



**2025 ANNUAL REPORT  
for the  
NORTH DAKOTA DRINKING WATER  
STATE REVOLVING FUND**

March 31, 2026

prepared by the  
Drinking Water State Revolving Fund Program  
Division of Municipal Facilities  
North Dakota Department of Environmental Quality

Cover photo: Capitol Grounds in the Spring (North Dakota Department of Transportation)

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## Introduction

On August 6, 1996, President Clinton signed into law the Safe Drinking Water Act (SDWA) Amendments of 1996 (P.L. 104-182). Section 1452 of the SDWA authorizes a Drinking Water State Revolving Fund (DWSRF) Program. It further requires the U.S. Environmental Protection Agency (EPA) to enter into agreements with and make capitalization grants to eligible states to assist public water systems (PWSs) in financing the costs of infrastructure needed to achieve or maintain compliance with the SDWA and to protect public health.

North Dakota's legislature, under North Dakota Century Code (NDCC) section 61-28.1-11, established a drinking water revolving loan fund that would be administered by the North Dakota Department of Environmental Quality (NDDEQ). The powers and duties of the department include applying for grants from the EPA to be used for purposes authorized under SDWA, administering the fund, disbursing funds, establishing assistance priorities, and adopting rules necessary for the administration of the fund.

Additionally, the Bipartisan Infrastructure Law (BIL) was signed into law by President Biden on November 15, 2021. The BIL provides additional funding for the DWSRF Program from fiscal year (FY) 2022 to FY 2026 for three purposes:

- General supplemental funding
- Emerging contaminants funding
- Lead service line replacement funding

DWSRF funds may be used for:

- Loans
- Loan guarantees
- A source of reserve and security for leveraged loans (the proceeds of which must be placed in the DWSRF)
- Buying or refinancing existing local debt obligations (publicly owned PWSs only) where the initial debt was incurred and construction started after July 1, 1993
- Earning interest prior to disbursement of assistance

PWSs eligible for DWSRF assistance include community water systems (both publicly and privately owned) and nonprofit noncommunity water systems. Federally owned PWSs are not eligible to receive DWSRF assistance.

Section 1452(b) of the SDWA requires each state that elects to establish and operate a DWSRF Program to annually develop an Intended Use Plan (IUP). The IUP must describe

how the state intends to use the DWSRF funds to meet the objectives of the SDWA and further the goal of protecting public health. The IUP must be made available to the public for review and comment prior to submitting it to the EPA as part of the capitalization grant application. Specifically, the IUP must include:

- A priority list of projects, including a description of the projects and the present population of the PWSs served
- A fundable list that identifies projects eligible to receive funding in the first year after the capitalization grant is awarded
- A description of the criteria and methods to be used for the distribution of funds
- A description of the financial status of the DWSRF Program, including the use of set-asides along with federal funds reserved, and the amount of funds that will be used to assist disadvantaged communities
- A description of the short- and long-term goals of the DWSRF Program, including how the capitalization grant funds will be used to ensure compliance and protect public health

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

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

## **North Dakota DWSRF**

The North Dakota DWSRF Program is administered through the Division of Municipal Facilities, North Dakota Department of Environmental Quality (NDDEQ). The Public Finance Authority (PFA) provides assistance through formal agreement to manage the financial portion of the program. The program was created on January 1, 1998, and is staffed with the equivalent of 9.65 full-time equivalents (FTEs) in the division and 1.20 FTEs at the Public Finance Authority.

## **Purpose and Structure of Report**

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

The DWSRF Program has elected in this report to cover the 2025 calendar year on an annual basis. This report covers operation from January 1 through December 31, 2025, during which the FY 2024 base and lead capitalization grants and the 2025 base, supplemental, and emerging contaminants capitalization grants were awarded. Reallotments for the 2022 lead and 2023 emerging contaminants capitalization grants were also awarded. The report is divided into five sections as follows:

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

## Goals and Accomplishments

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

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

### Short-Term Goals

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

1. On December 31, 2024, submit the IUP to EPA Region 8.
2. Continue to implement the DWSRF Program for the state of North Dakota by funding projects for systems that are having problems maintaining compliance with the lead and copper rule, revised total coliform rule, ground water rule, the arsenic rule, the disinfection byproduct rule series, and the surface water treatment rule series.
3. Continue to provide outreach to PWSs about the availability of funding for lead service line replacements to build a pipeline of projects.

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

### Long-Term Goals

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

1. Help North Dakota PWSs achieve and maintain compliance with the SDWA. This is accomplished by coordinating with the Public Water System Supervision (PWSS) Program and targeting those rules with which systems in the state are having problems maintaining compliance. These include the lead and copper rule, revised total coliform rule, ground water rule, arsenic rule, disinfection byproduct rule series, and the surface water treatment rule series.
2. Assist the PWSS Program in meeting its goals. The DWSRF Program assistance includes providing technical support on infrastructure issues, capacity reviews, asset management plans, and small system technical assistance. Through the

administrative fee, the DWSRF Program helps operators become certified and systems return to compliance and maintain capacity.

3. Administer the DWSRF Program in a manner that will maximize the long-term availability of funds for eligible and needed drinking water infrastructure improvements.
4. Assist North Dakota PWSs in improving drinking water quality, quantity, and dependability by providing a reduced interest rate and long-term financial assistance for eligible and needed drinking water infrastructure improvements. This infrastructure assistance helps with compliance of drinking water rules, regionalization/consolidation, and replacement of aging infrastructure.
5. To the greatest extent possible, continue to integrate DWSRF funding with other available funding to maximize the benefits to public water systems and needed drinking water projects statewide. Cooperating agencies include the United States Department of Agriculture, Community Development Block Grant Program, the North Dakota Department of Trust Lands, the Bank of North Dakota, and the North Dakota Department of Water Resources.

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

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

## **Environmental Results**

The following environmental goals were established in the IUP:

1. Loan Fund
  - a. The fund utilization rate goal (Fund Use Rate), as measured by the percentage of loans executed to funds available, was to maintain the utilization rate above 90 percent. The fund utilization rate was 99.5 percent for the base and supplemental funds, 74.6 percent for the emerging contaminants funds, and 103.6 percent for the lead funds as of December

31, 2025. The fund utilization rate for all sources combined was 99.0 percent.

- b. The percentage of assistance goal (Pace of Construction), as measured by disbursements as a percentage of assistance provided, was to maintain the construction pace above 80 percent. The rate at which projects progressed was 90.2 percent for the base and supplemental funds, 77.3 percent for the emerging contaminants funds, and 43.6 percent for the lead funds as of December 31, 2025. The pace of construction for all sources combined was 86.3 percent.
  - c. The goal of the DWSRF Program was to obtain binding commitments on 14 new loans totaling \$30 million and serving a population of 50,000. The DWSRF Program obtained binding commitments on 30 new loans and 3 loan increases totaling \$133.4 million and serving a population of 420,754.
2. Set-asides, Small System Technical Assistance
- a. The goal was for 120 operators to receive training. In 2025, 204 operators received training.
  - b. The goal was for 50 systems to receive on-site technical assistance. In 2025, 63 systems received on-site technical assistance.

## Sources and Uses of Funds

### Sources of DWSRF Funds

The new funding that became available for the North Dakota DWSRF from January 1 to December 31, 2025 is as follows:

Capitalization grant (FY 22 BIL lead reallocation)	\$ 723,000
Capitalization grant (FY 23 BIL emerging contaminants reallocation)	\$ 205,000
Capitalization grant (FY 24 base)	\$ 4,661,000
Capitalization grant (FY 24 lead)	\$ 28,650,000
Capitalization grant (FY 25 base)	\$ 10,906,000
Capitalization grant (FY 25 BIL supplemental)	\$ 24,898,000
Capitalization grant (FY 25 BIL emerging contaminants)	\$ 7,640,000
State match	\$ 0
Leveraged bond proceeds	\$ 0
CWSRF transfer to DWSRF	\$ 0
DWSRF transfer to CWSRF	\$ 0
Repayments	\$ 16,183,517
Investment earnings	\$ 94,313
Non-project set-asides	\$ -7,636,980
<b>Total available for loans</b>	<b>\$ 86,323,850</b>

Only a portion of the loan principal and interest payments (\$16,183,517 of \$31,042,607) received during the period were considered available for loans. The investment earnings (\$94,313) received during the period were considered available for loans and were included in the calculation above. Both were utilized to satisfy debt service, coverage, and reserve requirements for the state match and leveraged bonds and federal rebate-arbitrage requirements as set forth under the initial financial structure for the DWSRF Program. Loan repayment and investment earnings more than that required to satisfy these requirements, if any, are credited to the loan fund.

Funding for the base and supplemental funding since inception through the end of December 2025 is \$1,193,242,155. The actual amount available for loans is \$892,889,314,

while \$888,791,254 has been committed to closed loans. See Appendix C for all sources and uses of funds since program inception.

### Capitalization Grants

The EPA awarded the second reallocation of the FY 2022 lead; the reallocation of the FY 2023 emerging contaminants grant; the FY 2024 base and BIL lead grants; and the FY 2025 base, BIL supplemental, and BIL emerging contaminants grants. The total of these grants is \$77,683,000. Binding commitments for these grants must be made in an amount equal to the capitalization and accompanying state match within one year of grant award (40 CFR 35.3550(e)). Progress meeting this requirement is summarized in Appendix E.

### State Match

The program has been over-matched, allowing the capitalization grants to be applied for and spent as soon as available. No state match funds were deposited into the loan fund in 2025.

### Leveraged Bond Proceeds

Leveraged bonds were not sold during the year.

