

Clean Water Capitalization Grant - Subsidy Funding

FY2018 Request: \$587,700
Reference No: 49698

AP/AL: Appropriation **Project Type:** Water / Sewer / Solid Waste
Category: Health/Human Services
Location: Statewide **House District:** Statewide (HD 1-40)
Impact House District: Statewide (HD 1-40) **Contact:** Michelle Hale
Estimated Project Dates: 07/01/2017 - 06/30/2022 **Contact Phone:** (907)269-6281

Brief Summary and Statement of Need:

The federal Clean Water Capitalization Grant requires states to issue subsidies (a loan forgiveness process). The subsidy amount required was identified under the grant terms the Environmental Protection Agency has identified for Alaska. This program functioned strictly as a loan program until FY2011 when this provision was added to the federal budget. In order to implement this provision, an appropriation is necessary to properly record the loan forgiveness payment as an expense in the Alaska Clean Water Fund. Future funding requests will remain at a set percentage of each year's capitalization grant.

| Funding: | FY2018 | FY2019 | FY2020 | FY2021 | FY2022 | FY2023 | Total |
|-----------------|-----------|-----------|-----------|-----------|-----------|-----------|-------------|
| 1075 Clean Wtr | \$587,700 | \$587,700 | \$587,700 | \$587,700 | \$587,700 | \$587,700 | \$3,526,200 |
| Total: | \$587,700 | \$587,700 | \$587,700 | \$587,700 | \$587,700 | \$587,700 | \$3,526,200 |

| | | | | |
|---|---|---------------------------------------|---|--|
| <input type="checkbox"/> State Match Required | <input type="checkbox"/> One-Time Project | <input type="checkbox"/> Phased - new | <input type="checkbox"/> Phased - underway | <input checked="" type="checkbox"/> On-Going |
| 0% = Minimum State Match % Required | | <input type="checkbox"/> Amendment | <input type="checkbox"/> Mental Health Bill | |

Operating & Maintenance Costs:

| | <u>Amount</u> | <u>Staff</u> |
|----------------------|---------------|--------------|
| Project Development: | 0 | 0 |
| Ongoing Operating: | 0 | 0 |
| One-Time Startup: | 0 | 0 |
| Totals: | 0 | 0 |

Prior Funding History / Additional Information:

Sec1 Ch18 SLA2014 P51 L10 SB119 \$563,200
 Sec1 Ch16 SLA2013 P63 L7 SB18 \$704,000
 Sec1 Ch17 SLA2012 P113 L8 SB160 \$2,583,400
 Sec1 Ch5 SLA2011 P81 L6 SB46 \$1,826,274
 Sec1 Ch43 SLA2010 P23 L16 SB230 \$1,826,274

Project Description/Justification:

The federal Clean Water Capitalization Grant requires states to issue subsidies (a loan forgiveness process). The subsidy amount required was identified under the grant terms the Environmental Protection Agency has identified for Alaska. This program functioned strictly as a loan program until FY2011 when this provision was added to the federal budget. In order to implement this provision, an appropriation is necessary to properly record the loan forgiveness payment as an expense in the Alaska Clean Water Fund. Future funding requests will remain at a set percentage of each year's capitalization grant. For FY2018, the amount is \$587,700.

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Without authorization this federal year to issue these subsidies, the department will not be eligible to receive this funding and will be unable to award loan funds and principal forgiveness in FY2018.

