

FISCAL IMPACT REPORT

General Information:

(Check) Bill: x Resolution:

Short Title(s): Water Utility Rate Update

Sponsor(s): Councilor Amanda Chavez, Councilor Carol Romero-Wirth, Councilor Jame Cassutt

Reviewing Department(s): Public Utilities Department

Staff Completing FIR: Jesse Roach, Interim Public Utilities Director Date: September 25, 2025

Phone: (505) 955- 4309

Reviewed by City Attorney: *Erin McSherry* Date: 10/24/2025
Erin McSherry (Oct 24, 2025 16:21:16 MDT)

Reviewed by Finance Director: *Emily K. Oster* Date: 10/24/2025

Summary:

If this bill is adopted, the rates for water utilities would increase 4% each year for five years, beginning February 1, 2026. The rate structure for residential water users would also change on January 1, 2027.

Departments Affected:

Public Utilities Department

Consequences of Not Enacting Legislation:

If this legislation is not adopted, the water rates will remain unchanged, and the ability of the water utility to provide a safe, reliable, and resilient water supply to meet the needs of Santa Fe will, in the long term, be severely compromised.

Conflict, Duplication, Companionship, or Relationship to Other Legislation:

None at this time.

Performance and Administrative Implications:

Implementing the Bill will require updates to utility billing software.

Fiscal Implications:

This rate increase is designed to generate revenue to support City of Santa Fe Water’s operations budget and increased capital spending to update aging infrastructure and design and build a large project to increase water supply.

Fiscal Impact

_____ Check here if no fiscal impact

Expenditures

Expenditure Type	FYE 2026	FYE 2027	FYE 2028	Require BAR (Y/N)	Recurring (R) or Non-recurring (NR)	Fund	3-Year Total Cost
<u>Personnel and Benefits*</u>	\$ _____	\$ _____	\$ _____	_____	_____	_____	
<u>Capital Outlay</u>	\$ _____	\$ _____	\$ _____	_____	_____	_____	
<u>Contractual/</u>	\$ _____	\$ _____	\$ _____		_____	_____	
<u>Professional Services</u>							
<u>Operating</u>	\$ _____	\$ _____	\$ _____		_____	_____	\$ _____
<u>Total:</u>	\$ _____	\$ _____	\$ _____				\$ _____

Expenditure Narrative:

Revenue

Revenue Type	FYE 2026	FYE 2027	FYE 2028	Recurring (R) or Non-recurring (NR)	Fund
General Fund	\$ _____	\$ _____	\$ _____	_____	_____
Special Revenue	\$ _____	\$ _____	\$ _____	_____	_____
CIP	\$ _____	\$ _____	\$ _____	_____	_____
Enterprise	\$0.7M	\$2.14M	\$3.65M	R	505
Internal Service	\$ _____	\$ _____	\$ _____	_____	_____
Trust and Agency	\$ _____	\$ _____	\$ _____	_____	_____
Federal	\$ _____	\$ _____	\$ _____	_____	_____
Other	\$ _____	\$ _____	\$ _____	_____	_____
Total	\$ _____	\$ _____	\$ _____		

Revenue Narrative:

Revenues for FY 2026-2028 from financial model projections with 4% rate increase. For FY26, the rate increase is effective for less than 1/2 of the fiscal year.

Signature:

Email: