



**FOR IMMEDIATE RELEASE**

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***East Chicago residents benefit from low interest  
and clean water***

INDIANAPOLIS – The City of East Chicago closed a \$16.6 million loan today through the State’s Drinking Water Revolving Fund, saving the City approximately \$1.25 million in interest over a 20-year period. The loan will finance upgrades to the drinking water system, including modifications to the intake station, filtration system and electrical system.

“I want to thank all of the agencies involved in helping us get the loan,” said Al Velez, Utilities Director for the City. “We’re pretty excited about the project because our filtration plant has been in very poor condition. It has been a health and safety issue for our community, and this is going to take care of those problems. Also, the savings to the community will enable us to keep our rates among the lowest in the state.”

Governor Mitch Daniels created the Indiana Finance Authority in 2005 to more effectively manage the State’s finances under one agency. The Authority manages the State’s Wastewater State Revolving Fund (WWSRF) and Drinking Water State Revolving Fund (DWSRF) Loan Programs, which provide political subdivisions and other eligible entities a low-cost financing alternative for their wastewater and drinking water infrastructure improvement projects.

“Governor Daniels is committed to helping communities and businesses invest wisely in both the future health and economy of Indiana , and our State Revolving Fund Programs help Hoosier communities and utilities achieve these goals,” said Ryan Kitchell, Director of the Authority.

The SRF Programs receive capitalization grants each year from the U.S. EPA, which the Authority then leverages with tax exempt bonds. Leveraging increases the funds available to the Authority to make loans. Currently, the Authority is able to make more than two dollars in loans for each one dollar received from the U.S. EPA. The SRF Programs have loaned over \$1.7 billion to Indiana communities for infrastructure and improvements since 1991. During 2005 and through the first half of 2006, the SRF Loan Programs have saved Indiana communities \$40.5 million in interest costs.

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