

**NORTH DAKOTA CLEAN WATER
STATE REVOLVING FUND
PROGRAM (CWSRF)**

Loan Application Package



Division of Municipal Facilities

and

North Dakota Public Finance Authority

Bismarck, North Dakota

CONTENTS AND INSTRUCTIONS

CONTENTS OF APPLICATION PACKAGE

1. SRF Program Application
2. Budget Sheet
3. Debarment and Suspension Certification
4. Preaward Compliance Review Report
5. Resolution of Governing Body

APPLICATION SUBMISSION

Complete items 1-5 and submit with original signatures to:

North Dakota Department of Health (NDDoH)
Division of Municipal Facilities
918 East Divide Avenue, Third Floor
Bismarck, ND 58501-1947

APPLICATION PROCESS

1. Project must be on the Department of Health's Intended Use Plan (IUP)
2. Application is reviewed by ND Public Finance Authority (PFA)
3. Application is reviewed by PFA's Advisory Committee
4. Application is reviewed by the ND Industrial Commission
5. Political subdivision's bond counsel prepares bond documents
6. Bond documents are filed with the PFA
7. Political subdivision may submit loan draw requests to the NDDoH

IMPORTANT REMINDERS

- The political subdivision is responsible for selecting and retaining bond counsel.
- CWSRF loans are federal funds and subject to specific auditing procedures. Please alert your auditor.
- Revenue bonds require 120 percent coverage and a reserve fund.
- Audit reports or financial statements must be filed annually with the PFA.

This fillable form has text in GREEN that can be changed by the user.

QUESTIONS REGARDING:

Completing pages 1-7 of the application:
ND Public Finance Authority
Phone: 1.800.526.3509 or 701.328.7100
Fax: 701.328.7130
Email: ndpfa@nd.gov
Website: www.nd.gov/pfa

Project Approval and IUP:
ND Department of Health
Phone: 701.328.5211
Fax: 701.328.5200
Email: dbergsag@nd.gov
Website: <http://www.ndhealth.gov/MF/>

***Clean Water
State Revolving Fund Program
Loan Application***

Political Subdivision: _____

Data Universal Numbering System (DUNS Number): _____

Contact Person for Political Subdivision: _____

Title: _____ **Email:** _____

Phone: _____ **Fax:** _____

Physical **Mailing**

Address: _____ **Address:** _____

_____ (zip+4)

_____ (zip+4)

All information provided in this program application is certified to be true and correct, as of the date of application, by the authorized public official whose name appears below and has been designated in the attached Resolution of Governing Body of Applicant.

Authorized Signature **Date**

Printed Name and Title

A. GENERAL

1. Political Subdivision's Auditor/Officer: _____
(if different from above)

Email: _____

Phone: _____ Fax: _____

Address: _____

2. Political Subdivision's Bond Counsel: _____

3. Political Subdivision's Engineering Firm: _____

Project Engineer: _____ Phone: _____

Email: _____

B. PROJECT INFORMATION

1. Description of project to be financed with the loan proceeds:

2.

Source	Amount of Funding <i>(Please round to the nearest thousand)</i>
SRF Loan Request	
Total Project Costs	

3. Number of years to repay loan (maximum term 30 years): _____.
If a loan term greater than 20 years is desired, a tabulation of the useful life and cost of project components must be attached. The components should be assigned a useful life of 20 years or less, OR 30 years or more.

4. Construction will begin: _____. Construction will be completed: _____.

Estimated Request for SRF Funds	Amount of Payment Requests
Year 1	
Year 2	
Year 3	
Year 4	
Year 5	
Total Payment Requests <small>(Must equal SRF Loan Request Amount)</small>	

5. If the purpose of the requested financing is to refinance an outstanding obligation, please provide the following information and attach a copy of the debt service schedule for the obligation to be refinanced:

- a. Original dollar amount of the obligation to be refinanced: _____
- b. Amount to be refinanced: _____
- c. Dated date of the obligation to be refinanced: _____

6. Will other federal funding be used for this project? Yes _____ No _____

If yes, provide contact information for other federal funding source.

