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News

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Wastewater System Expansion Program Comes in Under $390 Million

On October 30, 2009, Lake Havasu City closed on what is expected to be the final loan for the Wastewater System Expansion (WWSE) program from the Water Infrastructure and Financing Authority (WIFA) for $87,734,728 at 3.098% interest for 30 years. Costs for the final portion of the program were originally estimated at approximately $149.8-million; however, a favorable construction environment, coupled with an accelerated schedule for completion, has resulted in significant savings. City Council authorized the loan on October 20, for an amount not to exceed $89,575,000 and not to exceed 5% interest. The lower interest rate reduces issuance costs, interest expense, and ultimately the principal amount of the loan. The reduced interest rate will also result in a savings of approximately $1.1-million each year in debt service payments over original projections.

To date, the city has borrowed a total of $381,529,769 for the program, resulting in a savings of $81,470,231 from the $463-million program originally authorized by Lake Havasu City voters in November 2001.

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