



CITY OF SANTA FE

Memorandum

Date: May 5, 2025

To: Governing Body, Public Works and Utilities Committee, and Finance Committee

From: Alan Hook, Water Resources Coordinator Assistant ^{AGH}

Via: Jesse Roach, Interim Public Utilities Director ^{JR}
Jonathan Montoya, Interim Water Division Director

RE: Acceptance of Loan and Grant Funding from New Mexico Water Trust Board in the amount of \$5,500,000 for the Nichols Dam Repair Project, WPF-6316

EXECUTIVE SUMMARY:

The proposed bill would authorize the execution and delivery of both a Water Project Fund loan as well as a grant between the New Mexico Finance Authority (“NMFA”) and the City of Santa Fe (“City”) in the total amount of five million, five-hundred thousand dollars (\$5,500,000) for the purpose of financing the cost of repairs to the Nichols Dam outlet conduit. Additionally, the bill specifies that the loan, in the amount of two million, two-hundred thousand dollars (\$2,200,000), and the grant, in the amount of three million, three-hundred thousand dollars (\$3,300,000) would be utilized solely for the eligible project costs, pursuant to NMSA 1978, Section 72-4A-7(C). Pursuant to the loan debt, the bill pledges that the City would repay the loan amount and the associated administrative fee solely from the net revenues of the City’s water utility enterprise fund.

BACKGROUND:

The goal of the Nichols Dam Repair Project is to repair the outlet conduit and upgrade the dam safety rating to satisfactory. Specific repairs to Nichols Dam include the sealing of conduit joints, conduit lining, and the installation of filter diaphragm around the outlet conduit.

ATTACHMENTS:

Bill
Fiscal Impact Report