



Meeting Date: February 5, 2025
Staff Contact: Marta Ortiz, Chief Financial Officer

TITLE: C-25-5 – FY2025 2nd Quarter Financial Report

ACTION: Recommend Approval

SUMMARY:

Submitted to the Board for review and informational purposes are the financial reports for the quarter ended December 31, 2024. The reports provide a year-to-date comparison between the approved FY25 budget and actual expenses through December 31, 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 December 31, 2024.

See attached report.

Albuquerque Bernalillo County Water Utility Authority

Albuquerque, NM

Quarterly Financial Report For the month ending December 31, 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 sixth month of the fiscal year. The year-to-date (YTD) spans between [October 1, 2024, through December 31, 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

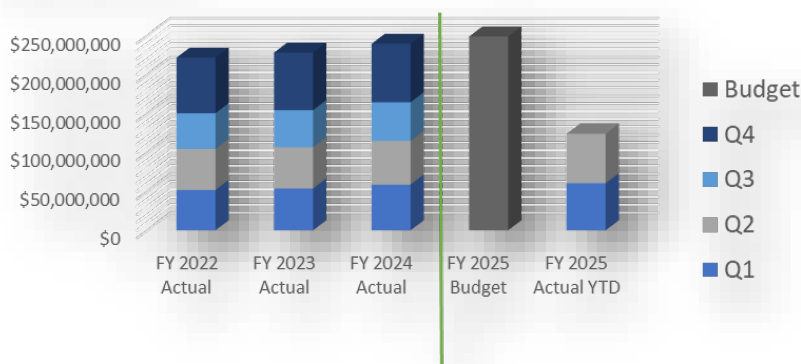
The total FY2025 General Fund revenue budget is \$257.4 million. Through December, \$131.6 million has been recorded, or 51.1% of the revenue budget. The FY2025 adopted revenue budget increased by +\$4.5 million from the FY2024 adopted budget, recognizing the adopted rate revenue adjustment and aligning 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 including year-end revenue accruals.

Revenue Type	FY 2025 Adopted Budget	1st Qtr	Oct-24	Nov-24	Dec-24	FY 2025 Total YTD	% YTD	FY 2025 Projection	Budget vs Projection
Water Service	\$ 114,670,000	\$ 23,390,309	\$ 11,239,866	\$ 9,317,829	\$ 7,460,261	\$ 51,408,265	44.8%	\$ 114,670,000	\$ -
Water Facilities Rehab	36,022,000	11,884,016	3,813,911	3,499,040	3,127,050	22,324,016	62.0%	36,022,000	-
Wastewater Service	61,143,000	13,180,534	4,467,125	4,442,477	4,183,642	26,273,778	43.0%	61,143,000	-
Wastewater Facilities Rehab	31,982,000	10,440,902	3,626,392	3,614,533	3,562,091	21,243,919	66.4%	31,982,000	-
Connections	375,000	73,845	13,932	16,110	12,470	116,357	31.0%	375,000	-
Water Resources Management	4,500,000	1,496,194	427,843	342,147	240,205	2,506,388	55.7%	4,500,000	-
SW Admin Fee	1,836,000	306,000	153,000	153,000	153,000	765,000	41.7%	1,836,000	-
DMD Admin Fee	379,000	63,180	31,590	31,590	31,590	157,950	41.7%	379,079	(79)
Interest	3,500,000	2,332,522	780,499	466,702	765,862	4,345,585	124.2%	7,000,000	(3,500,000)
Miscellaneous	3,000,000	1,603,932	443,264	337,592	96,398	2,481,186	82.7%	3,000,000	-
Grand Total:	\$ 257,407,000	\$ 64,771,434	\$ 24,997,422	\$ 22,221,020	\$ 19,632,568	\$ 131,622,444	51.1%	\$ 260,907,079	\$(3,500,079)

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.

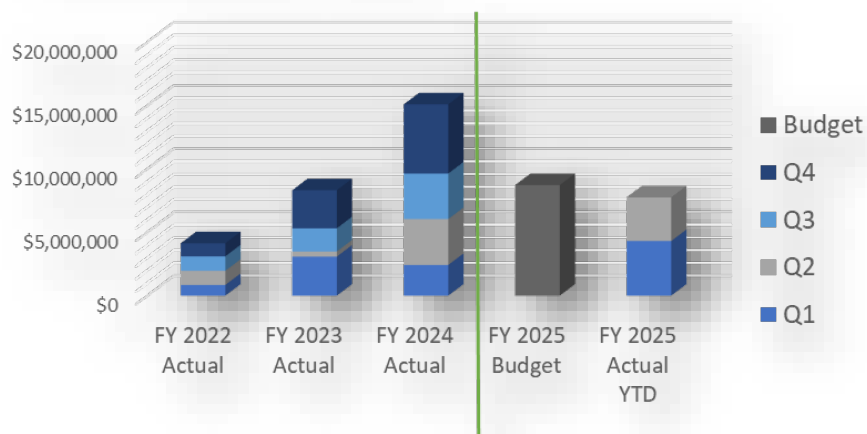
Sewer-Commodity Charge: This charge represents the “unit costs” of collecting, treating, and disposing of wastewater.

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 \$9.8 million and projections through Q2 in FY2025 are exceeded by 124.2%. For more information, please refer to the investment highlights section on page 13.

Other Miscellaneous Revenue

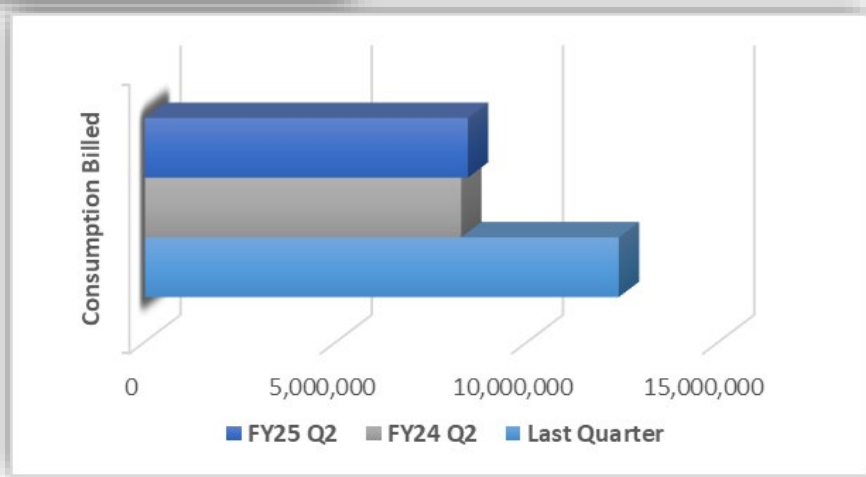
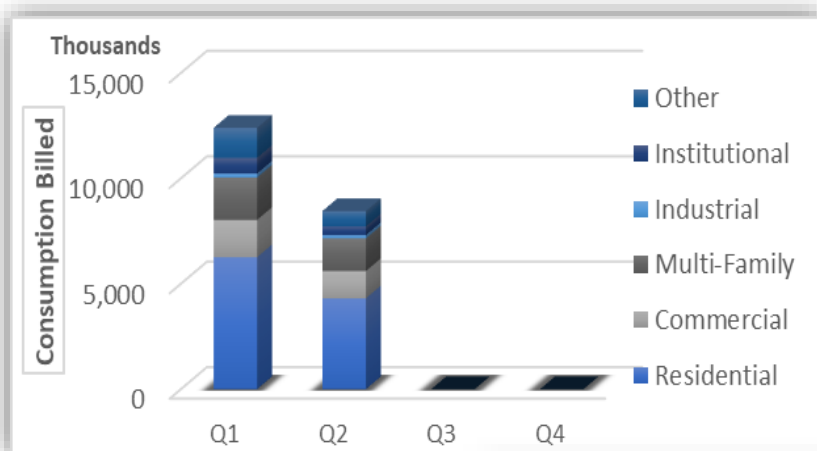


Consumption Usage

Total number of active billed accounts are 218,364, of which, 213,710 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 (2.1%) higher compared to this time last year and 31.8% lower than FY25 Q1.

Consumption	FY 2025					
Customer Class	Oct-24	Nov-24	Dec-24	Qtr Total	% last Yr	% last Qtr
Residential	1,804,822	1,457,838	1,046,075	4,308,735	1.4%	-31.2%
Commercial	530,726	454,799	309,804	1,295,329	-3.2%	-26.8%
Industrial	57,072	51,524	40,270	148,866	-16.2%	-18.3%
Institutional	204,452	138,212	69,173	411,837	1.0%	-44.8%
Multi-Family	589,467	526,006	434,954	1,550,427	1.6%	-22.9%
Other	371,276	241,182	119,158	731,616	24.6%	-48.6%
Total	3,557,815	2,869,561	2,019,434	8,446,810	2.1%	-31.8%



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	1st Qtr	Oct-24	Nov-24	Dec-24	FY 2025 Total YTD	% YTD	FY 2025 Projection	Budget vs Projection
Wages & Benefits	\$ 71,344,422	\$15,025,354	\$ 5,011,817	\$ 7,779,356	\$ 5,030,091	\$ 32,846,619	46.0%	69,405,824	1,938,598
Wages Overtime	2,201,300	581,480	194,035	389,993	229,500	1,395,009	63.4%	2,549,386	(348,086)
Power	16,296,000	3,108,044	1,164,291	1,137,278	1,456,954	6,866,568	42.1%	15,619,984	676,016
Chemicals	15,660,000	1,280,647	824,688	422,194	890,167	3,417,695	21.8%	14,223,867	1,436,133
Other Operating Expenses	44,061,278	12,436,071	4,677,255	3,252,609	4,607,132	24,973,067	56.7%	47,576,720	(3,515,442)
Transfers to Other Funds	95,784,000	54,096,000	4,632,000	4,632,000	4,632,000	67,992,000	71.0%	95,784,000	-
Grand Total	\$ 245,347,000	\$ 86,527,597	\$ 16,504,087	\$ 17,613,430	\$ 16,845,844	\$ 137,490,958	56.0%	\$ 245,159,781	\$ 187,219

Personnel Expense

Wages & Benefits costs through Q2 were approximately 46.0% of the total fiscal year budget. Personnel was underspent slightly through Q2, mostly attributed to Water Authority-wide vacancies. Overtime is 63.4%, extremely above budget levels due to vacancies and after-hours responses to water and wastewater emergencies. The vacancy rate through Q2 was 8.0%, which is above the 7.0% goal for FY 2025.

Personnel costs through September were \$34,241,627 which is comprised of: wages (\$22,470,762), other fringe benefits (\$10,375,857), and overtime (\$1,395,009).

