

SPECIAL AUDIT REPORT

OF THE

PUBLIC WORKS DEPARTMENT

WATER CONSERVATION PROGRAM

REPORT NO. 03-102



CITY OF ALBUQUERQUE
OFFICE OF INTERNAL AUDIT

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Internal Audit Committee
City of Albuquerque
Albuquerque, New Mexico 87102

Audit: Public Works Department
Water Conservation Program
03-102

FINAL

INTRODUCTION

The Office of Internal Audit conducted a special audit of the Water Conservation Program, which is operated by the Public Works Department. The Albuquerque City Council requested the audit.

BACKGROUND INFORMATION

Budget

The FY03 budget for the Water Conservation Program is \$2.2 million. This includes \$403,000 for personnel costs, \$1.2 million for customer incentive programs, and \$340,000 for marketing and public education. The Water Conservation Program is included in the appropriation for Water Resources Management, and is a component of that budget line item. Water Resources Management programs include Water Resources, Arsenic Removal, Ground Water Protection and Water Conservation.

Major Sub-programs

The major sub-programs of the Water Conservation Program are as follows:

- Low-flow toilet rebate program
- Xeriscape rebate program

- Low-water usage washing machine rebate program
- Water waste ordinance enforcement
- Large user ordinance enforcement
- Residential audit/retrofit program
- Industrial, commercial, and institutional water audit program
- General Water Conservation Marketing

Rebate Programs

During the period from FY96 through FY02, the rebate programs spent the following amounts of money, and made the following number of rebates:

<u>Type of Rebate</u>	<u>Number of Rebates</u>	<u>\$ Amount of Rebates</u>
Toilet And shower head	42,082	\$3.7 million
Xeriscape	1,127	\$262,000
Washing Machine	2,922	\$292,000

The largest rebate program, in terms of monies spent is the toilet rebate program. There has been a decline in the number of toilet rebates made in every year since FY97, except for one year. In FY97, there were 8,735 toilet rebates made. In FY02, 4,867 toilet rebates were made.

Other Cities Water Usage

According to information supplied by Public Works Department personnel, other cities in the southwest report the following information, regarding their water usage, for 2001:

<u>City</u>	<u>Per capita, per day usage (gallons) – for 2001</u>
Santa Fe*	143
El Paso**	181
Albuquerque	207 (goal of 175 in 2004)
Tucson	177
Phoenix	238

- * According to the City of Santa Fe’s Planning and Land Use Department, the 2001 “per person each day” water system demand was 143 gallons.
- ** According to the El Paso Water Utilities – Public Service Board, the 2002 “gallons per capita per day” water usage in 2002 was 155 gallons (without unaccounted for water and reuse).

Note: The methods for calculating water usage vary significantly between cities.

Management of Water Conservation Program

The Water Conservation Program did not have a supervisor or manager from September 2002 through March 2003. The personnel of the Water Conservation Program reported directly to the Water Resources Division Manager during the interim period. The Water Resources Manager has many other job duties and responsibilities, in addition to the Water Conservation Program.

Legislative History

The Water Conservation Program was started in 1995. In the past few years there have been numerous changes made to the program through Council legislation. For details of the legislative history, see Attachment A.

Goals of the Water Conservation Program

Various City ordinances and resolutions have established goals and programs for the Water Conservation Program to accomplish and manage. For example, resolution R-40-1995, Long Range Water Conservation Strategy, states:

“The City shall adopt the following water use reduction goals.

- “(A). Reduce current overall per capita usage of 250 gallons per capita per day by 30% to achieve 175 gallons per capita per day by the year 2004.”

Funding of Water Conservation Program

The Water and Sewer Rate Ordinance states, “Included in the commodity charge is a \$0.088 charge per unit that will be dedicated to a new Water Resources Management Program in Fund 621 to fund the Ground-Water Protection Policy and Action Plan, the Water Conservation Program, Water Resources Management Planning and Arsenic Investigations. All interest earned on these dedicated funds shall be used only for this purpose.”

