



**NEW MEXICO
ENVIRONMENT DEPARTMENT**



Michelle Lujan Grisham
Governor

Howie C. Morales
Lt. Governor

Construction Programs Bureau
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James C. Kenney
Cabinet Secretary

Jennifer J. Pruett
Deputy Secretary

August 6, 2019

Mr. Dennis Romero
Water and Sanitation Director
City of Gallup
230 South Second Street
Gallup, NM 87301

RE: Clean Water State Revolving Fund Project 065—Proposed Amendment

Dear Mr. Romero:

The New Mexico Environment Department (NMED) Construction Programs Bureau (CPB) is happy to offer the following amendment to the above referenced project:

Additional Funding: \$14,200,000 at the current interest rate of .6%.

This proposed funding will be for the Wastewater Treatment Plant Headworks Upgrade and Sewer Interceptor Improvements Project. We received notification from EPA that the City was requesting funding from the WIFIA program and realized that the CWSRF would provide Gallup with a better financial deal for the City. Our interest rate is lower and there is no application fee with the CWSRF program. Because you have a current loan with us for wastewater treatment plant upgrades we can amend that loan to add in the additional work at the plant. The Project will replace the existing 4.75 million gallons per day (MGD) screw pump with a 12 MGD submersible pump lift station.

The loan term is 20 years, however if the City can substantiate a useful life of more than 20 years, NMED can extend the term for that period up to a maximum of 30 years.

We respectfully request a response to this offer, by email or in writing, by August 30, 2019. If you have any questions or need any additional information, please don't hesitate to e-mail me at judi.kahl@state.nm.us or call (505) 827-1055, or you can also contact the CPB team at (505) 827-2806 or by e-mailing NMENV-cpbinfo@state.nm.us.

Sincerely,

Judith L. Kahl, P.E.

Bureau Chief, NMED Construction Programs Bureau

cc: David Bishop, P.E., NMED CPB Technical Supervisor
Rhonda Holderman, NMED CPB Financial Manager for Loans and Grants
Gail Craven, NMED CPB Loan Program Manager