

MEMORANDUM

TO: Mayors, Public Works Directors, Presidents of County Boards of Supervisors, County Administrators, Wastewater District/Authority Directors, Consulting Engineers, and Other Interested Parties

FROM: MS Department of Environmental Quality
Office of Pollution Control

SUBJECT: Water Pollution Control (Clean Water) Revolving Loan Fund (WPCRLF) Program
Wastewater and Non-Point Source Pollution Control Projects
Draft FY-07 Intended Use Plan (IUP)

DATE: November 10, 2006

The Commission on Environmental Quality has established a public comment period through December 7, 2006 on the Draft FY-07 WPCRLF IUP. This document is being sent to potential loan recipients and their consultants that have projects listed on the FY-07 Priority List and the FY-08 and After Planning List of this IUP. Others who wish to receive a copy of this document can go to our MDEQ website at www.deq.state.ms.us, go to Grants-Loans-Trust Funds, and look under Loans for Water Pollution Control (Clean Water) Revolving Fund Loan Program and look under Documents/Draft FY-07 Intended Use Plan. If you do not have access to the Internet you can call Sandra Davenport at (601) 961-5125 to request that a copy be mailed to you.

Written comments on this document must be received at the below address no later than Thursday, December 7, 2006. Also, the Commission on Environmental Quality will hold a public hearing at 11:00 a.m., Thursday, December 7, 2006 in the Commission Hearing Room at the offices of the Department of Environmental Quality, located at 2380 Highway 80 West (Southport Center) in Jackson, to receive written or oral comments on this document. Regardless of how comments are received, equal consideration will be given by the Commission prior to adoption of this document.

A description of several important portions of these documents follows:

Draft WPCRLF FY-07 Intended Use Plan

- The Draft FY-07 Priority List, which shows the projects proposed for funding, is shown on pages 10 and 11 of the Draft Intended Use Plan and was developed based on the following assumptions: (1) the federal FY-07 Title VI SRF funds are appropriated at \$687.6 million; (2) the State of Mississippi's allotment percentage will remain at 0.91% of the National Title VI SRF appropriation; and (3) 20% state match funds are made available through Water Pollution Abatement loan repayments and general obligation bonds to be authorized by the State Legislature during the Spring 2007 session, as shown in Appendix A.

- WPCRLF Loan Repayments & Anticipated Interest Earnings

The Department intends to obligate WPCRLF loan repayments and interest earnings (from existing closed loans) projected to be received for the period two years after the end of the current fiscal year (FY-07).

- Interest Rate

As included in Section II.C of this IUP, a 2.75% interest rate is proposed for all FY-07 loans.

- FY-07 Priority System Deadlines

The Department urges you to pay particular attention to Section III.C of the Priority System, which establishes deadlines for certain document submittals for the FY-07 projects. These deadlines have been established in order to insure that funds are reserved only for projects that are proceeding in a timely manner toward loan award. If these deadlines are not met, the funds reserved for FY-07 projects will be released and made available to projects on the 2008 and After Planning List that are “ready to award” as described in Section A.1.c. of the Priority System on page 17 the IUP.

- Projected Funds Available for New Projects in FY-07

Please note on the last line in Appendix A – FY-07 Assumed Available Funds (page 35 of the IUP) that the Department is projecting \$8.1 million in remaining funds in excess of the funds reserved for the new projects on the FY-07 Priority List. In accordance with Section A.1.c. of the Priority System, these funds will be obligated to projects on the planning list that are ready to award on a first-come, first-served basis.

We look forward to receiving your input on these documents. If you have any questions, or if we can be of assistance in any way, please contact Mark Smith at (601) 961-5130.

TW:tw

Attachments