SCOPE

Our audit did not include an examination of all the functions, activities, and transactions of the Water Conservation Program. Our audit test work was limited to the following areas:

- Review controls, policies, and procedures relating to the operations of the Water Conservation Program.
- Review methodology used to report statistics relating to accomplishments of the Water Conservation Program.
- Review allocation of resources and funding to accomplish the goals of the Water Conservation Program.
- Review performance reporting and compliance with established City policy on water conservation.
- Review financial transactions relating to the Water Conservation Program.
- Review adequacy of internal controls.
- Review compliance with City and Departmental policies, procedures and ordinances.

This report and its conclusions are based on information taken from a sample of transactions and do not purport to represent an examination of all related transactions and activities. Our fieldwork was completed on February 5, 2003. The audit report is based on our examination of Water Conservation Program activities through the completion of our fieldwork and does not reflect events or accounting entries after that date. The audit was conducted in accordance with Government Auditing Standards, except Standard 3.33, requiring an external quality control review.

FINDINGS

The purpose of an internal audit is to identify changes in the auditee's activities, which would improve its effectiveness, efficiency, and compliance with administrative policies and applicable rules and regulations. Therefore, the auditee's activities that appear to be functioning well are not usually commented on in audit reports. The following findings concern areas that we believe would be improved by the implementation of the related recommendations.

1. THE PUBLIC WORKS DEPARTMENT SHOULD FOCUS ADDITIONAL WATER CONSERVATION PROGRAM EFFORTS ON RESIDENTIAL CUSTOMERS WHO USE RELATIVELY LARGE QUANTITIES OF WATER

A small percentage of residential customers use a relatively large amount of water as compared to the residential average water use. According to Public Works Department personnel, based on an analysis of 2000 Residential billed sales (minus the big meters that serve many units), the distribution of usage is as follows:

- Highest 10 percent of customers use 25 percent of the water
- Next highest 20 percent of customers use 29 percent of the water
- Next highest 20 percent of customers use 20 percent of the water
- Lowest 50 percent of customers use 26 percent of the water

Additionally, according to information provided by the Public Works Department, there are 34,000 residential accounts that have actually increased their water usage from 1994 to 2001. This group represents approximately 22 percent of the City's residential accounts.

The auditor asked the Water Resources Division Manager if the Water Conservation Program had any activities to specifically address and reduce the water usage of the customers in the two highest usage classes. He responded that the City has completed a number of activities to target the highest residential users. Specifically, it implemented the updated water conservation surcharge to target ratepayers that are using large quantities of water. The Water Conservation staff has sent letters directly to the customers showing their water usage and recommending a water audit. The water auditors have contacted groups to schedule water audits to educate and inform them about their usage. The Public Works Department proposes to target additional marketing and programs for the large residential users.

The auditor asked the Water Resources Division Manager if the Water Conservation Program tracks the results of the efforts that target the highest residential users, to see what impact the activities are having on these users. The Water Resources Division Manager provided us information that indicates that from 1994 through 2002, the top 20% of residential accounts reduced their water usage by 23%, while the residential class as a whole has reduced its water usage by 30%. The Water Resources Division Manager informed us that he believes that additional targeted measures for high end users are necessary.

According to the September 1999 Water Conservation Program Evaluation, performed by an outside consultant, "The estimated increased water conservation as a result of rate increases will allow the City of Albuquerque to come close to meeting the 30 percent reduction goal. However, given the difficulty with accurately estimating price elasticity,

it is recommended that the City not rely solely on rates to achieve the water conservation goals.”

It appears that the most feasible way to impact the water usage of the highest user groups may be with water rates. According to information from Salt Lake City, Utah, “Water rates are believed to be a major incentive to water conservation. Most western cities use water rates as a means of controlling water use. In most cases those areas that have the highest rates, experience lower per capita consumption.”

