

**Report to Congress for Future Water Resources Development (WRRDA 7001) Submission
Package**

Proposal Name: DeSoto County Regional Wastewater Infrastructure Program

Submission Date: 08/27/2019

Proposal ID Number: 1c0164d4-9c87-4726-8758-a11b2ccc0a93

Purpose of Proposal: The purpose of this modification is for specific infrastructure elements to be constructed that are a part of the regional wastewater master facilities plan, having completed prior infrastructure elements through funding assistance by the USACE EI program. The proposed infrastructure elements are situated in a major commercial_industrial hub of the project area in an effort to remove the antiquated treatment facilities beyond their useful life that are unable to meet NPDES permit limits. Additionally, as part of this effort, are pipelines and pump stations to consolidate this wastewater flow to a proposed treatment facility and will serve expanding growth and commerce corridors with inadequate sewer service. The purpose of the proposed infrastructure elements included in this modification are to continue to manage growth in a responsible manner and to protect the environment and water quality for its citizens. As a result of the aforementioned vision outlined by the County leadership, subsequent plans and studies were conducted in collaboration with the Environmental Protection Agency, Corps of Engineers, Board of Supervisors and ultimately the DeSoto County Regional Utility Authority in the development of the 1998 DeSoto County Regional Wastewater Master Plan that outlined five major goals as follows: 1) To protect both public health and environmentally sensitive areas within the County from impairment due to wastewater discharges 2) To provide the necessary wastewater infrastructure to serve both the existing and rapidly growing populations in the County 3) To reduce the number of wastewater discharge points within the County 4) To structure a plan of improvement that will maximize accessibility to available sources of capital funding through local_private, State, and Federal initiatives 5) To identify the optimum institutional framework within which a proposed regional wastewater system can operate.

1. Administrative Details

Proposal Name: DeSoto County Regional Wastewater Infrastructure Program

by Agency: DeSoto County Regional Utility Authority

Locations: MS

POC Name:

POC Phone:

POC Email:

Date Submitted: 08/27/2019

Confirmation Number: 1c0164d4-9c87-4726-8758-a11b2ccc0a93

Supporting Documents

File Name	Date Uploaded
-Support Letters.pdf	08/27/2019
DCRUA Map 7001 Proposal 8.5x11.pdf	08/27/2019
Financial Capability Statement.pdf	08/27/2019

2. Provide the name of the primary sponsor and all non-Federal interests that have contributed or are expected to contribute toward the non-Federal share of the proposed feasibility study or modification.

Sponsor	Letter of Support
DeSoto County Regional Utility Authority (Primary)	See uploaded Letters of Support from the following: 1. From DCRUA to Director James, with Attachment "A" 2. Roger Wicker, U.S. Senator 3. Trent Kelly, Member of Congress 4. City of Olive Branch 5. City of Southaven 6. City of Horn Lake 7. DeSoto County Economic Development Council

3. State if this proposal is for new feasibility study authority, a modification to an existing feasibility study authority, a modification to an existing USACE project authority, or a modification to an existing USACE Environmental Infrastructure Program authority. If it is a proposal for a modification to an existing study, project or program authority, provide the authorized water resources development feasibility study or project name.

[x] Modification to a USACE Environmental Infrastructure Program Authority

Environmental Infrastructure Program Authority Name:

Section 219(f)(30) of the Water Resources Development Act (WRDA) 1992, as amended for construction of wastewater treatment infrastructure in DeSoto County, Mississippi. Specifically, it is being requested to increase the Section 219(f)(30) authorization from \$75 million to \$130 million for new infrastructure elements.

Description of assistance provided to date:

The DeSoto County Regional Wastewater Infrastructure Project has received \$75 million in USACE funding through the Environmental Infrastructure (EI) Program to date. This funding has assisted the DeSoto County Regional Utility Authority (DCRUA) with the construction of wastewater infrastructure to promote water quality that has consisted of 52.6 miles of interceptors and force mains, 11 pump stations, and two treatment facilities.