Name: _____ Phone: _____

Email: _____

C. FUNDING INFORMATION

1. Please describe the source of funds for the repayment of principal and interest on the proposed financing (i.e., general obligation tax levy, special assessments, user fees):

2. If the proposed financing will be evidenced by **revenue bonds**, please attach your own worksheet or complete the following worksheet concerning existing rates, necessary rate increases, and estimated/projected revenues with respect to the utility system or fund related to the proposed project. Rates and fees must provide annual net revenues equal to 120 percent of the average annual principal and interest requirements for repayment of the loan. Further, a reserve fund must be established in the amount which qualifies as a reasonably required reserve fund under federal tax laws and regulations. The reserve fund must be fully funded no later than five years after the loan has been fully funded or as otherwise agreed.

Rate history and projections:

Please attach rate schedule or meeting minutes evidencing current rates.

Check one: *Monthly* or *Annual*

	Prior <u>Year 2</u>	Prior <u>Year 1</u>	Current <u>Year</u>	Projected <u>Year 1</u>	Projected <u>Year 2</u>
Service connections:					
Residential	_____	_____	_____	_____	_____
Commercial	_____	_____	_____	_____	_____
Base rate:					
Residential	_____	_____	_____	_____	_____
Commercial	_____	_____	_____	_____	_____
Revenue per connection:					
Residential	_____	_____	_____	_____	_____
Commercial	_____	_____	_____	_____	_____

3. Estimated increase or decrease in total **annual** operation and maintenance costs (including depreciation and repair and replacement reserves) as the result of this project:

Source	Increase/(Decrease)
Total O&M Increase/(Decrease)	

4. Five largest users as of _____, 20_____:

Name	Usage (percentage of total)	Revenue (most recent fiscal year)
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

D. BONDED INDEBTEDNESS

1. Present Indebtedness: If necessary, attach additional pages.

Year Issued	Purpose	Type of Bond	Initial Amount	Outstanding Balance	Avg. Annual P&I Payment Amount	Final Maturity Date
TOTALS:						

Please list any available sinking funds already deposited and pledged to the payment of principal and interest on the outstanding obligations listed above.

Sinking Funds:	Issue Identified by <u>Date and Purpose</u>	Sinking Fund <u>Amount</u>
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2. Anticipated Indebtedness: Please list any known future indebtedness of any type, including lease financing, which the political subdivision intends to issue or incur in the next 24 months. Include in the description the type of debt, estimated amount and the final maturity.

3. Defaults: If the political subdivision has ever defaulted in the payment of principal or interest on any of its outstanding indebtedness, please give a description of the default and any corrective measures taken by the political subdivision. _____
-

E. ECONOMIC AND SOCIAL INFORMATION

1. Population of political subdivision:

Current Estimated _____ 2010 _____ 2000 _____ 1990 _____

2. School enrollment projected for the next year, the current school year, and the past three school years, if available. Historical enrollment can be found at <https://www.nd.gov/dpi/data/SchoolFinanceFacts/>

Please indicate whether the school serves K-12, K-6, Grades 7-12, etc.

Projected/ Next Year	Current Year	Prior Year 1	Prior Year 2	Prior Year 3
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3. List the three largest employers within the boundaries of the political subdivision, if such information is available:

<u>EMPLOYER</u>	<u>TYPE OF BUSINESS</u>	<u>NUMBER OF EMPLOYEES</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____

4. Please describe any significant changes concerning major employers within the boundaries of the political subdivision during the past 24 months and any reported future changes concerning existing or new major employers:

F. ADDITIONAL INFORMATION

1. In the preceding fiscal year, did the political subdivision receive the following?
 - a. 80 percent or more of its annual gross revenues from federal procurement contracts (and subcontracts) and federal financial assistance subject to the Transparency Act, as defined at 2 CFR 170.320 (and subawards); Yes No
AND
 - b. \$25,000,000 or more in annual gross revenues from federal procurement contracts (and subcontracts) and federal financial assistance subject to the Transparency Act, as defined at 2 CFR 170.320 (and subawards)? Yes No

