

**Village Safe Water and Wastewater Infrastructure Projects**      **FY2019 Request: \$68,830,000**  
**Reference No: 41376**

**AP/AL:** Appropriation with Allocations      **Project Type:** Water / Sewer / Solid Waste  
**Category:** Health/Human Services      **Recipient:** Various  
**Location:** Statewide      **House District:** Statewide (HD 1-40)  
**Impact House District:** Statewide (HD 1-40)      **Contact:** Andrew Sayers-Fay  
**Estimated Project Dates:** 07/01/2018 - 06/30/2023      **Contact Phone:** (907)269-6281

**Brief Summary and Statement of Need:**

The Village Safe Water program provides financial and technical assistance to rural communities to plan, design, and construct water and sewer system improvements. 60% of the funding will provide first-time service to communities while 40% will be used for expansion, upgrade, and replacement of existing service.

| <b>Funding:</b> | <b>FY2019</b>       | <b>FY2020</b>       | <b>FY2021</b>       | <b>FY2022</b>       | <b>FY2023</b>       | <b>FY2024</b>       | <b>Total</b>         |
|-----------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|----------------------|
| 1002 Fed Rcpts  | \$52,250,000        | \$52,250,000        | \$52,250,000        | \$52,250,000        | \$52,250,000        | \$52,250,000        | \$313,500,000        |
| 1003 G/F Match  | \$12,080,000        | \$12,080,000        | \$12,080,000        | \$12,080,000        | \$12,080,000        | \$12,080,000        | \$72,480,000         |
| 1004 Gen Fund   | \$4,000,000         |                     |                     |                     |                     |                     | \$4,000,000          |
| 1108 Stat Desig | \$500,000           | \$500,000           | \$500,000           | \$500,000           | \$500,000           | \$500,000           | \$3,000,000          |
| <b>Total:</b>   | <b>\$68,830,000</b> | <b>\$64,830,000</b> | <b>\$64,830,000</b> | <b>\$64,830,000</b> | <b>\$64,830,000</b> | <b>\$64,830,000</b> | <b>\$392,980,000</b> |

|  |   |                                       |   |  |
|--|---|---------------------------------------|---|--|
| <input checked="" 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 |
| 25% = 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             |              |
| <b>Totals:</b>       | <b>0</b>      | <b>0</b>     |

**Prior Funding History / Additional Information:**

- Sec1 Ch1 SLA2017 P4 L48 SB23 \$64,830,000
- Sec1 Ch2 SLA2016 P4 L9 SB138 \$64,830,000
- Sec1 Ch38 SLA2015 P3 L32 SB26 \$51,500,000
- Sec1 Ch18 SLA2014 P51 L14 SB119 \$51,500,000
- Sec1 Ch16 SLA2013 P63 L15 SB18 \$51,500,000
- Sec1 Ch17 SLA2012 P113 L22 SB160 \$51,500,000

**Project Description/Justification:**

The Facility Construction component within the Division of Water provides technical and financial support to Alaska's communities to design and construct drinking water and sanitation facilities. Communities apply each year to the State for grants for these projects. Applications are scored based primarily on the extent to which proposed projects address critical public health needs, as well as the communities' capacity to operate and maintain the facilities. High ranking projects are placed on a

multi-year priority list, which identifies projects to receive funding over the next several years. The majority of project awards made under this program are eligible for grant funds made available to the state through the federal government. A portion of the federal grant monies available require the State to appropriate matching funds.

Each year communities propose more projects than the state has funding available. When projects are proposed, total costs are estimated based on the best information available but are subject to change. Balances in these projects may be shifted to augment other projects that were underestimated or applied to other approved projects on the waiting list based on a first-ready, first-served basis.

Statutory designated program receipts (SDPR) are required because, due to the nature of these large construction projects, there is a common occurrence of program income. This happens whenever the project resources (often heavy equipment, but sometimes excess material such as gravel) are needed to provide a benefit to the community which is outside the scope of the project. Federal grant funding agencies do not allow the project resources to be used for such purposes, so we need to ask for payment. These payments, in turn, are considered SDPR. The funds are generally used to augment project funding, but can be used for any scope which is eligible for the federal funding that was used for the project.

A portion of federal and state match funds may be used for the planning and development of alternative safe drinking water and sanitation technologies.