



NOVATO SANITARY DISTRICT

500 DAVIDSON STREET • NOVATO • CALIFORNIA • 94945 • PHONE (415) 892-1694 • FAX (415) 898-2279
www.novatosan.com

FOR IMMEDIATE RELEASE
August 7, 2019

Contact: Sandeep Karkal, Manager-Engineer
(415) 892-1694 or SandeepK@Novatosan.com

Novato Sanitary District's Refinance Will Save Over \$3.2 Million

Novato Sanitary District General Manager Sandeep Karkal announced today that the District has successfully completed the refinancing of its outstanding State Revolving Fund Loan, which was used to complete the rebuild of the wastewater treatment plant in 2011.

"With long-term interest rates currently near historic lows, this refinancing will lower our annual payments by approximately \$290,000 per year for the next 11-years, saving over \$3.2 million. Including the previous refinancing completed by the District in 2017, combined total savings exceed \$5.5 million. The savings will provide funds for wastewater system maintenance, operations and capital improvements that would otherwise have come from ratepayers," said Mr. Karkal.

Finance Officer Laura Creamer attributed much of the success of the refinancing to the very strong operational and financial management of the District, which were cited by Standard & Poor's as key reasons why they upgraded the credit rating on the District's bonds to 'AAA,' the highest possible rating.

Mr. Karkal also noted that because of the District's superior credit rating there was competition to buy the bonds with eleven investment firms submitting bids. The result was an exceptionally low interest rate of 1.48 percent.

"As stewards of the public trust, we feel an obligation to take advantage of these refinancing opportunities whenever they arise," said Mr. Karkal.

For more information about the District, its services and how it protects the environment, check out our website at www.novatosan.com.

-- end --

Novato Sanitary District has been providing garbage collection since 1925, as well as sewage collection, treatment, disposal, and recycling to properties in and around the City of Novato since 1949.

District facilities include: 200 miles of public sewers, 40 pump stations, a wastewater treatment plant, and an 800-acre wetlands and pastureland supplied with recycled water.