

ALBUQUERQUE BERNALILLO COUNTY
WATER UTILITY AUTHORITY MEETING
WEDNESDAY, APRIL 21, 2021, 5:05 P.M.

VINCENT E. GRIEGO CHAMBERS
ALBUQUERQUE-BERNALILLO COUNTY GOVERNMENT CENTER
ALBUQUERQUE, NEW MEXICO 87102

A P P E A R A N C E S

COMMISSIONER STEVEN MICHAEL QUEZADA, Chair (remote)
COUNCILOR KLARISSA J. PENA, Vice Chair (remote)
COMMISSIONER WALT BENSON, Member (remote)
COUNCILOR PAT DAVIS, Member (remote)
COMMISSIONER CHARLENE PYSKOTY, Member (remote)
COUNCILOR TRUDY E. JONES, Member (remote)
MAYOR TIMOTHY M. KELLER, Member (excused)
PABLO RAEL, Trustee (remote)
SARITA NAIR, Alternate (remote)

BEFORE: KIM KAY SHOLLENBARGER, RPR
Paul Baca Professional Court Reporters
500 4th Street, Northwest, Suite 105
Albuquerque, New Mexico 87102

1 CHAIR QUEZADA: Good evening. I'd like to call this
2 April 21, 2021 meeting of the Albuquerque Bernalillo County
3 Water Utility Authority to order. All members are present
4 except for Councilor Peña, which we think she's going to join
5 here shortly. And everybody is here via video conference, as
6 you can tell.

7 We'll have a moment of silence and Pledge of
8 Allegiance led by Madam Chair of the Bernalillo
9 County Commission, Commissioner Pyskoty.

10 (Silence/Pledge of Allegiance)

11 CHAIR QUEZADA: Thank you. As posted on our website
12 and noted on our published Water Authority Agenda, this
13 meeting is being held via video conference. The Water
14 Authority has accepted general public comment and comments on
15 the meeting's specific agenda items in written form via email
16 through 4 p.m. today and these comments were distributed to
17 all Board Members.

18 We will now move on to Item 3, which is the Approval
19 of Minutes. I make a motion to approve the March 17, 2021
20 Minutes. Do I have a second?

21 COMMISSIONER PYSKOTY: Second.

22 CHAIR QUEZADA: Second by Commissioner Pyskoty.
23 Ms. Carreon, can I have a roll call, please.

24 MS. CARREON: Commissioner Benson.

25 COMMISSIONER BENSON: Aye.

1 MS. CARREON: Councilor Davis.

2 COUNCILOR DAVIS: Yes.

3 MS. CARREON: Councilor Jones.

4 COUNCILOR JONES: Yes.

5 MS. CARREON: Member Nair.

6 MS. NAIR: Yes.

7 MS. CARREON: Commissioner Pyskoty.

8 COMMISSIONER PYSKOTY: Yes.

9 MS. CARREON: Chair Quezada.

10 CHAIR QUEZADA: Yes.

11 MS. CARREON: That passes unanimously.

12 CHAIR QUEZADA: Thank you. We'll move on to Item 4,
13 which is Proclamations and Awards. These are the Quarterly
14 Employee Incentive Awards. We really love having those
15 employees in the room where we can shake hands and see them,
16 because I know the Water Utility Authority has a lot of
17 really great employees and they're celebrated all the time.

18 What I'm going to do is read through them so we can
19 announce them and recognize them. I personally, and I'm sure
20 all the other Board Members are very proud and want to
21 congratulate you all on the hard work you do in the
22 community. We all know how important water is, we'll just
23 say it that way.

24 Our first person is Kathy Leonard, she was awarded
25 \$50. Roger Gonzales, Michael Richardson and Cassia Sanchez

1 received \$150. Charles Lee received \$200. Angelo Martinez
2 and David Sedillo, \$125 each. Marcos Orona, \$175. Eduardo
3 Chavez, \$150. Mauricio Carreon, Miguel Leyba and Robert
4 Trujillo, all \$75 each. Hema Patel, \$450 plus eight hours.
5 Nancy Hill, \$100 plus eight hours. Bianca Montoya and
6 Amberly Mirabal, \$75 each. Dominic Trujillo and Carlos
7 Sandoval, \$75 plus four hours each. Michael Arellano, \$150
8 plus eight hours. Andrew Demarcus, Bryan Haikin, David Ritz,
9 Matthew Duran, Adan Flores, Santiago Lopez, Elijah Perkins,
10 Jose Garcia, Adrian Lucero, Lawrence Trujillo, Angelo Perea
11 all got \$50. Reba Larribas, \$75. Jose Alvarez, Kathy
12 Leonard, Heidi Hilland, Laurel Hager and Elaine Rudolph, \$50.
13 Steven Maldonado and Chris Garcia, \$175 each. Elias Ortiz
14 and Isidro Padilla, \$225 each. And Justin Sample, \$500 plus
15 eight hours. That is everybody there. Each of these
16 employees have made significant contributions to the
17 improvement of the Water Authority well beyond the incentives
18 received. What's most impressive is that these efficiencies
19 occurred during a pandemic, which is pretty amazing. We
20 thank you again, and spend that money well and spend those
21 hours well. Congratulations.

22 Now we will move on to Item 5, which is Public
23 Comment. As previously stated, public comment was accepted
24 prior to the meeting by email.

25 Now we have Announcements and Communications. Item

1 A is, our next scheduled meeting will be May 19, 2021 at 5
2 p.m. via video conference.

3 We will go to Introduction. This is not action
4 items, it's just the first reading of legislation. Item 7A,
5 R-21-7, suspending certain provisions of the water and sewer
6 rate ordinance for the fiscal year ending June 30, 2022,
7 presented by Stan Allred.

8 MR. ALLRED: Thank you, Mr. Chair, Members of the
9 Board. This is resolution. Every year annually for the rate
10 ordinance we update the expansion charges by the NR index for
11 building and construction costs and approved by the Board
12 last year was an eight-year phase in of the water resource
13 charge. This year will be year two of the phase in. Due to
14 the COVID-19 pandemic and the nature of the stress put on the
15 community, this resolution will allow us to suspend per the
16 rate ordinance updating all those fees and other fees and
17 other charges, basically all the charges in our fee Schedule.
18 This is for introduction only.

19 I stand for any questions.

20 CHAIR QUEZADA: Do we have any questions for Mr.
21 Allred? No. Thank you, we appreciate that. We'll move to
22 Item B, R-21-8, appropriating funds for operating the
23 Albuquerque Bernalillo County Water Utility Authority for
24 fiscal year beginning July 1, 2021 and ending June 30, 2022.
25 Also presented by Mr. Allred.

1 MR. ALLRED: Mr. Chairman, Members of the Board,
2 what you have before you is hopefully a quick presentation.
3 This will cover both the CIP and the operating budget for
4 next year. This is for introduction only.

5 First slide, just some vital statistics. We have
6 about 215,000 customer accounts. We have 635 budget
7 employees. If we took the value of our assets right now and
8 we had to replace everything, it would be \$5 billion to
9 replace everything in the ground and above the ground, and
10 \$1.2 billion in water rights. Our current outstanding debt,
11 631 million, a big chunk of that was to build the San
12 Juan-Chama Drinking Water Plant. Much of that will retired
13 by the year 2027. We do have a Triple A bond rating with
14 S&P. Last year we produced about 11.3 billion gallons from
15 the surface water plant and 17.4 billion gallons from the
16 groundwater and that was during a year of drought. So in
17 total, 18.5 billion gallons was produced by the Utility.

18 This slide basically has the same thing I just did.
19 The little graphic on the top right-hand corner, you can see
20 that we have been using more surface water since about 2008.
21 The little magenta line for reuse, you can see the amount
22 that we're doing for reuse is increasing from north side.
23 As we brought up south side, it increased even more. A lot
24 of irrigation in the Albuquerque/Bernalillo County area is
25 done with reuse water. Our pumping has reduced dramatically,

1 as you can see by the picture. The amount of water use per
2 capita a day has decreased. At the same time there's been a
3 large increase in the number of accounts. You can see on the
4 graphic on the bottom left-hand corner that we continue --
5 our target continues to go down for our water conservation
6 goals. 2020 there was a little bit of a spike. During the
7 pandemic there seemed to be some semblance of increase of
8 consumption, but that has tapered off and leveled off in the
9 past several months.

10 This graphic is pretty telling. This is the gains
11 we have made as a Utility as far as our employee time. When
12 we first became the Authority and the employees became Water
13 Authority employees in FY2006 we were at 24,000 hours of
14 injury time. In FY20 we were down to 568. Every year this
15 Board, based on Certain set metrics, warrants a one-time
16 unappropriated payment to the employees of \$300 if we meet
17 those goals for working safely. As you can see, since 2006
18 we've had a 98 percent reduction in lost work hours and that
19 has led to a lot in efficiencies in the Utility and reduce
20 operating costs going forward.

21 Same thing with the Risk Management claims.
22 Severity of them has decreased dramatically in the last three
23 years. A lot of this has to do with our Asset Management
24 Plan and bringing on our Maximo work order system. We are
25 now doing more, what we call, preventive maintenance of our

1 assets and a lot less corrective maintenance. We're working
2 on our assets before they're broken, not after they're
3 broken. In doing so it's reduced a lot of the claims.
4 Another example of an efficiency employees achieved in trying
5 to save.

6 This is the Customer Assistance Program. This
7 graphic here is primarily just in regards to the Low-Income
8 Credit Program. It's a comparison of number of customers
9 that we have given credit for low income compared to, we get
10 some data from HUD in respect to who all would qualify for
11 that low income. You can see that our outreach has
12 increased dramatically in the last several years. We are
13 helping more and more customers with the payment of water
14 bills. We are also doing a lot more with what's called the
15 Water Assistance Fund. That fund is to help customers if
16 they need a one-time assistance in paying their water bills
17 or to get qualified for the low-income credit. This Board
18 has appropriated a large amount of money to help fund that
19 and that money is being used wisely and to help a lot of
20 ratepayers in our system.

21 The next part of this presentation is just about the
22 last year in review and beyond the numbers, per se.

23 Due to the COVID-19 response last year, and they're
24 still in place, we have not done any customer turn offs. We
25 have not imposed any late fees or penalties on accounts that

1 are held in arrears. We have transitioned staff to remote
2 working. We have set up a lot of things, a lot of our
3 customer service staff, for instance, is set up. We set them
4 up on a phone system. So if someone calls in it cycles
5 through our staff that's at home. They answer the phone in
6 two minutes or less. We have done a lot to allow staff to
7 work at home, but still achieve a great level of customer
8 service for customers.

9 We have installed temperature readers at all our
10 time clocks in our buildings. So as our staff comes in they
11 actually scan their forehead and it gets their temperature
12 and alerts us if someone is beyond the norm. We have
13 contracted a lot of service to disinfect our vehicles and our
14 facilities on a regular basis. If someone in a crew gets
15 sick, we'll bring someone in to disinfect that vehicle before
16 a crew goes back in that vehicle.

17 We have distributed a lot of equipment and cleaning
18 supplies to help the spread of COVID, such as face masks and
19 face shields and gloves and those types of things. We do
20 regular communication with the staff about COVID. That's
21 done a lot by the risk group and our HR group.

22 We have checklists for our employees and our
23 supervisors to follow, which includes medical protocols,
24 aggressive testing and quarantine protocols. We also have a
25 very aggressive contact tracing program. If someone comes in

1 with it, we do our own contact tracing along with what we do
2 with the State of New Mexico.

