

Albuquerque-Bernalillo County Water Utility Authority

Presentation to the
Water and Natural Resources Committee

November 30, 2018



Albuquerque Bernalillo County
Water Utility Authority

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Overview

Since the agency's inception in 2004, the Albuquerque Bernalillo County Water Utility Authority has—

- ◆ **Vastly reduced community dependence on groundwater pumping** (down ~68% since 2008), resulting in rising aquifer levels throughout the utility's service area
- ◆ Overseen, via conservation programs, a **49-gallon reduction in daily per capita water use** (177 gpcd in 2004 vs. 128 gpcd today)
- ◆ Implemented a **drought management strategy** that during 2018 saw a **600 million gallon reduction** in water use as compared to the previous year
- ◆ Undertaken some of the state's first **aquifer storage and recovery projects** and brought **re-use infrastructure to S.E. Albuquerque**
- ◆ Adopted WATER 2120, a 100-year water resources management strategy **stipulating NO acquisition of water rights from farmers and irrigators**
- ◆ **More than doubled annual infrastructure spending** while keeping **water/sewer rates among the region's lowest**
- ◆ Between FY14 and FY19, invested some **\$170 million** for infrastructure in the **South Valley**
- ◆ Earned a **AAA bond rating** from S&P (2018)
- ◆ Engineered an **98 percent reduction** in employee work hours **lost to injury**
- ◆ Added 2.5 MW of solar energy infrastructure to power utility operations
- ◆ Planted some **11,000 trees for habitat restoration** in the Bosque



Finances & Accountability

- ◆ **AAA bond rating (S&P)**

- Cited utility's "strong financial management policies and practices...robust planning efforts...[and] strong levels of pay-as-you-go funding"

- ◆ **Seeking Efficiency/Reduced Operating Costs**

- Annual days away from work reduced by 98 percent since 2007

- Operation and maintenance costs per account lower than U.S. median

- Cost for insurance claims down 70 percent since FY14 (when Risk Management was brought in-house)

- ◆ **Comprehensive Asset Management Program**

- Capital spending based on detailed assessment of RISK and PROBABILITY OF FAILURE

- ◆ **GFOA recognition for budget, annual report**

- ◆ **Utility finances overseen by**

- Utility governing board

- Independent internal auditor (reporting to board's audit committee)



Resource Management

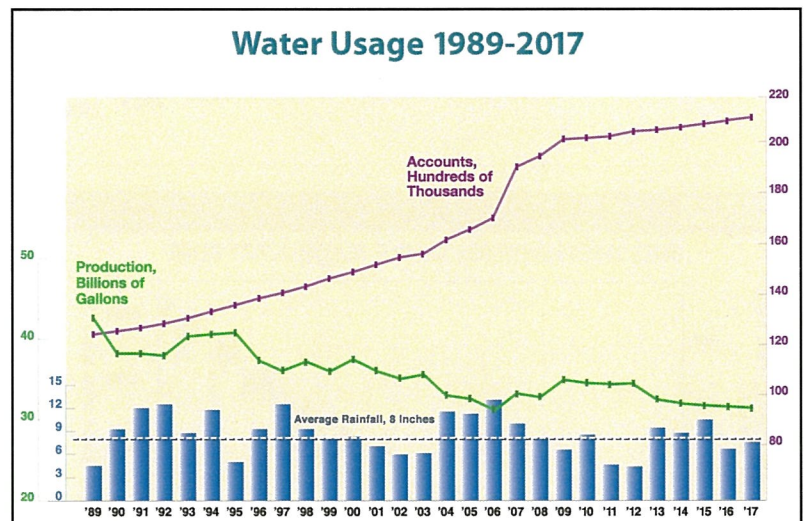
Resiliency

- ◆ 100-year water plan (WATER 2120) endorsed by:
 - Rep. Michelle Lujan Grisham
 - The Nature Conservancy
 - Rio Grande Water Fund
 - U.S. Bureau of Reclamation
 - Albuquerque Economic Forum
 - Middle Rio Grande Conservancy District
 - Interstate Stream Commission
 - Army Corps of Engineers
 - Greater Albuquerque Chamber of Commerce
- ◆ Plan relies on existing supplies, emphasizes conservation, re-use, and aquifer storage and recovery; NO acquisition of agricultural water rights



