



Albuquerque Bernalillo County Water Utility Authority

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

Agenda

Councilor Klarissa Peña, Chair
Commissioner Debbie O'Malley, Vice Chair
Mayor Richard J. Berry
Councilor Pat Davis
Commissioner Maggie Hart Stebbins
Commissioner Wayne Johnson
Councilor Trudy E. Jones
Trustee Pablo Rael

Wednesday, March 22, 2017

5:00 PM

Vincent E. Griego Chambers

1. **CALL TO ORDER**
2. **INVOCATION/PLEDGE OF ALLEGIANCE**
3. **APPROVAL OF MINUTES - January 25, 2017**
4. **PROCLAMATIONS AND AWARDS**
 - A. **NACWA 2017 Public Information and Education Award**
 - B. **U.S. Water Prize Submittal Video**
5. **PUBLIC COMMENT**
6. **ANNOUNCEMENTS/COMMUNICATIONS**
 - A. **Next Scheduled Meeting – April 19, 2017 at 5:00 PM**
7. **INTRODUCTION (FIRST READING) OF LEGISLATION**
 - A. [R-17-5](#) Establishing One-Year Objectives for the Albuquerque Bernalillo County Water Utility Authority in Fiscal Year 2018 to Meet Five-Year Goals
 - B. [R-17-6](#) Authorizing an Agreement for Water and Sewer Service With Buglo Properties LLC for Paradise View Universal Apartments
 - C. [R-17-7](#) Approving an Amendment to the Adopted Operating Budget of the Albuquerque Bernalillo County Water Utility Authority for the Fiscal Year Ending June 30, 2017
 - D. [R-17-8](#) Approving an Amendment to the Approved Capital Implementation Program of the Albuquerque Bernalillo County Water Utility Authority for

the Fiscal Year Ending June 30, 2017

8. CONSENT AGENDA

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

- A. [R-17-3](#) Approving and Authorizing Acceptance of a New Mexico Environment Department Appropriation for the Water Reuse Plan and Design
- B. [C-17-5](#) Approving an Amendment with Elite Energy Services, Inc. for Caterpillar Engine Major Repairs and Overhauls
- C. [C-17-6](#) Approving Supplemental Agreement with EMA Inc., in Relation to the Asset Management/Maximo System Upgrade

9. APPROVALS

- A. [R-17-4](#) Authorizing a Memorandum of Agreement for Watershed Management with the Nature Conservancy
- B. [C-17-4](#) FY2017 Second Quarter Performance Indicator Report
- C. [C-17-7](#) FY2017 2nd Quarter Operating Financial Reports

10. OTHER BUSINESS

- A. [OB-17-2](#) Status Update for the Kirtland Air Force Base Bulk Fuels Facility Fuel Leak Corrective Action Activities
- B. [OB-17-3](#) Water Report

11. ADJOURNMENT

Visit Our Website at 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 289-3100 or by the TTY at 1-800-659-8331.

Meeting Date: March 22, 2017
Staff Contact: Erin Keck, Education Program Manager

TITLE: NACWA 2017 Public Information and Education Award

ACTION: Information Only

SUMMARY:

The Albuquerque Bernalillo County Water Utility Authority (Water Authority) received the National Association of Clean Water Agencies' (NACWA) Public Information and Education Award for its Conservation Education Program. This award honors agencies, "for their inventive efforts to educate the public on the effects of waste water treatment and pollution control in the environment." The education program, which currently reaches over 20,000 students per year, is comprised of four major tenets: puppet shows for grades K-2, in-class, hands-on activities for grades 1-12, an all-day field trip for every APS fourth grader in Albuquerque to the Rio Grande in the Bosque, and tours of the wastewater treatment plant.

The primary goal of the education program is to inform and inspire students (and the parents they in turn help educate) to conserve water and protect our limited water resources. This message includes teaching students about where their water comes from, how our supply of water in the desert is limited, and where the water goes after they use it. We emphasize the importance of both conservation and keeping our water sources clean, leaving students with the take away message that it is up to all of us to limit our water use and help to keep our planet and our water supply clean.

The education program has contributed to the tremendous progress Albuquerque has made in decreasing its per capita water use, from over 250 gallons per day in 1994, to 127 gallons per day in 2015. By helping the community save 300 billion gallons of water, the Water Authority's education program has played a critical role in supporting the overall mission of the Water Authority.

Meeting Date: March 22, 2017
Staff Contact: David Morris, Public Affairs Manager

TITLE: U.S. Water Prize Submittal Video

ACTION: Information Only

SUMMARY:

To better inform the public and stakeholders regarding the recently adopted WATER 2120 water resources management strategy, the Water Authority produced a short video about the plan and how it was developed.

In addition to being used as an educational tool, the video has been submitted in support of the Water Authority's candidacy for the 2017 U.S. Water Alliance Water Prize. The U.S. Water Prize celebrates outstanding achievement in the advancement of sustainable solutions to our nation's water challenges. It is the pre-eminent national recognition program for exemplary efforts to secure a sustainable water future.

It is an honor for the Water Authority to be considered for this award.

Meeting Date: March 22, 2017

Staff Contact: Frank Roth, Senior Policy Manager

TITLE: R-17-5 - Establishing One-Year Objectives for the Albuquerque Bernalillo County Water Utility Authority in Fiscal Year 2018 to Meet Five-Year Goals

ACTION: Introduction March 22, 2017; Final Action April 19, 2017

SUMMARY:

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. Since 2012, 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 framework to identify areas for improvement.

Overview of One-Year Objectives

The One-Year Objectives in this resolution 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. 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. In addition to identifying areas of improvement, some of the Objectives are related to completing projects or improving programs. A few of the objectives are carried over from FY17 either because they require more time to complete, or are ongoing issues.

FISCAL IMPACT:

Objectives are linked to the budget.

ALBUQUERQUE BERNALILLO COUNTY WATER UTILITY AUTHORITY

BILL NO. R-17-5

1 **RESOLUTION**
2 **ESTABLISHING ONE-YEAR OBJECTIVES FOR THE ALBUQUERQUE**
3 **BERNALILLO COUNTY WATER UTILITY AUTHORITY IN FISCAL YEAR 2018 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 2018.

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 66% of all completed maintenance labor hours
24 by the end of the 4th Quarter of FY18.

25 Objective 2. Complete Surface Water Plant Preventive Maintenance to
26 Corrective Maintenance ratio to at least 55% of all completed maintenance labor hours
27 by the end of the 4th Quarter of FY18.

Objective 3. Using the Automated Meter Infrastructure system, permanently install pressure sensors at key locations to continuously monitor and record the data in Pressure Zone 4ER by the end of the 1st Quarter of FY18; evaluate operation and maintenance costs by eliminating redundant pressure reducing valves by the end of the 4th Quarter of FY18.

Objective 4. Continue distribution water loss program by locating water leaks from surveying 650 miles of small diameter water lines through conventional leak detection methods and 2,200 miles of small diameter water lines through acoustic leak detection by the end of the 4th Quarter of FY18.

Objective 5. Maintain water use between 127 to 132 gallons per capita per day through the end of the 4th Quarter of FY18.

Objective 6. Begin operation of the Large Scale Aquifer Storage and Recovery Demonstration Project and evaluate the project's progress through the end of the 4th Quarter of FY18.

Objective 7. Establish a monitoring/tracking program for conservation education outreach to service area residents by the end of the 1st Quarter of FY18.

Objective 8. Continue to implement Water 2120 and prepare a new water conservation plan and aquifer monitoring plan and report to the Board by the end of the 3rd quarter of FY18. Prepare and present the environmental plan to the Board by the end of the 4th Quarter of FY18.

Objective 9. 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 and surface water contamination sources and provide technical comments to preserve and protect the aquifer and surface water supplies in the Middle Rio Grande. Provide quarterly status reports through the 4th Quarter of FY18.

Objective 10. Submit annual distribution and treatment data to the Partnership for Safe Water program for inclusion in the program's annual report of aggregated system water quality data; continue implementing action plans from the self-assessments through the end of the 4th Quarter of FY18.

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

1 watershed, minimizing environmental impacts, and returning quality water to the Rio
2 Grande for downstream users.

3 Objective 1. Limit overall permit excursions to no more than 5 operating
4 discharge permit violations through the end of the 4th Quarter of FY18.

5 Objective 2. Beneficially reuse biosolids by diverting 30% of the biosolids to
6 compost through the end of the 4th Quarter of FY18.

7 Objective 3. Complete Waste Water Plant Preventive Maintenance to
8 Corrective Maintenance ratio to at least 60% of all completed maintenance labor hours
9 by the end of the 4th Quarter of FY18.

10 Objective 4. Continue implementation of the Reclamation Rehabilitation
11 Asset Management Plan by planning, designing and constructing reclamation facility
12 improvements through the end of the 4th Quarter of FY18.

13 Objective 5. Install a pH adjustment station on east side of the Rio Grande to
14 provide redundancy to the existing pH adjustment station on the west side, assist in
15 meeting the pH limit for the Southside Reclamation Plant effluent, and maintain odor
16 control at the plant and in the treated portion of the collection system by the end of the
17 4th Quarter of FY18.

18 Objective 6. Televisе and assess the condition of approximately five percent
19 of the small diameter sanitary sewer system by the end of the 4th Quarter of FY18.

20 Objective 7. Monitor compliance with the Water Authority's Cross Connection
21 Prevention and Control Ordinance by continuing to inspect, monitor, and take
22 enforcement action for users of backflow prevention devices; report activities and
23 respective compliance rates through weekly, monthly, and quarterly reporting, while
24 referencing past performance through the end of the 4th Quarter of FY18. Obtain a
25 compliance rate goal of 75%.

26 Objective 8. Monitor compliance with the Water Authority's Sewer Use and
27 Wastewater Control Ordinance by continuing to inspect, monitor, and take enforcement
28 action for permitted industrial users, septage waste haulers, food service
29 establishments, and dental offices; report activities and respective compliance rates
30 through weekly, monthly, and quarterly reporting, while referencing past performance
31 through the end of the 4th Quarter of FY18. Compliance rate goal is 87% for each
32 category.

Objective 9. 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.

Objective 10. In conjunction with the FOG campaign, include a Toilets Are Not Trashcans campaign focused on protecting the pipes, pumps, plants, and personnel by reducing the materials that are inappropriately flushed or drained into the sewer system through the end of the 4th Quarter of FY18.

Objective 11. Continue work on the Partnership for Clean Water program for the water reclamation treatment to optimize system operations and performance; submit a self-assessment to AWWA by the end of the 4th Quarter of FY18.

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

Objective 1. Improve customer satisfaction and operational efficiency in achieving the four call-center targets through the 4th Quarter of FY18: 1) Average Wait Time of less than 1:30 minutes; 2) Average Contact Time of less than 4 minutes; 3) Abandoned Call Ratio of less than 5; 4) First Call Resolution of greater than 90%.

Objective 2. Improve customer satisfaction by achieving a billing accuracy ratio of less than 8 through the 4th Quarter of FY18.

Objective 3. Implement 'Project Round Up' assistance program to assist area families facing difficulty paying their utility bills by the end of the 2nd Quarter of FY18. For this program, customers' monthly utility bills are rounded up to the next highest dollar with donations routed to a third party.

Objective 4. Evaluate all credit card payment transactions and provide recommendations for determining methods for reducing transaction fees by the end of the 3rd Quarter of FY18.

Objective 5. Continue implementation of the Automated Meter Infrastructure (AMI) project by modernizing 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 FY18.

Objective 6. Complete Customer Conversation meetings to engage customers and obtain input from customers on the Water Authority's activities through the end of the 4th Quarter of FY18.

Objective 7. Conduct outreach meetings, site tours, and activities to engage and educate legislators and neighborhood coalitions on services, policies and critical infrastructure projects on a quarterly basis.

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

Objective 1. Expend \$52 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 FY18. \$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 FY18.

Objective 2. Update the Comprehensive Asset Management Plan to determine the condition and criticality of the utility's assets by the end of the 4th Quarter of FY18.

Objective 3. Develop a vehicle asset management plan to better plan for capital replacement of vehicles by the end of the 4th Quarter of FY18.

Objective 4. Finalize odor control measures at the Southside Water Reclamation Plant and prepare implementation plan and report to the Board by the end of the 1st Quarter of FY18.

Objective 5. Implement landscape and sidewalk improvements along 2nd Street at the Southside Water Reclamation plant by the end of the 4th Quarter of FY18.

Objective 6. Coordinate with Bernalillo County for funding to complete design and planning for the Los Padillas water system (South Valley Drinking Water Project Phase 7b). Apply for grant funding for construction of the water distribution system.

Objective 7. Update the vulnerability assessment on utility facilities and systems and implement the most cost-effective measures to reduce risk for physical security, cyber security, and business activities by the end of the 4th Quarter of FY18.

Objective 8. Complete installation of redundant network paths to all utility locations in order to reduce down time and increase efficiencies across all business units by the end of the 4th Quarter of FY18.

Objective 9. Plan, assess, and upgrade SunGard enterprise financial system and complete the open enrollment module by the end of the 4th Quarter of FY18.

Objective 10. Complete the upgrade to Maximo comprehensive asset management system to effectively and efficiency record and manage the maintenance and operation of the utility's assets by the end of the 1st Quarter of FY18. Begin planning for Phase 2 of procurement and full cost accounting by the end of the 4th Quarter of FY18.

Objective 11. Complete Phases 1 and 2 of upgrading the CC&B billing application by the end of the 4th Quarter of FY18.

Objective 12. Evaluate the utility's procurement code and implement best practices in updating purchasing policies and procedures by the end of the 4th Quarter of FY18.

Objective 13. Evaluate the methodology of the Water Supply Charge and integrate the new rates into the Rate Ordinance by the end of the 4th Quarter of FY18.

Objective 14. 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 FY18.

Objective 15. 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 FY15 levels. Compare to industry benchmarks.

Objective 16. 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. Use the collected data to update the laboratory prices.

Objective 17. 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 through the end of the 4th Quarter of FY18.

Objective 18. 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 the 2nd Quarter of FY18.

Objective 19. 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 FY18, 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 20. Gather and report on external subcontract laboratory costs that are processed by the Water Quality Laboratory (WQL). Improve how the WQL manages BR numbers from purchasing and sample ids generated in LabVantage and the corresponding invoices received from the external subcontract laboratories. Utilized the existing Compliance Division 'Database of Compliance' (DOC), and make available the cost of external subcontract laboratory analysis for reporting in COGNOS.

Objective 21. Develop an incident and change management process for the Compliance Division Information Services using the cloud based Office 365 platform. The process will be used to track change request for information services such as LabVantage and the Database of Compliance. This involves creating automated workflows and interfaces between a variety of Office 365 applications including but not

1 limited to Outlook, SharePoint, and OneDrive. Additional processes will be developed to
2 track client inquiries for the Water Quality Laboratory, and customer comments/
3 complaints for the other Compliance Division programs.

4 Objective 22. Monitor for Pharmaceuticals and Personal Care Products
5 (PPCPs) in the source water, drinking water and wastewater. Compare PPCP
6 concentrations before and after drinking water and wastewater treatment. Report the
7 findings of this voluntary monitoring by the end of the 4th Quarter of FY18. Compare the
8 results to historical monitoring performed in 2009-2010.

9 GOAL 5. ORGANIZATION DEVELOPMENT: Sustain a well informed,
10 trained, motivated, safe, organized, and competitive work force to effectively meet the
11 expectations of the customers, community, and Board in accordance with adopted
12 policies and mandates.

13 Objective 1. Conduct an employee engagement and satisfaction survey by the
14 end of the 2nd Quarter of FY18; communicate the survey results to employees by the
15 end of the 4th Quarter of FY18.

16 Objective 2. Maintain an average utility-wide vacancy rate of no greater than 5%
17 through the end of FY18.

18 Objective 3. Complete two employee wellness challenges per fiscal quarter
19 focusing on nutrition, physical activity and weight loss, and disease and injury
20 prevention to employees by the end of the 4th Quarter of FY18.

21 Objective 4. Continue updating the Knowledge Management Strategy to assure
22 that the right knowledge is systematically collected, stored, organized, and transferred
23 to the appropriate employee in a timely and effective manner by the end of the 4th
24 Quarter of FY18.

25 Objective 5. Complete the standard operating procedures for the groundwater
26 facilities by the end of the 4th Quarter of FY18.

27 Objective 6. Reduce injury hours to 2,675 hours or less to improve productivity
28 and reliability of services provided by employees by the end of the 4th Quarter of FY18.

29 Section 2. That the Executive Director of the Water Utility Authority shall ensure
30 that these goals and objectives are carried out and integrated with the performance plan
31 and submit a report by Goal to the Water Authority Board at least semi-annually on the
32 progress made toward implementation of the one-year objectives.



Albuquerque Bernalillo County
Water Utility Authority

FY18 Goals & Objectives

March 22, 2017

Strategic Planning, Budgeting & Improvement Process



Five-Year Goal Statements

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.

Business Planning & 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.

Organization Development

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

Water Supply & 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.

Wastewater Collection & Ops

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.

Performance Measures by Goal Area

Customer Services

Customer/Technical Quality Complaints
Customer Service Cost per Account
Billing Accuracy
Call Center Indicators
Residential Cost of Water/ Sewer Service
Stakeholder Outreach Index

Business Planning & Management

Debt Ratio
Return on Assets
System Renewal/Replacement Rate
Triple Bottom Line Index

Organization Development

Employee Health and Safety Severity Rate
Training Hours per Employee
Customer Accounts per Employee
Employee Indicators
Organizational Best Practices Index

Water Supply & Operations

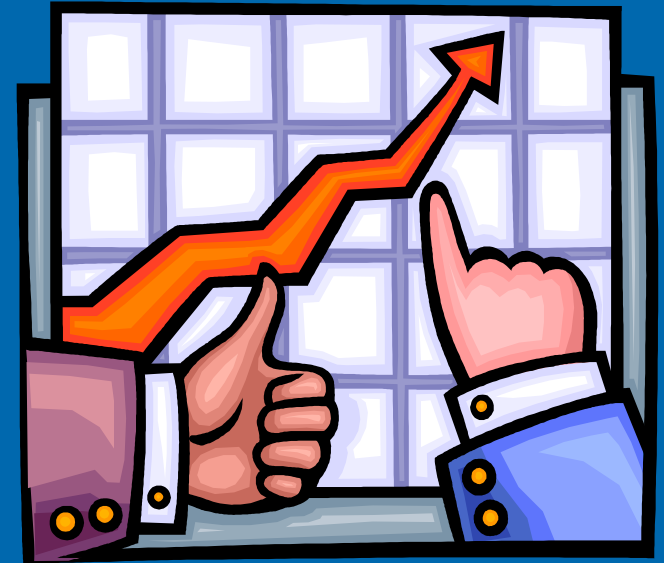
Drinking Water Compliance Rate
Distribution System Water Loss
Water Distribution System Integrity
O&M Cost Ratios
Planned Maintenance Ratio
Water Use per Capita Consumption

Wastewater Collection & Ops

Sewer Overflow Rate
Collection System Integrity
Wastewater Treatment Effectiveness
O&M Cost Ratios
Planned Maintenance Ratio

Performance Objectives & Measures

- Identify performance gaps in operations and service delivery compared to other utilities
- Address performance gaps during the budget process by allocating and prioritizing resources
- Develop improvement processes in order to be more efficient and effective in our operations and service delivery



➔ **One Year Objectives**

FY18 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 FY17 either because they require more time to complete, or are ongoing issues
- Objectives may be tied to resources contained in the proposed budget

Water Supply/Operations

Goal Objectives

- Increase planned maintenance to 66% at ground water facilities and 55% at surface water facility to extend the life of assets
- Continue leak detection program to monitor 2,850 miles of small diameter distribution system to reduce water loss
- Water 2120 Implementation Plan
 - Conservation Plan
 - Aquifer Monitoring Plan
 - Environmental Plan
 - Outreach Program
- Begin operation of Large Scale Aquifer Storage and Recovery Demonstration Project

Wastewater Collection/Operations

Goal Objectives

- Televisive and assess condition of 5% of the sewer system
- Limit 5 or less discharge permit violations from treatment plant to comply with effluent quality standards
- Continue implementation of wastewater treatment plant asset management plan
- Divert 30% of the biosolids to compost
- Increase planned maintenance to 60% at treatment plant to extend the life of assets

Customer Service Goal Objectives

- Achieve call center targets in average wait time, average contact time, abandoned call ratio, and first call resolution to improve customer satisfaction and operational efficiency
- Implement *Project Round Up* to assist families facing difficulty paying their utility bills
- Conduct quarterly *Customer Conversation* meetings to obtain input from customers on the Water Authority's activities
- Conduct outreach meetings, site tours, and activities to engage and educate legislators and neighborhood coalitions on services, policies and critical infrastructure projects on a quarterly basis
- Implement Phase 5 of AMI program to replace old meters with smart meters

Business Planning/Management

Goal Objectives

- Expend \$52 million in renewal programs to replace aging, high risk assets
- Update Comprehensive Asset Management Plan to determine condition and criticality of the utility's assets
- Finalize odor control measures at the Southside Water Reclamation Plant and prepare implementation plan
- Implement landscape and sidewalk improvements along 2nd Street at the Southside Water Reclamation plant
- Coordinate with Bernalillo County for funding to complete design and planning for the Los Padillas water system and apply for grant funding for construction of the water distribution system

Business Planning/Management

Goal Objectives

- Conduct Water Supply Charge evaluation
- Continue implementation of work order flow mobile solution for operation optimization
- Implement upgraded Maximo work order system
- Begin upgrade of CC&B billing system
- Conduct pharmaceuticals and personal care products (PPCPs) study
- Obtain 75% compliance rate for Cross Connection Ordinance
- Obtain 87% compliance rate for Sewer Use/Wastewater Control Ordinance

Organization Development

Goal Objectives

- Maintain 5% vacancy rate
- Maintain 2,675 injury hours or less to reduce employee injury lost days
- Conduct employee engagement and satisfaction survey
- Update Knowledge Management Strategy

Meeting Date: March 22, 2017

Staff Contact: Kristopher Cadena, Principal Engineer, Utility Development

TITLE: R-17-6 – Authorizing an Agreement for Water and Sewer Service with Buglo Properties, LLC for Paradise View Universal Apartments

ACTION: Introduction March 22, 2017; Final Action April 19, 2017

SUMMARY:

The development is for a 12-unit apartment complex. The site is located on undeveloped land located along the south side of Buglo Ave., east of Unser Blvd. The development is located outside of the Water Authority's Service Area, but within both the City of Albuquerque and Bernalillo County.

Water and wastewater service is contingent on the Developer constructing distribution mains and collector lines that tie to the existing infrastructure proximate to the property.

All services provided within the development will be subject to current Utility Expansion and Water Supply Charges.

FISCAL IMPACT:

None

ALBUQUERQUE BERNALILLO COUNTY WATER UTILITY AUTHORITY

BILL NO. R-17-6

1 **RESOLUTION**

2 **AUTHORIZING AN AGREEMENT FOR WATER AND SEWER SERVICE WITH**
3 **BUGLO PROPERTIES LLC FOR PARADISE VIEW UNIVERSAL APARTMENTS**

4 WHEREAS, Buglo Properties LLC is the developer and owner of real property of
5 a parcel near Unser and Paradise to be developed as a 12 unit apartment complex; and

6 WHEREAS, the property which is located outside the service area of the Water
7 Authority will require a development agreement for the extension and/or connection of
8 water and sewer lines to the Water Authority's water and sewer system; and

9 WHEREAS, the Water Authority's Water and Wastewater System Expansion
10 Ordinance requires that new service developed outside the Water Authority's service
11 area will incur no net expense to the Water Authority and be subject to provisions of
12 relevant updated planning documents as approved by the City and/or County; and
13 BE IT RESOLVED BY THE WATER AUTHORITY:

14 Section 1. Buglo Properties LLC will obtain all permits, assurances, and
15 approvals from the Water Authority and the City of Albuquerque development/design
16 review process. Construction of water and/or sewer lines shall be in conformance with
17 the plans approved by the Water Authority and all applicable plans, specifications,
18 requirements, and standards of the Water Authority.

19 Section 2. The expansion of the System shall incur no net expense to the Water
20 Authority and be subject to current Utility Expansion and Water Supply Charges.

21 Section 3. Buglo Properties LLC will be responsible for close coordination of the
22 project with the Water Authority during the design and construction phases, including
23 the review of the design details during the design process, and the approval of
24 specifications and contract documents.

25 Section 4. The Executive Director is authorized to enter into the agreement with
26 Buglo Properties LLC for the provision of water and sewer service.

