

*Protecting South Dakota's Tomorrow ... Today*

## **BOARD OF WATER AND NATURAL RESOURCES**

**January 5, 2017**

### **DIGITAL DAKOTA NETWORK**

**Via Digital Dakota Network (DDN)**

**Thursday, January 5, 2017**

**1:00 p.m. CST**

**A list of DDN sites is attached.**

### **AGENDA**

**\*\*Scheduled times are estimates only. Some items may be delayed due to prior scheduled items or may be moved up on the agenda.\*\***

**January 5, 2017**

**1:00 p.m. CST**

1. Call meeting to order
2. Approve agenda
3. Approve minutes of the November 9, 2016 and December 7, 2016 meeting
4. Section 319 Applications—Barry McLaury
  - a. Belle Fourche River Watershed Implementation Project—Segment 8
  - b. Northeast Glacial Lakes Watershed Implementation Project—Segment 4
  - c. SD Nonpoint Source Information and Education Project—Segment 5
  - d. South Central Watershed Implementation Project—Segment 1 Amendment
  - e. Water Quality Planning Project
  - f. South Dakota School of Mines and Technology Dredging Project
  - g. Soil Health Improvement and Planning Project
  - h. South Dakota Envirothon
  - i. Grassland Management and Planning Project—Segment 5
5. Rescission of Dependable Sanitation Inc. Solid Waste Management Loan 2015L-REC-105 and Solid Waste Management Grant 2015-REC-101 — Drew Huisken
6. Sanitary/Storm Sewer Facilities Funding Application—Mike Perkovich
  - a. Belle Fourche (13)
7. Drinking Water Facilities Funding Applications — Andy Bruels
  - a. Terry Trojan Water Project District (48)
  - b. Belle Fourche (12)
8. Watershed Restoration Project Funding Application — Mike Perkovich
  - a. James River Water Development District

Notice is given to individuals with disabilities that this meeting is being held in a physically accessible location. Please notify the Department of Environment and Natural Resources at least 48 hours before the meeting if you have a disability for which special arrangements must be made. The telephone number for making arrangements is (605) 773-4216.

9. Solid Waste Management Program Funding Applications — Drew Huisken
  - a. Huron
  - b. Vermillion
  - c. Walworth County
  - d. Yankton
10. FFY 2016 Clean Water SRF Annual Report— Mike Perkovich
11. FFY 2016 Drinking Water SRF Annual Report— Mike Perkovich
12. Assignment of Rapid City Consolidated Grant 2015G-403 to South Dakota Game, Fish and Parks — Mike Perkovich
13. TC&G Water Association Request to Amend Project Scope of Consolidated Grant 2016G-201 — Drew Huisken
14. Rescission of Kingbrook Drinking Water State Revolving Fund Loan C462432-06 — Andy Bruels
15. March 30-31, 2017 Meeting
16. Adjourn

**Digital Dakota Network Sites**

**Board of Water and Natural Resources**

**January 5, 2017**

**1:00 p.m. Central Time**

**ABERDEEN**

Northern State University  
1200 S. Jay  
Beulah Williams Library, Room 117

**BROOKINGS**

Department of Transportation  
2131 34th Avenue

**MITCHELL**

Mitchell Technical Institute  
1800 E. Spruce Street  
MTI Technology Center, Room 155

**PIERRE**

Capitol Building  
500 E. Capitol Avenue  
Room B12, Studio A

**RAPID CITY**

University Center  
4300 Cheyenne Blvd.  
Room 113

**SIOUX FALLS**

University Center  
4801 N. Career Avenue  
Room FADM 145

**WATERTOWN**

Department of Environment and Natural Resources  
2001 9th Avenue SW  
Suite 500

The audio recording for this meeting is available on the South Dakota Boards and Commissions Portal at <http://boardsandcommissions.sd.gov/Meetings.aspx?BoardID=108>.

Minutes of the  
Board of Water and Natural Resources Meeting

Conducted via the Digital Dakota Network

Northern State University  
Aberdeen, SD

Department of Transportation  
Brookings, SD

Department of Transportation  
Huron, SD

Mitchell Technical Institute  
Mitchell, SD

Capitol Building  
Pierre, SD

Emergency Operations Center  
Rapid City, SD

University Center  
Sioux Falls, SD

University of South Dakota  
Vermillion, SD

Department of Environment and Natural Resources  
Watertown, SD

November 9, 2016  
1:00 p.m. CST

**CALL MEETING TO ORDER:** The meeting was called to order by Chairman Brad Johnson. A quorum was present.

**BOARD MEMBERS PRESENT:** Brad Johnson, Gene Jones, Jr., Todd Bernhard, Jackie Lanning, Paul Goldhammer, Jerry Soholt, and Dr. Paul Gnirk.

**BOARD MEMBERS ABSENT:** None.

**OTHERS:** See attached sign-in sheets.

APPROVE AGENDA: There were no changes to the posted agenda. Chairman Johnson approved the agenda.

APPROVE MINUTES OF SEPTEMBER 22-23, 2016, AND OCTOBER 19, 2016, MEETINGS: Motion by Bernhard, seconded by Gnirk, to approve the minutes of the September 22-23 and October 19, 2016, Board of Water and Natural Resources meetings. A roll call vote was taken, and the motion carried unanimously.

PUBLIC HEARING TO ADOPT BROWNFIELDS REVITALIZATION AND ECONOMIC DEVELOPMENT PROGRAM WORK PLAN: Chairman Johnson opened the public hearing at 1:05 p.m.

The purpose of the hearing was to receive public input and adopt the FY 2017 Brownfields Revitalization and Economic Development Program work plan. The primary purpose of the work plan is to identify proposed annual Brownfields projects to be funded through the Brownfields Revolving Loan Subfund and Brownfields Assessment and Cleanup Subfund and amounts available to fund such projects.

Kim McIntosh, DENR Ground Water Quality Program, presented and discussed the proposed FY 2017 Brownfields Revitalization and Economic Development work plan. Each year the department receives funds from EPA for the development and enhancement of a state Brownfields program.

DENR currently has no funds available to capitalize the Revolving Loan Subfund. Limited funding is available for the Assessment and Cleanup Subfund. These funds will be used by the department to hire contractors to perform assessment and cleanup work on eligible Brownfields sites. The work plan includes a list of Brownfields assessment and cleanup projects to be funded.

For FY 2017, the department received \$499,700 from EPA for the Brownfields Program.

Notice of the public hearing was published in the Aberdeen American News, Rapid City Journal, and Pierre Capital Journal. Copies of the work plan have been provided to those parties requesting a copy.

Ms. McIntosh stated that no public comments were submitted after publication of the notice.

Chairman Johnson requested public testimony regarding the proposed work plan. There were no public comments.

Ms. McIntosh requested adoption of the work plan. She answered questions from the board.

Motion by Jones, seconded by Lanning, to adopt the FY 2017 Brownfields Revitalization and Economic Development Program work plan. A roll call vote was taken, and the motion carried unanimously.

REVIEW INTEREST RATES FOR THE CLEAN WATER STATE REVOLVING FUND, DRINKING WATER STATE REVOLVING FUND, CONSOLIDATED WATER FACILITIES

CONSTRUCTION PROGRAM, AND SOLID WASTE MANAGEMENT PROGRAMS: Mike Perkovich reported that the current interest rates for each program were adopted in 2009. The board may adjust interest rates at any meeting if the proposed action is included on the board agenda posted for the meeting. Mr. Perkovich reviewed the current interest rates for each program.

**Current Clean Water State Revolving Fund Loan Rates**

	<u>Interest</u>	<u>Admin.</u>	<u>Total</u>
Term up to 30 Years	2.50%	0.75%	3.25%
Term up to 20 Years	2.25%	0.75%	3.00%
Term up to 10 Years	1.50%	0.75%	2.25%
Interim Financing (5 years)	2.00%	0.00%	2.00%
NPS--Watershed Incentive Rate (Up to 30 Years)	1.50%	0.75%	2.25%
NPS--Watershed Incentive Rate (Up to 20 Years)	1.25%	0.75%	2.00%
NPS--Watershed Incentive Rate (Up to 10 Years)	0.75%	0.50%	1.25%

**Current Drinking Water State Revolving Fund Loan Rates**

	<u>Interest</u>	<u>Admin.</u>	<u>Total</u>
Term up to 30 Years **	2.75%	0.50%	3.25%
Term up to 20 Years	2.50%	0.50%	3.00%
Term up to 10 Years	1.75%	0.50%	2.25%
Interim Financing (5 Years)	2.00%	0.00%	2.00%
<u>Disadvantaged Community* Loans up to 30 Years</u>			
Median Household Income (MHI) between 80% of MHI and the MHI	2.50%	0.50%	3.00%
MHI between 60% and 80% of MHI	1.75%	0.50%	2.25%
MHI Income less than 60% of MHI	0.00%	0.00%	0.00%
<u>Disadvantaged Community* Loans up to 10 Years</u>			
MHI between 60% and 80% of MHI	1.00%	0.25%	1.25%

\* Disadvantaged community must meet a MHI and water rate criteria as per ARSD 74:05:11:01(11).

\*\* Must be a municipality or special purpose governmental entities to receive 30-year non-disadvantaged loan.

**Current Consolidated Water Facilities Construction Fund Loan Rates**

	<u>Interest</u>
Term up to 30 Years	3.25%
Term up to 20 Years	3.00%
Term up to 10 Years	2.25%

### Current Solid Waste Management Program Loan Rates

Term up to 20 Years	3.00%
Term up to 10 Years	2.25%

Pursuant to ARSD 74:05:08:18, 74:05:11:17, 74:05:07:15.01, and 74:05:10:12.02, the Board of Water and Natural Resources shall set the interest rates for the Clean Water State Revolving Fund, Drinking Water State Revolving Fund, Consolidated Water Facilities Construction Fund, and Solid Waste Management programs, respectively, based on the following criteria: (1) current market rates, (2) rates secured on state-issued matching funds, and (3) current demand for program funds.

Mr. Perkovich discussed interest rate trends for the USDA Rural Development program, the Board's State Revolving Fund rates for past years, and the current interest rates from other states' State Revolving Fund programs.

Mr. Perkovich provided the staff recommendations for setting interest rates for the four programs. He answered questions from the board.

Motion by Bernhard, seconded by Gnirk, to adopt **Resolution #2016-105** setting the Clean Water State Revolving Fund interest rates as follows:

- The interest rate for conventional loans at 2.0 percent (consisting of 1.25 percent interest rate and 0.75 percent administrative surcharge) for loans with a term up to 10 years, 2.25 percent (consisting of 1.5 percent interest rate and 0.75 percent administrative surcharge) for loans with a term greater than 10 years up to a maximum of 20 years, and 2.5 percent (consisting of 1.75 percent interest rate and 0.75 percent administrative surcharge) for loans with a term greater than 20 years up to a maximum of 30 years;
- The interest rate for interim financing at 2.0 percent (with no administrative surcharge component) for a term up to 5 years;
- The interest rate for NPS-Watershed Incentive loans at 1.0 percent (consisting of 0.5 percent interest rate and 0.5 percent administrative surcharge) for loans with a term up to 10 years, 1.25 percent (consisting of 0.75 percent interest rate and 0.5 percent administrative surcharge) for loans with a term greater than 10 years up to a maximum of 20 years, and 1.5 percent (consisting of 0.75 percent interest rate and 0.75 percent administrative surcharge) for loans with a term greater than 20 years up to a maximum of 30 years; and
- The interest rates established apply only to loans awarded after November 9, 2016, pursuant to applications submitted prior to that date.

A roll call vote was taken, and the motion carried unanimously.

Motion by Goldhammer, seconded by Gnirk, to adopt **Resolution #2016-106** setting the Drinking Water State Revolving Fund interest rates as follows:

- The interest rate for conventional loans at 2.0 percent (consisting of 1.5 percent interest rate and 0.5 percent administrative surcharge) for loans with a term up to 10 years, 2.25 percent (consisting of 1.75 percent interest rate and 0.5 percent administrative surcharge) for loans with a term greater than 10 years up to a maximum of 20 years, and 2.5 percent (consisting of 2.0 percent interest rate and 0.5 percent administrative surcharge) for loans with a term greater than 20 years up to a maximum of 30 years;
- The interest rate for disadvantaged communities at 2.25 percent (consisting of a 1.75 percent interest rate and 0.5 percent administrative surcharge) for loans up to 30 years for communities with a median household income (MHI) between 80 percent to 100 percent of the statewide MHI, and 2.0 percent (consisting of a 1.5 percent interest rate and 0.5 percent administrative surcharge) for loans up to 30 years and 1.0 percent (consisting of a 1.0 percent interest rate and no administrative surcharge) for loans up to 10 years for communities with an MHI between 60 percent to 80 percent of the statewide MHI, and loans with zero percent interest up to 30 years for communities with an MHI less than 60 percent of the statewide MHI;
- The interest rate for interim financing at 2.0 percent (with no administrative surcharge component) for a term up to 5 years; and
- The interest rates established apply only to loans awarded after November 9, 2016, pursuant to applications submitted prior to that date.

A roll call vote was taken, and the motion carried unanimously.

Motion by Bernhard, seconded by Gnirk, to adopt **Resolution #2016-107** setting the Consolidated Water Facilities Construction Program interest rates at 2.0 percent for a term not to exceed the useful life of the project or ten years, whichever is less, 2.25 percent for a term greater than ten years, or the useful life of the project, up to a maximum of twenty years, and 2.5 percent for a term greater than twenty years, or the useful life of the project, up to a maximum of thirty years; and the interest rates established apply only to loans awarded after November 9, 2016, pursuant to applications submitted prior to that date. A roll call vote was taken, and the motion carried unanimously.

Motion by Jones, seconded by Lanning, to adopt **Resolution #2016-108** setting the Solid Waste Management Program interest rates at 2.0 percent for a term not to exceed the useful life of the project or ten years, whichever is less, and 2.25 percent for a term greater than ten years, or the useful life of the project, up to a maximum of twenty years; and the interest rates established apply only to loans awarded after November 9, 2016, pursuant to applications submitted prior to that date. A roll call vote was taken, and the motion carried unanimously.

**STATE WATER PLAN APPLICATIONS:** Water projects which will require state funding or need state support for categorical grant or loan funding need to be on the State Water Plan. At its November planning meeting, the Board of Water and Natural Resources approves projects for placement on the next year's State Water Facilities Plan. Placement of a project on the State Water Plan by the board provides no guarantee of funding. The projects placed on the plan at this meeting will remain on the facilities plan through December 2018.



Andy Bruels presented the following applications that requested placement on the 2016 State Water Plan.

<b>Project Sponsor</b>	<b>Description</b>	<b>Estimated Total Project</b>	<b>Recommendation</b>
Avon	Water Meter Replacement	\$469,860	Place on Facilities Plan
Blunt	Wastewater System Improvements	\$1,310,000	Place on Facilities Plan
Blunt	Storm Water Improvements Note: project is not eligible for Clean Water SRF funding	\$920,000	Place on Facilities Plan
B-Y Water District	Water Treatment Plant Reservoir	\$4,372,488	Place on Facilities Plan
Canova	Drinking Water Improvements	\$225,920	Place on Facilities Plan
Centerville	Main Street Storm Sewer Improvements	\$214,000	Place on Facilities Plan
Colton	Sanitary Sewer and Watermain Improvements	\$2,668,759	Place on Facilities Plan
Dell Rapids	Water and Sewer Improvements - Phase I	\$14,427,000	Place on Facilities Plan
Doland	Water Meter Replacement	\$104,300	Place on Facilities Plan
Elk Point	Lagoon Expansion	\$283,000	Place on Facilities Plan
Faith	Wastewater System Improvements	\$1,472,814	Place on Facilities Plan
Fort Pierre	Wastewater System Improvements	\$2,229,300	Place on Facilities Plan
Harrisburg	Wastewater Treatment Facility Construction	\$23,917,000	Place on Facilities Plan
Hermosa	Water Source and Distribution	\$199,000	Place on Facilities Plan
Hot Springs	North 24th Street Sewer Expansion	\$270,000	Place on Facilities Plan
Humboldt	Water Meters and Phase 2 Wastewater Replacement	\$3,049,030	Place on Facilities Plan
Lake Norden	Wastewater Collection System Improvements	\$510,000	Place on Facilities Plan
Langford	Water Distribution and Storage Improvements	\$1,922,000	Place on Facilities Plan
Lead-Deadwood Sanitary District	Peake Ditch Pipeline Rehabilitation	\$1,061,000	Place on Facilities Plan
Lesterville	Watermain Replacement and Looping	\$448,500	Place on Facilities Plan
North Sioux City	Northshore Forcemain	\$557,000	Place on Facilities Plan
Onida	Wastewater Collection Improvements	\$7,900,000	Place on Facilities Plan
Philip	Water Meter Replacement	\$340,000	Place on Facilities Plan
Pine Cliff Park Water and Maintenance, Inc.	Water System Improvements	\$398,000	Place on Facilities Plan
Salem	Sanitary Sewer and Watermain Improvements	\$3,768,990	Place on Facilities Plan
South Shore	Water System Improvements	\$2,650,000	Place on Facilities Plan
Summerset	Wastewater Treatment Improvements	\$2,769,000	Place on Facilities Plan

Sturgis	Wastewater Treatment Improvements	\$19,256,000	Place on Facilities Plan
Tea	271st Street Watermain and Sanitary Sewer Extension	\$1,563,000	Place on Facilities Plan
Valley Springs	Water and Sewer System Improvements	\$15,324,000	Place on Facilities Plan
Volga	Lift Station Construction	\$619,200	Place on Facilities Plan
Watertown	Kittelson Addition Sanitary Sewer Extension	\$832,896	Place on Facilities Plan
WEB Water Development Association, Inc.	Mainline Improvements	\$22,504,300	Place on Facilities Plan
Worthing	Water Meter Replacement	\$120,000	Place on Facilities Plan

Mr. Bruels noted that, with the exception of the Blunt storm water project which is not SRF eligible, the projects listed above will also be placed on to their respective Intended Use Plans.

Staff recommended placing all of the projects listed above on the 2017 State Water Facilities Plan.

Mr. Bruels answered questions from the board.

Motion by Gnirk, seconded by Soholt, to accept the staff recommendations to place the projects listed above on the 2017 State Water Facilities Plan. A roll call vote was taken, and the motion carried unanimously.

PUBLIC HEARING TO ADOPT THE FFY 2017 CLEAN WATER SRF INTENDED USE PLAN:  
Chairman Johnson opened the public hearing at 1:52 p.m. CST.

The hearing was public noticed in accordance with applicable state and federal requirements.

The purpose of the hearing was to receive public input and adopt the Federal Fiscal Year 2017 Clean Water State Revolving Fund (SRF) Intended Use Plan (IUP).

The IUP identifies how the funds for the Clean Water SRF program will be used in the upcoming year and includes a Project Priority List. Projects must be included on this list in order to receive SRF funding.

Andy Bruels presented the FFY 2017 Clean Water SRF Intended Use Plan and discussed changes from previous years. He answered questions from the board.

Chairman Johnson requested public comments regarding the Clean Water SRF IUP. No one offered comments, and no written comments were received.

Motion by Goldhammer, seconded by Gnirk, to approve the Federal Fiscal Year 2017 Clean Water State Revolving Fund Intended Use Plan as presented. A roll call vote was taken, and the motion carried unanimously.

PUBLIC HEARING TO ADOPT THE FFY 2017 DRINKING WATER SRF INTENDED USE PLAN: Chairman Johnson opened the public hearing at 2:07 p.m. CST.

The hearing was public noticed in accordance with applicable state and federal requirements.

The purpose of the hearing was to receive public input and adopt the FFY 2017 IUP for the Drinking Water SRF program.

The IUP describes how the board intends to use available funds to meet the objectives of the Safe Drinking Water Act. The IUP outlines the set-aside activities to be performed and amount of funding allocated to these. A prioritized list of potential drinking water projects is also included in the IUP. Projects seeking a Drinking Water SRF loan must be included on the priority list.

Mr. Bruels presented the FFY 2017 Drinking Water SRF IUP and discussed changes from previous years.

Chairman Johnson requested public comments regarding the Drinking Water SRF IUP. No one offered comments and no written comments were received.

Motion by Lanning, seconded by Gnirk, to approve the Federal Fiscal Year 2017 Drinking Water State Revolving Fund Intended Use Plan as presented. A roll call vote was taken, and the motion carried unanimously.

REVIEW OF THE CONSERVANCY DISTRICT'S INVESTMENT POLICY AND INVESTMENT RETURNS: Mr. Peschong reported that the current investment policy was approved pursuant to Resolution #2015-15. The resolution was adopted on January 8, 2015, by the Board of Water and Natural Resources acting as the South Dakota Conservancy District and made effective February 17, 2015. Section 15 of the Investment Policy states the board will annually review the policy.

The investment policy specifies the amount of funds that must be invested in certain high rated investments. The policy also limits the amount of certain funds that can be invested in other sources, such as the South Dakota Cash Flow Fund. Having an investment policy helps ensure the district maintains its outstanding bond ratings.

The current policy requires that 15 percent of the total trust funds be invested in investment obligations rated one of the two highest long-term rating categories or the highest short-term rating category by the Rating Agencies. This percentage is reviewed annually to ensure the district is not limiting its investment options, while still providing the assurance necessary for the rating agencies to maintain the AAA bond ratings.

Public Financial Management (PFM), the district's SRF financial advisor, has determined that the 15 percent restriction should not be adjusted for the upcoming program year.

Jon Peschong presented an overview of the State Revolving Fund investment returns. The total interest deposited into the State Revolving Fund programs in SFY 2016 was \$7,123,993. This

amount was from the Guaranteed Investment Contracts with MBIA and AIG, South Dakota Cash Flow Fund, U.S. Treasury notes, federal agency bonds, and Federated money market account.

Mr. Peschong reviewed the SD Cash Flow Fund historic rates, State Revolving Fund loan programs loan portfolio, and loan repayments in SFY 2016.

Staff recommended the board retain the previously adopted South Dakota Conservancy District investment policy.

Motion by Bernhard, seconded by Jones, to retain the South Dakota Conservancy District investment policy as adopted on January 8, 2015, and made effective on February 17, 2015. A roll call vote was taken, and the motion carried unanimously.

ASSURANCES, TERMS, AND CONDITIONS FOR THE CONSOLIDATED WATER FACILITIES CONSTRUCTION PROGRAM: Mr. Perkovich reported that Senate Bill 162, passed by the 2016 legislature, requires that recipients of grants from state agencies must attest to certain requirements when receiving a grant. The requirements include:

- A conflict of interest policy is enforced within the Grantee's organization;
- Internal Revenue Service Form 990 has been or will be filed, if applicable, in compliance with federal law, and will be displayed immediately after filing on the Grantee's website or if Grantee does not maintain a website a copy of the form will be sent to the state;
- An effective internal control system is employed by the Grantee's organization;
- Grantee is in compliance with the federal Single Audit Act, if applicable, in compliance with SDCL 4-11-2.1, and that audits are displayed on the Grantee's website or if Grantee does not maintain a website copies of audits will be sent to the state.

To make sure future grant agreements are in compliance with the new legislation, a new set of Assurances, Terms, and, Conditions for the Consolidated Water Facilities Construction Program has been prepared with the help of legal counsel. The primary change is the addition of Section 17, which addresses the requirements set forth in Senate Bill 162. Other revisions involved minor grammatical changes and updating section references.

Staff recommended the board adopt the new Assurances, Terms, and Conditions.

Motion by Soholt, seconded by Lanning, to adopt the new Assurances, Terms, and Conditions for the Consolidated Water Facilities Construction Program. A roll call vote was taken, and the motion carried unanimously.

STATE WATER RESOURCES MANAGEMENT SYSTEM (SWRMS) RECOMMENDATIONS: Jim Feeney reported that SDCL 46A-1-2.1 designates the water resource projects included on the State Water Resources Management System (SWRMS) component of the State Water Plan, that serve as the preferred priority objectives of the state.

The Board of Water and Natural Resources annually reviews the projects included on the SWRMS component and makes recommendations to the Governor and State Legislature regarding any deletions, additions, or retention of projects on the SWRMS component.

The following projects are currently included on the SWRMS list:

Belle Fourche Irrigation Upgrade Project  
Big Sioux Flood Control Study  
Cendak Irrigation Project  
Gregory County Pumped Storage Site  
Hydrology and Water Management Studies  
Lake Andes-Wagner/Marty II Irrigation Unit  
Lewis and Clark Rural Water System  
Sioux Falls Flood Control Project  
Southern Black Hills Water System  
Vermillion Basin Flood Control Project

Staff recommended that all projects currently on the SWRMS component of the State Water Plan be retained as preferred, priority objectives of the state.

Mr. Feeney answered questions from the board.

Motion by Gnirk, seconded by Goldhammer, to adopt **Resolution #2016-109** recommending to the Governor and the State Legislature that all water resource projects currently on the State Water Resources Management System be retained as preferred, priority objectives of the state. A roll call vote was taken, and the motion carried unanimously.

OMNIBUS BILL FUNDING RECOMMENDATIONS: Mr. Peschong reported that the board annually conducts a public meeting to take statements from interested parties regarding water and waste funding needs. A board resolution is developed to recommend funding levels to the Governor and Legislature for individual State Water Resources Management System projects, the consolidated program, the solid waste program, and other special appropriations for water development.

Mr. Peschong discussed the process for obtaining the funding levels available for the appropriation recommendations. Since the dedicated funding sources were established in the early 1990s, this process has provided more than \$275,000,000 dollars for water and waste projects throughout South Dakota.

Mr. Peschong provided a summary of dedicated funding deposited into the Water and Environment Fund, and he identified and discussed the dedicated funding revenue sources.

Mr. Peschong detailed the estimates of \$10,970,000 in dedicated water funding and \$2,270,000 in dedicated solid waste funding being available for appropriation in the 2017 Omnibus Bill.

Mr. Feeney discussed the proposed appropriation levels from the Water and Environment Fund (WEF) and the WEF State Revolving Fund subfunds.

Mr. Feeney presented the SWRMS funding request submitted by the Department of Environment and Natural Resources.

Hydrology and Water Management Studies: The Department of Environment and Natural Resources requested \$450,000 for the Big Sioux River Basin Hydrologic Model and other hydrology studies. The department recommended that the board recommend to the Governor and State Legislature a line item appropriation level of \$450,000 for Hydrology and Water Management Studies.

The department recommended an appropriation level of \$10,500,000 for the Consolidated Water Facilities Construction Program and \$2,250,000 for the Solid Waste Management Program, with up to \$250,000 of those funds being used for statewide cleanup of waste tires and solid waste.

The department recommended the following Water and Environment Fund Subfund appropriation levels:

CWSRF Administrative Surcharge Fees	
Water Quality Grants	\$ 1,000,000
CWSRF Application and Administration Assistance	\$ 150,000
DWSRF Application and Administration Assistance	\$ 150,000
Federal Drinking Water SRF Set-Aside Funds	
Small System Technical Assistance	\$ 150,000
WEF Subfund Total	\$1,450,000

The department recommended that SDCL 1-40-32 be amended to increase the amount transferred from the Water and Environment Fund to the Environment and Natural Resources Fee Fund from \$500,000 or all of the interest deposited, whichever is less, to \$600,000 per year, or all of the interest deposited, whichever is less.

Mr. Feeney answered questions from the board.

Motion by Gnirk, seconded by Bernhard, to adopt **Resolution #2016-110** recommending to the Governor and State Legislature Water and Environment Fund Fiscal Year 2018 appropriation levels of \$450,000 for Hydrology and Water Management Studies, \$10,500,000 for the Consolidated Water Facilities Construction Program, \$2,250,000 for the Solid Waste Management Program with \$250,000 of these funds to be used for the statewide cleanup of waste tires and solid waste, \$1,000,000 for Water Quality Grants, \$150,000 for Clean Water SRF Application and Administration Assistance, \$150,000 for Drinking Water SRF Application and Administration Assistance, \$150,000 for Small System Technical Assistance, and that SDCL 1-40-32 be amended to increase the amount transferred from the Water and Environment Fund to the Environment and Natural Resources Fee Fund from \$500,000 or all of the interest deposited, whichever is less, to \$600,000 per year, or all of the interest deposited, whichever is less. A roll call vote was taken, and the motion carried unanimously.

APPROVAL OF 2016 ANNUAL REPORT AND 2017 STATE WATER PLAN: In accordance with South Dakota Codified Laws 46A-2-2, 46A-1-10 and 46A-1-14, an Annual Report and State

Water Plan is to be presented to the Legislature and the Governor by the first day of the legislative session.

Andy Bruels stated that the report is similar in format to the report that was presented last year. The annual report provides a brief description of the activities that have been undertaken by the Board of Water and Natural Resources during calendar year 2016, and includes tables detailing the funding awards approved by the board throughout the year.

The board has awarded more than \$83.1 million dollars in grant and loan funding for planning, design, and construction of municipal drinking water, wastewater, lake and watershed restoration, rural water, solid waste disposal and recycling projects. These awards were critical in having environmental projects totaling more than \$131,600,000.

The State Water Plan identified the projects approved for placement onto the 2017 facilities plan and provides information for projects on the State Water Resources Management System.

Earlier in the meeting, the board placed 34 projects on the facilities plan, bringing the total number of projects on the 2017 water facilities plan to 176. Projects that have received funding from the board remain on the facilities plan until project completion and remain eligible to request additional funding if costs increase.

The SWRMS component of the State Water Plan includes the 10 existing projects on the list and the recommendation for them to remain. The final version of the report will provide the board's recommendation for the Omnibus bill and funding levels for various water and solid waste projects, the programs, and activities. The board's recommendations for the SWRMS list designations, the funding levels for projects, programs and activities and the Water and Environment Fund special condition statement are provided as appendices to the report.

Staff requested the board approve the 2016 Annual Report and 2017 State Water Plan and authorize the staff to print and distribute the report to the State Legislature, Governor, and other interested parties on behalf of the board.

Mr. Bruels and Mr. Feeney answered questions from the board.

Motion by Jones, seconded by Lanning, to approve the 2016 Annual Report and 2017 State Water Plan for distribution to the State Legislature and the Governor. A roll call vote was taken, and the motion carried unanimously.

UPDATE ON REQUEST FOR PROPOSALS FOR TRUSTEE, LOAN SERVICER, AND PAYING AGENT/REGISTRAR SERVICES FOR THE STATE REVOLVING FUND PROGRAMS: Mr. Perkovich reported that proposals were received by the October 25, 2016, deadline from American Bank & Trust, BankWest, BNY Mellon, US Bank, and Zions Bank.

Two telephone conference calls regarding the proposals were held between staff, legal and bond counsel, financial advisor, and the board subcommittee. The group chose a candidate for a face-to-face meeting and staff is in the process of scheduling a meeting in Sioux Falls with this firm. A second firm may be considered depending on the outcome of the meeting.

Mr. Perkovich noted that staff hopes to have a Trustee on board by January 1, 2017. A special board meeting will be required sometime in December.

CANTON REQUEST TO AMEND SCOPE OF DRINKING WATER SRF LOAN C462039-02:  
Drew Huisken reported that in March 2015, Canton was awarded a \$1,550,000 Drinking Water SRF loan for the installation of two new wells and upgrades to the existing pumps and control system.

At this time, the city is proceeding with only the Phase 2 –Existing High Service Pumps Upgrade. The city of Canton is still evaluating alternatives for addressing water supply issues that are also funded by this loan.

On October 5, 2016, the department received an updated project scope and a letter from the city of Canton requesting to amend the scope of the loan to include additional improvements to the pump building. Several deficiencies have been found that were not included in the original facility plan. The updated project scope includes recommended improvements to address these issues as well as a cost estimate of the proposed work.

The original cost of the existing high service pumps upgrade was \$491,000. The improvements included in the scope update have an estimated construction cost of \$785,000 and a total project cost of \$982,000. Improvements at the site include general, structural, operational, mechanical, and electrical upgrades.

Staff recommended the board amend the scope of Drinking Water SRF Loan C462039-02 to include the improvements proposed in scope update for the August 2013 Facility Plan, Phase 2 – Existing High Service Pumps Upgrade. The total loan amount remains the same.

Motion by Lanning, seconded by Goldhammer, to amend the scope of Canton's Drinking Water SRF Loan C462039-02 to include the improvements proposed in scope update for the August 2013 Facility Plan, Phase 2 – Existing High Service Pumps Upgrade. A roll call vote was taken, and the motion carried unanimously.

LENNOX REQUEST TO AMEND REVENUE PLEDGE FOR CLEAN WATER SRF LOAN C461105-06: David Ruhnke reported that in March 2015 the Board of Water and Natural Resources approved a \$1,873,000 Clean Water State Revolving Fund loan (C461105-06) for the city of Lennox. At that time, Lennox pledged surcharge revenue for repayment of the loan.

Mr. Ruhnke noted that the loan has not closed.

Lennox has requested approval of amendment of the loan changing the revenue pledged as security for repayment of the loan to storm drainage fee revenue. Staff analysis indicated that storm drainage revenue will provide the required 110 percent debt coverage.

Staff recommended that the board rescind Resolution #2015-36 and approve a new resolution changing the pledge for repayment of the loan from a pledge of project surcharge revenue to a pledge of storm drainage fee revenue.



The original project was for storm and sanitary sewer improvements. Mr. Ruhnke noted that this loan will be only for the storm water side of this project.

Motion by Jones, seconded by Soholt, to rescind Resolution #2015-36 and adopt **Resolution #2016-111** approving the Clean Water State Revolving Fund loan up to a maximum committed amount of \$1,873,000 at 3.25 percent interest for 30 years to the city of Lennox for Main Street storm water improvements, and authorizing the execution of the loan agreement, the acceptance of the Local Obligation, the assignment of the Local Obligation to the Trustee, and the execution and delivery of such other documents and the performance of all acts necessary to effectuate the loan approved in accordance with all terms as set forth in the Indenture of Trust, contingent upon the borrower adopting a bond resolution and the resolution becoming effective, contingent upon the borrower maintaining a storm water assessment sufficient to provide the required debt coverage, and contingent upon verification that the borrower has an active registration with the federal System for Award Management. A roll call vote was taken, and the motion carried unanimously.

NEXT MEETING: The next board meeting will be via the Digital Dakota Network on January 5, 2017, at 1:00 p.m. Central Time.

Mr. Perkovich discussed possible agenda items.

ADJOURN: Motion by Bernhard, seconded by Soholt, that the meeting be adjourned. A roll call vote was taken, and the motion carried unanimously.

Approved this 5<sup>th</sup> day of January, 2017.

(SEAL)

\_\_\_\_\_  
Chairman, Board of Water and  
Natural Resources

ATTEST:

\_\_\_\_\_  
Secretary, Board of Water and  
Natural Resources

ATTENDANCE SHEET  
BOARD OF WATER AND NATURAL RESOURCES MEETING

CONDUCTED VIA THE DIGITAL DAKOTA NETWORK

NOVEMBER 9, 2016

PIERRE  
CAPITOL BUILDING

NAME (PLEASE PRINT)

ADDRESS

REPRESENTING

<u>NAME (PLEASE PRINT)</u>	<u>ADDRESS</u>	<u>REPRESENTING</u>
Jon PESCHONG	DENR - Pierre	DENR
Kim McIntosh	Pierre	DENR
Bob Mercer	Pierre	Newspapers
Derek Lankford	1	DENR
Allen Prince	Pierre	DENR
Andy Bruels	Pierre	DENR
Mike Perkovich	Pierre	DENR
Jim Feeney	Pierre	DENR
NICK NELSON	DENR PIERRE	DENR
PAUL GNIRK	NEW UNDERWOOD	BWNR
Paul BRIDHAMMER	WALL	BWNR
TODD BERNHARD	FORT PIERRE	BWNR
Drew Huisken	DENR	DENR
Marlene Kutsen	Pierre	CSDED





ATTENDANCE SHEET  
BOARD OF WATER AND NATURAL RESOURCES MEETING

CONDUCTED VIA THE DIGITAL DAKOTA NETWORK

NOVEMBER 9, 2016

RAPID CITY EMERGENCY OPERATIONS CENTER  
RAPID CITY, SD

NAME (PLEASE PRINT)

ADDRESS

REPRESENTING

LINDA KRAMER

HEERMOST

Town of Heermost

ALI DEMERSSEMANN

730 E. WATERFORD, RC

BHCOLG

Robert Smith

2050 W. main, RC

SD DENR

DRAFT

ATTENDANCE SHEET  
BOARD OF WATER AND NATURAL RESOURCES MEETING  
CONDUCTED VIA THE DIGITAL DAKOTA NETWORK

NOVEMBER 9, 2016

SIOUX FALLS  
UNIVERSITY CENTER

NAME (PLEASE PRINT)

ADDRESS

REPRESENTING

Cyber Jones Jr.

SF, SD

BWNR

BRAD FREHEIM

Centerville

VBWDD

DRAFT



The audio recording for this meeting is available on the South Dakota Boards and Commissions Portal at <http://boardsandcommissions.sd.gov/Meetings.aspx?BoardID=108>.

Minutes of the  
Board of Water and Natural Resources  
Telephone Conference Call Meeting  
523 East Capitol  
Pierre, South Dakota

December 7, 2016  
9:00 a.m. CST

CALL TO ORDER: The meeting was called to order by Chairman Brad Johnson. A quorum of the board participated.

BOARD MEMBERS PRESENT: Brad Johnson, Gene Jones, Jr., Jackie Lanning, Paul Goldhammer, Dr. Paul Gnirk, and Jerry Soholt.

BOARD MEMBERS ABSENT: Todd Bernhard.

OTHERS: Jim Feeney, Mike Perkovich, Andy Bruels, Jon Peschong, David Ruhnke, and Harold Deering, DENR; Jessica Cameron, PFM, Bruce Bonjour, Perkins Coie, Greg Skutnit and Dyan Huhta, U.S. Bank, and Jay Gilbertson, East Dakota Water Development District.

APPROVE AGENDA: There were no changes to the posted agenda. Chairman Johnson approved the agenda.

SELECTION OF TRUSTEE, LOAN SERVICER, AND PAYING AGENT/REGISTRAR: Mike Perkovich stated that on September 2, 2016, The First National Bank in Sioux Falls submitted written notice of its resignation as the State Revolving Fund programs Trustee, Loan Servicer, and Paying Agent/Registrar. At its meeting in September the Board authorized the release of a Request for Proposals for Trustee, Loan Servicer, and Paying Agent/Registrar services.

The Request for Proposals was released on September 26, 2016, with a response deadline of October 25, 2016. Proposals were received from American Bank and Trust, BankWest, BNY Mellon, U.S. Bank, and Zions Bank.

DENR and legal counsel reviewed and evaluated the proposals based on the criteria outlined in the Request for Proposals.

Chairman Johnson had previously appointed a board subcommittee consisting of himself, Gene Jones, and Jerry Soholt. The subcommittee also reviewed the proposals and worked with staff to develop a recommendation for the selection of a Trustee, Loan Servicer, and Paying Agent/Registrar.

Staff recommended the board adopt a resolution selecting U.S. Bank as the Trustee, Loan Servicer, and Paying Agent/Registrar for the Clean Water and Drinking Water State Revolving Loan Fund programs. The resolution authorizes the DENR staff to enter into negotiations for a



Board of Water and Natural Resources  
December 7, 2016, Telephone Conference Call Meeting Minutes

consultant contract with U.S. Bank for calendar years 2017 through 2019. The resolution also authorizes the staff to enter into negotiations with U.S. Bank and The First National Bank in Sioux Falls for the transfer of the Trust Estates and duties as Trustee to U.S. Bank, and it designates the secretary of the Department of Environment and Natural Resources as the representative of the board to do all things on its behalf.

Bruce Bonjour, Perkins Coie, stated that the proposal includes fees for the 2017 through 2019 time period, but when the board ultimately decides to transfer, the U.S. Bank will become the Trustee until terminated under the Trust Indenture. U.S. Bank is Trustee, in effect, for the life of the bonds unless removed pursuant to the Trust Indenture in the same way that The First National Bank in Sioux Falls is.

Motion by Jones, seconded by Soholt, to adopt Resolution #2016-112 approving the selection of U.S. Bank National Association (U.S. Bank) to provide services as successor Trustee, Loan Servicer, and Paying Agent/Registrar for the Clean Water and Drinking Water State Revolving Fund Programs, authorizing the negotiation of a consultant contract between the board and U.S. Bank for those services; authorizing the negotiation of an agreement among the South Dakota Conservancy District, U.S. Bank and The First National Bank in Sioux Falls for the transfer of the Trust Estate and duties as Trustee to U.S. Bank; and authorizing the secretary of the Department of Environment and Natural Resources to act on its behalf. A roll call vote was taken, and the motion carried unanimously.

Greg Skutnit thanked the board for selecting U.S. Bank.

Mr. Perkovich requested that Chairman Johnson appoint an acting secretary to execute the resolution.

Chairman Johnson appointed Jerry Soholt as acting secretary.

Discussion took place regarding the transition process.

ADJOURN: Motion by Lanning, seconded by Jones, that the meeting be adjourned. A roll call vote was taken, and the motion carried.

Approved this 5<sup>th</sup> day of January, 2017.

(SEAL)

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Chairman, Board of Water and Natural Resources

ATTEST:

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Secretary, Board of Water and Natural Resources

January 5, 2017

Item 4

TITLE: Nonpoint Source Program: Applications for FFY 2017 319 Funds

EXPLANATION: The Board of Water and Natural Resources is the designated entity that provides the state's Section 319 nonpoint source project funding recommendations to EPA. The Board considers recommendations from DENR and the Nonpoint Source (NPS) Task Force as part of its selection process. Nine applications for 319 funding were received by DENR, reviewed by the NPS Task Force, and are scheduled for presentation to the Board.

The 2017 Clean Water SRF Intended Use Plan authorized the use of \$1,000,000 of administrative surcharge fees to supplement the Consolidated and Section 319 programs for wastewater treatment and TMDL implementation projects. The DENR and NPS Task Force recommendations reflect both the anticipated FFY 2016 Section 319 federal funding allocation and \$150,000 in Clean Water SRF Water Quality grant awards.

With final FFY 2017 appropriation levels being delayed until the new administration and congress are in place, DENR recommends that up to \$250,000 in Water Quality grant funding be allocated for these projects. The additional \$100,000 would be used address up to a 4 percent decrease in federal 319 funding. If the decrease is more than 4 percent, all pass through grants will be reduced proportionately.

The following applications are presented for the Board's consideration:

- a. Belle Fourche River Watershed Implementation Project—Segment 8
- b. Northeast Glacial Lakes Watershed Implementation Project—Segment 4
- c. SD Nonpoint Source Information and Education Project—Segment 5
- d. South Central Watershed Implementation Project—Segment 1 (Amendment)
- e. Water Quality Planning Project
- f. South Dakota School of Mines and Technology Dredging Project
- g. Soil Health Improvement and Planning Project
- h. South Dakota Envirothon
- i. Grassland Management and Planning Project—Segment 5

COMPLETE APPLICATIONS: A funding summary and a summary of the applications have been provided as part of the board packet. Complete applications are available on line and can be accessed by typing the following address in your internet browser and following the indicated links:

<http://denr.sd.gov/dfta/wp/319apps/319applications.aspx>

If you would like hard copies of the applications, please contact Vicki Maberry at (605) 773.4254.

January 5, 2017

Item 4

RECOMMENDED ACTION: Approve Section 319 project funding recommendations to EPA.

Authorize the Department of Environment and Natural Resources to enter into grant agreements with the project sponsors recommended for FFY 2017 federal Section 319 grant assistance in the amount of \$1,864,000 and up to \$250,000 from Clean Water SRF administrative surcharge fees pursuant to the 2017 Clean Water SRF Intended Use Plan, contingent upon the 2017 Legislature authorizing the required budget authority for the awards.

CONTACT: Barry McLaury (605) 773.4254

# Section 319 and Consolidated Program Watershed Restoration Project Applications



## Statewide Projects

SD Nonpoint Source I&E

Water Quality Planning

Soil Health Improvement and Planning

South Dakota Envirothon

Grassland Management and Planning

## 2017 Section 319 Nonpoint Source Project Summaries And Funding Recommendations

### **Belle Fourche River Watershed Implementation Project - Segment 8**

**Total Cost: \$3,130,900**

**319 Grant Request: \$1,144,000**

The Belle Fourche River Watershed Partnership is the project sponsor for this two-year project. This is the eighth Segment that addresses seven TMDLs. Completed activities planned for this Segment will continue implementing BMPs that reduce E. coli and advance the BMP implementation for TSS pollutants. These BMPs include installing irrigation sprinkler systems, implementing grazing management systems, installing riparian vegetation improvements, implementing improved cropping systems, and relocating livestock feeding grounds.

**DENR Funding Recommendation: \$650,000 of Section 319 funds for 2 years; that only \$200,000 of the \$600,000 requested for irrigation be provided for conversion to sprinkler irrigation and the use of these funds limited to the priority Horse Creek Watershed, \$150,000 for riparian improvement, \$39,000 for water quality monitoring, and the balance for project management/administration.**

- Water quality data reviewed by DENR staff indicates total suspended solids are violating water quality standards during storm events and high flows. During the growing season Irrigation return flow water and low flow sampling indicates total suspended solids are meeting water quality standards. This needs further review in order to determine exactly what is going on.
- For this reason we asked the sponsor to make Horse Creek their priority area for increased implementation and monitoring similar to what is being done in Skunk and Firesteel creeks.

### **Northeast Glacial Lakes Watershed Project - Segment 4**

**Total Cost: \$676,260**

**319 Grant Request: \$309,800**

This is the fourth segment of a multi-year, locally led effort to implement best management practices recommended by completed watershed assessments, and to build on previous efforts and protect water quality improvements realized from previous implementation projects. This two-year project will continue to protect and improve the water quality of northeast South Dakota glacial lakes, streams and rivers by implementing best management practices that reduce the amount of fecal coliform bacteria, nutrients, and sediment loads entering project water bodies, maintaining their assigned beneficial uses.

**DENR Funding Recommendation: \$250,000 of Section 319 funds for 2 years; that 319 funds will provide match for 1.5 FTEs instead of the 2 FTEs proposed in the work plan.**

- With limited funds we have for implementation, we reviewed project staffing levels and workloads for all projects and determined the NEGL Project can function on 1.5 FTE.

## **SD Nonpoint Source Information and Education Project - Segment 5**

**Total Cost: \$511,508**

**319 Grant Request: \$300,000**

The 2017 South Dakota Nonpoint Source Information and Education Project is designed to continue providing South Dakota's citizens information and education opportunities about nonpoint source pollution in order to gain their support for and participation in nonpoint source pollution prevention and reduction practices. This three-year project will focus on outreach to South Dakota's adults using a combination of traditional and innovative methods, support local and regional activities through a competitive Mini-grants Program, and increase teacher, student and adult awareness of and proficiency in watersheds and watershed protection.

**DENR Funding Recommendation: \$250,000 (\$200,000 of Section 319 funds plus \$50,000 CWSRF-WQ funds) for 2 years instead of 3 to help make up shortfall in available funding; that up to \$50,000 of the 319 funds be dedicated to Envirothon at \$25,000 per year.**

## **South Dakota Envirothon**

**Total Cost: \$227,840**

**319 Grant Request: \$60,000**

This two-year project will build natural resources literacy through a hands-on, environmental education program and team competition for high school-aged students. Teams are formed from associated high schools, home school groups, 4H, and FFA, and study through the year with their coach in preparation for the state-wide competition in late spring. A team of five students and an alternate are invited to participate in the competition. Natural resource professionals assemble resources to assist in the education process in the areas of soil, forestry, wildlife, aquatic ecosystems, and a current topic. The topic released for the 2017 year of study is Agricultural Soil and Water Conservation. One of the teams competing at the South Dakota Envirothon Competition also has the opportunity to advance to the North American Envirothon Competition.

**DENR Funding Recommendation: No funding. The SD Envirothon project previously leveraged \$20,000 through the SD Discovery Center. It makes sense to continue in this manner since the process for them to receive funds through the Discovery center is already in place.**

## **South Central Watershed Implementation Project - Segment 1 (Amendment)**

**Total Cost: \$9,005,618**

**319 Grant Request: \$650,000**

This three-year project is the first segment of a locally planned multi-year (10-15 year) effort to implement Best Management Practices (BMPs) in the Lewis and Clark Lake watershed, Lake Andes, Geddes, Academy and Platte Lake watersheds, impaired stretches of the Lower James River tributaries, and impaired reaches in the Vermillion River watershed. This effort is aimed at restoring water quality to meet designated beneficial uses and address TMDLs established, and to be established, for water bodies in these watersheds.

**DENR Funding Recommendation: \$464,000 of Section 319 funds**

- Funding decision based on the project receiving \$931,335 in 2016.

## **Water Quality Planning Project**

**Total Cost: \$943,848**

**319 Grant Request: \$351,848**

This two-year project will provide accelerated planning and implementation of agricultural Best Management Practices (BMPs) in select 303(d) listed water bodies in South Dakota. Emphasis will be placed on providing accelerated planning, design and implementation of various buffer practices that protect riparian zones. The project will also provide information, education and outreach to local landowners and the general public to provide a better understanding of the BMPs and their relationship to water quality benefits.

### **DENR Funding Recommendation: No funding.**

*The planning effort through this project & 303 (d) is winding down and no new ideas or direction has been developed.*

## **South Dakota School of Mines and Technology Dredging Project**

**Total Cost: \$234,506**

**319 Grant Request: \$140,699**

This two-year project will evaluate the effectiveness of dredging on lake water quality by examining three waterbodies (Horsethief Lake, Legion Lake, and Center Lake) that are in close proximity to each other and had varying amounts of dredging implemented recently. In addition, samples will be collected frequently to develop a standard sampling design for lake water quality monitoring. Chlorophyll a has been proposed as a new standard for lake water quality. However, chlorophyll a concentrations fluctuate with nutrient availability and algal species composition shifts throughout the year and particularly during the summer recreational use period. Outcomes from this project will provide insight into the effectiveness of dredging as a BMP and broader insight into future implementation of BMPs incorporating chlorophyll a.

### **DENR Funding Recommendation: No funding.**

- *Dredging is not promoted as a BMP by the NPS program.*

## **Soil Health Improvement and Planning Project**

**Total Cost: \$301,800**

**319 Grant Request: \$168,000**

This two-year project will improve soil health through planning and implementation of agricultural Best Management Practices (BMPs) and outreach to producers in select 303(d) listed water bodies in South Dakota. Outreach will include planning and holding workshops and field demonstration tours to educate and inform producers of ways to manage land to reduce runoff and improve nutrient cycling which will ultimately improve water quality. There will be demonstration plots developed for cover crops and/or no-till planting methods at four locations. These demonstration plots are in addition to planned workshops covering grazing management, livestock integration onto cropland, and diverse crop rotations. The project will also provide information and education to local landowners and the general public to provide a better understanding of soil health and its relationship to water quality benefits.

**DENR Funding Recommendation: \$150,000 (\$100,000 in 319 funds plus \$50,000 in CWSRF-WQ funds) for 2 years. This new initiative will complement, coordinate and expand soil health efforts already started by 319 implementation projects, NRCS, SDSU, and producer groups in the state. It also supports efforts between NRCS and EPA on the national level.**

#### **Grassland Management & Planning Project – Segment 5**

**Total Cost: \$824,380**

**319 Grant Request: \$368,880**

This project is a two-year continuation of the current statewide Grassland Management and Planning project that will provide grassland managers with accelerated technical assistance to plan 100,000 acres of intensive grassland management systems, implement 100,000 acres of intensive grassland management systems, and transfer grassland management information gained from on-ranch demonstration projects and systems implemented to ranchers, researchers, agency specialists and the public.

**DENR Funding Recommendation: \$250,000 (\$200,000 in 319 funds plus \$50,000 in CWSRF-WQ funds) for 2 years; that 319 and Water Quality funds combined will provide match for 1.0 FTE instead of the 2 FTEs listed in the work plan.**

- With limited funds we have for implementation, we reviewed project staffing levels and workloads for all projects and determined the Grasslands project can function on 1.0 FTE plus funds for range consultant for the on the ground work developing grazing plans.



**FFY 2017 319 NONPOINT SOURCE PROGRAM  
FUNDING RECOMMENDATIONS**

FFY 2017 FUNDING

NPS Program Funds	\$1,272,000
Watershed Project Funds	<u>\$1,272,000</u>
	\$2,544,000
DENR Staff & Support	<u>(\$680,000)</u>
Total 319 Available for Projects	\$1,864,000
CWSRF Water Quality Grants	<u>\$150,000</u>
Total Available for Pass Through	\$2,014,000

	Recommendations					
	Requested	DENR			Task Force	BWNR
		319	WQ Grants	Total		
Belle Fourche River Watershed	\$1,144,000	\$650,000		\$650,000	\$650,000	
Northeast Glacial Lakes Watershed	\$309,800	\$250,000		\$250,000	\$250,000	
SD Nonpoint Source I&E	\$300,000	\$200,000	\$50,000	\$250,000	\$250,000	
South Central Watershed	\$650,000	\$464,000		\$464,000	\$464,000	
Water Quality Planning Project	\$351,848	\$0		\$0	\$0	
SDM&T Assessing Dredging	\$140,699	\$0		\$0	\$0	
Soil Health Improvement & Planning	\$168,000	\$100,000	\$50,000	\$150,000	\$150,000	
South Dakota Envirothon	\$60,000	\$0		\$0	\$0	
Grassland Management & Planning	\$368,880	\$200,000	\$50,000	\$250,000	\$250,000	
Total	\$3,493,227	\$1,864,000	\$150,000	\$2,014,000	\$2,014,000	

**TITLE:** Dependable Sanitation Inc. Rescission of SWMP Loan 2015L-REC-105 and SWMP Grant 2015G-REC-101

**EXPLANATION:** In March 2014, the Board of Water and Natural Resources adopted Resolutions #2014-53 and #2014-54 to award a \$290,000 Solid Waste Management Program (SWMP) Loan and a \$50,000 SWMP Grant, to Dependable Sanitation Inc. for purchase of equipment to separate cardboard and paper products from other materials at its single-stream recycling facility in Watertown. As of now, the project has not seen significant progress and it is unlikely that the proposed project will be completed before the grant expires on March 28, 2017. Dependable Sanitation has previously indicated that the project is unlikely to be completed without the availability of grant funding.

On December 14, 2016 the department received a letter from Dependable Sanitation requesting that the Board of Water and Natural Resources rescind SWMP Loan 2015L-REC-105 and SWMP Grant 2015G-REC-101. Dependable Sanitation Inc. is still committed to doing the project at a later date and anticipates seeking a funding package when market conditions are more favorable.

**RECOMMENDED ACTION:** Rescind Resolutions #2014-53 and Resolution #2014-54, deobligating the funds back to the Solid Waste Management Program.

**CONTACT:** Drew Huisken  
605-773-4216

RECEIVED

DEC 14 2016

Division of Financial  
& Technical Assistance

December 12, 2016

Board of Water and Natural Resources

DENR- Foss Building

523 E. Capitol Avenue

Pierre, SD 57501

Dear Mr. Huisken,

Due to the poor markets for the past two years, Dependable Sanitation has decided that investing in new added recycling equipment would not be in our best financial interest at this time.

Therefore, Dependable is requesting that the Board of Water and Natural Resources rescind the Solid Waste Management Program loan 2015L-REC-105 and Solid Waste Management Program Grant 2015-REC-101.

Dependable Sanitation would hope that if markets and conditions change in the future, we could return to the Board with a funding application with favorable consideration.

Thank you much for your time.

*Michael Erickson, Pres.*

Michael Erickson

Dependable Sanitation Inc.

PO Box 378

Aberdeen, SD 57402-0378

January 5, 2017

Item 6

TITLE: Sanitary/Storm Sewer Facilities Funding Application

EXPLANATION: The following application has been received by DENR for funding consideration at this meeting. The project priority points shown in the Intended Use Plan are listed in parentheses.

a. Belle Fourche (13)

COMPLETE APPLICATIONS: An application cover sheet and summary sheet with a financial analysis has been provided as part of the board packet. A complete application is available online and can be accessed by typing the following address in your internet browser:

<http://denr.sd.gov/bwnrapps/BWNRappsssf0117.pdf>

If you would like a hard copy of the application, please contact Mike Perkovich at (605) 773-4216.

# Sanitary / Storm Sewer Facilities Applications January 2017



FUNDING REQUEST EVALUATION FORM  
SANITARY/STORM SEWER FACILITIES FUNDING APPLICATION  
APPLICANT: CITY OF BELLE FOURCHE

Project Title: 8th Avenue Utility Improvements

Funding Requested: \$2,125,000

Other Proposed Funding: None

Total Project Cost: \$2,125,000

Project Description: The city of Belle Fourche proposes to install approximately 7,200 feet of sanitary sewer on 8<sup>th</sup> Avenue. The new sewer lines will be larger than the existing lines to alleviate issues with surcharging and to increase future capacity.

Alternatives Evaluated: Alternative 1: No Action. This alternative was not selected because it would not resolve surcharging that is currently taking place within the existing lines.

Alternative 2: New Interceptor Line Connection to a Rebuilt Day Street Lift Station. This alternative involves replacement of 7,200 feet of sanitary sewer on 8<sup>th</sup> Avenue. This alternative was selected to relieve current pipe surcharging and provide increased capacity for future sewer flows as well as reduce infiltration and inflow to the current system. The lift station replacement is not included in the current project.

Implementation Schedule: The city of Belle Fourche anticipates bidding the project in February 2016, with a project completion date of April 2018.

Service Population: 5,594

Current Domestic Rate: \$22.11 per 5,000 gallons usage

Interest Rate: 2.25%

Term: 20 years

Security: Project Surcharge

DEBT SERVICE CAPACITY

Coverage at Maximum Loan Amount: If all funding is provided as loan Belle Fourche would have to establish a surcharge of approximately \$5.10. When added to current rate of \$22.11/5,000 gallons residents would be paying \$27.21/5,000 gallons.

25% Funding Subsidy: \$531,250 subsidy with a loan of \$1,593,750.

Coverage at 25% Subsidy: Based on a 25% subsidy and a loan of \$1,593,750 Belle Fourche would have to establish a surcharge of approximately \$3.83 thereby paying a rate \$25.94/5,000 gallons.

50% Funding Subsidy: \$1,062,500 subsidy with a loan of \$1,062,500.

Coverage at 50% Subsidy: Based on a 50% subsidy and a loan of \$1,062,500 Belle Fourche would have to establish a surcharge of approximately \$2.55 thereby paying a rate \$24.66 /5,000 gallons.

75% Funding Subsidy: \$1,593,750 subsidy with a loan of \$531,250.

Coverage at 75% Subsidy: Based on a 75% subsidy and a loan of \$531,250 Belle Fourche would have to establish a surcharge of approximately \$23.39 thereby paying a rate \$22.54/5,000 gallons.

ENGINEERING REVIEW COMPLETED BY: ALLEN PRINCE

FINANCIAL REVIEW COMPLETED BY: DEREK LANKFORD

## Sanitary/Storm Sewer Facilities Funding Application

Clean Water State Revolving Fund Program (CWSRF)  
Consolidated Water Facilities Construction Program (CWFCP)

Applicant: City of Belle Fourche  Address: City of Belle Fourche 511 6th Avenue Belle Fourche, SD 57717  Subapplicant: N/A  DUNS Number: 024167132	Proposed Funding Package  <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="text-align: right;">Requested Funding</td> <td style="text-align: right; border-bottom: 1px solid black;">\$2,125,000</td> </tr> <tr> <td style="text-align: right;">Local Cash</td> <td style="text-align: right; border-bottom: 1px solid black;">_____</td> </tr> <tr> <td style="text-align: right;">Other:</td> <td style="text-align: right; border-bottom: 1px solid black;">_____</td> </tr> <tr> <td style="text-align: right;">Other:</td> <td style="text-align: right; border-bottom: 1px solid black;">_____</td> </tr> <tr> <td style="text-align: right;">Other:</td> <td style="text-align: right; border-bottom: 1px solid black;">_____</td> </tr> <tr> <td style="text-align: right;"><b>TOTAL</b></td> <td style="text-align: right; border-bottom: 1px solid black;"><b>\$2,125,000</b></td> </tr> </table>	Requested Funding	\$2,125,000	Local Cash	_____	Other:	_____	Other:	_____	Other:	_____	<b>TOTAL</b>	<b>\$2,125,000</b>
Requested Funding	\$2,125,000												
Local Cash	_____												
Other:	_____												
Other:	_____												
Other:	_____												
<b>TOTAL</b>	<b>\$2,125,000</b>												

Project Title: 8th Avenue Utility Improvements

Description:


The City of Belle Fourche is proposing a project to construct a new sanitary sewer interceptor line at 8th Avenue. The existing collection system was installed in phases as the city developed. Segments of the existing system are believed to have been installed in the 1920s. The most recent segments were installed in the late 1970s and early 1980s. Existing materials consist of clay tile and 8- to 15-inch PVC pipe. The City has experienced surcharging of the sanitary sewer system indicating that the system's capacity is inadequate and additional capacity is required to prevent backups and sanitary sewer overflows.

