

Cover photo: Theodore Roosevelt National Park, South Unit

Table of Contents

Introduction	1
North Dakota DWSRF	2
Purpose and Structure of Report	2
Goals and Accomplishments	4
Short-Term Goals	4
Long-Term Goals	4
Environmental Results	5
Sources and Uses of Funds	7
Sources of DWSRF Funds	7
Uses of DWSRF Funds	9
Set-asides	13
Financial Summary	17
Financial Structure	17
Match Requirement	17
Funding Process	18
Loan Assistance Terms	19
Loan Status	19
Equivalency Projects	20
Cash Draw Proportionality	23
Disbursements	23
Administrative Loan Fee	23
Investments	23
Financial Statements	24
Compliance with Operating Agreement and Grant Conditions	25

Appendices

Appendix A: Loans with Binding Commitments in 2024

Appendix B: Bypassed Project List

Appendix C: Sources and Uses of Funds

Appendix D: North Dakota DWSRF Transactions

Appendix E: Binding Commitments Within One Year of Grant Award

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 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

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 PWSs only)
 where the initial debt was incurred and construction started after July 1, 1993
- Earning interest prior to disbursement of assistance

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.

Section 1452(b) of the SDWA requires each state that elects to establish and operate a DWSRF program to annually develop 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 population of the PWSs served
- A fundable list that identifies projects eligible to receive funding in the first year after the capitalization grant is awarded
- A description of the criteria and methods to be used for the distribution of funds
- A description of the financial status of the DWSRF Program, including the use of set-asides along with federal funds reserved, and the amount of funds that will be used to assist disadvantaged communities
- A 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

States must ensure, to the maximum extent practicable, that priority use of funds be given to projects that:

- Address the most serious risks to human health
- Are necessary to ensure compliance under the SDWA
- Assist those systems most in need on a per household basis (i.e., affordability)

North Dakota DWSRF

The North Dakota DWSRF Program is administered through the Division of Municipal Facilities, North Dakota Department of Environmental Quality (NDDEQ). Assistance is provided by the North Dakota Public Finance Authority (PFA) through formal agreement to manage the financial portion of the program. The program was created on January 1, 1998 and is staffed with the equivalent of 9.65 full-time equivalents (FTEs) in the division and 1.21 FTEs at the Public Finance Authority.

Purpose and Structure of Report

States operating a DWSRF are required under 40 CFR 35.3570 to submit a biennial report to the EPA. The report must include a financial report, establish compliance with Section 1452 of the SDWA, and describe how the goals and objectives of the previous two years were met as stated in the IUPs and capitalization grant agreements.

The DWSRF Program has elected in this report to cover the 2024 calendar year on an annual basis. This report covers operation from January 1 through December 31, 2024, during which the FY 2023 base, supplemental, and lead capitalization grants and the 2024 supplemental and emerging contaminants capitalization grants were awarded. The report is divided into five sections as follows:

- Introduction
- Goals and Accomplishments
- Sources and Uses of Funds
- Financial Summary
- Compliance with Operating Agreement and Grant Conditions

Goals and Accomplishments

The DWSRF program established short- and long-term goals in its IUP. The goals were established to support the overall goals of the DWSRF program of:

- Ensuring public health protection
- Complying with the SDWA
- Ensuring affordable drinking water
- Maintaining the long-term financial health of the fund

Short-Term Goals

The following short-term goals were established in the IUP:

- 1. On December 29, 2024, submit the IUP to EPA Region 8.
- 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.

Each of the above short-term goals were met and support the DWSRF Program's long-term goals. The IUP was developed within the goal dates. Necessary set-aside workplans were developed. The NDDEQ developed and continues to implement a fully functional DWSRF Program for the state of North Dakota.

Long-Term Goals

The following long-term goals were established in the IUP:

- Help North Dakota PWSs achieve and maintain compliance with the SDWA. This
 is accomplished by coordinating with the Public Water System Supervision
 (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.
- Assist the PWSS Program in meeting its goals. The DWSRF Program assistance
 includes providing technical support on infrastructure issues, capacity reviews,
 and small system technical assistance. Through the administrative fee, 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 a 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. Cooperating agencies include the United States Department of Agriculture, Community Development Block Grant Program, the North Dakota Department of Trust Lands, the Bank of North Dakota, and the North Dakota Department of Water Resources.

The long-term goals are viewed as being both necessary and integral to any DWSRF Program intending to become self-sustaining and achieve the statutory intent of the SDWA.

North Dakota's priority ranking system was designed to direct DWSRF funds toward the state's most significant public health concerns, SDWA compliance, and infrastructure problems. The DWSRF Program has assisted and remains available to assist eligible PWSs to this end. Funded projects addressed such issues as distribution pressure problems, aged and deteriorated water treatment plants (or treatment plant components), aged and deteriorating finished water reservoirs, and aged and deteriorated watermains.

Environmental Results

The following environmental goals were established in the IUP:

1. Loan Fund

a. The fund utilization rate goal (Fund Use Rate), as measured by the percentage of loans executed to funds available, was to maintain the utilization rate above 90 percent. The fund utilization rate was 95.8 percent for the base and supplemental funds, 85.6 percent for the emerging contaminants funds, and 8.5 percent for the lead funds as of December 31, 2024. The fund utilization rate for all sources combined was 92.2%.

- b. The percentage of assistance goal (Pace of Construction), as measured by disbursements as a percentage of assistance provided, was to maintain the construction pace above 80 percent. The rate at which projects progressed was 91.9 percent for the base and supplemental funds, 67.8 percent for the emerging contaminants funds, and 10.4 percent for the lead funds as of December 31, 2024. The pace of construction for all sources combined was 91.0%.
- c. The goal of the DWSRF Program was to obtain binding commitments on 14 new loans totaling \$30 million and serving a population of 50,000. The DWSRF Program obtained binding commitments on 18 new loans and 4 loan increases totaling \$51.7 million and serving a population of 191,194.
- 2. Set-asides, Small System Technical Assistance
 - a. The goal was for 120 operators to receive training. In 2024, 240 operators received training.
 - b. The goal was for 50 systems to receive on-site technical assistance. In 2024, 68 systems received on-site technical assistance.

Sources and Uses of Funds

Sources of DWSRF Funds

The new funding that became available for the North Dakota DWSRF from January 1 to December 31, 2024 is as follows:

Capitalization grant (FY22 lead reallotment)	\$ \$2,195,000
Capitalization grant (FY23 base)	\$ 4,938,000
Capitalization grant (FY23 BIL supplemental)	\$ 21,055,000
Capitalization grant (FY23 BIL lead)	\$ 28,650,000
Capitalization grant (FY24 BIL supplemental)	\$ 22,985,000
Capitalization grant (FY24 BIL emerging contaminants)	\$ 7,640,000
State match	\$ 0
Leveraged bond proceeds	\$ 0
CWSRF transfer to DWSRF	\$ 0
DWSRF transfer to CWSRF	\$ -20,920,141
Repayments	\$ 8,393,319
Investment earnings	\$ 52,008
Non-project set-asides	\$ -8,019,700
Total available for loans	\$ 66,968,486

Only a portion of the loan principal and interest payments (\$8,393,319 of \$29,397,369) received during the period were considered available for loans. The investment earnings (\$52,008) received during the period were considered available for loans and were included in the calculation above. Both were utilized to satisfy debt service, coverage, and reserve requirements for the state match and leveraged bonds and federal rebate-arbitrage requirements as set forth under the initial financial structure for the DWSRF Program. Loan repayment and investment earnings in excess of that required to satisfy these requirements, if any, are credited to the loan fund.

Funding for the base and supplemental funding since inception through the end of December 2024 is \$1,119,323,394. The actual amount available for loans is \$827,789,543, while \$801,070,363 has been committed to closed loans. See Appendix C for all sources and uses of funds since program inception.

Capitalization Grants

The EPA awarded the reallotment of the FY2022 lead; the FY2023 base, BIL supplemental, and BIL lead grants; and the 2024 BIL supplemental and BIL emerging contaminants grants. The total of these grants is \$87,463,000. Binding commitments for these grants must be made in an amount equal to the capitalization and accompanying state match within one year of grant award (40 CFR 35.3550(e))). Progress meeting this requirement is summarized in Appendix E.

State Match

The program has been over-matched allowing the capitalization grants to be applied for and spent as soon as available. The DWSRF Program is currently over-matched.

Leveraged Bond Proceeds

Leveraged bonds were not sold during the year.

Other Bond Proceeds

Bonds were sold in 2024 with a portion of the proceeds used to refund the State Revolving Fund Program Bonds, Series 2015A Bonds to recognize savings.