**DEVELOPMENT AGREEMENT
PARADISE VIEW UNIVERSAL APARTMENTS**

Albuquerque Bernalillo County Water Utility Authority, a New Mexico political subdivision, ("Water Authority") and **BUGLO PROPERTIES, LLC**, a NEW MEXICO limited liability corporation, ("Developer") (together, "Parties"), agree as follows:

1. Recitals

- A.** BUGLO PROPERTIES, LLC is the "Developer" and owner of certain real property located in PARADISE HILLS INVESTMENT PROPERTIES ,UNIT 1 (collectively, the "Property"). The Property is more particularly described and shown on **Exhibit A** attached hereto and incorporated herein by reference. The development is a 12 unit apartment complex. The Property is located in the former New Mexico Utilities, Inc. ("NMUI") service area, outside the Water Authority's currently adopted Water Service Area.
- B.** The legal description of the Property is as follows: LOT 12A, PARADISE HILLS INVESTMENT PROPERTIES, UNIT 1
- C.** The Property is located in Pressure Zone 3WR of the Corrales Trunk.
- D.** The Parties desire to agree upon terms and conditions pursuant to which the Water Authority will provide water and sanitary sewer service to the Property. The Developer desires to construct, or cause to be constructed, extensions of existing public water and sanitary sewer lines and appurtenant infrastructure (collectively, "Line Extensions") under all applicable plans, specifications, requirements, and standards of the Water Authority. The Serviceability Letter for the Property reflecting the line extensions and other matters referred to in this Agreement is attached hereto as **Exhibit B** and incorporated herein by reference and made a term of this agreement.
- E.** The waterline and sewer line extensions referenced in this Agreement are not considered Master Plan lines by the Water Authority. As such, reimbursement of construction costs associated with these extensions will not be available through water and sewer UEC (defined below in Section 3.B) reimbursements.

2. Design and Construction of the Waterlines and Sanitary Sewer Line

- A.** The Developer will cause definitive designs and plans of the Line Extensions to be produced which will include estimates of all costs and expenses. The Developer will not connect the extension lines to the

existing water and sanitary sewer lines within the City of Albuquerque (“City”) public right-of-way or within public easements until the Water Authority has approved the line extensions. The Developer will convey, at no expense to the Water Authority, all Line Extensions that have been approved and accepted by the Water Authority and all necessary easements for the Line Extensions at locations reasonably acceptable to the Developer, free and clear of all liens, claims, and encumbrances for the construction, operation, and maintenance of the line extension. The Developer will obtain all necessary permits, assurances, and approvals from the Water Authority and City, and the Developer will deliver a copy of such permits, assurances, and approvals to the Water Authority prior to the start of construction. Construction will be handled through the City work order process.

- B.** The Developer will complete, or cause to be completed, construction of the Line Extensions as approved by the City of Albuquerque Design Review Committee and the Water Authority, and in conformance with all applicable plans, specifications, and standards of the City and the Water Authority.
- C.** The Developer will be responsible for close coordination of the project with the Water Authority during the design and construction phases, including review of design details, during the design process, and the approval of specifications and contract documents. The Water Authority will review and approve in a timely manner the design plans for construction and estimated cost, to ensure the designs meet Water Authority standards and follow the guidance provided in the City’s Development Process Manual (“DPM”) and/or applicable Water Authority Design Manuals.
- D.** To the extent relevant and applicable and to the extent there is no conflict with the terms of this Agreement, the usual procedures and documentation, including the Procedure “B”, as defined in the Subdivision Ordinance and the DPM of the City, will be followed and used for the Line Extensions.
- E.** Upon completion of all Work Order projects, the Developer shall provide to the Water Authority a completed Asset Data Table of the assets installed/constructed.

3. Service

- A.** The Developer shall comply with the Water Authority’s Water and Sewer System Expansion Ordinance, as amended from time to time. Connection for water service shall require the concurrent connection of sanitary sewer service to the Water Authority’s wastewater system.

- B.** The Developer or its successor shall pay Utility Expansion Charges (UEC) and the Water Supply Charges (WSCs) at the rates that are imposed at the time of a service connection, as provided in the Water Authority's Water and Sewer Rate Ordinance, as amended from time to time.
 - C.** Pursuant to Water Authority Resolution No. R-05-13, the Developer agrees that it will incorporate water conservation guidelines that will seek to achieve water usage of no more than 180 gallons per household which is equivalent to seventy-five (75) gallons per capita per day.
- 4. Termination.** If construction of the waterline extensions and sanitary sewer extensions by the Developer has not been completed and accepted by the Water Authority within seven years of the effective date of this Agreement, this Agreement shall automatically terminate, and the Water Authority and the Developer shall have no further rights, obligations, or liabilities with respect to this Agreement, unless otherwise agreed in writing.
- 5. Water for Construction.** During the construction of the waterline extensions and sanitary sewer line extensions, water for construction may be obtained from a hydrant designated by the Water Authority as set forth on **Exhibit C** attached hereto and incorporated herein by reference. If economically feasible, the Contractor is encouraged to utilize alternative methods for dust abatement and control including compost from the Water Authority.
- 6. Indemnification.** The Developer will defend, indemnify and hold harmless the Water Authority and its officials, agents, and employees on demand from any claims, actions, suits, or other proceedings arising from the acts or omissions of the Developer, its agents, representatives, contractors, or subcontractors, or arising from the failure of the Developer, its agents, representatives, contractors, or subcontractors to perform any act or duty required of the Developer in this Agreement. The indemnification by the developer will not extend to the negligent acts of the Water Authority.
- 7. Representations and Warranties of Developer.** The Developer represents and warrants that:
 - A.** Developer is a validly existing limited liability company under the laws of the State of New Mexico.
 - B.** Developer has all the requisite power and authority to enter into this Agreement and bind the Developer under the terms of the Agreement; and
 - C.** The undersigned officer of the Developer is fully authorized to execute this Agreement on behalf of the Developer.
- 8. Notices.** Any notice to be given under this Agreement will be in writing and will be deemed to have been given when deposited with the United States Postal Service, postage prepaid and addressed as follows:

If to the Water Authority:

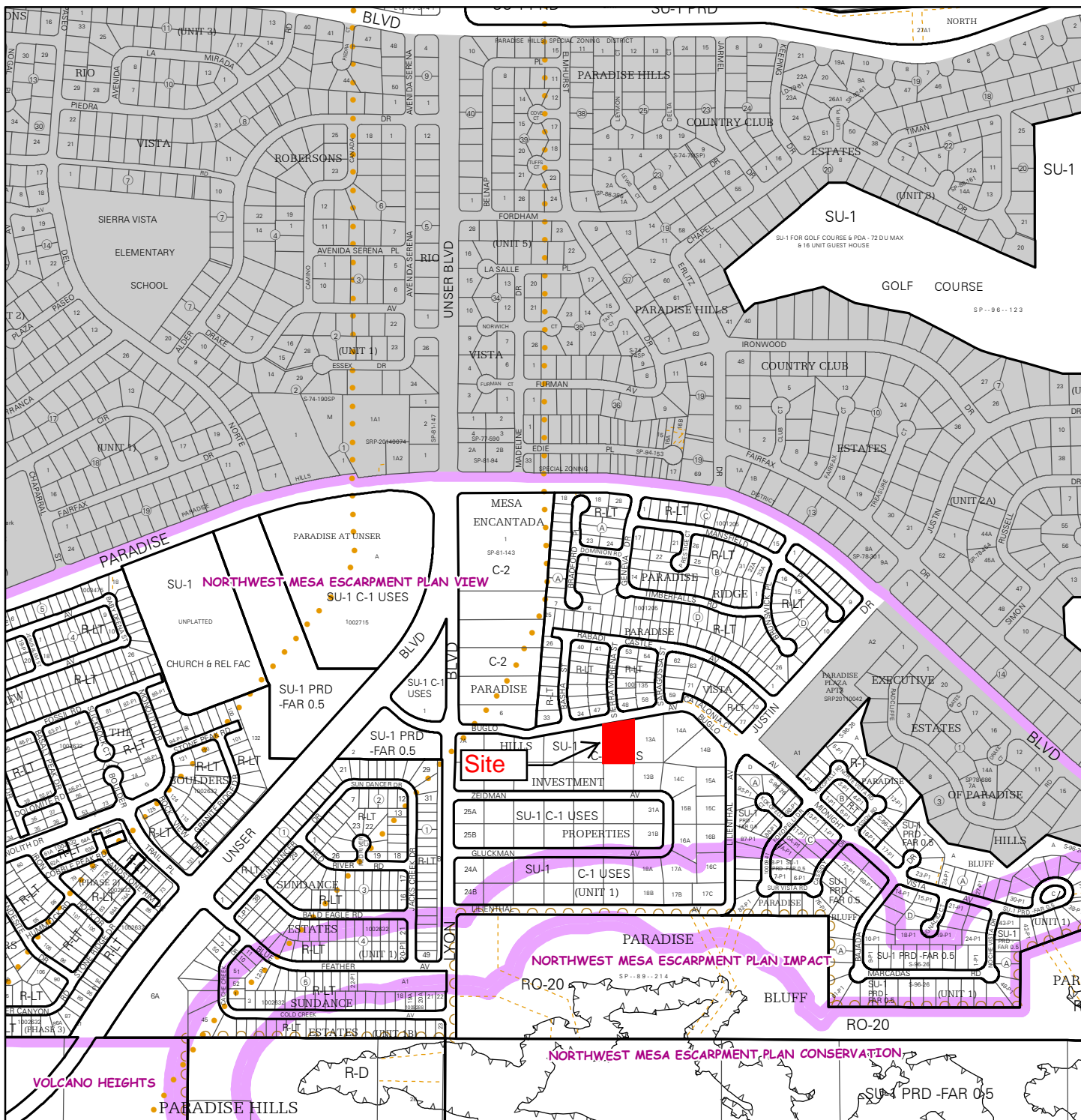
Mark S. Sanchez
Executive Director
Albuquerque Bernalillo County
Water Utility Authority
One Civic Plaza, Room 5012
Albuquerque, New Mexico 87102

If to Developer:

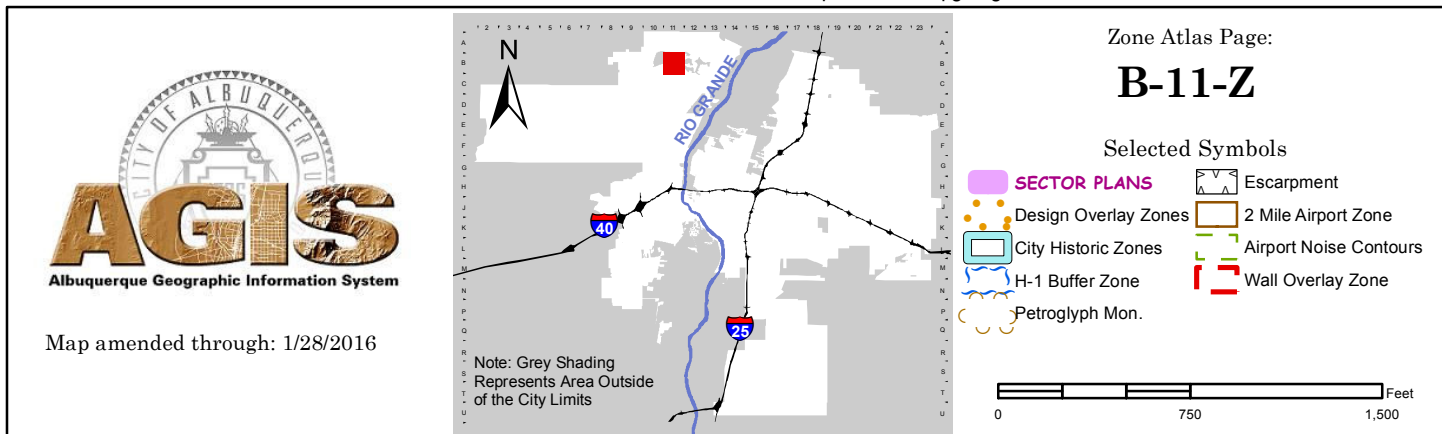
Buglo Properties, LLC
Attn: David Soule, Managing Member
PO Box 93924
Albuquerque NM 87199

- 9. Assignment.** This Agreement will not be assigned without the prior written consent of the Water Authority and the Developer.
- 10. Miscellaneous.** This Agreement will be governed by and interpreted in accordance with the laws of the State of New Mexico. The headings used in this Agreement are for convenience only and shall be disregarded in interpreting the substantive provisions of the Agreement. This Agreement binds and benefits the Water Authority and their successors, assigns, and transferees and the Developer and their successors, assigns and transferees. Time is of the essence of each term of this Agreement. If any provision of this Agreement is determined by a court of competent jurisdiction to be void, invalid, illegal, or unenforceable, that portion will be severed from this Agreement and the remaining parts will remain in full force as though the invalid, illegal, or unenforceable portion had never been a part of this Agreement.
- 11. Integration; Interpretation.** This Agreement contains or expressly incorporates by reference the entire agreement of the parties with respect to the matters contemplated by this Agreement and supersedes all prior negotiations. This Agreement may only be modified in writing executed by both parties.
- 12. Approval.** This Agreement is subject to the approval of the Board of Directors of the Water Authority and will not become effective until approved by the Water Authority.
- 13. Effective Date.** The effective date of this Agreement is the date last entered below.

Exhibit A



For more current information and details visit: <http://www.cabq.gov/gis>




Zone Atlas Page:

B-11-Z

Selected Symbols

SECTOR PLANS

Design Overlay Zones

 City Historic Zones H-1 Buffer Zone

Petroglyph Mon.

 Escarpment

s 2 Mile Airport Zone

Airport Noise Contours

 Wall Overlay Zone

Note: Grey Shading
Represents Area Outside
of the City Limits

A horizontal number line representing distance in feet. It starts at 0 and ends at 1,500. There are major tick marks at 0, 375, 750, 1,125, and 1,500. The word "Feet" is written at the right end of the line.

February 1, 2017

Chair

Klarissa J. Peña
City of Albuquerque
Councilor, District 3

Vice Chair

Debbie O'Malley
County of Bernalillo
Commissioner, District 1

Richard J. Berry
City of Albuquerque
Mayor

Pat Davis
City of Albuquerque
Councilor, District 6

Maggie Hart Stebbins
County of Bernalillo
Commissioner, District 3

Wayne Johnson
County of Bernalillo
Commissioner, District 5

Trudy E. Jones
City of Albuquerque
Councilor, District 8

Ex-Officio Member
Pablo R. Rael
Village of Los Ranchos
Board Trustee

Executive Director
Mark S. Sanchez

Website
www.abcwua.org

David Soule
Rio Grande Engineering of New Mexico LLC
P.O. Box 93924
Albuquerque, NM

**RE: Water and Sanitary Sewer Serviceability Letter #170111
Paradise Active Living Apartments
Lot 12A Paradise Hills Investments
Zone Atlas Map: B-11**

Dear Mr. Soule:

Project Description: The subject site is located on Buglo Ave. east of Lyon Blvd. within the City of Albuquerque. The property consists of approximately 0.8 acres and is currently zoned SU-1 for commercial use. The property lies within the Pressure Zone 3WR in the Corrales trunk. The request for information indicates plans to construct a 12 unit townhome.

Development Agreement: Pursuant to the System Expansion Ordinance, this property is outside of the Water Authority service area and the Water Authority Board must approve a Development Agreement to serve this property and establish requirements as a condition of service. Contact Utility Development in regards to Development Agreements.

Water Supply Charge: All developments located outside of the Water Authority's service area will be assessed a Water Supply Charge (WSC) as provided in the Water Authority's Water and Sewer Rate Ordinance for the development of new water resources, rights and supplies necessary to serve the development. The WSC shall not be used for reimbursement of master planned facilities.

Existing Conditions: Water infrastructure in the area consists of the following:

- Eight inch PVC distribution main (project #26-6678.81-03) along Buglo Ave.

Sanitary sewer infrastructure in the area consists of the following:

- Eight inch PVC collector line (project #26-6678.81-03) along Sierra Morena St.

Water Service: New metered water service to the property can be provided contingent upon a developer funded project to extend the eight inch distribution main west of Sierra Morena Street to cover the entire subject site's property frontage. Service is also contingent upon compliance with the Fire Marshal's instantaneous fire flow requirements. Water service will not be sold without adequate fire protection. Water service will only be sold in conjunction with sanitary sewer service.

Sanitary Sewer Service can be provided contingent upon a developer funded project to extend an eight inch collector line from the existing eight inch collector line along Sierra Morena St. The extension will be from manhole B11651 and extend into Buglo

Ave. with a new manhole in front of the project location and extend west to the west of the subject site with a stub for future extension along Buglo Ave.

Cross Connection Prevention: Per the Cross Connection Ordinance, all new non-residential premises must have a reduced pressure principle backflow prevention assembly approved by the Water Authority and installed at each domestic service connection at a location accessible to the Water Authority. All new fire line services to fire protection systems shall be equipped with a reduced pressure principal backflow prevention assembly approved by the Water Authority and Fire Marshal having jurisdiction at each service connection. A double check valve assembly approved by the Water Authority and Fire Marshal having jurisdiction may be installed instead of a reduced pressure backflow prevention assembly provided the fire protection system contains ANSI/NSF Standard 60 or 61 water piping throughout the entire fire protection system, the fire sprinkler drain discharges into atmosphere, and there are no reservoirs, fire department connections, connections from auxiliary water supplies, antifreeze nor other additives. The Water Authority requests that all backflow (containment) devices be located above ground just outside the easement or roadway right-of-way. Contact Cross Connection at 289-3439 for more information.

Fire Protection: From the request for availability the instantaneous fire flow requirements for the project are 1,500 gallons-per-minute. As modeled using InfoWater™ computer software, the fire flow can be met. The flow was tested at hydrant 250 just north of the project location. Any changes to the proposed connection points shall be coordinated through Utility Development. All new required hydrants as well as their exact locations must be determined through the City of Albuquerque Fire Marshal's Office and verified through the Utility Development Office prior to sale of service.

Easements: Exclusive public water and sanitary sewer easements are required for all public lines that are to be constructed outside of any dedicated rights-of-way. A minimum width easement of 20 feet is required for a single utility and 25 feet for water and sewer both within the same easement. Easements for standard sized water meters need to be five feet by five feet and include the length of the water service if located on private property. For larger meters that require a meter vault, a 35 feet by 35 feet easement is required. Actual easement widths may vary depending on the depth of the lines to be installed. Acceptable easements must be documented prior to approval of service.

Pro Rata is not owed and the property can utilize the services available upon completion of the requirements of this letter to connect to water and sanitary sewer.

Design and Construction of all required improvements will be at the developer / property owner's expense. Improvements must be coordinated through the City of Albuquerque via the Work Order process. Designs must be by a licensed, New Mexico registered professional engineer. Construction must be by a licensed, bonded, public utility contractor.

Costs and Fees: In addition to installation and construction costs, any new metered water services will be subject to both water and sanitary sewer Utility Expansion Charges (UEC) payable at the time of service application. All charges and rates

collected will be based on the ordinances and policies in effect at the time service is actually requested and authorized.

Water Use: All new commercial developments shall be subject to the requirements for water usage and water conservation requirements as defined by the Water Authority, particularly the Water Waste Ordinance (O-07-13), Water Conservation Large Users Ordinance and Water Conservation Water by Request Ordinance.

Closure: This letter only provides details of infrastructure that is available and potential precursors to development for the proposed development. For service to be provided, a Board approved development agreement must supplement this serviceability, therefore causing this serviceability to be in effect for a period of one year upon approval of the development agreement. Under no circumstances does this serviceability commit to service without the above mentioned conditions. Changes in the proposed development may require reevaluation and should be brought to the attention of the Utility Development Section of the Water Authority as soon as possible.

Please feel free to contact the Mr. Kristopher Cadena in our Utility Development Section at (505) 289-3301 or email at kcadena@abcwua.org if you have questions regarding the information presented herein or need additional information.

Sincerely,



Mark S. Sanchez
Executive Director

Enclosures: Infrastructure Maps (2)
f/ Serviceability Letter 170111

170111



Legend

 Project Location

Water Pipe

— <all other values>

SUBTYPE

— Distribution Main

— Drain Line

— Hydrant Leg

— In Zone Transmission

— Out Zone Transmission

— SJC Transmission


— Sleeve

— Well Collector Line


— Well Wash Line

0 310 620 Feet



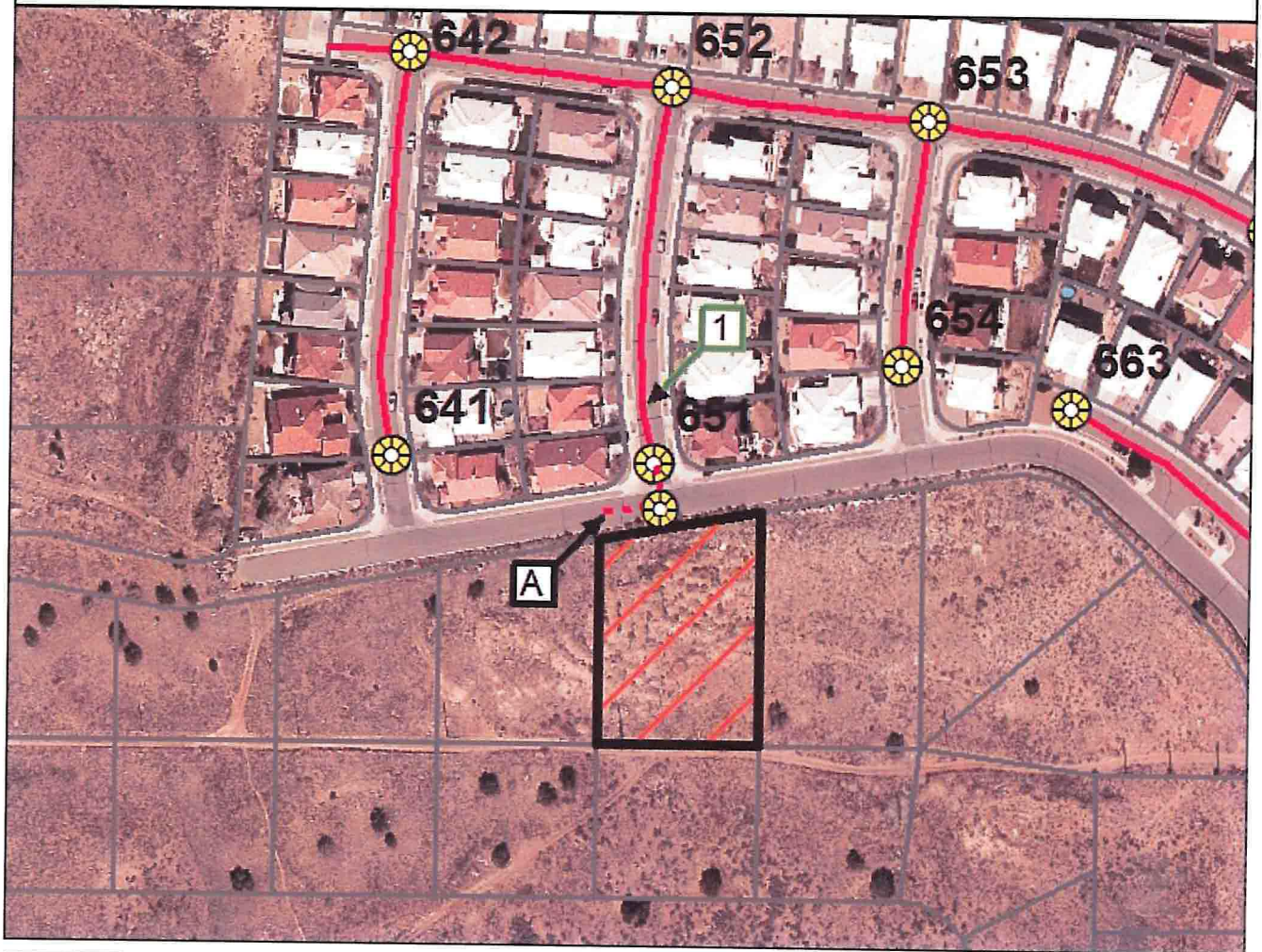
 --- Water Infrastructure Map Keyed Notes:

1. --- 8" Distribution Main


 --- General Keyed Notes:

A. --- Proposed Distribution Main

170111



Legend

 Project Location

Sewer Pipe

— <all other values>

SUBTYPE

— COLLECTOR


--- FORCE MAIN

— INTERCEPTOR


— VACUUM LINE

0 310 620 Feet



 --- Sanitary Sewer Infrastructure Map Keyed Notes:

1. --- 8" Collector Line

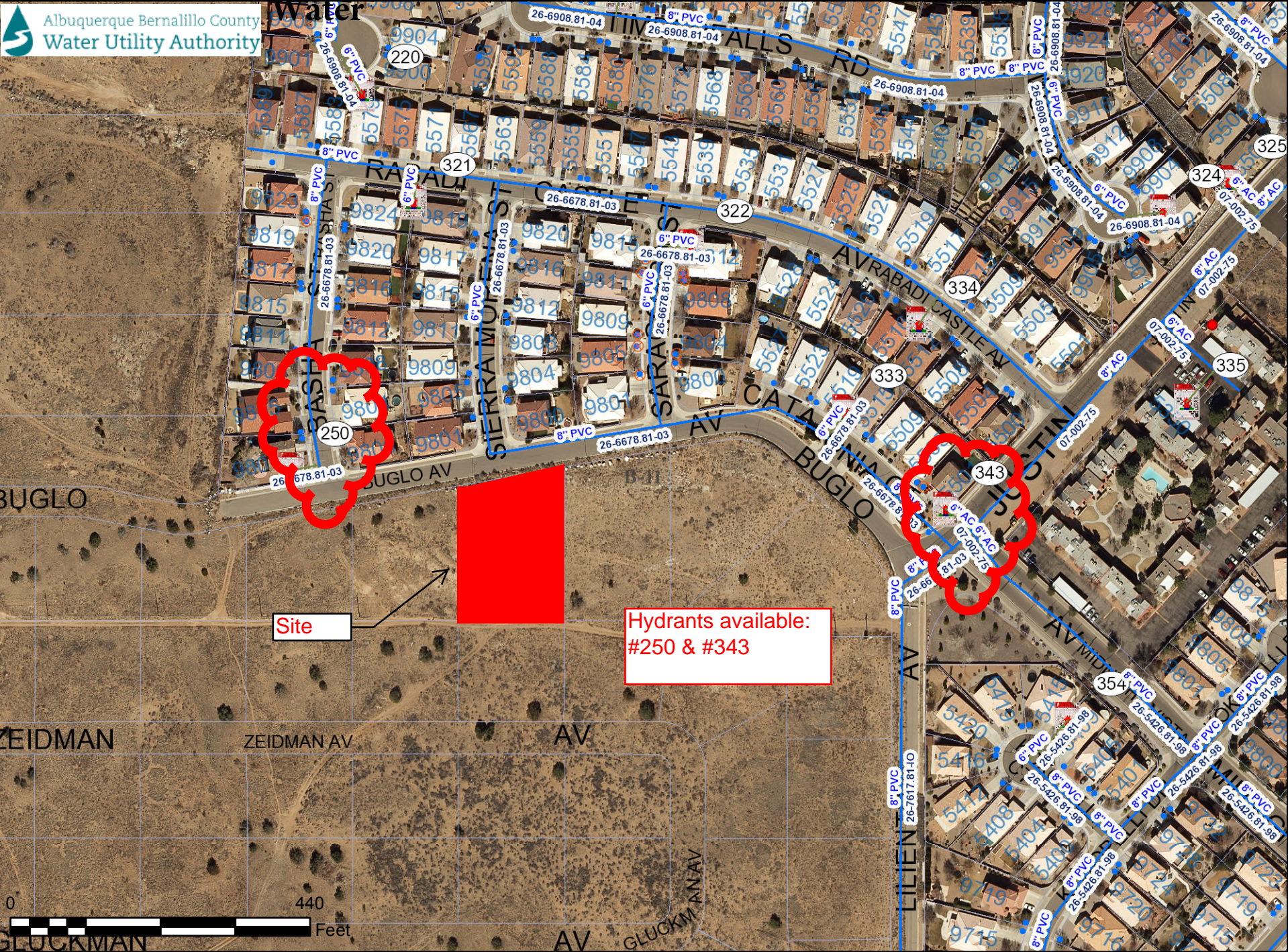
 --- General Keyed Notes:

A. --- Proposed Collector Line



**Water Utility
Authority**

Exhibit C - Hydrants Available for Construction



Site

Hydrants available:
#250 & #343



Meeting Date: March 22, 2017

Staff Contact: Stan Allred, Chief Financial Officer

TITLE: R-17-7 – Approving an Amendment to the Adopted Operating Budget for the Albuquerque Bernalillo County Water Utility Authority for the Fiscal Year Ending June 30, 2017

ACTION: Introduction March 22, 2017; Final Action April 19, 2017

SUMMARY:

This legislation amends the Water Authority's operating budget for Fiscal Year 2017 to increase appropriations for the San Juan-Chama Water Treatment Plant (SJCWTP) and Collections programs chemicals budgets.

A need has been identified to increase funding for the SJCWTP Chemicals program because of the increased production schedule at the Surface Water Treatment Plant facility. An increase in Collections Chemicals is also needed to provide an adequate level of chemical odor control.

FISCAL IMPACT:

The appropriations for these programs are: SJCWTP Chemicals - \$600,000; Collections Chemicals - \$900,000. Funding for these will come from additional rate revenue generated through Water Facilities Rehabilitation. Water facilities rehab revenue is projected to be \$1.5 million above budgeted levels.

ALBUQUERQUE BERNALILLO COUNTY WATER UTILITY AUTHORITY

BILL NO. R-17-7

1 RESOLUTION

2 APPROVING AN AMENDMENT TO THE ADOPTED OPERATING BUDGET OF THE
3 ALBUQUERQUE BERNALILLO COUNTY WATER UTILITY AUTHORITY FOR THE
4 FISCAL YEAR ENDING JUNE 30, 2017

5 WHEREAS, the Board in Resolution R-16-4 has adopted a budget for operations
6 for the Fiscal Year ending June 30, 2017; and

7 WHEREAS, rate revenues for Water Facilities Rehab are projected to exceed the
8 approved amount by One Million Five Hundred Thousand Dollars (\$1,500,000); and

9 WHEREAS, additional appropriations are needed to supplement the chemicals
10 appropriations for the San Juan-Chama Water Treatment Plant and the Collections
11 system;

12 BE IT RESOLVED BY THE WATER AUTHORITY:

13 Section 1. That funds in the amount of Six Hundred Thousand Dollars
14 (\$600,000) are hereby appropriated in the Chemicals-SJCWTP Program, Fund 21, for
15 Fiscal Year 2017.

16 Section 2. That funds in the amount of Nine Hundred Thousand Dollars
17 (\$900,000) are hereby appropriated in the Chemicals-Collections Program, Fund 21, for
18 Fiscal Year 2017.

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

19
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Meeting Date: March 22, 2017

Staff Contact: Stan Allred, Chief Financial Officer

TITLE: R-17-8 – Approving an Amendment to the Approved Capital Implementation Program of the Albuquerque Bernalillo County Water Utility Authority for the Fiscal Year Ending June 30, 2017

ACTION: Introduction March 22, 2017; Final Action April 19, 2017

SUMMARY:

This legislation provides information to support a request to the Board to approve an amendment to the FY17 Capital Improvement Program (CIP).

FISCAL IMPACT:

This action requests Board approval of the proposed amendment to the FY17 Capital Improvement Program (CIP) to advance key safety projects and to accommodate project cost increases. The amendment reallocates current funding across existing projects, with a net change of \$5.0 million in funding from the most recent bond sale.

The \$5.0 million increase includes funding for the following:

- The completion of the Maximo work-order system upgrade project,
- Miscellaneous compliance upgrades at the Southside Water Reclamation site laboratory, and
- Match requirements necessary to construct the Large-Scale Recharge Demonstration Project. The primary objective of the project is to recharge treated water at the Water Authority's San Juan Chama Water Treatment Plant (SJCWTP), store San Juan-Chama project water in the Middle Rio Grande aquifer, and to recover the water for later use. The demonstration project will include one ASR well, one vadose zone well, and the associated conveyance infrastructure, all to be located on the SJCWTP property. The maximum injection volume will be 5,000 acre-feet/year.

Approval of the proposed FY17 CIP amendment increases the current year project budget and reallocates funding between basic rehab infrastructure needs.

ALBUQUERQUE BERNALILLO COUNTY WATER UTILITY AUTHORITY

BILL NO. R-17-8

1 RESOLUTION
2 APPROVING AN AMENDMENT TO THE APPROVED CAPITAL IMPLEMENTATION
3 PROGRAM OF THE ALBUQUERQUE BERNALILLO COUNTY WATER UTILITY
4 AUTHORITY FOR THE FISCAL YEAR ENDING JUNE 30, 2017

5 WHEREAS, the Capital Implementation Program is governed by the
6 requirements established under Section 2-1-8, 2006, which provides for amendments to
7 the approved program; and

8 WHEREAS, the Fiscal Year ending June 30, 2017 appropriations previously
9 approved under R-16-5 require an amendment due to a change in priorities and
10 infrastructure needs to serve its customers for the Basic Program and Growth
11 categories.

12 BE IT RESOLVED BY THE WATER AUTHORITY:

13 Section 1. The following appropriations are hereby made and/or changed to
14 the Capital Implementation Program as indicated.

15	<u>Basic Program Appropriations:</u>	<u>Increase/(Decrease)</u>
16	Sanitary Sewer Pipeline Renewal	5,234
17	Drinking Water Pipeline Renewal	100,000
18	Southside Water Reclamation Plant Renewal	(686,033)
19	Soil Amendment Facility (SAF) Renewal	44,142
20	Lift Station and Vacuum Station Renewal	(77,406)
21	Odor Control Facilities Renewal	77,406
22	Compliance	100,000
23	<u>Growth:</u>	
24	MIS/GIS	500,000
25	Miscellaneous (ASR project, Maximo and Compliance upgrades)	<u>4,936,657</u>
26		
27	Total Increase/(Decrease)	<u>\$5,000,000</u>

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



Meeting Date: March 22, 2017
Staff Contact: Andrew Lieuwen, Program Manager

TITLE: R-17-3 - Approving and Authorizing Acceptance of a New Mexico Environment Department Appropriation for the Water Reuse Plan and Design

ACTION: Recommend Approval

SUMMARY:

This resolution authorizes the Water Authority to enter into a Capital Appropriation Fund Agreement with the State of New Mexico Environment Department in the amount of \$30,000. This funding will be used to help offset design costs of the planned Westside water reuse plant.

FISCAL IMPACT:
None.

BILL NO. R-17-3

Section 2. The Water Authority is hereby authorized to accept New Mexico Environment Department funds in the amount of \$30,000, which is appropriated to the Water Reuse Plant Plan & Design Project.



SUSANA MARTINEZ
Governor
JOHN A. SANCHEZ
Lieutenant Governor

NEW MEXICO ENVIRONMENT DEPARTMENT

Harold Runnels Building
1190 St. Francis Drive
PO Box 5469

Santa Fe, NM 87502
Phone (505) 827-2806 Fax (505) 827-2837
www.env.nm.gov



RYAN FLYNN
Cabinet Secretary
BUTCH TONGATE
Deputy Secretary

July 27, 2016

Mr. Mark S. Sanchez
Albuquerque Bernalillo County Water
Authority
P.O. Box 568
Albuquerque, NM 87103-0568

Special Appropriation Project:
**16-A2244-STB Alb Bern Co WUA Water Reuse
Plant Plan & Design \$30,000**

Enclosed you will find two original grant agreements for the above-mentioned grant. Please read the grant agreement carefully. The grant should be signed by your community's chief executive who has signatory authority provided by law (charter, ordinance or resolution).

The Albuquerque Bernalillo County Water Authority does not meet the requirements of Executive Order 2013-006, "Establishing Uniform Funding Criteria and Grant Management and Oversight Requirements for Grants of State Capital Outlay Appropriations by State Agencies to Other Entities," and must have a Fiscal Agent for this project. The Fiscal Agent must meet the requirements of EO 2013-006. Please **reply in writing to Edith Gallegos, Grants Unit Manager at either edith.gallegos1@state.nm.us or the above address by August 12, 2016** to identify the Fiscal Agent. The New Mexico Environment Department (NMED) will review the Fiscal Agent's compliance with EO 2013-006 and reply in writing whether the Fiscal Agent is approved or not.

Prior to signing the grant agreement, your local governing body must execute the enclosed Memorandum of Understanding (MOU) with the approved Fiscal Agent. Your local governing body must also meet and pass a resolution similar to the resolution enclosed; the resolution must include the boxed language from the sample, updating the underlined portions with your information. The purpose of this resolution is to designate an individual to sign the grant agreement and also to designate an official representative(s) who will act as the point of contact and who is authorized to co-sign reimbursement requests and other documents requiring a signature. The resolution also designates the Fiscal Agent who must also sign reimbursement requests for submittal to the NMED. Please note that successors to the designee(s) are also eligible as designees in case of staff replacements. You must also submit a current W-9 form. The most recent revision of the W-9 form (as approved by the Department of Finance and Administration) and instructions are also enclosed.

Please return **both signed original grant agreements including Project Description (Attachment A), the executed MOU with the Fiscal Agent, the completed W-9 form, passed resolution and signature page to NMED.** Upon the NMED Secretary's signature, one original grant agreement will be returned to you. We recommend that duplicate copies of all documents be made prior to returning them to NMED.

Your project manager, Andrea Pollock at (505) 222-9536 or andrea.pollock@state.nm.us, will be glad to answer any questions you may have regarding the technical aspects of your project. Disbursement request questions and other financial matters can be directed to the program administrator, Bertha Aragon at (505) 827-2815 or bertha.aragon@state.nm.us.

We are looking forward to working with you on this project and will do whatever we can to help make it a worthwhile improvement to your community.

Sincerely,



Jim Chiasson, P.E., Chief
Construction Programs Bureau
New Mexico Environment Department

Enclosures: Two Grant Agreements, Attachments A&B, Exhibits 1, 2, 3 & 4, W-9 Form and Instructions,
Signature Page, Required Memorandum of Understanding with Fiscal Agent

cc: Andrea Pollock, Project Manager
Bertha Aragon, Program Administrator

Albuquerque Bernalillo County Water Authority

New Grant Agreement Checklist

Return the following to:

Jim Chiasson, Bureau Chief
New Mexico Environment Department
Construction Programs Bureau
P.O. Box 5469
Santa Fe, NM 87502-5469

- ☒ Two original signed Grant Agreements for:
16-A2244-STB Alb Bern Co WUA Water Reuse Plant Plan & Design \$30,000
- ☒ Attachment A (Project Description):
- ☒ Completed W-9 form
- ☐ Memorandum of Understanding with Approved Fiscal Agent
- ☒ Resolution including boxed language
- ☒ Signature Page for Official Representative(s) and Fiscal Agent Representative - (Signatures of Official Representative(s) and Fiscal Agent Representative listed on page 4 of the Grant Agreement)

**STATE OF NEW MEXICO
DEPARTMENT OF ENVIRONMENT
FUND 89200 CAPITAL APPROPRIATION PROJECT
16-A2244-STB**

THIS AGREEMENT is made and entered into as of this 15th day of February, 2017, by and between the Department of Environment, Harold Runnels Building, Room S-2072, 1190 St. Francis Drive, Santa Fe, New Mexico, 87505, hereinafter called the "Department" or abbreviation such as "NMED", and Albuquerque Bernalillo County Water Authority, hereinafter called the "Grantee". This Agreement shall be effective as of the date it is executed by the Department.

RECITALS

WHEREAS, in the Laws of 2016, Chapter 81, the Legislature made an appropriation to the Department, funds from which the Department is making available to the Grantee pursuant to this Agreement; and

WHEREAS, the Department is granting to Grantee, and the Grantee is accepting the grant of, funds from this appropriation, in accordance with the terms and conditions of this Agreement; and

WHEREAS, NMED is empowered pursuant to Section 74-1-6 B, NMSA 1978 to contract in its own name.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants and obligations contained herein, the parties hereby mutually agree as follows:

ARTICLE I. PROJECT DESCRIPTION, AMOUNT OF GRANT AND REVERSION DATE

A. The project that is the subject of this Agreement is described as follows:

16-A2244 (\$30,000) APPROPRIATION REVERSION DATE: June 30, 2020
Laws of 2016, Chapter 81, Section 18, Paragraph 2, thirty thousand dollars (\$30,000), to plan and design a water reuse plant for the Albuquerque-Bernalillo county water utility authority in Bernalillo county.

The Grantee's total reimbursements shall not exceed the appropriation amount thirty thousand dollars (\$30,000) (the "Appropriation Amount") minus the allocation for Art in Public Places

("AIPP amount")¹, if applicable, zero (\$0), which equals thirty thousand dollars (\$30,000) (the "Adjusted Appropriation Amount").

In the event of a conflict among the Appropriation Amount, the Reversion Date, as defined herein and/or the purpose of the Project, as set forth in this Agreement, and the corresponding appropriation language in the laws cited above in this Article I(A), the language of the laws cited herein shall control.

This project is referred to throughout the remainder of this Agreement as the "Project"; the information contained in Article I(A) is referred to collectively throughout the remainder of this Agreement as the "Project Description." Attachments A and B set forth additional or more stringent requirements and conditions, which are incorporated by this reference as if set forth fully herein. If Attachments A and B impose more stringent requirements than any requirement set forth in this Agreement, the more stringent requirements of Attachments A and B shall prevail, in the event of irreconcilable conflict. The Grantee shall reference the Project's number in all correspondence with and submissions to the Department concerning the Project, including, but not limited to, Requests for Payment and reports.

ARTICLE II. LIMITATION ON DEPARTMENT'S OBLIGATION TO MAKE GRANT DISBURSEMENT TO GRANTEE

A. Upon the Effective Date of this Agreement, for permissible purposes within the scope of the Project Description, the Grantee shall only be reimbursed monies for which the Department has issued and the Grantee has received a Notice of Department's Obligation to Reimburse² Grantee (hereinafter referred to as "Notice of Obligation"). This Grant Agreement and the disbursement of any and all amounts of the above referenced Adjusted Appropriation Amount are expressly conditioned upon the following:

- (i) Irrespective of any Notice of Obligation, the Grantee's expenditures shall be made on or before the Reversion Date and, if applicable, an Early Termination Date (i.e., the goods have been delivered and accepted or the title to the goods has been transferred to the Grantee and/or the services have been rendered for the Grantee); and
- (ii) The total amount received by the Grantee shall not exceed the lesser of: (a) the Adjusted Appropriation Amount identified in Article I(A) herein or (b) the total of all amounts stated in the Notice(s) of Obligation evidencing that the Department has received and accepted the Grantee's Third Party Obligation(s), as defined in subparagraph iii of this Article II(A); and
- (iii) The Grantee's expenditures were made pursuant to the Grantee's legal procurement and execution of binding written obligations or purchase orders with third party contractors or vendors for the provision of services, including professional services, or the purchase of

¹ The AIPP amount is "an amount of money equal to one percent or two hundred thousand dollars (\$200,000), whichever is less, of the amount of money appropriated for new construction or any major renovation exceeding one hundred thousand dollars (\$100,000)." Section 13-4A-4 NMSA 1978.

² "Reimburse" as used throughout this Agreement includes Department payments to the Grantee for invoices received, but not yet paid, by the Grantee from a third party contractor or vendor, if the invoices comply with the provisions of this Agreement and are a valid liability of the Grantee.

tangible personal property and real property for the Project, hereinafter referred to as "Third Party Obligations"; and

- (iv) The Grantee's submittal of timely Requests for Payment in accordance with the procedures set forth in Article IX of this Agreement ;
- (v) In the event that capital assets acquired with Project funds are to be sold, leased, or licensed to or operated by a private entity, the sale, lease, license, or operating agreement:
 - a. must be approved by the applicable oversight entity (if any) in accordance with law; or
 - b. if no oversight entity is required to approve of the transaction, the Department must approve of the transaction as complying with law.

Prior to the sale, lease, license, or operating agreement being approved pursuant to subparagraph (a) or (b) above, the Department may, in its discretion and unless inconsistent with New Mexico State Board of Finance imposed conditions, reimburse the Grantee for necessary expenditures incurred to develop the Project sufficiently to make the sale, lease, license, or operating agreement commercially feasible, such as plan and design expenditures; and

- (vi) The Grantee's submittal of documentation of all Third Party Obligations and amendments thereto (including terminations) to the Department and the Department's issuance and the Grantee's receiving of a Notice of Obligation for a particular amount in accordance with the terms of this Agreement as follows:
 - a. The Grantee shall submit to the Department one copy of all Third Party Obligations and amendments thereto (including terminations) as soon as possible after execution by the Third Party but prior to execution by the Grantee.
 - b. Grantee acknowledges and agrees that if it chooses to enter into a Third Party Obligation prior to receiving a Notice of Obligation that covers the expenditure, it is solely responsible for such expenditures.
 - c. The Department may, in its absolute discretion, issue to Grantee a Notice of Obligation for the particular amount of that Third Party Obligation that only obligates the Department to reimburse Grantee's expenditures made on or before the Reversion Date or an Early Termination Date. The current Notice of Obligation form is attached to this Agreement as Exhibit 4.
 - d. The date the Department sends, by mail or email, the Notice of Obligation is the date that the Department's Notice of Obligation is effective. After that date, the Grantee is authorized to budget the particular amount set forth in the Notice of Obligation, execute the Third Party Obligation and request the Third Party begin work.

B. The Grantee shall implement, in all respects, the Project. The Grantee shall provide all necessary qualified personnel, material, and facilities to implement the Project. The Grantee shall finance its share (if any) of the costs of the Project, including all Project overruns.

C. Project funds shall not be used for purposes other than those specified in the Project Description.

D. Unless specifically allowed by law, Project funds cannot be used to reimburse Grantee for indirect Project costs including, but not limited to any costs associated with the Fiscal Agent.

**ARTICLE III. NOTICE PROVISIONS AND GRANTEE AND DEPARTMENT
DESIGNATED REPRESENTATIVES**

Whenever written notices, including written decisions, are to be given or received, related to this Agreement, the following provisions shall apply.

The Grantee and the Department hereby designate the persons listed below as their official representative concerning all matters related to this Agreement:

Grantee: ABCWUA
Name: Mark S. Sanchez
Title: Executive Director
Address: PO Box 568, ABQ, NM 87102
Email: msanchez@abcwua.org
Telephone: 505-289-3101
FAX: —

Grantee: ABCWUA
Name: NA
Title: _____
Address: _____
Email: _____
Telephone: _____
FAX: _____

Fiscal Agent: NA
Name: _____
Title: _____
Address: _____
Email: _____
Telephone: _____
FAX: _____

Department: NMED
Name: Bertha Aragon
Title: Project Administrator
Address: Construction Programs Bureau
Harold Runnels Bldg, Room S-2072
PO Box 5469
Santa Fe, NM 87502
Email: bertha.aragon@state.nm.us
Telephone: (505) 827-2815
FAX: (505) 827-2837

Department: NMED
Name: Andrea Pollock
Title: Project Manager
Address: Construction Programs Bureau
121 Tijeras Ave., NE, Suite 1000
Albuquerque, NM 87102
Email: andrea.pollock@state.nm.us
Telephone: (505) 222-9536
FAX: (505) 222-9510

The Grantee's designee in combination with the Fiscal Agent's designee shall have authority from Grantee to request disbursements. The Grantee and the Department agree that either party shall send all notices, including written decisions, related to this Agreement to the above named persons by facsimile, email, or regular mail. In the case of mailings, notices shall be deemed to have been given and received upon the date of the receiving party's actual receipt or five calendar days after mailing, whichever shall first occur. In the case of facsimile transmissions, the notice shall be deemed to have been given and received on the date reflected on the facsimile confirmation indicating a successful transmission of all pages included in the writing. In the case of email transmissions, the notice shall be deemed to have been given and received on the date reflected on the delivery receipt of email.

ARTICLE IV. REVERSION DATE, TERM, EARLY TERMINATION

A. As referenced in Article I(A), the applicable law establishes a date by which Project funds must be expended by Grantee, which is referred to throughout the remainder of this Agreement as the "Reversion Date." Upon being duly executed by both parties, this Agreement shall be effective as of the date of execution by the Department. It shall terminate on **June 30, 2020** the Reversion Date unless Terminated Before Reversion Date ("Early Termination") pursuant to Article V herein.

B. The Project's funds must be "expended" on or before the Reversion Date and, if applicable, Early Termination Date of this Agreement. For purposes of this Agreement, it is not sufficient for the Grantee to "encumber" the Project funds on its books on or before the Project's Reversion Date or Early Termination Date. Funds are "expended" and an "expenditure" has occurred as of the date that a particular quantity of goods are delivered to and received by the Grantee or title to the goods is transferred to the Grantee and/or as of the date particular services are rendered for the Grantee. Funds are *not* "expended" and an "expenditure" has *not* occurred as of the date they are "encumbered" by the Grantee pursuant to a contract or purchase order with a third party.

ARTICLE V. EARLY TERMINATION

A. Early Termination Before Reversion Date Due to Completion of the Project or Complete Expenditure of the Adjusted Appropriation or Violation of this Agreement

Early Termination includes:

- (i) Termination due to completion of the Project before the Reversion Date; or
- (ii) Termination due to complete expenditure of the Adjusted Appropriation Amount before the Reversion Date; or
- (iii) Termination for violation of the terms of this Agreement; or
- (iv) Termination for suspected mishandling of public funds, including but not limited to, fraud, waste, abuse, conflicts of interest.