The proposed project includes the installation of sanitary sewer totaling 800 feet of 8-inch PVC pipe; 1,400 feet of 12-inch PVC pipe; 2,900 feet of 15-inch PVC pipe; and 2,100 feet of 27-inch PVC. The majority of the pipe will be installed via open cut method with boring anticipated at a railroad crossing.

The Applicant Certifies That:

I declare and affirm under the penalties of perjury that this application has been examined by me and, to the best of my knowledge and belief, is in all things true and correct.

Gloria Landphere, Mayor  
 \_\_\_\_\_  
 Name & Title of Authorized Signatory  
 (Typed)

  
 Signature \_\_\_\_\_ Date 9/23/2016



January 5, 2017

Item 7

TITLE: Drinking Water Facilities Funding Applications

EXPLANATION: The following applications have been received by DENR for funding consideration at this meeting. The projects are listed in priority point order as shown in the Intended Use plan, and the points are listed in parentheses.

- a. Terry Trojan Water District (48)
- b. Belle Fourche (12)

COMPLETE APPLICATIONS: Application cover sheets and summary sheets with financial analysis have been provided as part of the board packet. Complete applications are available online and can be accessed by typing the following address in your internet browser:

<http://denr.sd.gov/bwnrapps/BWNRappsdf0117.pdf>

If you would like hard copies of the applications, please contact Andy Bruels at (605) 773-4216.

# Drinking Water Facilities Funding Applications January 2017



**FUNDING REQUEST EVALUATION FORM**  
**DRINKING WATER FACILITIES FUNDING APPLICATION**  
**APPLICANT: CITY OF BELLE FOURCHE**

Project Title: 8th Avenue Utility Improvements

Funding Requested: \$265,000

Other Proposed Funding: None

Total Project Cost: \$265,000

Project Description: The city of Belle Fourche proposes to replace approximately 1,500 feet of water main along 8<sup>th</sup> Avenue between Indian Street and Lincoln Street. The existing cast iron main is past its useful life and conflicts with the proposed location of new sanitary sewer lines.

Alternatives Evaluated: Alternative 1: No Action. This alternative was not selected because without replacement the water main will continue to deteriorate and have breaks leading to service interruptions. The existing main also conflicts with the proposed location of new sanitary sewer lines.

Alternative 2: Water Main Replacement Along 8<sup>th</sup> Avenue. The city of Belle Fourche proposes to replace approximately 1,500 feet of water main along 8<sup>th</sup> Avenue between Indian Street and Lincoln Street. This alternative was selected because the existing main is past its useful life and conflicts with the location of proposed sanitary sewer main.

Implementation Schedule: The city of Belle Fourche anticipates bidding the project in February 2017, with a project completion date of April 2018.

Service Population: 5,594

Current Domestic Rate: \$22.66 per 5,000 gallons usage (2018 projected rate)

Interest Rate: 2.25%

Term: 20 years

Security: System Revenue

DEBT SERVICE CAPACITY

Coverage at Maximum Loan Amount: If funding is provided as all loan, Belle Fourche would have 1,814% coverage based on the projected 2018 Cash Flow and a rate of \$22.66/5,000 gallons.

25% Funding Subsidy: \$66,250 subsidy with a loan of \$198,750.

Coverage at 25% Subsidy: Based on a 25% subsidy and a loan of \$198,750, Belle Fourche would have 2,419% coverage based on the projected 2018 Cash Flow and a rate of \$22.66/5,000 gallons.

50% Funding Subsidy: \$132,500 subsidy with a loan of \$132,500.

Coverage at 50% Subsidy: Based on a 50% subsidy and a loan of \$132,500, Belle Fourche would have 3,627% coverage based on the projected 2018 Cash Flow and a rate of \$22.66/5,000 gallons.

75% Funding Subsidy: \$198,750 subsidy with a loan of \$66,250.

Coverage at 75% Subsidy: Based on a 75% subsidy and a loan of \$66,250, Belle Fourche would have 7,255% coverage based on the projected 2018 Cash Flow and a rate of \$22.66/5,000 gallons.

ENGINEERING REVIEW COMPLETED BY: ALLEN PRINCE

FINANCIAL REVIEW COMPLETED BY: DEREK LANKFORD

## Drinking Water Facilities Funding Application

Drinking Water State Revolving Fund Program (DWSRF)  
Consolidated Water Facilities Construction Program (CWFCP)

Applicant: City of Belle Fourche  Address: City of Belle Fourche 511 6th Avenue Belle Fourche, SD 57717  Subapplicant: N/A  DUNS Number: 024167132	<table style="width: 100%; border-collapse: collapse;"> <tr> <td colspan="2" style="text-align: center; border-bottom: 1px solid black;">Proposed Funding Package</td> </tr> <tr> <td style="text-align: right; padding-right: 20px;">Requested Funding</td> <td style="text-align: right; border-bottom: 1px solid black;">\$265,000</td> </tr> <tr> <td style="text-align: right; padding-right: 20px;">Local Cash</td> <td style="text-align: right; border-bottom: 1px solid black;">_____</td> </tr> <tr> <td style="text-align: right; padding-right: 20px;">Other: _____</td> <td style="text-align: right; border-bottom: 1px solid black;">_____</td> </tr> <tr> <td style="text-align: right; padding-right: 20px;">Other: _____</td> <td style="text-align: right; border-bottom: 1px solid black;">_____</td> </tr> <tr> <td style="text-align: right; padding-right: 20px;">Other: _____</td> <td style="text-align: right; border-bottom: 1px solid black;">_____</td> </tr> <tr> <td style="text-align: right; padding-right: 20px;">TOTAL</td> <td style="text-align: right; border-bottom: 3px double black;">\$265,000</td> </tr> </table>	Proposed Funding Package		Requested Funding	\$265,000	Local Cash	_____	Other: _____	_____	Other: _____	_____	Other: _____	_____	TOTAL	\$265,000
Proposed Funding Package															
Requested Funding	\$265,000														
Local Cash	_____														
Other: _____	_____														
Other: _____	_____														
Other: _____	_____														
TOTAL	\$265,000														

Project Title: 8th Avenue Utility Improvements


Description:

The City of Belle Fourche is proposing a project to replace approximately 1,500 feet of water main along 8th Avenue. The existing water main in this area consists of 4- to 8-inch cast iron pipe and PVC pipe. The cast iron pipe has become brittle with age and has been identified for replacement. The location of the existing main is also in conflict with the proposed location of a new sewer interceptor line. The existing water main will be replaced with a 12-inch main, which will improve system capacity and reduce the potential for disruptive main breaks.

The Applicant Certifies That:

I declare and affirm under the penalties of perjury that this application has been examined by me and, to the best of my knowledge and belief, is in all things true and correct.

Gloria Landphere, Mayor  
 Name & Title of Authorized Signatory  
 (Typed)

  
 Signature \_\_\_\_\_ Date 9/23/2014

**FUNDING REQUEST EVALUATION FORM**  
**DRINKING WATER FACILITIES FUNDING APPLICATION**  
**APPLICANT: TERRY TROJAN WATER PROJECT DISTRICT**

Project Title: Water System Rehabilitation – Phase I

Funding Requested: \$812,000

Total Project Cost: \$812,000

Project Description: This project involves construction of an additional well and SCADA upgrades at the existing well. The project also replaces existing faulty water lines with 6-inch PVC pipe throughout the district and includes other distribution system improvements.

Alternatives Evaluated:

No Action Alternative: This alternative was evaluated for water source, storage and distribution and rejected in all cases due to the problems associated with this infrastructure. Treatment includes an ion exchange process similar to a home water softener except in this case removes arsenic before the water is distributed to the customers. This system was installed in 2010 and continues to provide adequate treatment. Therefore, additional or alternative treatment was not evaluated.

Water Supply: The current water supply consists of one well located a significant distance from the treatment facility. A second water source was evaluated and recommended to provide redundancy in the system.

Water Storage: Existing storage consists of a concrete tank and a steel tank that provides adequate volume for system operations. The steel tank is in good condition; however, the concrete tank has developed cracks and leaks. Five alternatives were considered in addition to the no action alternative. Four of the five alternatives include repair and maintenance of the concrete tank. The fifth alternative replaces the concrete tank with a new steel tank. Terry Trojan decided to delay addressing water storage problems until after the alternatives are further evaluated.

Water Distribution: The current distribution system was installed with poor quality pipe and has been experiencing high leakage levels for several years. Therefore, the water distribution alternative includes replacement of much of the existing water lines with PVC pipe.

Implementation Schedule: The Terry Trojan Water District anticipates bidding the project in May 2017 with a project completion date of October 2017.

Service Population: 475  
Year round domestic accounts: 30  
Business accounts: 10  
Vacation rental accounts: 160

Current Rates: \$75.00 per 7,000 gallons usage (Domestic)  
\$100.00 per 7,000 gallons usage (Business)  
\$78.00 per 7,000 gallons usage (Vacation Homes with \$50 no water minimum charged monthly)

Interest Rate: 2.25%      Term: 20 years      Security: System Revenue

#### DEBT SERVICE CAPACITY

Coverage at Maximum Loan Amount: If all funding is provided as loan Terry Trojan would have to increase water sale revenue by 30.6%. This would equate to a \$17.90 increase per customer/month. Terry Trojan qualifies for a 30 year loan. Based on a 30 year loan, Terry Trojan would have to increase water sale revenue by 21.5% which would equate to a \$12.50 increase per customer/month. Terry Trojan has sufficient revenue on hand to prepay at least one existing loan. If the NRWA loan is prepaid, it could provide approximately \$4.50 monthly reduction in rates per customer. If the Consolidated loan is prepaid, it could provide approximately \$3.65 monthly rate reduction.

10% Funding Subsidy: \$81,200 subsidy with a loan of \$730,800.

Coverage at 10% Subsidy: Based on a 10% subsidy and a loan of \$730,800, Terry Trojan would have to increase water sale revenue by 25.4%. This would equate to a \$15.50 increase per customer/month. Terry Trojan qualifies for a 30 year loan. Based on a 30 year loan, Terry Trojan would have to increase water sale revenue by 18.6% which would equate to a \$10.60 increase per customer/month..

25% Funding Subsidy: \$203,000 subsidy with a loan of \$609,000.

Coverage at 25% Subsidy: Based on a 25% subsidy and a loan of \$609,000, Terry Trojan would have to increase water sale revenue by 22.3%. This would equate to a \$12.25 increase per customer/month. Terry Trojan qualifies for a 30 year loan. Based on a 30 year loan, Terry Trojan would have to increase water sale revenue by 14.1% which would equate to a \$8.00 increase per customer/month.

ENGINEERING REVIEW COMPLETED BY: ERIC MEINTSMA

FINANCIAL REVIEW COMPLETED BY: DAVID RUHNKE



## Drinking Water Facilities Funding Application

Drinking Water State Revolving Fund Program (DWSRF)  
 Consolidated Water Facilities Construction Program (CWFCP)

Applicant: Terry Trojan Water Project District  Address: PO Box 515 Lead, SD 57754  Subapplicant: N/A  DUNS Number: 129852331	<table style="width: 100%; border-collapse: collapse;"> <tr> <td colspan="2" style="text-align: center; border-bottom: 1px solid black;">Proposed Funding Package</td> </tr> <tr> <td style="text-align: right; padding-right: 20px;">Requested Funding</td> <td style="text-align: right; border-bottom: 1px solid black;">\$812,000</td> </tr> <tr> <td style="text-align: right; padding-right: 20px;">Local Cash</td> <td style="text-align: right; border-bottom: 1px solid black;">_____</td> </tr> <tr> <td style="text-align: right; padding-right: 20px;">Other: _____</td> <td style="text-align: right; border-bottom: 1px solid black;">_____</td> </tr> <tr> <td style="text-align: right; padding-right: 20px;">Other: _____</td> <td style="text-align: right; border-bottom: 1px solid black;">_____</td> </tr> <tr> <td style="text-align: right; padding-right: 20px;">Other: _____</td> <td style="text-align: right; border-bottom: 1px solid black;">_____</td> </tr> <tr> <td style="text-align: right; padding-right: 20px;"><b>TOTAL</b></td> <td style="text-align: right; border-bottom: 3px double black;"><b>\$812,000</b></td> </tr> </table>	Proposed Funding Package		Requested Funding	\$812,000	Local Cash	_____	Other: _____	_____	Other: _____	_____	Other: _____	_____	<b>TOTAL</b>	<b>\$812,000</b>
Proposed Funding Package															
Requested Funding	\$812,000														
Local Cash	_____														
Other: _____	_____														
Other: _____	_____														
Other: _____	_____														
<b>TOTAL</b>	<b>\$812,000</b>														

Project Title: Water System Rehabilitation, Phase I

Description:

The Terry Trojan Water Project District is proposing a water system rehabilitation project in order to address numerous system deficiencies. The water system consists of one well, a booster pump station, two storage reservoirs, and approximately 14,000 feet of transmission mains. The district has 200 service connections, consisting of 190 homes and 10 commercial users.

The proposed project will: address substantial water losses within the distribution system by replacing failing components; provide a redundant water supply with the drilling and development of a second well; improve water operations controls and efficiencies at the existing well, booster station, and pressure reducing valves; and, will add new distribution lines.

---

The Applicant Certifies That:

I declare and affirm under the penalties of perjury that this application has been examined by me and, to the best of my knowledge and belief, is in all things true and correct.

Janell Berg, Chairperson  
 \_\_\_\_\_  
 Name & Title of Authorized Signatory  
 (Typed)

*Janell Berg*  
 \_\_\_\_\_  
 Signature

9/19/2016  
 \_\_\_\_\_  
 Date

January 5, 2017

Item 8

TITLE: Watershed Restoration Project Funding Application

EXPLANATION: The following application has been received by DENR for funding consideration at this meeting.

a. James River Water Development District

COMPLETE APPLICATIONS: An application cover sheet and summary sheet has been provided as part of the board packet. A complete application is available online and can be accessed by typing the following address in your internet browser:

<http://denr.sd.gov/bwnrapps/BWNRapps0117.pdf>

If you would like a hard copy of the application, please contact Mike Perkovich at (605) 773-4216.

# Section 319 and Consolidated Program Watershed Restoration Project Applications



## Statewide Projects

SD Nonpoint Source I&E

Water Quality Planning

Soil Health Improvement and Planning

South Dakota Envirothon

Grassland Management and Planning

**FUNDING REQUEST EVALUATION FORM**  
**WATERSHED RESTORATION FUNDING APPLICATION**  
**APPLICANT: JAMES RIVER WATER DEVELOPMENT DISTRICT**

Project Title: South Central Watershed Implementation Project Segment  
1

Funding Requested: \$275,000

Other Proposed Funding: \$ 1,302,335– Section 319  
\$ 1,619,856- Other Federal Funds  
\$ 1,524,483- RCPP  
\$ 2,725,483– Local Funds  
\$ 275,000- CWFCP (June 2016 award)  
\$ 93,000- Clean Water Quality Grant

Total Project Cost: \$7,815,157

Project Description: This proposal is for Segment 1 of the South Central Watershed Project. The project is a combination of the Lewis and Clark and Lower James 319 projects. Drainages affected by this watershed area are the ones that flow into Lewis and Clark Lake on the Missouri River, Dawson Creek, Firesteel Creek, Pierre Creek and Wolf Creek which supply the lower area of the James River. The size of the watershed covers approximately 5,000,000 acres.

The South Central Project assists in directing partnership assistance in the watershed to solve feedlot waste runoff. Dawson Creek, Emmanuel Creek, Keya Paha River, Lake Andes, Pierre Creek, and Ponca Creek are all listed in the 2016 SD Integrated report as being impaired due to high bacteria counts. All these waterbodies also have TMDLs listing agricultural waste as a major contribution to the impairments. Previous segments were successful in installing animal waste systems.

Implementation Schedule: Upon funding availability to July 31, 2021

ENGINEERING REVIEW COMPLETED BY: Jeremy Schelhaas

## Watershed Restoration Project Funding Application

Consolidated Water Facilities Construction Program (CWFCP)

CW SRF Water Quality Grants (WQ Grant)

Applicant: James River Water Development District  Address: PO Box 849 Huron, SD 57350  Phone Number: (605) 352-0600  Subapplicant:	<table style="width: 100%; border-collapse: collapse;"> <tr> <td colspan="2" style="text-align: center; border-bottom: 1px solid black;">Proposed Funding Package</td> </tr> <tr> <td style="text-align: right; padding-right: 20px;">Requested Funding</td> <td style="text-align: right; border-bottom: 1px solid black;">\$275,000</td> </tr> <tr> <td style="text-align: right; padding-right: 20px;">Local Cash</td> <td style="text-align: right; border-bottom: 1px solid black;">\$2,198,444</td> </tr> <tr> <td style="text-align: right; padding-right: 20px;">Other: 319/SRF-WQ Fund</td> <td style="text-align: right; border-bottom: 1px solid black;">\$1,925,835</td> </tr> <tr> <td style="text-align: right; padding-right: 20px;">Other: RCPP</td> <td style="text-align: right; border-bottom: 1px solid black;">\$1,524,483</td> </tr> <tr> <td style="text-align: right; padding-right: 20px;">Other: Local/Federal</td> <td style="text-align: right; border-bottom: 1px solid black;">\$3,081,856</td> </tr> <tr> <td style="text-align: right; padding-right: 20px;"><b>TOTAL</b></td> <td style="text-align: right; border-bottom: 3px double black;"><b>\$9,005,618</b></td> </tr> </table>	Proposed Funding Package		Requested Funding	\$275,000	Local Cash	\$2,198,444	Other: 319/SRF-WQ Fund	\$1,925,835	Other: RCPP	\$1,524,483	Other: Local/Federal	\$3,081,856	<b>TOTAL</b>	<b>\$9,005,618</b>
Proposed Funding Package															
Requested Funding	\$275,000														
Local Cash	\$2,198,444														
Other: 319/SRF-WQ Fund	\$1,925,835														
Other: RCPP	\$1,524,483														
Other: Local/Federal	\$3,081,856														
<b>TOTAL</b>	<b>\$9,005,618</b>														

Project Title: South Central Watershed Implementation Project-Segment I

Description:

This proposal is for Segment I of the South Central Watershed Project. The project is a combination of the successful Lewis and Clark and Lower James 319 projects. Drainages affected by this watershed area are the ones that flow into Lewis and Clark Lake on the Missouri River, Dawson Creek, Firesteel Creek, Pierre Creek and Wolf Creek which supply the lower area of the James River. The size of the watershed covers approximately 5,000,000 acres. The project main effort is to restore water quality to meet designated beneficial uses and address TMDL's established for the these water bodies listed; reducing sedimentation into the Lewis and Clark Lake and the lower James River are also a primary focus. South Central also assists in directing partnership assistance in the watershed to solve feedlot waste runoff and other non-point pollution problems from grazing acres. Previous segments were successful in installing animal waste systems and the addition of these funds would aid in the completion of more of these same systems.

The Applicant Certifies That:

I declare and affirm under the penalties of perjury that this application has been examined by me and, to the best of my knowledge and belief, is in all things true and correct.

Dan Klimisch, Chairman JRWDD Board  
 Name & Title of Authorized Signatory  
 (Typed)

*Daniel J. Klimisch*  
 Signature

08 SEP 2016  
 Date

TITLE: Solid Waste Management Program Funding Applications

EXPLANATION: The Solid Waste Management Program was established under SDCL 46A-1-83. The Board of Water and Natural Resources may award grant and loan funds for the purpose of solid waste planning and management under the program. ARSD 74:05:10:09 provides that applications for the January funding round are due by October 1. The following applications have been received by DENR for funding consideration at this meeting.

- a. Huron
- b. Vermillion
- c. Walworth County
- d. Yankton

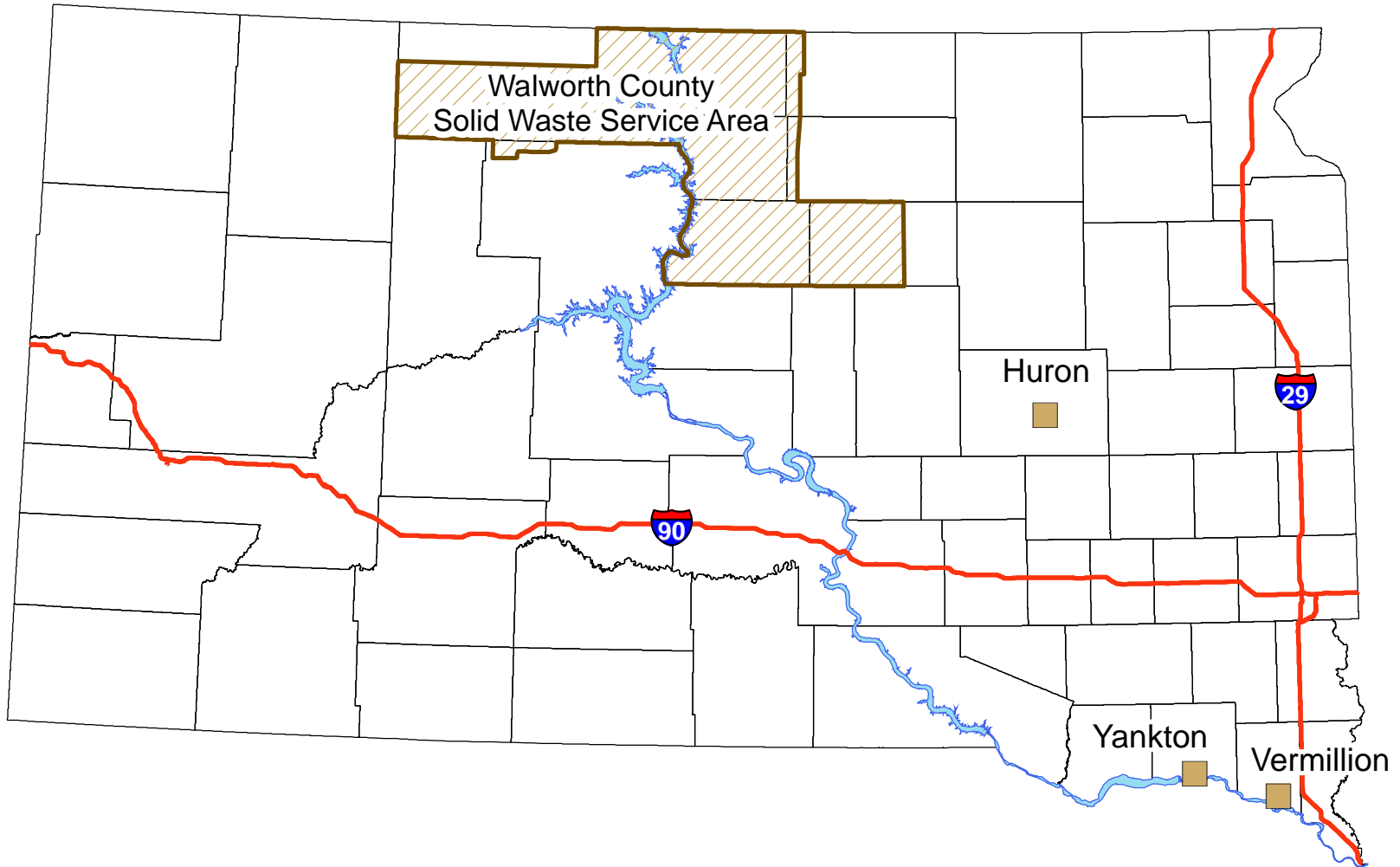
Pursuant to ARSD 75:05:10:11, the Board must make its funding decisions within 120 days after applications are presented.

COMPLETE APPLICATIONS: Application cover sheets and summary sheets have been provided as part of the board packet. Complete applications are available online and can be accessed by typing the following address in your internet browser:

<http://denr.sd.gov/bwnrapps/BWNRapps0117.pdf>

If you would like hard copies of the applications, please contact Drew Huisken at (605) 773-4216.

# Solid Waste Management Applications January 2017



**FUNDING REQUEST EVALUATION FORM**  
**SOLID WASTE MANAGEMENT PROGRAM FUNDING APPLICATION**  
**APPLICANT: CITY OF HURON**

Project Title: Purchase Equipment to Assist in Loading Recyclables

Funding Requested: \$35,000

Other Proposed Funding: \$35,000 – Local Cash

Total Project Cost: \$70,000

Project Description: The city of Huron is proposing to purchase a new or lightly used mini-excavator to assist in loading recyclables for transport to a recycling facility in Sioux Falls. The purchased equipment would allow the city to increase the tonnage per load from 7-9 tons to 10-14 tons. The proposed excavator would also include a grapple thumb to remove unwanted items from the recycling trailer.

Type: Solid Waste – Recycling

Service Population: 13,163

Financial & History Information: In March 2013, Huron received a \$227,950 SWMP grant at 50 percent to purchase curbside recycling containers.

In March 2010, Huron received a \$42,500 SWMP grant at 50 percent for a feasibility study for municipal recycling and conversion of waste to energy.

In March 2005, Huron received a \$275,000 SWMP grant at 50 percent for composting projects.

Fees: \$17.03 per month for garbage  
\$2.25 per month for recycling

Engineering Review Completed By: Drew Huisken  
Financial Review Completed By: Jon Peschong



# Solid Waste Management Program Application

<p>Applicant</p> <p>City of Huron</p> <p>Address</p> <p>PO Box 1369 Huron, SD 57350-1369</p> <p>Phone Number (605) 353-8542</p>	<p style="text-align: center;">Proposed Funding Package</p> <p>SWMP Funds: <span style="float: right;">\$35,000</span></p> <hr style="width: 100%;"/> <p>Local Cash: <span style="float: right;">\$35,000</span></p> <hr style="width: 100%;"/> <p>Other: _____</p> <p>Other: _____</p> <p>Other: _____</p> <hr style="width: 100%;"/> <p style="text-align: right;">Total Project Cost: <span style="float: right;">\$70,000</span></p>
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Project Title: Purchase Equipment to Assist in Loading Recyclables

Description:

+ The City of Huron Solid Waste Department serves the majority of the solid waste generators in the city. The purchase of equipment to handle solid waste and recyclables is an eligible grant activity. The city needs to maximize its efficiency in hauling loads of recyclables out of the city.

+ The City of Huron loads recyclables loose in a walking floor trailer from the top to be sorted by a facility in Sioux Falls. We currently use an older back hoe that has many problems and is hard to maneuver in the building, but without compacting the load we are not able to transport the tons we want. The City currently can get 10 to 12 tons on a load with compaction. Without compaction the loads are just seven to nine tons. Our current back hoe does not have the ability to pick things up and move them around in the trailer once they are dumped in from the collection truck. A mini excavator with the grapple thumb would enable us to remove unwanted items and move recyclable around in the load.

+ The city proposes to purchase a new or used mini-excavator within one year of the grant award. We expect the excavator to cost in the \$60,000 to \$70,000 range with the city paying one-half and the grant paying the other half.

The Applicant certifies that:

I declare and affirm under the penalties of perjury that this application has been examined by me, and to the best of my knowledge and belief, is in all things true and correct.

Paul Aylward, Mayor, City of Huron

\_\_\_\_\_  
Name and Title of Authorized Signatory (Typed)

  
 Signature 9-15-16  
 Date

**FUNDING REQUEST EVALUATION FORM**  
**SOLID WASTE MANAGEMENT PROGRAM FUNDING APPLICATION**  
**APPLICANT: CITY OF VERMILLION**

Project Title: Landfill Dozer Purchase

Funding Requested: \$300,000

Other Proposed Funding: \$200,000 – Local Cash

Total Project Cost: \$500,000

Project Description: The city of Vermillion is proposing to purchase a new landfill dozer for the regional landfill. The existing dozer is reaching the end of its useful life and has required more maintenance costs recently. The new dozer will be slightly larger and will have GPS capabilities, which will allow the landfill to more efficiently compact and cover solid waste and move construction debris.

Type: Solid Waste – Regional Landfill

Service Population: 50,700

Financial & History Information: In September of 2013, Vermillion received a SWMP grant of \$225,000 at 18.7 percent for reconstruction of their baler building.

In March of 2012, Vermillion received a CWSRF loan of \$1,639,000 and a SWMP grant of \$522,210 at 22.2 percent for construction of cell #5 for the regional landfill and expanded leachate treatment.

In January of 2010, Vermillion received a SWMP loan for \$200,000 and SWMP grant for \$85,000 at 17.6 percent for a new landfill dozer.

Fees: Commercial \$46.50 per ton, Public \$52.00 per ton

Interest Rate: 2.00%

Term: 7 years

Security: Revenue Bond

DEBT SERVICE CAPACITY

Coverage at Maximum Loan Amount:	If requested funding is provided as all loan, the city of Vermillion would have 195% debt coverage based on projected revenues.
25% Funding Subsidy:	\$75,000 subsidy with a loan of \$225,000.
Coverage at 25% Subsidy:	Based on 25% subsidy and a loan of \$225,000, the city of Vermillion would have 260% debt coverage based on the projected revenues.
50% Funding Subsidy:	\$150,000 subsidy with a loan of \$150,000.
Coverage at 50% Subsidy:	Based on 50% subsidy and a loan of \$150,000, the city of Vermillion would have 390% debt coverage based on the projected revenues.

Engineering Review Completed By: Allen Prince

Financial Review Completed By: Jon Peschong



**FUNDING REQUEST EVALUATION FORM**  
**SOLID WASTE MANAGEMENT PROGRAM FUNDING APPLICATION**  
**APPLICANT: WALWORTH COUNTY**

Project Title: Construction of Landfill Cell #5

Funding Requested: \$712,000

Other Proposed Funding: \$150,268 – Local Cash

Total Project Cost: \$862,268

Project Description: Walworth County is proposing to construct a new cell at the Walworth County landfill. The existing cell is nearly full, and the county needs to construct an additional cell.

Type: Solid Waste – Regional Landfill

Service Population: 19,144

Financial & History Information: In June 2013, Walworth County received a \$112,400 SWMP grant at 40 percent for construction of new cell.

In August 2009, Walworth County received a \$150,000 SWMP grant at 50 percent for purchase of a compactor and compost turner.

In June 2007, Walworth County received a \$300,000 SWMP grant at 48 percent for a realignment of the main portion of the landfill.

Fees: \$35.00 per ton for municipal solid waste

Interest Rate: 2.25%

Term: 14 years

Security: Revenue Bond

DEBT SERVICE CAPACITY

Coverage at Maximum Loan Amount: If requested funding is provided as all loan, Walworth County would have 104% debt coverage based on projected revenues.

20% Funding Subsidy: \$142,400 subsidy with a loan of \$569,600.

Coverage at 20% Subsidy: Based on 20% subsidy and a loan of \$569,600, Walworth County would have 131% debt coverage based on projected revenues.

40% Funding Subsidy: \$284,800 subsidy with a loan of \$427,200.

Coverage at 40% Subsidy: Based on 40% subsidy and a loan of \$427,200, Walworth County would have 174% debt coverage based on projected revenues.

Engineering Review Completed By: Drew Huisken  
Financial Review Completed By: Jon Peschong

# Solid Waste Management Program Application

Applicant  
Walworth County

## Proposed Funding Package

SWMP Funds: \$712,000

Local Cash: \$150,268

Address  
PO Box 199  
Selby, SD 57472

Other: \_\_\_\_\_

605-649-7878

Other: \_\_\_\_\_

Phone  
Number

Other: \_\_\_\_\_

Total Project Cost: \$862,268

Project Title: Walworth County

### Description:

Walworth County is proposing to construct a new cell at the Walworth County Landfill. Total project cost is \$862,268. The County is requesting \$712,000 in Solid Waste Management Program funding.

The Applicant certifies that:

I declare and affirm under the penalties of perjury that this application has been examined by me, and to the best of my knowledge and belief, is in all things true and correct.

Scott Schilling, Chair



Name and Title of Authorized Signatory (Typed)

Signature

Date

FUNDING REQUEST EVALUATION FORM  
SOLID WASTE MANAGEMENT PROGRAM FUNDING APPLICATION  
APPLICANT: CITY OF YANKTON

Project Title: Equipment for Recycling and Solid Waste Collection

Funding Requested: \$850,000

Other Proposed Funding: \$6,000 – Local Cash

Total Project Cost: \$856,000

Project Description: The city of Yankton proposes to convert to single stream recycling which requires new containers and tipping arms on collection vehicles. With the conversion to new recycling containers the city will need to purchase similar size solid waste containers to be compatible with the new tipping arms. The city will also need to purchase a semi-tractor and trailer to transport the recyclable materials that are collected to Sioux Falls for processing.

Type: Recycling

Service Population: 14,466

Financial & History Information: In September 2015, Yankton received a SWMP loan for \$450,000 and a SWMP grant for \$300,000 at 40 percent to improve access to the transfer station and replacement of the weigh scale.

In June 2010, Yankton received a SWMP grant for \$187,500 at 50 percent to purchase equipment to handle materials from their yard waste composting operations.

In January 2005 and March 2004, Yankton received a SWMP loan for \$427,880 and a SWMP grant for \$225,620 at 34.6 percent to make upgrades to the transfer and recycling station.

Fees: Residential \$20.18 per month + sales tax  
Commercial/Industrial \$20.18 per month per unit + sales tax

Interest Rate: 2.00%

Term: 10 years

Security: Revenue Bond



DEBT SERVICE CAPACITY

Coverage at Maximum Loan Amount:	If requested funding is provided as all loan, the city of Yankton would have 101% debt coverage based on projected revenues.
20% Funding Subsidy:	\$170,000 subsidy with a loan of \$680,000.
Coverage at 20% Subsidy:	Based on 20% subsidy and a loan of \$680,000, the city of Yankton would have 126% debt coverage based on the projected revenues.
25% Funding Subsidy:	\$218,500 subsidy with a loan of \$637,500.
Coverage at 25% Subsidy:	Based on 25% subsidy and a loan of \$637,500, the city of Yankton would have 134% debt coverage base on the projected revenues.
40% Funding Subsidy:	\$346,000 subsidy with a loan of \$510,000.
Coverage at 40% Subsidy:	Based on 40% subsidy and a loan of \$510,000, the city of Yankton would have 168% debt coverage base on the projected revenues.

Engineering Review Completed By: Allen Prince

Financial Review Completed By: Jon Peschong

# Solid Waste Management Program Application

<p>Applicant</p> <p>City of Yankton</p> <p>Address</p> <p>PO Box 176 Yankton, South Dakota 57078</p> <p>Phone Number (605) 665-5221</p>	<p>Proposed Funding Package</p> <p>SWMP Funds: <u>                    </u> \$850,000</p> <p>Local Cash: <u>                    </u> \$6,000</p> <p>Other: <u>                                    </u></p> <p>Other: <u>                                    </u></p> <p>Other: <u>                                    </u></p> <p>Total Project Cost: <u>                    </u> \$856,000</p>
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Project Title: Conversion to Single Stream Recycling and Semi Automated Solid Waste Collection

Description:

The City of Yankton operates a multi faceted solid waste and recycling facility. Current operations include a Solid Waste Transfer Station, Recycling Center, and Type IIA Restricted Use Site. In reviewing the current curb side recycling and solid waste disposal habits, City staff have determined the need for additional efficiencies to include increased recycling participation.

The proposed project involves conversion to a commingled curb side recycling program as well as semi automated solid waste collection. Both activities will be accomplished via dedicated 90 gallon wheeled containers at each residence. Introduction of larger containers will require collection vehicles to be outfitted with tippers. Once collected, recyclable materials will be placed within a dedicated semi trailer and transported to Millennium Recycling in Sioux Falls. Solid waste disposal operations will remain the same.

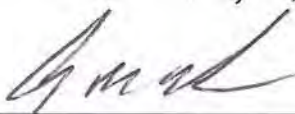
The City respectfully requests grant and loan funds to assist in implementing the aforementioned activities. Due to the majority of the project and associated expenses related to recycling, preliminary local discussions have determined a 65% grant award as most favorable. Such a funding package will enable the City to improve its recycling efforts and augment solid waste operations while limiting significant rate increases.

The Applicant certifies that:

I declare and affirm under the penalties of perjury that this application has been examined by me, and to the best of my knowledge and belief, is in all things true and correct.

Amy Nelson, City Manager

\_\_\_\_\_  
Name and Title of Authorized Signatory (Typed)


9/23/16  
 \_\_\_\_\_  
 Signature Date

**TITLE:** Federal Fiscal Year 2016 Clean Water State Revolving Fund Annual Report

**EXPLANATION:** The South Dakota Conservancy District is required to submit an annual report to the Environmental Protection Agency for the Clean Water State Revolving Fund (SRF). The Federal Fiscal Year 2016 report follows the same format as previous years and discusses activity from October 1, 2015, to September 30, 2016.

Highlights of FFY 2016 Clean Water SRF funding include the following:

- a. Twenty one Clean Water SRF loans and one amendment were awarded for total funding of \$32,812,000.
- b. Three loans received principal forgiveness in the aggregate total of \$1,203,700.
- c. Loan repayments totaled more than \$30.4 million dollars, with \$23.6 million in principal, \$5.5 million in interest, and \$1.4 million in administrative surcharge.

**RECOMMENDED ACTION:** Approve the annual report for the Clean Water SRF program and authorize staff to distribute the report.

**CONTACT:** Mike Perkovich, 773-4216

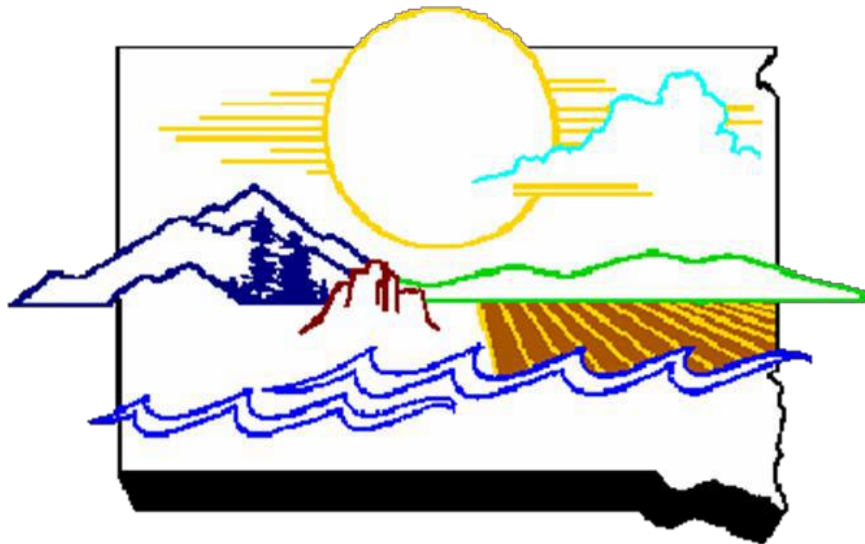
**THE SOUTH DAKOTA CONSERVANCY DISTRICT**

**CLEAN WATER STATE REVOLVING FUND**

**ANNUAL REPORT**

**FEDERAL FISCAL YEAR 2016**

**October 1, 2015 - September 30, 2016**



*Protecting South Dakota's Tomorrow ... Today*

**DRAFT**

**Department of Environment and Natural Resources  
Division of Financial and Technical Assistance**



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**THE SOUTH DAKOTA CONSERVANCY DISTRICT**

**CLEAN WATER STATE REVOLVING FUND**

**ANNUAL REPORT**

**FEDERAL FISCAL YEAR 2016**

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**Department of Environment and Natural Resources  
Division of Financial and Technical Assistance  
523 East Capitol Avenue  
Pierre, South Dakota 57501-3181  
PHONE: (605) 773-4216      FAX: (605) 773-4068**



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**THE SOUTH DAKOTA CONSERVANCY DISTRICT  
BOARD MEMBERS**

BRAD JOHNSON, CHAIRMAN  
Watertown  
Member since 2003

GENE JONES, JR., VICE-CHAIRMAN  
Sioux Falls  
Member since 2002

TODD BERNHARD, SECRETARY  
Fort Pierre  
Member since 2010

PAUL GNIRK  
New Underwood  
Member since 2009

PAUL GOLDHAMMER  
Wall  
Member since 2010

JACKIE LANNING  
Brookings  
Member since 2011

JERRY SOHOLT  
Sioux Falls  
Member since 2014

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## **MISSION**

**The mission of the South Dakota Clean Water State Revolving Fund loan program is to capitalize the fund to the fullest; maintain, restore and enhance the chemical, physical and biological integrity of the state's waters for the benefit of the overall environment; protect public health; and promote the economic well-being of the citizens of the State of South Dakota.**

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**FEDERAL FISCAL YEAR**

**2016**

**ANNUAL REPORT**

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## INTRODUCTION

The State of South Dakota submits its Annual Report for Federal Fiscal Year (FFY) 2016 (October 1, 2015 through September 30, 2016). This report describes how South Dakota has met the goals and objectives of the Clean Water State Revolving Fund (SRF) Loan program as identified in the 2016 Intended Use Plan, the actual use of funds, and the financial position of the Clean Water SRF.

The Annual Report consists of three main sections. The *Executive Summary* section provides an overview of the Clean Water SRF program and the FFY 2016 activities. The next section addresses the *Goals and Environmental Results* the State of South Dakota identified in its 2016 Intended Use Plan and the steps that have been taken to meet these measures. The *Details of Activities* section provides information on the financial status of the program, the financial assistance provided during FFY 2016 and compliance with the EPA grant and operating agreement conditions.

The Annual Report is followed by a brief history of the Clean Water SRF program. The program history is followed by the *Clean Water SRF Loan Portfolio*. The loan portfolio provides information on the interest rates, loan amounts, projects, and loan terms. Exhibits I through VIII provide detailed financial and environmental program information. Exhibits IX, X, and XI are the financial statements of the Clean Water SRF program prepared by the Department of Environment and Natural Resources. Finally, Addendum A is the *Intended Use Plan for Federal Fiscal Year 2017*. The primary purpose of the Intended Use Plan is to outline the proposed use of the funds available to the Clean Water SRF program.

## EXECUTIVE SUMMARY

South Dakota's Clean Water SRF program received a federal capitalization grant of \$6,525,000 for FFY 2016. These funds were matched by \$1,305,000 in bond proceeds and were supplemented by accumulated loan repayments and interest earnings.

### CLEAN WATER SRF LOANS

The Conservancy District approved 21 loans and one amendment to 20 communities totaling \$32,812,000. A summary of loans approved in FFY 2016 is provided in Table 1.

**Table 1  
Clean Water Loans  
Federal Fiscal Year 2016**

Recipient	Project Description	Assistance Amount	Rate	Term
Astoria (02)	Wastewater Treatment Facility Expansion	\$744,000	3.25%	30
Brandon (06)	Lift Station and Force Main to Sioux Falls	\$2,598,000	3.00%	20
Canistota (04)	Main Street Utility Improvements	\$378,000	3.25%	30
Canton (05)	Dakota Street Utility Improvements	\$1,648,000	3.25%	30
Chancellor (02)	Water Meter Replacement	\$180,000	2.25%	10
Dell Rapids (08)	Sequencing Batch Reactor	\$2,386,000	3.25%	30
Elk Point (07)	Rose Street Utility Improvements	\$235,000	3.25%	30
Keystone (01)	Wastewater Treatment– Phase I	\$431,000	3.00%	20
Lead (09)	Water Meter Replacement	\$427,000	2.25%	10
Miller (01) *	Wastewater Infrastructure Improvements	\$3,541,000	3.25%	30
Miller (02) *	Storm Sewer Infrastructure Improvements	\$1,958,000	3.25%	30
Mina Lake San Dist. (01)	Wastewater Improvements	\$559,000	3.25%	30
Pierre (07)	Wastewater Treatment Improvements	\$3,821,000	3.00%	20
Pierre (08)	Hilger’s Gulch Sanitary Sewer – Phase I	\$1,450,000	2.25%	10
Prairie Meadows San. Dist. (02)	Wastewater Collection System Rehabilitation	\$588,000	3.25%	30
Raymond (01)	2016 Wastewater Improvements	\$745,000	0%	-
Sioux Falls (37)	Basin 14D Sanitary Sewer Extension	\$9,287,000	1.25%	10
Vermillion (08)	Prentis Street Lift Station	\$812,000	3.00%	20
Viborg (02)	Sanitary Sewer Replacement	\$105,000	3.25%	30
Waubay (03 – amendment)	Wastewater Treatment Improvements	\$390,000	3.25%	30
Westport (01)	Lift Station and Storm Sewer Improvement	\$445,000	3.25%	30
Yale (02)	Wastewater Treatment Pond Rip-rap	\$84,000	3.25%	30
<b>TOTAL</b>		<b>\$32,812,000</b>		

\* These loans were rescinded prior to September 30, 2016 at the request of the recipient

Loan disbursements from the program to the current and prior year borrowers totaled \$25,988,496. As of September 30, 2016, 200 loans are in repayment, and FFY 2016 repayments totaled \$30,438,371. Of this amount, \$23,571,474 was for principal, \$5,483,496 was for interest, and \$1,403,401 was for administrative surcharge.

Included in these repayments was one loan that completed payments during the fiscal year, bringing the number of loans that have been paid in full to 133.

Since the program was initiated in 1988, 404 loans have been awarded with 17 loans subsequently being rescinded or deobligated in full. The projects associated with 341 loans are fully constructed or essentially complete and in operation. The following 15 projects initiated operations this past year:

Andover (01)	Harrisburg (04)
Beresford (03)	Harrisburg (05)
Bristol (01)	Highmore (02)
Brookings (09)	McLaughlin (01)
Canton (04)	Pierre (06)
Chancellor (01)	Saint Lawrence (01)
Colman (02)	Turton (01)
Freeman (03)	

Application forms for Sanitary and Storm Sewer Facilities funding are provided in the Department of Environment and Natural Resources' State Water Planning Process document. This document contains application forms and instructions for the State Water Plan and various funding programs. All forms are also available at the following website:

<http://denr.sd.gov/formsprogram.aspx#funding>

#### **ADDITIONAL SUBSIDY**

With passage of the Water Resources Reform and Development Act in June 2014, states may provide additional subsidization when the national allotment for capitalization grants exceeds \$1,000,000,000. Additional subsidization can recipient only if it meets the affordability requirements established by the state or to projects that implement a process, material, technique, or technology with water efficiency, energy efficiency, mitigation of stormwater runoff, or sustainability benefits.

The board has chosen to use principal forgiveness as the method to provide the additional subsidy. Municipalities and sanitary districts are required to charge monthly residential water rates of at least \$30 (based on 5,000 gallons usage or a flat rate) to be eligible to receive principal forgiveness. Other applicants are required to charge monthly residential water rates of at least \$55 (based on 7,000 gallons usage or a flat rate) to be eligible for principal forgiveness.

The 2016 appropriation act required and additional 10 percent of the capitalization grant be used for additional subsidy and was available for any eligible borrower. The added 10 percent made available for additional subsidy was only provided to borrowers who met the state's affordability criteria.

Table 2 summarizes the amounts of principal forgiveness provided through the 2010-2016 capitalization grants. Table 3 recaps the projects awarded principal forgiveness in FFY 2016.

**Table 2  
Principal Forgiveness Awarded**

Awarded from 2010 grant	\$4,993,274
Awarded from 2011 grant	\$2,230,777
Awarded from 2012 grant	\$575,882
Awarded from 2013 grant	\$460,680
Awarded from 2014 grant	\$559,386
Awarded from 2015 grant	\$2,045,100
Awarded from 2016 grant	\$838,291
<b>TOTAL</b>	<b>\$11,703,390</b>

**Table 3  
FFY 2016 Clean Water SRF Loans  
Additional Subsidy Awarded**

<u>Sponsor</u>	<u>Total Assistance Amount</u>	<u>Principal Forgiveness Awarded</u>
Astoria (02)	\$744,000	\$368,700
Chancellor (02)	\$180,000	\$90,000
Raymond (01)	\$745,000	\$745,000
<b>TOTAL</b>	<b>\$1,669,000</b>	<b>\$1,203,700</b>

**BOND ISSUE**

No bonds were issued in FFY 2016

**INTEREST RATES**

Interest rates are reviewed periodically to ensure that they are below market rate and are competitive with other funding sources, such as the federal Rural Development program.

Interest rates for loans approved in FY 2016 were 2.25 percent for loans with a term of 10 years or less and 3 percent for loans with a term greater than 10 years up to 20 years, and 3.25 percent with a term up to 30 years. The term of each loan is at the discretion of the

borrower provided that the proposed repayment source produces the required debt service coverage and does not exceed the useful life of the facilities being financed.

In addition to the base rates, the board has established a Clean Water SRF incentive rate for nonpoint source (NPS) projects and an interim financing rate. The NPS incentive rates are 1.25 percent for loans with a term of 10 years or less, 2 percent for loans with a term greater than 10 years up to 20 years, and 2.25 percent with a term up to 30 years; the interim financing rate is 2 percent for 5 years.

**ADMINISTRATIVE SURCHARGE**

The Clean Water SRF program continues to use administrative surcharge funds for activities to protect and enhance water quality. In FFY 2016, an additional \$1,300,000 of administrative surcharge funds was allocated for the following activities: nonfederal cost-share for Total Maximum Daily Load (TMDL) assessment and implementation projects, planning grants, and to supplement the Consolidated program with grants for wastewater treatment projects.

The Small Community Planning Grant program encourages proactive planning by small communities or systems by providing grants for the preparation of an engineering study or rate analysis for systems serving populations of 2,500 or less. For engineering studies, the program provides an 80 percent cost-share up to \$10,000. The program also provides an 80 percent cost-share up to \$1,600 for wastewater utility rate analysis. Grants awarded in FFY 2016 are shown in Table 4.

The board provided additional grant assistance from Clean Water Administrative Surcharge fees. The construction of wastewater treatment, collection, or conveyance projects, watershed assessment and restoration projects, and other special studies are eligible uses for these fees. Table 5 shows the Water Quality grants awarded in FFY 2016.

**Table 4  
Small Community Planning Grants  
FFY 2016**

<b>Recipient</b>	<b>Description</b>	<b>Amount</b>
Blunt	Storm Water Management Study	\$10,000
Blunt	Wastewater System Improvements Study	\$7,120
Burke	Water and Wastewater Improvements	\$10,000
Colton	Sanitary Sewer Study	\$10,000
Colton	Storm Water Improvements Study	\$10,000
Crooks	Water and Wastewater Study	\$9,600
Ft. Pierre	Wastewater System Improvements Study	\$10,000
Hitchcock	Wastewater and Storm Water Study	\$20,000
Lake Norden	Wastewater System Study	\$10,000

<b>Recipient</b>	<b>Description</b>	<b>Amount</b>
Lake Preston	Wastewater Engineering Study	\$10,000
McIntosh	Water and Wastewater Study	\$10,000
Redfield	Wastewater Engineering Study	\$10,000
Volga	Wastewater Engineering Study	\$10,000
<b>TOTAL</b>		<b>\$136,720</b>

**Table 5  
Water Quality Grants  
FFY 2016**

<b>Recipient</b>	<b>Description</b>	<b>Amount</b>
James River WDD	South Central Watershed Implementation	\$93,000
Miller	Wastewater Improvements	\$1,000,000
Yale	Wastewater Treatment Pond Riprap	\$243,000
<b>TOTAL</b>		<b>\$1,333,000</b>

The board continued to provide assistance to revolving fund borrowers with the preparation of applications and on-going loan administration activities. The state's six planning districts all have contracts to receive up to \$9,000 per loan for application and loan administration duties. Joint powers agreements were executed between the department and the planning districts to provide \$1,100 per project for Davis-Bacon wage rate verification and certification. In FFY 2016, an additional \$150,000 was allocated for the planning districts' joint powers agreements.

**BUILD AMERICA BOND ACTIVITIES AND USES**

The Series 2010A bonds that were issued in December 2010 were designated as Build America Bonds. As a result the District receives subsidy payments from the U.S. Treasury equal to 35% of the interest payable on its Series 2010A Bonds.

In fiscal year 2016, \$2,750,000 of Build America Bond funds were allocated to supplement the Consolidated program with grants for wastewater projects.

## GOALS, OBJECTIVES, AND ENVIRONMENTAL RESULTS

### **Short-term Goals and Objectives**

In its 2016 Intended Use Plan, the State of South Dakota identified one short-term goal to be implemented and three objectives to be accomplished. The state has made significant progress toward successful completion of its short-term goal and objectives.

#### **Goal: To fully capitalize the fund.**

As of September 30, 2016, South Dakota has made binding commitments to fully utilize all but \$9,520,380 of its capitalization awards and associated state matching funds.

#### **Objective: Ensure the technical integrity of the Clean Water SRF projects through the review of planning, design, plans and specifications, and construction activities.**

Each Clean Water SRF application is assigned to an engineer and is followed through by that engineer until project completion and initiation of operations. Plans and specifications and facilities plans are reviewed and approved by the Department of Environment and Natural Resources. Pre-construction, initial, interim, and final construction inspections are conducted to ensure each project's technical integrity.

#### **Objective: Ensure compliance with all pertinent federal, state, and local water pollution control laws and regulations.**

The state works with all pertinent federal, state, and local agencies to ensure compliance.

#### **Objective: Obtain maximum capitalization of the funds for the state in the shortest time possible.**

The state applied for its capitalization grant during FFY 2016, and state matching funds were in place prior to receiving the grant. Loans are awarded by assessing the following criteria: (1) the availability of funds in the Clean Water SRF program; (2) the applicant's need; (3) violation of health or safety standards; and (4) the applicant's ability to repay. South Dakota has not reverted any capitalization grant funds due to the eight-quarter time limit. Funds are usually awarded within one year of receiving each capitalization grant.

### **Long-term Goals and Objectives**

In its 2016 Intended Use Plan, the state of South Dakota identified two long-term goals and two objectives to be accomplished.



**Goal: To fully capitalize the Clean Water SRF.**

The state has received and obligated each capitalization grant in the required time period and has had state match moneys available for each capitalization grant. As of September 30, 2016, South Dakota has made binding commitments to fully utilize all but \$9,520,380 of its capitalization awards and associated state matching funds.

**Goal: To maintain or restore and enhance the chemical, physical, and biological integrity of the state's waters for the benefit of the overall environment, the protection of public health, and the promotion of economic well-being.**

The state has awarded 403 loans to 158 entities to assist with construction of wastewater, storm sewer, and nonpoint source projects.

**Objective: Maintain a permanent, self-sustaining Clean Water SRF program that will serve in perpetuity as a financing source for wastewater treatment works projects and nonpoint source pollution control projects.**

By ensuring that all loans are made to financially sound and responsible borrowers, the Clean Water SRF program will serve in perpetuity for South Dakota's wastewater, storm sewer, and nonpoint source projects.

**Objective: Fulfill the requirements of pertinent federal, state, and local laws and regulations governing water pollution control activities while providing the state and local project sponsors with maximum flexibility and decision-making authority regarding such activities.**

The state has tailored its Handbook of Procedures to be customer service oriented and user friendly for Clean Water State Revolving Fund Loan program recipients. The handbook also allows for maximum program flexibility while continuing to maintain sufficient state oversight of the program's activities.

**Environmental Results**

Effective January 1, 2005, states have been required to quantify and report the environmental benefits being realized through the Clean Water SRF program. The reporting requirement is being accomplished using an on-line environmental benefits assessment developed by EPA in cooperation with the states and other organizations. The Clean Water Benefits Reporting Summary for each loan closed in FFY 2016 can be found in Addendum B.

## DETAILS OF ACTIVITIES

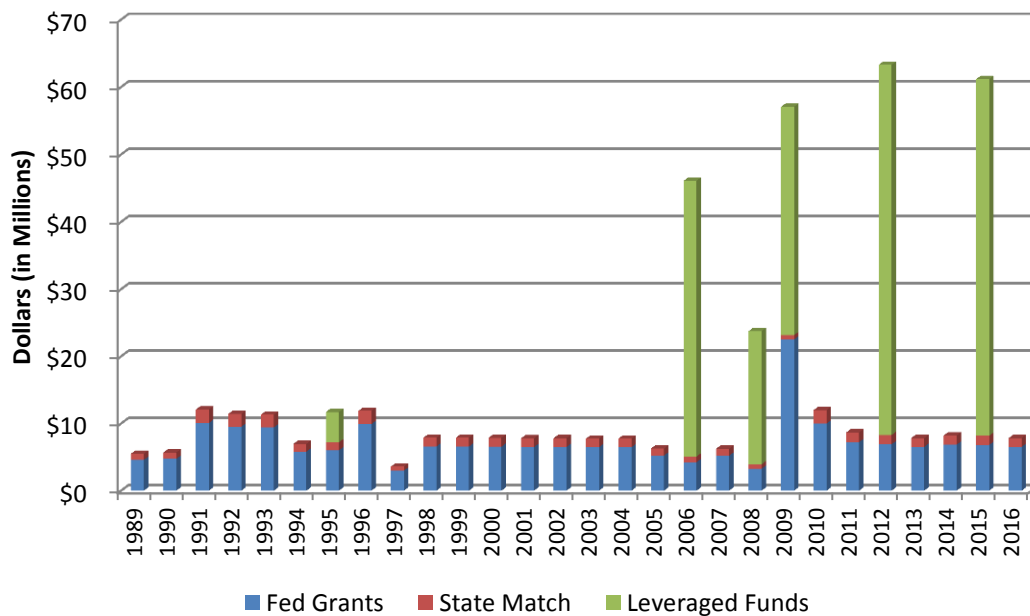
### Fund Financial Status

**Sources of Funds :** During FFY 2016, funding from the following sources was made available for award under the Clean Water SRF program:

FFY 2016 federal capitalization grant	\$6,525,000
FFY 2016 state match	\$1,305,000
Principal repayments *	\$8,602,961
Interest repayments *	\$7,554,875
Total	\$23,987,836

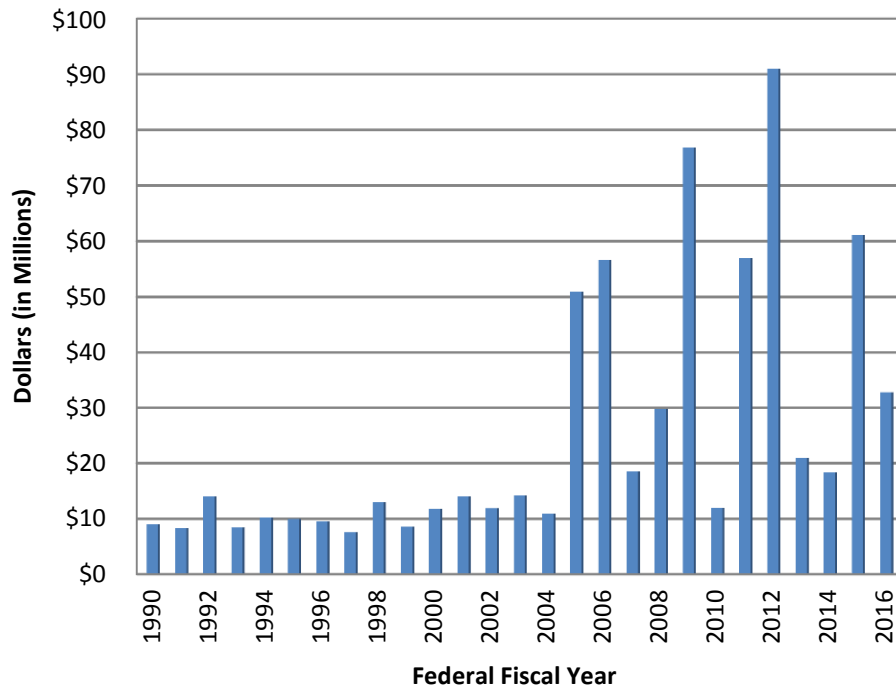
\* Amount transferred to cumulative excess accounts and available to loan

**FIGURE 1**  
**Source of State Revolving Funds by Year**



**Binding Commitments:** In order to provide financial assistance for Section 212 (wastewater and storm water) and nonpoint source projects, the state approved 21 binding commitments and one amendment totaling \$32,812,000. Exhibit I lists the recipients of these Clean Water SRF loans, and Exhibit II details the needs categories for those projects. Figure 2 shows the total amount of binding commitments made by year.

**Figure 2  
Binding Commitments Made by Year**



**Revenues and Expenses:** Fund revenues consisted of capitalization grants, administrative expense surcharge payments, and interest earned on loans and investments. In state fiscal year 2016 (July 1, 2015 - June 30, 2016) these earnings totaled \$12,911,870. Fund expenses included administrative expenditures, interest payable on bonds, the amortization of each bond's issuance cost, and a refund of prior year revenue. These expenses totaled \$8,155,889.

