th Quarter of FY25.**
- **Annual Groundwater Reservoir Exterior Inspection Program to annually document the condition of each reservoir. Report progress at the end of each quarter through the end of the 4th Quarter of FY25.**

*Staff Assignment: Berman/Andrade/Daniels*

Task	Status
AMPT staff-coordinate meetings with departments	Next step
Completion of inspection forms and SOPs	Q4

- Objective 1.5**      **Submit annual treatment data to the Partnership for Safe Water - Treatment program for inclusion in the program's annual report of aggregated system water quality data by the end of the 4th Quarter of FY25.**

- **Maintain turbidities for each individual filter cell and for combined filter effluent at less than 0.1 nephelometric turbidity unit (NTU) more than 95% of time in operation.**
- **Continue work on items identified from the Phase 3 Self-Assessment that are not yet considered optimized and submit a progress report to AWWA.**
- **Continue working towards the application for the Phase IV Excellence in Water Treatment Award in the Partnership for Safe Water - Treatment.**

## FY25 Goals and Objectives

*Staff Assignment: Berman/Sanchez*

Period	Percent of Time <0.1 NTU
1 <sup>st</sup> Quarter Percentage	100% plant offline majority of Q1
2 <sup>nd</sup> Quarter Percentage	
3 <sup>rd</sup> Quarter Percentage	
4 <sup>th</sup> Quarter Percentage	
FY25 Average	

- Objective 1.6**      **Improve monitoring and trending of the Total Organic Compound (TOC) concentration and removal across the Water Treatment Plant to better predict potential Disinfection By-Product (DBP) formation in the distribution system. Continue to optimize TOC removal through enhanced coagulation and biologically active filtration by reporting quarterly data to assess seasonal TOC trends and removal metrics through the 4th Quarter of FY25.**

*Staff Assignment: Berman/Sanchez*

	Average Total Organic Carbon (TOC) in mg/L						
Sample Point	July	Aug	Sept	1 <sup>st</sup> Qtr Avg	2 <sup>nd</sup> Qtr Avg	3 <sup>rd</sup> Qtr Avg	4 <sup>th</sup> Qtr Avg
Source Water - IN	8.23	Offline	Offline	8.23			
Finished Water - OUT	1.75	Offline	Offline	1.75			
Average % Removal	78.7	-	-	78.7			

- Objective 1.7**      **Develop a quarterly meter box inspection program for all meter routes that have been replaced with Automated Meter Infrastructure (AMI) devices (approximately 170,000 meters to date) by the end of the 4th Quarter of FY25. This will include developing an inspection form for meter crews in GIS.**

*Staff assignment: Warren/Malouff*

Task	Status
Work with IT and consultant to create program in Clevest-IFS/MWM	Determined this to be platform
Test inspection form and Power BI reporting	Q2

- Objective 1.8**      **Develop an air release valve maintenance program by the end of the 4th Quarter of FY25. Perform an initial inspection to determine the required maintenance for all air release valves or combination air vacuum valves on transmission lines, distribution lines 16-inch or larger, and well collector lines. There are 306 valves currently identified in GIS for the initial inspection.**

## FY25 Goals and Objectives

*Staff assignment: Warren/Malouff*

	Inspections	Replacement	Repair	Buried	Goal
<b>Q1</b>	151	2	5	6	TBD
<b>Q2</b>					
<b>Q3</b>					
<b>Q4</b>					

In Q2, Field Distribution will determine a goal for the number of inspections per quarter.

- Objective 1.9**      **Develop a corrosion monitoring inspection program by the end of the 4th Quarter of FY25. This includes procuring the services of a National Association of Corrosion Engineers (NACE)-certified inspector to perform an inventory of all corrosion monitoring stations on San Juan Chama infrastructure, other potable, and non-potable transmission lines. There are 370 stations currently identified in GIS.**

*Staff assignment: Warren/Malouff*

Task	Status
Hire consultant (Corrpro)	Completed Q1
Consultant inspectors perform inventory and testing. Provide report.	Q2

- Objective 1.10**      **Submit annual distribution data to the Partnership for Safe Water - Distribution program for inclusion in the program's annual report of aggregated system water quality data by the end of the 4th Quarter of FY25.**

- **Continue work on items identified from the Phase 3 Self-Assessment that are not yet considered optimized and submit a progress report to AWWA.**

*Staff Assignment: Warren/Malouff*

	Status	Goal
<b>Q1</b>	Finalize data and report for FY24	Q4 Submission
<b>Q2</b>		
<b>Q3</b>		
<b>Q4</b>		



## FY25 Goals and Objectives

**Objective 1.11** To improve reliability and reduce interrupted water service, inspect at least 4,000 isolation valves by the end of the 4th Quarter of FY25.

*Staff Assignment: Warren/Malouff*

	Inspect/Repair	Goal	% Operational
Q1	519	4,000	84%
Q2			
Q3			
Q4			

**Objective 1.12** Analyze the current status of the Water Resources Management Strategy: Water 2120. Begin planning and collecting data to enable the 10-year update of Water 2120. Assemble datasets of climate data for the region utilizing the latest technology. Prepare for the update by analyzing current and future supply and demand scenarios by the end of the 4th Quarter of FY25.

*Staff Assignment: Kelly/Agnew*

Task	Status
Meetings with City of Santa Fe to discuss climate data being modeled-Rio Grande Basin Study	On-going
Meetings with consultants-scope and cost of updating supply/demand scenarios	On-going

**Objective 1.13** Support and advocate for the Water Authority's interests on the Colorado River through the end of the 4th Quarter of FY25.

- Promote basin-wide collaboration and advocacy for sustainable water resources through continued leadership and support for the San Juan Chama Contractor's Association.
- Plan for and begin implementation of the Colorado River Water Users Memorandum of Understanding (MOU), which promotes municipal water conservation through conversions to drought-and climate-resilient landscaping, while maintaining vital urban landscapes and tree canopies that benefit our communities, wildlife, and the environment. Implement the MOU by decreasing Non-Functional Turf by 30%.
- Commission meetings as well as monthly updates from the New Mexico Interstate Stream Commission (NMISC) to the San Juan-Chama contractors.

*Staff Assignment: Kelly/Agnew*

## FY25 Goals and Objectives

Task	Status
SJCPCA Collaboration	SJCPCA monthly meetings. US BOR webinars
Colorado River MOU	Attend special meeting-Colorado River Commission. NM Interstate Stream Commission monthly meetings.
Northeastern AZ Indian Water Rights Settlement Act	Discuss and track amendment and changes to Act.

**Objective 1.14**    **Work with the New Mexico Environment Department (NMED) and Office of the State Engineer to begin aquifer storage and recovery (ASR) permitting by the end of the 4th Quarter of FY25.**

*Staff Assignment: Kelly/Agnew*

Task	Status
Permit modification application for DWTP Large-Scale Recharge project	In process with NMED
Additional permitting	Pending PER to inform permit applications.

**Objective 1.15**    **Implement the Rivers and Aquifers Protection Plan (RAPP), the Water Authority's source water protection plan, through the following actions:**

- i. Complete an update of locations and/or plume extent at known groundwater contamination sites within the Service Area by the 2nd Quarter of FY25; map the update to include updated data from sites in the 2018 groundwater contamination site map and newly established sites by the NMED;
- ii. Track and review site data and documents for priority groundwater contamination sites through the end of the 4th Quarter of FY25;
- iii. Collaborate and coordinate with other agencies, including support of the Water Protection Advisory Board (WPAB) through the end of the 4th Quarter of FY25.

*Staff Assignment: Kelly/ Agnew*

## FY25 Goals and Objectives

Task	Status
Update locations and update map	Complete
Priority groundwater contamination sites	Staff reviewing data/regulatory submittals from priority sites.
	Technical memo submitted to NMED-KAFB BFF. TCAC presentation.
	Technical memo submitted to NMED-HP/Digital Site. TCAC and WPAB presentation.
	Carlisle Village Cleaners-replacement of water line
Collaboration/coordination	3 WPAB meetings – Q1
	Co-presentation with NMED to Radioactive and Hazardous Materials Interim Committee

**Objective 1.16** To establish native water storage in Abiquiu Reservoir as approved by Congress, coordinate the update of the United States Army Corps of Engineers (USACE) Water Control Manual and storage contract updates through the 2nd Quarter of FY25. Continue towards permitting and environmental approvals for Abiquiu Reservoir through the 4th Quarter of FY25.

*Staff Assignment: Kelly/Agnew*

Task	Status
Permit application	Met with NMISC staff on application-need to resolve outstanding stay on the permit
Draft storage agreement	Met with US BOR and MRGCD to draft agreement. Work with USACE to update sub-allotment agreements.

**Objective 1.17** Conduct regular water quality monitoring of the Water Authority data gap well at the Kirtland Air Force Base (KAFB) Bulk Fuels Facility jet fuel leak site through the end of FY25. Design, install and sample monitoring well(s) at the Hewlett Packard-Digital site.

*Staff Assignment: Kelly/Agnew*

## FY25 Goals and Objectives

Task	Status
Data gap well monitoring	Sampled quarterly
Monitoring well design	Design complete. Installation targeted Dec. 2024

**Objective 1.18** With the goal to reduce water consumption, convert 10% of existing irrigation accounts that are within 200 feet of reuse lines to non-potable accounts by the 4th Quarter of FY25.

*Staff Assignment: Kelly*

Task	Status	Goal
Irrigation only accounts to connect to non-potable water	On-going	10%

**Objective 1.19** Evaluate new ICI (Industrial, Commercial, Institutional) service requirements for additional water-saving policies and procedures by the end of the 4th Quarter of FY25.

