



# Albuquerque Bernalillo County Water Utility Authority

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

## Agenda

*Councilor Trudy E. Jones, Chair*  
*Commissioner Debbie O'Malley, Vice-Chair*  
*Mayor Timothy M. Keller*  
*Commissioner Maggie Hart Stebbins*  
*Councilor Klarissa J. Peña*  
*Commissioner Steven Michael Quezada*  
*Councilor Ken Sanchez*  
*Trustee Pablo Rael*

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Wednesday, February 27, 2019

5:00 PM

Vincent E. Griego Chambers

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1. **CALL TO ORDER**
2. **INVOCATION/PLEDGE OF ALLEGIANCE**
3. **APPROVAL OF MINUTES - January 30, 2019**
4. **PROCLAMATIONS AND AWARDS**
5. **PUBLIC COMMENT**
6. **ANNOUNCEMENTS/COMMUNICATIONS**
- A. **Next Scheduled Meeting – March 20, 2019 at 5:00 PM**
7. **INTRODUCTION (FIRST READING) OF LEGISLATION**
  - A. [O-19-1](#) Authorizing the Execution and Delivery of a Loan and Subsidy Agreement ("Loan Agreement") by and Between the Albuquerque Bernalillo County Water Utility Authority ("The Water Authority") and the New Mexico Finance Authority, Evidencing a Special Limited Obligation for the Water Authority to Pay a Principal Amount of No More than Two Million Seven Hundred Twenty-Four Thousand Two Hundred Eighty-Two Dollars (\$2,724,282), Together with Interest, Costs of Issuance and Administrative Fees Thereon, and To Accept A Loan Subsidy of No More Than Seven Hundred Five Thousand Seven Hundred Ninety-Nine Dollars (\$705,799), For the Purpose of Financing the Costs of Extending and Improving the Water Infrastructure System To The Los Padillas Community As Part of The South Valley Water Project, Including, Acquisition and Installation of Water Distribution Lines; Providing For The Pledge and Payment of The Principal, Interest and Administrative Fees Due Under The Loan Agreement Solely From Net Revenues; Setting a Maximum Interest Rate

For The Loan; Approving The Form of And Other Details Concerning The Loan Agreement; Ratifying Actions Heretofore Taken; Repealing All Action Inconsistent With This Ordinance; and Authorizing The Taking of Other Actions in Connection With The Execution and Delivery of The Loan Agreement

- B. [R-19-4](#) Confirming Approval of the Execution and Delivery of a Loan and Subsidy Agreement (the "Loan Agreement") By And Between The Albuquerque Bernalillo County Water Utility Authority (the "Water Authority") And the New Mexico Finance Authority Evidencing a Special Limited Obligation of the Water Authority to Pay a Principal Amount of No More Than Two Million Seven Hundred Twenty-Four Thousand Two Hundred Eight-Two Dollars (\$2,724,282), Together With Interest, Costs of Issuance and Administrative Fees Thereon, and to Accept a Loan Subsidy of No More Than Seven Hundred Five Thousand Seven Hundred Ninety-Nine Dollars (\$705,799); and Ratifying Action Previously Taken in Connection Therewith

## 8. **CONSENT AGENDA**

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

- A. [C-19-6](#) Approval of Contract with Daniel B. Stephens and Associates, John Shomaker and Associates, Hazen and Sawyer, Tetrattech and Intera (the Vendors) for water resources on call services
- B. [C-19-7](#) Approval of Contract with Elite Energy Services for Reciprocating Engine Major Overhauls and Repairs
- C. [C-19-8](#) Approving Recommendation of Award, P2019000002, Pavement Cut Repair Services
- D. [C-19-9](#) Approval of Contract with Judith L. Durzo, Attorney at Law, The Greaser Law Firm LLC, and Ripley B. Harwood, P.C. for personnel hearing officer services

## 9. **APPROVALS**

- A. [R-19-1](#) Amendment to the Approved Operating Budget of the Albuquerque Bernalillo County Water Utility Authority for the Fiscal Year Ending June 30, 2019
- B. [C-19-3](#) Approving Service Connection Agreement for Water and Sewer Service with Coronado Park, LTD. at 8401 Pan American FWY NE
- C. [C-19-10](#) FY2019 2nd Quarter Operating Financial Reports

## 10. **OTHER BUSINESS**

- A. [OB-19-4](#) Water Conservation Update
  - B. [OB-19-5](#) 2018 Update to the WQPPAP - the Rivers and Aquifers Protection Plan
  - C. [OB-19-6](#) Governance Study
11. **ADJOURNMENT**

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

NOTICE TO PERSONS WITH DISABILITIES: If you have a disability and require special assistance to participate in this meeting, please contact the Authority Office as soon as possible before the meeting date at 289-3100 or by the TTY at 1-800-659-8331.

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Meeting Date: February 27, 2018  
Staff Contact: Stan Allred, Chief Financial Officer

**TITLE: O-19-1 – Authorizing the Execution and Delivery of a Loan and Subsidy Agreement (“Loan Agreement”) by and Between the Albuquerque Bernalillo County Water Utility Authority (“The Water Authority”) and the New Mexico Finance Authority, Evidencing a Special Limited Obligation for the Water Authority to Pay a Principal Amount of No More than Two Million Seven Hundred Twenty-Four Thousand Two Hundred Eighty-Two Dollars (\$2,724,282), Together with Interest, Costs of Issuance and Administrative Fees Thereon, and To Accept A Loan Subsidy of No More Than Seven Hundred Five Thousand Seven Hundred Ninety-Nine Dollars (\$705,799), For the Purpose of Financing the Costs of Extending and Improving the Water Infrastructure System To The Los Padillas Community As Part of The South Valley Water Project, Including, Acquisition and Installation of Water Distribution Lines; Providing For The Pledge and Payment of The Principal, Interest and Administrative Fees Due Under The Loan Agreement Solely From Net Revenues; Setting a Maximum Interest Rate For The Loan; Approving The Form of And Other Details Concerning The Loan Agreement; Ratifying Actions Heretofore Taken; Repealing All Action Inconsistent With This Ordinance; and Authorizing The Taking of Other Actions in Connection With The Execution and Delivery of The Loan Agreement**

**ACTION: Introduction February 27, 2019; Final Action March 20, 2019**

**BACKGROUND:**

The Water Authority submitted an application for financial assistance for the Los Padillas South Valley Drinking Water Project Phase 7B and 7C. To date, the Water Authority has completed approximately 98% (10,733' / 10,983') of the total waterline installation for the area located east of Isleta Boulevard. TLC Inc. has concrete work left to complete and Water Authority crews need to install waterline, services, valve, and fire hydrants on Marcelino Rd, east of Indian Lateral.

Phase 1: Waterline: Approximately 95% (10,733' / 10,983') of the waterline in this phase has been installed, including hydrostatic pressure tests and bacteria tests. The remaining section of waterline to be installed is on the east side of Marcelino Rd.

The Water Authority has completed approximately 24% (4240' / 17,705') of the total waterline installation for the area located east of Isleta Boulevard.

Phase 2: Waterline: Approximately 49% (4240' / 8,700') of the waterline in this phase has been installed. Santiago Rd has completed Bac-T and hydrostatic testing (passed)



and paving has been completed. The Water Authority has completed the hydrostatic and Bac-T for the middle and east portions of Black Mesa Lp. Paving will commence the week of February 18, 2019.

**SUMMARY:**

Ordinance O-19-1 authorizes the execution and delivery of a loan and subsidy agreement in the amount of \$3,430,081 between the New Mexico Finance Authority (NMFA) and the Water Authority for the Water Authority submitted an application for financial assistance for the Los Padillas Waterline Project. This is a special limited obligation of the water Authority to pay a principal amount of no more than \$2,724,282 together with interest, costs of issuance and administrative fees and to accept a loan subsidy (Grant) of no more than \$705,799. The purpose of the financing is for the costs of upgrading the Water Authority's water system which includes the acquisition and installation of waterline infrastructure. The loan portion is a Senior Lien obligation and the waterline work has been appropriated by the Water Authority Board

The application for funding has been approved by the Water Authority Board.

**FISCAL IMPACT:**

This loan portion of the agreement is for 20 years with an effective interest rate of 2.00%, which includes the Administrative Fee. Gross Revenues, all income and revenues directly or indirectly derived by the Water Authority from the operation and use of the System, are pledged as security for these loans. The average annual Debt Service for the loan portion of this agreement is \$157,166.

**COMMENTS:**

This Ordinance gives the Executive Director authorization to enter into the loan agreement with the NMFA to secure a loan for the purpose of financing the costs of the completion of Phase 7 of the Los Padillas South Valley Drinking Water Project.

**ALBUQUERQUE BERNALILLO COUNTY  
WATER UTILITY AUTHORITY**

**BILL NO. 0-19-1**

# ORDINANCE

AN ORDINANCE AUTHORIZING THE EXECUTION AND DELIVERY OF A LOAN AND SUBSIDY AGREEMENT ("LOAN AGREEMENT") BY AND BETWEEN THE ALBUQUERQUE BERNALILLO COUNTY WATER UTILITY AUTHORITY (THE "WATER AUTHORITY") AND THE NEW MEXICO FINANCE AUTHORITY, EVIDENCING A SPECIAL LIMITED OBLIGATION OF THE WATER AUTHORITY TO PAY A PRINCIPAL AMOUNT OF NO MORE THAN TWO MILLION SEVEN HUNDRED TWENTY-FOUR THOUSAND TWO HUNDRED EIGHTY-TWO DOLLARS (\$2,724,282), TOGETHER WITH INTEREST, COSTS OF ISSUANCE AND ADMINISTRATIVE FEES THEREON, AND TO ACCEPT A LOAN SUBSIDY OF NO MORE THAN SEVEN HUNDRED FIVE THOUSAND SEVEN HUNDRED NINETY-NINE DOLLARS (\$705,799), FOR THE PURPOSE OF FINANCING THE COSTS OF EXTENDING AND IMPROVING THE WATER INFRASTRUCTURE SYSTEM TO THE LOS PADILLAS COMMUNITY AS PART OF THE SOUTH VALLEY WATER PROJECT, INCLUDING, ACQUISITION AND INSTALLATION OF WATER DISTRIBUTION LINES; PROVIDING FOR THE PLEDGE AND PAYMENT OF THE PRINCIPAL, INTEREST AND ADMINISTRATIVE FEES DUE UNDER THE LOAN AGREEMENT SOLELY FROM NET REVENUES; SETTING A MAXIMUM INTEREST RATE FOR THE LOAN; APPROVING THE FORM OF AND OTHER DETAILS CONCERNING THE LOAN AGREEMENT; RATIFYING ACTIONS HERETOFORE TAKEN; REPEALING ALL ACTION INCONSISTENT WITH THIS ORDINANCE; AND AUTHORIZING THE TAKING OF OTHER ACTIONS IN CONNECTION WITH THE EXECUTION AND DELIVERY OF THE LOAN AGREEMENT

Capitalized terms used in the following preambles are defined in Section 1 of this Ordinance, unless the context requires otherwise.

WHEREAS, the Water Authority is a legally and regularly created, established, organized and existing public body politic and corporate, separate and apart from the City and the County, under the general laws of the State; and

WHEREAS, the Water Authority owns, operates and maintains the System as a joint public utility water and sanitary sewer system; and

WHEREAS, the Water Authority is obligated on the following Senior Obligations, payable from Net Revenues, Outstanding on the date of the adoption of this Ordinance in the following principal amounts:

	Amount
<u>Senior Obligations</u>	<u>Outstanding</u>
Series 2009A-1 Bonds	\$ 8,395,000
Series 2013A&B Bonds	\$ 74,685,000
Series 2014A Bonds	\$ 79,995,000
Series 2015 Bonds	\$196,710,000
Series 2017 Bonds	\$ 84,090,000
Series 2018 Bonds	\$ 75,085,000
Drinking Water State Revolving Fund Loan Agreement (2009)	\$ 672,397
Public Project Revolving Fund Loan Agreement (2011)	\$ 32,120,000
Drinking Water State Revolving Fund Loan Agreement (2018-1)	\$ 505,000
Drinking Water State Revolving Fund Loan Agreement (2018-2)	\$ 250,000

and

WHEREAS, the Water Authority is obligated on the following Subordinate Obligations, payable from Net Revenues with a lien on the Net Revenues subordinated to the Senior Obligations, and superior to the lien of the Super Subordinate Obligations, Outstanding on the date of the adoption of this Ordinance in the following principal amounts:

	Amount
<u>Subordinate Obligations</u>	<u>Outstanding</u>
Series 2014B Bonds	\$ 58,865,000
Drinking Water State Revolving Fund Loan Agreement (2008)	\$ 6,886,017

and

1 WHEREAS, the Water Authority currently has no Super Subordinate  
2 Obligations outstanding payable from Net Revenues with a lien on the Net  
3 Revenues subordinated to the Senior Obligations and Subordinate Obligations; and

4 WHEREAS, except as stated in these preambles, the Net Revenues have not  
5 been pledged or hypothecated to the payment of any Outstanding obligations and no  
6 other obligations are payable from the Net Revenues on the date of this Ordinance;  
7 and

8 WHEREAS, there are no obligations which have a lien on the Net Revenues  
9 superior to the lien thereon of the Senior Obligations;

10 WHEREAS, funds may be provided from the Drinking Water State Revolving  
11 Loan Fund to finance infrastructure projects in the State; and

12 WHEREAS, the Board has determined that the Project may be financed with  
13 amounts borrowed under the Loan Agreement and that it is in the best interest of the  
14 Water Authority and its customers that the Loan Agreement be executed and  
15 delivered and that the financing of the construction of the Project take place by  
16 executing and delivering the Loan Agreement; and

17 WHEREAS, the Board has determined that it may lawfully pledge the Net  
18 Revenues for repayment of the Loan Agreement; and

19 WHEREAS, the Water Authority intends to use a portion of the proceeds of  
20 the Loan Agreement for the purpose of acquiring and installing additional System  
21 assets and improving the System; and

22 WHEREAS, all required authorizations, consents and approvals in  
23 connection with (i) the use and pledge of the Net Revenues to the Finance Authority  
24 (or its assigns) for the payment of amounts due under the Loan Agreement, (ii) the  
25 use of the proceeds of the Loan Agreement to finance the Project, and (iii) the  
26 authorization, execution and delivery of the Loan Agreement, which are required to  
27 have been obtained by the date of the Ordinance have been obtained or are  
28 reasonably expected to be obtained prior to the Closing Date.

29 BE IT ORDAINED BY THE BOARD OF THE WATER AUTHORITY:

30 Section 1. DEFINITIONS AND RULES OF CONSTRUCTION.

31 (A) DEFINITIONS. As used in this Ordinance, the following terms

1 have the meanings specified, unless the context clearly requires otherwise:

2 ACT. The DWSRLF Act, and the general laws of the State, including  
3 Section 72-1-10 NMSA 1978, as amended, and enactments of the Board relating to  
4 the Loan Agreement, including this Ordinance.

5 ADMINISTRATIVE FEE or ADMINISTRATIVE FEE COMPONENT.  
6 The 0.25% annual fee payable to the Finance Authority as 0.125% of the Loan  
7 Agreement Principal Amount then outstanding as a part of each Loan Agreement  
8 Payment for the costs of originating and servicing the Loan.

9 AGGREGATE DISBURSEMENTS. At any time after the Closing Date,  
10 the sum of all Disbursements.

11 AGGREGATE FORGIVEN DISBURSEMENTS. The amount of  
12 Subsidy provided in the form of principal forgiveness, and shall at any time after the  
13 Closing Date be equal to seventy-five percent (75%) of the Aggregate  
14 Disbursements, up to a maximum of seven hundred five thousand seven hundred  
15 ninety-nine dollars (\$705,799).

16 AGGREGATE REPAYABLE DISBURSEMENTS. At any time after the  
17 Closing Date, the Aggregate Disbursements less the Aggregate Forgiven  
18 Disbursements.

19 APPROVED REQUISITION. A requisition in the form of Exhibit "C" to  
20 the Loan Agreement, together with supporting documentation submitted to and  
21 approved by the Finance Authority pursuant to Section 4.2 of the Loan Agreement.

22 AUTHORIZED OFFICER. The Chair, the Executive Director of the  
23 Water Authority, or other officer or employee of the Water Authority when designated  
24 by a certificate signed by the Chair from time to time.

25 BOARD. The governing body in which is vested the legislative power  
26 of the Water Authority.

27 CHAIR. The duly elected Chair of the Board or the Vice Chair of the  
28 Board acting in the absence of the Chair.

29 CITY. The City of Albuquerque, in the County of Bernalillo and State  
30 of New Mexico.

1 CLOSING DATE. The date of execution, delivery and funding of the  
2 Loan Agreement authorized by this Ordinance.

3 COMPLETION DATE. The date of completion of the Project.

4 COUNTY. Bernalillo County, New Mexico.

5 CREDIT FACILITY. A letter of credit, line of credit, bond insurance  
6 policy or reserve account surety bond, guaranty or similar agreement provided by a  
7 Credit Source to provide support to pay the purchase price of, or the payment when  
8 due of the principal of and interest on, System Obligations.

9 CREDIT SOURCE. Any bank, insurance company or other financial  
10 institution which provides a Credit Facility for a series of System Obligations.

11 DEBT SERVICE ACCOUNT. The debt service account established in  
12 the name of the Water Authority and administered by the Finance Authority to pay  
13 principal and interest on the Loan Agreement as the same become due.

14 DEBT SERVICE FUND. The Debt Service Fund previously established  
15 by the Water Authority and continued in Section 13 of this Ordinance.

16 DEBT SERVICE REQUIREMENTS. With respect to System  
17 Obligations and for any given period, the sum of: (1) the amount required to pay the  
18 interest, or to make reimbursements for payments of interest, becoming due on  
19 System Obligations during that period, plus (2) the amount required to pay the  
20 principal or to make reimbursements for the payment of principal becoming due on  
21 System Obligations during that period, whether at maturity or upon mandatory  
22 sinking fund redemption dates, plus (3) the periodic payments required to be made  
23 by the Water Authority pursuant to a Qualified Exchange Agreement minus (4) the  
24 periodic payments to be received by the Water Authority pursuant to a Qualified  
25 Exchange Agreement. No payments required for any System Obligations which may  
26 be tendered or otherwise presented for payment at the option or demand of the  
27 owners of System Obligations, or which may occur because of the exercise of an  
28 option by the Water Authority, or which may otherwise become due by reason of any  
29 other circumstance or contingency, including acceleration or early termination  
30 payments, which constitute other than regularly scheduled payments of principal,

1 interest or other regularly scheduled payments on System Obligations shall be  
2 included in any computation of Debt Service Requirements for that period.

3 Unless, at the time of computation of Debt Service Requirements, payments  
4 on System Obligations are owed to, or System Obligations are owned or held by, the  
5 provider of a Credit Facility pursuant to the provisions of that Credit Facility, the  
6 computation of interest for the purposes of this definition shall be made without  
7 considering the interest rate payable pursuant to a Credit Facility.

8 In any computation of Debt Service Requirements relating to the issuance of  
9 additional System Obligations, there shall be excluded from the computation of the  
10 Debt Service Requirements amounts and investments which are irrevocably  
11 committed to make designated payments on System Obligations during the  
12 applicable period, including, without limitation, money on deposit in any Debt Service  
13 Account and amounts on deposit in an escrow account irrevocably committed to  
14 make designated payments on System Obligations during the applicable period and  
15 earnings on such investments which are payable and committed to the payment of  
16 such System Obligations during the applicable period.

17 Unless otherwise required by a Water Authority ordinance or resolution  
18 relating to a series of System Obligations, to determine Debt Service Requirements  
19 of Variable Rate Obligations, the Water Authority shall use the procedures set forth  
20 in the following paragraphs to determine the amount of interest or other payments to  
21 be paid by the Water Authority on Variable Rate Obligations.

22 (1) During any historical period for which the actual variable  
23 interest rate or rates are determinable, the actual variable interest rate shall be used.  
24 During any historical period when the actual variable interest rate is not  
25 determinable, the variable interest rate shall, for the purpose of determining Debt  
26 Service Requirements, be deemed to be the higher of:

27 (a) the actual variable interest rate, if any, at the time  
28 of computation; or

29 (b) a fixed annual rate equal to the prevailing rate on  
30 the Variable Rate Obligations on the date of computation (which, for the purpose of  
31 determining the Debt Service Requirements, shall be a date which is no more than

1 60 days prior to the date of issuance of the applicable System Obligations) as  
2 certified by the Water Authority's financial advisor, the underwriters of the System  
3 Obligations, an investment banker designated by the Water Authority from time to  
4 time or a counterparty with respect to a Qualified Exchange Agreement.

5 (2) Prospective computations of interest payable on Variable  
6 Rate Obligations, including those relating to the issuance of additional System  
7 Obligations or required by the Rate Covenant, shall be made on the assumption that  
8 such obligations bear interest at a fixed annual rate equal to:

9 (a) the average of the daily rates of such System  
10 Obligations during the 365 consecutive days (or any lesser period such System  
11 Obligations have been Outstanding) next preceding a date which is no more than 60  
12 days prior to the date of the issuance of the additional System Obligations; or

13 (b) with respect to System Obligations initially issued  
14 or incurred as or being converted to Variable Rate Obligations, the estimated initial  
15 rate of interest of such System Obligations upon the date of issuance, exchange or  
16 conversion as certified by the Water Authority's financial advisor, another investment  
17 banker, as designated by the Water Authority from time to time, or a counterparty  
18 with respect to a Qualified Exchange Agreement.

