MINUTES

North Dakota State Water Commission
Bismarck, North Dakota
April 13, 2023

The ND State Water Commission (Commission or SWC) held a meeting in the Lewis and Clark Room, Bank of North Dakota,1200 Memorial Highway, Bismarck, ND, and via phone conference on April 13, 2023. Vice Chairman, Richard Johnson, called the meeting to order at 1:03 PM. A quorum was present.

STATE WATER COMMISSION MEMBERS PRESENT:
Governor Burgum, Chairman (arrived at 1:50 PM)
Doug Goehring, Commissioner, ND Dept. of Agriculture (left at 1:50 PM)
Michael Anderson, Lower Red River Basin
Richard Johnson, Vice-Chair, Devils Lake Basin
James Odermann, Little Missouri, Upper Heart, and Upper Cannonball River Basins
Connie Ova, James River Basin (online)
Gene Veeder, Upper Missouri River Basin
Jay Volk, Lower Missouri River Basin
April Walker, Upper Red River Basin

STATE WATER COMMISSION MEMBERS NOT PRESENT:
Jason Zimmerman, Mouse River Basin

OTHERS PRESENT:
Dr. Andrea Travnicek, Director, ND Dept. of Water Resources (DWR) and Commission Secretary
John Paczkowski, DWR State Engineer
DWR Staff
Jennifer Verleger, General Counsel, Attorney General's Office
Approximately 70 people present online and in person.

CONSIDERATION OF AGENDA

It was moved by Commissioner Walker, seconded by Commissioner Volk, and carried unanimously the agenda for the April 13, 2023, Commission meeting was approved as presented.

CONSIDERATION OF DRAFT MEETING MINUTES

It was moved by Commissioner Goehring, seconded by Commissioner Volk, and carried unanimously the minutes of the February 13, 2023, Commission and March 16, 2023, Pre-Commission meetings be approved as written.

COMMISSION SECRETARY UPDATE

Travnicek updated the Commission on legislative activities. She stated the staff is continuing to track DWR budget bill, SB 2020; the policy bill on Western Area Water Supply (WAWS), HB 2196; and the economic analysis bill, SB 2326.

FINANCIAL REPORT

The Glossary of Terms, allocated program expenditures, and financial reports were presented by Chris Kadrmas, DWR Administration Division Director (**APPENDIX A**).

The oil extraction tax deposits into the Resources Trust Fund (RTF) total $445,263,032 through April 2023, which is $163,197,472 over projected revenue. Funds available above projection will be transferred to the Water Project Stabilization Fund (WPSF). $151,784,727 was transferred through March 2023.

COST-SHARE POLICY & PRIOITIZATION GUIDANCE

Patrick Fridgen, DWR Planning and Education Division Director, provided the final draft layout of the Cost-Share Project Funding Policy, Procedures, and General Requirements along with the SWC Project Prioritization Guidance **(APPENDIX B)**. Fridgen stated the policy would become effective at the onset of the 2023-2025 budget cycle. The DWR budget bill, SB 2020, has an emergency clause included in Section 15, and 2023-2025 funding authorizations will become effective upon the passage and signing of SB 2020. For that reason, the exact effective date of the policies is unknown. However, if the emergency clause remains in SB 2020, the new policies will be effective prior to cost-share considerations at the June 2023 State Water Commission meeting.

Fridgen added the Funding for Infrastructure in North Dakota (FIND) funding opportunity for 2023 in North Dakota's WebGrants system is already in place, including necessary updates that reflect the new Water Commission Cost-Share Program policy requirements.

BASIC ASSET INVENTORIES & CAPITAL IMPROVEMENT PLANNING UPDATE

Duane Pool, DWR Economist, provided an update to the Commission on basic asset inventories and capital improvement planning that will provide consistency on the new requirements for SWC Cost-Share Program. Pool stated the Texas Commission on Environmental Quality's (TCEQ) Asset Management document will be used as a template for a North Dakota guidance document **(APPENDIX C).** TCEQ has been contacted and has approved North Dakota's use of their asset management document and its content as a foundation for a North Dakota asset management and capital improvement planning guidance document. The drafting of a North Dakota document is underway. Existing fillable electronic asset management and capital improvement planning workbooks are also being reviewed. Staff have been in contact with the entities who developed those models and will continue to have discussions with the workgroup on fillable model options. Pool added they are looking to hold workshops early to mid-summer, with implementation of the process in the December/January meeting timeframe.

MOBILIZATION, BONDING, & INSURANCE

Jeffrey Mattern, DWR Engineer Manager, discussed the mobilization, bonding, and insurance costs in the construction contracts for the State Water Commission (SWC) approved cost-share projects. Mattern stated these costs are part of the contractor's submitted bid package and mobilization would be considered eligible under construction contract costs per the current Cost-Share Program policy. Bonds are required from contractors for public improvement bids and the cost-share reimbursement agreement requires both the State and sponsor to secure insurance

to be in effect for the duration of the agreement. Mattern added contractors are allowed to determine these costs in a project bid. The range of costs can vary depending on the different types of projects and many factors such as type of equipment used, available workforce, materials, subcontractor costs, current projects in the area, or distances traveled to the worksite.

ETHICS GUIDANCE

Jennifer Verleger, General Counsel Assistant Attorney General, discussed with the Commission the conflicts of interest guidelines. Verleger stated Abby Ebach, DWR Policy Advisor, is drafting guidelines for the reporting of potential conflicts of interest that align with the Ethics Commission guidance presented to the SWC in November 2022. The goal is to have these guidelines for the SWC's review in June and for implementation in August.

SECRETARY APPROVALS

Travnicek presented options for the Commission to consider regarding an increase to the threshold for Secretary approvals. One of the authorities the Commission has granted the Secretary is the ability to approve cost-share for projects with relatively smaller total costs, or the discretion to approve cost increases at the same threshold. In the past, the Commission has set the threshold at various amounts, with the current amount being set at $75,000 as of February 2014. The $75,000 inflation-adjusted using the Consumer Price Index results in a comparative amount of $96,000 in 2023.

It was moved by Commissioner Goehring and seconded by Commissioner Odermann to increase the Secretary's cost-share approval authority up to $100,000 in consideration of inflationary adjustments.

Commissioners Anderson, Johnson, Odermann, Veeder, Volk, Walker, and Goehring voted aye. There were no nay votes. The motion carried.

ND DRINKING WATER STATE REVOLVING LOAN FUND – 2023 INTENDED USE PLAN

Shannon Fisher, ND Department of Environmental Quality, presented to the Commission the 2023 Intended Use Plan (IUP) for the North Dakota Drinking Water State Revolving Fund program, which contains the Comprehensive Project Priority List and Fundable List **(APPENDIX D)**. Fisher explained DEQ must administer and disburse DWSRF funds with the approval of the Water Commission and must establish assistance priorities and expend grant funds pursuant to the priority list for the DWSRF program. Water Commission approvals enables DEQ to apply to EPA for additional federal capitalization grant funds for DWSRF of $63,913,000 for FY2023 and to administer and disburse DWSRF funds pursuant to the 2023 project list and IUP. Fisher noted due to the passing and signing of HB 1089 during the 2023 Legislative session, it removes the requirement of the State Water Commission to approve the DWSRF IUP each year. Therefore, this will be the final time the Water Commission is asked to consider approval of DWSRF IUPs.

It was moved by Commissioner Goehring and seconded by Commissioner Walker the Commission approve the revised 2023 Intended Use Plan to enable the Department of Environmental Quality to administer the DWSRF in 2023.

Commissioners Anderson, Johnson, Odermann, Veeder, Volk, Walker, and Goehring voted aye. There were no nay votes. The motion carried.

SOUTHWEST PIPELINE PROJECT (SWPP)

Prioritization matrix for Strategic hydraulic improvement projects
Sindhuja S. Pillai-Grinolds, DWR Water Development Division Director, presented to the Commission the prioritization matrix for future strategic hydraulic improvements to the SWPP distribution system. The matrix includes six weighted criteria: waitlist density, number of waitlist users, average age of waitlist users, water service growth potential, age of service area, and developmental growth potential. Decisions regarding moving forward with preliminary design will be made by DWR staff and SWA staff based on the results from the prioritization matrix.

It was moved by Commissioner Goehring and seconded by Commissioner Anderson the Commission approve the use of the prioritization matrix including the criteria, weighting, and the proposed prioritization approach to select future strategic hydraulic improvement projects for developing preliminary design and to proceed for construction.

Commissioners Anderson, Johnson, Odermann, Veeder, Volk, Walker, and Goehring voted aye. There were no nay votes. The motion carried.

Request for Reimbursement from Replacement and Extraordinary Maintenance funds (REM)
Sindhuja presented a request for reimbursement from the Replacement and Extraordinary Maintenance funds for two items of work, the ozone generator system repairs at the Oliver Mercer North Dunn (OMND) water treatment plant and the Davis Buttes reservoir coating system rehabilitation project. The total amount requested is $494,505.83. The current balance in the Reserve Fund for Replacement and Extraordinary Maintenance is $24,767,333.02 as of January 31, 2023.

It was moved by Commissioner Walker and seconded by Commissioner Goehring the Commission approve the reimbursement from the Reserve Fund for Replacement and Extraordinary Maintenance (REM) in the amount of $494,505.83 for the repairs to the ozone generation system at the Oliver Mercer North Dunn water treatment plant and the Davis Buttes reservoir coating system rehabilitation.

Commissioners Anderson, Johnson, Odermann, Veeder, Volk, Walker, and Goehring voted aye. There were no nay votes. The motion carried.

CONSENT AGENDA

The Consent Agenda included the following cost-share projects with requested funding amounts for approval:

Flood Control

M1. Grand Forks: South End Interior Flood Protection Master Planning - $296,670
M2. Lower Heart WRD: Mandan Flood Control Design - $150,000
M3. Walhalla: Pembina River Bank Stabilization - $166,174

M4. Foster County WRD: Foster County Drain 1 Loan - $600,000

General Water

N1. Elm River Joint WRD: Elm River Dam 3 Improvements - $264,000

Water Supply (Municipal/Regional)

O1. Mandan: Memorial Highway Water Main - $348,600
O2. Berthold: Main Street 2022-1 - $644,000
O3. Valley City: Water Main Improvement District 103 - $813,000
O4. Valley City: Water Main Improvement District 104 - $993,000
O5. Wilton: 2023 Water Main Improvements - $944,800
O6. Elgin: 1st, 2nd, 3rd Avenue Water Main Improvement - $293,700

Commissioner Odermann questioned the difference in the cost-share amount for the Wilton project since the March pre-commission meeting. Mattern stated the project has been bid since the pre-commission meeting and the bid came in higher than the engineer's estimate. John Paczkowski, DWR State Engineer, added the costs are verified when the reimbursement is requested.

It was moved by Commissioner Goehring and seconded by Commissioner Walker the Commission approve the Consent Agenda items as presented.

Commissioners Anderson, Johnson, Odermann, Veeder, Volk, Walker, and Goehring voted aye. There were no nay votes. The motion carried.

STATE COST-SHARE REQUESTS

WATER SUPPLY (MUNICIPAL/REGIONAL)

Mattern presented the requests for municipal and regional water supply projects.

Underwood: Water Tower and Water Main Replacement - $145,200
(SWC Project No. 2050UND)

The City of Underwood is requesting preconstruction cost-share for the replacement of their early 1900s 65,000-gallon water tower with a 100,000-gallon water tower. The existing water tower is nearing the end of its useful life and will be removed after a new water tower is erected six blocks away in the southcentral part of Underwood. Also, the project includes improvement to high service pumps to increase the size from 350 to 550 gallons per minute and improves 2,200-feet of 1940s water main from the existing 4-inch and 8-inch asbestos cement and cast-iron water main to a 10-inch polyvinyl chloride pipe. Project finished water storage construction funding eligibility may be subject to the new cost-share policy regarding storage capacity beyond peak daily consumption. Underwood has an additional 400,000-gallon underground storage tank that was constructed in the early 1990s.

This project meets requirements of the Water Commission's cost-share policy for municipal water supply projects.

Tom Klabunde, Moore Engineering, gave the Commission an overview of the project. After discussion, the following motion was made:

It was moved by Commissioner Volk and seconded by Commissioner Walker the Commission approve the request from the City of Underwood for state

cost-share participation at 60 percent of eligible costs for the Water Tower and Water Main Replacement project with the cost-share not to exceed $145,200 with the consideration of pumping only option being brought into the life cycle cost analysis if construction funding is requested for a new water tower. This approval is contingent on available funding.

Commissioners Anderson, Johnson, Odermann, Veeder, Volk, Walker, and Governor Burgum voted aye. There were no nay votes. The motion carried.

Bismarck: 2023 Water Main Replacement WU140 - $2,591,500
(SWC Project No. 2050BIS)

The City of Bismarck is requesting construction cost-share for the replacement of twenty-eight blocks of 6-inch to 16-inch water main southeast from the downtown area. The area has been experiencing water main breaks and reduced capacity due to corrosion. This project is being done as a standalone project, and in lieu of open-cut trenching, trenchless pipe bursting will be performed. Visual inspection of the sewer lines will be performed to identify disruptions to the nearby sewer lines. Associated roadwork costs are solely for the sections of roadway that will be opened for access to split the existing water main and to insert the new water main.

This project meets requirements of the Water Commission's cost-share policy for municipal water supply projects.

Michelle Klose, Director of Utilities Operations, gave the Commission an overview of the project.

It was moved by Commissioner Walker and seconded by Commissioner Odermann the Commission approve the request from the City of Bismarck for state cost-share participation at 60 percent of eligible costs for the 2023 Water Main Replacement WU140 project, with the total amount not to exceed $2,591,500. This approval is contingent on available funding.

Commissioners Anderson, Johnson, Odermann, Veeder, Volk, Walker, and Governor Burgum voted aye. There were no nay votes. The motion carried.

Devils Lake: 2023 Water Main Replacement - $1,774,000
(SWC Project No. 2050DEV)

The City of Devils Lake is requesting cost-share for construction to improve approximately 23 blocks of existing cast-iron water main along 2nd Avenue NE, 3rd, 4th, 5th, and 6th Streets SE, and 6th, 7th, and 8th Avenues SE. The existing cast-iron water mains are at high risk of failure and were installed in the 1950s. This project is in advance of future roadway work and will use pipe-bursting. Visual inspection of the sewer lines will be performed to identify disruptions of the nearby sewer lines. Associated roadwork costs are for the sections of roadway opened for access to split the existing 6-inch water main, insert the new 8-inch water main, and for access to curb stops.

This project meets requirements of the Water Commission's cost-share policy for municipal water supply projects.

Mike Grafsgaard, City Engineer, gave the Commission an overview of the project. After discussion, the following motion was made:

> **It was moved by Commissioner Anderson and seconded by Commissioner Volk the Commission approve the request from the City of Devils Lake for state cost-share participation at 60 percent of eligible costs for the 2023 Water Main Replacement project for cost-share with the total amount not to exceed $1,774,000. This approval is contingent on available funding.**
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> **Commissioners Anderson, Johnson, Odermann, Veeder, Volk, Walker, and Governor Burgum voted aye. There were no nay votes. The motion carried.**

Grand Forks: Waterline Expansion Phase 1 - $1,165,000
(SWC Project No. 2050GRF)

The City of Grand Forks is requesting cost-share for construction costs to expand water service into a newly annexed area on the north side of the Grand Forks. This project is for the installation of 20,000-feet of 8-inch to 16-inch water main along North Washington Street and 27th Avenue North. The area is currently being served from Agassiz Water Users District and an agreement addresses Agassiz's existing service area infrastructure. This project would provide water service to 68 new users, including those in a planned subdivision north of 27th Avenue North. This project is Phase 1 with future phases planned north along North Washington Street.

This project meets requirements of the Water Commission's cost-share policy for municipal water supply projects.

Todd Feland, City Administrator, gave the Commission an overview of the project. After discussion, the following motion was made:

> **It was moved by Commissioner Johnson and seconded by Commissioner Anderson the Commission approve the request from the City of Grand Forks for state cost-share participation at 60 percent of eligible costs for the 2022 Water Line Expansion project for an additional $1,165,000, with the total amount not to exceed $1,309,000. This approval is contingent on available funding.**
>
> **Commissioners Anderson, Johnson, Odermann, Veeder, Volk, Walker, Ova, and Governor Burgum voted aye. There were no nay votes. The motion carried.**

Medina: Water Main Replacement Phase 2 - $1,145,300
(SWC Project No. 2050MED)

The City of Medina is requesting construction cost-share to replace approximately 6,000-feet of existing, 70-year-old deteriorating 6-inch and 4-inch cast-iron and asbestos cement water main with 6-inch PVC, along with valves and hydrants. This is a combined water line and sanitary sewer project with a total cost of $4,144,300. Medina is seeking cost-share for only the replacement of the water main portion. A US Army Corps of Engineers (USACE) Section 594 grant of $2,250,000 is available for engineering costs and for the sanitary sewer costs, which sewer costs are not eligible under Water Commission Policy.

This project meets requirements of the Water Commission's cost-share policy for municipal water supply projects.

Tom Klabunde, Moore Engineering, gave the Commission an overview of the project. After discussion, the following motion was made:

It was moved by Commissioner Volk and seconded by Commissioner Walker the Commission approve the request from the City of Medina for state cost-share participation at 60 percent of eligible costs for the Water Main Replacement Phase 2 project with cost-share not to exceed $1,145,300. This approval is contingent on available funding.

Commissioners Anderson, Johnson, Odermann, Veeder, Volk, Walker, Ova, and Governor Burgum voted aye. There were no nay votes. The motion carried.

WATER SUPPLY (RURAL)
Mattern presented the requests for the rural water supply projects.

Cass RWD: 2022 System Wide Distribution Improvements - $1,112,000 (SWC Project No. 2050CAS)
The Cass Rural Water District (Cass) submitted a cost-share request for the installation of three miles of 16-inch water main along 57th Street South, 64th Avenue South, and 86th Avenue South to create a south end connection to the City of Fargo to better supply the Cass's nearby users. Agricultural water usage increased over the past five years from 5 to 20 gallons per acre, creating system low pressures during times of peak usage. Cost-share has been approved for a booster pump station and an additional regional connection at the north end of Fargo, with that installation to be completed by Cass. Also received was cost-share for construction of 32 miles of parallel and looping water mains for the rural distribution portion of the project.

This project meets requirements of the Water Commission's cost-share policy for rural water supply projects.

Governor Burgum noted it was requested for state cost-share at 75 percent of eligible costs due to it being a rural water supply project, adding it appears to be in the growth path of Fargo and wants to make sure the Commission applies the cost-share policy on connection of rural uses in a city's extraterritorial area correctly. Governor Burgum stated it is connecting to an urban school and feels it should be a cost-share at 60 percent versus 75 percent.

Jerry Blomeke, Manager, gave an overview of the project to the Commission and was present to answer any questions. After discussion, the following motion was made:

It was moved by Commissioner Johnson and seconded by Commissioner Veeder the Commission approve the request from Cass Rural Water District for state cost-share participation at 60 percent of eligible costs for the 2022 System Distribution project with additional cost-share of $1,112,000 and the

total amount not to exceed $3,778,000. This approval is contingent on available funding.

Commissioners Anderson, Johnson, Odermann, Veeder, Volk, Walker, Ova, and Governor Burgum voted aye. There were no nay votes. The motion carried.

Rolette County: TMPUC Highway 43 Expansion Phase 4 - $3,794,000
(SWC Project No. 2050ROL)

Rolette County (County) is requesting cost-share on construction costs for the Turtle Mountain Public Utilities Commission (TMPUC) Highway 43 Corridor Expansion Phase 4 project to expand water service along and north of Highway 43 between Lake Upsilon and the City of St John to 60 new users and 174 potential users. This stand-alone water project will install 5.5 miles of 10-inch transmission water main and 11.8 miles of 6-inch to 2-inch distribution line along and north of Highway 43. This project will also loop the current system with connections at Lake Upsilon Drive and 45th Avenue North at St John to reduce stagnation time, lower disinfection byproducts, and improve water quality. This project is part of a larger expansion project for the Turtle Mountain area which includes $2,600,000 in previously approved cost-share for Phase 3 near Carpenter Lake to the west of the currently requested Phase 4 area.

This project meets requirements of the Water Commission's cost-share policy for rural water supply projects.

Kenny Azure, Turtle Mountain Public Utilities Commission, gave the Commission an overview of the project. After discussion, the following motion was made:

It was moved by Commissioner Johnson and seconded by Commissioner Walker the Commission approve the request from Rolette County for state cost-share participation at 75 percent of eligible costs for the TMPUC Highway 43 Corridor Expansion project for an additional $3,794,000 in cost-share, with the total amount not to exceed $6,394,000. This approval is contingent on available funding.

Commissioners Anderson, Johnson, Odermann, Veeder, Volk, Walker, and Governor Burgum voted aye. There were no nay votes. The motion carried.

East Central RWD: Phase 4 Reservoir 11 to 1 Pipeline - $900,000
(SWC Project No. 2050EAS)

The East Central Regional Water District is requesting additional cost-share for a change in scope to the Phase 4 Expansion project. The proposed change in scope is to upsize the pipeline between Reservoir 11 and Reservoir 1 from 5-inch to 12-inch to provide increased flow to the area south of Reservoir 1, which also provides water to both a school and large industrial user. The existing line installed in the 1970s is aged and unable to accommodate additional pressure to meet the current demand.

Previous cost-share approval for the expansion project included the addition of 32 miles of 16-inch to 2-inch pipeline to connect to their Traill branch to increase the capacity to the eastern reaches of the system, the addition of 20 users in Traill and Grand Forks

Counties, and upsizing of the pipelines at the water treatment plant southeast of Larimore to increase the intake capacity and the capacity to the Northwood and Hatton areas. A remaining cost-share balance of $210,000 on this expansion project is anticipated and requested to use it towards the additional pipeline, along with $900,000 in additional cost-share funding. The pipeline will be added to an existing contract.

This project meets requirements of the Water Commission's cost-share policy for rural water supply projects.

Neil Breidenbach, Manager, gave the Commission an overview of the project. After discussion, the following motion was made:

It was moved by Commissioner Veeder and seconded by Commissioner Johnson the Commission approve the request from East Central Regional Water District for state cost-share participation at 75 percent of eligible costs for the 2019 Expansion Phase 4 project for an additional $900,000, with the total amount not to exceed $4,986,000. This approval is contingent on available funding.

Commissioners Johnson, Odermann, Veeder, Volk, Walker, and Governor Burgum voted aye. There were no nay votes. The motion carried.

FEDERAL MUNICIPAL, RURAL, & INDUSTRIAL (MR&I) WATER SUPPLY PROGRAM FUNDING—NAWS and ENDAWS

Mattern discussed the FY2023 Federal MR&I Program funding request with the Commission, to allocate $12,700,000 to the Northwest Area Water Supply (NAWS) Project, $1,500,000 at 75 percent to the continuing pipeline design on the Eastern North Dakota Alternative Water Supply Project (ENDAWS), and $328,625 for state MR&I program administration for a total of $14,528,625. Mattern added the new federal funding has additional construction bidding requirements and since the existing Phase I construction contracts have not received a waiver to use the new funding, a reallocation is requested of FY2021 and FY2022 funds to increase FY2022 available funding for Phase I.

This request was approved by the Garrison Diversion Conservancy District at their meeting on April 11, 2023.

After discussion, the following motion was made:

It was moved by Commissioner Anderson and seconded by Commissioner Johnson the Commission approve the allocation of FY2023 Federal MR&I funding of $14,528,625, the reallocation of FY2022 funding of $2,400,000, with $1,720,000 from ENDAWS and $680,000 from state administration to NAWS. Also, approve the reallocation of NAWS FY2021 funding of $2,018,173, with $1,720,000 to ENDAWS and $298,173 to state administration. This approval is contingent on available funding, that the project follows Federal MR&I Program requirements, and delegates to the Secretary the ability to move funds between project elements to facilitate efficient project completion.

Commissioners Anderson, Johnson, Odermann, Veeder, Volk, Walker, Ova, and Governor Burgum voted aye. There were no nay votes. The motion carried.

FOUR YEAR PROGRESS REPORTS

Julie Prescott, DWR Cost-Share Program Manager, reported to the Commission the following four project sponsors have opted to give progress reports and have requested a one-year extension:

Lisbon Floodway Property Acquisitions
The cost-share for the project was originally granted by the Commission in 2012, with cost-share totaling $1,644,537 provided through numerous subsequent approvals through June 19, 2019. The remaining balance is $20,759. The City of Lisbon requests a one-year continuation of their cost-share approval and retention of the balance in order to acquire one additional property.

Fordville Dam Rehabilitation Plan
The cost-share for the project was approved on June 19, 2019, in the amount of $122,595. The remaining balance is $14,865. The Walsh County Water Resource District requests a one-year continuation of their cost-share approval and retention of the balance to finalize the preferred alternative, perform public outreach, and to complete an economic analysis document required for federal funding.

Larimore Dam Rehabilitation Plan
The cost-share for the project was approved on June 19, 2019, in the amount of $91,800. The remaining balance is $17,308. The Grand Forks County Water Resource District requests a continuation of their cost-share approval and retention of the balance to finalize the preferred alternative, perform public outreach, and to complete an economic analysis document required for federal funding.

Senator Young Dam Rehabilitation Plan
The cost-share for the project was approved on June 19, 2019, in the amount of $129,210. The remaining balance is $22,416. The Pembina County Water Resource District requests a continuation of their cost-share approval and retention of the balance to finalize the preferred alternative, perform public outreach, and to complete an economic analysis document required for federal funding.

It was moved by Commissioner Veeder and seconded by Commissioner Anderson the Commission approve the continuation of the approvals for these projects for one-year based on the project sponsors making progress towards completion of their projects in 2023-2024.

Commissioners Anderson, Johnson, Odermann, Veeder, Volk, Walker, Ova, and Governor Burgum voted aye. There were no nay votes. The motion carried.

PROJECT UPDATES

DWR staff provided brief updates on the following projects:

- Steve Best, DWR Planner, Drought Disaster Livestock Water Supply Program.
- Chris Korkowski, DWR Investigations Chief: Devils Lake Outlet, Missouri River, and Mouse River.
- Tim Freije, NAWS Project Manager, NAWS.
- Sindhuja S. Pillai-Grinolds, DWR Water Development Division Director, SWPP.

LEGAL UPDATE

Jennifer Verleger, General Counsel, Attorney General's Office, provided a brief update on current legal matters involving the SWC and DWR.

The board recessed at 4:19 PM.
The board reconvened at 4:24 PM with all members present.

EXECUTIVE SESSION UNDER AUTHORITY OF NDCC § 44-04-19.1(9) FOR ATTORNEY CLIENT CONSULTATION REGARDING SWPP - INTAKE, CONTRACT 1-2A

It was the recommendation of Governor Burgum that the discussion relating to the SWPP/Fowler Intake to be held in Executive Session, under the provisions of NDCC § 44-04-19.1(9), for the purpose of attorney consultation. The Commission invited the following to participate in the Executive Session:

STATE WATER COMMISSION MEMBERS PRESENT:
Governor Burgum, Chairman
Michael Anderson, Lower Red River Basin
Richard Johnson, Devils Lake Basin
James Odermann, Little Missouri, Upper Heart, and Upper Cannonball River Basins
Connie Ova, James River Basin (via phone)
Gene Veeder, Upper Missouri River Basin
Jay Volk, Lower Missouri River Basin
April Walker, Upper Red River Basin

OTHERS PRESENT:
Andrea Travnicek, Ph.D., DWR Director
John Paczkowski, DWR State Engineer
Jennifer Verleger, General Counsel, Attorney General's Office
Sindhuja S.Pillai-Grinolds, DWR Water Development Division Director
Tim Freije, NAWS Project Manager
Chris Kadrmas, DWR Administrative Services Director
Shana Brost, DWR Executive Assistant
Kelli Schroeder, DWR ARB Program Manager
Ben Gehrig, DWR Data & Technology Services
Abby Ebach, DWR Policy Advisor
Ryan Norrell, General Counsel, Governor's Office
John Reiten, Policy Advisor, Governor's Office

It was moved by Commissioner Johnson and seconded by Commissioner Anderson that under the provision of NDCC § 44-04-19.1(9), the Commission proceed into Executive Session on April 13, 2023, at 4:24 PM for the purpose of attorney consultation relating to the Southwest Pipeline Project/Fowler Intake-Contract 1-2A.

Commissioners Anderson, Johnson, Odermann, Ova, Veeder, Volk, Walker, and Governor Burgum voted aye. There were no nay votes. The motion carried.

Following attorney consultation regarding the Southwest Pipeline Project/Fowler Intake, Contract 1-2A, Governor Burgum reconvened the open session of the Commission meeting at 4:54 PM.

It was moved by Commissioner Walker and seconded by Commissioner Anderson the Commission approve $470,000 in additional funds be allocated and approved from the SWPP's professional services account for mediation expenses.

Commissioners Anderson, Johnson, Odermann, Ova, Veeder, Volk, Walker, and Governor Burgum voted aye. There were no nay votes. The motion carried.

There being no further business to come before the Commission, Governor Burgum adjourned the April 13, 2023 meeting at 4:57 PM.

Doug Burgum, Governor Chairman,
State Water Commission

Andrea Travnicek, Ph.D.
Director, DWR, and Secretary to the State Water Commission

NORTH Dakota | Water Resources
Be Legendary.

Glossary of Terms

Allocated-To apportion for a specific purpose. To set apart or earmark.

Anticipated Construction Request-Potential construction requests for prior approved and current projects.

Appropriation-Specifies the amount of funds to be used for a particular purpose during a period of time, normally one biennium.

Original-Legislative authorization to expend.
Current-Requesting authorization to allocate funds.
Unobligated- Funding available to be obligated to a project.

Appropriation Authority-Legislative authority in an Appropriation Act for an agency to expend funds.

Appropriation Bill-A bill which appropriations are given legal effect.

Approved-Funds approved and allocated by the State Water Commission.

Beginning Balance-Resource Trust Fund cash balance that carries over from the previous biennium. This information is provided by Legislative Council and includes carryover and funds not approved or allocate by the State Water Commission.

Carryover Funds-Approved funds unpaid during the current biennium which are transferred to the appropriation for the following biennium.

Carryover Projects-Projects approved but not finished by the end of the current biennium. The time is limited to 2 years after the end of the current biennium, 6/30/21, unless approved by the State Water Commission to continue past that date.

Cash-Resource Trust Fund money received and not allocated to a specific appropriation purpose.

Cost Increase-Funding needed above original cost estimate.

De-Obligation-Funds released from project allocation made from the current biennium appropriation.

Expenditure-Payment or funds spent.

Obligation-Funds allocated from current biennium appropriation to pay based on a contract.

Unexpended-Not yet spent or paid.

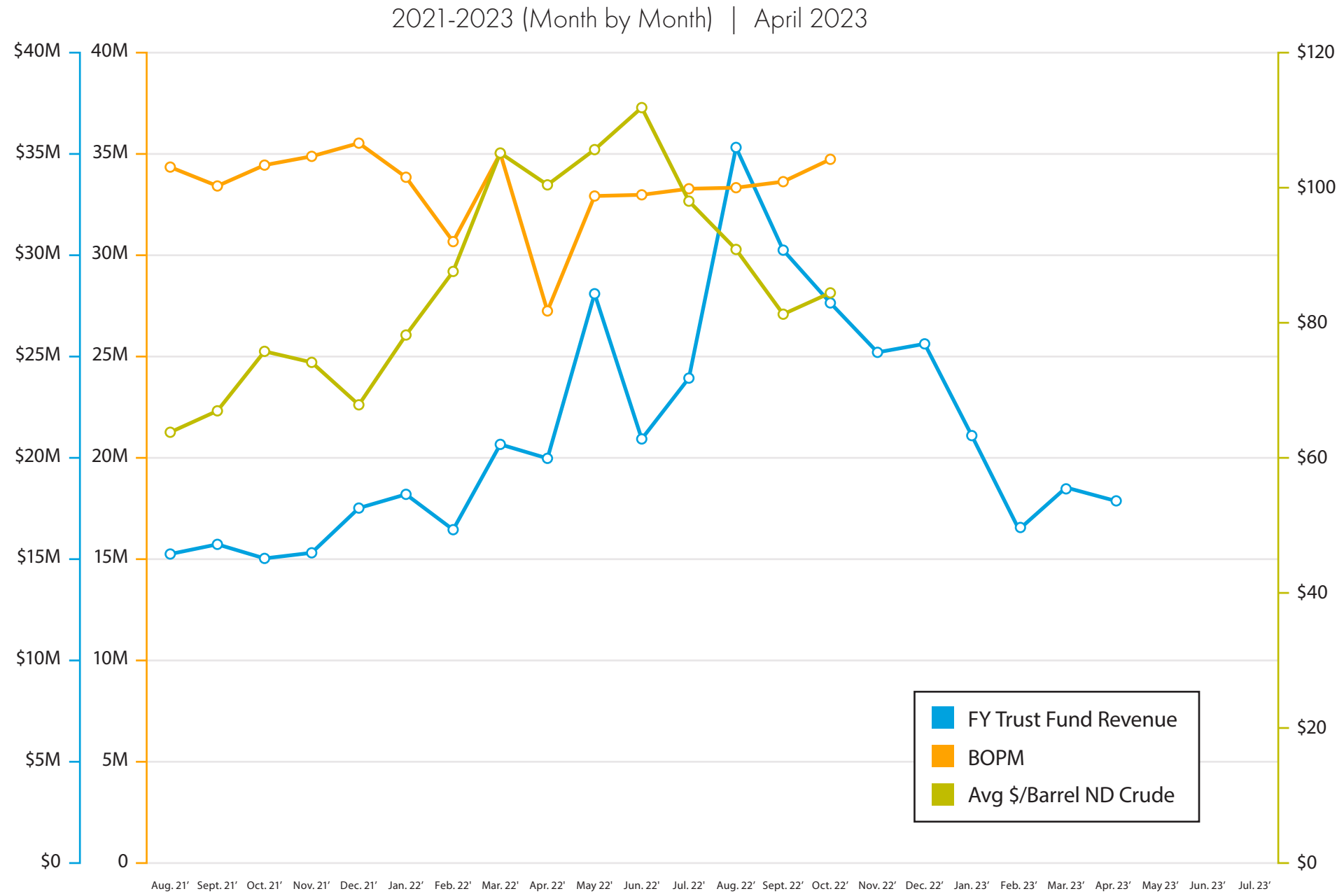
Turnback-Carryover funds released from prior biennium from a project allocation.