### Other Bond Proceeds

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

### Transfers with the CWSRF

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

<b>Year</b>	<b>CWSRF to DWSRF</b>	<b>DWSRF to CWSRF</b>	<b>Cumulative CWSRF to DWSRF</b>
2002	\$2,991,675	\$10,000,000	-\$7,008,325
2003	\$5,903,282	-	-\$1,105,043
2004	\$2,644,543	-	\$1,539,500
2005	\$89,700	-	\$1,629,200
2006	\$1,548,629	-	\$3,177,829
2007	\$4,876,305	-	\$8,054,134
2008	\$3,046,856	-	\$11,100,990

2009	\$681,451	-	\$11,782,441
ARRA	\$2,600,000	-	\$14,382,441
2010	\$795,231	-	\$15,177,672
2011	-	-	\$15,177,672
2012	-	-	\$15,177,672
2013	-	-	\$15,177,672
2014	-	-	\$15,177,672
2015	-	\$19,061,000	-\$3,883,328
2016	-	-	-\$3,883,328
2017	\$14,182,687	-	\$10,299,359
2018	\$12,156,132	-	\$22,455,491
2019	-	-	\$22,455,491
2020	\$1,528,956	-	\$23,984,447
2021	\$1,545,525	-	\$25,529,972
2022	-	\$1,000,000	\$24,529,972
2023	-	\$1,000,000	\$23,529,972
2024	-	\$20,920,141	\$2,609,831
2025	-	-	\$2,609,831
<b>Total</b>	<b>\$54,590,972</b>	<b>\$51,981,141</b>	<b>\$2,609,831</b>

### Repayments

Loan repayments of \$31,042,607 were received; \$24,809,964 was for principal and \$6,232,643 was for interest. This represents 265 projects.

### Investment Earnings

Investments earned \$94,313.

### Uses of DWSRF Funds

For the year reviewed, the DWSRF Program closed loans and loan increases totaling \$133,424,000. Capitalization grant funds were expended towards set-aside activities. These expenditures are described in the Set-Asides section.

### Loans

Thirty new loans totaling \$120,384,000 and three loan increases totaling \$13,040,000 were closed. There was one loan totaling \$1,000,000 approved by the advisory committee or the North Dakota Industrial Commission that did not have a binding commitment.

The closed loans range in size from \$60,000 to \$29,575,000 (see Appendix A). The systems receiving loans ranged in size from 82 to 184,525 people. The total population receiving DWSRF assistance is 420,754.

Three hundred seventy-eight loans totaling \$979,571,137 have been closed since program inception.

### Small Systems

States must annually use at least 15 percent of all funds credited to the DWSRF loan fund to provide loan assistance to PWSs that serve fewer than 10,000 people. This assistance is provided to the extent that there are a sufficient number of eligible projects to fund. Credited funds include the federal allotment (less funds reserved for non-project set-aside activities), the required state match, and other funds including bond proceeds available for loans.

Sixteen closed loans represent PWSs that serve fewer than 10,000 people. This represents 17.3 percent of available funds going to these projects. This exceeds the 15 percent requirement. Since program inception, 39.0 percent (\$384,226,797 of the \$984,062,191) of funds available for loans went to systems under 10,000, which far exceeds the requirement.

### Disadvantaged Communities Additional Subsidization

#### *Base Grant*

Beginning with the FY 2022 capitalization grant, at least 12 percent and up to 30 percent of the funds available for construction may be used to provide subsidized loans to disadvantaged communities as defined by the state. For the 2024 base funding, North Dakota intends to commit at least 12 percent but not more than 13 percent of the amount of the capitalization grant to projects meeting the disadvantaged community criteria. Additional subsidization requirements for the FY 2022 and prior grants were met before 2025. Additional subsidization for the FY 2023 and FY 2024 grants has been expended. Additional subsidization for the FY 2025 grant has been committed to a project, but funds have not yet been expended.

<b>System</b>	<b>Committed</b>	<b>Expended</b>
<b>FY 2023 Available (12-13 percent)</b>	<b>\$592,560</b>	<b>\$592,560</b>
Central Plains (-03)	\$592,560	\$592,560
<b>Balance</b>	<b>\$0</b>	<b>\$0</b>

<b>FY 2024 Available (12-13 percent)</b>	<b>Committed</b>	<b>Expended</b>
Cando (-02)	\$559,320	\$559,320
<b>Balance</b>	<b>\$0</b>	<b>\$0</b>
<b>FY 2025 Available (12-13 percent)</b>	<b>\$1,308,720</b>	<b>\$1,308,720</b>
Central Plains <sup>1</sup>	\$1,308,720	\$0
<b>Balance</b>	<b>\$0</b>	<b>\$1,308,720</b>

<sup>1</sup> Project not yet under binding commitment

### *Supplemental Grant*

The BIL included the requirement to use 49 percent of the supplemental funds as additional subsidization for disadvantaged communities. Additional subsidization for the FY 2022 through FY 2025 grants has been committed to projects. Expenditures of these funds are 60.0 percent for the FY 2022 grant, 59.5 percent for the FY 2023 grant, 32.8 percent for the FY 2024 grant, and 0 percent for the FY 2025 grant.

<b>System</b>	<b>Committed</b>	<b>Expended</b>
<b>FY 2022 Available (49 percent)</b>	<b>\$8,816,080</b>	<b>\$8,816,080</b>
Ashley	\$2,328,670	\$1,832,912
Bismarck (-04)	\$529,410	\$168,646
East Central RWD (-05)	\$3,291,942	\$3,291,942
East Central RWD (-06)	\$2,666,058	\$0
<b>Balance</b>	<b>\$0</b>	<b>\$3,522,580</b>
<b>FY 2023 Available (49 percent)</b>	<b>\$10,316,950</b>	<b>\$10,316,950</b>
Central Plains (-03)	\$9,378,950	\$5,381,590
Medina	\$938,000	\$756,455
<b>Balance</b>	<b>\$0</b>	<b>\$4,178,905</b>
<b>FY 2024 Available (49 percent)</b>	<b>\$11,262,650</b>	<b>\$11,262,650</b>
Cando (-02)	\$1,765,680	\$1,355,491
Cando (-03) <sup>1</sup>	\$397,060	\$0
Jamestown (-15)	\$1,488,000	\$507,451
Jamestown (-16)	\$330,992	\$0
Minot (-03) <sup>1</sup>	\$3,876,668	\$0
Mooreton <sup>1</sup>	\$779,250	\$0
Underwood	\$2,625,000	\$1,833,434
<b>Balance</b>	<b>\$0</b>	<b>\$7,566,274</b>

<b>FY 2025 Available (49 percent)</b>	<b>\$12,200,020</b>	<b>\$12,200,020</b>
Central Plains <sup>1</sup>	\$1,641,030	\$0
Walsh RWD <sup>1</sup>	\$10,558,990	\$0
<b>Balance</b>	<b>\$0</b>	<b>\$12,200,020</b>

<sup>1</sup> Project not yet under binding commitment

### *Emerging Contaminants Grant*

The BIL included the requirement to use 100 percent of the emerging contaminants funds as additional subsidization. Twenty-five percent must be used for disadvantaged communities or communities with a population of less than 25,000 people. The FY 2022 grant is fully expended. The FY 2023 grant is fully committed to projects and 73.0 percent expended. The FY 2024 grant is 94.2 percent committed to projects and 49.2 percent expended. The FY 2025 grant is fully committed to projects and 3.7 percent expended. All borrowers meet the disadvantaged community criteria.

<b>System</b>	<b>Committed</b>	<b>Expended</b>
<b>FY 2022 Available (100 percent)</b>	<b>\$7,555,000</b>	<b>\$7,555,000</b>
Dakota RWD (-02)	\$2,265,521	\$2,265,521
East Central (-05)	\$5,289,479	\$5,289,479
<b>Balance</b>	<b>\$0</b>	<b>\$0</b>
<b>FY 2023 Available (100 percent)</b>	<b>\$7,845,000</b>	<b>\$7,845,000</b>
Dakota RWD (-02)	\$1,221,479	\$1,029,847
East Central RWD (-05)	\$717,840	\$717,840
East Central RWD (-06)	\$1,105,681	\$96,114
Fargo (-05)	\$4,800,000	\$3,886,412
<b>Balance</b>	<b>\$0</b>	<b>\$2,114,787</b>
<b>FY 2024 Available (100 percent)</b>	<b>\$7,640,000</b>	<b>\$7,640,000</b>
McLean Sheridan RW (-06)	\$7,199,213	\$3,759,802
<b>Balance</b>	<b>\$440,787</b>	<b>\$3,880,198</b>
<b>FY 2025 Available (100 percent)</b>	<b>\$7,640,000</b>	<b>\$7,640,000</b>
Napoleon	\$282,946	\$282,946
South Central (-06) <sup>1</sup>	\$7,357,054	\$0
<b>Balance</b>	<b>\$0</b>	<b>\$7,357,054</b>

<sup>1</sup> Project not yet under binding commitment

### Lead Grant

The BIL included the requirement to use 49 percent of the lead funds as additional subsidization. The additional subsidization for the FY 2022 grant is 99.0 percent committed to projects and 5.8 percent expended. The additional subsidization for the FY 2023 grant is 99.0 percent committed to projects and 0.6 percent expended. The additional subsidization for the FY 2024 grant is 99 percent committed to projects, but no funds have been expended yet. The additional subsidization for the FY 2025 grant is 99.9 percent committed to projects, but no funds have been expended yet.