RECOMMENDATION

The Public Works Department should focus additional water conservation program efforts on residential customers who use the top 25 % of water, and residential customers who have increased their water usage. This additional effort should include additional direct marketing efforts aimed at these customers, to inform them about the various water conservation assistance programs that are available from the City’s Water Conservation Program. The Water Conservation Program should track the results of these efforts to determine their effectiveness, as well as the impact of water rate increases on water usage.

The Public Works Department should also determine if there are any changes or additions to the various water conservation ordinances that it should recommend to the City Council to address the water usage by the highest 10 percent of customers.

EXECUTIVE RESPONSE FROM PUBLIC WORKS DEPARTMENT

“PWD agrees and is currently developing additional marketing and other strategies to target these users. We will track the results and review whether or not any changes are needed to the ordinance. Any proposed changes to the existing water conservation ordinances will be sent to the City Council for approval.”

2. THE PUBLIC WORKS DEPARTMENT SHOULD MONITOR THE EFFECTIVENESS OF THE VARIOUS COMPONENTS OF THE WATER CONSERVATION PROGRAM IN REDUCING WATER USAGE

As noted above, the Public Works Department expends significant monies on various rebate and audit programs. In order to ensure that these programs are accomplishing their goal of reducing water usage, the Public Works Department should be monitoring the results of these programs. The purpose of this monitoring would be to determine if water accounts that receive rebates, or have water usage audits paid for by the City, are actually

reducing their water usage. This information would help the department to determine if the monies spent on the various rebate and audit programs are being effectively spent.

The auditor asked the Water Resources Division Manager if the Water Conservation Program did any type of evaluation on the water usage of customers who had toilet rebates or water audits, to determine if these programs were resulting in measurable water usage reduction.

Toilet Rebate Program

Regarding the effectiveness of the toilet rebate program, the Water Resources Division Manager informed us that the last monitoring report was completed in 1999. Another monitoring report is currently in process. He said that as part of the City Council objectives the Public Works Department is evaluating all of the rebate programs including the low flow toilet program.

Residential Audit/Retrofit Program

Regarding the effectiveness of the residential audit/retrofit program, the Water Resources Division Manager informed us that the first year after the audits, apartments showed a 14% reduction of water use and single family homes showed an 11% reduction. The auditor asked the Water Resources Division Manager for documentation to substantiate these figures. Public Works Department personnel informed us that they reviewed the water usage for a group of commercial users who had a water audit. They calculated the winter water use (December, January and February) for the year before the audit and again for the year following the audit. Public Works department personnel also informed us that they followed the same procedure for the residential customers who had audits.

The RFP relating to the water audit contract states, “This program is intended to work directly with Albuquerque residents to reduce water use in their homes and apartments. The audit/retrofit contractor will educate the customer . . . , install retrofit devices on plumbing fixtures as appropriate and allowed by the customer, evaluate other indoor uses and habits, evaluate outdoor uses”

Because the Public Works Department analysis only covered three months in each year period, the Water Conservation Program does not know if water audits actually reduce customers’ overall water usage. The purpose of the water audits is to reduce customers overall water usage; therefore, it seems reasonable that the Water Conservation Program would determine if this is actually occurring.

Additionally, the data used may not be representative. Public Works set aside a large number of residences from the calculations for later research and verification. The Water Resources Division Manager prepared a report regarding the effectiveness of the water

audit program. In this report, he noted that 14 out of 77 multi-family accounts, which had water audits, had questionable meter readings of their water usage. He also noted that 525 out of 1,857 single-family houses, which had water audits, had questionable meter readings of their water usage.

Xeriscape and Washing Machine Rebate Programs

Regarding the effectiveness of the xeriscape and washing machine rebate programs, the Water Resources Division Manager informed us that the last monitoring report was completed in 1999. Another monitoring report is currently in process, to comply with the FY2003 City Council priority objectives.

Customer Surveys

The Water Conservation Program has not recently surveyed customers to determine why some of them have not participated in the incentive programs. Before incentives are changed or increased, the Public Works Department should determine what changes would motivate customers to participate in the incentive programs.

