

**MEETING OF THE
STATE BOARD FOR FINANCING WATER PROJECTS**

Summary Minutes

Wednesday, December 2, 2015

1:30 PM

901 S. Stewart St., 4th Floor, Great Basin Conference Room

Carson City, NV 89701

And Telephone Conference Call

Members Present:

Bruce Scott, Chairman

Andrew Belanger, Vice-Chairman

Steve Walker

Lori Williams

Mike Workman

My-Linh Nguyen, Ex-officio Member

Staff Attending:

Katie Armstrong, DAG

Daralyn Dobson

Michelle Stamates

Jennifer Carr

Adele Basham

Jason Cooper

Kathy Rebert

A. INTRODUCTION AND ROLL CALL (Non Action)

Chairman Scott opened the meeting and invited Board members (present and on the telephone) and others present to introduce themselves. At the introduction, Ms. Jennifer Carr, Deputy Administrator and former ex-officio member, introduced Ms. My-Linh Nguyen, the new Chief for the Bureau of Safe Drinking Water, who replaces Ms. Carr on the Board.

B. APPROVAL OF MINUTES - July 14, 2015 MEETING (For Possible Action)

Motion: Mr. Walker moved to accept the minutes as written and the motion was seconded by Mr. Workman. The minutes were approved.

C. DRINKING WATER STATE REVOLVING FUND PROGRAM

Prior to the presentation of the loan commitment proposals, Ms. Daralyn Dobson provided the Board with a current status of the DWSRF fund. Board members asked a couple questions for clarification.

1. Discussion and Possible Approval of Loan Commitments

a. Las Vegas Valley Water District - (For Possible Action)

Ms. Stamates then presented the following proposal for a loan commitment. For Ms. Stamates' detailed report on the proposal, see the Attachment 1 to the minutes.

Mr. Belanger recused himself from this agenda item due to his business relationship with Las Vegas Water District (LVVWD).

This proposal is for \$15,000,000 in additional funds, modifying the original \$20,000,000 loan for a total of \$35,000,000. The additional funds will be used to fund a variety of upgrades and improvements necessary to maintain a safe and reliable water supply for Southern Nevada. Ms. Stamates provided some detail of the additional work to be performed.

Mr. Greg Kodweis, Director of Infrastructure Management and Kathy Flanagan, Management Analyst of LVVWD, were in attendance to answer a few questions for the Board. Mr. Walker confirmed with Mr.

Kodweis that design and engineering was being done in-house. There were also a few questions regarding reservoirs.

Motion: Mr. Workman moved to approve a Resolution designated the “12-2015 Las Vegas Valley Water District Project Loan Commitment” to approve a loan commitment in an amount of \$15,000,000. The motion was seconded by Mr. Walker and passed by majority, with Mr. Belanger abstaining.

b. Topaz Ranch Estates General Improvement District (TREGID) - (For Possible Action)

Mr. Cooper then presented the following proposal for a loan commitment. For Mr. Cooper’s detailed report on the proposal, see the Attachment 2 to the minutes.

This proposal is to provide funds for refinancing of TREGID’s 2000 Revenue Supported Water Bond secured loan with the United States Department of Agriculture-Rural Development Office (USDA-RD). This will provide a better interest rate for the original debt and allow TREGID to obtain a new loan with USDA-RD for a new project.

The DWSRF is partnering with the USDA-RD by refinancing this older loan. Documentation was obtained from USDA-RD showing the project being refinanced met the SRF requirements and cross-cutters.

Mr. Joe Pomeroy, TREGID Operations Supervisor, Ms. Betty Rebiejo, TREGID Bookkeeper, and Ms. Lisa Goodfellow, USDA-RD were in attendance to provide any further information requested by the Board.

The Board had a few questions to clarify the refinancing as well as some questions about the condition of the water system in general. Also, Mr. Cooper addressed a question about the sufficiency of water rates to sustain the water system and fund depreciation. Mr. Cooper said the District is meeting all of their current operating and maintenance requirements and the rates are established at a sufficient level.

Motion: Mr. Walker moved to approve a \$412,000 loan to Topaz Ranch Estates GID per Resolution designated the “12-2015 Topaz Ranch Estates General Improvement District Refinancing Loan Commitment Resolution”. Ms. Williams seconded and the motion was approved unanimously.

D. BOARD COMMENTS - (Non Action)

Chairman Scott asked for an outline of how the SRF works as far as monies repaid and the rebuilding of loan funds. Ms. Dobson said that the loan repayments are received and then go back out to new loans. A portion of interest is used to pay our bond debt. Mr. Cooper gave a range of \$6,000,000 to \$8,000,000 that is paid back each year in principal and interest.

Ms. Carr asked about the funding for the AB198 program. Ms. Dobson answered that the Treasurer made a \$1,000,000 bond issuance in November. Staff is currently looking at a few projects to fund, hopefully those that would not necessarily qualify for principal forgiveness.

Next Board meeting will be scheduled as necessary.

E. PUBLIC COMMENTS - (Non Action)

None.

F. ADJOURNMENT

There being no other business, the Board meeting adjourned at 2:17 PM.

ATTACHMENTS

ATTACHMENT 1: **Las Vegas Valley Water District**

ATTACHMENT 2: **Topaz Ranch Estates General Improvement District**

ATTACHMENT 1

Las Vegas Valley Water District

**Las Vegas Valley Water District
Loan Commitment**

**Board for Financing Water Projects Summary
Drinking Water State Revolving Fund
December 2015**

Applicant: Las Vegas Valley Water District
Project: System Rehabilitation/Replacement
Previous DWSRF Loan Amount: \$20,000,000
Additional DWSRF Loan Funds: \$15,000,000

GENERAL

The Division of Environmental Protection (Division) administers the Drinking Water State Revolving Fund (DWSRF) under the Nevada Revised Statutes (NRS) 445A.200 to 445A.295, inclusive. Regulations adopted by the State Environmental Commission pursuant to NRS 445A.270 describe how the Division administers the DWSRF. One of the requirements of the NRS pertaining to the DWSRF is that the Division shall not “commit any money in the account for the revolving fund for expenditure...without obtaining the prior approval of the board for financing water projects” (NRS 445A.265, subsection 3).

BACKGROUND

The Las Vegas Valley Water District (LVVWD or District) is a not-for-profit water supply agency that has been providing water to the Las Vegas Valley since 1954. The district helped build the area's water delivery system and now provides water to more than one million people in Southern Nevada. The Water District is a member agency of the Southern Nevada Water Authority, a regional organization that provides wholesale water treatment and delivery for the greater Las Vegas Valley and is responsible for acquiring and managing long-term water resources for Southern Nevada.

The District's mission is to provide world-class water service in a sustainable, adaptive, and responsible manner through reliable and cost-effective systems. To ensure its water delivery system is efficiently operated and maintained, the District continually assesses the condition of its water production and distribution system infrastructure, forecasts short and long-term capital replacement needs, and implements programs to extend infrastructure life, improve operational efficiencies, and reduce costs. As a result, the District has developed an Asset Management Plan (Plan) at an estimated cost of \$60 million.

In August 2014, the LVVWD Board of Directors adopted the 2014 Resolution of Intent to Issue Bonds, which authorized the District to issue general obligation bonds in an amount not to exceed \$50 million for the purpose of financing water system improvement projects. On December 1, 2014, the District entered into a DWSRF loan contract (DW1403) in the amount of \$20 million to support the Year One (FY2014–2015) rehabilitation projects outlined in the Plan. These projects included the Fayle Reservoir rehabilitation, AC pipeline replacements, and service lateral replacements. At that time, the District advised the Board for Financing Water Projects (Board) of its intent to return in subsequent fiscal years to request additional funding needed to meet the remaining Plan objectives.

PROJECTS

The District is requesting an amendment to the loan from the DWSRF for Year Two (FY2015–2016) of the Plan in the amount of \$15 million to fund a variety of upgrades and improvements necessary to maintain a safe and reliable water supply for Southern Nevada. This additional loan amount would be secured by the same bonds authorized under the 2014 Resolution. Year Two of the Plan includes the following projects:

Project Name	Project Prioritization	FY 2015-2016 Costs
Reservoir Spray Aeration Additions	Chronic Health Reduction	\$2,037,000
Anasazi Mixer Installation	Chronic Health Reduction	\$150,000
Well Waste Line Modifications	Rehabilitation	\$165,000
Washington-Decatur Pipeline Ext. and Replacement	Rehabilitation	\$678,000
Vault Replacement	Rehabilitation	\$5,500,000
Vegas Drive Pipeline Replacement	Rehabilitation	\$1,800,000
PLC Upgrade for the SCADA System	Rehabilitation	\$2,000,000
Large Meter Replacements	Rehabilitation	\$2,012,000
Florrie Street Pipeline Replacement	Rehabilitation	\$268,000
Cast Iron Pipeline Replacement: Robin & Pyramid Ln	Rehabilitation	\$250,000
Joint Replacement in Airport Reservoir	Rehabilitation	\$125,000
TOTAL COSTS		\$15,000,000

Reservoir Improvements: Spray aeration systems are being added to the Luce, Spring Mountain-Durango, Pico, and Levi reservoirs for control/elimination of trihalomethanes – a disinfection byproduct. The mixer installation at the Anasazi reservoir is also for control/elimination of trihalomethanes. Joint replacement will occur within the Airport reservoir. A map of the valley locations of these reservoirs is attached.

Well Waste Line Modifications: The District will be installing flapper valves and 22 – 24-inch mesh screening on the well-to-waste lines that run to the storm drains (a map of the valley locations of these wells is attached). This was a sanitary survey recommendation from the NDEP, Bureau of Safe Drinking Water to prevent foreign material from entering the pipe.

Vault Replacement: Older large-diameter valve and PRV vaults around the valley require replacement due to the age and condition or entire removal in cases where new valves and/or PRVs have been installed in alternate locations.

SCADA System Rehabilitation: Rehabilitation of the system is necessary due to obsolescence of existing equipment.

Large Meter Replacement: Many of the large meters within the system are old and contain lead parts. The District is committed to removing all lead from the system.

Pipeline Replacement: Asbestos cement pipe that is degraded and has reached the end of its useful life will be replaced on Decatur Boulevard, Vegas Drive, and Florrie Street (location maps of the project areas are attached). Note that the segment of pipe on West Washington Avenue will not be replaced at this time as that section of road was recently repaved. Older cast iron pipe located on Robin Street

and Pyramid Drive will also be replaced during this project (a location map of this project area is attached).

Water Conservation

The Southern Nevada Water Authority (SNWA) was formed in 1991 by a cooperative agreement among seven water and wastewater agencies in Southern Nevada: Big Bend Water District, City of Boulder City, City of Henderson, City of Las Vegas, City of North Las Vegas, Clark County Water Reclamation District, and Las Vegas Valley Water District.

In May 2009, the Water Conservation Plan was updated and adopted by the SNWA Board of Directors. The SNWA works collaboratively with its member agencies to develop and implement regulations that promote water conservation. The 2009-2013 Plan establishes a new conservation goal to reach 199 GPCD by 2035.

Customers, Population and Growth

The number of residential service connections is currently 216,015 and the commercial connections total 138,108. The estimated population served by the District is 1,306,410. The reservoir facilities, wells, vaults, meters, SCADA, and pipeline that will be rehabilitated serve the existing population, and any future growth would require the addition of facilities.

Environmental Review

NAC 445A.6758 to 445A.67612, inclusive, outlines the environmental review procedures to be followed by the Division of Environmental Protection (NDEP) to meet the requirements of the National Environmental Policy Act.

The project involves repairs and rehabilitation of existing systems and facilities in the Las Vegas Valley Water District. NDEP determined that the project is eligible for a categorical exclusion under NAC 445A.67583 (2) (a), rehabilitation of an existing facility, and may be exempted from further substantive environmental review requirements. The project is also eligible for a categorical exclusion under NAC 445A.67583 (2) (e) because there is sufficient evidence that a significant effect on the quality of the environment is unlikely.

Permits

No permits are anticipated for this project.

Budget

<u>Budget Item</u>	<u>DWSRF Funding</u>
Planning	\$ 450,000
Design & Engineering	\$ 1,387,500
Construction/Improvements	\$ 13,162,500
Total	\$ 15,000,000

FINANCIAL EVALUATION

The LVVWD is a financially viable operation with the ability to meet costs of continuing operations and maintenance.

Specific financial information for the applicant is as follows:

- Current ratio shows LVVWD is able to meet their current obligations (1.31 times).
- Earnings before interest and depreciation is +\$91,793,006. Unrestricted cash as of June 30, 2015 for the district is \$59,358,732.
- The District has authority to issue general obligation bonds for water projects. The District does not have any statutory debt limit. Bond covenants require net pledged revenues to be at least one times the average annual debt and provide a debt service reserve equal to one year. A general obligation bond will be issued to guarantee this loan equal to the amount of the loan. The credit rating agencies view the district favorably with high credit ratings on their existing outstanding debt.
- The 2016 priority list used \$52,601 as the Las Vegas area Median Household Income (MHI). This is currently below the State's MHI of \$52,800 but not enough to qualify as disadvantaged.
- LVVWD has recently adjusted their rate structure to meet operating, maintenance, and debt service coverage. Rates are reviewed at least annually to ensure adequate cash to meet these requirements.

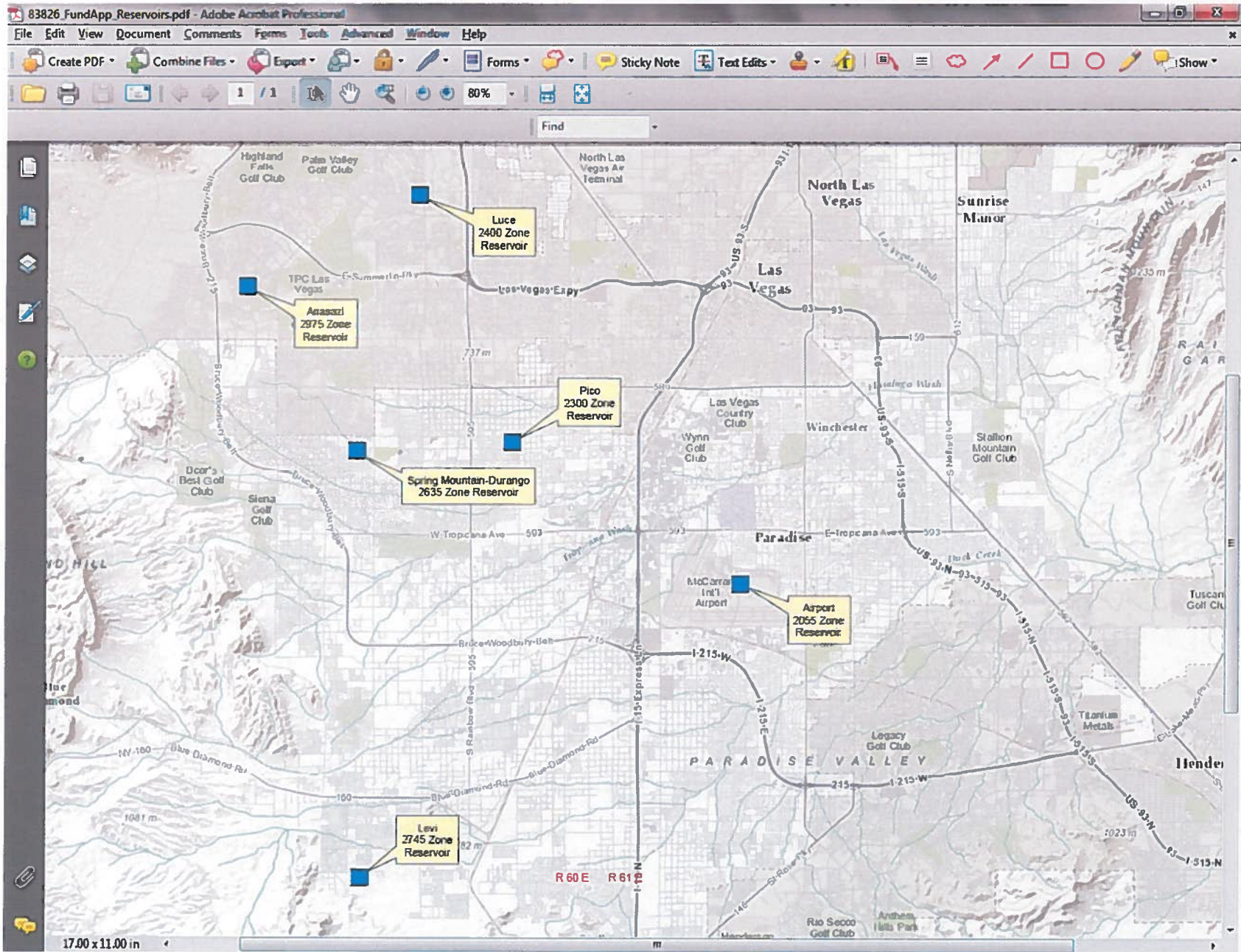
Technical, Managerial and Financial Capacity

LVVWD is in compliance with the requirements of the Safe Drinking Water Act. LVVWD is one of the largest utilities in the state and employs highly qualified individuals and certified water operators. The District has sophisticated asset management and long-term capital improvement plans.

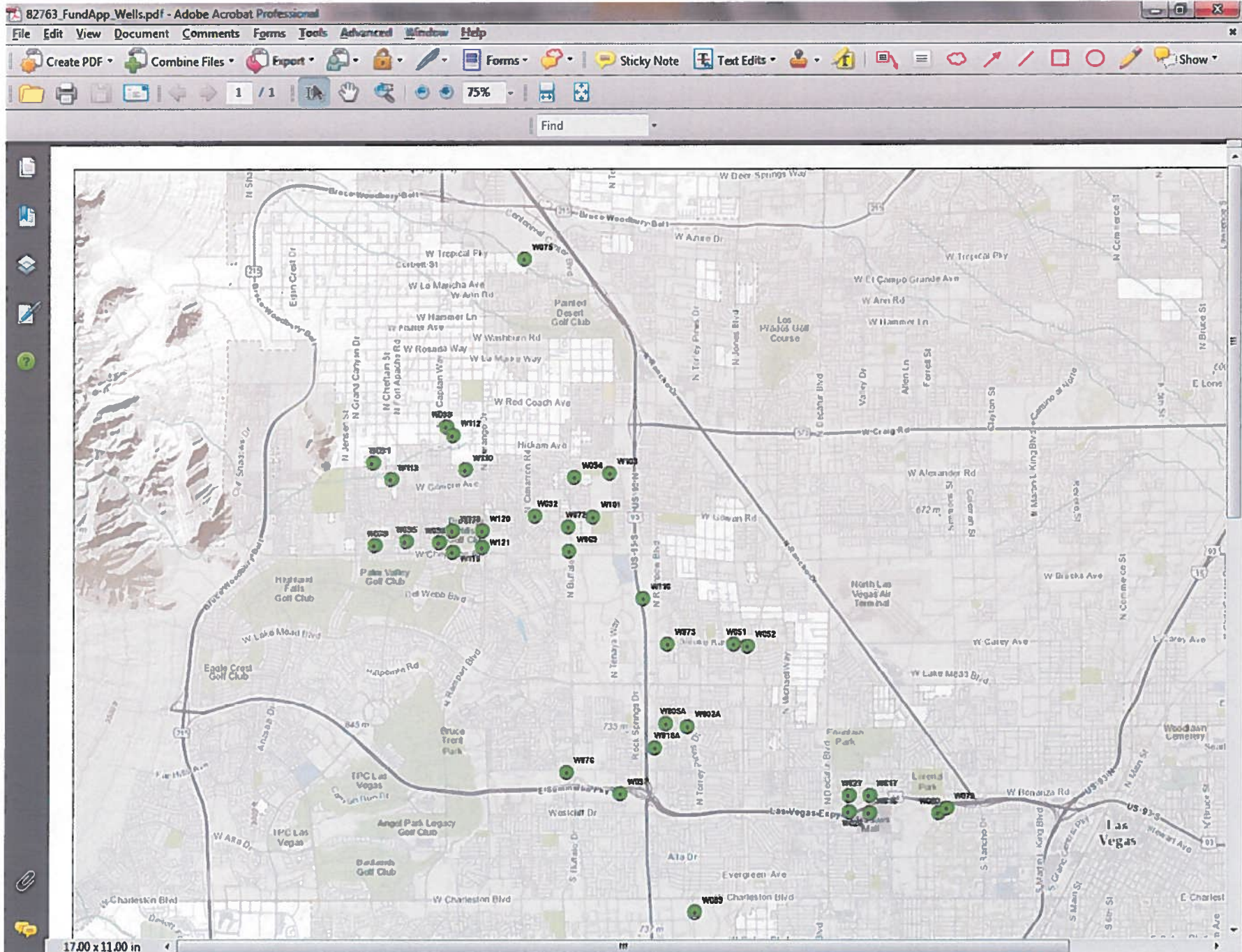
DIVISION RECOMMENDATION

In September 2014, the Board approved a resolution committing \$20,000,000 in loan funds from the DWSRF. These funds were needed by the LVVWD to support the FY 2014 – 2015 rehabilitation projects outlined in their asset management plan.

The Division recommends that the Board approve a resolution committing additional funds in the amount of \$15,000,000 and modifying the loan commitment of the DWSRF to \$35,000,000 to the Las Vegas Valley Water District. The loan will be for a term not to exceed 20 years and at an annual interest rate of 62.5% of the appropriate Bond Buyer's Index. The Division and the Las Vegas Valley Water District will negotiate the terms and conditions of a loan agreement.

