

**FISCAL IMPACT REPORT**

**General Information:**

(Check)      **Bill:**   X                        **Resolution:** \_\_\_\_\_

**Short Title(s):** 6314 CRWTP Improvements Loan and Grant Agreement for \$7,750,000


**Sponsor(s):** Councilor Amanda Chavez

**Reviewing Department(s):** Public Utilities Department

**Staff Completing FIR:** Alan Hook, Water Resources Coordinator

**Date:** 1/1/2026                      **Phone:** (505) 955-4205

**Reviewed by City Attorney:**   
Marcos Martinez (Jan 23, 2026 16:31:13 MST)                      **Date:** 01/23/2026

**Reviewed by Finance Director:**   
ANDREA PHILLIPS (Jan 23, 2026 16:32:31 MST)                      **Date:** 01/23/2026

**Summary:**

The proposed bill would authorized the execution and delivery of both a Water Project Fund loan of \$3,100,000 as well as a grant of \$4,650,000 between the New Mexico Finance Authority (NMFA) and the City of Santa Fe ("City"), New Mexico. The total amount, \$7,750,000, would finance the cost of construction of new flocculation and sedimentation improvements to the Canyon Road Water Treatment Plant. The bill specifies that both the loan and the grant be utilized solely for the eligible project costs, pursuant to NMSA 1978 § 72-4A-7. With respect to the loan debt, the bill pledges that the City would pay the loan amount and administrative fee directly from the net revenues of the water utility system of the City.

**Departments Affected:**

Public Utilities Department

**Consequences of Not Enacting Legislation:**

If this legislation is not adopted, the City will not authorize funds for a total of \$7,750,000 in the form of a loan of \$3,100,000 and a grant of \$4,650,000.

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

None.

**Performance and Administrative Implications:**

This project is necessary because the equipment/processes being replaced and upgraded have reached the end of their useful life. This project replaces aging infrastructure with new state-of-the art infrastructure and is needed to keep this vital water treatment plant in service for years to come. This project combined with other planned upgrades will also increase the capacity of the water treatment plant.

**Fiscal Implications:**

If this bill is adopted, the City will accept funds from NMFA in the total amount of seven million seven hundred fifty thousand dollars (\$7,750,000) for the purpose of financing the costs of construction of new flocculation and sedimentation improvements to the Canyon Road Water Treatment Plant. These funds take the form of two agreements – a loan for three million one hundred thousand dollars (\$3,100,000) and a grant for four million six hundred fifty thousand dollars (\$4,650,000). The loan portion of the agreement is to be paid back within 20 years at an interest rate of 0.025%.

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**Fiscal Impact**

\_\_\_\_\_ Check here if no fiscal impact

**Expenditures**

<b>Expenditure Type</b>	<b>FYE 2026</b>	<b>FYE 2027</b>	<b>FYE 2028</b>	<b>Require BAR (Y/N)</b>	<b>Recurring (R) or Non-recurring (NR)</b>	<b>Fund</b>	<b>3-Year Total Cost</b>
<u>Personnel and Benefits*</u>	\$ _____	\$ _____	\$ _____	_____	_____	_____	
<u>Capital Outlay</u>	\$ _____	\$ _____	\$ _____	_____	_____	_____	
<u>Contractual/</u>	\$ 7,750,000	\$ _____	\$ _____		NR	505	
<u>Professional Services</u>	_____						
<u>Operating</u>	\$ _____	\$ _____	\$ _____		_____	_____	\$ _____
<u>Total:</u>	\$ 7,750,000	\$ _____	\$ _____				\$ 7,750,000
	_____						

**Expenditure Narrative:**

The loan repayment begins after closing of the loan/grant agreement in 2026 and repayment will come from the water utility enterprise fund over a 20 year term at an interest rate of 0.25% for the \$3,100,000 debt.

**Revenue**

<b>Revenue Type</b>	<b>FYE 2026</b>	<b>FYE 2027</b>	<b>FYE 2028</b>	<b>Recurring (R) or Non-recurring (NR)</b>	<b>Fund</b>
General Fund	\$ _____	\$ _____	\$ _____	_____	_____
Special Revenue	\$ _____	\$ _____	\$ _____	_____	_____
CIP	\$ _____	\$ _____	\$ _____	_____	_____
Enterprise	\$ 7,750,000	\$ _____	\$ _____	NR	_____
Internal Service	\$ _____	\$ _____	\$ _____	_____	_____
Trust and Agency	\$ _____	\$ _____	\$ _____	_____	_____
Federal	\$ _____	\$ _____	\$ _____	_____	_____
Other	\$ _____	\$ _____	\$ _____	_____	_____
Total	\$ _____	\$ _____	\$ _____		

**Revenue Narrative:**

Should the Governing Body authorize the execution and delivery of both the loan and the grant agreement described in the ordinance, the City will receive seven million, seven-hundred and fifty thousand dollars in water project funds toward the new flocculation and sedimentation improvements to the Canyon Road Water Treatment Plant.

**Signature:**

**Email:**

**Signature:**

**Email:**

**Signature:**

**Email:**