RECOMMENDATION

The Public Works Department should monitor the effectiveness of the various components of the water conservation program in reducing water usage, and ensure that documentation relating to this monitoring effort is properly maintained.

The Public Works Department should evaluate the effect of the water audits impact on customers overall water usage, beyond the three month period that it currently analyzes. The Public Works Department should determine if the vendor is accomplishing the water usage reduction targets that it stated in its response to the RFP.

One of the FY2003 Priority Objectives that was established by the City Council is for the Public Works Department to “Evaluate which water conservation programs provide the greatest effectiveness, which programs are the most cost-effective in dollars per acre-foot of water conserved, and which programs have the greatest remaining market potential for future increased water savings. Provide a report to the Mayor and City Council by the end of the second quarter, FY/03.” Without monitoring, this Priority Objective cannot be accomplished.

The Public Works Department should survey customers to determine what changes would motivate them to participate in the incentive programs.

EXECUTIVE RESPONSE FROM PUBLIC WORKS DEPARTMENT

“PWD agrees that ongoing monitoring of the water conservation incentive programs is important. We are currently reviewing and developing reports for each of the incentive programs including examining total water use reductions from the water audit program. The PWD anticipates that the reports will be finalized in August 2003 and they will transmit the program evaluation to the City Council. Customer surveys will be developed based on the results of the ongoing evaluations.”

3. THE PUBLIC WORKS DEPARTMENT SHOULD CLARIFY THE PRIMARY TARGET FOR WATER AUDITS WITH THE VENDOR

The Water Conservation Program utilizes a vendor to perform water audits of customers, at the request of the customer. This vendor was selected as a result of RFP (Request for Proposal) 99-017-SV.

The RFP states, “The contract term shall be for a period of one year . . . This contract may be extended for up to two additional years by mutual agreement between the City and the contractor.”

The first purchase order that was issued to the vendor was for the one-year period from April 1999 through March 2000, and was for \$350,000.

There were subsequent purchase order adjustments and extensions. The most recent purchase order change extended the contract period through March 2003, for a total contract period of four years. This is one year longer than permitted by the terms of the RFP.

At the end of the first three years of the contract, the total not-to-exceed amount of the purchase order was \$1,110,000. The purchase order adjustments that added a fourth year to the purchase order added an additional \$585,000 to the purchase order amount.

When the Public Works Department extended the contract period past the third year, that was unallowable according to the RFP, it prevented other vendors from being able to bid for this City work.

The auditor asked the Water Resources Division Manager and the Purchasing Division buyer why the contract period was extended for a fourth year, even though this was not permitted by the RFP. The Purchasing Division is a part of the Department of Finance and Administrative Services. The Purchasing Division buyer stated that “the contract term was extendable, upon mutual agreement, per the RFP”

The RFP relating to this contract states, “The primary target of this program is single-family households. Apartment complexes are eligible, but the number of multi-family units may not exceed the number of single family homes audited.”

In May 2000, the contract was amended. The amendment states: “For one year from the effective date of this First Supplemental Agreement, the Contractor shall perform and bill for not more than two (2) multi-family audit/retrofits for each single family audit/retrofit, unless such exception is specifically authorized in writing by the City.”

During the fiscal year from July 1, 2000 through June 30, 2001 (FY2001), the vendor performed 4,395 multi-family audits and only 1,336 single-family audits. During FY2002 the vendor performed 5,269 multi-family audits and only 1,677 single-family audits. It appears that the primary target of the water audit program is not being accomplished.

RECOMMENDATION

The Public Works Department and the Purchasing Division should ensure that purchase order adjustments comply with the terms and conditions of the RFP that the purchase order was issued under.

The Public Works Department should clarify the primary target for water audits with the vendor.

EXECUTIVE RESPONSE FROM PUBLIC WORKS DEPARTMENT

“PWD is developing an RFP for the water audit program for FY/04. We will clarify the primary target for the vendor based on the results of the customer incentive evaluation and need to target large users.”