Other Operating Expense (O&M)

Overall operations & maintenance (O&M) costs are slightly over (56.7%) the estimated amount largely attributed to increases in contract services and maintenance/repair supplies. Overall, General Fund expenses are above the anticipated range (50.0%) and tracking above the actuals through December. Specifically, repairs and maintenance are tracking at \$3.9 million through Q2 as higher costs are estimated for repairs and subscription for information technology needs. A mid-year budget amendment will be presented for approval by the Board in February 2025 to adjust the budget for these increases.

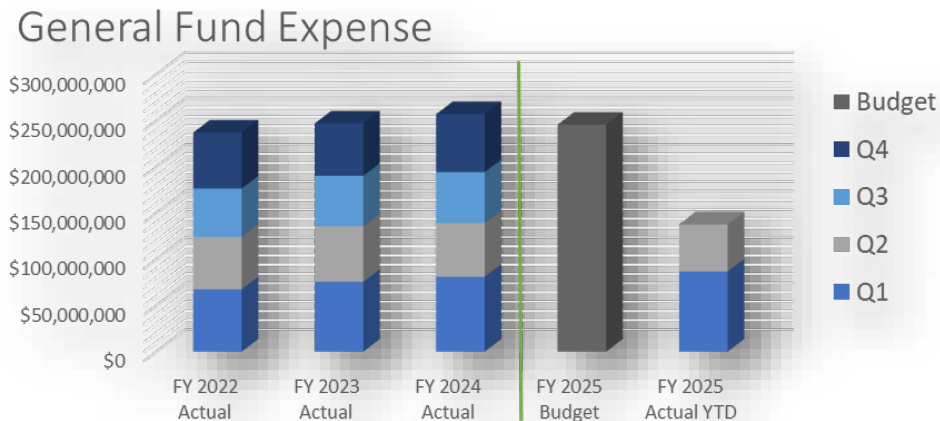
Power and Chemicals Expense

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 32.0%, which is surprisingly under the anticipated (50.0%) 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 35.2% through Q2 for each year.



Budget to Actual Variances

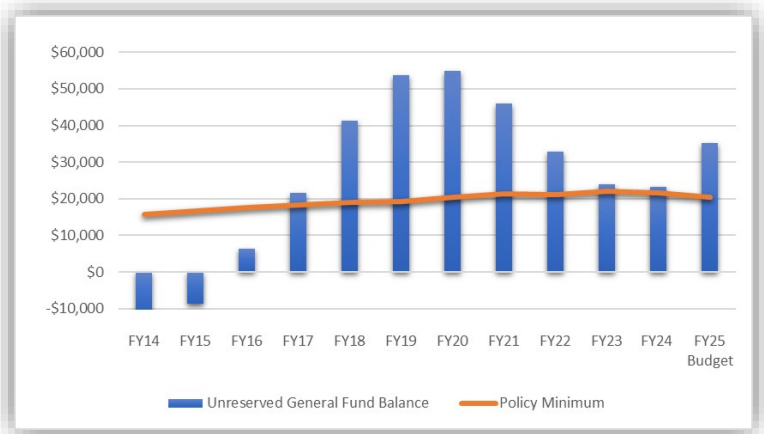
General Fund Departments

	Personnel				Overtime			O&M Expenses & Transfers		
	YTD	Actual	FY 2025 Adopted Budget	% Budget	YTD Actual	FY 2025 Adopted Budget	% Budget	YTD Actual	FY 2025 Adopted Budget	% Budget
Administration	\$	587,960	\$ 1,202,815	48.9%	\$ 45	\$ 500	9.1%	\$ 277,526	\$ 792,675	35.0%
Risk		336,800	674,279	49.9%	3,068	1,000	306.8%	4,382,856	6,249,713	70.1%
Legal		117,585	233,700	50.3%	-	-	0.0%	310,145	754,292	41.1%
Human Resources		883,836	1,809,013	48.9%	129	500	25.9%	88,288	196,479	44.9%
Information Technology		3,023,996	6,001,908	50.4%	14,896	20,000	74.5%	5,856,320	5,609,084	104.4%
Finance		1,363,972	2,830,479	48.2%	21,425	36,000	59.5%	1,149,327	1,843,582	62.3%
Customer Service		1,622,856	3,780,245	42.9%	112,297	81,000	138.6%	817,426	1,796,915	45.5%
Asset Management		370,096	767,600	48.2%	-	-	0.0%	11,197	36,392	30.8%
Wastewater Plant		4,090,837	9,287,296	44.0%	337,141	580,000	58.1%	1,052,564	2,548,704	41.3%
SJC Water Treatment Plant		1,791,295	3,831,400	46.8%	93,910	200,000	47.0%	323,855	865,600	37.4%
Groundwater System		2,939,144	6,189,761	47.5%	114,146	255,000	44.8%	479,147	1,288,239	37.2%
Wastewater Collection		2,981,967	6,495,088	45.9%	134,428	145,000	92.7%	780,545	1,432,912	54.5%
Water Field Operations		6,730,368	13,749,826	48.9%	501,461	780,000	64.3%	2,809,402	7,481,174	37.6%
Compliance		2,554,861	5,659,033	45.1%	23,247	29,300	79.3%	712,504	1,189,667	59.9%
Fleet & Facility Maintenance		722,527	1,835,063	39.4%	37,921	71,000	53.4%	1,873,749	4,773,937	39.2%
Central Engineering		1,566,016	3,986,700	39.3%	344	-	0.0%	34,083	52,650	64.7%
Planning & Utility Development		332,751	986,047	33.7%	-	-	0.0%	95,471	86,945	109.8%
Water Resources		576,018	1,534,169	37.5%	479	2,000	23.9%	1,221,833	3,591,506	34.0%
Power & Chemicals		-	-	0.0%	-	-	0.0%	10,284,263	31,956,000	32.2%
Taxes		-	-	0.0%	-	-	0.0%	502,440	740,000	67.9%
Overhead		253,734	490,000	51.8%	71	-	0.0%	990,276	1,115,812	88.7%
San Juan Chama		-	-	0.0%	-	-	0.0%	1,204,115	1,615,000	74.6%
Transfers to Other Funds		-	-	0.0%	-	-	0.0%	67,992,000	95,784,000	71.0%
Total	\$	32,846,619	\$71,344,422	46.0%	\$ 1,395,009	\$2,201,300	63.4%	\$ 103,249,330	\$ 171,801,278	60.1%

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 shows days cash on hand by fiscal year. The FY 2024 is days cash available was 378, above the target of 350. FY 2025 Q2 cash available is calculated at 352.



Other Funds Highlights

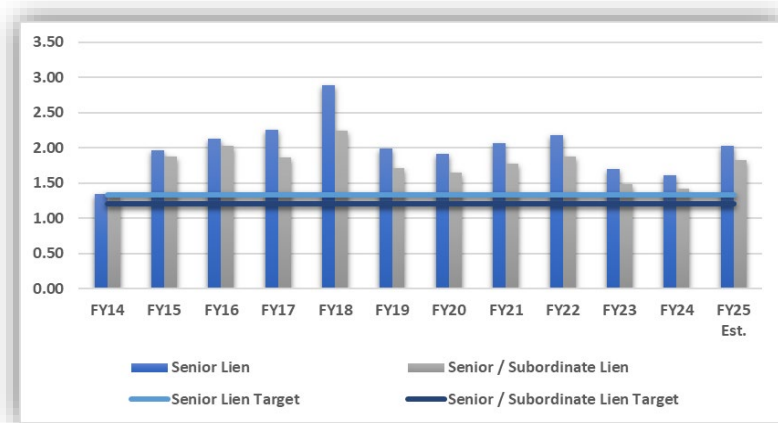
Below are the FY 2025 total revenues and expenses YTD for each fund.

	Revenue			Expense		
	YTD Actual	FY 2025 Adopted Budget	% Budget	YTD Actual	FY 2025 Adopted Budget	% Budget
Debt Service Fund	\$ 62,498,322	\$ 83,640,000	74.7%	\$ 71,199,556	\$ 99,865,000	71.3%
SJCPCA Fund	39,767	39,042	101.9%	18,520	39,042	47.4%
Capital Rehab Fund	9,691,000	19,382,000	50.0%	18,684,594	173,043,492	10.8%
Capital Growth Fund	23,612,880	123,872,721	19.1%	14,048,350	131,493,742	10.7%
Capital Water 2120 Fund	1,205,685	18,427,000	6.54%	85,267	24,325,407	0.35%
Total	\$ 97,047,654	\$ 245,360,763	39.6%	\$ 104,036,287	\$ 428,766,683	24.3%

Debt Service Fund

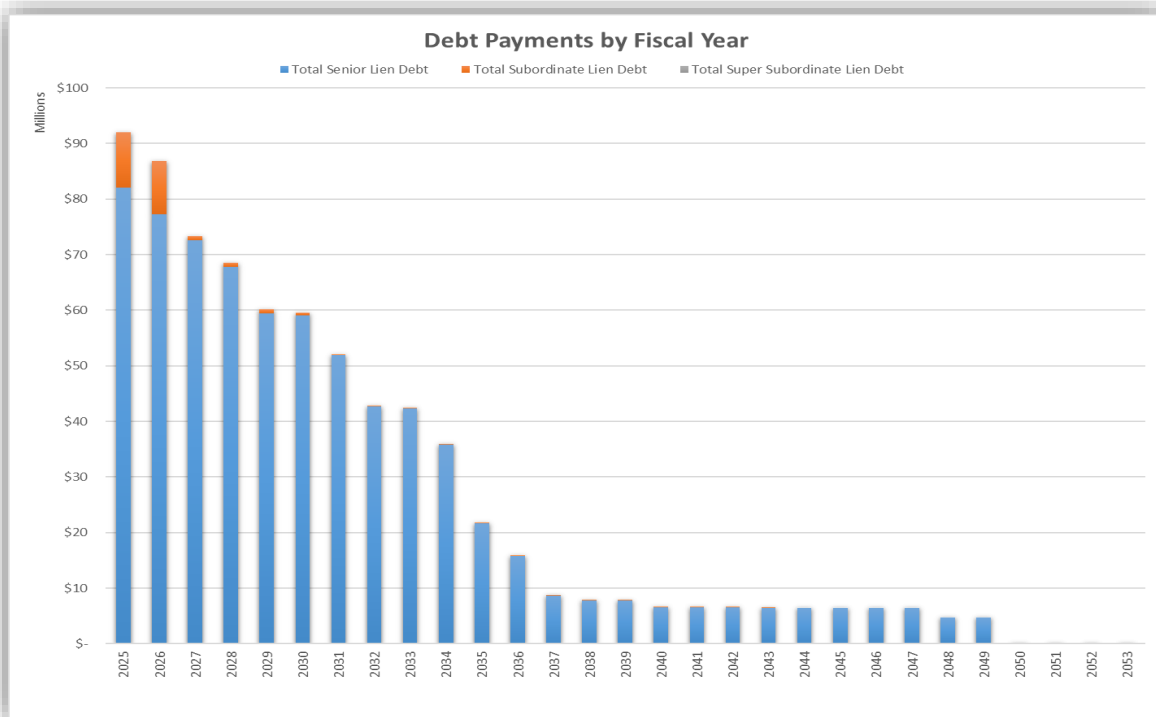
The debt service fund is used to account for the revenues, other financing sources, financing uses, and the related expenses for long-term debt. This includes accounting for bond and loan principal, interest, and other debt expenses. The majority of principal and interest payments for Water Authority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