**Disbursements and Guarantees:** There were no loan guarantees during FFY 2016.

**Findings of the Annual Audit and EPA Oversight Review:** The Clean Water SRF program was audited by the South Dakota Department of Legislative Audit for state fiscal year 2016 (July 1, 2015, through June 30, 2016), and the audit report was issued on October 19, 2016. The audit did not contain any written findings or recommendations.

Region VIII conducted its annual oversight review of the South Dakota Drinking Water SRF program. A final report was received on July 25, 2016, and there were no recommendations.

## **Assistance Activity**

Exhibits I through VIII illustrate the assistance activity of the Clean Water SRF in FFY 2016.

- |              |  |
|--------------|--|
| Exhibit I    | The recipients that received Clean Water SRF loans during FFY 2016.  |
| Exhibit II   | The assistance amount provided to each project by needs category.  |
| Exhibit III  | The total Clean Water SRF dollars available by fiscal year, capitalization amounts, state match, and leveraged amounts.  |
| Exhibit IV   | The loan draws and administrative disbursements for FFY 2016.  |
| Exhibit V    | The estimated and actual cash disbursement schedule from the federal Letter of Credit for FFY 2016. The estimated schedule was established by the state and EPA through the annual capitalization grant application process. |
| Exhibit VI   | The environmental review and land purchase information for the loans made in FFY 2016.   |
| Exhibit VII  | Loan transactions by borrower as of September 30, 2016.  |
| Exhibit VIII | Projected principal and interest payments for FFY 2016.  |

## **Provisions of the Operating Agreement/Conditions of the Grant**

The State of South Dakota agreed to a number of conditions in the Operating Agreement and Capitalization Grant Agreement. The following conditions have been met and need no further description:

Agreement to accept payments  
Cash draws for Clean Water SRF program separate from all other EPA draws  
Prior incurred costs not as state match  
Revenues dedicated for repayment of  
loans Procurement actions - 40 CFR Part 31  
Administrative surcharge  
State match  
Cash draw schedule

Anti-lobbying  
Expenditure of state matching funds  
Deposit of state matching funds with federal funds  
Binding commitment ratio  
Timely and expeditious use of funds  
No transfer of Title II funds  
Conduct environmental reviews  
Eligibility of storm sewers  
Clean Water SRF contains an 83.33 percent federal and 16.67 percent state split

The following grant conditions are described in detail below:

Establishment of Minority Business Enterprise (MBE)/Women's Business Enterprise (WBE) Goals and Submittal of MBE/WBE Utilization Report.

The state and EPA have agreed on "fair share" goals of 1 percent MBE and 4 percent WBE. The actual MBE/WBE participation achieved for FFY 2016 was 0 percent MBE and 1.87 percent for WBE.

The state may use no more than \$2,610,000 of the funds provided by the FFY 2016 capitalization grant for additional subsidy.

The state intends to provide the maximum amount allowable of its FFY 2016 capitalization grant for additional subsidy to eligible recipients. The state has entered into binding commitments in an amount equal to the maximum additional subsidy allowed from the FFY 2015 capitalization grant. The state has met its reporting requirements for additional subsidy awarded with the FFY 2014 and 2015 capitalization grants.

The state must make a timely and concerted solicitation for projects that address green infrastructure, water or energy efficiency improvements in an amount equal to at least 10 percent of the FFY 2016 capitalization grant.

The state has offered funding packages to the towns of Lead and Chancellor for a total of \$607,000 in green infrastructure eligible costs. The state has identified over \$2,200,000 in green infrastructure eligible projects on Attachment II of its FY 2017 Intended Use Plan to meet the requirement for the FFY 2015 and 2016 capitalization grants.

## Davis-Bacon Wage Rate Requirements

The state contracts with the six planning districts to monitor Davis-Bacon Wage rate requirements for all entities with the exception of Sioux Falls, which provides its own reporting.

## Reporting subawards as required by the Federal Financial Accountability and Transparency Act (FFATA)

The state has entered into binding commitments in an amount equal to the required amount for FFATA from the FFY 2015 capitalization grant. However, these funds cannot be entered for reporting purposes until the loan closing date. As a result, the reporting requirements for FFATA for the FFY 2015 capitalization grant have not been met.

The FFATA reporting requirements for the FFY 2016 grant have not yet been met. The state continues to seek projects to meet the reporting requirements.

## **2017 Intended Use Plan**

The Annual Report contains the 2017 Intended Use Plan as approved by the Board of Water and Natural Resources on November 9, 2016. The 2017 Intended Use Plan is included in the Annual Report as Addendum A.



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**SOUTH DAKOTA**

**CLEAN WATER**

**STATE REVOLVING FUND**

**LOAN PROGRAM HISTORY**

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## **INITIATION OF THE PROGRAM**

The State Water Pollution Control Revolving Loan Fund, also known as the Clean Water State Revolving Fund Loan program (SRF), is a low-interest loan program to finance the construction of wastewater facilities, storm sewers, and nonpoint source pollution control projects. The program was created by the 1987 Clean Water Act amendments. Funds are provided to the states in the form of capitalization grants awarded annually through the United States Environmental Protection Agency.

The 1988 South Dakota Legislature authorized the State Water Pollution Control Revolving Loan Fund program. Additionally, the legislature appropriated \$1,200,000 and directed the South Dakota Conservancy District, in its capacity as the Board of Water and Natural Resources, to administer the program.

## **CAPITALIZATION GRANTS**

Since 1988, the Conservancy District has received 28 base capitalization grants totaling \$187,078,700. This does not include the 2002 and 2003 Clean Water SRF Capitalization Grants that were transferred to the Drinking Water SRF Program. In order to receive each of the capitalization grants, the Conservancy District must have state matching funds in place equal to at least 20 percent of each grant. To meet this requirement, the Conservancy District used the state appropriation as well as revenue bonds and administrative expense surcharge funds to provide for the required \$33,567,920 in state matching funds. In addition to the base capitalization grants, the Conservancy District received \$19,239,100 in American Recovery and Reinvestment Act funds, for which no match was required. Exhibit III shows the capitalization grant and state match amounts by year.

## **STATE MATCHING FUNDS**

The federal capitalization grants are matched by state funds at a ratio of 5 to 1. The 1988 appropriation of \$1,200,000 is the only state match provided through the state appropriation process. The first program bonds were issued for state match purposes in 1989. To date, \$34,086,678 in state match bonds has been issued. Table 6 recaps the state match bond issues.

Additionally, \$2,688,720 Clean Water SRF administrative surcharge fees have been used for state match. The administrative surcharge fees are structured as a component of the interest rate paid by Clean Water SRF borrowers.

**Table 6**  
**Clean Water State Revolving Fund Program**  
**Bond and Note Issues**

Series	Clean Water SRF			True Interest	Bond Ratings	
	Match	Refund	Leveraged	Cost	Moody's	S & P
1989	\$5,875,000			7.12%		AAA*
1992	\$4,180,000			6.83%		BBB
1994	\$631,195			5.01%	A	
1995	\$3,462,460	\$9,299,195	\$4,507,540	5.94%	A1	
1996	\$2,770,000			5.86%	A1	
2001	\$4,405,000			4.85%	Aa1	
2004		\$11,450,913		4.48%	Aaa	AAA
2005	\$1,558,349		\$41,000,000	4.36%	Aaa	AAA
2008	\$1,964,580		\$19,826,250	**	VMIG-1	A-1+
2009 <sup>B</sup>			\$37,455,570	0.58%	MIG-1	SP-1+
2010 <sup>B</sup>	\$3,543,094	\$37,455,570	(\$3,543,094)	0.35%	MIG-1	SP-1+
2010A		\$26,315,168		3.39%	Aaa	AAA
2010B		\$32,097,173		3.59%	Aaa	AAA
2012A		\$39,624,316		2.42%	Aaa	AAA
2012B	\$1,700,000	\$2,946,204	\$55,000,000	2.82%	Aaa	AAA
2014A	\$4,000,000			1.69%	Aaa	AAA
2014B			\$53,000,000	3.02%	Aaa	AAA
	\$34,089,678	\$159,188,539	\$207,246,266			

\* Insured by Capital Guaranty Insurance Company

\*\* Multi-modal variable rate issue

Initial Pricing March 2008: 2.35% in effect until August 1, 2008

Rate Reset on August 1, 2008: 1.90% in effect until February 1, 2009

Rate Reset on February 1, 2009: 1.00% in effect until August 1, 2009

Rate Reset on August 1, 2009: 0.70% in effect until February 1, 2010

Rate Reset on February 1, 2010: 0.34% in effect until August 1, 2010

Rate Reset on August 1, 2010: 0.40% in effect until February 1, 2011

<sup>B</sup> Bond Anticipation Notes

### LEVERAGED PROGRAM BONDS AND NOTES

The Conservancy District has the authority to issue revenue bonds and notes above the amount required for state match to leverage additional funds for the programs. Leveraged bonds for the Clean Water SRF program were issued in 1995, 2005, 2008, 2012, and 2014.

The Series 2005 bonds initially provided \$33,500,000 of leveraged funds for the Clean Water SRF program. Subsequently, the District transferred an additional \$7,500,000 of Series 2005 leveraged bond proceeds to the Clean Water SRF program from the Drinking Water SRF program (see Table 7).

In August 2009, the Series 2009 Bond Anticipation Notes provided \$37,455,570 in leveraged funds for the program. The 2010 Bond Anticipation Notes were issued in August 2010 to pay the redemption price of the Series 2009 Bond Anticipation Notes which were due on September 10, 2010. Concurrent with the redemption, the District converted \$3,543,094 of the proceeds to state match funds reducing the amount of Clean Water SRF leveraged funds to \$33,912,476. The cumulative amount of leveraged bonds and notes for the Clean Water SRF program is \$207.25 million. Table 6 recaps the leveraged bonds and notes.

### TRANSFERS BETWEEN PROGRAMS

In federal fiscal years 2002 and 2003, because of the demand on the Drinking Water program, the Clean Water SRF capitalization grants and state match were transferred to the Drinking Water SRF program (see Table 7). These grants amounted to \$12,978,600, with a corresponding state match of \$2,595,720. In 2006, \$7,500,000 of the Series 2005 Drinking Water bond proceeds were transferred to the Clean Water program to meet demand, and in 2010, \$10,000,000 of repayment funds were transferred to the Clean Water program.

**Table 7**  
**Transfers between Clean Water SRF and Drinking Water SRF Programs**

From	To	Date of Transfer	Capitalization Grant	State Match	Bonds/ Repayment Transferred	Total
Clean Water SRF	Drinking Water SRF	09/2002	\$6,510,800	\$1,302,160		\$7,182,960
Clean Water SRF	Drinking Water SRF	05/2003	\$6,467,800	\$1,293,560		\$7,761,360
Drinking Water SRF	Clean Water SRF	03/2006			\$7,500,000	\$7,500,000
Drinking Water SRF	Clean Water SRF	05/2011			\$10,000,000	\$10,000,000

### OTHER FUNDS

The Clean Water SRF program is intended to revolve in perpetuity. As borrowers repay their loans, the principal repayments are used to pay debt service on leveraged bonds. Excess repayments are then available to be loaned. The first principal repayment loan was made in 1995. The interest repaid by borrowers and investment earnings are dedicated to pay debt service on state match bonds. The excess interest (unrestricted cumulative interest) is then available to be loaned. The first unrestricted cumulative interest loan was made in 2005. When the federal capitalization grants cease, all loans will be made from these sources.

## **TRUSTEE**

The First National Bank in Sioux Falls has been the trustee since the onset of the program in 1997. The trustee manages and invests all funds and accounts for the Drinking Water SRF program, issues amortization schedules, disburses loan funds, and receives all loan repayments. On September 2, 2016, the First National Bank in Sioux Falls provided the department with written notice of its intent to terminate its consultant contract as trustee. As of September 30, 2016 a new trustee had not been retained.

## **BOND COUNSEL**

Altheimer & Gray served as bond counsel for the Series 1998A and Series 2001 Drinking Water State Revolving Fund Program Bonds. In July 2003, Altheimer & Gray law firm dissolved, and Perkins Coie LLP was retained to serve as bond counsel. Perkins Coie served as bond counsel for the Series 2004, 2005, 2008, 2010, 2012, and 2014 bond issues and 2009 and 2010 bond anticipation notes.

## **UNDERWRITER**

Piper Jaffray served as underwriter for the Series 1998A Drinking Water State Revolving Fund Program Bonds. Dougherty and Company served as underwriter for the Series 2001 bonds. UBS Financial Services served as underwriter for the Series 2004 and Series 2005 State Revolving Fund Program Bonds. Wachovia Bank, National Association was selected as underwriter and remarketing agent for the Series 2008 bonds. Piper Jaffray & Company was selected through a competitive bid process as the underwriter for the Series 2009 Bond Anticipation Notes, and J.P. Morgan Securities L.L.C was chosen through a competitive bid process as the underwriter for the Series 2010 Bond Anticipation Notes.

In October 2010, a request for proposals was circulated for investment banking services. Three firms were retained to provide investment banking services through December 2013. For the 2010 Series Bonds, J.P. Morgan served as the book running senior manager and Piper Jaffray & Co. and Wells Fargo Securities, N.A. served as co-senior manager and co-manager, respectively. For the Series 2012 bonds, Wells Fargo Securities served as lead underwriter, with Piper Jaffray and Company and J.P. Morgan serving as co-managers.

In June 2014, another request for proposals was circulated for investment banking services. Two firms were selected to provide investment banking service until October 8, 2017. J.P. Morgan served as lead underwriter on the 2014 issue and Wells Fargo Securities served as co-manager.

## **FINANCIAL ADVISOR**

In September 2003, Public Financial Management (PFM) was retained to perform financial analyses of the SRF programs. PFM designed a comprehensive program cash flow model that assessed financial impacts of transfers between the Clean Water and Drinking Water programs, maintenance of SRF funds in perpetuity, short- and long-term effects of refunding some or all of the District's outstanding debt, financial impacts of leveraging the Clean Water SRF program, and financial impacts of various methods by which required state matching funds may be provided.

## **INVESTMENT MANAGER**

The Board of Water and Natural Resources authorized distribution of a Request for Proposals for an Investment Manager for the SRF programs in January 2013. On March 11, 2013, the board selected PFM Asset Management as the investment manager, which will direct the investment of certain SRF program funds.

## **EPA REGION VIII**

Region VIII of the Environmental Protection Agency oversees the Clean Water State Revolving Fund Loan program. EPA assists the state in securing capitalization grants and guides the Conservancy District in its administration of the program.



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**CLEAN WATER**

**STATE REVOLVING FUND**

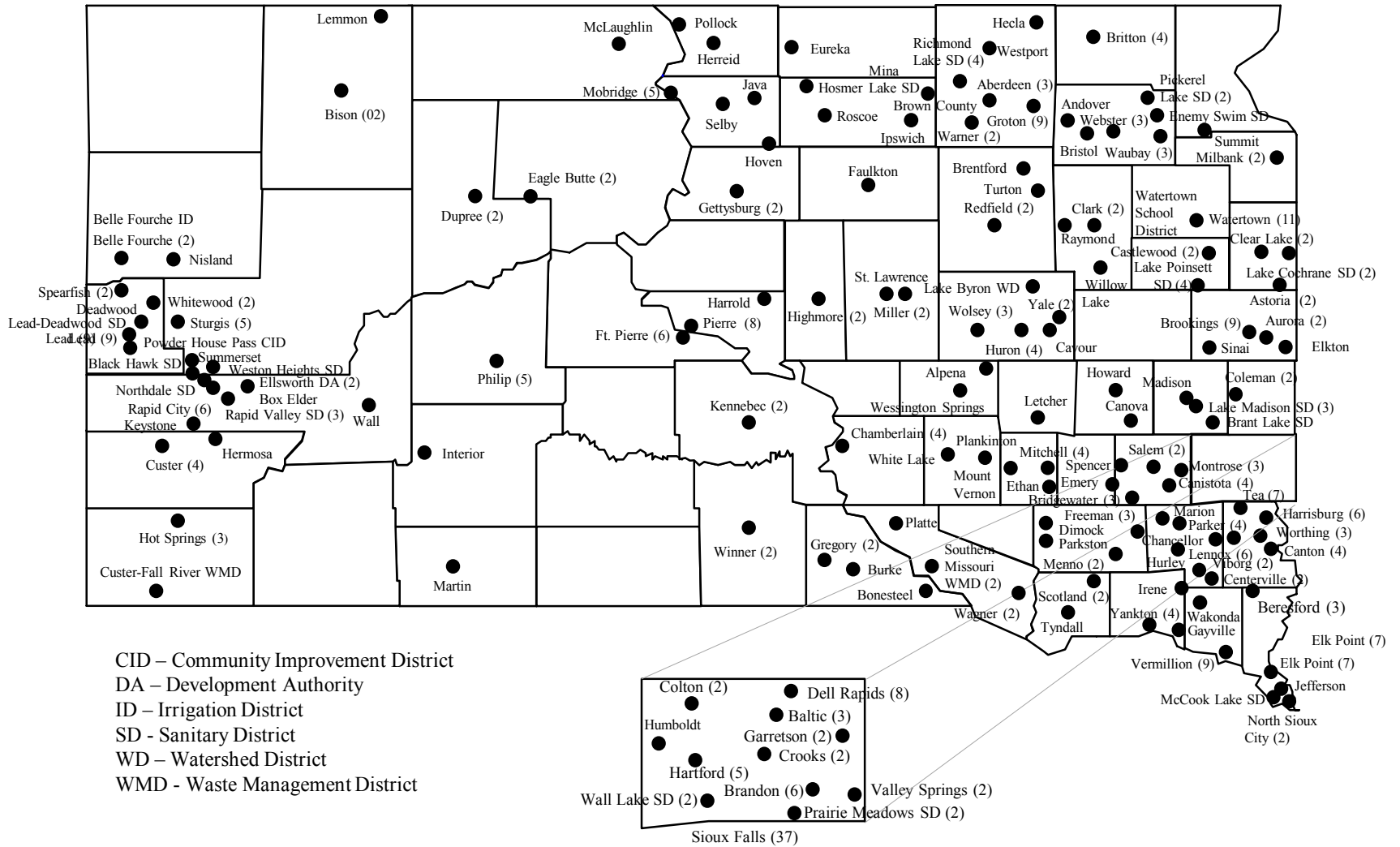
**LOAN PORTFOLIO**

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**FIGURE 3**  
**Clean Water State Revolving Fund Loans**



**Table 8**  
**State of South Dakota**  
**Clean Water State Revolving Fund Loan Program Portfolio**

**Active Clean Water SRF Loans**

<b>Sponsor</b>	<b>Binding Commitment Date</b>	<b>Rate</b>	<b>Term (years)</b>	<b>Original Binding Commitment Amount</b>	<b>Final Loan Amount</b>
Aberdeen (01)	01/06/2005	2.25%	20	\$12,062,600	\$12,062,600
Aberdeen (01NPS)	01/06/2005	2.25%	20	\$1,156,259	\$1,156,259
Aberdeen (02)	06/28/2007	3.25%	20	\$6,000,000	\$5,201,739
Aberdeen (03)	03/28/2013	2.25%	10	\$1,500,000	\$1,500,000
Alpena (01)	03/30/2012	3.00%	20	\$1,465,000	\$905,474
Andover (01)	03/30/2012	3.25%	30	\$194,000	\$194,000
Astoria (02)	03/31/2016	3.25%	30	\$744,000	\$744,000
Aurora (01)	07/27/2000	5.00%	20	\$410,000	\$309,759
Aurora (02) – ARRA	07/23/2009	3.25%	30	\$660,000	\$421,303
Baltic (01)	06/27/2002	3.50%	20	\$465,000	\$405,646
Baltic (02) – ARRA	06/25/2009	3.00%	20	\$433,000	\$276,164
Baltic (03)	03/30/2012	3.25%	30	\$764,700	\$705,015
Beresford (02)	03/30/2012	3.25%	30	\$789,790	\$789,790
Beresford (03)	03/28/2014	3.25%	30	\$605,000	\$605,000
Bison (01)	06/24/2011	3.00%	20	\$504,000	\$504,000
Bison (02)	06/26/2014	3.25%	30	\$419,000	\$419,000
Bonesteel (01)	03/28/2013	3.25%	30	\$588,000	\$370,456
Brandon (04) – ARRA	06/25/2009	2.25%	10	\$383,250	\$383,250
Brandon (06)	03/31/2016	3.00%	20	\$2,598,000	\$2,598,000
Brant Lake Sanitary District (01)	06/24/2010	3.25%	30	\$1,700,000	\$1,700,000
Brentford (01)	03/28/2013	3.25%	30	\$194,000	\$171,507
Bridgewater (02)	06/23/2005	3.25%	20	\$321,600	\$321,600
Bridgewater (03)	06/24/2011	3.25%	30	\$261,000	\$256,273
Bristol (01)	03/28/2014	3.25%	30	\$1,000,000	\$1,000,000
Britton (02)	09/26/2002	3.50%	20	\$322,500	\$291,854
Britton (03)	01/05/2012	3.00%	20	\$1,042,034	\$897,735
Britton (04)	03/28/2013	3.25%	30	\$2,500,000	\$2,500,000
Brookings (02) – ARRA	03/27/2009	3.00%	20	\$1,190,000	\$744,545
Brookings (03)	06/24/2010	3.00%	20	\$665,000	\$433,909
Brookings (04)	06/24/2011	3.00%	20	\$483,538	\$335,314
Brookings (05)	03/30/2012	3.00%	20	\$549,476	\$226,121
Brookings (06)	03/30/2012	3.00%	20	\$3,222,319	\$1,972,719
Brookings (07)	06/29/2012	3.25%	30	\$30,600,000	\$30,600,000
Brookings (09)	01/10/2014	3.00%	20	\$1,570,000	\$448,140
Burke (01)	01/05/2006	3.25%	20	\$155,000	\$155,000
Canistota (01) – ARRA	03/27/2009	3.25%	30	\$616,840	\$616,840
Canistota (02)	12/16/2009	3.25%	30	\$188,669	\$186,183
Canistota (03)	03/28/2014	3.25%	30	\$381,000	\$381,000
Canistota (04)	06/23/2016	3.25%	30	\$378,000	\$378,000
Canova (01)	01/07/2011	3.25%	30	\$262,500	\$238,713
Canton (02)	01/10/2003	3.50%	20	\$600,000	\$600,000
Canton (03) – ARRA	03/27/2009	3.00%	20	\$2,462,000	\$2,462,000

<b>Sponsor</b>	<b>Binding Commitment Date</b>	<b>Rate</b>	<b>Term (years)</b>	<b>Original Binding Commitment Amount</b>	<b>Final Loan Amount</b>
Canton (04)	06/29/2012	3.25%	30	\$732,000	\$732,000
Canton (05)	03/31/2016	3.25%	30	\$1,648,000	\$1,648,000
Castlewood (01)	01/31/2002	3.50%	20	\$250,000	\$215,859
Castlewood (02)	06/22/2006	3.25%	20	\$160,000	\$160,000
Cavour (01)	06/25/2015	3.25%	30	\$150,000	150,000
Centerville (01)	06/27/2002	3.50%	20	\$500,000	\$500,000
Centerville (02)	03/30/2012	3.25%	30	\$435,471	\$400,509
Chancellor (01)	03/28/2014	3.25%	30	\$574,000	\$574,000
Chancellor (02)	03/31/2016	2.25%	10	\$180,000	\$180,000
Clark (01)	01/10/2003	3.50%	20	\$400,000	\$400,000
Clark (02)	03/27/2015	3.25%	30	\$2,485,000	\$2,485,000
Clear Lake (02)	06/25/2004	3.25%	20	\$910,000	\$687,227
Colman (01)	03/30/2012	3.25%	30	\$1,574,248	\$1,574,248
Colman (02)	03/28/2013	3.25%	30	\$800,000	\$800,000
Colton (02)	03/25/2011	3.00%	20	\$189,200	\$140,826
Crooks (01)	03/27/2008	3.25%	20	\$697,000	\$421,975
Custer (04)	06/29/2012	3.00%	20	\$1,633,000	\$925,919
Dell Rapids (02)	01/05/2006	3.25%	20	\$731,737	\$561,737
Dell Rapids (03)	09/27/2007	3.25%	20	\$1,062,000	\$1,062,000
Dell Rapids (04)	09/25/2008	3.25%	20	\$950,000	\$950,000
Dell Rapids (05)	09/24/2010	3.00%	20	\$1,185,995	\$742,564
Dell Rapids (06)	06/29/2012	3.00%	20	\$612,000	\$612,000
Dell Rapids (07)	01/10/2014	3.00%	20	\$1,200,000	\$1,200,000
Dell Rapids (08)	03/31/2016	3.25%	30	\$2,386,000	\$2,386,000
Dimock (01)	09/24/2015	3.25%	30	\$478,000	\$478,000
Dupree (01)	06/28/2013	3.25%	30	\$450,000	\$450,000
Dupree (02)	01/08/2015	3.25%	30	\$192,000	\$192,000
Eagle Butte (02)	11/06/2014	3.25%	30	\$2,410,000	\$2,410,000
Elk Point (02)	01/31/2002	3.50%	20	\$450,000	\$450,000
Elk Point (04)	06/22/2006	3.25%	20	\$100,000	\$100,000
Elk Point (05)	06/26/2008	3.25%	20	\$150,000	\$150,000
Elk Point (06) – ARRA	07/23/2009	3.00%	20	\$931,700	\$607,840
Elk Point (07)	06/23/2016	3.25%	30	\$235,000	\$235,000
Elkton (01) – ARRA	03/27/2009	3.00%	20	\$510,000	\$505,464
Ellsworth Development Authority (01)	08/14/2012	3.00%	20	\$16,000,000	\$16,000,000
Ellsworth Development Authority (02)	03/28/2013	3.00%	20	\$6,812,000	\$6,812,000
Emery (01)	06/25/2015	3.25%	30	\$3,084,000	\$3,084,000
Ethan (01)	03/30/2012	3.25%	30	\$500,000	\$489,349
Eureka (01)	09/27/2012	3.25%	30	\$1,494,000	\$1,383,155
Faulkton	09/27/2012	3.25%	30	\$902,000	\$790,879
Fort Pierre (02)	01/31/2002	3.50%	15	\$462,500	\$462,500
Fort Pierre (03)	01/09/2004	3.50%	20	\$450,000	\$443,223
Fort Pierre (05)	02/11/2009	3.00%	20	\$900,000	\$495,549
Fort Pierre (06)	03/30/2012	3.25%	30	\$266,000	\$266,000
Freeman (02)	06/26/2008	3.25%	20	\$800,000	\$800,000
Freeman (03)	06/26/2014	3.00%	20	\$1,536,000	\$1,000,000
Garretson (02)	03/27/2008	3.25%	20	\$507,445	\$503,239
Gettysburg (01)	06/25/2009	3.25%	30	\$624,000	\$535,758
Gregory (01)	08/26/2009	3.00%	20	\$357,000	\$241,574

<b>Sponsor</b>	<b>Binding Commitment Date</b>	<b>Rate</b>	<b>Term (years)</b>	<b>Original Binding Commitment Amount</b>	<b>Final Loan Amount</b>
Gregory (02)	09/27/2013	2.25%	10	\$259,000	\$229,958
Groton (03)	07/23/1997	5.25%	20	\$635,000	\$470,809
Groton (08)	06/24/2010	2.25%	10	\$322,000	\$206,979
Groton (09)	06/24/2011	2.25%	10	\$485,000	\$249,240
Harrisburg (03)	06/25/2009	3.25%	30	\$5,911,800	\$2,544,036
Harrisburg (04)	03/25/2011	2.25%	10	\$1,435,340	\$679,217
Harrisburg (05)	03/25/2011	3.00%	20	\$1,783,760	\$1,402,976
Harrisburg (06)	09/27/2013	3.25%	20	\$2,577,000	\$2,577,000
Harrold (01)	06/26/2008	3.25%	20	\$170,000	\$162,372
Hartford (01)	04/13/2000	5.00%	20	\$504,000	\$504,000
Hartford (02)	04/13/2000	5.00%	20	\$690,804	\$690,804
Hartford (03)	04/12/2002	3.50%	20	\$300,000	\$300,000
Hartford (04)	01/10/2003	3.50%	20	\$550,035	\$550,035
Hartford (05)	06/28/2007	3.25%	20	\$583,000	\$523,629
Hecla (01)	07/06/2009	3.00%	20	\$143,390	\$101,909
Hermosa (01)	03/25/2011	3.25%	30	\$303,604	\$292,156
Herreid (01)	03/25/2011	3.25%	30	\$694,300	\$694,300
Highmore (02)	03/28/2014	3.25%	30	\$679,000	\$538,871
Hot Springs (02)	09/24/2010	3.00%	20	\$1,453,000	\$1,227,332
Hoven (01)	06/26/2014	3.25%	30	\$656,000	\$656,000
Howard (01)	03/27/2015	3.25%	30	\$1,764,000	\$979,000
Humboldt (01)	03/27/2015	3.25%	30	\$417,200	\$417,200
Hurley (01)	03/30/2012	3.25%	30	\$835,964	\$835,964
Huron (03)	09/19/1995	5.25%	20	\$2,700,000	\$1,856,828
Interior (01)	06/24/2011	3.25%	30	\$250,000	\$246,721
Irene (01)	03/28/2014	3.25%	30	\$656,000	\$656,000
Java (01)	06/24/2011	3.25%	30	\$438,325	\$393,252
Jefferson (01)	03/28/2003	3.50%	20	\$320,000	\$166,084
Kennebec (01)	03/27/2015	3.25%	30	\$723,000	\$723,000
Kennebec (02)	03/27/2015	3.25%	30	\$437,000	\$437,000
Keystone (01)	06/23/2016	3.00%	20	\$431,000	\$431,000
Lake Cochrane San Dist (02)	01/08/2004	3.50%	20	\$160,000	\$156,111
Lake Madison San Dist (02)	09/25/2003	3.50%	20	\$875,000	\$613,419
Lake Madison San Dist (03)	09/24/2015	3.25%	30	\$428,000	\$428,000
Lake Poinsett San Dist (02)	06/28/2007	3.50%	30	\$1,094,700	\$1,094,700
Lake Poinsett San Dist (03)	09/24/2010	3.25%	30	\$3,075,000	\$2,413,671
Lake Poinsett San Dist (04)	03/28/2014	3.25%	30	\$1,917,000	\$1,917,000
Lead (05)	01/06/2005	3.25%	20	\$333,700	\$220,029
Lead (06)	06/28/2007	3.25%	20	\$240,000	\$240,000
Lead (07)	09/24/2010	3.00%	20	\$200,000	\$192,541
Lead (08)	03/28/2014	3.00%	20	\$937,000	\$937,000
Lead (09)	06/23/2016	2.25%	10	\$427,000	\$427,000
Lennox (04) – ARRA	06/25/2009	3.25%	30	\$1,942,273	\$1,942,273
Lennox (05)	03/28/2014	3.25%	30	\$1,290,000	\$1,290,000
Lennox (06)	03/27/2015	3.25%	30	\$1,873,000	\$1,873,000
Letcher (01)	06/28/2013	3.25%	30	\$775,000	\$775,000
Madison (02)	09/27/2007	3.25%	20	\$5,343,256	\$4,986,796
Marion (01)	09/25/2008	3.50%	30	\$1,710,000	\$1,707,908
McLaughlin (01)	06/24/2011	3.25%	30	\$1,145,675	\$1,050,424

<b>Sponsor</b>	<b>Binding Commitment Date</b>	<b>Rate</b>	<b>Term (years)</b>	<b>Original Binding Commitment Amount</b>	<b>Final Loan Amount</b>
Menno (01)	09/24/2010	3.00%	20	\$240,000	\$191,500
Menno (02)	03/28/2013	3.25%	30	\$1,230,000	\$1,170,777
Milbank (01) – ARRA	06/25/2009	3.00%	20	\$3,515,000	\$3,376,639
Mina Lake San. Dist. (01)	06/23/2016	3.25%	30	\$559,000	\$559,000
Mitchell (02)	09/25/2003	3.50%	20	\$1,320,000	\$1,320,000
Mitchell (03)	02/11/2009	2.00%	20	\$1,534,224	\$1,534,224
Mitchell (03NPS)	02/11/2009	2.00%	20	\$148,523	\$148,523
Mitchell (04)	03/28/2013	3.00%	20	\$800,000	\$543,447
Mobridge (04)	06/29/2012	3.00%	20	\$764,000	\$703,425
Mobridge (05)	01/08/2015	3.00%	20	\$1,475,000	\$1,475,000
Montrose (02) – ARRA	03/27/2009	3.25%	30	\$804,000	\$767,190
Mount Vernon (01)	01/07/2011	3.25%	30	\$2,300,000	\$2,300,000
Nisland (01)	01/06/2005	3.25%	20	\$204,000	\$204,000
Northville (01)	03/25/2011	3.25%	30	\$238,300	\$111,405
Parker (01)	09/23/2004	3.25%	20	\$824,000	\$430,000
Parker (02)	06/22/2006	3.25%	20	\$620,000	\$480,501
Parker (03) – ARRA	03/27/2009	3.25%	30	\$700,900	\$694,329
Parker (04)	03/28/2013	3.00%	20	\$295,000	\$203,257
Parkston (01)	06/26/2008	3.25%	20	\$650,000	\$635,690
Philip (04)	03/30/2012	3.25%	30	\$1,073,300	\$865,546
Philip (05)	03/30/2012	3.25%	30	\$750,000	\$604,122
Pierre (04)	03/28/2003	3.50%	20	\$1,378,404	\$1,199,832
Pierre (05)	09/25/2008	3.25%	20	\$976,953	\$612,159
Pierre (06)	09/26/2014	2.25%	10	\$817,600	\$817,600
Pierre (07)	03/31/2016	3.00%	20	\$3,821,000	\$3,821,000
Pierre (08)	06/23/2016	2.25%	10	\$1,450,000	\$1,450,000
Plankinton (01)	06/24/2011	3.25%	30	\$1,005,744	\$1,005,744
Powder House Pass CID (01)	03/30/2012	3.25%	30	\$2,575,218	\$2,575,218
Prairie Meadow San. Dist. (02)	03/31/2016	3.25%	30	\$588,000	\$588,000
Rapid City (06)	09/23/2009	3.00%	20	\$5,000,000	\$5,000,000
Rapid Valley San Dist (03)	07/29/1996	5.25%	20	\$630,000	\$630,000
Raymond (01)	06/23/2016	3.25%	30	\$745,000	\$745,000
Redfield (02)	03/30/2012	3.25%	30	\$884,000	\$803,423
Saint Lawrence (01)	09/26/2014	3.25%	30	\$193,000	\$148,224
Salem (01)	03/28/2003	3.50%	20	\$592,307	\$518,035
Salem (02)	06/23/2005	3.25%	20	\$387,960	\$387,960
Scotland (01)	03/28/2003	3.50%	20	\$250,000	\$250,000
Scotland (02)	06/24/2011	3.25%	30	\$945,930	\$804,740
Sinai (01)	03/28/2014	3.25%	30	\$500,000	\$500,000
Sioux Falls (18)	07/16/2004	2.50%	10	\$3,951,000	\$3,730,114
Sioux Falls (19)	07/16/2004	2.50%	10	\$801,000	\$415,785
Sioux Falls (20A)	01/06/2005	1.50%	10	\$16,000,000	\$16,000,000
Sioux Falls (20B)	10/19/2005	1.50%	10	\$8,700,000	\$8,700,000
Sioux Falls (20NPS)	01/06/2005	1.50%	10	\$1,249,349	\$1,249,349
Sioux Falls (21A)	03/31/2005	2.25%	20	\$12,500,000	\$12,500,000
Sioux Falls (21B)	10/19/2005	2.25%	20	\$21,608,000	\$20,108,000
Sioux Falls (21NPS)	03/31/2005	2.25%	20	\$3,269,418	\$3,125,636
Sioux Falls (22)	02/07/2006	2.50%	10	\$10,550,000	\$10,550,000
Sioux Falls (23)	03/31/2006	2.50%	10	\$10,323,000	\$10,309,144

<b>Sponsor</b>	<b>Binding Commitment Date</b>	<b>Rate</b>	<b>Term (years)</b>	<b>Original Binding Commitment Amount</b>	<b>Final Loan Amount</b>
Sioux Falls (25)	01/03/2008	2.50%	10	\$5,657,000	\$3,508,134
Sioux Falls (26)	03/27/2008	2.50%	10	\$3,744,000	\$3,744,000
Sioux Falls (27)	03/27/2008	2.50%	10	\$2,621,000	\$2,621,000
Sioux Falls (28) – ARRA	03/27/2009	2.25%	10	\$1,803,000	\$1,803,000
Sioux Falls (29) – ARRA	03/27/2009	2.25%	10	\$2,540,000	\$1,211,097
Sioux Falls (30) – ARRA	07/23/2009	2.25%	10	\$8,462,000	\$4,974,661
Sioux Falls (32)	01/07/2011	1.25%	10	\$23,400,000	\$21,848,437
Sioux Falls (32NPS)	01/07/2011	1.25%	10	\$1,189,400	\$1,189,400
Sioux Falls (33)	06/24/2011	1.25%	10	\$14,000,000	\$14,000,000
Sioux Falls (33NPS)	06/24/2011	1.25%	10	\$711,614	\$711,614
Sioux Falls (34)	09/27/2012	2.25%	10	\$12,464,000	\$12,464,000
Sioux Falls (35)	03/27/2015	1.25%	10	\$11,400,000	\$11,400,000
Sioux Falls (35NPS)	03/27/2015	1.25%	10	\$579,457	\$579,457
Sioux Falls (36)	03/27/2015	1.25%	10	\$24,800,000	\$24,800,000
Sioux Falls (36NPS)	03/27/2015	1.25%	10	\$1,260,000	\$1,260,000
Sioux Falls (37)	06/23/2016	1.25%	10	\$8,838,000	\$8,838,000
Sioux Falls (37NPS)	06/23/2016	1.25%	10	\$449,000	\$449,000
Southern Missouri RWMD (NPS-01)	10/06/1994	5.00%	20	\$700,000	\$700,000
Southern Missouri RWMD (02)	06/29/2012	2.25%	10	\$242,000	\$223,813
Spearfish (02)	01/03/2008	3.25%	20	\$5,900,000	\$5,658,584
Spencer (01)	06/24/2010	3.25%	30	\$230,156	\$230,156
Sturgis (05) – ARRA	08/26/2009	3.00%	20	\$516,900	\$516,900
Summerset (01)	03/30/2012	3.00%	20	\$300,000	\$257,947
Tea (03)	06/27/1997	5.25%	20	\$250,000	\$208,813
Tea (05)	06/26/2003	3.50%	20	\$495,490	\$495,490
Tea (06)	06/28/2007	3.25%	20	\$858,000	\$787,174
Tea (07)	06/25/2009	3.00%	20	\$875,000	\$845,000
Turton (01)	03/28/2014	3.25%	30	\$262,000	\$262,000
Tyndall (01)	03/31/2006	3.25%	20	\$795,000	\$795,000
Valley Springs (01)	05/14/1998	5.25%	20	\$430,000	\$422,128
Valley Springs (02)	09/23/2004	3.25%	20	\$350,000	\$350,000
Vermillion (03)	03/28/2003	3.50%	20	\$456,000	\$273,965
Vermillion (05)	06/26/2008	3.25%	20	\$4,851,000	\$4,213,191
Vermillion (06) – ARRA	06/25/2009	3.00%	20	\$499,000	\$499,000
Vermillion (07)	03/30/2012	3.00%	20	\$1,639,000	\$1,639,000
Vermillion (08)	06/23/2016	3.00%	20	\$812,000	\$812,000
Viborg (01)	06/24/2011	3.25%	30	\$883,000	\$616,764
Viborg (02)	06/23/2016	3.25%	30	\$105,000	\$105,000
Wagner (01)	06/28/2007	3.25%	20	\$150,000	\$138,329
Wakonda (01)	06/28/2013	3.00%	20	\$529,000	\$507,555
Wall Lake San Dist. (01)	12/13/2001	3.50%	20	\$200,000	\$175,126
Wall Lake San Dist. (01)	03/30/2012	3.25%	30	\$135,000	\$135,000
Warner (02)	06/24/2011	3.25%	30	\$1,826,760	\$1,662,217
Watertown (05)	03/28/2003	3.50%	20	\$2,055,000	\$2,055,000
Watertown (06)	03/31/2006	2.25%	20	\$1,189,145	\$1,151,694
Watertown (06NPS)	03/31/2006	2.25%	20	\$113,985	\$113,985
Watertown (07)	01/05/2007	2.25%	20	\$847,170	\$808,736
Watertown (07NPS)	01/05/2007	2.25%	20	\$81,205	\$81,205
Watertown (08)	01/05/2007	2.25%	20	\$612,877	\$525,041

<b>Sponsor</b>	<b>Binding Commitment Date</b>	<b>Rate</b>	<b>Term (years)</b>	<b>Original Binding Commitment Amount</b>	<b>Final Loan Amount</b>
Watertown (08NPS)	01/05/2007	2.25%	20	\$58,747	\$58,747
Watertown (09) – ARRA	07/23/2009	3.00%	20	\$16,446,000	\$11,554,853
Watertown (10) – ARRA	07/23/2009	3.00%	20	\$3,330,000	\$2,983,757
Watertown (11)	06/24/2010	3.00%	20	\$815,000	\$498,166
Waubay (02)	09/27/2012	3.25%	30	\$149,200	\$134,056
Waubay (03)	03/27/2015	3.25%	30	\$1,470,000	\$1,470,000
Webster (02)	04/12/2002	3.50%	20	\$811,000	\$811,000
Wessington Springs (01)	03/27/2015	3.00%	20	\$393,000	\$393,000
Weston Heights Sanitary District (01)	03/31/2006	3.25%	20	\$638,300	\$600,412
Westport (01)	03/31/2016	3.25%	30	\$445,000	\$445,000
White Lake (01)	03/28/2013	3.25%	30	\$371,000	\$307,374
Whitewood (02)	07/27/2000	5.00%	20	\$275,000	\$189,032
Willow Lake (01)	01/08/2004	3.50%	20	\$100,000	\$100,000
Winner (01)	06/22/2006	3.25%	20	\$925,000	\$925,000
Winner (02)	03/30/2012	3.00%	20	\$400,000	\$373,528
Wolsey (01)	09/27/2007	3.25%	20	\$162,300	\$162,300
Wolsey (03)	03/25/2010	3.00%	20	\$901,560	\$556,790
Worthing (01)	06/27/1996	5.25%	20	\$315,725	\$227,645
Worthing (02)	09/27/2007	3.50%	20	\$580,000	\$561,185
Worthing (03)	03/30/2012	3.00%	20	\$459,832	\$419,585
Yale (01)	06/24/2011	3.25%	30	\$885,110	\$885,110
Yale (02)	03/28/2016	3.25%	30	\$84,000	\$84,000
Yankton (03)	10/12/2001	3.50%	20	\$6,130,000	\$6,020,406
Yankton (04)	03/30/2012	3.00%	20	\$3,330,000	\$3,330,000
<b>Total of Active Loans (Open or in Repayment)</b>				\$521,651,560	\$481,494,943



### Fully Repaid Clean Water SRF Loans

Sponsor	Binding Commitment Date	Rate	Term (years)	Original Binding Commitment Amount	Final Loan Amount
Belle Fourche (01)	08/22/1990	3.00%	20	\$253,000	\$253,000
Belle Fourche (02)	06/22/1995	4.50%	10	\$300,000	\$264,422
Belle Fourche Irrigation District (01)	06/24/2011	0%	-	\$200,000	\$200,000
Beresford (01)	06/22/2000	4.50%	10	\$1,150,000	\$1,115,852
Black Hawk Sanitary District (01)	06/26/2003	3.50%	20	\$589,600	\$477,823
Box Elder (01)	04/11/1990	3.00%	20	\$648,600	\$648,600
Brandon (01)	03/14/1991	3.00%	10	\$105,000	\$105,000
Brandon (02)	03/31/1993	3.00%	10	\$600,000	\$526,018
Bridgewater (01)	09/25/1997	5.25%	20	\$120,000	\$90,328
Britton (01)	05/13/1999	4.50%	10	\$509,935	\$509,935
Brookings (01)	03/14/1991	4.00%	15	\$188,065	\$188,065
Canton (01)	05/19/1992	4.00%	15	\$621,000	\$515,715
Chamberlain (01)	07/08/1992	3.00%	10	\$350,500	\$350,500
Chamberlain (02)	01/26/1993	3.00%	10	\$265,000	\$265,000
Chamberlain (03)	06/27/1996	5.25%	20	\$2,700,000	\$2,700,000
Chamberlain (04)	03/26/1998	5.25%	20	\$450,000	\$450,000
Clear Lake (01)	06/13/1991	4.00%	15	\$370,000	\$79,537
Colton (01)	09/22/2005	3.25%	20	\$204,500	\$178,332
Custer (01)	04/11/1990	3.00%	20	\$430,000	\$430,000
Custer (02)	07/11/1990	3.00%	20	\$182,000	\$182,000
Custer (03)	08/23/1993	3.00%	10	\$276,000	\$276,000
Custer-Fall River WMD (NPS-01)	06/22/1995	5.00%	20	\$250,000	\$106,939
Deadwood (01)	04/25/1994	4.00%	15	\$582,000	\$447,838
Dell Rapids (01)	12/09/1993	3.00%	10	\$300,000	\$300,000
Elk Point (01)	05/27/1993	4.00%	15	\$458,000	\$458,000
Elk Point (03)	06/26/2003	3.50%	20	\$345,000	\$345,000
Fort Pierre (01)	05/11/1994	3.00%	10	\$330,294	\$330,294
Freeman (01)	01/06/2005	2.50%	10	\$300,000	\$300,000
Garretson (01)	05/11/1994	4.00%	15	\$510,000	\$300,000
Gayville (01)	06/25/2004	3.25%	20	\$275,000	\$262,972
Groton (01)	01/13/1994	3.00%	10	\$192,000	\$189,524
Groton (02)	05/11/1994	3.00%	10	\$106,000	\$74,630
Groton (04)	03/28/2003	3.50%	20	\$163,775	\$126,648
Groton (05)	03/28/2003	3.50%	20	\$440,000	\$440,000
Groton (06)	01/03/2008	3.25%	20	\$150,000	\$56,368
Groton (07) – ARRA	06/25/2009	3.00%	20	\$907,700	\$310,913
Harrisburg (01)	06/23/1999	5.00%	20	\$520,000	\$507,277
Harrisburg (02) – ARRA <sup>1</sup>	06/25/2009	0%	-	\$3,941,200	\$3,941,200
Highmore (01)	04/12/2002	3.50%	20	\$262,300	\$262,300
Hot Springs (01)	03/12/1992	3.00%	10	\$196,930	\$196,930
Hot Springs (NPS-01)	01/13/1994	5.00%	20	\$930,000	\$930,000
Huron (01)	11/09/1989	3.00%	20	\$1,656,000	\$1,656,000
Huron (02)	06/13/1991	3.00%	10	\$750,000	\$701,997
Lake Cochrane San Dist (01)	04/11/1990	3.00%	20	\$80,000	\$80,000
Lake Madison San Dist (01)	03/14/1991	4.00%	15	\$330,000	\$330,000
Lead (01)	07/11/1990	3.00%	20	\$186,409	\$186,409
Lead (02)	07/11/1991	3.00%	10	\$500,770	\$500,770
Lead (03)	05/19/1992	3.00%	10	\$405,000	\$375,298

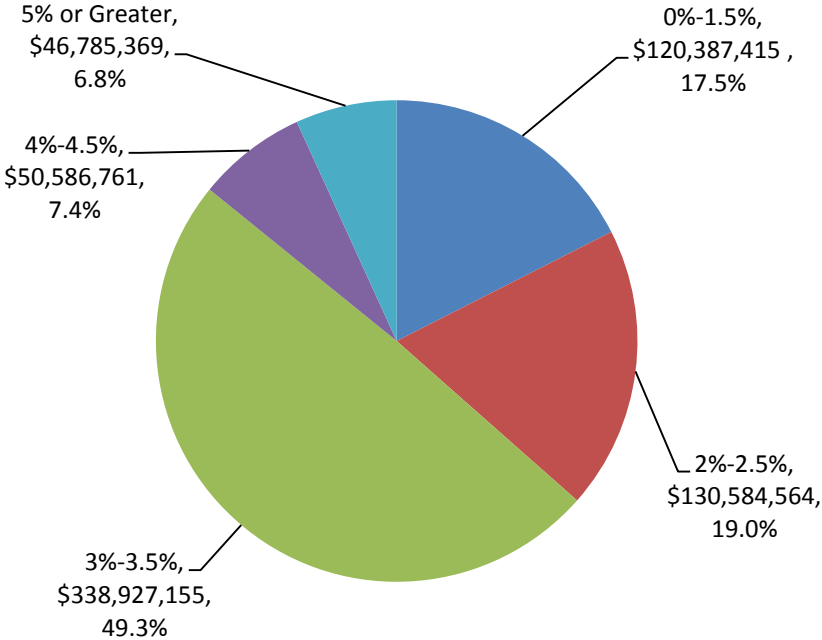
Sponsor	Binding		Term (years)	Original	Final Loan
	Commitment Date	Rate		Binding Commitment Amount	
Lead (04)	07/27/2000	4.50%	10	\$239,200	\$239,200
Lead-Deadwood San Dist (01)	06/07/1990	3.00%	5	\$110,000	\$106,855
Lemmon (01)	04/11/1990	3.00%	20	\$427,100	\$427,100
Lennox (01)	06/27/1996	5.25%	20	\$350,000	\$350,000
Lennox (02)	07/23/1997	5.25%	20	\$600,000	\$583,735
Lennox (03) – ARRA	06/25/2009	0%	-	\$1,565,760	\$1,565,760
Madison (01)	03/14/1991	3.00%	10	\$150,000	\$119,416
Martin (01)	03/27/2008	3.25%	20	\$237,250	\$142,732
McCook Lake San Dist (01)	08/29/1991	5.00%	20	\$641,935	\$641,935
Milbank (02)	06/25/2009	3.25%	30	\$1,000,000	\$261,306
Mitchell (01)	04/15/1997	4.50%	10	\$2,000,000	\$1,543,405
Mobridge (01)	07/11/1990	3.00%	20	\$1,500,000	\$1,500,000
Mobridge (02)	12/11/1991	4.00%	15	\$158,000	\$158,000
Mobridge (03)	04/13/2000	4.50%	10	\$1,355,000	\$1,350,000
Montrose (01)	09/22/2005	2.50%	10	\$142,621	\$34,988
North Sioux City (01)	07/08/1992	3.00%	10	\$239,650	\$239,650
North Sioux City (02)	06/22/1995	5.00%	15	\$646,000	\$646,000
Northdale San Dist (01)	04/25/1994	5.00%	20	\$315,000	\$256,380
Philip (01)	06/22/1995	5.00%	15	\$472,000	\$453,885
Philip (02)	06/26/1997	5.25%	20	\$325,000	\$321,127
Philip (03)	09/22/2005	3.25%	15	\$347,040	\$316,423
Pickereel Lake San Dist (01)	05/09/1996	5.25%	15	\$850,000	\$850,000
Pickereel Lake San Dist (02)	09/25/1997	5.25%	20	\$670,000	\$670,000
Pierre (01)	11/08/1990	4.00%	15	\$600,000	\$433,976
Pierre (02)	03/26/1998	5.25%	20	\$4,417,000	\$4,417,000
Pierre (03)	03/25/1999	5.00%	20	\$5,391,260	\$5,391,260
Platte (01)	03/25/1999	5.00%	20	\$1,000,000	\$975,865
Pollock (01)	09/23/1993	3.00%	10	\$170,000	\$151,619
Rapid City (01)	12/12/1990	4.00%	15	\$2,637,000	\$2,479,905
Rapid City (02)	07/08/1992	4.00%	15	\$1,138,200	\$986,685
Rapid City (03)	06/23/1993	4.00%	15	\$777,500	\$674,577
Rapid City (04)	08/10/1994	4.00%	15	\$1,214,861	\$1,214,861
Rapid City (05)	01/11/2001	4.50%	20	\$14,000,000	\$14,000,000
Rapid Valley San Dist (01)	01/11/1990	3.00%	20	\$614,000	\$614,000
Rapid Valley San Dist (02)	11/10/1994	4.00%	15	\$460,000	\$364,583
Richmond Lake San Dist (01)	06/27/1996	5.25%	20	\$414,000	\$414,000
Richmond Lake San Dist (02)	06/25/1998	5.25%	20	\$226,500	\$191,500
Richmond Lake San Dist (04)	03/25/2011	3.25%	30	\$339,800	\$275,149
Roscoe (01)	07/29/1996	5.25%	20	\$358,408	\$358,408
Selby (01)	09/24/2010	0%	-	\$700,000	\$700,000
Sioux Falls (01)	04/11/1990	3.00%	20	\$3,316,310	\$2,836,963
Sioux Falls (02)	07/11/1990	3.00%	10	\$454,000	\$453,999
Sioux Falls (03)	12/12/1990	3.00%	10	\$845,000	\$845,000
Sioux Falls (04)	12/12/1990	3.00%	10	\$1,200,000	\$1,200,000
Sioux Falls (05)	03/12/1992	3.00%	10	\$1,955,000	\$1,955,000
Sioux Falls (06)	03/12/1992	3.00%	10	\$700,000	\$700,000
Sioux Falls (07)	01/26/1993	3.00%	10	\$4,500,000	\$4,500,000
Sioux Falls (08)	01/13/1994	3.00%	10	\$1,000,000	\$699,003
Sioux Falls (09)	08/10/1994	3.00%	10	\$1,250,000	\$1,250,000
Sioux Falls (10)	08/10/1994	3.00%	10	\$1,500,000	\$1,432,941

<b>Sponsor</b>	<b>Binding Commitment Date</b>	<b>Rate</b>	<b>Term (years)</b>	<b>Original Binding Commitment Amount</b>	<b>Final Loan Amount</b>
Sioux Falls (11)	06/22/1995	4.50%	10	\$1,250,000	\$1,195,346
Sioux Falls (12)	03/27/1996	4.50%	10	\$1,300,000	\$1,300,000
Sioux Falls (13)	01/09/1997	4.50%	10	\$2,500,000	\$2,083,137
Sioux Falls (14)	07/27/2000	4.50%	10	\$5,100,000	\$4,888,537
Sioux Falls (15)	04/12/2002	3.50%	10	\$1,724,000	\$1,467,706
Sioux Falls (16)	01/10/2003	3.50%	10	\$2,479,500	\$2,479,500
Sioux Falls (17)	06/26/2003	3.50%	10	\$932,000	\$561,320
Sioux Falls (24)	03/30/2007	2.50%	7	\$500,000	\$500,000
Sioux Falls (31) – ARRA	05/27/2009	2.25%	10	\$1,970,000	\$1,831,523
Spearfish (01)	03/12/1992	4.00%	15	\$1,956,000	\$1,956,000
Sturgis (01)	08/23/1993	5.00%	20	\$502,000	\$502,000
Sturgis (02)	06/23/1994	5.00%	20	\$936,250	\$936,250
Sturgis (03)	06/27/1997	5.25%	20	\$450,000	\$437,380
Sturgis (04)	04/14/2000	5.00%	20	\$2,100,000	\$2,100,000
Summit (01) – ARRA	03/27/2009	0%	-	\$100,000	\$100,000
Tea (01)	03/31/1993	4.00%	15	\$600,000	\$600,000
Tea (02)	05/11/1994	4.00%	15	\$600,000	\$600,000
Tea (04)	05/14/1998	5.00%	15	\$375,000	\$375,000
Vermillion (01)	06/07/1990	3.00%	20	\$125,000	\$125,000
Vermillion (02)	12/09/1993	4.00%	15	\$500,000	\$370,471
Vermillion (04)	07/16/2004	3.25%	20	\$3,548,351	\$3,333,994
Vermillion (NPS-01)	08/10/1995	4.50%	10	\$480,000	\$356,531
Wall (01)	07/22/1999	5.00%	20	\$1,146,000	\$788,600
Warner (01)	03/23/1995	4.50%	10	\$102,000	\$101,152
Watertown (01)	10/09/1991	4.00%	15	\$2,000,000	\$2,000,000
Watertown (02)	08/12/1992	4.00%	15	\$4,000,000	\$4,000,000
Watertown (03)	06/22/1995	5.25%	20	\$2,600,000	\$2,583,734
Watertown (04)	11/09/1995	5.25%	20	\$2,200,000	\$932,830
Watertown School District (01) – ARRA	07/23/2009	0%	-	\$503,635	\$399,747
Waubay (01)	02/18/1992	5.00%	20	\$163,487	\$81,454
Webster (01)	03/27/1996	4.50%	10	\$400,000	\$345,394
Webster (03) – ARRA	03/27/2009	0%	-	\$500,000	\$500,000
Whitewood (01)	02/18/1992	4.00%	15	\$200,000	\$180,801
Yankton (01)	12/10/1997	5.25%	20	\$2,625,000	\$2,625,000
Yankton (02)	12/10/1997	6.00%	20	\$4,500,000	\$4,500,000
<b>Total of Fully Repaid Loans</b>				\$142,070,196	\$132,956,032
<b>GRAND TOTAL</b>				<b>\$663,721,756</b>	<b>\$614,450,975</b>

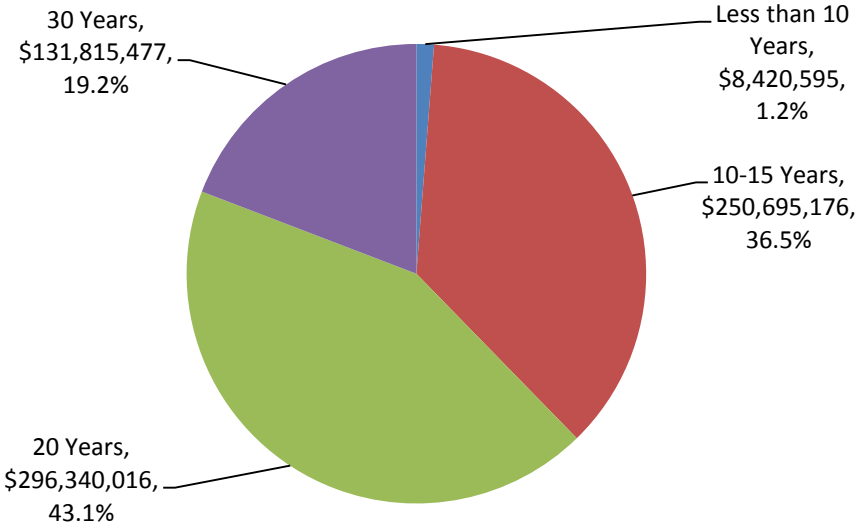
**Table 9**  
**State of South Dakota**  
**Clean Water State Revolving Fund Loans Deobligated in Full or Rescinded by Board**

<b>Sponsor</b>	<b>Binding Commitment Date</b>	<b>Rate</b>	<b>Term (years)</b>	<b>Original Binding Commitment Amount</b>	<b>Final Loan Amount</b>
Astoria (01)	01/04/2013	3.25%	30	\$235,000	\$0
Brandon (03) – ARRA	06/25/2009	2.25%	10	\$687,000	\$0
Brandon (05)	03/27/2015	3.25%	30	\$3,000,000	\$0
Brown County (01)	03/28/2014	2.25%	10	\$1,385,600	\$0
Brookings (08)	09/27/2012	3%	20	\$255,000	\$0
Crooks (02)	03/30/2012	3.25%	30	\$425,000	\$0
Eagle Butte (01)	09/27/2012	3.0%	20	\$1,561,500	\$0
Enemy Swim Sanitary Dist. (01) - ARRA	03/27/2009	0%	-	\$300,000	\$0
Fort Pierre (04)	03/30/2007	3.25%	20	\$374,620	\$0
Hosmer (01)	03/27/2015	3.25%	30	\$968,000	\$0
Huron (04)	01/06/2005	3.25%	20	\$1,500,000	\$0
Ipswich (01)	03/27/2015	3.25%	30	\$1,951,000	\$0
Lake Byron Water Project District (01)	03/28/2014	3.25%	30	\$1,843,000	\$0
Lake Poinsett Sanitary District (01)	01/06/2005	3.25%	20	\$590,000	\$0
Miller (01)	03/31/2016	3.25%	30	\$3,541,000	\$0
Miller (02)	03/31/2016	3.25%	30	\$1,958,000	\$0
Montrose (03)	06/25/2015	3.25%	30	\$545,000	\$0
Prairie Meadow Sanitary District (01)	03/28/2013	3.25%	30	\$788,000	\$0
Redfield (01)	06/23/2005	3.25%	20	\$333,788	\$0
Richmond Lake Sanitary District. (03)	03/25/2011	3.25%	20	\$193,600	\$0
Wagner (02)	07/23/2009	3.0%	20	\$500,000	\$0
Wolsey (02)	03/27/2009	3.0%	20	\$614,400	\$0
<b>TOTAL DEOBLIGATED OR RESCINDED</b>				<b>\$23,549,508</b>	<b>\$0</b>

**FIGURE 4**  
**Clean Water SRF Interest Rates**  
**By Percent of Loan Portfolio**  
**(\$687.3 Million)**



**FIGURE 5**  
**Clean Water SRF Loan Terms**  
**by Percentage of Loan Awards**  
**(\$687.3 Million)**





## CLEAN WATER SRF PROJECT DESCRIPTIONS

**ABERDEEN** – Aberdeen received its first loan for wastewater treatment plant improvements and upgrades and nonpoint source best management practices. The loan was for \$13,218,859 at 2.25 percent for 20 years. The second loan, in the amount of \$6,000,000 at 3.25 percent for 20 years, funded the second phase of the wastewater treatment plant improvement project. Aberdeen's third loan was for the replacement of 1,300 feet of sanitary and 1,600 feet of storm sewer on Kline Street. This loan was for \$1,500,000 at 2.25% for 10 years.