Sustainability

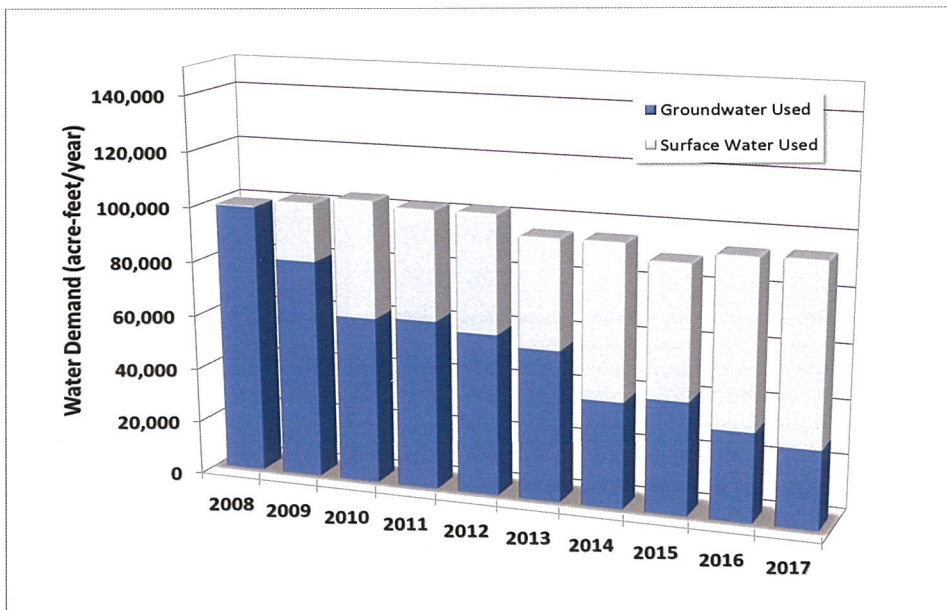
- ◆ Growth pays for itself (no net expense to existing ratepayers)
- ◆ Annual water use comparable to 1980s in spite of population growth; daily per capita usage at 128 GPCD (252 in mid-1990s)
- ◆ 492 MG of annual re-use
- ◆ \$1 million watershed restoration partnership with The Nature Conservancy
- ◆ 2.5 MW of solar power
- ◆ 2018 drought response: ~600 million gallons saved



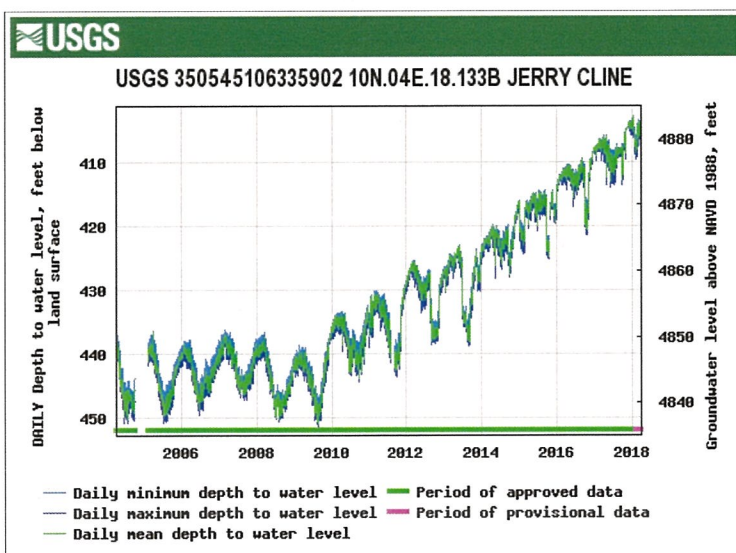
Resource Management

Groundwater Pumping

- ◆ **Reduced ~68% Compared to 2008** (surface water use, conservation, re-use, aquifer storage and recovery)
- ◆ **Aquifer levels up throughout service area** (50+ feet in some locations following years of decline)



