



State of Tennessee

*Secretary of State Tre Hargett
State Comptroller Justin P. Wilson
State Treasurer David H. Lillard, Jr.*

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TENNESSEE LOCAL DEVELOPMENT AUTHORITY APPROVES \$37 MILLION FOR DRINKING WATER AND WASTEWATER PROJECTS

The Tennessee Local Development Authority (TLDA) approved nearly \$37 million worth of loans today for communities throughout the state to build or upgrade drinking water and wastewater systems. Of that total, more than \$14 million will not have to be repaid by the communities receiving loans because of a principal forgiveness program.

The loans are provided through Tennessee's Clean Water State Revolving Fund (CWSRF) and Drinking Water State Revolving Fund (DWSRF) programs. The American Recovery and Reinvestment Act of 2009 (ARRA) has provided additional funding to supplement those programs.

In this round of funding, the state provided 50 percent of the base loan amounts, with the rest coming from ARRA funds. In compliance with ARRA guidelines, only 60 percent of the total loan amounts will have to be repaid. That means the communities receiving loans will have to repay all of the funding supplied by the state, but only one-fifth of the federal funding provided through ARRA.

"These loans, with 40 percent principal forgiveness, provide an excellent source of financing for local governments and utility districts during economically challenging times," said Comptroller Justin P. Wilson, who serves as secretary of the TLDA. "Also, these loans are provided with very low interest rates that are based on each community's ability to pay."

"The loans provide local governments and utility districts with opportunities to upgrade critical infrastructure," said Secretary of State Tre Hargett, who also serves on the TLDA. "Communities have limited opportunities to grow unless they have adequate water and sewer service."

"I'm very pleased that we are able to provide loans for these worthwhile projects," added

Treasurer David Lillard, another TLDA member. “Growing communities make the whole state stronger economically.”

The local governments and utility districts approved in this round for CWSRF/ARRA loans include:

City of Athens – \$4,090,395 for a collection system expansion and sewer line rehabilitation in the Mount Verd Road/Interstate 75 area

City of Cleveland – \$1,359,000 for a collection system expansion of 8-inch diameter gravity sewer lines in the Westside Drive/Interstate 75 area

City of Franklin – \$3,147,000 for recycled water distribution lines near Downs Boulevard and West and for collection system expansion in the Boyd Mill Pike, Country Road and Simmons Ridge areas

Town of Huntingdon - \$3 million for a green watershed enhancement project, collection system expansion and pump station

City of Maryville – \$3,840,000 for water meter replacements, water leak detection sensors solar-powered wastewater treatment plant improvements

City of Munford - \$646,377 for wastewater pumping system improvements in the Ridgecrest Street area

Metro Nashville – \$1,080,000 for collection system expansion in the Holt Road and Nolensville Historic District areas

Water Authority of Dickson County - \$2,400,000 for collection system expansions in six residential areas currently using septic tanks

West Knox Utility District – \$3,658,096 for collection system expansions in the Ball Camp Road and Northampton Commons areas

The local governments and utility districts approved in this round for DWSRF/ARRA loans include:

City of Franklin - \$2,500,000 for improvements to the raw water reservoir at the water treatment plant

Metro Nashville – \$4,799,840 for the replacement of about 36,392 water meters with auto-read meters in six parts of the metro area

Watauga River Regional Water Authority - \$5 million for new regional water treatment plant, raw water lines, raw water pump station, water booster station and distribution lines

The local governments and utility districts approved for DWSRF loan increases are:

Maynardville – Approved for an increase of \$200,000 to replace existing water line along State Route 33 from Raccoon Valley Road to State Route 61 to stop water loss

Sewanee Utility District – Approved for an increase of \$1,277,400 for water treatment plant improvements and expansion from 600,000 gallons per day to 850,000 gallons per day and for raw water intake improvements at Lake O'Donnell and Jackson Lake

This is the final of three rounds of funding provided through ARRA and the State Revolving Fund Loan Programs. In addition to Hargett, Lillard and Wilson, the other members of the TLDA include Gov. Phil Bredesen, Commissioner of Finance and Administration Dave Goetz, Don Thornton and Houston Naron Jr.

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