*Staff Assignment: Kelly/Cadena*

Task	Status
Evaluation of ICI requirements	On-going

**Objective 1.20** With the goal to reduce water consumption, develop automated leak notifications for customers with AMI meters by the end of the 4th Quarter of FY25. Implement a 48-hour continuous usage alert for customers with AMI.

*Staff Assignment: Kelly/Zamora*

Task	Status
Notifications	Developed and being sent to customers with AMI meters that are enrolled in portal/online billing

**Objective 1.21** Develop a reuse water modeling program that maintains a centralized version of the reuse model to be utilized as the system develops by the end of the 4th Quarter of FY25.

*Staff assignment: Shuryyn/K. Berman*

Task	Status
Puerto del Sol reuse system	Received, reviewed, validated
Winrock Reuse extension	Complete
Southside Reuse Study	Complete

**Objective 1.22** Complete three risk analyses utilizing the drinking water model by the end of the 4th Quarter of FY25. Risk analysis to include pipeline failure between Simms Reservoir and the San Antonio Pressure Reducing Valves (PRV),

## FY25 Goals and Objectives

limitations on the Lomas Reservoir due to a high point in the transmission line, and interconnection of transmission line 8E between Montgomery and Freeway Trunks.

*Staff Assignment: Berman/Andrade/ K. Berman*

Task	Status
Simms Reservoir/San Antonio PRV	No action
Lomas Reservoir	No action
8E-Montgomery/Freeway	No action
1E and 3E pressure zone-Hubbell Trunk	Complete

- Objective 1.23** Implement a Maximo-based Leak Detection Inspection process to track manual leak detection survey work, automate the WO process that results from leaks that are detected, and automate the back-end reporting of estimated annual water loss from leaks that are detected. This process will ultimately replace the current spreadsheet-based system that the Leak Detection group uses.

*Staff Assignment: Laughlin/Matthews/R. Sanchez*

Task	Status
Coordination with IT on reporting tool	Scheduled completion Q4. Roll out date TBD.

- Objective 1.24** Work with City and other project stakeholders to design and construct the Tijeras Advanced Water Treatment Plant (AWTP) and Tijeras Reuse Reservoir and Pump Station (RRPS) facilities at Mesa Del Sol to support the special industrial complex, including Maxeon and other entities, through the end of FY27.

*Staff Assignment: Laughlin*

Tasks		Stakeholder
<i>Task Update/Description</i>	<i>Status</i>	<i>Description &amp; Key Info</i>
Ph. 1 Design	In Design	Phase 1 incl. 4MG Reservoir, In/Out Piping/Flow Cntrl Vaults
Design Review	In Progress	MdS ARC (active via Consensus Planning) COA DRC (pending)
Easements	In Progress	Coord. on Univ. Blvd. easements with Sunport South
Ph. 2 Design	Pending	Ph. 2 Scope/Fee pending from Jacobs

## FY25 Goals and Objectives

### **Goal 2: Wastewater Collection and Operations**

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*Provide reliable, safe and affordable wastewater collection, treatment and reuse systems to protect the health of the Middle Rio Grande Valley by safeguarding the regional watershed, minimizing environmental impacts, and returning quality water to the Rio Grande for downstream users.*

**Objective 2.1**      **Seek recognition in the National Association of Clean Water Agencies (NACWA) Peak Performance award program for excellence in permit compliance through the end of the 4th Quarter of FY25.**

*Staff Assignment: Berman/Larson*

	Q1	Q2	Q3	Q4
<b>Exceedances</b>	4			

In the 1<sup>st</sup> quarter of FY25, SWRP maintenance staff initiated a project to replace all wear components on the SWRP UV disinfection system inclusive of UV lamps, sleeves, and hydraulically actuated lamp wiper/cleaning mechanisms to assure optimal system performance. Additional E. coli monitoring was also undertaken to identify potential performance issues within any of the three UV disinfection treatment channels. Lastly, UV system electrical supply connections were inspected and repaired where inadequate connections were observed.

SWRP Operations coordinated with Compliance staff on a procedure to provide continuous pH results in the event the primary effluent pH analyzer is unavailable for service.

Through CY24, SWRP has a total of 4 NPDES permit effluent exceedances. At the end of CY24 SWRP will seek recognition for a NACWA Peak Performance Silver Award for treatment facilities with less than 5 NPDES permit exceedances in a calendar year.

**Objective 2.2**      **Continue work on the Partnership for Clean Water program for the Southside Water Reclamation Plant (SWRP) to optimize system operations and performance by the end of the 4th Quarter of FY25.**

- **Continue work on outstanding items identified from the Phase 3 Self-Assessment that are not yet considered optimized and submit a progress report to AWWA.**

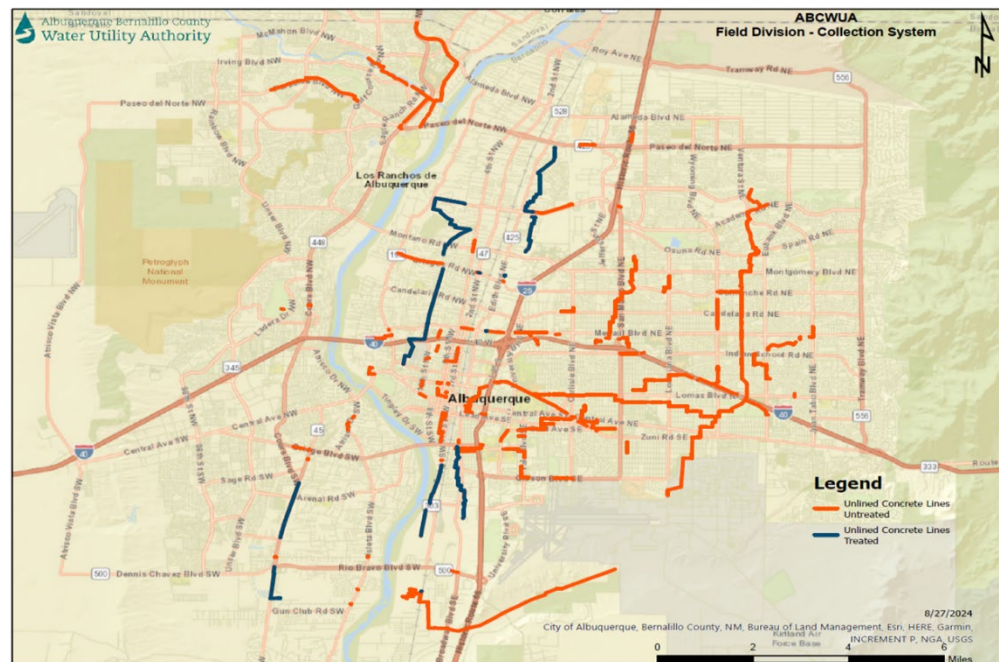
*Staff Assignment: Berman/Larson*

## FY25 Goals and Objectives

Task	Status
Partnership for Safe Water – Phase IV- Optimized System	Not yet released – AWWA
Staff work on items not yet optimized	On-going
Self-assessment update	On-going

**Objective 2.3**     **Manage chemical usage and residual iron sludge from the Water Treatment Plant to maintain collection system corrosion and odor control, with a goal of zero odors, while considering impacts on wastewater treatment operations and effluent quality. Monitor and report metrics through the end of the 4th Quarter of FY25, including progress on Odor Control Station construction. Identify additional odor control stations as needed.**

*Staff Assignment: Warren/Holstad/Berman*



Odor control utilizing ventilation control continues to be much less costly than chemical addition. Collection Section is testing corrosion management while reducing chemical expenditures which can be applied to other needs, e.g., interceptor rehab. In 8 months (January through August 2024), chemical feeds were reduced by \$0.5MM system wide versus January through August 2023. At the critical monitoring location of Coors and Blake, average H<sub>2</sub>S increased from 24 to 27 ppm. Per WATS model analysis, this results in a corrosion increase of 0.01" in 5 years at the critical location. The rehab cost of remaining unlined concrete interceptors is \$330MM, of which 30% receives chemical treatment. (See map below.) Through the regular inspection of unlined concrete interceptors and a robust rehab program, the goal will be to manage corrosion at reduced chemical cost.

## FY25 Goals and Objectives

- Objective 2.4** Continue to reduce sanitary sewer overflows (SSOs) in accordance with the Capacity, Management, Operation, and Maintenance (CMOM) Plan. Continue the manhole monitoring pilot study initiated in FY23 to diagnose flow patterns and provide advance alerts of downstream blockages. Provide final recommendations based on the pilot study by the end of the 4th Quarter of FY25.

*Staff Assignment: Warren/Holstad*

Task	Status
Software/communication support	Extended additional two years
Pilot program	Transition to permanent program-O&M staff mgmt.

- Objective 2.5** As part of the CMOM Program, continue to evaluate pilot modifications to the Sub-Basin cleaning program. Look at possible changes such as sub-basin cleaning frequency to optimize effectiveness of preventative maintenance cleaning to the lines most likely to spill. Provide final recommendations for modifications to the cleaning program by the end of the 4th Quarter of FY25.

*Staff Assignment: Warren/Holstad*

Per the CMOM Plan, the Collection Section continues to implement and monitor the pilot 15-year cycle for Sub-Basin cleaning.