**ALPENA** – Alpena received a \$1,465,000 loan at 3 percent for 20 years to construct a third stabilization pond to the existing treatment system. The expansion was necessitated to accommodate an increased waste load from Link Snacks, Inc.

**ANDOVER** – Andover received a \$194,000 loan at 3.25 percent for 30 years. The loan will partially fund a project to convert the town's single cell lagoon to a three-cell system, construct an inter-pond lift station, and televise the collection system.

**ASTORIA** – Astoria's first Clean Water SRF loan was for \$235,000 at 3.25 percent for 30 years. The loan will help the city increase the capacity of the existing wastewater treatment facility by adding a new cell and rehabilitate a storm water diversion channel west of the treatment facility. The project also included cleaning and televising the city's wastewater collection system to identify areas of excessive inflow and infiltration. Due to increased project costs the loan was rescinded, and another loan was awarded. The second loan was for \$744,000 at 3.25 percent for 30 years, and included \$368,700 of principal forgiveness.

**AURORA** – Aurora received a \$410,000 loan at 5 percent interest for 20 years. The project upgraded the city's wastewater collection system. The city's second loan was for \$660,000, at 3.25 percent for 30 years, and included \$300,000 of principal forgiveness through the American Recovery and Reinvestment Act of 2009. This loan was to upgrade the city's single cell wastewater treatment lagoon to an artificial wetland treatment system.

**BALTIC** – Baltic received a \$465,000 loan at 3.5 percent for 20 years to fund sewer main and lift station replacement. Baltic's second loan was for \$433,000 to install rip rap at the wastewater treatment lagoon cells. This loan was at 3 percent for 20 years and included \$200,000 of principal forgiveness through the American Recovery and Reinvestment Act of 2009. A third loan in the amount of \$764,700 was awarded to replace aging sewer lines on Elm Avenue, Jans Circle, Richards Circle and Bonnies Circle. The loan terms were 3.25 percent for 30 years.

**BELLE FOURCHE** – The city of Belle Fourche received two loans totaling \$517,422. The first loan, at 3 percent for 20 years, was used to construct sanitary sewer lines and manholes. The second loan, at 4.5 percent for 10 years, was used to upgrade the city's primary sanitary force main.

**BELLE FOURCHE IRRIGATION DISTRICT** – The Belle Fourche Irrigation District received a \$200,000 loan with 100 percent principal forgiveness. The loan was to partially fund irrigators' conversion from flood irrigation to more efficient sprinkler systems.

**BERESFORD** – The city of Beresford received a 4.5 percent, 10-year loan in the amount of \$1,150,000 to improve sanitary sewer and storm sewer lines in conjunction with a South Dakota Department of Transportation street reconstruction project. Beresford was awarded its second loan to replace an aging sanitary sewer lines on portions of Second Street, Fifth Street, and Eleventh Street. The loan was for \$789,790 at 3.25 percent for 30 years. The city received its third loan - \$605,000 at 3.25 percent for 30 years – to replace sewer in conjunction with a South Dakota Department of Transportation Highway 46 reconstruction project.

**BISON** – Bison received its first State Revolving Fund loan to install a storm water collection system and a construct a bio-retention pond to manage storm water flows. The loan was in the amount of \$504,000 at 3 percent for 20 years. Bison received its second loan to reline portions of the collection system and make improvements to the berms at the wastewater treatment facility. The loan was for \$419,00 at 3.25 percent for 30 years.

**BLACK HAWK SANITARY DISTRICT** – Black Hawk Sanitary District's Clean Water SRF loan in the amount of \$589,600 loan at 3.5 percent for 20 years was used for a wastewater improvement project. The district's wastewater runs through the Northdale Sanitary District to be treated by the city of Rapid City.

**BONESTEEL** – Bonesteel received a \$588,000 loan at 3.25 percent for 30 years to partially finance improvements to the wastewater treatment and collection systems. The treatment facility improvements involved repairing the clay liner and interior pond dikes, installing rip rap, and other miscellaneous repairs. The collection system improvements involved replacing 600 feet of interceptor line cleaning and televising existing clay sewer lines to prioritize future collection system replacement projects.

**BOX ELDER** – Box Elder utilized a \$648,600 Clean Water SRF loan at 3 percent for 20 years to refinance existing sewer debt incurred to expand its treatment facility.

**BRANDON** – The city of Brandon received two Clean Water SRF loans totaling \$631,018 for a storm drainage project and for the construction of a force main to convey partially treated wastewater from Brandon to the Sioux Falls wastewater treatment plant as well as the associated pumping station and improvements to the existing treatment facility. Both loans were for 10 years at 3 percent interest. Brandon's third loan, for \$687,000 at 2.25 percent for 10 years, was to reroute the force main leading to the wastewater treatment facility. Brandon's fourth loan, for \$383,250 at 2.25 percent for 10 years, was to construct a storm water detention pond on the east side of the city. The third and fourth loans received 10 percent principal forgiveness (\$68,700 and \$38,325, respectively) through the American Recovery and Reinvestment Act of 2009.



The third loan was rescinded at the city's request due to uncertainties concerning the route of the force main and the time limitations imposed by the American Recovery and Reinvestment Act. Brandon's fifth loan was awarded for engineering planning and design for modifications to the collection systems and construction of a new treatment system. The loan was for \$3,000,000 at 3.25 percent for 30 years. This loan was rescinded at the city's request after the city dismissed plans to build a new treatment system. Brandon received its sixth loan for \$2,598,000 at 3 percent for 20 years to construct a lift station to convey raw sewage to the Sioux Falls Water Reclamation facility.

**BRANT LAKE SANITARY DISTRICT** – The Brant Lake Sanitary District received a \$1,700,000 loan to construct a wastewater collection system to serve the residents of Brant Lake and convey wastewater to the Chester Sanitary District's wastewater treatment facility. The loan was at 3.25 percent for 30 years.

**BRENTFORD** – The city of Brentford received a \$194,000 loan to finance lift station and force main upgrades, construct a new wastewater treatment cell, and make improvements to the existing cell. The project also involved cleaning and televising of the collection system to determine the most appropriate lines to replace in the future. The loan was at 3.25 percent for 30 years.

**BRIDGEWATER** – The city of Bridgewater constructed storm sewer along the north and east sides of the city to connect to an existing inlet basin with its first loan, a 20 year, 5.25 percent loan for \$90,328. The city's second loan, for \$321,600 at 3.25 percent for 20 years funded improvements to the sanitary sewer system. Bridgewater's third loan was in the amount of \$261,000 at 3.25 percent for 30 years and was used to replace or reline several blocks of sewer main and repair or replace several manholes along Main Street.

**BRISTOL** – The city of Bristol received a \$1,000,000 loan at 3.25 percent for 30 years to replace sanitary and storm sewer primarily in the northwest portion of the community.

**BRITTON** – The city of Britton received two Clean Water SRF loans for a total amount of \$832,435. The first loan, at 4.5 percent for 10 years, funded wastewater system improvements, including the installation of a lift station and force main and the construction of artificial wetlands. The city's second loan in the amount of \$322,500 at 3.5 percent for 20 years funded sewer main replacement and extensions along Highway 10. A third loan in the amount of \$1,042,034 was awarded to televise the collection system, rehabilitate multiple lift stations, and general improvements to the wastewater treatment facility. The loan terms were 3 percent for 20 years. Britton received its fourth loan to fund a project to replace vitrified clay pipe with PVC pipe throughout the city. The loan amount was \$2,500,000 with terms of 3.25 percent for 30 years.

**BROOKINGS** – The city of Brookings received a loan for \$188,065 at 4 percent for 15 years to finance the construction of a new interceptor. The city of Brookings received its second loan to extend sanitary and storm sewer service to the South Dakota State University Innovation Campus. The loan was for \$1,190,000 at 3.0 percent for 20 years and included \$119,000 of principal forgiveness through the American Recovery and Reinvestment Act of 2009. The city's third loan financed the construction of a storm water detention pond with a rain garden component. The loan was for \$665,000 at 3 percent for 20 years and included \$66,500 of principal forgiveness. The city's fourth loan also financed the construction of a storm water detention pond with a rain garden component. The loan was for \$483,538 at 3 percent for 20 years. Brookings received its fifth loan, \$549,476 at 3 percent for 20 years, to construct a 15-acre-foot storm water detention pond. The city's sixth loan upgraded the existing storm sewer in the area of Christine Avenue and 12<sup>th</sup> Street South. This loan was in the amount of \$3,222,319 at 3 percent for 20 years. The city was awarded its seventh loan for upgrades to the wastewater treatment facility and equalization basins, install new sanitary sewer mains, and construct a combined flow equalization pumping station facility. The seventh loan was for \$30.6 million at 3.25 percent for 30 years. Brookings' eighth loan was intended to replace sanitary sewer under 11<sup>th</sup> Street that is undersized; however, the loan was subsequently deobligated in full at the city's request. The loan was for \$255,000 at 3 percent for 20 years. The city's ninth loan was to construct a storm water management system in the Division Avenue area. This loan was in the amount of \$1,570,000 at 3 percent for 20 years.

**BROWN COUNTY** – Brown County was awarded a \$1,385,600 loan at 2.25 percent for 10 years for the construction of a new landfill cell; however, the loan was subsequently deobligated in full at the county's request.

**BURKE** – The city of Burke received a \$155,000 loan at 3.25 percent for 20 years to fund the wastewater portion of the Franklin Street Utilities Replacement project.

**CANISTOTA** – The city of Canistota received a \$616,840 loan at 3.25 percent for 30 years to replace sewer line on Ash Street. The loan included \$420,190 of principal forgiveness through the American Recovery and Reinvestment Act of 2009. Due to higher than expected costs on the Ash Street project, the city was awarded a second loan of \$188,669 to complete the project. This loan was also at 3.25 percent for 30 years. Canistota received a third loan in the amount of \$381,000 at 3.25 percent for 30 years for a project to replace additional sewer lines in the community. The project also involves replacement of storm sewer. Canistota was awarded its fourth loan in the amount of \$378,000 at 3.25 percent for 30 years to replace service lines on Main Street and install a block of storm sewer lines.

**CANOVA** – The town of Canova received a \$262,500 loan at 3.25 percent for 30 years to add a 3.0-acre artificial wetland to the treatment system to provide additional capacity needed for the system to operate as a total retention facility. The loan included \$170,000 of principal forgiveness.

**CANTON** – The city of Canton received its first Clean Water SRF loan at 4 percent for 15 years in the amount of \$515,715 to finance sanitary and storm sewer improvements. The city’s second loan, for \$600,000, was at 3.5 percent for 20 years for utility improvements in conjunction with South Dakota Department of Transportation reconstruction of US Highway 18. Canton’s third loan was for \$2,462,000 to upgrade the treatment capabilities of the city’s wastewater treatment facility by constructing aerated lagoons and adding disinfection facilities. This loan was at 3.0 percent for 20 years and included \$840,500 of principal forgiveness through the American Recovery and Reinvestment Act of 2009. The city’s fourth loan is for the construction of a new lift station and force main to replace a deteriorated lift station. The loan is for \$732,000 at 3.25 percent for 30 years. Canton received its fifth loan in the amount of \$1,648,000 at 3.25 for 30 years to replace sanitary and storm sewer as part of the Dakota Street reconstruction project.

**CASTLEWOOD** – The city of Castlewood received a \$250,000 loan at 3.5 percent for 20 years to fund sanitary sewer collection improvements. The city’s second loan funded the restoration of the wastewater treatment lagoons. This project was funded at \$160,000 at 3.5 percent for 20 years.

**CAVOUR** – Cavour was awarded a \$150,000 loan at 3.25 percent for 30 years to replace the lift station and force main leading to the wastewater treatment facility

**CENTERVILLE** – Centerville received a loan for \$500,000 at 3.5 percent for 20 years to fund the construction of a new wastewater treatment facility and new force main and lift station to transfer the wastewater to the new facility. Centerville received its second loan for \$435,471 at 3.25 percent for 30 years to line approximately 22,600 feet of sewer main and rehabilitate ten manholes.

**CHAMBERLAIN** – Chamberlain received two loans at 3 percent for 10 years totaling \$615,500 to rehabilitate sanitary sewer lines and construct storm sewer lines under two major streets in the city. The city’s third and fourth loans, at 5.25 percent for 20 years, totaled \$3,150,000 for renovations to the city’s wastewater treatment facility and expansion of sewer service into a newly annexed area of town.

**CHANCELLOR** – Chancellor received a \$574,000 loan at 3.25 percent for 30 years to rehabilitate aging sanitary sewer collection system throughout the community. The town received its second loan in the amount of \$180,000 at 2.25 percent for 10 years to replace water meters and install an automatic read system. The loan included \$90,000 of principal forgiveness. Water meters are eligible for Clean Water SRF loans, and this loan was applied to the Green Project Reserve requirements.

**CLARK** – Clark rehabilitated portions of its wastewater collection and treatment system with a \$400,000 loan at 3.5 percent for 20 years. Clark’s second loan, in the amount of \$2,485,000 at 3.25 percent for 30 years, is for the construction of a new total retention wastewater treatment facility and a lift station and force main to convey wastewater to the new facility.

**CLEAR LAKE** – The city of Clear Lake used a \$79,537, 4 percent, 15-year loan to construct two new wastewater treatment stabilization ponds and convert the existing pond into an artificial wetland. The city's second loan, in the amount of \$910,000 at 3.25 percent for 20 years, funded wastewater collection improvements.

**COLMAN** – Colman received its first Clean Water SRF loan to replace the older, substandard lines in the sanitary sewer collection system to reduce excessive infiltration. The loan was in the amount of \$1,574,248 at 3.25 percent for 30 years and included \$356,500 of principal forgiveness. Colman received a second loan for \$800,000 at 3.25 percent for 20 years to continue with the replacement of the sanitary sewer collection system. The second loan included \$500,000 of principal forgiveness.

**COLTON** – The city's first loan, \$204,500 at 3.25 percent for 20 years, funded wastewater treatment system improvements. Colton's second loan for \$189,200, at 3.25 percent for 30 years, funded sanitary sewer improvements along 5<sup>th</sup> Street.

**CROOKS** – Crooks received its first Clean Water SRF loan, in the amount of \$697,000 at 3.25 percent for 20 years, to expand its wastewater treatment facility by adding approximately 32 acres of new lagoons. The city's was awarded its second loan, \$425,000 at 3.25 percent for 30 years, to install a storm sewer system within the Palmira Park sub-division.

**CUSTER** – The city of Custer received four Clean Water SRF loans totaling \$2,521,000. The first loan financed the construction of a force main to convey treated effluent from the wastewater treatment facility to the municipal golf course, a storage reservoir at the golf course to store the effluent, and irrigation facilities at the golf course to utilize the effluent. The second loan financed sewer improvements that included collection lines and an interceptor line extension on the west edge of the city limits. The first and second loans were for 20 years at an interest rate of 3 percent. The third loan, for \$276,000 at 3 percent interest for 10 years, financed the construction of an additional wastewater stabilization pond. Custer's fourth loan involved relining approximately 9,000 feet of sewer mains on Mount Rushmore road and installing new aerators at the wastewater treatment facility. The loan was for \$1,633,000 at 3 percent for 20 years.

**CUSTER-FALL RIVER WASTE MANAGEMENT DISTRICT** – The Custer-Fall River Waste Management District used a \$106,939 loan at 5 percent interest for 20 years for the construction of a landfill to serve residents of Custer and Fall River counties. The landfill also serves the Hot Springs Material Recovery Facility (MRF).

**DEADWOOD** – Deadwood received a \$447,838 Clean Water SRF loan at 4 percent interest for 15 years to slip line approximately 2,700 feet of 24-inch diameter sewer interceptor line.

**DELL RAPIDS** – The city of Dell Rapids constructed sanitary and storm sewers with a \$300,000 loan. The new lines replaced existing undersized sewers in conjunction with a street rehabilitation project. The term of the loan was 10 years at 3 percent. The city's second loan,

for \$731,737 at 3.25 percent for 20 years, funded the wastewater portion of the 4<sup>th</sup> Street Utility Improvements project. The city's third loan, \$1,062,000 at 3.25 percent for 20 years, was for improvements to storm water drainage in the 12<sup>th</sup> Street and Clark Avenue area. Dell Rapids's fourth loan was for \$950,000 at 3.25 percent for 20 years to construct a new lift station, force main, and gravity sewer. The fifth loan awarded to the city installed sanitary and storm sewer along 15<sup>th</sup> Street. The loan was for \$1,185,200 at 3 percent for 20 years and included \$635,995 of principal forgiveness. The city's sixth loan partially financed the replacement of aging sanitary lines on 15<sup>th</sup> Street, Garfield Avenue, State Avenue and at the Big Sioux River Crossing. The loan amount was \$612,000 at 3 percent for 20 years. Dell Rapids was awarded its seventh loan to replace the sanitary sewer, construct a lift station and gravity sewer to an area south of the Big Sioux River, and clean, televise and analyze approximately 40,000 feet of existing sanitary sewer. The loan was for \$1,200,000 at 3 percent for 20 years. The city's eighth loan in the amount of \$2,386,000 at 3.25 percent for 30 years was for the construction of a sequencing batch reactor treatment facility. Effluent from the city's existing wastewater treatment facility was incapable of meeting more stringent standards that were placed on the Big Sioux River.

**DIMOCK** – Dimock received its first loan to replace an above ground stream crossing on the influent line, make improvements to the wastewater treatment facility, and extend sewer to an undeveloped portion of the town. The loan was for \$478,000 at 3.25 percent for 30 years.

**DUPREE** – Dupree received two loans – one for \$450,000 and another for \$192,000 - to finance the rehabilitation of the main lift station and installation of riprap at the wastewater treatment facility cells. The project also includes televising the collection system to determine which lines to replace in the future. The terms of the loans are 3.25 percent for 30 years.

**EAGLE BUTTE** – The city of Eagle Butte first SRF loan was to assist in the replacement of a gravity sewer main with a force main and construction a new lift station to connect existing businesses currently without sewer services. The project also involved dredging one of its wastewater treatment ponds, installing aerators to a cell, and upgrading inter-pond and inlet piping between the lagoons. The loan was for \$1,561,500 at 3 percent for 20 years; however, the loan was subsequently deobligated in full at the city's request. Eagle Butte reapplied for funding for the project and was awarded a \$2,410,000 loan at 3.25 percent for 30 years. Sanitary and storm sewer upgrades and extensions within the city were added to the project scope.

**ELK POINT** – The city of Elk Point has received six loans for various wastewater and storm water projects. Its first loan, \$458,000 at 4 percent for 15 years, financed the replacement of two existing lift stations with a new lift station, force main and interceptor lines. The city's second loan for \$450,000 at 3.5 percent for 20 years funded new storm sewer and replaced sanitary sewer in conjunction with the Pearl Street Utility Improvement project. Its third loan, in the amount of \$345,000 at 3.5 percent for 20 years, financed renovation of the city's lagoon system. Elk Point's fourth loan, \$100,000 at 3.25 percent for 20 years, funded the wastewater

portion of the utility systems' improvements. The fifth SRF loan awarded to Elk Point funded sanitary and storm sewer rehabilitation on Clay and Washington Streets.

This loan was \$150,000 at 3.25 percent for 20 years. The city's sixth loan was used to replace the sewer main on Main Street in conjunction with a highway reconstruction project. The loan amount was \$931,700 at 3 percent for 20 years and included \$93,170 of principal forgiveness through the American Recovery and Reinvestment Act of 2009. Elk Point's seventh loan in the amount of \$235,000 at 3.25 percent for 30 years was to line the collection system beneath Rose Street.

**ELKTON** – The city of Elkton was awarded a loan for \$510,000 to upgrade its wastewater treatment facility. The loan was at 3.25 percent for 30 years and included \$130,000 of principal forgiveness through the American Recovery and Reinvestment Act of 2009.

**ELLSWORTH DEVELOPMENT AUTHORITY** – The South Dakota Ellsworth Authority received two loans for the construction of a regional wastewater treatment facility and interceptor line to serve the Ellsworth Air Force Base (AFB) and the city of Elder. Each loan contains a tax-exempt series (Series A) for the Box Elder portion and a taxable series (Series B) for the Ellsworth AFB portion. The loan amounts are \$16 million (\$8 million Series A/\$8 million Series B) and \$6,812,000 (\$1,703,000 Series A/\$5,109,000 Series B). The terms of the loans are 3 percent for 20 years.

**EMERY** – Emery was awarded a loan for \$3,084,000 at 3.25 percent for 30 years to replace the majority of its collection system to reduce the infiltration of groundwater entering the system. The loan included \$1,871,000 of principal forgiveness.

**ENEMY SWIM SANITATION DISTRICT** – The Enemy Swim Sanitation District received a \$300,000 loan with 100 percent principal forgiveness through the American Recovery and Reinvestment Act of 2009. The loan was to construct a centralized wastewater collection system at Enemy Swim Lake. The loan was rescinded at the district's request due to the inability to meet the time limitations imposed by the American Recovery and Reinvestment Act.

**ETHAN** – Ethan's first loan will partially finance a project that involves replacing an existing pump station, installing force main, and making modifications to its existing total retention wastewater treatment facility to discharge at a point downstream of Ethan Lake. The loan is for \$500,000 at 3.25 percent for 30 years.

**EUREKA** – Eureka used its first Clean Water SRF loan to replace collection lines and separate storm sewer connections to the sanitary sewer along Highway 10, rehabilitate a lift station, and miscellaneous work at the wastewater treatment facility. The loan was for \$1,494,000 at 3.25 percent for 30 years.

**FAULKTON** – The city of Faulkton was awarded its first Clean Water SRF loan in the amount of \$902,000 at 3.25 percent for 30 years. The project involved removal storm sewer connections from the sanitary sewer, and the installation of 1,500 feet of storm sewer pipe. The project

also involved televising about 65,000 feet of sewer main to identify and prioritize pipe to replace in the future.

**FORT PIERRE** – Fort Pierre’s first loan, \$330,294 at 3 percent for 10 years, was used to construct two storm sewers and a new sanitary sewer that serves a residential area previously not connected to the city’s system. Fort Pierre received its second loan in the amount of \$462,500 at 3.5 percent for 15 years to finance a sanitary sewer lift station and manhole rehabilitation. The city’s third loan, in the amount of \$450,000 at 3.5 percent for 20 years, funded additional wastewater lagoons. The city’s fourth loan, in the amount of \$374,620 at 3.25 percent for 20 years, funded a nonpoint source project to make improvements to drainage ditches and prevent sediment from entering the Missouri River. Due to higher than anticipated construction costs, this loan was rescinded at the city’s request, and a new loan in the amount \$900,000 at 3.25 percent for 20 years was awarded. Fort Pierre received its sixth loan to make improvements at its wastewater treatment facility. The loan amount is \$266,000 at 3.25 percent for 30 years and includes \$50,000 of principal forgiveness.

**FREEMAN** – The city of Freeman’s first loan, in the amount of \$300,000 at 2.5 percent for 10 years, funded wastewater collection system improvements. Freeman was awarded a second loan to reconstruct sanitary sewer, install storm water lines, and construct two storm water detention ponds. This loan was for \$800,000 at 3.25 percent for 20 years. The city received a third loan - \$1,536,000 at 3 percent for 20 years - to rehabilitate the main lift station and make several improvements to the aerated lagoon treatment system. The loan amount was reduced to \$1,000,000 at the city’s request.

**GARRETSON** – The city of Garretson constructed new wastewater treatment stabilization ponds to make the existing sanitary system total retention and made improvements to the existing wastewater facility using the \$300,000, 4 percent, 15-year loan. The Split Rock Creek lift station and sewer extension project was funded with the city’s second loan for \$503,239 at 3.25 percent for 20 years.

**GAYVILLE** – Gayville received its first Clean Water SRF loan in the amount of \$275,000 at 3.25 percent for 20 years to fund a wastewater lagoon upgrade.

**GETTYSBURG** – The city of Gettysburg received a \$624,000 loan at 3.25 percent for 30 years to re-line several blocks of sewer main using cured-in-place pipe. The loan award included \$82,400 of principal forgiveness through the American Recovery and Reinvestment Act of 2009. The principal forgiveness component of the loan was forfeited due to failure to meet the milestone date for submitting bid proposals.

**GREGORY** – Gregory received a \$327,000 loan at 3 percent for 20 years to replace or re-line the outfall line to the wastewater treatment facility and replace 500 feet of sanitary sewer pipe within the city. The city received its second loan for \$259,000 at 2.25 percent for 10 years to rehabilitate several blocks of the collection system.

**GROTON** – The city of Groton has received nine Clean Water SRF loans to finance various projects. Its first two loans, in the total amount of \$264,154, financed new interceptor lines, force mains and lift stations in the east and northwest sections of the city.

Both loans were at 3 percent for 10 years. The city's third loan, \$470,809 at 5.25 percent for 20 years, funded construction of a new three-cell wastewater treatment facility, lift station, and force main. The city received its fourth and fifth Clean Water SRF loans in 2003, both at 3.5 percent for 20 years. The fourth loan, for \$163,775, funded expansion of the sewer system to the northeast part of the city. The fifth loan, \$440,000, funded replacement of sewer lines on Main Street and reconstruction of the road. Groton's sixth loan - \$150,000, 3.25 percent, 20 years – was awarded for emergency replacement of approximately 3 blocks of sewer main damaged by heavy rainfall and flooding. The seventh loan replaced 4,700 feet of 8-inch sanitary sewer lines and 2,700 feet of 4-inch sewer services and upgraded a lift station. This loan was for \$907,700 at 3.0 percent for 20 years and included \$500,000 of principal forgiveness through the American Recovery and Reinvestment Act of 2009. The city's eighth loan was to replace a collapsed sanitary sewer line that crossed under an operating railroad. The loan was awarded for \$322,000 at 2.25 percent for 10 years and included \$80,500 of principal forgiveness. The ninth loan also replaced a failing sanitary sewer line and relocated a lift station. The loan amount was \$485,000 at 2.25 percent for 10 years.

**HARRISBURG** – The city of Harrisburg received a Clean Water SRF loan for \$507,277 at 5 percent for 20 years to construct total retention stabilization ponds. Harrisburg's second and third loans were for a project to convey wastewater from Harrisburg to the city of Sioux Falls for treatment. A loan of \$3,941,200 with 100 percent principal forgiveness through the American Recovery and Reinvestment Act of 2009 was used to construct a lift station at the city's existing wastewater treatment facility property. A loan of \$5,911,800 at 3.25 percent for 30 years was used to construct a force main from the lift station to the city of Sioux Falls' collection system. The city's fourth and fifth loans were used to install sanitary and storm sewer in the Columbia Drainage Basin area. The loan for the storm sewer portion was for \$1,783,760 at 3 percent for 20 years, and the loan for the sanitary sewer portion was for \$1,435,340 at 2.25 percent for 10 years. Harrisburg was awarded its sixth loan for \$2,577,000 at 3.25 percent for 30 years to pay a system development charge to the city of Sioux Falls for treatment of wastewater from Harrisburg.

**HARROLD** – The city of Harrold was awarded a loan in the amount of \$170,000 at 3.25 percent for 20 years to replace the entire storm water drainage system on Wyman Avenue from Highway 14 to the south side of town.

**HARTFORD** – The city of Hartford has received five loans totaling \$2,627,839. With the first two loans, for \$1,194,804 at 5 percent interest for 20 years, the city replaced sanitary sewer mains within the city and replaced the wastewater treatment facility. Hartford's third loan, for \$300,000 at 3.5 percent for 20 years, completed the funding for the wastewater treatment facility project. Hartford's fourth loan, in the amount of \$550,035 at 3.5 percent for 20 years, funded further wastewater collection and storm sewer improvements. The city's fifth loan, in



the amount of \$583,000 at 3.25 percent for 20 years, also funded further wastewater collection and storm sewer improvements.

**HECLA** – The town of Hecla was awarded a loan to replace sanitary sewer lines, sewer services, and appurtenances. This loan was for \$143,390 at 3.0 percent for 20 years and included \$14,339 of principal forgiveness through the American Recovery and Reinvestment Act of 2009.

**HERMOSA** – The town of Hermosa received its first SRF loan to extend sewer lines to an area along Highway 79 without sewer service. The loan was for \$303,604 at 3.25 percent for 30 years.

**HERRIED** – Herried received its first SRF loan in the amount of \$694,300 at 3.25 percent for 30 years to replace wastewater lines, lift station pumps and structures at the lagoon.

**HIGHMORE** – The city of Highmore’s first loan was in the amount of \$262,300 at 3.5 percent for 20 years to fund an upgrade to its wastewater treatment facility. The upgrade included reshaping dikes, installing riprap, relocating the inlet structure, and replacing inter-pond piping. The city received its second loan to replace sewer lines in conjunction with a South Dakota Department of Transportation project to reconstruct Highway 47. The loan amount was \$679,000 at 3.25 percent for 30 years.

**HOSMER** – Hosmer received its first SRF loan in the amount of \$968,000 at 3.25 percent for 30 years, with \$714,400 of principal forgiveness, to upgrade the wastewater treatment facility and televise the collection system. The loan was subsequently deobligated in full at the city’s request.

**HOT SPRINGS** – The city of Hot Springs received two loans totaling \$1,126,930. The first loan of \$196,930, at 3 percent interest for 10 years, was used to construct new sanitary sewers in an area of the city with failing septic systems. The second loan of \$930,000, at 5 percent for 20 years, was used to close the existing landfill site and construct a transfer station and municipal solid waste composting facility. The city’s third loan was for \$1,453,000 at 3 percent for 20 years and was used to replace sanitary sewer lines throughout the city.

**HOVEN** – The city of Hoven received its first loan to replace sewer lines in conjunction with a South Dakota Department of Transportation project to reconstruct Highway 47. The loan amount was \$656,000 at 3.25 percent for 30 years.

**HOWARD** – The city of Howard received its first loan in the amount of \$1,764,000 at 3.25 percent for 30 years to upgrade the wastewater treatment facility and televise the collection system. The loan amount was reduced to \$979,000 at the city’s request.

**HUMBOLDT** – Humboldt was awarded its first loan to replace a portion of the towns clay lines to reduce infiltration entering the collection system. The loan amount was \$417,200 at 3.25 percent for 30 years.

**HURLEY** – Hurley’s first Clean Water SRF loan - \$835,964 at 3.25 percent for 30 years – partially funded a project to replace or line approximately 8,000 feet of sewer main.

**HURON** – The city of Huron has received four Clean Water SRF loans. The first loan was used to partially fund improvements at the mechanical wastewater treatment facility and artificial wetlands treatment site. This loan totaled \$1,656,000 at 3 percent for 20 years. The second loan, for \$701,007 at 3 percent for 10 years, was used to construct an extension to the storm sewer system to provide drainage in a developing area of the city. Huron utilized a third Clean Water SRF loan in the amount of \$1,856,828 at 5.25 percent for 20 years to expand the existing stabilization pond system and increase pumping capacity. The city funded upgrades to its wastewater treatment facility with a fourth loan for \$1,500,000 at 3.25 percent for 20 years.

**INTERIOR** – Interior’s first Clean Water SRF loan was used to replace its undersized wastewater treatment facility with a new three-cell treatment pond facility and replace the line leading to treatment facility. The loan amount was \$250,000 at 3.25 percent for 30 years.

**IPSWICH** – Ipswich received its first SRF loan in the amount of \$1,951,000 at 3.25 percent for 30 years to replace or line portions of the wastewater collection system and upgrade lift stations within the system. The loan was subsequently deobligated in full at the city’s request.

**IRENE** – Irene received its first Clean Water SRF loan of \$656,000 at 3.25 percent for 30 years to rehabilitate 21 blocks of the wastewater collection system.

**JAVA** – The town of Java used its first Clean Water SRF loan to clean and televise the sanitary sewer collection system, riprap the dikes at the wastewater treatment facility, and rehabilitate the north lift station. The loan was for \$438,325 at 3.25 percent for 30 years and includes \$103,325 of principal forgiveness.

**JEFFERSON** – Jefferson received its first Clean Water SRF loan of \$320,000 at 3.5 percent for 20 years to fund wastewater treatment facilities improvements. The city constructed two lagoon cells, enabling the existing cell to become a wetland.

**KENNEBEC** – Kennebec received two loans for wastewater projects. One loan, in the amount of \$723,000 at 3.25 percent for 30 years, is to extend service to an unserved area of the community. The other loan, in the amount of \$437,000 at 3.25 percent for 30 years, is to construct a new primary cell at the wastewater treatment facility and televise the collection system.

**KEYSTONE** – Keystone received its first loan to upgrade its wastewater treatment facility by installing a new influent fine screen, replacing the ultraviolet disinfection equipment, and other items necessary to improve the quality of the wastewater effluent. The town will also televise its system to identify pipes for possible future replacement. The loan is for \$431,000 at 3 percent for 20 years.

**LAKE BYRON WATERSHED DISTRICT** – The Lake Byron Watershed District received a \$1,843,000 loan at 3.25 percent for 30 years to construct a centralized wastewater treatment and collection system. The loan was rescinded by the board.

**LAKE COCHRANE SANITARY DISTRICT** – The Lake Cochrane Sanitary District constructed a wastewater collection and treatment system at Lake Cochrane. An \$80,000 loan at 3 percent for 20 years was made to the district to refinance a portion of the project. Its second loan, in the amount of \$160,000 at 3.5 percent for 20 years, upgraded the wastewater collection system.

**LAKE MADISON SANITARY DISTRICT** – The Lake Madison Sanitary District received a 4 percent, 15-year Clean Water SRF loan for \$330,000 to refinance a Farmers Home Administration loan, which partially funded the installation of a wastewater collection and treatment system to serve Lake Madison. The district's second loan, in the amount of \$875,000 at 3.5 percent for 20 years, funded two new wastewater treatment ponds. The district was awarded its third loan in the amount of \$428,000 at 3.25 percent for 30 years to replace a lift station and force main.

**LAKE POINSETT SANITARY DISTRICT** – Lake Poinsett Sanitary District received a loan in the amount of \$590,000 at 3.25 percent for 20 years to fund expansion of the sanitary system at Lake Poinsett. Due to the need to re-site the proposed wastewater treatment lagoons, the project was delayed. As a result the project cost increased significantly, and the loan was subsequently deobligated at the sanitary district's request. A second loan in the amount of \$1,094,700 at 3.50 percent for 30 years was received to fund the expansion project. The sanitary district was awarded its third loan to expand sewer service to an additional 90 users which involves installing a combination of gravity sewers, lift stations, and forcemains and constructing a new 3-acre total retention treatment pond adjacent to an existing pond. The loan was for \$3,075,000 at 3.25 percent for 30 years and included \$1,603,000 of principal forgiveness. The sanitary district received its fourth loan for \$1,917,000 at 3.25 percent for 30 years to expand sewer service to another 100 users. The project involves installing a combination of gravity sewers, lift stations, and forcemains and constructing a new total retention treatment pond.

**LEAD** – The city of Lead received seven Clean Water SRF loans amounting to \$1,961,706 to separate combined sanitary and storm sewers along with the rehabilitation of portions of the sanitary sewer system. The first loan was at 3 percent interest for 20 years, the second and third loans were at 3 percent for 10 years, and the fourth loan was at 4.5 percent interest for 10 years. Lead's fifth and sixth loans were at 3.25 percent interest for 20 years. The city's seventh loan continued the sewer separation and rehabilitation project on Lower May, South Main, and West Addie Streets. The loan amount was \$200,000 at 3 percent for 20 years and included \$50,000 of principal forgiveness. Lead was awarded its eighth loan for sewer separation and rehabilitation to occur in conjunction with a South Dakota Department of Transportation project to reconstruct Highway 85. The loan amount was \$937,000 at 3 percent for 20 years. The city received its ninth loan in the amount of \$427,000 at 2.25 percent for 10 years to

replace water meters and install an automatic read system. Water meters are eligible for Clean Water SRF loans, and this loan was applied to the Green Project Reserve requirements.

**LEAD-DEADWOOD SANITARY DISTRICT** – A sludge disposal vehicle and a sewer jet were purchased by the Lead-Deadwood Sanitary District with a loan for \$106,855 at 3 percent for 5 years.

**LEMMON** – The city of Lemmon received a \$427,100 loan at 3 percent interest for 20 years to refinance a general obligation sewer bond issued in 1985. The bonds were issued to correct an infiltration/inflow problem.

**LENNOX** – The city of Lennox received a \$350,000 Clean Water SRF loan at 5.25 percent interest for 20 years to construct and rehabilitate sanitary sewer interceptors. The city received a second loan for \$583,735 at 5.25 percent for 20 years to add four aeration basins, two lift stations, and force mains to the existing wastewater facility. Lennox's third and fourth loans were to replace the existing treatment facility with a sequencing batch reactor (SBR) mechanical aeration system and make improvements to a lift station. A loan of \$1,565,760 with 100 percent principal forgiveness through the American Recovery and Reinvestment Act of 2009 was for those components of the project with a design life of 20 years. A loan of \$1,942,273 at 3.25 percent for 30 years was used to construct those components of the project with a design life of at least 30 years. This loan included \$123,024 of principal forgiveness through the American Recovery and Reinvestment Act of 2009. Lennox received its fifth loan of \$1,290,000 at 3.25 percent for 30 years to replace or repair sanitary and storm sewers in the southwestern part of the city. Lennox received its sixth loan of \$1,873,000 at 3.25 percent for 30 years to continue to replace or repair sanitary and storm sewers within the city.

**LETCHER** – Letcher received its first Clean Water SRF loan to replace a lift station, install riprap on the dikes of the wastewater treatment ponds, and televise the entire sanitary sewer collection system. The \$775,000 loan, at 3.25 percent for 30 years, included \$275,000 of principal forgiveness.

**MADISON** – The city of Madison received a \$119,416 Clean Water SRF loan at 3 percent interest for 10 years to finance the construction of new collectors. The city's second loan for \$5,343,256 at 3.25 percent for 20 years made widespread renovations to the existing wastewater treatment facility.

**MARION** – The city of Marion received a \$1,710,000 loan at 3.25 percent for 20 years to replace lines within the wastewater collection system.

**MARTIN** – Martin was awarded its first Clean Water SRF loan in the amount of \$237,250 at 3.25 percent for 20 years to fund the rehabilitation of the city's north stabilization ponds.

**McCOOK LAKE SANITARY DISTRICT** – McCook Lake Sanitary District received a Clean Water SRF loan for \$641,935 at 5 percent for 20 years to partially fund the upgrade and expansion of the wastewater treatment facility.

**McLAUGHLIN** – McLaughlin received its first Clean Water SRF loan to replace or repair of much of the collection system and for the repair of riprap at the treatment facility. The loan was for \$1,145,675 at 3.25 percent for 30 years and included \$150,000 of principal forgiveness.

**MENNO** – The city of Menno was awarded a \$240,000 Clean Water SRF loan at 3 percent for 20 years to replace collection lines in conjunction with the reconstruction of US Highway 18. A second loan, \$1,230,000 at 3.25 percent for 20 years, will finance replacing or relining the majority of the sanitary sewer collection system.

**MILBANK** – The city of Milbank received two Clean Water SRF loans to complete phase II improvements to its wastewater treatment facility. A loan for \$3,515,000 with \$2,257,500 of principal forgiveness through the American Recovery and Reinvestment Act of 2009 was used for improvements to the primary clarifier, intermediate pumping facilities, final clarifiers and other appurtenances necessary to complete the project. The loan carries an interest rate of 3.0 percent for 20 years. A loan for \$1,000,000 at 3.25 percent for 30 years was used to reclaim abandoned sludge storage ponds.

**MILLER** – Miller received two loans to make improvements to its sanitary and storm water collection systems. The loans are in the amounts of \$3,541,000 and \$1,958,000 and are for the sanitary and storm water improvements, respectively. Both loans are at 3.25 percent for 30 years.

**MINA LAKE SANITARY DISTRICT** – Mina Lake Sanitary District received a loan to construct an artificial wetland and make other improvements at the wastewater treatment facility and replace pumps in a lift station. The loan was in the amount of \$559,000 at 3.25 percent for 30 years.

**MITCHELL** – The city of Mitchell received its first loan for \$1,543,405 at 4.5 percent for 10 years to partially fund the construction of a storm drain diversion project. Mitchell's second loan, of \$1,320,000 at 3.5 percent for 20 years, funded the water quality components of a regional landfill that serves Mitchell as well as several surrounding counties and their communities. The city's third SRF loan funded the replacement of the Foster Street lift station and associated force main and provided funding for shoreline stabilization and restoration on Lake Mitchell. The loan was in the amount of \$1,682,747 with an interest rate of 2.0 percent for 20 years. Mitchell was awarded its fourth loan in the amount of \$800,000 at 3 percent for 20 years to replace the Norway Avenue lift station.

**MOBRIDGE** – The city of Mobridge received two Clean Water SRF loans to partially fund the upgrade and expansion of the wastewater treatment facility. The first loan totaled \$1,500,000 at 3 percent for 20 years, while the second loan of \$158,000 was at a rate of 4 percent for 15

years. The city received its third loan in the amount of \$1,355,000 at 4.5 percent interest for 10 years to install storm sewers in the northwest section of town. Mobridge was awarded its fourth loan in the amount of \$764,000 at 3 percent for 30 years to better manage storm water in the area of Second Avenue West and Railway Street Southwest.

The city's fifth loan is to make improvements at the wastewater treatment facility by constructing a new primary clarifier, bio-filter pump station, ultraviolet disinfection system and disinfection basin drain and rehabilitating the existing primary clarifier. The loan amount is \$1,475,000 at 3 percent for 20 years.

**MONTROSE** – Montrose's first loan in the amount of \$142,621 at 2.5 percent for 10 years was to fund wastewater collection and treatment improvements. Due to changes in the project scope, this loan was not sufficient to fund the needed improvements. The city received a second SRF loan for \$804,000 at 3.25 percent for 30 years to upgrade the wastewater treatment facility. This loan included \$160,400 of principal forgiveness through the American Recovery and Reinvestment Act of 2009. Montrose's third loan to make improvements to its storm water system was in the amount of \$545,000 at 3.25 percent for 30 years and included \$100,000 of principal forgiveness. This loan was rescinded by the board at the city's request.

**MOUNT VERNON** – The city of Mount Vernon replaced or relined all existing clay sanitary sewer lines and rehabilitating or replacing manholes along these lines. The city also upgraded the existing wastewater treatment facility by constructing two new treatment ponds near the existing pond and converting the existing pond into an artificial wetland. The project was funded with a \$2,300,000 loan at 3.25 percent for 30 years that included \$1,050,000 of principal forgiveness.

**NISLAND** – Nisland received its first loan in the amount of \$204,000 at 3.25 percent for 20 years to upgrade its wastewater treatment system to a three-cell stabilization pond system.

**NORTH SIOUX CITY** – North Sioux City received a Clean Water SRF loan in the amount of \$239,650 at a rate of 3 percent for 10 years to construct storm sewer and drainage improvements in the community. The city received its second Clean Water SRF loan, \$646,000 at 5 percent interest for 15 years, to expand the storm sewer system in a rapidly developing area.

**NORTHDAL SANITARY DISTRICT** – The Northdale Sanitary District used a \$256,380, 5 percent, 20-year loan to construct a new gravity sewer, lift station and force main. The new system connected the sanitary district to Rapid City's wastewater system.

**NORTHVILLE** – Northville was awarded its first SRF loan for the construction of a lift station and force main so the existing total retention wastewater treatment facility can discharge treated effluent. The loan is for \$238,300 at 3.25 percent for 30 years.

**PARKER** – Parker's first loan of \$824,000 at 3.25 percent for 20 years funded improvements to the city's wastewater collection system. The city's second loan, \$620,000 at 3.25 percent for 20

years, funded the second phase of the improvements to the wastewater collection system. Parker was awarded a third loan in the amount of \$700,900 to continue replacing its wastewater collection system. This loan is at 3.25 percent for 30 years and included \$475,450 of principal forgiveness through the American Recovery and Reinvestment Act of 2009. Parker was awarded its fourth loan in the amount of \$295,000 at 3 percent for 20 years to replace the North lift station.

**PARKSTON** – The city of Parkston received its first Clean Water SRF loan to address deficiencies within the wastewater collection system. The loan was for \$650,000 with a 3.25 percent interest rate and a 20-year term.

**PHILIP** – Philip financed the construction of sanitary and storm sewer improvements with its first loan for \$453,885 at 5 percent interest for 15 years. The city received a second, \$321,127 Clean Water SRF loan for a term of 20 years at 5.25 percent to finance the construction of sanitary sewer, storm sewer, concrete curb and gutter, and replacement of force main. Philip's third SRF loan, in the amount of \$347,040 at 3.25 percent for 15 years, funded wastewater and storm sewer utility improvements in the downtown area of the city. The city's fourth and fifth loans involved making improvements to the sanitary and storm sewer along Wood and Waldren Avenues. The loan for the storm sewer was in the amount of \$1,073,300, and the loan for sanitary sewer was in the amount of \$750,000. Both loans were 3.25 percent for 30 years.

**PICKEREL LAKE SANITARY DISTRICT** – The Pickerel Lake Sanitary District received an \$850,000 Clean Water SRF loan, at 5 percent for 15 years, to finance the phase I construction of a new wastewater treatment facility and a sanitary sewer collection system. The district received a second loan of \$670,000 at 5.25 percent for 20 years to complete phase II of the collection system construction.

**PIERRE** – The city of Pierre has received five Clean Water SRF loans for various projects. Its first loan, in the amount of \$433,976 at 4 percent for 15 years, financed the construction of an interceptor line near the airport and the addition of comminutors at the treatment plant as well as improvements to the sludge handling facilities at the treatment plant. The city's second loan, for \$4,417,000 at 5.25 percent for 20 years, financed phase I improvements to the wastewater treatment facility. Pierre received a third loan in the amount of \$5,391,260 at 5 percent for 20 years to improve the wastewater treatment facility (phase II). Its fourth loan, \$1,378,404 at 3.5 percent for 20 years, funded the water quality components of a new regional landfill. Pierre's fifth loan was for \$976,953 at 3.25 percent for 20 years for the stabilization of slide areas and drainage improvements at an old, pre-Subtitle D landfill. The city's sixth loan, in the amount of \$817,600 at 2.25 percent for 10 years financed construction of an additional cell at the Pierre Regional Landfill. Pierre was awarded its seventh loan to make several improvements to the wastewater treatment facility. The improvements involve rehabilitation of the grit removal system and primary clarifier, replacing an air delivery line serving an air lift station and replacing the chlorine-based disinfection process with an ultraviolet disinfection system. The loan amount was \$3,821,000 at 3 percent for 20 years. The city's eighth loan in

the amount of \$1,450,000 at 2.25 percent for 10 years is to extend sewer lines to an undeveloped area in the northeast part of Pierre.

**PLANKINTON** – Plankinton received its first Clean Water SRF loan to replace the main interceptor leading to the wastewater treatment facility, replace or reline approximately 8,000 feet of sanitary sewer lines, and replace 40 manholes. The loan was for \$1,005,744 at 3.25 percent for 30 years and included \$150,000 of principal forgiveness.

**PLATTE** – The city of Platte received a \$1,000,000 loan at 5 percent for 20 years to renovate its sanitary sewer system.

**POLLOCK** – Pollock received a \$151,619 Clean Water SRF loan at 3 percent for 10 years to cover costs that exceeded the available EPA grant funding used to upgrade the wastewater treatment facility.

**POWDER HOUSE PASS CID** – The Powder House Pass Community Improvement District received a loan to construct sanitary sewer lines in a proposed development and a wastewater treatment facility to serve the development. The loan is for \$2,575,218 at 3.25 percent for 30 years.

**PRAIRIE MEADOWS SANITARY DISTRICT** – Prairie Meadows first SRF loan was used to partially fund a project to replace or rehabilitate the district's wastewater collection system. The \$788,000 loan, at 3.25 percent for 20 years, included \$200,000 of principal forgiveness. This loan was rescinded and second loan issued for the project in the amount of \$588,000 at 3.25 percent for 30 years.

**RAPID CITY** – Rapid City has received five Clean Water SRF loans which have been used for construction activities at the wastewater treatment facility, rehabilitation and extension of the sanitary sewer system, construction of stormwater facilities and mitigation of approximately four acres of wetlands at the city's Material Recovery Facility (MRF). The first four loans totaled \$5,536,028, all at a rate of 4 percent for 15 years. The fifth loan, at a rate of 4.5 percent for 20 years for \$14,000,000, was used to upgrade the wastewater treatment plant as well as to construct a facility to co-compost wastewater treatment plant biosolids with municipal solid wastes. Rapid City's sixth loan was used for replacing or upgrading various components within the water reclamation facility. The loan amount was \$5,000,000 and was at 3 percent for 20 years.

**RAPID VALLEY SANITARY DISTRICT** – The Rapid Valley Sanitary District has received three Clean Water SRF loans totaling \$1,600,583. The first two loans, totaling \$978,583, were used for rehabilitation and extension of the existing sanitary sewer system and carried terms of 3 percent for 20 years and 4 percent for 15 years. The sanitary district continued to rehabilitate the sanitary sewer system with a third loan of \$630,000 at 5.25 percent for 20 years.



**RAYMOND** – Raymond received a \$745,000 loan with 100 percent principal forgiveness for cleaning and televising of the collection system, replacement or lining of sanitary sewer lines, and to make improvements to a lift station.

**REDFIELD** – Redfield’s first loan, \$333,788 at 3.25 percent for 20 years, was to fund wastewater and storm water utility improvements on South Main Street and Sixth Avenue. This loan was subsequently deobligated in full at the city’s request. The city was awarded its second loan to install sanitary and storm sewer lines in the Shar-Wynn Estates subdivision. This loan was in the amount of \$884,000 at 3.25 percent for 30 years.

**RICHMOND LAKE SANITARY DISTRICT** – The Richmond Lake Sanitary District received a \$414,000 Clean Water SRF loan at an interest rate of 5.25 percent for 20 years, which was used to partially finance the construction of a new sanitary sewer system and stabilization pond system for residences around Richmond Lake. The district received a second loan of \$191,500 at 5.25 percent for 20 years to complete phase II of the collection system construction. The district’s third and fourth loans were awarded for the rehabilitation of lift stations and the wastewater treatment facility. The loans were for \$193,600 at 3 percent for 20 years and \$339,800 at 3.25 percent for 30 years.

**SAINT LAWRENCE** – Saint Lawrence received its first Clean Water SRF loan in the amount of \$193,000 at 3.25 percent for 30 years to finance berm rehabilitation at the wastewater treatment facility.

**ROSCOE** – The city of Roscoe received a Clean Water SRF loan for \$358,408 at 5.25 percent for 20 years to expand its wastewater treatment facility, rehabilitate an interceptor sewer and construct a new collection sewer.

**SALEM** – Salem’s first Clean Water SRF loan, in the amount of \$592,307 at 3.5 percent for 20 years, funded wastewater collection improvements in conjunction with a South Dakota DOT project. The city’s second loan, \$387,960 at 3.25 percent for 20 years, funded wastewater and storm water utility improvements.

**SCOTLAND** – Scotland first Clean Water SRF loan funded the wastewater component of its Main Street reconstruction project with a \$250,000 loan at 3.5 percent for 20 years. The city’s second loan was used to expand the storm sewer system, replace the sanitary sewer along Washington Street and extend the sanitary sewer to an area without sewer service. The loan was for \$945,930 at 3.25 percent for 30 years.

**SELBY** – Selby received a \$700,000 loan with 100 percent principal forgiveness through the American Recovery and Reinvestment Act of 2009. The loan partially funded the replacement of the city’s wastewater collection system.

**SINAI** – Sinai received its first loan to construct a total retention pond wastewater treatment facility to replace the existing mechanical wastewater facility, replace the main lift station, and

install force main to the new wastewater treatment facility. The loan was for \$500,000 at 3.25 percent for 30 years and included \$100,000 of principal forgiveness.

**SIoux FALLS** – The city of Sioux Falls has received 36 Clean Water SRF loans for a variety of projects. These projects include the construction of new interceptor lines and lift stations, rehabilitation of the sanitary sewers and lift stations, purchase of sludge handling equipment and improvements, infiltration/inflow correction, improvement of storm water drainage, flow equalization basin construction, and other wastewater system improvements. The first loan was at 3 percent for 20 years. Loans 2 through 10 were at 3 percent for 10 years, loans 11 through 14 were at 4.5 percent for 10 years, and the 15<sup>th</sup> loan was at 3.5 percent for 10 years. The City's 16<sup>th</sup> and 17<sup>th</sup> loans, for \$2,479,500 and \$932,000, were both at 3.5 percent for ten years, funded wastewater facilities improvements and identified and implemented best management practices within the city. Loans 18 (for \$3,951,000) and 19 (for \$801,000) were at 2.5 percent for ten years and funded improvements to the wastewater system and retrofitted storm water detention ponds, respectively. The city's 20<sup>th</sup> loan, in the amount of \$25,949,349 at 1.5 percent for 10 years, funded storm sewer improvements and nonpoint source best management practices, and the 21<sup>st</sup> loan provided for construction of the East Side Sanitary Sewer System and nonpoint source best management practices. This loan was for \$37,377,418 at 2.25 percent for 20 years. Both 2005 loans were structured with a portion of the funding in a Series B bond that was approved contingent upon sufficient Clean Water SRF funding being available in FFY 2006 to fund the balance. The Series B amounts were \$8,700,000 and \$21,608,000 for the Storm Drainage (20) and East Side Sanitary Sewer (21) projects, respectively. The city's 22<sup>nd</sup> loan, \$10,550,000 at 2.5 percent for 10 years, also funded the Storm Drainage project, and its 23<sup>rd</sup> loan, for \$10,323,000 at 2.5 percent for 10 years, was approved for the Basin 13 Trunk sewer and other utility system improvements. The city's 24<sup>th</sup> loan, \$500,000 at 2.5 percent for 7 years, was used to close side slopes of the unlined active area and construct an alternative cap on the active area side slopes at the city-owned regional landfill. In 2008, Sioux Falls received three additional Clean Water SRF loans. The city's 25<sup>th</sup>, 26<sup>th</sup>, and 27<sup>th</sup> loans were for \$5,657,000, \$3,744,000 and \$2,621,000, respectively, and each was at 2.5 percent for 10 years. The loans were awarded for sanitary trunk and collection system sewer construction within the Basin 13 area, along with two odor control structures (loan 25); replacement of a portion of the Central Main Interceptor (loan 26); and reconstructing storm sewer and retrofitting eight existing detention ponds (loan 27). Sioux Falls' 28<sup>th</sup> loan in the amount of \$1,803,000 funded the addition of a third engine/generator in the Energy Recovery Unit at the Water Reclamation Facility. The city's 29<sup>th</sup> loan involved the lining of sanitary sewer lines at numerous locations in the city and the construction of the Basin 13 Sanitary Trunk Sewer Section 2, Phase 1 project and was in the amount of \$2,540,000. The city's 30<sup>th</sup> loan of \$1,970,000 was to expand the gas collection capabilities at the regional landfill. The 31<sup>st</sup> loan was for the continuation of the Central Main Interceptor project. Loans 28, 29, 30, and 31 each had an interest rate of 2.25 percent, a 10-year term and included 10 percent principal forgiveness through the American Recovery and Reinvestment Act of 2009. The city's 32<sup>nd</sup> loan in the amount of \$24,589,400 was also for the continuation of the Central Main Interceptor project and other sewer line rehabilitation work. The city's 33<sup>rd</sup> loan of \$14,711,614 was used for Phase 1 of the Sioux River South Interceptor Project which replaced

42- and 36-inch sewer lines with 54-inch sanitary sewer lines in the southeast part of the city. Loans 32 and 33 had a 1.25 percent interest rate and a term of 10 years. Each loan also included a nonpoint component to conduct water quality studies and continue with bank stabilization activities along Skunk Creek and the Big Sioux River. The 34<sup>th</sup> loan awarded to Sioux Falls was used for the construction of phase 2 of the Sioux River South Interceptor Project and was in the amount of \$12,464,000 at 2.5 percent for 10 years. The city's 35<sup>th</sup> loan for \$11,979,457 was for the construction of a second force main parallel to the existing force main from the Brandon Road Pump Station to the Water Reclamation Facility. The city's 36<sup>th</sup> loan for \$24,800,000 was for the replacement of the existing 66-inch outfall line from the equalization basin to the Brandon Road Pump Station. Sioux Falls received its 37<sup>th</sup> loan to extend sewer service to an industrial park located North of I-90 and west of I-29. Loans 35, 36, and 37 had a 1.25 percent interest rate and a term of 10 years, and each loan also included a nonpoint component to install nonpoint source best management practices in the Big Sioux River basin.

**SOUTHERN MISSOURI WASTE MANAGEMENT DISTRICT** – The Southern Missouri Waste Management District received a \$700,000 Clean Water SRF loan at 5 percent for 20 years for the construction of a regional landfill near Lake Andes. The second loan awarded to the Southern Missouri Waste Management District assisted in the construction of a third cell at the regional landfill. The loan was for \$242,000 at 2.25 percent for 10 years.

**SPEARFISH** – The city of Spearfish used a \$1,956,000 Clean Water SRF loan for 15 years at 4 percent to fund the expansion of the wastewater treatment facility. The city's second loan increased capacity of the wastewater treatment facility and provided additional treatment components to meet the discharge permit limit for residual chlorine. The loan was for \$5,900,000 with an interest rate of 3.25 percent and a term of 20 years.

**SPENCER** – The town of Spencer was awarded a loan to replace sanitary sewer lines throughout the town. This loan was for \$230,156 at 3.25 percent for 30 years and included \$100,000 of principal forgiveness.

**STURGIS** – The city of Sturgis has received four loans totaling \$3,975,630. The first two loans, totaling \$1,438,250 at 5 percent for 20 years, financed the construction of three sewer interceptor lines, a sewer collection line, and wastewater treatment facility upgrades. The city's third loan, \$437,380 at 5.25 percent for 20 years, financed the repair of damage to and replacement of riprap in the second and third cells of the wastewater treatment facility as well as engineering planning studies. The city's fourth loan for \$2,100,000, at 5 percent interest for 20 years, expanded the city's treated effluent irrigation system. Sturgis was awarded its fifth loan to install sanitary sewer service to the 90 homes of the Murray Addition and connecting them to city sanitary sewer service. The \$516,900 loan was at 3.0 percent for 20 years and included \$218,283 of principal forgiveness through the American Recovery and Reinvestment Act of 2009.

**SUMMERSET** – The city of Summerset’s first loan, in the amount of \$225,000 at 3 percent for 20 years, was to construct reed drying beds for sludge treatment. The loan amount was later amended to \$300,000.

**SUMMIT** – The city of Summit received a \$100,000 loan with 100 percent principal forgiveness through the American Recovery and Reinvestment Act of 2009. The loan was to upgrade the city’s wastewater treatment system.

**TEA** – The city of Tea has received seven loans for a variety of projects. Its first two loans of \$600,000 each at 4 percent for 15 years funded the construction of a storm drainage system. The third loan of \$208,813, at 5.25 percent for 20 years, funded the construction of a sanitary sewer and lift station. The city received a fourth loan of \$375,000 at 5 percent for 15 years to reconfigure the existing lagoon system and construct a new primary cell and two secondary cells. Tea’s fifth loan of \$495,490 at 3.5 percent for 20 years expanded the city’s wastewater treatment capability by adding an aerated lagoon. The sixth loan funded the construction of a new lift station at the wastewater treatment facility and installation of about 1,200 feet of sanitary sewer trunk line, force main and appurtenances. This loan was for \$858,000 at 3.25 percent for 20 years. The city’s seventh loan for \$875,000 involved the construction of a 24-inch sanitary sewer trunk line along Highway 111 to serve the northern part of the city. This loan was at 3.0 percent for 20 years and included \$87,500 of principal forgiveness through the American Recovery and Reinvestment Act of 2009. The principal forgiveness component of the loan was forfeited due to failure to meet the milestone date for submitting plans and specifications, and the loan amount was reduced to \$845,000.