Unobligated Carryover-Previous biennium funding, not associated with a project released to the Resource Trust Fund.

Unpaid Approval-A commitment to an expense at a future date.

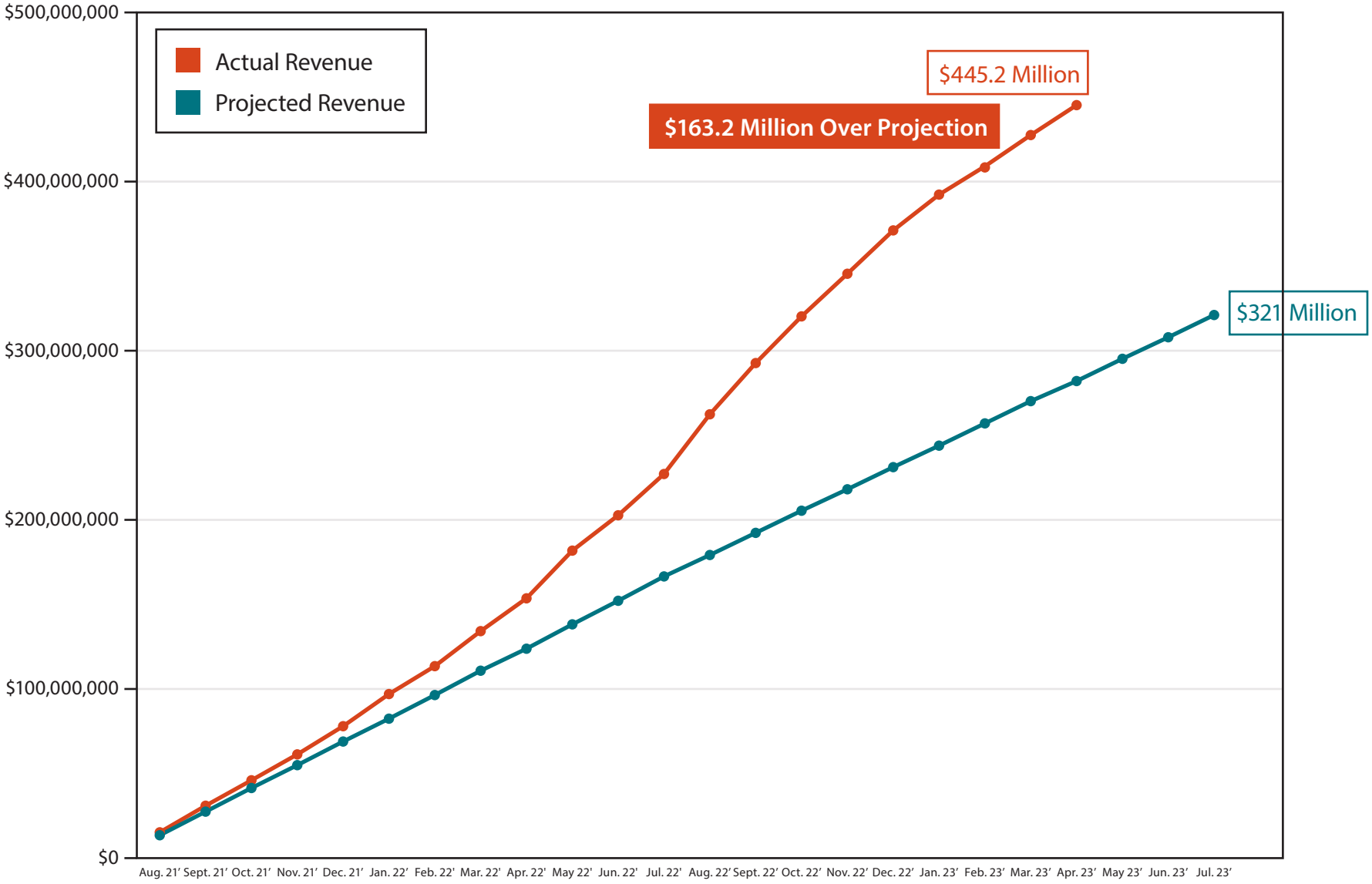
Water Infrastructure Revolving Loan Fund (WIRLF) Eligibility-Approval by the State Water Commission of the eligibility of projects to apply for a Water Infrastructure Revolving Loan in compliance with cost share and statutory authority. Final loan approval is by the Bank of North Dakota.

RESOURCES TRUST FUND REVENUE



RESOURCES TRUST FUND REVENUE

2021-2023 (Cumulative) | April 2023



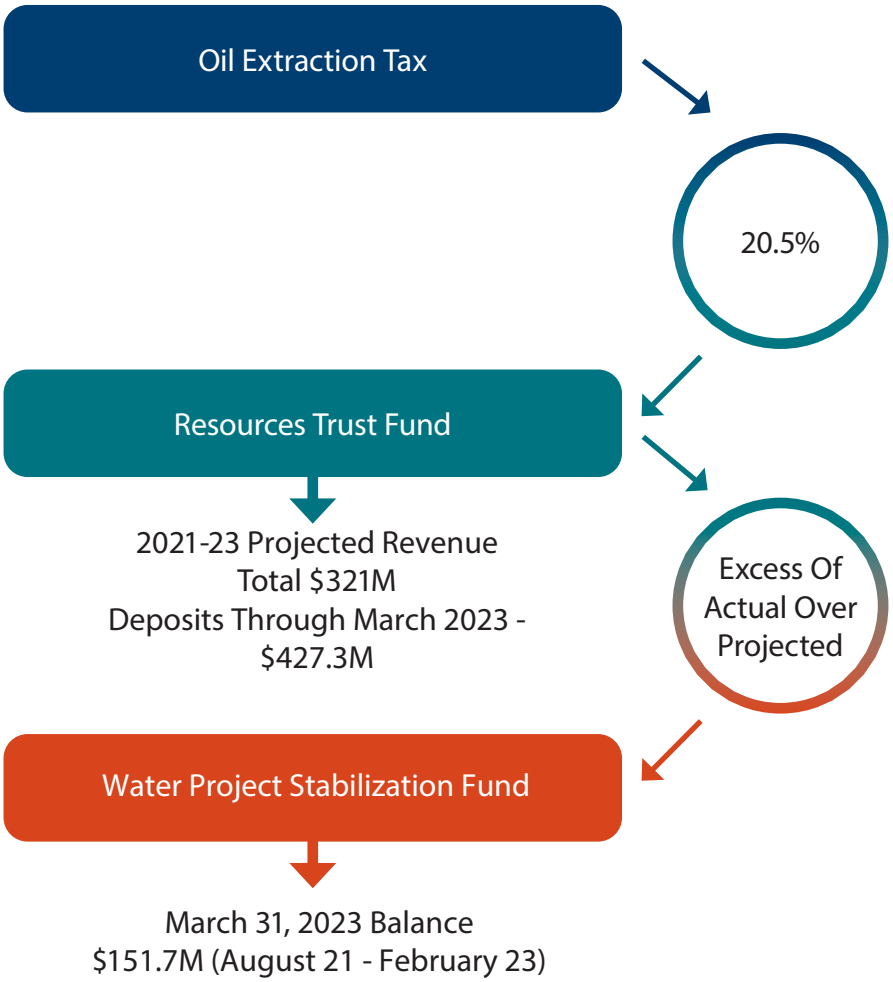
NORTH DAKOTA DEPARTMENT OF WATER RESOURCES
OIL EXTRACTION REVENUE
FOR THE 2021 - 2023 BIENNIUM

MONTH / YEAR	PROJECTED[1] REVENUE	**ACTUAL[1] REVENUE**	TRANSFERS TO[2] WATER PROJECTS STABILIZATION FUND
AUGUST, 2021	13,515,385	**15,253,686**	1,801,349
SEPTEMBER, 2021	13,965,897	**15,731,071**	1,829,196
OCTOBER, 2021	13,965,897	**15,037,222**	1,110,181
NOVEMBER, 2021	13,515,385	**15,313,493**	1,863,324
DECEMBER, 2021	13,965,897	**17,521,266**	3,684,320
JANUARY, 2022	13,515,385	**18,199,333**	4,836,458
FEBRUARY, 2022	13,965,897	**16,454,479**	2,064,733
MARCH, 2022	14,397,263	**20,665,252**	6,296,666
APRIL, 2022	13,006,515	**19,975,435**	7,003,940
MAY, 2022	14,400,070	**28,099,982**	13,768,756
JUNE, 2022	13,935,552	**20,932,464**	7,032,072
JULY, 2022	14,400,070	**23,935,091**	9,582,936
AUGUST, 2022	12,668,683	**35,321,250**	22,632,530
SEPTEMBER, 2022	13,090,973	**30,252,021**	17,095,264
OCTOBER, 2022	13,090,973	**27,646,687**	14,489,930
NOVEMBER, 2022	12,668,683	**25,208,112**	12,475,767
DECEMBER, 2022	13,090,973	**25,626,575**	12,469,810
JANUARY, 2023	12,709,026	**21,098,288**	8,365,943
FEBRUARY, 2023	13,156,757	**16,538,309**	3,381,552
MARCH, 2023	13,156,757	**18,553,016**	
APRIL, 2023	11,883,522	**17,900,000**	
MAY, 2023	13,156,757		
JUNE, 2023	12,732,345		
JULY 2023-JUNE REVENUE	13,156,757		
TOTALS	321,111,419	**445,263,032**	151,784,727
Excess revenue not transferred		11,412,737	

[1] Projected revenue and actual revenue exclude transfers to the renewable energy development fund and the energy conservation grant fund

[2] Transfers to the water project stabilization fund are calculated before transfers to the renewable energy development fund and energy conservation grant fund occur

RESOURCES TRUST FUND REVENUE

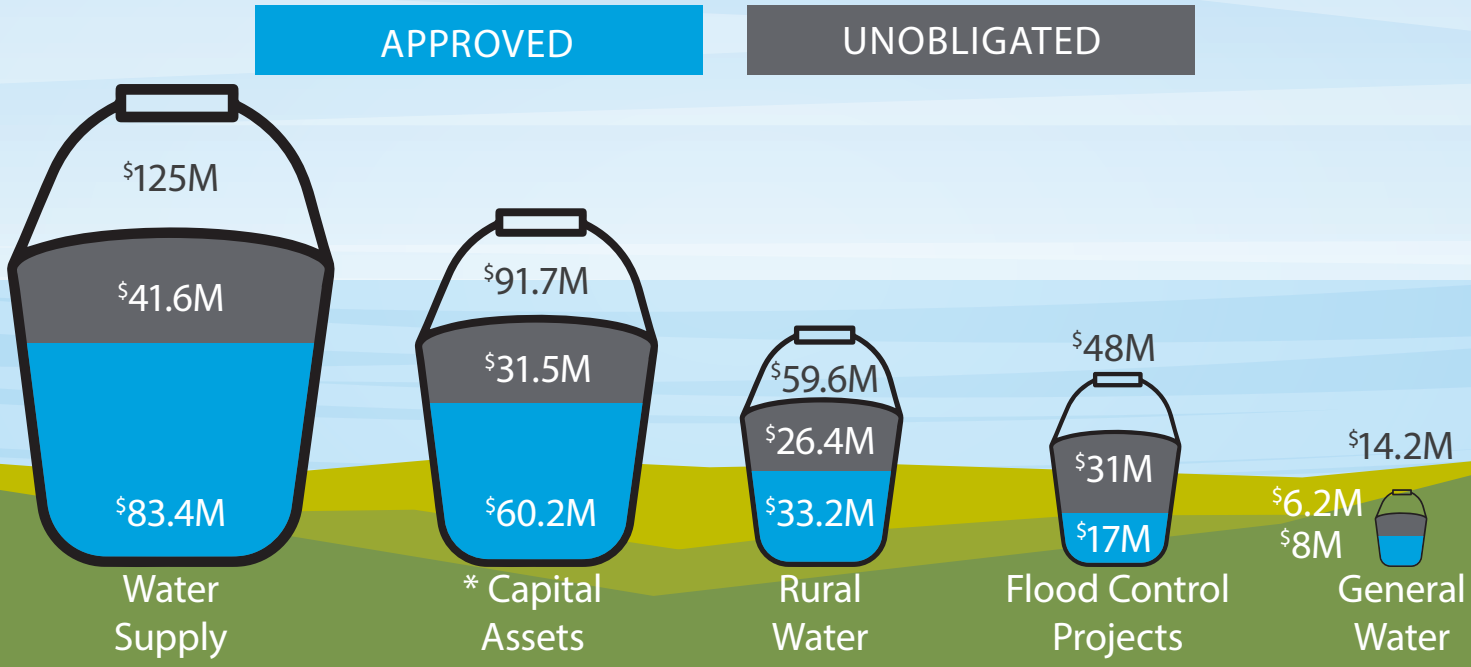


*Authorized in Sections 5-7 of Senate Bill 2345 during the November special session.

*Budget Section approval is needed to transfer from the Water Projects Stabilization Fund to the Resources Trust Fund.

2021-23 PURPOSE FUNDING

February 28, 2023



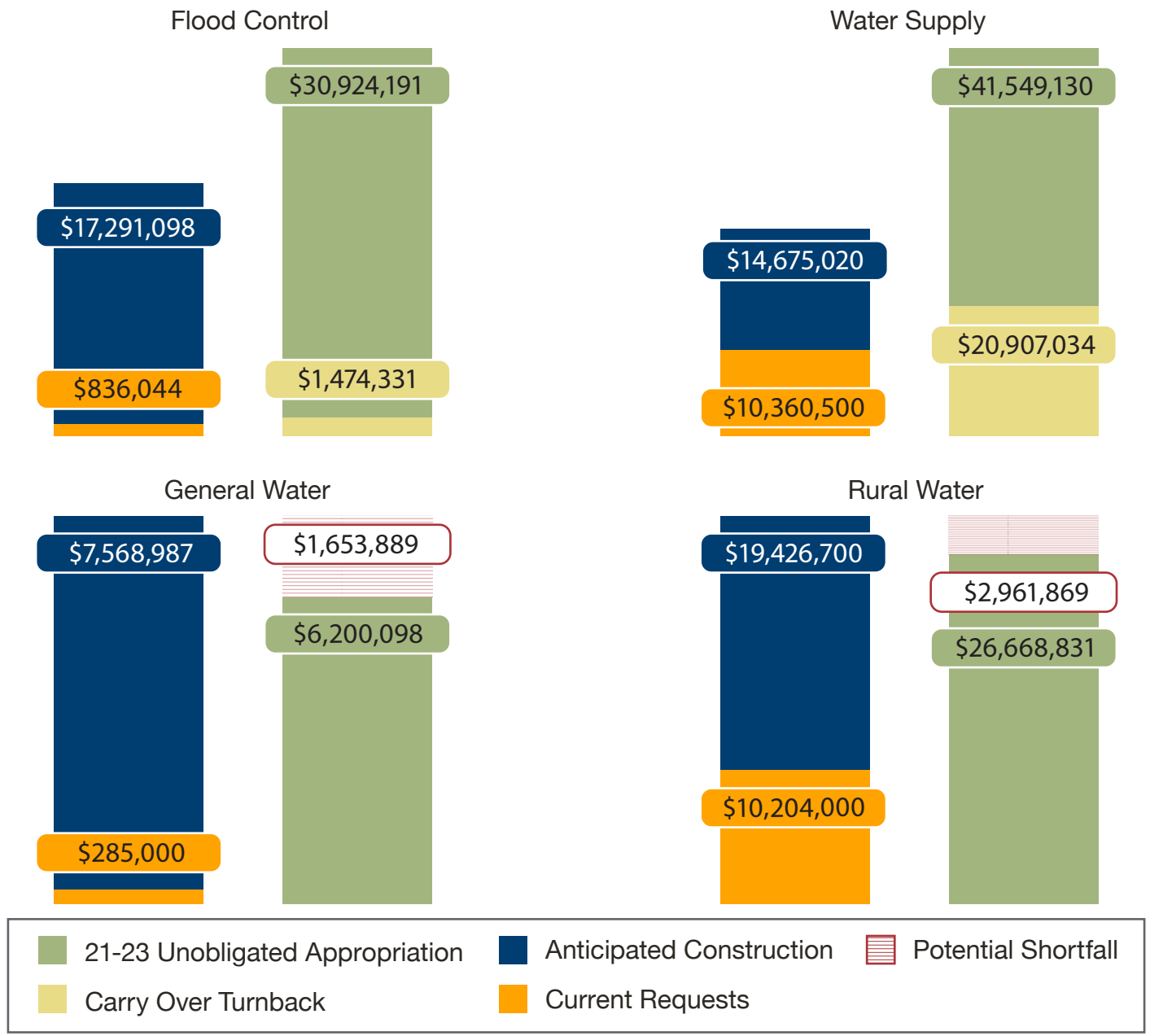
*Capital Assets bucket includes $45.6M line of credit.

Federal Funds-State Fiscal Recovery Funds - SB 2345

Spent

2021-2023 PURPOSE FUNDING

Project Funds | February 2023



PURPOSE FUNDING SUMMARY
State Water Commission Cost-Share
for April 13, 2023
March 22, 2023

			2021-2023 Unobligated Appropriation 01-31-23	Carryover Turnback 01-31-23
		Flood Control		
		Unobligated Appropriation	$ 30,924,190	$ 1,474,331
			Cost-Share	
Preconstruction	1	Grand Forks: South End Interior Flood Protection Master Planning		$ 296,670
Construction	2	Lower Heart WRD: Mandan Flood Control Design		$ 150,000
	3	McLean County WRD: Painted Woods Lake Flood Protection Phase 2		$ 223,200
	4	Walhalla: Pembina River Bank Stabilization		$ 166,174
	5	Foster County WRD: Foster County Drain 1 – Loan		$ -
		Current Requests	$ -	$ 836,044
		Anticipated Requests	$ 17,291,098	
		Anticipated Unobligated Appropriation =	$ 13,633,092	$ 638,287

		General Water		
		Unobligated Appropriation	$ 6,200,098	$ 0
			Cost-Share	
	1	Elm River Joint WRD: Elm River Dam 3 Improvements	$ 285,000	
	2			
	3			
		Current Requests	$ 285,000	$ -
		Anticipated Requests	$ 7,568,987	
		Anticipated Unobligated Appropriation =	$ (1,653,889)	$ 0

		Water Supply		
		Unobligated Appropriation	$ 41,549,130	$ 20,907,034
			Cost-Share	
Preconstruction	1	Underwood: Water Tower and Water Main Replacement (Anticipated Construction $1,963,700 23-25)		$ 145,200
Preconstruction	2	Mandan: Memorial Highway Water Main (Anticipated Construction $5,214,000 23-25)		$ 348,600
Construction	3	Berthold: Main Street 2022-1		$ 644,000
Construction	4	Bismarck: 2023 Water Main Replacement WU140		$ 2,301,300
Construction	5	Devils Lake: 2023 Water Main Replacement		$ 1,774,000
Construction	6	Grand Forks: Waterline Expansion		$ 1,165,000
Construction	7	Medina: Water Main Replacement Phase 2		$ 1,055,700
Construction	8	Valley City: Water Main Improvement District 103		$ 813,000
Construction	9	Valley City: Water Main Improvement District 104		$ 993,000
Construction	10	Wilton: 2023 Water Main Improvements		$ 827,000
Cost Increase	11	Elgin: 1st, 2nd, 3rd Avenue Water Main Improvement		$ 293,700
		Current Requests	$ -	$ 10,360,500
		Anticipated Requests	14,675,020	
		Anticipated Unobligated Appropriation =	$ 26,874,110	$ 10,546,534

		Rural Water		
		Unobligated Appropriation	$ 26,668,831	$ -
			Cost-Share	
Construction	1	Cass Rural Water Users District: 2022 System Distribution Improvements	$ 2,485,000	
Construction	2	Stutsman RWD: Well 6609 Expansion	$ 2,953,000	
Construction	3	Rolette County: TMPUC Highway 43 Expansion Phase 4	$ 3,866,000	
Other	4	East Central RWD: Phase 4 Reservoir 11 to 1 Pipeline (Request $1,110,000 with $210,000 from approved balance.)	$ 900,000	
		Current Requests	$ 10,204,000	$ -
		Anticipated Requests	19,429,700	
		Anticipated Unobligated Appropriation =	$ (2,964,869)	$ -

PURPOSE FUNDING SUMMARY
State Water Commission Cost-Share
for April 13, 2023
March 22, 2023

		2021-2023 Unobligated Appropriation 01-31-23	Carryover Turnback 01-31-23
Discretionary	Unobligated Appropriation	$ 3,569,441	$ -
		Cost-Share	
1			
	Current Requests	$ -	$ -
	Anticipated Requests	$ -	
	Anticipated Unobligated Appropriation =	$ 3,569,441	$ -
Capital Assets	Unobligated Appropriation	$ 31,485,921	$ -
SWPP		**Cost-Share**	
1			
	Current Requests	$ -	
	Anticipated Requests	-	
NAWS			
1			
2			
	Current Requests	$ -	
	Anticipated Requests	-	
	Capital Assets Current Requests	**$ -**	
	Anticipated Capital Assets Requests	$ -	
	Less line of credit	$ 15,600,000	
	Anticipated Unobligated Appropriation Capital Assets =	$ 15,885,921	
State Fiscal Recovery Funds (SFRF)	Unobligated Appropriation	$ -	$ -
1			
	Current Requests	$ -	$ -
	Payments	$ 75,000,000	
	Anticipated Requests	$ -	
	Anticipated Unobligated Appropriation =	$ -	$ -
	2021-2023 Unobligated Appropriation for Purpose and Capital Assets	$ 140,397,612	$ 22,381,364
	Current Requests	$ 10,489,000	
	Anticipated Requests	$ 58,964,805	
	2021-2023 Anticipated Unobligated Appropriation =	$ 70,943,807	

ANTICIPATED
State Water Commission Cost-Share Requests
February 13, 2023

Flood Control

		Anticipated Cost-Share	Approved Pre-Construction Cost-Share
1	Steele County WRD: Golden Lake Complex Improvement	$ 198,000	$ 60,000
2	Maple River WRD: Cass County Drain 37 Improvement	$ 583,033	$ 12,375
3	Maple River WRD: Cornell Township Drainage Improvement District 80	$ 380,000	$ 31,500
4	Lower Heart WRD: Mandan/Lower Heart River Flood Risk Reduction	$ 3,900,000	$ 1,200,000
5	Cass County Hwy Dept.: Normanna Twp Bank Stabilization	$ 1,139,654	$ 25,000
6	Pembina County WRD: Drain 16 Expansion	$ 1,125,000	$ 112,590
7	Maple River WRD: Drain 34 Improvements	$ 997,457	$ 82,800
8	Neche: Neche Flood Protection System	$ 3,478,786	$ 355,106
9	Richland-Sargent Joint WRD: Drain No. 1 Improvement Phase 3	$ 720,000	$ 75,600
10	Foster County WRD: Drain 1	$ 405,000	$ 54,000
11	McLean Couty WRD: Painted Woods Lake flood Protection Phase 2	$ 1,752,000	
12	City of Grand Forks: South End Interior Flood Protection	$ 1,500,000	
13	Burleigh County WRD: Sibley Island Flood Control	$ 1,112,168	$ 96,420
	Total	$ 17,291,098	$ 2,105,391

General Water

		Anticipated Cost-Share	Approved Pre-Construction Cost-Share
1	Barnes County WRD: Valley City Little Dam Repurposing Project	$ 756,683	$ 102,000
2	Burleigh Co. WRD: McDowell Dam Supplemental Water Supply	$ 587,304	$ 45,177
3	Ward County WRD: Ward County Low Head Dams	$ 4,500,000	$ 588,750
4	Minot: Little Roosevelt Low Head Dam Remediation	$ 300,000	$ 168,750
5	Tioga: Tioga Dam Safety Improvements	$ 1,200,000	$ 115,800
6	Ransom County WRD: Fort Ransom Dam Rehabilitation	$ 225,000	$ 37,500
	Total	$ 7,568,987	$ 1,057,977

Water Supply

		Anticipated Cost-Share	Approved Pre-Construction Cost-Share
1	Killdeer: HWBL Water Expansion	$ 635,000	$ 75,000
2	Portland: 2021 Water System Improvement	$ 484,770	$ 97,350
3	Riverdale: Raw Water Supply & Gate Valve Improvements	$ 2,493,200	$ 225,000
4	Wahpeton: Well Field and Transmission Main	$ 3,496,000	$ 223,400
5	Williston: 1st Ave W Watermain (Hold Construction)	$ 385,000	
6	Fargo: Regional Water System Distribution Extensions	$ 3,644,000	$ 172,000
7	Grand Forks: Agribusiness Park Raw Water Supply (Anticipated Const $8,000,000 - 23-25)	$ -	$ 1,200,000
8	Grand Forks: 2022 Waterline Expansion (Anticipated Const $1,165,000)	$ -	$ 144,000
9	Bismarck: Water Treatment Plant Expansion (Anticipated Const $35,000,000 - 23-25)	$ -	$ 2,794,000
10	Crosby: Hendrickson Holmes Improvements	$ 1,871,000	$ 78,000
11	Western Area Water Supply: R&T Battleview McGregor Rural Phase 1 (Anticipated Const $?? - 23-25)	$ -	$ 318,750
12	Wilton: 2023 Street Improvements (Pre-const $42,000-Sect) (Anticipated Const $827,000)	$ -	$ 42,000
13	Western Area Water Supply: NWRWD East Williston CR9 Rural Distribution (Anticipated Const $5,946,400 23-25)	$ -	
14	Washburn: Raw Water Intake	$ 1,042,050	
15	Rhame: Water System Improvements 2023	$ 624,000	$ 77,000
16	GDCD: Red River Valley Water Supply - Contract 7 (Anticipated Const $58,500,000 23-25)		$ 337,500
17	Underwood: Water Tower and Water Main Replacement (Anticipated Construction $1,963,700 23-25)		
18	Mandan: Memorial Highway Water Main (Anticipated Construction $5,214,000 23-25)		
	Total	$ 14,675,020	$ 5,784,000

Rural Water

		Anticipated Cost-Share	Approved Pre-Construction Cost-Share
1	Agassiz Water Users District: User Expansion Phase 2	$ 3,980,000	$ 266,000
2	Cass Rural Water Users District: 2022 System Distribution Improvements (Anticipated Const $2,485,000)	$ -	$ 447,500
3	Upper Souris Water District: 2021/2022 Improvements and Expansion	$ 2,840,000	$ 245,000
4	Greater Ramsey WD: North System Capacity Improvements	$ 3,220,000	$ 590,000
5	Missouri West: South Mandan Expansion	$ 1,437,800	$ 81,000
6	East Central RWD: Service to Galesburg	$ 1,214,000	$ 120,000
7	South Central RWD: Hawktree Tank	$ 1,591,000	$ 120,000
8	Stutsman RWD: Well Field Expansion (Anticipated Const $2,953,000)	$ -	$ 250,000
9	All Seasons RWD: Rolla Area Booster	$ 651,000	$ 26,000
10	McLean Sheridan RWD: WTP Expansion	$ 4,495,900	$ 385,500
	Total	$ 19,429,700	$ 2,531,000

ANTICIPATED
State Water Commission Cost-Share Requests
February 13, 2023

		Anticipated	Approved Pre-Construction
Discretionary		**Cost-Share**	
1		$ -	
2			
3			
	Total	$ -	$ -

	Capital Assets (SWPP)	**Cost-Share**	
1			
2			
3			
	Total	$ -	

	Capital Assets (NAWS)	**Cost-Share**	
1	Snake Creek Intake Modifications Contract 6-1A (Installation) Bidding February 2023	$ -	
2	Rugby: 2021 Raw Water Pipeline Replacement (Anticipated Request Pre-Const $325,000/Const $4,658,700, NAWS)		
3			
	Total	$ -	

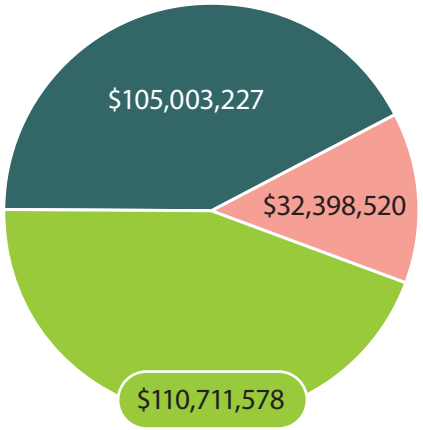
	State Fiscal Recovery Funds (SFRF)	**Cost-Share**	
1			
2			$ -
3			
	Total	$ -	$ -

Anticipated Requests Total $ 58,964,805

2021-2023 BIENNIUM TO DATE

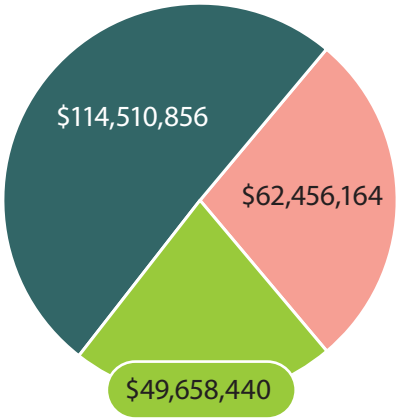
Project Funds | February 2023

Flood Control



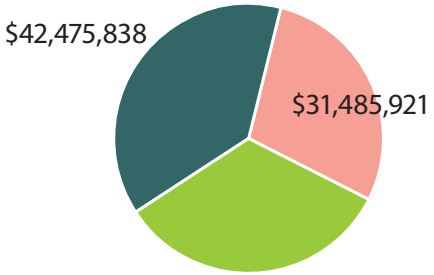
$248,113,325

Water Supply



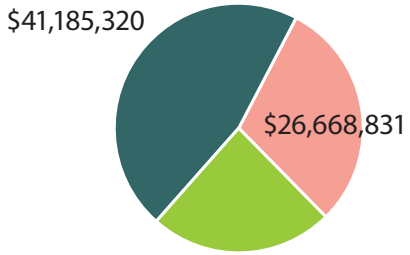
$226,625,460

Capital Assets



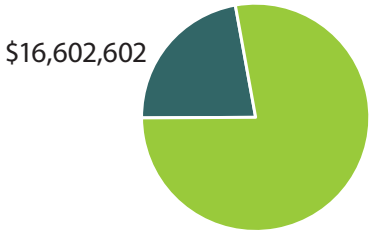
$111,094,679

Rural Water



$89,266,086

State Fiscal Recovery Fund



$75,000,000

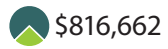
General Water

$23,169,113

Discretionary

$6,000,000

Basin Wide Plan



$1,100,000

Expenditures | Unpaid Approvals | Appropriation Balance | 21-23 Total Appropriation *(Carryover and New Money)*

DEPARTMENT OF WATER RESOURCES
PROJECT SUMMARY
2021-2023 BIENNIUM

February 28, 2023

		2019-2021 CARRYOVER	2021-2023 APPROPRIATION	2021-2023 TOTAL	SWC/Secretary APPROVED	UNOBLIGATED APPROPRIATION
MUNICIPAL & REGIONAL WATER SUPPLY:						
MUNICIPAL WATER SUPPLY		39,961,708	28,613,615	68,575,323	68,575,323	(0)
RED RIVER VALLEY		18,006,482	37,604,667	55,611,149	55,611,149	(0)
OTHER REGIONAL WATER SUPPLY		22,750,237	17,232,587	39,982,824	39,982,824	0
UNOBLIGATED MUNICIPAL/REG WATER SUPPLY		20,907,034	41,549,130	62,456,164		62,456,164
	Total	101,625,460	125,000,000	226,625,460	164,169,296	$ 62,456,164
% OBLIGATED			66.76%			
RURAL WATER SUPPLY:						
RURAL WATER SUPPLY		29,407,395	33,189,860	62,597,255	62,597,255	(0)
UNOBLIGATED RURAL WATER SUPPLY		258,691	26,410,140	26,668,831		26,668,831
	Total	29,666,086	59,600,000	89,266,086	62,597,255	26,668,831
% OBLIGATED			55.69%			
FLOOD CONTROL:						
FARGO		50,966,383	(0)	50,966,383	50,966,383	(0)
MOUSE RIVER		38,275,083	10,000,000	48,275,083	48,275,083	(0)
MOUSE RIVER HB1431 BOND PROCEEDS		0	74,500,000	74,500,000	74,500,000	0
VALLEY CITY		11,120,628	(0)	11,120,628	11,120,628	(0)
LISBON		276,544	0	276,544	276,544	0
OTHER FLOOD CONTROL		3,972,700	902,700	4,875,400	4,875,400	(0)
PROPERTY ACQUISITIONS		7,056,475	308,935	7,365,410	7,365,410	0
WATER CONVEYANCE		12,471,179	5,864,177	18,335,356	18,335,356	(0)
UNOBLIGATED FLOOD CONTROL		1,474,331	30,924,190	32,398,521		32,398,521
	Total	125,613,325	122,500,000	248,113,325	215,714,805	32,398,520
% OBLIGATED			55.22%			
GENERAL WATER:						
GENERAL WATER		8,941,837	8,027,177	16,969,015	16,969,015	0
UNOBLIGATED GENERAL WATER		0	6,200,098	6,200,098		6,200,098
	Total	8,941,837	14,227,275	23,169,113	16,969,015	6,200,098
% OBLIGATED			56.42%			
SUBTOTAL		265,846,708	321,327,274	587,173,984	459,450,371	127,723,613
CAPITAL ASSETS:						
SWPP CAPITAL ASSETS		8,528,779	24,528,203	33,056,982	33,056,982	0
NAWS CAPITAL ASSETS		10,865,900	35,685,876	46,551,776	46,551,776	0
UNOBLIGATED CAPITAL ASSETS		0	31,485,921	31,485,921		31,485,921
	Total	19,394,679	91,700,000	111,094,679	79,608,758	31,485,921
% OBLIGATED			65.66%			
DISCRETIONARY FUNDING:						
DISCRETIONARY FUNDING PROJECTS		0	2,430,559	2,430,559	2,430,559	0
UNOBLIGATED DISCRETIONARY FUNDS		0	3,569,441	3,569,441		3,569,441
	Total	0	6,000,000	6,000,000	2,430,559	3,569,441
% OBLIGATED			40.51%			
BASINWIDE PLAN IMPLEMENTATION:						
BASINWIDE PLAN IMPLEMENTATION		0	1,100,000	1,100,000	1,100,000	0
UNOBLIGATED BASINWIDE PLAN IMPLEMENTATION FUNDS		0	0	0		0
	Total	0	1,100,000	1,100,000	1,100,000	0
% OBLIGATED			100.00%			
STATE FISCAL RECOVERY FUND:						
STATE FISCAL RECOVERY FUNDS - SB 2345		0	75,000,000	75,000,000	75,000,000	0
UNOBLIGATED STATE FISCAL RECOVERY FUNDS		0	0	0		0
	Total	0	75,000,000	75,000,000	75,000,000	0
% OBLIGATED			100.00%			
TOTAL		285,241,387	495,127,274	780,368,664	617,589,687	162,778,975

DEPARTMENT OF WATER RESOURCES
PROJECT SUMMARY
2021-2023 BIENNIUM

Feb-23

		SWC/Secretary APPROVED	EXPENDITURES	UNPAID APPROVALS
MUNICIPAL & REGIONAL WATER SUPPLY:				
MUNICIPAL WATER SUPPLY		68,575,323	29,018,659	39,556,664
RED RIVER VALLEY		55,611,149	8,691,609	46,919,540
OTHER REGIONAL WATER SUPPLY		39,982,824	11,948,172	28,034,652
	TOTAL	164,169,296	49,658,440	114,510,856
RURAL WATER SUPPLY:				
RURAL WATER SUPPLY		62,597,255	21,411,936	41,185,320
FLOOD CONTROL:				
FARGO		50,966,383	50,966,383	0
MOUSE RIVER		48,275,083	37,788,795	10,486,288
MOUSE RIVER HB1431		74,500,000	3,864,398	70,635,602
VALLEY CITY		11,120,628	789,879	10,330,749
LISBON		174,579	94,090	80,489
OTHER FLOOD CONTROL		4,977,365	1,159,787	3,817,577
PROPERTY ACQUISITIONS		7,365,410	7,287,077	78,332
WATER CONVEYANCE		18,335,356	**8,761,168**	9,574,188
	TOTAL	215,714,805	110,711,578	105,003,227
GENERAL WATER:				
GENERAL WATER		16,969,015	**7,269,792**	9,699,223
SUBTOTAL		459,450,371	189,051,746	270,398,625
CAPITAL ASSETS:				
SWPP CAPITAL ASSETS		33,056,982	22,120,468	10,936,514
NAWS CAPITAL ASSETS		46,551,776	15,012,452	31,539,324
	TOTAL	79,608,758	37,132,920	42,475,838
DISCRETIONARY FUNDING:				
DISCRETIONARY FUNDING PROJECTS		2,430,559	150,239	2,280,320
BASINWIDE PLAN IMPLEMENTATION:				
BASINWIDE PLAN IMPLEMENTATION		1,100,000	283,338	816,662
STATE FISCAL RECOVERY FUNDS SB2345				
STATE FISCAL RECOVERY FUND PROJECTS		75,000,000	58,397,398	16,602,602
TOTALS		617,589,687	285,015,640	332,574,048

APPENDIX B

COST-SHARE

PROJECT FUNDING POLICY, PROCEDURES, AND GENERAL REQUIREMENTS

POLICY/GUIDELINES | SWC_01.2023

NORTH Dakota | Water Commission

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POLICY OUTLINE

1 POLICY STATEMENT

The State Water Commission (Commission) has adopted this policy to support local sponsors in the development of sustainable water related projects in North Dakota. This policy reflects the Commission's cost-share priorities and provides basic requirements for all projects considered for prioritization during the Department of Water Resources' (Department) budgeting process. Projects and studies that receive funding from the Department's appropriated funds are consistent with the public interest. The Commission values and relies on local sponsors and their participation to assure on-the-ground support for projects and prudent expenditure of funding for project or program development.