3 And during this too we've also assisted in outlying
4 Native-American communities that may have been short on
5 water. We've filled tankers with water and take those waters
6 to those areas to help supply water in the times of need.

7 We also did a lot of solar expansion this year.
8 There will be a presentation done by Steve House later, so I
9 won't go a lot into it. He's going to go through a lot of
10 information. We have a lot of solar rays. The picture on
11 the right-hand side in the top right is a picture of the new
12 facility. Those solar rays cover all the parking here. It
13 covers the employee parking, as well as the parking for most
14 of our entire fleet, and it almost provides 20 percent to
15 power the surface water plant. Steve will go into more
16 detail.

17 We moved into the Mission Avenue Complex, that has
18 been completed. We moved 300 customer service, field,
19 groundwater, compliance, safety, fleet and warehouse to the
20 facility in October. That was seamless to the community. It
21 was over 300 people from Pino Yard in the City downtown, from
22 the West Side. We moved all our warehouse. We moved over
23 300 vehicles to the new site and we did that without any
24 disruption at all to our level of service to our customers.
25 And you can see some pictures of the front of the site. At

1 the top on the left-hand side is an area that will allow
2 customers to come in and look. It will have signs on there
3 and it will tell them how we would recommend they would
4 landscape, xeriscape their front yards. Tell them what kind
5 of plants They can use and those type of things. There will
6 be videos of that kind of information. It's in the lobby
7 between those two double doors. I want to share real quick
8 the blue part of the building right there, that represents
9 the river. It has a sloping to it as it goes down, and then
10 the building goes up on the east and west side, which
11 represents the east and west side of Albuquerque. So it's
12 got a lot of Albuquerque swag and Bernalillo County swag in
13 the building. At this point it still remains closed to the
14 public because of COVID.

15 We spent \$22 million on the Waste Water Treatment
16 Plant in renewals. \$15 million on sewer lines. \$7 million
17 on groundwater systems, like wells and reservoirs. We did
18 some work on the drinking water, surface waterlines
19 throughout the City, and \$6 million in projects at the
20 Surface Water Treatment Plant. The picture in the middle on
21 the right-hand side is a big space dome, it looks like a
22 flying saucer, that's a cover at the Waste Water Treatment
23 Plant. It helps control the odors, that was part of the odor
24 control that we put in place to help mitigate odors at the
25 plant.

1 We also migrated to AT&T and AT&T also offers what's
2 called First Net, it's a public safety priority band. We are
3 on that band. We moved also in that process from our radios
4 and we use the AT&T equipment as our radios for our staff.
5 We continue to enhance our IT security to keep our system
6 safe so no one can hack in and add chemicals or whatnot to
7 our system and we continue to show operating savings, as we
8 discussed a little bit earlier.

9 So moving forward to FY22, using the assumptions we
10 made in this year's budget, there is no rate adjustment or
11 rate increase for this year's budget. This will be the
12 fourth year in a row with no increase. As we did talk about
13 with the resolution before this, we will not have increases
14 to utility expansion charges for the water resources charges.
15 There is very nominal growth in our service area.
16 Consumption levels used our in rate study is still at 120
17 gallons per person per day. This budget does include the
18 addition of 2.5 FTEs. The revenue increase is .65 percent,
19 that's just due to the nominal growth in service area. And
20 then we had 2.5 percent increase in wages and benefits, so we
21 approved 2 percent step increase per our pay scale for our
22 employees, plus an increase for benefits. We saw \$4 million
23 decrease share in our debt service payments. And as always,
24 we increased the transfer to capital by \$3 million as
25 mandated by this Board. Every fiscal year we increase the

1 transfer to capital by \$3 million, so over time we can
2 decrease the amount we borrow and pay for capital with
3 operating funds going forward.

4 FY priorities. We're going to installed 30,000
5 additional AMI smart meters. 55 percent of the meters in the
6 ground are AMI compatible, that generates about 62 percent of
7 our rate revenue at this point in time, so we're going to add
8 another 30,000. That is going to be done by our own crews.
9 We have set aside a crew to install those so that will no
10 longer be contracted out so there will be savings going
11 forward operationally by doing that ourselves.

12 We're going to update our Comprehensive Asset
13 Management Plan, can find savings and which assets we
14 need to rehab and work on first and prioritize that so we
15 spend the money more wisely.

16 We will have an Employee Satisfaction Engagement
17 Study this year. I believe we do that every two years and
18 it's time to do that again. As you can see on the left-hand
19 side there's a little kiosk, we're going to add one of those
20 to the front of the customer service building off of Mission.
21 It's a kiosk they use to pay your water, sewer, and
22 wastewater bill. You can use cash, you can use a credit
23 card, a debit card, you can use a check. Just another way of
24 taking payments and trying to make it easier for customers to
25 make payments.

1 We are updating our SCADA system, which controls
2 wastewater and water systems. There are actually two
3 different systems, as we speak. They'll be upgraded to be
4 one system to use water and wastewater. It will also be tied
5 to our work order system so if there's things that might be
6 going wrong with our system, it automatically generates work
7 orders so we can work on things before they break, we can fix
8 them before that.

9 We're going to identify the next aquifer storage and
10 recovery site by Water 2120 this fiscal year, and we will be
11 complete the acquisition of all the easements we've been
12 trying to get around the storage at Abiquiu Reservoir.

13 This is a quick breakdown of just, in the budget,
14 where the projected revenues will come from. Water rates
15 will generate \$127.8 million in revenue. Wastewater will
16 generate \$92.5 million. Miscellaneous is about \$10.5
17 million. Miscellaneous is made up of certain admin fees. We
18 charge Solid Waste and DMD that operates some of their
19 things, like the billing system. Our insurance claims are in
20 there. We get rebates from PNM. Lab fees, compost all roll
21 into miscellaneous.

