

Town of New Market Press Release

April 28, 2009

The Virginia Department of Environmental Quality announced on Monday that the State Water Control Board has awarded the Town of New Market \$4,265,116 in federal stimulus funding for the Town's force main project to Broadway. This funding will be in the form of a loan with 100% principal forgiveness, meaning the Town will not have to pay back any of the \$4,265,116. The Town had submitted a request for \$9.4 million for this project and will borrow the remainder of the funds from DEQ through the Revolving Loan Fund at a low interest rate. The construction portion of the project is estimated to cost around \$7 million.

This funding was awarded through a very competitive process. DEQ received 294 applications requesting a total of \$1,360,675,547 as part of the application process. The Town's force main project was one of only thirty-two projects in the state to receive funding. A total of \$77,720,311 was awarded through this process as shown on the attached sheet. Applications were reviewed based on a number of criteria including readiness to proceed with construction, sewer rates and hook-up fees, median household income, and the impact of the project on state waters.

The process for these funds started with the submittal of an application by the Town on March 4, 2009. Town staff met with the DEQ staff at the proposed site, had numerous conference calls with DEQ, and followed up on various information requests from DEQ. The Mayor, members of the Town Council, and Town staff attended a public hearing on April 15th in Richmond on the proposed funding. Town staff testified at the public hearing to justify the request for the funding. The Town will continue to work with Stearns & Wheler to insure the project is ready to go to bid under the timeframe determined by DEQ.

The force main project will consist of the construction of a pump station on the property where the existing Town wastewater treatment facility is located. A 16" force main will also be constructed along the VDOT right-of-way on Route 211 to the Broadway Regional Facility. Broadway has agreed to treat up to one million gallons per day of wastewater under the regional agreement. The decision to join with Broadway versus renovating the existing wastewater plant has been estimated to have saved the Town \$10 million in capital costs. The project resolves two issues the Town has with the current wastewater treatment plant; capacity and the ability to meet the new environmental standards associated with the Chesapeake Bay Act.

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