**TURTON** – Turton was awarded its first loan in the amount of \$262,000 at 3.25 percent for 20 years to make improvements at the wastewater treatment facility, replace the lift station, purchase a stand-by generator, and clean and televise the entire wastewater collection system.

**TYNDALL** – The city of Tyndall’s first loan, in the amount of \$795,000 at 3.25 percent for 20 years, funded the South Main Street and 14<sup>th</sup> Avenue Sanitary Sewer Project.

**VALLEY SPRINGS** – The city of Valley Springs received a \$430,000 loan for 20 years at 5.25 percent interest to fund the expansion and upgrade of the existing wastewater treatment facility. The city’s second loan, in the amount of \$350,000 at 3.25 percent for 20 years, funded sanitary sewer replacement.

**VERMILLION** – Vermillion’s first loan, \$125,000 at 3 percent for 20 years, was used to reconstruct a sanitary sewer interceptor. The second loan, \$500,000 at 4 percent for 15 years, funded the construction of approximately 6,200 feet of storm sewer pipe and associated appurtenances in three areas of the city. The third loan, a nonpoint source loan of \$480,000 at 4.5 percent for 10 years, financed the construction of a second trench at the city’s landfill and to purchase a scraper. The city’s fourth SRF loan, \$456,000 at 3.5 percent for 20 years, funded wastewater collection facilities in the northwest area of the city. Vermillion’s fifth and sixth loans, in the amount of \$3,548,351 and \$4,851,000, respectively, financed two phases of

wastewater treatment plant improvements to update mechanical process equipment, controls and instrumentation, to replace the main lift station, and to construct an additional force main between the new lift station and the treatment facility. Both are 20-year loans with an interest rate of 3.25 percent. The city's seventh loan for \$499,000 involved lining approximately 11,600 feet of sanitary sewer lines in various locations throughout the city using cured-in-place pipe. This loan was at 3.0 percent for 20 years and included \$249,500 of principal forgiveness through the American Recovery and Reinvestment Act of 2009. The eighth loan awarded to Vermillion - \$1,639,000 at 3 percent for 20 years – assisted in the construction of the fifth disposal cell at the regional landfill. The city's ninth loan was used to replace the Prentis Street lift station as well as manholes and gravity sewer in the area that has inadequate capacity due to growth in the area. The loan amount was \$812,000 at 3 percent for 20 years.

**VIBORG** – Viborg received its first Clean Water SRF loan for \$238,300 at 3.25 percent for 30 years to replace a portion of its sewer lines in conjunction with a road reconstruction project. The city's second loan in the amount of \$105,000 at 3.25 percent for 30 years will also be used to replace sewer lines.

**WAGNER** –Wagner received its first SRF loan, in an amount of \$150,000 at 3.25 percent for 20 years, to replace wastewater utilities along North Park St. and North Street and extend sanitary sewer to unsewered residences at Lake Wagner. Wagner was awarded its second loan to replace sewer line on South Park Street. The \$500,000 loan was at 3.25 percent for 30 years and included \$50,000 of principal forgiveness through the American Recovery and Reinvestment Act of 2009. The loan was rescinded at the city's request.

**WAKONDA** –Wakonda received its first SRF loan to replace the existing lift station and construct a new forcemain parallel to the existing forcemain. The project also involves conducting a video inspection of the town's wastewater collection system to determine the condition of the collection lines. The \$529,000 loan, at 3.00 percent for 20 years, included \$195,000 of principal forgiveness.

**WALL** – The city of Wall received a Clean Water SRF loan in the amount of \$1,146,000 at 5 percent for 20 years for its municipal wastewater improvement project. The project consisted of the construction of a seven- mile transfer line to new total retention ponds.

**WALL LAKE SANITARY DISTRICT** – The district received its first Clean Water SRF loan for \$200,000 at 3.5 percent for 20 years to fund an extension of sewer main to residents without service. This included the installation of lift stations and small diameter force main. The second loan awarded to the Wall Lake Sanitary District was in the amount of \$135,000 at 3.25 percent for 30 years. The loan will partially fund a project involving relining the existing stabilization cells and converting the two wetland cells to a third stabilization pond.

**WARNER** – The town of Warner used a \$101,152 Clean Water SRF loan at 4.5 percent for 10 years to construct a storm sewer collection and disposal system to improve storm drainage within the community. Warner's second loan was used to replace lift station pumps and

expand the existing wastewater treatment pond system by adding an additional cell. This loan was for \$1,826,760 at 3.25 percent for 30 years and included \$1,058,760 of principal forgiveness.

**WATERTOWN** – The city of Watertown has received eleven Clean Water SRF loans for various projects. The first two loans, both at 4 percent for 15 years, financed the upgrade and expansion of the city’s wastewater treatment facility. The third and fourth loans, payable at 5.25 percent interest for 20 years, were used to rehabilitate portions of the sanitary sewer collection system and for engineering costs associated with the final upgrade of the wastewater treatment facility. The city’s fifth loan, \$2,055,000 at 3.5 percent for 20 years, funded replacement or rehabilitation of sanitary sewers throughout the city and lift stations serving the Lake Kampeska area. Watertown’s sixth loan of \$1,303,130 funded a storm water project in the southwest portion of the city and a nonpoint source portion for Best Management Practices (BMP) on the Big Sioux River, thus qualifying the city for a loan at 2.25 percent for 20 years. The city received its seventh and eighth loans for a project to install sanitary and storm sewer on First Avenue North and continuation of the BMP project on the Big Sioux River. Loan seven was for \$928,375 at 2.25 percent for 20 years, of which \$847,170 was for the sanitary sewer portion of the First Avenue North project and \$81,205 for the BMP project. Loan eight was for \$671,624 at 2.25 percent for 20 years, of which \$612,877 is for the storm sewer portion of the First Avenue North project and \$58,747 for the BMP project. Watertown’s ninth loan was in the amount of \$16,446,000 and was used to construct a new head works facility, rehabilitate a lift station, and extend, replace and re-line sanitary sewer. The city’s tenth loan for \$3,330,000 funded several storm sewer projects throughout the city. Loans 9 and 10 each had an interest rate of 3 percent, a 20-year term and included 10 percent principal forgiveness through the American Recovery and Reinvestment Act of 2009. An eleventh loan in the amount of \$815,000 was awarded for the construction of a parking lot utilizing pervious pavement for storm water management. This loan was at 3 percent for 20 years and included \$500,000 of percent principal forgiveness.

**WATERTOWN SCHOOL DISTRICT** – The Watertown School District was awarded a loan in the amount of \$503,635 with 100 percent principal forgiveness through the American Recovery and Reinvestment Act of 2009. The loan was to construct a parking lot utilizing pervious pavement and other green infrastructure features for storm water management. The loan was reduced to \$424,843 due to insufficient costs being under contract by February 17, 2010.

**WAUBAY** – The city of Waubay received a 20 year, 5 percent Clean Water SRF loan in the amount of \$81,454 to construct a wastewater collection system within the city limits on the south shore of Blue Dog Lake, an area previously served by septic tanks. Waubay’s second loan will finance improvements to Lift Station 5, construction of a force main, and pipe lining on portions of the wastewater collection system. The second loan was in the amount of \$149,200 at 3.25 percent for 20 years. The city’s third loan is for the construction of additional ponds and wetlands at the existing treatment facility to create a total retention wastewater system. The loan amount is \$1,470,000 at 3.25 percent for 30 years and includes \$500,000 of principal forgiveness.

**WEBSTER** – The city of Webster used a 10 year, 4.5 percent Clean Water SRF loan for \$345,394 to reconstruct a sanitary sewer line on Main Street. The city received a second loan in the amount of \$811,000 at 3.5 percent for 20 years to fund the replacement of about 7,400 feet of sewer main, 136 service connections, and approximately 3,400 feet of storm sewer lines. The city's third loan was in the amount of \$500,000 loan with 100 percent principal forgiveness through the American Recovery and Reinvestment Act of 2009. The loan was to upgrade the city's discharging wastewater treatment facility to a total retention artificial wetland system.

**WESSINGTON SPRINGS** – Wessington Springs received its first loan in an amount of \$393,000 at 3 percent for 20 years to replace three blocks of vitrified clay pipe sanitary sewer lines with PVC lines on Main Street.

**WESTON HEIGHTS SANITARY DISTRICT** – Weston Heights secured a loan for \$638,300 at 3.25 percent for 20 years to improve its wastewater treatment system.

**WESTPORT** – Westport received a loan in the amount of \$445,000 at 3.25 percent for 30 years to replace a lift station and install approximately 2,800 feet of storm sewer lines.

**WHITE LAKE** - White lake received its first Clean Water SRF loan, \$371,000 at 3.25 percent for 20 years, to replace sewer mains and install storm sewer on Main Street.

**WHITEWOOD** – Whitewood has received two loans totaling \$455,801. The first loan was at 4 percent interest for 15 years while the second was at 5 percent for 20 years. Whitewood constructed a new mechanical wastewater treatment facility in conjunction with the existing stabilization pond system and expanded the wastewater collection system.

**WILLOW LAKE** – Willow Lake's first loan, in the amount of \$100,000 at 3.5 percent for 20 years, funded improvements to the wastewater collection system.

**WINNER** – The city of Winner's first loan, in the amount of \$925,000 at 3.25 percent for 20 years, funded improvement to the wastewater collection system. A second loan in the amount of \$400,000 at 3 percent for 20 years funded additional wastewater collection system improvements.

**WOLSEY** – The city of Wolsey was awarded its first Clean Water SRF loan - \$162,300 at 3.25 percent for 20 years – to replace sanitary sewer mains under US Highway 14/281 in conjunction with a South Dakota Department of Transportation project. The city's second loan for \$614,400 involves installing approximately 3,000 feet of storm sewer to separate combined sewer on Maple Avenue and install a lift station and sanitary sewer to provide sanitary sewer service to a new development in the south part of town. This loan was at 3.0 percent for 20 years and included \$61,440 of principal forgiveness through the American Recovery and Reinvestment Act of 2009. Due to an increase in project costs and the inability to meet the time limitations imposed by the American Recovery and Reinvestment Act, this loan was rescinded. A third loan in the amount of \$901,560 at 3.0 for 20 years was awarded to Wolsey for the project.

**WORTHING** – The town of Worthing received a \$227,645 Clean Water SRF loan at 5.25 percent interest for 20 years that was used to expand and upgrade the existing stabilization pond treatment facility. Worthing’s second loan was to install a new sewer line along Cedar Street and to replace the lift station at the wastewater treatment facility and a sewer trunk line along Third Street. The loan was for \$580,000 at 3.25 percent for 20 years. Worthing received its third loan to make collection system improvements and install storm sewer and curb and gutter. The loan amount was \$459,832 at 3 percent for 20 years.

**YALE** – The town of Yale received a Clean Water SRF loan to rehabilitate the collection system and add an additional cell to the wastewater treatment facility. The loan was for \$885,100 at 3.25 percent for 30 years and included \$606,110 of principal forgiveness. Yale’s second loan in the amount of \$84,000 at 3.25 percent for 30 years was used to place rip rap on the berms of the wastewater treatment facility.

**YANKTON** – The city of Yankton received three loans totaling \$13,255,000. All three loans were used to upgrade and expand the existing wastewater treatment facility. The term of the first loan was 5.25 percent for 20 years. The second loan utilized leveraged program bonds with a term of 6 percent for 20 years. Yankton’s third loan, in the amount of \$6,130,000 at 3.5 percent for 20 years, funded the third phase of the project. Yankton’s fourth loan was used to construct a lift station and additional sewer line to eliminate two existing lift stations. The loan amount is \$3,330,000 at 3 percent for 20 years.





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**EXHIBITS I-VIII**

**CLEAN WATER SRF**

**STATUS REPORTS**

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**EXHIBIT I**  
**Projects Receiving SRF Assistance**  
**Federal Fiscal Year 2016**

<b>Sponsor</b>	<b>Binding Commitment Date</b>	<b>Assistance Amount</b>	<b>Rate</b>	<b>Term</b>
Astoria (02)	03/31/2016	\$744,000	3.25%	30
Brandon (06)	03/31/2016	\$2,598,000	3.00%	20
Canistota (04)	06/23/2016	\$378,000	3.25%	30
Canton (05)	03/31/2016	\$1,648,000	3.25%	30
Chancellor (02)	03/31/2016	\$180,000	2.25%	10
Dell Rapids (08)	03/31/2016	\$2,386,000	3.25%	30
Elk Point (07)	06/23/2016	\$235,000	3.25%	30
Keystone (01)	06/23/2016	\$431,000	3.00%	20
Lead (09)	06/23/2016	\$427,000	2.25%	10
Miller (01) *	03/31/2016	\$3,541,000	3.25%	30
Miller (02) *	03/31/2016	\$1,958,000	3.25%	30
Mina Lake Sanitary District (01)	06/23/2016	\$559,000	3.25%	30
Pierre (07)	03/31/2016	\$3,821,000	3.00%	20
Pierre (08)	06/23/2016	\$1,450,000	2.25%	10
Prairie Meadows Sanitary District (02)	03/31/2016	\$588,000	3.25%	30
Raymond (01)	06/23/2016	\$745,000	0%	-
Sioux Falls (37)	06/23/2016	\$9,287,000	1.25%	10
Vermillion (08)	06/23/2016	\$812,000	3.00%	20
Viborg (02)	06/23/2016	\$105,000	3.25%	30
Westport (01)	03/31/2016	\$445,000	3.25%	30
Yale (02)	03/31/2016	\$84,000	3.25%	30
<b>TOTAL</b>		<b>\$32,422,000</b>		

\* These loans were rescinded prior to September 30, 2016 at the request of the recipients.

**EXHIBIT II**  
**SRF Needs Categories**  
**Federal Fiscal Year 2016**

<b>Sponsor</b>	<b>Date Obligated</b>	<b>Secondary Treatment</b>	<b>Advanced Treatment</b>	<b>I/I Correction</b>	<b>System Rehab</b>	<b>New Interceptors</b>	<b>Storm Sewers</b>	<b>NonPoint Source</b>
Astoria (02)	03/31/2016	\$744,000	\$0	\$0	\$0	\$0	\$0	\$0
Brandon (06)	03/31/2016	\$0	\$0	\$0	\$0	\$2,598,000	\$0	\$0
Canistota (04)	06/23/2016	\$0	\$0	\$0	\$378,000	\$0	\$0	\$0
Canton (05)	03/31/2016	\$0	\$0	\$0	\$768,000	\$0	\$880,000	\$0
Chancellor (02)	03/31/2016	\$0	\$0	\$0	\$180,000	\$0	\$0	\$0
Dell Rapids (08)	03/31/2016	\$1,427,000	\$959,000	\$0	\$0	\$0	\$0	\$0
Elk Point (07)	06/23/2016	\$0	\$0	\$235,000	\$0	\$0	\$0	\$0
Keystone (01)	06/23/2016	\$381,000	\$0	\$50,000	\$0	\$0	\$0	\$0
Lead (09)	06/23/2016	\$427,000	\$0	\$0	\$0	\$0	\$0	\$0
Miller (01)	03/31/2016	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Miller (02)	03/31/2016	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Mina Lake San Dist (01)	06/23/2016	\$409,030	\$0	\$0	\$149,970	\$0	\$0	\$0
Pierre (07)	03/31/2016	\$3,821,000	\$0	\$0	\$0	\$0	\$0	\$0
Pierre (08)	06/23/2016	\$0	\$0	\$0	\$0	\$1,450,000	\$0	\$0
Prairie Meadows San. Dist. (02)	03/31/2016	\$0	\$0	\$0	\$588,000	\$0	\$0	\$0
Raymond (01)	06/23/2016	\$0	\$0	\$0	\$745,000	\$0	\$0	\$0
Sioux Falls (37)	06/23/2016	\$0	\$0	\$0	\$0	\$8,838,000	\$0	\$0
Sioux Falls (37NPS)	06/23/2016	\$0	\$0	\$0	\$0	\$0	\$0	\$449,000
Vermillion (08)	06/23/2016	\$0	\$0	\$0	\$812,000	\$0	\$0	\$0
Viborg (02)	06/23/2016	\$0	\$0	\$0	\$105,000	\$0	\$0	\$0
Westport (01)	03/31/2016	\$0	\$0	\$0	\$188,240	\$0	\$256,760	\$0
Yale (02)	03/31/2016	\$84,000	\$0	\$0	\$0	\$0	\$0	\$0
<b>TOTAL</b>		<b>\$7,293,030</b>	<b>\$959,000</b>	<b>\$285,000</b>	<b>\$3,914,210</b>	<b>\$12,886,000</b>	<b>\$1,136,760</b>	<b>\$449,000</b>

**EXHIBIT III**  
**Allocation and Source of SRF Funds**

<b>Federal</b>				
<b>Fiscal</b>	<b>Capitalization</b>		<b>Leveraged</b>	
<b>Year</b>	<b>Grant Award</b>	<b>State Match</b>	<b>Funds</b>	<b>Total</b>
1989	\$4,577,200	\$915,440		\$5,492,640
1990	\$4,738,000	\$947,600		\$5,685,600
1991	\$10,074,800	\$2,014,960		\$12,089,760
1992	\$9,534,900	\$1,906,980		\$11,441,880
1993	\$9,431,000	\$1,886,200		\$11,317,200
1994	\$5,813,800	\$1,162,760		\$6,976,560
1995	\$6,007,800	\$1,201,560	\$4,507,540	\$11,716,900
1996	\$9,904,700	\$1,980,940		\$11,885,640
1997	\$2,990,500	\$598,100		\$3,588,600
1998	\$6,577,300	\$1,315,460		\$7,892,760
1999	\$6,577,900	\$1,315,580		\$7,893,480
2000	\$6,555,200	\$1,311,040		\$7,866,240
2001	\$6,496,100	\$1,299,220		\$7,795,320
2002 *	\$0	\$0		\$0
2003 *	\$0	\$0		\$0
2004	\$6,471,800	\$1,294,360		\$7,766,160
2005	\$5,243,500	\$1,048,700		\$6,292,200
2006	\$4,242,300	\$848,460	\$41,000,000	\$46,090,760
2007	\$5,207,200	\$1,041,440		\$6,248,640
2008	\$3,274,300	\$654,860	\$19,826,250	\$23,755,410
2009	\$3,274,300	\$654,860	\$33,912,476	\$37,841,636
ARRA	\$19,239,100			\$19,239,100
2010	\$10,002,000	\$2,000,400		\$12,002,400
2011	\$7,222,000	\$1,444,400		\$8,666,400
2012	\$6,908,000	\$1,381,600	\$55,000,000	\$63,289,600
2013	\$6,520,000	\$1,304,000		\$7,824,000
2014	\$6,853,000	\$1,370,600	\$53,000,000	\$61,223,600
2015	\$6,817,000	\$1,363,400		\$8,180,400
2016	\$6,525,000	\$1,305,000		\$7,830,000
<b>TOTAL</b>	<b>\$187,078,700</b>	<b>\$33,567,920</b>	<b>\$207,246,266</b>	<b>\$427,892,886</b>

\*Transfers from Clean Water SRF included \$6,510,000 from the 2002 Clean Water SRF Capitalization Grant and \$1,302,160 Clean Water state match and \$6,467,800 from the 2003 Clean Water SRF capitalization grant and \$1,293,560 Clean Water State Match.

**EXHIBIT IV**  
**Clean Water SRF Disbursements**  
**October 1, 2015 to September 30, 2016**  
**Loan Disbursements**

<b>Date</b>	<b>Borrower Name</b>	<b>State Funds</b>	<b>Federal Funds</b>	<b>Repayments</b>	<b>Interest/ Earnings</b>	<b>Leveraged</b>	<b>Total Disbursement</b>
10/07/15	Sioux Falls (33NPS)	\$0	\$0	\$134,407	\$0	\$0	\$134,407
10/07/15	St. Lawrence (01)	\$10,353	\$0	\$0	\$0	\$0	\$10,353
10/08/15	Brentford (01)	\$0	\$0	\$0	\$0	\$1,811	\$1,811
10/08/15	Lead (08)	\$0	\$0	\$0	\$0	\$81,041	\$81,041
10/08/15	Pierre (06)	\$0	\$0	\$0	\$0	\$417,600	\$417,600
10/08/15	Pierre (06)	\$0	\$400,000	\$0	\$0	\$0	\$400,000
10/08/15	Sinai (01)	\$0	\$0	\$0	\$1,665	\$0	\$1,665
10/20/15	Dupree (01)	\$0	\$0	\$0	\$0	\$31,426	\$31,426
10/20/15	Freeman (03)	\$0	\$0	\$0	\$0	\$101,889	\$101,889
10/20/15	Freeman (03)	\$0	\$79,431	\$0	\$0	\$0	\$79,431
10/20/15	Lennox (05)	\$0	\$0	\$0	\$0	\$97,706	\$97,706
10/20/15	Letcher (01)	\$0	\$0	\$0	\$0	\$3,480	\$3,480
10/20/15	Turton (01)	\$0	\$0	\$0	\$0	\$7,393	\$7,393
10/27/15	Bristol (01)	\$0	\$0	\$0	\$0	\$12,923	\$12,923
10/27/15	Britton (04)	\$0	\$0	\$0	\$0	\$426,202	\$426,202
10/27/15	Irene (01)	\$0	\$0	\$0	\$0	\$52,736	\$52,736
10/27/15	Sioux Falls (34)	\$0	\$0	\$0	\$0	\$527	\$527
10/29/15	Eagle Butte (02)	\$0	\$0	\$0	\$0	\$64,552	\$64,552
10/29/15	Lennox (05)	\$0	\$0	\$0	\$0	\$229,491	\$229,491
10/29/15	Lennox (05)	\$0	\$0	\$0	\$20,246	\$0	\$20,246
11/09/15	Beresford (03)	\$0	\$0	\$0	\$0	\$36,601	\$36,601
11/09/15	Canistota (03)	\$0	\$0	\$0	\$0	\$146,033	\$146,033
11/18/15	Beresford (03)	\$0	\$0	\$0	\$0	\$20,899	\$20,899
11/18/15	Bristol (01)	\$0	\$0	\$0	\$0	\$14,675	\$14,675
11/18/15	Colman (02)	\$0	\$0	\$0	\$0	\$27,746	\$27,746
11/18/15	Dupree (01)	\$0	\$0	\$0	\$0	\$42,106	\$42,106
11/18/15	Freeman (03)	\$0	\$116,617	\$0	\$0	\$0	\$116,617
11/18/15	Freeman (03)	\$20,040	\$100,000	\$0	\$0	\$0	\$120,040
11/18/15	Highmore (02)	\$0	\$0	\$0	\$0	\$48,729	\$48,729

Date	Borrower Name	State Funds	Federal Funds	Repayments	Interest/ Earnings	Leveraged	Total Disbursement
11/18/15	Lennox (05)	\$0	\$0	\$0	\$0	\$197,760	\$197,760
11/18/15	Letcher (01)	\$0	\$0	\$0	\$0	\$16,370	\$16,370
11/18/15	Sinai (01)	\$0	\$0	\$0	\$0	\$63,915	\$63,915
11/18/15	Yale (01)	\$0	\$0	\$0	\$0	\$33,769	\$33,769
11/24/15	Britton (04)	\$0	\$0	\$0	\$0	\$173,854	\$173,854
11/24/15	Brookings (09)	\$0	\$187,274	\$0	\$0	\$0	\$187,274
11/24/15	Canistota (03)	\$0	\$0	\$0	\$0	\$65,493	\$65,493
11/24/15	Eagle Butte (02)	\$0	\$0	\$0	\$0	\$115,566	\$115,566
11/24/15	Irene (01)	\$0	\$0	\$0	\$0	\$134,186	\$134,186
11/27/15	Highmore (02)	\$0	\$0	\$0	\$0	\$47,482	\$47,482
12/01/15	Eureka (01)	\$0	\$0	\$0	\$51,475	\$0	\$51,475
12/07/15	Sioux Falls (35)	\$0	\$0	\$0	\$0	\$920,364	\$920,364
12/11/15	Sioux Falls (33NPS)	\$0	\$0	\$93,454	\$0	\$0	\$93,454
12/14/15	Bristol (01)	\$0	\$0	\$0	\$0	\$36,798	\$36,798
12/14/15	Turton (01)	\$0	\$0	\$0	\$0	\$19,137	\$19,137
12/18/15	Canistota (03)	\$0	\$0	\$0	\$0	\$55,939	\$55,939
12/24/15	Lead (08)	\$0	\$0	\$0	\$0	\$112,493	\$112,493
12/24/15	Turton (01)	\$0	\$0	\$0	\$0	\$55,936	\$55,936
12/29/15	Irene (01)	\$0	\$0	\$0	\$0	\$51,330	\$51,330
12/31/15	Eagle Butte (02)	\$0	\$0	\$0	\$0	\$169,112	\$169,112
01/07/16	Brookings (09)	\$0	\$0	\$0	\$0	\$32,515	\$32,515
01/07/16	Sioux Falls (33NPS)	\$0	\$0	\$52,918	\$0	\$0	\$52,918
01/07/16	St. Lawrence (01)	\$0	\$0	\$0	\$0	\$137,871	\$137,871
01/15/16	Lennox (05)	\$0	\$0	\$0	\$0	\$77,240	\$77,240
01/15/16	Lennox (05)	\$0	\$0	\$0	\$4,754	\$0	\$4,754
01/15/16	Powder House Pass (01)	\$0	\$14,608	\$0	\$0	\$0	\$14,608
01/21/16	Chancellor (01)	\$0	\$0	\$0	\$0	\$165,936	\$165,936
01/21/16	Dupree (01)	\$0	\$0	\$0	\$0	\$90,605	\$90,605
01/21/16	Dupree (01)	\$0	\$0	\$1,355	\$0	\$0	\$1,355
01/21/16	Dupree (02)	\$0	\$0	\$0	\$0	\$25,184	\$25,184
02/03/16	Eagle Butte (02)	\$0	\$0	\$0	\$0	\$248,829	\$248,829
02/12/16	Irene (01)	\$0	\$0	\$0	\$0	\$5,962	\$5,962
02/25/16	Chancellor (01)	\$0	\$0	\$0	\$0	\$21,200	\$21,200
02/25/16	Sinai (01)	\$0	\$0	\$0	\$0	\$1,690	\$1,690



Date	Borrower Name	State Funds	Federal Funds	Repayments	Interest/ Earnings	Leveraged	Total Disbursement
02/25/16	Sioux Falls (35)	\$0	\$0	\$0	\$0	\$232,590	\$232,590
02/25/16	Turton (01)	\$0	\$0	\$0	\$0	\$35,570	\$35,570
03/04/16	Eagle Butte (02)	\$0	\$0	\$0	\$0	\$93,613	\$93,613
03/04/16	Sioux Falls (33NPS)	\$0	\$0	\$34,626	\$0	\$0	\$34,626
03/16/16	Highmore (02)	\$0	\$0	\$0	\$0	\$3,836	\$3,836
03/18/16	Bristol (01)	\$0	\$0	\$0	\$0	\$1,035	\$1,035
03/18/16	Britton (04)	\$0	\$0	\$0	\$0	\$16,269	\$16,269
03/18/16	Dupree (02)	\$0	\$0	\$0	\$0	\$60,286	\$60,286
03/28/16	Turton (01)	\$0	\$0	\$0	\$0	\$1,068	\$1,068
04/06/16	Eagle Butte (02)	\$0	\$0	\$0	\$0	\$39,710	\$39,710
04/08/16	Humboldt (01)	\$0	\$0	\$0	\$0	\$3,000	\$3,000
04/21/16	Sioux Falls (21B)	\$0	\$0	\$0	\$0	\$34,664	\$34,664
04/21/16	Sioux Falls (35)	\$0	\$0	\$0	\$0	\$126,586	\$126,586
04/22/16	Ellsworth Dev Auth (01-A)	\$0	\$0	\$0	\$0	\$98,522	\$98,522
04/22/16	Ellsworth Dev Auth (01-A)	\$0	\$0	\$22,020	\$0	\$0	\$22,020
04/22/16	Ellsworth Dev Auth (01-B)	\$0	\$120,542	\$0	\$0	\$0	\$120,542
04/28/16	Eagle Butte (02)	\$0	\$0	\$0	\$0	\$85,138	\$85,138
04/28/16	Irene (01)	\$0	\$0	\$0	\$0	\$4,582	\$4,582
04/28/16	Turton (01)	\$0	\$0	\$0	\$0	\$570	\$570
05/12/16	Sinai (01)	\$0	\$0	\$0	\$0	\$676	\$676
05/19/16	Irene (01)	\$0	\$0	\$0	\$0	\$49,897	\$49,897
05/26/16	Kennebec (02)	\$0	\$0	\$0	\$0	\$28,280	\$28,280
05/26/16	Sinai (01)	\$0	\$0	\$0	\$0	\$39,946	\$39,946
06/03/16	Bristol (01)	\$0	\$0	\$0	\$0	\$2,741	\$2,741
06/03/16	Sioux Falls (35)	\$0	\$0	\$0	\$0	\$852,765	\$852,765
06/10/16	Sioux Falls (33NPS)	\$0	\$0	\$120,314	\$0	\$0	\$120,314
06/17/16	Eagle Butte (02)	\$0	\$0	\$0	\$0	\$88,315	\$88,315
06/17/16	Hoven (01)	\$0	\$0	\$0	\$0	\$259,152	\$259,152
06/17/16	McLaughlin (01)	\$0	\$0	\$0	\$0	\$42,237	\$42,237
06/24/16	Dupree (02)	\$0	\$0	\$0	\$0	\$2,055	\$2,055
06/24/16	Irene (01)	\$0	\$0	\$0	\$0	\$71,781	\$71,781
06/24/16	Kennebec (01)	\$0	\$0	\$0	\$0	\$12,000	\$12,000
06/24/16	Sioux Falls (35)	\$0	\$0	\$0	\$0	\$428,107	\$428,107
06/24/16	Turton (01)	\$0	\$0	\$0	\$0	\$9,978	\$9,978

Date	Borrower Name	State Funds	Federal Funds	Repayments	Interest/ Earnings	Leveraged	Total Disbursement
06/28/16	Bristol (01)	\$0	\$0	\$0	\$0	\$39,105	\$39,105
06/28/16	Colman (02)	\$0	\$0	\$0	\$0	\$126,313	\$126,313
06/28/16	Kennebec (02)	\$0	\$0	\$0	\$0	\$32,006	\$32,006
07/07/16	Britton (04)	\$0	\$0	\$0	\$0	\$310,000	\$310,000
07/07/16	Letcher (01)	\$0	\$0	\$0	\$0	\$61,776	\$61,776
07/14/16	Lake Poinsett (04)	\$0	\$0	\$0	\$0	\$116,410	\$116,410
07/14/16	Sinai (01)	\$0	\$0	\$0	\$0	\$12,293	\$12,293
07/25/16	Dupree (02)	\$0	\$0	\$0	\$0	\$1,792	\$1,792
07/27/16	Turton (01)	\$0	\$0	\$0	\$0	\$5,520	\$5,520
07/28/16	Irene (01)	\$0	\$0	\$0	\$0	\$55,886	\$55,886
08/04/16	Hoven (01)	\$0	\$0	\$0	\$0	\$131,463	\$131,463
08/04/16	Sioux Falls (35)	\$0	\$0	\$0	\$0	\$1,872,790	\$1,872,790
08/04/16	Sioux Falls (36)	\$0	\$0	\$0	\$0	\$707,321	\$707,321
08/11/16	Eagle Butte (02)	\$0	\$0	\$0	\$0	\$231,557	\$231,557
08/11/16	Letcher (01)	\$0	\$0	\$0	\$0	\$58,789	\$58,789
08/12/16	Powder House Pass (01)	\$0	\$302,104	\$0	\$0	\$0	\$302,104
08/18/16	Bristol (01)	\$0	\$0	\$0	\$0	\$98,967	\$98,967
08/18/16	Eagle Butte (02)	\$0	\$0	\$0	\$0	\$185,432	\$185,432
08/18/16	Hoven (01)	\$0	\$0	\$0	\$0	\$64,278	\$64,278
08/22/16	Sioux Falls (35)	\$0	\$0	\$0	\$0	\$1,832,568	\$1,832,568
08/22/16	Sioux Falls (36)	\$0	\$0	\$0	\$0	\$1,473,467	\$1,473,467
08/25/16	Humboldt (01)	\$0	\$0	\$0	\$0	\$43,435	\$43,435
08/25/16	Sioux Falls (33NPS)	\$0	\$0	\$118,030	\$0	\$0	\$118,030
08/25/16	Sioux Falls (35NPS)	\$0	\$0	\$101,423	\$0	\$0	\$101,423
08/25/16	Wessington Springs (01)	\$46,129	\$0	\$0	\$0	\$0	\$46,129
08/26/16	Britton (04)	\$0	\$0	\$0	\$0	\$587,293	\$587,293
09/06/16	Bristol (01)	\$0	\$0	\$0	\$0	\$9,447	\$9,447
09/06/16	LMSD (03)	\$0	\$0	\$0	\$0	\$108,142	\$108,142
09/06/16	Letcher (01)	\$0	\$0	\$0	\$0	\$26,818	\$26,818
09/15/16	Hoven (01)	\$0	\$0	\$0	\$0	\$15,458	\$15,458
09/23/16	Brookings (07)	\$0	\$0	\$0	\$0	\$4,555,100	\$4,555,100
09/23/16	Brookings (07)	\$0	\$559,526	\$0	\$0	\$0	\$559,526
09/23/16	Brookings (07)	\$0	\$0	\$67,555	\$0	\$0	\$67,555
09/23/16	Sinai (01)	\$0	\$0	\$0	\$0	\$63,942	\$63,942

Date	Borrower Name	State Funds	Federal Funds	Repayments	Interest/ Earnings	Leveraged	Total Disbursement
09/26/16	Sioux Falls (36)	\$0	\$0	\$0	\$0	\$1,371,916	\$1,371,916
09/27/16	Dupree (02)	\$0	\$0	\$0	\$0	\$2,297	\$2,297
09/27/16	Kennebec (01)	\$0	\$0	\$0	\$0	\$26,000	\$26,000
09/27/16	Kennebec (02)	\$0	\$0	\$0	\$0	\$10,488	\$10,488
<b>Total Base Programs</b>		<b>\$76,522</b>	<b>\$1,880,102</b>	<b>\$746,102</b>	<b>\$78,140</b>	<b>\$21,905,140</b>	<b>\$24,686,006</b>

#### ADMINISTRATIVE DISBURSEMENTS

Date	Disbursed to	Cost of Issuance	State Funds	Federal Funds	State Admin Restricted	State Admin Discretionary	Total Payment
10/27/15	SD - Admin	\$0.00	\$5,720.00	\$28,600.00	\$0.00	\$0.00	\$34,320.00
10/27/15	SD-Planning Grants	\$0.00	\$0.00	\$0.00	\$0.00	\$79,300.00	\$79,300.00
10/27/15	SD-Planning Dist Grants	\$0.00	\$0.00	\$0.00	\$5,000.00	\$0.00	\$5,000.00
10/29/15	PFM Asset Management	\$0.00	\$0.00	\$0.00	\$0.00	\$2,953.05	\$2,953.05
11/24/15	SD - Admin	\$0.00	\$7,920.00	\$39,600.00	\$0.00	\$0.00	\$47,520.00
11/24/15	SD-Planning Grants	\$0.00	\$0.00	\$0.00	\$0.00	\$63,500.00	\$63,500.00
11/24/15	SD-Planning Dist Grants	\$0.00	\$0.00	\$0.00	\$2,500.00	\$0.00	\$2,500.00
11/24/15	SD-Davis Bacon	\$0.00	\$0.00	\$0.00	\$2,000.00	\$0.00	\$2,000.00
12/01/15	PFM Asset Management	\$0.00	\$0.00	\$0.00	\$0.00	\$3,028.81	\$3,028.81
12/11/15	FNB	\$0.00	\$0.00	\$0.00	\$0.00	\$50,380.00	\$50,380.00
12/18/15	SD - Admin	\$0.00	\$10,980.00	\$54,900.00	\$0.00	\$0.00	\$65,880.00
12/18/15	SD-Planning Grants	\$0.00	\$0.00	\$0.00	\$0.00	\$41,900.00	\$41,900.00
12/18/15	SD-Planning Dist Grants	\$0.00	\$0.00	\$0.00	\$22,500.00	\$0.00	\$22,500.00
12/18/15	SD-Davis Bacon	\$0.00	\$0.00	\$0.00	\$4,500.00	\$0.00	\$4,500.00
12/31/15	PFM Asset Management	\$0.00	\$0.00	\$0.00	\$0.00	\$2,834.67	\$2,834.67
01/15/16	SD - Admin	\$0.00	\$5,540.00	\$27,700.00	\$0.00	\$0.00	\$33,240.00
01/15/16	SD-Planning Grants	\$0.00	\$0.00	\$0.00	\$0.00	\$10,000.00	\$10,000.00
01/15/16	SD-Planning Dist Grants	\$0.00	\$0.00	\$0.00	\$5,500.00	\$0.00	\$5,500.00
01/15/16	SD-Davis Bacon	\$0.00	\$0.00	\$0.00	\$1,500.00	\$0.00	\$1,500.00

<b>Date</b>	<b>Disbursed to</b>	<b>Cost of Issuance</b>	<b>State Funds</b>	<b>Federal Funds</b>	<b>State Admin Restricted</b>	<b>State Admin Discretionary</b>	<b>Total Payment</b>
02/04/16	PFM Asset Management	\$0.00	\$0.00	\$0.00	\$0.00	\$2,806.52	\$2,806.52
02/16/16	SD - Admin	\$0.00	\$5,820.00	\$29,100.00	\$0.00	\$0.00	\$34,920.00
02/16/16	SD-Planning Grants	\$0.00	\$0.00	\$0.00	\$0.00	\$21,600.00	\$21,600.00
02/16/16	SD-Planning Dist Grants	\$0.00	\$0.00	\$0.00	\$3,000.00	\$0.00	\$3,000.00
02/25/16	PFM Asset Management	\$0.00	\$0.00	\$0.00	\$0.00	\$2,679.84	\$2,679.84
03/16/16	SD - Admin	\$0.00	\$5,280.00	\$26,400.00	\$0.00	\$0.00	\$31,680.00
03/16/16	SD-Planning Grants	\$0.00	\$0.00	\$0.00	\$0.00	\$16,600.00	\$16,600.00
03/28/16	PFM	\$0.00	\$0.00	\$0.00	\$0.00	\$1,508.02	\$1,508.02
04/07/16	PFM Asset Management	\$0.00	\$0.00	\$0.00	\$0.00	\$2,471.14	\$2,471.14
04/11/16	PFM	\$0.00	\$0.00	\$0.00	\$0.00	\$0.02	\$0.02
04/22/16	SD - Admin	\$0.00	\$4,980.00	\$24,900.00	\$0.00	\$0.00	\$29,880.00
04/22/16	SD-Planning Grants	\$0.00	\$0.00	\$0.00	\$0.00	\$27,000.00	\$27,000.00
04/22/16	SD-Planning Dist Grants	\$0.00	\$0.00	\$0.00	\$7,500.00	\$0.00	\$7,500.00
04/22/16	SD-Davis Bacon	\$0.00	\$0.00	\$0.00	\$500.00	\$0.00	\$500.00
04/28/16	PFM Asset Management	\$0.00	\$0.00	\$0.00	\$0.00	\$2,638.57	\$2,638.57
05/04/16	SD - Admin	\$0.00	-\$57,959.14	\$0.00	\$0.00	\$0.00	-\$57,959.14
05/04/16	SD - Admin	\$0.00	\$0.00	\$0.00	\$0.00	\$57,959.14	\$57,959.14
05/26/16	SD - Admin	\$0.00	\$0.00	\$42,400.00	\$0.00	\$0.00	\$42,400.00
05/26/16	SD - Admin	\$0.00	\$0.00	\$0.00	\$0.00	\$8,480.00	\$8,480.00
05/26/16	SD-Planning Grants	\$0.00	\$0.00	\$0.00	\$0.00	\$119,900.00	\$119,900.00
05/26/16	SD-Planning Dist Grants	\$0.00	\$0.00	\$0.00	\$20,500.00	\$0.00	\$20,500.00
05/26/16	PFM Asset Management	\$0.00	\$0.00	\$803.00	\$0.00	\$0.00	\$803.00
05/26/16	PFM Asset Management	\$0.00	\$0.00	\$0.00	\$0.00	\$1,539.11	\$1,539.11
06/03/16	FNB	\$0.00	\$0.00	\$0.00	\$0.00	\$51,300.00	\$51,300.00
06/17/16	SD - Admin	\$0.00	\$0.00	\$11,800.00	\$0.00	\$0.00	\$11,800.00
06/17/16	SD - Admin	\$0.00	\$0.00	\$0.00	\$0.00	\$2,360.00	\$2,360.00
06/17/16	SD-Planning Grants	\$0.00	\$0.00	\$0.00	\$0.00	\$80,100.00	\$80,100.00

<b>Date</b>	<b>Disbursed to</b>	<b>Cost of Issuance</b>	<b>State Funds</b>	<b>Federal Funds</b>	<b>State Admin Restricted</b>	<b>State Admin Discretionary</b>	<b>Total Payment</b>
06/17/16	SD-Planning Dist Grants	\$0.00	\$0.00	\$0.00	\$2,500.00	\$0.00	\$2,500.00
07/11/16	PFM Asset Management	\$0.00	\$0.00	\$0.00	\$0.00	\$2,588.69	\$2,588.69
07/25/16	SD - Admin	\$0.00	\$0.00	\$26,100.00	\$0.00	\$0.00	\$26,100.00
07/25/16	SD - Admin	\$0.00	\$0.00	\$0.00	\$0.00	\$3,506.00	\$3,506.00
07/25/16	SD-Planning Grants	\$0.00	\$0.00	\$0.00	\$0.00	\$5,500.00	\$5,500.00
07/25/16	SD-Planning Dist Grants	\$0.00	\$0.00	\$0.00	\$34,000.00	\$0.00	\$34,000.00
07/25/16	SD-Davis Bacon	\$0.00	\$0.00	\$0.00	\$2,600.00	\$0.00	\$2,600.00
07/28/16	PFM Asset Management	\$0.00	\$0.00	\$0.00	\$0.00	\$2,509.58	\$2,509.58
08/25/16	PFM Asset Management	\$0.00	\$0.00	\$0.00	\$0.00	\$2,150.78	\$2,150.78
08/25/16	SD - Admin	\$0.00	\$0.00	\$29,111.00	\$0.00	\$0.00	\$29,111.00
08/25/16	SD - Admin	\$0.00	\$0.00	\$0.00	\$0.00	\$2,533.00	\$2,533.00
08/25/16	SD-Planning Grants	\$0.00	\$0.00	\$0.00	\$0.00	\$45,600.00	\$45,600.00
08/25/16	SD-Planning Dist Grants	\$0.00	\$0.00	\$0.00	\$21,000.00	\$0.00	\$21,000.00
09/06/16	Perkins Coie	\$0.00	\$0.00	\$0.00	\$0.00	\$44,327.00	\$44,327.00
09/23/16	SD - Admin	\$0.00	\$0.00	\$32,700.00	\$0.00	\$0.00	\$32,700.00
09/23/16	SD-Planning Grants	\$0.00	\$0.00	\$0.00	\$0.00	\$35,200.00	\$35,200.00
09/23/16	SD-Planning Dist Grants	\$0.00	\$0.00	\$0.00	\$6,000.00	\$0.00	\$6,000.00
09/28/16	PFM Asset Management	\$0.00	\$0.00	\$0.00	\$0.00	\$2,241.78	\$2,241.78
<b>Total Admin Disbursements</b>		<b>\$0.00</b>	<b>-\$11,719.14</b>	<b>\$374,114.00</b>	<b>\$141,100.00</b>	<b>\$798,995.72</b>	<b>\$1,302,490.58</b>

**TOTAL OF ALL CWSRF DISBURSEMENTS:**

**\$25,988,496**

Disbursements to the State of SD reflect reimbursements for disbursements made through the state accounting system. These reimbursements are for payroll expenses, overhead costs, loan administration grants and planning grants. These reimbursements are rounded and do not reflect expenses as incurred during the year. Expenses reimbursed also may be from a prior fiscal year. See Financial Statements for expenses incurred on an accrual basis.

**EXHIBIT V**  
**Letter of Credit Analysis**  
**Projected Draws vs. Actual Draws**  
**Federal Fiscal Year 2016**

<b>Quarter</b>	<b>Grant Payment Schedule</b>	<b>Actual Loan Draws</b>	<b>Actual Admin Draws</b>	<b>Difference</b>
1st	\$4,034,589	\$883,322	\$123,100	\$3,028,167
2nd	\$1,713,250	\$14,608	\$83,200	\$1,615,442
3rd	\$3,429,000	\$120,542	\$79,903	\$3,228,555
4th	\$3,729,000	\$861,630	\$87,911	\$2,779,459
	<b>\$12,905,839</b>	<b>\$1,880,102</b>	<b>\$374,114</b>	<b>\$10,651,623</b>

**Letter of Credit Draws**  
**Federal Fiscal Year 2016**

<b>Draw #</b>	<b>Date</b>	<b>Loan</b>	<b>Admin</b>	<b>Total</b>
1053	10/07/15	\$400,000	\$0	\$400,000
1054	10/16/15	\$79,431	\$0	\$79,431
1055	10/23/15	\$0	\$28,600	\$28,600
1058	11/16/15	\$216,617	\$0	\$216,617
1059	11/20/15	\$187,274	\$39,600	\$226,874
1063	12/16/15	\$0	\$54,900	\$54,900
1066	01/14/16	\$14,608	\$27,700	\$42,308
1069	02/12/16	\$0	\$29,100	\$29,100
1073	03/15/16	\$0	\$26,400	\$26,400
1078A	04/21/16	\$120,542	\$24,900	\$145,442
1083	05/25/16	\$0	\$43,203	\$43,203
1086	06/16/16	\$0	\$11,800	\$11,800
1090	07/22/16	\$0	\$26,100	\$26,100
1093	08/11/16	\$302,104	\$0	\$302,104
1095	08/24/16	\$0	\$29,111	\$29,111
1097	09/22/16	\$559,526	\$32,700	\$592,226
<b>TOTAL</b>		<b>\$1,880,102</b>	<b>\$374,114</b>	<b>\$2,254,216</b>

**EXHIBIT VI**  
**Environmental Review and Land Purchase Information**  
**Completed During Federal Fiscal Year 2016**

<b>Recipient</b>	<b>Environmental Assessment Class</b>	<b>Environmental Assessment Publication Date</b>	<b>Land Purchase w/ SRF?</b>
Brandon (CW-06)	CATEX	06/01/2016	No
Canton (CW-05)	CATEX	05/05/2016	No
Chancellor (CW-02)	CATEX	07/21/2016	No
Lead (CW-09)	CATEX	05/21/2016	No
Pierre (CW-07)	CATEX	07/01/2016	No
Sioux Falls (CW-37)	FNSI	09/01/2016	No
Sioux Falls (CW-37NPS)*	N/A	--	--
Vermillion (CW-08)	CATEX	07/08/2016	No

\* An environmental assessment is not required for nonpoint source projects

**Awarded During Federal Fiscal Year 2016 and Still Pending**

<b>Recipient</b>	<b>Environmental Assessment Class</b>	<b>Land Purchase w/ SRF?</b>
Astoria (CW-02)	FNSI	No
Canistota (CW-04)	CATEX	No
Dell Rapids (CW-08)	FNSI	No
Elk Point (CW-07)	CATEX	No
Keystone (CW-01)	CATEX	No
Miller (CW-01)*	CATEX	No
Miller (CW-02)*	CATEX	No
Mina Lake Sanitary District (CW-01)	CATEX	No
Pierre (CW-08)	FNSI	No
Prairie Meadows Sanitary District (CW-02)	CATEX	No
Raymond (CW-01)	CATEX	No
Viborg (CW-02)	CATEX	No
Waubay (CW-03)	FNSI	No
Westport (CW-01)	CATEX	No
Yale (CW-02)	CATEX	No

\*Loans were rescinded prior to September 30, 2016

**EXHIBIT VII**  
**CWSRF Loan Transactions by Borrower**  
**September 30, 2016**

<b>Borrower</b>	<b>Maximum Committed Amount</b>	<b>ARRA Advance</b>	<b>Federal Advance</b>	<b>State Advance</b>	<b>Recycled Advance</b>	<b>Leveraged Advance</b>	<b>Total Advances</b>	<b>Principal Forgiven</b>	<b>Principal Repayments</b>	<b>Loan Balance</b>
Aberdeen (01)	\$12,062,600	\$0	\$5,262,600	\$20,886	\$5,433,257	\$1,345,857	\$12,062,600	\$0	\$4,546,161	\$7,516,439
Aberdeen (01NPS)	\$1,156,259	\$0	\$0	\$0	\$1,156,259	\$0	\$1,156,259	\$0	\$352,775	\$803,484
Aberdeen (02)	\$5,201,739	\$0	\$2,927,133	\$186,734	\$187,872	\$1,900,000	\$5,201,739	\$0	\$1,172,066	\$4,029,673
Aberdeen (03)	\$1,500,000	\$0	\$950,000	\$0	\$550,000	\$0	\$1,500,000	\$0	\$344,062	\$1,155,938
Alpena (01)	\$905,474	\$0	\$905,474	\$0	\$0	\$0	\$905,474	\$0	\$33,549	\$871,925
Andover (01)	\$194,000	\$0	\$0	\$0	\$194,000	\$0	\$194,000	\$0	\$5,883	\$188,117
Aurora (01)	\$309,759	\$0	\$265,204	\$44,555	\$0	\$0	\$309,759	\$0	\$191,644	\$118,115
Aurora (02)	\$421,303	\$300,000	\$0	\$0	\$121,303	\$0	\$421,303	\$191,692	\$23,259	\$206,352
Baltic (01)	\$405,646	\$0	\$0	\$0	\$405,646	\$0	\$405,646	\$0	\$219,753	\$185,893
Baltic (02)	\$276,164	\$200,000	\$0	\$0	\$0	\$76,164	\$276,164	\$127,588	\$29,275	\$119,301
Baltic (03)	\$705,015	\$0	\$0	\$0	\$0	\$705,015	\$705,015	\$0	\$36,217	\$668,798
Belle Fourche (01)	\$253,000	\$0	\$214,604	\$38,396	\$0	\$0	\$253,000	\$0	\$253,000	\$0
Belle Fourche (02)	\$264,422	\$0	\$220,351	\$44,071	\$0	\$0	\$264,422	\$0	\$264,422	\$0
Belle Fourche Irrig Dist (01)	\$200,000	\$0	\$1,601	\$0	\$198,399	\$0	\$200,000	\$200,000	\$0	\$0
Beresford (01)	\$1,115,852	\$0	\$1,039,555	\$76,297	\$0	\$0	\$1,115,852	\$0	\$1,115,852	\$0
Beresford (02)	\$789,790	\$0	\$179,664	\$275,336	\$164,790	\$170,000	\$789,790	\$0	\$32,193	\$757,597
Beresford (03)	\$605,000	\$0	\$0	\$0	\$0	\$486,475	\$486,475	\$0	\$0	\$486,475
Bison (01)	\$504,000	\$0	\$0	\$0	\$180,000	\$324,000	\$504,000	\$0	\$56,924	\$447,076
Bison (02)	\$419,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Black Hawk SD (01)	\$477,823	\$0	\$0	\$0	\$477,823	\$0	\$477,823	\$0	\$477,823	\$0
Bonesteel (01)	\$370,456	\$0	\$0	\$0	\$339,279	\$31,177	\$370,456	\$0	\$7,428	\$363,028
Box Elder (01)	\$648,600	\$0	\$540,500	\$108,100	\$0	\$0	\$648,600	\$0	\$648,600	\$0
Brandon (01)	\$105,000	\$0	\$1,277	\$103,723	\$0	\$0	\$105,000	\$0	\$105,000	\$0
Brandon (02)	\$526,018	\$0	\$400,629	\$125,389	\$0	\$0	\$526,018	\$0	\$526,018	\$0



<b>Borrower</b>	<b>Maximum Committed Amount</b>	<b>ARRA Advance</b>	<b>Federal Advance</b>	<b>State Advance</b>	<b>Recycled Advance</b>	<b>Leveraged Advance</b>	<b>Total Advances</b>	<b>Principal Forgiven</b>	<b>Principal Repayments</b>	<b>Loan Balance</b>
Brandon (04)	\$383,250	\$38,325	\$0	\$0	\$0	\$344,925	\$383,250	\$38,325	\$180,106	\$164,819
Brant Lake (01)	\$1,700,000	\$0	\$0	\$108,502	\$421,498	\$1,170,000	\$1,700,000	\$0	\$74,265	\$1,625,735
Brentford (01)	\$171,507	\$0	\$0	\$0	\$45,124	\$126,383	\$171,507	\$0	\$2,569	\$168,938
Bridgewater (01)	\$90,328	\$0	\$75,273	\$15,055	\$0	\$0	\$90,328	\$0	\$90,328	\$0
Bridgewater (02)	\$321,600	\$0	\$0	\$0	\$321,600	\$0	\$321,600	\$0	\$127,163	\$194,437
Bridgewater (03)	\$256,273	\$0	\$0	\$0	\$16,273	\$240,000	\$256,273	\$0	\$17,327	\$238,946
Bristol (01)	\$1,000,000	\$0	\$0	\$0	\$0	\$847,257	\$847,257	\$0	\$0	\$847,257
Britton (01)	\$509,935	\$0	\$424,945	\$84,990	\$0	\$0	\$509,935	\$0	\$509,935	\$0
Britton (02)	\$291,854	\$0	\$0	\$0	\$291,854	\$0	\$291,854	\$0	\$146,544	\$145,310
Britton (03)	\$897,735	\$0	\$0	\$0	\$0	\$897,735	\$897,735	\$0	\$76,337	\$821,398
Britton (04)	\$2,500,000	\$0	\$0	\$0	\$0	\$1,745,579	\$1,745,579	\$0	\$8,274	\$1,737,305
Brookings (01)	\$188,065	\$0	\$156,721	\$31,344	\$0	\$0	\$188,065	\$0	\$188,065	\$0
Brookings (02)	\$744,545	\$74,454	\$171,000	\$129,000	\$0	\$370,091	\$744,545	\$74,455	\$124,951	\$545,139
Brookings (03)	\$433,909	\$0	\$36,384	\$0	\$397,525	\$0	\$433,909	\$43,390	\$68,724	\$321,795
Brookings (04)	\$335,314	\$0	\$0	\$0	\$0	\$335,314	\$335,314	\$0	\$41,814	\$293,500
Brookings (05)	\$226,121	\$0	\$0	\$0	\$0	\$226,121	\$226,121	\$0	\$30,482	\$195,639
Brookings (06)	\$1,972,719	\$0	\$0	\$0	\$0	\$1,972,719	\$1,972,719	\$0	\$187,091	\$1,785,628
Brookings (07)	\$30,600,000	\$0	\$2,138,526	\$165,000	\$9,929,157	\$17,379,275	\$29,611,958	\$0	\$745,190	\$28,866,768
Brookings (09)	\$448,140	\$0	\$255,117	\$0	\$0	\$193,023	\$448,140	\$0	\$4,109	\$444,031
Burke (01)	\$155,000	\$0	\$0	\$0	\$155,000	\$0	\$155,000	\$0	\$53,914	\$101,086
Canistota (01)	\$616,840	\$420,190	\$0	\$0	\$0	\$196,650	\$616,840	\$420,190	\$23,355	\$173,295
Canistota (02)	\$186,183	\$0	\$128,990	\$57,193	\$0	\$0	\$186,183	\$0	\$16,735	\$169,448
Canistota (03)	\$381,000	\$0	\$0	\$0	\$0	\$381,000	\$381,000	\$0	\$3,789	\$377,211
Canova (01)	\$238,713	\$0	\$155,954	\$0	\$82,759	\$0	\$238,713	\$154,686	\$6,609	\$77,418
Canton (01)	\$515,715	\$0	\$515,715	\$0	\$0	\$0	\$515,715	\$0	\$515,715	\$0
Canton (02)	\$600,000	\$0	\$0	\$0	\$600,000	\$0	\$600,000	\$0	\$301,159	\$298,841
Canton (03)	\$2,462,000	\$840,500	\$0	\$0	\$211,500	\$1,410,000	\$2,462,000	\$840,500	\$354,148	\$1,267,352
Canton (04)	\$732,000	\$0	\$341,497	\$21,413	\$132,000	\$237,090	\$732,000	\$0	\$23,348	\$708,652
Castlewood (01)	\$215,859	\$0	\$0	\$0	\$215,859	\$0	\$215,859	\$0	\$122,763	\$93,096

<b>Borrower</b>	<b>Maximum Committed Amount</b>	<b>ARRA Advance</b>	<b>Federal Advance</b>	<b>State Advance</b>	<b>Recycled Advance</b>	<b>Leveraged Advance</b>	<b>Total Advances</b>	<b>Principal Forgiven</b>	<b>Principal Repayments</b>	<b>Loan Balance</b>
Castlewood (02)	\$160,000	\$0	\$48,416	\$111,584	\$0	\$0	\$160,000	\$0	\$63,265	\$96,735
Centerville (01)	\$500,000	\$0	\$0	\$0	\$500,000	\$0	\$500,000	\$0	\$264,222	\$235,778
Centerville (02)	\$400,509	\$0	\$0	\$0	\$250,038	\$150,471	\$400,509	\$0	\$9,961	\$390,548
Chamberlain (01)	\$350,500	\$0	\$350,500	\$0	\$0	\$0	\$350,500	\$0	\$350,500	\$0
Chamberlain (02)	\$265,000	\$0	\$220,833	\$44,167	\$0	\$0	\$265,000	\$0	\$265,000	\$0
Chamberlain (03)	\$2,700,000	\$0	\$2,249,998	\$450,002	\$0	\$0	\$2,700,000	\$0	\$2,700,000	\$0
Chamberlain (04)	\$450,000	\$0	\$375,000	\$75,000	\$0	\$0	\$450,000	\$0	\$450,000	\$0
Chancellor (01)	\$574,000	\$0	\$0	\$0	\$0	\$349,333	\$349,333	\$0	\$0	\$349,333
Chancellor (02)	\$180,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Clark (01)	\$400,000	\$0	\$0	\$0	\$400,000	\$0	\$400,000	\$0	\$196,657	\$203,343
Clark (02)	\$2,485,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Clear Lake (01)	\$79,537	\$0	\$61,462	\$18,075	\$0	\$0	\$79,537	\$0	\$79,537	\$0
Clear Lake (02)	\$687,227	\$0	\$658,926	\$28,301	\$0	\$0	\$687,227	\$0	\$296,959	\$390,268
Colman (01)	\$1,574,248	\$0	\$78,104	\$210,857	\$1,285,287	\$0	\$1,574,248	\$356,500	\$43,255	\$1,174,493
Colman (02)	\$800,000	\$0	\$0	\$0	\$209,906	\$556,337	\$766,243	\$478,901	\$2,386	\$284,956
Colton (01)	\$178,332	\$0	\$0	\$0	\$178,332	\$0	\$178,332	\$0	\$178,332	\$0
Colton (02)	\$140,826	\$0	\$61,928	\$0	\$0	\$78,898	\$140,826	\$0	\$14,747	\$126,079
Crooks (01)	\$421,975	\$0	\$0	\$0	\$0	\$421,975	\$421,975	\$0	\$165,235	\$256,740
Custer City (01)	\$430,000	\$0	\$338,913	\$91,087	\$0	\$0	\$430,000	\$0	\$430,000	\$0
Custer City (02)	\$182,000	\$0	\$151,667	\$30,333	\$0	\$0	\$182,000	\$0	\$182,000	\$0
Custer City (03)	\$276,000	\$0	\$229,997	\$46,003	\$0	\$0	\$276,000	\$0	\$276,000	\$0
Custer City (04)	\$925,919	\$0	\$0	\$322,472	\$427,447	\$176,000	\$925,919	\$0	\$67,299	\$858,620
Custer-Fall River WMD (01)	\$106,939	\$0	\$89,116	\$17,823	\$0	\$0	\$106,939	\$0	\$106,939	\$0
Deadwood (01)	\$447,838	\$0	\$373,198	\$74,640	\$0	\$0	\$447,838	\$0	\$447,838	\$0
Dell Rapids (01)	\$300,000	\$0	\$249,999	\$50,001	\$0	\$0	\$300,000	\$0	\$300,000	\$0
Dell Rapids (02)	\$561,737	\$0	\$0	\$0	\$561,737	\$0	\$561,737	\$0	\$215,352	\$346,385
Dell Rapids (03)	\$1,062,000	\$0	\$0	\$0	\$0	\$1,062,000	\$1,062,000	\$0	\$320,483	\$741,517
Dell Rapids (04)	\$950,000	\$0	\$56,391	\$50,000	\$0	\$843,609	\$950,000	\$0	\$233,943	\$716,057
Dell Rapids (05)	\$742,564	\$0	\$421,409	\$0	\$321,155	\$0	\$742,564	\$398,014	\$49,954	\$294,596