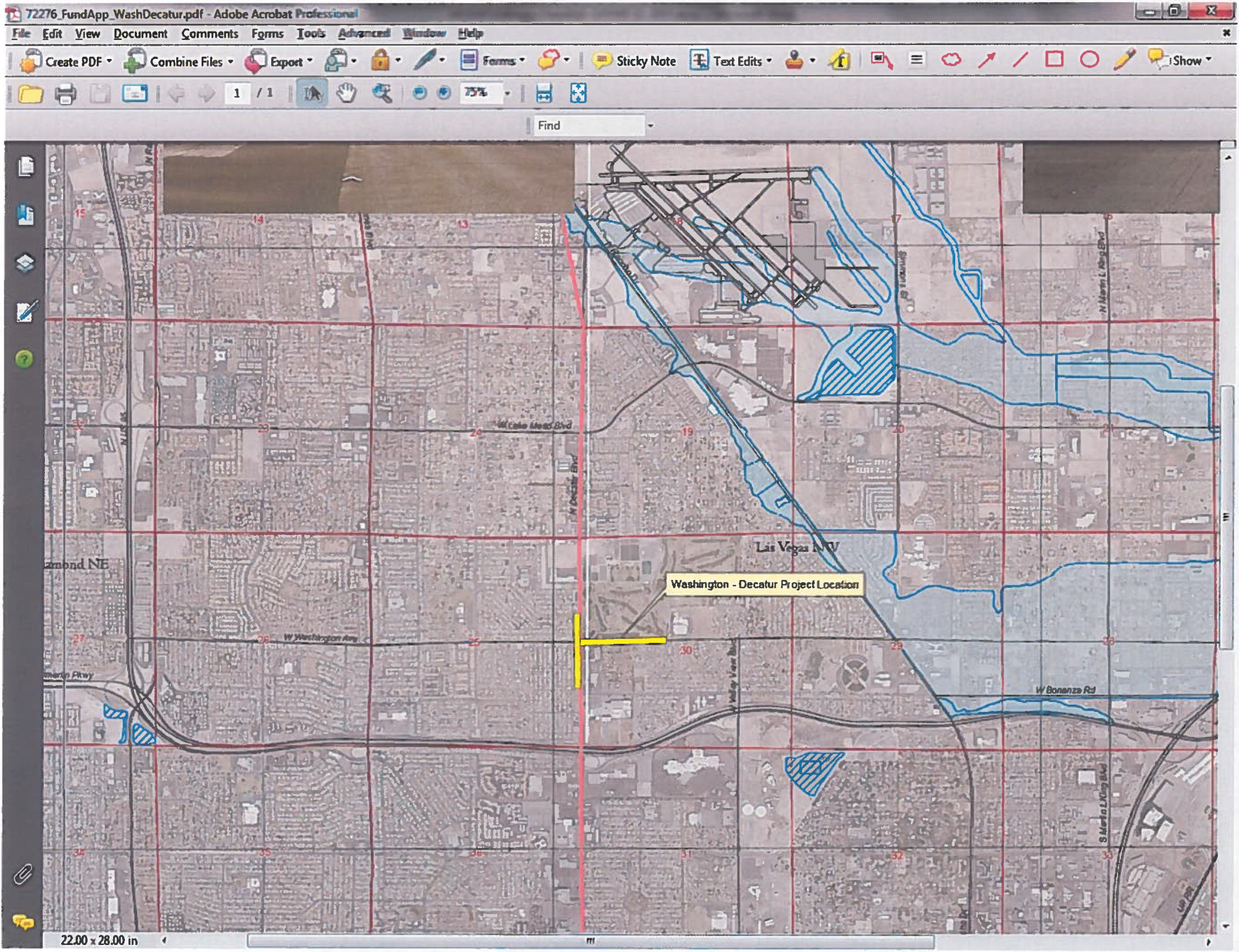


RESERVOIR IMPROVEMENTS



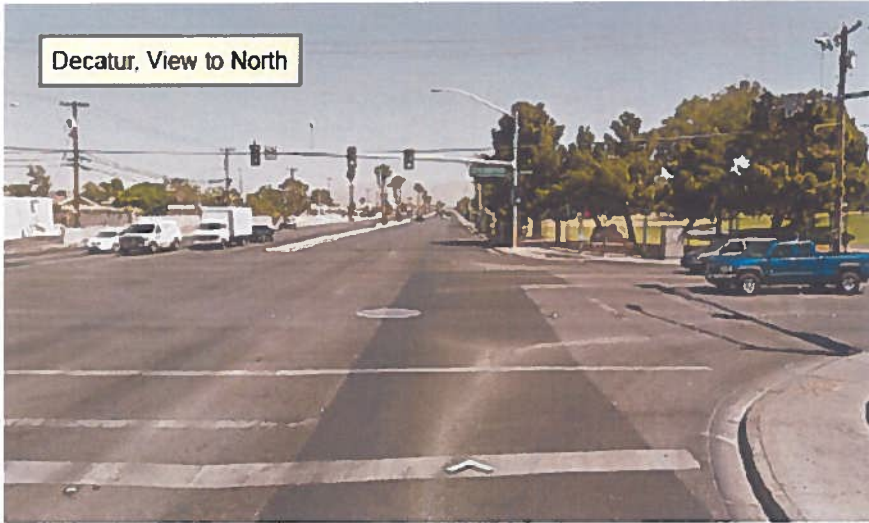
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WELL WASTE LINE MODIFICATIONS



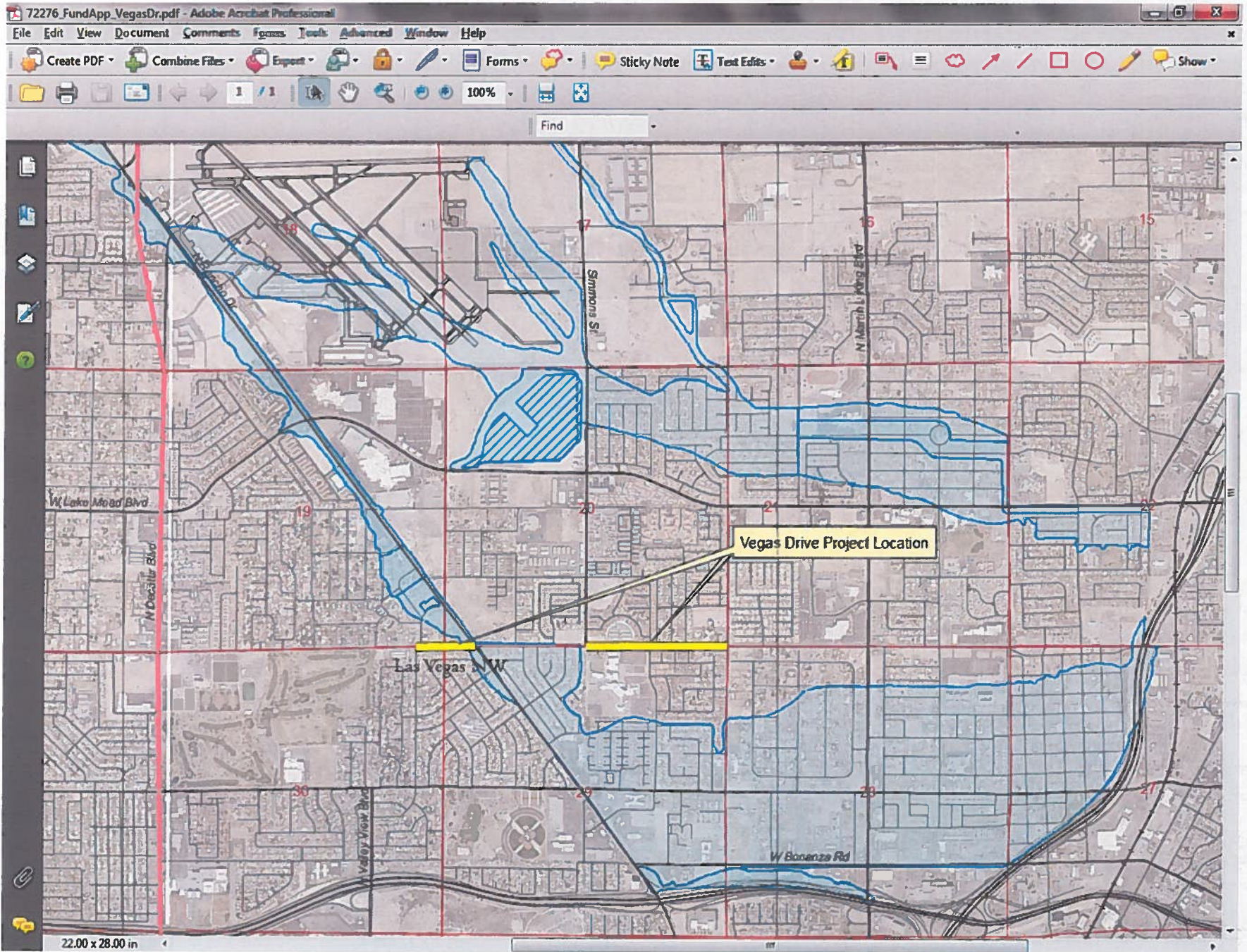
N. DECATUR BLVD - AC PIPELINE REPLACEMENT

