

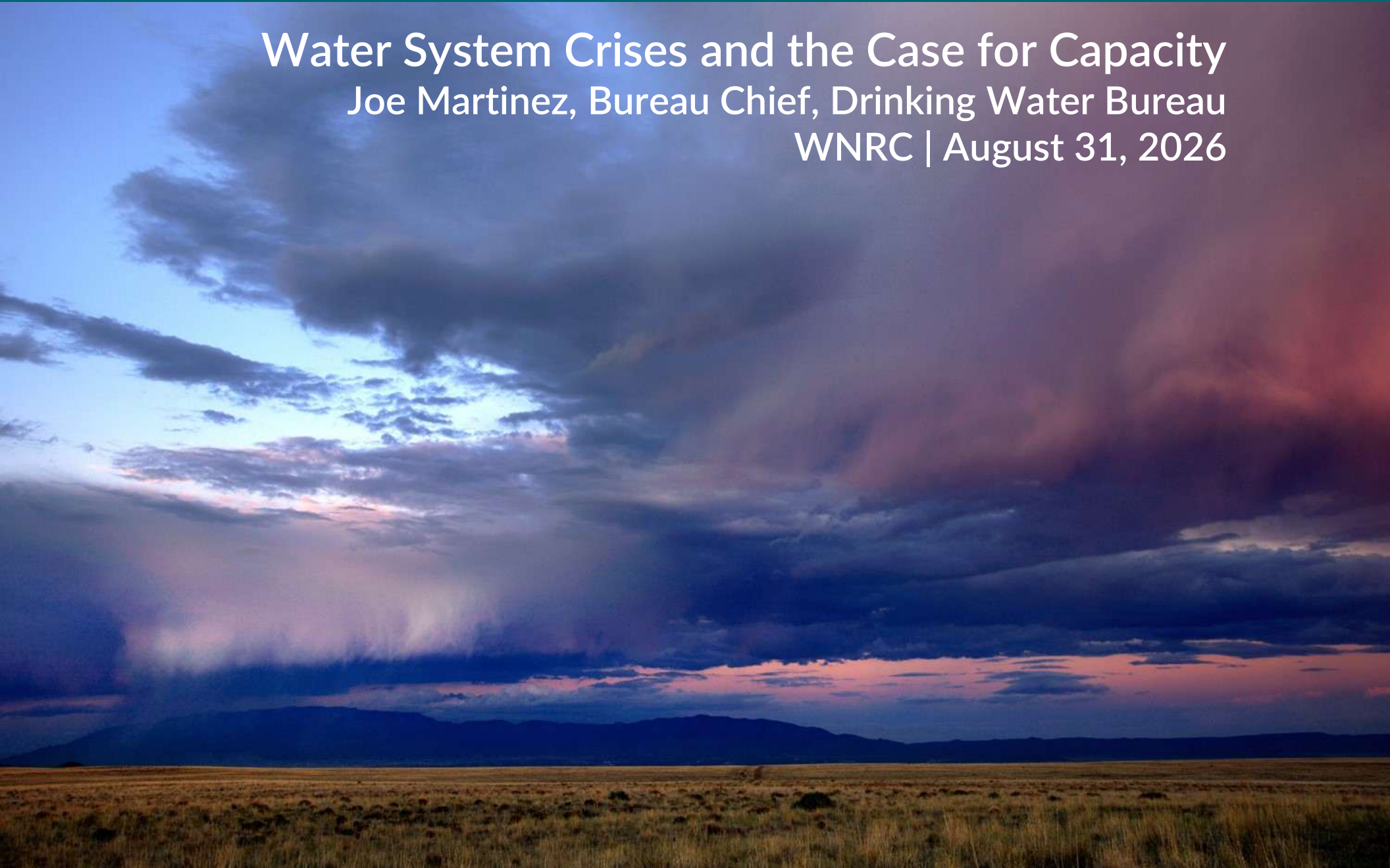


New Mexico Environment Department

Water System Crises and the Case for Capacity

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WNRC | August 31, 2026





Today's Presentation

Four things to take away from this briefing



Who We Are

How NMED's drinking-water responsibilities are divided and where they intersect with PRC



The Small-System Landscape

Why system size, limited revenue, and limited staffing create structural vulnerability



What the Emergency Record Shows

Recurring causes, repeat incidents, and the limits of emergency response



What NMED Is Building

The five-pillar strategy behind the Drinking Water Bureau's work



NMED Overview

NMED's drinking-water responsibilities are divided across two divisions.

