



# Albuquerque Bernalillo County Water Utility Authority

Albuquerque/Bernalillo  
County  
Government Center  
One Civic Plaza  
Albuquerque, NM 87102

## Agenda

*Councillor Klarissa J. Peña, Chair*  
*Commissioner Maggie Hart Stebbins, Vice Chair*  
*Mayor Richard J. Berry*  
*Commissioner Art De La Cruz*  
*Councillor Rey Garduño*  
*Councillor Trudy E. Jones*  
*Commissioner Debbie O'Malley*  
*Trustee Pablo Rael, Ex Officio Member*

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Wednesday, April 23, 2014

5:00 PM

Vincent E. Griego Chambers

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1. **CALL TO ORDER**
2. **INVOCATION/PLEDGE OF ALLEGIANCE**
3. **APPROVAL OF MINUTES - March 19, 2014**
4. **PROCLAMATIONS AND AWARDS**
  - A. **Quarterly Employee Recognition Awards**
5. **PUBLIC COMMENT**
6. **ANNOUNCEMENTS/COMMUNICATIONS**
  - A. **Next Scheduled Meeting - May 21, 2014 - 5:00 PM**
7. **INTRODUCTION (FIRST READING) OF LEGISLATION**
  - A. **O-14-1** Amending the Albuquerque Bernalillo County Water Utility Authority Water and Sewer Rate Ordinance
  - B. **R-14-8** Appropriating Funds for Operating the Albuquerque Bernalillo County Water Utility Authority for the Fiscal Year Beginning July 1, 2014 and Ending June 30, 2015
  - C. **R-14-9** Appropriating Funds for the Capital Implementation Program for the Albuquerque Bernalillo County Water Utility Authority for the Fiscal Year Beginning July 1, 2014 and ending June 30, 2015
8. **CONSENT AGENDA**

*(Any Board Member may request that a Consent Agenda item be placed under Approvals)*

- A.     **C-14-10**     Recommendation of Award, Third Party Claims Administrator  
                          P2014000052
- B.     **C-14-11**     Recommendation of Award, RFP Bond Counsel P2014000051
- C.     **C-14-12**     Recommendation of Award, RFP Audit Services P2014000053
- D.     **C-14-13**     Appointment to the Customer Advisory Committee

**9.     APPROVALS**

- A.     **R-14-6**       Requiring Supplemental Fluoridation of Water for the Albuquerque  
                          Bernalillo County Water Utility Authority
- B.     **R-14-7**       Establishing One-Year Objectives for the Albuquerque Bernalillo County  
                          Water Utility Authority in Fiscal Year 2015 to Meet Five-Year Goals
- C.     **C-14-14**     FY/14 3rd Quarter Operating Financial Reports

**10.   OTHER BUSINESS**

- A.     **OB-14-7**       2014 Customer Opinion Survey Presentation
- B.     **OB-14-8**       Drought and Water Use Update

**11.   ADJOURNMENT**

***Visit Our Website at [www.abcwua.org](http://www.abcwua.org)***

NOTICE TO PERSONS WITH DISABILITIES: If you have a disability and require special assistance to participate in this meeting, please contact the Authority Office as soon as possible before the meeting date at 768-2500 or by the TTY at 1-800-659-8331.

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Meeting Date: April 23, 2014  
Staff Contact: Mark S. Sanchez, Executive Director

**TITLE: Quarterly Employee Recognition Awards**

**ACTION: Information Only**

**SUMMARY:**

The Water Authority recognizes employees who have done something extra ordinary with an award on a quarterly basis. A fellow Water Authority employee, their supervisor or other individual, nominates the employee. A committee meets to discuss and evaluate the nominees and make recommendations on the final list to be recognized.

**FISCAL IMPACT:**

None. The award amounts are budgeted yearly.

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Meeting Date: April 23, 2014  
Staff Contact: Stan Allred, Chief Financial Officer

**TITLE:** O-14-1 – Amending the Albuquerque Bernalillo County Water Utility Authority Water and Sewer Rate Ordinance to Adjust Water and Sewer Rates By a Five Percent Rate Revenue Adjustment for FY15, Changing Definitions, Update Utility Expansion Charges and Water Supply Charge by the Engineering News Report Index, Changes to the Water Authority’s investment Policy as Recommended by the Investment Oversight Committee, Clarify and Change Policy Items and Make Clerical Changes

**ACTION:** First Reading – April 23, 2014; Final Action – May 21, 2014

**SUMMARY:**

This Legislation amends the Water Authority’s Water and Sewer Rate Ordinance. The Ordinance is amended to: 1) adjust water and sewer rates based upon the need for a 5% rate revenue adjustment to maintain planned infrastructure spending; 2) increase the Utility Expansion Charges and Water Supply Charge by the ENR index per sections 1-1-8(A)(1) and 1-1-8(D)(1) of the Ordinance and 4) make changes to Appendix A (Investment Policy) as recommended by the Investment Oversight Committee and the Water Authority’s Investment Advisor (Public Trust Advisors).

Water and Sewer fixed rates have been adjusted based upon the Water Authority’s cost of service principles and incorporated the Water Authority’s need for a 5% rate revenue adjustment for Fiscal Year 2015 to invest in the Authority’s infrastructure based upon the Asset Management Plan.

The proposed amendment also adjusts the Utility Expansion Charges and Water Supply Charge by 2.4% based upon the April 1, 2014 ENR Building and Construction Cost Indexes. This is the annual adjustment made in accordance to sections 1-1-8(A)(1) and 1-1-8(D)(1) of the Water Authority’s Rate Ordinance.

This Ordinance includes an amendment to the Water Authority’s “Investment Policy”, which outlines the policy’s to establish the authority and procedures for the investment of Water Authority funds. After review by the Water Authority’s Investment Advisor Public Trust Advisors, changes were made to strengthen the policy, define members to the Oversight Committee, follow best practices as defined by the Governmental Financial Officers Association and to follow NM State Statues.



**FISCAL IMPACT:**

The 5% base water and sewer rate adjustment will have a \$2.73 per month impact for the Water Authority's residential users using a 5/8" meter, and multifamily accounts will increase by \$3.73 for a 5/8" meter and those using a 3' meter will see a \$90.09 per month increase. Commercial customer using a 2" meter will see a \$42.13 increase; Industrial customers using a 3" meter will see a \$214.94 increase and Institutional customers using a 3" meter will see a \$66.27 per month increases. Again, this dependent based upon a customer's service size.

The net increase in Utility Expansion Charges and the Water Supply Charge for the average residential connection will be \$68 for water, \$51 for sewer and \$35 for the Water Supply Charge.

The proposed amendments are consistent with the ten-year financial plan presented to the Board, and guiding the Water Authority long term.

**[+Bracketed/Underscored Material+] - New**  
**-Braeketed/Strikethrough Material- - Deletion**

ORDINANCE

AMENDING THE ALBUQUERQUE BERNALILLO COUNTY WATER UTILITY AUTHORITY WATER AND SEWER RATE ORDINANCE TO ADJUST WATER AND SEWER RATES BY A FIVE PERCENT RATE REVENUE ADJUSTMENT FOR FY15, CHANGING DEFINITIONS, UPDATE UTILITY EXPANSION CHARGE AND WATER SUPPLY CHARGE BY THE ENGINEERING NEWS REPORT INDEX, CHANGES TO THE WATER AUTHORITY'S INVESTMENT POLICY APPROVED BY THE INVESTMENT OVERSIGHT COMMITTEE , CLARIFY AND CHANGE POLICY ITEMS AND MAKE CLERICAL CHANGES.

NOW, THEREFORE, BE IT ORDAINED BY THE BOARD, THE GOVERNING BODY OF THE WATER AUTHORITY:

Section1. Section 1 is amended as follows:

Section 1 WATER AND SEWER RATES

1-1-1. SHORT TITLE.

This Ordinance will be known and may be cited as the "Albuquerque Bernalillo County Water Utility Authority Water and Sewer Rate Ordinance."

1-1-2. COMPUTATION OF REVENUES, EXPENSES AND DEBT SERVICE; DETERMINATION OF DEBT COVERAGE; REQUIRED MONTHLY FIXED CHARGE.

(A) Definition of Terms.

AWWA. American Water Works Association.

CONSUMERS ASSOCIATION (CMDWWCA). Non-profit organization generally located in the Carnuel land grant established in 2001 under the laws of New Mexico Sanitary Projects Act.

COST OF SERVICE. A rate setting methodology that is legally and fiscally required by bond covenants which sets sewer charges based upon EPA guidelines, uses a standard rate setting approach within the industry, requires users to pay their

1 proportionate cost of the system and creates equity within classes of customers and  
2 among classes of customers.

3 CITY. The City of Albuquerque, New Mexico.

4 COUNTY. Bernalillo County, New Mexico.

5 CURRENT DEBT SERVICE REQUIREMENT. Payments into a current  
6 debt ordinances authorizing the issuance of bonds to be paid from the net revenues of  
7 the systems.

8 CUSTOMER. Any person, association, corporation, or entity  
9 receiving Utility service, related products or services in the metropolitan Service Area.

10 DROUGHT. Drought occurs when there is insufficient precipitation  
11 combined with other environmental factors that cause an increase of overall water  
12 usage.

13 DROUGHT MANAGEMENT STRATEGY. The Water Authority's Drought  
14 Management Plan which contains four different drought severity levels, with each level  
15 containing increasingly stringent measures to reduce demand on the Water Authority's  
16 water system.

17 EXECUTIVE DIRECTOR. The Executive Director of the Water Authority.

18 EXPENSES. All expenses necessary for the operation and maintenance  
19 of the water and sewer systems, excluding depreciation[+, amortization+] and payments  
20 in lieu of taxes and expenditures for capital items.

21 FISCAL YEAR. July 1 through June 30.

22 FRANCHISE. The authorizations granted by the City of Albuquerque, City  
23 of Rio Rancho, Bernalillo County or Village of Los Ranchos to the Water Authority to  
24 use their respective rights-of-way and public places to construct, operate, and maintain  
25 Water Authority water and wastewater systems.

26 LOW INCOME HOUSING DEVELOPMENTS. Any multi-family residential  
27 development constructed by the City of Albuquerque or Bernalillo County or a non-  
28 private developer in conjunction with one of these local governments which is  
29 substantially intended to provide affordable housing to very low income citizens as  
30 defined by 60 percent or less of median income as established by the US Department of  
31 Housing and Urban Development and/or approved by the Executive Director.

32 METER SIZE. The physical size of a water meter as designated by  
33 AWWA Standard.

PAJARITO MESA MUTUAL DOMESTIC WATER AND WASTEWATER  
CONSUMERS ASSOCIATION (PMMDWWCA). Non-profit organization generally  
located in the Pajarito land grant established in 2000 under the laws of New Mexico  
Sanitary Projects Act.

REVENUES. For this purpose revenues will include all charges for  
current water and sewer service, income from miscellaneous services or property,  
interest on investments of the Joint Water and Sewer Funds, connection fees, and  
interest on notes or other receivables.

RIO RANCHO The City of Rio Rancho, New Mexico.

SERVICE AREA. Those parts of Bernalillo County and contiguous  
territory served by the Water Authority.

SERVICE SIZE. Service sizes range from size 1 to size 8. Each size  
is based upon the meter size or equivalent for each account.

UEC. Utility Expansion Charge

UTILITY. The water and wastewater facilities and all operations and  
management of such facilities necessary to provide water and wastewater service in the  
Service Area.

VILLAGE OF LOS RANCHOS. Village of Los Ranchos de Albuquerque,  
New Mexico.

WATER AUTHORITY. The Albuquerque Bernalillo County Water  
Utility Authority or its authorized agent.

WATER SUPPLY CHARGE (WSC). A charge that will be assessed by  
the Water Authority at the time of meter sale or application for service to any new water  
user customer requesting connection to the water system in an area not located within  
the Water Authority's service area and requiring a development agreement .

WINTER MEAN. For all customers, the average monthly water use  
billed in the months of December, January, February and March for each account. If a  
customer has a new account and does not have a full four months to calculate a winter  
mean or if a customer's winter mean is zero, then the mean for that customer will be  
based off the class and size average mean. For those residential customers that have  
a winter mean greater than zero units but less than four units and does not fall in the  
category of a new account then their winter mean used for the Conservation Surcharge

1 will be four units. For those residential customers that have a winter mean greater than  
2 15 units their winter mean used for the Conservation Surcharge will be 15 units.

3 (B) Computation of Revenues, Expenses and Debt Service. At the end of  
4 each quarter of the fiscal year a determination will be made as to the total revenues,  
5 expenses and current debt service requirements of the system in accordance with  
6 definitions in §-1-2(A). The determination will be made by the end of the first month  
7 following the end of each quarter. The results of the determination will be transmitted to  
8 the Water Authority.

9 (C) Increasing Minimum Monthly Fixed Charges. If the determination of §-1-  
10 2(B) above shows that the total revenues minus the expenses of the system are less  
11 than 133 percent of the current debt service for the cumulative quarter of the fiscal year,  
12 the fixed monthly charge will be increased for water and sewer accounts. The increase  
13 in fixed monthly charges will be a percentage of the established fixed monthly charges  
14 that produce additional revenues so that if the adjusted charges had been effective the  
15 previous quarter, the total revenues would have been sufficient to pay operating  
16 expenses and 133 percent of current debt service. The increased fixed monthly  
17 charge will be effective the second month following the quarter (i.e., the month following  
18 the determination), and will remain in effect until such time as the Water Authority acts  
19 on water and sewer rates. If the determination of §1-1-2(B) above shows the total  
20 revenues minus the expenses of the system are less than 133 percent of the current  
21 debt service for the cumulative quarter of the fiscal year, it shall be determined if the  
22 revenue loss is due to efforts of Water Authority Customers to conserve water by  
23 reviewing usage patterns. If the usage study shows that the reduced revenues are due  
24 to conservation efforts, the Executive Director shall analyze the Utility's operations for  
25 the purpose of determining whether or not corresponding expense reductions can be  
26 effected and shall present any such expense reduction proposals to the Water  
27 Authority.

28 (D) Increasing Water Commodity Charges. If the quarterly analysis of power  
29 cost related to water pumping shows that costs are increasing or decreasing, the  
30 Executive Director is authorized to adjust the water commodity charge to reflect the  
31 change. An adjustment in the commodity charge will only be made if the needed  
32 commodity charge adjustment is \$0.01 or greater, and shall be in \$0.01 increments.

(E) General Procedural Provisions. The Executive Director may enact regulations to carry out the purposes of this Ordinance.

### 1-1-3. WATER RATES.

(A) Definitions. As used in this Section, unless the context otherwise requires:

#### CUSTOMER CLASSIFICATIONS Include:

(1) RESIDENTIAL. Single-family detached, condominiums served by individual meters, townhouses served by individual meters, duplexes served by individual meters, or mobile homes served by individual meters.

(2) MULTI-FAMILY. Any metered/account serving more than one dwelling unit; i.e., duplexes, residences with guests houses, triplexes, four-plexes, apartment complexes, condominiums, town-homes, or mobile homes served by common meters.

(3) COMMERCIAL. Retail, offices, hotels, motels, shopping centers, none of which use process water in the conduct of business.

(4) INDUSTRIAL. Manufacturing, or process facility which is engaged in producing a product.

(5) INSTITUTIONAL. Government buildings, hospitals, schools, and other facilities that provide public and quasi-public services.

#### (B) Water Credit Eligibility and Procedures.

(1) Single-family detached, condominiums, townhouses, duplexes or triplexes served by common or individual meters; mobile homes served by individual meters; but limited to those Customers who own the dwelling in which they reside and qualify under the United States Department of Health and Human Services poverty guidelines.

(2) The Executive Director shall establish procedures regarding certification for water credits and shall periodically make administrative changes to the income guidelines as circumstances require.

#### (C) Metered Water Service.

(1) The rates and compensation to be paid to the Water Authority for public and private use of water supplied by the Water Authority for any and all purposes shall be in accordance with the following schedule of charges. In addition to this Fixed

Monthly Charge, there shall be a Strategy Implementation Fixed Monthly Charge, §1-1-3(B)(2), which shall be dedicated to the Sustainable Water Supply Program.

Fixed Monthly Charge - Metered Service

<del>[Serv Size</del>	<del>Meter Size</del>	<del>Residential</del>	<del>Commercial</del>	<del>Industrial</del>	<del>Institutional</del>	<del>Multi-</del>
						<del>family</del>
<del>1</del>	<del><math>\frac{5}{8}</math> X <math>\frac{3}{4}</math></del>	<del>\$8.63</del>	<del>\$8.81</del>	<del>\$ 18.53</del>	<del>\$9.29</del>	<del>\$11.09</del>
<del>2</del>	<del>1</del>	<del>16.51</del>	<del>16.84</del>	<del>36.66</del>	<del>17.85</del>	<del>21.51</del>
<del>3</del>	<del>1½</del>	<del>56.98</del>	<del>58.22</del>	<del>129.90</del>	<del>61.88</del>	<del>75.10</del>
<del>4</del>	<del>2</del>	<del>127.89</del>	<del>130.70</del>	<del>293.23</del>	<del>138.96</del>	<del>168.97</del>
<del>5</del>	<del>3</del>	<del>235.54</del>	<del>240.77</del>	<del>541.10</del>	<del>256.00</del>	<del>311.44</del>
<del>6</del>	<del>4</del>	<del>561.87</del>	<del>574.30</del>	<del>1292.84</del>	<del>610.79</del>	<del>743.47</del>
<del>7</del>	<del>6</del>	<del>892.12</del>	<del>881.27</del>	<del>1983.86</del>	<del>937.22</del>	<del>1140.79</del>
<del>8</del>	<del>8 &amp; over</del>	<del>1947.05</del>	<del>1990.20</del>	<del>4482.96</del>	<del>2337.28</del>	<del>2577.04]</del>
<del>[+Serv Size</del>	<del>Meter Size</del>	<del>Residential</del>	<del>Commercial</del>	<del>Industrial</del>	<del>Institutional</del>	<del>Multi-</del>
						<del>family</del>
<del>1</del>	<del><math>\frac{5}{8}</math> X <math>\frac{3}{4}</math></del>	<del>\$8.52</del>	<del>\$8.71</del>	<del>\$18.32</del>	<del>\$9.18</del>	<del>\$10.97</del>
<del>2</del>	<del>1</del>	<del>16.32</del>	<del>16.65</del>	<del>36.26</del>	<del>17.65</del>	<del>21.28</del>
<del>3</del>	<del>1½</del>	<del>56.34</del>	<del>57.57</del>	<del>128.45</del>	<del>61.19</del>	<del>74.26</del>
<del>4</del>	<del>2</del>	<del>126.47</del>	<del>129.24</del>	<del>289.93</del>	<del>137.40</del>	<del>167.04</del>
<del>5</del>	<del>3</del>	<del>232.90</del>	<del>238.06</del>	<del>535.03</del>	<del>253.13</del>	<del>307.94</del>
<del>6</del>	<del>4</del>	<del>557.29</del>	<del>567.86</del>	<del>1278.32</del>	<del>603.93</del>	<del>735.13</del>
<del>7</del>	<del>6</del>	<del>886.94</del>	<del>871.38</del>	<del>1961.59</del>	<del>926.69</del>	<del>1127.98</del>
<del>8</del>	<del>8 &amp; over</del>	<del>1925.18</del>	<del>1967.85</del>	<del>4432.62</del>	<del>2311.04</del>	<del>2548.09+]</del>

Effective July 1, 2015 and July 1, 2017

A 5 percent revenue increase is approved and a schedule of charges will be designed and implemented based upon the Water Authority's Cost of Service Rate Model.

(2) In addition to the Fixed Monthly Charge in §1-1-3(C), the rates and compensation to be paid to the Water Authority for public and private use of water supplied by the Water Authority within the Service Area for any and all purposes shall be in accordance with the following schedule of charges. This Strategy Implementation Fixed Monthly Charge shall be dedicated to the Sustainable Water Supply to fund the implementation, operation and maintenance of the Water Resources Management

Strategy, which will develop the Water Authority's surface water supplies. Any interest earned on these dedicated funds shall be used only for this purpose.

### Fixed Monthly Charge - Metered Service Strategy Implementation

~~[-Fixed Monthly Charge - Metered Service Strategy Implementation]~~

<del>Serv Size</del>	<del>Meter Size</del>	<del>Residential</del>	<del>Commercial</del>	<del>Industrial</del>	<del>Institutional</del>	<del>Multi-</del>
<del></del>	<del></del>	<del></del>	<del></del>	<del></del>	<del></del>	<del>family</del>
<del>1</del>	<del><math>\frac{5}{8} \times \frac{3}{4}</math></del>	<del>\$3.95</del>	<del>\$4.36</del>	<del>\$6.13</del>	<del>\$4.26</del>	<del>\$4.36</del>
<del>2</del>	<del>1</del>	<del>9.46</del>	<del>9.68</del>	<del>15.09</del>	<del>9.14</del>	<del>10.04</del>
<del>3</del>	<del><math>1\frac{1}{2}</math></del>	<del>15.66</del>	<del>17.27</del>	<del>24.43</del>	<del>16.93</del>	<del>17.27</del>
<del>4</del>	<del>2</del>	<del>27.79</del>	<del>30.66</del>	<del>43.39</del>	<del>30.05</del>	<del>30.66</del>
<del>5</del>	<del>3</del>	<del>62.48</del>	<del>68.96</del>	<del>97.58</del>	<del>67.56</del>	<del>68.96</del>
<del>6</del>	<del>4</del>	<del>111.04</del>	<del>122.57</del>	<del>173.40</del>	<del>120.08</del>	<del>122.57</del>
<del>7</del>	<del>6</del>	<del>249.78</del>	<del>275.74</del>	<del>390.15</del>	<del>270.12</del>	<del>275.74</del>
<del>8</del>	<del>8 &amp; over</del>	<del>444.02</del>	<del>490.17</del>	<del>693.59</del>	<del>480.19</del>	<del>490.17</del>

~~Fixed Monthly Charge - Metered Service Strategy Implementation-]~~

<del>[+Serv Size</del>	<del>Meter Size</del>	<del>Residential</del>	<del>Commercial</del>	<del>Industrial</del>	<del>Institutional</del>	<del>Multi-</del>
<del></del>	<del></del>	<del></del>	<del></del>	<del></del>	<del></del>	<del>family</del>
<del>1</del>	<del><math>\frac{5}{8} \times \frac{3}{4}</math></del>	<del>\$4.51</del>	<del>\$4.98</del>	<del>\$7.01</del>	<del>\$4.87</del>	<del>\$4.98</del>
<del>2</del>	<del>1</del>	<del>10.81</del>	<del>11.06</del>	<del>17.25</del>	<del>10.45</del>	<del>11.48</del>
<del>3</del>	<del><math>1\frac{1}{2}</math></del>	<del>17.90</del>	<del>19.74</del>	<del>27.92</del>	<del>19.35</del>	<del>19.74</del>
<del>4</del>	<del>2</del>	<del>31.76</del>	<del>35.04</del>	<del>49.59</del>	<del>34.35</del>	<del>35.04</del>
<del>5</del>	<del>3</del>	<del>71.41</del>	<del>78.82</del>	<del>111.53</del>	<del>77.22</del>	<del>78.82</del>
<del>6</del>	<del>4</del>	<del>126.92</del>	<del>140.10</del>	<del>198.20</del>	<del>137.25</del>	<del>140.10</del>
<del>7</del>	<del>6</del>	<del>285.50</del>	<del>315.17</del>	<del>445.94</del>	<del>308.75</del>	<del>315.17</del>
<del>8</del>	<del>8 &amp; over</del>	<del>507.51</del>	<del>560.26</del>	<del>792.77</del>	<del>548.86</del>	<del>560.26+]</del>

Effective July 1, 2015 and July 1, 2017

A 5 percent revenue increase is approved and a schedule of charges will be designed and implemented based upon the Water Authority's Cost of Service Rate Model.

(3) The rates and compensation to be paid to the Water Authority for public and private use of water supplied by the Water Authority for Wholesale Water Users shall be in accordance with the following schedule of charges.

Fixed Monthly Charges- Pajarito Mutual Domestic

Meter Size



1	$\frac{3}{4}$	\$12.57
2	1	25.37
3	1½	73.40
4	2	157.61
5	3	327.55
6	4	728.07
7	6	1228.95
8	8	2606.77

9 Effective July 1, 2015 and July 1, 2017

10 A 5 percent revenue increase is approved and a schedule of charges will be designed  
 11 and implemented based upon the Water Authority's Cost of Service Rate Model.

12 (D) Unmetered Water Service.

13 (1) For service connections to the utility for private fire protection.

14 Applicable to all service through which water is used solely for extinguishing accidental  
 15 fires.

16	Fixed Monthly Charge	
17	Line Size	Service Area
18	(inches)	
19	2	\$4.40
20	3	6.60
21	4	8.80
22	6	16.50
23	8	25.30
24	10	35.20
25	12	51.70

26 Effective July 1, 2015 and July 1, 2017

27 A 5 percent revenue increase is approved and a schedule of charges will be designed  
 28 and implemented based upon the Water Authority's Cost of Service Rate Model.

29 (2) Unmetered water service for any purpose other than standby fire  
 30 protection will be a violation of this Ordinance and subject to the penalties specified  
 31 herein; except by written agreement approved by the Executive Director.

32 (E) Private Use of Fire Hydrants for Non-Potable Use.

33 (1) Permits

1 (a) Connections to fire hydrants at any location are prohibited  
2 except by the Water Authority, Fire Departments within the service area or by written  
3 permit (fire hydrant meter permit) issued by the Water Authority. The Fire Departments  
4 within the service area are given permission to use fire hydrants based upon written  
5 agreements with the Executive Director which pertain to inspection and maintenance.  
6 Each Fire Department is required to perform agreed upon maintenance on all fire  
7 hydrants within their service area as a condition of use.

8 (b) A qualified applicant (business owner or licensed contractor)  
9 or designated agent wishing to obtain a fire hydrant meter permit must submit a  
10 completed application form to the Water Authority. Completed and signed applications  
11 may be mailed or hand delivered. If the applicant assigns a designated agent to obtain  
12 the permit, a designated agent certification form must be signed and notarized by the  
13 business owner or licensed contractor and submitted with the completed application.

14 (c) Fire hydrant meter permits may be issued for a period not to  
15 exceed one year. Failure to comply with one or more of the terms and conditions shall  
16 be cause for terminating the permit.

17 (d) Under a standard fire hydrant meter permit, the applicant  
18 may request the use of any fire hydrant from the Water Authority's designated network  
19 of green-top fire hydrants. Applicants desiring to use an out-of-network hydrant must  
20 submit a written request with the fire hydrant meter application stating the reason(s) for  
21 needing to use the out-of-network hydrant. Water Authority staff will review such  
22 requests on a case by case basis and a decision shall be issued within three business  
23 days of receiving the request.

24 (e) The Water Authority reserves the right to refuse to issue a  
25 fire hydrant meter permit to any applicant or to require an applicant to pay all current  
26 charges on the applicant's Water Authority account as a condition to the issuance of a  
27 permit.

28 (2) System Connection and Water Use.

29 (a) Water taken from fire hydrants may be used only for non-  
30 potable, non-recreational purposes within the Water Authority service area. The use of  
31 non-potable water taken from fire hydrants for swimming pools is prohibited.

32 (b) The permit holder shall utilize a backflow prevention method  
33 or device acceptable to the Water Authority at all times the fire hydrant meter is in use

1 to protect the Water Authority's water supply. Failure to use an acceptable backflow  
2 prevention method or device shall be cause for confiscating the fire hydrant meter and  
3 terminating the permit.

4 (c) The Executive Director can appoint employees to inspect fire  
5 hydrant meters at anytime, but not less than once per annum. Permit holders shall  
6 make provisions for such inspections.

7 (d) For permit holders that contract with the Water Authority, the  
8 Executive Director is authorized to withhold all or a portion of the surety bond for  
9 outstanding fire hydrant meter charges including but not limited to repair and  
10 replacement of the hydrant meter and usage.

11 (3) Loss, Damage and Payment Surety Bond.

12 (a) A loss, damage and payment surety deposit of \$3,000.00 for  
13 each fire hydrant meter is required at the time the permit is issued. If a fire hydrant  
14 meter is lost or stolen, the \$3,000.00 deposit shall be forfeited and the permit holder  
15 shall be assessed up to \$1,000.00 charge for water usage.

16 (b) All or a portion of the loss, damage and payment surety  
17 deposit will be refunded depending upon the cost of repairing the fire hydrant meter and  
18 the outstanding balance for meter charges when it is returned to the Water Authority.  
19 The Water Authority shall cause the repair work and compute the time and materials  
20 necessary to rehabilitate the fire hydrant meter.

21 (c) The Executive Director can waive the loss, damage and  
22 payment surety deposit for special events or non-construction related short term  
23 projects.

24 (4) Reporting. The permit holder shall be required to report and pay  
25 for fire hydrant water usage on a monthly basis. Fire hydrant meter readings shall be  
26 submitted, in writing between the first (1st) and tenth (10th) day of the month for water  
27 usage during the previous calendar month, regardless of whether any water usage  
28 occurred during that month. Failure to submit meter readings between the first (1st) and  
29 the tenth (10th) of the month shall result in a \$20.00 late meter reading fee per  
30 occurrence. Failure to report meter readings on or before the last day of the month the  
31 readings are due shall be cause for confiscation of the meter and termination of the  
32 permit.

33 (5) Fees and Charges.

1 (a) The nonrefundable connection fee is \$230 for each hydrant  
2 issued for a fire hydrant meter permit.

3 (b) All fire hydrant meter permit holders shall pay a monthly  
4 maintenance charge of \$70. This monthly maintenance charge shall not be prorated.

5 (c) All water withdrawn from a fire hydrant shall be charged at  
6 the current commodity rate. Connections to fire hydrants in violation of this Ordinance  
7 will be subject to the penalties specified herein and shall be considered an illegal  
8 connection and be subject to hydrant meter confiscation.

9 (d) The permit holder shall be required to remit payment for all  
10 water withdrawn from fire hydrants on a monthly basis. Failure to remit payment in full  
11 within ten (10) days after final notice is issued shall result in a \$50.00 late payment fee  
12 per occurrence, and shall be cause for confiscation of the fire hydrant meter and  
13 termination of the permit.

14 (F) Water Commodity Charge.

15 (1) (a) In addition to the Fixed Monthly Charge, all water used by a  
16 Customer within the Service Area for any purpose whatsoever shall be charged at the  
17 rate of \$1.093 per unit (one unit equals 100 cubic feet). In addition, there shall be a  
18 charge of 0.024 per unit, added to this commodity charge, which is the amount  
19 necessary to compensate the Water Authority for the water conservation fee charged by  
20 the State of New Mexico and for the Sustainable Water Supply, §1-1-3(F)(2). This is  
21 determined by the meter reading or by estimating the usage by statistical methods.  
22 Customers shall pay bills monthly.

23 Effective July 1, 2015 and July 1, 2017

24 A 5 percent revenue increase is approved and will be implemented based upon the  
25 Water Authority's Cost of Service Rate Model.

26 (b) Included in the commodity charge is a \$0.116 charge per  
27 unit that will be dedicated to the Water Resources Management Program in Fund 621 to  
28 fund the Ground-Water Protection Policy and Action Plan, the Water Conservation  
29 Program, Water Resources Management Planning and Arsenic Investigations. All  
30 interest earned on these dedicated funds shall be used only for this purpose.

31 Effective July 1, 2015 and July 1, 2017

32 A 5 percent revenue increase is approved and will be implemented based upon the  
33 Water Authority's Cost of Service Rate Model.

(c) In addition to the Fixed Monthly Charge customers with a wholesale water rate shall be charged at the rate in accordance with the following schedule of charges.

Pajarito Mutual Domestic - \$1.15 per 100 CCF

Effective July 1, 2015 and July 1, 2017

A 5 percent revenue increase is approved and will be implemented based upon the Water Authority's Cost of Service Rate Model.

(2) In addition to the fixed monthly charges and the Commodity Charge, §1-1-3(F)(1)(a), all water used by a Customer within the Service Area for any purpose whatsoever shall be charged at the rate of \$0.444 per unit (one unit equals 100 cubic feet). This charge per unit will be dedicated to a Sustainable Water Supply to fund the Water Resources Management Strategy. Any interest earned on these dedicated funds shall be used only for this purpose.

Effective July 1, 2015 and July 1, 2017

A 5 percent revenue increase is approved and will be implemented based upon the Water Authority's Cost of Service Rate Model.

(3) Bills may be based on the estimated average annual water use in units, annualized and divided by 12 months, plus the fixed monthly charge. Any special charges, such as UEC, shall be included on the bill. The Executive Director may administratively adjust bills periodically by crediting and debiting accounts as appropriate if errors have been found and verified.

(4) (a) Surcharges for irrigation-only water accounts shall be assessed annually in the year following the water usage based upon an annual irrigation budget allowance established for such accounts and in accordance with the following:

(i) Water budgets will be established by the Water Authority whenever a new irrigation account is established or an existing account is converted to an irrigation account.

(ii) All usage will be calculated annually on a per site basis. Any usage of individual wells at these sites shall be submitted in writing to the Water Authority by the 15<sup>th</sup> of the month following the use.

(iii) All golf courses existing prior to October 1, 1995 will be allowed up to 40 inches of water over the entire landscaped area per calendar year.

(iv) All new golf courses or existing golf course expansions

permitted after October 1, 1995 will be allowed up to 37 inches of water over the entire landscaped area per calendar year.

(v) Athletic fields will be allowed up to 45 inches of water over the entire landscaped area per calendar year.

(vi) All other landscaped areas will receive a water budget of 35 inches of water over the entire landscaped area per calendar year.

A surcharge will be applied to the usage above the annual irrigation budget allowance. For excess usage up to 150 percent (first tier) of the annual irrigation budget, the surcharge shall be 50 percent of the commodity rate shown in §1-1-3(F)(1)(a) and §1-1-3(F)(2). For excess usage greater than 150 percent (second tier) of the annual irrigation budget, the surcharge shall be 100 percent of the commodity rate shown in §1-1-3(F)(1)(a) and in §1-1-3(F)(2). For excess usage greater than 200 percent (third tier) of the annual irrigation budget, the surcharge shall be 150 percent of the commodity rate shown in §1-1-3(F)(1)(a) and §1-1-3(F)(2).

(b) The surcharge amount added for each unit exceeding 200 percent of the Winter Mean water usage as calculated in §1-1-2(A), shall be equal to 50 percent of the commodity charges in §1-1-3(F)(1)(a) and in §1-1-3(F)(2), and shall be added to the total charge determined in §1-1-3(F)(4)(b) for usage during the following months of April through October. For those residential customers that have a Winter Mean equal to or greater than 15 units, the surcharge amount added for each unit exceeding 200 percent of the Winter Mean water usage as calculated in §1-1-2(A), shall be equal to 100 percent of the commodity charges in §1-1-3(F)(1)(a) and in §1-1-3(F)(2), and shall be added to the total charge determined in §1-1-3(F)(4)(b) for usage during the months of April through October.

(c) The surcharge amount added for each unit exceeding 300 percent of the Winter Mean water usage as calculated in §1-1-2(A), shall be equal to 50 percent of the commodity charges in §1-1-3(F)(1)(a) in §1-1-3(F)(2), and shall be added to the total charge determined in §1-1-3(F)(4)(b) for usage during the months of April through October. For those residential customers that have a Winter Mean equal to or greater than 15 units, the surcharge amount added for each unit exceeding 300 percent of the Winter Mean water usage as calculated in §1-1-2(A), shall be equal to 100 percent of the commodity charges in §1-1-3(F)(1)(a) and in §1-1-3(F)(2), and shall be added to the total charge determined in §1-1-3(F)(4)(b) for usage during the months of April through October.

(d) The surcharge amount added for each unit exceeding 400 percent of the Winter Mean water usage as calculated in §1-1-2(A) shall be equal to 50 percent of the commodity charges in §1-1-3(F)(1)(a) and §1-1-3(F)(2), and shall be added to the total charge determined in §1-1-3(F)(4)(b) for usage during the months of April through October. For those residential customers that have a Winter Mean equal to or greater than 15 units, the surcharge amount added for each unit exceeding 400 percent of the Winter Mean water usage as calculated in §1-1-2(A), shall be equal to 100 percent of the Commodity Charges §1-1-3(F)(a) and in §1-1-3(F)(2), and shall be added to the total charge determined in §1-1-3(F)(4)(b) for usage during the months of April through October.

(e) Drought Related Surcharges. Under the four levels of Drought defined in the Drought Management Strategy, the Water Authority may, at its sole discretion, increase surcharges described in §1-1-3 by a factor of two, three or more as may be necessary to assist in water use reduction during a drought. During a drought, the Water Authority shall declare to the public the Drought Level, which can be raised and lowered by the Water Authority, and the proposed increase in surcharges. The Drought level only applies to the current year and must be approved by the Water Authority on a year by year basis. The Water Authority delegates the implementation of the Drought Management Strategy including the increase of surcharges to the Executive Director. Based on the Drought Level approved by the Water Authority, the Executive Director shall implement the Drought Management Strategy and announce the effective date of the new surcharges.

(f) For residential class Customers only having service sizes 1 through 3, a 50 percent discount shall be applied to the commodity charges in §1-1-3(F)(1)(a) in §1-1-3(F)(2) for water usage during the months of April through October which is 150 percent or less than the Class Winter Mean water usage.

(G) Multiple Meter Service. Customers with service by more than one meter to any premise shall be charged the applicable fees associated with each meter except for single-family residential Customers who have two meters, of which one is used for irrigation. The monthly fixed charge for these single-family residential Customers will be based on the largest meter at the single-family residence.

(H) Water Credit. For those accounts included within the Water Credit classification, a credit of \$10.31 per month will be applied to their billing; the billing shall

1 be calculated using the Fixed Monthly Charge and Commodity Charge as set forth in  
2 this Ordinance.

3 (I) Tag and Testing Charge. When a Customer disputes meter accuracy, a  
4 "Tag & Test" service will be done after all the steps taken by the Water Authority have  
5 been exhausted and if requested in writing by the legal property owner or his/her  
6 authorized representative.

7 (1) Meters 5/8 X 3/4" to 2"

8 Meter Size	Tag and Testing Charge Service
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9 5/8" x 3/4"	\$140
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10 1"	185
-------	-----

11 1-1/2"	380
-----------	-----

12 2"	455
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13 The meter in question will be removed and a new one installed so that service  
14 can be maintained. The removed meter will be bench tested by the Water Authority in  
15 accordance with AWWA Standard C705. Should the meter fail the accuracy test such  
16 that the requestor was being overcharged, there would be no charge to the requestor.

17 (2) Meter 3" and greater. The meter in question will be tested in place  
18 in accordance with AWWA Standard C701, C702 or C703 and AWWA manual M6.  
19 Should the meter fail the accuracy test such that the requestor was being over charged,  
20 there would be no charge to the requestor. The testing charge for this will be \$500 for  
21 all sizes.

22 (J) The Customer utility statements shall contain the following itemized  
23 element: "Sustainable Water Supply: \$`x,' where `x' shall be the cost of the rate  
24 increase to fund the implementation of the Water Resources Management Strategy.

25 (K) Customer utility statements shall contain the following itemized element:  
26 "Facility Rehabilitation: \$`x,' where `x' shall be the cost of the rate increase to fund  
27 facility rehabilitation."

28 (L) Real property owners receiving water service from the Water Authority are  
29 responsible for hiring a licensed plumber to connect their customer service line to the  
30 Water Authority system at the point of metered service, or obtain a Homeowner Permit  
31 from the permitting Agency, allowing the property owner to make the connection.

32 1-1-4. NON-POTABLE WATER RATES.



1 (A) Definitions. Refer to §1-1-3(A) Water Rates for the definitions of  
2 Customer Classifications, which apply to this Section.

3 (B) Metered Service. The rates and compensation to be paid to the Water  
4 Authority for public and private use of non-potable water supplied by the Water Authority  
5 within the Service Area for any and all purposes shall be in accordance with the  
6 schedule of charges listed in §1-1-3 (A) for potable water metered service.

7 (C) Commodity Charge.

8 (1) In addition to the Fixed Monthly Charge, all non-potable water used  
9 by a Customer within the Service Area shall be charged at the rate corresponding to 80  
10 percent of the potable water commodity rate (one unit equals 100 cubic feet). This is  
11 determined by the meter reading or by estimating the usage by statistical methods.  
12 Customers shall pay bills monthly.

13 (2) Bills may be based on the estimated average annual non-potable  
14 water use by units, annualized and divided by 12 months, plus the fixed monthly charge.  
15 Any special charges, such as UEC, shall be included on the bill. The Executive Director  
16 may administratively adjust bills periodically by crediting and debiting accounts as  
17 appropriate if errors have been found and verified.

18 (3) All surcharges for irrigation-only water accounts shall be charged at  
19 the rate based upon the non-potable water commodity rate (one unit equals 100 cubic  
20 feet).

21 (D) Multiple Meter Service. Customers with non-potable water service by  
22 more than one meter to any premise shall be charged the applicable fees associated  
23 with each meter.

24 (E) Tag and Testing Charge. Refer to §1-1-3 (I) for applicable provisions and  
25 charges.

26 (F) Utility Expansion Charge (UEC).

27 (1) A Utility Expansion Charge shall be paid to the Water Authority at  
28 the time of non-potable meter sale or application for non-potable water service for all  
29 new services connecting to the non-potable water system. The UEC may be paid in full  
30 at the time of non-potable service application, or paid over time with an initial minimum  
31 of 5 percent down payment. The balance shall be subject to a fixed monthly charge to  
32 include a carrying charge set at 7 percent per annum. On all connections, the balance  
33 shall be paid in full within 120 months.

1 (2) The UEC for non-potable water service shall be the same as the  
2 UEC for potable water service. Refer to §1-1-8(A) for applicable provisions and  
3 charges.

4 (3) Existing water Customers wishing to receive non-potable water  
5 shall not be charged a UEC unless the new combined potable and non-potable system  
6 capacity exceeds the Customer's previous existing potable system capacity.

7 (4) Redundant potable water and non-potable water metered services  
8 are not required for non-potable service.

9 (G) Non-potable Water Meter and Service Installation Fees. Refer to §1-1-9  
10 for applicable provisions and charges.

11 (H) Customers that are currently using potable water for irrigation or other  
12 qualified industrial purposes as determined by the Water Authority and whose property  
13 is located within 200-feet of a non-potable water line are required to connect to the non-  
14 potable system within one year of service availability. Connection to non-potable  
15 system is a condition of service. The Water Authority is required to provide written  
16 notification to the property owner that non-potable water is available and that connection  
17 to the system is mandatory. If requested, the Water Authority will meet with the affected  
18 property owners and provide additional information regarding service availability,  
19 connection locations and other information that may be deemed necessary. The  
20 property owner has one year from the date of notification. Failure to connect may result  
21 in termination of service.

22 (I) Water Rights Leases. Beginning July 1, 2006, except for lease  
23 agreements that provide for periodic rate increases, water rights leases entered into by  
24 the Water Authority for the purpose of offsetting depletive effects on the Rio Grande  
25 from pumping by others shall be charged at the non-potable water rate.

26 1-1-5. SEWER RATES.

27 (A) Definitions. For the purpose of this Section, the following definitions shall  
28 apply unless the context clearly indicates or requires a different meaning.

29 BOD or BIOCHEMICAL OXYGEN DEMAND. The quantity of oxygen  
30 utilized in the biochemical oxidation of organic matter by Standard Methods procedures  
31 in five days at 20° C. expressed in milligrams per liter (mg/l).

CLEANOUT. A tee section in the sanitary sewer located outside any structure accessible 24 hours a day and constructed according to the Utility's standard detail.

COD or CHEMICAL OXYGEN DEMAND. A measure of the oxygen-consuming capacity of organic and inorganic matter present in wastewater as milligrams per liter (mg/l), by Standard Methods procedures.

NH<sub>3</sub>N OR AMMONIA NITROGEN. Total Ammonia – A measure of the total ammonia as nitrogen concentration as milligrams per liter (mg/L) by Standard Methods or EPA approved procedures.

#### CUSTOMER CLASSIFICATIONS.

(1) RESIDENTIAL. Single-family detached, condominiums served by individual meters, townhouses served by individual meters, duplexes served by individual meters, or mobile homes served by individual meters.

(2) MULTI-FAMILY. Any metered/account serving more than one dwelling unit; i.e., duplexes, residences with guests houses, triplexes, four-plexes, apartment complexes, condominiums, town-homes, or mobile homes served by common meters.

(3) COMMERCIAL. Retail, offices, hotels, motels, shopping centers, none of which use process water in the conduct of business.

(4) INDUSTRIAL. Manufacturing, or process facility which is engaged in producing a product.

(5) INSTITUTIONAL. Government buildings, hospitals, schools, and other facilities that provide public and quasi-public services.

(6) WHOLESALE-SPECIAL CONTRACTS. Contract Customers that are responsible for a collection system beyond the point where their respective wastewater discharges into the Water Authority's interceptors.

(7) KIRTLAND AIR FORCE BASE (KAFB).

(8) FOOD SERVICE ESTABLISHMENT or FSE. Any establishment, commercial or noncommercial, such as a restaurant, cafeteria, snack bar, temple, mosque, church, synagogue, worship hall, banquet facility, preschool, school, or meeting place, with a kitchen that is used for preparing, serving, or otherwise making available for consumption foodstuffs in commercial amounts in or on a receptacle that requires washing and that discharges to the Water Authority's POTW.

1 INDUSTRIAL WASTE. Wastes resulting from any process of industry,  
2 manufacturing, trade, or business, or from the development, recovery, or processing of  
3 natural resources.

4 LATERAL SEWER. An individual user's sewer pipe beginning at the  
5 public sewer and extending to the premises actually served. The lateral sewer includes  
6 the stub to which a user connects to the public sewer and all appurtenances on such  
7 lateral sewer. The user is responsible for the maintenance of the lateral sewer including  
8 those portions that may be within any right-of-way. The term is interchangeable with  
9 "house service connection," "sewer service line," or "building sewer."

10 NORMAL DOMESTIC WASTEWATER. Effluent which contains  
11 constituents and characteristics similar to effluent from a residence and specifically for  
12 the purposes of this Ordinance does not contain BOD, COD, NH<sub>3</sub>N and TSS in excess  
13 of the following concentration:

14 BOD -- 250 mg/l

15 COD -- 500 mg/l

16 TSS -- 330 mg/l

17 NH<sub>3</sub>N -- 25 mg/l

18 PUBLICLY OWNED TREATMENT WORKS or POTW. A treatment works  
19 as defined by § 212 of the Clean Water Act, (33 USC 1292) which is owned by the  
20 Water Authority. The term also includes Water Authority works, as defined in § 502 of  
21 the Clean Water Act, (33 USC 1362) which has jurisdiction over the indirect discharges  
22 to and the discharges from such a treatment works. The "treatment works" includes all  
23 plants, sanitary sewers, lift stations, odor control stations, and all other properties, now  
24 or hereafter existing, used or useful in connection with the collection, pumping, disposal  
25 and treatment of wastewater, as now or hereafter added to, expanded or improved.

26 SEWER CREDIT ELIGIBILITY AND PROCEDURES. Single-family  
27 detached, condominiums, townhouses, duplexes or triplexes served by common or  
28 individual meters; mobile homes served by individual meters; but limited to those  
29 Customers who own the dwelling in which they reside and qualify under the United  
30 States Department of Health and Human Service poverty guidelines.

31 STANDARD METHODS. The laboratory procedures set forth in the latest  
32 edition, at the time of analysis, of Standard Methods for Examination of Water and  
33 Wastewater, as prepared, approved and published jointly by the American Public Health

Association and American Water Works Association and the Water Pollution Control Federation.

TOTAL SUSPENDED SOLIDS or TSS. Those solids which are retained by a standard glass fiber filter and dried to constant weight at 103 – 105° C. expressed in milligrams per liter (mg/l), by Standard Methods procedures.

WASTEWATER. The used water of a community. Such used water may be a combination of the liquid waterborne wastes from residences, commercial buildings, industrial plants and institutions.

(B) Methodology and Calculation of Rates and Charges

(1) The rates and charges described in this Ordinance are developed in conformance with standard cost-of-service rate making principles as recommended by the American Water Works Association, the Water Environment Federation, and the United States Environmental Protection Agency (USEPA).

(2) The Water Authority's rates and charges are calculated based on each customer classification's use of the system. Historical billed flows by classification and a systematic allocation of operation, maintenance, and capital costs were used to calculate the schedule of charges contained in this Ordinance.

(C) Fixed Monthly Charge

(1) The rates and compensation to be paid to the Water Authority for public or private use by discharge of liquid waste into the Water Authority within the Service Area for any and all purposes whatsoever shall be in accordance with the following schedules of charges. The Fixed Monthly Charge for Customers with Water Authority water service shall be based on the water service size. The Fixed Monthly Charge for Customers without Water Authority water service shall be based on the liquid waste flow. Liquid waste flow will be calculated in accordance with the methodology set forth in the Commodity Charge Section of §1-1-5(D).

(2) Fixed Monthly Charge for Customers with water service:

[Serv Size	Meter	Resid	Comm	Indust	Instit	Multi
						fam
1	$\frac{5}{8}$ X $\frac{3}{4}$	\$8.25	\$10.21	\$46.40	\$7.91	\$13.70
2	1	13.36	16.20	78.61	12.77	22.69
3	1½	54.73	69.26	338.58	52.07	95.51
4	2	136.19	172.77	850.70	129.50	238.11

1	5	3	182.37	231.46	1141.14	173.41	319.15
2	6	4	388.53	493.42	2437.26	369.37	680.80
3	7	6	517.43	653.90	3247.67	491.89	906.91
4	8	8 & over	919.83	1168.50	5777.61	874.40	1612.81

5 ]

6	[+Serv Size Meter Resid Comm Indust Instit Multi-						
7	fam						
8	1	$\frac{5}{8} \times \frac{3}{4}$	\$6.93	\$8.60	\$38.94	\$6.64	\$11.49
9	2	1	11.20	14.03	65.98	10.72	19.04
10	3	1½	45.94	58.13	284.19	43.70	80.25
11	4	2	114.32	145.02	710.57	108.70	199.85
12	5	3	153.06	194.28	957.85	145.55	267.89
13	6	4	326.11	414.17	2045.76	310.03	571.45
14	7	6	434.32	547.98	2725.99	412.88	761.24
15	8	8 & over	772.07	945.99	4849.54	733.95	1353.75+]

16 Effective July 1, 2015 and July 1, 2017

17 A 5 percent revenue increase is approved and a schedule of charges will be designed  
 18 and implemented based upon the Water Authority's Cost of Service Rate Model.

19 (3) Fixed Monthly Charge for Customers without water service:

20 Liquid Waste

21	Flow (CCF)	Residential	Commercial	Industrial	Institutional	Multi-family
22	[0-10	\$8.25	\$10.21	\$46.40	\$7.91	\$13.70
23	11-19	13.36	16.20	78.61	12.77	22.69
24	20-63	54.73	69.26	338.58	52.07	95.51
25	64-82	136.19	172.77	850.70	129.50	238.11
26	83-343	182.37	231.46	1141.14	173.41	319.15
27	344-599	388.53	493.42	2437.26	369.37	680.80
28	600-803	517.43	653.90	3247.67	491.89	906.91
29	804-over	919.83	1168.50	5777.61	874.40	1612.81-]
30	[+0-10	\$6.93	\$8.60	\$38.94	\$6.64	\$11.49
31	11-19	11.20	14.03	65.98	10.72	19.04
32	20-63	45.94	58.13	284.19	43.70	80.25
33	64-82	114.32	145.02	710.57	108.70	199.85

1	<u>83-343</u>	<u>153.03</u>	<u>194.28</u>	<u>957.85</u>	<u>145.55</u>	<u>267.89</u>
2	<u>344-599</u>	<u>326.11</u>	<u>414.17</u>	<u>2045.76</u>	<u>310.03</u>	<u>571.45</u>
3	<u>600-803</u>	<u>434.32</u>	<u>547.98</u>	<u>2725.99</u>	<u>412.88</u>	<u>761.24</u>
4	<u>804-over</u>	<u>772.07</u>	<u>945.99</u>	<u>4849.54</u>	<u>733.95</u>	<u>1353.75+]</u>

5 Effective July 1, 2015 and July 1, 2017

6 A 5 percent revenue increase is approved and a schedule of charges will be designed  
 7 and implemented based upon the Water Authority's Cost of Service Rate Model.