G. ATTACHMENTS

1. Do you have a Capital Improvement Plan or a Wastewater System Plan?
Yes No If yes, please include a copy(s) with the completed application
2. The following information **must be submitted** with this loan application (Requested information which appears in the financial statements may be included by reference):
 - a. The three most recent annual audited financial statements; **if you already file audits with the PFA, only provide audits not previously filed**
 - b. The most recent year-end and month-end combined balance sheets for all fund types and account groups
 - c. The most recent year-end and month-end combined statements of revenues and expenses for all enterprise funds
 - d. The current year's operating budget for the fund in which the project will be held as an asset and the proposed operating budget for the first year of the loan repayment term (and any other years for which a proposed budget has been prepared)
 - e. The feasibility/engineering study for the proposed project
3. If the proposed financing will be evidenced by **improvement bonds (special assessments)**, please attach copies of the following:
 - a. Resolution or ordinance creating the improvement district
 - b. Certificate confirming the assessment list
 - c. City auditor's most recent certification of special assessments to the county auditor (if applicable)
4. If the proposed financing will be evidenced by **revenue bonds (user fees)**, please attach evidence of rates. This may be in the form of a rate schedule or meeting minutes.

BUDGET SHEET

(Please round to the nearest thousand)

COST CLASSIFICATION	SRF				TOTAL																														
1. Administrative expenses																																			
2. Land, structures, rights-of-way																																			
3. Engineering basic fees																																			
4. Other engineering fees																																			
5. Project inspection fees																																			
6. Land development																																			
7. Relocation expenses																																			
8. Construction and project improvement																																			
9. Equipment																																			
10. Capitalized interest																																			
11.																																			
12.																																			
13. SUBTOTAL																																			
14. Contingencies																																			
15. TOTAL																																			
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CERTIFICATION REGARDING DEBARMENT, SUSPENSION AND OTHER RESPONSIBILITY MATTERS

Instructions

Under Executive Order 12549, an individual or organization debarred or excluded from participation in federal assistance or benefit programs may not receive any assistance award under a federal program, or a subagreement thereunder, for \$25,000 or more.

Accordingly, each prospective recipient of a North Dakota State Revolving Fund loan and any contract or subagreement participant thereunder, must complete the attached certification or provide an explanation why they cannot. For further details, see 40 CFR Section 32.510, Participants' Responsibilities.

WHERE TO SUBMIT:

The prospective loan recipient must return the signed certification or explanation with its application to the state as required in the application instructions.

A prospective prime contractor must submit a completed certification or explanation to the individual or organization awarding the contract.

Each prospective subcontractor must submit a completed certification or explanation to the prime contractor for the project.

HOW TO OBTAIN FORMS:

The state includes the certification form and instructions in each application kit. Applicants may reproduce these materials as needed and provide them to their prospective prime contractor who, in turn, may reproduce and provide them to prospective subcontractors.

Additional copies/assistance may be requested from:

North Dakota Department of Health
Division of Municipal Facilities
918 East Divide Avenue, Third Floor
Bismarck, ND 58501-1947
Telephone 701.328.5211
Fax 701.328.5200

**CERTIFICATION REGARDING
DEBARMENT, SUSPENSION, AND OTHER RESPONSIBILITY MATTERS**

The prospective participant certifies to the best of its knowledge and belief that it and its principals:

- (a) Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal department or agency;
- (b) Have not within a three-year period preceding this proposal been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; violation of federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
- (c) Are not presently indicted for or otherwise criminally or civilly charged by a government entity (federal, state or local) with commission of any of the offenses enumerated in paragraph (1)(b) of this certification; and
- (d) Have not, within a three-year period preceding this application/proposal, had one or more public transactions (federal, state or local) terminated for cause or default.

I understand that a false statement on this certification may be grounds for rejection of this proposal or termination of the award. In addition, under 18 U.S.C. Section 1001, a false statement may result in a fine of up to \$10,000 or imprisonment for up to 5 years, or both.

Name and Title of Authorized Representative

Signature of Authorized Representative

Date

I am unable to certify to the above statements.
Attached is my explanation.

PREAWARD COMPLIANCE REVIEW REPORT FOR CONSTRUCTION LOANS

Instructions - General

Recipients must comply with the following statutes by virtue of receiving the loan.

Title VI of the Civil Rights Act of 1964 provides that no person in the United States shall on the grounds of race, color or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance. The Act goes on to explain that the title shall not be construed to authorize action with respect to any employment practice of any employer, employment agency, or labor organization (except where a primary objective of the federal financial assistance is to provide employment).

Section 13 of the 1972 Amendments to the Federal Water Pollution Control Act provides that no person in the United States shall, on the ground of sex, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving financial assistance under the Federal Water Pollution Control Act, as amended. Employment discrimination on the basis of sex is prohibited in all such programs or activities. These same requirements apply to any program or activity receiving financial assistance under the Federal Safe Drinking Water Act as amended.