Either the Department or the Grantee may early terminate this Agreement prior to the Reversion Date by providing the other party with a minimum of fifteen (15) days' advance, written notice of early termination. Grantee hereby waives any rights to assert an impairment of contract claim

against the Department or the State of New Mexico in the event of Early Termination of this Agreement by the Department pursuant to Article V(A).

B. Early Termination Before Reversion Date Due to Non-appropriation

The terms of this Agreement are expressly made contingent upon sufficient appropriations and authorization being made by the Legislature of New Mexico for the performance of this Agreement. Throughout this Agreement the term “non-appropriate” or “non-appropriation” includes the following actions by the New Mexico Legislature: deauthorization, reauthorization or revocation of a prior authorization. The Legislature may choose to non-appropriate the Appropriation referred to Article I and, if that occurs, the Department shall early terminate this Agreement for non-appropriation by giving the Grantee written notice of such termination, as of the effective date of the law making the non-appropriation. The Department’s decision as to whether sufficient appropriations or authorizations are available shall be accepted by the Grantee and shall be final. Grantee hereby waives any rights to assert an impairment of contract claim against the Department or the State of New Mexico in the event of Early Termination of this Agreement by the Department pursuant to Article V(B).

C. Limitation on Department’s Obligation to Make Grant Disbursements to Grantee in the Event of Early Termination

In the event of Early Termination of this Agreement by either party, the Department’s sole obligation to reimburse the Grantee is expressly conditioned upon the limitations set forth Article II.

ARTICLE VI. SUSPENSION OF NEW OR FURTHER OBLIGATIONS

A. The Department may choose, in its absolute discretion, to direct the Grantee to suspend entering into new and further obligations.

- (i) The Grantee shall immediately suspend entering into new or further written obligations with third parties upon the date the Grantee receives written notice given by the Department; and
- (ii) The Department is, upon the date the Grantee receives written notice given by the Department, suspending issuance of any new or further Notice of Obligation under this Agreement; and
- (iii) The Department may direct the Grantee to implement a corrective action plan in accordance with Article VI(D) herein.

B. In the event of Suspension of this Agreement, the Department’s sole obligation to reimburse the Grantee is expressly conditioned upon the limitations set forth in Article II herein.

C. A suspension of new or further obligations under this Agreement shall remain in effect unless or until the date the Grantee receives written notice given by the Department informing the Grantee that the Suspension has been lifted or that the Agreement has been Early Terminated in accordance with Article V herein. If the Suspension is lifted, the Department will consider further requests for Notice of Obligation.

D. Corrective Action Plan in the Event of Suspension

In the event that the Department chooses, in its absolute discretion to direct the Grantee to suspend entering into new or further written obligations with third parties pursuant to Article VI(A), the Department may, but is not obligated to, require the Grantee to develop and implement a written corrective action plan to remedy the grounds for the Suspension. Such corrective action plan must be approved by the Department and be signed by the Grantee. Failure to sign a corrective action plan or meet the terms and deadlines set forth in the signed corrective action plan, is hereby deemed a violation of the terms of this Agreement for purposes of Early Termination, Article V(A)(iii). The corrective action plan is in addition to, and not in lieu of, any other equitable or legal remedy, including but not limited to Early Termination.

ARTICLE VII. AMENDMENT

This Agreement shall not be altered, changed, or amended except by instrument in writing duly executed by both the parties hereto.

ARTICLE VIII. REPORTS

A. Paper Periodic Reports

In order that the Department may adequately monitor Project activity, the Grantee shall submit to the Department Paper Periodic Reports for the Project. Paper Periodic Reports shall be submitted on a form prescribed by the Department. The Paper Periodic and Paper Final Report form are attached hereto as Exhibit 2. The Department shall provide the Grantee with a minimum of thirty (30) days' advance written notice of any change to the Periodic Report format or content.

The Paper Periodic Report shall be due monthly on the last day of each month, beginning with the first full month following execution of this Agreement by the Department and ending upon the submission of a Paper Final Report for the Project. The Department may, in its discretion, change the reporting period from time to time by giving Grantee a minimum of thirty (30) days' advance, written notice of any change to the reporting period; provided, however, that in no event shall the reporting period be less than one month.

B. Paper Final Report

The Grantee shall submit to the Department and the Department of Finance and Administration a Final Report for the Project. The Final Report shall be submitted on a form provided by the Department and contain such information as the Department may require. The Periodic and Final Report form is attached hereto as Exhibit 2. The Department shall provide Grantee with a minimum of thirty (30) days' advance, written notice of any change to the Final Report format or content. The Paper Final Report must be submitted within twenty (20) days after the Project's Reversion Date or within twenty (20) days of the date of Early Termination, whichever ever first occurs.

C. Paperless Reporting

In lieu of the paper reports described in subparagraphs A and B of this Article, the Grantee shall report periodic and final Project activity by entering such Project information as

the Department and the Department of Finance and Administration may require directly into a database maintained by the Department of Finance and Administration. The information currently required to be reported into the database is set forth in Exhibit 1. The Department shall give Grantee a minimum of thirty (30) days' advance written notice of any changes to the information the Grantee is required to report on a paperless basis. The Paperless Report shall be due monthly on the last day of each month, beginning with the first full month following execution of this Agreement by the Department and ending upon the submission of a Final Report for the Project. The Paperless Final Report along with a Paper Final Report must be submitted within twenty (20) days after the Project's Reversion Date or within twenty (20) days of the date of Early Termination, whichever ever first occurs.

D. Requests for Additional Information/Project Inspection

During the term of this Agreement and during the period of time during which the Grantee must maintain records pursuant to Article VIII, the Department may (i) request such additional information regarding the Project as it deems necessary and (ii) conduct, at reasonable times and upon reasonable notice, onsite inspections of the Project. Grantee shall respond to such requests for additional information within a reasonable period of time, as established by the Department. Requests made pursuant to this subparagraph D are in addition to and not in lieu of the periodic and final reporting described in subparagraphs A through C of this Article VIII.

ARTICLE IX. REQUEST FOR PAYMENT PROCEDURES AND DEADLINES

A. The Grantee shall request payment by submitting a Request for Payment, in the form attached hereto as Exhibit 3. Payment requests are subject to the following procedures:

- (i) The Grantee must submit one original and one copy of each Request for Payment; and
- (ii) Each Request for Payment must contain proof of payment by the Grantee or liabilities incurred by the Grantee in the form of a notarized certification by Grantee's designated representative in Article III herein, that the expenditures are valid or are liabilities incurred by the Grantee in the form of actual unpaid invoices received by the Grantee of services rendered by a third party or items of tangible personal property received by the Grantee for the implementation of the Project; provided, however, that the Grantee may be reimbursed for unpaid liabilities only if the Department, in its discretion, agrees to do so and in accordance with any special conditions imposed by the Department.
- (iii) In cases where the Grantee is submitting a Request for Payment to the Department based upon invoices received, but not yet paid, by the Grantee from a third party contractor or vendor, if the invoices comply with the provisions of this Agreement and are a valid liability of the Grantee, the Grantee shall make payment to those contractors or vendors within five (5) business days from the date of receiving reimbursement from the Department or such shorter period of time as the Department may prescribe in writing.

B. Deadlines

Requests for Payments shall be submitted by Grantee to the Department on the earlier of:

- (i) Twenty (20) days from the end of the calendar quarter in which the expenditure was incurred or liability of the Grantee was incurred as evidenced by an unpaid invoice received by the Grantee from a third party contractor or vendor, if total unreimbursed expenditures or liabilities at calendar quarter end exceed \$25,000; or
- (ii) July 15 of each year for all unreimbursed expenditures incurred during the previous fiscal year; or
- (iii) Twenty (20) days from date of Early Termination; or
- (iv) Twenty (20) days from the Reversion Date.

C. The Grantee's failure to abide by the requirements set forth in Article II herein will result in the denial of its Request for Payment or will delay the processing of Requests for Payment. The Department has the right to reject a payment request for the Project unless and until it is satisfied that the expenditures in the Request for Payment are for permissible purposes within the meaning of the Project Description and that the expenditures and the Grantee are otherwise in compliance with this Agreement, including but not limited to, compliance with the reporting requirements and the requirements set forth in Article II herein to provide Third Party Obligations. The Department's ability to reject any Request for Payment is in addition to, and not in lieu of, any other legal or equitable remedy available to the Department due to Grantee's violation of this Agreement.

ARTICLE X. PROJECT CONDITIONS AND RESTRICTIONS; REPRESENTATIONS AND WARRANTIES

A. The following general conditions and restrictions are applicable to the Project:

- (i) The Project's funds must be spent in accordance with all applicable state laws, regulations, policies, and guidelines, including, but not limited to, the Procurement Code (or local procurement ordinance, where applicable).
- (ii) The Project must be implemented in accordance with the New Mexico Public Works Minimum Works Act, Section 13-4-10 through 13-4-17 NMSA 1978, if applicable. Every contract or project in excess of sixty thousand dollars (\$60,000) that the Grantee is a party to for construction, alteration, demolition or repair or any combination of these, including painting and decorating, of public buildings, public works or public roads and that requires or involves the employment of mechanics, laborers or both shall contain a provision stating the minimum wages and fringe benefits to be paid to various classes of laborers and mechanics, shall be based upon the wages and benefits that will be determined by the New Mexico Department of Workforce Solutions to be prevailing for the corresponding classes of laborers and mechanics employed on contract work of a similar nature in the locality. Further, every contract or project shall contain a stipulation that the contractor, subcontractor, employer or a person acting as a contractor shall pay all mechanics and laborers employed on the site of the project, unconditionally and not less often than once a week and without subsequent unlawful deduction or rebate on any account, the full amounts accrued at time of payment computed at wage rates and fringe benefit rates not less than those determined pursuant to

Section 13-4-11 B. NMSA 1978 to be the prevailing wage rates and prevailing fringe benefit rates issued for the project.

- (iii) The Project may only benefit private entities in accordance with applicable law, including, but not limited to, Article IX, Section 14 of the Constitution of the State of New Mexico, the so-called "Anti-Donation Clause."
- (iv) The Grantee shall not at any time convert any property acquired or developed with the Project's funds to uses other than those specified in the Project Description without the Department's express, advance, written approval.
- (v) The Grantee shall comply with all federal and state laws, rules and regulations pertaining to equal employment opportunity. In accordance with all such laws, rules and regulations the Grantee agrees to assure that no person shall, on the grounds of race, color, national origin, sex, sexual preference, age or handicap, be excluded from employment with Grantee, be excluded from participation in the Project, be denied benefits or otherwise be subject to discrimination under, any activity performed under this Agreement. If Grantee is found to be not in compliance with these requirements during the life of this Agreement, Grantee agrees to take appropriate steps to correct any deficiencies. The Grantee's failure to implement such appropriate steps within a reasonable time constitutes grounds for terminating this Agreement.

B. The Grantee hereby represents and warrants the following:

- (i) The Grantee has the legal authority to receive and expend the Project's funds.
- (ii) This Agreement has been duly authorized by the Grantee, the person executing this Agreement has authority to do so, and, once executed by the Grantee, this Agreement shall constitute a binding obligation of the Grantee, enforceable according to its terms.
- (iii) This Agreement and the Grantee's obligations hereunder do not conflict with any law or ordinance or resolution applicable to the Grantee, the Grantee's charter (if applicable), or any judgment or decree to which it is subject.
- (iv) The Grantee has independently confirmed that the Project Description, including, but not limited to, the amount and Reversion Date, is consistent with the underlying appropriation in law.
- (v) The Grantee's governing body has duly adopted or passed as an official act a resolution, motion, or similar action authorizing the person identified as the official representative of the Grantee to sign the Agreement and to co-sign Requests for Payment along with the Fiscal Agent.
- (vi) The Grantee shall abide by New Mexico laws regarding Conflict of Interest and Governmental Conduct and whistleblower protection. The Grantee specifically agrees that no officer or employee of the local jurisdiction or its designees or agents, no member of the governing body, and no other public official of the locality who exercises any function or responsibility with respect to this Grant, during his/her tenure or for one year thereafter, shall have any interest, direct or indirect, in any contract or subcontract, or the proceeds thereof, for work to be performed pursuant to this Grant. Further, Grantee shall require all of its contractors to incorporate in all subcontracts the language set forth in this paragraph prohibiting conflicts of interest.

- (vii) No funds have been paid or will be paid, by or on behalf of the Grantee, to any person for influencing or attempting to influence an officer or employee of this or any agency or body in connection with the awarding of any Third Party Obligation and that the Grantee shall require certifying language prohibiting lobbying to be included in the award documents for all subawards, including subcontracts, loans and cooperative agreements. All subrecipients shall be required to certify accordingly.

ARTICLE XI. STRICT ACCOUNTABILITY OF RECEIPTS AND DISBURSEMENTS; PROJECT RECORDS

A. The Grantee shall be strictly accountable for receipts and disbursements relating to the Project's funds. The Grantee shall follow generally accepted accounting principles, and, if feasible, maintain a separate bank account or fund with a separate organizational code, for the funds to assure separate budgeting and accounting of the funds.

B. For a period of six (6) years following the Project's completion, the Grantee shall maintain all Project related records, including, but not limited to, all financial records, requests for proposals, invitations to bid, selection and award criteria, contracts and subcontracts, advertisements, minutes of pertinent meetings, as well as records sufficient to fully account for the amount and disposition of the total funds from all sources budgeted for the Project, the purpose for which such funds were used, and such other records as the Department shall prescribe.

C. The Grantee shall make all Project records available to the Department and the New Mexico State Auditor upon request. With respect to the funds that are the subject of this Agreement, if the State Auditor finds that any or all of these funds were improperly expended, the Grantee may be required to reimburse to the State of New Mexico, to the originating fund, any and all amounts found to be improperly expended.

ARTICLE XII. IMPROPERLY REIMBURSED FUNDS

If the Department determines that part or all of the Appropriation Amount was improperly reimbursed to Grantee, including but not limited to, Project funds reimbursed to Grantee based upon fraud, mismanagement, misrepresentation, misuse, violation of law by the Grantee, or violation of this Agreement, the Grantee shall return such funds to the Department for disposition in accordance with law.

ARTICLE XIII. LIABILITY

Neither party shall be responsible for liability incurred as a result of the other party's acts or omissions in connection with this Agreement. Any liability incurred in connection with this Agreement is subject to immunities and limitations of the New Mexico Tort Claims Act.

ARTICLE XIV. SCOPE OF AGREEMENT

Attachments A and B are incorporated by reference and made part of the Agreement. This Agreement constitutes the entire and exclusive agreement between the Grantee and Department concerning the subject matter hereof. The Agreement supersedes any and all prior or contemporaneous agreements, understandings, discussions, communications, and representations, written or verbal.

ARTICLE XV. REQUIRED NON-APPROPRIATIONS CLAUSE IN CONTRACTS FUNDED IN WHOLE OR PART BY FUNDS MADE AVAILABLE UNDER THIS AGREEMENT

The Grantee acknowledges and agrees that Grantee shall include a “non-appropriations” clause in all contracts between it and other parties that are (i) funded in whole or part by funds made available under this Agreement and (ii) entered into after the effective date of this Agreement that states:

“The terms of this Agreement are contingent upon sufficient appropriations and authorization being made by the Legislature of New Mexico for the performance of this Agreement. If sufficient appropriations and authorization are not made by the Legislature, the Albuquerque Bernalillo County Water Authority may immediately terminate this Agreement by giving Contractor written notice of such termination. The Albuquerque Bernalillo County Water Authority’s decision as to whether sufficient appropriations are available shall be accepted by the Contractor and shall be final. Contractor hereby waives any rights to assert an impairment of contract claim against the Albuquerque Bernalillo County Water Authority or the NMED or the State of New Mexico in the event of immediate or Early Termination of this Agreement by the Albuquerque Bernalillo County Water Authority or the Department”

ARTICLE XVI. REQUIRED TERMINATION CLAUSE IN CONTRACTS FUNDED IN WHOLE OR PART BY FUNDS MADE AVAILABLE UNDER THIS AGREEMENT

Grantee acknowledges and agrees that Grantee shall include the following or a termination clause in all contracts that are (i) funded in whole or part by funds made available under this Agreement and (ii) entered into after the effective date of this Agreement:

“This contract is funded in whole or in part by funds made available under a NMED Grant Agreement. Should the NMED early terminate the grant agreement, the Albuquerque Bernalillo County Water Authority may early terminate this contract by providing Contractor written notice of such termination. In the event of termination pursuant to this paragraph, the Albuquerque Bernalillo County Water Authority’s only liability shall be to pay Contractor for acceptable goods delivered and services rendered before the termination date.”

Grantee hereby waives any rights to assert an impairment of contract claim against the Department or the State of New Mexico in the event of Early Termination of this Agreement by the Department.

ARTICLE XVII. COMPLIANCE WITH UNIFORM FUNDING CRITERIA.

- A. Throughout the term of this Agreement, Grantee shall:
1. submit all reports of annual audits and agreed upon procedures required by Section 12-6-3(A)-(B) NMSA 1978 by the due dates established in 2.2.2 NMAC, reports of which must be a public record pursuant to Section 12-6-5(A) NMSA 1978 within forty-five days of delivery to the State Auditor;
 2. have a duly adopted budget for the current fiscal year approved by its budgetary oversight agency (if any);
 3. timely submit all required financial reports to its budgetary oversight agency (if any); and
 4. have adequate accounting methods and procedures to expend grant funds in accordance with applicable law and account for and safeguard grant funds and assets acquired by grant funds.

B. In the event Grantee fails to comply with the requirements of Paragraph A of this Article XVII, the Department may take one or more of the following actions:

1. suspend new or further obligations pursuant to Article VI(A) of this Agreement;
2. require the Grantee to develop and implement a written corrective action plan pursuant to Article VI(D) of this Agreement to remedy the non-compliance;
3. impose special grant conditions to address the non-compliance by giving the Grantee notice of such special conditions in accordance with Article III of this Agreement; the special conditions shall be binding and effective on the date that notice is deemed to have been given pursuant to Article III; or
4. terminate this Agreement pursuant to Article V(A) of this Agreement.

ARTICLE XVIII. SEVERANCE TAX BOND PROJECT CLAUSES

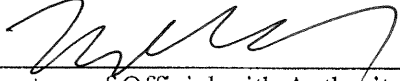
A. Grantee acknowledges and agrees that the underlying appropriation for the Project is a severance tax bond, which is administered by the New Mexico State Board of Finance (BOF), an entity separate and distinct from the Department. Grantee acknowledges and agrees that (i) it is Grantee's sole responsibility to determine through BOF staff what (if any) conditions are currently imposed on the Project; (ii) the Department's failure to inform Grantee of a BOF imposed condition does not affect the validity or enforceability of the condition; (iii) the BOF may in the future impose further or different conditions upon the Project; (iv) all BOF conditions are effective without amendment of this Agreement; (v) all applicable BOF conditions must be satisfied before the BOF will release to the Department funds subject to the condition(s); and (vi) the Department's obligation to reimburse Grantee from the Project is contingent upon the then current BOF conditions being satisfied.

B. Grantee acknowledges and agrees that this Agreement is subject to the BOF's Bond Project Disbursements rule, 2.61.6 NMAC, as such may be amended or re-codified.

[THIS SPACE LEFT BLANK INTENTIONALLY]

IN WITNESS WHEREOF, the parties have duly executed this Agreement as of the date of execution by the Department.

GRANTEE



Signature of Official with Authority to Bind Grantee

By: Mark S. Sanchez
(Type or Print Name)

Its: Executive Director
(Type or Print Title)

2-15-17
Date

NEW MEXICO ENVIRONMENT DEPARTMENT

By:

Its: Cabinet Secretary or Deputy Cabinet Secretary

Date

NA

MEMORANDUM OF UNDERSTANDING
BETWEEN
Albuquerque Bernalillo County Water Authority (Grantee)

AND

(Fiscal Agent)

The purpose of this Memorandum of Understanding (hereinafter "MOU") is to confirm that the Grantee, Albuquerque Bernalillo County Water Authority (hereinafter "Grantee") is working in collaboration with _____, the designated Fiscal Agent (hereinafter "Fiscal Agent"), for the administration of a New Mexico legislative special appropriation to the New Mexico Environment Department (hereinafter "NMED"). The special appropriation grant agreement number is 16-A2244-STB in the amount of \$30,000 and has been appropriated to plan and design a water reuse plant for the Albuquerque-Bernalillo county water utility authority in Bernalillo county (hereinafter "Project").

It is mutually agreed that Albuquerque Bernalillo County Water Authority will determine the specific work to be completed, will oversee construction, and will own and operate the improvements resulting from completion of the Project. By this MOU, it is understood between the parties that _____ (Fiscal Agent) is authorized to act as the Fiscal Agent for the project, and will be responsible for administration, procurement, and payments related to the project. The governing board of Albuquerque Bernalillo County Water Authority will adopt a resolution appointing _____ (Fiscal Agent) as its Fiscal Agent and designating a signatory authority from _____ (Fiscal Agent) and a signatory authority from Albuquerque Bernalillo County Water Authority in accordance with terms of the NMED Grant Agreement. The resolution shall also designate a grantee representative from Albuquerque Bernalillo County Water Authority that is knowledgeable about the day to day activities relating to the Project.

The Fiscal Agent shall not be compensated from any grant funds for services rendered, or credited for services rendered, during the term of this MOU or during the duration of the Project.

This MOU shall be in effect for the duration of the grant agreement and terminates if the Grantee designates a new Fiscal Agent, or when the grant agreement expires or the project is complete and all appropriate close out documents are received, whichever comes first. The parties affirm their understanding and agreement by their signatures below. The parties may enter into a contractual agreement related to this project, but the terms of the agreement shall not conflict with the terms of this MOU or the Resolution.

[THIS SPACE LEFT BLANK INTENTIONALLY]

IN WITNESS WHEREOF, the parties have duly executed this MOU as of the date of execution by the Fiscal Agent.

GRANTEE:

Signature of Official with Authority to Bind Grantee

By: _____
(Type or Print Name)

Its: _____
(Type or Print Title)

Date

FISCAL AGENT:

Signature of Official with Authority to Bind Grantee

By: _____
(Type or Print Name)

Its: _____
(Type or Print Title)

Date

<input type="text"/>	Amendment
No.	<input type="text"/>
Date	<input type="text"/>

EXHIBIT A
NEW MEXICO ENVIRONMENT DEPARTMENT
CONSTRUCTION PROGRAMS BUREAU
PROJECT DESCRIPTION

NAME OF GRANTEE: Albuquerque Bernalillo County Water Utility Authority

PROJECT NO: 16-A2244-STB

The GRANTEE agrees to accomplish the project as described below:

The funding will be used to develop a conceptual layout of the proposed reuse facilities to be located at the property purchased from the Bosque School at Montano and Coors. The proposed layout will include a phased approach to implement reuse over a period of time.

X 

Grantee Signatory Authority

X

NMED Project Manager Approval

**ATTACHMENT B – NMENV TECHNICAL REQUIREMENTS
TO
STATE OF NEW MEXICO
CAPITAL APPROPRIATION FUND AGREEMENT**

ARTICLE 1 REVIEW

Upon execution of the agreement, the Grantee will follow the procedures listed below unless waived in writing by the New Mexico Environment Department (NMED) (payment may be withheld if any of these procedures are not followed by the Grantee).

- A. The Grantee must submit a detailed project description to NMED Construction Programs Bureau (CPB) prior to committing to expenditures from these funds. The detailed description will be provided on the Attachment A form and must be approved by the CPB project manager.
- B. The Grantee must submit copies to NMED of all executed contracts entered into by the Grantee prior to this agreement, that are related to the project, for review and, if appropriate approval. CPB reserves the right to deny reimbursement under any contract not properly procured or otherwise ineligible under the grant terms.
- C. If these grant funds are to be used for engineering and/or other professional services, the Grantee must submit documentation regarding the hiring process to be used and the Request for Proposals (RFP), if applicable, to NMED for review and approval **prior to** selecting engineering and/or other professional services. An RFP for engineering services and/or other professional services must be performed in compliance with the New Mexico Procurement Code [Sections 13-1-21 et seq. NMSA 1978]. If, the engineering fees will exceed \$60,000, excluding gross receipt taxes, the Grantee is also required to contact the Professional Technical Advisory Board (PTAB) for assistance in the preparation of the RFP package. (PTAB: phone (505) 888-6161 and e-mail ptab@acecnm.org.)
- D. If these grant funds are to be used for engineering and/or other professional services, the Grantee must submit a draft of any engineering agreement and/or other professional services contract, or a letter certifying that the Grantee's staff will be used for design, to NMED for review and approval **prior to** executing the agreement/contract or using Grantee's staff. Unless a waiver has been received, the required engineering agreement format is the "Publicly Funded Project" form prepared by NMED and posted on the website at www.nmenv.state.nm.us/cpb/cpbtop.html. Any waiver of the required engineering contract form must be in writing from CPB. NMED CPB requires that one copy of the executed contracts be supplied to them. The contract is between the grantee and their engineer. The State of New Mexico will not be a party to the contract.
- E. A preliminary engineering report (PER) or study by a registered New Mexico Professional Engineer may be required. If a PER or study is to be prepared, the Grantee and their consultant should meet with NMED before starting any work for a "scoping" meeting to fully discuss the scope and extent of the PER. The consultant shall present their preliminary outline for the PER, including the alternatives to be considered. The Grantee must submit the final PER and/or study to NMED for

review and approval before preparation of plans and specifications. The purpose of the PER and/or study is to analyze and choose the most technically feasible and cost effective solution for the project. The PER must follow USDA RUS Bulletin 1780-2.