22 And since we have a very large working capital
23 balance of about \$44 million we're going to use part of that,
24 about 8.5, to draw that down and to help mitigate the
25 necessity to have a rate increase.

1 This is a real quick look at our working capital
2 projected balances. Per the rate ordinance we're maintaining
3 1/12th of a balance, we're well above that. In FY22 we will
4 continue and we'll draw down the balance, but we'll still be
5 well above the level that we wish to maintain on that
6 balance.

7 Day's cash on hand, same thing. As we start drawing
8 down the fund balance, we start drawing down a little bit on
9 day's cash on hand. We set a target of 350 days while
10 staying above 400. It's well above the 125 that we were at
11 in 2013.

12 This is a graphic on budget expansions that is in
13 the appropriation in the bill. Debt service, \$77.8 million,
14 that's how much we would transfer to pay for our debt service
15 next year. Wages and benefits equate to \$16.5 million.
16 Operating expenses is 58.8 million. Transfer to other funds,
17 which is primarily the transfer to capital to pay for CIP is
18 36.6 million. Our risk claims, 2.8 million. In workers
19 comp, \$700,000.

20 This slide basically is a little bit of a breakdown
21 in each group. \$10 million will be used in administration.
22 Financial services, which includes the warehouses and fleet
23 and other things, 21.9 million. The plant, which includes
24 both water and wastewater plants, 23.3. The field group,
25 28.3. Compliance, 5.6. Planning and engineering,

1 four-and-a-half million. Water resources, 4.6. Power and
2 chemicals, a big chunk of our budget is that, 21.5. We have
3 been seeing savings, which we'll talk about a little bit with
4 Steve House, in power and it offsets the amount of the
5 increase in chemicals. So that amount has actually stayed
6 flat for the last three or four years. General government is
7 \$5 million. And interfund transfer to pay for capital and
8 other things and the debt service is 114 million.

9 Our Capital Improvement Plan, things that are going
10 to appropriated for FY22. The resolution, the existing
11 balances that are on the books today for FY22 continue to
12 work on those projects. And new appropriations will be \$12.2
13 million for sewer interceptor work. \$27.8 million for
14 continued work at the Southwest Reclamation Plant, which is a
15 sewer plant. \$3 million for vehicles and heavy equipment.
16 Another 2 million, as was stated by the rate audits for
17 automatic meter infrastructure. 1 million for steel line
18 replacement, as mandated by the rate ordinance. We will
19 continue to do \$350,000 for renewable energy projects as an
20 we have with PNM and we will start adding money to the Water
21 2120 CIP fund and that will be 300,000.

22 CIP spending for the decade plan. The yellow line
23 is the cash transfer. As you can see, starting back in
24 2014/'15 we continue to increase the cash transfer to
25 capital. We anticipate to continue doing that until 2031.

1 The spike in 2040 is anticipated work to be on the Bosque
2 Reuse Plant. It's a satellite reuse plant we have at Montano
3 and Coors that will take solids and move them down south and
4 then we would take the water there and treat it and use that
5 for reuse on the west side of Albuquerque. So as we increase
6 the cash transfer each year, you can see that we also
7 increase the amount we're going to spend for capital each
8 year going forward as well.

9 I stand for any questions.

10 CHAIR QUEZADA: Thank you, Mr. Allred. Do we have
11 any questions before we move on? I don't see any. Thank
12 you, again. I know that's a lot of information. I know that
13 everything always looks good and positive, so we appreciate
14 that update.

15 We'll move on to Item C, the approving of funds for
16 the Capital Implementation Program of Albuquerque Bernalillo
17 County Water Utility Authority for fiscal year beginning July
18 1, 2021 and ending in June of 2022.

19 MR. ALLRED: Mr. Chairman, that was part of that.

20 CHAIR QUEZADA: So you did do that. I was just
21 making sure, okay. We'll move to Item D, which is
22 authorizing an agreement for the water and sewer services for
23 Ventana Square and Ventana Ranch. Kris Cadena.

24 MR. CADENA: Hello, Mr. Chair, Members of the Board.
25 I present to you a development agreement for a commercial

1 development located near the northeast corner of Paseo del
2 Norte and Universe Boulevard. It's within the City, but
3 outside the Water Authority's adopted service area. The
4 property is within pressure zone 4W, the Corrales trunk, and
5 development will require extension of public water and
6 public sewer needed to serve that property, and the
7 development will be required to pay utility expansion charges
8 and water resources charges. Thank you.

9 CHAIR QUEZADA: Do we have any questions on that
10 particular item? No, we don't. Thank you.

11 We will move on to Item 8, which is the Consent
12 Agenda. So this we will need votes. What I'll do is, I will
13 read the three agenda items. If we have questions, then
14 we'll do that after -- yes, Ms. Carreon.

15 MS. CARREON: You skipped Item E, R-21-11, the
16 Decade Plan, for introduction.

17 CHAIR QUEZADA: I'm sorry, I didn't see that. I'm
18 sorry, everybody. We're going back to 7E, which is R-21-11,
19 FY2022-2031 Decade Plan. That's Elizabeth Anderson. I'm
20 sorry about that.

21 MS. ANDERSON: Mr. Chair, Members of the Board, I'm
22 here to introduce the Decade Plan. This was presented in
23 Steven's budget presentation you mentioned. He had some
24 figures there on the Decade Plan. The Decade Plan is a
25 data-driven approach to planning. In explaining our future

1 capital improvements that support the priorities that guide
2 Water Authority capital investments within the current
3 customer rate structure. I'm reading the beginning of this,
4 because I think it's really well written and I'm going to get
5 into a little bit more detail.

6 The Decade Plan is used as a blueprint to identify
7 projects and proposed spending and is developed biannually in
8 even numbered fiscal years that describes the proposed
9 Capital Improvement Program, CIP spending for the next ten
10 years. It provides direct links in the Water Authority's
11 financial plan, the proposed capital needs and includes
12 detailed requirements for program development and project
13 scope budget justification and alternatives.