It is the policy of the Commission that only the items described in this document will be eligible for cost-share or loans upon approval by the Commission, unless specifically authorized by Commission action.

1.1 POLICY AUTHORITY

This policy garners authority from North Dakota Century Code (N.D.C.C.) Chapter 61-02 and North Dakota Administrative Code (N.D.A.C.) Title 89. No funds will be used in violation of Article X, § 18 of the North Dakota Constitution (Anti-Gift Clause).

1.2 ACCEPTANCE OR ENFORCEMENT

The Commission reserves the right to change this policy as necessary to ensure the Commission fulfills its statutory duties.

The Commission reserves the right to return any application submitted under this policy to the applicant for correction if the application is not in compliance with the policy's intent or is insufficient for the Commission to make an informed decision.

1.3 APPEALS

Decisions may be appealed at the discretion of the Commission.

2 PRE-APPLICATION CONSULTATION

The Commission strongly encourages pre-application consultation prior to application submittal. Early consultation between the local sponsor, the local sponsor's representative(s), and the Department will support early understanding and compliance with this policy to limit unexpected project costs or delays.

3 APPLICATION PROCESS, REQUIREMENTS, AND REVIEW PROCEDURES

3.1 APPLYING FOR COST-SHARE ASSISTANCE

An application for cost-share is required in all cases and must be submitted by the local sponsor through North Dakota's WebGrants portal. Sponsors seeking funding for water development projects through the Department Cost-Share Program should choose the "Funding for Infrastructure in North Dakota" (FIND) option/opportunity. To apply for funding through FIND, applicants must first establish a North Dakota login and account. Specific information related to WebGrants and the application process are available at www.dwr.nd.gov under "Project Development" and then "Cost-Share." The application form is maintained and updated by the Secretary.

3.2 APPLYING FOR LOAN ASSISTANCE

In addition to cost-share and grants, the Commission may lend a portion of the local share based on demonstrated financial need. Project sponsors who are seeking loans for water infrastructure through the Bank of North Dakota (BND) administered Water Infrastructure Revolving Loan Fund (WIRLF) or Infrastructure Revolving Loan Fund (IRLF) must first receive Commission approval. For WIRLF or IRLF requests, sponsors must provide a letter of verification from BND indicating the sponsor's debt service capacity and an explanation of the overall economic impact of the project as part of their request to the Commission. Projects not eligible for state revolving funds under N.D.C.C. Chapters 61-28.1 and 61-28.2 must be given priority for loans from the WIRLF.

Applications for WIRLF or IRLF loans are also initiated through the WebGrants portal. After receiving Commission approval to apply to BND for WIRLF or IRLF loans, sponsors must follow BND loan application requirements.

3.3 PRE-APPLICATIONS FOR ASSESSMENT PROJECTS

A pre-application process is allowed for cost-share of assessment projects. This process only requires the local sponsor to submit a brief narrative of the project and a Delineation of Costs (SFN 61801). The Secretary will then review the material presented, make a determination of project eligibility, and estimate the cost-share funding the project may anticipate receiving.

A project eligibility letter will then be sent to the local sponsor noting the percent of cost-share assistance that may be expected on eligible items as well as listing those items that are not considered to be eligible costs. In addition, the project eligibility letter will state that the Secretary will recommend approval when all cost-share requirements are addressed. The local sponsor may use the project eligibility letter to develop a project budget for use in the assessment voting process. Upon completion of the assessment vote and all other requirements, an application for cost-share can be submitted.

3.4 APPLICATION REQUIREMENTS AND MATERIALS

Applications for cost-share are accepted at any time. Incomplete applications or applications received less than 45 days before a Commission meeting will not be considered at that meeting and will be held for consideration at a future meeting. Meeting dates are available on the Department homepage.

The Commission will consider cost-share requests submitted by sponsors and will issue agreements under a two-tier process for applicable projects. Cost-share for pre-construction-related (Tier I) expenses will be considered first; followed by construction-related (Tier II) expenses after completion of pre-construction activities, including plans and specifications for bidding project construction.

In order for an application to be considered complete for Commission consideration, it must include the following supplemental materials:

3.4.1 TIER I (PRE-CONSTRUCTION) APPLICATIONS

a. Category of cost-share activity;

b. Location of the proposed project or study area shown on a map;

c. Description, purpose, goal, objective, and narrative of the proposed activities;

d. Delineation of Costs (SFN 61801), with contingencies of no more than 10 percent of the total project construction costs;

e. Anticipated timeline of project from preliminary study through final closeout;

f. Potential federal, other state, or other North Dakota state entity participation; and

g. Completed life cycle cost analysis worksheet for water supply projects. The completed worksheet must include a no action alternative and up to three additional plausible alternatives—including repair, replacement, and regionalization options. If repair, replacement, and regionalization alternatives are excluded from the life cycle cost analysis, justification must be provided by the project sponsor.

Under the two-tier process, approval of Tier I pre-construction cost-share does not guarantee future cost-share for construction activities.

3.4.2 TIER II (CONSTRUCTION) APPLICATIONS

a. Updated Tier I pre-construction application materials (see above);

b. Engineering plans and specifications for purposes of bidding the project;

c. Status of required permitting, including submission of approved drain, sovereign land, or construction permits if required by state statute;

d. Status and type of local funding sources;

e. When applicable for flood control projects, a Conditional Letter of Map Revision (CLOMR) from the United States Federal Emergency Management Agency (FEMA);

f. Potential territorial service area conflicts or service area agreements, if applicable;

g. A completed Capital Improvement Plan (CIP) for water supply projects as outlined in the Commission's CIP Guidance. A completed CIP should include demonstration of a sustainable Capital Improvement Fund (CIF), that at a minimum sets aside a percentage of the cost of the asset(s) for which the Commission is cost-sharing over the expected life of the asset(s), (required at the time applications include a request for construction cost-share);

h. Completed economic analysis worksheet for water conveyance and flood-related projects expected to cost two hundred thousand dollars or more;

i. Results of a positive assessment vote (rural flood control projects only);

j. A completed sediment analysis (drain reconstructions only);

k. A property acquisition plan (flood property acquisition program only); and

l. Additional information as deemed appropriate by the Secretary or Commission.

3.5 WATER DEVELOPMENT PLAN SUBMITTALS

Applications for cost-share are separate and distinct from the Department and Commission's biennial project information collection effort that is part of the budgeting process and published as the State Water Development Plan (WDP). All local sponsors are encouraged to submit project financial needs for the WDP. Projects not submitted as part of the WDP process may be held until action can be taken on those that were included during budgeting, unless determined to be an emergency that directly impacts human health and safety or that are a direct result of a natural disaster.

3.6 APPLICATION REVIEWS

Upon receiving an application for cost-share, the Secretary will review the application and accompanying information. If the Secretary is satisfied that the proposal meets all requirements, the Secretary will give a 10-day notice to the local sponsor when their application for cost-share is placed on the tentative agenda of the Commission. The local sponsor will be required to attend that meeting in person or remotely when their application is being considered.

The Secretary will provide a recommendation to the Commission for its action. The Secretary's review of the application will include the following items and any other considerations that the Secretary deems necessary and appropriate.

a. All required Tier I or Tier II application materials;
b. Field inspection results, if deemed necessary by the Secretary;
c. The percent and limit of proposed cost-share determined by category of cost-share activity and eligible expenses;
d. Assurance of sustainable operation, maintenance, and replacement of project facilities by the local sponsor, (including a Capital Improvement Plan and evidence of a Capital Improvement Fund for water supply projects);
e. Available funding in the Commission budget, if in the WDP, and a priority ranking when appropriate;
f. Results of economic analysis of water conveyance or flood-related projects, when applicable; and
g. Results of life cycle cost analysis for water supply projects, when applicable.

3.7 SECRETARY APPROVALS

The Secretary is authorized to approve cost-share up to $75,000 and also approve cost overruns up to $75,000 without Commission action. The Secretary will respond to such requests within 60 days of receipt of the request. A final decision may be deferred if warranted by funding or regulatory consideration.

3.8 AGREEMENT AND DISTRIBUTION OF FUNDS

No funds will be disbursed until the Commission and local sponsor have entered into an agreement for cost-share participation. No agreement for construction funding will be entered into until all required Department permits have been acquired.

For construction projects, the agreement will address indemnification and vicarious liability language. The local sponsor must require that the local sponsor and the state be made an additional insured on the contractor's commercial general liability policy including any excess policies, to the extent applicable. The levels and types of insurance required in any contract must be reviewed and agreed to by the Secretary.

The local sponsor may not agree to any provision that indemnifies or limits the liability of a contractor.

For any property acquisition, the agreement will specify that if the property is later sold, the local sponsor is required to reimburse the Commission the percent of sale price equal to the percent of original cost-share.

The Secretary may make partial payment of cost-sharing funds as deemed appropriate. Upon notice by the local sponsor that all work or construction has been completed, the Secretary may conduct a final field inspection, and the local sponsor must identify with signage that the completed project was paid for through a cooperative effort with the Department. If the Secretary is satisfied that the work has been completed in accordance with the agreement, the final payment will be disbursed to the local sponsor, less any partial payment previously made.

3.9 PROJECT PROGRESS REPORTS

The project sponsor must provide a progress report to the Commission at least once every four years if the term of the project exceeds four years. If a progress report is not received in a timely fashion, or if after a review of the progress report the Commission determines the project has not made sufficient progress, the Commission may terminate the agreement for project funding. The project sponsor may submit a new application to the Commission for funding for a project for which the Commission previously terminated funding.

3.10 LITIGATION

If a project submitted for cost-share is the subject of litigation, the application may be deferred until the litigation is resolved. If a project approved for cost-share becomes the subject of litigation before all funds have been disbursed, the Secretary may withhold funds until the litigation is resolved. In either of the aforementioned cases, the local sponsor will notify the Department and Commission of litigation related to their project(s).

3.11 ECONOMIC ANALYSIS

Project sponsors seeking cost-share for construction of flood control or water conveyance projects with a total cost of two hundred thousand dollars or more must complete the Commission’s economic analysis worksheet. The results of the economic analysis must be provided with the sponsor’s application for cost-share assistance for Department review. When the results of the economic analysis are determined by the Department to be accurate, the results will then be presented to the Commission for their consideration as part of the cost-share request.

Projects that yield a benefit to cost (BC) ratio of one to one, or greater, are eligible for up to the maximum allowable cost-share per project type and policy. Projects that yield a BC ratio of less than one to one will have the BC ratio used as a percentage of the allowable cost-share (i.e. eligible costs, multiplied by the applicable cost-share

percentage, multiplied by the BC ratio), unless otherwise authorized by the Commission.

Projects that will result in FEMA accredited flood protection for communities may be exempt from the requirement of using the BC ratio as a percentage of the allowable cost-share.

3.12 LIFE CYCLE COST ANALYSIS

Project sponsors seeking cost-share for water supply projects must complete the Commission's life cycle cost analysis worksheet. The completed worksheet must include a no action alternative and up to three additional plausible alternatives—including repair, replacement, and regionalization options. If repair, replacement, and regionalization alternatives are excluded from the life cycle cost analysis, justification must be provided by the project sponsor.

The results of the life cycle cost analysis must be provided with the sponsor's application for cost-share assistance for Department review. When the results of the life cycle cost analysis are determined by the Department to be accurate, the results will then be presented to the Commission for their consideration as part of the cost-share request.

3.13 PROJECT FRACTURING

The fracturing or separating of projects into smaller components to avoid policy requirements is prohibited. If the Commission determines a project has been fractured for this purpose, the entire project, or elements of the project, may be considered ineligible for cost-share assistance.

3.14 INELIGIBLE ITEMS

Ineligible items from cost-share include:

a. Administrative costs, including salaries for local sponsor members and employees as well as consultant services that are not project specific and other incidental costs incurred by the sponsor.

b. Property and easement acquisition costs paid to a landowner unless specifically identified as eligible within the Flood Protection Program, or for water retention projects.

c. Work and costs incurred prior to a cost-share approval date, except for emergencies as determined by the Secretary.

d. Project-related operation and regular maintenance costs.

e. Sediment removal as part of reconstruction of an existing drain.

f. Funding contributions provided by federal, other state, or other North Dakota state entities that supplant costs.

g. Elements of finished water storage projects that are sized in excess of the capacity necessary for peak daily consumption. Additional storage capacity beyond what is necessary to serve peak daily consumption is considered a local funding responsibility. This excludes storage associated with water treatment plants. Peak daily consumption means the peak reported water usage identified during the previous ten-year period.

h. Wastewater treatment processes and wastewater effluent transmission lines not for beneficial use.

i. Stormwater management studies and projects within the corporate limits of cities. To differentiate between a flood control project and stormwater management, the Commission may reduce the cost-share provided by the percentage of the contributing watershed that is located within the community's corporate limits as calculated on an acreage basis.

j. Work incurred outside the scope of the approved study or project.

k. Invoices that are dated one year or more before the date they are received by the Department for reimbursement. Invoices submitted by agricultural producers who have been approved for cost-share through the Drought Disaster Livestock Water Assistance Program are exempt.

l. Local requirements imposed beyond State and Federal requirements for the project.

4 COST-SHARE ELIGIBLE PROJECTS AND PROGRAMS

The Commission supports the following categories of projects and programs for cost-share:

4.1 BASIC ASSET INVENTORY ASSESSMENT AND CAPITAL IMPROVEMENT PLANNING (BAIACIP) PROGRAM

The Commission encourages planning efforts that support the long-term financial sustainability of water supply infrastructure projects and works. The primary purpose of the BAIACIP program is to help local project sponsors with the development and establishment of capital improvement funds necessary for proactive financial management of their water supply systems.

Sponsors seeking cost-share assistance through the BAIACIP program must follow Commission criteria established for this program as outlined in APPENDIX_C.

4.2 PRE-CONSTRUCTION

The Commission supports local sponsor development of eligible projects, including pre-construction activities. Pre-construction expenses are cost-shared at the same percent as the construction costs when approved by the Commission. Copies of the deliverables must be provided to the Secretary upon completion. The Secretary will determine the payment schedule and interim progress report requirements.

4.3 COST INCREASES

When a local sponsor has been approved for cost-share assistance and additional cost-share is requested as a result of increased construction-related costs, only those eligible construction-related costs, and construction engineering costs that are directly related to, and are resulting from the cost increase, are eligible for additional cost-share. Pre-construction engineering costs are a non-eligible expense as part of cost increase cost-share requests.

4.4 MAIN STREET INITIATIVE

The Commission supports water development infrastructure that aligns with the Main Street Initiative, which is one of North Dakota's five Strategic Initiatives. The four foundational pillars of the Main Street Initiative are Skilled Workforce; Smart, Efficient Infrastructure; Healthy, Vibrant Communities; and Economic Diversification.

In support of the Main Street Initiative, the Commission can provide additional cost-share assistance of 10 percent beyond existing cost-share percentages, with a maximum of $250,000 in additional funding, if an eligible water infrastructure project:

a. Is located within a community that has received a "Main Street Champion" designation from North Dakota's Department of Commerce (NDDC);

b. Has been identified as an integral part of a completed comprehensive planning effort or action plan that was developed through the NDDC "Partners in Planning" grant program; and

c. Meets all other Commission eligibility requirements for cost-share.

4.5 WATER SUPPLY

The Commission supports water supply efforts associated with regional, rural, and municipal water supply systems. The transmission of reclaimed water for beneficial use may be an eligible cost. Debt per capita, water rates, and financial need may be considered by the Commission when determining an appropriate cost-share percentage or priority. The Commission may also utilize the North Dakota Department of Environmental Quality's Priority Ranking System for Financial Assistance through the Drinking Water State Revolving Loan Fund Program as a secondary prioritization ranking for water supply projects.

4.5.1 REGIONAL, RURAL, AND MUNICIPAL WATER SUPPLY PROJECTS

The Commission reserves flexibility to adjust percentages on a case-by-case basis, but generally may provide:

4.5.1.1 Up to 75 percent cost-share for:

a. Regional and rural water system expansions and improvements

b. New connections between communities and regional or rural systems that reduce costs through economies of scale

c. Improvements required to meet primary drinking water standards

4.5.1.2 Up to 60 percent cost-share for:

a. Municipal water supply expansions and improvements

b. Connection of new rural water customers located within extraterritorial areas of a municipality

4.5.1.3 Water depots for industrial use receiving water from facilities constructed using Commission funding or loans have the following additional requirements:

a. Domestic water supply has priority over industrial water supply in times of shortage. This must be explicit in the water service contracts with industrial users.

a. If industrial water service will be contracted, public notice of availability of water service contracts is required when the depot becomes operational.

b. Public access to water on a non-contracted basis must be provided at all depots.

4.5.2 FEDERAL MUNICIPAL, RURAL, AND INDUSTRIAL WATER SUPPLY PROGRAM

The Municipal, Rural, and Industrial Water Supply Program, which uses federal funds, is administered according to N.D.A.C. Art. 89-12.

4.5.3 DROUGHT DISASTER LIVESTOCK WATER ASSISTANCE PROGRAM

This program provides assistance for water supply projects that support livestock impacted during drought declarations and is administered according to N.D.A.C. Art. 89-11. The Commission may provide up to 65 percent cost-share for Drought Disaster Livestock Water Assistance Program projects, but no more than $10,000 per project, and three projects per applicant.

4.6 FLOOD CONTROL

The Commission may provide cost-share for eligible items of flood control projects protecting communities from flooding and may include the repair of dams that provide a flood control benefit. When applicable, project sponsors must first acquire a CLOMR from FEMA prior to applying for construction-related cost-share assistance.

4.6.1 FLOOD PROTECTION PROGRAM

This program supports local sponsor efforts to mitigate impacts and prevent future property damage due to flood events. The Commission may provide cost-share up to 60 percent of eligible costs for flood protection projects and related property acquisitions. Flood recovery acquisition efforts in severely impacted communities may be considered for alternative cost-share percentages based on the severity of the event and at the Commission's discretion.

All contracted costs directly associated with property acquisitions for project development or recovery under this program will be considered eligible for cost-share. This includes the acquisition of flood damaged properties or properties necessary for project development. Contracted costs may include: appraisals, legal fees (title and abstract search or update, etc.), property survey, closing costs, hazardous materials abatement needs (asbestos, lead paint, etc.), and site restoration.

Prior to applying for assistance related to acquisitions, the local sponsor must adopt and provide to the Secretary an acquisition plan that includes a description and map of properties to be acquired; the estimated cost of property acquisition, including contract costs and removal of structures; and the benefit of acquiring the properties.

The local sponsor must include a perpetual restrictive covenant on any properties purchased under this program. These covenants must be recorded either in the deed or in a restrictive covenant that would apply to multiple deeds. Costs for

property acquired, by easement or fee title, to preserve the existing conveyance of a breakout corridor recognized as essential to FEMA system accreditation may be eligible under this program.

The local sponsor must fund the local share for acquisitions. Federal funds are considered “local” for this program if they are entirely under the authority and control of the local sponsor. For any property acquisition, the agreement will specify that if the property is later sold, the local sponsor is required to reimburse the Commission the percent of sale price equal to the percent of original cost-share.

The cost-share application must include the return interval or design flow for which the project will provide protection. The Commission will calculate the amount of its financial assistance, based on the needs for protection against:

a. One-hundred-year flood event as determined by a federal agency;
b. The national economic development alternative; or
c. The local sponsor’s preferred alternative if the Commission first determines the historical flood prevention costs and flood damages and the risk of future flood prevention costs and flood damages, warrant protection to the level of the local sponsor’s preferred alternative.

4.6.2 FEMA LEVEE SYSTEM ACCREDITATION PROGRAM

The Commission may provide cost-share up to 60 percent for eligible services for FEMA 44 CFR 65.10 flood control or reduction levee system certification analysis. The analysis is required for FEMA to accredit the levee system for flood insurance mapping purposes. Typical eligible costs include site visits and field surveys to include travel expenses, hydraulic evaluations, closure evaluations, geotechnical evaluations, embankment protection, soils investigations, interior drainage evaluations, internal drainage hydrology and hydraulic reports, system modifications, break-out flows, and all other engineering services required by FEMA. The analysis will result in a comprehensive report to be submitted to FEMA and the Secretary.

Administrative costs to gather existing information or to recreate required documents, maintenance and operations plans and updates, and emergency warning systems implementation are not eligible.

4.6.3 WATER RETENTION PROJECTS

The goal of water retention projects is to reduce flood damages by storing floodwater upstream of areas prone to flood damage. The Commission may provide cost-share up to 60 percent of eligible costs for water retention projects including purchase price of the property. Water retention structures constructed with Commission cost-share must meet state dam safety requirements, including the potential of cascade failure. A hydrologic analysis including an operation plan

and a quantification of the flood reduction benefits for 25, 50, and 100-year events must be submitted with the cost-share application.

4.6.4 INDIVIDUAL RURAL AND FARMSTEAD RING DIKE PROGRAM

This program is intended to protect individual rural homes and farmsteads through ring dike programs established by water resource districts. All ring dikes within the program are subject to the Commission's Individual Rural and Farmstead Ring Dike Criteria provided in Appendix A. Protection of a city, community, or development area does not fall under this program but may be eligible for the flood control program. The Commission may provide up to 60 percent cost-share of eligible items for ring dikes up to a limit of $55,000 per ring dike.

Landowners enrolled in the Natural Resource Conservation Service's (NRCS) Environmental Quality Incentive Program (EQIP) who intend to construct rural or farmstead ring dikes that meet the Department's elevation design criteria are eligible for a cost-share reimbursement of 20 percent of the NRCS construction payment, limited to a combined NRCS and Commission contribution of 80 percent of project costs.

4.7 WATER CONVEYANCE

The Commission may provide cost-share for eligible items of water conveyance projects. Water conveyance projects include rural flood control; bank stabilization; and snagging and clearing.

4.7.1 RURAL FLOOD CONTROL

These projects are intended to improve the drainage and management of runoff from agricultural sources. The Commission may provide cost-share up to 45 percent of the eligible items for the construction of drains, channels, or diversion ditches. Construction costs for public road crossings that are integral to the project are eligible for cost-share as defined in N.D.C.C. §§ 61-21-31 and 61-21-32. If an assessment-based rural flood control project involves multiple districts, each district involved must join in the cost-share application.

Cost-share applications for rural assessment drains will only be processed after the assessment vote has passed, and a drain permit has been obtained. If the local sponsor wishes to submit a cost-share application prior to completion of the aforementioned steps, a pre-application process will be followed.

A sediment analysis must be provided with any application for cost-share assistance for reconstruction of an existing drain. The analysis must be completed by a qualified professional engineer and must clearly indicate the percentage volume of sediment removal involved in the project. The cost of that removal must be deducted from the total for which cost-share assistance is being requested.

4.7.2 BANK STABILIZATION

The Commission may provide cost-share up to 50 percent of eligible items for bank stabilization projects on public lands or those lands under easement by federal, state, or political subdivisions. Bank stabilization projects are intended to stabilize the banks of lakes or watercourses, as defined in N.D.C.C § 61-01-06, with the purpose of protecting public facilities. Drop structures and outlets are not considered for funding as bank stabilization projects but may be eligible under other cost-share program categories. Bank stabilization projects typically consist of a rock or vegetative design and are intended to prevent damage to public facilities including utilities, roads, or buildings adjacent to a lake or watercourse.

4.7.3 SNAGGING AND CLEARING

Snagging and clearing projects consist of the removal and disposal of fallen trees and associated debris encountered within or along the channel of a natural watercourse. Snagging and clearing projects are intended to prevent damage to structures such as bridges and maintain the hydraulic capacity of the channel during flood flows. The Commission may provide cost-share for up to 50 percent of the eligible items for snagging and clearing as well as any sediment that has accumulated in the immediate vicinity of snags and any trees in imminent danger of falling in the channel or watercourses as defined in N.D.C.C § 61-01-06. Items that are not eligible include snagging and clearing of man-made channels; the dredging of watercourses for sediment removal; the clearing and grubbing of cattails and other plant vegetation; or the removal of any other unwanted materials.

4.8 RECREATION

The Commission may provide cost-share up to 40 percent for projects intended to provide water-based recreation. Typical projects provide or complement water-based recreation associated with dams.

4.9 IRRIGATION

The Commission may provide cost-share for up to 50 percent of the eligible items for irrigation projects. The items eligible for cost-share are those associated with the off-farm portion of new central supply works, including water storage facilities, intake structures, wells, pumps, power units, primary water conveyance facilities, and electrical transmission and control facilities. The Commission will only enter into cost-share agreements with political subdivisions, including irrigation districts, and not with individual producers.

4.10 DAMS AND EMERGENCY ACTION PLANS

The Commission supports projects that address dam safety, deficiencies, repairs, and removals, as well as emergency action plans. In addition to the following cost-share percentages, the Commission may lend a portion of the local share based on

demonstrated financial need. For dams and emergency action plans, the Commission may:

a. Provide cost-share for up to 60 percent of the eligible items for dam deficiency or repair projects and dam breach or removal projects.

b. Provide cost-share up to 75 percent to mitigate public dangers associated with low head dam roller effects. Cost-share funding will be considered under this category for dam removals, or the placement of rock rip rap, but not both. Modifications, repairs, or removals that go beyond what is required to mitigate roller effects may be cost-shared at lesser amounts – depending on the purpose for which the supplemental modifications or repairs are being made (i.e. recreation, water supply, flood control, irrigation, etc).

c. Provide cost-share up to 80 percent to develop or update emergency action plans of each dam classified as high or medium/significant hazard.

5 DEFINITIONS

CAPITAL IMPROVEMENT FUND (CIF) is money set aside from a portion of user fees for replacement of capital projects. Documentation for a Capital Improvement Fund shall include information regarding the Capital Improvement Fund's goal in meeting the Capital Improvement Plan, a rate structure to meet the goal, implementation of the rate structure, details about any restrictions on the fund, and mechanisms for releasing assets from the fund for projects.

CAPITAL IMPROVEMENT PLAN (CIP) is a planning and management tool that contains a timeline and estimated costs for planned replacement of individual Capital Projects for a system over a specified period of time. A Capital Improvement Plan should include an inventory of all existing assets, a condition assessment of all assets, estimated replacement costs, and an estimated timeframe for replacements.

CAPITAL PROJECTS include reservoirs, pump stations, water treatment plants, and pipelines.

CONSTRUCTION COSTS are those efforts and services to be completed as work under construction contract documents. Items could include earthwork, concrete, mobilization and demobilization, dewatering, materials, seeding, rip-rap, crop damages, re-routing electrical transmission lines, moving storm and sanitary sewer system and other underground utilities and conveyance systems affected by construction, mitigation required by law related to the construction contract, water supply works, irrigation supply works, and other items and services provided by the contractor. Construction costs are only eligible for cost-share if incurred after Commission approval and if the local sponsor has complied with N.D.C.C. in soliciting and awarding bids and contracts, and complied with all applicable federal, state, and local laws.

COST-SHARE means funds appropriated by the legislative assembly or otherwise transferred by the Commission to a local entity under Commission policy as reimbursement for a percentage of the total approved cost of a project approved by the Commission.

DEPARTMENT means the Department of Water Resources.

ECONOMIC ANALYSIS means an estimate of the economic benefits and direct costs that result from the development of a project.

ECONOMIC IMPACT describes the direct and indirect changes in a defined region's economy due to a specific business, organization, policy, program, project, activity or other economic event.

ENGINEERING SERVICES include pre-construction and construction engineering. Pre-construction engineering is the engineering necessary to develop plans and specifications for permitting and construction of a project including preliminary and final design, material testing, flood insurance studies, hydraulic models, and geotechnical

investigations. Construction engineering is the engineering necessary to build the project designed in the pre-construction phase including construction contract management, and construction observation. Administrative and support services not specific to the approved project are not engineering services. Engineering services are eligible costs if incurred after Commission approval.

EXPANSIONS are construction related projects that increase the project area or users served. Expansions do not include maintenance, replacement, or reconstruction activities.

EXTRAORDINARY MAINTENANCE COSTS include the repair or replacement of portions of facilities or components that are above and beyond regular or normal maintenance.

GRANT means a one-time sum of money appropriated by the legislative assembly and transferred by the Commission to a local entity for a particular purpose. A grant is not dependent on the local entity providing a particular percentage of the cost of the project.

IMPROVEMENTS are construction related projects that upgrade a facility to provide increased efficiency, capacity~~,~~ or redundancy. Improvements do not include any activities that are maintenance or replacement.

LIFE CYCLE COST ANALYSIS means the summation of all costs associated with the anticipated useful life of a project, including project development, land, construction, operation, maintenance, and disposal or decommissioning.

LITIGATION for this policy is defined as legal action that would materially affect the ability of the local sponsor to construct the project; that would delay construction such that the authorized funds could not be spent; or is between political subdivisions related to the project.

LOAN means an amount of money lent to a sponsor of a project approved by the Commission to assist with funding approved project components. A loan may be stand-alone financial assistance.

LOCAL SPONSOR is the entity submitting a cost-share application and must be a political subdivision, state entity, or commission legislatively granted North Dakota recognition that applies the necessary local share of funding to match Commission cost-share. They provide direction for studies and projects, public point of contact for communication on public benefits and local concerns, and acquire necessary permits and rights-of-way.

PRE-CONSTRUCTION activities include study and report phase efforts, and preliminary and final design. Study and report phase efforts are meant to identify water related problems, evaluate options to solve or alleviate the problems based on technical and financial feasibility, and provide a recommendation and cost estimate of the best option

to pursue. Engineering design is considered complete when final plans, drawings, and specifications for permitting and construction of a project, including associated cultural resource and archeological studies, are delivered to the local sponsor. Study and report phases, as well as design can also include mapping and surveying to gather data for a specific task such as flood insurance studies and floodplain mapping, LiDAR acquisition, and flood imagery attainment.

