



Agenda

Regular Meeting of the Public
Works and Utilities Committee
September 29, 2025 at 5:00 PM
Council Chambers, City Hall
200 Lincoln Avenue

Procedures for Public Works and Utilities Committee Meeting

1. Call to Order
2. Roll Call
3. Approval of Agenda
4. Approval of Consent Agenda
5. Public Comment
6. Presentations
 - a. Water Division: Using Dashboards to Work Smarter (Steve Shultz, Water Resource Coordinator; smsultz@santafenm.gov)
7. Action Items: Consent Agenda
 - a. Request for Approval of the September 15, 2025, Public Works and Utilities Committee Meeting Minutes. (Elsa Ornelas-Segura, Administrative Manager; egornelassegura@santafenm.gov)

Committee Review:

Public Works and Utilities Committee: 09/29/2025

- b. Request for Approval of a Budget Amendment Resolution From the Water and Wastewater Enterprise Funds to Salary and Benefits in the Total Amount of \$1,005,495 to Reclassify 87 Positions in the Public Utilities Department. (Jesse Roach, Interim Public Utilities Department Director; jdroach@santafenm.gov)

Committee Review:

Public Works and Utilities Committee: 09/29/2025

Finance Committee: 10/06/2025

Governing Body: 10/08/2025

- c. Request for Approval of a Grant Agreement (FTA G-31) with the U.S. Department of Transportation Federal Transit Administration (FTA) via the

Federal Transit Administration Small Urban Section 5339 Funding for Public Transportation Capital Funding in the Total Amount of \$159,545 through December 31, 2026. (Gabrielle Chavez, Transit Director of Administration: gnchavez@santafenm.gov)

1. Request for Approval of a Budget Amendment Resolution (BAR) in the Total Amount of \$159,545 from the FTA Grant to Transit Revenue and Expenses.

Committee Review:

Public Works and Utilities Committee: 09/29/2025

Finance Committee: 10/06/2025

Governing Body: 10/08/2025

d. Request for Approval of Grant Agreement with New Mexico Department of Finance and Administration in the Total Amount of \$590,000 for the Capital Project 25-J3159 Phase II Expansion of the Airport Terminal and Related Infrastructure. (Jimmy Gunn, Interim Airport Director, jdgunn@santafenm.gov)

1. Request For Approval of a Budget Amendment Resolution (BAR) in the Total Amount of \$584,100 from the Legislative Grant to FY26 Airport Revenue and WIP Design for Phase II of the Airport Terminal Expansion Project.

Committee Review:

Public Works and Utilities Committee: 09/29/2025

Finance Committee: 10/06/2025

Governing Body: 10/08/2025

e. Request for Approval of a Professional Services Contract with FCS for an Amount Not To Exceed \$1,235,412.54 Including NMGRT for Financial Management Services for a Four-Year Term. (Jesse Roach, Interim Public Utilities Department Director; jdroach@santafenm.gov)

Committee Review:

Public Works and Utilities Committee: 09/29/2025

Finance Committee: 10/06/2025

Governing Body: 10/08/2025

f. CONSIDERATION OF BILL NO. 2025-21. ADOPTION OF ORDINANCE NO. 2025-____. (Mayor Alan Webber)
A Bill Amending SFCC 1987, Section 28-1.5 (“Living Wage Ordinance”), to Increase the City’s Base Minimum Wage and Update the Formula for Calculating the Minimum Wage Annually. (Rod Gould, Senior Advisor and Public Engagement Coordinator; rsgould@santafenm.gov)

Committee Review:

Governing Body (Introduced): 09/10/2025
Governing Body (Public Comment): 09/24/2025
Public Works and Utilities Committee: 09/29/2025
Economic Development Review Committee: 10/01/2025
Quality of Life Committee 10/01/2025
Finance Committee:10/06/2025
Governing Body: 10/29/2025

- g. CONSIDERATION OF RESOLUTION NO. 2025-____. (Councilor Jamie Cassutt and Councilor Carol Romero-Wirth)
A Resolution Updating the Water Offset Requirement Fee Chart to More Accurately Reflect the Current Market Value of Water Rights. (Jesse Roach, Interim Public Utilities Director; jdroach@santafenm.gov)

Committee Review:

Governing Body (Introduced): 09/24/2025
Public Works and Utilities Committee: 09/29/2025
Finance Committee: 10/06/2025
Governing Body: 10/08/2025

- h. CONSIDERATION OF RESOLUTION NO. 2025-____. (Councilor Amanda Chavez and Councilor Carol Romero-Wirth)
A Resolution Directing the City Manager to Direct City Staff to Identify and Apply for Federal and State Funding Sources for City Water, Wastewater, and Other Water-Related Projects, Including Submitting Water Trust Board Applications; Identify a State Legislative Priority List for Water-Related Projects; and Approve New Mexico Water Trust Board Applications Submitted. (Alan Hook, Water Resources Coordinator; aghook@santafenm.gov)

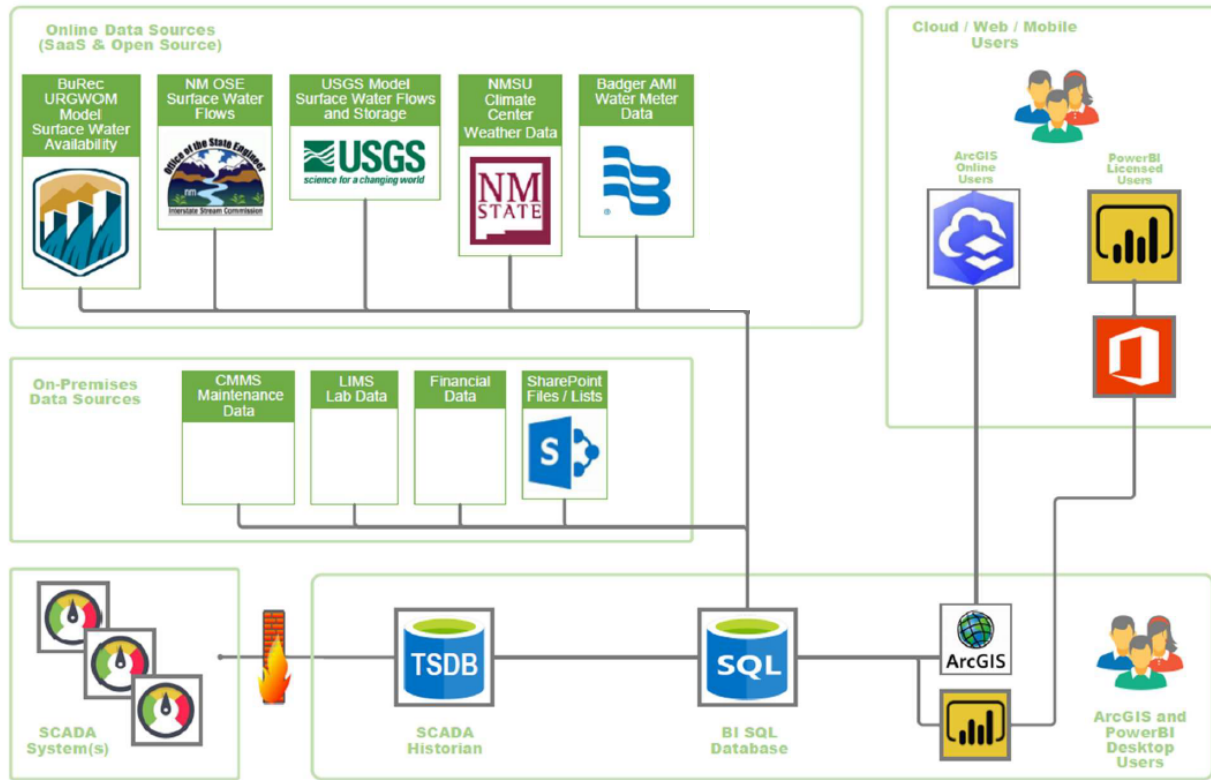
Committee Review:

Governing Body (Introduced): 09/24/2025
Public Works and Utilities Committee: 09/29/2025
Finance Committee: 10/06/2025
Governing Body: 10/08/2025

- 8. Action Items: Discussion Agenda
- 9. Executive Session
- 10. Matters from Staff
- 11. Matters from the Committee
- 12. Matters from the Chair
- 13. Next Meeting: Monday, October 20, 2025

14. Adjourn

Persons with disabilities in need of accommodations, contact the City Clerk's office at 955-6521, five (5) working days prior to meeting date.

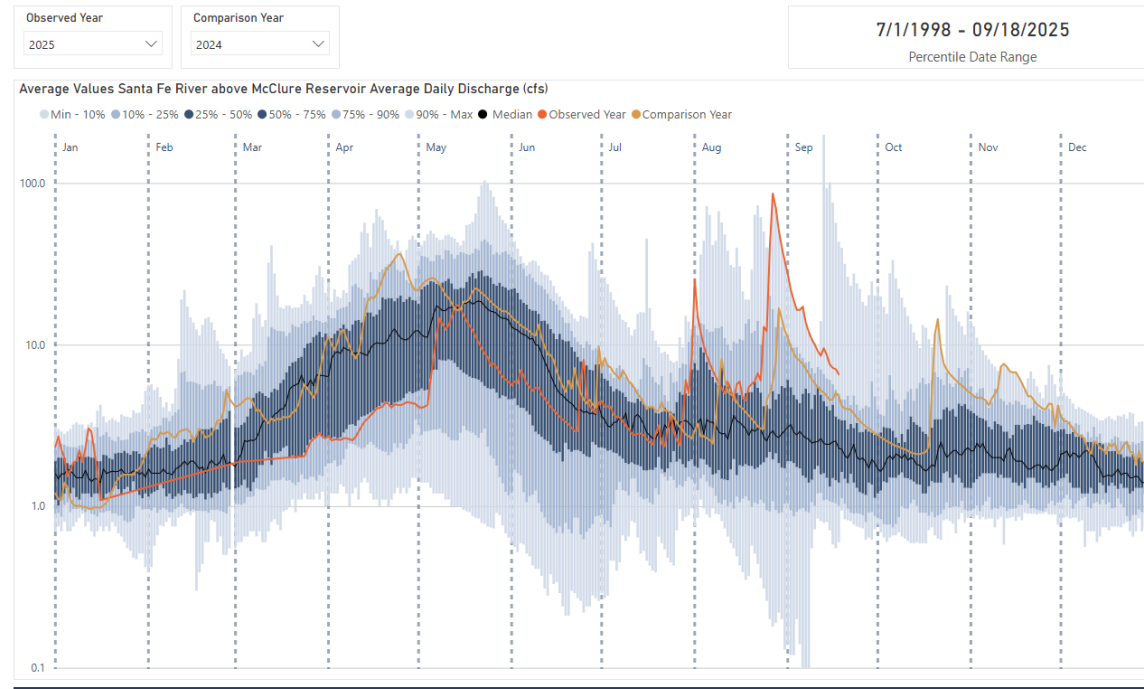


Water Division Data Dashboards

Public Works and Public Utilities Committee
September 29, 2025

Summary

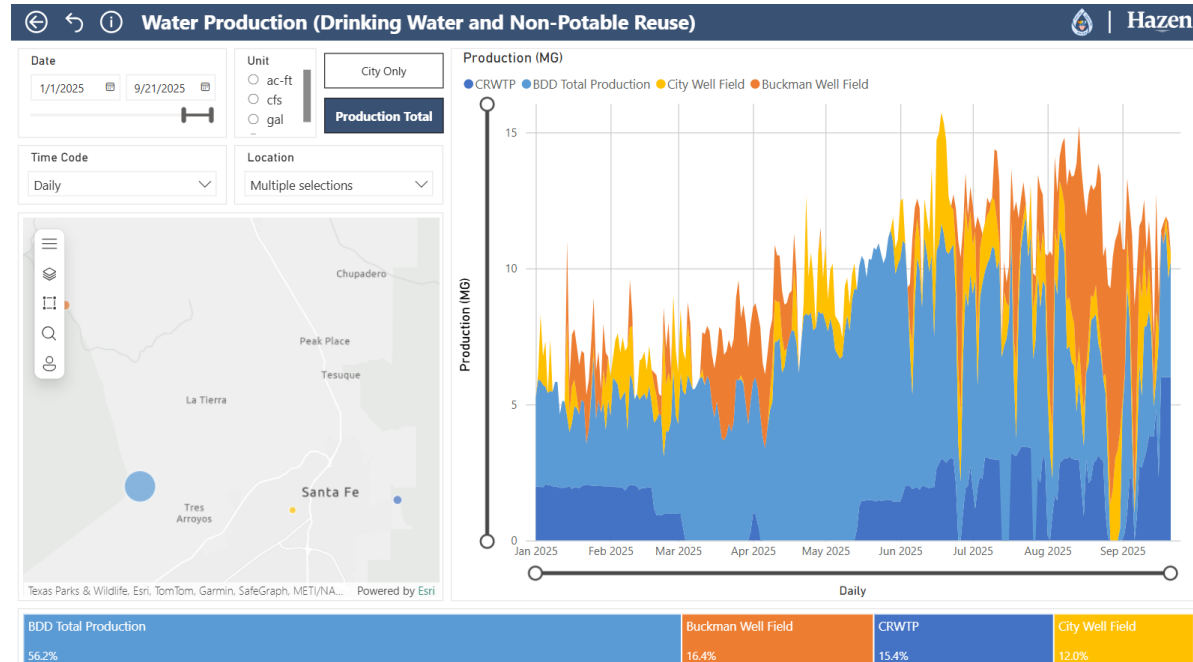
- City of Santa Fe Water developed automated dashboards
- In this presentation, we will:
 - **Explain what a dashboard is and how it works**
 - **Show examples of some benefits they provide**
 - *Reduced staff time / increased efficiency*
 - *Data-driven decision making*
 - *Interdepartmental collaboration*
 - *Water conservation*
 - *Permit compliance and reporting*
 - *Improved understanding of groundwater sustainability*
 - *Regional collaboration*
 - *Public transparency*
- Thanks to:
 - **CRWTP, BDD, Wastewater, ITT, WR Team, Leadership**



What is a Dashboard?

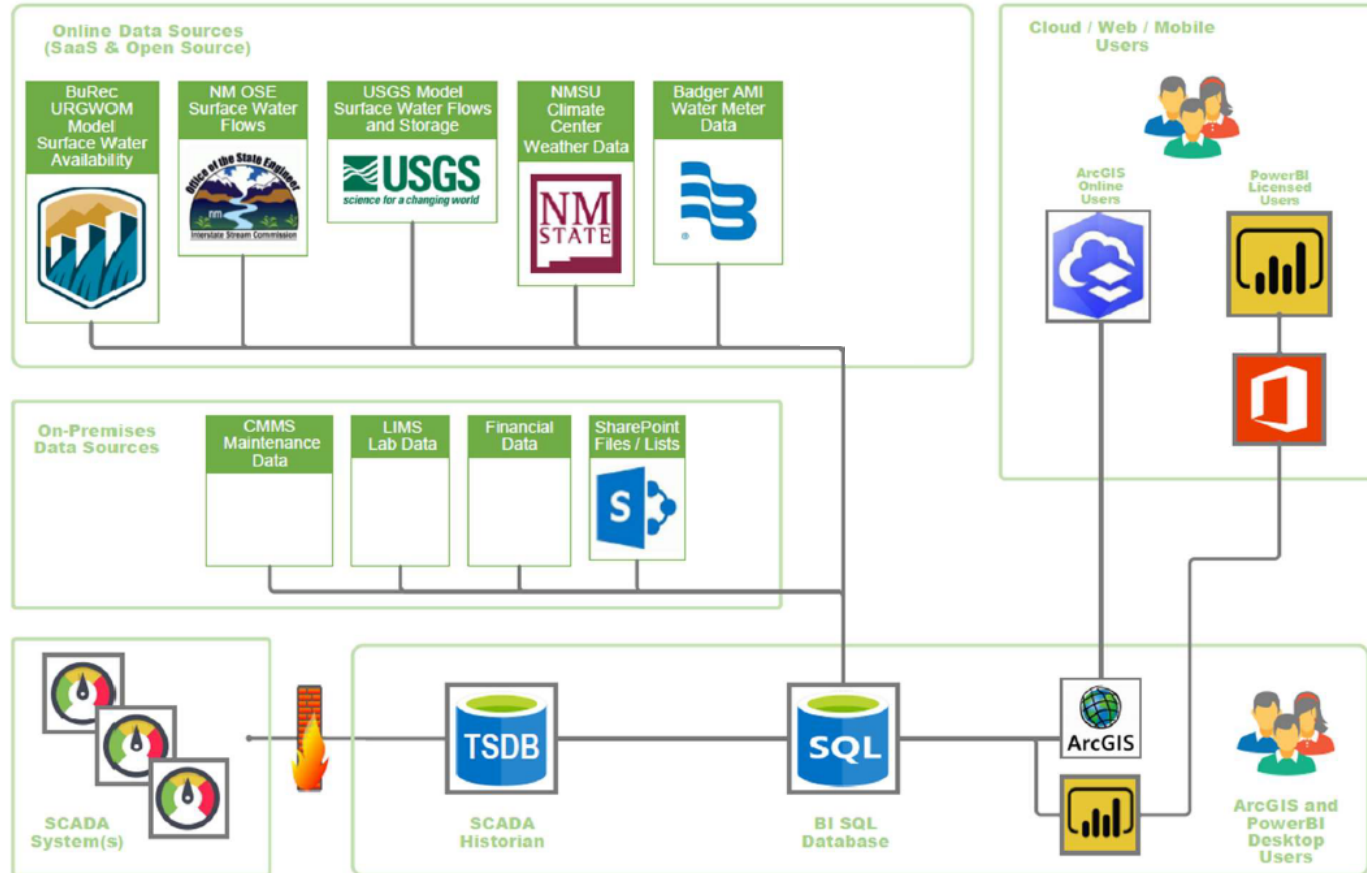
- Definition

- An interactive display page that rolls up large datasets into simple, interactive visualizations
- Allows easy access to data for decision-making
- Accessible via web browser, always up to date



How It Works

Data are updated each night, so web access is always current through yesterday



Dashboard Benefits

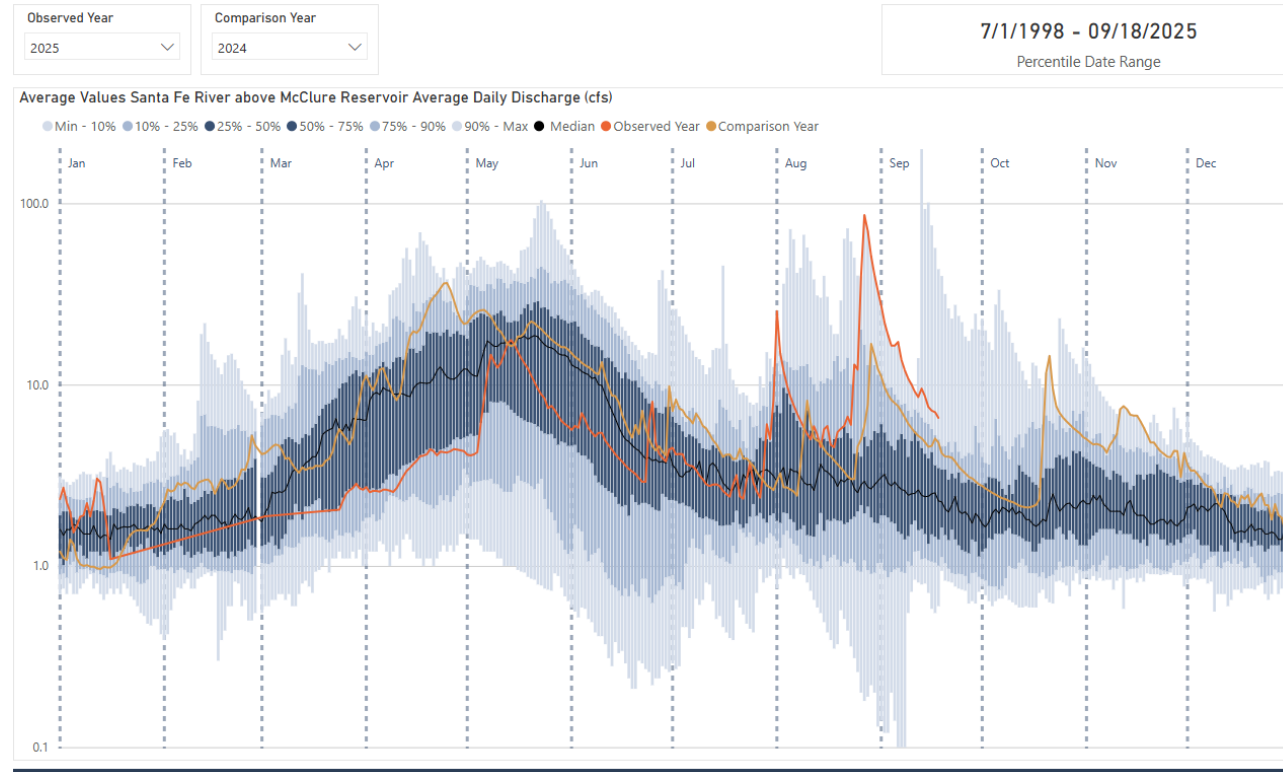
The following slides show examples of these

- Reduced staff time / increased efficiency
- Data-driven decision making
 - Near-Term and Long-Term
- Interdepartmental collaboration
- Water conservation
- Permit compliance and reporting
- Improved understanding of groundwater sustainability
- Regional collaboration
- Public transparency



Increased Efficiency

- Old way
 - Spend time pulling data from multiple sources
 - Immediately out of date – subsequent data pulls required
- New way
 - Spend time understanding and making informed decisions



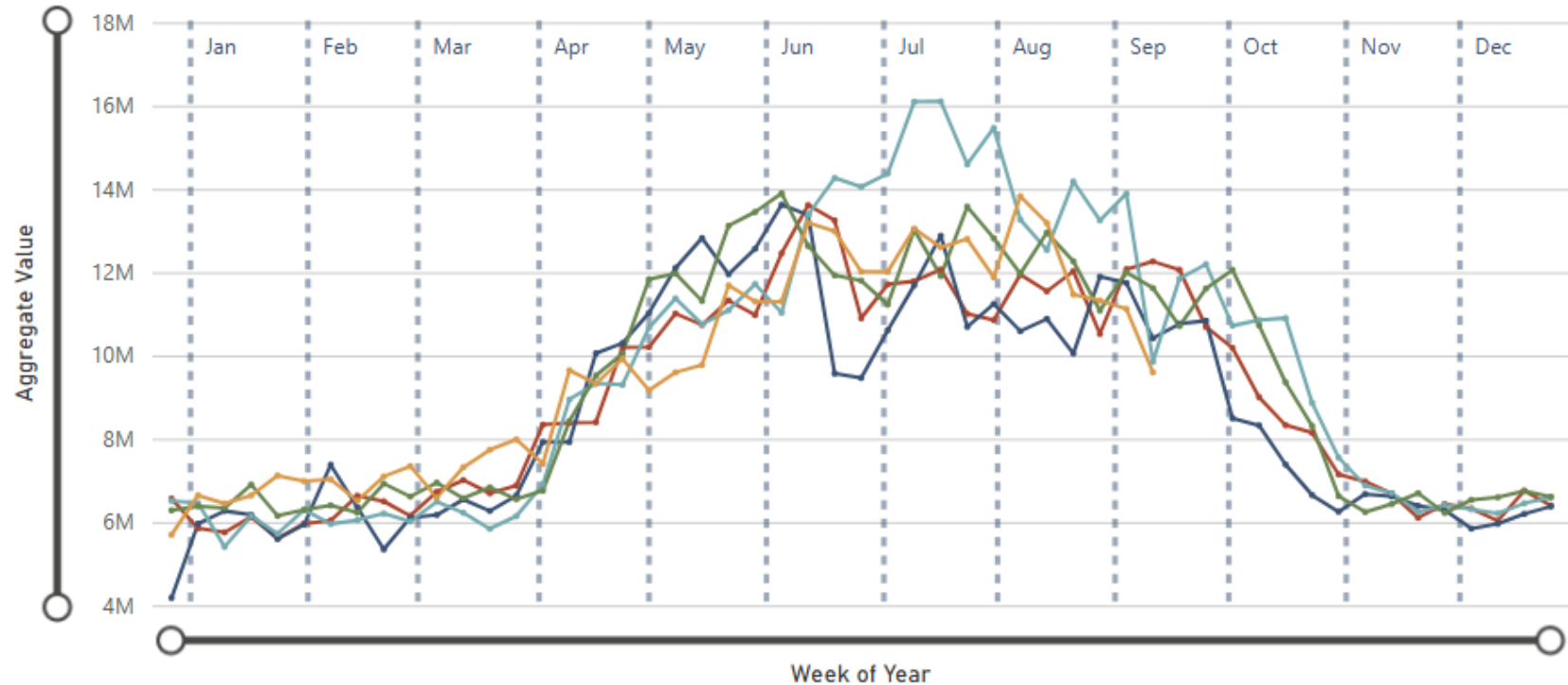
Data-Driven Decision Making

Dashboard has been a key addition to weekly operations meetings, and is informing long-range planning

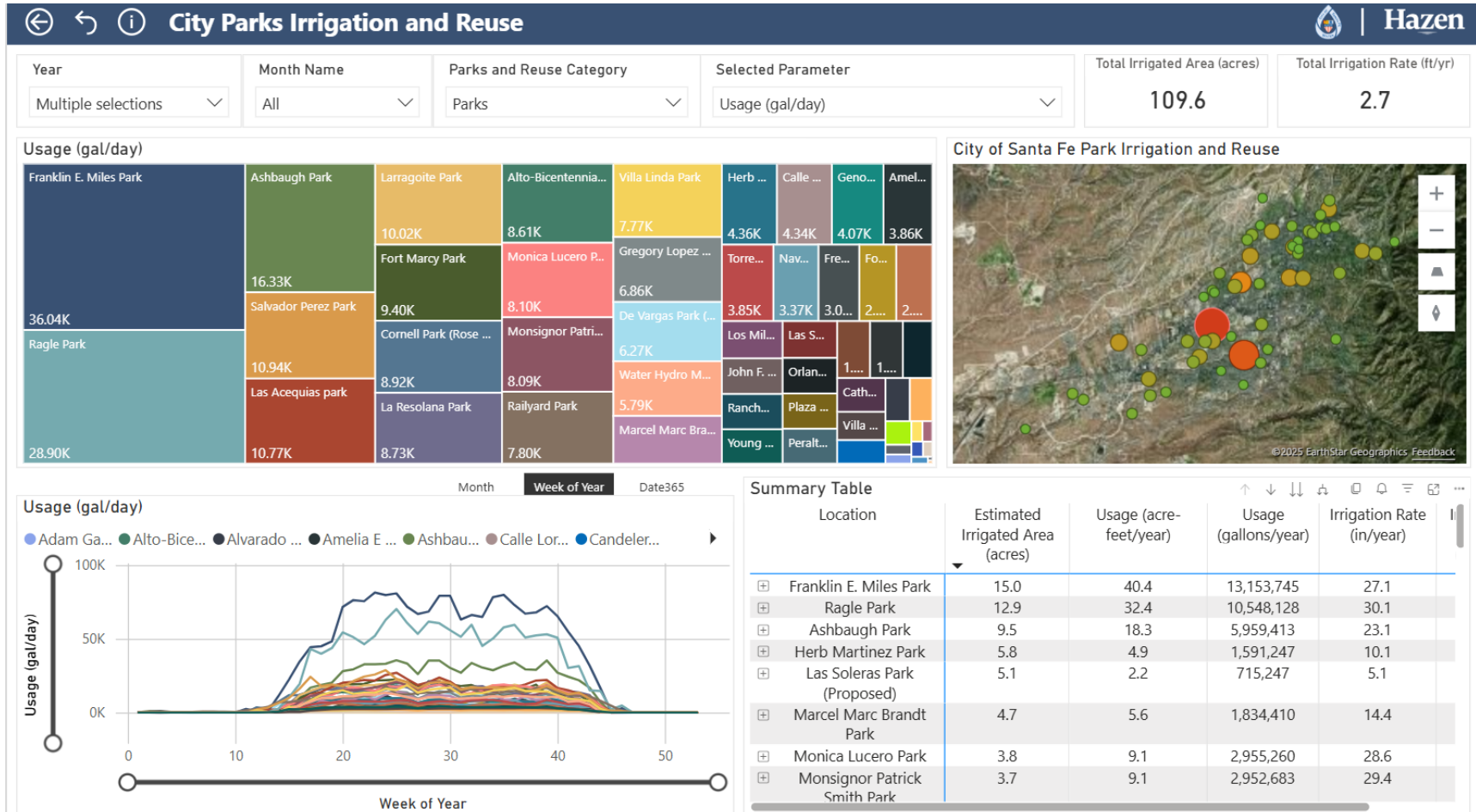
Week of Year Average Values

Select up to ten years of data.

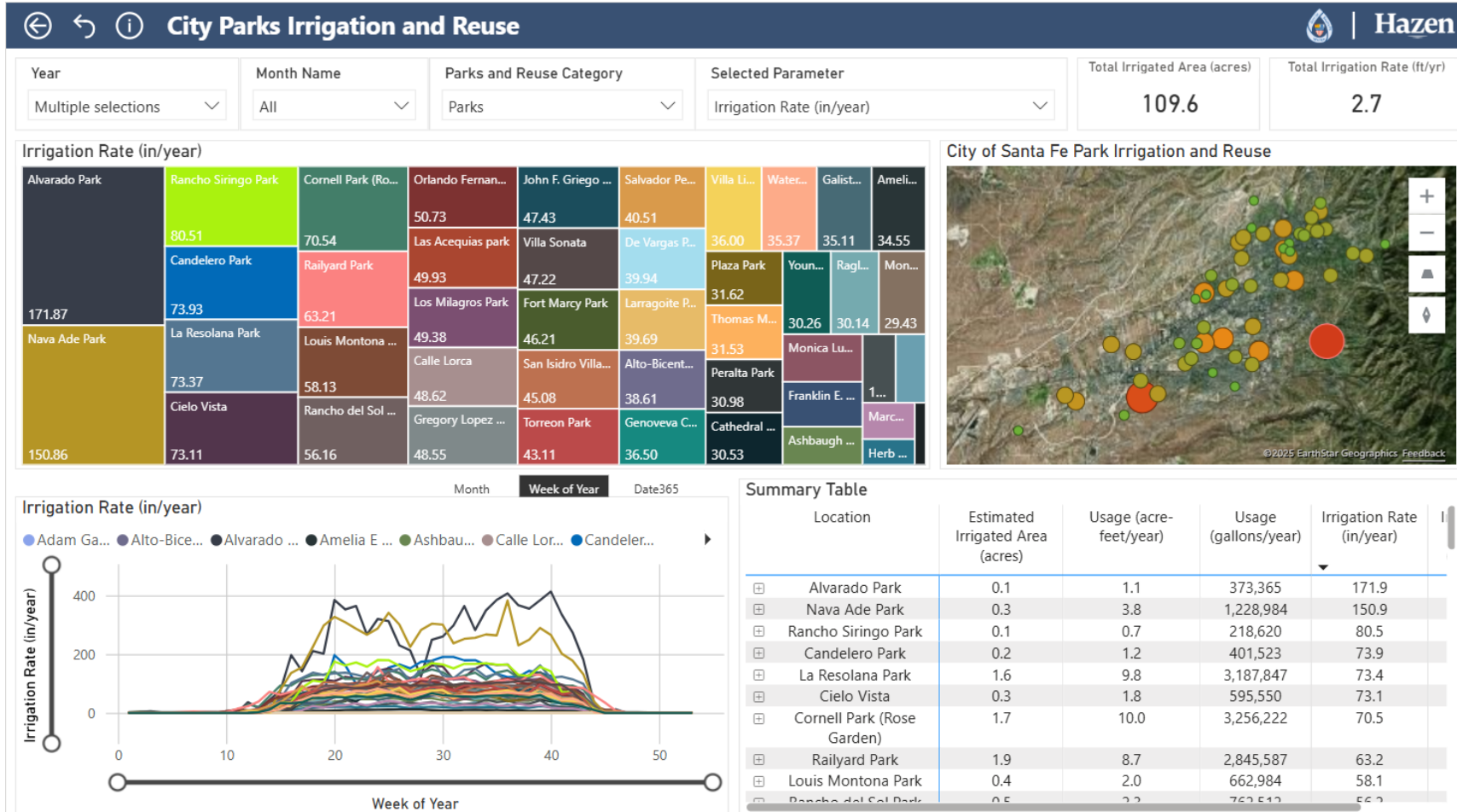
● 2021 ● 2022 ● 2023 ● 2024 ● 2025



Interdepartmental Collaboration

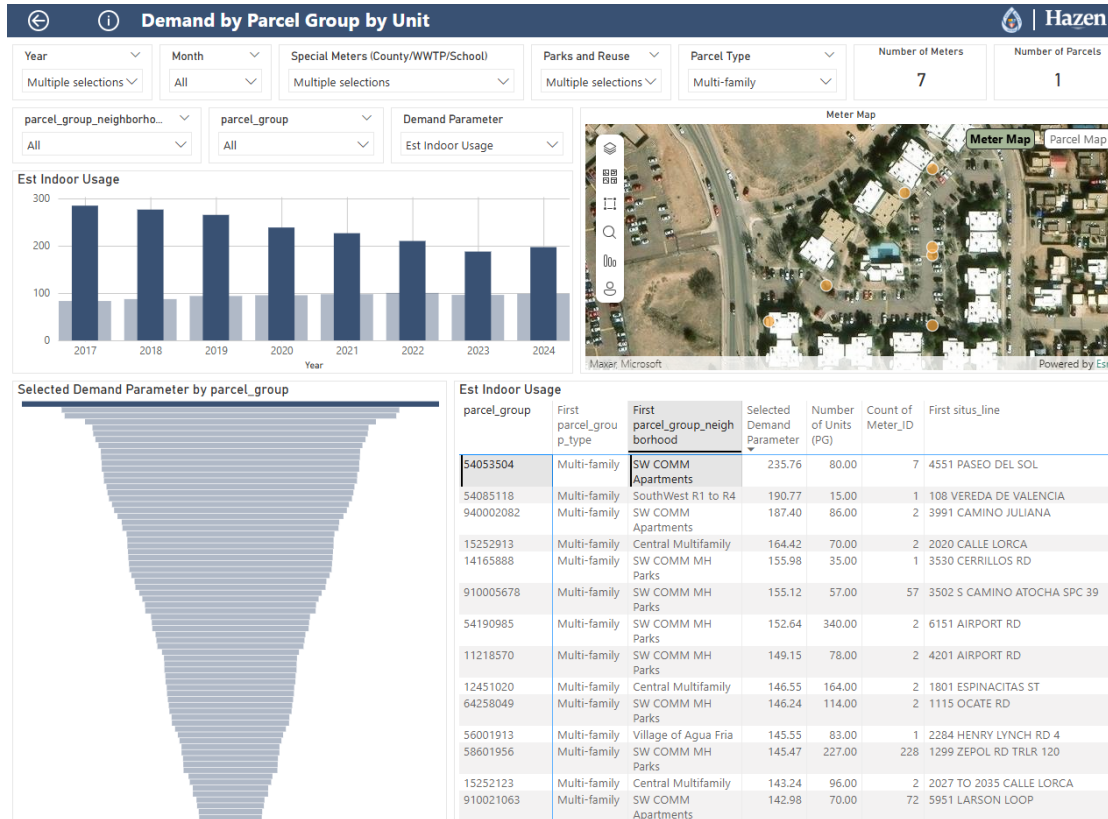


Interdepartmental Collaboration



Water Conservation

Used dashboard to find apartments with high water use, selected for retrofit program



Permit Compliance and Reporting

BDD accounting reports are fully automated, using data from multiple sources

Buckman Direct Diversion
OSE Monthly Report

Buckman Direct Diversion Monthly Native and SJC Diversions (ac-ft)

		Total Diverted	Total Native Diverted	County Native Rio Grande Diversions				TCLC Native Rio Grande Diversion			San Juan-Chama Diversions				
				Total County Native Diverted	County Native SP-4842	County Native SP-4842-A	County Native RG-20516 et al.-C into SP-4842	County Native RG-20516 et al.-A & -B into SP-4842-A	Total TCLC Native Diverted	TCLC Native SP-4842-A	TCLC Native RG-20516 et al.-A & -B into SP-4842-A	Total SJC Diverted	City SJC SP-2847-E Diverted	County SJC SP-2847-E Diverted	TCLC SJC SP-2847-N-A Diverted
2025	Jan	326.141	123.689	123.689	123.689	0.000	0.000	0.000	0.000	0.000	202.453	202.453	0.000	0.000	
	Feb	313.427	28.205	28.205	28.205	0.000	0.000	0.000	0.000	0.000	285.223	285.223	0.000	0.000	
	Mar	563.860	257.038	257.038	257.038	0.000	0.000	0.000	0.000	0.000	306.823	306.823	0.000	0.000	
	Apr	677.035	471.649	471.649	471.649	0.000	0.000	0.000	0.000	0.000	205.388	205.388	0.000	0.000	
	May	918.542	292.560	292.560	292.560	0.000	0.000	0.000	0.000	0.000	625.983	625.983	0.000	0.000	
	Jun	754.206	62.214	62.214	62.214	0.000	0.000	0.000	0.000	0.000	691.993	691.993	0.000	0.000	
	Jul	748.447	35.193	35.193	35.193	0.000	0.000	0.000	0.000	0.000	713.256	713.256	0.000	0.000	
	Aug	446.168	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	446.169	446.169	0.000	0.000	
	Total	4,747.825	1,270.548	1,270.548	1,270.548	0.000	0.000	0.000	0.000	0.000	3,477.288	3,477.288	0.000	0.000	
	Max Allowable		2,373.868	2,157.734	1,292.030	0.000	372.384	493.320	216.134	69.804	146.330	6,774.500	6,407.000	367.500	0.000
	Remaining		1,103.321	887.187	21.483		372.384	493.320	216.134	69.804	146.330	3,297.212	2,929.712	367.500	

Projected Diversions (ac-ft)

		Total Diverted	Total Native Diverted	Total County Native Diverted	County Native SP-4842	County Native SP-4842-A	County Native RG-20516 et al.-C into SP-4842	County Native RG-20516 et al.-A & -B into SP-4842-A	Total TCLC Native Diverted	TCLC Native SP-4842-A	TCLC Native RG-20516 et al.-A & -B into SP-4842-A	Total SJC Diverted	City SJC SP-2847-E Diverted	County SJC SP-2847-E Diverted	TCLC SJC SP-2847-N-A Diverted
	Oct	700	0	0	0	0	0	0	0	0	0	700	700	0	0
	Nov	400	300	300	21	0	279	0	0	0	0	100	100	0	0
	Dec	600	500	500	0	0	94	406	0	0	0	100	100	0	0
	Total Projected	2,400	800	800	21	0	372	406	0	0	0	1,600	1,600	0	0

SJC in Storage as of Monday, September 1, 2025 (ac-ft)

City SJC in Storage	County SJC in Storage	TCLC SJC in Storage
10.901	986	548

BDD Diversion Report (MG)
For each row, the meter read shown is the read at the end of the day.

2025 Aug ac=lt MG

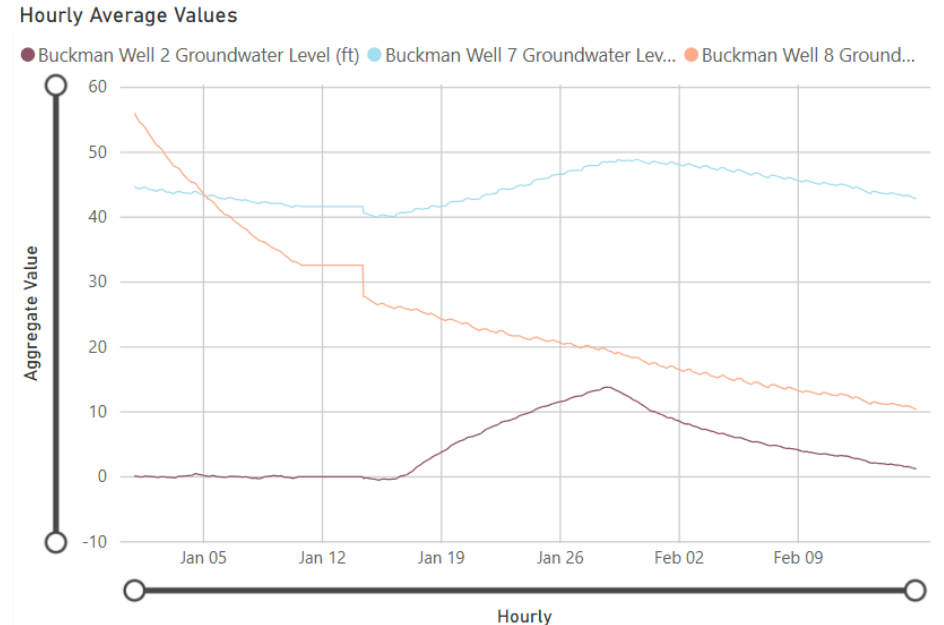
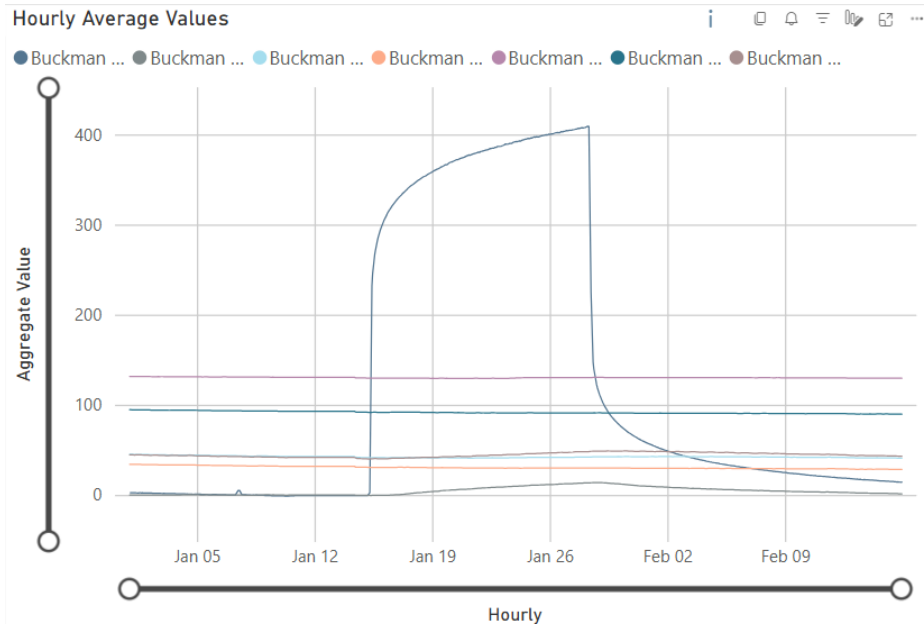
Meter Serial Number	OSE Meter Number	Month End Meter Reading	Previous Month Meter Reading (MG)	(MG)	(A/F)
CC000A16000-Return	TBD	134.41	130.46	3.95	12.12
CC004816000-Diversion	14255	9,772.92	9,721.10	51.82	159.02
CC004916000-Diversion	14256	9,654.40	9,602.51	51.89	159.24
CC004A16000-Diversion	15081	9,554.97	9,509.35	45.63	140.02
Monthly Total Diversion (Diversion - Return)			145.38	446.17	

Month Year	RW Meter CC004816000 15FIT21001	RW Meter CC004916000 15FIT21002	RW Meter CC004A16000 15FIT21003	Return Meter CC000A16000 15FIT33000	Daily Volume Diverted	Cumulative Volume Diverted
July 2025						
7/31/2025	9,721.103	9,602.507	9,509.349	130.457	8.497	8.497
August 2025						
8/1/2025	9,724.171	9,602.593	9,510.915	130.572	4.607	4.607
8/2/2025	9,724.171	9,602.593	9,510.915	130.572	0.000	4.607
8/3/2025	9,727.340	9,605.476	9,512.496	130.786	7.418	12.025
8/4/2025	9,730.919	9,608.055	9,515.063	131.015	8.496	20.520
8/5/2025	9,733.080	9,610.182	9,519.517	131.246	8.512	29.032
8/6/2025	9,736.043	9,612.621	9,521.792	131.433	7.491	36.523
8/7/2025	9,739.970	9,615.249	9,524.482	131.683	8.995	45.518
8/8/2025	9,742.148	9,619.399	9,527.377	131.912	8.994	54.512
8/9/2025	9,742.148	9,624.523	9,527.377	132.048	4.988	59.500
8/10/2025	9,742.148	9,624.523	9,532.493	132.177	4.987	64.486
8/11/2025	9,745.390	9,625.868	9,532.493	132.302	4.463	68.949
8/12/2025	9,748.529	9,627.940	9,532.493	132.486	5.028	73.976
8/13/2025	9,751.870	9,628.412	9,533.810	132.625	4.990	78.967
8/14/2025	9,751.870	9,629.053	9,538.288	132.759	4.985	83.952
8/15/2025	9,751.870	9,634.157	9,538.288	132.878	4.985	88.937
8/16/2025	9,756.977	9,634.157	9,538.288	132.995	4.989	93.926
8/17/2025	9,756.977	9,635.412	9,542.093	133.120	4.934	98.861
8/18/2025	9,759.804	9,636.211	9,543.079	133.234	4.498	103.359
8/19/2025	9,759.804	9,637.838	9,546.347	133.421	4.708	108.067
8/20/2025	9,760.858	9,641.673	9,546.347	133.552	4.759	112.825
8/21/2025	9,763.530	9,641.690	9,548.769	133.677	4.987	117.812
8/22/2025	9,767.742	9,642.605	9,548.769	133.810	4.992	122.805
8/23/2025	9,768.773	9,643.944	9,549.861	133.907	3.366	126.170
8/24/2025	9,768.773	9,647.496	9,551.430	134.034	4.993	131.163
8/25/2025	9,771.234	9,649.345	9,552.242	134.165	4.993	136.156
8/26/2025	9,771.234	9,649.345	9,552.242	134.165	0.000	136.156
8/27/2025	9,771.234	9,649.345	9,552.276	134.165	0.034	136.190
8/28/2025	9,771.234	9,649.345	9,552.331	134.169	0.051	136.241
8/29/2025	9,772.814	9,649.345	9,554.100	134.256	3.260	139.501
8/30/2025	9,772.921	9,649.345	9,554.438	134.275	0.427	139.928
8/31/2025	9,772.921	9,654.397	9,554.975	134.407	5.457	145.384



Groundwater Sustainability

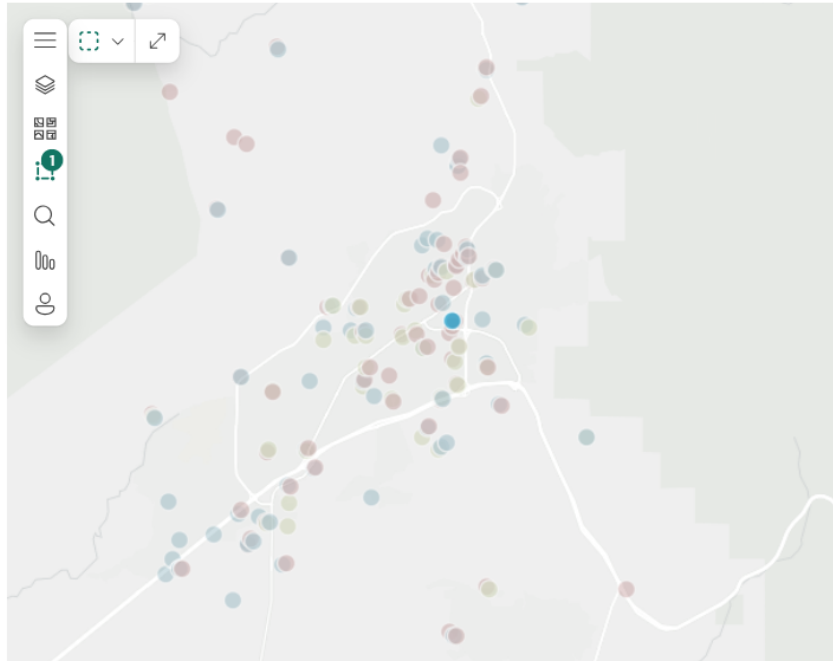
Performing Aquifer Tests to Better Understand Aquifer Dynamics and Groundwater Sustainability



Groundwater Sustainability and Regional Collaboration

Interactive Groundwater Level Dashboard – Collaborating with NM Water Data Initiative

Lat, Long and Source

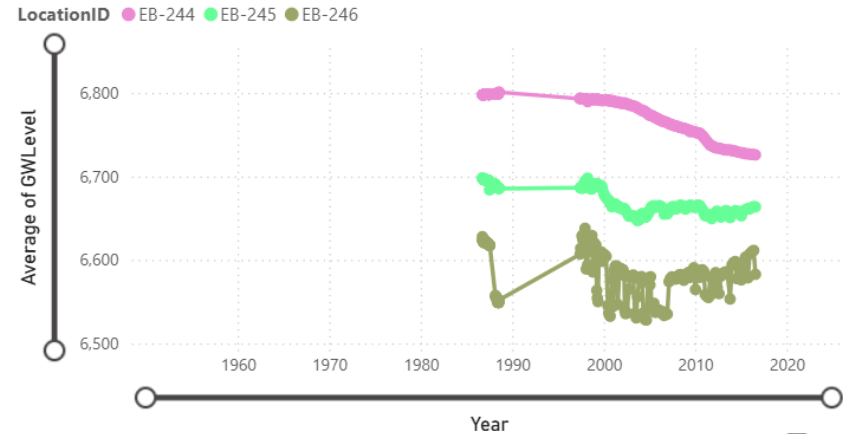


Texas Parks & Wildlife, Esri, TomTom, Garmin, SafeGraph, METI/NASA, USGS, Bureau of Land Mana... Powered by Esri

Source EBH3 NMWDI SFMN USGS

FirstYear: 1937, 2020; LastYear: 1937, 2022; yr_count_data: 10, 68; AQFR_...: All

Average of GWLevel by Year, Quarter, Month, Day and LocationID

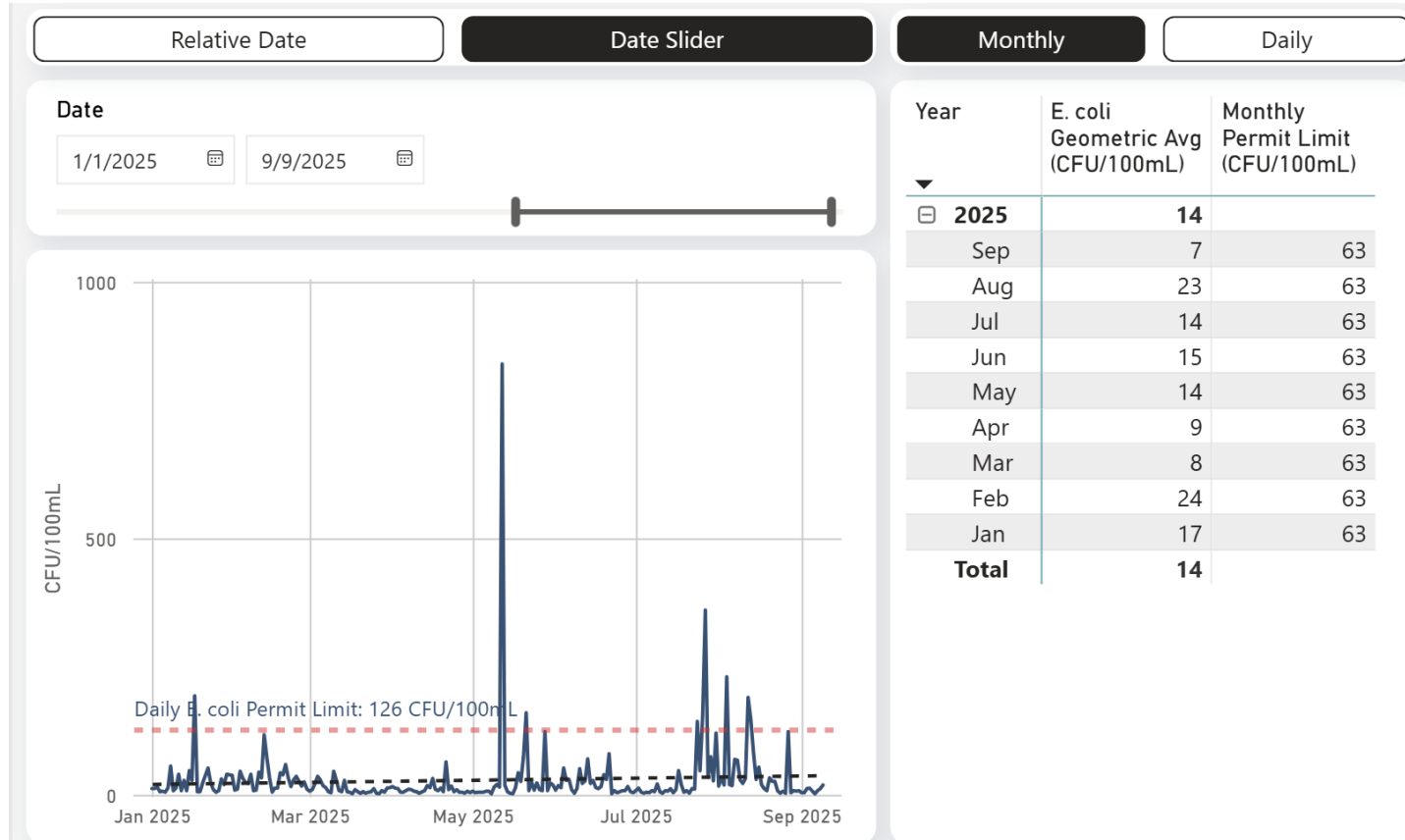


LocationID	Common Name	Well Depth	Count of GWLevel	AQFR_NM	FirstYear	LastYear	NumYearsWithData
EB-244	SF-1A	1,952	223		1986	2016	23
EB-245	SF-1B	1,060	220		1986	2016	23
EB-246	SF-1C	780	218		1986	2016	23



Public Transparency

Wastewater effluent E. coli available to the public via City website



Recap of Dashboard Benefits/Success Stories

- **Reduced staff time / increased efficiency**
 - *BDD Accounting*
 - *Water Resource dashboards*
- **Data-driven decision making**
 - *Water Resource dashboard and weekly meetings*
- **Interdepartmental collaboration**
 - *Parks demand dashboard page*
- **Water conservation**
 - *Demand dashboard – found high per-unit apartments to retrofit*
- **Permit Compliance and Reporting**
 - *BDD Accounting*
- **Improved understanding of groundwater sustainability**
 - *Aquifer monitoring and testing*
- **Regional collaboration**
 - *Groundwater level dashboards*
- **Transparency**
 - *Public: Wastewater e coli results*
 - *Internal: BDD Accounting*



Status and Next Steps

- **Current activity**
 - **Continuing QA-QC**
 - **Using for long-range planning**
 - *Power BI is very powerful in processing large datasets*
 - *Allows us to run tens of thousands of futures, and easily digest the results*
- **Next steps**
 - **Roll up to key metrics and insights for internal use**
 - **Provide public access to key summaries on our website**
 - **Increased interdepartmental collaboration**
 - **Support data-driven water conservation targets**

Questions?

