

Meeting Minutes
BOARD FOR FINANCING WATER PROJECTS
January 24, 2024
9:30 am.

Tahoe Hearing Room
 901 South Stewart Street, 2nd floor
 Carson City, NV 89701

Held virtually using Microsoft Teams:
 Meeting ID: 280 603 643 072

Members present:

Bruce Scott, Chair
 Andrew Belanger, Vice Chair
 Mike Workman
 Abigail Yacoben
 Andrea Seifert, ex-officio member

Legal counsel present:

Katie Armstrong, Deputy Attorney General

NDEP staff present:

Jason Cooper
 Elizabeth Kingsland
 Benjamin Miller
 Matt Livingston
 Sheryl Fontaine
 Krista Butler
 Kyle Casci

Public present:

James Evans, Pershing County
 Shayla Hudson, Pershing County
 Honey Coughlin, Storey County
 Dave Mendiola, Humboldt County
 Don Kalkoske, Humboldt County
 Joe Westerlund, Town of Tonopah
 Kirk Swanson, DOWL Engineering
 Marty Ugalde, Day Engineering
 Cody Black, Shaw Engineering
 Bronwyn Schofield, Golconda GID
 Michelle Hammond, Humboldt County
 Matt Van Dyne, DOWL Engineering
 Marissa Black-Pennington, Utility Services
 Susan Dudley, Town of Tonopah
 Marianne Denton, RCAC
 Kathy Flanagan, Las Vegas Valley Water District
 Elise Reynoso, Town of Tonopah
 Amina Anderson, Beatty Water & Sanitation District

1) Board for Financing Water Projects regular meeting

1) Call to order

Chair Bruce Scott opened the meeting and invited introductions from board members and those present in person and on the phone.

2) Introduction/establish quorum

Chair Scott established a quorum as all board members were present.

3) Public comment

There were no public comments.

4) Approval of minutes from the October 18, 2023 regular meeting

Vice Chair Andrew Belanger motioned to approve the minutes. The motion was seconded by Board Member Mike Workman. The motion carried unanimously.

5) Funding and updates for the Drinking Water State Revolving Fund (DWSRF) [See staff report, Exhibit 5](#)

Jason Cooper, with the Nevada Division of Environmental Protection (NDEP), gave an update on the Drinking Water State Revolving Fund (DWSRF). As of January 4, 2024, there was \$111,169,088 in the bank, with \$27,954,566 committed funds not yet disbursed. Mr. Cooper indicated staff was presenting commitments to the board totaling \$4,549,000. After today's meeting, there will be zero funds available for principal forgiveness funding. Over the next three years, the lowest cash balance would be \$108,336,625. The Emerging Contaminants Grant has \$5,867,860 funds available to obligate for principal forgiveness. The Lead Service Line Grant has \$28,650,000 in funds available to obligate for principal forgiveness. The SRF program is looking at changing the debt management policy with the following proposed updates: discount rate for equivalency projects, add in interest rate structure for different terms, temper security requirements for revenue-only bonds, correct fund code names and federal citations, amendments to align with changes to Assembly Bill 20, and authority by State Treasurer to negotiate terms when NDEP accumulates excess funds that conflict with federal requirements.

6) Funding update for the Capital Improvements Grant Program [See staff report, Exhibit 6](#)

Mr. Cooper stated as of January 9, 2024, there was \$7,556,518.99 in the bank, with \$18,921.32 reserved for administration, and \$7,318,747.78 committed to projects not yet disbursed. There are \$405,014.27 funds available to commit to a project.

7) Approval of the Nevada Drinking Water Priority List- Effective January 2024 [See staff report, Exhibit 7](#)

Mr. Cooper presented the January 2024 Drinking Water State Revolving Fund (DWSRF) Project Priority List was reopened to add 20 projects to the priority list.

Vice Chair Belanger motioned to approve Resolution D07-0124 Nevada Drinking Water State Revolving Fund Priority List-Effective January 2024. The motion was seconded by Board Member Workman. The motion carried unanimously.

8) Adoption of Consent Items: Funding for Preliminary Engineering Reports and Environmental Reviews

a. **Shoshone Estates** – [See staff report, Exhibit 8A](#)

b. **Town of Tonopah**– [See staff report, Exhibit 8B](#)

These two projects requested funding for a Preliminary Engineering Report (PER) and an Environmental Report (ER).

Mr. Cooper explained Shoshones Estates water user rates were found to not be sufficient to sustain the water system. Therefore, a condition was placed in the staff report that they would develop a sufficient water rate to maintain the system and its current needs before the final draw of the loan.

Board Member Workman motioned to approve consent items 8a and 8b to fund a PER and ER in the amounts specified. The motion was seconded by Vice Chair Belanger. The motion carried unanimously.

9) Increased funding to board-approved principal forgiveness loan

Beatty Water and Sanitation District [See staff report, Exhibit 9](#)

Elizabeth Kingsland, with NDEP, recommended the board approve a \$481,000 loan commitment increase to the Beatty Water and Sanitation District, bringing the total loan commitment to \$1,531,000. The money is for relining three system tanks and the booster tank replacement. Additional funds are needed because contractor bids exceeded the original estimate prepared by the project engineer.

Board Member Workman motioned to approve Resolution D9A-0124 Beatty Water and Sanitation Project Loan Commitment. The motion was seconded by Vice Chair Belanger. The motion carried unanimously.

Project list for consideration

10) Humboldt County [See staff report, Exhibit 10](#)

Ms. Kingsland recommended the board approve a \$248,000 loan commitment to Humboldt County to fund a Preliminary Engineering Report (PER) amendment, an environmental assessment, and the construction of an intertie between the Gold Country Water System and the Star City Water System. The estimated project cost is \$248,000 of which all will be a principal forgiveness loan from the DWSRF.

Board Member Workman asked if the water rates were sufficient to maintain the system. Mr. Cooper confirmed the water rates were sufficient.

Vice Chair Belanger motioned to approve the resolution D010-0124 Humboldt County Project Loan Commitment. The motion was seconded by Board Member Workman. The motion carried unanimously.

11) Storey County [See staff report, Exhibit 11](#)

Ms. Kingsland recommended the board approve a \$1,150,000 loan commitment to Storey County. The money will be used for the preparation of a PER and ER, design and engineering for the Lead Siphon Transmission Replacement Project. The estimated project cost is \$1,325,000 of which \$1,150,000 will be a principal forgiveness loan from the DWSRF, \$125,000 from the Community Block Grant, and \$50,000 from Storey County.

Chair Scott commented it is nice to be part of this project's process to bring Storey County's water to a good standard.

Andrea Seifert, Chief, Bureau of Safe Drinking Water, recommended using this project as an opportunity to determine if the lead joints are in contact with the drinking water and are contributing to the levels of lead coming out of the treatment plant.

Board Member Abigail Yacoben inquired if any consideration has been given to the possible population expansion in Storey County due to the Tahoe Reno Industrial Center. Honey Coughlin, with Storey County, said the population expansion in the American Flat area is under consideration but not the Tahoe Reno Industrial Center.

Board Member Yacoben asked if the water system's pipes were large enough to provide service to that area. Matt Van Dyne, with DOWL Engineering, stated the system does not meet capacity for future expansion, but sizing the system accordingly for future expansion will be evaluated.

Board Member Workman motioned to approve the resolution D11-0124 Storey County Project Loan Commitment. The motion was seconded by Vice Chair Belanger. The motion carried unanimously.

12) Baker Water & Sewer General Improvement District [See staff report, Exhibit 12](#)

Ms. Kingsland recommended the board approve a \$160,000 loan commitment to Baker Water and Sewer General Improvement District. The money will be used for planning, design, and environmental services engineering for the Baker Infrastructure Project. The estimated project cost is \$160,000 of which all will be a DWSRF principal forgiveness loan.

Chair Scott asked for an update on the previous board-approved Baker projects. Ms. Kingsland stated the saddle tap replacement project was delayed until Spring 2024. The Lehman Creek subdivision project is in the planning and design phase.

Vice Chair Belanger motioned to approve Resolution D12-0124 Baker Water & Sewer General Improvement District Project Loan Commitment. The motion was seconded by Board Member Workman. The motion carried unanimously.

13) Golconda General Improvement District [See staff report, Exhibit 13](#)

Ms. Kingsland recommended the board approve a \$825,000 loan commitment to the Golconda General Improvement District. The money will fund distribution system rehabilitation. The estimated project cost is \$825,000 of which all will be a DWSRF principal forgiveness loan.

Board Member Workman motioned to approve the resolution D13-0124 Golconda General Improvement District Project Loan Commitment. The motion was seconded by Vice Chair Belanger. The motion carried unanimously.

14) Pershing County [See staff report, Exhibit 14](#)

Ms. Kingsland recommended the board approve a \$1,500,000 loan commitment to Pershing County. The money will fund the rehabilitation of an existing water tank, water meter valves, hydrants, Supervisory Control and Data Acquisition (SCADA) computer system, individual flow meters and totalizers, a pump to waste line with well pump control valve, and any other related minor repair needs identified during the project. The estimated project cost is \$1,500,000 of which all will be a DWSRF principal forgiveness loan.

Board Member Workman asked if the floor of the water tank was being removed or recoated. Kirk Swanson, with DOWL Engineering, said damaged floor parts will be replaced.

Vice Chair Belanger motioned to approve the resolution D14-0124 Pershing County Project Loan Commitment. The motion was seconded by Board Member Workman. The motion carried unanimously.

15) Board comments

There were no board comments.

16) Public comment

Mr. Cooper stated the next board meeting will be May 15, 2024.

17) Adjourn the Board for Financing Water Projects meeting

The board meeting adjourned at 11:25 am.

2) ATTACHMENTS

**Board for Financing Water Projects
Drinking Water State Revolving Fund
January 2024**

Drinking Water Program Funding Updates as of January 4, 2024

Cash in fund		\$111,169,088
Less debt service reserves	(6,015,788)	
Add undrawn grant balance	63,424,030.00	
Available for projects		\$168,577,330
Committed funds not yet disbursed	27,954,566	
Add commitments for Board consideration	4,068,000	
Add commitments for project cost increases	481,000	
Total committed funds after Board Approval	32,503,566	
Add projects in discussion with OFA	33,899,772	
Total committed and potential project loans	66,403,338	
Lowest cash flow balance in three (3) years	\$108,336,625	

Drinking Water Cash Flow Projections¹

	Jul 01, 2023		
	Year 1	Year 2	Year 3
Cash balance forward	\$104,515,005	\$168,176,472	\$196,651,441
Receipts from grants awarded	53,483,300	21,696,300	24,045,700
Transfer to the CWSRF program ²	0	0	0
Receipts from bonds issued	6,000,986	0	5,000,000
Receipts from treasurer's interest ³	3,462,027	3,655,765	4,295,904
Receipts from loan principal	14,511,133	14,983,271	13,366,203
Receipts from loan interest	3,778,090	3,400,880	3,050,031
Payments for debt service on bonds	(4,276,900)	(3,592,488)	(2,423,300)
Payments for loan recipients ³	(13,243,674)	(10,105,846)	(11,534,717)
Change in debt service reserves	(53,495)	(1,562,913)	0
Cash balance forward	\$168,176,472	\$196,651,441	\$232,451,262

²Transfer to CWSRF is dependent upon budget approval and EPA consent

³Estimated at 2% A.P.R. on undisbursed cash in the fund. Subject to change.

¹ Estimate only for planning purposes. All numbers are subject to change.

Drinking Water Grant Conditions

Current funds to obligate for principal forgiveness loans from the Base Program	\$8,200,772
Pending Grants	\$0
Less projects for board consideration	4,549,000
Remaining funds to obligate for principal forgiveness loans	3,651,772
Projects in discussion with NDEP	3,651,772
Total Principal Forgiveness Funds for future commitments (estimated)	\$0

Current emerging contaminants funds to obligate for principal forgiveness loans	\$8,758,000
Pending Grants	-\$2,890,140
Less projects for board consideration	0
Remaining funds to obligate for principal forgiveness loans	5,867,860
Projects in discussion with NDEP	0
Total Principal Forgiveness Funds for future commitments (estimated)	\$5,867,860

Current Lead Service Line funds to obligate	\$28,650,000
Pending Grants	\$0
Less projects for board consideration	0
Remaining funds to obligate	28,650,000
Projects in discussion with NDEP	0
Total Principal Forgiveness Funds for future commitments (estimated)	\$28,650,000
NOTE: Funding is awarded as 49% principal Forgiveness /51% Loan at 0% interest	

Program Updates

Drinking Water Project funding increases

Additional Commitments for project cost increases (per Board resolution D9-0622 signed June 29, 2022)			
System Need	Original Amount	Amended Amount	Increase
DW2201 Silver Knolls Mutual Water Company Arsenic mitigation	\$ 520,360.00	\$ 656,360.00	\$136,000 or +26.1%



Proposed changes to the Board of Finance Debt Management Policy

NDEP proposes changes to the Board of Finance Debt Management Policy to continue to incentivize the SRF programs for those borrowers that can afford to take advantage of below market interest loans, and to provide other needed general updates. The terms and conditions required when the SRF Programs award a publicly issued loan (and the Treasurer purchases the associated bond) were initially put in place to safeguard the public funds being loaned to municipal borrowers and have been sufficient for many years. However, due to congressional changes to the programs, as well as an increase in grant funding (due to IIJA), they are no longer supportive. Changes include:

- Changes to the discount rate for equivalency projects
- Changes to the interest rate structure for 20, 30, and 40-year term bonds (tax-exempt and taxable bonds).
- Tempering revenue only security requirements to accommodate, attract, and provide flexibility to fiscally sustainable utilities.
- Updates to align with changes due to Assembly Bill 20 (82nd Session).
- Corrections for correct fund code names and federal citations.
- Addition of the authority for the State Treasurer to negotiate any of the terms in the policy should NDEP accumulate an excess amount of funds that conflicts with federal requirements for timely use of funds. The changes would need to be listed in the program's Intended Use Plan, which goes out for a 30-day public comment period.

Proposed Special Incentive Interest Rate for the DWSRF due to an excess amount of funds

NDEP is proposing a limited-time, special incentive interest rate to eligible DWSRF borrowers to help the program move idle cash in a short period of time. This proposal has been evaluated by our program financial advisors, Hilltop Securities, LLC. These proposed terms are meant to reduce the idle cash in the DWSRF account by issuing repayable loans that are in line with federal requirements, while not putting our program at financial risk. This will demonstrate to EPA Nevada's continued need for federal grant money, which primarily benefits our small and disadvantaged communities. Some of the proposed terms currently under negotiation with the State Treasurer's Office are as follows:

- Public entities seeking a traditional loan, with terms up to 30-years or the life of the assets, whichever is shorter, may receive a special, limited-time interest rate of 1.00%.
- The special interest rate would be available on a first-come, first-served basis to the entity (or entities) that have a governing board resolution committing to use the DWSRF program for a project that has been approved by the Board for Financing Water Projects for funding before June 30, 2025.
- The special interest rate would only be available on the first \$100 million from the DWSRF fund.
- Special interest rate loans would be subject to loan origination fees and service fees as authorized by regulations.
- Special interest rate loans would be subject to all federal and state equivalency requirements.

DWSRF Position on June 30, 2023

- **Cash balances in the Drinking Water State Revolving Fund as of June 30, 2023, are as follows:**

Reloan Principal:	\$75,898,505.41	
Match Bond Proceeds:	\$1,541,662.25	
Subtotal for Loans:		\$77,440,167.66
Reloan Interest:	\$6,445,682.08	
Treasurer's Interest earnings:	\$8,860,004.22	
Subtotal for Debt Service:		\$15,305,686.30
Federal grants for loan (un-drawn):	\$17,729,251.60	
Total Cash in Program:	\$110,475,105.56	
Total Cash in State:		\$92,745,853.96

- **The DWSRF program no longer authorizes the restructuring or early payoff of outstanding loans unless the entity is taking out a new DWSRF loan.**

Total DWSRF Outstanding Principal:	\$165,381,278.63
Total DWSRF Outstanding Interest:	\$25,838,620.96
Total DWSRF Repayments Due:	\$191,219,899.59

Total Repayments Due in the next 5 years:	\$82,693,101.43 43.2% of total outstanding
Maturity Date of last loan:	January 1, 2042 18.5 years
Total Loans outstanding:	54
Weighted Average Interest Rate:	1.7625%

- **Traditional loans (excludes principal forgiveness loans) awarded in the last five fiscal years:**

Date	Entity	Contract	Amount	Project
SFY21 5/20/2021	Douglas County	DW2110	\$16,250,000	Water Conservation in Cave Rock & Skyland area
SFY20 08/15/2019	West Wendover, City of	DW1908	\$2,200,000	Refinance USDA Debt
SFY19 02/05/19	Riverbelle MHP	DW1904	\$343,563.00	Consolidation with Truckee Meadows Water Authority
Total Funds:			\$18,793,563	

DWSRF future projections

- Funds available for bond debt service³:

June 30,	Beginning Retained Earnings	Earnings and Loan Interest Payment	State Match Debt Service	Coverage
2024	\$15,305,686.52	\$5,550,385.52	\$4,339,400.00	4.81
2025	16,516,672.04	5,693,914.25	4,794,362.50	4.63
2026	17,416,223.79	5,455,477.83	4,167,258.33	5.49
2027	18,704,443.28	5,025,666.61	4,668,158.33	5.08
2028	19,061,951.56	4,567,597.11	4,571,975.00	5.17
2029	19,057,573.67	4,421,603.20	4,265,650.00	5.50
2030	19,213,526.87	4,489,714.61	4,169,000.00	5.69
2031	19,534,241.48	4,587,152.23	2,889,050.00	8.35
2032	20,008,439.96	4,707,799.31	2,806,750.00	8.81
2033	20,085,974.27	4,845,544.02	1,950,450.00	12.78
2034	20,014,640.16	5,004,223.90	1,124,425.00	22.25
2035	20,048,116.95	5,177,207.39	984,875.00	25.61
2036	20,063,185.43	5,364,608.90	815,250.00	31.19
2037	20,093,098.17	5,564,657.10	329,175.00	77.95
2038	20,080,372.44	5,773,338.93	319,725.00	80.86
2039	20,008,444.66	5,988,605.84	0	

The coverage calculations include the following assumptions:

- 1) \$100 million in repayable loans provided at **0%** interest from program funds. This scenario was analyzed to determine the lowest level the program could go without risking significant impacts to the program's coverage requirements.
- 2) Treasurer's Interest earning at 2.00% per annum.
- 3) An additional \$7 million in State GO match bonds issued at 5% to cover match requirements through federal 2027 grants.

