



New Mexico Environment Department



Investments to Increase Water Delivery
Legislative Finance Committee Meeting
Presented by James Kenney
Cabinet Secretary
August 2025



Water Protection Division (WPD)



Construction Programs Bureau: Helps develop sustainable and secure water, wastewater, and solid waste infrastructure through state and federal funding, technical assistance, and project oversight.

Drinking Water Bureau: Provides regulatory oversight of nearly 1,100 public/private drinking water systems, providing technical, managerial, and financial assistance.

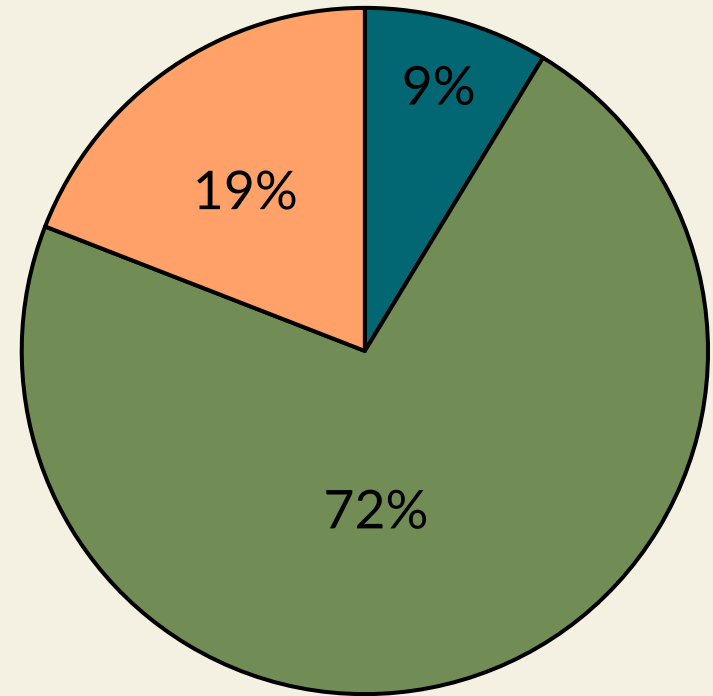
Ground Water Quality Bureau: Protects groundwater by issuing permits and cleans up contaminated sites that pose significant risks to human health and the environment.

Surface Water Quality Bureau: Protect surface water quality and increases public awareness of the importance of healthy watersheds and aquatic ecosystems.



WPD FY26 Operating Budget

Category	Amount
Personal Services & Employee Benefits	\$25.7M
Contract Support	\$48.3M
Non-Contract Support	\$24.2M
Other Financing Uses	\$0.8M
Total	\$99M



- General Fund
- Federal Funds
- Other Funding Sources



50 Year Water Action Plan



NMED is the lead agency on six of 11 priority actions in the Action Plan.





50 Year Water Action Plan



Spotlight: Reduce Leaks

- In 2025, we used ASTERRA to use satellite technology to locate underground leaks in five communities
- Water savings from these five communities:
 - ▣ 241.8 gallons per minute
 - ▣ 348,200 gallons per day
 - ▣ 127.8 million gallons per year
- Cost: \$283,317
- Equivalent to the amount of water in about 200 Olympic-sized swimming pools



