

LOAN APPLICATION
RECOMMENDED FOR APPROVAL

- Applicant:** Walters Public Works Authority, Cotton County
- Application No.:** ORF-09-0005-CW
Clean Water State Revolving Fund Loan (“CWSRF Loan”) and
American Recovery and Reinvestment Act (“ARRA Funds”)
- Funding Requested:** \$2,000,000.00 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 CWSRF loan shall be secured with a lien on the revenues of the Applicant's water, sewer, electric, and sanitation systems, the proceeds of a 1 cent sales tax, and may include a mortgage on the Applicant's water, sewer, and electric systems and other real property.
- Allocation of Funds:** The loan funds shall be provided from the CWSRF and other funds, if any, shall be provided from the ARRA.
- Purpose:** The applicant will utilize the funding proceeds to: (i) make improvements to its collection system to eliminate unpermitted discharges by constructing 6,800 feet of 15” sewer interceptor line and 25 manholes with water tight lids, and upgrading the wastewater treatment plant by replacing and installing a new headwork screen, guide rails, pump controls, a flow measurement device, control gates, valves, and an earthen berm and (ii) pay related costs of issuance.