- F. Grantee agrees not to start the preparation of plans and specifications until NMED approval of the PER, study, or waiver in writing of the report requirement has been received from CPB.
- G. If the grant funds are to be used for engineering design or for construction, the Grantee must submit all plans, and specifications for this project (prepared by a registered New Mexico Professional Engineer) to NMED for review and approval before the project is advertised for construction bids. Any addenda prepared after the project has been advertised for bids must be submitted to NMED for review and approval.
- H. The Grantee must submit all work related to easements, rights-of-ways, other property rights, and financing provisions associated with the project to NMED for review prior to advertising for construction. A site certificate certifying that all necessary easements and/or property upon or through which the project is being constructed have been obtained must be submitted prior to the advertisement for bid of the project. The Site Certificate must be signed by an attorney, engineer, surveyor, or title abstractor. The Grantee must submit the recommendation of award, certified bid tabulation, a copy of bid bond for the selected contractor and evidence of full project financing to NMED for review and approval prior to awarding the contract. Grantee shall not award the contract until NMED has concurred in writing with the award. Competitive bidding, in accordance with applicable state laws (including local wage determinations as provided for in Section 13-4-11 NMSA 1978), will be used for awarding construction contracts. Contracts will be awarded to the responsive, responsible bidder who submits the lowest acceptable bid, or as provided for by State Law.
- I. Following NMED approval of the proposed award, the Grantee will submit the notice of the award and the minutes of the meeting in which the award was made, the notice of a pre-construction conference, a copy of the executed construction contract documents (including payment and performance bonds), and the notice to contractor to proceed to NMED for review. The selected contractor will be required to post a performance and payment bond in accordance with requirements of Section 13-4-18 NMSA 1978.
- J. At the pre-construction conference, the selected contractor will submit a construction schedule to the Grantee and, if requested, to NMED. The Grantee will submit all modifications to plans and contract by change orders to the NMED project manager promptly for review and approval prior to implementation of such modification or change. The decision by NMED will be rendered promptly in writing to the Grantee. In cases necessitating immediate action, a verbal decision will be rendered by NMED and followed by a written confirmation to the Grantee.

- K. The Grantee will provide a full-time construction inspector during construction of the project unless NMED determines that part time inspection is adequate for the project. This must be requested and approved by NMED prior to the start of construction. The Grantee will be required to submit the inspector's résumé to NMED for review and approval. All daily inspection reports shall be made available to the NMED Project Manager upon request.
- L. The Grantee will provide an Engineer's Construction Status Report (ECSR) using a template provided by NMED with each disbursement request that includes construction costs. The Engineer's Construction Status Report will include a description of the work completed during the same time period covered by the contractor's pay application and must be signed by a professional engineer and the Grantee's representative designated to oversee the project. Construction reimbursements cannot be paid without the NMED approved ECSR.
- M. Notwithstanding the inspections performed by the Grantee and its engineer, NMED will have the right to examine all installations comprising the project, including materials delivered and stored on-site for use on the project. Such examinations will not be considered an inspection for compliance with contract plans, but will be a general NMED review as described in Article 2 below.
- N. If applicable, the Grantee (or the system owner) will employ qualified utility operators and will comply with all provisions of the New Mexico Utility Operators Certification Act, Section 61-33-1 et seq. NMSA 1978.
- O. If the grant funds are to be used for construction of wastewater collection lines or water distribution lines, the Grantee will assure NMED that the existing population will connect to the collection system or distribution system within reasonable time after project completion. This will be accomplished by adoption and annual review of an ordinance and user charge system or other legal documents or other official act requiring such connection to the system, to the extent permitted by law. NMED may request an opportunity to review and comment on the ordinance to ensure compliance with this requirement.

ARTICLE 2 NMED OVERSIGHT

NMED inspection, review and approval are only for purposes of compliance with applicable state grant requirements, procedures, statutes and regulations. NMED approval will not be interpreted as any warranty or guarantee of any kind. Approval of plans and design of the project means only that plans are complete and in compliance with applicable state grant requirements, procedures and regulations. NMED will bring to the Grantee's attention, any obvious defects in the project's design, materials or workmanship, but all such defects and their correction will be the responsibility of the Grantee and its contractors and consultants. Any questions raised by NMED during its inspections and reviews shall be resolved exclusively by the Grantee. The Grantee and its contractors and consultants will remain responsible for the completion and success of the project. Approval does not relieve the owner or engineer of legal responsibilities for the overall integrity of the project, adequacy of the design, safety, or compliance with all applicable regulations.

ARTICLE 3 CLOSEOUT

- A. The project will not be considered complete until the work as defined in this agreement has been fully performed, and finally and unconditionally accepted by the Grantee and the Grantee's project engineer.
- B. If the grant funds are to be used for preparation of a PER, a study, or plans and specifications, final payment will be made after approval by NMED of the PER, study, or plans and specifications. Payments do not constitute approval of any of these documents.
- C. If the grant funds are to be used for purchase of equipment, final payment will be made after approval by NMED of receipt of equipment title and appraisal reports for used equipment.
- D. If the grant funds are to be used for construction, final payment will be made after the final inspection has been conducted by NMED and the following items, unless waived by NMED, have been provided to NMED, and have been reviewed and approved by NMED:
 - i. Operation and maintenance manuals or a letter from the owner certifying receipt and acceptance of the operation and maintenance manuals;
 - ii. A final reimbursement request including the final certified construction pay request prepared by the Grantee's project engineer and approved by the Grantee;
 - iii. A certificate of substantial completion including punch list items;
 - iv. A letter certifying project acceptance by the Grantee and the Grantee's project engineer stating that work has been satisfactorily completed and the construction contractor has fulfilled all of the obligations required under the contract documents with the Grantee, or if payment and materials performance bonds are "called", an acceptance close-out settlement to the Grantee and contractors will be submitted to NMED for final review and approval;
 - v. Certification letter by the Grantee that the Labor Standards Contract Provisions have been met;
 - vi. Letter from the owner certifying receipt and acceptance of the record drawings;
 - vii. Complete and legally effective releases or waivers (satisfactory to the Grantee) of all liens arising out of the contract documents and the labor services performed and the materials and equipment furnished there under. In lieu thereof and as approved by the Grantee, contractor(s) may furnish receipts or releases in full; an affidavit of contractor that the releases and receipts include labor, services, materials, and equipment for which a lien could be filed and that all payrolls, material and equipment bills, and other indebtedness connected with

the work for which the Grantee or its property might in any way be responsible, have been paid or otherwise satisfied;

- viii. A written consent of the surety, if any, to final payment; and
- ix. Grantee's ledger sheets including all payments made by the Grantee may be requested with the final reimbursement request and before the final reimbursement request can be processed by NMED.

ARTICLE 4 PROPERTY ACQUISITION

- A. With the exception of easements (See Article 1.H above), when real property is acquired by the Grantee, either through purchase or donation as a part of this project and within the project period, the Grantee will submit documentation of the acquisition to NMED, including a legal description of the property, the date the property will be acquired, evidence of clear title, and an appraisal report prepared by a qualified appraiser who was selected through applicable procurement procedures. These documents must be reviewed and approved by NMED **prior to** the acquisition of any real property. After real property acquisition, the Grantee will make available to NMED all documents of title pertaining to the acquired property and all easements or rights-of-way necessary for the completion of work under this grant agreement.

Request for Taxpayer Identification Number and Certification

Give Form to the
requester. Do not
send to the IRS.

Print or type See Specific Instructions on page 2.	1 Name (as shown on your income tax return). Name is required on this line; do not leave this line blank. ALBUQUERQUE BERNALILLO COUNTY WATER UTILITY AUTHORITY	
	2 Business name/disregarded entity name, if different from above	
	3 Check appropriate box for federal tax classification; check only one of the following seven boxes: <input type="checkbox"/> Individual/sole proprietor or single-member LLC <input type="checkbox"/> Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=partnership) ▶ Note. For a single-member LLC that is disregarded, do not check LLC; check the appropriate box in the line above for the tax classification of the single-member owner. <input checked="" type="checkbox"/> Other (see instructions) ▶ GOVERNMENT	4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3): Exempt payee code (if any) _____ Exemption from FATCA reporting code (if any) _____ <i>(Applies to accounts maintained outside the U.S.)</i>
	5 Address (number, street, and apt. or suite no.) ONE CIVIC PLAZA - PO BOX 568 ROOM 5012	Requester's name and address (optional)
	6 City, state, and ZIP code ALBUQUERQUE, NM 87103-0568	
	7 List account number(s) here (optional)	

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

Note. If the account is in more than one name, see the instructions for line 1 and the chart on page 4 for guidelines on whose number to enter.


Social security number								
			-					
or								
Employer identification number								
5	4	-	2	1	3	4	9	8 0

Part II Certification

Under penalties of perjury, I certify that:

- The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
- I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
- I am a U.S. citizen or other U.S. person (defined below); and
- The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions on page 3.

Sign Here
Signature of U.S. person ▶ 

Date ▶ 1/29/15

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Future developments. Information about developments affecting Form W-9 (such as legislation enacted after we release it) is at www.irs.gov/fw9.

Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following:

- Form 1099-INT (interest earned or paid)
- Form 1099-DIV (dividends, including those from stocks or mutual funds)
- Form 1099-MISC (various types of income, prizes, awards, or gross proceeds)
- Form 1099-B (stock or mutual fund sales and certain other transactions by brokers)
- Form 1099-S (proceeds from real estate transactions)
- Form 1099-K (merchant card and third party network transactions)

- Form 1098 (home mortgage interest), 1098-E (student loan interest), 1098-T (tuition)
- Form 1099-C (canceled debt)
- Form 1099-A (acquisition or abandonment of secured property)

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.

If you do not return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See What is backup withholding? on page 2.

By signing the filled-out form, you:

- Certify that the TIN you are giving is correct (or you are waiting for a number to be issued).
- Certify that you are not subject to backup withholding, or
- Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income, and
- Certify that FATCA code(s) entered on this form (if any) indicating that you are exempt from the FATCA reporting, is correct. See *What is FATCA reporting?* on page 2 for further information.

ALBUQUERQUE BERNALILLO COUNTY WATER UTILITY AUTHORITY

BILL NO. R-17-3

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RESOLUTION

**APPROVING AND AUTHORIZING A NEW MEXICO ENVIRONMENT DEPARTMENT
APPROPRIATION FOR THE WATER REUSE PLANT.**

WHEREAS, the Albuquerque Bernalillo County Water Utility Authority ("Water Authority") has entered into a Capital Appropriation Fund Agreement with the State of New Mexico Environment Department, and

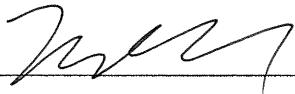
WHEREAS, the Agreement is identified as 16-A2244-STB Grant Agreement.

BE IT RESOLVED BY THE WATER AUTHORITY:

Section 1. The Executive Director or his successor is the SIGNATORY AUTHORITY who is authorized to sign reimbursement requests and other documents requiring a signature for submittal to the New Mexico Environment Department.

Section 2. New Mexico Environment Department funds in the amount of \$30,000, is hereby appropriated to the Water Reuse Plant Plan & Design Project.

Construction Programs Bureau Signature Page

Project Name:	Albuquerque Bernalillo County Water Authority		
Project Number:	16-A2244-STB		
Official Representative:		Alternate - Official Representative:	
Name	Mark S. Sanchez	Name	
Title	Executive Director	Title	
Signature		Signature	
Address	PO Box 568, ABQ, NM 87103	Address	
E-mail	msanchez@abcwva.org	E-mail	
Phone	505-289-3101	Phone	

Fiscal Agent:	
Name	
Title	
Signature	
Address	
E-mail	
Phone	



Meeting Date: March 22, 2017

Staff Contact: Charles Leder, Manager – Plant Operations Division

TITLE: C-17-5 – Approving an Amendment with Elite Energy Services, Inc. for Caterpillar Engine Major Repairs and Overhauls

ACTION: Recommend Approval

SUMMARY:

The Water Authority needs to have Elite Energy Services, Inc. perform additional major repairs and overhauls to its fleet of Caterpillar engines during the initial two year term of the existing contract. The requested \$340,000 increase in contract value is needed to accommodate the additional work the Water Authority needs Elite Energy Services, Inc. to perform. These costs will be covered under the annual engine maintenance budget for the Plant Operations Division.

FISCAL IMPACT:

None.

**FIRST SUPPLEMENTAL AGREEMENT
ALBUQUERQUE BERNALILLO COUNTY
WATER UTILITY AUTHORITY
AND
ELITE ENERGY SERVICES CO., INC.**

THIS FIRST SUPPLEMENTAL AGREEMENT is made and entered into on the date of the last signature entered below by and between the Albuquerque Bernalillo County Water Utility Authority, a New Mexico political subdivision, P.O. Box 568, Albuquerque, NM 87103-0568 (hereinafter referred to as the "Water Authority"), and Elite Energy Services Co., Inc., a New Mexico corporation located at 5101 College Blvd., Farmington, NM 87402 (hereinafter referred to as the "Contractor").

RECITALS

WHEREAS, the Water Authority and the Contractor entered into an Agreement, dated December 12, 2016, pursuant to Request for Proposal (RFP) No. P2016000005, "Caterpillar Engine Major Overhauls and Repairs", referenced as Exhibit A, and Contractor's response to RFP No. P2016000005, referenced as Exhibit B, hereinafter referred to as the "Original Agreement", whereby the Contractor agreed to render certain professional services to the Water Authority; and

WHEREAS, the Water Authority has determined that \$340,000.00 in additional funding is needed to complete the services described in the Original Agreement; and

WHEREAS, the Contractor is agreeable to the additional compensation added to the Original Agreement; and

NOW, THEREFORE, in consideration of the premises and mutual obligations herein, the parties hereto do mutually agree as follows:

1. Section 3.A is hereby amended to read as follows:

Compensation. For performing the Services specified in Section 1 hereof the Water Authority agrees to pay the Contractor up to the amount of **Seven Hundred Sixty-Four Thousand One Hundred Thirty and 00/100 (\$764,130.00)** which amount excludes all applicable gross receipts taxes and which amount shall constitute full and complete compensation for the Contractor's Services under this Agreement, including all expenditures made and expenses incurred by the Contractor in performing such Services.

2. Except as herein expressly amended, the terms and conditions of the Original Agreement shall remain unchanged and shall continue in full force and effect unless there is a conflict between the terms and conditions of the Original Agreement and this First Supplemental Agreement, in which event, the terms and conditions of this First Supplemental Agreement shall

control.

3. This First Supplemental Agreement shall not become effective or binding until approved by the Water Authority's Executive Director.

IN WITNESS WHEREOF, the Water Authority and the Contractor have executed this First Supplemental Agreement as of the date of the last signature entered below.

**ALBUQUERQUE BERNALILLO COUNTY
WATER UTILITY AUTHORITY**

**CONTRACTOR: ELITE ENERGY
SERVICES CO., INC.**

Approved By:

Mark S. Sanchez, Executive Director

Date: _____

John M. Stomp III, P.E.
Chief Operating Officer

Date: _____

Reviewed by:

Peter S. Auh, General Counsel

Date: _____

By: _____

Print: _____

Title: _____

Date: _____

State Taxation and Revenue Department
Taxpayer Identification No.: 03-134279-00-5

Federal Taxpayer Identification No.
26-2406043

Meeting Date: March 22, 2017

Staff Contact: Cody Stinson, Chief Information Officer

TITLE: C-17-6 – Approving Supplemental Agreement with EMA Inc., in Relation to the Asset Management/Maximo System Upgrade

ACTION: Recommend Approval

SUMMARY:

The Albuquerque Bernalillo County Water Utility Authority (Water Authority) is currently undergoing an Enterprise Asset Management System (Maximo) upgrade that includes a technical upgrade of Maximo from version 6.25 to version 7.6. The upgrade also includes Business Process Improvement initiatives within the core Operations and Maintenance groups including Water Lines/Field Distribution, Groundwater, Surface Water Treatment Plant, Southside Reclamation Plant, Collections, and the Warehouse.

The Water Authority's ISD Division is recommending additional funding to be allocated to the project to enhance Business Process Improvement initiatives and system maintenance. This funding will cover Professional and Technical services to support; continued support of the current version of Maximo, along with furthering Change Management initiatives, streamlining user interfaces and utilization of workflows, inclusion of Koterra fields for insurance claims, additional reporting to assist the Capital Implementation Program (CIP) decade plan, additional resources to train end-users on the features and functions of 7.6, and post go-live support. The project is currently scheduled to go-live on September 12, 2017.

EMA Inc. is the vendor that was selected via RFP number P2015000005 to upgrade and enhance our usage of Maximo and build out the Water Authority's Asset Management plan. EMA has done an outstanding job leading us through the first phases of the upgrade and Business Process Improvement initiatives. In order to meet our identified goals and objectives of the project, the additional funding is necessary.

FISCAL IMPACT:

The cost of this proposed agreement is: \$329,600 plus applicable taxes and will be split between Fiscal year 2017 and Fiscal year 2018.

Fiscal Year 2017:	\$123,000
Fiscal Year 2018:	\$176,000
Travel and Expenses:	\$ 30,600

The Water Authority has budgeted the CIP funds to cover this agreement.

**THIRD SUPPLEMENTAL AGREEMENT
ALBUQUERQUE BERNALILLO COUNTY
WATER UTILITY AUTHORITY
AND
EMA, INC.**

THIS THIRD SUPPLEMENTAL AGREEMENT is made and entered into on the date of the last signature entered below by and between the Albuquerque Bernalillo County Water Utility Authority, a New Mexico political subdivision, P.O. Box 568, Albuquerque, NM 87103-0568 (hereinafter referred to as the "Water Authority"), and EMA, Inc., an Arizona corporation located at 4742 North Oracle Rd., Suite 310, Tucson, AZ 85705-1675 (hereinafter referred to as the "Contractor").

RECITALS

WHEREAS, the Water Authority and the Contractor entered into an Agreement, dated March 10, 2016, as amended by a First Supplemental Agreement dated August 24, 2016 and a Second Supplemental Agreement dated February 21, 2017, pursuant to Request for Proposal (RFP) No. P2015000005, "MAXIMO Upgrade Project", referenced as Exhibit A, and Contractor's response to RFP No. P2015000005, referenced as Exhibit B, hereinafter referred to as the "Original Agreement", whereby the Contractor agreed to render certain professional services to the Water Authority; and

WHEREAS, the Water Authority has determined that cost estimate services for the impact of the MAXIMO implementation Phase 1 timeline extension in accordance with Exhibit G are required in the performance of this Agreement; and

WHEREAS, the Water Authority will add \$149,200.00 to the Original Agreement to pay for the above mentioned services; and

WHEREAS, the Contractor is agreeable to adding the services and the additional compensation added to the Original Agreement; and

NOW, THEREFORE, in consideration of the premises and mutual obligations herein, the parties hereto do mutually agree as follows:

1. Section 1 Scope of Services of the Original Agreement is hereby amended to add the following:

A. The Contractor will provide the Water Authority with "Cost Estimate Services for the Impact of the MAXIMO Implementation Phase 1 Timeline Extension in accordance with Exhibit G attached hereto and made part of this Agreement.

2. Section 3.A and 3.B. are hereby amended to add the following:

A. **Compensation.** For performing the Services specified in Section 1 hereof the Water Authority agrees to pay the Contractor up to the amount of **One Million Seven Hundred Eighty-Seven Thousand Five Hundred Eighty-Eight and 43/100 Dollars (\$1,787,588.43)** which amount includes any applicable gross receipts taxes and which amount shall constitute full and complete compensation for the Contractor's Services under this Agreement, including all expenditures made and expenses incurred by the Contractor in performing such Services.

B. **Method of Payment.** Such amount shall be paid to the Contractor upon completion and acceptance by the Water Authority of each Milestone/Task, as set forth in Exhibit C as supplemented by Exhibits D, E, F and G which are attached hereto and by this reference made a part of this Agreement. Amounts in Exhibits D, E and F *exclude* any applicable gross receipts taxes. Applicable gross receipts taxes must be billed a separate item on the invoice to be paid. Payments shall be made to the Contractor upon receipt by the Water Authority of a properly documented requisition for payment as determined by the budgetary and fiscal guidelines of the Water Authority and on the condition that the Contractor has accomplished the Services to the satisfaction of the Water Authority.

3. Section 3 is hereby added a Subsection D to read as follows:

D. **Reimbursement of Expenses.** In addition, upon receipt of proper documentation submitted with Contractor's invoice, the Water Authority will reimburse the Contractor's actual travel expenditures up to the amount of **Two Thousand and 00/100 Dollars (\$2,000.00) per person, per trip**, for a maximum amount of **Forty-Eight Thousand and 00/100 Dollars (\$48,000.00)**, for expenses such as travel, lodging, meals and rental car fees, which amount includes any applicable gross receipts taxes, for expenses related in the performance of Services.

4. Except as herein expressly amended, the terms and conditions of the Original Agreement shall remain unchanged and shall continue in full force and effect unless there is a conflict between the terms and conditions of the Original Agreement and this Third Supplemental Agreement, in which event, the terms and conditions of this Third Supplemental Agreement shall control.

5. This Third Supplemental Agreement shall not become effective or binding until approved by the Water Authority's Executive Director.

THIS SPACE LEFT BLANK INTENTIONALLY

IN WITNESS WHEREOF, the Water Authority and the Contractor have executed this Third Supplemental Agreement as of the date of the last signature entered below.

**ALBUQUERQUE BERNALILLO COUNTY
WATER UTILITY AUTHORITY**

CONTRACTOR: EMA, INC.

Approved By:

Mark S. Sanchez, Executive Director

Date: _____

John M. Stomp III, P.E.
Chief Operating Officer

Date: _____

By: _____

Print: _____

Title: _____

Date: _____

State Taxation and Revenue Department
Taxpayer Identification No.: 02-331116-00-9

Federal Taxpayer Identification No.
41-1467091

Reviewed by:

Peter S. Auh, General Counsel

Date: _____

EXHIBIT G

“Timeline Extension Impact Services” Scope of Work and Fee Schedule



EMA, Inc.
2355 Highway 36 West, Suite 200
St. Paul, MN 55113-3819
phone 651.639.5600
www.ema-inc.com

January 5, 2016

Cody Stinson
Project Manager
ABCWUA Water Authority
PO Box 568
Albuquerque, NM 87103-1293

Re: Phase I Maximo Upgrade and Enhancement Project - Timeline Extension Impact

Dear Cody:

EMA is pleased to submit this Change Order which provides the cost estimate for the impact of the Maximo Implementation Phase I timeline extension. The Phase I implementation timeline has changed as a result of the following key reasons:

1. Added Change Management tasks (e.g., Key Success Factors workshops, AM model workshops, AM Self-Assessment)
2. Added Functional Requirements workshops
3. Postponed delivery of the Functional Requirements to complete Change Management tasks
4. Approach changed from upgrade to clean install
5. Decision to maintain the original "big bang" Go-Live approach
6. February 2017 timeline for ABCWUA data collection efforts
7. Executive Sponsor decision to move Go-Live from the Project Management Office (PMO) recommended August 2017 Go-Live to September 2017.

Per the new timeline, the original Go-Live date of May 29, 2017 has been re-planned to a September 12, 2017 Go-Live.

Duration Activities

Project Management and Administration (1.2.1)

An additional 232 labor hours have been added to the Project Management and Administration duration activity, to cover the cost of project management through the end of Go-Live support, and project closeout in October 2017. These hours are based on the same duration percentage as the original statement of work (SOW), and include the same scope specified in the original SOW. An additional 40 hours was also added to support the re-planning efforts conducted during October – December 2016.

Change Management (1.2.2)

All Change Management (CM) duration activities defined in the original SOW were re-defined to a Change Management Activity Strategy that was included in a separate Change Management proposal. The original duration CM hours were utilized in support of the Pre-Functional Requirements activities.

The CM Activity Strategy proposal has now been cancelled and included in this proposal. As a result, 35 hours per month (January 2017 - October 2017), have been included in this proposal, equating to the original duration task level of support. Also included are monthly expenses assuming 2-3 days on-site per month for Leslie Willet Black to manage the milestone activities.