19 DISBURSEMENT. An amount caused to be paid by the Finance  
20 Authority for an Approved Requisition for costs of the Project, including the Expense  
21 Fund Component.

22 DRINKING WATER STATE REVOLVING FUND LOAN AGREEMENT  
23 (2008). The loan agreement dated November 7, 2008 between the Finance  
24 Authority and the Water Authority in the original principal amount of \$9,627,877,  
25 authorized and approved by Water Authority Ordinance Enactment No. F/S O-08-4  
26 and Resolution Enactment No. F/S R-08-13 as amended by Ordinance No. F/S O-  
27 14-2 and the Amendment to the Loan Agreement dated July 24, 2014 constituting a  
28 subordinate lien on the Net Revenues.

29 DRINKING WATER STATE REVOLVING FUND LOAN AGREEMENT  
30 (2009). The loan agreement between the Finance Authority and the Water Authority  
31 in the original principal amount of \$1,010,000, authorized and approved by Water



1 Authority Ordinance Enactment No. O-09-9 and Resolution Enactment No. R-09-24  
2 constituting a senior lien on the Net Revenues.

3 DRINKING WATER STATE REVOLVING FUND LOAN AGREEMENT  
4 (2018-1). The loan agreement between the Finance Authority and the Water  
5 Authority in the original principal amount of \$1,010,000, authorized and approved by  
6 Water Authority Ordinance Enactment No. O-18-2 and Resolution Enactment No. R-  
7 18-7 constituting a senior lien on the Net Revenues.

8 DRINKING WATER STATE REVOLVING FUND LOAN AGREEMENT  
9 (2018-2). The loan agreement between the Finance Authority and the Water  
10 Authority in the original principal amount of \$1,000,000, authorized and approved by  
11 Water Authority Ordinance Enactment No. O-18-5 and Resolution Enactment No. R-  
12 18-11 constituting a senior lien on the Net Revenues.

13 DRINKING WATER STATE REVOLVING LOAN FUND. The drinking  
14 water state revolving loan fund established by the DWSRLF Act.

15 DWSRLF ACT. The general laws of the State, particularly the Drinking  
16 Water State Revolving Loan Fund Act, NMSA 1978 §§ 6-21A-1 through 6-21A-9, as  
17 amended.

18 EXPENSE FUND. The expense fund hereby created to be held and  
19 administered by the Finance Authority to pay Expenses.

20 EXPENSE FUND COMPONENT. An amount equal to one percent  
21 (1%) of each Disbursement for the Project, minus any amount forgiven under the  
22 Loan Agreement, simultaneously withdrawn and deposited in the Expense Fund to  
23 pay Expenses.

24 EXPENSES. The reasonable and necessary fees, costs and  
25 expenses incurred by the Water Authority and the Finance Authority with respect to  
26 the execution and delivery of the Loan Agreement, including, without limitation,  
27 attorneys' fees and costs, financial advisor's fees and costs, costs of advertising and  
28 publication, and all reasonable and necessary fees and administrative costs of the  
29 Water Authority and Finance Authority relating to the foregoing.

1 FINAL LOAN AGREEMENT PAYMENT SCHEDULE. The schedule of  
2 Loan Agreement Payments due on the Loan Agreement following the Final  
3 Requisition, as determined on the basis of the Aggregate Repayable Disbursements.

4 FINAL REQUISITION. The final requisition of moneys to be submitted  
5 by the Water Authority, which shall be submitted by the Water Authority on or before  
6 the date provided for in Section 4.1(b) of the Loan Agreement.

7 FINANCE AUTHORITY. The New Mexico Finance Authority, created  
8 by the New Mexico Finance Authority Act, NMSA 1978, §§ 6-21-1 through 6-21-31,  
9 as amended.

10 GROSS REVENUES. All income and revenues directly or indirectly  
11 derived by the Water Authority from the operation and use of the System, or any part  
12 of the System, and includes, without limitation, all revenues received by the Water  
13 Authority, or any municipal corporation or agency succeeding to the rights of the  
14 Water Authority, from the System and from the sale and use of water, water services  
15 or facilities, sewer service or facilities or any other service, commodity or facility or  
16 any combination thereof furnished to the inhabitants of the geographic area served  
17 by the Water Authority by means of the System as the same may at any time exist to  
18 serve customers outside the Water Authority's geographical limits as well as  
19 customers within the Water Authority's geographical limits. Such term also includes:

20 (1) All income derived from the investment of any money in  
21 the Joint Water and Sewer Fund, Debt Service Account, Program Account and Rate  
22 Stabilization Fund and income derived from surplus Net Revenues;

23 (2) Money released from a rebate fund to the Water  
24 Authority;

25 (3) Money released from the Rate Stabilization Fund to the  
26 Water Authority to the extent that the amount released is used to pay Operation and  
27 Maintenance Expenses or Debt Service Requirements on System Obligations in the  
28 year released; provided that withdrawals from the Rate Stabilization Fund shall not  
29 be included in Gross Revenues for the purposes of the Rate Covenant in any two  
30 consecutive calendar years;

31 (4) Property insurance proceeds which are not necessary to

1 restore or replace the property lost or damaged and the proceeds of the sale or  
2 other disposition of any part of the System; and

3 (5) Funds received from users of the System as a  
4 reimbursement of, or otherwise in connection with, franchise fees to be paid by the  
5 Water Authority.

6 Gross Revenues do not include:

7 (1) any money received as grants or gifts from the United  
8 States of America, the State or other sources, or the proceeds of any charge or tax  
9 intended as a replacement therefor or other capital contributions from any source  
10 which are restricted as to use; and

11 (2) condemnation proceeds or the proceeds of any  
12 insurance policy, except any property insurance proceeds described above in clause  
13 (4) of this definition or derived in respect of loss of use or business interruption.

14 INTEREST COMPONENT. The portion of each Loan Agreement  
15 Payment paid as interest accruing on the Aggregate Repayable Disbursements then  
16 outstanding, calculated from the date of each Disbursement.

17 INTEREST RATE. The rate of interest on the Loan Agreement as  
18 shown on the Term Sheet.

19 JOINT WATER AND SEWER FUND. The "City of Albuquerque, New  
20 Mexico, Joint Water and Sewer Fund" originally established in Section 16 of City  
21 Ordinance No. 18-1984 and continued in Section 13 of this Ordinance as the  
22 "Albuquerque Bernalillo County Water Utility Authority Joint Water and Sewer Fund."

23 LOAN. The funds to be loaned to the Water Authority by the Finance  
24 Authority pursuant to the Loan Agreement, up to the Maximum Principal Amount.

25 LOAN AGREEMENT. The loan and subsidy agreement and any  
26 amendments or supplements thereto, including the exhibits attached to the loan  
27 agreement.

28 LOAN AGREEMENT PAYMENT. Collectively, the Principal  
29 Component, the Interest Component, Expense Fund Component, and the  
30 Administrative Fee Component to be paid by the Water Authority as payment on the

1 Aggregate Repayable Disbursements under the Loan Agreement, as shown on  
2 Exhibit "B" thereto.

3 LOAN AGREEMENT PRINCIPAL AMOUNT. As of any date of  
4 calculation, the Aggregate Repayable Disbursements (including the Expense Fund  
5 Component) then outstanding.

6 MAXIMUM PRINCIPAL AMOUNT. Three million four hundred thirty  
7 thousand eighty-one dollars (\$3,430,081).

8 NMSA 1978. New Mexico Statutes Annotated, 1978 Compilation, as  
9 amended and supplemented.

10 NET REVENUES. The Gross Revenues after deducting Operation  
11 and Maintenance Expenses.

12 OPERATION AND MAINTENANCE EXPENSES. All reasonable and  
13 necessary current expenses of the System, paid or accrued, related to operating,  
14 maintaining and repairing the System including, without limiting the generality of the  
15 foregoing:

16 (1) legal and overhead expenses directly related and  
17 reasonably allocable to the administration of the System;

18 (2) insurance premiums for the System, including, without  
19 limitation, premiums for property insurance, public liability insurance and workmen's  
20 compensation insurance, whether or not self-funded;

21 (3) premiums, expenses and other costs (other than required  
22 reimbursements of insurance proceeds and other amounts advanced to pay Debt  
23 Service Requirements on System Obligations) for Credit Facilities;

24 (4) Expenses other than expenses paid from the proceeds of  
25 System Obligations;

26 (5) the costs of audits of the books and accounts of the  
27 Water Authority and the System;

28 (6) amounts required to be deposited in a rebate fund or  
29 otherwise required to make rebate payments to the United States Government;

30 (7) salaries, administrative expenses, labor costs, surety  
31 bonds and the cost of materials and supplies used for or in connection with the

1 current operation of the System; and

2 (8) franchise tax payments to the City, County or any other  
3 local government.

4 Operation and Maintenance Expenses do not include any allowance for  
5 depreciation, payments in lieu of taxes, liabilities incurred by the Water Authority as  
6 a result of its negligence or other misconduct in the operation of the System or any  
7 charges or costs allocable to capital improvements or replacements. Operation and  
8 Maintenance Expenses do not include any payment of or reimbursement for the  
9 payment of Debt Service Requirements on the Loan Agreement.

10 ORDINANCE. This Ordinance, as amended or supplemented from  
11 time to time.

12 OUTSTANDING. When used in reference to System Obligations, on  
13 any particular date, the aggregate of all System Obligations issued and delivered  
14 under the applicable Water Authority ordinance authorizing the issuance of, System  
15 Obligations except:

16 (1) those canceled at or prior to such date or delivered to or  
17 acquired by the Water Authority at or prior to such date for cancellation;

18 (2) those which have been paid or are deemed to be paid in  
19 accordance with the Water Authority ordinance or resolution authorizing the  
20 issuance of the applicable System Obligations or otherwise relating thereto, provided  
21 that the payment of insured Obligations with the proceeds of a bond insurance policy  
22 shall not result in those insured obligations ceasing to be Outstanding;

23 (3) in the case of Variable Rate Obligations, System  
24 Obligations deemed tendered but not yet presented for payment;

25 (4) any System Obligation which has been refunded in  
26 accordance with this Ordinance or other ordinances of the Water Authority  
27 authorizing the defeasance of such designated System Obligations; and

28 (5) those in lieu of or in exchange or substitution for which  
29 other System Obligations shall have been delivered, unless proof satisfactory to the  
30 Water Authority and the paying agent for the applicable System Obligations is  
31 presented that any System Obligation for which a new System Obligation was

1 issued or exchanged is held by a bona fide holder in due course.

2 PROGRAM ACCOUNT. The book account established by the Finance  
3 Authority in the name of the Water Authority for purposes of tracking expenditure of  
4 the Loan by the Water Authority to pay for the costs of the Project, as shown in the  
5 Term Sheet, which account shall be kept separate and apart from all other accounts  
6 of the Finance Authority.

7 PROJECT. Acquiring additional System assets, extending, repairing,  
8 replacing and improving the Water Authority's System, including, acquisition and  
9 installation of water distribution lines for the Los Padillas community as part of the  
10 South Valley water project and the payment of Expenses associated with the  
11 execution and delivery of the Loan Agreement.

12 PUBLIC PROJECT REVOLVING FUND LOAN AGREEMENT (2011).  
13 The loan agreement dated December 15, 2011 between the Finance Authority and  
14 the Water Authority in the principal amount of \$53,400,000 and approved by  
15 Ordinance No. O-11-5 and Resolution No. R-11-17 constituting a senior lien on the  
16 Net Revenues.

17 QUALIFIED EXCHANGE AGREEMENT. Any interest rate exchange  
18 between the Water Authority and a counterparty which, when entered into by the  
19 Water Authority, satisfies the requirements of Section 6-18-8.1 NMSA 1978.

20 RATE COVENANT. The covenants in the Loan Agreement relating to  
21 charging rates for use of the System to pay Debt Service Requirements.

22 RATE STABILIZATION FUND. The Rate Stabilization Fund for  
23 System Obligations previously established by the Water Authority and continued in  
24 Section 13 of this Ordinance.

25 SENIOR OBLIGATIONS. The Series 2009A-1 Bonds, the Drinking  
26 Water State Revolving Fund Loan Agreement (2009), the Public Project Revolving  
27 Fund Loan Agreement (2011), the Series 2013A&B Bonds, the Series 2014A Bonds,  
28 the Series 2015 Bonds, the Series 2017 Bonds, the Drinking Water State Revolving  
29 Fund Loan Agreement (2018-1), the Drinking Water State Revolving Fund Loan  
30 Agreement (2018-2), the Series 2018 Bonds, the Loan Agreement and obligations  
31 related thereto designated as Senior Obligations, in any ordinance or resolution of

1 the Water Authority relating to those Senior Obligations, and any other System  
2 Obligations issued with a lien on the Net Revenues on parity with the lien of the  
3 Outstanding Senior Obligations on Net Revenues.

4           SERIES 2009A-1 BONDS. The Senior Obligations designated as  
5 “Albuquerque Bernalillo County Water Utility Authority Joint Water and Sewer  
6 System Improvement Revenue Bonds, Series 2009A-1” in the original principal  
7 amount of \$135,990,000, authorized and issued pursuant to Ordinance No. O-09-1  
8 and Resolution No. R-09-7 constituting a senior lien on the Net Revenues.

9           SERIES 2013A&B BONDS. The Senior Obligations designated as the  
10 “Albuquerque Bernalillo County Water Utility Authority Joint Water and Sewer  
11 System Improvement Revenue Bonds, Series 2013A” and the “Albuquerque  
12 Bernalillo County Water Utility Authority Joint Water and Sewer System Refunding  
13 Revenue Bonds, Series 2013B” in the combined original principal amount of  
14 \$118,215,000, authorized and issued pursuant to Ordinance No. O-13-2 and  
15 Resolution R-13-13 constituting a senior lien on the Net Revenues.

16           SERIES 2014A BONDS. The Senior Obligations designated as the  
17 “Albuquerque Bernalillo County Water Utility Authority Senior Lien Joint Water and  
18 Sewer System Refunding Revenue Bonds, Series 2014A” in the original principal  
19 amount of \$97,270,000, authorized and issued pursuant to Ordinance No. F/S O-14-  
20 2 and Resolution F/S R-14-10 constituting a senior lien on the Net Revenues.

21           SERIES 2014B BONDS. The Subordinate Obligations designated as  
22 the “Albuquerque Bernalillo County Water Utility Authority Subordinate Lien Joint  
23 Water and Sewer System Refunding Revenue Bonds, Series 2014B” in the original  
24 principal amount of \$87,005,000, authorized and issued pursuant to Ordinance No.  
25 F/S O-14-2 and Resolution F/S R-14-10 constituting a subordinate lien on the Net  
26 Revenues.

27           SERIES 2015 BONDS. The Senior Obligations designated as the  
28 “Albuquerque Bernalillo County Water Utility Authority Senior Lien Joint Water and  
29 Sewer System Refunding and Improvement Revenue Bonds, Series 2015” in the  
30 original principal amount of \$211,940,000, authorized and issued pursuant to

1 Ordinance No. O-15-2 and Resolution F/S R-15-6 constituting a senior lien on the  
2 Net Revenues.

3               SERIES 2017 BONDS. The Senior Obligations designated as the  
4 “Albuquerque Bernalillo County Water Utility Authority Senior Lien Joint Water and  
5 Sewer System Refunding and Improvement Revenue Bonds, Series 2017” in the  
6 original principal amount of \$87,970,000, authorized and issued pursuant to  
7 Ordinance No. WUA O-16-2 and Resolution WUA R-16-13 constituting a senior lien  
8 on the Net Revenues.

9               SERIES 2018 BONDS. The Senior Obligations designated as the  
10 “Albuquerque Bernalillo County Water Utility Authority Senior Lien Joint Water and  
11 Sewer System Improvement Revenue Bonds, Series 2018” in the original principal  
12 amount of \$75,085,000, authorized and issued pursuant to Ordinance No. WUA O-  
13 18-20 and Resolution WUA R-18-20 constituting a senior lien on the Net Revenues.

14               STATE. The State of New Mexico.

15               SUBORDINATE OBLIGATIONS. The Drinking Water State Revolving  
16 Fund Loan Agreement (2008), the Series 2014B Bonds, and all other bonds and  
17 other obligations of the Water Authority now or hereafter issued with a lien on the  
18 Net Revenues subordinate to the lien of Senior Obligations and superior to the lien  
19 of the Super Subordinate Obligations on the Net Revenues.

20               SUBSIDY. The subsidy in the form of principal forgiveness for the  
21 Water Authority, to be applied proportionally at the time of each disbursement of  
22 moneys from the Program Account to the Water Authority, being fifty percent (50%)  
23 of such disbursements.

24               SUPER SUBORDINATE OBLIGATIONS. All bonds and other  
25 obligations of the Water Authority now or hereafter issued with a lien on the Net  
26 Revenues subordinate to the liens of the Senior Obligations and the Subordinate  
27 Obligations on the Net Revenues.

28               SYSTEM. The public utility owned by the Water Authority and  
29 designated as the Water Authority’s water system and sanitary sewer system  
30 (continued as a joint utility system in Section 4 of this Ordinance) consisting of all  
31 properties, real, personal, mixed or otherwise, now owned or hereafter acquired by



1 the Water Authority, through purchase, construction or otherwise, including all  
2 extensions, enlargements and improvements of or to the water and sanitary sewer  
3 system and used in connection therewith or relating thereto, and any other related  
4 activity or enterprise of the Water Authority designated by the Board as part of the  
5 water and sanitary sewer system, whether situated within or without the  
6 geographical limits of the Water Authority.

7           SYSTEM OBLIGATIONS. All bonds and other similar indebtedness  
8 payable solely or primarily from Net Revenues, including, without limitation, the  
9 Senior Obligations, the Subordinate Obligations and the Super Subordinate  
10 Obligations.

11           TERM SHEET. Exhibit "A" to the Loan Agreement.

12           VARIABLE RATE OBLIGATIONS. System Obligations, including  
13 reimbursement obligations pursuant to a Credit Facility, the interest rate on which is  
14 subject to change from time to time.

15           WATER AUTHORITY. The Albuquerque Bernalillo County Water  
16 Utility Authority created by Section 72-1-10 NMSA 1978 as a joint agency of the City  
17 and the County and operating under the name Albuquerque Bernalillo County Water  
18 Utility Authority.

19           RULES OF CONSTRUCTION. For purposes of this Ordinance, unless  
20 otherwise expressly provided or unless the context requires otherwise:

21           (1) Unless otherwise stated in this Ordinance, all references  
22 in this Ordinance to designated Sections and other subdivisions are to the  
23 designated Section and other subdivisions of this Ordinance.

24           (2) The words "herein", "hereof", "hereunder", and "herewith"  
25 and other words of similar import in this Ordinance refer to this Ordinance, as a  
26 whole, and not to any particular Section or other subdivision.

27           (3) All accounting terms not otherwise defined in this  
28 Ordinance have the meanings assigned to them in accordance with generally  
29 accepted accounting principles.

30           (4) Words of the masculine gender shall be deemed and  
31 construed to include correlative words of the feminine and neuter genders.

1 (5) The headings used in this Ordinance are for convenience  
2 of reference only and shall not define or limit the provisions of this Ordinance.

3 (6) Terms in the singular include the plural and vice versa.

4 Section 2. RATIFICATION. All actions previously taken (not inconsistent  
5 with the provisions of this Ordinance) by the Board and the officers of the Water  
6 Authority, directed toward the authorization, pledge, collection and distribution of the  
7 Net Revenues, the Project, and the authorization, execution and delivery of the Loan  
8 Agreement are ratified, approved and confirmed.

9 Section 3. FINDINGS.

10 (A) The Water Authority declares that it has considered all relevant  
11 information and data and finds that the execution and delivery of the Loan  
12 Agreement under the Act in the Maximum Principal Amount to finance the Project is  
13 necessary and in the interest of the public health, safety and welfare of the residents  
14 of the geographic area served by the Water Authority.

15 (B) The Water Authority will finance the Project with the proceeds of  
16 the Loan Agreement, together with other funds of the Water Authority, if necessary.

17 (C) It is economically feasible to accomplish the Project by the  
18 execution and delivery of the Loan Agreement.

19 (D) The Net Revenues may lawfully be pledged to secure the  
20 payment of amounts due under the Loan Agreement.

21 Section 4. JOINT UTILITY. The System shall continue to be operated and  
22 maintained as a joint public utility.

23 Section 5. LOAN AGREEMENT – AUTHORIZATION AND DETAIL.

24 (A) AUTHORIZATION. This Ordinance has been adopted by the  
25 affirmative vote of at least a majority of all of the members of the Board. For the  
26 purpose of protecting the public health, conserving the property, and protecting the  
27 general welfare and prosperity of the public served by the Water Authority and  
28 acquiring and constructing the Project, it is hereby declared necessary that the  
29 Water Authority, pursuant to the Act, execute and deliver the Loan Agreement  
30 evidencing a special limited obligation of the Water Authority to pay a principal  
31 amount of two million seven hundred twenty-four thousand two hundred eighty-two

1 dollars (\$2,724,282) and interest thereon, and to accept a loan subsidy in the  
2 amount of seven hundred five thousand seven hundred ninety-nine dollars  
3 (\$705,799) and the execution and delivery of the Loan Agreement is hereby  
4 authorized. The Water Authority shall use the proceeds of the Loan and Subsidy (i)  
5 to finance the acquisition and construction of the Project and (ii) to pay Expenses.  
6 The Project will be owned by the Water Authority.