Transfers with the CWSRF

Through the years, funds have been transferred between the DWSRF and the Clean Water State Revolving Loan Fund (CWSRF) programs. In the past, this was necessary so the DWSRF could make loans to projects that required nonfederal funds or because of high demand in one program or the other. Transfers are as follows:

Year	CWSRF to DWSRF	DWSRF to CWSRF	Cumulative CWSRF to DWSRF
2002	\$2,991,675	\$10,000,000	-\$7,008,325
2003	\$5,903,282	-	-\$1,105,043
2004	\$2,644,543	-	\$1,539,500
2005	\$89,700	-	\$1,629,200
2006	\$1,548,629	-	\$3,177,829
2007	\$4,876,305	-	\$8,054,134
2008	\$3,046,856	-	\$11,100,990
2009	\$681,451	-	\$11,782,441
ARRA	\$2,600,000	-	\$14,382,441
2010	\$795,231	-	\$15,177,672
2011	-	-	\$15,177,672
2012	_	-	\$15,177,672

2013	-	-	\$15,177,672
2014	1	-	\$15,177,672
2015	-	\$19,061,000	-\$3,883,328
2016	-	-	-\$3,883,328
2017	\$14,182,687	-	\$10,299,359
2018	\$12,156,132	-	\$22,455,491
2019	1	-	\$22,455,491
2020	\$1,528,956	-	\$23,984,447
2021	\$1,545,525	-	\$25,529,972
2022	1	\$1,000,000	\$24,529,972
2023	1	\$1,000,000	\$23,529,972
2024	<u>-</u>	\$20,920,141	\$2,609,831
Total	\$54,590,972	\$51,981,141	

Repayments

Loan repayments of \$29,397,369 were received; \$22,802,848 was for principal, and \$6,594,521 was for interest. This represents 252 projects.

Investment Earnings

Investments earned \$52,008.

Uses of DWSRF Funds

For the year reviewed, the DWSRF Program closed loans and loan increases totaling \$51,669,000. Capitalization grant funds were expended towards set-aside activities. These expenditures are described in the Set-Asides section.

Loans

Eighteen new loans totaling \$48,901,000 and four loan increases totaling \$2,768,000 were closed. There were three loans totaling \$43,211,800 approved by the advisory committee or the North Dakota Industrial Commission that did not have a binding commitment.

The closed loans range in size from \$300,000 to \$9,714,000 (see Appendix A). The systems receiving loans ranged in size from 90 to 58,692 persons. The total population receiving DWSRF assistance is 185,309.

Three hundred forty-seven loans totaling \$824,762,877 have been closed since program inception.

Small Systems

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 persons. This assistance is provided to the extent that there are a sufficient number of eligible projects to fund. Credited funds include the federal allotment (less funds reserved for non-project set-aside activities), the required state match, and other funds including bond proceeds available for loans.

Eleven closed loans represent PWSs that serve fewer than 10,000 persons. This represents 64.9 percent of available funds going to these projects. This significantly exceeds the 15 percent requirement. Since program inception, 44.4 percent (\$366,569,915 of the \$824,762,877) of funds available for loans went to systems under 10,000, which far exceeds the requirement.

Disadvantaged Communities Additional Subsidization

Base Grant

Beginning with the FY2022 capitalization grant, at least 12 percent and up to 30 percent of the funds available for construction may be used to provide subsidized loans to disadvantaged communities as defined by the state. For the 2024 base funding, North Dakota intends to commit at least 12 percent but not more than 13 percent of the amount of the capitalization grant to projects meeting the disadvantaged community criteria. Additional subsidization requirements for the FY2022 and prior grants have been fully met. Additional subsidization for the FY2023 and FY2024 grants have been committed to projects, but funds have not yet been expended.

	Committed	Expended
FY 2023 (12-13%)	\$592,560	\$592,560
Central Plains	\$592,560	\$0
Balance	\$0	\$592,560
FY 2024 (12-13%)	\$559,320	\$559,320
Cando ¹	\$218,070	\$0
_Crosby ¹	\$341,250	\$0
Balance	\$0	\$559,320

¹ Project not yet under binding commitment

Supplemental Grant

The BIL included the requirement to use 49 percent of the supplemental funds as additional subsidization for disadvantaged communities. Additional subsidization for the FY 2022 and FY 2023 grants has been committed to projects. Projects to use the remaining additional subsidization for the FY 2024 grant are being identified. Expenditures of these funds are 48.7% for the FY 2022 grant, 25.2% for the FY 2023 grant, and 8.9% for the FY 2024 grant.

	Committed	Expended
FY 2022 (49%)	\$8,816,080	\$8,816,080
Ashley	\$2,328,670	\$915,887
Bismarck (-04)	\$529,410	\$81,452
East Central RWD (-05)	\$3,291,942	\$3,291,942
East Central RWD (-06) ¹	\$2,666,058	\$0_
Balance	\$0	\$4,526,799
FY 2023 (49%)	\$10,316,950	\$10,316,950
Central Plains	\$9,378,950	\$2,475,619
_ Medina	\$938,000	\$128,169
Balance	\$0	\$7,713,162
FY 2024 (49%)	\$11,262,650	\$11,262,650
Cando ¹	\$2,241,930	\$0
_ Underwood	\$2,625,000	\$1,005,286
Balance	\$6,395,720	\$10,257,364

¹ Project not yet under binding commitment

Emerging Contaminants Grant

The BIL included the requirement to use 100 percent of the emerging contaminants funds as additional subsidization. Twenty five percent must be used for disadvantaged communities or communities with a population of less than 25,000 people. The FY 2022 grant is fully committed to projects and fully expended. The FY 2023 grant is fully committed to projects and 64.4% expended. The FY 2024 grant is 94.2% committed to projects and 10.3% expended. All four borrowers meet the disadvantaged community criteria.

	Committed	Expended
FY 2023 (100%)	\$7,640,000	\$7,640,000
Dakota RWD	\$1,221,479	\$658,856
East Central RWD (-05)	\$1,444,579	\$1,444,579
East Central RWD (-06) ¹	\$173,942	\$0
_ Fargo (-05)	\$4,800,000	\$2,815,888
Balance	\$0	\$2,720,676
FY 2024 (100%)	\$7,640,000	\$7,640,000
McLean Sheridan RW (-06)	\$7,199,213	\$789,278
Balance	\$440,787	\$6,850.722

¹ Project not yet under binding commitment

Lead Grant

The BIL included the requirement to use 49 percent of the lead funds as additional subsidization. The additional subsidization for the FY2022 grant is fully committed to projects and 2.1% expended. The additional subsidization for the FY2023 grant is 72.9% committed to projects, but no funds have been expended yet.

	Committed	Expended
FY 2022 (49%)	\$14,967,050	\$14,967,050
Bismarck (-04)	\$970,590	\$149,072
Dickinson (-03)	\$970,590	\$0
Fargo (-06) ¹	\$12,516,620	\$0
Grand Forks (-05)	\$509,250	\$164,858
Balance	\$0	\$14,653,120
FY 2023 (49%)	\$14,038,500	\$14,038,500
Fargo (-06) ¹	\$10,229,488	\$0_
Balance	\$3,809,012	\$14,038,500

¹ Project not yet under binding commitment

Congressional Additional Subsidization

The FY2024 base capitalization grant includes the requirement to use 14 percent of the funds as additional subsidization on loans. The DWSRF Program has elected to use the required additional subsidization and up to an additional \$100,000 for each grant. The

additional subsidization was awarded in the form of loan forgiveness. Additional subsidization for the FY2021 and earlier capitalization grants has been expended. Additional subsidization requirements from the FY2022 grant are 61.6% met, and no additional subsidization from the FY2023 and FY2024 grants has been expended.

	Committed	Expended
FY 2022 (14%)	\$981,120	\$981,120
Bismarck (-03)	\$243,620	\$243,620
Dickinson (-01)	\$400,000	\$22,950
Grand Forks (-04)	\$337,500	\$337,500
Balance	\$0	\$377,050
FY 2023 (14%)	\$691,320	\$691,320
Dickinson (-03)	\$413,070	\$0
Grand Forks (-05)	\$278,250	\$0_
Balance	\$0	\$691,320
FY 2024 (14%)	\$652,540	\$652,540
Dickinson (-03)	\$116,340	\$0
Fargo (-06) ¹	\$536,200	\$0
Balance	\$0	\$652,540

¹ Project not yet under binding commitment

Green Project Reserve

The Green Project Reserve provides funding to projects to address green infrastructure, water or energy efficiency improvements, or other environmentally innovative activities. This is voluntary, and no project contributed to this reserve in 2023.

Set-asides

North Dakota took no set-aside funds from the FY 2023 base and supplemental or the FY 2024 supplemental and emerging contaminants capitalization grants during the review period. Set-asides were taken from the reallotment of the FY 2022 lead capitalization grant and the FY 2023 lead capitalization grant.