Clean Water Loans FY2014 through FY2016

| Community/Entity | Project Description | Loan | Subsidy |
|--|--|---------------------|------------------|
| FY2016 | | | |
| Anchorage Water and Wastewater Utility | AWWRF Screen, Headworks, HWS & Code Analysis Upgr | \$1,300,000 | \$0 |
| | AWWTF Improvements | \$1,100,000 | \$0 |
| | AWWTF Sludge Dewatering Replacement | \$4,250,000 | \$0 |
| | Downtown Pipe Replacement | \$850,000 | \$0 |
| | ERWWTF Rehab | \$11,500,000 | \$0 |
| | Fish Creek Interceptor Rehab | \$3,000,000 | \$0 |
| Juneau | Biosolids Treatment & Disposal Phase I | \$10,000,000 | \$0 |
| | Juneau-Douglas Wastewater Treatment Plant Upgrades | \$2,000,000 | \$0 |
| Ketchikan GB | S. Tongass Wastewater Main-Shoup to Forest Park | \$2,858,024 | \$305,802 |
| Petersburg Borough | Pumpstation 1 Force Main | \$179,082 | \$0 |
| | Scow Bay 1 Pump Station | \$70,000 | \$0 |
| | Total | \$37,107,106 | \$305,802 |
| FY2015 | | | |
| Haines Borough | Sewer Treatment Plant Health and Safety Upgrades | \$1,715,000 | \$0 |
| Juneau | Glacier Highway Sewer Improvement Project | \$1,000,000 | \$0 |
| Kodiak | Compost Facility PN 08-06-7517 | \$3,000,000 | \$0 |
| Matanuska-Susitna Borough | Central Landfill Cell 2A Closure | \$3,060,343 | \$0 |
| Nome | East Nome Sewer Replacement II | \$1,830,200 | \$0 |
| Petersburg Borough | Pumpstation 1 Force Main | \$379,620 | \$24,300 |
| Seward | Lowell Point Lagoon Sludge Removal & Renovation | \$1,200,000 | \$120,000 |
| Sitka | Cathodic Protection for Six Major Lift Stations | \$397,000 | \$0 |
| | Channel, Lake & Monastery Lift Station Upgrades | \$1,379,170 | \$0 |
| | DeGross Street Sewer Improvements | \$1,463,700 | \$0 |
| | Monastery & Baranof Sewer - SMC to DeGross | \$533,000 | \$0 |

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| | Total | \$15,958,033 | \$144,300 |
|--|--|---------------------|--------------------|
| FY2014 | | | |
| Anchorage Solid Waste Services | Anchorage Landfill Leachate Control Vault Upgrades | \$1,700,000 | \$0 |
| | Landfill Leachate Discharge Force Main | \$3,140,000 | \$0 |
| Anchorage Water and Wastewater Utility | Fish Creek Interceptor Rehab | \$2,000,000 | \$0 |
| | Girdwood Wastewater Treatment Facility Outfall | \$1,000,000 | \$0 |
| | West 71st Avenue Sewer Rehab | \$300,000 | \$0 |
| | Wonder Park Sewer Upgrade | \$1,300,000 | \$0 |
| Bristol Bay Borough | Sewage Line Relocation off the Beach | \$498,000 | \$0 |
| Cordova | Solid Waste Reduction & Water Quality Protection | \$785,000 | \$60,750 |
| Fairbanks North Star Borough | South Cushman Landfill Expansion Cell 3 and 4 | \$3,000,000 | \$1,016,795 |
| Juneau | Glacier Highway Sewer Improvement Project | \$1,150,000 | \$0 |
| Kodiak Island Borough | Landfill Lateral Expansion, Phase III | \$3,000,000 | \$375,468 |
| Nome/Nome Joint Utility System | Sewer Maintenance/ Construction Equipment | \$855,000 | \$0 |
| North Pole | Utility Emergency Response Generators | \$302,500 | \$31,763 |
| Petersburg Borough | Pumpstation 5 Upgrades | \$81,354 | \$0 |
| Seward | Lowell Point and SMIC Lagoons Sludge Removal | \$490,000 | \$94,815 |
| Sitka | Hollywood Way & New Archangel St. Sewer | \$500,000 | \$145,950 |
| Wrangell | Sewer Pump Stations Replacement | \$196,928 | \$0 |
| | Total | \$20,298,782 | \$1,725,541 |