2022 INTENDED USE PLAN FOR THE BIPARTISAN INFRASTRUCTURE LAW FUNDS

for the

NORTH DAKOTA DRINKING WATER STATE REVOLVING FUND

prepared by the

DRINKING WATER STATE REVOLVING FUND PROGRAM

DIVISION OF MUNICIPAL FACILITIES

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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 and their corresponding required state match for FY 2022 are as follows:

	Allotment	**State Match**
General Supplemental Funding	$17,992,000	10%
Emerging Contaminants Funding	$7,555,000	0%
Lead Service Line Replacement Funding	$28,350,000	0%
Total	**$53,897,000**	

This is in addition to the base 2022 DWSRF allotment of $7,008,000 and for which an Intended Use Plan has already been finalized.

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.

To the extent that there are enough eligible projects, at least 15 percent of the funds available for construction must be used annually to provide loan assistance to PWSs that serve fewer than 10,000 persons.

The BIL mandates that 49 percent of the funds provided through the General Supplemental Funding and the Lead Service Line Replacement Funding must be provided as grants and forgivable loans to disadvantaged communities. The BIL also requires that not less than 25% of funds provided through the Emerging Contaminants Funding be provided as grants and forgivable loans to disadvantaged communities or public water system serving fewer than 25,000 people. 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 2022 BIL funds 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 capitalization grant applications and submitted to the EPA to further capitalize the state's DWSRF Program in the amount of $53,897,000. 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 were also requested to fill out a project questionnaire for each project listed on a previous priority list that is not yet under construction.

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 reserves the right to amend this IUP as 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 undergone changes that will apply only to the 2022 BIL funds and not to the 2022 base DWSRF program 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 captured in another item.
    - 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 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 C.

Comprehensive Project Priority List and Fundable List

Appendix B contains the comprehensive project priority list. 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, will be given preference over projects for the development of new water systems.

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.

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.

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.

Mandatory Small System Project Set-Aside

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. 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 $741,503,235 have been approved as of June 30, 2022. Of these, 256 loans (totaling $323,778,663 or 43.7 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).

Mandatory Additional Subsidization Set-Aside

Congress has mandated in the BIL that a portion of the assistance provided from DWSRF capitalization grants be in the form of additional subsidies. The DWSRF program provides these additional subsidies as loan forgiveness.

Mandatory additional subsidization will apply to the FY 2022 BIL DWSRF allotment in the following amounts:

	Percent Additional Subsidization	Amount of Additional Subsidization
General Supplemental	49%	$8,816,080
Emerging Contaminants	100%	$7,555,000
Lead	49%	$13,891,500

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 (Base SRF and Emerging Contaminants) 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	2600038-21-03	Ashley	$2,500,000	$1,875,000
4	1801062-22-05	East Central RWD	$10,564,000	$4,118,000
5	2600038-21-01	Ashley	$2,000,000	$1,500,000
6	0800080-19-01	Bismarck	$3,500,000	$1,323,080

The projects ranked 2nd and 3rd for the General Supplemental allotment have been bypassed because the projects aren't anticipated to proceed to construction until 2024.

Additional subsidization for the Emerging Contaminants allotment will be provided to projects at a rate of up to 75 percent. The remaining 25 percent of the project costs will be combined with either a loan or loan forgiveness (based on project ranking) 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
1	2001061-22-03	Dakota RWD	$5,000,000	$3,750,000
2	1801062-22-05	East Central RWD	$10,564,000	$3,805,000

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

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

Additional subsidization for the Lead allotment may be combined with other DWSRF allotments or other sources of funding to meet the maximum rate of 90 percent loan forgiveness. The following projects are anticipated to receive additional subsidization from the Lead allotment:

Priority Ranking	Tracking No.	System Name	Project Cost	Additional Subsidy
1	4700498-22-01	Jamestown	$250,000	$165,000
2	4700498-22-02	Jamestown	$3,500,000	$2,310,000
3	4800152-22-01	Cando	$650,000	$650,000
4	1900162-22-01	Carson	$26,000	$17,160
5	0800080-19-01	Bismarck	$1,500,000	$990,000
6	3900567-16-01	Lidgerwood	$320,000	$211,200
7	3000596-22-06	Mandan	$200,000	$132,000
9	3000596-22-02	Mandan	$50,000	$33,000
10	2500964-22-01	Velva	$2,373,000	$1,566,180
11	0900166-19-01	Casselton	$910,000	$600,600
14	2100704-22-02	Mott	$20,000	$13,200
16	1900731-22-01	New Leipzig	$71,000	$46,860
18	2000203-22-01	Cooperstown	$100,000	$66,000
19	3300174-22-01	Center	$260,000	$171,600
20	1700059-22-01	Beach	$181,000	$119,460
21	5100515-15-01	Kenmare	$58,000	$38,280
23	5201012-22-01	Williston	$84,000	$55,440
25	0200958-22-04	Valley City	$2,000,000	$1,320,000
26	0900336-18-02	Fargo	$1,200,000	$792,000
27	0801031-22-02	Wilton	$35,000	$23,100
28	0801031-18-01	Wilton	$160,000	$105,600
29	2800389-13-02	Garrison	$1,000,000	$660,000
32	2200827-16-01	Robinson	$150,000	$99,000
33	2900470-22-01	Hazen	$1,500,000	$990,000

Priority Ranking	Tracking No.	System Name	Project Cost	Additional Subsidy
37	0900017-22-01	Amenia	$45,000	$29,700
39	4000854-22-01	St. John	$63,000	$41,580
41	5000408-22-01	Grafton	$250,000	$165,000
43	5001075-22-01	Walsh RWD	$200,000	$132,000
44	3100744-22-01	New Town	$125,000	$82,500
45	3400170-22-02	Cavalier	$125,000	$82,500
46	3100775-22-02	Parshall	$94,000	$62,040
47	4900482-22-01	Hillsboro	$125,000	$82,500
49	1801062-22-02	East Central RWD	$200,000	$132,000
50	5000773-22-01	Park River	$125,000	$82,500
51	1700059-22-02	Beach	$94,000	$62,040
52	5100515-22-01	Kenmare	$125,000	$82,500
53	2500266-22-01	Drake	$63,000	$41,580
54	1001380-22-01	Northeast RWD	$200,000	$132,000
55	1801056-22-01	Agassiz WUD	$200,000	$132,000
56	3500842-22-01	Rugby	$250,000	$165,000
57	2001061-22-01	Dakota RWD	$200,000	$132,000
58	0900524-22-01	Kindred	$50,000	$33,000
59	3100798-22-01	Plaza	$63,000	$41,580
60	0700114-22-01	Bowbells	$63,000	$41,580
61	5201012-22-07	Williston	$250,000	$165,000

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

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.