The following is a summary of the activity in the lead set-aside funds during the review period:

	Administration	Technical Assistance	PWSS Admin	Local Assistance
Beginning Balance (1/1/24)	\$928,305	\$485,098	\$2,627,079	\$2,699,027
Grant awards	\$1,233,800	\$616,900	\$3,084,500	\$3,084,500
Expenditures	\$897,639	\$796,771	\$2,144,042	\$2,856,213
Transfer to Loan Fund	\$0	\$0	\$0	\$0
Ending Balance (12/31/24)	\$1,264,466	\$305,227	\$3,567,537	\$2,927,314

Administration

Funds set aside for administration are used to support activities necessary to directly administer the DWSRF, including financial support services by the PFA. DWSRF Program staff also provides technical support to the department's PWSS Program. Technical support activities include plans and specifications reviews (of all new or modified PWS facilities) and implementation of the new and existing system capacity strategies. Funds from this set-aside may also be used to provide technical assistance to public water systems, including contracts with third-party providers.

DWSRF Programs are allowed to set aside the greater of \$400,000, 4 percent of the capitalization grant, or 0.2 percent of the valuation of the loan fund to administer the program. Only funds from the 2023 lead capitalization grant and the reallotment of the 2022 lead capitalization grant were set aside for administration. The DWSRF Program instead used its administrative loan fee to pay for administration costs to maximize the use of the capitalization grant for loans.

The NDDEQ believes it is prudent to reserve all administrative set-aside and accumulated loan fees for future use by the program. The DWSRF Program reserved \$197,520 from the 2023 base funding, \$842,200 from the 2023 supplemental funding, and \$919,400 from the 2024 supplemental funding to bring the total reserved administrative set-aside to \$3,918,870. The DWSRF Program also reserved \$305,600 from the 2024 emerging contaminants funding for use in future years. North Dakota plans to reserve its administrative set-aside from the 2025 base and supplemental funding. Funding for North Dakota's DWSRF Program was lowered significantly due to earmarked projects receiving funds from the DWSRF allotment. Full depletion of the reserved administrative set-aside and accumulated loan fees will occur should Congress choose not to reauthorize the DWSRF.

The NDDEQ has prepared and submitted to EPA Region 8 work plans for technical assistance that will be provided under the administrative set-aside for the lead funding. Technical assistance funds will be used to assist public water systems with completing lead service line inventories to comply with the Revised Lead and Copper Rule.

Small System Technical Assistance

The NDDEQ did not utilize this set-aside for the 2023 base and supplemental funding or the 2024 supplemental and emerging contaminants funding and instead used its administrative loan fee to pay for costs associated with small system technical assistance. The NDDEQ reserved \$98,760 from the 2023 base funding, \$421,100 from the 2023 supplemental funding, and \$459,700 from the 2024 supplemental funding to bring the total reserved small system technical assistance set-aside to \$1,855,440. The NDDEQ also reserved \$152,800 from the 2023 emerging contaminants funding and \$152,800 from the 2024 emerging contaminants funding for use in future years.

The NDDEQ has prepared and submitted to EPA Region 8 work plans for technical assistance that will be provided under the small system technical assistance set-aside for the lead funding. Technical assistance funds will be used to assist public water systems with completing lead service line inventories to comply with the Revised Lead and Copper Rule.

State Program Management

The NDDEQ did not utilize this set-aside for the 2023 base and supplemental funding or the 2024 supplemental and emerging contaminants and instead used its administrative loan fee to pay for costs associated with state program management activities. The NDDEQ reserved \$493,800 from the 2023 base funding, \$2,105,500 from the 2023 supplemental funding, and \$2,298,500 from the 2024 supplemental funding to bring the total reserved state program management set-aside to \$12,359,410. The NDDEQ also reserved \$764,000 from the 2024 emerging contaminants funding for use in future years.

The NDDEQ has prepared and submitted to EPA Region 8 work plans for technical assistance that will be provided under the state program management set-aside for the lead funding. Technical assistance funds will be used to assist public water systems with completing lead service line inventories to comply with the Revised Lead and Copper Rule.

Local Assistance and Other State Programs

The NDDEQ did not utilize this set-aside for the 2023 base and supplemental funding or the 2024 supplemental and emerging contaminants funding. The NDDEQ intends to use this set-aside under the lead funding to provide technical assistance to systems for services consistent with and reflected in the state's Capacity Development Strategy.

The NDDEQ has prepared and submitted to EPA Region 8 work plans for technical assistance that will be provided under the local assistance and other state programs set-aside for the lead funding. Technical assistance funds will be used to assist public water systems with completing lead service line inventories to improve systems' asset inventories.

Financial Summary

Financial Structure

The financial structure within the existing master trust indenture is used to better satisfy the continuing high demand for DWSRF financial assistance and still maintain the below-market interest rates. Under the modified structure, DWSRF allotments and state match bond proceeds will be used first to make loans. Leveraged bonds will be issued only if loan demand exceeds the amount of DWSRF allotments and state match. State match and leveraged bonds will be sized, together with the DWSRF allotments, to satisfy current cash flow needs as represented by the annual construction costs of eligible projects. This approach, coupled with approving loan assistance only for projects truly ready to proceed under a pre-established construction disbursement schedule, will avoid premature or unnecessary bond issuances. This approach also ensures a more reliable loan repayment stream to satisfy both bond debt service and future loan demand.

In the event there are insufficient amounts available to make scheduled principal and interest payments on outstanding DWSRF bonds, the master trust indenture provides that the trustee may transfer available excess revenues from the CWSRF to the DWSRF to meet the deficiency. Following such a transfer, the DWSRF has an obligation to reimburse the CWSRF with future available DWSRF excess revenues. No such transfers have been made to date.

The NDDEQ and NDPFA continue to work with its financial advisors on the financial structure of the DWSRF program. The demand for DWSRF assistance in North Dakota significantly exceeds federal DWSRF allotments and the required state match for those allotments.

Match Requirement

Under the SDWA, states are required to match their DWSRF base allotment with an amount at least equal to 20 percent. States are required to match their DWSRF supplemental allotment for 2023 with an amount at least equal to 10 percent and for 2024 with an amount at least equal to 20 percent. This amount must be deposited on the date of, or before receiving payments under, the capitalization grant agreements. State match for the capitalization grant is generated through the sale of state bonds and deposited into the DWSRF loan fund or through the 0.5 administration fee.

Funding Process

A draft IUP for base and BIL DWSRF funds was developed in the fall of 2023 for public review and comment. Following finalization, loan applications were solicited from systems with projects identified within the IUP. Projects were funded based on their ranking and availability of funds, taking into account bypass considerations identified within the IUP.

The NDDEQ reserves the right to fund lower-ranked projects ahead of higher-ranked projects based on the considerations below:

- Readiness to proceed
- Willingness to proceed (e.g., applicant withdraws project from consideration, obtains other funding sources, or is non-responsive)
- 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
- Meet the 15 percent requirement (i.e., funding lower-ranked projects would satisfy the requirement that at least 15 percent of the funds available for construction be annually used to provide loan assistance to PWSs that serve fewer than 10,000 persons)
- Initial ranking score cannot be verified

Language was also included stating that the NDDEQ, to the maximum extent possible, would work with bypassed projects to ensure that they will be eligible for funding in the following fiscal year. Primary factors for projects to be bypassed are readiness and willingness to proceed. All projects that were initially bypassed and that subsequently became ready to proceed have received funding assistance.

During the review period, a number of ranked projects listed in the IUP were bypassed. Such systems were bypassed as they chose not to submit a loan application and, hence, were deemed not ready to proceed. The DWSRF Program has been and remains willing to work with bypassed systems to provide loan assistance to the maximum extent possible when they are ready to proceed. Bypassed projects and the reasons for the projects being bypassed are listed in Appendix B.

The following language is included in the IUPs: "The NDDEQ, without going through a public review process, reserves the right to fund unanticipated, non-ranked emergency projects determined to require immediate attention to protect public health. Such assistance will be limited to eligible PWS types and project features, and to 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."

Loan Assistance Terms

The maximum repayment period for DWSRF loans is 30 years or the useful life of the project following project completion. The NDDEQ may utilize shorter repayment periods on a project-by-project basis. The interest rate has been set at 1.5 percent for all loans with the exception of loans used to fund lead service line replacements. The interest rate for these loans will be 0 percent. An annual loan fee of 0.5 percent (of the outstanding loan balance) is assessed on all loans to support DWSRF administration costs. The fees are held under the master trust indenture and are available to pay DWSRF Program administration costs allowable under the SDWA. If necessary to meet bond repayment schedules, those projects that force the DWSRF Program to sell bonds to leverage the program will be charged an interest rate of 75 percent (includes the 0.5 percent administrative fee) of the market interest rate at the time of the loan. This interest rate will not be less than the standard 1.5 percent interest rate plus 0.5 percent administrative fee. This provision wasn't used in 2024.

