



Engineering Memorandum

April 11, 2024

RE: April 16th Commission Meeting

LEAD SERVICE LINE REPLACEMENT SRF LOAN RESOLUTION

For your consideration is resolution to authorize Samantha Buzalsky as an authorized individual on behalf of the City of Dickinson to execute the Drinking Water State Revolving Fund (DWSRF) Loan through the North Dakota Department of Environmental Quality. The loan details are listed below.

- The total DWSRF loan amount requested is of **\$2,000,000** which is intended to be used only for lead service line replacements throughout the City of Dickinson.
- The DWSRF loan includes lead service line forgiveness at a 75% level up to approximately **\$700,000** (if it is still available) and the remaining balance at 66% forgiveness.
- The remaining loan balance carries an interest rate of 0.5%.
- The City of Dickinson will have the opportunity to utilize this loan over the next several years to replace the lead service lines.
- Based on the current estimates, this loan is anticipated to fund the remaining lead service lines in the City of Dickinson. The best available data shows approximately 190 lead service lines will be replaced utilizing this loan.

The City Engineering and Public Works staff recommends approval.