**Regular Meeting of the Public Works and Utilities Committee
September 15, 2025 at 5:00 PM
Council Chambers, City Hall
200 Lincoln Avenue
MINUTES**

1. Call to Order

The Regular Meeting of the Public Works and Utilities Committee was called to order by Councilor Amanda Chavez at 5:01 PM, on Monday, September 15, 2025, in the Council Chambers, City Hall, 200 Lincoln Avenue, Santa Fe, New Mexico.

2. Roll Call

MEMBERS PRESENT

Councilor Amanda Chavez
Councilor Lee Garcia (Arrived late)
Councilor Michael Garcia
Councilor Alma Castro
Councilor Carol Romero-Wirth

MEMBERS EXCUSED

OTHER PARTICIPANTS ATTENDING

Terry Lease, Asset Development Manager
Regina Wheeler, Public Works Director
Jesse Roach, Public Utilities Director
Kyle Morgan, Interim Director of Emergency Management

3. Approval of Agenda

MOTION A motion was made by Councilor Romero-Wirth, seconded by Councilor Garcia, to Approve.

Councilor Lee Garcia arrived at 5:03 PM

VOTE The motion passed unanimously by voice vote.

4. Approval of Consent Agenda

Item 7C, &L and &M were removed from consent for discussion

A motion was made by Councilor Romero-Wirth, seconded by Councilor Castro, to Approve the Consent Agenda as amended.

The motion passed unanimously by Roll Call vote.

5. Public Comment

6. Presentations

7. Action Items: Consent Agenda

- a. Request for Approval of the September 2, 2025, Public Works and Utilities Committee Meeting Minutes. (Elsa Ornelas-Segura, Administrative Manager; egornelassegura@santafenm.gov)

Committee Review:

Public Works and Utilities Committee: 09/15/2025

- b. Request for Approval of Construction Contract with Keers Facility Services in the Total Amount of \$938,322 Including NMGR for Remediation and Demolition Services at Midtown Required to Implement the Approved Master Plan for a Six-Month Term. (Tim Farrell, Facilities Division Property Development Manager; tgf Farrell@santafenm.gov)

Committee Review:

Public Works and Utilities Committee: 09/15/2025

Finance Committee: 09/22/2025

Governing Body: 09/24/2025

Approved on Consent

- d. Request for Approval of a Budget Amendment Resolution (BAR) to Appropriate the Unspent Balance of an FY25 One Time Appropriation of \$290,671 from General Fund Balance to FY26 Complete Streets Supplies for Intersection Markings (Regina Wheeler, Public Works Director; rawheeler@santafenm.gov).

Committee Review:

Public Works & Utilities Committee: 09/15/2025

Finance Committee: 09/22/2025

Governing Body: 09/24/2025

Approved on Consent

- e. Request for Approval of a General Services Contract with Peter's Trucking Inc., in the Amount of \$2,000,000 for Sewage Sludge Disposal Services for a Four-Year Term. (Fred Heerbrandt, Engineer Supervisor; pfheerbrandt@santafenm.gov)

1. Request for Approval of a Budget Amendment Resolution (BAR) in the Total Amount of \$500,000 from the Wastewater Enterprise Fund to Service Contracts.

Committee Review:

Public Works and Utilities Committee: 09/15/2025

Finance Committee: 09/22/2025

Governing Body: 09/24/2025

Approved on Consent

- f. Request for Approval of an On-Call Construction Contract with Anchorbuilt for Sewer Collection System Repair, Replacement, and Extension in the Total Amount of \$4,327,500 Including NMGR T for a Four-Year Term. (P. Fred Heerbrant, P.E., Engineer Supervisor; pfheerbrandt@santafenm.gov)

1. Request for Approval of a Budget Amendment Resolution (BAR) in the Total Amount of \$1,081,875 from the Enterprise Fund to WIP Construction.

Committee Review:

Public Works and Utilities Committee: 09/15/2025

Finance Committee: 09/22/2025

Governing Body: 09/24/2025

Approved on Consent

- g. Request for Approval of an On-Call Construction Contract with SKE Contractors, Inc. for Sewer Collection System Repair, Replacement, and Extension in the Total Amount of \$4,327,500 Including NMGR T for a Four-Year Term. (P. Fred Heerbrant, P.E., Engineer Supervisor; pfheerbrandt@santafenm.gov)

1. Request for Approval of a Budget Amendment Resolution (BAR) in the Total Amount of \$1,081,875 from the Enterprise Fund to WIP Construction.

Committee Review:

Public Works and Utilities Committee: 09/15/2025

Finance Committee: 09/22/2025

Governing Body: 09/24/2025

Approved on Consent

- h. Request for Approval of Amendment No. 1 to On-Call General Services Contract Item #23-0104 Pursuant to ITB#23/27/B with Proscap e Landscape Management, LLC. and Pursuant to Article 8 of the Contract to Substitute the Price List. (Scott Overlie, Project Manager III, Parks & Open Space; saoverlie@santafenm.gov)

Committee Review:

Public Works and Utilities Committee: 09/15/2025

Finance Committee: 09/22/2025

Governing Body: 09/24/2025

Approved on Consent

- i. Request for Approval of Amendment No. 1 to Item #24-0674 with Spencer Fane, LLP to Increase Compensation by \$450,000 for a New Total Amount of

\$616,668.75 and to Extend the Term to September 1, 2028 for Litigation Against Contractors Involved in City Reservoir Improvement Projects. (Jesse Roach, Interim Public Utilities Director; jdroach@santafenm.gov)

Committee Review

Public Works and Utilities Committee: 09/15/2025

Finance Committee: 09/22/2025

Governing Body: 09/24/2025

Approved on Consent

- j. Request for Approval of Capital Outlay Grant Agreement for Capital Appropriation Project 25-J3160 with the New Mexico Department of Finance & Administration in the Total Amount of \$250,000 for Shelby Street Pedestrian Bridge Replacement with a Reversion Date of June 30, 2029. (Scott Overlie, Project Manager III; saoverlie@santafenm.gov)

Committee Review

Public Works Utilities Committee: 09/15/2025

Finance Committee: 09/22/2025

Governing Body: 09/24/2025

Approved on Consent

- k. Request for Approval of Citywide Timekeeping and Workforce Management with UKG Kronos Systems LLC in the Total Amount of \$211,153.10 for the First Year of the Four-Year Term through July 13, 2029. (Eric Candelaria, ITT Department Director; edcandelaria@santafenm.gov)

Committee Review

Public Works and Utilities Committee: 09/15/2025

Finance Committee: 09/22/2025

Governing Body: 09/24/2025

Approved on Consent

8. Action Items: Discussion Agenda

A motion was made by Councilor Michael Garcia, seconded by Councilor Castro, to amend the agenda to hear Item 7L before item 7C.

The Motion passed unanimously by Roll Call vote.

- l. Request for Approval of a Donation Agreement with Homewise to Donate Las Estrellas Tract 6A for Development as Affordable Housing. (Terry Lease, Asset Development Manager, tlease@santafenm.gov).

Committee Review:

Public Works and Utilities Committee: 09/15/2025

Quality of Life Committee: 09/17/2025

Finance Committee: 09/22/2025

Governing Body: 09/24/2025

Terry Lease, Asset Development Manager answered question regarding item 7L.

A motion was made by Councilor Michael Garcia, seconded by Councilor Castro, to postpone Item 7L to the next Public Works and Utilities Committee meeting.

The Motion failed on a Roll Call Vote:

Councilor Romero-Wirth - No
Councilor Michael Garcia - Yes
Councilor Lee Garcia - No
Councilor Castro - Yes
Councilor Chavez - No

A motion was made by Councilor Romero-Wirth, seconded by Councilor Lee Garcia, to approve item 7L. The motion passed on a roll call vote:

Councilor Castro - No
Councilor Lee Garcia - Yes
Councilor Michael Garcia - Yes
Councilor Romero-Wirth - Yes
Councilor Chavez - Yes

Councilor Michael Garcia left the meeting.

- c. Request for Approval of a Professional Services Agreement with Yearout Energy Services Company, LLC DBA Energy Systems Group Southwest in the Total Amount of \$500,827 Including NMGRT for an Investment Grade Audit and Microgrid Design for Community Resiliency for a Term of 18 Months. (Regina Wheeler, Public Works Director; rawheeler@santafenm.gov)

Committee Review:

Public Works and Utilities Committee: 09/15/2025

Finance Committee: 09/22/2025

Governing Body: 09/24/2025

MOTION A motion was made by Councilor Romero-Wirth, seconded by Councilor Garcia, to Approve.

Councilor Michael Garcia was not present.

VOTE The motion Passed on roll call.

Kyle Morgan, Interim Director of Emergency Management and Regina Wheeler, Public Works Director spoke on Item 7C.

- m. CONSIDERATION OF BILL NO. 2025-17. ADOPTION OF ORDINANCE NO. 2025-____. (Councilor Carol Romero-Wirth and Councilor Jamie Cassutt)

A Bill Amending SFCC 1987, Section 25-1.8(A) to Require the City of Santa Fe (“City”) to Continue to Monitor the Naturally Occurring Fluoride Levels in its Water System at Representative Sample Locations and to End the Requirement to Add Fluoride to the System. (Jesse Roach, Interim Public Utilities Director; jdroach@santafenm.gov)

Committee Review:

Governing Body (Introduced): 08/27/2025

Governing Body (Public Comment): 09/10/2025

Public Works and Utilities Committee: 09/15/2025

Finance Committee: 09/22/2025

Governing Body: 10/08/2025

MOTION A motion was made by Councilor Castro, seconded by Councilor Chavez, to Approve.

Councilor Michael Garcia had left the meeting.

VOTE The motion Passed on roll call.

Jessee Roach, Interim Utilities Director spoke on Item 7M.

9. Executive Session

10. Matters from Staff

11. Matters from the Committee

12. Matters from the Chair

13. Next Meeting: Monday, September 29, 2025

14. Adjourn

Meeting Adjourned at 06:18 P.M.

Liaison

Chair



City of Santa Fe, New Mexico

200 Lincoln Avenue, P.O. Box 909, Santa Fe, N.M. 87504-0909
www.santafenm.gov

Alan Webber, Mayor

Councilors:

- Signe I. Lindell, Mayor Pro Tem, District 1
- Alma G. Castro, District 1
- Michael J. Garcia, District 2
- Carol Romero-Wirth, District 2
- Lee Garcia, District 3
- Pilar F.H. Faulkner, District 3
- Jamie Cassutt, District 4
- Amanda Chavez, District 4

MEMO

Date: September 19, 2025

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

Via: Mark Scott, City Manager 
Mark Scott (Sep 19, 2025 17:43:46 MDT)

From: Jesse Roach, Interim Public Utilities Department Director 

ITEM

Budget Amendment Resolution to Fund Reclassification of 87 Positions in the Public Utilities Department.

BACKGROUND

The City of Santa Fe Public Utilities Department (PUD) operates and maintains three water treatment plants, two for potable water and one for wastewater. PUD also operates and maintains a potable water distribution system and a wastewater collection system. PUD has historically found it challenging to fully staff these plants and field positions, and rates paid to operators have diverged between water and wastewater. There is significant overlap in associated job duties across PUD and potential gains in organizational efficiency and pay equity to be achieved if the work done at these plants and systems can be performed under a single operator job description. A new job description called Utility Operator has been developed to allow many existing job descriptions in water and wastewater to be consolidated. This consolidation will help ensure consistent compensation across the department and make it easier for operators to move around the department in response to promotion opportunities.

The existing Water Operator, Equipment Repairman, and Waste Operator job ladders have five “rungs” (entry, basic, intermediate, advanced, and lead) with no certification requirement for the Entry and state Water Supply or Wastewater Operator certification Levels I through IV required for basic through lead rungs respectively. These will be replaced by the new Utility Operator job ladder with the same rungs. Other jobs in water and wastewater requiring state certifications in Water Supply or Wastewater will be replaced by the new Utility Operator position requiring the same level of certification.



City of Santa Fe Water

This change will result in additional compensation to operators which will help attract and retain qualified operators with the goal of fully staffing these critical positions. The table below shows the average change in compensation associated with this change.

Position	NMED Operator Level	Experience required years	Proposed Target Hourly FY26	Increase from Water Target Hourly	Increase from Wastewater Target Hourly
Utility Operator Entry		Any	\$ 20.00	-1%	3%
Utility Operator Basic	1	1	\$ 24.00	1%	10%
Utility Operator Intermediate	2	2	\$ 28.80	5%	13%
Utility Operator Advanced	3	3	\$ 34.56	6%	23%
Utility Operator Lead	4	4	\$ 41.47	9%	26%

The table attached to this memo lists all current positions that will be moved to Utility Operator or Utility Operator CDL. The attached batch position salary analysis determines the total cost by org and object to reclass these positions. This reclass is concurrent with salary adjustments associated with an approved AFSCME contract, and the targets listed here are absolute and are not in addition to any AFSCME contract related adjustments.

Except for positions at Buckman Direct Diversion (BDD), vacancies will be budgeted at Utility Operator Lead to create flexibility to fill any vacancy with the best available candidate at any “rung” of the Utility Operator ladder. The result is a larger amount of money budgeted than will be spent as vacancies are filled. Of the requested BARs, approximately 20% will go to fund salary increases for current employees, with the rest going to budget at the top of the ladder for flexibility in hiring.

BDD is a joint powers facility staffed by the City as the project manager and due to differences in processes for budgeting staff, the BDD will not require a BAR to make these changes. The BDD increases for existing positions will be covered this year by vacancy savings, and the increases for vacant positions will be addressed by BDD in the next operating budget cycle.

REQUEST

Approval of a Budget Amendment Resolution (BAR) totaling \$1,005,495 to support uniform and increased pay for operators across the Public Utility Department. The BAR is summarized in the table below.

Location	Amount	From	To	Amount for Existing Personnel
CRWTP	\$ 187,864	Water Enterprise Fund	5050385	\$ 74,138
T&D	\$ 263,409	Water Enterprise Fund	5050386	\$ 65,582
WWC	\$ 283,103	Wastewater Enterprise Fund	5000361	\$ 20,358
WWS	\$ 55,426	Wastewater Enterprise Fund	5000365	\$ 7,730
WWTP	\$ 215,693	Wastewater Enterprise Fund	5000366	\$ 20,402
Total	\$ 1,005,495		Total	\$ 188,210

City of Santa Fe Public Utilities Department Utility Operator Reclass Table

1/2

MUNIS		LEVEL	LEVEL		CURRENT	PROPOSED		
POSITION #	CURRENT JOB DESCRIPTION	REQUIRED	EMPLOYEE #	ATTAINED	NEW JOB DESCRIPTION	HOURLY RATE	HOURLY RATE	INCREASE
Water - Source of Supply								
230085	WATER OPERATOR ENTRY	None	105637	None	UTILITY OPERATOR ENTRY	\$ 20.65	\$ 20.65	\$ -
230082	WATER OPERATOR ENTRY	None	106812	None	UTILITY OPERATOR ENTRY	\$ 20.56	\$ 20.56	\$ -
180070	EQUIPMENT REPAIRMAN ENTRY	None	109331	None	UTILITY OPERATOR ENTRY	\$ 20.25	\$ 20.25	\$ -
230025	WATER OPERATOR INTERMEDIATE	WS2	108754	WS3	UTILITY OPERATOR ADVANCED	\$ 32.53	\$ 34.56	\$ 2.03
180113	WATER OPERATOR INTERMEDIATE	WS2	109065	WS3	UTILITY OPERATOR ADVANCED	\$ 32.53	\$ 34.56	\$ 2.03
230095	WATER OPERATOR INTERMEDIATE	WS2	110522	WS3	UTILITY OPERATOR ADVANCED	\$ 32.53	\$ 34.56	\$ 2.03
180071	EQUIPMENT REPAIRMAN ADVANCED	WS3	109624	WS3	UTILITY OPERATOR ADVANCED	\$ 32.53	\$ 34.56	\$ 2.03
230071	WATER OPERATOR LEAD	WS4	103736	WS4	UTILITY OPERATOR LEAD	\$ 40.13	\$ 44.48	\$ 4.35
230072	WATER OPERATOR LEAD	WS4	105561	WS4	UTILITY OPERATOR LEAD	\$ 40.07	\$ 44.48	\$ 4.41
230084	WATER OPERATOR LEAD	WS4	109116	WS4	UTILITY OPERATOR LEAD	\$ 38.14	\$ 41.47	\$ 3.33
230073	WATER OPERATOR LEAD	WS4	109265	WS4	UTILITY OPERATOR LEAD	\$ 38.37	\$ 41.47	\$ 3.10
180366	EQUIPMENT REPAIRMAN LEAD	WS4	108780	WS4	UTILITY OPERATOR LEAD CDL	\$ 35.48	\$ 43.54	\$ 8.06
180365	EQUIPMENT REPAIRMAN LEAD	WS4	108645	WS4	UTILITY OPERATOR LEAD CDL	\$ 36.54	\$ 43.54	\$ 7.01
230069	WATER OPERATOR BASIC	WS1	VACANT	N/A	UTILITY OPERATOR LEAD	\$ 24.53	\$ 41.47	\$ 16.94
230034	WATER OPERATOR ADVANCED	WS3	VACANT	N/A	UTILITY OPERATOR LEAD	\$ 32.52	\$ 41.47	\$ 8.95
230068	WATER OPERATOR ADVANCED	WS3	VACANT	N/A	UTILITY OPERATOR LEAD	\$ 24.51	\$ 41.47	\$ 16.96
230083	WATER OPERATOR ADVANCED	WS3	VACANT	N/A	UTILITY OPERATOR LEAD	\$ 30.13	\$ 41.47	\$ 11.34
180069	EQUIPMENT REPAIRMAN LEAD	WS4	VACANT	N/A	UTILITY OPERATOR LEAD	\$ 38.10	\$ 41.47	\$ 3.37
230070	WATER OPERATOR LEAD	WS4	VACANT	N/A	UTILITY OPERATOR LEAD	\$ 40.15	\$ 41.47	\$ 1.32
Water - Transmission and Distribution								
180247	PIPEFITTER ENTRY	None	105990	None	UTILITY OPERATOR ENTRY	\$ 19.13	\$ 20.00	\$ 0.87
180245	PIPEFITTER ENTRY	None	110230	None	UTILITY OPERATOR ENTRY	\$ 18.73	\$ 20.00	\$ 1.27
180244	PIPEFITTER ENTRY	None	111039	None	UTILITY OPERATOR ENTRY	\$ 18.70	\$ 20.00	\$ 1.30
180073	UTILITY HEAVY EQUIPMENT OPERATOR	None	108665	WS2	UTILITY OPERATOR INTERMEDIATE	\$ 27.90	\$ 28.80	\$ 0.90
180063	EQUIPMENT REPAIRMAN INTERMED	WS2	107365	WS2	UTILITY OPERATOR INTERMEDIATE	\$ 27.82	\$ 28.80	\$ 0.98
180251	PIPEFITTER INTERMEDIATE	WS2	109554	WS2	UTILITY OPERATOR INTERMEDIATE	\$ 25.80	\$ 28.80	\$ 3.00
180253	PIPEFITTER LEAD	WS3	103996	WS3	UTILITY OPERATOR ADVANCED CDL	\$ 37.60	\$ 37.60	\$ -
180255	PIPEFITTER LEAD	WS3	106766	WS4	UTILITY OPERATOR LEAD CDL	\$ 30.72	\$ 43.54	\$ 12.83
180368	PIPEFITTER LEAD	WS3	105792	WS4	UTILITY OPERATOR LEAD CDL	\$ 30.71	\$ 43.54	\$ 12.84
180242	PIPEFITTER ENTRY	None	VACANT	N/A	UTILITY OPERATOR LEAD	\$ 20.58	\$ 41.47	\$ 20.89
180240	PIPEFITTER BASIC	WS1	VACANT	N/A	UTILITY OPERATOR LEAD	\$ 20.27	\$ 41.47	\$ 21.20
180243	PIPEFITTER ENTRY	None	VACANT	N/A	UTILITY OPERATOR LEAD	\$ 21.19	\$ 41.47	\$ 20.28
180241	PIPEFITTER INTERMEDIATE	WS2	VACANT	N/A	UTILITY OPERATOR LEAD	\$ 26.18	\$ 41.47	\$ 15.29
180246	PIPEFITTER INTERMEDIATE	WS2	VACANT	N/A	UTILITY OPERATOR LEAD	\$ 26.19	\$ 41.47	\$ 15.28
180252	PIPEFITTER LEAD	WS3	VACANT	N/A	UTILITY OPERATOR LEAD	\$ 31.86	\$ 41.47	\$ 9.61
Water - Buckman Direct Diversion								
180065	EQUIPMENT REPAIRMAN ENTRY	None	107961	WS1	UTILITY OPERATOR BASIC CDL	\$ 23.56	\$ 25.20	\$ 1.65
230086	WATER OPERATOR ENTRY	None	110704	WS1	UTILITY OPERATOR BASIC	\$ 20.25	\$ 24.00	\$ 3.75
230088	WATER OPERATOR ENTRY	None	110990	WS1	UTILITY OPERATOR BASIC	\$ 20.24	\$ 24.00	\$ 3.76
230087	WATER OPERATOR ENTRY	None	110846	None	UTILITY OPERATOR ENTRY	\$ 20.25	\$ 20.25	\$ -
230024	WATER OPERATOR BASIC	WS1	107900	WS2	UTILITY OPERATOR INTERMEDIATE	\$ 24.19	\$ 28.80	\$ 4.61
230007	BDD ADV WATER TREATMENT OP	WS3	105344	WS3	UTILITY OPERATOR ADVANCED	\$ 37.52	\$ 37.52	\$ -
230011	WATER OPERATOR ADVANCED	WS3	110949	WS4	UTILITY OPERATOR LEAD	\$ 32.53	\$ 41.47	\$ 8.94
230014	WATER OPERATOR LEAD	WS4	108175	WS4	UTILITY OPERATOR LEAD	\$ 38.71	\$ 41.47	\$ 2.76
230010	BDD ADV WATER TREATMENT OP	WS3	102628	WS4	UTILITY OPERATOR LEAD	\$ 41.49	\$ 44.48	\$ 2.99
230008	BDD ADV WATER TREATMENT OP	WS3	104139	WS4	UTILITY OPERATOR LEAD	\$ 41.49	\$ 45.64	\$ 4.15
230015	BDD CHARGE OPERATOR	WS4	104249	WS4	UTILITY OPERATOR LEAD	\$ 45.64	\$ 45.64	\$ -
230017	BDD CHARGE OPERATOR	WS4	106982	WS4	UTILITY OPERATOR LEAD	\$ 44.47	\$ 44.47	\$ -
180066	EQUIPMENT REPAIRMAN BASIC	WS1	VACANT	N/A	UTILITY OPERATOR INTERMEDIATE	\$ 26.69	\$ 26.69	\$ -
230067	WATER OPERATOR INTERMEDIATE	WS2	VACANT	N/A	UTILITY OPERATOR INTERMEDIATE	\$ 27.82	\$ 27.82	\$ -
180068	EQUIPMENT REPAIRMAN INTERMED	WS2	VACANT	N/A	UTILITY OPERATOR LEAD	\$ 33.54	\$ 33.54	\$ -
180064	EQUIPMENT REPAIRMAN ADVANCED	WS3	VACANT	N/A	UTILITY OPERATOR LEAD	\$ 35.99	\$ 35.99	\$ -
230009	WATER OPERATOR ADVANCED	WS3	VACANT	N/A	UTILITY OPERATOR LEAD	\$ 41.50	\$ 41.50	\$ -
230016	WATER OPERATOR LEAD	WS4	VACANT	N/A	UTILITY OPERATOR LEAD CDL	\$ 46.37	\$ 46.37	\$ -

City of Santa Fe Public Utilities Department Utility Operator Reclass Table

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MUNIS POSITION #	CURRENT JOB DESCRIPTION	LEVEL REQUIRED	EMPLOYEE #	LEVEL ATTAINED	NEW JOB DESCRIPTION	CURRENT HOURLY RATE	PROPOSED HOURLY RATE	
Wastewater - Collections								
180086	FIELD OPERATOR ENTRY	None	109996	None	UTILITY OPERATOR ENTRY	\$ 19.77	\$ 20.00	\$ 0.23
180088	FIELD OPERATOR ENTRY	None	110093	None	UTILITY OPERATOR ENTRY	\$ 19.77	\$ 20.00	\$ 0.23
180087	FIELD OPERATOR ENTRY	None	109410	None	UTILITY OPERATOR ENTRY	\$ 19.77	\$ 20.00	\$ 0.23
180367	FIELD OPERATOR ENTRY	None	110845	None	UTILITY OPERATOR ENTRY	\$ 19.77	\$ 20.00	\$ 0.23
180343	FIELD OPERATOR ENTRY	None	109722	WW1	UTILITY OPERATOR BASIC CDL	\$ 19.77	\$ 25.20	\$ 5.43
180342	FIELD OPERATOR BASIC	WW1	109536	WW1	UTILITY OPERATOR BASIC CDL	\$ 23.72	\$ 25.20	\$ 1.48
180091	FIELD OPERATOR LEAD	WW2	107364	WW2	UTILITY OPERATOR INTERMEDIATE CDL	\$ 27.62	\$ 28.80	\$ 1.18
180092	FIELD OPERATOR LEAD	WW2	108136	WW2	UTILITY OPERATOR INTERMEDIATE CDL	\$ 27.62	\$ 28.80	\$ 1.18
180090	LABORER	None	VACANT	N/A	UTILITY OPERATOR LEAD	\$ 17.51	\$ 41.47	\$ 23.96
180341	FIELD OPERATOR ENTRY	None	VACANT	N/A	UTILITY OPERATOR LEAD	\$ 19.49	\$ 41.47	\$ 21.98
200012	FIELD OPERATOR ENTRY	None	VACANT	N/A	UTILITY OPERATOR LEAD	\$ 19.77	\$ 41.47	\$ 21.70
180083	FIELD OPERATOR BASIC	WW1	VACANT	N/A	UTILITY OPERATOR LEAD	\$ 23.72	\$ 41.47	\$ 17.75
180344	FIELD OPERATOR BASIC	WW1	VACANT	N/A	UTILITY OPERATOR LEAD	\$ 26.94	\$ 41.47	\$ 14.53
180345	FIELD OPERATOR BASIC	WW1	VACANT	N/A	UTILITY OPERATOR LEAD	\$ 23.72	\$ 41.47	\$ 17.75
180360	FIELD OPERATOR LEAD	WW2	VACANT	N/A	UTILITY OPERATOR LEAD	\$ 27.63	\$ 41.47	\$ 13.84
Wastewater - Solids								
230056	WASTE OPERATOR ENTRY	None	109962	None	UTILITY OPERATOR ENTRY	\$ 18.67	\$ 20.00	\$ 1.33
180339	LABORER	None	109754	None	UTILITY OPERATOR ENTRY	\$ 17.36	\$ 20.00	\$ 2.64
180347	LABORER	None	VACANT	N/A	UTILITY OPERATOR LEAD	\$ 16.92	\$ 41.47	\$ 24.55
Wastewater - Treatment Plant								
230054	WASTE OPERATOR ENTRY	None	109595	None	UTILITY OPERATOR ENTRY	\$ 18.67	\$ 20.00	\$ 1.33
230058	WASTE OPERATOR ENTRY	None	109643	None	UTILITY OPERATOR ENTRY	\$ 18.67	\$ 20.00	\$ 1.33
230049	WASTE OPERATOR ENTRY	None	110153	None	UTILITY OPERATOR ENTRY	\$ 18.67	\$ 20.00	\$ 1.33
180340	WWM EQUIPMENT SPECIALIST SR.	WW1	105220	WW1	UTILITY OPERATOR BASIC CDL	\$ 22.61	\$ 25.32	\$ 2.71
230091	WASTE OPERATOR INTERMEDIATE	WW2	103998	WW2	UTILITY OPERATOR INTERMEDIATE	\$ 25.01	\$ 28.80	\$ 3.79
230050	WASTE OPERATOR ENTRY	None	VACANT	N/A	UTILITY OPERATOR LEAD	\$ 18.93	\$ 41.47	\$ 22.54
230052	WASTE OPERATOR ENTRY	None	VACANT	N/A	UTILITY OPERATOR LEAD	\$ 18.66	\$ 41.47	\$ 22.81
230053	WASTE OPERATOR ENTRY	None	VACANT	N/A	UTILITY OPERATOR LEAD	\$ 19.47	\$ 41.47	\$ 22.00
230055	WASTE OPERATOR ENTRY	None	VACANT	N/A	UTILITY OPERATOR LEAD	\$ 18.93	\$ 41.47	\$ 22.54
180337	WWM EQUIPMENT SPECIALIST	None	VACANT	N/A	UTILITY OPERATOR LEAD	\$ 20.05	\$ 41.47	\$ 21.42
180338	WWM EQUIPMENT SPECIALIST	None	VACANT	N/A	UTILITY OPERATOR LEAD	\$ 20.06	\$ 41.47	\$ 21.41
230051	WASTE OPERATOR BASIC	WW1	VACANT	N/A	UTILITY OPERATOR LEAD	\$ 21.72	\$ 41.47	\$ 19.75
230048	WASTE OPERATOR ADVANCED	WW4	VACANT	N/A	UTILITY OPERATOR LEAD	\$ 25.15	\$ 41.47	\$ 16.32
230062	WASTE OPERATOR ADVANCED	WW4	VACANT	N/A	UTILITY OPERATOR LEAD	\$ 25.15	\$ 41.47	\$ 16.32
230057	WASTE OPERATOR LEAD	WW4	VACANT	N/A	UTILITY OPERATOR LEAD	\$ 31.40	\$ 44.48	\$ 13.08
230059	WASTE OPERATOR LEAD	WW4	VACANT	N/A	UTILITY OPERATOR LEAD	\$ 35.86	\$ 44.48	\$ 8.62
230063	WASTE OPERATOR LEAD	WW4	VACANT	N/A	UTILITY OPERATOR LEAD	\$ 31.85	\$ 41.47	\$ 9.62

City of Santa Fe
 Batch Position Salary Change (Increase or Decrease) Analysis

Prepared By: Chris Parker
 Date of Request: 9/19/2025

ORG #	Total Net Expenditure Increase by Object						Total by Org
	500110 Salaries	503100 FICA/Medicare	503150 Retirement (PERA)	503200 Med/Life	503250 Retiree Health Care	503350 Workers' Comp	
5050385	136,300	10,428	33,104	-	2,724	1,364	183,920
5050382	2,923	224	710	-	58	29	3,944
5050386	195,209	14,932	47,412	-	3,904	1,952	263,409
8000801	48,356	3,698	11,745	-	966	484	65,249
5000362	209,806	16,047	50,957	-	4,194	2,099	283,103
5000366	41,076	3,142	9,976	-	821	411	55,426
5000367	159,846	12,231	38,823	-	3,196	1,597	215,693
Total cost by Obj	793,516	60,702	192,727	-	15,863	7,936	1,070,744

For Budget Use Only	
Budget Log #	SA940

Total Impact to CoSF Employees	
Funds Affected	Fund Balance Increase/ (Decrease)
500	(451,273)
505	(554,222)
	<u>(1,005,495)</u>


Comments/Justification (use multiple lines below if needed):
 Salary Analyses to determine total cost for a reclass of 87 position across Water and Waste Water divisions as well as Buckman's in an effort to create uniformity and equity among Utility Operator positions across multiple divisions. The funding to support this increase will come from defunding three non-union positions from Waste Water (180354, 180355, and 180356), the remainder (~\$1 M) being funded from available cash balances.


 Department Director Approval (signature) _____
 Budget Approval (signature) _____

Date: August 19, 2025

To: Governing Body

Via: Regina Wheeler, Public Works Department Director 
Regina Wheeler (Sep 3, 2025 17:35:33 MDT)

From: Gabrielle Chavez, Transit Director of Administration 
Gabrielle Chavez (Sep 3, 2025 16:08:26 MDT)

ACTION:

Request for Approval of a Grant Agreement (FTA G-31) with the U.S. Department of Transportation Federal Transit Administration (FTA) via the Federal Transit Administration (FTA) Small Urban Section 5339 Funding for Public Transportation Capital Funding in the Total Amount of \$159,545 with Term Ending 12/31/26. (Gabrielle Chavez, Transit Director of Administration: gnchavez@santafenm.gov)

1. Request for Approval of a Budget Adjustment Resolution (BAR) in the Total Amount of \$159,545 from the FTA Grant to Transit Revenue and Expenses. (Gabrielle Chavez, Transit Director of Administration: gnchavez@santafenm.gov)

BACKGROUND AND SUMMARY:

The City of Santa Fe's Transit Division was awarded \$159,545 in Section 5339 Bus and Bus Facilities Formula Funding for FY26 from the Federal Transit Administration (FTA). There is a matching requirement of \$28,155 which will come from the Transit Fund Balance for a total of \$187,700. The purpose of the grant is to purchase one new fourteen-passenger cutaway bus, with a front wheelchair lift and two wheelchair positions at \$167,508 for one bus. This bus will replace a bus that has exceeded its useful life.

FUNDING SOURCE: US DOT / FTA Section 5339 Grant ID #QLN2YKMMJ8X6

Munis Project Ledger ID: PWD2654001

Munis Fund Name/Number: Transit/540

Munis Org Name/Number: Transit Capital Projects/5400499

Munis Revenue Obj Name/Number: Vehicles >1.5/571000


Munis Revenue Obj Name/Number: US Dept of Transportation/490550

ATTACHMENTS:

Grant Agreement NM-2025-010

Project Ledger Request Form

BAR

Grant Manager 
ERIKA LUJAN (Sep 4, 2025 16:06:42 MDT) Sep 4, 2025

**UNITED STATES OF AMERICA
DEPARTMENT OF TRANSPORTATION
FEDERAL TRANSIT ADMINISTRATION**

**GRANT AGREEMENT
(FTA G-33)**

On the date the authorized U.S. Department of Transportation, Federal Transit Administration (FTA) official signs this Grant Agreement, FTA has obligated and awarded federal assistance as provided below. Upon execution of this Grant Agreement by the Recipient named below, the Recipient affirms this FTA Award, enters into this Grant Agreement with FTA, and binds its compliance with the terms of this Grant Agreement.

The following documents are incorporated by reference and made part of this Grant Agreement:

- (1) "Federal Transit Administration Master Agreement," FTA MA(33), <http://www.transit.dot.gov>,
- (2) The Certifications and Assurances applicable to the FTA Award that the Recipient has selected and provided to FTA, and
- (3) Any Award notification containing special conditions or requirements, if issued.

WHEN THE TERM "FTA AWARD" OR "AWARD" IS USED, EITHER IN THIS GRANT AGREEMENT OR THE APPLICABLE MASTER AGREEMENT, "AWARD" ALSO INCLUDES ALL TERMS AND CONDITIONS SET FORTH IN THIS GRANT AGREEMENT.

FTA OR THE FEDERAL GOVERNMENT MAY WITHDRAW ITS OBLIGATION TO PROVIDE FEDERAL ASSISTANCE IF THE RECIPIENT DOES NOT EXECUTE THIS GRANT AGREEMENT WITHIN 90 DAYS FOLLOWING FTA'S AWARD DATE SET FORTH HEREIN.

FTA AWARD

Federal Transit Administration (FTA) hereby awards a Federal Grant as follows:

Recipient Information

Recipient Name: CITY OF SANTA FE

Recipient ID: 2066

UEI: QLN2YKMMJ8X6

DUNS: 069420818

Award Information

Federal Award Identification Number (FAIN): NM-2025-010

Award with Amendment Number: NM-2025-010-00

Award Name: LAPSING - City of Santa Fe FY22 Section 5339 Replacement Bus

Award Start Date: 6/27/2025

Original Award End Date: 12/31/2026

Current Award End Date: 12/31/2026

Award Executive Summary: This grant represents the FY22 apportionment of Small Urban Section 5339 in the amount of \$159,545 federal match to the City of Santa Fe. The replacement bus will be equipped with a wheelchair lift and meets the requirements of the ADA which qualifies for the 85% federal share. The FY22 Section 5310 suballocation letter from NMDOT is attached in Application Details. The local match funds will be provided by the City of Santa Fe through its 1/4 cent gross receipts tax dedicated to transit. The grant will cover expenses incurred from the acquisition of a bus beginning July 1, 2025 through December 31, 2026.

The grant will fund the purchase of one replacement 14 passenger cutaway bus in the total amount of \$191,511. The replacement vehicle will replace the Unit 55614, VIN 1GB6G5BG3F1247419, a 2015 Arboc 500.

Research and Development: This award does not include research and development activities.

Indirect Costs: This award does not include an indirect cost rate.

Suballocation Funds: Recipient organization is suballocated these apportioned funds and can apply for and receive these funds directly.

Pre-Award Authority: This award is not using Pre-Award Authority.

Award Budget

Total Award Budget: \$187,700.00

Amount of Federal Assistance Obligated for This FTA Action (in U.S. Dollars): \$159,545.00

Amount of Non-Federal Funds Committed to This FTA Action (in U.S. Dollars): \$28,155.00

Total FTA Amount Awarded and Obligated (in U.S. Dollars): \$159,545.00

Total Non-Federal Funds Committed to the Overall Award (in U.S. Dollars): \$28,155.00

Award Budget Control Totals

(The Budget includes the individual Project Budgets (Scopes and Activity Line Items) or as attached)

Funding Source	Section of Statute	CFDA Number	Amount
5339 – Buses and Bus Facilities Formula	5339-1	20526	\$159,545
Local			\$28,155
Local/In-Kind			\$0
State			\$0
State/In-Kind			\$0
Other Federal			\$0
Transportation Development Credit			\$0
Adjustment			\$0
Total Eligible Cost			\$187,700

(The Transportation Development Credits are not added to the amount of the Total Award Budget.)

U.S. Department of Labor Certification of Public Transportation Employee Protective Arrangements:

DOL Decision: DOL Concur - Certified

DOL Review Date: 6/20/2025

DOL Certification Date: 6/20/2025

Special Conditions

There are no special conditions.

FINDINGS AND DETERMINATIONS

By signing this Award on behalf of FTA, I am making all the determinations and findings required by federal law and regulations before this Award may be made.

FTA AWARD OF THE GRANT AGREEMENT

Awarded By:
Gail Lyssy
Regional Administrator
FEDERAL TRANSIT ADMINISTRATION
U.S. DEPARTMENT OF TRANSPORTATION
Contact Info: gail.lyssy@dot.gov
Award Date: 6/27/2025

EXECUTION OF THE GRANT AGREEMENT

Upon full execution of this Grant Agreement by the Recipient, the Effective Date will be the date FTA or the Federal Government awarded Federal assistance for this Grant Agreement.

By executing this Grant Agreement, the Recipient intends to enter into a legally binding agreement in which the Recipient:

- (1) Affirms this FTA Award,
- (2) Adopts and ratifies all of the following information it has submitted to FTA:
 - (a) Statements,
 - (b) Representations,
 - (c) Warranties,
 - (d) Covenants, and
 - (e) Materials,
- (3) Consents to comply with the requirements of this FTA Award, and
- (4) Agrees to all terms and conditions set forth in this Grant Agreement.

IN WITNESS WHEREOF, the City of Santa Fe has executed this Agreement as of the date of the signature by the required approval authorities below.

CITY OF SANTA FE:

MARK SCOTT, CITY MANAGER

DATE: _____

ATTEST:

ANDRÉA SALAZAR, CITY CLERK

CITY ATTORNEY'S OFFICE:



[Kevin L. Nault \(Aug 1, 2025 12:23:15 MDT\)](#)
ASSISTANT CITY ATTORNEY

APPROVED FOR FINANCES:

 Sep 10, 2025

EMILY OSTER, FINANCE DIRECTOR






AwardLetter_NM-2025-010-00

Final Audit Report

2025-08-01

Created:	2025-08-01
By:	MATTHEW HARDING (mrharding@santafenm.gov)
Status:	Signed
Transaction ID:	CBJCHBCAABAAGv0tzlLFEaf4PqDzJugL7otgrQEvJtm1

"AwardLetter_NM-2025-010-00" History

-  Document created by MATTHEW HARDING (mrharding@santafenm.gov)
2025-08-01 - 4:52:24 PM GMT- IP address: 63.232.20.2
-  Document emailed to klnault@santafenm.gov for signature
2025-08-01 - 4:52:50 PM GMT
-  Email viewed by klnault@santafenm.gov
2025-08-01 - 6:22:03 PM GMT- IP address: 174.205.226.141
-  Signer klnault@santafenm.gov entered name at signing as Kevin L. Nault
2025-08-01 - 6:23:13 PM GMT- IP address: 174.205.226.141
-  Document e-signed by Kevin L. Nault (klnault@santafenm.gov)
Signature Date: 2025-08-01 - 6:23:15 PM GMT - Time Source: server- IP address: 174.205.226.141
-  Agreement completed.
2025-08-01 - 6:23:15 PM GMT



City of Santa Fe New Mexico

Finance Department

Project Ledger Request Form



Date of Request: 8/25/25 revision request

Project Title: SEC 5339 FY22 TRANSIT BUS REPLACEMENT

Project Type: CIP Grant Internal Tracking

Department: PW-TRANSIT Project Manager: GABRIELLE CHAVEZ Ext: 2055

Project Date: 7/1/2025 to 12/31/2026 Create Fixed Asset

Project ID: TAD2654001

Grant ID: F2603

Approved By: ERIKA LUJAN
ERIKA LUJAN (Aug 25, 2025 10:14:16 MDT)

CT (Finance Use Only)

Multi-Funding (complete all funding sources, should equal 100%)

Funding Source: USDOT FTA SEC5339-NM 2025-10 % of Funding: 85

MUNIS ORG: 5400499 MUNIS OBJ: 490550 Awarded Amount: \$159,545.00

Funding Source: LOCAL % of Funding: 15

MUNIS ORG: 5400499 MUNIS OBJ: Awarded Amount: 28155.00

Expense String Phase: 8/25/25-REVISED LOCAL MATCH PROJECT TOTAL: 187700.00

A project must have at least one phase identified, this can be used as an additional level of tracking, for example, CIP - Design, Construction, etc. For Grants can be used as reimbursable types, such as transportation, salaries.

(You can create more than one phase and you can default MUNIS ORGs and OBJs, optional)

Phase: VEHICLES>1.5 MUNIS ORG: 5400499 MUNIS OBJ: 571000

Grants Only (list all grants if applicable):

Grantor Name: USDOT FTA AGREE NM 2025-10 Awarded Amount: 159545.00

AR Charge Code: 5400499.490550 Grant funds multiple projects
(Complete a form for each project)

Grantor Id: 700029 Federal CFDA (if applicable): 20.526

Grantor Name: _____ Awarded Amount: _____

AR Charge Code: _____ Grant funds multiple projects
(Complete a form for each project)

Grantor Id: _____ Federal CFDA (if applicable): _____

(If grants please provide all grant award documents with form) Attached Grant Documentation

Log # {Finance use <u>only</u> }: _____
Journal # {Finance use <u>only</u> }: _____


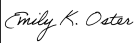
City of Santa Fe, New Mexico BUDGET AMENDMENT RESOLUTION (BAR)

DEPARTMENT / DIVISION NAME Public Works / Transit CIP				DATE 7/10/2025			
ITEM DESCRIPTION	ORG	OBJECT	PROJECT	INCREASE	DECREASE		
<u>EXPENDITURES</u>				<i>{enter as positive #}</i>	<i>{enter as negative #}</i>		
Vehicles > 1.5 - Bus	5400499	571000	TAD2654001	159,545			
<u>REVENUES</u>				<i>{enter as negative #}</i>	<i>{enter as positive #}</i>		
US DOT/FTA - NM-2025-010	5400499	490550	TAD2654001	(159,545)			
JUSTIFICATION: <i>(use additional page if needed)</i> --Attach supporting documentation/memo				\$	-	\$	-

US DOT FTA Grant award for \$187,700 to fund a bus replacement for Transit.

Required \$28,155.00 local match is available in operating budget. (Term 12/31/2026)

<i>{Complete section below if BAR results in a net change to ANY Fund}</i>	
	Fund Balance
Fund(s) Affected	Increase/(Decrease)
TOTAL:	0

Carol Swenson Prepared By <i>(print name)</i>  Gabrielle Chavez (Sep 3, 2025 16:08:26 MDT) Division Director  Regina Wheeler (Sep 3, 2025 17:35:33 MDT) Department Director Signature	7/10/2025 Date	<i>{Use this form for Finance Committee/ City Council agenda items ONLY}</i> CITY COUNCIL APPROVAL City Council Approval Date <input style="width: 100%;" type="text"/> Agenda Item #: <input style="width: 100%;" type="text"/>	 Andy Hopkins Budget Officer  Emily K. Oster Finance Director {≤ \$5,000} City Manager {≤ \$60,000}	Sep 4, 2025 Date Sep 10, 2025 Date Date
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GB Packet FY26 Transit FTA Section 5339 Grant Packet

Final Audit Report

2025-09-03

Created:	2025-09-03
By:	Elizabeth Kahahane (elkahahane@santafenm.gov)
Status:	Signed
Transaction ID:	CBJCHBCAABAA4f0G5xov1MIZqWk897WCu8OqRTi7e1JI

"GB Packet FY26 Transit FTA Section 5339 Grant Packet" History

-  Document created by Elizabeth Kahahane (elkahahane@santafenm.gov)
2025-09-03 - 4:15:15 PM GMT- IP address: 63.232.20.2
-  Document emailed to Gabrielle Chavez (gnchavez@santafenm.gov) for signature
2025-09-03 - 4:16:51 PM GMT
-  Email viewed by Gabrielle Chavez (gnchavez@santafenm.gov)
2025-09-03 - 10:08:05 PM GMT- IP address: 63.232.20.2
-  Document e-signed by Gabrielle Chavez (gnchavez@santafenm.gov)
Signature Date: 2025-09-03 - 10:08:26 PM GMT - Time Source: server- IP address: 63.232.20.2
-  Document emailed to rawheeler@santafenm.gov for signature
2025-09-03 - 10:08:28 PM GMT
-  Email viewed by rawheeler@santafenm.gov
2025-09-03 - 11:35:14 PM GMT- IP address: 63.232.20.2
-  Signer rawheeler@santafenm.gov entered name at signing as Regina Wheeler
2025-09-03 - 11:35:31 PM GMT- IP address: 63.232.20.2
-  Document e-signed by Regina Wheeler (rawheeler@santafenm.gov)
Signature Date: 2025-09-03 - 11:35:33 PM GMT - Time Source: server- IP address: 63.232.20.2
-  Agreement completed.
2025-09-03 - 11:35:33 PM GMT












FTA 2025-10 TRANSIT 187700.00

Final Audit Report

2025-09-10

Created:	2025-09-04
By:	Cathy Thompson (cmthompson@santafenm.gov)
Status:	Signed
Transaction ID:	CBJCHBCAABAAsqY8EJbl2a2BcT68_Gk695vDUYTMi2mw

"FTA 2025-10 TRANSIT 187700.00" History

-  Document created by Cathy Thompson (cmthompson@santafenm.gov)
2025-09-04 - 9:35:40 PM GMT- IP address: 63.232.20.2
-  Document emailed to ERIKA LUJAN (evlujan@santafenm.gov) for signature
2025-09-04 - 9:39:23 PM GMT
-  Email viewed by ERIKA LUJAN (evlujan@santafenm.gov)
2025-09-04 - 10:06:31 PM GMT- IP address: 104.47.65.254
-  Document e-signed by ERIKA LUJAN (evlujan@santafenm.gov)
Signature Date: 2025-09-04 - 10:06:42 PM GMT - Time Source: server- IP address: 63.232.20.2
-  Document emailed to ajhopkins@santafenm.gov ajhopkins@santafenm.gov (ajhopkins@santafenm.gov) for signature
2025-09-04 - 10:06:43 PM GMT
-  Email viewed by ajhopkins@santafenm.gov ajhopkins@santafenm.gov (ajhopkins@santafenm.gov)
2025-09-04 - 10:18:08 PM GMT- IP address: 104.47.64.254
-  Document e-signed by ajhopkins@santafenm.gov ajhopkins@santafenm.gov (ajhopkins@santafenm.gov)
Signature Date: 2025-09-04 - 10:19:31 PM GMT - Time Source: server- IP address: 63.232.20.2
-  Document emailed to EMILY OSTER (ekoster@santafenm.gov) for signature
2025-09-04 - 10:19:32 PM GMT
-  Email viewed by EMILY OSTER (ekoster@santafenm.gov)
2025-09-10 - 11:44:54 PM GMT- IP address: 104.47.65.254
-  Document e-signed by EMILY OSTER (ekoster@santafenm.gov)
Signature Date: 2025-09-10 - 11:47:00 PM GMT - Time Source: server- IP address: 63.232.20.2
-  Agreement completed.
2025-09-10 - 11:47:00 PM GMT



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DATE: September 9, 2025
TO: Governing Body
VIA: Regina Wheeler, Public Works Department Director RW
FROM: Jimmy Gunn, Interim Airport Director JG

ACTION:

Request for Approval of Grant Agreement with New Mexico Department of Finance and Administration in the Total Amount of \$590,000 for the Capital Project 25-J3159 Phase II Expansion of the Airport Terminal and Related Infrastructure. (Jimmy Gunn, Interim Airport Director, jdgunn@santafenm.gov)

1. Request For Approval of a Budget Amendment Resolution (BAR) in the Total Amount of \$584,100 from the Legislative Grant to FY26 Airport Revenue and WIP Design for Phase II of the Airport Terminal Expansion Project.

