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HOUSE JOINT MEMORIAL 9

**52ND LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2016**

INTRODUCED BY

G. Andres Romero

A JOINT MEMORIAL

REQUESTING THE PUBLIC REGULATION COMMISSION AND THE LEGISLATIVE  
FINANCE COMMITTEE TO STUDY THE EFFECTIVENESS OF THE  
ALBUQUERQUE-BERNALILLO COUNTY WATER UTILITY AUTHORITY TO  
ACCOMPLISH ITS REQUIRED DUTIES AND RESPONSIBILITIES TO ITS  
CONSUMERS AND COMMUNITY AND THE RESPONSIBILITY OF GOVERNANCE BY  
THE BOARD OF THE AUTHORITY.

WHEREAS, the Albuquerque-Bernalillo county water utility  
authority was created in 2003 pursuant to Section 72-1-10 NMSA  
1978; and

WHEREAS, the membership of the board of directors of the  
authority is composed of the mayor of Albuquerque, three city  
councilors appointed by the Albuquerque city council and three  
county commissioners appointed by the board of county  
commissioners of Bernalillo county; and

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1           WHEREAS, the membership of the board of directors may  
2 change on an annual basis at the pleasure of the Albuquerque  
3 city council and the Bernalillo county commission, allowing for  
4 a lack of consistency of board members and a variability of  
5 representation to some service areas of the authority; and

6           WHEREAS, the authority makes policy decisions about water  
7 and sewer usage, sets water and sewer rates and establishes  
8 drought restrictions and other water regulations and ordinances  
9 affecting all users and the local economy; and

10          WHEREAS, the authority may acquire, maintain, contract  
11 for, condemn or protect water and wastewater facilities and is  
12 empowered to approve major water utility projects and to issue  
13 bonds to finance those projects; and

14          WHEREAS, "the Water Authority has close to \$1 billion in  
15 rehabilitation needs, and it cannot defer or delay these  
16 critical projects as they are required to meet compliance and  
17 customer service levels", according to Mark Sanchez, executive  
18 director; and

19          WHEREAS, there have been a number of major water line  
20 breaks necessitating emergency repairs, which cost two to three  
21 times what scheduled maintenance would, and a six-million-  
22 gallon sewage spill into the Rio Grande in 2015; and

23          WHEREAS, the Albuquerque-Bernalillo county water utility  
24 authority acquired debt between fiscal years 2004 and 2009 of  
25 roughly five hundred million dollars (\$500,000,000) to pay for

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1 a drinking water project and, as of June 30, 2015, had  
2 outstanding debt of seven hundred fifty million dollars  
3 (\$750,000,000), making debt payments more than thirty-six  
4 percent of its expenditures; and

5 WHEREAS, beginning in 2011, user rates have been raised  
6 with five percent rate increases implemented in each of fiscal  
7 years 2012, 2014, 2015 and 2016 and more planned for fiscal  
8 years 2018, 2020, 2022 and 2024, yet expenditures have exceeded  
9 revenue for the past seven years; and

10 WHEREAS, concerns have been raised as to the testing and  
11 treating of drinking water, including the effects of the jet  
12 fuel spill originating at Kirtland air force base; and

13 WHEREAS, the regional water plan for the middle Rio  
14 Grande, developed by members of the mid-region council of  
15 governments and the middle Rio Grande water assembly,  
16 identified an existing gap between regional water supply and  
17 demand that is expected to grow without focused action; and

18 WHEREAS, the duties of the authority are complex,  
19 technical and time-consuming, making transparency and oversight  
20 by public officials particularly critical; and

21 WHEREAS, meeting the water needs of the city of  
22 Albuquerque and Bernalillo county is vitally important to the  
23 future well-being of all residents and businesses of the city  
24 and the county and, thus, to a critical part of the state's  
25 economy;

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1           NOW, THEREFORE, BE IT RESOLVED BY THE LEGISLATURE OF THE  
2 STATE OF NEW MEXICO that the public regulation commission and  
3 the legislative finance committee be requested to study the  
4 ability of the Albuquerque-Bernalillo county water utility  
5 authority to accomplish its required duties and  
6 responsibilities to its consumers, its community and the region  
7 and to identify alternative approaches to the composition of  
8 the board of directors of the authority; and

9           BE IT FURTHER RESOLVED that the public regulation  
10 commission and the legislative finance committee enlist  
11 assistance from interested stakeholders to collect data, foster  
12 dialogue and identify and recommend strategies to the committee  
13 that will strengthen the ability of the Albuquerque-Bernalillo  
14 county water utility authority to meet the current and future  
15 water utility needs of the city of Albuquerque, Bernalillo  
16 county and associated local governments; and

17           BE IT FURTHER RESOLVED that the public regulation  
18 commission and the legislative finance committee hear  
19 stakeholder input on the structure of the authority's board of  
20 directors and recommend any necessary changes to the  
21 appointment or election process for members of the board in  
22 order to more fully represent all service areas of the  
23 authority; and

24           BE IT FURTHER RESOLVED that to reflect broad stakeholder  
25 participation and input, the task force shall be composed of

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1 the following: a Bernalillo county Republican party member of  
2 the house of representatives, a Bernalillo county Democratic  
3 party member of the house of representatives, a Bernalillo  
4 county Republican party member of the senate, a Bernalillo  
5 county Democratic party member of the senate, a Bernalillo  
6 county commission member of the authority's board of directors,  
7 an Albuquerque city council member of the authority's board of  
8 directors, the chair or vice chair of the water resources board  
9 of the mid-region council of governments and representatives of  
10 the league of women voters, an environmental organization such  
11 as the sierra club, the New Mexico foundation for open  
12 government, a farmer/farm organization from southern Bernalillo  
13 county, the Albuquerque chamber of commerce, the Albuquerque  
14 Hispano chamber of commerce and the board of directors of the  
15 middle Rio Grande water assembly; and with the executive  
16 director of the Albuquerque-Bernalillo county water utility  
17 authority sitting on the task force as an ex-officio member;  
18 and

19 BE IT FURTHER RESOLVED that the public regulation  
20 commission and the legislative finance committee report their  
21 findings and recommendations to the legislature by December 1,  
22 2016; and

23 BE IT FURTHER RESOLVED that copies of this memorial be  
24 transmitted to the chair of the public regulation commission,  
25 the director of the legislative finance committee, the

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1 Albuquerque city council, the mayor of Albuquerque, the board  
2 of county commissioners of Bernalillo county and the  
3 Albuquerque-Bernalillo county water utility authority.

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