Total Federal cost of assistance provided to date:

\$75,000,000

4. Clearly articulate the specific project purpose(s) of the proposed study or modification. Demonstrate that the proposal is related to USACE mission and authorities and specifically address why additional or new authorization is needed.

The purpose of this modification is for specific infrastructure elements to be constructed that are a part of the regional wastewater master facilities plan, having completed prior infrastructure elements through funding assistance by the USACE EI program. The proposed infrastructure elements are situated in a major commercial/industrial hub of the project area in an effort to remove the antiquated treatment facilities beyond their useful life that are unable to meet NPDES permit limits. Additionally, as part of this effort, are pipelines and pump stations to consolidate this wastewater flow to a proposed treatment facility and will serve expanding growth and commerce corridors with inadequate sewer service. The purpose of the proposed infrastructure elements included in this modification are to continue to manage growth in a responsible manner and to protect the environment and water quality for its citizens. As a result of the aforementioned vision outlined by the County leadership, subsequent plans and studies were conducted in collaboration with the Environmental Protection Agency, Corps of Engineers, Board of Supervisors and ultimately the DeSoto County Regional Utility Authority in the development of the 1998 DeSoto County Regional Wastewater Master Plan that outlined five major goals as follows: 1) To protect both public health and environmentally sensitive areas within the County from impairment due to wastewater discharges 2) To provide the necessary wastewater infrastructure to serve both the existing and rapidly growing populations in the County 3) To reduce the number of wastewater discharge points within the County 4) To structure a plan of improvement that will maximize accessibility to available sources of capital funding through local/private, State, and Federal initiatives 5) To identify the optimum institutional framework within which a proposed regional wastewater system can operate.

5. To the extent practicable, provide an estimate of the total cost, and the Federal and non-Federal share of those costs, of the proposed study and, separately, an estimate of the cost of construction or modification.

	Federal	Non-Federal	Total
Study	\$0	\$0	\$0
Construction	\$54,952,500	\$18,317,500	\$73,270,000

Explanation (if necessary)

Please note that Section 1157 of PL 114-322 of the Water Infrastructure Improvements for the Nation Act (WIIN) provided for completion of separate infrastructure elements that are not included in this modification. According to the Corps of Engineers' interpretation of that provision, that legislation is directed at assuring the completion of the construction of the federal assistance project as scoped in current agreements with the Corps of Engineers. Correspondence from Director Dalton related to the Section 1157 matter is attached as additional supporting information.

6. To the extent practicable, describe the anticipated monetary and nonmonetary benefits of the proposal including benefits to the protection of human life and property; improvement to transportation; the national economy; the environment; or the national security interests of the United States.

DeSoto County is Mississippi's most rapidly growing community and a vital component of the larger Memphis Metropolitan Statistical Area (MSA), that is home to Federal Express Headquarters. The benefits of the regional wastewater system as part of this modification adhere to major goals as follows: 1.To protect the sensitive regional environment, to include Arkabutla Lake and Arkabutla Waterfowl Refuge 2.To improve water quality of area streams and tributaries of the Mississippi River. 3.To minimize the number of wastewater discharge permits within the County, thus remaining in unison with the overall environmental and water resources planning objectives of the State. 4.To meet the wastewater infrastructure needs within the County to facilitate continued and orderly growth and economic development 5.To promote positive impacts to the national economy with support for the continued service and expansion of the global carrier, Federal Express. 6.To promote positive regional economic impact through direct and indirect jobs and economic growth.

7. Does local support exist? If 'Yes', describe the local support for the proposal.

Yes

Local Support Description

The DeSoto County Regional Utility Authority has been in operation for roughly 20 years, has been accepted as the wastewater provider in the county and has a proven record of accomplishment with the community in executing environmentally sound projects. Letters of support from DCRUA and federal_local stakeholders are included with this submission as additional supporting information.