14 So this year as we put together the Decade Plan, it
15 was really exciting to watch our staff working together.
16 They did a lot of collaboration to identify projects that we
17 want to do over the next ten years. And we're really able to
18 use some of the data that we've collected through Maximo
19 and we could start seeing how that system is really going to
20 be valuable for planning future projects and doing really
21 good asset management.

22 So it was really nice to see everybody work together
23 to prepare this plan, which I think is a really nice
24 documentation of what we anticipate needing to do over the
25 course of the next ten years.

1 I stand for any questions.

2 CHAIR QUEZADA: Do we have any questions? Okay,
3 thank you so much, I appreciate it. Sorry for forgetting
4 you, I apologize for that. Thanks for your patience.

5 Now we move to the Consent Agenda. I already told
6 you how I was going to do it. Item 8A is C-21-9, approval of
7 the contract with Southwest Consulting, Judith L. Durzo,
8 attorney at law and Ripley B. Hardwood, P.C., for personnel
9 hearing officer services.

10 The other item is B, C-21-10, incentive to the
11 contract With Hoffman Southwest Corporation dba Professional
12 Pipe Services for small diameter sanitary sewer line
13 inspection. And I know that's what we do all the time, is
14 making sure that we're inspecting our lines to make sure that
15 we get ahead of the game before problems arise.

16 And Item C is C-21-8, service connection agreement
17 for water and sewer service with Azann Holdings, LLC at 4590
18 Paradise Boulevard, Northwest.

19 Do we have any questions on any of these items? All
20 right, I'd like to make a motion that we approve Items 8A, B,
21 and C. Do I have a second?

22 COUNCILOR JONES: Second.

23 CHAIR QUEZADA: I have a second from Councilor
24 Jones. All in favor signify by saying aye.

25 BOARD MEMBERS: Aye.

1 CHAIR QUEZADA: I know we do that, and it's
2 like...Ms. Carreon, can you do a roll call. We double vote
3 on everything. We do that at the Commission. It's like a
4 double, triple vote.

5 MS. CARREON: Commissioner Benson.

6 COMMISSIONER BENSON: Aye.

7 MS. CARREON: Councilor Davis.

8 COUNCILOR DAVIS: Yes.

9 MS. CARREON: Councilor Jones.

10 COUNCILOR JONES: Yes.

11 MS. CARREON: Member Nair.

12 MS. NAIR: Yes.

13 MS. CARREON: Vice Chair Pena. We will come back.
14 Commissioner Pyskoty.

15 COMMISSIONER PYSKOTY: Aye.

16 MS. CARREON: Chair Quezada.

17 CHAIR QUEZADA: Yes.

18 MS. CARREON: Councilor Peña.

19 VICE CHAIR PENA: Yes, sorry about that.

20 MS. CARREON: That passes unanimously.

21 CHAIR QUEZADA: Thank you, everybody. We'll move to
22 Item 9, Approvals. 9A, O-21-1, authorizing the execution and
23 delivery of a first amendment to a drinking water state
24 revolving loan fund and subsidy agreement authorized by
25 Ordinance O-19-1.

1 MR. ALLRED: Mr. Chairman, Members of the Board,
2 this is an amendment to O-19-1. It amends a scope in the
3 time for a project on Coors Boulevard from Gun Club to
4 Pajarito Road. It extends the time frame from 24 months to
5 30 months to be done by November 30th, 2021. Staff
6 recommends approval.

7 I stand for any questions.

8 CHAIR QUEZADA: Any questions? No. Good. I move
9 for approval. I have Pajarito Mesa in my district. Water
10 going that way is a very positive thing for that community.
11 I move for approval. Do I have a second?

12 COMMISSIONER BENSON: Second.

13 CHAIR QUEZADA: Commissioner Benson, I got you.
14 Thank you so much. We'll just take a roll call vote, Ms.
15 Carreon.

16 MS. CARREON: Commissioner Benson.

17 COMMISSIONER BENSON: Aye.

18 MS. CARREON: Councilor Davis.

19 COUNCILOR DAVIS: Aye.

20 MS. CARREON: Councilor Jones.

21 COUNCILOR JONES: Yes.

22 MS. CARREON: Member Nair.

23 MS. NAIR: Yes.

24 MS. CARREON: Vice Chair Peña.

25 VICE CHAIR PENA: Yes.

1 MS. CARREON: Commissioner Pyskoty.

2 COMMISSIONER PYSKOTY: Yes.

3 MS. CARREON: Chair Quezada.

4 CHAIR QUEZADA: Oh, yes.

5 MS. CARREON: That passes unanimously.

6 CHAIR QUEZADA: Thank you all very much. We'll move
7 to Approvals, Item 9B, R-21-6, FY22 goal and objectives.
8 Ms. Anderson, you're back.

9 MS. ANDERSON: I'm back. Mr. Chair, Members of the
10 Board, this is the second time you've seen this. This is for
11 approval. This is establishing the one-year objectives for
12 the Water Authority in fiscal year FY22 to meet our five-year
13 goals. We gave a presentation on this last time that you'll
14 remember, I won't go into a whole lot of detail. These
15 objectives are built into our operating budget and something
16 that we consider as we move forward in the year. It's part
17 of our continuous improvement process and always setting a
18 goal and objective for being able to meet those targets of
19 continuous improvement.

20 The Water Authority's budget ordinance specifies
21 that the Water Authority shall annually review and adopt
22 one-year objectives related to the five-year goals for the
23 Water Authority.

