

Missouri Clean Water Commission Meeting  
Roaring River State Park  
24667 State Highway 112  
Cassville, Missouri 65625

July 11, 2012

### **State Revolving Loan Fund Transfer**

**Issue:** The Environmental Protection Agency (EPA) Headquarters and Congress are pressing states that have not obligated and used State Revolving Fund Capitalization grants. Missouri is one of the states EPA will soon focus on.

**Background:** Clean Water funds are sufficiently obligated. There is a current need for more funding for sewer projects than is able to address. The Drinking Water State Revolving Fund has more funding than projects available. To avoid a fund sweep from Congress or EPA a quick transfer of unobligated State Revolving Fund Drinking Water loan funds would solve both a cash flow issue for Clean Water loans and the threat of a fund sweep from EPA. Older projects need to submit payment requests in a timely manner so we can avoid this problem in the future.

Discussions with EPA Region 7 have been productive. We are providing EPA the technical documentation necessary for their approval to initiate and complete this transfer. Department Management has been briefed and approves this plan.

As it stands, additional capitalization of up to \$25 million will allow the Clean Water Commission to fund several additional projects. A completed list of these projects will be placed on a final Clean Water Intended Use Plan for the September Commission meeting.

We had previously planned a \$10 million (repayment) transfer in the Intended Use Plan, so the total now could be in the \$34 million to \$35 million range.

**Recommended Action:** Information only. No action is required at this time by the Clean Water Commission. During the June 28, 2012 Safe Drinking Water Commission meeting staff will make a similar presentation and request the fund transfer up to \$25 million. Department management is in concurrence with this recommendation. After EPA gives their approval, staff will recommend the Clean Water Commission adopt a final Intended Use Plan and as a part of that Intended Use Plan finalize the process to make this fund transfer complete.

**Suggested Motion Language:** None.

**List of Attachments:** None.