Decatur, View to North



Decatur, View to South

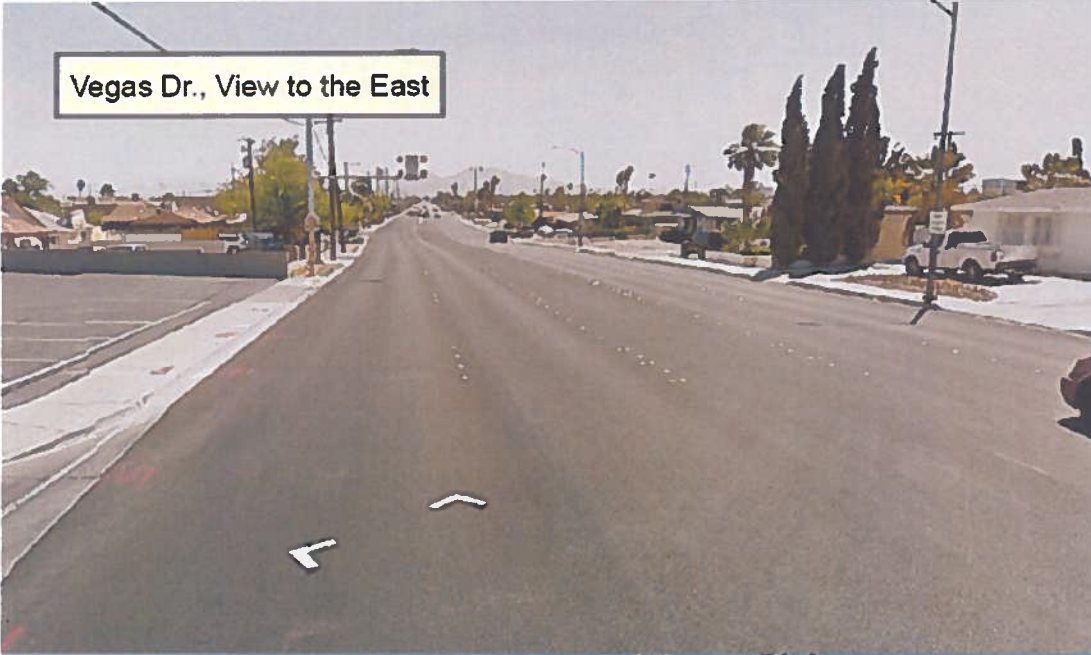




VEGAS DRIVE - AC PIPELINE REPLACEMENT

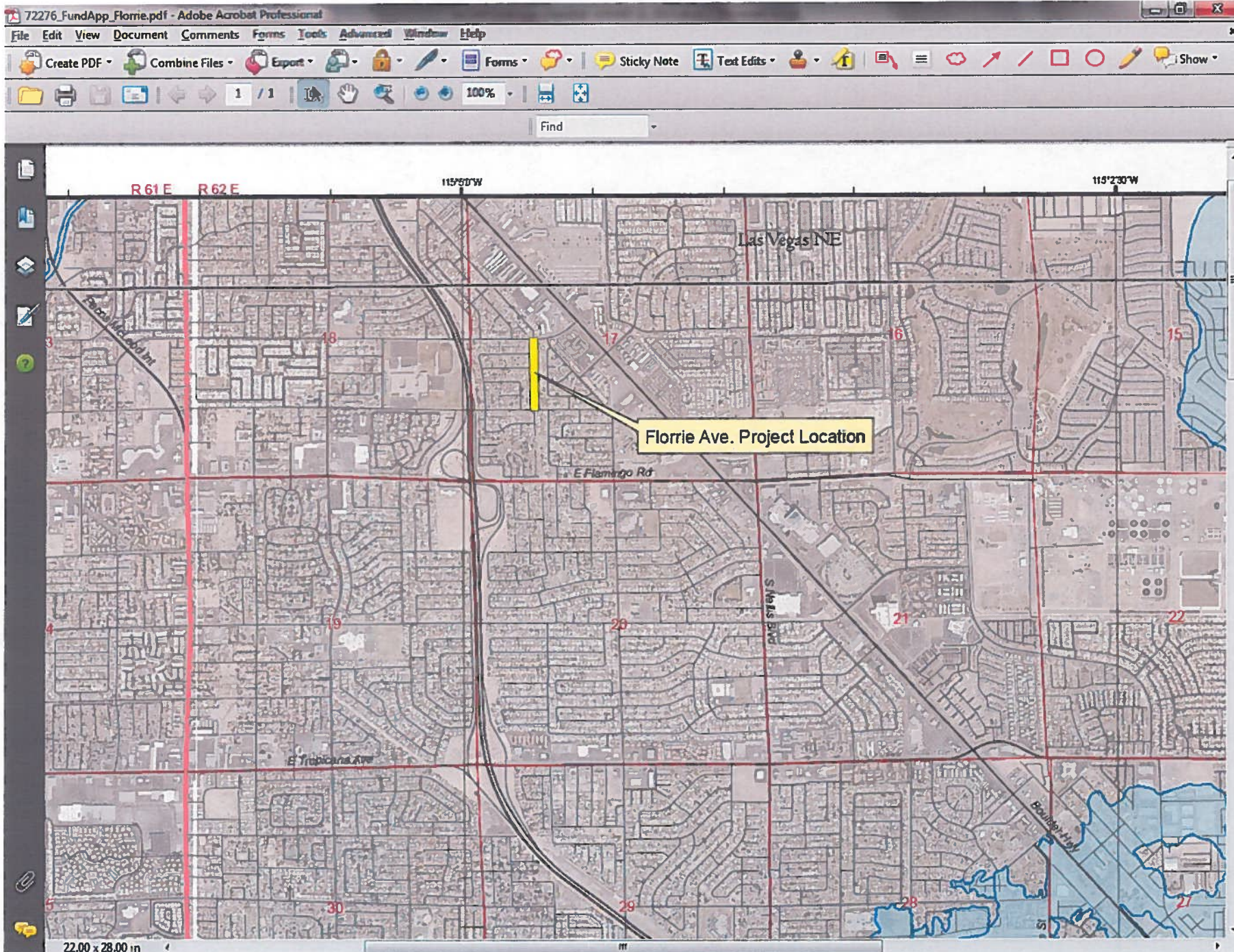
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Vegas Dr., View to the East