7 (B) DETAIL. The Loan Agreement shall be in substantially the form  
8 of the Loan Agreement presented at the meeting of the Board at which this  
9 Ordinance was adopted. The Loan shall be in an amount not to exceed the  
10 Maximum Principal Amount of three million four hundred thirty thousand eighty-one  
11 dollars (\$3,430,081). The Loan Agreement Principal Amount shall be payable in  
12 installments of principal due on May 1 of the years designated in the Final Loan  
13 Agreement Payment Schedule and bear interest payable on May 1 and November 1  
14 of each year, commencing on November 1, 2019, at the rates designated in the  
15 Loan Agreement, including Exhibit "A" thereto, which rates include the Administrative  
16 Fee. Interest on Loan Agreement will be computed on the basis of a 360-day year  
17 consisting of twelve 30-day months.

18 Section 6. AUTHORIZATION OF PROJECT AND EXPENSES.

19 (A) PROJECT. The Project is hereby authorized and approved.

20 (B) EXPENSES. The payment of Expenses is authorized and  
21 approved.

22 (C) PROCEEDS. The proceeds of the Loan Agreement will be  
23 used exclusively to finance the Project including the payment of Expenses.

24 Section 7. APPROVAL OF THE LOAN AGREEMENT. The form of the  
25 Loan Agreement as presented at the meeting of the Board at which this Ordinance  
26 was adopted is hereby approved. Authorized Officers are hereby individually  
27 authorized to execute, acknowledge and deliver the Loan Agreement with such  
28 changes, insertions and omissions as may be approved by such individual  
29 Authorized Officers, and the Executive Director is hereby authorized to affix the seal  
30 of the Water Authority on the Loan Agreement and attest the same. The execution  
31 of the Loan Agreement by an Authorized Officer shall be conclusive evidence of

1 such approval.

2       Section 8.    SPECIAL LIMITED OBLIGATIONS. The Loan Agreement shall  
3 be secured by the pledge of the Net Revenues as set forth in the Loan Agreement  
4 and shall be payable solely from the Net Revenues. The Loan Agreement, together  
5 with interest thereon and other obligations of the Water Authority thereunder, shall  
6 be a special, limited obligation of the Water Authority, payable solely from the Net  
7 Revenues as provided in this Ordinance, and the Loan Agreement shall not  
8 constitute a general obligation of the Water Authority, the City, the County, or the  
9 State, and the holders of the Loan Agreement may not look to any general or other  
10 fund of the Water Authority for payment of the obligations thereunder. Nothing  
11 contained in this Ordinance nor in the Loan Agreement, nor any other instruments,  
12 shall be construed as obligating the Water Authority (except with respect to the  
13 application of the Net Revenues) or as imposing a pecuniary liability or a charge  
14 upon the general credit of the Water Authority, nor shall a breach of any agreement  
15 contained in this Ordinance, the Loan Agreement, or any other instrument impose  
16 any pecuniary liability upon the Water Authority or any charge upon its general  
17 credit. The Loan Agreement shall never constitute an indebtedness of the Water  
18 Authority within the meaning of any State constitutional provision or statutory  
19 limitation and shall never constitute or give rise to a pecuniary liability of the Water  
20 Authority or a charge against its general credit. Nothing herein shall prevent the  
21 Water Authority from applying other funds of the Water Authority legally available  
22 therefor to payments required by the Loan Agreement, in its sole and absolute  
23 discretion.

24       Section 9.   DISPOSITION OF PROCEEDS; COMPLETION OF  
25 ACQUISITION AND CONSTRUCTION OF THE PROJECT.

26       (A)    ACCOUNTS. The Water Authority hereby consents to creation  
27 of the Program Account, Expense Fund and Debt Service Account to be held and  
28 maintained by the Finance Authority as provided in the Loan Agreement. The Water  
29 Authority hereby approves of the deposit of a portion of the proceeds of the Loan  
30 Agreement in the Program Account and Expense Fund. The proceeds derived from  
31 the execution and delivery of the Loan Agreement shall be deposited promptly upon

1 receipt thereof in the Expense Fund and the Program Account, as provided in the  
2 Loan Agreement. Until the Completion Date or the date of the Final Disbursement,  
3 the money in the Program Account shall be used and paid out solely for the purpose  
4 of acquiring and constructing the Project and to pay Expenses in compliance with  
5 applicable law and the provisions of the Loan Agreement.

6 (B) PROMPT COMPLETION OF THE PROJECT. The Water  
7 Authority will acquire, construct and complete the Project with all due diligence.  
8 Upon the acquisition and completion of the Project, the Water Authority shall  
9 execute and send to the Finance Authority a certificate stating that the completion of  
10 and payment for the Project has been completed.

11 (C) FINANCE AUTHORITY NOT RESPONSIBLE FOR  
12 APPLICATION OF LOAN PROCEEDS. The Finance Authority shall in no manner  
13 be responsible for the application or disposal by the Water Authority or by its officers  
14 of the net proceeds derived from the Loan Agreement.

15 Section 10. DEPOSIT OF NET REVENUES; DISTRIBUTIONS OF NET  
16 REVENUES AND FLOW OF FUNDS.

17 (A) DEPOSIT OF NET REVENUES. Net Revenues shall be paid  
18 directly by the Water Authority to the Finance Authority in an amount sufficient to pay  
19 principal and interest due under the Loan Agreement, as provided in Section 5.2 of  
20 the Loan Agreement.

21 (B) TERMINATION OF DEPOSITS TO MATURITY. No payment  
22 shall be made into the Debt Service Account if the amount in the Debt Service  
23 Account totals a sum at least equal to the entire aggregate amount of Loan  
24 Agreement Payments to become due as to principal and interest due under the Loan  
25 Agreement, in which case moneys in such account in an amount at least equal to  
26 such principal and interest requirements shall be used solely to pay such obligations  
27 as the same become due, and any moneys in excess thereof in such accounts shall  
28 be transferred to the Water Authority and used as provided in Section 10(C) below.

29 (C) USE OF SURPLUS REVENUES. After making all the  
30 payments hereinabove required to be made by this Section, any moneys remaining  
31 in the Debt Service Account shall be transferred to the Water Authority on a timely

1 basis and applied to any other lawful purpose, including, but not limited to, the  
2 payment of any Senior Obligations, Subordinate Obligations or Super Subordinate  
3 Obligations, or purposes authorized by the Water Authority, the Constitution and  
4 laws of the State, as the Water Authority may from time to time determine.

5       Section 11. LIEN ON NET REVENUES. The Loan Agreement shall be  
6 issued with a lien on the Net Revenues on parity with the lien of the Senior  
7 Obligations on the Net Revenues and a lien superior to the liens of the Subordinate  
8 Obligations and the Super Subordinate Obligations on the Net Revenues. The Net  
9 Revenues are hereby authorized to be pledged, and are hereby pledged, and the  
10 Water Authority grants a security interest therein, for the payment of the principal  
11 and interest due under the Loan Agreement, subject to the uses thereof permitted by  
12 and the priorities set forth in this Ordinance and the Loan Agreement. The Loan  
13 Agreement constitutes an irrevocable first lien, but not necessarily an exclusive first  
14 lien, on the Net Revenues as set forth herein and therein, and the Water Authority  
15 shall not create a lien on the Net Revenues superior to that of the Loan Agreement  
16 without the express prior written approval of the Finance Authority.

17       Section 12. AUTHORIZED OFFICERS; DELEGATED POWERS.  
18 Authorized Officers are hereby individually authorized and directed to execute and  
19 deliver any and all papers, instruments, opinions, affidavits and other documents  
20 and to do and cause to be done any and all acts and things necessary or proper for  
21 carrying out this Ordinance, the Loan Agreement and all other transactions  
22 contemplated hereby and thereby. Authorized Officers are hereby individually  
23 authorized to do all acts and things required of them by this Ordinance and the Loan  
24 Agreement for the full, punctual and complete performance of all the terms,  
25 covenants and agreements contained in this Ordinance and the Loan Agreement  
26 including, but not limited to, the execution and delivery of closing documents,  
27 additional agreements and reports required in connection with the execution and  
28 delivery of the Loan Agreement, and the publication of the summary of this  
29 Ordinance set out in Section 19 of this Ordinance (with such changes, additions and  
30 deletions as may be necessary).

31       Section 13. FUNDS AND ACCOUNTS.

1 (A) JOINT WATER AND SEWER FUND. The Water Authority shall  
2 continue the Joint Water and Sewer Fund as a separate, distinct and segregated  
3 fund. As long as the Loan Agreement is outstanding, all Gross Revenues shall  
4 continue to be set aside and credited to the Joint Water and Sewer Fund.

5 (B) DEBT SERVICE FUND AND ACCOUNTS. The Water Authority  
6 shall continue the Debt Service Fund as a separate, distinct and segregated fund for  
7 the deposit of Net Revenues for the payment of System Obligations, including the  
8 Loan Agreement. The Water Authority shall continue the Expense Account as part  
9 of the Debt Service Fund. Money on deposit or credited to the Expense Account  
10 shall be used for the purpose of payment of Expenses.

11 (C) RATE STABILIZATION FUND. The Water Authority shall  
12 continue the Rate Stabilization Fund as a separate, distinct and segregated fund.

13 Section 14. AMENDMENT OF ORDINANCE. Prior to the Closing Date, the  
14 provisions of this Ordinance may be supplemented or amended by ordinance of the  
15 Board with respect to any changes which are not inconsistent with the substantive  
16 provisions of this Ordinance. After the Closing Date, this Ordinance may be  
17 amended without receipt by the Water Authority of any additional consideration, but  
18 only with the prior written consent of the Finance Authority.

19 Section 15. LIMITATION OF RIGHTS. Nothing in this Ordinance expressed  
20 or implied is intended or shall be construed to give to any person other than the  
21 Water Authority, the Finance Authority and the parties to which such right, remedy or  
22 claim is expressly granted by this Ordinance any legal or equitable right, remedy or  
23 claim under or in respect to the Ordinance.

24 Section 16. ORDINANCE IRREPEALABLE. After the Closing Date, this  
25 Ordinance shall be and remain irrevocable until all obligations due under the Loan  
26 Agreement shall be fully paid, canceled and discharged, as herein provided.

27 Section 17. SEVERABILITY CLAUSE. If any section, paragraph, clause or  
28 provision of this Ordinance shall for any reason be held to be invalid or  
29 unenforceable, the invalidity or unenforceability of that section, paragraph, clause or  
30 provision shall not affect any of the remaining provisions of this Ordinance.

31 Section 18. REPEALER CLAUSE. All bylaws, orders, resolutions and

ordinances, or parts thereof, inconsistent with this Ordinance are repealed to the extent only of such inconsistency. This repealer shall not be construed to revive any bylaw, order, resolution or ordinance, or part thereof, previously repealed.

Section 19. GENERAL SUMMARY FOR PUBLICATION. The title and a general summary of the subject matter contained in this Ordinance shall be published in substantially the following form:

(Form of Summary of Ordinance for Publication)

Albuquerque Bernalillo County Water Utility Authority

Notice of Adoption of Ordinance

NOTICE IS HEREBY GIVEN, pursuant to the provisions of Section 6-14-6 NMSA 1978, that on March 20, 2019, the Board of Albuquerque Bernalillo County Water Utility Authority (the "Water Authority") adopted Water Authority Ordinance No. O-19-\_\_\_\_\_, an ordinance which authorizes the execution and delivery of a loan agreement with the New Mexico Finance Authority in an aggregate principal amount of \$3,430,081 to make improvements to the Water Authority's Joint Water and Sanitary Sewer System.

The title of the Ordinance is:

#### **ORDINANCE**

**AN ORDINANCE AUTHORIZING THE EXECUTION AND DELIVERY OF A LOAN AND SUBSIDY AGREEMENT ("LOAN AGREEMENT") BY AND BETWEEN THE ALBUQUERQUE BERNALILLO COUNTY WATER UTILITY AUTHORITY (THE "WATER AUTHORITY") AND THE NEW MEXICO FINANCE AUTHORITY, EVIDENCING A SPECIAL LIMITED OBLIGATION OF THE WATER AUTHORITY TO PAY A PRINCIPAL AMOUNT OF NO MORE THAN TWO MILLION SEVEN HUNDRED TWENTY-FOUR THOUSAND TWO HUNDRED EIGHTY-TWO DOLLARS (\$2,724,282), TOGETHER WITH INTEREST, COSTS OF ISSUANCE AND ADMINISTRATIVE FEES THEREON, AND TO ACCEPT A LOAN SUBSIDY OF NO MORE THAN SEVEN HUNDRED FIVE THOUSAND SEVEN HUNDRED NINETY-NINE DOLLARS (\$705,799), FOR THE PURPOSE OF FINANCING THE COSTS OF EXTENDING AND IMPROVING THE WATER INFRASTRUCTURE SYSTEM TO THE LOS PADILLAS COMMUNITY AS PART OF THE SOUTH**



1 VALLEY WATER PROJECT, INCLUDING, ACQUISITION AND INSTALLATION  
2 OF WATER DISTRIBUTION LINES; PROVIDING FOR THE PLEDGE AND  
3 PAYMENT OF THE PRINCIPAL, INTEREST AND ADMINISTRATIVE FEES DUE  
4 UNDER THE LOAN AGREEMENT SOLELY FROM NET REVENUES; SETTING A  
5 MAXIMUM INTEREST RATE FOR THE LOAN; APPROVING THE FORM OF AND  
6 OTHER DETAILS CONCERNING THE LOAN AGREEMENT; RATIFYING  
7 ACTIONS HERETOFORE TAKEN; REPEALING ALL ACTION INCONSISTENT  
8 WITH THIS ORDINANCE; AND AUTHORIZING THE TAKING OF OTHER  
9 ACTIONS IN CONNECTION WITH THE EXECUTION AND DELIVERY OF THE  
10 LOAN AGREEMENT.

11 The title contains a general summary of the subject matter contained in the  
12 Ordinance.

13 This notice constitutes compliance with § 6-14-6 NMSA 1978.

14 (End of Summary of Ordinance for Publication)

15  
16 PASSED AND ADOPTED THIS 20<sup>th</sup> DAY OF MARCH, 2019.

17 BY A VOTE OF \_\_\_\_ FOR AND \_\_\_\_ AGAINST.

18  
19  
20 \_\_\_\_\_  
21 Chair

22 ATTEST:

23  
24 \_\_\_\_\_  
25 Secretary

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Meeting Date: March 21, 2018  
Staff Contact: Stan Allred, Chief Financial Officer

**TITLE:**        **R-19-4 – Confirming Approval of the Execution and Delivery of a Loan and Subsidy Agreement by and Between the Albuquerque Bernalillo County Water Utility Authority and the New Mexico Finance Authority**

**ACTION:**      **Introduction February 27, 2019; Final Action March 20, 2019**

**BACKGROUND:**

The Water Authority submitted an application for financial assistance for the Los Padillas South Valley Drinking Water Project Phase 7B and 7C. To date, the Water Authority has completed approximately 98% (10,733' / 10,983') of the total waterline installation for the area located east of Isleta Boulevard. TLC Inc. has concrete work left to complete and Water Authority crews need to install waterline, services, valve, and fire hydrants on Marcelino Rd, east of Indian Lateral.

Phase 1: Waterline: Approximately 95% (10,733' / 10,983') of the waterline in this phase has been installed, including hydrostatic pressure tests and bacteria tests. The remaining section of waterline to be installed is on the east side of Marcelino Rd.

The Water Authority has completed approximately 24% (4240' / 17,705') of the total waterline installation for the area located east of Isleta Boulevard.

Phase 2: Waterline: Approximately 49% (4240' / 8,700') of the waterline in this phase has been installed. Santiago Rd has completed Bac-T and hydrostatic testing (passed) and paving has been completed. The Water Authority has completed the hydrostatic and Bac-T for the middle and east portions of Black Mesa Lp. Paving will commence the week of February 18, 2019.

**SUMMARY:**

This legislation is the ratification, approval and confirmation of the actions taken by the Board and the officers of the Water Authority toward the financing of a loan/grant with the New Mexico Finance Authority in the amount of \$3,430,081. The ratification, approval and confirmation include the execution of a Loan Agreement, the pledge of the Pledged Revenues and the adoption of Ordinance O-19-1. All capitalized terms shall have the same meaning as such terms have in Ordinance O-19-1.

**FISCAL IMPACT:**

There is no fiscal impact associated with this legislation.

**COMMENTS:**

This Resolution is subject to the adoption by the Water Authority Board of Ordinance O-19-1, authorizing the execution of a \$3,430,081 loan/grant agreement by and between the Water Authority, and the New Mexico Finance Authority. The Loan authorized by Ordinance O-19-1, will provide financing assistance to complete Phase 7 of the Los Padillas South Valley Drinking Water Project.

**BILL NO.** R-19-4

SECTION 2. If any section, paragraph, clause or provision of this Confirming Resolution shall for any reason be held to be invalid or unenforceable, the invalidity or

unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Confirming Resolution.

SECTION 3. This Confirming Resolution shall be in full force and effect immediately upon adoption.

SECTION 4. Pursuant to the general laws of the State, the title and general summary of the subject matter contained in this Confirming Resolution shall be published in substantially the following form:

ALBUQUERQUE BERNALILLO COUNTY WATER UTILITY AUTHORITY  
LEGAL NOTICE

Notice is hereby given that the Board of Directors of Albuquerque Bernalillo County Water Utility Authority did on the 20<sup>th</sup> day of March, 2019, adopt a resolution entitled:

**CONFIRMING APPROVAL OF THE EXECUTION AND DELIVERY OF A LOAN AND SUBSIDY AGREEMENT (THE "LOAN AGREEMENT") BY AND BETWEEN THE ALBUQUERQUE BERNALILLO COUNTY WATER UTILITY AUTHORITY (THE "WATER AUTHORITY") AND THE NEW MEXICO FINANCE AUTHORITY EVIDENCING A SPECIAL LIMITED OBLIGATION OF THE WATER AUTHORITY TO PAY A PRINCIPAL AMOUNT OF NO MORE THAN TWO MILLION SEVEN HUNDRED TWENTY-FOUR THOUSAND TWO HUNDRED EIGHTY-TWO DOLLARS (\$2,724,282), TOGETHER WITH INTEREST, COSTS OF ISSUANCE AND ADMINISTRATIVE FEES THEREON, AND TO ACCEPT A LOAN SUBSIDY OF NO MORE THAN SEVEN HUNDRED FIVE THOUSAND SEVEN HUNDRED NINETY-NINE DOLLARS (\$705,799); AND RATIFYING ACTION PREVIOUSLY TAKEN IN CONNECTION THEREWITH.**

The Confirming Resolution authorizes the execution and delivery of the Loan Agreement. Complete copies of the Confirming Resolution are available for public inspection during normal and regular business hours at the offices of the Water Authority, One Civic Plaza, NW, Albuquerque, New Mexico.

Dated this 20<sup>th</sup> day of March, 2019.

1 PASSED AND ADOPTED THIS 20<sup>th</sup> DAY OF MARCH, 2019. BY A VOTE OF  
2 \_\_\_\_\_ FOR AND \_\_\_\_\_ AGAINST.

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\_\_\_\_\_  
CHAIR

7 ATTEST:

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\_\_\_\_\_  
SECRETARY

11

12



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Meeting Date: February 27, 2019  
Staff Contact: Rick Shean, Water Rights Manager

**TITLE: C-19-6 – Approval of Contract with Daniel B. Stephens and Associates, John Shomaker and Associates, Hazen and Sawyer, Tetrattech and Intera (the Vendors) for water resources on call services**

**ACTION: Recommend Approval**

**Summary:**

The Albuquerque Bernalillo County Water Utility Authority (Water Authority) issued the subject Request for Proposals (RFP) to find qualified contractors to provide water resources services resulting from Water Authority work within the City of Albuquerque, Village of Los Ranchos, New Mexico Department of Transportation (NMDOT) and Bernalillo County right-of-way (ROW).

Requesting approval to delegate signature authority to the Executive Director to enter into a contract with all of the Vendors to perform water resources services.

If approved by the Board, an Agreement will be executed between the Water Authority and the Vendors for services related to water resources planning, implementation of Water 2120, groundwater and hydrogeology investigations and evaluations, permitting and compliance reporting.

**FISCAL IMPACT:**

The funding to support these contracts will come out of the FY19-21 Water Authority budget. The term of the agreements will be for three years.

# Memo

**To:** Mark S. Sanchez, Executive Director  
Katherine M. Yuhas, Water Resources Manager

**From:** Candida Kelcourse, Purchasing Administrator *CK*

**Through:** Jonathan Daniels, Chief Purchasing Officer *JD*

**Date:** October 30, 2018

**Re:** Ad Hoc Committee for P2019000005, "Water Resources On-Call Services"

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The following individuals are recommended to serve as members of the Ad Hoc Advisory Committee ("Committee") for the Request for Proposals for "Water Resources On-Call Services." This Committee will review and evaluate proposals and submit a ranked list of offerors to you for selection.

- Katherine Yuhas, Committee Chair
- John Stomp, Member
- Rick Shean, Member
- Kate Mendoza, Member
- Diane Agnew, Member

I will manage the Request for Proposals and serve as a procedural advisor to the Committee. Subject Matter Experts may be added throughout the RFP process as deemed necessary by the Purchasing Department.

I respectfully request your approval of this Committee in order to start the Request for Proposals process.

