

Memorandum

To: Barbara Smith, Legislative Fiscal Division
Attn: Senator Carol Williams

From: Anna Miller
Department of Natural Resources and Conservation

Date: February 23, 2010

Re: **Report on ARRA Projects -
Water and Wastewater Infrastructure**

The state received federal funds for the State Revolving Fund.

- 1) The Federal Act required all money be obligated by February 17, 2010. **All** 64 projects have signed construction contracts, have closed their loans and are drawing funds. Projects started on the ground work as early as July 2009. Some are in a winter shutdown and will be starting construction this spring. See spreadsheets attached.
- 2) Every project had a cap of \$750,000 in ARRA funds. The ARRA loans will have a little over 50% forgiven per loan. Once the work is complete their project will certify it is compliant with ARRA requirements and the amount of the loan to be forgiven will be processed. Therefore no appropriation for loan forgiveness has been expended to date. This process should start March 2010.
- 3) **Water improvements: \$17.6 million ARRA funds leveraged into \$37.3 million of projects.** These 32 projects replaced leaking distribution lines, repaired storage tanks, and installed water meters. See Exhibit A, 55% of loan will be forgiven.

Wastewater improvements: \$18.5 million in ARRA funds leveraged State, local, and other funds for \$68 million of projects. These 32 projects improved wastewater treatment plants, replaced lift stations, and installed storm sewers. See Exhibit B, 52% of the loan will be forgiven.

4) Key Terms

RRGL – Renewable Resource Grant and Loan – State funds –
Department of Natural Resources and Conservation

TSEP – Treasure State Endowment Grant – State funds – Department of
Commerce

CDBG – Community Development Block Grant Federal funds –
Administered through Department of Commerce

SRF ARRA – State Revolving Fund – American Recovery and
Reinvestment Act - Federal funds – Co-administered Department of
Environmental Quality and Department of Natural Resources and
Conservation

Loan Regular SRF – State Revolving Fund loan – No loan forgiveness.
Base loan programs

RDGP – Reclamation Development Grant Program – State fund –
Department of Natural Resources and Conservation

WRDA – Water Resources Development Act – Federal fund – Army
Corps – 595 program

Cc: Ray Beck w/
Ann Bauchman w/
Mary Sexton w/
Christine Hultin-Brus OBPP w/
James Chamberlain OBPP w/