RECLAIMED WATER is municipal wastewater that has been treated to meet specific water quality criteria with the intent of being used for a range of purposes. The term recycled water is synonymous with reclaimed water.

REGULAR MAINTENANCE COSTS include normal repairs and general upkeep of facilities to allow facilities to continue proper operation and function. These maintenance items occur on a regular or annual basis. Regular maintenance activities simply help ensure the asset will remain serviceable throughout its originally predicted useful life.

REPLACEMENT means installing components similar to what currently exists with the intention of preserving existing service levels.

STORMWATER is rainwater or melted snow that runs off streets, lawns, and other sites.

SUSTAINABLE OPERATION, MAINTENANCE, AND REPLACEMENT PLAN is a description of the anticipated operation, maintenance, and replacement costs with a statement that the operation, maintenance, and replacement of the project will be sustainable by the local sponsor.

WASTEWATER is used water discharged from homes, businesses, industry, and agricultural facilities.

WASTEWATER EFFLUENT is treated wastewater flowing out of a wastewater treatment plant.

WATER CONVEYANCE PROJECT means any surface or subsurface drainage works, bank stabilization, or snagging and clearing of water bodies.

WORK includes and is the result of performing or providing all labor, services, and documentation necessary for construction; furnishing, installing, and incorporating all materials and equipment into such construction; and may include related services such as testing, start-up, and commissioning, all as required by the construction contract documents.[1]

[1] Engineers Joint Contract Documents Committee, 2014 – National Society of Professional Engineers, American Council of Engineering Companies, and American Society of Civil Engineers

6 POLICY HISTORY

Policy Adopted: 8/13/1998
Policy Version SWC_01.2023 Adopted: 12/09/2022
Previous Revision(s):

12/09/2022 Significant updates
12/10/2021 Minor changes
08/12/2021 Secretary of SWC
04/09/2020 Dam emergency action plans
12/06/2019 Significant changes
08/08/2019 Ineligible items
06/19/2019 Significant changes
10/11/2018 Water supply
08/09/2018 Significant changes
06/14/2018 Significant changes
10/06/2015 Significant changes
12/05/2014 Easement costs
09/15/2014 Significant changes
06/19/2013 Rural flood control
12/07/2012 Rural assessment drains
09/17/2012 Ring dikes, cost overruns
03/29/2012 Property acquisitions
02/02/2012 Property acquisitions
10/31/2011 State Engineer approvals
06/21/2011 Rural flood control
03/28/2011 NRCS ring dikes
10/26/2010 Significant changes
03/11/2010 Payment schedule
12/11/2009 Bank stabilization
08/18/2009 Rural flood control
06/23/2009 Significant changes
03/23/2009 Dam removal/breach, MR&I
12/03/2008 Rural flood control
09/30/2008 Snagging and clearing
06/23/2008 Bank stabilization, dam safety repairs, dam emergency action plans
03/18/2008 Rural flood control
07/17/2007 Rural flood control
05/09/2007 State Engineer approvals
06/28/2006 Rural flood control
06/22/2005 Rural flood control
08/06/2003 Culvert funding
06/12/2003 Rural flood control
12/06/2002 Rural flood control
05/01/2002 Drain reconstruction
08/16/2001 Rural flood control
08/13/1998 Original policy adoption

For questions regarding this policy, please contact the Department's Planning & Education Division at (701) 328-4989 or dwrcostshare@nd.gov.

APPENDIX A
INDIVIDUAL RURAL AND FARMSTEAD RING DIKE CRITERIA

MINIMUM DESIGN CRITERIA

- Height: The dike must be built to an elevation 2 ft above either the 100-year flood or the documented high water mark of a flood event of greater magnitude, whichever is greater.

- Top Width:
  - If dike height is 5 ft or less: 4 ft top width
  - If dike height is between 5 ft and 14 ft: 6 ft top width
  - If dike height is greater than 14 ft: 8 ft top width

- Side Slopes: 3 horizontal to 1 vertical

- Strip topsoil and vegetation: 1 ft

- Adequate embankment compaction: Fill in 6-8 inch layers, compact with passes of equipment

- Spread topsoil and seed on ring dike

LANDOWNER RESPONSIBILITY

Landowners are responsible to address internal drainage on ring dikes. If culverts and flap gates are installed, these costs are eligible for cost-share. The landowner has the option of completing the work or hiring a contractor to complete the work.

IF CONTRACTOR DOES THE WORK, payment is for actual costs with documented receipts.

IF LANDOWNER DOES THE WORK, payment is based on the following unit prices:

- Stripping, spreading topsoil, and embankment fill: Secretary will determine rate schedule based on current local rates.

- Seeding: Cost of seed times 200 percent

- Culverts: Cost of culverts times 150 percent

- Flap gates: Cost of flap gates times 150 percent

OTHER FACTS AND CRITERIA

- The topsoil and embankment quantities will be estimated based on dike dimensions. Construction costs in excess of the 3:1 side slope standard will be the responsibility of the landowner. Invoices will be used for the cost of seed, culverts, and flap gates.

- Height can be determined by existing FIRM data or known elevations available at county floodplain management offices. Engineers or surveyors may also assist in establishing height elevations.

- The projects will not require extensive engineering design or extensive cross sections.

- A dike permit is required if the interior volume of the dike consists of 50 acre-feet, or more.

APPENDIX B

STANDARD OPERATING PROCEDURES

It has been determined by the Commission that there are Cost-Share Program operational procedures that are more appropriately clarified through Standard Operation Procedures (SOP). The following SOP have been approved by the Commission to assist Department staff with various administrative decisions related to the Cost-Share Program.

COST INCREASES

The following are various types of projects for which sponsors request cost increase assistance.

1. Projects approved for cost-share during the current biennium and are requesting additional cost-share funding for cost increases.

   SOP
   - Requests in excess of $75,000 will be presented to the Commission for consideration.
   - Requests of $75,000 or less will be considered by the Secretary.

2. Projects approved for cost-share during past biennia and are requesting current biennium cost-share funding or available carryover funds for cost increases.

   SOP
   - Requests in excess of $75,000 may be deferred for the first six months of the biennium before being presented to the Commission for consideration.
   - Requests of $75,000 or less may be deferred for the first six months of the biennium before being considered by the Secretary.

3. Projects that were denied or deferred for cost increase funding during the previous biennium.

   SOP
   - Requests in excess of $75,000 may be deferred for the first six months of the biennium before being presented to the Commission for consideration.
   - Requests of $75,000 or less may be deferred for the first six months of the biennium before being considered by the Secretary.

PROJECTS NOT SUBMITTED TO THE WATER DEVELOPMENT PLAN

Project sponsors will sometimes request cost-share funding for projects that are eligible under the Department's Cost-Share Policy but were not submitted or included in the current Water Development Plan (WDP). The following are various types of projects that are not included in the current WD but are submitted for cost-share consideration.

1. Projects that were, or were not identified in the previous biennium WDP, and are not included in the current WDP.

SOP

- These projects will be deferred for the first six months of the biennium for Commission consideration. (Exceptions are those projects considered to be an emergency—directly impacting human health and safety.)

APPENDIX C
CAPITAL IMPROVEMENT PLANNING GUIDANCE UNDER DEVELOPMENT

SWC PROJECT PRIORITIZATION GUIDANCE

Projects submitted during the project planning inventory process[1] that meet SWC cost-share eligibility requirements will be considered for prioritization. In the interest of strategically investing in the state's highest water development priorities, the Water Commission will give funding preference to projects designated as high or moderate priorities for the first 12 months of each budget cycle. Sponsors who are able to accept reduced SWC cost-share of 10% or more of the maximum allowable amount can be moved up one priority designation level.

ESSENTIAL PROJECTS *(No Priority Ranking)*

Agency operational expenses.

An imminent water supply loss to an existing multi-user system, an immediate flood or dam related threat to human life or primary residences, or emergency response efforts.

Existing agency debt obligations.

SWC project mitigation.

HIGH PRIORITY PROJECTS

Federally authorized water supply or flood control projects.

Mitigation of low head dam roller effects.

New water supply connections between communities and rural or regional water systems that result in reduced costs through economies of scale.

Corrects a violation of a primary drinking water standard under the Safe Drinking Water Act.

Addresses severe or anticipated water supply shortages for domestic use in a service area or city with rapid population growth.

Protects primary residences or businesses from flooding in population centers or involves flood-related property acquisitions.

MODERATE PRIORITY PROJECTS

Dam safety repairs and emergency action plans.

Expansion of an existing water supply system (including to industrial water users).

Levee system accreditations, or water retention.

Irrigation system construction.

New rural flood control projects.

Bank stabilization.

Snagging and clearing in population centers.

Main Street Initiative related projects.

LOW PRIORITY PROJECTS

Studies, reports, analyses, surveys, models, evaluations, mapping projects, or engineering designs.[11]

Improvement or extraordinary maintenance of a water supply system.

Improvement or extraordinary maintenance of rural flood control projects.

Recreation projects.

Individual rural and farmstead ring dike constructions.

Replacement of existing infrastructure.

Snagging and clearing in sparsely populated areas.

Footnotes

1. All local sponsors are encouraged to submit project financial needs during the budgeting process. Projects not submitted as part of the project information collection effort may be held until action can be taken on those that were included during budgeting, unless determined to be an emergency that directly impacts human health and safety or that are a direct result of a natural disaster.

1l. May be considered as a higher priority if the related project is of higher priority.

Disclaimer

This process is meant to provide guidance for prioritizing water projects during the budgeting process that may be eligible for cost-share assistance through the Department of Water Resources. Interpretation and deviations from the process are within the discretion of the state as authorized by the State Water Commission or Legislature.

APPENDIX C

TCEQ REGULATORY GUIDANCE
Small Business and Environmental Assistance Division
RG-501a • April 2014

Managing Small Public Water Systems: Part A, Asset Management

Contents

Introduction

Part A of the *Managing Small Public Water Systems* series includes worksheets and instructions to help you conduct an inventory of your utility's resources; prioritize repairs and replacements of assets; plan for future needs; and develop a budget. As an addendum to this part of the guide, we have also developed an electronic workbook that contains all the worksheets and instructions that are included in Part A, Asset Management. An electronic version of Part A is available at the SBLGA's Public Water Supply Compliance Tools Web page: <www.tceq.texas.gov/goto/help4pws>.

As you work though Part A, you may find it beneficial to review other parts of the series to help you prepare a comprehensive asset management plan. To view or download the complete series go to the TCEQ Small Business and Local Government Assistance section's Web page Public Water Supply Compliance Tools at <www.tceq.texas.gov/goto/help4pws>. If you do not have Internet access, call the SBLGA's hotline number 800-447-2827 for a paper copy of the complete series *Managing Small Public Water Systems* (publication RG-501).

Note: This publication is not a substitute for the actual rules. To obtain the most current, official copy of state rules, contact the Secretary of State's office at 512-305-9623. The rules are also available online at <info.sos.state.tx.us/pls/pub/readtac$ext.ViewTAC?tac_view=3&ti=30&pt=1>.

Asset Management: The Basics

What is asset management?

Asset management can be defined as "a planning process that ensures that you get the most value from each of your assets and have the financial resources to rehabilitate and replace them when necessary." This includes "developing a plan to reduce costs while increasing the efficiency and the

reliability of your assets."* For a water system, an "asset" includes the source of water (aquifer or surface water), along with any building, tool, piece of equipment, furniture, pipe, and machinery used in the operation of the system.

Asset management can help you—the manager or operator—get the most value out of the assets that make up your water system. It can also help you maintain the financial capacity to make scheduled repairs and planned replacement of assets *before* there is a crisis.

This guide includes instructions and worksheets to help you complete each of the four steps of asset management. You should adjust your plan based on your own experience and the particular characteristics of your system. You should also reevaluate your plan every year, updating each of the worksheets provided in this booklet. Your plan is useful only as long as it reflects the current conditions of your water system.

To ensure your system is sustainable for the next five to 30 years, it is important to evaluate immediate needs along with future needs. For successful asset management planning to occur, you must consider:

- potential growth or decline in population served
- equipment cost
- inflation
- overall age and life span of the infrastructure within your system

How do I practice proper asset management?

Step 1. Take an inventory of your system and prioritize your assets.

Document what assets you have and determine how critical each of your inventoried assets is to your plant operations. This will help you make informed decisions to ensure that you have funds available for the repair or replacement of the vital parts of the system.

* *Asset Management: A Handbook for Small Water Systems*. U.S. Environmental Protection Agency, 2003, page 5.

Step 2. Develop a comprehensive plan for managing your assets.

Based on your prioritization in Step 1, identify the repairs and replacements you expect to make in the next five years and the estimated amount of money your system needs to set aside or reserve for these expenses.

Step 3. Develop a budget for managing your assets.

Based on your comprehensive plan from Step 2, identify your expected revenues for the next five years—and compare them to your expected expenses. This process may involve conducting a rate study.

Step 4. Implement your asset-management plan.

Once you have completed the initial three steps of your asset-management plan you need to implement it. Work with your management team—including council and board members, if appropriate—to complete your identified repairs and maintenance, and to make sure that you have the technical and financial means necessary to provide reliable service.

1. Inventory Your System and Prioritize Your Assets

Use the System Inventory and Prioritization Worksheet at the end of this section to create a comprehensive inventory of your system and to prioritize your assets. Developing an accurate inventory of your system's assets is important to overall asset management, as all other steps will refer back to the data gathered during this step. It will also help you to establish the relative importance of the equipment and components of your system, and especially to identify the assets that are most critical to operations. A utility's assets include the facilities that make up the water system as well as all the equipment and supplies that are used to operate the plant.

The most significant asset of a water system is the water source. A well-run system is worthless without a reliable water source and delivery system. If you have not assessed the health and sustainability of your water source and you are not maintaining water-availability data, you should complete

Part B of this series: *Source Assessment and Planning* (publication 501b). You may find it necessary to make adjustments to your budget if you need to drill a new well or make an interconnection with another system.

You will need to assess your source to ensure that it is reliable for the long term and that your well field or surface water intake is adequate to provide water to your system. If you have assessed your source and you know your source is reliable for the long-term, you may not need to include expenditures for well drilling or rehabilitation in this year's budget. However, it is a good idea to assess your source annually to ensure that your system maintains an adequate water supply.

Fill Out the System Inventory and Prioritization Worksheet

Before you begin to fill in the columns on the worksheet, fill in the date and check the appropriate box to indicate whether you are making the first inventory of your system or updating an existing inventory. You should update this worksheet at least once a year. You can either make minor adjustments to the worksheet as the condition of your assets changes, or start a new worksheet each year.

1. Identify your assets.

List each of your utility's assets, including pumps, chlorinators, wells, tanks, buildings, vehicles, intake structures, lift stations, water mains, and all other physical assets and the year of installation. Be as specific as possible by providing the location, manufacturer, material composition, horsepower (hp), gallon-per-minute (gpm) capacity, or other identifying characteristics for each asset; or refer to this information if it is included in your operations and maintenance manual. This information will be useful when calculating replacement costs in step 7. For example, you might list a piece of equipment as "Well 1 pump (25 hp, 200 gpm), 2003" or a section of your distribution system as "10-inch PVC on Main St."

2. Describe the redundancy.

Briefly describe the redundancy of each of the system's assets (certain equipment redundancy is required by rule for drinking water systems

in Title 30, Texas Administrative Code, Chapter 290 [30 TAC 290], Subchapter D). Are there backups? Are there different assets that can do the same job?

3. Fill in the expected useful life.

Use the manufacturer's recommendations, if available, or the information in Table 1 to enter the expected useful life for each asset. Table 1 provides the estimated useful life span for many standard pieces of equipment, assuming proper maintenance has been conducted. For new equipment, use the higher end of the expected useful life.

Keep in mind the current condition of each asset as well as routine maintenance activities, repairs and rehabilitation. Refer to the Repair Work Order Worksheet in Part C of this series: *Operations and Maintenance* (RG-501c). Focus on conditions that may affect its useful life (e.g., rust or broken parts). If your asset is in poor condition, has not been maintained according to the manufacturer's recommendations, or operates under challenging circumstances (poor water or soil quality, excessive use, etc.), then the expected useful life is likely to be on the lower end of the range. If the asset is in good condition and has been properly maintained according to the manufacturer's recommendations, use the higher end of the expected useful life. Choosing the lower end of the useful-life range will produce a more conservative estimate, which will help to ensure that you are prepared to replace the asset in a worst-case scenario.

The expected useful life is affected by several factors, such as the quality of the maintenance and the location of the utility. For example, utilities in areas of the state with corrosive environments, such as near the Gulf of Mexico may need to replace their equipment more frequently.

4. Record the age.

For each asset, fill in how long it has been in use. If an asset has been previously used by another system, you should list the total age, not just the length of time your system has used it.

Table 1. Estimated Useful Life Span for Standard Pieces of Equipment

Asset	**Expected Useful Life** (years)
Backflow prevention	8–15
Blow-off valves	35–40
Buildings	~30
Chlorination equipment	10–15
Computers	5
Distribution pipes	35–40
Electrical systems	7–10
Fencing	10–20
Galleries and tunnels	30–40
Generators	10–20
Hydrants	~40
Intake structures	35–45
Lab and monitoring equipment	5–7
Landscaping and grading equipment	~40
Meters	10–15
Office furniture and supplies	10
Other treatment equipment	10–15
Pumps	10–15
Service lines	~30
Storage tanks	~30
Tools and shop equipment	10–15
Transmission mains	35–40
Transportation equipment	10
Valves	35–40
Wells and springs	25–35

5. Calculate the remaining useful life.

For each asset, calculate the remaining useful life by subtracting its age (column 4) from its adjusted useful life (column 3).

6. Calculate the expected replacement year.

For each asset, calculate the expected replacement year by adding the remaining useful life (column 5) to the current year.

7. Calculate the cost to replace.

You can base your estimate on the cost of buying and installing a new piece of equipment (by contacting vendors, getting bids, etc.), on your system's knowledge from completing similar projects, or on information from a neighboring system that has done similar work.

When estimating the cost of replacing each asset, you want to take into account the expected replacement year because inflation can affect replacement costs. It is a challenge to place a specific value on future costs, since we cannot predict changes in the economy. For assets that have a remaining useful life of more than 10 years, the utility should consider the average inflation rate over a 10-year period, or set aside some reserve funding to account for inflation.

Generally the best way to obtain an estimate of the inflation cost per year is to use a federal, state or locally established inflation rate, if available. Local economic-development corporations, along with local universities, are a good source for local inflation rates. The Texas comptroller's website, at <www.window.texas.gov>, has information on inflation rates, as does the U.S. Bureau of Labor Statistics, on its Consumer Price Index Web page at <www.bls.gov/cpi>.

If you are unable to obtain this information from your local economic-development corporation or those government sources, we suggest you use an average inflation rate of 5 percent per year.

8. Set the priority level.

For each asset, consider how critical it is to the operation of your system, its remaining useful life, the availability of other assets to replace it or be used as a backup for it, its maintenance history, and any other factors

important in evaluating its priority for receiving funding. Rank each asset from "1" to "5," where "1" is the highest priority and "5" is the lowest. Use the information provided in Table 2 to determine how each asset should be rated. Table 2 descriptions on each prioritization rating. Because there are only five priority levels, some assets will have the same priority level.

When ranking assets, keep in mind that assets in the following three categories should be assigned a higher priority:

- Assets with a shorter remaining useful life, because you will need to rehabilitate or replace them relatively soon. How likely is it that the asset will fail? Base this evaluation on the asset's age, condition, and failure history.
- Assets that are *critical* to your operation, because of the system's responsibility for protecting public health.
- Assets for which your system has less redundancy, because the system would have trouble operating without them.

Table 2. Prioritization Rating

Description	Prioritization Rating
Effective life exceeded and/or excessive maintenance cost incurred. A high risk of breakdown or imminent failure with serious impact on performance. No additional life expectancy; immediate replacement or rehabilitation needed. Asset is highly critical to infrastructure of system and in providing safe drinking water and maintaining compliance.	**1**
Very near end of physical life. Substantial ongoing maintenance with short, recurrent maintenance levels required to keep the asset operational. Unplanned corrective maintenance is common. Renewal (refurbishment or replacement) is expected within the next year or two.	**2**
Asset functions but requires a sustained high level of maintenance to remain operational. Shows substantial wear and is likely to cause significant performance deterioration. Renewal (refurbishment or replacement) is expected within the next two to three years.	**3**
Asset is sound and well-maintained but may be showing some signs of wear. Delivers full efficiency with little or no performance deterioration. Virtually all maintenance is planned and preventive. At worst, only minor repair might be needed at this time.	**4**
Asset is like new, fully operable, and well-maintained, and performs consistently at or above current standards. Little wear shown and no further action required.	**5**

MANAGING SMALL PUBLIC WATER SYSTEMS: ASSET MANAGEMENT

Worksheet 1. System Inventory and Prioritization

This worksheet is designed to help you inventory and prioritize your water system's assets.
Make copies if additional pages are needed.

Date _____ ❑ **Initial Inventory** ❑ **Update**

1. Asset and Year Installed	**2. Redundancy**	**3. Expected Useful Life** (years)	**4. Age** (years)	**5. Remaining Useful Life** (years)	**6. Expected Replacement Year**	**7. Cost to Replace** ($)	**8. Priority** (1 to 5, high-low)
Example: *Well 1 pump (25 hp, 200 gpm), 2003*	*Backup pump (25 hp, 200 gpm)*	*15*	*9*	*6*	*2019*	*$35,000*	*4*

1. **Asset and Year Installed**	**2.** **Redundancy**	**3.** **Expected Useful Life** (years)	**4.** **Age** (years)	**5.** **Remaining Useful Life** (years)	**6.** **Expected Replacement Year**	**7.** **Cost to Replace** ($)	**8.** **Priority** (1 to 5, high-low)

2. Develop a Comprehensive Plan

Use the Comprehensive Planning Worksheet at the end of this section to generate a cost-management plan for your system's assets.

Adapted from an EPA worksheet, our Comprehensive Planning Worksheet is a tool designed to assist in identifying the funding and other resources required for long-term, continued operation.

Fill Out the Comprehensive Planning Worksheet

Before you begin to fill in the columns on the worksheet, fill in the date, and check the appropriate box to indicate whether you are generating the first comprehensive plan for your utility's assets or updating an earlier plan. You should update this worksheet at least once a year. You can either make minor adjustments to the worksheet as the condition of your assets change, or start a new worksheet each year.

1. List your prioritized assets.

List the assets from the System Inventory and Prioritization Worksheet, as prioritized in column 8. List the assets in order, with the highest-priority assets (lowest number) first. If you plan to drill a new well, include it as an asset (for example, New Well #5).

2. List repair and replacement activities.

For each asset, list the rehabilitation and replacement activities that you expect to perform over the next five years. If you plan to drill a new well, state "drill a new well." Include enough detail for each activity so that you can determine its cost. Be sure to include anticipated employee costs.

3. Estimate years until action is needed.

For each activity, fill in the number of years before you will need to perform it. For annual activities, enter "1." For replacement activities, enter the remaining useful life you estimated in column 5 of the System Inventory and Prioritization Worksheet.

4. Estimate cost.

Fill in the expected cost for each activity. Make sure it's the complete cost, including preparation, cleanup, removal, and disposal of any waste.

If you expect to sell an asset at the end of its useful life, subtract the estimated sale price from the cost of a new item, and enter the difference.

5. Calculate the financial reserve required per year.

For each asset, calculate the reserve required by dividing the cost by the years until the action will be needed. This is the estimated amount of money that your utility needs to set aside per year ("Reserve Required per Year" on the worksheet) for that asset.

6. Calculate the total financial reserve required in the current year.

Add the reserves required per year for each item to calculate the total reserve required in the current year. This is the estimated amount of money that your system needs to set aside, starting this current year, in order to pay for all of the rehabilitation and replacement.

7. Repeat the process for the next four years.

To create a five-year plan, you should complete a separate comprehensive planning worksheet for each of the next four years. This will allow you to compare how much reserve money will be required if the cost is spread out over a longer period of time.

You can then use this information to determine whether a potential rate increase, customer surcharge, state or federal grant or loan, or other source of funding will be required.

MANAGING SMALL PUBLIC WATER SYSTEMS: ASSET MANAGEMENT

Worksheet 2. Comprehensive Planning

[This worksheet is designed to help you generate a comprehensive plan for maintaining your water system's assets. Make copies if additional pages are needed.]

Date _____ ❑ **Initial Plan** ❑ **Update**

1. Asset (list from highest to lowest priority)	**2. Activity**	**3. Years until Action Is Needed**	**4. Cost** ($)	**5. Reserve Required per Year** ($) (No. 4 / No. 3)
Example: *1. Chlorinator*	*Replace*	*2*	*$6,000*	$3,000
	Purchase redundant unit	*3*	*$6,000*	$2,000

1. **Asset** (list from highest to lowest priority)	**2.** **Activity**	**3.** **Years until Action Is Needed**	**4.** **Cost** ($)	**5. Reserve Required per Year** ($) (No. 4 / No. 3)
6. Total Reserve Required in the _____* Year: *Fill in the blank as to whether this is the reserve required for the 1st, 2nd, 3rd, 4th, or 5th year of your comprehensive plan				

3. Calculate Your Budget

Use the worksheet at the end of this section to calculate an annual budget for your water system.

Fill Out the Budget Worksheet

Before you begin to fill in the columns on the worksheet, fill in the date, indicate the fiscal year that the budget covers, and check the appropriate box to indicate whether you are generating the first budget for your utility or updating an earlier budget. You should update this worksheet at least once a year. You can either make minor adjustments to the worksheet as the condition of your assets changes, or start a new worksheet each year.

1. List your revenues.

In the "revenues" column provided, list all your water system's revenue sources and the dollar amount each source is expected to provide in the coming fiscal year. In the space labeled "Water Charges," enter the revenue you expect to generate from the sale of water. For "Fees and Service Charges," list all late fees, fees for establishing and transferring service, impact fees, and other fees. In the "Interest" space, enter any interest you expect to accrue on the water system's investments. If your utility has other sources of income not listed on the worksheet, enter them in the blank lines provided (below "Other"). Calculate your total annual revenue by adding all the revenues you listed. Enter this number in the box labeled "1. Total Revenue."

2. List your expenses.

In the "expenses" column, list the sources of your water system's expenses and the dollar amount each source is expected to draw in the coming fiscal year. If your utility has other general expenses not listed on the worksheet, enter them in the blank lines provided (below "Other"). Calculate your total annual expenses by adding all the expenses you listed. Enter this number in the box labeled "2. Total Expenses."

3. Calculate your net income.

Calculate your net income by subtracting your expenses from your revenue. Enter this number in the boxes labeled "3. Net Income."

4. Enter your net income.

Transfer the result of box 3 to the box labeled "4. Net Income."

5. Enter your total required reserves.

In the "Total Required Reserves" (box 5), insert the amount of total reserves in the current year from the Comprehensive Planning Worksheet 2 (line 6).

6. Calculate additional reserves needed now and into the future.

Subtract your total required reserves (box 5) from your net income (box 4). Enter this number in the box labeled "6. Additional Reserves Needed."

If the result is a positive number, you have no shortfall to make up for and can set aside the required funds in a reserve account. If the result is a negative number, you should start planning ways to make up for the shortfall.

To make up for the needed resources, you might increase rates, charge customers a surcharge, or seek state or federal funding through grants or loans. The Texas Water Infrastructure Coordination Committee, described in Part E of this series, can help your system identify appropriate funding options.

7. Plan for the future.

To get a picture of future financial needs, complete the budget worksheet for the next four years—or longer, depending on the system's needs. This will allow you to forecast expenditures for expensive repairs or replacement items, such as storage tanks, utility trucks, or electronics. Therefore, you can avoid drastic increases in rates, surcharges, or loans that the system may have to pay back for many years to come.

MANAGING SMALL PUBLIC WATER SYSTEMS: ASSET MANAGEMENT

Worksheet 3. Annual Budget

[This worksheet is designed to help you identify your water system's revenues and expenses
and calculate your budget. Make copies if additional pages are needed.]

Date _____ **Fiscal Year of Budget** _____

❑ **Initial Budget** ❑ **Update**

Revenues (Operating Income)		**Description**
Water Charges		Revenue from the sale of water—include all customers (actual or projected receipts)
Usage Fees and Service Charges		Include late payments, forfeited deposits, surcharges, impact fees, tap fees, etc.
Reserve Interest Earned		Interest accrued from reserve accounts or other investments
Other Income:		Itemize other income not elsewhere classified
1. Total Annual Revenue	**$**	
Expenses (Operating Costs)		
Regular Maintenance and Repair		Cost of performing regular or routine maintenance and repair on equipment
Utilities, Rent, and Other Overhead		Other overhead may include billing, building maintenance, cleaning, etc.
Salaries and Benefits		Include administrative and operations staff
Operating Supplies		Operating supplies not classified elsewhere
Equipment Leases		Include all equipment leases
Chemicals		Chemicals expensed in prior years, but not used, should be included for initial budgets

Monitoring and Testing		Include laboratory fees for projected monthly and annual sampling requirements
Insurance and Bonds		Costs of insuring buildings, equipment, etc.
Professional Services		Accounting, legal, engineering & other professional (not related to capital projects)
Training and Licenses		Cost of operator training courses and license renewal fee
Security		Cost of maintaining security related items (i.e., fencing, alarms, etc.)
Debt Repayment		Include interest paid on debt
Transfer to Reserved Funds		For Capital Expenditures
Other:		Itemize other expenses not classified elsewhere
2. Total Expenses	**$**	
3. Net Income (Revenue – Expenses)	**$**	

Additional Reserves Needed	
4. Net Income (from 3. Net Income)	**$**
5. Total Required Reserves (from Comprehensive Planning Worksheet 2)	**$**
6. Additional Reserves Needed (Net Income – Total Required Reserves) (-/+)	**$**

4. Implement Your Asset-Management Plan

Congratulations! You have completed the initial three steps of your asset-management plan: inventory development and asset prioritization, comprehensive planning, and budget building. Now you must work with your management team, including council and board members, if appropriate, to complete your identified repairs and maintenance and to make sure that you have the technical and financial means necessary to offer reliable service. Ideally, you should create a plan for at least the next five years.

Hold a Meeting

Arrange a meeting with your management team. Give the following items to each member.

- a map of the system
- a list of current assets, identifying for each the value, or cost to replace, and the remaining useful life (from the System Inventory and Prioritization Worksheet)
- a list of priority asset repairs and replacements (from the System Inventory and Prioritization Worksheet)
- a list of costs associated with the expected repairs or replacements (from the Comprehensive Planning Worksheet)
- the current budget allotment as well as the projected budgetary requirements (from the Budget Worksheet)

Prioritize

You may find that your current budget will cover only one or two of your priority needs. Explain why these items are priorities and the manner in which you plan to take care of them. Discuss each of the items on the priority list and how you plan to address them, creating an action timeline with a projected budget. If the current budget is lower than what you need to take care of priority items, discuss potential funding options for management input and approval, and develop a plan to obtain needed funding.

Communicate Regularly

Keep your management team updated with quarterly progress reports. This will reinforce your dedication to the plan, and help make certain that your system is functioning optimally. It will also ensure that you maintain management support throughout the implementation process.

Update Changes

Keep up with the changes that occur as your plan is implemented, including changes in the system's equipment, finances, and personnel. This will help ensure that you successfully manage your utility's assets.

Conduct a Rate Study

If you determine that your utility is not bringing in enough money to be sustainable or to complete necessary improvements, you may need to raise your rates. The process will depend on what type of utility you are. For example, an investor-owned utility applies for a rate change through the TCEQ, whereas a municipality would change rates through the city council. For assistance with rate application, contact the TCEQ Utilities and Districts Team at 512-239-4691. *As of September 1, 2014, the powers, duties, functions, programs, and activities of the TCEQ relating to economic regulation of water and sewer service will be handled by the Public Utilities Commission of Texas. You will need to contact the PUC at 888-782-8477 or visit its Web site at <www.puc.texas.gov/>.*

Regardless of the process, you will need to conduct a rate study before raising your rates. Rate studies are very complicated and may require professional help. You may decide to hire a consultant; apply for financial, managerial, or technical assistance through the TCEQ; or request the assistance of an EnviroMentor through the TCEQ's SBLGA section.

For More Information

For confidential assistance with environmental compliance, contact the Small Business and Local Government Assistance Hotline at 800-447-2827, or visit <www.TexasEnviroHelp.org>.

Asset Inventory & Capital Improvement Planning Guidance Development Timeline

Tasks	2023											2024
	Feb	Mar	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan
Research Existing Asset Inventory Assessment (AIA) & Capital Improvement Plan (CIP) Guidance Docs. & Fillable Models												
Identify Working Group Membership												
Present Example AIA & CIP Guidance To Commission												
Develop Draft Basic AIA & CIP Guidance, & A Fillable Model												
Provide Draft Basic AIA & CIP Guidance, & A Fillable Model To Commission For Review												
Present Final Draft Basic AIA & CIP Guidance, & Fillable Model To Commission For Final Approval												
Host A Workshop For Project Sponsors Related To Basic AIA & CIP Guidance, & Fillable Model												
Sponsors Begin Submitting Basic AIA & CIP With Cost-Share Applications												

Process Milestones

3/8/23

APPENDIX D

2023 INTENDED USE PLAN

for the

NORTH DAKOTA DRINKING WATER STATE REVOLVING FUND

prepared by the

DRINKING WATER STATE REVOLVING FUND PROGRAM

DIVISION OF MUNICIPAL FACILITIES

NORTH Dakota Be Legendary.™ | Environmental Quality

March 22, 2023

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Appendices

Introduction

On August 6, 1996, President Clinton signed into law the Safe Drinking Water Act (SDWA) Amendments of 1996 (P.L. 104-182). Section 1452 of the SDWA authorizes a Drinking Water State Revolving Loan Fund (DWSRF) Program. It further requires the U.S. Environmental Protection Agency (EPA) to enter into agreements with and make capitalization grants to eligible states to assist public water systems (PWSs) in financing the costs of infrastructure needed to achieve or maintain compliance with the SDWA and to protect public health.