³ Calculations provided by Hilltop Securities, Financial Advisor to the Nevada State Revolving Funds.:

- **Federal funds awarded and forecasted⁴:**

Federal Fiscal Year	Funding Type	Awarded to Nevada	Amount available for loans	Amount available on October 20, 2023
2018	Base Program	9/20/2018	\$10,559,246.00	\$0
2019	Base Program	8/29/2019	9,962,880.00	0
2020	Base Program	9/17/2020	10,334,770.00	0
2021	Base Program	8/30/2021	10,070,545.00	0
2022	Base Program	9/20/2022	4,309,730.00	2,595,510.06
2022	IIJA Supplement	5/10/2023	14,391,330.00	14,391,330.00
2023	Base Program	9/26/2023	4,450,600.00	4,450,600.00
2023	IIJA Supplement	9/15/2023	15,062,700.00	15,062,700.00
2024	Base Program	[Estimate only]	4,450,600.00	
2024	IIJA Supplement	[Estimate only]	17,245,700.00	
2025	Base Program	[Estimate only]	6,800,000.00	
2025	IIJA Supplement	[Estimate only]	17,245,700.00	
2026	Base Program	[Estimate only]	6,800,000.00	
2026	IIJA Supplement	[Estimate only]	17,245,700.00	
2027	Base Program	[Estimate only]	6,800,000.00	
2027	IIJA Supplement	[Estimate only]	0	
Totals			\$155,729,501.00	\$36,500,140.06

- **Match requirements through federal fiscal year 2027 grants:**

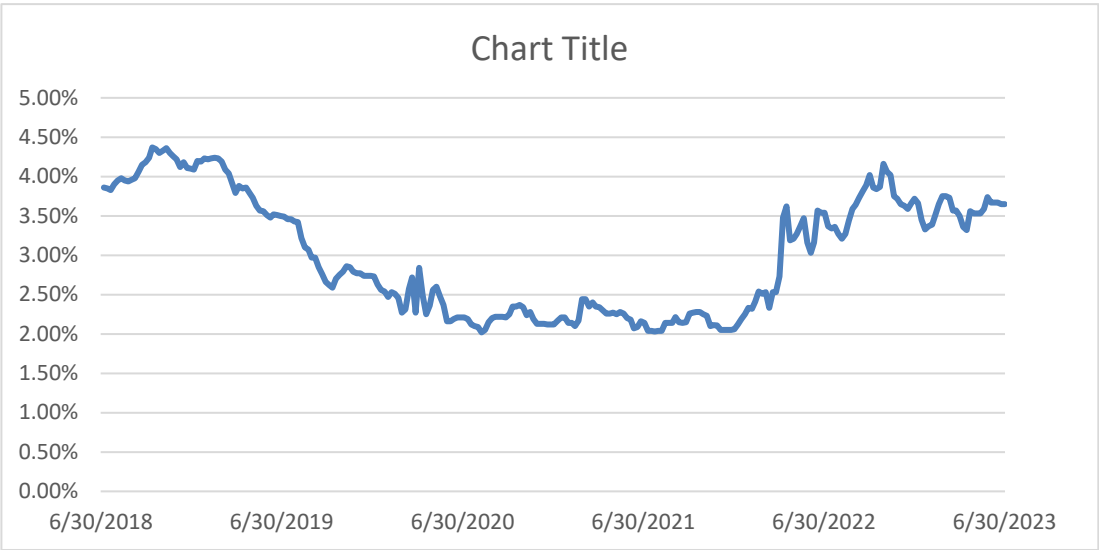
DW SRF Current Match Coverage	Base Grant	IIJA Supplemental	Total Grants
Total Grants Received by July 1, 2022	\$267,872,500.00	\$0.00	\$267,872,500.00
Less ARRA Grant	(19,500,000.00)	0.00	(19,500,000.00)
Total thru July 1, 2022	248,372,500.00	0.00	248,372,500.00
2023 through 2027 grants estimated	42,595,000.00	108,177,000.00	150,772,000.00
DWSRF Grants requiring Match	290,967,500.00	108,177,000.00	399,144,500.00
Total Match spent by June 30, 2027 ⁵	58,993,261.67	17,366,700.00	76,359,961.67
Total Match Needed ⁶	58,193,500.00	17,366,700.00	75,560,200.00
Overmatch / (undermatch)	799,761.67	0	799,761.67

⁴ Base program estimates are conditioned on the passage of annual Congressional appropriations. IIJA funds are based on EPA allotments for supplemental grants only. IIJA values exclude funding specific to Emerging Contaminants and Lead Service Lines. Federal funds cannot be awarded if Nevada cannot demonstrate there are projects ready to proceed for funding and the state has a need for more federal dollars.

⁵ Values include an additional \$7 million in GO match bonds to be issued in future state fiscal years.

⁶ Base program grants require a 20% match excluding ARRA funds. IIJA Supplemental grants require a 10% match for federal 2022 and 2023 grants, and a 20% match for the federal 2024, 2025, and 2026 grants.

Historical interest rate analysis



	Min	Max	Median	54% of Min
FY19	3.48%	4.37%	4.05%	1.73%
FY20	2.16%	3.49%	2.68%	1.10%
FY21	2.02%	2.44%	2.21%	1.09%
FY22	2.03%	3.62%	2.26%	1.17%
FY23	3.21%	4.16%	3.64%	1.88%

- Market rate on October 12, 2023: 3.97%
 - 1.00% represents 25.19% of the market rate for a 20-year bond. Our proposal would allow the rate to be awarded for a 30-year bond, providing a deeper discount.

Excerpts from the SFY 2022 EPA Program Performance Review (Transmitted May 2023)

- **Timely and Expeditious Use of Funds:** A state must agree to commit and expend all funds as efficiently as possible and in an expeditious and timely manner. Timely and expeditious use of the funds is critical to maximize the effectiveness of SRF assets and in meeting the public health needs of the state per 40 CFR § 35.3550(l) (page 7).
- **[DWSRF] Fund Utilization Rate:** Fund utilization rate or pace of the program is an indicator of the demand for funds as well as the ability of the state to award those funds to projects in a judicious manner. The rate of funds utilization is calculated as funds in executed loans as a percent of funds available. In terms of the fund utilization rate, Nevada's DWSRF program in FY2022 dipped below the national average for a third year (page 7). A low fund utilization rate indicates that there is a lack of demand in a state for SRF funding.
 - Typically, there are a wide range of factors for a low utilization rate, such as underinvestment in marketing and outreach, unappealing financing terms, or the availability of significant grant funding in competing state programs. However, EPA does not consider this to be the case with Nevada who has continually marketed the program and developed creative financing schemes for borrowers. Nevada has a unique demographic with only ten communities in the state with populations greater than 50,000. These ten communities represent the bulk of community water systems capable of affording a traditional SRF loan. It is more common for Nevada to receive applications for small principal forgiveness loans from the State's small and rural communities.
- **Undisbursed Cash to 3-year Average Disbursement Ratio:** This indicator looks at available funds that a state has at the U.S. Treasury and in state accounts and divides this by the prior three-year average annual disbursement figure. It is a metric to gauge how long it will take a state to disburse its funds.
 - **The Nevada DWSRF has a disbursement ratio of 4.9, which means Nevada has nearly 5 years of cash on hand. The national average is 2.9.**
 - **Recommended Follow-up:** As with the fund utilization rate, NDEP and EPA will continue to monitor this indicator.
- **Total Net:** This indicator seeks to gauge if an SRF program is growing through the activity of making loans. A positive figure shows that a program is maturing. The Nevada DWSRF has a total net of \$15.3 million which is up slightly from the prior year which was \$14.6 million. The Nevada DWSRF program continues to grow, but at a slow pace.
- **Net Interest Margin:** This indicator seeks to gauge if an SRF program is growing through interest earnings. A positive figure indicates that a program is maturing. Nevada has maintained a net interest margin at 1.6%, which is double the national average of 0.7%. This is consistent with last year's net interest margin of 1.4%.

Water systems in Nevada that serve more than 10,000 people

Entity	Legal Structure	Population ⁷
LAS VEGAS VALLEY WATER DISTRICT	Public Community	1,502,604
NORTH LAS VEGAS UTILITIES	Public Community	376,515
HENDERSON CITY OF	Public Community	321,781
TRUCKEE MEADOWS WATER AUTHORITY	Public Community	311,932
CARSON CITY PUBLIC WORKS	Public Community	56,000
ELKO CITY OF	Public Community	20,451
FERNLEY PUBLIC WORKS	Public Community	19,790
VENETIAN PALAZZO	Private Company-Not SRF eligible	19,387
NELLIS AIR FORCE BASE	U.S. Government-Not SRF eligible	19,081
VIRGIN VALLEY WATER DISTRICT	Public Community	18,000
BELLAGIO RESORT AND CASINO	Private Company-Not SRF eligible	17,171
SUN VALLEY GID	Public Community	17,000
DAYTON VALLEY WATER SYSTEM	Public Community	15,830
MGM GRAND HOTEL AND CASINO	Private Company-Not SRF eligible	15,500
BOULDER CITY	Public Community	15,000
GARDNERVILLE RANCHOS GID	Public Community	11,300
RESORTS WORLD LAS VEGAS	Private Company-Not SRF eligible	11,250
MANDALAY BAY RESORT AND CASINO	Private Company-Not SRF eligible	10,549
TRI GENERAL IMPROVEMENT DISTRICT	GID-SRF eligible	10,001

⁷ Population as of September 2021. Value represents the number of people the entity serves on a consistent basis to qualify as a community water system or noncommunity, non-transient water system. Values do not count transient visitors to Nevada.

**Board for Financing Water Projects
Capital Improvements Grant Program
January 2024**

Capital Improvements Grant Program Funding Update as of January 9, 2024

Current Cash¹:	\$ 7,556,518.99¹
Reserved for Administration:	\$ 18,921.32
Committed bond funds not yet disbursed:	\$ 7,318,747.78
Projects for Consideration:	\$ 0.00
Un-committed funds:	\$ 405,014.27²

GP2103	Las Vegas Valley Water District (Big Bend)	Undrawn Balance: \$1,078,995.19
Treatment plant improvements; storage rehabilitation; distribution; electrical controls		Last Draw date: June 2023
GP2104	Alamo Sewer and Water GID	Undrawn Balance: \$268,004.39
Arsenic Treatment		Last Draw date: Jan 2024
GP2105	Las Vegas Valley Water District (Blue Diamond)	Undrawn Balance: \$3,950,727.83
Pipe replacement, storage, and backup well.		Last Draw date: May 2023
GP2201	Las Vegas Valley Water District (Big Bend)	Undrawn Balance: \$568,000.00
Phase II Construction		Last Draw date: No draws
GP2202	Golconda GID	Undrawn Balance: \$668,117.82
Phase II Construction		Last Draw date: Nov 2023
GP2203	Topaz Ranch Estates	Undrawn Balance: \$784,902.55
New Redundant Source		Last Draw date: Dec 2023

¹ From all sources including bond proceeds, administration fees, and treasurer's interest.

² Includes estimated bond interest earnings for the next 12 months at 2.00%.

Current Bond authority:

NRS 349.986(1): The State Board of Finance shall issue general obligation bonds of the State of Nevada to support the purposes of the program established by <u>NRS 349.981</u> . The aggregate principal amount of such bonds outstanding at any one time may not exceed \$125,000,000.	\$125,000,000
Outstanding general obligation bonds as of September 29, 2023	(\$19,531,000)
Available to request issuance	\$105,469,000

As of: 1/9/2024

Bond Series	2019B	2020B	2021B
Legislative Authority	AB541 (80 th Session) \$3,000,000	AB541 (80 th Session) \$3,000,000	AB492 (81st Session) \$8,000,000
Date of Issuance	December 10, 2019	November 10, 2020	December 07, 2021
Initial Proceeds	\$ 1,526,618.00	\$ 1,556,536.30	\$ 8,082,775.25
Treasurer's Interest[1]	\$ 31,257.11	\$ 45,055.88	\$ 326,431.32
Total Proceeds	\$ 1,557,875.11	\$ 1,601,592.18	\$ 8,409,206.57
6 months	\$ (20,132.60) 1.3%	\$ (55,695.10) 3.48%	\$ (81,028.81) 0.96%
12 months	\$ (262,838.19) 16.9%	\$ (55,695.10) 3.48%	\$ (81,028.81) 0.96%
18 months	\$ (311,949.59) 20.0%	\$ (55,695.10) 3.48%	\$ (83,639.27) 0.99%
24 months	\$ (523,027.87) 33.6%	\$ (55,695.10) 3.48%	\$ (83,699.34) 1.00%
30 months	\$ (663,271.12) 42.6%	\$ (709,044.91) 44.27%	\$ (645,672.63) 7.68%
36 months	\$ (954,927.48) 61.3%	\$ (1,598,891.81) 99.83%	\$ (874,308.27) 10.40%
48 months	\$ (1,557,875.11) 100.00%	\$ (1,601,592.18) 100.00%	0.00%
Unspent Proceeds	\$ -	\$ - 0.00%	\$ 7,534,898.30 89.60%

Drinking Water State Revolving Fund

Board for Financing Water Projects

January 2024

Drinking Water Priority List—Effective January 2024

Data	Recommendation
198 Projects	The Nevada Division of Environmental Protection (NDEP) recommends that the Board for Financing Water Projects (Board) approve the Drinking Water Priority List—Effective January 2024.
\$1,090,903,172.99 Total Estimated costs	

Priority List Classes

Class I Acute

- *Acute health risks: Demonstrated illness attributable to the public water system.*
- *Significant non-compliance.*
- *Court-ordered compliance.*
- *Systems addressing acute health issues.*

Class II Chronic

- *Chronic health concerns – documented non-compliance with primary and secondary drinking water standards.*
- *Systems Addressing chronic health issues.*

Class III Rehabilitation

- *Projects that address deteriorated, substandard, or inadequate conditions in a public water system.*
 - Treatment
 - Storage
 - Transmission & Distribution
 - Meters
 - Security
 - Planning

Class IV Refinancing

- *Refinancing of debt incurred after July 1, 1993.*

Additional Points for Asset Management

Projects can receive additional points for the following:

- (5 pts) System is mapped and assets are cataloged/evaluated.
- (5 pts) System has a rate structure that supports O&M.
- (5 pts) System has allocated funds for rehabilitation/replacement of aging infrastructure.

Disadvantaged Systems (Attachment B)

Nevada Administrative Code amended:¹

“Disadvantaged community” means an area in which, as compared to other communities in this State, residents disproportionately experience economic, environmental, or health issues, including, without limitation, high rates of poverty or unemployment. (NAC 445A.675245)

Federal Clean Water Act Requirements:

[42 U.S.C §300j-12(b)(d)(3)] The term “disadvantaged community” means the service area of a public water system that meets affordability criteria established after public review and comment by the State in which the public water system is located.

2023 Drinking Water Intended Use Plan:

- 50 points are needed to qualify for principal forgiveness.
- 25 points will be added to the initial score for systems qualifying as disadvantaged.

Disadvantaged Criteria:

- Income Factors:
 - Median Household Income (MHI) versus State MHI
 - Poverty Levels in the service area
- Population trends:
 - Change in population over three years based upon the latest American Community Survey data available
- Unemployment:
 - Percent of the population not in the workforce
 - Unemployment rate of service area
- Affordability:
 - Whether or not an interest-bearing loan will increase already sufficient user rates by 10.0%, 20.0%, or 30.0%.
 - This also has a look-back option for five years.
 - Residential rates compared to MHI
 - Based on 1.0%, 1.5%, and 2.0%
- Other Factors:
 - Nature of the project
 - Incentives for project types
 - Financial assistance from government or political subdivisions

¹ <https://www.leg.state.nv.us/Register/2022Register/R109-22AP.pdf>

Priority List (Attachment A)

- *Priority Rank*
- *N¹: New to the list*
- *D²: System or project qualifies as disadvantaged*
- *C³: Water System Classification (community/noncommunity)*
- *Entity*
- *PWS ID#*
- *Project Population*
- *Project Service Connections*
- *Total Points*
- *Revised Points*
- *NIFS project ID*
- *Project Description*
- *Estimated Loan Amount*
- *Funded: Yes indicates the project has received at least partial funding, is not complete, and must remain on the list.*

Priority List Statistics

	Projects	Disadvantaged Systems or Projects	Small Systems (less than 10,000)
Previous List	178	131	146
New to the List	21	21	20
Removed	(1)	1	1
Current List	198	151	165
Total		76.3%	83.3%

	Projects	Disadvantaged Systems or Projects	Small Systems (less than 10,000)
Class I	3	2	3
Class II	16	13	13
Class III	179	136	149
Class IV	0	0	0
Total	198	151	165

Project readiness and bypass process

NDEP may bypass a project on the priority list if NDEP determines the project is not ready to proceed, fails to file a letter of intent, or the applicant requests action to be deferred. (NAC 445A.67573)

- *Projects ready to proceed may bypass projects with a higher point score that are not ready to proceed.*
- *Written notice is given to systems being bypassed.*
- Current list readiness-to-proceed: *

Funded / Partially Funded	40 projects (20.7%)
All others	158 projects (79.3%)

*As of January 1, 2024. Data subject to change.

DWSRF Authority and Purpose

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 the cost of drinking water infrastructure projects needed to achieve or maintain compliance with the SDWA and to further the public health objectives of the SDWA. The SDWA authorizes the U.S. Environmental Protection Agency (EPA) to award capitalization grants to states that have established DWSRF programs. The Nevada Legislature passed legislation that authorizes NDEP 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 implementing the DWSRF are found in 40 CFR, part 35. Other program directives include the Operating Agreement between NDEP and EPA, the annual Intended Use Plan, EPA guidance and policies, and conditions of each grant award.

One of the NRS requirements on the DWSRF is that NDEP shall not “Establish the priorities for determining which public water systems will receive money...without obtaining the prior approval of the Board for Financing Water Projects” (NRS 445A.265(3)(b)).

RECOMMENDED MOTION FOR THE DWSRF PRIORITY LIST

I move to approve the resolution designated the “Nevada Drinking Water State Revolving Fund (DWSRF) Priority List—Effective January 2024” to establish the priorities for determining which public water systems will receive money or other assistance from the Account for the Revolving Fund as required in NRS 445A.265(3).

RESOLUTION D07-0124

Nevada Drinking Water State Revolving Fund (DWSRF) Priority List—Effective January 2024

- WHEREAS:** The Nevada Division of Environmental Protection (NDEP) is authorized pursuant to *Nevada Revised Statutes* (NRS) 445A.200 to 445A.295, inclusive, to establish procedures for the administration of the Drinking Water State Revolving Fund (DWSRF); and
- WHEREAS:** The DWSRF Program Guidelines promulgated by the United States Environmental Protection Agency require that the State establish a priority list of public water system projects eligible for funding from the DWSRF and seek public review and comment on the priority list; and
- WHEREAS:** NRS 445A.265 (3) requires that NDEP shall not establish the priorities for determining which public water systems will receive money from the Account for the Revolving Fund without obtaining the prior approval of the Board for Financing Water Projects (Board); and
- WHEREAS:** NDEP may at any time after receiving approval from the Board revise the ranking of a water project in accordance with Nevada Administrative Code 445A.67567; and
- WHEREAS:** NDEP provided notice and held a workshop for public comments on its proposed priority system on January 10, 2024, in-person and via virtual platform; and
- WHEREAS:** All substantive comments, suggestions, or recommendations were addressed;

IT IS RESOLVED by the Board for Financing Water Projects of the State of Nevada:

Section 1: This resolution shall be known as the “Nevada Drinking Water State Revolving Fund (DWSRF) Priority List—Effective January 2024” (Resolution)

Section 2: Based on its review of the information and recommendation submitted to the Board concerning the (DWSRF) Priority List—Effective January 2024, the Board hereby makes the following findings of fact in support of its determination to approve the revised priority list:

- (a) NDEP has provided public notice of the DWSRF Priority List—Effective January 2024.
- (b) NDEP held a workshop for public review and comment on the DWSRF Priority List—Effective January 2024; and

Section 3: In connection with its findings of fact set forth in Section 2 of this Resolution, the Board has determined, and does hereby declare, that it approves the DWSRF Priority List—Effective January 2024 of public water system projects eligible for funding by the DWSRF.

Section 4: The DWSRF Priority List—Effective January 2024 included as Attachment A to this resolution and by reference incorporated herein is a true and correct copy filed with the Board by NDEP.