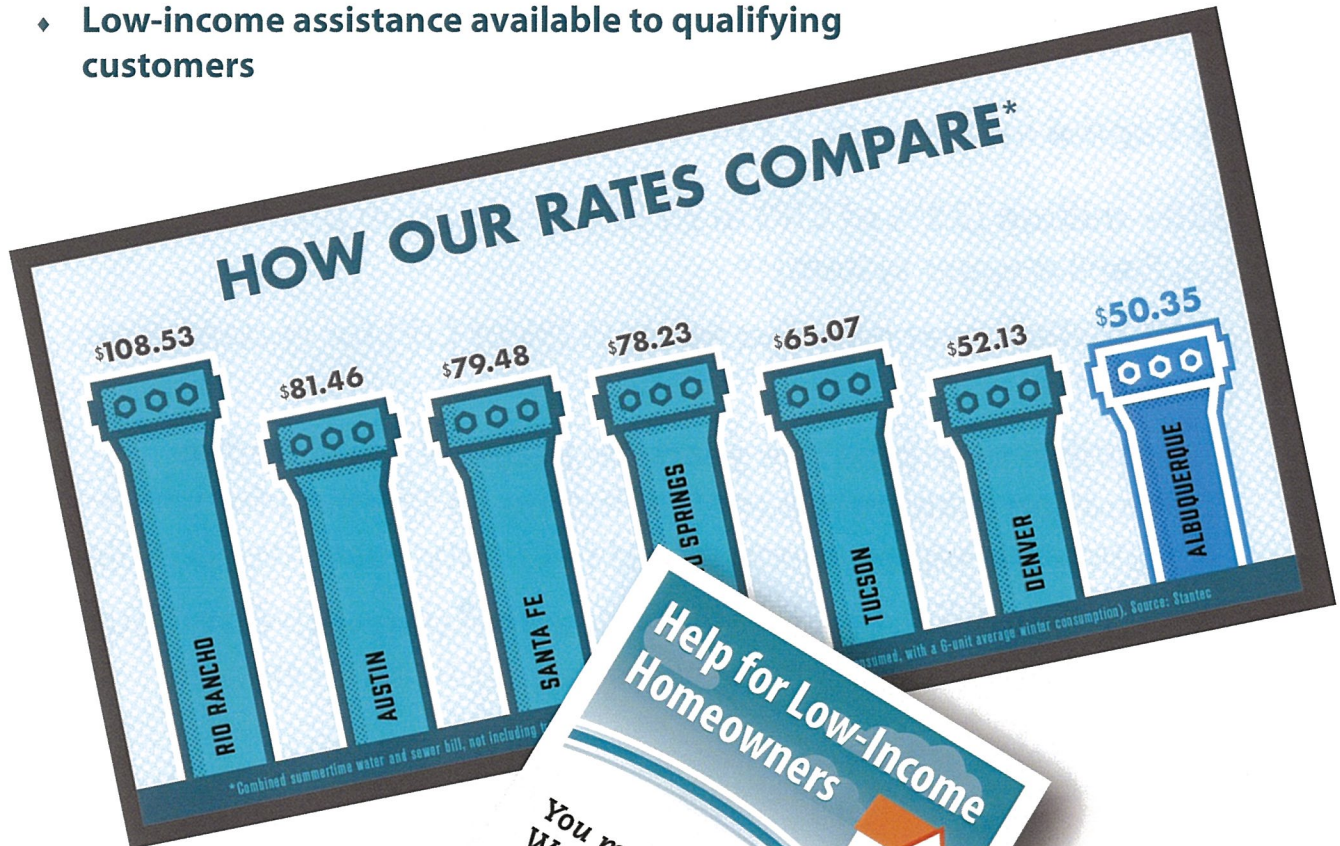
Groundwater Pumping vs. Surface Water Use



Example: Aquifer Levels Increasing Over Time (USGS Jerry Cline Monitoring Well)

Affordability

- ◆ Rates among lowest in the region
- ◆ Rate structure rewards conservation, includes low-use discount
- ◆ Low-income assistance available to qualifying customers



Help for Low-Income Homeowners

You may qualify for the Water Authority's Low-Income Credit Program

Customers meeting homeowner and household income requirements may qualify for the Water Authority's Low-Income Credit program. Program participants can qualify for up to \$21.93 per month in assistance for one year; participants must be current on their water bill and must re-apply annually.

The application process is quick, easy and confidential. Just contact either of the program administrators:



GRANDE FOOD PROJECT
505-967-8045
water@gfp.org



The STOREHOUSE
New Mexico
505-842-6491
water@storehousenm.org

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Infrastructure Reinvestment

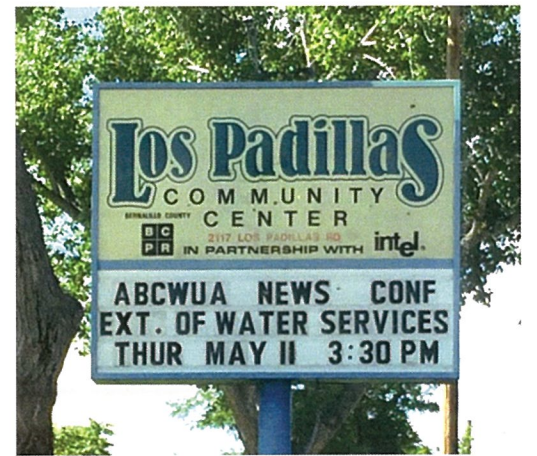
FY19 Capital Improvement Plan: **\$84.3 million**