The Water Authority is active and at the forefront of an industry-level effort to increase the effectiveness of O&M cleaning. The Water Authority has previously presented data individually (at a specialty conference) and (at WEFTEC) as part of the Water Environment Federation (WEF) Collection Systems Community Technical Project Group (TPG). This data indicates that optimization is possible, but industry standards may limit the ability to implement by many utilities. The Water Authority is leading the current TPG effort to survey utilities on their practices and limitations and to engage with professional organizations in addition to WEF.

- Objective 2.6** Install AMI devices in three additional vacuum station service areas to gather system performance data and respond quickly to low-vacuum conditions by the end of the 4th Quarter of FY25.

*Staff Assignment: Warren/Holstad*

Task	Status
Stations VS57 and VS69 selected	Installations commence Q2
VS63 service area data validation	System upgrade identified and under design
VS61 service area	Evaluating AMI data



## FY25 Goals and Objectives

**Objective 2.7**      **National Pollutant Discharge Elimination System (NPDES) Pretreatment Program monitors compliance with the Water Authority’s Sewer Use and Wastewater Control Ordinance:**

- i.     **Monitor continuous discharge permitted industries 16 days per year or 4 days per quarter;**
- ii.   **Complete 16 industrial permit inspections each quarter;**
- iii.   **Complete 175 Food Service Establishment inspections each quarter; and**
- iv.   **Complete 52 dental office inspections each quarter.**

**Report on performance and percent of Sewer Users in compliance for each category each quarter during FY25.**

*Staff Assignment: Shurn/Zarreii*

In Q1 the goal of 100% quarterly sampling and inspection rates were not met due to new employee hire training. The NPDES program is fully staffed for the first time in 8 years.

Sampling Rate Goals for FY2025: All continuous discharge facilities are scheduled for a 4-day sampling event each quarter, resulting in 16 days per year. The tracking in this table will show a simplified view indicating that the quarterly 4-day sampling event occurred for each facility.

Discharge Type	Expected Facilities per QTR	Actual # Facilities Sampled in Q1	% Facilities Sampled Complete				
			Q1	Q2	Q3	Q4	FY25 Total
Continuous	56	46	82%	-	-	-	21%

Inspection Rate Goals for FY2025: Quarterly inspection numbers are based on average number of facilities in each category, which can change from month to month. The inspection rates below are presented by both number and % complete with the goal of having 100% of all our inspections completed each quarter. Permitted Industrial Users and Dental office goals are to inspect every facility every year. Fats, Oils, Grease, and Solids (FOGS) goal is to inspect each FOGS establishment every three years.

II. III. & IV. Monitoring of Pretreatment Inspections								
Facility Type	Expected Facilities per year	Expected Inspections per QTR	Actual Inspections in Q1	% Inspections Complete				
				Q1	Q2	Q3	Q4	FY25 Total
Permitted Industrial Users (IU)	65	16	13	80%	-	-	-	20%
Fats, Oils, Grease, & Solids Establishments (FOGS)	750	187	117	62%	-	-	-	16%
Dental Offices (AG)	192	48	51	106%	-	-	-	27%

## FY25 Goals and Objectives

Compliance Rate: Compliance rates are reported in the table below:

Performance and Percentage of Sewer Users in Compliance for each Category						
Facility Type	Current # of Facilities	# of Non-Compliant Facilities	% of Sewer Users in Compliance			
			Q1	Q2	Q3	Q4
Industrial Users (IU)	65	17	74%	-	-	-
Fats, Oils, Grease, & Solids Establishments (FOGS)	2,249	322	86%	-	-	-
Dental Offices (AG)	192	4	98%	-	-	-

- Objective 2.8** NPDES Pretreatment Program is required to maintain a list of all Industrial Users (IU) within its service area as part of its Environmental Protection Agency (EPA) NPDES permit. The Pretreatment Program will conduct 12 Industrial User Survey inspections each quarter and evaluate all of them to determine the necessity of permitting within the quarter. When the users are identified as Significant Industrial Users (SIU), the program will permit the SIU within the next quarter. The FY25 Industrial User Surveys and permit necessity evaluations will focus on the Mercury Minimization Plan (MMP) SIC list with mercury discharge potential and the previously permitted hospitals as outlined in the MMP Implementation Program Objectives:
1. Evaluate previously permitted hospitals for permit necessity and start the permitting process for at least 50% of those needed.
    - FY25 goal is to evaluate/permit 50% (4) hospitals at one (1) per quarter.
  2. Evaluate mercury potential at 10-25% of industrial users on the SIC list per year.
    - FY25 goal is to inspect/evaluate 19% (44) SIC facilities at 11 per quarter.
  3. Evaluate the IU survey list and Permit at least 1 Industry per quarter.

*Staff Assignment: Shurn/Zarreii*

IU Survey and Permitting Status Goal: Number of Industrial User Surveys conducted and evaluated for significance, how many were determined to be Significant Industrial Users (SIU) and are in the process of permitting and how many have been permitted from the previous quarter are below:

Two hospitals were permitted in FY24 and one in Q1 of FY25. Due to a large number of permit renewals occurring in Q1, not all the IU survey goals were met. However, during Q1 the mercury potential SIC list was prioritized based on high mercury areas of town from the FY23 & FY24 sampling data. IU Survey's will be prioritized based on this priority list and potential SIU list created from a high-water user report exported from CC&B via Cognos on a monthly basis. The goal of 11 IU Surveys includes both mercury potential and potential SIUs, adding in the 1 hospital to total the goal to 12 IU surveys per quarter.

## FY25 Goals and Objectives

Industrial User Permitting Goal	Quarterly Goal	Actual IUs Evaluated or Permitted in Q1	% Complete				
			Q1	Q2	Q3	Q4	FY25 Total
Hospital IU Survey/Permit	1	1	100%	-	-	-	25%
Mercury Potential SIC IU Survey	11	1	72%	-	-	-	18%
Potential SIU IU Survey		7					
Total IU Surveys Completed	12	8	67%	-	-	-	17%
IUs Designated as SIU for Permitting	Evaluation based (varies)	4	N/A				
SIUs Permitted (excluding hospital)	1	2	200%	-	-	-	50%

**Objective 2.9**      **Implement the 2024 Program Objectives outlined in the MMP 2023 Implementation Status Report sent to EPA.**

1. Evaluate mercury potential at 10-25% (20-51) of dental facilities per year.
  - FY25 goal is to sample/evaluate 18% (36) dental facilities at 9 per quarter.

*Staff Assignment: Shuryn/Zarreii*

MMP Dental Evaluation Goal: Was not achieved in Q1 due to focus on permit renewals and NMED Utility Operator wastewater level 3 certifications, of which both engineer associates obtained.

MMP Dental Facility Mercury Potential Evaluation	Quarterly Goal	Actual Facilities Sampled in Q1	% Complete				
			Q1	Q2	Q3	Q4	FY25 Total
Dental Facilities Sampled	9	4	44%	-	-	-	11%

**Objective 2.10**      **In support of the Bosque Water Reclamation Plant, work collaboratively to develop actions, workflow, and an updated timeline for completion of the required planning/design documents, permits, and environmental documents through FY25.**

*Staff Assignment: Kelly/Agnew/Shuryn/Laughlin*

## FY25 Goals and Objectives

Tasks		Stakeholder			
<i>Task Update/Description</i>	<i>Status</i>	<i>Description</i>	<i>Local Entity</i>	<i>State Agency</i>	<i>Other</i>
Funding Plan	In Progress	Q2 FY25 - \$17M for design	WA		
Outfall	In Progress	FY25 Location MOU	Open Space	MRGCD	
Planning/Design	In Progress	<b>Q2 FY25 - Final BDR submission from Carollo.</b>	WA		
CMAR Solicitation	In Progress	<b>Q2 FY25 –CMAR RFQ/RFP</b>			
Public Meetings	Pending	Q3 FY25	Many		
Public Impact Plan	Pending	Q3 FY25	Many	Many	

### Goal 3: Customer Services

*Provide quality customer services by communicating effectively, billing accurately, and delivering water and wastewater services efficiently based on understanding the needs and perceptions of our customers and the community at large.*

**Objective 3.1**      **Conduct customer focus group meetings to acquire customer input on a bill redesign by end of the 1st Quarter of FY25. Evaluate feedback and develop bill redesign, if determined, by the end of the 4th Quarter of FY25.**  
*Staff Assignment: Mendez*

Task	% Completed	Completion Date
Focus Groups Conducted	100%	April 2024
Customer Feedback Evaluated	100%	August 2024
Develop Bill Redesign with TPSi	60%	December 2024
Final Redesign, Review, Approval	0%	February 2025

**Objective 3.2**      **Continue implementation of the AMI project by replacing 20,000 aging water meters with smart meters to increase revenue, support conservation efforts, and provide better customer service by the end of the 4th Quarter of FY25.**  
*Staff Assignment: Warren/Malouff*

	Replaced	Goal
<b>Q1</b>	2,680	20,000
<b>Q2</b>		
<b>Q3</b>		
<b>Q4</b>		

The reduction in installations of the AMI water meters is due to several of the meter boxes requiring breakouts, setbacks, or new boxes at the time of installation.

## FY25 Goals and Objectives

Installations in FY25 will also be impacted due to the requirements of the Revised Lead and Copper Rule (LCRR).

- Objective 3.3** Conduct Customer Conversation meetings to engage customers and obtain input from customers on the Water Authority's activities through the end of the 4th Quarter of FY25.

*Staff Assignment: Morris*

Task	Status
Customer Conversation meetings	Planning – Early to mid-2025

- Objective 3.4** Track and report conservation education outreach to service area customers and meet the following targets: 1) 100 Water use Efficiency Audits; 2) 400 Landscape Professionals trained; and 3) 24 newsletter articles by the end of the 4th Quarter of FY25.