8 (4) Fixed Monthly Charges for Wholesale and KAFB

9	<del>[-Serv Size</del>	<del>Wholesale</del>	<del>Item</del>	<del>KAFB</del>				
10	<del>1</del>	<del>\$10.43</del>	<del>Per Month</del>	<del>\$33,212.76</del>				
11	<del>2</del>	<del>17.09</del>						
12	<del>3</del>	<del>37.79</del>						
13	<del>4</del>	<del>176.82</del>						
14	<del>5</del>	<del>236.90</del>						
15	<del>6</del>	<del>505.04</del>						
16	<del>7</del>	<del>672.70</del>						
17	<del>8</del>	<del>1139.15]</del>						

18	[+Serv Size	Wholesale	Item	KAFB
19	1	\$8.76	Per Month	<u>\$27877.80</u>
20	2	14.33		
21	3	22.91		
22	4	148.42		
23	5	198.89		
24	6	423.91		
25	7	564.64		
26	8	941.04+]		

27 Effective July 1, 2015 and July 1, 2017

28 A 5 percent revenue increase is approved and a schedule of charges will be designed  
 29 and implemented based upon the Water Authority's Cost of Service Rate Model.

30 (D) Commodity Charge. All wastewater discharge shall be charged on the  
 31 basis of the Commodity Charges for Retail and Special Customers rate table on a per  
 32 unit basis (one unit equals 100 cubic feet).

33 Commodity Charges for Retail and Special Contract Customers

1	Customer Class	Base (\$/CCF)	Rehab (\$/CCF)	Total Commodity (\$/CCF)
2	Retail Customers			
3	Residential	\$0.585	\$0.772	\$1.357
4	Commercial	0.585	0.772	1.357
5	Industrial	0.585	0.772	1.357
6	Institutional	0.585	0.772	1.357
7	Multi-family	0.585	0.772	1.357
8	Special Contracts			
9	Wholesale	\$0.585	\$0.124	\$0.709
10	KAFB	0.585	0.124	0.709

11 Effective July 1, 2015 and July 1, 2017

12 A 5 percent revenue increase is approved and a schedule of charges will be designed  
 13 and implemented based upon the Water Authority's Cost of Service Rate Model.

14 (1) Customers with Water Service. The commodity charge for usage  
 15 during the months of December, January, February and March (winter months) shall be  
 16 based upon 95 percent of the metered or estimated volume of water usage during each  
 17 of these months for each account. The commodity charge for usage during other  
 18 months shall be based upon 95 percent of the metered or estimated volume of water  
 19 usage during that month or shall be based upon 95 percent of the prior winter months'  
 20 average, whichever is less for each account. The winter months' average is determined  
 21 by averaging the metered or estimated volume of water used during the winter months.

22 (2) Customers without Water Service. The volume of wastewater  
 23 discharge shall be determined by the physical measurement at the expense of the  
 24 customer; however, where accurate and reasonable estimates can be made by  
 25 statistical methods, such estimates shall be considered the volume of discharge upon  
 26 which the Commodity Charge is based. The Water Authority expressly reserves the  
 27 right to determine the estimated wastewater volume for any customer without water  
 28 service, which determination may be appealed to the Executive Director.

29 (3) Special Wastewater Discharge Volume. The Water Authority  
 30 recognizes that sewage discharge patterns for individual Customers may vary to a great  
 31 extent from the norms of any particular class; therefore, any Customer may, at their own  
 32 expense, provide the Water Authority with sewage flow data for consideration of a  
 33 special wastewater discharge volume. Such data shall be certified by an engineer



1 registered in the state. The Water Authority expressly reserves the right to determine  
2 the estimated wastewater volume for any Customer, which determination may be  
3 appealed to the Executive Director.

4 (E) Extra-Strength Surcharge.

5 (1) All Customers discharging wastewater into the POTW are subject  
6 to a surcharge if the discharged wastewater exceeds normal domestic wastewater  
7 strength. NORMAL STRENGTH is defined as:

8 (a) Chemical Oxygen Demand (COD) less than or equal to 500  
9 mg/l; and

10 (b) Biochemical Oxygen Demand (BOD) less than or equal to  
11 250 mg/l; and

12 (c) Total Suspended Solids (TSS) less than or equal to 330  
13 mg/l; and

14 (d) Ammonia Nitrogen (NH<sub>3</sub>N) less than or equal to 25 mg/l.

15 (2) The Water Authority shall determine strength as defined by the  
16 above parameters in §1-1-5(E)(1) above. The procedures are described (I) below. If it  
17 is determined that the wastewater strength exceeds the limits specified, a surcharge  
18 shall be levied at the rate of:

19 (a) \$.11 per pound of COD for the excess of 500 mg/l of COD;  
20 and

21 (b) \$.23 per pound of BOD for the excess of 250 mg/l BOD; and

22 (c) \$.21 per pound of TSS for the excess of 330 milligrams per  
23 liter of TSS; and

24 (d) \$.54 per pound of NH<sub>3</sub>N for the excess of 25 mg/l of NH<sub>3</sub>N.

25 (3) Any customer that is a Food Service Establishment permitted by  
26 the City of Albuquerque, Village of Los Ranchos, Bernalillo or Sandoval County shall be  
27 charged an extra strength surcharge of \$ 1.96 per unit (100 cubic feet).

28 (4) The Water Authority shall promulgate regulations to carry out the  
29 provisions of the extra-strength surcharge.

30 (F) Septic Tank Truck Discharge. No user owning vacuum or "cesspool" type  
31 pumping trucks or other liquid waste transport trucks shall discharge such waste into the  
32 POTW, unless such person shall first have applied for and received a Septic Tank  
33 Discharge or Chemical Toilet Discharge Permit from the Executive Director pursuant to

1 the regulations "Establishing Administrative Policies and Fees for the Discharge of  
2 Septic Tank and Chemical Toilet Wastes" currently adopted by the Water Authority.

3 (G) Sewer Use Regulations. The Water Authority's Sewer Use and  
4 Wastewater Control or successor Ordinance, shall govern all discharges of wastewater  
5 to the POTW.

6 (H) Sampling; Metering Manhole Requirements. When required by the Utility,  
7 the owner of property serviced by a lateral sewer carrying industrial ~~[-liquid-]~~ wastes  
8 shall install a suitable control manhole or cleanout together with such necessary meter  
9 and other appurtenances in the lateral sewer to facilitate observation, sampling, and  
10 measurement of the wastes. Such monitoring locations shall be accessible, safely  
11 located, and constructed in such a manner as to prevent infiltration of ground and  
12 surface waters. They shall be constructed in accordance with plans approved by the  
13 Utility. The Utility has established standard details. The monitoring location and all  
14 equipment shall be installed by the owner at his expense, and shall be maintained by  
15 him so as to be safe and accessible at all times.

16 (I) Sampling and Testing Procedures.

17 (1) All dischargers subject to monitoring according to the Water  
18 Authority's Sewer Use and Wastewater Control Ordinance, will be monitored by the  
19 Water Authority. The discharge will be sampled and tested for compliance with the  
20 Water Authority's Sewer Use and Wastewater Control Ordinance, and to determine the  
21 surcharge amount.

22 (2) All measurements, tests and analysis of the characteristics of  
23 waters and wastes shall be determined in accordance with the latest edition of Standard  
24 Methods for the Examination of Water and Wastewater, published jointly by the  
25 American Public Health Association and Water Pollution Control Federation, and the  
26 American Waterworks Association.

27 (3) Sampling shall be carried out by customarily accepted methods.  
28 The particular analyses involved will determine whether a 24-hour composite of all  
29 outfalls of a premise is appropriate or whether a grab sample or samples should be  
30 taken. Normally, but not always, BOD, COD, NH3N and TSS analyses are obtained  
31 from 24-hour composites of all outfalls.

32 (4) Those industries suspected of discharging either high COD, BOD,  
33 NH3N wastes or high TSS wastes shall be sampled for four consecutive days by grab

samples or 24-hour composite samples from a Utility manhole. If COD results exceed  
 500 mg/l, BOD results exceed 250 mg/l, NH<sub>3</sub>N results exceed 25 mg/l, or TSS results  
 exceed 330 mg/l on any of the two of the four consecutive days, or in any of the 24-hour  
 composite samples, a sampling manhole may be required for industries discharging  
 greater than 25,000 gallons per day or if required by the Water Authority's Sewer Use  
 and Wastewater Control Ordinance or successor Ordinance. Upon installation of the  
 sampling manhole, an automatic sampler will be used to gather a composite which shall  
 be used to compute a monthly surcharge. Industries discharging less than 25,000  
 gallons per day and not otherwise requiring a sampling manhole may be required to  
 install a cleanout and an automatic sampler will be used to gather a composite which  
 shall be used to compute a monthly surcharge. Pretreatment may be required according  
 to the Water Authority's Sewer Use and Wastewater Control Ordinance or successor  
 Ordinance.

(5) The Water Authority may assess penalties for noncompliance with the Sewer Use and Wastewater Control Ordinance or successor Ordinance.

(J) Sewer Credit. For those accounts included within the Sewer Credit classification, a credit of \$9.62 per month will be applied to their billing; the billing shall be calculated using the Fixed Monthly Charge and Commodity Charge as set forth in this Ordinance.

(K) Customer utility statements shall contain the following itemized element:  
 "Facility Rehabilitation: \$`x,' where `x' shall be the cost of the rate increase to fund facility rehabilitation."

#### 1-1-6. WATER AND SEWER REHABILITATION FUND.

(A) An established portion of the revenue generated by fixed water rates and the Water Commodity Charge shall be distributed to a Water and Sewer Rehabilitation Fund. The fixed rate portion of the Water Rates contained in §1-1-3(B) which shall be distributed to the Water and Sewer Rehabilitation Fund are contained in the following schedule of charges. The portion of the water commodity rate to be distributed to the Water and Sewer Rehabilitation Fund shall be 0.184 per unit.

Fixed Water Rates (per month)

~~[-Serv Size Meter Size Residential Commercial Industrial Institutional Multi-~~  
~~family~~

1	<del>5/8</del> X <del>3/4</del>	\$1.22	\$1.24	\$2.60	\$1.30	\$1.55
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1	2	1	2.32	2.36	5.13	2.50	3.01
2	3	1½	7.99	8.16	18.21	8.67	10.53
3	4	2	17.92	18.32	41.11	19.48	23.72
4	5	3	33.02	33.76	75.86	35.89	43.67
5	6	4	77.27	80.51	181.26	85.63	104.23
6	7	6	120.87	123.55	278.13	131.40	159.94
7	8	8 & over	272.98	279.03	628.51	327.68	361.31-]

8	[+Serv Size Meter Size Residential Commercial Industrial Institutional Multi-						
9	family						
10	1	5/8 X 3/4	\$1.40	\$1.42	\$2.99	\$1.50	\$1.78
11	2	1	2.67	2.72	5.90	2.88	3.46
12	3	1½	9.19	9.38	20.94	9.97	12.11
13	4	2	20.61	21.07	47.28	22.40	27.28
14	5	3	37.97	38.83	87.24	41.27	50.22
15	6	4	88.86	92.59	208.45	98.48	119.86
16	7	6	139.00	142.08	319.85	151.11	183.93
17	8	8 & over	313.93	320.88	722.78	376.83	415.51+]

Effective July 1, 2015 and July 1, 2017

A 5 percent revenue increase is approved and will be implemented based upon the Water Authority's Cost of Service Rate Model.

(B) In addition to the portion of the commodity rate to be distributed to the Water and Sewer Rehabilitation fund as identified in §1-1-5(D) above, the following fixed rate portions of the sewer rates contained in §1-1-5(C) shall be distributed to the Water and Sewer Rehabilitation Fund.

Fixed Monthly Rehabilitation Charges

26	[-Serv Size Meter Sz Resid Comm Indust Instit Multi-fam Wholesale							
27	1	5/8 X 3/4	\$1.98	\$2.43	\$11.16	\$1.90	\$3.30	\$2.50
28	2	1	3.22	4.02	18.90	3.07	5.46	4.12
29	3	1½	13.16	16.65	81.39	12.52	22.89	17.06
30	4	2	32.73	41.53	207.65	31.13	57.25	42.50
31	5	3	43.85	55.64	274.31	41.69	76.72	56.94
32	6	4	93.41	118.61	585.89	88.80	163.65	121.41
33	7	6	124.38	157.99	780.71	118.24	218.01	161.71

1	<del>8</del>	<del>8 &amp; over</del>	<del>221.12</del>	<del>312.40</del>	<del>1388.89</del>	<del>210.19</del>	<del>387.70</del>	<del>287.53</del>
2	[+ <u>Serv Size</u> <u>Meter Sz</u> <u>Resid</u> <u>Comm</u> <u>Indust</u> <u>Instit</u> <u>Multi-fam</u> <u>Wholesale</u>							
3	<u>1</u>	<u>5/8 X 3/4</u>	<u>\$2.19</u>	<u>\$2.68</u>	<u>\$12.33</u>	<u>\$2.10</u>	<u>\$3.65</u>	<u>\$2.77</u>
4	<u>2</u>	<u>1</u>	<u>3.56</u>	<u>4.44</u>	<u>20.88</u>	<u>3.39</u>	<u>6.03</u>	<u>4.55</u>
5	<u>3</u>	<u>1 1/2</u>	<u>14.54</u>	<u>18.40</u>	<u>89.94</u>	<u>13.84</u>	<u>25.29</u>	<u>18.85</u>
6	<u>4</u>	<u>2</u>	<u>36.17</u>	<u>45.89</u>	<u>229.45</u>	<u>34.40</u>	<u>63.26</u>	<u>46.97</u>
7	<u>5</u>	<u>3</u>	<u>48.46</u>	<u>61.48</u>	<u>303.11</u>	<u>46.07</u>	<u>84.77</u>	<u>62.91</u>
8	<u>6</u>	<u>4</u>	<u>103.22</u>	<u>131.06</u>	<u>647.41</u>	<u>98.12</u>	<u>180.83</u>	<u>134.16</u>
9	<u>7</u>	<u>6</u>	<u>137.44</u>	<u>174.58</u>	<u>862.69</u>	<u>130.66</u>	<u>240.90</u>	<u>178.69</u>
10	<u>8</u>	<u>8 &amp; over</u>	<u>244.34</u>	<u>345.20</u>	<u>1534.72</u>	<u>232.26</u>	<u>428.41</u>	<u>317.72</u>

Effective July 1, 2015 and July 1, 2017

A 5 percent revenue increase is approved and will be implemented based upon the Water Authority's Cost of Service Rate Model.

Monthly Rehabilitation Charges for KAFB

Item KAFB

~~[-Per Month \$7,984.02-]~~

[+Per Month \$8,822.34+]

Effective July 1, 2015 and July 1, 2017

A 5 percent revenue increase is approved and will be implemented based upon the Water Authority's Cost of Service Rate Model.

(C) Committed expenditures for the rehabilitation of water wells, pump stations, reservoirs, service lines, other water lines, gate valves and the committed expenditures for rehabilitation of sewer lines, odor control stations, pumping stations and treatment facilities from revenues in the Water and Sewer Rehabilitation Fund shall not be less than \$30 million dollars per year.

(D) The distributions from water and sewer rates to the Water and Sewer Rehabilitation Fund shall be reviewed every five years and updated as needed to adjust for construction inflation, new capital inventory, rate increases and other factors.

#### 1-1-7. WATER AND SEWER SYSTEM AND UTILITY FINANCIAL POLICIES.

(A) The term of each and every instrument of debt shall be 12 years or less; except for sustainable water supply projects. This policy shall not apply to the possible acquisition of other operating water and wastewater utility systems or to mitigate short term rate impacts.

1 (B) At a minimum, an average of 50 percent of the cost of capital projects  
2 which constitute the normal capital program of the water and sewer system including  
3 the rehabilitation and replacement of existing facilities, and the construction of water  
4 wells, pump stations, reservoirs, service lines, other water lines, gate valves, revenue  
5 meters and meter boxes, sewer lines, odor control stations, and pumping stations, and  
6 treatment facilities shall be paid with cash rather than borrowed funds. The normal  
7 capital program excludes special capital projects such as the expansion of the  
8 wastewater treatment plants, arsenic mitigation, state and federal grant projects, state  
9 and federal mandated projects, and related to water resources management to achieve  
10 a sustainable supply of water. This policy shall not apply to the possible acquisition of  
11 other operating water and wastewater utility systems or to mitigate short term rate  
12 impacts.

13 (C) At a minimum, 25 percent of the cost of capital projects not included in the  
14 normal capital program of the water and sewer system shall be paid with cash rather  
15 than borrowed funds. This policy shall not apply to the possible acquisition of other  
16 operating water and wastewater utility systems sustainable water supply or to mitigate  
17 short term rate impacts.

18 (D) Utility Expansion Charge (UEC) revenues or those of successor  
19 development fees in excess of \$6,000,000 per year shall be transferred to the Joint  
20 Water and Sewer Capital Funds. The transfer of these funds shall be made in the fiscal  
21 year following the most recent audited Comprehensive Annual Financial Report.

22 (E) Utility Expansion Charge rates shall be based on adopted policies of the  
23 Water Authority.

24 (F) Appropriations of cash transfers from water and sewer utility operating  
25 funds or debt service funds to a Joint Water and Sewer Capital Fund shall be made in  
26 the amounts appropriated during the year for which the appropriations have been made.

27 (G) The Water Authority has implemented an asset management program to  
28 manage its capital infrastructure focusing on minimizing the total cost of designing,  
29 acquiring, operating, maintaining, replacing, and disposing of capital assets over their  
30 life cycle while achieving desired service levels. It will allow the Water Authority to  
31 manage existing assets more effectively, make informed decisions on policy and  
32 budgetary matters, and plan for future needs. Based upon this program the Water  
33 Authority will begin to incrementally increase its Capital Implementation Program

1 spending at approximately \$3 million a year until the Water Authority can reach and  
 2 sustain a spending level of approximately \$76 million a year.

3 (H) A Rate Reserve Fund is established for reserving water and sewer  
 4 revenues in a dedicated fund for the purpose of offsetting declines in rate revenue and  
 5 to mitigate future rate increases. This Rate Reserve Fund will be funded at \$2 million  
 6 per year. By Fiscal Year 2015 the goal for the Water Authority is to achieve and  
 7 maintain a Working Capital Balance that will be 1/12 of the Water Authority's annual  
 8 budgeted expenditures. The Rate Reserve Fund will be counted in the Working Capital  
 9 Balance calculation, however any expenditure from the Rate Reserve Fund will require  
 10 an appropriation approved by the Water Authority Board.

11 (I) The Water Authority's Investment Policy is attached as Appendix A and  
 12 provides the policy guidance on the investment of funds. The Water Authority's Debt  
 13 Management Policy and Guidelines is attached as Appendix B and sets forth the  
 14 parameters for issuing debt and managing the outstanding debt portfolio and provides  
 15 guidance regarding the purposes for which debt may be issued, types and amounts of  
 16 permissible debt, timing and method of sale that may be used, and structural features  
 17 that may be incorporated. The Water Authority's Post Issuance Compliance Policy is  
 18 attached as Appendix C, and provides the post-issuance tax compliance controls and  
 19 procedures related to financial obligations.

20 1-1-8. UTILITY EXPANSION CHARGE (UEC) and WATER SUPPLY CHARGE (WSC).

21 (A) (1) A UEC charge will be paid to the Water Authority at the time of  
 22 meter sale or application for service for all properties connecting to the water and/or  
 23 wastewater system in accordance with the following schedule. The amount of the UEC's  
 24 shall be adjusted annually by building cost or construction cost indices (BCI or CCI) as  
 25 published by the Engineering News Record (ENR). Where water service does not exist  
 26 and sewer service is to be taken and the sewer UEC is applicable, the charge shall be  
 27 based upon the wastewater flow. A unit of flow is equal to 100 cubic feet.

28 (a) Financing for Water UEC

29 Finance for Water UEC

30 <del>[-Water Meter Size]</del>	<del>Water Payment</del>	<del>Minimum Cash Down</del>	<del>Balance to Finance</del>
31 5/8 X 3/4"	\$2,834	\$142	\$2,692
32 1"	4,723	236	4,487
33 1 1/2"	9,446	472	8,974

1	2"	15,116	756	14,360
2	3"	30,227	1,511	28,716
3	4"	47,231	2,361	44,870
4	6"	94,465	4,723	89,771
5	8" or More	151,144	7,557	143,587-]
6	[+Water Meter Size Water Payment Minimum Cash Down Balance to			
7	<u>Finance</u>			
8	5/8 X 3/4"	\$2902	\$145	\$2,757
9	1"	4,836	242	4,594
10	1-1/2"	9,673	484	9,189
11	2"	15,479	774	14,705
12	3"	30,952	1,548	29,404
13	4"	48,365	2,418	45,947
14	6"	96,732	4,837	91,895
15	8" or More	154,771	7,739	147,032+]
16	(b) Financing for Sewer UEC			
17	Finance for Wastewater UEC			
18	[-Water Meter Size Liquid Waste Flow Sewer Minimum Balance to			
19	Payment Cash Down Finance			
20	5/8 X 3/4"	0-10	\$2,126	\$106 \$2,020
21	1"	11-19	3,543	177 3,366
22	1 1/2"	20-63	7,084	354 6,730
23	2"	64-82	11,335	567 10,768
24	3"	83-343	22,725	1,136 21,589
25	4"	344-599	35,420	1,771 33,649
26	6"	600-803	70,845	3,542 67,303
27	8" or More	804 & over	113,353	5,668 107,685-]
28	[+Water Meter Size Liquid Waste Flow Sewer Minimum			
29	<u>Balance to</u>			
30	Payment Cash Down Finance			
31	5/8 X 3/4"	0-10	\$2,177	\$109 \$2,068
32	1"	11-19	3,628	181 3,447
33	1-1/2"	20-63	7,254	363 6,891



1	2"	64-82	11,607	580	14,027
2	3"	83-343	23,270	1,164	22,106
3	4"	344-599	37,191	1,860	35,331
4	6"	600-803	74,387	3,719	70,668
5	8" or More	804 & over	116,073	5,804	110,269+]

6 (2) The UEC may be paid in full or paid over time with an initial  
 7 minimum of 5 percent down payment and the balance shall be subject to a fixed  
 8 monthly charge to include a carrying charge set at 7 percent per annum. On all  
 9 connections, the balance shall be paid in full within 120 months.

10 (3) The fixed monthly charge for the UEC shall run against the property  
 11 and be the responsibility of any subsequent owner until paid in full. All monies collected  
 12 through the imposition of the UEC, including the fixed monthly charge, shall be placed in  
 13 a separate account to be used for financing the expansion for the water and sewer  
 14 system.

15 (B) Reactivation of disconnected service. No refund of UEC will be made for  
 16 a service downsizing. Reconnections requesting larger service than was originally  
 17 installed shall pay UEC determined by subtracting the current charge for the original  
 18 service size from the current charge for the new service size requested.

19 (C) Charges for multiple residential units:

20 (1) Requests for residential or commercial water and/or sewer service  
 21 which will provide for more than one residential unit will pay UEC according to one of  
 22 the following schedules:

23 (a) Apartment Complexes.

24 (i) With 30 dwelling units or less shall pay 50 percent of  
 25 the product of the total number of units times the water and/or sanitary sewer UEC for a  
 26 5/8" x 3/4" water meter.

27 (ii) With more than 30 dwelling units shall pay the amount  
 28 given by the equation below:

$$\text{Equivalent Units} = (0.45) \times (\text{No. of Units}) + 1.49$$

$$\text{Total UEC} = (\text{Equivalent Units}) \times (5/8" \times 3/4" \text{ Meter UEC})$$

31 (b) Mobile Home Parks, regardless of size, shall pay 53 percent  
 32 of the product of the total number of dwelling units times the water and/or sanitary  
 33 sewer UEC for a 5/8" x 3/4" water meter.

1 (c) Condominiums, regardless of size, shall pay 53 percent of  
2 the product of the total number of dwelling units times the water and/or sanitary sewer  
3 UEC for a 5/8" x 3/4" water meter.

4 (d) Commercial service shall pay the larger of the following:

5 (i) The water and/or sewer UEC as shown in §1-1-8(A).

6 (ii) 50 percent of the product of the number of equivalent  
7 residential units times the water and/or sewer UEC charge for a 5/8" x 3/4" meter.

8 (e) Low income housing developments shall pay the greater of  
9 either:

10 (i) Eight percent of the product of the total number of  
11 dwelling units times the water and sanitary sewer UEC set forth in § 1-1-8(A)1 of this  
12 Ordinance for a 5/8" x 3/4" water meter; or,

13 (ii) The UEC set forth in § 1-1-18(A)1 of this Ordinance  
14 for the meter size required to service the development. The size shall be determined by  
15 the Water Authority based on the number of water fixture units described in AWWA M-  
16 22.

17 (f) At the time the water and sewer UEC is due and payable for  
18 a low income housing development, the owner of the low income housing development  
19 shall give the Water Authority a promissory note in the principal amount that is equal to  
20 the difference between the amount of the water and sewer UEC set forth in §1-1-8(A)1  
21 of this Ordinance for a 5/8" x 3/4" water meter and the amount of the water and sewer  
22 UEC set forth in §1-1-8(C)(1)(e). The promissory note shall be due and payable on the  
23 date the Low Income Housing Development ceases to qualify as a low income housing  
24 development as defined in §1-1-2(A). The promissory note shall not bear any interest  
25 from the date of the promissory note with maturity date of the promissory note. The  
26 promissory note shall bear interest at the rate imposed by §1-1-8(A)(2) from the maturity  
27 date of the promissory note until the date the promissory note is paid. The promissory  
28 note shall be secured by a mortgage on the low income housing development that is  
29 subject and subordinate only to mortgages securing the costs to purchase the land for  
30 the low income housing development and to design and construct the low income  
31 housing development.

32 (2) If the service requested necessitates modification and/or installation  
33 of additional facilities other than those already in existence and available to serve the

property, then the cost of such modifications and/or additional facilities shall be applied and apportioned according to existing Water Authority policy.

(D) (1) A Water Supply Charge (WSC), as specified herein, will be assessed by the Water Authority at the time of meter sale or application for service to any new water user customer requesting connection to the water system in an area requiring new or enhanced infrastructure through a service expansion in accordance with § 1-1-8(D)(1). The proceeds from this charge will be dedicated and restricted to the development of new water resources, rights or supplies to serve the beneficiary new customers outside of the established infrastructure consistent with the Water Authority's Regional Water Plan and Water Resources Management Strategy and other guiding principles adopted by the Water Authority. The amount of the WSC shall be adjusted annually by building cost or construction cost indices (BCI or CCI) as published by the Engineering News Record (ENR). The WSC fee does not apply to non-potable water service.

#### Financing for Water Supply Charge - WSC

~~[-Water Meter Size Water Payment Minimum Cash Down Balance to Finance~~

~~5/8 X 3/4" \$1,464 \$73 \$1,391~~

~~1" 2,448 122 2,326~~

~~1-1/2" 4,877 244 4,633~~

~~2" 7,804 390 7,414~~

~~3" 15,608 780 14,828~~

~~4" 24,386 1,219 23,167~~

~~6" 48,880 2,444 46,436~~

~~8" or More 78,038 3,902 74,136-]~~

~~[+Water Meter Size Water Payment Minimum Cash Down Balance to~~

~~Finance~~

~~5/8 X 3/4" \$1,499 \$75 \$1,424~~

~~1" 2,507 125 2,382~~

~~1-1/2" 4,994 250 4,744~~

~~2" 7,991 400 7,591~~

~~3" 15,983 799 15,184~~

~~4" 24,971 1,249 23,722~~

~~6" 50,053 2,503 47,550~~

8" or More	79,911	3,996	75,915+]
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(2) The WSC may be paid in full or paid over time with an initial minimum of 5 percent down payment and the balance shall be subject to a fixed monthly charge to include a carrying charge set at 7 percent per annum. On all new hook-up connections, the balance shall be paid in full within 120 months.

(3) The fixed monthly fee for the WSC shall run against the property and be the responsibility of any subsequent owner until paid in full. All monies collected through the imposition of the WSC shall be placed in a separate account to be used for financing the development of additional long term water supplies to serve expansions of the Water Authority's service area subsequent to June 15, 2007.

(4) The WSC is not reimbursable under the line extension policy. All revenues generated from the WSC will be maintained in it's own activity and to be used only as specified in § 1-1-8(D)(1).

#### 1-1-9. SPECIFIC SERVICES.

Fees for specific services shall be as follows:

##### (A) Metered Service Lines.

(1) 5/8 X 3/4" meter set only, \$295

(2) 1" meter set only, \$ 355

(3) 1 1/2" meter set only, \$555

(4) 2" meter set only, \$635

(5) 3" metered service line installation.

(a) 3" meter set only with compound meter without vault, \$2,185

(6) 4" metered service line installation.

(a) 4" meter set only with compound meter without vault, \$3,125

(b) 4" meter set only with fire assembly meter without vault

\$7,210

(7) 6" metered service line installation.

(a) 6" meter set only with compound meter without vault, \$5,140

(b) 6" meter set only with fire assembly meter without vault

\$7,520

(8) 8" metered service line installation.

(a) 8" meter set only with fire assembly without vault \$13,040

(9) 10" and larger: Contact the Utility for price quote

(B) Meter Size Reduction Installation.

(1) 5/8 X 3/4" through 1-1/2", contact the Utility for price quote

(2) 2", contact the Utility for price quote

(3) 3" and larger, contact the Utility for price quote

(C) Nonpayment Delinquency Fee.

(1) 5/8 X 3/4" and 1", \$45

(2) 1-1/2" through 10", \$60

(D) Combined Fire-Domestic Meters.

(1) Requests for this type of metered service, which provide both fire protection and domestic-irrigation service, may be made at the New Services Section of Utility Development. Upon the satisfactory determination of peak flow water delivery requirements, as certified by an engineer registered in the State of New Mexico, in accordance with the City and the County fire codes and the AWWA M22 an equivalent meter size will be determined for the service. Fixed monthly charges for private fire protection shall also be applied commensurate with the degree of fire protection capacity being provided.

(2) Fees for installation (set only) is in §1-1-9(A).

(E) Cross Connection Fees

(1) Containment Inspection Fees. An inspection fee of \$50 shall be assessed to all customers required to have premise inspections to cover expenses incurred by the Water Authority during the initial inspection of the premise. The inspection fee shall be assessed only to those customers whose premise are not in compliance with this Ordinance at the time of inspection.

(2) Backflow Prevention Assembly Administrative Charge. All customers required to provide cross-connection control by containment and/or isolation shall be assessed an annual administrative fee of \$30 (fee is not to be prorated in case of change in ownership) for each backflow prevention assembly located at the premise. This fee incorporates expenses incurred by the Water Authority to maintain records, to process required testing notices and to enter data as required.

(F) Meter Reset

(1) Contact the Utility for a price quote.

(2) 1-1-10. FRANCHISE FEE.

1           There shall be a charge of four percent on the total sales of water and sewer  
2 services added to customer billings to compensate the Water Authority for the franchise  
3 fee charged by the City, County and the Village of Los Ranchos and a charge of two  
4 percent on the total sales of water and sewer services added to customer billings to  
5 compensate the Water Authority for the franchise fee charged by the City of Rio Rancho  
6 for the granted authorization to use rights-of-way and public places to construct,  
7 operate, and maintain water and wastewater systems

8   1-1-11. PAYMENT.

9           All charges shall be payable at any location as designated by the Water Authority  
10 and will become delinquent 15 days following the "due by" date on the Customer's utility  
11 statement.

12   1-1-12. PENALTY FOR DELINQUENT ACCOUNTS.

13           A penalty of 1.5 percent per month may be imposed on all delinquent accounts.

14   1-1-13 PENALTY FOR NONCOMPLIANCE WITH THE SEWER USE AND  
15 WASTEWATER CONTROL ORDINANCE

16           (A) Any permitted Industrial User who has violated, or continues to violate,  
17 any Pretreatment Standard or Requirement as defined in the Sewer Use and  
18 Wastewater Control Ordinance shall be assessed a penalty of up to \$ 1,000 per  
19 violation per day.

20           (B) Any other violations of the Sewer Use and Wastewater Control Ordinance  
21 may be subject to a penalty up to \$ 1,000 per violation per day+]

22   1-1-[-13-][+14+]. RESPONSIBILITY OF PAYMENT, LIENS, AND DEPOSIT.

23           (A) The assessed fees and service charges provided for herein are the  
24 personal responsibility of the owner of record, as reported by the Bernalillo County  
25 Assessor for the real property served.

26           (B) The Water Authority may file a lien of record on such real property for  
27 such charges including any interest or penalties accruing on same.

28           (C) Reasonable deposits may be required of any Customer including tenants.  
29 Deposits not to exceed six months in duration. Such deposits and accrued interest shall  
30 be applied to the utility account immediately upon becoming delinquent or the expiration  
31 of six month period. Any credit status created by applying the deposit will be absorbed  
32 by the monthly service charges and considered prepayments for services. Such  
33 deposits shall draw reasonable interest.

1 1-1-~~[-14-]~~[+15+]. DISCONTINUANCE OF SERVICE; HEARING.

2 (A) The Water Authority may cause the water supply to be turned off and  
3 discontinue service to the property if any charge provided for herein remains unpaid for  
4 a period of 30 days from the "due by" date on the Customer's utility statement. Service  
5 may not be discontinued for delinquencies of a previous owner unless a lien, or record  
6 has been filed prior to the real property changing ownership or responsibility with the  
7 Bernalillo County Clerk indicating that outstanding Utility charges remain.

8 (B) In order to discontinue service, a written notice shall be sent to the  
9 Customer at least ten calendar days' notice before termination of service and notice of  
10 the right to protest the Water Authority's proposed action at an administrative hearing.

11 (C) The Customer must request in writing that a hearing be held and such  
12 request must be received by the Executive Director on or before the date the services  
13 are to be terminated. If the Customer requesting the hearing is not the owner of record,  
14 the Customer must provide proof that the owner of record will be bound by the decision  
15 of the hearing officer.

16 (D) At such hearing, the Customer may present evidence as the Water  
17 Authority and the Executive Director may affirm, overrule or modify the decision to  
18 terminate the services. The decision shall be final.

19 (E) In the event a hearing is requested, the services shall not be terminated  
20 until and in accordance with that decision.

21 (F) A nonrefundable hearing fee of \$50.00 shall accompany each appeal filed  
22 pursuant to this §1-1-15.

23 (G) For purposes of expediting the satisfaction of delinquent accounts the  
24 Executive Director may at his discretion waive, credit, and or remove penalty fees or  
25 other fees from any account.

26 1-1-16. EFFECTIVE DATE AND PUBLICATION

27 The effective date of this Ordinance will be July 1, ~~[-2013-]~~[+2014+] unless  
28 otherwise stated.

29 1-1-98. PROHIBITIONS.

30 (A) No person shall use or cause to be used any water produced or  
31 distributed by the Water Authority without the consent of Water Authority. Water  
32 distributed through authorized meter or obtained by any means authorized by

ordinances or administration rules and regulations shall constitute the consent of the Water Authority.

(B) No person shall discharge or cause to be discharged any liquid waste to the liquid waste collection or treatment system operated by the Water Authority without the consent of the Water Authority and compliance with the Water Authority's Sewer Use and Waste Water Control Ordinance. Approved connections or permits shall constitute such consent.

(C) No person shall willfully break, injure, or tamper with any property of the Water Authority, including but not limited to: wells, pump stations, reservoirs, sewage treatment plants, lift stations, distribution lines, fire hydrant service lines, meters, gate valves, manhole covers or grates.

(D) Violation of any of the above described Prohibitions constitutes a violation of the conditions of Water Authority service and shall be subject to a connection service charge of \$400.00 per occurrence and charges for one year of usage based upon prior usage or the customer class average or termination of service.

Section 2. SEVERABILITY CLAUSE. If any Section, paragraph, sentence, clause, work or phrase of this Ordinance is for any reason held to be invalid or unenforceable by any court of competent jurisdiction, such decision shall not affect the validity of the remaining provisions of this Ordinance. The Water Authority hereby declares that it would have passed this Ordinance and each Section, paragraph, sentence, clause, word or phrase thereof irrespective of any provision being declared unconstitutional or otherwise invalid.



## Appendix A



### **INVESTMENT POLICY**

## Albuquerque Bernalillo County Water Utility Authority Investment Policy

~~[This policy shall be known as the Albuquerque Bernalillo County Water Utility Authority Investment (ABCWUA) policy entitled and adopted on June 19, 2013.]~~

### **Definitions**

As used in this investment policy:

- ~~(a) *Investment committee* means a committee consisting of member of the ABCWUA's Audit Committee, the Executive Director, the Chief Financial Officer (CFO) and the Chief Operating Officer (COO).~~
- ~~(b) *Investment officer* means the CFO or his/her designee.~~
- ~~(c) *NASD* means National Association of Security Dealers.~~
- ~~(d) *FDIC* means Federal Deposit Insurance Corporation.~~
- ~~(e) *FSLIC* means Federal Savings and Loan Insurance Corporation.~~
- ~~(f) *SIPC* means Security Investment Protection Corporation.~~
- ~~(g) *Financial institution* means a federally insured bank or savings and loan association.~~
- ~~(h) *Local financial institution* means those with a main office or manned branch office located within the service area of ABCWUA.~~
- ~~(i) *Time deposit* means a certificate of deposit or savings certificate deposited in a federally insured bank or savings and loan association.~~
- ~~(j) *Net worth* is as defined by the Financial Institutions Division of the Department of Commerce and Industry of the State of New Mexico.~~
- ~~(k) *Basis points* is construed so that one hundred (100), basis points equals one (1) percent interest.~~

### **Policy declarations**

It is the intent of this policy to establish the authority and procedures for the investment of the ABCWUA's funds in an effort to:

- ~~(1) Maximize investment returns while minimizing risk;~~
- ~~(2) Maintain a level of liquidity to ensure that unanticipated cash needs are met;~~
- ~~(3) Allow for diversification of the ABCWUA's portfolio;~~
- ~~(4) Recognize the impact of the ABCWUA's investment program on the local economy.~~
  - ~~(b) The criteria for selecting investments shall be, in the following order of priority:
    - ~~(1) Safety;~~
    - ~~(2) Liquidity;~~
    - ~~(3) Yield.~~~~
  - ~~(c) The standard of prudence to be applied by the investment officer shall be the "prudent investor" rule, which is: "Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived." The prudent investor rule shall be applied in the context of managing the overall portfolio.~~
  - ~~(d) The investment officer, acting in accordance with written procedures and exercising due diligence, shall not be held personally responsible for specific~~

## Albuquerque Bernalillo County Water Utility Authority Investment Policy

~~security's credit risk or market price changes, provided that these deviations are reported immediately to the investment committee and that appropriate action is taken to control adverse developments.~~

### **Allowed investment instruments**

~~[Allowed investment instruments are:]~~

- ~~(a) U.S. Treasury obligations.~~
- ~~(b) U.S. Government agency and instrumentality obligations.~~
- ~~(c) Bonds or negotiable securities of the State of New Mexico or of any county, municipality, or school district within the state which has a taxable valuation of real property for the last preceding year of at least one million dollars (\$1,000,000.00) and which has neither defaulted in the payment of any interest or sinking fund obligation, nor failed to meet any bonds at maturity at any time within five (5) years last preceding.~~
- ~~(d) Time deposits in banks and savings and loan associations.~~
- ~~(e) Interest bearing checking accounts in banks and savings and loan associations.~~
- ~~(f) Passbook savings accounts.~~
- ~~(g) Banker's acceptances.~~
- ~~(h) SEC 2a 7 money market funds whose portfolios consist of the foregoing securities.~~
- ~~(i) The Local Government Investment Pool pursuant to Section 6-10-10.1, NMSA 1978.~~

~~Deposit-type securities (i.e., certificates of deposit) shall be collateralized in accordance with the State Board of Finance. Such collateral shall be held by an independent third party financial institution acceptable to the ABCWUA. Securities eligible as collateral are those defined under State Law (6-10-16 NMSA 1978).~~

### **Limitations and Restrictions**

~~The investment officer shall at all time maintain sufficient liquidity to coincide with projected cash flow needs, taking into account expenditures (payroll, debt retirement payments, capital improvements program disbursement) as well as considering anticipated revenue. These funds may be invested for a period of time equal to the planned expenditure of the funds.~~

~~No more than 40% of the portfolio may be invested in any one sector except for U.S. Treasuries and Agencies. Individual holdings of obligors other than those backed by the U.S. Government, its agencies, or its instrumentalities are limited to 5% of the total market value of the portfolio.~~

- ~~• No individual security will have a final maturity greater than 3 years~~
- ~~• With the exception of CDs and bank deposits, any investment portfolio with marketable securities will have an average weighted maturity or duration of no greater than 1.5-2.0 years~~
- ~~• For securities which are peg to a floating interest rate, the next reset date shall be used to determine the effective maturity~~

## **Albuquerque Bernalillo County Water Utility Authority Investment Policy**

~~All issuers must be minimally rated A-/A3 by S&P and Moody's rating agencies at the time of purchase with split ratings allowed. Should a downgrade occur below the minimum rating, the investment officer shall confer with its investment advisors on a decision to sell or hold the security.~~

### **Time deposits**

~~(a) Financial institutions must meet all of the following requirements to qualify as a depository for the ABCWUA:~~

~~(1) Financial institution must be federally insured.~~

~~(2) Financial institution's equity to asset ratio must be at or above levels recommended by federal regulatory agencies.~~

~~(3) Financial institutions must submit to the ABCWUA within forty five (45) days following the end of each quarter a copy of their quarterly call report as issued to the appropriate federal agency to qualify as a depositor.~~

~~(4) Financial institutions whose annual reports indicate successive losses for the two (2) preceding years will not qualify as a depositor.~~

~~(5) Financial institutions must have assets in excess of one hundred million dollars (\$100,000,000.00).~~

~~(6) Time deposits shall be in a minimum denomination of one hundred thousand dollars (\$100,000.00).~~

~~(f) The total of time deposits with any financial institution shall not at any time exceed the net worth of said financial institution.~~

### **Security for time deposits**

~~Any financial institution designated as a depository shall deliver securities of the type specified in Section 6-10-16 NMSA, 1978, or a joint safekeeping receipt therefore, to the investment officer in an aggregate value equal to one half the amount of the ABCWUA money to be received, in accordance with subsection B of Section 6-10-16 NMSA, 1978.~~

### **Banker's Acceptances**

~~(a) The investment officer shall be authorized to purchase banker's acceptances when the yield on said instruments exceeds the highest bid from the local financial institutions by twenty five (25) basis points.~~

~~(b) Investment in banker's acceptances shall be limited to those whose accepting bank qualifies for time deposit.~~

~~(c) The investment officer shall not invest in excess of five (5) percent of the ABCWUA's portfolio in banker's acceptances of a single accepting bank.~~

### **Safekeeping of Securities**

~~(a) No ABCWUA funds to be invested in negotiable securities shall be paid out unless there is a simultaneous transfer of securities either by physical delivery or, in the case of un-certificated securities, by appropriate book entry on the books of the issuer to the ABCWUA or to a third party safekeeping financial institution acting as agent or trustee for the ABCWUA, which agent or trustee shall furnish timely confirmation to the ABCWUA.~~

# **Albuquerque Bernalillo County Water Utility Authority**

## **Investment Policy**

~~(b) Notwithstanding the provisions of subsection (a) of this section, securities may be held in "street name" with an SIPC insured broker or dealer at a level not to exceed the amount of the SIPC insurance plus any insurance provided by an insurance company which has received an A+ rating by A.M. Best and Company.]~~

### **I. OVERVIEW: INVESTMENT POLICY**

**INVESTMENT AUTHORITY:** The responsibility for investing the excess funds of the ABCWUA lies with the Chief Financial Officer (CFO) of the ABCWUA or his/her designee, the investment manager. ABCWUA's governing body acts as the Board of Finance per 6-10-9 NMSA 1978.

#### **PURPOSE:**

**A.** The CFO's investment authority is to prudently manage the investment of public money that is not immediately required for the operations of ABCWUA.

**B.** In satisfying this financial responsibility, the CFO must also observe the fiscal obligation of maintaining sufficient liquidity to provide for the continuing functions of ABCWUA.

**C.** While serving, the CFO is bound to satisfy the fundamental fiduciary obligation of preserving and protecting the principal of the public money.

**D.** The CFO and/or investment manager, acting in accordance with written procedures and exercising due diligence, shall not be held personally responsible for specific security's credit risk or market price changes, provided that these changes are reported at the next meeting or immediately via email if necessary, to the investment committee and that appropriate action is taken to control adverse developments.

**SCOPE OF THE INVESTMENT POLICY:** This investment policy is a comprehensive guide governing the investment functions of the ABCWUA with respect to funds invested by the investment manager. The guidance formulated in this policy is to be observed by individuals and entities involved in any aspect of the administration or management of investments made by the ABCWUA's investment manager or an investment management firm. This investment policy will be effective upon approval by the governing board.

### **II. DEFINITIONS:**

**A.** "Competitive bid for securities" means the selection of securities through a solicitation or review and evaluation of online inventory offerings from various approved broker/dealers.

**B.** "Investment committee" or "committee" means the ABCWUA's investment committee; see also Section III.C of this policy.

**C.** "Investment grade" means, for purposes of this policy, a rating within any of the following rating ranges by at least two of the rating agencies:

<b><u>Rating Agency</u></b>	<b><u>Long-Term</u></b>	<b><u>Short-term</u></b>
<b><u>Standard &amp; Poor's</u></b>	<b><u>A- to AAA</u></b>	<b><u>A-1</u></b>
<b><u>Fitch</u></b>	<b><u>A- to AAA</u></b>	<b><u>F1</u></b>
<b><u>Moody's</u></b>	<b><u>A3 to Aaa</u></b>	<b><u>P-1</u></b>

A rating from a rating agency not on the list shall not be considered.

## **Albuquerque Bernalillo County Water Utility Authority Investment Policy**

D. **"Investment portfolio"** means each separate fund managed by the investment manager, including operating funds, bond proceeds and other monies.

E. **"Investment manager"** means the person and/or firm responsible for investing the public funds per this policy.

F. **"Financial institution"** means a federally insured bank or savings and loan association, see section F.2(d) below.

G. **"Local financial institution"** means those with a main office or manned branch office located within the service area of ABCWUA.

H. **"Time deposit"** means a certificate of deposit or savings certificate deposited in a federally insured bank or savings and loan association located in New Mexico.

I. **"Net worth"** is as defined by the Financial Institutions Division of the Department of Commerce and Industry of the State of New Mexico.

J. **"Basis points"** is construed so that one hundred (100) basis points equals one (1) percent interest.

### **III. POLICY STATEMENT**

A. **Investment Policy Priorities:** The ABCWUA's investment manager will observe the following priorities in making investment decisions:

1. **Safety of funds** – to ensure the performance of basic governmental functions, the first priority must be accorded to the preservation and protection of the principal of the funds to be invested;

2. **Maintenance of liquidity** – the second level of priority must be accorded to maintaining sufficient liquidity to satisfy the reasonably anticipated, continuing operational requirements of ABCWUA;

3. **Maximum return after first two priorities are met** – the third priority must be accorded to maximizing investment return, through budgetary and economic cycles, consistent with the higher priorities of safety and liquidity;

4. Allow for diversification of the ABCWUA's portfolios; and

5. Recognize the impact of the ABCWUA's investment program on the local economy.

#### **B. Standard of Investment:**

1. The standard of prudence to be applied in the investment of public money by the ABCWUA's investment manager shall be the "prudent person" rule: *"Investments shall be made with the judgment and care, under circumstances then prevailing, that persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived."*

2. Fiduciary Duty should be upheld: *"A fiduciary relationship is generally viewed as the highest standard of customer care available under law. Fiduciary duty includes both a duty of care and a duty of loyalty. Collectively, and generally speaking, these duties require a fiduciary to act in the best interest of the customer, and to provide full and fair disclosure of material facts and conflicts of interest."*

~ Securities Industry and Financial Markets Association (SIFMA)

## **Albuquerque Bernalillo County Water Utility Authority Investment Policy**

**3.** The investment manager, acting in accordance with this policy and any other written procedures pertaining to the investment of excess funds and exercising due diligence, shall be relieved of personal responsibility, if any, for credit risk or market price changes of a particular security.

The loss of market value, reduced yield or return on a particular security shall be promptly reported to ABCWUA's investment committee (next meeting or immediately via email if necessary) in accordance with this policy and the situation causing the loss of market value, reduced yield or return must be closely monitored and evaluated to ensure that any decision to hold or sell the particular security is based on the best publicly available information.

**C. Investment Committee:** The investment committee shall monitor the efficacy, efficiency and currency of the investment policy.

**1.** The investment committee shall consist of one member of the ABCWUA's Board as appointed by the Chairperson of the Board, the Executive Director, the Chief Financial Officer (CFO) and the Chief Operating Officer (COO), plus one private sector finance professional, appointed by the Chief Financial Officer. The private sector member shall serve for a term of two (2) years after appointment and shall be eligible for reappointment to serve for consecutive two (2) year terms. Any vacancy created by a private sector member shall be filled in the same manner as original appointments. The investment manager will attend and make reports at all investment committee meetings.

**2.** The investment committee shall meet monthly if funds are invested in instruments other than bank deposits. Otherwise, the committee shall meet quarterly to:

**a.** Review the investment policy, no less than annually, and recommend, if advisable, modifications in the investment policy from time to time and have changes formally adopted by board resolution;

**b.** assess, no less than annually, the utility and efficacy of established internal controls as loss prevention measures with respect to the investment portfolio;

**c.** deliberate these topics: economic outlook, portfolio diversification and maturity structure, potential risks, and the rate of return on the investment portfolio assessed within the parameters of first meeting safety and liquidity requirements;

**d.** identify potential violations of and suggest remedial actions to achieve conformity with the investment policy;

**e.** recommend, no less than annually, action on depositories, custodians, broker/dealers and investment managers and advisors; and

**f.** assess whether the investment policy is being properly implemented by the individuals and entities involved in the administration and management of investment activities.

### **D. Internal Controls:**

**1.** The ABCWUA CFO shall establish a system of internal controls governing the administration and management of the investment portfolios. Any audit findings related to investment-related internal controls shall be reviewed annually by the investment committee.

## **Albuquerque Bernalillo County Water Utility Authority Investment Policy**

2. The controls shall be designed to prevent and control losses of public money arising from fraud, error, misrepresentation, unanticipated market changes, conflicts of interest or imprudent actions.

3. All securities held for ABCWUA's portfolio will be held in the name of ABCWUA with a third party custodian, free and clear of any lien.

4. The fiscal agent and custodial banks responsible for, or in any manner involved with, the safekeeping and custody process on behalf of ABCWUA shall be bonded to protect from losses, malfeasance and misfeasance.

### **E. Ethics and Conflicts of Interest:**

1. The ABCWUA CFO shall adopt and implement an employee code of conduct policy, a campaign contributions policy, and a whistle blower policy applicable to the public officers and employees subject to ABCWUA policies and supervision. These policies shall be included in this investment policy as appendices. These policies may be updated according to the policies and procedures of ABCWUA. Any changes or updates implemented by the CFO shall be reported to the governing body at its next regularly scheduled meeting.

2. The CFO and employees involved in the investment process, in addition to complying with the applicable policies listed above and statutes, shall refrain from personal business activity that may impair their ability to make impartial investment decisions, or otherwise conflict with the selection of broker/dealers or investment advisors for best execution of the investment policy.

3. All broker/dealers and other securities professionals working with ABCWUA shall become familiar with and comply with all policies of the office and state laws including, but not limited to the following statutes, as they may be amended from time to time: the Campaign Reporting Act, §§ 1-19-25 NMSA 1978 *et seq.*; the Governmental Conduct Act, §§ 10-16-1 NMSA 1978 *et seq.*; and the Procurement Code, §§ 13-1-28 NMSA 1978 *et seq.* Any contract professionals working with ABCWUA should acknowledge in writing that they have read and understand this policy and all governing rules and statutes.

### **F. Investments Permitted by Policy:**

1. The scope of investment authority of the investment manager is defined by the applicable investment statutes and constitutional provisions, principally Sections 6-10-10, 6-10-10.1, 6-10-36, 6-10-44 and 6-14-10.1, NMSA 1978, as well as Article VIII, Section 4 of the New Mexico Constitution, specifying particular types of investments that may be made by the investment manager, which establish certain prerequisites, limitations and other requirements relating to those investments. Moreover, the ABCWUA CFO and/or board, in its discretion, may further limit or restrict those investments.

2. The ABCWUA CFO and its governing body have determined that only the following statutorily authorized investments may be made and these investments shall be subject to further limitations or restrictions as follows:

**a. United States Government Obligations:** Securities backed by the full faith and credit of the U.S. Government including direct obligations of the U.S. Treasury, such as US treasury notes and bills and "Ginnie Mae" mortgage-backed certificates issued by the Government National Mortgage Association. Investments shall be limited to a maximum maturity of five (5) years at time of purchase.