8. Does the primary sponsor named in (2.) above have the financial ability to provide for the required cost share?

Yes

Primary Sponsor Letter of Support

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_Support Letters.pdf

**DESOTO
COUNTY
REGIONAL
UTILITY
AUTHORITY**

**365 LOSHER STREET, STE.310
HERNANDO, MS 38632
PH. 662.298-2295
FAX 601-265-3812**



August 27, 2019

The Honorable R.D. James
Assistant Secretary of the Army for Civil Works
United States Army
108 Army Pentagon
Washington, D.C. 20310-0108

Re: Section 7001 Proposal – DeSoto County Regional Wastewater Infrastructure Program

Dear Assistant Secretary James:

On behalf of the DeSoto County Regional Utility Authority (DCURA), please accept this correspondence as full support and endorsement of the enclosed 7001 proposed request. This proposed request is intended to modify the current authorization of \$75 Million to an increased amount of \$130 Million for the DeSoto County Wastewater Treatment Infrastructure under Section 219 (f) (30) of the Water Resources Development Act (WRDA) of 1992, as amended. Since its inception in the early 1990s with USACE involvement, the DeSoto County Wastewater Infrastructure Program has continued to serve as a model of true partnership between local, federal, state and private stakeholders.

This uniquely consequential program continues to provide significant environmental protection and restoration for one of the lower Mississippi River region's most sensitive ecosystems situated in one of the State of Mississippi's and our tri-state region's most dynamic economic growth areas. Also, it reflects a substantial total investment, to date, of almost \$175 million--with \$89 million from various federal funding sources and \$86 million from local sources. This nearly equal ratio between the two is much more favorable to the federal interest than the traditional 75% federal/25% local cost-sharing arrangements for USACE projects of this nature.

As additional background and explanation of this request, please see the enclosed Attachment "A" that outlines in more detail the basis for this submission. This submission is as a result of recent communications with Director Dalton, Memphis District and the Mississippi Valley Division of USACE and Member of our Congressional Delegation.

Thank you so much for considering our views and this request. Please do not hesitate to contact me or other DCRUA representatives directly if you have any questions or need additional information regarding the matters discussed in this letter.

DESOTO COUNTY REGIONAL UTILITY AUTHORITY

A handwritten signature in black ink that reads "William H. Austin, Jr." The signature is written in a cursive, flowing style.

William H. Austin, Jr.
Executive Director

Enclosures

SUBJECT: ATTACHMENT "A" to letter dated August 27, 2019
Background for 7001 Proposal of The DeSoto County Regional Utility Authority (DCRUA)

The DeSoto County Regional Wastewater Infrastructure Program has a long history with the U.S. Army Corps of Engineers (USACE) dating back to an initial study performed by the Memphis District in 1994. DCRUA has been actively constructing facilities since 2002 in accordance with its Master/Facilities Plan through the Environmental Infrastructure (EI) Program of the U.S. Army Corps of Engineers. Prior to that, extensive planning and environmental study/review was conducted to address the many serious issues with the Environmental Protection Agency regarding Clean Water Act compliance. The resulting DCRUA plan consists of three new/proposed treatment facilities each serving major areas of the County, two of which have been constructed with one recently expanded. In accordance with the plan, the treatment facilities will be connected to a network of over 100 miles of new pipelines, of which over 50 miles have been constructed to date through funding assistance of the EI program. This significant investment and partnership with the USACE has been critical to achieving the protection of environmentally sensitive water resources and eco-systems such as Arkabutla Lake and Waterfowl Refuge and surrounding wetlands. The protection of these areas was identified as a key component of the program in the 1998 Master Plan that resulted from the 1994 U.S. Army Corps of Engineers - Comprehensive Sewer Study for DeSoto County. Additionally, the County continues to grow with major regional impact associated with proximity to Federal Express Headquarters. DeSoto County, as one of the Memphis Metro's solid regional economic bases, is one of a handful of primary links to job creation in the State of Mississippi.