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

PASSED, ADOPTED, AND SIGNED January 24, 2024

Signed: _____

Chair
Board for Financing Water Projects

Attest: _____

Advisor
Board for Financing Water Projects

Nevada Drinking Water State Revolving Fund Priority List
Effective January 2024
DRAFT

Class I Acute Health Risk

Priority Number	N ¹	D ²	C ³	Entity	State ID	Project Population	Project Service Connections	Total Points	Revised Points	Project ID	Project Description	Estimated Loan Amount	Funded ⁴
1		D	C	Humboldt County - DW	NV0003079	1,300	553	12	37	DW00544	New well and transmission pipe to address nitrate exceedance	\$1,850,000.00	Yes
2		D	C	Humboldt County - DW	NV0003079	5,000	700	7	32	DW00292	Septic conversion to decrease nitrogen load	\$27,393,592.00	
3			C	Truckee Meadows Water Authority - DW	NV0000190	18,750	7,500	17	17	DW00434	Construct nitrate treatment facilities	\$1,300,000.00	
Total Class I projects												\$30,546,592.00	

Class II Chronic Health Risks

Priority Number	N ¹	D ²	C ³	Entity	State ID	Project Population	Project Service Connections	Total Points	Revised Points	Project ID	Project Description	Estimated Loan Amount	Funded ⁴
4		D	C	Truckee Meadows Water Authority - DW	NV0000190	59,700	23,870	25	50	DW00431	Longley Plant HV3 and HV4 Arsenic Treatment	\$1,500,000.00	
5		D	C	Gardnerville Ranchos GID - DW	NV0000066	11,300	4,500	25	50	DW00351	Well 5 Arsenic Treatment	\$6,181,130.00	
6	N	D	C	Yerington, City of - DW	NV0000255	4,912	2,057	25	50	DW01000	Uranium treatment project PER	\$105,000.00	
7	N	D	C	Yerington, City of - DW	NV0000255	4,912	2,057	25	50	DW01006	Uranium treatment project	\$6,000,000.00	
8		D	C	Alamo Sewer & Water GID - DW	NV0000005	1,169	318	25	50	DW00611	Well for Arsenic mitigation	\$1,000,000.00	Yes
9		D	C	Esmeralda County-Goldfield - DW	NV0000072	345	345	25	50	DW00515	PER & Arsenic Treatment	\$475,393.04	Yes
10		D	C	Churchill County-DW	NV0000406	1,800	1,449	16	41	DW00379	Arsenic and Manganese treatment plant	\$11,574,560.00	
11		D	C	Storey County - DW	NV0000240	1,110	803	16	41	DW00344	Lead Transmission Replacement Project	\$11,447,000.00	
12		D	C	Shoshone Estates Water Co Inc -DW	NV0005028	240	88	15	40	DW00605	Well and arsenic mitigation	\$310,000.00	Yes
13		D	C	Douglas County - East Valley -DW	NV0002216	4,030	1,479	25	25	DW00447	S. Airport Well Arsenic Treatment	\$8,691,750.00	
14		D	C	Silver Knolls Mutual Water Company - DW	NV0004021	120	63	25	25	DW00270	Arsenic mitigation	\$400,000.00	Yes
15			C	Mount Rose Bowl POWC - DW	NV0000732	50	15	20	20	DW00382	New tank with treatment upgrades to address lead and copper	\$1,000,000.00	Yes
16			C	Elk Point Country Club HOA	NV0000271	325	91	6	6	DW00962	New Treatment System- surface water	\$2,378,000.00	
17	N	D	NTNC	Amargosa Elementary School	NV0000190	200	8	10	35	DW00768	Construction project to address arsenic exceedance issue	\$1,010,212.50	
18	N	D	NTNC	Amargosa Elementary School	NV0002190	200	8	1	26	DW00932	PER/ER to evaluate alternatives for high arsenic	\$50,000.00	
19			NTNC	TRI General Improvement District - DW	NV0000913	20,000	193	20	20	DW00540	PER & Arsenic Treatment	\$977,500.00	Yes
Total Class II Projects												\$53,101,345.54	

Class III Rehabilitation

Priority Number	N ¹	D ²	C ³	Entity	State ID	Project Population	Project Service Connections	Total Points	Revised Points	Project ID	Project Description	Estimated Loan Amount	Funded ⁴
20		D	C	Carson City - DW	NV0000015	58,000	18,000	91	116	DW00298	Quill WTP Upgrade	\$10,890,424.00	
21		D	C	Truckee Meadows Water Authority - DW	NV0000190	34,432	11,400	112	112	DW00356	APW Program at American Flat	\$117,000,000.00	
22		D	C	Gardnerville Ranchos GID - DW	NV0000066	11,312	4,500	76	101	DW00349	Consolidate GRGID water system to the Gardnerville Water Company	\$2,685,650.00	
23		D	C	Beatty Water & Sanitation District - DW	NV0000009	908	624	69	94	DW00296	Source, storage, and transmission rehabilitation	\$2,629,000.00	Yes
24		D	C	Hawthorne Utilities - DW	NV0000073	200	125	68	93	DW00492	PER, new source, and new storage	\$85,000.00	Yes
25		D	C	Eureka County - Eureka Town Water - DW	NV0000044	454	454	66	91	DW00559	Consolidate Devils Gate GID with Eureka, new well, new transmission pipes	\$100,000.00	
26		D	C	North Las Vegas, City of - DW	NV0000175	500	12	64	89	DW00601	Construct transmission and distribution pipe to consolidate Garnet Valley with North Las	\$14,893,421.00	
27		D	C	Hawthorne Utilities - DW	NV0000073	200	125	57	82	DW00493	Mina-Luning Water System Improvements	\$6,762,500.00	
28		D	C	Kingsbury GID - DW	NV0000004	300	80	56	81	DW00617	Consolidation of Ponderosa HOA	\$2,120,000.00	Yes
29		D	C	Baker Water & Sewer GID - DW	NV0000863	230	93	55	80	DW00483	Transmission and Distribution upgrades and relocation	\$2,677,534.00	
30		D	C	Golconda GID - DW	NV0005029	60	100	53	78	DW00730	New tank, replace distribution system, SCADA, meters	\$4,054,989.40	
31		D	C	Baker Water & Sewer GID - DW	NV0000863	36	18	53	78	DW00372	New system for Lehman Creek	\$3,304,207.00	Yes
32		D	C	Las Vegas Valley Water District-DW	NV0000090	1	9	53	78	DW00488	Construct structure and install upgraded chemical feed system	\$428,000.00	
33		D	C	Shoshone Estates Water Co Inc - DW	NV0005028	240	76	52	77	DW00584	New well & system upgrades	\$4,240,000.00	Yes
34		D	C	Hawthorne Utilities - DW	NV0000073	2,616	1,569	50	75	DW00593	Water System Improvements	\$23,885,000.00	
35		D	C	Walker Lake GID - DW	NV0000268	450	210	48	73	DW00525	PER, source, and distribution	\$100,000.00	Yes
36		D	C	Walker Lake GID - DW	NV0000268	450	210	48	73	DW00598	Distribution, water treatment, new well	\$16,269,000.00	
37	N	D	C	Spirit Mountain Utility - DW	NV0000221	375	5	48	73	DW01013	PER/ER and Well 2 Rehab and Arsenic Treatment System, Storage	\$2,650,000.00	
38		D	C	Storey County - DW	NV0000240	1,500	588	47	72	DW00346	PER Virginia City Highlands	\$100,000.00	
39		D	C	Storey County - DW	NV0000240	1,110	803	46	71	DW00345	Water Treatment Upgrade	\$8,468,000.00	
40		D	C	Golconda GID - DW	NV0005029	114	102	46	71	DW00273	Spring rehabilitation & other system improvements	\$810,000.00	Yes
41		D	C	Hawthorne Utilities - DW	NV0000073	2,616	1,665	45	70	DW00490	PER, source, transmission, distribution	\$85,000.00	Yes
42		D	C	Gerlach GID - DW	NV0000071	206	155	45	70	DW00565	Rehabilitate spring	\$627,500.00	
43		D	C	Indian Springs Water Company	NV0000082	900	195	43	68	DW00673	New secondary well	\$1,500,000.00	
44		D	C	Las Vegas Valley Water District - Big Bend - DW	NV0004092	9,300	2,200	40	65	DW00268	System improvements for reliability and redundancy	\$5,290,000.00	Yes
45	N	D	C	Elko, City of - DW	NV0000272	2,000	500	39	64	DW00834	2 million-gallon concrete tank and 5,429' of 18" main extension	\$4,500,000.00	
46		D	C	Pershing County - DW	NV0000226	200	6	39	64	DW00341	Construct water tank, install new SCADA, Drill New Well in Inlay	\$3,364,275.00	Yes
47		D	C	Pershing County - DW	NV0000226	200	89	39	64	DW00729	SCADA upgrade, meter replacement and other water system improvements in Inlay	\$1,500,000.00	
48		D	C	Big Five MHP - DW	NV0000362	65	52	39	64	DW00616	Replace failed storage tank upgrade pipes	\$34,300.00	
49	N	D	C	Las Vegas Valley Water District-DW	NV0000090	2,258,111	391,766	63	63	DW00948	LVVWD CIP List FY2024	\$30,000,000.00	
50		D	C	Truckee Meadows Water Authority - DW	NV0000190	440,000	133,000	38	63	DW00630	Well Head TTHM Mitigation	\$2,500,000.00	

Class III Rehabilitation

Nevada Drinking Water State Revolving Fund Priority List

Effective January 2024

DRAFT

Priority Number	N¹	D²	C³	Entity	State ID	Project Population	Project Service Connections	Total Points	Revised Points	Project ID	Project Description	Estimated Loan Amount	Funded⁴
51	D	D	C	North Las Vegas, City of - DW	NV0000175	380,239	100,450	38	63	DW00600	Well Replacement: Robinson	\$4,028,800.00	Yes
52	D	D	C	Las Vegas Valley Water District - Big Bend - DW	NV0000492	9,000	2,319	38	63	DW00511	Meters, HVAC, and controls	\$882,500.00	
53	D	D	C	Lovelock Meadows Water District - DW	NV0000161	2,046	1,258	38	63	DW00514	Construct new well with transmission pipe	\$4,761,700.00	
54	D	C	C	Lovelock Meadows Water District - DW	NV0000161	2,046	1,258	38	63	DW00520	PER to identify feasibility of new well and transmission pipes	\$80,500.00	
55	D	D	C	Orovada GID - DW	NV0003032	325	56	37	62	DW00427	Water System Improvements	\$1,980,000.00	
56	D	C	C	Rancho Vista Unit IV Water Association - DW	NV00002571	60	27	37	62	DW00609	New Storage Tank & Upgrades	\$1,965,000.00	Yes
57	D	C	C	Baker Water & Sewer GID - DW	NV0000863	150	92	36	61	DW00724	Replace failing saddle ups	\$270,528.00	
58	D	C	C	Gardnerville Ranchos GID - DW	NV0000066	11,300	3,020	35	60	DW00340	Replace Booster Pump Station	\$1,587,000.00	Yes
59	D	C	C	Moapa Valley Water District - DW	NV0000160	9,000	3,293	34	59	DW00303	Install Redundant Well	\$2,396,000.00	
60	D	D	C	Orovada GID - DW	NV0003032	58	62	34	59	DW00750	Orovada PER and ER	\$85,000.00	
61	D	D	C	Las Vegas Valley Water District-DW	NV0000090	154,000	408,000	58	58	DW00524	Construct three municipal production wells with treatment and transmission pipes	\$10,600,000.00	Yes
62	D	D	C	Silver Springs Mutual Water Company - DW	NV0000223	3,070	1,198	33	58	DW00449	Lake Well Rehabilitation	\$1,185,000.00	
63	N	D	C	Elko, City of - DW	NV0000272	2,000	500	33	58	DW00841	Booster station, new main and transmission lines	\$5,500,000.00	
64	D	D	C	Alamo Sewer & Water GID - DW	NV0000005	1,169	318	33	58	DW00614	Water PER test wells	\$300,000.00	
65	D	D	C	Walker Lake GID - DW	NV0000268	520	226	33	58	DW00745	New well and water treatment	\$1,501,485.00	
66	D	C	C	North Las Vegas, City of - DW	NV0000175	500	12	33	58	DW00500	Replace well showing moderate deterioration, only water source	\$3,774,800.00	
67	D	D	C	Las Vegas Valley Water District - Searchlight - DW	NV0000219	438	287	33	58	DW00765	Develop redundant well	\$174,390.00	
68	D	C	C	Kingston Town Water Utilities - DW	NV0000265	160	160	33	58	DW00484	Alternate Water Source	\$1,650,000.00	
69	D	D	C	Nye County - Manhattan Water - DW	NV0000165	100	62	33	58	DW00574	Complete PER to identify additional water source	\$100,000.00	
70	D	D	C	Elko, City of - DW	NV0000272	1,500	500	32	57	DW00710	Lead Service Line Replacement	\$3,875,000.00	
71	D	D	C	Ely, City of - DW	NV0000038	1,080	270	32	57	DW00485	Water Main Upgrades to allow use of well	\$8,123,760.00	
72	D	D	C	Valmy Station Mobile Home Park - DW	NV0003016	96	107	32	57	DW00625	Upgrade or replace water system	\$1,432,452.00	
73	D	D	C	Ely, City of - DW	NV0000038	5,500	2,500	31	56	DW00482	Distribution & Storage Upgrade	\$23,568,000.00	
74	D	D	C	Round Hill GID - DW	NV0000260	1,200	480	31	56	DW00458	Design and construction of redundant contact tank	\$900,000.00	
75	D	D	C	Stemboat Springs Water Works - DW	NV0000282	989	287	31	56	DW00575	Water Tank replacement, transmission pipes, SCADA	\$1,371,342.00	
76	N	D	C	Jackpot, Town of - DW	NV0000088	855	97	31	56	DW01011	New welded steel water storage tank and groundwater well	\$188,500.00	
77	D	D	C	Las Vegas Valley Water District-DW	NV0000090	24,000	6,000	30	55	DW00591	Septic Conversion Program	\$9,000,000.00	
78	D	D	C	Elko, City of - DW	NV0000272	7,000	3,000	30	55	DW00540	Rehabilitate or replace well 24	\$1,572,100.00	
79	N	D	C	McGill Ruth Consolidated Sewer & Water GID - DW	NV0000163	850	638	30	55	DW00794	Paint and restore two water storage tanks	\$1,500,000.00	
80			C	Trout Canyon Land & Water Users Association - DW	NV0000460	35	51	55	55	DW00389	Trout Canyon PER/ER	\$55,000.00	
81			C	Trout Canyon Land & Water Users Association - DW	NV0000460	35	51	55	55	DW00582	Drinking water system rehabilitation and upgrade	\$4,500,000.00	
82	D	D	C	Gardnerville Ranchos GID - DW	NV0000066	11,300	4,500	29	54	DW00352	Phase 2 Pipeline Replacement	\$6,894,068.00	
83	D	D	C	Gardnerville Ranchos GID - DW	NV0000066	11,300	4,500	29	54	DW00354	Phase 3 Pipeline Replacement	\$8,146,748.00	Yes
84	D	D	C	Pioche Public Utilities - DW	NV0000186	1,435	707	29	54	DW00705	PER to evaluate drinking water system needs	\$60,000.00	
85	D	C	C	Southern Nevada Water Authority - DW	NV0000289	8	8	54	54	DW00578	Basic Water System upgrade & improvements	\$246,218,900.00	
86	D	D	C	Elko, City of - DW	NV0000272	20,564	10,500	28	53	DW00752	Replace well with failing water quality	\$3,723,936.00	
87	D	D	C	Las Vegas Valley Water District - Big Bend - DW	NV0000492	2,179	2,197	28	53	DW00583	Construct new water tank	\$24,375,000.00	
88	D	D	C	Alamo Sewer & Water GID - DW	NV0000005	1,169	318	28	53	DW00613	New water tank	\$2,340,000.00	
89	D	D	C	Reno Sparks Indian Colony - DW	TRIBAL	825	169	28	53	DW00312	Hungry Valley Water Project	\$32,200,000.00	
90	N		C	Blue Diamond Water Cooperative - DW	NV0000092	85	14	53	53	DW00951	Replacement and relocation of 3 miles of water pipeline.	\$5,505,001.00	
91	D	D	C	Tonopah, Town of - DW	NV0000237	12	8	28	53	DW00586	Storage tank recoating	\$949,725.00	
92	D	D	C	Storey County - DW	NV0000240	1,110	596	27	52	DW00347	Union St. Distribution Pipe Replacement	\$926,000.00	
93	D	D	C	Indian Springs Water Company	NV0000082	832	400	27	52	DW00576	Water System Improvements	\$3,840,750.00	Yes
94	D	D	C	Topaz Ranch Estates GID - DW	NV0000239	500	203	27	52	DW00563	Replace water transmission pipes	\$6,396,939.00	
95	D	D	C	Elko County - Montello - DW	NV0000169	287	55	26	51	DW00405	PER/ER and new source	\$1,120,475.00	
96	D	D	C	Henderson, City of - DW	NV0000076	332,258	1	25	50	DW00589	Raw water interconnect	\$6,700,000.00	
97	D	D	C	Moapa Valley Water District - DW	NV0000160	7,254	2,687	25	50	DW00305	Construct New Narrows Water Tank	\$8,996,545.00	
98	D	D	C	West Wendover, City of - DW	NV0000246	4,819	1,103	25	50	DW00434	3 Mile Reservoir Rehabilitation	\$256,172.00	Yes
99	D	D	C	Silver Springs Mutual Water Company - DW	NV0000223	3,070	1,198	25	50	DW00399	Recoat water tank	\$1,006,330.00	Yes
100	D	D	C	Tonopah, Town of - DW	NV0000237	2,493	1,225	25	50	DW00738	PER and ER	\$85,000.00	
101	N	D	C	Tonopah, Town of - DW	NV0000237	2,493	1,191	25	50	DW00994	Increase storage volume	\$3,467,090.00	
102	D	D	C	Las Vegas Valley Water District - Big Bend - DW	NV0000492	2,200	803	25	50	DW00288	Riverbank filtration well	\$1,308,317.00	
103	D	D	C	Storey County - DW	NV0000240	1,110	503	25	50	DW00723	Taylor Tank Replacement	\$1,186,927.00	
104	D	D	C	Moapa Valley Water District - DW	NV0000160	705	261	25	50	DW00304	Construct New Water Tank	\$3,363,400.00	
105	D	D	C	Esmeralda County-Goldfield - DW	NV0000072	345	345	25	50	DW00466	Recoat water tanks	\$442,040.00	Yes
106	D	D	C	Weed Heights Development - DW	NV0000242	340	250	25	50	DW00275	Rehabilitate water tanks	\$1,052,600.00	
107	D	D	C	Esmeralda County-Silver Peak - DW	NV0000363	121	121	25	50	DW00339	Storage Tank Rehabilitation	\$257,300.00	
108	D	D	C	Esmeralda County-Silver Peak - DW	NV0000363	87	117	25	50	DW00480	Relocate PRV/Scada	\$423,312.50	
109	D	D	C	Bermuda Palms - DW	NV0000147	60	71	50	49	DW00623	Storage Tanks Replacement & Distribution Upgrades	\$1,910,000.00	Yes
110	D	D	C	Silver Springs Mutual Water Company - DW	NV0000223	3,070	1,198	24	49	DW00277	PER for redundant transmission pipe	\$150,000.00	
111	D	D	C	Storey County - DW	NV0000240	610	534	24	49	DW00348	Water distribution pipe replacement	\$1,522,000.00	