24 With that, I recommend approval and stand for any
25 questions.

1 CHAIR QUEZADA: Do we have any questions? No.

2 Thank you. I move for approval. Do I have a second?

3 VICE CHAIR PENA: Second.

4 CHAIR QUEZADA: Okay, Councilor Peña. Ms. Carreon,
5 please call the roll.

6 MS. CARREON: Commissioner Benson.

7 COMMISSIONER BENSON: Aye.

8 MS. CARREON: Councilor Davis.

9 COUNCILOR DAVIS: Yes.

10 MS. CARREON: Councilor Jones.

11 COUNCILOR JONES: Yes.

12 MS. CARREON: Member Nair.

13 MS. NAIR: Yes.

14 MS. CARREON: Vice Chair Peña.

15 VICE CHAIR PENA: Yes.

16 MS. CARREON: Commissioner Pyskoty.

17 COMMISSIONER PYSKOTY: Aye.

18 MS. CARREON: Chair Quezada.

19 CHAIR QUEZADA: Aye.

20 MS. CARREON: Passes unanimously.

21 CHAIR QUEZADA: Thank you so much. We'll move on to
22 Other Business. We have two items, Item 10A, OB-21-2,
23 Albuquerque Bernalillo County Water Utility Authority solar
24 and renewable energy production. This is presented by
25 Mr. House.

1 MR. HOUSE: Good evening, Chair, Members of the
2 Board, I'm having a short presentation on the solar and
3 renewable energy program. I'm going to share my screen
4 with you. Let me know if you can't see that presentation.

5 CHAIR QUEZADA: We can see it.

6 MR. HOUSE: Great, thank you. I'm just going to go
7 over existing and planned solar and renewable energy.
8 You know you already have a one megawatt array down at the
9 South Valley water rec plant and two biogas engines down
10 there. You now have two solar rays at the San Juan-Chama
11 Water Treatment Plant. Stan had mentioned the new one
12 earlier.

13 This is just a graphic showing you where that one
14 megawatt array is down at the South Valley water rec plant.
15 and some details about its generation. The particular
16 facility was put in years ago when PNM renewable energy
17 credits were really good, so kudos to the Utility for getting
18 something installed that early. And then the two biogas
19 generators contribute about 1.1 megawatts each and it covers
20 about 19 percent of the usage that's on the site.

21 These are just some graph photos of the generators
22 here and the solar array. Please stop me if you have any
23 questions.

24 This is an aerial view of the existing arrays at the
25 San Juan-Chama Water Treatment Plant. This array over here

1 on the right in the light orange is the ground mount single
2 access tracker that you put in a couple of years ago. The
3 others in the light blue are all of the new covered parking
4 at the new facility. These up here at the top are on top of
5 the water storage tanks. The single access tracker generates
6 about 12 percent of the total usage at the plant. It's a
7 25-year power purchase agreement at about seven-and-a-half a
8 kilowatt with a one-and-a-half cent escalator on that rate.
9 The new covered parking project generates about 24 percent of
10 usage there at the plant, it's a 30-year power purchase
11 agreement and it's about .057 cents a kilowatt hour with the
12 same escalator. So these two facilities together cover about
13 36 percentage of the energy consumption at the plant.

14 These are two photographs of the ground mount array
15 that were taken just about the time of the ribbon cutting.
16 These are two pictures in aerial and an in-construction photo
17 of the new covered parking at the water treatment plant. You
18 can see in this aerial over here on the top is the ground
19 mount array. These are the solar panels on top of the water
20 storage tanks and then the covered parking.

21 We have two projects in planning right now. One is
22 the Alameda Open Space Project, which I'll talk about here in
23 minute and another one that we're looking at over at Winrock,
24 and our proposed projects is this list of projects and the
25 associated generation that they would compile -- there would

1 be a composite of about four megawatts of generation.

2 The Alameda Open Space Project is a really neat
3 project, it will be covered parking as well over at the Open
4 Space at the river and Alameda. It's been a project that's
5 come together through four entities, you-all, which it was
6 your idea. And then we've engaged Bernalillo County, the DOT
7 and the City of Albuquerque all to help us with it. It will
8 provide shade for cars on hot summer days, cover for rain and
9 snow when people are down there enjoying that area and it
10 will provide lighted parking at night. It's going to be
11 installed to offset the groundwater pump station and we're
12 hoping that it will offset about 50 percent of that station's
13 energy bill and 36 percent of the usage.

14 This is a general concept of what it will look like
15 on site. The Bernalillo County portion will be a little
16 different structure to allow horse trailers and buses in.
17 This section in the middle, we're still working on with the
18 DOT, but planning on having some sort of a covered structure
19 here and then this would be covered parking.

20 This is the same list that I showed a minute ago,
21 it's just the proposed projects that will come after we get
22 the Alameda Groundwater Pump Station Project up and running.
23 Those projects, those future composite projects will provide
24 about four megawatts of additional generation into your
25 portfolio. They're going to generate about seven million

1 kilowatt hours of solar energy, that's a big number, and
2 people go, what is that? So I try to put it into some
3 different terms that will save you about 427,000 a year on
4 your energy bills. It equates to not burning about 1.7
5 pounds of coal, or 210,000 gallons of gasoline. So with the
6 addition of the Alameda project, the Water Utility Authority
7 is going to generate just over 21 percent of your own usage,
8 so that's super amazing, something to really be proud of.

9 Some of the advantages to having your own renewable
10 energy production is your independence from purchasing grid
11 energy. You're saving a lot of money by having your own
12 solar energy production facilities. It allows you to push
13 energy back onto the grid, helping everybody when you're not
14 using it, plus you get paid for that energy that you're
15 pushing back onto the grid. And it lowers your cost
16 substantially from your 11B pumping rate, which is
17 essentially 18 cents a kilowatt hour, to a composite of about
18 9, so it's a substantial cost savings in your tariff rate.