- The Drinking Water Bureau works with public water systems to provide technical assistance and try to provide proactive capacity building to solve problems.
- The Water Protection Compliance and Enforcement Bureau makes compliance determinations and carries out enforcement of state and federal drinking-water requirements.



Drinking Water Bureau (DWB)

Capacity building and technical assistance for public water systems statewide. Water Protection Division.



Water Protection Compliance and Enforcement Bureau (WPCEB)

Holds compliance determinations and enforcement authority. Part of NMED's Compliance & Enforcement Division, separate from DWB.

That distinction matters for today: when a system is struggling, DWB is usually the program that is working alongside it.

WPCEB holds systems accountable to regulatory standards and DWB helps systems to meet those standards.



Who We Are

What the Drinking Water Bureau Does Statewide

DWB's work involves infrastructure, operators, governance, and emergency response.

1,050

PUBLIC WATER SYSTEMS

Most are small or rural.
Many operate with
limited staff, reserves, or
volunteer boards.

Technical, managerial,
and financial capacity are
as important as pipes and
wells.

01

PREVENTION

Operator training, technical assistance, planning, and engineering review before a problem becomes an outage.

02

PROJECT SUPPORT

Help systems define needs, develop projects, and connect viable projects to federal funding.

03

EMERGENCY SUPPORT

When water stops, staff help troubleshoot the failure, coordinate technical resources, and move emergency funding and approvals.

DWB's objective is simple: keep systems functioning and help them become less vulnerable over time.



Drinking Water Systems NMED Oversees

New Mexico's public water systems, by type

1,050

Public water
systems statewide

557

Community
systems (year-
round residential
service)

1,925,772

People served by
community systems

627,447

Service
connections across
community systems

The remaining systems are non-community systems, serving transient populations (campgrounds, gas stations, rest areas) or non-transient populations (schools, workplaces) rather than year-round residential customers.



Most Systems Are Small, but Most People Are Served by Large Systems

Population distribution across New Mexico's 557 community water systems

500 OR FEWER PEOPLE

375 systems

67.3% of all community systems

65,605 people, 3.4% of population served

MORE THAN 10,000 PEOPLE

34 systems

6.1% of all community systems

1,505,511 people, 78.2% of population served

Two-thirds of New Mexico's community water systems serve 500 or fewer people, but together they serve only 3.4% of the population. These small customer bases generally mean less revenue, fewer staff, smaller reserves, and less ability to absorb an unexpected failure.



Water System Emergencies

26 systems. 20 months. The same pattern of issues.

Serious water-system challenges requiring immediate or sustained DWB attention, Jan. 2025–Aug. 2026.

Cludcroft Water System

City of Las Vegas

**Greater Glorieta
Regional MDC**

**Regina MDWCA
Melody Ranch
Water Company**

Cebolla MDWCA

Cerro Regional MDWCA/SWA

**Estancia Water
System**

Ilfeld MDWCA

Vallecitos MDWCA

Edgewood Meadows Water Corp

Los Ojos MDWCA

Chapelle MDWCA

**Pineywoods Estates
Water Association**

Correo Water Association

**Sunset Acres
Water Company**

Brazos MDWCA

Riverside MDWA

Youngsville MDWCA

Cuatro Villas MDWCA

Village of Angel Fire

Village of Tularosa

Pojoaque Terraces MHP

Placitas Elementary School

Timberon Water and Sanitation District

Chupadero MDWCA



Infrastructure /
service failure



Source / treatment /
drought



Governance /
financial



Elevated risk /
monitoring

Not one type of problem. Not one region. Not one bad month.

These were urgent system problems that demanded attention — not the proactive capacity-building work DWB was trying to expand.