<b>System</b>	<b>Committed</b>	<b>Expended</b>
<b>FY 2022 Available (49 percent)</b>	<b>\$15,321,320</b>	<b>\$15,321,320</b>
Bismarck (-04)	\$970,590	\$308,652
Dickinson (-03)	\$954,100	\$68,922
Fargo (-06)	\$12,732,988	\$0
Grand Forks (-05)	\$509,250	\$506,848
<b>Balance</b>	<b>\$154,392</b>	<b>\$14,436,898</b>
<b>FY 2023 Available (49 percent)</b>	<b>\$14,038,500</b>	<b>\$14,038,500</b>
Beach	\$99,000	\$87,138
Fargo (-06)	\$9,461,588	\$0
Minot (-03) <sup>1</sup>	\$4,343,087	\$0
<b>Balance</b>	<b>\$134,825</b>	<b>\$13,951,362</b>
<b>FY 2024 Available (49 percent)</b>	<b>\$14,038,500</b>	<b>\$14,038,500</b>
Jamestown (-16)	\$1,747,393	\$0
Minot (-03) <sup>1</sup>	\$12,156,285	\$0
<b>Balance</b>	<b>\$134,822</b>	<b>\$14,038,500</b>
<b>FY 2025 Available (49 percent)</b>	<b>\$14,038,500</b>	<b>\$14,038,500</b>
Cando (-03) <sup>1</sup>	\$727,940	\$0
Grand Forks (-05 incr.) <sup>1</sup>	\$8,510,131	\$0
Jamestown (-13)	\$1,835,752	\$0
Mandan (-13) <sup>1</sup>	\$2,964,060	\$0
<b>Balance</b>	<b>\$617</b>	<b>\$14,038,500</b>

<sup>1</sup> Project not yet under binding commitment

### Congressional Additional Subsidization

The FY 2024 base capitalization grant includes the requirement to use 14 percent of the funds as additional subsidization on loans. The DWSRF Program has elected to use the

required additional subsidization and up to an additional \$100,000 for each grant. The additional subsidization was awarded in the form of loan forgiveness. Additional subsidization for the FY 2022 and earlier capitalization grants has been expended. All additional subsidization has been committed to projects. Additional subsidization requirements from the FY 2023 grant are 50.0 percent expended, and no additional subsidization from the FY 2024 and FY 2025 grants has been expended.

<b>System</b>	<b>Committed</b>	<b>Expended</b>
<b>FY 2022 Available (14 percent)</b>	<b>\$981,120</b>	<b>\$981,120</b>
Bismarck (-03)	\$243,620	\$243,620
Dickinson (-01)	\$370,494	\$370,494
Dickinson (-03)	\$29,506	\$29,506
Grand Forks (-04)	\$337,500	\$337,500
<b>Balance</b>	<b>\$0</b>	<b>\$0</b>
<b>FY 2023 Available (14 percent)</b>	<b>\$691,320</b>	<b>\$691,320</b>
Dickinson (-03)	\$413,070	\$68,922
Grand Forks (-05)	\$278,250	\$276,937
<b>Balance</b>	<b>\$0</b>	<b>\$345,461</b>
<b>FY 2024 Available (14 percent)</b>	<b>\$652,540</b>	<b>\$652,540</b>
Dickinson (-03)	\$108,242	\$0
Fargo (-06) <sup>1</sup>	\$544,298	\$65,253
<b>Balance</b>	<b>\$0</b>	<b>\$587,287</b>
<b>FY 2025 Available (14 percent)</b>	<b>\$1,526,840</b>	<b>\$1,526,840</b>
Fargo (-06)	\$827,556	\$0
Minot (-03) <sup>1</sup>	\$699,284	\$0
<b>Balance</b>	<b>\$0</b>	<b>\$1,526,840</b>

<sup>1</sup> Project not yet under binding commitment

### Green Project Reserve

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

### Set-asides

North Dakota took no set-aside funds from the FY 2023 emerging contaminants reallocation; the FY 2024 base; or the FY 2025 base, supplemental, and emerging contaminants capitalization grants during the review period. Set-asides were taken from

the reallocation of the FY 2022 lead capitalization grant and the FY 2024 lead capitalization grant.

A portion of the set-asides from the lead capitalization grants were used to help public water systems (PWS) with completion of their service line inventories. The NDDEQ set up a vendor pool by sending out a request for proposals which detailed the work that needs to be done on behalf of the PWSs. There were nine vendors that sent in proposals and all were qualified and added to the vendor pool. The work includes assisting PWSs with developing and updating lead service line inventories, creating lead service line replacement plans, developing facility plans, and non-regulatory sampling for lead. The work was split into four categories and includes category 1 – historical records review, category 2 – onsite validation of records review, category 3 – lead service line replacement plans, and category 4 – lead service line replacement facility plans. PWSs that need help are asked to submit applications to the NDDEQ for assistance. Work orders are then developed and direct-assigned to the vendors to complete the work on the PWS’s behalf. The work orders specify the category of work to be done for each PWS. The NDDEQ assisted all PWSs that applied with category 1 work. Between 2023 and 2024, the NDDEQ assigned 238 work orders for category 1 work to the vendors to meet the October 16, 2024 initial inventory submittal deadline. From 2024 to 2025, the NDDEQ assigned 151 category 2 work orders to further refine inventories in preparation for the November 1, 2027 baseline inventory submittal deadline. Seven category 4 work orders have been assigned. No category 3 work orders have been assigned yet.

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

	<b>Administration</b>	<b>Technical Assistance</b>	<b>PWSS Admin</b>	<b>Local Assistance</b>
Beginning Balance (1/1/25)	\$1,338,934	\$305,227	\$3,567,537	\$2,927,314
Grant awards	\$1,174,920	\$587,460	\$2,937,300	\$2,937,300
Expenditures	\$930,154	\$214,385	\$1,451,946	\$2,203,198
Transfer to Loan Fund	\$0	\$0	\$0	\$0
Ending Balance (12/31/25)	\$1,583,700	\$678,302	\$5,052,891	\$3,661,416

## Administration

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

DWSRF Programs are allowed to set aside the greater of \$400,000, 4 percent of the capitalization grant, or 0.2 percent of the valuation of the loan fund to administer the program. Only funds from the 2024 lead capitalization grant and the reallocation of the 2022 lead capitalization grant were set aside for administration in 2025. The DWSRF Program instead used its administrative loan fee to pay for the remaining administration costs to maximize the use of the capitalization grant for loans.

The NDDEQ believes it is prudent to reserve all administrative set-aside and accumulated loan fees for future use by the program. The DWSRF Program reserved \$186,440 from the 2024 base funding, \$436,240 from the 2025 base funding, and \$995,920 from the 2025 supplemental funding to bring the total reserved administrative set-aside to \$5,091,676. The DWSRF Program also reserved \$8,200 from the 2023 emerging contaminants reallocation and \$305,600 from the 2025 emerging contaminants funding for use in future years. The total reserved administrative set-aside for the emerging contaminants funding is \$1,227,200. North Dakota plans to reserve its administrative set-aside from the 2026 base, supplemental, and emerging contaminants funding.

The NDDEQ has prepared and submitted to EPA Region 8 work plans for technical assistance that will be provided under the administrative set-aside for the lead funding. Technical assistance funds are used to assist public water systems with completing lead service line inventories, lead service line replacement plans, facility plans and non-regulatory tap sampling for lead to comply with the Lead and Copper Rule Revisions (LCRR) and the Lead and Copper Rule Improvements (LCRI).

## Small System Technical Assistance

Funds from the small system technical assistance set-aside are used to provide technical assistance for PWSs serving 10,000 or fewer people. The NDDEQ did not utilize this set-aside for the 2023 emerging contaminants reallocation; the 2024 base funding; or the 2025 base, supplemental, and emerging contaminants funding and instead used its

administrative loan fee to pay for costs associated with small system technical assistance. The DWSRF Program reserved \$93,220 from the 2024 base funding, \$218,120 from the 2025 base funding, and \$497,960 from the 2025 supplemental funding to bring the total reserved small system technical assistance set-aside to \$2,664,740. The DWSRF Program also reserved \$4,100 from the 2023 emerging contaminants reallocation and \$152,800 from the 2025 emerging contaminants funding for use in future years. The total reserved small system technical assistance set-aside for the emerging contaminants funding is \$613,600.

The NDDEQ has prepared and submitted to EPA Region 8 work plans for technical assistance that will be provided under the small system technical assistance set-aside for the lead funding. Technical assistance funds are used to assist public water systems with completing lead service line inventories, lead service line replacement plans, facility plans and non-regulatory tap sampling for lead to comply with the LCRR and the LCRI.

#### State Program Management

The NDDEQ did not utilize this set-aside for 2023 emerging contaminants reallocation; the 2024 base funding; or the 2025 base, supplemental, and emerging contaminants funding and instead used its administrative loan fee to pay for costs associated with state program management activities. The DWSRF Program reserved \$466,100 from the 2024 base funding, \$1,090,600 from the 2025 base funding, and \$2,489,800 from the 2025 supplemental funding to bring the total reserved state program management set-aside to \$16,405,910. The DWSRF Program also reserved \$20,500 from the 2023 emerging contaminants reallocation and \$764,000 from the 2025 emerging contaminants funding for use in future years. The total reserved state program management set-aside for the emerging contaminants funding is \$3,068,000.

The NDDEQ has prepared and submitted to EPA Region 8 work plans for technical assistance that will be provided under the state program management set-aside for the lead funding. Technical assistance funds are used to assist public water systems with completing lead service line inventories, lead service line replacement plans, facility plans and non-regulatory tap sampling for lead to comply with the LCRR. The DWSRF Program also used the state program management set-aside from the lead funding to procure the services of an information technology company to design and implement a website repository to receive, perform initial quality checks on, and store inventory spreadsheets required by the LCRR and LCRI. An inductively coupled plasma mass spectrometer (ICP-MS) was also purchased for the NDDEQ chemistry lab to accommodate the increased regulatory samples that are anticipated because of the LCRI.

### Local Assistance and Other State Programs

The NDDEQ did not utilize this set-aside for the 2023 emerging contaminants reallocation; the 2024 base funding; or the 2025 base, supplemental, and emerging contaminants funding. The NDDEQ intends to use this set-aside under the lead funding to provide technical assistance to systems for services consistent with and reflected in the state's Capacity Development Strategy.