19 These next two slides are just graphics that will
20 show you the savings from each of the facilities. In the
21 solar world we call it -- the savings are called a avoided
22 cost because there are costs to the solar, so the avoided
23 costs are what we're not paying PNM. The largest portion is
24 from the new covered parking array at the water treatment
25 plant and then the other three. The blue is the ground mount

1 water array at the water treatment plant, what will be the
2 new covered parking at the groundwater pump station and then
3 South Valley water rec plant.

4 This graphic just shows you over time your increase,
5 the increase in solar energy generation that you have
6 provided to the Water Utility Authority, so very impressive.
7 To me, the commitment of the Water Utility Authority to do
8 this, continue to want to make it happen.

9 With that, I'll stand for questions.

10 CHAIR QUEZADA: Thank you, Mr. House, we appreciate
11 that. Do we have any questions for Mr. House?

12 COMMISSIONER PYSKOTY: Yes, I have a questions.

13 CHAIR QUEZADA: Commissioner Pyskoty.

14 COMMISSIONER PYSKOTY: Thank you. Thank you for the
15 presentation, and that's really great. I wonder, is there
16 going to be rain gutters and a rain barrel to sort of
17 demonstrate how to catch rain that falls on that covered
18 parking and how to use that productively?

19 MR. HOUSE: I apologize, I'm having a really hard
20 time hearing you.

21 COMMISSIONER PYSKOTY: I was just wondering -- can
22 you hear me? Can anybody hear me?

23 CHAIR QUEZADA: I can hear you.

24 COMMISSIONER PYSKOTY: Thank you. If you'll be
25 capturing water that falls on that structure with rain

1 gutters and barrels.

2 MR. HOUSE: No, we hadn't thought about that, but
3 that is a great idea. That's a really good idea.

4 COMMISSIONER PYSKOTY: As a demonstration to show
5 how water can be captured and used for something like maybe a
6 pollinator garden at the open space.

7 MR. HOUSE: We're going to have some landscaping
8 there and we could use that for landscaping. That's an
9 awesome idea.

10 COMMISSIONER PYSKOTY: Thank you.

11 CHAIR QUEZADA: Anybody else have any more questions
12 for Mr. House?

13 COUNCILOR DAVIS: (gesturing)

14 CHAIR QUEZADA: Councilor Davis.

15 COUNCILOR DAVIS: Thank you, Mr. Chairman.

16 Mr. House, I just want to say, thank you. We've worked with
17 you for a number of years at the City and Water Authority. I
18 just want to acknowledge and say, thank you, Mr. Sanchez,
19 your team. The Water Authority is really leading the way. I
20 don't recall -- Mark reminded me earlier today that we're
21 making some big improvements and leading the way in terms of
22 how utilities can be more sustainable and be more
23 environmentally responsible, for our investments here, but I
24 really want to say, when we look at that facility, the new
25 facility that has all the parking cover for solar, et cetera,

1 I want to say, thank you, Mr. Sanchez, to you and your team,
2 and Mr. Allred. You are really putting us in a good spot
3 that when we look at what happened in Texas, for example,
4 when their grid went down. Having these backups, for God
5 knows what, really is a helpful peace for us in terms of
6 ensuring that we have operations, but also that we're saving
7 our ratepayers dollars. And I think there's a real
8 correlation here, the fact that we haven't had a rate
9 increase in three or four years, Mark, remind me, and that
10 we're investing in these initiatives to lower those costs,
11 operating costs, is energy cost increase. So
12 congratulations. I want to point out that I think there is a
13 correlation there and I hope we continue to lead the way. I
14 know the City is doing a lot on our side, the County is doing
15 a lot. I think there's a lesson here for lots of other
16 utilities and entities across the State.

17 CHAIR QUEZADA: Thank you, Councilor Davis. Anyone
18 else?

19 MR. HOUSE: Mr. Chair, if anyone is interested, we
20 do have an aerial video of the new facility, if you're
21 interested in watching that.

22 CHAIR QUEZADA: Sure.

23 MR. HOUSE: Okay, I will share it with you.

24 CHAIR QUEZADA: While you're sharing that, I'd like
25 to reiterate the great work that's being done, it's very

1 positive. I think it is showing leadership and how things
2 should be done moving forward, and really what the future is.
3 I think we all appreciate that.

4 MR. HOUSE: Here's the screen that's going to look
5 like a video. The video is five minutes long, just under
6 five minutes long. I don't anticipate you're going to watch
7 the whole thing, just let me know, but it's a pretty neat
8 perspective of the new facility. Not just the solar, but the
9 whole new facility.

10 As the camera rises you can see the solar array is
11 over here, panels on top of the tanks, behind that is the
12 ground mount array. The parking is back over here. This
13 just continues to fly around. There's a better perspective
14 down here. This is absolutely the biggest covered parking
15 solar array in New Mexico, and I would venture to state that
16 probably in the top ten in the Western United States.

17 CHAIR QUEZADA: Very impressive.

18 MR. HOUSE: Congratulations to you having the vision
19 to do it. I will stop sharing this, unless you care to watch
20 more.

21 CHAIR QUEZADA: That was great. That was better
22 than the photos, so we appreciate that. It's a great view of
23 that, so we appreciate that. Thank you for the presentation.

24 Now we'll move to Item 10B, OB-21-6. After all that
25 good news, here comes the news. Drought Watch Update. Water

1 Smart Classes, presented by Carlos Bustos.

2 Are you there, Carlos? I don't know what happened
3 to Carlos. He got mad because I always talk badly about the
4 drought, but it's something that's going to be very obvious
5 to us this coming year, about how bad it's going to be in our
6 area. he didn't log off. There might be something wrong
7 with his computer.

8 Mr. Sanchez, do you want us just to go through the
9 slides?

10 EXECUTIVE DIRECTOR SANCHEZ: Mr. Chairman, I think
11 Liz could step in while Carlos is logging in.

12 MS. ANDERSON: I was going to offer to do that.

13 MS. CARREON: Give me one moment. He's trying to
14 connect. Go ahead, Liz.

15 MS. ANDERSON: Did you say he's trying to connect
16 right now?

17 MS. CARREON: Yes, ma'am.

18 MS. ANDERSON: He's just so much more entertaining
19 than me. I feel like I'd be taking away that moment of
20 Carlos, but I will go ahead and get started.