Milestone Activity	Comments
Stakeholder Analysis	Initial assessment completed. Leslie completed the August interviews to finish the analysis of response to change. Recommendations have been made to meet the scope of the Communication Plan, EMA will support the execution of the Communication Action Plan.
Change Drivers and Constraints	Completed. Results led to actions to bring forth the AM knowledge sessions and self-assessment. Actions are not part of the original scope, however they are deemed necessary for project success.
Develop Change Management Strategy / Plan	'Target Conditions' have been identified for each area and will be used on the Score Card. EMA will support the effort to continue the WUA efforts for definition of measurable objectives and success factors.
Risks for Change	Risks will be continually identified and a strategy developed to mitigate, transfer, eliminate, or accept. WUA will execute actions defined.
Assess Readiness for Change	Readiness of stakeholders and the organization in general will be monitored for the readiness to accept change. The readiness factor will be made part of the go, no-go decisions throughout the project.
Communication Plan and Overall Strategy	Initial draft completed by EMA and updated by Bianca. Not actioned to date. EMA will support the continual updates throughout the project.

Maximo V6.2 Support

An additional 30 hours have been added to provide Maximo V6.2 support during the additional time that this version will be on-line. This provides support at the same level as the original SOW.

Expenses

Project Management: An additional four (4) trips have been added for the EMA Project Manager and two (2) trips for the EMA Principal in Charge for a total of six (6) additional on-site visits at a cost of \$1,800 per trip.

Change Management: An additional eleven (11) trips have been added for the EMA Change Manager to be on-site, on a monthly basis, throughout the life cycle of the Phase I project.

Proposal Costs

Task	Estimated Hours	Estimated Cost
Impacted Tasks		
Project Management and Administration	232	\$43,500.00
Change Management	350	\$70,000.00
Maximo V6.2 Support	30	\$5,100.00
Subtotal	612	\$118,600.00
Labor Costs		\$118,600.00
Expenses		\$30,600.00
TOTAL		\$149,200.00

Assumptions

This proposal is based on the following assumptions:

- Go-Live date planned for September 12, 2017, Project Closeout in October 2017
- Project Management, Change Management and Maximo V6.2 support follows the original Maximo Upgrade and Enhancement Project SOW scope.
- No additional hours will be required for the clean install of Maximo versus the original scope of upgrade. WUA to collect and provide the data in the EMA templates provided.

EMA is prepared to move forward with this additional Scope of Work upon receiving a notice to proceed. We look forward to working with you.

Sincerely,

Craig Johnson
Project Manager
EMA, Inc.

Signature – EMA, Inc.

Craig Johnson
Project Manager
EMA, Inc.

Date:

Signature – ABCWUA

Cody Stinson
Project Manager
ABCWUA Water Authority

Date:

Meeting Date: March 22, 2017

Staff Contact: Katherine Yuhas, Water Resources Division Manager

TITLE: R-17-4 – Authorizing a Memorandum of Agreement with The Nature Conservancy

ACTION: Recommend Approval

SUMMARY:

This resolution will allow the Water Authority to enter into a Memorandum of Agreement with The Nature Conservancy, which manages the Rio Grande Water Fund, to fund watershed management in the headwaters of the Rio Grande. Watershed management is a key part of Policy J. “Protect Valued Environmental and Cultural Resources” of the Water Resources Management Strategy update, “Water 2120” which was adopted by the Board on September 21, 2016. The MOA would provide \$200,000 per year for up to five years to fund watershed management activities.

FISCAL IMPACT:

\$200,000 is budgeted in the Water Resources Operating budget.

ALBUQUERQUE BERNALILLO COUNTY WATER UTILITY AUTHORITY

BILL NO. R-17-4

1 **RESOLUTION**

2 **AUTHORIZING A MEMORANDUM OF AGREEMENT FOR WATERSHED**
3 **MANAGEMENT WITH THE NATURE CONSERVANCY**

4 WHEREAS, the mission of The Nature Conservancy is to conserve the land and
5 water on which all life depends; and

6 WHEREAS, the mission of the Water Authority is to provide a resilient,
7 sustainable water supply to the customers in its service area; and

8 WHEREAS, the Water Authority Board adopted the update to the Water
9 Resources Management Strategy: Water 2120 on September 21, 2016; and

10 WHEREAS, watershed management is one of the key policies of Water 2120;
11 and

12 WHEREAS, The Nature Conservancy manages the Rio Grande Water Fund for
13 the purpose of funding watershed management projects; and

14 WHEREAS, the Rio Grande and its tributaries within New Mexico (the "Rio
15 Grande Watershed") is a major source of water for more than half of the state's
16 population, including those living in metropolitan and rural communities and on Native
17 American pueblos and tribal lands; and

18 WHEREAS, severe wildfires and the resulting post-fire effects, as seen after the
19 2011 Las Conchas fire may impact surface water sources and supplies by introducing
20 large quantities of sediment into reservoirs and the conveyance infrastructure that
21 serves communities, acequias and irrigation districts; and

22 WHEREAS, the parties are signatories to the Rio Grande Wildfire and Water
23 Source Protection Collaborative Charter (Charter), which was formed to fund restoration
24 projects in the Rio Grande Watershed (Water Fund); and

25 WHEREAS, the Water Authority desires to grant funds to the Rio Grande Water
26 Fund pursuant to the Charter and this Memorandum of Agreement.

27 BE IT RESOLVED BY THE WATER AUTHORITY:

1 Section 1. Beginning July 1, 2017, the Water Authority and The Nature
2 Conservancy will enter into a Memorandum of Agreement whereby the Water Authority
3 will provide funds to the Rio Grande Water Fund of \$200,000 per year for up to five
4 years.
5

Memorandum of Agreement

This Memorandum of Agreement is made and entered into this ____ day of ____, 201__ by **The Nature Conservancy**, a District of Columbia nonprofit corporation and U.S. tax-exempt public charity (“Grantee”) with the address of 4245 North Fairfax Drive, Arlington, VA 22203, to induce **The Albuquerque Bernalillo County Water Utility Authority** (“Grantor”) with its principal place of business at P.O. Box 568, Albuquerque, New Mexico 87103, to make a grant of U.S. \$200,000 each year for up to five years upon execution of the Agreement to Grantee for operational support to implement the Water Fund as described below (the “Purpose”).

WHEREAS, the mission of the Grantee is to conserve the land and water on which all life depends;

WHEREAS, the mission of the Grantor is to provide a resilient, sustainable water supply to its service area; and

WHEREAS Grantee is subject to certain requirements and restrictions imposed by the Internal Revenue Code (the “Code”) on charitable organizations;

WHEREAS, the Rio Grande and its tributaries within New Mexico (the “Rio Grande Watershed”) is a major source of water for more than half of the state’s population, including those living in metropolitan and rural communities and on Native American pueblos and tribal lands; and,

WHEREAS, severe wildfires and the resulting post-fire effects, as was seen after the 2011 Las Conchas fire, may impact surface water sources and supplies by introducing large quantities of sediments into reservoirs and the conveyance infrastructure that serve communities, acequias and irrigation districts; and,

WHEREAS the parties are signatories to the Rio Grande Wildfire and Water Source Protection Collaborative Charter (Charter), which was formed to fund restoration projects in the Rio Grande Watershed (Water Fund).

WHEREAS, the Grantor desires to grant funds to the Grantee pursuant to the Charter and this Memorandum of Agreement.

NOW THEREFORE, Grantee and Grantor (collectively the “Parties”) agree to the following:

1. Grant implementation. Grantee will use the Grant received from Grantor only for the Purpose. Exhibit A is provided as a further description of work intended to be conducted for the Purpose. The Parties acknowledge that Grantee will have full control and responsibility over the planning, content, terms and implementation to achieve the Purpose and that any line items of the budget may be adjusted among categories to meet the Purpose. The Grantee will retain its organizational authority to select contractors and grantees according to its own policies and procedures, including those related to due diligence procedures and the Conflict of Interest Policy, while assuring such parties’ qualifications and performance are appropriate to achieve the Purpose and to meet the legal requirements for a U.S. public charity and the jurisdiction where the work is performed. As such, if any party identified in a proposal is not selected or retained, another party or Conservancy employees with appropriate qualifications may be selected by the Conservancy to complete the work to achieve the Purpose.
2. Term. The period of time during which Grantee shall use the Grant begins on July 1, 2017, and continues through June 1, 2022 (the “Term”).

3. Warranties and Representations of The Nature Conservancy. The Grant shall not be used for anything other than the Purpose. The Grantee is a tax-exempt U.S. public charity. In the event that there is any change in the Grantee organization's tax exempt status, Grantee will immediately notify Grantor of such change.
4. Final Report. Within sixty (60) days following the expiration of the Grant Term, Grantee shall submit a final report. The report will include a description of the work funded under the Grant.
5. Amendments. The Memorandum of Agreement may be amended from time to time upon the written agreement of the parties.
6. Books and Records. The Grantee shall maintain records in accordance General Accounting Practices and as required to support records for Code purposes. The reports submitted to Grantor shall be kept for at least six (6) years after completion of the use of all Grant funds. Grantee will permit the Grantor, or its duly authorized representative to inspect records reflecting all work done, labor performed and material furnished in connection with the activities funded under this Agreement.
7. Intellectual property. Rights to any intellectual property created in part or wholly with funds under this Memorandum of Agreement vests solely with the Grantee. The Grantor may receive up to 10 copies of any final publications produced under this Agreement at no cost.
8. Publicity. Any publicity related to the work funded by this Memorandum of Agreement shall be approved by both Parties, prior to disseminating.
9. Remedies. Grantee agrees that Grantor may withhold Grant funds or terminate any commitment under this Memorandum of Agreement if Grantee fails to comply with the Memorandum of Agreement. Grantee may terminate this Agreement in the event it determines that the work or this Agreement will violate its policies or standard operating procedures or result in adverse publicity to the Grantee.
10. Choice of Law. The law of the State of New Mexico exclusively shall govern and apply to any and all legal proceedings pertaining to this Agreement. This agreement shall be deemed to be entered into and formed in New Mexico and shall become effective when the Grantor executes this instrument, bearing its Executive Director's signature. By execution of this Agreement, the Grantee submits to the personal jurisdiction and venue of the courts of New Mexico.
11. Indemnity. Grantee shall defend, save, hold harmless and indemnify the Grantee and its officers, employees and agents from and against any and all claims, suits, actions, losses, damages, liabilities, cost and expenses of any nature resulting from or arising out of, or relating to the gross negligence or misconduct of Grantee or its officers, employees or agents under this Agreement.
12. Termination for Lack of Appropriations. Funding for this Agreement has been appropriated by the Grantor's governing board for Grantor's. Notwithstanding any other provisions in the Contract, its continuation beyond the end of the fiscal year is contingent on the Grantor's governing board making the appropriations necessary to fund the Agreement. If sufficient appropriations are not made this Agreement may be terminated at the end of the Grantor's then current fiscal year upon written notice given by the Grantor to the Grantee. Such termination shall not constitute a default. All payment obligations of the Grantor and all of its interest in the Agreement will cease upon date of termination. The Grantor's decision as to whether sufficient appropriations are available shall be accepted by the Grantee and shall be final.

13. Termination for Convenience: Either party may terminate this Agreement at any time by giving at least thirty (30) consecutive calendar days' notice in writing of such termination to the other party. In the event this Agreement is terminated for any reason other than a material default by TNC, Grantor will pay Grantee for any work performed or expenses incurred, as of the termination date, and Grantee will reimburse Grantor any remaining unspent grant funds.
14. Entire Agreement. This Agreement sets forth the entire understanding of the parties concerning the Grant and supersedes all prior or contemporaneous communications and negotiations, both oral and written relating to the Agreement. Neither party can assign, transfer or sublicense its rights under this Agreement nor any right granted herein.

IN WITNESS WHEREON, Grantee has caused this Memorandum of Agreement to be made as of the day and year first written above.

[Grantor Information]

By: _____

Name and Title: _____

The Nature Conservancy

By: _____

Name and Title: _____

Exhibit A
Grant Request Proposal

The Grantee's work in the Rio Grande and San Juan-Chama Watershed, funded by this MOU, may include various combinations of the following tasks, as reasonably determined by Grantee:

1. Conduct treatments on high risk forest lands identified by the Charter signatories
2. Conduct pre- and post-treatment monitoring using the measures identified in the Rio Grande Water Fund Monitoring and Adaptive Management Framework
3. Plan, organize and conduct meetings of the Executive Committee, Charter signatories and Working Groups
4. Write, produce and print the Rio Grande Water Fund annual report. Consistent with Grantee's corporate policies and procedures, acknowledge the funding and contribution of the Grantor
5. Provide communications to the Charter signatories of activities described above, including email distributions and website updates
6. Market the Rio Grande Water Fund and communicate about the activities described above using electronic media of communications

The Grantee may use the funds received within the Rio Grande Water Fund project area as determined by Grantee in its reasonable discretion.



RIO GRANDE
WATER FUND
A Wildfire and Water Source
Protection Project

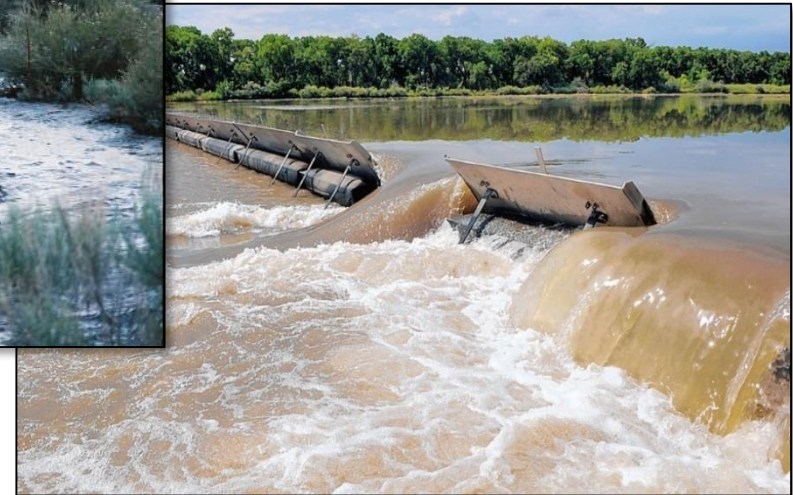
Watershed Management and the Rio Grande Water Fund



Watershed Management



Watershed management is an insurance policy for the surface-water source of supply



Policy J. Protect Valued Environmental and Cultural Resources, **Sub-policy 4.** The Authority shall work collaboratively and provide funding to protect and restore watersheds of the San Juan–Chama and Rio Grande.

2011 Las Conchas Fire Example



06/26/2011 19:40

Las Conchas Fire, Day 1

60,000 acres high-severity burn



Post-fire flooding and debris flow



New sediment: 70' deep

Cochiti Lake one day after rain



New debris movement even after 3 years



Rio Grande Water Fund

helps New Mexico's communities thrive by protecting their water sources in the forests that surround them for generations to come.