**b. United States Government Agency Obligations:** Securities issued or guaranteed by U.S. Government agencies, instrumentalities or sponsored enterprises, but which are not backed by the full faith and credit of the U.S. Government. These



## **Albuquerque Bernalillo County Water Utility Authority Investment Policy**

securities include Federal Farm Credit Bank "FFCB", Federal Home Loan Bank "FHLB", Federal Home Loan Mortgage Association "FHLMC" and Federal National Mortgage Association "FNMA" and other names that qualify as instrumentalities of the U.S. government. . Additionally, mortgage-backed certificates, and debentures issued by "Freddie Mac" (Federal Home Loan Mortgage Corporation) and "Fannie Mae" (Federal National Mortgage Association) are allowable. Investments in US Government Agency Obligations shall be limited to a maximum maturity of five (5) years at time of purchase.

**c. Repurchase Agreements:** Contracts for the present purchase and resale at a specified time in the future of specific securities at specified prices at a price differential representing the interest income to be earned by ABCWUA.

**i.** The contract at the time of purchase shall be fully secured by obligations of the United States, or its agencies or instrumentalities, or other securities backed by the United States having a market value of at least one hundred two percent (102%) of the amount of the contract.

**ii.** Section 6-10-10 (J) limits repurchase agreements (other than bond proceeds) to a maximum maturity of one (1) year with no exception or other provision for repurchase agreements that are VRNs, but flexible repurchase agreements shall be restricted to bond proceeds (with a maximum maturity of three (3) years). Providers of repurchase agreements and flexible repurchase agreements shall have an investment grade rating.

**iii.** Subject to the prior approval of the governing body with respect to the custodial undertaking agreement, tri-party repurchase agreements are proper investments under this policy.

**iv.** The investment manager will enter into repurchase agreements only with approved primary reporting dealers, banks and other financial institutions having a net worth in excess of \$500 million.

Preference will be given to a provider that is rated in one of the top two rating categories by all national rating agencies, without regard to qualifier, numerical or otherwise.

**d. Bank, Savings and Loan Association or Credit Union Deposits:** Deposits are allowed in certified and designated New Mexico financial institutions, per the requirement in the New Mexico Constitution Article VIII, Section 4, whose deposits are insured by an agency of the United States. All deposits will comply with state statute and policies of the governing body related to interest rate and collateral requirements. CD deposits shall not be made with custodial banks. Deposits shall be limited to a maximum maturity of three (3) years. A deposit in any credit union shall be limited to the amount insured by an agency of the United States.

**e. Municipal Securities:** Pursuant to 6-10-10.F(1), the investment manager may also invest in municipal securities that at time of purchase are investment grade and have a final maturity of up to three years. Bonds or negotiable securities of the State of New Mexico or of any county, municipality, or school district within the state which has a taxable valuation of real property for the last preceding year of at least one million dollars (\$1,000,000.00) and which has neither defaulted in the payment of any interest or sinking fund obligation, nor failed to meet any bonds at maturity at any time within five (5) years last preceding. If the rating declines below investment grade the investment manager shall notify the members of the investment committee in writing within one business day. The committee will recommend an appropriate course of action at its next regular meeting or may elect to meet sooner to determine a course of action.

**f. Government Money Market Mutual Funds:**  
Shares of an open-ended diversified investment company that:

**Albuquerque Bernalillo County Water Utility Authority**  
**Investment Policy**

- i. is registered with the United States Securities and Exchange Commission;
- ii. complies with the diversification, quality and maturity requirements of Rule 2a-7, or any successor rule, of the United States Securities and Exchange Commission applicable to money market mutual funds; assesses no fees pursuant to Rule 12b-1, or any successor rule, of the United States Securities and Exchange Commission, no sales load on the purchase of shares and no contingent deferred sales charge or other similar charges, however designated. ABCWUA shall not, at any time, own more than five (5) percent of a government money market mutual fund's assets;
- iii. is invested only in United States Government and Agency Obligations and repurchase agreements secured by such obligations;
- iv. has assets under management of at least one billion dollars (\$1,000,000,000);
- v. the investments made by ABCWUA are less than five percent (5%) of the assets of the fund; and
- vi. is rated AAA or equivalent by a nationally recognized rating agency.

**g. Local Government Investment Pool:** As permitted by section 6-10-10.1 NMSA 1978, funds may be invested in the Local Government Investment Pool (LGIP) managed by the NM State Treasurer.

**G. Diversification:** It is the policy of ABCWUA to diversify the investment portfolios. Investments shall be diversified to reduce the risk of loss resulting from an over concentration of assets in a specific maturity, a specific issuer or a specific class of securities. The following diversification limitations, at the time of purchase, shall apply to each portfolio:

- 1. Investment maturities will be laddered to avoid undue concentration of assets in a specific maturity sector and to meet cash flow requirements.**
- 2. Investment in callable debentures is permitted, but the amount invested in callable instruments should not exceed twenty-five percent (25%) of the total amount invested of each portfolio.**
- 3. The maximum level of deposits any single financial institution, with preference to local financial institutions, will as a percentage of the investment portfolio not exceed an amount set by the investment committee. CD deposits may only be made in NM financial institutions per the requirement in the New Mexico Constitution Article VIII, Section 4.**
- 4. Investments in United States agency obligations issued by any single agency shall be limited to thirty-five percent (35%) of a portfolio. US Agency mortgage securities will be limited to twenty five percent (25%) of the portfolio.**
- 5. Investments in repurchase agreements from any single provider shall be limited to twenty-five percent (25%) of a portfolio.**
- 6. Municipal securities will be limited to fifteen percent (15%) of the portfolio. Securities issued by a single municipal entity shall be limited to five percent (5%) of a portfolio.**

**H. Risk:** ABCWUA recognizes that any portfolio of marketable investment securities is subject to interest-rate risk. To limit the possibility of loss of principal due to interest rate fluctuations, the investment manager will make reasonable efforts to match investments with anticipated cash requirements. The CFO/investment manager or designee shall give particular emphasis to the following factors when selecting a specific security for inclusion in the portfolio:

## **Albuquerque Bernalillo County Water Utility Authority Investment Policy**

**1. Relative Yield to Maturity:** Comparison of return available from alternative investments for comparable maturity dates.

**2. Marketability:** Analysis of relative marketability of alternate investments in case of forced sale or possibility of future trades.

**3. Intermarket Yield Analysis:** Analysis of the spread relationship between sectors of the market, i.e. treasury bonds or bills versus agency bonds or discount notes, to take advantage of aberrations in yield differentials.

**4. Yield Curve Analysis:** Analysis of the slope of the yield curve to determine the most attractive maturities for earning maximum return with minimal risk.

**5. General Economic and Interest Rate Outlook:** Review and analysis of current literature on interest rate projections to assist in timing transactions and selecting appropriate maturities.

**I. Anticipated Cash Flow Requirements:** The CFO will project the short-term and long-term cash needs to determine the amount available for short-term and long-term investment and report this information to the investment committee and governing body quarterly or at an interval deemed necessary by the investment committee.

**J. Safekeeping and Custody:**

**1.** All investment securities purchased by ABCWUA, held as collateral on repurchase agreements or held as collateral on securities lending arrangements shall be held in third-party safekeeping at a fiduciary qualified to act in this capacity. All securities held for ABCWUA's portfolios will be held free and clear of any lien and all transactions will be conducted in compliance with Section 6-10-10(O) NMSA 1978, which requires contemporaneous transfer and same day settlement. On a monthly basis, the custodian will provide reports, which list all transactions that occurred during the month and all securities held for ABCWUA at month-end including the book and market value of holdings.

**2.** Any bank that is in any manner involved with, the safekeeping and custody process of ABCWUA shall be bonded in amounts required by the governing body under its custody agreement to protect from losses, from malfeasance and misfeasance.

**K. Collateral Policy:**

Deposits shall be collateralized at 102%. Such collateral shall be held by an independent third party financial institution acceptable to the ABCWUA. Securities eligible as collateral are those defined under State Law (6-10-16 NMSA 1978). Collateral shall be held in a custodial bank per 6-10-21, NMSA 1978 and shall be assigned to ABCWUA per 6-10-18, NMSA 1978.

Securities accepted as collateral may be subject to additional restrictions as specified by the investment committee.

**L. Selection of Investment Advisors, Consultants/Managers:** ABCWUA may use an investment advisor, consultant and/or manager for the investment of securities in accordance with the following rules:

**1.** The firm or individual shall be selected in accordance with ABCWUA's procurement code;

**2.** The firm and individual shall be registered under the Investment Adviser Act of 1940;

**3.** Prior to execution and prior to any renewal of each and every contract, the CFO must obtain approval by the governing body. Approval of a contract requires that the investment advisor, consultant and/or manager must provide in writing to ABCWUA:

## **Albuquerque Bernalillo County Water Utility Authority Investment Policy**

4. The investment advisor, consultant or manager shall report, in writing, to the investment committee at all regularly scheduled investment committee meetings. The report shall (i) establish performance benchmarks for ABCWUA's portfolios, and (ii) review recommended investments, portfolio strategies and/or performance against established benchmarks. The report shall be included in the investment manager's next monthly report. Performance benchmarks established by the investment manager or the investment advisor, consultant and/or manager must be approved by the investment committee.

**M. Performance Benchmarks:** The investment portfolio shall be designed and managed with the objective of obtaining a market rate of return throughout budgetary and economic cycles, commensurate with the investment risk constraints and cash flow needs of ABCWUA.

1. Short-term funds (liquidity) and funds that must maintain a high degree of liquidity will be compared to an appropriate short-term.

2. Medium term investment and other funds (core) that have longer terms shall be compared to indices of similar duration.

**N. Selection of Depositories:** When selecting depositories, consideration will be given to minimizing risk, protecting investment capital and obtaining the best purchase or sale price. The following guidelines will be used in selecting depositories.

1. Depositories: In selecting financial institutions for the deposit of ABCWUA funds, the CFO will consider the credit worthiness of the institutions.

a. The CFO through his/her collateral compliance and risk assessment program will monitor the financial institutions' credit characteristics and financial history throughout the period in which ABCWUA funds are deposited.

b. Each depository will be required at all times to collateralize ABCWUA deposits at the level required by the collateral policy (see section III.K of this policy) and the depository agreement adopted by the governing body.

**O. Reporting Requirements:** ABCWUA shall prepare and submit to the governing body an "investment committee report".

1. The Report shall summarize the following:

a. a listing of the portfolio in terms of investment securities, balances, maturities, return and other features deemed relevant;

b. the book and market value of all holdings;

c. a report of primary issues purchased and report of secondary issues purchased or sold;

d. a report of all commissions paid in dollars on repurchase agreements and on each transaction where the commission is disclosed;

e. for each approved portfolio, returns on a monthly, quarterly, fiscal year-to-date and three-year basis versus approved benchmarks;

f. the total investment earnings by fund for the reporting period;

g. report of holdings of variable rate and structured notes;

h. the investment strategies employed during the period;

i. a summary of recent market conditions, economic developments and anticipated investment conditions;

**Albuquerque Bernalillo County Water Utility Authority  
Investment Policy**

j. any areas of policy concern warranting possible revisions of current or planned investment policies;

k. a projection of the ABCWUA's short-term and long-term cash needs;

l. all transactions where there were fewer than three bids or offers;

m. all sale transactions resulting in a book loss;

n. all transaction errors;

o. any trades between portfolios; and

p. all changed allocations.

**VII. APPROVAL:**

**ABCWUA Board** \_\_\_\_\_ **ABCWUA**

\_\_\_\_\_  
Secretary \_\_\_\_\_ Chief Financial Officer \_\_\_\_\_

| Date: \_\_\_\_\_ Date: \_\_\_\_\_

**History:**

Previously issued+]

# Cost-of –Service Rate Revenue Adjustment for FY15

**Albuquerque Bernalillo County  
Water Utility Authority**

**ABCWUA Board of Directors**

**April 23, 2014**



Albuquerque Bernalillo County  
Water Utility Authority



# Overview of Presentation

- Purpose of Rate Revenue Adjustment
- Rate Study Process
- Review of Cost of Service (COS)
- Proposed Revenue Requirement Adjustment
- Typical Bill Comparisons
- Low Income Credit Program
- Recommendation

# Purpose of the FY15 Rate Revenue Adjustment

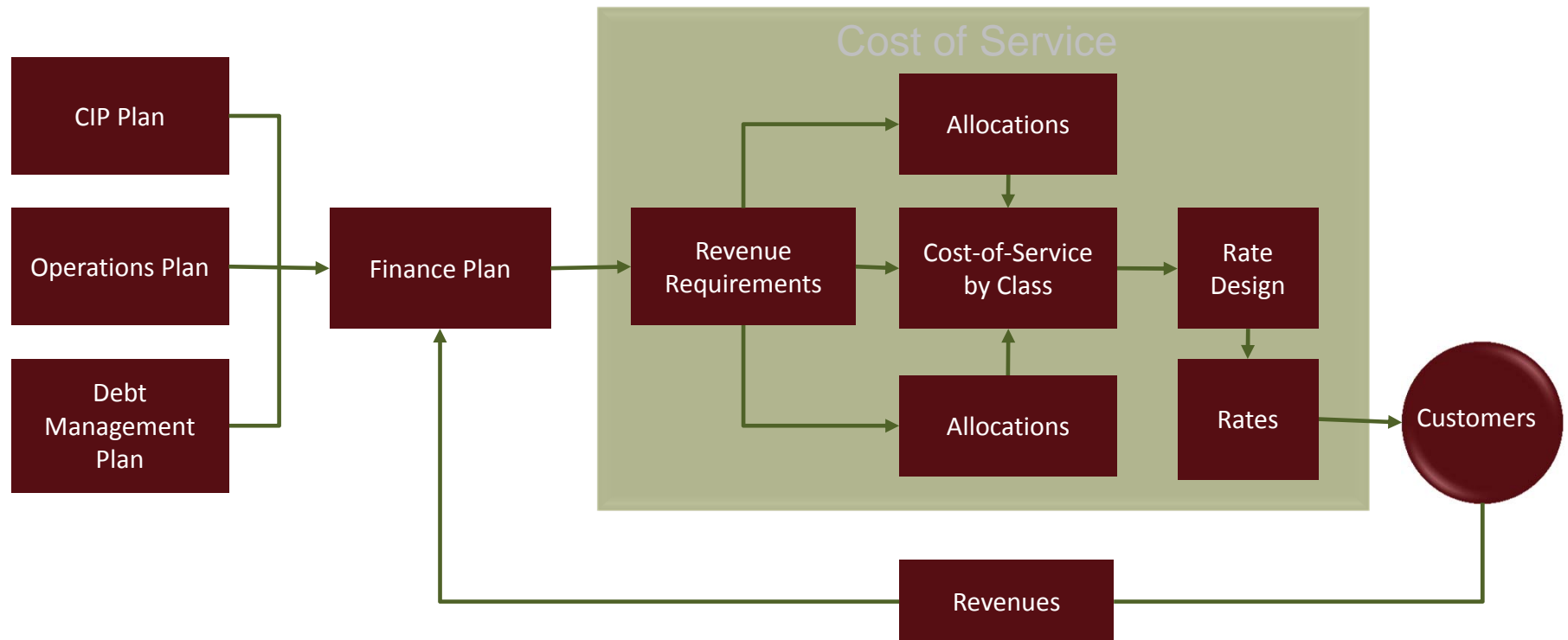
- Recover FY15 revenue requirements
  - Need for infrastructure investment
  - Asset management plan
  - Maintain rate equity



# Rate Study Process

- Data review
- Cost-of-service models updated
- Scenario analysis
- Staff recommendations

# Overview of Cost-of-service Rates



# Summary of COS

- Users pay their proportionate cost of the system
- Rate equity can be achieved by cost allocation and rate design
- Rates are based on standard approaches within the industry
- Legally and fiscally required by bond covenants
- Service charges based on adopted policy to collect revenues to pay debt service

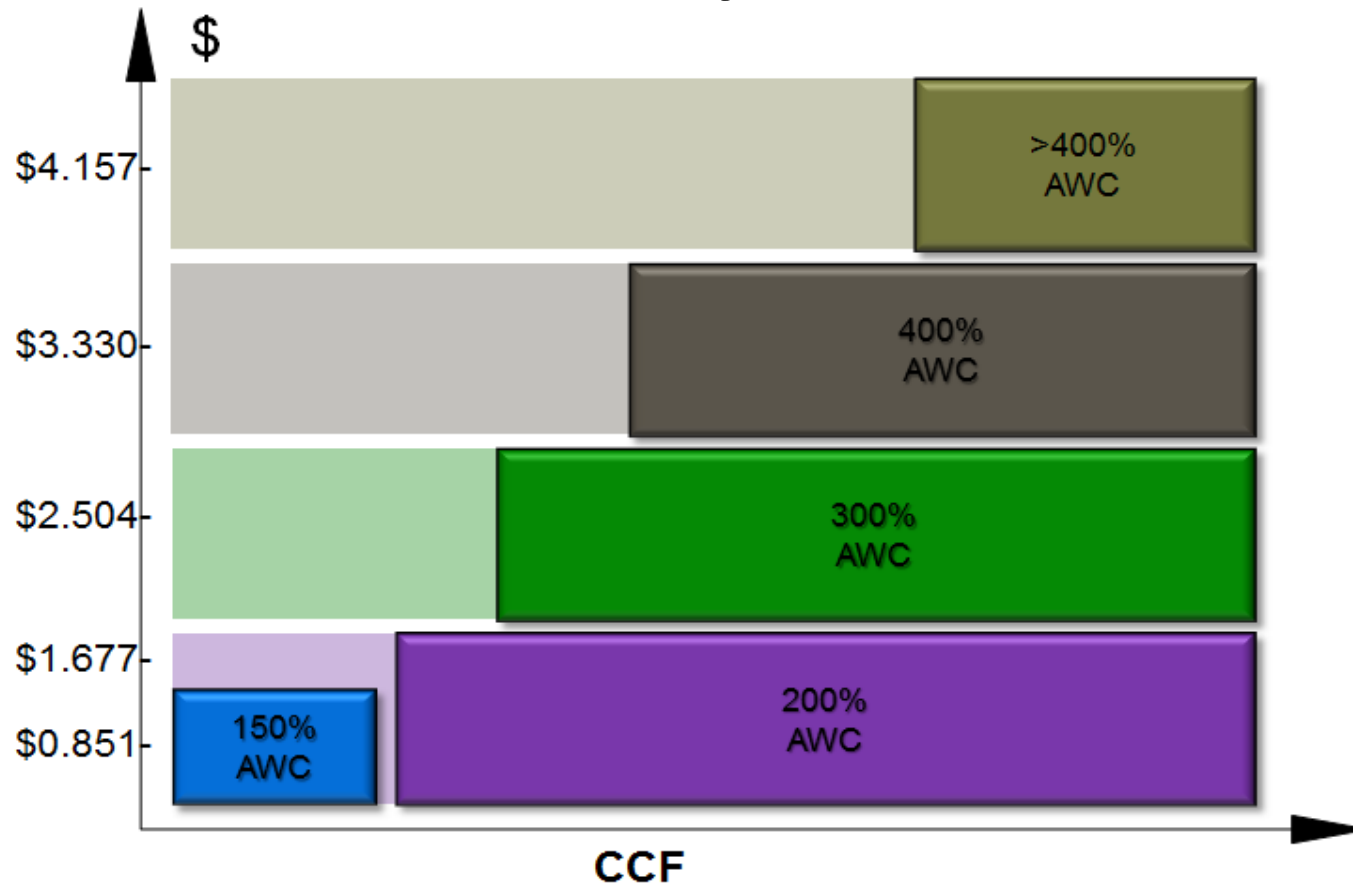
# Water and Wastewater Service Charges- Residential 5/8" Meter

Item	Existing FY2014	Proposed FY 2015
Water	\$8.63	\$9.92
Strategy Implementation	\$3.95	\$4.51
Sewer	\$8.25	\$9.12
<b>Total</b>	<b>\$20.83</b>	<b>\$23.55</b>

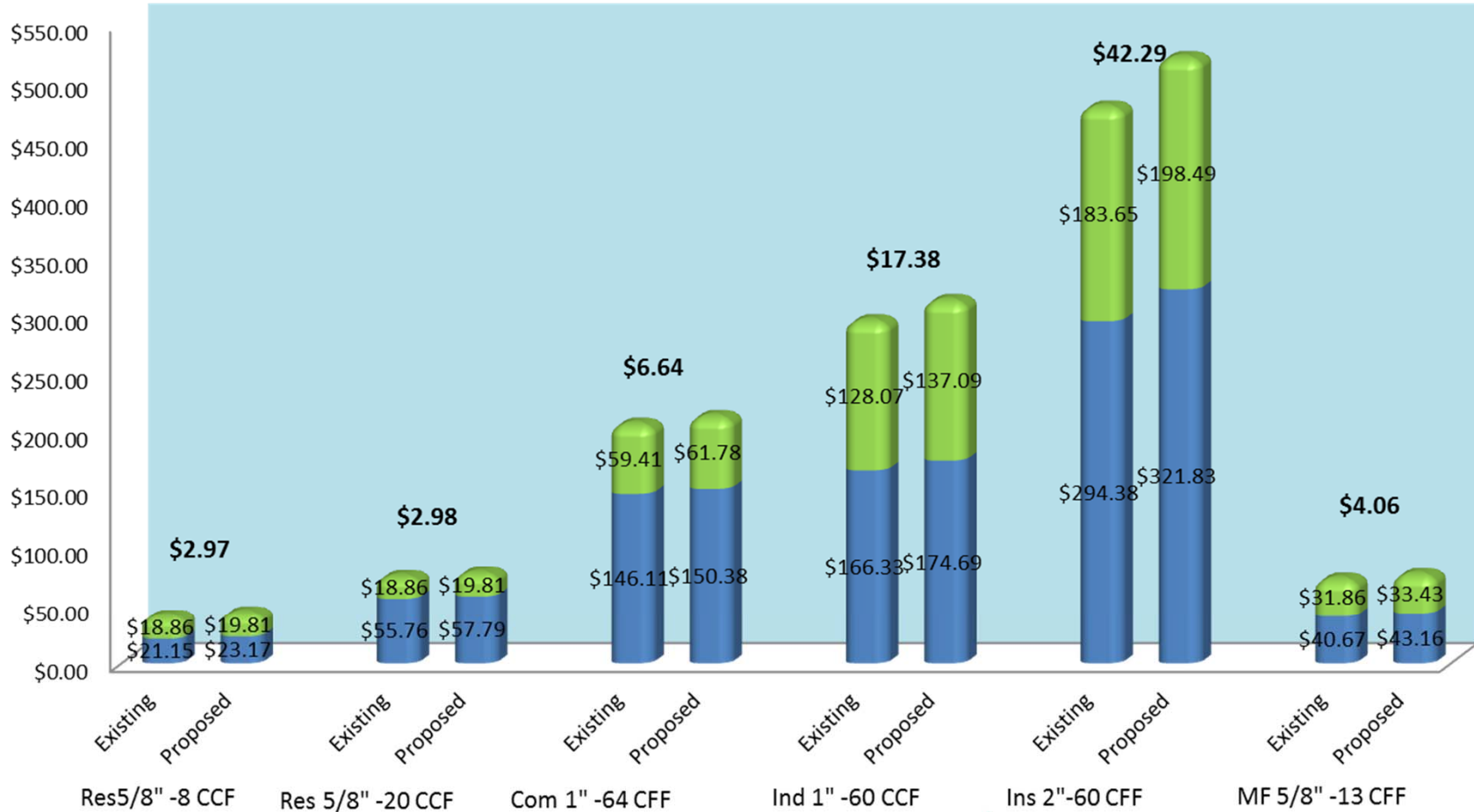
# Residential 5/8" Meter

Item	Service Charges	Base Charge (\$/CCF)	WRMP	Sustainable Water Supply Program	State Water Conservation Fee	Total Commodity Charge
Water	\$9.92	\$1.093	\$0.116	\$0.444	\$0.024	<b>\$1.677</b>
Strategy Implementation	\$4.51					
Sewer	\$9.12	\$1.304				<b>\$1.304</b>

# Water Commodity Rates – FY14/15



# Average Bill Comparison by Class



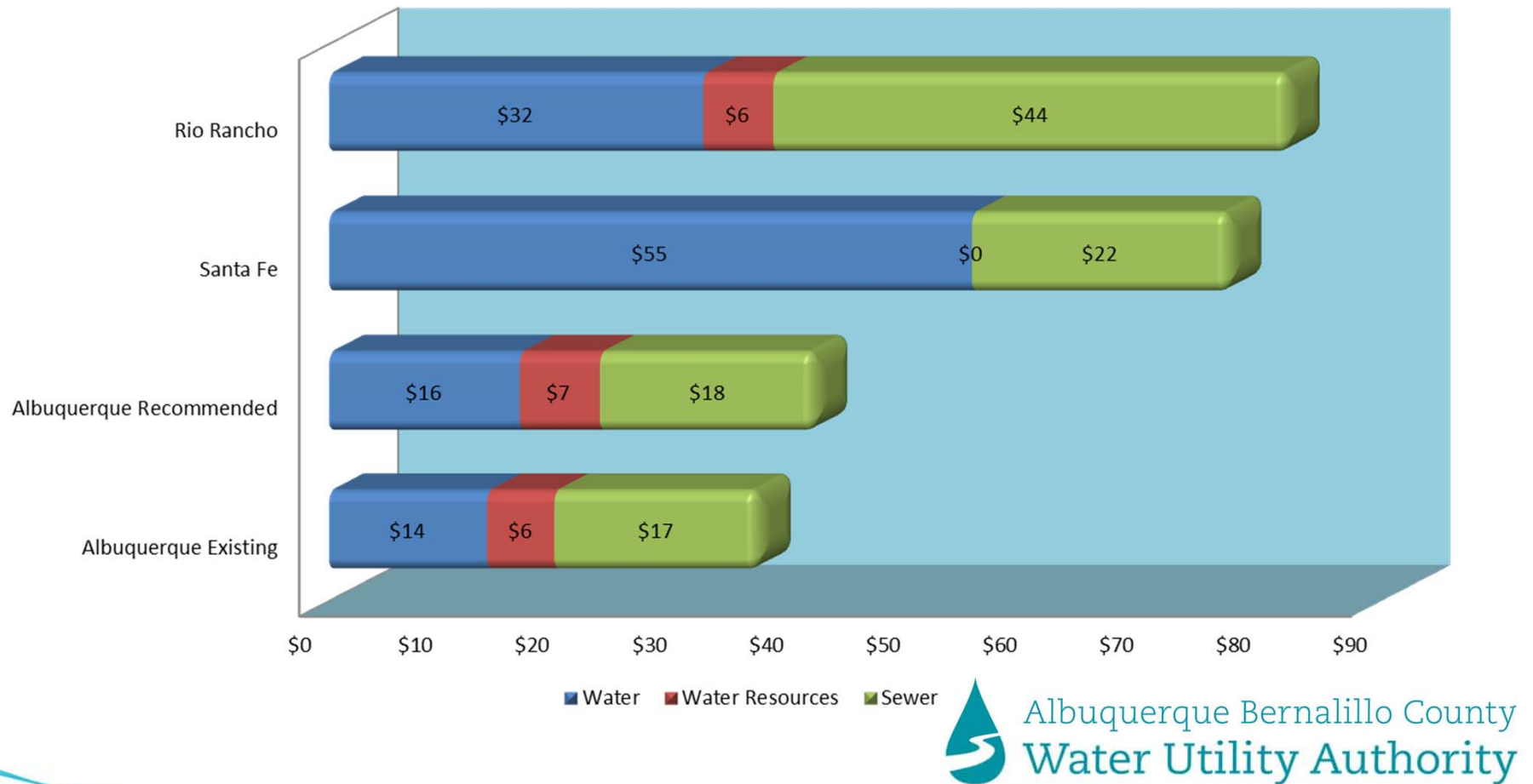
■ water ■ wastewater



Albuquerque Bernalillo County  
Water Utility Authority

# Bill Comparison – Local Low Use

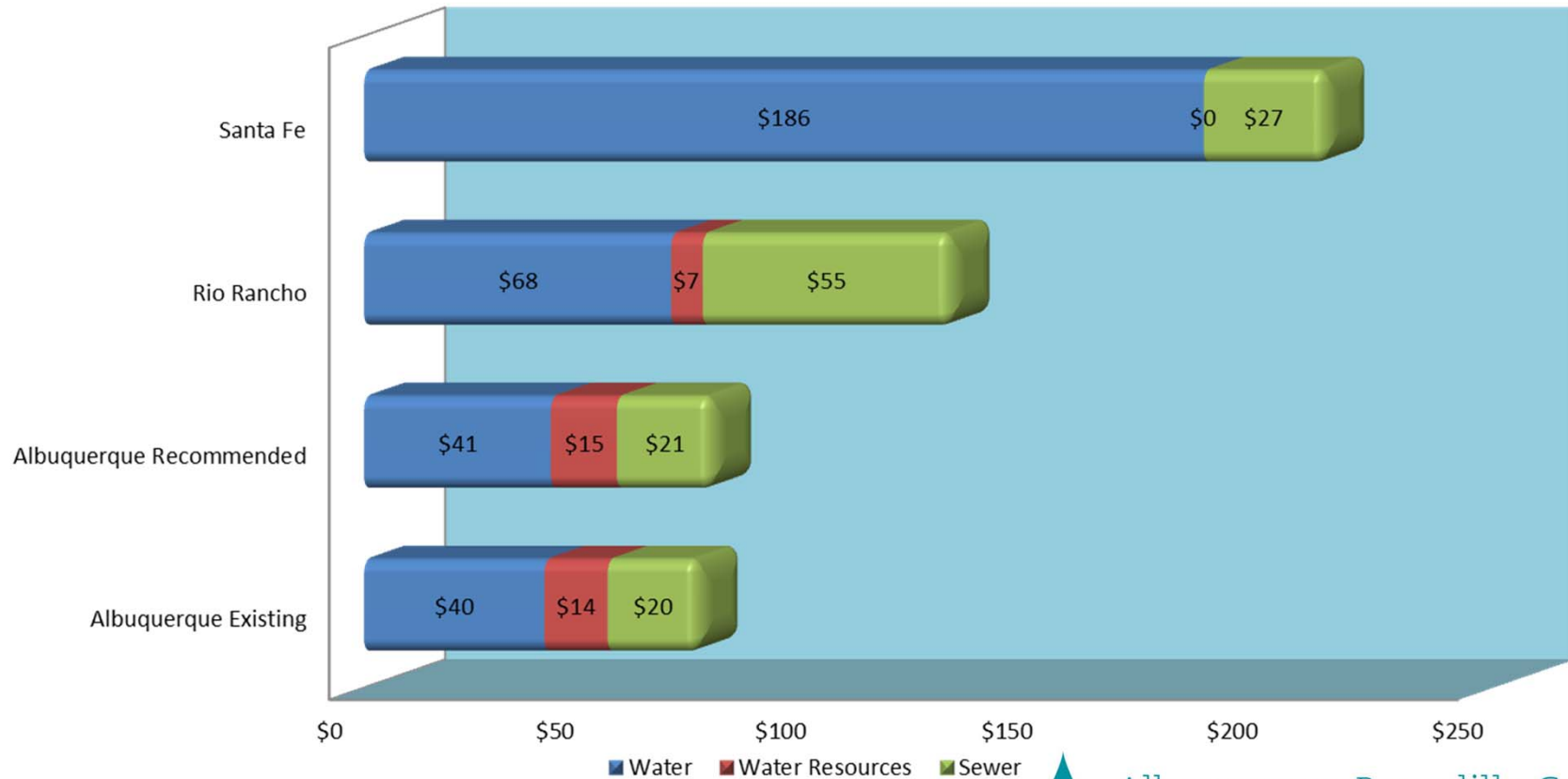
Total Single Family Residential Bill, 8CCF (6CCF AWC)





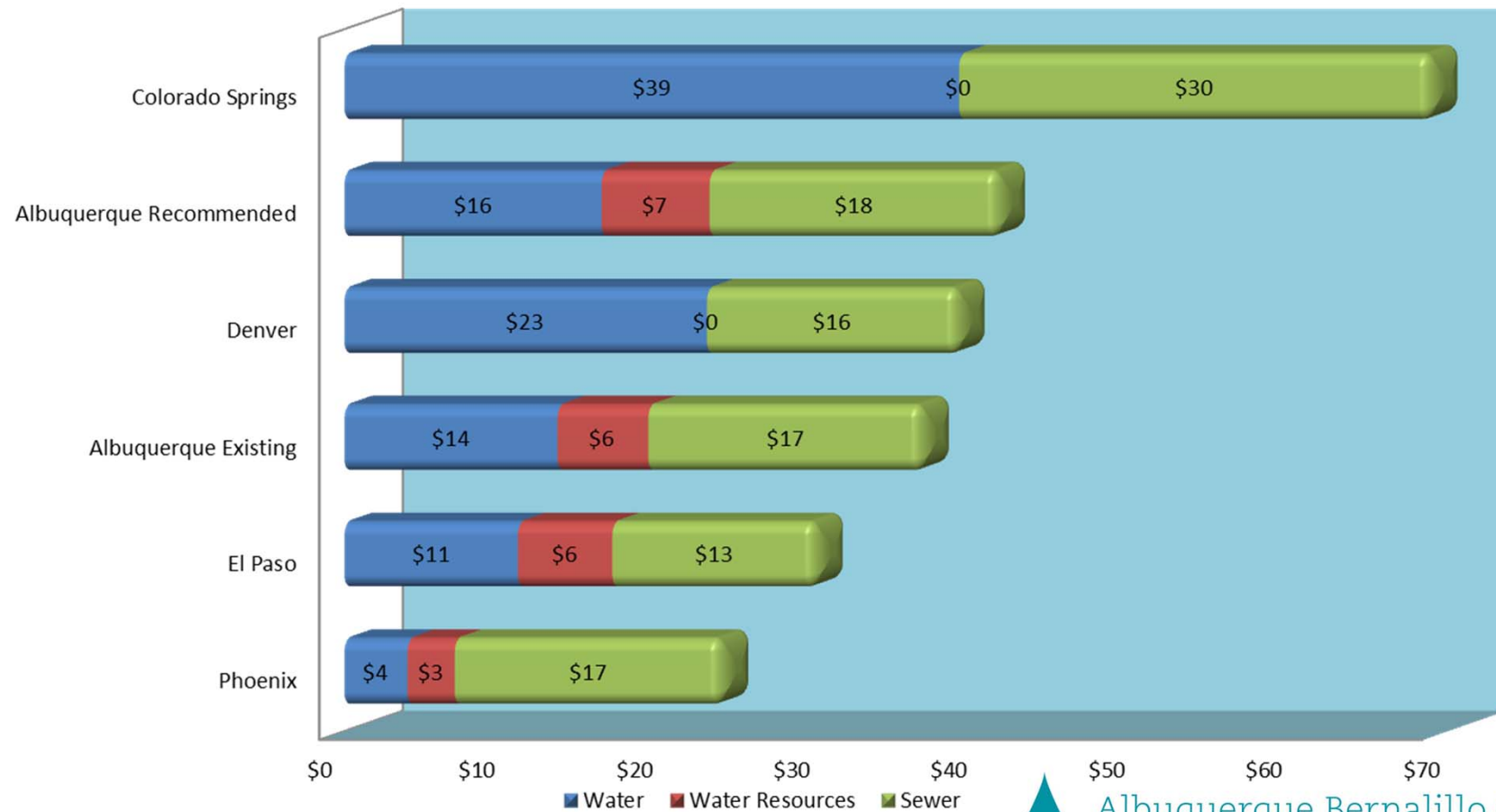
# Bill Comparison – Local High Use

Total Single Family Residential Bill 20 CCF (8 CCF AWC)



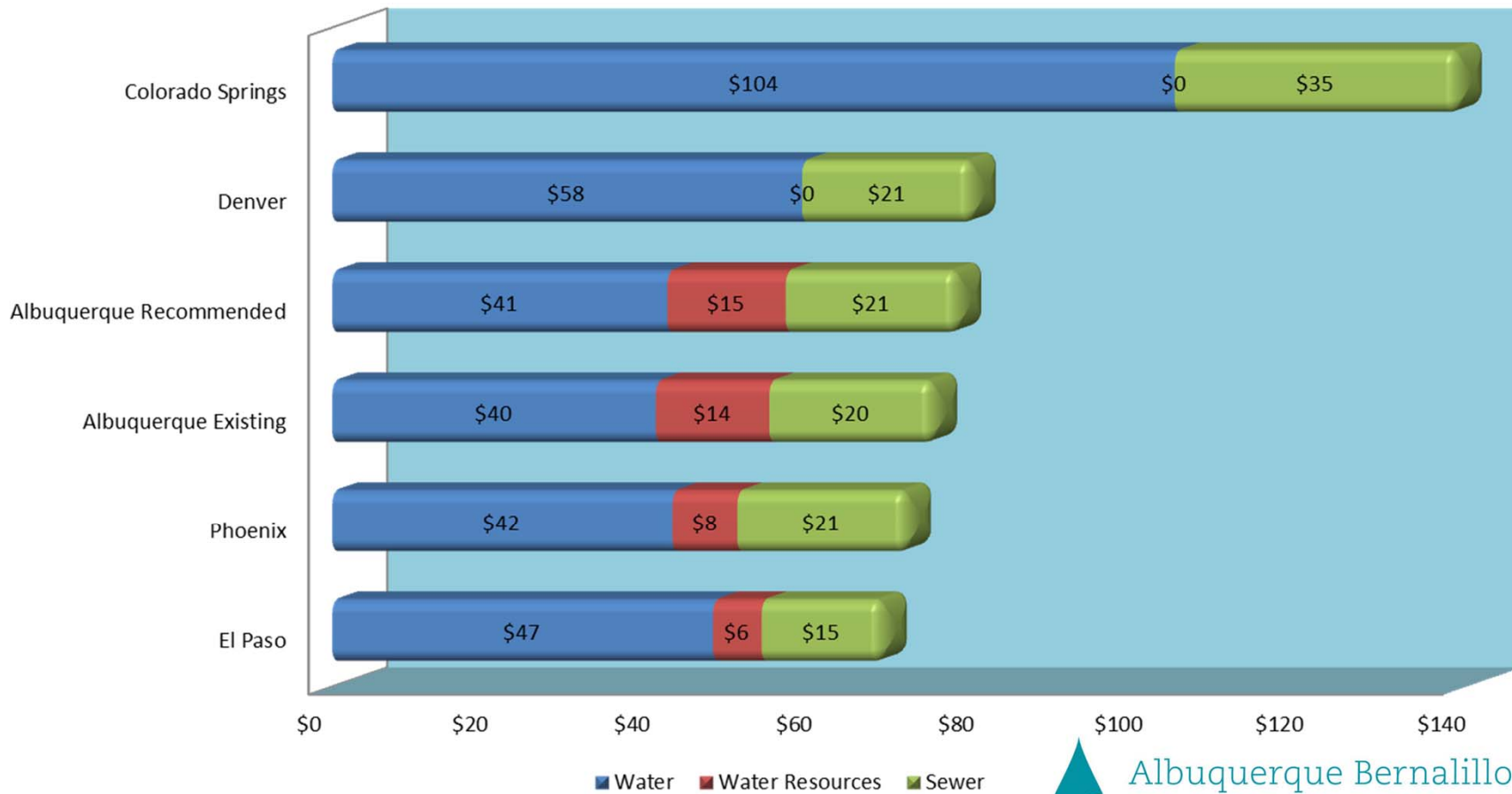
# Bill Comparison – Regional Low Use

Total Single Family Residential Bill, 8CCF (6CCF)



# Bill Comparison – Regional High Use

Total Single Family Residential Bill, 20 CCF (8CCF AWC)



# Low Income Credit Program

- What is it?
  - Provides a credit on the current bill of
    - \$10.31 for water
    - \$9.62 for wastewater
    - \$2.00 for solid waste
- \$21.93 for qualifying low income residents
- Renew once a year, credit is applied monthly

# Low Income Credit Program Qualification

- Resident/applicant must be the owner of record as per Bernco.gov (tenants are not eligible for L.I.C.)
- Property must be a single family residence (multi-family is not eligible)
- Must be current on water bill
- Must meet the current federal poverty guidelines

# Low Income Credit Program Application

- The Storehouse
  - 106 Broadway SE Albuquerque, NM
  - 505-842-6491
  - Monday thru Friday 9:00 to 12:00 and 1:00 to 3:00
- Bill insert announcement May 2014

# Recommendation

- Staff supports a rate revenue adjustment
  - Increase the fixed service charges to meet the 5% rate revenue requirement
  - No increase to commodity rate
  - Adjust Utility Expansion Charges and Water Supply Charge by 2.4% based upon the April 1, 2014 ENR Building and Construction Cost Indexes

# Questions?



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Meeting Date: April 23, 2014  
Staff Contact: Stan Allred, Chief Financial Officer

**TITLE: R-14-8 - Appropriating Funds for Operating the Albuquerque Bernalillo County Water Utility Authority for Fiscal Year Beginning July 1, 2014 and Ending June 30, 2015**

**ACTION: First Reading – April 23, 2014; Final Action – May 21, 2014**

**SUMMARY:**

This legislation is the Water Authority's proposed budget appropriation for Fiscal Year 2015 beginning July 1, 2014. The FY/15 budget was developed utilizing the Water Authority's Five-Year Goals, One-Year Objectives, Performance Plan and the Guiding Principles in determining the costs needed to effectively and efficiently run the utility operation.

**FY 2015 HIGHLIGHTS:**

For FY/15 the proposed budget includes a 5% rate revenue adjustment. Looking forward, the Water Authority must continue to spend the \$250 million to upgrade its sewage treatment plant and adding an additional \$36 million per year in Capital Implementation Program (CIP) funding to cover the costs of routine replacement of aging pipes, pumps and other infrastructure as recommended in a recent asset management study commissioned by the Water Authority. The CIP infrastructure renewal budget is planned to increase by \$3-million per year starting in FY/15 to get CIP spending to a \$76 million level adjusted for inflation.

In FY/15, revenues are expected to be \$9.1 million over proposed expenditures. The Water Authority will use the majority of the excess revenue to bring the Working Capital or Fund Balance to \$10.9 million at June 30, 2015. By Ordinance, the Water Authority will be required to increase its Fund Balance to 1/12 of the annual budgeted expenditures by FY/15.

In FY/14, the Water Authority implemented the SunGard Enterprise Resource Planning (ERP) system. This project implemented a full range of financial and human capital resources modules. In FY/14 Phase 1 was completed and the project went live on July 1, 2013. The Water Authority's first payroll run was in June of 2013. Phase 1 included all the Financial Modules, Payroll and the HR functions as they relate to Payroll. Phase 2 began on July 1, 2013 and is anticipated to be completed on April 28, 2014. This Phase will implement the remaining HR modules to include items such as Employee Self Service. Other SunGard modules will become available during FY/14 and the Water Authority will develop work plans to implement those modules.

The proposed budget also includes nonrecurring funding for an employee incentive program. This program will reward employees for a decrease in work related losses. Funding for this program is contingent on the Water Authority generating the same or a greater amount in savings. This incentive program has been an effective tool in the reduction of the Water Authority's Workers Compensation expense in half over the past two fiscal years.

The San Juan-Chama Drinking Water Project (DWP) is expected to increase surface water treatment to provide 60% of water supplied to the service area, but this may change as we enter the fifth year of drought in the Middle Rio Grande. With the pending drought, the Water Authority provided a loan of 20,000 acre-feet to the Middle Rio Grande Conservancy District along with providing supplemental water for the Bureau of Reclamation. The goal is to sustain endangered species and partner with other water entities during this irrigation season. It is anticipated that the Water Authority will still have more than three years of water available at the end of calendar year 2014.

The design of the full-scale pilot Aquifer Storage and Recovery (ASR) program will be continuing in FY/15 with permitting, design and construction to attempt to ultimately store more than 50,000 acre-feet into the aquifer at the Large Scale project at the water treatment plant site along with the Webster Well. This project will allow for storage during winter months that could be used in a single year or through a series of years assist in providing a drought management account for the rate payers.

The Plant Division began a major renovation of the Southside Water Reclamation Plant (SWRP) in FY/10 called the Reclamation Rehabilitation and Asset Management Plan (RRAMP). The RRAMP is a multi-year program to renew the treatment processes at the plant. Construction began on the Preliminary Treatment Facility (PTF) in late 2013 and will continue until summer 2015. Engineering evaluation of alternatives for the Solids Dewatering facility continue including replacing the facility with a new facility or rehabilitation of the existing facility. Construction improvements to the blower complex, aeration basins and systems, digester mixers and electrical systems are underway and will continue in 2014 the funding for the RRAMP improvements will be provided through the Water Authorities Capital Improvement Program (CIP).

The Information Technology Division (ITD) will continue to push mobile technologies to field and operations staff to become more efficient. This includes Maximo, SharePoint and mobile Kronos/Timekeeping. ITD will also begin preparations for the upgrade of Water Authority Enterprise applications including Maximo, SunGard, and Customer Care & Billing (CC&B).

ITD will continue its' separation from the City of Albuquerque's network. This includes beginning conversion to Voice over Internet Protocol (VOIP) for phones, and the replacement of all network infrastructures to be owned and managed by the Water Authority. ITD will also begin the consolidation and standardization of file storage and shared drives, resulting in lowering maintenance costs and standardization.

Construction of the Southside Municipal Effluent Polishing and Reclamation project was completed in April, 2013. Connections to the individual users commenced during the Spring of 2013 and will continue until all of the users have connected. Full operations began during irrigation season 2013 and continue in irrigation season 2014. The project will eventually provide up to 2,500 acre-feet of non-potable water to more than 40 large turf sites in the southeast heights and south valley of Albuquerque including Isotopes Baseball Park, UNM Championship and Puerto del Sol Golf Courses, Bullhead and Vietnam Veterans park and Mesa del Sol.

In FY/15, the Water Authority continues with the implementation of Phase 3 of its Automated Meter Infrastructure (AMI) project for small residential meters (less than 4"). The Water Authority now has over 55,000 meters on the AMI technology. In FY/15 Phase 3 of the AMI implementation is expected to be completed, which will include all City of Albuquerque accounts, so the City of Albuquerque can be billed on a composite bill. The Customer Care and Billing (CC&B) Web Self Service with a single logon interface for customers will be completed in FY/15 and will allow for the increase in the market penetration of paperless billing in FY/15, and the AMI project will provide access of monthly, daily and hourly water usage to customers.

Also included in the FY/15 proposed budget is the addition of \$2 million to the Rate Reserve Fund.

**FISCAL IMPACT:**

This appropriation consists of the Water Authority Operating Fund which totals \$196,813,000 and the Water Authority's Debt Service Fund which totals \$80,161,000.

**COMMENTS:**

The FY/15 budget includes a 5% rate revenue adjustment.

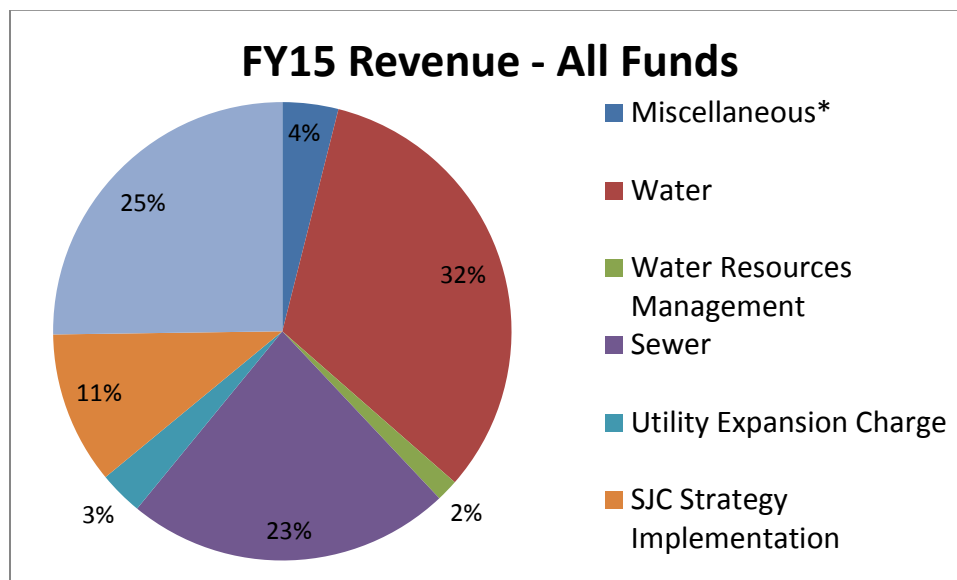
For FY/15, General Operating Fund revenue is projected to be \$207.9 million with proposed expenditures of \$196.8 million. Revenues are expected to be \$9.1 million over proposed expenditures taking into account funding the rate reserve fund at \$2,000,000. This amount will bring the Working Capital or Fund Balance to \$10.9 million at June 30, 2015. By Ordinance, the Water Authority will be required to increase its Fund Balance to 1/12 of the annual budgeted expenditures by FY/15.

**Revenues**

The following is a revenue comparison of the FY/13 Unaudited, FY/14 Approved and the FY/15 Proposed budgets:

ACCOUNT NAME	UNAUDITED FY13	BUDGET FY14	BUDGET FY15	DIFFERENCE FY15-FY14
Interest	(2,000)	750,000	10,000	(740,000)
Miscellaneous	6,255,000	1,550,000	1,463,000	(87,000)
Water	84,973,000	95,415,000	94,277,000	(1,138,000)
Water Resources Management	4,594,000	4,500,000	4,500,000	0
Sewer	61,543,000	66,387,000	66,513,000	126,000
CIP Employees	568,000	800,000	800,000	0
Refuse Transfer	1,236,000	1,236,000	1,323,000	87,000
Franchise Fee	6,629,000	7,836,000	7,836,000	0
SJC Strategy Implementation	29,161,000	30,000,000	31,200,000	1,200,000
<b>FUND TOTAL</b>	<b>194,957,000</b>	<b>208,474,000</b>	<b>207,922,000</b>	<b>(552,000)</b>

Operating Fund revenue for FY/15 is estimated to be at the same level as the FY/14 approved budget. Revenue in the Debt Service Fund has a \$7.0 million increase due to an increase in the transfer from operating for debt service payments.