Disadvantaged Community Criteria

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 households with an income 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 the range of values established in the Affordability section of the priority ranking system found in Appendix C. 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.

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.

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.

Appendix D depicts non-project set-aside and fee activity. The NDDEQ does not intend to set aside any of the General Supplemental and Emerging Contaminants allotment for non-project activities, but the ability to do so will be held in reserve for future years. The NDDEQ will prepare and submit workplans to EPA Region 8 for review and approval prior to expending set-aside funds.

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 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 2022, grants will be awarded to communities with populations of less than 2,500 people 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 – Base Program

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 FY2022. In January 2022, North Dakota issued state match bonds to satisfy match requirements through FY2026.

Anticipated Proportionality Ratio

State match bonds were sold in 2022. The required 20 percent state match has been provided through approximately FY2026. Payments were made using 100 percent state match funds until all of the match funds were disbursed. The program is in an over-matched condition at this time.

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. Transfers are only allowed between specific BIL appropriations in the equivalent CWSRF or DWSRF program. The BIL supplemental funds are federal capitalization grant funds and carry with them the same requirements from the transferring SRF program.

The NDDEQ is not anticipating the transfer of funds between the CWSRF and the DWSRF for either the General Supplemental allotments or the Emerging Contaminants allotments in 2022, but reserves the right to do so in the future.

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.

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. 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 second quarter 2021 North Dakota 20-year competitive bond sales, the current market interest rate is 3.2 percent.

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 F depicts a detailed breakdown of sources and uses of funds for the FY2022 BIL allocations. A total of $55,696,200 of new funds is anticipated to become available in 2022, making $48,325,200 available for projects. All the funds are allocated to projects as shown in the Comprehensive Project Priority List and Fundable List (Appendix B).

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. Obtain North Dakota Department of Water Resources approval of this IUP on October 13, 2022.
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 December 31, 2021, the fund utilization rate (as measured by the ratio of executed loans to funds available for projects) was 104 percent, which is above the June 30, 2021 national average of 96 percent. The 2022 goal is to maintain the fund utilization rate at 90 percent or above.
    b. Through December 31, 2021, 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 2022 goal is to maintain the construction pace above 80 percent.
    c. The DWSRF Program funded 11 projects in the first six months of 2022 totaling $17,681,000 and serving a population of 181,615. The 2022 goal is to fund 12 loans totaling $15 million and serving a population of 20,000.
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 2022 IUP for the BIL funds at a public hearing held at 4201 Normandy St, Bismarck, ND 58503 and on Microsoft Teams on August 25, 2022. Written comments were accepted until September 22, 2022.

Additional questionnaires were received and ranked for the following projects:

- Fargo water main replacement
- Fargo lead service line replacement

Additional information was received for the following project and the ranking was adjusted:

- Southeast WUD west WTP improvements (additional information was received that adjusted the ranking)

No additional comments were received.

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 2022 BIL Funds

Shaded projects are on the fundable list

Priority Ranking (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]
23	-	-	1801056-21-01	Agassiz WUD	Yes	3,525	User and transmission expansion phase 2	3,850	-	-	2023	
217	-	55	1801056-22-01	Agassiz WUD	Yes	3,525	Lead service line inventory	200	-	200	-	10
33	-	-	4001153-14-01	All Seasons WUD	Yes	4,295	System 3 improvements - Bottineau & Renville Counties	1,060	-	-	2023	
9	-	-	4001153-14-02	All Seasons WUD	Yes	4,295	System 3 improvements - Turtle Mountains & Lake Metigoshe area	29,000	-	-	2023	20+
65	-	-	4001153-15-01	All Seasons WUD	Yes	4,295	System 4 to system 1 water supply project	6,638	-	-	2023	
18	-	-	4001153-21-01	All Seasons WUD	Yes	4,295	Refinance of projects for well, reservoir, SCADA, & pipeline improvements	3,929	-	-	-	
66	-	-	4001153-21-02	All Seasons WUD	Yes	4,295	Rolla area improvements	924	-	-	2023	
113	-	-	3000012-22-01	Almont	Yes	115	Water main replacement district no. 2022-1	1,500	-	-	2023	
10	-	37	0900017-22-01	Amenia	Yes	94	Distribution system improvements	700	-	45	2023	30
102	-	-	3200023-21-01	Aneta	Yes	234	Water main replacement	3,000	-	-	2023	
186	-	-	0900035-22-01	Arthur	No	328	Control building improvements	400	-	-	2024	
5	-	-	2600038-21-01	Ashley	Yes	700	Water tower improvements	2,000	-	-	2023	20+
97	-	-	2600038-21-02	Ashley	Yes	700	Water main replacement	1,000	-	-	2023	
1	3	-	2600038-21-03	Ashley	Yes	700	WTP improvements	2,500	1,250	-	2023	20+
170	-	-	1700059-20-01	Beach	Yes	981	South side water tower rehabilitation	398	-	-	2023	
75	-	20	1700059-22-01	Beach	Yes	981	Water main & lead service line replacement	1,805	-	181	2023	30
200	-	51	1700059-22-02	Beach	Yes	981	Lead service line inventory	94	-	94	-	10
242	-	-	5100072-18-02	Berthold	No	454	Water tower rehabilitation	300	-	-	2023	
251	-	-	5100072-21-01	Berthold	No	454	Water main replacement	5,000	-	-	2023	
6	-	5	0800080-19-01	Bismarck	Yes	88,000	Water main & lead service line replacement	3,500	-	1,500	2023	30
238	-	-	0700114-21-02	Bowbells	Yes	301	Railway St water main looping	275	-	-	2023	
250	-	60	0700114-22-01	Bowbells	Yes	301	Lead service line inventory	63	-	63	-	10
128	-	40	0900134-11-01	Buffalo	No	225	Distribution system improvements	2,300	-	200	2024	
172	-	-	5100138-12-01	Burlington	Yes	1,310	Elevated storage tank	1,750	-	-	2023	
98	-	-	5100138-22-01	Burlington	Yes	1,310	Wallace St water main replacement	457	-	-	2022	
85	-	-	4800152-13-02	Cando	Yes	1,115	Water main replacement	2,000	-	-	2023	
25	-	3	4800152-22-01	Cando	Yes	1,115	Lead service line replacement	650	-	650	2023	30
231	-	-	1600159-20-01	Carrington	Yes	2,200	Water main replacement & rehab	1,500	-	-	2023	
22	-	4	1900162-22-01	Carson	Yes	238	Railroad, 1st, and 2nd Ave water main replacement	2,577	-	26	2023	30
58	-	-	1900162-22-02	Carson	Yes	238	Water storage improvements	2,250	-	-	2023	
135	-	-	0901060-22-01	Cass RWD	Yes	17,841	1.5 million gallon water tower	5,860	-	-	2024	
197	-	-	0901060-22-02	Cass RWD	Yes	17,841	County Road 17 water line improvements	1,189	-	-	2024	
136	-	-	0901060-22-03	Cass RWD	Yes	17,841	Reservoir B expansion	982	-	-	2024	
152	-	11	0900166-19-01	Casselton	Yes	2,513	Lead service line replacement	910	-	910	2023	30
182	-	-	0900166-20-01	Casselton	Yes	2,513	Water main replacement (5th Ave N)	4,500	-	-	2023	
183	-	-	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	
44	-	-	3400170-22-01	Cavalier	Yes	1,247	Water main replacement	1,355	-	-	2023	
126	-	45	3400170-22-02	Cavalier	Yes	1,247	Lead service line inventory	125	-	125	-	10
12	-	19	3300174-22-01	Center	Yes	600	Water storage & distribution improvements	2,600	-	260	2023	20+
203	-	-	3900183-09-01	Christine	No	150	Water main, gate valve, & hydrant replacement, water main looping	700	-	-	2023	
228	-	-	2800192-20-02	Coleharbor	Yes	82	Water main replacement district no. 2021-1	1,500	-	-	2023	
171	-	-	0700198-16-01	Columbus	Yes	133	Water main looping	1,250	-	-	2023	
122	-	18	2000203-22-01	Cooperstown	Yes	907	Lead service line replacement	100	-	100	2023	30
3	-	31	1200211-22-01	Crosby	Yes	1,065	Hendrickson/Holmes water main improvement	3,229	-	55	2024	
219	-	57	2001061-22-01	Dakota RWD	Yes	2,472	Lead service line inventory	200	-	200	-	10
56	-	-	2001061-22-02	Dakota RWD	Yes	2,472	Transmission pipeline expansion	4,931	-	-	2024	
38	1	-	2001061-22-03	Dakota RWD	Yes	2,472	WTP expansion & manganese removal	5,000	5,000	-	2023	20+
101	-	-	0200226-22-01	Dazey	Yes	104	Control panel, electrical, and pump improvements	150	-	-	2023	
202	-	53	2500266-22-01	Drake	Yes	299	Lead service line inventory	63	-	63	-	10
154	-	-	3400269-21-01	Drayton	Yes	751	Water main, hydrant, valve, & meter replacement	8,055	-	-	2023	