As discussed with representatives of the USACE through prior correspondence, PL114-322 – Water Infrastructure Improvements for the Nation (WIIN Act), Section 1157 "Project Completion" - provides for increased authorization of \$50,000,000 to the DCRUA Program and other eligible programs to be appropriated over a five-year period being fiscal years 2017 to 2021. Based on this correspondence, it has been determined by the USACE, that this authorization can only be applied to projects currently outlined in the Project Cooperation Agreement (PCA). As a result, DCRUA has provided a work plan request for an allocation of \$6,000,000 in anticipation of the FY2020 Energy and Water Development Appropriations Bill becoming law. The current bill (H.R. 2960) has been reported by the U.S. House of Representatives, Committee on Appropriations, and provides for \$100,000,000 to the USACE – Construction for Environmental Infrastructure (EI) projects.

In terms of this 7001 application, an increase of \$55,000,000 in authorization from \$75,000,000 to \$130,000,000 is requested for new project elements, as outlined in more detail within the application. This approach of utilizing Section 1157 for current PCA project elements and the need for an additional authorization for new project elements is based on current direction received from the USACE and this application is intended to comply with this

directive. The authorization increase included in this application is based on prioritized project elements for the overall DCRUA project that are not included within a current PCA with the USACE.

The Mississippi Congressional delegation has strongly supported the DCRUA Section 219 Environmental Infrastructure authorization since its inception and continues to support this model partnership between federal and local agencies. The current and future major development of DeSoto County, Mississippi's fastest-growing area, has necessitated DCRUA's continual expansion. Due to this rapid expansion, DCRUA has effectively obligated all of its current appropriation of federal funds. However, there are vital project segments, crucial to DeSoto County, which need to be completed in a timely manner. Therefore, given the ongoing nature of the DCRUA project, the Corps can be assured that an increased authorization would be efficiently and expeditiously utilized at the level of appropriated funding. In fact, should a larger authorization toward ultimate project completion be available, DCRUA has the capacity and ability to utilize.

ROGER F. WICKER

MISSISSIPPI

ARMED SERVICES

COMMERCE, SCIENCE, AND TRANSPORTATION

ENVIRONMENT AND PUBLIC WORKS

RULES AND ADMINISTRATION

COMMISSION ON SECURITY
AND COOPERATION IN EUROPE

United States Senate

WASHINGTON, DC 20510

SUITE 555

DIRKSEN SENATE OFFICE BUILDING

WASHINGTON, DC 20510

(202) 224-6253

www.wicker.senate.gov

August 26, 2019

Mr. R.D. James
Assistant Secretary of the Army for Civil Works
108 Army Pentagon
Washington, D.C. 20310-0108

Dear Mr. James,

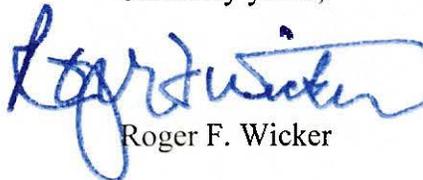
Please give all due consideration to the DeSoto County Regional Utility Authority's Section 7001 proposal to amend Section 219(f)(30) of the Water Resources Development Act of 1992, as amended.

The DeSoto County, Mississippi, Regional Wastewater Infrastructure Program has served as a model for true partnership between local, state, federal, and private stakeholders with significant investment to date. This program has and will continue to provide for improved water quality for sensitive ecosystems and provide an effective means of sustainable wastewater management for the area. The requested increase in authorization will allow the utility authority to continue to implement new program elements of its master facilities plan to address critical wastewater needs in a major industrial and logistical hub for the area.

I hope that you will give the DeSoto County Regional Utility Authority's application every consideration. Please do not hesitate to contact me if I can provide additional information.