Principal payments will begin no later than September 1 following construction completion (principal payments may commence earlier). Interest payments begin with the first loan draw and are payable during construction on each March 1 and September 1.

The SDWA requires that the interest rate for loans be less than or equal to the market interest rate. The PFA monitors compliance with this requirement by establishing as the market interest rate the average interest rate received by North Dakota political subdivisions on bond issues with a 20-year maturity sold on a competitive or negotiated basis during the past quarter. This rate is calculated and updated quarterly based upon the prior quarter bond sales. If there are no qualified bond sales, the market rate for that quarter is calculated using comparable regional bond issues. As an illustration, based upon fourth quarter 2024 North Dakota 20-year competitive bond sales, the market interest rate was calculated to be 3.75 percent.

Loan Status

Appendix A identifies the following information about the loans closed during 2024:

- Borrower
- Project number
- Loan amount
- Binding commitment date
- Loan increase binding commitment date
- Loan increase amount
- Portions of funding that come from either the BIL emerging contaminants or lead grants
- Population
- Loan interest rate
- Administrative fee amount
- Length of loan payback
- Loan forgiveness amount

The PFA prepares a debt service schedule for each loan following loan closure. A copy of the schedule is provided to each loan recipient and maintained by the PFA.

Equivalency Projects

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.

For 2022 and moving forward, the NDDEQ elected to identify equivalency projects in amounts equal to each federal base and supplemental DWSRF capitalization grant. All federal requirements apply to projects funded through the emerging contaminants and lead capitalization grants. Projects with funding packages that include emerging contaminants or lead funding will be identified as equivalency projects for the base and/or supplemental funding.

The tables below show the initial and final loan amounts for each project. Additional loans will be identified to compensate for the shortfall caused by borrowers that draw less than their initial loan amount. Loans without final amounts listed are active loans for which the final loan amount has not yet been determined.

The following projects have been identified to meet the equivalency requirements for the 2022 base capitalization grant:

	Initial Amount	Final Amount
Required	\$7,008,000	\$7,008,000
Bismarck (-03)	\$1,500,000	\$902,483
Dickinson (-01)	\$2,800,000	\$2,799,995
Grand Forks (-04)	\$375,000	\$375,000
_Wing	\$2,337,000	\$2,337,000
Remaining	-\$4,000	\$593,522

The following projects have been identified to meet the equivalency requirements for the 2022 supplemental capitalization grant:

	Initial Amount	Final Amount
Required	\$17,992,000	\$17,992,000
Agassiz WUD	\$1,530,000	-
Bismarck (-04)	\$529,410	-
Bowbells	\$218,000	\$218,000
Cass RWD (-07)	\$2,500,000	-
Dakota RWD (-02)	\$465,000	-
Davenport	\$527,000	\$526,884
East Central RWD	\$11,091,000	-
McLean-Sheridan RWD	\$1,015,000	-
Riverdale	\$600,000	\$600,000
Remaining	-\$483,410	\$14,977,078

The following projects have been identified to meet the equivalency requirements for the 2023 base capitalization grant:

		Initial Amount	Final Amount		
	Required	\$4,938,000	\$4,938,000		
Beulah		\$1,923,000	-		
Glen Ullin		\$2,000,000	\$1,895,860		
Wahpeton		\$1,197,000	\$826,662		
	Remaining	-\$182,000	\$2,215,478		

¹ Project not yet under binding commitment

The following projects have been identified to meet the equivalency requirements for the 2023 supplemental capitalization grant:

	Initial Amount	Final Amount		
Required	\$21,055,000	\$21,055,000		
Ashley	\$3,048,000	-		
Cass RWD (-08)	\$2,604,000	-		
Central Plains WUD	\$9,714,000	-		
Fargo	\$1,600,000	-		
Galesburg	\$606,000	-		
Lincoln	\$1,858,000	\$1,858,000		
Mapleton	\$825,000	-		
St. John	\$1,285,000	-		
Missouri West WS	\$507,000	<u>-</u>		
Remaining	-\$992,000	\$19,197,000		

The following projects have been identified to meet the equivalency requirements for the 2024 base capitalization grant:

		Initial Amount	Final Amount
	Required	\$4,661,000	\$4,661,000
Cando ¹	-	\$3,100,000	-
Northeast RWD		\$1,768,000	-
	Remaining	-\$207,000	\$4,661,000

¹ Project has not applied yet

The following projects have been identified to meet the equivalency requirements for the 2024 supplemental capitalization grant:

	Initial Amount	Final Amount
Required	\$22,985,000	\$22,985,000
Dickinson (-02)	\$1,591,000	-
Dickinson (-03)	\$529,410	-
Fargo (-06) ¹	\$536,200	_
Grand Forks (-05)	\$278,250	-
Mandan (-10)	\$5,462,000	_
McLean Sheridan RWD (-06)	\$959,787	-
New Town	\$1,437,000	-
Rhame	\$1,199,000	-

Remaining	\$3,095,353	\$22,985,000
Underwood	\$3,500,000	-
Taylor	\$628,000	-
South Central RWD	\$2,497,000	-

¹ Project not yet under binding commitment

Additional projects that either are not yet under binding commitment or that haven't yet applied for a DWSRF loan have been identified to meet the remaining equivalency requirements for the 2024 supplemental capitalization grant. Those projects will be assigned to a grant in the order in which binding commitments are achieved.

Cash Draw Proportionality

The EPA Water Infrastructure Division and Drinking Water Infrastructure Development Division announced a permanent regulatory exception to the cash draw rules on November 18, 2022. Grants awarded prior to that date must comply with the cash draw rules unless the grant is amended.

Disbursements

The DWSRF Program disbursed a total of \$49,287,396 during the year with \$40,848,995 of that being loan funds and \$8,438,401 was set-aside funds. The breakdown of funds from the different set-asides is described in the Set-asides section.

Administrative Loan Fee

The balance in the administrative loan fee account at the beginning of the year was \$3,979,515. The 0.5 percent administrative loan fee collected \$1,910,262. A total of \$1,818,204 was disbursed from the 0.5 percent administrative loan fee account. The amount used for administration of the DWSRF Program and the PWSS Program was \$1,588,133. The administrative loan fee account was also used to fund \$171,100 in expenses eligible under the Small System Technical Assistance set-aside, and \$58,971 for PAR grants. Including gains and losses on investment sales, this leaves a balance of \$4,145,454 of loan fees that has accumulated since the beginning of the program.

Investments

The North Dakota DWSRF had \$57,978,941 in cash and investments at the end of 2024. There is \$26,376,000 invested in commercial paper, certificates of deposit, agency notes, and U.S. Treasuries. The PFA receives management reports and ensures that earned interest is credited to the DWSRF in a timely fashion.

Financial Statements

The North Dakota DWSRF is audited annually and a copy of each audit report is provided directly to EPA. The audit reports have been and will continue to be used to assess DWSRF Program performance. Specifics concerning the present financial condition of the DWSRF Program may be found in the latest audit report.

Compliance with Operating Agreement and Grant Conditions

North Dakota has complied and continues to comply with the below conditions which are set forth and more fully described in the DWSRF Operating Agreement dated July 1998 and amended in March 2015:

- Establish state authority and instrumentality.
- Comply with applicable state law, regulations, orders, and policies.
- Establish separate DWSRF loan and set-aside accounts.
- Establish fiscal controls and accounting procedures for the DWSRF.
- Require project accounting and audits of DWSRF assistance recipients.
- Submit annual IUP which describes the use of all funds including set-asides.
- Annually negotiate a payment schedule with the EPA.
- Deposit state match funds as required.
- Consider leveraging if demand for funds and finances warrant.
- Ensure adequate binding commitments within one year of each grant payment.
- Expend funds in an expeditious and timely manner.
- Submit biennial reports.
- Submit annual audits of the DWSRF.
- Comply with applicable federal cross-cutting authorities.
- Comply with the EPA's Minority Business Enterprise and Women's Business Enterprise (MBE/WBE) Programs.
- Obtain EPA approval prior to subcontracting Operating Agreement responsibilities.
- Conduct environmental reviews.
- Comply with the DWSRF ACH Guidelines when making cash draws.
- Review technical, financial, and managerial capability (capacity) of assistance recipients.
- Establish capacity development authority and implement capacity program.
- Implement EPA-approved operator certification program.
- Ensure borrowers have dedicated source of funds for loan repayment.
- Make DWSRF assistance available to privately owned public water systems.
- Implement a disadvantaged community program.
- Identify transferred funds, if any, in the DWSRF and CWSRF IUPs.
- Maintain Administrative Agreement with the PFA.
- Provide extended term financing to the extent that it is allowed.

The below information is presented to describe compliance with key provisions of the Operating Agreement.