BACKGROUND AND SUMMARY:

The New Mexico Legislative appropriated funds in the Amount of \$590,000 for Phase II of the Airport Terminal Project. This brings the Airport Terminal Expansion project funding on hand to \$2,584,100 from two legislative grants. An RFP for design services is underway. This funding is expected to pay for design which is expected to be completed in approximately 1 year.

The agreement with DFA is to plan, design, and construct the phase II expansion of the Santa Fe Regional Airport terminal and related infrastructure. The amount of \$5,900 from this appropriation is given to the AIPP. The total amount of appropriation for the project is \$584,100.

This money is to be used to design phase 2 of the Santa Fe Regional Airport. Design is estimated to take one year from award of the purchase order.

FUNDING SOURCE: DFA Grant Agreement

Fund Name/Number: Airport /545

Munis Org Name/Number: Airport CIP / 5450407

Munis Expenditure Object Name/Number: WIP Design / 572960

ATTACHMENTS:
Grant Agreement

PLID

BAR

ERIKA LUJAN
ERIKA LUJAN (Sep 11, 2025 13:31:01 MDT)

Sep 11, 2025

Signature: 

Email: jgunn@santafenm.gov



City of Santa Fe New Mexico

Finance Department

Project Ledger Request Form



Date of Request: 9/9/2025 UPDATE REQUEST

Project Title: AIRPORT IMPROVEMENTS PH II

Project Type: CIP Grant Internal Tracking

Department: PW-AIRPORT Project Manager: J.GARDUNO Ext: 670.3232

Project Date Range: 9/9/2025 to 6/30/2029 Create Fixed Asset

Project ID: <u>PWD2554522</u>
Grant ID: <u>S2517/S2611</u>
Approved By: <u>ERIKA LUJAN</u> <small>ERIKA LUJAN (Sep 9, 2025 16:01:22 MDT)</small>
<u>CT</u> (Finance Use Only) Sep 9, 2025

Multi-Funding (complete all funding sources, should equal 100%)

Funding Source: DFA CAP 24-13146 (FY24-26) % of Funding: _____

MUNIS ORG: 5450407 MUNIS OBJ: 490210 Awarded Amount: 1,980,000.00

Funding Source: DFA CAP 25-J3159 (FY26-28) % of Funding: _____

MUNIS ORG: 5450407 MUNIS OBJ: 490210 Awarded Amount: 584,100.00

Expense String Phase:

A project must have at least one phase identified, this can be used as an additional level of tracking, for example, CIP - Design, Construction, etc. For Grants can be used as reimbursable types, such as transportation, salaries.

(You can create more than one phase and you can default MUNIS ORGs and OBJs, optional)

Phase: DESIGN/CONSTRUCTION MUNIS ORG: 5450407 MUNIS OBJ: 572960/572970

Grants Only (list all grants if applicable):

Grantor Name: DFA CAP 24-13146 Awarded Amount: 1980000.00

AR Charge Code: 5450407.490210 Grant funds multiple projects
(Complete a form for each project)

Grantor Id: 700007 Federal CFDA (if applicable): N/A

Grantor Name: DFA CAP 25-J3159 (590K MINUS AIPP) Awarded Amount: ~~(584,100.00)~~ 584100.00

AR Charge Code: 5450407.490210 Grant funds multiple projects
(Complete a form for each project)

Grantor Id: 700007 Federal CFDA (if applicable): N/A

(If grants please provide all grant award documents with form) Attached Grant Documentation

Log # {Finance use <u>only</u> }:	
Journal # {Finance use <u>only</u> }:	

**City of Santa Fe, New Mexico
BUDGET AMENDMENT RESOLUTION (BAR)**

DEPARTMENT / DIVISION NAME				DATE	
Airport / Airport CIP				9/9/2025	
ITEM DESCRIPTION	ORG	OBJECT	PROJECT	INCREASE	DECREASE
<u>EXPENDITURES</u>				{enter as <u>positive</u> #}	{enter as <u>negative</u> #}
WIP Design - Airport Improvements Ph II	5450407	572960	PWD2554522	584,100	
<u>REVENUES</u>				{enter as <u>negative</u> #}	{enter as <u>positive</u> #}
DFA - 25-J3519 Airport Improvements Ph II	5450407	490210	PWD2554522	(584,100)	

JUSTIFICATION: (use additional page if needed)
--Attach supporting documentation/memo

Agreement with NM DFA to plan, design, construct, improve and equip phase 2 of the Santa Fe Airport in the amount of \$590,000 less an AIPP amount of \$5,900 for an adjusted appropriation amount of \$584,100 (25-j3159)	\$	-	\$	-
<i>{Complete section below if BAR results in a net change to ANY Fund}</i>				
	Fund(s) Affected		Fund Balance Increase/(Decrease)	
TOTAL:				0

Kelly Bynon Prepared By (print name)	9/9/2025 Date	<i>{Use this form for Finance Committee/ City Council agenda items ONLY}</i>	Andy Hopkins Budget Officer	Sep 11, 2025 Date
		CITY COUNCIL APPROVAL	Emily K. Oster Finance Director {≤ \$5,000}	Sep 17, 2025 Date
Division Director Signature	Date	City Council Approval Date		
Department Director Signature	Date	Agenda Item #:	City Manager {≤ \$60,000}	Date

**NEW MEXICO CAPITAL OUTLAY GRANT AGREEMENT
CAPITAL APPROPRIATION PROJECT**

THIS AGREEMENT is made and entered into by and between the State of New Mexico, Department of Finance & Administration, 407 Galisteo Street, Santa Fe, NM 87501, ("**Department**") and the City of Santa Fe, ("**Grantee**") (individually "**Party**" and collectively "**Parties**"). This Agreement shall be effective as of the date the Department executes it ("**Effective Date**").

WITNESSETH

WHEREAS, in the Laws of 2025, Chapter 159, Section 504, Paragraph 33, the Legislature made an appropriation to the Department, funds from which the Department is making available to the Grantee pursuant to this Agreement; and

WHEREAS, the Department is granting to Grantee, and the Grantee is accepting the grant of funds from this appropriation, in accordance with the terms and conditions of this Agreement;

NOW, THEREFORE, in consideration of the mutual covenants and obligations contained herein, the parties hereby mutually agree as follows:

AGREEMENT

I. PROJECT DESCRIPTION, GRANT AMOUNT, AND REVERSION

- A. **25-J3159 ("Project")** 6/30/2029 ("**Reversion Date**"). Laws of 2025, Chapter 159, Section 50433, Five Hundred Ninety Thousand Dollars and No Cents, \$590,000.00, to plan, design and construct the phase 2 expansion of the Santa Fe regional airport terminal and related infrastructure in Santa Fe in Santa Fe county;
- B. Grantee's total reimbursements shall not exceed \$590,000.00 Five Hundred Ninety Thousand Dollars and No Cents, ("**Appropriation Amount**") minus the allocation for Art in Public Places ("**AIPP amount**"), if applicable, \$5,900.00 Five Thousand Nine Hundred Dollars and No Cents, which equals \$584,100.00 Five Hundred Eighty Four Thousand One Hundred Dollars and No Cents ("**Adjusted Appropriation Amount**").
- C. In the event of a conflict among the Appropriation Amount, the Reversion Date, as defined herein and/or the purpose of the Project, as set forth in this Agreement, and the corresponding appropriation language in the laws cited above in this Article I, the language of the laws cited herein shall control.

The information contained in Article I is referred to collectively as the "**Project Description**."

II. DISBURSEMENT LIMITATION

- A. Upon the Effective Date, the Grantee shall submit to the Department a comprehensive procurement plan and expenditure plan, detailing a Project timeline with milestones, required procurements, and identifying expected expenditures per milestone (collectively, "**Project Budget**"). The Department shall review and approve the Project Budget by approving a Notice of

Department's Obligation ("**Notice of Obligation**"), in accordance with the Project Description, a sample of which is attached hereto as **Exhibit B** and incorporated herein by reference. After receipt of approved Notice of Obligation, the Grantee may be reimbursed for allowable costs up to the Adjusted Appropriation Amount. This Agreement and any reimbursements up to the Adjusted Appropriation Amount are expressly conditioned upon the following:

- a. Irrespective of any Notice of Obligation, Grantee's expenditures shall be made in accordance with the Project Budget, on or before the Reversion Date and/or, if applicable, any Early Termination Date; and
 - b. The total amount received by Grantee shall not exceed the lesser of:
 - i. the Adjusted Appropriation Amount identified in Article I (B) herein; or
 - ii. the total of all amounts stated in the Notice(s) of Obligation evidencing the Department has received and accepted Grantee's Third Party Obligation(s); and
 - c. Grantee's expenditures are made and accounted for pursuant to the State Procurement Code, State's Model Accounting Practices, and execution of binding written obligations or purchase orders with third-party contractors or vendors for the provision of services, including professional services, or the purchase of tangible personal property and real property for the Project ("**Third Party Obligations**"); and
 - d. Grantee's submittal of timely Requests for Payment and supporting documentation in accordance with the procedures set forth in this Agreement; and
 - e. In the event capital assets acquired with Project funds are to be sold, leased, or licensed to or operated by a private entity, the sale, lease, license, or operating agreement:
 - i. must be approved by the applicable oversight entity (if any) in accordance with §§ 13-6-2, 13-6-2.1, and 13-6-3; or
 - ii. If no oversight entity is required to approve the transaction, the Department of Finance and Administration's Infrastructure Planning Development Division (IPDD) must approve it as complying with the law.
- B. Prior to the sale, lease, license, or operating agreement being approved pursuant to Articles II(A) (e) (i) or (ii) herein, the Department may, in its sole and absolute discretion, unless inconsistent with State Board of Finance imposed conditions, reimburse Grantee for necessary expenditures incurred to develop the Project sufficiently to make the sale, lease, license, or operating agreement commercially feasible, limited to planning and design expenditures; and
- C. Grantee's submission of documentation of all Third Party Obligations and amendments thereto (including terminations) to the Department and the Department's issuance of a Notice of Obligation for a particular amount in accordance with the terms of this Agreement shall be governed by the following:
- a. Grantee is authorized to budget the particular amount set forth in the Notice of Obligation, execute the Third Party Obligation, and request the Third Party to begin work after issuance of a Notice of Obligation by the Department.
 - b. Grantee acknowledges and agrees that any Third Party Obligations agreed to prior to receiving a Notice of Obligation are its sole responsibility.
 - c. Grantee shall submit to the Department one copy of all Third Party Obligations and amendments thereto (including terminations) as soon as possible after execution by the Third Party but prior to execution by the Grantee.

- d. Department may, in its sole and absolute discretion, issue a Notice of Obligation for the particular amount of a Third Party Obligation that only obligates the Department to reimburse Grantee's expenditures made on or before the Reversion Date or an Early Termination Date. The current Notice of Obligation form is incorporated herein and attached hereto as **Exhibit B**.
- D. Grantee shall provide all necessary qualified personnel, materials, and facilities to implement the Project. The Grantee shall finance its share (if any) of the costs of the Project, including all Project overruns.
- E. Prior to entering into this Agreement, the Department conducted a risk assessment on the Grantee and a project readiness review for the Project. In accordance with State Model Accounting Practices, FIN 9.2, if the Department determines that the expenditure of Project funds by the Grantee requires special conditions, those conditions are identified and listed in **Exhibit C**, which is attached and incorporated by reference. The Parties agree that, to the extent the Department, in its sole and absolute discretion, determines additional special conditions are necessary or that existing special conditions are no longer required, it may update **Exhibit C** from time to time without the need for a formal amendment of this Agreement.
- F. Project funds shall not be used for purposes other than those authorized by the Department in accordance with the Project Description.
- G. Project funds cannot be used to reimburse the Grantee for indirect Project costs unless specifically allowed by law.

III. NOTICES

The following provisions shall apply whenever written notices, including written decisions, are to be given or received related to this Agreement.

- A. The Grantee designates the person(s) listed below, or their successor, as their official representative(s) concerning all matters related to this Agreement:

Grantee: City of Santa Fe
 Name: Alan Webber
 Title: Mayor
 Address: PO Box 909, Santa Fe, NM 87504
 Email: mayor@santafenm.gov
 Telephone: 505-955-6590

- B. The Grantee designates the person(s) listed below, or their successor, as their Fiscal Officer or Fiscal Agent concerning all matters related to this Agreement:

Grantee: City of Santa Fe
 Name: Emily Oster
 Title: Finance Director
 Address: PO Box 909, Santa Fe, NM 87504
 Email: ekoster@santafenm.gov

Telephone: 505-629-3411

- C. The Department designates the persons listed below, or their successors, as the Points of Contact for matters related to this Agreement.

Department: DFA/Local Government Division

Name: Daniel Catanach

Title: Grant Manager

Address: Bataan Memorial Bldg. Rm 202, Santa Fe NM 87501

Email: danieln.catanach@dfa.nm.gov

Telephone: 505-231-6090

The Parties agree that all notices, including written decisions, related to this Agreement shall be sent to the persons named above by email or regular mail. For mailings, notices shall be deemed to have been given and received upon the date of the receiving party's actual receipt or five (5) calendar days after mailing, whichever shall first occur. In the case of email transmissions, the notice shall be deemed to have been given and received on the date reflected on the delivery receipt of the email.

IV. TERM & DEADLINE TO EXPEND FUNDS

- A. The term of this Agreement shall begin on the Effective Date and terminate on the 30th day of June during the calendar year of the Reversion Date unless Terminated Before Reversion Date ("**Early Termination**") pursuant to Article V herein (collectively "**Term**").
- B. The Project's funds must be expended on or before the Reversion Date and, if applicable, the Early Termination Date of this Agreement.
- a. For purposes of this Agreement, it is not sufficient for the Grantee to encumber the Project funds on its books on or before the Reversion Date or Early Termination Date.
 - b. For purposes of this Agreement, an expenditure of funds has occurred on the date the particular quantity of goods is delivered to and received by the Grantee, title to the goods is transferred to the Grantee, and/or as of the date particular services are rendered to and accepted by the Grantee.
 - c. For purposes of this Agreement, an encumbrance of funds pursuant to a contract or purchase order with a third party does not qualify as an expenditure.

V. EARLY TERMINATION

- A. General Provision. The Department may terminate this Agreement before the Reversion Date based on the Completion of the Project, Complete Expenditure of the Adjusted Appropriation, and/or Violation of this Agreement. Early Termination hereunder includes:
- a. Termination due to completion of the Project before the Reversion Date;
 - b. Termination due to complete expenditure of the Adjusted Appropriation Amount before the Reversion Date;
 - c. Termination for violation of the terms of this Agreement; or
 - d. Termination for suspected mishandling of public funds, including but not limited to fraud, waste, abuse, and conflicts of interest.

- B. Non-appropriation. This Agreement is expressly contingent upon the New Mexico State Legislature making sufficient appropriations and authorizations for the Project Description.
- a. If the Legislature does not appropriate the Appropriation Amount, this Agreement shall terminate upon the Department giving the Grantee written notice of such termination. Such termination shall be effective as of the effective date of the law making the non-appropriation.
 - i. The Department's decision as to whether sufficient appropriations or authorizations are available shall be final. Grantee hereby waives any rights to assert an impairment of contract claim against the State of New Mexico in the event of Early Termination of this Agreement.
 - b. As used herein, "non-appropriate" or "non-appropriation" includes the following actions by the New Mexico Legislature:
 - i. Deauthorization, reauthorization, or revocation of a prior authorization.
- C. Grant Disbursements in the Event of Early Termination. In the event of Early Termination, the Department's sole and absolute obligation to reimburse the Grantee is expressly conditioned upon the limitations set forth in Article II above.
- D. Notice. Either Party may terminate this Agreement prior to the Reversion Date by providing the other Party with a minimum of fifteen (15) days advance written notice of the Early Termination. Grantee hereby waives any rights to assert an impairment of contract claim against the State of New Mexico in the event of Early Termination of this Agreement by the Department.

VI. SUSPENSION OF NEW OR FURTHER OBLIGATIONS

- A. Department, in its sole and absolute discretion, may provide written notice to Grantee to suspend entering into further obligations. Upon the receipt of such written notice by the Grantee:
- a. Grantee shall immediately suspend entering into new or further written obligations with third parties;
 - b. Department will suspend the issuance of any new or further Notice of Obligation under this Agreement; and
 - c. Department may direct the Grantee to implement a corrective action plan in accordance with Article VI (D) herein.
- B. In the event of Suspension of this Agreement, the Department's sole and absolute obligation to reimburse the Grantee is expressly conditioned upon the limitations set forth in Article II herein.
- C. A suspension of new or further obligations under this Agreement shall remain in effect unless or until the date the Grantee receives written notice given by the Department informing the Grantee that the Suspension has been lifted or that the Agreement has been Early Terminated in accordance with Article V herein. If the Suspension is lifted, the Department will consider further requests for a Notice of Obligation.
- D. Corrective Action Plan in the Event of Suspension. Where the Department, in its sole and absolute discretion, directs Grantee to suspend entering into new or further written obligations

with third parties pursuant to Article VI(A), the Department may, but is not obligated to, require the Grantee to develop and implement a written corrective action plan to remedy the grounds for the Suspension.

- a. Such a corrective action plan must be approved by the Department and be signed by the Grantee.
- b. Failure to sign a corrective action plan or meet the terms and deadlines set forth in the signed corrective action plan is hereby deemed a violation of the terms of this Agreement for purposes of Early Termination, Article V(A)(c).
- c. A corrective action plan shall be in addition to, and not in lieu of, any other equitable or legal remedy authorized hereunder or at law, including but not limited to Early Termination.

VII. AMENDMENTS

Unless expressly stated otherwise herein, this Agreement shall not be altered, changed, or amended except by an instrument in writing duly executed by both parties hereto with the same formalities as this agreement.

VIII. REPORTING

A. Database Reporting

- a. Grantee shall provide the Department with quarterly reports of Project activity, entering the required Project information directly into a database required by the Department.
- b. Additionally, Grantee shall certify on each Request for Payment form, attached hereto as **Exhibit A** and incorporated herein, that all information provided in the database is true and accurate, updates to the database have been maintained, and all Project activity complies with applicable law and the terms of this Agreement.
- c. Grantee hereby acknowledges that failure to perform and/or certify updates to the database will jeopardize the reimbursement of funds. The Department shall give Grantee a minimum of fourteen (14) days' advance written notice of any changes to the information the Grantee is required to report.
- d. At the Department's discretion, all reports required hereunder may be directed to and facilitated through an electronic database.
- e. Quarterly reports shall be due on the last day of the month, that is, 30 days prior to the end of the quarter following the execution of this Agreement by the Department and ending during the quarter of the submission of the final request for reimbursement for the Project, or the following quarter.

B. Requests for Additional Information/Project Inspection

During the term of this Agreement and during the period of time during which the Grantee must maintain records pursuant to Article VIII, the Department may:

- i. request such additional information regarding the Project as it deems necessary; and
- ii. conduct, at reasonable times and upon reasonable notice, onsite inspections of the Project.

Grantee shall respond to such requests for additional information within a reasonable period of time, as established by the Department.

B. Requests for Additional Information/Project Inspection

- a. During the term of this Agreement and the Record Retention Period, the Department may:
 - i. Request additional information regarding the Project as it deems necessary and
 - ii. Conduct on-site inspections of the Project at reasonable times and upon reasonable notice.
- b. Grantee shall respond to such requests for additional information within the time established by the Department.

IX. REQUEST FOR PAYMENT PROCEDURES

A. Grantee shall request payment by submitting the form attached hereto as **Exhibit A**. Payment requests are subject to the following procedures:

- a. Each Request for Payment must be in accordance with the Project Budget and contain proof of payment by the Grantee or liabilities incurred by the Grantee.
 - i. Proof of payment must demonstrate the validity of an expenditure or liabilities incurred by Grantee.
 - ii. However, Grantee may be reimbursed for unpaid liabilities only if the Department, in its sole and absolute discretion, agrees to do so and in accordance with any special conditions imposed by the Department.
 - iii. The Grantee shall make payment to those contractors or vendors within five (5) business days from the date of receiving reimbursement from the Department or in a shorter period than the Department may prescribe in writing.
 - iv. The Department reserves the right to make such payments directly to the contractors or vendors as a special condition under this Agreement.
 - v. The Grantee is required to certify to the Department proof of payment to the third-party contractor or vendor within five (5) business days from the date the Department reimburses the Grantee.

B. Until the Project is fully planned, designed, and all necessary procurements identified in the Project Budget are completed, Grantee's reimbursements will be limited to the planning, design, and procurement costs outlined in the Project Budget. Once the planning, designing, and procuring stages are complete, the Grantee must obligate at least ten percent (10%) of the Adjusted Appropriation Amount within one (1) year and must have utilized at least eighty-five percent (85%) of the Adjusted Appropriation Amount six (6) months before the reversion date.

C. Deadlines. Grantee shall submit requests for Payments to the Department on the earlier of:

- a. Immediately as Grantee receives them, but at a maximum of thirty (30) days from when Grantee incurred the expenditure or liability; or
- b. Twenty (20) days from the date of Early Termination or Reversion Date for expenditures or liabilities incurred before the Early Termination date or Reversion Date.

- D. Grantee's failure to abide by the requirements set forth in Article II and Article IX herein may result in the denial of its Request for Payment. Department reserves the right to reject a payment request for the Project unless and until it is satisfied that the expenditures or liabilities are for permissible purposes within the meaning of the Project Description, identified within the Project Budget, and that the Grantee is otherwise in compliance with this Agreement.
- a. Department's authority to reject any Request for Payment is in addition to, and not in lieu of, any other legal or equitable remedy available to the Department under this Agreement, at law, or in equity.

X. PROJECT CONDITIONS AND RESTRICTIONS

A. The following general conditions and restrictions shall apply to the Project:

- a. The Project's funds must be spent in accordance with all applicable state laws, regulations, policies, and guidelines, including, but not limited to, the State Procurement Code.
- b. The Project's expenditures and liabilities must be accounted for in accordance with the State's Model Accounting Practices, as amended from time to time.
- c. The Project must be implemented in accordance with the New Mexico Public Works Minimum Wage Act, Section 13-4-10 through 13-4-17 NMSA 1978, as applicable.
- d. The Project must provide a public benefit above and beyond any incidental benefit to private entities in accordance with applicable law, including, but not limited to, Article IX, Section 14 of the Constitution of the State of New Mexico.
- e. Without prior written approval from the Department and State Board of Finance, for the useful life of any asset purchased under this Agreement, Grantee shall not convert any property acquired, built, renovated, repaired, designed, or developed with Project funds to uses other than those specified in the Project Description.
- i. In addition to other remedies available at law or in equity, any disposal or conversion of property acquired, built, renovated, repaired, designed, or developed with Project funds without the Department's and the Board of Finance's express written approval will trigger the Department's right to reimbursement from Grantee of the Appropriated Amount, transfer proceeds from any disposition of property to the State, or otherwise provide consideration to the State for the Appropriated Amounts.
- f. Grantee shall comply with all applicable federal and state laws, rules, and regulations pertaining to civil rights and equal employment opportunity.
- i. In accordance with all such laws, rules, and regulations, the Grantee agrees to assure that no person shall, on the grounds of race, color, national origin, sex, sexual preference, age, or handicap, be excluded from participation in the Project, use of the Project, employment with Grantee, or otherwise be denied benefits/subject to discrimination for any activity performed under this Agreement.
- g. Where the Department, in its sole and absolute discretion, determines Grantee has failed to comply with the above conditions and restriction, Grantee agrees to take appropriate steps to correct any deficiencies immediately. The Grantee's failure to implement such appropriate steps within a reasonable time, but no longer than thirty (30) days after

notice from the Department, constitutes a breach of this Agreement and grounds for Early Termination.

XI. REPRESENTATIONS AND WARRANTIES

A. Reliance by Department.

- a. Grantee expressly acknowledges that the Department relies on the representations and warranties made by Grantee in this Agreement. Grantee acknowledges that such representations and warranties are a material inducement for the Department to enter into this Agreement and provide the Appropriated Amount.
- b. Grantee shall ensure all representations and warranties provided herein are true, accurate, and complete as of the date of the Effective Date and shall remain so throughout the Term of this Agreement. Grantee is responsible for promptly notifying the Department in writing of any changes or inaccuracies in the representations and warranties contained herein.

B. Grantee hereby represents and warrants the following:

- a. Grantee has taken all necessary steps to attain the legal authority to receive and expend the Project's funds.
- b. Grantee has duly authorized this Agreement, and the person executing it has authority to do so. Once executed by Grantee, this Agreement shall constitute a binding obligation of Grantee, enforceable according to its terms.
- c. Grantee's obligations hereunder do not conflict with any law, ordinance, or resolution applicable to Grantee, Grantee's charter (if applicable), or any judgment or decree to which Grantee is subject.
- d. Grantee has independently confirmed that the Project Description, including, but not limited to, the Appropriated Amount and Reversion Date, is consistent with the underlying appropriation in law.
- e. Grantee's governing body has duly adopted or passed as an official act a resolution, motion, or similar action authorizing the person identified as the official representative of the Grantee to sign and submit Requests for Payment on behalf of Grantee.
- f. Grantee will abide by New Mexico laws regarding conflicts of interest, governmental conduct, and whistleblower protection.
 - i. Grantee agrees explicitly none of its officers or employees or its designees or agents, no member of the governing body, and no other public official of Grantee who exercises any function or responsibility with respect to this Agreement, shall have any interest, direct or indirect, in any contract or subcontract, or the proceeds thereof, for the Project.
 - ii. Further, Grantee will require all of its contractors to incorporate the language set forth in this paragraph prohibiting conflicts of interest in all subcontracts.
- g. No funds have been paid or will be paid, by or on behalf of the Grantee, to any person for influencing or attempting to influence an officer or employee of the State, any agency, or body in connection with the awarding of any Third Party Obligation.
 - i. Grantee will require certifying language prohibiting lobbying to be included in the award documents for all subawards, including subcontracts, loans, and cooperative agreements.

- C. Consequences of False or Misleading Representations. If any representation or warranty made by Grantee is found to be false or misleading, the Department shall have the right to exercise any or all of the following remedies:
- a. **Termination of Agreement:** Department may terminate this Agreement immediately upon written notice to the Grantee.
 - b. **Repayment of Grant Funds:** Grantee shall repay all Appropriated Amounts disbursed under this Agreement, upon demand by the Department.
 - c. **Other Remedies:** Department may pursue any other remedies available at law or in equity.
- D. Survival of Representations and Warranties. The representations and warranties made by the Grantee shall survive the Early Termination or expiration of this Agreement.

XII. PROJECT RECORDS

- A. Grantee shall be strictly accountable for receipts and disbursements relating to the Project's funds. The Grantee shall follow generally accepted accounting principles and the State's Model Accounting Practices and, if feasible, maintain a separate bank account or fund with a separate organizational code to ensure separate budgeting and accounting of the funds.
- B. For six (6) years following the Project's completion ("**Record Retention Period**"), Grantee shall maintain all Project-related records, including, but not limited to, all financial records, requests for proposals, invitations to bid, selection and award criteria, contracts and subcontracts, advertisements, minutes of pertinent meetings, as well as records sufficient to fully account for the amount and disposition of the Appropriated Amount from all sources budgeted for the Project, the purpose for which such funds were used, and such other records as the Department may prescribe.
- C. Grantee shall make all Project records available to the Department, the Department's Independent Public Accountant, and the New Mexico State Auditor upon request. With respect to the funds that are the subject of this Agreement, if the State Auditor or the Department finds any funds were improperly expended, Grantee shall be required to reimburse the State all amounts found to be improperly expended.

XIII. IMPROPERLY REIMBURSED FUNDS

If the Department determines part or all of the Appropriation Amount was improperly reimbursed to Grantee, including but not limited to funds reimbursed to Grantee based upon fraud, mismanagement, misrepresentation, misuse, violation of law by the Grantee, after ten (10) days' notice to Grantee and the opportunity to return such funds to the Department, the Department may offset any funds due to Grantee from the State, until the Appropriation Amount is fully repaid.

XIV. LIABILITY

Neither Party shall be responsible for liability incurred as a result of the other Party's acts or omissions in connection with this Agreement. Any liability incurred in connection with this Agreement is subject to

immunities and limitations of the New Mexico Tort Claims Act.

XV. SCOPE OF AGREEMENT

This Agreement constitutes the entire and exclusive agreement between the Parties concerning the subject matter hereof. The Agreement supersedes all prior or contemporaneous agreements, understandings, discussions, communications, and representations, written or verbal.

XVI. REQUIRED NON-APPROPRIATIONS CLAUSE

- A. Grantee acknowledges and agrees to include a “non-appropriations” clause in all contracts between it and other parties that are (i) funded in whole or part by funds made available under this Agreement and (ii) entered into after the effective date of this Agreement that states:
 - a. “The terms of this Agreement are contingent upon sufficient appropriations and authorization being made by the Legislature of the State of New Mexico (“**Legislature**”) for the performance of this Agreement.
 - b. If the Legislature does not make sufficient appropriations and authorization, City of Santa Fe may immediately terminate this Agreement by giving Contractor written notice of such termination.
 - c. The City of Santa Fe’s decision as to whether sufficient appropriations are available shall be final and accepted by the Contractor. Contractor hereby waives any rights to assert an impairment of contract claim against the City of Santa Fe or the State of New Mexico in the event of immediate or Early Termination of this Agreement by the City of Santa Fe or the State Department of Finance and Administration.”

XVII. REQUIRED TERMINATION CLAUSE

- A. Grantee acknowledges and agrees to include the following termination clause in all contracts that are (i) funded in whole or part by funds made available under this Agreement and (ii) entered into after the effective date of this Agreement:
 - a. “This contract is funded in whole or in part by funds made available by the State of New Mexico (“**State**”). Should the State terminate its Agreement with the City of Santa Fe, the City of Santa Fe may terminate this contract immediately by providing Contractor written notice of such termination.
 - b. In the event of termination pursuant to this paragraph, the City of Santa Fe’s only liability to Contractor shall be for goods and services delivered and accepted prior to the termination date.”

XVIII. COMPLIANCE WITH UNIFORM FUNDING CRITERIA

- A. Throughout the term of this Agreement, Grantee shall:
 - a. Submit all reports of annual audits and agreed-upon procedures required by § 12-6-3(A)-(B), NMSA 1978 by the due dates established in § 2.2.2 NMAC, reports of which must be a

- public record pursuant to § 12-6-5(A), NMSA 1978 within forty-five (45) days of delivery to the State Auditor;
- b. Have a duly adopted budget for the current fiscal year approved by its budgetary oversight agency (if any);
 - c. Timely submit all required financial reports to its budgetary oversight agency (if any); and
 - d. Use accounting methods and procedures consistent with Generally Accepted Accounting Principles and the State's Model Accounting Principals to expend the Appropriated Amount in accordance with applicable law and account for and safeguard Project funds and assets acquired with Project funds.
- B. In the event Grantee fails to comply with the requirements of subparagraph A of this Article XVIII, Department may take one or more of the following actions:
- a. Suspend new or further obligations pursuant to Article VI(A) of this Agreement;
 - b. Require the Grantee to develop and implement a written corrective action plan pursuant to Article VI(D) of this Agreement to remedy the non-compliance;
 - c. Impose special conditions to address the non-compliance by giving Grantee notice of such special conditions in accordance with Article III of this Agreement;
 - i. The Parties agree that any special conditions imposed to address non-compliance shall be incorporated into this Agreement, through **Exhibit C**, upon notice to Grantee, without need for formal amendment of this Agreement;
 - ii. Special conditions shall be binding and effective on the date that notice is deemed to have been given pursuant to Article III or
 - d. Terminate this Agreement pursuant to Article V(A) of this Agreement.

XIX. SEVERANCE TAX AND GENERAL OBLIGATION BONDS

- A. Grantee acknowledges and agrees that the underlying appropriation for the Project may originate from the issuance of tax-exempt severance tax bonds or general obligation bonds by the State. Proceeds from such bonds are administered by the New Mexico State Board of Finance ("**SBOF**"), an entity separate and distinct from the Department.
- a. Grantee acknowledges and agrees:
 - i. It is Grantee's responsibility to determine through SBOF what (if any) conditions are currently imposed on the Project;
 - ii. Department's failure to inform Grantee of an SBOF-imposed condition does not affect the validity or enforceability of the condition;
 - iii. The SBOF may in the future impose further or different conditions upon the Project;
 - iv. All SBOF conditions are attached to the Project and Appropriation Amount without the need for formal amendment of this Agreement;
 - v. All applicable SBOF conditions must be satisfied before the SBOF will release to the Department funds subject to the condition(s) and
 - vi. The Department's obligation to reimburse Grantee from the Project is expressly contingent upon the satisfaction of the then-current SBOF conditions.
- B. Grantee acknowledges and agrees SBOF may, at its sole and absolute discretion, require reimbursement or remove eligibility for bond proceeds for the Project if the Project doesn't

proceed sufficiently.

- a. Grantee must comply with the requirement to encumber five percent (5%) of Project funds within six months of bond issuance as certified by Grantee in the Bond Questionnaire and Certification documents submitted to the SBOF.
 - b. Failure to comply may result in the reassignment of the bond proceeds. Upon reassignment of bond proceeds, this Agreement will be suspended until the entity has demonstrated readiness as determined by the SBOF and the Department.
- C. Grantee acknowledges and agrees that this Agreement is subject to the SBOF's Bond Project Disbursements rule, § 2.61.6, NMAC, as may be amended from time to time or re-codified.

XX. GENERAL PROVISIONS

- A. Assignment: Grantee's rights and obligations under this Agreement are personal and may not be transferred or assigned without the prior written consent of the State. Any attempt at assignment or transfer without such consent shall be void. Any assignment or transfer of Grantee's rights and obligations approved by the State shall be subject to the provisions of this Agreement.
- B. Subcontractors: Grantee shall not enter any subgrant or subcontract in connection with its obligations under this Agreement without the prior written approval of the State. Upon request, Grantee shall submit to the Department a copy of each such subgrant or subcontract.
- C. Binding Effect: Except as otherwise provided, all provisions of this Agreement, including the benefits and burdens, shall extend to and be binding upon the Parties' respective successors and assigns.
- D. Authority: Each Party represents and warrants to the other that the execution and delivery of this Agreement and the performance of such Party's obligations have been duly authorized.
- E. Captions and References: The captions and headings in this Agreement are for the convenience of reference only and shall not be used to interpret, define, or limit its provisions. All references in this Agreement to sections (whether spelled out or using the § symbol), subsections, exhibits, or other attachments are references to sections, subsections, exhibits, or other attachments contained herein or incorporated as a part hereof, unless otherwise noted.
- F. Counterparts: This Agreement may be executed in multiple, identical, original counterparts, each of which shall be deemed to be an original, but all of which, taken together, shall constitute the same agreement.
- G. Digital Signatures: If any signatory signs this agreement using a digital signature in accordance with the State Policies regarding the use of digital signatures, then any agreement or consent to use digital signatures within the electronic system through which that signatory signed shall be incorporated into this Agreement by reference.
- H. Modification: Except as otherwise provided in this Agreement, any modification to this Agreement shall only be effective if agreed to in a formal amendment, properly executed and approved in accordance with applicable New Mexico law and State fiscal policies and rules.

Modifications permitted under this Agreement, other than Agreement amendments, shall conform to the policies issued by the State.

- I. Statutes, Regulations, Fiscal Rules, and Other Authority: Any reference in this Agreement to a statute, regulation, policy, or other authority shall be interpreted to refer to such authority then current, as may have been changed or amended after the Effective Date of this Agreement.
- J. External Terms and Conditions: Notwithstanding anything to the contrary herein, the State shall not be subject to any provision included in any terms, conditions, or agreements appearing on Grantee's or a subcontractor's website or any provision incorporated into any click-through or online agreements related to the Work unless that provision is specifically referenced in this Agreement.
- K. Severability: The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement, which shall remain in full force and effect, provided that the Parties can continue to perform their obligations under this Agreement in accordance with its intent.
- L. Survival of Certain Agreement Terms: Any provision of this Agreement that imposes an obligation on a Party after the termination or expiration of this Agreement shall survive the termination or expiration of this Agreement and shall be enforceable by the other Party.
- M. Third Party Beneficiaries: Except for the Parties' respective successors and assigns described in this Agreement, it does not and is not intended to confer any rights or remedies upon any person or entity other than the Parties. Enforcement of this Agreement and all rights and obligations hereunder are reserved solely to the Parties. Any services or benefits that third parties receive as a result of this Agreement are incidental to this Agreement and do not create any rights for such third parties.
- N. Waiver: A Party's failure or delay in exercising any right, power, or privilege under this Agreement, whether explicit or by lack of enforcement, shall not operate as a waiver, nor shall any single or partial exercise of any right, power, or privilege preclude any other or further exercise of such right, power, or privilege.
- O. Standard and Manner of Performance: Grantee shall perform its obligations under this Agreement in accordance with the highest standards of care, skill, and diligence in Grantee's industry, trade, or profession.
- P. Licenses, Permits, and Other Authorizations: Grantee shall secure, prior to the Effective Date, and maintain at all times during the term of this Agreement, at its sole expense, all licenses, certifications, permits, and other authorizations required to perform its obligations under this Agreement and shall ensure that all employees, agents, and subcontractors secure and maintain at all times during the term of their employment, agency or subcontractor, all license, certifications, permits and other authorizations required to perform their obligations in relation to this Agreement.
- Q. Publicity: Any Publicity regarding the subject matter of this Agreement may not be released without prior written approval from the Department. For purposes of this agreement, "**Publicity**"

means notices, informational pamphlets, press releases, email responses, research, reports, signs, and similar public notices prepared by or for the Grantee or jointly with others.

- a. Grantee shall obtain written approval prior to issuing any press release or making any public announcement regarding this agreement. Grantee agrees to obtain approval of the Department in advance with respect to all Public Relations, all communications with media, or all communications with any other member of the public with respect to this agreement, except to acknowledge that an agreement does exist.
- b. For purposes of this agreement, "Public Relations" includes community relations and means those activities dedicated to maintaining the Department's image or maintaining or promoting understanding and favorable relations with the community or public at large or any segment of the public.
- c. Violations of either Article XX (Q)(a) or (b) shall constitute a material Breach of Agreement.

R. Data Sharing: The State intends to secure and collate specific data generated by Grantee under this Agreement to use in support of the State's organizational, policy-making, and management of public resource functions. State, in accordance with **Exhibit E**, attached hereto and incorporated herein by reference, reserves the right to require Grantee and/or its subcontractors to provide specific data relevant to the above-listed functions. Data provided by Grantee may be incorporated into existing or future developed State integrated analysis tools or databases, including but not limited to geographic information system (GIS) networks and databases accessible by the public. Dissemination of data collected may include historical data and projections based on such historical data.

- a. To the extent any data transferred as part of this Agreement is legally determined to be the property of Subrecipient or its subcontractors, Subrecipient and/or its subcontractors grants State a nonexclusive, fully paid-up right and license to reproduce, use, distribute, do derivative works based on, and archive data transferred as part of this Agreement.

S. Venue and Choice of Law: This Agreement shall be governed by and construed in accordance with the laws of the State of New Mexico, without regard to any conflict of law provisions. Any legal suit, action, or proceeding arising out of or related to this Agreement shall be instituted exclusively in the district courts located in Santa Fe, New Mexico. The Parties hereby irrevocably submit to the exclusive jurisdiction and venue of such courts in any such suit, action, or proceeding. The Parties waive any objection to the laying of the venue of any such suit, action, or proceeding in the district courts of Santa Fe, New Mexico, and irrevocably waive and agree not to plead or claim in any such court that any such suit, action, or proceeding brought in any such court has been brought in an inconvenient forum.

[SIGNATURE PAGE AND EXHIBITS FOLLOW]
[THIS SPACE LEFT BLANK INTENTIONALLY]

IN WITNESS WHEREOF, the parties have duly executed this Agreement as of the Department's date of execution.

APPROVED BY DEPARTMENT:

Cabinet Secretary, Wayne Propst:

Signature Date

Chief Financial Officer, Mackie Romero:

Signature Date

Local Government Division Director, Cecilia Mavrommatis:

Signature Date

AS TO LEGAL FORM AND SUFFICIENCY

General Counsel's Office:

Signature

(Print Name) (Title)

APPROVED BY GRANTEE:

Entity Name

Official with Authority to Bind Grantee:

Signature

(Print Name)

(Title)

Date

ATTEST:

ANDRÉA SALAZAR, CITY CLERK

Date

Fiscal Officer or Chief Financial Officer:

Emily K. Oster

EMILY OSTER, FINANCE DIRECTOR

Sep 17, 2025

Date

As To Legal Form And Sufficiency

Kevin L. Nault

Kevin L. Nault (Aug 20, 2025 17:31:56 MDT)

KEVIN NAULT, ASSISTANT CITY ATTORNEY

Aug 20, 2025

Date

EXHIBIT A
Request for Payment Form and Certification

STATE OF NEW MEXICO GRANT APPROPRIATION Request for Payment Form Exhibit A

I. Grantee Information (Must match your DFA Substitute W-9 Form)

A. Grantee: _____
 B. Address: _____
(Complete Mailing, including State, if applicable)

City, State, Zip

 C. Contact Name/Phone #: _____
 D. Grant No: _____
 E. Project Title: _____
 F. Grant Expiration Date: _____

II. Payment Computation

A. Payment Request No. _____
 B. Grant Amount: \$ 0.00
 C. AIPP Amount (If Applicable): \$ 0.00
 D. Funds Requested to Date: \$ 0.00
 E. Amount Requested this Payment: _____
 F. Reversion Amount (if applicable): \$ 0.00
 G. Grant Balance: \$ 0.00
 H. Final Request for Payment (if applicable)

III. Fiscal Year : 2026 (July 1, 2025-June 30, 2026)
(The State of NM Fiscal Year is July 1, 20XX through June 30, 20XX of the following year)

IV. Certifications

- I hereby certify that all conditions and requirements for Payments outlined in the Agreement have been met, including but not limited to:
 - a. Submission and approval of a Project Budget as per Article IV, Section A of the Agreement.
 - b. Compliance with the Project Budget and expenditure of funds in accordance with the State Procurement Code and the State's Model Accounting Practices.
 - c. Submission of supporting documentation as required by the Agreement.
 - d. Maintenance of all necessary records and documentation as stipulated in the Agreement.
- I attest that the information provided is correct; expenditures are properly documented and valid or actual receipts, and that the activity fully complies with Article IX, Sec. 14 of the New Mexico Constitution, known as the "anti-donation" clause.
- I hereby certify that all representations and warranties made in the Agreement remain true, accurate, and complete as of the date of this request, and will continue to be so throughout the term of the Agreement. I acknowledge that these representations and warranties are a material inducement for the Department to approve this pay request.

 Grantee Fiscal Officer or Fiscal Agent (if applicable)

 Grantee Representative

 Printed Name

 Printed Name

Date: _____

Date: _____

(State Agency Use Only)

Vendor Code: _____ Fund No.: _____ PO # _____ Loc No.: _____

I certify that the State Agency financial and vendor file information agree with the above submitted information.

 ASD Officer

 Date

 Division Grant Manager

 Date

Revised 7/2025

[THIS SPACE LEFT BLANK INTENTIONALLY]

EXHIBIT B

Notice of Department's Obligation Form

**NOTICE OF OBLIGATION TO REIMBURSE GRANTEE
EXHIBIT B**

Notice of Obligation to Reimburse Grantee # _____

DATE: _____

TO: Department Representative: _____, Grant Manager _____

FROM: Grantee Entity: _____

Grantee Official Representative: _____

SUBJECT: Notice of Obligation to Reimburse Grantee

Grant Number: _____

Grant Termination Date: _____

As the designated representative of the Department for Grant Agreement number _____ entered into between Grantee and the Department, I certify that the Grantee has submitted to the Department the following third party obligation executed, in writing, by the third party's authorized representative:

Vendor or Contractor: _____

Third Party Obligation Amount: _____

Vendor or Contractor: _____

Third Party Obligation Amount: _____

I certify that the State is issuing this Notice of Obligation to Reimburse Grantee for permissible purposes within the scope of the project description, subject to all the terms and conditions of the above referenced Grant Agreement.

Grant Amount (Minus AIPP if applicable): _____

The Amount of this Notice of Obligation: _____

The Total Amount of all Previously Issued Notices of Obligation: _____

The Total Amount of all Notices of Obligation to Date: _____ \$ 0.00

Note: Contract amounts may exceed the total grant amount, but the invoices paid by the grant will not exceed the grant amount.

Department Rep. Approver: _____

Title: Grant Manager _____

Signature: _____

Date: _____

1 Administrative and/or Indirect Cost – generally, the legislation authorizing the issuance of bonds prohibits the use of its proceeds for indirect expenses (e.g. penalty fees or damages other than pay for work performed, attorney fees, and administrative fees). Such use of bond proceeds shall not be allowed unless specifically authorized by statute.

Revised 7/2025

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EXHIBIT C

Special Conditions (If Fiscal Agent Required or Anti Donations Issues Exist)

OPTIONAL EXHIBIT C SPECIAL CONDITIONS

The capital outlay oversight requires grantees' accounting methods and procedures, including their internal control framework, to be scrutinized, so as to safeguard State capital outlay appropriations and assets acquired with such appropriations.

This Capital Outlay Special Grant Condition(s) **Exhibit C** is necessary pursuant to § 6-3b-1 et seq., NMSA 1978 (Public Finance Accountability Act) and MAPS Fin 9.2, due to the Grantees' material weaknesses, significant deficiencies, or findings that raised concerns as to the ability to expend grant funds in accordance with applicable law in the organization's FY [20XX] audit. The Special Conditions identified below apply to the authorized agent, [insert the Grantee or Fiscal Agent name].

Procurement - All purchases or contracts the Grantee enters that shall use funding from the Department capital appropriations grant must be approved by the Department prior to the initiation of implementing purchasing documents. The Grantee shall receive such prior approval via official correspondence from the Department, which may be through letter or email. The Grantee shall submit the following to the Department in pursuit of prior approval: purchasing policies and procedures, CFO certification, documentation of management and program approval, policies and procedures governing purchasing and contracting, a copy of the current procurement and contracting policies, and documentation regarding informing staff responsible for purchasing and contracting on such policies and procedures.

Budget - Provide documentation of approval of your current budget from DFA Local Government or other authoritative agency. Provide policies and procedures on who is responsible for and how annual budgets (expenditures and revenue) are established, monitored and adjusted. Provide a corrective action plan on how budget issues identified in your audit will be/have been addressed. Also include documentation on how staff responsible for budgeting is informed on budget policies and procedures.

Capital Assets - Provide a complete list of inventory including inventory control numbers and current location. Provide policies and procedures on capital assets and inventory and specify how the proposed purchased items will be included, tagged, and tracked in capital asset inventory. Also include documentation on how staff responsible for capital assets is informed on capital asset policies and procedures.

Travel and Per Diem - Provide policies and procedures on travel and per diem. Also include how staff who travel and those responsible for travel reimbursement are informed on travel and per diem policies and procedures.

Timely Audits - Provide policies and procedures on annual audits. Provide documentation on how and who is responsible for insuring that annual audits are completed timely. Also include documentation on how staff responsible for the annual audit is informed on audit policies and procedures.

Cash Management - policies and procedures on cash management of federal funds. Provide procedures used to draw and disburse federal funds. Provide procedures to reconcile draw amounts, deposits and disbursements; and to prepare federal cash reporting documents to ensure compliance with federal regulations.

The <Grantee> was required to, and has provided sufficient documentation regarding [insert specific names of the Special Condition(s)], as referenced in the <Grantee>'s [20XX] Audit file. Therefore, the criteria to enter into this agreement have been met.

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EXHIBIT D

Project Budget Worksheet *

*(Provided separately when grant agreement issued to Grantee)



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EXHIBIT E
Data Sharing Provisions

Exhibit E

Data Sharing Provisions for New Mexico Capital Outlay Agreements

I. Introduction:

This Data Sharing Provisions Exhibit ("Exhibit") is incorporated into the New Mexico Capital Outlay Agreements ("Agreements") between the State of New Mexico ("State") and [Insert Partner Name] ("Partner"). This Exhibit outlines the terms and conditions under which data will be shared between the Parties to ensure compliance with New Mexico state laws and regulations, focusing on data privacy, security, and compliance.

II. Definitions:

- a. **Authorized User:** An employee, agent, assign, representative, independent contractor, or other person or entity authorized by Partner or State to access, use, or disclose information through this exhibit.
- b. **Confidential Information:** All data or information shared in confidence, with the expectation that it will not be disclosed in an identifiable form. This includes data that is exempt from public disclosure under the New Mexico Inspection of Public Records Act (§ 14-2-1 et seq. NMSA 1978) or other relevant laws.
- c. **Data Storage:** Electronic media that hold recorded information.
- d. **Data Transmission:** The process of moving information over a network from its source to one or more destinations.
- e. **Direct Identifier:** Records or data containing personal identifiers such as names, addresses, and social security numbers.
- f. **Disclosure:** Permission to access, release, transfer, or otherwise communicate confidential information by any means to any third party, except as authorized by the Party that controls the record.
- g. **Encryption** involves using algorithms to encode data, rendering it unreadable without a specific key. It may be necessary during data transmission and/or storage.
- h. **Information:** Any data, figures, statistics, or other facts provided or learned about someone or something, including Confidential Information, that may be legally transmitted under this Exhibit.
- i. **Limited Dataset:** A data file that omits Direct Identifiers.
- j. **Protected Personally Identifiable Information:** Sensitive personal details such as social security numbers and financial account numbers, with specific exclusions as outlined in the Agreements.

III. Purpose:

The purpose of this exhibit is to promote transparency, facilitate information sharing between the parties, support better policy and decision-making, and enhance public services through collaborative

1 of 2

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data analysis from various sources.

IV. Use of Information:

- a. Use of Information obtained or created under this exhibit shall be strictly limited to the purposes stated herein and in the agreements. The parties agree not to sell Information to third parties or use it for commercial, solicitation, or political purposes.
- b. Each Party shall serve as the custodian of the Information and comply with all conditions for its use, including security measures to prevent unauthorized access.
- c. The Parties shall follow all relevant federal and state laws and regulations governing the use of such Information.

V. Safeguarding Information:

- a. Confidentiality: Access to Confidential Information shall be limited to the minimum necessary to accomplish the purposes of this Exhibit. Authorized Users must adhere to the confidentiality requirements.
- b. Security: Security practices shall comply with the requirements of the New Mexico Department of Information Technology Act and related regulations. The Parties agree to notify each other within three business days of any suspected or actual security breach.
- c. Information Storage and Transmission: Data Storage and Transmission shall take place on an encrypted server with appropriate security controls.

VI. Re-Disclosure of Information:

The Parties agree not to disclose Information except as required by law or with prior written approval of the other Party. If there is a public records request, the Party receiving it shall notify the other Party within three business days.

VII. Ownership of Information:

Legal title to Information shall remain with the provider. The Partner grants the State a royalty-free, non-exclusive, non-transferable license to use the Information in furtherance of the purposes outlined in this Exhibit.

Signature: Regina Wheeler

Regina Wheeler (Sep 18, 2025 14:42:24 MDT)

Email: rawheeler@santafenm.gov



The Purchasing Memo

Date: September 19, 2025

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

From: Jesse Roach, Public Utilities Department Director *JR*

Subject: Request for Approval of a Professional Services Contract with FCS for an Amount Not To Exceed \$1,235,412.54 Including NMGRT for Financial Management Services.

Vendor Name: Financial Consulting Group (FCS)

Munis Vendor Number: 7771

ITEM AND ISSUE:

The Public Utilities and Public Works Departments request your review and approval of a Professional Services Contract in a total amount not to exceed \$1,235,412.54 including NMGRT for Financial Management Services for a term of four years with Financial Consulting Group (FCS).

CONTRACT NUMBER:

The FY25 Munis contract number is 3260174

BACKGROUND AND SUMMARY:

The three enterprise funds in the Public Utilities Department (Water, Wastewater, Environmental Services) and the Stormwater enterprise fund in the Public Works Department require rate evaluations, revenue requirement evaluations, cost of services studies, development of financial plans, and on call financial services. These professional services are used by the funds to, among other things, ensure that rate revenues are sufficient to maintain fund balances and capital, and operating and maintenance budgets, and ensure that rate revenues from different classes of users are consistent with the cost of servicing those users.

