



# CITY OF SANTA FE

## Memorandum

**Date:** February 16, 2026

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

**From:** Clinton Peterson, Public Utilities Engineer CDP

**Via:** Jesse Roach, Interim Public Utilities Director JR  
Jesse Roach

**RE:** DWSRLF Loan for Flocculation Sedimentation Upgrades at Canyon Road Water Treatment Plant

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### EXECUTIVE SUMMARY:

The proposed bill would authorize the execution and delivery of a Drinking Water State Revolving Fund loan and subsidy agreement in the total amount of \$17,000,000 between the New Mexico Finance Authority and the City of Santa Fe (“City”). The loan would be for the purpose of financing the costs of constructing a new flocculation and sedimentation process and making improvements to the Canyon Road Water Treatment Plant. This bill specifies that the loan be utilized solely for the eligible project costs, pursuant to NMSA 1978, Section 72-4A-7(C). With respect to the loan debt, the bill pledges that the City would repay the loan amount and an administrative fee solely from the net revenues of the water utility system of the City. The Loan shall be in the maximum principal amount of \$17,000,000 with a maximum forgiven principal amount of \$8,500,000 and a maximum repayable principal amount of \$8,500,000.

### BACKGROUND:

The City entered into a contract with Bradbury Stamm Construction in the total amount of \$21,882,300, exclusive of sales tax, to complete the Flocculation and Sedimentation Improvements project at the Canyon Road Water Treatment Plant. This project will upgrade critical infrastructure at the facility, which provides potable drinking water to the residents of the city of Santa Fe. The City’s Water Division is funding the project through a combination of Drinking Water State Revolving Loan Fund, which includes a significant principal loan forgiveness component, along with Water Trust Board Fundin and Water Enterprise Fund moneys.

### ATTACHMENTS:

Bill  
FIR