



**City of Grand Forks  
Staff Report**

**City Council – August 18, 2025**

**APPROVED & ACCEPTED  
by City Council**

08/18/2025

*Maureen Storstad*  
Maureen Storstad  
City Auditor

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**Agenda Item: Resolutions for CWSRF and DWSRF Projects**

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**Submitted by:** Todd Feland, City Administrator

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**Staff Recommended Action:** Approve the 2025 DWSRF and CWSRF funding Resolution of Governing Body of Applicant for the project included within this report.

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**Committee Recommended Action:** N/A

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**Council Action:**

Motion by Berg, second by Vein to approve on consent agenda. Motion passed unanimously.

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**BACKGROUND:**

The Clean Water State Revolving Fund (CWSRF) program was authorized by the U.S. Congress through Title VI of the Clean Water Act (CWA) as amended in 1987. The Act authorizes the Environmental Protection Agency (EPA) to provide federal funds to states to capitalize their CWSRF Programs.

The DWSRF was authorized by the U.S. Congress under the 1996 Amendments to the Safe Drinking Water Act (SOWA). The Amendments authorize the U.S. Environmental Protection Agency (EPA) to provide federal funds to the states to capitalize DWSRFs. States are required to provide a 20 percent match for the federal funds. DWSRFs are established and managed by the states. The overall purpose of the DWSRF is to assist public water systems {PWSs} in financing the costs of drinking water infrastructure needed to achieve or maintain compliance with the SOWA, and to protect public health.

The North Dakota CWSRF/DWSRF Program(s) are jointly managed by the NDDEQ and the PFA. The NDDEQ receives the Federal Capitalization Grant and is responsible for the technical and overall administrative functions of the program. The PFA, under agreement with the NDDEQ acts as the Department's financial agent and is responsible for the preparation and issuance of bonds, reviewing the financial capability of loan applicants, investing program proceeds, handling loan repayments, financial statement preparation and other necessary financial functions.

Each year, NDDEQ receives a capitalization grant from the EPA and the state of North Dakota is required to provide a 20 percent match; the PFA issues bonds to provide these match funds. Loan repayments are used to retire any outstanding bonds and provide additional loans for project funding. The revolving aspect of the program will assure that North Dakota has funds for needed projects far into the future.

### **CWSRF Program Highlights**

- The North Dakota CWSRF Program is jointly managed by the North Dakota Department of Environmental Quality (NDDEQ) and the North Dakota Public Finance Authority (PFA).
- The current effective interest rate for CWSRF loans is 2.0 percent for most projects. This includes a 1.5 percent interest rate plus a 0.5 percent administration fee.
- Loan terms up to 30 years are available depending on the useful life of the project.
- The SRF programs require borrowers to only pay interest on loan funds that have not been fully drawn.
- There is no penalty for early payment from excess revenues; prepayments are not allowed from bond proceeds.
- Bond counsel fees are the only cost of issuance expense.
- The SRF programs prepare the continuing disclosure filings.

The City of Grand Forks is requesting DWSRF and CWSRF for several projects throughout the city in 2025-2026.

### **Projects/SRF Funding Request Include:**

- Highway 81 & Associated Area Watermain Phase II – Project No. 8576

### **ANALYSIS AND FINDINGS OF FACT:**

- The SRF Application requires the Resolution attached to be approved by the Governing Body for each project listed.

### **SUPPORT MATERIALS:**

- Resolution of Governing Body of Applicant

**RESOLUTION OF GOVERNING BODY OF APPLICANT**

Resolution authorizing filing of application with the North Dakota Department of Environmental Quality for a loan under the Clean Water Act and/or the Safe Drinking Water Act.

WHEREAS, under the terms of the Clean Water Act and/or the Safe Drinking 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 the Grand Forks City Council:

- 1. That Todd Feland, City Administrator, be and are hereby authorized to execute and file an application on behalf of the Grand Forks City Council with the North Dakota Department of Environmental Quality for a loan to aid in the construction of:

The City Project 8576 - Highway 81 & Associated Area Watermain – Phase II project.

- 2. That Todd Feland, City Administrator, be and are hereby authorized and directed to furnish such information as the North Dakota Department of Environmental Quality may reasonably request in connection with the application which is herein authorized to be filed, to sign all necessary documents, and, on behalf of loan recipient, to accept loan offer and receive payment of loan funds, in an estimated amount of \$1,521,253.00

That the City of Grand Forks hereby expresses its official intent to use proceeds of this loan to reimburse construction expenditures made prior to the issuance of its municipal securities to the North Dakota Public Finance Authority.

**CERTIFICATE OF RECORDING OFFICER**

The undersigned duly qualified and acting City Auditor of the City of Grand Forks does hereby certify:

That the attached resolution is true and correct copy of the resolution, authorizing the filing of application with the North Dakota Department of Environmental Quality, as regularly adopted at a legally convened meeting of the Grand Forks City Council, duly held on the 18<sup>th</sup> day of August, 2025, 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 18<sup>th</sup> day of August, 2025.

Signature of Recording Officer
Title of Recording Officer
City Auditor