Priority Ranking (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]
178	-	49	1801062-22-02	East Central RWD	Yes	8,448	Lead service line inventory	200	-	200	-	10
119	-	-	1801062-22-03	East Central RWD	Yes	8,448	Wellfield, transmission, & user expansion (phase 6)	5,955	-	-	2024	
49	-	-	1801062-22-04	East Central RWD	No	8,448	Service to Galesburg	1,784	-	-	2024	
4	2	-	1801062-22-05	East Central RWD	Yes	8,448	WTP expansion (phase 5)	10,564	10,564	-	2022	20+
120	-	-	1900303-21-01	Elgin	Yes	662	East side utility improvements	1,700	-	-	2023	
27	-	-	3700314-02-01	Enderlin	Yes	890	Well field & transmission line	1,700	-	-	2024	
32	-	15	3700314-02-02	Enderlin	Yes	890	Water main & lead service line replacement	1,500	-	400	2024	
43	-	-	3700314-02-03	Enderlin	Yes	890	WTP improvements	4,700	-	-	2025	
24	-	-	3700314-08-01	Enderlin	Yes	890	Water tower replacement	2,000	-	-	2024	
193	-	-	3900333-06-01	Fairmount	Yes	367	Water main replacement	800	-	-	2023	
169	-	26	0900336-18-02	Fargo	Yes	166,000	Lead service line replacement	1,200	-	1,200	2023	
118	-	-	0900336-22-01	Fargo	Yes	166,000	Water main replacement	5,000	-	-	2023	
237	-	62	3000342-20-01	Flasher	Yes	290	Service line improvements & lead service line inventory	350	-	350	2023	10
206	-	-	0700344-22-01	Flaxton	Yes	74	Water main replacement	478	-	-	2023	
187	-	-	4100357-08-01	Forman	Yes	504	Water tower replacement	1,200	-	-	2023	
159	-	-	4100357-14-01	Forman	Yes	504	Well improvements & transmission line replacement	750	-	-	2023	
195	-	-	4100357-15-01	Forman	Yes	504	Distribution system upgrades	1,030	-	-	2023	
73	-	-	2400380-19-01	Gackle	Yes	310	Water main & water meter replacement, pump house improvements	500	-	-	2022	
69	-	-	4900382-22-01	Galesburg	No	118	Distribution system & storage improvements	1,800	-	-	2023	
257	-	64	4900382-22-02	Galesburg	No	118	Lead service line inventory	63	-	63	-	10
36	-	-	2800389-13-01	Garrison	Yes	2,500	WTP upgrades	5,000	-	-	2022	
110	-	29	2800389-13-02	Garrison	Yes	2,500	Water main & lead service line replacement	2,500	-	1,000	2023	30
213	-	-	2800389-15-01	Garrison	Yes	2,500	Intake replacement	4,000	-	-	2023	
79	-	-	3000400-19-02	Glen Ullin	Yes	807	Water main replacement district no. 2022-1	4,500	-	-	2023	
80	-	-	3000400-22-01	Glen Ullin	Yes	807	Water storage improvement district no. 2022-1	1,500	-	-	2023	
211	-	-	3800397-13-01	Glenburn	Yes	380	Distribution system improvements	5,500	-	-	2023	
108	-	41	5000408-22-01	Grafton	Yes	4,170	Lead service line inventory	250	-	250	-	10
87	-	-	5000408-22-02	Grafton	Yes	4,170	Surface water intake improvements	500	-	-	2023	
14	-	-	2500415-12-01	Granville	Yes	330	Water main replacement	499	-	-	2023	
233	-	-	5300425-20-01	Grenora	Yes	350	Water main replacement (Main St)	1,500	-	-	2031	
234	-	-	5300425-20-02	Grenora	Yes	350	Water main replacement (Jetson St)	703	-	-	2024	
184	-	-	5300425-20-03	Grenora	Yes	350	Water tower improvements	3,000	-	-	2024	
90	6	-	5300425-20-04	Grenora	Yes	350	WTP improvements	2,926	2,926	-	2027	
235	-	-	5300425-20-05	Grenora	Yes	350	Well house #1 improvements	1,000	-	-	2026	
185	-	-	5300425-20-06	Grenora	Yes	350	Well house #2 improvements	1,000	-	-	2040	
41	-	-	2000446-09-01	Hannaford	Yes	150	Water tower replacement & pump house improvements	2,300	-	-	2024	
45	-	-	5200458-16-01	Harvey	Yes	1,783	WTP improvements	800	-	-	2023	
106	-	-	5200458-22-01	Harvey	Yes	1,783	Raw water line replacement	2,250	-	-	2024	
107	-	-	5200458-22-02	Harvey	Yes	1,783	Railroad crossing water main replacement	400	-	-	2024	
255	-	-	0900460-16-01	Harwood	No	718	Distribution system improvements	1,000	-	-	2023	
42	-	-	1500469-22-01	Hazelton	Yes	225	Pump house & water tower improvements	2,000	-	-	2023	
156	-	33	2900470-22-01	Hazen	Yes	2,411	Lead service line & water meter replacement	2,000	-	1,500	2023	20+
133	-	-	3000473-20-01	Hebron	Yes	867	Southside water main replacement	3,903	-	-	2023	
148	-	47	4900482-22-01	Hillsboro	Yes	1,649	Lead service line inventory	125	-	125	-	10
145	-	-	4600487-08-01	Hope	Yes	258	Water main extension	210	-	-	2023	
252	-	-	0900488-15-01	Horace	No	614	Water tower improvements	650	-	-	2023	
249	-	-	0900488-22-01	Horace	No	614	Water tower replacement	6,000	-	-	2023	
223	-	-	0900492-15-01	Hunter	No	261	Control building improvements	300	-	-	2024	
89	-	8	0900492-15-02	Hunter	No	261	Distribution system improvements	4,000	-	200	2024	
173	-	-	4700498-09-01	Jamestown	Yes	16,000	Water meters	2,835	-	-	2023	
174	-	-	4700498-13-01	Jamestown	Yes	16,000	WTP SCADA improvements	455	-	-	2023	
175	-	-	4700498-13-02	Jamestown	Yes	16,000	WTP filter bay improvements	860	-	-	2023	
176	-	-	4700498-14-02	Jamestown	Yes	16,000	NE water transmission line	4,968	-	-	2023	
99	-	-	4700498-18-01	Jamestown	Yes	16,000	Pitless well rehabilitation	200	-	-	2023	