PRIOR APPROVALS AND SUPPORTING INFORMATION:

FUNDING SOURCE:

Fund Name/Number: Wastewater Enterprise Fund/500; Water Enterprise Fund/505; ESD Enterprise Fund/510, Stormwater /231.

BUDGET LINES FOR EXPENSES:

Munis Org Name/Number: Water/5050381; Wastewater/5000361; ESD/5100331; Stormwater /2310411

Munis Object Name/Number: Professional Services/510300 or other object as needed for budget clarity

Budget Officer / Designee: Andy Hopkins Date: 09/24/2025

Budget Officer Comment/Exceptions: _____

CITY OF SANTA FE

PROFESSIONAL SERVICES CONTRACT

THIS CONTRACT is made and entered into by and between the City of Santa Fe, New Mexico, hereinafter referred to as the "City," and **Financial Consulting Group (FCS)** hereinafter referred to as the "Contractor," and is effective as of the date set forth below upon which it is executed by the Parties.

RECITALS

WHEREAS, the Chief Procurement Officer of the City has made the determination that this Agreement is in accordance with the provisions of the New Mexico Procurement Code (NMSA 1978, 13-1-28 et seq.) pursuant to NMSA 1978, section 13-1-111 and

WHEREAS, the Contractor is one of such requisite and qualifications and is willing to engage with the City for professional services, in accordance with the terms and conditions hereinafter set out, and the Contractor understanding and consenting to the foregoing is willing to render such professional services as outlined in the Agreement; and

The City and the Contractor hereby agree as follows:

1. Scope of Work

The Contractor shall provide the following services for the City:

The work will consist of providing financial management services to evaluate the existing Finance Plan and existing Rate Structures and on-call contract work. Examples of on-call contract work consist of but are not limited to:

- Annual Financial Plan update
- Utility Expansion Charge evaluation
- Impact Fee evaluation, growth assumptions and capital improvement plan update
- Utility Cost-of-Service studies
- Low Income Credit evaluations
- Financial Impact of proposed City Council Legislation, etc.

On-call contract work will be initiated and completed through the issuance of a work order. The Financial Management services will require use of generally accepted utility ratemaking methodologies as described by the American Waterworks Association and/or applicable New Mexico and Federal Law.

DESCRIPTION OF END DELIVERABLES

- Financial models

- Each year the financial models are available for delivery. There is a separate model, to be updated each year, for each utility: water, wastewater, and environmental services. If stormwater is added to the scope, this model would also be updated and available annually.
- Powerpoint presentations for Council
- As needed or on an annual basis, as determined by City staff, a presentation summarizing any rate or fee adjustments will be prepared when requested.
- Written report summarizing the Cost-of-service results, one utility per year
- Rate recommendations annually for all three utilities, as needed (across-the-board or based on cost-of-service adjustments)

Documentation & Reporting

Documentation for our work is provided in the mode necessary to meet the City’s needs. The documentation deliverables vary based on the City’s requirements and may range from high-level summary – typically in PowerPoint format to comprehensive, detailed reports depending on the City’s requirements at the time. In addition to any written documentation we provide, the City will always have access to our working models, presentations, memos and other reports, or any other deliverable through our file sharing site. Within our projected project plan, we are assuming a written report of the cost of service results within that year.

RISK REPORT

Monthly invoices will include bullets detailing progress and deliverables during each bill period. Invoices are delivered in the first week of the month.

The budget for the proposed approach is \$741,208 across the four years, before any value adds (see below) or the application of GRT. Cost per year varies with expected billing rate adjustments and level of effort depending on which utility is selected for the cost-of-service in a given year. The projected annual cost, subject to the above changes is:

- FY25-26: \$170,350 includes Water, wastewater, ESD financial plans and wastewater cost-of-service
- FY26-27: \$201,002 includes Water, wastewater, ESD financial plans and ESD cost-of-service
- FY27-28: \$182,756 includes Water, wastewater, ESD financial plans and water cost-of-service
- FY28-29: \$187,100 includes Water, wastewater, ESD financial plans and wastewater cost-of-service

Value Added Options	Cost	Impact
Stormwater Rate Study	15% \$40,000 in year 1 to build new model, \$20,000 per year after (before inflationary rate adjustments). Total estimated 4-year cost of \$104,000.	Would add annual stormwater financial plans and rotating cost of service. Increase annual budget by 15%. No time delay as it would be concurrent.
Rate Structure Alternatives and Policy Analysis	10% \$17,000 per year This is as needed, if determined to be needed each year it would add approximately \$71,000 to total project cost.	Option to add rate restructuring as needed would increase annual cost by 10% per utility.
Utility Expansion Fees	8% \$15,000 per analysis Not recommended every year, estimated at 2 updates each for water and sewer (alternating years). A total project cost of approximately \$63,000.	Would add 8% to the annual budget for each utility fee update with no time delays.

Public Engagement Meetings	10-20% \$17,000 to \$34,000 as needed on an on-call basis.	Depending on the level of engagement, it could increase budget by 10-20% and might delay rate implementation timeline.
Affordability Evaluation	3% \$5,000 per year \$21,000 for total project if requested each year.	3% increase to annual budget

2. Standard of Performance; Licenses

A. The Contractor does hereby accept its designation as a professional service, rendering services related to the Rate Study Analysis for the City, as set forth in this Agreement. The Contractor represents that Contractor possesses the personnel, experience, and knowledge necessary to perform the services described under this Contract.

B. The Contractor agrees to obtain and maintain throughout the term of this Contract, all applicable professional and business licenses required by law, for itself, its employees, agents, representatives, and subcontractors.

3. Compensation

A. The City shall pay to the Contractor in full payment for services satisfactorily performed a sum not to exceed one million one hundred and forty one thousand, nine hundred eighteen dollars cents (\$1,141,918.00), excluding gross receipts tax. The New Mexico gross receipts tax levied on the amounts payable under this Agreement totaling (\$93,494.54) shall be paid by the City to the Contractor. **The total amount payable to the Contractor under this Agreement, including gross receipts tax and expenses, shall not exceed (\$1,235,412.54).**

B. Payment. The total compensation under this Agreement shall not exceed 1,141,918.00 excluding New Mexico gross receipts tax. **PLEASE NOTE NO PROPERTY TAX WILL BE PAID TO THE CONTRACTOR BY THE City. This amount is a maximum and not a guarantee that the work assigned to be performed by Contractor under this Agreement shall equal the amount stated herein. The Parties do not intend for the Contractor to continue to provide Services without compensation when the total compensation amount is reached. Contractor is responsible for notifying the City when the Services provided under this Agreement reach the total compensation amount. In no event will the Contractor be paid for Services provided in excess of the total compensation amount without this Agreement being amended in writing prior to services, in excess of the total compensation amount being provided.**

C. Payment shall be made upon Acceptance of each Deliverable and upon the receipt and Acceptance of a detailed, certified Payment Invoice. Payment will be made to the Contractor's designated mailing address. In accordance with Section 13-1-158 NMSA 1978, payment shall be tendered to the Contractor within thirty (30) days of the date of written certification of Acceptance. All Payment Invoices **MUST BE** received by the City no later than fifteen (15) days after the termination of this Agreement. Payment Invoices received after such date **WILL NOT BE PAID.**

D. **Notice of Extended Payment Provision For Grant Funded Contracts.** This contract allows the owner to make payment within 45 days after submission of an undisputed request for payment.

4. **Term**

THIS CONTRACT SHALL NOT BECOME EFFECTIVE UNTIL APPROVED BY THE CITY. This Contract shall terminate **four (4) years from date of final signature** unless terminated pursuant to paragraph 5 (Termination) and paragraph 6 (Appropriations). The City reserves the right to renew this contract on an annual basis by mutual agreement not to exceed a total of four (4) years in accordance with NMSA 1978, Sections 13-1-150 through 152.

5. **Termination**

A. **Grounds.** The City may terminate this Agreement for convenience or cause. For contracts within their authority, the City Manager or their designee is authorized to provide the notice of termination, otherwise such notice of termination shall be provided by the Mayor or their designee as authorized by the Governing Body. The Contractor may only terminate this Agreement based upon the City's uncured, material breach of this Agreement.

B. **Notice; City Opportunity to Cure.**

1) The City shall give Contractor written notice of termination at least thirty (30) days prior to the intended date of termination.

2) Contractor shall give City written notice of termination at least thirty (30) days prior to the intended date of termination, which notice shall (i) identify all the City's material breaches of this Agreement upon which the termination is based and (ii) state what the City must do to cure such material breaches. Contractor's notice of termination shall only be effective (i) if the City does not cure all material breaches within the thirty (30) day notice period or (ii) in the case of material breaches that cannot be cured within thirty (30) days, the City does not, within the thirty (30) day notice period, notify the Contractor of its intent to cure and begin with due diligence to cure the material breach.

3) Notwithstanding the foregoing, this Agreement may be terminated immediately upon written notice to the Contractor (i) if the Contractor becomes unable to perform the services contracted for, as determined by the City; (ii) if, during the term of this Agreement, the Contractor is suspended or debarred by the City; or (iii) the Agreement is terminated pursuant to Paragraph 6, "Appropriations", of this Agreement.

C. **Liability.** Except as otherwise expressly allowed or provided under this Agreement, the City's sole liability upon termination shall be to pay for acceptable work performed prior to the Contractor's receipt or issuance of a notice of termination; provided, however, that a notice of termination shall not nullify or otherwise affect either party's liability for pre-termination defaults under or breaches of this Agreement. The Contractor shall submit an invoice for such work within thirty (30) days of receiving or sending the notice of termination. **THIS PROVISION IS NOT EXCLUSIVE AND DOES NOT WAIVE THE CITY'S OTHER LEGAL RIGHTS AND REMEDIES CAUSED BY THE CONTRACTOR'S DEFAULT/BREACH OF THIS AGREEMENT.**

6. **Appropriations**

The terms of this Contract are contingent upon sufficient appropriations and authorization being made by the Governing Body for the performance of this Contract. If sufficient appropriations and authorization are not made by the Governing Body, this Contract shall terminate immediately upon written notice being given by the City to the Contractor. The City's decision as to whether sufficient appropriations are available shall be accepted by the Contractor and shall be final. If the City proposes an amendment to the Contract to unilaterally reduce

funding, the Contractor shall have the option to terminate the Contract or to agree to the reduced funding, within thirty (30) days of receipt of the proposed amendment.

7. Status of Contractor

The Contractor and its agents and employees are independent contractors performing professional services for the City and are not employees of the City. The Contractor and its agents and employees shall not accrue leave, retirement, insurance, bonding, use of City vehicles, or any other benefits afforded to employees of the City as a result of this Contract. The Contractor acknowledges that all sums received hereunder are reportable by the Contractor for tax purposes, including without limitation, self-employment and business income tax. The Contractor agrees not to purport to bind the City unless the Contractor has express written authority to do so, and then only within the strict limits of that authority.

8. Assignment

The Contractor shall not assign or transfer any interest in this Contract or assign any claims for money due or to become due under this Contract without the prior written approval of the City.

9. Subcontracting

The Contractor shall not subcontract any portion of the services to be performed under this Contract without the prior written approval of the City. No such subcontract shall relieve the primary Contractor from its obligations and liabilities under this Contract, nor shall any subcontract obligate direct payment from the City.

10. Release

Final payment of the amounts due under this Contract shall operate as a release of the City, its officers and employees from all liabilities, claims and obligations whatsoever arising from or under this Contract.

11. Confidentiality

Any confidential information provided to or developed by the Contractor in the performance of this Contract shall be kept confidential and shall not be made available to any individual or organization by the Contractor without the prior written approval of the City.

12. Product of Service – Copyright

All materials developed or acquired by the Contractor under this Contract shall become the property of the City upon payment for services rendered and shall be delivered to the City no later than the termination date of this Contract. Upon payment for services rendered to the Contractor, nothing developed or produced, in whole or in part, by the Contractor under this Contract shall be the subject of an application for copyright or other claim of ownership by or on behalf of the Contractor except Contractor retains copyright in its standard systems, sections, details, specifications, models, data, other information and intellectual property prepared or owned prior to and not specific to this Contract (“Contractor’s Proprietary Material). Contractor grants the City a license to use Contractor’s Proprietary Material but only for the uses described in this Contract.

13. Conflict of Interest; Governmental Conduct Act

A. The Contractor represents and warrants that it presently has no interest and, during the term of this Contract, shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance or services required under the Contract.

B. The Contractor further represents and warrants that it has complied with, and, during the term of this Contract, will continue to comply with, and that this Contract complies with all applicable provisions of the Governmental Conduct Act, Chapter 10, Article 16 NMSA 1978.

C. Contractor's representations and warranties in Paragraphs A and B of this Article are material representations of fact upon which the City relied when this Contract was entered into by the parties. Contractor shall provide immediate written notice to the City if, at any time during the term of this Contract, Contractor learns that Contractor's representations and warranties in Paragraphs A and B of this Article were erroneous on the effective date of this Contract or have become erroneous by reason of new or changed circumstances. If it is later determined that Contractor's representations and warranties in Paragraphs A and B of this Article were erroneous on the effective date of this Contract or have become erroneous by reason of new or changed circumstances, in addition to other remedies available to the City and notwithstanding anything in the Contract to the contrary, the City may immediately terminate the Contract.

D. All terms defined in the Governmental Conduct Act have the same meaning in this section.

14. Amendment

A. This Agreement shall not be altered, changed, or amended except by instrument in writing executed by the parties hereto and all other required signatories.

B. If the City proposes an amendment to the Contract to unilaterally reduce funding due to budget or other considerations, the Contractor shall, within thirty (30) days of receipt of the proposed Amendment, have the option to terminate the Contract, pursuant to the termination provisions as set forth in Article 4 herein, or to agree to the reduced funding.

15. Entire Agreement.

This Agreement, together with any other documents incorporated herein by reference and all related Exhibits and Schedules constitutes the sole and entire agreement of the Parties with respect to the subject matter of this Agreement, and supersedes all prior and contemporaneous understandings, agreements, representations, and warranties, both written and oral, with respect to the subject matter. In the event of any inconsistency between the statements in the body of this Agreement, and the related Exhibits and Schedules, the statements in the body of this Agreement shall control. This Agreement is intended for the sole use and benefit of the Parties and is not intended to create any third-party rights, benefits, or causes of action or for any other use.

16. Merger

This Contract incorporates all the Agreements, covenants and understandings between the parties hereto concerning the subject matter hereof, and all such covenants, agreements, and understandings have been merged into this written contract.

All terms and conditions of the Public Utilities Rate Evaluation & Financial Services and the Contractor's response to such document(s) are incorporated herein by reference and is included in the order of precedence.

No prior Agreement or understanding, oral or otherwise, of the parties or their agents shall be valid or enforceable unless embodied in this Contract.

17. Penalties for violation of law

NMSA 1978, sections 13-1-28 through 13-1-199, imposes civil and criminal penalties for its violation. In addition, the New Mexico criminal statutes impose felony penalties for illegal bribes, gratuities, and kickbacks.

18. Equal Opportunity Compliance

The Contractor agrees to abide by all federal and state laws and rules and regulations, and Santa Fe City Code, pertaining to equal employment opportunity. In accordance with all such laws of the State of New Mexico, the Contractor assures that no person in the United States shall, on the grounds of race, religion, color, national origin, ancestry, sex, age, physical or mental handicap, or serious medical condition, spousal affiliation, sexual orientation or gender identity, be excluded from employment with or participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity performed under this Contract. If Contractor is found not to be in compliance with these requirements during the life of this Contract, Contractor agrees to take appropriate steps to correct these deficiencies.

19. Applicable Law

The laws of the State of New Mexico shall govern this Contract, without giving effect to its choice of law provisions. Venue shall be proper only in a New Mexico court of competent jurisdiction in accordance with NMSA 1978, section 38-3-2. By execution of this Contract, Contractor acknowledges and agrees to the jurisdiction of the courts of the State of New Mexico over any and all lawsuits arising under or out of any term of this Contract.

20. Workers Compensation

The Contractor agrees to comply with state laws and rules applicable to workers compensation benefits for its employees. If the Contractor fails to comply with the Workers Compensation Act and applicable rules when required to do so, this Contract may be terminated by the City.

21. Professional Liability Insurance

Contractor shall maintain professional liability insurance throughout the term of this Contract providing a minimum coverage in the amount required under the New Mexico Tort Claims Act. The Contractor shall furnish the City with proof of insurance of Contractor's compliance with the provisions of this section as a condition prior to performing services under this Contract.

22. Other Insurance

If the services contemplated under this Contract will be performed on or in City facilities or property, Contractor shall maintain in force during the entire term of this Contract, the following insurance coverage(s), naming the City as additional insured.

A. **Commercial General Liability** insurance shall be written on an occurrence basis and be a broad as ISO Form CG 00 01 with limits not less than \$2,000,000 per occurrence and \$2,000,000 in the aggregate for claims against bodily injury, personal and advertising injury, and property damage. Said policy shall include broad form Contractual Liability coverage and be endorsed to name the City of Santa Fe their officials, officers, employees, and agents as additional insureds.

B. **Broader Coverage and Limits.** The insurance requirements under this Contract shall be the greater of (1) the minimum coverage and limits specified in this Contract, or (2) the broader coverage and maximum limits of coverage of any insurance policy or proceeds available to the Named Insured. It is agreed that these insurance requirements shall not in any way act to reduce coverage that is broader or that includes higher limits than the minimums required herein. No representation is made that the minimum insurance requirements of this Contract are sufficient to cover the obligations of Contractor hereunder.

C. Contractor shall maintain the above insurance for the term of this Contract and name the City as an additional insured and provide for 30 days cancellation notice on any Certificate of Insurance form

furnished by Contractor. Such certificate shall also specifically state the coverage provided under the policy is primary over any other valid and collectible insurance and provide a waiver of subrogation.

23. Records and Financial Audit

The Contractor shall maintain detailed time and expenditure records that indicate the date; time, nature and cost of services rendered during the Contract's term and effect and retain them for a period of three (3) years from the date of final payment under this Contract. The records shall be subject to inspection by the City. The City shall have the right to audit billings both before and after payment. Payment under this Contract shall not foreclose the right of the City to recover excessive or illegal payments.

24. Indemnification

The Contractor shall defend, indemnify and hold harmless the City from all actions, proceeding, claims, demands, costs, damages, attorneys' fees and all other liabilities and expenses of any kind from any source which may arise out of the performance of this Contract, caused by the negligent act or failure to act of the Contractor, its officers, employees, servants, subcontractors or agents. If any action, suit or proceeding related to the services performed by the Contractor or any officer, agent, employee, servant or subcontractor under this Contract is brought against the Contractor, the Contractor shall, as soon as practicable but no later than two (2) days after it receives notice thereof, notify the legal counsel of the City.

25. New Mexico Tort Claims Act

Any liability incurred by the City of Santa Fe in connection with this Contract is subject to the immunities and limitations of the New Mexico Tort Claims Act, Section 41-4-1, et. seq. NMSA 1978, as amended. The City and its "public employees" as defined in the New Mexico Tort Claims Act, do not waive sovereign immunity, do not waive any defense and do not waive any limitation of liability pursuant to law. No provision in this Contract modifies or waives any provision of the New Mexico Tort Claims Act.

26. Invalid Term or Condition

If any term or condition of this Contract shall be held invalid or unenforceable, the remainder of this Contract shall not be affected and shall be valid and enforceable.

27. Enforcement of Contract

A party's failure to require strict performance of any provision of this Contract shall not waive or diminish that party's right thereafter to demand strict compliance with that or any other provision. No waiver by a party of any of its rights under this Contract shall be effective unless express and in writing, and no effective waiver by a party of any of its rights shall be effective to waive any other rights.

28. Notices

Any notice required to be given to either party by this Contract shall be in writing and shall be delivered in person, by courier service or by U.S. mail, either first class or certified, return receipt requested, postage prepaid, as follows:

To the City:
Jesse Roach
Interim Public Utility Dept Director
801 W San Mateo
Santa Fe, NM 87505
jdroach@santafenm.gov

To the Contractor:
John Ghilarducci,
President / Principal
FCS, a Bowman company
323 3rd Ave Ste 100, Longmont CO 80501
John.Ghilarducci@bowman.com

29. Authority

If Contractor is other than a natural person, the individual(s) signing this Contract on behalf of Contractor represents and warrants that he or she has the power and authority to bind Contractor, and that no further action, resolution, or approval from Contractor is necessary to enter a binding contract.

30. Non-Collusion

In signing this Agreement, the Contractor certifies the Contractor has not, either directly or indirectly, entered into action in restraint of free competitive bidding in connection with this offer submitted to the City's Chief Procurement Officer.

31. Default/Breach

In case of Default and/or Breach by the Contractor, for any reason whatsoever, the City may procure the goods or services from another source and hold the Contractor responsible for any resulting excess costs and/or damages, including but not limited to, direct damages, indirect damages, consequential damages, special damages, and the City may also seek all other remedies under the terms of this Agreement and under law or equity.

32. Equitable Remedies

The Contractor acknowledges that its failure to comply with any provision of this Agreement will cause the City irrevocable harm and that a remedy at law for such a failure would be an inadequate remedy for the City, and the Contractor consents to the City 's obtaining from a court of competent jurisdiction, specific performance, or injunction, or any other equitable relief in order to enforce such compliance. The City's rights to obtain equitable relief pursuant to this Agreement shall be in addition to, and not in lieu of, any other remedy that the City may have under applicable law, including, but not limited to, monetary damages.

33. Default and Force Majeure

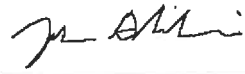
The City reserves the right to cancel all, or any part of any orders placed under this Agreement without cost to the City, if the Contractor fails to meet the provisions of this Agreement and, except as otherwise provided herein, to hold the Contractor liable for any excess cost occasioned by the City due to the Contractor's default. The Contractor shall not be liable for any excess costs if failure to perform the order arises out of causes beyond the control and without the fault or negligence of the Contractor; such causes include, but are not restricted to, acts of God or the public enemy, acts of the State or Federal Government, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, unusually severe weather and defaults of subcontractors due to any of the above, unless the City shall determine that the supplies or services to be furnished by the subcontractor were obtainable from other sources in sufficient time to permit the Contractor to meet the required delivery scheduled. The rights and remedies of the City provided in this Clause shall not be exclusive and are in addition to any other rights now being provided by law or under this Agreement.

IN WITNESS WHEREOF, the Parties have executed this Contract as of the date of the signature by the required approval authorities below.

CITY OF SANTA FE:

CONTRACTOR:
FINANCIAL CONSULTING GROUP

ALAN WEBBER, MAYOR



JOHN GHILARDUCCI, PRESIDENT / PRINCIPAL

DATE: Sep 2, 2025

CRS #: 03-382086-00-4

City of SF Business License #: 00145590

ATTEST:

ANDREA SALAZAR, CITY CLERK


CITY ATTORNEY'S OFFICE:



Marcos Martinez (Sep 2, 2025 13:08:52 MDT)

SENIOR ASSISTANT CITY ATTORNEY

APPROVED FOR FINANCES:



EMILY OSTER, FINANCE DIRECTOR

To: Matt Loehman <mloehman@horizonsofnewmexico.org>; DUTTON-LEYDA, TRAVIS K. <tkduttonleyda@santafenm.gov>
Cc: MONROE, CARLA D. <cdmonroe@santafenm.gov>; BRITT, AMANDA P. <apbritt@santafenm.gov>
Subject: Re: Determination Request

Hi Travis,

When you have a moment, could I have a response to this determination request that has been rejected by Horizons?

V/r,

Paige

From: Matt Loehman <mloehman@horizonsofnewmexico.org>
Sent: Friday, June 6, 2025 3:22 PM
To: RAMSEY, BRILLYANCE P. Contractor PUD <bpramsey@santafenm.gov>
Subject: Re: Determination Request

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Good afternoon -

Thank you very much for the opportunity, but we will decline this procurement.

Best regards,

Matt

Matt Loehman
Executive Director

Horizons of New Mexico
6121 Indian School Rd. NE, Suite 220
Albuquerque, NM 87110

office phone: (505) 345-1540
email: mloehman@horizonsofnewmexico.org
web: www.horizonsofnewmexico.org

The State Use Act helps people with disabilities become gainfully employed, and it saves you valuable time and resources otherwise used during the procurement process.

On Fri, Jun 6, 2025 at 12:05 PM RAMSEY, BRILLYANCE P. Contractor PUD <bpramsey@santafenm.gov> wrote:

Hello,

To: BRITT, AMANDA P. <apbritt@santafenm.gov>
Cc: JIMENEZ, NANCY L. <njimenez@santafenm.gov>; RAMSEY, BRILLYANCE P. Contractor PUD <bpramsey@santafenm.gov>
Subject: FW: Determination Request Santa Fe Water Conservation and Sustainability Education Programming

Hi Amanda,

We will get you a declination from Horizons, I could not find one.

Thanks,

From: DUTTON-LEYDA, TRAVIS K. <tkduttonleyda@santafenm.gov>
Sent: Tuesday, June 10, 2025 4:27:36 PM
To: RAMSEY, BRILLYANCE P. Contractor PUD <bpramsey@santafenm.gov>
Cc: BRITT, AMANDA P. <apbritt@santafenm.gov>; MONROE, CARLA D. <cdmonroe@santafenm.gov>; LOVATO, JOANN D. <jdlovato@santafenm.gov>
Subject: RE: Determination Request Santa Fe Water Conservation and Sustainability Education Programming

You're welcome. Just so you know, professional services must be procured through RFP.

Thank you.

Regards,

Travis Dutton-Leyda
Chief Procurement Officer
City of Santa Fe
200 Lincoln Avenue
Santa Fe, NM 87501
505-629-8351
tkduttonleyda@santafenm.gov



[Book time to meet with me](#)

<https://santafenm.gov/finance-2/purchasing-1>

Vendor Registration Sites and Current Procurement Opportunities:

[Current] <https://cityofsantafenmvendors.munisselfservice.com/Vendors/VBids/SearchResults.aspx>

[Transitioning] <https://procurement.opengov.com/portal/santafenm>

[Current] <https://www.withpavilion.com/>

Internal Link: https://intranet.santafenm.gov/central_purchasing_division_cpd



CITY OF SANTA FE

FINANCE

"A journey of a thousand miles begins with a single step" ~ Lao Tzu

From: RAMSEY, BRILLYANCE P. Contractor PUD <bpramsey@santafenm.gov>

Sent: Tuesday, June 10, 2025 11:29 AM

To: DUTTON-LEYDA, TRAVIS K. <tkduttonleyda@santafenm.gov>

Cc: BRITT, AMANDA P. <apbritt@santafenm.gov>; MONROE, CARLA D. <cdmonroe@santafenm.gov>; LOVATO, JOANN D. <jdlovato@santafenm.gov>

Subject: Re: Determination Request Santa Fe Water Conservation and Sustainability Education Programming

Thank you kindly for the determination for Professional Services for the Santa Fe Water Conservation and Sustainability Education Programming Invitation To Bid.

V/r,

Paige

From: DUTTON-LEYDA, TRAVIS K. <tkduttonleyda@santafenm.gov>

Sent: Tuesday, June 10, 2025 1:20 PM

To: RAMSEY, BRILLYANCE P. Contractor PUD <bpramsey@santafenm.gov>

Subject: RE: Determination Request

Greetings,

The scope of work as written would be Professional Services. This determination relates only to that question and is no comment on whether the scope of work or procurement method meet all legal standards. I reserve the right to change this determination if the scope of work differs from the scope of work submitted for the original determination. This procurement must be conducted using the processes and procedures set forth by the City of Santa Fe, Central Purchasing, the Procurement Manual, and state statutes.


Please note:

- Save this email as a PDF and upload it into the corresponding Munis records.
- Check with WorkQuest dba Horizons of New Mexico (mloehman@horizonsofnewmexico.org) if this service appears on their approved list.
- If your request includes anything that needs to be reviewed and preapproved by another City Department/Division, please send the same SOW to the corresponding email address and include their response in your packet/Munis.
 - Treasury (Point of Sale Systems) – questions: drsena@santafenm.gov; clromero@santafenm.gov. Request signature from: clromero@santafenm.gov
 - IT components (everything IT) – questions: ereview@santafenm.gov. Request signature from: edcandelaria@santafenm.gov;
 - Copy: zxdushdurova@santafenm.gov; lenobes@santafenm.gov; lfworstell@santafenm.gov
 - Vehicles – questions: fleet@santafenm.gov. Request signature from: dmjaramillo@santafenm.gov

-Grants – questions: grants@santafenm.gov. Request signature from: evlujan@santafenm.gov
 - Construction, Facilities, Furniture, Fixtures, Equipment, etc. – questions: fmdreview@santafenm.gov. Request signature from: jsburnett@santafenm.gov
 -Emergency Related Purchases – questions oem@santafenm.govand. Request signature from: bgwilliams@santafenm.gov
 -Asset over \$5k – questions: accountspayable@santafenm.gov. Request signature from: jxbolden@santafenm.gov

- Ensure that the appropriate templates and forms are used https://intranet.santafenm.gov/finance_1 and documented [procedures/laws/rules](#) are followed. _
- > \$20k per year, when processing this procurement, please ensure the procurement number issued by Munis and the procurement name are used in the appropriate documents and the subject of emails.
- If you are processing a procurement where the forecasted amount is => \$60k, per NMSA 1978, Section 13-1-102, if you aren't using a cooperative or existing contract, you must process an RFP.
- < \$20k per year, one quote is acceptable.
- From \$20k to \$60k per year, if you aren't using a cooperative or existing contract, you'll need to provide 3 quotes in your req. Must use the Munis Bid Module after 12/21/2023.
- Figure out your funding source and **inform Purchasing**. To ensure that the proper documents and language are used, it is important to identify the funding source for the subsequent contract. For instance, if federal funds are involved, the procurement request and subsequent contract must include the necessary federal language. Therefore, it is crucial to determine the funding source beforehand.
- Review the pages linked below to determine whether any of the existing price agreements/contracts or cooperative agreements are applicable to this request. You might be able to use an existing price agreement/contract to save time and money.
 - <https://www.generalservices.state.nm.us/state-purchasing/statewide-price-agreements/> (if you choose to use a Statewide, you do not need to ask Horizons if they can do the work. State Purchasing must offer the SOW to Horizons prior to placing the award on their website.)
 - <https://naspo.valuepoint.org/categories/>
 - <https://www.omniapartners.com/publicsector/contracts>
 - <https://www.buyboard.com/home.aspx>
 - <https://www.h-gac.com/Home>
 - <https://www.gsa.eLibrary.gsa.gov/>
 - <https://www.sourcewell-mn.gov/contract-search>
- Submit or send your request to the appropriate MS Teams channel or email address:
 - RFPs requests to <https://teams.microsoft.com/l/channel/19%3ad63b9c8b586d424fa5eed34177146ac5%40thead.tacv2/RFP%2520Requests?groupId=a367d8c2-992f-4c74-8e7d-0ccb6950c9a1&tenantId=77b69f5a-55ed-4363-8616-4867b0bc707f>
 - ITBs requests to <https://teams.microsoft.com/l/channel/19%3a48e1e4588c0440a09cfbd9b907ed42d4%40thead.tacv2/ITB%2520Requests?groupId=a367d8c2-992f-4c74-8e7d-0ccb6950c9a1&tenantId=77b69f5a-55ed-4363-8616-4867b0bc707f>
 - Determination requests to purchasing_det@santafenm.gov
 - And all other requests to purchasing@santafenm.gov

Thank you for submitting this scope of work for my review.

 [Book time to meet with me](#)

Regards,

Travis Dutton-Leyda
Chief Procurement Officer
City of Santa Fe
200 Lincoln Avenue
Santa Fe, NM 87501
505-629-8351
tkduttonleyda@santafenm.gov

Vendor Registration Sites and Current Procurement Opportunities:


[Current] <https://cityofsantafenmvendors.munisselfservice.com/Vendors/VBids/SearchResults.aspx>

[Transitioning] <https://procurement.opengov.com/portal/santafenm>

[Current] <https://www.withpavilion.com/>

Internal Link: https://intranet.santafenm.gov/central_purchasing_division_cpd



 [Book time to meet with me](#)

"A journey of a thousand miles begins with a single step" ~ Lao Tzu

From: RAMSEY, BRILLYANCE P. Contractor PUD <bpramsey@santafenm.gov>
Sent: Monday, June 9, 2025 9:19 AM
To: DUTTON-LEYDA, TRAVIS K. <tkduttonleyda@santafenm.gov>
Subject: Re: Determination Request

Hi Travis,

When you have a moment, could I have a response to this determination request that has been rejected by Horizons?

V/r,

Paige Ramsey

Very respectfully,

B. Paige Ramsey, MSPM

From: RAMSEY, BRILLYANCE P. Contractor PUD <bpramsey@santafenm.gov>
Sent: Friday, June 6, 2025 4:11:24 PM

Financial Consulting Group (FCS)

Final Audit Report

2025-09-25

Created:	2025-09-19
By:	ALYSSA PEREZ (aeperez@santafenm.gov)
Status:	Signed
Transaction ID:	CBJCHBCAABAAR5TLhmV96lncyVKszYNeT19DFAeas8A

"Financial Consulting Group (FCS)" History


-  Document created by ALYSSA PEREZ (aeperez@santafenm.gov)
2025-09-19 - 4:46:53 PM GMT- IP address: 63.232.20.2
-  Document emailed to Jesse Roach (jdroach@santafenm.gov) for signature
2025-09-19 - 4:51:27 PM GMT
-  Email viewed by Jesse Roach (jdroach@santafenm.gov)
2025-09-19 - 5:47:35 PM GMT- IP address: 104.47.65.254
-  Document e-signed by Jesse Roach (jdroach@santafenm.gov)
Signature Date: 2025-09-19 - 5:47:48 PM GMT - Time Source: server- IP address: 63.232.20.2
-  Document sent to ALEXIS LOTERO (aclotero@santafenm.gov) and ajhopkins@santafenm.gov
ajhopkins@santafenm.gov (ajhopkins@santafenm.gov) for signature. One of them to sign
2025-09-19 - 5:47:50 PM GMT
-  Email viewed by ajhopkins@santafenm.gov ajhopkins@santafenm.gov (ajhopkins@santafenm.gov)
2025-09-24 - 8:34:28 PM GMT- IP address: 104.47.65.254
-  Document e-signed by ajhopkins@santafenm.gov ajhopkins@santafenm.gov (ajhopkins@santafenm.gov)
Signature Date: 2025-09-24 - 8:34:53 PM GMT - Time Source: server- IP address: 63.232.20.2
-  Document sent to JoAnn Lovato (jdlovato@santafenm.gov) and Travis Dutton-Leyda
(tkduttonleyda@santafenm.gov) for signature. One of them to sign
2025-09-24 - 8:34:56 PM GMT
-  Email viewed by Travis Dutton-Leyda (tkduttonleyda@santafenm.gov)
2025-09-24 - 8:35:00 PM GMT- IP address: 51.54.38.120
-  Document e-signed by Travis Dutton-Leyda (tkduttonleyda@santafenm.gov)
Signature Date: 2025-09-24 - 11:28:15 PM GMT - Time Source: server- IP address: 63.232.20.2

 Document emailed to EMILY OSTER (ekoster@santafenm.gov) for signature

2025-09-24 - 11:28:17 PM GMT

 Email viewed by EMILY OSTER (ekoster@santafenm.gov)

2025-09-25 - 3:32:11 PM GMT- IP address: 104.47.65.254

 Document e-signed by EMILY OSTER (ekoster@santafenm.gov)

Signature Date: 2025-09-25 - 4:03:55 PM GMT - Time Source: server- IP address: 63.232.20.2

 Agreement completed.

2025-09-25 - 4:03:55 PM GMT




CITY OF SANTA FE

Memorandum

Date: August 28, 2025

To: Governing Body, Public Works and Utilities Committee, Quality of Life Committee, Finance Committee

From: Rod Gould, Senior Advisor and Public Engagement Coordinator 
RG

RE: Living Wage Update

EXECUTIVE SUMMARY:

The proposed legislation would amend SFCC 1987, Section 28-1, to increase Santa Fe's minimum wage to \$17.50/hour, beginning January 1, 2027. Thereafter, the ordinance would increase by a rate equal to the average of (1) the increase (if there is one) to the consumer price index for the western regions for urban wage earners and clerical workers of the Western Region Consumer Price Index ("Western Region CPI") (for the previous year) and (2) the increase (if there is one) to the United States Department of Housing and Urban Development's ("HUD") "Fair Market Rent" for a two-bedroom unit in Santa Fe. The purpose is to tie the escalator more closely to the cost of housing, which, according to the impact analysis entitled "Raising the Living Wage in Santa Fe: Potential Impacts and Analysis" ("Santa Fe Impact Analysis") (attached to this memo), is the most significant affordability factor for workers. The annual increase to the minimum wage would be 5% per year and the minimum wage would not decrease in the event of a depression or economic crisis.

BACKGROUND:

There is a gap between what it costs to live in Santa Fe and what people who work in Santa Fe are paid. The Living Wage Ordinance, adopted in 2002 with a limited scope and amended soon after in 2003, sought to address what was already a gap back then. In the last 23 years, the gap has grown wider, forcing more working Santa Feans to leave the city where they work and have roots and relocate to less expensive communities. There are numerous negative consequences—economic, social, and more—of allowing that long-standing trend to continue, not the least of which are the losses of diversity and community continuity in Santa Fe.

Median incomes in the city have risen 36% since 2016; rents have increased 74%, and home prices by 80% according to housing data from the Santa Fe Forward general plan assessment. According to the Santa Fe Impact Analysis, housing costs are the single largest cost burden for low-wage workers in Santa Fe. Over the past 25 years, Santa Fe Market Rent (FMR) levels have consistently trended upward faster than general inflation in the Western United States.



CITY OF SANTA FE

Memorandum

Housing production in Santa Fe decreased after the 2008 recession but has since rebounded. There has been a dramatic uptick in multifamily construction in recent years, with 407 to 840 units per year permitted since 2018, partially due to regulatory changes to the Santa Fe Homes Program which improved development feasibility and offered developers additional ways to meet the inclusionary zoning requirements.

Data compiled by the 2025 Santa Fe Forward report suggests that City policies on the housing supply side have had some impact on the cost of rental units in Santa Fe. The significant influx of new apartments in the past few years has slowed rent increases. For example, data show that early 2025 rents have risen only about half of a percent above rents from a year ago. More production, particularly of multi-family rental units, will continue to impact rental costs. The next step is to make an adjustment to the living wage.

Santa Fe's living wage increased to \$15/hour on March 1, 2025. The New Mexico State minimum wage is \$12/hour. The federal minimum wage has remained at \$7.25/hour since 2009. However, the current impact of the \$15/hour living wage is limited. Many employers are already paying more than the living wage for entry level workers and have been doing so for some time.

ANALYSIS AND PROPOSAL SPECIFICS:

-Raise the living wage to \$17.50/hour January 1, 2027. Approving the adjustment in 2025, but delaying its implementation until 2027, allows employers time to prepare for the increase and navigate the current economic uncertainty.

- Continue to include income from tips in calculating the living wage as is currently provided in the Living Wage Ordinance, Section 28-1.5. Nonprofit organizations whose primary source of funds is from Medicaid remain exempted. The value of health care and/or childcare benefits continues to count in the calculation of wages paid to employees.

-Beginning January 1, 2028, following the 2027 implementation of the new \$17.50/hour living wage, adjust the formula for calculating the annual increase. Rather than using the Western Region CPI in isolation, the new formula would also include the HUD Fair Market Rent for a two-bedroom unit in Santa Fe, averaging the annual increase (if there is an increase to both) of the two figures. The purpose of including the HUD Fair Market Rent is to acknowledge that housing plays a primary role in the high cost of living in Santa Fe. Combining the CPI with the Fair Market Rent more accurately addresses the fundamental challenge workers face in being able to live in Santa Fe. The Fair Market Rent figure is published by the U.S. Department of Housing and Urban Development and is Santa Fe-specific and publicly available.

-Cap any annual increase in the living wage at 5% and, as a floor, prohibit any decrease in the living wage, even if housing costs should dip dramatically in any given year. Historical data included in the scenario analysis, "What Should a Living Wage Look Like in Santa Fe: Five Potential Scenarios" (attached to this memo) suggest that living wage growth will fall within the 2-4% range of the 5% cap. The 5% cap would be triggered only in years with rare economic circumstances. Similarly, the floor would only apply in deep deflationary cycles.



CITY OF SANTA FE

Memorandum

Projected Increases in Living Wage Based on Historical Western CPI and Housing Prices in Santa Fe

Year	10th percentile (0.00%)	50th percentile (2.6%)	90th percentile (5.0%)
2025	\$15.00	\$15.00	\$15.00
2026	\$15.00	\$15.00	\$15.00
2027	\$17.50	\$17.50	\$17.50
2028	\$17.50	\$17.96	\$18.38
2029	\$17.50	\$18.42	\$19.29
2030	\$17.50	\$18.90	\$20.26
2031	\$17.50	\$19.39	\$21.27
2032	\$17.50	\$19.90	\$22.33
2033	\$17.50	\$20.41	\$23.45
2034	\$17.50	\$20.94	\$24.62
2035	\$17.50	\$21.49	\$25.86

This chart indicates that the most likely scenario, based on historical CPI increases and housing growth, is that the proposed living wage will grow at a rate of 2.6% per year. If there is little or no inflation and little to no rent increases over the next ten years, the living wage will remain at \$17.50/hour. If both inflation rates and rental costs rise significantly over the next decade, the annual living wage increase would be capped at 5% per year.

Financial Impact on City of Santa Fe:

Analysis of the most recent payroll shows 18 of roughly 1,350 City employees making slightly less than \$17/hour. Although these employees receive a substantial benefits package, staff would recommend raising their base wages to the \$17.50 per hour specified in this legislation at a cost of the \$13,467.71 per year.

ATTACHMENTS:

- Bill
- Fiscal Impact Report
- Memo Attachment – Santa Fe Scenario Analysis
- Memo Attachment – Santa Fe Impact Report
- Memo Attachment -- Proposal for Revising Current Living Wage Law

Memo Submitting Living Wage Update Legislation
August 20, 2025
Study Session

To: City Council

From: Mayor Alan Webber

Re: Proposal for Revising Current Living Wage Law

Purpose and Summary

Santa Fe’s future depends on many factors—none more important than the adoption of a strategy that helps guide the composition of the city: who lives here now and in the future. Much of the unique character of Santa Fe is a reflection of the makeup of our community. Santa Fe has always been a diverse place, with some families tracing their roots back for many generations and others proud to be new arrivals. The city depends on workers in a variety of jobs and industries whose labors make the economy go; it also has retirees who contribute their time as volunteers and their support to worthy causes. Keeping that blend of people—a population strategy for Santa Fe—will play a critical role in the city’s future, its character, its distinctive culture, its quality of life, and its sense of place and livability.

A population strategy has many components, but none is more important than the combination of affordable housing and a living wage.

As this memo lays out, there is a gap between what it costs to live in Santa Fe and what people who work in Santa Fe are paid. The living wage ordinance, adopted in 2002 with a limited scope and amended soon after in 2003, displayed foresight and courage in addressing what was already seen as a gap back then. In the last 23 years, the gap has grown wider, forcing more working Santa Feans to leave the city where they work and have roots, and relocate to less expensive communities. There are numerous negative consequences—economic, social, and more—of allowing that long-standing trend to continue, not the least of which are the losses of diversity and community continuity in Santa Fe.

Data suggest that City policies on the supply side have had some impact on the cost of rental units in Santa Fe. More production, particularly of multi-family rental units, will continue to impact rental costs. The next step is to make an adjustment to the living wage.

This proposal increases it to \$17.50/hour after a one-year period for preparation and observation. It maintains the existing provisions for exceptions. It creates a new blended formula for calculating any annual increase, using both the Consumer Price Index and Fair Market Rent data specific to Santa Fe, a reflection of the key role that housing costs play in what constitutes a living wage. It caps any increase at 5%, guarding against an excessive increase, and establishes a floor of 0% preventing the living wage from going down in the case of an economic crisis.

This two-pronged strategy represents another commitment of the City to address the needs of both employees and employers and puts the City on record as supporting a strategy that will keep Santa Fe, Santa Fe when it comes to the people who live and work in the city.

To recap:

Santa Fe's future as a diverse community where people can both work and live depends in large measure on two inter-related factors: the supply of housing units and the income level of the working people of Santa Fe. A strategy that focuses on the population composition of the city needs to address both factors.

The pipeline of housing construction in Santa Fe is currently experiencing a renewed level of activity. As a result, rental rates are finally experiencing a modest but significant improvement through the increased supply and diversity of housing options. More housing construction, additional funding for the Affordable Housing Trust Fund, and other supply side housing policies can continue this positive trend.

However, the gap between the cost of housing and the income levels of Santa Fe's workforce is still substantial. As a result, data show that long-time Santa Fe residents are forced to relocate to less expensive communities outside the city, and then commute to jobs in the city.

The second part of an effective strategy comes through an adjustment to the living wage, as recommended initially by the Food Depot in a white paper on childhood hunger. This proposal does the following things:

- If adopted, would go into effect one year after its adoption. This is to permit the Governing Body, as well as employers and employees, to take stock of the larger macro-economic environment, which currently is undergoing a great deal of uncertainty. A year from now there should be much more clarity as to the strength and direction of both the national economy and the local Santa Fe economy.

- Leaves in place the current provisions in the existing living wage ordinance concerning exemptions for tipped wages, and several special categories of employers.

-Makes a one-time change to the living wage to \$17.50/hour.

-Adjusts the basis for the annual escalator so that the formula is a 50-50 calculation of the Western Region Consumer Price Index (for the previous year) and the HUD Fair Market Rent for a 2-bedroom unit in Santa Fe. The purpose is to tie the escalator more closely to the cost of housing, which is the most significant affordability factor for workers. The annual increase would be capped at no more than 5% per year and the floor would be 0% in the event of a depression or economic crisis.

Background

Initial Ordinance

In 2002, the City of Santa Fe enacted a Living wage ordinance. The ordinance as amended in 2003 applies to most full-time public, private, or non-profit employees within the city limits. The purpose of the legislation was to require employers to pay employees minimum wages adequate to meet the basic needs of living in Santa Fe. Santa Fe was widely recognized as the second city in the nation to adopt a living wage law.

At that time, the Governing Body recognized that many Santa Fe workers earned wages that were insufficient to support themselves and their families. The purpose of the living wage was tied to the public welfare, health, safety, and prosperity of Santa Fe; earned wages needed to be sufficient to ensure a decent and healthy life for workers and their families.

The findings included the fact that, in 2003, Santa Fe County was 23% below the national average in average earnings and that the cost of living was 18% higher than the national average. Furthermore, housing costs were much higher than in most parts of New Mexico, and low-income workers were required to spend a disproportionate percentage of their income sheltering themselves and their families.

The Governing Body further stated that a living wage would benefit employers and the economy by improving employee performance, reducing employee turnover, and lowering absenteeism on the job. As a result, productivity would improve, as would the quality of services provided by employees.

Beginning January 1, 2004, the minimum wage was set at \$8.50 per hour. Then on January 1, 2006, it was increased to \$9.50/hour. Beginning January 1, 2009, and each year thereafter, the minimum wage has been adjusted upward by an amount corresponding to the previous year's increase, if any, in the Consumer Price Index for the Western region for urban wage

earners and clerical workers. In 2003, it was estimated that for a worker in Santa Fe to afford an average rent, that worker would have needed to make \$15.29 an hour.

Under the provisions of the living wage ordinance, tips earned by workers who typically earn more than \$100/month in tips or commissions are counted toward the living wage standard. Nonprofit organizations whose primary source of funds is from Medicaid are exempted. The value of health care and/or childcare benefits is included in the calculation of wages paid to employees.

The City Manager or his/her designee is authorized to enforce the living wage law. Anyone found guilty of violating the law may be charged with a misdemeanor. The City and any individual aggrieved by such a violation may also bring a civil action to remedy the violation and, upon prevailing, be entitled to legal or equitable relief. The living wage ordinance includes prohibitions against retaliation and circumvention.

A study performed by Aaron Yelowitz, entitled “Santa Fe’s Living wage Ordinance and the Labor Market” published by the Employment Policies Institute in September 2005 claimed that the Santa Fe living wage was responsible for a 9% increase in the unemployment rate of Santa Fe’s least educated workers.

However, when the study was peer reviewed by Jeannette Wicks-Lim and Robert Pollin of the Political Economy Research Institute at the University of Massachusetts at Amherst, they found the Yelowitz study to be misleading and incomplete, based on a misuse of available data. When the peer reviewers re-ran the Yelowitz model using the same data, they found that the living wage ordinance did not produce any decline at all in job availability. On the other hand, the ordinance did increase the earned income of the average worker covered by the ordinance. Thus, the ordinance did improve the income of low-wage workers without sacrificing their employment opportunities.

Where It Stands Today

Santa Fe’s living wage increased to \$15/hour on March 1, 2025. The New Mexico State minimum wage is \$12/hour. The federal minimum wage has remained at \$7.25/hour since 2009.

Although Santa Fe was one of the early leaders in setting a living wage ordinance, many cities have since surpassed it including Seattle, Denver, San Francisco, Los Angeles, San Jose, Washington. D. C., New York City, Chicago. and Boston. In these cities, the living wage ranges from \$16/hour to more than \$23/hour. Enforcement of the living wage ordinance in Santa Fe has not posed a problem to date.

In 2022, the Food Depot issued a report on food scarcity in Santa Fe. Specifically, the group had been charged with coming up with recommendations to make sure that no children in Santa Fe would go to bed hungry. Their report offered a number of recommendations, but the central proposal was that the City needed to increase the living wage.

Since that report was delivered, there have been several efforts, both formal and informal, to come up with a proposal that would respond to the Food Depot's focus on updating the living wage. Most recently, this spring and summer, Mayor Webber has held exploratory discussions with a number of groups, businesses, non-profits, and associations to discuss possible proposals to update the Santa Fe living wage. Meetings included representatives of the Chamber of Commerce, Chainbreakers Collective, AFSCME, the hospitality industry, the construction industry, Christus St. Vincent Hospital, and the Food Depot, among others. Several meetings were held with different representatives of the hospitality industry, which employs 17.6% of the workers in Santa Fe, and account for nearly 11,000 jobs. The purpose of these discussions was to discuss whether the living wage was achieving its initial goals, and, if not, how it could be adjusted to do a better job, without causing economic harm to the city's employers or its economy.

Several shared findings emerged from those discussions. First, most representatives agreed that the current impact of the \$15/hour living wage is limited. Many employers are already paying more than the living wage for entry level workers and have been doing so for some time. For example, data from the hospitality industry in 2022 indicated that average wages for hotel reservations agents were \$19/hour, lead cooks \$18/hour, line cooks \$16/hour, food/beverage supervisors \$17/hour, employee cafeteria cooks \$16/hour, laundry attendants \$15.50/hour, and retail clerks \$16.25/hour.

A second widely shared comment was that the overall U.S. economy is currently experiencing wide-spread uncertainty. While Santa Fe's economy is steady and strong, economic and trade policies coming out of Washington, D.C. have business leaders concerned that decision-making with regard to their companies is increasingly challenging. Until the macro-economic environment becomes clearer, it is difficult for them to make informed decisions about their business plans.

Nexus Between Living Wages and Housing Costs

Housing costs are the single largest cost burden for low-wage workers in Santa Fe. Over the past 25 years, Santa Fe Market Rent (FMR) levels have consistently trended upward faster than general inflation in the Western United States. While efficiency units have seen the highest annual average increase at 4.7%, a two-bedroom unit (the most widely used

benchmark for housing affordability) has increased at an average of 3.4% per year. The average regional Consumer Price Index (CPI-W) has increased 2.7% annually since 2000.

This suggests that, on average, housing costs in Santa Fe have typically grown 0.7% faster than inflation. Between 2023 and 2024, two-bedroom rents surged by 22.9%, far outpacing the CPI-W increase of just 2.8%. Median incomes in the city have risen 36% since 2016; rents have increased 74%, and home prices by 80% according to housing data from the Santa Fe Forward general plan assessment.

While there are some outliers, such as 2012 and 2016, two years in which Santa Fe experienced rent declines, the data show that indexing the living wage solely to the CPI-W underestimates the actual cost pressures faced by renters in Santa Fe.