<b>Borrower</b>	<b>Maximum Committed Amount</b>	<b>ARRA Advance</b>	<b>Federal Advance</b>	<b>State Advance</b>	<b>Recycled Advance</b>	<b>Leveraged Advance</b>	<b>Total Advances</b>	<b>Principal Forgiven</b>	<b>Principal Repayments</b>	<b>Loan Balance</b>
Dell Rapids (06)	\$612,000	\$0	\$14,450	\$131,363	\$0	\$466,187	\$612,000	\$0	\$34,303	\$577,697
Dell Rapids (07)	\$1,200,000	\$0	\$100,000	\$0	\$399,264	\$700,736	\$1,200,000	\$0	\$155,127	\$1,044,873
Dupree (01)	\$450,000	\$0	\$0	\$0	\$150,000	\$300,000	\$450,000	\$0	\$5,102	\$444,898
Dupree (02)	\$192,000	\$0	\$0	\$0	\$0	\$91,614	\$91,614	\$0	\$0	\$91,614
Eagle Butte (02)	\$2,410,000	\$0	\$0	\$0	\$0	\$1,412,818	\$1,412,818	\$257,132	\$0	\$1,155,686
Elk Point (01)	\$458,000	\$0	\$381,665	\$76,335	\$0	\$0	\$458,000	\$0	\$458,000	\$0
Elk Point (02)	\$450,000	\$0	\$34,145	\$57,798	\$358,057	\$0	\$450,000	\$0	\$254,460	\$195,540
Elk Point (03)	\$345,000	\$0	\$0	\$0	\$345,000	\$0	\$345,000	\$0	\$345,000	\$0
Elk Point (04)	\$100,000	\$0	\$0	\$0	\$31,993	\$68,007	\$100,000	\$0	\$31,660	\$68,340
Elk Point (05)	\$150,000	\$0	\$100,000	\$5,581	\$0	\$44,419	\$150,000	\$0	\$40,229	\$109,771
Elk Point (06)	\$607,840	\$93,170	\$0	\$0	\$18,419	\$496,251	\$607,840	\$60,784	\$158,276	\$388,780
Elkton (01)	\$505,464	\$130,000	\$0	\$125,000	\$140,464	\$110,000	\$505,464	\$130,000	\$66,074	\$309,390
Ellsworth Dev Auth (01A)	\$8,000,000	\$0	\$420,837	\$579,163	\$2,525,000	\$4,475,000	\$8,000,000	\$0	\$512,654	\$7,487,346
Ellsworth Dev Auth (01B)	\$8,000,000	\$0	\$8,000,000	\$0	\$0	\$0	\$8,000,000	\$0	\$512,654	\$7,487,346
Ellsworth Dev Auth (02A)	\$1,703,000	\$0	\$232,515	\$317,485	\$450,000	\$703,000	\$1,703,000	\$0	\$79,247	\$1,623,753
Ellsworth Dev Auth (02B)	\$5,109,000	\$0	\$5,109,000	\$0	\$0	\$0	\$5,109,000	\$0	\$237,741	\$4,871,259
Emery (01)	\$3,084,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Ethan (01)	\$489,349	\$0	\$10,147	\$158,193	\$250,000	\$71,009	\$489,349	\$0	\$9,812	\$479,537
Eureka (01)	\$1,383,155	\$0	\$253,685	\$0	\$185,470	\$944,000	\$1,383,155	\$0	\$289,252	\$1,093,903
Faulkton (01)	\$790,879	\$0	\$54,280	\$97,720	\$638,879	\$0	\$790,879	\$0	\$15,858	\$775,021
Ft. Pierre (01)	\$330,294	\$0	\$275,243	\$55,051	\$0	\$0	\$330,294	\$0	\$330,294	\$0
Ft. Pierre (02)	\$462,500	\$0	\$0	\$0	\$462,500	\$0	\$462,500	\$0	\$401,475	\$61,025
Ft. Pierre (03)	\$443,223	\$0	\$0	\$0	\$443,223	\$0	\$443,223	\$0	\$188,728	\$254,496
Ft. Pierre (05)	\$495,549	\$0	\$0	\$0	\$73,135	\$422,414	\$495,549	\$0	\$87,517	\$408,032
Ft. Pierre (06)	\$266,000	\$0	\$0	\$0	\$190,000	\$76,000	\$266,000	\$50,000	\$8,558	\$207,442
Freeman (01)	\$300,000	\$0	\$0	\$0	\$300,000	\$0	\$300,000	\$0	\$300,000	\$0
Freeman (02)	\$800,000	\$0	\$429,651	\$370,349	\$0	\$0	\$800,000	\$0	\$214,555	\$585,445
Freeman (03)	\$1,000,000	\$0	\$446,048	\$53,952	\$0	\$500,000	\$1,000,000	\$0	\$18,405	\$981,595
Garretson (01)	\$300,000	\$0	\$249,999	\$50,001	\$0	\$0	\$300,000	\$0	\$300,000	\$0

<b>Borrower</b>	<b>Maximum Committed Amount</b>	<b>ARRA Advance</b>	<b>Federal Advance</b>	<b>State Advance</b>	<b>Recycled Advance</b>	<b>Leveraged Advance</b>	<b>Total Advances</b>	<b>Principal Forgiven</b>	<b>Principal Repayments</b>	<b>Loan Balance</b>
Garretson (02)	\$503,239	\$0	\$226,938	\$2,027	\$0	\$274,274	\$503,239	\$0	\$112,892	\$390,347
Gayville (01)	\$262,972	\$0	\$225,840	\$37,132	\$0	\$0	\$262,972	\$0	\$262,972	\$0
Gettysburg (01)	\$535,758	\$0	\$0	\$0	\$0	\$535,758	\$535,758	\$0	\$111,267	\$424,491
Gregory (01)	\$241,574	\$0	\$0	\$134,896	\$0	\$106,678	\$241,574	\$0	\$50,171	\$191,403
Gregory (02)	\$229,958	\$0	\$226,567	\$3,391	\$0	\$0	\$229,958	\$0	\$26,004	\$203,954
Groton (01)	\$189,524	\$0	\$157,935	\$31,589	\$0	\$0	\$189,524	\$0	\$189,524	\$0
Groton (02)	\$74,630	\$0	\$62,190	\$12,440	\$0	\$0	\$74,630	\$0	\$74,630	\$0
Groton (03)	\$470,809	\$0	\$392,342	\$78,467	\$0	\$0	\$470,809	\$0	\$381,350	\$89,459
Groton (04)	\$126,648	\$0	\$0	\$0	\$126,648	\$0	\$126,648	\$0	\$126,648	\$0
Groton (05)	\$440,000	\$0	\$0	\$0	\$440,000	\$0	\$440,000	\$0	\$440,000	\$0
Groton (06)	\$56,368	\$0	\$0	\$5,090	\$0	\$51,278	\$56,368	\$0	\$56,368	\$0
Groton (07)	\$310,913	\$299,500	\$0	\$0	\$11,413	\$0	\$310,913	\$131,827	\$179,086	\$0
Groton (08)	\$206,979	\$0	\$180,120	\$0	\$26,859	\$0	\$206,979	\$51,744	\$57,950	\$97,285
Groton (09)	\$249,240	\$0	\$0	\$0	\$249,240	\$0	\$249,240	\$0	\$86,979	\$162,261
Harrisburg (01)	\$507,277	\$0	\$422,732	\$84,545	\$0	\$0	\$507,277	\$0	\$507,277	\$0
Harrisburg (02)	\$3,941,200	\$3,941,200	\$0	\$0	\$0	\$0	\$3,941,200	\$3,941,200	\$0	\$0
Harrisburg (03)	\$2,544,036	\$0	\$709,385	\$590,615	\$3,071	\$1,240,965	\$2,544,036	\$0	\$243,127	\$2,300,909
Harrisburg (04)	\$679,217	\$0	\$0	\$275,000	\$238,714	\$165,503	\$679,217	\$0	\$41,684	\$637,533
Harrisburg (05)	\$1,402,976	\$0	\$0	\$540,000	\$577,388	\$285,588	\$1,402,976	\$0	\$95,498	\$1,307,478
Harrold (01)	\$162,372	\$0	\$0	\$0	\$0	\$162,372	\$162,372	\$0	\$40,361	\$122,011
Hartford (01)	\$504,000	\$0	\$471,591	\$32,409	\$0	\$0	\$504,000	\$0	\$312,644	\$191,356
Hartford (02)	\$690,804	\$0	\$623,704	\$67,100	\$0	\$0	\$690,804	\$0	\$428,212	\$262,592
Hartford (03)	\$300,000	\$0	\$0	\$0	\$300,000	\$0	\$300,000	\$0	\$187,223	\$112,777
Hartford (04)	\$550,035	\$0	\$0	\$0	\$550,035	\$0	\$550,035	\$0	\$300,144	\$249,891
Hartford (05)	\$523,629	\$0	\$481,720	\$41,909	\$0	\$0	\$523,629	\$0	\$169,978	\$353,651
Hecla (01)	\$101,909	\$14,339	\$0	\$0	\$87,570	\$0	\$101,909	\$10,191	\$14,632	\$77,086
Hermosa (01)	\$292,156	\$0	\$0	\$0	\$0	\$292,156	\$292,156	\$0	\$11,909	\$280,247
Herreid (01)	\$694,300	\$0	\$0	\$0	\$0	\$694,300	\$694,300	\$0	\$39,395	\$654,905
Highmore (01)	\$262,300	\$0	\$0	\$0	\$262,300	\$0	\$262,300	\$0	\$262,300	\$0

<b>Borrower</b>	<b>Maximum Committed Amount</b>	<b>ARRA Advance</b>	<b>Federal Advance</b>	<b>State Advance</b>	<b>Recycled Advance</b>	<b>Leveraged Advance</b>	<b>Total Advances</b>	<b>Principal Forgiven</b>	<b>Principal Repayments</b>	<b>Loan Balance</b>
Highmore (02)	\$538,871	\$0	\$0	\$0	\$0	\$538,871	\$538,871	\$0	\$9,694	\$529,177
Hot Springs (01)	\$196,930	\$0	\$164,108	\$32,822	\$0	\$0	\$196,930	\$0	\$196,930	\$0
Hot Springs (NPS-01)	\$930,000	\$0	\$774,999	\$155,001	\$0	\$0	\$930,000	\$0	\$930,000	\$0
Hot Springs (02)	\$1,227,332	\$0	\$0	\$0	\$642,542	\$584,790	\$1,227,332	\$0	\$153,049	\$1,074,283
Hoven (01)	\$656,000	\$0	\$0	\$0	\$0	\$470,351	\$470,351	\$0	\$0	\$470,351
Humboldt (01)	\$417,200	\$0	\$0	\$0	\$0	\$46,435	\$46,435	\$0	\$0	\$46,435
Hurley (01)	\$835,964	\$0	\$0	\$0	\$134,430	\$701,534	\$835,964	\$0	\$42,944	\$793,020
Huron (01)	\$1,656,000	\$0	\$1,379,999	\$276,001	\$0	\$0	\$1,656,000	\$0	\$1,656,000	\$0
Huron (02)	\$701,997	\$0	\$591,496	\$110,501	\$0	\$0	\$701,997	\$0	\$701,997	\$0
Huron (03)	\$1,856,828	\$0	\$1,547,356	\$309,472	\$0	\$0	\$1,856,828	\$0	\$1,782,796	\$74,032
Interior (01)	\$246,721	\$0	\$0	\$0	\$0	\$246,721	\$246,721	\$0	\$15,334	\$231,387
Irene (01)	\$656,000	\$0	\$0	\$0	\$0	\$551,569	\$551,569	\$0	\$1,852	\$549,717
Java (01)	\$393,252	\$0	\$108,091	\$0	\$14,726	\$270,435	\$393,252	\$92,807	\$15,434	\$285,011
Jefferson (01)	\$166,084	\$0	\$0	\$0	\$166,084	\$0	\$166,084	\$0	\$79,115	\$86,969
Kennebec (01)	\$723,000	\$0	\$0	\$0	\$0	\$38,000	\$38,000	\$0	\$0	\$38,000
Kennebec (02)	\$437,000	\$0	\$0	\$0	\$0	\$70,774	\$70,774	\$0	\$0	\$70,774
Lake Cochrane SD (01)	\$80,000	\$0	\$66,667	\$13,333	\$0	\$0	\$80,000	\$0	\$80,000	\$0
Lake Cochrane SD (02)	\$156,111	\$0	\$0	\$0	\$156,111	\$0	\$156,111	\$0	\$76,245	\$79,866
Lake Madison SD (01)	\$330,000	\$0	\$275,000	\$55,000	\$0	\$0	\$330,000	\$0	\$330,000	\$0
Lake Madison SD (02)	\$613,419	\$0	\$0	\$0	\$605,879	\$7,540	\$613,419	\$0	\$300,144	\$313,275
Lake Madison SD (03)	\$428,000	\$0	\$0	\$0	\$0	\$108,142	\$108,142	\$0	\$0	\$108,142
Lake Poinsett SD (02)	\$1,094,700	\$0	\$357,407	\$106,374	\$0	\$630,919	\$1,094,700	\$0	\$163,552	\$931,148
Lake Poinsett SD (03)	\$2,413,671	\$0	\$486,245	\$62,070	\$165,356	\$1,700,000	\$2,413,671	\$1,257,522	\$71,455	\$1,084,694
Lake Poinsett SD (04)	\$1,917,000	\$0	\$0	\$0	\$0	\$116,410	\$116,410	\$0	\$0	\$116,410
Lead (01)	\$186,409	\$0	\$155,341	\$31,068	\$0	\$0	\$186,409	\$0	\$186,409	\$0
Lead (02)	\$500,770	\$0	\$406,506	\$94,264	\$0	\$0	\$500,770	\$0	\$500,770	\$0
Lead (03)	\$375,298	\$0	\$353,839	\$21,459	\$0	\$0	\$375,298	\$0	\$375,298	\$0
Lead (04)	\$239,200	\$0	\$199,333	\$39,867	\$0	\$0	\$239,200	\$0	\$239,200	\$0
Lead (05)	\$220,029	\$0	\$0	\$0	\$220,029	\$0	\$220,029	\$0	\$100,571	\$119,458

<b>Borrower</b>	<b>Maximum Committed Amount</b>	<b>ARRA Advance</b>	<b>Federal Advance</b>	<b>State Advance</b>	<b>Recycled Advance</b>	<b>Leveraged Advance</b>	<b>Total Advances</b>	<b>Principal Forgiven</b>	<b>Principal Repayments</b>	<b>Loan Balance</b>
Lead (06)	\$240,000	\$0	\$0	\$0	\$99,039	\$140,961	\$240,000	\$0	\$66,190	\$173,810
Lead (07)	\$192,541	\$0	\$0	\$0	\$192,541	\$0	\$192,541	\$48,135	\$23,909	\$120,497
Lead (08)	\$937,000	\$0	\$71,286	\$114,636	\$156,516	\$412,986	\$755,424	\$0	\$0	\$755,424
Lead-Deadwood SD (01)	\$106,855	\$0	\$89,046	\$17,809	\$0	\$0	\$106,855	\$0	\$106,855	\$0
Lemmon (01)	\$427,100	\$0	\$355,916	\$71,184	\$0	\$0	\$427,100	\$0	\$427,100	\$0
Lennox (01)	\$350,000	\$0	\$291,664	\$58,336	\$0	\$0	\$350,000	\$0	\$350,000	\$0
Lennox (02)	\$583,735	\$0	\$486,447	\$97,288	\$0	\$0	\$583,735	\$0	\$583,735	\$0
Lennox (03)	\$1,565,760	\$1,565,760	\$0	\$0	\$0	\$0	\$1,565,760	\$1,565,760	\$0	\$0
Lennox (04)	\$1,942,273	\$123,024	\$141,823	\$465,393	\$462,033	\$750,000	\$1,942,273	\$122,945	\$168,901	\$1,650,427
Lennox (05)	\$1,290,000	\$0	\$0	\$0	\$25,000	\$1,265,000	\$1,290,000	\$0	\$12,828	\$1,277,172
Letcher (01)	\$775,000	\$0	\$0	\$0	\$58,450	\$589,676	\$648,126	\$230,084	\$1,599	\$416,443
Madison (01)	\$119,416	\$0	\$99,512	\$19,904	\$0	\$0	\$119,416	\$0	\$119,416	\$0
Madison (02)	\$4,986,796	\$0	\$158,000	\$19,786	\$15,959	\$4,793,051	\$4,986,796	\$0	\$1,336,370	\$3,650,426
Marion (01)	\$1,707,908	\$0	\$50,000	\$100,000	\$47,908	\$1,510,000	\$1,707,908	\$0	\$191,250	\$1,516,658
Martin (01)	\$142,732	\$0	\$0	\$0	\$142,732	\$0	\$142,732	\$0	\$142,732	\$0
McCook Lake SD (01)	\$641,935	\$0	\$596,631	\$45,304	\$0	\$0	\$641,935	\$0	\$641,935	\$0
McLaughlin (01)	\$1,050,424	\$0	\$69,391	\$80,609	\$542,719	\$357,705	\$1,050,424	\$137,605	\$30,144	\$882,675
Menno (01)	\$191,500	\$0	\$191,500	\$0	\$0	\$0	\$191,500	\$0	\$31,707	\$159,793
Menno (02)	\$1,170,777	\$0	\$17,517	\$182,483	\$465,777	\$505,000	\$1,170,777	\$0	\$35,577	\$1,135,200
Milbank (01)	\$3,376,639	\$2,380,838	\$0	\$0	\$920,530	\$75,271	\$3,376,639	\$2,171,179	\$440,670	\$764,790
Milbank (02)	\$261,306	\$0	\$0	\$0	\$261,306	\$0	\$261,306	\$0	\$261,306	\$0
Mitchell (01)	\$1,543,405	\$0	\$0	\$0	\$1,543,405	\$0	\$1,543,405	\$0	\$1,543,405	\$0
Mitchell (02)	\$1,320,000	\$0	\$0	\$0	\$1,320,000	\$0	\$1,320,000	\$0	\$593,450	\$726,550
Mitchell (03)	\$1,534,224	\$0	\$452,184	\$66,471	\$0	\$1,015,569	\$1,534,224	\$0	\$362,866	\$1,171,358
Mitchell (03NPS)	\$148,523	\$0	\$0	\$0	\$148,523	\$0	\$148,523	\$0	\$29,749	\$118,774
Mitchell (04)	\$543,447	\$0	\$482,271	\$0	\$61,176	\$0	\$543,447	\$0	\$40,922	\$502,525
Mobridge (01)	\$1,500,000	\$0	\$1,250,000	\$250,000	\$0	\$0	\$1,500,000	\$0	\$1,500,000	\$0
Mobridge (02)	\$158,000	\$0	\$0	\$158,000	\$0	\$0	\$158,000	\$0	\$158,000	\$0
Mobridge (03)	\$1,350,000	\$0	\$1,265,857	\$84,143	\$0	\$0	\$1,350,000	\$0	\$1,350,000	\$0

<b>Borrower</b>	<b>Maximum Committed Amount</b>	<b>ARRA Advance</b>	<b>Federal Advance</b>	<b>State Advance</b>	<b>Recycled Advance</b>	<b>Leveraged Advance</b>	<b>Total Advances</b>	<b>Principal Forgiven</b>	<b>Principal Repayments</b>	<b>Loan Balance</b>
Mobridge (04)	\$703,425	\$0	\$0	\$0	\$3,425	\$700,000	\$703,425	\$0	\$122,566	\$580,859
Mobridge (05)	\$1,475,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Montrose (01)	\$34,988	\$0	\$0	\$0	\$34,988	\$0	\$34,988	\$0	\$34,988	\$0
Montrose (02)	\$767,190	\$160,400	\$0	\$0	\$206,790	\$400,000	\$767,190	\$160,400	\$50,623	\$556,167
Mount Vernon (01)	\$2,300,000	\$0	\$1,050,000	\$0	\$975,345	\$274,655	\$2,300,000	\$1,050,000	\$91,389	\$1,158,611
Nisland (01)	\$204,000	\$0	\$0	\$0	\$204,000	\$0	\$204,000	\$0	\$77,409	\$126,591
Northdale San Dist (01)	\$256,380	\$0	\$213,649	\$42,731	\$0	\$0	\$256,380	\$0	\$256,380	\$0
North Sioux City (01)	\$239,650	\$0	\$203,822	\$35,828	\$0	\$0	\$239,650	\$0	\$239,650	\$0
North Sioux City (02)	\$646,000	\$0	\$538,333	\$107,667	\$0	\$0	\$646,000	\$0	\$646,000	\$0
Northville (01)	\$111,405	\$0	\$0	\$0	\$11,405	\$100,000	\$111,405	\$0	\$5,723	\$105,682
Parker (01)	\$430,000	\$0	\$0	\$0	\$430,000	\$0	\$430,000	\$0	\$196,545	\$233,455
Parker (02)	\$480,501	\$0	\$233,085	\$116,764	\$10,652	\$120,000	\$480,501	\$0	\$148,616	\$331,885
Parker (03)	\$694,329	\$475,450	\$0	\$0	\$0	\$218,879	\$694,329	\$471,450	\$23,864	\$199,015
Parker (04)	\$203,257	\$0	\$0	\$0	\$30,800	\$172,457	\$203,257	\$0	\$7,538	\$195,719
Parkston (01)	\$635,690	\$0	\$50,000	\$75,000	\$0	\$510,690	\$635,690	\$0	\$163,487	\$472,203
Philip (01)	\$453,885	\$0	\$378,236	\$75,649	\$0	\$0	\$453,885	\$0	\$453,885	\$0
Philip (02)	\$321,127	\$0	\$267,624	\$53,503	\$0	\$0	\$321,127	\$0	\$268,059	\$53,068
Philip (03)	\$316,423	\$0	\$0	\$0	\$316,423	\$0	\$316,423	\$0	\$187,807	\$128,616
Philip (04)	\$865,546	\$0	\$0	\$0	\$67,246	\$798,300	\$865,546	\$0	\$34,748	\$830,798
Philip (05)	\$604,122	\$0	\$0	\$0	\$44,122	\$560,000	\$604,122	\$0	\$24,250	\$579,872
Pickerel Lake SD (01)	\$850,000	\$0	\$708,332	\$141,668	\$0	\$0	\$850,000	\$0	\$850,000	\$0
Pickerel Lake SD (02)	\$670,000	\$0	\$558,332	\$111,668	\$0	\$0	\$670,000	\$0	\$670,000	\$0
Pierre (01)	\$433,976	\$0	\$314,307	\$119,669	\$0	\$0	\$433,976	\$0	\$433,976	\$0
Pierre (02)	\$4,417,000	\$0	\$3,680,833	\$736,167	\$0	\$0	\$4,417,000	\$0	\$4,417,000	\$0
Pierre (03)	\$5,391,260	\$0	\$4,496,881	\$894,379	\$0	\$0	\$5,391,260	\$0	\$5,391,260	\$0
Pierre (04)	\$1,199,832	\$0	\$0	\$0	\$1,199,832	\$0	\$1,199,832	\$0	\$602,525	\$597,307
Pierre (05)	\$612,159	\$0	\$0	\$0	\$612,159	\$0	\$612,159	\$0	\$112,911	\$499,248
Pierre (06)	\$817,600	\$0	\$400,000	\$0	\$0	\$417,600	\$817,600	\$0	\$55,161	\$762,439
Plankinton (01)	\$1,005,744	\$0	\$147,431	\$2,569	\$0	\$855,744	\$1,005,744	\$150,000	\$43,960	\$811,784

<b>Borrower</b>	<b>Maximum Committed Amount</b>	<b>ARRA Advance</b>	<b>Federal Advance</b>	<b>State Advance</b>	<b>Recycled Advance</b>	<b>Leveraged Advance</b>	<b>Total Advances</b>	<b>Principal Forgiven</b>	<b>Principal Repayments</b>	<b>Loan Balance</b>
Platte (01)	\$975,865	\$0	\$940,518	\$35,347	\$0	\$0	\$975,865	\$0	\$975,865	\$0
Pollock (01)	\$151,619	\$0	\$126,350	\$25,269	\$0	\$0	\$151,619	\$0	\$151,619	\$0
Powder House Pass (01)	\$2,575,218	\$0	\$1,823,341	\$0	\$0	\$0	\$1,823,341	\$0	\$29,166	\$1,794,175
Rapid City (01)	\$2,479,905	\$0	\$2,165,049	\$314,856	\$0	\$0	\$2,479,905	\$0	\$2,479,905	\$0
Rapid City (02)	\$986,685	\$0	\$902,457	\$84,228	\$0	\$0	\$986,685	\$0	\$986,685	\$0
Rapid City (03)	\$674,577	\$0	\$534,750	\$139,827	\$0	\$0	\$674,577	\$0	\$674,577	\$0
Rapid City (04)	\$1,214,861	\$0	\$1,012,385	\$202,476	\$0	\$0	\$1,214,861	\$0	\$1,214,861	\$0
Rapid City (05)	\$14,000,000	\$0	\$0	\$2,500,000	\$11,500,000	\$0	\$14,000,000	\$0	\$14,000,000	\$0
Rapid City (06)	\$5,000,000	\$0	\$1,155,087	\$144,913	\$1,062,479	\$2,637,521	\$5,000,000	\$0	\$871,713	\$4,128,287
Rapid Valley SD (01)	\$614,000	\$0	\$576,839	\$37,161	\$0	\$0	\$614,000	\$0	\$614,000	\$0
Rapid Valley SD (02)	\$364,583	\$0	\$303,821	\$60,762	\$0	\$0	\$364,583	\$0	\$364,583	\$0
Rapid Valley SD (03)	\$630,000	\$0	\$525,000	\$105,000	\$0	\$0	\$630,000	\$0	\$563,336	\$66,664
Redfield (02)	\$803,423	\$0	\$176,307	\$71,989	\$230,059	\$325,068	\$803,423	\$0	\$16,109	\$787,314
Richmond Lake SD (01)	\$414,000	\$0	\$345,000	\$69,000	\$0	\$0	\$414,000	\$0	\$414,000	\$0
Richmond Lake SD (02)	\$191,500	\$0	\$159,584	\$31,916	\$0	\$0	\$191,500	\$0	\$191,500	\$0
Richmond Lake SD (04)	\$275,149	\$0	\$0	\$0	\$0	\$275,149	\$275,149	\$0	\$275,149	\$0
Roscoe (01)	\$358,408	\$0	\$298,673	\$59,735	\$0	\$0	\$358,408	\$0	\$358,408	\$0
Salem (01)	\$518,035	\$0	\$0	\$0	\$518,035	\$0	\$518,035	\$0	\$266,919	\$251,116
Salem (02)	\$387,960	\$0	\$0	\$0	\$387,960	\$0	\$387,960	\$0	\$162,857	\$225,103
Scotland (01)	\$250,000	\$0	\$0	\$0	\$250,000	\$0	\$250,000	\$0	\$119,089	\$130,911
Scotland (02)	\$804,740	\$0	\$0	\$0	\$0	\$804,740	\$804,740	\$0	\$58,836	\$745,904
Selby (01)	\$700,000	\$0	\$503,974	\$196,026	\$0	\$0	\$700,000	\$700,000	\$0	\$0
Sinai (01)	\$500,000	\$0	\$0	\$0	\$1,665	\$182,462	\$184,127	\$36,825	\$0	\$147,302
Sioux Falls (01)	\$2,836,963	\$0	\$2,351,173	\$485,790	\$0	\$0	\$2,836,963	\$0	\$2,836,963	\$0
Sioux Falls (02)	\$453,999	\$0	\$390,244	\$63,755	\$0	\$0	\$453,999	\$0	\$453,999	\$0
Sioux Falls (03)	\$845,000	\$0	\$630,974	\$214,026	\$0	\$0	\$845,000	\$0	\$845,000	\$0
Sioux Falls (04)	\$1,200,000	\$0	\$748,461	\$451,539	\$0	\$0	\$1,200,000	\$0	\$1,200,000	\$0
Sioux Falls (05)	\$1,955,000	\$0	\$1,947,515	\$7,485	\$0	\$0	\$1,955,000	\$0	\$1,955,000	\$0
Sioux Falls (06)	\$700,000	\$0	\$671,246	\$28,754	\$0	\$0	\$700,000	\$0	\$700,000	\$0



<b>Borrower</b>	<b>Maximum Committed Amount</b>	<b>ARRA Advance</b>	<b>Federal Advance</b>	<b>State Advance</b>	<b>Recycled Advance</b>	<b>Leveraged Advance</b>	<b>Total Advances</b>	<b>Principal Forgiven</b>	<b>Principal Repayments</b>	<b>Loan Balance</b>
Sioux Falls (07)	\$4,500,000	\$0	\$3,782,334	\$717,666	\$0	\$0	\$4,500,000	\$0	\$4,500,000	\$0
Sioux Falls (08)	\$699,003	\$0	\$611,463	\$87,540	\$0	\$0	\$699,003	\$0	\$699,003	\$0
Sioux Falls (09)	\$1,250,000	\$0	\$1,041,664	\$208,336	\$0	\$0	\$1,250,000	\$0	\$1,250,000	\$0
Sioux Falls (10)	\$1,432,941	\$0	\$1,277,677	\$155,264	\$0	\$0	\$1,432,941	\$0	\$1,432,941	\$0
Sioux Falls (11)	\$1,195,346	\$0	\$996,121	\$199,225	\$0	\$0	\$1,195,346	\$0	\$1,195,346	\$0
Sioux Falls (12)	\$1,300,000	\$0	\$1,083,333	\$216,667	\$0	\$0	\$1,300,000	\$0	\$1,300,000	\$0
Sioux Falls (13)	\$2,083,137	\$0	\$1,756,383	\$326,754	\$0	\$0	\$2,083,137	\$0	\$2,083,137	\$0
Sioux Falls (14)	\$4,888,537	\$0	\$3,499,312	\$1,389,225	\$0	\$0	\$4,888,537	\$0	\$4,888,537	\$0
Sioux Falls (15)	\$1,467,706	\$0	\$229,570	\$45,915	\$1,192,221	\$0	\$1,467,706	\$0	\$1,467,706	\$0
Sioux Falls (16)	\$2,479,500	\$0	\$0	\$0	\$2,479,500	\$0	\$2,479,500	\$0	\$2,479,500	\$0
Sioux Falls (17)	\$561,320	\$0	\$0	\$0	\$561,320	\$0	\$561,320	\$0	\$561,320	\$0
Sioux Falls (18)	\$3,730,114	\$0	\$3,730,114	\$0	\$0	\$0	\$3,730,114	\$0	\$3,730,114	\$0
Sioux Falls (19)	\$415,785	\$0	\$415,785	\$0	\$0	\$0	\$415,785	\$0	\$415,785	\$0
Sioux Falls (20A)	\$16,000,000	\$0	\$0	\$0	\$6,085,071	\$9,914,929	\$16,000,000	\$0	\$14,715,155	\$1,284,845
Sioux Falls (20B)	\$8,700,000	\$0	\$0	\$0	\$0	\$8,700,000	\$8,700,000	\$0	\$8,001,366	\$698,635
Sioux Falls (20NPS)	\$1,249,349	\$0	\$6,128	\$0	\$1,243,221	\$0	\$1,249,349	\$0	\$1,149,023	\$100,326
Sioux Falls (21A)	\$12,500,000	\$0	\$0	\$0	\$1,865,216	\$10,634,784	\$12,500,000	\$0	\$5,090,821	\$7,409,179
Sioux Falls (21B)	\$20,108,000	\$0	\$0	\$0	\$14,362,845	\$4,825,496	\$19,188,341	\$0	\$7,182,492	\$12,005,849
Sioux Falls (21NPS)	\$3,125,636	\$0	\$0	\$0	\$3,125,636	\$0	\$3,125,636	\$0	\$989,964	\$2,135,672
Sioux Falls (22)	\$10,550,000	\$0	\$128,058	\$0	\$10,421,942	\$0	\$10,550,000	\$0	\$9,083,069	\$1,466,931
Sioux Falls (23)	\$10,309,144	\$0	\$1,533,000	\$0	\$989,759	\$7,786,385	\$10,309,144	\$0	\$8,035,611	\$2,273,533
Sioux Falls (24)	\$500,000	\$0	\$0	\$0	\$456,454	\$43,546	\$500,000	\$0	\$500,000	\$0
Sioux Falls (25)	\$3,508,134	\$0	\$978,974	\$231,777	\$28,673	\$2,268,710	\$3,508,134	\$0	\$2,135,990	\$1,372,144
Sioux Falls (26)	\$3,744,000	\$0	\$1,626,177	\$50,249	\$304,595	\$1,762,979	\$3,744,000	\$0	\$2,196,525	\$1,547,475
Sioux Falls (27)	\$2,621,000	\$0	\$672,928	\$27,072	\$70,987	\$1,850,013	\$2,621,000	\$0	\$1,543,934	\$1,077,066
Sioux Falls (28)	\$1,803,000	\$1,619,400	\$0	\$0	\$183,600	\$0	\$1,803,000	\$180,300	\$821,064	\$801,636
Sioux Falls (29)	\$1,211,097	\$254,000	\$261,997	\$24,003	\$0	\$671,097	\$1,211,097	\$121,110	\$568,524	\$521,463
Sioux Falls (30)	\$4,974,661	\$846,200	\$1,426,594	\$185,044	\$16,823	\$2,500,000	\$4,974,661	\$497,466	\$2,107,867	\$2,369,328
Sioux Falls (31)	\$1,831,523	\$1,210,719	\$0	\$0	\$0	\$620,804	\$1,831,523	\$183,152	\$1,648,371	\$0

<b>Borrower</b>	<b>Maximum Committed Amount</b>	<b>ARRA Advance</b>	<b>Federal Advance</b>	<b>State Advance</b>	<b>Recycled Advance</b>	<b>Leveraged Advance</b>	<b>Total Advances</b>	<b>Principal Forgiven</b>	<b>Principal Repayments</b>	<b>Loan Balance</b>
Sioux Falls (32)	\$21,848,437	\$0	\$0	\$0	\$13,511,474	\$8,336,963	\$21,848,437	\$0	\$7,328,346	\$14,520,091
Sioux Falls (32NPS)	\$1,189,400	\$0	\$0	\$0	\$1,189,400	\$0	\$1,189,400	\$0	\$286,062	\$903,338
Sioux Falls (33)	\$14,000,000	\$0	\$0	\$0	\$5,048,026	\$7,897,413	\$12,945,439	\$0	\$3,703,670	\$9,241,769
Sioux Falls (33NPS)	\$711,614	\$0	\$0	\$0	\$711,614	\$0	\$711,614	\$0	\$27,983	\$683,631
Sioux Falls (34)	\$12,464,000	\$0	\$1,363,381	\$166,425	\$1,052,212	\$9,458,818	\$12,040,836	\$0	\$1,906,674	\$10,134,162
Sioux Falls (35)	\$11,400,000	\$0	\$0	\$0	\$0	\$6,265,770	\$6,265,770	\$0	\$0	\$6,265,770
Sioux Falls (35NPS)	\$579,457	\$0	\$0	\$0	\$101,423	\$0	\$101,423	\$0	\$0	\$101,423
Sioux Falls (36)	\$24,800,000	\$0	\$0	\$0	\$0	\$3,552,704	\$3,552,704	\$0	\$0	\$3,552,704
Sioux Falls (36NPS)	\$1,260,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Southern Missouri (NPS-01)	\$700,000	\$0	\$583,333	\$116,667	\$0	\$0	\$700,000	\$0	\$675,999	\$24,001
Southern Missouri (02)	\$223,813	\$0	\$0	\$0	\$0	\$223,813	\$223,813	\$0	\$40,838	\$182,975
Spearfish (01)	\$1,956,000	\$0	\$1,894,868	\$61,132	\$0	\$0	\$1,956,000	\$0	\$1,956,000	\$0
Spearfish (02)	\$5,658,584	\$0	\$350,000	\$166,515	\$0	\$5,142,069	\$5,658,584	\$0	\$1,393,462	\$4,265,122
Spencer (01)	\$230,156	\$0	\$100,000	\$0	\$130,156	\$0	\$230,156	\$100,000	\$12,439	\$117,717
St. Lawrence (01)	\$148,224	\$0	\$0	\$10,353	\$0	\$137,871	\$148,224	\$0	\$734	\$147,490
Sturgis (01)	\$502,000	\$0	\$418,333	\$83,667	\$0	\$0	\$502,000	\$0	\$502,000	\$0
Sturgis (02)	\$936,250	\$0	\$832,882	\$103,368	\$0	\$0	\$936,250	\$0	\$936,250	\$0
Sturgis (03)	\$437,380	\$0	\$364,484	\$72,896	\$0	\$0	\$437,380	\$0	\$437,380	\$0
Sturgis (04)	\$2,100,000	\$0	\$1,808,748	\$291,252	\$0	\$0	\$2,100,000	\$0	\$2,100,000	\$0
Sturgis (05)	\$516,900	\$218,283	\$0	\$0	\$0	\$298,617	\$516,900	\$218,283	\$78,906	\$219,711
Summerset (01)	\$257,947	\$0	\$0	\$0	\$32,947	\$225,000	\$257,947	\$0	\$21,934	\$236,013
Summit (01)	\$100,000	\$100,000	\$0	\$0	\$0	\$0	\$100,000	\$100,000	\$0	\$0
Tea (01)	\$600,000	\$0	\$500,001	\$99,999	\$0	\$0	\$600,000	\$0	\$600,000	\$0
Tea (02)	\$600,000	\$0	\$510,397	\$89,603	\$0	\$0	\$600,000	\$0	\$600,000	\$0
Tea (03)	\$208,813	\$0	\$174,011	\$34,802	\$0	\$0	\$208,813	\$0	\$184,907	\$23,906
Tea (04)	\$375,000	\$0	\$312,499	\$62,501	\$0	\$0	\$375,000	\$0	\$375,000	\$0
Tea (05)	\$495,490	\$0	\$0	\$0	\$495,490	\$0	\$495,490	\$0	\$261,839	\$233,651
Tea (06)	\$787,174	\$0	\$545,111	\$6,392	\$0	\$235,671	\$787,174	\$0	\$237,548	\$549,626
Tea (07)	\$845,000	\$0	\$0	\$0	\$0	\$845,000	\$845,000	\$0	\$184,555	\$660,445

<b>Borrower</b>	<b>Maximum Committed Amount</b>	<b>ARRA Advance</b>	<b>Federal Advance</b>	<b>State Advance</b>	<b>Recycled Advance</b>	<b>Leveraged Advance</b>	<b>Total Advances</b>	<b>Principal Forgiven</b>	<b>Principal Repayments</b>	<b>Loan Balance</b>
Turton (01)	\$262,000	\$0	\$0	\$0	\$0	\$210,952	\$210,952	\$0	\$0	\$210,952
Tyndall (01)	\$795,000	\$0	\$0	\$0	\$795,000	\$0	\$795,000	\$0	\$239,909	\$555,091
Valley Springs (01)	\$422,128	\$0	\$351,772	\$70,356	\$0	\$0	\$422,128	\$0	\$321,513	\$100,615
Valley Springs (02)	\$350,000	\$0	\$0	\$0	\$350,000	\$0	\$350,000	\$0	\$153,713	\$196,287
Vermillion (01)	\$125,000	\$0	\$27,851	\$97,149	\$0	\$0	\$125,000	\$0	\$125,000	\$0
Vermillion (02)	\$370,471	\$0	\$308,725	\$61,746	\$0	\$0	\$370,471	\$0	\$370,471	\$0
Vermillion (03)	\$273,965	\$0	\$0	\$0	\$273,965	\$0	\$273,965	\$0	\$141,161	\$132,804
Vermillion (04)	\$3,333,994	\$0	\$811,031	\$0	\$2,522,963	\$0	\$3,333,994	\$0	\$3,333,994	\$0
Vermillion (05)	\$4,213,191	\$0	\$282,069	\$2,725	\$493,128	\$3,435,269	\$4,213,191	\$0	\$996,641	\$3,216,550
Vermillion (06)	\$499,000	\$249,500	\$0	\$0	\$0	\$249,500	\$499,000	\$249,500	\$57,189	\$192,311
Vermillion (07)	\$1,639,000	\$0	\$0	\$0	\$1,099,000	\$540,000	\$1,639,000	\$0	\$91,868	\$1,547,132
Vermillion (NPS-01)	\$356,531	\$0	\$297,109	\$59,422	\$0	\$0	\$356,531	\$0	\$356,531	\$0
Viborg (01)	\$616,764	\$0	\$0	\$0	\$616,764	\$0	\$616,764	\$0	\$246,009	\$370,756
Wagner (01)	\$138,329	\$0	\$16,036	\$7,373	\$0	\$114,920	\$138,329	\$0	\$41,744	\$96,585
Wakonda (01)	\$507,555	\$0	\$0	\$130,000	\$262,555	\$115,000	\$507,555	\$187,287	\$17,951	\$302,317
Wall (01)	\$788,600	\$0	\$657,167	\$131,433	\$0	\$0	\$788,600	\$0	\$788,600	\$0
Wall Lake San Dist (01)	\$175,126	\$0	\$145,937	\$29,189	\$0	\$0	\$175,126	\$0	\$97,226	\$77,900
Wall Lake San Dist (02)	\$135,000	\$0	\$0	\$0	\$135,000	\$0	\$135,000	\$0	\$5,477	\$129,523
Warner (01)	\$101,152	\$0	\$84,293	\$16,859	\$0	\$0	\$101,152	\$0	\$101,152	\$0
Warner (02)	\$1,662,217	\$0	\$100,000	\$0	\$393,760	\$1,168,457	\$1,662,217	\$927,517	\$28,177	\$706,523
Watertown (01)	\$2,000,000	\$0	\$1,207,976	\$792,024	\$0	\$0	\$2,000,000	\$0	\$2,000,000	\$0
Watertown (02)	\$4,000,000	\$0	\$3,239,214	\$760,786	\$0	\$0	\$4,000,000	\$0	\$4,000,000	\$0
Watertown (03)	\$2,583,734	\$0	\$2,153,112	\$430,622	\$0	\$0	\$2,583,734	\$0	\$2,531,821	\$51,913
Watertown (04)	\$932,830	\$0	\$0	\$0	\$932,830	\$0	\$932,830	\$0	\$932,830	\$0
Watertown (05)	\$2,055,000	\$0	\$183,001	\$0	\$1,871,999	\$0	\$2,055,000	\$0	\$945,658	\$1,109,342
Watertown (06)	\$1,151,694	\$0	\$887,814	\$0	\$0	\$263,880	\$1,151,694	\$0	\$351,647	\$800,047
Watertown (06NPS)	\$113,985	\$0	\$0	\$0	\$113,985	\$0	\$113,985	\$0	\$39,572	\$74,413
Watertown (07)	\$808,736	\$0	\$0	\$0	\$0	\$808,736	\$808,736	\$0	\$261,286	\$547,450
Watertown (07NPS)	\$81,205	\$0	\$0	\$0	\$81,205	\$0	\$81,205	\$0	\$26,278	\$54,927

<b>Borrower</b>	<b>Maximum Committed Amount</b>	<b>ARRA Advance</b>	<b>Federal Advance</b>	<b>State Advance</b>	<b>Recycled Advance</b>	<b>Leveraged Advance</b>	<b>Total Advances</b>	<b>Principal Forgiven</b>	<b>Principal Repayments</b>	<b>Loan Balance</b>
Watertown (08)	\$525,041	\$0	\$0	\$0	\$0	\$525,041	\$525,041	\$0	\$169,901	\$355,140
Watertown (08NPS)	\$58,747	\$0	\$0	\$0	\$58,747	\$0	\$58,747	\$0	\$19,010	\$39,737
Watertown (09)	\$11,554,853	\$1,681,537	\$700,000	\$300,000	\$4,080,297	\$4,793,019	\$11,554,853	\$1,155,485	\$2,054,207	\$8,345,161
Watertown (10)	\$2,983,757	\$333,000	\$546,348	\$53,652	\$13,757	\$2,037,000	\$2,983,757	\$298,375	\$557,357	\$2,128,025
Watertown (11)	\$498,166	\$0	\$305,873	\$0	\$192,293	\$0	\$498,166	\$305,873	\$31,838	\$160,455
Watertown Schools LATI (01)	\$399,747	\$399,747	\$0	\$0	\$0	\$0	\$399,747	\$399,747	\$0	\$0
Waubay (01)	\$81,454	\$0	\$0	\$81,454	\$0	\$0	\$81,454	\$0	\$81,454	\$0
Waubay (02)	\$134,056	\$0	\$0	\$0	\$0	\$134,056	\$134,056	\$0	\$4,065	\$129,991
Webster (01)	\$345,394	\$0	\$287,828	\$57,566	\$0	\$0	\$345,394	\$0	\$345,394	\$0
Webster (02)	\$811,000	\$0	\$0	\$0	\$811,000	\$0	\$811,000	\$0	\$462,771	\$348,229
Webster (03)	\$500,000	\$500,000	\$0	\$0	\$0	\$0	\$500,000	\$500,000	\$0	\$0
Wessington Springs (01)	\$393,000	\$0	\$0	\$46,129	\$0	\$0	\$46,129	\$0	\$0	\$46,129
Weston Heights SD (01)	\$600,412	\$0	\$369,291	\$231,121	\$0	\$0	\$600,412	\$0	\$200,186	\$400,226
White Lake (01)	\$307,374	\$0	\$0	\$0	\$103,152	\$204,222	\$307,374	\$0	\$7,090	\$300,284
Whitewood (01)	\$180,801	\$0	\$154,457	\$26,344	\$0	\$0	\$180,801	\$0	\$180,801	\$0
Whitewood (02)	\$189,032	\$0	\$164,076	\$24,956	\$0	\$0	\$189,032	\$0	\$123,232	\$65,800
Willow Lake (01)	\$100,000	\$0	\$0	\$0	\$100,000	\$0	\$100,000	\$0	\$56,859	\$43,141
Winner (01)	\$925,000	\$0	\$0	\$0	\$481,876	\$443,124	\$925,000	\$0	\$223,294	\$701,706
Winner (02)	\$373,528	\$0	\$0	\$0	\$0	\$373,528	\$373,528	\$0	\$50,353	\$323,175
Wolsey (01)	\$162,300	\$0	\$0	\$0	\$0	\$162,300	\$162,300	\$0	\$39,967	\$122,333
Wolsey (03)	\$556,790	\$0	\$214,178	\$342,612	\$0	\$0	\$556,790	\$0	\$75,057	\$481,733
Worthing (01)	\$227,645	\$0	\$189,706	\$37,939	\$0	\$0	\$227,645	\$0	\$209,683	\$17,962
Worthing (02)	\$561,185	\$0	\$173,000	\$206,683	\$181,502	\$0	\$561,185	\$0	\$73,527	\$487,658
Worthing (03)	\$419,585	\$0	\$0	\$0	\$0	\$419,585	\$419,585	\$0	\$31,566	\$388,019
Yale (01)	\$885,110	\$0	\$0	\$0	\$403,970	\$459,165	\$863,135	\$591,247	\$9,015	\$262,873
Yankton (01)	\$2,625,000	\$0	\$2,187,499	\$437,501	\$0	\$0	\$2,625,000	\$0	\$2,625,000	\$0
Yankton (02)	\$4,500,000	\$0	\$0	\$0	\$0	\$4,500,000	\$4,500,000	\$0	\$4,500,000	\$0
Yankton (03)	\$6,020,406	\$0	\$5,063,821	\$956,585	\$0	\$0	\$6,020,406	\$0	\$3,385,901	\$2,634,505
Yankton (04)	\$3,330,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	<b>\$580,180,975</b>	<b>\$18,469,536</b>	<b>\$144,007,189</b>	<b>\$28,875,159</b>	<b>\$144,892,830</b>	<b>\$193,447,981</b>	<b>\$529,692,695</b>	<b>\$22,167,173</b>	<b>\$248,758,276</b>	<b>\$258,767,246</b>

**EXHIBIT VIII**  
**Projected Principal and Interest Payments**  
**Federal Fiscal Year 2016**

<b>Borrower</b>	<b>Principal</b>	<b>Interest</b>	<b>Admin Surcharge</b>	<b>Total</b>
Aberdeen (CW-01)	\$593,987	\$109,968	\$54,163	\$758,119
Aberdeen (CW-01NPS)	\$63,495	\$11,755	\$5,790	\$81,041
Aberdeen (CW-02)	\$236,478	\$98,638	\$29,463	\$364,580
Aberdeen (CW-03)	\$143,120	\$19,349	\$5,457	\$167,927
Alpena (CW-01)	\$34,602	\$21,390	\$4,381	\$60,373
Andover (CW-01)	\$4,083	\$5,155	\$910	\$10,148
Aurora (CW-01)	\$19,146	\$4,440	\$1,110	\$24,697
Aurora (CW-02)	\$5,369	\$5,645	\$996	\$12,011
Baltic (CW-01)	\$22,070	\$4,415	\$1,803	\$28,289
Baltic (CW-02)	\$6,398	\$2,911	\$596	\$9,906
Baltic (CW-03)	\$15,328	\$18,318	\$3,233	\$36,878
Beresford (CW-02)	\$16,895	\$20,755	\$3,663	\$41,312
Beresford (CW-03)	\$9,754	\$13,339	\$2,354	\$25,447
Bison (CW-01)	\$15,647	\$8,252	\$1,690	\$25,590
Bonesteel (CW-01)	\$7,672	\$9,950	\$1,756	\$19,378
Brandon (CW-04)	\$35,202	\$2,662	\$751	\$38,615
Brant Lake Sanitary District (CW-01)	\$36,752	\$44,533	\$7,859	\$89,144
Brentford (CW-01)	\$3,523	\$4,631	\$817	\$8,971
Bridgewater (CW-02)	\$15,803	\$4,718	\$1,409	\$21,931
Bridgewater (CW-03)	\$5,709	\$6,542	\$1,154	\$13,405
Britton (CW-02)	\$15,471	\$3,468	\$1,416	\$20,355
Britton (CW-03)	\$35,611	\$20,122	\$4,121	\$59,855
Britton (CW-04)	\$34,834	\$56,311	\$9,937	\$101,082
Bristol (CW-01)	\$16,988	\$45,338	\$8,001	\$70,327
Brookings (CW-02)	\$28,643	\$13,308	\$2,726	\$44,677
Brookings (CW-03)	\$16,568	\$7,859	\$1,610	\$26,037
Brookings (CW-04)	\$13,705	\$7,181	\$1,471	\$22,356
Brookings (CW-05)	\$9,311	\$4,785	\$980	\$15,076
Brookings (CW-06)	\$78,839	\$43,731	\$8,957	\$131,527
Brookings (CW-07)	\$350,597	\$937,701	\$165,477	\$1,453,775
Brookings (CW-09)	\$16,745	\$10,901	\$2,233	\$29,879
Burke (CW-01)	\$7,374	\$2,461	\$735	\$10,570
Canistota (CW-01)	\$4,711	\$4,739	\$836	\$10,286
Canistota (CW-02)	\$4,284	\$4,637	\$818	\$9,739

<b>Borrower</b>	<b>Principal</b>	<b>Interest</b>	<b>Admin Surcharge</b>	<b>Total</b>
Canistota (CW-03)	\$7,764	\$10,341	\$1,825	\$19,929
Canova (CW-01)	\$1,902	\$2,119	\$374	\$4,395
Canton (CW-02)	\$31,817	\$7,132	\$2,913	\$41,861
Canton (CW-03)	\$70,882	\$30,899	\$6,329	\$108,110
Canton (CW-04)	\$15,804	\$19,414	\$3,426	\$38,643
Castlewood (CW-01)	\$11,950	\$2,203	\$900	\$15,053
Castlewood (CW-02)	\$7,862	\$2,348	\$701	\$10,911
Centerville (CW-01)	\$26,967	\$5,610	\$2,291	\$34,867
Centerville (CW-02)	\$8,365	\$10,703	\$1,889	\$20,956
Chancellor (CW-01)	\$7,004	\$19,047	\$3,361	\$29,413
Clark (CW-01)	\$20,917	\$4,860	\$1,985	\$27,761
Clear Lake (CW-02)	\$25,845	\$7,164	\$2,140	\$35,149
Colman (CW-01)	\$25,840	\$32,179	\$5,679	\$63,698
Colman (CW-02)	\$3,332	\$7,838	\$1,383	\$12,553
Colton (CW-02)	\$5,670	\$3,087	\$632	\$9,389
Crooks (CW-01)	\$20,682	\$6,880	\$1,214	\$28,776
Custer (CW-04)	\$36,559	\$21,040	\$4,309	\$61,908
Dell Rapids (CW-02)	\$27,381	\$8,413	\$2,513	\$38,307
Dell Rapids (CW-03)	\$48,915	\$18,101	\$5,407	\$72,422
Dell Rapids (CW-04)	\$42,021	\$17,528	\$5,236	\$64,784
Dell Rapids (CW-05)	\$14,294	\$7,203	\$1,475	\$22,972
Dell Rapids (CW-06)	\$23,738	\$14,164	\$2,901	\$40,804
Dell Rapids (CW-07)	\$49,211	\$25,561	\$5,235	\$80,007
Dupree (CW-01)	\$9,279	\$12,195	\$2,152	\$23,626
Dupree (CW-02)	\$1,372	\$2,992	\$894	\$5,258
Eagle Butte (CW-01)	\$17,309	\$36,793	\$10,990	\$65,092
Elk Point (CW-02)	\$26,148	\$4,617	\$1,886	\$32,651
Elk Point (CW-04)	\$4,737	\$1,666	\$498	\$6,900
Elk Point (CW-05)	\$6,743	\$2,684	\$802	\$10,229
Elk Point (CW-06)	\$25,091	\$9,448	\$1,935	\$36,474
Elkton (CW-01)	\$15,930	\$7,556	\$1,548	\$25,033
Ellsworth Development Authority (CW-01A)	\$304,542	\$183,609	\$37,607	\$525,758
Ellsworth Development Authority (CW-01B)	\$304,542	\$183,609	\$37,607	\$525,758
Ellsworth Development Authority (CW-02A)	\$65,564	\$39,823	\$8,157	\$113,544
Ellsworth Development Authority (CW-02B)	\$196,693	\$119,469	\$24,470	\$340,632
Ethan (CW-01)	\$10,135	\$13,143	\$2,319	\$25,597
Eureka (CW-01)	\$37,629	\$29,832	\$5,264	\$72,725
Faulkton (CW-01)	\$16,379	\$21,241	\$3,748	\$41,369
Fort Pierre (CW-02)	\$38,148	\$1,085	\$443	\$39,676

<b>Borrower</b>	<b>Principal</b>	<b>Interest</b>	<b>Admin Surcharge</b>	<b>Total</b>
Fort Pierre (CW-03)	\$22,294	\$6,072	\$2,480	\$30,846
Fort Pierre (CW-05)	\$22,177	\$9,908	\$2,029	\$34,115
Fort Pierre (CW-06)	\$4,626	\$5,683	\$1,003	\$11,312
Freeman (CW-02)	\$37,410	\$14,230	\$2,915	\$54,555
Freeman (CW-03)	\$37,646	\$24,092	\$4,935	\$66,673
Garretson (CW-02)	\$21,912	\$9,564	\$2,857	\$34,333
Gettysburg (CW-01)	\$23,246	\$10,354	\$2,121	\$35,721
Gregory (CW-01)	\$10,482	\$4,669	\$956	\$16,106
Gregory (CW-02)	\$21,334	\$3,440	\$970	\$25,744
Groton (CW-03)	\$34,390	\$3,020	\$1,007	\$38,417
Groton (CW-08)	\$15,318	\$1,607	\$453	\$17,379
Groton (CW-09)	\$24,457	\$2,687	\$758	\$27,903
Harrisburg (CW-03)	\$59,008	\$57,030	\$17,035	\$133,074
Harrisburg (CW-04)	\$26,664	\$15,627	\$3,201	\$45,492
Harrisburg (CW-05)	\$58,803	\$32,011	\$6,556	\$97,370
Harrold (CW-01)	\$7,324	\$2,985	\$892	\$11,201
Hartford (CW-01)	\$23,119	\$5,511	\$1,378	\$30,008
Hartford (CW-02)	\$31,725	\$7,563	\$1,891	\$41,179
Hartford (CW-03)	\$12,842	\$2,023	\$826	\$15,690
Hartford (CW-04)	\$23,022	\$4,515	\$1,844	\$29,381
Hartford (CW-05)	\$18,309	\$6,524	\$1,949	\$26,781
Hecla (CW-01)	\$3,969	\$1,883	\$386	\$6,237
Hermosa (CW-01)	\$6,250	\$7,678	\$1,355	\$15,282
Herreid (CW-01)	\$15,217	\$17,935	\$3,165	\$36,318
Highmore (CW-02)	\$11,184	\$14,503	\$2,559	\$28,247
Hot Springs (CW-02)	\$50,162	\$26,284	\$5,384	\$81,830
Hoven (CW-01)	\$0	\$2,946	\$520	\$3,466
Humboldt (CW-01)	\$0	\$151	\$45	\$196
Hurley (CW-01)	\$18,175	\$21,720	\$3,833	\$43,728
Huron (CW-03)	\$74,032	\$853	\$284	\$75,170
Interior (CW-01)	\$5,451	\$6,336	\$1,118	\$12,906
Irene (CW-01)	\$1,719	\$15,168	\$2,677	\$19,564
Java (CW-01)	\$6,532	\$7,806	\$1,378	\$15,716
Jefferson (CW-01)	\$8,651	\$2,081	\$850	\$11,582
Kennebec (CW-01)	\$0	\$91	\$27	\$118
Kennebec (CW-02)	\$0	\$465	\$139	\$604
Lake Cochrane San Dist (CW-02)	\$8,215	\$1,909	\$780	\$10,904
Lake Madison San Dist (CW-02)	\$32,225	\$7,487	\$3,058	\$42,770
Lake Madison San Dist (CW-03)	\$0	\$203	\$61	\$264

<b>Borrower</b>	<b>Principal</b>	<b>Interest</b>	<b>Admin Surcharge</b>	<b>Total</b>
Lake Poinsett Sanitary District (CW-02)	\$26,870	\$25,470	\$6,770	\$59,110
Lake Poinsett Sanitary District (CW-03)	\$25,914	\$29,698	\$5,241	\$60,853
Lake Poinsett Sanitary District (CW-04)	\$0	\$639	\$191	\$830
Lead (CW-05)	\$11,259	\$2,884	\$862	\$15,005
Lead (CW-06)	\$10,930	\$4,248	\$1,269	\$16,446
Lead (CW-07)	\$6,081	\$2,944	\$603	\$9,628
Lead (CW-08)	\$28,017	\$18,550	\$3,799	\$50,366
Lennox (CW-04)	\$42,326	\$45,158	\$7,969	\$95,453
Lennox (CW-05)	\$26,288	\$35,011	\$6,178	\$67,477
Letcher (CW-01)	\$3,401	\$13,079	\$2,308	\$18,788
Madison (CW-02)	\$224,244	\$89,262	\$26,663	\$340,168
Marion (CW-01)	\$39,885	\$41,525	\$11,038	\$92,448
McLaughlin (CW-01)	\$19,684	\$24,181	\$4,267	\$48,133
Menno (CW-01)	\$8,064	\$3,904	\$800	\$12,768
Menno (CW-02)	\$24,692	\$31,191	\$5,504	\$61,387
Milbank (CW-01)	\$58,211	\$18,503	\$3,790	\$80,504
Mitchell (CW-02)	\$67,739	\$17,428	\$7,119	\$92,286
Mitchell (CW-03)	\$70,361	\$17,176	\$5,725	\$93,263
Mitchell (CW-3NPS)	\$6,861	\$1,743	\$581	\$9,185
Mitchell (CW-04)	\$21,397	\$12,314	\$2,522	\$36,233
Mobridge (CW-04)	\$29,807	\$14,187	\$2,906	\$46,899
Montrose (CW-02)	\$14,263	\$15,217	\$2,685	\$32,166
Mount Vernon (CW-01)	\$28,070	\$31,718	\$5,597	\$65,385
Nisland (CW-01)	\$10,289	\$3,072	\$918	\$14,279
Northville (CW-01)	\$2,422	\$2,895	\$511	\$5,827
Parker (CW-01)	\$22,003	\$5,637	\$1,684	\$29,323
Parker (CW-02)	\$22,437	\$8,096	\$2,418	\$32,951
Parker (CW-03)	\$5,254	\$5,444	\$961	\$11,658
Parker (CW-04)	\$7,279	\$4,830	\$1,443	\$13,552
Parkston (CW-01)	\$28,347	\$11,553	\$3,451	\$43,350
Philip (CW-02)	\$23,747	\$1,665	\$555	\$25,967
Philip (CW-03)	\$22,839	\$2,958	\$884	\$26,681
Philip (CW-04)	\$18,528	\$22,760	\$4,017	\$45,304
Philip (CW-05)	\$12,932	\$15,886	\$2,803	\$31,621
Pierre (CW-04)	\$63,593	\$14,255	\$5,822	\$83,670
Pierre (CW-05)	\$26,840	\$12,243	\$3,657	\$42,740
Pierre (CW-06)	\$75,006	\$12,889	\$3,635	\$91,531
Plankinton (CW-01)	\$18,605	\$22,234	\$3,924	\$44,762
Powder House Pass CID (CW-01)	\$21,913	\$59,560	\$10,511	\$91,984