Water System Emergencies

A pattern, not isolated incidents

Recent cases show how quickly a local problem becomes a public-service crisis when redundancy is thin.

Cerro Regional MDWCA **Taos County – 232 People Impacted**

Primary 1941 well failed;
community lost water service.

Ilfeld MDWCA **San Miguel Co– 400 People Impacted**

Complete outage affecting about
400 people.

Chapelle MDWCA **San Miguel Co–60 People Impacted**

Sole spring source failed as
drought conditions deepened.

Brazos MDWCA **Rio Arriba Co – 360 Served**

Governance crisis with confirmed
open-meetings violations.

Pojoaque Terraces MHP **Santa Fe County – 160 Served**

Cracked well casing; NM WARN
mutual aid activated.

Village of Tularosa **Otero County – 3,485 Served**

Wildfire runoff impaired treatment
plant. Deferred maintenance
contributed to the issues

AGING INFRASTRUCTURE

SOURCE RELIABILITY

GOVERNANCE + CAPACITY

The trigger changes. The vulnerability is consistent: systems with little physical, financial, or managerial redundancy.



Two Emergencies, One Root Cause

The lesson is not that these systems failed to prepare. It is that preparing takes capacity they don't have

CERRO REGIONAL MDWCA

1941

Well overworked, then failed

The 1941 well ran continuously to cover for unfixed leaks in the distribution system, until water levels dropped below the pump. This is the third outage at this system since 2019.

There was no real backup

A second well drilled in 2008 was permitted only for exploratory testing and never taken through engineering review. DWB had to build the entire approval pathway from scratch, mid-emergency, and found 12 deficiencies along the way.

A BACKUP SOURCE IS ONLY REDUNDANCY IF IT IS READY AND HAS BEEN APPROVED FOR USE

CHAPELLE MDWCA

1

One source. No fallback.

The community relied on a single spring. As drought conditions deepened, that source failed.

A fix was offered once before

The system's engineer had already prepared well plans years earlier, but Chapelle didn't have the means to act on them at the time. Those same plans are now being revived under emergency conditions, running in parallel with DWB's emergency funding push.

SINGLE-SOURCE SYSTEMS ARE HIGHLY EXPOSED TO DROUGHT



Two Emergencies, One Root Cause

What the incident record shows

The documented emergencies are not just isolated events. They show a recurring statewide capacity problem.

73%

deferred maintenance

Aging pipes, pumps, wells, or known deficiencies contributed.

58+

documented incidents
2013–2026

85%

human or resource factors

Decisions, governance conditions, or resource constraints played a role.

8+

repeat systems

At least eight systems appear in the record more than once.

\$5.7B

statewide water needs

LFC documented major needs concentrated in smaller, rural communities.

The recurring problem is capacity, not bad luck.



The same root causes keep showing up

DWB tagged each incident based on the available record. The largest drivers are tied to infrastructure, governance, and capacity.

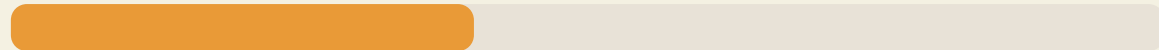
Deferred infrastructure maintenance



73%

Known problems with wells, pumps, pipes, tanks, or treatment assets were not fully corrected before failure.

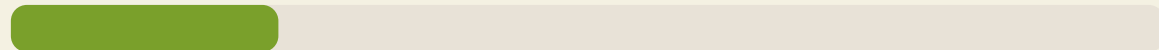
Governance or management failure



40%

Board decision-making, follow-through, planning, or compliance problems contributed.

Financial incapacity



23%

Rates, reserves, or funding access were insufficient to maintain or replace critical infrastructure.

Weather or environmental event



19%

Drought, wildfire, freeze, flooding, or source degradation stressed systems with thin backups.

Equipment failure



19%

Some failures appear less preventable, but they are a smaller part of the record.

Operator workforce failure



12%

Lack of certified operators, turnover, or limited operator support contributed.

Most documented causes point back to technical, managerial, or financial capacity.