Class III Rehabilitation

Nevada Drinking Water State Revolving Fund Priority List
Effective January 2024

DRAFT

Priority Number	N¹	D²	C³	Entity	State ID	Project Population	Project Service Connections	Total Points	Revised Points	Project ID	Project Description	Estimated Loan Amount	Funded⁴
112		D	C	Storey County - DW	NV0000240	500	269	24	49	DW00343	PER & Distribution Improvements	\$1,407,022.00	
113		D	C	Elko, City of- DW	NV0000272	150	40	24	49	DW00472	Replace galvanized pipe	\$1,203,350.00	
114		D	C	Tonopah, Town of - DW	NV0000237	126	63	24	49	DW00592	Uncased water crossing replacement	\$202,154.00	
115		D	C	Moapa Valley Water District - DW	NV0000160	6,750	2,275	23	48	DW00342	24 Transmission Replacement	\$3,423,300.00	
116		D	C	West Wendover, City of - DW	NV0000246	4,512	1,103	23	48	DW00522	PCCP Transmission Pipeline Replacement	\$3,802,694.00	
117		D	C	West Wendover, City of - DW	NV0000246	4,512	1,103	23	48	DW00523	Asbestos Line Replacement	\$984,869.42	
118	N	D	C	Elko, City of - DW	NV0000272	4,000	1,000	23	48	DW00853	Booster pump and connection of pressure zones	\$15,000,000.00	
119		D	C	Silver Springs Mutual Water Company - DW	NV0000223	3,070	1,198	23	48	DW00460	Construct redundant transmission line	\$493,069.00	
120		D	C	Lovelock Meadows Water District - DW	NV0000161	2,046	1,582	23	48	DW00497	10 mile transmission water line replacement in Orenaia	\$15,192,379.00	
121	N	D	C	Elko, City of - DW	NV0000272	1,500	250	23	48	DW00856	9500' of 12" water main, concrete storage tank, and a booster station	\$6,000,000.00	
122		D	C	Storey County - DW	NV0000240	1,100	86	23	48	DW00722	Replace transmission pipe	\$3,261,244.00	
123		D	C	Kings Row Trailer Park - DW	NV0000287	525	370	23	48	DW00622	Booster Pump/Meters/Upgrades	\$5,590,000.00	
124		D	C	Spirit Mountain Utility - DW	NV0000221	375	117	23	48	DW00581	Booster Pump & System Upgrades	\$5,890,000.00	
125		D	C	Esmeralda County-Goldfield - DW	NV0000072	345	345	23	48	DW00468	Replace transmission line	\$1,280,173.00	Yes
126		C	C	Blue Diamond Water Cooperative - DW	NV0000092	14	50	47	47	DW00496	PER for water system upgrades and pipeline suspension replacement	\$132,000.00	
127		D	C	West Wendover, City of - DW	NV0000246	4,512	1,103	21	46	DW00521	Pueblo Blvd Water Extension	\$1,299,293.80	
128		D	C	West Wendover, City of - DW	NV0000246	4,512	1,103	21	46	DW00529	3-Mile Water Loop connection	\$3,888,757.60	
129		D	C	West Wendover, City of - DW	NV0000246	4,512	1,103	21	46	DW00533	Water line extension-redundant loop	\$1,490,874.00	
130		D	C	West Wendover, City of - DW	NV0000246	4,512	1,103	21	46	DW00534	Redundancy distribution and service extension	\$1,127,294.00	
131		D	C	Walker River Paiute Tribe - DW	TRIBAL	1,165	335	21	46	DW00636	WRPT Water Tank and Meters	\$3,075,343.14	Yes
132		D	C	Weed Heights Development - DW	NV0000242	560	301	21	46	DW00384	Water system PER	\$63,750.00	Yes
133		D	C	Tonopah, Town of - DW	NV0000237	150	60	21	46	DW00505	Replace Galvanized/AC in Rhines, Central & Magnolia	\$3,500,000.00	Yes
134	N	D	C	North Las Vegas, City of - DW	NV0000175	274,000	103,335	20	45	DW00970	SAR scans for Leak Detection	\$8,225,895.00	
135		D	C	Elko, City of - DW	NV0000272	20,564	10,500	20	45	DW00740	Recoat water tank	\$2,174,200.00	
136		D	C	Elko, City of - DW	NV0000272	20,564	10,500	20	45	DW00743	Replace water tank	\$2,162,000.00	
137	N	D	C	Tonopah, Town of - DW	NV0000237	2,493	1,191	20	45	DW00969	Installation of flow meters and generators	\$500,500.00	
138		D	C	Rosemount Water Co. - DW	NV0000767	55	26	20	45	DW00293	Recoat water tank	\$236,275.00	
139		D	C	Elko, City of - DW	NV0000272	10,280	5,000	19	44	DW00364	2nd Street Main Replacement	\$3,868,350.00	
140		D	C	North Las Vegas, City of - DW	NV0000175	376,515	100,512	18	43	DW00633	LCRR Compliance & Inventory	\$600,700.00	
141		D	C	Carson City - DW	NV0000015	57,000	17,883	18	43	DW00358	Lead and Copper Pipe Mapping	\$332,000.00	
142		D	C	Ely, City of - DW	NV0000038	5,500	2,190	18	43	DW00486	Replace water meters	\$18,659,700.00	
143		D	C	West Wendover, City of - DW	NV0000246	4,512	1,103	18	43	DW00528	Water meter replacement	\$2,617,580.00	Yes
144		D	C	Hillcrest Manor Water Users Association - DW	NV0000145	450	121	18	43	DW00629	New water tank	\$350,000.00	Yes
145		D	C	Esmeralda County-Goldfield - DW	NV0000072	375	375	18	43	DW00328	Install Radio Read Meters in Goldfield	\$235,961.16	Yes
146		D	C	Esmeralda County-Silver Peak - DW	NV0000363	121	121	18	43	DW00334	Install Radio Read Meters in Silver Peak	\$130,156.76	
147		D	C	Nye County - Manhattan Water - DW	NV0000165	100	62	18	43	DW00509	Install Radio Read Meters	\$1,201,250.00	
148		D	C	Big Five MHP - DW	NV0000362	65	52	18	43	DW00635	Replace well and water storage slab	\$14,900.00	Yes
149		D	C	Silver Springs Mutual Water Company - DW	NV0000223	3,070	1,198	17	42	DW00396	Back-up Power Supply for well operations	\$180,550.00	
150		D	C	Humboldt County - McDermitt General Improvement District - DW	NV0000162	1,485	103	17	42	DW00657	Rehabilitate water tank and replace distribution pipes	\$12,865,640.00	Yes
151			C	McGill Ruth Consolidated Sewer & Water GID - DW	NV0000164	700	320	17	42	DW00265	New Water source for Ruth (New Well)	\$1,624,000.00	
152		D	C	Las Vegas Valley Water District - Searchlight - DW	NV0000219	372	242	17	42	DW00467	Replace distribution pipes	\$771,000.00	
153	N	D	C	Kingston, Town Water Utilities - DW	NV0000265	350	165	16	41	DW01007	Water valves, pressure reducing stations & pressure reducing bypass	\$1,150,000.00	
154		D	C	Nye County-Gabbs - DW	NV0000063	278	142	16	41	DW00477	distribution pipe replacement	\$4,023,038.00	
155		C	C	South Crestview Homeowners Association - DW	NV0000351	70	30	41	41	DW00599	PER and ER to determine water system needs	\$353,500.00	
156		C	C	Fernley, City of - DW	NV0000062	21,105	8,179	40	40	DW00618	Truckee Canal Surface Water source and clear well	\$4,000,000.00	
157		C	C	Truckee Meadows Water Authority - DW	NV0000190	6,250	2,500	40	40	DW00453	Construct lift station and consolidate with Ridgeview zone	\$6,660,000.00	
158		C	C	Douglas County - DW	NV0000259	2,476	1,011	40	40	DW00457	Consolidate Cave Rock and ZWUD water systems	\$3,185,000.00	
159		D	C	Henderson, City of - DW	NV0000076	334,471	100,915	14	39	DW00739	Update and modernize Customer Information Systems (CIS)	\$9,406,800.00	
160		C	C	Douglas County - Uppaway - DW	NV0000817	85	35	39	39	DW00474	System Improvements	\$5,117,000.00	
161		D	C	Elko County - Tuscarora Water System - DW	NV0000189	10	4	14	39	DW00406	Distribution System Looping and upszie pipes	\$210,000.00	
162		C	C	Las Vegas Valley Water District-DW	NV0000090	2,258,111	430,000	38	38	DW00751	Emerging Contaminant-LUV-LED Well Treatment	\$8,375,000.00	
163	N	D	C	Humboldt County - Gold Country - DW	NV0003079	1,200	423	13	38	DW00982	Upgraded meter system	\$256,508.79	
164		D	C	Steamboat Springs Water Works - DW	NV0000282	989	291	13	38	DW00564	Water Meter installation	\$662,550.00	
165		D	C	Escapes Co-Op of Nevada, Inc. - DW	NV0002552	200	200	13	38	DW00639	Water Storage Tank	\$55,700.00	
166		C	C	Truckee Meadows Water Authority - DW	NV0000190	15,100	6,000	37	37	DW00626	Construct new tank and transmission pipeline	\$3,600,000.00	Yes
167			C	Logan Creek Estates GID - DW	NV0002050	60	22	37	37	DW00291	New well construction	\$525,000.00	
168			C	Carlin, City of - DW	NV0000014	2,000	500	36	36	DW00518	Water System Improvements	\$28,866,667.00	Yes
169			C	Silver Knolls Mutual Water Company - DW	NV0004021	120	64	36	36	DW00535	Backup Well	\$1,231,750.00	Yes
170			C	Gerlach GID - DW	NV0000071	120	156	11	36	DW00222	Rehabilitate transmission line appurtenances between spring sources & town	\$143,000.00	
171			C	Truckee Meadows Water Authority - DW	NV0000190	34,432	11,400	35	35	DW00711	American Flat PFAS Treatment	\$2,000,000.00	

Class III Rehabilitation

Nevada Drinking Water State Revolving Fund Priority List
Effective January 2024
DRAFT

Priority Number	N¹	D²	C³	Entity	State ID	Project Population	Project Service Connections	Total Points	Revised Points	Project ID	Project Description	Estimated Loan Amount	Funded⁴
172			C	Truckee Meadows Water Authority - DW	NV0000190	34,432	11,400	35	35	DW00748	American Flat A+ Biological Activated Carbon Filtration (BACF)	\$4,000,000.00	
173		D	C	Cold Creek Canyon HOA - DW	NV0004000	168	56	10	35	DW00606	Recoating Storage Tank	\$235,000.00	Yes
174			C	Logan Creek Estates GID - DW	NV0002050	60	21	35	35	DW00413	Construct new water tank and well	\$1,200,000.00	
175			C	Canyon General Improvement District - DW	NV0005056	1,250	500	34	34	DW00717	Recoat tank, install meters, build equipment structure	\$1,675,500.00	
176			C	Truckee Meadows Water Authority - DW	NV0000190	18,750	7,500	33	33	DW00455	New well	\$1,970,000.00	
177			C	Kingsbury GID - DW	NV0000004	300	100	33	33	DW00585	Maryanne Watermain Replacement	\$6,219,547.00	
178			C	Mt. Charleston Water Company - DW	NV0001015	335	22	32	32	DW00607	Backup Well and Upgrades	\$1,365,000.00	
179	N	D	C	Humboldt County - Gold Country - DW	NV0003079	1,200	423	6	31	DW01001	New back up generator	\$125,854.00	
180			C	Kingsbury GID - DW	NV0000004	90	30	31	31	DW00590	Summit watermain pipe replacement	\$1,531,050.00	
181			C	Kingsbury GID - DW	NV0000004	90	30	31	31	DW00594	Squaw water pipe replacement	\$1,799,562.00	
182			C	Truckee Meadows Water Authority - DW	NV0000190	18,750	7,500	30	30	DW00465	New well	\$1,210,000.00	
183			C	Las Vegas Valley Water District-DW	NV0000090	421	421	30	30	DW00494	Drill and develop new well		
184	N	D	C	North Las Vegas, City of - DW	NV0000175	274,000	103,335	4	29	DW00971	NO-DES alternative flushing system	\$3,324,000.00	
185		D	C	Big Five MHP - DW	NV0000362	63	52	4	29	DW00638	Install Backflow Prevention	\$6,500.00	
186			C	Amargosa Estates Water Co. LLC - DW	NV0002558	54	38	29	29	DW00411	Booster Pump/Storage/Upgrades to distribution system	\$1,891,000.00	
187			C	Silver Knolls Mutual Water Company - DW	NV0004021	200	64	28	28	DW00602	Tank Relining	\$469,200.00	
188			C	Truckee Meadows Water Authority - DW	NV0000190	6,800	2,700	27	27	DW00627	New booster pump station	\$2,550,000.00	Yes
189			C	Logan Creek Estates GID - DW	NV0002050	60	21	27	27	DW00414	Replace water transmission and distribution pipes	\$1,745,000.00	
190			C	Las Vegas Valley Water District-DW	NV0000090	350	250	23	23	DW00554	Transmission pipe re-alignment	\$496,635.00	
191			C	Truckee Meadows Water Authority - DW	NV0000190	440,000	133,000	21	21	DW00450	Construct Emergency Operations Center	\$2,000,000.00	
192			C	Truckee Meadows Water Authority - DW	NV0000190	188,400	75,400	21	21	DW00432	Off River Supply Improvements	\$1,500,000.00	
193			C	Las Vegas Valley Water District-DW	NV0000090	421	421	21	21	DW00487	Install communication hardware to remotely control system	\$721,500.00	
194			C	Silver Knolls Mutual Water Company - DW	NV0004021	200	63	21	21	DW00536	Meter Replacement	\$225,473.00	
195			C	Verdi Meadows Utility Company, Inc. - DW	NV0000196	500	171	11	11	DW00557	Security & Telemetry Improvements	\$171,600.00	
196			C	Verdi Meadows Utility Company, Inc. - DW	NV0000196	430	171	11	11	DW00443	Water line replacement and realignment	\$3,721,830.88	
197			C	Verdi Meadows Utility Company, Inc. - DW	NV0000196	430	171	10	10	DW00444	Tank Replacement	\$1,163,152.00	
198			C	Fort Apache Am NE Water Assoc. - DW	NV0000430	25	16	3	3	DW00628	Engineering & Permitting to meet BSDW regulations	\$50,000.00	
Total Class III Projects												\$1,007,256,235.45	

Total Projects \$1,090,903,172.99

C³ Community Water Systems must be ranked above non-community water systems

Notes¹: LEAD indicates the system has discovered lead or galvanized pipe in their transmission / distribution system.

Funded⁴: System as received partial or full funding from SRF, is not complete, and must stay on the list until project is complete.

**Loan Commitment from the
Drinking Water State Revolving Fund**
Board for Financing Water Projects

January 2024

Shoshone Estates Water Co., Inc.

Amount and Term

\$100,000.00

Principal Forgiveness Loan
From DWSRF

Recommendation

The Nevada Division of Environmental Protection (NDEP) recommends that the Board for Financing Water Projects (Board) approve a loan commitment to Shoshone Estates Water Co., Inc. to revise the system's existing Preliminary Engineering Report (PER) to further investigate the installation of a new drinking water supply well and associated infrastructure, and prepare the associated Environmental Assessment.

Management and Structure

Loan Recipient and Structure Shoshone Estates Water Co., Inc. is a privately owned and operated public water system.

Project system The project is for the Shoshone Estates Water Co., Inc.

System Number NV0005028

System Information

County Nye

System Population 240

**System Service
Connections** 78

System Infrastructure The Shoshone Estates Water Co., Inc. currently serves 86 residential and six commercial connections. The water is sourced from two wells (Well #1 and Well #2). The system also includes one 40,000 gallon-capacity storage tank and a distribution system.

Compliance The system is currently listed as non-compliant due to difficulties in implementing the installation and maintenance of point-of-use (POU) reverse osmosis (RO) systems for arsenic. The existing PER reports that, according to the most recent Sanitary Survey conducted in August 2021, the only deficiency noted was the need for planning to address the arsenic levels. The system has additionally received numerous violations relating to arsenic concentrations exceeding the Maximum Contaminant Level (MCL) for arsenic of 0.01 mg/L, with the most recent reported concentration from the Bureau of Safe Drinking Water (BSDW) identified as 0.042 mg/L during the Third Quarter 2023 monitoring period.

System Project for Funding

Priority List	Priority #33 on the Drinking Water SRF Priority List Effective January 2024.
Need	The Shoshone Estates Water Co., Inc. has a current need to address high levels of arsenic within the system's drinking water supply. Currently, a POU RO system is used to address the high levels of arsenic. However, the system is still listed as non-compliant due to some customers not allowing entry for RO installation/filter changes. The Public Water System (PWS) is equipped with two ground water wells; however, Well # 1 is presently out of service. Recently, a project was undertaken to deepen Well # 1 with the aim of encountering higher quality water with lower concentrations of arsenic. However, increased arsenic concentrations were discovered (exceeding 0.06 mg/L). As arsenic is still above the state's allowable MCL, final authorization to use the well cannot be given by BSDW until point-of-use treatment systems have been installed on all service connections, or an alternate source or form of treatment is installed.
Chosen Project	The presently chosen project alternative is to negotiate with Nye County to allow the system to drill a new well at the County Rodeo Grounds. The Rodeo Grounds is understood to be equipped with a well meeting drinking water quality standards for arsenic but would not provide the volume of water necessary to serve the Shoshone Estates users. The new well would be connected into the existing distribution system and approximately one mile of new pipeline would be installed to tie into the existing water storage tank. Based on water quality analysis for the existing well at the Rodeo Grounds, higher quality water is expected in the new area. Prior to proceeding with this option, the existing PER needs to be updated to reflect current information and focus on the newly selected alternative. Additionally, as the project would include the development of a new water source, an Environmental Assessment (EA) will need to be prepared.
Project Alternatives	<p>Shoshone Estates Water Co., Inc. contracted a Nevada licensed professional engineer in 2021 to produce a PER to evaluate alternatives regarding elevated arsenic concentrations in the source water. A project to deepen one of the wells was identified as the preferred alternative; however, the project was not successful, and another solution must be found.</p> <p>In addition to the previously developed alternative and the current proposed alternative, a third alternative was evaluated which included implementing a Point-of-Entry (POE) Adsorption Media Filter to filter out the arsenic at the well head. This alternative would incorporate a POE centralized treatment system to the distribution system. This would treat all the incoming water from the well going into the distribution system. For this alternative, adsorption media filters would be used to treat the water. However, this alternative has not been selected due to cost considerations related to maintenance.</p>

Maps and Exhibits



Timeline

PER/EA Initiation: January 2024

PER/EA Final Report May 2024

Sources of Project Funding

	DWSRF	Local	Other Source	Total Costs
Design and Engineering	\$100,000.00	\$17,647.06	\$0.00	\$117,647.06
Totals	\$100,000.00	\$17,647.06	\$ 0.00	\$117,647.06

Other Source: _____

Environmental Review

To be developed within the scope of this project.

Community Engagement

The sole member of the Shoshone Estates Water Co., Inc. adopted a resolution approves staff to submit applications to the to the State Drinking Water State Revolving Fund for the purposes of funding several projects, including the proposed project herein. The effective date of this resolution was September 18, 2023.

Loan Recipient Information

Water Conservation Plan	Nevada Division of Water Resources mandates a water conservation plan for all PWSs. Further, this plan must be prepared and updated every five years to comply with Nevada statutes. Shoshone Estates Water Co., Inc. currently does not have an approved water conservation plan. Upon request from the PWS, technical assistance from the Office of Financial Assistance to prepare a water conservation plan is available.
Technical Capacity	<p>The Shoshone Estates Water Co., Inc. drinking water system requires operator certification level D-1 and T-0. The operator for this water system (number OP001049) holds full D-3 and T-2 certification.</p> <p>Shoshone Estates Water Co., Inc. has the technical capacity for NDEP to recommend funding support.</p>
Managerial Capacity	<p>Shoshone Estates Water Co., Inc. is a private water system currently under court receivership.</p> <p>The receiver has demonstrated managerial capacity for NDEP to recommend funding support.</p>
Financial Capacity	<p><u>Financial Information as of November 30, 2023:</u></p> <p>Unrestricted Cash: \$4,525.12 Days cash on hand: 25 Outstanding Debt: \$0.00 Operating Income before Depreciation: -\$7,218.32 Current Ratio: Not accounting for liabilities Debt Coverage: No debt</p> <p>*Financial information included tax returns for 2020 and 2021. System financial report provided through November 2023.</p> <p>Shoshone Estates Water Co., Inc. is currently not generating enough cash to cover long-term operations of the system. They are conducting a user rate study, with support from a third-party vendor, that will provide the information to introduce a rate increase that will provide sufficient funding for long-term operations. NDEP will require the rate study to be completed by the final draw of this loan.</p>
User Water Rates	<p>Water user rates were adopted in February 2022:</p> <ul style="list-style-type: none">• Residential base rate per user per month: \$100.25• Commodity Rate: None• Average Water Rate/Use for System: 23,622 <p>The existing water rates do not sufficiently cover current operation, maintenance, debt service, and reserves of the system for long term sustainability. NDEP will require a user rate that is sufficient for financial sustainability be adopted prior to further support for funding to the board for the next construction project.</p>
Asset Management Plan	An asset management plan has been developed and maintained by the system. This loan will contain a requirement to maintain an asset management plan.

Capital Replacement Reserve Account	Shoshone Estates Water Co., Inc. will need to establish a dedicated Capital Replacement Reserve Account before the final draw on this loan.
DWSRF Principal Forgiveness Eligibility Criteria	Shoshone Estates qualifies as a disadvantaged system.

System Previous Commitments and Studies

Project I.D. DW2203; Executed June 2022; Loan Amount \$110,000.00

Well modification for arsenic.

DWSRF Authority and Purpose

The 1996 amendments to the Safe Drinking Water Act (SDWA) authorized the DWSRF. The DWSRF is a national program to assist public water systems in financing the cost of drinking water infrastructure projects needed to achieve or maintain compliance with the SDWA and to further the public health objectives of the SDWA. The SDWA authorizes the U.S. Environmental Protection Agency (EPA) to award capitalization grants to states that have established DWSRF programs. The Nevada Legislature passed legislation that authorizes NDEP 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 implementing the DWSRF are found in 40 CFR, part 35. Other program directives include the Operating Agreement between NDEP and EPA, the annual Intended Use Plan, EPA guidance and policies, and conditions of each grant award.

One of the requirements of the NRS pertaining to the DWSRF is that NDEP 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(3)).

DWSRF Loan Conditions

The principal forgiveness loan will contain the following conditions:

- Review user rates at least every three (3) years for the life of the loan.
- Develop a sufficient water user rate to maintain the system’s current needs prior to the final draw of this loan.
- Maintain an asset management plan that is reviewed by the governing board at least every five (5) years.
- Maintain a capital replacement reserve account that is funded at least annually and re-evaluated every five (5) years.

RECOMMENDED MOTION FOR THE DWSRF LOAN

I move to approve the resolution titled “D8A-0124 Shoshone Estates Water Co., Inc. Project Loan Commitment,” which is intended to finance certain projects in an amount not to exceed \$100,000.00. The loan will include terms and conditions as outlined in the resolution and staff report.