*Staff Assignment: Kelly*

Metric	Q1	Q2	Q3	Q4	FY25 YTD
Water Use Efficiency Audits	11				11
Landscape Professionals Trained	14				14
Newsletter Articles	6				6

- Objective 3.5** In conjunction with the development of automated leak notifications for customers with AMI meters, develop an instructional video to assist customers in signing up in the self-service portal and setting alerts. Launch a marketing campaign to encourage AMI customers to sign up for the portal.

*Staff Assignment: Kelly/Zamora/Morris*

Task	Status
Instructional Video	Draft script complete
Video Production	Quote obtained

### Goal 4: Business Planning and Management

*Maintain a well-planned, managed, coordinated, and financially stable utility by continuously evaluating and improving the means, methods, and models used to deliver services.*

- Objective 4.1** Implement at least one planned Interceptor Rehabilitation project in FY25, and complete at least one interceptor design package by the 4th Quarter of FY25; Implement at least one planned Small Diameter Sanitary Sewer Rehabilitation project in FY25.

## FY25 Goals and Objectives

*Staff Assignment: Laughlin/Holstad*

Through Q1, \$2M was expended on Sanitary Sewer pipeline renewal, with encumbrances of \$11M.

Project Name	Status	Completion Date	EOPCC	Contractor Info	Cent. Engr. PM
FY22 KAFB Interceptor Rehab Package (ARPA-Funded)	Completed	Q1 FY25	\$12M (ARPA)	RMCI	Tom M.
<b>Isleta/Griegos (Rio Grande to 12<sup>th</sup>) Interceptor Rehab – Smith Eng.</b>	<b>Construction</b>	<b>Q1 FY26</b>	<b>\$10M</b>	<b>InSituForm</b>	<b>Eric W.</b>
<b>Viola from Barcelona to Blake</b>	<b>Construction</b>	<b>Q3 FY25</b>	<b>\$3M</b>	<b>InSituForm</b>	<b>Eric W.</b>
Grit Collection Station – 12 <sup>th</sup> & I-40 – WHPacific/NV5	95% - Shelf	Ready to Bid	\$1.0 M	TBD	Rochelle L.
Westside Interceptor Rehab – Old Coors to Arenal Re-Design - Smith	95% - Shelf	Ready to Bid	\$5.0 M	TBD	Tom M.
FY17 Westside Interceptor Rehab – Arenal to Blake - Carollo	95% - Shelf	Ready to Bid	\$7.0M	TBD	David L. –re-assign
FY17 Menaul Interceptor Rehab – University to Girard - Carollo	95% -Shelf	Ready to Bid	\$5M	TBD	David L. –re-assign
FY22-1 – Package I 12 <sup>th</sup> St. from Bellrose to I-40	Design - Garver	Design Q2 FY25	\$11M	TBD	Daven T.
FY22-2 – Package D 2 <sup>nd</sup> St. from Woodward to Baseball Fields	Design - Wilson	Design Q2 FY25	\$9M	TBD	Daven T.
FY22-3 – Package E Barr Canal between Woodward & Rio Bravo	Design - SMA	Design Q2 FY25	\$4M	TBD	Daven T.
FY22-4 – Package Z PDN West of Jefferson	Design – Wood	Design Q2 FY25	\$2M	TBD	Daven T.

The CIP budget will continue to rehab as much high-risk Interceptor SAS as possible, while balancing other competing CIP funding demands.

**Objective 4.2**      **Seek to increase renewable/green energy generation at Water Authority facilities. Provide updates on plan and project progress, and report power generation over time by the end of the 4th Quarter of FY25. Generate at least 25% of total SWRP power needs from the on-site solar array and from digester gas-fueled cogeneration by the end of the 4th Quarter of FY25 and report progress quarterly.**

*Staff Assignment: Berman/Larson*

Maintenance	July	August	September	1st Qtr	Goal
% total SWRP power needs met using renewable sources <sup>1</sup>	39%	33%	44%	39%	25%

<sup>1</sup>Sum of power produced by on-site solar array or digester gas-fueled cogeneration

## FY25 Goals and Objectives

**Objective 4.3**      **Finalize the Utility Development Guide to clarify the development process for users by the end of the 4th Quarter of FY25 including workshops and outreach to the development community.**

*Staff Assignment: Cadena*

Task	% Completion	Completion Date
Utility Development Guide	95%	Formatted draft done by beginning of 2025

**Objective 4.4**      **Continue monitoring progress on the strategic asset management program (SAMP), with quarterly monitoring of the following metrics and associated targets through the end of the 4th Quarter of FY25.**

- i. **Corrective Maintenance to Preventative Maintenance Ratio, Target greater than 80%,**
- ii. **Asset Registry Information Accuracy/Number of Assets without Life Cycle Status, Target less than 10%,**
- iii. **Asset Inventory Accuracy, Target greater than 95%,**
- iv. **Work Orders without Assets, Target less than 10%,**
- v. **Work Order Aging, Target greater than 90% of Work Orders Closed within 180 calendar days.**

*Staff Assignment: Ortiz/Daniels*

Metric	Q1	Q2	Q3	Q4	FY25 Total	Target
Preventive Maintenance to Corrective Maintenance Ratio	89.35%				89.35%	>80%
Asset Registry Information Accuracy - Number of Assets without Life Cycle Status	69.31%				69.31%	<10%
Asset Inventory Accuracy – Moveable Fixed Assets Accounted for in the last year	98.97%				98.97%	>95%
Work Orders without Assets	20.53%				20.53%	<10%
Work Order Aging - Work Orders Closed within 180 calendar days	86.37%				86.37%	>90%

**Objective 4.5**      **To improve decision making with available data transition existing Strategic Asset Management Plan (SAMP), Scorecard, Effective Utility Management (EUM) and Operations dashboards to Microsoft Power BI by the end of the 4th Quarter of FY25. Utilizing Power BI dashboards, with the integration with Maximo and Finance Enterprise, will ease the time required to calculate key performance indicators (KPIs).**

## FY25 Goals and Objectives

*Staff Assignment: Ortiz/Daniels/Lander*

Task	Status
EUM Dashboard and Scorecard	Converted to Microsoft Fabric as basis for Power BI data
Departmental KPI's	AMPT team coordinate with departments to begin development

- Objective 4.6**      **Review and update the Water Authority's Vulnerability Assessment (VA). Originally completed in 2018, the certification was submitted to the EPA in 2020. This assessment and certification are mandated to be revised and submitted to the EPA every 5 years. A consulting group will prepare a draft scope of work to evaluate the existing VA, commencing in the 1st Quarter of FY25. The assessment and certification process will conclude by the end of the 3rd Quarter of FY25.**

*Staff Assignment: Santiago*

Task	Status
Vulnerability Assessment	Initiated review/update
Draft Report	Pending

- Objective 4.7**      **Continue promoting a Culture of Security in accordance with the AWWA G430 standard within the Water Authority, by developing policies and procedures that include strategies for internal communication and trainings on security-related topics. Track and measure metrics quarterly throughout FY25 that are directly related to National Infrastructure Protection Plan Water Sector-Specific Plan and America's Infrastructure Act.**

*Staff Assignment: Santiago/Stinson/Berman*

Task	Status
Vulnerability Assessment	Consultants visited plants and met with senior leadership
Onsite Visit	IT team coordinated with Cyber Security Experts and representatives with Homeland Security/CISA

- Objective 4.8**      **Complete the annual update and review of the Comprehensive Information Technology Security Plan and related policies that are aligned with the standards, guidelines, and best practices of the National Institute of Standards and Technology (NIST) Cybersecurity Framework by the end of the 4th Quarter of FY25. Track and measure metrics that are directly related to**



## FY25 Goals and Objectives

NIST standards. Incorporate specific standards and policies that directly relate to the Water Authority's Supervisory Control and Data Acquisition (SCADA) systems. Complete Annual Penetration (PEN) test and remediate any critical items that pose an imminent threat. Automate and implement a secure zero-trust model to proactively detect and remediate indicators of compromise to minimize the impact to the Water Authority.

*Staff Assignment: Stinson/Sample*

Task	Status
Annual update/review	In progress

**Objective 4.9** Continue implementation of the SCADA System Master Program. Implement both short-term and long-term goals directly tied to the sequencing of migrating to a single SCADA platform utilized including programmed projects by the end of the 4th quarter of FY25.

*Staff Assignment: Stinson/Ebia/Berman*









































































Project	% Complete	Target Completion Date
SWRP Radio Tower (and SWTP Tower Mods)	95%	November 2024
SWRP ABB HMI to AVEVA HMI	90%	December 2024
Collections/Stormwater Remote Site Upgrades	40%	December 2025
SWTP/GW OASyS to AVEVA Conversion	5%	March 2026
SWTP CPU Upgrades and ControlNet Replacement	10%	December 2025
SWRP ABB PCU to Allen Bradley PLC Conversion	5%	June 2028 (Design on Hold)
Groundwater Remote Site Upgrades	0%	June 2028
SCADA Program Management (FY2025)	25%	June 2025

**Objective 4.10** Upgrade and patch all enterprise applications to add required upgrades and enhancements, mitigate potential cybersecurity vulnerabilities, continue daily support, leverage functionality enhancements to improve business processes and capture and use data intelligently and create efficiencies through the end of the 4th Quarter of FY25. Major Projects include:

- Upgrade the Customer care and billing (CC&B) application. Expected completion during 1<sup>st</sup> Quarter of FY26.
- Utility Network upgrade to begin FY25 with completion targeted for FY26.
- SCADA Master Program related projects.
- Replace ITD ITSM Tool for Service Desk Functionality. Expected completion during FY25.
- Cloud/SAAS Migrations for targeted workloads.