Priority Ranking (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]
100	-	-	4700498-19-01	Jamestown	Yes	16,000	WTP backwash recycle system	1,750	-	-	2023	
177	-	-	4700498-19-02	Jamestown	Yes	16,000	NE water tower improvement	350	-	-	2023	
13	-	1	4700498-22-01	Jamestown	Yes	16,000	Water main & lead service line replacement	1,500	-	250	2023	30
40	-	2	4700498-22-02	Jamestown	Yes	16,000	Lead service line replacement	3,500	-	3,500	2023	30
121	-	17	2300508-15-01	Jud	Yes	72	Distribution system improvements	500	-	50	2024	
76	-	21	5100515-15-01	Kenmare	Yes	1,013	Water main replacement	575	-	58	2023	30
201	-	52	5100515-22-01	Kenmare	Yes	1,013	Lead service line inventory	125	-	125	-	10
220	-	58	0900524-22-01	Kindred	Yes	889	Lead service line replacement study	50	-	50	-	
15	-	-	0900524-22-02	Kindred	Yes	889	Water reservoir & water main improvements	1,500	-	-	2024	
82	-	-	2300535-09-01	Kulm	Yes	354	Water tower replacement	1,500	-	-	2023	
227	-	-	2300537-14-01	LaMoure	Yes	889	Water main replacement & looping	525	-	-	2023	
209	-	-	1000543-09-01	Langdon	Yes	1,878	Water main replacement	3,000	-	-	2023	
239	-	-	1000543-09-02	Langdon	Yes	1,878	Water tower rehabilitation	600	-	-	2024	
240	-	-	1000543-21-01	Langdon	Yes	1,878	Water main looping	950	-	-	2023	
59	-	-	0300533-13-01	Leeds	Yes	427	Well & transmission line improvements	600	-	-	2023	
94	-	-	0300553-13-02	Leeds	Yes	427	Well & transmission line improvements	450	-	-	2023	
143	-	-	0300553-13-03	Leeds	Yes	427	Lead service line replacement	650	-	650	2023	
144	-	-	0300553-20-01	Leeds	Yes	427	Water main replacement	525	-	-	2023	
61	-	-	2600556-22-01	Lehr	Yes	80	Water tower & water main replacement	1,500	-	-	2023	
8	-	6	3900567-16-01	Lidgerwood	Yes	652	Transmission main & lead service line replacement	1,089	-	320	2023	30
150	-	-	0800570-22-01	Lincoln	No	4,257	Water storage & transmission line improvements	5,400	-	-	2023	
161	-	-	1500571-21-01	Linton	Yes	990	Curb stop replacement	1,500	-	-	2023	
180	-	-	3700574-11-01	Lisbon	Yes	2,154	Water well	300	-	-	2022	
224	-	-	3700574-11-02	Lisbon	Yes	2,154	Water main replacement	2,500	-	-	2022	
205	-	-	3700574-14-01	Lisbon	Yes	2,154	WTP improvements	1,000	-	-	2022	
146	-	-	0300587-22-02	Maddock	Yes	380	Water tower repair or replacement	2,500	-	-	2024	
64	-	-	5100593-13-01	Makoti	Yes	154	Well & transmission line improvements	400	-	-	2023	
103	-	-	5100593-13-02	Makoti	Yes	154	Water main replacement	2,000	-	-	2022	
214	-	-	3000596-13-03	Mandan	Yes	32,000	Boundary road PRV	661	-	-	2023	
189	-	-	3000596-19-01	Mandan	Yes	32,000	Collins Ave reservoir replacement	3,566	-	-	2025	
134	-	-	3000596-21-01	Mandan	Yes	32,000	Memorial Hwy water main upgrade	5,500	-	-	2023	
157	-	-	3000596-21-02	Mandan	Yes	32,000	South end pump station improvements	419	-	-	2024	
70	-	-	3000596-22-01	Mandan	Yes	32,000	WTP optimization phase 3	6,587	-	-	2024	
111	-	9	3000596-22-02	Mandan	Yes	32,000	Lead service line replacement	50	-	50	2023	30
190	-	-	3000596-22-03	Mandan	Yes	32,000	Midtown west water main replacement	2,000	-	-	2026	
191	-	-	3000596-22-04	Mandan	Yes	32,000	Water distribution system improvements	400	-	-	2023	
192	-	-	3000596-22-05	Mandan	Yes	32,000	Downtown water main replacement	1,200	-	-	2024	
93	-	7	3000596-22-06	Mandan	Yes	32,000	Lead service line inventory & replacement	200	-	200	2023	30
210	-	-	0900613-20-01	Mapleton	Yes	1,320	Water main replacement	1,000	-	-	2023	
155	-	-	0900613-22-01	Mapleton	Yes	1,320	Water main railroad crossing & looping	800	-	-	2023	
138	-	-	2800619-18-01	Max	Yes	334	Water main replacement	639	-	-	2023	
139	-	-	2800619-20-01	Max	Yes	334	Gate valve replacement	156	-	-	2023	
95	-	-	4900622-16-01	Mayville	Yes	1,858	WTP upgrades	790	-	-	2023	
96	-	-	4900622-22-01	Mayville	Yes	1,858	Refinance of surface water intake and water main improvements	950	-	-	-	
84	-	-	4200626-22-01	McClusky	Yes	380	Water main replacement	300	-	-	2023	
114	-	-	3200626-19-01	McVille	Yes	375	WTP improvements	1,300	-	-	2024	
71	-	-	3200626-22-01	McVille	Yes	375	Elevated tank replacement	2,300	-	-	2023	
92	-	24	3200626-22-02	McVille	Yes	375	Distribution system improvements	10,500	-	150	2024	
26	-	-	4700637-16-02	Medina	Yes	300	WTP & well improvements	840	-	-	2022	
262	-	-	TBD-22-01	Metro Flood Diversion	No	19,500	USACE southern embankment & infrastructure	19,000	-	-	2023	
256	-	-	3200653-13-01	Michigan	No	100	Water tower rehabilitation	100	-	-	2023	
241	-	-	4101425-19-01	Milnor	No	638	Booster station improvements	317	-	-	2023	
162	-	-	3001431-22-01	Missouri West WS	Yes	8,050	Service to users in Lyons Rd area and along Hwy 1806	2,025	-	-	2023	
243	-	-	3800695-21-01	Mohall	No	705	2nd Ave SE water main replacement	544	-	-	2023	

Priority Ranking (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]
244	-	-	3800695-22-01	Mohall	No	705	3rd Ave, 4th & 5th St NW water main replacement	662	-	-	2024	
245	-	38	3800695-22-02	Mohall	No	705	Lead service line replacement	1,649	-	1,649	2023	30
21	-	-	3900703-11-01	Mooreton	Yes	90	Gate valve & hydrant replacement, control upgrades, addition of bladder tank storage	560	-	-	2023	
37	-	-	2100704-22-01	Mott	Yes	728	Pump house & water tower improvements	2,000	-	-	2023	
39	-	14	2100704-22-02	Mott	Yes	728	Water main replacement district no. 2022-1	1,800	-	20	2023	30
51	-	-	2400715-13-01	Napoleon	Yes	707	Water main extension	2,000	-	-	2023	
212	-	-	2400715-22-01	Napoleon	Yes	707	Refinance of water main replacement	3,100	-	-	-	
81	-	-	2100726-20-01	New England	Yes	600	Water main replacement & looping	1,000	-	-	2023	
31	-	-	2100726-22-04	New England	Yes	600	Refinance of water main, service line, water tower, hydrant, & gate valve replacement	5,996	-	-	-	
60	-	16	1900731-22-01	New Leipzig	Yes	218	Water main & lead service line replacement	708	-	71	2023	30
125	-	44	3100744-22-01	New Town	Yes	1,925	Lead service line inventory	125	-	125	-	10
247	-	-	1200748-18-01	Noonan	No	144	Main St water improvements	832	-	-	2023	
248	-	-	1200748-20-01	Noonan	No	144	Water main replacement (Washington St)	665	-	-	2025	
147	-	-	5101189-19-01	North Prairie RWD	Yes	13,000	Backup generators	650	-	-	2023	
140	-	-	1001380-21-02	Northeast RWD	Yes	7,517	Individual service to residents of Milton, Nekoma, & Osnabrock	3,599	-	-	2024	
216	-	54	1001380-22-01	Northeast RWD	Yes	7,517	Lead service line inventory	200	-	200	-	10
2	-	-	1001380-22-02	Northeast RWD	Yes	7,517	WTP & wellfield expansion	6,000	-	-	2024	
57	-	-	1100758-09-01	Oakes	Yes	1,856	Water reservoir & pump station	720	-	-	2023	
115	-	-	1100758-11-01	Oakes	Yes	1,856	WTP upgrades	2,000	-	-	2023	
74	-	-	1100758-11-02	Oakes	Yes	1,856	Well replacement	400	-	-	2023	
17	-	48	0300762-15-01	Oberon	Yes	104	Distribution system replacement	3,400	-	250	2024	
28	-	-	0300762-15-02	Oberon	Yes	104	Well & control building improvements	650	-	-	2024	
129	-	-	0200763-09-01	Oriska	Yes	128	Reservoir & pump house improvements	650	-	-	2024	
199	-	50	5000773-22-01	Park River	Yes	1,427	Lead service line inventory	125	-	125	-	10
104	-	-	3100775-21-01	Parshall	Yes	903	Wild Horse Addition water main looping	750	-	-	2023	
105	-	-	3100775-22-01	Parshall	Yes	903	Water supply line improvements	9,000	-	-	2023	
127	-	46	3100775-22-02	Parshall	Yes	903	Lead service line inventory	94	-	94	-	10
168	-	-	3100798-16-02	Plaza	Yes	171	Hydrant upgrades	530	-	-	2023	
221	-	59	3100798-22-01	Plaza	Yes	171	Lead service line inventory	63	-	63	-	10
260	-	-	0700800-19-01	Portal	No	150	Water main looping	150	-	-	2023	
261	-	-	0700800-19-02	Portal	No	150	Hydrant & gate valve replacement	100	-	-	2023	
34	-	-	4900803-08-01	Portland	Yes	606	Water tower replacement & distribution system improvements	1,575	-	-	2023	
229	-	-	2800825-20-01	Riverdale	Yes	226	Gate valve replacement	1,460	-	-	2023	
181	-	-	2800825-20-02	Riverdale	Yes	226	Raw water line replacement	6,000	-	-	2023	
50	-	32	2200827-16-01	Robinson	Yes	45	Distribution system improvements	1,000	-	150	2023	30
137	-	-	4800828-22-01	Rock Lake	Yes	94	Water tower rehabilitation	500	-	-	2024	
86	-	-	4000833-19-01	Rolette	Yes	594	Water meter replacement	200	-	-	2023	
29	-	12	4000834-20-01	Rolla	Yes	1,280	Lead service line inventory & replacement	745	-	745	2024	
55	-	-	3500842-20-01	Rugby	Yes	7,111	WTP phase III improvements	1,470	-	-	2022	
160	-	-	3500842-21-03	Rugby	Yes	7,111	Raw water line replacement	8,306	-	-	2023	
218	-	56	3500842-22-01	Rugby	Yes	2,665	Lead service line inventory	250	-	250	-	10
153	-	-	4100848-16-01	Rutland	Yes	163	Water main replacement	750	-	-	2025	
232	-	-	5100848-22-01	Rutland	Yes	163	Water tower replacement	1,200	-	-	2024	
112	-	-	5100849-21-01	Ryder	Yes	80	Water tower replacement	1,800	-	-	2023	
222	-	-	0200858-13-01	Sanborn	No	194	Distribution system improvements	650	-	-	2023	
246	-	-	5100868-14-01	Sawyer	No	367	Water main improvements	1,000	-	-	2023	
207	-	-	3800877-15-01	Sherwood	Yes	256	Water main replacement - 3 block	532	-	-	2023	
208	-	-	3800877-22-01	Sherwood	Yes	256	Water main replacement - 12 block	1,392	-	-	2023	
52	-	30	1400879-15-01	Sheyenne	Yes	204	Water main replacement	3,500	-	200	2024	
196	-	-	3901068-14-01	Southeast WUD	Yes	10,839	Automatic meter readers	2,000	-	-	2022	
11	4	-	3901068-20-01	Southeast WUD	Yes	10,839	West WTP improvements	12,645	12,645		2022	

Priority Ranking (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]
163	-	-	3901068-22-01	Southeast WUD	Yes	10,839	Distribution system improvements	3,605	-	-	2024	
88	-	39	4000854-22-01	St. John	Yes	342	Lead service line inventory	63	-	63	-	30
46	-	-	4000854-22-02	St. John	Yes	342	Water tower replacement	1,400	-	-	2023	
158	-	-	2200913-22-01	Steele	Yes	918	SE distribution system improvements	1,700	-	-	2023	
123	-	-	4700922-12-01	Streeter	Yes	170	Water main looping	750	-	-	2023	
62	-	-	4700922-13-01	Streeter	Yes	170	WTP improvements	500	-	-	2023	
83	-	-	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	
30	-	-	4701303-19-04	Stutsman RWD	Yes	6,700	Raw water facilities improvements	4,271	-	-	2023	
225	-	-	5100923-22-01	Surrey	Yes	1,358	Hydrant & gate valve replacement	150	-	-	2023	
226	-	-	5100923-22-02	Surrey	Yes	1,358	Wenz Addition distribution system upgrades	1,900	-	-	2023	
253	-	63	5100923-22-03	Surrey	Yes	1,358	Lead service line inventory	63	-	63	-	10
236	-	-	5200927-13-01	Sykeston	Yes	117	Water main replacement district no. 2022-1	250	-	-	2022	
259	-	-	0900945-09-01	Tower City	No	252	Water tower rehabilitation	900	-	-	2024	
149	-	42	0900945-12-01	Tower City	No	252	Distribution system improvements	2,900	-	300	2024	
254	-	-	0900945-19-01	Tower City	No	252	Refinance of gate valve & service line replacement	600	-	-	-	
91	-	-	3201072-22-01	Tri-County WD	Yes	3,175	Phase 6 expansion	1,800	-	-	2023	
54	-	-	3201072-22-02	Tri-County WD	Yes	3,175	Phase 7 expansion	3,286	-	-	2023	
204	-	-	2800949-20-01	Turtle Lake	No	575	Water main replacement district no. 2022-1	1,000	-	-	2023	
117	-	-	2800953-22-01	Underwood	Yes	850	Water tower replacement	2,000	-	-	2023	
63	-	-	2500956-16-01	Upham	Yes	133	Water main & service line replacement	508	-	-	2023	
166	-	25	0200958-22-04	Valley City	Yes	6,585	Lead service line replacement	2,000	-	2,000	2023	30
230	-	-	2500964-19-01	Velva	Yes	1,256	Water main replacement	640	-	-	2023	
151	-	10	2500964-22-01	Velva	Yes	1,256	Lead service line replacement	2,373	-	2,373	2023	30
167	-	-	2300969-12-01	Verona	Yes	85	Water main replacement	515	-	-	2023	
116	-	-	2300969-14-01	Verona	Yes	85	Pump house replacement	300	-	-	2023	
198	-	-	2300969-19-01	Verona	Yes	85	Water meter replacement	100	-	-	2023	
67	-	-	3900973-04-01	Wahpeton	Yes	8,004	Water main looping	284	-	-	2024	
7	-	-	3900973-16-01	Wahpeton	Yes	8,004	WTP process improvements	10,707	-	-	2027	
47	-	-	3900973-18-03	Wahpeton	Yes	8,004	15th Ave & 14th St N distribution system improvements	1,114	-	-	2024	
48	-	-	3900973-19-01	Wahpeton	Yes	8,004	Well field relocation	6,654	-	-	2024	
20	-	13	3900973-22-01	Wahpeton	Yes	8,004	3rd Ave & 5th St S distribution system improvements	1,480	-	85	2025	
68	-	-	3900973-22-02	Wahpeton	Yes	8,004	Water tower improvements	420	-	-	2025	
16	-	-	5001075-19-01	Walsh RWD	Yes	3,340	NRWD interconnect	3,340	-	-	2023	
124	-	43	5001075-22-01	Walsh RWD	Yes	3,340	Lead service line inventory	200	-	200	-	10
179	-	-	2800989-18-01	Washburn	No	1,313	Raw water intake replacement	1,988	-	-	2023	
258	-	65	2800989-22-01	Washburn	No	1,313	Lead service line inventory	125	-	125	-	10
164	-	-	0900999-22-01	West Fargo	Yes	36,406	Water main & appurtenance replacement	15,000	-	-	2024	
165	-	-	5101447-16-01	West River WD	Yes	650	Water service line replacement	471	-	-	2022	
141	-	-	0501001-09-01	Westhope	Yes	429	Water main & service line replacement - 3 blocks	504	-	-	2023	
142	-	-	0501001-22-01	Westhope	Yes	429	Water main & service line replacement - 12 blocks	1,169	-	-	2023	
188	-	-	5301011-20-01	Wildrose	Yes	150	Water main & service line replacement - 3 blocks	629	-	-	2023	
78	-	23	5201012-22-01	Williston	Yes	30,000	1st Ave water main & lead service line replacement	835	-	84	2023	30
77	-	22	5201012-22-02	Williston	Yes	30,000	5th Ave W phase 1 water main replacement	5,105	-	510	2024	
130	-	34	5201012-22-03	Williston	Yes	30,000	5th Ave W phase 2 water main replacement	803	-	502	2025	
131	-	35	5201012-22-04	Williston	Yes	30,000	7th Ave W phase 1 water main replacement	681	-	563	2026	
132	-	36	5201012-22-05	Williston	Yes	30,000	7th Ave W phase 2 water main replacement	720	-	585	2027	
215	-	61	5201012-22-07	Williston	Yes	30,000	Water meter replacement & lead service line inventory	2,500	-	250	2023	20+
109	-	28	0801031-18-01	Wilton	Yes	750	Water main replacement (Minnesota Ave, 7th St, Dakota Ave, Burleigh Ave, Railway Ave)	4,100	-	160	2023	30
35	-	27	0801031-22-02	Wilton	Yes	750	Bismarck & Dakota Ave water main & lead service line replacement, water tower improvements	1,200	-	35	2023	30
72	-	-	0801036-19-01	Wing	Yes	152	Water tower replacement	700	-	-	2024	
194	-	-	2601037-20-01	Wishek	Yes	1,002	Hydrant replacement	350	-	-	2023	
53	5	-	2601037-20-02	Wishek	Yes	1,002	WTP improvements for iron & manganese	1,200	1,200	-	2023	