- Grant payments, binding commitments, and use of funds in a timely and **expeditious manner.** States are required to make binding commitments equal to the amount of each grant payment (and associated state match) designated for the loan fund within one year after the receipt of each grant payment. States may also make binding commitments for more than the required amount and credit the excess towards the binding commitment requirements of subsequent grant payments (40 CFR 3550(3)). Based upon the payment schedules established in the capitalization grant, no base or supplemental capitalization grants required binding commitments for this time period (which include state match). Actual binding commitments (closed loans and increases) for the time period total \$42,227,447. The required binding commitments since the beginning of the program are \$372,335,220. Actual binding commitments since the beginning of the program are \$801,070,363. The 2023 emerging contaminants capitalization grant required binding commitments for this time period total \$7,640,000. Actual binding commitments (closed loans and increases) for the time period total \$7,199,213. Additional information on this requirement can be found in Appendix E.
- **State matching funds.** The program has been over-matched. The required amount of state match was \$987,600 for the FY2023 base capitalization grant, \$2,105,500 for the FY2023 supplemental capitalization grant, and \$4,597,000 for the FY2024 supplemental capitalization grant.
- Reports and annual audits. This document constitutes an annual report for the DWSRF Program. This report only covers January 1, 2024 to December 31, 2024.

Brady Martz & Associates, P.C. conducted an annual audit of the North Dakota DWSRF. The audit addresses all funding activity from the DWSRF loan account and each set-aside account. The 2024 audit report has been provided to EPA. In the 2024 audit report, Brady Martz & Associates, P.C. stated that the PFA complied with statutes, laws, rules and regulations under which the Agency was created and is functioning. This audit was conducted in accordance with the following generally accepted auditing standards: (1) the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and (2) OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*.

- Environmental reviews. All projects that received DWSRF loan assistance during the period reviewed were subject to appropriate environmental review and approval procedures. None of the projects were deemed to require an Environmental Impact Statement. The NDDEQ issued a Categorical Exclusion (CE) or an Environmental Assessment and Finding of No Significant Impact (EA/FONSI) or accepted the CE or EA/FONSI of other federal or state agencies for all projects.
- **Dedicated source of revenue for loan repayment.** The PFA, as financial agent for the DWSRF Program, conducts a financial review of all loan applicants. The review includes an assessment of the applicant's ability to repay the loan, taking coverage and reserve requirements into account, as well as associated operation, maintenance, and other necessary expenses.
- **Federal cross-cutting authorities.** North Dakota and North Dakota DWSRF assistance recipients have complied with all applicable federal cross-cutting authorities.

The MBE/WBE goals for the capitalization grant agreements were 2 percent MBE and 3 percent WBE for construction, supplies, services, and equipment.

Contracts totaling \$95,498,389 were awarded between January 1 and December 31, 2024, using DWSRF funds for all categories. DBE (MBE and WBE) participation for this time was 0.0 percent (MBE) and 0.0 percent (WBE). The NDDEQ will continue in its efforts to promote and obtain additional DBE participation in the DWSRF Program.

All projects that received DWSRF loan assistance during the period reviewed were subject to appropriate Davis-Bacon wage requirements and reviews, and American Iron and Steel requirements.

- Operator certification. In January 2000, the NDDEQ submitted documentation
 to the EPA and requested substantially equivalent status for its operator
 certification and training program. In a letter dated September 27, 2000, Stephen
 Tuber, EPA Region VIII Water Program Director, stated, "Thank you for
 recognizing the importance of an effective operator certification program in
 protecting public health. I commend you and your staff for providing national
 leadership on this important milestone as the <u>first</u> Substantially Equivalent
 Operator Certification Program to be approved in the nation."
- Capacity. The NDDEQ established an EPA-approved capacity review process for DWSRF loan applicants. This process has been and continues to be used to

evaluate the capacity of all DWSRF loan applicants. The PFA assists in the process by evaluating the financial capability of loan applicants and providing recommendations to the DWSRF Program. On September 23, 1999, EPA approved the NDDEQ's new water system capacity assessment strategy. This strategy has been and continues to be used to ensure that new or potentially new community and nontransient-noncommunity PWSs have adequate capacity prior to initiation of operation. On October 10, 2000, EPA approved the NDDEQ's capacity development strategy for existing public water systems. Implementation of the strategy was initiated in August 2000. The strategy identifies the following tools, which may be used singly or in combination, to assist PWSs in acquiring and maintaining capacity:

- o On-site visits by NDDEQ staff
- o Operator certification
- o Training
- Use of technical assistance providers
- o Use of DWSRF set-asides
- o Public education
- Dissemination of education materials

The NDDEQ is presently using a number of these tools, including contractual assistance (using DWSRF set-aside funds) by recognized technical assistance providers.

The 2018 America's Water Infrastructure Act, Section 2012, required state PWSS programs to consider and include as appropriate asset management into their state capacity development strategies by December 31, 2022. EPA Region 8 has approved the revised strategy.

- **Transfers.** Transfers between the CWSRF and the DWSRF Programs are discussed in the Sources and Uses of Funds chapter.
- **Bond Issuance.** On March 26, 2024, the Industrial Commission approved a resolution that allows the PFA to issue up to \$225 million of new SRF bond proceeds as well as refund SRF 2015A outstanding bonds that would provide savings to the SRF programs.

• **Miscellaneous.** The NDDEQ has not further subcontracted any responsibilities set forth in the Operating Agreement. Privately owned community water systems and nonprofit noncommunity water systems are eligible for DWSRF assistance. To date, no assistance has been requested by such systems. The NDDEQ established a disadvantaged community program beginning with the FY 2019 capitalization grant.

APPENDIX A LOANS WITH BINDING COMMITMENTS IN 2024

Borrower	Project #	Loan Amount ¹	Binding Commitment	Increase Amount	Increase Date	Loan Forgiveness	Emerging Contaminants Funding	Lead Funding	Population	Loan Term [Years]	Interest Rate
				Loan	ıs						
Aneta	3200023-04	\$1,570,000	02/19/24						234	30	2.0%
Ashley	2600038-01	\$3,048,000	05/30/24			\$2,328,670			613	30	2.0%
Cass RWD	0901060-08	\$2,604,000	05/17/24						22,092	20	2.0%
Central Plains WD	5201309-03	\$9,714,000	01/15/24			\$8,379,000			3,504	20	2.0%
Dickinson	4500242-02	\$1,591,000	12/09/24						25,000	20	2.0%
Dickinson	4500242-03	\$2,000,000	12/09/24			\$1,500,000		\$1,470,590	25,000	20	0.5%
Grand Forks	1800410-05	\$1,050,000	11/15/24			\$787,500		\$771,750	58,692	30	0.5%
McLean Sheridan WD	2801400-06	\$8,159,000	08/15/24			\$7,199,213	\$7,199,213		3,573	30	2.0%
Medina	4700637-01	\$920,000	04/19/24						264	30	2.0%
Medina	4700637-02	\$1,250,000	06/07/24			\$938,000			264	30	2.0%
Milnor	4101425-01	\$300,000	12/03/24						681	30	2.0%
New Town	3100744-02	\$1,437,000	04/24/24						2,764	20	2.0%
Northeast RWD	1001380-04	\$1,768,000	06/21/24						16,410	30	2.0%
Rhame	0600819-01	\$1,199,000	07/29/24						90	30	2.0%
South Central RWD	0801154-05	\$2,497,000	04/22/24						31,604	30	2.0%
Southeast WUD	3901068-12	\$5,666,000	12/09/24						18,460	30	2.0%
Taylor	4500934-01	\$628,000	07/29/24						280	30	2.0%
Underwood	2800953-01	\$3,500,000	06/11/24			\$2,625,000			784	30	2.0%
Increases											
All Seasons WUD	0501057-03	\$3,594,000	10/10/2019	\$1,865,000	11/1/2024	\$1,285,733			1,630	20	2.0%
Dakota RWD	2001061-01	\$2,283,000	12/3/2019	\$107,000	11/18/2024				3,369	30	2.0%
St. John	4000854-02	\$1,285,000	6/9/2023	\$365,000	8/1/2024				342	30	2.0%
Wilton	0801031-01	\$2,119,000	7/18/2022	\$431,000	10/31/2024				808	30	2.0%

New Loans = \$48,901,000 Loan Increases = \$2,768,000 Total = \$51,669,000

APPENDIX B BYPASSED PROJECT LIST

Ranking	System Name	Project Description	Project Cost (\$1,000)	Reason for Project Bypass		
Base & Supplemental Funding						
4	Oberon	Individual connections to rural water	685	Not ready to proceed		
11	McLean Sheridan RWD	Phase 3 WTP improvements	9,318	Receiving funding from 2024 DWSRF EC grant		
14	Lehr	Well, pump house, water tower, water meter, water main, & service line replacement	1,500	Not ready to proceed		