\* Consolidated for Reporting Purposes

\* \* Miscellaneous includes Interest, CIP Employees, Refuse Transfers, Franchise Fee

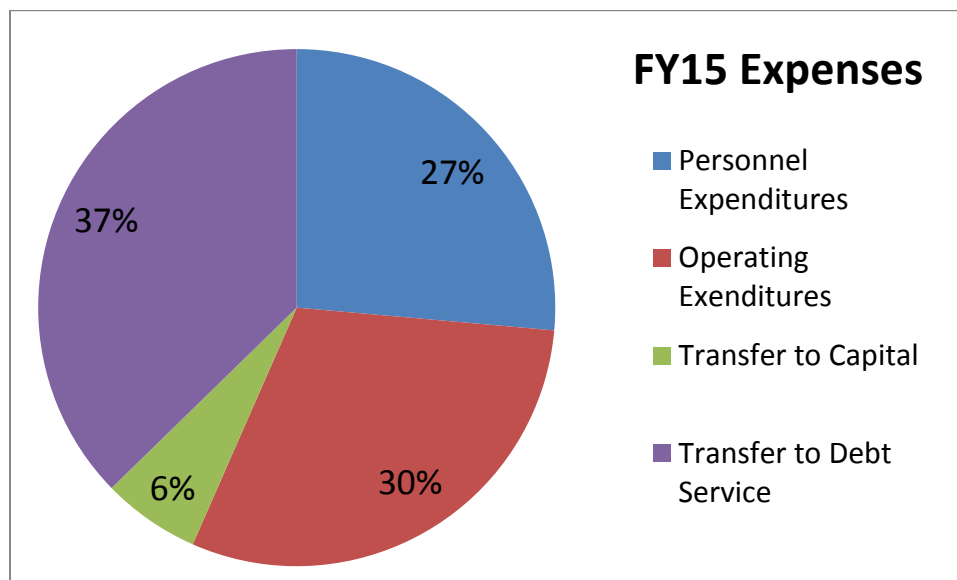
### **Expenditures**

The following is the appropriation comparison of the FY/13 Unaudited Actuals, FY/14 Approved and the FY/15 Proposed budgets:

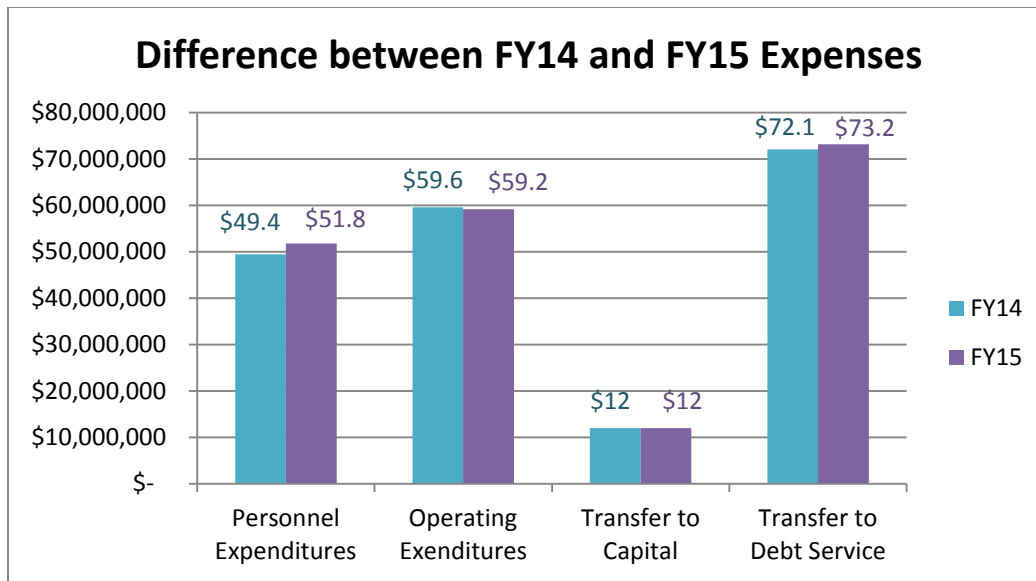
		FY 2013	FY 2014	FY 2015	Difference
<b>A</b>	<b>ACCOUNT DESCRIPTION</b>	<b>ACTUALS</b>	<b>APPROP</b>	<b>REQUEST</b>	<b>FY15-FY14</b>
<b>51</b>	500101 REGULAR WAGES	31,582,291	31,646,741	32,375,643	728,902
	500110 LONGEVITY	477,211	471,350	343,452	(127,898)
	500201 PART TIME	21,966	516,416	480,989	(35,427)
	500301 OVERTIME	2,633,881	1,476,797	1,526,797	50,000
	514400 PERA	5,752,915	5,950,975	6,499,501	548,526
	514800 FICA	2,532,706	2,549,762	2,601,136	51,374
	515600 OTHER EMP BENEFITS	5,438,260	6,191,998	7,334,901	1,142,903
	515700 F/B-RETIREE HEALTH	592,018	626,088	640,224	14,136
	516000 EDUCATIONAL INCENT	36,926	-	-	-
	516200 EMPLOYEE INCENTIVE	105,085	-	-	-
<b>51</b>	<b>PERSONNEL EXPENDITURES Total</b>	<b>49,173,259</b>	<b>49,430,126</b>	<b>51,802,643</b>	<b>2,372,516</b>
<b>52</b>	520500 PROFESSIONAL SERV	882,704	1,199,612	1,204,012	4,400
	521000 OTHER SERVICES	12,419	52,000	18,500	(33,500)
	521500 UTILITIES	135,307	253,000	253,000	-
	521510 ELECTRICITY	10,173,638	9,330,108	9,330,108	-
	521520 GAS UTILITY	1,528,119	1,960,500	1,960,500	-
	521530 REFUSE REMOVAL	140,394	128,000	129,000	1,000
	521540/45 TELEPHONE/NETWORK	628,565	488,932	472,954	(15,978)
	521550 WATER AND SEWER	360,678	163,000	155,000	(8,000)
	522000 SUPPLIES	3,153,543	2,044,965	1,810,548	(234,417)
	522012 CHEMICALS	6,301,080	7,240,972	6,940,972	(300,000)
	522500 TRAVEL	47,722	92,400	79,900	(12,500)
	523000 TRAINING	108,589	201,660	159,660	(42,000)
	523400 DUES/MEMBERSHIPS	222,019	175,492	176,022	530
	523800 REPAIRS AND MAINT	9,888,823	10,976,380	11,275,906	299,526
	523900 VEHICLE MAINT	1,737,548	1,342,948	1,200,586	(142,362)
	523910 RADIO MAINT	36,306	36,306	23,226	(13,080)
	523920 FUELS/LUBE	1,395,903	1,367,579	1,281,792	(85,787)
	524105 WORKERS COMP	754,159	754,159	688,117	(66,042)
	524107 INS TORT & OTHER LIAB	2,618,768	2,609,769	2,543,727	(66,042)
	525200 FRANCHISE FEES	6,629,317	7,951,000	7,836,000	(115,000)
	525210 NM WATER CONS FEES	569,040	1,100,000	700,000	(400,000)
	525300 CUST DEPOSITS	197	-	-	-
	525430 INTEREST	368,343	363,000	332,000	(31,000)

	525800 PRINCIPAL	1,007,322	1,039,000	1,070,000	31,000
	527000 ADMIN SVCS-IDOH	1,809,000	1,550,000	455,882	(1,094,118)
	527500 CONTRACTUAL SVCS	9,643,915	7,168,073	9,112,089	1,944,016
	<b>52 OPERATING EXPENDITURES Total</b>	<b>60,153,420</b>	<b>59,588,855</b>	<b>59,209,501</b>	<b>(379,354)</b>
53	532000 NON-STRUCT IMPROV	-	-	-	-
	532500 AUTOMOBILES	523,337	618,326	618,326	-
	533000 MACH/EQUIP NONAUTO	196,733	55,693	22,000	(33,693)
	533500 OFFICE FURNITURE	-	-	-	-
	<b>53 CAPITAL CHARGES Total</b>	<b>720,070</b>	<b>674,019</b>	<b>640,326</b>	<b>(33,693)</b>
57	581000 BAD DEBT EXPENSE	3,611		-	-
	591621 TRF OTHER FUNDS	8,000,000	12,000,000	12,000,000	-
	595000 INTERFD D/S	66,362,000	72,094,000	73,160,530	1,066,530
	<b>57 INTERNAL SERVICE CHARGES Total</b>	<b>74,365,611</b>	<b>84,094,000</b>	<b>85,160,530</b>	<b>1,066,530</b>
	<b>Grand Total</b>	<b>184,412,360</b>	<b>193,787,000</b>	<b>196,813,000</b>	<b>3,025,999</b>

The proposed operating expenditures contain a net increase of \$12.1 million from FY/13. This includes an increase of \$1.9 million in salaries and benefits, an increase in general operating expenses of \$0.69 million and a increase in internal services charges of \$9.8 million.



\* Consolidated for Reporting Purposes



Personnel expenditures include a 2.5% increase in benefits primarily due to the Affordable Health Care Act as well as a 2% step increase in salaries. Total Personnel Costs have increased by \$2 million as compared to FY/14. Two net new mid-year positions were added in FY/14, and an additional 2.5 new positions are requested per this budget. The Records Manager Position was also deleted as part of this budget. The FY/15 annualized costs of the additional positions are budget neutral by offsetting positions and other operating costs. The positions added are a Risk Manager, a Systems Support Specialist II, a Heavy Equipment Operator, a GPS Coordinator and a half time Treasury Officer. Total general operating costs including cost such as Power, Chemicals, Workers Comp, Tort and other cost in the operations of the utility are close to the same level as FY/14. Capital costs decreased by \$33,600. The internal service charges increased by \$1.0 million which include an increase in the transfer to debt service of \$1.0 million due to the borrowing in the fall of FY/14.

Working Capital will add \$10 million from the surplus of revenue over expenditures in FY/15. This \$10 million will be added to the FY/14 balance of \$1 million. The Working Capital balance at June 30, 2015 is estimated to be \$10.9 million. By Ordinance the Water Authority will be required to increase its Fund Balance to 1/12 of the annual budgeted expenditures by FY/15.

An additional \$2 million is reserved in the rate reserve fund. The Water Authority will also provide deferred UEC collections on up to 50 affordable housing units developed by non-profit housing developers.

The Water Authority's goals and objectives focus on improving the Utility's operations and improving customer conditions. The Budget Ordinance requires the Water Authority's operating budget be consistent with the goals and objectives, and that they be major factors in determining funding for Water Authority programs and improvements in both the operating and capital Implementation budgets. Many of the objectives also reflect policy direction. With the establishment of goals and objectives that have policy

as well as budgetary implications, the Water Authority must actively manage the daily operations of the Utility.



# ALBUQUERQUE BERNALILLO COUNTY WATER UTILITY AUTHORITY

BILL NO. R-14-8

1 **RESOLUTION**

2 **APPROPRIATING FUNDS FOR OPERATING THE ALBUQUERQUE BERNALILLO**  
3 **COUNTY WATER UTILITY AUTHORITY FOR THE FISCAL YEAR BEGINNING JULY**  
4 **1, 2014 AND ENDING JUNE 30, 2015.**

5 WHEREAS, the Albuquerque Bernalillo County Water Utility Authority (Water  
6 Authority) as a political subdivision of the State of New Mexico is required to budget and  
7 account for all money received or spent in accordance with New Mexico laws; and

8 WHEREAS, the Board, by Ordinance, has established a budget process for the  
9 Water Authority; and

10 WHEREAS, the Budget Ordinance requires the Executive Director to formulate  
11 the operating budget for the Water Authority; and

12 WHEREAS, the Budget Ordinance requires the Water Authority Board to  
13 approve or amend and approve the Executive Director's proposed budget; and

14 WHEREAS, the Board has received the budget formulated by the Executive  
15 Director and has deliberated on it and provided public notice and input; and

16 WHEREAS, appropriations for the operation of the Water Authority must be  
17 approved by the Board.

18 BE IT RESOLVED BY THE WATER AUTHORITY:

19 Section 1. That the following amounts are hereby appropriated to the following  
20 funds for operating The Albuquerque Bernalillo County Water Utility Authority during  
21 Fiscal Year 2014:

22 JOINT WATER AND SEWER OPERATING FUND – 21 196,813,000

23 This appropriation is allocated to the following divisions:

24 Administration	2,142,000
25 Risk	3,679,000
26 Human Resources	1,304,000
27 Finance	3,342,000
28 Customer Services	7,834,000

1	Information Technology	5,748,000
2	Wastewater Plant	10,830,000
3	San Juan-Chama Water Treatment Plant	2,917,000
4	Groundwater Operations	5,670,000
5	Wastewater Collections	5,940,000
6	Water Field Operations	18,904,000
7	Compliance	5,338,000
8	Water Resources, Engineering & Planning	7,040,000
9	Power & Chemicals	18,482,000
10	Taxes	8,536,000
11	Authority Overhead	1,700,000
12	San Juan-Chama	2,247,000
13	Transfers to Other Funds:	
14	Joint Water and Sewer Rehab (28)	12,000,000
15	Joint Water and Sewer Bond Debt Service (31)	73,160,000
16	<u>JOINT WATER AND SEWER REVENUE BOND</u>	
17	<u>DEBT SERVICE FUND – 31</u>	80,161,000
18	This appropriation is allocated to the following programs:	
19	Debt Service	75,161,000
20	Transfer to Other Funds:	
21	Joint Water and Sewer Capital Fund (29)	5,000,000
22	Section 2. The Executive Director is authorized to develop and establish a	
23	nonrecurring safety/performance incentive program. This program will provide	
24	employees with an incentive bonus based on cost reductions or performance	
25	enhancements resulting in operating efficiencies and/or a reduction in work related	
26	losses. Funding for this program is contingent on savings in the same or a greater	
27	amount.	
28	Section 3. The Water Authority shall continue its partnership with non-profit	
29	affordable housing developers under contract with local government whereby the first	
30	time homebuyer will not be required to pay the Utility Expansion Charge until the	
31	property is sold. No more than 50 units per year will be authorized under this program.	
32	The Water Authority will secure its position with a second mortgage.	
33	Section 4. The Rate Reserve Fund is augmented by the amount of \$2,000,000.	

1           Section 5. The Executive Director is authorized to carry out all appropriations  
2 contained in this budget in accordance with established policies and procedures.  
3  
4  
5  
6  
7  
8

# FY15 Budget



Albuquerque Bernalillo County  
**Water Utility Authority**

# ***FY15 Operating & CIP Budget Highlights***

- A 5% rate revenue adjustment is proposed
- \$2 million is added to the Rate Reserve Fund
- \$30 million CIP for Basic Rehab Program
- \$5 million for Non-Basic Capital projects

# ***FY15 Budget Assumptions***

- Nominal growth in service area
- 18% decrease in consumption based actual usage in FY14
- Growth in operating expenses include only essential items
  - Increase in wages, benefits and Debt Service
- Continued increased capital spending for rehabilitation work at the Southside Reclamation Plant

# ***FY15 Budget - Expenditures***

## **Personnel Expenditures**

- Annualized FY14 mid year positions
  - Risk Manager
  - System Support Specialist 2
- New positions
  - Fleet Coordinator
  - Heavy Equipment Mechanic
  - Treasury Manager

# ***FY15 Budget - Expenditures***

## **Personnel Expenditures**

- 2.5% increase in Employee Benefits
  - 2.5% increase in Health Benefits to fund the American Affordable Health Care Act
  - .4% increase to the Employer Contribution for PERA
  - .75% increase to pick up half of the Employee's increase to PERA



# ***FY15 Budget - Expenditures***

## **Operating Expenditures**

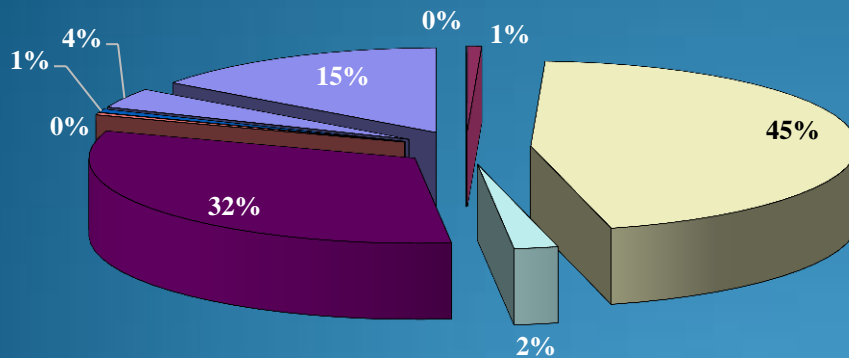
- Expenditures are budgeted to be at FY14 levels

## **Internal Services and Transfers**

- Debt service cost increases by \$5.4 million
- UEC transfer to CIP of \$5 million for non-basic CIP Projects (IT projects and development agreement reimbursements)

# *FY 15 Revenues*

## Revenue Sources

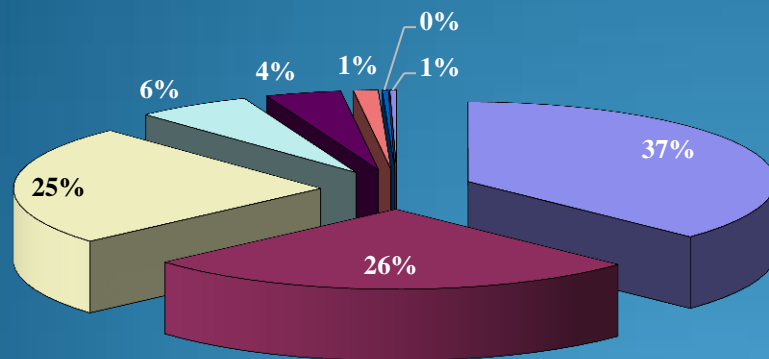


**TOTAL \$207,922,000**

- INTEREST (\$10,000)
- MISCELLANEOUS (\$1,463,000)
- WATER (\$94,277,000)
- WATER RESOURCES MANAGEMENT (\$4,500,000)
- SEWER (\$66,513,000)
- CIP EMPLOYEES (\$800,000)
- SOLID WASTE TRANSFER (\$1,323,000)
- FRANCHISE FEE (\$7,836,000)
- SJC STRATEGY IMLEMENTATION (\$31,200,000)

# ***FY 15 Expenditures***

## **Expenditures**



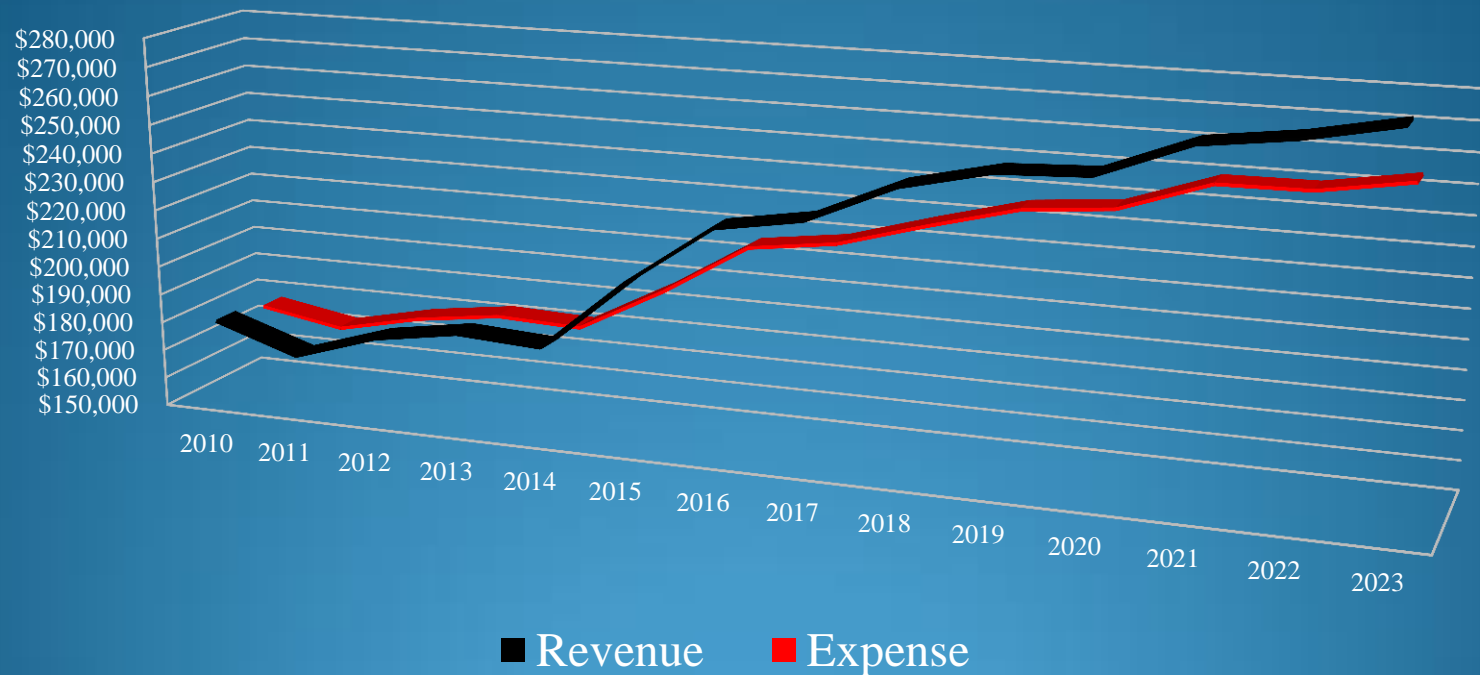
**TOTAL \$196,813,000**

- **DEBT SERVICE** (\$73,160,000)
- **WAGES & BENEFITS** (\$51,803,000)
- **OPERATING EXPENSE** (\$48,142,000)
- **TRANSFER TO OTHER FUNDS** (\$12,000,000)
- **FRANCHISE FEE** (\$7,836,000)
- **RISK** (\$2,544,000)
- **OTHER CAPITAL** (\$640,000)
- **WORKERS COMP** (\$688,000)

# Revenue Vs. Expenditures

## 2010-2023

in millions

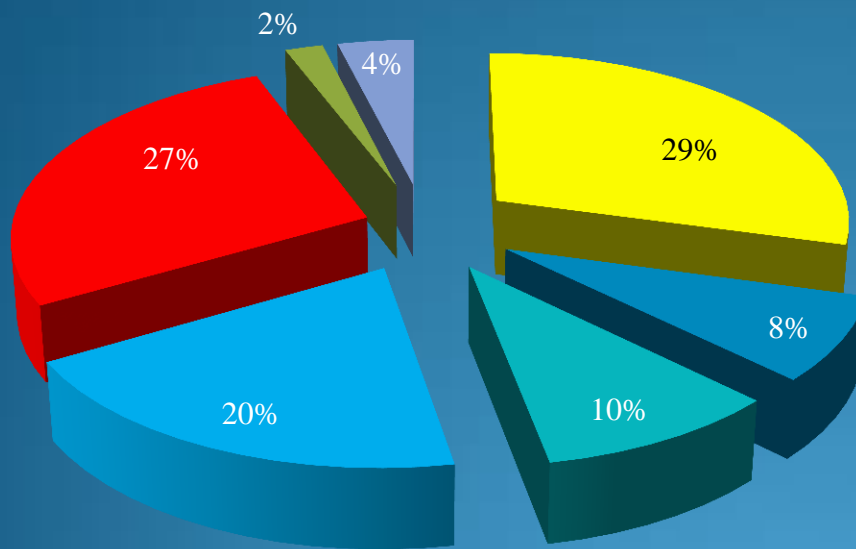


# *CIP Appropriations*

## Appropriates \$51 million

- \$48 million for FY15 basic water and sewer program of which at a minimum of \$33 million is for rehab and replacement. Included in the amount is \$10 million for the Southside Reclamation Plant and \$5 million
- \$3 million for Special Projects
  - \$2 million for AMI
  - \$1 million Steel Water Line Replacement
- \$10 million for the PTF and Dewatering facilities

# ***FY15 CIP Planned Spending***



**TOTAL \$51,000,000**

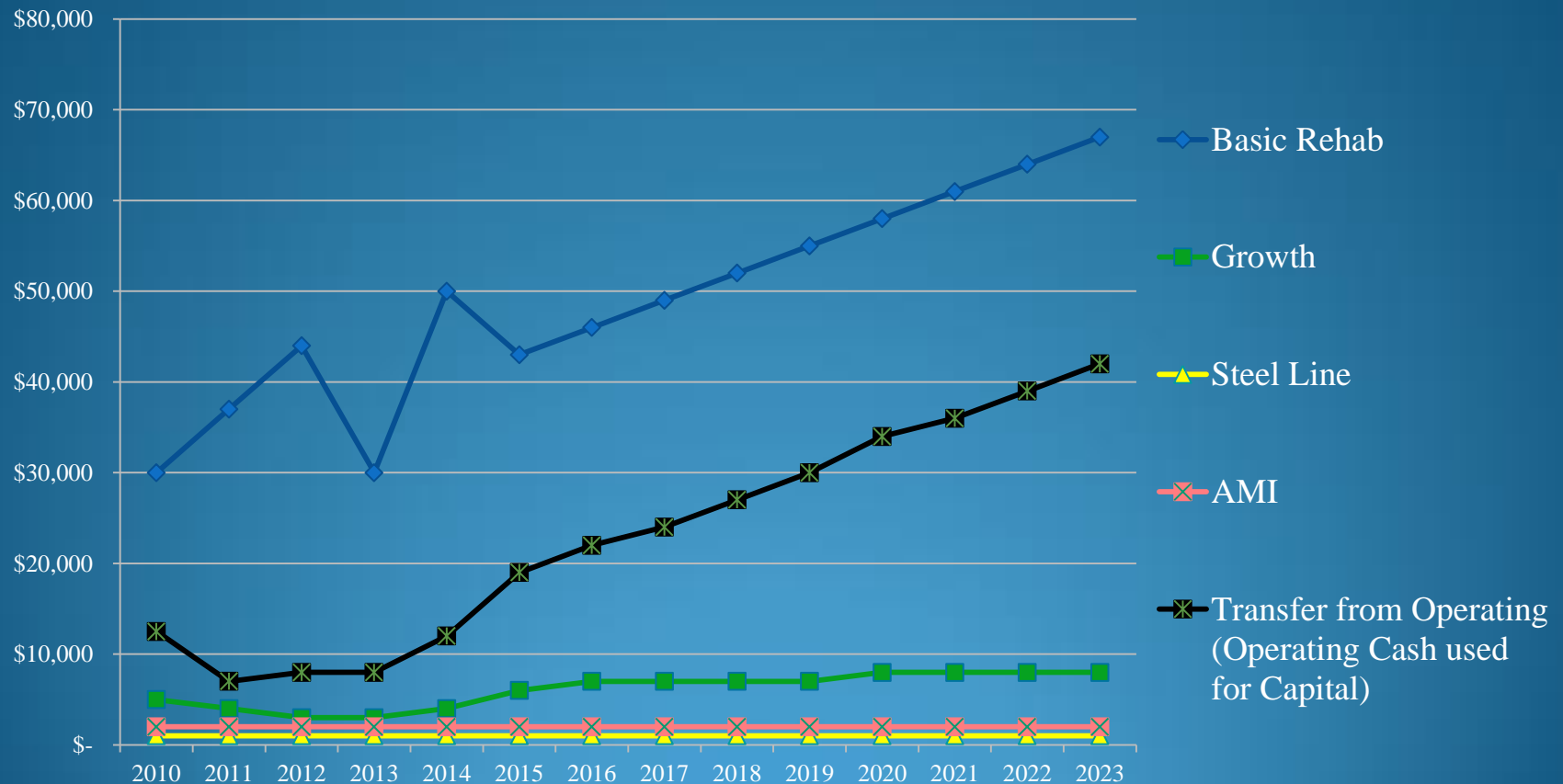
- Basic Pipeline Renewal (\$14,910,000)
- Basic Plant Renewal (\$4,090,000)
- Basic Growth Projects (\$5,000,000)
- Construction of PTF and Dewatering (\$10,000,000)
- Southside Water Reclam. Plant (\$14,000,000)
- Steel Water Line Replacement (\$1,000,000)
- Automated Meter Reading (\$2,000,000)

# Increase CIP Spending

in thousands

Capital Funds	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Basic Rehab w/ Increase for Rehab / Asset Management Plan	\$ 50,000	\$ 43,000	\$ 46,000	\$ 49,000	\$ 52,000	\$ 55,000	\$ 58,000	\$ 61,000	\$ 64,000	\$ 67,000
Steel Line	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000
AMI	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000
Growth	\$ 4,000	\$ 6,000	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000	\$ 8,000	\$ 8,000	\$ 8,000	\$ 8,000

# FY15 CIP Planned Spending Increase





# ***Future Financial Challenges***

- Increased Conservation
- Decreased Revenues
- Improvements to Reclamation facility
- Finance Asset Management Plan / Invest in Infrastructure
- Increase operating efficiencies to reduce increasing operating expenses
- Increasing cost of power, fuel and chemicals
- Increase reserve to 1/12 of annual operating expenditures

# ***Finance Plan Summary***

Operating Fund										
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>REVENUE</b>										
<b>Total</b>	182,191	207,370	228,393	233,489	246,899	253,926	255,318	267,313	271,257	277,394
<b>EXPENDITURES</b>										
<b>Total</b>	180,783	196,466	214,555	218,581	227,272	235,240	237,979	248,552	248,850	253,900
<b>REVENUE OVER EXPENDITURES</b>	1,411	10,904	13,839	14,908	19,627	18,685	17,339	18,790	23,494	23,494
<b>Rate Revenue Adjustment</b>	5.00%	5.00%	5.00%	0.00%	5.00%	0.00%	0.00%	5.00%	0.00%	0.00%

# Revenue Detail

## General Fund 21

### WATER AUTHORITY GENERAL FUND 21

ACCOUNT NAME	UNAUDITED FY13	BUDGET FY14	BUDGET FY15	DIFFERENCE FY15-FY14
Interest	(2,000)	750,000	10,000	(740,000)
Miscellaneous	6,255,000	1,550,000	1,463,000	(87,000)
Water	84,973,000	95,415,000	94,277,000	(1,138,000)
Water Resources Management	4,594,000	4,500,000	4,500,000	0
Sewer	61,543,000	66,387,000	66,513,000	126,000
CIP Employees	568,000	800,000	800,000	0
Refuse Transfer	1,236,000	1,236,000	1,323,000	87,000
Franchise Fee	6,629,000	7,836,000	7,836,000	0
SJC Strategy Implementation	29,161,000	30,000,000	31,200,000	1,200,000
<b>FUND TOTAL</b>	194,957,000	208,474,000	207,922,000	(552,000)

# ***Revenue Detail***

## ***Debt Service Fund 31***

### **WATER AUTHORITY DEBT SERVICE FUND 31**

<b>ACCOUNT NAME</b>	<b>UNAUDITED FY13</b>	<b>BUDGET FY14</b>	<b>BUDGET FY15</b>	<b>DIFFERENCE FY14-FY15</b>
Interest	82,127	200,000	0	(200,000)
UEC - Water	4,628,417	4,000,000	4,500,000	500,000
UEC - Sewer	3,281,100	4,000,000	4,500,000	500,000
Transfer from Fund 621	66,362,000	72,094,000	73,160,530	1,066,530
Penalties	28,737	0		0
Water Supply Charge	251,698	0		0
Miscellaneous	2,749			
Bernco Connection Charge	7,063			
<b>FUND TOTAL</b>	<b>74,643,891</b>	<b>80,294,000</b>	<b>82,160,530</b>	<b>1,866,530</b>

# *Expense Detail*

## *Personnel Expenditures*

	FY 2013	FY 2014	FY 2015	Difference
ACCOUNT DESCRIPTION	ACTUALS	APPROP	REQUEST	FY15-FY14
500101 REGULAR WAGES	31,582,291	31,646,741	32,375,643	728,902
500110 LONGEVITY	477,211	471,350	343,452	(127,898)
500201 PART TIME	21,966	516,416	480,989	(35,427)
500301 OVERTIME	2,633,881	1,476,797	1,526,797	50,000
514400 PERA	5,752,915	5,950,975	6,499,501	548,526
514800 FICA	2,532,706	2,549,762	2,601,136	51,374
515600 OTHER EMP BENEFITS	5,438,260	6,191,998	7,334,901	1,142,903
515700 F/B-RETIREE HEALTH	592,018	626,088	640,224	14,136
516000 EDUCATIONAL INCENT	36,926	-	-	-
516200 EMPLOYEE INCENTIVE	105,085	-	-	-
<b>51 PERSONNEL EXPENDITURES</b>	<b>49,173,259</b>	<b>49,430,126</b>	<b>51,802,643</b>	<b>2,372,516</b>

# *Expense Detail*

## *Operating Expenditures*

<b>ACCOUNT DESCRIPTION</b>	<b>FY 2013 ACTUALS</b>	<b>FY 2014 APPROP</b>	<b>FY 2015 REQUEST</b>	<b>Difference FY15-FY14</b>
520500 PROFESSIONAL SERV	882,704	1,199,612	1,204,012	4,400
521000 OTHER SERVICES	12,419	52,000	18,500	(33,500)
521500 UTILITIES	135,307	253,000	253,000	-
521510 ELECTRICITY	10,173,638	9,330,108	9,330,108	-
521520 GAS UTILITY	1,528,119	1,960,500	1,960,500	-
521530 REFUSE REMOVAL	140,394	128,000	129,000	1,000
521540/45 TELEPHONE/NETWOR	628,565	488,932	472,954	(15,978)
521550 WATER AND SEWER	360,678	163,000	155,000	(8,000)
522000 SUPPLIES	3,153,543	2,044,965	1,810,548	(234,417)
522012 CHEMICALS	6,301,080	7,240,972	6,940,972	(300,000)
522500 TRAVEL	47,722	92,400	79,900	(12,500)
523000 TRAINING	108,589	201,660	159,660	(42,000)

# *Expense Detail*

## *Operating Expenditures*

ACCOUNT DESCRIPTION	FY 2013 ACTUALS	FY 2014 APPROP	FY 2015 REQUEST	Difference FY15-FY14
523400 DUES/MEMBERSHIPS	222,019	175,492	176,022	530
523800 REPAIRS AND MAINT	9,888,823	10,976,380	11,275,906	299,526
523900 VEHICLE MAINT	1,737,548	1,342,948	1,200,586	(142,362)
523910 RADIO MAINT	36,306	36,306	23,226	(13,080)
523920 FUELS/LUBE	1,395,903	1,367,579	1,281,792	(85,787)
524105 WORKERS COMP	754,159	754,159	688,117	(66,042)
524107 INS TORT & OTHER LIAB	2,618,768	2,609,769	2,543,727	(66,042)
525200 FRANCHISE FEES	6,629,317	7,951,000	7,836,000	(115,000)
525210 NM WATER CONS FEES	569,040	1,100,000	700,000	(400,000)
525300 CUST DEPOSITS	197	-	-	-
525430 INTEREST	368,343	363,000	332,000	(31,000)
525800 PRINCIPAL	1,007,322	1,039,000	1,070,000	31,000
527000 ADMIN SVCS-IDOH	1,809,000	1,550,000	455,882	(1,094,118)
527500 CONTRACTUAL SVCS	9,643,915	7,168,073	9,112,089	1,944,016
<b>OPERATING EXPENDITURES</b>	<b>60,153,420</b>	<b>59,588,855</b>	<b>59,209,501</b>	<b>(379,354)</b>

# *Expense Detail*

## *Capital Expenditures*

	FY 2013	FY 2014	FY 2015	Difference
ACCOUNT DESCRIPTION	ACTUALS	APPROP	REQUEST	FY15-FY14
532000 NON-STRUCT IMPROV	-	-	-	-
532500 AUTOMOBILES	523,337	618,326	618,326	-
533000 MACH/EQUIP NONAUTO	196,733	55,693	22,000	(33,693)
533500 OFFICE FURNITURE	-	-	-	-
	<b>720,070</b>	<b>674,019</b>	<b>640,326</b>	<b>(33,693)</b>



# *Expense Detail*

## *Internal Services Charges*

	FY 2013	FY 2014	FY 2015	Difference
ACCOUNT DESCRIPTION	ACTUALS	APPROP	REQUEST	FY15-FY14
581000 BAD DEBT EXPENSE	3,611		-	-
591621 TRF OTHER FUNDS	8,000,000	12,000,000	12,000,000	-
595000 INTERFD D/S	66,362,000	72,094,000	73,160,530	1,066,530
	<b>74,365,611</b>	<b>84,094,000</b>	<b>85,160,530</b>	<b>1,066,530</b>

Meeting Date: April 23, 2014  
Staff Contact: Stan Allred, Chief Financial Officer

**TITLE:** R-14-9 – Appropriating Funds for the Capital Implementation of the Albuquerque Bernalillo County Water Utility Authority for the Fiscal Year Beginning July 1, 2014 and Ending June 30, 2015.

**ACTION:** First Reading – April 23, 2014; Final Action – May 21, 2014

**SUMMARY:**

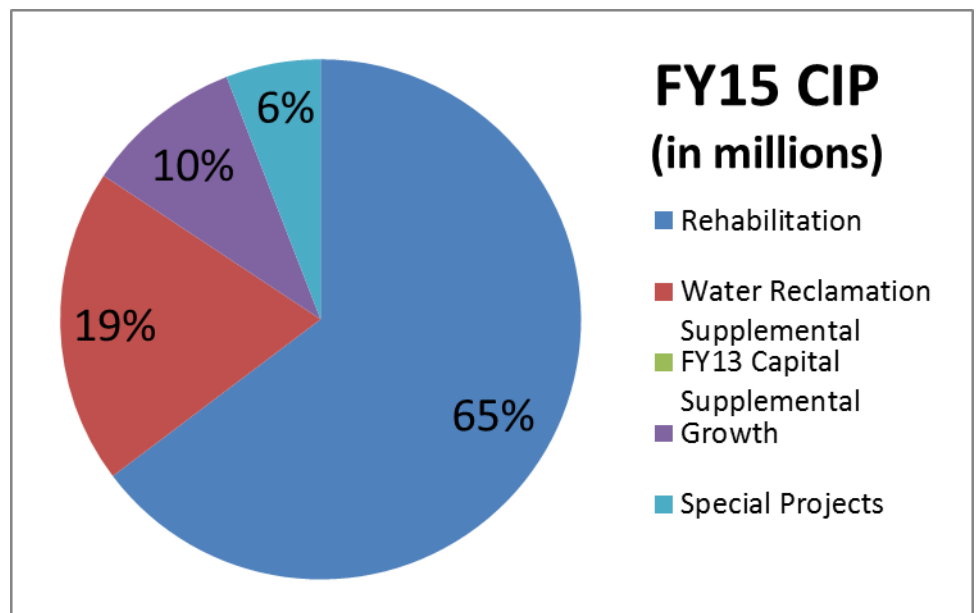
This legislation appropriates funding for the FY/15 Capital Implementation Program (CIP). This appropriation provides funding for new projects as well as supplements current appropriations for projects that are ongoing.

**FISCAL IMPACT:**

The appropriation totals \$51.0 million. \$48.0 million is appropriated for the Basic capital program and \$3.0 million is appropriated for special projects. The \$48.0 million is comprised of \$33.0 million in base level rehabilitation funding per the Rate Ordinance, \$10.0 million in supplemental water reclamation facility rehabilitation funding and \$5.0 million in growth program funding.

The \$33.0 million in rehabilitation funding per the Rate Ordinance allocates \$14.91 million for Field, \$17.49 million for Plant and \$.60 million for Compliance. The \$10 million in supplemental water reclamation facility funds increases the Plant funding to \$27.49 million.

The \$3.0 million for special projects is comprised of \$2.0 million for Automated Meter Infrastructure (AMI) / Leak Detection and \$1.0 million for steel water line replacement.



The \$5 million in growth program funding represents a \$1 million increase from the current year. This is second consecutive year the growth program has been increased by \$1 million and reflects the recovery to some degree of Utility Expansion Charge (UEC) revenue which is the sole funding source of the growth program.

The debt proceeds allocated in the appropriation were received in October, 2013 when the Series 2013A Revenue Bonds were sold. The Series 2013B bonds were refunding bonds and will refund a 2005 New Mexico Finance Authority Loan. The Series 2013A bonds allow for the continued supplemental funding of rehabilitation at the water reclamation plant as well as continued support for the Basic rehabilitation program.

There are no appropriations included in this legislation for projects that will be funded with resources from FY 2016 and beyond.

# **COMMENTS:**

The revenue sources for the appropriations in this legislation are comprised of:

	<u>Debt</u>	<u>Cash</u>
Rehab		
Basic per Rate Ordinance	\$ 24,000,000	\$ 9,000,000
Basic Supplemental	\$ 10,000,000	
Special Project	\$	\$ 3,000,000
Growth		
Basic Program	\$ _____ -	\$ <u>5,000,000</u>
Total	\$ <u>34,000,000</u>	\$ <u>17,000,000</u>

The blueprint for the Basic capital program is the Decade Plan, a ten year plan required to be updated biennially with two, four, six, eight and ten year planning elements. There must always be an approved two year planning element in place before the Board can approve a current year capital program appropriation. FY 2015 is the second year in the current FY 2014 – FY 2023 Decade Plan which the Board approved a year ago.

## Basic Program appropriations by decade plan category

### Rehab

Water Reclamation Line Renewal	\$ 4,400,000
Water Line Renewal	\$ 3,150,000
Water Reclamation Plant Renewal	\$ 24,000,000
Soil Amendment Facility Renewal	\$ 50,000
Lift Station and Vacuum Station Renewal	\$ 2,425,000
Odor Control Facilities Renewal	\$ 10,000
Drinking Water Plant Groundwater System Renewal	\$ 2,165,000
Drinking Water Plant Treatment Systems Renewal	\$ 3,270,000
Reuse Line and Plant Renewal	\$ 30,000
Water Reclamation Compliance	\$ 600,000
Water / Water Reclamation Shared Facility Renewal	\$ 500,000
Franchise Fee Compliance	\$ 2,000,000
CIP Funded Position Transfer	\$ <u>400,000</u>
	\$ <u>43,000,000</u>

#### Growth

Water Lines	\$	1,500,000
Development Agreements	\$	1,250,000
MIS / GIS	\$	2,000,000
Low Income Water/Sewer Connections	\$	<u>250,000</u>
	\$	<u>5,000,000</u>

#### **FY 2015 CAPITAL PROGRAM HIGHLIGHTS:**

The major project in the Basic rehabilitation program for FY/15 will be the ongoing construction of the replacement Preliminary Treatment Facility (PTF). The project has a current contract cost of \$30.8 million and is expected to be substantially complete by the end of FY/15. The other major project in the current decade plan, the Dewatering Replacement project, is being reevaluated whether rehabilitation or replacement of the existing facility represents the best use of limited funds.

A major stress on the Basic rehabilitation program cash flows in FY 2014 came from the projects done to move the Authority's water and sewer lines required by the Paseo Del Norte Interchange Rehabilitation project managed by the City of Albuquerque. More than \$5 million will end up being spent for these line relocations which add little value to the Authority's infrastructure but are necessary per the terms of the franchise agreements. These line projects will be substantially complete by June 30, 2014.

A smaller but significant project ongoing at the Southside Water Reclamation Plant is the continuing effort to upgrade the plant wide electrical and instrumentation controls. The electrical gear at the reclamation plant has reached or has passed its design life which makes it difficult for the plant to keep the electrics in a good and safe working condition. There are negative impacts on reliability as a result which has impacted treatment processes during plant wide facility power outages and been responsible for NPDES discharge permit violations.

The largest planned project other than at the water reclamation plant is the chemical solids systems improvement project at the Surface Water Treatment Plant. During the process of removing solids from the water, a coagulant (ferric chloride) and a polymer are added to the water. The coagulant and the polymer promote the solids in aggregating and coming out of suspension. The solids removed during the clarification process require further processing. The chemical solids systems improvement project will include evaluation, design and construction of improvement to the waste solids handling and treatment systems at the surface water treatment plant. The improvements will facilitate the surface water treatment plant operating at its current finished water capacity of 92 million gallons per day (mgd) when the Rio Grande source water is especially turbid.

The remainder of the Basic rehabilitation program is primarily focused on line contingency work and normal maintenance work in the groundwater plant system with minimal planned projects.

The growth project chosen to receive the new funding is the Increased Transmission Capacity to Corrales Trunk project which will move water from the Volcano Cliffs reservoirs site into the Corrales Trunk. The project will also facilitate conveyance of treated surface water and reduce reliance on groundwater.

# ALBUQUERQUE BERNALILLO COUNTY WATER UTILITY AUTHORITY

BILL NO. R-14-9

1 **RESOLUTION**

2 **APPROPRIATING FUNDS FOR THE CAPITAL IMPLEMENTATION PROGRAM FOR**  
3 **THE ALBUQUERQUE BERNALILLO COUNTY WATER UTILITY AUTHORITY FOR**  
4 **THE FISCAL YEAR BEGINNING JULY 1, 2014 AND ENDING JUNE 30, 2015**

5 WHEREAS, the Albuquerque Bernalillo County Water Utility Authority (Water  
6 Authority) as a political subdivision of the State of New Mexico is required to budget and  
7 account for all money received or spent in accordance with New Mexico laws; and

8 WHEREAS, the Board, by Ordinance, has established a budget process for the  
9 Authority; and

10 WHEREAS, the Budget Ordinance, requires the Executive Director to formulate  
11 an annual Capital Implementation Program budget for the Water Authority; and

12 WHEREAS, the Budget Ordinance requires the Water Authority Board to  
13 approve or amend and approve the Executive Director's proposed budget; and

14 WHEREAS, the Board has received the Capital Implementation Program Budget  
15 formulated by the Executive Director and has deliberated on it and provided public  
16 notice and input; and

17 WHEREAS, appropriations for the Capital Implementation Program of the Water  
18 Authority must be approved by the Board; and

19 WHEREAS, the appropriation of these Capital Implementation Program funds to  
20 projects with their respective purposes are timely and necessary for Water Authority to  
21 serve its customers.

22 BE IT RESOLVED BY THE WATER AUTHORITY:

23 Section 1. That the appropriations for the projects as stated below are hereby  
24 made.

25	<u>Purpose</u>	<u>Source</u>	<u>Increase</u>
26	<u>Basic Program</u>		
27	<u>Water Utility / Joint Water &amp; Sewer Rehab Fund 628</u>		
28	<u>Sanitary Sewer Pipeline Renewal</u>		

[+Bracketed Material+] - New  
[-Bracketed Material-] - Deletion

[+Bracketed Material+] - New  
[-Bracketed Material-] - Deletion

1	Interceptor Sewer Rehabilitation	Bond Proceeds	1,000,000
2	Interceptor Rehab Contingency	Bond Proceeds	1,400,000
3	Small Diameter Sewer Line		
4	Rehabilitation	Bond Proceeds	1,000,000
5	Small Diameter Sewer Line		
6	Rehab Contingency	Bond Proceeds	500,000
7	Sewer Line CCTV Inspections	Bond Proceeds	500,000
8	<u>Drinking Water Pipeline Renewal</u>		
9	Small Diameter Water Line		
10	Rehabilitation	Bond Proceeds	1,000,000
11	Small Diameter Water Line		
12	Rehab Contingency	Bond Proceeds	1,000,000
13	Large Diameter Water Line		
14	Rehab Contingency	Bond Proceeds	500,000
15	Water Meters, Meter Boxes and		
16	Service Lines Rehabilitation	Bond Proceeds	150,000
17	Large Water Valve Replacement	Bond Proceeds	250,000
18	Pressure Reducing Valve		
19	Replacement	Bond Proceeds	100,000
20	Asset Management Plan For		
21	Large Diameter Water Line	Bond Proceeds	150,000
22	<u>Southside Water Reclamation Plant Renewal</u>		
23	Preliminary Treatment Facility		
24	Replacement	Bond Proceeds	7,500,000
25	Dewatering Facility Replacement	Bond Proceeds	6,000,000
26	Existing Digester Rehabilitation		
27	Improvements	Bond Proceeds	1,500,000
28	Primary Clarifier Improvements	Bond Proceeds	1,500,000
29	Water Reclamation Plant Contingency	Transfer from Fund 21	1,500,000
30		Bond Proceeds	1,500,000
31	ABB Service Contract	Transfer from Fund 21	140,000
32	Plant Wide Electrical, Instrumentation		
33	And Control Improvements	Bond Proceeds	1,000,000

1	Plant Equalization Basins	Transfer from Fund 21	750,000
2	Program Management Assistance	Transfer from Fund 21	100,000
3	New Digester Capacity	Transfer from Fund 21	1,210,000
4	Digester Cleaning Program	Transfer from Fund 21	300,000
5	Chemical Storage and Feed		
6	Systems Upgrade	Transfer from Fund 21	500,000
7	Pre-Screens for UV Disinfection		
8	Facility	Transfer from Fund 21	500,000
9	<u>Soil Amendment Facility (SAF) Renewal</u>		
10	Upgrade of Soil Amendment Facility	Bond Proceeds	50,000
11	<u>Lift Station and Vacuum Station Renewal</u>		
12	Lift Station Rehabilitation	Bond Proceeds	1,500,000
13	Vacuum Station Rehabilitation	Bond Proceeds	770,000
14	Lift Station Programmable Logic		
15	Controller Replacement	Bond Proceeds	155,000
16	<u>Odor Control Facilities Renewal</u>		
17	Interceptor Odor Control	Bond Proceeds	10,000
18	<u>Drinking Water Plant Groundwater System Renewal</u>		
19	Sodium Hypochlorite Generator System		
20	Rehabilitation / Replacement	Bond Proceeds	205,000
21	Booster Pump Station Rehabilitation	Bond Proceeds	590,000
22	Well Rehabilitation and Maintenance	Bond Proceeds	120,000
23	Reservoir Cleaning and Inspection	Bond Proceeds	50,000
24	Corrales Well No. 5 Improvements	Bond Proceeds	700,000
25	Corrales Trunk Gas Engine Overhauls	Bond Proceeds	350,000
26	Booster Pump Surge Tank Renewal	Bond Proceeds	50,000
27	Valve Exercising Equipment and		
28	Valve Replacement	Bond Proceeds	100,000
29	<u>Drinking Water Plant Treatment Systems Renewal</u>		
30	Water Treatment Plant Contingency	Bond Proceeds	150,000
31	Chemical Solids Systems		
32	Improvements	Bond Proceeds	740,000
33	Grit Removal Basin Improvements	Bond Proceeds	240,000



1	Dissolved Ozone Monitoring		
2	Improvements	Bond Proceeds	150,000
3	Water Systems SCADA Rehabilitation	Bond Proceeds	20,000
4	College Arsenic Removal		
5	Demonstration Facility Rehabilitation	Transfer from Fund 21	50,000
6	Corrales Trunk Arsenic System		
7	Improvements	Bond Proceeds	100,000
8	Corrales Well No. 2 Arsenic		
9	Treatment Project	Bond Proceeds	600,000
10	Corrales Well No. 4 Arsenic		
11	Treatment Project	Bond Proceeds	540,000
12	Corrales Trunk Arsenic Media		
13	Replacement	Transfer from Fund 21	350,000
14	Raw Water Pumping Station		
15	Rehabilitation	Bond Proceeds	80,000
16	Add Caustic Soda Storage and Feed		
17	System at the SJCWTP	Transfer from Fund 21	250,000
18	<u>Reuse Line and Plant Rehabilitation</u>		
19	Reuse Line Rehabilitation	Bond Proceeds	10,000
20	Reuse Plant Rehabilitation	Bond Proceeds	20,000
21	<u>Compliance</u>		
22	Water Quality Laboratory	Transfer from Fund 21	295,000
23	NPDES Program	Transfer from Fund 21	155,000
24	Water Quality Program	Bond Proceeds	150,000
25	<u>Shared Renewal</u>		
26	Ferrous / Ferric Transfer Station 70		
27	Rehabilitation	Transfer from Fund 21	500,000
28	CIP Funded Position Transfer	Transfer from Fund 21	400,000
29	<u>Franchise Agreement Compliance</u>		
30	Franchise Fee Water and Sewer	Transfer from Fund 21	1,000,000
31	City of Albuquerque DMD Street		
32	Rehabilitation Manhole and Valve		
33	Box Adjustments	Transfer from Fund 21	1,000,000

[+Bracketed Material+] - New  
[-Bracketed Material-] - Deletion

1    Water Utility / Joint Water & Sewer Fund 629

2    Warehouse Meters                      Transfer from Fund 31                      500,000

3    Increased Transmission Capacity

4      To Corrales Trunk                      Transfer from Fund 31                      1,000,000

5    Development Agreements                      Transfer from Fund 31                      1,250,000

6    MIS / GIS                      Transfer from Fund 31                      2,000,000

7    Low Income W/S Connections                      Transfer from Fund 31                      250,000

8    Special Projects

9    Water Utility / Joint Water & Sewer Rehab Fund 628

10   Automatic Meter Infrastructure                      Transfer from Fund 21                      2,000,000

11   Steel Water Line Replacement                      Transfer from Fund 21                      1,000,000

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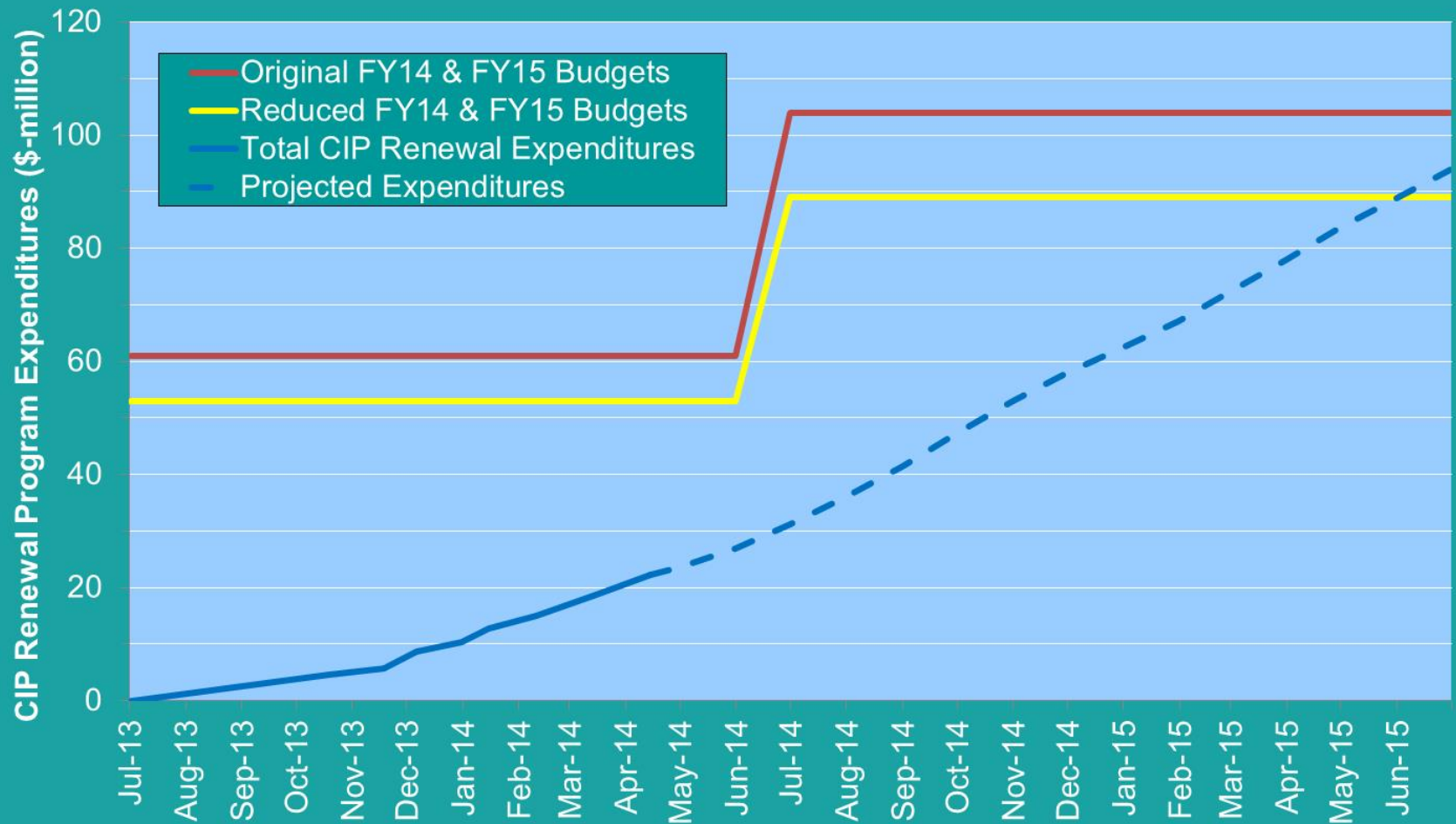
# Status Report on the Water Authority's

- Infrastructure Renewal Program



Albuquerque Bernalillo County  
Water Utility Authority

# FY14 & 15 CIP Renewal Program



# FY 2014 CIP Renewal Spending

## Some Examples:

- Southside Water Reclamation Plant = \$10.4-million
- Drinking Water Pipelines = \$4.9-million
- Sanitary Sewers = \$3.3-million
- Groundwater and Surface Water Production, Treatment, Pumping, and Storage = \$1.7-million
- Franchise Fee Compliance = \$0.8-million
- Lift and Vacuum Stations = \$0.5-million
- Compliance Division = \$0.25-million
- Non-Potable Water System = \$0.25-million



# FY 2014 CIP Project Highlights

## New \$31-million Preliminary Treatment Facility (PTF) at the Southside Water Reclamation Plant

- Critical for removing grit (sand), rags and other debris that damages process equipment and fills basins





# New PTF at the SWRP



Albuquerque Bernalillo County  
Water Utility Authority

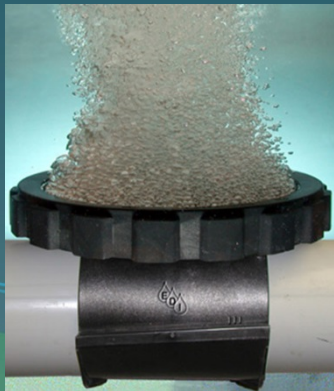
# Existing PTF does a poor job of protecting downstream processes and equipment





# \$1.4-million Rehab of South Aeration Basins 7 & 8 at SWRP

The Aeration Basins are the heart of the wastewater treatment process. Well maintained equipment allow reliable compliance with EPA river discharge requirements as well as reduces energy costs



Albuquerque Bernalillo County  
Water Utility Authority

# Rehabilitation of Aeration Basins

## Relocated control valves to aeration diffusers



Originally, all of the air control valves were located below the water line (i.e., submerged in the mixed liquor), making it difficult to perform maintenance.



