

FISCAL IMPACT REPORT

General Information:

(Check) **Bill:** X **Resolution:** _____

Short Title(s): Procurement Modernization

Sponsor(s): Mayor Michael Garcia

Reviewing Department(s): Finance Department

Staff Completing FIR: Travis Dutton-Leyda, Chief Procurement Officer **Date:** 1/29/2026

Phone: (505) 629-8351

Reviewed by Interim City Attorney: 
Marcos Martinez (Feb 3, 2026 15:42:41 MST) **Date:** 02/03/2026

Reviewed by Interim Finance Director: 
ANDREA PHILLIPS (Feb 3, 2026 17:05:12 MST) **Date:** 02/03/2026

Summary:

The proposed bill would amend SFCC 1987, Section 11-13, to modernize the City of Santa Fe’s (City) Procurement Code by expanding and clarifying exemptions permitted by NMSA 1978, Sections 13-1-98 through 13-1-98, including utilities, legal services, items requiring prepayment under one hundred thousand dollars (\$100,000), and lobbying services. The bill would also require that the procurement manual be adopted by resolution and would update procurement authority to allow the Chief Procurement Office to approve purchase orders and the use of requests for applications. The bill would further establish a maximum eight-year term for professional service contracts, adopt the Construction Manager at Risk Delivery Method procedures set forth in NMSA 1978, Sections 13-1-124.1 through 13-1-124.5, allow the City Manager to approve contract amendments that do not materially alter the scope of work, and provide additional processes for emergency procurements.

Departments Affected:

All departments that are engaged in procurement or contract management activities.

Consequences of Not Enacting Legislation:

If this legislation is not adopted, the City will continue operating under outdated procurement thresholds and procedural requirements that reduce efficiency, create unnecessary administrative burden, and limit flexibility in choosing the most appropriate solicitation methods. Staff time will continue to be spent on duplicative reviews, outdated procurement manual update procedures, and confusion regarding contract extensions for professional services.

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

This legislation complements Ordinance No. 2023-20, which increased the City Manager’s contract approval authority, and is consistent with the City’s adoption of the State Procurement Code under Ordinance No. 2018-1.

Performance and Administrative Implications:

The proposed bill would improve departmental efficiency, reduce procurement processing time, and clarify approval pathways. Delegating Procurement Manual amendment authority and updating small purchase thresholds is one way to reduce administrative workload across departments. Additionally, it would be prudent to increase Purchasing's staff in the future to help manage procurements and contracts citywide.

Fiscal Implications:

**There is no direct fiscal impact associated with this bill. The changes are procedural and administrative in nature. Over time, the City may have indirect cost savings through reduced staff hours spent on manual routing, outdated approvals, and redundant documentation requirements.

Fiscal Impact

 X 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	\$ _____	\$ _____	\$ _____	_____	_____
Internal Service	\$ _____	\$ _____	\$ _____	_____	_____
Trust and Agency	\$ _____	\$ _____	\$ _____	_____	_____
Federal	\$ _____	\$ _____	\$ _____	_____	_____
Other	\$ _____	\$ _____	\$ _____	_____	_____
Total	\$ _____	\$ _____	\$ _____		

Revenue Narrative:

Signature: 

Email: tkduttonleyda@santafenm.gov