

# Memorandum

June 28, 2018

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**TO:** Infrastructure Finance Authority Board  
**FROM:** Chris Cummings, Assistant Director  
**SUBJ:** Funding Opportunity of \$5,530,000-Safe Drinking Water Revolving Loan Fund for City of North Plains, Reservoir & Pump Station Improvements, No. 217-13320, SD-18-206

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## Requested Action

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

## Request

The city of North Plains, located in Washington County, has submitted a Safe Drinking Water Revolving Loan Fund (SDWRLF) application for \$5,530,000 for a reservoir and pump station project.

The city owns and operates a municipal water system that serves a population of 2,980. The city completed an update to their Water System Master Plan in January of 2018 to evaluate the current and future needs of their water system. With 700 homes being built in the near future the city will not meet their requirement in their agreement with the Joint Water Commission (JWC) to have a three day supply of water at all times.

## Proposed Project

The city will contract for final design and construction services to make improvements to their water system. The proposed project will construct a 2 million-gallon reservoir and pump station. The city will also install a Supervisory Control and Data Acquisition (SCADA) control system to ensure the best information on the water system is available to notify staff of water system usage, and the best time to purchase water from the JWC to run pumps most efficiently.

## Funding Summary

The city of North Plains qualifies for Disadvantaged Assistance with a 30 year loan term because the projected user rate at project completion of \$81.81 is above the Affordability Rate of \$75.17. The city does not qualify for Affordability Assistance because the city's MHI of \$72,159 exceeds the state's MHI of \$53,270 and at project completion the projected user rate does not exceed \$112.76 (1.5 times their Affordability rate).

## Recommended Motion

Move to: Approve an award of \$5,530,000 in Safe Drinking Water Program funding to the city of North Plains, comprised of a \$5,400,000 loan at 2.99% for 30 years and a \$130,000 forgivable loan to construct a new water reservoir and pump station.