EXECUTIVE RESPONSE FROM DEPARTMENT OF FINANCE AND ADMINISTRATIVE SERVICES

“DFAS concurs that an error was made in allowing the extension of time on the contract beyond the original period stated in proposal document RFP99-017-SV. Closer scrutiny will be exercised in the future. The Purchasing Division has requested a field to be added to the contract control form to flag procurement end dates.”

4. THE PUBLIC WORKS DEPARTMENT SHOULD DEVELOP PERFORMANCE MEASURES TO BE INCLUDED IN MARKETING SERVICES CONTRACTS RELATING TO THE WATER CONSERVATION PROGRAM

In July 2001, the Public Works Department issued a contract to a vendor to provide marketing services to assist with implementation of the Water Conservation Long-Term Strategy. The estimated amount of the contract for the one-year period ending June 30, 2002, was \$630,000. A total of \$455,412 was directly related to the Water Conservation Program. In FY2002, \$514,000 was paid to this vendor, relating to this contract. The contract also provided that additional marketing services could be provided in three additional one-year periods by agreement between the City and the vendor.

The RFP, the vendor's proposal, and the contract did not address the issue of performance measures. The vendor was not required to submit reports to the City, which detailed the accomplishments, or effectiveness, of the marketing efforts. Consequently, it does not appear that there was any method for the City to evaluate the effectiveness of these marketing services. In order for the Water Conservation Program to determine if these expenditures accomplished the objectives, this type of information would be necessary.

RECOMMENDATION

The Public Works Department should develop performance measures to be included in marketing services contracts relating to the Water Conservation Program.

The Water Conservation Program should develop methods to evaluate the effectiveness of expenditures made for marketing services.

EXECUTIVE RESPONSE FROM PUBLIC WORKS DEPARTMENT

“PWD will develop and implement performance measures for the water conservation marketing campaign.”

5. THE PUBLIC WORKS DEPARTMENT SHOULD EVALUATE THE CAUSES OF THE LACK OF PROGRESS IN THE REDUCTION OF UNACCOUNTED FOR WATER

Unaccounted for water is defined as water that is produced by the City's well system, but is not recorded as used by customers on meters. This situation results because the meter was broken or it under-records usage; or because of leaks in the City's water distribution system, prior to water reaching a meter. Other causes of unaccounted for water are fire fighting usage, well washing, water theft, etc. Additionally, there is some unmetered

usage at various City facilities. In 2001 the unaccounted for water was 11.3 percent of the total amount of water produced by the City's well system.

Enactment R-40-1995, Long Range Water Conservation Strategy, adopted in 1995, states:

“The City shall implement the following measures to reduce water use in the Institutional, Commercial, and Industrial billing classifications: . . .
Initiate a Water utility unaccounted for water loss reduction program including:

- (1) water loss reduction program to audit and repair system water losses on a continuous basis;
- (2) meter maintenance and replacement program to identify, repair, and/or replace inaccurate or malfunctioning meters;
- (3) Installation of meters in all unmetered City parks,...

The goal that was established in 1995/1996, relating to unaccounted for water, is that it be reduced to around 7 percent of the total water production, from a historical range of 11 to 12 percent. In 1996, unaccounted for water was 11.6 percent. In terms of the number of gallons of unaccounted for water, the quantity has remained substantially the same, in addition to the percentage remaining fairly constant. Little progress has been made in reducing unaccounted for water. The American Water Works Association conducted a study of unaccounted for water. The study determined that standards that defined "unaccounted-for" water varied widely from 7.5 percent to 25 percent.