Emerging Contaminants Funding					
1	Oberon	Individual connections to rural water	685	Not ready to proceed	

APPENDIX C SOURCES AND USES OF FUNDS

Base and Supplemental Funding

Cumulative Amounts as of December 31, 2024

SOURCES		
	*	222.056.400
Federal Capitalization Grants (Base & Supplemental)	\$	323,056,100
State Match	\$	84,089,654
Transfers from CWSRF	\$	54,590,972
Net Leveraged Bonds	\$	193,941,728
Interest Earnings	\$	58,281,089
Interest Payments	\$	97,044,194
Principal Repayments	\$	308,319,657
TOTAL SOURCES OF FUNDS	\$	1,119,323,394
USES		_
Set-Asides		
4% Administration	\$	9,603,814
2% Small System Technical Assistance	\$	3,416,807
10% Drinking Water Program	\$	3,612,078
15% Local Assistance	\$	435,268
Transfers to CWSRF	\$	51,981,141
Bond Principal Repayments	\$	121,885,543
Bond Interest Expense	\$	99,813,959
Arbitrage Paid	\$	785,241
Reserves	\$	-
Closed Agreements	\$	801,070,363
Approved But Not Closed Agreements	\$	8,748,000
TOTAL USES OF FUNDS	\$	1,101,352,214

Emerging Contaminants Funding

Cumulative Amounts as of December 31, 2024

9	SOURCES	
Federal Capitalization Grants	\$	22,835,000
Transfers from CWSRF	\$	-
TOTAL SOURCES OF FUNDS	\$	22,835,000
TOTAL SOURCES OF FUNDS	<u>.</u>	22,033,000

USES	
Set-Asides	
4% Administration	\$ -
2% Small System Technical Assistance	\$ -
10% Drinking Water Program	\$ -
15% Local Assistance	\$ -
Transfers to CWSRF	\$ -
Closed Agreements	\$ 19,554,213
Approved But Not Closed Agreements	\$ -
TOTAL USES OF FUNDS	\$ 19,554,213

Lead Funding

Cumulative Amounts as of December 31, 2024

TOTAL USES OF FUNDS

SOURCES	
Federal Capitalization Grants	\$ 59,195,000
TOTAL SOURCES OF FUNDS	\$ 59,195,000
USES	
Set-Asides	
4% Administration	\$ 2,367,800
2% Small System Technical Assistance	\$ 1,183,900
10% Drinking Water Program	\$ 5,919,500
15% Local Assistance	\$ 5,919,500
Closed Agreements	\$ 3,712,930
Approved But Not Closed Agreements	\$ 34,463,800

53,567,430

APPENDIX D DWSRF TRANSACTIONS

Date of	_
Payment to	Amount of Draw
	Request
	23,081.00
	12,807.00
	191,770.00
	5,371.00
	10,667.00
	79,173.00
	15,214.00
	102,831.00
	48,435.00
	2,860.00
	25,311.00
01/16/24	85,211.00
01/16/24	144,739.00
01/22/24	37,269.00
01/22/24	74,848.00
01/22/24	360,722.00
01/22/24	244,045.00
01/22/24	335,508.00
01/22/24	87,537.00
01/22/24	6,346.79
01/22/24	67,651.00
01/22/24	5,982.00
01/29/24	57,526.00
01/29/24	151,532.00
01/29/24	55,237.00
01/29/24	15,903.00
01/29/24	28,456.00
01/29/24	30,604.00
01/29/24	24,564.00
02/05/24	73,524.00
02/05/24	16,727.00
02/05/24	34,092.00
02/05/24	2,294.00
02/05/24	91,892.00
02/12/24	403,164.00
02/12/24	8,493.00
02/12/24	9,148.00
02/12/24	19,500.00
02/12/24	403,307.00
02/12/24	60,794.00
02/12/24	87,830.00
	15,000.00
02/21/24	10,000.00
	23,857.00
	18,768.00
	220,443.00
	63,312.00
	26,430.00
	Payment to Recipient 01/02/24 01/08/24 01/08/24 01/08/24 01/08/24 01/16/24 01/16/24 01/16/24 01/16/24 01/16/24 01/16/24 01/16/24 01/16/24 01/16/24 01/16/24 01/16/24 01/22/24 01/22/24 01/22/24 01/22/24 01/22/24 01/22/24 01/22/24 01/29/24 02/05/24 02/05/24 02/05/24 02/12/24 02/12/24 02/12/24 02/12/24

	Date of	
Recipient	Payment to	Amount of Draw
Recipient		Request
1 4 4 5 F PH 101 CA 404 4004 0: 4504	Recipient	117.226.00
Interstate Engr - BIL LSL SA 4%, 10% & 15%	02/21/24	117,236.00
Moore - BIL LSL SA 2%, 4%, 10% & 15%	02/21/24	241,669.00
Bartlett & West - BIL LSL SA 2% & 15%	02/21/24	4,114.00
Interstate Engr - BIL LSL SA 2%	02/21/24	20,570.00
Moore - BIL LSL SA 2%	02/21/24	1,483.00
St John	03/04/24	371,865.00
Mapleton	03/04/24	21,623.00
WAWSA	03/04/24	57,939.00
MAP	03/04/24	42,000.00
Bartlett & West - BIL LSL SA 15%	03/04/24	4,905.00
Ackerman-Estvold - BIL LSL SA 2%,4%, & 15%	03/04/24	54,487.00
AE2S - BIL LSL SA 2%, 4%, 10% & 15%	03/04/24	92,630.00
Bartlett & West - BIL LSL SA 4%, 10% & 15%	03/04/24	4,867.00
Burian & Assoc - BIL LSL SA 2%, 4%, 10% & 15%	03/04/24	29,806.00
Interstate Engr - BIL LSL SA 15%	03/04/24	24,230.00
Moore - BIL LSL SA 4%, 10% & 15%	03/04/24	95,425.00
Missouri West WS	03/11/24	132,866.00
Wing	03/11/24	6,119.00
Moore - BIL LSL SA 2%, 4%, 10% & 15%	03/11/24	162,385.00
Moore - BIL LSL SA 2%	03/11/24	5,646.00
Cass RWD	03/18/24	24,897.00
Moore - BIL LSL SA 2%	03/18/24	5,817.00
North Prairie RWD	03/25/24	15,093.00
East Central RWD	03/25/24	180,202.00
East Central RWD	03/25/24	676,801.00
Fargo	03/25/24	67,880.00
Fargo	03/25/24	1,441,031.00
All Seasons WUD	03/25/24	56,930.00
PFA Admin - monthly	03/25/24	43,500.00
Bartlett & West - BIL LSL SA 2% & 15%	03/25/24	8,380.00
Interstate Engr - BIL LSL SA 2% & 15%	03/25/24	14,230.00
Moore - BIL LSL SA 2%	03/25/24	1,665.00
Bartlett & West - BIL LSL SA 4%, 10% & 15%	03/25/24	26,026.00
Interstate Engr - BIL LSL SA 4%, 10% & 15%	03/25/24	99,527.00
Moore - BIL LSL SA 2%, 10% & 15%	03/25/24	88,810.00
Aneta	04/01/24	366,202.00
WAWSA	04/01/24	74,753.00
PAR - Sharon	04/01/24	13,971.00
AE2S - BIL LSL SA 2%, 4%, 10% & 15%	04/01/24	119,930.00
Ackerman-Estvold - BIL LSL SA 2%, 4% & 15%	04/01/24	42,360.00
Burian & Assoc - BIL LSL SA 2%, 4%, 10% & 15%	04/01/24	36,929.00
Interstate Eng - BIL LSL SA 10%	04/01/24	31,314.00
Moore Eng - BIL LSL SA 2%, 4%, 10% & 15%	04/01/24	110,460.00
Moore Eng - BIL LSL SA 2%, 4%, 10% & 15%	04/08/24	295,764.00
Interstate Eng - BIL LSL SA 2%	04/08/24	39,525.00
McLean Sheridan RWD	04/15/24	3,532.00
McLean Sheridan RWD	04/15/24	26,543.00
Dakota RWD	04/15/24	94,761.00

