

MEMORANDUM

| TO: | Potential Loan Recipients and Other Parties of Interest |
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| FROM: | Drinking Water State Revolving Fund Program Division of Municipal Facilities North Dakota Department of Environmental Quality |
| RE: | Request for Project Information – DEADLINE OF OCTOBER 1, 2024 |
| DATE: | August 1, 2024 |

The Drinking Water State Revolving Fund (DWSRF) Program is soliciting information for drinking water projects that need financial assistance for construction in 2025 and later years. The program offers low-interest rate loans to assist public water systems (excluding federally-owned and for-profit non-community systems) in financing the costs of their infrastructure projects. The current interest rate is 1.5% with a 0.5% administration fee for an effective 2.0% interest rate. Projects or portions of projects involving lead service line replacement will only be charged a 0.5% administration fee. To be eligible for assistance, projects must return a system to compliance with the Safe Drinking Water Act, maintain compliance with the Safe Drinking Water Act, or protect public health.

The DWSRF Program is currently developing the 2025 Intended Use Plan (IUP), and a key component of this plan is the comprehensive project priority list. Only projects that are on this list can be considered for DWSRF assistance. Projects not yet on this list must submit a completed <u>ranking questionnaire</u>. Projects on the previous year's list must submit a completed <u>update questionnaire</u> to remain on the list.

The DWSRF Program will provide additional subsidization in the form of loan forgiveness to public water systems that meet the disadvantaged community definition. Additional subsidization will be provided to projects based on their ranking on the priority list.

DWSRF funds, including additional subsidization, are available for projects that include the removal of lead service lines. Stand-alone lead service line replacement (LSLR) projects conducted with DWSRF funding must replace the entire service line, not just a portion, unless a

portion has already been replaced or is concurrently being replaced with another funding source. If LSLR occurs in conjunction with planned infrastructure projects (i.e. watermain replacement) where disturbance to the service line is unavoidable and the water system cannot gain access to conduct a full LSLR, a partial LSLR may be allowed.

DWSRF funds, including additional subsidization may be used for addressing perfluoroalkyl and polyfluoroalkyl substances (PFAS) and other emerging contaminants in drinking water. Emerging contaminants are those that are listed on EPA's Contaminant Candidate lists and for which EPA has not promulgated a National Primary Drinking Water Regulation, with the exception of PFAS.

The deadline for the DWSRF Program receipt of the completed project ranking questionnaires is October 1, 2024. Please notify the DWSRF Program if you no longer intend to complete a project or use DWSRF assistance. Please send the completed project ranking questionnaires and project updates to <u>ndsrf@nd.gov</u> or:

DWSRF Program 4201 Normandy St, 3rd Floor Bismarck, ND 58503-1324

We look forward to your response and the opportunity to assist you through the DWSRF Program. Please contact the DWSRF Program at 701-328-5211 if you have questions. Additional information may be obtained from the North Dakota Department of Environmental Quality, Division of Municipal Facilities home page at <u>https://deq.nd.gov/MF/</u>.