RESOLUTION D8A-0124

Shoshone Estates Water Co., Inc. Project Loan Commitment

WHEREAS:	The Board for Financing Water Projects (Board) of the State of Nevada is authorized by Nevada Revised Statutes (NRS) chapter 445A.265 to approve the Nevada Division of Environmental Protection (NDEP) prioritized lists of water projects and to commit loans from the revolving fund account to help community water systems and non-transient water systems pay for capital improvements and debt refinancing, both of which are required and made necessary under NRS 445A.800 to 445A.955, inclusive, by the Safe Drinking Water Act (42 U.S.C. §§ 300f et seq.), and by corresponding regulations; and
WHEREAS:	NDEP has the responsibility of administering the Drinking Water State Revolving Fund program; and
WHEREAS:	On January 24, 2024, the Board, under NRS 445A.265(3), approved the Priority List Effective January 2024, which ranks water projects that are eligible for loans from the Drinking Water State Revolving Fund account; and
WHEREAS:	Shoshone Estates Water Co., Inc. (Recipient) owns and operates a public community water system in Nevada; and
WHEREAS:	The Recipient submitted a pre-application to NDEP for funding a project to project (Project); and
WHEREAS:	The Project is included as project #33 on the Priority List Effective January 2024 of water projects; and
WHEREAS:	The Recipient's Project is ready to proceed; and
WHEREAS:	In connection with seeking a loan, the Recipient has submitted a written application to NDEP consistent with NAC 445A.67613; and
WHEREAS:	NDEP has reviewed the application — including supporting materials — and has determined that the Recipient has the technical, managerial, and financial capability to manage a loan for the Project; and
WHEREAS:	NDEP has taken all necessary and proper actions as required by regulations on loan applications adopted by the State Environmental Commission (NAC 445A.6751 to 445A.67644, inclusive); and
WHEREAS:	The Board must give prior approval before NDEP may expend any money from the revolving fund account for the purposes set forth in NRS 445A.275;

IT IS RESOLVED by the Board for Financing Water Projects of the State of Nevada:

Section 1: This resolution shall be known as the “D08A-0124 Shoshone Estates Water Co., Inc. Project Loan Commitment”.

Section 2: The loan for the Project shall be negotiated between the Recipient and NDEP. The loan will include terms and conditions as outlined in the staff report dated January 24, 2024, and must comply with applicable provisions in the Nevada Drinking Water Intended Use Plan.

Section 3: Based on NDEP’s review of the application and recommendation to the Board concerning the Project, and subject to the provisions of Section 2 and 4 of this resolution, the Board approves a commitment of funds in the amount not to exceed \$100,000.00 from the revolving fund account consistent with NRS 445A.265(3).

Section 4: The Board further recommends that NDEP take all other necessary and appropriate actions to advance the provisions of this resolution consistent with NRS 445A.200 to 445A.295, inclusive, and with corresponding regulations.

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

PASSED, ADOPTED, AND SIGNED January 24, 2024

Signed:_____

Chair

Board for Financing Water Projects

Attest:_____

Advisor

Board for Financing Water Projects

**Loan Commitment from the
Drinking Water State Revolving Fund**
Board for Financing Water Projects

January 2024

Town of Tonopah

Amount and Term

\$85,000.00

Principal Forgiveness Loan
From DWSRF

Recommendation

The Nevada Division of Environmental Protection (NDEP) recommends that the Board for Financing Water Projects (Board) approve a loan commitment to Town of Tonopah for a Preliminary Engineering Report (PER) and Environmental Report to investigate and prioritize storage and looping options.

Management and Structure

**Loan Recipient
and Structure** Tonopah Public Utilities is a public water system.

Project system The project is for the Tonopah Public Utilities.

System Number NV0000237

System Information

County Nye

System Population 2,493

**System Service
Connections** 938 Residential; 253 Other

System Infrastructure The Tonopah Public Utilities drinking water system has six active wells. The water from these wells is stored in nine storage tanks varying from 100,000 gallons to 1,080,000 gallons in capacity. Drinking water is distributed through a pipe system with the assistance of three booster pump stations. Chlorine is added to the drinking water with the use of a chlorinator at the Rye Patch Pump Station.

Compliance Violations recorded by the Bureau of Safe Drinking Water for Tonopah Public Utilities in 2023 were related to Total Coliform Rule regulations. Recent Sanitary Surveys were conducted on July 18, 2022, October 21, 2021, and September 12, 2018 with no significant deficiencies noted. Minor deficiencies were observed that need to be corrected to ensure adequate long-term protection, construction, monitoring, operation, and maintenance of the public water system. These deficiencies included a cracked well pad at Well 10 and Well 6, the implementation of a tank maintenance program, and the possible abandonment of the Airport Storage tank due to lack of demand.

System Project for Funding

Priority List	Priority #100 on the Drinking Water SRF Priority List Effective January 2024.
Need	The water system currently has seven pressure zones that are fed by six ground level storage tanks. The lowest five zones (Upper Sierra Vista, Middle Sierra Vista, Lower Sierra Vista, Ararat, and US 95) are fed by the two Ararat Tanks. The lowest five zones have exceeded their storage capacity (as provided by the two Ararat Tanks) and must currently rely on the excess capacity that is available in the upper zones. It is not efficient to consume energy to pump to the upper zones and then regulate back down to the lower zones. It is thought that efficiencies could be realized if each zone has its own standalone storage component adequately sized to serve the zone. Furthermore, the lowest pressure zone, Lower Sierra Vista, could be connected and served from the US 95 Zone through a pressure reducing station thus providing much needed looping and distribution redundancy to the Lower Sierra Vista Zone.
Chosen Project	A PER is needed to evaluate storage efficiencies as well as possible looping of portions of the water system for needed redundancy. The scope of work will investigate increasing the storage volume that serves the lowest five zones (operational, fire, and emergency storage) and improve looping and redundancy to the Lower Sierra Vista Zone.
Project Alternatives	Project alternatives and priorities will be evaluated with this PER.

Maps and Exhibits



Timeline

PER/ER: October 2024

Design: October 2025

Construction Bid: November – December 2025

Construction Start: January 2026

Initiation of Operations: October 2026

Sources of Project Funding

	DWSRF	Local	Other Source	Total Costs
Other planning costs	\$85,000.00	\$15,000.00	\$0.00	\$100,000.00
Totals	\$85,000.00	\$15,000.00	\$ 0.00	\$100,000.00

Other Source: _____

Environmental Review

To be developed with the PER.

Community Engagement

The Town of Tonopah has a five-member board that meets on a monthly basis; meetings are subject to Open Meeting Laws. The Town of Tonopah Board met on November 20, 2023, to approve the application to the Drinking Water SRF Program to request funding for this PER project.

Loan Recipient Information

Water Conservation Plan	The Tonopah Public Utilities has a Water Conservation Plan which was submitted to the Nevada Division of Water Resources on February 11, 2020.
Technical Capacity	<p>The Tonopah Public Utilities drinking water system requires operator certification level D-3 and T-0. The operator for this water system (number OP02564) holds D-3 certification.</p> <p>The Town of Tonopah has the technical capacity for NDEP to recommend funding support.</p>
Managerial Capacity	<p>Town of Tonopah is governed by a five-member board and meetings are subject to open meeting laws. The last time this project was addressed at a public meeting was November 20, 2023.</p> <p>The Town of Tonopah has demonstrated managerial capacity for NDEP to recommend funding support.</p>
Financial Capacity	<p><u>Financial Information as of June 30, 2022:</u></p> <p>Unrestricted Cash: \$955,649.00 Days cash on hand: 715 Outstanding Debt: \$4,830,391.00 Operating Income before Depreciation: \$300,366.00 Current Ratio: 6.54 Debt Coverage: 1.88</p>

	<p>*Financial Information is independently audited by D. McArthur, LTD.</p> <p>The Town of Tonopah has demonstrated financial capacity for NDEP to recommend funding support.</p>
User Water Rates	<p>Water user rates were adopted on July 1, 2023:</p> <ul style="list-style-type: none"> • Residential base rate per user per month: \$10.35 • Commodity Rate: 4.35 • Average Water Rate/Use for System: \$21.55 (3,000 gallons) <p>The water rates established sufficiently cover current operation, maintenance, debt service, and reserves of the system.</p>
Asset Management Plan	An Asset Management Plan has been developed and will be part of the loan conditions for principal forgiveness funding.
Capital Replacement Reserve Account	A Capital Replacement Reserve Account has been established and will be part of the loan conditions to maintain this account throughout the loan.
DWSRF Principal Forgiveness Eligibility Criteria	The Town of Tonopah is a disadvantaged entity and therefore qualifies for Principal Forgiveness funding.

System Previous Commitments and Studies

Project I.D. DW2314; Executed September 2023; Loan Amount \$3,500,000.00

Replace Galvanized/AC Pipe

Project I.D. DW1806; Executed December 2017; Loan Amount \$500,000.00

Radio Read Meter Implementation

Project I.D. DW1302; Executed February 2013; Loan Amount \$1,700,000.00

Replace Transmission Lines

Project I.D. DW1202; Executed August 2011; Loan Amount \$1,060,780.00

Arsenic Compliance

DWSRF Authority and Purpose

The 1996 amendments to the Safe Drinking Water Act (SDWA) authorized the DWSRF. The DWSRF is a national program to assist public water systems in financing the cost of drinking water infrastructure projects needed to achieve or maintain compliance with the SDWA and to further the public health objectives of the SDWA. The SDWA authorizes the U.S. Environmental Protection Agency (EPA) to award capitalization grants to states that have established DWSRF programs. The Nevada Legislature passed legislation that authorizes NDEP 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 implementing the DWSRF are found in 40 CFR, part 35. Other program directives include the Operating Agreement between NDEP and EPA, the annual Intended Use Plan, EPA guidance and policies, and conditions of each grant award.

One of the requirements of the NRS pertaining to the DWSRF is that NDEP 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(3)).

DWSRF Loan Conditions

The principal forgiveness loan will contain the following conditions:

- Review user rates at least every three (3) years for the life of the loan.
- Maintain an asset management plan that is reviewed by the governing board at least every five (5) years.
- Maintain a capital replacement reserve account that is funded at least annually and re-evaluated every five (5) years.

RECOMMENDED MOTION FOR THE DWSRF LOAN

I move to approve the resolution titled “D08B-0124 Town of Tonopah Project Loan Commitment,” which is intended to finance certain projects in an amount not to exceed \$85,000.00. The loan will include terms and conditions as outlined in the resolution and staff report.

RESOLUTION D8B-0124

Town of Tonopah Project Loan Commitment

WHEREAS:	The Board for Financing Water Projects (Board) of the State of Nevada is authorized by Nevada Revised Statutes (NRS) chapter 445A.265 to approve the Nevada Division of Environmental Protection (NDEP) prioritized lists of water projects and to commit loans from the revolving fund account to help community water systems and non-transient water systems pay for capital improvements and debt refinancing, both of which are required and made necessary under NRS 445A.800 to 445A.955, inclusive, by the Safe Drinking Water Act (42 U.S.C. §§ 300f et seq.), and by corresponding regulations; and
WHEREAS:	NDEP has the responsibility of administering the Drinking Water State Revolving Fund program; and
WHEREAS:	On January 24, 2024, the Board, under NRS 445A.265(3), approved the Priority List Effective January 2024, which ranks water projects that are eligible for loans from the Drinking Water State Revolving Fund account; and
WHEREAS:	Town of Tonopah (Recipient) owns and operates a public community water system in Nevada; and
WHEREAS:	The Recipient submitted a pre-application to NDEP for funding a project to project (Project); and
WHEREAS:	The Project is included as project #100 on the Priority List Effective January 2024 of water projects; and
WHEREAS:	The Recipient's Project is ready to proceed; and
WHEREAS:	In connection with seeking a loan, the Recipient has submitted a written application to NDEP consistent with NAC 445A.67613; and
WHEREAS:	NDEP has reviewed the application — including supporting materials — and has determined that the Recipient has the technical, managerial, and financial capability to manage a loan for the Project; and
WHEREAS:	NDEP has taken all necessary and proper actions as required by regulations on loan applications adopted by the State Environmental Commission (NAC 445A.6751 to 445A.67644, inclusive); and
WHEREAS:	The Board must give prior approval before NDEP may expend any money from the revolving fund account for the purposes set forth in NRS 445A.275;

IT IS RESOLVED by the Board for Financing Water Projects of the State of Nevada:

Section 1: This resolution shall be known as the “D8B-0124 Town of Tonopah Project Loan Commitment”.

Section 2: The loan for the Project shall be negotiated between the Recipient and NDEP. The loan will include terms and conditions as outlined in the staff report dated January 24, 2024, and must comply with applicable provisions in the Nevada Drinking Water Intended Use Plan.

Section 3: Based on NDEP’s review of the application and recommendation to the Board concerning the Project, and subject to the provisions of Section 2 and 4 of this resolution, the Board approves a commitment of funds in the amount not to exceed \$85,000.00 from the revolving fund account consistent with NRS 445A.265(3).

Section 4: The Board further recommends that NDEP take all other necessary and appropriate actions to advance the provisions of this resolution consistent with NRS 445A.200 to 445A.295, inclusive, and with corresponding regulations.

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

PASSED, ADOPTED, AND SIGNED January 24, 2024

Signed:_____

Chair

Board for Financing Water Projects

Attest:_____

Advisor

Board for Financing Water Projects

**Loan Commitment from the
Drinking Water State Revolving Fund**
Board for Financing Water Projects

January 2024

Beatty Water & Sanitation District

Amount and Term

\$481,000.00

Additional Principal
Forgiveness
From DWSRF

\$1,531,000.00

Total commitment

Recommendation

The Nevada Division of Environmental Protection (NDEP) recommends that the Board for Financing Water Projects (Board) approve a loan commitment to Beatty Water & Sanitation District for the relining of three system tanks and replacement of the booster tank.

Original Commitments

Project Beatty Water & Sanitation District has multiple components that are in need of replacement, rehabilitation, and upgrade. Based on dive reports, the 250,000-gallon Middle tank, 250,000-gallon South tank, and 260,000-gallon Indian Springs tank all are in the need of interior recoating. Timely coating of the water storage tanks will allow the tanks to be relined rather than requiring replacement at a significantly greater cost. The system's booster storage tank is in poor condition as well and lacks adequate capacity. The 20,000-gallon booster tank is to be replaced with a 45,000-gallon tank with a similar footprint.

Resolution Conditions Resolution D09-1222 for the Beatty Water & Sanitation GID Project Loan Commitment was adopted on December 6, 2022. This board resolution approved a not-to-exceed amount of \$1,050,000 in principal forgiveness funds from the Drinking Water State Revolving Fund.

Need for Additional Funds During the bidding process for this project, responsive contractors provided bids which exceeded the original estimate prepared by the project engineer. Therefore, without additional funding, only the booster tank and the recoating of one water storage tank can be completed.

Timeline

Original

Updated

Design: February 2023

Complete

Construction Bid: May 2023

October 2023

Construction Start: June 2023

February 2024

Initiation of Operations: September 2023

August 2024

Explanation of Changes

The resolution referenced above was adopted on December 6, 2022. The environmental process, contract drafting, review, and circulation was completed and yielded a signed contract on May 2, 2023. Beatty received their permit for construction from the Bureau of Safe Drinking Water on October 5, 2023. The construction bid

closing was October 25, 2023; two bidders responded to the posting and submitted bids. After the construction bids came in higher than the available budget, the project proponents spent additional time attempting to identify additional funding in order to be able to construct all project elements.

	Original Budget	Additional Funding	Total Costs
Planning	\$10,000.00	\$0.00	\$10,000.00
Design, Inspection, & Construction Management	\$125,400.00	\$0.00	\$125,400.00
Construction/Improvements	\$894,600.00	\$481,000.00	\$1,375,600.00
Administration	\$50,000.00	\$0.00	\$50,000.00
Totals	\$1,080,000.00	\$481,000.00	\$1,561,000.00
SRF Funds	\$1,050,000.00	\$481,000.00	\$1,531,000.00
Local Source Funds	\$30,000.00	\$0.00	\$30,000.00

Explanation for Changes in Budget

The Beatty Water & Sanitation District tank relining and replacement project cost estimate is dated May 2022. The cost of materials has escalated substantially since this estimate. Additionally, the increase in the number of construction projects in Nevada continues to tax the construction industry. The number of contractors with the availability and resources to bid on construction projects is very small.

Opportunity for Other Funding

Additional principal forgiveness funds in the DWSRF are available. The only funding source for this project is the DWSRF and local funding sources. To complete the entire project and utilize the existing contractor retained for the project, Beatty Water & Sanitation District would not have sufficient time to apply for funding from another source. In addition, providing additional funding as a traditional loan would not be affordable for the community.

DWSRF Loan Conditions

The principal forgiveness loan will contain the following conditions:

- Review user rates at least every three (3) years for the life of the loan.
- Maintain an asset management plan that is reviewed by the governing board at least every five (5) years.
- Maintain a capital replacement reserve account that is funded at least annually and re-evaluated every five (5) years.

RECOMMENDED MOTION FOR THE DWSRF LOAN

I move to approve the resolution titled "D09A-0124 Beatty Water & Sewer Sanitation District Project Loan Commitment," to increase the loan amount by \$481,000.00 to an amount not to exceed \$1,531,000.00.

RESOLUTION D9A-0124

Beatty Water & Sanitation District Project Loan Commitment

WHEREAS:	The Board for Financing Water Projects (Board) of the State of Nevada is authorized by Nevada Revised Statutes (NRS) chapter 445A.265 to approve the Nevada Division of Environmental Protection (NDEP) prioritized lists of water projects and to commit loans from the revolving fund account to help community water systems and non-transient water systems pay for capital improvements and debt refinancing, both of which are required and made necessary under NRS 445A.800 to 445A.955, inclusive, by the Safe Drinking Water Act (42 U.S.C. §§ 300f et seq.), and by corresponding regulations; and
WHEREAS:	NDEP has the responsibility of administering the Drinking Water State Revolving Fund program; and
WHEREAS:	On January 24, 2024, the Board, under NRS 445A.265(3), approved the Priority List Effective January 2024, which ranks water projects that are eligible for loans from the Drinking Water State Revolving Fund account; and
WHEREAS:	Beatty Water & Sanitation District (Recipient) owns and operates a public community water system in Nevada; and
WHEREAS:	The Project is included as project #23 on the Priority List Effective January 2024 of water projects; and
WHEREAS:	NDEP and the Recipient entered into loan contract DW2310 on May 2, 2023, in order to pay for the relining of three system tanks and replacement of the booster tank; and
WHEREAS:	NDEP has taken all necessary and proper actions as required by regulations on loan applications adopted by the State Environmental Commission (NAC 445A.6751 to 445A.67644, inclusive); and
WHEREAS:	The Board must give prior approval before NDEP may expend any money from the revolving fund account for the purposes set forth in NRS 445A.275;

IT IS RESOLVED by the Board for Financing Water Projects of the State of Nevada:

Section 1: This resolution shall be known as the “D09A-0124 Beatty Water & Sanitation District Project Loan Commitment”.

Section 2: The loan for the Project shall be negotiated between the Recipient and NDEP. The loan will include terms and conditions as outlined in the staff report dated January 24, 2024, and must comply with applicable provisions in the Nevada Drinking Water Intended Use Plan.

Section 3: Based on NDEP’s review of the application and recommendation to the Board concerning the Project, and subject to the provisions of Section 2 and 4 of this resolution, the Board approves a commitment of additional funds in the amount not to exceed \$481,000.00 from the revolving fund account consistent with NRS 445A.265(3). The total commitment to loan DW2310 would therefore be \$1,531,000.00.

Section 4: The Board further recommends that NDEP take all other necessary and appropriate actions to advance the provisions of this resolution consistent with NRS 445A.200 to 445A.295, inclusive, and with corresponding regulations.

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

PASSED, ADOPTED, AND SIGNED January 24, 2024

Signed: _____

Chair

Board for Financing Water Projects

Attest: _____

Advisor

Board for Financing Water Projects

**Loan Commitment from the
Drinking Water State Revolving Fund**
Board for Financing Water Projects

January 2024

Humboldt County

Amount and Term

\$248,000.00

Principal Forgiveness Loan
From DWSRF

Recommendation

The Nevada Division of Environmental Protection (NDEP) recommends that the Board for Financing Water Projects (Board) approve a loan commitment to Humboldt County for a Preliminary Engineering Report (PER) amendment, an environmental assessment, and the construction of an intertie between Gold Country Water System and the Star City Water System.

Management and Structure

Loan Recipient and Structure Humboldt County operates non-profit public water systems.

Project system To project is for Humboldt County which manages several water systems.