	Date of	
Recipient	Payment to	Amount of Draw
Recipient		Request
Caladavara	Recipient	14.024.00
Galesburg	04/22/24	14,834.00
Grand Forks	04/22/24	137,780.00
East Central RWD	04/22/24	429,222.00
Dakota RWD	04/22/24	98,156.00
MAP	04/22/24	2,250.00
ND Rural Water - Tech Assist	04/22/24	24,300.00
AE2S - BIL LSL SA 4%, & 10%	04/22/24	59,386.00
Interstate Engr - BIL LSL SA 2%, 4%, 10% & 15%	04/22/24	83,908.00
Moore - BIL LSL SA 10% & 15%	04/22/24	18,871.00
North Prairie RWD	04/29/24	12,281.00
WAWSA	04/29/24	51,629.00
PFA Admin - Quarterly	04/29/24	47,838.00
PFA Admin - Monthly	04/29/24	22,232.00
DEQ Admin - Quarterly	04/29/24	401,337.00
DEQ QT1 BIL LSL Admin - 4% Set Asides	04/29/24	68,807.00
DEQ QT1 BIL LSL Admin - 10% Set Asides	04/29/24	87,684.00
AE2S - BIL LSL SA 2%, 4%, 10% &15%	04/29/24	101,905.00
Bartlett & West - BIL LSL SA 15%	04/29/24	52,626.00
Burian & Assoc - BIL LSL SA 2%, 10% & 15%	04/29/24	43,637.00
Enderlin	05/06/24	40,500.00
Central Plains WD	05/06/24	277,657.00
Medina	05/06/24	5,819.00
Medina	05/06/24	67,861.00
Ackerman-Estvold - BIL LSL SA 2%, 4% & 15%	05/06/24	38,500.00
AE2S - BIL LSL SA 2%, 4%, 10% &15%	05/06/24	10,893.00
Bartlett & West - BIL LSL SA 2%, 4%, 10% & 15%	05/06/24	70,262.00
Moore - BIL LSL SA 4%, 10% & 15%	05/06/24	88,556.00
St. John	05/13/24	62,587.00
Berthold	05/13/24	12,601.00
Aneta	05/13/24	35,528.00
Moore - BIL LSL SA 2%, 10%, & 15%	05/13/24	62,073.00
Beulah	05/20/24	164,997.00
McLean Sheridan RWD	05/20/24	9,506.00
Dakota RWD	05/20/24	379,503.00
PFA Admin - Monthly (Legal)	05/20/24	10,650.00
AE2S - BIL LSL SA 10% & 15%	05/20/24	9,724.00
Moore - BIL LSL SA 2%, 4%, 10%, & 15%	05/20/24	13,757.00
Medina	05/28/24	100,294.00
WAWSA	05/28/24	123,272.00
North Prairie RWD		26,397.00
	05/28/24	· · · · · · · · · · · · · · · · · · ·
East Central RWD	05/28/24	1,259,076.00
AE2S - BIL LSL SA 10%	05/28/24	65,365.00
Bartlett & West - BIL LSL SA 2%, 4%, 10% & 15%	05/28/24	61,042.00
Interstate Engr - BIL LSL SA 2%, 4%, 10% & 15%	05/28/24	125,375.00
Lincoln	06/03/24	21,800.00
Lincoln	06/03/24	220,654.00
Cass RWD	06/03/24	480.00
Cass RWD	06/03/24	37,492.00

	Date of	
Recipient	Payment to	Amount of Draw
incorpient		Request
AE2S - BIL LSL SA 2%, 4%, 10% & 15%	Recipient 06/03/24	145,645.00
Ackerman-Estvold - BIL LSL SA 2%, 4% & 15%	06/03/24	68,547.00
Moore - BIL LSL SA 2% & 10%	06/03/24	9,061.00
Galesburg	06/10/24	23,522.00
Aneta	06/10/24	13,862.00
AE2S - BIL LSL SA 10%	06/10/24	32,053.00
Burian & Assoc - BIL LSL SA 2%, 4%, 10% & 15%	06/10/24	56,686.00
Moore - BIL LSL SA 2%, 4%, 10%, & 15%	06/10/24	73,136.00
St John	06/17/24	41,716.00
Berthold	06/17/24	6,954.00
Medina	06/17/24	123,914.00
All Seasons WUD	06/17/24	172,204.00
Lincoln	06/17/24	447,093.00
McLean Sheridan RWD	06/17/24	6,903.00
Moore - BIL LSL SA 2%, 4%, 10%, & 15%	06/17/24	21,958.00
Glen Ullin	06/24/24	93,571.00
Dakota RWD	06/24/24	121,113.00
Bartlett & West - BIL LSL SA 2%, 4%, 10%, & 15%	06/24/24	68,138.00
Interstate - BIL LSL SA 2%, 4%, 10%, & 15%	06/24/24	92,609.00
Cass RWD	07/01/24	166,411.00
Medina	07/01/24	138,148.00
North Prairie RWD	07/01/24	8,288.00
McLean Sheridan RWD	07/01/24	15,883.00
AE2S - BIL LSL SA 2%, 4%, 10% & 15%	07/01/24	130,606.00
Burian & Assoc - BIL LSL SA 2%, 10% & 15%	07/01/24	13,207.00
Fargo	07/09/24	1,097,946.00
Ashley	07/09/24	568,754.00
Northeast RWD	07/09/24	173,312.00
Aneta	07/09/24	14,596.00
Missouri West WS	07/09/24	113,985.00
North Prairie RWD	07/09/24	130,858.00
WAWSA	07/09/24	238,926.00
Wilton	07/09/24	123,865.00
Grand Forks	07/09/24	25,146.00
Burian & Assoc - BIL LSL SA 2%, 10% & 15%	07/09/24	96,352.00
Ackerman-Estvold - BIL LSL SA 2%, 4% & 15%	07/09/24	34,815.00
Moore - BIL LSL SA 10%, & 15%	07/09/24	5,201.00
Fargo	07/15/24	540,881.00
Berthold	07/15/24	6,112.00
Ashley	07/15/24	402,783.00
Medina	07/15/24	115,507.00
Moore - BIL LSL SA 2%, 4%, 10%, & 15%	07/15/24	72,666.00
PAR - Rhame	07/22/24	15,000.00
Lincoln	07/22/24	336,827.00
Mandan	07/22/24	104,249.00
East Central RWD	07/22/24	340,334.00
McLean Sheridan RWD	07/22/24	8,153.00
Galesburg	07/22/24	14,660.00

	Date of	
Recipient	Payment to	Amount of Draw
Recipient	•	Request
Diamonale	Recipient	27 200 00
Bismarck Moore - BIL LSL SA 2% & 10%	07/22/24	27,200.00
	07/22/24	25,758.00
AE2S - BIL LSL SA 2%, 4%, 10% & 15%	07/22/24	119,310.00
Galesburg	07/29/24	106,849.00
Mapleton	07/29/24	68,629.00
Wilton	07/29/24	259,573.00
Cooperstown	07/29/24	79,100.00
WAWSA	07/29/24	162,751.00
East Central RWD	07/29/24	285,693.00
Dakota RWD	07/29/24	53,171.00
All Seasons WUD	07/29/24	95,061.00
AE2S - BIL LSL SA 10% & 15%	07/29/24	25,030.00
Bartlett & West - BIL LSL SA 2%, 4%, 10% & 15%	07/29/24	40,490.00
Beulah	08/05/24	778,919.00
Underwood	08/05/24	101,384.00
Glen Ullin	08/05/24	236,421.00
Riverdale	08/05/24	29,918.00
Ackerman-Estvold - BIL LSL SA 2%, 4% & 15%	08/05/24	10,902.00
Burian & Assoc - BIL LSL SA 2%, 4%, 10% & 15%	08/05/24	88,020.00
Aneta	08/12/24	8,019.00
Fargo	08/12/24	378,632.00
Upper Souris WUD	08/12/24	4,922.00
Upper Souris WUD	08/12/24	9,827.00
MAP	08/12/24	18,000.00
AE2S - BIL LSL SA 15%	08/12/24	2,935.00
Interstate - BIL LSL SA 10%	08/12/24	14,898.00
Moore - BIL LSL SA 2%, 4%, 10% & 15%	08/12/24	72,516.00
Wing	08/19/24	168,349.00
Berthold	08/19/24	96,856.00
Ashley	08/19/24	140,462.00
Bartlett & West - BIL LSL SA , 4%, 10% & 15%	08/19/24	10,776.00
Moore - BIL LSL SA 2%, 4%, 10% & 15%	08/19/24	38,078.00
Dakota RWD	08/26/24	21,142.00
Beulah	08/26/24	511,241.00
Central Plains WD	08/26/24	11,885.00
Underwood	08/26/24	13,270.00
Cass RWD	08/26/24	553,833.00
Medina	08/26/24	107,082.00
Galesburg	09/04/24	54,538.00
Mapleton	09/04/24	215,446.00
Beulah	09/04/24	12,965.00
South Central RWD	09/04/24	239,387.00
New Town	09/04/24	320,505.00
WAWSA	09/04/24	179,411.00
East Central RWD	09/04/24	42,852.00
Lincoln	09/04/24	72,418.00
All Seasons WUD	09/04/24	16,699.00
DEQ QT2 BIL LSL Admin - 4% Set Asides	09/04/24	82,979.00