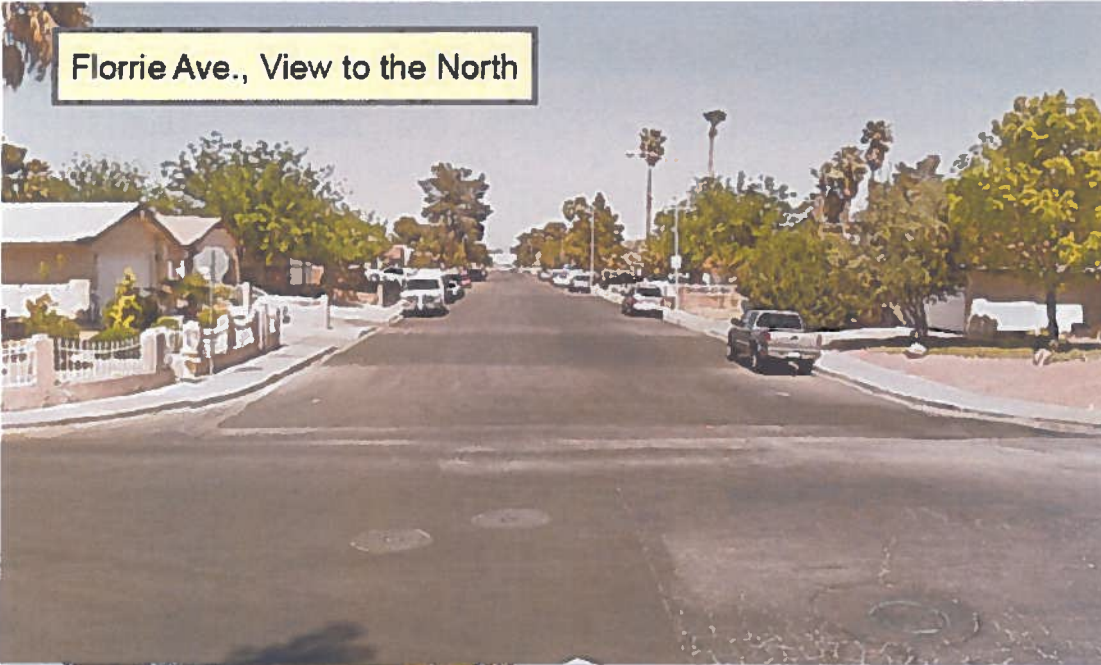
Vegas Ave., View to the West





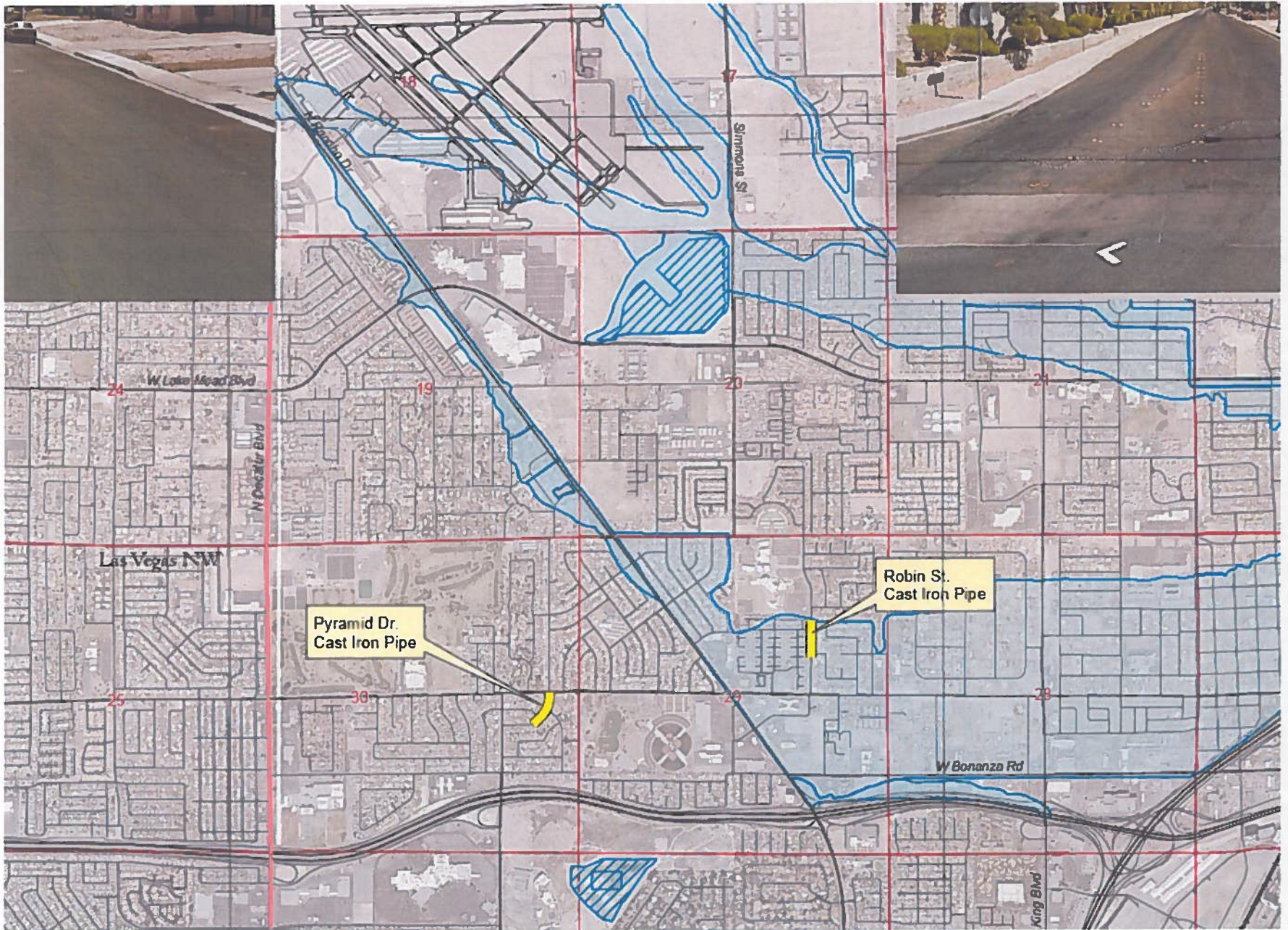
FLORRIE AVE - AC PIPELINE REPLACEMENT

Florrie Ave., View to the North



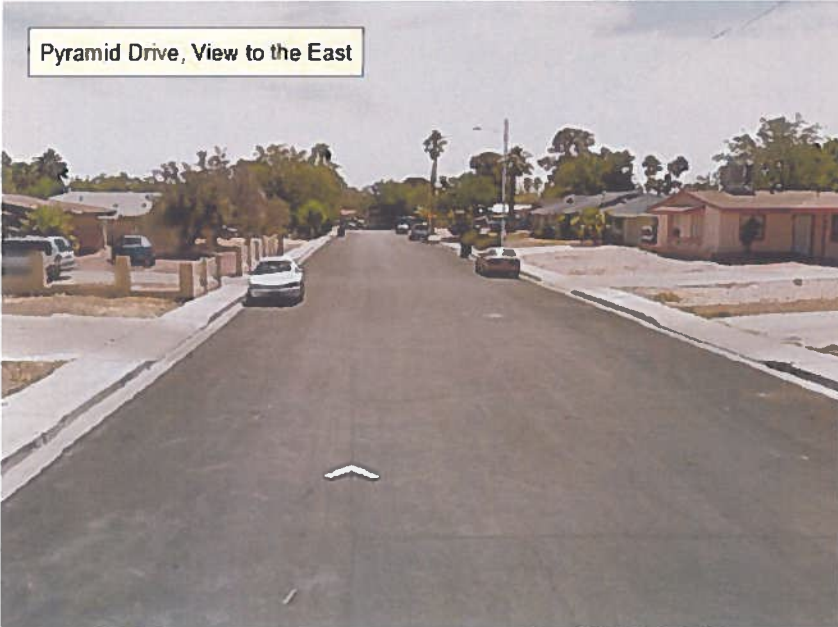
Florrie Ave., View to the South



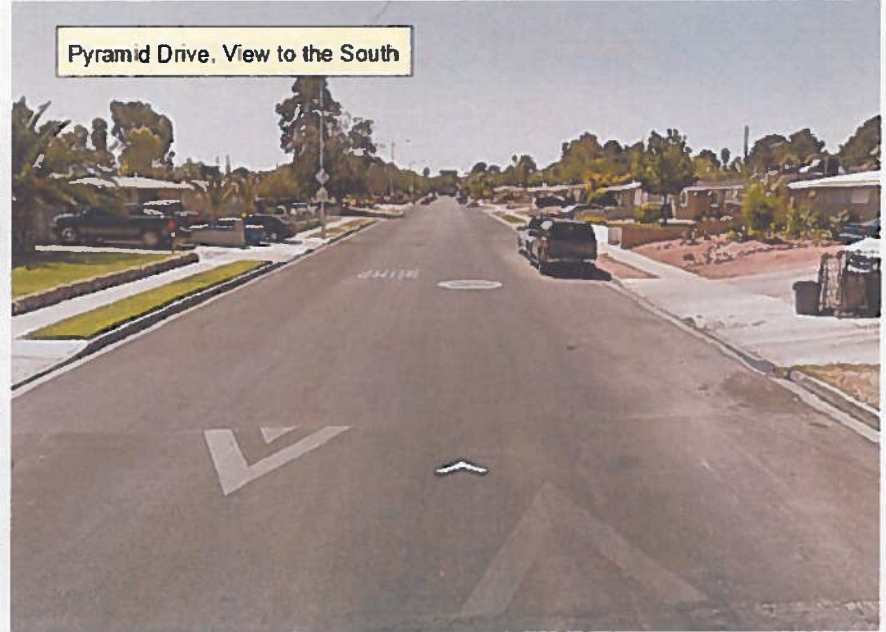


PYRAMID DR. & ROBIN ST - CAST IRON PIPELINE REPLACEMENT

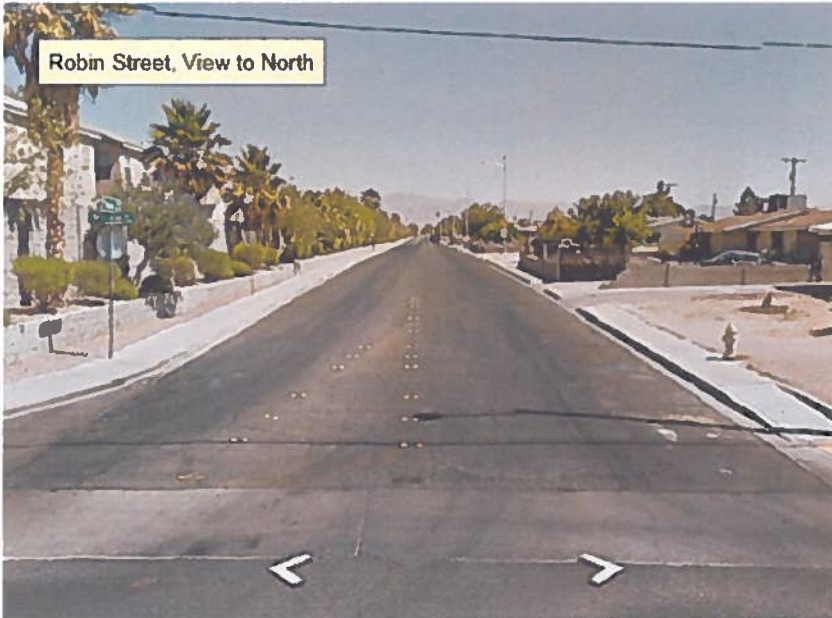
Pyramid Drive, View to the East



Pyramid Drive, View to the South



Robin Street, View to North



Robin Street, View to the South



RESOLUTION

A RESOLUTION DESIGNATED THE "12-2015 LAS VEGAS VALLEY WATER DISTRICT PROJECT LOAN COMMITMENT RESOLUTION" TO APPROVE A LOAN COMMITMENT FOR THE PURPOSE OF FINANCING CERTAIN PROJECTS.

WHEREAS, the Board for Financing Water Projects (the "Board") of the State of Nevada (the "State") is authorized by Nevada Revised Statutes ("NRS") Chapter 445A.265 to approve the Division of Environmental Protection ("Division") prioritized lists of water projects and to approve the commitment of funds from the account for the revolving fund for loans to community water systems and non-transient water systems for costs of capital improvements required and made necessary pursuant to NRS 445A.800 to 445A.955, inclusive, by the Safe Drinking Water Act (42 U.S.C. §§ 300f *et seq.*) and by the regulations adopted pursuant thereto; and

WHEREAS, the Division has the responsibility of administering the Drinking Water State Revolving Fund program; and

WHEREAS, on April 28, 2015 the Board, pursuant to NRS 445A.265, approved the 2016 Priority List of water projects eligible for loans from the account for the revolving fund under the Drinking Water State Revolving Fund; and

WHEREAS, the Las Vegas Valley Water District owns and operates a public water system in Las Vegas, Nevada; and

WHEREAS, the Las Vegas Valley Water District submitted a pre-application to the Division for funding a project to make improvements to the water system, which is hereinafter referred to as the "Project"; and

WHEREAS, the Project is included on the Year 2016 Priority List of water projects, which was approved by the Board on April 28, 2015; and

WHEREAS, the Las Vegas Valley Water District project is ready to proceed; and

WHEREAS, in connection with seeking a loan, the Las Vegas Valley Water District has submitted a written application (“Application”) pursuant to NAC 445A.67613 to the Division; and

WHEREAS, the Division has reviewed the Application including supporting material thereof, and has determined that the Las Vegas Valley Water District has the technical, managerial, and financial capability to manage and repay a loan for the Project; and

WHEREAS, the Division has taken all necessary and proper actions with respect to the Application as required pursuant to the regulations adopted by the State Environmental Commission (NAC 445A.6751 to 445A.67644, inclusive) pertaining to loan applications; and

WHEREAS, on September 9, 2014, in the 9-2014 Las Vegas Valley Water District Project Loan Commitment Resolution, the Board approved a commitment of funds in the amount not to exceed \$20,000,000 from the account for the revolving fund in accordance with NRS 445A.265; and