The report prepared by GOFF Water Audits & Engineering, dated December 1998, identified that large meter errors was one of the major causes of the unaccounted for water. The report recommended that the City's top large meter customers (around 2,125 accounts) be prioritized for meter testing and replacement, and that an active large meter maintenance program be implemented. The report indicated that revenues could be increased by about \$900,000 a year (based on 1998 water rates), by implementing an active large meter maintenance program. According to the Director of the Department of Finance and Administrative Services, the estimated revenue increases may not be attainable. She indicated that several accounts received significant refunds, because their water usage was over-estimated while the customers' meters were broken. Additionally, much of the projected savings will be offset by the cost of the broken meters.

The auditor requested that the Water Resources Division Manager provide information regarding actions that have been taken by the Public Works Department, regarding the large meter error problem. The Water Resources Division Manager informed us that a Request for Bids for the “Large Meter Rehabilitation Project” was being issued in January 2003, more than four years after the consultant's report was issued.

RECOMMENDATION

The Public Works Department should direct more efforts to reduce unaccounted for water. The Public Works Department should review the status of actions to reduce the problem of large meter errors.

The Public Works Department should review the 7% reduction goal, for unaccounted for water, with Council staff to determine if it is realistic and achievable.

EXECUTIVE RESPONSE FROM PUBLIC WORKS DEPARTMENT

“PWD agrees that additional measures can be implemented to address UAW. The following programs have been implemented:

- ***Installation of sand separator to reduce well wash water.***
- ***Connection of well at Puerto del Sol into irrigation pond.***
- ***Connection of 5 wells into North I-25 reuse project.***
- ***Large meter rehabilitation project will begin in June 2003.***
- ***Small diameter service line replacement.***
- ***Meter repairs and replacements.***

“Additional UAW measures will require capital and ongoing operation and maintenance funding. PWD will review the 7% reduction goal and report to the City Council in October 2003.”

6. THE PUBLIC WORKS DEPARTMENT SHOULD RECOMMEND TO THE CITY COUNCIL THAT CONSIDERATION BE GIVEN TO INCREASING ASSESSMENTS (FEES) FOR REPETITIVE WATER WASTE VIOLATIONS

The water waste ordinance defined certain practices as constituting the waste of water, and established a schedule of assessments (fees) for water waste. The assessment for the first violation is \$20. The assessment for the ninth observed violation of the water waste ordinance is \$1,000.

It appears that the maximum assessment of \$1,000 may not be enough to dissuade some violators from wasting water. For example, one shopping center received four \$1,000 assessments during June, July and August 2002, because of ongoing water waste. Public Works Department personnel stated that the property management of this shopping center has never contacted the Water Conservation Program, to discuss remedial actions that could be implemented, to eliminate or reduce the water waste. The City’s Water Use Compliance Inspector, who is familiar with this case, stated that it appears that the

shopping center has not made any changes in their water usage practices that resulted in water waste, even after four \$1,000 assessments.

Another violator received \$1,000 assessments in April 2002 and July 2002. According to Public Works Department personnel, some water waste violators seem to be treating the assessments as a cost of doing business; and do not appear to be willing to change their water waste practices, even as a result of getting multiple \$1,000 fines.

Other water users have received numerous assessments since the water waste program began, although they have not yet received the maximum assessment. For example, one commercial location received 18 assessments for water waste since initiation of the program.

Monetary penalties at the current levels have not motivated these customers to make changes. These customers do business with the general public and might be motivated by adverse publicity such as being listed as a water waster.

The ordinance states, “Ninth or more observed violation: Either a \$500 fee per violation plus application of a flow restriction device at meter or a \$1,000 fee per each device.” Water Conservation personnel informed us that they have never installed a flow restriction device on the meter of any water waste violator. They also informed us that at the ninth violation, they give the violator the option of paying a \$1,000 fee; or paying a \$500 fee and having a flow restriction device installed on their meter. Water Conservation personnel informed us, that in all cases of a ninth violation, the violator has elected to pay the \$1,000 fee.