	Date of	
Recipient	Payment to	Amount of Draw
Recipient		Request
DEC OT2 BH LEL Admire 100/ Cat Asides	Recipient	154 170 00
DEQ QT2 BIL LSL Admin - 10% Set Asides	09/04/24	154,170.00
DEQ QT2 Admin AE2S - BIL LSL SA 4%, 10% & 15%	09/04/24	546,588.00
Moore - BIL LSL SA 4%, 10% & 15%	09/04/24 09/04/24	23,787.00 7,703.00
Wilton	09/09/24	628,475.00
Dickinson	09/09/24	1,765,008.00
Agassiz	09/09/24	351,575.00
ST John	09/09/24	18,590.00
AE2S - BIL LSL SA 2%, 4%, 10% & 15%	09/09/24	34,036.00
Ackerman-Estvold - BIL LSL SA 15%	09/09/24	4,448.00
Bartlett & West - BIL LSL SA 15%	09/09/24	10,973.00
Burian & Assoc - BIL LSL SA 2% & 15%	09/09/24	22,926.00
Fargo	09/16/24	814,767.00
Lincoln	09/16/24	132,433.00
McLean Sheridan RWD	09/16/24	12,351.00
Aneta	09/16/24	357,167.00
Cass RWD	09/16/24	7,938.00
Northeast RWD	09/16/24	122,834.00
Burian & Assoc - BIL LSL SA 4%, 10% & 15%	09/16/24	46,352.00
Moore - BIL LSL SA 10%	09/16/24	3,992.00
AE2S - BIL LSL SA 2%, 4%, 10% & 15%	09/23/24	50,228.00
Bartlett & West - BIL LSL SA 15%	09/23/24	16,118.00
Moore - BIL LSL SA 2% & 10%	09/23/24	10,977.00
PFA Admin - IC Admin	09/30/24	18,797.67
ND Rural Water - Tech Assist	09/30/24	29,700.00
Agassiz WUD	09/30/24	139,190.00
Central Plains WD	09/30/24	257,599.00
Galesburg	09/30/24	4,585.00
South Central RWD	09/30/24	65,332.00
Underwood	09/30/24	568,368.00
Dakota RWD	09/30/24	29,770.00
East Central RWD	09/30/24	157,863.00
Fargo	09/30/24	864,444.00
McLean sheridan RWD	09/30/24	18,893.00
Berthold	10/07/24	71,662.00
Northeast RWD	10/07/24	128,759.00
Burian & Assoc - BIL LSL SA 10% & 15%	10/07/24	49,451.00
Interstate - BIL LSL SA 2%, 4%, 10% & 15%	10/07/24	216,305.00
AE2S - BIL LSL SA 15%	10/07/24	3,727.00
Lincoln	10/15/24	116,178.00
WAWSA	10/15/24	123,134.00
Aneta	10/15/24	645,842.00
Central Plains WD	10/15/24	503,707.00
AE2S - BIL LSL SA 2%, 4%, 10% & 15%	10/15/24	16,575.00
Moore - BIL LSL SA 2%, 4%, 10% & 15%	10/15/24	25,047.00
Ackerman-Estvold - BIL LSL SA 4% & 15%	10/15/24	16,279.00
Dakota RWD	10/21/24	71,511.00
Wilton	10/21/24	163,803.00

Recipient	Date of Payment to Recipient	Amount of Draw Request	
Cass RWD	10/21/24	191,634.00	
South Central RWD	10/21/24	178,868.00	
Taylor	10/21/24	183,599.00	
East Central RWD	10/28/24	109,710.00	
Ashley	10/28/24	50,641.00	
Beulah	10/28/24	454,878.00	
Mapleton	10/28/24	8,195.00	
New Town	10/28/24	926,932.00	
AE2S - BIL LSL SA 4%, 10% & 15%	10/28/24	78,192.00	
Bartlett & West - BIL LSL SA 15%	10/28/24	8,967.00	
Burian & Assoc - BIL LSL SA 2%, 10% & 15%	10/28/24	86,378.00	
Interstste - BIL LSL SA 15%	10/28/24	32,255.00	
AE2S - BIL LSL SA 10%	11/04/24	5,269.00	
Burian & Assoc - BIL LSL SA 10%	11/04/24	10,334.00	
WAWSA	11/12/24	127,982.00	
Fargo	11/12/24	539,262.00	
Aneta	11/12/24	50,285.00	
Cass RWD	11/12/24	24,712.00	
Medina	11/12/24	32,744.00	
Rhame	11/12/24	1,056,618.00	
ST John	11/12/24	166,569.00	
Underwood	11/12/24	279,620.00	
AE2S - BIL LSL SA 10% & 15%	11/12/24	13,282.00	
East Central RWD	11/18/24	194,972.00	
Lincoln	11/18/24	31,262.00	
Mandan	11/18/24	37,641.00	
Wilton	11/18/24	3,769.00	
Central Plains WD	11/18/24	1,100,819.00	
Northeast RWD	11/18/24	100,399.00	
Taylor	11/18/24	194,836.00	
Dakota RWD	11/25/24	15,287.00	
Fargo	11/25/24	261,297.00	
Ashley	11/25/24	54,406.00	
Fargo	11/25/24	13,434.00	
South Central RWD	11/25/24	540,449.00	
Moore - BIL LSL SA 4% & 10%	11/25/24	2,577.00	
AE2S - BIL LSL SA 4% & 15%	11/25/24	5,829.00	
Interstate - BIL LSL SA 2%,10% & 15%	11/25/24	89,600.00	
Bartlett & West - BIL LSL SA 15%	11/25/24	1,828.00	
MAP	12/02/24	9,750.00	
PAR - Surrey	12/02/24	15,000.00	
East Central RWD	12/02/24	70,352.00	
Missouri West WS	12/02/24	61,931.00	
All Seasons WUD	12/02/24	372,688.00	
Underwood	12/02/24	367,813.00	
Burian & Assoc - BIL LSL SA 15%	12/02/24	21,256.00	
Moore - BIL LSL SA 15%	12/02/24	11,773.00	
St John	12/09/24	183,178.00	

Recipient	Date of Payment to Recipient	Amount of Draw Request	
AE2S - BIL LSL SA 10%	12/09/24	31,310.00	
ND Rural Water - Tech Assist	12/09/24	15,600.00	
McLean Sheridan RWD	12/16/24	12,775.00	
North Prairie RWD	12/16/24	27,881.00	
Cass RWD	12/16/24	162,936.00	
Fargo	12/16/24	269,383.00	
McLean Sheridan RWD	12/16/24	789,278.00	
Medina	12/16/24	48,778.00	
Northeast RWD	12/16/24	22,720.00	
Taylor	12/16/24	141,007.00	
Bartlett & West - BIL LSL SA 15%	12/16/24	7,460.00	
AE2S - BIL LSL SA 2% & 15%	12/16/24	61,177.00	
DEQ QT3 BIL LSL Admin - 4% Set Asides	12/23/24	74,345.00	
DEQ QT3 BIL LSL Admin - 10% Set Asides	12/23/24	94,319.00	
DEQ QT3 BIL LSL Admin - 10% Set Asides	12/23/24	218,405.00	
North Prairie RWD	12/23/24	2,524.00	
WAWSA	12/23/24	287,500.00	
Wilton	12/23/24	478,978.00	
Wing	12/23/24	28,500.00	
Ashley	12/23/24	4,124.00	
Berthold	12/23/24	102,433.00	
Central Plains WD	12/23/24	450,860.00	
Galesburg	12/23/24	88,834.00	
Grand Forks	12/23/24	219,810.00	
South Central RWD	12/23/24	325,154.00	
Underwood	12/23/24	9,926.00	
Glen Ullin	12/30/24	216,714.00	

Payments in bold came from either the set-asides or the 0.5% administration fee

Total 49,287,396.46

APPENDIX E BINDING COMMITMENTS WITHIN ONE YEAR OF GRANT AWARD

Grant	Award Date	Federal & State Match Required	Binding Commitments	Percent Met
2022 Base	8/10/2022	\$8,409,600	\$8,409,600	100.0%
2022 Supplemental	12/21/2022	\$19,791,200	\$19,791,200	100.0%
2022 Emerging Contaminants	12/21/2022	\$7,555,000	\$7,555,000	100.0%
2022 Lead	12/21/2022	\$22,603,000	\$3,712,930	16.4%
2023 Base	1/26/2024	\$5,925,600	\$5,925,600	100.0%
2023 Supplemental	1/19/2024	\$23,160,500	\$23,160,500	100.0%
2023 Emerging Contaminants	8/2/2023	\$7,640,000	\$7,640,000	100.0%
2023 Lead	1/19/2024	\$21,201,000	\$0	0.0%
2024 Supplemental	12/23/2024	\$27,582,000	\$6,767,957	24.5%
2024 Emerging Contaminants	6/2/2024	\$7,640,000	\$4,359,213	57.1%