
Meeting Date: December 4, 2018
Staff Contact: Mark S. Sanchez, Executive Director

TITLE: C-18-46 – 2019 State Legislative Priorities

ACTION: Recommend Approval

SUMMARY:

The Water Authority has six recommended State Legislative Priorities for 2019 Session.

1. Los Padillas Water System Improvements Project – \$3.4 Million

The Water Authority submitted a funding application through Drinking Water State Revolving Fund in the amount of \$3,430,081 to provide clean, reliable water to residents and businesses in the Los Padillas community. The Water Authority received a \$750,000 disadvantaged assistance subsidy. The projected repayment amount will be \$2.7 million. The Water Authority is requesting state capital outlay funding to cover the \$2.7 million repayment amount. This project includes Phases 7b, 7c, and 7d of the larger South Valley Drinking Water Project. To date, Phases 1 through 7a are completed, and Phases 7b-d are designed and ready to be constructed which will complete the last leg of the water system in the South Valley. This project will address water quality and fire protection issues by providing a reliable public water system to serve existing but unserved developed properties. Phases 7b-d include the construction of 6 miles of water distribution lines connecting up to 285 households. Bernalillo County contributed \$1.45 million in funding toward the project. The Water Authority has contributed \$250,000 toward the project, plus personnel, labor and equipment.

2. Carnuel Wastewater Improvements Project – Planning/Design – \$12,500

The Water Authority obtained \$37,500 in state capital outlay in 2018 for the planning and designing Phase 1 of the wastewater system improvements. The Water Authority was planning on using this capital outlay as the local match for an application for funding from the New Mexico Finance Authority Local Government Planning Fund. However, the NMFA deemed that this project did not meet the urgent criteria for project funding. The Water Authority is requesting the remaining \$12,500 in state capital outlay to make up the difference of the \$50,000 sought to plan and design a gravity sanitary sewer system for the high priority area in the Carnuel community. Carnuel would greatly benefit from a planned, designed project phase that would be ready for bid for construction. The project will assist in improving water quality in the Carnuel community and help residents comply with Bernalillo County's Wastewater Systems Ordinance.

3. Bosque Non-potable Water Reclamation Plant and Reuse System

Consistent with Water 2120, this plan provides for additional water conservation and for additional reuse including indirect and direct potable reuse in the future. The Bosque project would provide non-potable water for industrial purposes and irrigation needs to parks, schools, and golf courses. In addition, the Bosque Non-potable Water Reclamation Plant will discharge water to the Rio Grande during the non-irrigation season with additional opportunities for aquifer storage and recovery in the Calabacillas arroyo. The project will provide non-potable water to Mariposa Regional Park, Bosque School, Ladera and Desert Greens golf courses, and other schools and athletic facilities.

The Water Authority has acquired the land for the new water reclamation plant and has completed the feasibility and some preliminary layouts of the site which is adjacent to Bosque School at Montano and the Rio Grande. The Water Authority is seeking \$750,000 in state funding to complete the necessary environmental studies and permitting for the project. The environmental studies will include NEPA and NPDES permitting for discharge to the Rio Grande during non-irrigation season.

4. NMED Adoption of Federal Petroleum Storage Tank Regulations

Support legislation regarding the New Mexico Environment Department's adoption of recently revised federal regulations dealing with petroleum storage tanks. Adoption of the regulations is a requirement for receiving federal matching funds for the state's Corrective Action Fund program, which allows the state to clean up contaminated soil and ground water at leaking storage tank sites.

5. Review of Governmental Gross Receipts Tax

Support a review of the contribution of Governmental Gross Receipts Taxes to the New Mexico Finance Authority and the allocation of resources for projects, which provided for interconnection of disadvantaged systems, public health and safety and water conservation and reuse projects. The Water Authority is the largest contributor of Governmental Gross Receipts Taxes and receives very little return on this contribution in terms of funded projects. The region has many unfunded interconnection projects of disadvantaged systems, which could use funding and is often not supported by NMFA. Additionally, there are many unfunded conservation and reuse projects which required funding to advance. It would be helpful if the GGRT allocation to NMFA could be reduced and allow these projects to go forward.

6. Oppose Legislation Negatively Impacting Water Authority Resiliency

The Water Authority opposes any legislation that a) adversely affects funding or imposes additional fees; b) proposes any mandatory rate revenue reduction measures; c) diminishes the Water Authority's regulatory authority or its ability to plan for future generations; d) adversely affects the sustainability of the Water Authority organization; e) adversely affects Water Authority's ratepayers.