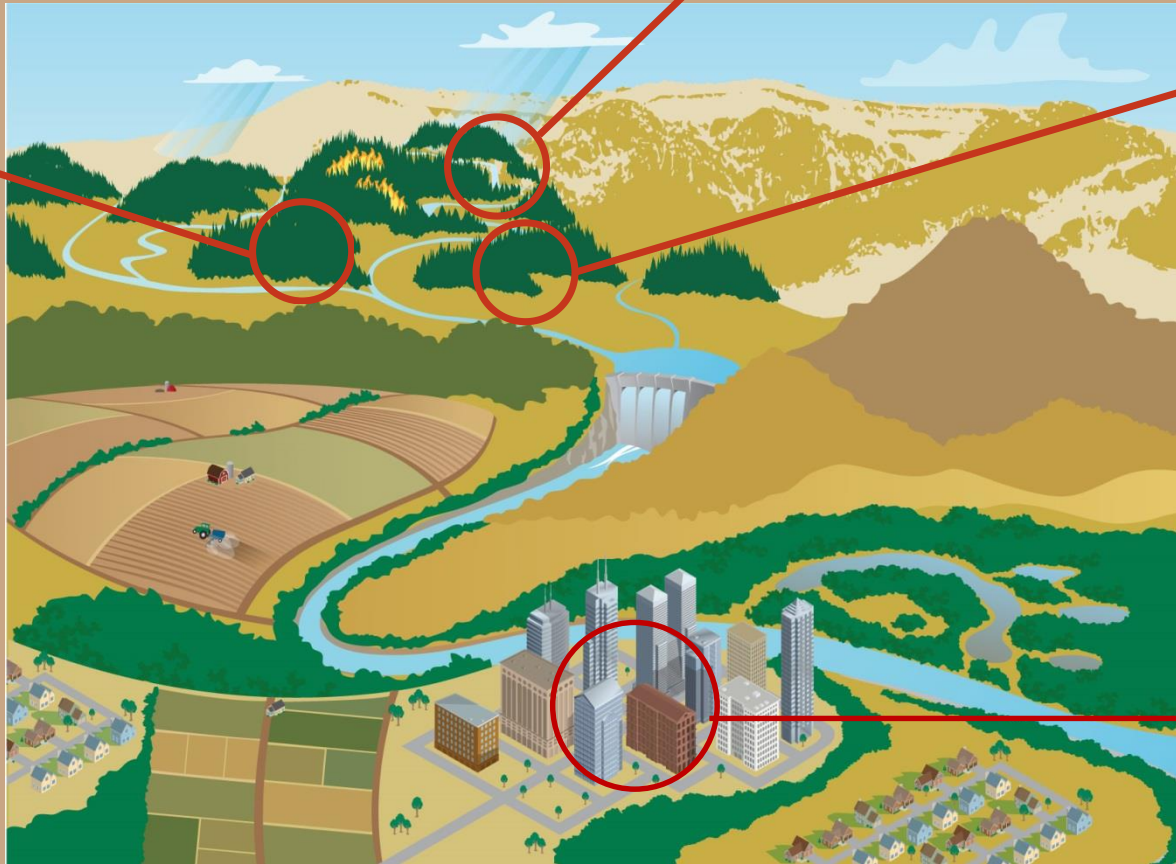
Wildfire



Snowpack



Tree
Thinning



Water



Goal: Restore 600,000 acres of headwater forests over 20 years

Charter Signatories



City of Santa Fe Water Division

STATE LAND OFFICE



Albuquerque Bernalillo County Water Utility Authority



Business Water Task Force



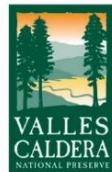
LOR FOUNDATION



LOS ALAMOS



New Mexico Coalition



US Army Corps of Engineers.
Albuquerque District

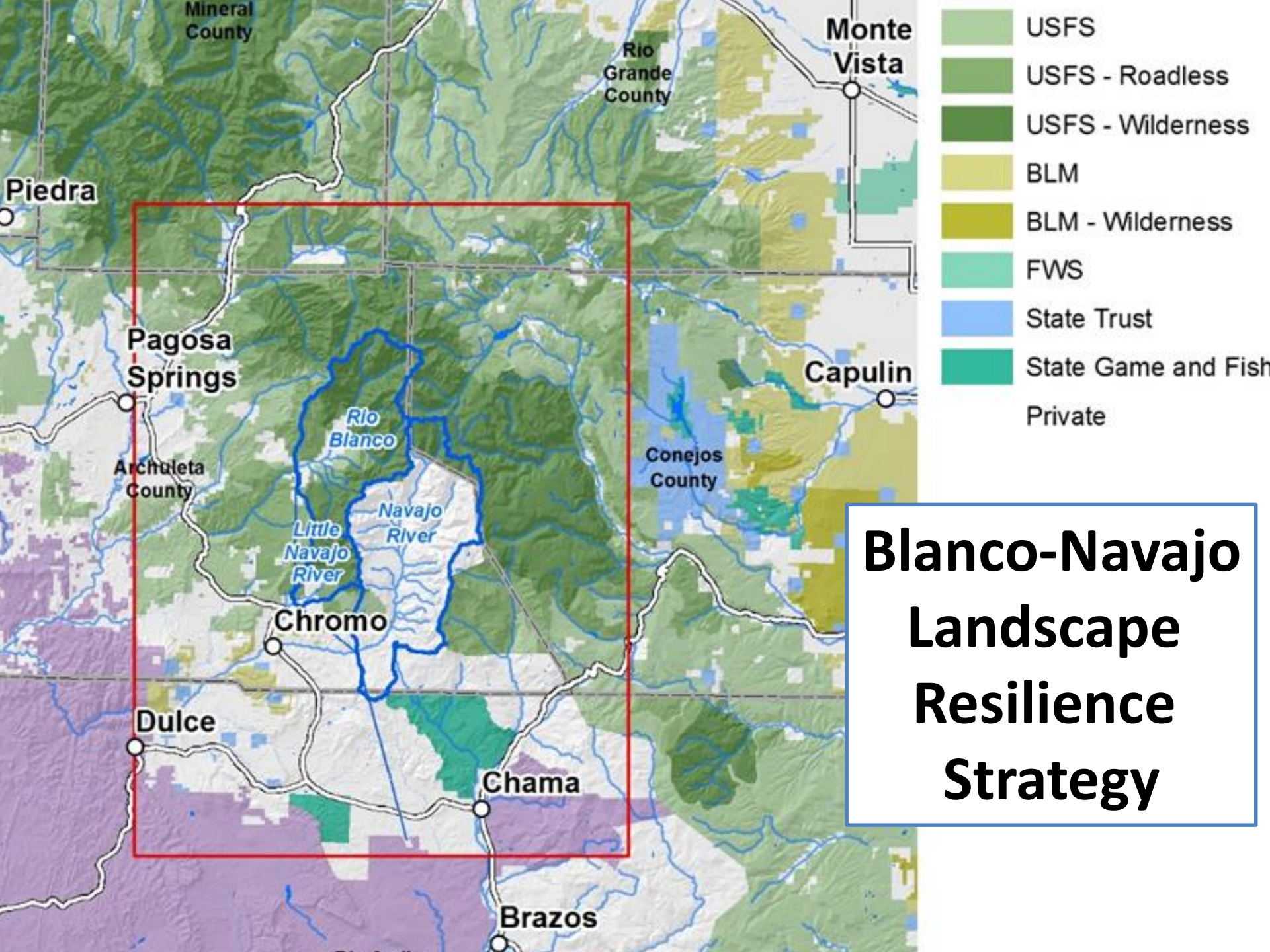


Bohannon & Huston



PRESBYTERIAN

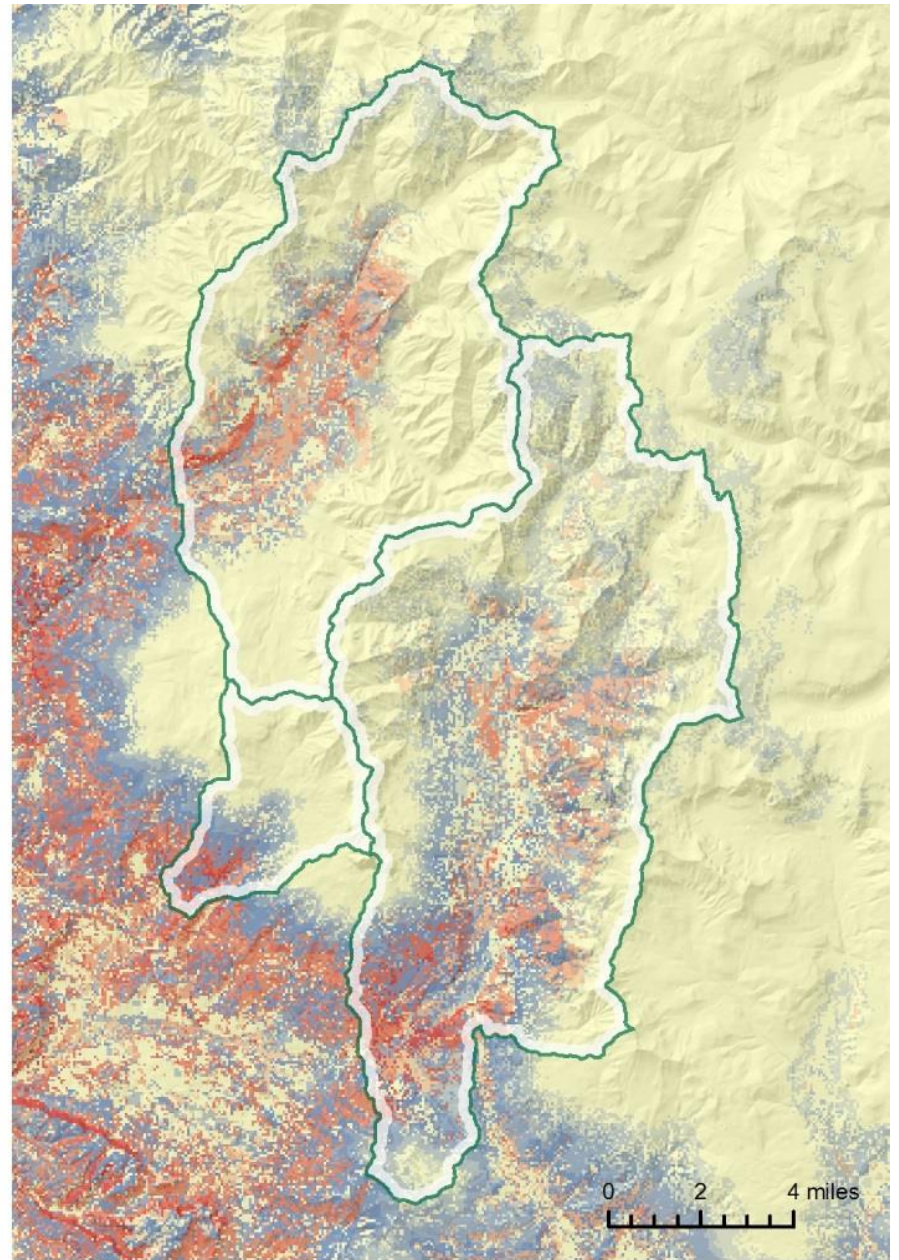




Blanco-Navajo Landscape Resilience Strategy

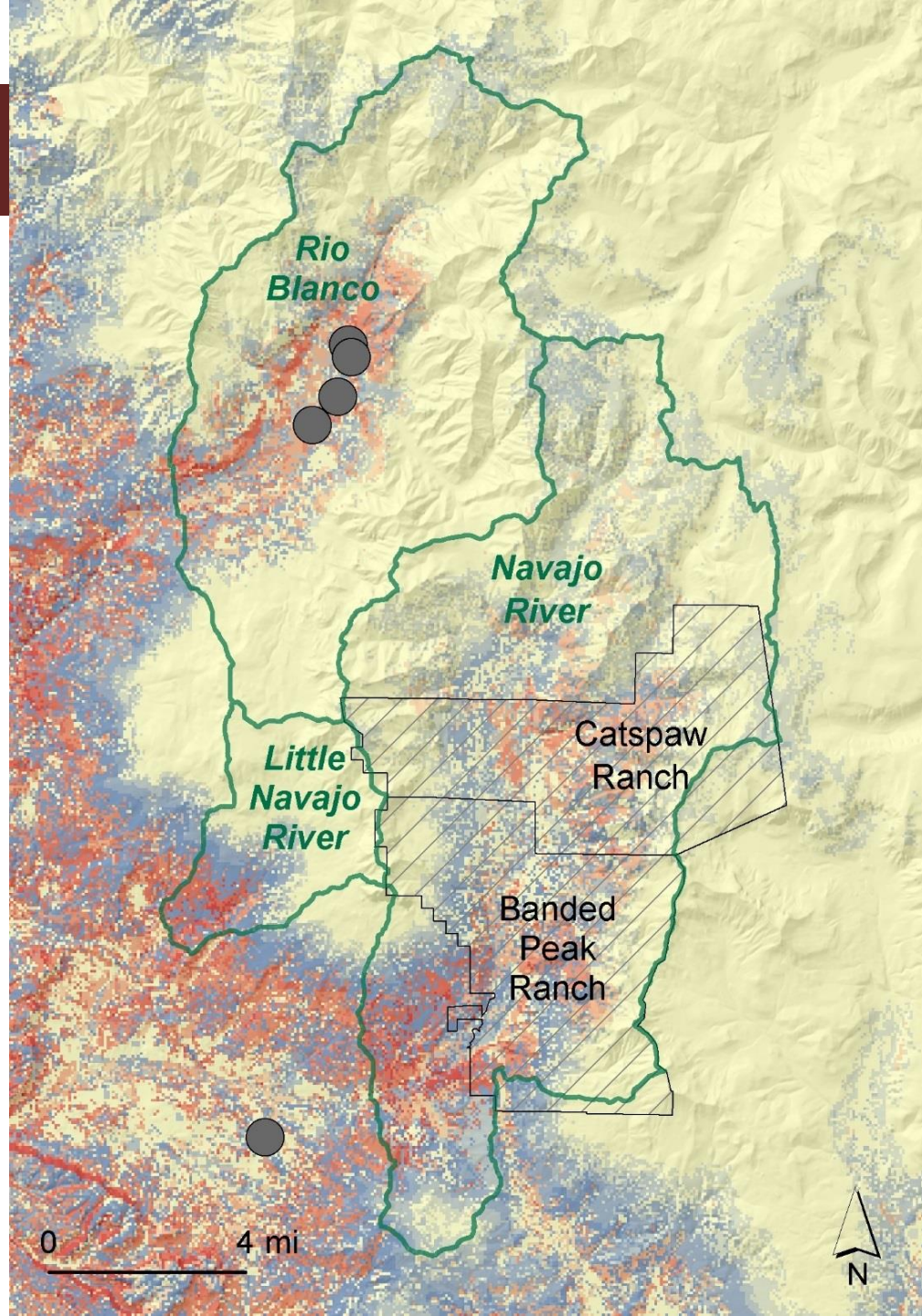


Susceptibility to fire



Relative fire risk

FY 2018 Blanco- Navajo Watershed Investment Projects



FY 2018 BLANCO AND NAVAJO TREATMENTS

Ranch	Location	Thinning Acres	Rx Fire Acres	FY18 Request	FY18 Match	Leveraged Investment
Rio Blanco Ranch	Blanco Basin	90	100	\$95,000	\$20,000	\$290,000
Lucky Dog Ranch	Blanco Basin	30	0	\$30,000	\$15,000	\$30,000
Logjam Ranch	Blanco Basin	10	0	\$10,000	\$5,000	\$25,000
BP and Catspaw Ranches	Navajo Basin	100	200	\$150,000	\$25,000	\$400,000
Shahan Ranch	Navajo Basin	30	0	\$30,000	\$5,000	\$5,000
Cook's Cabin	Blanco Basin	7	0	\$10,000	\$5,000	\$25,000
TOTAL		267	300	\$325,000	\$75,000	\$775,000
Project Management	10%			\$32,500	\$32,500	\$100,000
Monitoring	10%			\$32,500	\$16,250	\$100,000
TOTAL				\$390,000	\$123,750	\$975,000

RIO GRANDE
WATER FUND
A Wildfire and Water Source
Protection Project

Protect and Restore Watersheds



Water 2120, Subpolicy 4 of Policy J: “The Authority shall work collaboratively and provide funding to protect and restore watersheds of the San Juan- Chama and Rio Grande.”

- The Water Authority will enter into a Memorandum of Agreement with The Nature Conservancy to provide \$200,000 of funding each year to the Rio Grande Water Fund for up to five years
- The Water Authority will participate in Rio Grande Water Fund stakeholder activities and as a member of the Executive Board



Meeting Date: March 22, 2017

Staff Contact: Frank Roth, Senior Policy Manager

TITLE: C-17-4 – FY17 Second Quarter Performance Indicator Report**ACTION: Receipt be Noted****SUMMARY:**

The Second Quarter Performance Report provides a snapshot utility performance. The categories reflect key areas of stakeholder interest and are not broken down by Division or according to Goals and Objectives. The Scorecard Indicators are developed through benchmarking and performance assessments to identify performance gaps and to establish targets to address the gaps. The Scorecard Indicators are linked to the Performance Plan measures, Customer Opinion Survey responses, and Effective Utility Management attribute measures. The purpose of this report is to provide a one-page snapshot of the utility's performance so that stakeholders can easily gauge how the utility is performing in these key areas.

The report identifies the fiscal year-to-date performance compared to the established target. A status of each indicator is provided in three categories: target achieved, work in progress, or target not met. Below is a summary status of the 23 Scorecard Indicators.

Summary Status

On Target / Target Achieved	Work in Progress / Below Target	Target Not Met
14 of 23	9 of 23	0 of 23

FISCAL IMPACT:

None

Quarterly Performance Indicators FY17 2nd Quarter Scorecard

Area	Indicator	FY17 2Q Actual	FY17 Target	Status
Customer Service	Wait Time (minutes)	1:38	< 2 minutes	▲
	Contact Time (minutes)	4:08	< 4 minutes	■
	Abandoned Call Ratio	5%	<8%	▲
	First Call Resolution	89%	> 90%	■
	Bill Exception Rate (per 10,000 Bills)	10	< 10	■
	Water Quality Complaints Rate (per 1,000 customers)	3	< 3	■
Operational Maintenance	Estimated Meters	0.2%	< 1%	▲
	Facility Planned Maintenance Ratios	68% ground water 66% surface water 69% water reclamation	65% ground water 50% surface water 50% water reclamation	▲
	Leak Detection Leaks Located / GPY Water Loss Reduction	396 miles surveyed 1,731 miles monitored 38 leaks found 74 MGY water loss reduced	650 miles surveyed 2,200 miles monitored > 80 leaks found 105 MGY water loss reduced	▲
	Miles of Small Diameter Sewer Line Cleaned	225	Between 500 to 600 miles	■
	Miles of Sewer Line Televised	18	> 99.6 miles	■
Environment	% of Biosolids to Compost	26%	> 30%	■
	Water Consumption Goal	6.8 BGY GW 9.5 BGY SW	< 18 BGY GW > 16 BGY SW	▲
	Renewable Energy	19% Bio Gas 6% Solar	20% Bio Gas 5% Solar	■
Compliance	Reported Overflows	14	< 45	▲
	Number of Permit Excursions	2	<= 5	▲
	Sewer Use/Wastewater Control Ordinance Compliance	87% Permitted Industrial Users 90% Food Service Est. 99% Dental Offices	87% Permitted Industrial Users 87% Food Service Est. 87% Dental Office	▲
Finance	Rehabilitation Spending	\$80 million	\$50 million	▲
	CIP Emergency vs. Planned Spending	90% Planned 10% Emergency	54% Planned 46% Emergency	▲
	Cash Reserves (Days)	273 days	Between 90-179 days	▲
	Revenue to Expenditures	102%	> 100%	▲
	Expenditures to Budget	104%	< 100%	■
Safety	Injury Time	1,220 hours	< 2,700 hours	▲

Performance Key

▲
On Target/Target Achieved

■
Work in Progress / Below Target

▼
Target Not Met



Meeting Date: March 22, 2017
Staff Contact: Stan Allred, Chief Financial Officer

TITLE: C-17-7 – FY2017 2nd 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 December 31, 2016. The reports provide a year to date comparison between the approved FY17 budget and actual expenditures through December 31st. The reports also include revenue and expenditure projections to June 30, 2017. The projections are based on actual, trend, and historical information. As with any estimates, this information is subject to change. The reports have been reviewed by the Internal Auditor and the Water Authority Audit Committee.

Fund 21 General Operating Fund

Revenues:

Second Quarter rate revenues are \$3.3 million above the actuals for the same period in FY16. This revenue increase includes increased revenue from water sales of \$2.66 million, and sewer revenue \$650 thousand. The FY17 rate revenues are up from the FY16 revenues for the same time period due to an increase in water consumption during this period. Revenues are projected to be \$1.5 million above the FY17 projected budgeted amount. This projection is based upon five months of actual consumption and is subject to change.

Second Quarter other revenue which includes miscellaneous revenue is \$649 thousand above the actuals for the same period in FY16. Approved budget revenues amounts were derived with the expectation of very limited growth in the service area for the next several years coupled with a GCPD level of 130.

Expenditures:

Second Quarter total expenditures are \$4.59 million above the actuals for the same period in FY16. This increase is mainly due to the increase in power and chemicals of \$0.60 million, increase in the transfer for both Debt Service and Capital payments of \$1.89 million, and increases in salaries and operating expenditures in all divisions due to increases approved in the FY17 budget. It is expected based upon projections for chemical use both for odor control and the ramp up of production at the Water

Treatment Plant that a budget amendment is needed to appropriate an additional \$1.5 million for Chemicals for FY17. The projected expenditure at June 30, 2017, is estimated to be \$0.25 million under the FY17 budgeted amounts but this amount will change with the proposed budget amendment.

Working capital or fund balance is projected to be \$13.5 million, compared to a beginning balance in FY17 of \$6.4 million. The fund balance trend has reversed as planned and will eventually meet the target of 1/12 of operating expenditures.

FISCAL IMPACT:

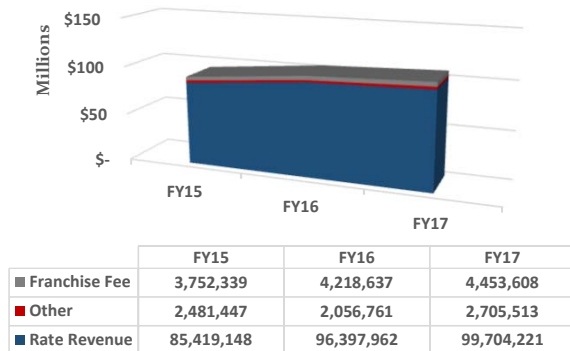
The reduction in consumption is a positive result for conservation goals, however, the costs of maintaining the utility are primarily fixed in nature and the revenue requirements for operating, debt service payments, reserves, and debt service coverage must be met. Consumption levels will continue to be monitored to ensure proper revenue levels are achieved.

Due to increases in projections for chemicals used for Odor Control and Treatment of Water at the Surface Water Treatment Plant a budget amendment is needed to increase the appropriation for chemicals by \$1.5 million.

The Water Authority will continue to control operating expenditures to offset any reductions in Revenue. The Water Authority also continues to add an additional \$2 million a year to the Rate Reserve. The balance for this reserve is now at \$8 million and reserved by policy for revenue fluctuations due to decreased consumption in any given year.

FY17 - 2nd Quarter Water Authority Financial Dashboard

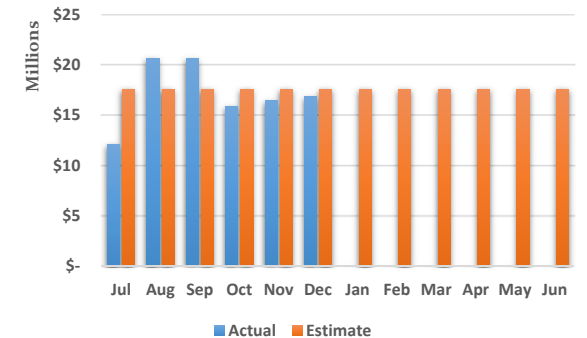
YTD General Fund Revenue by Type



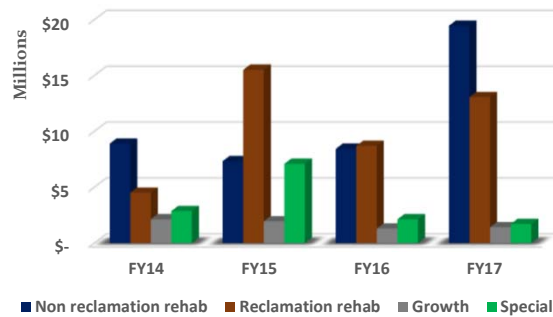
YTD General Fund Expenditures by Type



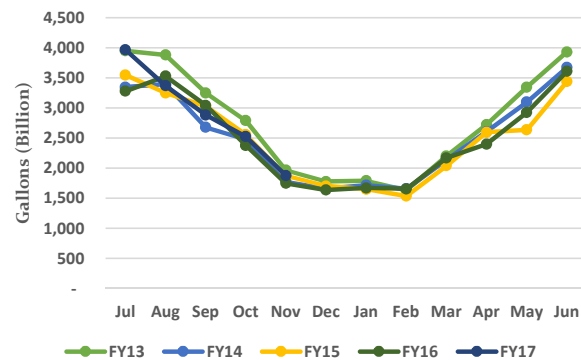
FY17 General Fund Expenditures Compared to Estimate



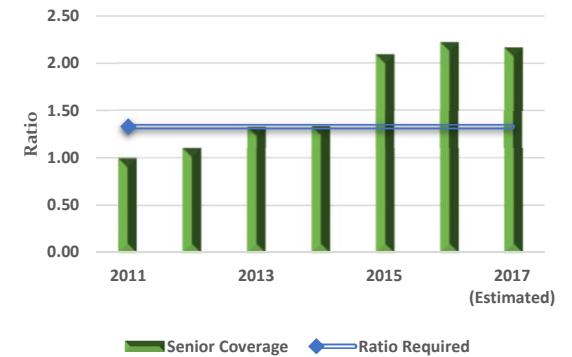
YTD Decade Plan Expenditures by Category for 2nd Qtr



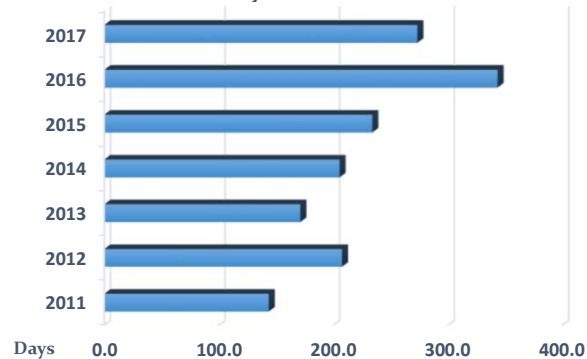
Consumption & Water Use Production



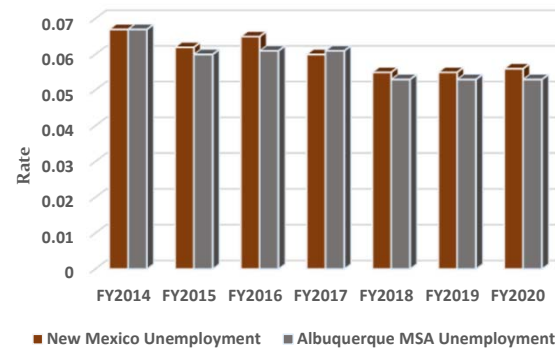
Debt Coverage Ratio



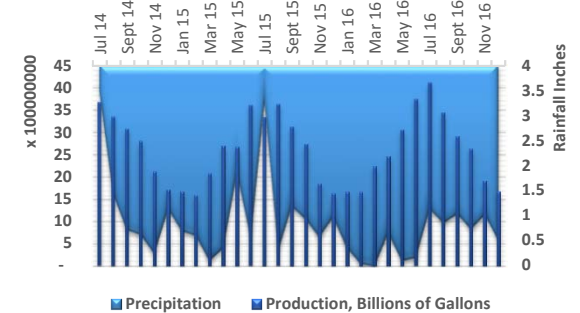
Days Cash on Hand



Unemployment Forecast



Production / Precipitation 2014-2016





Meeting Date: March 22, 2017
Staff Contact: Rick Shean, Water Quality Hydrologist

TITLE: OB-17-2 – Status Update for the Kirtland Air Force Base Bulk Fuels Facility Fuel Leak Corrective Action Activities

SUMMARY:

The New Mexico Environment Department (NMED) released their “2017 Strategic Plan” for the Kirtland Air Force Base (KAFB) Bulk Fuels Facility (BFF) Leak earlier this year, incorporating three strategies to protect the Water Authority’s drinking water supply in the area of the contamination plume. The strategies include implementing a robust monitoring and wellhead protection program, deploying multiple cleanup strategies simultaneously and sequentially, and to meet or exceed all requirements for public involvement.

The Air Force and NMED recently announced that “capture” of the dissolved phase EDB plume has been demonstrated through water-level and plume concentration data collected during 2016. AFCEC’s contractor, EA Engineering, performed an evaluation on the data following a U.S. Environmental Protection Agency protocol for capture data analyses, concluding that the existing capture wells are effectively influencing the EDB plume to move toward the extraction wells and away from the Water Authority’s production wells. This is despite the forced temporary shut-down of one of the extraction wells due to biofouling. As of mid-March, over 150 million gallons of EDB contaminated water have been treated through the groundwater treatment facility (GWTS).

Also, an additional extraction well will be made operational this year, making a total of four operating cleanup wells sending water to the recently expanded GWTS for treatment. Additional interim measures will be implemented this year that will address the concentrated contamination below the source of the leak, including an in situ biodegradation pilot test of the remediation of EDB in the light nonaqueous phase plume below KAFB, and bioventing that will address the residual fuel in the vadose zone.

In addition, the U.S. Air Force Civil Engineering Center (AFCEC) and Kirtland Air Force Base (KAFB) recently submitted a Resource Conservation and Recovery Act (RCRA) Facility Investigation Report, or RFI, to NMED for approval. The RFI, outlines the nature and extent of the contamination at the KAFB BFF Site, will be followed by a RFI addendum to be submitted in 2018. Approval of the RFI and Addendum, if granted by NMED, will transition the corrective action activities to a “Corrective Measures Evaluation” Phase.

FISCAL IMPACT:

None

Kirtland Air Force Base Fuel Leak Cleanup

Presenters: Diane Agnew, NMED
Kathryn Lynnes, Air Force



**WUA Governing Board
Project Update
March 22, 2017**



A Partnership for Success

A collaborative technical team is solving the complex hydrogeologic and engineering challenges posed by the fuel leak with support from Albuquerque's neighborhood groups



**Westside Coalition
Neighborhood Assoc.**



Sundance
Consulting Inc.



US Army Corps of Engineers



**Siesta Hills
Neighborhood Assoc.**

**ABQ City Council
District 6 Coalition of
Neighborhood Assocs.**



**Elder Homestead
Neighborhood Assoc.**



Christ United Methodist Church

HAWLEY GEOMATTERS

Thomson and Associates

**Citizen Action
New Mexico**

2016 Strategic Plan

New Mexico Environment Department (NMED) Final 2016 Strategic Plan is available online (www.env.nm.gov/kafbfuelplume/kafb-fuel-plume-documents/)

Goal: Protect Albuquerque's aquifer and drinking water supply wells in the area of the fuel leak

Strategies to Achieve the Goal:

1. Implement a robust site monitoring & wellhead protection program
2. Characterize and remediate Light Non-Aqueous Phase Liquid (LNAPL), impacted soil, and associated dissolved phases in the source area
3. Collapse the dissolved ethylene dibromide (EDB) plume
4. Meet or exceed all requirements for providing public comment, information and involvement

2016 Strategic Plan Highlights

Strategy #1 Highlights:

- Quarterly monitoring of monitoring well network shows a relatively stable plume
- Sentinel wells show no detections of EDB
- Monthly testing of drinking water supply wells show no detections of any EDB

Strategy #2 Highlights:

- Work plan approval of LNAPL interim measure for in situ bioremediation
- Working group discussions to evaluate data and scope 2017 pilot tests and LNAPL continuous coring locations

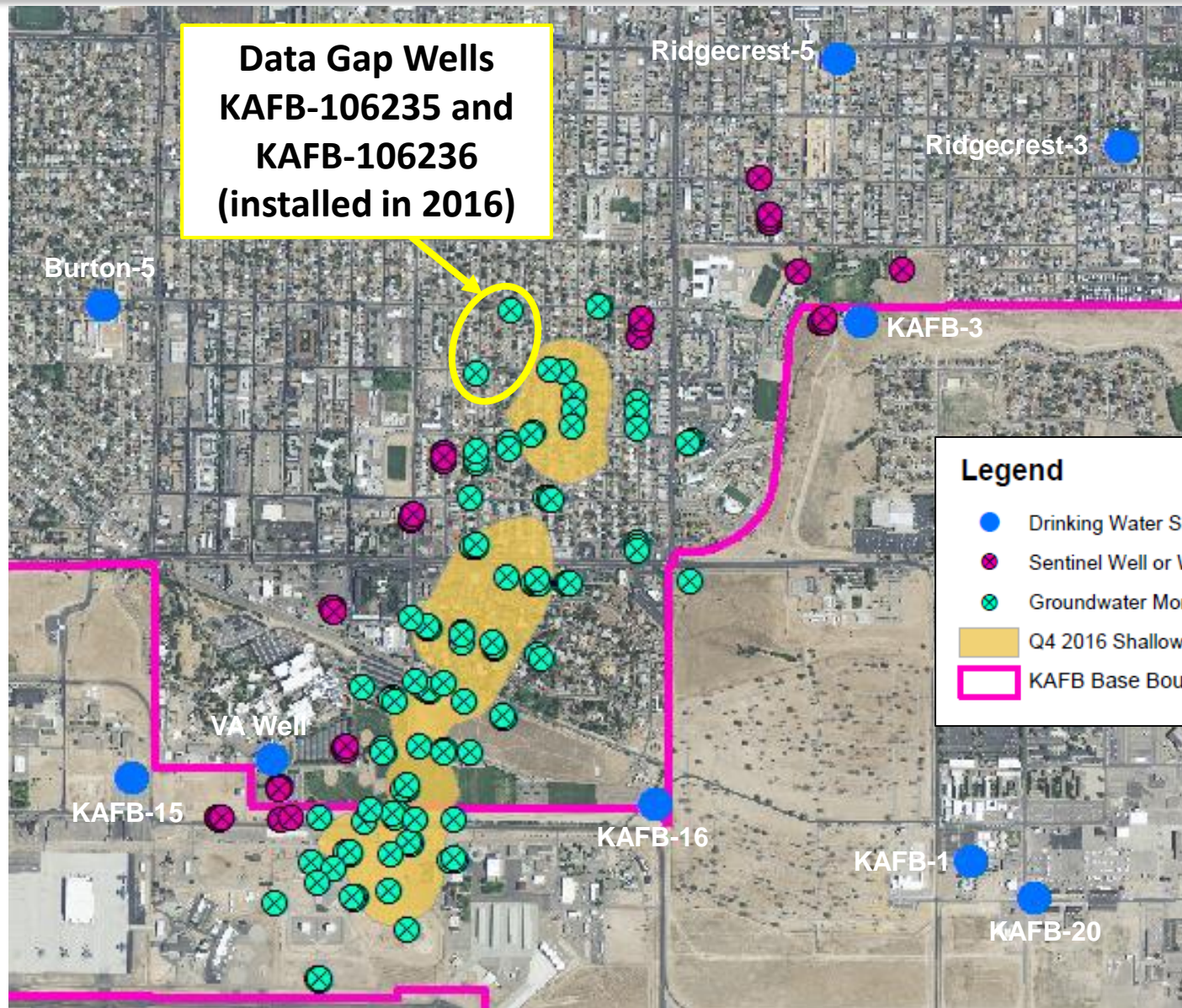
Strategy #3 Highlights:

- Treated groundwater contains no detectable fuel constituents
- Expanded groundwater treatment system (GWTS) capacity to 800 gallons per minute (gpm)
- 2-3 extraction wells operational throughout 2016

Strategy #4 Highlights:

- NMED and the Air Force conducted a total of 20 presentations or outreach events

Site Monitoring & Wellhead Protection

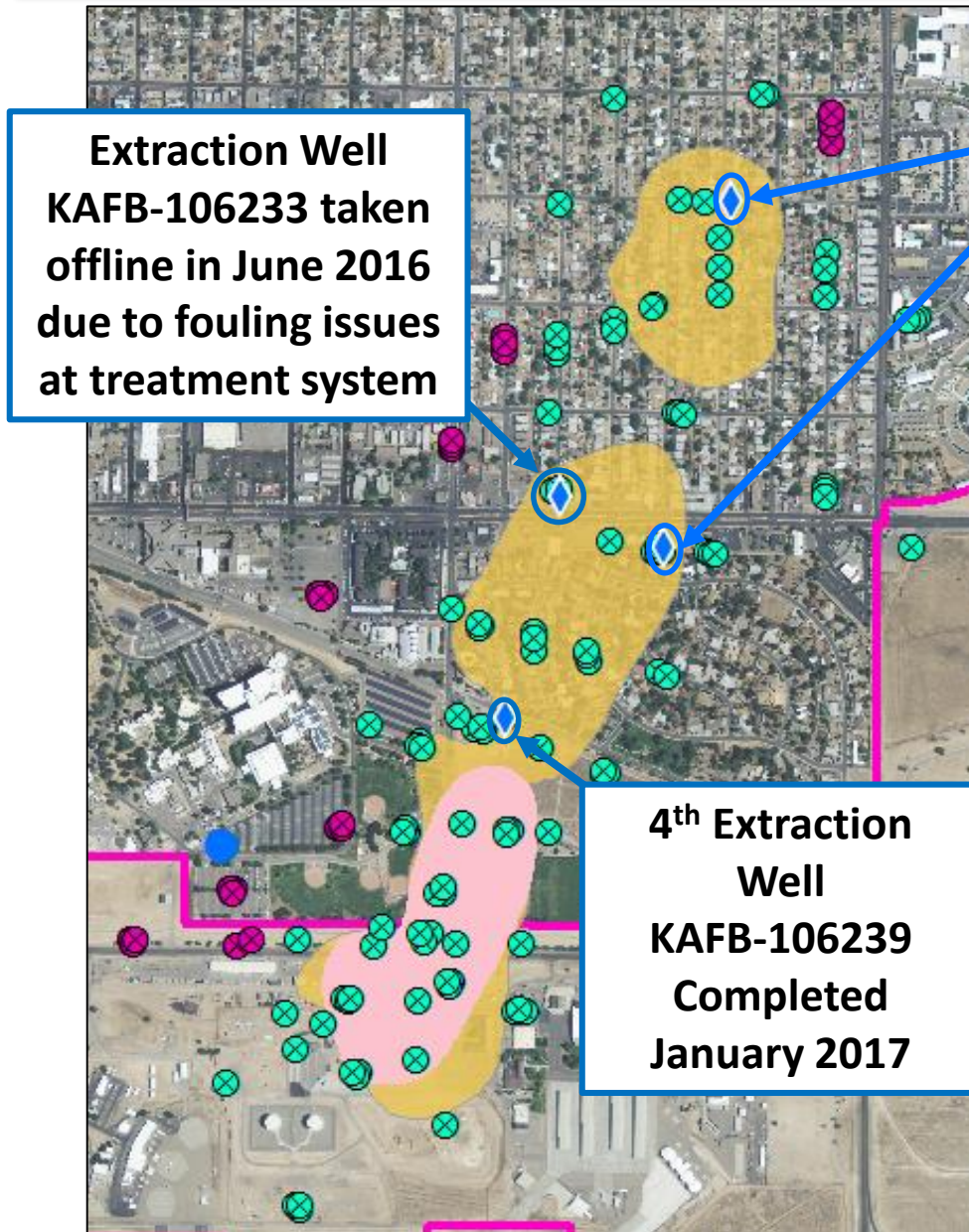


EDB Plume Data Gap Wells

- Installed two data gap groundwater monitoring wells nests
- Nested well design provides:
 - Better vertical definition
 - Reduced impact to neighborhoods
 - Installation of “contingency well” to account for continued rising water table
- 1st samples collected January 2017; no EDB was detected



EDB Plume Collapse

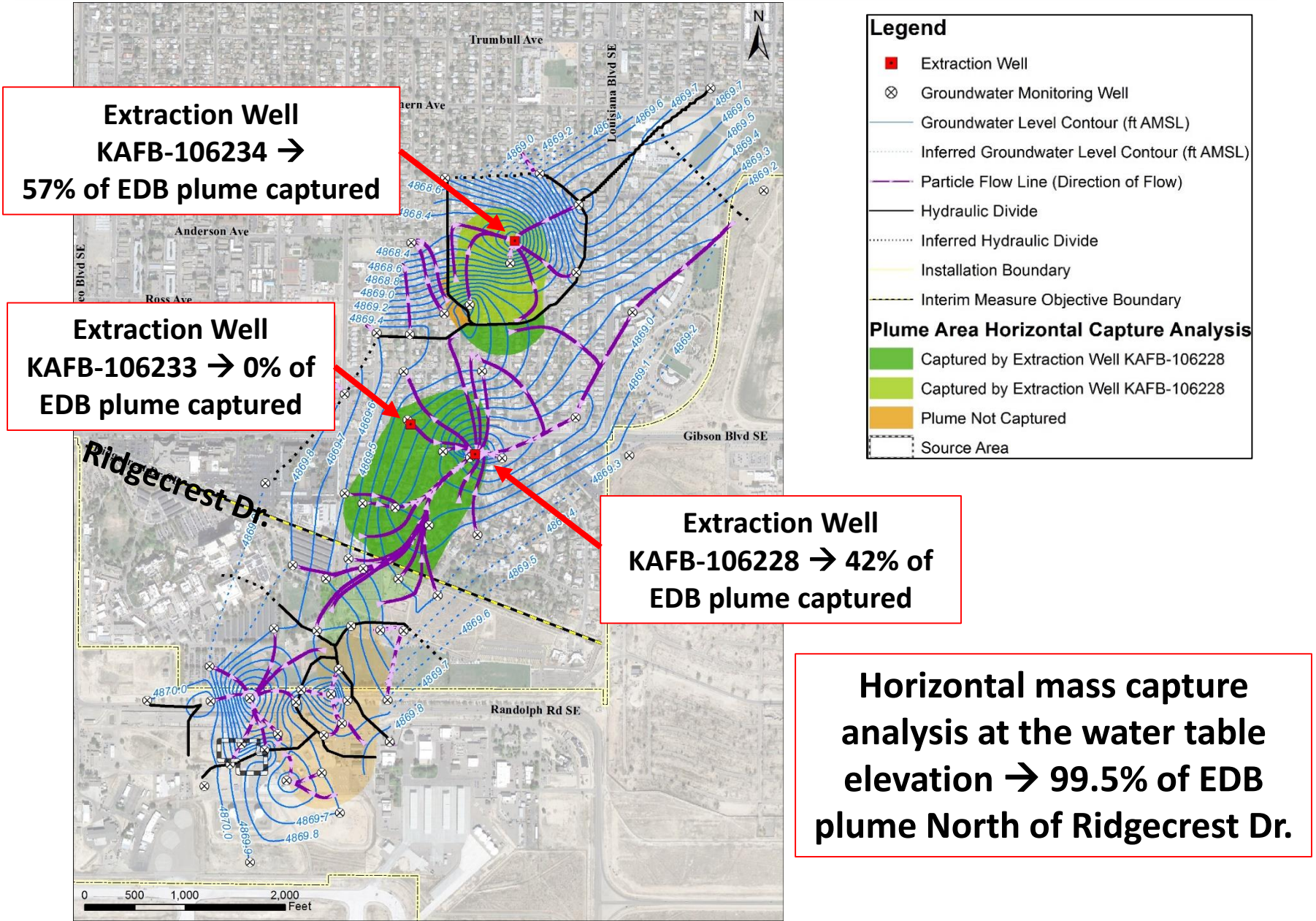


- 2 extraction wells operational – total rate of 300 gpm
- 151.7 million gallons of groundwater has been treated, with 48.4 grams of EDB removed

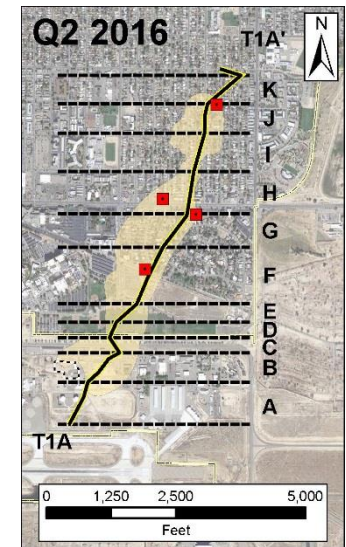
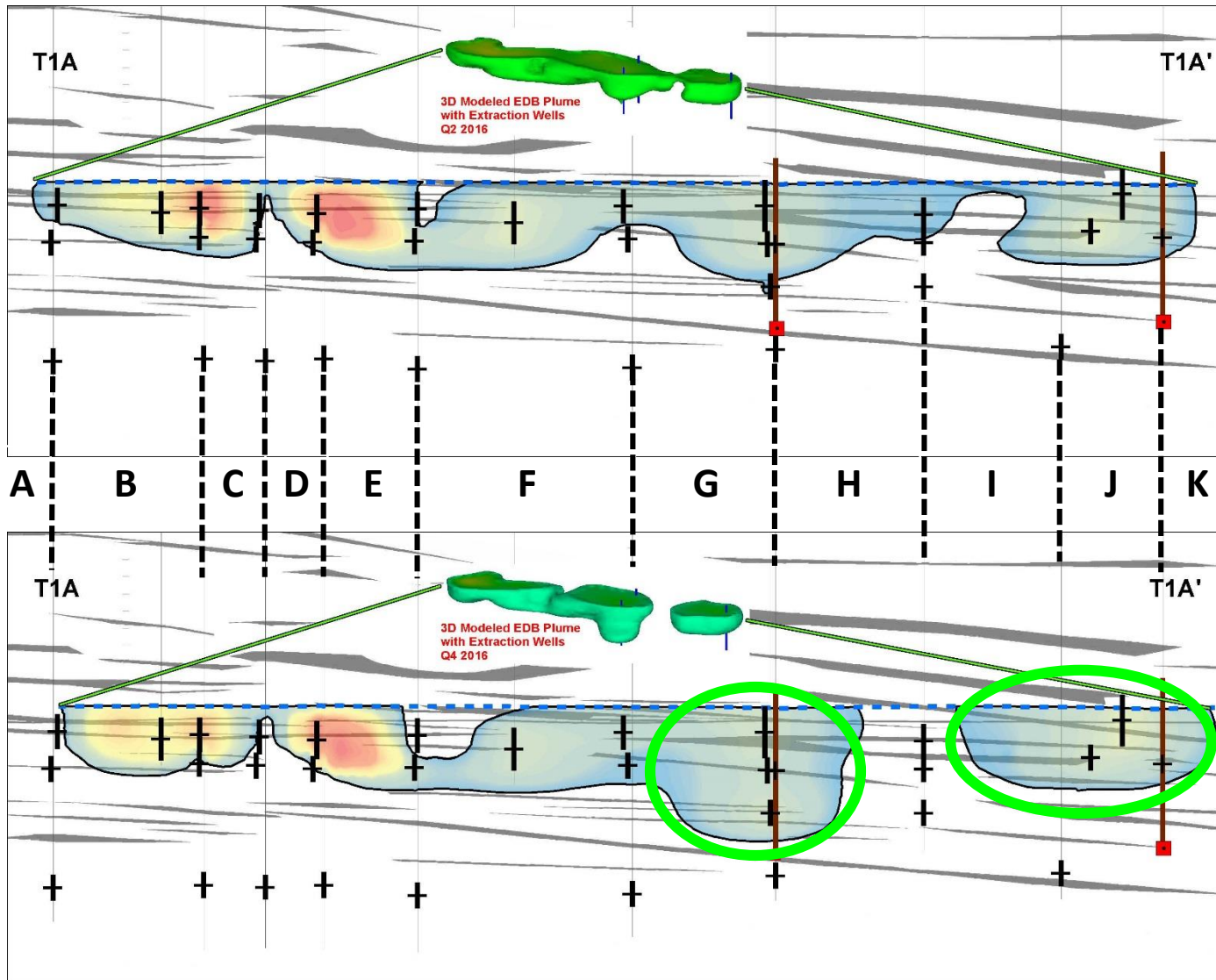
Legend

- Drinking Water Supply Well
- Sentinel Well or Well Nest
- Groundwater Monitoring Well
- ◆ Extraction Well
- Q4 2016 Shallow Benzene Plume Footprint
- Q4 2016 Shallow EDB Plume Footprint
- KAFB Base Boundary

Plume Capture Update



Plume Reduction Analysis



Data Demonstrates

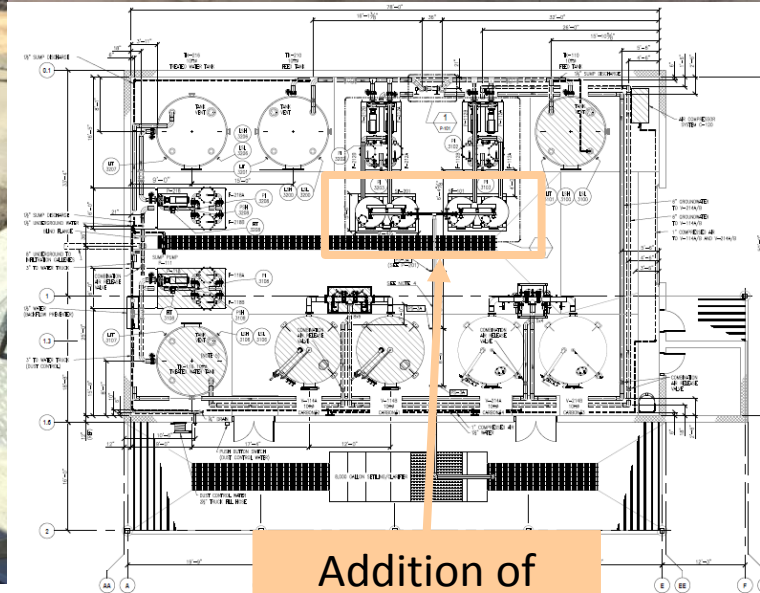
- EDB mass is moving towards extraction wells
- Increased mass concentrations at extraction wells

GWTS Expansion

2 New 20,000 pound granular activated carbon (GAC) Tanks added



Sacrificial anode added to extraction wells to prevent corrosion



Addition of
Sand Filters
Pre-Treatment

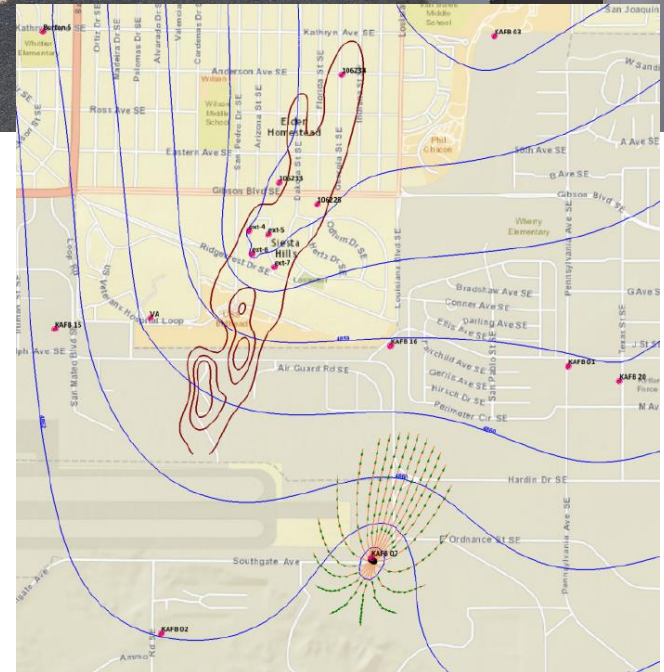


What's next for EDB Plume Collapse?

- Rehabilitate and redevelop extraction well KAFB-106233 on California St./Gibson Blvd.
- Design and construct conveyance pipeline from new extraction well KAFB-106239 on Ridgecrest Dr. to GWTS
- Operate GWTS with all 4 extraction wells
- Continue plume capture evaluation through tracking multiple lines of evidence which will feedback to GWTS operations

KAFB-7 Injection Pilot Test

- Pilot test gravity-fed injection at KAFB-7 from February 20 thru June 21, 2016
- No contaminants in treated effluent
- Initial vs. steady-state operations during injection
 - Groundwater rose with injection into KAFB-7
 - 2-14 feet vs 3-6 feet
- Minimal aquifer response to observation wells surrounding KAFB-7



UIC Discharge Permit

- Air Force has applied for a Class V Underground Injection Control (UIC) discharge permit from the NMED Ground Water Quality Bureau (GWQB) for KAFB-7 and up to four additional UIC wells
- Draft permit was out for public comment which ended on February 13, 2017 for 90-day public comment period
- Revised draft permit was streamlined and re-posted on March 3, 2017 for a additional 30-day public comment period
- Air Force is currently discharging to KAFB-7 under a Temporary Permission issued by the NMED GWQB

RFI Report

Air Force officially submitted the RFI Report on January 31, 2017:

- Describes nature and extent of contamination in the soil and groundwater
- Provides a comprehensive evaluation of site data from discovered release 1999 to December 2015
- Follows regulatory process to define nature and extent
- Presents data based on media (soil, vapor, and groundwater)
- Presents the conceptual site model (CSM) showing the fate and transport of contamination through media

RFI Key Findings

- Fuel contamination nature and extent has been defined for soil, soil vapor, and groundwater
- Underground pipelines associated with former offloading rack were the sources of the jet fuel release
- Data gaps that need to be resolved
 - EDB dissolved-phase plume delineation in the northwest toe of the plume
 - Vertical extent of the LNAPL

RFI Path Forward

- RFI Addendum Report expected 2018 to include:
 - Data from recently installed data gap groundwater monitoring wells
 - Continuous cores from source area to fill LNAPL data gap
- Risk assessment to be submitted as a separate document

2017 Strategic Plan

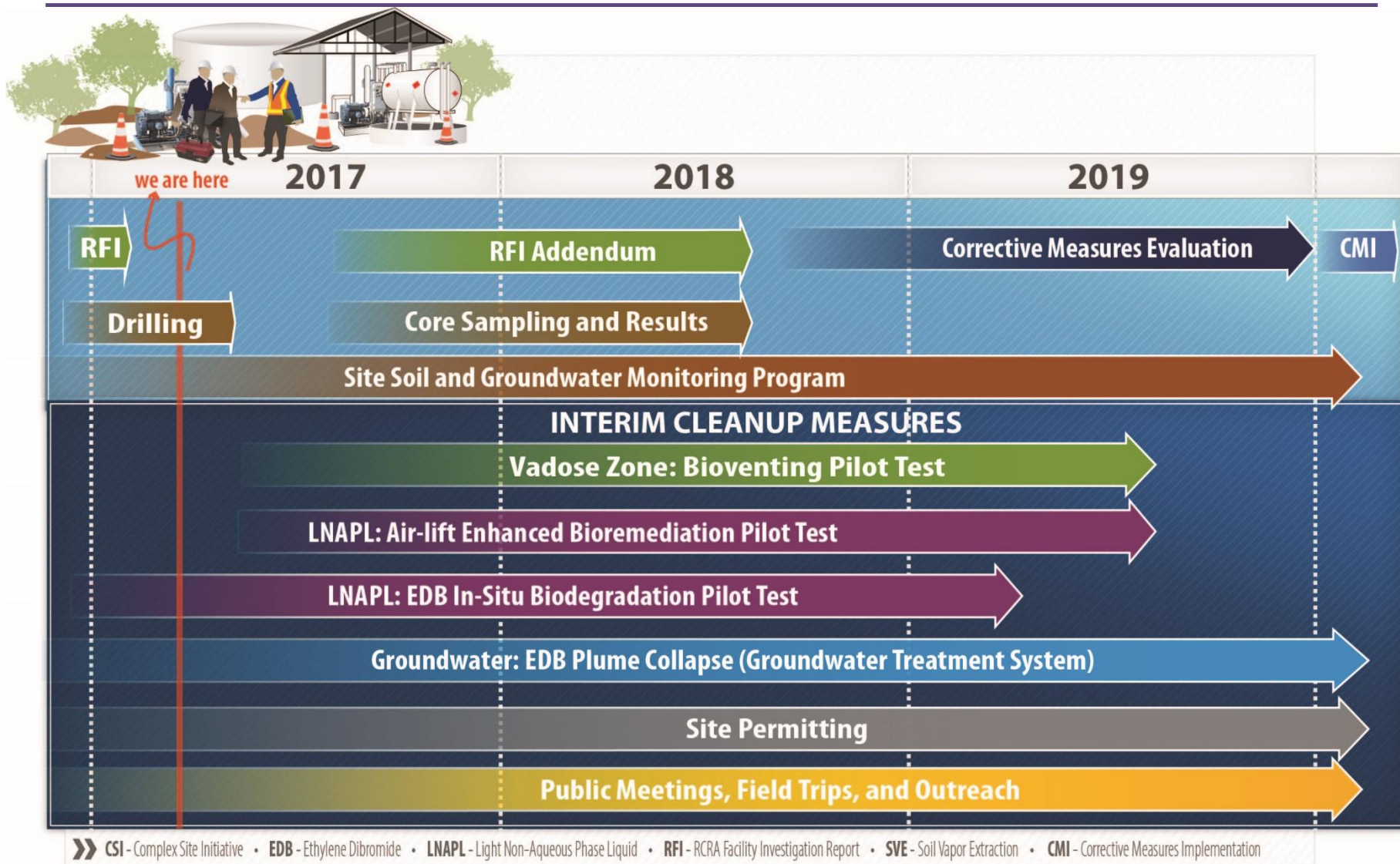
NMED Final 2017 Strategic Plan will be posted by the end March 2017 with comments received (www.env.nm.gov/kafbfuelplume)

Goal: Protect Albuquerque's aquifer and drinking water supply wells in the area of the fuel leak

Strategies to Achieve the Goal:

1. Implement a robust site monitoring & wellhead protection program
2. Deploy multiple cleanup strategies, both simultaneously and sequentially, to cleanup soil and groundwater
3. Meet or exceed all requirements for providing public comment, information and involvement

Current Project Timeline



What to expect in 2017?

- Continue monitoring soil vapor, groundwater, and drinking water supply wells including rising water levels
- Continue operations of the GWTS
- Obtain continuous cores from source area to address LNAPL data gaps
- Construct EDB in situ bioremediation pilot test
- Design and implement bioventing pilot test to target residual fuel hot spots in vadose zone
- Design and implement air-lift enhanced bioremediation pilot test
- Continued public outreach at public meetings, and with neighborhood associations and various community groups

QUESTIONS?

Field Trips



Well installation in neighborhoods



Source Area Cleanup



GWTS Operation & Expansion



March Water Report



- April Forecast for Spring Runoff
 - Runoff – mostly > 100% of normal (Rio Chama 140%)
 - Flood Operations beginning at Abiquiu Reservoir
 - Peak flow estimated at 5,000 cfs in MRG reach
- Rio Grande Compact Compliance
 - Debit in 2016 – Article VIII
 - Article VII - <400,000 acre-feet in EB
- Drinking Water Project Operations
 - 2016 – 65% Surface Water/35% Groundwater
 - Large sediment loads – flood operations
 - Annual Operating Plan – April 2017