July 29, 2014

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Website www.abcwua.org

Joe Chavez, Chair Bernalillo County Planning Commission 111 Union Square St. SE Suite 100 Albuquerque, NM 87102

RE: Santolina Master Plan

Dear Mr. Chavez:

Regarding the Planned Communities Level A Master Plan called the Santolina Master Plan, the Albuquerque Bernalillo County Water Utility Authority (Water Authority) has been asked whether it can serve this area as it develops over time. The Water Authority is capable of serving the master planned community. However, that service will be contingent upon the Santolina developer's ability to comply with the Water Authority's current guidelines, policies and ordinances, as amended from time to time.

If the CPC decides to recommend approval of the master plan, the Water Authority recommends that the CPC provide conditional approval which requires that the developer successfully execute a development agreement with the Water Authority for the Santolina Master Plan. Water Authority ordinances require that a land use master plan be approved prior to the Water Authority providing service to a master planned community outside its service area. The development agreement will specify the requirements and conditions of service. It is through this agreement that the planned community criteria will be addressed.

In order for Santolina to be served by the Water Authority, the developer will need to provide significant infrastructure improvements, and the expansion will need to occur at no net expense to the existing rate payers. Therefore, Santolina will need to be a sustainable, self-sufficient development in terms of water and wastewater treatment resources including the utilization of direct or indirect potable reuse and each new connection will be subject to a water supply charge. Moreover, to better manage and protect the Water Authority's water sources, the developer will also need to submit a Phasing Plan which is consistent with Water Authority policy that service expansion must be phased in an orderly manner through adjacent pressure zones. Finally, the developer will be required to incorporate into the Santolina planning documents water conservation guidelines designed so that each user can

achieve water usage of 180 gallons per household for an average day, which is equivalent to 75 gallons per capita per day. Design documents will need to be stamped by a Registered New Mexico Professional Engineer confirming that the proposed methodology will indeed meet the 180 gallons per household per day water usage.

If the Santolina Level A Master Plan is approved by the Bernalillo County Commission, only then will Water Authority staff proceed in negotiating a draft development agreement with the developer. Of course, final approval of any development agreement requires formal action by the Water Authority governing board.

Sincerely,

Mark S. Sanchez Executive Director