Albuquerque Bernalillo County  
Water Utility Authority

# Replace Two Aeration Blowers

\$0.97-million to install two new blowers so that the SWRP can have a complete set of functioning blowers



Albuquerque Bernalillo County  
Water Utility Authority



# Paseo del Norte/I-25 Interchange Project



- Cost to Water Authority ≈ **\$6.5-million** to relocate water and wastewater pipelines
- Eliminates most “planned” pipeline renewal projects during FY2014 and 2015

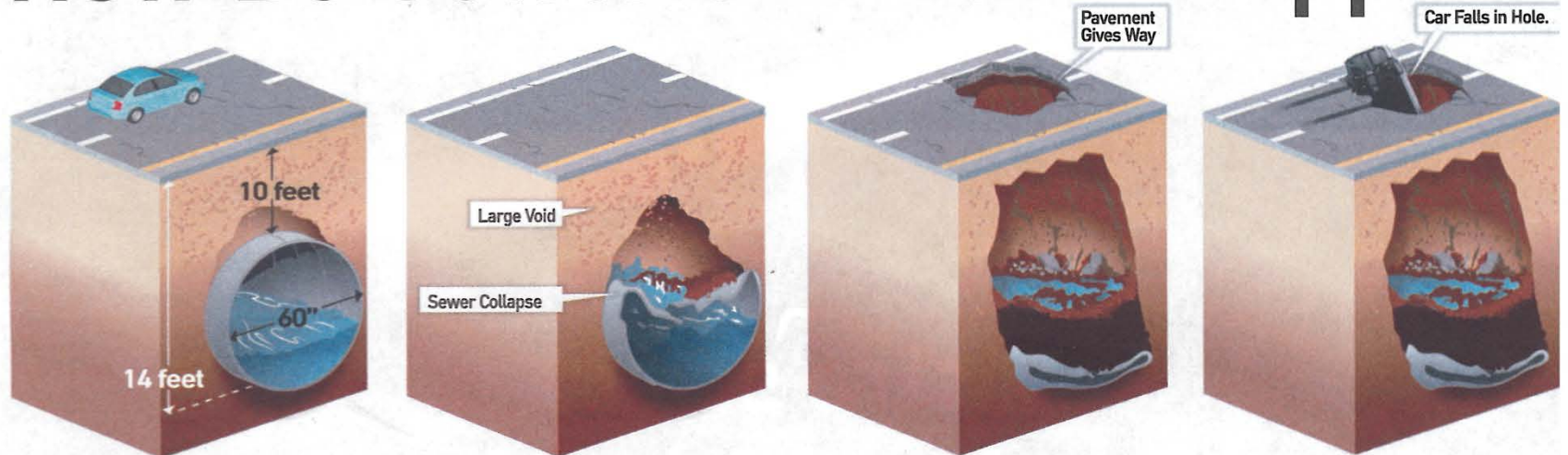


Albuquerque Bernalillo County  
Water Utility Authority

# Sewer Interceptor Collapses

- 48-inch Kirtland AFB Tijeras Interceptor = \$1.1-million
- 30-inch BNSF Rail Interceptor = \$0.26-million

## How Do Sewer Sinkholes Happen?



**An aging sewer... allows soil to leak through bad joints creating a void... so the pavement gives way... & swallows a car**

A 50-year old sewer has been televised multiple times in the past 20 years, with no visible defects. Defective joints, not seen by CCTV inspection, periodically surcharge and systematically liquifies soil above the sewer pipe, creating a void. City crews have a PM to remove silt, without knowing that a void is being created. Without a base under it, the pavement collapses, opening a hole wide enough and deep enough to swallow a car. An unsuspecting car plunges into the sinkhole as the hole continues to widen.



Albuquerque Bernalillo County  
Water Utility Authority

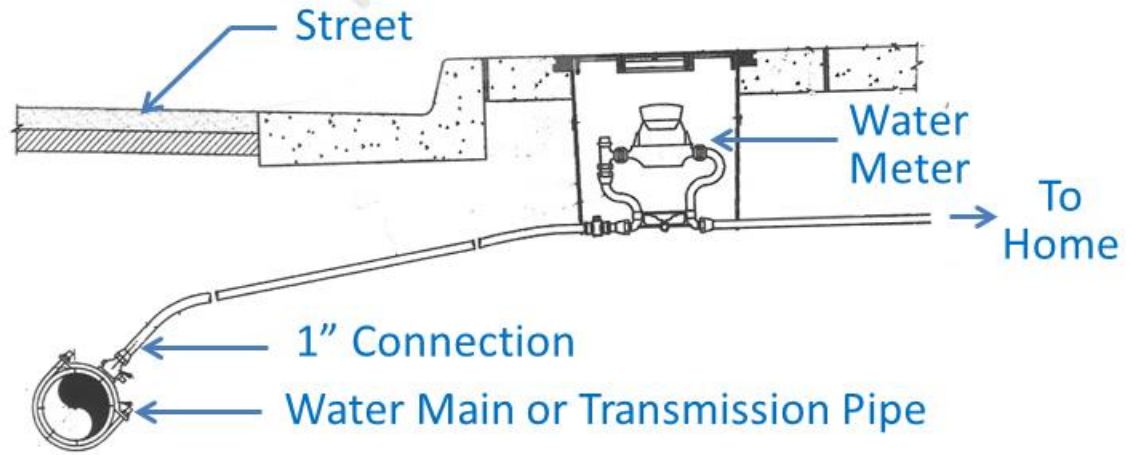


# Water Service Connection Breaks



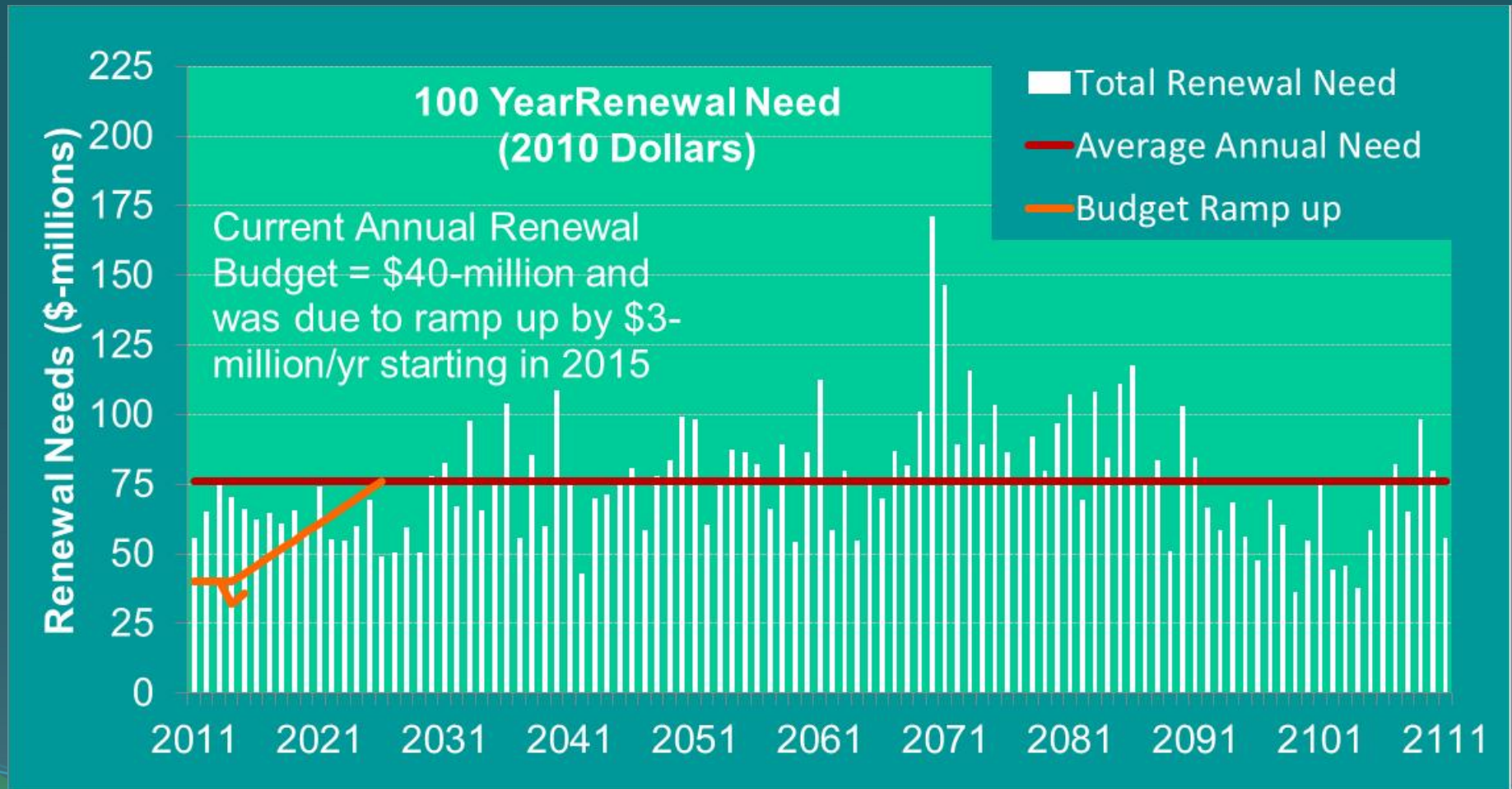
Dozens of water service connections fail each year with repair costs typically in the \$3,000 to \$10,000 range, some have greater damage

Improper connections to larger diameter transmission lines have a higher risk of property damage

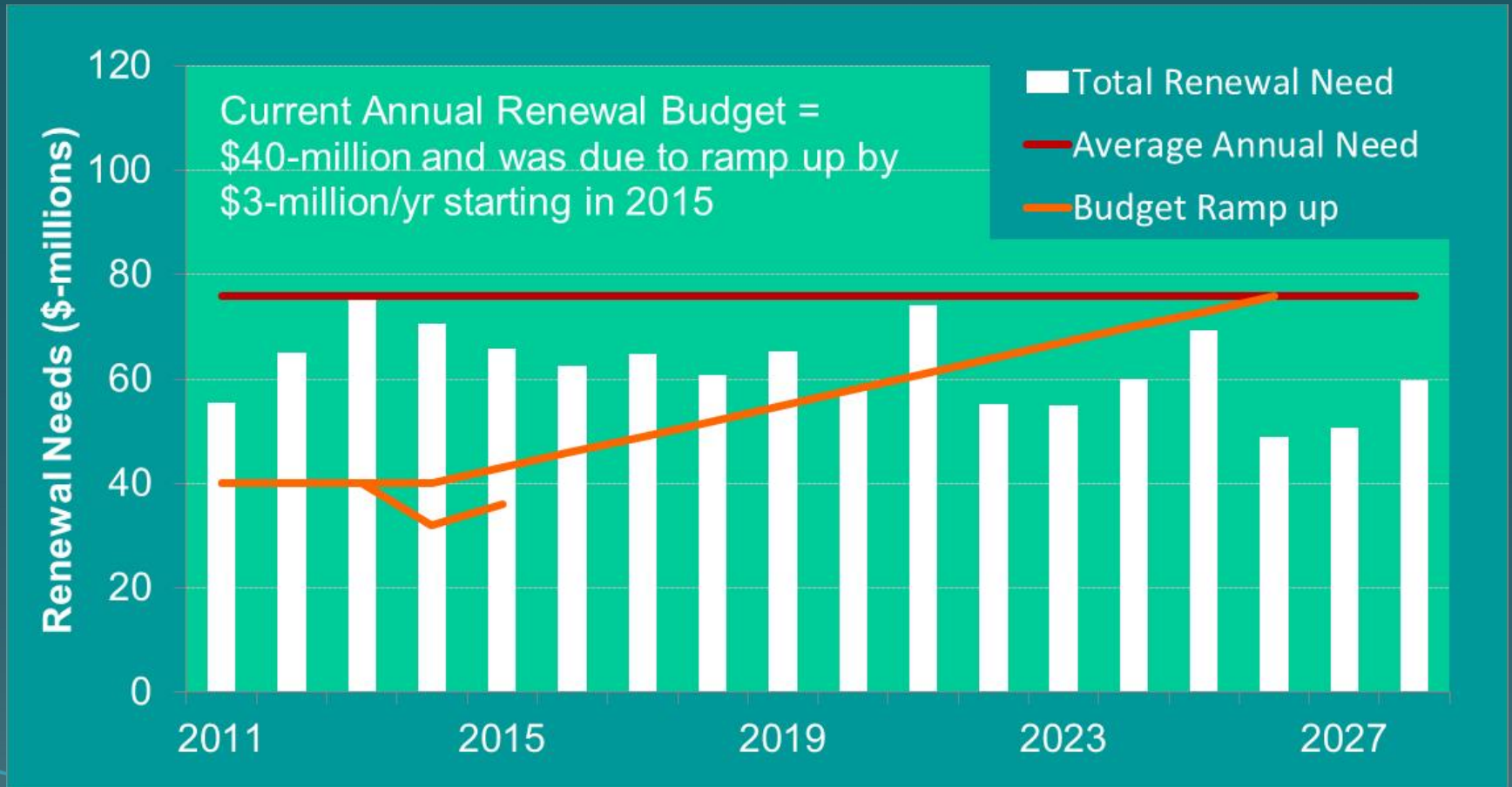


Albuquerque Bernalillo County  
Water Utility Authority

# The Asset Management Program defines needed CIP renewal spending



# Revenue shortfall will delay ramp-up in Renewal Program spending





# Questions?



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Meeting Date: April 23, 2014

Staff Contact: Karen Cunningham, Risk Program Manager

**TITLE: C-14-10 - Recommendation of Award, P2014000052, Third Party Claims Administrator****ACTION: Recommend Approval****SUMMARY:**

The Albuquerque Bernalillo County Water Utility Authority (Water Authority) issued the subject Request for Proposals (RFP) to solicit responses from qualified vendors to provide Third Party Claims Administrator services. The RFP was posted on the SICOMM website and advertised in the local newspapers.

Three responses were received and submitted for evaluation. On April 8, 2014, the Ad Hoc Evaluation Committee reviewed, evaluated, and scored the responses in accordance with the evaluation criteria published in the RFP. Cannon Cochran Management Services, Inc. (CCMSI) presented a comprehensive package of services along with the most competitive price. CCMSI has the most robust electronic claim data system and can provide the 24 hour adjusting services we need.

The Ad Hoc Evaluation Committee included Charles Kolberg, ABCWUA General Counsel; Patty Jenkins, ABCWUA Executive Services Coordinator; Jack Burkhard, Independent Consultant; and Karen Cunningham, Risk Program Manager. Listed below are the scores of the three respondents.

<u>Offeror</u>	<u>Total Composite Score</u>
CCMSI	4136.0
Hospital Services Corporation	3420.0
Crawford & Company	2918.0

The committee recommended the award of a contract to **CCMSI**, as that company had the highest composite score, is qualified to perform the work, and meets the requirements of the RFP.

**FISCAL IMPACT:**

The funding is within the Risk Management Program approved in FY14 and contained in the FY/15 budget.

# Memo

**To:** Mark S. Sanchez, Executive Director

**From:** Karen Cunningham, Risk Manager *KC*

**Date:** 4/9/2014

**Re:** Recommendation of Award, P2014000052, Third Party Claims Administrator

The Albuquerque Bernalillo County Water Utility Authority issued the referenced Request for Proposals (RFP) to solicit proposals from qualified vendors to provide Third Party Claims Administration services.

The RFP was posted on the Sicom website and advertised in the local newspapers. Three (3) responses were received and submitted for evaluation. The ad hoc evaluation committee reviewed, evaluated, and scored the responses in accordance with the evaluation criteria published in the RFP, and selected CCMSI.

Listed are all the respondents' composite scores with small and/or local preferences and the NM Resident Preference applied for the offeror with an asterisk. The largest total composite score possible without preferences applied is 4,000.

<u>Offeror</u>	<u>Total Composite Score</u>
CCMSI	4136.0*
Crawford and Company	2918.0
Hospital Services Corporation	3420.0*

The committee recommended the award of contract to CCMSI as that company had the highest composite score and is qualified to perform the work. I concur with the committee's recommendation.

Water Authority Board approval is required for this procurement. Negotiations with the vendor shall begin immediately upon your approval.

Approved:

Recommended:

*[Signature]* 4/11/14  
\_\_\_\_\_  
Mark S. Sanchez Date  
Executive Director

*[Signature]* 4/10/14  
\_\_\_\_\_  
Charles Kolberg Date  
General Council

**Attachments:**

**Composite Score Sheet**

**Original:**

**Thomas Courtin, Senior Buyer**

**Copy:**

**Lorraine Nunez, Purchasing Officer**

**File:**

**P2014000052**

**Third Party Claims Administrator**  
**P2014000052**

EVALUATOR	EVALUATION CRITERIA	EVALUATION FACTORS	OFFERORS		
			CCMSI	CRAWFORD & COMPANY	Hospital Services Corp
KC	The Offeror's general approach and plans to meet the requirements of the RFP.	Up to 100	90	80	75
CK			95	90	100
PJ			85	75	70
JB			95	75	75
	SUB TOTAL		365	320	320
KC	The Offeror's detailed plans to meet the objectives of each task, activity, etc	Up to 200	190	175	180
CK			175	125	150
PJ			180	170	160
JB			190	150	175
	SUB TOTAL		735	620	665
KC	Adequacy of proposed project management and resources to be utilized by the Offeror.	Up to 100	90	75	80
CK			100	75	75
PJ			75	70	50
JB			100	85	85
	SUB TOTAL		365	305	290
KC	Experience and qualifications of the Offeror and personnel to perform tasks described in Part 3, Scope of Services.	Up to 200	190	175	150
CK			200	100	125
PJ			170	100	100
JB			200	150	150
	SUB TOTAL		760	525	525
KC	The Offeror's past performance on projects of similar scope and size.	Up to 100	90	75	75
CK			100	75	100
PJ			85	40	40
JB			90	85	80
	SUB TOTAL		365	275	295
KC	The Offeror's claim system including but not limited to ease of use, ability to meet Water Authority needs, location codes, other identifiers, Water Authority online access to adjuster's notes and nurse case manager notes, reports – standard and custom.	Up to 200	190	175	175
CK			200	175	200
PJ			180	165	160
JB			200	150	160
	SUB TOTAL		770	665	695
	SUB TOTAL TECHNICAL SCORE		3360	2710	2790
KC	Cost Proposal	Up to 100	100	52	80
CK			100	52	80
PJ			100	52	80
JB			100	52	80
	COST PROPOSAL TOTAL		400	208	320
	SUB TOTAL COMPOSITE SCORE	Up to 4000	3760	2918	3110
	5% LOCAL BUSINESS PREFERENCE		188.0	0.0	155.5
	5% NM RESIDENT PREFERENCE		0.0	0.0	0.0
	5% SMALL BUSINESS PREFERENCE		188.0	0.0	155.5
	TOTAL COMPOSITE SCORE		4136.0	2918.0	3421.0

---

Meeting Date: April 23, 2014  
Staff Contact: Stan Allred, Chief Financial Officer

**TITLE: C-14-11 - Recommendation of Award, RFP Bond Counsel P2014000051**

**ACTION: Recommend Approval**

**SUMMARY:**

The Albuquerque Bernalillo County Water Utility Authority (Water Authority) issued the referenced Request for Proposals (RFP) to solicit proposals from qualified vendors to provide Bond Counsel Services.

The RFP was posted on the Sicomm website and advertised in the local newspaper. Four responses were received and submitted for evaluation. The ad hoc evaluation committee reviewed, evaluated, and scored the responses in accordance with the evaluation criteria published in the RFP.

The responses were reviewed, evaluated, and scored by an ad hoc committee consisting of John M. Stomp III, P.E., Chief Operating Officer; Stan Allred, Chief Financial Officer; and Charles W. Kohlberg, Chief Counsel. The committee recommended the award of a contract to Modrall, Sperling, Roehl, Harris & Sisk, P.A., as that firm had the highest composite score, is qualified to perform the work, and meets the requirements of the RFP. Modrall, Sperling, Roehl, Harris & Sisk, P.A., will also provide Disclosure Counsel until the Authority completes an RFP for that Service

**FISCAL IMPACT:**

The fee is based on \$1 for \$1,000 dollars of bond proceeds and varies depending on the size of each individual bond transaction. This fee is added to the cost of issuance for each bond transaction...

# Memo

**To:** Mark S. Sanchez, Executive Director  
**From:** Stan Allred, Chief Financial Officer  
**Date:** 4/14/2014  
**Re:** Recommendation of Award, P2014000051, Bond Counsel

The Albuquerque Bernalillo County Water Utility Authority issued the referenced Request for Proposals (RFP) to solicit proposals from qualified vendors to provide Bond Counsel services.

The RFP was posted on the Sicomm website and advertised in the local newspapers. Four (4) responses were received and submitted for evaluation. The ad hoc evaluation committee reviewed, evaluated, and scored the responses in accordance with the evaluation criteria published in the RFP.

Listed are all the respondents' composite scores with small and/or local preferences and the NM Resident Preference applied for the offeror with an asterisk. The largest total composite score possible without preferences applied is 4,000.


<u>Offeror</u>	<u>Total Composite Score</u>
Modrall	3019.0*
Rodey	2744.5*
Kutak	2563.9
Sherman	2360.0

The committee recommended the award of contract to Modrall, Sperling, Roehl, Harris, & Sisk, P.A. as that company had the highest composite score and is qualified to perform the work. I concur with the committee's recommendation.

Water Authority Board approval is required for this procurement. Negotiations with the vendor shall begin immediately upon your approval.

Approved:

Recommended:

  
\_\_\_\_\_  
Mark S. Sanchez  
Executive Director

4/14/14  
\_\_\_\_\_  
Date

  
\_\_\_\_\_  
Stan Allred  
Chief Financial Officer

4/14/14  
\_\_\_\_\_  
Date

Attachments:

Composite Score Sheet

Original:

Thomas Courtin, Senior Buyer

Copy:

Lorraine Nunez, Purchasing Officer

File:

P2014000051



**BOND COUNCIL  
P2014000051**

EVALUATOR	EVALUATION CRITERIA	EVALUATION FACTORS	OFFERORS			
			Kutak	Rodey	Sherman	Mondrall
SA	Experience: Prior experience of firm and its practicing attorneys generally applicable to the scope and complexity of the Water Authority's public finance program.	Up to 100	100	80	90	100
JS			75	65	50	80
CK			100	100	100	100
	<b>SUB TOTAL</b>		<b>275</b>	<b>245</b>	<b>240</b>	<b>280</b>
SA	Other Factors as described in Section 2.1.9.	Up to 100	100	100	80	100
JS			65	60	50	80
CK			70	75	70	95
	<b>SUB TOTAL</b>		<b>235</b>	<b>235</b>	<b>200</b>	<b>275</b>
SA	Qualifications of The firm (100 pts.)	Up to 100	100	80	80	100
JS			80	70	50	80
CK			75	75	70	100
	<b>SUB TOTAL</b>		<b>255</b>	<b>225</b>	<b>200</b>	<b>280</b>
SA	Qualifications of lead attorney (s) assigned to the Water Authority's account (300 pts.)	Up to 300	280	250	280	290
JS			220	200	180	260
CK			270	275	275	290
	<b>SUB TOTAL</b>		<b>770</b>	<b>725</b>	<b>735</b>	<b>840</b>
SA	Approach (methodology) of firm to servicing the Water Authority's account as defined in the Scope of Services (Part 3 of this RFP).	Up to 300	280	280	250	290
JS			220	210	160	260
CK			270	275	275	290
	<b>SUB TOTAL</b>		<b>770</b>	<b>765</b>	<b>685</b>	<b>840</b>
	<b>SUB TOTAL TECHNICAL SCORE</b>		<b>2305</b>	<b>2195</b>	<b>2060</b>	<b>2515</b>
SA	Cost Proposal – The costs proposed by the Contractor as described in Section 2.2 of this RFP to perform the tasks listed in Part3, Scope of Services. The evaluation of this section will occur after the technical evaluation, based on a cost/price analysis.	Up to 100	86.3	100	100	76.5
JS			86.3	100	100	76.5
CK			86.3	100	100	76.5
	<b>COST PROPOSAL TOTAL</b>		<b>258.9</b>	<b>300</b>	<b>300</b>	<b>229.5</b>
	<b>SUB TOTAL COMPOSITE SCORE</b>	<b>Up to 3000</b>	<b>2564</b>	<b>2495</b>	<b>2360</b>	<b>2745</b>
	<b>5% LOCAL BUSINESS PREFERENCE</b>		<b>0</b>	<b>125</b>	<b>0</b>	<b>137</b>
	<b>5% NM RESIDENT BUSINESS</b>		<b>0</b>	<b>125</b>	<b>0</b>	<b>137</b>
	<b>5% SMALL BUSINESS PREFERENCE</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
	<b>TOTAL COMPOSITE SCORE</b>		<b>2563.9</b>	<b>2744.5</b>	<b>2360.0</b>	<b>3019.0</b>

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Meeting Date: April 23, 2014  
Staff Contact: Stan Allred, Chief Financial Officer

**TITLE: C-14-12 - Recommendation of Award, RFP Audit Services P2014000053**

**ACTION: Recommend Approval**

**SUMMARY:**

The Albuquerque Bernalillo County Water Utility Authority issued the referenced Request for Proposals (RFP) to solicit proposals from qualified vendors to provide Audit Services.

The RFP was posted on the Sicomm website and advertised in the local newspaper. Three responses were received and submitted for evaluation. The ad hoc evaluation committee reviewed, evaluated, and scored the responses in accordance with the evaluation criteria published in the RFP.

The responses were reviewed, evaluated and scored by an ad hoc committee consisting of Stan Allred, Chief Financial Officer; Cliff Wintrobe, Accounting Officer; Susan Lander, Fiscal Officer; and H. S. Warren, Customer Service Division Manager. The committee recommended the award of a contract to REDW, as that firm had the highest composite score, is qualified to perform the work, and meets the requirements of the RFP. Once a contract has been entered into, it must be submitted to the State Auditor's Office for their approval. Once approval has been granted REDW can begin work on the FY/14 CAFR.

**FISCAL IMPACT:**

The cost for this Audit work will be approximately \$59,000 a year, with the contract covering a three year period. This amount is appropriated in the FY/15 Operating Budget.



# Memo

**To:** Mark S. Sanchez, Executive Director

**From:** Stan Allred, Chief Financial Officer

**Date:** April 17, 2014

**Re:** Recommendation of Award, P2014000053, Audit Services

The Albuquerque Bernalillo County Water Utility Authority issued the referenced Request for Proposals (RFP) to solicit proposals from qualified vendors to provide Audit services.

The RFP was posted on the Sicomm website and advertised in the local newspapers. Three (3) responses were received and submitted for evaluation. The ad hoc evaluation committee reviewed, evaluated, and scored the responses in accordance with the evaluation criteria published in the RFP.

Listed are all the respondents' composite scores with small and/or local preferences and the NM Resident Preference applied for the offerors with asterisks. The largest total composite score possible without preferences applied is 4,000.

<u>Offeror</u>	<u>Total Composite Score</u>
Accounting Consulting Group	3955.6*
Moss Adams	3675.0
REDW	4117.3*

The committee recommended the award of contract to REDW as that company had the highest composite score and is qualified to perform the work. I concur with the committee's recommendation.

Water Authority Board approval is required for this procurement. Negotiations with the vendor shall begin immediately upon your approval.

Approved:

Recommended:

 4/17/14  
\_\_\_\_\_  
Mark S. Sanchez Date  
Executive Director

 4/17/14  
\_\_\_\_\_  
Stan Allred Date  
Chief Financial Officer

**Attachments:**                      **Composite Score Sheet**

**Original:**                      **Thomas Courtin, Senior Buyer**  
**Copy:**                         **Lorraine Nunez, Purchasing Officer**  
**File:**                         **P2014000053**

P2014000053

EVALUATOR	EVALUATION CRITERIA	EVALUATION FACTORS	OFFERORS		
			Accounting Consulting Group	Moss Adams	REDW
SA	The Offeror's general approach and plans to meet the requirements of the RFP; the organization and completeness of the proposal.	Up to 100	100	100	100
CW			100	100	100
SL			80	80	85
HW			90	95	95
SUB TOTAL			370	375	380
SA	The Offeror's detailed plans to meet the objectives of each task, activity, etc. on the required schedule.	Up to 150	150	150	150
CW			150	150	150
SL			130	120	130
HW			145	140	150
SUB TOTAL			575	560	580
SA	Experience and qualifications of the Offeror and personnel as shown in the documentation submitted in response to Part 2.	Up to 150	140	140	150
CW			140	140	150
SL			120	130	135
HW			130	150	150
SUB TOTAL			530	560	585
SA	Adequacy of proposed project management and resources to be utilized by the Offeror.	Up to 100	100	100	100
CW			100	100	100
SL			85	80	85
HW			90	95	100
SUB TOTAL			375	375	385
SA	The Offeror's past performance on projects of similar scope and size.	Up to 150	130	120	145
CW			130	120	140
SL			130	130	140
HW			135	130	150
SUB TOTAL			525	500	575
SA	The overall ability of the Offeror, as judged by the evaluation committee, to successfully complete the project within the proposed schedule. This judgment will be based upon factors such as the project management plan and availability of staff and resources.	Up to 150	130	125	145
CW			120	120	140
SL			130	120	135
HW			145	140	150
SUB TOTAL			525	505	570
SUB TOTAL TECHNICAL SCORE			2900	2875	3075
SA	Cost Proposal – The costs proposed by the Contractor as described in Section 2.2 of this RFP to perform the tasks listed in Part3, Scope of Services. The evaluation of this section will occur after the technical evaluation, based on a cost/price analysis.	Up to 200	174	200	167
CW			174	200	167
SL			174	200	167
HW			174	200	167
SUB TOTAL			696	800	668
SUB TOTAL COMPOSITE SCORE		Up to 4000	3596	3675	3743
5% LOCAL BUSINESS PREFERENCE			179.8	0.0	187.2
5% NM RESIDENT BUSINESS			179.8	0.0	187.2
5% SMALL BUSINESS PREFERENCE			0.0	0.0	0.0
TOTAL COMPOSITE SCORE			3955.6	3675.0	4117.3



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Meeting Date: April 23, 2014

Staff Contact: Frank Roth, Senior Policy Manager

**TITLE: C-14-13 - Appointment to the Customer Advisory Committee**

**ACTION: Recommend Approval**

**SUMMARY:**

The Customer Advisory Committee (CAC) was established in November 2006 to assist in and facilitate public review and discussion of Water Authority policies, plans and programs. The CAC consists of nine voluntary members who are customers of the Water Authority's water or wastewater system. The resolution, R-06-27, establishing the CAC recommends that the appointed members have professional or technical competence in one of the following areas: water resource planning, water system engineering, environmental or public interest advocacy, planning or landscape architecture, financial or business management, resource economics, and customer service. There is a vacancy in the water resource planning category because of a recent resignation of Jesse Roach as he no longer a customer of the Water Authority.

It is recommended that the Water Authority Board confirm the nomination of Amy Ewing to fill this vacancy. The nomination was submitted to the Chair for concurrence. Pursuant to R-06-27, the Chair forwards the nomination for confirmation by the Water Authority Board. The new nomination represents the same area that the current member leaving represented. The nominee presented for confirmation is highly qualified and certified in her field of work and for the technical area that will be vacated. Below is a summary of Amy Ewing's professional and academic background.

Biography

Amy Ewing, P.G. is a Hydrogeologist at Daniel B. Stephens & Associates, Inc., specializing in aquifer storage and recovery (ASR), water supply and conservation planning, hydrogeology, water quality studies, watershed management, and water rights planning. Amy is a licensed Professional Geoscientist, and holds bachelors and master's degrees in earth science and water resources.

**CURRENT MEMBERS:**

<b>Member</b>	<b>R-06-27 Category</b>	<b>Term Expiration</b>
David Ritchey	Financial Management/Institutional Customer	5/2015
Will Gleason	Planning	5/2015
Jesse Roach	Water Resource Planning	5/2015
Wayne Frye	Customer Service	5/2013
Lola Bird	Landscape Architecture	8/2014
John Shomaker	Water Resource Planning	8/2014
Frederick Arfman	Water System Engineering	8/2014
David Brookshire	Resource Economics	8/2014
Sarah Gilstrap Browne	Environmental	2/2015

**FISCAL IMPACT:** None

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Meeting Date: April 23, 2014

Staff Contact: Barbara Gastian, Compliance Division Manager

**TITLE: R-14-6 – Requiring Supplemental Fluoridation of Water for the Albuquerque Bernalillo County Water Utility Authority**

**ACTION: Final Adoption**

**SUMMARY:**

The Albuquerque City Council adopted a policy to add fluoride to the local drinking water distribution system in the early 1970s. The addition of supplemental fluoride continued until early 2011. At that point the Water Authority, following a presentation to and discussion by the Board, ceased the practice pending adoption of a new standard for optimal fluoridation by the Department of Health and Human Services Centers for Disease Control (CDC) and the Environmental Protection Agency (EPA).

County Commissioner Hart Stebbins has requested that the Water Authority resume fluoridation given that the CDC and EPA have yet to issue a final standard. These agencies are nevertheless expected to affirm their 2011 interim recommendation of an optimal fluoride concentration of 0.7 milligrams per liter (mg/L) of water, replacing the previous recommended range of 0.7 to 1.2 mg/L. The average concentration of naturally occurring fluoride in the Water Authority's drinking water distribution system is around 0.4 to 0.5 mg/L.

Per Commissioner Hart Stebbins' request, this Resolution would require that the Water Authority add supplemental fluoride to meet a target of 0.7 mg/L on an annual basis, to be monitored and reported in the Water Authority's Annual Water Quality Report.

The Water Authority Board, at the request of County Commissioner O'Malley, deferred action on this Resolution at its February 2014 meeting to allow more time for public input and requested that a town hall be hosted to have opposing sides present data and allow the public to comment.

Pursuant to this, the Water Authority held an advertised public meeting on the topic of fluoridation on April 9, 2014. Formal presentations were made by dentists Dr. David Kennedy, DDS and Prof. Howard Pollick, BDS, MPH, with Kennedy speaking in opposition to fluoridation and Pollick speaking in support.

These presentations were followed by a public comment period during which some 44 individuals voiced their opinions, with 13 people speaking in favor of fluoridation and 31 speaking in opposition to the practice.



A transcript of the meeting, including public comments, has been provided to Board members for their review, as have copies of the experts' PowerPoint presentations and subsequent communications from members of the public. This information has also been posted on the Authority's website for public viewing.

**FISCAL IMPACT:**

An appropriation of \$400,000 for FY14 is made in this Resolution for design and construction of the fluoridation system equipment at the San Juan-Chama drinking water plant.

An appropriation of \$50,000 is made in the SJCWTP program budget and \$50,000 in the General Government – SJCWTP program budget to provide the necessary funding for purchase of chemicals and operation and maintenance of the fluoridation system for the fourth quarter of FY2014. The total annual recurring cost for operation and maintenance of the fluoridation system is estimated at \$400,000.

# ALBUQUERQUE BERNALILLO COUNTY WATER UTILITY AUTHORITY

BILL NO. R-14-6

1 **RESOLUTION**

2 **REQUIRING SUPPLEMENTAL FLUORIDATION OF WATER FOR THE**  
3 **ALBUQUERQUE BERNALILLO COUNTY WATER UTILITY AUTHORITY**

4 WHEREAS, the United States Department of Health and Human Services (HHS)  
5 Centers for Disease Control (CDC) has named water fluoridation one of the Ten Great  
6 Public Health Interventions of the 20th Century; and

7 WHEREAS, fluoride naturally occurs in the Albuquerque Basin aquifer and in the  
8 Rio Grande; and

9 WHEREAS, other common sources of fluoride include toothpaste and mouth  
10 rinses, prescription fluoride supplements, and fluoride applied by dental professionals;  
11 and

12 WHEREAS, community water system supplemental fluoridation began in 1945;  
13 and

14 WHEREAS, the Water Authority began supplemental fluoride by City Council  
15 Resolution in the late 1980's; and

16 WHEREAS, the City Council target concentration for supplemental fluoride was  
17 1.2 parts per million; and

18 WHEREAS, the National Academies of Science Assessment in 2006 resulted in  
19 a recommendation that the Environmental Protection Agency (EPA) update the health  
20 and exposure assessments to take into account bone and dental effects and to consider  
21 all sources of fluoride; and

22 WHEREAS, in January 2011 the HHS recommended an optimum fluoride  
23 concentration of 0.7 milligrams fluoride per liter of water (mg/L) to replace the then  
24 current recommended range of 0.7 to 1.2 mg/L; and

25 WHEREAS, the proposed new recommended optimal level was based on a  
26 September 2010 review of information; and

1 WHEREAS, the EPA's Safe Drinking Water Act standards for fluoride are 4.0  
2 parts per million (Maximum Contaminant Level Goal) and 2.0 parts per million  
3 (Secondary Maximum Contaminant Level); and

4 WHEREAS, neither EPA nor CDC have finalized the recommended optimum  
5 level for fluoride; and

6 WHEREAS, the Water Authority stopped supplemental fluoridation awaiting the  
7 recommended optimum level from the EPA/CDC in 2012; and

8 WHEREAS, without supplemental fluoride the average concentrations in the  
9 water distribution system without supplemental fluoride obtained from the Water  
10 Authority's quarterly monitoring ranges from 0.4 to 0.5 parts per million; and

11 WHEREAS, the Water Authority Board would like to begin supplemental  
12 fluoridation; and

13 BE IT RESOLVED BY THE WATER AUTHORITY:

14 Section 1. The Albuquerque Bernalillo County Water Utility Authority shall add  
15 supplemental fluoride to the distribution system as follows:

16 Section 2. The target level in the distribution system is 0.7 parts per million  
17 which will be monitored and reported on an annual basis in the Water Authority's Annual  
18 Water Quality Report; and

19 Section 3. Supplemental fluoride may not be necessary if the target can be  
20 achieved naturally using a combination of surface and ground water; and

21 Section 4. An appropriation of \$400,000 is hereby made in decade line 9417  
22 "Surface Water Treatment Plant Fluoridation Program" to provide funding needed to  
23 design and construct fluoridation system equipment at the San Juan-Chama drinking  
24 water plant; and

25 Section 5. An appropriation of \$50,000 is hereby made in the SJCWTP  
26 program budget and \$50,000 in the General Government – SJCWTP program budget to  
27 provide the necessary funding for purchase of chemicals and operation and  
28 maintenance of the fluoridation system for the fourth quarter of FY2014; and

29 Section 6. The staff shall update the Water Authority Board at the time a new  
30 optimum level is adopted by the EPA/CDC or at least once per year whichever comes  
31 first; and

32 Section 7. Supplemental fluoridation shall continue until this resolution is  
33 rescinded.

# *Drinking Water Fluoridation: Status Report*

Barbara Gastian  
Compliance Manager  
April 9, 2014



Albuquerque Bernalillo County  
Water Utility Authority

# *Fluoridation of Albuquerque's Drinking Water*

- Early 1970's: City of Albuquerque begins fluoridation of municipal water supply
- 2005: Water Authority continues the practice after assuming control of the drinking water system
- Target level 0.9 to 1.2 parts per million (ppm)

## *2006 National Academies of Science Assessment*

- Undertaken at request of U.S. Environmental Protection Agency (EPA)
- Reviewed new data on fluoride
- Resulted in recommendation that EPA update health and exposure assessments to take into account:
  - bone and dental effects; and
  - consideration of all sources of fluoride.

## *January 2011 U.S. Department of Health and Human Services (HHS) Centers for Disease Control (CDC) Proposal*

- Proposed new recommended *optimal* fluoride level 0.7 ppm
- Reduced from 0.7-1.2 ppm
- Final optimal level recommendation expected spring of 2011
- Water Authority stopped adding supplemental fluoride in March 2011 pending final recommendation
- Final recommendation still pending

## *EPA Maximum Contaminant Level (MCL)*

- Primary MCL 4.0 ppm
- Secondary MCL 2.0 ppm



# *Current Drinking Water Fluoride Concentration in Water Authority Service Area*

Naturally occurring fluoride levels

- Production wells: average 0.7 ppm
- Surface Water Treatment Plant (San Juan-Chama project): averages 0.4 ppm

Blended water supply

- Quarterly distribution system monitoring:
  - 2012 average 0.5 ppm
  - 2013 average 0.4 ppm

## *Proposal Before the Water Authority Board*

- Add supplemental fluoride to bring entire service area to CDC optimal 0.7 ppm level
- For maximum operational efficiency, fluoride would be added at a central location: Surface Water Treatment Plant (San Juan-Chama project)
- Estimated \$400,000 infrastructure cost (one-time cost)
- Estimated \$100,000 yearly Operations & Maintenance costs

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Meeting Date: April 23, 2014  
Staff Contact: Frank Roth, Senior Policy Manager

**TITLE: R-14-7 - Establishing One-Year Objectives for the Albuquerque Bernalillo County Water Utility Authority in Fiscal Year 2015 to Meet Five-Year Goals**

**ACTION: Recommend Approval**

**Overview of Goal Development**

The Water Authority established Five-Year Goals and One-Year Objectives in 2005 to help guide the Water Authority's budget process and address priority issues. In addition, the Water Authority's Budget Ordinance specifies that the Water Authority shall annually review and adopt one-year objectives related to the five year goals for the Water Authority. The Ordinance also states that the Water Authority's operating budget shall be formulated by the Water Authority's Executive Director and be consistent with the goals and objectives, and that they be major factors in determining funding for Water Authority programs and improvements in both the operating and capital improvements budgets.

The Five-Year Goals adopted by the Water Authority are based on American Water Works Association's (AWWA) business model using fifteen successful quality achievement programs, including the Malcolm Baldrige National Quality Award Program, the Deming Award, and the International Standards Organization series of quality standards. The model characterizes the work of the typical water and wastewater utility around five business systems:

1. Water Supply and Operations
2. Wastewater Collection and Operations
3. Customer Relations
4. Business Planning and Management
5. Organization Development

The Water Authority has participated in several continuous performance programs through AWWA including Benchmarking, Self-Assessment, and Peer Review. More recently, the Water Authority has incorporated the EPA's *Effective Utility Management* (EUM) into its strategic planning process which is designed to help utilities to make practical, systematic changes to achieve excellence in performance. The Water Authority has been using the EUM's Ten Attributes to select priorities for improvement, based on each organization's strategic objectives and the needs of the community it serves.

## **Overview of One-Year Objectives**

The continuous performance programs mentioned above help the Water Authority to identify gaps in service delivery or performance. The Water Authority's performance measures are used to help monitor the Water Authority's performance and to develop performance targets. With the performance measures being used to identify gaps, the One-Year Objectives which are policy directives from the Water Authority Board are used to close performance or service delivery gaps and improve performance levels. It should be noted that not all One-Year Objectives are tied to performance measures or have a measurable component. Some Objectives are related to completing projects or improving programs. It should be noted that the Objectives are not all inclusive in terms of priorities, policies or plans. Some of the FY15 Objectives are tied to resources contained in the proposed FY15 Budget. A few of the objectives are carried over from FY14 either because they require more time to complete, or are ongoing issues. Some of the Objectives are tied to the Performance Plan in order to improve operations and/or customer service.

The One-Year Objectives are categorized by the Water Authority's Five-Year Goal areas. The Water Authority has developed guiding goal statements for each goal area which explains the long-term desired result for that goal. Below are the FY15 Goals and Objectives.

## **Summary of FY15 Goals and Objectives**

### **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.*

- Complete Ground Water Plant Preventive Maintenance to Corrective Maintenance ratio to at least 55% of all completed maintenance labor hours by the end of the 4th Quarter of FY15.
- Complete Surface Water Plant Preventive Maintenance to Corrective Maintenance ratio to at least 40% of all completed maintenance labor hours by the end of the 4th Quarter of FY15.
- If funding is available, implement the decommissioning plans for Yale Reservoir and Santa Barbara Pump Station by the end of the 4th Quarter of FY15.
- Purchase the necessary field equipment and begin implementation of a pilot large diameter valve exercise program including field location and GPS coordinates of existing valves. The program should include developing exercise protocol and standard operating procedures and determining overall manpower needs and equipment to implement a priority phasing schedule based on business risk exposure rating; continue implementation of program through the end of the 4th Quarter of FY15.
- Maintain water use between 136 to 146 gallons per capita per day for calendar year 2014; maintain water use between 135 to 145 gallons per capita per day for calendar year 2015.
- Submit an application for a full scale aquifer storage and recovery permit for Bear Canyon by the end of the 1st Quarter of FY15.
- Submit an application for an aquifer storage and recovery demonstration permit at Webster Well #1 by the end of the 2nd Quarter of FY15.
- Complete 95% design of the Large Scale aquifer storage and recovery project by the end of the 2nd Quarter of FY15.
- Complete a plan to provide field trips to all area fourth grade students by the end of the 2nd Quarter of FY15.

- Continue the distribution water loss program by locating water leaks from surveying 500 miles of small diameter water lines through conventional leak detection methods and 2,000 miles of small diameter water lines through acoustic leak detection by the end of the 4th Quarter of FY15.
- Continue work on the Partnership for Safe Water program for surface water treatment and drinking water distribution systems to optimize water system operations and performance by the end of the 4th Quarter of FY15.
- Complete asset management plans for the reservoirs, wells, and pump stations to determine the condition of the Water Authority's groundwater facilities by the end of the 4th Quarter of FY15.
- Continue implementation of the Water Resources Management Strategy and report to the Customer Advisory Committee by the end of the 3rd Quarter of FY15; and initiate the process to update the Water Resources Management Strategy (WRMS) by the 4<sup>th</sup> quarter of 2015 with the Customer Advisory Committee and a series of public forums.
- Continue implementation of the Water Quality Protection Policy and Action Plan (WPPAP) including administrative, policy and technical support to the Water Quality Advisory Board (WPAB). Continue to monitor ongoing or new ground water contamination sites and provide technical comments to preserve and protect the aquifer and surface water supplies in the Middle Rio Grande. Provide quarterly status reports to the Water Authority Board through the 4th Quarter of FY15.

## **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.*

- Limit overall permit excursions to no more than 5 operating discharge permit violations to comply with effluent quality standards through the end of the 4th Quarter of FY15.
- Complete application to NACWA's Peak Performance Award and the Excellence in Management Program by the end of the 3rd Quarter of FY15.
- Beneficially reuse biosolids by diverting 25% of the biosolids to compost through the end of the 4th Quarter of FY15.
- Complete Waste Water Plant Preventive Maintenance to Corrective Maintenance ratio to at least 35% of all completed maintenance labor hours by the end of the 4th Quarter of FY15.
- To continue minimizing odors, begin testing of the magnesium hydroxide station in the sanitary sewer system and establish criteria to evaluate performance impacts to the interceptor system including the Yucca/Central area and the water reclamation facility by the end of the 4th Quarter of FY15.
- Conduct a root foaming pilot program on sewer lines that meet the root infested and/or inaccessibility criteria; assess the effectiveness to mechanical cleaning currently practiced and provide recommendation by the end of the 4th Quarter of FY15.
- Conduct a Fats, Oils, and Grease (FOG) Buster pilot program on sewer lines; evaluate and provide recommendation by the end of the 4th Quarter of FY15.
- Develop a nozzle program for cleaning sewer lines in conjunction with the Maximo software module and based on televised identified conditions; provide status report and recommendation by the end of the 4th Quarter of FY15.
- Televisé and assess the condition of approximately five percent of the small diameter sanitary sewer system by the end of the 4th Quarter of FY15.
- Complete an Arc Flash Hazard Evaluation and begin implementation if funding is available by the end of the 4th Quarter of FY15.
- Complete asset management plans for the sanitary sewer lift stations to determine the condition and criticality of the Water Authority's facilities by the end of the 4th Quarter of FY15.

- Implement the Reclamation Rehabilitation Asset Management Plan by planning, designing and constructing reclamation facility improvements through the end of the 4th Quarter of FY15.
- Continue examination of water reclamation and reuse alternatives for future use of wastewater effluent or other non-potable water sources by the end of the 4th Quarter of FY15.
- Monitor compliance with the Water Authority's Sewer Use and Wastewater Control Ordinance by continuing to inspect, monitor, and take enforcement action for permitted industrial users, septage waste haulers, food service establishments, and dental offices; report activities and respective compliance rates through weekly, monthly, and quarterly reporting, while referencing past performance through the end of the 4th Quarter of FY15. Obtain a compliance rate goal is 85% for each category.
- Implement the Fats, Oils, and Grease (FOG) Policy to reduce impacts on the sewer system by inspecting each Food Service Establishment (FSE) once every three years, working with the Collections section with Sanitary Sewer Overflow (SSOs) investigations, and convene FOG Task Force of other governmental entities to coordinate efforts to reduce FOG discharges. Track and report the number of SSOs due to FOG compared with previous years. In conjunction with Public Affairs Manager, develop a public relations campaign to inform rate-payers of Best Management Practices for FOG. Report campaign progress monthly and quarterly.