Water System Emergencies

One water-system crisis is not one task

A single outage can become technical work, regulatory work, funding work, and partner coordination.



The count of systems is not the workload

The workload is what each system requires after the first urgent call.



Water System Emergencies

One water-system crisis is not one task

A private-utility failure can pull DWB into technical, regulatory, funding, and interagency work at the same time.



One failure can spill across multiple agencies and funding lanes

Even when the system is not fully within DWB's lane, the staff workload still lands here.



Water System Emergencies

One water-system crisis is not one task

Not every crisis is mechanical. Governance failures can become emergency workload too.



A water-system crisis does not have to start with a well or a pipe

Governance breakdowns can consume the same DWB capacity needed for preventive work.



Responding to Emergencies vs Capacity Building

When everything is urgent, capacity building has to wait

The same DWB staff capacity needed for prevention is repeatedly pulled into urgent system work.



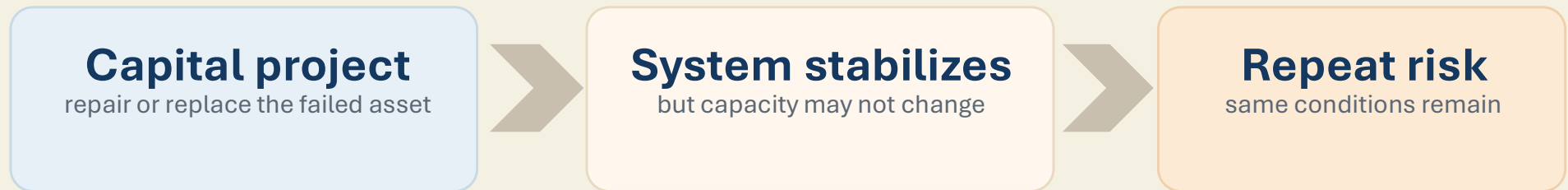
When urgent cases keep arriving, proactive capacity building gets pushed back

The same people needed to build resilience are the people handling today's crises.



Capital alone does not break the cycle

Infrastructure funding is necessary. Funding needs to be paired with sustained and long-term system capacity building.



What has to travel with the capital dollar



Policy takeaway:
Fund capacity building as a companion to every major capital investment.



What would help break the cycle

Protect infrastructure investments by investing in the capacity needed to operate and sustain them

01

Fund capacity alongside capital

Infrastructure + TMF capacity

Pair capital dollars with operator support, asset management, rate planning, and governance assistance so the system can maintain what gets built.

02

Sustain DWB technical assistance

\$4.625M FY28 recurring request

Provide stable recurring funding so DWB can stay engaged longer with vulnerable systems instead of relying on one grant cycle at a time.

03

Strengthen small-system capacity early

**Boards • operators • planning
• finances**

Invest in board training, operator development, financial planning, and technical assistance before governance or maintenance problems become crises.

The goal is not less infrastructure funding. It is making infrastructure funding last.



Building Capacity Before the Next Emergency

Five connected functions help systems become more technically, managerially, and financially resilient.



Capacity Development & Technical Assistance

Strengthen technical, managerial, and financial capacity and support regionalization where it provides a sustainable solution.



Operator Cert. & Workforce Development

Modernizing operator certification around three goals: standardized exams, stronger competency-based training, and a pipeline of new operators for rural systems.



Infrastructure Investment & Funding

Help systems develop viable projects and access DWSRF, IJIA, Water Trust Board, and other infrastructure funding.



Source Water Protection

Protecting the sources that supply public water systems through delineation, assessment, and protection planning.



Laboratory Certification & Compliance Monitoring

Certifying the labs that analyze drinking water samples and administering compliance sampling programs.

The Reality of Emergencies

These pillars cannot eliminate every emergency. They can help systems identify vulnerabilities earlier, respond more effectively, and recover with less disruption.



Capital alone does not break the cycle

New Mexico cannot build its way out of water-system risk with capital projects alone.

Infrastructure fails. Drought happens. Governance gets stressed. Capacity determines whether those issues become a crisis.

Questions / Discussion