The NDDEQ has prepared and submitted to EPA Region 8 work plans for technical assistance that will be provided under the local assistance and other state programs set-aside for the lead funding. Technical assistance funds are used to assist public water systems with completing lead service line inventories, lead service line replacement plans, facility plans and non-regulatory tap sampling for lead to comply with the LCRR and the LCRI.

## Financial Summary

### Financial Structure

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

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

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

### Match Requirement

Under the SDWA, states are required to match their DWSRF base allotment with an amount at least equal to 20 percent. States are required to match their DWSRF supplemental allotment for 2025 with an amount at least equal to 20 percent. This amount must be deposited on the date of, or before receiving payments under, the capitalization grant agreements. State match for the capitalization grant is generated through the sale of state bonds or through the 0.5 percent administration fee and deposited into the DWSRF loan fund.

## Funding Process

A draft IUP for base and BIL DWSRF funds was developed in the fall of 2024 for public review and comment. Following finalization, loan applications were solicited from systems with projects identified within the IUP. Projects were funded based on their ranking and availability of funds, taking into account bypass considerations identified within the IUP.

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

- Readiness to proceed
- Willingness to proceed (e.g., applicant withdraws project from consideration, obtains other funding sources, or is non-responsive)
- Emergency conditions (i.e., an unanticipated failure occurs requiring immediate attention to protect public health)
- Financial (includes inability to pay and loan repayment issues), technical, or managerial capability
- Meet the 15 percent requirement (i.e., funding lower-ranked projects would satisfy the requirement that at least 15 percent of the funds available for construction be annually used to provide loan assistance to PWSs that serve fewer than 10,000 persons)
- Initial ranking score cannot be verified

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

During the review period, no ranked projects listed in the IUP were bypassed. The DWSRF Program has been and remains willing to work with bypassed systems to provide loan assistance to the maximum extent possible when they are ready to proceed. Bypassed projects and the reasons for the projects being bypassed are listed in Appendix B.

The following language is included in the IUPs: "The NDDEQ, without going through a public review process, reserves the right to fund unanticipated, non-ranked emergency

projects determined to require immediate attention to protect public health. Such assistance will be limited to eligible PWS types and project features, and to situations involving acute contaminants, loss, or potential loss of a water supply in the near future, or that otherwise represent an unreasonable risk to health.”

### **Loan Assistance Terms**

The maximum repayment period for DWSRF loans is 30 years or the useful life of the project following project completion. The NDDEQ may utilize shorter repayment periods on a project-by-project basis. The interest rate has been set at 1.5 percent for all loans except for loans used to fund lead service line replacements. The interest rate for these loans will be 0 percent. An annual loan fee of 0.5 percent (of the outstanding loan balance) is assessed on all loans to support DWSRF administration costs. The fees are held under the master trust indenture and are available to pay DWSRF Program administration costs allowable under the SDWA. If necessary to meet bond repayment schedules, those projects that force the DWSRF Program to sell bonds to leverage the program will be charged an interest rate of 75 percent (including the 0.5 percent administrative fee) of the market interest rate at the time of the loan. This interest rate will not be less than the standard 1.5 percent interest rate plus 0.5 percent administrative fee. This provision wasn't used in 2025.

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

The SDWA requires that the interest rate for loans be less than or equal to the market interest rate. The PFA monitors compliance with this requirement by establishing as the market interest rate the average interest rate received by North Dakota political subdivisions on bond issues with a 20-year maturity sold on a competitive or negotiated basis during the past quarter. This rate is calculated and updated quarterly based upon the prior quarter bond sales. If there are no qualified bond sales, the market rate for that quarter is calculated using comparable regional bond issues. As an illustration, based upon fourth quarter 2025 North Dakota 20-year competitive bond sales, the market interest rate was calculated to be 3.75 percent.

### **Loan Status**

Appendix A identifies the following information about the loans closed during 2025:

- Borrower
- Project number
- Loan amount

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

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

### **Equivalency Projects**

Certain program requirements are only applicable to projects in an amount equal to the federal capitalization grant (i.e., equivalency projects). These requirements include environmental crosscutters, socio-economic crosscutters, disadvantaged business enterprises (DBEs), the Federal Funding Accountability and Transparency Act (FFATA), signage, the Single Audit Act, the Prohibition on Certain Telecommunications and Video Surveillance Services or Equipment, and the Build America Buy America (BABA) Act.

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

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

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

	<b>Initial Amount</b>	<b>Final Amount</b>
<b>Required</b>	<b>\$7,008,000</b>	<b>\$7,008,000</b>
Bismarck (-03)	\$1,500,000	\$902,483
Dickinson (-01)	\$2,800,000	\$2,799,995
Grand Forks (-04)	\$375,000	\$375,000
Mapleton	\$825,000	-
Wing	\$2,337,000	\$2,337,000
<b>Remaining</b>	<b>-\$829,000</b>	<b>\$593,522</b>

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

	<b>Initial Amount</b>	<b>Final Amount</b>
<b>Required</b>	<b>\$17,992,000</b>	<b>\$17,992,000</b>
Agassiz WUD	\$1,530,000	-
Bismarck (-04)	\$529,410	-
Bowbells	\$218,000	\$218,000
Cass RWD (-07)	\$2,500,000	\$1,670,038
Dakota RWD (-02)	\$465,000	-
Davenport	\$527,000	\$526,884
East Central RWD (-05)	\$8,424,942	\$6,455,584
East Central RWD (-06)	\$2,666,058	-
McLean-Sheridan RWD	\$1,015,000	941,270
Riverdale	\$600,000	\$600,000
<b>Remaining</b>	<b>-\$483,410</b>	<b>\$7,580,224</b>

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

	<b>Initial Amount</b>	<b>Final Amount</b>
<b>Required</b>	<b>\$4,938,000</b>	<b>\$4,938,000</b>
Beulah	\$1,923,000	-
Glen Ullin	\$1,900,000	\$1,895,860
Wahpeton	\$1,197,000	\$826,662
<b>Remaining</b>	<b>-\$82,000</b>	<b>\$2,215,478</b>

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

	<b>Initial Amount</b>	<b>Final Amount</b>
<b>Required</b>	<b>\$21,055,000</b>	<b>\$21,055,000</b>
Ashley	\$3,048,000	-
Cass RWD (-08)	\$2,604,000	-
Central Plains WUD	\$9,714,000	-
Fargo (-05)	\$1,600,000	-
Galesburg	\$606,000	\$480,231
Lincoln	\$1,858,000	\$1,858,000
Missouri West WS	\$882,000	\$815,064
St. John	\$1,285,000	-
<b>Remaining</b>	<b>-\$542,000</b>	<b>\$17,901,705</b>

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

	<b>Initial Amount</b>	<b>Final Amount</b>
<b>Required</b>	<b>\$4,661,000</b>	<b>\$4,661,000</b>
Cando (-02)	\$3,275,000	-
Northeast RWD	\$1,768,000	-
<b>Remaining</b>	<b>-\$382,000</b>	<b>\$4,661,000</b>

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

	<b>Initial Amount</b>	<b>Final Amount</b>
<b>Required</b>	<b>\$22,985,000</b>	<b>\$22,985,000</b>
Dickinson (-02)	\$1,591,000	-
Dickinson (-03)	\$529,410	-
East Central RWD (-06)	\$5,509,000	-
Fargo (-06)	\$1,371,854	-
Grand Forks (-05)	\$278,250	-
Jamestown (-16)	\$330,992	-
Mandan (-10)	\$5,462,000	-
McLean Sheridan RWD (-06)	\$959,787	-
New Town	\$1,437,000	-
Rhame	\$1,814,000	\$1,778,597

South Central RWD	\$2,497,000	-
Taylor	\$628,000	\$523,091
Underwood	\$3,500,000	-
<b>Remaining</b>	<b>-\$2,923,293</b>	<b>\$20,683,312</b>

The following projects have been identified to meet the equivalency requirements for the 2025 base capitalization grant:

	<b>Initial Amount</b>	<b>Final Amount</b>
<b>Required</b>	<b>\$10,906,000</b>	<b>\$10,906,000</b>
Beach	\$2,669,000	-
Jamestown (-14)	\$1,618,000	-
Minot (-02)	\$3,704,000	-
New Town	\$4,009,000	-
<b>Remaining</b>	<b>-\$1,094,000</b>	<b>\$10,906,000</b>

The following projects have been identified to meet the equivalency requirements for the 2025 supplemental capitalization grant:

	<b>Initial Amount</b>	<b>Final Amount</b>
<b>Required</b>	<b>\$24,898,000</b>	<b>\$24,898,000</b>
Colfax	\$245,000	-
Grafton	\$2,569,000	-
Grand Forks (-07)	\$1,191,000	-
Jamestown (-15)	\$1,984,000	-
Kenmare	\$638,000	-
Mandan (-14)	\$1,930,000	-
Minot (-03)	\$3,876,668	-
Minot (-04)	\$3,246,000	-
Napoleon	\$692,054	-
Portland	\$1,930,000	-
West Fargo (-01)	\$750,000	-
<b>Remaining</b>	<b>\$5,846,278</b>	<b>\$24,898,000</b>

Additional projects that either are not yet under binding commitment or that haven't yet applied for a DWSRF loan have been identified to meet the remaining equivalency requirements for the 2025 supplemental capitalization grant. Those projects will be assigned to a grant in the order in which binding commitments are achieved.

## **Cash Draw Proportionality**

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

## **Disbursements**

The DWSRF Program disbursed a total of \$70,255,217 during the year, of which \$63,356,383 was loan funds, \$4,799,683 was set-aside funds, and \$2,099,151 was administrative loan fee funds. The breakdown of funds from the different set-asides is described in the Set-asides section.