### **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.*

- Maintain call wait time for all call centers to less than 1 minute, 90 percent of the time to provide effective customer service through the 4th Quarter of FY15.
- Implement Phase 4 of the Automated Meter Infrastructure (AMI) project pending WaterSmart funding to modernize the Water Authority's aging meter infrastructure with smart meters to increase revenue, support conservation efforts, and provide better customer service by the end of the 4th Quarter of FY15.
- Implement new payment methods for customer billing and web self-service in conjunction with Western Union payment centers and the AMI program to provide more payment options to customers and improved cash flow through the end of the 4th Quarter of FY15. Increase paperless billing to 22,000 enrollments and web self-service to 60,000 registrations by the end of the 4th Quarter of FY15.
- Continue transition the meter-reading representatives to a Utility Tech position and add the AMI curriculum to the training program to transfer small meter replacement into customer service by the end of the 4th Quarter of FY15.
- Evaluate and provide status reports on the low-income credit program; provide water use status reports on the low-income conservation program through the end of the 4th Quarter of FY15.
- Conduct quarterly Customer Conversation meetings to engage customers and obtain input on the Water Authority's activities through the end of the 4th Quarter of FY15

### **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.*

- Expend \$34 million in water and wastewater capital rehabilitation and replacement programs to replace aging, high risk assets that are past their useful life by the end of the 4th Quarter of FY15. \$1 million shall be dedicated and used for identifying steel water pipes in critical or

poor condition and rehabilitating or replacing at least 2 miles of small diameter steel water lines by the end of the 4th Quarter of FY15.

- Continue to develop the integrated water/sewer/reuse master plan by incorporating the Southwest quadrant of Bernalillo County by the end of the 4th Quarter of FY15.
- Continue development of a comprehensive energy master plan to reduce energy demand by utilizing alternative clean energy sources by the end of the 4th Quarter of FY15.
- Continue implementation and system integration of mobile solutions to operations staff for optimization of the work order process including Clevest, and automation of preventative maintenance on utility equipment through the end of the 4th Quarter of FY15.
- Implement an independent telephony/data network that will provide a more reliable infrastructure and network in order to provide better customer service and additional functionality to staff by the end of the 4th Quarter of FY15.
- Implement an Information Technology Strategic Plan that supports the upgrading and hosting of major utility applications including: Customer Care and Billing (CC&B) application, Maximo Work Order application, Sungard Core Finance & HR/Payroll application; consolidate network storage by the end of the 4th Quarter of FY15; continue implementation of an IT Service Desk WUA wide.
- Implement Phase 3 of the Enterprise Resource Planning (ERP) project to integrate and optimize major business management functions by the end of the 4th Quarter of FY15.
- Evaluate water and sewer rate structures to ensure equity within the structures by the end of the 4th Quarter of FY15; develop a customer outreach strategy to educate customers on the value of water and infrastructure rehabilitation needs by the end of the 1st Quarter of FY15.
- Maintain the Compliance Division Regulatory Compliance Permit Matrix and the Regulatory Matrix Status Report to respectively maintain schedules for permit submittals and monitor and report emerging Safe Drinking Water Act (SDWA) and Clean Water Act (CWA) regulations, New Mexico Water Quality Control Commission and Environmental Improvement Board regulations, and local laws ordinances, etc. to identify and assess potential impacts on the Water Authority. Provide quarterly reports through the end of the 4th Quarter of FY15.
- Collect, monitor, and report weekly, monthly and quarterly key laboratory performance metrics to include: WQL results approved and reported for each laboratory section (chemistry, microbiology, metals, and external labs), laboratory productivity (results reported per productive hour), and the percentage of results reported late (turnaround time (TAT)). Maintain performance levels at FY13 levels. Research and identify industry performance benchmarks to be included for comparison.
- Continue collection and analyses of the operational data necessary to determine and document the actual cost of service for laboratory services for the analytical methods within the Water Quality Laboratory scope of accreditation. The status of the data collection and analyses efforts will be reported quarterly.
- In conjunction with the Information Technology Division, continue reimplementation of the Laboratory Information Management System (LIMS).
- Continue to develop the data repository including coordinating with Plant Operations Division to develop reports generated from the Data Repository to provide new access to approved laboratory and field analytical instrument water quality analyses and user statistical analyses tools.
- Continue to develop the Environmental Monitoring Program to improve the reliability of results from field instrumentation and sample collection techniques. Develop a program plan based on designated ISO standard to address accreditation requirements to include standard operating procedures, document control and records management plans, and a process for demonstration of staff capability. Implement program plan by the end of Quarter 2 of FY15.

- Prepare for the American Association for Laboratory Accreditation (A2LA) annual assessment of the Water Quality Laboratory including completing required internal audits and annual review and revision of Standard Operating Procedures. Monitor and report findings each Quarter of FY15, along with progress made to address and resolve any deficiencies identified in the preceding quarter. Monitor and report weekly, monthly, and quarterly the number of Corrective Action Reports and the necessary time for completion of corrective actions.
- In conjunction with ITD Quality Assurance, define a clear organizational architecture and IT governance structure for Compliance Division technology assets. Roles and responsibilities for this structure will be defined through a division service portfolio. The service portfolio will identify all information services provided to the Compliance Division and include a service catalog of software/hardware required to deliver services and service level agreements (SLAs) defining service metrics.
- In order to evaluate and improve the services provided by Pretreatment staff members that interact with the public and customers on a daily basis, a customer service survey will be developed and implemented to survey businesses and facilities that are inspected and/or monitored by Pretreatment staff members to include permitted industrial users, food service establishments, dental facilities, septage waste haulers, as well as pollution prevention assessments, public outreach events and consultations. Report survey results quarterly, as well as improvements made as a result of findings.

### **Goal 5: Organizational 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.*

- Implement Phase 2 of employee performance expectations that aligns to performance strategies through the 4th Quarter of FY15.
- Maintain an average utility-wide vacancy rate of no greater than 6% through the end of FY15.
- Improve workforce efficiency by implementing electronic personnel action forms in conjunction with the Sungard financial system by the end of the 4th Quarter of FY15.
- Complete the standard operating procedures for the water and wastewater plants and begin training by the end of the 4th Quarter of FY15.
- Continue implementation of the Operational Improvement Strategy by implementing the Area Procedures and Evaluations, and documenting and collecting data from key performance indicators to improve work load management and system performance efficiencies by the end of the 4th Quarter of FY15.
- Reduce injury hours to 2,750 hours or less to improve productivity and reliability of services provided by employees by the end of the 4th Quarter of FY15.



# ALBUQUERQUE BERNALILLO COUNTY WATER UTILITY AUTHORITY

BILL NO. R-14-7

1 **RESOLUTION**  
2 **ESTABLISHING ONE-YEAR OBJECTIVES FOR THE ALBUQUERQUE**  
3 **BERNALILLO COUNTY WATER UTILITY AUTHORITY IN FISCAL YEAR 2015 TO**  
4 **MEET FIVE-YEAR GOALS.**

5 WHEREAS, the Water Authority's Budget Policies and Procedures Ordinance  
6 specifies that the Water Authority shall annually review and adopt one-year objectives  
7 related to the five year goals for the Water Authority; and

8 WHEREAS, the Water Authority's operating budget shall be formulated by the  
9 Water Authority's Executive Director and be consistent with the goals and objectives as  
10 established and approved by the Water Authority; and

11 WHEREAS, the Water Authority's adoption of goals and objectives, which will be  
12 valuable in themselves, will be major factors in determining funding for Water Authority  
13 programs and improvements in both the operating budget and capital improvements  
14 budgets.

15 BE IT RESOLVED BY THE WATER AUTHORITY:

16 Section 1. That the Water Authority adopts the following five-year goals and one-  
17 year objectives for Fiscal Year 2015.

18 GOAL 1. WATER SUPPLY AND OPERATIONS: Provide a reliable, safe,  
19 affordable, and sustainable water supply by transitioning to renewable supplies and  
20 minimizing long term environmental impacts on the community and natural resources  
21 while ensuring the ability of the community to grow in a responsible manner.

22 Objective 1. Complete Ground Water Plant Preventive Maintenance to  
23 Corrective Maintenance ratio to at least 55% of all completed maintenance labor hours  
24 by the end of the 4th Quarter of FY15.

25 Objective 2. Complete Surface Water Plant Preventive Maintenance to  
26 Corrective Maintenance ratio to at least 40% of all completed maintenance labor hours  
27 by the end of the 4th Quarter of FY15.

Objective 3. If funding is available, implement the decommissioning plans for Yale Reservoir and Santa Barbara Pump Station by the end of the 4th Quarter of FY15.

Objective 4. Purchase the necessary field equipment and begin implementation of a pilot large diameter valve exercise program including field location and GPS coordinates of existing valves. The program should include developing exercise protocol and standard operating procedures and determining overall manpower needs and equipment to implement a priority phasing schedule based on business risk exposure rating; continue implementation of program through the end of the 4th Quarter of FY15.

Objective 5. Maintain water use between 136 to 146 gallons per capita per day for calendar year 2014; maintain water use between 135 to 145 gallons per capita per day for calendar year 2015.

Objective 6. Submit an application for a full scale aquifer storage and recovery permit for Bear Canyon by the end of the 1st Quarter of FY15.

Objective 7. Submit an application for an aquifer storage and recovery demonstration permit at Webster Well #1 by the end of the 2nd Quarter of FY15.

Objective 8. Complete 95% design of the Large Scale aquifer storage and recovery project by the end of the 2nd Quarter of FY15.

Objective 9. Complete a plan to provide field trips to all area fourth grade students by the end of the 2nd Quarter of FY15.

Objective 10. Continue the distribution water loss program by locating water leaks from surveying 500 miles of small diameter water lines through conventional leak detection methods and 2,000 miles of small diameter water lines through acoustic leak detection by the end of the 4th Quarter of FY15.

Objective 11. Continue work on the Partnership for Safe Water program for surface water treatment and drinking water distribution systems to optimize water system operations and performance by the end of the 4th Quarter of FY15.

Objective 12. Complete asset management plans for the reservoirs, wells, and pump stations to determine the condition of the Water Authority's groundwater facilities by the end of the 4th Quarter of FY15.

Objective 13. Continue implementation of the Water Resources Management Strategy and report to the Customer Advisory Committee by the end of the 3rd Quarter of FY15; and initiate the process to update the Water Resources Management Strategy

(WRMS) by the 4<sup>th</sup> quarter of 2015 with the Customer Advisory Committee and a series of public forums.

Objective 14. Continue implementation of the Water Quality Protection Policy and Action Plan (WPPAP) including administrative, policy and technical support to the Water Quality Advisory Board (WPAB). Continue to monitor ongoing or new ground water contamination sites and provide technical comments to preserve and protect the aquifer and surface water supplies in the Middle Rio Grande. Provide quarterly status reports to the Water Authority Board through the 4th Quarter of FY15.

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 1. Limit overall permit excursions to no more than 5 operating discharge permit violations to comply with effluent quality standards through the end of the 4th Quarter of FY15.

Objective 2. Complete application to NACWA's Peak Performance Award and the Excellence in Management Program by the end of the 3rd Quarter of FY15.

Objective 3. Beneficially reuse biosolids by diverting 25% of the biosolids to compost through the end of the 4th Quarter of FY15.

Objective 4. Complete Waste Water Plant Preventive Maintenance to Corrective Maintenance ratio to at least 35% of all completed maintenance labor hours by the end of the 4th Quarter of FY15.

Objective 5. To continue minimizing odors, begin testing of the magnesium hydroxide station in the sanitary sewer system and establish criteria to evaluate performance impacts to the interceptor system including the Yucca/Central area and the water reclamation facility by the end of the 4th Quarter of FY15.

Objective 6. Conduct a root foaming pilot program on sewer lines that meet the root infested and/or inaccessibility criteria; assess the effectiveness to mechanical cleaning currently practiced and provide recommendation by the end of the 4th Quarter of FY15.

Objective 7. Conduct a Fats, Oils, and Grease (FOG) Buster pilot program on sewer lines; evaluate and provide recommendation by the end of the 4th Quarter of FY15.

Objective 8. Develop a nozzle program for cleaning sewer lines in conjunction with the Maximo software module and based on televised identified conditions; provide status report and recommendation by the end of the 4th Quarter of FY15.

Objective 9. Televis and assess the condition of approximately five percent of the small diameter sanitary sewer system by the end of the 4th Quarter of FY15.

Objective 10. Complete an Arc Flash Hazard Evaluation and being implementation if funding is available by the end of the 4th Quarter of FY15.

Objective 11. Complete asset management plans for the sanitary sewer lift stations to determine the condition and criticality of the Water Authority's facilities by the end of the 4th Quarter of FY15.

Objective 12. Implement the Reclamation Rehabilitation Asset Management Plan by planning, designing and constructing reclamation facility improvements through the end of the 4th Quarter of FY15.

Objective 13. Continue examination of water reclamation and reuse alternatives for future use of wastewater effluent or other non-potable water sources by the end of the 4th Quarter of FY15.

Objective 14. Monitor compliance with the Water Authority's Sewer Use and Wastewater Control Ordinance by continuing to inspect, monitor, and take enforcement action for permitted industrial users, septage waste haulers, food service establishments, and dental offices; report activities and respective compliance rates through weekly, monthly, and quarterly reporting, while referencing past performance through the end of the 4th Quarter of FY15. Obtain a compliance rate goal is 85% for each category.

Objective 15. Implement the Fats, Oils, and Grease (FOG) Policy to reduce impacts on the sewer system by inspecting each Food Service Establishment (FSE) once every three years, working with the Collections section with Sanitary Sewer Overflow (SSOs) investigations, and convene FOG Task Force of other governmental entities to coordinate efforts to reduce FOG discharges. Track and report the number of SSOs due to FOG compared with previous years. In conjunction with Public Affairs

1 Manager, develop a public relations campaign to inform rate-payers of Best  
2 Management Practices for FOG. Report campaign progress monthly and quarterly.

3 GOAL 3. CUSTOMER SERVICES: Provide quality customer services by  
4 communicating effectively, billing accurately, and delivering water and wastewater  
5 services efficiently based on understanding the needs and perceptions of our customers  
6 and the community at large.

7 Objective 1. Maintain call wait time for all call centers to less than 1 minute,  
8 90 percent of the time to provide effective customer service through the 4th Quarter of  
9 FY15.

10 Objective 2. Implement Phase 4 of the Automated Meter Infrastructure (AMI)  
11 project pending WaterSmart funding to modernize the Water Authority's aging meter  
12 infrastructure with smart meters to increase revenue, support conservation efforts, and  
13 provide better customer service by the end of the 4th Quarter of FY15.

14 Objective 3. Implement new payment methods for customer billing and web  
15 self-service in conjunction with Western Union payment centers and the AMI program to  
16 provide more payment options to customers and improved cash flow through the end of  
17 the 4th Quarter of FY15. Increase paperless billing to 22,000 enrollments and web self-  
18 service to 60,000 registrations by the end of the 4th Quarter of FY15.

19 Objective 4. Continue transition the meter-reading representatives to a Utility  
20 Tech position and add the AMI curriculum to the training program to transfer small  
21 meter replacement into customer service by the end of the 4th Quarter of FY15.

22 Objective 5. Evaluate and provide status reports on the low-income credit  
23 program; provide water use status reports on the low-income conservation program  
24 through the end of the 4th Quarter of FY15.

25 Objective 6. Conduct quarterly Customer Conversation meetings to engage  
26 customers and obtain input on the Water Authority's activities through the end of the 4th  
27 Quarter of FY15.

28 GOAL 4. BUSINESS PLANNING AND MANAGEMENT: Maintain a well  
29 planned, managed, coordinated, and financially stable utility by continuously evaluating  
30 and improving the means, methods, and models used to deliver services.

31 Objective 1. Expend \$34 million in water and wastewater capital rehabilitation  
32 and replacement programs to replace aging, high risk assets that are past their useful  
33 life by the end of the 4th Quarter of FY15. \$1 million shall be dedicated and used for

1 identifying steel water pipes in critical or poor condition and rehabilitating or replacing at  
2 least 2 miles of small diameter steel water lines by the end of the 4th Quarter of FY15.

3           Objective 2. Continue to develop the integrated water/sewer/reuse master  
4 plan by incorporating the Southwest quadrant of Bernalillo County by the end of the 4th  
5 Quarter of FY15.

6           Objective 3. Continue development of a comprehensive energy master plan  
7 to reduce energy demand by utilizing alternative clean energy sources by the end of the  
8 4th Quarter of FY15.

9           Objective 4. Continue implementation and system integration of mobile  
10 solutions to operations staff for optimization of the work order process including Clevest,  
11 and automation of preventative maintenance on utility equipment through the end of the  
12 4th Quarter of FY15.

13           Objective 5. Implement an independent telephony/data network that will  
14 provide a more reliable infrastructure and network in order to provide better customer  
15 service and additional functionality to staff by the end of the 4th Quarter of FY15.

16           Objective 6. Implement an Information Technology Strategic Plan that  
17 supports the upgrading and hosting of major utility applications including: Customer  
18 Care and Billing (CC&B) application, Maximo Work Order application, Sungard Core  
19 Finance & HR/Payroll application; consolidate network storage by the end of the 4th  
20 Quarter of FY15; continue implementation of an IT Service Desk WUA wide.

21           Objective 7. Implement Phase 3 of the Enterprise Resource Planning (ERP)  
22 project to integrate and optimize major business management functions by the end of  
23 the 4th Quarter of FY15.

24           Objective 8. Evaluate water and sewer rate structures to ensure equity within  
25 the structures by the end of the 4th Quarter of FY15; develop a customer outreach  
26 strategy to educate customers on the value of water and infrastructure rehabilitation  
27 needs by the end of the 1st Quarter of FY15.

28           Objective 9. Maintain the Compliance Division Regulatory Compliance Permit  
29 Matrix and the Regulatory Matrix Status Report to respectively maintain schedules for  
30 permit submittals and monitor and report emerging Safe Drinking Water Act (SDWA)  
31 and Clean Water Act (CWA) regulations, New Mexico Water Quality Control  
32 Commission and Environmental Improvement Board regulations, and local laws

ordinances, etc. to identify and assess potential impacts on the Water Authority.  
Provide quarterly reports through the end of the 4th Quarter of FY15.

Objective 10. Collect, monitor, and report weekly, monthly and quarterly key laboratory performance metrics to include: WQL results approved and reported for each laboratory section (chemistry, microbiology, metals, and external labs), laboratory productivity (results reported per productive hour), and the percentage of results reported late (turnaround time (TAT)). Maintain performance levels at FY13 levels. Research and identify industry performance benchmarks to be included for comparison.

Objective 11. Continue collection and analyses of the operational data necessary to determine and document the actual cost of service for laboratory services for the analytical methods within the Water Quality Laboratory scope of accreditation. The status of the data collection and analyses efforts will be reported quarterly.

Objective 12. In conjunction with the Information Technology Division, continue reimplementation of the Laboratory Information Management System (LIMS).

Objective 13. Continue to develop the data repository including coordinating with Plant Operations Division to develop reports generated from the Data Repository to provide new access to approved laboratory and field analytical instrument water quality analyses and user statistical analyses tools.

Objective 14. Continue to develop the Environmental Monitoring Program to improve the reliability of results from field instrumentation and sample collection techniques. Develop a program plan based on designated ISO standard to address accreditation requirements to include standard operating procedures, document control and records management plans, and a process for demonstration of staff capability. Implement program plan by the end of Quarter 2 of FY15.

Objective 15. Prepare for the American Association for Laboratory Accreditation (A2LA) annual assessment of the Water Quality Laboratory including completing required internal audits and annual review and revision of Standard Operating Procedures. Monitor and report findings each Quarter of FY15, along with progress made to address and resolve any deficiencies identified in the preceding quarter. Monitor and report weekly, monthly, and quarterly the number of Corrective Action Reports and the necessary time for completion of corrective actions.

Objective 16. In conjunction with ITD Quality Assurance, define a clear organizational architecture and IT governance structure for Compliance Division

1 technology assets. Roles and responsibilities for this structure will be defined through a  
2 division service portfolio. The service portfolio will identify all information services  
3 provided to the Compliance Division and include a service catalog of  
4 software/hardware required to deliver services and service level agreements (SLAs)  
5 defining service metrics.

6 Objective 17. In order to evaluate and improve the services provided by  
7 Pretreatment staff members that interact with the public and customers on a daily basis,  
8 a customer service survey will be developed and implemented to survey businesses  
9 and facilities that are inspected and/or monitored by Pretreatment staff members to  
10 include permitted industrial users, food service establishments, dental facilities,  
11 septage waste haulers, as well as pollution prevention assessments, public outreach  
12 events and consultations. Report survey results quarterly, as well as improvements  
13 made as a result of findings.

14 GOAL 5. ORGANIZATION DEVELOPMENT: Sustain a well informed,  
15 trained, motivated, safe, organized, and competitive work force to effectively meet the  
16 expectations of the customers, community, and Board in accordance with adopted  
17 policies and mandates.

18 Objective 1. Implement Phase 2 of employee performance expectations that  
19 aligns to performance strategies through the 4th Quarter of FY15.

20 Objective 2. Maintain an average utility-wide vacancy rate of no greater than  
21 6% through the end of FY15.

22 Objective 3. Improve workforce efficiency by implementing electronic  
23 personnel action forms in conjunction with the Sungard financial system by the end of  
24 the 4th Quarter of FY15.

25 Objective 4. Complete the standard operating procedures for the water and  
26 wastewater plants and begin training by the end of the 4th Quarter of FY15.

27 Objective 5. Continue implementation of the Operational Improvement  
28 Strategy by implementing the Area Procedures and Evaluations, and documenting and  
29 collecting data from key performance indicators to improve work load management and  
30 system performance efficiencies by the end of the 4th Quarter of FY15.

31 Objective 6. Reduce injury hours to 2,750 hours or less to improve  
32 productivity and reliability of services provided by employees by the end of the 4th  
33 Quarter of FY15.



1           Section 2. That the Executive Director of the Water Utility Authority shall ensure  
2 that these goals and objectives are carried out and integrated with the performance plan  
3 and submit a report by Goal to the Water Authority Board at least semi-annually on the  
4 progress made toward implementation of the one-year objectives.



# FY15 Goals & Objectives

# Strategic Planning, Budgeting & Improvement Process



# Performance Objectives

- Identify performance gaps in operations and service delivery compared to other utilities
- Address performance gaps
- Develop improvement processes to improve operations and service delivery
- Implement policy



➔ **58 One-Year Objectives**

# FY15 One-Year Objectives

- Implementation of plans or programs
- Incorporate areas of improvement identified from the Benchmarking and Effective Utility Management
- Integrated with Performance Plan for operational performance improvement and service delivery
- Carry-over from FY14 either because they require more time to complete, or are ongoing issues
- Objectives may be tied to resources contained in the proposed budget

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Meeting Date: April 23, 2014  
Staff Contact: Stan Allred, Chief Financial Officer

**TITLE: C-14-14 - FY/14 3rd Quarter Operating Financial Reports**

**ACTION: Receipt be noted**

**SUMMARY:**

Submitted to the Board for review and informational purposes are the financial reports for the quarter ended March 31, 2014. These reports provide a year to date comparison between the approved FY/13 budget and actual expenditures through March 31, 2014. These reports also include revenue and expenditure projections to June 30, 2014. The projections are based on actual, trend and historical information. As with any estimates, this information is subject to adjustment.

Fund 21 General Operating Fund

Revenues:

Third quarter revenues are about \$1.6 million above the same period in FY/13. This revenue increase includes decreased revenue from water sales of \$0.9 million, San Juan Chama Strategy implementation \$.5 million, increases Sewer revenue \$2.1 million and other miscellaneous revenues of approx. \$0.9 million. The FY/14 revenues are down from the FY/13 revenues for the same time period due to decreased water usage as a result of a 12% reduction in consumption as compared to the same 9-month period of FY/13. The reduction is offset by the 5% Rate Revenue increase implemented at July 1, 2013. Factors affecting the reduction are increased precipitation in the months of July and September as compared to the same period of FY/13 and normal precipitation for that same period. In addition, the increase in rates that went into effect on July 1 along with the 200% water use block level in the rate structure has had an impact on customer's usage patterns. Projected revenues are off by approximately \$8.7 million for the first 9 months of FY/14 and are in line to be below the approved budget for FY/14. Revenue projections to June 30, 2014 have been adjusted from the approved budget on the 3<sup>rd</sup> quarter report. Approved budget revenues amounts were derived with the expectation of very limited growth in the service area for the next several years coupled with continued 2% reductions in consumption due to the very effective conservation efforts of the Water Authority.

Expenditures:

Third quarter total expenditures are \$3.1 million above the same period in FY/13. This increase is mainly in the Interfund Transfers \$6 million and General Government

\$4.7 million. The increase in the General Government is due to the large Risk Insurance Premiums the Water Authority paid as it transferred its Risk Program away from the City of Albuquerque. It is anticipated that the Water Authority will be under budget in the expenditures at the end of the fiscal year. These two increases were offset by decreases in other operating categories. In FY/14, in conjunction with the move to a new ERP system, the Water Authority added a General Government division to the chart of accounts structure to move Water Authority-wide appropriations out of individual departments. This division is comprised of the following departments, appropriations for Utilities, Electricity, and Natural Gas. Additional appropriations for Workers Compensation, Tort and Risk, Franchise Fees, Water Conservation Fees, Admin Fees to the City of Albuquerque, and Interfund Transfers. These appropriations had, in previous years been tracked in individual departments or divisions. At this time due to the revenue shortfall, the Water Authority will continue postponing the transfer from Operating to CIP. This will generate savings of approximately \$8 million for FY/14. The projected expenditure at June 30, 2014, is estimated to be \$4.3 million under the approved appropriation. Including the savings that will be derived by the reduction of the CIP transfer, it is estimated the projected expenditures at June 30, 2014 will be \$12.3 million under approved appropriation.

Working capital or fund balance is projected to be \$1.4 million, compared to a beginning balance in 2014 of (\$14.9) million which includes the life insurance liability that was booked in FY13 per GASB 45. The fund balance trend has reversed as planned and will eventually meet the target of 1/12.

#### **FISCAL IMPACT:**

Due to the reduction in revenue, the transfer to CIP in the amount of \$8 million has been postponed. It is clear that reduced consumption has caused revenues to decline. If this trend continues, a combination of reducing operating expenses and increasing fixed portion of the rate structure will need to be evaluated. \$4.3 million in anticipation of this trend have already reduced operating expenses. Use of the rate reserve fund will be evaluated prior to any consideration of rate adjustments.

The reduction in consumption is a positive result for conservation goals, however, the costs of maintaining the utility are primarily fixed in nature and the revenue requirements for operating, and debt service payments, reserves, and debt service coverage are not variable. It appears at this point that an adjustment to the fixed charges will be necessary to continue upgrading infrastructure as planned. A rate consultant is currently evaluating this situation and has made a presentation to the Customer Advisory Committee to make a recommendation for FY15.

# Memo

**To:** Stan Allred, Chief Financial Officer  
**From:** Susan Lander, Fiscal Officer *sjl*  
**Date:** April 8, 2014  
**Re:** March 2014 FINANCIAL REPORTS

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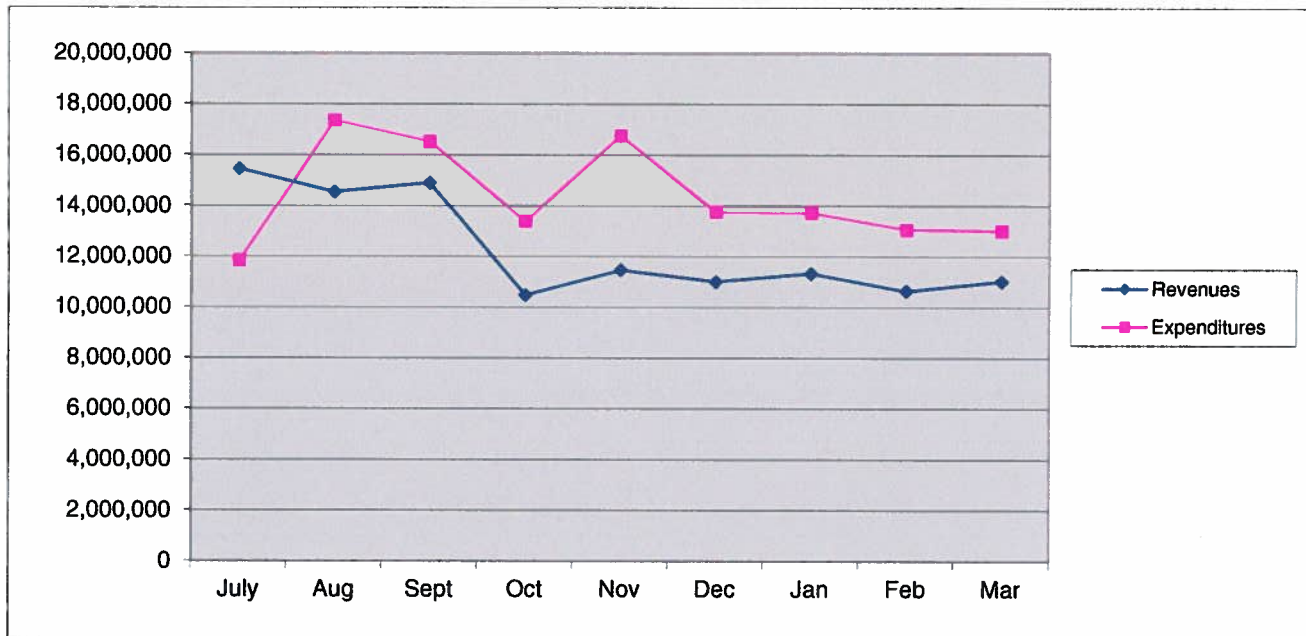
Attached are the March 2014 financial reports for the Water Authority operating and CIP funds. This report includes:

1. Revenues vs. Expenditures Graph
2. Revenue & Expenditure Analysis-Fund 21
3. Department Summary Budget with Projection-Fund 21
4. Overview-Funds 21 and 31
5. Plant & Field Operations Overview
4. Precipitation Chart
5. Utility CIP Actual and Projected Expenditures
7. Debt Service Fund 31

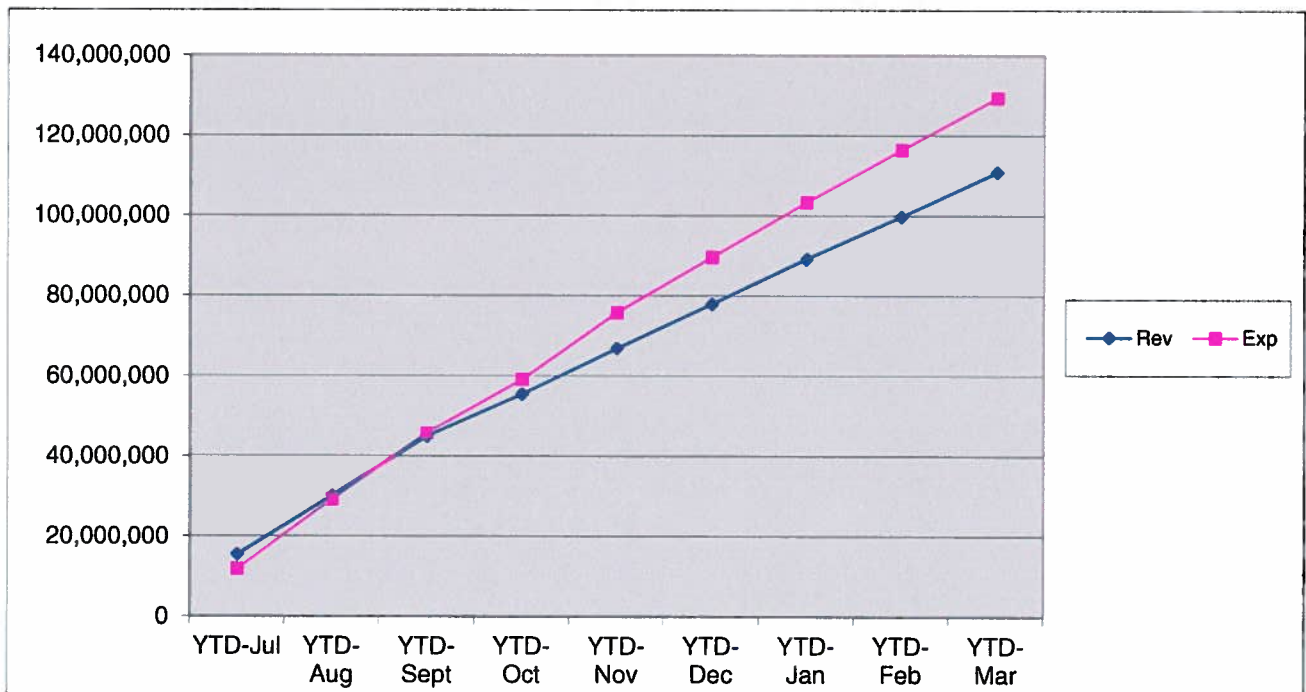
If you have any questions about your specific program(s) and what assumptions were used, please call me at 768-3637.



**Water Utility Authority - General Fund 21  
Revenues Compared to Expenditures - FY14  
Mar-14**



Revenues - February	\$11,021,560
Expenditures - February	\$13,009,263



YTD Revenues	\$110,896,422
YTD Expenditures	\$129,443,634

**Notes:**

Does not include Water Resources Management expenses due to dedicated funding.  
FY14 Budgeted Revenues - Fund 21 \$176,574,000  
FY14 Operating Budget Appropriation - Fund 21 \$184,437,824

WUA General Fund 21  
Revenue and Expenditure Analysis - FY14  
Month Ending March 2014

	<u>FY13 YTD</u>	<u>FY14 YTD</u>	<u>FY14 BUDGET</u>	<u>FY14 PROJECTION</u>	<u>BUDGET LESS PROJECTION</u>
<b>REVENUES</b>					
Sale of Water: City (includes NWSA)	46,583,663	45,119,661	82,515,000	73,515,000	(9,000,000)
Water Valley	3,859,712	3,828,456	5,000,000	5,000,000	-
Water Facilities Rehab	7,257,358	8,074,774	7,100,000	10,000,000	2,900,000
Sewer Service: City (includes NWSA)	30,728,675	26,999,319	56,187,000	42,600,000	(13,587,000)
Sewer Valley	2,743,441	2,423,317	4,000,000	4,000,000	-
Wastewater Facilities Rehab	9,874,342	16,043,099	6,200,000	17,200,000	11,000,000
Hookups/CIA: City	261,108	230,958	350,000	350,000	-
Hookups/CIA: Valley	15,220	10,465	50,000	20,000	(30,000)
Water Resources Mgmt.	3,319,093	3,066,587	4,500,000	4,500,000	-
SJC Strategy Imp	21,437,053	20,920,978	30,000,000	30,000,000	-
Reuse	233,715	264,405	400,000	400,000	-
SW Billing Fee	830,544	821,333	1,236,000	1,236,000	-
CIP Employees	176,778	430,924	800,000	800,000	-
Interest	5,741	20,386	750,000	750,000	-
Miscellaneous	1,363,291	1,973,609	1,550,000	1,550,000	-
Franchise Fee City	4,421,780	4,470,585	7,130,000	7,130,000	-
Franchise Fee Valley	406,810	399,072	627,000	627,000	-
Franchise Fee Rio Rancho	722	761	1,000	1,000	-
Franchise Fee Los Ranchos	50,671	49,703	78,000	78,000	-
Rate Reserve	-	-	-	-	-
<b>TOTAL REVENUES</b>	<b>133,569,714</b>	<b>135,148,392</b>	<b>208,474,000</b>	<b>199,757,000</b>	<b>(8,717,000)</b>
Beg Working Capital Excluding Gasb	(10,868,656) a)	(14,920,865) a)	(14,920,865) a)	(14,920,865) a)	
<b>TOTAL REVENUES &amp; BWC</b>	<b>122,701,058</b>	<b>120,227,527</b>	<b>193,553,135</b>	<b>184,836,135</b>	
<b>EXPENDITURES</b>					
Water Authority Administration	15,184,197	1,998,134	2,537,357	2,696,102	(158,745)
Human Resources	732,551	892,445	1,229,644	1,207,527	22,117
Finance	4,731,813	2,351,252	2,840,244	3,096,235	(255,991)
Customer Services	5,011,497	5,210,797	7,697,421	7,055,813	641,608
Information Technology	3,894,047	3,937,947	4,302,334	5,261,031	(958,697)
Wastewater Plant	8,816,279	7,651,151	10,097,028	10,431,225	(334,197)
SJC Water Treatment Plant	2,295,212	2,321,246	3,059,099	3,173,579	(114,480)
Groundwater System	4,768,307	4,142,459	5,761,235	5,767,256	(6,021)
Wastewater Collection	4,985,200	6,979,918	5,412,416	6,007,230	(594,814)
Water Field Operations	13,153,023	10,959,938	19,713,223	18,605,793	1,107,430
Compliance	2,615,891	2,698,324	4,524,999	3,783,241	741,758
Water Resources Management	4,149,290	4,939,169	6,429,000	6,594,809	(165,809)
General Government	-	21,578,744	33,842,000	29,430,860	4,411,140
San Juan Chama	1,703,913	1,709,264	2,247,000	2,220,514	26,486
Interfund Transfers	60,273,828	58,070,500	84,094,000	76,094,004	7,999,996
<b>TOTAL EXPENDITURES</b>	<b>132,315,048</b>	<b>135,441,289</b>	<b>193,787,000</b>	<b>181,425,219</b>	<b>12,361,781</b>
Year end CA's					
<b>TOTAL NET EXPENDITURES</b>	<b>132,315,048</b>	<b>135,441,289</b>	<b>193,787,000</b>	<b>181,425,219</b>	
Restricted - Rate Stabilization Fund	2,000,000	2,000,000	2,000,000	2,000,000	
<b>ENDING WORKING CAPITAL BALANCE</b>	<b>(11,613,990)</b>	<b>(17,213,762)</b>	<b>(2,233,865)</b>	<b>1,410,916</b>	
GASB-31 Adj					
<b>ENDING WCB PER CAFR</b>	<b>(11,613,990)</b>	<b>(17,213,762)</b>	<b>(2,233,865)</b>	<b>1,410,916</b>	

a) audited b) unaudited per Financial Plan

**Water Utility Authority**  
**Summary Budget with Projections**  
**Fiscal Year 2014 As of 3/31/2014**

**Fund: 21**

<b>Division</b>				<b>Remaining</b>	<b>Budget to</b>
<b>Department</b>	<b>Budget</b>	<b>Actual</b>	<b>Projected</b>	<b>Budget</b>	<b>% Expended</b>
<b>Administration</b>					
<b>Executive Director</b>					
Wages & Benefits	973,561	732,891	276,627	240,670	75.28
Wages Overtime	0	124	0	(124)	0.00
Operating Expenses	849,645	814,049	277,459	35,596	95.81
Total Executive Director	1,823,206	1,547,064	554,086	276,142	84.85
<b>COOs office</b>					
Wages & Benefits	332,022	166,933	60,357	165,089	50.28
Operating Expenses	125,684	138,695	13,300	(13,011)	110.35
Capital Expenses	0	0	0	0	0.00
Total COOs office	457,706	305,628	73,657	152,078	66.77
<b>Safety</b>					
Wages & Benefits	235,234	132,197	63,333	103,037	56.20
Wages Overtime	0	1,427	600	(1,427)	0.00
Operating Expenses	21,211	11,818	6,292	9,393	55.72
Total Safety	256,445	145,442	70,225	111,003	56.71
<b>Human Resources</b>					
Wages & Benefits	1,073,780	754,044	285,949	319,736	70.22
Wages Overtime	0	3,185	300	(3,185)	0.00
Operating Expenses	155,864	135,216	28,833	20,648	86.75
Total Human Resources	1,229,644	892,445	315,082	337,199	72.58
Total Administration	3,767,001	2,890,579	1,013,050	876,422	76.73
<b>Financial/Business Services</b>					
<b>Finance</b>					
Wages & Benefits	1,842,219	1,311,829	488,983	530,390	71.21
Wages Overtime	0	8,860	1,500	(8,860)	0.00
Operating Expenses	998,025	1,030,563	254,500	(32,538)	103.26
Total Finance	2,840,244	2,351,252	744,983	488,992	82.78
<b>Customer Services &amp; Billing</b>					
Wages & Benefits	2,227,957	1,634,040	613,238	593,917	73.34
Wages Overtime	0	10,860	1,500	(10,860)	0.00
Operating Expenses	1,959,113	1,404,010	445,798	555,103	71.67
Capital Expenses	0	0	0	0	0.00
Total Customer Services & Billing	4,187,070	3,048,910	1,060,536	1,138,160	72.82
<b>CS Meter Reading</b>					
Wages & Benefits	1,778,014	1,333,386	465,096	444,628	74.99
Wages Overtime	29,000	18,295	7,808	10,705	63.09
Operating Expenses	2,773	41,372	3,000	(38,599)	1,491.96
Capital Expenses	0	0	0	0	0.00
Total CS Meter Reading	1,809,787	1,393,053	475,904	416,734	76.97
<b>Customer Service Field</b>					
Wages & Benefits	832,636	582,771	218,126	249,865	69.99
Wages Overtime	0	38,066	13,500	(38,066)	0.00
Operating Expenses	867,928	147,997	76,950	719,931	17.05
Capital Expenses	0	0	0	0	0.00
Total Customer Service Field	1,700,564	768,834	308,576	931,730	45.21
<b>Information Technology</b>					
Wages & Benefits	2,905,118	2,039,733	782,147	865,385	70.21
Wages Overtime	0	(8)	0	8	0.00
Operating Expenses	1,397,216	1,898,222	540,937	(501,006)	135.86

**Water Utility Authority**  
**Summary Budget with Projections**  
**Fiscal Year 2014 As of 3/31/2014**

**Fund: 21**

<b>Division</b>				<b>Remaining</b>	<b>Budget to</b>
<b>Department</b>	<b>Budget</b>	<b>Actual</b>	<b>Projected</b>	<b>Budget</b>	<b>% Expended</b>
Total Information Technology	4,302,334	3,937,947	1,323,084	364,387	91.53
Total Financial/Business Services	14,839,999	11,499,996	3,913,083	3,340,003	77.49
<b>Plant</b>					
<b>WW Plant Administration</b>					
Wages & Benefits	222,089	187,804	86,034	34,285	84.56
Wages Overtime	0	394	0	(394)	0.00
Operating Expenses	149,817	62,281	50,369	87,536	41.57
Total WW Plant Administration	371,906	250,479	136,403	121,427	67.35
<b>WW Cogen</b>					
Operating Expenses	752,323	523,307	78,678	229,016	69.56
Total WW Cogen	752,323	523,307	78,678	229,016	69.56
<b>WW Mechanical</b>					
Wages & Benefits	2,796,859	2,083,280	790,716	713,579	74.49
Wages Overtime	68,925	141,014	60,000	(72,089)	204.59
Operating Expenses	960,227	515,239	211,850	444,988	53.66
Capital Expenses	20,000	6,686	5,000	13,314	33.43
Total WW Mechanical	3,846,011	2,746,219	1,067,566	1,099,792	71.40
<b>WW Plant Operations</b>					
Wages & Benefits	2,966,704	2,236,490	835,519	730,214	75.39
Wages Overtime	277,202	253,032	91,000	24,170	91.28
Operating Expenses	270,804	426,206	144,000	(155,402)	157.39
Total WW Plant Operations	3,514,710	2,915,728	1,070,519	598,982	82.96
<b>WW MDC</b>					
Operating Expenses	63,000	60,579	16,050	2,421	96.16
Capital Expenses	0	0	0	0	0.00
Total WW MDC	63,000	60,579	16,050	2,421	96.16
<b>WW SAF</b>					
Wages & Benefits	1,054,872	735,163	284,003	319,709	69.69
Wages Overtime	0	48,228	21,000	(48,228)	0.00
Operating Expenses	420,962	351,849	99,200	69,113	83.58
Capital Expenses	0	0	0	0	0.00
Total WW SAF	1,475,834	1,135,240	404,203	340,594	76.92
<b>WW Warehouse</b>					
Operating Expenses	73,244	19,599	6,655	53,645	26.76
Total WW Warehouse	73,244	19,599	6,655	53,645	26.76
<b>San Juan Chama Wtr Trtmt Plant</b>					
Wages & Benefits	2,056,414	1,465,972	553,649	590,442	71.29
Wages Overtime	60,000	120,573	42,000	(60,573)	200.96
Operating Expenses	942,685	729,301	256,684	213,384	77.36
Capital Expenses	0	5,400	0	(5,400)	0.00
Total San Juan Chama Wtr Trtmt Plant	3,059,099	2,321,246	852,333	737,853	75.88
<b>WA Plant Admin</b>					
Wages & Benefits	401,371	215,277	92,354	186,094	53.64
Operating Expenses	9,450	24,795	625	(15,345)	262.38
Total WA Plant Admin	410,821	240,072	92,979	170,749	58.44
<b>WA Wells, PS, Boost, Reserv</b>					
Wages & Benefits	2,462,396	1,847,310	690,694	615,086	75.02
Wages Overtime	100,168	55,042	19,000	45,126	54.95
Operating Expenses	676,887	426,319	183,115	250,568	62.98

**Water Utility Authority**  
**Summary Budget with Projections**  
**Fiscal Year 2014 As of 3/31/2014**

**Fund: 21**

<b>Division</b>				<b>Remaining</b>	<b>Budget to</b>
<b>Department</b>	<b>Budget</b>	<b>Actual</b>	<b>Projected</b>	<b>Budget</b>	<b>% Expended</b>
Total WA Wells, PS, Boost, Reserv	3,239,451	2,328,671	892,809	910,780	71.88
<b>WA Treatment</b>					
Wages & Benefits	800,511	546,440	215,521	254,071	68.26
Wages Overtime	31,972	18,703	8,608	13,269	58.50
Operating Expenses	105,493	89,947	22,123	15,546	85.26
Total WA Treatment	937,976	655,090	246,252	282,886	69.84
<b>WA Plant Operations</b>					
Wages & Benefits	834,240	692,256	197,027	141,984	82.98
Wages Overtime	37,917	61,791	12,000	(23,874)	162.96
Operating Expenses	33,128	124,689	40,782	(91,561)	376.39
Total WA Plant Operations	905,285	878,736	249,809	26,549	97.07
<b>WA Arsenic Treatment</b>					
Operating Expenses	70,000	13,668	60,000	56,332	19.53
Total WA Arsenic Treatment	70,000	13,668	60,000	56,332	19.53
<b>WA MDC</b>					
Operating Expenses	49,837	17,121	9,345	32,716	34.35
Total WA MDC	49,837	17,121	9,345	32,716	34.35
<b>North Reuse</b>					
Operating Expenses	71,865	9,101	54,603	62,764	12.66
Total North Reuse	71,865	9,101	54,603	62,764	12.66
<b>South Reuse</b>					
Wages & Benefits	0	0	0	0	0.00
Wages Overtime	0	0	0	0	0.00
Operating Expenses	76,000	0	19,000	76,000	0.00
Total South Reuse	76,000	0	19,000	76,000	0.00
Total Plant	18,917,362	14,114,856	5,257,204	4,802,506	74.61
<b>Field</b>					
<b>WW Gravity</b>					
Wages & Benefits	3,291,438	2,514,161	915,619	777,277	76.38
Wages Overtime	84,950	69,891	28,000	15,059	82.27
Operating Expenses	514,425	567,891	222,006	(53,466)	110.39
Total WW Gravity	3,890,813	3,151,943	1,165,625	738,870	81.01
<b>WW Lift Station Operations</b>					
Wages & Benefits	1,080,582	826,152	304,925	254,430	76.45
Wages Overtime	48,050	71,657	27,000	(23,607)	149.13
Operating Expenses	392,971	356,810	103,118	36,161	90.80
Capital Expenses	0	0	0	0	0.00
Total WW Lift Station Operations	1,521,603	1,254,619	435,043	266,984	82.45
<b>Fleet Maintenance</b>					
Wages & Benefits	369,255	294,835	102,553	74,420	79.85
Wages Overtime	0	45,180	15,000	(45,180)	0.00
Operating Expenses	2,667,471	1,897,065	683,638	770,406	71.12
Capital Expenses	618,326	336,276	154,581	282,050	54.38
Total Fleet Maintenance	3,655,052	2,573,356	955,772	1,081,696	70.41
<b>WA Customer Requests</b>					
Wages & Benefits	558,229	381,065	150,294	177,164	68.26
Wages Overtime	109,468	29,905	10,500	79,563	27.32
Operating Expenses	59,248	12,772	3,187	46,476	21.56
Total WA Customer Requests	726,945	423,742	163,981	303,203	58.29

**Water Utility Authority**  
**Summary Budget with Projections**  
**Fiscal Year 2014 As of 3/31/2014**

**Fund: 21**

<b>Division</b>				<b>Remaining</b>	<b>Budget to</b>
<b>Department</b>	<b>Budget</b>	<b>Actual</b>	<b>Projected</b>	<b>Budget</b>	<b>% Expended</b>
<b>Cross Connections</b>					
Wages & Benefits	438,830	294,704	118,147	144,126	67.16
Wages Overtime	4,114	275	200	3,839	6.68
Operating Expenses	4,450	10,826	1,113	(6,376)	243.28
Total Cross Connections	447,394	305,805	119,460	141,589	68.35
<b>WA Distribution Lines</b>					
Wages & Benefits	5,572,568	4,293,720	1,598,671	1,278,848	77.05
Wages Overtime	513,475	462,612	120,000	50,863	90.09
Operating Expenses	5,372,232	3,301,827	1,307,479	2,070,405	61.46
Capital Expenses	19,693	0	0	19,693	0.00
Total WA Distribution Lines	11,477,968	8,058,159	3,026,150	3,419,809	70.21
<b>WA Meter NS/REP</b>					
Wages & Benefits	760,306	481,006	175,369	279,300	63.26
Wages Overtime	51,265	74,746	17,500	(23,481)	145.80
Operating Expenses	548,558	123,284	81,214	425,274	22.47
Total WA Meter NS/REP	1,360,129	679,036	274,083	681,093	49.92
<b>WA Field Administration</b>					
Wages & Benefits	1,705,386	1,205,950	429,041	499,436	70.71
Wages Overtime	53,244	41,686	14,335	11,558	78.29
Operating Expenses	277,105	245,560	89,677	31,545	88.62
Capital Expenses	10,000	0	0	10,000	0.00
Total WA Field Administration	2,045,735	1,493,196	533,053	552,539	72.99
Total Field	25,125,639	17,939,856	6,673,167	7,185,783	71.40
<b>Compliance</b>					
<b>Laboratory</b>					
Wages & Benefits	1,844,727	1,152,267	431,307	692,460	62.46
Wages Overtime	5,000	8,402	1,346	(3,402)	168.04
Operating Expenses	461,053	74,369	78,310	386,684	16.13
Capital Expenses	0	0	0	0	0.00
Total Laboratory	2,310,780	1,235,038	510,963	1,075,742	53.45
<b>NPDES</b>					
Wages & Benefits	1,062,699	715,174	286,111	347,525	67.30
Wages Overtime	670	3,382	750	(2,712)	504.78
Operating Expenses	114,426	31,180	13,575	83,246	27.25
Total NPDES	1,177,795	749,736	300,436	428,059	63.66
<b>Water Quality</b>					
Wages & Benefits	746,371	521,775	200,947	224,596	69.91
Wages Overtime	1,377	510	371	867	37.04
Operating Expenses	286,676	191,265	72,200	95,411	66.72
Capital Expenses	2,000	0	0	2,000	0.00
Total Water Quality	1,036,424	713,550	273,518	322,874	68.85
Total Compliance	4,524,999	2,698,324	1,084,917	1,826,675	59.63
<b>Water Resources Management</b>					
<b>Utility Design</b>					
Wages & Benefits	1,025,226	760,212	290,474	265,014	74.15
Wages Overtime	0	237	0	(237)	0.00
Operating Expenses	20,174	14,022	3,214	6,152	69.51
Total Utility Design	1,045,400	774,471	293,688	270,929	74.08
<b>One Stop Shop Enterprise</b>					
Wages & Benefits	252,215	173,046	64,187	79,169	68.61

