

#### Meeting Date: September 25, 2019

Staff Contact: Elizabeth Anderson, P.E., Chief Innovation and Performance Manager

### TITLE: R-19-22 - Amending Water Service Policies for the South Valley Drinking Water Project

### ACTION: Recommend Approval

### SUMMARY:

The purpose of this resolution is to amend the water service policies and service area for the South Valley Drinking Water Project (SVDWP). The original resolution was adopted in May 2008 (R-08-12) which defined Phases 1 through 4. The SVDWP policies resolution was amended in June 2010 (R-10-8) which included Phases 5 and 6, and in September 2013 (R-13-14) which included Phase 7, also known as the Los Padillas project area. Construction of the Los Padillas phase began in October 2017 and is about 75% complete with 4 miles of water lines installed to date. This project provides safe and reliable drinking water and fire protection to the established but unserved portions of the project area.

The SVDWP service area needs to be expanded to include all parts of the Los Padillas phase. The current service area did not originally identify Potomac Road and Keiths Court south of Interstate 25 as a part of the project area. The resolution's exhibit now includes this area as a part of the SVDWP service area.

This resolution states that extension of water service will only be allowed in the SVDWP service area (see Exhibit A of resolution). In addition, this resolution functions as a development agreement for water service for all properties within the SVDWP service area. Connections for water service will comply with the Water Authority's Water and Sewer Rate Ordinance and the Water and Sewer System Expansion Ordinance. Residents connecting to the system will be required to pay the Utility Expansion Charge (UEC) that is imposed at the time of a service connection.

Property owners in the SVDWP service area will not have to pay the Water Resource Charge (WRC) if they have a permitted structure within the SVDWP service area prior to the adoption of R-08-12 which is May 21, 2008. Newly developed properties inside the SVDWP area but outside the Water Authority's water service area will have to pay the WRC. Newly developed properties inside both the SVDWP service area and the Water Authority's water service area will not have to pay the WRC.

Overall, there are about 700 water connections in the SVDWP service area. Therefore, about 33% of properties have connected to the SVDWP water system.

## FISCAL IMPACT: None

# ALBUQUERQUE BERNALILLO COUNTY WATER UTILITY AUTHORITY

BILL NO. <u>R-19-22</u>

1 RESOLUTION 2 AMENDING WATER SERVICE POLICIES FOR THE SOUTH VALLEY DRINKING 3 WATER PROJECT 4 WHEREAS, Bernalillo County, the City of Albuquerque, and the Village of Los 5 Ranchos entered into a Memorandum of Understanding in 2001 for the Valley Utilities 6 Project (VUP) to protect groundwater supplies in the Middle Rio Grande Valley of 7 Bernalillo County and to provide potable water and sanitary sewer service to the 8 developed but unserved areas of the North and South Valley in an effort to protect the 9 groundwater resource; and 10 WHEREAS, the South Valley Drinking Water Project (SVDWP) is a component of 11 the VUP which was developed to provide a reliable water system to residents and 12 businesses in the South Valley at a scale/level of service that is consistent with land use 13 designations and densities from the adopted land use plans; and 14 WHEREAS, the SVDWP will address water quality and fire protection issues by 15 providing a reliable public water system to serve existing but unserved developed 16 properties; and 17 WHEREAS, the Bernalillo County Water Conservation Ordinance was amended 18 in 2010 to include required water conservation measures that would be incorporated 19 into the design and construction of new development; and 20 WHEREAS, the Water Authority adopted Guiding Principles for Urban Planning 21 and Development (R-07-6) with one policy stating "In an effort to facilitate solutions to 22 water and wastewater outside of the service area and regionally, the Authority should 23 provide services provided that such services are fully paid for, not subsidized by 24 Authority customers, and when the public health and welfare is served"; and 25 WHEREAS, the Water Authority established water service policies for the 26 SVDWP in May 2008 (R-08-12) which defined Phases 1-4 of the project; and

WHEREAS, the Water Authority amended the water service policies for the
 SVDWP in June 2010 (R-10-8) which included Phases 5 and 6, and in September 2013
 (R-13-14) which included Phase 7; and

WHEREAS, Phase 7 did not originally identify Potomac Road and Keiths Court
south of Interstate 25 as a part of the project area, but this existing subdivision was
included in the design plans in December 2013; and

7 WHEREAS, the Water Authority's System Expansion Ordinance requires
8 connection to the existing system for newly developed properties within 200 feet of an
9 existing water distribution or non-potable water line or sewer collection line.
10 BE IT RESOLVED BY THE WATER AUTHORITY:

Section 1. Water service connections made available through the South Valley
Drinking Water Project (SVDWP) shall be defined as the area shown in Exhibit A,
SVDWP service area. This resolution shall function as a development agreement for
water service for all properties within the SVDWP service area. The SVDWP shall not
expand the Authority's water service area boundary.

16 Section 2. Connections for water service shall comply with the Water Authority's 17 Water and Sewer Rate Ordinance and the Water and Sewer System Expansion 18 Ordinance, as amended from time to time. Individual customers within the SVDWP 19 service area shall pay the Utility Expansion Charge (UEC) that is imposed at the time of 20 a service connection. Consistent with the Water Authority's Guiding Principles for 21 Urban Planning and Development (R-07-6) and for the purposes of public health and 22 welfare, the Water Resource Charge (WRC) shall be waived for existing developed 23 properties that have permitted structures within the SVDWP service area before the 24 effective date of R-08-12 which is May 21, 2008. Newly developed properties inside the 25 SVDWP area but outside the Water Authority's water service area shall pay the WRC. 26 Newly developed properties inside both the SVDWP service area and the Water 27 Authority's water service area shall not pay the WRC as shown in Exhibit A. 28 29 30

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