	FY 2025		Oct-24	Nov-24	Dec-24	FY 2025 Total YTD	% YTD
	Adopted Budget	1st Qtr					
Principal	\$ 69,819,000	\$ 67,128,287	\$ 42,320	\$ 8,592	\$ 8,592	\$ 67,187,791	96.2%
Interest	24,046,000	902,925	24,636	38,230	4,661	970,452	4.0%
Other Debt Related Expense	100,000	9,119	32,194	-	-	41,313	41.3%
Transfers to Other Funds	6,000,000	1,500,000	500,000	500,000	500,000	3,000,000	50.0%
Grand Total	\$ 99,965,000	\$ 69,540,330	\$ 599,150	\$ 546,822	\$ 513,253	\$ 71,199,556	71.2%



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 at target or 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. There are a total of 19 members, of which, 11 are currently assessed annual dues. SJCPCA may also establish special assessments on an as needed basis by supermajority (75%) of the members.

Revenues collected for FY 2025 total \$39,767 and expenses YTD are \$18,520 or 47.4% of the total budget.

Capital Funds

The FY2025 amended Capital Improvement Program (CIP) total **\$328.8 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:

	FY 2025 Adopted Budget	1st Qtr	Oct-24	Nov-24	Dec-24	FY 2025 Total YTD	% YTD
Sanitary Sewer Pipeline Renewal	\$ 27,658,798	\$ 1,016,091	\$ 1,215,138	\$ 1,006,337	\$ 883,584	\$ 4,121,149	14.9%
Drinking Water Pipeline Renewal	10,346,478	1,049,841	983,122	441,844	185,285	2,660,092	25.7%
Southside Water Reclamation Plant Renewal	27,189,414	1,204,994	1,203,688	1,022,655	236,157	3,667,495	13.5%
Soil Amendment Facility Renewal	1,020,869	152,021	-	8,352	-	160,373	15.7%
Lift Station & Vacuum Station Renewal	7,119,375	-	26,624	39,438	23,215	89,277	1.3%
Odor Control Facilities Renewal	1,187,220	22,749	-	-	-	22,749	1.9%
Groundwater Production & Dist. Renewal	20,890,523	880,286	324,962	326,957	601,248	2,133,453	10.2%
SJCWTP Renewal	34,448,958	347,076	320,945	358,942	49,966	1,076,930	3.1%
Reuse Pipeline & Plant Renewal	4,459,739	4,852	15,670	111,731	96,766	229,019	5.1%
Compliance	565,290	-	-	6,209	-	6,209	1.1%
Shared Renewal	12,339,706	118,051	645,182	280,661	281,476	1,325,371	10.7%
Franchise Fee Compliance	6,923,846	38,115	73,954	90,119	27,121	229,309	3.3%
Vehicles & Heavy Equipment	4,867,192	910,915	169,410	346,129	39,466	1,465,920	30.1%
Special Projects	132,133,762	5,136,629	3,146,938	2,932,078	2,637,574	13,853,219	10.5%
Growth Projects	13,386,064	470,883	769,672	163,931	287,894	1,692,379	12.6%
Water 2120 Projects	24,325,407	9,212	-	24,288	51,766	85,267	0.4%
Grand Total	\$ 328,862,641	\$ 11,361,715	\$ 8,895,307	\$ 7,159,670	\$ 5,401,519	\$ 32,818,211	10.0%

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

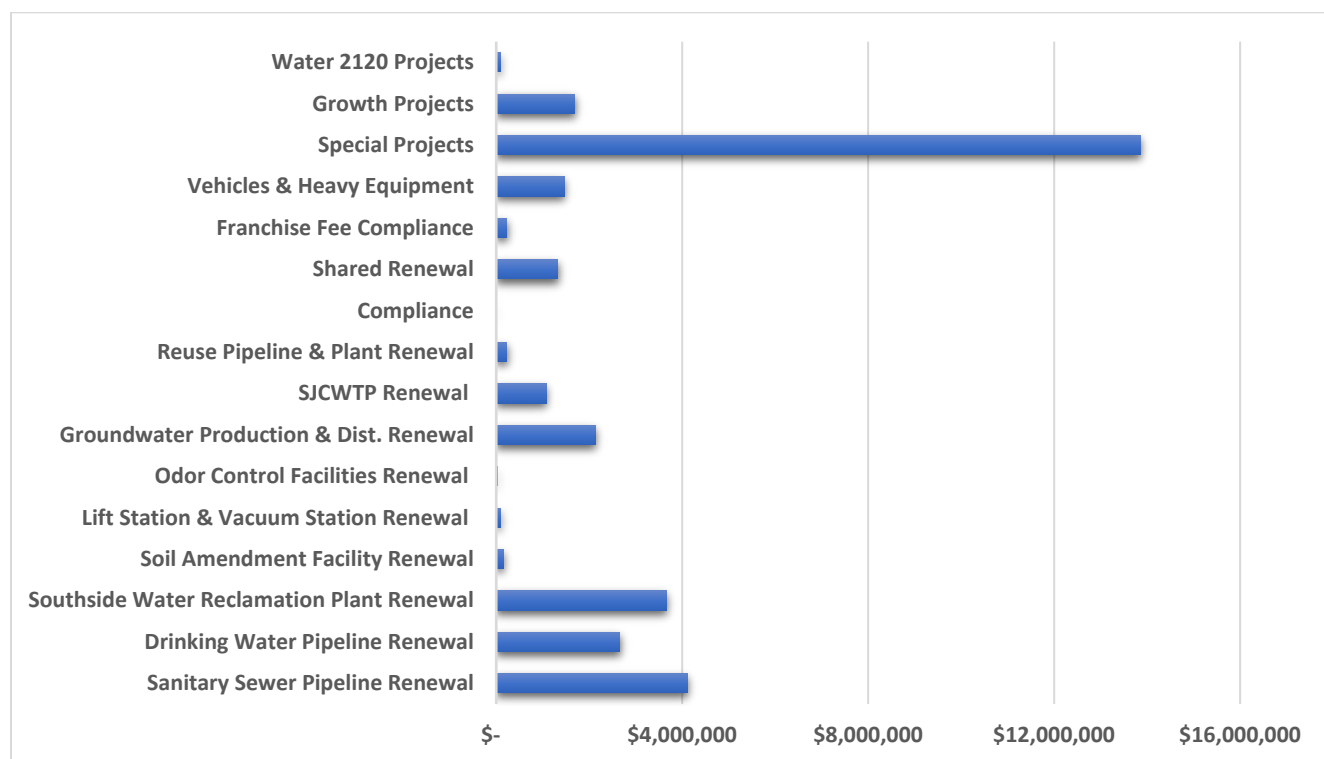
The Water Authority expended a total of **\$32,818,211** through Q2 of FY 2025. Of the \$21.5 million capital spending in Q2, the highest proportion was spent on various special projects (\$7.1 million) to include: The Volcano Cliff Arsenic Treatment Facility, the To'Hajiilee pipeline, and the Metropolitan Detention Center Water and Sewer Improvements project. Furthermore, approximately \$2.6 million in capital funds have been allocated to planned interceptor rehabilitation, and \$2.0 million was spent towards Information Technology and SCADA Equipment Renewal projects.

In government accounting, an encumbrance is a term used to describe a committed or reserved amount of funds that is set aside for a specific purpose. This is used to ensure that there will be sufficient cash available to pay for specific obligations. Encumbrances are used to avoid overspending. CIP outstanding encumbrances by fund at the end of Q2, are:

- Fund 27 (Water 2120) - \$1,291,051,
- Fund 28 (Rehab) - \$81,122,637, and
- Fund 29 (Growth / Special Projects) - \$78,168,431,

leaving an available budget balance of \$132,422,261 for current and future projects.

The graph below shows an illustration of current spending by CIP category through Q2.



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.
4. Uncertainty regarding macroeconomic factors, possible tariffs, and potential changes to federal funding programs.

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 2Q 2025	Current	Comments/Notes
Volcano Cliffs Arsenic Treatment and Transmission Line	\$ 42,272,665	\$ 13,496,477	31.93%	\$ 35,556,418	\$ 6,780,229	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 February 2025. Estimated completion for ATF is Fall 2026.
To'Hajiilee Transmission Line	20,000,050	3,839,226	19.20%	18,306,089	2,145,265	Construction	31-Mar-26	Yes	Under Construction estimated completion March 2026
KAFB Tijeras Interceptor Rehab	10,426,387	10,426,387	100.00%	54,365	54,365	Construction	31-Jul-24	Yes	Project completed. Project closeout imminent.
SVDWP Phase 8/9 Waterline Extension	8,000,000	644,751	8.06%	7,436,495	81,246	Construction	31-Mar-26	Yes	Project awarded (NMUU). Est. Completion March 2026.
MDC Water & Sewer Improvements	16,811,789	2,951,492	17.56%	16,133,079	2,272,781	Construction	31-Mar-26	Yes	Under Construction. Estimated Completion Spring 2026.
Carnuel Wastewater System	6,083,186	540,700	8.89%	5,297,446	8,201	Construction	11/31/2025	Yes	Project awarded & in construction. Est. completion by Nov 2025.
Carnuel Waterline System	2,550,000	177,270	6.95%	2,525,390	152,660	Construction	30-Nov-24	Yes	Project completed. Project closeout imminent.
Bosque WRRP Reuse System	23,754,652	2,264,709	9.53%	22,372,027	882,083	Design	Unknown	Yes	Final Basis of Design Report (BDR) received. PER will be complete by March 2025. CMAR solicitation anticipated March 2025. Design from March 2025 thru December 2026. Construction to start in calendar year 2027.
SWRP Outfall Realignment	9,096,813	950,936	10.45%	8,246,598	100,720	Construction	31-Jul-25	Yes	Project awarded (CF Padilla) & in construction. Est. Completion July 2025.
Mesa Del Sol Reuse Reservoir & Pump Station	6,314,906	700,120	11.09%	5,689,718	74,932	Design	31-Mar-26	Yes	Ph. 1 design in progress (DAR & 30%) – Ph. 1 design package ready to bid May 2025. CWSRF Funding request for Ph. 1 in submitted.
Tijeras/Winrock Reuse System	14,526,900	1,791,939	12.34%	12,959,682	224,720	Design	31-Aug-26	Yes	Project award will be approved by Board in Feb 2025 (TLC was low bidder). Construction start in April 2025.
Arsenic Treatment Facilities (Thomas/Santa Barbara/Miles)	2,303,754	615,062	26.70%	1,981,145	292,453	Design	Unknown	Yes	PER complete. 60% SBATF design due in February 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 December 31, 2024.