**Water Utility Authority**  
**Summary Budget with Projections**  
**Fiscal Year 2014 As of 3/31/2014**

**Fund: 21**

<b>Division</b>				<b>Remaining</b>	<b>Budget to</b>
<b>Department</b>	<b>Budget</b>	<b>Actual</b>	<b>Projected</b>	<b>Budget</b>	<b>% Expended</b>
Operating Expenses	12,681	10,676	5,321	2,005	84.19
Total One Stop Shop Enterprise	264,896	183,722	69,508	81,174	69.36
<b>Maps &amp; Records</b>					
Wages & Benefits	408,682	282,949	110,030	125,733	69.23
Operating Expenses	111,259	47,111	23,840	64,148	42.34
Total Maps & Records	519,941	330,060	133,870	189,881	63.48
<b>Water Resources Planning</b>					
Wages & Benefits	719,018	431,132	153,791	287,886	59.96
Operating Expenses	532,394	643,700	188,769	(111,306)	120.91
Total Water Resources Planning	1,251,412	1,074,832	342,560	176,580	85.89
<b>Water Conservation</b>					
Wages & Benefits	944,074	628,895	254,174	315,179	66.62
Wages Overtime	0	821	300	(821)	0.00
Operating Expenses	2,036,960	1,802,568	505,490	234,392	88.49
Capital Expenses	4,000	0	0	4,000	0.00
Total Water Conservation	2,985,034	2,432,284	759,964	552,750	81.48
<b>Groundwater Protection</b>					
Wages & Benefits	168,492	125,750	50,047	42,742	74.63
Operating Expenses	144,823	17,476	5,752	127,347	12.07
Total Groundwater Protection	313,315	143,226	55,799	170,089	45.71
<b>Arsenic Removal</b>					
Operating Expenses	49,002	575	250	48,427	1.17
Total Arsenic Removal	49,002	575	250	48,427	1.17
Total Water Resources Management	6,429,000	4,939,170	1,655,639	1,489,830	76.83
<b>General Government</b>					
<b>General Government</b>					
Operating Expenses	25,390,536	17,284,225	5,698,734	8,106,311	68.07
Financial & Budgetary Expenses	0	16,550	0	(16,550)	0.00
Transfers	84,094,000	58,070,500	18,023,504	26,023,500	69.05
Total General Government	109,484,536	75,371,275	23,722,238	34,113,261	68.84
<b>Early Retirement</b>					
Wages & Benefits	400,000	335,883	107,692	64,117	83.97
Operating Expenses	0	0	0	0	0.00
Total Early Retirement	400,000	335,883	107,692	64,117	83.97
<b>Gen Govt SJCWTP</b>					
Operating Expenses	4,395,522	1,279,089	1,050,000	3,116,433	29.10
Total Gen Govt SJCWTP	4,395,522	1,279,089	1,050,000	3,116,433	29.10
<b>Gen Govt WA</b>					
Operating Expenses	262,000	65,883	45,000	196,117	25.15
Total Gen Govt WA	262,000	65,883	45,000	196,117	25.15
<b>Gen Govt WW Treatment</b>					
Operating Expenses	1,039,450	582,277	259,863	457,173	56.02
Total Gen Govt WW Treatment	1,039,450	582,277	259,863	457,173	56.02
<b>Gen Govt Collections</b>					
Operating Expenses	1,544,000	1,580,016	495,000	(36,016)	102.33
Total Gen Govt Collections	1,544,000	1,580,016	495,000	(36,016)	102.33
<b>CIP Funded Positions</b>					
Wages & Benefits	809,234	430,747	195,512	378,487	53.23
Wages Overtime	0	470	0	(470)	0.00

User: Susan Lander

Page

Date: 04/07/2014

Report: GL3300WUA: Summary Budget with Projections

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Time: 13:24:45

**Water Utility Authority**  
**Summary Budget with Projections**  
**Fiscal Year 2014 As of 3/31/2014**

**Fund: 21**

<b>Division</b>				<b>Remaining</b>	<b>Budget to</b>
<b>Department</b>	<b>Budget</b>	<b>Actual</b>	<b>Projected</b>	<b>Budget</b>	<b>% Expended</b>
Operating Expenses	1,258	3,747	315	(2,489)	297.85
Total CIP Funded Positions	810,492	434,964	195,827	375,528	53.67
<b>San Juan-Chama</b>					
Operating Expenses	2,247,000	1,709,264	511,250	537,736	76.07
Total San Juan-Chama	2,247,000	1,709,264	511,250	537,736	76.07
Total General Government	120,183,000	81,358,651	26,386,870	38,824,349	67.70
<b>Group Insurance</b>					
Group Insurance					
Operating Expenses	0	(143)	0	143	0.00
Total Group Insurance	0	(143)	0	143	0.00
Total Group Insurance	0	(143)	0	143	0.00
Grand Total	193,787,000	135,441,289	45,983,930	58,345,711	69.89



**OVERVIEW  
WATER UTILITY AUTHORITY  
As of March 2014**

	FY13 YTD	FY14 YTD	FY14 Budgeted	FY14 Projected	Variance Budget-Projected
<b>Fund 621</b>					
<b>Revenues:</b>					
Water	57,977,061	57,264,314	95,015,000	88,885,000	6,130,000
Water Resources Management	3,319,093	3,066,587	4,500,000	4,500,000	-
Wastewater	43,346,458	45,465,735	66,387,000	63,800,000	2,587,000
Interest Earnings	5,741	20,386	750,000	750,000	-
Other	7,484,311	8,410,392	11,822,000	11,822,000	-
San Juan Chama	21,437,053	20,920,978	30,000,000	30,000,000	-
<b>Total</b>	<b>133,569,714</b>	<b>135,148,392</b>	<b>208,474,000</b>	<b>199,757,000</b>	<b>8,717,000</b>
<b>Fund 621</b>					
<b>Expenses:</b>					
Salaries (less overtime)	33,244,968	34,294,086	47,953,329	47,542,995	410,334
Overtime	1,960,486	1,589,365	1,476,797	2,045,986	(569,189)
Operating Expenses (less power/chemicals)	20,146,811	32,234,473	41,057,275	37,666,493	3,390,782
Power	8,197,583	9,351,591	11,290,608	12,194,120	(903,512)
Chemicals	4,331,699	3,507,238	7,240,972	5,357,128	1,883,844
Other	64,433,501	54,464,531	84,768,019	76,618,497	8,149,522
<b>Total</b>	<b>132,315,048</b>	<b>135,441,289</b>	<b>193,787,000</b>	<b>181,425,219</b>	<b>12,361,781</b>
<b>Fund 631:</b>					
<b>Revenues:</b>					
Utility Expansion Charges	5,469,379	5,365,603	8,000,000	8,000,000	-
Interest Earnings	47,357	-	200,000	200,000	-
<b>Total</b>	<b>5,516,736</b>	<b>5,365,603</b>	<b>8,200,000</b>	<b>8,200,000</b>	<b>-</b>
<b>Expenses:</b>					
Principal	-	-	41,351,000	41,351,000	-
Interest/Fiscal Agent Fees	13,671,921	13,969,285	28,380,000	28,380,000	-
<b>Total</b>	<b>13,671,921</b>	<b>13,969,285</b>	<b>69,731,000</b>	<b>69,731,000</b>	<b>-</b>

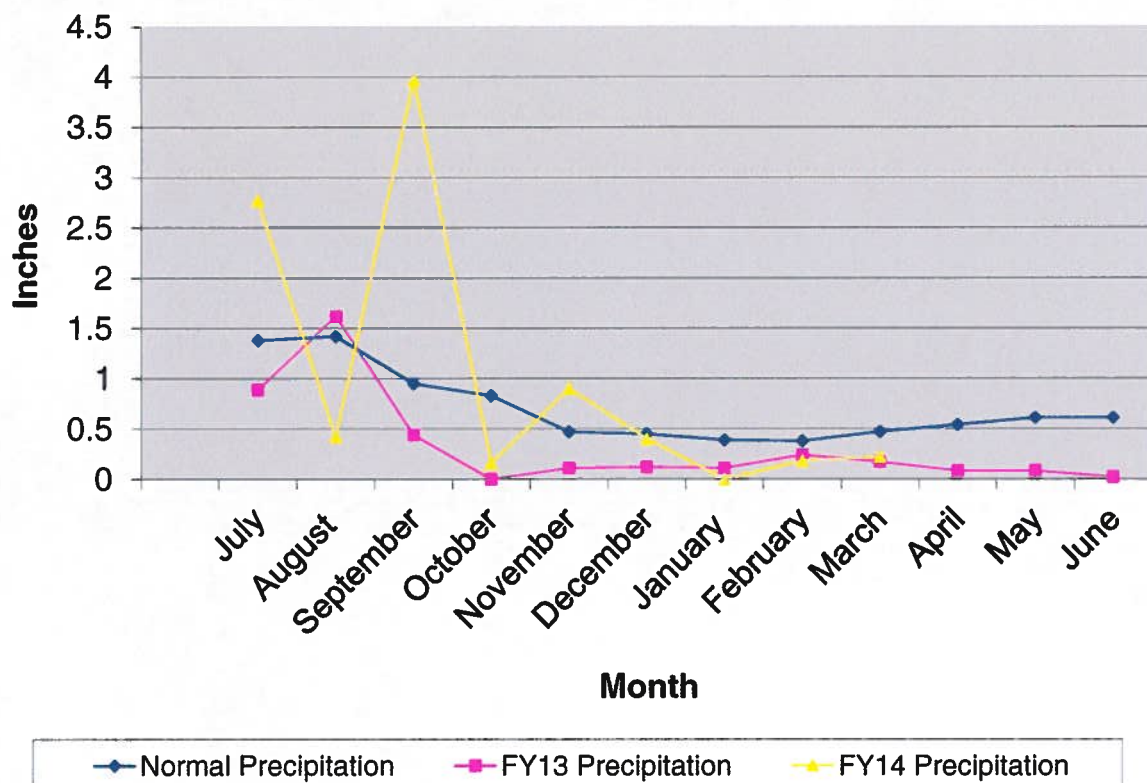
**ACTIVITY OVERVIEW  
WATER UTILITY AUTHORITY  
Plant Division  
As of March 2014**

<b>FUND 621</b>	<b>FY13 YTD</b>	<b>FY14 YTD</b>	<b>FY14 Budgeted</b>	<b>FY14 Projected</b>	<b>Variance Budget-Projected</b>
<b>Expenses:</b>					
Salaries (less overtime)	10,312,828	10,009,992	13,595,456	13,755,509	(160,053)
Overtime	613,274	698,777	576,184	952,385	(376,201)
Operating Expenses	4,023,780	3,394,001	4,725,722	4,647,080	78,642
Other	929,916	12,086	20,000	17,086	2,914
<b>Total</b>	<b>15,879,798</b>	<b>14,114,856</b>	<b>18,917,362</b>	<b>19,372,060</b>	<b>(454,698)</b>

**ACTIVITY OVERVIEW  
WATER UTILITY AUTHORITY  
Field Division  
As of March 2014**

	<b>FY13 YTD</b>	<b>FY14 YTD</b>	<b>FY14 Budgeted</b>	<b>FY14 Projected</b>	<b>Variance Budget-Projected</b>
<b>FUND 621</b>					
Salaries (less overtime)	9,882,095	10,291,593	13,776,594	14,086,212	(309,618)
Overtime	1,267,331	795,952	864,566	1,028,487	(163,921)
Operating Expenses	6,110,831	6,516,035	9,836,460	9,007,467	828,993
Other	877,966	336,276	648,019	490,857	157,162
<b>Total</b>	<b>18,138,223</b>	<b>17,939,856</b>	<b>25,125,639</b>	<b>24,613,023</b>	<b>512,616</b>

## Precipitation - FY14



FOR THE MONTH OF	Mar-14
Normal YTD	6.74"
Actual FY13 YTD	3.70"
Actual FY14 YTD	9.02"

# ALBUQUERQUE AREA PRECIPITATION

<u>Month</u>	<u>Normal</u> <u>Precipitation</u>	<u>FY13</u> <u>Precipitation</u>	<u>FY14</u> <u>Precipitation</u>
July	1.38	0.89	2.77
August	1.42	1.62	0.42
September	0.95	0.44	3.97
October	0.83	0.00	0.16
November	0.47	0.11	0.90
December	0.45	0.12	0.40
January	0.39	0.11	0.00
February	0.38	0.24	0.18
March	0.47	0.17	0.22
April	0.54	0.08	
May	0.61	0.08	
June	0.61	0.02	
Totals YTD	6.74	3.70	9.02
Totals FY	8.50	3.88	9.02

ALBUQUERQUE AREA PRECIPITATION  
Calendar Year

<u>Year</u>	<u>Jan</u>	<u>Feb</u>	<u>Mar</u>	<u>Apr</u>	<u>May</u>	<u>June</u>	<u>July</u>	<u>Aug</u>	<u>Sept</u>	<u>Oct</u>	<u>Nov</u>	<u>Dec</u>	<u>Annual</u>
<u>Normal</u>	0.41	0.40	0.52	0.40	0.46	0.51	1.39	1.51	0.85	0.86	0.38	0.52	8.21
1985	0.49	0.54	0.70	1.69	1.12	0.53	1.16	0.49	1.53	2.15	0.19	0.16	10.75
1986	0.22	1.01	0.17	0.33	1.11	2.57	1.51	2.26	0.53	1.54	1.29	0.44	12.98
1987	0.66	0.61	0.07	1.00	0.58	0.13	0.91	2.98	0.20	0.44	0.42	0.34	8.34
1988	0.15	0.07	0.85	1.42	0.62	1.25	2.26	3.29	2.63	0.32	0.22	0.03	13.11
1989	0.57	0.35	0.48	T	0.02	0.02	1.51	0.48	0.31	0.97	T	0.28	4.99
1990	0.21	0.49	0.41	1.71	0.45	0.27	2.36	1.79	0.96	0.15	0.86	0.59	10.25
1991	0.60	0.06	0.14	T	1.14	0.65	2.63	1.26	1.43	0.26	1.93	1.49	11.59
1992	0.60	0.20	0.63	0.22	1.81	0.67	2.01	2.17	0.79	0.70	1.12	1.16	12.08
1993	0.94	1.82	0.22	T	0.20	0.44	0.23	3.05	0.49	0.64	0.97	0.03	9.03
<u>Normal</u>	0.44	0.46	0.54	0.52	0.50	0.59	1.37	1.64	1.00	0.89	0.43	0.50	8.88
1994	0.02	0.26	0.59	0.07	1.87	0.28	0.61	2.70	1.21	1.54	1.38	0.62	11.15
1995	0.55	0.39	0.16	0.69	0.08	0.20	0.35	0.74	2.32	T	0.03	0.17	5.68
1996	0.17	0.19	0.02	T	0.02	2.86	1.03	1.54	1.46	1.52	0.95	T	9.76
1997	0.55	0.12	0.11	1.65	0.42	1.03	2.04	1.96	2.43	0.32	0.73	1.00	12.36
1998	0.14	0.66	2.34	0.64	T	0.17	2.37	0.88	0.15	1.80	0.46	0.22	9.83
1999	0.12	T	1.10	0.59	0.54	0.60	1.47	3.04	0.54	0.26	T	0.03	8.29
2000	0.30	0.30	1.27	T	0.07	0.72	0.83	0.57	0.37	2.66	0.91	0.24	8.24
2001	0.28	0.27	0.27	0.51	0.38	0.26	1.37	1.59	0.51	0.14	0.68	0.24	6.50
2002	0.34	0.07	T	0.39	0.02	0.18	0.88	1.59	1.53	0.54	0.49	0.36	6.39
2003	T	1.02	1.45	T	0.09	0.20	0.41	0.71	0.29	1.58	0.49	0.11	6.35
<u>Normal</u>	0.39	0.38	0.47	0.54	0.61	0.61	1.38	1.42	0.95	0.83	0.47	0.45	8.50
2004	0.10	1.17	0.67	3.00	T	0.61	2.25	0.23	0.97	1.13	1.37	0.30	11.80
2005	1.38	1.78	1.12	1.17	0.40	0.09	1.03	0.49	2.83	1.03	T	0.10	11.42
2006	0.04	T	0.14	0.13	T	1.14	3.55	3.74	1.10	1.70	0.02	1.50	13.06
2007	0.18	0.70	0.64	1.06	2.00	0.66	1.63	1.05	0.73	0.17	0.25	1.14	10.21
2008	0.39	0.41	T	0.11	0.18	0.50	3.38	1.04	0.08	1.38	0.23	0.65	8.35
2009	T	T	0.31	0.34	0.36	0.80	0.80	0.94	1.42	1.51	0.04	0.15	6.67
2010	0.64	0.17	0.40	0.58	0.04	0.76	2.19	0.95	1.88	0.26	0.02	1.07	8.96
2011	0.07	0.04	T	0.03	0.05	T	0.39	0.93	0.40	1.48	0.13	1.20	4.72
2012	0.40	0.26	0.20	0.81	0.19	0.42	0.89	1.62	0.44	T	0.11	0.12	5.46
2013	0.11	0.24	0.17	0.08	0.08	0.02	2.77	0.42	3.97	0.16	0.90	0.40	9.32
2014	0.00	0.18	0.22										0.40

Explanation of the Preliminary Monthly Climate Data (F6) Product

These data are preliminary and have not undergone final quality control by the National Climatic Data Center (NCDC). Therefore, these data are subject to revision. Final and certified climate data can be accessed at the NCDC - <http://www.ncdc.noaa.gov>.

## WFO Monthly/Daily Climate Data

000  
CXUS55 KABQ 011502  
CF6ABQ  
PRELIMINARY LOCAL CLIMATOLOGICAL DATA (WS FORM: F-6)

STATION: ALBUQUERQUE NM  
MONTH: MARCH  
YEAR: 2014  
LATITUDE: 35 2 N  
LONGITUDE: 106 37 W

TEMPERATURE IN F:					:PCPN:			SNOW:		WIND		:SUNSHINE:		SKY		:PK WND				
1	2	3	4	5	6A	6B	7	8	9	10	11	12	13	14	15	16	17	18		
										12Z	AVG	MX	2MIN							
DY	MAX	MIN	AVG	DEP	HDD	CDD	WTR	SNW	DPTH	SPD	SPD	DIR	MIN	PSBL	S-S	WX	SPD	DR		
1	62	38	50	5	15	0	0.04	0.0	0	12.2	35	280	M	M	9		42	280		
2	57	37	47	2	18	0	0.02	T	0	12.3	24	300	M	M	7		32	300		
3	57	34	46	1	19	0	0.00	0.0	0	3.5	10	250	M	M	5		12	250		
4	56	30	43	-3	22	0	0.02	0.0	0	4.4	22	320	M	M	7		29	300		
5	63	40	52	6	13	0	0.00	0.0	0	8.3	22	340	M	M	3		29	340		
6	62	34	48	2	17	0	0.00	0.0	0	3.3	12	30	M	M	5		12	20		
7	64	38	51	5	14	0	T	0.0	0	10.8	25	340	M	M	6		32	340		
8	53	36	45	-1	20	0	0.00	0.0	0	11.5	29	70	M	M	6		33	70		
9	62	31	47	0	18	0	0.00	0.0	0	5.0	12	360	M	M	2		15	10		
10	68	30	49	2	16	0	0.00	0.0	0	4.7	12	160	M	M	2		14	210		
11	61	39	50	3	15	0	0.00	0.0	0	13.3	29	110	M	M	2		36	100		
12	53	32	43	-4	22	0	0.00	0.0	0	12.1	30	110	M	M	2		38	100		
13	62	33	48	0	17	0	T	0.0	0	6.7	28	310	M	M	4		33	300		
14	59	36	48	0	17	0	0.14	0.0	0	7.6	29	160	M	M	7	13	33	160		
15	57	37	47	-1	18	0	T	0.0	0	12.5	35	30	M	M	7	12	44	40		
16	60	33	47	-1	18	0	0.00	0.0	0	7.6	21	10	M	M	1		26	10		
17	75	36	56	8	9	0	0.00	0.0	0	14.5	40	270	M	M	5		52	270		
18	55	35	45	-3	20	0	0.00	0.0	0	13.5	29	310	M	M	1		38	290		
19	58	31	45	-4	20	0	0.00	0.0	0	6.5	22	80	M	M	1		25	90		
20	68	27	48	-1	17	0	0.00	0.0	0	5.7	16	190	M	M	3		23	180		
21	71	39	55	6	10	0	0.00	0.0	0	9.4	36	80	M	M	4		42	90		
22	64	39	52	3	13	0	0.00	0.0	0	8.4	28	100	M	M	6		33	90		
23	62	38	50	0	15	0	0.00	0.0	0	10.0	36	90	M	M	5		44	90		
24	69	36	53	3	12	0	0.00	0.0	0	10.4	30	80	M	M	1		34	80		
25	69	37	53	3	12	0	T	0.0	0	8.1	33	180	M	M	3		41	180		
26	68	41	55	5	10	0	T	0.0	0	14.2	46	270	M	M	5	78	61	270		
27	63	42	53	3	12	0	0.00	0.0	0	10.5	23	280	M	M	5		31	280		
28	63	42	53	2	12	0	0.00	0.0	0	11.0	25	290	M	M	4		33	290		
29	68	37	53	2	12	0	0.00	0.0	0	7.6	18	190	M	M	2		23	200		
30	74	43	59	8	6	0	0.00	0.0	0	13.5	33	260	M	M	7	7	43	270		
31	65	42	54	3	11	0	0.00	0.0	0	9.0	18	350	M	M	1		25	180		
=====																				
SM	1948	1123			470	0	0.22	T		288.1			M		128					
=====																				
AV	62.8	36.2								9.3	FASTST		M	M	4		MAX (MPH)			
										MISC	----	#	46	270			#	61	270	
=====																				

NOTES:

<http://www.nws.noaa.gov/climate/getclimate.php?wfo=abq>

4/8/2014

# LAST OF SEVERAL OCCURRENCES

COLUMN 17 PEAK WIND IN M.P.H.

PRELIMINARY LOCAL CLIMATOLOGICAL DATA (WS FORM: F-6) , PAGE 2

STATION: ALBUQUERQUE NM  
MONTH: MARCH  
YEAR: 2014  
LATITUDE: 35 2 N  
LONGITUDE: 106 37 W

[TEMPERATURE DATA]	[PRECIPITATION DATA]	SYMBOLS USED IN COLUMN 16
AVERAGE MONTHLY: 49.5	TOTAL FOR MONTH: 0.22	1 = FOG OR MIST
DPTR FM NORMAL: 1.4	DPTR FM NORMAL: -0.35	2 = FOG REDUCING VISIBILITY
HIGHEST: 75 ON 17	GRTST 24HR 0.14 ON 14-14	TO 1/4 MILE OR LESS
LOWEST: 27 ON 20		3 = THUNDER
	SNOW, ICE PELLETS, HAIL	4 = ICE PELLETS
	TOTAL MONTH: T	5 = HAIL
	GRTST 24HR T ON 2- 2	6 = FREEZING RAIN OR DRIZZLE
	GRTST DEPTH: 0	7 = DUSTSTORM OR SANDSTORM:
		VSBY 1/2 MILE OR LESS
		8 = SMOKE OR HAZE
		9 = BLOWING SNOW
		X = TORNADO
[NO. OF DAYS WITH]	[WEATHER - DAYS WITH]	
MAX 32 OR BELOW: 0	0.01 INCH OR MORE: 4	
MAX 90 OR ABOVE: 0	0.10 INCH OR MORE: 1	
MIN 32 OR BELOW: 6	0.50 INCH OR MORE: 0	
MIN 0 OR BELOW: 0	1.00 INCH OR MORE: 0	
[HDD (BASE 65) ]		
TOTAL THIS MO. 470	CLEAR (SCALE 0-3) 11	
DPTR FM NORMAL -54	PTCLDY (SCALE 4-7) 19	
TOTAL FM JUL 1 3613	CLOUDY (SCALE 8-10) 1	
DPTR FM NORMAL -214		
[CDD (BASE 65) ]		
TOTAL THIS MO. 0		
DPTR FM NORMAL 0	[PRESSURE DATA]	
TOTAL FM JAN 1 0	HIGHEST SLP 30.40 ON 9	
DPTR FM NORMAL 0	LOWEST SLP 29.43 ON 17	

[REMARKS]

#FINAL-03-14#



**Water Utility Authority**  
**CIP Expenditure Summary By Decade Category and Line**

Fiscal Year 2014 As of 3/31/2014  
 The Fiscal Year is 75% over

Funding Type: 01 Basic Program Rehab

**Decade Line**

**01 Sanitary Swr Pipeline Renewal**

Current	Activity	Encumbrances	Balance	% of Budget
Budget	Balance			
0100 Operating to CIP 01	0.00	0.00	40.00	0.00
0101 Interceptor Rehab	697,581.00	1,268.46	2,277.24	694,035.30
0102 Interceptor Rehab Contingency	452,843.00	2,825,026.21	342,285.74	(2,714,468.95)
0103 Small Diameter Sewer Line Rehab	(195,904.00)	47,126.05	272,795.83	(515,825.88)
0104 Sm Diam Swr Ln On-Call Contngy	466,757.00	166,282.22	138,607.28	161,867.50
0105 Sewer Line CCTV Inspections	500,000.00	4,551.96	21,350.00	474,098.04
Total Sanitary Swr Pipeline Renewal	1,921,277.00	3,044,254.90	777,356.09	(1,900,333.99)
				198.91

**02 Drinking Wtr Pipeline Renewal**

0201 Small Diameter Water Lin Rehab	552,423.00	129,523.73	100,857.34	322,041.93	41.70
0202 Sm Dia Wtr Ln On-Call Contngy	820,235.00	382,085.96	41,936.44	396,212.60	51.70
0203 Large Diameter Water Lin Rehab	0.00	0.00	0.00	0.00	0.00
0204 Lg Dia Wtr Ln On-Call Contngy	468,887.00	2,424,202.04	230,843.50	(2,186,158.54)	566.24
0205 Wtr Mtr, Mtr Bx and Ser Ln Reh	85,172.00	1,518,561.53	183,335.56	(1,616,725.09)	1,998.19
0206 Large Water Valve Replacement	65,355.00	249,016.70	44,229.93	(227,891.63)	448.70
0207 Pressure Reducing Valve Replint	0.00	0.00	0.00	0.00	0.00
Total Drinking Wtr Pipeline Renewal	1,992,072.00	4,703,389.96	601,202.77	(3,312,520.73)	266.29

**03 Southsd Wtr Reclam Plant Renwl**

0301 Preliminary Treatment Fac Repl	24,193,302.00	4,308,087.36	28,444,937.06	(8,559,722.42)	135.38
0302 Dewatering Facility Repl	14,790,953.00	422,105.40	266,465.07	14,102,382.53	4.66
0303 Blower Capacity Improvements	986,081.00	692,659.90	429,195.21	(135,774.11)	113.77
0304 Digester Rehab and Improv	929,938.00	176,779.60	7,271.12	745,887.28	19.79
0305 Primary Clarifier Improvements	468,746.00	167,763.34	15,644.99	285,337.67	39.13
0306 Aeration Basin Rehabilitation	2,252,007.00	1,377,159.49	249,605.66	625,241.85	72.24
0307 Secdry Sludge Thick Improve CA	500,000.00	23,898.98	0.00	476,101.02	4.78
0308 Cogeneration Improvements	250,000.00	14,464.48	0.00	235,535.52	5.79
0309 SWRP Renewal Contingency	1,969,046.00	366,689.36	39,109.56	1,563,247.08	20.61
0310 ABB Service Contract	140,000.00	254,709.24	0.00	(114,709.24)	181.94
0311 Plant Wd Elec Instr & Cntrls	254,922.00	363,307.20	731,528.07	(839,913.27)	429.48
0314 Warehouse Facility Replacement	(9,124.00)	0.00	0.00	(9,124.00)	0.00
0320 Plant Equalization Basins	100,000.00	0.00	0.00	100,000.00	0.00
0322 RAMP Report Update	200,000.00	0.00	0.00	200,000.00	0.00

**Water Utility Authority**  
**CIP Expenditure Summary By Decade Category and Line**

Fiscal Year 2014 As of 3/31/2014  
The Fiscal Year is 75% over

Funding Type: 01 Basic Program Rehab

Decade Line	Current Budget	Activity Balance	Encumbrances	Balance	% of Budget
0323 Program Mgmt Assistance	100,000.00	0.00	96,407.00	3,593.00	96.41
0324 High Efficiency Blwr Upgrades	500,000.00	0.00	0.00	500,000.00	0.00
0325 New Digester Capacity	500,000.00	0.00	0.00	500,000.00	0.00
0326 Digester Cleaning Program	300,000.00	0.00	0.00	300,000.00	0.00
Total Southsd Wtr Reclam Plant Renwl	48,425,871.00	8,167,624.35	30,280,163.74	9,978,082.91	79.40
<b>04 Soil Amendment Facility Renwl</b>					
0401 Upgrade of Soil Amendment Fac	45,000.00	26,398.83	70.77	18,530.40	58.82
Total Soil Amendment Facility Renwl	45,000.00	26,398.83	70.77	18,530.40	58.82
<b>05 Lift Stat and Vac Stat Renwl</b>					
0501 Lift Station Rehab	246,001.00	229,521.16	1,256,852.28	(1,240,372.44)	604.21
0502 Lift Station 20 Rehab	0.00	10,208.00	0.00	(10,208.00)	0.00
0504 Vacuum Station Rehab	373,952.00	16,037.16	4,875.98	353,038.86	5.59
0505 Lift Station PLC Replacement	130,000.00	160,281.70	30,228.57	(60,510.27)	146.55
0506 Asset MgtPln LftStatn/VacStatn	150,000.00	0.00	0.00	150,000.00	0.00
0507 Arc Flash Study	150,000.00	0.00	0.00	150,000.00	0.00
Total Lift Stat and Vac Stat Renwl	1,049,953.00	416,048.02	1,291,956.83	(658,051.85)	162.67
<b>06 Odor Ctrl Facilities Renewal</b>					
0601 Interceptor Odor Ctrl Renewal	5,851.00	25,903.34	40,136.98	(60,189.32)	1,128.70
Total Odor Ctrl Facilities Renewal	5,851.00	25,903.34	40,136.98	(60,189.32)	1,128.70
<b>07 Groundwater Prod and Distrib</b>					
0701 NaClO Gentr Sys Rehab / Repl	220,000.00	11,901.75	0.01	208,098.24	5.41
0702 Booster Pump Station Rehab	217,772.00	213,771.22	1,617.95	2,382.83	98.91
0703 Well Rehab & Replacement	144,552.00	307,842.68	98,023.63	(261,314.31)	280.78
0706 Ridgerst Well N5 Elim Dir Inj	40,000.00	35,752.52	4,247.48	0.00	100.00
0708 Kiwa Reservoir N1 Rehab	150,000.00	35,752.50	9,847.50	104,400.00	30.40
0715 Charles Wells Reserv Rehab	50,000.00	33,972.50	35,276.83	(19,249.33)	138.50
0717 Reservoir Clean & Inspection	38,332.00	10,090.50	252.13	27,989.37	26.98
0722 Corrales Well N2 Collectr Pipe	248,000.00	0.00	0.00	248,000.00	0.00
0725 Corrales Trk Gas Engine Conv	50,000.00	16,743.04	0.00	33,256.96	33.49
0726 Booster Pmp Surge Tnk Removal	75,000.00	0.00	0.00	75,000.00	0.00
0727 Burton Reservoir N2 Renewal	50,000.00	0.00	1,721.63	48,278.37	3.44
0729 Asset Mgmt for Pump Stations	250,000.00	0.00	0.00	250,000.00	0.00

# Water Utility Authority CIP Expenditure Summary By Decade Category and Line

Fiscal Year 2014 As of 3/31/2014  
The Fiscal Year is 75% over

Funding Type: 01 Basic Program Rehab

Decade Line	Current Budget	Activity Balance	Encumbrances	Balance	% of Budget
0730 Asset Mgmt for Reservoirs	150,000.00	0.00	0.00	150,000.00	0.00
0731 Asset Mgmt for Wells	250,000.00	0.00	0.00	250,000.00	0.00
0732 Valve Exercing Equip & Replace	100,000.00	0.00	0.00	100,000.00	0.00
0735 Arc Flash Study Groundwtr Sys	150,000.00	0.00	0.00	150,000.00	0.00
Total Groundwater Prod and Distrib	2,183,656.00	665,826.71	150,987.16	1,366,842.13	37.41
08 Water Treatment					
0801 Surface Wtr Treatmt Plnt Rehab	243,037.00	261,044.44	166,571.43	(184,578.87)	175.95
0802 Chemical Solids Syst Improvmt	808,569.00	150,583.00	1,129,356.38	(471,370.38)	158.30
0803 Grit Removal Basin Improvement	315,000.00	0.00	0.00	315,000.00	0.00
0804 Dissolved Ozone Monitor Impr	0.00	63,003.02	71,124.69	(134,127.71)	0.00
0805 Diversion Bar Screen Imprv	80,786.00	33,137.24	29,435.27	18,213.49	77.45
0807 Settling Basin Edge Protection	75,000.00	52,346.71	2,755.08	19,898.21	73.47
0808 Water System SCADA Rehab	110,000.00	254,057.70	495.81	(144,553.51)	231.41
0811 College Arsenic Facility Rehab	50,000.00	0.00	0.00	50,000.00	0.00
0812 Corrales Trunk Arsenic Impr	25,000.00	0.00	0.00	25,000.00	0.00
0813 Corrales Well N2 Arsenic Treat	100,000.00	0.00	0.00	100,000.00	0.00
0814 Corrales Well N4 Arsenic Treat	120,000.00	0.00	0.00	120,000.00	0.00
0815 Corrales Well N5 Arsenic Treat	75,000.00	0.00	0.00	75,000.00	0.00
0817 Corrales Trk Arsnc Media Repla	350,000.00	0.00	0.00	350,000.00	0.00
0818 Raw Water Pump Station Rehab	100,000.00	0.00	84,430.25	15,569.75	84.43
0819 SJCWTP Site Security Improv	50,000.00	0.00	0.00	50,000.00	0.00
0820 Relocate MDC/BCIP Arsnc Treat	50,000.00	0.00	0.00	50,000.00	0.00
0821 Caustic Soda Feed Sys at SJCWTP	50,000.00	0.00	0.00	50,000.00	0.00
Total Water Treatment	2,602,392.00	814,172.11	1,484,168.91	304,050.98	88.32
09 Reuse Line and Plant Renewal					
0901 Reuse Line Rehab	(56,437.00)	166,693.25	1,823.60	(224,953.85)	(298.59)
0902 Reuse Plant Rehab	(80,423.00)	82,447.60	41,489.55	(204,360.15)	(154.11)
Total Reuse Line and Plant Renewal	(136,860.00)	249,140.85	43,313.15	(429,314.00)	(213.69)
10 Compliance					
1001 Water Quality Laboratory	104,116.00	234,946.49	30,745.99	(161,576.48)	255.19
1002 NPDES Program	13,000.00	0.00	0.00	13,000.00	0.00
1003 Water Quality Program	22,000.00	0.00	0.00	22,000.00	0.00

# Water Utility Authority CIP Expenditure Summary By Decade Category and Line

Fiscal Year 2014 As of 3/31/2014  
The Fiscal Year is 75% over

Funding Type: 01 Basic Program Rehab

Decade Line	Current Budget	Activity Balance	Encumbrances	Balance	% of Budget
Total Compliance	139,116.00	234,946.49	30,745.99	(126,576.48)	190.99
11 Shared Renewal					
1101 Transfer Station 70 Rehab	254,096.00	95,539.60	89,676.62	68,879.78	72.89
1102 Valve Assessment Program Study	100,000.00	0.00	0.00	100,000.00	0.00
1103 CIP Funded Position Transfer	400,000.00	129,082.18	0.00	270,917.82	32.27
Total Shared Renewal	754,096.00	224,621.78	89,676.62	439,797.60	41.68
12 Franchise Fee Compliance Costs					
1201 Franchise Fee Compliance	1,000,000.00	792,101.50	331,217.43	(123,318.93)	112.33
1202 DMD Street Rehab	1,000,000.00	0.00	0.00	1,000,000.00	0.00
Total Franchise Fee Compliance Costs	2,000,000.00	792,101.50	331,217.43	876,681.07	56.17
20 Drinking Wtr Plant Fac Growth	60,982,424.00	19,364,428.84	35,120,996.44	6,496,998.72	89.35
2001 Aquifer Storage and Recovery	(28,692.00)	350,183.13	556,296.58	(935,171.71)	(3,159.35)
Total Drinking Wtr Plant Fac Growth	(28,692.00)	350,183.13	556,296.58	(935,171.71)	(3,159.35)
21 Arsenic Treatment Growth					
2101 Arsenic Treatmt at Alameda Trk	(316.00)	0.00	0.00	(316.00)	0.00
Total Arsenic Treatment Growth	(316.00)	0.00	0.00	(316.00)	0.00
23 Water Lines Growth					
2301 Warehouse Meters	500,000.00	0.00	0.00	500,000.00	0.00
Total Water Lines Growth	500,000.00	0.00	0.00	500,000.00	0.00
26 Water Rights and Storage					
2601 Water Rights and Storage	0.00	2,024.47	0.00	(2,024.47)	0.00
Total Water Rights and Storage	0.00	2,024.47	0.00	(2,024.47)	0.00
27 Development Agreements					
2701 Development Agreements	1,250,000.00	892,813.05	11,385,873.72	(11,028,686.77)	982.29
Total Development Agreements	1,250,000.00	892,813.05	11,385,873.72	(11,028,686.77)	982.29
28 MIS / GIS					
2801 MIS / GIS	2,055,331.00	1,062,032.92	346,529.70	646,768.38	68.53
Total MIS / GIS	2,055,331.00	1,062,032.92	346,529.70	646,768.38	68.53
29 Vehicles and Heavy Equipment					
2901 Vehicle Replacements	0.00	19,374.00	0.00	(19,374.00)	0.00



**Water Utility Authority**  
**CIP Expenditure Summary By Decade Category and Line**

Fiscal Year 2014 As of 3/31/2014  
The Fiscal Year is 75% over

Funding Type: 02 Basic Program Growth

Decade Line	Current		Activity		Encumbrances		Balance		% of Budget
	Budget		Balance						
2904 SAF Tractor Trailer	0.00		421,240.00		0.00		(421,240.00)		0.00
Total Vehicles and Heavy Equipment	0.00		440,614.00		0.00		(440,614.00)		0.00
30 Utility Risk Reduction									
3001 Utility Risk Reduction/Securit	0.00		63,152.62		18,461.25		(81,613.87)		0.00
Total Utility Risk Reduction	0.00		63,152.62		18,461.25		(81,613.87)		0.00
31 Master Plan and Asset Managemt									
3101 Integrated Master Plan	(38,680.00)		53,532.31		182,231.18		(274,443.49)		(609.52)
Total Master Plan and Asset Managemt	(38,680.00)		53,532.31		182,231.18		(274,443.49)		(609.52)
32 Miscellaneous Growth									
3203 Low Income W/S Connections	232,428.00		25,041.71		94,898.87		112,487.42		51.60
Total Miscellaneous Growth	232,428.00		25,041.71		94,898.87		112,487.42		51.60
94 Special Projects									
9404 Renewable Energy Projects	350,000.00		43,767.78		62,715.41		243,516.81		30.42
9405 Water Rights Enhancement	4,737,789.00		0.00		0.00		4,737,789.00		0.00
9406 San Juan Chama Drinking Wtr Prj	(23,474.00)		75,625.84		50,063.32		(149,163.16)		(535.44)
9407 Southside Reuse Project	(1,058.00)		3,920.79		20,960.90		(25,939.69)		(2,351.77)
9408 San Juan Chama Mitigation	1,718,553.00		149,827.02		123,566.46		1,445,159.52		15.91
Total Special Projects	6,781,810.00		273,141.43		257,306.09		6,251,362.48		7.82
94 Special Projects									
9401 Steel Water Line Replacement	1,409,813.00		0.00		361,929.85		1,047,883.15		25.67
9402 Leak Detection Program	0.00		11,323.18		250,000.00		(261,323.18)		0.00
9403 Automated Meter Infrastructure	2,764,493.00		750,172.34		3,321,644.06		(1,307,323.40)		147.29
9409 SunGard ERP Project	164,219.00		359,935.01		688,191.86		(883,907.87)		638.25
9410 Water Trust Board No. 205	2,131,974.00		786,087.64		1,569,852.31		(223,965.95)		110.51
9411 Water Trust Board No. 206	0.00		0.00		1,600,000.00		(1,600,000.00)		0.00
9412 Carnuel WUA Funded	0.00		1,949.50		1,751.83		(3,701.33)		0.00
9413 Water Trust Board No. 207	85,861.00		85,860.88		0.00		0.12		100.00
9415 Issuance Costs	(3,261.00)		800,451.84		198,379.82		(1,002,092.66)		(30,629.61)
9416 Tablazon Water Users Assoc	0.00		0.00		100,104.92		(100,104.92)		0.00
Total Special Projects	6,553,099.00		2,795,780.39		8,091,854.65		(4,334,536.04)		166.14

Water Utility Authority  
CIP Expenditure Summary By Decade Category and Line

Fiscal Year 2014 As of 3/31/2014  
The Fiscal Year is 75% over

Funding Type: 04 Spec Proj w/o Dedicate Rev Str

Decade Line	Current Budget	Activity Balance	Encumbrances	Balance	% of Budget
	6,553,099.00	2,795,780.39	8,091,854.65	(4,334,536.04)	166.14

Description	Current Month	FY14 Y-T-D	FY14 Budget	FY14 Projection
<b>Sources:</b>				
Interest on Investments *			200,000.00	0.00
Miscellaneous Income				
Utility Expansion Charges	640,465.20	5,365,603.01	8,000,000.00	8,000,000.00
Affordable Housing Rebate				
Transfer from Fund 621	6,007,833.33	54,070,499.97	72,094,000.00	72,094,000.00
Total Sources	6,648,298.53	59,436,102.98	80,294,000.00	80,094,000.00
Beginning Unrestricted Balance	(2,475,951.00) *	(2,475,951.00) *	(2,971,505.00) *	(2,475,951.00) *
Total Sources & Beginning Balance	4,172,347.53	56,960,151.98	77,322,495.00	77,618,049.00
<b>Expenditures/Appropriations:</b>				
<b>Debt Service Principal &amp; Interest:</b>				
SRF Loan Principal	0	0	453,894.16	453,894.16
9.627M Interest	0	(22,009)	193,250.38	193,250.38
SRF Loan Principal	0	0	327,264.00	327,264.00
3.6M-Duranes Interest	0	5,785	11,569.08	11,569.08
2004A NMFA Principal	0	0	4,000,000.00	4,000,000.00
36.295M Basic Interest	0	(76,416)	435,670.00	435,670.00
2004B NMFA Principal	0	0	4,670,000.00	4,670,000.00
82.120M SJC Interest	0	(200,594)	2,084,971.00	2,084,971.00
DWRLF (1727-DW) Principal	0	0	484,774.00	484,774.00
10.4M-Santa Barbara Interest	0	54,279	162,836.82	162,836.82
2005 Bond Principal	0	0	7,760,000.00	7,760,000.00
116.695 SJC Interest	0	2,368,868	4,737,736.26	4,737,736.26
2005 Bond Principal	0	0	1,905,000.00	1,905,000.00
16.290 Basic Interest	0	205,475	410,950.00	410,950.00
2005 Loan Principal	0	0	1,010,000.00	1,010,000.00
20M SJC Interest	0	220,291	660,872.50	660,872.50
2006 Bond Principal	0	0	5,345,000.00	5,345,000.00
112.765 SJC Interest	0	2,228,927	4,457,853.76	4,457,853.76
2006 Bond Principal	0	0	0.00	0.00
11.945 - 627 Interest	0	286,103	572,205.00	572,205.00
2006 Bond Principal	0	0	940,000.00	940,000.00
8.680 - 628 Interest	0	115,203	230,406.26	230,406.26
2007A NMFA Principal	0	0	1,360,000.00	1,360,000.00
\$53.595 Basic Interest	0	701,046	1,986,887.50	1,986,887.50
2007A NMFA Principal	0	0	3,125,000.00	3,125,000.00
\$23.410 SJC Interest	0	218,300	771,150.00	771,150.00
2008 Bond Principal	0	0	0.00	0.00
\$48.430 SJC Interest	0	1,210,750	2,421,500.00	2,421,500.00
2008 Bond Principal	0	0	0.00	0.00
\$7.20 Reuse Interest	0	180,000	360,000.00	360,000.00
2009 Bond Principal	0	0	6,610,000.00	6,610,000.00
\$ SJC Interest	0	2,888,750	5,777,500.00	5,777,500.00
2009 Bond Principal	0	0	175,000.00	175,000.00
\$ SJC Interest	0	163,900	327,800.00	327,800.00
2011 Bond NMFA Principal	0	0	2,700,000.00	2,700,000.00
\$37.740 Basic Interest	0	706,993	1,698,250.00	1,698,250.00
2011 Bond NMFA Principal	0	0	120,000.00	120,000.00
\$5M SJC Interest	0	94,620	225,274.00	225,274.00
2011 Bond NMFA Principal	0	0	255,000.00	255,000.00
\$10.660 Reuse Interest	0	199,316	478,707.26	478,707.26
2013 Bond Basic Principal	0	0	0.00	0.00
Interest	0	575,355	0.00	575,354.55
2013 Bond Refunding Principal	0	0	0.00	0.00
Interest	0	529,623	0.00	529,622.90
2316-ADW Principal	0	0	45,869.00	45,869.00
\$1M Interest	0	3,408	6,987.38	6,987.38
2009 WTB-0051 Principal	0	0	2,517.00	2,517.00
\$50K Interest	0	0	102.60	102.60
2009 WTB-0079 Principal	0	0	5,042.00	5,042.00
\$100K Interest	0	0	205.52	205.52
2010 WTB-177 Principal	0	0	9,838.00	9,838.00
\$200K Interest	0	0	426.60	426.60
2010 DWRF Principal	0	0	1,854.00	1,854.00
2379-ADW Interest	0	138	376.67	376.67
2010 DWRF Principal	0	0	5,705.00	5,705.00
2381-ADW Interest	0	420	1,147.49	1,147.49
2010 DWRF Principal	0	0	2,825.00	2,825.00
2380-ADW Interest	0	195	520.82	520.82
2011 #0205 WTB Principal	0	0	22,123.00	22,123.00
59.872K ABCWUA12 Interest	0	(65)	1,074.80	1,074.80
2011 #0206 WTB Principal	0	0	31,324.00	31,324.00
59.872K ABCWUA13 Interest	0	0	1,521.96	1,521.96
2011 #0207 WTB Principal	0	0	3,101.00	3,101.00
59.872K ABCWUA14 Interest	0	0	150.66	150.66
Rounding Principal	0	0	(130.16)	
Interest	0	0	95.68	
Total Principal & Interest	0.00	12,658,659.18	69,369,000.00	70,474,011.93
<b>Other Expenditures:</b>				
Transfer to Capital	250,000.00	2,250,000.00	3,000,000.00	3,000,000.00
Refund Escrow	0.00	1,117,223.69		
Fiscal Agent Fees	0.00	193,402.60	362,000.00	362,444.35
Total Other Expenditures	250,000.00	3,560,626.29	3,362,000.00	3,362,444.35
Total Expenditures/Appropriations	250,000.00	16,219,285.47	72,731,000.00	73,836,456.28
ENDING UNRESTRICTED BALANCE	3,922,347.53	40,740,866.51	4,591,495.00	3,781,592.72

SRF finalized at 9,627,876.72

647,144.54

338,833.08 Puts \$1,652.72 into Fiscal Agent Fee

4,435,670.00 Puts \$32,387.50 into Fiscal Agent Fee

6,754,971.00 Puts \$141,800 into Fiscal Agent Fee

627,610.82

12,497,736.26

2,315,950.00

1,670,872.50 Puts \$43,512.50 into Fiscal Agent Fee

9,802,853.76

572,205.00

1,170,406.26

3,346,887.50 Puts \$101,262.50 into Fiscal Agent Fee

3,896,150.00 Puts \$39,500 into Fiscal Agent Fee

2,421,500.00

360,000.00

12,387,500.00

502,800.00

4,398,250.00

345,274.00

733,707.26

575,354.55

529,622.90

52,856.38 Puts \$2,329.13 into Fiscal Agent Fee

2,619.60

5,247.52

10,264.60

2,230.67

6,852.49

3,345.82

23,197.80

32,845.96

3,251.66

Min Required \$354,000

\*\* unaudited

Fiscal Agent	0.00	193,402.60	362,000.00	362,444.35
Total Principal	0.00	0.00	41,351,000.00	41,351,130.16
Total Interest	0.00	11,553,681.73	28,018,000.00	28,017,904.32
	-	11,747,084	69,731,000.00	69,731,478.83

# **FY14 3<sup>rd</sup> Quarter Financial Report**

Water Authority Board

April 23, 2014



Albuquerque Bernalillo County  
Water Utility Authority



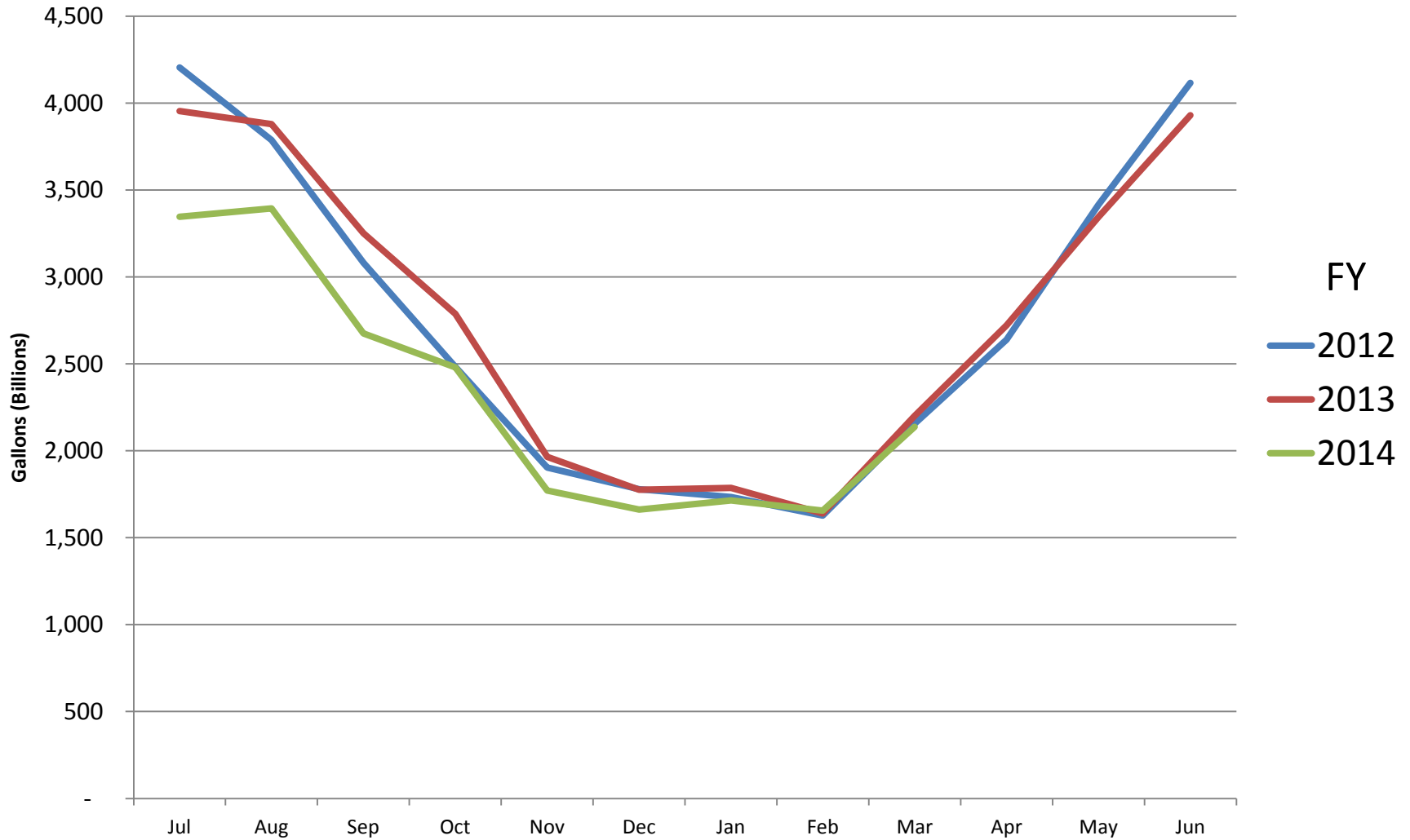
# Revenues

	FY13 YTD	FY14 YTD	Difference
Total Revenue	\$133,569,714	\$135,148,392	\$1,578,678
Water Sales	\$61,019,824	\$60,089,478	(\$930,349)
San Juan Chama	\$21,437,053	\$20,920,978	(\$516,075)
Wastewater Sales	\$43,346,458	\$45,465,735	\$2,119,277

