



Department of Environmental Conservation

Senate Finance Committee

Tom Cherian, Administrative
Services Director

March 19, 2015



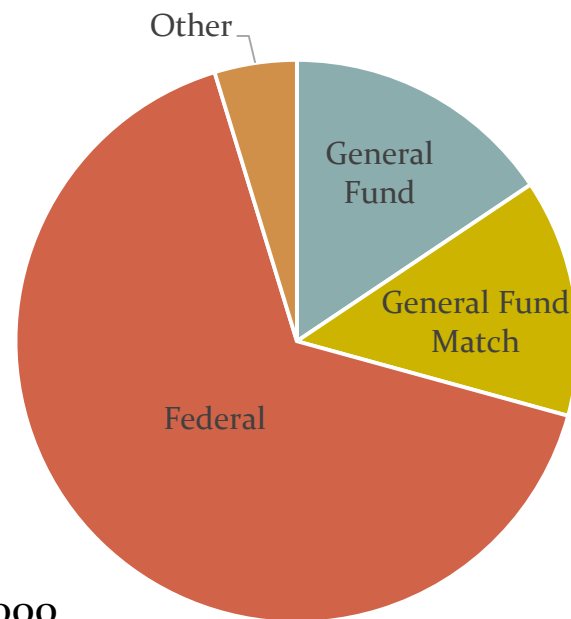
FY2016 Endorsed Capital Request

- Total Capital Request: \$64,014,905
 - Unrestricted GF \$18,738,605
 - Other State Funds \$3,026,300
 - Federal Receipts \$42,250,000

- DEC's lowest capital request in the last ten years

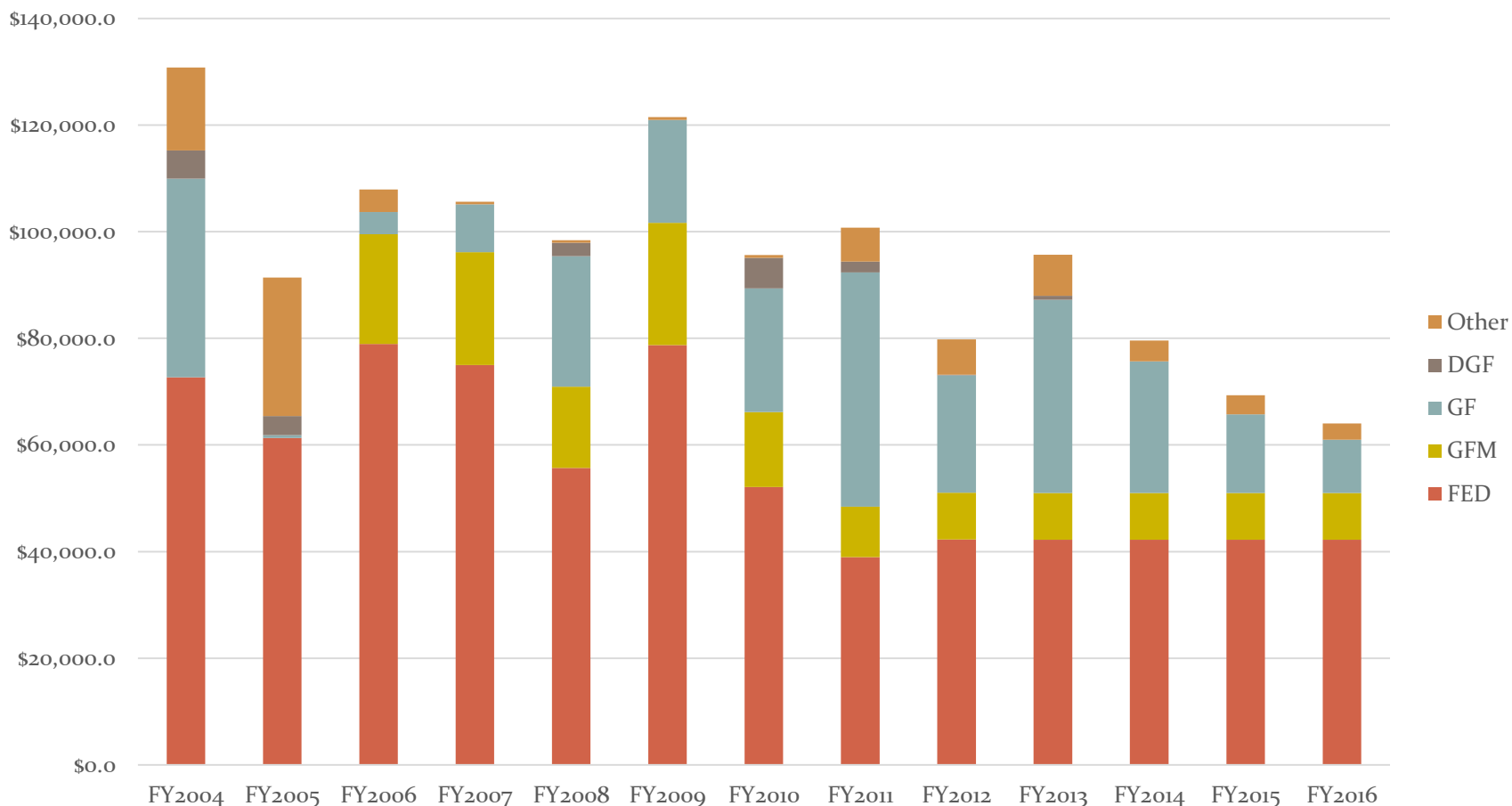
- FY2016 Appropriations:

- Village Safe Water and Wastewater Infrastructure Projects \$51,500,000
- Municipal Water, Sewage, and Solid Waste Facilities Grants \$9,988,605
- Alaska Drinking Water Capitalization Grant – Subsidy Funding \$2,526,300





Historical Capital Budget Comparison





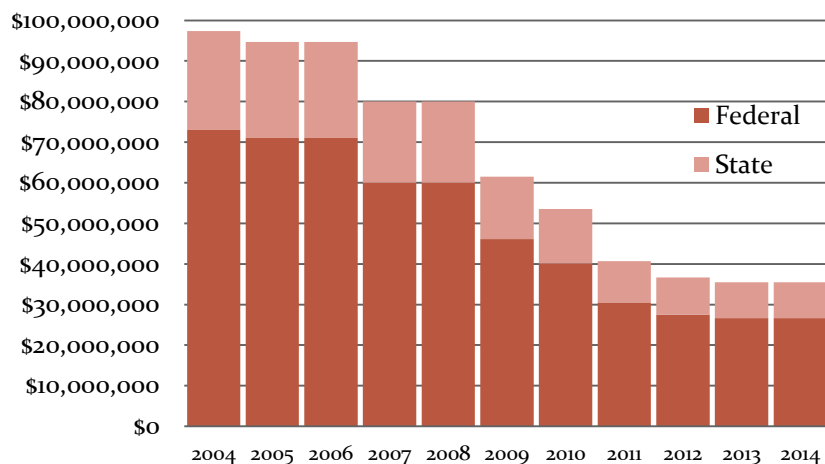
FY2016 Endorsed Capital Request

- Village Safe Water and Wastewater Infrastructure Projects
 - First Time Service Projects
 - Expansion, Upgrade, and Replacement of Existing Service
- \$42,250,000 Federal
- \$8,750,000 General Fund Match
- \$500,000 Statutory Designated Program Receipts



Rural Alaska Water & Sewer

State & Federal Funding for Village Safe Water



Funding for rural Alaska sanitation projects has declined by over \$61 Million, or 64% between 2004 and 2014.

- Reduced funding means making choices:
 - First time water and sewer service where feasible
 - Upgrades or replacement of existing systems to address significant health threats
 - Stretching limited funds
 - Prioritize for greatest need and biggest impact
 - Extend life with targeted improvements, limited scope



Alaska Water & Sewer Challenge

- Innovative international research and development effort
- Goal is to significantly reduce the capital and operating costs of in-home running water and sewer in rural Alaska homes
- Recently launched Phase 2
- Focus is on “Decentralized” approaches
 - Household based systems
 - Water re-use technologies
- To date \$4 million in State and Federal funds have been secured, but there may be a future request to support completion





FY2016 Endorsed Capital Request

- Municipal Water, Sewage, and Solid Waste Facilities Grants
 - Juneau – Water Treatment Improvements, Phase II
 - Homer – Water Storage and Distribution Improvements
 - North Pole – Sewer Improvements, Phase II
 - Naknek – Sewer Relocation and System Upgrade
- \$9,988,605 General Fund



Municipal Matching Grants

- Required community match
- Projects scored and ranked primarily based on the extent to which they address critical public health needs
- Grants are awarded in order to the highest ranking projects
- Established and well-respected process for evaluating and prioritizing the water, wastewater, and solid waste needs of Alaska's diverse communities
- Ensures there is no regional bias





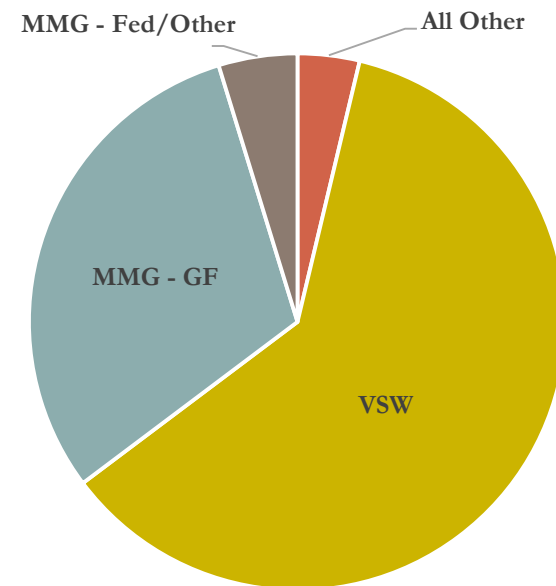
FY2016 Endorsed Capital Request

- Drinking Water Capitalization Grant – Subsidy Funding
- \$2,526,300 Alaska Drinking Water Loan Fund
- Federally required loan forgiveness



FY2015 Capital Appropriation Status Summary

- 295 total active DEC appropriations
 - Non-Facility Construction: 11
 - Village Safe Water: 180
 - Municipal Matching Grant: 104
- Down from 499 in FY2014
- Anticipate another 160-200 will be closed after this year



by # of appropriations



Questions?