APPROVED:



Mark S. Sanchez  
Executive Director  
Date: 10/30/18

RECOMMENDED:



Katherine Yuhas  
Water Resources Manager  
Date: 10/30/18

Original: RFP File

Copy: Luz del Carmen Carreon, Executive Services Coordinator



# Memo

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

**From:** Candida Kelcourse, Purchasing Administrator *CK*

**Through:** Jonathan Daniels, Chief Purchasing Officer *JD*

**Date:** January 29, 2019

**Re:** Recommendation of Award, P2019000005, Water Resources On-Call RFP

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

The RFP was posted on the Sicom website and advertised in the local newspaper. Seven (7) responses were received and submitted for evaluation. The Ad Hoc evaluation committee reviewed, evaluated, and scored the responses in accordance with the evaluation criteria published in the RFP.

Listed are all the respondents' average composite scores with small and/or local preferences and the NM Resident Preference applied for the offeror(s) with an asterisk (\*). The largest total composite score possible without preferences applied is 1000.

<u>Offeror</u>	<u>Total Composite Score</u>
John Shoemaker & Associates, Inc.	1015*
Tetra Tech, Inc.	997*
Daniel B. Stephens & Associates, Inc.	959*
Hazen & Sawyer, DPC	952
Intera Incorporated	809
NV5, Inc.	552
Hydro Geo Chem, Inc.	502

The committee recommended the award of contracts to **John Shoemaker & Assoc., Tetra Tech, Daniel B. Stephens, Hazen & Sawyer, and Intera** as these five companies had the highest average composite scores and are qualified to perform the work. I concur with the committee's recommendation.

Water Authority Board approval is required for this procurement.

Approved:

Recommended:

*MS* *2/4/19*  
\_\_\_\_\_  
Mark S. Sanchez Date  
Executive Director

*Katherine M. Yuhas* *2/1/19*  
\_\_\_\_\_  
Katherine M. Yuhas Date  
Water Resources Manager

Enclosures: Composite Score Sheet

PURCHASING DIVISION

**Water Resources On-Call Services**  
**Request for Proposals No. P2019000005**

EVALUATION CRITERIA	EVALUATION FACTORS	OFFERORS						
		Daniel B. Stephens	Hydro Geo Chem	NV5	John Shomaker	Hazen & Sawyer	Intera	Tetra Tech
1. Basic Qualifications	Up to 300	260	156	162	248	293	233	277
2. Staffing	Up to 300	265	144	170	258	284	262	270
3. Technical Approach	Up to 300	258	126	142	263	281	228	254
4. Cost Proposal	Up to 100	76	76	78	96	94	86	96
<b>TOTAL COMPOSITE SCORES</b>		<b>859</b>	<b>502</b>	<b>552</b>	<b>865</b>	<b>952</b>	<b>809</b>	<b>897</b>
Resident Business Preference	Up to 5%	50			50			50
Resident Veteran Business Preference	Up to 10%							
Recycled Content Goods Preference	Up to 5%							
Local Business Preference	Up to 5 %	50			50			50
Small Business Preference	Up to 5%				50			
Pay Equity Preference (NOT CURRENTLY AVAILABLE)	Up to 5%							
15% Preference Max		100	0	0	150	0	0	100
<b>TOTAL COMPOSITE SCORES WITH PREFERENCES</b>		<b>959</b>	<b>502</b>	<b>552</b>	<b>1015</b>	<b>952</b>	<b>809</b>	<b>997</b>
<b>RANKING</b>		<b>3</b>	<b>7</b>	<b>6</b>	<b>1</b>	<b>4</b>	<b>5</b>	<b>2</b>
		Daniel B. Stephens	Hydro Geo Chem	NV5	John Shomaker	Hazen & Sawyer	Intera	Tetra Tech

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Meeting Date: February 27, 2019  
Staff Contact: Charles Leder, Plant Division Manager

**TITLE: C-19-7 – Contract with Elite Energy Services for Reciprocating Engine Major Overhauls and Repairs**

**ACTION: Recommend Approval**

**Summary:**

The Albuquerque Bernalillo County Water Utility Authority (Water Authority) issued the Request for Proposals (RFP) to solicit responses from qualified vendors for Reciprocating Engine Major Overhauls and Repairs, P2019000006.

Approval is requested to enter into an agreement with Elite Energy Services to provide Major Engine Overhauls and Repairs through the issuance of a purchase order.

If approved by the Board, a purchase order will be issued by the Water Authority to enable Elite Energy Services to complete engine overhauls and repairs at the Southside Water Reclamation Plant and for other engines that power wells and booster pumps in the Water Authority's water system.

By entering into this agreement, the Water Authority can procure the services of Elite Energy Services to perform all major engine overhauls and repairs which are beyond the capabilities of Water Authority personnel.

**FISCAL IMPACT:**

The funding for FY19 will come from existing appropriations and future expenditures are subject to future appropriations and will be awarded on an as needed. The term of the agreements will be for two years, and may be extended for an additional year.





Albuquerque Bernalillo County  
Water Utility Authority

PO Box 568  
Albuquerque, NM 87103-0568  
505-289-3100  
www.abcwua.org

## Memo

**To:** Mark S. Sanchez, Executive Director  
Charles S. Leder, Plant Division Manager

**From:** Andrea Chandler, Senior Buyer 

**Through:** Jonathan Daniels, Purchasing Officer 

**Date:** December 7, 2018

**Re:** Amended -Ad Hoc Committee for P2019000006, "Reciprocating Engine Major Overhauls & Repairs"


The following individuals are recommended to serve as members of the Ad Hoc Advisory Committee ("Committee") for the Request for Proposals for "Reciprocating Engine Major Overhauls & Repairs." This Committee will review and evaluate proposals and submit a ranked list of offerors to you for selection.

- Charles Leder, Committee Chair
- Larry Lairson, Member
- Jeff Romanowski, Member
- Ronnie Lovato, Member
- Jared Ray, Member
- Patrick McLee, Alternate Member


I will manage the Request for Proposals and serve as a procedural advisor to the Committee. Subject Matter Experts may be added throughout the RFP process as deemed necessary by the Purchasing Department.

I respectfully request your approval of this Committee in order to start the Request for Proposals process.

APPROVED:

  
\_\_\_\_\_  
Mark S. Sanchez  
Executive Director  
Date: 12/28/18

RECOMMENDED:

  
\_\_\_\_\_  
Charles S. Leder  
Plant Division Manager  
Date: 12-10-18

Original: RFP File

Copy: Luz del Carmen Carreon, Executive Services Coordinator



# Memo

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

**From:** Andrea Chandler, Senior Buyer 

**Through:** Jonathan Daniels, Purchasing Officer 

**Date:** February 4, 2019

**Re:** Recommendation of Award, P2019000006, Reciprocating Engine Major Overhauls and Repairs

The Albuquerque Bernalillo County Water Utility Authority issued the referenced Request for Proposals (RFP) to solicit proposals from qualified vendors to enter into an agreement for major engine overhauls and repairs at the Southside Water Reclamation Plant and for well and booster pumps in the Water Authority's water system.

The RFP was posted on the Sicomm website and advertised in the local newspaper. One (1) responses was received and submitted for evaluation. The Ad Hoc evaluation committee reviewed, evaluated, and scored the response in accordance with the evaluation criteria published in the RFP.

Listed is the respondents average composite score. The largest total composite score possible without preferences applied is 1000.

<u>Offeror</u>	<u>Total Composite Score</u>
Elite Energy Services	818

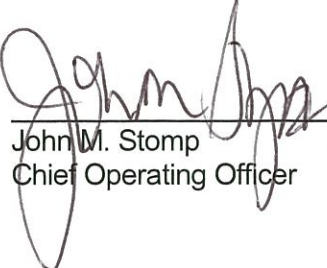
The committee recommended the award of contract to **Elite Energy Services** as that company had the highest average composite score after final scoring and is qualified to perform the work. I concur with the committee's recommendation.

Water Authority Board approval is required for this procurement.

Approved:

Recommended:

 2/8/19  
\_\_\_\_\_  
Mark S. Sanchez Date  
Executive Director

 2/8/19  
\_\_\_\_\_  
John M. Stomp Date  
Chief Operating Officer

Enclosures: Composite Score Sheet

**RECIPROCATING ENGINE MAJOR OVERHAULS AND REPAIRS**  
**Request for Proposals No. P2019000006**

EVALUATION CRITERIA	EVALUATION FACTORS	OFFERORS
		Elite Energy Services
1. Company Experience	Up to 300	240
2. Staff Experience	Up to 200	180
3. Other Company Informaion	Up to 200	165
4. Clarity, Quality, and Organization of Proposal	Up to 100	75
5. Cost Proposal	Up to 200	158
TOTAL COMPOSITE SCORES		818
Resident Business Preference	Up to 5%	
Resident Veteran Business Preference	Up to 10%	
Recycled Content Goods Preference	Up to 5%	
Local Business Preference	Up to 5 %	
Small Business Preference	Up to 5%	
Pay Equity Preference (NOT CURRENTLY AVAILABLE)	Up to 5%	
15% Preference Max		0
TOTAL COMPOSITE SCORES WITH PREFERENCES		818
RANKING		1
		Elite Energy Services

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Meeting Date: February 27, 2019  
Staff Contact: Hobert Warren, Field Division Manager

**TITLE: C-19-8 – Approving Recommendation of Award, P2019000002, Pavement Cut Repair Services**

**ACTION: Recommend Approval**

**SUMMARY:**

The Albuquerque Bernalillo County Water Utility Authority (Water Authority) issued the subject Request for Proposals (RFP) to find qualified contractors to provide paving, concrete, and curbing services resulting from Water Authority work within the City of Albuquerque, Village of Los Ranchos, New Mexico Department of Transportation (NMDOT) and Bernalillo County right-of-way (ROW). These Contractors will receive and close out jobs based on Maximo work orders assigned by the Water Authority on an as needed basis.

The Ad Hoc Evaluation Committee made up of Joel Berman, Chief Engineer; Scott Schneider, Field Superintendent; Carlos Romero, Collections Superintendent, and Karen Hovey, Dispatch Supervisor reviewed, evaluated, and scored the responses in accordance with the evaluation criteria published in the RFP

The Ad Hoc committee recommends a multiple award of the contract to TLC and CCE.

Listed below are the scores of the two respondents.

<u>Offeror</u>	<u>Total Composite Score</u>
TLC	960
CCE	845

**FISCAL IMPACT:**

The funding for FY19 will come from existing appropriations and future expenditures are \$3.5 million per year for the term of the contracts.

## Memo

**To:** Mark S. Sanchez, Executive Director  
Joel Berman, Chief Engineer *JB*  
**From:** Candida Kelcourse, Purchasing Administrator  
**Through:** Jonathan Daniels, Chief Purchasing Officer  
**Date:** October 12, 2018  
**Re:** Ad Hoc Committee for P2019000002, "Pavement Cutting Repair"


The following individuals are recommended to serve as members of the Ad Hoc Advisory Committee ("Committee") for the Request for Proposals for "Pavement Cutting Repair." This Committee will review and evaluate proposals and submit a ranked list of offerors to you for selection.

- Joel Berman, Committee Chair
- Carlos Romero, Member
- Karen Hovey, Member
- Scott Schneider, Member

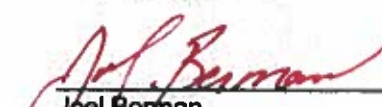
I will manage the Request for Proposals and serve as a procedural advisor to the Committee. Subject Matter Experts may be added throughout the RFP process as deemed necessary by the Purchasing Department.

I respectfully request your approval of this Committee in order to start the Request for Proposals process.

APPROVED:

  
\_\_\_\_\_  
Mark S. Sanchez  
Executive Director  
Date: 10/18/18

RECOMMENDED:

  
\_\_\_\_\_  
Joel Berman  
Chief Engineer  
Date: 10/18/18

Original: RFP File

Copy: Luz del Carmen Carreon, Executive Services Coordinator





# Memo

**To:** Mark S. Sanchez, Executive Director  
**From:** Candida Kelcourse, Purchasing Administrator *CK*  
**Through:** Jonathan Daniels, Purchasing Officer *JD*  
**Date:** February 7, 2019  
**Re:** Recommendation of Award, P2019000002, PAVEMENT CUT REPAIR

The Albuquerque Bernalillo County Water Utility Authority issued the referenced Request for Proposals (RFP) to solicit proposals from qualified vendors to enter into a power purchase agreement to provide pavement cut repair services.

The RFP was posted on the Sicom website and advertised in the local newspaper. Two (2) responses were received and submitted for evaluation. The Ad Hoc evaluation committee reviewed, evaluated, and scored the responses in accordance with the evaluation criteria published in the RFP.

Listed are all the respondents' average composite scores with small and/or local preferences and the NM Resident Preference applied for the offeror(s) with an asterisk (\*). The largest total composite score possible without preferences applied is 1000.

<u>Offeror</u>	<u>Total Composite Score</u>
TLC Company, Inc.	960
CCE and Rio Grande Ready Mix	845

The committee recommended the award of contract to both **TLC and CCE** as both companies had the highest average composite scores after final scoring and are both qualified to perform the work. I concur with the committee's recommendation.

Water Authority Board approval is required for this procurement.

Approved:

Recommended:

*Mark S. Sanchez* 2/6/19  
\_\_\_\_\_  
Mark S. Sanchez Date  
Executive Director

*Joel Berman* 2/8/2019  
\_\_\_\_\_  
Joel Berman Date  
Chief Engineer, Field

Enclosures: Composite Score Sheet

PURCHASING DIVISION

**Pavement Cut Repair Services**  
**Request for Proposals No. P2019000002**

EVALUATION CRITERIA	EVALUATION FACTORS	OFFERORS	
		TLC	CCE
1. Personnel Experience and Availability, including dedicated Project Managers, Superintendents and/or Supervisors that will be assigned to the Pavement Cut Repair contract along with their availability.	Up to 350	341.25	328.75
2. Service Capabilities, including suppliers/vendors and equipment that will be utilized to meet the needs of the Pavement Cut Repair contract.	Up to 350	347.5	286.25
3. The costs proposed by the Offeror to perform the tasks listed in the Scope of Services. [The evaluation of this Section will occur after the technical evaluation, based on a cost/price analysis.]	Up to 300	271.25	230
<b>TOTAL COMPOSITE SCORES</b>		<b>960</b>	<b>845</b>
Resident Business Preference	Up to 5%		
Resident Veteran Business Preference	Up to 10%		
Recycled Content Goods Preference	Up to 5%		
Local Business Preference	Up to 5 %		
Small Business Preference	Up to 5%		
Pay Equity Preference (NOT CURRENTLY AVAILABLE)	Up to 5%		
15% Preference Max		0	0
<b>TOTAL COMPOSITE SCORES WITH PREFERENCES</b>		<b>960</b>	<b>845</b>
<b>RANKING</b>		<b>1</b>	<b>2</b>
		<b>TLC</b>	<b>CCE</b>

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Meeting Date: February 27, 2019

Staff Contact: Mark S. Sanchez, Executive Director

**TITLE: C-19-9 – Approval of Contract with Judith L. Durzo, Attorney at Law, The Greaser Law Firm LLC, and Ripley B. Harwood, P.C. for Personnel Hearing Officer Services**

**ACTION: Recommend Approval**

**Summary:**

The Water Authority Merit System Ordinance provides that employees are allowed to appeal disciplinary decisions to a Personnel Hearing Officer. The Merit System Ordinance also requires that the Executive Director use a competitive process to select up to three Personnel Hearing Officers, subject to the approval of the Water Authority Board (Section, 10-1-23 (A)). To comply with this provision, the Water Authority issued an RFP to solicit proposals from vendors qualified to provide Personnel Hearing Officer services for disciplinary appeals.

The RFP was posted on SicomNet and advertised in the local newspaper. Three responses were submitted for evaluation. The three responses were reviewed, evaluated and scored by the Ad Hoc Committee consisting of the three members of the Water Authority's Labor Management Relations Board.

Based on the recommendations of the Ad Hoc Committee, the Executive Director recommends all three respondents be awarded contracts. The respective scores after all rounds of scoring are as follows:

<u>Respondent</u>	<u>Score</u>
Judith Durzo, Esq.	933
The Graeser Law Firm LLC	917
Ripley B. Harwood, P.C.	917

This approval is intended to delegate signature authority to the Executive Director to enter into a contract with all three Respondents, to comply with the Merit System Ordinance, to provide Personnel Hearing Officer services based on the Recommendation of Award of RFP, P2019000008.

If approved by the Board, an Agreement will be executed between the Water Authority and each Respondent to enable them to provide these services, as needed.

**FISCAL IMPACT:**

The funding to support these contracts is appropriated in the FY19 Water Authority budget and will not require additional appropriations. The term of the agreements will be for two years, and the total expenditures for each contract is not expected to exceed \$20,000.00, excluding applicable taxes, through FY21. Any additional increase to the contract that exceeds 20% of the amounts previously approved shall require additional approval.





# Memo

**To:** Mark S. Sanchez, Executive Director  
Judy M. Bentley, Human Resources Manager

**From:** Candida Kelcourse, Purchasing Administrator *OK*

**Through:** Jonathan Daniels, Chief Purchasing Officer *JD*

**Date:** November 19, 2018

**Re:** Ad Hoc Committee for P2019000008, "Personnel Hearing Officer"

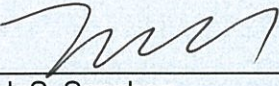
The following individuals are recommended to serve as members of the Ad Hoc Advisory Committee ("Committee") for the Request for Proposals for "Personnel Hearing Officer." The Committee will review and evaluate proposals and submit a ranked list of offerors to you for selection.

- Justice Joseph F. Baca, Committee Chair
- Felicia Orth, Member
- Juan Montoya, Member

I will manage the Request for Proposals and serve as a procedural advisor to the Committee. Subject Matter Experts may be added throughout the RFP process as deemed necessary by the Purchasing Department.

I respectfully request your approval of this Committee in order to start the Request for Proposals process.

APPROVED:

  
\_\_\_\_\_  
Mark S. Sanchez  
Executive Director  
Date: 12/3/18

RECOMMENDED:

  
\_\_\_\_\_  
Judy Bentley  
Human Resources Manager  
Date: 12/3/18

# Memo

**To:** Mark S. Sanchez, Executive Director  
**From:** Candida Kelcourse, Purchasing Administrator   
**Through:** Jonathan Daniels, Chief Purchasing Officer   
**Date:** February 8, 2019  
**Re:** Recommendation of Award, P2019000008, Personnel Hearing Officer RFP

The Albuquerque Bernalillo County Water Utility Authority issued the referenced Request for Proposals (RFP) to solicit proposals from qualified vendors to serve as Personnel Hearing Officers.

The RFP was posted on SicomNet and advertised in the local newspaper. Three (3) responses were received and submitted for evaluation. The Ad Hoc Committee reviewed, evaluated, and scored the responses in accordance with the evaluation criteria published in the RFP.

Listed are all the respondents' average composite scores with small and/or local preferences and the NM Resident Preference applied for the offeror(s) with an asterisk (\*). The largest total composite score possible without preferences applied is 1000.

<u>Offeror</u>	<u>Total Composite Score</u>
Judith L. Durzo, Attorney at Law	933
The Graeser Law Firm LLC	917
Ripley B. Harwood, P.C.	917

The committee recommended the award of contracts to **Judith L. Durzo, Attorney at Law, The Graeser Law Firm LLC, and Ripley B. Harwood, P.C.** as all three companies are qualified to perform the work, and up to three companies may be selected per the Merit System Ordinance (Section 10-1-23(A)). I concur with the committee's recommendation.

Water Authority Board approval is required for this procurement.

