

Memorandum

July 19, 2019

TO: Infrastructure Finance Authority Board
FROM: Chris Cummings, Assistant Director
SUBJ: Amendment of Funding Opportunity of \$3,830,000 – Safe Drinking Water Revolving Loan Fund Program for Luckiamute Domestic Water Cooperative – Water System Improvements, Project No. R18002

Requested Action

Informational Only For Board Input For Board Action (see Recommended Motion)

Request

In August 2017, Luckiamute Domestic Water Cooperative received a \$380,000 award from the Safe Drinking Water Revolving Loan Fund program and now requests an additional \$3,830,000 to complete a larger project and address water quality issues; the additional funding will cause the loan to exceed the \$3 million threshold which requires IFA Board approval.

Proposed Project

The project will include a 500,000 gallon storage tank and equipment to chlorinate and treat for nitrates at a new “centralized” treatment facility located at Well #3; transmission line from Well #5 to the new centralized treatment facility; transmission line to convey finished water from the centralized treatment site to the distribution system, electrical building, pumps, pump station, and various system improvements necessary to provide quality drinking water to its residents.

Funding Summary

The Luckiamute Domestic Water Cooperative does not qualify as Disadvantaged. The rate will coincide with the original award of 2.15% but this loan will be for a 30-year (120 quarters) term. The original loan will be amended from the original 20 year (80 quarters) to a 30 year (120 quarters) also.

Recommended Motion

Move to approve a total award of \$4,210,000 in Safe Drinking Water Revolving Loan Fund Program funding to Luckiamute Domestic Water Cooperative, comprised of a \$4,142,000 loan at 2.15% for 30 years and a \$68,000 forgivable loan to construct water system improvements.