

OFFICE OF THE GOVERNOR  
STATE OF MONTANA

STEVE BULLOCK  
GOVERNOR



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**FOR IMMEDIATE RELEASE**

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**Pablo Ratepayers to Save More Than \$447,000 Due To SRF Program Changes**

Helena, Mont. – Governor Steve Bullock today announced that ratepayers in Pablo will save \$447,641 thanks to changes he made to the State Revolving Fund (SRF) loan program last year. The savings come as part of two new SRF loans to the Pablo Water and Sewer District, totaling \$1.1 million, to address deficiencies in the town's drinking water system.

"A safe and reliable water system is critical to a strong local economy," Bullock said of the loans. "Through strong fiscal management, and a bit of common sense, we're ensuring ratepayers in Pablo can keep more money in their pockets, while making critical infrastructure upgrades. We'll continue to work with local communities to find responsible ways to make critical infrastructure improvements, and save money for Main Street Montana businesses and customers."

The loans will be used to replace the main water distribution lines to alleviate backflow issues that are presenting health and safety risks for residents. In addition, these upgrades will address water pressure and fire flow issues the communities are facing.

To finance the project, the Water and Sewer District will receive two 20-year SRF loans for \$500,000 and \$620,000 respectively. If certain conditions are met, the \$500,000 loan is eligible for loan forgiveness.

Bjorn Johnson Construction of Missoula has been awarded the contract for the project.

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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