Approved:

Recommended:

 2/12/19  
\_\_\_\_\_  
Mark S. Sanchez Date  
Executive Director

 2/11/19  
\_\_\_\_\_  
Judy Bentley Date  
Human Resources Manager

Enclosures: Composite Score Sheet



**Personnel Hearing Officer RFP**  
**Request for Proposals No. P2019000008**  
**Preliminary Composite Score Tabulation**

EVALUATION CRITERIA	EVALUATION FACTORS	OFFERORS		
		Judith L. Durzo	Ripley B. Harwood	Graeser Law Firm
1. The Offeror's general approach and plans to meet the requirements of the RFP.	Up to 100	100	97	97
2. The Offeror's detailed plans to meet the objectives of each task, activity, etc. on the required schedule.	Up to 200	200	197	197
3. Experience and qualifications of the Offeror to perform tasks described in Part 3, Scope of Services.	Up to 250	217	213	213
4. The Offeror's past performance on projects of similar scope and size.	Up to 150	117	113	113
5. The overall ability of the Offeror, as judged by the evaluation committee, to successfully complete the project within the proposed schedule. This judgment will be based upon factors such as the review of references, résumé and writing sample.	Up to 200	200	197	197
6. Cost Proposal: The costs proposed by the Contractor as described in Part 3 of this RFP to perform the tasks listed in Appendix A, Scope of Services. The evaluation of the Cost Proposal will occur after the technical evaluation, based on a cost/price analysis.	Up to 100	100	83	63
<b>TOTAL COMPOSITE SCORES</b>		<b>933</b>	<b>900</b>	<b>879</b>
<b>Resident Business Preference</b>	Up to 5%			
<b>Resident Veteran Business Preference</b>	Up to 10%			
<b>Recycled Content Goods Preference</b>	Up to 5%			
<b>Local Business Preference</b>	Up to 5 %			
<b>Small Business Preference</b>	Up to 5%			
<b>Pay Equity Preference (NOT CURRENTLY AVAILABLE)</b>	Up to 5%			
<b>15% Preference Max</b>		<b>0</b>	<b>0</b>	<b>0</b>
<b>TOTAL COMPOSITE SCORES WITH PREFERENCES</b>		<b>933</b>	<b>900</b>	<b>879</b>
<b>RANKING</b>		<b>1</b>	<b>2</b>	<b>3</b>
		Judith L. Durzo	Ripley B. Harwood	Graeser Law Firm

**Personnel Hearing Officer RFP**  
**Request for Proposals No. P2019000008**  
**Final Composite Score Tabulation**

EVALUATION CRITERIA	EVALUATION FACTORS	OFFERORS		
		Judith L. Durzo	Ripley B. Harwood	Graeser Law Firm
1. The Offeror's general approach and plans to meet the requirements of the RFP.	Up to 100	100	97	97
2. The Offeror's detailed plans to meet the objectives of each task, activity, etc. on the required schedule.	Up to 200	200	197	197
3. Experience and qualifications of the Offeror to perform tasks described in Part 3, Scope of Services.	Up to 250	217	213	213
4. The Offeror's past performance on projects of similar scope and size.	Up to 150	117	113	113
5. The overall ability of the Offeror, as judged by the evaluation committee, to successfully complete the project within the proposed schedule. This judgment will be based upon factors such as the review of references, résumé and writing sample.	Up to 200	200	197	197
6. Cost Proposal: The costs proposed by the Contractor as described in Part 3 of this RFP to perform the tasks listed in Appendix A, Scope of Services. The evaluation of the Cost Proposal will occur after the technical evaluation, based on a cost/price analysis.	Up to 100	100	100	100
<b>TOTAL COMPOSITE SCORES</b>		<b>933</b>	<b>917</b>	<b>917</b>
<b>Resident Business Preference</b>	Up to 5%			
<b>Resident Veteran Business Preference</b>	Up to 10%			
<b>Recycled Content Goods Preference</b>	Up to 5%			
<b>Local Business Preference</b>	Up to 5 %			
<b>Small Business Preference</b>	Up to 5%			
<b>Pay Equity Preference (NOT CURRENTLY AVAILABLE)</b>	Up to 5%			
<b>15% Preference Max</b>		<b>0</b>	<b>0</b>	<b>0</b>
<b>TOTAL COMPOSITE SCORES WITH PREFERENCES</b>		<b>933</b>	<b>917</b>	<b>917</b>
<b>RANKING</b>		<b>1</b>	<b>2</b>	<b>2</b>
		Judith L. Durzo	Ripley B. Harwood	Graeser Law Firm



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Meeting Date: February 27, 2019  
Staff Contact: Stan Allred, Chief Financial Officer

**TITLE:** R-19-1 - Amendment to the Approved Operating Budget of the Albuquerque Bernalillo County Water Utility Authority for the Fiscal Year Ending June 30, 2019

**ACTION:** Recommend Approval

**SUMMARY:**

This resolution provides information to support a request to the Board to approve an amendment to the FY19 Operating Budget.

**FISCAL IMPACT:**

This action requests Board approval of the proposed amendment to the FY19 Operating Budget for the increase in operating and maintenance costs for the San Juan-Chama project billed by the U.S. Bureau of Reclamation and recognition of interest payment for the 2018 revenue bonds.

The amendment reallocates excess fund balance, which is a 0.03 percent impact to the FY19 beginning fund balance in the operating fund.

The various increases and decreases include the following:

- Increase of \$500,000 for the increased operating and maintenance expense to the U.S. Department of the Interior per the contract agreement (UC-447/ALB-621 WTR-4.00) which provides for significant rehabilitation and repair work for the San Juan-Chama project. The Bureau manages the infrastructure that conveys the Water Authority's and other contractors' allotment of the San Juan – Chama water. Each year, for several years in the past, the Bureau increases O&M costs at variable rates with different justifications. In FY19, additional funding has been requested by the Bureau to repair critical conveyance infrastructure and replacement of heavy equipment.
- Increase of \$636,000 for the transfer of funds from Fund 21 to Fund 31 designated for payment of interest expense for the Series 2018 Revenue Bonds issued on October 16, 2018.

Staff recommends approval of the proposed FY19 Operating Budget amendment which increases the current year operating budget.



# ALBUQUERQUE BERNALILLO COUNTY WATER UTILITY AUTHORITY

BILL NO. R-19-1

1 **RESOLUTION**  
2 **AMENDMENT TO THE APPROVED OPERATING BUDGET OF THE ALBUQUERQUE**  
3 **BERNALILLO COUNTY WATER UTILITY AUTHORITY FOR THE FISCAL YEAR**  
4 **ENDING JUNE 30, 2019**

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

8 WHEREAS, appropriations for the Fiscal Year ending June 30, 2019 that were  
9 previously approved under R-18-12 require an amendment due to a change operating  
10 and maintenance costs for the San Juan-Chama project billed by the U.S. Bureau of  
11 Reclamation and recognition of interest payment for the 2018 revenue bonds.

12 THEREFORE, BE IT RESOLVED BY THE WATER AUTHORITY:

13 Section 1. That funds in the amount of Five Hundred Thousand Dollars  
14 (\$500,000) are hereby increased in the General Fund 21 for the increased expense to the  
15 U.S. Bureau of Reclamation.

16 Section 2. That funds in the amount of Six Hundred Thirty-Six Thousand Dollars  
17 (\$636,000) are hereby transferred from General Fund 21 to the Debt Service Fund 31 for  
18 the increase of interest expense.

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

19  
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27

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Meeting Date: February 27, 2019

Staff Contact: Kristopher Cadena, Principal Engineer, Utility Development

**TITLE: C-19-3 – Service Connection Agreement for Water and Sewer Service with Coronado Park, LTD. at 8401 Pan American FWY NE**

**ACTION: Recommend Approval**

**SUMMARY:**

Coronado Park, LTD. desires an emergency water connection to existing public water infrastructure located at 8401 Pan American Fwy NE. The property is located at the northwest corner of I-25 and Paseo Del Norte. The proposed property is an existing mobile home park with plans to expand the private water system. The request is for a metered connection to the public water system to serve as an emergency backup source in the event that the onsite private water system fails. The property has existing sanitary sewer service from the Water Authority.

No additional infrastructure requirements are needed to provide emergency water service to this property other than an emergency service connection agreement approved by the Water Authority Board.

As a condition of service, the owner will be required to:

- Comply with the ordinances, resolutions, plans, and regulations of the Water Authority
- Pay the Utility Expansion Charge (UEC) at the rates that are imposed at the time of a service connection based on the size of the emergency service connection water meter.

**FISCAL IMPACT:**

None

**EMERGENCY SERVICE CONNECTION AGREEMENT**  
**(with Coronado Park, LTD., for Coronado Park Mobile Home Park,  
8401 Pan American Freeway, N.E., Albuquerque, NM 87113)**

**Albuquerque Bernalillo County Water Utility Authority**, a New Mexico political subdivision (the “Water Authority”) and **Coronado Park, LTD.** (“Owner”), whose address is 11100 Santa Monica Blvd. Suite 1150, Los Angeles, CA 90025, agree as follows:

**1. Recitals.**

A. Owner is the owner of 8401 Pan American FWY NE, Albuquerque, NM 87113 (Legal Description: A Tract of Land, situate within the Elena Gallegos Grant, Projected Sections 13 and 14, Township 11 North, Range 03 East, of the New Mexico Principal Meridian, Bernalillo County, State of New Mexico, being Tract A-1 of the Plat entitled Coronado Village) (herein “Property”), more particularly described and as shown in the Serviceability Statement for the Property, attached hereto as Exhibit A and incorporated herein by reference.

B. The Property is located within the Water Authority’s Adopted Service Area. The Property currently is served by a private well and water distribution system. The Property’s current use is as a mobile home park. The mobile home park has 327 mobile home spaces.

C. Owner desires a 2-inch connection to the public water system to provide emergency back-up water service to the existing mobile home park via the internal private water distribution network. The emergency back-up connection will only deliver water to Owner’s existing tanks for delivery to Owner’s existing customers. The emergency back-up system is solely for the Owner’s existing mobile home park on the Property and is not for expansion of the existing use or any other use. “Emergency” back-up use in this Agreement means any failure of a critical element of Owner’s private water system which requires a closing of Owner’s current private well system, to be determined by Owner in Owner’s discretion.

D. Emergency water service to the Property will be taken from an existing Water Authority 8-inch waterline stub located near the southeast corner of the Property. A private valve to be operated by Owner shall be installed downstream of the water meter to provide for the emergency service. Installation of service shall be performed under the standard tapping permit process, as shown on attached Exhibit B.

E. Sanitary sewer service to the site is currently being provided by an on-site private sanitary sewer system which discharges into the Water Authority sanitary sewer system.

**2. Service.**

A. Owner shall comply with the Water Authority’s Water and Sewer System Expansion Ordinance, as amended from time to time.

B. Owner will be responsible for paying the monthly bills associated with the emergency connection, regardless if water is not used. The monthly bill will be determined by the Rate Ordinance in effect, and as amended from time to time.

C. For any emergency to Owner's water system during the term of this Agreement, the Water Authority shall be obligated to provide back-up emergency water ("Emergency Use") to Owner for one hundred twenty (120) days following Owner's turning on emergency water due to an emergency under this Agreement. For good cause, Owner by notice to the Water Authority may extend the one hundred twenty (120) day period for an additional thirty (30) days to cure the emergency. If Owner desires continued water service, after the Emergency Use period described above, from the Water Authority under this Agreement, such continued water use following the end of the Emergency Use period shall be considered "Permanent Use", and Owner shall make applicable separate arrangements with the Water Authority, which shall include paying usual UECs based on mobile home park calculations, connection fees and other charges, in accordance with the Water Authority's Water and Sewer Rate Ordinance and other standards and regulations in effect at that time.

D. For the connection for Emergency Use contemplated by this Agreement, before provision of any emergency water service, Owner shall be required to pay a one-time UEC charge based upon the size of the meter, in accordance with the schedule set forth in the Water Authority's Water and Sewer Rate Ordinance, Section 1-1-1, et seq. In the event that Owner's use becomes Permanent Use, as provided in Section 2.D herein, Owner shall be required to pay the applicable UEC, based on the requirements of the Rate Ordinance, as amended from time to time, then in effect. Any use by Owner found to be non-Emergency Use shall result in the Water Authority removal of the existing meter and disconnecting the service in addition to the Owner being obligated to pay the entire UEC amount, based on the rate ordinance for mobile home parks.

E. This Agreement is voided if the Property takes on a use other than the existing mobile home park.

F. The emergency connection will be activated by Owner's operation of the private valve. Water Authority personnel will not turn on/off the water meter or any valve to provide the emergency water.

G. All containment devices will be required per the Water Authority's Cross Connection Ordinance. The Owner shall be responsible for coordination, review and approval of the appropriate device.

H. Owner may terminate this Agreement upon ninety (90) days advance written notice to the Water Authority, in which case the connection to the Water Authority's system will be closed.

**3. Termination.** If construction of the Connection Point (being defined as the physical connection to the Water Authority system, located as shown on attached Exhibit B,

being an approved point of connection with the appropriate valving and back flow prevention as required by the Water Authority) to the waterline by Owner has not been completed and accepted by the Water Authority within seven (7) years of the effective date of this Agreement, this Agreement shall automatically terminate, and the Water Authority and Owner shall have no further rights, obligations, or liabilities with respect to this Agreement, unless otherwise agreed in writing.

**4. Indemnification.** Owner will indemnify and hold harmless the Water Authority and its officials, agents, and employees from any claims, actions, suits, or other proceedings arising from the acts or omissions of Owner, its agents, representatives, contractors, or subcontractors, or arising from the failure of Owner, its agents, representatives, contractors, or subcontractors to perform any act or duty required of Owner herein. The indemnification by Owner will not extend to the negligent acts of the Water Authority.

**5. Representations and Warranties of Owner.** Owner represents and warrants that:

A. Owner is a foreign limited partnership registered under the laws of the State of New Mexico.

B. Owner has all the requisite power and authority to enter into this Agreement and bind Owner under the terms of the Agreement; and

C. The undersigned officer of Owner is fully authorized to execute this Agreement on behalf of Owner.

**6. Notices.** Any notice to be given under this Agreement will be in writing and will be deemed to have been given when deposited in the United States Mail postage prepaid addressed:

If to the Water Authority:

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

If to Owner:

Coronado Park, LTD.  
11100 Santa Monica Blvd. Suite 1150  
Los Angeles, CA 90025

**7. Assignment.** This Agreement may not be assigned without the prior written consent of the Water Authority and Owner.

8. **No Third Party Beneficiary.** This Agreement is not intended to nor shall it create or authorize a third party beneficiary or authorize anyone not a party to the Agreement to maintain any cause of action whatsoever pursuant to the provisions of the Agreement.

9. **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 its successors, assigns, and transferees and Owner and its 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.

10. **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.

11. **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.

12. **Effective Date.** The effective date of this Agreement is the date last entered below.

In Witness Whereof, the parties hereto have executed this Agreement on the dates entered below.

**ALBUQUERQUE BERNALILLO COUNTY  
WATER UTILITY AUTHORITY**

**CORONADO PARK, LTD.**

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

By \_\_\_\_\_

Its \_\_\_\_\_

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

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

STATE OF \_\_\_\_\_ )  
 ) ss.  
COUNTY OF \_\_\_\_\_ )

This instrument was acknowledged before me on this \_\_\_\_ day of \_\_\_\_\_, 2019,

by \_\_\_\_\_ [name] \_\_\_\_\_, [title]  
of Coronado Park, Ltd. a \_\_\_\_\_, on behalf of said company.

\_\_\_\_\_  
Notary Public

My Commission Expires:  
\_\_\_\_\_

STATE OF NEW MEXICO       )  
  ) ss.  
COUNTY OF BERNALILLO    )

      This instrument was acknowledged before me on this \_\_\_\_day of \_\_\_\_\_,  
by Mark S. Sanchez, Executive Director of the Albuquerque Bernalillo County Water Utility  
Authority, a political subdivision of the State of New Mexico, on behalf of said political  
subdivision.

\_\_\_\_\_  
Notary Public

My Commission Expires:  
\_\_\_\_\_



January 3, 2019

**Chair**

Trudy E. Jones  
City of Albuquerque  
Councilor, District 8

**Vice Chair**

Debbie O'Malley  
County of Bernalillo  
Commissioner, District 1

Pat Davis  
City of Albuquerque  
Councilor, District 6

Timothy M. Keller  
City of Albuquerque  
Mayor

Klarissa J. Peña  
City of Albuquerque  
Councilor, District 3

Steven Michael Quezada  
County of Bernalillo  
Commissioner, District 2

Lonnie Talbert  
County of Bernalillo  
Commissioner, District 4

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

*Executive Director*  
Mark S. Sanchez

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

Ron Bohannon  
Tierra West, LLC  
5574 Midway Park Place NE  
Albuquerque, New Mexico 87109

**RE: Water and Sanitary Sewer Serviceability Letter #181113  
Coronado Mobile Home Park:  
8401 Pan American FWY NE 87113**

Dear Mr. Bohannon:

**Project Description:** The subject site is located on the northwest corner of Interstate 25 and Paseo Del Norte, within the City of Albuquerque. The property consists of approximately 57 acres and is currently zoned NR-BP (Business Park). The property lies within the Pressure Zone 2E in the Alameda trunk. The request for information indicates no development plans. The site is the existing Coronado Mobile Home Park, which contains approximately 300 units. The site is currently being served by an onsite private water system, which includes a private well and private tank. There are plans to expand the private water system to include a new 100,000 gallon tank. Sanitary sewer service to the site is currently being provided by an onsite private sanitary sewer system which discharges into the Water Authority sanitary sewer system. The request is for a metered connection to the public water system to serve as an emergency backup source in the event that the onsite private water system fails.

**Emergency Backup Service Connection Agreement:** The Water Authority and developer shall enter into an Emergency Backup Service Connection Agreement that defines financial and other obligations of the developer. The Water Authority Board must approve this agreement to serve this property and establish requirements as a condition of service. The Emergency Backup Service Connection shall only be valid for the emergency connection and will not be applicable if the site redevelops.

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

- 36 inch ductile iron pipe transmission main (project #26-9030.61-14) along southwest border of the site
- 24 inch ductile iron pipe transmission main (project #26-9030.63-14) along southeast border of the site
- 16 inch CCYL distribution main (project #not present) along east border of the site
- 8 inch PVC distribution main (project #26-9030.63-14) along stub at the southeast border of the site

Sanitary sewer infrastructure in the area consists of the following:

- 18 inch RCP interceptor line (project #07-049-69) along the south border of the site

**Water Service:** New metered water service to the property can be provided via routine connection to the existing eight inch waterline stub located near the south side of the

subject property. The metered connection shall also include a backflow device and a private valve downstream of the water meter. This private valve will be owned and operated by the property owner for use when the emergency connection is needed. When water is desired by the property owner, the property owner will be responsible for turning on the private valve.

Existing metered service and fire lines that will not be utilized are to be removed by shutting the valve near the distribution main and capping the line near the valve. For fire lines, the valve access shall be grouted and collar removed. 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:** As mentioned above, sanitary sewer service to the site is currently being provided by an onsite private sanitary sewer system which discharges into the Water Authority sanitary sewer system.

**Fire Protection:** The instantaneous fire flow requirements for the subject property were not submitted in the request for availability; therefore, this letter may not be complete and/or valid at the time of future construction. 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 the sale of service.

**Cross Connection Prevention:** Any residential premises having existing private wells and who desire to connect to the public water system shall have two options as follows: 1) Customers shall permanently abandon the use of private wells by plugging the wells as accepted by the Water Authority prior to connecting to the public water system; or 2) Customers who choose to maintain their private wells shall completely sever the private well from the premises' potable plumbing system and shall install a reduced pressure principle backflow prevention assembly approved by the Water Authority at the terminal end of the water service from the public water system (e.g., service connection). Contact Cross Connection at 289-3439 for more information.

**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:** Pro Rata is not owed and the property can utilize the services available upon completion of the requirements of this statement 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 Water Authority Mini Work Order process. Please coordinate with the City to determine if a mini work order is acceptable based on the street classification. Construction must be performed by a licensed and 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 development shall be required to meet the standard water usage of 180 gallons per household per day which is equivalent to 75 gallons per capita per day. Where available, outdoor water usage shall utilize reclaimed water.

**Closure:** This serviceability letter does not provide a commitment from the Water Authority to provide services to the development. It only provides details of infrastructure that is available and potential precursors for the proposed development. For service to be provided, a Board approved Emergency Service Connection Agreement must be supplemented by this serviceability letter. The serviceability letter will remain in effect for a period of one year upon approval of the development agreement. Under no circumstances does this serviceability letter commit to service without the above mentioned conditions. Changes in the proposed development may require reevaluation of availability 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 Mr. Kristopher Cadena in our Utility Development Section at (505) 289-3301 or email at [kcadena@abcwua.org](mailto:kcadena@abcwua.org) if you have questions regarding the information presented herein or need additional information.