North Dakota's legislature, under North Dakota Century Code (NDCC) section 61-28.1-11, established a drinking water revolving loan fund that would be administered by the North Dakota Department of Environmental Quality (NDDEQ). The powers and duties of the department include applying for grants from the EPA to be used for purposes authorized under SDWA, administering the fund, disbursing funds, establishing assistance priorities, and adopting rules necessary for the administration of the fund.

Additionally, the Bipartisan Infrastructure Law (BIL) was signed into law by President Biden on November 15, 2021. The BIL provides additional funding for the DWSRF Program from fiscal year (FY) 2022 to FY 2026 for three purposes:

- General Supplemental Funding
- Emerging Contaminants Funding
- Lead Service Line Replacement Funding

North Dakota's DWSRF federal allotments for fiscal years (FY) 1997 through 2022 totaled $298,950,767, and the anticipated 2023 allotments and state match requirements are as follows:

	Allotment	**State Match**
Base Funding	$7,008,000	20%
General Supplemental Funding	$21,000,000	10%
Emerging Contaminants Funding	$7,555,000	0%
Lead Service Line Replacement Funding	$28,350,000	0%
Total	**$63,913,000**	

DWSRF funds may be used for:

- Loans.
- Loan guarantees.

- A source of reserve and security for leveraged loans (the proceeds of which must be placed in the DWSRF).
- Buying or refinancing existing local debt obligations (publicly-owned systems only) where the initial debt was incurred and construction started after July 1, 1993.
- Earning interest prior to disbursement of assistance.

A portion of the DWSRF allotments may also be used for non-project set-aside activities such as:

- DWSRF Program administration (the maximum of the following: $400,000, 1/5 percent of the current valuation of the fund, or 4 percent of all grant awards to the fund for the fiscal year).
- State program assistance (up to 10 percent).
- Small system technical assistance (up to 2 percent).
- Local assistance and state programs, including the delineation and assessment of source water protection areas (up to 10 percent for any one activity with a maximum of 15 percent for all activities combined).

PWSs eligible for DWSRF assistance include community water systems (both publicly- and privately-owned) and nonprofit noncommunity water systems. Federally-owned PWSs are not eligible to receive DWSRF assistance. Appendix A depicts the types of projects and project-related costs that are eligible and ineligible for DWSRF assistance.

Section 1452(b) of the SDWA requires each state to annually prepare an Intended Use Plan (IUP). The IUP must describe how the state intends to use the DWSRF funds to meet the objectives of the SDWA and further the goal of protecting public health. The IUP must be made available to the public for review and comment prior to submitting it to the EPA as part of the capitalization grant application. Specifically, the IUP must include a:

- Priority list of projects, including a description of the projects and the present size of the PWSs served.
- Description of the criteria and methods to be used for the distribution of funds.
- Description of the financial status of the DWSRF Program, including the use of set-asides along with funds reserved, and the amount of funds that will be used to assist disadvantaged communities.
- Description of the short- and long-term goals of the DWSRF Program, including how the capitalization grant funds will be used to ensure compliance and protect public health.

This document is intended to serve as the state of North Dakota's IUP for 2023 and will stay in effect until superseded by a subsequent IUP. In accordance with the authority granted to the NDDEQ under North Dakota Century Code (NDCC) Chapter 61-28.1, this document, based on comments received from the public, will be incorporated into a capitalization grant application and submitted to the EPA to further capitalize the state's DWSRF Program in the amount of $63,913,000. State match bonds were issued in 2022 to provide the 20 percent match for the base DWSRF capitalization grant and the 10 percent match for the supplemental DWSRF capitalization grant.

Priority List of Projects

States are required to develop and maintain a comprehensive priority list of eligible projects for funding and to identify projects that will receive funding in the first year after the capitalization grant award. In determining funding priority, states must ensure to the maximum extent practicable that priority for the use of funds be given to projects that: (1) address the most serious risks to human health; (2) are necessary to ensure compliance under the SDWA; and (3) assist systems most in need on a per household basis (i.e., affordability).

A DWSRF Program may provide assistance only for expenditures (excluding operation, maintenance, and monitoring) of a type or category which will facilitate compliance or otherwise significantly further health protection under the SDWA. Projects eligible for DWSRF financial assistance include investments to:

- Address present SDWA exceedances.
- Prevent future SDWA exceedances (of regulations presently in effect).
- Replace aging infrastructure.
- Restructure or consolidate water supplies.
- Buy or refinance existing debt obligations (publicly-owned systems only) where the initial debt was incurred and construction started after July 1, 1993.

Development Process

As part of the IUP development process, all potential DWSRF loan recipients were requested to notify the NDDEQ if they had a drinking water project not presently on the list and for which they were interested in pursuing DWSRF financial assistance. Systems with previously ranked and listed projects from the 2022 Bipartisan Infrastructure Law (BIL) priority list were not required to provide the NDDEQ with a written update for each project either not yet under construction or under construction using funds other than DWSRF funds. Systems requesting ranking of new projects were provided ranking questionnaires. Requests for project re-ranking or deletion were evaluated on a case-by-case basis, with ranking questionnaires provided as needed.

Finalized project priority lists may be amended to include new non-emergency projects. Amendments are subject to public review and comment and may require North Dakota State Water Commission approval. North Dakota may amend its 2023 IUP if needed.

Priority Ranking System

The priority ranking system was developed by the NDDEQ, the state agency with primary enforcement authority for the SDWA. The priority ranking system is designed to

ensure that DWSRF funds are focused on solutions to address the most serious risks to human health, rectify SDWA compliance problems, and assist those systems most in need based on affordability considerations. The priority ranking system has received both EPA Region 8 and Headquarters concurrence. The priority ranking system will be amended as needed to reflect the changing nature of the SDWA and the DWSRF Program. Any significant amendments will be presented for public review and comment in an IUP.

The priority ranking system underwent changes in the 2022 BIL IUP. Those changes will apply to both the 2023 base and BIL funds. The changes made are as follows:

- Water Quality
    - Add an additional level to assign points for projects that address contaminants at 25% to 49% of an MCL or TTR
    - Simplify the point system for general water quality problems and remove manganese as a contaminant under general water quality problems. Manganese will be ranked as an emerging contaminant.
    - Add an item to assign points to projects that address emerging contaminants
- Water Quantity
    - Reorganize these items by Community Water System or Non-profit Non-community Water System.
    - Assign points to projects to address distribution system water losses based on water audits.
- Affordability
    - The relative future water cost index (the ratio of expected average annual residential water user charge as a percent of the annual median household income) was eliminated as an indicator and replaced with the relative current water cost index. Past experience indicates that project cost estimates from the priority list are very preliminary. Those cost estimates are used to calculate an average future residential water user charge, which makes this measure potentially inaccurate. Additionally, it is possible for a system to have a low relative current water cost index and a high relative future water cost index. This may be reflected by a system that has deferred infrastructure improvements for many years in order to keep water rates low. Using the current water cost index will prioritize assistance for systems that have already invested in their water system and need additional assistance.
    - The annual median household income was removed as an independent indicator as it is indirectly used in calculating the relative current water

cost index. It was replaced with three additional indicators – the percentage of households at less than 200% of the federal poverty level, unemployment rate, and the percent of residents with less than a high school education.

- Consolidation or Regionalization
  - Add an item to assign points to projects intended to resolve a technical, managerial, or financial capacity problem with a public water system.
- Miscellaneous
  - This category replaces the previous Operator Safety category. Projects were previously awarded a range of points based on the severity of the operator safety issues that were addressed by the project. Any operator safety issues have been combined into one item.
  - Items were added to include other kinds of projects that are eligible for the DWSRF program but had not previously been adequately captured in the priority ranking system. These include measures to ensure continued operations during an emergency, administrative buildings, and studies that may result in a capital improvement project.

The full ranking system can be found in Appendix E.

Comprehensive Project Priority List and Fundable List

The comprehensive project priority list can be found in Appendix B for the base and supplemental funding, Appendix C for the emerging contaminants funding, and Appendix D for the lead funding. The fundable list represents those projects from the comprehensive project priority list anticipated to receive loan assistance this year. The list of projects is based on anticipated start dates, projected funding needs, and expected available loan funds (see Financial Status section of this document). The list will change if such information or assumptions vary, if higher ranked projects not on the list become ready to proceed, or if projects on the list are bypassed (see Criteria and Methods for the Distribution of Funds section of this document).

Criteria and Methods for the Distribution of Funds

To the maximum extent possible, states are required to prioritize projects needed for SDWA compliance, projects that provide the greatest public health protection, and those projects that assist systems most in need based on affordability. The information below describes the process used by the NDDEQ to select projects for potential DWSRF assistance.

Ranking and Project Bypass Considerations

It is the intent of the NDDEQ that DWSRF funds are directed toward North Dakota's most pressing SDWA compliance problems and public health protection needs. To this end, the NDDEQ reserves the right to require the separation of project components into separate projects, if feasible and necessary, to focus on critical water supply problems. Project components which are separated will be ranked independently. Projects for existing PWSs, including refinancing projects, will be given preference over projects for the development of new water systems.

Under the SDWA, DWSRF funds may be used to buy or refinance existing local debt obligations (for publicly-owned systems only) where the initial debt was incurred and construction started after July 1, 1993. Cross-cutter requirements, including American Iron and Steel and Davis Bacon wage rate requirements, apply to these projects. American Iron and Steel requirements apply to projects with construction after December 16, 2014. Davis Bacon wage rate requirements apply to projects with construction after October 30, 2009. DWSRF assistance requests of this type, if eligible, will be ranked based on the original purpose and success of the constructed improvements. In the event of a tie in project rankings, new projects for existing systems will be given preference over refinancing projects.

The NDDEQ reserves the right to fund lower-ranked projects ahead of higher-ranked projects based on the considerations below. To the maximum extent possible, the NDDEQ will work with bypassed projects to ensure that they will be eligible for funding in the following fiscal year. Criteria reviewed in bypassing a project include:

- Readiness to proceed (i.e., applicant is prepared to begin construction and is immediately ready or poised to be ready to enter into assistance agreements).
- Willingness to proceed (e.g., applicant withdraws project from consideration, obtains other funding sources, or is nonresponsive).
- Emergency conditions (i.e., an unanticipated failure occurs requiring immediate attention to protect public health).
- Financial (includes inability to pay and loan repayment issues), technical, or

managerial capability.

- Meets the 15 percent requirement (i.e., funding lower-ranked project would satisfy the requirement that at least 15 percent of the funds available for construction be used annually to provide loan assistance to PWSs that serve populations of fewer than 10,000 persons).
- Inability to verify initial ranking score.

The NDDEQ reserves the right to fund unanticipated, non-ranked emergency projects requiring immediate attention to protect public health without going through a public review process. Such assistance will be limited to (1) eligible PWS types and project features and (2) situations involving acute contaminants, loss or potential loss of a water supply in the near future, or that otherwise represent an unreasonable risk to health.

Capacity

Section 1452 of the 1996 SDWA Amendments precludes states from providing DWSRF assistance to any eligible PWS that lacks the capacity to maintain SDWA compliance, unless the PWS owner or operator agrees to undertake feasible and appropriate changes to ensure compliance over the long term. States are also precluded from providing DWSRF assistance to any eligible PWS that is in significant noncompliance with any requirement of a National Primary Drinking Water Regulation (NPDWR) or variance, unless such assistance will ensure compliance. In the context of the SDWA, PWS capacity refers to the overall technical, managerial, and financial capability of a PWS to consistently produce and deliver drinking water meeting all NPDWRs. The NDDEQ has the legal authority and responsibility under NDCC Chapter 61-28.1 to ensure PWS capacity.

The NDDEQ will use the DWSRF loan application as the principal control point for capacity assessment. Information from the loan application and other available and relevant information (such as SDWA compliance data, sanitary survey reports, and operator certification status) will be evaluated to assess capacity at present and for the foreseeable future. The North Dakota Public Finance Authority (PFA), as financial agent for the DWSRF Program through formal agreement, will evaluate the financial information provided in the loan application. Based upon input provided by the NDDEQ regarding technical and managerial capability, the PFA will make recommendations to the NDDEQ concerning financial capability. The final decision regarding overall capacity will be made by the NDDEQ.

As required by the SDWA, DWSRF assistance will be denied to applicants considered priority systems because they score 11 or higher in the Enforcement Tracking Tool if it is

determined that the project will not ensure compliance. Likewise, DWSRF assistance will be denied to applicants that lack capacity if they are unwilling or unable to undertake feasible and appropriate changes to ensure capacity over the long term. The lack of capacity at the time of loan application will not preclude DWSRF assistance if the project will ensure compliance, or the applicant agrees to implement changes that will rectify capacity problems. On a case-by-case basis, special conditions may be included in loan agreements to rectify compliance and/or capacity problems. As needed and appropriate, the NDDEQ will utilize other specific legal authorities as control points to ensure capacity. This includes the review and approval of plans and specifications. Under NDCC Chapter 61-28.1 and North Dakota Administrative Code (NDAC) Chapters 33.1-03-08 and 33.1-18-01, the NDDEQ is both empowered and required to review and approve plans and specifications for all new or modified drinking water facilities prior to construction.

Disadvantaged Community Additional Subsidization

States shall provide additional loan subsidies (i.e., reduced interest or negative interest rate loans, principal forgiveness) to benefit communities meeting the definition of disadvantaged or which the state expects to become disadvantaged as the result of the project. A disadvantaged community is one in which the entire service area of a PWS meets affordability criteria established by the state following public review and comment. The value of the subsidies may not be less than 12 percent or more than 35 percent of the amount of the federal capitalization grant for any fiscal year. For 2023, the DWSRF will distribute at least 12 percent but not more than 13 percent of the amount of the capitalization grant.

Section 1452(d) of the SDWA defines a disadvantaged community as "the service area of a public water system that meets affordability criteria established after public review and comment by the State in which the public water system is located". EPA expects states to evaluate and revise, as needed, their existing DWSRF disadvantaged community definition. The criteria used by the North Dakota DWSRF program are:

- The average annual residential water user charge as a percent of the local or service area annual median household income
- Percent of the households with an income of less than 200 percent of the poverty threshold
- Percent unemployment
- Percent of residents with less than a high school education

Each criterion is scored by assigning points based on a range of values established in the Affordability section of the priority ranking system found in Appendix E. Projects may receive up to 20 points. Projects receiving 5 or more points are considered disadvantaged communities.

A water system that is undertaking a project in a portion of its service area may submit a census tract area for consideration as a disadvantaged community. If the water system receives additional subsidization, the water system must demonstrate that only the residential users in the census tract area will benefit from the additional subsidization.

The following project meets the definition of a disadvantaged community and is anticipated to receive additional subsidization:

Priority Ranking	Tracking No.	System Name	Project Cost	Additional Subsidy
1	5201309-23-01	Central Plains WD	$11,171,000	$840,960

Loan forgiveness will only be used to finance new construction. DWSRF loan and loan forgiveness can be bundled together with funding from other sources to form funding packages for projects. The combined loan forgiveness and grant in a bundled funding package must be less than or equal to 90 percent of project costs.

Timely progression of additional subsidization projects is required. To ensure this, there will be a first loan draw deadline, a construction contract notice of award deadline, and a loan forgiveness disbursement deadline. If projects identified as receiving additional subsidization do not meet these deadlines, the additional subsidization set-aside will be used to fund lower-ranked projects on the project priority list.

Congressional Additional Subsidization

Congress has mandated in previous appropriations bills and the BIL that a percent of assistance provided from DWSRF capitalization grants be in the form of additional subsidies. The DWSRF program provides these additional subsidies as loan forgiveness. The NDDEQ has the authority under state law (NDCC Chapter 61-28.1) to provide financial assistance through the DWSRF as authorized by federal law and EPA.

Congressional additional subsidization will apply to the FY 2023 DWSRF allotment in the following amounts:

	Percent Additional Subsidization	Amount of Additional Subsidization
Base	14%	$981,120
General Supplemental	49%	$10,290,000
Emerging Contaminants	100%	$7,555,000
Lead	49%	$13,891,500

Timely progression of additional subsidization projects is required. To ensure this, there will be a first loan draw deadline, a construction contract notice of award deadline, and a loan forgiveness disbursement deadline. If projects identified as receiving additional subsidization do not meet these deadlines, the additional subsidization set-aside will be used to fund lower-ranked projects on the project priority list.

Loan forgiveness will only be used to finance new construction. DWSRF loan and loan forgiveness can be bundled together with funding from other sources to form funding packages for projects. The combined loan forgiveness and grant in a bundled funding package must be less than or equal to 90 percent of project costs.

The BIL requires that additional subsidization be used only for projects where debt was incurred after November 15, 2021.

Base Funding

The congressional subsidization for the Base allotment will be provided to lead service line replacement projects at a rate of up to 75 percent and may be combined with additional subsidization from the Lead allotment to meet the maximum rate of 75 percent loan forgiveness. The Consolidated Appropriations Act of 2023 allows states to use additional subsidization for debt incurred prior to December 29, 2022 if the state, with concurrence from the EPA Region, determines that such funds could be used to help address a threat to public health from heightened exposure to lead in drinking water. Priority will be given to financing new construction, then if approved by EPA Region 8, the remaining funds will be used to finance prior construction.

General Supplemental Funding

The full 49% additional subsidization for the General Supplemental allotment must be provided to systems that meet the state's Disadvantaged Community criteria. Out of the 100% additional subsidization that must be provided from the Emerging Contaminants allotment, 25% must be provided to systems that either meet the state's Disadvantaged Community criteria or serve fewer than 25,000 people. The full 49% additional subsidization for the Lead allotment must be provided to systems that meet the state's

Disadvantaged Community criteria. All additional subsidization will be made available as loan forgiveness.

Additional subsidization for the General Supplemental allotment will be provided to projects that meet the Disadvantaged Community criteria at a rate of up to 75 percent. Additional subsidization from other DWSRF allotments may be combined to meet the maximum rate of 75 percent loan forgiveness. The following projects are anticipated to receive additional subsidization from the General Supplemental allotment:

Priority Ranking	Tracking No.	System Name	Project Cost	Additional Subsidy
1	5201309-23-01	Central Plains WD	$11,171,000	$8,378,250
5	4700637-16-01	Medina	$870,000	$652,500
7	1801062-23-01	East Central RWD	$9,978,000	$2,100,210

Emerging Contaminants Funding

Additional subsidization for the Emerging Contaminants allotment will be provided to projects at a rate of up to 75 percent and may be combined with additional subsidization from other DWSRF allotments (Base and Supplemental DWSRF) to meet the maximum rate of 75 percent loan forgiveness. The remaining 25 percent of the project costs will be combined with a loan through either the Base DWSRF program or the General Supplemental allotment. The following projects are anticipated to receive additional subsidization from the Emerging Contaminants allotment:

Priority Ranking	Tracking No.	System Name	Project Cost	Additional Subsidy
5	0900336-23-05	Fargo	$7,000,000	$5,250,000
7	1801062-23-01	East Central RWD	$9,978,000	$2,305,000

Lead Funding

Additional subsidization for the Lead allotment will be provided to projects that meet the Disadvantaged Community criteria at a rate of up to 66 percent. This is dependent on the amount of set-asides taken from the capitalization grant and is calculated as follows:

Capitalization Grant Amount		**$28,350,000**
Required Additional Subsidization	-	$13,891,500
Planned Set-Asides	-	$7,371,000
Remaining Loan Fund		$7,087,500

$$\frac{Additional\ Subsidization}{Additional\ Subsidization + Loan\ Fund} * 100\% = \frac{\$13{,}891{,}500}{\$13{,}891{,}500 + \$7{,}087{,}500} * 100\% = 66\%$$

The following projects are anticipated to receive additional subsidization from the Lead allotment.

Priority Ranking	Tracking No.	System Name	Project Cost	Additional Subsidy
1	4800152-23-01	Cando	$1,115,000	$735,900
4	1900162-23-01	Carson	$238,000	$157,080
5	0900492-23-01	Hunter	$261,000	$172,260
6	5200458-23-01	Harvey	$1,783,000	$1,176,780
8	5100660-23-01	Minot	$1,000,000	$660,000
9	2800194-23-01	Coleharbor	$82,000	$54,120
10	2200951-23-01	Tuttle	$80,000	$52,800
12	0801036-23-01	Wing	$152,000	$100,320
15	0900166-23-01	Casselton	$2,513,000	$1,658,580
18	0800080-23-01	Bismarck	$1,000,000	$660,000
19	1500571-23-01	Linton	$910,000	$600,600
21	4200626-23-01	McClusky	$380,000	$250,800
22	2100816-23-01	Regent	$100,000	$66,000
23	2100726-23-01	New England	$600,000	$396,000
24	4000833-23-01	Rolette	$611,000	$403,260
25	3300174-23-01	Center	$600,000	$396,000
26	3000400-23-01	Glen Ullin	$807,000	$532,620
27	3700574-23-01	Lisbon	$2,154,000	$1,421,640
28	4700637-23-01	Medina	$300,000	$198,000
29	5200927-23-01	Sykeston	$117,000	$77,220
30	5300936-23-02	Tioga	$250,000	$165,000
31	2900789-23-01	Pick City	$89,000	$58,740
32	3700314-23-01	Enderlin	$890,000	$587,400
33	2300508-23-01	Jud	$72,000	$47,520
34	2600038-23-01	Ashley	$700,000	$462,000
35	3900333-23-01	Fairmount	$367,000	$242,220
36	0300762-23-01	Oberon	$104,000	$68,640
37	3200023-23-01	Aneta	$234,000	$154,440
38	1900303-23-01	Elgin	$662,000	$436,920
39	1500921-23-01	Strasburg	$230,000	$151,800
40	2000203-23-01	Cooperstown	$907,000	$598,620
41	2200827-23-01	Robinson	$46,000	$30,360

42	2400380-23-01	Gackle	$310,000	$204,600
43	4300871-23-01	Selfridge	$60,000	$39,600
45	1900731-23-01	New Leipzig	$218,000	$143,880
46	2200913-23-01	Steele	$918,000	$605,880
47	2600556-23-01	Lehr	$80,000	$52,800
48	0600819-23-01	Rhame	$154,000	$71,100

Small System Project Assistance

To the extent that there are enough eligible projects to fund, states must annually use at least 15 percent of all funds credited to the DWSRF loan fund to provide loan assistance to PWSs that serve fewer than 10,000 people (40 CFR 35.3525(a)(5)). States that exceed the 15 percent requirement in any one year are permitted to reserve the excess for future years.

A total of 316 loans totaling $742,774,507 have been approved as of June 30, 2022. Of these, 255 loans (totaling $320,164,658 or 43.1 percent of loan total) represent PWSs that serve fewer than 10,000 people. The NDDEQ envisions that additional loans will be made to small PWSs based on the comprehensive project list and fundable list (See Appendix B through D).

Equivalency

Certain program requirements are only applicable to projects in an amount equal to the federal capitalization grant (i.e., equivalency projects). These requirements include environmental crosscutters, socio-economic crosscutters, disadvantaged business enterprises (DBEs), the Federal Funding Accountability and Transparency Act (FFATA), signage, the Single Audit Act, the Prohibition on Certain Telecommunications and Video Surveillance Services or Equipment, and the Build America Buy America (BABA) Act.

The NDDEQ will identify equivalency projects in amounts equal to each federal capitalization grant. These projects, unless eligible for an adjustment period waiver for BABA, may be offered an interest rate deduction. Any projects with funding packages that include Emerging Contaminants or Lead funding will be identified as equivalency projects for the Base and/or General Supplemental funding. The NDDEQ will evaluate other projects to meet equivalency requirements as loan applications are submitted and will identify equivalency projects in the DWSRF Annual Report.

SRF Data System

The NDDEQ will input data into the SRF Data System as specified by the EPA and no less than quarterly. This will be done to meet compliance with 40 CFR 35.3545(b).

Set-Aside and Fee Activities

Under the SDWA, states are required to set aside a percentage of their available DWSRF loan funds to provide financial assistance to small systems. States, at their option, may also set aside a portion of their federal DWSRF allotment for other project and non-project activities and assess fees on loans to assist with administration costs. A description of the different set-asides and past/proposed activities related to set-asides and fees follows.

Optional Non-Project Set-Asides

States may use a portion of their federal DWSRF allotment (up to specified ceilings) for the following non-project set-aside activities:

- DWSRF Program administration - the maximum of $400,000, 1/5 percent of the current valuation of the fund, or 4 percent of all grant awards to the fund for the fiscal year.
- State program administration - up to 10 percent.
    - Public Water Supply Supervision (PWSS) Program
    - Source water protection program(s)
    - Capacity development program
    - Operator certification program
- Small system technical assistance (serving 10,000 or fewer people) - up to 2 percent.
- Local assistance and other state programs - up to 10 percent for any one activity with a maximum of 15 percent for all activities combined.
    - Loans to PWSs to acquire land or conservation easements for source water protection programs.
    - Loans to community water systems to implement source water protection measures or to implement recommendations in source water petitions.
    - Assist PWSs in capacity development.
    - Assist states in developing/implementing EPA-approved wellhead protection programs.

The NDDEQ will submit workplans to EPA Region 8 for approval in accordance with 40 CFR 35.3540(c) to describe how set-aside funds will be expended for applicable activities. Any amendments to the workplans will also be submitted to EPA Region 8 for approval.

States may transfer funds among the non-project set-aside categories or between the loan fund and such set-aside categories, provided that the statutory set-aside ceilings

are not exceeded. Non-project set-aside funds may be transferred at any time to the loan fund. However, loan commitments must be made for the transferred funds within one year of the transfer of payments that have already been taken for the set-aside funds. Monies intended for the loan fund may be transferred to non-project set-asides only if no payments have yet been taken for the monies to be transferred. Otherwise, funds in or transferred to the loan fund must remain in the loan fund. Transfers may be done only if described in an IUP and approved by the EPA as part of a capitalization grant agreement or amendment. North Dakota does not anticipate the transfer of set-aside funds during 2023.

Appendix F depicts the planned non-project set-asides for 2023.

Fee Activity

Under the SDWA, states are permitted to assess fees on loans to support DWSRF administration costs. North Dakota DWSRF loan recipients are required to pay an annual loan administration fee presently set at 0.5 percent of the outstanding loan principal balance. This loan administration fee is payable semiannually on each loan payment date. The fees are held under the master trust indenture and are available to pay DWSRF administration costs allowable under the SDWA. Fees will also be used for state match and to fund Planning Assistance Reimbursement Grants as described below or for any of the purposes allowed in 40 CFR 35.3530(b)(2). To enable continued management of the DWSRF once the DWSRF is no longer annually capitalized through federal grants, loan administration fees will be held and used for loan-bond servicing and DWSRF administration as allowed under the SDWA. The loan administration fees were also used from 2008 to 2016 as a source of 1:1 match that is required when using the state program administration set-aside to administer the PWSS Program.

Planning Assistance Reimbursement (PAR) Grants

The DWSRF Program plans to offer grants to assist communities in developing shovel-ready projects. For 2023, grants will be awarded to communities on a first-come first-served basis. Applications will be sent to systems with projects that have been identified by the Intended Use Plan as potential loan forgiveness recipients in future years. Also, applications will be distributed to potential projects that plan to be included on future IUPs. Planning grants will be awarded to systems that intend to follow through with the study's recommendations and anticipate seeking a DWSRF loan to do so. The grant may cover up to 80% of the costs (for a maximum of $15,000) for completion of a project-specific engineering report. Grants will be funded from the SRF administrative account.

Financial Status

The information presented below describes the financial structure of the North Dakota DWSRF, the method used to generate the required state match, transfers between state revolving loan funds (SRFs), the basis for approving loans, loan assistance terms (including a discussion concerning market interest rates in North Dakota), sources and intended use of funds, and special considerations for State and Tribal Assistance Grants (STAG) grants.

Financial Structure

Bonds for the state match are issued by the PFA under a master trust indenture adopted by the Industrial Commission of North Dakota. The PFA may also issue leveraged bonds under the master trust indenture, the proceeds of which can be used to fund loans.

The current demand for DWSRF loan assistance in North Dakota exceeds authorized federal DWSRF allotments and the required state match for those allotments. Under the financial structure initially established for the DWSRF, excess leveraging and higher loan interest rates would be needed to satisfy this excess demand.

A modified financial structure within the existing master trust indenture has been implemented to better satisfy the continuing high demand for DWSRF financial assistance, yet avert excessive leveraging and higher loan interest rates. Under the modified structure, DWSRF allotments and state match bond proceeds will be used first to fund loans. Leveraged bonds will be issued only if (1) loan demand exceeds the amount of DWSRF allotments and state match available for loans or (2) deemed in the best interest of the program. If leveraged bonds are issued, they will be sized together with DWSRF allotments and state match to satisfy current cash flow needs as represented by the projected annual construction costs of eligible projects. This funding approach will expedite loan assistance to more projects that are ready to proceed to construction, avert premature or unnecessary bond issuances, and ensure a more reliable loan repayment stream to satisfy both bond debt service requirements and future loan demand.

In the event there are insufficient amounts available to make scheduled principal and interest payments on outstanding DWSRF bonds when payments are due, the master trust indenture for the DWSRF provides the trustee may transfer available excess revenues from the Clean Water State Revolving Fund (CWSRF) to the DWSRF bond fund to meet the deficiency. Following such a transfer, the DWSRF has an obligation to reimburse the CWSRF with future available DWSRF excess revenues.

State Match Requirement

Under the SDWA, states are required to match their base program DWSRF allotment at an amount at least equal to 20 percent. States are also required to provide a 10 percent state match to the General Supplemental funding for FY 2023. In January 2022, North Dakota issued state match bonds to satisfy match requirements through FY 2026.

Anticipated Proportionality Ratio

EPA issued a memorandum announcing a permanent regulatory exception to the State Revolving Fund cash draw rules effective November 18, 2022. This exception applies to 40 CFR 35.3560(f) and (g) and 40 CFR 35.3565(b). These regulations specify the rate at which states can draw federal funds in relation to state contribution. Therefore, the DWSRF will not use a proportionality ratio for drawing federal funds.

Disbursement of Funds

Funds will be disbursed in the following order: federal capitalization grants, state match bond proceeds, leveraged bond proceeds, and FCLA. State match funds have been disbursed in excess of capitalization grant requirements and the DWSRF is currently over-matched. Set-asides are closely monitored and disbursed quickly when requests are made to ensure timely expenditure and avoid over-accumulation. All federal funds are disbursed in a first-in, first-out manner.

Federal capitalization grants will also be disbursed in a particular order for projects that receive funding from the different sources of BIL funding. Funds will first be disbursed from the Emerging Contaminants funding or the Lead funding (as eligible) before disbursing funds from the Supplemental or Base DWSRF funding. Funds will first be disbursed from the Emerging Contaminants funding to meet the minimum 25% additional subsidy requirement for disadvantaged communities. After meeting this requirement, projects that are eligible for the Emerging Contaminants in Small and Disadvantaged Communities (WIIN) funding will utilize those funds (as available) until those funds are expended before the Emerging Contaminants funds.

Transfer of Funds Between DWSRF and CWSRF

At the governor's discretion, a state may transfer up to 33 percent of its DWSRF capitalization grant to the CWSRF or an equal amount from the CWSRF to the DWSRF. In addition to transferring grant funds, states can transfer state match, investment earnings, principal and interest repayments, unrestricted cumulative excess, restricted cumulative excess, or FCLA funds between SRF programs.

Transfers were authorized by the governor in 2002, 2004, 2007, 2009, and 2015. These funds are transferred between the programs on an as-needed basis. The governor's authorizations are as follows:

- 2002 - $10 million from CWSRF to DWSRF
- 2004 - $4 million from CWSRF to DWSRF
- 2007 - $20 million from CWSRF to DWSRF (with provision to return funds to CWSRF as needed)
- 2009 - $2.6 million of American Recovery and Reinvestment Act of 2009 funds from CWSRF to DWSRF
- 2015 - $60 million from DWSRF to CWSRF (with provision to return funds to DWSRF as needed)

The NDDEQ transfers funds on a net basis, since prior transfers have occurred between the two SRFs. The current net transfer between programs is $22,984,447 from the CWSRF to the DWSRF. The DWSRF program reserves the right to transfer funds between programs as necessary in 2023. Transferring funds will not impact DWSRF set-aside funding. Appendix G itemizes the amount of funds transferred to and from the DWSRF Program.

Funding Process

Projects may be submitted to the NDDEQ each year for consideration and inclusion into an IUP. A new IUP is developed for public review and comment in the fall of each year. New and eligible projects for which ranking questionnaires are submitted are evaluated, ranked (if possible), and included on the comprehensive project priority list. Requests for re-ranking of previously listed and ranked projects are evaluated on a case-by-case basis and may require the completion of an updated ranking questionnaire.

Loan approvals are based on project ranking, readiness to proceed, and availability of funds based on cash flow considerations, including projected disbursements under already approved and potential new loans. The PFA, on behalf of the NDDEQ, is prepared to issue leveraged bonds if the loan demand exceeds the amount of available DWSRF allotments and state match or if it is in the best interest of the program.

Loan Assistance Terms

The base repayment period for DWSRF loans under the SDWA is 30 years following project completion. The NDDEQ may utilize shorter repayment periods on a project-by-project basis depending on its useful life or the preference of the borrower. Candidate projects include low-cost projects for which minimal water rate increases will be required to retire the loan debt. A 30-year repayment period will be granted if it is

determined that the principal portion of the loan for project components that have a useful life of 20 years or less will be paid off within 20 years. Project components considered having a 20-year or less useful life are process equipment, pumps, electrical equipment, controls, and auxiliary equipment. Project components considered to have a 30-year or more useful life are buildings, concrete, other structures, conveyance structures (piping), and earthen structures. The America's Water Infrastructure Act of 2018 authorizes loan terms of 40 years or the useful life of the project for disadvantaged communities and under certain circumstances when purchasing or refinancing debt obligations for non-disadvantaged communities. The North Dakota DWSRF Program reserves the right to approve loan terms of up to 40 years or the useful life of the project.