System Number NV0003079

System Information

County Humboldt

System Population 1,634

System Service Connections 480 Residential, 10 Other

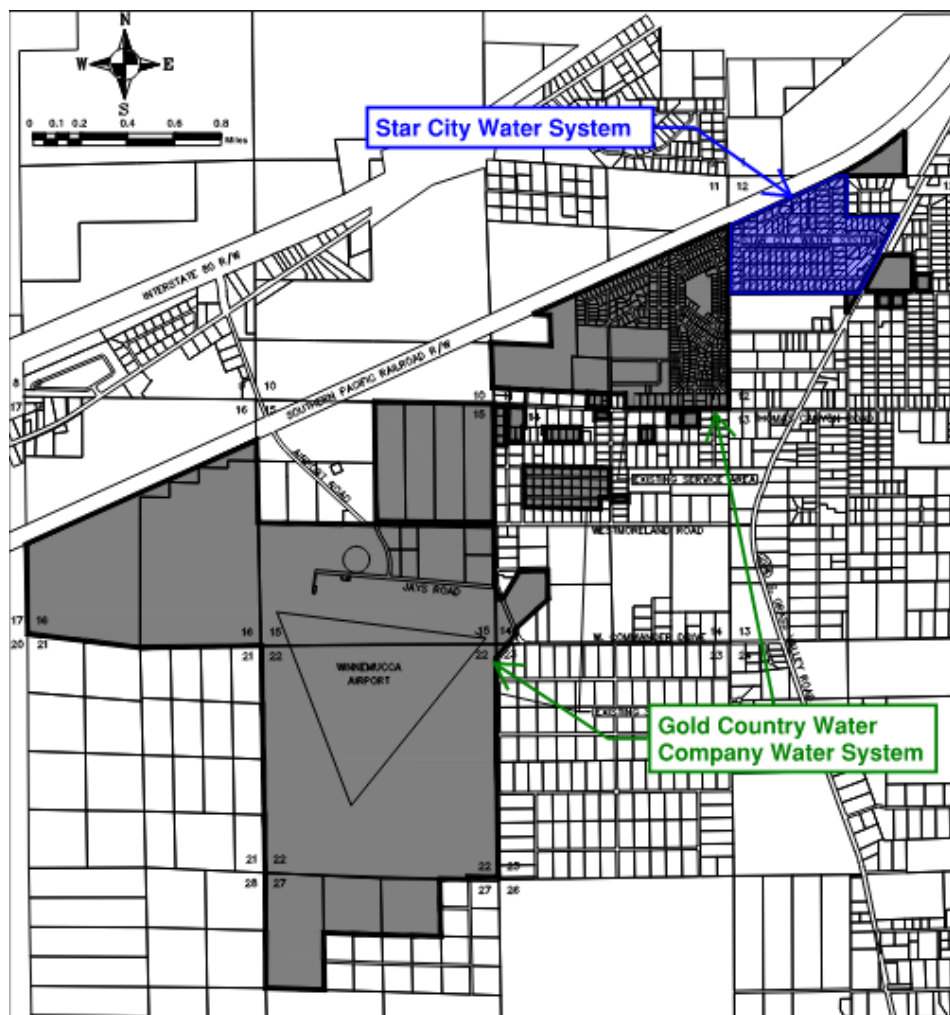
System Infrastructure The Gold Country Water Company water system currently has four system wells but only uses three of them for water supply. One 285,000-gallon storage tank manages water storage for the system, and water distribution is handled with a booster pump station and a network of transmission and distribution lines. The water system is controlled by Supervisory Control and Data Acquisition (SCADA) computer system. The booster pump has a backup generator in case of outages. A backup generator is located such that it can supply power to both Wells #3 and #4. Wells #1 and #2 do not have backup generators. Water meters are used to measure consumption and help identify leaks. Approximately 95% of the transmission and distribution water lines are C900 PVC, but there is one Asbestos Cement Pipe that is 3,100 feet in length. A project to construct a fifth well was approved by the Board of Financing Water Projects in December of 2022.

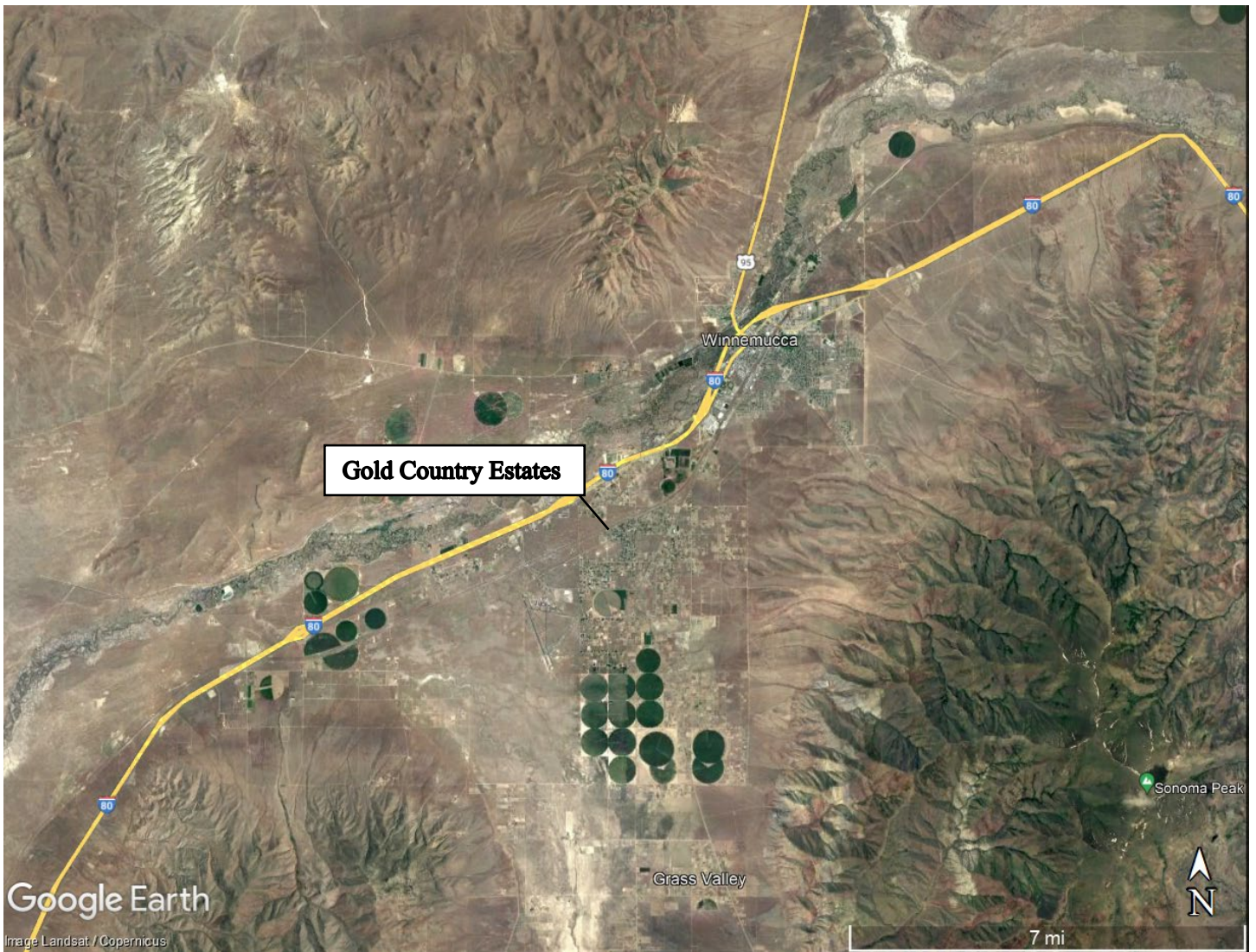
Compliance While high nitrate levels threaten exceedance, blending has been successful in managing nitrate levels as the last nitrate violation was in 2012. A violation was logged in 2020 for exceedance of the state Maximum Contaminant Level for color at Well #2.

System Project for Funding

Priority List	Priority #1 on the Drinking Water SRF Priority List Effective January 2024.
Need	Drilling of a new well requires the development of an Environmental Assessment per NAC 445A.67583. The environmental process must be completed prior to signing the draft DWSRF loan contract to drill the new well (#5) that was approved in December of 2022 by the Board for Financing Water Projects. Construction of the intertie as part of the current project will address the immediate need for a blending source of water to address rising nitrate levels.
Chosen Project	The project includes amendments to the existing PER (as applicable) and the development of an Environmental Assessment. The project also includes the construction of the intertie between the Gold Country Water System and the Star City Water System which will allow blending of water between these two water systems.
Project Alternatives	Project alternatives for the well selection location and the intertie were evaluated in the PER and during the staff evaluation in December of 2022.

Maps and Exhibits





Timeline

Intertie Design: Feb 2023-July 2024
Construction Bid: July 2024
Construction Start: August 2024
Initiation of Operations: October 2024

EA/Amended PER Design: February-December 2024

Sources of Project Funding

	DWSRF	Local	Other Source	Total Costs
Design and Engineering	\$96,000.00	\$0.00	\$0.00	\$96,000.00
Construction/Improvements	\$152,000.00	\$0.00	\$0.00	\$152,000.00
Other	\$0.00	\$0.00	\$0.00	\$ 0.00
Totals	\$248,000.00	\$ 0.00	\$ 0.00	\$248,000.00

Other Source: _____

Environmental Review

The project will include the development of an Environmental Assessment to identify and evaluate any potential impacts associated with the selected alternative.

Community Engagement

The Humboldt County Board of Commissioners is a five-member board that meets twice monthly and is subject to Open Meeting Laws. The Humboldt County Board of Commissioners held a public meeting on December 11, 2023, to obtain approval to submit a loan application to the DWSRF program for the proposed project.

Loan Recipient Information

Water Conservation Plan	Humboldt County is in need of a Water Conservation Plan. NDEP has contacted our Technical Assistance providers for assistance in the development of the plan.
Technical Capacity	The Gold Country Water Company water system requires the operating capacity of "T-0" for treatment facilities and "D-2" for the source, storage, and distribution system. The operator has active certifications to operate T-3 and D-3 systems, which exceeds the operational requirements of this system. Humboldt County has the technical capacity for NDEP to recommend funding support.
Managerial Capacity	Humboldt County is governed by a five-member board and meetings are subject to open meeting laws. The last time this project was addressed at a public meeting was May 22, 2023. Humboldt County has demonstrated managerial capacity for NDEP to recommend funding support.
Financial Capacity	<u>Financial Information as of December 18, 2023:</u> Unrestricted Cash: \$80,007.29 Days cash on hand: 369

	<p>Outstanding Debt: \$1,000,000.00 Operating Income before Depreciation: \$41,014.70</p> <p>* Financial information is provided by Humboldt County (unaudited)</p> <p>Humboldt County recently acquired the assets of Gold Country Water Company. A full accounting year has not yet occurred. Humboldt County has demonstrated financial capacity for NDEP to recommend funding support.</p>
User Water Rates	<ul style="list-style-type: none"> Residential base rate per user per month: \$36.75 (0-8,000 gallons of water) Commodity Rate: \$1.05/1,000 gallons over the base gallons Fire Protection flat rate per user per month: \$9.47 Average Water Rate/Use for System: \$50.00 residential (21,000 gallons per month) <p>The water rates established sufficiently cover current operation, maintenance, debt service, and reserves of the system.</p>
Asset Management Plan	RCAC is currently assisting Humboldt County with the development of an Asset Management Plan. An Asset Management Plan will be part of the loan conditions for principal forgiveness funding.
Capital Replacement Reserve Account	A Capital Replacement Reserve Account will be maintained by Humboldt County as part of this loan agreement.
DWSRF Principal Forgiveness Eligibility Criteria	This project qualifies as disadvantaged for Principal Forgiveness funding.

System Previous Commitments and Studies

Project I.D. DW2307; Executed Date will follow the completion of the EA; Loan Amount \$1,350,000

Gold Country Nitrate Issue Consolidation: This project included the purchase of the Gold Country Water System, the refinance of the Gold Country debt, and the construction of a new well.

Project I.D. DW2105; Executed February 2021; Loan Amount \$44,000

Gold Country Water Company Nitrate Mitigation Assessment – Preliminary Engineering Report

This report was created by One Water Consulting and is dated February 18, 2022. This report evaluated possible mitigation strategies to address the nitrate issue for this water system.

Evaluation of Groundwater Nitrate Contamination within the Gold Country Water System

This study conducted and published by Greg Pohl, Ph.D. and Christian Kropf, Ph. D., dated June 2021, investigated the hydrogeologic properties of aquifer systems near Winnemucca, Nevada, and conducted modeling to study nitrate contamination.

Manhard Engineering Hydraulic Analysis

This report, dated April 5, 2012, modeled the Gold Country Water Company system needs for various scenarios including Max Day, Peak Hour, and Max Day plus Fire Flow.

DWSRF Authority and Purpose

The 1996 amendments to the Safe Drinking Water Act (SDWA) authorized the DWSRF. The DWSRF is a national program to assist public water systems in financing the cost of drinking water infrastructure projects needed to achieve or maintain compliance with the SDWA and to further the public health objectives of the SDWA. The SDWA authorizes the U.S. Environmental Protection Agency (EPA) to award capitalization grants to states that have established DWSRF programs. The Nevada Legislature passed legislation that authorizes NDEP 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 implementing the DWSRF are found in 40 CFR, part 35. Other program directives include the Operating Agreement between NDEP and EPA, the annual Intended Use Plan, EPA guidance and policies, and conditions of each grant award.

One of the requirements of the NRS pertaining to the DWSRF is that NDEP 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(3)).

DWSRF Loan Conditions

The principal forgiveness loan will contain the following conditions:

- Review user rates at least every three (3) years for the life of the loan.
- Develop and maintain an asset management plan that is reviewed by the governing board at least every five (5) years.
- Maintain a capital replacement reserve account that is funded at least annually and re-evaluated every five (5) years.

RECOMMENDED MOTION FOR THE DWSRF LOAN

I move to approve the resolution titled “D010-0124 Humboldt County Project Loan Commitment,” which is intended to finance certain projects in an amount not to exceed \$248,000.00. The loan will include terms and conditions as outlined in the resolution and staff report.

RESOLUTION D010-0124

Humboldt County Project Loan Commitment

WHEREAS:	The Board for Financing Water Projects (Board) of the State of Nevada is authorized by Nevada Revised Statutes (NRS) chapter 445A.265 to approve the Nevada Division of Environmental Protection (NDEP) prioritized lists of water projects and to commit loans from the revolving fund account to help community water systems and non-transient water systems pay for capital improvements and debt refinancing, both of which are required and made necessary under NRS 445A.800 to 445A.955, inclusive, by the Safe Drinking Water Act (42 U.S.C. §§ 300f et seq.), and by corresponding regulations; and
WHEREAS:	NDEP has the responsibility of administering the Drinking Water State Revolving Fund program; and
WHEREAS:	On January 24, 2024, the Board, under NRS 445A.265(3), approved the Priority List Effective January 2024, which ranks water projects that are eligible for loans from the Drinking Water State Revolving Fund account; and
WHEREAS:	Humboldt County (Recipient) owns and operates a public community water system in Nevada; and
WHEREAS:	The Recipient submitted a pre-application to NDEP for funding a project to project (Project); and
WHEREAS:	The Project is included as project #1 on the Priority List Effective January 2024 of water projects; and
WHEREAS:	The Recipient's Project is ready to proceed; and
WHEREAS:	In connection with seeking a loan, the Recipient has submitted a written application to NDEP consistent with NAC 445A.67613; and
WHEREAS:	NDEP has reviewed the application — including supporting materials — and has determined that the Recipient has the technical, managerial, and financial capability to manage a loan for the Project; and
WHEREAS:	NDEP has taken all necessary and proper actions as required by regulations on loan applications adopted by the State Environmental Commission (NAC 445A.6751 to 445A.67644, inclusive); and
WHEREAS:	The Board must give prior approval before NDEP may expend any money from the revolving fund account for the purposes set forth in NRS 445A.275;

IT IS RESOLVED by the Board for Financing Water Projects of the State of Nevada:

Section 1: This resolution shall be known as the “D010-0124 Humboldt County Project Loan Commitment.”

Section 2: The loan for the Project shall be negotiated between the Recipient and NDEP. The loan will include terms and conditions as outlined in the staff report dated January 24, 2024, and must comply with applicable provisions in the Nevada Drinking Water Intended Use Plan.

Section 3: Based on NDEP’s review of the application and recommendation to the Board concerning the Project, and subject to the provisions of Section 2 and 4 of this resolution, the Board approves a commitment of funds in the amount not to exceed \$248,000.00 from the revolving fund account consistent with NRS 445A.265(3).

Section 4: The Board further recommends that NDEP take all other necessary and appropriate actions to advance the provisions of this resolution consistent with NRS 445A.200 to 445A.295, inclusive, and with corresponding regulations.

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

PASSED, ADOPTED, AND SIGNED January 24, 2024

Signed:_____

Chair

Board for Financing Water Projects

Attest:_____

Advisor

Board for Financing Water Projects

**Loan Commitment from the
Drinking Water State Revolving Fund**
Board for Financing Water Projects

January 2024

Storey County

Amount and Term

\$1,150,000.00

Principal Forgiveness Loan
From DWSRF

Recommendation

The Nevada Division of Environmental Protection (NDEP) recommends that the Board for Financing Water Projects (Board) approve a loan commitment to Storey County Water District for the preparation of a Preliminary Engineering Report (PER) and Environmental Review (ER), design, and engineering for the Lead Siphon Transmission Replacement Project.

Management and Structure

Loan Recipient and Structure Storey County is a nonprofit public water system.

Project system The project is for the Storey County Water District.

System Number NV0000240

System Information

County Storey

System Population 1,110

System Service Connections 803

System Infrastructure The source of water for the Storey County Water District is surface water from the Marlette Water System, which is owned and operated by the State of Nevada. Water travels from the storage reservoir of Marlette Lake over 14 miles (as the crow flies) to the Virginia City Water Treatment Plant; the plant includes chlorination and media filtration. Storey County is responsible for 11.4 miles of the transmission main from Marlette Lake to Virginia City plus the local distribution system. Water is stored in a 5,000,000-gallon reservoir and well as seven storage tanks, which range from 75,000 to 500,000 gallons in capacity.

Compliance In the last ten years, violations recorded by the Bureau of Safe Drinking Water for the Storey County Water District were related to routine monitoring and the Total Coliform Rule regulations. The most recent Sanitary Survey was conducted on November 16, 2023, with significant deficiencies noted in treatment plant design specifications, testing of backflow devices, and the facility's Cross Connection Control Plan.

System Project for Funding

Priority List	Priority #11 on the Drinking Water SRF Priority List Effective January 2024.
Need	<p>The Storey County Water District is supplied water from the Marlette Lake Water System (Marlette System) which is owned and operated by the State of Nevada. Per the operating agreement, Storey County is responsible for the maintenance and operation of the transmission main from US I580 to the Water Treatment Plant (WTP) in Virginia City, NV. This 11.4-mile transmission main includes leaded joints.</p> <p>The segment between I580 and the top of the siphon is a steel pipeline from the 1870s which contains leaded joints. This segment is subject to frequent failures or breaks which cause extended disruptions to the supply of water to the Storey County Water District. Additionally, this segment of transmission main is also the current restriction or chokepoint for the flow of water from the Marlette System to Virginia City. In the 2021 Storey County Water Resource Plan, it was found that the Storey County Water District does not have the storage or supply capacity to meet the requirements of NAC 445A under the buildout condition for the current service area. A significant contributor to the storage and supply capacity of the system is the conveyance capacity of the transmission main or siphon.</p>
Chosen Project	<p>This phase of the Lead Siphon Transmission Replacement Project includes a PER and ER, design, and engineering. The 11.4-mile transmission main is composed of the following segments (Segment Diameter (in.)/Length (ft.)/Install Date): I580 to Top of Siphon (10 / 25,700 / 1875), Top of Siphon to 5 Mile Reservoir (10 / 17,605 / 2003), 5 Mile Reservoir to VC WTP (12 / 17,300 / 1980-2019). The proposed construction project, following completion of the PER and ER and replacement of 25,700 linear feet of transmission main with a new 12-inch main from I580 to the Top of the Siphon. The pipe will be installed via trenched construction techniques and will include ten air release valve assemblies to maintain operability across the variable terrain.</p>
Project Alternatives	Project alternatives and priorities will be evaluated with this PER.