<b>Borrower</b>	<b>Principal</b>	<b>Interest</b>	<b>Admin Surcharge</b>	<b>Total</b>
Rapid City (CW-06)	\$216,910	\$100,782	\$20,642	\$338,333
Rapid Valley Sanitary District (CW-03)	\$49,560	\$1,739	\$580	\$51,879
Redfield (CW-02)	\$16,639	\$21,578	\$3,808	\$42,026
Saint Lawrence (CW-01)	\$2,996	\$4,044	\$714	\$7,753
Salem (CW-01)	\$27,697	\$5,984	\$2,444	\$36,125
Salem (CW-02)	\$19,375	\$5,453	\$1,629	\$26,457
Scotland (CW-01)	\$13,022	\$3,133	\$1,280	\$17,434
Scotland (CW-02)	\$18,071	\$20,420	\$3,603	\$42,094
Sinai (CW-01)	\$1,465	\$3,745	\$661	\$5,870
Sioux Falls (CW-0A)	\$1,284,845	\$6,464	\$3,184	\$1,294,494
Sioux Falls (CW-0NPS)	\$100,326	\$505	\$249	\$101,080
Sioux Falls (CW-20B)	\$698,635	\$3,515	\$1,731	\$703,881
Sioux Falls (CW-21A)	\$616,333	\$108,225	\$53,305	\$777,863
Sioux Falls (CW-21B)	\$995,037	\$175,389	\$86,386	\$1,256,812
Sioux Falls (CW-1NPS)	\$177,656	\$31,196	\$15,365	\$224,217
Sioux Falls (CW-22)	\$1,169,878	\$20,610	\$5,153	\$1,195,640
Sioux Falls (CW-23)	\$1,122,602	\$37,095	\$9,274	\$1,168,971
Sioux Falls (CW-25)	\$379,906	\$24,608	\$6,152	\$410,666
Sioux Falls (CW-26)	\$398,624	\$27,975	\$6,994	\$433,593
Sioux Falls (CW-27)	\$277,448	\$19,471	\$4,868	\$301,787
Sioux Falls (CW-28)	\$171,213	\$12,947	\$3,652	\$187,812
Sioux Falls (CW-29)	\$111,374	\$8,422	\$2,375	\$122,171
Sioux Falls (CW-30)	\$452,844	\$38,615	\$10,892	\$502,350
Sioux Falls (CW-32)	\$2,157,914	\$137,130	\$34,282	\$2,329,326
Sioux Falls (CW-2NPS)	\$124,267	\$8,569	\$2,142	\$134,978
Sioux Falls (CW-3NPS)	\$53,064	\$7,971	\$1,993	\$63,028
Sioux Falls (CW-33)	\$1,271,338	\$87,663	\$21,916	\$1,380,917
Sioux Falls (CW-34)	\$1,130,838	\$170,447	\$48,075	\$1,349,359
Sioux Falls (CW-35)	\$147,302	\$25,820	\$17,214	\$190,336
Sioux Falls (CW-35NPS)	\$2,384	\$270	\$180	\$2,835
Sioux Falls (CW-36)	\$0	\$2,414	\$1,609	\$4,023
Southern Missouri Recycle (CW-02)	\$21,117	\$3,073	\$867	\$25,056
Southern Missouri Recycle (CW-01)	\$22,107	\$523	\$174	\$22,805
Spearfish (CW-02)	\$250,295	\$104,402	\$31,185	\$385,882
Spencer (CW-01)	\$3,019	\$3,221	\$568	\$6,808
Sturgis (CW-05)	\$13,469	\$5,346	\$1,095	\$19,910
Summerset (CW-01)	\$10,232	\$5,782	\$1,184	\$17,198
Tea (CW-03)	\$15,729	\$712	\$237	\$16,677
Tea (CW-05)	\$26,723	\$5,559	\$2,271	\$34,553

<b>Borrower</b>	<b>Principal</b>	<b>Interest</b>	<b>Admin Surcharge</b>	<b>Total</b>
Tea (CW-06)	\$36,257	\$13,416	\$4,008	\$53,681
Tea (CW-07)	\$36,938	\$16,102	\$3,298	\$56,339
Turton (CW-01)	\$3,159	\$9,232	\$1,629	\$14,020
Tyndall (CW-01)	\$36,617	\$13,550	\$4,047	\$54,214
Valley Springs (CW-01)	\$29,163	\$3,536	\$1,179	\$33,877
Valley Springs (CW-02)	\$17,936	\$4,745	\$1,417	\$24,099
Vermillion (CW-03)	\$14,648	\$3,165	\$1,293	\$19,105
Vermillion (CW-05)	\$140,996	\$59,493	\$17,771	\$218,260
Vermillion (CW-06)	\$8,210	\$3,541	\$725	\$12,476
Vermillion (CW-07)	\$63,574	\$37,934	\$7,770	\$109,277
Viborg (CW-01)	\$8,982	\$10,150	\$1,791	\$20,923
Wagner (CW-01)	\$6,371	\$2,358	\$704	\$9,433
Wakonda (CW-01)	\$12,423	\$7,412	\$1,518	\$21,353
Wall Lake San Dist (CW-01)	\$9,611	\$1,847	\$754	\$12,212
Wall Lake San Dist (CW-02)	\$2,888	\$3,548	\$626	\$7,063
Warner (CW-02)	\$15,756	\$19,356	\$3,416	\$38,527
Watertown (CW-03)	\$51,913	\$511	\$170	\$52,594
Watertown (CW-05)	\$114,111	\$26,511	\$10,829	\$151,451
Watertown (CW-6NPS)	\$5,465	\$1,091	\$537	\$7,093
Watertown (CW-06)	\$54,813	\$11,752	\$5,788	\$72,354
Watertown (CW-07)	\$38,370	\$8,037	\$3,958	\$50,365
Watertown (CW-7NPS)	\$3,850	\$806	\$397	\$5,053
Watertown (CW-08)	\$24,891	\$5,214	\$2,568	\$32,673
Watertown (CW-8NPS)	\$2,785	\$583	\$287	\$3,656
Watertown (CW-09)	\$456,992	\$203,554	\$41,692	\$702,238
Watertown (CW-10)	\$116,533	\$51,906	\$10,631	\$179,071
Watertown (CW-11)	\$8,098	\$3,920	\$803	\$12,821
Waubay (CW-02)	\$2,822	\$3,562	\$629	\$7,012
Webster (CW-02)	\$44,700	\$8,240	\$3,366	\$56,306
Wessington Springs (CW-01)	\$0	\$110	\$37	\$146
Weston Heights Sanitary District (CW-01)	\$28,452	\$9,750	\$2,912	\$41,115
White Lake (CW-01)	\$6,431	\$8,229	\$1,452	\$16,113
Whitewood (CW-02)	\$11,886	\$2,456	\$614	\$14,955
Willow Lake (CW-01)	\$5,536	\$1,021	\$417	\$6,973
Winner (CW-01)	\$47,438	\$17,118	\$5,113	\$69,669
Winner (CW-02)	\$15,381	\$7,904	\$1,619	\$24,904
Wolsey (CW-01)	\$7,179	\$2,994	\$894	\$11,068
Wolsey (CW-03)	\$22,927	\$11,782	\$2,413	\$37,123
Worthing (CW-01)	\$17,962	\$445	\$148	\$18,555

<b>Borrower</b>	<b>Principal</b>	<b>Interest</b>	<b>Admin Surcharge</b>	<b>Total</b>
Worthing (CW-02)	\$13,428	\$13,346	\$3,548	\$30,321
Worthing (CW-03)	\$16,521	\$9,508	\$1,947	\$27,977
Yale (CW-01)	\$5,783	\$7,202	\$1,271	\$14,257
Yankton (CW-03)	\$252,525	\$47,541	\$19,418	\$319,484
<b>TOTAL FFY 2017</b>	<b>\$20,886,542</b>	<b>\$5,525,423</b>	<b>\$1,375,702</b>	<b>\$27,787,667</b>

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**EXHIBITS IX - XI**

**CLEAN WATER SRF**

**FINANCIAL STATEMENTS**

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**Exhibit IX**  
**South Dakota Board of Water and Natural Resources**  
**Clean Water State Revolving Fund**  
**Statement of Net Position June 30, 2016**

Current Assets:	
Cash and Cash Equivalents	\$ 41,064,790.00
Restricted Cash and Cash Equivalents	2,946.86
Total Cash and Cash Equivalents	41,067,736.86
Investments	25,778,552.05
Due From Federal Governments	115,891.87
Due from Other Governments	273,297.47
Accrued Interest Receivable	2,701,083.40
Loans Receivable	21,653,268.90
Total Current Assets	91,589,830.55
Noncurrent Assets:	
Investments	86,136,889.94
Restricted Investments	95,770.84
Restricted Net Pension Asset	61,641.00
Loans Receivable	227,790,777.59
Total Noncurrent Assets:	314,085,079.37
<b>Total Assets</b>	<b>405,674,909.92</b>
<b>Deferred Outflow of Resources</b>	
Related to Pensions	114,983.00
Deferred Charge on Refunding	3,215,968.35
<b>Total Deferred Outflows of Resources</b>	<b>3,330,951.35</b>
<b>Liabilities</b>	
Current Liabilities:	
Accounts Payable	218,509.79
Accrued Liabilities	19,576.76
Compensated Absences Payable	36,290.76
Accrued Interest Payable	2,943,701.78
Arbitrage Payable	0.00
Bonds Payable - net of unamortized premium and discount	10,847,470.42
Total Current Liabilities	14,065,549.51
Noncurrent Liabilities:	
Compensated Absences Payable	31,912.13
Arbitrage Payable	0.00
Bonds Payable - net of unamortized premium and discount	171,978,337.90
Total Noncurrent Liabilities:	172,010,250.03
<b>Total Liabilities</b>	<b>186,075,799.54</b>
<b>Deferred Inflow of Resources</b>	
Related to Pensions	91,749.00
<b>Total Deferred Inflow of Resources</b>	<b>91,749.00</b>
<b>Net Position</b>	
Prior Period Adjustment	
Restricted For Debt Service	98,717.70
Restricted For Pension Obligations	84,875.00
Unrestricted	222,654,720.03
<b>Total Net Position</b>	<b>\$ 222,838,312.73</b>

The notes to the financial statements are an integral part of this statement.

**Exhibit X**  
**South Dakota Board of Water and Natural Resources**  
**Clean Water State Revolving Fund**  
**Statement of Revenues, Expenses and Changes in Fund Net Position**  
**For the Fiscal Year Ended June 30, 2016**

<b>Operating Revenues:</b>		
Loan Interest Income		\$ 5,487,876.28
Pension Revenue		\$ -
Other Income		1,409,940.84
Total Operating Revenue		<u>6,897,817.12</u>
<b>Operating Expenses:</b>		
Administrative Expenses		
Personal Services	268,650.81	
Employee Benefits	63,973.67	
Travel	,752.29	
Contractual	421,390.86	
Supplies	172.19	
Grants	551,391.09	
Other	1,449.17	
Total Administrative Expenses		1,315,780.08
Grant Expense		365,624.00
Bond Issuance Expense		
Interest Expense		6,489,579.35
Employee Pension Contribution Expense		(15,094.00)
Arbitrage Rebate		131,880.62
Total Operating Expenses		<u>8,287,770.05</u>
Operating Income (Loss)		(1,389,952.93)
<b>Nonoperating Revenues (Expenses):</b>		
Federal Capitalization Grants		1,564,264.15
Other Income		429,533.60
Investment Income		4,194,446.76
Investment Expense		(2,327.58)
Total Nonoperating Revenues (Expenses)		<u>6,185,916.93</u>
Income (Loss) Before Transfers		4,795,964.00
<b>Transfers:</b>		
Transfer Out		<u>(39,983.26)</u>
Change in Net Position		4,755,980.74
Net Position at Beginning of Year		<u>218,082,331.99</u>
<b>Net Position at End of Year</b>		<u><u>\$ 222,838,312.73</u></u>

The notes to the financial statements are an integral part of this statement.

**Exhibit XI**  
**South Dakota Board of Water and Natural Resources**  
**Clean Water State Revolving**  
**Fund Statement of Cash Flows**  
**For the Fiscal Year Ended June 30, 2016**

**Cash Flows from Operating Activities:**

Receipts for Loan Repayments	\$ 23,144,194.22	
Receipts for Interest Income on Loans	5,520,975.43	
Receipts for Surcharge Interest on Loans	1,421,686.82	
Payments to Loan Recipients	(16,373,865.00)	
Arbitrage Payment	(539,225.81)	
Payments for Employee Services	(335,536.23)	
Payments for Contractual Services	(381,592.52)	
Payment for Grants	(595,127.26)	
Payments for Principal Forgiveness	(365,624.00)	
Other Payments	(10,323.65)	
Net Cash Provided (Used) by Operating Activities		11,485,562.00

**Cash Flows from Noncapital Financing Activities:**

Transfers Out	(39,983.26)	
Principal Payments on Bonds	(9,290,000.00)	
Interest Payments on Bonds	(7,187,474.28)	
Bond Issuance Expense		
Bond Proceeds		
Receipts for Administering Program	1,559,960.00	
Other Income	429,533.60	
Net Cash Provided (Used) by Nonoperating Activities		(14,527,963.94)

**Cash Flows from Investing Activities:**

Interest on Investments	4,216,574.41	
Proceeds from Sale of Investment Securities	26,410,119.28	
Purchase of Investment Securities	(16,120,467.96)	
Net Cash Provided (Used) by Investing Activities		14,506,225.73

Net Increase (Decrease) in Cash and Cash Equivalents 11,463,823.79

Cash and Cash Equivalents at Beginning of Year 29,603,913.07

Cash and Cash Equivalents at End of Year \$ 41,067,736.86

**Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities**

Operating Income (Loss) \$ (1,389,952.93)

**Adjustments to Reconcile Net Income to Net Cash Provided (Used) by Operating Activities:**

Interest Expense 6,489,579.35  
Bond Issuance Cost

**Assets: (Increase)/Decrease**

Loans Receivable 6,770,329.22  
Accrued Interest Receivable on Loans 33,099.15  
Due from Other Governments 11,745.98  
Pension Assets 31,352.00  
Decrease/(Increase) in Dererred Outflow of Resources: (30,494.00)  
Deferred Outflow of Resources - Related to Pensions

**Liabilities: Increase/(Decrease)**

Accounts Payable (3,887.83)  
Accrued Employee Benefits (1,047.30)  
Accrued Liabilities (1,864.45)  
Arbitrage (407,345.19)

Increase/(Decrease) in Deferred Inflow of Resources: (15,952.00)  
Deferred Inflow of Resources - Related to Pensions

Total Adjustments 12,875,514.93  
Net Cash Provided by Operations \$ 11,485,562.00

The notes to the financial statements are an integral part of this statement.



**South Dakota Board of Water and Natural Resources**  
**Clean Water State Revolving Fund Notes to the Financial Statements**  
**June 30, 2016**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

A. Authorizing Legislation

The 1988 South Dakota Legislature authorized the State Water Pollution Control Revolving Loan Fund Program, also known as the Clean Water State Revolving Fund (CWSRF) Loan Program. Additionally, the legislature appropriated \$1,200,000 and directed the South Dakota Conservancy District (SDCD) to administer the program. The SDCCD was created by the Legislature under Chapter 46A-2 of the South Dakota Codified Law as a body politic and corporate for the purpose of constructing water resource facilities for the conservation, storage, distribution and utilization of water for municipal purposes within the State of South Dakota. The SDCCD bonds do not constitute a debt of the State of South Dakota, or a pledge of the faith and credit of the State. Because the State of South Dakota is able to impose its will over the SDCCD and the governing body is substantively the same as the governing body of the primary government, it is considered a blended component unit and, as such, the accompanying financial statements are included in the Comprehensive Annual Financial Report of the State of South Dakota. The Department of Environment and Natural Resources performs all of the functions of the South Dakota Conservancy District, except for quasi-legislative, quasi-judicial, advisory, and special budgetary functions, which are performed by the Board of Water and Natural Resources acting in its capacity as the Conservancy District. The CWSRF is a low interest loan program to finance the construction of wastewater facilities, storm sewers and non-point source pollution control projects. The program was created by the 1987 Clean Water Act amendments. Funds are provided to the states in the form of capitalization grants awarded annually through the United States Environmental Protection Agency. The federal capitalization grants are matched by state funds at a ratio of 5:1.

B. Fund Accounting

The CWSRF is accounted for as an enterprise fund. An enterprise fund is a proprietary fund type used to report an activity for which a fee is charged to external users for goods or services.

C. Basis of Accounting

The CWSRF follows the accrual basis of accounting. This method of accounting recognizes the financial effect of transactions, events, and interfund activities when they occur, regardless of the timing of related cash flows.

D. Cash and Cash Equivalents

For purposes of the accompanying statement of net position and statement of cash flows all highly liquid investments with original maturities of 90 days or less are considered to be cash equivalents.

E. Investments

Investments are reported at fair value. Unrealized gains and losses due to fluctuations in market value are included in investment income.

F. Premiums and Deferred Amounts on Refunding

Premiums and the deferred amount of refunding on bonds are amortized using the straight line method over the life of the bonds to which they relate.

G. Reserves

The bond indentures provide that certain reserve accounts be established. The reserves as of June 30, 2016, consist of the following Investment Agreement and are reported as restricted net position in the financial statements:

- 6.22% MBIA Inc. due August 1, 2017 totaling \$95,770.84

In addition, \$2,946.86 is invested in a Money Market Fund described in note 2 below.

H. Restricted Resources

When both restricted and unrestricted resources are available for use, it is the CWSRF's policy to use restricted resources first, and then unrestricted resources as they are needed.

I. Revenue and Expense Recognition

Enterprise funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering items in connection with an enterprise fund's principal ongoing operations. The CWSRF records all revenues derived from interest on loans as operating revenues since these revenues are generated from the CWSRF's daily operations needed to carry out its purpose. Operating expenses include grants and subsidies, and contractual service expenses related to the administration of the CWSRF program.

J. Federal Capitalization Grant

Federal capitalization grants reported as nonoperating income in the statement of revenues, expenses, and changes in fund net position is a federally funded loan program. Information about the program is as follows:

CFDA Number:	66.458
Federal Agency:	Environmental Protection Agency
Program:	Clean Water State Revolving Fund
State Agency:	Environment & Natural Resources
Outstanding Loans:	\$249,444,046
Current Year	
Administrative Expense:	\$375,200
Loan Disbursement:	\$16,739,489

## 2. CASH AND INVESTMENTS

### Cash

Cash and Cash Equivalents consisted of a Goldman Sachs Financial Square Treasury Obligation Fund (money market fund) and the South Dakota Cash Flow Fund. The South Dakota Conservancy District Investment Policy adopted pursuant to the Master Trust Indenture authorizes the investment of up to 20 percent of funds in the South Dakota Cash Flow portfolio which is an unrated fund. The fund paid 1.35% for state fiscal year 2016.

Management of the State's internal investment pool is the statutory responsibility of the South Dakota Investment Council (SDIC). The investment policy and required risk disclosures for the State's internal investment pool are presented in the audit report of the South Dakota Investment Council, which can be obtained by contacting the Department of Legislative Audit, 427 South Chapelle, c/o 500 East Capitol, Pierre, South Dakota 57501.

The Goldman Sachs Fund was rated "AAAm" by Standard and Poor's Rating Group. The fund paid less than .01% for the period 7/01/2015– 6/30/2016. Federated Funds were rated "AAAm" by Standard and Poor's Rating Group and paid .07% over the same period.

### Investments

First National Bank as Trustee to the SD Clean Water State Revolving Fund holds investments that are measured at fair value on a recurring basis. Because investing is not a core part of the Bank's mission, the bank determines that the disclosures related to these investments only need to be disaggregated by major type.

The Bank categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs. All Clean Water SRF investments are under Level 1.

*Custodial Credit Risk:* Custodial credit risk is the risk that in the event of a bank failure, the Clean Water State Revolving Fund's investments may not be returned. At June 30, 2016, \$85,029,091 of guaranteed investment contracts were uninsured and unregistered, with the securities held by its trust department, but not in the CWSRF's name and, as a result, were exposed to custodial credit risk. Also, investments were made in US Treasury Bonds with a market value of \$25,778,553 and in Federal Agency Bonds with a market value of \$1,203,570 were exposed to custodial credit risk.

*Interest Rate Risk:* Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The maturities of the investments are listed below.  
Level 1

<u>Investment</u>	<u>Maturities</u>	<u>Fair Value</u>
US Treasury Bonds	9/30/2016	7,003,850
US Treasury Bonds	12/31/2016	6,543,821
US Treasury Bonds	1/31/2017	1,746,634
US Treasury Bonds	3/31/2017	6,675,204
US Treasury Bonds	6/30/2017	3,809,044
		<u>\$ 25,778,553</u>

<u>Investment</u>	<u>Maturities</u>	<u>Fair Value</u>
Federal Agency Bonds	8/28/2017	\$ 501,400
Federal Agency Bonds	3/07/2018	702,170
		<u>\$ 1,203,570</u>

*Credit Risk:* Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations to the CWSRF.

#### *Guaranteed Investment Contracts (GICS)*

We also have the GICS where the rate of return is guaranteed.

Guaranteed Investment Contract	8/01/2017	\$ 1,534,726
Guaranteed Investment Contract	8/01/2025	16,597,871
Guaranteed Investment Contract	8/01/2026	66,896,494
		<u>\$ 85,029,091</u>

The South Dakota State Revolving Fund Master Trust Indenture requires any investment agreement to be with a guarantor whose long-term rating category is no lower than the two highest long-term rating categories. The investment is rated by Moody's Investors Service. The ratings for Guaranteed Investment Contracts are as follows:

<u>Moody's Rating</u>	<u>Fair Value</u>
Ba1/A-*	\$ 1,534,726
Baa1*	83,494,365
Total	<u>\$ 85,029,091</u>

\* These guarantor's ratings are below the acceptable rating category (i.e., below Moody's Aa3). The Guaranteed Investment Contract investments have been fully collateralized with government securities in accordance with the provisions of Guaranteed Investment Contracts. These fully collateralized investments have a fair value that equates to contract value.

Excluding investments explicitly guaranteed by the U.S. Government which are not considered to have credit risk, the CWSRF held Federal Agency Bonds with a fair value of \$1,203,570 which were rated Aaa by Moody's Investor Services.

### **3. LOANS RECEIVABLE**

Loans receivable consist of loans made to local governments through a loan agreement. In order for a local government to receive a loan, evidence must be shown that the principal and interest of the loan will be repaid. Therefore, each local government must show the ability to impose utility rates, levy special assessments or collect sales taxes that will generate enough revenue to equal at least 110% of the annual principal and interest on the loan. Loans made from the CWSRF may be made at or below market interest rates and shall be fully amortized within twenty years of the date which is not more than one year following completion of the project financed. Interest rates are reduced for those loans shorter than twenty years. Of the \$249,444,046 loan receivable balance, \$20,805,776 is a long term receivable balance and \$881,948 is a short term receivable balance for the Ellsworth Development Authority which is a component unit of the State of South Dakota.

#### 4. LONG-TERM DEBT

##### Revenue Bonds

The bond issues outstanding as of June 30, 2016 are as follows:

Issue	Interest Rate	Maturity Through	Principal Balance
Series 1996 A Term Bonds	5.625%	2017	\$ 100,000
Series 2010AB Build America Bonds (BABs)			
State Match	4.084% - 5.646%	2031	2,430,000
Leveraged	4.084% - 5.646%	2031	23,600,000
Tax Exempt Bonds			
State Match	4.084% - 5.646%	2030	1,710,000
Leveraged	4.084% - 5.646%	2030	17,020,000
Series 2012AB Taxable Revenue Bonds			
State Match	0.250% - 3.183%	2027	1,360,000
Leveraged	0.250% - 3.183%	2027	28,315,000
Revenue Bonds			
State Match	2.000% - 5.000%	2030	2,545,000
Leveraged	2.000% - 5.000%	2033	42,100,000
Series 2014A Taxable Revenue Bonds			
State Match	0.300% - 1.920%	2020	3,380,000
Series 2014B Revenue Bonds			
Leveraged	2.000% - 5.000%	2035	43,650,000
Total			<u>166,210,000</u>
Add: Unamortized Bond Premium			16,615,808
Total Net of Amortization			<u>\$ 182,825,808</u>

Future bond payments and future interest payments remaining as of June 30, 2016 are as follows:

Year Ended June 30,	Principal	Interest	Total Principal and Interest
2017	\$ 9,875,000	\$ 6,931,715	\$ 16,806,715
2018	10,125,000	6,641,521	16,766,521
2019	10,255,000	6,310,049	16,565,049
2020	9,585,000	5,972,233	15,557,233
2021	8,730,000	5,646,540	14,376,540
2022-2026	53,740,000	21,901,959	75,641,959
2027-2031	44,160,000	10,170,315	54,330,315
2032-2035	19,740,000	1,677,500	21,417,500
TOTAL	<u>\$ 166,210,000</u>	<u>\$ 65,251,832</u>	<u>\$ 231,461,832</u>

### Changes in long-term liabilities

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Revenue Bonds	\$ 175,500,000	\$ 0	\$ (9,290,000)	\$ 166,210,000	\$ 9,875,000
Add: Bond Premium	17,588,279	0	(972,471)	16,615,808	972,470
Total	193,088,279	0	(10,262,471)	182,825,808	10,847,470
Compensated Absences	69,250	23,081	(24,128)	68,203	36,291
Long-Term Liabilities	\$ 193,157,529	\$ 23,081	(10,286,599)	\$ 182,894,011	\$ 10,883,761

## 5. COMMITMENTS

As of June 30, 2016, the CWSRF had loan commitments with political subdivisions worth \$61,228,506.

## 6. PENSION PLAN

The GASB Statement No. 68, Accounting and Financial Reporting for Pensions – An Amendment of GASB Statement No. 27 and in November 2013 GASB issued Statement No. 71, Pension Transition for Contributions Made Subsequent to the Measurement Date – An Amendment of GASB Statement No. 68. The primary objective of this statement is to improve accounting and financial reporting by state and local governments for pensions.

For purposes of measuring the net pension asset, deferred outflows of resources and deferred inflows of resources related to pensions, and pension revenue, information about the fiduciary net position of the South Dakota Retirement System (SDRS) and additions to/deletions from SDRS's fiduciary net position have been determined on the same basis as they are reported by SDRS. Clean Water SRF contributions and net pension asset are recognized on an accrual basis of accounting.

The Department of Environment and Natural Resources, (DENR), participates in the South Dakota Retirement System (SDRS), a cost-sharing, multiple-employer defined benefit pension plan established to provide retirement, disability, and survivor benefits for employees of the State and its political subdivisions. Authority for establishing, administering, and amending plan provisions is found in SDCL 3-12. The SDRS issues a publicly available financial report that includes financial statements, footnote disclosures, and required supplementary information. That report may be obtained by contacting the SDRS in writing at South Dakota Retirement System, P.O. Box 1098, Pierre, SD 57501-1098 or by calling (605) 773-3731. Additionally, the State of South Dakota's Comprehensive Annual Financial Report (CAFR) will report the State's proportionate share of the plan. The CAFR can be obtained by writing to the Department of Legislative Audit, 427 South Chapelle, c/o 500 East Capitol, Pierre, South Dakota 57501 or by calling (605)773-3595.

State law requires employees to contribute 6 percent of their salary to the plan and the employer to contribute an amount equal to the employee's contribution. The right to receive retirement benefits vests after three years of credited service. DENR contributions to the SDRS for the fiscal years ended June 30, 2016, 2015, and 2014 were \$18,228.77, \$18,378.31, and \$15,460.85, respectively, equal to the required contributions each year.

At June 30, 2016, SDRS is 104.1% funded and accordingly has a net pension asset. At June 30, 2016, DENR reported an asset of \$61,641 for its proportionate share of the net pension asset. For the fiscal year ended June 30, 2016, there was no pension revenue recorded. At June 30, 2016, deferred outflows of resources and deferred inflows of resources related to pensions were reported from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ 12,621	\$ -
Changes in assumption	48,877	-
Net difference between projected and actual earnings on pension plan investments	37,655	90,952
Changes in Proportionate Share		797
Contributions after the measurement date	15,830	-
Total	<u>\$ 114,983</u>	<u>\$ 91,749</u>

## 7. ANNUAL AND SICK LEAVE ACCRUAL

All employees earn annual leave. Upon termination, employees are eligible to receive compensation for their accrued annual leave balances. At June 30, 2016, a liability existed for accumulated annual leave calculated at the employee's June 30, 2016 pay rate in the amount of \$28,120.41. Employees who have been continuously employed by the State of South Dakota for at least seven years prior to the date of their retirement, voluntary resignation or death will receive payment for one-fourth of their accumulated sick leave balance. This payment is not to exceed the sum of twelve weeks of employee's annual compensation. At June 30, 2016, a liability existed for accumulated sick leave, calculated at each employee's June 30, 2016 pay rate in the amount of \$40,082.47. The total leave liability of \$68,202.89 at June 30, 2016 is shown as a liability on the balance sheet.

## 8. RISK MANAGEMENT

The Department of Environment and Natural Resources is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Department is uninsured for property loss. The Department participates in the various programs administered by the State of South Dakota. These risk management programs are funded through assessments charged to participating entities. The risk management programs include; 1) coverage for risks associated with automobile liability and general tort liability (including public officials' errors and omissions liability, medical malpractice liability, law enforcement liability, and products liability) through the State's Public Entity Pool for Liability Fund, 2) coverage of employee medical claims through the State's health insurance program, 3) coverage for unemployment benefits through the State's Unemployment Insurance Fund, and, 4) coverage for workers' compensation benefits through the State's Workers' Compensation Fund. Financial information relative to the self-insurance funds administered by the State is presented in the State of South Dakota Comprehensive Annual Financial Report.

## **9. SUBSEQUENT EVENTS**

On 9/2/16 First National Bank provided DENR with written notice of their intent to terminate its consultant contract as Trustee to the State Clean Water and Drinking Water SRF programs. In the notice they stated that the Trust Indenture provides guidance regarding the Trustee's resignation requiring written notice of not less than 30 to days to the Conservancy District and other parties. Furthermore, the Trust Indenture provides that any such resignation or removal shall not take effect until a successor has been appointed, has accepted the duties of Trustee and all funds, property (including any credit enhancement instrument and Liquidity Facilities) have been transferred to the successor. The bank representatives stated their intent to work with DENR to facilitate an orderly transition to a successor trustee. The Conservancy District intends to put out an RFP to select and transition to a new Trustee as soon as possible.





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**ADDENDUM A**

**FEDERAL FISCAL YEAR 2016**

**INTENDED USE PLAN**

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## **SOUTH DAKOTA CLEAN WATER STATE REVOLVING FUND FISCAL YEAR 2017 INTENDED USE PLAN**

### **INTRODUCTION**

The state of South Dakota proposes to adopt the following Intended Use Plan (IUP) for federal fiscal year 2017 as required under Section 606(c) of the Clean Water Act.

The primary purpose of the IUP is to identify the proposed annual intended use of the amounts available to the Clean Water State Revolving Fund (SRF). The IUP has been reviewed by the public and reflects the results of that review.

The IUP includes the following:

1. List of projects and activities;
2. Goals, objectives, and environmental results;
3. Amount of funds transferred between the Clean Water SRF and the Drinking Water SRF;
4. Information on the activities to be supported;
5. Assurances and specific proposals;
6. Criteria and method for distribution of funds; and
7. Sources and uses of funds (the 2017 capitalization grant estimate used in the IUP is based on last year's allocation).

### **LIST OF PROJECTS AND ACTIVITIES**

The IUP identifies potential municipal wastewater, storm water, and nonpoint source projects. A project must be on the project priority list, Attachment I, to be eligible for a loan. This list was developed from the State

Water Plan and includes projects that did not designate Clean Water SRF loans as a funding source.

Projects may be added to the project priority list by the Board of Water and Natural Resources if the action is included on the meeting agenda at the time it is posted.

Priority ratings are based on the integrated project priority system established in ARSD 74:05:08:03.01. The general objective of the integrated priority system is to ensure that projects funded through the Clean Water SRF program address high priority water quality problems. This is accomplished with a priority system that ranks both municipal wastewater and nonpoint source pollution control projects on an equal basis. Projects and activities utilizing administrative surcharge funds are not required to be ranked and included on the project priority list.

The Clean Water SRF may be used for the following purposes:

1. Low-interest loans for secondary or more stringent treatment of any cost-effective alternatives, new interceptors and appurtenances, infiltration/inflow correction, new collectors, sewer system rehabilitation, expansion and correction of combined sewer overflows, decentralized wastewater treatment systems, and construction of new storm sewers. The low-interest loans can be made for up to 100 percent of the total project cost;
2. Refinancing of existing debt obligations for municipal wastewater facilities if the debt was incurred and construction initiated after March 7, 1985; or

3. Nonpoint source pollution control projects and programs, including non-traditional projects (projects with a primary purpose other than water quality).

A determination of which projects are funded from the above mentioned lists, the amount of assistance, and the financing terms and conditions will be made by the Board of Water and Natural Resources during federal fiscal year 2017.

### **GOALS, OBJECTIVES, AND ENVIRONMENTAL RESULTS**

#### Long-term Goals and Objectives:

The long-term goals of the State Water Pollution Control Revolving Fund are to fully capitalize the Clean Water SRF, maintain or restore and enhance the chemical, physical, and biological integrity of the state's waters for the benefit of the overall environment, protect public health, and promote economic well-being.

#### Objectives:

1. Maintain a permanent, self-sustaining Clean Water SRF program that will serve in perpetuity as a financing source for wastewater treatment works projects and nonpoint source pollution control projects; and
2. Fulfill the requirements of pertinent federal, state, and local laws and regulations governing water pollution control activities while providing the state and local project sponsors with maximum flexibility and decision-making authority regarding such activities.

#### Short-term Goal and Objectives:

The short-term goal of the Clean Water SRF is to fully capitalize the fund.

#### Objectives:

1. Ensure the technical integrity of Clean Water SRF projects through the review of planning, design plans and specifications, and construction activities;
2. Ensure compliance with all pertinent federal, state, and local water pollution control laws and regulations; and
3. Obtain maximum capitalization of the funds for the state in the shortest time possible.

#### Environmental Results:

Beginning January 1, 2005, states are required to quantify and report the environmental benefits being realized through the Clean Water SRF loan program. The reporting requirement is being satisfied using an on-line environmental benefits assessment developed by EPA in cooperation with the States and other organizations. A summary of the fiscal year 2017 loans and the resulting benefits will be provided in the end-of-year-annual report.

### **AMOUNT OF FUNDS TRANSFERRED BETWEEN THE CLEAN WATER SRF AND THE DRINKING WATER SRF**

The Safe Drinking Water Act Amendments of 1996 and subsequent Congressional action allows states to transfer an amount equal to 33 percent of its Drinking Water SRF capitalization grant to the Clean Water SRF or an equivalent amount from the Clean Water SRF to the Drinking Water SRF. States can also transfer state match, investment earnings, or principal and interest

repayments between SRF programs and may transfer a previous year's allocation at any time.

South Dakota has transferred \$15,574,320 from the Clean Water SRF program to the Drinking Water SRF program in past years. In fiscal year 2006 and 2011, \$7.5 million in leveraged bond proceeds and \$10 million of repayments, respectively, were transferred from the Drinking Water SRF program to the Clean Water SRF program. With the 2017 capitalization grant, the ability exists to transfer over \$44.7 million from the Clean Water SRF program to the Drinking Water SRF program. More than \$42.8 million could be transferred from the Drinking Water Program to the Clean Water SRF program. The table on page 10 details the amount of funds transferred between the programs and the amount of funds available to be transferred.

No transfers are expected in fiscal year 2017.

## **INFORMATION ON THE ACTIVITIES TO BE SUPPORTED**

The primary type of assistance to be provided by the Clean Water SRF is direct loans including refinancing of existing debts where eligible. Loan assistance will be provided to municipalities, sanitary districts, counties, or other units of government for publicly owned wastewater treatment facilities, storm sewers, and nonpoint source pollution control programs in accordance with the Clean Water SRF administrative rules adopted by the Board of Water and Natural Resources. With the adoption of the amended and restated Master Indenture in 2004, the Clean Water and Drinking Water SRF programs are cross-collateralized. This allows the board to pledge excess revenues on deposit in the Drinking Water SRF program to act as additional security for bonds secured by

excess revenues on deposit in the Clean Water SRF program, and vice versa.

## **Sources of Loan Funds**

Loan funds are derived from various sources and include federal capitalization grants, state match, leveraged bonds, borrowers' principal repayments, and interest earnings.

Capitalization Grants/State Match: Federal capitalization grants are provided to the state annually. These funds must be matched by the state at a ratio of 5 to 1. The fiscal year 2017 capitalization grant is expected to be \$6,525,000 which requires \$1,305,000 in state match. Bond proceeds will be used to match 2017 capitalization grant funds.

For purposes of meeting fiscal year 2017 proportionality requirements, the South Dakota Clean Water SRF program will document the expenditure of repayments and bond proceeds in an amount equivalent to the entire required state match.

Leveraged Bonds: The South Dakota Conservancy District has the ability to issue additional bonds above that required for state match, known as leveraged bonds. It is anticipated that up to \$55.0 million in leveraged bonds will be required in 2017.

Borrowers' Principal Repayments: The principal repaid by the loan borrowers is used to make semi-annual leveraged bond payments. Any excess principal is available for loans. It is estimated that \$10,500,000 in principal repayments will become available for loans in fiscal year 2017.

Interest Earnings: The interest repaid by the loan borrowers, as well as interest earned on investments, is dedicated to make semi-annual state match bond payments. Any excess interest is available for loans. It is

estimated that \$7,000,000 in interest earnings will become available for loans in fiscal year 2017.

### **Additional Subsidy - Principal Forgiveness**

The 2010 and 2011 Clean Water SRF appropriation mandated that not less than 30 percent of the funds made available for Clean Water SRF capitalization grants be used by the State to provide additional subsidy to eligible recipients and shall only apply to the portion of the national allocation that exceeds \$1,000,000,000. The 2012 through 2014 capitalization grants mandated additional subsidy be provided in an amount not less than 20 percent, but not more than 30 percent, of that portion of the national allocation that exceeds \$1,000,000,000. Additional subsidy may be in the form of forgiveness of principal, negative interest loans, or grants (or any combination of these).

Additional subsidy will be provided in the form of principal forgiveness. Municipalities and sanitary districts must have a minimum rate of \$30 per month based on 5,000 gallons usage or a flat rate to qualify for principal forgiveness. Other applicants must have a minimum rate of \$40 per month based on 5,000 gallons usage or a flat rate to qualify for principal forgiveness.

With the passage of the Water Resources Reform and Development Act (WRRDA) in June 2014, states may provide additional subsidization when the total amount appropriated for capitalization grants exceeds \$1,000,000,000. Additional subsidization can be provided to a municipality only if it meets the affordability requirements established by the state or to projects that implement a process, material, technique, or technology with water efficiency, energy

efficiency, mitigation of stormwater runoff or sustainability benefits.

The 2016 appropriation act required an additional 10 percent of the capitalization grant be used for additional subsidy and is available for any eligible borrower. At this time South Dakota will only provide this 10 percent to borrowers who meet the state's affordability criteria.

When determining the amount of principal forgiveness, the Board of Water and Natural Resources may consider the following decision-making factors, which are set forth in alphabetical order:

- (1) Annual utility operating budgets;
- (2) Available local cash and in-kind contributions;
- (3) Available program funds;
- (4) Compliance with permits and regulations;
- (5) Debt service capability;
- (6) Economic impact;
- (7) Other funding sources;
- (8) Readiness to proceed;
- (9) Regionalization or consolidation of facilities;
- (10) Technical feasibility;
- (11) Utility rates; and
- (12) Water quality benefits.

Table 1 summarizes the amounts of principal forgiveness provided with the 2010 – 2016 capitalization grants.

Table 1 – Principal Forgiveness Status

FFY	Principal Forgiveness	
	Minimum	Maximum
2010	\$1,497,892	\$4,993,274
2011	\$669,233	\$2,230,777
2012	\$383,922	\$575,882
2013	\$307,120	\$460,680
2014	\$372,924	\$559,386
2015	\$0	\$2,045,100
2016	\$652,500	\$2,610,000
2017 (est)	\$0	\$1,957,500
	\$3,883,681	\$15,432,599
Awarded from 2010 grant		\$4,993,274
Awarded from 2011 grant		\$2,230,777
Awarded from 2012 grant		\$575,882
Awarded from 2013 grant		\$460,680
Awarded from 2014 grant		\$559,836
Awarded from 2015 grant		\$2,045,100
Awarded from 2016 grant		\$838,291

In compliance with the WRRDA provisions South Dakota has adopted the affordability criteria below.

1. All applicants will be awarded points to determine principal forgiveness eligibility as follows:
  - a. Five points if an applicant’s median household income is equal to or less than 80 percent of the statewide median household income;
  - b. Three points if an applicant’s median household income is equal to or less than the statewide median household income and greater than 80 percent of the statewide median household income;
  - c. One point if the applicant’s 2010 census population is less than the

applicant’s 2000 census population; and

- d. One point if an applicant’s county unemployment rate is greater than the statewide unemployment rate.
2. If the boundaries of an applicant are located in more than one county, the unemployment rate of the county with the largest percentage of the applicant’s population will be used.
3. Applicants must receive a minimum of five points to be eligible for principal forgiveness in the upcoming fiscal year.

The source of median household income statistics will be the American Community Survey or other statistically valid income data supplied by the applicant and acceptable to the board.

The source of unemployment rates will be the 2013 average unemployment rates as determined by the South Dakota Department of Labor and Regulation, Labor Force Statistics.

Systems that are eligible to receive principal forgiveness are identified in Attachment I and Attachment II. Attachment II - List of Projects to be Funded in FY 2017 identifies \$2,972,000 in potential principal forgiveness.

**Green Project Reserve**

Recent Clean Water SRF appropriations mandated that to the extent there are sufficient eligible project applications, a portion of the funds made available for each year’s Clean Water SRF capitalization grant shall be used by the State for projects to address green infrastructure, water or energy efficiency improvements, or other environmentally innovative activities. These



four categories of projects are the components of the Green Project Reserve.

Sufficient funds have been awarded to qualifying projects to meet the 2010 – 2014 capitalization grants Green Project Reserve requirements.

The Green Project Reserve requirement was included in the 2015 and 2016 capitalization grant, and required that not less than 10 percent be made available for Green Project Reserve eligible projects. It is assumed that 2017 capitalization grant will include a requirement that not less than 10 percent be made available for Green Project Reserve eligible projects. Attachment II – List of Projects to be Funded in FY 2017 identifies eight projects with \$2,243,680 of Green Project Reserve eligible project components. This amount will exceed the 10 percent requirement of the 2015-2017 capitalization grants.

### Interest Rates

Interest rates are reviewed periodically in comparison to established bond rating indexes to assure rates are at or below market rates as required. The SRF rates are then set to be competitive with other funding agencies.

The interest rates for fiscal year 2017 are summarized in Table 2. The rates were adjusted in November 2016.

Projects for traditional wastewater or stormwater projects that include a nonpoint source component may receive the nonpoint source rate. The annual principal and interest payments are calculated for a loan at the higher base interest rate. Using the lower interest incentive rate, a loan is sized using the annual payment previously calculated. The difference in the two loan amounts is the

amount of funding available for the nonpoint source component of the project.

Table 2 – Clean Water SRF Interest Rates

	Up to 5 Yrs	Up to 10 Yrs	Up to 20 Yrs	Up to 30 Yrs*
<u>Interim Rate</u>				
Interest Rate	2.00%			
Admin. Surcharge	0.00%			
Total	2.00%			
<u>Base Rate</u>				
Interest Rate	1.25%	1.50%	1.75%	
Admin. Surcharge	0.75%	0.75%	0.75%	
Total	2.00%	2.25%	2.50%	
<u>Nonpoint Source Incentive Rate</u>				
Interest Rate	0.50%	0.75%	0.75%	
Admin. Surcharge	0.50%	0.50%	0.75%	
Total	1.00%	1.25%	1.50%	

\* Term cannot exceed useful life of the project.

### Administrative Surcharge Activities

The interest rate includes an administrative surcharge as identified in Table 2. The surcharge was established to provide a pool of funds to be used for administrative purposes after the state ceases to receive capitalization grants. The administrative surcharge is also available for other purposes, as determined eligible by EPA and at the discretion of the Board of Water and Natural Resources and department. Recent emphasis has been on using the surcharge for purposes other than reserves for future program administration.

In fiscal year 2001, the board initiated the Small Community Planning Grant program to encourage proactive planning by small

communities. The planning grants reimburse 80 percent of the cost of the study. Planning grants are available only to communities of 2,500 or less. Communities are reimbursed 80 percent of the cost of an engineering study, with the maximum grant amount for any project being \$10,000.

The board provides additional grants for studies incorporating a rate analysis using Rate Maker software. Reimbursement for performing a rate analysis is 80 percent of costs up to a maximum of \$1,600.

Administrative surcharges are being used for non-federal cost share for Total Maximum Daily Load (TMDL) assessment and implementation projects.

Additionally, administrative surcharges have been allocated to supplement the Consolidated program by providing water quality grants to Clean Water SRF eligible projects.

Beginning in fiscal year 2005, administrative surcharge funds were also provided to the planning districts to defray the cost of SRF application preparation and project administration. Reimbursement is \$9,000 per approved loan with payments made in \$3,000 increments as certain milestones are met. Future allocations for this activity are anticipated and will be based on expected loan demand.

The American Recovery and Reinvestment Act (ARRA) of 2009 and subsequent capitalization grants have mandated implementation of Davis-Bacon prevailing wage rules. The WRRDA of 2014 included Davis-Bacon prevailing wage requirements for all capitalization grants going forward. Under joint powers agreements between the planning districts and the department, the planning districts are reimbursed \$1,100 per

project to oversee compliance with the Davis-Bacon wage rate verification and certification.

### **Administrative Surcharge Uses in FY 2017**

As of September 30, 2016, \$27,006 of unobligated administrative surcharge funds is available. It is anticipated that the administrative surcharge will generate an additional \$1,400,000 in the upcoming fiscal year.

In fiscal year 2017, \$1,000,000 of administrative surcharge funds will be allocated. It is proposed to allocate \$100,000 for planning grants and \$900,000 to supplement the Consolidated and Section 319 programs with grants for wastewater treatment and TMDL implementation projects. An additional \$50,000 from the 2016 allocation was transferred from grant supplement funds into the funds available for small community planning grants to meet demand.

Administrative surcharge funds will again be provided to the planning districts to defray the cost of SRF application preparation and project administration, which includes Davis-Bacon wage rate verification and certification. The 2017 allocation for these activities will be \$150,000.

### **Build America Bond Activities and Uses**

The Series 2010A bonds that were issued in December 2010 were designated as Build America Bonds. As a result the District receives subsidy payments from the U.S. Treasury equal to 35% of the interest payable on its Series 2010A Bonds.

In fiscal year 2017, approximately \$250,000 of Build America Bond funds will be

allocated to supplement the Consolidated program with grants for wastewater or stormwater projects.

### **Capitalization Grant Administrative Allowance**

The WRRDA of 2014 provides three options to states to calculate the administrative fees available from each year's capitalization grant. States may use the larger of 1) an amount equal to four percent of the annual capitalization grant, 2) \$400,000 per year or 3) 1/5 of a percent of the current valuation of the Clean Water SRF fund based on the most recent previous year's audited financial statements.

Four percent of the expected fiscal year 2017 capitalization grant is \$261,000, and 1/5 of a percent of the current fund valuation of \$218,802,332 results in \$436,164 available for administrative fees. As a result, an administrative allowance of \$436,164 will be reserved for administrative purposes in fiscal year 2017.

### **ASSURANCES AND SPECIFIC PROPOSALS**

The state has assured compliance with the following sections of the law in the State/EPA Operating Agreement – XI Certification Procedures. In addition, the state has developed specific proposals on implementation of those assurances in the administrative rules promulgated by the Board of Water and Natural Resources.

Section 602(a) – Environmental Reviews – The state certifies that it will conduct environmental reviews of each project on Attachment II receiving assistance from the Clean Water SRF, as applicable. The state will follow EPA-approved National Environmental Policy Act (NEPA)

procedures in conjunction with such environmental reviews.

Section 602(b)(3) – Binding Commitments – The state certifies that it will enter into binding commitments equal to at least 120 percent of each quarterly grant payment within one year after receipt.

Section 602(b)(4) – Timely Expenditures of Funds – The state is committed to obligate Clean Water SRF moneys to eligible applicants as quickly and efficiently as possible to facilitate the financing of eligible projects and to initiate construction with a minimum of delay.

Section 602(b)(5) – First Use Enforceable Requirements – The state certifies that all major and minor wastewater treatment facilities identified as part of the National Municipal Policy (NMP) universe are:

1. in compliance, or
2. have received funding through various state and federal assistance programs and constructed a facility designed to produce an effluent capable of meeting the appropriate permit limits and achieve compliance with its discharge permit, or
3. have upgraded existing facilities or constructed new facilities through its own means to achieve compliance with its discharge permit.

Section 602(b)(6) – Compliance with Title II Requirements – The state certifies that it will comply as applicable.

Section 602(b)(13) – Cost Effectiveness Certification – The state will require Clean Water SRF assistance recipients and their consulting engineer to certify that they have studied and evaluated the cost effectiveness

of the proposed project, and to the maximum extent practicable, have selected the alternative that maximizes the potential for efficient water use, reuse, and recapture, and conservation and energy conservation.

Section 602(b)(14) – Procurement of Architectural and Engineering Services – The state will not provide Clean Water SRF assistance to projects for architectural or engineering services that are identified as an equivalency project in the annual report, unless the project has complied with the architectural and engineering procurement procedures identified in 40 U.S.C. 1101 *et seq.*

Section 608 – American Iron and Steel Provisions – The state certifies that it will require American Iron and Steel products to be utilized for all treatment works projects receiving assistance from the Clean Water SRF, as applicable.

## **CRITERIA AND METHOD FOR DISTRIBUTION OF FUNDS**

The Clean Water SRF funds are distributed using the following criteria:

1. the availability of funds in the Clean Water SRF program;
2. the applicant's need;
3. violation of health and safety standards; and
4. the applicant's ability to repay.

The methods and criteria used are designed to provide the maximum flexibility and assistance that is affordable to the borrower while providing for the long-term viability of the fund.

**Public Review and Comment** – On May 25, 1988, a public hearing was held to review the initial Clean Water SRF rules and to receive comments. The Board of Water and Natural Resources approved the rules following the hearing. Revisions to the Clean Water SRF rules have been made periodically to reflect the needs of the program.

A formal public hearing was held for the South Dakota fiscal year 2017 Clean Water SRF Intended Use Plan on November 9, 2016.

**Table 3 – Amounts Available to Transfer between State Revolving Fund Programs**

<b>Year</b>	<b>DWSRF Capitalization Grant</b>	<b>Amount Available for Transfer</b>	<b>Banked Transfer Ceiling</b>	<b>Amount Transferred from CWSRF to DWSRF</b>	<b>Amount Transferred from DWSRF to CWSRF</b>	<b>Transfer Description</b>	<b>CWSRF Funds Available to Transfer</b>	<b>DWSRF Funds Available to Transfer</b>
1997	\$12,558,800	\$4,144,404	\$4,144,404				\$4,144,404	\$4,144,404
1998	\$7,121,300	\$2,350,029	\$6,494,433				\$6,494,433	\$6,494,433
1999	\$7,463,800	\$2,463,054	\$8,957,487				\$8,957,487	\$8,957,487
2000	\$7,757,000	\$2,559,810	\$11,517,297				\$11,517,297	\$11,517,297
2001	\$7,789,100	\$2,570,403	\$14,087,700				\$14,087,700	\$14,087,700
2002	\$8,052,500	\$2,657,325	\$16,745,025	\$7,812,960		CW Cap Grant/Match	\$8,932,065	\$16,745,025
2003	\$8,004,100	\$2,641,353	\$19,386,378	\$7,761,360		CW Cap Grant/Match	\$3,812,058	\$19,386,378
2004	\$8,303,100	\$2,740,023	\$22,126,401				\$6,552,081	\$22,126,401
2005	\$8,285,500	\$2,734,215	\$24,860,616				\$9,286,296	\$24,860,616
2006	\$8,229,300	\$2,715,669	\$27,576,285		\$7,500,000	Leveraged Bonds	\$12,001,965	\$20,076,285
2007	\$8,229,000	\$2,715,570	\$30,291,855				\$14,717,535	\$22,791,855
2008	\$8,146,000	\$2,688,180	\$32,980,035				\$17,405,715	\$25,480,035
2009	\$8,146,000	\$2,688,180	\$35,668,215				\$20,093,895	\$28,168,215
2010	\$13,573,000	\$4,479,090	\$40,147,305				\$24,572,985	\$32,647,305
2011	\$9,418,000	\$3,107,940	\$43,255,245		\$10,000,000	Repayments	\$27,680,925	\$25,755,245
2012	\$8,975,000	\$2,961,750	\$46,216,995				\$30,642,675	\$28,716,995
2013	\$8,421,000	\$2,788,930	\$48,995,925				\$33,421,605	\$31,495,925
2014	\$8,845,000	\$2,918,850	\$51,914,775				\$36,340,455	\$34,414,775
2015	\$8,787,000	\$2,899,710	\$54,814,485				\$39,240,165	\$37,314,485
2016	\$8,312,000	\$2,742,960	\$57,557,445				\$41,983,125	\$40,057,445
2017 (est.)	\$8,312,000	\$2,742,960	\$60,300,405				\$44,726,085	\$42,800,405

## ATTACHMENT I

### PROJECT PRIORITY LIST

Attachment I is a comprehensive list of projects that are eligible for Clean Water SRF loans. This list was developed from State Water Plan applications. Inclusion on the list carries no obligations to the Clean Water SRF program. Attachment II lists those projects expected to be funded in fiscal year 2017.

