DRINKING WATER STATE REVOLVING FUND LOAN PROGRAM
STATE OF MISSISSIPPI

ADDENDUM #1
TO THE
ANNUAL REPORT
FOR
FEDERAL FISCAL YEAR 2010
(10/01/09 through 09/30/10)

Prepared for U.S. Environmental Protection Agency, Region IV
by

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20% Green Project Reserve

The FY-2010 appropriations law required states to use not less than 20% of the capitalization grant for projects which addressed water or energy efficiency, green infrastructure or other environmentally innovative activities. Projects including green infrastructure were able to receive principal forgiveness for a portion of their project costs as an added incentive.

Using Green Project Reserve guidance provided by the Environmental Protection Agency, it was noted that the existing priority listed projects qualified, either all or in part, as “green” projects. These seven (7) projects totaling $2,898,185 or 20.5% of the total $14,125,000 FY-2010 Cap Grant made it possible for the state to meet the 20% Green Project Reserve requirement. While all seven were awarded prior to the end of the fiscal year, one system did not execute their loan agreement until well after the fiscal year ended, thus creating some difficulty in reaching the required 20%. Fortunately, an additional system chose to provide the necessary business case documentation for “green” elements of their project, allowing the state to achieve the green requirement goal. The final executed Green Project Reserve amount was $2,825,000 or 20% of the total Capitalization Grant.

As stated previously, each project submitted a business case memo during the project’s planning phase which was submitted to the EPA and posted on the Department’s website. Each project was either on the Priority List or the FY-2011 and After Planning List. The DWSIRLF had the authority to bypass higher ranked projects as needed to achieve the green requirement, although it was not necessary to do so during the FY-2010 year.