The loan interest rate will be 1.5 percent for PWSs and may be adjusted, if necessary. Leveraged bonds will be discussed later in this section. As discussed under Set-Aside and Fee Activities, an annual loan fee of 0.5 percent is assessed on all loans to support DWSRF administration.

The SDWA requires that the interest rate for a loan be less than or equal to the market interest rate and will adjust as necessary. The NDDEQ will establish as the market interest rate the average interest rate received by North Dakota political subdivisions on bond issues with a 20-year maturity and sold on a competitive or negotiated basis during the prior quarter. This rate will be calculated and updated quarterly based upon the prior quarter bond sales. If there are no qualified bond sales, the market rate for that quarter will be calculated using comparable regional bond issues. Based upon third quarter 2022 North Dakota 20-year competitive bond sales, the current market interest rate is 3.35 percent.

Leveraging the fund is appropriate where financing needs significantly exceed available funds; however, it impacts the DWSRF by reducing the interest rate subsidy provided or reducing future loan capacity. By continuing to leverage, the program will be able to assist more communities currently on the priority list and help those communities achieve or remain in compliance with the SDWA. Loans necessitating leveraging may be subject to a loan interest rate (including the 0.5 percent administration fee) of 75 percent of the current market interest rate, if needed, to maintain program viability. The interest rate on these loans will be more than the regular DWSRF interest rate which currently is 2.0 percent (including the 0.5 percent administration fee).

The NDDEQ and the PFA strive to ensure continued long-term viability of the program to provide loans for eligible drinking water projects. To achieve this goal, the refinancing

of completed DWSRF projects will not be allowed using the extended-term financing option or the latest interest rate.

Sources and Uses of Funds

Appendix H depicts a detailed breakdown of sources and uses of funds from FY1997 through FY2022. An additional $45,000,000 of new funds is anticipated to become available in 2023 for the Base and Supplemental Funding, making $21,161,202 available for projects. An additional $15,110,000 of new funds is anticipated to become available in 2023 for the Emerging Contaminants Funding, all of which will be available for projects. An additional $41,958,000 is anticipated to become available in 2023 for the Lead Funding, all of which will be available for projects. All the funds are allocated to projects as shown in the Comprehensive Project Priority List and Fundable List (Appendix B through D).

Short- and Long-Term Goals

The 1996 SDWA Amendments authorize a DWSRF Program to assist PWSs in financing the costs of infrastructure needed to achieve or maintain compliance with SDWA requirements and to protect public health. The objectives of the NDDEQ's DWSRF Program include addressing public problems and priorities, ensuring compliance with the SDWA, assisting systems to ensure affordable drinking water, and maintaining the long-term viability of the fund. To address these objectives, the DWSRF Program will help ensure that North Dakota's public water supplies remain safe and affordable through prioritized financial assistance, enhanced source water protection activities, and increased technical assistance to small systems. The short and long-term goals set forth below are established to accomplish these objectives.

Short-Term Goals

1. On April 13, 2023, obtain North Dakota Department of Water Resources approval of this IUP.
2. Continue to implement the DWSRF Program for the state of North Dakota by funding projects for systems that are having problems maintaining compliance with the lead and copper rule, revised total coliform rule, ground water rule, the arsenic rule, the disinfection byproduct rule series, and the surface water treatment rule series.

Long-Term Goals

1. Help North Dakota PWSs achieve and maintain compliance with the SDWA. This is accomplished by coordinating with the PWSS Program and targeting those rules with which systems in the state are having problems maintaining compliance. These include the lead and copper rule, revised total coliform rule, ground water rule, the arsenic rule, the disinfection byproduct rule series, and the surface water treatment rule series.
2. Assist the PWSS Program in meeting goals. The DWSRF Program assistance includes providing technical support on infrastructure issues, capacity reviews, and small system technical assistance. Through the small system technical assistance set-aside, the DWSRF Program helps operators become certified and systems return to compliance and maintain capacity.
3. Administer the DWSRF Program in a manner that will maximize the long-term availability of funds for eligible and needed drinking water infrastructure improvements.
4. Assist North Dakota PWSs in improving drinking water quality, quantity, and dependability by providing reduced interest rate and long-term financial

assistance for eligible and needed drinking water infrastructure improvements. This infrastructure assistance helps with compliance of drinking water rules, regionalization/consolidation, and replacement of aging infrastructure.

5. To the greatest extent possible, continue to integrate DWSRF funding with other available funding to maximize the benefits to public water systems and needed drinking water projects statewide. The cooperating agencies include the U. S. Department of Agriculture, Community Development Block Grant Program, North Dakota Department of Land Trusts, the Bank of North Dakota, and the North Dakota State Water Commission.

Environmental Results

1. Loan Fund
    a. Through June 30, 2022, the fund utilization rate (as measured by the ratio of executed loans to funds available for projects) was 103 percent which is above the June 30, 2021 national average of 96 percent. The 2023 goal is to maintain the fund utilization rate at 90 percent or above, however with the additional BIL funds received, the rate is expected to decline.
    b. Through June 30, 2022, the rate at which projects progressed (as measured by disbursements as a percentage of assistance provided) was 91 percent. This is above the June 30, 2021 national average of 87 percent. The 2023 goal is to maintain the construction pace above 80 percent.
    c. The DWSRF Program obtained binding commitments for 12 projects in 2022 totaling $18,727,432 and serving a population of 125,647. The 2023 goal is to fund 14 loans totaling $30 million and serving a population of 50,000.
2. Set-Asides, Small System Technical Assistance
    a. The goal for the number of systems receiving training is 120.
    b. The goal for the number of systems receiving on-site technical assistance is 50.

Public Participation

A state is required to make its annual IUP available to the public for review and comment prior to submitting it to the EPA as part of its capitalization grant application. States are also required to describe the public review process used and how major comments and concerns received were addressed.

Process

The public was invited to comment on the draft 2023 IUP at a public hearing held at the NDDEQ offices and on Microsoft Teams on March 2, 2023. Written comments were accepted until March 16, 2023.

Comments provided were as follows:

- Tom Klabunde, Moore Engineering, provided an updated questionnaire on behalf of the City of Underwood regarding their water tower replacement project (Tracking No. 2800953-22-01). The project cost was updated and a re-ranking was unnecessary.
- AJ Tuck, Moore Engineering, provided a questionnaire on behalf of the City of Taylor. The city would like to include on the priority list a distribution system improvements project. The project was added to the priority list.
- Jeff Roehrich, City of Fessenden, provided a questionnaire. The city would like to include on the priority list a lead service line replacement project. The project was added to the priority list.
- Abby Ritz, AE2S, provided an updated questionnaire on behalf of East Central RWD regarding their Hillsboro WTP expansion project (Tracking No. 1801062-23-01). Additional information about emerging contaminants concentrations was provided. The project was re-ranked.
- Abby Ritz, AE2S, requested a re-ranking on behalf of Northeast RWD regarding their WTP and wellfield expansion project (Tracking No. 1001380-22-02). She indicated that she believed the project should be eligible for emerging contaminants funding. The project was re-ranked.
- Joshua Feil, Moore Engineering, requested that special assessment costs be included in affordability rankings. This information was not collected on the questionnaires and therefore would not be able to be evaluated for all projects on the priority list. The DWSRF Program will research and consider including this information for future priority list rankings.
- AJ Tuck and Tom Klabunde, Moore Engineering, requested that relative future water cost index be included in affordability rankings. The reasons for the change from using the relative future water cost index to the relative present water cost index was described in the “Priority Ranking System” section of this document

beginning on page 4. They also recommended that “readiness to proceed” be included in the ranking system. The DWSRF Program will consider including this information for future priority list rankings.

Appendix A

Eligible and Ineligible Projects and Project-Related Costs Under the Drinking Water State Revolving Loan Fund (DWSRF) Program

Examples of Eligible Projects and Project-Related Costs

- Projects that address present Safe Drinking Water Act (SDWA) exceedances.
- Projects that prevent future SDWA exceedances (applies only to regulations in effect).
- Projects to replace aging infrastructure.
- Rehabilitate or develop drinking water sources (excluding reservoirs, dams, dam rehabilitation, and water rights unless the project meets the criteria for a class deviation) to replace contaminated sources.
- Install or upgrade drinking water treatment facilities if the project would improve the quality of drinking water to comply with primary or secondary SDWA standards.
- Install or upgrade storage facilities, including finished water reservoirs, to prevent microbiological contaminants from entering the water system.
- Install or replace transmission and distribution piping to prevent contamination caused by leaks or breaks, or to improve water pressure to safe levels.
- Projects to restructure and consolidate water supplies to rectify a contamination problem, or to assist systems unable to maintain SDWA compliance for financial or managerial reasons (assistance must ensure compliance).
- Projects that purchase a portion of another system's capacity if such purchase will cost-effectively rectify an SDWA compliance problem.
- Land acquisition.
    - Land must be integral to the project (i.e., needed to meet or maintain compliance and further public health protection, such as land needed to locate eligible treatment or distribution facilities).
    - Acquisition must be from a willing seller.
- Planning (including required environmental assessment reports), design, and construction inspection costs associated with eligible projects.
- Service lines from the main to the house, including lead service lines.

Examples of Ineligible Projects and Project-Related Costs

- Dams or rehabilitation of dams, except if the project meets the criteria for a class deviation.
- Water rights, except if (1) the water rights are owned by a system that is being purchased through consolidation as part of a capacity development strategy or (2) the project meets the criteria for a class deviation.
- Reservoirs, except for (1) finished water reservoirs and those reservoirs that are part of the treatment process and are located on the property where the treatment facility is located or (2) the project meets the criteria for a class deviation.
- Drinking water monitoring costs.
- Operation and maintenance costs.
- Projects needed mainly for fire protection.
- Projects for systems that lack adequate technical, managerial, and financial capability, unless assistance will ensure compliance.
- Projects for priority systems in the Enforcement Tracking Tool, unless funding will ensure compliance.
- Projects primarily intended to serve future growth.

Appendix B

Comprehensive Project Priority List and Fundable List for 2023 Base and Supplemental Funding

Shaded projects are on the fundable list

Priority Ranking (Base & Supplemental)	Priority Ranking (Emerging Contaminants)	Priority Ranking (Lead)	Tracking No.	System Name	Disadvantaged Community	Present Population	Project Description	Project Cost ($1,000)	Project Cost - Emerging Contaminants ($1,000)	Project Cost - Lead ($1,000)	Construction Start Date	Est. Loan Term[1]
33	-	-	1801056-21-01	Agassiz WUD	Yes	3,525	User & transmission expansion - Phase 2	3,850	-	-	2023	
287	-	130	1801056-22-01	Agassiz WUD	Yes	3,525	Lead service line inventory	200	-	200	-	
76	-	-	4001153-14-01	All Seasons WUD	Yes	4,295	System 3 improvements - Bottineau & Renville counties	1,060	-	-	2023	
25	-	-	4001153-14-02	All Seasons WUD	Yes	4,295	System 3 improvements - Turtle Mountains & Lake Metigoshe area	29,000	-	-	2023	
148	-	-	4001153-15-01	All Seasons WUD	Yes	4,295	System 4 to system 1 water supply improvements	6,638	-	-	2023	
36	-	-	4001153-21-01	All Seasons WUD	Yes	4,295	Refinance of projects for well, reservoir, SCADA, & pipeline improvements	3,929	-	-	-	
149	-	-	4001153-21-02	All Seasons WUD	Yes	4,295	Rolla area improvements	924	-	-	2023	
352	-	-	3000012-22-01	Almont	No	115	Water main replacement district no. 2022-1	1,500	-	-	2023	
377	-	95	3000012-23-01	Almont	No	115	Lead service line inventory & replacement	115	-	115	2023	
29	-	117	0900017-22-01	Amenia	No	94	Distribution system improvements	700	-	45	2023	
371	-	89	0900017-23-01	Amenia	No	94	Lead service line inventory & replacement	700	-	700	2023	
211	-	-	3200023-21-01	Aneta	Yes	234	Water main replacement	3,000	-	-	2023	
174	-	37	3200023-23-01	Aneta	Yes	234	Lead service line inventory & replacement	234	-	234	2023	30
253	-	-	0900035-22-01	Arthur	No	328	Control building improvements	400	-	-	2024	
364	-	86	0900035-23-01	Arthur	No	328	Lead service line inventory & replacement	328	-	328	2023	
10	-	-	2600038-21-01	Ashley	Yes	700	Water tower improvements	2,000	-	-	2023	
97	-	-	2600038-21-02	Ashley	Yes	700	Water main replacement	1,000	-	-	2023	
2	3	-	2600038-21-03	Ashley	Yes	700	WTP improvements	2,500	1,250	-	2023	20+
154	-	34	2600038-23-01	Ashley	Yes	700	Lead service line inventory & replacement	700	-	700	2023	30
316	-	-	1700059-20-01	Beach	Yes	981	South side water tower rehabilitation	398	-	-	2023	
133	-	90	1700059-22-01	Beach	Yes	981	Water main & lead service line replacement	1,805	-	181	2023	
349	-	135	1700059-22-02	Beach	Yes	981	Lead service line inventory	94	-	94	-	
78	-	-	4500069-23-01	Belfield	Yes	1,013	12" transmission line extension & PRV vaults	1,845	-	-	2024	
38	-	-	4500069-23-02	Belfield	Yes	1,013	AC water main & gate valve replacement	2,305	-	-	2024	
353	-	-	5100072-18-02	Berthold	No	454	Water tower rehabilitation	300	-	-	2023	
379	-	-	5100072-21-01	Berthold	No	454	Water main replacement	5,000	-	-	2023	
365	-	87	5100072-23-01	Berthold	No	454	Lead service line inventory & replacement	454	-	454	2023	
310	-	-	2900074-20-01	Beulah	Yes	3,052	Phase I main street improvements	5,195	-	-	2023	
23	-	16	0800080-19-01	Bismarck	Yes	88,000	Water main & lead service line replacement	3,500	-	1,500	2023	30
62	-	18	0800080-23-01	Bismarck	Yes	88,000	Lead service line replacement	3,500	-	1,000	2023	30
381	-	-	0700114-21-02	Bowbells	Yes	301	Railway St water main looping	275	-	-	2023	
392	-	141	0700114-22-01	Bowbells	Yes	301	Lead service line inventory	63	-	63	-	
186	-	-	0600119-14-01	Bowman	Yes	1,470	4th Ave NW water main replacement	1,445	-	-	2024	
187	-	-	0600119-19-01	Bowman	Yes	1,470	Storage tank improvements	2,100	-	-	2024	
196	-	118	0900134-11-01	Buffalo	No	225	Distribution system improvements	2,300	-	200	2024	
378	-	96	0900134-23-01	Buffalo	No	225	Lead service line inventory & replacement	225	-	225	2023	
347	-	-	5100138-12-01	Burlington	Yes	1,310	Elevated storage tank	1,750	-	-	2023	
209	-	-	5100138-22-01	Burlington	Yes	1,310	Wallace St water main replacement	457	-	-	2022	
107	-	-	4800152-13-02	Cando	Yes	1,115	Water main replacement	2,000	-	-	2023	
18	-	1	4800152-23-01	Cando	Yes	1,115	Lead service line inventory & replacement	1,115	-	1,115	2023	30
358	-	-	1600159-20-01	Carrington	Yes	2,200	Water main replacement & rehab	1,500	-	-	2023	
30	-	7	1900162-22-01	Carson	Yes	238	Railroad, 1st, & 2nd Ave water main replacement	2,577	-	26	2023	30
92	-	-	1900162-22-02	Carson	Yes	238	Water storage improvements	2,250	-	-	2023	
69	-	4	1900162-23-01	Carson	Yes	238	Lead service line inventory & replacement	238	-	238	2023	30
250	-	-	0901060-22-01	Cass RWD	Yes	17,841	1.5 million gallon water tower	5,860	-	-	2024	
345	-	-	0901060-22-02	Cass RWD	Yes	17,841	County Road 17 water line improvements	1,189	-	-	2024	
251	-	-	0901060-22-03	Cass RWD	Yes	17,841	Reservoir B expansion	982	-	-	2024	
129	-	-	0901060-23-01	Cass RWD	Yes	17,841	2024 system wide improvements	3,000	-	-	2024	
291	-	-	0900166-20-01	Casselton	Yes	2,513	Water main replacement (5th Ave N)	4,500	-	-	2023	

Priority Ranking (Base & Supplemental)	Priority Ranking (Emerging Contaminants)	Priority Ranking (Lead)	Tracking No.	System Name	Disadvantaged Community	Present Population	Project Description	Project Cost ($1,000)	Project Cost - Emerging Contaminants ($1,000)	Project Cost - Lead ($1,000)	Construction Start Date	Est. Loan Term[1]
292	-	-	0900166-22-01	Casselton	Yes	2,513	Water main replacement & looping (2nd St N, Cottonwood Dr to ND Hwy 18, Morningside Dr to ND Hwy 18)	1,350	-	-	2023	
199	-	15	0900166-23-01	Casselton	Yes	2,513	Lead service line inventory & replacement	2,513	-	2,513	2023	30
40	-	-	3400170-22-01	Cavalier	Yes	1,247	Water main replacement	1,355	-	-	2023	
161	-	121	3400170-22-02	Cavalier	Yes	1,247	Lead service line inventory	125	-	125	-	
11	-	66	3300174-22-01	Center	Yes	600	Water storage & distribution improvements	2,600	-	260	2023	30
106	-	25	3300174-23-01	Center	Yes	600	Lead service line inventory & replacement	600	-	600	2023	30
1	-	-	5201309-23-01	Central Plains WD	Yes	3,504	Water district expansion	11,171	-	-	2023	30
290	-	-	3900183-09-01	Christine	Yes	150	Water main, gate valve, & hydrant replacement, water main looping	700	-	-	2023	
327	-	76	3900183-23-01	Christine	Yes	150	Lead service line inventory & replacement	150	-	150	2023	
271	-	-	2800192-20-02	Coleharbor	Yes	82	Water main replacement district no. 2021-1	1,500	-	-	2023	
94	-	9	2800194-23-01	Coleharbor	Yes	82	Lead service line inventory & replacement	82	-	82	2023	30
289	-	-	3900196-23-01	Colfax	No	175	Reservoir expansion	1,051	-	-	2023	
390	-	-	3900196-23-02	Colfax	No	175	Water main looping	690	-	-	2024	
317	-	-	0700198-16-01	Columbus	Yes	133	Water main looping	1,250	-	-	2023	
179	-	40	2000203-23-01	Cooperstown	Yes	907	Lead service line inventory & replacement	907	-	907	2023	30
4	-	105	1200211-22-01	Crosby	Yes	1,065	Hendrickson/Holmes water main improvement	3,229	-	55	2024	
384	-	138	2001061-22-01	Dakota RWD	Yes	2,472	Lead service line inventory	200	-	200	-	
124	-	-	2001061-22-02	Dakota RWD	Yes	2,472	Transmission pipeline expansion	4,931	-	-	2024	
90	1	-	2001061-22-03	Dakota RWD	Yes	2,472	WTP expansion & manganese removal	5,000	5,000	-	2023	20+
210	-	-	0200226-22-01	Dazey	Yes	104	Control panel, electrical, & pump improvements	150	-	-	2023	
288	-	131	2500266-22-01	Drake	Yes	299	Lead service line inventory	63	-	63	-	
204	-	-	3400269-21-01	Drayton	Yes	751	Water main, hydrant, valve, & meter replacement	8,055	-	-	2023	
267	-	57	3400269-23-01	Drayton	Yes	751	Lead service line inventory & replacement	751	-	751	2023	30
319	-	132	1801062-22-02	East Central RWD	Yes	8,448	Lead service line inventory	200	-	200	-	
214	-	-	1801062-22-03	East Central RWD	Yes	8,448	Wellfield, transmission, & user expansion (phase 6)	5,955	-	-	2024	
13	-	-	1801062-22-04	East Central RWD	Yes	8,448	Service to Galesburg	1,784	-	-	2024	
6	6	-	1801062-22-05	East Central RWD	Yes	8,448	WTP expansion (phase 5)	10,564	10,564	-	2023	20+
7	7	-	1801062-23-01	East Central RWD	Yes	8,448	Hillsboro WTP expansion	9,978	9,978	-	2023	20+
140	-	-	1801062-23-02	East Central RWD	Yes	8,448	Service to Buxton	6,137	-	-	2023	
326	-	-	3600298-23-01	Edmore	Yes	141	Water storage & pumphouse	650	-	-	2023	
216	-	-	1900303-21-01	Elgin	Yes	662	East side utility improvements	1,700	-	-	2023	
177	-	38	1900303-23-01	Elgin	Yes	662	Lead service line inventory & replacement	662	-	662	2023	30
46	-	-	3700314-02-01	Enderlin	Yes	890	Well field & transmission line	1,700	-	-	2024	
72	-	74	3700314-02-02	Enderlin	Yes	890	Water main & lead service line replacement	1,500	-	400	2024	
95	-	-	3700314-02-03	Enderlin	Yes	890	WTP improvements	4,700	-	-	2025	
47	-	-	3700314-08-01	Enderlin	Yes	890	Water tower replacement	2,000	-	-	2024	
145	-	32	3700314-23-01	Enderlin	Yes	890	Lead service line inventory & replacement	890	-	890	2023	30
183	-	-	3900333-06-01	Fairmount	Yes	367	Water main replacement	800	-	-	2023	
155	-	35	3900333-23-01	Fairmount	Yes	367	Lead service line inventory & replacement	367	-	367	2023	30
32	-	-	0900336-11-01	Fargo	Yes	166,000	High service pump station	9,500	-	-	2025	
173	-	-	0900336-11-02	Fargo	Yes	166,000	WTP residuals facility	38,000	-	-	2025	
142	-	84	0900336-18-02	Fargo	Yes	166,000	Lead service line replacement	2,000	-	2,000	2024	
282	-	-	0900336-21-01	Fargo	Yes	166,000	Sheyenne river water supply improvements	8,000	-	-	2024	
45	-	83	0900336-22-01	Fargo	Yes	166,000	Water main replacement	5,000	-	-	2023	
227	-	-	0900336-23-01	Fargo	Yes	166,000	32nd Ave S water main replacement	2,200	-	-	2024	
231	-	133	0900336-23-02	Fargo	Yes	166,000	AMI meter improvements - phase I	3,400	-	400	2024	
232	-	134	0900336-23-03	Fargo	Yes	166,000	AMI meter improvements - phase II	6,600	-	0	2025	
283	-	-	0900336-23-04	Fargo	Yes	166,000	Emergency Red River intake screen	4,000	-	-	2024	

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143	5	-	0900336-23-05	Fargo	Yes	166,000	GAC filter conversion	7,000	7,000	-	2023	20+
228	-	-	0900336-23-06	Fargo	Yes	166,000	Main Ave water main replacement	3,600	-	-	2025	
201	-	101	5200338-23-01	Fessenden	Yes	462	Lead service line replacement	248	-	248	2026	
212	-	44	3000342-20-01	Flasher	Yes	290	Lead service line inventory & replacement	350	-	350	2023	30
354	-	-	0700344-22-01	Flaxton	Yes	74	Water main replacement	478	-	-	2023	
332	-	78	1100346-23-01	Forbes	Yes	53	Lead service line inventory & replacement	53	-	53	2023	
324	-	-	4100357-08-01	Forman	Yes	504	Water tower replacement	1,200	-	-	2023	
325	-	-	4100357-14-01	Forman	Yes	504	Well improvements & transmission line replacement	750	-	-	2023	
367	-	-	4100357-15-01	Forman	Yes	504	Distribution system upgrades	1,030	-	-	2023	
71	-	-	2400380-19-01	Gackle	Yes	310	Water main & water meter replacement, pump house improvements	500	-	-	2022	
181	-	42	2400380-23-01	Gackle	Yes	310	Lead service line inventory & replacement	310	-	310	2023	30
122	-	-	4900382-22-01	Galesburg	No	118	Distribution system & storage improvements	1,800	-	-	2023	
401	-	144	4900382-22-02	Galesburg	No	118	Lead service line inventory	63	-	63	-	
42	-	-	2800389-13-01	Garrison	Yes	2,500	WTP upgrades	5,000	-	-	2022	
168	-	104	2800389-13-02	Garrison	Yes	2,500	Water main & lead service line replacement	2,500	-	1,000	2023	
342	-	-	2800389-15-01	Garrison	Yes	2,500	Intake replacement	4,000	-	-	2023	
263	-	54	2800389-23-01	Garrison	Yes	2,500	Lead service line inventory & replacement	1,462	-	1,462	2023	30
74	-	-	3000400-19-02	Glen Ullin	Yes	807	Water main replacement district no. 2022-1	4,500	-	-	2023	
75	-	-	3000400-22-01	Glen Ullin	Yes	807	Water storage improvement district no. 2022-1	1,500	-	-	2023	
108	-	26	3000400-23-01	Glen Ullin	Yes	807	Lead service line inventory & replacement	807	-	807	2023	30
334	-	-	3800397-13-01	Glenburn	Yes	380	Distribution system improvements	5,500	-	-	2023	
309	-	71	3800397-23-01	Glenburn	Yes	380	Lead service line inventory & replacement	380	-	380	2023	
9	-	-	5000408-02-01	Grafton	Yes	4,170	WTP improvements	5,562	-	-	2023	
102	-	-	5000408-03-01	Grafton	Yes	4,170	Park river water intake	2,225	-	-	2036	
103	-	-	5000408-16-01	Grafton	Yes	4,170	Raw water transmission line project	7,342	-	-	2029	
104	-	-	5000408-16-02	Grafton	Yes	4,170	Red river water intake	4,536	-	-	2028	
240	-	125	5000408-22-01	Grafton	Yes	4,170	Lead service line inventory	250	-	250	-	
189	-	-	5000408-22-02	Grafton	Yes	4,170	Surface water intake improvements	500	-	-	2023	
226	-	-	1800410-20-01	Grand Forks	Yes	59,166	WTP demolition	5,100	-	-	2024	
141	-	-	1800410-22-01	Grand Forks	Yes	59,166	Potable waterline expansion	3,504	-	-	2023	
14	-	-	2500415-12-01	Granville	Yes	330	Water main replacement	499	-	-	2023	
359	-	-	5300425-20-01	Grenora	Yes	350	Main St water main replacement	1,500	-	-	2031	
360	-	-	5300425-20-02	Grenora	Yes	350	Jetson St water main replacement	703	-	-	2024	
293	-	-	5300425-20-03	Grenora	Yes	350	Water tower improvements	3,000	-	-	2024	
123	10	-	5300425-20-04	Grenora	Yes	350	WTP improvements	2,926	2,926	-	2027	
361	-	-	5300425-20-05	Grenora	Yes	350	Well house #1 improvements	1,000	-	-	2026	
294	-	-	5300425-20-06	Grenora	Yes	350	Well house #2 improvements	1,000	-	-	2040	
383	-	-	3900443-23-01	Hankinson	Yes	845	Renewable energy water supply	2,465	-	-	2023	
68	-	-	2000446-09-01	Hannaford	Yes	150	Water tower replacement & pump house improvements	2,300	-	-	2024	
96	-	-	5200458-16-01	Harvey	Yes	1,783	WTP improvements	800	-	-	2023	
229	-	-	5200458-22-01	Harvey	Yes	1,783	Raw water line replacement	2,250	-	-	2024	
230	-	-	5200458-22-02	Harvey	Yes	1,783	Railroad crossing water main replacement	400	-	-	2024	
50	-	6	5200458-23-01	Harvey	Yes	1,783	Lead service line inventory & replacement	1,783	-	1,783	2023	30
399	-	-	0900460-16-01	Harwood	No	718	Distribution system improvements	1,000	-	-	2023	
387	-	106	0900460-23-01	Harwood	No	718	Lead service line inventory & replacement	718	-	718	2023	
48	-	-	1500469-22-01	Hazelton	Yes	225	Pump house & water tower improvements	2,000	-	-	2023	
259	-	51	1500469-23-01	Hazelton	Yes	225	Lead service line inventory & replacement	225	-	225	2023	30
249	-	112	2900470-22-01	Hazen	Yes	2,411	Lead service line & water meter replacement	2,000	-	1,500	2023	
311	-	72	2900470-23-01	Hazen	Yes	2,411	Lead service line inventory & replacement	2,411	-	2,411	2023	
170	-	-	3000473-20-01	Hebron	Yes	867	Southside water main replacement	3,903	-	-	2023	

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262	-	-	3000473-22-01	Hebron	Yes	867	Summit Ave watermain replacement	178	-	-	2023	
246	-	-	0100476-23-01	Hettinger	Yes	1,200	Water main rehabilitation	1,660	-	-	2024	
241	-	126	4900482-22-01	Hillsboro	Yes	1,649	Lead service line inventory	125	-	125	-	
366	-	-	4600487-08-01	Hope	Yes	258	Water main extension	210	-	-	2023	
296	-	67	4600487-23-01	Hope	Yes	258	Lead service line inventory & replacement	258	-	258	2023	30
402	-	-	0900488-15-01	Horace	No	614	Water tower improvements	815	-	-	2024	
398	-	-	0900488-22-01	Horace	No	614	Water tower replacement	6,500	-	-	2024	
323	-	-	0900492-15-01	Hunter	Yes	261	Control building improvements	300	-	-	2024	
88	-	14	0900492-15-02	Hunter	Yes	261	Distribution system improvements	4,000	-	200	2024	
164	-	5	0900492-23-01	Hunter	Yes	261	Lead service line inventory & replacement	261	-	261	2023	30
190	-	-	4700498-09-01	Jamestown	Yes	16,000	Water meters	2,835	-	-	2023	
191	-	-	4700498-13-01	Jamestown	Yes	16,000	WTP SCADA improvements	455	-	-	2023	
192	-	-	4700498-13-02	Jamestown	Yes	16,000	WTP filter bay improvements	860	-	-	2023	
193	-	-	4700498-14-02	Jamestown	Yes	16,000	NE water transmission line	4,968	-	-	2023	
79	-	-	4700498-18-01	Jamestown	Yes	16,000	Pitless well rehabilitation	200	-	-	2023	
80	-	-	4700498-19-01	Jamestown	Yes	16,000	WTP backwash recycle system	1,750	-	-	2023	
194	-	-	4700498-19-02	Jamestown	Yes	16,000	NE water tower improvement	350	-	-	2023	
12	-	2	4700498-22-01	Jamestown	Yes	16,000	Water main & lead service line replacement	1,500	-	250	2023	30
26	-	3	4700498-22-02	Jamestown	Yes	16,000	Lead service line replacement	3,500	-	3,500	2023	30
176	-	75	2300508-15-01	Jud	Yes	72	Distribution system improvements	500	-	50	2024	
147	-	33	2300508-23-01	Jud	Yes	72	Lead service line inventory & replacement	72	-	72	2023	30
167	-	103	5100515-15-01	Kenmare	Yes	1,013	Water main replacement	575	-	58	2023	
132	-	11	5100515-22-01	Kenmare	Yes	1,013	Lead service line inventory & replacement	310	-	310	2023	10
397	-	143	0900524-22-01	Kindred	No	889	Lead service line replacement study	50	-	50	-	
61	-	-	0900524-22-02	Kindred	No	889	Water reservoir & water main improvements	1,500	-	-	2024	
197	-	114	0900524-23-01	Kindred	No	889	ACP water main replacement	1,480	-	200	2028	
374	-	115	0900524-23-02	Kindred	No	889	Lead service line replacement	500	-	500	2024	
382	-	-	0900524-23-03	Kindred	No	889	Water storage expansion & study	1,000	-	-	2026	
98	-	-	2300535-09-01	Kulm	Yes	354	Water tower replacement	1,500	-	-	2023	
278	-	64	2300535-23-01	Kulm	Yes	354	Lead service line inventory & replacement	354	-	354	2023	30
357	-	-	2300537-14-01	LaMoure	Yes	889	Water main replacement & looping	525	-	-	2023	
331	-	77	2300537-23-01	LaMoure	Yes	889	Lead service line inventory & replacement	889	-	889	2023	
301	-	-	1000543-09-01	Langdon	Yes	1,878	Water main replacement	3,000	-	-	2023	
343	-	-	1000543-09-02	Langdon	Yes	1,878	Water tower rehabilitation	600	-	-	2024	
344	-	-	1000543-21-01	Langdon	Yes	1,878	Water main looping	950	-	-	2023	
272	-	59	1000543-23-01	Langdon	Yes	1,878	Lead service line inventory & replacement	1,878	-	1,878	2023	30
127	-	-	0300533-13-01	Leeds	Yes	427	Well & transmission line improvements	600	-	-	2023	
203	-	-	0300553-13-02	Leeds	Yes	427	WTP improvements	450	-	-	2023	
298	-	-	0300553-20-01	Leeds	Yes	427	Water main replacement	525	-	-	2023	
261	-	53	0300553-23-01	Leeds	Yes	427	Lead service line inventory & replacement	427	-	427	2023	30
52	-	-	2600556-22-01	Lehr	Yes	80	Water tower & water main replacement	1,500	-	-	2023	
222	-	47	2600556-23-01	Lehr	Yes	80	Lead service line inventory & replacement	80	-	80	2023	30
51	-	68	3900567-16-01	Lidgerwood	Yes	652	Transmission main & lead service line replacement	1,126	-	320	2024	
101	-	-	3900567-23-01	Lidgerwood	Yes	652	Booster station and water tower controls	292	-	-	2024	
243	-	-	0800570-22-01	Lincoln	No	4,257	Water storage & transmission line improvements	5,400	-	-	2023	
55	-	-	1500571-21-01	Linton	Yes	990	Curb stop replacement	1,500	-	-	2023	
41	-	19	1500571-23-01	Linton	Yes	990	Lead service line inventory & replacement	990	-	990	2023	30
77	-	-	3700574-11-01	Lisbon	Yes	2,154	Water well	300	-	-	2022	
150	-	-	3700574-11-02	Lisbon	Yes	2,154	Water main replacement	2,500	-	-	2022	
100	-	-	3700574-14-01	Lisbon	Yes	2,154	WTP improvements	1,000	-	-	2022	
109	-	27	3700574-23-01	Lisbon	Yes	2,154	Lead service line inventory & replacement	2,154	-	2,154	2023	30