Maps and Exhibits



Timeline

- Design: Complete January 2025
- Construction Bid: February 2025
- Construction Start: March 2025
- Initiation of Operations: September 2025

Sources of Project Funding

	DWSRF	Local	Other Source	Total Costs
Planning cost already incurred	\$0.00	\$50,000.00	\$125,000.00	\$175,000.00
Other planning costs	\$86,504.00	\$0.00	\$0.00	\$86,504.00
Design and Engineering	\$1,061,366.25	\$0.00	\$0.00	\$1,061,366.25
Other	\$2,129.75	\$0.00	\$0.00	\$2,129.75
Totals	\$1,150,000.00	\$50,000.00	\$125,000.00	\$1,325,000.00

Environmental Review

To be developed with the PER.

Community Engagement

Storey County has a five-member board that meets twice per month; meetings are subject to Open Meeting Laws. The Board of Storey County met on November 21, 2023, to approve the application to the Drinking Water SRF Program to request funding for this phase of the Lead Siphon Transmission Replacement Project.

Loan Recipient Information

Water Conservation Plan	Storey County submitted a Water Conservation Plan to the Nevada Division of Water Resources in May 2010. An updated Water Conservation Plan is required as more than five years has passed since the last update. This updated document has been provided to the Nevada Division of Water Resources but has not yet been issued approval. However, approval is expected to be attained with cooperation of the county.
Technical Capacity	The Storey County drinking water system requires operator certification level D-2 and T-3. The operator for this water system (number OP00620) holds full D-3 and T-3 certification. Storey County has the technical capacity for NDEP to recommend funding support.
Managerial Capacity	Storey County has a three-member governing board that meets bi-monthly. The last time this project was discussed at a public meeting was October 3, 2023. Storey County has demonstrated managerial capacity for NDEP to recommend funding support.
Financial Capacity	<u>Financial Information as of June 30, 2022:</u> Unrestricted Cash: \$1,537,894.00 Days cash on hand: 854 Outstanding Debt: \$0.00 Operating Income before Depreciation: \$204,356.00 Current Ratio: 18.44 Debt Coverage: 2.00 *Financial Information is independently audited by DiPietro & Thornton. Storey County has demonstrated financial capacity for NDEP to recommend funding support.
User Water Rates	Water user rates were adopted on January 1, 2020: <ul style="list-style-type: none"> Residential base rate per user per month: \$36.35 Commodity Rate: \$3.24 / 1,000 gallons over 2,000 gallons in base rate Average Water Rate/Use for System: 11,508 The water rates established sufficiently cover current operation, maintenance, debt service, and reserves of the system.

Asset Management Plan	An Asset Management Plan will be part of the loan conditions for principal forgiveness funding.
Capital Replacement Reserve Account	A Capital Replacement Reserve Account will be maintained by Humboldt County as part of this loan agreement.
DWSRF Principal Forgiveness Eligibility Criteria	This project qualifies for DWSRF Principal Forgiveness as a disadvantaged community.

System Previous Commitments and Studies

None

DWSRF Authority and Purpose

The 1996 amendments to the Safe Drinking Water Act (SDWA) authorized the DWSRF. The DWSRF is a national program to assist public water systems in financing the cost of drinking water infrastructure projects needed to achieve or maintain compliance with the SDWA and to further the public health objectives of the SDWA. The SDWA authorizes the U.S. Environmental Protection Agency (EPA) to award capitalization grants to states that have established DWSRF programs. The Nevada Legislature passed legislation that authorizes NDEP 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 implementing the DWSRF are found in 40 CFR, part 35. Other program directives include the Operating Agreement between NDEP and EPA, the annual Intended Use Plan, EPA guidance and policies, and conditions of each grant award.

One of the requirements of the NRS pertaining to the DWSRF is that NDEP 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(3)).

DWSRF Loan Conditions

The principal forgiveness loan will contain the following conditions:

- Review user rates at least every three (3) years for the life of the loan.
- Develop and maintain an asset management plan that is reviewed by the governing board at least every five (5) years.
- Establish and maintain a capital replacement reserve account that is funded at least annually and re-evaluated every five (5) years.

RECOMMENDED MOTION FOR THE DWSRF LOAN

I move to approve the resolution titled “D11-0124 Storey County Project Loan Commitment,” which is intended to finance certain projects in an amount not to exceed \$1,150,000.00. The loan will include terms and conditions as outlined in the resolution and staff report.

RESOLUTION D11-0124

Storey County Project Loan Commitment

WHEREAS:	The Board for Financing Water Projects (Board) of the State of Nevada is authorized by Nevada Revised Statutes (NRS) chapter 445A.265 to approve the Nevada Division of Environmental Protection (NDEP) prioritized lists of water projects and to commit loans from the revolving fund account to help community water systems and non-transient water systems pay for capital improvements and debt refinancing, both of which are required and made necessary under NRS 445A.800 to 445A.955, inclusive, by the Safe Drinking Water Act (42 U.S.C. §§ 300f et seq.), and by corresponding regulations; and
WHEREAS:	NDEP has the responsibility of administering the Drinking Water State Revolving Fund program; and
WHEREAS:	On January 24, 2024, the Board, under NRS 445A.265(3), approved the Priority List Effective January 2024, which ranks water projects that are eligible for loans from the Drinking Water State Revolving Fund account; and
WHEREAS:	Storey County (Recipient) owns and operates a public community water system in Nevada; and
WHEREAS:	The Recipient submitted a pre-application to NDEP for funding a project to project (Project); and
WHEREAS:	The Project is included as project #11 on the Priority List Effective January 2024 of water projects; and
WHEREAS:	The Recipient's Project is ready to proceed; and
WHEREAS:	In connection with seeking a loan, the Recipient has submitted a written application to NDEP consistent with NAC 445A.67613; and
WHEREAS:	NDEP has reviewed the application — including supporting materials — and has determined that the Recipient has the technical, managerial, and financial capability to manage a loan for the Project; and
WHEREAS:	NDEP has taken all necessary and proper actions as required by regulations on loan applications adopted by the State Environmental Commission (NAC 445A.6751 to 445A.67644, inclusive); and
WHEREAS:	The Board must give prior approval before NDEP may expend any money from the revolving fund account for the purposes set forth in NRS 445A.275;

IT IS RESOLVED by the Board for Financing Water Projects of the State of Nevada:

Section 1: This resolution shall be known as the “D11-0124 Storey County Project Loan Commitment.”

Section 2: The loan for the Project shall be negotiated between the Recipient and NDEP. The loan will include terms and conditions as outlined in the staff report dated January 24, 2024, and must comply with applicable provisions in the Nevada Drinking Water Intended Use Plan.

Section 3: Based on NDEP’s review of the application and recommendation to the Board concerning the Project, and subject to the provisions of Section 2 and 4 of this resolution, the Board approves a commitment of funds in the amount not to exceed \$1,150,000.00 from the revolving fund account consistent with NRS 445A.265(3).

Section 4: The Board further recommends that NDEP take all other necessary and appropriate actions to advance the provisions of this resolution consistent with NRS 445A.200 to 445A.295, inclusive, and with corresponding regulations.

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

PASSED, ADOPTED, AND SIGNED January 24, 2024

Signed:_____

Chair

Board for Financing Water Projects

Attest:_____

Advisor

Board for Financing Water Projects

**Loan Commitment from the
Drinking Water State Revolving Fund**
Board for Financing Water Projects

January 2024

Baker Water & Sewer General Improvement District

Amount and Term

\$160,000.00

Principal Forgiveness Loan
From DWSRF

Recommendation

The Nevada Division of Environmental Protection (NDEP) recommends that the Board for Financing Water Projects (Board) approve a loan commitment to Baker Water and Sewer General Improvement District for planning, design and environmental services for the Baker Infrastructure Project.

Management and Structure

Loan Recipient and Structure Baker Water & Sewer General Improvement District is a non-profit public water system.

Project system The project is for Baker Water & Sewer General Improvement District.

System Number NV0000863

System Information

County White Pine

System Population 230

System Service Connections 104

System Infrastructure The Baker Water & Sewer General Improvement District drinking water system consists of one active well with chlorination at the well, a 265,000-gallon storage tank that was constructed in 2016, and a distribution system.

Compliance In the last ten years, the only violations recorded by the Bureau of Safe Drinking Water for the Baker Water & Sewer General Improvement District were related to the Consumer Confidence Rule. Sanitary Surveys were conducted on October 21, 2021, and on September 12, 2018, with no significant deficiencies noted.

System Project for Funding

Priority List	Priority #29 on the Drinking Water SRF Priority List Effective January 2024
Need	Baker Water & Sewer General Improvement District's current potable water system has a lack of access valves for isolation and maintenance, many dead-end lines of substantial length, an inadequate number of fire hydrants, and aging concrete meter boxes. The Baker Infrastructure Project would accomplish looping of the potable water system within the town and around the township perimeter. With these improvements, the system will begin to meet regulations for fire flow and pressure, improve connectivity, allow for isolation of system sections for maintenance and repair, and address flow and velocity

	issues. This will result in reduced stress on the system, improved performance, and decreased expenses. Additionally, a paved and landscaped trail system connecting Great Basin National Park to the Township of Baker has been proposed. Nearly a mile of trail will be constructed over existing utility rights-of-way. The General Improvement District will need to install water infrastructure in these rights-of-way prior to the trail construction.
Chosen Project	This phase of the Baker Infrastructure project includes the planning and engineering design for the Drinking Water Phase I work and an Environmental Assessment (EA) for Phases I - III Drinking Water projects. The Drinking Water Phase I work is to include the installation of new connections and larger diameter pipelines from the storage tank to the main waterline, connection and looping of waterlines, extending the existing main waterline, installation of tee and isolation valves at 16 locations, installation of 17 fire hydrants, and replacement of 94 aged concrete meter boxes with new PVC boxes.
Project Alternatives	The "No Action / Alternative 1" would perpetuate deficiencies in fire flow, water pressure, number of fire hydrants, and proper isolation valves. Alternatives 2 and 3 proposed variations in the project of either performing only drinking water improvement aspects of the project (Alternative 3) or completing both drinking water and sewer system improvements (Alternative 2, the chosen project) concurrently. Please note that this loan application herein only addresses the planning and design for the drinking water project phase, but that applications for a clean water phase 1 project are anticipated.

Maps and Exhibits





Timeline

Design: Completion – February 2025

Construction Bid: March 2025

Construction Start: June 2025

Initiation of Operations: June 2026

Sources of Project Funding

	DWSRF	Local	Other Source	Total Costs
Other planning costs	\$68,550.00	\$0.00	\$0.00	\$68,550.00
Design and Engineering	\$56,720.00	\$0.00	\$0.00	\$56,720.00
Contingency	\$11,230.00	\$0.00	\$0.00	\$11,230.00
Other	\$23,500.00	\$0.00	\$0.00	\$23,500.00
Totals	\$160,000.00	\$ 0.00	\$ 0.00	\$160,000.00

Other Source: _____

Environmental Review

To be developed within the scope of this project.

Community Engagement

The Baker Water & Sewer General Improvement District has a five-member board that meets on a monthly basis; meetings are subject to Open Meeting Laws. The Baker Water & Sewer General Improvement District met on July 27, 2023, to approve the application to the Drinking Water SRF Program to request funding for the Baker Infrastructure Project.

Loan Recipient Information

Water Conservation Plan	A Water Conservation Plan was received by the Division of Water Resources for the Baker Water & Sewer General Improvement District on June 23, 2014. An update of the Water Conservation Plan is required as more than five years has passed since the last update. The NDEP Office of Financial Assistance has submitted a request to provide technical assistance for Baker Water & Sewer General Improvement District to update their Water Conservation Plan.
Technical Capacity	The Baker Water & Sewer General Improvement District drinking water system requires operator certification levels of D-1 and T-0. The operator of this system (number OP00287) holds a full D-1 and T-1 certification. The Baker Water & Sewer General Improvement District has the technical capacity for NDEP to recommend funding support.
Managerial Capacity	The Baker Water & Sewer General Improvement District has a five-member board that has been responsive to system needs and requests from NDEP.

	The Baker Water & Sewer General Improvement District has demonstrated managerial capacity for NDEP to recommend funding support.
Financial Capacity	<p><u>Financial Information as of June 30, 2023:</u></p> <p>Unrestricted Cash: \$31,409.00 Days cash on hand: 266 Outstanding Debt: \$56,702.00 Operating Income before Depreciation: \$37,020.00 Current Ratio: 10.54 Debt Coverage: 6.49</p> <p>*Financial Information compiled by McMullen McPhee, LLC.</p> <p>The Baker Water & Sewer General Improvement District has demonstrated financial capacity for NDEP to recommend funding support.</p>
User Water Rates	<p>Water user rates were adopted on October 2, 2017:</p> <ul style="list-style-type: none"> Residential base rate per user per month: \$23.00 Commodity Rate: \$1.00 Average Water Rate/Use for System: \$43.00 (20,000 gallons) <p>The water rates established sufficiently cover current operation, maintenance, debt service, and reserves of the system. Baker Water & Sewer General Improvement District is currently conducting a rate study.</p>
Asset Management Plan	A technical assistance provider is currently completing an asset management plan for Baker Water & Sewer General Improvement District. An Asset Management Plan will be part of the loan conditions for principal forgiveness funding. The plan must be submitted to NDEP before the final draw is issued.
Capital Replacement Reserve Account	A Capital Replacement Reserve Account will be required as part of the condition for funding. Proof of establishment must be submitted to NDEP before the final draw is issued.
DWSRF Principal Forgiveness Eligibility Criteria	Baker Water & Sewer General Improvement District qualifies as disadvantaged and is therefore eligible for principal forgiveness funding.

System Previous Commitments and Studies

Project I.D. DW2402; Executed TBD 2024; Loan Amount \$2,500,000.00

Development of a public drinking water system for the Lehman Creek Residential Area of the Baker GID.

Project I.D. DW2318; Executed August 2023; Loan Amount \$332,200.00

Replacement of aging Saddle Taps in the Baker Water & Sewer GID drink water distribution system.

Project I.D. DW2210; Executed March 2022; Loan Amount \$100,000.00

Preliminary Engineering Report and Environmental Review to develop the Lehman Creek Subdivision water system.

Project I.D. DW1602; Executed April 2016; Loan Amount \$685,522.57

Replacement of a bolted steel water tank with 250,000-gallon welded steel tank.

DWSRF Authority and Purpose

The 1996 amendments to the Safe Drinking Water Act (SDWA) authorized the DWSRF. The DWSRF is a national program to assist public water systems in financing the cost of drinking water infrastructure projects needed to achieve or maintain compliance with the SDWA and to further the public health objectives of the SDWA. The SDWA authorizes the U.S. Environmental Protection Agency (EPA) to award capitalization grants to states that have established DWSRF programs. The Nevada Legislature passed legislation that authorizes NDEP 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 implementing the DWSRF are found in 40 CFR, part 35. Other program directives include the Operating Agreement between NDEP and EPA, the annual Intended Use Plan, EPA guidance and policies, and conditions of each grant award.

One of the requirements of the NRS pertaining to the DWSRF is that NDEP 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(3)).

DWSRF Loan Conditions

The principal forgiveness loan will contain the following conditions:

- Review user rates at least every three (3) years for the life of the loan.
- Develop and maintain an asset management plan that is reviewed by the governing board at least every five (5) years.
- Develop and maintain a capital replacement reserve account that is funded at least annually and re-evaluated every five (5) years.

RECOMMENDED MOTION FOR THE DWSRF LOAN

I move to approve the resolution titled “D12-0124 Baker Water & Sewer General Improvement District Project Loan Commitment,” which is intended to finance certain projects in an amount not to exceed \$160,000.00. The loan will include terms and conditions as outlined in the resolution and staff report.

RESOLUTION D12-0124

Baker Water & Sewer General Improvement District Project Loan Commitment

WHEREAS:	The Board for Financing Water Projects (Board) of the State of Nevada is authorized by Nevada Revised Statutes (NRS) chapter 445A.265 to approve the Nevada Division of Environmental Protection (NDEP) prioritized lists of water projects and to commit loans from the revolving fund account to help community water systems and non-transient water systems pay for capital improvements and debt refinancing, both of which are required and made necessary under NRS 445A.800 to 445A.955, inclusive, by the Safe Drinking Water Act (42 U.S.C. §§ 300f et seq.), and by corresponding regulations; and
WHEREAS:	NDEP has the responsibility of administering the Drinking Water State Revolving Fund program; and
WHEREAS:	On January 24, 2024, the Board, under NRS 445A.265(3), approved the Priority List Effective January 2024, which ranks water projects that are eligible for loans from the Drinking Water State Revolving Fund account; and
WHEREAS:	Baker Water & Sewer General Improvement District (Recipient) owns and operates a public community water system in Nevada; and
WHEREAS:	The Recipient submitted a pre-application to NDEP for funding a project to project (Project); and
WHEREAS:	The Project is included as project #29 on the Priority List Effective January 2024 of water projects; and
WHEREAS:	The Recipient's Project is ready to proceed; and
WHEREAS:	In connection with seeking a loan, the Recipient has submitted a written application to NDEP consistent with NAC 445A.67613; and
WHEREAS:	NDEP has reviewed the application — including supporting materials — and has determined that the Recipient has the technical, managerial, and financial capability to manage a loan for the Project; and
WHEREAS:	NDEP has taken all necessary and proper actions as required by regulations on loan applications adopted by the State Environmental Commission (NAC 445A.6751 to 445A.67644, inclusive); and
WHEREAS:	The Board must give prior approval before NDEP may expend any money from the revolving fund account for the purposes set forth in NRS 445A.275;

IT IS RESOLVED by the Board for Financing Water Projects of the State of Nevada:

Section 1: This resolution shall be known as the “D12-0124 Loan Recipient Project Loan Commitment.”

Section 2: The loan for the Project shall be negotiated between the Recipient and NDEP. The loan will include terms and conditions as outlined in the staff report dated January 24, 2024, and must comply with applicable provisions in the Nevada Drinking Water Intended Use Plan.

Section 3: Based on NDEP’s review of the application and recommendation to the Board concerning the Project, and subject to the provisions of Section 2 and 4 of this resolution, the Board approves a commitment of funds in the amount not to exceed \$160,000.00 from the revolving fund account consistent with NRS 445A.265(3).

Section 4: The Board further recommends that NDEP take all other necessary and appropriate actions to advance the provisions of this resolution consistent with NRS 445A.200 to 445A.295, inclusive, and with corresponding regulations.

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

PASSED, ADOPTED, AND SIGNED January 24, 2024

Signed:_____

Chair

Board for Financing Water Projects

Attest:_____

Advisor

Board for Financing Water Projects

**Loan Commitment from the
Drinking Water State Revolving Fund**
Board for Financing Water Projects

January 2024

Golconda General Improvement District

Amount and Term

\$825,000.00

Principal Forgiveness Loan
From DWSRF

Recommendation

The Nevada Division of Environmental Protection (NDEP) recommends that the Board for Financing Water Projects (Board) approve a loan commitment to Golconda General Improvement District for distribution system rehabilitation.

Management and Structure

**Loan Recipient
and Structure**

Golconda General Improvement District is a nonprofit public water system.

Project system

The project is for Golconda General Improvement District.

System Number

NV0005029

System Information

County Humboldt

System Population 175

**System Service
Connections** 71

System Infrastructure

The community has two sources of water supply, one groundwater well and a spring. An additional well, known as the I80 well, exists but is for emergency purposes only. A transmission main connects the system from the spring to the 150,000-gallon steel bolted storage tank, which is located at the well site. Well water is piped into the transmission main, and the line continues downgradient, beneath Interstate 80 and into town. The distribution system consists of various-sized piping from 2 to 8 inches in diameter.

Compliance

The Bureau of Safe Drinking Water identified several deficiencies in the Golconda General Improvement District during a site visit. Since the site visit, all minor issues have been resolved by the Applicant. All major unresolved concerns will be addressed by the proposed project.