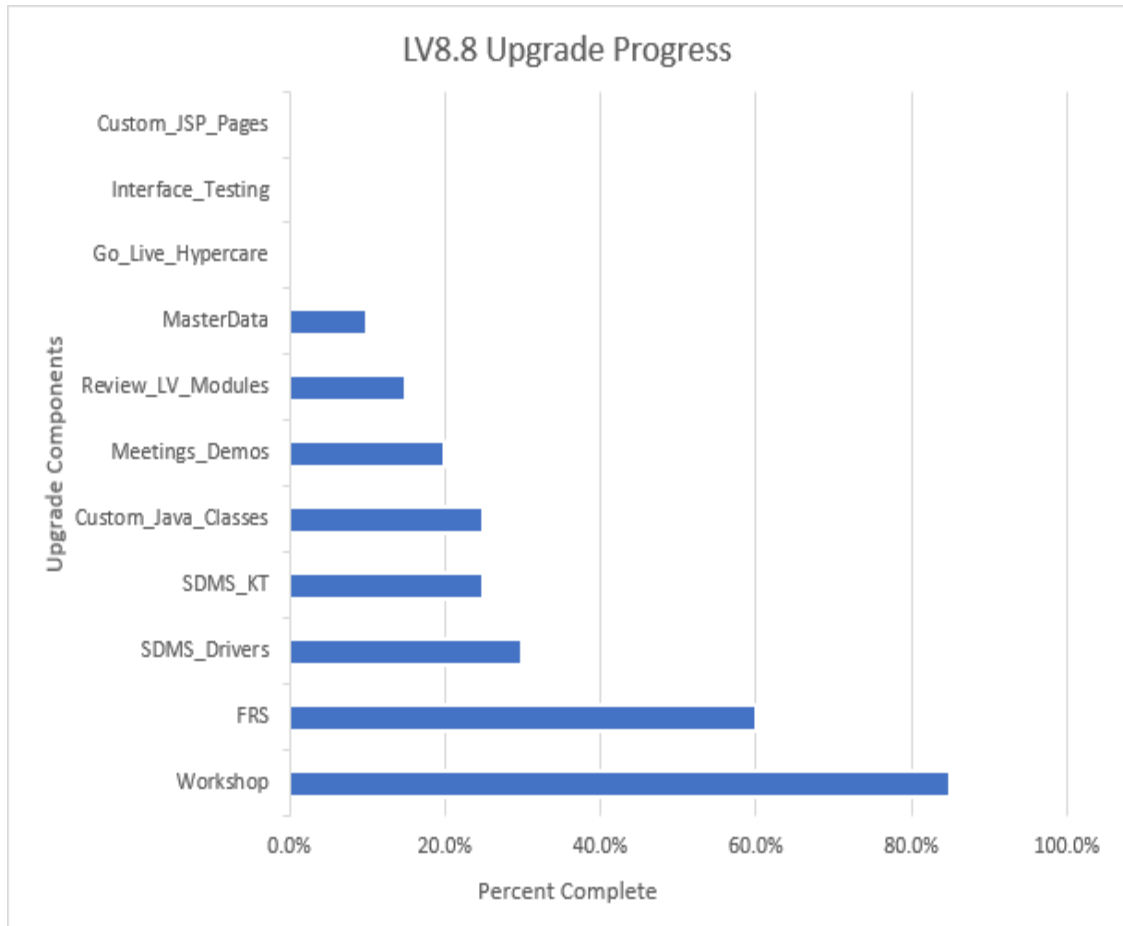
*Staff Assignment: Stinson/Lind/Walz-Burkett/Chavez*

## FY25 Goals and Objectives

Name	Health	Timeline Health	Financial Health	Scope Health
ITSM Tool Replacement Project				
FY End Benefit and Salary Project				
CC&B Upgrade to 8.8				
LabVantage Upgrade				
IBM Cognos WUA Cloud Migration				
Replace MVRs with Temetra Cloud				
UKG Ready Project				
Windows 11 Upgrade				
Maximo Oracle to SQL Server DB				
Utility Network Upgrade				
Move IR Production Environment				
Design ROK Environment				
Move from Hg to GitHub				
Redesign SPS_MAIN				
Build an MWM mapping services layer				
Push Cust Svc Data up into ROK				
Set up VertiGIS Analytics				
MWM Meter Box Inspections				

**Objective 4.11** Continue to develop LabVantage (“laboratory information management system”) throughout FY25 to maximize the automation of data entry to reduce data entry errors and increase the use of electronic data deliverables (EDD) through the end of the 4th Quarter of FY25. Provide quarterly update on the LabVantage Upgrade through the end of the 4th quarter of FY25.  
*Staff Assignment: Shuryin/Hardeman*

## FY25 Goals and Objectives



Water Quality Laboratory is upgrading the laboratory database LabVantage (LV) LV8.4 to LV8.8 with IT and the software's developers. Development environment is installed on an internal server for testing. The upgrade project is 70.42% complete with the remaining portion deploying SDMS drivers. The SDMS drivers are key to automating data entry from laboratory instruments. There are issues with the server configuration and driver for receiving electronic data deliverables into the database. Additional work sessions have been scheduled to troubleshoot the issues.

**Objective 4.12**    **Implementation of the Revised Lead and Copper rule. Continue the initial service line inventory, publish inventory online, create a lead service line replacement plan, submit the inventory and the replacement plan to NMED Drinking Water Bureau (DWB) by October 16, 2024. Resume testing and implementation of customer survey of household premise plumbing material. Began outreach to all elementary schools and childcare facilities regarding new monitoring requirements and follow up with sample plan templates. Initiate lead sampling at elementary schools and schools and childcare facilities.**

*Staff Assignment: Shuryin/ Pompeo/ Warren/ Malouff*

## FY25 Goals and Objectives

Task	Status
Outreach materials	Development
Confirming contact info-schools and childcare facilities	In progress
Customer survey	Published on website

**Objective 4.13** Prepare for Per-and Polyfluoroalkyl Substances (PFAS) regulation by conducting baseline sampling at active wells, the surface water intake, and distribution entry points by the end of the 4th Quarter of FY25. This will help identify trends and/or impacts to the water supply.

*Staff Assignment: Shuryn/ Pompeo*

Task	Status
PFAS baseline sampling	All active entry points and Atrisco Wellfield (bi-weekly)

**Objective 4.14** Evaluate the current Water Authority Budget Ordinance and Water and Wastewater Rate Ordinance. Recommend updates and revisions to the ordinances in accordance with Government Finance Officers Association (GFOA) Best Practices and New Mexico State Statute requirements by the end of the 4th Quarter of FY25.

*Staff Assignment: Ortiz/Lander/Daniels/Mendez*

Task	% Completed	Completion Date
Evaluate Current Budget Ordinance	20%	Spring 2025
Evaluate Water and Wastewater Ordinance	20%	Spring 2025
Recommend Updates and Revisions	0%	Spring 2025
Final Review/Approval of Recommended Updates and Revisions	0%	Spring 2025

**Objective 4.15** Update and document all financial policies and procedures in accordance with GFOA Best Practices and internal audit recommendations by the end of the 4th Quarter of FY25.

*Staff Assignment: Ortiz/Lander/Daniels/Kelcourse/Mendez/Li*

Task	% Completed	Completion Date
GFOA Best Practices Webinar Series	100%	July-August 2024
Gather policies and review procedures	20%	Spring 2025
Draft updates and changes	0%	Spring 2025
Final review/approval of recommendations	0%	Spring 2025

## FY25 Goals and Objectives

- Objective 4.16** Assess and strategize processes to help reduce fuel over-consumption to minimize the operating cost of Water Authority vehicles. Collaborate with department heads to develop a strategic plan to minimize fuel consumption by the end of the 4th Quarter of FY25.

*Staff Assignment: Allred/Arellano*

Task	Strategy
Monitor fuel usage consumption	Weekly idle report for each department; sent to mgmt. team
Monitor fuel transactions	Bi-monthly report based on GPS data and fuel locations for verification

### **Goal 5: Organization Development**

*Sustain a well-informed, trained, motivated, safe, organized, and competitive work force to effectively meet the expectations of the customers, community, and Board in accordance with adopted policies and mandates.*

- Objective 5.1** Complete two employee wellness challenges per fiscal quarter focusing on nutrition, physical activity and weight loss, and disease and injury prevention to employees with a 60% or greater overall completion rate by the end of the 4th Quarter of FY25. In collaboration with our Employee Assistance Program, increase mental health awareness through quarterly trainings and presentations. Incorporate more remote wellness options for employees to participate in, including video classes and instructional videos by the end of the 4th Quarter of FY25.

*Staff Assignment: Jaramillo/Leonard*

Quarter	Challenge	Completion Rate	Goal
Q1	Thirst First	63%	60%
	Produce for Health	70%	60%

- Objective 5.2** Develop an awareness program to increase employee participation in annual physicals by 20% by the end of the 4th Quarter of FY25.

*Staff Assignment: Jaramillo/Leonard*

FY24 YTD	FY25 YTD	% Increase	Goal
0	4	100%	20%

## FY25 Goals and Objectives

- Objective 5.3** Maintain an average utility-wide vacancy rate of no greater than 7% through the 4th Quarter of FY25. Maintain an average number of days to fill positions of 40 days or less through the end of the 4th Quarter of FY25.