WHEREAS, the Board must give prior approval before the Division may commit any money in the account for the revolving fund for expenditure for the purposes set forth in NRS 445A.275;

NOW, THEREFORE, BE IT RESOLVED, BY THE BOARD FOR FINANCING WATER PROJECTS OF THE STATE OF NEVADA:

Section 1. This Resolution shall be known as the “12-2015 Las Vegas Valley Water District Project Loan Commitment Resolution.”

Section 2. The terms and conditions for providing a loan to the Las Vegas Valley Water District shall be negotiated between the Las Vegas Valley Water District and the Division.

Section 3. Based on the review of the Application by the Division and based on the recommendation submitted by the Division to the Board concerning the Project, and subject to the

provisions of Section 2 and 4 of this Resolution, the Board hereby approves a commitment of additional funds in the amount not to exceed \$15,000,000 from the account for the revolving fund in accordance with NRS 445A.265.

Section 4. The Board further recommends that the Division take all other necessary and appropriate actions to effectuate the provisions of this Resolution in accordance with NRS 445A.200 to 445A.295, inclusive, and the Regulations adopted pursuant thereto.

Section 5. This resolution shall be effective on its passage and approval.

PASSED, ADOPTED AND SIGNED December 2, 2015

Chairman
Board for Financing Water Projects

Attest:

Advisor
Board for Financing Water Projects

ATTACHMENT 2

Topaz Ranch Estates General Improvement District

**Topaz Ranch Estates General Improvement District
Loan Commitment from Drinking Water State Revolving Fund**

**Board for Financing Water Projects Summary
Drinking Water State Revolving Fund
December 2015**

Applicant: Topaz Ranch Estates General Improvement District
Project: Refinancing debt originally issued by Topaz Ranch Estates GID
SRF Loan Amount: Not to exceed \$412,000

GENERAL

The 1996 Amendments to the Safe Drinking Water Act (SDWA) authorized the Drinking Water State Revolving Fund (DWSRF). The DWSRF is a national program to assist public water systems in financing or refinancing the cost of drinking water infrastructure projects needed to achieve or maintain compliance with the SDWA requirements and to further the public health objectives of the Act. The SDWA authorizes the US Environmental Protection Agency (EPA) to award capitalization grants to States that have established DWSRF programs. The Nevada Legislature passed legislation which authorizes the Nevada Division of Environmental Protection (Division) to administer the DWSRF under the Nevada Revised Statutes (NRS) 445A.200 to 445A.295, inclusive. In addition to the authorizing statute, Nevada has adopted Nevada Administrative Code (NAC) 445A.6751 to 445A.67644, inclusive, which describes the program requirements. Federal regulations for implementation of the DWSRF are found in 40 CFR Part 35. In addition to state and federal regulations, the conditions of the grant award, Operating Agreement with EPA and an assortment of policy directives and guidance from EPA govern the DWSRF program.