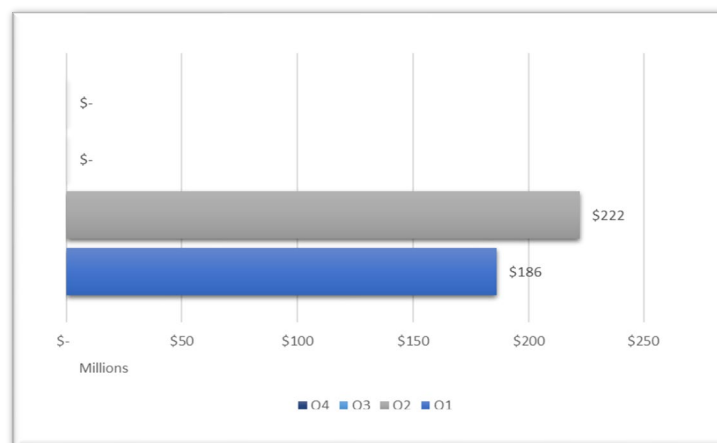
Cash and Investment Highlights

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 December 31, 2024. Investments help offset bankcard (merchant) and bank client analysis fees which amounted to \$534,172 in Q2.

Overnight Liquid Products:	Balances as of 12/31/2024	Book Yield	Market Value
NM State Local Government Investment Pool (LGIP)	\$ 74,363,083	4.518%	\$ 74,363,083
Wells Fargo - Stagecoach Sweep - 0555	21,201,770	4.359%	21,201,770
Wells Fargo - Stagecoach Sweep - 7076	10,483,443	4.359%	10,483,443
Wells Fargo - General Fund - 0555	178,279	1.650%	178,279
Wells Fargo Commerical Checking - 8089	2,208,286	4.359%	2,208,286
Bank of Albuquerque - 2528	100,339	0.550%	100,339
Bank of Albuquerque Sweep - 2528	2,529,495	2.350%	2,529,495
Rio Grande Credit Union	237,285	1.530%	237,285
Total Highly Liquid Portfolio	111,301,980		111,301,980
Investment Accounts			
US Bank - Public Trust Advisors	38,013,537	3.690%	38,215,516
US Bank - Public Trust Advisors (CIP)	72,993,797	4.420%	73,661,199
Total Investment Accounts	111,007,334		111,876,715
Total Cash and Investments	\$ 222,309,314		\$ 223,178,695



Illustrated below the Public Trust Advisors (PTA) investment portfolio as of December 31, 2024, balances.

Portfolio Overview

12/01/2024 to 12/31/2024

Portfolio Characteristics

	11/30/24	12/31/24
Duration	0.274	0.191
Years to Effective Maturity	0.276	0.194
Years to Final Maturity	0.276	0.194
Coupon Rate	0.406	0.904
Book Yield	4.584	4.459
Market Yield	4.276	3.894
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 86.36%, a smaller grey segment representing MMFUND at 13.62%, and a very small light blue segment representing CASH at 0.02%.

CASH	0.02%
MMFUND	13.62%
US GOV	86.36%

Detail may not add to total due to rounding.

Albuquerque Bernalillo County Water Utility Authority - Aggregate

Portfolio Summary

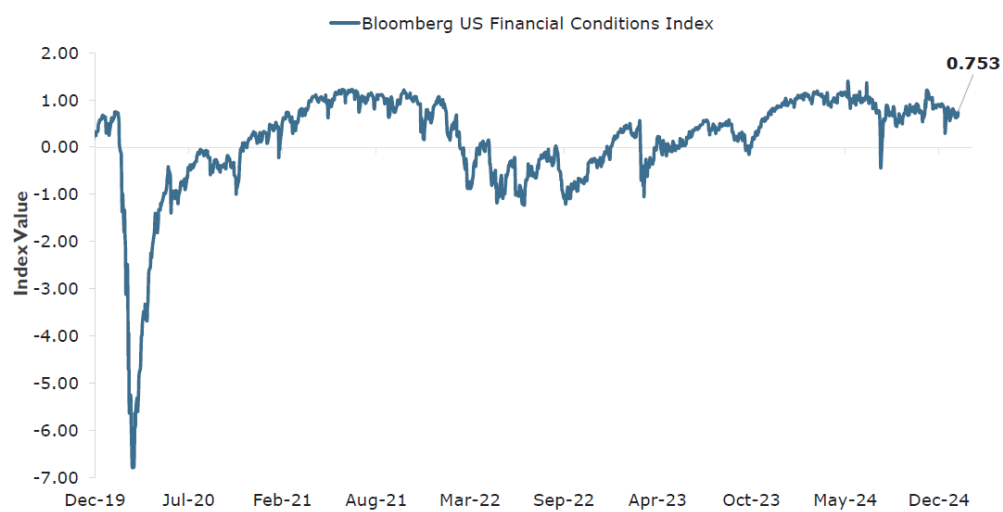
Summary	11/30/24	12/31/24
Historical Cost	\$110,583,407.98	\$111,007,333.96
Book Value	111,250,332.45	111,832,506.27
Accrued Interest	185,190.06	18,730.94
Net Pending Transactions	4,069.05	16,931.44
Book Value Plus Accrued	\$111,439,591.56	\$111,868,168.65
Net Unrealized Gain/Loss	20,577.86	44,408.77
Market Value Plus Accrued	\$111,460,169.43	\$111,912,577.42

Income Summary

Period Income	Income
Interest Income	\$51,003.57
Net Amortization/ Accretion Income	377,573.52
Other Income/Expenses	(0.01)
Net Income	\$428,577.08

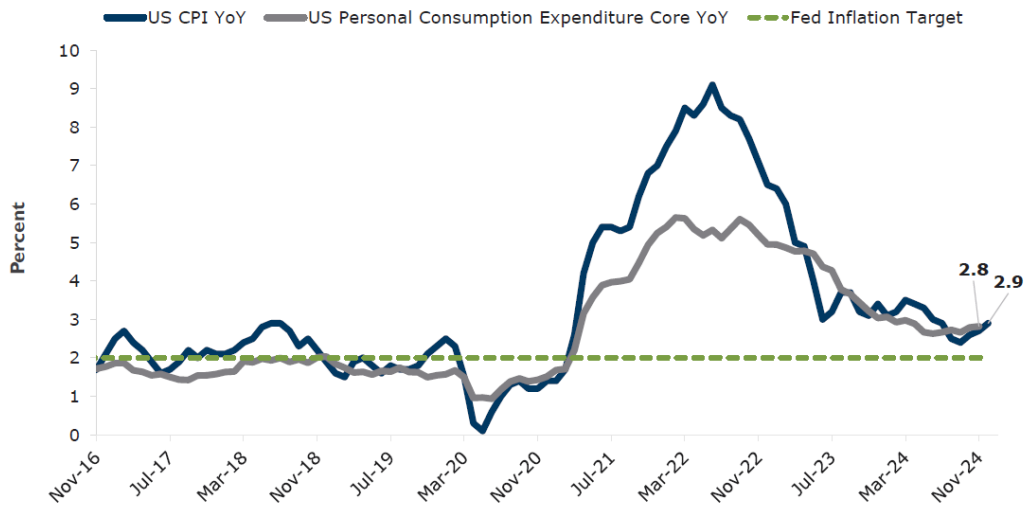
Public Trust Advisors ③

Financial Conditions



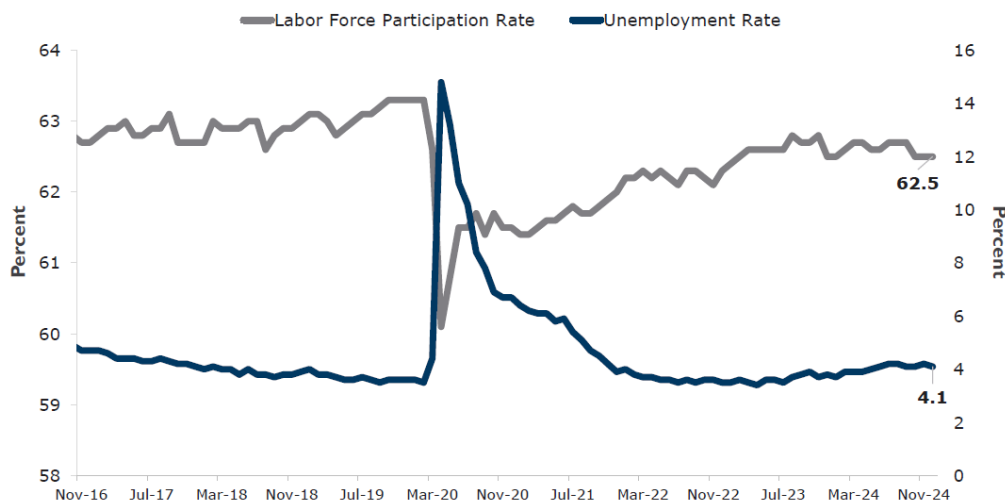
The Bloomberg Financial Conditions Index tracks the overall level of financial stress in the U.S. money, bond, and equity markets by measuring credit spreads, equity prices, and market volatility. The index is used as a gauge to assess the availability and affordability of borrowing funds. Index values above zero signals accommodative financial conditions

