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October 22, 2009

The Honorable W. Curtis Thomas, Majority Chairman House Intergovernmental Affairs Committee Commonwealth of Pennsylvania House of Representatives 302 Irvis Office Building PO Box 202181 Harrisburg, Pennsylvania 17120-2181

## Re: American Recovery and Reinvestment Act of 2009

Dear Chairman Thomas,

On behalf of the Borough Council and Mayor Denny Thomas, I would like to thank you for this opportunity to discuss the impact that the American Recovery and Reinvestment Act of 2009 has had on the Borough of Sayre.

The Borough is facing serious issues with its deteriorating infrastructure system that is more than 100 years old. Because of these infrastructure issues, the Borough cannot repair roads because it is not sensible to repave a road that may be dug up a few years later to replace the sewer line.

In 2007, the Borough developed a master plan that for the upgrade of its sanitary sewer system and that plan was divided into five (5) phases based on condition of the sewer lines and the estimated cost of the project was \$25 million, and \$9 million was considered to be for immediate needs. The Borough designed and completed the first phase identified in the master plan at a cost of \$3 million however the remaining \$22 million in work is too expensive to even have designed.

When the opportunity came to apply for ARRA funding, the Borough began planning for the project that would have included new sewer lines, sewer laterals, curbing, and sidewalk. The target area for this project was predominately low to moderate income, and the Borough submitted an application. The Borough earmarked 75% of its Community Block Grant funds for the project as a match however the application was denied because it was not shovel ready.

In order to get a project "shovel ready", a design must be completed and the necessary permit should be obtained from PA-DEP. The process to get a project "shovel" ready" is expensive and the risk is too great for the Borough to incur that cost without a guarantee that funding will be received.

The Borough recently completed an upgrade of an existing sanitary sewer pump station that serves approximately 35 properties. The cost of the project was just more than \$200,000, and the engineering cost was over \$90,000 because the same amount of work and document preparation for that type of facility goes into a project regardless of the size of the service area.

I feel if one change could be made to the ARRA program, it would be to allow municipalities to become "shovel ready' within one (1) year from the date of award. I know that if Sayre Borough could apply for funding to complete additional phases of infrastructure improvements and that the project(s) would need to "shovel ready" in one (1) year, the Borough would finance the cost of the engineering costs to do those project(s).

Again, on behalf of the Borough Council, Mayor Denny Thomas, and the residents and small business owners of Sayre Borough, I would like to thank you and the members of the House Intergovernmental Affairs Committee for this opportunity to discuss this issue and to make you aware of our concerns.

Sincerely,

David M. Jarrett

David M. Jarrett Borough Manager

Cc: Tina Pickett, State Representative, 110<sup>th</sup> Legislative District Gene Yaw, State Senator, 23<sup>rd</sup> Senatorial District