Sincerely,

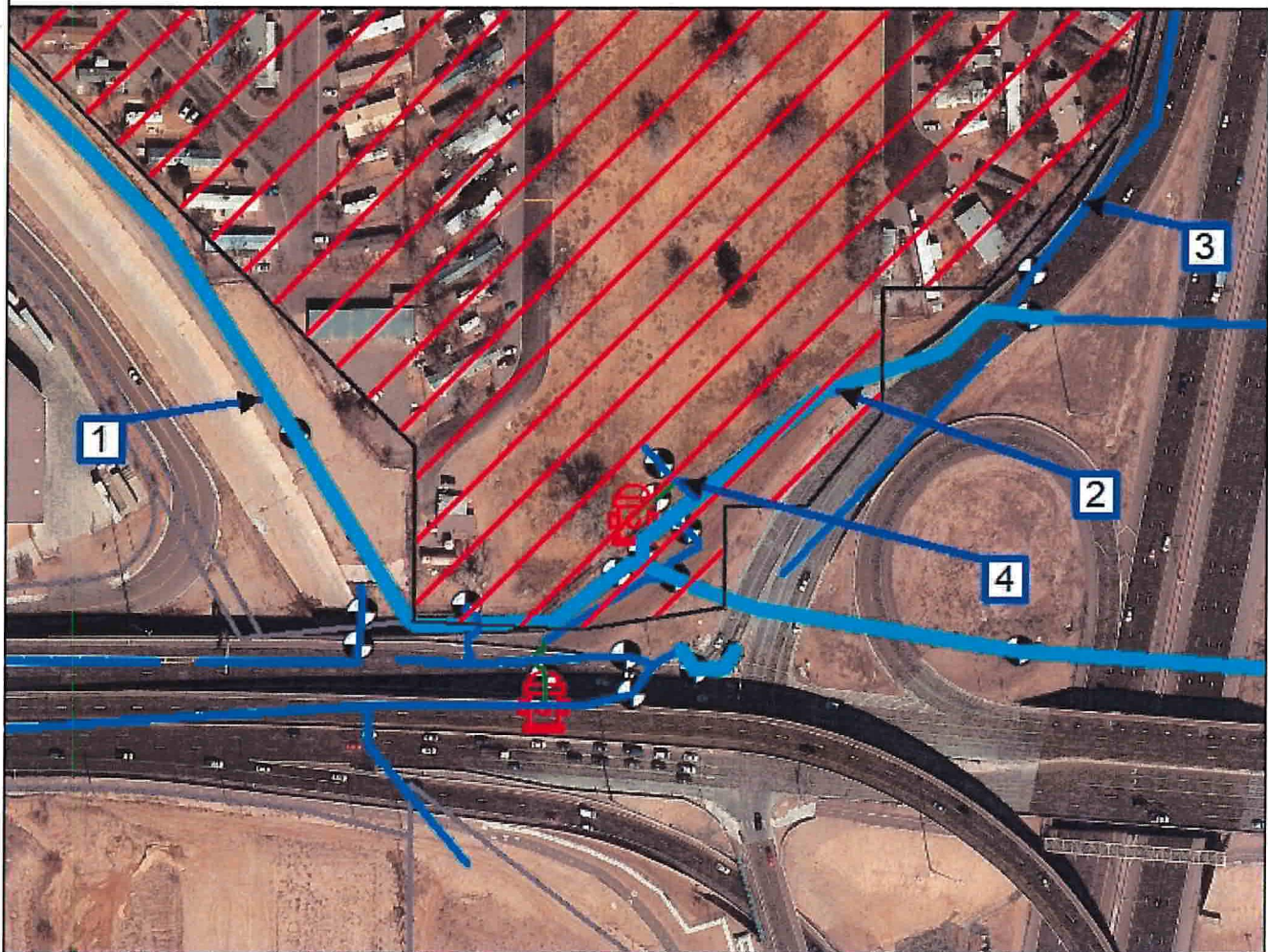


Mark S. Sanchez  
Executive Director

Enclosures: Infrastructure Maps (2)  
f/ Serviceability Letter 181113



# 181113 - Water



## Legend

Site 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

0 350 700 Feet



--- Water Infrastructure Map Keyed Notes:

1. --- 36" DIP Transmission Main
2. --- 24" DIP Transmission Main
3. --- 16" CCYL Transmission Main
4. --- 8" PVC Stub



## 181113 - Sanitary Sewer



### Legend

 Site Location

### Sewer Pipe

— <all other values>

### SUBTYPE


— COLLECTOR

--- FORCE MAIN

— INTERCEPTOR

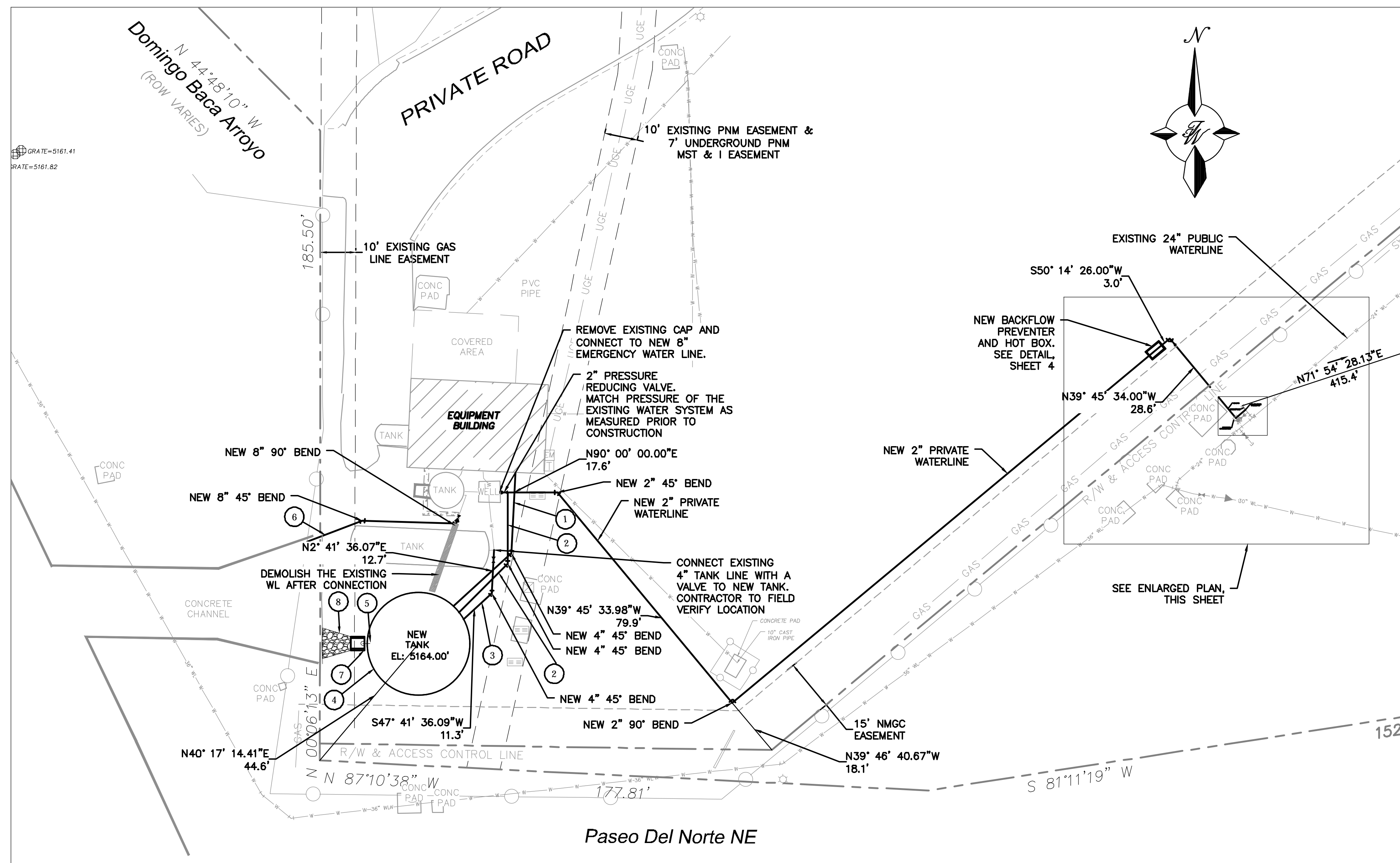
— VACUUM LINE

0 900 1,800 Feet

 --- Sanitary Sewer Infrastructure Map Keyed Notes:
















1. --- 18" RCP Interceptor Main





- ① 1-1/4" CONDUIT FOR PRE-WIRED FLOAT SWITCH  
(LOW WATER FIRE PUMP CUTOFF)
- ② 4" COATED STEEL OUTLET PIPE
- ③ 4" COATED STEEL FILL LINE
- ④ 1/4" STEEL RING (30' DIA)
- ⑤ 8" STEEL OUTFLOW PIPE
- ⑥ 8" COATED STEEL DISCHARGE PIPE
- ⑦ 3'-0" WIDE CONCRETE CHANNEL  
(SEE DETAIL, THIS SHEET)
- ⑧ RIPRAP (SEE DETAIL, THIS SHEET)

### LEGEND

	EXISTING BOUNDARY LINE
	EXISTING EASEMENT
	RIGHT-OF-WAY
	EXISTING BUILDING
	EXISTING CURB & GUTTER
	EXISTING SIDEWALK
	EXISTING WATER LINE
	EXISTING UNDERGROUND ELECTRICAL
	EXISTING GAS LINE
	EXISTING STREET LIGHTS
	EXISTING ELECTRIC METER
	EXISTING ELECTRIC PULLBOX
	EXISTING TRANSFORMER
	EXISTING TELEPHONE PEDESTAL
	PROPOSED WATER LINE

**CAUTION:**

ALL EXISTING UTILITIES SHOWN WERE OBTAINED FROM RESEARCH, AS-BUILTS, SURVEYS OR INFORMATION PROVIDED BY OTHERS. IT SHALL BE THE SOLE RESPONSIBILITY OF THE CONTRACTOR TO CONDUCT ALL NECESSARY FIELD INVESTIGATIONS PRIOR TO AND INCLUDING ANY EXCAVATION, TO DETERMINE THE ACTUAL LOCATION OF UTILITIES AND OTHER IMPROVEMENTS, PRIOR TO STARTING THE WORK. ANY CHANGES FROM THIS PLAN SHALL BE COORDINATED WITH AND APPROVED BY THE ENGINEER.

[illegible]



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Meeting Date: February 27, 2019  
Staff Contact: Stan Allred, Chief Financial Officer

**TITLE: C-19-10 – FY2019 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, 2018. The reports provide a year to date comparison between the approved FY19 budget and actual expenses through December 31, 2018. The reports also include revenue and expense projections to June 30, 2019. The projections are based on actual, trend, and historical information. As with any estimates, this information is subject to change. These reports have been reviewed and approved by the State Department of Finance and Administration Local Government Division.

Fund 21 General Operating Fund

Revenues:

Second Quarter rate revenues are \$2 million below the actuals for the same period in FY18. The FY19 rate revenues are below the FY18 revenues for the same time period due to a decrease in water consumption during this period. Revenues are projected be at the FY19 projected budgeted amount. This projection is based upon 6 months of actual consumption and is subject to change.

Second Quarter other revenue, which includes miscellaneous revenue, is \$930 thousand more than the actuals for the same period in FY18. Approved budget revenues amounts were derived with the expectation of very limited growth in the service area for the next several years.

Expenses:

Second Quarter total expenses are \$90 thousand less than the actuals for the same period in FY18. The projected total expense at June 30, 2019 is estimated to be \$280 thousand under the FY19 budgeted amount.

Working capital or fund balance is projected to be \$53.3 million, compared to a beginning balance in FY19 of \$41.2 million. The Rate Reserve balance for FY19 is \$9 million. The fund balance trend has reversed as planned and will meet the target of 1/12 of operating expenses.

**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.

The Water Authority will continue to control operating expenses to offset any reductions in revenue. The Water Authority also continues to add an additional \$2.0 million a year to the Rate Reserve. The balance for this reserve is now at \$9.0 million and earmarked for fluctuations in revenue which are not anticipated and to protect ratepayers from emergency rate adjustments.



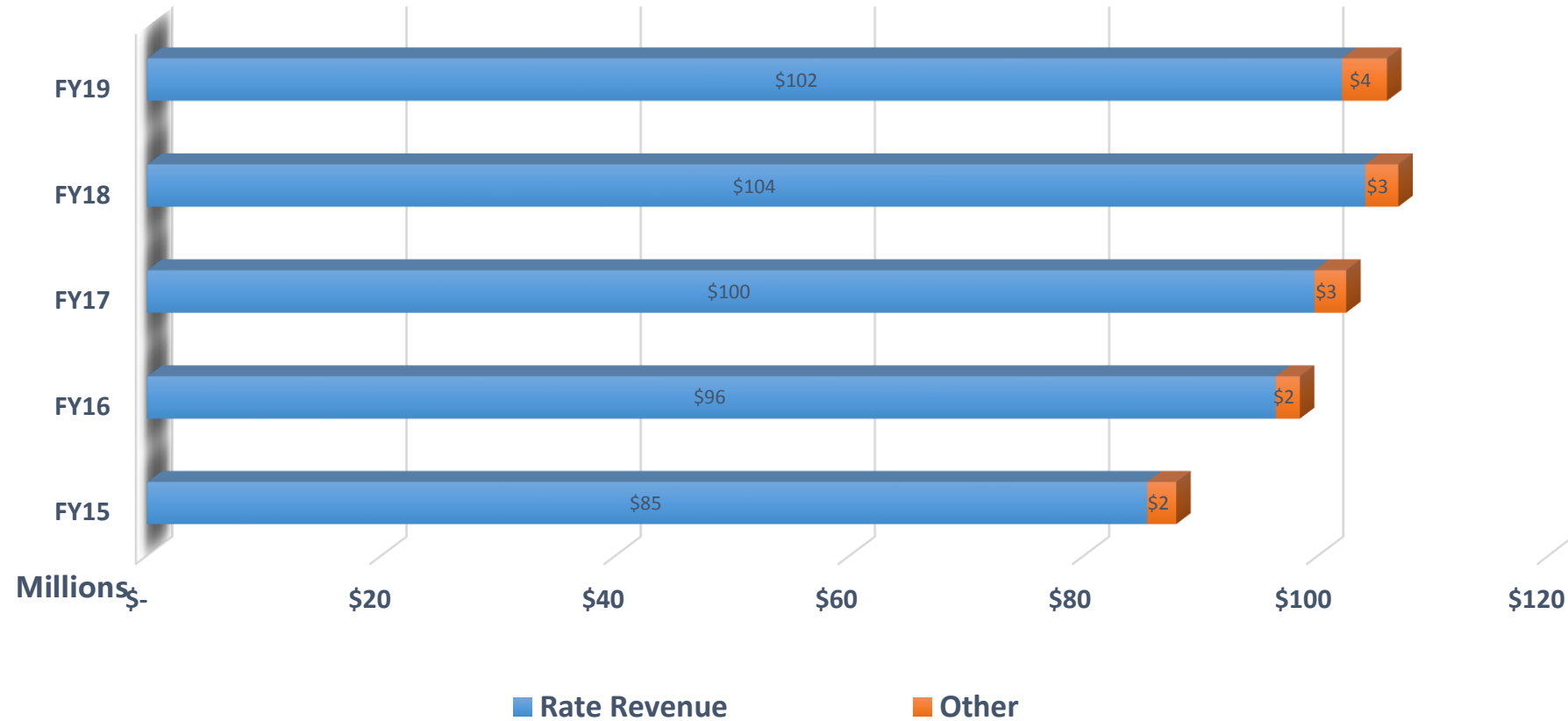
# Fiscal Year 2019

## 2nd Quarter Dashboard



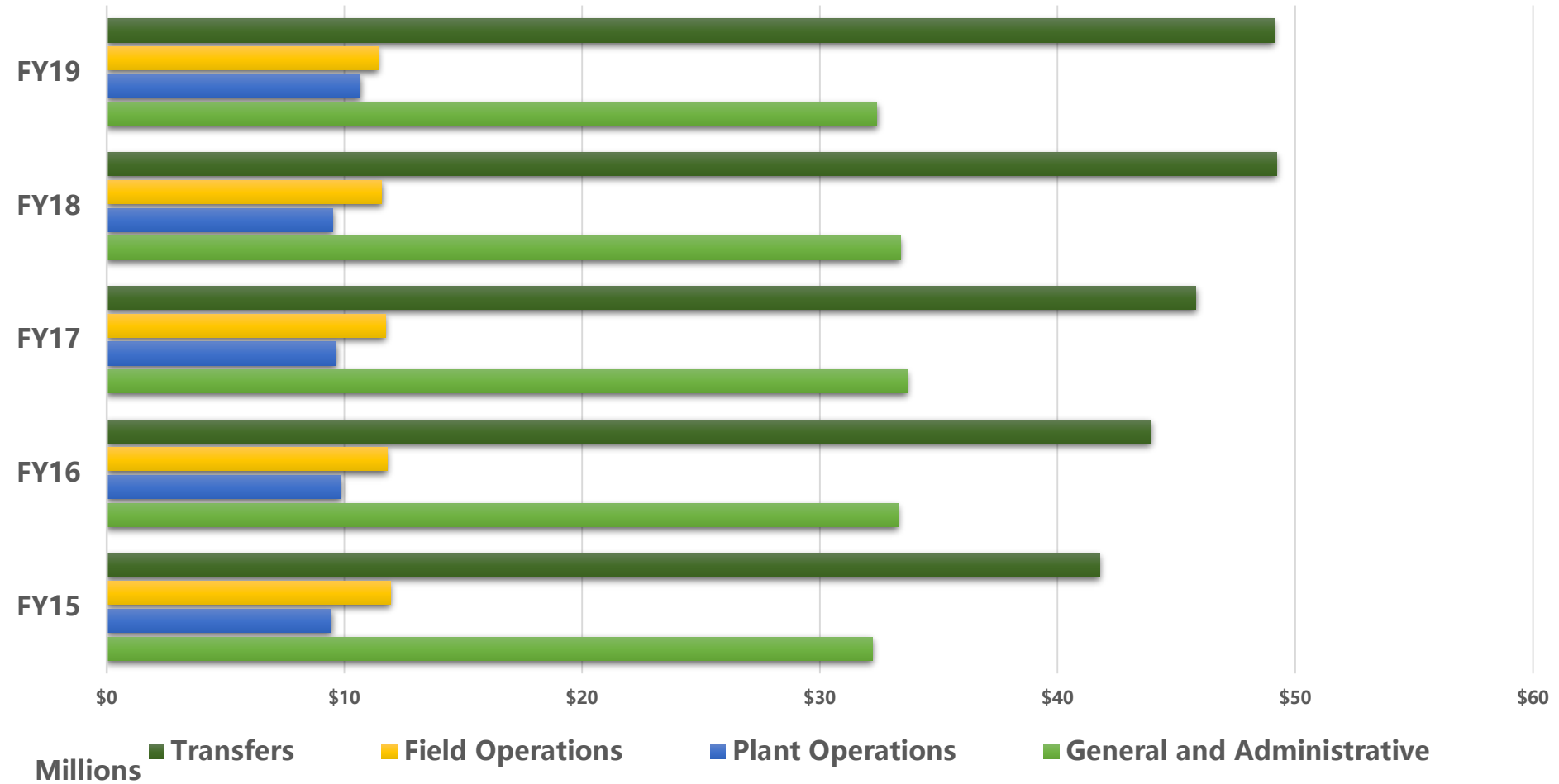
Albuquerque Bernalillo County  
Water Utility Authority

## Year-To-Date Operating Revenues



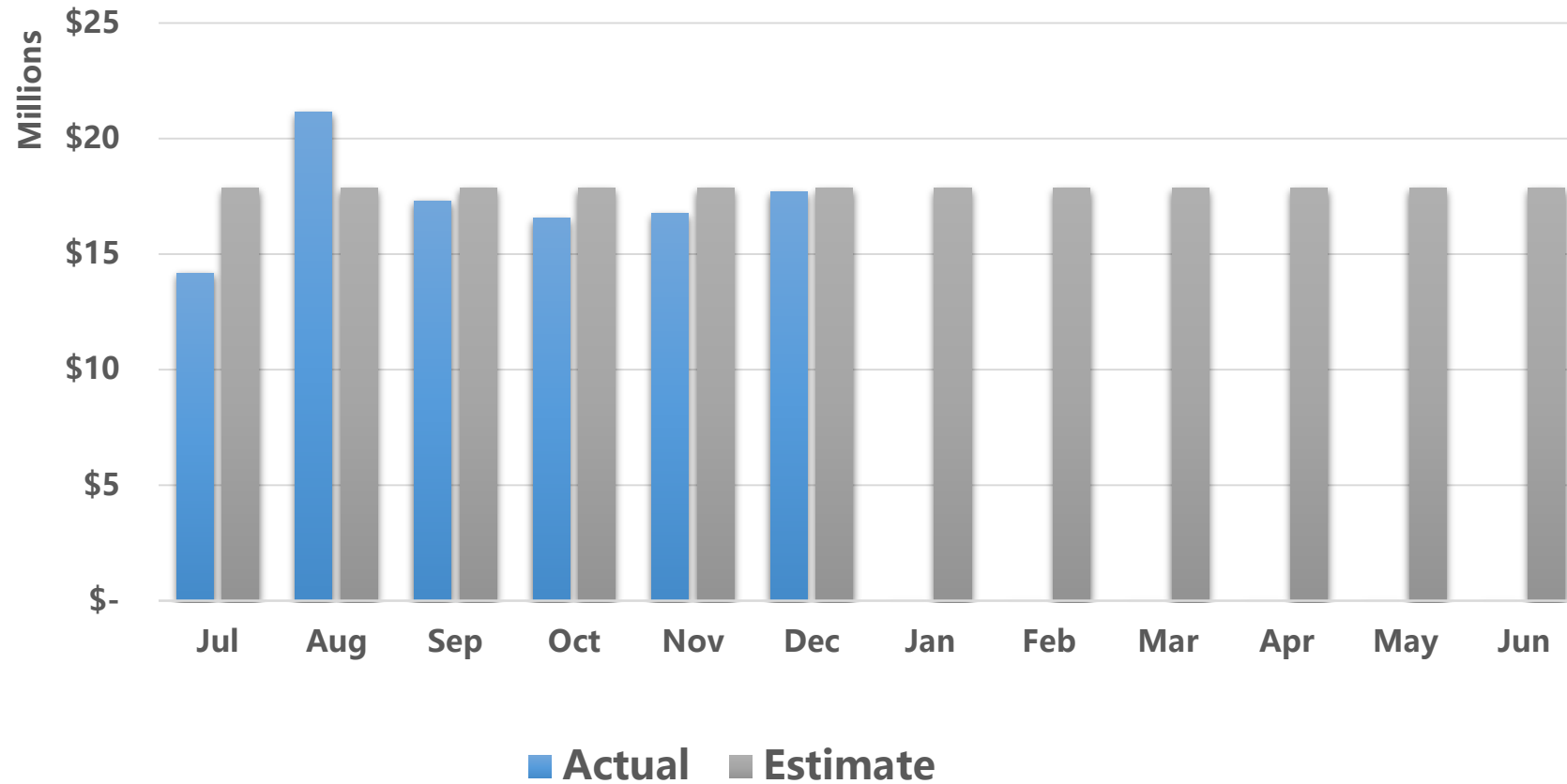
Albuquerque Bernalillo County  
Water Utility Authority