50 Year Water Action Plan

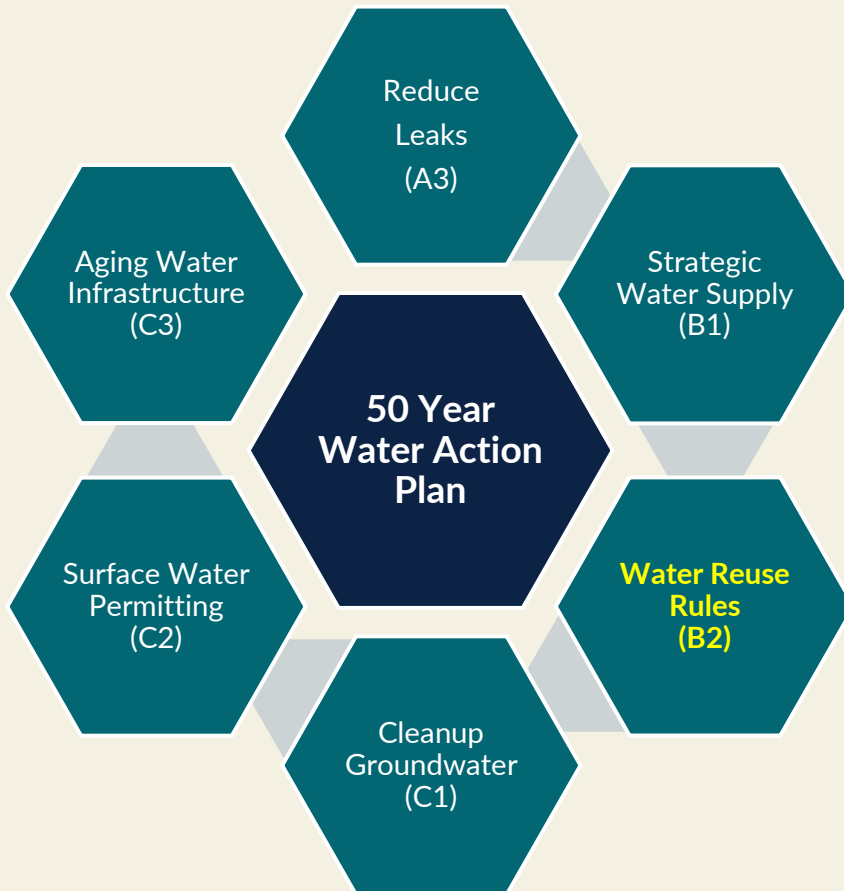


Spotlight: Strategic Water Supply

- ❑ Treat brackish water to provide new water supplies
- ❑ Provide new water for community uses
- ❑ Protect and preserve freshwater resources
- ❑ Promote robust local economies
- ❑ \$40 million appropriated for grants and contracts
- ❑ Launching this month



50 Year Water Action Plan



Spotlight: Water Reuse Rules

- Develop and implement comprehensive water reuse rules for potable and non-potable reuse of treated wastewater, including produced water
- Develop rigorous science-based standards and permitting requirements to protect the environment and public health
- Ensure the necessary regulatory frameworks are in place by 2026 to maximize new water supplies



50 Year Water Action Plan



Spotlight: Cleanup Groundwater

- Senate Bill 21 (2025) created a dedicated fund and clarified NMED authority to hold polluters responsible for groundwater contamination
- \$20M appropriation in 2025 to clean up neglected contaminated sites
- Sites identified and contracts in place
 - ▣ Petroleum products and heavy metals at a Tucumcari truck stop
 - ▣ Oil and gas refinery contamination in Bloomfield
 - ▣ Multiple former uranium mine sites in the Grants Mining District



50 Year Water Action Plan

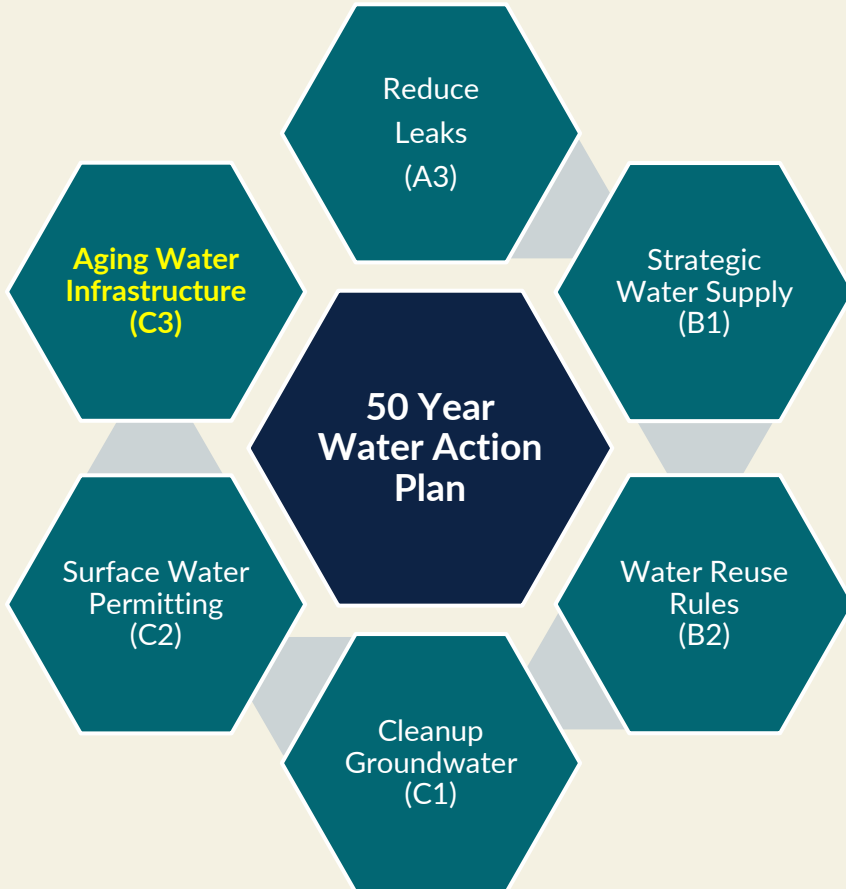


Spotlight: Surface Water Permitting

- August 2025: Draft rules for public comment
- Spring 2026: Water Quality Control Commission hearing
- Combined \$8.3 million appropriation in 2023-2024