## **Administrative Loan Fee**

The balance in the administrative loan fee account at the beginning of the year was \$4,145,454. The 0.5 percent administrative loan fee collected \$1,957,839. A total of \$2,099,151 was disbursed from the 0.5 percent administrative loan fee account. The amount used for administration of the DWSRF Program and the PWSS Program was \$1,880,826. The administrative loan fee was also used to fund \$113,325 in expenses eligible under the Small System Technical Assistance set-aside and \$105,000 for PAR grants. Including gains and losses on investment sales, this leaves a balance of \$4,542,386 of loan fees that have accumulated since the beginning of the program.

## **Investments**

The North Dakota DWSRF had \$68,200,807 in cash and investments at the end of 2025. There is \$22,232,000 invested in commercial paper, certificates of deposit, agency notes, and U.S. Treasuries. The PFA receives management reports and ensures that earned interest is credited to the DWSRF in a timely fashion.

## **Financial Statements**

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

## Compliance with Operating Agreement and Grant Conditions

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

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

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

- **Grant payments, binding commitments, and use of funds in a timely and expeditious manner.** States are required to make binding commitments equal to the amount of each grant payment (and associated state match) designated for the loan fund within one year after the receipt of each grant payment. States may also make binding commitments for more than the required amount and credit the excess towards the binding commitment requirements of subsequent grant payments (40 CFR 3550(3)). Based upon the payment schedules established in the capitalization grant, no base or supplemental capitalization grants required binding commitments for this period (which include state match). Actual binding commitments (closed loans and increases) for the period total \$133,424,000. The required binding commitments since the beginning of the program are \$545,481,953. Actual binding commitments since the beginning of the program are \$984,062,191. Additional information on this requirement can be found in Appendix E.
- **State matching funds.** The program has been over-matched. The required amount of state match was \$932,200 for the FY 2024 base capitalization grant, \$2,181,200 for the FY 2025 base capitalization grant, and \$4,979,600 for the FY 2025 supplemental capitalization grant.
- **Reports and annual audits.** This document constitutes an annual report for the DWSRF Program. This report only covers January 1, 2025 to December 31, 2025. Brady Martz & Associates, P.C. conducted an annual audit of the North Dakota DWSRF. The audit addresses all funding activity from the DWSRF loan account and each set-aside account. The 2025 audit report has been provided to EPA. In the 2025 audit report, Brady Martz & Associates, P.C. stated that the PFA complied with statutes, laws, rules and regulations under which the Agency was created and is functioning. This audit was conducted in accordance with the following generally accepted auditing standards: (1) the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and (2) OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*.
- **Environmental reviews.** All projects that received DWSRF loan assistance during the period reviewed were subject to appropriate environmental review and approval procedures. None of the projects were deemed to require an

Environmental Impact Statement. The NDDEQ issued a Categorical Exclusion (CE) or an Environmental Assessment and Finding of No Significant Impact (EA/FONSI) or accepted the CE or EA/FONSI of other federal or state agencies for all projects.

- **Dedicated source of revenue for loan repayment.** The PFA, as financial agent for the DWSRF Program, conducts a financial review of all loan applicants. The review includes an assessment of the applicant's ability to repay the loan, taking coverage and reserve requirements into account, as well as associated operation, maintenance, and other necessary expenses.
- **Federal cross-cutting authorities.** North Dakota and North Dakota DWSRF assistance recipients have complied with all applicable federal cross-cutting authorities.

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

- **Operator certification.** In January 2000, the NDDEQ submitted documentation to the EPA and requested substantially equivalent status for its operator certification and training program. In a letter dated September 27, 2000, Stephen Tuber, EPA Region VIII Water Program Director, stated, "Thank you for recognizing the importance of an effective operator certification program in protecting public health. I commend you and your staff for providing national leadership on this important milestone as the first Substantially Equivalent Operator Certification Program to be approved in the nation."
- **Capacity.** The NDDEQ established an EPA-approved capacity review process for DWSRF loan applicants. This process has been and continues to be used to evaluate the capacity of all DWSRF loan applicants. The PFA assists in the process by evaluating the financial capability of loan applicants and providing recommendations to the DWSRF Program. On September 23, 1999, EPA approved the NDDEQ's new water system capacity assessment strategy. This strategy has been and continues to be used to ensure that new or potentially new community and nontransient-noncommunity PWSs have adequate capacity before starting operations. On October 10, 2000, EPA approved the NDDEQ's capacity development strategy for existing public water systems. Implementation of the strategy was initiated in August 2000. The strategy identifies the following tools, which may be used singly or in combination, to assist PWSs in acquiring and maintaining capacity:

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

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

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

- **Transfers.** Transfers between the CWSRF and the DWSRF Programs are discussed in the Sources and Uses of Funds chapter.
- **Bond Issuance.** On February 24, 2026, the Industrial Commission approved a resolution that allows the PFA to issue up to \$300 million of new SRF bond proceeds. .
- **Miscellaneous.** The NDDEQ has not further subcontracted any responsibilities set forth in the Operating Agreement. Privately owned community water systems and nonprofit noncommunity water systems are eligible for DWSRF assistance. To date, no assistance has been requested by such systems. The NDDEQ established a disadvantaged community program beginning with the FY 2019 capitalization grant.

APPENDIX A  
LOANS WITH BINDING COMMITMENTS IN  
2025

Borrower	Project #	Loan Amount <sup>1</sup>	Binding Commitment	Increase Amount	Increase Binding Commitment	Loan Forgiveness	Emerging Contaminants Funding	Lead Funding	Population	Loan Term [Years]	Interest Rate
<b>Loans</b>											
Beach	1700059-02	\$2,819,000	03/27/25			\$99,000		\$150,000	981	30	2.0%
Cando	4800152-02	\$3,275,000	08/20/25			\$2,722,060			1,117	30	2.0%
Colfax	3900196-01	\$245,000	03/27/25						194	30	2.0%
East Central RWD	1801062-06	\$8,554,000	06/27/25			\$2,840,000	\$378,942		20,951	30	2.0%
Elgin	1900303-01	\$668,000	08/06/25						543	30	2.0%
Fargo	0900336-07	\$20,000,000	07/21/25						184,525	30	2.0%
Grafton	5000408-05	\$2,569,000	08/28/25						4,060	30	2.0%
Grand Forks	1800410-06	\$1,718,000	07/01/25						62,226	25	2.0%
Grand Forks	1800410-07	\$1,191,000	12/09/25						58,882	30	2.0%
Jamestown	4700498-14	\$1,618,000	04/18/25						15,849	20	2.0%
Jamestown	4700498-15	\$1,984,000	08/20/25			\$1,488,000			15,849	20	2.0%
Jamestown	4700498-16	\$5,760,000	10/01/25			\$3,914,137		\$5,429,008	15,849	20	0.5%
Kenmare	5100515-03	\$638,000	09/03/25						508	30	2.0%
Lisbon	3700574-10	\$1,296,000	10/28/25						2,155	30	2.0%
Mandan	3000596-10	\$5,462,000	01/29/25						24,206	20	2.0%
Mandan	3000596-11	\$4,507,000	07/21/25						24,206	20	2.0%
Mandan	3000596-12	\$6,909,000	05/08/25						24,206	20	2.0%
Mandan	3000596-14	\$1,930,000	05/26/25						32,900	15	2.0%
Minot	5100660-02	\$3,704,000	06/02/25						50,000	20	2.0%
Minot	5100660-03	\$29,575,000	09/26/25			\$21,075,324		\$24,999,048	50,000	30	0.5%
Minot	5100660-04	\$3,246,000	09/26/25						50,000	20	2.0%
Mott	2100704-01	\$778,000	12/04/25						428	30	2.0%
Napoleon	2400715-01	\$975,000	07/25/25			\$282,946	\$282,946		749	30	2.0%
New Town	3100744-03	\$4,009,000	03/11/25						2,764	30	2.0%
Portland	4900803-01	\$1,930,000	05/28/25						606	30	2.0%
Stanley	3100898-03	\$1,272,000	01/06/25						2,321	30	2.0%
Surrey	5100923-01	\$242,000	06/19/25						1,393	30	2.0%
West Fargo	0900999-01	\$750,000	06/05/25						40,626	30	2.0%
West Fargo	0900999-02	\$2,700,000	10/09/25						40,626	30	2.0%
Zeeland	2601055-01	\$60,000	04/08/25						82	20	2.0%
<b>Loan Increases</b>											
Fargo	0900336-04	\$36,000,000	4/17/2018	\$12,050,000	2/16/2025				155,620	30	2.0%
Missouri West	3001431-02	\$815,064	4/19/2023	\$375,000	6/19/2025				4,380	30	2.0%
Rhame	0600819-01	\$1,778,597	7/29/2024	\$615,000	2/3/2025				90	30	2.0%

**New Loans = \$120,384,000**  
**Loan Increases = \$13,040,000**  
**Total = \$133,424,000**

APPENDIX B  
BYPASSED PROJECT LIST

Ranking	System Name	Project Description	Project Cost (\$1,000)	Reason for Project Bypass
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<b>Base &amp; Supplemental Funding</b>
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No projects were bypassed
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<b>Emerging Contaminants Funding</b>
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No projects were bypassed
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<b>Lead Funding</b>
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No projects were bypassed
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APPENDIX C  
SOURCES AND USES OF FUNDS

## Base and Supplemental Funding

Cumulative Amounts as of December 31, 2025

### SOURCES

Federal Capitalization Grants (Base & Supplemental)	\$	363,521,100
State Match	\$	84,089,654
Transfers from CWSRF	\$	54,590,972
Net Leveraged Bonds	\$	193,941,728
Interest Earnings	\$	60,692,243
Interest Payments	\$	103,276,837
Principal Repayments	\$	333,129,621
TOTAL SOURCES OF FUNDS	\$	<u>1,193,242,155</u>

