MEMORANDUM

To: SFSWMA Joint Powers Board Members
From: Randall Kippenbrock, P.E., Executive Director RLK
Date: October 12, 2026
Subject: Discussion and Possible Action: Authorization to Proceed with the New Mexico Environment Department Construction Programs Bureau (NMED CPB) Rural Infrastructure Revolving Loan Application in the Amount of $2,000,000 for the Caja del Rio Landfill Water Main.

SUMMARY

The Agency requests Board approval to authorize Agency staff to prepare a loan application to the New Mexico Environment Department Construction Programs Bureau (NMED CPB) Rural Infrastructure Revolving Loan program for $2,000,000 to fund the Caja del Rio Landfill Water Main project.

The Caja del Rio Landfill needs a reliable, upgraded water main system to ensure operational efficiency and adequate fire suppression for the new maintenance shop and a future material recovery facility (MRF). To fund this critical infrastructure upgrade, the Agency has identified the NMED CPB Rural Infrastructure Revolving Loan program as an ideal funding mechanism. The program provides low-interest financing for essential water and wastewater infrastructure in New Mexico communities.

Project & Financial Overview

- Project Scope: Construction and installation of an 8-inch, 0.95-mile-long water main servicing the Caja del Rio Landfill.
- Funding Source: NMED CPB Rural Infrastructure Revolving Loan Program.
- Requested Loan Amount: $2,000,000.
- Repayment Term: 20 years at 1%.
- Construction Interest at 1%: From the date of draw through the completion of the project, with opportunity to roll the interest in or pay it upfront at the end of construction.
- First Annual Repayment: Due one year from the project completion date.
- Impact: Securing these funds will allow the project to move from the planning phase into design and active construction without depleting immediate operational cash reserves.

The annual repayment for a $2,000,000 loan at a 1% annual interest rate over 20 years is estimated at $110,830.

Approval of this request authorizes Agency staff to prepare the formal application materials, including a signatory resolution and a loan ordinance, for Board approval at the next JPB meeting on November 19, 2026, and for submission to the NMED.

On April 27, 2026, CDM Smith provided an opinion of probable construction cost at $1,521,375.

The estimated cost for engineering services–including field surveys, subsurface utility and geotechnical investigations, and design–is $330,000. This total excludes bidding and construction-phase services.

On August 13, 2026, the Agency received an approval from the Santa Fe County Utilities Department for a Ready, Willing and Able application for water services from Santa Fe County at the Caja del Rio Landfill on 149 Wildlife Way.

ACTION REQUESTED

The Agency recommends that the Board authorize Agency staff to proceed with the New Mexico Environment Department Construction Programs Bureau Rural Infrastructure Revolving Loan application for the Caja del Rio landfill water main, in the amount of $2,000,000.

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