Inflation



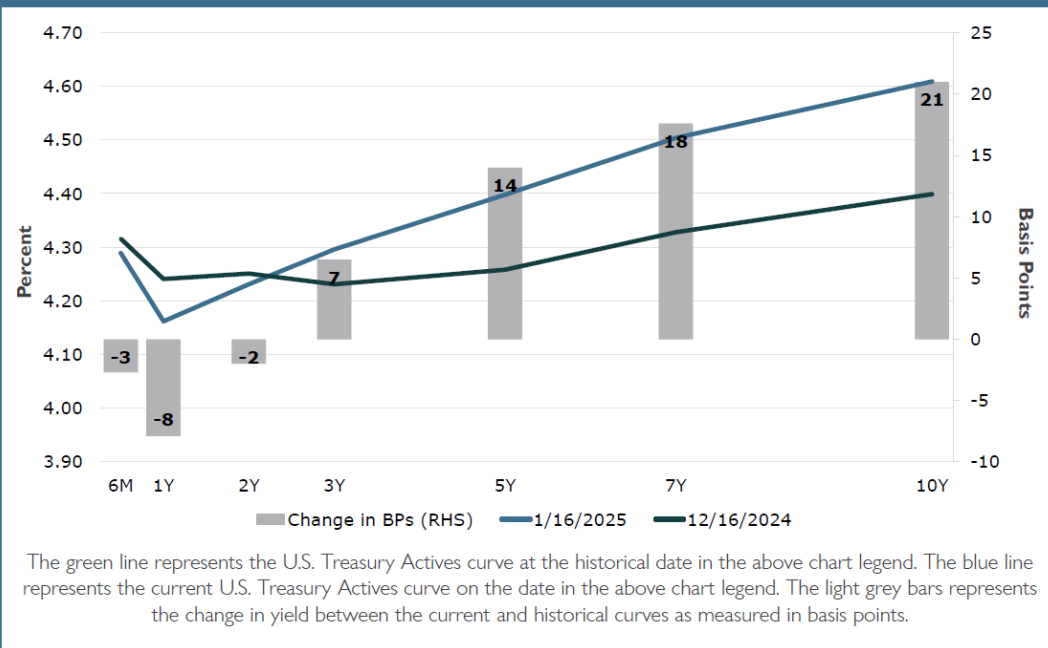
CPI is a measure of prices paid by consumers for a basket of goods/services and only accounts for urban households. PCE, the Fed's preferred measure of inflation, tracks overall price changes for goods and services for all U.S. households and nonprofits. Inflation above the Fed's 2% target is believed to be conducive to tighter monetary policy.

Unemployment



The unemployment rate tracks the number of unemployed persons as a percentage of the labor force (total number of employed plus unemployed). The labor force participation rate is an estimate of the economy's active workforce. Full employment along with stable prices is one of the Fed's dual mandates with respect to monetary policy.

U.S. Treasury Yields



The Fed is recalibrating monetary policy, now projecting fewer rate cuts for 2025. Jerome Powell believes interest rates are still "meaningfully" restricting economic activity. The market is skeptical of the Fed's message as inflation remains sticky in the face of a sturdy 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.

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.



Level of Service Area	Indicator	FY25 Actual (FY to Date)	FY25 Target	Status
Regulatory	Number of Permit Excursions	5	≤ 5	▲
	Reported Overflows	4	< 40	▲
	SUO Compliance (Permitted Industrial Users)	77%	≥ 87%	■
	SUO Compliance (Food Service Establishments)	82%	≥ 87%	■
	SUO Compliance (Dental Offices)	98%	≥ 87%	▲
Reliability	Ground Water PMR	88%	≥ 65%	▲
	Surface Water PMR	76%	≥ 65%	▲
	Waste Water PMR	43%	≥ 65%	■
	Water System (Miles Monitored)	604	> 2200 miles	■
	Water System (Miles Surveyed)	573	> 650 miles	■
	Water System (Leaks Found)	64	> 80	■
	Water System (Water Loss Reduced)	7.9	> 75.0 MG	■
	Miles of Sewer Line Cleaned	7	≥ 100 miles	■
	Sewer Line Inspection Effectiveness	17	≥ 199 miles	■
	Injury Time	175	< 2,500 hours	▲
Quality	Water Quality Complaints Rate	2	< 3	▲
	Biosolids to Compost	28%	> 30%	■
	Renewable Energy (Bio Gas)	33%	≥ 16%	▲
	Renewable Energy (Solar)	8%	≥ 9%	■
	Water Consumption (GW)	0.	< 0. BG	▲
	Water Consumption (SW)	0.	> 0. BG	■
Customer Service	Wait Time	0	< 1 min	▲
	Contact Time	4	< 4 min	■
	Abandoned Calls	1%	< 3%	▲
	First Call Resolution	98%	> 95%	▲
	Bill Exception Rate	9	< 8	■
Finance	Rehabilitation Spending	\$17	≥ \$64 million	■
	Pipe Infrastructure Emergency vs. Planned Spending	92%	≤ 50% null	■
	Cash Reserves	264	≥ 350 days	■
	Revenue to Expenditures	95%	≥ 100%	■
	Expenditures to Budget	112%	≤ 100%	■

Goals and Objectives

The FY 2025 Goals and Objectives were established (R-24-5) and approved by the Water Authority Board on April 17, 2024, 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 2nd quarter progress of each objective within each goal.

Goal 1: Water Supply and Operations

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 & Key Info</i>
Santa Barbara ATF	In Design	60% design due Feb 2025, Final design by June 2025 FY25 WTB Application submitted for construction (\$14M)
Miles ATF	Not Active	Design targeted in FY27
Stranded Assets Study	In Progress (Jacobs/CDM)	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

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	45%

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	Inspection forms complete. Staff to continue developing SOPs

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.**

Staff Assignment: Berman/Sanchez

Period	Percent of Time <0.1 NTU
1 st Quarter Percentage	100% Plant offline majority of Q1
2 nd Quarter Percentage	99.71% Plant offline in October
3 rd Quarter Percentage	
4 th Quarter Percentage	
FY25 Average	

Objective 1.6 **Improve monitoring and trending of the Total Organic Carbon (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	1st Qtr Avg	Oct	Nov	Dec	2nd Qtr Avg	3rd Qtr Avg	4th Qtr Avg
Source Water - IN	8.23	Offline	3.32	3.26	3.29		
Finished Water - OUT	1.75	Offline	1.63	1.36	1.49		
Average % Removal	78.7	Offline	51	58	55		

- 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	Completed in Q1
User Acceptance Testing and training for Inspections for Phase 1 (without automated work order creation)	Completed in Q2
Meter Box Inspections	Ongoing
Finalize PowerBI reporting and develop a goal for inspections	Q3

- 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.**
Staff assignment: Warren/Malouff

	Inspections	Replacement	Repair	Buried	Goal
Q1	151	2	5	6	TBD
Q2	94	1	4	3	80
Q3					
Q4					

Field Distribution established a goal of 80 air valve 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.	Completed Q2
Consultant to provide draft report to WUA	Completed Q2
WUA to review and provide comments on report	Q3

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
Q1	Finalize data and report for FY24	Q4 Submission
Q2	Work on items in the Phase 3 Self-Assessment and collect data for FY25 submission	Submit during Q1 FY26
Q3		
Q4		

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	1,000	84%
Q2	1,011	1,000	88%
Q3			
Q4			
Total	1,530	4,000	

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; kickoff meeting with consultants was held December 19, 2024

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

Task	Status
SJCPCA Collaboration	Staff attended/supported: 3 SJCPCA leadership meetings; 3 SJCPCA membership meetings; and 3 monthly SJCP update meetings with Bureau of Reclamation. Staff participated in November 2024 Upper Colorado River Commission work session and UCRC Annual Meeting at CRWA in December 2024. Staff attended three monthly SJCP meetings with NMISC. Staff provided SJCPCA members monthly updates

	on status of Colorado River, including Post-2026 EIS and negotiations.
Colorado River MOU	Staff have been working with WaterNow/Pacific Institute on the Non-functional Turf Roadmap, which is scheduled to be completed in Q3.
Review and comment on Post-2026 Environmental Impact Statement (EIS) and proposed alternatives	In December 2024, BOR posted the selected 5 alternatives for Post-2026 Operations, including No Action. Staff reviewed posted alternatives and attended BOR presentation at the December 2024 CRWUA meetings.

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 with NM Office of the State Engineer

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

Task	Status
Update locations and update map	In process – staff has requested updated site documents for known groundwater contamination sites to inform map updates.
Priority groundwater contamination sites	Staff reviewing data/regulatory submittals from priority sites.
	Staff reviewed and provided comment to NMED on Air Force work plans for changes to the groundwater monitoring and installation of additional groundwater monitoring wells. Staff presented to the Water Protection Advisory Board on the project and Water Authority concerns. Staff supported briefings to congressional delegation staff on the status of the project.
	Staff provided comment to the NMED on the proposed cleanup plan for HP/Digital. Staff presented to NMED and HP/Digital the groundwater model developed and used to locate the Water Authority's source water protection monitoring well. Coordination of the Water Authority source water protection monitoring well continued and permits were obtained.
Collaboration/coordination	Staff supported and attended 3 WPAB meetings in Q2 FY25.
	Staff attended three public meetings for groundwater priority contamination sites, including the semi-annual DoD/DoE public meeting.

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	Provided NMISC staff additional information on the Water Authority's analysis of the available water and uses and coordinated an additional meeting to resolve outstanding questions on the permit application.
Storage agreement	Submitted the storage agreement signed by MRGCD, BOR, and Water Authority to USACE for approval and signature; staff resolved questions from USACE legal review and tracked status of agreement through Q2 FY25.
	Staff drafted and routed for USACE signature five sub-allotment agreements for storage in Abiquiu Reservoir within Water Authority space. Four of the five agreements are updates to existing sub-allotment agreements and one is new (Rio Chama Acequia Association).

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

Task	Status
Data gap well monitoring	Sampled December 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/Arber

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	Water Resources will revisit this task. Utility Development will be on standby to determine how best to assist.

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/Arber/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: Shurn/K. Berman

Task	Status
Puerto del Sol reuse system	Received, reviewed, validated
Winrock Reuse extension	Complete and incorporated into Master Model
Southside Reuse Study	50% complete; existing Southside system incorporated into Master Model

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), 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	25% complete, initial modeling complete. Project results presented to Operations Feb.
Lomas Reservoir	50% complete, initial modeling complete. Project results presented to Operations Jan.
8E-Montgomery/Freeway	50% complete, initial modeling complete. Project results presented to Operations Feb.
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	Application went live 1/13/2025
Parallel testing by Leak Detection staff	Ongoing thru FY25 Q3

- 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
Task Update/Description	Status	Description & Key Info
Ph. 1 Design	In Design (Jacobs)	Phase 1 incl. 4MG Reservoir, In/Out Piping/Flow Cntrl Vaults EID required concurrent w/design (by May/June 2025)
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 (Jan 2025)

Goal 2: Wastewater Collection and Operations

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
Exceedances	4	8		

In the 2nd quarter of FY25 there were 8 NPDES effluent permit exceedances that are preliminarily being attributed to a prohibited discharge to the collection system. An investigation into this prohibited discharge, including corrective actions and potential enforcement is ongoing.