### USES

Set-Asides		
4% Administration	\$	9,603,814
2% Small System Technical Assistance	\$	3,416,807
10% Drinking Water Program	\$	3,612,078
15% Local Assistance	\$	435,268
Transfers to CWSRF	\$	51,981,141
Bond Principal Repayments	\$	125,258,243
Bond Interest Expense	\$	105,260,249
Arbitrage Paid	\$	785,241
Reserves	\$	-
Closed Agreements	\$	888,791,254
Approved But Not Closed Agreements	\$	1,000,000
TOTAL USES OF FUNDS	\$	<u>1,190,144,095</u>

## Emerging Contaminants Funding

Cumulative Amounts as of December 31, 2025

SOURCES	
Federal Capitalization Grants	\$ 30,680,000
Transfers from CWSRF	\$ -
<b>TOTAL SOURCES OF FUNDS</b>	<b>\$ 30,680,000</b>

USES	
Set-Asides	
4% Administration	\$ -
2% Small System Technical Assistance	\$ -
10% Drinking Water Program	\$ -
15% Local Assistance	\$ -
Transfers to CWSRF	\$ -
Closed Agreements	\$ 22,882,159
Approved But Not Closed Agreements	\$ -
<b>TOTAL USES OF FUNDS</b>	<b>\$ 22,882,159</b>

## Lead Funding

Cumulative Amounts as of December 31, 2025

### SOURCES

Federal Capitalization Grants	\$	88,568,000
TOTAL SOURCES OF FUNDS	\$	<u>88,568,000</u>

### USES

Set-Asides		
4% Administration	\$	3,542,720
2% Small System Technical Assistance	\$	1,771,360
10% Drinking Water Program	\$	8,856,800
15% Local Assistance	\$	8,856,800
Closed Agreements	\$	67,897,724
Approved But Not Closed Agreements	\$	17,316,000
TOTAL USES OF FUNDS	\$	<u>108,241,404</u>

APPENDIX D  
DWSRF TRANSACTIONS

<b>Recipient</b>	<b>Date of Payment to Recipient</b>	<b>Amount of Draw Request</b>
<b>ND Rural Water</b>	01/06/25	<b>17,700.00</b>
East Central RWD	01/06/25	131,886.00
Lincoln	01/06/25	21,829.00
WAWSA	01/06/25	254,590.00
Agassiz WUD	01/06/25	312,368.00
All Seasons WUD	01/13/25	312,113.00
Grand Forks	01/13/25	57,300.00
McLean-Sheridan WD	01/13/25	157,235.00
Lincoln	01/21/25	91,059.00
Ashley	01/21/25	2,678.00
Cass RWD	01/21/25	329,882.00
<b>Ackerman-Estvold - BIL LSL SA 15%</b>	01/21/25	<b>10,119.00</b>
<b>AE2S - BIL LSL SA 15%</b>	01/21/25	<b>120.00</b>
<b>Burian &amp; Assoc - BIL LSL SA 15%</b>	01/21/25	<b>16,274.00</b>
Dickinson DW319 Loan Forgiveness	01/24/25	-
<b>MAP</b>	01/27/25	<b>23,250.00</b>
<b>ND Rural Water</b>	01/27/25	<b>17,700.00</b>
Dakota RWD	01/27/25	175,170.00
Fargo	01/27/25	1,309,680.00
Dickinson	01/27/25	1,260,974.00
Fargo	01/27/25	337,413.00
South Central RWD	01/27/25	114,887.00
Underwood	01/27/25	4,688.00
<b>Interstate - BIL LSL SA 2% &amp; 15%</b>	01/27/25	<b>74,089.00</b>
<b>AE2S - BIL LSL SA 15%</b>	02/03/25	<b>8,917.00</b>
<b>Burian - BIL LSL SA 2% &amp; 15%</b>	02/03/25	<b>18,156.00</b>
<b>Interstate - BIL LSL SA 15%</b>	02/03/25	<b>73,713.00</b>
<b>Moore - BIL LSL SA 2% &amp; 15%</b>	02/03/25	<b>38,688.00</b>
<b>AE2S - BIL LSL SA 10%</b>	02/03/25	<b>13,350.00</b>
<b>AE2S - BIL LSL SA 15%</b>	02/03/25	<b>27,820.00</b>
<b>AE2S - BIL LSL SA 15%</b>	02/10/25	<b>20.00</b>
Dakota RWD	02/03/25	20,013.00
East Central RWD	02/03/25	1,511,521.00
Fargo	02/03/25	166,188.00
Mandan	02/03/25	28,741.00
Upper Souris WD	02/03/25	9,386.00
ST John	02/03/25	63,891.00
Mandan	02/03/25	232,041.00
<b>DEQ Admin 4Q24</b>	02/03/25	<b>444,000.00</b>
<b>DEQ BIL LSL SA 4%</b>	02/03/25	<b>74,468.00</b>
<b>DEQ BIL LSL SA 10%</b>	02/03/25	<b>77,766.00</b>
<b>Par Grant - Zap</b>	02/03/25	<b>15,000.00</b>
Dakota RWD	02/03/25	47,851.00
Dickinson	02/03/25	321,047.00
Tri County WD	02/03/25	2,400.00
Central Plains WD	02/03/25	541,480.00
Fargo	02/03/25	140,360.00
Galesburg	02/03/25	25,410.00

Recipient	Date of Payment to Recipient	Amount of Draw Request
Grand Forks	02/03/25	8,590.00
Mapleton	02/03/25	36,488.00
McLean-Sheridan WD	02/03/25	151,108.00
Medina	02/03/25	14,704.00
Northeast RWD	02/03/25	64,746.00
Southeast WUD	02/03/25	192,087.00
Southeast WUD	02/03/25	10.00
McLean Sheridan RWD	02/10/25	7,432.00
WAWSA	02/10/25	46,524.00
Bismarck	02/10/25	153,613.00
<b>AE2S - BIL LSL SA 15%</b>	02/10/25	<b>31,279.00</b>
<b>AE2S - BIL LSL SA 15%</b>	02/18/25	<b>23,613.00</b>
Enderlin	02/24/25	29,453.00
Medina	02/24/25	212,743.00
Rhame	02/24/25	549,240.00
South Central RWD	02/24/25	6,928.00
Southeast WUD	02/24/25	20,672.00
<b>Burian &amp; Assoc - BIL LSL SA 4% &amp; 15%</b>	02/24/25	<b>14,937.00</b>
WAWSA	03/04/25	47,802.00
Lincoln	03/04/25	107,529.00
Northeast RWD	03/04/25	36,438.00
Underwood	03/04/25	3,362.00
McLean-Sheridan WD	03/17/25	214,586.00
Medina	03/17/25	307,650.00
Taylor	03/17/25	3,649.00
<b>Par Grant - New Leipzig</b>	03/17/25	<b>15,000.00</b>
<b>AE2S - BIL LSL SA 15%</b>	03/17/25	<b>54,869.00</b>
Southeast WUD	03/24/25	35,236.00
<b>AE2S - BIL LSL SA 15%</b>	03/24/25	<b>6,870.00</b>
<b>Burian &amp; Assoc - BIL LSL SA 15%</b>	03/24/25	<b>8,418.00</b>
Ashley	03/31/25	25,568.00
WAWSA	03/31/25	57,383.00
Northeast RWD	04/07/25	12,456.00
Cass RWD	04/14/25	8,798.00
Central Plains WD	04/14/25	672,786.00
McLean Sheridan RWD	04/14/25	83,998.00
<b>AE2S - BIL LSL SA 2%, 4%, 10% &amp; 15%</b>	04/14/25	<b>58,244.00</b>
Dakota RWD	04/21/25	73,264.00
Dakota RWD	04/21/25	22,593.00
McLean Sheridan RWD	04/21/25	12,592.00
Ashley	04/21/25	322,051.00
Fargo	04/21/25	54,332.00
Medina	04/21/25	22,479.00
South Central RWD	04/21/25	8,512.00
Southeast WUD	04/21/25	25,221.00
Underwood	04/21/25	70,002.00
<b>Ackerman-Estvoid - BIL LSL SA 10%, 15%</b>	04/21/25	<b>59,497.00</b>
WAWSA	04/28/25	81,888.00

