

Iowa Department of Natural Resources
Natural Resource Commission

ITEM

11

DECISION

TOPIC

Wastewater Treatment Revolving Loan Fund Interest Reduction

The Commission is requested to authorize the Director to execute an amendment to the loan agreement to reflect the interest rate reduction. The Iowa Finance Authority has offered a reduction in the interest rate to the current loan rate of 3% over the remaining life of the loan, which would result in a savings to the Department of \$63,535.

The Commission on June 19, 1997, approved a resolution authorizing the Director to enter into a State Revolving Fund loan agreement through the Iowa Finance Authority in the principal amount of \$1,554,000 for the purpose of defraying the costs of construction of wastewater treatment improvements in certain state park facilities. A loan was issued on June 27, 1997, and funded such improvements at Beeds Lake, Big Creek, Honey Creek, Lake of Three Fires, and Pikes Peak state parks. The interest rate on this loan is 3.92% payable over 20 years.

Ken Herring, Administrator
Conservation and Recreation Division
May 8, 2008