## Year-To-Date Operating Expenses



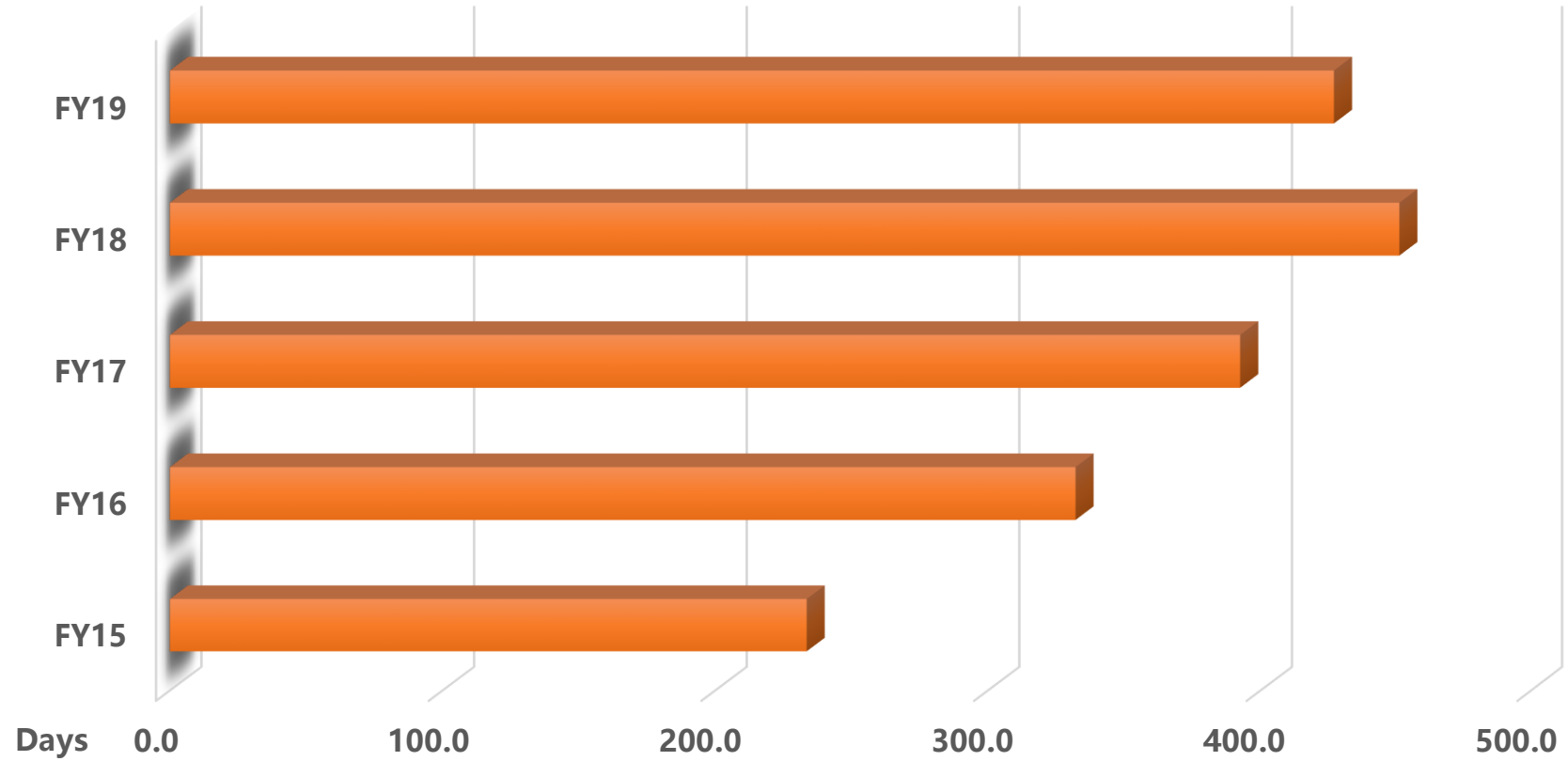
Albuquerque Bernalillo County  
Water Utility Authority

## Operating Expenditures by month Compared to Estimate



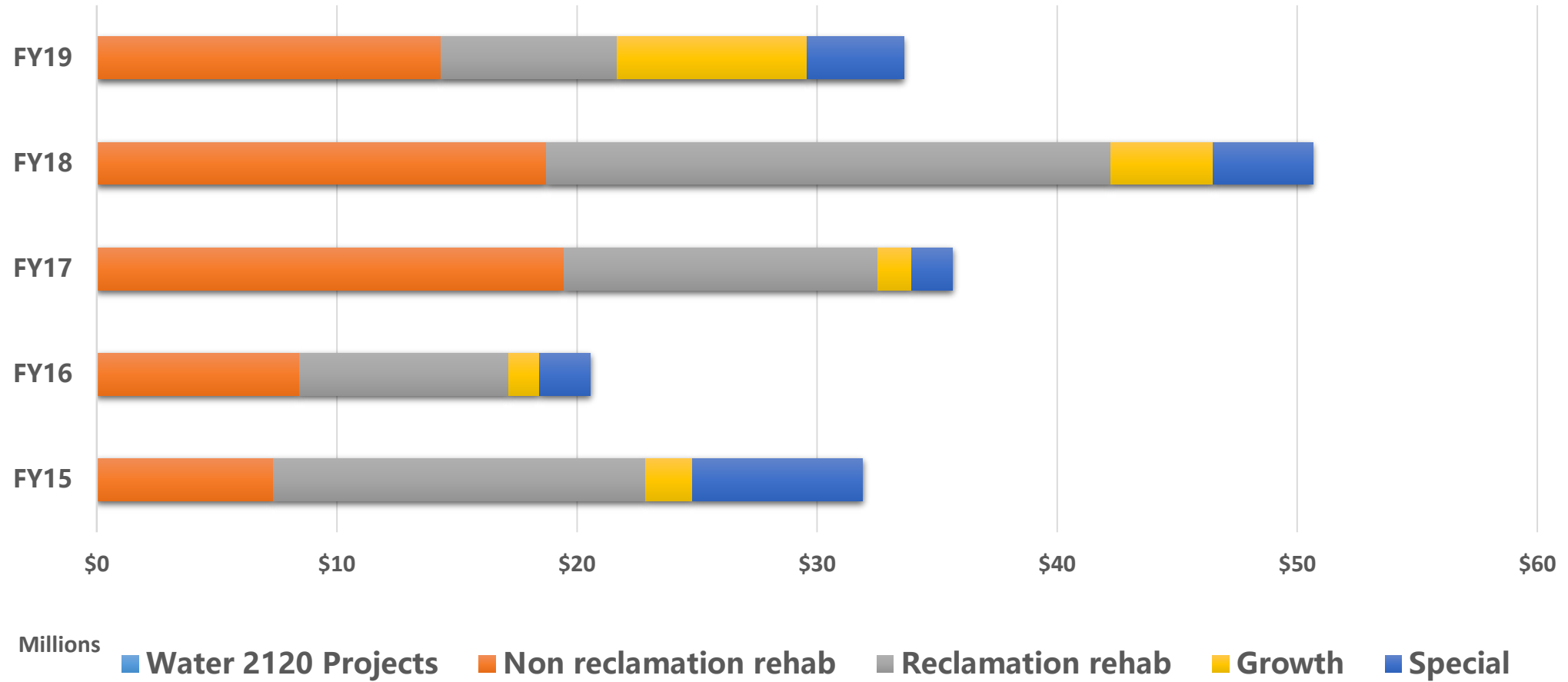
Albuquerque Bernalillo County  
Water Utility Authority