One of the consequences of high rental costs in Santa Fe is the displacement of workers to more affordable communities. Simply put, people who work in Santa Fe cannot afford to live in Santa Fe. More than one-third of those employed in Santa Fe live outside the county in more affordable areas, such as Rio Rancho and Espanola, and commute to Santa Fe. According to Zillow, the average rent in Santa Fe is approximately \$2,114 per month for a two-bedroom apartment. The H.U.D. definition of being rent burdened is spending more than 30% of gross income on housing. By this definition, one-third of all households in Santa Fe are rent burdened, especially those working in the hospitality, education, and social service professions. Even households with two incomes cannot afford to buy the average single-family home in Santa Fe.

Using the 30% guideline, a worker in Santa Fe would need to earn on the order of \$25-30/hour in full-time, year-round employment to afford these rents. An analysis by the National Low Income Housing Coalition found that the wages necessary to afford a modest rental are roughly \$25.33/hour for a one-bedroom and \$29.52/hour for a two-bedroom unit.

The gold standard for living wage calculations is the M.I.T. Living Wage Calculator. It indicates the hourly rate that an individual in a household must earn to support themselves and/or their family working full time or 2,080 hours per year. In Santa Fe, the M.I.T. living wage calculator calls for \$24.42/hour for a family with no children, \$43.67/hour for a family with one child, \$56.30/hour for a family with two children, and \$72.66/ hour for a family with 3 children.

Housing Supply and Demand

Clearly, Santa Fe cannot realistically expect to close the gap between what entry-level wage earners make and what is needed for reasonable housing costs strictly through raising the living wage. That would pose an extreme hardship on businesses in Santa Fe that contribute

the most to the community and would lead to layoffs and unemployment. However, increasing the living wage and adding to the city's housing stock, when combined as a two-pronged strategy, can begin to narrow the gap between what people can afford and what the housing market has to offer. Supply and demand in the housing market does play a critical role in making it more possible for Santa Fe to retain its diverse population and make it affordable for those who work in Santa Fe to live in Santa Fe.

According to a 2025 study included in the Santa Fe Forward general plan assessment, the city is projected to need 3,270 new housing units by 2050 to meet expected population growth, including 1,309 rental units and 1,961 ownership units. This is approximately 133 units per year needed just to keep up with new housing demand. Most of this demand will occur before 2040; it does not take into account the current housing shortfall.

Santa Fe Forward finds that the majority of Santa Fe's lower and moderate-income households (those earning less than the median income of \$70,000) are priced out of most home ownership opportunities in the city. There is also a deficit in rental units to serve the number of low-income households in Santa Fe; notably, as a result recent housing construction trends have favored rental apartments rather than single-family homes.

Housing production in Santa Fe decreased after the 2008 recession but has since rebounded. There has been a dramatic uptick in multifamily construction in recent years, with 407 to 840 units per year permitted since 2018, partially due to regulatory changes to the Santa Fe Homes Program which improved development feasibility and offered developers additional ways to meet the inclusionary zoning requirements.

The city is currently experiencing an increase in housing development. Tierra Contenta Phase 3 and the housing development called for in the Midtown Master Plan will account for several thousand new units in those two areas alone. In addition, there are several large multi-family projects of over 300 units currently under construction. Altogether, there are more than 2,500 multifamily units currently under construction and nearly 4,000 more multi-family units in the pipeline, as well as several hundred single family units.

The significant influx of new apartments in the past few years has slowed rent increases. For example, data show that early 2025 rents have risen only about ½% above rents from a year ago. At this pace, rent growth will likely remain limited for several years as new units are completed and occupied. This is a positive trend for rent affordability.

However, while it may indicate a slow-down in the rate at which rents increase, it does not reduce the still sizable gap between what people bring home in their paychecks, and how much they have to spend on housing. That fundamental problem awaits another positive measure, this time adjusting the living wage.

New Housing Affordability

The supply of housing of all types has been and must be a part of any solution designed to help those who work in the city to live in the city. On the supply side, the City has implemented a variety of housing policies to increase the affordability of the new housing units for low-middle income workers. These include:

-The Governing Body proposed, and Santa Fe voters overwhelmingly approved a 3% excise tax on the sale of homes over \$1 million, with the proceeds going into the City's Affordable Housing Trust Fund. That provision, which, according to some estimates could yield \$7 million per year in new support for affordable housing, is currently being litigated in the New Mexico Courts of Appeals.

- Inclusionary zoning in the Santa Fe Homes program, requires housing developments of more 10 units to provide a percentage of affordable homes in exchange for density bonuses and fee reductions.

-The Governing Body has allocated \$3 million per year for the Affordable Housing Trust Fund to provide support a variety of programs aimed at addressing the housing needs of low-income residents.

-Developers can benefit from a variety of incentives for building affordable units, including fee waivers in some cases. The city provides water rights to developers building affordable units, another valuable incentive.

-The City uses Community Development Block Grant (CDBG) funds to fund emergency homeless shelters and services, mortgage reduction loans and renovation and construction of homes for low-income residents.

-In addition, the Santa Fe Civic Housing Authority and Santa Fe County Housing Authority provide roughly 1,300 housing choice vouchers and 750 units of housing to low-income residents in the city.

The Living Wage Ordinance Reform Proposal

Based on discussions with various stakeholders, staff analysis and research performed by economist Reilly S. White, Associate Dean of the Anderson School of Management at the University of New Mexico, Mayor Webber recommends the following changes to the current ordinance:

-Raise the living wage to \$17.50/hour in early 2027. Approving the adjustment but delaying its implementation until 2027 allows employers time to prepare for the increase and navigate the current economic uncertainty.

-Continue to include income from tips in calculating the living wage as is currently provided in the Living Wage ordinance. Nonprofit organizations whose primary source of funds is from Medicaid remain exempted. The value of health care and/or childcare benefits continues to count in the calculation of wages paid to employees.

-Following the implementation of the new \$17.50/hour living wage, adjust the formula for calculating the annual increase. Rather than using only the Western Region CPI, the new formula would also include the H.U.D Fair Market Rent for a 2-bedroom unit in Santa Fe, combining the two figures on a 50-50 basis. The purpose of adding in the H.U.D Fair Market Rent is to acknowledge the primary role that housing plays in the high cost of living in Santa Fe. Combining the CPI with the Fair Market Rent more accurately addresses the fundamental challenge workers face in being able to live in Santa Fe. The Fair Market Rent figure is published by the U.S. Department of Housing and Urban Development, and is Santa Fe specific and publicly available.

-Cap any annual increase in the living wage at 5% and prohibit any decrease in the living wage if housing costs should dip dramatically in any given year. Historical data suggest that living wage growth will fall within the 2-4% range. The 5% cap would be triggered only in rare years. Similarly, the floor would only apply in deep deflationary cycles.

Year	10th pct (0.00%)	50th pct (2.6%)	90th pct (5.0%)
2025	\$15.00	\$15.00	\$15.00
2026	\$15.00	\$15.00	\$15.00
2027	\$17.50	\$17.50	\$17.50
2028	\$17.50	\$17.96	\$18.38
2029	\$17.50	\$18.42	\$19.29
2030	\$17.50	\$18.90	\$20.26
2031	\$17.50	\$19.39	\$21.27
2032	\$17.50	\$19.90	\$22.33
2033	\$17.50	\$20.41	\$23.45
2034	\$17.50	\$20.94	\$24.62
2035	\$17.50	\$21.49	\$25.86

This chart indicates that the most likely scenario based on historical CPI increases and housing growth is that the proposed living wage will grow at 2.6% per year. If there is little or no inflation and little to no rent increases over the next ten years, the living wage will remain at \$17.50/hour. If both rise significantly over the next decade, the annual living wage increase is capped at 5% per year.

Conclusion

Santa Fe's future depends on many factors—none more important than policies that guide who lives here now and in the future. Much of the unique character of Santa Fe derives from the composition of our community. Santa Fe has always been a diverse place, with some families tracing their roots back for many generations and others proud to be new arrivals. The city depends on workers in a variety of jobs and industries whose labor makes the economy go; it also has retirees who contribute their time as volunteers and their support to worthy causes.

Keeping that blend of people through increased housing opportunities and updated living wage—a key population strategy for Santa Fe—will play a critical role in the city's future, its character, its distinctive culture, its quality of life, and its sense of place and livability.

A population strategy has many components, but none is more important than the combination of affordable housing and a living wage.

As this memo lays out, there is a gap between what it costs to live in Santa Fe and what people who work in Santa Fe are paid. The living wage ordinance, adopted in 2002, displayed foresight and courage in addressing what was already seen as a gap back then. In the last 23 years, the gap has grown wider, forcing more working Santa Feans to leave the city where they work and have roots, and relocate to less expensive communities. There are numerous negative consequences—economic, social, and more—of allowing that long-standing trend to continue, not the least of which are the losses of diversity and community continuity in Santa Fe.

Data suggests that City policies on the supply side have had some impact on the cost of rental units in Santa Fe. More production, particularly of multi-family rental units, will continue to have meaningful impact on the reduction of rental costs. The next step is to make an adjustment to the living wage.

This proposal increases the living wage \$17.50/hour after a one-year period for planning and observation. It maintains the existing provisions for exceptions. It creates a new blended formula for calculating any annual increase, using both the Consumer Price Index and Fair Market Rent data specific to Santa Fe, a reflection of the key role that housing costs play in what constitutes a living wage. It caps any increase at 5%, guarding against an untenable increase for employees, and establishes a floor of 0% preventing the living wage from going down in the case of an economic crisis.

This two-pronged strategy represents another commitment of the City to address the needs of both employees and employers and puts the City on record as supporting a strategy that will keep Santa Fe, Santa Fe when it comes to who lives and works our the city.

What Should a Living Wage Look Like in Santa Fe? Five Potential Scenarios



FY 2025 - 2026

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Executive Summary

Santa Fe policymakers are considering a set of options to raise and index the city’s minimum wage to better reflect local cost-of-living pressures, particularly driven by rising housing costs. The city’s socio-economic fabric is under severe strain as housing affordability lags far behind wages, creating the risk that working families who wish to make Santa Fe their long-term home will be priced out. If this trend continues, Santa Fe could see the gradual displacement of its core workforce, undermining the diversity and stability that define the community. This report evaluates five indexing scenarios to guide that decision, combining historical data modeling, policy mechanics, and practical implementation strategies. Each scenario explores a different approach to annual minimum wage adjustments—including inflation-only, housing-based, blended indices, and capped/floored models.

Summary of Modeled Scenarios

- **Scenario A: *CPI-Only Escalator***
Adjusts annually using Western Region CPI-W. Median wage projected to rise from \$15.00 in 2025 to \$18.89 by 2034. In high-inflation conditions (90th percentile), the wage reaches \$21.81; in low-growth years, only \$16.87. Offers stability but fails to address rent pressures.
- **Scenario B: *Housing-Only Escalator***
Pegs wage growth to HUD two-bedroom FMR. Highly volatile. Median projection: \$18.90 by 2034, but in a high-rent trajectory, it could reach \$38.37—more than double Scenario A. In low-growth years, it drops to \$12.97. Strong housing link, but risky without caps.
- **Scenario C: *Blended Index (CPI-W + Rent)***
Equal weighting of CPI and FMR. Aims to reflect general inflation *and* local rent dynamics. Median 2034 projection: \$18.89, with a plausible range of \$14.80–\$28.82 depending on percentile. Balanced but introduces complexity and potential for volatility.
- **Scenario D: *Blended Index + \$17.50 Floor + 5% Cap***
Same blended index as Scenario C, but with a starting floor and annual growth ceiling. Median outcome: \$20.94 by 2034; upper bound capped at \$24.62, even in extreme inflationary environments. Offers stability, fairness, and predictability for workers and employers alike.
- **Scenario E: *Phased Path to \$17.50, Then Blended Index***
Raises wage to \$17.50 by 2028, then indexes using the blended method. Median projection: \$20.42 by 2034. High-end scenario yields \$32.72; lower bound remains at \$17.50. Provides a gradual on-ramp and long-term responsiveness, but lacks a cap or floor.

Interpretation & Tradeoffs

Wage indexing is a strategic shift—from political discretion to predictable, formula-based adjustments. It enhances transparency and reduces administrative burden. Yet the choice of index (CPI, housing, or both) and the use of guardrails (floors/caps) have profound consequences.

- **Scenario A** is the most stable, but least responsive to local housing cost surges.
- **Scenario B** aligns wages with affordability, but may whipsaw employers year to year.
- **Scenario C** moderates that volatility, blending housing pressure and general inflation.
- **Scenario D** refines Scenario C by anchoring expectations through bounds—widely used in other jurisdictions.
- **Scenario E** offers a smooth transition path to reform, delaying indexing until wages reach \$17.50, then allowing future flexibility.

Most years, historical data suggests that growth will fall within the 2%–4% range. However, the 5% cap in Scenario D would only be triggered in rare years—and likewise, the \$17.50 floor would only bind in deep deflationary cycles.

Structural Reality: Indexing Alone Won't Solve Housing

While indexing the minimum wage offers a fairer path to wage growth and cost-of-living alignment, it does not address the root cause of Santa Fe's affordability crisis: inadequate housing supply. Over the past decade, demand has outpaced construction due to restrictive zoning, labor and material costs, underbuilt infill areas, and lengthy permitting timelines that reflects a small part of a broader, national issue. The result is rising rents, pushing working families to the margins.

Minimum wage reform, even at its most progressive, addresses symptoms—not causes—of this broader economic dysfunction. A durable affordability strategy must pair income indexing with structural housing reforms that increase production of all kinds of housing.

In conclusion, an indexed minimum wage (particularly one blending inflation and rent data) can enhance stability, support workers, and offer employers predictability. But for lasting change, it must be one part of a broader economic toolkit.

Introduction to Methodologies

‘I contend that the controversies over the economics of minimum wages stem from an assumption that when studying labor markets, output prices and nonwage aspects of jobs can be taken as fixed.’ – Jeffery Clemens PhD

Public debates on the minimum wage often center on whether raising it will reduce employment. However, focusing solely on short-term job losses oversimplifies how employers adapt to higher labor costs. The reality is more nuanced.

Research increasingly shows that rather than immediately cutting jobs, employers respond in multiple ways—by increasing performance expectations, expanding job duties, reducing hours, limiting flexibility, or shifting hiring toward older, more experienced workers (Clemens, p59). In one study of a \$2 increase in Seattle’s minimum wage, total hours worked in low-wage jobs declined by 6–7%, even though the number of jobs remained relatively stable (Jardim et al. p2). Another study found that 90% of fast-food managers raised performance standards after a wage hike (Hamdi, Sovich, p1). Furthermore, reductions in employer-provided health insurance have been shown to offset at least 10% of wage gains in low-income jobs (Davis, p1). These changes reflect a more complex adjustment process that goes beyond headcount—affecting the nature of work itself, how workers are managed, and who gets hired.

At the national level, benefit reductions offset at least 10% of wage gains for low-income workers between 2011–2016 (Bossler, Shank, p121). Minimum wage impacts play out slowly: businesses often don’t fire, but reduce hiring. Many that end up adopting some form of operational changes—like automation, kiosk systems, or tighter scheduling—take years to fully implement. However, wage compression (e.g., pay differences between new hires and experienced veterans) can reduce morale if not addressed.

What This Means for Santa Fe’s Policy Design

For Santa Fe, the economic effects of a higher minimum wage—especially an increase to \$17.50 per hour—are unlikely to result in widespread job loss in the short term, particularly if introduced alongside clear indexing rules. However, the city should anticipate gradual adjustments in how businesses operate and who they hire. Small employers, especially in hospitality or retail, may respond by seeking more productive workers, compressing roles, reducing employee hours, or limiting non-wage benefits. Over time, these shifts may disproportionately affect younger workers, those

without formal credentials, or individuals with limited work experience. Policymakers can mitigate these risks by ensuring predictability—through an indexed formula with a wage floor and annual cap—and by offering complementary support for businesses, such as workforce training incentives or implementation guidance. Recognizing that wage increases often reshape labor markets gradually, not immediately, helps align economic justice goals with long-term business resilience.

Indexing the Living Wage: Blending CPI and Housing Costs

To ensure that the minimum wage keeps pace with the real cost of living in Santa Fe, policymakers are increasingly turning to indexed wage adjustments. Rather than rely on periodic legislative changes, an indexed wage automatically adjusts each year based on a published economic indicator. This approach provides predictability for businesses and stability for workers, while reducing administrative burden on city staff and elected officials.

Two of the most common indexing methods are:

- **Consumer Price Index (CPI):** Specifically, the Western Region CPI-W (for Urban Wage Earners and Clerical Workers) reported by the U.S. Bureau of Labor Statistics. This index reflects inflation in goods and services such as food, transportation, and medical care across 13 Western states. From 2018 to 2024, CPI-W for the region has averaged approximately 3.2% annually https://www.bls.gov/regions/west/news-release/consumerpriceindex_west.htm
- **Housing Cost Indices:** The most relevant for Santa Fe is HUD’s Fair Market Rent (FMR) for a one-bedroom apartment in Santa Fe County. This is used to determine housing vouchers and reflects market rental costs for modest housing. In FY2026, HUD set the FMR for a 2-bedroom unit at \$1,685/month—up 3.6% from the previous year [HUD FMR Data].

Given that housing is the single largest cost burden for low-wage workers in Santa Fe, and has outpaced general inflation for years, several of the following scenarios incorporate a blended index. A blended approach typically combines CPI-W with a housing index (e.g., 50/50), offering a more complete measure of economic strain. To maintain transparency, the city could anchor this formula in published federal data and update it each January, mirroring practices in other jurisdictions. In this report, five illustrative indexing scenarios are modeled, including CPI-only, housing-only, and blended escalators—with additional options that apply caps, floors, and phasing to reflect real-world policy needs.

Year	HUD Fair Market Rent									
	Efficiency	% Change	One-Bedroom	% Change	Two-Bedroom	% Change	Three-Bedroom	% Change	Four-Bedroom	% Change
2025	\$ 1,235	5.5%	\$ 1,368	3.9%	\$ 1,627	6.0%	\$ 2,057	4.9%	\$ 2,157	5.5%
2024	\$ 1,171	23.0%	\$ 1,317	21.2%	\$ 1,535	22.9%	\$ 1,960	22.7%	\$ 2,044	15.2%
2023	\$ 952	13.1%	\$ 1,087	11.5%	\$ 1,249	12.2%	\$ 1,597	12.5%	\$ 1,775	2.7%
2022	\$ 842	4.7%	\$ 975	3.7%	\$ 1,113	3.9%	\$ 1,419	4.1%	\$ 1,729	10.1%
2021	\$ 804	0.2%	\$ 940	1.3%	\$ 1,071	1.3%	\$ 1,363	-0.9%	\$ 1,571	2.4%
2020	\$ 802	-2.0%	\$ 928	0.0%	\$ 1,057	-1.1%	\$ 1,376	-2.1%	\$ 1,534	-1.1%
201G	\$ 818	5.7%	\$ 928	8.7%	\$ 1,069	6.3%	\$ 1,406	5.4%	\$ 1,551	7.0%
2018	\$ 774	-4.0%	\$ 854	-2.7%	\$ 1,006	-4.0%	\$ 1,334	-4.2%	\$ 1,449	-1.9%
2017	\$ 806	11.5%	\$ 878	12.3%	\$ 1,048	11.1%	\$ 1,392	11.2%	\$ 1,477	12.4%
2016	\$ 723	-2.2%	\$ 782	-2.7%	\$ 943	-1.0%	\$ 1,252	-2.0%	\$ 1,314	-3.8%
2015	\$ 739	-0.4%	\$ 804	-0.4%	\$ 953	-0.4%	\$ 1,278	-0.4%	\$ 1,366	-0.4%
2014	\$ 742	-1.9%	\$ 807	-1.9%	\$ 957	-1.9%	\$ 1,283	-1.9%	\$ 1,372	-1.9%
2013	\$ 756	29.7%	\$ 823	13.8%	\$ 976	10.9%	\$ 1,308	13.5%	\$ 1,399	1.6%
2012	\$ 583	-9.8%	\$ 723	-9.7%	\$ 880	-9.7%	\$ 1,152	-9.6%	\$ 1,377	-9.6%
2011	\$ 646	0.8%	\$ 801	0.8%	\$ 974	0.7%	\$ 1,275	0.7%	\$ 1,524	0.7%
2010	\$ 641	4.2%	\$ 795	4.2%	\$ 967	4.2%	\$ 1,266	4.2%	\$ 1,513	4.2%
200G	\$ 615	4.9%	\$ 763	5.0%	\$ 928	5.0%	\$ 1,215	5.0%	\$ 1,452	5.0%
2008	\$ 586	1.4%	\$ 727	1.4%	\$ 884	1.4%	\$ 1,157	1.4%	\$ 1,383	1.3%
2007	\$ 578	3.4%	\$ 717	3.5%	\$ 872	3.4%	\$ 1,141	3.4%	\$ 1,365	3.5%
2006	\$ 559	4.7%	\$ 693	4.8%	\$ 843	3.1%	\$ 1,103	6.3%	\$ 1,319	21.0%
2005	\$ 534	16.8%	\$ 661	2.3%	\$ 818	2.5%	\$ 1,038	-3.2%	\$ 1,090	-10.2%
2004	\$ 457	0.4%	\$ 646	0.3%	\$ 798	0.4%	\$ 1,072	0.4%	\$ 1,214	0.3%
2003	\$ 455	2.7%	\$ 644	2.5%	\$ 795	2.6%	\$ 1,068	2.6%	\$ 1,210	2.7%
2002	\$ 443	3.5%	\$ 628	3.5%	\$ 775	3.5%	\$ 1,041	3.5%	\$ 1,178	3.4%
2001	\$ 428	1.2%	\$ 607	1.2%	\$ 749	1.1%	\$ 1,006	1.1%	\$ 1,139	1.2%
2000	\$ 423		\$ 600		\$ 741		\$ 995		\$ 1,126	
Average Increase	4.7%		3.5%		3.4%		3.1%		2.8%	
Median Increase	3.4%		2.5%		2.6%		2.6%		2.4%	

Over the past 25 years, Santa Fe’s Fair Market Rent (FMR) levels have consistently trended upward, often rising faster than general inflation in the Western United States. While efficiency units have seen the highest average annual increase at 4.7%, the two-bedroom unit—the most commonly used benchmark for housing affordability—has increased at an average rate of 3.4% per year, compared to a 2.7% average annual increase in the regional Consumer Price Index (CPI-W). This suggests that housing costs in Santa Fe have typically grown 0.7 percentage points faster than inflation, on average. In recent years, the disparity has widened. Between 2023 and 2024, two-bedroom rents surged by 22.9%, far outpacing the CPI-W increase of just 2.8%. The volatility is striking: some years, such as 2012 and 2016, experienced modest rent declines, but these are exceptions in a long-term trend of rising costs. However, when using the median annual increase (50th percentile) rather than the average, rents for two-bedroom units rose by 2.6 percent, nearly identical to the median CPI-W inflation rate of 2.6 percent.

These data points reinforce a critical insight: indexing the minimum wage solely to CPI-W will likely underestimate the actual cost pressures faced by renters in Santa Fe, particularly in the housing market. While efficiency and one-bedroom units show even higher rates of increase, using the two-bedroom rent growth as a standard offers a conservative yet representative benchmark for policy

modeling. The historical record supports the consideration of a blended or housing-weighted escalator, rather than relying on CPI alone. Below, we include a table that compares the HUD Fair Market Rent with the CPI in the Western Region:

Year	HUD Fair Market Rent		CPI (Western Region)	
	Two-Bedroom	% Change	Index	% Change
2025	\$ 1,627	6.0%		
2024	\$ 1,535	22.9%	332.9	2.8%
2023	\$ 1,249	12.2%	323.8	4.3%
2022	\$ 1,113	3.9%	310.5	8.0%
2021	\$ 1,071	1.3%	287.5	4.5%
2020	\$ 1,057	-1.1%	275.1	1.7%
2019	\$ 1,069	6.3%	270.4	2.7%
2018	\$ 1,006	-4.0%	263.3	3.3%
2017	\$ 1,048	11.1%	254.7	2.8%
2016	\$ 943	-1.0%	247.7	1.9%
2015	\$ 953	-0.4%	243.0	1.6%
2014	\$ 957	-1.9%	239.1	1.3%
2013	\$ 976	10.9%	236.1	1.8%
2012	\$ 880	-9.7%	232.0	1.7%
2011	\$ 974	0.7%	228.1	2.7%
2010	\$ 967	4.2%	222.1	1.3%
2009	\$ 928	5.0%	219.3	2.2%
2008	\$ 884	1.4%	214.7	0.0%
2007	\$ 872	3.4%	214.7	4.1%
2006	\$ 843	3.1%	206.2	3.1%
2005	\$ 818	2.5%	200.0	3.0%
2004	\$ 798	0.4%	194.2	3.1%
2003	\$ 795	2.6%	188.3	1.5%
2002	\$ 775	3.5%	185.5	2.1%
2001	\$ 749	1.1%	181.6	2.5%
2000	\$ 741		177.1	

Over the past 25 years, Santa Fe’s two-bedroom Fair Market Rent (FMR) has shown a consistent upward trend, but with far more volatility than broader measures of inflation like the Consumer Price Index for the Western Region (CPI-W). While both metrics show a median annual increase of 2.6%, the average increase in FMR—at 3.4%—outpaces the CPI-W average of 2.7%, suggesting housing costs have generally risen faster than overall prices. What’s more important, however, is the range: two-bedroom rents have fluctuated between a low of –9.7% (2012) and a high of +22.9% (2024), a span of more than 32 percentage points. CPI-W, in contrast, has moved within a much narrower band, from 0.0% to 8.0%.

This volatility in rents, especially in recent years, underscores the mismatch between using a CPI-only escalator and the lived experience of renters in Santa Fe. The steep increases post-pandemic—22.9% in 2024 and 12.2% in 2023—illustrate how quickly housing costs can shift in response to market pressure, even as CPI-W remains relatively stable. If the goal of indexing the minimum wage is to preserve purchasing power, particularly in housing, then anchoring solely to CPI-W likely understates the burden on renters. A blended or housing-weighted index may provide a more accurate and more equitable long-term policy.

Scenario A: CPI-Only Escalator

Under Scenario A, the City of Santa Fe would annually adjust the minimum wage based solely on the Western Region Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W), as published by the U.S. Bureau of Labor Statistics. This index is a well-established national measure of inflation, frequently used in federal benefit programs such as Social Security. In this model, each July, the city would apply the percentage change in the previous calendar year's CPI-W to set the new minimum wage. For example, if the CPI-W increased by 2.6% in 2025, the 2026 minimum wage would be raised accordingly.

How It Works:

- **Adjustment Basis:** Annual change in CPI-W (Western Region), typically around 2–3% per year.
- **Implementation Timeline:** Data from the previous calendar year would inform wage changes effective each **July 1**.
- **Administrative Lead:** The City’s Economic Development Department or a designated office would:
 - Pull CPI-W data (already published by BLS).
 - Calculate the new rate using a simple formula.
 - Issue public notice by May or June to allow employer planning.

Based on historical CPI-W data for the Western Region from 2000 to 2025, annual changes have averaged 2.7% with a median of 2.6%. Percentile-based modeling suggests a potential range of minimum wages over the next decade, starting from \$15.00 in 2025 and reaching approximately \$18.89 by 2034 at the median growth rate. In high inflation years (90th percentile), this could climb as high as \$21.81, while in lower growth periods (10th percentile), the wage might only reach \$16.87. This provides policymakers with a stable growth trajectory, minimizing the risk of large year-over-year spikes that could destabilize small business operations.

Year	10th pct (1.3%)	25th pct (1.7%)	50th pct (2.6%)	75th pct (3.1%)	90th pct (4.2%)
2025	\$15.00	\$15.00	\$15.00	\$15.00	\$15.00
2026	\$15.20	\$15.26	\$15.39	\$15.47	\$15.63
2027	\$15.40	\$15.52	\$15.79	\$15.95	\$16.29
2028	\$15.61	\$15.78	\$16.20	\$16.45	\$17.00
2029	\$15.81	\$16.05	\$16.62	\$16.96	\$17.75
2030	\$16.02	\$16.32	\$17.06	\$17.49	\$18.50
2031	\$16.23	\$16.60	\$17.50	\$18.03	\$19.28
2032	\$16.44	\$16.88	\$17.96	\$18.58	\$20.09
2033	\$16.65	\$17.17	\$18.42	\$19.15	\$20.93
2034	\$16.87	\$17.46	\$18.89	\$19.73	\$21.81

Pros:

- **Simplicity & Transparency:** Easy to understand and administer; no new data collection needed.
- **Predictability for Employers:** Allows for budget forecasting and minimizes wage shocks.
- **Alignment with Federal Practices:** Matches the escalation method used in Social Security and federal benefits.

Cons:

- **Housing Mismatch:** CPI does **not directly reflect local housing costs**, which are rising faster than inflation in Santa Fe.
 - Example: In 2024, CPI increased by **2.8%**, while **two-bedroom rents rose 22.9%**.
- **Wage Lag Risk:** Could leave minimum wage workers behind in high-cost years, particularly renters.

While this model provides operational ease and fiscal restraint, it may fall short in addressing affordability in Santa Fe's housing-constrained market. If adopted, it should include a periodic review clause or be paired with other wage or housing interventions to ensure real earnings keep pace with local conditions.

In sum, a CPI-only escalator provides Santa Fe with a clear, low-cost mechanism for updating the minimum wage in line with national inflation. Its predictability benefits both workers and businesses, offering year-ahead wage expectations and avoiding economic shocks. Yet, its simplicity also represents its greatest limitation: it assumes that general price inflation is a sufficient proxy for local affordability, particularly housing. Policymakers adopting this approach may wish to revisit its adequacy regularly—or consider hybrid models that blend CPI with housing-based indicators to better reflect Santa Fe's cost dynamics.

Scenario B: CPI-Only Escalator

Under Scenario B, the City of Santa Fe would adjust its minimum wage annually based on changes in the Fair Market Rent (FMR) for two-bedroom apartments, as reported by the U.S. Department of Housing and Urban Development (HUD). FMR is a robust measure of housing costs used to determine federal rental assistance levels, and is particularly relevant in high-cost markets like Santa Fe, where rent constitutes a significant share of household expenses for low-wage workers. This model directly links wage increases to housing affordability, responding to one of the most pressing economic challenges in the city.

Each July, the city would apply the percentage change in the most recently published two-bedroom FMR to update the minimum wage. For example, if FMR increased by 3.4% in the prior year, the minimum wage would increase by that same amount.

How It Works:

- **Adjustment Basis:** Annual change in HUD two-bedroom Fair Market Rent (Santa Fe County), with a historical median of 2.6% and average of 3.4%.
- **Implementation Timeline:** HUD releases FMR data early each year; new wage would take effect July 1.
- **Administrative Lead:** The City’s Economic Development Department or designee would:
 - Retrieve HUD FMR data (publicly available).
 - Calculate the percentage change from the prior year.
 - Announce new wage by May or June to allow business planning.

Based on historical HUD FMR data from 2000 to 2025, the annual increase has varied substantially, ranging from –9.7% to +22.9%, with significant volatility in the past decade. Modeling percentile-based forecasts yields the following wage trajectories over the next decade, beginning at \$15.00 in 2025:

Year	10th pct (-1.6%)	25th pct (0.4%)	50th pct (2.6%)	75th pct (5.0%)	90th pct (11.0%)
2025	\$15.00	\$15.00	\$15.00	\$15.00	\$15.00
2026	\$14.76	\$15.06	\$15.39	\$15.75	\$16.65
2027	\$14.52	\$15.12	\$15.79	\$16.54	\$18.48
2028	\$14.29	\$15.18	\$16.20	\$17.36	\$20.51
2029	\$14.06	\$15.24	\$16.62	\$18.23	\$22.77
2030	\$13.84	\$15.30	\$17.05	\$19.14	\$25.28
2031	\$13.62	\$15.36	\$17.50	\$20.10	\$28.06
2032	\$13.40	\$15.43	\$17.95	\$21.11	\$31.14
2033	\$13.18	\$15.49	\$18.42	\$22.16	\$34.57
2034	\$12.97	\$15.55	\$18.90	\$23.27	\$38.37

Pros:

- **Affordability Linkage:** Reflects actual local cost of living, especially rent burdens that impact low-income households most directly.
- **Data Integrity:** HUD data is credible, publicly available, and widely used in housing policy.
- **Social Equity:** Ensures minimum wage earners are not left behind in Santa Fe's rent-driven economy.

Cons:

- **Volatility Risk:** FMR data shows wide fluctuations year-to-year, which could make planning difficult for employers.
 - E.g., 22.9% increase in 2024; -9.7% in 2012.
- **Lagged Timing:** FMR reflects past-year rents, potentially causing misalignment with current conditions.
- **Downward Adjustments:** Negative rent growth years could technically reduce the minimum wage unless a floor is legislated.

A housing-based escalator aligns wage growth with Santa Fe's dominant affordability issue: housing. It offers a progressive mechanism to ensure that the minimum wage keeps up with living costs faced by renters, particularly low-income families. However, this model introduces volatility—wages may rise steeply in some years and stagnate or even drop in others. For long-term implementation, the City should consider adding guardrails, such as minimum and maximum adjustment caps (e.g., no more than 8%, no less than 1% per year), or multi-year averaging to stabilize swings.

In high-growth scenarios, this model could result in a minimum wage exceeding \$38.00 by 2034—hugely disruptive to small businesses. Yet in low-rent-growth scenarios, wages could stagnate or fall. For this reason, many jurisdictions using FMR linkages incorporate hybrid models or smoothing mechanisms. In Santa Fe, where housing affordability remains the defining challenge for working families, a housing-based escalator deserves serious consideration—ideally with policy flexibility built in.

Scenario C: Blended Index

Under Scenario C, the City of Santa Fe would annually adjust the minimum wage using a blended index that reflects both general inflation and local housing costs. Specifically, the minimum wage would rise each year based on an equal-weighted average of (1) the annual percent change in the Western Region Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) and (2) the percent change in Santa Fe’s HUD Fair Market Rent (FMR) for a two-bedroom unit. This approach attempts to capture both the broad cost of living and the acute pressure of housing affordability, which is a major concern for Santa Fe residents.

How It Works:

- **Adjustment Basis:** 50% annual change in CPI-W (Western Region) + 50% annual change in Santa Fe FMR (2-bedroom unit).
- **Implementation Timeline:** Changes take effect each July 1, based on finalized data from the previous calendar year.
- **Administrative Lead:**
 - The City’s Economic Development Department (or designated body) would:
 - Collect CPI-W data from the U.S. Bureau of Labor Statistics.
 - Pull HUD Fair Market Rent data from the U.S. Department of Housing and Urban Development.
 - Average the percentage increases of both indices.
 - Apply the result to the current wage and publish the new rate by May or June.

Historical data suggests a wide range of possible outcomes for a blended CPI-rent index. Annual increases have ranged from slight declines (10th percentile: -0.15%) to sharp spikes (90th percentile: 7.6%). The median growth rate is 2.6%, with moderate scenarios (25th–75th percentiles) between 1.05% and 4.05%, reflecting typical inflation and rent trends. Based on these, a minimum wage starting at \$15.00 in 2025 could evolve over the next ten years as shown:

Year	10th pct (-0.14%)	25th pct (1.06%)	50th pct (2.6%)	75th pct (4.04%)	90th pct (7.6%)
2025	\$15.00	\$15.00	\$15.00	\$15.00	\$15.00
2026	\$14.98	\$15.16	\$15.39	\$15.61	\$16.14
2027	\$14.96	\$15.32	\$15.79	\$16.24	\$17.37
2028	\$14.93	\$15.48	\$16.20	\$16.90	\$18.69
2029	\$14.91	\$15.64	\$16.62	\$17.58	\$20.11
2030	\$14.89	\$15.80	\$17.06	\$18.29	\$21.63
2031	\$14.86	\$15.97	\$17.50	\$19.02	\$23.26
2032	\$14.84	\$16.13	\$17.96	\$19.78	\$25.00
2033	\$14.82	\$16.30	\$18.42	\$20.57	\$26.85
2034	\$14.80	\$16.47	\$18.89	\$21.38	\$28.82

Pros:

- **More Accurate Reflection of Costs:** Better aligns with local economic realities by including housing costs—Santa Fe’s largest cost driver.
- **Balanced Approach:** Mitigates CPI-only lag without fully tying wages to volatile rent increases.
- **Data Availability:** Both CPI-W and FMR data are updated annually by federal agencies.

Cons:

- **Complexity:** Requires multiple datasets and more detailed annual calculations.
- **Volatility Risk:** If FMR rises sharply in a single year, the combined index may still jump noticeably.
- **Uncertain Long-Term Behavior:** If either CPI or FMR shifts structurally (e.g., post-pandemic rent surges), future wages may deviate from expectations.

This model provides a more grounded wage adjustment for Santa Fe, especially for renters, who are disproportionately affected by housing cost spikes. Yet it also introduces complexity in explanation and forecasting. To address this:

- Pair the blended escalator with a guardrail policy—capping annual changes (e.g., no more than 8% per year) or implementing smoothing mechanisms (e.g., three-year moving averages).
- Monitor for wage compression or displacement, especially in businesses with tight margins

Scenario D: Blended with a New Wage Floor (\$17.50) and Cap (5%)

Scenario D builds upon the blended index model by incorporating two additional guardrails: a wage floor of \$17.50/hour beginning in 2026, which sets the **proposed higher** minimum wage as a starting point, and an annual escalation cap of 5.0%, which limits sharp increases in any given year. This model uses a hybrid of the Western Region CPI-W and HUD two-bedroom Fair Market Rent increases to calculate wage adjustments, reflecting both inflation and local housing pressures. However, it prevents wage drops during deflationary years and avoids economic shocks in volatile inflationary periods.

How It Works:

- **Adjustment Basis:** Same blended index as Scenario C (average of CPI-W and Santa Fe HUD rent growth).
- **Wage Floor:** Starting in 2026, cannot fall below \$17.50/hour regardless of inflation or rent changes.
- **Annual Cap:** Increases cannot exceed 5% annually, even in high-cost years.
- **Implementation Timeline:** Annual adjustment effective July 1, using prior year's blended data.
- **Administrative Lead:** City Economic Development Department (or designated office) would:
 - Calculate blended average of CPI-W and HUD rent change.
 - Apply the floor and cap constraints.
 - Announce wage changes by May or June annually.

Under Scenario D, the range of potential wage outcomes from 2025 to 2034 is broad yet carefully managed due to the application of both a floor and a cap. At the lower bound, the 10th percentile—assuming 0.00% blended annual growth—the minimum wage remains unchanged at \$17.50 for the entire decade, offering stability during low-inflation or deflationary periods. At the median (50th percentile), where annual blended growth averages 2.6%, wages steadily climb to \$22.05 by 2034, aligning with typical historical trends. At the high end, even with compounded 5.0% increases capped each year (90th percentile scenario), wages could reach as high as \$24.62 by 2034 in a highly unlikely scenario. This demonstrates the model's ability to respond dynamically to elevated cost pressures while still maintaining a ceiling to avoid sudden burdens on employers. The floor-and-cap design ensures wage progression occurs within a predictable and policy-sensitive range.

Year	10th pct 0.00%	25th pct 1.06%	50th pct 2.60%	75th pct 4.04%	90th pct 5.00%
2025	\$15.00	\$15.00	\$15.00	\$15.00	\$15.00
2026	\$15.00	\$15.00	\$15.00	\$15.00	\$15.00
2027	\$17.50	\$17.50	\$17.50	\$17.50	\$17.50
2028	\$17.50	\$17.53	\$17.96	\$18.21	\$18.38
2029	\$17.50	\$17.56	\$18.42	\$18.94	\$19.29
2030	\$17.50	\$17.58	\$18.90	\$19.71	\$20.26
2031	\$17.50	\$17.61	\$19.39	\$20.50	\$21.27
2032	\$17.50	\$17.64	\$19.90	\$21.33	\$22.33
2033	\$17.50	\$17.67	\$20.41	\$22.19	\$23.45
2034	\$17.50	\$17.70	\$20.94	\$23.09	\$24.62

Pros:

- **Affordability Assurance:** Protects workers from wage stagnation with a meaningful floor.
- **Volatility Protection:** Prevents ‘economic whiplash’ for small businesses during high inflation spikes.
- **Balance of Responsiveness and Restraint:** Reflects both housing and inflation pressures while offering fiscal predictability.

Cons:

- **Complexity:** More steps involved in the calculation and communication of annual wage changes.
- **Hard Cap Limitations:** In rare high-cost years, the 5% ceiling could under-adjust relative to real costs.
- **Administrative Attention Needed:** Requires diligence in calculating and publishing blended figures with guardrails annually.

In sum, Scenario D offers a thoughtful compromise between economic responsiveness and policy stability—especially relevant given Santa Fe’s proposed \$17.50 minimum wage floor. While this floor would likely only be triggered in rare periods of economic stagnation, it ensures that wage erosion does not occur in deflationary years. Similarly, the 5% annual cap acts as a safeguard against extreme year-over-year spikes that could destabilize small businesses—though hitting this upper limit would also be infrequent based on historical data. Most years are expected to fall well within these bounds, allowing for measured, predictable increases that reflect both inflation and housing trends. This model balances worker protections with employer planning needs, offering a durable framework for wage setting through economic uncertainty.

Scenario E: Phased increase to \$17.50 by Jan 2027, then indexed

Scenario E proposes a two-step policy: first, a fixed schedule of annual increases raises Santa Fe’s minimum wage from \$15.00 to \$17.50 by January 1, 2027. After this transition period, the wage would be adjusted annually based on a blended index incorporating both CPI-W (Western Region) and local housing cost changes (e.g., HUD Fair Market Rent). This model offers a compromise between immediate cost-of-living adjustments and smoother long-term planning.

Step 1: Phased Increase

- January 1, 2026: \$16.00
- January 1, 2027: \$16.75
- January 1, 2028: \$17.50

Step 2: Blended Index-Based Adjustments (Post-2028)

- Beginning **January 1, 2029**, annual increases are tied to the average growth rate of:
 - The CPI-W (Western Region), and
 - Santa Fe HUD Fair Market Rent for a two-bedroom unit.
- Data from the prior calendar year is used.
- Adjustments are announced by June each year to take effect the following January.

To operationalize this approach, Santa Fe would commit to a clear, stepwise increase in the minimum wage beginning in 2025. Under this scenario, the wage would rise from \$15.00 to \$16.00 in 2026, reach \$16.75 in 2027, and achieve the \$17.50 target by 2028. Thereafter, annual adjustments would follow the blended index framework—factoring in both inflation (CPI-W) and local housing costs. This dual mechanism provides both predictability and responsiveness, allowing the wage to evolve with economic conditions while avoiding volatility in the early implementation years. The table below illustrates how the minimum wage might evolve from 2025 through 2034 under different percentile-based growth assumptions drawn from historical data.

	10th pct (0.00%)	25th pct (1.06%)	50th pct (2.6%)	75th pct (4.04%)	90th pct (11.0%)
2025	\$15.00	\$15.00	\$15.00	\$15.00	\$15.00
2026	\$16.00	\$16.00	\$16.00	\$16.00	\$16.00
2027	\$16.75	\$16.75	\$16.75	\$16.75	\$16.75
2028	\$17.50	\$17.50	\$17.50	\$17.50	\$17.50
2029	\$17.50	\$17.69	\$17.96	\$18.21	\$19.42
2030	\$17.50	\$17.88	\$18.43	\$18.95	\$21.56
2031	\$17.50	\$18.07	\$18.91	\$19.72	\$23.93
2032	\$17.50	\$18.26	\$19.40	\$20.52	\$26.56
2033	\$17.50	\$18.45	\$19.90	\$21.35	\$29.48
2034	\$17.50	\$18.65	\$20.42	\$22.21	\$32.72

Pros:

- **Employer Transition Time:** Gives businesses two full years to adapt to rising labor costs.
- **Clear Schedule:** Reduces uncertainty through 2028 with preset steps.
- **Responsiveness After 2028:** Indexing ensures that wages track local cost of living over time.

Cons:

- **Slow Initial Relief:** Workers may face continued affordability pressure during phase-in.
- **Complex Administration Post-2028:** Dual-index tracking and public communication require capacity.
- **Potential Volatility:** Without a cap or floor, indexing alone may create unpredictable wage swings in outlier years.

This revised Scenario E blends stability with long-term adaptability. By phasing in the wage increases over three years and then tying future adjustments to both inflation and housing costs, it recognizes the lived reality of affordability in Santa Fe while offering employers a measured ramp-up. Unlike Scenario D, this model does not impose a cap or floor on wage growth—an omission that could lead to greater volatility in extreme economic years, particularly if housing costs spike. Yet this openness also reflects a belief in aligning wages more directly with evolving costs. As a transitional framework, Scenario E offers a pragmatic compromise: it delivers near-term wage relief through predictable increases, while laying the groundwork for a responsive, data-driven system that can mature alongside Santa Fe’s economy. Whether to introduce caps or additional safeguards remains a key policy question—but this model provides a thoughtful starting point for equitable and sustainable wage setting.

Case Studies

On July 1, 2025, Alaska, Oregon and Washington, D.C. are increasing their minimum wage for almost 900,000 workers. In 2016 Oregon Legislators tied the state’s minimum wage floor to the Consumer Price Index - U.S. City Average for All Urban Consumers for All Items presented by the Bureau of Labor Statistics (CPI-W). The policy separates rates for the State, the Portland Metro Area, and Non-Urban Counties. Per the Department of Employment Services Office of Wage and Hour, Washington D.C. will see an increase to its minimum wage floor on July 1, 2025, from \$17.50 per hour to \$17.95 an hour due to a 2.7% rise of the Consumer Price Index within the Washington Metropolitan Area. Washington D.C. signed its “Fair Shot Minimum Wage Amendment Act” in 2016 which created a minimum wage floor tied to CPI with provisions to increase it further in subsequent years. Chicago, New York City, Portland, California, Connecticut and Washington D.C.’s minimum wages are all projected to surpass \$17 an hour by 2027 due to inflation adjustments to minimum wage.

Summer 2025 Locality Minimum Wage Increases

In Summer, 2025, 12 additional cities and localities are increasing their minimum wage with an inflation adjustment ranging from \$0.40 to \$0.59.

Locality	State	2024 minimum wage	2025 minimum wage	Minimum wage increase	% Increase	Type of increase
Alameda	California	\$17.00	\$17.46	\$0.46	2.71%	Inflation adjustment
Berkeley	California	\$18.67	\$19.18	\$0.51	2.73%	Inflation adjustment
Emeryville	California	\$19.36	\$19.90	\$0.54	2.79%	Inflation adjustment
Fremont	California	\$17.30	\$17.75	\$0.45	2.60%	Inflation adjustment
Los Angeles	California	\$17.28	\$17.87	\$0.59	3.41%	Inflation adjustment
Los Angeles County	California	\$17.27	\$17.81	\$0.54	3.13%	Inflation adjustment
Milpitas	California	\$17.70	\$18.20	\$0.50	2.82%	Inflation adjustment
Pasadena	California	\$17.50	\$18.04	\$0.54	3.09%	Inflation adjustment
San Francisco	California	\$18.67	\$19.18	\$0.51	2.73%	Inflation adjustment
Santa Monica	California	\$17.27	\$17.81	\$0.54	3.13%	Inflation adjustment
Chicago	Illinois	\$16.20	\$16.60	\$0.40	2.47%	Inflation adjustment
Montgomery County	Maryland	\$17.15	\$17.65	\$0.50	2.92%	Inflation adjustment

Data provided by the Economic Policy Institute, June 25, 2025.

Montgomery County, Maryland breaks down the increases by employer size, large employers (51 or more employees) will increase minimum wages by \$0.50 to \$17.65 an hour, medium sized employers (11-50 employees) by \$0.50 to \$16 an hour, and small employers (10 or fewer employees) by \$0.50 to \$15.50 an hour. These increases are based upon the Consumer Price Index for All Urban Wage Earners (CPI-W) in the Washington D.C.- Arlington-Alexandria metro area for the previous calendar year, which was 2.4% in 2024 per the Montgomery County Office of Human Rights. This strategy combines Scenario A and business size. Academic research published in 2022 from the [Mannheim Business Panel](#) in Germany studied the effects of increased minimum wages on “microbusinesses” revealed a “minimum wage-induced increase in market exits among microbusinesses with up to four dependent employees” (De Monte et al. 2022).

In Chicago, Illinois, the inflation adjusted increase is applied to businesses with four or more employees, and is based on the Consumer Price Index or 2.5%, whichever is lower, per the Chicago Department of Business Affairs and Consumer Protection. According to the University of California Berkely Labor Center’s [Inventory of US City and County Minimum Wage Ordinances](#), Santa Monica, San Francisco, Los Angeles, Los Angeles County, Berkeley, and Alameda increase their minimum wages based upon CPI-W. Pasadena, Milpitas, Fremont, Emeryville are based upon the standard CPI.

Contemporary Research Findings

[“How Do Firms Respond to Minimum Wage Increases? Understanding the Relevance of Non-Employment Margins”](#) published in the Journal of Economic Perspectives by Jeffery Clemens in 2021 gives a holistic view of employer responses to changes to the minimum wage. Clemens finds that employers that produce “non-tradable” goods and services face less challenges in adjusting prices in response to an increase in minimum wages (Clemens, p54). Clemens also stipulates that employers

might respond by reducing non-cash benefits to offset the costs of increasing the minimum wage. Research into employer supplied healthcare offerings is sparse as these values are often binary and are not adequately described in terms of quality and comprehension (Clemens 59). Additional non-cash benefits may be reduced as well, schedule flexibility, training opportunities and effort requirements are examples provided by Clemens (p59). Regardless of the employer response, measurable changes to employment, benefits and pass-through are not observable in the short term and continual monitoring is needed.

[“The Minimum Wage in Germany: Institutional Setting and a Systematic Review of Key Findings”](#) by Matthias Dütsch, Clemens Ohlert and Arne Baumann published in the Journal of Economics and Statistics in 2025 is a metanalysis of a series of academic research and policy studying the 2015 minimum wage introduction in Germany and subsequent 15% increase on October 1, 2022. The study was heavily impacted by the Covid-19 pandemic. The research posits shifting the theoretical framework from an hourly wage to a monthly wage. A monthly wage is able to capture differences that an hourly wage can not, such as hours worked, schedule flexibility, non-monetary benefits, and productivity. Dütsch et al, cite the Mario Bossler and Thorsten Schank paper titled [“Wage Inequality in Germany after the Minimum Wage Introduction”](#) that found “a 10-percentage- point increase in the applicability of the minimum wage caused an increase in monthly wages of approximately 4.4 percent in 2015 and 2016 and approximately 5.4 percent in 2017” (Bossler, Schank, p126).

Dütsch, Ohlert and Baumann, found substantial evidence for short impacts to raising the minimum wage, “Our literature survey shows that existing studies largely find reductions in working time, particularly directly after the introduction and the first increase in the minimum wage” (p128). Further metanalysis found a loss of employment in the year of the minimum wage introduction (2015) but found no effect in the following year, 2016, suggesting a short-term decline of “...0.025 percent in employment for every additional percentage point in the share of minimum wage” (Dütsch et al, p 138). Similarly, a short-term negative impact for investments in businesses was found with no observable “long-lasting negative effects” (Dütsch et al, p143). There is evidence of pass-through and a negative impact on employer profits specifically in businesses with contractual hourly wages, this however was not found in employers who did not have contractual hourly wages (Dütsch et al, p 145).

An analysis of the research conducted by Holger Bonin in 2018 titled [“The German Statutory Minimum Wage and Its Effects on Regional Employment and Unemployment”](#) and Nico Pestel, in 2020 titled [“Impact of the statutory minimum wage on employment and unemployment”](#) found “...the introduction of the minimum wage reduced overall employment by 0.6 percent in 2016 and by 0.9 percent in 2019 in regions with an above median wage gap (i.e. the difference between the actual wage in 2014 and the minimum wage) compared to regions with a below average wage gap” (Dütsch et al, p138). However, a paper by Christian Dustmann titled [“Reallocation Effects of the Minimum](#)

[Wage](#)” found that workers who’s wages would be increased by the new minimum wage legislation had a “...slightly greater probability of them being employed after the minimum wage had come into force. The authors also observed a reallocation of these workers to larger, higher paying firms due to the minimum wage” (Dütsch et al, p138).

Both the work by Bonin and Pestel found that the effects were more severely felt in locations with comparatively low GDP growth, “These negative employment effects were particularly driven by regions with relatively low GDP growth before the introduction of the minimum wage” (Dütsch et al, p138). The metanalysis found no evidence in an effect of worker productivity, “All the existing studies did not find evidence for minimum wage-induced effects on labour productivity in Germany...” (Dütsch et al, p142).

