



## Legislation Text

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**File #:** 09-0294, **Version:** 1

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### Resolution to Adopt the 2009 Drinking Water Revolving Fund and Clean Water State Revolving Fund Project Plans for Water and Sanitary System Improvements

This is to recommend approval of the attached resolution adopting the 2009 Drinking Water Revolving Fund (DWRF) and State Revolving Fund (SRF) Project Plans for Water and Sanitary System Improvements, which is required to secure the funds.

Under Part 54 of PA 451, 1994, Michigan established the Drinking Water Revolving Fund (DWRF) program, which is designed to assist water suppliers in satisfying the requirements of the Safe Drinking Water Act by offering low interest loans of 2.5% for improvements to the water treatment process and distribution system. In addition, Michigan enacted 1988 PA 317, The Clean Water Assistance Act, to establish the State Revolving Fund (SRF) which is now codified as Part 53, 1994 PA 451, of the Natural Resources and Environmental Protection Act. Michigan's Water Pollution Control Revolving Fund, better known as the State Revolving Fund (SRF), is a low 2.5% interest loan financing program that assists qualified local municipalities with the construction of needed improvements to the existing wastewater treatment and collection system.

The American Recovery and Reinvestment Act of 2009 (ARRA) was signed into law on February 17, 2009. The bill contains \$787 billion in federal funding for a wide range of purposes, from tax cuts to infrastructure spending. The ARRA includes \$2 billion for Drinking Water Revolving Funds (DWRF) administered by the states, of which Michigan will receive \$67,454,000. In addition, \$4 billion is included for Clean Water State Revolving Funds (SRF) administered by the states, of which Michigan will receive \$168,509,000. These funds will provide Michigan with the ability to tender more loans and provide additional subsidy through the existing DWRF and SRF structures.

On January 20, 2009, the City Council approved the FY2010-2015 Capital Improvement Plan (CIP). The CIP identifies major public construction projects and improvements anticipated during the next six fiscal years. The CIP has received significant staff and public review, including a public hearing before the City Planning Commission. The CIP serves as a tool to prioritize and plan for capital improvement recommendations of the various City Master Plans. In addition, the CIP will provide guidance in budget preparation and long-range financial planning, particularly with regard to those projects included in the first two years of the document, which will be considered for inclusion in the Capital Budget submission to the City Council in the spring of 2009.

The 2009 Project Plans detail the selection and implementation of various improvements recommended by the FY2010-2015 CIP. A public meeting was held on April 8, 2009 to allow for public comment on the 2009 DWRF project plan for improvements to the City's water treatment process and distribution system. In addition, a public meeting will be held on June 10, 2009 to allow for public comment on the 2009 SRF project plan for improvements to the City's wastewater treatment and collection system.

The attached resolution adopts the 2009 DWRF and SRF project plans and the multi-year DWRF

and SRF applications.

Prepared by: Anne M. Warrow, P.E., Project Manager, Project Management

Reviewed by: Sue F. McCormick, Public Services Administrator

Approved by: Roger Fraser, City Administrator

Whereas, On January 20, 2009, the City Council held a public meeting and approved FY 2010-2015 Capital Improvements Plan;

Whereas, The Drinking Water Revolving Fund (DWRF) is intended to provide Michigan water suppliers low-interest loans for improvements to the water treatment process and distribution system;

Whereas, The State Revolving Fund (SRF) is intended to provide low-interest loans for needed improvements to the wastewater treatment process and collection system;

Whereas, The American Recovery and Reinvestment Act of 2009 (ARRA) was signed into law on February 17, 2009 and includes \$67,454,000.00 and \$168,509,000.00 directed toward the State of Michigan's DWRF and SRF, respectively;

Whereas, These funds will provide Michigan with the ability to tender more loans and provide additional subsidy through the existing DWRF and SRF structures;

Whereas, The 2009 DWRF Project Plan was submitted at a duly-noticed public meeting held on April 8, 2008 and all public comments have been considered and addressed; and

Whereas, The 2009 SRF Project Plan will be submitted at a duly-noticed public meeting scheduled on June 10, 2009 and all public comments will be considered and addressed;

RESOLVED, That City Council adopt the 2009 DWRF and SRF project plans and multi-year applications for water and sanitary system improvements;

RESOLVED, That the Public Services Area Administrator, a position currently held by Sue F. McCormick, is designated as the authorized representative for all activities associated with the projects referenced above; and

RESOLVED, That the City Administrator be authorized to take the necessary administrative actions to implement this resolution.