



March 9, 2009

Applications must be postmarked no later than April 15, 2009. No electronic filing of applications will be accepted.

Re: Drinking Water Infrastructure Improvement Funding Opportunity
American Recovery and Reinvestment Act (ARRA) of 2009 ("Economic Stimulus")

The State of Oregon is receiving \$28.5 million in federal "economic stimulus" funds authorized in the American Recovery and Reinvestment Act (ARRA) of 2009 and allocated through the Oregon Safe Drinking Water Revolving Loan Fund (SDWRLF). Eligibility to apply for these funds required submission – on or before February 2, 2009 – of either a 2007, 2008 or 2009 SDWRLF **Letter of Interest (LOI)**. These Letters of Interest were then rated and ranked by the Oregon Department of Human Services, Drinking Water Program. We are inviting you to apply for economic stimulus funds based on your submitted letters of interest.

The ARRA dictates strict timelines and mandatory criteria that must be met. If Oregon fails to allocate its allotment to municipalities in adherence with these timelines and criteria, the funds will be recaptured by the U.S. Environmental Protection Agency for reallocation to *other* states.

Note: If you find that you are unable to meet the criteria and timelines as outlined in the enclosures in time to apply for these funds by April 15, please remember that we have very favorable (although not as generous) loan funding available under our regular Safe Drinking Water Revolving Loan Fund Program.

The SDWRLF ARRA funds will be awarded based on a competitive process. Enclosed are the detailed Application Guidelines, General Application Form and Application Supplemental.

Applications must be postmarked no later than April 15, 2009 and all supporting documentation must be attached. No electronic filing of the application will be accepted. Of importance will be the inclusion of documentation that demonstrates that a **public meeting has been held** to discuss the intent to apply for ARRA funds.

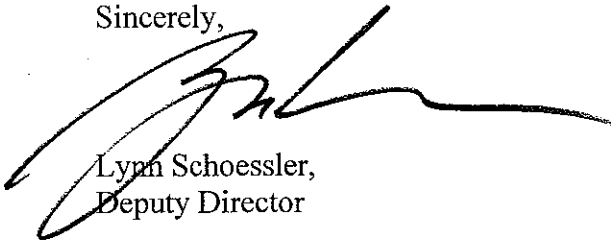
March 9 , 2009
Page Two

Our Regional Coordinator for your county is available to assist you with the completion of the Application. Please let us know if you would like to receive the application forms electronically (application and supplement). The Regional Coordinator contact list is enclosed.

We anticipate that a substantial portion of "stimulus" project funding will be in the form of grants and/or principal forgiveness; however, the exact nature of an award will not be known until after April 15, 2009, when financial reviews will be conducted. For communities that qualify as "disadvantaged communities" at least half of the project funding will be in the form of grants. Details are contained in the enclosed guidelines.

Thank you for your interest in the Safe Drinking Water Revolving Loan Fund.

Sincerely,

A handwritten signature in black ink, appearing to read 'Lynn Schoessler', written over a horizontal line.

Lynn Schoessler,
Deputy Director

Enclosures: Highlights of ARRA requirements
 Regional Coordinator contact list
 Application Guidelines
 General Application Form
 Application Supplemental