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Meeting Date: August 23, 2017

Staff Contact: Frank Roth, Senior Policy Manager

**TITLE: R-17-13 – Authorizing and Approving Submission of a Completed Application for Financial Assistance and Project Approval to the New Mexico Finance Authority for the Advanced Metering Infrastructure Project Phase 4c**

**ACTION: Recommend Approval**

**SUMMARY:**

This resolution authorizes the Water Authority to submit an application for financial assistance and project approval for \$2,385,610 to the New Mexico Finance Authority (NMFA) for the Advanced Metering Infrastructure Project. Approximately 19,681 meters, in selected cycle routes throughout the metro Albuquerque area, will be retrofitted with Advanced Metering Infrastructure (AMI) Flexnet devices. The customer benefits of the AMI devices consist of streamlined high bill investigations, detection of tampering of meters to protect the customer, accurate information, faster customer service, and flag and alert continuous usage.

Phase 4c will continue the progress made by the Water Authority to convert old mechanical meters to AMI meters. Approximately 76,000 meters have been converted to AMI. About 48% of total monthly water revenue is processed through the AMI system. It is estimated that Phase 4c will increase total monthly water revenue by 5% with the completion of Phase 4c. AMI implementation has also helped the utility decrease apparent water loss from 2.2% in 2012 to 0.5% in 2016 by decreasing meter inaccuracies and data handling errors. In addition, AMI was reduced outstanding bill meter work orders from 5,400 to less than 100 per month. Moreover, AMI has reduced the amount of inoperable meters from 3,000 to approximately 20 per month which saves \$500,000 in annual operation costs associated with reading the meters.

**FISCAL IMPACT:**

The total project cost is \$2,385,610. The Water Authority is providing a \$1,885,610 match. This match will be covered by the \$2 million that was appropriated in the approved FY18 CIP Budget – R-17-10. NMFA is providing \$500,000 in grant funding for the project.

# ALBUQUERQUE BERNALILLO COUNTY WATER UTILITY AUTHORITY

BILL NO. R-17-13

1 **RESOLUTION**  
2 **AUTHORIZING AND APPROVING SUBMISSION OF A COMPLETED APPLICATION**  
3 **FOR FINANCIAL ASSISTANCE AND PROJECT APPROVAL TO THE NEW MEXICO**  
4 **FINANCE AUTHORITY FOR THE ADVANCED METERING INFRASTRUCTURE**  
5 **PROJECT PHASE 4C.**

6 WHEREAS, the Albuquerque Bernalillo County Water Utility Authority  
7 (“Borrower”) is a qualified entity under the Drinking Water State Revolving Loan Act,  
8 Sections 6-21A-1 et seq., NMSA 1978 (“Act”), and the Albuquerque Bernalillo County  
9 Water Utility Authority Board (“Governing Body”) is authorized to borrow funds and/or  
10 issue bonds for financing of public projects for benefit of the Borrower and the public;  
11 and

12 WHEREAS, the New Mexico Finance Authority (“Authority”) has instituted a  
13 program for financing of projects from the Drinking Water State Revolving Loan Fund  
14 created under the Act and has developed an application procedure whereby the  
15 Governing Body may submit an application (“Application”) for financial assistance from  
16 the Authority for drinking water projects; and

17 WHEREAS, the Governing Body intends to undertake acquisition, construction  
18 and improvement of the Advanced Metering Infrastructure Project Phase 4c (“Project”)  
19 for the benefit of the Borrower and its customers; and

20 WHEREAS, the application prescribed by the Authority has been completed and  
21 submitted to the Governing Body and this resolution approving submission of the  
22 completed Application to the Authority for its consideration and review is required as  
23 part of the Application.

24 NOW THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE  
25 ALBUQUERQUE BERNALILLO COUNTY WATER UTILITY AUTHORITY:

26 Section 1. That all action (not consistent with the provision hereof) heretofore  
27 taken by the Governing Body and the officers and employees thereof directed toward  
28 the Application and the Project, be hereby ratified, approved, and confirmed.

1           Section 2. That the completed Application submitted to the Governing Body be  
2 hereby approved and confirmed.

3           Section 3. That the officers and employees of the Governing Body are hereby  
4 directed and requested to submit the completed Application to the Authority for its  
5 review and are further authorized to take such other action as may be requested by the  
6 Authority in its consideration and review of the Application and to further proceed with  
7 arrangements for financing the Project.

8           Section 4. All acts and resolutions in conflict with this resolution are hereby  
9 rescinded, annulled, and repealed.

10          Section 5. This resolution shall take effect immediately upon its adoption.