According to the Approved FY2001 budget, one of the Strategy Outcomes for the Public Works Department was to “Facilitate water waste violators’ conservation at double the rate of their respective user class through improved enforcement and action.” The Water Conservation Program does gather data that enables it to determine if it has accomplished this Strategy Outcome. We reviewed information provided by the Public Works Department for the top 20 water wasters during the period 1995 to 2002. This information shows that three of the users increased their water usage, and three had a water reduction of less than 5%. The remaining 14 users’ water reduction ranged from 18% to 80%.

RECOMMENDATION

The Public Works Department should recommend to the City Council that consideration be given to increasing assessments, or adopting other punitive measures, for repetitive water waste violations.

The Public Works Department should recommend that the names of water wasters be made public.

The Public Works Department should determine if the installation of a flow restriction device is an appropriate remedy. If it is not, it should recommend that the ordinance be revised.

EXECUTIVE RESPONSE FROM PUBLIC WORKS DEPARTMENT

“PWD agrees that increasing the fee assessments for water waste motivates businesses to reduce water waste. The current \$1,000 fine has been successful in motivating the top water wasters. PWD suggests that we report to the City Council at the end of FY/04 before increasing the water waste penalties. Posting water wasters on the City’s website or publishing them on a monthly basis is a policy decision for the Administration and City Council. We will determine if the installation of a flow restriction device is an appropriate remedy.”

7. THE PUBLIC WORKS DEPARTMENT SHOULD RECOMMEND TO CITY COUNCIL THAT MONETARY ENFORCEMENT PENALTIES BE ADDED TO THE LARGE USERS ORDINANCE

The Large Users Ordinance (6-1-4-8 R.O.A. 1994) states that "Large users and very large users shall develop and seek approval of a water conservation plan within five months of notification by the city of the applicability of this article to the customer."

The ordinance further states "For existing customers, plan approval must occur within eight months of notification by the city of the applicability of this article to the customer, unless the plan is being mediated or appealed." (The ordinance was adopted by the Council, and signed by the Mayor in August 1998).

The ordinance defines large users as follows: "Any city water system customer which used or uses in excess of 50,000 gallons per day" As of October 2002, there are 25 large users who have not submitted water conservation plans. Five of these are schools, nine are apartments, 4 are hotels/motels, three are mobile home parks, and one is a government facility.

There are 21 other large users who have submitted water conservation plans, but the plans are being revised and are not yet approved.

According to Public Works Department personnel, the reason that so many large users have not yet submitted plans, is because there are no penalties if a Large User does not

comply with the ordinance. Additionally, there are no penalties if a Large User does not meet the water reduction targets in an approved plan.

According to the information provided by Public Works Department personnel, one of the Large Users that does not yet have an approved water conservation plan, as of November 2002, is the Rio Grande Zoo (a part of the BioPark Division). The BioPark Division has submitted a water conservation plan. However, it has not yet been approved by the Public Works Department.

The ordinance states, “Compliance with this article is a condition of service from the utility.” Therefore, under the current ordinance, the only penalty is to discontinue water service. It might be better to have intermediate penalties that are not as severe.

RECOMMENDATION

The Public Works Department should recommend to City Council that monetary enforcement penalties for not submitting a plan, or not meeting a plan, be added to the Large Users Ordinance.

The Cultural Services Department and the Public Works Department should work together to ensure that the plan for the BioPark meets all requirements and is approved.

EXECUTIVE RESPONSE FROM PUBLIC WORKS DEPARTMENT

“PWD did consider penalties as part of the Large Users Ordinance when it was adopted. The department is currently drafting legislation to add penalties due to the lack of voluntary response.”

EXECUTIVE RESPONSE FROM CULTURAL SERVICES DEPARTMENT

“Cultural Services Department/Albuquerque Biological Park will work with PWD to finalize the 2002 plan.”

8. THE PUBLIC WORKS DEPARTMENT SHOULD RECOMMEND A STANDARD METHOD FOR CALCULATING AND REPORTING WATER USAGE.

The Public Works Department reports information regarding the accomplishments of the Water Conservation Program, including an annual report, which is made available to the City Council, Administration and the public.