## Days Cash on Hand

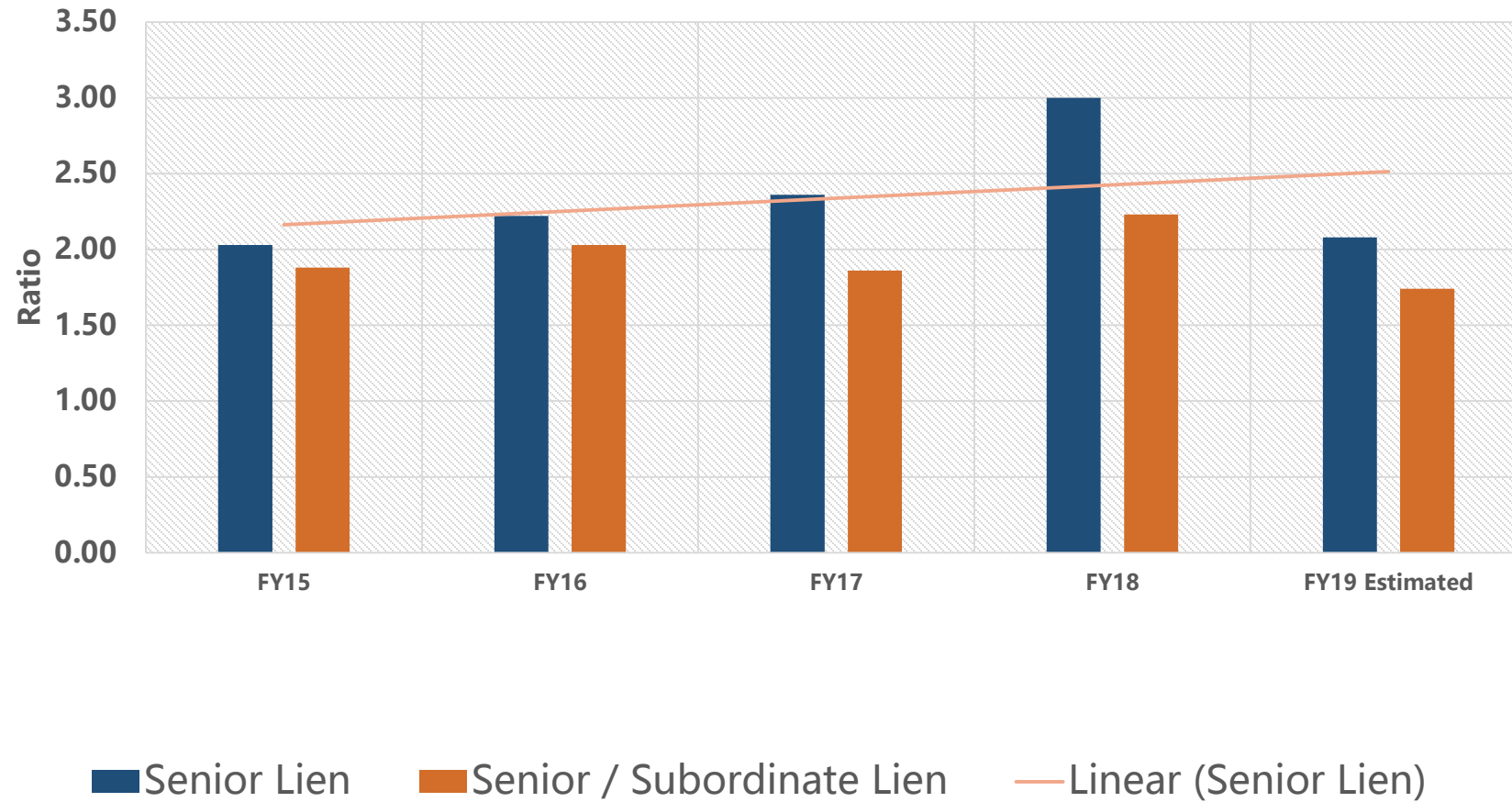


Albuquerque Bernalillo County  
Water Utility Authority

## Year-To-Date Capital Expenses

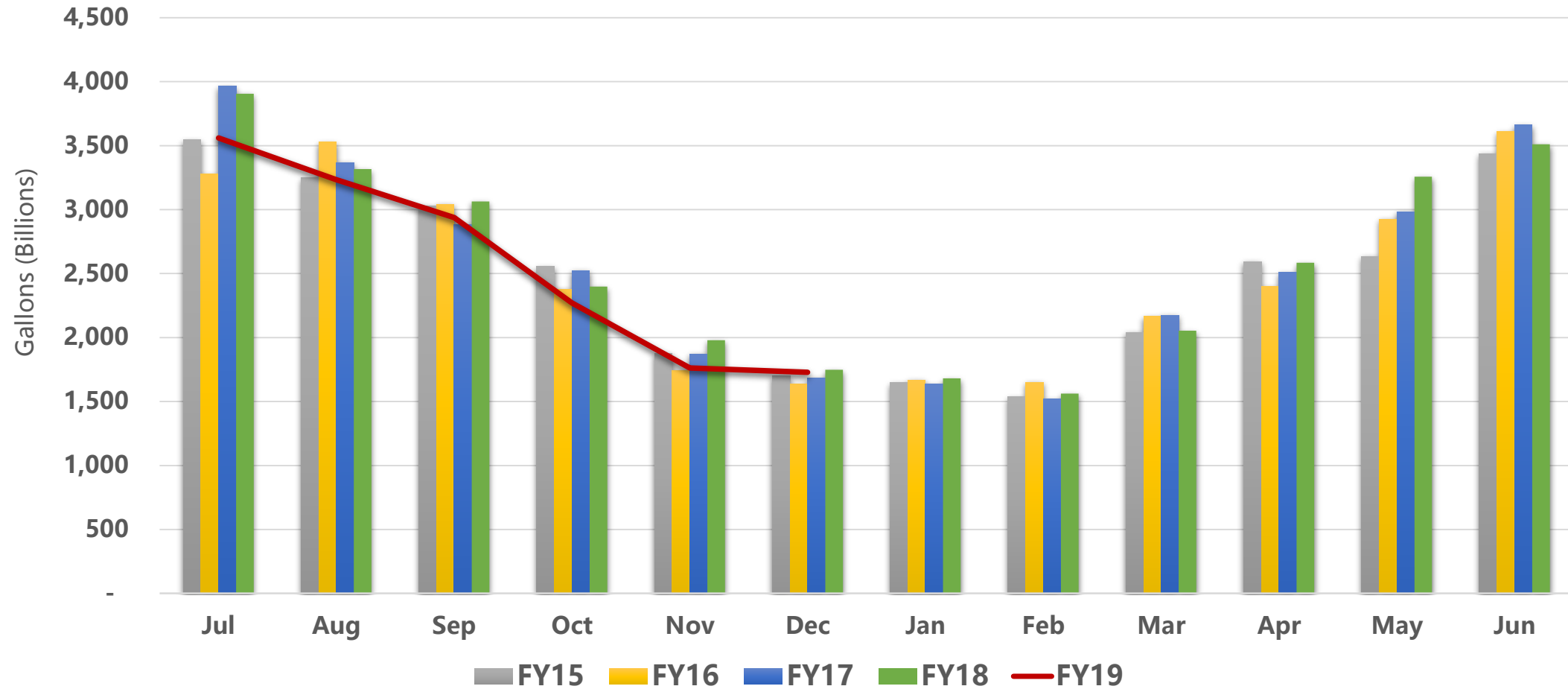


## Debt Coverage Ratio



Albuquerque Bernalillo County  
Water Utility Authority

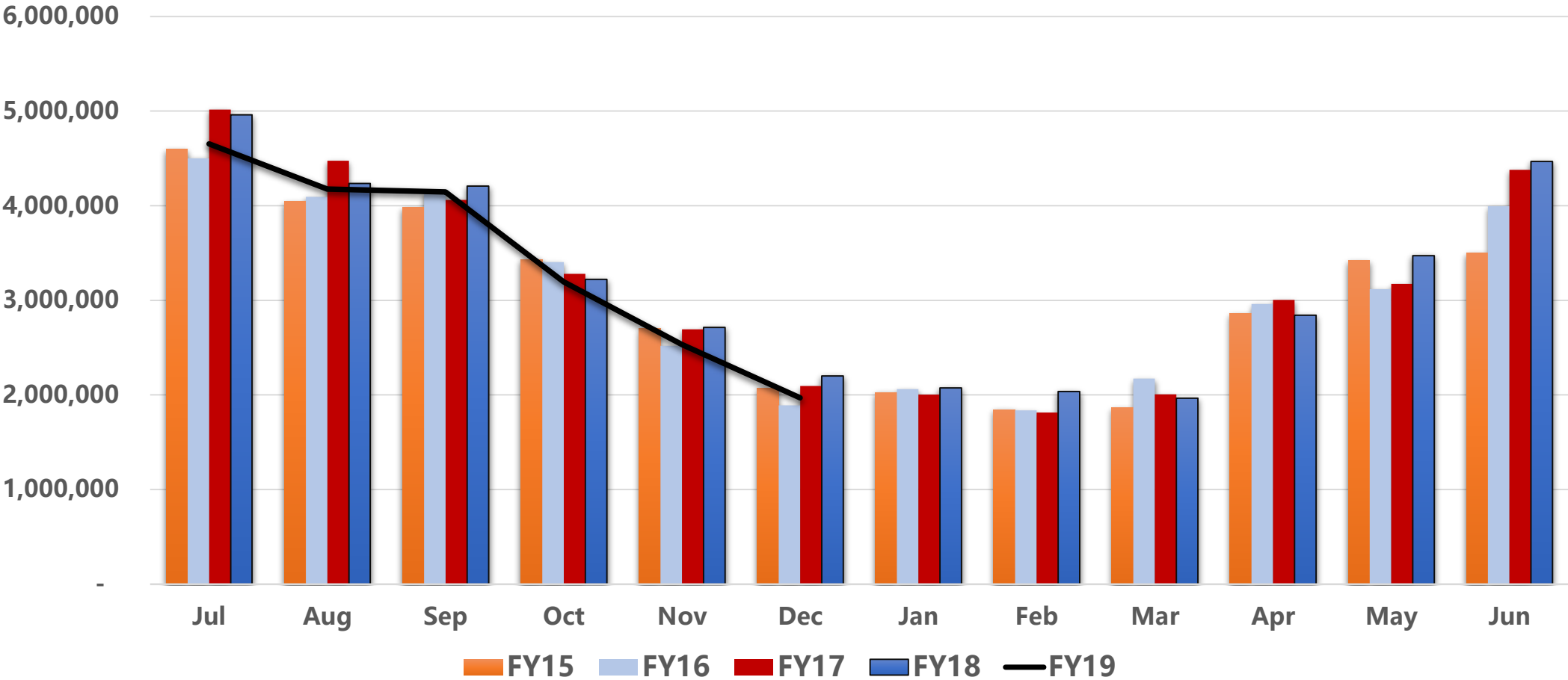
## Water Use Production

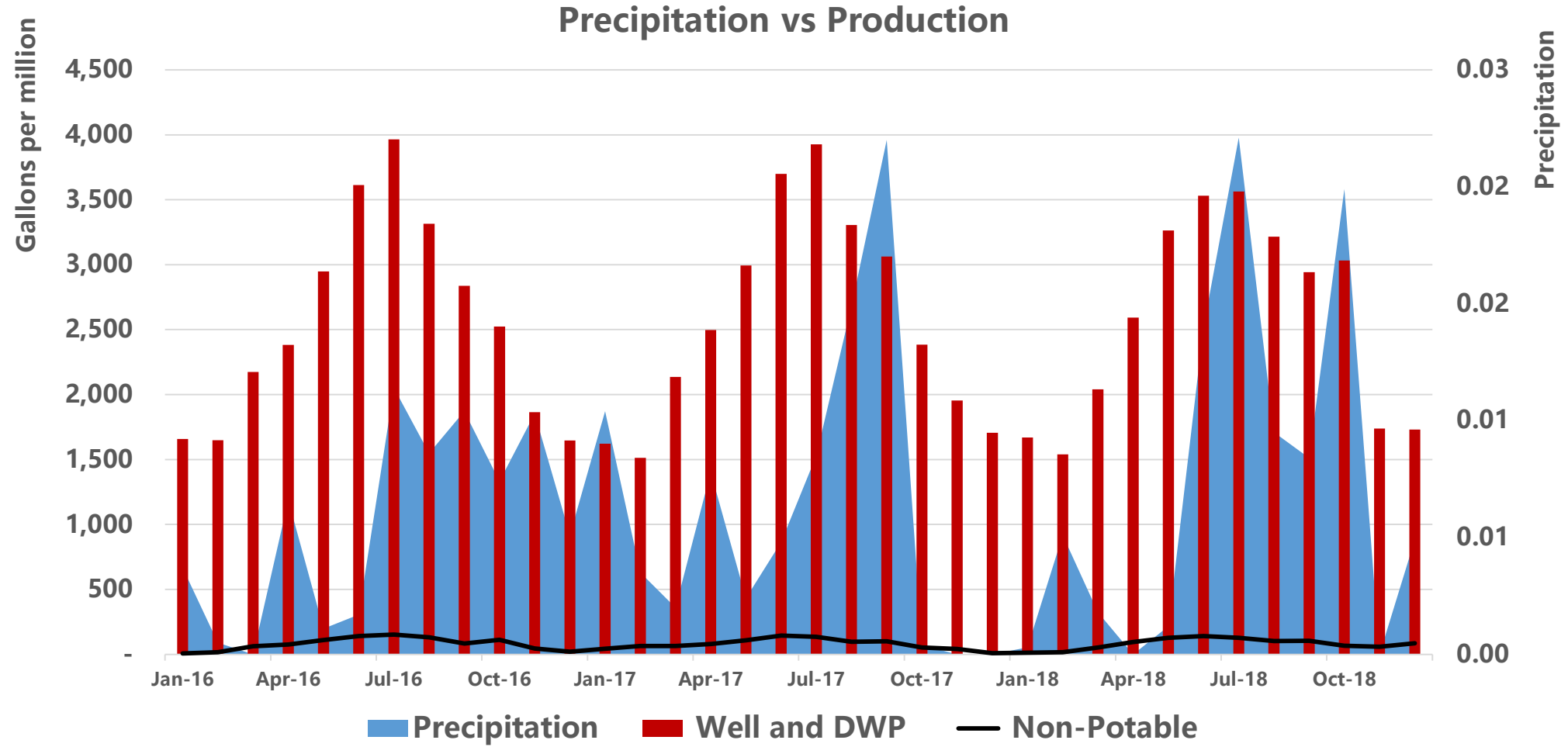


Albuquerque Bernalillo County  
Water Utility Authority



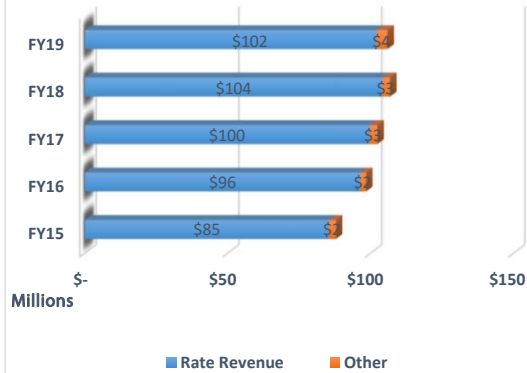
# Water Consumption



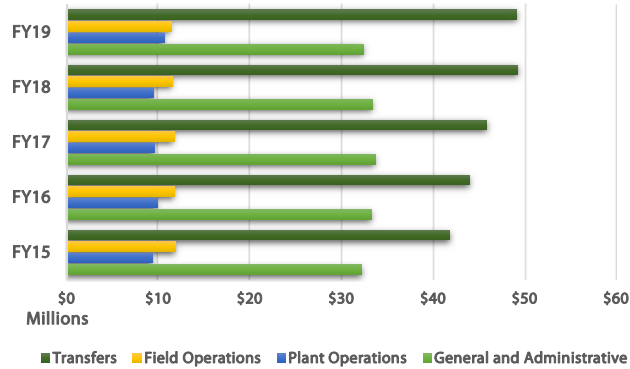


# FY19 - 2nd Quarter Water Authority Financial Dashboard

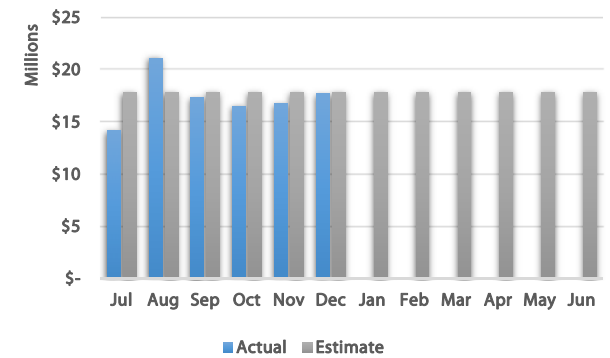
## Year-To-Date Operating Revenues



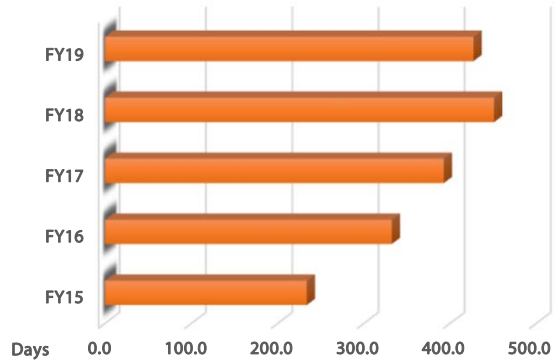
## Year-To-Date Operating Expenses



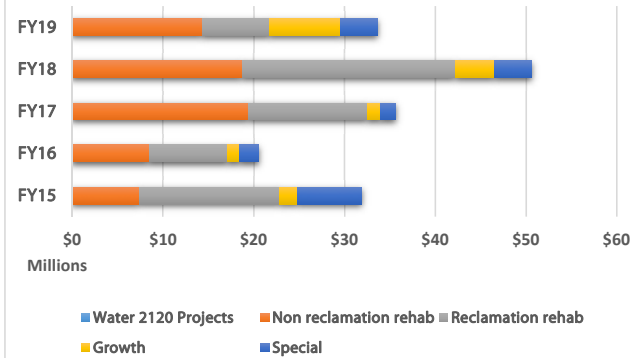
## Operating Expenditures by month Compared to Estimate



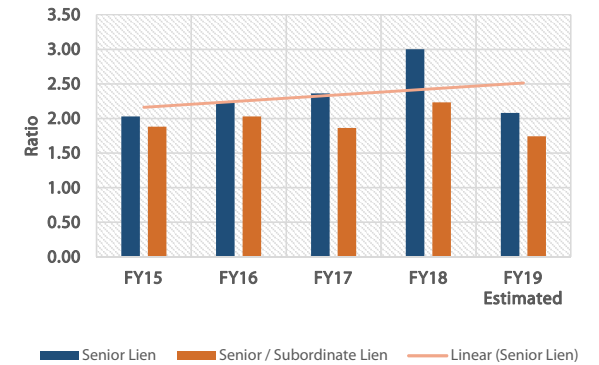
## Days Cash on Hand



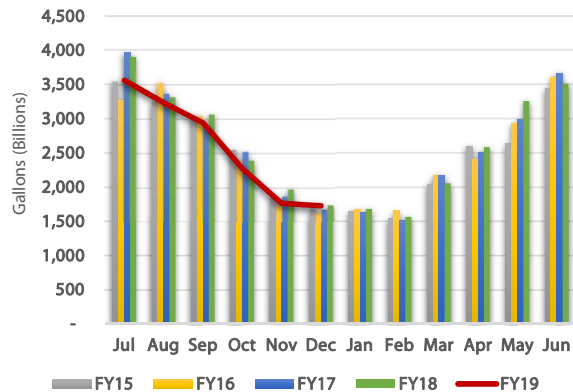
## Year-To-Date Capital Expenses



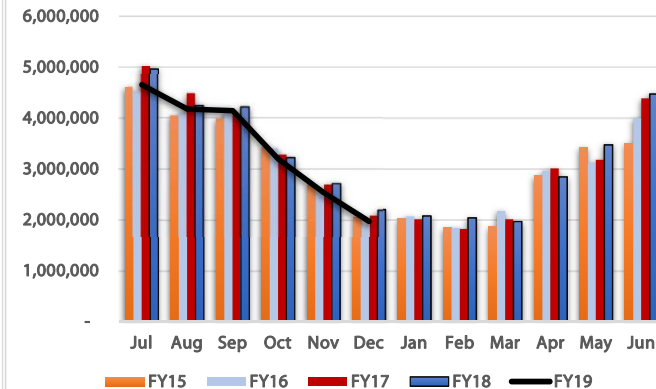
## Debt Coverage Ratio



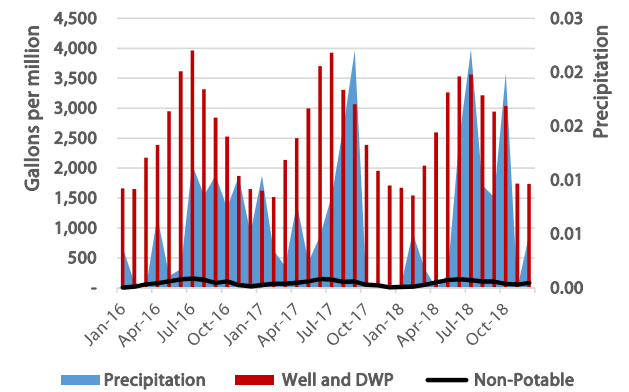
## Water Use Production



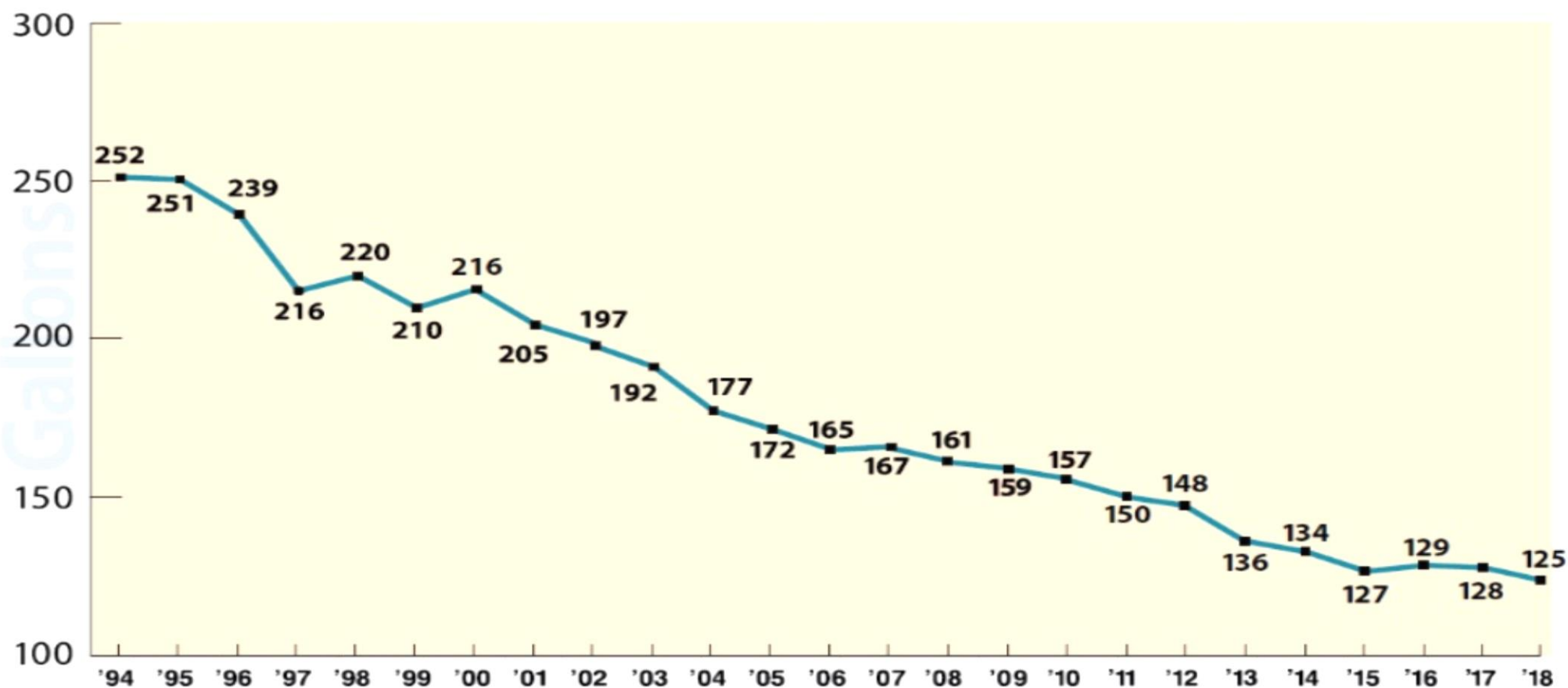
## Water Consumption



## Precipitation vs Production



## Gallons Per Capita Per Day 1994 - 2018



# Water Usage and Precipitation





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Meeting Date: February 27, 2019  
Staff Contact: Diane Agnew, Water Quality Hydrologist

**TITLE: OB-19-5 - 2018 Update to the WQPPAP – the Rivers and Aquifers Protection Plan**

**SUMMARY:**

Since its formation in 2003, the Water Authority has taken a proactive approach to preventing the pollution of the community's drinking water sources, first by adopting the 1994 Groundwater Protection Policy and Action Plan (GPPAP) and then later with a 2009 update to the Water Quality Protection Policy and Action Plan (WQPPAP). The 2009 WQPPAP update included the addition of surface water to the source water protection plan, reflecting the Water Authority's addition of San Juan-Chama water to the drinking water supply.

The Rivers and Aquifers Protection Plan (RAPP) is the 2018 update to the WQPPAP and serves as the source water protection plan for the Water Authority. The RAPP includes comprehensive source water assessments for both groundwater and surface water, along with updated inventories of known and potential sources of contamination of drinking water supply sources. The 2018 update to the WQPPAP, the RAPP, includes protection measures and activities for the protection of source waters and aligns the implementation of the RAPP with *Water 2120* Policy H. The protection measures and activities address watershed-scale protection measures, ordinance and policy actions, agency coordination, and public education and outreach opportunities. These activities center on the themes of continuing and building partnerships with community members, businesses, and local agencies to raise awareness of the value of protection source waters.

The RAPP reflects the Water Authority's recognition that protection of Albuquerque's water resources is best achieved by working with its customers, interagency partners, and stakeholders in the development and implementation of a source water protection program. The plan was developed through extensive discussions between Water Authority and New Mexico Environment Department (NMED) staff, along with multiple meetings with the Policy Implementation Committee (PIC) and presentations to the Water Protection Advisory Board (WPAB). In addition, public input was gathered for the RAPP through a series of Customer Conversation meetings where Water Authority staff engaged the community in dialogue on their roles in source water protection, as well as a discussion of watershed protection and groundwater contamination. Stakeholder engagement and reviews are captured in the final RAPP.

**FISCAL IMPACT:** None

*AWWA 2018 Exemplary Source Water Protection Award Winner*

# Rivers and Aquifers Protection Plan

2018 Updated Source Water Protection Plan



Albuquerque Bernalillo County  
Water Utility Authority



# Planning to Protect



What are the threats to our source waters?



What protection measures can reduce/eliminate threats?



What agencies/entities are involved?

Source Water Protection Plan



Albuquerque Bernalillo County  
Water Utility Authority

# Connection to Water 2120

- **Water 2120 Policy H:** *“The Water Authority shall take steps to fully implement the Water Quality Protection Policy and Action Plan (WQPPAP).”*
- Surface and groundwater assessment and protection
- Stakeholder Involvement
  - Customer Conversations
  - PIC and WPAB reviews
  - Public comment on draft document
- The RAPP is the Water Authority’s source water protection plan
  - Includes comprehensive source water assessments
  - Protection measures and activities



# Source Water Assessment

1. Delineate Source Water Protection Areas (SWPAs)
2. Conduct an inventory of potential sources of contamination (PSOCs)
3. Determine susceptibility of water supply to contamination

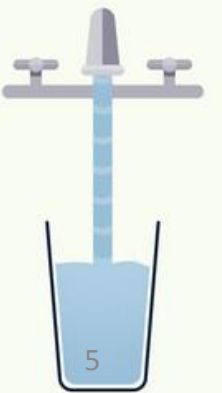


# Protection Measures and Activities

- We're on the right track!
- Coordination and collaboration with City, County, and State
- Public education and outreach key
- “Living” document approach

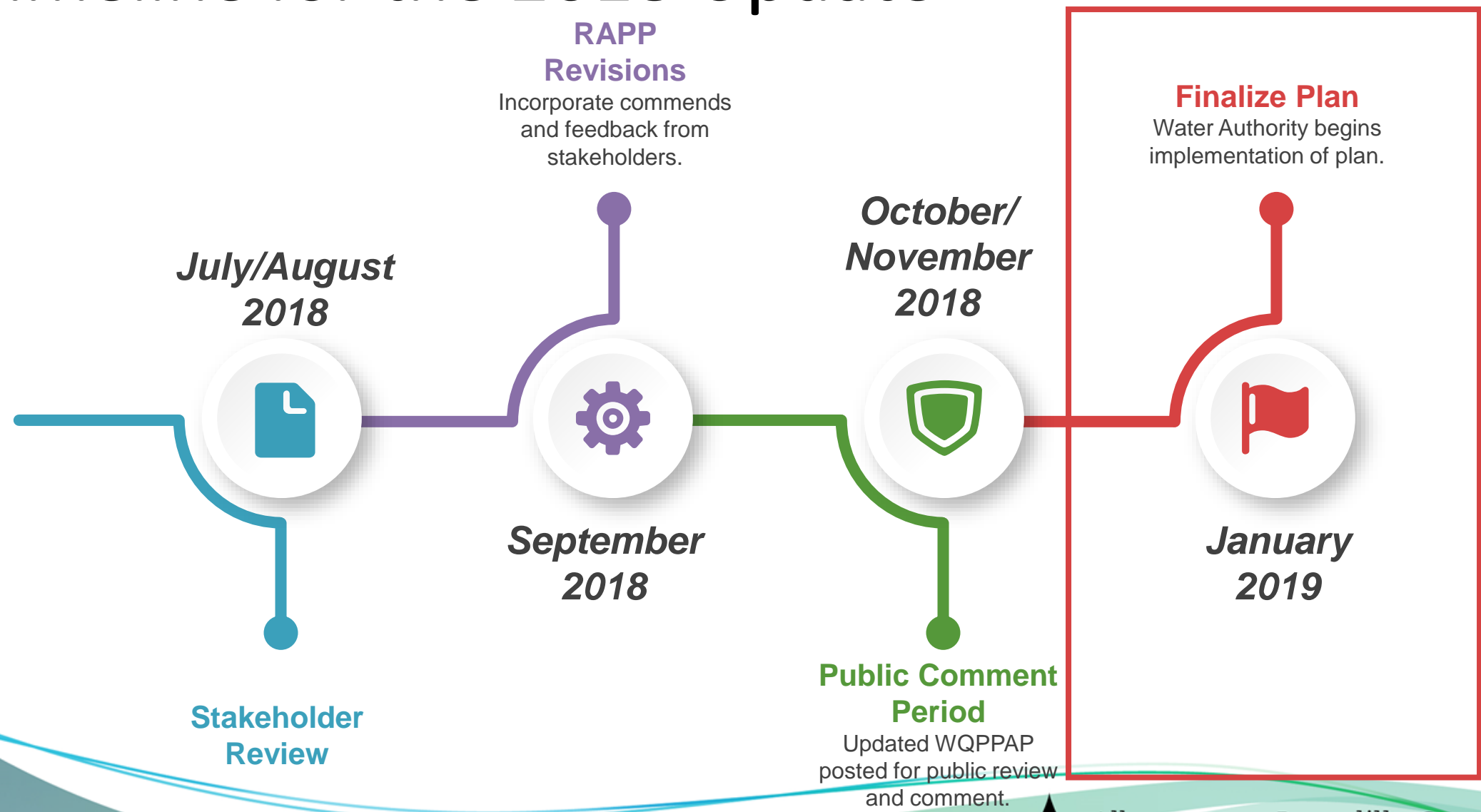


Our path to  
**CLEAN  
WATER**





# Timeline for the 2018 Update







AWWA 2018 Exemplary Source Water Protection Award Winner

Questions?



UNM Water Resources Program Policy Report 2018-01

# **Albuquerque Bernalillo County Water Utility Authority Governance Study**



# Overview

- Municipal water governance in New Mexico and the West
- Key findings related to water agency governance
- Key metrics evaluating the Albuquerque Bernalillo County Water Utility



# Key Findings related to water agency governance

- Large water utilities in the West are generally part of, or closely linked to, municipal government



# Municipal water in New Mexico

- Ten largest New Mexico water utilities
  - Eight part of city government
  - One private (regulated by PRC)
  - One special district linked to city and county governments (the Water Utility)

# Municipal water in the West

- 39 comparable western water utilities analyzed
  - 30 part of city government
    - Some governed by city or county elected officials directly, some with boards appointed by elected officials
  - 9 special districts linked to city and/or county governments
    - 5 with boards chosen by city or county officials
    - 4 directly elected

# Elected water governance is rare

- Directly elected large agency municipal water governance is rare
- Only two large agencies in the West
  - Irvine Ranch Water District
  - East Bay Municipal Utility District (San Francisco Bay area)



Irvine Ranch  
WATER DISTRICT



# Elected water governance is rare

- The Colorado Springs experience



Colorado Springs Utilities

*It's how we're all connected*

# Key Findings related to water agency governance

- Advantages to direct election
  - Allows board specialization
  - Allows voters to focus on a single issue



# Key Findings related to water agency governance

- Disadvantages of direct election
  - Low voter attention
  - Risk of special interest capture
  - Water agencies with directly elected boards respond more slowly to drought crises

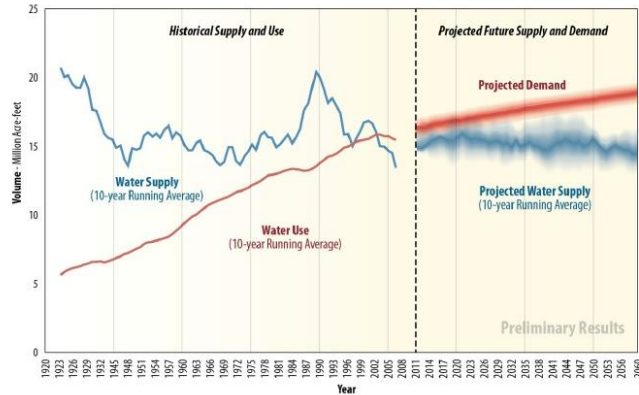




# Albuquerque-Bernalillo County water management

- Albuquerque-Bernalillo County has the best water conservation performance in the greater Colorado River Basin

FIGURE 2  
Historical Supply and Use and Projected Future Colorado River Basin Water Supply and Demand



Note:  
Similar to the Basin Study, the scope of the Moving Forward effort is limited to the portion of the basin and adjacent areas that receive Colorado River water within the U.S.



# Albuquerque-Bernalillo County water management

	Percent reduction/increase in GPCD, 1995-present	Percent reduction/increase in total water use, 1995-present
<b>Albuquerque/Bernalillo County</b>	45% reduction	28% reduction
<b>Santa Fe</b>	42% reduction	23% reduction
<b>Los Angeles</b>	22% reduction	15% reduction
<b>Orange County</b>	16% reduction	2% increase
<b>San Diego County</b>	18% reduction	1% increase
<b>Phoenix/Tucson</b>	17% reduction	38% increase
<b>Las Vegas, NV</b>	38% reduction	28% increase
<b>Denver and Colorado Front Range</b>	13% reduction	43% increase
<b>Salt Lake City and Wasatch Front</b>	8% increase	65% increase

Source: USGS Water Use in the United States, UNM Water Resources Program analysis

# Albuquerque-Bernalillo County water management

- The Water Utility's financial health, as measured by debt service coverage and “cash on hand”, is comparable to other utilities analyzed, and well within standard benchmarks



# Questions?

- John Fleck
- University of New Mexico Water Resources Program
- [wrp.unm.edu](http://wrp.unm.edu)
- [fleckj@unm.edu](mailto:fleckj@unm.edu)