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119	-	-	0300587-22-02	Maddock	Yes	380	Water tower repair or replacement	2,500	-	-	2024	
295	-	-	5100593-13-01	Makoti	Yes	154	Well & transmission line improvements	400	-	-	2023	
362	-	-	5100593-13-02	Makoti	Yes	154	Water main replacement	2,000	-	-	2022	
339	-	80	5100593-23-01	Makoti	Yes	154	Lead service line inventory & replacement	154	-	154	2023	
346	-	-	3000596-13-03	Mandan	Yes	32,000	Boundary road PRV	661	-	-	2023	
305	-	-	3000596-19-01	Mandan	Yes	32,000	Collins Ave reservoir replacement	3,566	-	-	2025	
208	-	-	3000596-21-01	Mandan	Yes	32,000	Memorial Hwy water main upgrade	5,500	-	-	2023	
252	-	-	3000596-21-02	Mandan	Yes	32,000	South end pump station improvements	419	-	-	2024	
91	-	-	3000596-22-01	Mandan	Yes	32,000	WTP optimization phase 3	6,587	-	-	2024	
306	-	-	3000596-22-03	Mandan	Yes	32,000	Midtown west water main replacement	2,000	-	-	2026	
307	-	-	3000596-22-04	Mandan	Yes	32,000	Water distribution system improvements	400	-	-	2023	
308	-	-	3000596-22-05	Mandan	Yes	32,000	Downtown water main replacement	1,200	-	-	2024	
135	-	13	3000596-22-06	Mandan	Yes	32,000	Lead service line inventory & replacement	200	-	200	2023	30
335	-	-	0900613-20-01	Mapleton	Yes	1,320	Water main replacement	1,000	-	-	2023	
248	-	-	0900613-22-01	Mapleton	Yes	1,320	Water main railroad crossing & looping	800	-	-	2023	
336	-	79	0900613-23-01	Mapleton	Yes	1,320	Lead service line inventory & replacement	310	-	310	2023	
255	-	-	2800619-18-01	Max	Yes	334	Water main replacement	639	-	-	2023	
256	-	-	2800619-20-01	Max	Yes	334	Gate valve replacement	156	-	-	2023	
368	-	-	0500620-23-01	Maxbass	Yes	85	Curb stop and gate valve replacement	126	-	-	2024	
205	-	-	4900622-16-01	Mayville	Yes	1,858	WTP upgrades	790	-	-	2023	
206	-	-	4900622-22-01	Mayville	Yes	1,858	Refinance of surface water intake and water main improvements	950	-	-	-	
273	-	60	4900622-23-01	Mayville	Yes	1,858	Lead service line inventory & replacement	1,858	-	1,858	2023	30
105	-	-	4200626-22-01	McClusky	Yes	380	Water main replacement	300	-	-	2023	
81	-	21	4200626-23-01	McClusky	Yes	380	Lead service line inventory & replacement	380	-	380	2023	30
202	-	-	3200626-19-01	McVille	Yes	375	WTP improvements	1,300	-	-	2024	
126	-	-	3200626-22-01	McVille	Yes	375	Elevated tank replacement	2,300	-	-	2023	
166	-	102	3200626-22-02	McVille	Yes	375	Distribution system improvements	10,500	-	150	2024	
260	-	52	3200626-23-01	McVille	Yes	375	Lead service line inventory & replacement	375	-	375	2023	30
5	-	-	4700637-16-01	Medina	Yes	300	WTP & well improvements	840	-	-	2023	20+
37	-	-	4700637-16-02	Medina	Yes	300	Water main replacement	840	-	-	2022	
151	-	-	4700637-16-03	Medina	Yes	300	Water tower replacement	1,000	-	-	2023	
110	-	28	4700637-23-01	Medina	Yes	300	Lead service line inventory & replacement	300	-	300	2023	30
219	-	-	0400638-23-01	Medora	Yes	135	Pacific Ave watermain replacement & expansion	1,585	-	-	2024	
220	-	-	0400638-23-02	Medora	Yes	135	Watermain replacement	7,482	-	-	2025	
221	-	-	0400638-23-03	Medora	Yes	135	Water reservoir expansion	2,200	-	-	2025	
403	-	-	TBD-22-01	Metro Flood Diversion	No	19,500	USACE southern embankment & infrastructure	19,000	-	-	2023	
391	-	-	3200653-13-01	Michigan	No	100	Water tower rehabilitation	100	-	-	2023	
363	-	85	3200653-23-01	Michigan	No	100	Lead service line inventory & replacement	345	-	345	2023	
370	-	-	4101425-19-01	Milnor	No	638	Booster station improvements	317	-	-	2023	
31	-	8	5100660-23-01	Minot	Yes	80,000	Eastwood park water main replacement	5,000	-	1,000	2023	30
265	-	-	3001431-22-01	Missouri West WS	Yes	8,050	Service to users in Lyons Rd area and along Hwy 1806	2,025	-	-	2023	
268	-	-	3800695-21-01	Mohall	Yes	705	2nd Ave SE water main replacement	544	-	-	2023	
269	-	-	3800695-22-01	Mohall	Yes	705	3rd Ave, 4th & 5th St NW water main replacement	662	-	-	2024	
270	-	91	3800695-22-02	Mohall	Yes	705	Lead service line replacement	1,649	-	1,649	2023	
21	-	-	3900703-11-01	Mooreton	Yes	90	Gate valve & hydrant replacement, control upgrades, addition of bladder tank storage	700	-	-	2024	
60	-	-	2100704-22-01	Mott	Yes	728	Pump house & water tower improvements	2,000	-	-	2023	
66	-	55	2100704-22-02	Mott	Yes	728	Water main replacement district no. 2022-1	1,800	-	20	2023	30
266	-	56	2100704-23-01	Mott	Yes	728	Lead service line inventory & replacement	728	-	728	2023	30
64	-	-	2400715-13-01	Napoleon	Yes	707	Water main extension	2,000	-	-	2023	

Priority Ranking (Base & Supplemental)	Priority Ranking (Emerging Contaminants)	Priority Ranking (Lead)	Tracking No.	System Name	Disadvantaged Community	Present Population	Project Description	Project Cost ($1,000)	Project Cost - Emerging Contaminants ($1,000)	Project Cost - Lead ($1,000)	Construction Start Date	Est. Loan Term[1]
340	-	-	2400715-22-01	Napoleon	Yes	707	Refinance of water main replacement	3,100	-	-	-	
312	-	73	2400715-23-01	Napoleon	Yes	707	Lead service line inventory & replacement	792	-	792	2023	
54	-	-	2100726-20-01	New England	Yes	600	Water main replacement & looping	1,000	-	-	2023	
27	-	-	2100726-22-01	New England	Yes	600	Refinance of water system imp. districts Phase 1, 2 & 3	5,996	-	-	-	
17	-	-	2100726-22-04	New England	Yes	600	Refinance of water main, service line, water tower, hydrant, & gate valve replacement	5,996	-	-	-	
83	-	23	2100726-23-01	New England	Yes	600	Lead service line inventory & replacement	600	-	600	2023	30
131	-	88	1900731-22-01	New Leipzig	Yes	218	Water main & lead service line replacement	708	-	71	2023	
213	-	45	1900731-23-01	New Leipzig	Yes	218	Lead service line inventory & replacement	218	-	218	2023	30
160	-	120	3100744-22-01	New Town	Yes	1,925	Lead service line inventory	125	-	125	-	
118	-	-	3100744-23-01	New Town	Yes	1,925	Reverse osmosis WTP upgrade	39,000	-	-	2025	
184	-	-	1200748-18-01	Noonan	Yes	144	Main St water improvements	832	-	-	2023	
185	-	-	1200748-20-01	Noonan	Yes	144	Water main replacement (Washington St)	665	-	-	2025	
195	-	-	5101189-19-01	North Prairie RWD	Yes	13,000	Backup generators	650	-	-	2023	
175	-	-	5101189-22-01	North Prairie RWD	Yes	13,000	Water main replacement - 47th & 48th St.	1,030	-	-	2023	
120	-	-	5101189-23-01	North Prairie RWD	Yes	13,000	Reservoir 3 to Max transmission main	2,557	-	-	2024	
146	-	-	1001380-21-02	Northeast RWD	Yes	7,517	Individual service to residents of Milton, Nekoma, & Osnabrock	3,599	-	-	2024	
285	-	128	1001380-22-01	Northeast RWD	Yes	7,517	Lead service line inventory	200	-	200	-	
3	4	-	1001380-22-02	Northeast RWD	Yes	7,517	WTP & wellfield expansion	6,000	4,000	-	2024	
125	-	-	1100758-09-01	Oakes	Yes	1,856	Water reservoir & pump station	720	-	-	2023	
247	-	-	1100758-11-01	Oakes	Yes	1,856	WTP upgrades	2,000	-	-	2023	
163	-	-	1100758-11-02	Oakes	Yes	1,856	Well replacement	400	-	-	2023	
304	-	70	1100759-23-01	Oakes	Yes	1,856	Lead service line inventory & replacement	1,856	-	1,856	2023	
35	-	127	0300762-15-01	Oberon	Yes	104	Distribution system replacement	3,400	-	250	2024	
49	-	-	0300762-15-02	Oberon	Yes	104	Well & control building improvements	650	-	-	2024	
156	-	36	0300762-23-01	Oberon	Yes	104	Lead service line inventory & replacement	104	-	104	2023	30
320	-	-	0200763-09-01	Oriska	No	128	Reservoir & pump house improvements	650	-	-	2024	
388	-	108	0200763-23-01	Oriska	No	128	Lead service line inventory & replacement	310	-	310	2023	
286	-	129	5000773-22-01	Park River	Yes	1,427	Lead service line inventory	125	-	125	-	
57	-	-	3100775-21-01	Parshall	Yes	903	Wild Horse Addition water main looping	750	-	-	2023	
58	-	-	3100775-22-01	Parshall	Yes	903	Water supply line improvements	9,000	-	-	2023	
85	-	113	3100775-22-02	Parshall	Yes	903	Lead service line inventory	94	-	94	2023	
144	-	31	2900789-23-01	Pick City	Yes	89	Lead service line inventory & replacement	89	-	89	2023	30
338	-	-	3100798-16-02	Plaza	Yes	171	Hydrant upgrades	530	-	-	2023	
386	-	140	3100798-22-01	Plaza	Yes	171	Lead service line inventory	63	-	63	-	
395	-	-	0700800-19-01	Portal	No	150	Water main looping	150	-	-	2023	
396	-	-	0700800-19-02	Portal	No	150	Hydrant & gate valve replacement	100	-	-	2023	
86	-	-	4900803-08-01	Portland	No	606	Water tower replacement & distribution system improvements	1,575	-	-	2023	
375	-	92	4900803-23-01	Portland	No	606	Lead service line inventory & replacement	281	-	281	2023	
314	-	-	0700804-23-01	Powers Lake	Yes	385	Water main replacement	833	-	-	2024	
82	-	22	2100816-23-01	Regent	Yes	123	Lead service line inventory & replacement	100	-	100	2023	30
223	-	48	0600819-23-01	Rhame	Yes	154	Lead service line inventory & replacement	154	-	154	2023	30
67	-	-	0600819-23-02	Rhame	Yes	154	Citywide water system improvements	5,150	-	-	2023	
302	-	-	2800825-20-01	Riverdale	Yes	226	Gate valve replacement	1,460	-	-	2023	
207	-	-	2800825-20-02	Riverdale	Yes	226	Raw water line replacement	6,000	-	-	2023	
274	-	61	2800825-23-01	Riverdale	Yes	226	Lead service line inventory & replacement	1,500	-	1,500	2023	30
22	-	82	2200827-16-01	Robinson	Yes	45	Distribution system improvements	1,000	-	150	2023	
180	-	41	2200827-23-01	Robinson	Yes	45	Lead service line inventory & replacement	46	-	46	2023	30
254	-	-	4800828-22-01	Rock Lake	Yes	94	Water tower rehabilitation	500	-	-	2024	

Priority Ranking (Base & Supplemental)	Priority Ranking (Emerging Contaminants)	Priority Ranking (Lead)	Tracking No.	System Name	Disadvantaged Community	Present Population	Project Description	Project Cost ($1,000)	Project Cost - Emerging Contaminants ($1,000)	Project Cost - Lead ($1,000)	Construction Start Date	Est. Loan Term[1]
117	-	-	4000833-19-01	Rolette	Yes	594	Water meter replacement	200	-	-	2023	
84	-	24	4000833-23-01	Rolette	Yes	594	Lead service line inventory & replacement	611	-	611	2023	30
56	-	20	4000834-20-01	Rolla	Yes	1,280	Lead service line inventory & replacement	745	-	745	2024	
89	-	-	3500842-20-01	Rugby	Yes	2,876	WTP phase III improvements	1,470	-	-	2022	
299	-	-	3500842-21-03	Rugby	Yes	2,876	Raw water line replacement	8,306	-	-	2023	
369	-	137	3500842-22-01	Rugby	Yes	2,876	Lead service line inventory	250	-	250	-	
200	-	-	4100848-16-01	Rutland	Yes	163	Water main replacement	750	-	-	2025	
341	-	-	4100848-22-01	Rutland	Yes	163	Water tower replacement	1,200	-	-	2024	
245	-	-	5100849-21-01	Ryder	Yes	80	Water tower replacement	1,500	-	-	2025	
351	-	-	0200858-13-01	Sanborn	No	194	Distribution system improvements	650	-	-	2023	
376	-	93	0200858-23-01	Sanborn	No	194	Lead service line inventory & replacement	194	-	194	2023	
330	-	-	5100868-14-01	Sawyer	Yes	367	Water main improvements	1,000	-	-	2023	
300	-	69	5100868-23-01	Sawyer	Yes	367	Lead service line inventory & replacement	367	-	367	2023	30
182	-	43	4300871-23-01	Selfridge	Yes	123	Lead service line inventory & replacement	60	-	60	2023	30
380	-	-	4600875-23-01	Sharon	Yes	123	Water tower rehab	750	-	-	2023	
372	-	-	3800877-15-01	Sherwood	No	256	Water main replacement - 3 block	532	-	-	2023	
373	-	-	3800877-22-01	Sherwood	No	256	Water main replacement - 12 block	1,392	-	-	2023	
63	-	107	1400879-15-01	Sheyenne	Yes	204	Water main replacement	3,500	-	200	2024	
279	-	65	1400879-23-01	Sheyenne	Yes	204	Lead service line inventory & replacement	123	-	123	2023	30
281	-	-	0801154-23-01	South Central RWD	Yes	10,400	Hawktree tank	2,820	-	-	2024	
34	-	-	0801154-23-02	South Central RWD	Yes	10,400	Service to Ashley	10,560	-	-	2024	
172	-	-	4500891-19-01	South Heart	Yes	307	Water main replacement	3,400	-	-	2024	
315	-	-	3901068-14-01	Southeast WUD	Yes	10,839	Automatic meter readers	2,000	-	-	2022	
15	8	-	3901068-20-01	Southeast WUD	Yes	10,839	West WTP improvements	12,645	12,645	-	2022	
264	-	-	3901068-22-01	Southeast WUD	Yes	10,839	Distribution system improvements	3,605	-	-	2024	
162	-	-	4000854-22-01	St. John	Yes	342	Lead service line inventory	63	-	63	-	
28	-	-	4000854-22-02	St. John	Yes	342	Water tower replacement	1,875	-	-	2023	
136	-	94	3100898-23-01	Stanley	Yes	2,500	Capital improvement plan - Phase 2	6,575	-	25	2024	
257	-	-	2200913-22-01	Steele	Yes	918	SE distribution system improvements	1,700	-	-	2023	
215	-	46	2200913-23-01	Steele	Yes	918	Lead service line inventory & replacement	918	-	918	2023	30
178	-	39	1500921-23-01	Strasburg	Yes	379	Lead service line inventory & replacement	230	-	230	2023	30
188	-	-	4700922-12-01	Streeter	Yes	170	Water main looping	750	-	-	2023	
73	-	-	4700922-13-01	Streeter	Yes	170	WTP improvements	500	-	-	2023	
99	-	-	4700922-13-02	Streeter	Yes	170	Well redundancy & pump update	800	-	-	2023	
19	-	-	4701303-19-01	Stutsman RWD	Yes	6,700	Service to Streeter	776	-	-	2023	
16	-	-	4701303-19-04	Stutsman RWD	Yes	6,700	Raw water facilities improvements	4,271	-	-	2023	
328	-	-	5100923-22-01	Surrey	Yes	1,358	Hydrant & gate valve replacement	150	-	-	2023	
329	-	-	5100923-22-02	Surrey	Yes	1,358	Wenz Addition distribution system upgrades	1,900	-	-	2023	
385	-	139	5100923-22-03	Surrey	Yes	1,358	Lead service line inventory	63	-	63	-	
152	-	-	5200927-13-01	Sykeston	Yes	117	Water main replacement district no. 2022-1	250	-	-	2022	
112	-	29	5200927-23-01	Sykeston	Yes	117	Lead service line inventory & replacement	117	-	117	2023	30
87	-	116	4500934-23-01	Taylor	No	230	Distribution system improvements	5,100	-	600	2024	
153	-	-	5300936-23-01	Tioga	Yes	2,500	Water main replacement	2,400	-	-	2023	
113	-	30	5300936-23-02	Tioga	Yes	2,500	Lead service line inventory & replacement	250	-	250	2023	30
400	-	-	0900945-09-01	Tower City	No	252	Water tower rehabilitation	900	-	-	2024	
242	-	123	0900945-12-01	Tower City	No	252	Distribution system improvements	2,900	-	300	2024	
394	-	-	0900945-19-01	Tower City	No	252	Refinance of gate valve & service line replacement	600	-	-	-	
389	-	109	0900945-23-01	Tower City	No	252	Lead service line inventory & replacement	252	-	252	2023	
93	-	-	3201072-22-01	Tri-County WD	Yes	3,175	Phase 6 expansion	1,800	-	-	2023	
44	-	-	3201072-22-02	Tri-County WD	Yes	3,175	Phase 7 expansion	3,286	-	-	2023	
322	-	-	2800949-20-01	Turtle Lake	No	575	Water main replacement district no. 2022-1	1,000	-	-	2023	

Priority Ranking (Base & Supplemental)	Priority Ranking (Emerging Contaminants)	Priority Ranking (Lead)	Tracking No.	System Name	Disadvantaged Community	Present Population	Project Description	Project Cost ($1,000)	Project Cost - Emerging Contaminants ($1,000)	Project Cost - Lead ($1,000)	Construction Start Date	Est. Loan Term[1]
356	-	81	2800949-23-01	Turtle Lake	No	575	Lead service line inventory & replacement	575	-	575	2023	
130	-	10	2200951-23-01	Tuttle	Yes	59	Lead service line inventory & replacement	80	-	80	2023	30
43	-	-	2800953-22-01	Underwood	Yes	850	Water tower replacement	3,250	-	-	2023	
276	-	63	2800953-23-01	Underwood	Yes	850	Lead service line inventory & replacement	850	-	850	2023	30
53	-	-	2500956-16-01	Upham	Yes	133	Water main & service line replacement	508	-	-	2023	
70	-	-	511074-21-01	Upper Souris WD	Yes	85,734	Improvements & expansion phase II	5,000	-	-	2024	
333	-	111	0200958-22-04	Valley City	Yes	6,585	Lead service line replacement	2,000	-	2,000	2023	
303	-	-	2500964-19-01	Velva	Yes	1,256	Water main replacement	640	-	-	2023	
169	-	17	2500964-22-01	Velva	Yes	1,256	Lead service line replacement	2,373	-	2,373	2023	30
277	-	-	2300969-12-01	Verona	Yes	85	Water main replacement	515	-	-	2023	
171	-	-	2300969-14-01	Verona	Yes	85	Pump house replacement	300	-	-	2023	
318	-	-	2300969-19-01	Verona	Yes	85	Water meter replacement	100	-	-	2023	
225	-	49	2300969-23-01	Verona	Yes	85	Lead service line inventory & replacement	85	-	85	2023	30
158	-	-	3900973-04-01	Wahpeton	Yes	8,004	Water main looping	284	-	-	2024	
20	-	-	3900973-16-01	Wahpeton	Yes	8,004	WTP process improvements	10,707	-	-	2023	
114	-	-	3900973-18-03	Wahpeton	Yes	8,004	15th Ave & 14th St N distribution system improvements	1,114	-	-	2024	
115	-	-	3900973-19-01	Wahpeton	Yes	8,004	Well field relocation	6,654	-	-	2023	
39	-	58	3900973-22-01	Wahpeton	Yes	8,004	3rd Ave & 5th St S distribution system improvements	1,480	-	85	2025	
159	-	-	3900973-22-02	Wahpeton	Yes	8,004	Water tower improvements	420	-	-	2025	
116	-	-	3900973-23-01	Wahpeton	Yes	8,004	Cul-de-sac improvements	2,001	-	-	2025	
24	-	-	5001075-19-01	Walsh RWD	Yes	3,340	NRWD interconnect	3,340	-	-	2023	
233	-	124	5001075-22-01	Walsh RWD	Yes	3,340	Lead service line inventory	200	-	200	-	
59	-	-	5001075-23-01	Walsh RWD	Yes	3,340	NE ND regional water supply project	100,769	-	-	2024	
8	2	-	5001075-23-02	Walsh RWD	Yes	3,340	WTP expansions	10,000	10,000	-	2024	
244	-	-	2800989-18-01	Washburn	Yes	1,313	Raw water intake replacement	1,988	-	-	2023	
393	-	142	2800989-22-01	Washburn	Yes	1,313	Lead service line inventory	125	-	125	-	
111	-	-	5301686-19-01	WAWSA	Yes	69,859	Williston WTP expansion to 35 MGD	44,850	-	-	2024	
348	-	-	5301686-20-01	WAWSA	Yes	69,859	Williston WTP acquisition	7,155	-	-	-	
234	-	-	5301686-23-01	WAWSA	Yes	69,859	NWRWD BDW rural distribution expansion	4,400	-	-	2024	
235	-	-	5301686-23-02	WAWSA	Yes	69,859	MCWRD system II improvements	7,700	-	-	2024	
236	-	-	5301686-23-03	WAWSA	Yes	69,859	MCWRD system IV improvements	3,300	-	-	2024	
157	-	-	5301686-23-04	WAWSA	Yes	69,859	MCWRD transmission system expansion	38,600	-	-	2024	
237	-	-	5301686-23-05	WAWSA	Yes	69,859	NWRWD east Williston CR9 service area	6,400	-	-	2023	
121	-	-	5301686-23-06	WAWSA	Yes	69,859	NWRWD Trenton area rural distribution	8,300	-	-	2024	
238	-	-	5301686-23-07	WAWSA	Yes	69,859	R&TWD Battleview McGregor rural distribution	9,350	-	-	2024	
239	-	-	5301686-23-08	WAWSA	Yes	69,859	R&TWD Blaisdell Palermo rural distribution	3,900	-	-	2024	
280	-	-	5301686-23-09	WAWSA	Yes	69,859	R&TWD Stanley transmission imp. phase II	14,300	-	-	2024	
337	-	-	0900999-22-01	West Fargo	Yes	36,406	Water main & appurtenance replacement	15,000	-	-	2024	
224	-	-	5101447-16-01	West River WD	Yes	650	Water service line replacement	471	-	-	2022	
217	-	-	0501001-09-01	Westhope	Yes	429	Water main & service line replacement - 3 blocks	504	-	-	2023	
218	-	-	0501001-22-01	Westhope	Yes	429	Water main & service line replacement - 12 blocks	1,169	-	-	2023	
355	-	-	5301011-20-01	Wildrose	Yes	150	Water main & service line replacement - 3 blocks	629	-	-	2023	
350	-	122	5201012-22-01	Williston	No	30,000	1st Ave water main & lead service line replacement	835	-	84	2023	
321	-	119	5201012-22-02	Williston	No	30,000	5th Ave W phase 1 water main replacement	5,105	-	510	2024	
137	-	97	5201012-22-03	Williston	Yes	30,000	5th Ave W phase 2 water main replacement	803	-	502	2025	
138	-	98	5201012-22-04	Williston	Yes	30,000	7th Ave W phase 1 water main replacement	681	-	563	2026	
139	-	99	5201012-22-05	Williston	Yes	30,000	7th Ave W phase 2 water main replacement	720	-	585	2027	
284	-	136	5201012-22-07	Williston	Yes	30,000	Water meter replacement & lead service line inventory	2,500	-	250	2023	
165	-	100	0801031-18-01	Wilton	Yes	750	Water main replacement (Minnesota Ave, 7th St, Dakota Ave, Burleigh Ave, Railway Ave)	4,100	-	160	2023	

Priority Ranking (Base & Supplemental)	Priority Ranking (Emerging Contaminants)	Priority Ranking (Lead)	Tracking No.	System Name	Disadvantaged Community	Present Population	Project Description	Project Cost ($1,000)	Project Cost - Emerging Contaminants ($1,000)	Project Cost - Lead ($1,000)	Construction Start Date	Est. Loan Term[1]
198	-	110	0801031-22-02	Wilton	Yes	750	Bismarck & Dakota Ave water main & lead service line replacement, water tower improvements	2,125	-	100	2023	
258	-	50	0801031-23-01	Wilton	Yes	750	Lead service line inventory & replacement	718	-	718	2023	30
128	-	-	0801036-19-01	Wing	Yes	152	Water tower replacement	700	-	-	2024	
134	-	12	0801036-23-01	Wing	Yes	152	Lead service line inventory & replacement	152	-	152	2023	30
313	-	-	2601037-20-01	Wishek	Yes	1,002	Hydrant replacement	350	-	-	2023	
65	9	-	2601037-20-02	Wishek	Yes	1,002	WTP improvements for iron & manganese	1,200	1,200	-	2023	
297	-	-	3901043-23-01	Wyndmere	Yes	454	Distribution improvements phase 2 & 3	10,000	-	-	2028	
275	-	62	2601055-23-01	Zeeland	Yes	82	Lead service line inventory & replacement	130	-	130	2023	30
							Total Project Cost:	1,124,602	64,563	72,621		

[1] Estimated length of the loan term only. The loan term will be set at the time of loan approval.

Appendix C

Comprehensive Project Priority List and Fundable List for 2023 Emerging Contaminants Funding

Shaded projects are on the fundable list

Priority Ranking (Emerging Contaminants)	Tracking No.	System Name	Disadvantaged Community	Present Population	Project Description	Project Cost - Emerging Contaminants ($1,000)	Construction Start Date	Est. Loan Term[1]
3	2600038-21-03	Ashley	Yes	700	WTP improvements	1,250	2023	20+
1	2001061-22-03	Dakota RWD	Yes	2,472	WTP expansion & manganese removal	5,000	2023	20+
6	1801062-22-05	East Central RWD	Yes	8,448	WTP expansion (phase 5)	10,564	2023	20+
7	1801062-23-01	East Central RWD	Yes	8,448	Hillsboro WTP expansion	9,978	2023	20+
5	0900336-23-05	Fargo	Yes	166,000	GAC filter conversion	7,000	2023	20+
10	5300425-20-04	Grenora	Yes	350	WTP improvements	2,926	2027	
4	1001380-22-02	Northeast RWD	Yes	7,517	WTP & wellfield expansion	4,000	2024	
8	3901068-20-01	Southeast WUD	Yes	10,839	West WTP improvements	12,645	2022	
2	5001075-23-02	Walsh RWD	Yes	3,340	WTP expansions	10,000	2024	
9	2601037-20-02	Wishek	Yes	1,002	WTP improvements for iron & manganese	1,200	2023	

Total Project Cost: 64,563

[1] Estimated length of the loan term only. The loan term will be set at the time of loan approval.

Appendix D

Comprehensive Project Priority List and Fundable List for 2023 Lead Funding

Shaded projects are on the fundable list

Priority Ranking (Lead)	Tracking No.	System Name	Disadvantaged Community	Present Population	Project Description	Project Cost - Lead ($1,000)	Construction Start Date	Est. Loan Term[1]
130	1801056-22-01	Agassiz WUD	Yes	3,525	Lead service line inventory	200	-	
95	3000012-23-01	Almont	No	115	Lead service line inventory & replacement	115	2023	
117	0900017-22-01	Amenia	No	94	Distribution system improvements	45	2023	
89	0900017-23-01	Amenia	No	94	Lead service line inventory & replacement	700	2023	
37	3200023-23-01	Aneta	Yes	234	Lead service line inventory & replacement	234	2023	30
86	0900035-23-01	Arthur	No	328	Lead service line inventory & replacement	328	2023	
34	2600038-23-01	Ashley	Yes	700	Lead service line inventory & replacement	700	2023	30
90	1700059-22-01	Beach	Yes	981	Water main & lead service line replacement	181	2023	
135	1700059-22-02	Beach	Yes	981	Lead service line inventory	94	-	
87	5100072-23-01	Berthold	No	454	Lead service line inventory & replacement	454	2023	
16	0800080-19-01	Bismarck	Yes	88,000	Water main & lead service line replacement	1,500	2023	30
18	0800080-23-01	Bismarck	Yes	88,000	Lead service line replacement	1,000	2023	30
141	0700114-22-01	Bowbells	Yes	301	Lead service line inventory	63	-	
118	0900134-11-01	Buffalo	No	225	Distribution system improvements	200	2024	
96	0900134-23-01	Buffalo	No	225	Lead service line inventory & replacement	225	2023	
1	4800152-23-01	Cando	Yes	1,115	Lead service line inventory & replacement	1,115	2023	30
7	1900162-22-01	Carson	Yes	238	Railroad, 1st, & 2nd Ave water main replacement	26	2023	30
4	1900162-23-01	Carson	Yes	238	Lead service line inventory & replacement	238	2023	30
15	0900166-23-01	Casselton	Yes	2,513	Lead service line inventory & replacement	2,513	2023	30
121	3400170-22-02	Cavalier	Yes	1,247	Lead service line inventory	125	-	
66	3300174-22-01	Center	Yes	600	Water storage & distribution improvements	260	2023	30
25	3300174-23-01	Center	Yes	600	Lead service line inventory & replacement	600	2023	30
76	3900183-23-01	Christine	Yes	150	Lead service line inventory & replacement	150	2023	
9	2800194-23-01	Coleharbor	Yes	82	Lead service line inventory & replacement	82	2023	30
40	2000203-23-01	Cooperstown	Yes	907	Lead service line inventory & replacement	907	2023	30
105	1200211-22-01	Crosby	Yes	1,065	Hendrickson/Holmes water main improvement	55	2024	
138	2001061-22-01	Dakota RWD	Yes	2,472	Lead service line inventory	200	-	
131	2500266-22-01	Drake	Yes	299	Lead service line inventory	63	-	
57	3400269-23-01	Drayton	Yes	751	Lead service line inventory & replacement	751	2023	30
132	1801062-22-02	East Central RWD	Yes	8,448	Lead service line inventory	200	-	
38	1900303-23-01	Elgin	Yes	662	Lead service line inventory & replacement	662	2023	30
74	3700314-02-02	Enderlin	Yes	890	Water main & lead service line replacement	400	2024	
32	3700314-23-01	Enderlin	Yes	890	Lead service line inventory & replacement	890	2023	30
35	3900333-23-01	Fairmount	Yes	367	Lead service line inventory & replacement	367	2023	30
84	0900336-18-02	Fargo	Yes	166,000	Lead service line replacement	2,000	2024	
83	0900336-22-01	Fargo	Yes	166,000	Water main replacement	-	2023	

Priority Ranking (Lead)	Tracking No.	System Name	Disadvantaged Community	Present Population	Project Description	Project Cost - Lead ($1,000)	Construction Start Date	Est. Loan Term[1]
133	0900336-23-02	Fargo	Yes	166,000	AMI meter improvements - phase I	400	2024	
134	0900336-23-03	Fargo	Yes	166,000	AMI meter improvements - phase II	0	2025	
101	5200338-23-01	Fessenden	Yes	462	Lead service line replacement	248	2026	
44	3000342-20-01	Flasher	Yes	290	Lead service line inventory & replacement	350	2023	30
78	1100346-23-01	Forbes	Yes	53	Lead service line inventory & replacement	53	2023	
42	2400380-23-01	Gackle	Yes	310	Lead service line inventory & replacement	310	2023	30
144	4900382-22-02	Galesburg	No	118	Lead service line inventory	63	-	
104	2800389-13-02	Garrison	Yes	2,500	Water main & lead service line replacement	1,000	2023	
54	2800389-23-01	Garrison	Yes	2,500	Lead service line inventory & replacement	1,462	2023	30
26	3000400-23-01	Glen Ullin	Yes	807	Lead service line inventory & replacement	807	2023	30
71	3800397-23-01	Glenburn	Yes	380	Lead service line inventory & replacement	380	2023	
125	5000408-22-01	Grafton	Yes	4,170	Lead service line inventory	250	-	
6	5200458-23-01	Harvey	Yes	1,783	Lead service line inventory & replacement	1,783	2023	30
106	0900460-23-01	Harwood	No	718	Lead service line inventory & replacement	718	2023	
51	1500469-23-01	Hazelton	Yes	225	Lead service line inventory & replacement	225	2023	30
112	2900470-22-01	Hazen	Yes	2,411	Lead service line & water meter replacement	1,500	2023	
72	2900470-23-01	Hazen	Yes	2,411	Lead service line inventory & replacement	2,411	2023	
126	4900482-22-01	Hillsboro	Yes	1,649	Lead service line inventory	125	-	
67	4600487-23-01	Hope	Yes	258	Lead service line inventory & replacement	258	2023	30
14	0900492-15-02	Hunter	Yes	261	Distribution system improvements	200	2024	
5	0900492-23-01	Hunter	Yes	261	Lead service line inventory & replacement	261	2023	30
2	4700498-22-01	Jamestown	Yes	16,000	Water main & lead service line replacement	250	2023	30
3	4700498-22-02	Jamestown	Yes	16,000	Lead service line replacement	3,500	2023	30
75	2300508-15-01	Jud	Yes	72	Distribution system improvements	50	2024	
33	2300508-23-01	Jud	Yes	72	Lead service line inventory & replacement	72	2023	30
103	5100515-15-01	Kenmare	Yes	1,013	Water main replacement	58	2023	
11	5100515-22-01	Kenmare	Yes	1,013	Lead service line inventory & replacement	310	2023	10
143	0900524-22-01	Kindred	No	889	Lead service line replacement study	50	-	
114	0900524-23-01	Kindred	No	889	ACP water main replacement	200	2028	
115	0900524-23-02	Kindred	No	889	Lead service line replacement	500	2024	
64	2300535-23-01	Kulm	Yes	354	Lead service line inventory & replacement	354	2023	30
77	2300537-23-01	LaMoure	Yes	889	Lead service line inventory & replacement	889	2023	
59	1000543-23-01	Langdon	Yes	1,878	Lead service line inventory & replacement	1,878	2023	30
53	0300553-23-01	Leeds	Yes	427	Lead service line inventory & replacement	427	2023	30
47	2600556-23-01	Lehr	Yes	80	Lead service line inventory & replacement	80	2023	30
68	3900567-16-01	Lidgerwood	Yes	652	Transmission main & lead service line replacement	320	2024	