Dütsch, Ohlert and Baumann found notable benefits from the minimum wage introduction and 2022 increase. A metanalysis of the 2023 study conducted by Clemens Ohlert titled “Minimum Wage Effects on Gender Gaps in Working Hours and Earnings in Germany” published in the Society for the Study of Economic Inequality found that “the minimum wage effects on the average hourly wages of women and men in minimum wage establishments differed by 3.6 % points in 2015, which led to a reduction in the gender pay gap in these workplaces” (p126). Indeed it was found that overall wage variance was reduced “...the minimum wage reduced the wage dispersion in Germany” (Dütsch, p145). Dütsch et al conclude that “Due to strong economic growth in the years after its introduction, the minimum wage had no adverse effects on overall employment or unemployment levels” (Dütsch et al, p145).

[“Who Pays for the Minimum Wage?”](#) by Peter Harasztosi and Attila Linder published in the American Economic Review in 2019 is a comprehensive analysis of how Hungarian firms responded to minimum wage increases. It found that 75% of the minimum wage increase was paid by consumers as “pass-through” meaning the costs were passed through to consumers, the remaining 25% was paid by employers, though these figures vary by industry. Price responses and pass-through were greater in non-tradable industries than tradeable industries (Clemens, 2021). Santa Fe employers should be able to take advantage of greater pass-through due to the immutable nature of Santa Fe’s business sectors, tourism, culture and arts.

Summarized Q&A between Dr. White and the Mayor's Office June through August, 2025.

Q: What housing measure is used in the blended index?

A: The proposal relies on the U.S. Department of Housing and Urban Development's Fair Market Rent (FMR) for a two-bedroom apartment in Santa Fe. This measure is the most conservative published benchmark available, and it directly reflects local market rental conditions. Tying wage adjustments to HUD's FMR ensures that the formula is transparent, consistent, and relevant to Santa Fe's housing realities.

Q: Critics argue that raising the minimum wage will reduce job opportunities, especially for younger or minority workers. Is this a valid concern?

A: This argument is most closely associated with Walter Williams and others who oppose the existence of any minimum wage. It is important to note that every U.S. state, including the most conservative, has a minimum wage; the five states with no state-level wage utilize the federal minimum wage of Research consistently shows that unemployment among Black youth and other groups is shaped primarily by structural inequalities, not wage ordinances. Santa Fe's proposal is not intended to eliminate entry-level work but to ensure wages reflect the cost of living. With the median rent for a one-bedroom apartment now close to \$1,400 per month, stagnant wages create a much greater barrier to participation in the workforce than the proposed adjustments.

Q: Is this analysis being conducted by the Bureau of Business and Economic Research (BBER) at UNM?

A: No. The projections were prepared independently by Erebor LLC and Dr. Reilly White. Although Dr. White serves as a faculty member at UNM, the work was not conducted by BBER and is not affiliated with its research portfolio.

Q: How does the proposal address wage compression among workers who already earn more than the living wage?

A: Wage compression is a foreseeable outcome when minimum wages rise. Employers may respond by flattening pay scales, delaying promotions, or adjusting job expectations for staff earning in the \$17–20 per hour range. Evidence suggests that large-scale job losses are unlikely. More common responses include modest reductions in hours, tighter scheduling practices, or a preference for hiring more experienced workers. These adjustments must be weighed against the broader gains in worker stability, household spending power, and community well-being.

Q: What will the living wage look like ten years from now under this proposal?

A: Using the blended index with a \$17.50 floor in 2027 and a five percent annual cap (Scenario 'D'), the projected living wage in 2034 is approximately \$20.94 per hour, or about \$21.48 in 2035. Assuming a five percent cap on rates, the maximum possible wage level in 2034 would be \$24.62. Applying a Monte Carlo analysis – which simulates the results 10,000 times - produced a very similar central estimate of \$21.39 by 2034, reinforcing the reasonableness of these projections.

Q: What would today's living wage be if this formula had been in place since 2004?

A: The 2004 living wage of \$8.50 per hour, if indexed under the blended formula, would be approximately \$14.40 today. This aligns closely with the actual current living wage of \$15.00, suggesting the proposed approach is both realistic and sustainable.

Q: What risks do employers face under the new proposal?

A: The majority of economic studies show that higher minimum wages do not lead to widespread job loss. Where risks emerge, they tend to involve incremental changes such as reduced hours, more restrictive scheduling, or automation in certain industries. Employers may also prioritize older or more experienced applicants. These risks are offset by the benefits of higher wages, including improved worker retention, greater consumer demand, and reduced reliance on public assistance.

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Raising the Living Wage in Santa Fe: Potential impacts and analysis

This version: August 27, 2025



Overview

Santa Fe has long been a national leader in implementing a living wage ordinance, establishing higher minimum standards than both state and federal policy. The city’s original living wage ordinance, adopted in 2003, was among the first of its kind and quickly became a focal point for both local debates and national scholarship. Today, as the Santa Fe City Council considers another adjustment to the city’s living wage, many of the same themes have reemerged: particularly questions about timing, scope, and economic impact. At the same time, the policy conversation is occurring within a new macroeconomic context marked by higher inflation, rising housing costs, and shifting national priorities.

This analysis draws on the history of Santa Fe’s ordinance, recent empirical research, and specific concerns voiced by councilors during the most recent work session. The goal is to provide an evidence-based perspective on what a wage adjustment would mean for the city’s workers, businesses, and long-term economic, social, and cultural vitality.

Understanding the Santa Fe Economy

Assessing the implications of a living wage adjustment requires situating the policy within Santa Fe’s broader economic structure. The city’s sectoral composition, seasonal labor market patterns, and public-private balance provide essential context for evaluating potential outcomes.

Santa Fe’s economy remains anchored by its strong cultural, tourism, and arts sectors. Employment in Santa Fe is seasonal, with the nonfarm civilian workforce across Santa Fe County rising to 65k in the summer months, driving both increased demand for employment and higher unemployment rates as greater numbers of workers enter the labor force to seek employment.¹ The leisure and hospitality sector, which includes hotels, restaurants, and tourism-related services, is particularly central to the city’s economy, representing nearly 20% of total employment. Government remains the single largest sector at 22.8%, education and health services (17.7%) and trade, transportation, and utilities (15.7%). Professional and business services make up 8.3%, while industries such as construction, finance, and manufacturing contribute smaller but steady shares. Taken together, Santa Fe’s employment profile reflects its dual identity as both a government and service hub and a tourism-driven economy, with labor market conditions closely tied to seasonal visitor flows and the cultural calendar that sustains the city’s broader economic vitality.²

Largest Employment Sectors, Santa Fe County

June 2025

Government	14.8	22.8%
Leisure and Hospitality	12.7	19.6%
Education and Health Services	11.5	17.7%
Trade, Transportation, and Utilities	10.2	15.7%
Professional and Business Services	5.4	8.3%
Mining, Logging, and Construction	3.2	4.9%
Other Services	3.2	4.9%
Financial Activities	2.3	3.5%
Manufacturing	0.8	1.2%
Information	0.8	1.2%
Total Nonfarm Labor Force	64.9	100%

¹ https://www.bls.gov/eag/eag.nm_santafe_msa.htm

² <https://data.bls.gov/timeseries/SMU3542140700000001>

Largest Employers Located in Santa Fe, NM (2024-2025 Estimates)

Rank	Location	Employees	Source
1	State of New Mexico	5,900	https://www.spo.state.nm.us/wp-content/uploads/FY24-Compensation-Report.pdf
2	Christus St. Vincent	2,500	https://www.bizjournals.com/albuquerque/subscriber-only/2025/01/29/santa-fe-area-employers.html
3	Santa Fe Public Schools	1,800	https://www.sfps.info/page/sfps-sustainable
4	City of Santa Fe	1,500	https://santafenm.gov/
5	Santa Fe County	850	https://www.linkedin.com/company/santa-fe-county/
6	Santa Fe Community College	661	https://www.sfcc.edu/fast-facts/mission-vision-governing-board/
7	Presbyterian Santa Fe	545	https://www.bizjournals.com/albuquerque/subscriber-only/2025/01/29/santa-fe-area-employers.html
8	Eldorado Hotel	500	https://www.bizjournals.com/albuquerque/subscriber-only/2025/01/29/santa-fe-area-employers.html
9	Hotel Chimayo	500	https://www.bizjournals.com/albuquerque/subscriber-only/2025/01/29/santa-fe-area-employers.html
10	Hotel St. Francis	500	https://www.bizjournals.com/albuquerque/subscriber-only/2025/01/29/santa-fe-area-employers.html

In addition, an estimated 3,500 employees of Los Alamos National Laboratories live in Santa Fe, NM³

Santa Fe’s employment base is anchored by a mix of government, healthcare, education, and hospitality. The State of New Mexico is by far the largest single employer, with approximately 5,900 employees in the city. Healthcare is also a major driver, led by Christus St. Vincent with 2,500 employees, alongside Presbyterian Santa Fe with 545 employees. Education remains a central pillar, with Santa Fe Public Schools employing 1,800 and Santa Fe Community College supporting 661 faculty and staff. Local government contributes significantly as well, with 1,400 City of Santa Fe employees and 850 working for Santa Fe County. Santa Fe’s robust tourism and hospitality sector rounds out the top employers, with large hotel operations such as the Eldorado Hotel, Hotel Chimayo, and Hotel St. Francis, each employing around 500 workers. In addition, an estimated 3,500 employees of Los Alamos National Laboratory live in Santa Fe, contributing to the local labor market despite the lab’s physical location in neighboring Los Alamos County.

Prevailing wage data in Santa Fe is accessible via the Bureau of Labor Statistics Occupational Employment and Wage Statistics (OEWS) survey, most recently completed in May 2024.⁴ Comparing Santa Fe’s occupational wage profile to the United States as a whole highlights both the city’s structural reliance on service-oriented employment and the wage disparities that characterize its labor market. Overall, the mean hourly wage in Santa Fe is \$29.05, which is \$3.61 lower than the U.S. average of \$32.66. This differential reflects both sectoral composition and localized pay gaps across multiple occupational categories.

High-skill, high-wage professions in Santa Fe exhibit some of the largest negative differentials relative to the national average. For example, management occupations earn \$13.17 less per hour than their national peers, while legal occupations earn \$16.50 less per hour. Similar downward gaps are evident in business and financial operations (-\$9.49), computer and mathematical occupations (-\$10.37), and arts, design, and media (-\$7.53). These figures suggest that Santa Fe’s position as a cultural and governmental hub does not extend to supporting nationally competitive wages in many knowledge-based fields.

³ <https://losalamosreporter.com/2023/05/05/lanl-report-shows-37-7-percent-of-employees-lived-in-los-alamos-county-as-of-sept-30-2022/>

⁴ https://www.bls.gov/regions/southwest/news-release/occupationalemploymentandwages_santafe.htm

At the same time, Santa Fe wages are more competitive in several critical areas. Healthcare practitioners and technical workers earn \$6.18 more per hour than the national average, reflecting the scarcity of qualified healthcare workers locally and the influence of major employers such as Christus St. Vincent. Wages in food preparation and serving occupations are slightly above the U.S. average (+\$0.88), which is notable given the sector’s large share of Santa Fe employment (13.6% versus 8.8% nationally). Other large occupational groups, such as office and administrative support, education, and building and grounds maintenance, show wages roughly in line with national averages, with gaps of less than \$1 per hour. These sectors, while not highly paid, are crucial to Santa Fe’s labor market given their large shares of local employment. The figure below is adapted from the Bureau of Labor Statistics:

Major occupational group	Percent of total employment		Mean hourly wage (\$)		Pay Differentials (SF Pay - US Pay)
	United States	Santa Fe	United States	Santa Fe	
Total, all occupations	100.0	100.0	\$ 32.66	\$ 29.05	\$ (3.61)
Management	7.1	7.1	\$ 68.15	\$ 54.98	\$ (13.17)
Business and financial operations	6.7	7.6	\$ 45.04	\$ 35.55	\$ (9.49)
Computer and mathematical	3.4	2.6	\$ 56.16	\$ 45.79	\$ (10.37)
Architecture and engineering	1.7	1.2	\$ 49.99	\$ 47.09	\$ (2.90)
Life, physical, and social science	0.9	1.3	\$ 43.12	\$ 38.46	\$ (4.66)
Community and social service	1.7	1.7	\$ 30.31	\$ 30.42	\$ 0.11
Legal	0.8	1.4	\$ 66.19	\$ 49.69	\$ (16.50)
Educational instruction and library	5.8	4.9	\$ 31.69	\$ 31.02	\$ (0.67)
Arts, design, entertainment, sports, and media	1.4	1.5	\$ 37.04	\$ 29.51	\$ (7.53)
Healthcare practitioners and technical	6.2	5.1	\$ 50.59	\$ 56.77	\$ 6.18
Healthcare support	4.8	3.6	\$ 19.06	\$ 18.40	\$ (0.66)
Protective service	2.4	2.9	\$ 29.33	\$ 28.41	\$ (0.92)
Food preparation and serving related	8.8	13.6	\$ 17.32	\$ 18.20	\$ 0.88
Building and grounds cleaning and maintenance	2.9	4.3	\$ 19.01	\$ 18.59	\$ (0.42)
Personal care and service	2.0	2.4	\$ 18.95	\$ 18.18	\$ (0.77)
Sales and related	8.7	9.5	\$ 26.00	\$ 21.90	\$ (4.10)
Office and administrative support	11.8	14.5	\$ 24.12	\$ 23.42	\$ (0.70)
Farming, fishing, and forestry	0.3	0.2	\$ 20.06	\$ 20.13	\$ 0.07
Construction and extraction	4.1	3.8	\$ 30.73	\$ 24.51	\$ (6.22)
Installation, maintenance, and repair	3.9	3.4	\$ 29.63	\$ 25.17	\$ (4.46)
Production	5.7	2.3	\$ 24.08	\$ 23.73	\$ (0.35)
Transportation and material moving	8.9	5.0	\$ 23.44	\$ 20.10	\$ (3.34)

Rising living costs and a cooling housing market present significant challenges. As of August 2025, the average Santa Fe, NM home sells for \$590,845⁵, down 0.7% over the prior year and reflective of higher inventories and reduced absorption rates. Despite the slowdown, Santa Fe has emerged as the nation’s #2 luxury second-home market⁶, with a median listing price in the 90th percentile of nearly \$2.7 million with steady demand from affluent buyers and retirees. Mean rents in Santa Fe are currently between \$1,735 and \$1,860⁷ per month. The HUD 40th percentile Fair Market Rent for a two-bedroom rental is \$1,685 per month⁸.

⁵ <https://www.zillow.com/home-values/40760/santa-fe-nm/>

⁶ <https://www.realtor.com/research/july-2025-wsj-rdc-luxury-housing-market-ranking/>

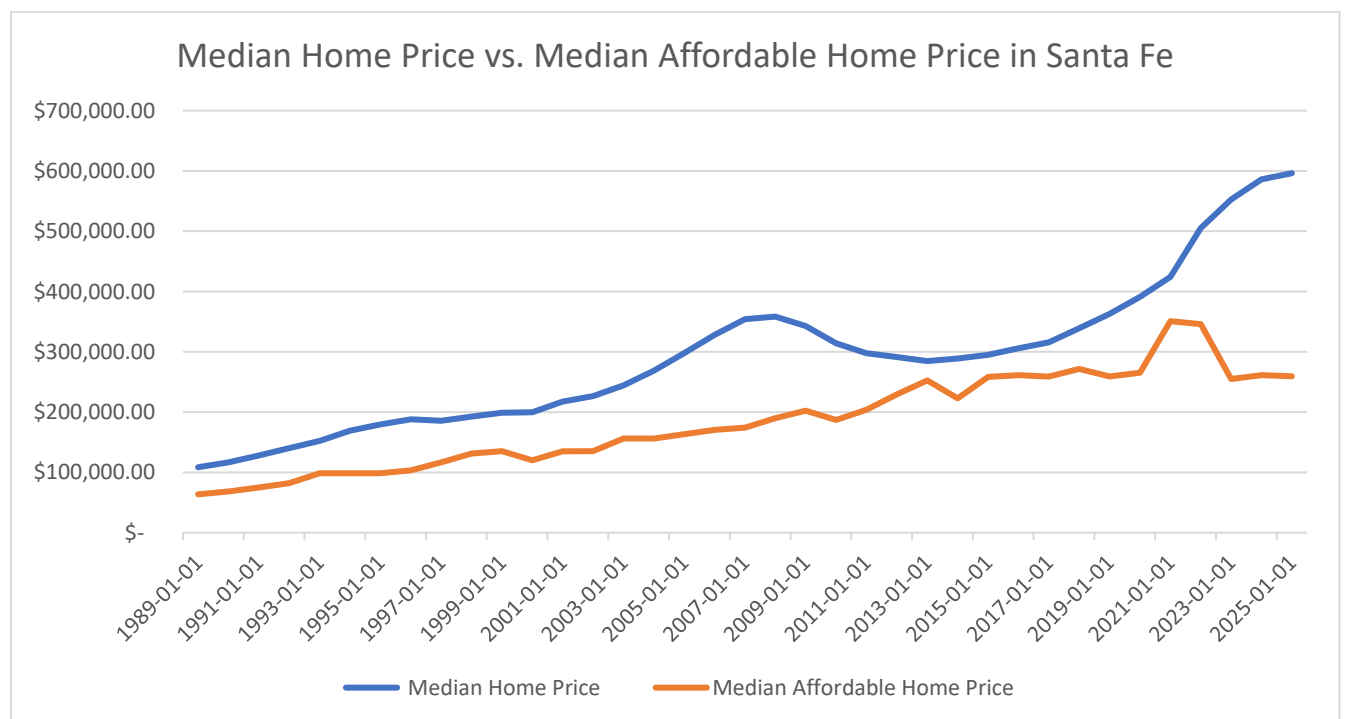
⁷ <https://www.apartments.com/rent-market-trends/santa-fe-nm/> and <https://www.rentcafe.com/average-rent-market-trends/us/nm/santa-fe/>

⁸ https://www.huduser.gov/portal/datasets/fmr/fmrs/FY2026_code/2026summary.odn

The median household income in Santa Fe was \$78,366 in 2023, which, when adjusted for national wage growth, equates to \$83,567 in 2025.

- Under the standard 30 percent of gross income housing affordability threshold, a household earning the median income could reasonably afford a home priced at \$259,462, given current mortgage rates and property tax levels in Santa Fe.
- By contrast, to afford the median home price in Santa Fe, a household must earn at least \$172,375 annually. This difference produces an affordability gap of more than 106 percent, which is nearly double the 57 percent gap observed nationally.
- Approximately 81 percent of households in Santa Fe earn less than \$172,375, and therefore fall below the threshold required to afford a median-priced home, underscoring the severity of the city’s housing affordability crisis.

The figure below graphs the median home price in Santa Fe since 1989, and the median ‘affordable home price’ in Santa Fe, determined by the median household income of the town and prevailing tax and mortgage rates:



The high prices of real estate contributes to a cost of living index that is 16% higher than the national average and 28% higher than in New Mexico as a whole.⁹ While affordability pressures persist, particularly for working families, New Mexico’s broader fiscal picture is more optimistic: energy-driven state revenues have created fiscal flexibility to support housing, education, and infrastructure, indirectly benefiting Santa Fe. Compared to other U.S. regions, Santa Fe’s average costs for groceries,

⁹ <https://www.eri.com/cost-of-living/united-states/new-mexico/santa-fe>

health care, utilities, and transportation are broadly in line with national levels, but housing remains distinctly overpriced relative to the rest of the country, as well as New Mexico.

Evidence from the Literature: Employment, Prices, and Business Impacts

Santa Fe already operates with a city *living wage* that rose to \$15.00/hour on March 1, 2025 (the New Mexico state floor remains \$12.00). The mayor has proposed raising the city living wage to \$17.50, which would represent a 16.7% increase from today's level. Leisure and hospitality (hotels, restaurants, attractions) is an unusually large local employer, comprising nearly 20% of nonfarm jobs. Government employment remains the single biggest sector with nearly 23% of all employment. These shares matter because low-wage exposure (and thus policy sensitivity) is highest in restaurants, hotels, and certain retail services.

What are the benefits to increasing the minimum wage for businesses?

- *Reduced turnover:* Multiple studies show that higher minimum wages lower employee separation rates, particularly in service industries with historically high churn. Lower turnover directly reduces recruitment and training costs, which can be substantial in hospitality and retail where new employee onboarding and skill ramp-up take time. In Santa Fe, where seasonality drives frequent hiring cycles, a reduction in churn could stabilize scheduling and reduce operational disruptions (see Dube et. al. 2016; Hirsch et. al 2015).
- *Training cost savings:* Lower turnover translates into less frequent hiring, which means employers spend less on advertising, onboarding, and job-specific training. These savings are not trivial: research suggests that turnover costs for lower-wage service positions can amount to 16–20 percent of annual pay. Over time, these avoided costs help offset part of the wage increase and allow managers to invest resources elsewhere (see Boushey & Glynn, 2012; Dube et. al, 2016).
- *Productivity and morale gains:* Improved wages reduce financial stress and increase worker engagement, which can lead to measurable productivity improvements. In some studies, modest gains in output per worker have been observed following wage hikes, as employees reciprocate through better performance and attendance. In industries like food service and lodging, where customer satisfaction is tightly tied to staff attentiveness, even small productivity gains can have revenue impacts (See Reich et. al., 2014).
- *Customer service and quality stability:* A more stable and experienced workforce improves consistency in customer-facing roles. In the tourism-driven economy of Santa Fe, restaurants and hotels depend on reliable staff to deliver service quality that supports repeat visits and positive reviews. With higher wages, businesses may see not only smoother operations but also stronger reputational benefit (see Schmitt 2013; Hirsch et. al 2015).
- *Reduced absenteeism:* Higher wages are associated with lower absenteeism, as workers can better manage transportation, childcare, and health costs. For employers, this means fewer unexpected scheduling gaps and a more predictable workforce. Reliable attendance is particularly important in Santa Fe's leisure and hospitality sector, where understaffing during peak visitor seasons can have outsized consequences (see Boushey & Glynn, 2012; Cooper et. al, 2019).

- *Macro demand effects:* Because low-wage workers tend to spend additional earnings locally, higher wages can feed back into the local economy through stronger consumer demand. In Santa Fe, this dynamic means that wage increases at restaurants, hotels, and retailers can return in part as higher sales revenue in those same sectors, while also broadening the gross receipts tax base for the city (see Aaron et. al. 2008; Renkin et.al. 2022).

What does the research say about how minimum wage effects play out?

- *Employment effects:* The broad U.S. literature finds small to near-zero net job losses around typical increases, with clear wage gains for low-wage workers (Cengiz, Dube, Lindner & Zipperer 2019)¹⁰. But when increases are larger or rapid, some studies (Jardim et. al. 2022¹¹) find reductions in hours at the very bottom of the wage distribution, even as hourly pay rises. In short: modest aggregate employment effects on average, with possible hours compression for some groups at bigger jumps.
- *Prices & pass-through:* Firms often pass part of higher labor costs to consumers. Classic and newer evidence show measurable but modest price effects in consumer-facing sectors (e.g., restaurants and groceries): roughly 0.3–1.4% price increases for a 10% wage hike (Renkin et. al, 2020¹² Ashenfelter & Jurajda 2021¹³, depending on sector, market power, and exposure; fast-food pass-through is documented with minimal impact on entry/exit in some settings. For a 16.7% wage increase, that scale would translate to low-single-digit price changes for many items.
- *Income & poverty:* Minimum-wage hikes raise earnings for affected workers and can reduce poverty in net, though estimates vary with the size and timing of increases as well as the local labor market. The Congressional Budget Office (CBO)’s synthetic national scenarios (for large federal increases) show big wage gains and a mix of modest job loss with net income gains for low-income families, which become useful guardrails for thinking about distributional tradeoffs.¹⁴

Implications for Santa Fe if the city lifts the minimum wage from \$15.00 to \$17.50 per hour

- *Who’s affected:* The largest immediate exposure is in leisure and hospitality—a sector that is both central to Santa Fe’s economy and highly visible to visitors. Because much demand is tourism-driven, local firms often have more scope to pass through small price increases without large demand loss (visitors’ price elasticity is lower than residents’). That helps buffer employment impacts versus more tradable sectors.
- *Worker earnings:* A full-time employee at \$15 earns approximately \$31,200/yr; at \$17.50, they earn \$36,400, \$5,200 more per year. Given Santa Fe’s high housing and living costs, these gains directly raise purchasing power for lower-wage households (who also tend to spend locally), supporting gross-receipts-tax bases at the margin. This mechanism is consistent with CBO and broader literature on higher marginal propensity to consume for low-income households.
- *Business costs & prices:* In many cases, expect low-single-digit price adjustments in restaurants/hospitality/retail, phased as menus and rates reset; some firms will also retool operations (shift scheduling, technology adoption, and compressed wage ladders). Evidence from

¹⁰ https://www.nber.org/system/files/working_papers/w25434/w25434.pdf

¹¹ https://www.nber.org/system/files/working_papers/w23532/w23532.pdf

¹² https://gspp.berkeley.edu/assets/uploads/research/pdf/The_Pass-Through_of_Minimum_Wages_into_US_Retail_Price.pdf

¹³ https://gceps.princeton.edu/wp-content/uploads/2021/07/281_Ashenfelter.pdf

¹⁴ <https://www.cbo.gov/publication/55410>

restaurants (Aaronson 2001¹⁵) and groceries suggests partial pass-through (Renkin et. al, 2020) rather than a one-for-one move. In a tourism city, those small changes often do not materially deter demand but should still be factored into messaging for resident affordability.

- *Employment/hours risk pockets:* Aggregate job effects are likely small, but risk concentrates among very low-wage hours, marginal firms, and sub-sectors with thin margins. Close monitoring is warranted for independent restaurants, small retailers, and certain personal-services businesses during the first 12–18 months after implementation. Jardim et. al. (2022)¹⁶ flag the relationship between larger minimum wage increases and a reduction in hours for less experienced workers.
- *Sectoral nuance:* Government (the largest local employment sector) is largely insulated, however, spillover effects may arrive as vendors adjust rates on contracts. Health care and education face smaller direct exposure but may see wage compression pressures. The hospitality industry may see significant effects among its lower wage workers, but also has the greatest pricing latitude with visitors.

Fiscal Sustainability and Equity

- *City revenues:* Higher wages and prices may lead to more overall spending and the City’s gross receipts tax collections could rise slightly. Any losses from businesses cutting back are likely to be small, since national studies show that employment generally holds steady after wage increases (Cengiz et. al. 2019)¹⁷.
- *Distributional effects:* Gains accrue to low-wage workers, mainly in hospitality and services, which aligns with equity goals and can reduce income volatility. Pairing the policy with targeted supports (e.g., small-business tax assistance, phased-in schedules, and enforcement clarity) can mitigate transition frictions.¹⁸
- *Metrics to watch (quarterly):* Any evaluation of the economic impact of minimum wage adjustments must carefully account for prevailing macroeconomic and local factors to avoid misattribution. Situating the policy discussion within Santa Fe’s economic profile – for example, the composition of employment, sectoral dependencies, and seasonal patterns – provides the necessary context for assessing both direct and indirect effects. Data collection in the future should pay particular attention to:
 - Low-wage employment and hours in hospitality and retail sectors;
 - Business openings and closures in food service and lodging sectors;
 - Average menu and room rates vs. regional comps;
 - GRT trends in hospitality-linked NAICS codes;
 - Worker turnover and vacancy durations (research indicates wage hikes often reduce turnover, a potential productivity boost offsetting some cost).

¹⁵ <https://direct.mit.edu/rest/article/83/1/158/57251/Price-Pass-Through-and-the-Minimum-Wage>

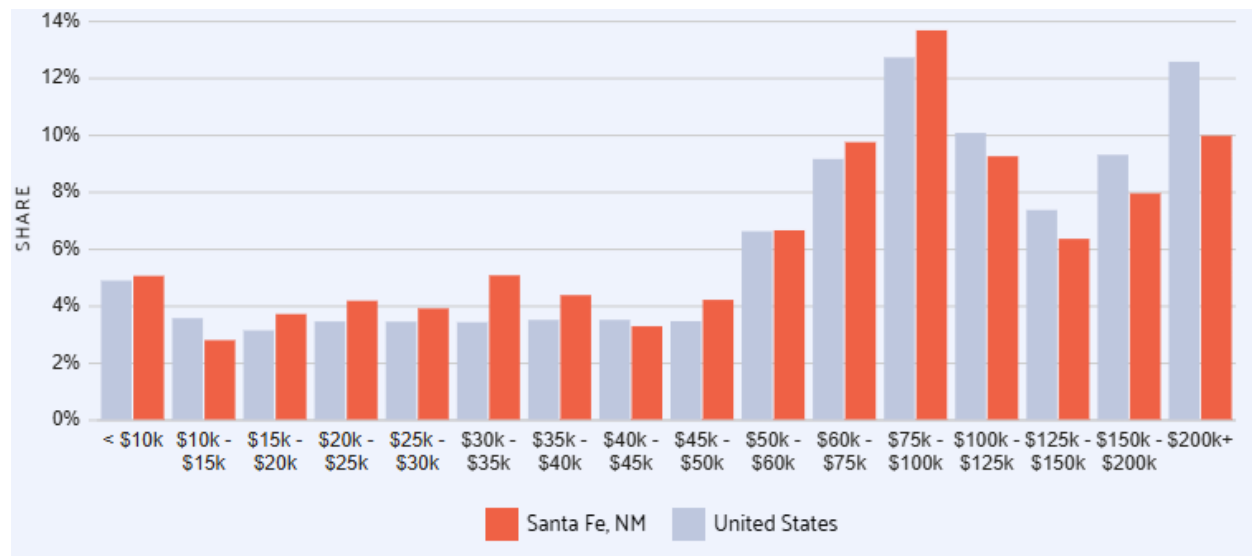
¹⁶ <https://www.aeaweb.org/articles?id=10.1257%2Fpol.20180578>

¹⁷ <https://academic.oup.com/qje/article-abstract/134/3/1405/5484905>

¹⁸ <https://www.cbo.gov/system/files/2019-07/CBO-55410-MinimumWage2019.pdf>

Santa Fe’s long history with a local living wage has also been studied by New Mexico researchers. A 2024 review by the University of New Mexico Bureau of Business and Economic Research (BBER) synthesizes decades of national and state findings. BBER concludes that:

- Employment impacts are small to negligible overall, but certain subgroups (especially young workers and those in restaurants) may see reduced hours or hiring opportunities. This aligns with Jardim et al. (2017, 2022) in Seattle, who found hours compression at the very bottom of the wage distribution, even as average pay rose.
- Earnings gains are reliable and disproportionately benefit women, younger workers, and Hispanic workers, groups that are overrepresented in Santa Fe’s hospitality and service industries (BBER; see also Allegretto, Dube, & Reich 2011). These distributional effects are particularly salient given Santa Fe’s housing affordability crisis.
- Dube and Lindner (2021) find that city-level minimum wages meaningfully reduce wage inequality. Supporting this statement, 2023 Census Bureau’s 5-year Estimate analyzed by Data USA comparing the income distribution in Santa Fe against the United States, notes the significant income inequality present¹⁹:



- Price increases are modest and concentrated in food services, with studies such as Aaronson (2001) and Lemos (2008) finding 0.3–1.0% restaurant price increases for a 10% wage hike. More recent evidence (Renkin et. al. 2020; Ashenfelter & Jurajda 2021) confirms partial but not complete pass-through. For Santa Fe, this suggests restaurants and hotels could adjust rates upward without significantly reducing visitor demand.
- Turnover declines when wages rise, reducing hiring and training costs. Dube, Lester, and Reich (2016) estimate that reduced churn offsets a significant portion of added labor costs. For Santa Fe’s seasonally dependent service sector, this may improve business stability and service quality.

¹⁹ <https://datausa.io/profile/geo/santa-fe-nm/>

What is the impact on the City of Santa Fe?

With data provided by the City's Finance Director, the direct fiscal impact of raising the City's living wage to \$17.50 per hour would be minimal. Based on payroll data from HR for the pay period ending August 1, 2025, only 18 City employees were earning below \$17.50 per hour. These employees are primarily located in Tourism, Public Works, and Public Utilities, with one additional position in Community Services at \$16.96 per hour. The Finance Director calculated the cost of bringing all 18 employees up to \$17.50 per hour, including a standard 40% inflator for benefits and annualizing the adjustment over a 2,080-hour work year. The resulting total cost was \$13,468 annually, or roughly \$15,000 per year as a conservative upper estimate. This represents less than one-tenth of one percent of the City's annual personnel budget, confirming that the budgetary impact would be negligible.

As a side observation, the Finance Director also noted that two-thirds of these employees are women, highlighting a small but meaningful gender equity dimension to the adjustment. While not central to the fiscal analysis, this finding illustrates how wage increases at the bottom of the pay scale can intersect with broader equity considerations.

What about a tiered minimum wage system?

A tiered minimum wage system sets different wage floors for employers depending on their size or type. In practice, this usually means that smaller firms (e.g., under 25 employees) are granted either (a) a lower minimum wage requirement or (b) a slower phase-in schedule than larger firms. Larger firms are expected to comply with the full wage floor earlier or at a higher level. This approach has been implemented in places such as California's state minimum wage law and in earlier versions of Santa Fe's own living wage ordinance (though the latter was later amended to remove size-based tiers). For example, California firms have different minimum wages based on the type of healthcare facility – for example, rural clinics versus large employers and integrated health systems have different minimums.

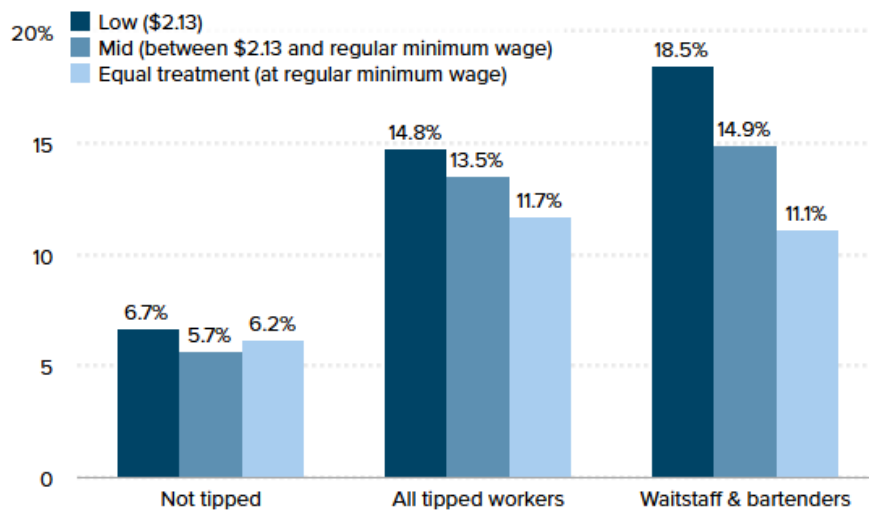
- *Pros to a Tiered System:* Tiered systems acknowledge that small, thin-margin firms often face greater difficulty absorbing cost increases, allowing them more time to adapt. Introducing differential thresholds can ease opposition from business groups, smoothing passage of legislation and helping to build consensus. By phasing in requirements, smaller employers may retain operational stability while larger employers (with more resources and scale) shoulder the burden sooner.
- *Cons to a Tiered System:* Regulators must track firm size, verify compliance, and monitor transitions across thresholds, all of which increase oversight costs. Firms may split operations into smaller legal entities or misreport workforce size ('gaming the system') to avoid crossing into higher-wage categories, undermining fairness and compliance. In 2003, similar systemic gaming was observed in Santa Fe's original living wage bill and consequently removed. Lastly, workers performing the same jobs may be paid differently depending only on the size of their employer, raising equity concerns and eroding clarity in the policy's intent.

In addition to the California system, Nevada's Assembly Bill 456 allowed for a lower tier minimum wage to be paid by employers who offer health benefits; New Jersey maintains a separate minimum wage for agricultural workers. Two-tier minimum wage models are more common in the tipped-wage context, where subminimum rates apply to tipped workers. Empirical evidence demonstrates that eliminating the tier for tipped workers raises earnings, reduces poverty, and diminishes gender and racial disparities,

without discernible negative employment effects (Schmitt, 2013; Hirsch, Kaufman, and Zelenska 2015; Alegretto and Nadler 2015).

In data analyzed from the Economic Policy Institute²⁰, tipped workers in states with equal treatment (where they receive the regular minimum wage before tips earn significantly higher hourly wages) face lower rates of wage theft, and experience greater income stability than their counterparts in states with a separate, lower tipped minimum wage. The figure below demonstrates the variation in poverty rates of tipped workers, nontipped workers, and waitstaff/bartenders by state tipped minimum wage level:

Poverty rates of tipped workers, nontipped workers, and waitstaff/bartenders by state tipped minimum wage level



Do benefits count in living wage calculations?

Under Santa Fe’s current living wage ordinance, certain employer-provided benefits can be counted toward compliance. Specifically, health insurance and childcare benefits may be included in the calculation of whether an employer meets the living wage requirement. This provision means that the required cash wage can be reduced if the employer contributes a qualifying value of benefits, though in practice the extent of this offset varies depending on the benefit package offered.

What has been the average inflation-only increase since 2008?

Using the overall CPI for the Western Region, ‘CPI-W’, prices have risen 51.8% since January 2008, or approximately 2.4% average per year.²¹

How many workers and employers in Santa Fe could be affected?

Santa Fe County has over 4,800 employer establishments²², with at least at least 3,000 in the city itself in 2022. While micro-level wage data is not available, the city’s service-oriented economic structure suggests that a significant portion of the labor force would be sensitive to changes in the minimum wage.

²⁰ <https://www.epi.org/publication/gradually-eliminating-the-two-tiered-wage-system-for-tipped-workers-in-new-york-will-improve-working-conditions-and-wages-for-tipped-workers-across-the-state/>

²¹ <https://fred.stlouisfed.org/series/CPIAUCSL>

²² https://data.census.gov/profile/Santa_Fe_County,_New_Me...?g=050XX00US35049

Drawing from national and regional evidence, it is reasonable to estimate that 10–20 percent of Santa Fe’s workforce could be directly affected by a higher wage floor through immediate pay adjustments. In addition, a further share of employees earning just above the proposed \$17.50 threshold may experience indirect effects, either through wage compression adjustments or to maintain internal equity within firms. Together, this indicates that the policy’s reach would extend well beyond those currently earning at or below the living wage level.

What are the ripple effects seen in other cities? Is there a “tipping point”?

The most comprehensive U.S. analyses generally find small to near-zero net employment effects at typical increases (with clear wage gains for affected workers). Some studies show hours reductions for less experienced workers, particularly for larger and faster hikes.

The economic research is clear that there is no single “bright line” beyond which minimum wage increases automatically become damaging. Instead, the threshold depends on local labor market conditions, the pace of increases, and the relative level of the minimum wage compared to median wages.

- The Kaitz Index (*defined roughly as ‘minimum wage ÷ median wage’*) is a common benchmark used by economists. In practice, increases that raise the minimum wage to around 50–60% of the median wage are generally viewed as sustainable without significant employment losses. In fact, the UK’s Low Pay Commission currently targets about two-thirds of median earnings, with careful monitoring. In Santa Fe, the median hourly wage of was \$29.05 in 2024, and a two-thirds level would be approximately \$19.35 per hour.
- Beyond two-thirds of the median wage, studies suggest the risk of disemployment, hours compression, and automation rises, particularly for youth and low-skill workers (Neumark & Wascher 2007; Jardim et al. 2017).
- Moving the wage floor from \$15 to \$17.50 represents a 16–17% increase, large enough to make a material difference in take-home pay for low-wage workers. At the same time, this level keeps Santa Fe’s Kaitz index (minimum-to-median wage ratio) in the 0.55–0.60 range, generally considered sustainable by both international practice and U.S. research.
- Service-oriented economies like Santa Fe, where nearly one in five jobs is in hospitality and restaurants, can handle modest price adjustments due to strong tourist demand. But small independent firms with thin margins are more sensitive, meaning that both the level and pace of the increase influence outcomes.

How will this effect small business vs. larger businesses? What are the firm-level effects?

Because this issue touches on multiple dimensions, I have divided the analysis into key subtopics. Each section draws on relevant research studies to provide brief evidence-based insights:

- *Price “spiral”/inflation:* Local studies show partial pass-through to prices rather than a runaway spiral; effects are concentrated in hospitality/food retail and typically low single digits for a 10–20% wage hike.
- *Reduced hours / reduced employment overall:* Average effects are small; some evidence of hours compression for the most affected, especially with larger, rapid increases. Net employment effects often hover near zero in broad data, but local margins vary.

- *Youth employment:* Classic reviews find more sensitivity for teens/very-low-skill groups; findings are mixed, but caution is warranted for youth employment at higher levels. Typically, employers respond by hiring more experienced workers and holding workers accountable to a higher level of productivity.
- *Closures of small/mom-and-pop firms:* Low-margin restaurants and small shops often feel the most strain. However, studies show closure rates do not rise significantly; instead, some firms pass costs to consumers while others absorb them. Larger firms typically adjust more easily, which can heighten competitive pressure on mom-and-pop businesses. At the same time, Santa Fe’s strong tourist economy provides an offsetting cushion, as steady visitor demand often helps small firms maintain customer flow and absorb cost adjustments more successfully than similar businesses in non-tourist markets.
- *Relocation to nearby low-wage areas:* Evidence of relocation to nearby areas is weak; businesses in location-specific industries (hotels, restaurants) cannot easily move.
- *Wage compression inside firms:* Raising the floor can compress pay ladders, prompting adjustments for supervisor and near-minimum workers; recent evidence finds intra-firm spillovers upward and some narrowing of wage dispersion.²³
- *More temp vs. permanent:* Some evidence suggests substitution toward part-time or temporary contracts to maintain flexibility, but it is not widespread.
- *Favoring big over small:* Larger chains can spread costs and adapt technology faster, which can shift competitive balance.
- *Technology substitution:* Over the long run, higher labor costs can accelerate automation (self-order kiosks, scheduling software), but adoption is incremental, not immediate.

Synthesis: Implications of a Living-Wage Adjustment in Santa Fe

Taken as a whole, the evidence indicates that raising Santa Fe’s living wage primarily functions as an income transfer to low-wage workers in a service-intensive economy, with modest price adjustments, small average employment effects, and important distributional gains. National quasi-experimental studies find clear wage increases for directly affected workers and little to no net job loss on average at typical policy magnitudes (Allegretto, Dube, Reich, & Zipperer, 2017; Cengiz, Dube, Lindner, & Zipperer, 2019). Where risks arise, they tend to appear as hours compression at the very bottom of the wage distribution following larger or faster hikes, with youth and very low-experience workers most sensitive (Jardim et al., 2017). On the cost side, firms partially pass through higher labor costs—especially in restaurants and hospitality—producing low single-digit price changes for mid-teens percentage increases in the wage floor (Aaronson, 2001; Lemos, 2008; Renkin, Montialoux, & Siegenthaler, 2020). Offsetting these costs, multiple studies document declines in turnover and improvements in retention that recoup a portion of higher payroll outlays, a channel that is salient in Santa Fe’s seasonal, visitor-facing sectors (see summaries in UNM BBER, 2024).

²³ https://elizaforsythe.web.illinois.edu/wp-content/uploads/2023/07/Effect_of_Minimum_Wage_on_Establishments.pdf

With Santa Fe’s structure (20% leisure and hospitality employment, large public-sector employment, and elevated housing costs) conditions both the reach of the policy and the channels through which it operates. A material share of the workforce is clustered near the wage floor in food service, lodging, retail, and building/grounds maintenance; consequently, a living-wage adjustment will directly lift earnings for thousands of workers and indirectly raise near-floor wages through internal equity adjustments (“wage compression”). Because a substantial portion of local demand is tourism-based, the city’s visitor economy provides greater pricing latitude than in tradable-goods industries, which helps buffer employment impacts even as menu and room rates adjust incrementally. For public finance, higher nominal wages and small price pass-throughs tend to support gross-receipts-tax bases at the margin; the literature and BBER’s synthesis suggest little aggregate employment drag, so revenue downside risks are most likely to be sector-specific rather than city-wide (CBO, 2019; UNM BBER, 2024).

Overall, the research indicates that Santa Fe’s living wage policy is likely to achieve its core goal: raising earnings for thousands of low-wage workers while producing only modest and manageable adjustments for employers. With a strong tourism base, a large share of public-sector employment, and a diversified service economy, Santa Fe is well positioned to absorb these changes. In practice, the policy functions as a targeted income transfer that strengthens household purchasing power, stabilizes local demand, and supports long-term workforce retention. Far from being a drag on growth, the evidence suggests Santa Fe’s living wage can enhance both equity and resilience, ensuring the city’s economy remains vibrant while delivering tangible gains for workers and families.

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Summary of Value

This proposal offers the City of Santa Fe a clear, evidence-based framework for evaluating potential minimum wage adjustments. By combining updated scenario modeling, a comprehensive companion analysis, and public engagement, Erebor LLC will provide tools for both policymakers and community stakeholders to better understand the economic tradeoffs at stake. Our approach balances scholarly rigor with practical application, ensuring that projections are grounded in robust data and communicated in accessible terms. This integrated approach reflects Erebor's commitment to supporting transparent, informed policymaking that advances both economic vitality and equity in Santa Fe.

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CITY OF SANTA FE, NEW MEXICO

BILL NO. 2025-21

INTRODUCED BY:

Mayor Alan Webber

A BILL

AMENDING SFCC 1987, SECTION 28-1.5 (“LIVING WAGE ORDINANCE”), TO INCREASE THE CITY’S BASE MINIMUM WAGE AND UPDATE THE FORMULA FOR CALCULATING THE MINIMUM WAGE ANNUALLY.

BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF SANTA FE:

Section 1. Section 28-1.1 of SFCC 1987 (being Ord. No. 2002-13, § 1) is included for reference without amendments:

28-1.1 Short title.

This section may be cited as the "Living Wage Ordinance".

Section 2. Section 28-1.2 of SFCC 1987 (being Ord. No. 2007-43, § 1) is amended to read as follows:

28-1.2 Legislative findings.

A._____ The governing body of the city [~~has determined that~~] made findings in 2002, amended in 2003, and then amended again in 2007 as follows:

[A] (1). The public welfare, health, safety and prosperity of Santa Fe require wages and benefits sufficient to ensure a decent and healthy life for

workers and their families;

[B] (2). Many Santa Fe workers earn wages insufficient to support themselves and their families;

[C] (3). Many Santa Fe workers cannot participate in civic life or pursue educational, cultural, and recreational opportunities because they must work such long hours to meet their households' most basic needs;

[D] (4). Minimum wage laws promote the general welfare, health, safety and prosperity of Santa Fe by ensuring that workers can better support and care for their families through their own efforts and without financial governmental assistance;

[E] (5). The average earnings per job in Santa Fe County is twenty-three percent (23%) below the national average and the cost of living is eighteen percent (18%) higher than the national average;

[F] (6). Housing costs in Santa Fe are much higher than in most other parts of New Mexico, and low income workers must therefore spend a disproportionate percentage of their income sheltering themselves and their families;

[G] (7). Livable wages also benefit employers and the economy as a whole by improving employee performance, reducing employee turnover, lowering absenteeism, and thereby improving productivity and the quality of the services provided by employees;

[H] (8). When businesses do not pay a livable wage, the community bears the cost in the form of increased demand for taxpayer-funded social services including homeless shelters, soup kitchens and healthcare for the uninsured. Coupled with high real estate values, low wages reduce

1 the ability of low- and moderate-income residents to access affordable
2 housing. As a result, the city has had to invest significant tax dollars to
3 support affordable housing including funding to nonprofit
4 organizations, purchasing land, building infrastructure and waiving
5 fees. In addition, the city has allocated significant tax dollars to operate
6 after school and summer recreation programs and to support nonprofit
7 organizations offering an array of human services and children and
8 youth services, all of which are needed by very low-income residents
9 and their families;

10 [F] (9). It is in the public interest to require certain employers benefiting from
11 city actions and funding, and from the opportunity to do business in the
12 city, to pay employees a minimum wage, a "living wage", adequate to
13 meet the basic needs of living in Santa Fe;

14 [F] (10). According to the 2000 Census, approximately twelve and three-tenths
15 percent (12.3%) of the Santa Fe community lives below the poverty
16 level; and

17 [K] (11). According to the New Mexico department of labor, twenty-three and
18 one-half percent (23.5%) of Santa Feans who are employed in the
19 nongovernmental sector earn hourly wages of ten dollars and fifty cents
20 (\$10.50) per hour or less.

21 [E] (12). The governing body has reviewed the impact of previous minimum
22 wage increases, relevant studies and other appropriate data, and finds
23 that the city's minimum wage should be upwardly adjusted each year to
24 keep pace with increases in the cost of living.

25 [M] (13). The governing body has found that limiting coverage of the minimum

wage just to businesses with twenty-five (25) or more employees has hindered compliance and has created an uneven playing field among local businesses.

B. In 2025, the governing body of the city finds as follows:

(1) The legislative findings in SFCC 1987, Section 28-1.2, numbered 1 through 4, 6 through 8, 12, and 13 remain relevant today.

(2) Updating the legislative findings in SFCC 1987, Section 28-1.2, numbered 5 and 9 results as follows:

i. The average earnings per job in Santa Fe County are twelve percent (12%) below the national average.

ii. According to the 2023 Census, approximately twelve and two-tenths percent (12.2%) of the Santa Fe community lives below the poverty level.

(3) According to American Community Survey data, median gross rent for occupied units paying rent in the city of Santa Fe increased by twenty eight percent (28%) between 2015 and 2021, rising from \$970 to \$1,245.

(4) The city has implemented, or attempted to implement, numerous strategies to address housing affordability, including, but not limited to, the Santa Fe Homes Program, Low Priced Dwelling Units, Affordable Housing Trust Fund, three percent (3%) High-End Excise Tax for Affordable Housing, and donation of City-owned land.

Section 3. Section 28-1.3 of SFCC 1987 (being Ord. No. 2003-8, § 2) is included for reference without amendments:

28-1.3 Authority of the city of Santa Fe.

1 This Living Wage Ordinance is adopted pursuant to the general welfare and police powers
2 conferred upon the city of Santa Fe by Section 3-17-1 et seq. and Section 3-18-1 et seq. NMSA
3 1978, pursuant to the powers conferred upon the city of Santa Fe by New Mexico Constitution,
4 Article X §§ 6(D) and 6(E) and the Municipal Charter Act Section 3-15-1 et seq. NMSA 1978,
5 which have been exercised by the city's adoption of its "Santa Fe Municipal Charter".

6 **Section 4. Section 28-1.4 of SFCC 1987 (being Ord. No. 2003-8, § 3) is included**
7 **for reference without amendments:**

8 **28-1.4 Purpose.**

9 The purposes of this section are:

10 A. To have the city of Santa Fe set an example for the public and private sectors by
11 paying its employees a minimum wage adequate to meet the basic needs of living in Santa Fe.

12 B. To raise the income of low-income employees of employers who contract with the
13 city, receive grants, subsidies or other benefits from the city or benefit from the opportunity to do
14 business in Santa Fe.

15 **Section 5. Section 28-1.5 of SFCC 1987 (being Ord. No. 2007-43, § 2) is amended**
16 **to read as follows:**

17 **28-1.5 Minimum wage payment requirements.**

18 A. The following entities shall pay the minimum wage:

19 (1) The city of Santa Fe to all full-time permanent workers employed by the
20 city. However, the provisions of this section are expressly limited by and subject
21 to future union negotiations in compliance with the Fair Labor Standards Act and
22 subsequent appropriations by the governing body in compliance with the Bateman
23 Act;

24 (2) Contractors for the city, that have a contract requiring the performance of
25 a service including construction services but excluding purchases of goods, shall

1 pay the minimum wage to their workers and subcontractors performing work under
2 the contract if the total contract amount with the city is, or by way of amendment
3 becomes, equal to or greater than thirty thousand dollars (\$30,000.00); and

4 (3) Businesses receiving assistance relating to economic development in the
5 form of grants, subsidies, loan guarantees or industrial revenue bonds in excess of
6 twenty-five thousand dollars (\$25,000.00) to those employed by such entity for the
7 duration of the city grant or subsidy; and

8 (4) Businesses required to have a business license or business registration
9 from the city of Santa Fe and nonprofit organizations shall pay the minimum wage
10 to their workers for all hours worked within the city of Santa Fe that month. For
11 purposes of this paragraph, worker shall not include any person who is related by
12 blood or by marriage to any person who may have or possess any ownership
13 interest in the business that employs them. For purposes of identifying persons
14 entitled to be paid the minimum wage, all individuals employed by or providing
15 work to the business for compensation, whether on a part-time, full-time or
16 temporary basis, during a given month shall be counted as a worker. This definition
17 shall include contingent or contracted workers, and persons made available to work
18 through the services of a temporary service, staffing or employment agency or
19 similar entity. However, interns working for a business for academic credit in
20 connection with a course of study at an accredited school, college or university or
21 persons working for an accredited school, college or university while also
22 attending that school, college or university, or persons working for a business in
23 connection with a court-ordered community service program such as teen court or
24 workers who are in an apprenticeship program in a 501C(3) organization (such as
25 the Santa Fe opera) shall not be counted as a worker for such purposes.