*Staff Assignment: Jaramillo*

Quarter	Vacancy Rate	Goal
Q1	8.0%	7.0%

- Objective 5.4** Consistent with the EUM self-assessment, track and measure the effectiveness of an onsite injury prevention program by utilizing a local ergonomic/physical therapy contractor to conduct field ergonomic assessments. The goal of these assessments is to mitigate workplace injuries and to reinforce correct body mechanics. Maintain the yearly injury hours goal of 2,500 hours or less to improve productivity and reliability of services provided by employees by the end of the 4th Quarter of FY25.

*Staff Assignment: Santiago/Jaramillo*

Task	Status
Onsite Ergonomic Coaching Assessments	5
Ergonomic Training Presentation	7
Total Injury Hours Reported	97

- Objective 5.5** Consistent with the Water Research Foundation Utility Innovation Project, report the Water Authority's Innovation Program success stories through the end of the 4th Quarter of FY25 with a goal of at least 1 new innovation story each quarter.

*Staff Assignment: Jaramillo/Lucas*

Quarter	Q1	Q2	Q3	Q4
Success Stories	3			

- Objective 5.6** Incorporate feedback from the pilot mentorship program to create a leadership development program that can be implemented Authority-wide. Complete a second mentor leadership program by the end of the 3rd Quarter of FY25.

*Staff Assignment: Jaramillo/Lucas*

## FY25 Goals and Objectives

	Status	Completion Date
Mentorship Program	Vendor meetings - potential leadership program options	March 2025

**Objective 5.7** Utilizing compensation data compiled by Rocky Mountain AWWA and other public entity sources, evaluate the data for union and non-union positions. This will include evaluating labor trends and market data to compare to Water Authority positions and develop compensation strategies base on the date by the end of the 4th Quarter of FY25.

*Staff Assignment: Jaramillo*

	Status	Completion Date
Compensation Evaluation	Received data from entities and evaluating information.	June 2025

# Financial Report, Performance Scorecard, & Goals/Objectives Results

Fiscal Year 2025 / 1<sup>st</sup> Quarter

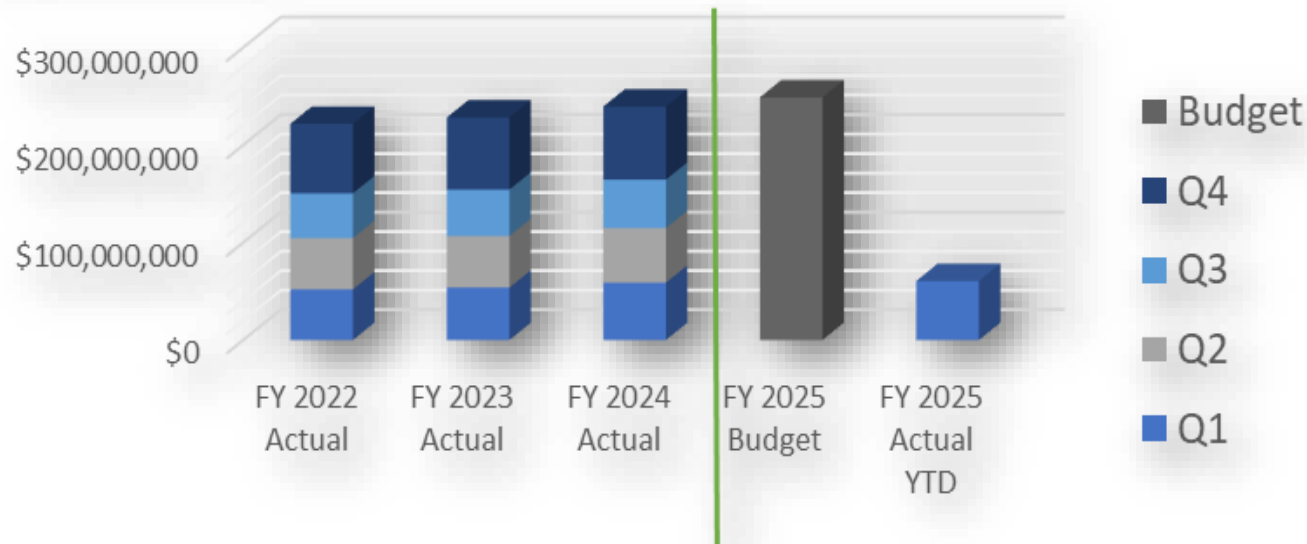




# FY25 Q1 Rate Revenue

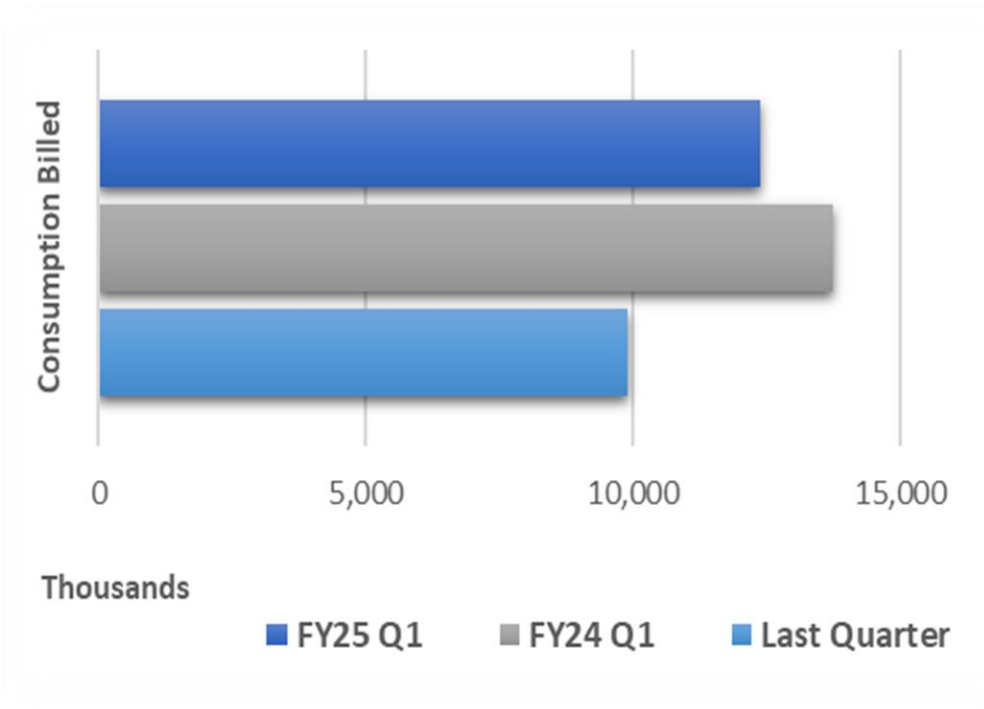
- FY25 Revenue budget = \$257.4 million which is \$4.5 million higher than FY24.
- Rate revenue is the largest revenue category-98% of total revenue
- FY25 Q1 Rate Revenue = \$63.6 million; 24.7% of budget

Rate Revenue



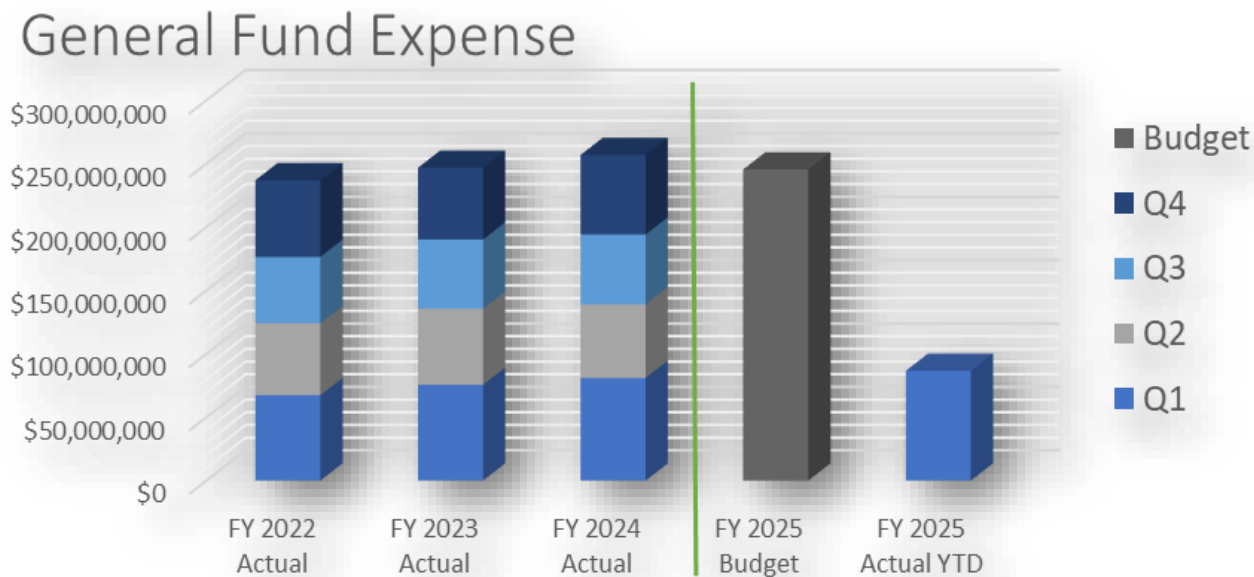
# FY25 Q1 Consumption Billed

- Metered based accounts are at 213,583 based on service size 1-8
- Consumption billed for all customer classes was 12,393,071 at the end of Q1
- Comparisons:
  - (10.4%) lower from FY24 Q1
  - 125.2% higher from last quarter