With best wishes, I am

Sincerely yours,



Roger F. Wicker

RFW/MAB

TRENT KELLY

FIRST DISTRICT, MISSISSIPPI

1005 LONGWORTH HOUSE OFFICE BUILDING
WASHINGTON, DC 20515-2401
(202) 225-4306



Congress of the United States
House of Representatives
Washington, DC 20515

August 26, 2019

COMMITTEE ON AGRICULTURE
SUBCOMMITTEE ON
CONSERVATION AND FORESTRY
SUBCOMMITTEE ON
LIVESTOCK AND FOREIGN AGRICULTURE

ARMED SERVICES COMMITTEE
RANKING MEMBER, SUBCOMMITTEE ON
MILITARY PERSONNEL
SUBCOMMITTEE ON
SEAPOWER AND PROJECTION FORCES

COMMITTEE ON SMALL BUSINESS
SUBCOMMITTEE ON RURAL DEVELOPMENT,
AGRICULTURE, TRADE AND ENTREPRENEURSHIP
SUBCOMMITTEE ON INVESTIGATIONS,
OVERSIGHT AND REGULATIONS

The Honorable R.D. James
Assistant Secretary of the Army for Civil Works
United States Army
108 Army Pentagon
Washington, D.C. 20310-0108

Re: **Section 7001 Request for DeSoto County Regional Utility Authority
DeSoto County, Mississippi Regional Wastewater Infrastructure Program**

Dear Assistant Secretary James,

I am writing in support of the 7001 Application request being submitted by the DeSoto County Regional Utility Authority (DCRUA) for the DeSoto County, Mississippi Regional Wastewater Infrastructure Program, initially authorized under Section 219 (f) (30) of the Water Resource Development Act of 1992, as amended. DCRUA serves as the critical water quality and wastewater management needs of a county that has achieved the highest employment growth rate in the State of Mississippi and is working to address the major environmental challenges associated with that growth. The diligent execution and service provided by DCRUA has proven to be essential in addressing critical wastewater needs.

This wastewater infrastructure has—and will continue to—address a vital environmental protection need for the residents and businesses in DeSoto County, Mississippi and the surrounding areas. Among other benefits, the proposed project will provide for improved water quality for sensitive ecosystems and provide an effective means of sustainable wastewater management. Additionally, this effort is essential to the economic development and job growth of one of the fastest growing regions in the Mid-South.

My office fully supports DeSoto County's desire to better serve their communities and the State of Mississippi. Thank you for your consideration to this matter. Should you need additional information, please contact Paul Howell, my Chief of Staff, at (202)-225-4306.

Sincerely,

A handwritten signature in blue ink, appearing to read "Trent Kelly", written over a horizontal line.

Trent Kelly
Member of Congress



City of Olive Branch
MISSISSIPPI

SCOTT B. PHILLIPS, JR., MAYOR

9200 Pigeon Roost - Olive Branch, MS 38654
(662) 892-9201 - Email: sphillips@obms.us

August 21, 2019

The Honorable R.D. James
Assistant Secretary of the Army for Civil Works
United States Army
108 Army Pentagon
Washington, D.C. 20310-0108

Re: **Section 7001 Request DeSoto County Regional Utility Authority
DeSoto County, Mississippi Regional Wastewater Infrastructure Program**

Dear Assistant Secretary James:

Please accept this correspondence as an official Letter of Support for the 7001 Application request being submitted by the DeSoto County Regional Utility Authority ("DCRUA") for the DeSoto County, Mississippi Regional Wastewater Infrastructure Program, initially authorized under the Water Resource Development Act of 1992, as amended. As a member agency of DCRUA, it is evident that the diligent execution and service provided by DCRUA has proven to have positive and essential benefits in addressing critical wastewater needs.

This wastewater infrastructure has and will continue to address a vital environmental protection need for the residents and businesses in and around DeSoto County, Mississippi. Among other benefits, the proposed project will provide for improved water quality for sensitive ecosystems and provide an effective means of sustainable wastewater management for the area. Additionally, this effort is essential to the economic development and job growth of one of the fastest growing regions in the Mid-South.

Thank you for your consideration in this matter. Should you have any questions regarding this matter, please contact me at your convenience.

