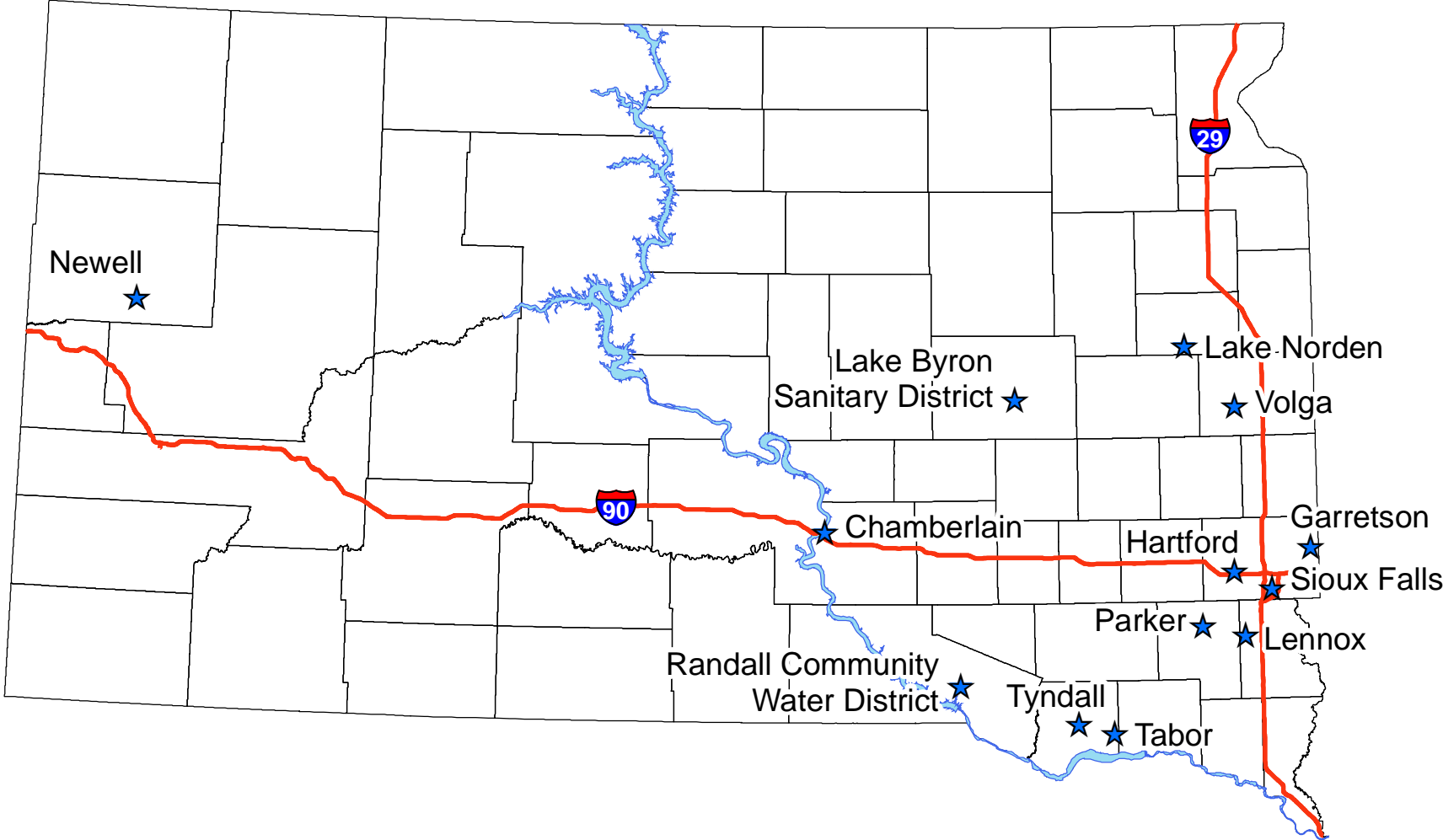


# State Water Plan Applications March 2017



Staff is recommending that the following projects be placed on the State Water Facilities Plan:

- Chamberlain
- Garretson
- Hartford
- Lake Byron Sanitary District
- Lake Norden
- Lennox – Main Street Extension
- Lennox – Central Basin Phase 2
- Lennox – Central Basin Phase 3
- Newell
- Parker
- Randall Community Water District
- Sioux Falls – Energy Recovery
- Sioux Falls – Equalization Basin Expansion
- Sioux Falls – Main Pump Station Replacement
- Tabor
- Tyndall
- Volga

Staff is recommending that the following projects be added to *Attachment I – Project Priority* list of the Clean Water SRF Intended Use Plan:

<b>Priority Points</b>	<b>Loan Recipient</b>	<b>Estimated Loan Amount</b>	<b>Expected Loan Rate &amp; Term</b>
21	Volga	\$7,766,000	2.25%, 20 years
20	Sioux Falls – EQ Basin	\$4,988,420	1.00%, 10 years
20	Sioux Falls – Main Pump	\$25,646,324	1.00%, 10 years
13	Lake Norden	\$1,541,000	2.50%, 30 years
12	Lake Bryon Sanitary District	\$3,770,504	2.50%, 30 years
12	Sioux Falls – Energy Recovery	\$4,929,560	1.00%, 10 years
11	Miller	\$3,875,000	2.50%, 30 years
9	Garretson	\$1,160,305	2.50%, 30 years
9	Lennox – Central Basin Ph. 2	\$2,164,768	2.50%, 30 years
9	Lennox – Central Basin Ph. 3	\$1,563,126	2.50%, 30 years
9	Parker	\$717,564	2.50%, 30 years
9	Tabor	\$4,069,371	2.50%, 30 years
9	Tyndall	\$365,300	2.50%, 30 years
8	Hartford	\$3,908,723	2.50%, 30 years
8	Chamberlain	\$250,000	2.00%, 10 years
7	Lennox – Main Street	\$727,164	2.50%, 30 years

Staff is recommending that the following projects be added to *Attachment I – Project Priority* list of the Drinking Water SRF Intended Use Plan:

<b>Priority Points</b>	<b>Loan Recipient</b>	<b>Estimated Loan Amount</b>	<b>Expected Loan Rate &amp; Term</b>
84	Newell	\$314,924	2.00%, 30 years
24	Onida	\$950,000	2.25%, 20 years
15	Chamberlain	\$250,000	2.00%, 10 years
10	Garretson	\$1,279,114	2.50%, 30 years
10	Lennox – Central Basin Ph. 2	\$468,061	2.25%, 30 years
10	Lennox – Central Basin Ph. 3	\$434,569	2.25%, 30 years
10	Parker	\$687,909	2.25%, 30 years
8	Randall CWD	\$7,000,000	2.25%, 30 years

## **DRINKING WATER FACILITIES FUNDING APPLICATION FINANCIAL ANALYSIS SUMMARY**

**APPLICANT:** TC&G Water Association DW-01

<b>Total Project Cost:</b>	\$2,890,000
<b>BWNR Funding Assistance Requested:</b>	\$985,000
<b>Rate/Term:</b>	2.25% / 30 years
<b>Security Pledged For Repayment Of Loan:</b>	System Revenue

### **Staff Analysis**

- 1) TC&G received a \$210,000 DWSRF loan and a \$1,390,000 Consolidated grant in June 2015. The loan has not closed. Due to increased project scope and increased costs, TC&G has requested the loan be amended to provide a loan of \$985,000.
- 2) If all funding is provided as loan, TC&G should be able to provide the required debt coverage based on the current rate structure and the addition of 10 new rural users.

**Funding Recommendation:** Rescind previous award and award a new Drinking Water SRF loan for \$985,000 at 2.25% for 30 years.

**Debt Service Coverage:** 120% based on post project revenue projections.

### **Loan Contingencies:**

- 1) Contingent upon the Borrower adopting a resolution approving the form of the loan agreement, the promissory note, and the pledge of system revenues as repayment for the loan.
- 2) Contingent upon the Borrower approving a security agreement and mortgage.

## March 2017 Available Funds Summary

### CONSOLIDATED WATER FACILITIES CONSTRUCTION PROGRAM

Available Prior Year Funds (5-Jan-2017):	\$	185,355
2017 Omnibus Appropriation:	\$	10,500,000
Reversions:	\$	428,585
Available for Award:	<u>\$</u>	<u>11,113,940</u>

### DRINKING WATER SRF PRINCIPAL FORGIVENESS

Prior Year Principal Forgiveness Allocations:	\$	35,161,800
FFY-17 Maximum Allocation:	\$	-
Reverted Principal Forgiveness:	\$	261,050
Awarded to Date:	\$	(35,161,778)
Available For Award:	<u>\$</u>	<u>261,072</u>
Princ. Forg. for Disadvantaged Communities:	\$	-
Total Available for Award:	<u>\$</u>	<u>261,072</u>

### DRINKING WATER SRF LOANS

Available Prior Year Funds (30-Sept-2016):	\$	23,400,190
FFY-17 Cap Grant & Match:	\$	9,000,680
FFY-17 Repayments:	\$	12,500,000
Leveraged Bonds:	\$	-
Deobligations/Recissions:	\$	9,364,544
FFY-17 Awards to Date:	\$	(1,077,000)
Available for Award:	<u>\$</u>	<u>53,188,414</u>

## March 2017 Available Funds Summary

### CLEAN WATER SRF WATER QUALITY GRANTS

Available Prior Year Funds (5-Jan-2017):	\$	50,812
2017 IUP Allocation:	\$	1,000,000
Reversions:	\$	60,750
2017 SCPG Allotment:	\$	(100,000)
Awarded to Date:	\$	(250,000)
Available for Award:	<u>\$</u>	<u>761,562</u>

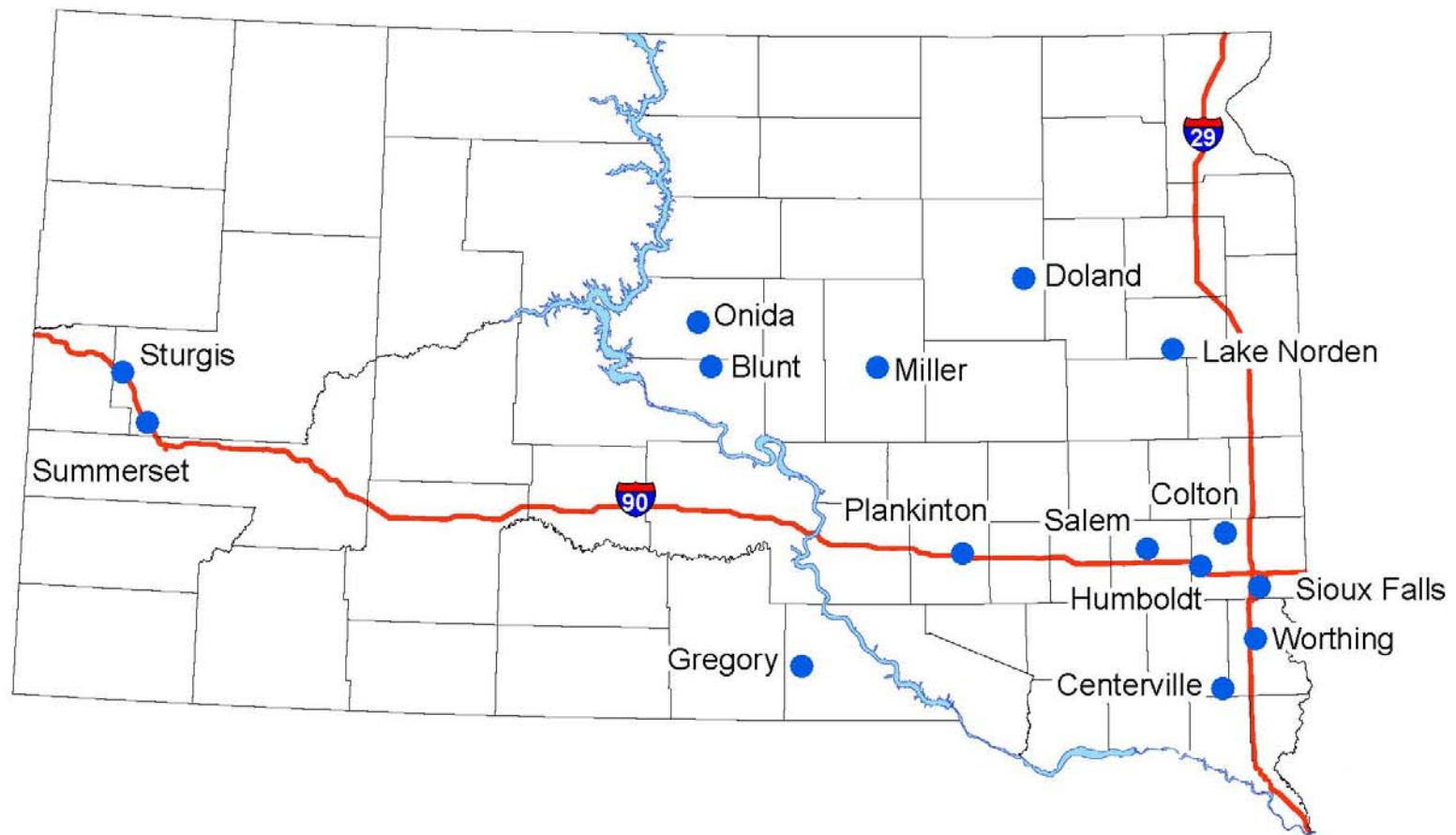
### CLEAN WATER SRF PRINCIPAL FORGIVENESS

Prior Year Principal Forgiveness Allocations:	\$	13,475,099
FFY-17 Maximum Allocation:	\$	-
Reverted Principal Forgiveness:	\$	-
Awarded to Date:	\$	(11,703,390)
Available For Award:	<u>\$</u>	<u>1,771,709</u>

### CLEAN WATER SRF LOANS

Available Prior Year Funds (30-Sept-2016):	\$	48,720,239
FFY-17 Cap Grant & Match:	\$	7,393,836
FFY-17 Repayments:	\$	17,500,000
Leveraged Bonds:	\$	-
Deobligations/Recissions:	\$	1,593,915
FFY-17 Awards to Date:	\$	(2,125,000)
Available For Award:	<u>\$</u>	<u>73,082,990</u>

# Sanitary / Storm Sewer Facilities Applications March 2017





**SANITARY/STORM SEWER FACILITIES FUNDING APPLICATION  
FINANCIAL ANALYSIS SUMMARY**

**APPLICANT:** Summerset CW-02

<b>Total Project Cost:</b>	\$2,769,000
<b>BWNR Funding Assistance Requested:</b>	\$2,769,000
<b>Rate/Term:</b>	2.50% / 30 years
<b>Security Pledged For Repayment Of Loan:</b>	Project Surcharge

**Staff Analysis**

- 1) If all funding is provided as loan, Summerset would have to enact a surcharge of \$16.15/customer. Current rates are a flat \$42.70. This surcharge would bring rates to \$58.85.
- 2) The staff funding recommendation will require a surcharge of \$7.90 bringing rates to \$50.60. However staff analysis indicates rates can be restructured, and an overall rate of \$45 or less will cover debt service and operating expenses

**Funding Recommendation:** \$1,769,000 Clean Water SRF loan at 2.50% for 30 years, a \$240,000 Consolidated grant, and a \$760,000 Clean Water SRF Water Quality grant.

**Debt Service Coverage:** 110% based on a surcharge of \$7.90/customer

**Loan Contingencies:**

- 1) Contingent upon the Borrower adopting a bond resolution and the resolution becoming effective.
- 2) Contingent upon the Borrower establishing a surcharge at a level sufficient to provide the required debt coverage.

**Grant Special Condition:**

- 1) Grant funds for reimbursement of project costs must be drawn concurrently with the Clean Water SRF loan funds.

## SANITARY/STORM SEWER FACILITIES FUNDING APPLICATION FINANCIAL ANALYSIS SUMMARY

**APPLICANT:** Sturgis CW-06

<b>Total Project Cost:</b>	\$16,647,000
<b>BWNR Funding Assistance Requested:</b>	\$16,647,000
<b>Rate/Term:</b>	2.50% / 30 years
<b>Security Pledged For Repayment Of Loan:</b>	Project Surcharge

### Staff Analysis

- 1) If all funding is provided as all loan the city of Sturgis would have to establish a surcharge of approximately \$19.05. When added to current flat rate of \$26.66 residents would be paying \$45.71.
- 2) The cost to operate the irrigation system is \$188,000 per year. The annual cost to operate the membrane system is \$805,000 - an increase of \$617,000 per year. The increased operating cost amounts to an additional \$13.50 per user per month.
- 3) Staff believes when accounting for the extra O&M costs and debt service on the recommended loan that the city can operate the system with rates of approximately \$50 .

**Funding Recommendation:** \$16,247,000 Clean Water SRF loan at 2.50% for 30 years with 9.9% principal forgiveness not to exceed \$1,600,000 and a \$400,000 Consolidated grant.

**Debt Service Coverage:** 110% based on a \$16.80 surcharge

### Contingencies:

- 1) Contingent upon the Borrower adopting a bond resolution and the resolution becoming effective.
- 2) Contingent upon the Borrower establishing a surcharge at a level sufficient to provide the required debt coverage.

**SANITARY/STORM SEWER FACILITIES FUNDING APPLICATION  
FINANCIAL ANALYSIS SUMMARY**

**APPLICANT:** Blunt CW-01

<b>Total Project Cost:</b>	\$1,210,000
<b>BWNR Funding Assistance Requested:</b>	\$1,210,000
<b>Rate/Term:</b>	2.50% / 30 years
<b>Security Pledged For Repayment Of Loan:</b>	Project Surcharge

**Staff Analysis**

- 1) If all funding is provided as all loan the city of Blunt would have to establish a surcharge of approximately \$33.55. When added to current flat rate of \$30.00 residents would be paying \$63.55.
- 2) The city of Blunt has a USDA Rural Development loan that will be paid off in 2018.
- 3) Blunt will be applying for a Community Development Block Grant that will not be acted upon until late April at the earliest. Staff would prefer to wait until this decision is made before committing funding.

**Funding Recommendation:** Defer action until June 2017.

**SANITARY/STORM SEWER FACILITIES FUNDING APPLICATION  
FINANCIAL ANALYSIS SUMMARY**

**APPLICANT:** Sioux Falls CW-38

**Total Project Cost:** \$11,559,125

**BWNR Funding Assistance Requested:** \$11,559,125

**Rate/Term:** 1.0% / 10 years

**Security Pledged For Repayment Of Loan:** System Revenue

**Staff Analysis**

- 1) Staff analysis originally indicated that a rate increase would be needed to meet the required 110 percent debt coverage.
- 2) After recent discussions with the city and further analysis, staff believes Sioux Falls can restructure its existing surcharges, and no rate increase will be needed.

**Funding Recommendation:** \$11,559,125 Clean Water SRF loan at 1.0% for 10 years.

**Debt Service Coverage:** Current rates will meet or exceed the 110 percent requirement by restructuring existing surcharges

**Loan Contingencies:**

- 1) Contingent upon the Borrower adopting two bond resolutions and the resolutions becoming effective.

**Loan Special Condition:**

- 1) It shall be a condition of the Loan that the Borrower may not draw funds from the proceeds of the Series NPS-A Borrower Bond until EPA approves the revised budget for the Big Sioux Watershed Implementation Project.

**SANITARY/STORM SEWER FACILITIES FUNDING APPLICATION  
FINANCIAL ANALYSIS SUMMARY**

**APPLICANT:** Miller CW-03

<b>Total Project Cost:</b>	\$3,876,866
<b>BWNR Funding Assistance Requested:</b>	\$3,875,000
<b>Rate/Term:</b>	2.50% / 30 years
<b>Security Pledged For Repayment Of Loan:</b>	Project Surcharge

**Staff Analysis**

- 1) If all funding is provided as all loan the city of Miller would have to establish a surcharge of approximately \$21.75. When added to the current flat rate of \$40.40 residents would be paying \$62.15.
- 2) A \$10.60 surcharge would be required to meet the 110 percent coverage requirement on the recommended loan. This would bring overall rates to \$51.

**Funding Recommendation:** \$1,875,000 Clean Water SRF loan at 2.50% for 30 years and a \$2,000,000 Consolidated grant.

**Debt Service Coverage:** 110% based on a \$10.60 surcharge

**Loan Contingencies:**

- 1) Contingent upon the Borrower adopting a bond resolution and the resolution becoming effective.
- 2) Contingent upon the Borrower establishing a surcharge at a level sufficient to provide the required debt coverage.

**Grant Special Condition:**

- 1) Grant funds for reimbursement of project costs must be drawn concurrently with the Clean Water SRF loan funds.

**SANITARY/STORM SEWER FACILITIES FUNDING APPLICATION  
FINANCIAL ANALYSIS SUMMARY**

**APPLICANT:** Salem CW-03

<b>Total Project Cost:</b>	\$2,556,000
<b>BWNR Funding Assistance Requested:</b>	\$2,556,000
<b>Rate/Term:</b>	2.50% / 30 years
<b>Security Pledged For Repayment Of Loan:</b>	Project Surcharge

**Staff Analysis**

- 1) If all funding is provided as loan, Salem would have to enact a surcharge of \$17.75. Current residential rates are a flat rate of \$30. The surcharge would increase rates to \$47.70/month.
- 2) Staff analysis indicates rates can be restructured, and an overall rate of approximately \$40 will cover debt service and operating expenses.

**Funding Recommendation:** \$2,556,000 Clean Water SRF loan at 2.50% for 30 years.

**Debt Service Coverage:** 110% based on a surcharge of \$17.75/customer

**Loan Contingencies:**

- 1) Contingent upon the Borrower adopting a bond resolution and the resolution becoming effective.
- 2) Contingent upon the Borrower establishing a surcharge at a level sufficient to provide the required debt coverage.

**SANITARY/STORM SEWER FACILITIES FUNDING APPLICATION  
FINANCIAL ANALYSIS SUMMARY**

**APPLICANT:** Onida CW-01

**Total Project Cost:** \$2,900,000  
**BWNR Funding Assistance Requested:** \$2,400,000  
**Rate/Term:** 2.50% / 30 years  
**Security Pledged For Repayment Of Loan:** Project Surcharge

**Staff Analysis**

- 1) If all funding is provided as loan, Onida will have to enact a surcharge of \$27.90/customer. Current residential rates are \$17/month. The surcharge will increase rates to \$44.90/month.
- 2) Staff analysis indicates rates can be restructured, and an overall rate of \$40 or less will cover debt service and operating expenses.

**Funding Recommendation:** \$2,400,000 Clean Water SRF loan at 2.50% for 30 years.

**Debt Service Coverage:** 110% based on a surcharge of \$27.90/customer

**Loan Contingencies:**

- 1) Contingent upon the Borrower adopting a bond resolution and the resolution becoming effective.
- 2) Contingent upon the Borrower establishing a surcharge at a level sufficient to provide the required debt coverage.

**SANITARY/STORM SEWER FACILITIES FUNDING APPLICATION  
FINANCIAL ANALYSIS SUMMARY**

**APPLICANT:** Gregory CW-03

<b>Total Project Cost:</b>	\$334,000
<b>BWNR Funding Assistance Requested:</b>	\$260,000
<b>Rate/Term:</b>	2.25% / 20 Years
<b>Security Pledged For Repayment Of Loan:</b>	Project Surcharge

**Staff Analysis**

- 1) If all funding is provided as all loan the city of Gregory would have to establish a surcharge of approximately \$2.15. When added to the current rate of \$32.00/5,000 gallons residents would be paying \$34.15.

**Funding Recommendation:** \$260,000 Clean Water SRF Loan at 2.25% for 20 years.

**Debt Service Coverage:** 110% based on \$2.15 surcharge

**Contingencies:**

- 1) Contingent upon the Borrower adopting a bond resolution and the resolution becoming effective.
- 2) Contingent upon the Borrower establishing a surcharge at a level sufficient to provide the required debt coverage.



## SANITARY/STORM SEWER FACILITIES FUNDING APPLICATION FINANCIAL ANALYSIS SUMMARY

**APPLICANT:** Colton CW-03

<b>Total Project Cost:</b>	\$1,385,000
<b>BWNR Funding Assistance Requested:</b>	\$1,385,000
<b>Rate/Term:</b>	2.50% / 30 years
<b>Security Pledged For Repayment Of Loan:</b>	Project Surcharge

### Staff Analysis

- 1) If all funding is provided as loan, Colton will have to enact a surcharge of \$19.45/5,000 gallons. Current residential rates are \$25.50/5,000 gallons. The surcharge will increase rates to \$44.95/5,000 gallons.
- 2) Staff analysis indicates rates can be restructured, and an overall rate of approximately \$40 will cover debt service and operating expenses.

**Funding Recommendation:** Award a \$1,385,000 Clean Water SRF loan at 2.50% for 30 years.

**Debt Service Coverage:** 110% based on a surcharge of \$19.45/customer.

### Loan Contingencies:

- 1) Contingent upon the Borrower adopting a bond resolution and the resolution becoming effective.
- 2) Contingent upon the Borrower establishing a surcharge at a level sufficient to provide the required debt coverage.
- 3) Contingent on the Borrower submitting the annual documentation required for loans currently in repayment to the District.

**SANITARY/STORM SEWER FACILITIES FUNDING APPLICATION  
FINANCIAL ANALYSIS SUMMARY**

**APPLICANT:** Lake Norden CW-01

<b>Total Project Cost:</b>	\$1,606,800
<b>BWNR Funding Assistance Requested:</b>	\$1,606,800
<b>Rate/Term:</b>	2.50% / 30 years
<b>Security Pledged For Repayment Of Loan:</b>	Project Surcharge

**Staff Analysis**

- 1) If all funding is provided as all loan the city of Lake Norden would have to establish a surcharge of approximately \$30.00. When added to the current rate of \$19.80/5,000 gallons residents would be paying \$49.80/5,000 gallons.
- 2) A surcharge of approximately \$22.00 is needed for the required coverage on a \$1,285,000 loan. This would result in overall rates of about \$41.80.
- 3) Lake Norden has identified an upcoming \$1,541,000 project to address deficiencies at its wastewater treatment facility and replace a lift station.

**Funding Recommendation:** \$1,285,000 Clean Water SRF loan at 2.50% for 30 years and a \$321,000 Consolidated grant.

**Debt Service Coverage:** 110% based on a \$22.00 surcharge

**Loan Contingencies:**

- 1) Contingent upon the Borrower adopting a bond resolution and the resolution becoming effective.
- 2) Contingent upon the Borrower establishing a surcharge at a level sufficient to provide the required debt coverage.

## SANITARY/STORM SEWER FACILITIES FUNDING APPLICATION FINANCIAL ANALYSIS SUMMARY

**APPLICANT:** Centerville CW-03

<b>Total Project Cost:</b>	\$346,000
<b>BWNR Funding Assistance Requested:</b>	\$240,000
<b>Rate/Term:</b>	2.50% / 30 years
<b>Security Pledged For Repayment Of Loan:</b>	System Revenue

### Staff Analysis

- 1) If all funding is provided as loan, Centerville's current rate of \$36.50/5,000 gallons will provide a debt coverage of 130%. No rate increase will be required.

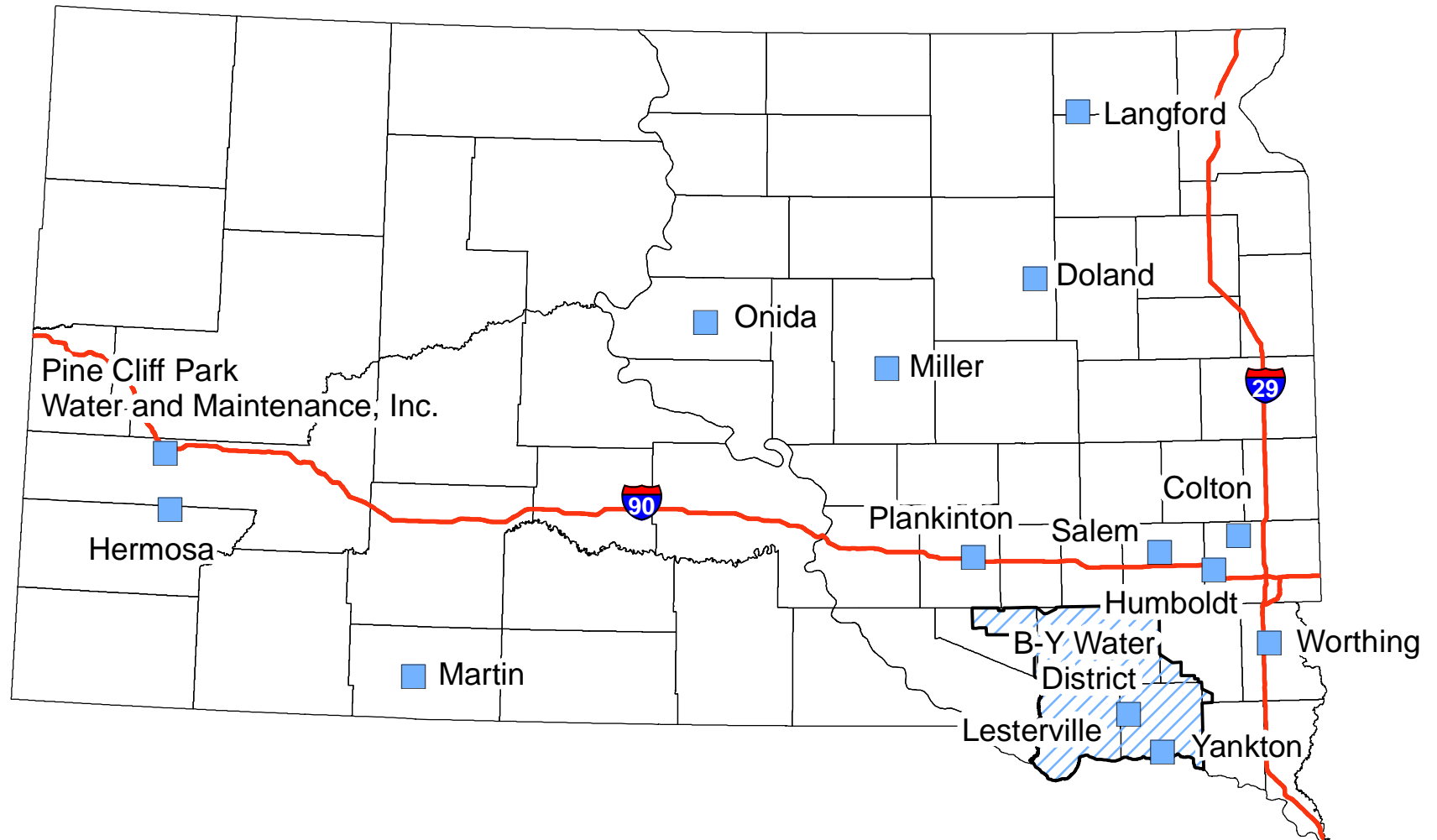
**Funding Recommendation:** \$240,000 Clean Water SRF loan at 2.50% for 30 years.

**Debt Service Coverage:** 130% based on current rates of \$36.50/5,000 gallons

### Loan Contingencies:

- 1) Contingent upon the Borrower adopting a bond resolution and the resolution becoming effective.

# Drinking Water Facilities Funding Applications March 2017



**DRINKING WATER FACILITIES FUNDING APPLICATION  
FINANCIAL ANALYSIS SUMMARY**

**APPLICANT:** Hermosa DW-02

<b>Total Project Cost:</b>	\$199,000
<b>BWNR Funding Assistance Requested:</b>	\$199,000
<b>Rate/Term:</b>	2% / 30 years
<b>Security Pledged For Repayment Of Loan:</b>	Project Surcharge

**Staff Analysis**

- 1) If all funding is provided as loan Hermosa would have to establish a surcharge of approximately \$3.50. When added to the current rate of \$30.00/5,000 gallons residents would be paying \$33.50/5,000 gallons.

**Funding Recommendation:** \$199,000 Drinking Water SRF loan at 2.0% for 30 years.

**Debt Service Coverage:** 110% based on a surcharge of \$3.50/account

**Contingencies:**

- 1) Contingent upon the Borrower adopting a bond resolution and the resolution becoming effective.
- 2) Contingent upon the Borrower establishing a surcharge at a level sufficient to provide the required debt coverage.

**DRINKING WATER FACILITIES FUNDING APPLICATION  
FINANCIAL ANALYSIS SUMMARY**

**APPLICANT:** Langford DW-01

<b>Total Project Cost:</b>	\$1,921,000
<b>BWNR Funding Assistance Requested:</b>	\$1,921,000
<b>Rate/Term:</b>	0% / 30 years
<b>Security Pledged For Repayment Of Loan:</b>	Project Surcharge

**Staff Analysis**

- 1) If all funding is provided as loan the town of Langford would have to establish a surcharge of approximately \$29.80. When added to current rate of \$48.00/5,000 gallons residents would be paying \$77.80/5,000 gallons.
- 2) Langford will be applying for a Community Development Block Grant that will not be acted upon until late April at the earliest. Staff would prefer to wait until this decision is made before committing funding. Additionally, staff would prefer to provide subsidy for the project with principal forgiveness, which will not be available until the 2017 capitalization grant has been received.

**Funding Recommendation:** Defer action until June 2017.

## **DRINKING WATER FACILITIES FUNDING APPLICATION FINANCIAL ANALYSIS SUMMARY**

**APPLICANT:** Yankton DW-06

<b>Total Project Cost:</b>	\$39,274,540
<b>BWNR Funding Assistance Requested:</b>	\$37,000,000
<b>Rate/Term:</b>	2.25% / 30 years
<b>Security Pledged For Repayment Of Loan:</b>	Project Surcharge

### **Staff Analysis**

- 1) If all funding is provided as loan Yankton would have to establish a residential surcharge of approximately \$27.50 to cover this loan and an existing loan. When added to the base rate of \$26.95/5,000 gallons residents would be paying \$54.45/5,000 gallons.
- 2) Yankton has already implemented a rate structure that will raise the residential surcharge to \$27.51 by November 2019.

**Funding Recommendation:** \$37,000,000 Drinking Water SRF loan at 2.25% for 30 years.

**Debt Service Coverage:** 110% based on a surcharge of \$27.50 to cover this loan and an existing loan

### **Contingencies:**

- 1) Contingent upon the Borrower adopting a bond resolution and the resolution becoming effective.

## **DRINKING WATER FACILITIES FUNDING APPLICATION FINANCIAL ANALYSIS SUMMARY**

**APPLICANT:** Lesterville DW-01

<b>Total Project Cost:</b>	\$453,000
<b>BWNR Funding Assistance Requested:</b>	\$453,000
<b>Rate/Term:</b>	2.5% / 30 years
<b>Security Pledged For Repayment Of Loan:</b>	Project Surcharge

### **Staff Analysis**

- 1) If all funding is provided as loan the town of Lesterville would have to establish a surcharge of approximately \$29.00. When added to the current rate of \$40.00/5,000 gallons residents would be paying \$69.00/5,000 gallons.
- 2) Consolidated loans require only 100 percent coverage rather than the 110 percent required on SRF loans. Lesterville has an existing Consolidated loan. If Lesterville was awarded a SRF loan, the surcharge on the existing loan would have to meet the 110 percent requirement.

**Funding Recommendation:** \$100,000 Consolidated loan at 2.50% for 30 years and a \$353,000 Consolidated grant.

**Debt Service Coverage:** 100% based on a \$6.40 surcharge

### **Loan Contingencies:**

- 1) Contingent upon the Borrower adopting a bond resolution and the resolution becoming effective.
- 2) Contingent upon the Borrower establishing a surcharge at a level sufficient to provide the required debt coverage.



**DRINKING WATER FACILITIES FUNDING APPLICATION  
FINANCIAL ANALYSIS SUMMARY**

**APPLICANT:** Onida DW-02

<b>Total Project Cost:</b>	\$1,996,000
<b>BWNR Funding Assistance Requested:</b>	\$950,000
<b>Rate/Term:</b>	2.25% / 20 years
<b>Security Pledged For Repayment Of Loan:</b>	Project Surcharge

**Staff Analysis**

- 1) If all funding is provided as loan Onida would have to establish a surcharge of approximately \$13.80. When added to the current rate of \$35.55/5,000 gallons residents would be paying \$49.35/5,000 gallons.
- 2) The staff funding recommendation will require a surcharge of \$10.15 bringing rates to \$45.70/5,000 gallons.

**Funding Recommendation:** \$950,000 Drinking Water SRF loan at 2.25% for 20 years, with 26.4% principal forgiveness not to exceed \$250,000.

**Debt Service Coverage:** 110% based on a \$10.15 surcharge

**Loan Contingencies:**

- 1) Contingent upon the Borrower adopting a bond resolution and the resolution becoming effective.
- 2) Contingent upon the Borrower establishing a surcharge at a level sufficient to provide the required debt coverage.

**DRINKING WATER FACILITIES FUNDING APPLICATION  
FINANCIAL ANALYSIS SUMMARY**

**APPLICANT:** B-Y Water District DW-02

<b>Total Project Cost:</b>	\$4,795,747
<b>BWNR Funding Assistance Requested:</b>	\$4,700,000
<b>Rate/Term:</b>	2.5% / 30 years
<b>Security Pledged For Repayment Of Loan:</b>	System Revenue

**Staff Analysis**

- 1) If funding is provided as all loan, B-Y Water District would have 114% coverage based on the current rate of \$73.25/7,000 gallons.

**Funding Recommendation:** \$4,700,000 Drinking Water SRF loan at 2.50% for 30 years.

**Debt Service Coverage:** 114% based on current rates of \$73.25/7,000 gallons

**Loan Contingencies:**

- 1) Contingent upon the Borrower adopting a bond resolution and the resolution becoming effective.
- 2) Contingent upon the Borrower approving a security agreement and mortgage.
- 3) Contingent upon an Intercreditor Agreement being approved and executed by Cobank, Rural Utilities Service, the Borrower and the District.

**DRINKING WATER FACILITIES FUNDING APPLICATION  
FINANCIAL ANALYSIS SUMMARY**

**APPLICANT:** Martin DW-02

<b>Total Project Cost:</b>	\$633,000
<b>BWNR Funding Assistance Requested:</b>	\$633,000
<b>Rate/Term:</b>	2% / 30 years
<b>Security Pledged For Repayment Of Loan:</b>	Project Surcharge

**Staff Analysis**

- 1) If all funding is provided as loan Martin would have to establish a surcharge of approximately \$5.75. When added to the current rate of \$27.00/5,000 gallons, residents would be paying \$32.75/5,000 gallons.

**Funding Recommendation:** \$633,000 Drinking Water SRF loan at 2.00% for 30 years.

**Debt Service Coverage:** 110% based on a surcharge of \$5.75/account

**Contingencies:**

- 1) Contingent upon the Borrower approving a bond resolution and the resolution becoming effective.
- 2) Contingent upon the Borrower establishing a surcharge at a level sufficient to provide the required debt coverage.

**DRINKING WATER FACILITIES FUNDING APPLICATION  
FINANCIAL ANALYSIS SUMMARY**

**APPLICANT:** Colton DW-04

<b>Total Project Cost:</b>	\$1,315,000
<b>BWNR Funding Assistance Requested:</b>	\$1,315,000
<b>Rate/Term:</b>	2.50% / 30 years
<b>Security Pledged For Repayment Of Loan:</b>	Project Surcharge

**Staff Analysis**

- 1) If all funding is provided as loan Colton would have to establish a surcharge of approximately \$18.40. When added to the current rate of \$44.95/5,000 gallons residents would be paying \$63.35/5,000 gallons.
- 2) The staff funding recommendation will require a surcharge of \$7.00 bringing rates to \$51.95/5,000 gallons. However, staff analysis indicates that Colton could restructure its rates to keep rates at the current level.

**Funding Recommendation:** Award a \$500,000 Drinking Water SRF loan at 2.50% for 30 years, and a \$815,000 Consolidated grant.

**Debt Service Coverage:** 110% based on a \$7.00 surcharge

**Loan Contingencies:**

- 1) Contingent upon the Borrower adopting a bond resolution and the resolution becoming effective.
- 2) Contingent upon the Borrower establishing a surcharge at a level sufficient to provide the required debt coverage.
- 3) Contingent on the Borrower submitting the annual documentation required for loans currently in repayment to the District.

**Loan Special Condition:**

- 1) It shall be a condition of the Loan that the Borrower complete an O&M manual and that the Borrower Board complete a board training session prior to drawing over 50% of the loan.

**Grant Special Condition:**

- 1) Grant funds for reimbursement of project costs must be drawn concurrently with the Drinking Water SRF loan funds

**DRINKING WATER FACILITIES FUNDING APPLICATION  
FINANCIAL ANALYSIS SUMMARY**

**APPLICANT:** Pine Cliff Park Water and Maintenance, Inc. DW-01

<b>Total Project Cost:</b>	\$463,607
<b>BWNR Funding Assistance Requested:</b>	\$463,607
<b>Rate/Term:</b>	2.25% / 20 years
<b>Security Pledged For Repayment Of Loan:</b>	System Revenue

**Staff Analysis**

- 1) If funding is provided as all loan, Pine Cliff Park Water & Maintenance, Inc. would have 45% coverage based on the current rate of \$69.00/7,000 gallons.
- 2) Staff analysis indicates a rate increase of approximately \$28.40 is needed to provide the required debt coverage on the recommend loan amount. If added to the existing rates, overall rates would be \$97.40 for 7,000 gallons usage. With the recent rate increase staff believes that rates of \$90 or less would be sufficient to operate the system and provide the required debt coverage.

**Funding Recommendation:** \$348,000 Drinking Water SRF loan at 2.25% for 20 years and a \$115,000 Consolidated grant.

**Debt Service Coverage:** 110% based on rates of \$90.00/7,000

**Loan Contingencies:**

- 1) Contingent upon the Borrower adopting a resolution approving the form of the loan agreement, the promissory note, and the pledge of revenues for repayment of the loan.
- 2) Contingent upon the Borrower establishing rates at a level sufficient to provide the required debt coverage.
- 3) Contingent upon the Borrower approving a security agreement and mortgage.
- 4) Contingent upon an Intercreditor Agreement being approved and executed by Rural Utilities Service, the Borrower and the District.

**Loan Special Condition:**

- 1) It shall be a condition of the Loan that the Borrower complete an O&M manual and required board training as outlined on the Department's capacity letter prior to drawing over 50% of the Loan.

**DRINKING WATER FACILITIES FUNDING APPLICATION  
FINANCIAL ANALYSIS SUMMARY**

**APPLICANT:** Humboldt CW-02

<b>Total Project Cost:</b>	\$272,000
<b>BWNR Funding Assistance Requested:</b>	\$272,000
<b>Rate/Term:</b>	2.00% / 10 years
<b>Security Pledged For Repayment Of Loan:</b>	Project Surcharge

**Staff Analysis**

- 1) Water conservation projects, to include water meters, are eligible for Clean Water SRF funding for Green projects. Since staff has not identified any other wastewater or storm water "green" projects, funding this project with Clean Water SRF funds helps us meet the Green Project Reserve requirements of the 2015 or 2016 Clean Water Capitalization Grant.
- 2) If all funding is provided as loan the town of Humboldt would have to establish a surcharge of approximately \$10.65. When added to current rate of \$29.25/5,000 gallons residents would be paying \$39.90/5,000 gallons.

**Funding Recommendation:** \$272,000 **Clean Water SRF** loan at 2.00% for 10 years.

**Debt Service Coverage:** 110% based on \$10.65 surcharge

**Loan Contingencies:**

- 1) Contingent upon the Borrower adopting a bond resolution and the resolution becoming effective.
- 2) Contingent upon the Borrower establishing a surcharge at a level sufficient to provide the required debt coverage.

## **DRINKING WATER FACILITIES FUNDING APPLICATION FINANCIAL ANALYSIS SUMMARY**

**APPLICANT:** Plankinton CW-02

**Total Project Cost:** \$240,000

**BWNR Funding Assistance Requested:** \$240,000

**Rate/Term:** 2.0% / 10 years

**Security Pledged For Repayment Of Loan:** Project Surcharge

### **Staff Analysis**

- 1) Water conservation projects, to include water meters, are eligible for Clean Water SRF funding for Green projects. Since staff has not identified any other wastewater or storm water "green" projects, funding this project with Clean Water SRF funds helps us meet the Green Project Reserve requirements of the 2015 or 2016 Clean Water Capitalization Grant.
- 2) If funding is provided as all loan, the city will have to establish a surcharge of approximately \$6.90 per month. This would increase rates to \$39.90 per 5,000 gallons.

**Funding Recommendation:** \$240,000 **Clean Water SRF** loan at 2.0% for 10 years.

**Debt Service Coverage:** 110% based on a \$6.90 surcharge

### **Contingencies:**

- 1) Contingent upon the Borrower adopting a bond resolution and the resolution becoming effective.
- 2) Contingent upon the Borrower establishing a surcharge at a level sufficient to provide the required debt coverage.

## DRINKING WATER FACILITIES FUNDING APPLICATION FINANCIAL ANALYSIS SUMMARY

**APPLICANT:** Worthing CW-04

<b>Total Project Cost:</b>	\$120,000
<b>BWNR Funding Assistance Requested:</b>	\$120,000
<b>Rate/Term:</b>	2.00% / 10 years
<b>Security Pledged For Repayment Of Loan:</b>	System Revenue

### Staff Analysis

- 1) Water conservation projects, to include water meters, are eligible for Clean Water SRF funding for Green projects. Since staff has not identified any other wastewater or storm water "green" projects, funding this project with Clean Water SRF funds helps us meet the Green Project Reserve requirements of the 2015 or 2016 Clean Water Capitalization Grant.
- 2) If funding is provided as all loan, the city of Worthing would have 41% coverage based on the current rate of \$52.50/5,000 gallons.

**Funding Recommendation:** \$120,000 **Clean Water SRF** loan at 2.00% for 10 years, with 75% principal forgiveness not to exceed \$90,000.

**Debt Service Coverage:** 166% based on current rates of \$52.50/5,000 gallons

### Loan Contingencies:

- 1) Contingent upon the Borrower adopting a bond resolution and the resolution becoming effective.



## DRINKING WATER FACILITIES FUNDING APPLICATION FINANCIAL ANALYSIS SUMMARY

**APPLICANT:** Doland CW-01

<b>Total Project Cost:</b>	\$150,000
<b>BWNR Funding Assistance Requested:</b>	\$150,000
<b>Rate/Term:</b>	2% / 10 years
<b>Security Pledged For Repayment Of Loan:</b>	Project Surcharge

### Staff Analysis

- 1) If funding is provided as all loan, Doland will have to establish a surcharge of \$9 per month. The current rate in Doland is \$41.50/5000 gallons which would bring rates to \$50.50/5,000 gallons.
- 2) If funding is provided based on staff funding recommendation, Doland will have to establish a surcharge of \$4.50 bringing rates to \$46/5,000 gallons.
- 3) Water conservation projects, to include water meters, are eligible for Clean Water SRF funding for Green projects. Since staff has not identified any other wastewater or storm water "green" projects, funding this project with Clean Water SRF funds helps us meet the Green Project Reserve requirements of the 2015 or 2016 Clean Water Capitalization Grant.

**Funding Recommendation:** \$150,000 **Clean Water SRF** loan at 2.0% for 10 years, with 50% principal forgiveness not to exceed \$75,000.

**Debt Service Coverage:** 110% based on a \$4.50 surcharge

### Contingencies:

- 1) Contingent upon the Borrower adopting a bond resolution and the resolution becoming effective.
- 2) Contingent upon the Borrower establishing a surcharge at a level sufficient to provide the required debt coverage.

**DRINKING WATER FACILITIES FUNDING APPLICATION  
FINANCIAL ANALYSIS SUMMARY**

**APPLICANT:** Miller DW-03

<b>Total Project Cost:</b>	\$2,400,000
<b>BWNR Funding Assistance Requested:</b>	\$2,399,000
<b>Rate/Term:</b>	2.25% / 30 years
<b>Security Pledged For Repayment Of Loan:</b>	Project Surcharge

**Staff Analysis**

- 1) If all funding is provided as loan the city of Miller would have to establish a surcharge of approximately \$10.90. When added to current rate of \$53.00/5,000 gallons residents would be paying \$63.90/5,000 gallons.
- 2) A \$5.45 surcharge would be required to meet the 110 percent coverage requirement at the recommended loan amount. Staff analysis indicates that by restructuring its rates, only a \$1 increase would be needed at the recommended loan amount.

**Funding Recommendation:** \$1,099,000 Drinking Water SRF loan at 2.25% for 30 years and a \$1,300,000 Consolidated grant.

**Debt Service Coverage:** 110% based on a \$5.45 surcharge

**Loan Contingencies:**

- 1) Contingent upon the Borrower adopting a bond resolution and the resolution becoming effective.
- 2) Contingent upon the Borrower establishing a surcharge at a level sufficient to provide the required debt coverage.

**Loan Special Condition:**

- 1) It shall be a condition of the Loan that the Borrower complete an O&M manual as outlined on the Department's capacity letter prior to drawing over 50% of the Loan.

**Grant Special Condition:**

- 1) Grant funds for reimbursement of project costs must be drawn concurrently with the Drinking Water SRF loan funds.

## **DRINKING WATER FACILITIES FUNDING APPLICATION FINANCIAL ANALYSIS SUMMARY**

**APPLICANT:** Salem DW-04

<b>Total Project Cost:</b>	\$802,000
<b>BWNR Funding Assistance Requested:</b>	\$802,000
<b>Rate/Term:</b>	2.25% / 30 years
<b>Security Pledged For Repayment Of Loan:</b>	Project Surcharge

### **Staff Analysis**

- 1) If all funding is provided as loan, Salem would have to establish a surcharge of approximately \$5.25. When added to the current rate of \$55.40/5,000 gallons residents would be paying \$60.65/5,000 gallons.
- 2) The staff funding recommendation will require a surcharge of \$2.00 bringing rates to \$57.40/5,000 gallons. However staff analysis indicates that Salem could restructure its rates to keep rates at the current level.

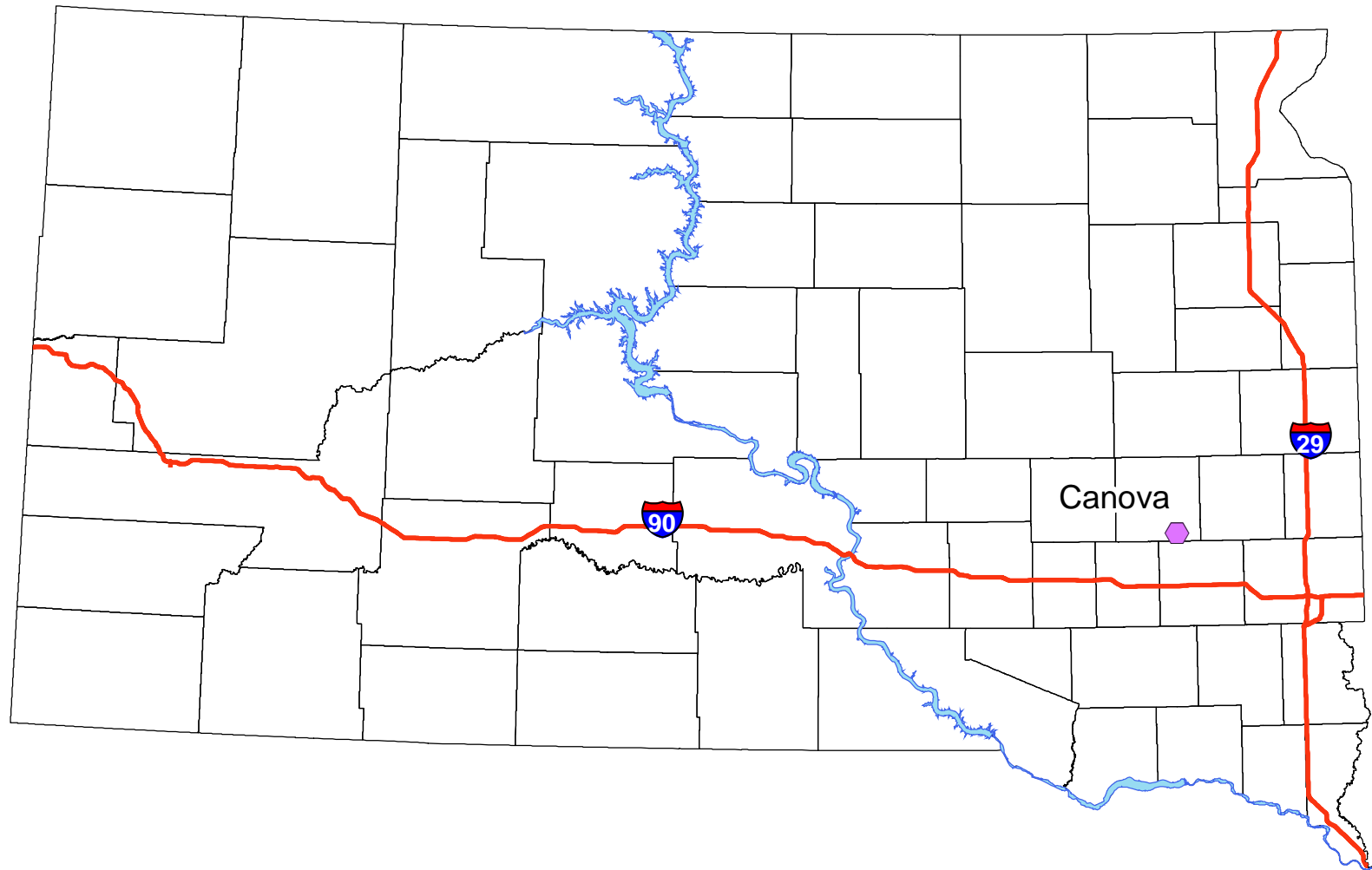
**Funding Recommendation:** \$302,000 Drinking Water SRF loan at 2.25% for 30 years and a \$500,000 Consolidated grant.

**Debt Service Coverage:** 110% based on a \$2.00 surcharge

### **Loan Contingencies:**

- 1) Contingent upon the Borrower adopting a bond resolution and the resolution becoming effective.
- 2) Contingent upon the Borrower establishing a surcharge at a level sufficient to provide the required debt coverage.

# Small Water Facilities Funding Applications March 2017



**SMALL WATER FACILITIES FUNDING APPLICATION  
FINANCIAL ANALYSIS SUMMARY**

**APPLICANT:** Canova

<b>Total Project Cost:</b>	\$52,590
<b>BWNR Funding Assistance Requested:</b>	\$52,590
<b>Rate/Term:</b>	2.0% / 10 years
<b>Security Pledged For Repayment Of Loan:</b>	Project Surcharge

**Staff Analysis**

- 1) A surcharge of \$3.50 is needed to provide the 100% debt coverage.
- 2 The recommendation is contingent upon the town adopting fund accounting principles. Staff believes rates will need to be raised to around \$45 to cover operating expenses and the surcharge to repay this loan.

**Funding Recommendation:** \$20,000 Consolidated Loan at 2.0% for 10 years and a \$32,000 Consolidated Grant.

**Debt Service Coverage:** 100% based on a surcharge of \$3.50

**Contingencies:**

- 1) Contingent upon the Borrower adopting a bond resolution and the resolution becoming effective.
- 2) Contingent upon the Borrower establishing a surcharge at a level sufficient to provide the required debt coverage.
- 3) Contingent upon the Borrower engaging Midwest Assistance Program to improve financial capacity by adopting fund accounting principles.

## March 2017 Available Funds Summary

### CONSOLIDATED WATER FACILITIES CONSTRUCTION PROGRAM

Available Prior Year Funds (5-Jan-2017):	\$	185,355
2017 Omnibus Appropriation:	\$	10,500,000
Reversions:	\$	428,585
Available for Award:	\$	11,113,940
Recommended:	\$	(6,196,000)
Balance:	\$	<b>4,917,940</b>

### DRINKING WATER SRF PRINCIPAL FORGIVENESS

Prior Year Principal Forgiveness Allocations:	\$	35,161,800
FFY-17 Maximum Allocation:	\$	-
Reverted Principal Forgiveness:	\$	261,050
Awarded to Date:	\$	(35,161,778)
Available For Award:	\$	261,072
Princ. Forg. for Disadvantaged Communities:	\$	-
Total Available for Award:	\$	261,072
Recommended:	\$	(250,000)
Balance:	\$	<b>11,072</b>

### DRINKING WATER SRF LOANS

Available Prior Year Funds (30-Sept-2016):	\$	23,400,190
FFY-17 Cap Grant & Match:	\$	9,000,680
FFY-17 Repayments:	\$	12,500,000
Leveraged Bonds:	\$	-
Deobligations/Recissions:	\$	9,364,544
FFY-17 Awards to Date:	\$	(1,077,000)
Available for Award:	\$	53,188,414
Recommended PF:	\$	(250,000)
Recommended Loan:	\$	(46,256,000)
Balance:	\$	<b>6,682,414</b>

## March 2017 Available Funds Summary

### CLEAN WATER SRF WATER QUALITY GRANTS

Available Prior Year Funds (5-Jan-2017):	\$	50,812
2017 IUP Allocation:	\$	1,000,000
Reversions:	\$	60,750
2017 SCPG Allotment:	\$	(100,000)
Awarded to Date:	\$	(250,000)
Available for Award:	\$	<u>761,562</u>
Recommended:	\$	<u>(760,000)</u>
Balance:	\$	<b>1,562</b>

### CLEAN WATER SRF PRINCIPAL FORGIVENESS

Prior Year Principal Forgiveness Allocations:	\$	13,475,099
FFY-17 Maximum Allocation:	\$	-
Reverted Principal Forgiveness:	\$	-
Awarded to Date:	\$	<u>(11,703,390)</u>
Available For Award:	\$	1,771,709
Recommended:	\$	<u>(1,765,000)</u>
Balance:	\$	<b>6,709</b>

### CLEAN WATER SRF LOANS

Available Prior Year Funds (30-Sept-2016):	\$	48,720,239
FFY-17 Cap Grant & Match:	\$	7,393,836
FFY-17 Repayments:	\$	17,500,000
Leveraged Bonds:	\$	-
Deobligations/Recissions:	\$	1,593,915
FFY-17 Awards to Date:	\$	<u>(2,125,000)</u>
Available For Award:	\$	73,082,990
Recommended PF:	\$	(1,765,000)
Recommended Loan:	\$	<u>(38,593,125)</u>
Balance:	\$	<b>32,724,865</b>

## 2017 Legislation Related to Voters' Approval of Initiated Measure 22

**HB 1069** – repealed Initiated Measure 22

**SB 59** – delays the date of implementation to July 1 for a ballot measure

**SB 77** – requires fiscal notes to be prepared and made available for all ballot measures.

**HB 1052** – expands whistleblower protections for public employees in South Dakota

**HB 1072** – establishes a lobbyist gift restriction of \$100; lawmakers can take unlimited meals including food and drink and not have the hospitality count against the gift limit

**HB 1076** – establishes a state government accountability board

**HB 1170** – revises certain provisions regarding conflict of interest for authority, board, or commission members

**SB 27** – increases penalty for certain direct conflicts of interest by public officials provides to a felony

**SB 54** – rewrite and update of state laws on campaign finances; *issue of contribution limits a topic for summer study*

**SB 131** – increases the time that officials must wait before lobbying to two years from one year; also expands the prohibition's coverage from solely elected officials to also include to department or agency heads, division directors and the highest-paid person reporting to them

**SB 151** – establishes the process for the state Division of Criminal Investigation to receive and process allegations of government misconduct



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# Status Report

14-Mar-17

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Bill Number	Bill Title	Bill Status	Bill Location	Action Date
HB 1006	Revise certain requirements for a public notice of a public meeting.	First Reading	House Floor	01/10/2017
		Refer to House St Affairs	House Floor	01/10/2017
		Committee Hearing	House St Affairs	01/13/2017
		Do Pass (12-0)	House St Affairs	01/13/2017
		Consent Calendar	House St Affairs	01/13/2017
		Do Pass (68-0)	House Floor	01/17/2017
		First Reading	Sen Floor	01/18/2017
		Refer to Sen Local Govt	Sen Floor	01/18/2017
		Committee Hearing	Sen Local Govt	01/23/2017
		Do Pass (7-0)	Sen Local Govt	01/23/2017
		Consent Calendar	Sen Local Govt	01/23/2017
		Do Pass (35-0)	Sen Floor	01/24/2017
		Signed by Speaker	House Floor	01/25/2017
		Signed by President	Sen Floor	01/26/2017
		Delivered to Governor	House Floor	01/31/2017
Signed by Governor	Governor	02/02/2017		
HB 1071	Require the approval of the Legislature before any high level nuclear waste may be processed or deposited within state boundaries.	First Reading	House Floor	01/23/2017
		Refer to House St Affairs	House Floor	01/23/2017
		Committee Hearing	House St Affairs	02/01/2017
		Do Pass (12-0)	House St Affairs	02/01/2017
		Deferred	House Floor	02/02/2017
		Deferred	House Floor	02/03/2017
		Deferred	House Floor	02/06/2017
		Do Pass (67-1)	House Floor	02/07/2017
		First Reading	Sen Floor	02/08/2017
		Refer to Sen St Affairs	Sen Floor	02/08/2017
		Committee Hearing	Sen St Affairs	02/24/2017
		Do Pass (9-0)	Sen St Affairs	02/24/2017
		Deferred	Sen Floor	02/27/2017
		Do Pass (33-0)	Sen Floor	02/28/2017
		Signed by Speaker	House Floor	03/06/2017
		Signed by President	Sen Floor	03/07/2017
		Delivered to Governor	House Floor	03/07/2017
Signed by Governor	Governor	03/09/2017		

Bill Number	Bill Title	Bill Status	Bill Location	Action Date
HB 1081	Revise certain provisions for establishing a trust for an unlocatable mineral owner.	First Reading	House Floor	01/24/2017
		Refer to House Judiciary	House Floor	01/24/2017
		Committee Hearing	House Judiciary	02/01/2017
		Amended	House Judiciary	02/01/2017
		Do Pass Amended (12-0)	House Judiciary	02/01/2017
		Deferred	House Floor	02/03/2017
		Deferred	House Floor	02/06/2017
		Do Pass (68-0)	House Floor	02/07/2017
		First Reading	Sen Floor	02/08/2017
		Refer to Sen Ag and Nat Res	Sen Floor	02/08/2017
		Committee Hearing	Sen Ag & Nat Res	02/14/2017
		Do Pass (9-0)	Sen Ag & Nat Res	02/14/2017
		Consent Calendar	Sen Ag & Nat Res	02/14/2017
		Do Pass Amended (35-0)	Sen Floor	02/15/2017
		Signed by Speaker	House Floor	02/16/2017
		Signed by President	Sen Floor	02/21/2017
		Delivered to Governor	House Floor	02/22/2017
Signed by Governor	Governor	02/23/2017		
HB 1170	Revise certain provisions regarding conflicts of interest for authority, board, or commission members.	First Reading	House Floor	02/01/2017
		Refer to House Judiciary	House Floor	02/01/2017
		Committee Hearing	House Judiciary	02/13/2017
		Amended	House Judiciary	02/13/2017
		Do Pass Amended (11-0)	House Judiciary	02/13/2017
		Deferred	House Floor	02/15/2017
		Deferred	House Floor	02/16/2017
		Deferred	House Floor	02/21/2017
		Multiple amends	House Floor	02/22/2017
		Do Pass Amended (68-0)	House Floor	02/22/2017
		First Reading	Sen Floor	02/23/2017
		Refer to Sen Local Govt	Sen Floor	02/23/2017
		Committee Hearing	Sen Local Govt	03/01/2017
		Amended	Sen Local Govt	03/01/2017
		Do Pass Amended (6-0)	Sen Leg Procedure	03/01/2017
		Do Pass Amended (33-1)	Sen Floor	03/06/2017
		Concur in Amends (65-0)	House Floor	03/08/2017
Signed by Speaker	House Floor	03/09/2017		
Signed by President	Sen Floor	03/09/2017		
Delivered to Governor	House Floor	03/10/2017		
HC 1011	Honoring Cronin Farms as the 2016 Leopold Conservation Award recipient	Introduced	House Floor	02/08/2017

Bill Number	Bill Title	Bill Status	Bill Location	Action Date
HC 1025	Honoring Phyllis Perkovich for her outstanding commitment and service to the South Dakota legislative page program and the youth of South Dakota.	Introduced	House Floor	03/01/2017
SB 9	Revise the river basin natural resource district boundaries, to establish subdistricts for each district, and to establish a procedure to adjust district boundaries.	First Reading	Sen Floor	01/10/2017
		Refer to Sen Ag & Nat Res	Sen Floor	01/10/2017
		Committee Hearing	Sen Ag & Nat Res	01/19/2017
		Do Pass Failed (2-7)	Sen Ag & Nat Res	01/19/2017
		Defer to 41st Leg Day (7-2)	Sen Ag & Nat Res	01/19/2017
SB 10	Provide for an election in the Red River and Minnesota River Basin Natural Resource District in 2018, to remove certain areas from the East Dakota Water Development District that are contained in that river basin natural resource district, and to provide for elections in the other river basin natural resource districts at a later date.	First Reading	Sen Floor	01/10/2017
		Refer to Sen Ag & Nat Res	Sen Floor	01/10/2017
		Committee Hearing	Sen Ag & Nat Res	01/19/2017
		Defer to 41st Leg Day (7-2)	Sen Ag & Nat Res	01/19/2017
SB 46	Revise certain provisions regarding the state geologist.	First Reading	Sen Floor	01/10/2017
		Refer to Sen Ag & Nat Res	Sen Floor	01/10/2017
		Committee Hearing	Sen Ag & Nat Res	01/26/2017
		Do Pass (8-0)	Sen Ag & Nat Res	01/26/2017
		Consent Calendar	Sen Ag & Nat Res	01/26/2017
		Do Pass (31-0)	Sen Floor	01/31/2017
		First Reading	House Floor	02/01/2017
		Refer to Hse Ag & Nat Res	House Floor	02/01/2017
		Committee Hearing	House Ag & Nat Res	02/14/2017
		Do Pass (13-0)	House Ag & Nat Res	02/14/2017
		Consent Calendar	House Ag & Nat Res	02/14/2017
		Do Pass (64-0)	House Floor	02/15/2017
		Signed by President	Sen Floor	02/16/2017
		Signed by Speaker	House Floor	02/21/2017
		Delivered to Governor	Sen Floor	02/22/2017
		Signed by Governor	Governor	02/23/2017

Bill Number	Bill Title	Bill Status	Bill Location	Action Date
SB 64	Define the term of a vacancy appointment for water development district directors.	First Reading	Sen Floor	01/19/2017
		Refer to Sen Local Govt	Sen Floor	01/19/2017
		Committee Hearing	Sen Local Govt	01/25/2017
		Do Pass (7-0)	Sen Local Govt	01/25/2017
		Consent Calendar	Sen Local Govt	01/25/2017
		Do Pass (35-0)	Sen Floor	01/26/2017
		First Reading	House Floor	01/31/2017
		Refer to House Local Govt	House Floor	01/31/2017
		Committee Hearing	House Local Govt	02/21/2017
		Do Pass (12-0)	House Local Govt	02/21/2017
		Consent Calendar	House Local Govt	02/21/2017
		Do Pass (68-0)	House Floor	02/22/2017
		Signed by President	Sen Floor	02/24/2017
		Signed by Speaker	House Floor	02/27/2017
		Delivered to Governor	Sen Floor	02/28/2017
		Signed by Governor	Governor	03/07/2017
SB 66	Specifically classify certain agricultural land as riparian buffer strips, to establish the criteria for the riparian buffer strip classification, and to provide for the taxation thereof.	First Reading	Sen Floor	01/20/2017
		Refer to Sen Ag & Nat Res	Sen Floor	01/20/2017
		Committee Hearing	Sen Ag & Nat Res	02/02/2017
		Amended	Sen Ag & Nat Res	02/02/2017
		Do Pass Amended (9-0)	Sen Ag & Nat Res	02/02/2017
		Deferred w/pending amend	Sen Floor	02/06/2017
		Do Pass Amended (34-0)	Sen Floor	02/08/2017
		First Reading	House Floor	02/09/2017
		Refer to House Taxation	House Floor	02/09/2017
		Committee Hearing	House Taxation	02/16/2017
		Do Pass (14-0)	House Taxation	02/16/2017
		Deferred	House Floor	02/21/2017
		Deferred	House Floor	02/22/2017
		Deferred	House Floor	02/23/2017
		Deferred	House Floor	02/24/2017
		Do Pass Amended (62-5)	House Floor	02/27/2017
		Signed by President	Sen Floor	02/28/2017
		Signed by Speaker	House Floor	03/06/2017
		Delivered to Governor	Sen Floor	03/07/2017
		Signed by Governor	Governor	03/09/2017

Bill Number	Bill Title	Bill Status	Bill Location	Action Date
SB 70	Make appropriations from the water and environment fund and its revolving fund subfunds for various water and environmental purposes, to increase the transfer from the water and environment fund to the environment and natural resources fee fund, and to declare an emergency.	First Reading	Sen Floor	01/20/2017
		Refer to Sen Appropriations	Sen Floor	01/20/2017
		Committee Hearing	Joint Appropriations	02/09/2017
		Do Pass (15-0)	Joint Appropriations	02/09/2017
		Do Pass (32-0)	Sen Floor	02/13/2017
		First Reading	House Floor	02/14/2017
		Referral Waived	House Floor	02/14/2017
		Deferred	House Floor	02/15/2017
		Deferred	House Floor	02/16/2017
		Deferred	House Floor	02/21/2017
		Deferred	House Floor	02/22/2017
		Deferred	House Floor	02/23/2017
		Deferred	House Floor	02/24/2017
		Do Pass (62-5)	House Floor	02/27/2017
		Signed by President	Sen Floor	02/28/2017
		Signed by Speaker	House Floor	03/06/2017
		Delivered to Governor	Sen Floor	03/07/2017
Signed by Governor	Governor	03/09/2017		
SB 116	Improve online access to information concerning state boards, commissions, and departments.	First Reading	Sen Floor	01/26/2017
		Refer to Sen Local Govt	Sen Floor	01/26/2017
		Committee Hearing	Sen Local Govt	02/03/2017
		Amended	Sen Local Govt	02/03/2017
		Do Pass Amended (7-0)	Sen Local Govt	02/03/2017
		Consent Calendar	Sen Local Govt	02/03/2017
		Do Pass Amended (35-0)	Sen Floor	02/07/2017
		First Reading	House Floor	02/08/2017
		Refer to House St Affairs	House Floor	02/08/2017
		Committee Hearing	House St Affairs	03/01/2017
		Do Pass (12-0)	House St Affairs	03/01/2017
		Consent Calendar	House St Affairs	03/01/2017
		Do Pass Amended (63-0)	House Floor	03/02/2017
		Signed by President	Sen Floor	03/06/2017
		Signed by Speaker	House Floor	03/07/2017
Delivered to Governor	Sen Floor	03/08/2017		
SB 178	Appropriate money for the ordinary expenses of the legislative, judicial, and executive departments of the state, the expenses of state institutions, interest on the public debt, and for common schools.	Do Pass (33-2)	Sen Floor	03/10/2017
		First Reading	House Floor	03/10/2017
		Do Pass (63-4)	House Floor	03/10/2017
		Signed by President	Sen Floor	03/10/2017
		Signed by Speaker	House Floor	03/10/2017
Delivered to Governor	Sen Floor	03/10/2017		

# The National Lakes Assessment (NLA) 2012

**L**akes and reservoirs provide many environmental, economic, and public health benefits. We use lakes for drinking water, energy production, food and recreation. Fish, birds and other wildlife rely on them for habitat and survival. In the National Lakes Assessment (NLA), the U.S. Environmental Protection Agency (EPA) and its partners surveyed a wide array of lakes representative of those found in the U.S., from small ponds and prairie potholes to large lakes and reservoirs. The NLA is part of the National Aquatic Resource Surveys, a series of statistically-based assessments designed to provide the public and decision-makers with nationally consistent and representative information on the condition of the nation's waters.

