

revenues. According to NMFA, a change of borrower may negatively impact the net system revenues and impair the Authority's security in the loans.

TECHNICAL ISSUES

According to NMFA, the non-impairment language contained in Senate Bill 793 needs strengthening and clarification making it clear that Bernalillo County would be required to take on the debt of the utility.

OTHER SUBSTANTIVE ISSUES

The City of Albuquerque utility, according to city contacts, is worth some \$5 billion. The city indicates it has a reasonable dollar amount of bonds outstanding, does not have an extreme amount of debt, and is not in fiscal trouble.

POSSIBLE QUESTIONS

1. Water rights are valuable and essential to controlling the impact of water on the future of both the City of Albuquerque and Bernalillo County. Water right are considered real property, would they too transfer from the city to the county?

LMK/sb