NAC 445a.67564 specifically authorizes the DWSRF Program to refinance debt that was issued to design, build, or construct a project that would have been approved under the SDWA.

One of the requirements of the NRS pertaining to the DWSRF is that the Division shall not "commit any money in the account for the revolving fund for expenditure...without obtaining the prior approval of the board for financing water projects" (NRS 445A.265, subsection 3).

BACKGROUND

Topaz Ranch Estates General Improvement District (TREGID) is seeking funds from the Drinking Water SRF program to refinance their 2000 Revenue Supported Water Bond to the United States Department of Agriculture-Rural Development Office (USDA-RD). The GID has negotiated a new loan with the USDA-RD office for a water line replacement project. Selecting the USDA loan for the new \$3.8 million project will allow TREGID to take advantage of \$2.9 million in grant funds. The DWSRF is partnering with USDA-RD by refinancing this older loan, making the new project more affordable for the GID.

The 2016 Priority List placed TREGID at number 83 under Class IV Refinance. On October 29, 2015 a bypass notice was issued to projects that were ranked higher on the list. The district would like to close this refunding in March 2016, and therefore are ready to proceed before other projects on the list. No objections to this bypass notice were received.

PROJECT

The original project was for replacement of a water storage tank; upgrading the distribution system including upgrading size of pipe, line looping, and replacement of parts of the existing water transmission line; and the development of a new production well. The projects were originally funded with a loan from USDA-RD. Expected life of the assets in the original project will meet or exceed the proposed refinancing agreement based upon EPA publication 816-R-03-016 dated September 2003.

ENVIRONMENTAL REVIEW

As part of the process of obtaining a loan from USDA-RD, TREGID was required to follow the necessary federal cross-cutters in force at the time of the project, including an Environmental Review in accordance with the National Environmental Policy Act (NEPA). A letter has been obtained from USDA-RD confirming the project was reviewed and considered a Class 1 Assessment. Public notice was also given. The NACs allow NDEP to utilize an environmental review conducted by another agency as long as the review complies with NDEP's environmental requirements. NDEP's regulations follow the NEPA requirements; therefore, NDEP accepts the findings of the USDA-RD.

TECHNICAL, MANAGERIAL AND FINANCIAL CAPACITY

The water quality currently meets the all drinking water standards and is in compliance with requirements of the Safe Drinking Water Act. Monitoring requirements have been met. The TREGID employs certified operators who have the knowledge and ability to operate and manage the system. The TREGID has the ability to conduct its administrative affairs in a manner that ensures compliance with all applicable standards and utilizes generally accepted accounting principles.

FINANCIAL EVALUATION

The bond proposed for refinancing was originally a revenue supported obligation issued in January 2000 to mature in December 2040 at an interest rate of 4.75%. The proposed loan would be a general obligation of the district, maturing in FY2036. A recent analysis showed a net present value savings of 20.410% at a current SRF interest rate of 2.3%. The District will be able to save approximately \$83,865 over the life of the loan by refinancing.

Based upon the financial information provided, TREGID is capable of meeting its short-term and long-term financial needs. The District maintains its accounting records in accordance with generally accepted accounting principles for local governments and conducts its financial activities in a manner that demonstrates sustainability in their program.

RECOMMENDATION

The Division recommends that the Board for Financing Water Projects approve a resolution committing funds in the amount not to exceed \$412,000 for the purposes of refinancing TREGID's 2000 Revenue Water Bond. The Division and TREGID will negotiate the terms and conditions of a loan agreement.

RESOLUTION

A RESOLUTION DESIGNATED THE "12-2015 THE TOPAZ RANCH ESTATES GENERAL IMPROVEMENT DISTRICT REFINANCING LOAN COMMITMENT RESOLUTION" TO APPROVE A LOAN COMMITMENT FOR THE PURPOSE OF REFINANCING EXISTING DEBT.

WHEREAS, the Board for Financing Water Projects (the "Board") of the State of Nevada (the "State") is authorized by Nevada Revised Statutes ("NRS") Chapter 445A.265 to approve for the Division of Environmental Protection ("Division") prioritized lists of water projects and to approve the commitment of funds from the account for the revolving fund for loans to community water systems and non-transient water systems for costs of capital improvements and refinancing debt required and made necessary pursuant to NRS 445A.800 to 445A.955, inclusive, by the Safe Drinking Water Act (42 U.S.C. §§ 300f *et seq.*) and by the regulations adopted pursuant thereto; and

WHEREAS, the Division has the responsibility of administering the Drinking Water State Revolving Fund program; and

WHEREAS, on April 28, 2015, the Board, pursuant to NRS 445A.265, approved the Year 2016 Priority List of water projects eligible for loans from the account for the revolving fund under the Drinking Water State Revolving Fund; and

WHEREAS, the Topaz Ranch Estates General Improvement District owns and operates a public water system located in and around Douglas County, Nevada near Wellington, Nevada; and

WHEREAS, the Division ranked the Project as #83 on the Year 2016 Priority List of water projects, which was approved by the Board on April 28, 2015; and

WHEREAS, the Topaz Ranch Estates General Improvement District Loan is one of those loans which funded a project that qualifies under the Safe Drinking Water Act and to which a loan could have been offered when the Project was originally performed; and

WHEREAS, the Division has determined that the Topaz Ranch Estates General Improvement District has the technical, managerial and financial capability to manage and repay a loan for the refinanced Bond; and

WHEREAS, the Division has taken all necessary and proper actions with respect to the Application as required pursuant to the regulations adopted by the State Environmental Commission (NAC 445A.6751 to 445A.67644, inclusive) pertaining to loan applications; and

WHEREAS, the Board must give prior approval before the Division may commit any money in the account for the revolving fund for expenditure for the purposes set forth in NRS 445A.275;

NOW, THEREFORE, BE IT RESOLVED, BY THE BOARD FOR FINANCING WATER PROJECTS OF THE STATE OF NEVADA:

Section 1. This Resolution shall be known as the “12-2015 The Topaz Ranch Estates General Improvement District Refinancing Loan Commitment Resolution.”

Section 2. The terms and conditions for providing loans to the Applicant shall be negotiated by the Topaz Ranch Estates General Improvement District with the Division.

Section 3. Based on the review of the Application by the Division and based on the recommendation submitted by the Division to the Board concerning the Refinancing, and subject to the provisions of Section 2 of this Resolution, the Board hereby approves a commitment of funds in the amount not to exceed \$412,000 from the account for the revolving fund for a new loan to refinance existing debt of Topaz Ranch Estates General Improvement District in accordance with NRS 445A.265.

Section 4. The Board further recommends that the Division take all other necessary and appropriate actions to effectuate the provisions of this Resolution in accordance with NRS 445A.200 to 445A.295, inclusive, and the Regulations adopted pursuant thereto.

Section 5. This resolution shall be effective on its passage and approval.

PASSED, ADOPTED AND SIGNED DECEMBER 2, 2015

Chairman
Board for Financing Water Projects

Attest:

Advisor
Board for Financing Water Projects