Since the number of NPDES effluent permit exceedances exceeded 5 for calendar year 2024 the SWRP does not qualify for an annual NACWA Peak Performance award.

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

Task	Status
Partnership for Safe Water – Phase IV- Optimized System	On-going
Staff work on items not yet optimized	On-going
Self-assessment update	Completed (annual)

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 H₂S 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 a reduced chemical cost.

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 to be completed in Q3
VS63 service area data validation	System upgrade identified and under design
VS61 service area	Utilized AMI data to approve development

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: Shury/Zarreii

In Q2 the goal of 100% quarterly sampling and inspection rates were not met due to new employee training and scheduled/unscheduled time off. 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	% Facilities Sampled Complete				
		Q1	Q2	Q3	Q4	FY25 Total
Continuous	56	82%	71%	-	-	

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.

Facility Type	Expected Facilities per year	Expected Inspections per QTR	% Inspections Complete				FY25 Total
			Q1	Q2	Q3	Q4	
Permitted Industrial Users (IU)	65	16	80%	119%	-	-	
Fats, Oils, Grease, & Solids Establishments (FOGS)	750	187	62%	92%	-	-	
Dental Offices (AG)	192	48	106%	136%	-	-	

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	16	74%	76%	-	-
Fats, Oils, Grease, & Solids Establishments (FOGS)	2,249	317	86%	86%	-	-
Dental Offices (AG)	192	10	98%	95%	-	-

- 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: Shuryn/Zarrei

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:

All IU survey goals were met in 2nd quarter. 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 monthly. 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.

Industrial User Permitting Goal	Quarterly Goal	Actual IUs Evaluated or Permitted in Q2	% Complete				
			Q1	Q2	Q3	Q4	FY25 Total
Hospital IU Survey/Permit	1		100%	0%	-	-	
Mercury Potential SIC IU Survey	11	4	72%	100%	-	-	
Potential SIU IU Survey		7					
Total IU Surveys Completed	12	11	67%	92%	-	-	
IUs Designated as SIU for Permitting	Evaluation based (varies)	1	100%				
SIUs Permitted (excluding hospital)	1	2	200%	200%	-	-	

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 Facility Mercury Potential Evaluation	Quarterly Goal	Actual Facilities Sampled in Q2	% Complete				
			Q1	Q2	Q3	Q4	FY25 Total
Dental Facilities Sampled	9	0	44%	0%	-	-	

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

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	Q2 FY25 - Final BDR submission from Carollo.	WA		
CMAR Solicitation	In Progress	Q4 FY25 –CMAR RFQ/RFP			
Public Meetings	Pending	Q4 FY25	Many		
Public Impact Plan	Pending	Q4 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	100%	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
Q1	2,680	5,000
Q2	1,647	5,000
Q3		
Q4		
Total	4,327	20,000

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.

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/Arber

Metric	Q1	Q2	Q3	Q4	FY25 YTD
Water Use Efficiency Audits	19	38			57
Landscape Professionals Trained	14	0			14
Newsletter Articles	6	6			12

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/Arber/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.

Staff Assignment: Laughlin/Holstad

Through Q2, \$5.5M was expended on Sanitary Sewer pipeline renewal, with encumbrances of \$12M.

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.
Isleta/Griegos (Rio Grande to 12 th) Interceptor Rehab – Smith Eng.	Construction	Q1 FY26	\$10M	InSituForm	Eric W.
Viola from Barcelona to Blake	Construction	Q3 FY25	\$3M	InSituForm	Eric W.
Grit Collection Station – 12 th & 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 th St. from Bellrose to I-40	Design - Garver	Design Q2 FY25	\$11M	TBD	Daven T.
FY22-2 – Package D 2 nd 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.
FY25-Rio Bravo/Coors Interceptor & Flow Control Vault Relocation	Design-Smith	Design Q4 FY25	\$8M	TBD	Daven T.
FY25-Sunport/Arno Interceptor Rehab	Design-Smith	Design Q3 FY25	\$3M	TBD	Tom M.

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	1 st Qtr	Oct	Nov	Dec	Goal
% total SWRP power needs met using renewable sources ¹	39%	44%	48%	40%	25%

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

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. Preventative Maintenance to Corrective 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%	89.91%				>80%
Asset Registry Information Accuracy - Number of Assets without Life Cycle Status	69.31%	69.28%				<10%
Asset Inventory Accuracy – Moveable Fixed Assets Accounted for in the last year	98.97%	97.26%				>95%
Work Orders without Assets	20.53%	21.47%				<10%
Work Order Aging - Work Orders Closed within 180 calendar days	86.37%	88.11%				>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).

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 began departmental meetings to develop KPI's in Q2 FY25

- 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	Draft reports have been submitted and are under review

- 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 to develop the AWIA-mandated Risk and Resilience Analysis. Certification that the analysis was completed to be submitted to EPA by March 31, 2025.
ABCWUA-Security Advisory Committee (SAC)	SAC has been established and will begin reviewing Security Reports for incorporation into the Decade Plan-late January 2025.
Security Improvements	Additional security officer posted-Lift Station 20 and facility improvements with fencing along Lift Station 20 area

- 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

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)	98%	January 2025
SWRP ABB HMI to AVEVA HMI	92%	February 2025
Collections/Stormwater Remote Site Upgrades	40%	December 2025
SWTP/GW OASyS to AVEVA Conversion	25%	March 2026
SWTP CPU Upgrades and ControlNet Replacement	30%	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)	50%	June 2025

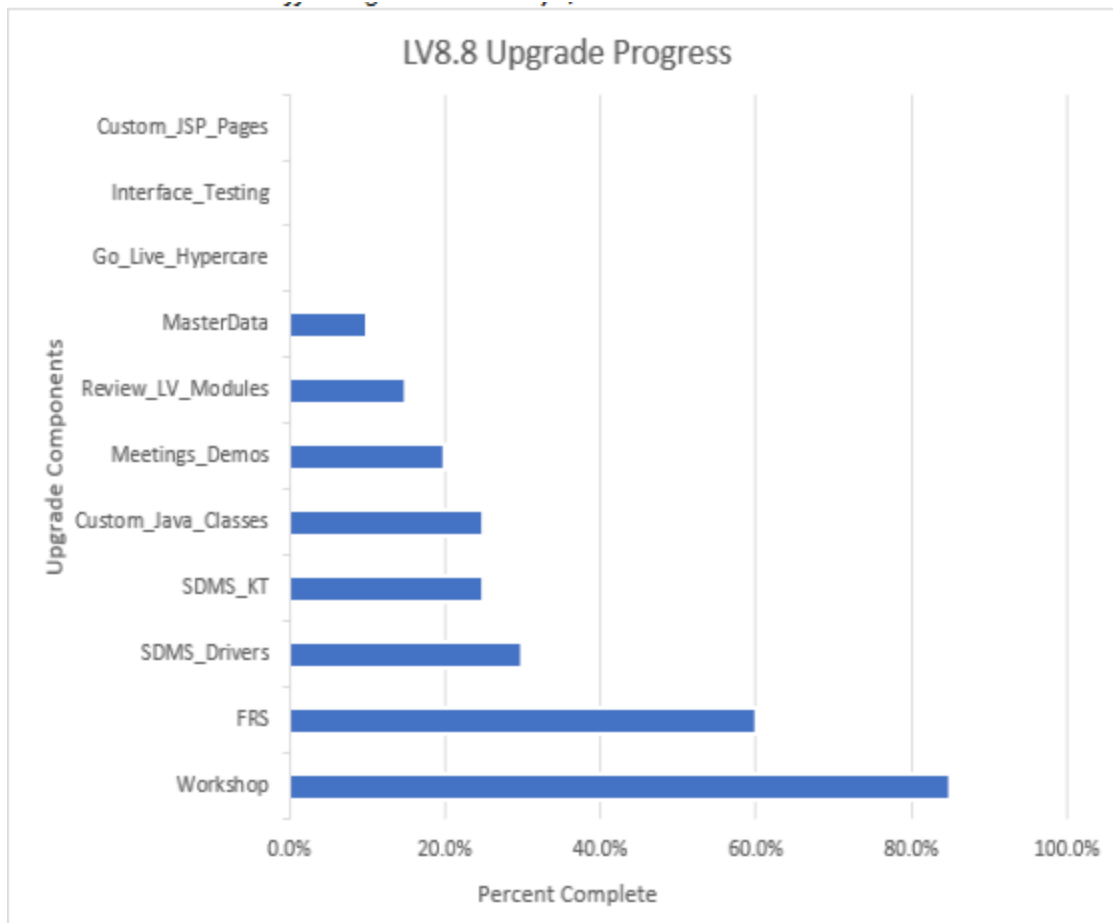
Objective 4.10 Upgrade and patch all enterprise applications to add required upgrades and enhancements, mitigate potential cybersecurity vulnerabilities, continue daily support, leverage functionality enhancements to improve business processes and capture and use data intelligently and create efficiencies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

- Upgrade the Customer care and billing (CC&B) application. Expected completion during 1st 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

Project Name	Health	Timeline Health	Financial Health	Scope Health
ITSM Tool Replacement Project				
CC&B Upgrade to 8.8				
LabVantage Upgrade				
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



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

Task	Status
Outreach materials	Notification of the EPA changes and a flyer with all requirements were distributed to all customers in Q2; School and childcare facility notification is in development phase
Confirming contact info-schools and childcare facilities	Submitted to NMED in Q2
Customer survey	Published on website in Q2; 17 submitted, 9 accepted and entered in the lead service line inventory
Service Line Inventory	Ongoing-Field crews inspected 824 meter boxes during Q2
Replacement Plan	Summary submitted to NMED in Q1; Consultant (CDM Smith) finalizing final plan in Q2
Voluntary lead sampling program	After Q2 notification: 107 lead sample kits delivered, 75 returned for analysis

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					
2025 PFAS baseline sampling	Bi-weekly: River Intake, SWTP, Terminal Reservoirs, Atrisco Wellfield and Gonzales Well 2; Quarterly: all active Entry Points; Annual: all active wells					
PFAS Sampling Events						
Year	PFAS Samples Taken	# of PFAS analytes tested	Detections above the Reporting Level	Above the Reporting Level Detections at Atrisco Well Field	Lab Method 533 Detections	Lab Method 537 Detections
2021	4	146	0	0	0	0
2022	21	1,029	0	0	0	0
2023	68	2,818	6	2	5	1
2024	365	15,183	67	37	32	35
2025	117	5,099	17	15	9	8

- 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	50%	Spring 2025
Evaluate Water and Wastewater Ordinance	30%	Spring 2025
Recommend Updates and Revisions	30%	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	30%	Spring 2025
Draft updates and changes	20%	Spring 2025
Final review/approval of recommendations	0%	Spring 2025

