UNM Water Resources Program Policy Report 2018-01

Albuquerque Bernalillo County Water Utility Authority Governance Study

THE UNIVERSITY OF NEW MEXICO

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

Key Findings related to water agency governance

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

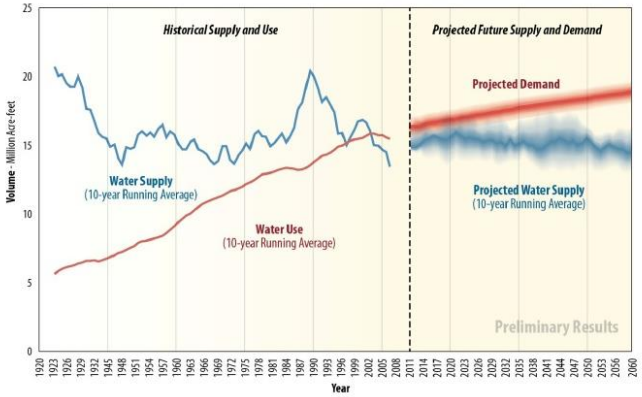
Key Findings related to water agency governance

- 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



Albuquerque-Bernalillo County water management

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

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