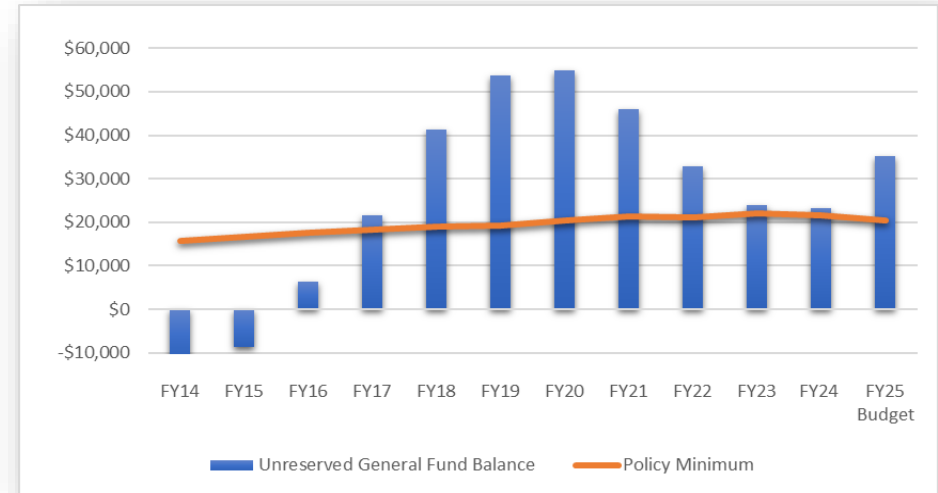
# FY25 Q1 General Fund Expenses

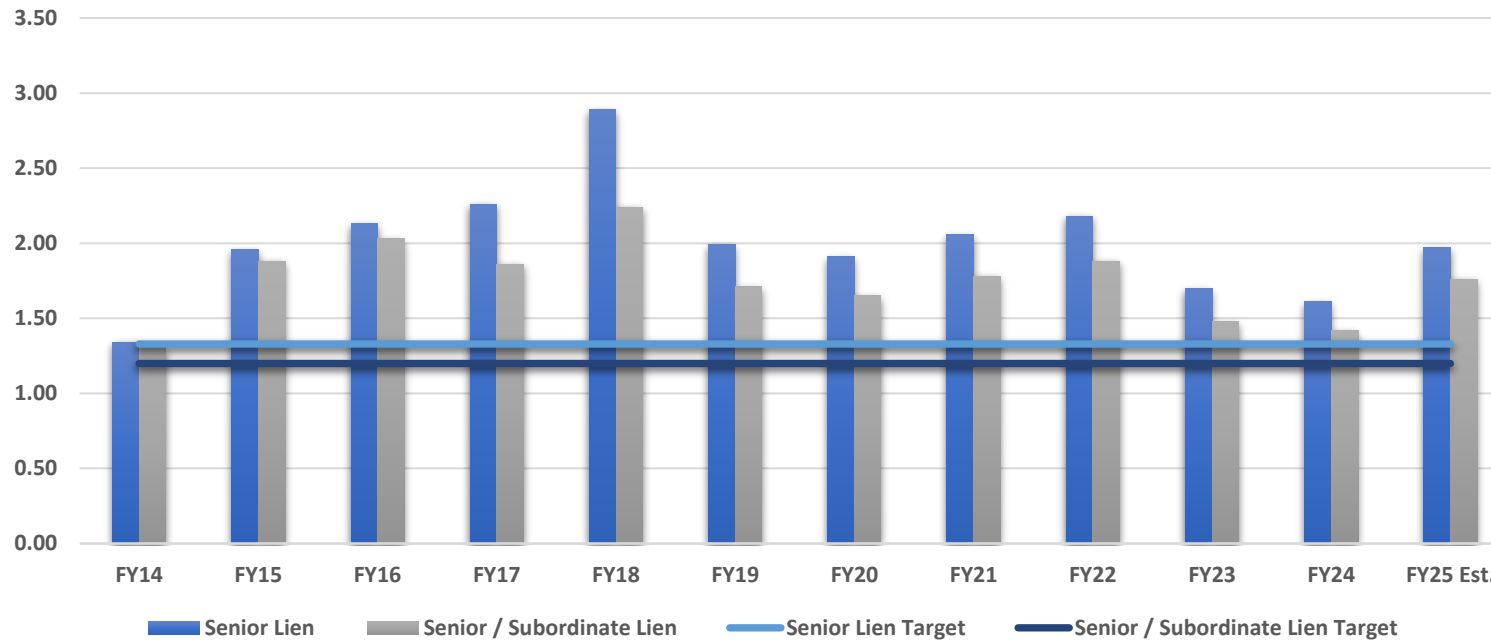
- FY25 Expense budget = \$245.3 million
- FY25 Q1 Expenses = \$86.5 million; 35.3% of budget
- Power & Chemical Expenses = \$4.4 million; 13.6% of budget
- Transfer to CIP = \$4.8 million; Transfer to Debt Service = \$48.9 million



# Finance Targets (KPIs)

- Working Capital
  - Working capital balance is projected at \$35.2 million with the new rate adjustment in effect.
  - As of September 30<sup>th</sup> the balance is at \$24.0 million.
- Reserves
  - \$11.2 million is being reserved for emergency expenditure needs, unexpected risk claims, and SAF requirements.
- Days Cash = 264





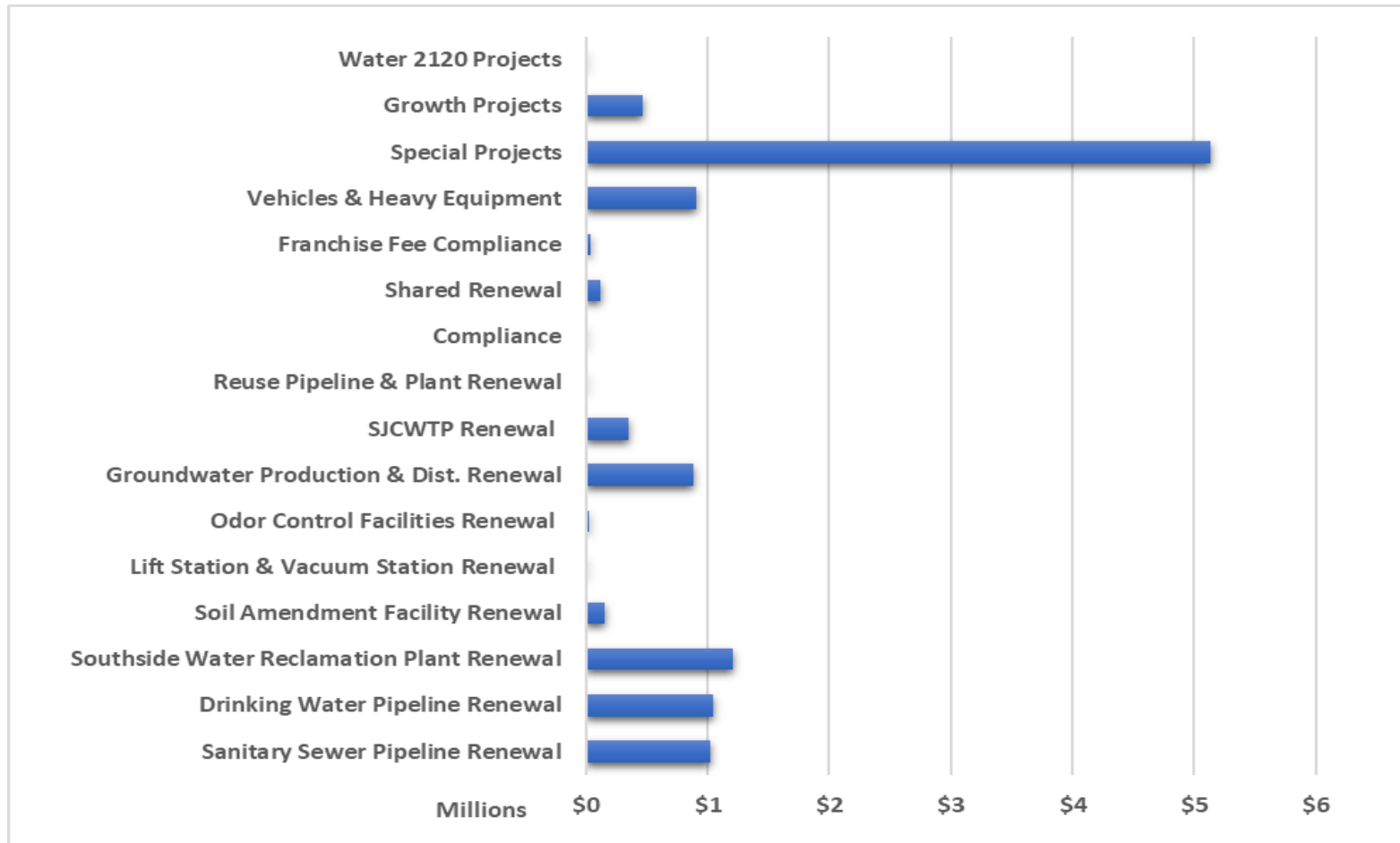
# Debt Service Coverage Ratio

- WUA Minimum Ratios: 1.33 Senior Lien; 1.20 Senior/Subordinate Lien
- FY25 Q1 Ratios: 1.97 Senior Lien; 1.76 Senior/Subordinate Lien