21 This is just an update on where we are, where we
22 stand with this drought. Ever since last October we've been
23 in drought stage three. We declared a drought watch and now
24 we've moved into drought stage one, I guess that's probably
25 not -- he says it much better than I do. But in terms of our

1 drought plan we've moved into stage one, and we'll describe
2 that a little bit. But looking here at the outlook, it is
3 very dry out there.

4 This is the three-month precipitation outlook.
5 Again, probability of being below average. We're looking
6 better than Colorado, but still looking like a dry summer.

7 So what we're doing about that, right now our
8 rolling annual average for our gallons per capita per day,
9 that's our metrics for what we're using for how much water
10 people are consuming right now, it's at 127 gallons per
11 capita per day, so that's what we're monitoring over time.
12 It does put us into this stage one, which is our -- that one
13 is the drought watch. So under the drought watch we're
14 increasing -- we've doubled our water waste fees and we've --

15 MR. BUSTOS: Hello.

16 MS. ANDERSON: Oh, there's Carlos.

17 MR. BUSTOS: Can you hear me?

18 MS. ANDERSON: Now we can, yes.

19 MR. BUSTOS: I'm so sorry, everyone.

20 MS. ANDERSON: They're just happy that you're here
21 rather than hearing me. You're must more entertaining.

22 CHAIR QUEZADA: So, Carlos, just take it up right
23 where we are. She's talking about the drought watch
24 measures.

25 MR. BUSTOS: As Liz mentioned, really what we're

1 looking at is precipitation to date is far less than in the
2 previous year when we were already going into a year that was
3 pretty dry and abnormally warm.

4 Liz mentioned the three measures. One of them I
5 want to touch on is, we are keeping track and we continue to
6 monitor our water usage. And for the last 12 months we're in
7 exceptional drought conditions. We're slightly below where
8 we were at last year at 128. One of the things we're looking
9 at is the outlook, is looking like we're going to enter the
10 summer season with low soil moisture, high evaporation rates
11 and a higher demand, which is expected. And it's normal
12 during this year. We just want to mitigate and manage
13 customer demand.

14 We roll out the classes called three steps to
15 landscape success. We're offering a \$20 rebate. We've had
16 about 120 participants. A lot of people are signing up, but
17 they don't show up. Nevertheless, the next 12 classes we
18 have, we have 80 participants signed up for each class.
19 We're hoping everybody can attend.

20 The class is taught by me and staff experts. It's
21 to make landscape more resilient in drought conditions. The
22 first thing we cover is the importance of servicing
23 irrigation systems and avoiding water waste. We estimate
24 that up to 50 percent of landscape irrigation ends up in
25 roads. We're trying to avoid that through irrigation and

1 also through enforcement.

2 Performing service checks going over irrigation
3 maintenance check list that we have available for customers
4 at our website is going to help them improve not only the
5 condition of the landscape, but avoid fees and overflowing.

6 The other step I'm teaching is how to water properly
7 and how to set up settings so you can water using the hose or
8 using spray irrigation or drip. We want to make sure
9 landscapes are maintained and healthy and vibrant, but we
10 don't want to overwater landscape.

11 This section covers customer conversations. How to
12 water various types of plants and various types of watering
13 method and devices. Folks with automated irrigation system
14 can learn the processes and understand seasonal needs. For
15 folks that are ready to transform their yard, we talk about
16 selecting the right plant for the right place and
17 understanding your yard. We emphasize that the most
18 important aspect is understanding the conditions of your yard
19 at different times of the year. We talk about microclimate,
20 types of soils. Sometimes people choose plants and they put
21 them in a place that's not appropriate. You want to make
22 sure you're selecting the right plant for the right type of
23 place.

24 I'm going with this class, it's really helping
25 customers helping people be ready for the summer season and

1 we are participating it's going to be even dryer than last
2 year and warmer than last year. We want to ensure customers
3 have landscape and climate ready, and the landscape is saving
4 water.

5 The next slide shows some of the feedback that we're
6 getting from some folks that are participating in. We're
7 asking folks to continue the survey so they can read it. You
8 can see folks are enjoying the class and are also ready to
9 implement some of the newly learned information. One of the
10 things we're going to be doing is to get all the
11 participants and find out if this measure is helping them
12 reduce the water usage or improve them.

13 That's my last slide. I stand for any questions.

14 CHAIR QUEZADA: Thank you, Carlos. Do we have any
15 questions? No. Carlos, I have a question. Are we at two
16 times a week now?

17 MR. BUSTOS: We are at two times a week right now in
18 April and into May it's two times a week.

19 CHAIR QUEZADA: Okay, all right. From the last
20 meeting, you guys know I'm not a big fan of watering, so I
21 was only doing it once a week because Carlos said I only had
22 to do it once a week, and now I have to do it two times a
23 week. So kind of thank you, Carlos, I appreciate that.

24 MR. BUSTOS: Thank you, sir.

25 CHAIR QUEZADA: That's our meeting for this evening.

1 Thank you all for participating and your support. We'll see
2 you at the next meeting. This meeting is officially
3 adjourned.

4 (Meeting adjourned at 6:18 p.m.)

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REPORTER'S CERTIFICATE

I, Kim Kay Shollenbarger, Registered Professional Reporter, do hereby certify that I reported the foregoing proceedings in stenographic shorthand and that the foregoing pages are a transcript of those proceedings that were reduced to printed form by me to the best of my ability.

I FURTHER CERTIFY that I am neither employed by nor related to any of the parties or attorneys in this case and that I have no interest in the final disposition of this case.