1 B. Beginning January 1, 2004, the minimum wage shall be an hourly rate of eight
2 dollars and fifty cents (\$8.50). In computing the wage paid for purposes of determining compliance
3 with the minimum wage, the value of health benefits and childcare shall be considered as an
4 element of wages. On January 1, 2006 , the minimum wage shall be increased to an hourly rate of
5 nine dollars and fifty cents (\$9.50). Beginning January 1, 2009, and each year thereafter, the
6 minimum wage shall be adjusted upward by an amount corresponding to the previous year's
7 increase, if any, in the consumer price index for the western region for urban wage earners and
8 clerical workers.

9 C. Beginning January 1, 2027, the minimum wage shall be an hourly rate of seventeen
10 dollars and fifty cents (\$17.50). In computing the wage paid for purposes of determining
11 compliance with the minimum wage, the value of health benefits and childcare shall be considered
12 as an element of wages. On March 1, 2028, the minimum wage shall be increased by the average
13 of the annual increase of the following two factors:

14 (1) the United States Bureau of Labor Statistics Consumer Price Index for All Urban
15 Consumers, the Western Region, as published by the United States Bureau of Labor
16 Statistics (“Western Region CPI-U”); and

17 (2) Fair Market Rent (“FMR”)for a two-bedroom unit in Santa Fe, New Mexico, as
18 published annually by the United States Department of Urban Development (“HUD”).

19 If either factor is unchanged or decreases, then the minimum wage shall increase by a rate that is
20 equal to half the percent increase of the other factor. If both factors are unchanged or decrease, then
21 the minimum wage shall remain the same. In other words, the annual increase to the minimum
22 wage shall be calculated as follows: annual increase = 0.50 (annual percent increase (if there is
23 one) to Western Region CPI-U) + 0.50 (annual percent increase (if there is one) to the HUD’s FMR
24 for a two- bedroom unit in Santa Fe). Increases to the minimum wage rate shall not exceed five
25 percent and the minimum wage shall not decrease.

1 [C] D. For workers who customarily receive more than one hundred dollars (\$100.00) per
2 month in tips or commissions, any tips or commissions received and retained by a worker shall be
3 counted as wages and credited toward[s] satisfaction of the minimum wage provided that, for tipped
4 workers, all tips received by such workers are retained by the workers, except that the pooling of
5 tips among workers shall be permitted.

6 [D] E. Nonprofit organizations whose primary source of funds is from Medicaid waivers
7 are exempt.

8 [E. — Staff shall contract for a study or studies to review the impact of changes made to
9 the Living Wage Ordinance approved as Ordinance No. 2007-43 on businesses of less than ten (10)
10 employees and on the student drop-out rate. The study shall be presented to the governing body no
11 later than July 1, 2009.]

12 **Section 6. Section 28-1.6 of SFCC 1987 (being Ord. No. 2003-8, § 5) is included**
13 **for reference without amendments:**

14 **28-1.6 Prohibitions against retaliation and circumvention.**

15 A. It shall be unlawful for any employer or employer's agent or representative to take
16 any action against an individual in retaliation for the exercise of or communication of information
17 regarding rights under this section. This section shall also apply to any individual that mistakenly,
18 but in good faith, alleges noncompliance with this section.

19 B. Taking adverse action against an individual within sixty (60) days of the
20 individual's assertion of or communication of information regarding rights shall raise a rebuttable
21 presumption of having done so in retaliation for the assertion of rights.

22 C. It shall be unlawful for any business or employer to intentionally circumvent the
23 requirements of this section by contracting portions of its operation or leasing portions of its
24 property.

25 **Section 7. Section 28-1.7 of SFCC 1987 (being Ord. No. 2004-38-, § 1) is included**

1 **for reference without amendments:**

2 **28-1.7 Reserved.**

3 Editor's note— Former subsection 28-1.7, Compliance Through Collective Bargaining Process,
4 previously codified herein and containing portions of Ordinance No. 2002-13, was repealed in its
5 entirety by Ordinance No. 2004-38.

6 **Section 8. Section 28-1.8 of SFCC 1987 (being Ord. No. 2003-8, § 6) is amended**
7 **to read:**

8 **28-1.8 Enforcement; remedies.**

9 A. *Administrative Enforcement.* The city manager, or ~~his/her~~ their designee, is
10 authorized, as appropriate and as resources permit, to enforce this section. The city manager is
11 authorized to investigate possible violations of this section. Where the city manager, after a
12 proceeding that affords a suspected violator due process, concludes that a violation has occurred,
13 the city manager may issue orders to the employer appropriate to effectuate the complaining
14 person's rights, including but not limited to back pay and reinstatement. The city manager also has
15 the power to order termination of any and all economic benefit derived by any offending party from
16 the city and has the power to revoke the employer's business license or registration.

17 B. *Criminal Penalty.* A person violating this section shall be guilty of a misdemeanor
18 and, upon conviction, for each offense may be subject to fines and imprisonment as set forth in
19 Section 1-3 SFCC 1987. A person violating any of the requirements of this section shall be guilty
20 of a separate offense for each day or portion thereof and for each worker or person as to which any
21 such violation has occurred.

22 C. *Other Remedies.* The city, any individual aggrieved by a violation of this section,
23 or any entity the members of which have been aggrieved by a violation of this section, may bring
24 a civil action in a court of competent jurisdiction to restrain, correct, abate or remedy any violation
25 of this section and, upon prevailing, shall be entitled to such legal or equitable relief as may be

1 appropriate to remedy the violation including, without limitation, reinstatement, the payment of
2 any wages due and an additional amount as liquidated damages equal to twice the amount of any
3 wages due, injunctive relief, and reasonable attorney's fees and costs.

4 D. *Nonexclusive Remedies and Penalties.* The remedies provided in this section are
5 not exclusive, and nothing in this section shall preclude any person from seeking any other
6 remedies, penalties, or relief provided by law.

7 **Section 9. Section 28-1.9 of SFCC 1987 (being Ord. No. 2002-13, § 9) is included**
8 **for reference without amendments:**

9 **28-1.9 Effect.**

10 Nothing in this Living Wage Ordinance shall be deemed to nor shall be applied in such a manner
11 so as to have a constitutionally prohibited effect as an ex post facto law or impairment of an existing
12 contract within the meaning of New Mexico Constitution, Article II, § 19.

13 **Section 10. Section 28-1.10 of SFCC 1987 (being Ord. No. 2003-8, § 7) is included**
14 **for reference without amendments:**

15 **28-1.10 Severability.**

16 The requirements and provisions of this section and their parts, subparts and clauses are severable.
17 In the event that any requirement, provision, part, subpart or clause of this section, or the application
18 thereof to any person or circumstance, is held by a court of competent jurisdiction to be invalid or
19 unenforceable, it is the intent of the governing body that the remainder of the section be enforced
20 to the maximum extent possible consistent with the governing body's purpose of ensuring a living
21 wage for persons covered by the section.

22 **Section 11. Section 28-1.11 of SFCC 1987 (being Ord. No. 2003-8, § 8) is included**
23 **for reference without amendments:**

24 **28-1.11 Notice; posting; and publication.**

25 Any business subject to the provisions of this section shall as a condition to obtaining and holding

1 a city of Santa Fe business license or registration, post and display in a prominent location next to
2 its business license or registration on the business premises a notice, in English and Spanish, that
3 the business is in compliance with the provisions of this section and in particular post the text of
4 subsections 28-1.5, 28-1.6 and 28-1.8 SFCC 1987. Failure to comply with this subsection shall be
5 construed a violation of this section and, in addition, shall be considered grounds for suspension,
6 revocation, or termination of the business license or registration.

7 **Section 12. Section 28-1.12 of SFCC 1987 (being Ord. No. 2003-8, § 9) is amended**
8 **to read as follows:**

9 ~~[The city shall conduct a review of this section on or before July 1, 2005. In conducting~~
10 ~~said review the governing body may, at its discretion and pursuant to a duly adopted resolution,~~
11 ~~appoint an ad hoc committee to advise and assist in making recommendations regarding this section~~
12 ~~and to investigate the economic and social effects of this section on Santa Fe. The city will contract~~
13 ~~with an independent third party to develop an evaluation that will generate objective measures on~~
14 ~~the effect of the Living Wage Ordinance on the health, security, and livelihood of Santa Feans by~~
15 ~~March 31, 2003. Data necessary for such an evaluation on Santa Fe city businesses will be compiled~~
16 ~~and presented to the governing body for their review on or before July 1, 2003. In compiling the~~
17 ~~data, consideration should be given to potential impacts on youth employment and possible~~
18 ~~recommendations that might prevent unforeseen consequences hurting children in the community]~~
19 The city shall contract for a study or studies to determine the effects of the Living Wage Ordinance
20 No. 2025- including, but not limited to, effects on the following: low-wage employment and
21 hours in hospitality and retail sectors; business openings and closures in food service and lodging
22 sectors; Gross Receipts Tax trends in hospitality linked North American Industry Classification
23 System codes; worker turnover and vacancy durations; and youth employment. The study shall be
24 presented to the governing body no later than July 1, 2029.

25 PASSED, APPROVED, and ADOPTED this _____ day of _____, 2025.

1 APPROVED AS TO FORM:

2

Erin McSherry

3

Erin McSherry (Sep 4, 2025 11:17:35 MDT)

4

ERIN K. McSHERRY, CITY ATTORNEY

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Legislation/Bill/2025/Living Wage

FISCAL IMPACT REPORT

General Information:

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

Short Title(s): Living Wage Ordinance Update

Sponsor(s): Mayor Alan Webber

Reviewing Department(s): City Attorney’s Office

Staff Completing FIR: Rod Gould, Senior Advisor and Public Engagement Coordinator

Date: 8/26/2025 **Phone:** 505-637-1907

Reviewed by City Attorney: Erin McSherry **Date:** 09/04/2025
[Erin McSherry \(Sep 4, 2025 11:17:35 PDT\)](#)

Reviewed by Finance Director: Emily K. Oster **Date:** 09/04/2025

Summary:

The proposed bill would amend SFCC 1987, Section 28, the Living Wage Ordinance, to increase the living wage in the city of Santa Fe, beginning January 1, 2027, to an hourly wage of seventeen dollars and fifty cents (\$17.50). The proposed bill retains the existing exceptions. Additionally, the bill establishes a new formula for calculating annual increases to the living wage by using an average of the rate increases United States Bureau of Labor Statistics’ Western Region Consumer Price Index (“Western Region CPI”) and the United States Department of Housing and Urban Development’s (“HUD”) fair market price rental of a two-bedroom unit in Santa Fe. Lastly, the annual adjustments to the living wage would be limited to five percent (5%) of the prior year’s wage, and the bill prohibits decreases to the wage, preventing the living wage from going down in the case of an economic crisis.

Departments Affected:

City Attorney’s Office, Finance Department, Economic Development Division, Tourism Division, Public Works Department, Public Utilities Department, Constituent Services, and Community Services Division.

Consequences of Not Enacting Legislation:

If this legislation is not adopted, then the City would not update its living wage law to calculate annual increases by using the average of the rate increases of the Western CPI and HUD’s fair market rental price of a two-bedroom unit in Santa Fe. The gap between what entry and low-skilled workers are paid and the annual wage required to live in Santa Fe would widen.

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

This legislation relates to adopted legislation aimed at increasing the supply of affordable housing in Santa Fe and making living and working in Santa Fe more affordable. Examples of such laws are the Santa Fe Homes Program, requirements for Low Priced Dwelling Units, Affordable Housing Trust Fund, and resolutions donating City-owned land, Community Development Block Grant Funding, and zoning ordinances providing density bonuses for affordable housing.

Performance and Administrative Implications:

None at this time.

Fiscal Implications:

According to the most recent Position Organization Listing from the City's Human Resources Department for the pay period ending August 1, 2025, the City employs eighteen (18) employees whose hourly pay rate was less than \$17.50 per hour. These employees work mostly in Tourism, Public Works, and Public Utilities. There is one person in Community Services, who has a pay rate of \$16.9591 per hour. Although they all have a significant benefits package that places their compensation for Living Wage purposes above \$17.50, it is advisable to bring their base pay to that level. The amount needed to increase all eighteen (18) employees' hourly rates to \$17.50, including adding forty percent (40%) for benefits) annualized based on 2080 work hours in a year equates to \$13,467.71. The cost to contract for a study or studies to determine the effect of the Living Wage Ordinance would be \$50,000 and the study would be presented to the Governing Body no later than July 1, 2029. There also may be changes to the Gross Receipts Tax; however, the details are not currently known.

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>	\$ _____	\$ 7,000	\$ _____	<u>N</u>	<u>R</u>	<u>General</u>	
	\$ _____	\$ _____	\$ _____	_____	_____	_____	
<u>Capital Outlay</u>							
<u>Contractual/ Professional Services</u>	\$ _____	\$ _____	\$ 50,000			<u>Economic Development</u>	
<u>Operating</u>	\$ _____	\$ _____	\$ _____				\$ _____
<u>Total:</u>	\$ _____	\$ 7,000	\$ 50,000				\$ 57,000

Expenditure Narrative:


The increase in the Living Wage is to take effect in early 2027. The \$7,000 in FYE 2027 is half the annual cost increase for the affected employees. The \$50,000 budgeted for FYE 2028 is allocated for the study to determine the effect of the Living Wage Ordinance.

Revenue

Revenue Type	FYE 2025	FYE 2026	FYE 2027	Recurring (R) or Non-recurring (NR)	Fund
General Fund	\$ _____	\$ _____	\$ _____	_____	_____
Special Revenue	\$ _____	\$ _____	\$ _____	_____	_____
CIP	\$ _____	\$ _____	\$ _____	_____	_____
Enterprise	\$ _____	\$ _____	\$ _____	_____	_____
Internal Service	\$ _____	\$ _____	\$ _____	_____	_____
Trust and Agency	\$ _____	\$ _____	\$ _____	_____	_____
Federal	\$ _____	\$ _____	\$ _____	_____	_____
Other	\$ _____	\$ _____	\$ _____	_____	_____
<u>Total</u>	\$ _____	\$ _____	\$ _____		

Revenue Narrative:

None

Signature: 
ROD GOULD (Sep 4, 2025 17:18:54 MDT)

Email: rsgould@santafenm.gov




CITY OF SANTA FE

Memorandum

Date: September 12, 2025

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

From: Jesse Roach, Interim Public Utilities Director 
Jesse Roach

RE: Updating Water Offset Requirement Fee Chart

EXECUTIVE SUMMARY:

Consistent with SFCC 1987 25-12.8, this resolution would increase costs in the City of Santa Fe’s (“City’s”) Water Offset Requirement Fee Chart (“Chart”) from \$16,600 to \$36,000 per acre-foot (“AF”) of added water demand. This overdue adjustment will bring water offset costs into closer alignment with the true cost of additional water demand.

BACKGROUND AND JUSTIFICATION:

As part of the land development process, new water demand brought to the system by any development is calculated with a water budget. A developer can offset a new water demand by transferring pre 1907 water rights from Middle Rio Grande (MRG) to the City’s Buckman Wellfield. “Sub-threshold” developments add less than a threshold amount of demand (10 AF per year (AFY) for residential, 5 AFY for commercial, and 7.5 AFY for mixed use). Those developments can pay the City a fee instead of transferring the water rights. The Chart estimates water demand associated with different types of use and associated costs based on a specified value of one AF of water rights. Although the Chart specifies that the value be updated annually, the City hasn’t changed the value of \$16,600 per AF (including administrative fees) since 2010.

Transferring water rights from the MRG into the Buckman Wellfield takes years and involves significant transaction costs including negotiations and or litigation in response to protests from the Middle Rio Grande Conservancy District and Middle Rio Grande Pueblos. The City recently lost a water rights acquisition due to the delay associated with these protests. As a result of the delays and costs associated with transfers, the true market cost of water rights in the Buckman Wellfield is represented by the value of rights in the City’s Water Bank where developers can move water rights in anticipation of needing them for development. The City has limited transactional data from the Water Bank but the most recent transaction it has, which occurred in March of this year valued the water rights at \$36,000 per AF. Santa Fe County currently uses a water offset fee of \$36,000 per AF. City staff recommends matching this value, including administrative fees, with an effective date of January 1, 2026. The City will continue to collect transaction data from the Water Bank where possible to inform future updates to the specified value of water rights in the Chart.

ATTACHMENTS:

Resolution
FIR

General Information

Santa Fe, City of

P O Box 909 Santa Fe, NM 87504-0909

() -

Water Treatment Plant Chemical Feed Project

Water Project Fund 2026 Application

Water Storage, Conveyance and Delivery Project

Funding Request Amount: 2,550,000.00

PART I. GENERAL APPLICANT AND PROJECT INFORMATION

A. APPLICANT INFORMATION

Full Legal Name of Entity: City of Santa Fe Water

Mailing Address: PO Box 909

Street Address: 801 W. San Mateo Rd

City: Santa Fe, NM

Zip Code: 87504-0909

County: Santa Fe

Phone: 505-955-4309

Email Address: jdroach@santafenm.gov

B. SERVICE AREA OF APPLICANT

Communities in Applicant's Service Area: City of Santa Fe

Counties in Applicant's Service Area: Santa Fe County

NM House District(s): 48

NM Senate District(s): 25

Map of Service Area: Current File: WTB-ServiceArea_Map

Has Applicant recently completed a Median Household Income (MHI) survey that the Applicant believes more accurately reflects the MHI of the Applicant's service area?

Yes or No: NO

If Yes, please describe below the methodology used and attach a copy of the survey results.

Methodology:

Attachment: Current File: None

Census Tract(s) of Applicant's Service Area or, if applicable, name of Census Designated Place:

City of Santa Fe

C. PROJECT LOCATION:

Street Address: 1780 Upper Canyon Rd

City: Santa Fe

Zip: 87501

Communities served by the Project: City of Santa Fe

County or Counties where Project is located:

Map of Project Area: Current File: WTB-MapOfProjectArea

D. APPLICANT CONTACTS

PRIMARY CONTACT

Name: Jonathan Montoya

Title: Interim Water Division Director

Address: 801 W. San Mateo Rd

City: Santa Fe

Zip Code: 87504

Phone: 505-955-4373

Email Address: jmmontoya@santafenm.gov

SECONDARY CONTACT

Name: Clinton Peterson

Title: Engineer

Address: 801 W. San Mateo Rd

City: Santa Fe

Zip Code: 87504

Phone: 505-955-4231

Email Address: cdpeterson@santafenm.gov

CONSULTING ENGINEER

Name: Carollo

Title: Design Engineering

Firm: Carollo

Address: 6000 Highway Blvd NE, Suite 100

Address:

6200 UPTOWN BLVD. NE, SUITE 120

City:

Albuquerque

Zip Code:

87110

Phone:

505-881-5034

Email Address:

LEGAL COUNSEL CONTACT

Name:

Marco Martinez

Firm:

City of Santa FE

Address:

200 Lincoln Ave

City:

City of Santa Fe

Zip Code:

87501

Phone:

505-955-6949

Email Address:

mdmartinez@santafenm.gov

OTHER CONTACT

Name:

Alan G. Hook

Title:

Water Resources Coordinator

Firm:

City of Santa Fe

Address:

801 W. San Mateo Rd

City:

Santa Fe

Zip Code:

87504

Phone:

505-955-4205

Email Address:

aghook@santafenm.gov

PART II. PROJECT SUMMARY

1. Project Scope. Provide a **brief statement** of the project. State: 1) the requested Scope of funding as Plan, Design, and/or Construction, and 2) the overall goal of project. (Example: "Plan, design, and construct Main St water transmission lines.")

Note: Response is limited to 200 Characters.

1) A design for upgrades to the chemical feed equipment & filters at the CRWTP for the City of Santa Fe. 2) Goal is to update water treatment process

2. Project Description. Regarding *only the Scope for which funding is being requested*:

a. Provide a detailed description of the project.

To construct upgrades to the chemical feed equipment and filters at the Canyon Road Water Treatment Plant for the City of Santa Fe in Santa Fe County. Work will include the construction of a new chemical storage building and replacement and upgrades to filter valve, piping, instrumentation, and controls. Other upgrades and replacements will be done according to the results of the

City's 2020 Comprehensive Performance and Facility Optimization Evaluations Report.

b. Explain why the project is necessary.

This project is necessary to improve the treatment plant drinking water process per the City's 2020 Comprehensive Performance and Facility Optimization Evaluations Report.

c. Describe the overall degree of benefit from the project.

This benefits only benefits rate-paying customers in the City of Santa Fe (approximately 80,000 citizens), but not 100% of the citizens.

3. Project Selection.

a. Describe how the project area or alternative was selected.

The project design was selected based upon the City's 2020 Comprehensive Performance and Facility Optimization Evaluations Report.

b. If this is a second or subsequent phase of a project, describe the extent to which experience from the previous phases of the project altered the planning or implementation of the requested phase.

Not applicable.

4. Project Continuation. (Phase of a previously funded WTB Project.) If this is a phase of a larger project, have any previous phases of the larger project been awarded by the Water Trust Board?

Yes or No: No

If yes, provide the WTB Project Number(s):

If yes, please describe below whether previous phase(s) met or is meeting the project goals and objectives.

5. If funded, would this phase complete the larger project?

Yes or No: No

If no, briefly explain why:

This funding is only for design prior to construction.

6. Human Health and Safety. Describe how the project addresses human health and safety needs of the community.

This project does not eliminate a risk or hazard to public health and/or safety.

7. Is this project identified in a regional water plan accepted by the New Mexico Interstate Stream Commission?

Yes or No: No

If yes, please provide the name of the plan and the date of acceptance.

Name of Plan:

Date: //

8. Is this project listed on the community's current Infrastructure Capital Improvement Plan (ICIP)?

Yes or No: Yes

If yes, provide the Priority Number and Date of Prioritization.

ICIP Priority No. 39331

Date of Prioritization: 07/11/2025

9. Community Support.

a. List all of the partners involved in this project and outline the responsibilities for each partner.

Carollo Engineering will provide design.

b. Describe how the surrounding communities are involved.

Not applicable

c. Identify the regional collaboration, including how stakeholders participate both financially and programmatically.

Not applicable

Optional: Attach letters of support from project partners, including Federal, Tribal, State, Non-Governmental Organizations and private interests, as applicable.

Attachment (combine multiple letters into one attachment): Current File: None

PART III. PROJECT DETAIL

1. Required Planning Document. Section II 3.2 of the WTB Project Management Policies requires Applicants to submit a Planning Document as part of the Project Application.

When was the planning document completed?

07/18/2025

Which regulatory or funding agency(ies) approved the Planning Document, if any?

None

Date of last cost updates, if any:

//

Title of Planning Document:

CANYON ROAD WTP FILTER AND CHEMICAL IMPROVEMENTS

Name of Firm that prepared the Planning Document:

Carollo Engineers, LLC

Name of primary Planning Document preparer:

Carollo Engineers, LLC

Please upload Planning Document here. If necessary, break and attach document into parts (additional Attachment blocks are also provided at end of application).

Planning Document Attachment 1 Current File: WTB-PlanningDocument-Attachment1

Planning Document-Attachment 2 Current File: None

Planning Document Attachment 3 Current File: None

Planning Document Attachment 4 Current File: None

2. Design only projects. Is the funding sought for design only? If so, you may qualify for 100% grant with the following conditions:

- The project serves or will serve fewer than 500 connections.
- The scope is limited to design only; "design" is defined as necessary technical work required to prepare a complete and final set of plans and specifications ready to be bid.
- The costs for the design must be substantiated with the coordinating planning document(s).
- Grants for design may not exceed \$500,000.

Yes

3. Project Funding. Please download the Project Funding spreadsheet at the top of the page, provide total estimated project costs under the appropriate Funding Sources, save it to your local computer and then upload it as a spreadsheet here:

(Attach in spreadsheet format only.)

Current File: WTB-ProjectFunding_Attachment

4. Source and Status of Matching Funds. Identify the sources, terms and status of all local, State and Federal Funds identified for this project, and attach documentation substantiating the match.

NOTE: If no documentation/evidence of match is provided, match cannot be verified.

Source (Name of Federal Funding Agency):

Amount: 0.00

Type (Loan, Grant, or Loan/Grant):

Term (# of years):

Status (Application Pending, Approved, or Secured):

Attach evidence of federal funds here:

Current File: None

Source (Name of State Funding Agency):

Amount: 0.00

Type (Loan, Grant, or Loan/Grant):

Term (# of years):

Status (Application Pending, Approved, or Secured):

Attach evidence of state funds here:

Current File: None

Source (Local):

Enterprise Revenue Funds

Amount: 0.00

Type (Bond Proceeds, Accumulated Reserves, or Other Budgeted Funds):

Term (# of years):

Status (Application Pending, Approved, or Secured):

secured

Attach evidence of local funds here:

Current File: WTB-SourceOfMatchingFundsStatus-Local-Attach

5. Project Readiness.

- Have construction plans and specifications been completed?

Yes or No: No

If yes, please provide the date of completion:

//

- If plans and specifications have not been completed, provide estimated date of completion.

Completion date: 09/30/2026

- Have engineering services been procured?

Yes or No: Yes

6. Permits/Licenses/Authorizations. Download Permits Detail spreadsheet at the top of the page, provide the status of each required permit, certification, license or authorization required to complete the project and the time frame for completion. Save the spreadsheet to your local drive, then upload it as an attachment here:

Current File: WTB-PermitsLicenses_Attachment

7. Assuming funds are approved in July 2026, would this project be able to be completed by June 2028?

Yes or No: Yes

If no, what is the estimated time of completion?

Date: //

PART IV. EXPECTED PROJECT BENEFITS

1. Regionalization. The evaluation criteria provides up to 10 points for projects that demonstrate regional impacts. Maximum points are given to projects that incorporate greater than 80% of the population within a five-mile radius.

- a. Describe the direct and indirect impacts of the project, including benefits to the region.

This benefits only rate-paying customers in the City of Santa Fe (approximately 80,000 citizens), but not 100% of the citizens.

- b. What is the percentage of population served by the project? 95.000000

- c. Describe the extent to which the project increases efficiencies through collaboration.

This project does not eliminate a risk or hazard to public health and/or safety.

- d. Does the project replace individual well-septic systems? No

Explain: It is simply upgrading existing water infrastructure.

- e. Describe collaboration efforts to date and the results of the collaboration.

Collaborating with Carallo Engineering, LLC has created 30% design

Please cite the Planning Document and its page numbers or sections that substantiate your statements above.

2. Health and Safety. The evaluation criteria provides up to 30 points for projects that address human health and safety. Maximum points are given to projects that specifically address imminent or existing threats to human health and safety due to water borne disease and Safe Drinking Water Act violations.

a. Describe the purpose of the project as it relates to health and safety, including any expected health and safety impacts.

This project does not eliminate a risk or hazard to public health and/or safety

b. Do the health and safety conditions to be addressed currently exist? Explain.

Not applicable

c. What is the extent of expected health and safety impacts if the project were not to proceed? Describe any resulting threats to human health and safety.

This project does not eliminate a risk or hazard to public health and/or safety.

Please cite the Planning Document and its page numbers or sections that substantiate your statements above.

Page 1.

3. Plan and Design. The evaluation criteria provides up to 10 points for projects that demonstrate a well-designed selection, design and implementation of infrastructure improvements. Maximum points are given to projects that incorporate water saving technologies into a well-designed project.

a. Describe the status of the project's design and note if the concept is substantively complete.

30% Design

b. Describe the methodology used to measure the project's expected outcome, planned objectives and other benchmarks for measuring project results and describe how they have been incorporated into the project design.

Monthly progress reports with invoicing to track progress and reduce cost overruns.

Please cite the Planning Document and its page numbers or sections that substantiate your statements above.

CANYON ROAD WTP FILTER AND CHEMICAL IMPROVEMENTS PROJECT,
p. 1

4. Emergency. The evaluation criteria provides up to 25 points for projects that address imminent or existing catastrophic conditions related to water quality or quantity. Maximum points are given to projects that cure severe violations of water quality.

a. Describe how the expected impacts of the project address imminent or existing catastrophic conditions related to water quality improvements.

Not applicable

b. Do the emergency conditions to be addressed currently exist? Explain.

Not applicable

c. What is the extent of expected impacts if the project were not to proceed? Describe any resulting threats to human health and safety from imminent or existing catastrophic conditions related to water quality improvements.

This project does not eliminate a risk or hazard to public health and/or safety.

Please cite the Planning Document and its page numbers or sections that substantiate your statements above.

N/A

PART V. REGULATORY COMPLIANCE

In preparation for the Readiness Application, regulatory agencies will certify the applicant compliance with all relevant regulations. Please note that Water Trust Board Policies require the Office of State Engineer to verify water rights. Applicants must submit a completed request form *directly to the Office of the State Engineer* in order to receive verification. Applicants requesting funding for watershed restoration or ESA collaborative projects do not need to receive verification. Flood prevention projects also do not require verification unless they include jurisdictional dams or storage facilities.

(Download OSE form at the top of this page. Complete and submit the completed request form *directly to the Office of the State Engineer.*)

1. Does the Applicant have all necessary water rights to complete the project?

Yes or No: Yes

2. Does the water system supply, deliver, distribute or otherwise provide at least 500-acre feet annually for domestic, commercial, industrial or government customers for non-agricultural purposes?

Yes or No: Yes

If yes, has the Applicant completed a Water Conservation Plan as required by law?

Yes

If no, explain.

PART VI. ATTACHMENTS

A. Required

- Resolution by the governing body authorizing the submission of an application to the Water Trust Board.

Current File: WTB-RequiredAttachment_ResolutionAttach

- Copy of organizational documents for non-governmental entities, including current Articles of Incorporation, Bylaws, etc.

Current File: WTB-RequiredAttachment_IncorporationAttach

B. Additional Documents (optional)

Attach below any additional information you believe would be helpful to evaluating your project.

1. Document description:

Attachment: Current File: None

2. Document description:

Attachment: Current File: None

3. Document description:

Attachment: Current File: None

4. Document description:

Attachment: Current File: None

PART VII APPLICANT CERTIFICATION

PART VII APPLICANT CERTIFICATION

Please download the Applicant Certification document at the top of the page, sign and save it to your computer, then upload it to the application here:

Attachment:

Current File: WTB-ApplicantCertification_Attach

General Information

Santa Fe, City of

P O Box 909 Santa Fe, NM 87504-0909

() -

City of Santa Fe Sewer Rehabilitation Project

Water Project Fund 2026 Application

Wastewater Collection, Conveyance, and Treatment Project

Funding Request Amount: 2,550,000.00

PART I. GENERAL APPLICANT AND PROJECT INFORMATION

A. APPLICANT INFORMATION

Full Legal Name of Entity: Santa Fe Public Utilities Department

Mailing Address: PO Box 909

Street Address: 801 W. San Mateo

City: Santa Fe

Zip Code: 87504-0909

County: Santa Fe

Phone: 505-955-4333

Email Address: cedickens@santafenm.gov

B. SERVICE AREA OF APPLICANT

Communities in Applicant's Service Area: Santa Fe

Counties in Applicant's Service Area: Santa Fe

NM House District(s): 48

NM Senate District(s): 25

Map of Service Area: Current File: WTB-ServiceArea_Map

Has Applicant recently completed a Median Household Income (MHI) survey that the Applicant believes more accurately reflects the MHI of the Applicant's service area?

Yes or No: No

If Yes, please describe below the methodology used and attach a copy of the survey results.

Methodology:

Attachment: Current File: None

Census Tract(s) of Applicant's Service Area or, if applicable, name of Census Designated Place:

NA

C. PROJECT LOCATION:

Street Address: Santa Fe - City-wide Project

City: Santa Fe

Zip: 87504

Communities served by the Project: Santa Fe

County or Counties where Project is located:

Map of Project Area: Current File: WTB-MapOfProjectArea

D. APPLICANT CONTACTS

PRIMARY CONTACT

Name: Carl Dickens
Title: Project Manager
Address: 801 W. San Mateo
City: Santa Fe
Zip Code: 87505
Phone: 505-577-3708
Email Address: cedickens@santafenm.gov

SECONDARY CONTACT

Name: Mike Dozier
Title: Waste Water Division Director
Address: 801 W. San Mateo
City: Santa Fe
Zip Code: 87505
Phone: 505-955-4642
Email Address: mldozier@santafenm.gov

CONSULTING ENGINEER

Name:

Title:

Firm:
Address:
City:
Zip Code:
Phone:
Email Address:

LEGAL COUNSEL CONTACT

Name: Marcos Martinez
Firm: City of Santa Fe
Address: 200 Lincoln Ave
City: Santa Fe
Zip Code: 87501
Phone: 505-955-6502
Email Address: mdmartinez@santafenm.gov

OTHER CONTACT

Name:
Title:
Firm:
Address:
City:
Zip Code:
Phone:
Email Address:

PART II. PROJECT SUMMARY

1. Project Scope. Provide a **brief statement** of the project. State: 1) the requested Scope of funding as Plan, Design, and/or Construction, and 2) the overall goal of project. (Example: "Plan, design, and construct Main St water transmission lines.")

Note: Response is limited to 200 Characters.

The overall goal of the project is to replace aging sewer lines throughout the City of Santa Fe.

2. Project Description. Regarding *only the Scope for which funding is being requested*:

a. Provide a detailed description of the project.

The City of Santa has numerous areas requiring the replacement of old and aging sewer lines. This project is designed to prevent any major sewer incidents.

b. Explain why the project is necessary.

The project is necessary to ensure that there are no sewer line failures that could potentially lead to environmental damage and human health issues.

c. Describe the overall degree of benefit from the project.

The benefit is simple and straightforward, properly functioning sewer lines carrying waste to a treatment plant is a vital component to the city of Santa Fe and its residents.

3. Project Selection.

a. Describe how the project area or alternative was selected.

Sewer lines run throughout the City of Santa Fe, there are no alternative to the location of the project, it is city-wide.

b. If this is a second or subsequent phase of a project, describe the extent to which experience from the previous phases of the project altered the planning or implementation of the requested phase.

There will be several phases to the sewer line replacement project. It is a consistent ongoing process and is not altered by previous line replacement projects.

4. Project Continuation. (Phase of a previously funded WTB Project.) If this is a phase of a larger project, have any previous phases of the larger project been awarded by the Water Trust Board?

Yes or No: No

If yes, provide the WTB Project Number(s):

If yes, please describe below whether previous phase(s) met or is meeting the project goals and objectives.

5. If funded, would this phase complete the larger project?

Yes or No: No

If no, briefly explain why:

Replacing the miles of City sewer lines is a long-term and ongoing project. consisting of many phases.

6. Human Health and Safety. Describe how the project addresses human health and safety needs of the community.

Properly functioning sewer lines are essential elements for the health and safety of residents of the City of Santa Fe.

7. Is this project listed on the community's current Infrastructure Capital Improvement Plan (ICIP)?

Yes or No: Yes

If yes, provide the Priority Number and Date of Prioritization.

ICIP Priority No. #068

Date of Prioritization: 06/11/2025

8. Community Support.

a. List all of the partners involved in this project and outline the responsibilities for each partner.

The partners involved in the project are the residents of Santa Fe who are dependent on the sewer lines for waste removal

dependent on the sewer lines for waste removal.

b. Describe how the surrounding communities are involved.

Surrounding communities are not involved with City sewer lines..

c. Identify the regional collaboration, including how stakeholders participate both financially and programmatically.

NA

Optional: Attach letters of support from project partners, including Federal, Tribal, State, Non-Governmental Organizations and private interests, as applicable.

Attachment (combine multiple letters into one attachment): Current File: None

PART III. PROJECT DETAIL

1. Required Planning Document. Section II 3.2 of the WTB Project Management Policies requires Applicants to submit a Planning Document as part of the Project Application.

When was the planning document completed?

08/13/2025

Which regulatory or funding agency(ies) approved the Planning Document, if any?

N/A

Date of last cost updates, if any:

//

Title of Planning Document:

On-Call Collection System Construction Contract

Name of Firm that prepared the Planning Document:

SKE Contractors, LLC

Name of primary Planning Document preparer:

N/A

Please upload Planning Document here. If necessary, break and attach document into parts (additional Attachment blocks are also provided at end of application).

Planning Document Attachment 1 Current File: WTB-PlanningDocument-Attachment1

Planning Document-Attachment 2 Current File: None

Planning Document Attachment 3 Current File: None

Planning Document Attachment 4 Current File: None

2. Design only projects. Is the funding sought for design only? If so, you may qualify for 100% grant with the following conditions:

- The project serves or will serve fewer than 500 connections.
- The scope is limited to design only; "design" is defined as necessary technical work required to prepare a complete and final set of plans and specifications ready to be bid.
- The costs for the design must be substantiated with the coordinating planning document(s).
- Grants for design may not exceed \$500,000.

No

3. Project Funding. Please download the Project Funding spreadsheet at the top of the page, provide total estimated project costs under the appropriate Funding Sources, save it to your local computer and then upload it as a spreadsheet here:

(Attach in spreadsheet format only.)

Current File: WTB-ProjectFunding_Attachment

4. Source and Status of Matching Funds. Identify the sources, terms and status of all local, State and Federal Funds identified for this project, and attach documentation substantiating the match.

NOTE: *If no documentation/evidence of match is provided, match cannot be verified.*

Source (Name of Federal Funding Agency):

Amount: 0.00

Type (Loan, Grant, or Loan/Grant):

Term (# of years):

Status (Application Pending, Approved, or Secured):

Attach evidence of federal funds here: Current File: None

Source (Name of State Funding Agency):

Amount: 0.00

Type (Loan, Grant, or Loan/Grant):

Term (# of years):

Status (Application Pending, Approved, or Secured):

Attach evidence of state funds here: Current File: None

Source (Local): Wastewater Enterprise Funds

Amount: 0.00

Type (Bond Proceeds, Accumulated Reserves, or Other Budgeted Funds):

Term (# of years):

Status (Application Pending, Approved, or Secured):

Attach evidence of local funds here: Current File: WTB-SourceOfMatchingFundsStatus-Local-Attach

5. Project Readiness.

- Have construction plans and specifications been completed?

Yes or No: No

If yes, please provide the date of completion:

//

- If plans and specifications have not been completed, provide estimated date of completion

• If plans and specifications have not been completed, provide estimated date of completion.

Completion date: 08/13/2029

• Have engineering services been procured?

Yes or No: No

6. Permits/Licenses/Authorizations. Download Permits Detail spreadsheet at the top of the page, provide the status of each required permit, certification, license or authorization required to complete the project and the time frame for completion. Save the spreadsheet to your local drive, then upload it as an attachment here:

Current File: WTB-PermitsLicenses_Attachment

7. Assuming funds are approved in July 2026, would this project be able to be completed by June 2028?

Yes or No: Yes

If no, what is the estimated time of completion?

Date: //

PART IV. EXPECTED PROJECT BENEFITS

1. Regionalization. The evaluation criteria provides up to 10 points for projects that demonstrate regional impacts. Maximum points are given to projects that incorporate greater than 80% of the population within a five-mile radius.

a. Describe the direct and indirect impacts of the project, including benefits to the region.

The direct benefit is ensuring that waste is efficiently and effectively carried to the City's treatment facility. There is no indirect benefit.

b. What is the percentage of population served by the project? 100.000000

c. Describe the extent to which the project increases efficiencies through collaboration.

There is collaboration required in replacing sewer lines. It is a simple and straightforward process based on the need to replace lines.

d. Does the project replace individual well-septic systems? No

Explain: NA

e. Describe collaboration efforts to date and the results of the collaboration.

NA

Please cite the Planning Document and its page numbers or sections that substantiate your statements above.

NA

2. Health and Safety. The evaluation criteria provides up to 30 points for projects that address human health and safety. Maximum points are given to projects that specifically address imminent or existing threats to human health and safety due to water borne disease and Safe Drinking Water Act violations.

a. Describe the purpose of the project as it relates to health and safety, including any expected health and safety impacts.

Properly functioning sewer lines are a keystone need for any and all municipalities.

b. Do the health and safety conditions to be addressed currently exist? Explain.

Yes. Every metropolitan area needs to properly dispose of waste.

c. What is the extent of expected health and safety impacts if the project were not to proceed? Describe any resulting threats to human health and safety.

Broken and poorly functioning sewer lines would create serious and immediate health issues including disease transmission.

Please cite the Planning Document and its page numbers or sections that substantiate your statements above.

N/A

3. Plan and Design. The evaluation criteria provides up to 10 points for projects that demonstrate a well-designed selection, design and implementation of infrastructure improvements. Maximum points are given to projects that incorporate water saving technologies into a well-designed project.

a. Describe the status of the project's design and note if the concept is substantively complete.

N/A

b. Describe the methodology used to measure the project's expected outcome, planned objectives and other benchmarks for measuring project results and describe how they have been incorporated into the project design.

Project Manager and Public Utilities staff oversight.

Please cite the Planning Document and its page numbers or sections that substantiate your statements above.

N/A

4. Emergency. The evaluation criteria provides up to 25 points for projects that address imminent or existing catastrophic conditions related to water quality or quantity. Maximum points are given to projects that cure severe violations of water quality.

a. Describe how the expected impacts of the project address imminent or existing catastrophic conditions related to water quality improvements.

Broken or leaking sewer lines could lead to groundwater contamination impacting the City's production wells.

b. Do the emergency conditions to be addressed currently exist? Explain.

Yes

c. What is the extent of expected impacts if the project were not to proceed? Describe any resulting threats to human health and safety from imminent or existing catastrophic conditions related to water quality improvements.

Broken or leaking sewer lines causing serious immediate and long-term health issues would be the result of the project not proceeding.

Please cite the Planning Document and its page numbers or sections that substantiate your statements above.

N/A

PART V. REGULATORY COMPLIANCE

In preparation for the Readiness Application, regulatory agencies will certify the applicant's compliance with all relevant regulations.

PART VI. ATTACHMENTS

A. Required

- Resolution by the governing body authorizing the submission of an application to the Water Trust Board.

Current File: WTB-RequiredAttachment_ResolutionAttach

- Copy of organizational documents for non-governmental entities, including current Articles of Incorporation, Bylaws, etc.

Current File: WTB-RequiredAttachment_IncorporationAttach

B. Additional Documents (optional)

Attach below any additional information you believe would be helpful to evaluating your project.

1. Document description: Waiver Request

Attachment: Current File: WTB-AdditionalDocument1-Attach

2. Document description:

Attachment: Current File: None

3. Document description:

Attachment: Current File: None

4. Document description:

Attachment: Current File: None

PART VII. APPLICANT CERTIFICATION

Please download the Applicant Certification document at the top of the page, sign and save it to your computer, then upload it to the application here:

Attachment: Current File: WTB-ApplicantCertification_Attach

General Information

Santa Fe, City of

P O Box 909 Santa Fe, NM 87504-0909

() -

City of Santa Fe Wastewater Plant Replacement

Water Project Fund 2026 Application

Wastewater Collection, Conveyance, and Treatment Project

Funding Request Amount: 8,500,000.00

PART I. GENERAL APPLICANT AND PROJECT INFORMATION

A. APPLICANT INFORMATION

Full Legal Name of Entity: City of Santa Fe Public Utilities Department

Mailing Address: PO Box 909

Street Address: 801 W. San Mateo

City: Santa Fe

Zip Code: 87504-0909

County: Santa Fe

Phone: 505-955-4333

Email Address: cedickens@santafenm.gov

B. SERVICE AREA OF APPLICANT

Communities in Applicant's Service Area: Santa Fe

Counties in Applicant's Service Area: Santa Fe

NM House District(s): 48

NM Senate District(s): 25

Map of Service Area: Current File: WTB-ServiceArea_Map

Has Applicant recently completed a Median Household Income (MHI) survey that the Applicant believes more accurately reflects the MHI of the Applicant's service area?

Yes or No: No

If Yes, please describe below the methodology used and attach a copy of the survey results.

Methodology:

Attachment:

Current File: None

Census Tract(s) of Applicant's Service Area or, if applicable, name of Census Designated Place:

City of Santa Fe

C. PROJECT LOCATION:

Street Address:

73 Paseo Real

City:

Santa Fe

Zip:

87507

Communities served by the Project:

City of Santa Fe

County or Counties where Project is located:

Map of Project Area:

Current File: WTB-MapOfProjectArea

D. APPLICANT CONTACTS

PRIMARY CONTACT

Name:

Carl Dickens

Title:

Project Manager

Address:

801 . San Mateo

City:

Santa Fe

Zip Code:

87505

Phone:

505-577-3708

Email Address:

cedickens@santafenm.gov

SECONDARY CONTACT

Name:

Mike Dozier

Title:

Waste Water Division Director

Address:

801 West San Mateo

City:

Santa Fe

Zip Code:

87505

Phone:

505-955-4642

Email Address:

aghook@santafenm.gov

CONSULTING ENGINEER

Name:

Title:

Firm:
Address:
City:
Zip Code:
Phone:
Email Address:

LEGAL COUNSEL CONTACT

Name: Marcos Martinez
Firm: City of Santa Fe
Address: 200 Lincoln Avenue
City: Santa Fe
Zip Code: 87501
Phone: 505-955-6502
Email Address: mdmartinez@santafenm.gov

OTHER CONTACT

Name:
Title:
Firm:
Address:
City:
Zip Code:
Phone:
Email Address:

PART II. PROJECT SUMMARY

1. Project Scope. Provide a **brief statement** of the project. State: 1) the requested Scope of funding as Plan, Design, and/or Construction, and 2) the overall goal of project. (Example: "Plan, design, and construct Main St water transmission lines.")

Note: Response is limited to 200 Characters.

Project is to create a plan and design for a replacement facility for the Paseo Real Water Reclamation Facility (wastewater treatment plant) located in Santa Fe..

2. Project Description. Regarding *only the Scope for which funding is being requested*:

a. Provide a detailed description of the project.

This is not a project. We are requesting funding to create a design and plan document to be utilized for the purposes of constructing and/or rehabbing

b. Explain why the project is necessary.

The existing wastewater plant was constructed in the 1960s, it has been "patched" over the years but at this point needs to be replaced or completely rehabilitated.

c. Describe the overall degree of benefit from the project.

Returning clean water to the Santa Fe River are federal, EPA and state Enviroment Department reulated requirements. It benefits downstream users, farmers, ranches and the Santa Fe River's riparian environment

3. Project Selection.

a. Describe how the project area or alternative was selected.

The plant has been in the same location since the 1960s and needs to be on the Santa Fe River. There is no alternative location.

b. If this is a second or subsequent phase of a project, describe the extent to which experience from the previous phases of the project altered the planning or implementation of the requested phase.

It is not the second phase of a project.

4. Project Continuation. (Phase of a previously funded WTB Project.) If this is a phase of a larger project, have any previous phases of the larger project been awarded by the Water Trust Board?

Yes or No: No

If yes, provide the WTB Project Number(s):

If yes, please describe below whether previous phase(s) met or is meeting the project goals and objectives.

5. If funded, would this phase complete the larger project?

Yes or No: NO

If no, briefly explain why:

This is the design phase.

6. Human Health and Safety. Describe how the project addresses human health and safety needs of the community.

Properly processed wastewater is essential to the health and safety of downstream users, farmers and ranchers and communities. A new plant would provide those assurances.

7. Is this project listed on the community's current Infrastructure Capital Improvement Plan (ICIP)?

Yes or No: Yes

If yes, provide the Priority Number and Date of Prioritization.

ICIP Priority No. 41218

Date of Prioritization: 07/11/2025

8. Community Support.

a. List all of the partners involved in this project and outline the responsibilities for each partner.

No partners are currently involved in the project

b. Describe how the surrounding communities are involved.

The local communities of La Cienega, La Cieneguilla and La Bajada are informed on actions and activities in planning the new treatment facility.

c. Identify the regional collaboration, including how stakeholders participate both financially and programmatically.

City of Santa Fe residents will be responsible for the cost.

Optional: Attach letters of support from project partners, including Federal, Tribal, State, Non-Governmental Organizations and private interests, as applicable.

Attachment (combine multiple letters into one attachment): Current File: None

PART III. PROJECT DETAIL

1. Required Planning Document. Section II 3.2 of the WTB Project Management Policies requires Applicants to submit a Planning Document as part of the Project Application.

When was the planning document completed?
06/30/2027

Which regulatory or funding agency(ies) approved the Planning Document, if any?
NA

Date of last cost updates, if any: 09/24/2025

Title of Planning Document: This will be a progressive design/build

Name of Firm that prepared the Planning Document:
NA

Name of primary Planning Document preparer:
NA

Please upload Planning Document here. If necessary, break and attach document into parts (additional Attachment blocks are also provided at end of application).

- Planning Document Attachment 1 Current File: WTB-PlanningDocument-Attachment1
- Planning Document-Attachment 2 Current File: None
- Planning Document Attachment 3 Current File: None
- Planning Document Attachment 4 Current File: None

2. Design only projects. Is the funding sought for design only? If so, you may qualify for 100% grant with the following conditions:

- The project serves or will serve fewer than 500 connections.
- The scope is limited to design only; "design" is defined as necessary technical work required to prepare a complete and final set of plans and specifications ready to be bid.
- The costs for the design must be substantiated with the coordinating planning document(s).
- Grants for design may not exceed \$500,000.

No

3. Project Funding. Please download the Project Funding spreadsheet at the top of the page, provide total estimated project costs under the appropriate Funding Sources, save it to your local computer and then upload it as a spreadsheet here:

(Attach in spreadsheet format only.)

Current File: WTB-ProjectFunding_Attachment

4. Source and Status of Matching Funds. Identify the sources, terms and status of all local, State and Federal Funds identified for this project, and attach documentation substantiating the match.

NOTE: *If no documentation/evidence of match is provided, match cannot be verified.*

Source (Name of Federal Funding Agency):

Amount: 0.00

Type (Loan, Grant, or Loan/Grant):

Term (# of years):

Status (Application Pending, Approved, or Secured):

Attach evidence of federal funds here: Current File: None

Source (Name of State Funding Agency):

Amount: 0.00

Type (Loan, Grant, or Loan/Grant):

Term (# of years):

Status (Application Pending, Approved, or Secured):

Attach evidence of state funds here: Current File: None

Source (Local): Wastewater Enterprise Funds

Amount: 0.00

Type (Bond Proceeds, Accumulated Reserves, or Other Budgeted Funds):

Term (# of years):

Status (Application Pending, Approved, or Secured):

Attach evidence of local funds here: Current File: WTB-SourceOfMatchingFundsStatus-Local-Attach

5. Project Readiness.

- Have construction plans and specifications been completed?

Yes or No: No

If yes, please provide the date of completion:

//

- If plans and specifications have not been completed, provide estimated date of completion.

Completion date: 06/30/2027

- Have engineering services been procured?

Yes or No: No

6. Permits/Licenses/Authorizations. Download Permits Detail spreadsheet at the top of the page, provide the status of each required permit, certification, license or authorization required to complete the project and the time frame for completion. Save the spreadsheet to your local drive, then upload it as an attachment here:

Current File: WTB-PermitsLicenses_Attachment

7. Assuming funds are approved in July 2026, would this project be able to be completed by June 2028?

Yes or No: Yes

If no, what is the estimated time of completion?

Date: //

PART IV. EXPECTED PROJECT BENEFITS

1. Regionalization. The evaluation criteria provides up to 10 points for projects that demonstrate regional impacts. Maximum points are given to projects that incorporate greater than 80% of the population within a five-mile radius.

- a. Describe the direct and indirect impacts of the project, including benefits to the region.

Regional impacts will include cleanwater to downstream users, ranchers, farmers and communities as well as providing environmental benefits to the river's riparian area and aquatic life,

- b. What is the percentage of population served by the project? 100.000000

- c. Describe the extent to which the project increases efficiencies through collaboration.