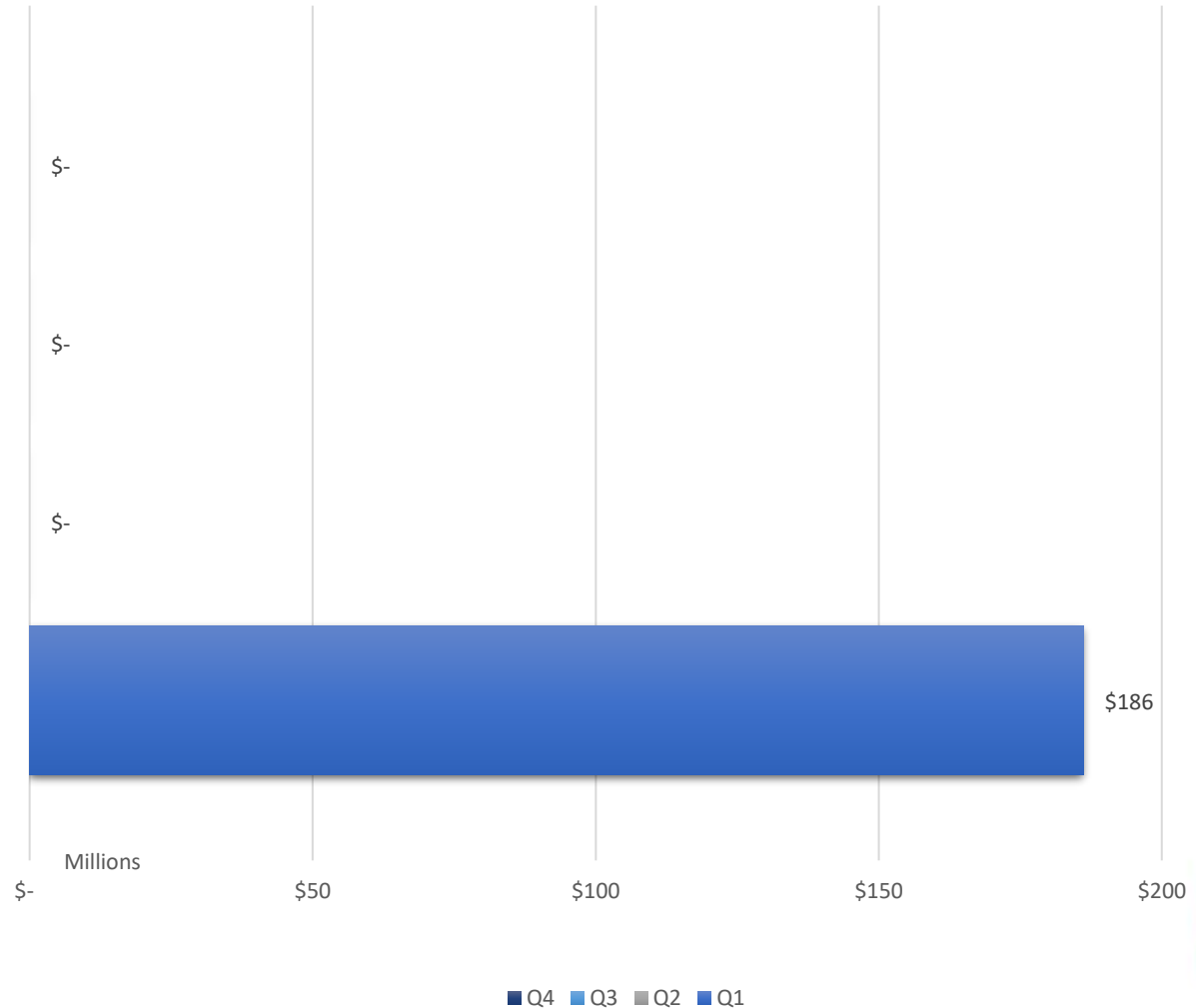
# FY25 Q1 Capital Funds

- FY25 CIP Funds Expense budget = \$321.0 million
- FY25 Q1 Expenses = \$11.4 million; 3.5% of budget



# FY25 Q1 Cash & Investments

- Investment Policy Priorities:
  - Safety
  - Liquidity
  - Yield
- Total Cash & Investments - \$186 million – 9/30/24
- Q1 Investment Income - \$2.3 million
  - Q1 Bank & Merchant fees - \$593,102



Quarterly Performance Indicators  
FY25 1st Quarter Scorecard

Level of Service Area	Indicator	FY25 Actual (FY TO DATE)	FY25 Target	Status
Regulatory	Number of Permit Excursions	4	≤ 5	▲
	Reported Overflows	7	< 40	▲
	Sewer Use/Wastewater Control Ordinance Compliance	80% Permitted Industrial Users 62% FOGS Estabs. 106% Dental Offices	≥ 87% Permitted Industrial Users ≥ 87% FOGS Est. ≥ 87% Dental Office	■
Reliability	Facility Planned Maintenance Ratios	79% ground water 89% surface water 51% water reclamation	≥ 70% ground water ≥ 70% surface water ≥ 45% water reclamation	▲
	Water System Inspection Effectiveness	195 miles surveyed 339 miles monitored 33 leaks found 4.7 MGY water loss reduced	> 650 miles surveyed > 2,200 miles monitored > 80 leaks found > 75 MGY water loss reduced	▲
	Miles of Sewer Line Cleaned	82 miles	400 to 600 miles	▲
	Sewer Line Inspection Effectiveness (CMOM 10 Year Target)	1083 miles televised	≥ 1072.5 miles televised	▲
	Injury Time	97 hours	< 2,500 hours	▲
Quality	Water Quality Complaints Rate (per 1,000 customers)	1.9	< 3	▲
	% of Biosolids to Compost	28%	> 30%	■
	Renewable Energy	27% Biogas 10% Solar	≥ 20% Biogas ≥ 5% Solar	▲
	Water Consumption	9.4 BGY GW 0.4 BGY SW	< 21 BGY GW > 14 BGY SW	▲
Customer Service	Wait Time (minutes)	0:15 seconds	< 1 minute	▲
	Contact Time (minutes)	4:23 minutes	< 4 minutes	■
	Abandoned Call Ratio	1%	< 3%	▲
	First Call Resolution	98%	> 95%	▲
	Bill Exception Rate (per 10,000 Bills)	1	< 8	▲
Finance	Rehabilitation Spending	\$6 million	≥ \$64 million	■
	Pipe Infrastructure Emergency vs. Planned Spending	95% Planned 5% Emergency	≥ 50% Planned ≤ 50% Emergency	▲
	Cash Reserves (Days)	264 days	≥ 350 days	■
	Revenue to Expenses	74%	≥ 100%	■
	Expenses to Budget	141%	≤ 100%	■

Performance Key

▲  
On Target/Target Achieved

■  
Work in Progress / Below Target

▼  
Target Not Met

# FY25 Q1 Performance Scorecard







# **FY25 Q1 Water Authority Goals & Objectives Results**

- ✓ Water Supply & Operations
- ✓ Wastewater Collection & Operations
- ✓ Customer Services
- ✓ Business Planning & Management
- ✓ Organizational Development



# FY25 Goal 1:

## Water Supply & Operations

- Objective 1.9 – Develop a corrosion monitoring inspection program. This includes procuring the services of a National Association of Corrosion Engineers (NACE) – certified inspector to perform an inventory of all corrosion monitoring stations on San Juan Chama infrastructure, other potable, and non-potable transmission lines. There are 370 stations currently identified in GIS.
  - ✓ Q1 accomplishment – Procured services with consultant (CORRPRO COMPANIES INC)



# FY25 Goal 2:

## Wastewater Collection & Operations

- Objective 2.6 – Install AMI devices in three additional vacuum station service areas to gather system performance data and respond quickly to low-vacuum conditions.

Location	Status
Vacuum Station 61 Service Area	Evaluating AMI data
Vacuum Station 63 Service Area	Data validation & System Upgrade Identified
Vacuum Station 57 and 69 Service Areas	Installations will commence in Q2



# FY25 Goal 3:

## Customer Services

- Objective 3.1 – Conduct customer focus group meetings to acquire customer input on a bill redesign. Evaluate feedback and develop bill redesign, if determined.

Description	% Completed	Completion Date
Focus Groups Conducted	100%	April 2024
Customer Feedback Evaluated	100%	August 2024
Develop Bill Redesign with TPSi	60%	December 2024
Final Redesign, Review, Approval	0%	February 2025



# FY25 Goal 4:

## Business Planning & Management

- Objective 4.2 – Seek to increase renewable/green energy generation at Water Authority facilities. Provide updates on plan and project progress, and report power generation over time. Generate at least 25% of total SWRP power needs from the on-site solar array and from digester gas-fueled cogeneration and report progress.

Maintenance	July	August	September	1st Qtr.	Goal
% total SWRP power needs met using renewable sources <sup>1</sup>	39%	33%	44%	39%	25%

<sup>1</sup>Sum of power produced by on-site solar array or digester gas-fueled cogeneration



# FY25 Goal 5:

## Organization Development

- Objective 5.1 – Complete two employee wellness challenges per fiscal quarter focusing on nutrition, physical activity and weight loss, and disease and injury prevention to employees with a 60% or greater overall completion rate. In collaboration with our Employee Assistance Program, increase mental health awareness through quarterly trainings and presentations. Incorporate more remote wellness options for employees to participate in, including video classes and instructional.

Quarter	Challenge	Completion Rate	Goal
Q1	Thirst First	63%	60%
Q1	Produce for Health	70%	60%







Questions?

Comments?

 Albuquerque Bernalillo County  
Water Utility Authority