Includes—

- ◆ **\$55 million for basic rehab**
- ◆ **\$350,000 for renewable energy projects**

South Valley Capital Investment, FY14-19: **\$170+ million**

- ◆ **\$20+ million (23% of CIP) in FY19** (reclamation plant, Los Padillas water system)
- ◆ **\$133 million over past five years** (52% of CIP) for reclamation plant rehab
- ◆ **\$16 million over past five years for projects unrelated to reclamation plant rehab** (not including ~\$5 million for utility relocation and replacement related to County public works projects)
- ◆ **+Valley Utilities Projects** (historic partnership with City/County/State/Feds for extension of services and septic tank removal)



System Reliability



- ◆ **Annual investment in infrastructure has more than doubled since 2006**
- ◆ **97% of residential customers express satisfaction with service reliability**
- ◆ **70% customer satisfaction with condition of local water lines (up 10 points since 2016)**
- ◆ **Ratio of planned water system maintenance vs. corrective/emergency maintenance up 37% since FY15**

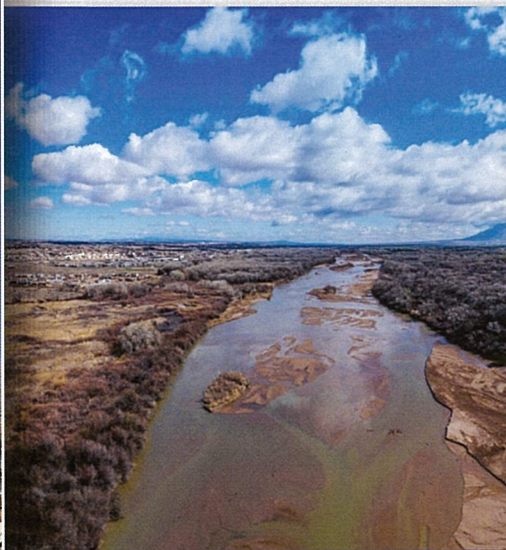
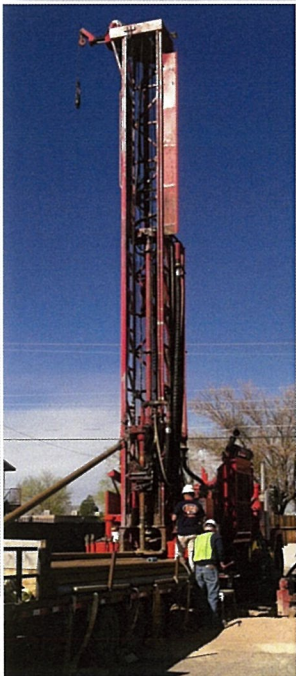
Water Quality

- ◆ 100% compliance with EPA quality standards since agency inception (including lead and arsenic)
- ◆ 3,000-4,000 drinking water samples tested annually by in-house Compliance staff
- ◆ Best in region, third best in nation for taste (American Water Works Association, 2015)



Environmental Leadership

- ◆ **KIRTLAND FUEL SPILL:** Fulltime staff member and Water Authority consultant providing the only agency-based independent review of Air Force/NMED cleanup plans
- ◆ **RIO GRANDE:** Architect of 20,000-acre-foot water lease agreement with federal government to maintain Rio Grande flows during 2018 drought
- ◆ **RESOURCE MANAGEMENT:** Only utility in the Southwest with a 100-year water plan in place
- ◆ **WATERSHED PROTECTION:** \$1 million partnership with The Nature Conservancy and the Rio Grande Water Fund for watershed restoration; winner of 2018 Source Water Protection Award (American Water Works Association)
- ◆ **HABITAT RESTORATION:** Between 2014 and 2016, the utility financed and supervised the planting of some 11,000 trees and shrubs in the riparian bosque, cleared non-native undergrowth and created spawning areas for the endangered Rio Grande silvery minnow



Community Engagement and Cooperation

- ◆ 24 “Customer Conversations” community input meetings (all 4 quadrants) over past 5 years
- ◆ Partnership with parks to forgo water waste fines, invest \$\$ saved in improved irrigation systems
- ◆ Tree donation program for Albuquerque and Bernalillo County parks and open space
- ◆ College and high school internship program
- ◆ Education program reaches 20K students per year, including all APS fourth graders
- ◆ Mountain View community garden on reclamation plant property in South Valley
- ◆ Emergency water deliveries and technical assistance for rural communities
- ◆ 20,000-acre-feet of water leased to federal government for Rio Grande drought mitigation in 2018