Priority Ranking (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]
							Total Project Cost:	532,142	33,585	27,203		

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

Appendix B

Shaded projects are on the fundable list

Comprehensive Project Priority List and Fundable List for 2022 BIL Funds

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+
2	1801062-22-05	East Central RWD	Yes	8,448	WTP expansion (phase 5)	10,564	2022	20+
6	5300425-20-04	Grenora	Yes	350	WTP improvements	2,926	2027	
4	3901068-20-01	Southeast WUD	Yes	10,839	West WTP improvements	12,645	2022	
5	2601037-20-02	Wishek	Yes	1,002	WTP improvements for iron & manganese	1,200	2023	

Total Project Cost: 33,585

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

Appendix B

Comprehensive Project Priority List and Fundable List for 2022 BIL Funds

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]
55	1801056-22-01	Agassiz WUD	Yes	3,525	Lead service line inventory	200	-	10
37	0900017-22-01	Amenia	Yes	94	Distribution system improvements	45	2023	30
20	1700059-22-01	Beach	Yes	981	Water main & lead service line replacement	181	2023	30
51	1700059-22-02	Beach	Yes	981	Lead service line inventory	94	-	10
5	0800080-19-01	Bismarck	Yes	88,000	Water main & lead service line replacement	1,500	2023	30
60	0700114-22-01	Bowbells	Yes	301	Lead service line inventory	63	-	10
40	0900134-11-01	Buffalo	No	225	Distribution system improvements	200	2024	
3	4800152-22-01	Cando	Yes	1,115	Lead service line replacement	650	2023	30
4	1900162-22-01	Carson	Yes	238	Railroad, 1st, and 2nd Ave water main replacement	26	2023	30
11	0900166-19-01	Casselton	Yes	2,513	Lead service line replacement	910	2023	30
45	3400170-22-02	Cavalier	Yes	1,247	Lead service line inventory	125	-	10
19	3300174-22-01	Center	Yes	600	Water storage & distribution improvements	260	2023	20+
18	2000203-22-01	Cooperstown	Yes	907	Lead service line replacement	100	2023	30
31	1200211-22-01	Crosby	Yes	1,065	Hendrickson/Holmes water main improvement	55	2024	
57	2001061-22-01	Dakota RWD	Yes	2,472	Lead service line inventory	200	-	10
53	2500266-22-01	Drake	Yes	299	Lead service line inventory	63	-	10
49	1801062-22-02	East Central RWD	Yes	8,448	Lead service line inventory	200	-	10
15	3700314-02-02	Enderlin	Yes	890	Water main & lead service line replacement	400	2024	
26	0900336-18-02	Fargo	Yes	166,000	Lead service line replacement	1,200	2023	
62	3000342-20-01	Flasher	Yes	290	Service line improvements & lead service line inventory	350	2023	10
64	4900382-22-02	Galesburg	No	118	Lead service line inventory	63	-	10
29	2800389-13-02	Garrison	Yes	2,500	Water main & lead service line replacement	1,000	2023	30
41	5000408-22-01	Grafton	Yes	4,170	Lead service line inventory	250	-	10
33	2900470-22-01	Hazen	Yes	2,411	Lead service line & water meter replacement	1,500	2023	20+
47	4900482-22-01	Hillsboro	Yes	1,649	Lead service line inventory	125	-	10
8	0900492-15-02	Hunter	No	261	Distribution system improvements	200	2024	
1	4700498-22-01	Jamestown	Yes	16,000	Water main & lead service line replacement	250	2023	30
2	4700498-22-02	Jamestown	Yes	16,000	Lead service line replacement	3,500	2023	30
17	2300508-15-01	Jud	Yes	72	Distribution system improvements	50	2024	
21	5100515-15-01	Kenmare	Yes	1,013	Water main replacement	58	2023	30
52	5100515-22-01	Kenmare	Yes	1,013	Lead service line inventory	125	-	10
58	0900524-22-01	Kindred	Yes	889	Lead service line replacement study	50	-	
6	3900567-16-01	Lidgerwood	Yes	652	Transmission main & lead service line replacement	320	2023	30
9	3000596-22-02	Mandan	Yes	32,000	Lead service line replacement	50	2023	30
7	3000596-22-06	Mandan	Yes	32,000	Lead service line inventory & replacement	200	2023	30
24	3200626-22-02	McVille	Yes	375	Distribution system improvements	150	2024	
38	3800695-22-02	Mohall	No	705	Lead service line replacement	1,649	2023	30
14	2100704-22-02	Mott	Yes	728	Water main replacement district no. 2022-1	20	2023	30
16	1900731-22-01	New Leipzig	Yes	218	Water main & lead service line replacement	71	2023	30
44	3100744-22-01	New Town	Yes	1,925	Lead service line inventory	125	-	10