This a design phase, it does not increase efficiencies.

- d. Does the project replace individual well-septic systems? No

Explain: The funding request is for the design phase.

- e. Describe collaboration efforts to date and the results of the collaboration.

NA Design phase

Please cite the Planning Document and its page numbers or sections that substantiate your statements above.

NA Design Phase

2. Health and Safety. The evaluation criteria provides up to 30 points for projects that address human health and safety. Maximum points are given to projects that specifically address imminent or existing threats to human health and safety due to water borne disease and Safe Drinking Water Act violations.

- a. Describe the purpose of the project as it relates to health and safety, including any expected health and safety impacts.

Designing a new treatment plant will benefit downstream users, ranchers, farmers and communities as well as providing environmental benefits to the

river's riparian area and aquatic life,

b. Do the health and safety conditions to be addressed currently exist? Explain.

NA Design phase

c. What is the extent of expected health and safety impacts if the project were not to proceed? Describe any resulting threats to human health and safety.

NA Request is for design and planning

Please cite the Planning Document and its page numbers or sections that substantiate your statements above.

NA

3. Plan and Design. The evaluation criteria provides up to 10 points for projects that demonstrate a well-designed selection, design and implementation of infrastructure improvements. Maximum points are given to projects that incorporate water saving technologies into a well-designed project.

a. Describe the status of the project's design and note if the concept is substantively complete.

Request is for design

b. Describe the methodology used to measure the project's expected outcome, planned objectives and other benchmarks for measuring project results and describe how they have been incorporated into the project design.

NA

Please cite the Planning Document and its page numbers or sections that substantiate your statements above.

NA

4. Emergency. The evaluation criteria provides up to 25 points for projects that address imminent or existing catastrophic conditions related to water quality or quantity. Maximum points are given to projects that cure severe violations of water quality.

a. Describe how the expected impacts of the project address imminent or existing catastrophic conditions related to water quality improvements.

NA

b. Do the emergency conditions to be addressed currently exist? Explain.

NA

c. What is the extent of expected impacts if the project were not to proceed? Describe any resulting threats to human health and safety from imminent or existing catastrophic conditions related to water quality improvements.

There are no resulting threats to human health and safety from imminent or existing catastrophic conditions related to water quality improvements at the Paseo Real Wastewater Treatment Plant.

Please cite the Planning Document and its page numbers or sections that substantiate your statements above.

NA

PART V. REGULATORY COMPLIANCE

In preparation for the Readiness Application, regulatory agencies will certify the applicant's compliance with all relevant regulations.

PART VI. ATTACHMENTS

A. Required

- Resolution by the governing body authorizing the submission of an application to the Water Trust Board.

Current File: WTB-RequiredAttachment_ResolutionAttach

- Copy of organizational documents for non-governmental entities, including current Articles of Incorporation, Bylaws, etc.

Current File: WTB-RequiredAttachment_IncorporationAttach

B. Additional Documents (optional)

Attach below any additional information you believe would be helpful to evaluating your project.

1. Document description: City of SFe Waiver Request

Attachment: Current File: WTB-AdditionalDocument1-Attach

2. Document description:

Attachment: Current File: None

3. Document description:

Attachment: Current File: None

4. Document description:

Attachment: Current File: None

PART VII. APPLICANT CERTIFICATION

Please download the Applicant Certification document at the top of the page, sign and save it to your computer, then upload it to the application here:

Attachment: Current File: WTB-ApplicantCertification_Attach

General Information

Santa Fe, City of

P O Box 909 Santa Fe, NM 87504-0909

() -

Water Infrastructure Improvements Project

Water Project Fund 2026 Application

Water Storage, Conveyance and Delivery Project

Funding Request Amount: 1,105,000.00

PART I. GENERAL APPLICANT AND PROJECT INFORMATION

A. APPLICANT INFORMATION

Full Legal Name of Entity: City of Santa Fe

Mailing Address: 801 W. San Mateo Rd

Street Address: 801 W. San Mateo Rd

City: Santa Fe

Zip Code: 87504

County: Santa Fe

Phone: 505-955-4309

Email Address: jdroach@santafenm.gov

B. SERVICE AREA OF APPLICANT

Communities in Applicant's Service Area: City of Santa Fe

Counties in Applicant's Service Area: Santa Fe County

NM House District(s): 48

NM Senate District(s): 25

Map of Service Area: Current File: WTB-ServiceArea_Map

Has Applicant recently completed a Median Household Income (MHI) survey that the Applicant believes more accurately reflects the MHI of the Applicant's service area?

Yes or No: No

If Yes, please describe below the methodology used and attach a copy of the survey results.

Methodology:

Attachment:

Current File: None

Census Tract(s) of Applicant's Service Area or, if applicable, name of Census Designated Place:

City of Santa Fe

C. PROJECT LOCATION:

Street Address:

1780 Upper Canyon Rd

City:

Santa Fe

Zip:

87501

Communities served by the Project:

City of Santa Fe

County or Counties where Project is located:

Map of Project Area:

Current File: WTB-MapOfProjectArea

D. APPLICANT CONTACTS

PRIMARY CONTACT

Name:

Jonathan Montoya

Title:

Interim Water Division Director

Address:

1780 Canyon Rd

City:

Santa Fe

Zip Code:

87501

Phone:

505-955-4373

Email Address:

jmmontoya@santafenm.gov

SECONDARY CONTACT

Name:

Chris Helvey

Title:

Automation and System Security Administrator

Address:

1780 Canyon Rd

City:

Santa Fe

Zip Code:

87501

Phone:

575-779-6605

Email Address:

chelvey@santafenm.gov

CONSULTING ENGINEER

Name:

N/A

Title:

Firm:

Address:

City:

Zip Code:

Phone:

Email Address:

LEGAL COUNSEL CONTACT

Name: Marcos Martinez

Firm: City of Santa Fe

Address: 200 Lincoln Avenue

City: Santa Fe

Zip Code: 87501

Phone: 505-955-6502

Email Address: mdmartinez@santafenm.gov

OTHER CONTACT

Name:

Title:

Firm:

Address:

City:

Zip Code:

Phone:

Email Address:

PART II. PROJECT SUMMARY

1. Project Scope. Provide a **brief statement** of the project. State: 1) the requested Scope of funding as Plan, Design, and/or Construction, and 2) the overall goal of project. (Example: "Plan, design, and construct Main St water transmission lines.")

Note: Response is limited to 200 Characters.

To plan, design and construct digital video and access control systems for water facilities for City of Santa Fe.

2. Project Description. Regarding *only the Scope for which funding is being requested*:

a. Provide a detailed description of the project.

Plan, design and construct digital video and access control system to remote sites for viewing at the Canyon Road Water Treatment Plant. These water infrastructure improvements will strengthen security and protection of our source water sites.

b. Explain why the project is necessary.

City of Santa Fe Water spends over \$100,000 per year on security personnel to patrol our water production sites. With improved security camera automation and protection at our remote water production sites, we could save a significant amount of our historical cost.

c. Describe the overall degree of benefit from the project.

Increased cost savings and flexibility for operators to address potential security issues.

3. Project Selection.

a. Describe how the project area or alternative was selected.

City of Santa Fe Water infrastructure

b. If this is a second or subsequent phase of a project, describe the extent to which experience from the previous phases of the project altered the planning or implementation of the requested phase.

N/A

4. Project Continuation. (Phase of a previously funded WTB Project.) If this is a phase of a larger project, have any previous phases of the larger project been awarded by the Water Trust Board?

Yes or No: No

If yes, provide the WTB Project Number(s):

If yes, please describe below whether previous phase(s) met or is meeting the project goals and objectives.

5. If funded, would this phase complete the larger project?

Yes or No: N/A

If no, briefly explain why:

6. Human Health and Safety. Describe how the project addresses human health and safety needs of the community.

This design/build project for improved water utility infrastructure improves worker security, but does not eliminate risk or hazard where there is immediate danger.

7. Is this project identified in a regional water plan accepted by the New Mexico Interstate Stream Commission?

Yes or No: No

If yes, please provide the name of the plan and the date of acceptance.

Name of Plan:

Date: //

8. Is this project listed on the community's current Infrastructure Capital Improvement Plan (ICIP)?

Yes or No: Yes

If yes, provide the Priority Number and Date of Prioritization.

ICIP Priority No. 42419

Date of Prioritization: 07/11/2025

9. Community Support.

a. List all of the partners involved in this project and outline the responsibilities for each partner.

APIC Solutions.

b. Describe how the surrounding communities are involved.

Not applicable

c. Identify the regional collaboration, including how stakeholders participate both financially and programmatically.

Not applicable

Optional: Attach letters of support from project partners, including Federal, Tribal, State, Non-Governmental Organizations and private interests, as applicable.

Attachment (combine multiple letters into one attachment): Current File: None

PART III. PROJECT DETAIL

1. Required Planning Document. Section II 3.2 of the WTB Project Management Policies requires Applicants to submit a Planning Document as part of the Project Application.

When was the planning document completed?

12/03/2024

Which regulatory or funding agency(ies) approved the Planning Document, if any?

None

Date of last cost updates, if any:

12/03/2024

Title of Planning Document:

APIC Solutions State Price Agreement

Name of Firm that prepared the Planning Document:

APIC Solutions

Name of primary Planning Document preparer:

N/A

Please upload Planning Document here. If necessary, break and attach document into parts (additional Attachment blocks are also provided at end of application).

Planning Document Attachment 1 Current File: WTB-PlanningDocument-Attachment1

Planning Document-Attachment 2 Current File: None

Planning Document Attachment 3 Current File: None

Planning Document Attachment 4 Current File: None

2. Design only projects. Is the funding sought for design only? If so, you may qualify for 100% grant with the following conditions:

- The project serves or will serve fewer than 500 connections.
- The scope is limited to design only; "design" is defined as necessary technical work required to prepare a complete and final set of plans and specifications ready to be bid.
- The costs for the design must be substantiated with the coordinating planning document(s).
- Grants for design may not exceed \$500,000.

No

3. Project Funding. Please download the Project Funding spreadsheet at the top of the page, provide total estimated project costs under the appropriate Funding Sources, save it to your local computer and then upload it as a spreadsheet here:

(Attach in spreadsheet format only.)

Current File: WTB-ProjectFunding_Attachment

4. Source and Status of Matching Funds. Identify the sources, terms and status of all local, State and Federal Funds identified for this project, and attach documentation substantiating the match.

NOTE: *If no documentation/evidence of match is provided, match cannot be verified.*

Source (Name of Federal Funding Agency):

Amount: 0.00

Type (Loan, Grant, or Loan/Grant):

Term (# of years):

Status (Application Pending, Approved, or Secured):

Attach evidence of federal funds here:

Current File: None

Source (Name of State Funding Agency):

Amount: 0.00

Type (Loan, Grant, or Loan/Grant):

Term (# of years):

Status (Application Pending, Approved, or Secured):

Attach evidence of state funds here:

Current File: None

Source (Local):

Enterprise Fund Revenues

Amount: 0.00

Type (Bond Proceeds, Accumulated Reserves, or Other Budgeted Funds):

Term (# of years):

Status (Application Pending, Approved, or Secured):

Attach evidence of local funds here:

Current File: None

5. Project Readiness

5. Project Readiness.

- Have construction plans and specifications been completed?

Yes or No: No

If yes, please provide the date of completion:

//

- If plans and specifications have not been completed, provide estimated date of completion.

Completion date: 10/30/2025

- Have engineering services been procured?

Yes or No: No

6. Permits/Licenses/Authorizations. Download Permits Detail spreadsheet at the top of the page, provide the status of each required permit, certification, license or authorization required to complete the project and the time frame for completion. Save the spreadsheet to your local drive, then upload it as an attachment here:

Current File: WTB-PermitsLicenses_Attachment

7. Assuming funds are approved in July 2026, would this project be able to be completed by June 2028?

Yes or No: Yes

If no, what is the estimated time of completion?

Date: //

PART IV. EXPECTED PROJECT BENEFITS

1. Regionalization. The evaluation criteria provides up to 10 points for projects that demonstrate regional impacts. Maximum points are given to projects that incorporate greater than 80% of the population within a five-mile radius.

- a. Describe the direct and indirect impacts of the project, including benefits to the region.

Benefits will occur in the City of Santa Fe's water utility service area.

- b. What is the percentage of population served by the project? 0.950000

- c. Describe the extent to which the project increases efficiencies through collaboration.

Efficiencies occur through cost savings.

- d. Does the project replace individual well-septic systems? No

Explain: Not Applicable

- e. Describe collaboration efforts to date and the results of the collaboration.

Not applicable

Please cite the Planning Document and its page numbers or sections that substantiate your statements above.

Not Applicable

2. Health and Safety. The evaluation criteria provides up to 30 points for projects that address human health and safety.

Maximum points are given to projects that specifically address imminent or existing threats to human health and safety due to

Maximum points are given to projects that specifically address imminent or existing threats to human health and safety due to water borne disease and Safe Drinking Water Act violations.

a. Describe the purpose of the project as it relates to health and safety, including any expected health and safety impacts.

This project will increase the safety of water division staff and can provide water utility operators a much better chance to respond faster in an emergency situation.

b. Do the health and safety conditions to be addressed currently exist? Explain.

No

c. What is the extent of expected health and safety impacts if the project were not to proceed? Describe any resulting threats to human health and safety.

No immediate health and safety concerns if project does not proceed.

Please cite the Planning Document and its page numbers or sections that substantiate your statements above.

None

3. Plan and Design. The evaluation criteria provides up to 10 points for projects that demonstrate a well-designed selection, design and implementation of infrastructure improvements. Maximum points are given to projects that incorporate water saving technologies into a well-designed project.

a. Describe the status of the project's design and note if the concept is substantively complete.

The design/build process has not been initiated, yet, but will be by October.

b. Describe the methodology used to measure the project's expected outcome, planned objectives and other benchmarks for measuring project results and describe how they have been incorporated into the project design.

Project management and public utilities will provide oversight for this project.

Please cite the Planning Document and its page numbers or sections that substantiate your statements above.

N/A

4. Emergency. The evaluation criteria provides up to 25 points for projects that address imminent or existing catastrophic conditions related to water quality or quantity. Maximum points are given to projects that cure severe violations of water quality.

a. Describe how the expected impacts of the project address imminent or existing catastrophic conditions related to water quality improvements.

No catastrophic conditions.

b. Do the emergency conditions to be addressed currently exist? Explain.

No

c. What is the extent of expected impacts if the project were not to proceed? Describe any resulting threats to human health and safety from imminent or existing catastrophic conditions related to water quality improvements.

Continued high cost to hire security would occur

Please cite the Planning Document and its page numbers or sections that substantiate your statements above.

N/A

PART V. REGULATORY COMPLIANCE

In preparation for the Readiness Application, regulatory agencies will certify the applicant compliance with all relevant regulations. Please note that Water Trust Board Policies require the Office of State Engineer to verify water rights. Applicants must submit a completed request form *directly to the Office of the State Engineer* in order to receive verification. Applicants requesting funding for watershed restoration or ESA collaborative projects do not need to receive verification. Flood prevention projects also do not require verification unless they include jurisdictional dams or storage facilities.

(Download OSE form at the top of this page. Complete and submit the completed request form *directly to the Office of the State Engineer.*)

1. Does the Applicant have all necessary water rights to complete the project?

Yes or No: Yes

2. Does the water system supply, deliver, distribute or otherwise provide at least 500-acre feet annually for domestic, commercial, industrial or government customers for non-agricultural purposes?

Yes or No: Yes

If yes, has the Applicant completed a Water Conservation Plan as required by law?

Yes

If no, explain.

PART VI. ATTACHMENTS

A. Required

- Resolution by the governing body authorizing the submission of an application to the Water Trust Board.

Current File: WTB-RequiredAttachment_ResolutionAttach

- Copy of organizational documents for non-governmental entities, including current Articles of Incorporation, Bylaws, etc.

Current File: WTB-RequiredAttachment_IncorporationAttach

B. Additional Documents (optional)

Attach below any additional information you believe would be helpful to evaluating your project.

1. Document description: City of Santa Fe Waiver Request

Attachment: Current File: WTB-AdditionalDocument1-Attach

2. Document description:

Attachment: Current File: None

3. Document description:

Attachment: Current File: None

4. Document description:

Attachment: Current File: None

PART VII. APPLICANT CERTIFICATION

Please download the Applicant Certification document at the top of the page, sign and save it to your computer, then upload it to the application here:

Attachment:

Current File: WTB-ApplicantCertification_Attach

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CITY OF SANTA FE, NEW MEXICO

RESOLUTION NO. 2025-__

INTRODUCED BY:

Councilor Jamie Cassutt

Councilor Carol Romero-Wirth

A RESOLUTION

UPDATING THE WATER OFFSET REQUIREMENT FEE CHART TO MORE ACCURATELY REFLECT THE CURRENT MARKET VALUE OF WATER RIGHTS.

WHEREAS, pursuant to the City of Santa Fe (“City”) Municipal Code, SFCC 1987, Sections 25-9 and 25-10, land use development must offset new water demand and, in certain situations, such as developments adding new water demand below a threshold, developments may offset demand by paying the City the current market value of an equivalent amount of water rights; and

WHEREAS, in March of 2010, the City adopted Resolution No. 2010-20, which adopted the Administrative Procedures for Water Demand Offset Requirements, and the water offset fees were included in these procedures as Appendix I, entitled “Water Offset Requirement Fee Chart”; and

WHEREAS, the Water Offset Requirement Fee Chart states that the average per acre foot cost for water rights should be updated annually; and

WHEREAS, the water rights cost in the Water Offset Requirement Fee has not changed since 2010; and

WHEREAS, Resolution No. 2010-20 provides that “modification of fees associated with the

1 implementation of the city code requires approval of the Governing Body”; and

2 **WHEREAS**, SFCC 1987, Section 25-12.8(E) states that the “current value of the water rights
3 shall be presumed to be the current fair market value of pre-1907 consumptive use water rights from
4 the Middle Rio Grande Basin. The City shall have the sole discretion to determine the current value of
5 the water rights, which determination shall be reasonably made based upon the known market for such
6 rights and upon the purchase price of the water rights as evidenced by the purchase agreement required
7 in Section 25-12.4(D) SFCC 1987”; and

8 **WHEREAS**, water rights are becoming more difficult to obtain due to limited supply and
9 protests of water right transfers by Middle Rio Grande Pueblos and the Middle Rio Grande
10 Conservancy District (MRGCD); and

11 **WHEREAS**, as of 2024, Santa Fe County uses a value of water rights of \$36,000 per acre-foot
12 in determination of water demand offset fees.

13 **NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE**
14 **CITY OF SANTA FE** that, effective January 1, 2026, the value of water rights used to determine offset
15 fees in the Water Offset Requirement Fee Chart shall be \$36,000 per acre-foot.

16 **BE IT FURTHER RESOLVED THAT** the updated Water Offset Requirement Fee Chart is
17 attached to this resolution as Exhibit A and shall replace the existing Appendix I, “Water Offset
18 Requirement Fee Chart” in the “Administrative Procedures for Water Demand Offset Requirements”,
19 adopted by Resolution 2010-20.

20 PASSED, APPROVED, and ADOPTED this ___ day of _____ 2025.

21
22
23 _____
24 ALAN WEBBER, MAYOR
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ATTEST:

ANDRÉA SALAZAR, CITY CLERK

APPROVED AS TO FORM:

Erin McSherry
[Erin McSherry \(Sep 15, 2025 16:50:13 MDT\)](#)
ERIN K. McSHERRY, CITY ATTORNEY

Legislation/2025/Resolutions/Updating the Water Offset Requirement fee chart

Exhibit A

Water Offset Requirement Fee Chart (Effective Date 1/1/2026)

Type of Use	# Acre Feet	Fee	Unit of Measurement
WATER RIGHT			
Average per acre foot cost (to be up-dated annually)	1	\$36,000	1 Acre Feet Per Year
Due diligence	NA	\$1,000	per application
RESIDENTIAL			
*Single Family Dwelling Unit	0.18		Per Dwelling unit
Single Family Dwelling Unit Lot (<6000sq ft)	0.15	\$5,400	Per Dwelling unit
Single Family Dwelling Unit Lot (6,000-10,890)	0.17	\$6,120	Per Dwelling Unit
Single Family Dwelling Unit Lot (>10,890 sq ft)	0.25	\$9,000	Per Dwelling Unit
Apartment/Condominium	0.16	\$5,760	Per Dwelling Unit
Mobile Home	0.17	\$6,120	Per Dwelling Unit
Accessory Dwelling Unit	0.09	\$3,240	Per Dwelling Unit
Senior Complex	0.12	\$4,320	Per Dwelling Unit
COMMERCIAL			
Restaurant, Full Service	0.02	\$720	Per Seat
Restaurant, Limited Service	1.63	\$58,680	Per Site
Hotel	0.13	\$4,680	Per Room
Motel	0.09	\$3,240	Per Room
Grocery Store	1.27	\$45,720	Per 10,000 sq. ft.
Retail, Large (>75,000 sq ft)	0.45	\$16,200	Per 10,000 sq. ft.
Retail, Medium (75,000-25,000 sq ft)	0.43	\$15,480	Per 10,000 sq. ft.
Retail, Small (<25,000 sq ft)	0.06	\$2,160	Per Site
Gallery	0.6	\$21,600	Per Site
Medical Office	0.72	\$25,920	Per 10,000 sq. ft.
Office – City/State	0.58	\$20,880	Per 10,000 sq. ft.
Office – Non Medical	0.7	\$25,200	Per 10,000 sq. ft.
Research & Development Lab	1.18	\$42,480	Per 10,000 sq. ft.
Manufacturing – Goods	0.21	\$7,560	Per Site
Manufacturing – Consumables	2.33	\$83,880	Per Site
Gas Station	0.88	\$31,680	Per Site
Gas Station w/ Carwash	6.56	Water rights required	Per Site
Carwash, Full Service	5.66	Water rights required	Per Site
Carwash, Limited Service	0.94	\$33,840	Per Bay
Laundromat, Commercial	0.78	\$28,080	Per Machine
Laundromat, Other	0.22	\$7,920	Per Machine
Drycleaner	0.41	\$14,760	Per Site
Plant Nursery	0.56	\$20,160	Per 10,000 sq. ft.
Gyms w/ Showers	8.94	Water rights required	Per Site
Gyms w/o Showers	0.77	\$27,720	Per Site
Salons	0.21	\$7,560	Per Site
Pet Grooming	0.52	\$18,720	Per Site
Pet Daycare	0.11	\$3,960	Per Site
Auto Repair	0.12	\$4,320	Per Site
Car Rental	0.12	\$4,320	Per Site
Car Sales	0.07	\$2,520	Per 10,000 sq. ft.
Self-Storage	0.13	\$4,680	Per Site

Type of Use	# Acre Feet	Fee	Unit of Measurement
PUBLIC SERVICES			
Parks	1.48	\$53,280	Per Acre
Schools, Daycare	0.85	\$30,600	Per 100 children
Schools, Elementary	0.53	\$19,080	Per 100 students
Schools, Middle	1.68	\$60,480	Per 100 students
Schools, High	2.64	\$95,040	Per 100 students
Places of Worship	0.15	\$5,400	Per Site
Places of Worship w/ Daycare & School	0.95	\$34,200	Per Site

*Average of residential lot sizes, used for estimating purposes only

FISCAL IMPACT REPORT

General Information:

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

Short Title(s): Update Prices in City Water Offset Fee Table

Sponsor(s): Councilors Jamie Cassutt and Carol Romero-Wirth

Reviewing Department(s): Public Utilities Department

Staff Completing FIR: Jesse Roach, Interim Public Utilities Department Director **Date:** 8/26/2025

Phone: (505) 955-4309

Reviewed by City Attorney: *Erin McSherry* **Date:** 09/15/2025
Erin McSherry (Sep 15, 2025 16:50:13 MDT)

Reviewed by Finance Director: *Emily K. Oster* **Date:** 09/17/2025

Summary:

The proposed resolution would increase the costs associated with water offset requirements for developers paying to offset new water use. The City of Santa Fe (“City”) has not updated its fee chart since it became effective in 2010. The cost the City charges for adding one acre foot of new demand to the system (including administrative fees) would change from \$16,600 to \$36,000, in alignment with the water offset fee charged by Santa Fe County and in line with the market cost to purchase and move rights from the Middle Rio Grande into the Buckman Wellfield. This overdue adjustment will bring water offset costs into closer alignment with the true cost born by the City to support additional water demand.

Departments Affected:

Revenues to the Public Utilities Department will increase. The Land Use Division of the Community Development Department will be indirectly affected due to increased development costs.

Consequences of Not Enacting Legislation:

If this legislation is not adopted, the City’s Public Utilities Department will continue to not accurately value water off-sets. In addition, the Department need to generate additional revenue in another way, meaning potential increases to proposed rate hikes. In this case, the water development cost of additional growth in demand would be paid for by existing customers rather than those benefitting directly from new development.

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

Staff is recommending a bill to increase water rates following this legislation, which would provide revenue from the existing water system users to help meet the current and future needs of the system. Once the San Juan Chama Project is operational, the Utilities Department is considering recommending legislation to increase the threshold above which developers must bring water rights. That change would increase the pool of developers using the water offset requirement fee chart instead of transferring water rights to the City’s Buckman Wellfield.

Performance and Administrative Implications:

None.

Fiscal Implications:

Increased revenues to the Water Division.

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:

No additional expenditures are expected as a result of this change.

Revenue

Revenue Type	FYE 2026	FYE 2027	FYE 2028	Recurring (R) or Non-recurring (NR)	Fund
General Fund	\$ _____	\$ _____	\$ _____	_____	_____
Special Revenue	\$ _____	\$ _____	\$ _____	_____	_____
CIP	\$ _____	\$ _____	\$ _____	_____	_____
Enterprise	\$333,500	\$670,000	\$674,000	R	Water Enterprise
Internal Service	\$ _____	\$ _____	\$ _____	_____	_____
Trust and Agency	\$ _____	\$ _____	\$ _____	_____	_____
Federal	\$ _____	\$ _____	\$ _____	_____	_____
Other	\$ _____	\$ _____	\$ _____	_____	_____
Total	\$ _____	\$ _____	\$ _____		

Revenue Narrative:

Added revenue from “sub-threshold” development assuming this resolution takes effect ½ way through FY2026 and 0.5% customer growth. Beginning in FY 2028, an additional \$821,000 per year of recurring revenue potential is unlocked with this resolution if subsequent legislation change is enacted to allow all development to pay a fee instead of transferring water rights. This future possible legislation change would be contingent on completion of the San Juan Chama return flow project.

Signature: 

Email: jdroach@santafenm.gov



CITY OF SANTA FE

Memorandum

Date: September 17, 2025

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

From: Alan Hook, Water Resources Coordinator

Via: Jesse Roach, Interim Public Utilities Director
Jonathan Montoya, Interim Water Division Director
Bill Schneider, Water Resources Supervisor

RE: Resolution Directing Identifying and Applying for Federal and State Funding

EXECUTIVE SUMMARY:

This resolution directs the City Manager to direct City of Santa Fe (“City”) Public Utilities staff to identify priorities and research for water, wastewater, water conservation, water treatment, water recycling, water reuse, water storage, water conveyance, water delivery, flood prevention, water restoration, watershed management, and other similar projects (“Projects”). The resolution also directs the City Manager to direct the City Public Utilities staff to apply for federal and State funding sources for the related Projects. The New Mexico Water Trust Boards application process requires the City to adopt such a resolution to receive funding for all project types eligible for consideration. The City’s Water Division has submitted four applications to the New Mexico Water Trust Board for Fiscal Year 2026, which are included as attachments to this Memorandum.

BACKGROUND:

The City’s Water Division submitted applications to the New Mexico Water Trust Fund Board for Fiscal Year 2026 and requested funding of \$13 million for the construction of the Water Treatment Plant Chemical Feed Design project (2027-2031 Infrastructure Capital Improvements Plan (ICIP) ID No. 39331, Rank No. 69), \$1.3 million for the Security Improvements for Water Sources and Storage Sites project (ICIP ID. 32424, Rank No. 048), \$3 million for CIPP Sewer Line Rehabilitation project (ICIP ID. 42419, Rank No. 068), and \$10 million for the design of the Paseo Real Replacement Wastewater Treatment Plant project (ICIP ID 41218, Rank No. 002). Without this resolution, the City’s Public Utilities Department cannot receive Water Trust Board funding for Fiscal Year 2026. The Public Utilities Department will submit specific agreements for the Projects to committees and the Governing Body.



CITY OF SANTA FE

Memorandum

ATTACHMENTS:

Resolution

Fiscal Impact Report

Memo Attachment – Water Treatment Plant Chemical Feed Design Project Water Trust Board Application

Memo Attachment – Security Improvements for Water Sources and Storage Sites Project Water Trust Board Application

Memo Attachment – CIPP Sever Line Rehabilitation Project Water Trust Board Application

Memo Attachment – Paseo Real Replacement Wastewater Treatment Plant Project Water Trust Board Application

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CITY OF SANTA FE, NEW MEXICO

RESOLUTION NO. 2025-__

INTRODUCED BY:

Councilor Amanda Chavez

Councilor Carol Romero-Wirth

A RESOLUTION

DIRECTING THE CITY MANAGER TO DIRECT CITY STAFF TO IDENTIFY AND APPLY FOR FEDERAL AND STATE FUNDING SOURCES FOR CITY WATER, WASTEWATER, AND OTHER WATER-RELATED PROJECTS, INCLUDING SUBMITTING WATER TRUST BOARD APPLICATIONS; IDENTIFY A STATE LEGISLATIVE PRIORITY LIST FOR WATER-RELATED PROJECTS; AND APPROVE NEW MEXICO WATER TRUST BOARD APPLICATIONS SUBMITTED.

WHEREAS, the City of Santa Fe (“City”) has outdated infrastructure for water and wastewater systems that require significant investments to upgrade or replace; and

WHEREAS, adequate water and wastewater infrastructure is essential to protect public and environmental health and contributes to the City’s economic health; and

WHEREAS, to make the upgrades, replacements and repairs needed for adequate water and wastewater infrastructure, there is an ongoing need for the City to obtain funding for water and wastewater projects; and

WHEREAS, the City established several water and wastewater infrastructure project

1 financing priorities through the City’s Fiscal Year 2027 through 2031 with its Infrastructure Capital
2 Improvements Plan (“ICIP”), attached as Exhibit A, and adopted in Resolution No. 2025-44; and

3 **WHEREAS**, the New Mexico Finance Authority Water Trust Board requires the
4 Governing Body’s adoption, or expected adoption, of a Resolution authorizing the submission of
5 an application to the Water Trust Board; and

6 **WHEREAS**, the New Mexico Water Trust Board’s Project Management Policies Section
7 2.3 establish that projects are approved using the following six (6) categories:

- 8 1) Water storage, conveyance and delivery projects;
- 9 2) Watershed restoration and management projects;
- 10 3) Endangered Species Act collaborative projects;
- 11 4) Flood prevention projects;
- 12 5) Water conservation, treatment, recycling, and reuse projects; and
- 13 6) Wastewater collection, conveyance and treatment projects; and

14 **WHEREAS**, the City has submitted applications that fit these categories; and

15 **WHEREAS**, the City’s Water Division submitted an application to the New Mexico Water
16 Trust Board for Fiscal Year 2026 and requested funding for \$13,000,000.00 for the Canyon Road
17 Water Treatment Plant Chemical Feed Design Project, which ranked number sixty-nine (69) in the
18 ICIP (Exhibit A); and

19 **WHEREAS**, the City’s Water Division submitted an application to the New Mexico Water
20 Trust Board for Fiscal Year 2026 and requested funding for \$1,300,000.00 for the Security
21 Improvements for Water Sources and Storage Sites Project, which is ranked number forty-eight
22 (48) in the ICIP (Exhibit A); and

23 **WHEREAS**, the City’s Water Division submitted an application to the New Mexico Water
24 Trust Board for Fiscal Year 2026 and requested funding for \$10,000,000.00 for the design of the
25 Paseo Real Replacement Wastewater Reclamation Facility Project, which is ranked number two

1 (2) in the ICIP (Exhibit A); and

2 **WHEREAS**, the City’s Water Division submitted an application to the New Mexico Water
3 Trust Board for the Fiscal Year 2026 and requested funding for \$3,000,000.00 for the Sewer
4 Rehabilitation Project, which is ranked number sixty-eight (68) in the ICIP (Exhibit A); and

5 **NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE**
6 **CITY OF SANTA FE** that the City Manager or designee is directed to:

- 7 1. Identify priorities and research, by way of example and not limitations, water,
8 wastewater, water conservation, water treatment, water recycling, water reuse,
9 water storage, water conveyance, water delivery, flood prevention, watershed
10 restoration, watershed management, and other similar projects (“Projects”)
11 and identify potential federal and state funding sources for such projects.
- 12 2. Apply for funding and bring specific agreements for such Projects for approval
13 by the Governing Body.
- 14 3. Identify a state legislative priority list of Projects for presentation to the City’s
15 Public Works and Utilities Committee and Governing Body.

16 **BE IT FURTHER RESOLVED** that the Governing Body approves the applications
17 submitted to the New Mexico Water Trust Board for financial assistance from the New Mexico
18 Water Project Fund for items 69, 48, 2, and 68 in the ICIP attached as Exhibit A.

19 PASSED, APPROVED, and ADOPTED this _____ day of _____, 2025.

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21
22 _____
23 ALAN WEBBER, MAYOR
24
25

1 ATTEST:

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5 _____
ANDRÉA SALAZAR, CITY CLERK

6 APPROVED AS TO FORM:

7

8 Erin McSherry
Erin McSherry (Sep 19, 2025 17:17:40 MDT)
9 ERIN K. McSHERRY, CITY ATTORNEY

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25 *Legislation/2025/Resolutions/Application for Federal and State Funding Sources for Water and Wastewater Projects*

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CITY OF SANTA FE, NEW MEXICO

RESOLUTION NO. 2025-44

INTRODUCED BY:

Councilor Amanda Chavez

Mayor Alan Webber

A RESOLUTION

ADOPTING THE CITY OF SANTA FE’S 2027-2031 INFRASTRUCTURE CAPITAL IMPROVEMENTS PLAN.

WHEREAS, the City of Santa Fe (“City”), New Mexico, a New Mexico municipal corporation, recognizes that the financing of public capital projects is a major concern in New Mexico and nationally; and

WHEREAS, in times of scarce resources, it is necessary to find new financing mechanisms and maximize the use of existing resources; and

WHEREAS, systematic capital improvements planning is an effective tool for communities to define their development needs, establish priorities, and pursue concrete actions and strategies to achieve necessary project development; and

WHEREAS, the City’s plan for capital projects contributes to local and regional project identification and selection in short and long-range capital planning efforts; and

WHEREAS, the State of New Mexico’s (“State’s”) Department of Finance and Administration requires the City to adopt a resolution identifying a five-year Infrastructure Capital Improvement Plan (“ICIP”), as specified in its ICIP Guidelines – Submissions Specifications, in


1 order for the City to receive capital outlay funding from the State.

2 **NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE**
3 **CITY OF SANTA FE** that

4 1. It adopts the attached 2027-2031 Infrastructure Capital Improvements Plan
5 (“Plan”); and

6 2. The Plan is intended to be a working document and is the first of many steps toward
7 improving rational, long-range, capital planning and budgeting for New Mexico’s infrastructure.


8 PASSED, APPROVED, and ADOPTED this 9th day of July, 2025.

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11 
12 Alan Webber (Jul 11, 2025 10:38 MDT)
13 ALAN WEBBER, MAYOR

14 ATTEST:

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16 
17 ANDREA SALAZAR (Jul 11, 2025 10:57 MDT)
18 ANDRÉA SALAZAR, CITY CLERK

19 APPROVED AS TO FORM:

20 
21 Marcos Martinez (Jul 11, 2025 10:34 MDT)
22 ERIN K. McSHERRY, CITY ATTORNEY

23
24
25 *Legislation/2025/Resolutions/2025-44(R)/2027-2031 Infrastructure Capital Improvements Plan*

Infrastructure Capital Improvement Plan FY 2027-2031

Santa Fe Project Summary

ID	Year	Rank	Project Title	Category	Funded to date	2027	2028	2029	2030	2031	Total	Amount	Phases?
											Project Cost	Not Yet Funded	
43735	2027	001	Large Capacity Noncongregate Shelter	Facilities - Housing-Related Cap Infrastructure	0	10,000,000	17,000,000	0	0	0	27,000,000	27,000,000	Yes
41218	2027	002	Replacement Paseo Real Wstewtr Reclamation Fac	Other - Utilities (publicly owned)	1,600,000	22,000,000	198,000,000	0	0	0	221,600,000	220,000,000	No
43741	2027	003	Police Training Facility	Facilities - Public Safety Facilities	0	750,000	7,250,000	250,000	0	0	8,250,000	8,250,000	Yes
32333	2027	004	Airport Terminal Expansion Phase II	Transportation - Airports	2,590,000	20,000,000	0	0	0	0	22,590,000	20,000,000	Yes
36137	2027	005	Midtown Redevelopment Infrastructure Improvements	Facilities - Housing-Related Cap Infrastructure	8,000,000	20,000,000	20,000,000	0	0	0	48,000,000	40,000,000	No
43742	2027	006	SF Police Dept Internal Affairs Facility	Facilities - Public Safety Facilities	0	7,250,000	0	250,000	0	0	7,500,000	7,500,000	Yes
39893	2027	007	Richards Avenue Extension	Transportation - Bike/Pedestrian/Equestrian	1,525,000	2,850,000	27,000,000	0	0	0	31,375,000	29,850,000	Yes
40038	2027	008	Fire Station Remodels for Response	Facilities - Public Safety Facilities	6,845,000	4,000,000	0	0	0	0	10,845,000	4,000,000	Yes
39332	2027	009	San Juan Chama Return Flow Project	Water - Water Supply	4,606,333	35,000,000	28,745,640	0	0	0	68,351,976	63,745,640	No
43733	2027	010	Herb Martinez Park Improvements	Facilities - Other	0	875,000	0	0	0	0	875,000	875,000	Yes
36136	2027	011	21st Century Midtown Library & Community Center	Facilities - Libraries	300,000	2,500,000	20,000,000	0	0	0	22,800,000	22,500,000	Yes
36178	2027	012	Santa Fe Median Beautification Phase I	Transportation - Medians	1,710,000	1,830,000	0	0	0	0	3,540,000	1,830,000	Yes
43730	2027	013	Downtown (Sheridan) Transit Center	Transportation - Transit	100,000	3,600,000	0	0	0	0	3,700,000	3,600,000	Yes
42426	2027	014	West Alameda St Reconstruction	Transportation - Highways/Roads/Bridges	1,440,000	2,900,000	21,160,000	0	0	0	25,500,000	24,060,000	Yes

Infrastructure Capital Improvement Plan FY 2027-2031

42802	2027	015	Pavement Rehab & Preservation on Residential Roads	Transportation - Highways/Roads/Bridges	2,500,000	3,000,000	0	0	0	0	5,500,000	3,000,000	Yes
34780	2027	016	Regional Airport Access Road from NM599	Transportation - Highways/Roads/Bridges	4,500,000	5,500,000	0	0	0	0	10,000,000	5,500,000	Yes
42554	2027	017	Santa Fe Regional Airport Parking Structure	Transportation - Airports	0	3,000,000	17,500,000	0	0	0	20,500,000	20,500,000	Yes
42408	2027	018	Zozobra Field at Fort Marcy Park Renovations	Facilities - Other	5,500,000	0	4,500,000	3,000,000	1,500,000	0	14,500,000	9,000,000	Yes
41216	2027	019	Permanent & Transitional Housing End Homelessness	Facilities - Other	4,200,000	5,000,000	15,000,000	0	0	0	24,200,000	20,000,000	Yes
43729	2027	020	Santa Fe City Hall Elevator & Council Chambers	Facilities - Administrative Facilities	150,000	250,000	2,250,000	0	0	0	2,650,000	2,500,000	Yes
40054	2027	021	MRC Soccer Valley Expansion	Facilities - Other	11,330,000	0	4,370,000	0	0	0	15,700,000	4,370,000	Yes
43738	2027	022	SF Police Dept Internal Evidence & Crime Facility	Facilities - Public Safety Facilities	0	7,250,000	0	250,000	0	0	7,500,000	7,500,000	Yes
41462	2027	023	Ragle Park Baseball Field Upgrades	Facilities - Administrative Facilities	1,200,000	4,000,000	300,000	0	0	0	5,500,000	4,300,000	Yes
42424	2027	024	Police Department Facility Improvements	Facilities - Administrative Facilities	0	1,250,000	1,250,000	0	0	0	2,500,000	2,500,000	Yes
43728	2027	025	Cerro Gordo Culvert & Watershed Improvements	Water - Storm/Surface Water Control	0	200,000	450,000	100,000	7,025,000	0	7,775,000	7,775,000	Yes
36503	2027	026	New City Services Center	Facilities - Administrative Facilities	82,572	7,250,000	20,198,000	25,000,000	15,000,000	2,500,000	70,030,576	69,948,000	Yes
34519	2027	027	McClure Dam Outlet Rehabilitation	Water - Water Supply	0	25,000,000	0	0	0	0	25,000,000	25,000,000	Yes
36164	2027	028	Henry Lynch Reconstruction	Transportation - Highways/Roads/Bridges	1,135,347	3,500,000	0	0	0	0	4,635,347	3,500,000	Yes
43734	2027	029	Critical La Familia Facility Improvements	Facilities - Housing-Related Cap Infrastructure	0	1,500,000	0	0	0	0	1,500,000	1,500,000	Yes

Infrastructure Capital Improvement Plan FY 2027-2031

37155	2027	030	MRC Irrigation System Upgrades	Water - Storm/Surface Water Control	200,000	300,000	8,000,000	0	0	0	8,500,000	8,300,000	Yes
37528	2027	031	St.Mikes Rail Trail Underpass Project	Transportation - Bike/Pedestrian/Equestrian	1,227,734	20,000,000	0	0	0	0	21,227,734	20,000,000	Yes
41206	2027	032	Municipal Court Facility Improvements	Facilities - Administrative Facilities	0	1,000,000	0	0	0	0	1,000,000	1,000,000	Yes
43731	2027	034	Frenchy's Field Park / SF River Trail Improvements	Facilities - Other	0	600,000	0	0	0	0	600,000	600,000	Yes
39165	2027	035	Pacheco Street Bicycle & Pedestrian Improvements	Transportation - Bike/Pedestrian/Equestrian	500,000	0	0	0	2,000,000	0	2,500,000	2,000,000	Yes
43748	2027	036	Santa Fe River Park Ped Bridge Upgrades Closson	Transportation - Bike/Pedestrian/Equestrian	0	300,000	0	0	0	0	300,000	300,000	Yes
41224	2027	037	Paseo Real Maintenance Building Construction	Facilities - Other	0	2,200,000	3,800,000	0	0	0	6,000,000	6,000,000	Yes
41223	2027	038	Paseo Real Headwork & Prelim Treatment Renovations	Facilities - Other	0	20,000,000	0	0	0	0	20,000,000	20,000,000	No
41225	2027	039	Paseo Real Ultraviolet Disinfection Equipment	Equipment - Other	0	10,000,000	0	0	0	0	10,000,000	10,000,000	No
39891	2027	040	Acequia Trail Extension (Otowi to La Cieneguita)	Transportation - Bike/Pedestrian/Equestrian	0	1,000,000	0	0	2,500,000	0	3,500,000	3,500,000	Yes
37523	2027	041	Pressure Release Valve SCADA Implementation	Water - Other	0	150,000	150,000	150,000	150,000	150,000	750,000	750,000	No
33692	2027	042	Alameda/Delgado Bridge Reconstruction	Transportation - Highways/Roads/Bridges	0	1,000,000	0	4,000,000	0	0	5,000,000	5,000,000	Yes
41204	2027	045	Regional Traffic Management Center Study	Transportation - Lighting	0	1,000,000	0	6,000,000	0	0	7,000,000	7,000,000	Yes
41201	2027	046	Rodeo Rd - St Francis Bridge Reconstruction	Transportation - Highways/Roads/Bridges	0	1,000,000	0	5,000,000	0	0	6,000,000	6,000,000	Yes

Infrastructure Capital Improvement Plan FY 2027-2031

42421	2027	047	Flood Risk Mitigation at Marc Brandt Park	Water - Storm/Surface Water Control	0	350,000	0	3,000,000	0	0	3,350,000	3,350,000	Yes
32424	2027	048	Security for Water Source and Storage Sites	Water - Water Supply	0	700,000	600,000	0	0	0	1,300,000	1,300,000	Yes
22909	2027	049	Southside Transit Center	Facilities - Administrative Facilities	350,000	3,500,000	500,000	0	0	0	4,350,000	4,000,000	Yes
23272	2027	050	SWAN Park Phase II	Facilities - Other	4,099,800	0	750,000	12,450,000	0	0	17,299,800	13,200,000	Yes
40211	2027	051	Water & Sewer Expansion to West Alameda Rd	Water - Wastewater	0	350,000	3,500,000	0	0	0	3,850,000	3,850,000	Yes
40213	2027	052	Water Line Extension to Underserved Mutt Nelson Rd	Water - Water Supply	0	6,500,000	0	0	0	0	6,500,000	6,500,000	Yes
43732	2027	053	Harrison Rd Sidewalk & Lighting Improvements	Transportation - Bike/Pedestrian/Equestrian	400,000	500,000	0	0	0	0	900,000	500,000	Yes
33698	2027	054	Paseo de Peralta - SF River Bridge Rehab	Transportation - Highways/Roads/Bridges	0	1,000,000	0	3,000,000	0	0	4,000,000	4,000,000	Yes
43744	2027	055	Railyard Performance Center Upgrades	Facilities - Cultural Facilities	0	100,000	0	0	0	0	100,000	100,000	No
38554	2027	056	Bishop's Lodge Road Reconstruction	Transportation - Highways/Roads/Bridges	1,308,007	240,000	9,760,000	10,000,000	10,000,000	5,000,000	36,308,008	35,000,000	Yes
38555	2027	057	Rufina St & Lopez Lane Intersection Improvements	Transportation - Highways/Roads/Bridges	50,000	600,000	0	0	4,350,000	0	5,000,000	4,950,000	Yes
43746	2027	058	Rio Metro Intersection Improvements	Transportation - Highways/Roads/Bridges	0	1,000,000	0	4,000,000	0	0	5,000,000	5,000,000	Yes
43747	2027	059	Santa Fe Teen Center Improvements	Facilities - Other	1,805,000	300,000	0	0	0	0	2,105,000	300,000	Yes
42422	2027	060	Arroyo Chamiso Extension Connecting E. & W. Zia Rd	Transportation - Highways/Roads/Bridges	300,000	200,000	0	0	1,000,000	0	1,500,000	1,200,000	Yes
42403	2027	061	Cerro Gordo Paving & Drainage	Facilities - Administrative Facilities	0	1,500,000	1,000,000	10,900,000	0	0	13,400,000	13,400,000	Yes

Infrastructure Capital Improvement Plan FY 2027-2031

42413	2027	062	Agua Fria Corridor Improvements	Transportation - Bike/Pedestrian/Equestrian	110,000	1,390,000	5,500,000	0	0	0	7,000,000	6,890,000	Yes
42414	2027	063	Arroyo San Antonio Drainage Improvements	Water - Storm/Surface Water Control	0	500,000	2,500,000	2,500,000	0	0	5,500,000	5,500,000	Yes
42415	2027	064	Arroyo Torreon Channel Improvements	Water - Storm/Surface Water Control	347,750	3,000,000	1,062,500	0	0	0	4,410,250	4,062,500	No
43737	2027	065	City Offices at Warehouse 21	Facilities - Administrative Facilities	0	2,000,000	0	0	0	0	2,000,000	2,000,000	No
42417	2027	066	Calle Nopal Storm Drainage Improvements	Water - Storm/Surface Water Control	0	300,000	900,000	0	0	0	1,200,000	1,200,000	Yes
43743	2027	067	Presbyterian Headstart Improvements	Facilities - Daycare Facilities	0	100,000	0	0	0	0	100,000	100,000	No
42419	2027	068	2026 CIPP Sewer Rehabilitation Project	Water - Wastewater	0	3,000,000	0	0	0	0	3,000,000	3,000,000	No
39331	2027	069	Canyon Road Water Chemical Feed Upgrades	Water - Water Supply	37,653.641	1,640,000	6,000,000	6,000,000	0	0	13,677,654	13,640,000	No
42425	2027	070	Rio Vista/Alamo Culvert Improvements	Water - Storm/Surface Water Control	0	250,000	950,000	0	0	0	1,200,000	1,200,000	Yes
37157	2027	071	Electric Vehicle Charging Stations	Facilities - Housing-Related Cap Infrastructure	0	380,000	500,000	250,000	0	0	1,130,000	1,130,000	Yes
42429	2027	072	Transit Bus Shelters	Transportation - Transit	550,000	450,000	0	0	0	0	1,000,000	450,000	Yes
40029	2027	073	Ashbaugh Infiltration Project	Water - Storm/Surface Water Control	560,577	0	2,000,000	1,500,000	0	0	4,060,577	3,500,000	Yes
41193	2027	074	Galisteo Alameda Bridge Reconstruction	Transportation - Highways/Roads/Bridges	0	1,000,000	0	4,000,000	0	0	5,000,000	5,000,000	Yes
43726	2027	075	Arroyo Chamiso Urban Trail Improvements	Water - Storm/Surface Water Control	64,270	650,000	250,000	0	0	0	964,270	900,000	No
32419	2028	001	Chemical Storage and Feed System Rehabilitation	Water - Wastewater	0	0	150,000	575,000	0	0	725,000	725,000	Yes

Infrastructure Capital Improvement Plan FY 2027-2031

Number of projects:	73							
	Funded to date:	Year 1:	Year 2:	Year 3:	Year 4:	Year 5:	Total Project Cost:	Total Not Yet Funded:
Grand Totals	71,225,048	290,305,024	452,846,144	102,175,000	43,525,000	7,650,000	967,726,336	896,501,248

FISCAL IMPACT REPORT

General Information:

(Check) Bill: _____ Resolution: X

Short Title(s): Funding Sources for Water, Wastewater, and Other Water Related Projects.

Sponsor(s): Councilor Amanda Chavez and Councilor Carol Romero-Wirth

Reviewing Department(s): Public Utilities Department- Water Division

Staff Completing FIR: Alan G. Hook Date: 09/17/2025 Phone: (505) 955-4205

Reviewed by City Attorney: *Erin McSherry* Date: 09/19/2025
Erin McSherry (Sep 19, 2025 17:17:40 MDT)

Reviewed by Finance Director: *Emily K. Costar* Date: 09/19/2025

Summary:

The resolution directs the City Manager to identify priorities and research water, wastewater, water conservation, water treatment, water recycling, water reuse, water storage, water conveyance, water delivery, flood prevention, water restoration, watershed management, and other similar projects (“Projects”) and apply for potential federal and State funding sources for the Projects. Furthermore, this resolution is a requirement of the New Mexico Water Trust Boards application process to receive funding for all project types eligible for consideration. The City’s Water Division has submitted two applications to the New Mexico Water Trust Board for Fiscal Year 2026.

Departments Affected:

The City Manager’s Office and Public Utilities Department’s Water Division.

Consequences of Not Enacting Legislation:

If this legislation is not adopted, the City cannot receive Water Trust Board funding for Fiscal Year 2026. The City’s Public Utilities staff will not be authorized to apply for State, federal, or other funding sources for water or wastewater related projects.

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

None.

Performance and Administrative Implications:

Public Utilities staff would identify priorities and research water, wastewater, and other water related projects and apply for State and federal funding for water related projects.

Fiscal Implications:

Without the passage of this Resolution, the Fiscal Year 2026 Water Trust Board applications for \$13 million toward the construction of the Water Treatment Plant Chemical Feed Design project, \$1.3 million for the Water Infrastructure Security Improvement project, \$3 million for Sewer Line Rehabilitation project and

\$10 million for the design of the Paseo Real Replacement Wastewater Treatment Plant project will all be jeopardized. The revenue will be determined when funding is awarded. Agreements to accept the funds will need to be approved through the Governing Body's approval process.

Fiscal Impact

X Check here if no fiscal impact

Expenditures

Expenditure Type	FYE 2025	FYE 2026	FYE 2027	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 2025	FYE 2026	FYE 2027	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:

Signature:

Email:

Signature:

Email:

Signature:

Email: