

Wastewater Treatment Funding Map

\$25-\$30M?

1. NV ARPA Funds – BIB Bipartisan Infrastructure Bill

Still no response on projects submitted.

2. State Revolving Fund -Below Market Rates, 20 yr terms or life of asset.

- DAVE - I couldn't determine the rates off the slide or remember their explanation. NDEP had them listed from
 1. 1.3%-1.53% (general obligation/revenue supported) and
 2. 1.54% to 1.75% (revenue only)

Drinking Water (DWSRF) – Loans up to \$23.7M Interest forgiven to 4.03%

Clean Water (CWSRF) – Loans up to \$55M – Interest forgiven to 4.00%

Principle forgiveness loans require a Fiscal Sustainability Plan

The FSP must include:

- a. an inventory of critical assets that are part of the system;
- b. an evaluation of the condition and performance of inventoried assets or asset groupings;
- c. documentation of useful life of the assets;
- d. a plan for maintaining, repairing, and, as necessary, replacing the assets and a plan for funding such activities;
- e. a certification that the loan recipient has evaluated and will be implementing water and energy conservation efforts as part of the plan and projects, and that it has selected, to the maximum extent practicable, water and energy efficient approaches to repair or replacement of assets.

**If a loan recipient does not have a FSP at the time the loan is requested, the recipient must certify that a FSP will be completed and maintained prior to the final draw on the loan. The loan agreement will subsequently include a requirement for the completion of the FSP.

3. USDA Loan/Grant – There is no dollar limit, proposed rates would need to support the debt service.

The proposed rates to users would need to be comparable to similar systems. If the project is not feasible charging the similar system rates then there is a potential for grant dollars.

Grant dollars are available if the medium household income is under the Nevada Non-Metropolitan Medium Household income (\$63,458).

USDA will be using a different MHI figure starting 10-01-2022.

Current rates are at 2.125% with a 40yr term, this interest rate is good until 03-31-2022. Interest rates change quarterly.

PER Maria Murillo @ USDA - Grass Valley is eligible right now, as base income is \$60,000. Depending on what the Nevada Non-metro Medium Household income is come 10/01/2022 Grass Valley may or may not be eligible.

4. **EDA Grant** – Competitive Grant, up to \$10 million (typical award is \$5M), want to be last dollar in the project.

This below is just general junk for my information as I worked through this. You had mentioned that the cc's don't typically support bonds. I still don't understand them very much. One argument could be that the SRF uses bonds to support their programs and it may be in the county's interest to do this instead of it benefitting the state.

Bonding – Investment Tool

Municipal Bond: issue bonds primarily to pay for large, expensive, and long-lived capital projects.

General Obligation Bonds: Not secured by assets, backed by the general revenue of the issuing municipality.

Revenue Bonds: not backed by taxing power but by revenues from specific project. (some are non-recourse – means that if revenue stream dries up, bondholders do not have a claim on underlying revenue source.