<b>Recipient</b>	<b>Date of Payment to Recipient</b>	<b>Amount of Draw Request</b>
<b>Burian &amp; Assoc - BIL LSL SA 2%, 4%, 10%, 15%</b>	04/28/25	<b>40,837.00</b>
Cass RWD	05/05/25	7,138.00
<b>Interstate - BIL LSL SA 2%, 4%, 15%</b>	05/05/25	<b>55,683.00</b>
<b>DEQ Admin 1Q25</b>	05/12/25	<b>407,138.00</b>
<b>DEQ BIL LSL SA 4% 1Q25</b>	05/12/25	<b>85,651.00</b>
<b>DEQ BIL LSL SA 10% 1Q25</b>	05/12/25	<b>87,078.00</b>
East Central RWD	05/12/25	38,437.00
All Season WUD	05/12/25	47,064.00
McLean Sheridan WD	05/12/25	257,377.00
Northeast RWD	05/12/25	47,973.00
Underwood	05/12/25	17,248.00
Beach	05/19/25	351,292.00
Fargo	05/19/25	216,173.00
<b>ND Rural Water</b>	05/19/25	<b>15,000.00</b>
<b>AE2S - BIL LSL SA 2%, 10%, 15%</b>	05/19/25	<b>71,700.00</b>
<b>PFA - AG Legal Research</b>	05/27/25	<b>521.10</b>
Ashley	05/27/25	114,916.00
Central Plains WD	05/27/25	529,244.00
Dickinson	05/27/25	124,680.00
WAWSA	05/27/25	344,842.00
Zeeland	05/27/25	19,107.00
East Central RWD	06/02/25	127,410.00
Fargo	06/02/25	4,730,272.00
Agassiz WUD	06/02/25	127,481.00
Colfax	06/02/25	154,100.00
Minot	06/02/25	1,925,535.00
Southeast WUD	06/02/25	25,211.00
<b>Ackerman Estvold - BIL LSL SA 2% &amp; 15%</b>	06/02/25	<b>49,877.00</b>
<b>Bartlett &amp; West - BIL LSL SA 4% &amp; 15%</b>	06/02/25	<b>4,086.00</b>
<b>AE2S- BIL LSL SA 15%</b>	06/02/25	<b>5,694.00</b>
Dakota RWD	06/09/25	13,086.00
Fargo	06/09/25	1,720,638.00
Cass RWD	06/09/25	6,705.00
McLean Sheridan WD	06/09/25	237,640.00
Northeast RWD	06/09/25	109,367.00
South Central RWD	06/09/25	129,512.00
<b>Ackerman Estvold - BIL LSL SA 10%</b>	06/09/25	<b>9,667.00</b>
<b>Burian &amp; Assoc - BIL LSL SA 4%, 10% &amp; 15%</b>	06/09/25	<b>35,702.00</b>
<b>Moore - BIL LSL SA 2%, 4%, 10% &amp; 15%</b>	06/09/25	<b>315,764.00</b>
<b>Interstate - BIL LSL SA 15%</b>	06/09/25	<b>28,585.00</b>
Ashley	06/16/25	253,085.00
Central Plains WD	06/16/25	310,528.00
Medina	06/16/25	215,130.00
South Central RWD	06/23/25	23,769.00
<b>Par Grant - Oakes</b>	06/23/25	<b>15,000.00</b>
<b>Moore - BIL LSL SA 4%, 10% &amp; 15%</b>	06/23/25	<b>200,135.00</b>
<b>Bartlett &amp; West - BIL LSL SA 15%</b>	06/23/25	<b>11,370.00</b>
Agassiz WUD	06/30/25	186,658.00

<b>Recipient</b>	<b>Date of Payment to Recipient</b>	<b>Amount of Draw Request</b>
Rhame	06/30/25	164,743.00
Underwood	06/30/25	643,155.00
WAWSA	06/30/25	473,543.00
<b>Ackerman - BIL LSL SA 15%</b>	06/30/25	<b>2,378.00</b>
<b>Burian &amp; Assoc - BIL LSL SA 2%, 4%, 10% &amp; 15%</b>	06/30/25	<b>24,586.00</b>
<b>AE2S - BIL LSL SA 10% &amp; 15%</b>	06/30/25	<b>32,067.00</b>
<b>Interstate - BIL LSL SA 2%, 4%, 10% &amp; 15%</b>	06/30/25	<b>52,985.00</b>
<b>Moore - BIL LSL SA 15%</b>	06/30/25	<b>7,774.00</b>
Cass RWD	07/07/25	93,409.00
Central Plains WD	07/07/25	319,079.00
Northeast RWD	07/07/25	77,723.00
<b>Ackerman - BIL LSL SA 2%, 10% &amp; 15%</b>	07/07/25	<b>33,684.00</b>
<b>AE2S - BIL LSL SA 2%, 4%, 10% &amp; 15%</b>	07/07/25	<b>98,623.00</b>
<b>Burian &amp; Assoc - BIL LSL SA 2%, 4% &amp; 15%</b>	07/07/25	<b>18,342.00</b>
<b>Interstate - BIL LSL SA 2%, 4%, 10% &amp; 15%</b>	07/07/25	<b>44,541.00</b>
<b>Moore - BIL LSL SA 4% &amp; 15%</b>	07/07/25	<b>219,802.00</b>
<b>Par Grant - Beach</b>	07/14/25	<b>15,000.00</b>
Beach	07/14/25	679,055.00
Fargo	07/14/25	43,793.00
Zeeland	07/14/25	10,818.00
<b>Interstate - BIL LSL SA 2%, 4%, 10% &amp; 15%</b>	07/14/25	<b>16,250.00</b>
<b>Moore - BIL LSL SA 4% &amp; 15%</b>	07/14/25	<b>93,748.00</b>
Dakota RWD	07/21/25	4,034.00
North Prairie RWD	07/21/25	188,085.00
Mandan	07/21/25	1,578,650.00
Mandan	07/21/25	434,202.00
McLean Sheridan WD	07/21/25	332,734.00
South Central RWD	07/21/25	26,036.00
<b>PFA AGO Legal Reserch HB1537</b>	07/25/25	<b>130.27</b>
McLean Sheridan RWD	07/25/25	125,253.00
Ashley	07/25/25	107,883.00
Beach	07/25/25	871,724.00
New Town	07/25/25	386,662.00
Southeast WUD	07/25/25	40,618.00
St John	07/25/25	18,851.00
<b>AE2S - BIL LSL SA 2%, 4%, 10% &amp; 15%</b>	07/28/25	<b>28,165.00</b>
<b>Interstate - BIL LSL SA 2%, 4%, 10% &amp; 15%</b>	07/28/25	<b>77,118.00</b>
<b>Burian &amp; Assoc - BIL LSL SA 15%</b>	07/28/25	<b>5,018.00</b>
<b>Moore - BIL LSL SA 4%, 10% &amp; 15%</b>	07/28/25	<b>73,782.00</b>
<b>MAP TA - city of Mayville</b>	08/04/25	<b>9,750.00</b>
Colfax	08/04/25	18,082.00
Galesburg	08/04/25	62,810.00
Mandan	08/04/25	215,158.00
Northeast RWD	08/04/25	110,217.00
Rhame	08/04/25	5,780.00
<b>Ackerman-Estvoid - BIL LSL SA 10% &amp; 15%</b>	08/04/25	<b>46,662.00</b>
<b>Burian &amp; Assoc - BIL LSL SA 4%</b>	08/04/25	<b>5,547.00</b>
<b>Moore - BIL LSL SA 15%</b>	08/04/25	<b>11,744.00</b>

<b>Recipient</b>	<b>Date of Payment to Recipient</b>	<b>Amount of Draw Request</b>
<b>Par Grant - Crosby</b>	08/11/25	<b>15,000.00</b>
<b>ND Rural Water</b>	08/11/25	<b>7,500.00</b>
McLean Sheridan	08/11/25	10,226.00
Bismarck	08/11/25	175,418.00
Cass RWD	08/11/25	5,653.00
McLean Sheridan	08/11/25	633,495.00
Surrey	08/11/25	9,974.00
WAWSA	08/11/25	526,362.00
<b>Burian &amp; Assoc - BIL LSL SA 2%, 4%, 10% &amp; 15%</b>	08/11/25	<b>17,300.00</b>
Agassiz WUD	08/18/25	5,882.00
Grand Forks	08/18/25	510,971.00
Mandan	08/18/25	820,344.00
Mandan	08/18/25	315,649.00
<b>Burian &amp; Assoc - BIL LSL SA 15%</b>	08/18/25	<b>18,041.00</b>
<b>AE2S - BIL LSL SA 4%, 10% &amp; 15%</b>	08/18/25	<b>68,932.00</b>
Beach	08/25/25	81,198.00
Galesburg	08/25/25	25,415.00
Grand Forks	08/25/25	241,498.00
Milnor	08/25/25	152,822.00
Napoleon	08/25/25	463,861.00
Underwood	08/25/25	116,344.00
<b>DEQ Admin 2Q25</b>	08/25/25	<b>479,468.00</b>
<b>DEQ BIL LSL SA 4% 2Q25</b>	08/25/25	<b>91,182.00</b>
<b>DEQ BIL LSL SA 10% 2Q25</b>	08/25/25	<b>98,166.00</b>
<b>PFA BND Semi Annual Pay Agent</b>	08/25/25	<b>33,277.83</b>
East Central RWD	09/08/25	221,940.00
McLean Sheridan RWD	09/08/25	62,240.00
Wilton	09/08/25	105,950.00
All Seasons WUD	09/08/25	304,584.00
Ashley	09/08/25	23,788.00
Galesburg	09/08/25	1,248.00
Mandan	09/08/25	197,619.00
New Town	09/08/25	622,846.00
Northeast RWD	09/08/25	77,889.00
Southeast WUD	09/08/25	114,514.00
WAWSA	09/08/25	453,596.00
<b>Ackerman-Estvold - BIL LSL SA 10% &amp; 15%</b>	09/08/25	<b>2,461.00</b>
<b>AE2S - BIL LSL SA 15%</b>	09/08/25	<b>3,162.00</b>
<b>Burian &amp; Assoc - BIL LSL SA 10% &amp; 15%</b>	09/08/25	<b>30,975.00</b>
<b>Interstate - BIL LSL SA 10% &amp; 15%</b>	09/08/25	<b>6,200.00</b>
<b>Moore - BIL LSL SA 10% &amp; 15%</b>	09/08/25	<b>26,841.00</b>
Grand Forks	09/15/25	141,197.00
Napoleon	09/15/25	338,502.00
McLean Sheridan	09/15/25	242,136.00
<b>Ackerman-Estvold - BIL LSL SA 2% &amp; 15%</b>	09/15/25	<b>24,125.00</b>
<b>Burian &amp; Assoc - BIL LSL SA 2% &amp; 15%</b>	09/15/25	<b>11,387.00</b>
<b>Interstate - BIL LSL SA 2%, 4%, 10% &amp; 15%</b>	09/15/25	<b>52,359.00</b>
<b>Moore - BIL LSL SA 15%</b>	09/15/25	<b>8,991.00</b>