Section 504 of the Rehabilitation Act of 1973 provides that no otherwise qualified handicapped individual shall solely, by reason of their handicap, be excluded from participation in, be denied the benefit of, or be subject to discrimination under any program or activity receiving federal financial assistance. Employment discrimination on the basis of handicap is prohibited in all such programs or activities.

The Age Discrimination Act of 1975 provides that no person on the basis of age shall be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance. Employment discrimination is not covered. Age discrimination in employment is prohibited by the Age Discrimination in Employment Act administered by the Equal Employment Opportunity Commission.

Title IX of the Education Amendments of 1972 provides that no person should on the basis of sex, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any education program or activity receiving federal financial assistance. Employment discrimination on the basis of sex is prohibited in all such education programs or activities. Note: an education program or activity is not limited to only those conducted by a formal education institution.

The primary purpose of the construction loan program under the Federal Water Pollution Control and the Safe Drinking Water Act, as amended, is development of water pollution control and drinking water facilities.

Accordingly, the information on this form is required to enable the State of North Dakota and the U. S. Environmental Protection Agency to determine whether prospective treatment works construction recipients are developing treatment system projects on a nondiscriminatory basis as required by the above-referenced statutes.

Submit this form with the original and required copies of applications, requests for extensions, requests for increase of funds, etc. Updates of information are all that are required after the initial submission. If any item is not relevant to the project for which assistance is requested, write "NA" for "Not Applicable."

ITEMS:

- I. Self-explanatory.
- II.A. Civil rights lawsuits mean any lawsuit or complaint alleging discrimination on the basis of race, color, national origin, sex, age or handicap pending against the applicant or entity, which actually benefits from the loan. For example, if a city is the named applicant, but the loan will actually benefit the water or wastewater department, only civil rights lawsuits involving the water or wastewater department, whether named as a party or not, should be listed.
- II.B. Civil rights compliance review means any review assessing the applicant's compliance with laws prohibiting discrimination on the basis of race, color, national origin, sex, age, or handicap. If any part of the review covered the entity which actually benefits from the loan, it should be listed. If it did not, the review should not be listed.
- III.A. Give population of applicant's treatment system jurisdiction, broken out by categories as specified.
- III.B. If there is a significant disparity between minority and nonminority populations to receive service, not otherwise satisfactorily explained, the Regional office may require a map which indicates the minority and nonminority population served and not served by this project.
- III.C. "Jurisdiction" means the geographical area over which applicant has authority to provide treatment works service.
- III.D. and E. Self-explanatory.
- IV. Self-explanatory.

RESOLUTION OF GOVERNING BODY OF APPLICANT
(Suggested Format)

RESOLUTION NO. _____

Resolution authorizing filing of application with the North Dakota Department of Health for a Loan under the Clean Water Act.

WHEREAS, under the terms of the Clean Water Act, the United States of America has authorized the making of loans to authorized applicants to aid in the construction of specific public projects: Now, therefore, BE IT RESOLVED _____

(Governing Body of Applicant)

1. That _____ be and is hereby authorized to execute
(Designate Official)
and file an application on behalf of _____ with the North
(Legal Name of Applicant)
Dakota Department of Health for a loan to aid in the construction of:

(Brief Project Description)

2. That _____, _____, be and is
(Name of Authorized Representative) *(Title)*
hereby authorized and directed to furnish such information as the North Dakota Department of Health may reasonably request in connection with the application which is herein authorized to be filed, to sign all necessary documents, and, on behalf of city, to accept loan offer and receive payment of loan funds.

CERTIFICATE OF RECORDING OFFICER

The undersigned duly qualified and acting _____ of the
(Title of Officer)
_____ does hereby certify:
(Legal Name of Applicant)

That the attached resolution is a true and correct copy of the resolution, authorizing the filing of application with the North Dakota Department of Health, as regularly adopted at a legally convened meeting of the _____ duly held on the _____ day of
(Name of Governing Body of Applicant)
_____, 20____; and further that such resolution has been fully recorded in the journal of proceedings and records in my office.

In WITNESS WHEREOF, I have hereunto set my hand this _____ day of _____, 20____.

(SEAL)
If applicant has
an official seal,
impress here.

(Signature of Recording Officer)

(Title of Recording Officer)