- 12% decrease in consumption
- Above average precipitation in July and September
- 200% Block Rate



# Water Use Production



Albuquerque Bernalillo County  
Water Utility Authority

# Projected Revenues

	FY14 Budgeted	FY14 Projected	Difference
Total Revenue	\$208,474,000	\$199,757,000	(\$8,717,000)

- Assumption that 3<sup>rd</sup> Quarter consumption levels will be at original projected levels and 4<sup>th</sup> Quarter will be lower than original projected levels
- Above average precipitation in July and September
- 200% Block Rate



# Fiscal Impact

- \$8 million transfer to CIP has been postponed
  - Increases cash reserves (Fund Balance) to appropriate levels
- Use Rate Reserve of \$6 million in FY14 to ensure Authority meets Debt Service levels due to reduced Revenue



# Fiscal Impact

- Operating Expenditures are estimated to be \$4.3 million under approved appropriations
  - Currently doing only necessary items identified as high priorities and deferring other costs until the next fiscal year.
  - If current Consumption trends continue a combination of reducing expenditures and increasing Fixed rates will need to be evaluated



# Fiscal Impact

- Water use reduction is positive for meeting conservation goals
- However, utility costs are fixed:
  - Anticipate the need for an adjustment to the fixed charges will be necessary to continue upgrading infrastructure as planned
  - Authority Rate Consultant is evaluating and has worked with the Customer Advisory Committee



**ALBUQUERQUE BERNALILLO COUNTY**

**WATER UTILITY AUTHORITY**

**CUSTOMER OPINION SURVEY**

**APRIL 2014**

# Methodology

## **Research Objectives:**

### **To measure:**

- **Customer satisfaction with the services provided by Water Authority.**
- **Importance of various services and programs.**

## **Data Collection Method:**

**Telephone interviews**

## **Total Sample Size:**

**n=501 Residential Customers**

**n=102 Commercial Customers**

## **Field Dates:**

**February 6, 2014 and February 17, 2014**

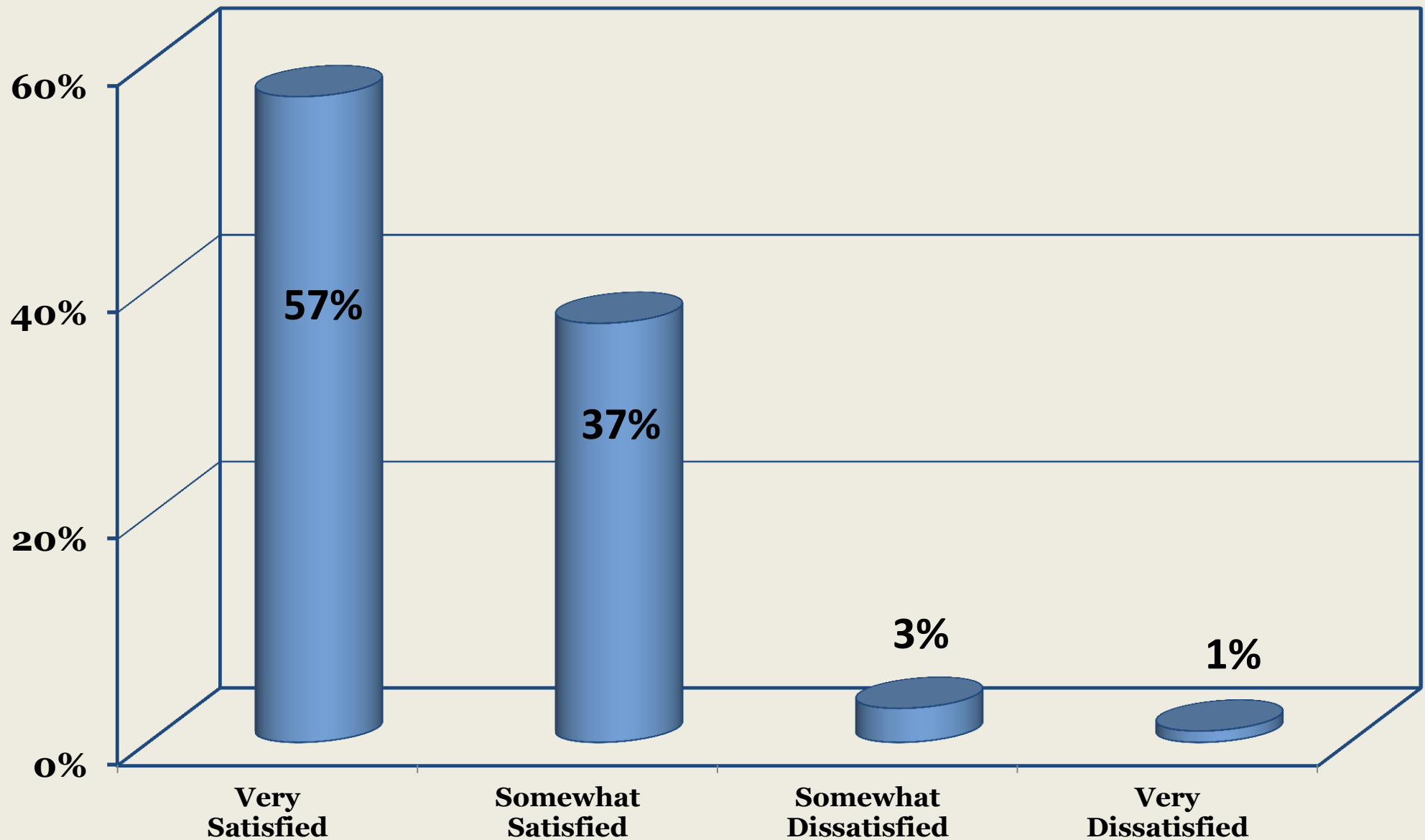
## **Margin of Error:**

**$\pm 4.4\%$  at 95% confidence level (residential)**



# Overall Satisfaction with the Services Provided by the Water Authority

Total Sample (n=501)



# Satisfaction with Various Services Received from the Water Authority

Total Sample (n=501)  
Ranked by Highest Percentage “Very Satisfied”

	Very Satisfied	Somewhat Satisfied	Somewhat/Very Dissatisfied
<b>Reliability and availability of water to home</b>	<b>83%</b>	16%	1%
<b>Reliable drainage of wastewater from home to city sewer line</b>	<b>73%</b>	21%	2%
<b>Quality of drinking water</b>	<b>42%</b>	36%	18%
<b>Controls odors from sewer lines or treatment facilities</b>	<b>40%</b>	34%	8%
<b>Education on water issues</b>	<b>38%</b>	40%	9%
<b>Water conservation programs</b>	<b>36%</b>	36%	12%
<b>Condition of the sewer lines throughout the city such as the number of overflows/backups you observe</b>	<b>22%</b>	38%	<b>17%</b>
<b>Condition of the water lines throughout the city such as the number of leaks you observe</b>	<b>18%</b>	39%	<b>29%</b>

# Satisfaction with Various Services Received from the Water Authority

## Tracking

Total Sample (n=501)  
Ranked by Highest Percentage “Very Satisfied”

		Very Satisfied	Somewhat Satisfied	Somewhat/Very Dissatisfied
<b>Quality of drinking water</b>	<b>2014</b>	<b>42%</b>	36%	18%
	2012	<b>48%</b>	31%	18%
	2010	<b>50%</b>	31%	17%
<b>Condition of the sewer lines throughout the city such as the number of overflows/backups you observe at the city sewer lines or manholes</b>	<b>2014</b>	<b>22%</b>	38%	17%
	2012	<b>26%</b>	35%	16%
	2010	<b>30%</b>	38%	10%
<b>Condition of the water lines throughout the city such as the number of leaks you observe</b>	<b>2014</b>	<b>18%</b>	39%	29%
	2012	<b>25%</b>	31%	26%
	2010	<b>26%</b>	43%	15%

# Contact and Satisfaction with Customer Service on Selected Issues

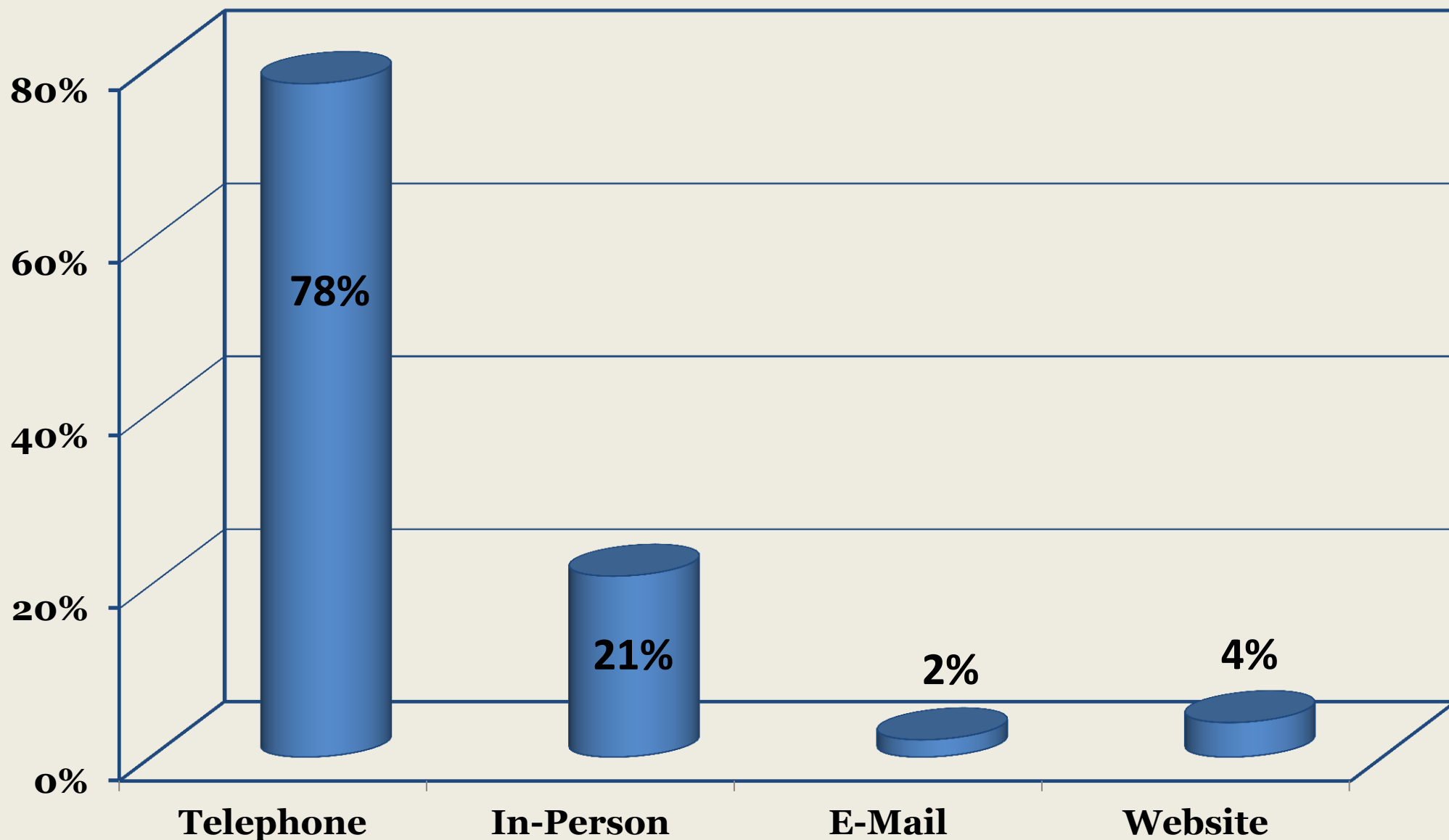
Total Sample (n=501)  
Ranked by Highest Percentage “Have Contacted”

	Yes, Have Contacted	Very/Somewhat Satisfied	Very/Somewhat Dissatisfied
<b>Problems or questions with a water/sewer bill</b>	<b>11%</b>	64%	34%
<b>Questions about meter readings</b>	<b>10%</b>	62%	37%
<b>Water service interruption or main line break</b>	<b>7%</b>	75%	24%
<b>Advice on water conservation or leak prevention</b>	<b>5%</b>	80%	16%

# Means of Communication with Water Authority

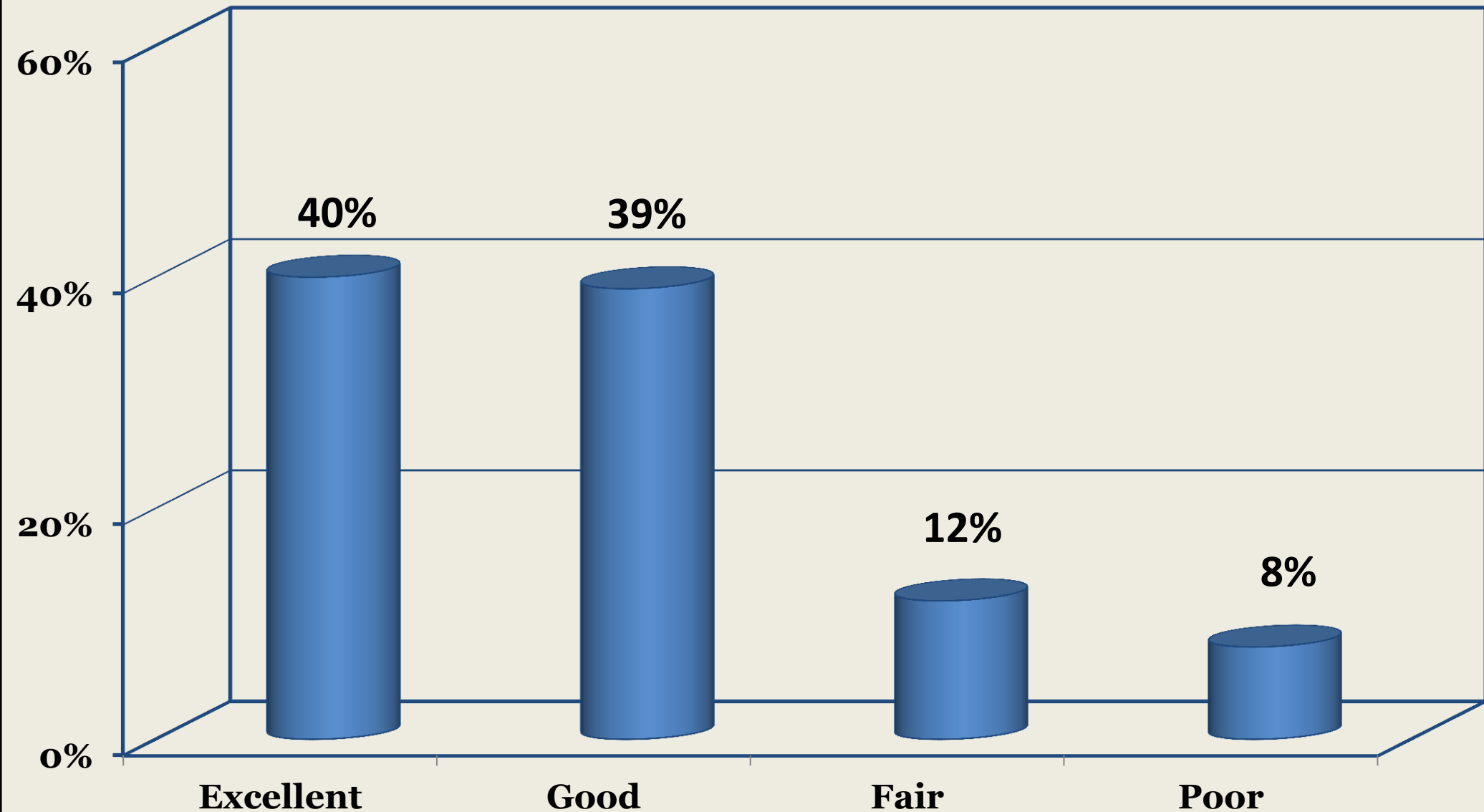
Among Those Who Contacted the Water Authority

Total Responses (n=106)



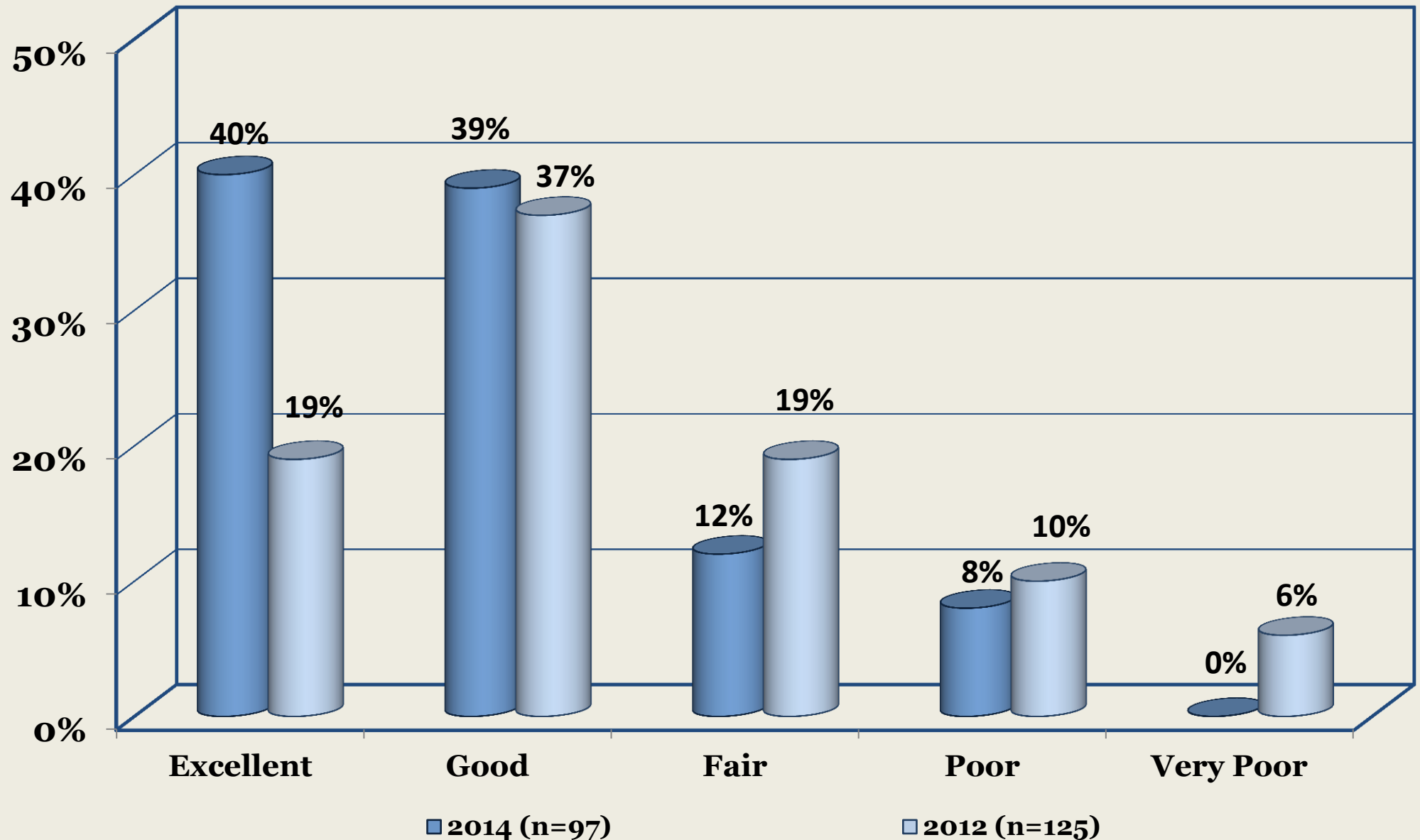
# Overall Rating of the Customer Service Representative When Contacting the Water Authority

Among Those Who Contacted the Water Authority on the Telephone or In-Person  
Total Responses (n=97)



# Overall Rating of the Customer Service Representative When Contacting the Water Authority

Among Those Who Contacted the Water Authority on the Telephone or In-Person  
Tracking



# Satisfaction with the Customer Service Representatives on Key Attributes

## Tracking

Among Those Who Had Experience with the Customer Service Representatives

Total Responses (n=96)

Ranked by Highest Percentage “Very Satisfied”

Courtesy of the Customer Service Representative		Very	Somewhat	Somewhat/Very
		Satisfied	Satisfied	Dissatisfied
	<b>2014</b>	<b>67%</b>	27%	6%
	<b>2012</b>	<b>54%</b>	27%	8%
	<b>2010</b>	<b>63%</b>	26%	5%
Knowledge and ability to answer your questions or resolve your issues				
	<b>2014</b>	<b>53%</b>	27%	19%
	<b>2012</b>	<b>47%</b>	19%	25%
	<b>2010</b>	<b>61%</b>	25%	13%
Length of wait to speak with a customer service representative				
	<b>2014</b>	<b>42%</b>	39%	12%
	<b>2012</b>	<b>31%</b>	37%	13%
	<b>2010</b>	<b>36%</b>	40%	12%

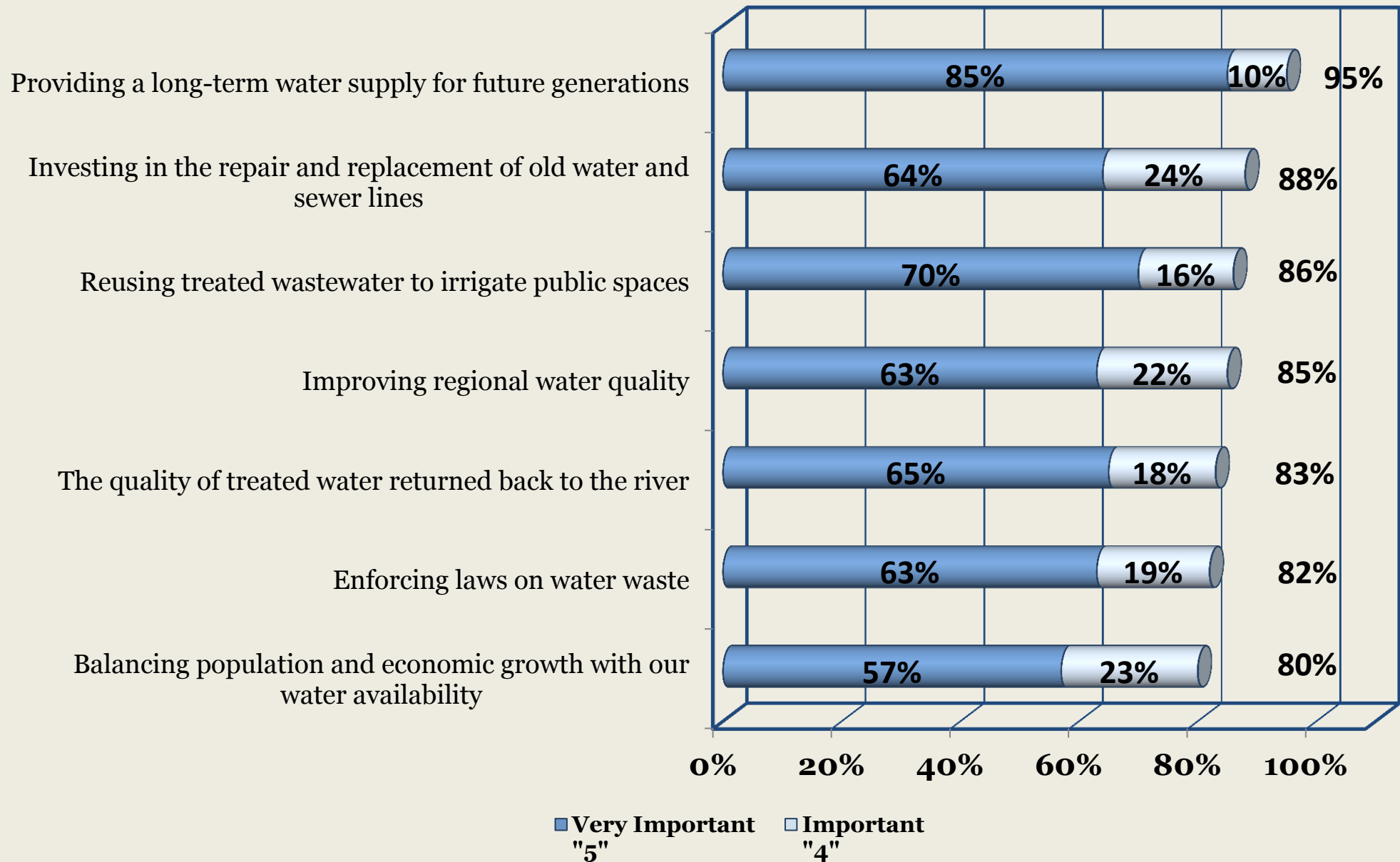


# Perceived Importance of Water Conservation and Environmental Issues

Total Sample (n=501)

Ranked by Highest Percentage "Important"

1 to 5-Point Importance Scale

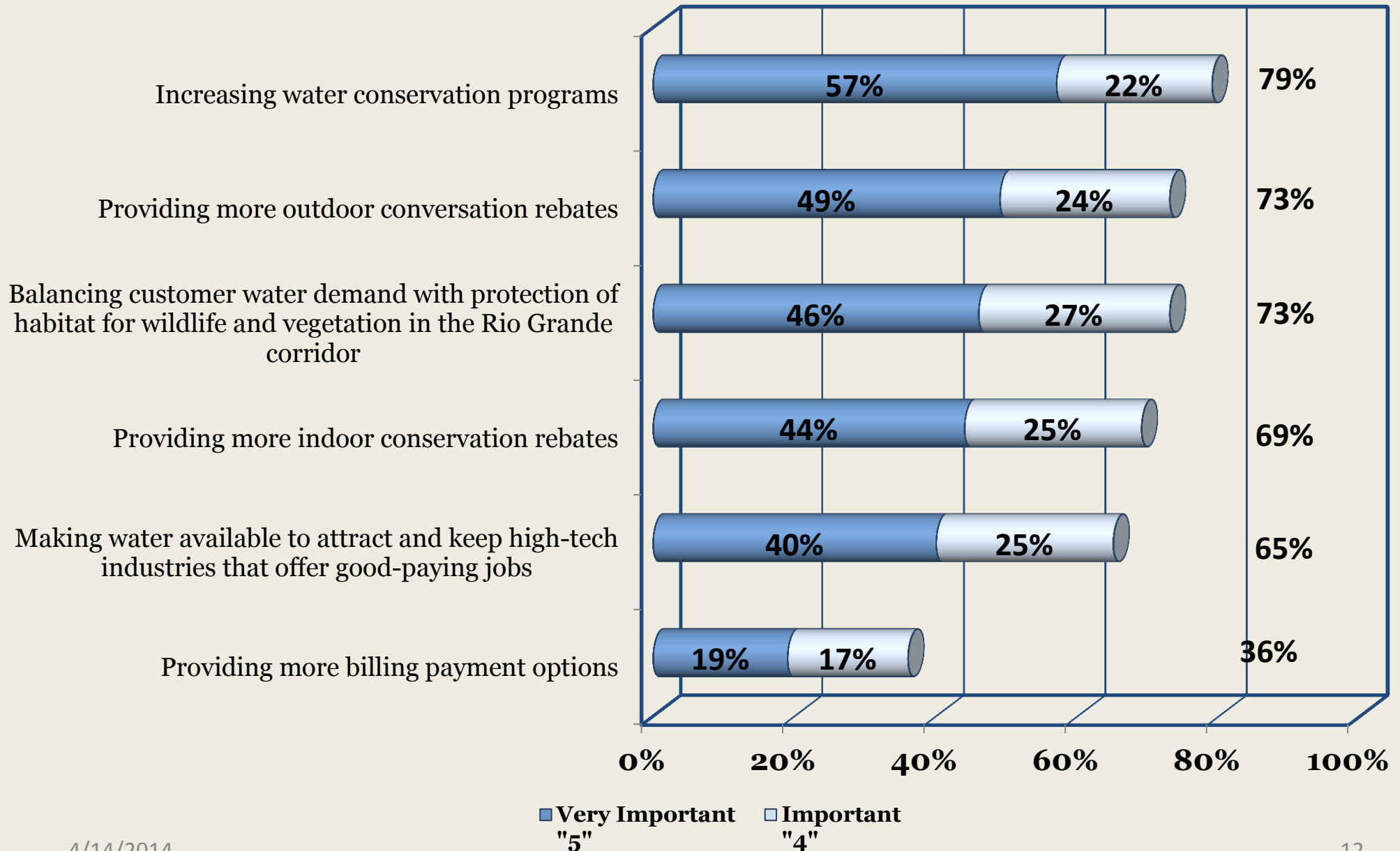


# Perceived Importance of Water Conservation and Environmental Issues (continued)

Total Sample (n=501)

Ranked by Highest Percentage "Important"

1 to 5-Point Importance Scale



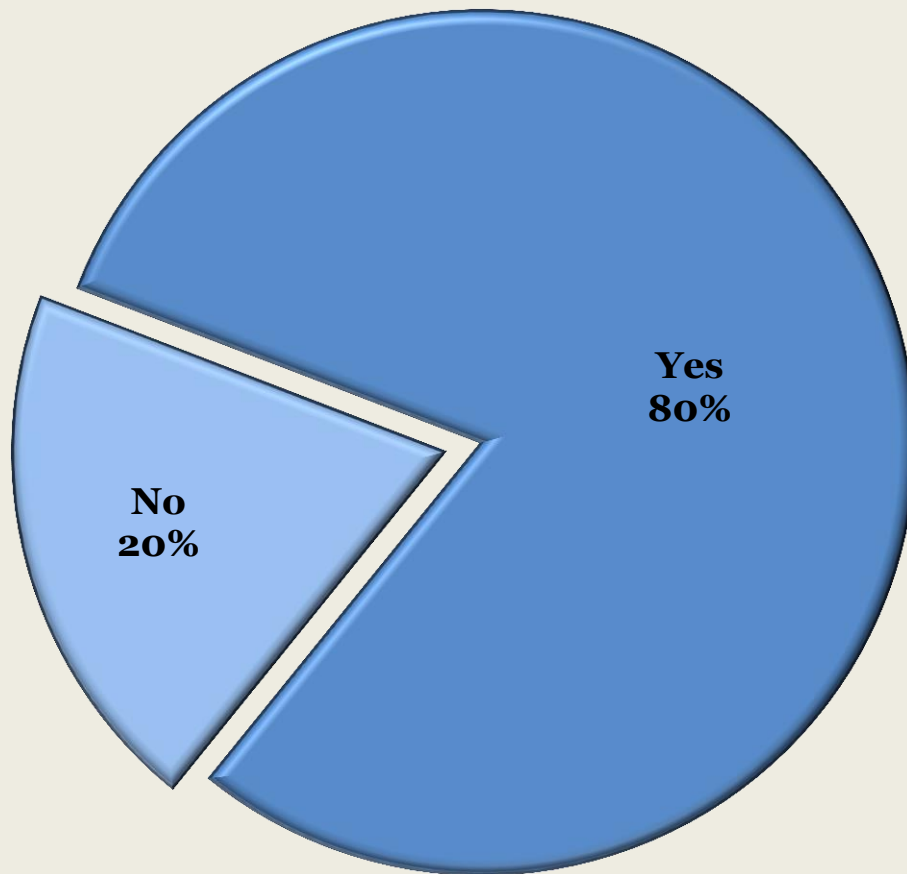
# Customer Level of Agreement with Statements About Water Rates and Services

Total Sample (n=501)  
Ranked by Highest Percentage “Strongly Agree”

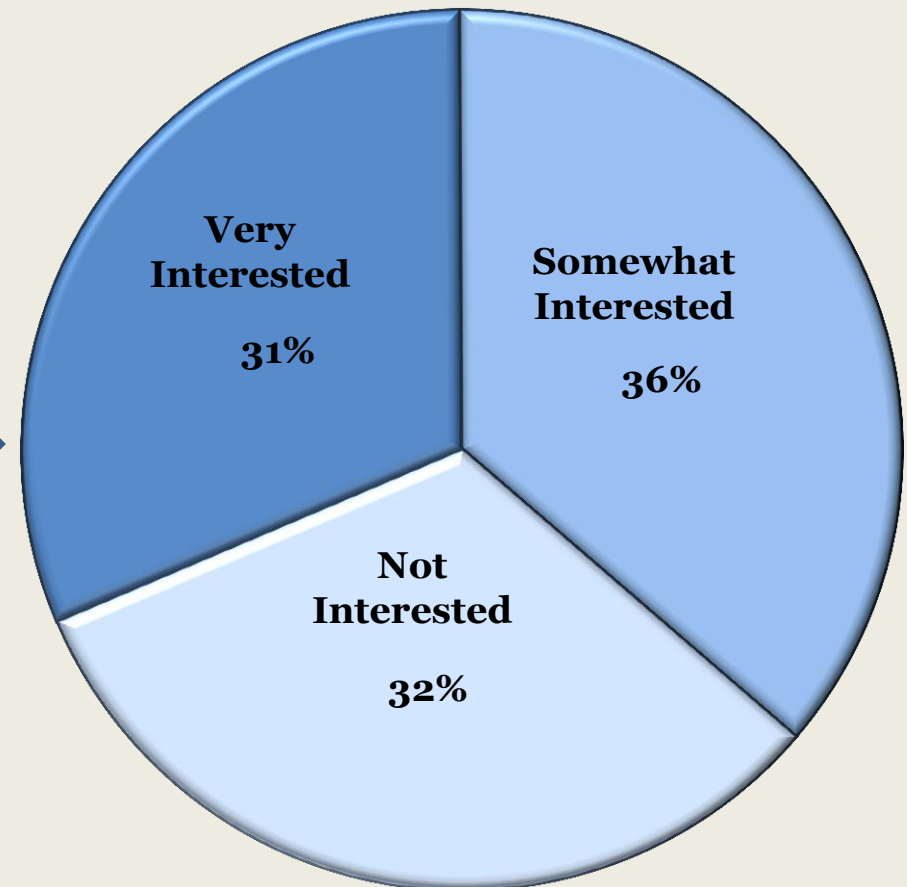
	Strongly Agree	Somewhat Agree	Somewhat/ Strongly Disagree
I follow the “Water by the Numbers” program when setting my irrigation schedule.	60%	17%	9%
Households would conserve more water if they had an easier way to monitor their water use.	50%	32%	15%
The cost of water is an important factor for me when deciding how much water to use.	44%	32%	22%
Water and sewer services are a good value for the amount of money I pay.	42%	45%	10%
There should be strong financial penalties for people who use too much water.	42%	32%	24%
Because water is a scarce resource, water rates should be designed to reflect the value of water in our daily lives.	30%	44%	20%
Water rates should be increased to cover the cost of providing a reliable water supply for future generations.	25%	42%	31%
Water rates should be increased to cover the true costs to treat and deliver water to our homes and businesses.	20%	43%	32%
Water rates should be increased to encourage water conservation.	14%	24%	61%

# Internet Access

**Internet Access at Home, Work,  
Smartphone or Library**  
Total Sample (n=501)



**Overall Interest in Accessing Information  
on Water Use on the Internet**  
Among Those with Internet Access  
Total Responses (n=401)



# Key Findings

**Reliability** of water to the home and drainage of waste water from the home: Greatest Perceived Strength (99% and 94% satisfied respectively)

**Overall satisfaction** with services: High (94%)

Perceived **value** of services: High (87%)

Perceived **quality** of drinking **water**: Moderately High (78% satisfied vs. 18% dissatisfied)

**Education efforts** on water issues and conservation programs: Moderately High (78% and 72% satisfied respectively)

## Cost:

- Is an important factor when deciding how much to use (76%)
- There should be strong financial penalties for those who use too much (74%)
- However, rates should not be increased *to encourage water conservation* (61% opposed)
- Rates *should be increased to cover the costs of providing a reliable water supply for future generations* (67% agree vs. 31% disagree)

# Key Findings

Satisfaction with **condition of water lines**: Declining (57% satisfied vs. 29% dissatisfied)

Satisfaction with **condition of sewer lines**: Moderate and Declining (60% satisfied vs. 17% dissatisfied)

Satisfaction with **CSR's**: Improvement Since 2012

## Priorities

- Investing in the repair or replacement of water/sewer lines (88%)
- Reusing treated wastewater to irrigate public spaces (86%)
- Improve regional water quality (85%)
- The quality of the treated water returned back to the river (83%)

# WATER USE AND DROUGHT UPDATE

Water Authority Board

April 23, 2014



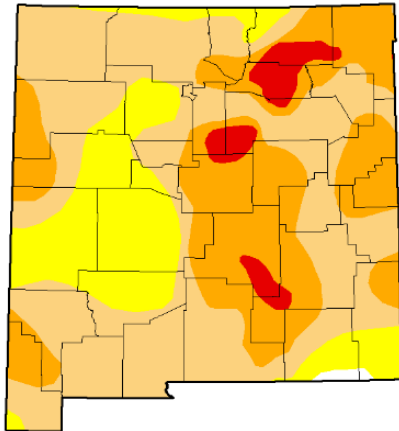
Albuquerque Bernalillo County  
Water Utility Authority

# Drought Summary

[Current Calendar Year Review](#) | [Current Water Year Review](#) | [Temperature and Precipitation Outlooks](#)

[Other Hydrologic Information](#) | [Special Hydrologic/Climate Features](#) | [Related Web Sites](#)

## U.S. Drought Monitor New Mexico



**January 14, 2014**  
(Released Thursday, Jan. 16, 2014)  
Valid 7 a.m. EST

	Drought Conditions (Percent Area)					
	None	D0-D1	D1-D1	D2-D4	D3-D4	D4
Current	0.39	96.61	79.94	33.13	3.97	0.00
Last Week 1/7/2014	0.39	96.61	79.58	32.98	3.96	0.00
3 Months Ago 10/15/2013	1.04	98.18	74.58	37.69	3.26	0.00
Start of Calendar Year 1/1/2013	0.39	99.61	75.21	32.86	3.96	0.00
Start of Water Year 10/1/2013	1.06	98.34	74.92	37.81	3.39	0.00
One Year Ago 1/15/2013	0.00	100.00	90.45	92.97	31.73	0.97

### Intensity:

D0 Abnormally Dry  
D1 Moderate Drought  
D2 Severe Drought  
D3 Extreme Drought  
D4 Exceptional Drought

The Drought Monitor focuses on broad-scale conditions. Local conditions may vary. See accompanying text summary for forecast statements.

Author:  
Eric Luebbehusen  
U.S. Department of Agriculture



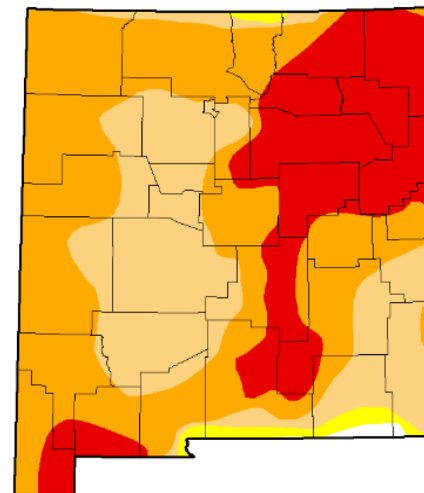
<http://droughtmonitor.unl.edu/>

# Drought Summary

[Current Calendar Year Review](#) | [Current Water Year Review](#) | [Temperature and Precipitation Outlooks](#)

[Other Hydrologic Information](#) | [Special Hydrologic/Climate Features](#) | [Related Web Sites](#)

## U.S. Drought Monitor New Mexico



**April 8, 2014**  
(Released Thursday, Apr. 10, 2014)  
Valid 8 a.m. EDT

	Drought Conditions (Percent Area)					
	None	D0-D1	D1-D1	D2-D4	D3-D4	D4
Current	0.40	99.51	97.49	68.38	24.62	0.00
Last Week 4/1/2014	0.40	99.51	97.49	65.12	24.62	0.00
3 Months Ago 1/15/2014	0.39	99.61	79.58	32.98	3.96	0.00
Start of Calendar Year 1/1/2013	0.39	99.61	75.21	32.86	3.96	0.00
Start of Water Year 10/1/2013	1.06	98.34	74.92	37.81	3.39	0.00
One Year Ago 4/9/2013	0.00	100.00	98.68	93.30	58.73	4.36

### Intensity:

D0 Abnormally Dry  
D1 Moderate Drought  
D2 Severe Drought  
D3 Extreme Drought  
D4 Exceptional Drought

The Drought Monitor focuses on broad-scale conditions. Local conditions may vary. See accompanying text summary for forecast statements.

Author:  
Brian Fuchs  
National Drought Mitigation Center

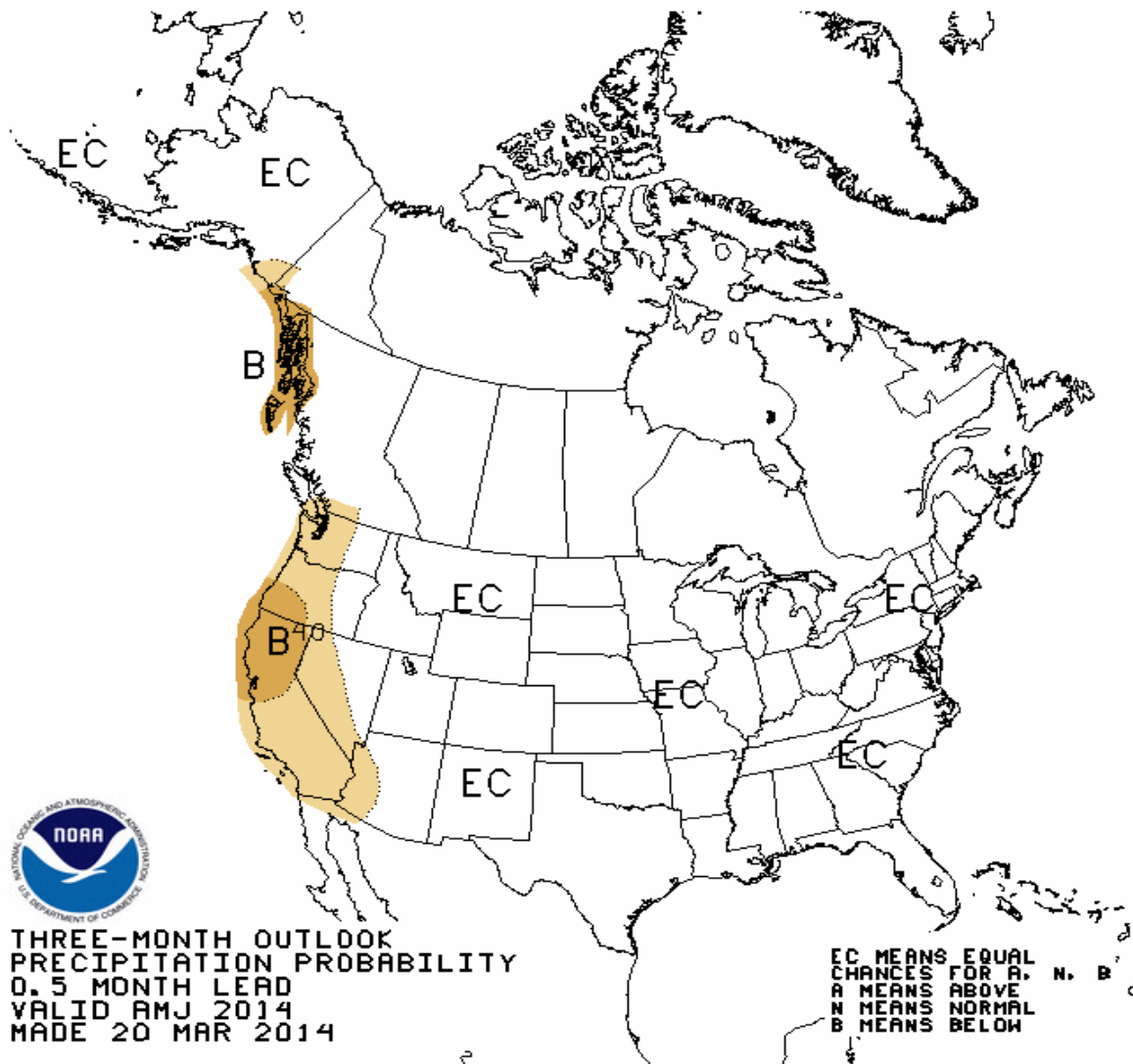


<http://droughtmonitor.unl.edu/>



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Water Utility Authority





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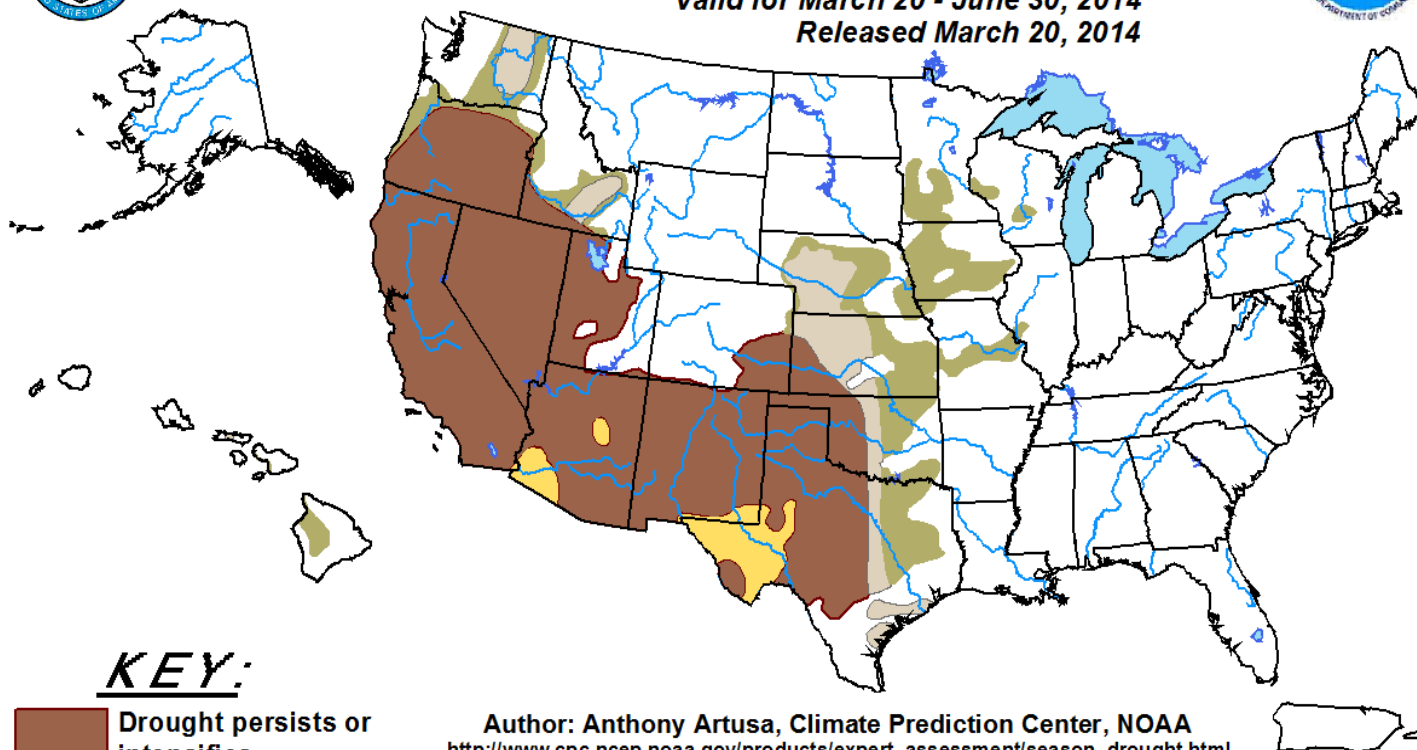


# U.S. Seasonal Drought Outlook





Drought Tendency During the Valid Period

Valid for March 20 - June 30, 2014

Released March 20, 2014



## KEY:

-  Drought persists or intensifies
-  Drought remains but improves
-  Drought removal likely
-  Drought development likely

Author: Anthony Artusa, Climate Prediction Center, NOAA  
[http://www.cpc.ncep.noaa.gov/products/expert\\_assessment/season\\_drought.html](http://www.cpc.ncep.noaa.gov/products/expert_assessment/season_drought.html)

Depicts large-scale trends based on subjectively derived probabilities guided by short- and long-range statistical and dynamical forecasts. Short-term events -- such as individual storms -- cannot be accurately forecast more than a few days in advance. Use caution for applications -- such as crops -- that can be affected by such events. "Ongoing" drought areas are approximated from the Drought Monitor (D1 to D4 intensity).

For weekly drought updates, see the latest U.S. Drought Monitor.

NOTE: The tan area areas imply at least a 1-category improvement in the Drought Monitor intensity levels by the end of the period although drought will remain.

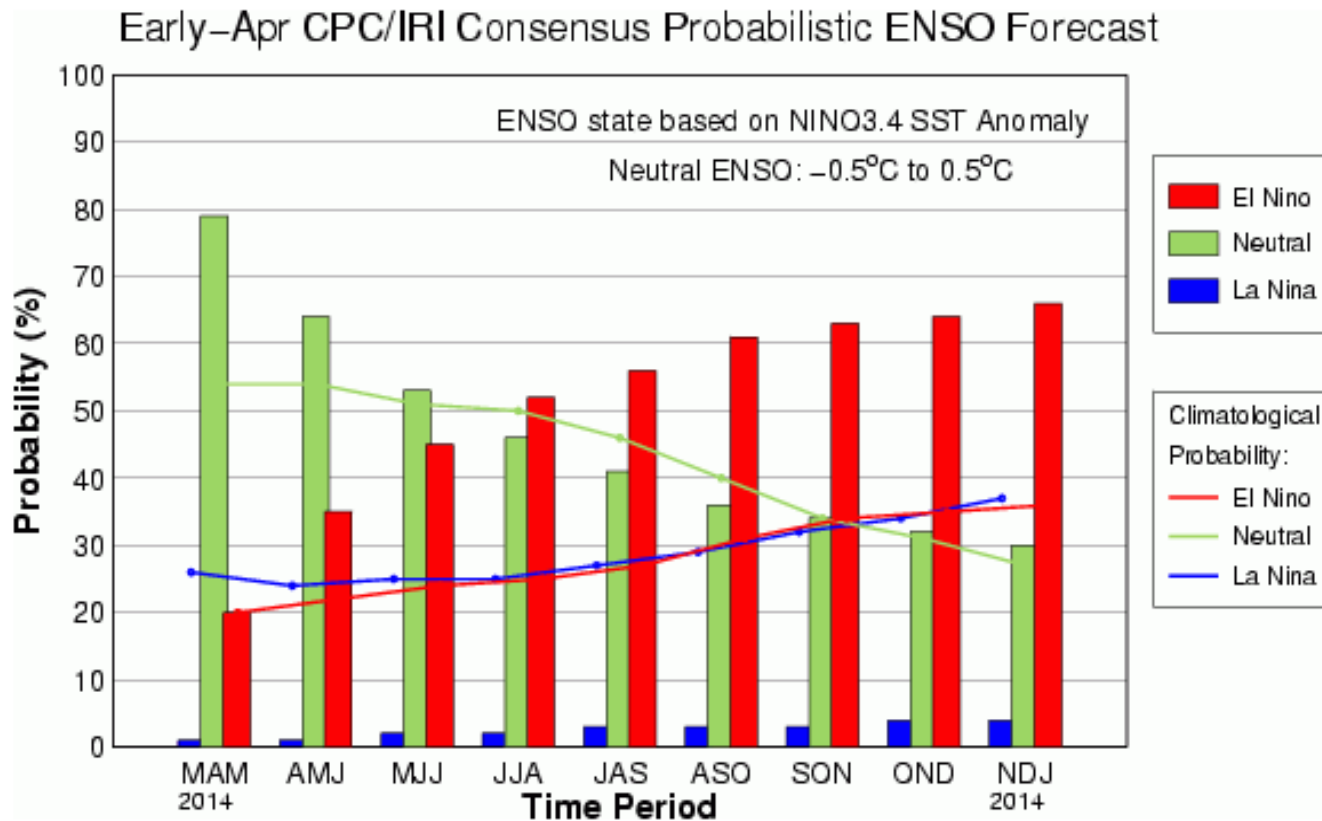
The Green areas imply drought removal by the end of the period (D0 or none)



Albuquerque Bernalillo County  
Water Utility Authority

## Special Hydrologic/Climate Features

1. CPC forecasters continue to indicate neutral ENSO conditions into the Spring, then begin to trend toward El Nino conditions during the summer and fall. An El Nino watch remains in effect, with forecasters predicting a greater than 50% chance of El nino conditions developing within the next 6 months.



# YTD 2014 USE COMPARED TO GOAL AND 2013 USE