## What is the condition of lakes across the country?

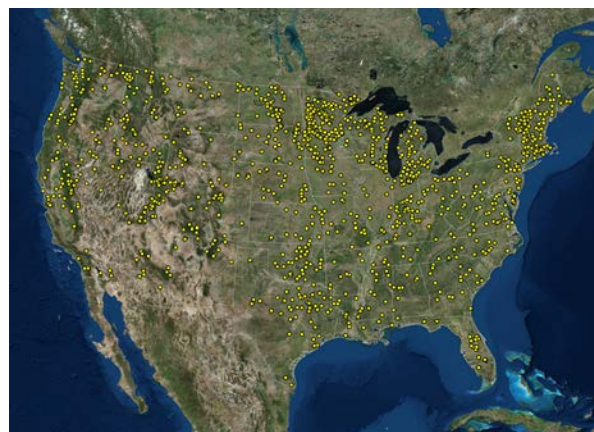
**>35%** **Nutrient pollution:** Nutrient pollution is a widespread problem across the country. *About 1 in 3 lakes (35%) have excess nitrogen and 2 out of 5 lakes (40%) have excess phosphorus.* Too much of the nutrients nitrogen or phosphorus can contribute to algal blooms, low levels of oxygen, and harm to aquatic life.

**<1%** **Microcystin:** An algal toxin, microcystin, is detected in 39% of lakes, but *concentrations rarely reach moderate or high levels of concern* established by the World Health Organization (<1% of lakes).

**<1%** **Atrazine:** The herbicide atrazine is detected in 30% of lakes, but *concentrations rarely reach the EPA level of concern* for plants in freshwaters (<1% of lakes).

**31%** **Biological condition:** We find that *31% of lakes have degraded benthic macroinvertebrate communities, which include small aquatic creatures like snails and mayflies.* Analyses show an association between nutrients and biological condition. Lakes with high levels of phosphorus are 2.2 times as likely to have a degraded benthic macroinvertebrate community and lakes with high levels of nitrogen are 1.6 times as likely to have a degraded benthic macroinvertebrate community.

NLA 2012 Sampled Sites



*The NLA indicates that nutrient pollution is common in U.S. lakes. Compared to other measures, nutrient pollution is the most widespread stressor measured in the NLA and can contribute to blooms and affect recreational opportunities in lakes.*

# The National Lakes Assessment (NLA) 2012



## Are conditions getting better or worse?

A comparison of the 2007 and 2012 National Lakes Assessments indicates little change between surveys. In most cases, the percentage of lakes in degraded biological, chemical and physical condition did not change over this five year period, with a few notable exceptions.

**13%** ↓ **Lake drawdown:** Drawdown of lake water levels, whether by natural process or through direct manipulation, can adversely affect physical habitat conditions. Between 2007 and 2012, the NLA shows improving conditions with *13% fewer lakes in the most disturbed condition.*

**8.3%** ↑ **Cyanobacteria:** The NLA measured the density of cyanobacteria cells, which can produce cyanotoxins, as an indicator of toxic exposure risk. The analysis reveals worsening conditions, with *8.3% more lakes in the most disturbed condition in 2012 than in 2007.*

**9.5%** ↑ **Microcystin:** The NLA shows a *9.5% increase in the detection of an algal toxin, microcystin.* However, concentrations of this algal toxin remain low and rarely exceeds WHO recreational levels of concern (<1% of the population) in both assessments.

**18.2%** ↓ **Phosphorus:** While the proportion of lakes in each nutrient condition category was unchanged, apparent large changes were observed in lakes with the lowest levels of nutrients—in-depth analyses indicate a dramatic *18.2% decline in the percentage of the lake population that might be considered oligotrophic (<10 µg/L of total phosphorus).*

## What are we doing to address problems?

The NLA indicates that our lakes are under stress. In particular, the NLA suggests a need to reduce nutrient pollution to improve lake conditions. EPA is working on many fronts to reduce the severity, extent, and impacts of nutrient pollution in our nation's lakes and other waters. These efforts involve overseeing regulatory programs, conducting outreach and engaging partners, providing technical and programmatic support to states, financing nutrient reduction activities, and conducting research and development. For more information on what EPA is doing to reduce nutrient pollution, visit [epa.gov/nutrientpollution](http://epa.gov/nutrientpollution).

The NLA offers a unique opportunity to frame discussions and plan strategies for the protection and restoration of lakes across the United States. Additional information from the NLA is available online at [epa.gov/national-aquatic-resource-surveys/nla](http://epa.gov/national-aquatic-resource-surveys/nla). Website visitors can explore NLA results with interactive dashboards, find assessments of regional conditions, examine differences between natural lakes and reservoirs, and more.



# South Dakota Lake Conditions

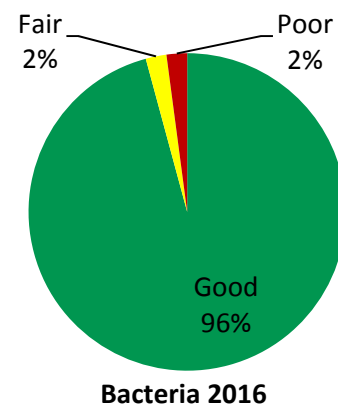
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Beginning in 2008, SDDENR took steps to answer questions about the condition of all classified lakes and their water quality trends. Sampling efforts moved from focusing on a subset of lakes that were individually targeted to a random selection of classified lakes. Random selection design provides an overall view of the water quality in South Dakota lakes. These results are different than an impairment status. Determining impairment status involves looking at multiple sampling dates in different years for a single water body and when a portion of the data exceeds standards the water is considered impaired. Data interpretations are subject to changing standards and their application which can result in impairment status changes without any change in water quality.

Interpreting the random results with statistics provides an accurate assessment of the overall condition of all of classified lakes. Using this approach removes the influence of changing standards and provides a clear view of condition as well as a basis for trend detection. Statistical sampling is conducted in two year cycles and summarized in the subsequent integrated report. The first cycle summarizing 2008-2009 data was presented in the 2010 report. The most recent cycle was compiled for the 2016 report representing the 4<sup>th</sup> summary and presented in the following graphics.

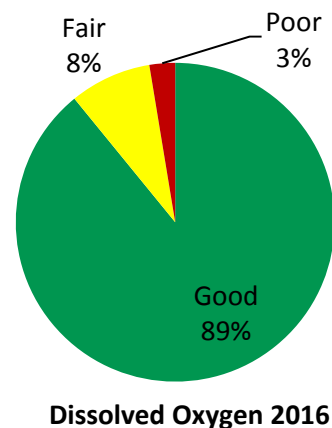
## <10% Bacteria Contamination 2008-2015:

Elevated (fair and poor) *E. coli* levels were detected in 4-10% of lakes from 2010-2016. Lakes classified as fair condition were adequate for limited contact recreation but exceeded the immersion recreation limit. Lakes classified as poor had bacteria levels in excess of the limited contact recreation level which occurred less than 2% of the time. Although insufficient data exists to make a trend determination, the levels have been consistent between the surveys.



## <17% Low Dissolved Oxygen 2008-2015:

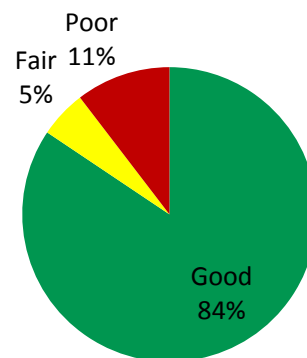
Low oxygen levels (fair and poor) were detected in 5-17% of lakes in the different reporting periods. Dissolved oxygen is critical to aquatic life survival. The most common cause of low levels of oxygen is the decay of excessive plant growth that is commonly associated with excessive nutrient levels. Lakes were classified in poor condition when levels were inadequate throughout the lake. Waters with over half of the measurements indicating low oxygen were assigned a fair classification.





## <24% High pH levels 2008-2015:

High pH levels (fair and poor) were detected in 7-24% of lakes in the different reporting periods. pH is an expression of the acidity of water. Acidic or low pH levels are rarely found in South Dakota waters. More commonly, basic or high levels are measured. Elevated pH levels can negatively impact fish reproduction, particularly in more sensitive cold water species. The most common cause of elevated pH in South Dakota lakes is from algal blooms. Poor conditions indicate high levels throughout the lake. Waters with over half of the measurements indicating high levels were assigned a fair classification.

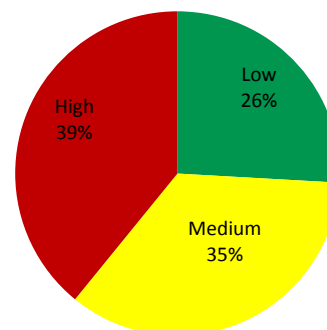


pH 2016

## Conditions not Regulated by Numeric Standards

### >35% High levels of Chlorophyll a:

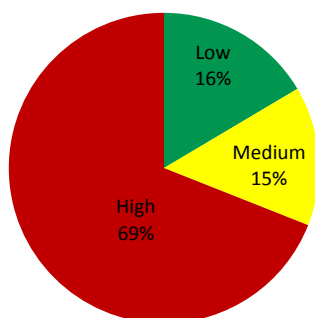
Chlorophyll a is the green pigment in algae and is a measure of lakes productivity. High levels are associated with excess nutrients. The pigment itself is not harmful, but it is an indicator of other risks including low oxygen levels, elevated pH, and the potential presence of harmful cyanobacteria. South Dakota does not have a numeric standard for chlorophyll a. The graph is based on regional levels used for the EPA National Lake Assessment. The low category represents conditions similar to those in the best condition in the EPA report while the high category represents those in the worst condition.



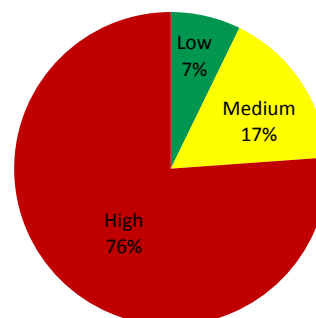
Chlorophyll a 2016

### >70% Exceed EPA Nutrient Thresholds

South Dakota does not have numeric nutrient standards for phosphorus and nitrogen. Regionally, EPA has identified concentrations deemed likely to cause impairments such as depleted oxygen levels and blooms of harmful cyanobacteria. When South Dakota Lakes are compared to the EPA thresholds, 69% of lakes exceeded the level for phosphorus and 76% exceeded the level for nitrogen. Although not listed as impaired because of concentrations, these graphs provide an estimate of the potential proportion of numeric nutrient impairments that may be expected if similar nutrient thresholds are adopted.



Phosphorus 2016



Nitrogen 2016