

**INTERIM PROMISSORY NOTE  
AMENDMENT NO. 1**

**To the New Mexico Environment Department (NMED)  
Clean Water State Revolving Loan Fund (CWSRF)  
-also known as-  
Wastewater Facility Construction Loan Program**

**Date \_\_\_\_\_**

**FOR VALUE RECEIVED**, the Incorporated County of Los Alamos (Borrower) promises to pay the NMED at:

New Mexico Environment Department  
Construction Programs Bureau  
1190 S. St. Francis Drive  
P.O. Box 5469  
Santa Fe, New Mexico 87502-5469

or by electronic funds transfer (EFT)

or at such other place as NMED may hereafter designate in writing, the principal amount of

**Thirty Million Dollars and Zero Cents (\$30,000,000.00)**

or so much of that amount as has been paid by NMED to the Borrower pursuant to the terms of the Interim Loan Agreement (Agreement) or any amendment to the Agreement for **CWSRF 083** between NMED and the Borrower dated April 12, 2019, plus 2.375% project interest annually from the date of each respective disbursement annually until paid in full.

The principal plus interest due and payable on this Note shall be payable as follows: Principal loaned, and the subsequent interest shall be due and paid according to the Final Promissory Note as described.

**Repayment Rate and Schedule**

Annual principal and interest payments will commence not later than one year after completion of the project and shall be paid in annual installments due on the anniversary of the first annual installment. A Final Promissory Note will be processed and executed, and the Agreement will be amended and executed as a Final Loan Agreement to reflect the final amount loaned by NMED to Borrower. The principal amount of the Final Promissory Note and Agreement, as amended, will be an amount equal to that loaned and paid to Borrower under this Note.

### **Source of Repayment**

The Borrower is giving a security interest by dedicating the Pledged Funds. The Pledged Funds are defined as: **Wastewater System Revenues**.

Except as stated in the Ordinance, the Pledged Funds have not been pledged to the payment of any outstanding obligations and no other obligations are payable from the Pledged Funds on the date of the Ordinance. The loan will be payable and collectible solely from the Pledged Funds.

### **Assignment**

No assignment by NMED of the right to receive payments under this Note shall affect the Borrower's obligations or rights other than to make payments either by EFT or at the address designated by NMED to the Borrower in writing.

### **Collection and Default**

At the option of NMED, any amount paid by NMED to collect amounts due under this Note or to preserve or protect NMED's rights under the Agreement shall become a part of, and bear interest at the interest rate as set forth in the previous REPAYMENT RATE AND SCHEDULE section above and shall become immediately due and payable by the Borrower to NMED upon demand by NMED. Events of default and remedies upon an event of default as described in the Agreement in COVENANTS are incorporated herein by reference.

### **Prepayment**

The Borrower may prepay all or any part of the principal of this Note without penalty. Extra payments, shall, after payment of interest due, be applied to the reduction of principal. After any prepayment of principal, the Borrower shall continue to pay the amounts listed in the Agreement and Final Promissory Note until the entire principal and interest are paid in full.

### **Authority**

This Note is authorized by the Wastewater Facility Construction Loan Act, NMSA 1978, § 74-6A-1 et seq., as amended, the New Mexico Water Quality Control Commission Regulations, 20.7.5 NMAC, the New Mexico Environment Department Regulations, 20.7.6 – 20.7.7 NMAC, and the Borrower's Ordinance No. 687, Amended Ordinance No. 689, and Amended Ordinance No. 712.

This Note shall not constitute indebtedness or debt within the meaning of any constitutional, charter or statutory provision, or limitation, nor shall this Note be considered or held to be a general obligation of the Borrower. The obligations of the Borrower under the Agreement and Note are payable and collectible solely out of the Pledged Funds as defined in the Agreement, and NMED or any other holders of the Agreement or Note may not look to any general or municipal fund for the payment of the principal or interest on the Agreement or Note.

IN WITNESS WHEREOF, the Borrower has caused this Note to be duly executed and effective as of the date listed below by the Borrower.

BY: \_\_\_\_\_  
Signature of duly authorized Borrower Official  
(Incorporated County of Los Alamos)

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

(Date)

State of \_\_\_\_\_

County of \_\_\_\_\_

Signed or attested before me on \_\_\_\_\_ by \_\_\_\_\_.  
(Date) (Witness for Inc. County of Los Alamos)

(Notary Seal)

\_\_\_\_\_  
(Signature of notary officer)

My commission expires: \_\_\_\_\_