

**FUNDING APPLICATION**  
**RECOMMENDED FOR APPROVAL**

- Applicant:** Adair Municipal Authority, Mayes County
- Application No.:** ORF-08-0007-CW  
Clean Water State Revolving Fund Loan (“CWSRF Loan”) and American Recovery and Reinvestment Act (“ARRA Funds”)
- Funding Requested:** \$1,400,000.00 CWSRF Loan and ARRA Funds
- Loan Interest Rate:** The CWSRF Loan shall bear a fixed interest rate to be determined prior to loan closing plus an administrative fee of 0.5% per annum, all on the outstanding principal balance of the loan.
- Loan Payment Term:** Interest, administrative fee, and principal payments shall be made on a semi-annual basis. The Applicant shall commence principal repayment no later than one (1) year following Project completion, and the maturity of the loan shall be no later than twenty (20) years following the date the Project is completed.
- Loan Security Position:** The loan shall be secured with a lien on the revenues of the Applicant's water and sewer systems, a 1% sales tax, and may include a mortgage on the Applicant's water and sewer systems.
- Allocation of Funds:** The loan funds shall be provided from the CWSRF and any other funds, if any, shall be provided from the ARRA.
- Purpose:** The funding proceeds, along with other funds of the Applicant, if any, will be used (i) to make improvements to the existing wastewater treatment system to meet the discharge permit for the flow-through lagoon and (ii) pay related cost of issuance. The improvements include cleaning sludge from existing lagoons; installing decant structures to take water from primary lagoons to transfer pump station and a new traveling gun irrigation system; and constructing a new 7.5 horsepower (HP) transfer lift station, two new secondary lagoon cells, a new 100 horsepower (HP) irrigation pump station, a new stair-step aerator and discharge structure, a piping system for the 100-acre irrigation field, and related items.