- 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 management team. Contractor (Samsara) set up push notifications for excessive engine idling-can be sent via email or text to assigned supervisor.
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%
Q2	Healthy Habits	62%	60%
	Maintain or Lose it!	60%	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 Q1	FY25 Q2	% Increase	Goal
0	4	8		20%

- 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%
Q2	8.36%	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	Q1	Q2	Q3	Q4	FY Total
Onsite Ergonomic Coaching Assessments	5	9			14
Ergonomic Training Presentation	7	0			7
Onsite Ergonomic Job Coaching Assessments	2	2			4
Total Injury Hours Reported	86	88.25			174.25

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

	Q1	Q2	Q3	Q4
Success Stories	3	2		
Annual Innovation Award			Announce in January 2025	

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

	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



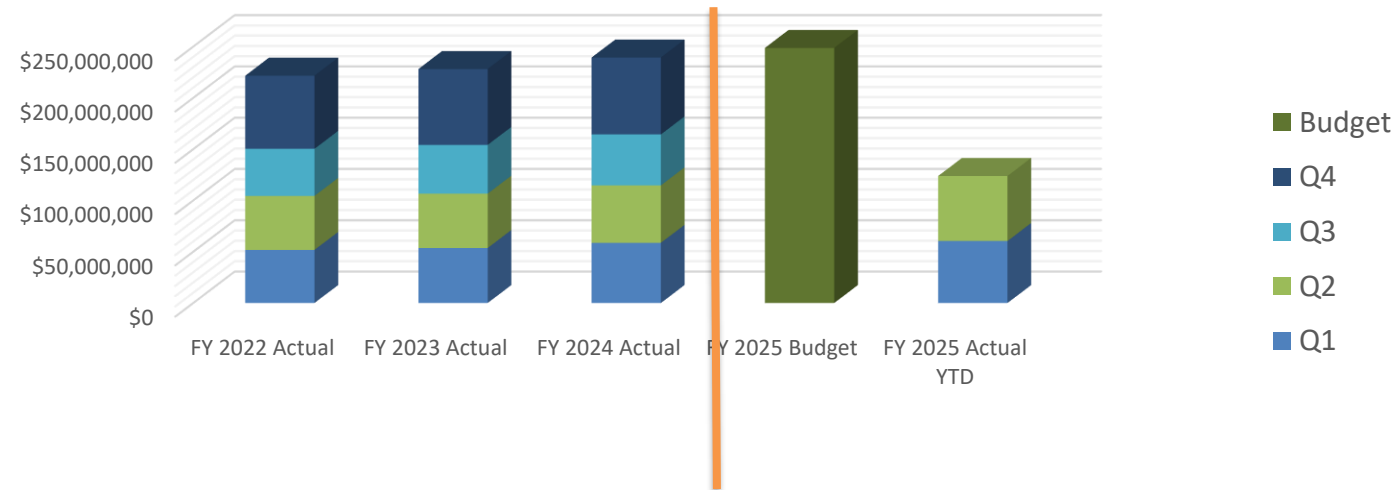
Financial Report, Performance Scorecard, & Goals/Objectives Results

Fiscal Year 2025 / 2nd Quarter

FY25 Q2 Rate Revenue

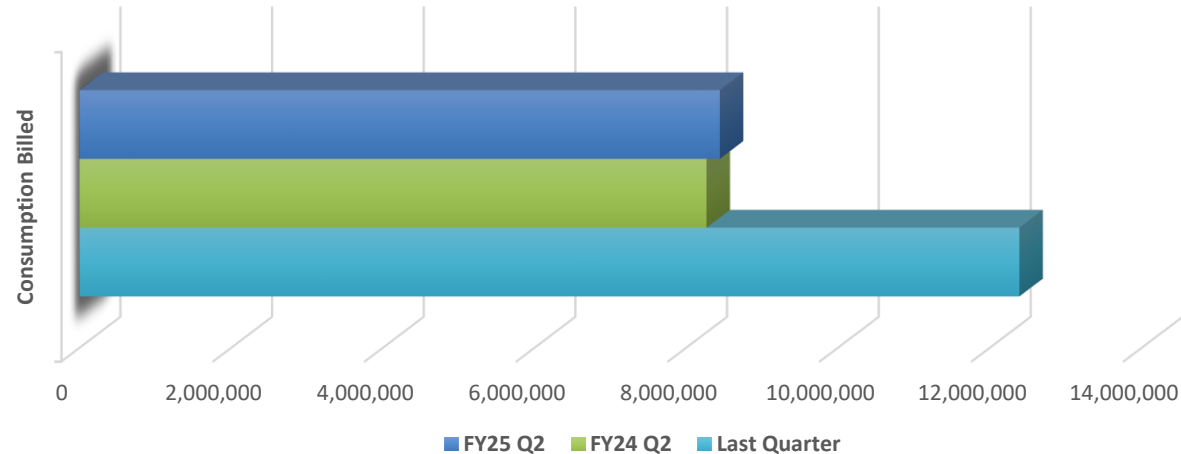
- FY25 Revenue Budget = \$257.4 million which is \$4.5 million higher than FY24.
- Rate revenue is the largest revenue category (98%) of total revenue.
- FY25 Q2 Rate Revenue \$66.8 million
- YTD = \$131.6 million (51.1%)

Rate Revenue



FY25 Q2 Consumption Billed

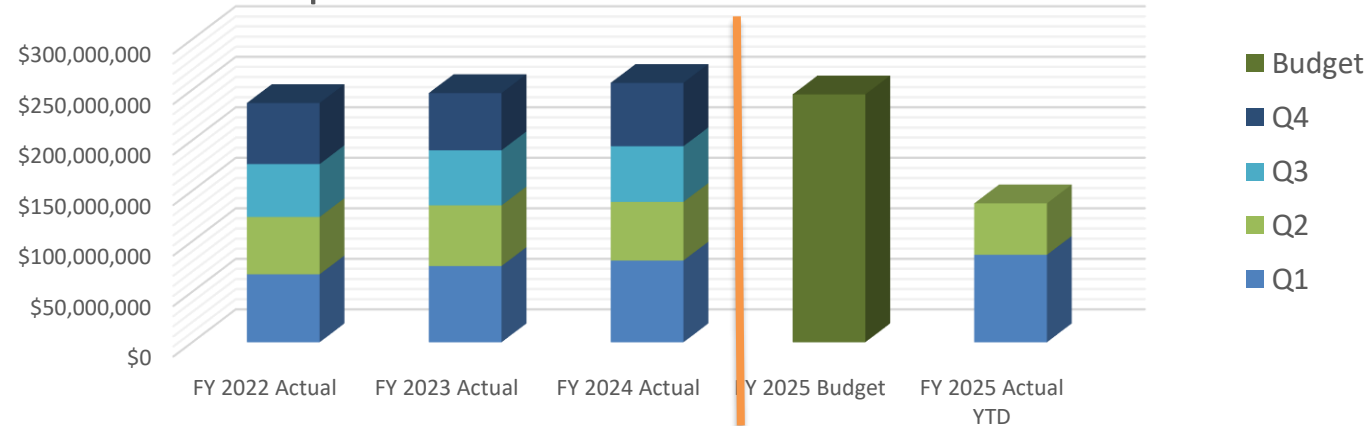
- Active billed accounts = 218,364; Metered based = 213,710 on service size 1-8
- Consumption billed for all customer classes was 8,446,810 at the end of Q2
- Comparisons:
 - (31.8%) lower from last quarter
 - (2.1%) higher from same time last year



FY25 Q2 General Fund Expenses

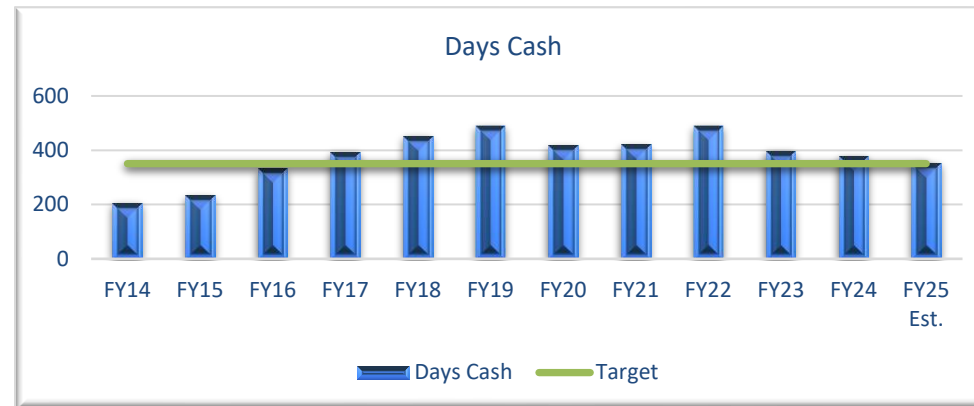
- FY25 Expense Budget = \$245.3 million
- FY25 Q2 Expenses = \$51.0 million
- FY25 Q2 YTD Expenses= \$137.5 million (56.0%)
- Transfers to CIP = \$5.2 million
- Transfers to Debt Service = \$8.7 million

General Fund Expense



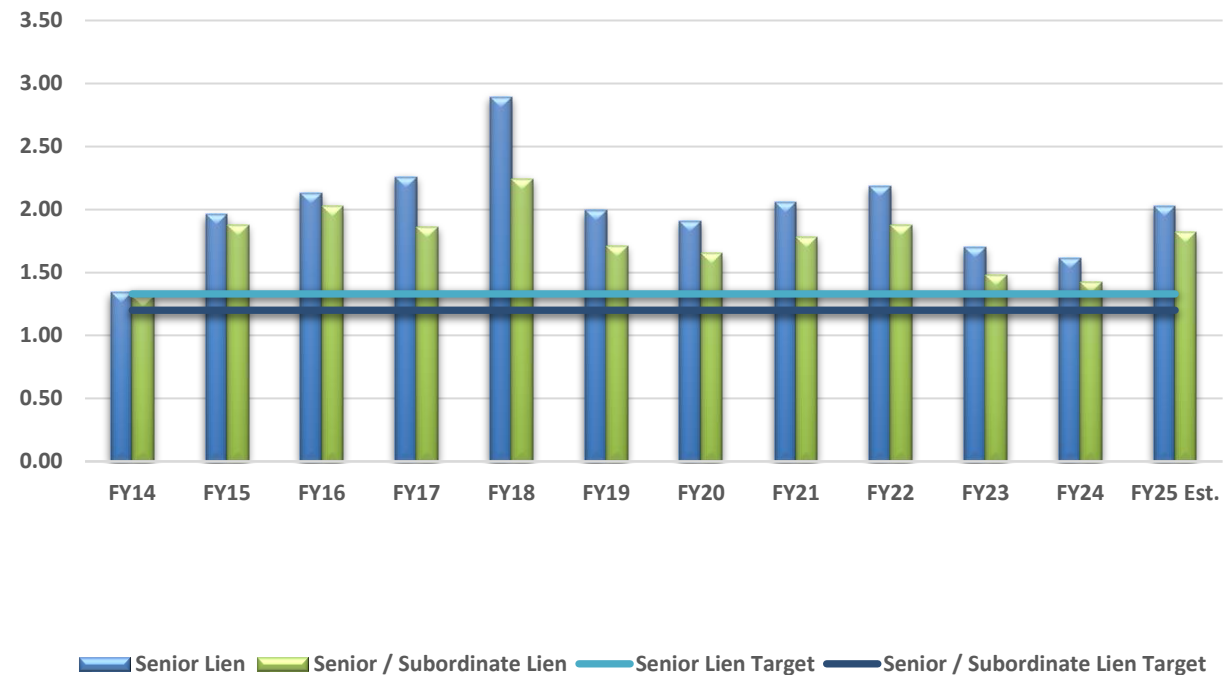
Finance Targets (KPIs)