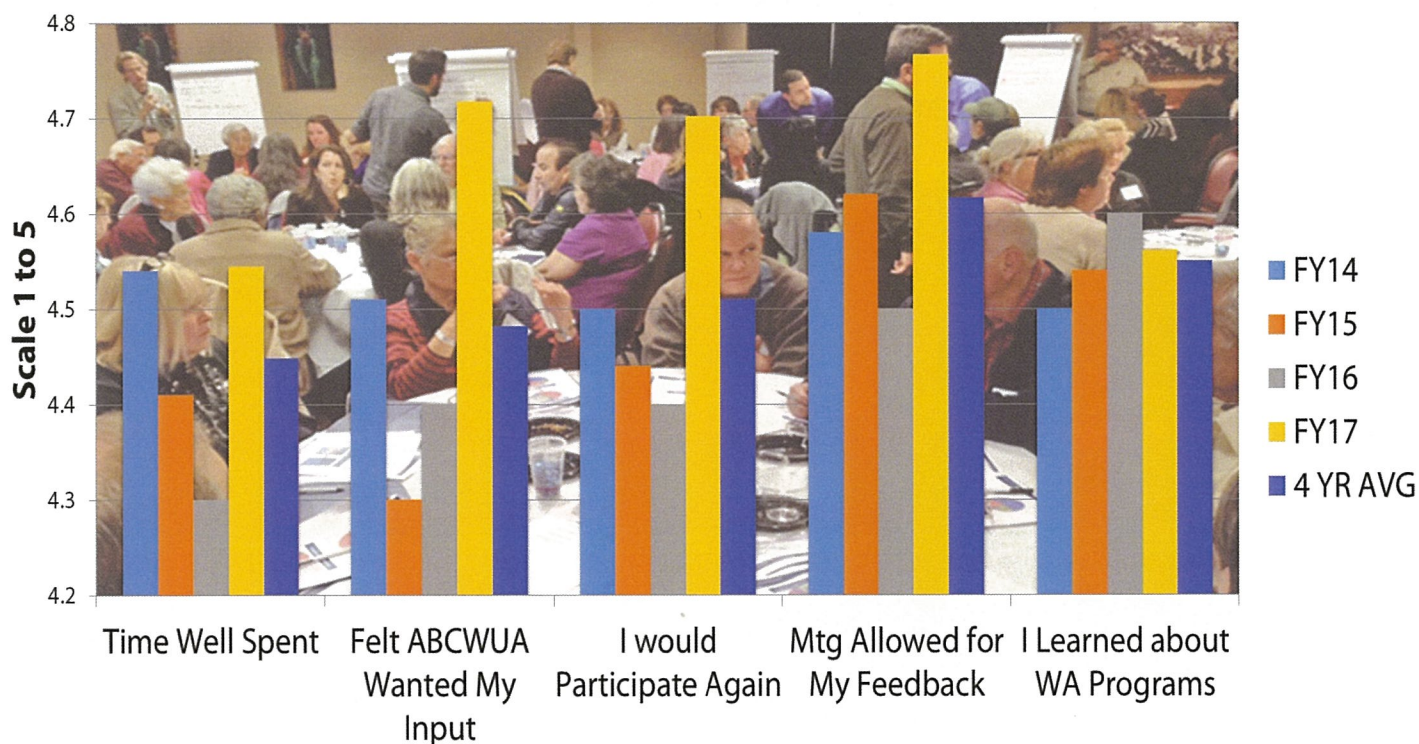


What Our Customers* Have to Say

- ◆ **94 percent** express **satisfaction overall** with Water Authority services
- ◆ **77 percent** say water and sewer services are a **good value** for the money
- ◆ **87 percent** say they are very or somewhat satisfied with **billing accuracy** and bill formatting
- ◆ **71 percent** express satisfaction with utility effectiveness in **responding to and repairing leaks**
- ◆ **77 percent** say they are satisfied with utility efforts to **control sewer odors**

*Residential customers, 2018 Customer Opinion Survey conducted by Research & Polling Inc.

“Customer Conversations” Feedback



Recent Awards and Recognition

Utility of the Future Today (NACWA/WEF/WE&RF, 2016)

Organizational culture, water reuse, community engagement, energy efficiency, watershed stewardship

Renewable Energy Project of the Year

(Assoc. of Energy Engineers, 2017)

1.5 MW solar array, drinking-water treatment plant

Exemplary Source Water Protection Award (AWWA, 2018)

Partnering with other agencies to ensure surface- and groundwater quality

Platinum Award for Utility Excellence (AMWA, 2018)

High-quality, affordable water; responsive customer service, attention to resource management and environmental protection

