

OFFICE OF THE GOVERNOR  
STATE OF MONTANA

STEVE BULLOCK  
GOVERNOR



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**FOR IMMEDIATE RELEASE**

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**Billings Ratepayers to Save \$1.4 Million from SRF Program Changes**

Helena, Mont. – Governor Steve Bullock today announced that ratepayers in Billings will save \$1,478,816 thanks to changes he made to the State Revolving Fund (SRF) loan program last year. The savings come as part of a new \$3.7 million SRF loan to build a new water storage tank servicing the Briarwood Subdivision and adjacent areas of the city.

“Through strong fiscal management, and a bit of common sense, we’re ensuring ratepayers in Billings can keep more money in their pockets, while making critical infrastructure upgrades,” Bullock said of the loan. “We’ll continue to work with local communities to find responsible ways to make critical infrastructure improvements, while saving money for Main Street Montana businesses and customers.”

The existing 200,000 gallon storage tank was constructed to serve only the Briarwood Subdivision. In addition to showing signs of corrosion on both the interior and exterior surfaces, the storage tank cannot meet existing and projected future water demands in the area. The city will construct the new 750,000 storage tank on the existing site.

To finance the project, the city will borrow \$3.7 million from the State Revolving Fund at 2.5 percent interest for 20 years.

Last year, Bullock reduced the interest rates on loans through the SRF loan program in order to expand local government’s access to capital to make important upgrades to local infrastructure, while saving ratepayers money. He reduced long-term interest rates in this program from 3 percent, to 2.5 percent, and reduced construction interest rates from 3 percent to 1.5 percent. In addition, he reduced the amount of financial reserves communities must hold in order to receive a loan, and reduced the debt service coverage communities must have. These changes were made possible through strong fiscal management at the state level and the state’s sterling bond rating. In their first year, these reduced rates are expected to provide \$40 million in additional savings for ratepayers.

The changes to the SRF interest rate were made as part of Bullock’s Main Street Montana Project. This project is building and implementing a business plan for the state of Montana that helps

businesses grow, supports job creation, and increases wages. One of the goals of the project is to ensure Montana businesses and communities have an efficient and reliable infrastructure.

The State Revolving Fund loan program, which is administered by the Montana Department of Natural Resources and Conservation (DNRC) and the Montana Department of Environmental Quality (DEQ), enables Montana communities to upgrade or expand critical drinking or wastewater treatment facilities at the lowest possible cost.

For more information on the State Revolving Fund program, contact Anna Miller of DNRC at (406) 444-6689, or visit the Montana DNRC Web site at <http://dnrc.mt.gov/>.

Watch for updates on this SRF project on the Montana DNRC Facebook page, <https://www.facebook.com/MontanaDNRC>

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