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]
54	1001380-22-01	Northeast RWD	Yes	7,517	Lead service line inventory	200	-	10
48	0300762-15-01	Oberon	Yes	104	Distribution system replacement	250	2024	
50	5000773-22-01	Park River	Yes	1,427	Lead service line inventory	125	-	10
46	3100775-22-02	Parshall	Yes	903	Lead service line inventory	94	-	10
59	3100798-22-01	Plaza	Yes	171	Lead service line inventory	63	-	10
32	2200827-16-01	Robinson	Yes	45	Distribution system improvements	150	2023	30
12	4000834-20-01	Rolla	Yes	1,280	Lead service line inventory & replacement	745	2024	
56	3500842-22-01	Rugby	Yes	2,665	Lead service line inventory	250	-	10
30	1400879-15-01	Sheyenne	Yes	204	Water main replacement	200	2024	
39	4000854-22-01	St. John	Yes	342	Lead service line inventory	63	-	30
63	5100923-22-03	Surrey	Yes	1,358	Lead service line inventory	63	-	10
42	0900945-12-01	Tower City	No	252	Distribution system improvements	300	2024	
25	0200958-22-04	Valley City	Yes	6,585	Lead service line replacement	2,000	2023	30
10	2500964-22-01	Velva	Yes	1,256	Lead service line replacement	2,373	2023	30
13	3900973-22-01	Wahpeton	Yes	8,004	3rd Ave & 5th St S distribution system improvements	85	2025	
43	5001075-22-01	Walsh RWD	Yes	3,340	Lead service line inventory	200	-	10
65	2800989-22-01	Washburn	No	1,313	Lead service line inventory	125	-	10
23	5201012-22-01	Williston	Yes	30,000	1st Ave water main & lead service line replacement	84	2023	30
22	5201012-22-02	Williston	Yes	30,000	5th Ave W phase 1 water main replacement	510	2024	
34	5201012-22-03	Williston	Yes	30,000	5th Ave W phase 2 water main replacement	502	2025	
35	5201012-22-04	Williston	Yes	30,000	7th Ave W phase 1 water main replacement	563	2026	
36	5201012-22-05	Williston	Yes	30,000	7th Ave W phase 2 water main replacement	585	2027	
61	5201012-22-07	Williston	Yes	30,000	Water meter replacement & lead service line inventory	250	2023	20+
28	0801031-18-01	Wilton	Yes	750	Water main replacement (Minnesota Ave, 7th St, Dakota Ave, Burleigh Ave, Railway Ave)	160	2023	30
27	0801031-22-02	Wilton	Yes	750	Bismarck & Dakota Ave water main & lead service line replacement, water tower improvements	35	2023	30

Total Project Cost: 27,203

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

Appendix C

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:

	General 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)			
	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)			
	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)

		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)			
	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)

	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		
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)

	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 D

Non-Project Set-Asides

Set-Aside	General Supplemental			Emerging Contaminants			Lead		
	Maximum Allowed Set-Asides for 2022	Planned Set-Asides for 2022	Reserved from 2022 Allotment	Maximum Allowed Set-Asides for 2022	Planned Set-Asides for 2022	Reserved from 2022 Allotment	Maximum Allowed Set-Asides for 2022	Planned Set-Asides for 2022	Reserved from 2022 Allotment
DWSRF Administration[1]	$719,680	$0	$719,680	$302,200	$0	$302,200	$1,134,000	$1,134,000	$0
10% State Program Assistance									
PWSS Supervision	$1,799,200	$0	$1,799,200	$755,500	$0	$755,500	$2,835,000	$2,835,000	$0
Source Water Protection									
Capacity Development									
Operator Certification									
2% Small System Technical Assistance	$359,840	$0	$359,840	$151,100	$0	$151,100	$567,000	$567,000	$0
15% Local Assistance[2]	$2,698,800	$0	$2,698,800	$1,133,250		$1,133,250	$4,252,500		$1,417,500
Land Acquisition									
Capacity Development								$2,835,000	
Wellhead Protection									
Source Water Petition Programs									
Source Water Protection									
Totals	$5,577,520	$0	$5,577,520	$2,342,050	$0	$2,342,050	$8,788,500	$7,371,000	$1,417,500

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

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

Appendix E

Amounts Available to Transfer Between State Revolving Fund Programs[1]

General 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

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

Bold number indicates planned transfer

[1] All amounts are in millions of dollars

Appendix F

Sources and Uses Table

	Supplemental DWSRF	Emerging Contaminants	Lead
ANNUAL SOURCES FOR 2022			
FY22 Capitalization Grant	$17,992,000	$7,555,000	$28,350,000
Set-asides taken from FY22 Capitalization Grant	-	-	-$7,371,000
State Match (if applicable)	$1,799,200	-	
Leveraged Bonds (if applicable)	-	-	
Transfers with CW +/- (if applicable)	-	-	
Total New 2022 Funds	$19,791,200	$7,555,000	$20,979,000
TOTAL DWSRF FUNDS AVAILABLE FOR 2022	$19,791,200	$7,555,000	$20,979,000
TOTAL DWSRF PROJECTS ON FUNDABLE LIST	$19,791,200	$7,555,000	$20,979,000
AVAILABLE FUNDS	$0	$0	$0

Appendix G

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