Priority Ranking (Lead)	Tracking No.	System Name	Disadvantaged Community	Present Population	Project Description	Project Cost - Lead ($1,000)	Construction Start Date	Est. Loan Term[1]
19	1500571-23-01	Linton	Yes	990	Lead service line inventory & replacement	990	2023	30
27	3700574-23-01	Lisbon	Yes	2,154	Lead service line inventory & replacement	2,154	2023	30
80	5100593-23-01	Makoti	Yes	154	Lead service line inventory & replacement	154	2023	
13	3000596-22-06	Mandan	Yes	32,000	Lead service line inventory & replacement	200	2023	30
79	0900613-23-01	Mapleton	Yes	1,320	Lead service line inventory & replacement	310	2023	
60	4900622-23-01	Mayville	Yes	1,858	Lead service line inventory & replacement	1,858	2023	30
21	4200626-23-01	McClusky	Yes	380	Lead service line inventory & replacement	380	2023	30
102	3200626-22-02	McVille	Yes	375	Distribution system improvements	150	2024	
52	3200626-23-01	McVille	Yes	375	Lead service line inventory & replacement	375	2023	30
28	4700637-23-01	Medina	Yes	300	Lead service line inventory & replacement	300	2023	30
85	3200653-23-01	Michigan	No	100	Lead service line inventory & replacement	345	2023	
8	5100660-23-01	Minot	Yes	80,000	Eastwood park water main replacement	1,000	2023	30
91	3800695-22-02	Mohall	Yes	705	Lead service line replacement	1,649	2023	
55	2100704-22-02	Mott	Yes	728	Water main replacement district no. 2022-1	20	2023	30
56	2100704-23-01	Mott	Yes	728	Lead service line inventory & replacement	728	2023	30
73	2400715-23-01	Napoleon	Yes	707	Lead service line inventory & replacement	792	2023	
23	2100726-23-01	New England	Yes	600	Lead service line inventory & replacement	600	2023	30
88	1900731-22-01	New Leipzig	Yes	218	Water main & lead service line replacement	71	2023	
45	1900731-23-01	New Leipzig	Yes	218	Lead service line inventory & replacement	218	2023	30
120	3100744-22-01	New Town	Yes	1,925	Lead service line inventory	125	-	
128	1001380-22-01	Northeast RWD	Yes	7,517	Lead service line inventory	200	-	
70	1100759-23-01	Oakes	Yes	1,856	Lead service line inventory & replacement	1,856	2023	
127	0300762-15-01	Oberon	Yes	104	Distribution system replacement	250	2024	
36	0300762-23-01	Oberon	Yes	104	Lead service line inventory & replacement	104	2023	30
108	0200763-23-01	Oriska	No	128	Lead service line inventory & replacement	310	2023	
129	5000773-22-01	Park River	Yes	1,427	Lead service line inventory	125	-	
113	3100775-22-02	Parshall	Yes	903	Lead service line inventory	94	2023	
31	2900789-23-01	Pick City	Yes	89	Lead service line inventory & replacement	89	2023	30
140	3100798-22-01	Plaza	Yes	171	Lead service line inventory	63	-	
92	4900803-23-01	Portland	No	606	Lead service line inventory & replacement	281	2023	
22	2100816-23-01	Regent	Yes	123	Lead service line inventory & replacement	100	2023	30
48	0600819-23-01	Rhame	Yes	154	Lead service line inventory & replacement	154	2023	30
61	2800825-23-01	Riverdale	Yes	226	Lead service line inventory & replacement	1,500	2023	30
82	2200827-16-01	Robinson	Yes	45	Distribution system improvements	150	2023	
41	2200827-23-01	Robinson	Yes	45	Lead service line inventory & replacement	46	2023	30
24	4000833-23-01	Rolette	Yes	594	Lead service line inventory & replacement	611	2023	30

Priority Ranking (Lead)	Tracking No.	System Name	Disadvantaged Community	Present Population	Project Description	Project Cost - Lead ($1,000)	Construction Start Date	Est. Loan Term[1]
20	4000834-20-01	Rolla	Yes	1,280	Lead service line inventory & replacement	745	2024	
137	3500842-22-01	Rugby	Yes	2,876	Lead service line inventory	250	-	
93	0200858-23-01	Sanborn	No	194	Lead service line inventory & replacement	194	2023	
69	5100868-23-01	Sawyer	Yes	367	Lead service line inventory & replacement	367	2023	30
43	4300871-23-01	Selfridge	Yes	123	Lead service line inventory & replacement	60	2023	30
107	1400879-15-01	Sheyenne	Yes	204	Water main replacement	200	2024	
65	1400879-23-01	Sheyenne	Yes	204	Lead service line inventory & replacement	123	2023	30
94	3100898-23-01	Stanley	Yes	2,500	Capital improvement plan - Phase 2	25	2024	
46	2200913-23-01	Steele	Yes	918	Lead service line inventory & replacement	918	2023	30
39	1500921-23-01	Strasburg	Yes	379	Lead service line inventory & replacement	230	2023	30
139	5100923-22-03	Surrey	Yes	1,358	Lead service line inventory	63	-	
29	5200927-23-01	Sykeston	Yes	117	Lead service line inventory & replacement	117	2023	30
116	4500934-23-01	Taylor	No	230	Distribution system improvements	600	2024	
30	5300936-23-02	Tioga	Yes	2,500	Lead service line inventory & replacement	250	2023	30
123	0900945-12-01	Tower City	No	252	Distribution system improvements	300	2024	
109	0900945-23-01	Tower City	No	252	Lead service line inventory & replacement	252	2023	
81	2800949-23-01	Turtle Lake	No	575	Lead service line inventory & replacement	575	2023	
10	2200951-23-01	Tuttle	Yes	59	Lead service line inventory & replacement	80	2023	30
63	2800953-23-01	Underwood	Yes	850	Lead service line inventory & replacement	850	2023	30
111	0200958-22-04	Valley City	Yes	6,585	Lead service line replacement	2,000	2023	
17	2500964-22-01	Velva	Yes	1,256	Lead service line replacement	2,373	2023	30
49	2300969-23-01	Verona	Yes	85	Lead service line inventory & replacement	85	2023	30
58	3900973-22-01	Wahpeton	Yes	8,004	3rd Ave & 5th St S distribution system improvements	85	2025	
124	5001075-22-01	Walsh RWD	Yes	3,340	Lead service line inventory	200	-	
142	2800989-22-01	Washburn	Yes	1,313	Lead service line inventory	125	-	
122	5201012-22-01	Williston	No	30,000	1st Ave water main & lead service line replacement	84	2023	
119	5201012-22-02	Williston	No	30,000	5th Ave W phase 1 water main replacement	510	2024	
97	5201012-22-03	Williston	Yes	30,000	5th Ave W phase 2 water main replacement	502	2025	
98	5201012-22-04	Williston	Yes	30,000	7th Ave W phase 1 water main replacement	563	2026	
99	5201012-22-05	Williston	Yes	30,000	7th Ave W phase 2 water main replacement	585	2027	
136	5201012-22-07	Williston	Yes	30,000	Water meter replacement & lead service line inventory	250	2023	
100	0801031-18-01	Wilton	Yes	750	Water main replacement (Minnesota Ave, 7th St, Dakota Ave, Burleigh Ave, Railway Ave)	160	2023	
110	0801031-22-02	Wilton	Yes	750	Bismarck & Dakota Ave water main & lead service line replacement, water tower improvements	100	2023	
50	0801031-23-01	Wilton	Yes	750	Lead service line inventory & replacement	718	2023	30

Priority Ranking (Lead)	Tracking No.	System Name	Disadvantaged Community	Present Population	Project Description	Project Cost - Lead ($1,000)	Construction Start Date	Est. Loan Term[1]
12	0801036-23-01	Wing	Yes	152	Lead service line inventory & replacement	152	2023	30
62	2601055-23-01	Zeeland	Yes	82	Lead service line inventory & replacement	130	2023	30

Total Project Cost: 72,621

[1] Estimated length of the loan term only. The loan term will be set at the time of loan approval.

Appendix E

Priority Ranking System

The following criteria and point system is utilized by the DWSRF Program to rank eligible projects for potential financial assistance through the DWSRF Program:

	Base & Supplemental	Emerging Contaminants	Lead Service Line Replacement
Water Quality	30	25	30
Water Quantity	20	-	-
Affordability	20	20	20
Infrastructure Adequacy	15	-	15
Consolidation or Regionalization	10	10	-
Miscellaneous	5	-	5
Total	**100**	**55**	**70**

DWSRF funds may be used to buy or refinance existing local debt obligations (publicly owned systems only) where the initial debt was incurred and the construction started after July 1, 1993. DWSRF assistance requests of this type, if eligible, will be ranked based on the original purpose and success of the constructed improvements.

Creation of New Systems - eligible projects are those that, upon completion, will create a community water system (CWS) to address existing and serious public health problems caused by unsafe drinking water from individual wells or surface water sources. Eligible projects are also those that create a new regional CWS by consolidating existing systems with technical, financial, or managerial difficulties. Projects to address existing public health problems associated with individual wells or surface water sources must be limited in scope to the specific geographic area affected by contamination. Projects that create new regional CWSs by consolidating existing systems must be limited in scope to the service area of the systems being consolidated. A project must be a cost-effective solution to addressing the problem. Applicants must ensure that sufficient public notice has been given to potentially affected parties and consider alternative solutions to addressing the problem. Capacity to serve future population growth cannot be a substantial portion of the project.

Water Quality (select all that apply, 30 points maximum)			
	Base & Supplemental Pts.	Emerging Contaminants Pts.	Lead Pts.
A. Documented waterborne disease outbreaks within last 2 years.	☐ 20		
B. Unresolved nitrate or nitrite maximum contaminant level (MCL) exceedance(s), OR acute microbiological MCL exceedance(s) within last 12 months.	☐ 15		
C. Exceedance(s) of EPA-established unreasonable risk to health (URTH) level(s) within last 4 years for regulated chemicals or radionuclides (excludes nitrate and nitrite).	☐ 10		
D. Disinfection treatment inadequate to satisfy one of the following: • The Surface Water Treatment Rule (SWTR) • The Enhanced SWTR (ESWTR) • The Groundwater Rule (GWR) • Groundwater source(s) deemed by the PWSS to be under the direct influence of surface water • Multiple turbidity treatment technique requirement (TTR) violations within last 2 years (includes at least one event where the maximum allowed turbidity was exceeded)	☐ 8		
E. Multiple turbidity TTR violations within last 2 years (no events where the maximum allowed turbidity was exceeded), OR 3 or more non-acute microbiological MCL violations within last 12 months.	☐ 7		
F. MCL or TTR exceedance(s) (no URTH level exceedances) within last 4 years (excludes microbiological contaminants, nitrate, nitrite, and turbidity).	☐ 6		☐ 30
G. Potential MCL or TTR compliance problems based on most recent 4-year period (excludes microbiological contaminants and turbidity).			
75% to 100% of MCL or TTR	☐ 5		☐ 25
50% to 74% of MCL or TTR	☐ 4		☐ 20
25% to 49% of MCL or TTR	☐ 3		☐ 15
H. General water quality problems			
• Total dissolved solids (TDS) ≥ 1,500 mg/L • Total hardness (TH) as calcium carbonate ≥ 650 mg/L • Sodium (Na) ≥ 650 mg/L	☐ 4		

• Iron (Fe) ≥ 2.0 mg/L • Sulfate (SO_4) ≥ 750 mg/L			
• TDS from 500-1,499 mg/L • TH as calcium carbonate from 200-649 mg/L • Na from 200-659 mg/L • Fe from 0.3-1.9 mg/L • SO_4 from 250-749 mg/L	☐ 2		
I. Emerging contaminants problems			
Exceedance of health advisory level (HAL)	☐ 5	☐ 25	
75% to 100% of HAL	☐ 4	☐ 20	
50% to 74% of HAL	☐ 3	☐ 15	
25% to 49% of HAL	☐ 2	☐ 10	
<25% of HAL, or contaminant with no HAL	☐ 1	☐ 5	

Water Quality Total

Water Quantity (select all that apply, 20 points maximum)

	Base & Supplemental Pts.	Emerging Contaminants Pts.	Lead Pts.
A. Correction of a critical water supply problem involving the loss or imminent loss of a water supply in the near future	☐ 20		
B. Community Water Systems			
Correction of an extreme water supply problem (maximum water available <150 gallons per capita per day (gpcd) **OR** water losses of >30% as documented through an audit).	☐ 10		
Correction of a serious water supply problem (maximum water available <200 gpcd **OR** daily water shortages **OR** water losses of 21-30% as documented through an audit).	☐ 7		
Correction of a moderate water supply problem (maximum water available <250 gpcd **OR** occasional daily water shortages **OR** water losses of 11-20% as documented through an audit).	☐ 4		

	Correction of a minor water supply problem (maximum water available <300 gpcd **OR** sporadic water shortages **OR** water losses up to 10% as documented through an audit).	☐ 2		
C.	Non-profit Non-community Water Systems			
	Correction of an extreme water supply problem (continuous water shortages during all periods of operation).	☐ 10		
	Correction of a serious water supply problem (inability to meet peak daily water demand at a frequency of at least once per week during all periods of operation).	☐ 7		
	Correction of a moderate water supply problem (occasional inability to meet peak daily water demands on a seasonal basis).	☐ 4		
	Correction of a minor water supply problem (occasional inability to meet peak water demands).	☐ 2		

Water Quantity Total

Affordability (select all that apply, 20 points maximum)

	Base & Supplemental Pts.	Emerging Contaminants Pts.	Lead Pts.
A.	Average annual residential water user charge as a percent of local or service area annual median household income (AMHI)		
>2.5%	☐ 5	☐ 5	☐ 5
2.0% to 2.5%	☐ 4	☐ 4	☐ 4
1.5% to 1.9%	☐ 3	☐ 3	☐ 3
1.0% to 1.4%	☐ 2	☐ 2	☐ 2
0.5% to 0.9%	☐ 1	☐ 1	☐ 1
B.	Households with income less than 200% of the poverty threshold		
≥50%	☐ 5	☐ 5	☐ 5
40% to 49%	☐ 4	☐ 4	☐ 4

30% to 39%	☐ 3	☐ 3	☐ 3
20% to 29%	☐ 2	☐ 2	☐ 2
10% to 19%	☐ 1	☐ 1	☐ 1
C. Unemployment rate			
≥5.0%	☐ 5	☐ 5	☐ 5
4.0% to 4.9%	☐ 4	☐ 4	☐ 4
3.0% to 3.9%	☐ 3	☐ 3	☐ 3
2.0% to 2.9%	☐ 2	☐ 2	☐ 2
1.0% to 1.9%	☐ 1	☐ 1	☐ 1
D. Residents with less than a high school education			
≥20%	☐ 5	☐ 5	☐ 5
16.0% to 19.9%	☐ 4	☐ 4	☐ 4
12.0% to 15.9%	☐ 3	☐ 3	☐ 3
8.0% to 11.9%	☐ 2	☐ 2	☐ 2
4.0% to 7.9%	☐ 1	☐ 1	☐ 1

Affordability Total			

Infrastructure Adequacy (select all that apply, 15 points maximum)			
	Base & Supplemental Pts.	Emerging Contaminants Pts.	Lead Pts.
Source Water			

A. Correction of well construction or operating deficiencies	☐ 3		
B. Correction of specific design or operating deficiencies associated with surface water intake facilities.	☐ 2		
C. Provision of a second well where only one functional well exists for systems relying solely on their own groundwater supplies	☐ 2		
D. Correction of specific design or operating deficiencies associated with raw water pumping facilities.	☐ 2		
E. Correction of specific design or operating deficiencies associated with raw water distribution system piping and/or appurtenances.	☐ 2		
Treatment			
F. Correction of general disinfection treatment deficiencies – excludes improvements necessary to directly comply with the SWTR, the ESWTR, or the GWR.	☐ 3		
G. Water treatment plant operating at or above design capacity.	☐ 3		
H. Water treatment plant operating at or beyond useful design life.	☐ 3		
I. Correction of specific design or operating deficiencies associated with water treatment plant unit processes (excludes disinfection treatment).	☐ 2		
J. Correction of specific design or operating deficiencies associated with chemical feed installations (excludes disinfection).	☐ 2		
K. Replacement of inoperative, obsolete, or inadequate instrumentation or controls.	☐ 2		
Storage			
L. Replacement of deteriorated finished water storage structures.	☐ 3		
M. Correction of specific design or operating deficiencies associated with finished water storage facilities.	☐ 2		
N. Replacement of inoperative, obsolete, or inadequate instrumentation or controls.	☐ 2		
Distribution			
O. Correction of distribution system pressure problems (dynamic pressure <20 psi).	☐ 3		
P. Replacement of deteriorated water mains and/or appurtenances.	☐ 3		

Q. Replacement of distribution system piping/materials containing lead.	☐ 3		☐ 15
R. Correction of specific design or operating deficiencies associated with finished water pumping facilities.	☐ 2		
S. Correction of specific design or operating deficiencies associated with finished water distribution system piping and/or appurtenances.	☐ 2		
T. Replacement of water meters.	☐ 2		

Infrastructure Adequacy Total

Consolidation or Regionalization (select all that apply, 10 points maximum)

	Base & Supplemental Pts.	Emerging Contaminants Pts.	Lead Pts.
A. Correction of Safe Drinking Water Act (SDWA) compliance problem(s) or extreme to critical water supply problem(s) for one or more PWSs.	☐ 3		
B. Correction of contamination problems (regulated contaminants) or extreme water quantity problems for individual residences or businesses.	☐ 2		
C. Correction of potential MCL or TTR compliance problems, general water quality problems, or moderate to serious water quantity problems for one or more PWSs.	☐ 2		
D. Correction of general water quality problems, emerging contaminants, or moderate to serious water quantity problems for individual residences or businesses.	☐ 2	☐ 10	
E. Resolution of technical, managerial, or financial capacity problems for one or more PWSs.	☐ 2		

Consolidation or Regionalization Total

Miscellaneous (select all that apply, 5 points maximum)

	Base & Supplemental Pts.	Emerging Contaminants Pts.	Lead Pts.
A. Correction of a problem that poses a safety hazard to operators.	☐ 3		

B. Measures to improve the PWS's resiliency during emergencies (interconnections with other PWSs, generators, flood protection, etc.)	☐ 3		
C. Administration buildings for the PWS (billing offices, labs, control centers, etc.)	☐ 2		
D. Studies that may result in a capital project or reduction in demand to alleviate the need for additional capital investment (water utility audits, leak detection studies, identification of service line materials, optimization studies, asset management plans, drought contingency plans, etc.)	☐ 1		☐ 5

Miscellaneous Total			
Grand Total			

Appendix F

Non-Project Set-Aside and Loan Fee Activity

Base Funding

Set-Aside	Set Aside Through 6/30/2022	Transferred to Loan Fund	Expended Through 6/30/2022	Balance Available as of 6/30/2022	Planned Set-Asides for 2023[3]	Total Set-Aside Funds Available 2023	Reserved Through 2022	Reserved from 2023 Allotment	Total Reserved Through 2023
DWSRF Administration	9,603,814	-	9,603,814	0	0	0	1,053,630	565,002	1,618,632
10% State Program Assistance									
PWSS Supervision	6,270,000	2,657,922	3,612,078	0	0	0	5,662,410	700,800	6,363,210
Source Water Protection									
Capacity Development									
Operator Certification									
2% Small System Technical Assistance	3,735,612	318,805	3,416,807	0	0	0	516,040	140,160	656,200
15% Local Assistance[1]									
Land Acquisition									
Capacity Development									
Wellhead Protection									
Source Water Petition Programs									
Source Water Protection	1,255,880	820,612	435,268	0	0	0	NA	NA	NA
Totals	20,865,306	3,797,339	17,067,967	0	0	0	7,232,080	1,405,962	8,638,042

Fee Type	Collected Through 6/30/2022	Transferred to Loan Fund	Expended Through 6/30/2022	Balance Available 6/30/2022	Projected Funds 1/1/23 - 12/31/23	Estimated Funds Collected Through 12/31/23	Total Funds Held Through 12/31/23
Loan Fee[2]	19,050,076	0	4,586,928	14,463,148	1,914,796	20,964,872	16,377,944

[1] No more than 10% may be used for any one activity with a maximum of 15% for all activities combined.

[2] The loan fee amounts reflect loans approved up to June 30, 2022. The amounts may increase based upon repayments due (if any) under loans approved after this date.

[3] DWSRF Administration is calculated as 0.2% of the valuation of the fund.

Supplemental Funding

Set-Aside	Set Aside Through 6/30/2022	Transferred to Loan Fund	Expended Through 6/30/2022	Balance Available as of 6/30/2022	Planned Set-Asides for 2023[2]	Total Set-Aside Funds Available 2023	Reserved Through 2022	Reserved from 2023 Allotment	Total Reserved Through 2023
DWSRF Administration	0	-	0	0	0	0	719,680	840,000	1,559,680
10% State Program Assistance									
PWSS Supervision	0	-	0	0	0	0	1,799,200	2,100,000	3,899,200
Source Water Protection									
Capacity Development									
Operator Certification									
2% Small System Technical Assistance	0	-	0	0	0	0	359,840	420,000	779,840
15% Local Assistance[1]	0	-	0	0	0	0	NA	NA	NA
Land Acquisition									
Capacity Development									
Wellhead Protection									
Source Water Petition Programs									
Source Water Protection									
Totals	0	0	0	0	0	0	2,878,720	3,360,000	6,238,720

[1] No more than 10% may be used for any one activity with a maximum of 15% for all activities combined.

[2] DWSRF Administration is calculated as 4% of the capitalization grant.

Emerging Contaminants Funding

Set-Aside	Set Aside Through 6/30/2022	Transferred to Loan Fund	Expended Through 6/30/2022	Balance Available as of 6/30/2022	Planned Set-Asides for 2023[2]	Total Set-Aside Funds Available 2023	Reserved Through 2022	Reserved from 2023 Allotment	Total Reserved Through 2023
DWSRF Administration	0	-	0	0	0	0	302,200	302,200	604,400
10% State Program Assistance									
PWSS Supervision	0	-	0	0	0	0	755,500	755,500	1,511,000
Source Water Protection									
Capacity Development									
Operator Certification									
2% Small System Technical Assistance	0	-	0	0	0	0	151,100	151,100	302,200
15% Local Assistance[1]	0	-	0	0	0	0	NA	NA	NA
Land Acquisition									
Capacity Development									
Wellhead Protection									
Source Water Petition Programs									
Source Water Protection									
Totals	0	0	0	0	0	0	1,208,800	1,208,800	2,417,600

[1] No more than 10% may be used for any one activity with a maximum of 15% for all activities combined.

[2] DWSRF Administration is calculated as 4% of the capitalization grant.

Lead Funding

Set-Aside	Set Aside Through 6/30/2022	Transferred to Loan Fund	Expended Through 6/30/2022	Balance Available as of 6/30/2022	Planned Set-Asides for 2023[2]	Total Set-Aside Funds Available 2023	Reserved Through 2022	Reserved from 2023 Allotment	Total Reserved Through 2023
DWSRF Administration	1,134,000	-	0	1,134,000	1,134,000	2,268,000	-	-	-
10% State Program Assistance									
PWSS Supervision	2,835,000	-	0	2,835,000	780,000	3,615,000	-	-	-
Source Water Protection									
Capacity Development					2,055,000	2,055,000	-	-	-
Operator Certification									
2% Small System Technical Assistance	567,000	-	0	567,000	567,000	1,134,000	-	-	-
15% Local Assistance[1]									
Land Acquisition									
Capacity Development	2,835,000	-	0	2,835,000	2,835,000	5,670,000	NA	NA	NA
Wellhead Protection									
Source Water Petition Programs									
Source Water Protection									
Totals	7,371,000	0	0	7,371,000	7,371,000	14,742,000	-	-	-

[1] No more than 10% may be used for any one activity with a maximum of 15% for all activities combined.

[2] DWSRF Administration is calculated as 4% of the capitalization grant.

Appendix G

Amounts Available to Transfer Between State Revolving Fund Programs

Base						
Year	Transaction Description	Banked Transfer Ceiling	Transferred from DWSRF to CWSRF	Transferred from CWSRF to DWSRF	DWSRF Funds Available for Transfer	CWSRF Funds Available for Transfer
1998	DW Grant	4.1			4.1	4.1
1998	DW Grant	6.5			6.5	6.5
2000	DW Grant	9.0			9.0	9.0
2000	DW Grant	11.5			11.5	11.5
2001	DW Grant	14.1			14.1	14.1
2002	DW Grant	16.7			16.7	16.7
2002	Transfer	16.7	10.0	3.0	9.7	23.8
2003	DW Grant	19.4			12.4	26.4
2003	Transfer	19.4	0	5.9	18.3	20.5
2004	DW Grant	22.1			21.0	23.2
2004	Transfer	22.1	0	2.6	23.7	20.6
2005	DW Grant	24.9			26.4	23.3
2005	Transfer	24.9	0	0.1	26.5	23.2
2006	DW Grant	27.6			29.2	25.9
2006	Transfer	27.6	0	1.5	30.8	24.4
2007	DW Grant	30.3			33.5	27.1
2007	Transfer	30.3	0	4.9	38.3	22.2
2008	DW Grant	33.0			41.0	24.9
2008	Transfer	33.0	0	3.0	44.1	21.9
2009	DW Grant	35.7			46.8	24.6
ARRA	DW Grant	42.1			53.2	31.0
ARRA	Transfer	42.1	0	2.6	55.8	28.4
2009	Transfer	42.1	0	0.7	56.5	27.7
2010	DW Grant	46.6			61.0	32.2
2010	Transfer	46.6	0	0.8	61.8	31.4
2011	DW Grant	49.7			64.9	34.5
2012	DW Grant	52.7			67.8	37.5
2013	DW Grant	55.4			70.6	40.3
2014	DW Grant	58.3			73.5	43.2
2015	DW Grant	61.2			76.4	46.1
2015	Transfer	61.2	19.1	0	57.4	65.1
2016	DW Grant	64.0			60.1	67.9
2017	DW Grant	66.7			62.8	70.6
2017	Transfer	66.7	0	4.1	66.9	66.5
2018	DW Grant	70.4			70.6	70.2
2018	Transfer	70.4	0	22.2	92.8	47.9
2019	DW Grant	74.0			96.5	51.6
2020	DW Grant	77.6			100.1	55.2
2020	Transfer	77.6	0	1.5	101.6	53.7
2021	DW Grant	81.3			105.3	57.3

Base						
Year	**Transaction Description**	**Banked Transfer Ceiling**	**Transferred from DWSRF to CWSRF**	**Transferred from CWSRF to DWSRF**	**DWSRF Funds Available for Transfer**	**CWSRF Funds Available for Transfer**
2021	Transfer	81.3	0	1.5	106.8	55.7
2022	DW Grant	83.6			109.1	58.1
2022	Transfer	83.6	1.0	0	108.1	59.1
2023	DW Grant	85.9			110.4	61.4

All amounts are in millions of dollars

Supplemental						
Year	**Transaction Description**	**Banked Transfer Ceiling**	**Transferred from DWSRF to CWSRF**	**Transferred from CWSRF to DWSRF**	**DWSRF Funds Available for Transfer**	**CWSRF Funds Available for Transfer**
2022	DW Grant	5.9			5.9	5.9
2023	DW Grant	12.9			12.9	12.9

Emerging Contaminants						
Year	**Transaction Description**	**Banked Transfer Ceiling**	**Transferred from DWSRF to CWSRF**	**Transferred from CWSRF to DWSRF**	**DWSRF Funds Available for Transfer**	**CWSRF Funds Available for Transfer**
2022	DW Grant	2.5			2.5	2.5
2023	DW Grant	5.0			5.0	5.0

All amounts are in millions of dollars

Appendix H

Sources and Uses Tables

Base and Supplemental Funding

Cumulative Amounts as of June 30, 2022

SOURCES	
Federal Capitalization Grants (Base)	248,880,100
Federal Capitalization Grants (Supplemental)	0
State Match	76,432,137
Transfers from CWSRF	54,590,972
Net Leveraged Bonds	193,941,728
Investment Earnings	53,012,911
Interest Payments	80,020,938
Principal Repayments	232,643,704
TOTAL SOURCES OF FUNDS	939,522,490

USES	
Administration	9,603,814
2% SSTA	3,416,807
10% DW Program Set-Aside	3,612,078
15% Local Asst. Set-Aside	435,268
Transfers to CWSRF	30,061,000
Bond Principal Repayments	92,844,507
Bond Interest Expense	83,998,521
Arbitrage	785,241
Reserves	2,650,545
Closed Agreements	733,429,507
Loans Approved But Not Closed	2,524,000
TOTAL USES OF FUNDS	963,361,288

DWSRF Funds Available for Projects in 2023	-$23,838,798

Base and Supplemental Funding

Cumulative Amounts as of June 30, 2022

ANNUAL SOURCES FOR 2023	
FY22 Base Capitalization Grant *(awarded August 1, 2022)*	7,008,000
FY22 Supplemental Capitalization Grant *(awarded December 21, 2022)*	17,992,000
FY23 Base Capitalization Grant	7,008,000
FY23 Supplemental Capitalization Grant	21,000,000
Set-asides taken from FY22 Capitalization Grant	-
Set-asides taken from FY23 Capitalization Grant	-
State Match (if applicable)	-
Leveraged Bonds (if applicable)	-
Transfers with CW +/- (if applicable)	(5,000,000)
Total New 2023 Funds	$48,008,000
TOTAL DWSRF FUNDS AVAILABLE FOR 2023	$24,169,202
TOTAL DWSRF PROJECTS ON FUNDABLE LIST	$24,169,202
AVAILABLE FUNDS	$0

Emerging Contaminants Funding

Cumulative Amounts as of June 30, 2022

ANNUAL SOURCES FOR 2023	
FY22 Emerging Contaminants Capitalization Grant *(awarded December 21, 2022)*	7,555,000
FY23 Emerging Contaminants Capitalization Grant	7,555,000
Set-asides taken from FY22 Capitalization Grant	-
Set-asides taken from FY23 Capitalization Grant	-
Transfers with CW +/- (if applicable)	-
Total New 2023 Funds	$15,110,000
TOTAL DWSRF FUNDS AVAILABLE FOR 2023	$15,110,000
TOTAL DWSRF PROJECTS ON FUNDABLE LIST	$15,110,000
AVAILABLE FUNDS	$0

Lead Funding

Cumulative Amounts as of June 30, 2022

ANNUAL SOURCES FOR 2023	
FY22 Lead Capitalization Grant *(awarded December 21, 2022)*	28,350,000
FY23 Lead Capitalization Grant	28,350,000
Set-asides taken from FY22 Capitalization Grant	(7,371,000)
Set-asides taken from FY23 Capitalization Grant	(7,371,000)
Total New 2023 Funds	$41,958,000
TOTAL DWSRF FUNDS AVAILABLE FOR 2023	$41,958,000
TOTAL DWSRF PROJECTS ON FUNDABLE LIST	$41,958,000
AVAILABLE FUNDS	$0

Appendix I

Abbreviations

ACS	American Community Survey
AMHI	Annual median household income
CWS	Community water system
CWSRF	Clean Water State Revolving Fund
DWSRF	Drinking Water State Revolving Fund
EPA	Environmental Protection Agency
ESWTR	Enhanced Surface Water Treatment Rule
FY	Fiscal year
GPCD	Gallons per capita per day
GPR	Green project reserve
GWR	Ground Water Rule
IUP	Intended Use Plan
MCL	Maximum contaminant level
NDAC	North Dakota Administrative Code
NDCC	North Dakota Century Code
NDDEQ	North Dakota Department of Environmental Quality
NPDWR	National Primary Drinking Water Regulations
PFA	Public Finance Authority
PRV	Pressure-reducing valve
PWS	Public Water System
PWSS	Public Water System Supervision
RFWCI	Relative future water cost index
RO	Reverse osmosis
RWD	Rural Water District

SCADA	Supervisory control and data acquisition
SDWA	Safe Drinking Water Act
STAG	State and Tribal Assistance Grants
SWTR	Surface Water Treatment Rule
TTR	Treatment technique requirement
URTH	Unreasonable risk to health
WAWSA	Western Area Water Supply Authority
WD	Water district
WRD	Water Resource District
WS	Water system
WTP	Water treatment plant
WUD	Water Users District