50 Year Water Action Plan



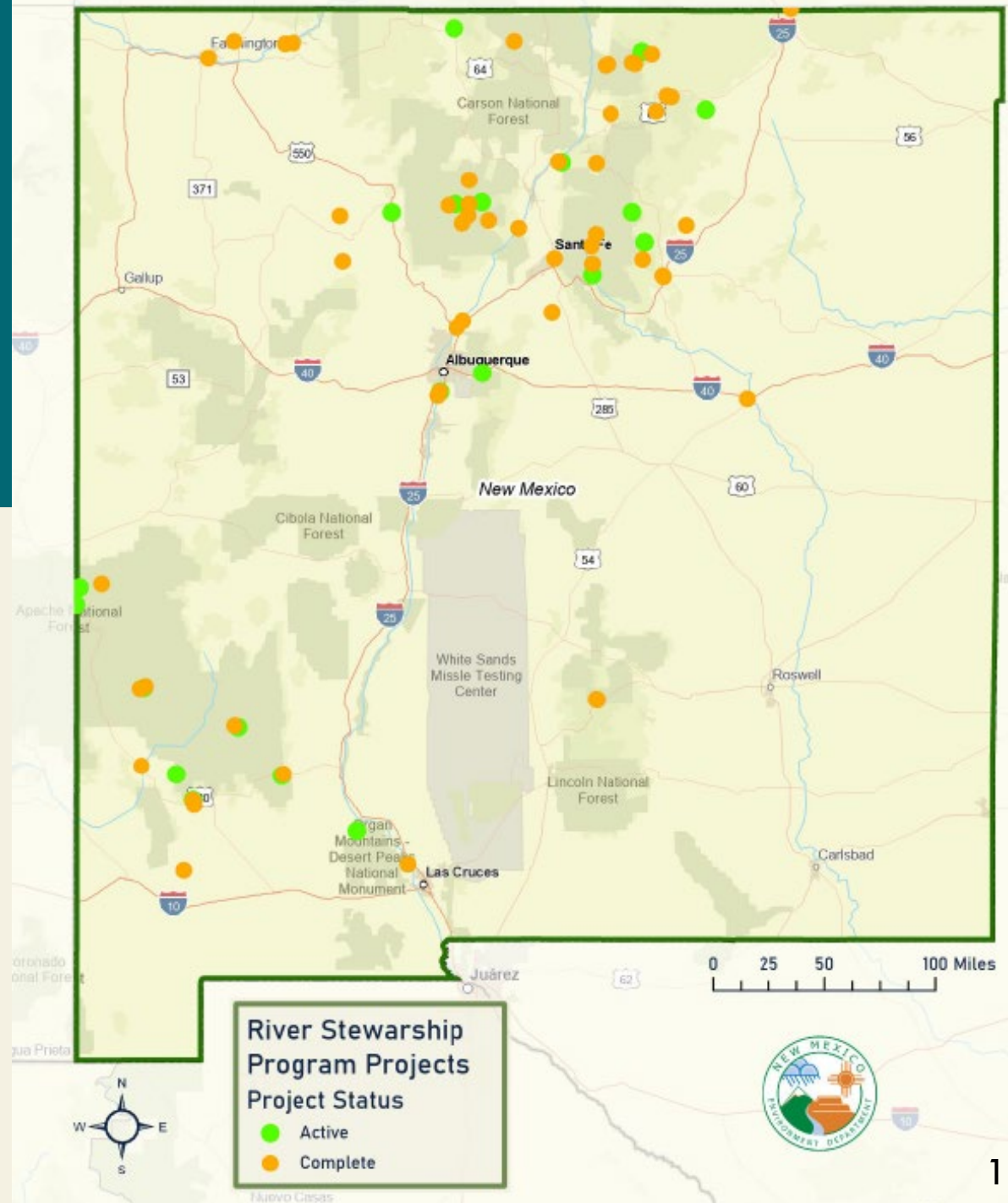
Spotlight: Aging Water Infrastructure

- Since January 1, 2019:
 - ▣ 6,339 water, wastewater and solid waste projects completed/in-progress
 - ▣ \$550.51 million disbursed
- New Mexico faces infrastructure challenges. We need an estimated:
 - ▣ \$3.3 billion for drinking water improvements
 - ▣ \$2.3 billion for wastewater improvements
- Delaying investments increases costs and risks of aging infrastructure, placing an unsustainable burden on the state



River Stewardship Program

- ✓ Increased groundwater recharge
- ✓ Improved water quality for downstream users
- ✓ Flood mitigation
- ✓ Habitat improvements for species of concern
- ✓ Improved outdoor recreation
- ✓ **53** projects completed and **22** projects in progress





River Stewardship Program

Funding Source	Appropriated	Expended (As of 8/12/25)	Projects Funded
2022 Capital Outlay A22G2423	\$1,500,000	\$1,142,990	7
2023 Capital Outlay A23H2493	\$1,500,000	\$30,029	5
2024 Capital Outlay A24I2464	\$2,000,000	\$0	6
2025 Capital Outlay A25J2467	\$5,000,000	\$0	Active Procurement
American Rescue Plan Act	\$10,000,000	\$4,764,110	15
Land of Enchantment Legacy Fund (FY25)	\$1,250,000	\$310,107	7
Land of Enchantment Legacy Fund (FY26)	\$1,507,000	\$0	Active Procurement