



April 17, 2019

Mayor Kelly Shaw  
City of Indianola  
PO Box 299  
Indianola, IA 50125-0299

Dear Mayor Shaw:

The State Revolving Fund for Clean Water and Drinking Water Program (SRF Program) reduced its interest rate on all new 20-year SRF loans to 1.75% several years ago. Due to growth in the program and careful financial management, the SRF Program can offer this new interest rate on all existing SRF Loans that are at least 10 years old.

That means that as of June 1, 2019, the interest rate on the City of Indianola's Clean Water SRF loan, C0133R will be reduced from 3% to 1.75%. Over the remaining term of your loan, this interest rate reduction will save your community **\$1,095,525**.

Because an interest rate reduction changes the terms of your original SRF Loan agreement, you must contact your bond counsel to assist you in amending the documents related to your SRF Loan. Please work to execute the updated documents as soon as possible. We have enclosed a new debt service schedule for the remaining term of your SRF Loan for your convenience.

Thank you for realizing the benefit of the SRF Program and for using it to finance your wastewater or drinking water project. We are committed to providing low-cost funds for drinking water and wastewater infrastructure projects to the communities of Iowa. We hope you will consider the SRF Program for all your future water quality needs.

Sincerely,

A handwritten signature in blue ink, appearing to read "Deborah Durham", is written over a blue horizontal line.

Deborah Durham  
Executive Director

Enclosure

cc: Diana Bowlin, City Clerk