Sincerely,

Scott B. Phillips, Mayor

CITY OF SOUTHAVEN

Top of Mississippi
Office of the Mayor

DARREN MUSSELWHITE
MAYOR



8710 Northwest Drive
Southaven, MS 38671
Phone: 662.393.6939
Fax: 662.393.7294
dmusselwhite@southaven.org

August 21, 2019

The Honorable R.D. James
Assistant Secretary of the Army for Civil Works
United States Army
108 Army Pentagon
Washington, D.C. 20310-0108

**Re: Section 7001 Request DeSoto County Regional Utility Authority
DeSoto County, Mississippi Regional Wastewater Infrastructure Program**

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Thank you for your consideration in this matter. Should you have any questions regarding this matter, please contact me at your convenience.

Sincerely,

A handwritten signature in blue ink that reads "Darren Musselwhite". The signature is written in a cursive style.

Darren Musselwhite, Mayor
City of Southaven



City of Horn Lake

Allen B. Latimer, Mayor

3101 Goodman Road West
Horn Lake, MS 38637
Ph: 662-342-3502 Email: mayor@hornlake.org

August 21, 2019

The Honorable R.D. James
Assistant Secretary of the Army for Civil Works
United States Army
108 Army Pentagon
Washington, D.C. 20310-0108

Re: **Section 7001 Request DeSoto County Regional Utility Authority
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Thank you for your consideration in this matter. Should you have any questions regarding this matter, please contact me at your convenience.

Sincerely,

Allen B. Latimer
Mayor



316 West Commerce Street
Hernando, MS
38632
662.429.4414
662.429.0952 fax
www.desotocounty.com

August 21, 2019

The Honorable R.D. James
Assistant Secretary of the Army for Civil Works
United States Army
108 Army Pentagon
Washington, D.C. 20310-0108

Re: **Section 7001 Request DeSoto County Regional Utility Authority
- DeSoto County, Mississippi Regional Wastewater Infrastructure Program**

Dear Assistant Secretary James:

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This wastewater infrastructure has and will continue to address a vital environmental protection need for the residents and businesses in and around DeSoto County, Mississippi. Among other benefits, the proposed project will provide for improved water quality for sensitive ecosystems and provide an effective means of sustainable wastewater management for the area. Additionally, this effort is essential to the economic development and job growth of one of the fastest growing regions in the Mid-South.

Thank you for your consideration in this matter. Should you have any questions regarding this matter, please contact me at your convenience.

Sincerely,

A handwritten signature in black ink, appearing to read 'Jim Flanagan', with a long, sweeping underline.

Jim Flanagan
President/CEO



Map Document

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DCRUA Map 7001 Proposal 8.5x11.pdf

Additional Proposal Information

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Financial Capability Statement.pdf

SECTION 7001 PROPOSAL

Financial Capability Statement

The DeSoto County Regional Utility Authority and the U.S. Army Corps of Engineers has been partners on the DeSoto County Regional Wastewater Infrastructure Program since the 1990s. To date, DCRUA has expended roughly \$86 million through local and state partners in conjunction with \$89 million in federal funding, which includes \$75 million of appropriated funding through the Environmental Infrastructure Program, well above the required 75/25 cost share.

Additionally, based on DCRUA's audited financial statement for the year ending September 30, 2018, DCRUA's assets exceeded its liabilities at the close of the fiscal year by \$60,764,248. Of this amount, \$9,449,295 are unrestricted net position and may be used to meet the Authority's ongoing obligations. The majority of the assets is the investment in capital (e.g. land, buildings, plants, collection lines, and equipment) net of related debt used to acquire those assets. The audited net position increased by \$1,822,915 during FY 2018.

In addition to DCRUA's financial position, S&P Global has given DCRUA an 'A' rating consistent with its credibility and sound financial management through its customer base.

Moreover, DCRUA has executed agreements with member agencies to provide service at a rate structure system for the needed capital and operational costs that has been in place since the early 2000s.