Recipient	Date of Payment to Recipient	Amount of Draw Request
McLean Sheridan RWD	09/22/25	65,384.00
Central Plains WD	09/22/25	810,331.00
East Central RWD	09/22/25	85,434.00
Southeast WUD	09/22/25	229,619.00
Surrey	09/22/25	1,481.00
<b>Par Grant - McVile</b>	09/29/25	<b>15,000.00</b>
Ashley	09/29/25	134,449.00
Dickinson	09/29/25	170,926.00
Fargo	09/29/25	454,941.00
Underwood	09/29/25	115,512.00
<b>AE2S - BIL LSL SA 2%, 4%, 10% &amp; 15%</b>	09/29/25	<b>105,725.00</b>
<b>Ackerman-Estvoid - BIL LSL SA 10%</b>	09/29/25	<b>12,556.00</b>
<b>Burian &amp; Assoc - BIL LSL SA 2% &amp; 10%</b>	09/29/25	<b>47,878.00</b>
<b>Interstate - BIL LSL SA 10%</b>	09/29/25	<b>1,901.00</b>
<b>Moore - BIL LSL SA 4%,10% &amp;15%</b>	09/29/25	<b>109,936.00</b>
North Prairie RWD	10/06/25	588,842.00
Cass RWD	10/06/25	16,790.00
Central Plains WD	10/06/25	522,271.00
Jamestown	10/06/25	1,462,208.00
Milnor	10/06/25	132,178.00
Northeast RWD	10/06/25	171,061.00
South Central RWD	10/06/25	65,875.00
West Fargo	10/06/25	485,971.00
<b>PFA BND Ann Pay Agent &amp; Trustee Fee</b>	10/06/25	<b>14,012.00</b>
<b>PFA Admin 3Q25</b>	10/06/25	<b>56,999.00</b>
Jamestown	10/14/25	676,601.00
McLean Sheridan WD	10/14/25	294,316.00
New Town	10/14/25	425,130.00
Stanley	10/14/25	15,900.00
Surrey	10/14/25	2,471.00
<b>Ackerman-Estvoid - BIL LSL SA 2% &amp; 10%</b>	10/14/25	<b>7,548.00</b>
<b>AE2S - BIL LSL SA 2% &amp; 10%</b>	10/14/25	<b>11,139.00</b>
<b>Burian &amp; Assoc - BIL LSL SA 4% &amp; 15%</b>	10/14/25	<b>43,509.00</b>
East Central RWD	10/20/25	65,487.00
Cando	10/20/25	1,492,920.00
East Central RWD	10/20/25	42,717.00
Grand Forks	10/20/25	173,910.00
Missouri West WS	10/20/25	333,414.00
Rhame	10/20/25	2,216.00
Underwood	10/20/25	143,544.00
<b>Ackerman-Estvoid - BIL LSL SA 10%</b>	10/20/25	<b>10,204.00</b>
<b>AE2S - BIL LSL SA 2%, 4%, 10% &amp; 15%</b>	10/20/25	<b>109,909.00</b>
<b>Bartlett &amp; West - BIL LSL SA 4% &amp; 15%</b>	10/20/25	<b>50,242.00</b>
<b>Moore - BIL LSL SA 15%</b>	10/20/25	<b>5,179.00</b>
Ashley	10/27/25	75,891.00
Mandan	10/27/25	986,419.00
Mandan	10/27/25	368,179.00
Mandan	10/27/25	113,530.00

Recipient	Date of Payment to Recipient	Amount of Draw Request
WAWSA	10/27/25	1,307,832.00
<b>ND Rural Water</b>	10/27/25	<b>19,000.00</b>
<b>Ackerman-Estvold - BIL LSL SA 10%</b>	10/27/25	<b>11,363.00</b>
<b>AE2S - BIL LSL SA 10%</b>	10/27/25	<b>39,123.00</b>
<b>Bartlett &amp; West - BIL LSL SA 4% &amp; 15%</b>	10/27/25	<b>37,365.00</b>
<b>Burian &amp; Assoc - BIL LSL SA 4%, 10% &amp; 15%</b>	10/27/25	<b>67,330.00</b>
<b>Interstate - BIL LSL SA 2%, 4%, 10% &amp; 15%</b>	10/27/25	<b>22,260.00</b>
<b>Moore - BIL LSL SA 4%,10% &amp;15%</b>	10/27/25	<b>103,820.00</b>
Cando	11/03/25	482,115.00
Fargo	11/03/25	1,135,660.00
Minot	11/03/25	997,909.00
South Central RWD	11/03/25	129,152.00
Underwood	11/03/25	133,885.00
<b>MAP</b>	11/10/25	<b>3,425.00</b>
Central Plains WD	11/10/25	696,536.00
Mandan	11/10/25	333,513.00
McLean Sheridan WD	11/10/25	221,885.00
Minot	11/10/25	594,317.00
Napoleon	11/10/25	85,633.00
Northeast RWD	11/10/25	40,390.00
Southeast WUD	11/10/25	223,912.00
<b>AE2S - BIL LSL SA 10%</b>	11/10/25	<b>75,476.00</b>
<b>Bartlett &amp; West - BIL LSL SA 4% &amp; 15%</b>	11/10/25	<b>1,625.00</b>
<b>Burian &amp; Assoc - BIL LSL SA 4% &amp; 15%</b>	11/10/25	<b>5,772.00</b>
North Prairie RWD	11/17/25	789,507.00
Beach	11/17/25	160,561.00
Elgin	11/17/25	177,351.00
Mandan	11/17/25	101,365.00
Surrey	11/17/25	2,688.00
<b>AE2S - BIL LSL SA 4% &amp; 10%</b>	11/17/25	<b>93,595.00</b>
<b>Interstate - BIL LSL SA 4% , 10% &amp; 15%</b>	11/17/25	<b>23,075.00</b>
McLean Sheridan RWD	11/24/25	62,939.00
Ahley	11/24/25	73,199.00
Dickinson	11/24/25	627,176.00
Elgin	11/24/25	7,034.00
<b>DEQ Admin 3Q25</b>	11/24/25	<b>445,280.00</b>
<b>DEQ BIL LSL SA 4% 2Q25</b>	11/24/25	<b>89,250.00</b>
<b>DEQ BIL LSL SA 10% 2Q25</b>	11/24/25	<b>97,304.00</b>
<b>Interstate - BIL LSL SA 2%</b>	11/24/25	<b>1,625.00</b>
<b>Moore - BIL LSL SA 10%</b>	11/24/25	<b>7,258.00</b>
Cando	12/01/25	399,604.00
South Central RWD	12/01/25	65,232.00
Southeast WUD	12/01/25	144,636.00
WAWS	12/01/25	597,898.00
Zeeland	12/01/25	3,412.00
Fargo	12/08/25	50,349.00
Mandan	12/08/25	199,468.00
Medina	12/08/25	277,750.00

<b>Recipient</b>	<b>Date of Payment to Recipient</b>	<b>Amount of Draw Request</b>
Surrey	12/08/25	1,137.00
<b>AE2S - BIL LSL SA 2%, 4% &amp; 10%</b>	12/08/25	<b>190,914.00</b>
<b>Burian &amp; Assoc - BIL LSL SA 4%, 10% &amp; 15%</b>	12/08/25	<b>19,466.00</b>
<b>Moore - BIL LSL SA 2%, 4%, 10% &amp; 15%</b>	12/08/25	<b>66,860.00</b>
<b>PAR Grant - Hague</b>	12/15/25	<b>15,000.00</b>
Fargo	12/15/25	278,476.00
McLean-Sheridan WD	12/15/25	505,914.00
Northeast RWD	12/15/25	82,553.00
<b>Ackerman-Estvold - BIL LSL SA 10%</b>	12/15/25	<b>32,890.00</b>
<b>AE2Sid - BIL LSL SA 15%</b>	12/15/25	<b>36,131.00</b>
Ashley	12/22/25	89,204.00
Grand Forks	12/22/25	267,064.00
West Fargo	12/22/25	1,292,027.00
<b>Moore - BIL LSL SA 2%, 4%, 10% &amp; 15%</b>	12/22/25	<b>215,461.00</b>
Cando	12/30/25	178,442.00
Fargo	12/30/25	381,269.00
Grand Forks	12/30/25	248,375.00
Grand Forks	12/30/25	523,845.00
Kenmare	12/30/25	352,530.00
South Central RWD	12/30/25	7,613.00
Southeast WUD	12/30/25	63,638.00

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

**Total** **70,255,217.20**

APPENDIX E  
BINDING COMMITMENTS WITHIN ONE  
YEAR OF GRANT AWARD

<b>Grant</b>	<b>Award Date</b>	<b>Federal &amp; State Match Required</b>	<b>Binding Commitments</b>	<b>Percent Met</b>
2022 Base	8/10/2022	\$8,409,600	\$8,409,600	100.0%
2022 Supplemental	12/21/2022	\$19,791,200	\$19,791,200	100.0%
2022 Emerging Contaminants	12/21/2022	\$7,555,000	\$7,555,000	100.0%
2022 Lead	12/21/2022	\$23,138,320	\$23,138,320	100.0%
2023 Base	1/26/2024	\$5,925,600	\$5,925,600	100.0%
2023 Supplemental	1/19/2024	\$23,160,500	\$23,160,500	100.0%
2023 Emerging Contaminants	8/2/2023	\$7,845,000	\$7,845,000	100.0%
2023 Lead	1/19/2024	\$21,201,000	\$21,201,000	100.0%
2024 Base	1/15/2025	\$5,593,200	\$5,593,200	100.0%
2024 Supplemental	12/23/2024	\$27,582,000	\$27,582,000	100.0%
2024 Emerging Contaminants	6/2/2024	\$7,640,000	\$7,482,159	97.9%
2024 Lead	5/21/2025	\$21,201,000	\$21,201,000	100.0%