- Working Capital
 - Working capital balance is projected at \$35.2 million with new rate adjustment in effect.
 - As of December 31st the balance is at \$30.3 million
- Reserves
 - \$11.2 million is being reserved for emergency expenditure needs, unexpected risk claims, and SAF requirements.
- Days Cash = 352



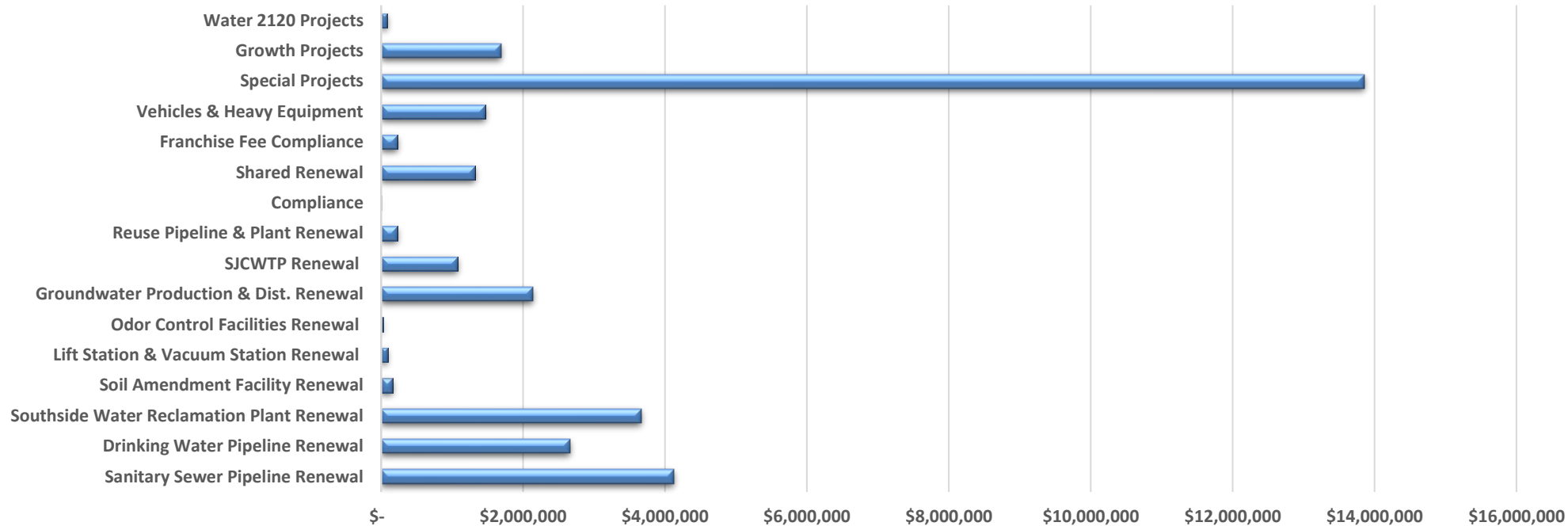
Debt Service Coverage Ratio

- Water Authority minimum ratios: 1.33 Senior Lien; 1.20 Senior/Subordinate Lien
- FY25 Q2 ratios: 2.03 Senior Lien; 1.82 Senior/Subordinate Lien



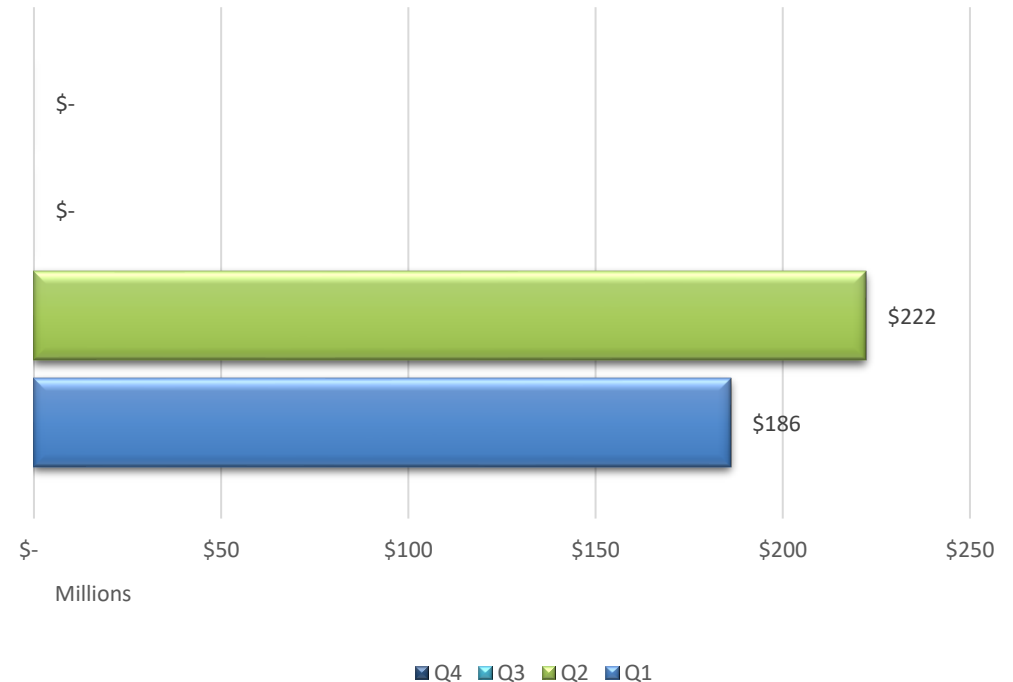
FY25 Q2 Capital Funds

- FY25 CIP Funds Expense Budget = \$328.9 million
- FY25 Q2 Expenses = \$32.8 million; 10.0% of budget
- Total Outstanding Encumbrances = \$163.6 million



FY25 Q2 Cash & Investments

- Investment Policy Priorities:
 - Safety
 - Liquidity
 - Yield
- Total Cash & Investments = \$222.3 million (12/31/2024)
- Q2 Investment Income = \$2.0 million
- Q2 Bank & Merchant fees = \$534,172



FY25 Q2

Performance

Scorecard

Level of Service Area	Indicator	FY25 Actual (FY to Date)	FY25 Target	Status
Regulatory	Number of Permit Excursions	5	≤ 5	▲
	Reported Overflows	4	< 40	▲
	SUO Compliance (Permitted Industrial Users)	77%	≥ 87%	■
	SUO Compliance (Food Service Establishments)	82%	≥ 87%	■
	SUO Compliance (Dental Offices)	98%	≥ 87%	▲
Reliability	Ground Water PMR	88%	≥ 65%	▲
	Surface Water PMR	76%	≥ 65%	▲
	Waste Water PMR	43%	≥ 65%	■
	Water System (Miles Monitored)	604	> 2200 miles	■
	Water System (Miles Surveyed)	573	> 650 miles	■
	Water System (Leaks Found)	64	> 80	■
	Water System (Water Loss Reduced)	7.9	> 75.0 MG	■
	Miles of Sewer Line Cleaned	7	≥ 100 miles	■
	Sewer Line Inspection Effectiveness	17	≥ 199 miles	■
	Injury Time	175	< 2,500 hours	▲
Quality	Water Quality Complaints Rate	2	< 3	▲
	Biosolids to Compost	28%	> 30%	■
	Renewable Energy (Bio Gas)	33%	≥ 16%	▲
	Renewable Energy (Solar)	8%	≥ 9%	■
	Water Consumption (GW)	0.	< 0. BG	▲
	Water Consumption (SW)	0.	> 0. BG	■
Customer Service	Wait Time	0	< 1 min	▲
	Contact Time	4	< 4 min	■
	Abandoned Calls	1%	< 3%	▲
	First Call Resolution	98%	> 95%	▲
	Bill Exception Rate	9	< 8	■
Finance	Rehabilitation Spending	\$17	≥ \$64 million	■
	Pipe Infrastructure Emergency vs. Planned Spending	92%	≤ 50% null	■
	Cash Reserves	264	≥ 350 days	■
	Revenue to Expenditures	95%	≥ 100%	■
	Expenditures to Budget	112%	≤ 100%	■





FY25 Q2

Water Authority

Goals/Objectives Results

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

FY25 Goal 1:

Water Supply & Operations

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.

Task	Status
Work with IT and consultant to create program in Clevest-IFS/MWM	Completed in Q1
User Acceptance Testing and training for Inspections for Phase 1 (without automated work order creation)	Completed in Q2
Meter Box Inspections	Ongoing
Finalize PowerBI reporting and develop a goal for inspections	Q3



FY25 Goal 2:

Wastewater Collection & Operations

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.

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



FY25 Goal 3:

Customer Services

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.

	Replaced	Goal
Q1	2,680	5,000
Q2	1,647	5,000
Q3		
Q4		
Total	4,327	20,000



FY25 Goal 4:

Business Planning & Management

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).

Task	Status
EUM Dashboard and Scorecard	Converted to Microsoft Fabric as basis for Power BI data
Departmental KPI's	AMPT team began departmental meetings to develop KPI's in Q2 FY25



FY25 Goal 5:

Organizational Development

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.

Task	Q1	Q2	Q3	Q4	FY Total
Onsite Ergonomic Coaching Assessments	5	9			14
Ergonomic Training Presentation	7	0			7
Onsite Ergonomic Job Coaching Assessments	2	2			4
Total Injury Hours Reported	86	88.25			174.25





Questions ?

Comments?