System Project for Funding

Priority List	Priority #30 on the Drinking Water SRF Priority List Effective January 2024.
Need	While Golconda General Improvement District has made some recent improvements that help strengthen some of the system's critical infrastructure, there are several remaining vulnerabilities which need to be addressed. The system includes aging and undersized lines, ongoing leaks, and other inefficiencies. Simple water service lateral leaks take

	significant and sometimes costly outside resources to correct due to limited staff and the resulting need for volunteers. In addition, responding to emergency main leaks can prove to be extremely difficult as the system's limited number of properly functioning isolation valves force multiple services to be shut down simultaneously, instead of being able to only shut down what is necessary to conduct repairs or maintenance.
Chosen Project	This project consists of rehabilitation and upgrades for the Golconda General Improvement District's distribution system, including: the replacement of gate valves, fire hydrants, meter laterals, and an existing Supervisory Control and Data Acquisition (SCADA) computer, plus the abandonment of a water main leading to a former water storage tank. Water lateral replacements are proposed which will replace aging laterals that are frequent sources of leaks. A new SCADA computer will be installed as the current computer is outdated and poses a cyber security risk for the system. Additionally, a former water storage tank was eliminated from the system; however, there remains a dead end main leading to the tank. The old tank main is to be abandoned at the street where the line meets the distribution system.
Project Alternatives	The No Action alternative would result in continued elevated maintenance of the water system due to leaks and repairs. The lack of adequate isolation valves in the existing system also means that basic repairs require multiple service connections to lose water service during leak repairs. The temporary loss of water during continued and exacerbated leaks and breaks has a negative impact on the health of the community as water has to be boiled for over 48 hours every time someone loses water. The existing project was chosen as the preferred alternative. Additional infrastructure projects are planned for the future which will address other aspects of the system.

Maps and Exhibits



A



Timeline

Design: January 2024

Construction Bid: September 2024

Construction Start: December 2024

Initiation of Operations: March 2025

Sources of Project Funding

	DWSRF	Local	Other Source	Total Costs
Design and Engineering	\$67,440.00	\$0.00	\$0.00	\$67,440.00
Construction/Improvements	\$562,000.00	\$0.00	\$0.00	\$562,000.00
Administration	\$67,440.00	\$0.00	\$0.00	\$67,440.00
Financing	\$11,240.00	\$0.00	\$0.00	\$11,240.00
Construction Contingency	\$112,400.00	\$0.00	\$0.00	\$112,400.00
Other	\$4,480.00	\$0.00	\$0.00	\$4,480.00
Totals	\$825,000.00	\$ 0.00	\$ 0.00	\$825,000.00

Environmental Review

If funding for the Golconda General Improvement District infrastructure project is approved, NDEP will issue a Categorical Exclusion for the project for a 15-day public comment period. In accordance with NAC 445A.67583(2)(b) the project is eligible for a Categorical Exclusion as it is "(b) The replacement of equipment or structures." All construction work is understood to be located on previously disturbed land. Impacts to environmental resources are not anticipated.

Community Engagement

The Golconda General Improvement District has a five-member board that meets on a regular basis; meetings are subject to Open Meeting Laws. The Golconda General Improvement District met on November 30, 2023, to approve the application to the Drinking Water SRF Program to request funding for the Golconda Distribution System Project. Public Notice for the project will be posted for public comment for 15 days at the State Clearinghouse website and on NDEP's website.

Loan Recipient Information

Water Conservation Plan	The current water conservation plan was submitted to the Division of Water Resources on November 18, 2019. An updated Water Conservation Plan will be required by November 2025.
Technical Capacity	<p>The Golconda General Improvement District drinking water system requires operator certification level D-1 and T-0. The operator for this water system (number OP00502) holds D-2 and T-2 certification.</p> <p>The Golconda General Improvement District has the technical capacity for NDEP to recommend funding support.</p>
Managerial Capacity	<p>The Golconda General Improvement District has a five-member governing board that meets monthly. The last time this project was discussed at a public meeting was October 9, 2023.</p> <p>The Golconda General Improvement District has demonstrated managerial capacity for NDEP to recommend funding support.</p>
Financial Capacity	<p><u>Financial Information as of June 30, 2023:</u></p> <p>Unrestricted Cash: \$70,241.00 Days cash on hand: 284 Outstanding Debt: \$0.00 Operating Income before Depreciation: \$62,366 Current Ratio: 8.90 Debt Coverage: 0.00</p> <p>*Financial Information is independently audited by Drake Rose & Associates as part of the Humboldt County Comprehensive Annual Financial Report</p> <p>The Golconda General Improvement District has demonstrated financial capacity for NDEP to recommend funding support.</p>
User Water Rates	<p>Water user rates were adopted on January 1, 2023:</p> <ul style="list-style-type: none"> Residential base rate per user per month: \$65.00 Commodity Rate: \$1.00

	<ul style="list-style-type: none"> Average Water Rate/Use for System: \$65.00 (10,000 gallons per month) <p>The water rates established sufficiently cover current operation, maintenance, debt service, and reserves of the system.</p>
Asset Management Plan	An Asset Management Plan is currently being developed by the system as required by a current DWSRF loan. An Asset Management Plan will be part of the loan conditions for principal forgiveness funding.
Capital Replacement Reserve Account	A Capital Replacement Reserve Account will be maintained by Golconda as part of this loan agreement.
DWSRF Principal Forgiveness Eligibility Criteria	This project qualifies for DWSRF Principal Forgiveness as a disadvantaged community.

System Previous Commitments and Studies

Project I.D. DW2205 Executed August 2022; Loan Amount \$604,000.00

Spring Rehabilitation & System Improvements

Project I.D. GP2202; Executed August 2022; Loan Amount \$793,000.00

Spring Rehabilitation & System Improvements

DWSRF Authority and Purpose

The 1996 amendments to the Safe Drinking Water Act (SDWA) authorized the DWSRF. The DWSRF is a national program to assist public water systems in financing the cost of drinking water infrastructure projects needed to achieve or maintain compliance with the SDWA and to further the public health objectives of the SDWA. The SDWA authorizes the U.S. Environmental Protection Agency (EPA) to award capitalization grants to states that have established DWSRF programs. The Nevada Legislature passed legislation that authorizes NDEP 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 implementing the DWSRF are found in 40 CFR, part 35. Other program directives include the Operating Agreement between NDEP and EPA, the annual Intended Use Plan, EPA guidance and policies, and conditions of each grant award.

One of the requirements of the NRS pertaining to the DWSRF is that NDEP 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(3)).

DWSRF Loan Conditions

The principal forgiveness loan will contain the following conditions:

- Review user rates at least every three (3) years for the life of the loan.
- Develop and maintain an asset management plan that is reviewed by the governing board at least every five (5) years.
- Establish and maintain a capital replacement reserve account that is funded at least annually and re-evaluated every five (5) years.

RECOMMENDED MOTION FOR THE DWSRF LOAN

I move to approve the resolution titled “D13-0124 Golconda General Improvement District Project Loan Commitment,” which is intended to finance certain projects in an amount not to exceed \$825,000.00. The loan will include terms and conditions as outlined in the resolution and staff report.

RESOLUTION D13-0124

Golconda General Improvement District Project Loan Commitment

WHEREAS:	The Board for Financing Water Projects (Board) of the State of Nevada is authorized by Nevada Revised Statutes (NRS) chapter 445A.265 to approve the Nevada Division of Environmental Protection (NDEP) prioritized lists of water projects and to commit loans from the revolving fund account to help community water systems and non-transient water systems pay for capital improvements and debt refinancing, both of which are required and made necessary under NRS 445A.800 to 445A.955, inclusive, by the Safe Drinking Water Act (42 U.S.C. §§ 300f et seq.), and by corresponding regulations; and
WHEREAS:	NDEP has the responsibility of administering the Drinking Water State Revolving Fund program; and
WHEREAS:	On January 24, 2024, the Board, under NRS 445A.265(3), approved the Priority List Effective January 2024, which ranks water projects that are eligible for loans from the Drinking Water State Revolving Fund account; and
WHEREAS:	Golconda General Improvement District (Recipient) owns and operates a public community water system in Nevada; and
WHEREAS:	The Recipient submitted a pre-application to NDEP for funding a project to project (Project); and
WHEREAS:	The Project is included as project #30 on the Priority List Effective January 2024 of water projects; and
WHEREAS:	The Recipient's Project is ready to proceed; and
WHEREAS:	In connection with seeking a loan, the Recipient has submitted a written application to NDEP consistent with NAC 445A.67613; and
WHEREAS:	NDEP has reviewed the application — including supporting materials — and has determined that the Recipient has the technical, managerial, and financial capability to manage a loan for the Project; and
WHEREAS:	NDEP has taken all necessary and proper actions as required by regulations on loan applications adopted by the State Environmental Commission (NAC 445A.6751 to 445A.67644, inclusive); and
WHEREAS:	The Board must give prior approval before NDEP may expend any money from the revolving fund account for the purposes set forth in NRS 445A.275;

IT IS RESOLVED by the Board for Financing Water Projects of the State of Nevada:

Section 1: This resolution shall be known as the “D13-0124 Golconda General Improvement District Project Loan Commitment.”

Section 2: The loan for the Project shall be negotiated between the Recipient and NDEP. The loan will include terms and conditions as outlined in the staff report dated January 24, 2024, and must comply with applicable provisions in the Nevada Drinking Water Intended Use Plan.

Section 3: Based on NDEP’s review of the application and recommendation to the Board concerning the Project, and subject to the provisions of Section 2 and 4 of this resolution, the Board approves a commitment of funds in the amount not to exceed \$825,000.00 from the revolving fund account consistent with NRS 445A.265(3).

Section 4: The Board further recommends that NDEP take all other necessary and appropriate actions to advance the provisions of this resolution consistent with NRS 445A.200 to 445A.295, inclusive, and with corresponding regulations.

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

PASSED, ADOPTED, AND SIGNED January 24, 2024

Signed:_____

Chair

Board for Financing Water Projects

Attest:_____

Advisor

Board for Financing Water Projects

**Loan Commitment from the
Drinking Water State Revolving Fund**
Board for Financing Water Projects

January 2024

Pershing County

Amount and Term

\$1,500,000.00

Principal Forgiveness Loan
From DWSRF

Recommendation

The Nevada Division of Environmental Protection (NDEP) recommends that the Board for Financing Water Projects (Board) approve a loan commitment to Pershing County for rehabilitation of an existing water tank, water meters valves, hydrants, Supervisory Control and Data Acquisition (SCADA) computer system, individual flow meters and totalizers, a pump to waste line with well pump control valve, and any other related minor repair needs identified during the project undertaking.

Management and Structure

Loan Recipient and Structure Pershing County operates non-profit public water systems.

Project system The project is for Imlay Water System, which is managed by Pershing County.

System Number NV0000226

System Information

County Pershing

System Population 200

**System Service
Connections** 98

System Infrastructure The Imlay Water System has two active wells for water source and one 134,000-gallon water tank for storage. A second tank is currently in the design stages. The water system includes chlorination and a pipe system for water distribution.

Compliance No violations have been observed in the Imlay Water System in the last 10 years.

One significant deficiency was observed during the site survey conducted on May 23, 2022, related to the Coliform Sampling Plan. After further review, it was determined that the Coliform Sampling Plan is in compliance with the Total Coliform Rule regulations.

System Project for Funding

Priority List	Priority #47 on the Drinking Water SRF Priority List Effective January 2024.
Need	The existing water tank has not been recoated since it was constructed in 2008 and requires both internal and external recoating. In addition, the existing water meters were installed in the 1990-1998 timeframe and are losing accuracy as they age.
Chosen Project	A recent tank inspection in October of 2023 revealed Alternative B to be the selected alternative for the existing tank. Under Alternative B, the tank will be recoated on the interior and exterior and a new floor, subgrade, and internal and external corrosion protection systems will be installed; the tank is expected to have approximately 60% of its value remaining after 20 years, equal to a lifespan of 90 years. (Recoating of the exterior of the tank must be funded with an alternate source of funding.) In addition, the budget includes the replacement of 69 water meters and valves, installation of eight new hydrants, a Supervisory Control and Data Acquisition (SCADA) computer system, individual flow meters and totalizers, a pump to waste line with well pump control valve, and any other related minor repair needs identified during the project undertaking.
Project Alternatives	The Preliminary Engineering Report identified three alternatives for the tank project. Selection of the preferred alternative was to be based on the collection of coupons from the tank floor to inspect for corrosion. Alternative A included recoating of the interior and exterior of the tank and installation of corrosion protection. Alternative B would recoat the interior and exterior of the tank and replace the floor and subgrade including interior and exterior corrosion protection. Alternative C would replace the existing tank with a new tank.

Maps and Exhibits





Timeline

Design: 03/24/24 – 11/13-24

Construction Bid: 11/13/24

Construction Start: 01/15/25

Initiation of Operations: 02/09/26

Sources of Project Funding

	DWSRF	Local	Other Source	Total Costs
Design and Engineering	\$203,911.00	\$0.00	\$0.00	\$203,911.00
Construction/Improvements	\$1,070,534.00	\$0.00	\$0.00	\$1,070,534.00
Construction Contingency	\$225,555.00	\$0.00	\$0.00	\$225,555.00
Totals	\$1,500,000.00	\$ 0.00	\$ 0.00	\$1,500,000.00

Other Source: _____

Environmental Review

If funding for the Imlay Water System project is approved, NDEP will issue a Categorical Exclusion for the project for a 15-day public comment period. In accordance with NAC 445A.67583(2)(b) the project is eligible for a Categorical Exclusion as it is “(b) The replacement of equipment or structures” and “(d) Minor upgrading or expansion of the existing capacity of: (1) The distribution system of a public water system.”

An Environmental Assessment for this proposed project was conducted by the borrower’s consultant Farr West Engineering (now DOWL, Inc.). A Class I record search was performed by Great Basin Consulting Group, LLC to identify previous cultural resource inventories and cultural resources recorded in the vicinity of the proposed project. All construction work is understood to be located on previously disturbed land and Best Management Practices (BMPs) will be utilized to minimize erosion/disturbance. It was recommended that land disturbance and vegetation clearing activities should occur outside of the migratory bird breeding season (identified as April 15 to July 15), or that a qualified biologist conduct a survey for bird breeding behavior within 10 days prior to the disturbance. Impacts to environmental resources are not anticipated; however, the project will be posted on the Nevada State Clearinghouse for a 15-day comment period.

Community Engagement

Pershing County has a three-member board that meets twice per month; meetings are subject to the Open Meeting Laws. Pershing County met on October 4, 2023, to approve the application to the Drinking Water SRF Program to request funding for the rehabilitation of their existing tank, Supervisory Control and Data Acquisition (SCADA) computer system, new meters, and other appurtenant structures.

Loan Recipient Information

Water Conservation Plan	A Water Conservation Plan was received by the Division of Water Resources for the Imlay Water System on October 15, 2018. An update of the Water Conservation Plan is required as more than five years has passed since the last update. The NDEP Office of Financial Assistance has notified the Imlay Water System and Pershing County of this requirement and will be requesting free Technical Assistance to get this plan updated.
Technical Capacity	The Imlay Water System requires operator certification levels D-1 and T-0. The operator for this water system (number OP002472) holds full D-1 certification. The Imlay Water System has the technical capacity for NDEP to recommend funding support.
Managerial Capacity	Pershing County is governed by a three-member board and meetings are subject to Open Meeting Laws. The last time this project was addressed at a public meeting was June 7, 2023. The Imlay Water System has demonstrated managerial capacity for NDEP to recommend funding support.
Financial Capacity	<u>Financial Information as of June 30, 2021:</u> Unrestricted Cash: \$13,042.00 Days cash on hand: 206 Outstanding Debt: \$0.00 Operating Income before Depreciation: \$11,820.00 Current Ratio: 471.3 (no debt liabilities) Debt Coverage: 0.00 * Financial information is independently audited by Eide Bailly.

	Pershing County has demonstrated financial capacity for NDEP to recommend funding support.
User Water Rates	<ul style="list-style-type: none"> Residential base rate per user per month: \$27.50 <p>The water rates established sufficiently cover current operation, maintenance, debt service, and reserves of the system.</p>
Asset Management Plan	Pershing County requested technical assistance to complete an Asset Management Plan. The plan has been completed and will be provided to Pershing County at the beginning of calendar year 2024. An Asset Management Plan will be part of the loan conditions for principal forgiveness funding. The plan must be submitted to NDEP before the final draw is issued.
Capital Replacement Reserve Account	A Capital Replacement Reserve Account will be required as part of the condition for funding. Proof of establishment must be submitted to NDEP before the final draw is issued.
DWSRF Principal Forgiveness Eligibility Criteria	The project qualifies as disadvantaged for principal forgiveness funding.

System Previous Commitments and Studies

Project I.D. DW2319; Executed June 2023; Loan Amount \$1,504,800.00

The project included the construction of a new water tank, the installation of new well pumps and motors at the existing primary well and backup well, the replacement of the Supervisory Control and Data Acquisition (SCADA) computer system.

DWSRF Authority and Purpose

The 1996 amendments to the Safe Drinking Water Act (SDWA) authorized the DWSRF. The DWSRF is a national program to assist public water systems in financing the cost of drinking water infrastructure projects needed to achieve or maintain compliance with the SDWA and to further the public health objectives of the SDWA. The SDWA authorizes the U.S. Environmental Protection Agency (EPA) to award capitalization grants to states that have established DWSRF programs. The Nevada Legislature passed legislation that authorizes NDEP 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 implementing the DWSRF are found in 40 CFR, part 35. Other program directives include the Operating Agreement between NDEP and EPA, the annual Intended Use Plan, EPA guidance and policies, and conditions of each grant award.

One of the requirements of the NRS pertaining to the DWSRF is that NDEP 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(3)).

DWSRF Loan Conditions

The principal forgiveness loan will contain the following conditions:

- Review user rates at least every three (3) years for the life of the loan.
- Develop and maintain an asset management plan that is reviewed by the governing board at least every five (5) years.
- Maintain a capital replacement reserve account that is funded at least annually and re-evaluated every five (5) years.

RECOMMENDED MOTION FOR THE DWSRF LOAN

I move to approve the resolution titled “D14-0124 Pershing County Project Loan Commitment,” which is intended to finance certain projects in an amount not to exceed \$1,500,000.00. The loan will include terms and conditions as outlined in the resolution and staff report.

RESOLUTION D14-0124

Pershing County Project Loan Commitment

WHEREAS:	The Board for Financing Water Projects (Board) of the State of Nevada is authorized by Nevada Revised Statutes (NRS) chapter 445A.265 to approve the Nevada Division of Environmental Protection (NDEP) prioritized lists of water projects and to commit loans from the revolving fund account to help community water systems and non-transient water systems pay for capital improvements and debt refinancing, both of which are required and made necessary under NRS 445A.800 to 445A.955, inclusive, by the Safe Drinking Water Act (42 U.S.C. §§ 300f et seq.), and by corresponding regulations; and
WHEREAS:	NDEP has the responsibility of administering the Drinking Water State Revolving Fund program; and
WHEREAS:	On January 24, 2024, the Board, under NRS 445A.265(3), approved the Priority List Effective January 2024, which ranks water projects that are eligible for loans from the Drinking Water State Revolving Fund account; and
WHEREAS:	Pershing County (Recipient) owns and operates a public community water system in Nevada; and
WHEREAS:	The Recipient submitted a pre-application to NDEP for funding a project to project (Project); and
WHEREAS:	The Project is included as project #47 on the Priority List Effective January 2024 of water projects; and
WHEREAS:	The Recipient's Project is ready to proceed; and
WHEREAS:	In connection with seeking a loan, the Recipient has submitted a written application to NDEP consistent with NAC 445A.67613; and
WHEREAS:	NDEP has reviewed the application — including supporting materials — and has determined that the Recipient has the technical, managerial, and financial capability to manage a loan for the Project; and
WHEREAS:	NDEP has taken all necessary and proper actions as required by regulations on loan applications adopted by the State Environmental Commission (NAC 445A.6751 to 445A.67644, inclusive); and
WHEREAS:	The Board must give prior approval before NDEP may expend any money from the revolving fund account for the purposes set forth in NRS 445A.275;

IT IS RESOLVED by the Board for Financing Water Projects of the State of Nevada:

Section 1: This resolution shall be known as the “D14-0124 Pershing County Project Loan Commitment.”

Section 2: The loan for the Project shall be negotiated between the Recipient and NDEP. The loan will include terms and conditions as outlined in the staff report dated January 24, 2024, and must comply with applicable provisions in the Nevada Drinking Water Intended Use Plan.

Section 3: Based on NDEP’s review of the application and recommendation to the Board concerning the Project, and subject to the provisions of Section 2 and 4 of this resolution, the Board approves a commitment of funds in the amount not to exceed \$1,500,000.00 from the revolving fund account consistent with NRS 445A.265(3).

Section 4: The Board further recommends that NDEP take all other necessary and appropriate actions to advance the provisions of this resolution consistent with NRS 445A.200 to 445A.295, inclusive, and with corresponding regulations.

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

PASSED, ADOPTED, AND SIGNED January 24, 2024

Signed:_____

Chair

Board for Financing Water Projects

Attest:_____

Advisor

Board for Financing Water Projects