

California Water Resources Control Board Press Release

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FEDERAL ECONOMIC STIMULUS MONEY TO BE DISTRIBUTED BY STATE WATER RESOURCES CONTROL BOARD

The State Water Resources Control Board today adopted guidelines for the receipt and disbursement of \$280 million in Federal Economic Recovery money for projects that include building and upgrading sewer and wastewater treatment infrastructure and cleaning up polluted underground storage petroleum tank sites, as well as other water quality improvement projects. Under the American Recovery and Reinvestment Act of 2009, which provides the Recovery funding, at least 50% of the money must be distributed as subsidies such as grants.

The State Water Board will allocate up to 65% (approximately \$175 million) in subsidy funds for wastewater infrastructure projects to be provided directly to disadvantaged communities and to restart stopped bond projects. The remainder will be used to provide 0 or 1 percent fixed-rate loans to other communities. California's growing population and outdated sewer and wastewater infrastructure are causing major water quality challenges. Each year, a minimum of 20 million gallons of raw sewage spill into California waterways because sewer pipes are broken or are too narrow, and because wastewater treatment plants shut down when they cannot handle the load.

In addition, \$17 million of the Federal Economic Stimulus funds will be distributed through the Underground Storage Tank Petroleum Contamination Orphan Site Cleanup Fund, upon appropriation by the Legislature, to pay for the cleanup of petroleum contamination from underground storage tanks. (The properties are abandoned gas stations and are considered to be "orphan sites" because there is no identified financially responsible party to pay for the cleanup.)

In anticipation of the receipt of the funds, the State Water Board has held eight informational workshops statewide and via webcast to discuss the requirements for funding eligibility for projects and how the Clean Water State Revolving Fund could process and distribute the economic stimulus money. It has also established a web site to provide funding information from the state and federal governments and includes a list of frequently asked questions:

http://www.waterboards.ca.gov/water_issues/programs/grants_loans/srf/econ_recovery_info.shtml

The State Water Board is anticipating that the more than \$280 million in stimulus funds will be committed to projects by the end of this year. Funding applicants can apply for stimulus money @ <http://faast.waterboards.ca.gov>.

More information about the state's receipt of Federal Economic Stimulus funding can be found at www.recovery.ca.gov, a California website that outlines how the money will revitalize the economy, create jobs, fund the modernization of infrastructure projects, enhance energy independence, provide educational funds, and more economic assistance.