Priority Points	Loan Recipient	Project Number	Project Description	Estimated Loan Amount	Expected Loan Rate & Term	Principal Forgiveness Eligible
31	Fort Pierre	C461049-07	Construction of an additional 20-acre wastewater treatment pond to provide additional treatment in order to help meet NPDES compliance, forcemain and gravity sewer to convey the wastewater, and depth indicators in existing ponds. The collection system will be cleaned and televised to prioritize future line replacement.	\$2,229,300	2.50%, 30 yrs	
31	Summerset	C461448-02	Installation of an effluent filter to lower Total Suspended Solids and Biochemical Oxygen Demand to meet NPDES permit requirements, as well as installation of covers over portions of the treatment system to increase treatment capability.	\$2,769,000	2.25%, 20 yrs	
28	Watertown	C461029-12	Construction of new gravity and low pressure sewer main to connect a development on the edge of the city currently utilizing on-site septic systems to the city's wastewater treatment system.	\$832,896	2.50%, 30 yrs	

<b>Priority Points</b>	<b>Loan Recipient</b>	<b>Project Number</b>	<b>Project Description</b>	<b>Estimated Loan Amount</b>	<b>Expected Loan Rate &amp; Term</b>	<b>Principal Forgiveness Eligible</b>
25	Sturgis	C461068-06	Construction of a Membrane Bioreactor wastewater treatment facility to allow the wastewater facility to discharge and maintain compliance and upgrades to the existing biosolids treatment system. The project will also include relining approximately 31,500 feet of sewer main, replacement of the current influent line to the treatment facility, and removal of biosolids that have accumulated in an existing wastewater pond.	\$19,256,000	2.25%, 20 yrs	Yes (Pending rate increase)
23	Lake Poinsett Sanitary District	C461027-05	Extension of the sanitary sewer collection system to serve additional residences and the construction of a total retention wastewater treatment lagoon system.	\$10,000,000	2.50%, 30 yrs	
22	Raymond	C461385-01	Upgrade the wastewater treatment ponds to total retention including installation of a synthetic liner and other upgrades to improve pond operation.	\$565,000	2.50%, 30 yrs	Yes (Pending rate increase)
21	Blunt	C461265-01	Rehabilitation of the wastewater treatment ponds to include liner replacement, riprap and other improvements. Two lift stations will also be rehabilitated, and the collection system will be cleaned and televised to prioritize future line replacement.	\$1,310,000	2.50%, 30 yrs	
21	Piedmont	C461462-01	Construction of a centralized collection system and activated sludge treatment facility to replace on-site septic systems within the municipality.	\$4,500,000	2.25%, 20 yrs	Yes (Pending rate increase)

<b>Priority Points</b>	<b>Loan Recipient</b>	<b>Project Number</b>	<b>Project Description</b>	<b>Estimated Loan Amount</b>	<b>Expected Loan Rate &amp; Term</b>	<b>Principal Forgiveness Eligible</b>
20	Sioux Falls	C461232-38	Replacement of the mixing system for primary digesters #1, #2, and #3, as well as the replacement of the floating covers for each digester with a fixed steel cover.	\$8,115,000	1.00%, 10 yrs	
17	Harrisburg	C461065-07	Construction of a new wastewater treatment facility or payment of a system regionalization development charge implemented by the city of Sioux Falls to be a regional user.	\$23,917,000	2.25%, 20 yrs	
16	Hot Springs	C461040-03	Construction of new gravity sewer main to connect users currently utilizing on-site septic systems to the city's wastewater treatment system.	\$270,000	2.50%, 30 yrs	Yes (Pending rate increase)
15	Elk Point	C461059-08	Reconditioning Cell #3 to include relining and replacing inter-pond piping and valves and installing riprap and other appurtenances.	\$283,000	2.50%, 30 yrs	
13	Belle Fourche	C461012-03	Replacement of approximately 7,300 feet of sewer and storm sewer lines, 25 manholes, and other appurtenances as part of the reconstruction of 8 <sup>th</sup> Avenue.	\$2,070,000	2.50%, 30 yrs	Yes (Pending rate increase)
12	Sioux Falls	C461232-39	Installation of new stormwater conveyance and storage infrastructure to adequately convey storm water flows in the area of 43 <sup>rd</sup> Street and Terry Avenue.	\$5,649,000	1.00%, 10 yrs	
11	Brandon	C461032-07	Installation of new trunk sewers to eliminate lift stations and convey wastewater to the main lift station to Sioux Falls.	\$10,123,000	2.50%, 30 yrs	
11	Salem	C461057-03	Replacement of approximately 5,000 feet of sewer lines, 14 manholes and related appurtenances throughout the city.	\$2,555,748	2.50%, 30 yrs	



<b>Priority Points</b>	<b>Loan Recipient</b>	<b>Project Number</b>	<b>Project Description</b>	<b>Estimated Loan Amount</b>	<b>Expected Loan Rate &amp; Term</b>	<b>Principal Forgiveness Eligible</b>
10	Dell Rapids	C461064-09	Installation of approximately 20,600 feet of new forcemain, 2 lift stations, 5,900 feet of gravity sewer, and related appurtenances to serve an undeveloped area near Interstate 29. The project would also include replacement of approximately 12,500 feet of sanitary sewer, 34 manholes and related appurtenances in the eastern portion of the city.	\$10,098,900	2.50%, 30 yrs	
10	Hot Springs	C461040-04	Replacement of approximately 1,425 feet of sewer lines and manholes.	\$197,000	2.50%, 30 yrs	Yes (Pending rate increase)
10	Humboldt	C461254-02	Replacement of approximately 6,400 feet of sewer lines, 24 manholes and related appurtenances throughout the city.	\$2,784,450	2.50%, 30 yrs	
10	North Sioux City	C461009-03	Installation of approximately 3,900 feet of forcemain to convey wastewater from the lift station on North Shore Drive eliminating a gravity sewer line that has reached capacity.	\$557,000	2.50%, 30 yrs	
10	Onida	C461234-01	Replacement of approximately 31,900 feet of sewer lines, 83 manholes and related appurtenances throughout the city. An existing lift station will be replaced that is beyond its useful life.	\$7,900,000	2.50%, 30 yrs	
10	Valley Springs	C461239-04	Replacement or relining of approximately 20,500 feet of sewer lines and manholes and replacement of an existing lift station and related appurtenances throughout the city.	\$7,849,000	2.50%, 30 yrs	

<b>Priority Points</b>	<b>Loan Recipient</b>	<b>Project Number</b>	<b>Project Description</b>	<b>Estimated Loan Amount</b>	<b>Expected Loan Rate &amp; Term</b>	<b>Principal Forgiveness Eligible</b>
9	Faith	C461249-01	Cleaning and televising the entire collection system, replacement or relining of approximately 15,000 feet of sewer lines, 34 manholes, and related appurtenances throughout the city.	\$1,472,814	2.50%, 30 yrs	Yes (Pending rate increase)
9	Gregory	C461126-03	Replacement of 800 feet of clay sanitary sewer with 8-inch PVC pipe that is experiencing excessive inflow and infiltration and related appurtenances under Felton Street.	\$334,000	2.50%, 30 yrs	Yes
9	Platte	C461130-02	Cleaning and televising the entire collection system, relining of approximately 14,565 feet of sewer lines, manhole rehabilitation, and installation of an influent flow meter at the treatment facility.	\$1,075,000	2.50%, 30 yrs	Yes
8	Colton	C461135-03	Replacement of approximately 5,500 feet of sewer lines and manholes.	\$1,371,600	2.50%, 30 yrs	
8	Tea	C461028-08	Replacement of approximately 4,350 feet of sewer lines and manholes as part of the reconstruction of Ceylon Avenue.	\$745,000	2.50%, 30 yrs	
8	Tea	C461028-09	Replacement of approximately 5,100 feet of sewer lines and manholes as part of the reconstruction of Brian Street.	\$749,000	2.50%, 30 yrs	
8	Tea	C461028-10	Installation of approximately 4,400 feet of gravity sewer lines, 11,800 feet of forcemain to provide for service for future development along and adjacent to 271 <sup>st</sup> Street.	\$733,000	2.50%, 30 yrs	

<b>Priority Points</b>	<b>Loan Recipient</b>	<b>Project Number</b>	<b>Project Description</b>	<b>Estimated Loan Amount</b>	<b>Expected Loan Rate &amp; Term</b>	<b>Principal Forgiveness Eligible</b>
8	Veblen	C461186-01	Replacement or relining of approximately 19,700 feet of sewer line and 40 manholes. The project will also install riprap on the wastewater treatment lagoon.	\$2,137,000	2.50%, 30 yrs	Yes (Pending rate increase)
7	Lake Norden	C461256-01	Cleaning and televising and potential relining of the entire collection system.	\$510,000	2.50%, 30 yrs	Yes (Pending rate increase)
7	Volga	C461046-01	Installation of a lift station to serve a currently undeveloped area of town.	\$619,000	2.25%, 20 yrs	
6	Avon	C461242-01	Replacement of approximately 330 water meters and installation of an automatic meter reading system.	\$469,800	2.00%, 10 yrs	Yes (Green Project)
6	Cavour	C461043-01	Replacement of approximately 7,000 feet of sanitary sewer and appurtenances, cleaning and televising of collection system, and upgrades to the wastewater treatment ponds.	\$2,390,000	2.50%, 30 yrs	
6	Centerville	C461215-03	Installation of over 1,800 feet of parallel storm sewer pipe to increase capacity of the existing system to handle flows on Nebraska Street.	\$214,000	2.50%, 30 yrs	
6	Humboldt	C461254-03	Replacement of approximately 260 water meters and installation of an automatic meter reading system.	\$264,580	2.00%, 10 yrs	Yes (Green Project, Pending rate increase)
6	Lebanon	C461356-01	Replacement of approximately 6,800 feet of sanitary sewer, relining of 4,100 feet of sanitary sewer, and replacement of 18 manholes and related appurtenances,	\$1,270,641	2.50%, 30 yrs	Yes

<b>Priority Points</b>	<b>Loan Recipient</b>	<b>Project Number</b>	<b>Project Description</b>	<b>Estimated Loan Amount</b>	<b>Expected Loan Rate &amp; Term</b>	<b>Principal Forgiveness Eligible</b>
6	Philip	C461205-06	Replacement of approximately 220 water meters and installation of an automatic meter reading system and transmitters for all other meters not being replaced.	\$340,000	2.00%, 10 yrs	Yes (Green Project)
6	Plankinton	C461110-02	Replacement of approximately 380 water meters and installation of an automatic meter reading system.	\$240,000	2.00%, 10 yrs	Yes (Green Project)
6	Valley Springs	C461239-04	Replacement of approximately 350 water meters and installation of an automatic meter reading system.	\$175,000	2.00%, 10 yrs	Yes (Green Project, Pending rate increase)
6	Worthing	C461047-04	Replacement of approximately 380 water meters and installation of an automatic meter reading system.	\$120,000	2.00%, 10 yrs	Yes (Green Project)
5	Blunt	C461265-02	Replacement of approximately 180 water meters and installation of an automatic meter reading system.	\$530,000	2.00%, 10 yrs	Yes (Green Project, Pending rate increase)
4	Doland	C461050-01	Replacement of approximately 100 water meters and installation of an automatic meter reading system.	\$104,300	2.00%, 10 yrs	Yes (Green Project)

**ATTACHMENT II – LIST OF PROJECTS TO BE FUNDED IN FY2017**

Priority Points	Loan Recipient	Project Number	Assistance Amount	Principal Forgiveness <sup>1</sup>	Funding Date	Expected Funding Source <sup>2</sup>
	<i>Green Project Reserve Information</i>					
Loans Expected						
13	Belle Fourche	C461012-03	\$2,070,000	\$200,000	Jan. 2017	2015
31	Fort Pierre	C461049-07	\$2,229,300	\$0	March 2017	2016
31	Summerset	C461448-02	\$2,769,000	\$0	March 2017	2016
25	Sturgis	C461068-06	\$19,256,000	\$2,000,000	March 2017	2016/2017/Repay
21	Blunt	C461265-01	\$1,310,000	\$0	March 2017	Repayments
20	Sioux Falls	C461232-38	\$8,115,000	\$0	March 2017	Repayments
11	Salem	C461057-03	\$2,555,748	\$0	March 2017	Repayments
10	Humboldt	C461254-02	\$2,784,450	\$0	March 2017	Repayments
10	North Sioux City	C461009-03	\$557,000	\$0	March 2017	Repayments
10	Onida	C461234-01	\$7,900,000	\$0	March 2017	Repayments
9	Faith	C461249-01	\$1,472,814	\$150,000	March 2017	Repayments
9	Gregory	C461126-03	\$334,000	\$35,000	March 2017	Repayments
8	Colton	C461135-03	\$1,075,000	\$0	March 2017	Repayments
6	Avon <i>GPR Project Type: Water Efficiency (Categorical) GPR Amount: \$469,800</i>	C461242-01	\$469,800	\$47,000	March 2017	Repayments
	Centerville					
6	Centerville	C461215-03	\$214,000	\$0	March 2017	Repayments
6	Humboldt <i>GPR Project Type: Water Efficiency (Categorical) GPR Amount: \$264,580</i>	C461254-03	\$264,580	\$26,000	March 2017	Repayments
	Valley Springs					
6	Valley Springs <i>GPR Project Type: Water Efficiency (Categorical) GPR Amount: \$175,000</i>	C461239-04	\$175,000	\$17,000	March 2017	Repayments
6	Worthing <i>GPR Project Type: Water Efficiency (Categorical) GPR Amount: \$120,000</i>	C461047-04	\$120,000	\$12,000	March 2017	Repayments
	Blunt					
5	Blunt <i>GPR Project Type: Water Efficiency (Categorical) GPR Amount: \$530,000</i>	C461265-02	\$530,000	\$53,000	March 2017	Repayments

1. Principal forgiveness amounts shown for loans expected are estimates for planning purposes only.

2. Projects identified using capitalization grant funds are for equivalency requirements planning purposes only, actual projects used for capitalization grant equivalency will be identified on the fiscal year 2017 annual report.

**ATTACHMENT II – LIST OF PROJECTS TO BE FUNDED IN FY2017 (Continued)**

Priority Points	Loan Recipient	Project Number	Assistance Amount	Principal Forgiveness <sup>1</sup>	Funding Date	Expected Funding Source <sup>2</sup>
	<i>Green Project Reserve Information</i>					
Loans Expected						
15	Elk Point	C461059-08	\$283,000	\$0	June 2017	Repayments
12	Sioux Falls	C461232-39	\$5,649,000	\$0	June 2017	Repayments
10	Dell Rapids	C461064-09	\$10,098,900	\$0	June 2017	Repayments
8	Tea	C461028-08	\$745,000	\$0	June 2017	Repayments
8	Veblen	C461186-01	\$2,137,000	\$210,000	June 2017	Repayments
6	Lebanon	C461356-01	\$1,270,641	\$127,000	June 2017	Repay/Lev. Funds
6	Philip	C461205-06	\$340,000	\$34,000	June 2017	Lev. Funds
	<i>GPR Project Type: Water Efficiency (Categorical) GPR Amount: \$469,800</i>					
6	Plankinton	C461110-02	\$240,000	\$24,000	June 2017	Lev. Funds
	<i>GPR Project Type: Water Efficiency (Categorical) GPR Amount: \$469,800</i>					
4	Doland	C461050-01	\$104,300	\$10,000	June 2017	Lev. Funds
	<i>GPR Project Type: Water Efficiency (Categorical) GPR Amount: \$469,800</i>					
28	Watertown	C461029-12	\$832,896	\$0	Sept. 2017	Lev. Funds
16	Hot Springs	C461040-03	\$270,000	\$27,000	Sept. 2017	Lev. Funds
10	Dell Rapids	C461064-09	\$10,098,900	\$0	Sept. 2017	Lev. Funds
8	Tea	C461028-09	\$749,000	\$0	Sept. 2017	Lev. Funds

1. Principal forgiveness amounts shown for loans expected are estimates for planning purposes only.

2. Projects identified using capitalization grant funds are for equivalency requirements planning purposes only, actual projects used for capitalization grant equivalency will be identified on the fiscal year 2017 annual report.

**ATTACHMENT III  
PROGRAM FUNDING STATUS**

**Fiscal Years 1989 – 2016**

Capitalization Grants	\$180,818,200	
State Match	\$33,567,920	
ARRA Grant	\$19,239,100	
Program Administration Allowance	(\$7,768,458)	
Leveraged Funds	\$207,246,266	
Transfer of FY 2002 & 2003 Capitalization Grant and State Match to DWSRF	(\$15,574,320)	
Transfer of DWSRF Repayments	\$10,000,000	
Excess Interest as of September 30, 2016	\$82,211,733	
Excess Principal as of September 30, 2016	<u>\$160,835,053</u>	
 Total Funds Dedicated to Loan		 \$663,171,214
 Loans made through September 30, 2016		 <u>(\$614,450,975)</u>
 Balance of funds as of September 30, 2016		 \$48,720,239

**Fiscal Year 2017 Projections**

Capitalization Grants	\$6,525,000	
State Match	\$1,305,000	
Program Administration Allowance	(\$436,164)	
Projected Excess Principal Repayments	\$10,500,000	
Projected Unrestricted Interest Earnings	\$7,000,000	
Leveraged Bonds	<u>\$55,000,000</u>	
Projected Fiscal Year 2017 Loan Subtotal		\$79,893,836
 Total Funds Available for Loans		 <u><u>\$128,614,075</u></u>
 Loan Amount Identified on Attachment II - List of Projects to be Funded in Fiscal Year 2017		 <u><u>\$87,020,329</u></u>

<b>Administrative Surcharge Funds Available as of September 30, 2016</b>	
Restricted Account (Administrative Purposes Only)	\$9,182
Discretionary Account (Available for Water Quality Grants)	<u>\$17,824</u>
Total	<u>\$27,006</u>

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**ADDENDUM B**

**FEDERAL FISCAL YEAR 2016**

**ENVIRONMENTAL BENEFITS REPORTING**

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**CW Benefits Summary Loan List for South Dakota**

<b>Recipient</b>	<b>Tracking Number</b>	<b>Assistance Amount</b>	<b>Initial Agreement</b>
Chancellor	C461122-02	180,000	08/23/2016
Clark	C461124-02	2,485,000	09/12/2016
Emery	C461248-01	3,084,000	07/10/2016
Hoven	C461253-01	656,000	02/24/2016
Kennebec	C461283-01	723,000	06/20/2016
Kennebec	C461283-02	437,000	04/05/2016
Lake Madison Sanitary District	C461036-03	428,000	04/05/2016
Lake Poinsett Sanitary District	C461027-04	1,917,000	06/10/2016
Sioux Falls	C461232-35	11,979,457	10/19/2015
Sioux Falls	C461232-36	26,060,000	02/08/2016
Wessington Springs	C461210-01	393,000	07/22/2016
<b>Total for all 11 Loans</b>		<b>48,342,457</b>	

## CWSRF Benefits Reporting

<b>Loan:</b> SD230 Borrower: Chancellor Assistance Type: Loan Loan Amount \$: \$180,000 <input type="checkbox"/> Final Amount	<input type="checkbox"/> Entry Complete Loan Execution Date: 08/23/2016 Loan Interest Rate: 2.25% Repayment Period: 10 % Funded by CWSRF: 100%	Tracking #: C461122-02    Other #: Incremental Funding: N    Phase #: 0 Original Tracking #:    Linked to Tracking#: Same Environmental Results: <input type="checkbox"/> ARRA Funding: <input type="checkbox"/>
Multiple nonpoint source projects with similar Environmental Results: <input type="checkbox"/>		Total NPS Projects: 0

**Project:** 1 of 1    CW Needs Survey Number :    # of NPS Projects: 0

**Project Description:** This project will replace 131 existing water meters that are over 20 years old with an automatic meter reading system.

**Facility Name:** City of Chancellor

**Population Served (Current) :**

by the Project: 0  
 by the Facility: 0

**Wastewater Volume (Design Flow) :**

by the Project: 0.0264mgd    Volume Eliminated/Conserved: 0.0000mgd  
 by the Facility: 0.0264mgd

**Discharge Information:**

- Ocean Outfall     Estuary/Coastal Bay     Wetland     Surface Water     Groundwater     Land Application  
 Other/Reuse     Eliminates Discharge     No Change / No Discharge     NEP Study     Seasonal Discharge  
 NPDES Permit Number:     No NPDES Permit  
 Other Permit Type:    Other Permit Number:

**Affected Waterbodies:**

	<u>Waterbody Name</u>	<u>Waterbody ID</u>	<u>State Waterbody ID</u>	<u>Receiving Waterbody</u>
Primary Impacted :				<input type="checkbox"/>
Other Impacted :				<input type="checkbox"/>

**Project Improvement/Maintenance of Water Quality:**

- a. Contributes to water quality    Not Applicable  
 b. Allows the system to    Not Applicable  
 c. Affected waterbody is    Not Applicable  
 d. Allows the system to address.....     Existing TMDL     Projected TMDL     Watershed Management Plan

**Other Uses and Outcomes (Selected):**

Infrastructure Improvement  
 Water Reuse/Recycling/Conservation

**Protection:**  
 Primary  
 Primary

**Restoration:**

**Comments:**

**CWSRF Benefits Reporting**

<b>Loan:</b> SD217	<input type="checkbox"/> Entry Complete	Tracking #: C461124-02	Other #:
Borrower: Clark	Loan Execution Date: 09/12/2016	Incremental Funding: N	Phase #: 0
Assistance Type: Loan	Loan Interest Rate: 3.25%	Original Tracking #:	Linked to Tracking#:
Loan Amount \$: \$2,485,000	Repayment Period: 30	Same Environmental Results: <input type="checkbox"/>	
<input type="checkbox"/> Final Amount	% Funded by CWSRF: 36%	ARRA Funding: <input type="checkbox"/>	
Multiple nonpoint source projects with similar Environmental Results: <input type="checkbox"/>		Total NPS Projects: 0	

**Project:** 1 of 1 CW Needs Survey Number : # of NPS Projects: 0

**Project Description:** The city of Clark is proposing to construct a new wastewater treatment facility to replace the city's existing mechanical treatment facility. The receiving water where this facility discharges is being reclassified as fish propagation waters.

**Facility Name:** City of Clark  
**Population Served (Current):** As a result, the city will no longer be allowed to discharge to this location. The city is proposing to construct 60 acres retention wastewater treatment ponds and 94 acres of artificial wetland treatment cells approximately one mile

by the Project: 1,139  
 by the Facility: 1,139

**Wastewater Volume (Design Flow) :**  
 by the Project: 0.1140mgd Volume Eliminated/Conserved: 0.0000mgd  
 by the Facility: 0.1140mgd

**Discharge Information:**

- Ocean Outfall
  - Estuary/Coastal Bay
  - Wetland
  - Surface Water
  - Groundwater
  - Land Application
  - Other/Reuse
  - Eliminates Discharge
  - No Change / No Discharge
  - NEP Study
  - Seasonal Discharge
- NPDES Permit Number: SD0021539  No NPDES Permit  
 Other Permit Type: Other Permit Number:

**Affected Waterbodies:**

	<u>Waterbody Name</u>	<u>Waterbody ID</u>	<u>State Waterbody ID</u>	<u>Receiving Waterbody</u>
Primary Impacted :	unnamed tributary	10170201000065		<input type="checkbox"/>
Other Impacted :				<input type="checkbox"/>

**Project Improvement/Maintenance of Water Quality:**

- a. Contributes to water quality Improvement.
- b. Allows the system to Achieve Compliance.
- c. Affected waterbody is Not Assessed.
- d. Allows the system to address.....  Existing TMDL  Projected TMDL  Watershed Management Plan

**Designated Surface Water Uses (Selected):**

	<u>Protection:</u>	<u>Restoration:</u>
Fish & wildlife propagation, rec, & stock watering	Secondary	
Irrigation waters	Secondary	
Warmwater semipermanent fish propagation waters	Primary	

**Other Uses and Outcomes (Selected):**

	<u>Protection:</u>	<u>Restoration:</u>
Infrastructure Improvement	Primary	

**Comments:**

## CWSRF Benefits Reporting

<b>Loan:</b> SD219	<input type="checkbox"/> Entry Complete	Tracking #: C461248-01	Other #:
Borrower: Emery	Loan Execution Date: 07/10/2016	Incremental Funding: N	Phase #: 0
Assistance Type: Loan	Loan Interest Rate: 3.25%	Original Tracking #: Linked to Tracking#:	
Loan Amount \$: \$3,084,000	Repayment Period: 30	Same Environmental Results: <input type="checkbox"/>	
<input type="checkbox"/> Final Amount	% Funded by CWSRF: 100%	ARRA Funding: <input type="checkbox"/>	
Multiple nonpoint source projects with similar Environmental Results: <input type="checkbox"/>		Total NPS Projects: 0	

**Project:** 1 of 1 CW Needs Survey Number : # of NPS Projects: 0

**Project Description:** The city of Emery is experiencing excessive amounts of infiltration and inflow and which negatively affects Emery's treatment facility. The project improves the city's wastewater collection system and treatment capability by replacing portions of the existing sanitary sewer throughout the city with 8-, 10-, and 12-inch PVC pipe.

**Facility Name:** City of Emery

**Population Served (Current) :**  
 by the Project: 456  
 by the Facility: 456

**Wastewater Volume (Design Flow) :**  
 by the Project: 0.0500mgd Volume Eliminated/Conserved: 0.0000mgd  
 by the Facility: 0.0500mgd

**Discharge Information:**

- Ocean Outfall   
  Estuary/Coastal Bay   
  Wetland   
  Surface Water   
  Groundwater   
  Land Application  
 Other/Reuse   
 Eliminates Discharge   
 No Change / No Discharge   
 NEP Study   
 Seasonal Discharge  
 NPDES Permit Number: SD0021741   
 No NPDES Permit  
 Other Permit Type:   
 Other Permit Number:

**Affected Waterbodies:**

	<u>Waterbody Name</u>	<u>Waterbody ID</u>	<u>State Waterbody ID</u>	<u>Receiving Waterbody</u>
Primary Impacted :	Wolf Creek	10160011000069		<input checked="" type="checkbox"/>
Other Impacted :				<input type="checkbox"/>

**Project Improvement/Maintenance of Water Quality:**

- a. Contributes to water quality Maintenance.  
 b. Allows the system to Maintain Compliance.  
 c. Affected waterbody is Impaired.  
 d. Allows the system to address.....  Existing TMDL   
 Projected TMDL   
 Watershed Management Plan

**Designated Surface Water Uses (Selected):**

Warmwater marginal fish life propagation waters  
 Limited-contact recreation waters  
 Fish & wildlife propagation, rec, & stock watering  
 Irrigation waters

**Protection:**  
 Primary  
 Secondary  
 Secondary  
 Secondary

**Restoration:**

**Other Uses and Outcomes (Selected):**

Infrastructure Improvement

**Protection:**  
 Primary

**Restoration:**

**Comments:**

## CWSRF Benefits Reporting

<b>Loan:</b> SD199	<input type="checkbox"/> Entry Complete	Tracking #: C461253-01	Other #:
Borrower: Hoven	Loan Execution Date: 02/24/2016	Incremental Funding: N	Phase #: 0
Assistance Type: Loan	Loan Interest Rate: 3.25%	Original Tracking #:	Linked to Tracking#:
Loan Amount \$: \$656,000	Repayment Period: 30	Same Environmental Results: <input type="checkbox"/>	
<input type="checkbox"/> Final Amount	% Funded by CWSRF: 100%	ARRA Funding: <input type="checkbox"/>	
Multiple nonpoint source projects with similar Environmental Results: <input type="checkbox"/>		Total NPS Projects: 0	

**Project:** 1 of 1 CW Needs Survey Number : # of NPS Projects: 0

**Project Description:** Hoven is proposing to repair an aging sanitary sewer collection system in conjunction with a SD DOT project on SD Highway 47.

**Facility Name:** Hoven

**Population Served (Current) :**

by the Project: 406  
by the Facility: 406

**Wastewater Volume (Design Flow) :**

by the Project: 0.0000mgd Volume Eliminated/Conserved: 0.0000mgd  
by the Facility: 0.0000mgd

### Discharge Information:

Ocean Outfall     Estuary/Coastal Bay     Wetland     Surface Water     Groundwater     Land Application  
 Other/Reuse     Eliminates Discharge     No Change / No Discharge     NEP Study     Seasonal Discharge  
 NPDES Permit Number: SD0021458     No NPDES Permit  
 Other Permit Type:    Other Permit Number:

### Affected Waterbodies:

	<u>Waterbody Name</u>	<u>Waterbody ID</u>	<u>State Waterbody ID</u>	<u>Receiving Waterbody</u>
Primary Impacted :	Unnamed Tributary	10130105000161		<input type="checkbox"/>
Other Impacted :				<input type="checkbox"/>

### Project Improvement/Maintenance of Water Quality:

a. Contributes to water quality Maintenance.  
 b. Allows the system to Maintain Compliance.  
 c. Affected waterbody is Not Assessed.  
 d. Allows the system to address.....  Existing TMDL     Projected TMDL     Watershed Management Plan

### Designated Surface Water Uses (Selected):

Fish & wildlife propagation, rec, & stock watering  
Irrigation waters

#### Protection:

Primary  
Secondary

#### Restoration:

### Other Uses and Outcomes (Selected):

Infrastructure Improvement

#### Protection:

Primary

#### Restoration:

**Comments:**

## CWSRF Benefits Reporting

<b>Loan:</b> SD209	<input type="checkbox"/> Entry Complete	Tracking #: C461283-01	Other #:
Borrower: Kennebec	Loan Execution Date: 06/20/2016	Incremental Funding: N	Phase #: 0
Assistance Type: Loan	Loan Interest Rate: 3.25%	Original Tracking #: Linked to Tracking#:	
Loan Amount \$: \$723,000	Repayment Period: 30	Same Environmental Results: <input type="checkbox"/>	
<input type="checkbox"/> Final Amount	% Funded by CWSRF: 99%	ARRA Funding: <input type="checkbox"/>	
Multiple nonpoint source projects with similar Environmental Results:		<input type="checkbox"/> Total NPS Projects:	0

**Project:** 1 of 1 CW Needs Survey Number : # of NPS Projects: 0

**Project Description:** This project will expand the collection system to unserved areas south of Medicine Creek and west of SD Highway

**Facility Name:** 273  
Town of Kennebec

**Population Served (Current) :**

by the Project: 30  
by the Facility: 240

**Wastewater Volume (Design Flow) :**

by the Project: 0.0030mgd Volume Eliminated/Conserved: 0.0000mgd  
by the Facility: 0.0240mgd

### Discharge Information:

Ocean Outfall     Estuary/Coastal Bay     Wetland     Surface Water     Groundwater     Land Application  
 Other/Reuse     Eliminates Discharge     No Change / No Discharge     NEP Study     Seasonal Discharge  
 NPDES Permit Number: SD0022861     No NPDES Permit  
 Other Permit Type:    Other Permit Number:

### Affected Waterbodies:

	<u>Waterbody Name</u>	<u>Waterbody ID</u>	<u>State Waterbody ID</u>	<u>Receiving Waterbody</u>
Primary Impacted :	Medicine Creek	10140104000051		<input type="checkbox"/>
Other Impacted :				<input type="checkbox"/>

### Project Improvement/Maintenance of Water Quality:

a. Contributes to water quality Maintenance.  
 b. Allows the system to Maintain Compliance.  
 c. Affected waterbody is Meeting Standards.  
 d. Allows the system to address.....  Existing TMDL     Projected TMDL     Watershed Management Plan

### Designated Surface Water Uses (Selected):

Warmwater marginal fish life propagation waters  
 Limited-contact recreation waters  
 Fish & wildlife propagation, rec, & stock watering  
 Irrigation waters

#### Protection:

Primary  
 Secondary  
 Secondary  
 Secondary

#### Restoration:

### Other Uses and Outcomes (Selected):

Infrastructure Improvement

#### Protection:

Primary

#### Restoration:

Comments:

## CWSRF Benefits Reporting

<b>Loan:</b> SD210	<input type="checkbox"/> Entry Complete	Tracking #: C461283-02	Other #:
Borrower: Kennebec	Loan Execution Date: 04/05/2016	Incremental Funding: N	Phase #: 0
Assistance Type: Loan	Loan Interest Rate: 3.25%	Original Tracking #: Linked to Tracking#:	
Loan Amount \$: \$437,000	Repayment Period: 30	Same Environmental Results: <input type="checkbox"/>	
<input type="checkbox"/> Final Amount	% Funded by CWSRF: 99%	ARRA Funding: <input type="checkbox"/>	
Multiple nonpoint source projects with similar Environmental Results: <input type="checkbox"/>		Total NPS Projects: 0	

**Project:** 1 of 1 CW Needs Survey Number : # of NPS Projects: 0

**Project Description:** This project will upgrade the existing wastewater treatment facility by installing an additional primary treatment pond for

**Facility Name:** 180-day storage. This project also includes cleaning and TV inspection of the town's sewer lines and improvements on the access road to the ponds.  
Town of Kennebec

**Population Served** (Current) :

by the Project: 240  
by the Facility: 240

**Wastewater Volume** (Design Flow) :

by the Project: 0.0240mgd Volume Eliminated/Conserved: 0.0000mgd  
by the Facility: 0.0240mgd

### Discharge Information:

Ocean Outfall  Estuary/Coastal Bay  Wetland  Surface Water  Groundwater  Land Application  
 Other/Reuse  Eliminates Discharge  No Change / No Discharge  NEP Study  Seasonal Discharge

NPDES Permit Number: SD0022861

No NPDES Permit

Other Permit Type:

Other Permit Number:

### Affected Waterbodies:

	<u>Waterbody Name</u>	<u>Waterbody ID</u>	<u>State Waterbody ID</u>	<u>Receiving Waterbody</u>
Primary Impacted :	Medicine Creek	10140104000051		<input type="checkbox"/>
Other Impacted :				<input type="checkbox"/>

### Project Improvement/Maintenance of Water Quality:

a. Contributes to water quality Improvement.  
b. Allows the system to Achieve Compliance.  
c. Affected waterbody is Meeting Standards.  
d. Allows the system to address.....  Existing TMDL  Projected TMDL  Watershed Management Plan

### Designated Surface Water Uses (Selected):

Warmwater marginal fish life propagation waters  
Limited-contact recreation waters  
Fish & wildlife propagation, rec, & stock watering  
Irrigation waters

#### Protection:

Primary  
Secondary  
Secondary  
Secondary

#### Restoration:

### Other Uses and Outcomes (Selected):

Infrastructure Improvement

#### Protection:

Primary

#### Restoration:

### Comments:



**CWSRF Benefits Reporting**

<b>Loan:</b> SD221	<input type="checkbox"/> Entry Complete	Tracking #: C461036-03	Other #:
Borrower: Lake Madison Sanitary District	Loan Execution Date: 04/05/2016	Incremental Funding: N	Phase #: 0
Assistance Type: Loan	Loan Interest Rate: 3.25%	Original Tracking #:	Linked to Tracking#:
Loan Amount \$: \$428,000	Repayment Period: 30	Same Environmental Results:	<input type="checkbox"/>
<input type="checkbox"/> Final Amount	% Funded by CWSRF: 100%	ARRA Funding:	<input type="checkbox"/>
Multiple nonpoint source projects with similar Environmental Results:			<input type="checkbox"/> Total NPS Projects: 0

**Project:** 1 of 1 CW Needs Survey Number : # of NPS Projects: 0

**Project Description:** The southeast corner of Lake Madison Sanitary District's (LMSD) sanitary sewer system is being overloaded due to high growth rates. LMSD is proposing to increase their capacity of the sanitary sewer system to meet the current and future design flows by replacing 7,800 feet of current 3-inch forcemain with 6-inch forcemain and upgrade three overloaded lift stations.

**Facility Name:** Lake Madison Sanitary District

**Population Served** (Current)

by the Project: 0  
by the Facility: 0

**Wastewater Volume** (Design Flow) :

by the Project: 0.1900mgd Volume Eliminated/Conserved: 0.0000mgd  
by the Facility: 0.1900mgd

**Discharge Information:**

- Ocean Outfall     Estuary/Coastal Bay     Wetland     Surface Water     Groundwater     Land Application
  - Other/Reuse     Eliminates Discharge     No Change / No Discharge     NEP Study     Seasonal Discharge
- NPDES Permit Number: SDG826298     No NPDES Permit  
Other Permit Type:    Other Permit Number:

**Affected Waterbodies:**

	<u>Waterbody Name</u>	<u>Waterbody ID</u>	<u>State Waterbody ID</u>	<u>Receiving Waterbody</u>
Primary Impacted :	Lake Madison	10170203003059		<input type="checkbox"/>
Other Impacted :				<input type="checkbox"/>

**Project Improvement/Maintenance of Water Quality:**

- a. Contributes to water quality Maintenance.
- b. Allows the system to Maintain Compliance.
- c. Affected waterbody is Impaired.
- d. Allows the system to address.....  Existing TMDL     Projected TMDL     Watershed Management Plan

**Designated Surface Water Uses (Selected):**

Warmwater permanent fish life propagation waters  
Immersion recreation waters  
Limited-contact recreation waters  
Fish & wildlife propagation, rec, & stock watering

**Protection:**  
Primary  
Secondary  
Secondary  
Secondary

**Restoration:**

**Other Uses and Outcomes (Selected):**

Infrastructure Improvement

**Protection:**  
Primary

**Restoration:**

**Comments:**

## CWSRF Benefits Reporting

<b>Loan:</b> SD192	<input type="checkbox"/> Entry Complete	Tracking #: C461027-04	Other #:
Borrower: Lake Pointsett Sanitary District	Loan Execution Date: 06/10/2016	Incremental Funding: N	Phase #: 0
Assistance Type: Loan	Loan Interest Rate: 3.25%	Original Tracking #:	Linked to Tracking#:
Loan Amount \$: \$1,917,000	Repayment Period: 30	Same Environmental Results: <input type="checkbox"/>	
<input type="checkbox"/> Final Amount	% Funded by CWSRF: 73%	ARRA Funding: <input type="checkbox"/>	
Multiple nonpoint source projects with similar Environmental Results: <input type="checkbox"/>		Total NPS Projects: 0	

**Project:** 1 of 1 CW Needs Survey Number : # of NPS Projects: 0

**Project Description:** The Lake Pointsett Sewer Improvements project is anticipated to be a seven phase project that involves constructing three new total retention stabilization ponds and a wastewater collection system to replace the existing on-site disposal systems.

**Facility Name:** Lake Pointsett Sanitary District

**Population Served** (Current) to make the proposed plan financially feasible, the planning/service area was broken up into three project

by the Project: 370  
by the Facility: 925

**Wastewater Volume** (Design Flow) :

by the Project: 0.0062mgd Volume Eliminated/Conserved: 0.0000mgd  
by the Facility: 0.0224mgd

### Discharge Information:

Ocean Outfall     Estuary/Coastal Bay     Wetland     Surface Water     Groundwater     Land Application  
 Other/Reuse     Eliminates Discharge     No Change / No Discharge     NEP Study     Seasonal Discharge  
 NPDES Permit Number: SD0026450     No NPDES Permit  
 Other Permit Type: SDG86450    Other Permit Number:

### Affected Waterbodies:

	<u>Waterbody Name</u>	<u>Waterbody ID</u>	<u>State Waterbody ID</u>	<u>Receiving Waterbody</u>
Primary Impacted :	Poinsett, Lake	10170202002180		<input type="checkbox"/>
Other Impacted :				<input type="checkbox"/>

### Project Improvement/Maintenance of Water Quality:

a. Contributes to water quality Improvement.  
 b. Allows the system to Maintain Compliance.  
 c. Affected waterbody is Meeting Standards.  
 d. Allows the system to address.....  Existing TMDL     Projected TMDL     Watershed Management Plan

### Designated Surface Water Uses (Selected):

	<u>Protection:</u>	<u>Restoration:</u>
Immersion recreation waters	Primary	
Warmwater semipermanent fish propagation waters	Secondary	
Limited-contact recreation waters	Secondary	
Fish & wildlife propagation, rec, & stock watering	Secondary	

### Other Uses and Outcomes (Selected):

	<u>Protection:</u>	<u>Restoration:</u>
Infrastructure Improvement	Secondary	
Regionalization/Consolidation	Primary	
Other Public Health/Pathogen Reduction	Secondary	

**Comments:** Population served by the system and by the project is the number of users multiplied by 2.5 persons per household.

## CWSRF Benefits Reporting

<b>Loan:</b> SD211	<input type="checkbox"/> Entry Complete	Tracking #: C461232-35	Other #:
Borrower: Sioux Falls	Loan Execution Date: 10/19/2015	Incremental Funding: N	Phase #: 0
Assistance Type: Loan	Loan Interest Rate: 1.25%	Original Tracking #:	Linked to Tracking#:
Loan Amount \$: \$11,979,457	Repayment Period: 10	Same Environmental Results: <input type="checkbox"/>	
<input type="checkbox"/> Final Amount	% Funded by CWSRF: 100%	ARRA Funding: <input type="checkbox"/>	
Multiple nonpoint source projects with similar Environmental Results: <input checked="" type="checkbox"/>		Total NPS Projects: 1	

**Project:** 1 of 1 CW Needs Survey Number : # of NPS Projects: 1

**Project Description:** Construct a second force main parallel to the existing force main from the Brandon Road Pump Station to the Water

**Facility Name:** Reclamation Facility.  
City of Sioux Falls

**Population Served** (Current) (This loan also includes \$579,457 to construct non-point source improvements in the Big Sioux River basin. These

by the Project: 162,300

by the Facility: 162,300

**Wastewater Volume** (Design Flow) :

by the Project: 30.0000mgd Volume Eliminated/Conserved: 0.0000mgd

by the Facility: 30.0000mgd

### Discharge Information:

- Ocean Outfall   
 Estuary/Coastal Bay   
 Wetland   
 Surface Water   
 Groundwater   
 Land Application  
 Other/Reuse   
 Eliminates Discharge   
 No Change / No Discharge   
 NEP Study   
 Seasonal Discharge  
NPDES Permit Number: SD0022128   
 No NPDES Permit  
Other Permit Type:   
Other Permit Number:

### Affected Waterbodies:

	Waterbody Name	Waterbody ID	State Waterbody ID	Receiving Waterbody
Primary Impacted :	Big Sioux River	10170203000392		<input checked="" type="checkbox"/>
Other Impacted :				<input type="checkbox"/>

### Project Improvement/Maintenance of Water Quality:

- a. Contributes to water quality Maintenance.  
b. Allows the system to Maintain Compliance.  
c. Affected waterbody is Impaired.  
d. Allows the system to address.....  Existing TMDL   
 Projected TMDL   
 Watershed Management Plan

### Designated Surface Water Uses (Selected):

Designated Surface Water Uses (Selected):	Protection:	Restoration:
Warmwater semipermanent fish propagation waters	Primary	
Immersion recreation waters	Secondary	
Limited-contact recreation waters	Secondary	
Fish & wildlife propagation, rec, & stock watering	Secondary	
Irrigation waters	Secondary	

### Other Uses and Outcomes (Selected):

Other Uses and Outcomes (Selected):	Protection:	Restoration:
Infrastructure Improvement	Primary	
Groundwater Protection	Secondary	
Other Public Health/Pathogen Reduction	Secondary	

**Comments:**

## CWSRF Benefits Reporting

<b>Loan:</b> SD213	<input type="checkbox"/> Entry Complete	Tracking #: C461232-36	Other #:
Borrower: Sioux Falls	Loan Execution Date: 02/08/2016	Incremental Funding: N	Phase #: 0
Assistance Type: Loan	Loan Interest Rate: 1.25%	Original Tracking #:	Linked to Tracking#:
Loan Amount \$: \$26,060,000	Repayment Period: 10	Same Environmental Results: <input type="checkbox"/>	
<input type="checkbox"/> Final Amount	% Funded by CWSRF: 100%	ARRA Funding: <input type="checkbox"/>	
Multiple nonpoint source projects with similar Environmental Results: <input checked="" type="checkbox"/>		Total NPS Projects: 1	

**Project:** 1 of 1 CW Needs Survey Number : # of NPS Projects: 1

**Project Description:** Replacement of the existing 66-inch outfall line from the Equalization Basin to the Brandon Road Pump Station.

**Facility Name:** City of Sioux Falls

**Population Served** (Current) The loan also includes \$1,260,000 to construct non-point source improvements in the Big Sioux River basin. These improvements include stream stabilization, grazing management, agricultural waste management and creating

by the Project: 162,300  
by the Facility: 162,300

**Wastewater Volume** (Design Flow) :

by the Project: 0.0000mgd Volume Eliminated/Conserved: 0.0000mgd  
by the Facility: 0.0000mgd

### Discharge Information:

Ocean Outfall     Estuary/Coastal Bay     Wetland     Surface Water     Groundwater     Land Application  
 Other/Reuse     Eliminates Discharge     No Change / No Discharge     NEP Study     Seasonal Discharge  
 NPDES Permit Number: SD0022128     No NPDES Permit  
 Other Permit Type:    Other Permit Number:

### Affected Waterbodies:

Waterbody Name	Waterbody ID	State Waterbody ID	Receiving Waterbody
Primary Impacted : Big Sioux River	10170203000392		<input checked="" type="checkbox"/>
Other Impacted :			<input type="checkbox"/>

### Project Improvement/Maintenance of Water Quality:

a. Contributes to water quality Maintenance.  
 b. Allows the system to Maintain Compliance.  
 c. Affected waterbody is Impaired.  
 d. Allows the system to address.....  Existing TMDL     Projected TMDL     Watershed Management Plan

### Designated Surface Water Uses (Selected):

Warmwater semipermanent fish propagation waters  
 Immersion recreation waters  
 Limited-contact recreation waters  
 Fish & wildlife propagation, rec, & stock watering  
 Irrigation waters

#### Protection:

Primary  
 Secondary  
 Secondary  
 Secondary  
 Secondary

#### Restoration:

### Other Uses and Outcomes (Selected):

Infrastructure Improvement  
 Groundwater Protection  
 Other Public Health/Pathogen Reduction

#### Protection:

Primary  
 Secondary  
 Secondary

#### Restoration:

### Comments:

**CWSRF Benefits Reporting**

<b>Loan:</b> SD216 Borrower: Wessington Springs Assistance Type: Loan Loan Amount \$: \$393,000 <input type="checkbox"/> Final Amount	<input type="checkbox"/> Entry Complete Loan Execution Date: 07/22/2016 Loan Interest Rate: 3.00% Repayment Period: 20 % Funded by CWSRF: 89%	Tracking #: C461210-01    Other #: Incremental Funding: N    Phase #: 0 Original Tracking #:    Linked to Tracking#: Same Environmental Results: <input type="checkbox"/> ARRA Funding: <input type="checkbox"/>
Multiple nonpoint source projects with similar Environmental Results: <input type="checkbox"/>		Total NPS Projects: 0

**Project:** 1 of 1    CW Needs Survey Number :    # of NPS Projects: 0

**Project Description:** The project proposes to replace three blocks of vitrified clay pipe (VCP) sanitary sewer on Main Street with PVC sanitary sewer pipe

**Facility Name:** Wessington Springs Main Street Sanitary Sewer

**Population Served (Current) :**  
 by the Project: 946  
 by the Facility: 946

**Wastewater Volume (Design Flow) :**  
 by the Project: 0.1000mgd    Volume Eliminated/Conserved: 0.0000mgd  
 by the Facility: 0.1000mgd

**Discharge Information:**

- Ocean Outfall     Estuary/Coastal Bay     Wetland     Surface Water     Groundwater     Land Application  
 Other/Reuse     Eliminates Discharge     No Change / No Discharge     NEP Study     Seasonal Discharge  
 NPDES Permit Number: SD0020460     No NPDES Permit  
 Other Permit Type:    Other Permit Number:

**Affected Waterbodies:**

	<u>Waterbody Name</u>	<u>Waterbody ID</u>	<u>State Waterbody ID</u>	<u>Receiving Waterbody</u>
Primary Impacted :	Unnamed Tributary of Firesteel Creek	10160011000885		<input checked="" type="checkbox"/>
Other Impacted :				<input type="checkbox"/>

**Project Improvement/Maintenance of Water Quality:**

- a. Contributes to water quality Maintenance.  
 b. Allows the system to Maintain Compliance.  
 c. Affected waterbody is Not Assessed.  
 d. Allows the system to address.....  
 Existing TMDL     Projected TMDL     Watershed Management Plan

**Designated Surface Water Uses (Selected):**

Fish & wildlife propagation, rec, & stock watering  
 Irrigation waters

**Protection:**  
 Primary  
 Secondary

**Restoration:**

**Other Uses and Outcomes (Selected):**

Infrastructure Improvement

**Protection:**  
 Primary

**Restoration:**

**Comments:**

45 copies of this publication were printed by DENR at a cost of \$X.xx per copy

**TITLE:** Federal Fiscal Year 2016 Drinking Water State Revolving Fund Annual Report

**EXPLANATION:** The South Dakota Conservancy District is required to submit an annual report to the Environmental Protection Agency for the Drinking Water State Revolving Fund (SRF). The Federal Fiscal Year 2016 report follows the same format as previous years and discusses activity from October 1, 2015, to September 30, 2016.

Highlights of FFY 2016 Drinking Water SRF funding include the following:

- a. Fifteen Drinking Water SRF loans and were awarded for total funding of \$23,584,000.
- b. Four loans received principal forgiveness in the aggregate total of \$4,506,200.
- c. Loan repayments totaled more than \$18.8 million dollars, with \$14.7 million in principal, \$3.3 million in interest, and \$856,645 in administrative surcharge.

**RECOMMENDED ACTION:** Approve the annual report for the Drinking Water SRF program and authorize staff to distribute the report.

**CONTACT:** Mike Perkovich, 773-4216

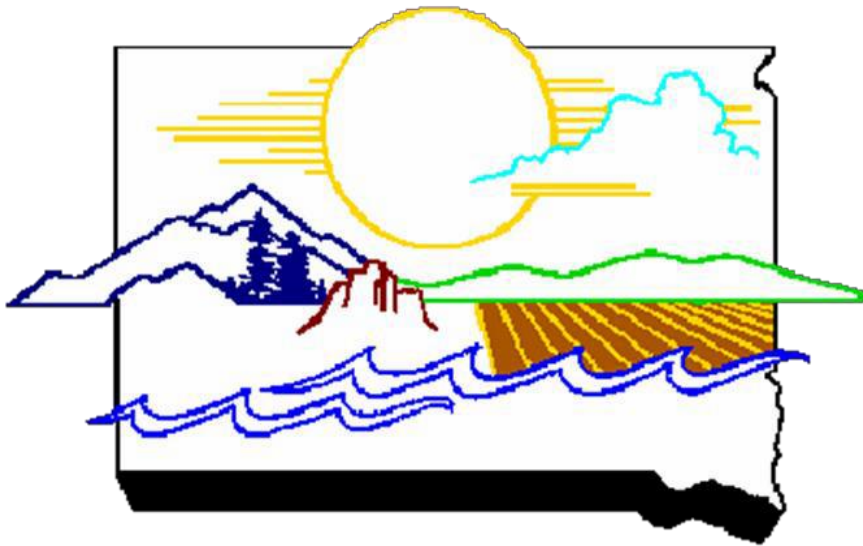
**THE SOUTH DAKOTA CONSERVANCY DISTRICT**

**DRINKING WATER STATE REVOLVING FUND**

**ANNUAL REPORT**

**FEDERAL FISCAL YEAR 2016**

**October 1, 2015 - September 30, 2016**



*Protecting South Dakota's Tomorrow ... Today*

**DRAFT**

**Department of Environment and Natural Resources  
Division of Financial and Technical Assistance**





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**THE SOUTH DAKOTA CONSERVANCY DISTRICT**

**DRINKING WATER STATE REVOLVING FUND**

**ANNUAL REPORT**

**FEDERAL FISCAL YEAR 2016**

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**Department of Environment and Natural Resources**  
**Division of Financial and Technical Assistance**  
**523 East Capitol Avenue**  
**Pierre, South Dakota 57501-3181**  
**PHONE: (605) 773-4216      FAX: (605) 773-4068**



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**THE SOUTH DAKOTA CONSERVANCY DISTRICT  
BOARD MEMBERS**

BRAD JOHNSON, CHAIRMAN

Watertown

Member since 2003

GENE JONES, JR., VICE-CHAIRMAN

Sioux Falls

Member since 2002

TODD BERNHARD, SECRETARY

Fort Pierre

Member since 2010

PAUL GNIRK

New Underwood

Member since 2009

PAUL GOLDHAMMER

Wall

Member since 2010

JACKIE LANNING

Brookings

Member since 2011

JERRY SOHOLT

Sioux Falls

Member since 2014

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## **MISSION**

**The mission of the South Dakota Drinking Water State Revolving Fund loan program is to capitalize the fund to the fullest; ensure that the state's drinking water systems remain safe and affordable; protect public health; and promote the economic well-being of the citizens of the State of South Dakota.**

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**FEDERAL FISCAL YEAR**

**2016**

**ANNUAL REPORT**

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## INTRODUCTION

The State of South Dakota submits its Annual Report for Federal Fiscal Year (FFY) 2016 (October 1, 2015 through September 30, 2016). This report describes how South Dakota has met the goals and objectives of the Drinking Water State Revolving Fund (SRF) Loan program as identified in the 2016 Intended Use Plan, the actual use of funds, and the financial position of the Drinking Water SRF.

The Annual Report consists of three main sections. The *Executive Summary* section provides an overview of the Drinking Water SRF program and the FFY 2016 activities. The next section addresses the *Goals and Environmental Results* the State of South Dakota identified in its 2016 Intended Use Plan and the steps that have been taken to meet these measures. The *Details of Activities* section provides information on the financial status of the program, the financial assistance provided during FFY 2016 and compliance with the EPA grant and operating agreement conditions.

The Annual Report is followed by a brief history of the Drinking Water SRF program. The program history is followed by the *Drinking Water SRF Loan Portfolio*. The loan portfolio provides information on the interest rates, loan amounts, projects, and loan terms. Exhibits I through VIII provide detailed financial and environmental program information. Exhibits IX, X, and XI are the financial statements of the Drinking Water SRF program prepared by the Department of Environment and Natural Resources. Finally, Addendum A is the *Intended Use Plan for Federal Fiscal Year 2017*. The primary purpose of the Intended Use Plan is to outline the proposed use of the funds available to the Drinking Water SRF program.

## EXECUTIVE SUMMARY

The South Dakota Drinking Water SRF program received a federal capitalization grant of \$8,312,000 for FFY 2016. These funds were matched by \$1,662,400 in state-issued revenue bonds and were supplemented by accumulated loan repayments, leveraged bonds, and interest earnings.

### DRINKING WATER SRF LOANS

The Conservancy District approved 15 loans to 15 entities totaling \$23,584,000. A breakdown of the loans made during FFY 2016 is detailed in Table 1.

**Table 1  
Drinking Water Loans  
Federal Fiscal Year 2016**

<b>Recipient</b>	<b>Project Descriptions</b>	<b>Assistance Amount</b>	<b>Rate %</b>	<b>Term Years</b>
Bridgewater (DW-01)	Main Street Water Distribution Improvements	\$121,000	2.25%	30
Britton (DW-02)	Water Distribution System Improvements	\$3,212,000	3.00%	30
Brookings-Deuel RWS (DW-03)	Automatic Meter System	\$250,000	2.25%	10
Canistota (DW-03)	Main Street Utility Improvements - 2016	\$96,000	3.00%	30
Canton (DW-03)	Dakota Street Utility Improvements	\$760,000	3.00%	30
Colman (DW-04)	Phase 3 - Water Mains and Tower Replacement	\$500,000	3.00%	30
Conde (DW-01)	Water Distribution and Storage Improvements	\$2,333,000	2.25%	30
Dell Rapids (DW-06)	2016 Utilities Improvements	\$705,000	3.25%	30
Elk Point (DW-06)	Rose Street Utility Improvements	\$564,000	3.25%	30
Kingbrook Rural Water System (DW-06)	2017 Water System Improvements	\$9,000,000	3.00%	30
Midland (DW-01)	Ground Storage and Looping	\$225,000	2.25%	30
Miller (DW-02)	2016 Infrastructure Improvements	\$2,112,000	3.00%	30
Perkins County Rural Water System (DW-02)	Highways 12 and 73 Water Main Realignment	\$1,722,000	2.25%	30
Viborg (DW-03)	Water Distribution System Replacement	\$606,000	0.00%	30
Wakonda (DW-01)	Distribution System Upgrades	\$1,378,000	3.00%	30
<b>Total</b>		<b>\$23,584,000</b>		

Disbursements from the program during FFY 2016 totaled \$26,641,524. This total includes loan disbursements of \$25,691,862 to the various loan recipients with the balance going for set-asides purposes. See Exhibit IV for a breakdown of all disbursements during FFY 2016.

Since the program was initiated in 1997, 284 loans have been awarded to 144 entities with 15 loans subsequently being rescinded or deobligated in full. The projects associated with 216 loans are fully constructed or essentially complete and in operation. The following 6 projects initiated operations this past year:

Aberdeen (DW-03)	Dakota Dunes CID (DW-02)
Beresford (DW-02)	Highmore (DW-01)
Bristol (DW-02)	Hisega Meadows Water Inc. (DW-02)

The Drinking Water Facilities Funding application incorporates the Capacity Assessment Worksheets for Public Water Systems. The Safe Drinking Water Act requires that a public water system applying for a Drinking Water SRF loan must demonstrate that it has the financial, managerial, and technical capacity to operate its system in full compliance with the Act. All Drinking Water SRF application forms are also available from the department’s website at <http://denr.sd.gov/formsprogram.aspx#Funding>.

**ADDITIONAL SUBSIDY**

Since fiscal year 2010, federal appropriation bills have required that a portion of each capitalization grant be made available as additional subsidy.

The board has chosen to use principal forgiveness as the method to provide the additional subsidy. Municipalities and sanitary districts are required to charge monthly residential water rates of at least \$30 (based on 5,000 gallons usage) to be eligible to receive principal forgiveness. Other applicants are required to charge monthly residential water rates of at least \$55 (based on 7,000 gallons usage) to be eligible for principal forgiveness.

Table 2 summarizes the amounts of principal forgiveness provided through the 2010-2016 capitalization grants. Table 3 recaps the projects awarded principal forgiveness in FFY 2016.

**Table 2  
Principal Forgiveness Awarded by Capitalization Grant**

Awarded from 2010 grant	\$13,504,075
Awarded from 2011 grant	\$9,418,000
Awarded from 2012 grant	\$2,692,000
Awarded from 2013 grant	\$2,526,300
Awarded from 2014 grant	\$2,653,500
Awarded from 2015 grant	\$2,636,100
Awarded from 2016 grant*	\$4,506,200
<b>TOTAL</b>	<b>\$37,936,175</b>

\*\$1,662,400 of PF came from base Capitalization Grant, the remaining came from additional subsidy for disadvantaged borrowers.



**Table 3**  
**FFY 2016 Drinking Water SRF Loans Awarded Additional Subsidy**

<b>Sponsor</b>	<b>Total Assistance Amount</b>	<b>Principal Forgiveness Awarded</b>
Conde (DW-01)	\$2,333,000	\$1,833,000
Miller (DW-02)	\$2,112,000	\$692,000
Perkins County RWS (DW-02)	\$1,722,000	\$1,033,200
Wakonda (DW-01)	\$1,378,000	\$948,000
<b>TOTAL</b>	<b>\$7,545,000</b>	<b>\$4,506,200</b>

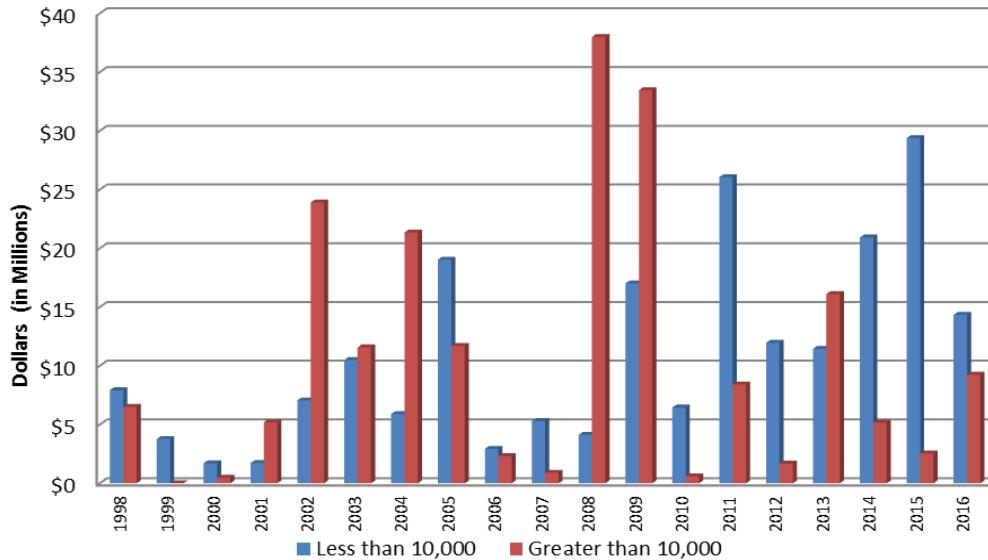
**REPAYMENTS**

One-hundred seventy five loans are currently in repayment. Fifty-four loans have been repaid in full, which includes 19 borrowers that were awarded 100 percent principal forgiveness loans and drew all their funds by September 30, 2016. Repayments equaled \$18,799,978 in FFY 2016 and consisted of \$14,658,498 in principal, \$3,284,835 in interest, and \$856,645 in administrative surcharge fees.

**ASSISTANCE TO SMALL SYSTEMS**

A requirement of the Drinking Water SRF program is that the state use at least 15 percent of all dollars credited to the fund to provide loan assistance to small systems that serve fewer than 10,000 persons. In FFY 2016, \$14,334,000 or 60.8 percent of the binding commitments were made to systems serving less than 10,000. This accounted for 31.1 percent of the \$46 million available as identified in the 2016 IUP. Since the Drinking Water SRF program was initiated, systems serving a population of 10,000 people or fewer have received \$206,100,256 in loan assistance. Of the total funds available to loan, this represents 48.1 percent. Figure 1 shows loans awarded to small systems for FFY 1998 through 2016.

**Figure 1**  
**Drinking Water SRF Loan Amounts by Service Population by Fiscal Year**



**BYPASSED PROJECTS**

Table 4 identifies the higher ranked projects on the FFY 2016 priority list that did not receive an SRF loan; the majority of these projects were bypassed because they were not ready to proceed. No projects with higher priority points were denied funding in FFY 2016.

**Table 4**  
**Status of High Priority Projects Bypassed in FFY 2016**

<b>Rank/ Priority Points</b>	<b>Community/Public Water System</b>	<b>Reason for Bypassing</b>
1/227	Viewfield Rural Water Association, Inc.	This project was fully funded by the State's Consolidated program.
2/145	Hermosa	The project is still in the planning stage.
3/134	Veblen	The project is still in the planning stage.
5/110	South Shore	The project is still in the planning stage.
6/108	Hecla	The project is still in the planning stage.
7/96	Hot Springs	The project is still in the planning stage.
10/73	Yankton	Awaiting application submission.
13/53	Lake Norden	The project is still in the planning stage.
14/48	Terry Trojan Water Project District	Application pending.
19/26	Lead-Deadwood Sanitary District	The project is still in the planning stage.

## **INTEREST RATES**

In February 2009, the board set rates at 2.25 percent for loans with a term of 10 years or less and 3 percent for loans with a term greater than 10 years up to 20 years. In 2014 EPA issued an opinion allowing states to offer extended term financing to non-disadvantaged communities under certain conditions. In March 2015, the board established a rate of 3.25 percent for loans up to 30 years for non-disadvantaged communities. The term of each loan is at the discretion of the borrower provided that the proposed repayment source produces the required debt service coverage and does not exceed the useful life of the facilities being financed.

Communities that meet the disadvantaged community criteria may receive a Drinking Water SRF loan at an interest rate below that for other recipients. Additionally, the maximum allowable repayment period for disadvantaged communities can be extended to 30 years. Since February 2009, disadvantaged communities qualify for 3 percent loans for 30 years if their median household income (MHI) is 80 percent to 100 percent of the statewide MHI. Municipalities, other community water systems, and sanitary districts must have an MHI below 80 percent of the statewide MHI to be eligible for an interest rate of 2.25 percent for up to 30 years or 1.25 percent for up to 10 years, and an MHI less than 60 percent of the statewide MHI to be eligible for a loan at zero percent interest. Residential water bills must be at least \$30 for 5,000 gallons usage for municipalities and sanitary districts and \$55 for 7,000 gallons usage for other community water systems to qualify for disadvantaged rates. The disadvantaged rate of 1.25 percent for up to 10 years was established by the board in November 2011.

## **DRINKING WATER SRF NON-PROJECT ACTIVITIES (SET-ASIDES)**

The Safe Drinking Water Act authorizes states to set aside funding for certain non-project activities, provided that the amount of that funding does not exceed certain ceilings. Unused set-aside funds are banked for future use, where allowable, or transferred to the project loan account at the discretion of the state and with concurrence from the EPA Regional Administrator. Exhibit IV details the FFY 2016 Drinking Water SRF disbursements. Table 5 recaps the cumulative Drinking Water SRF set-aside status.

**Table 5**  
**Drinking Water Set-Aside Status**

<b>Set-Aside</b>	<b>Allotment 1997-2015</b>	<b>Allotment 2016</b>	<b>Transfer to Loan Fund</b>	<b>Obligated as of 9/30/16</b>	<b>Balance</b>
Administration	\$6,656,506	\$403,449	\$0	\$6,988,686	\$0
Small System Tech Assistance	\$2,714,372	\$166,240	\$0	\$2,703,834	\$176,778
State Program Management	\$20,000	\$400,000	\$15,700	\$404,300	\$0
Local Assistance/Other	\$2,105,880	\$75,000	\$1,284,674	\$672,484	\$172,082
Small System Tech Assistance—ARRA	\$390,000	\$0	\$0	\$390,000	\$0
<b>TOTAL</b>	<b>\$11,886,758</b>	<b>\$1,044,689</b>	<b>\$1,300,374</b>	<b>\$11,070,304</b>	<b>\$348,860</b>

- **Administration**

Four percent of the 2016 capitalization grant, \$403,449 was allocated to administer the Drinking Water SRF program. Specific activities funded from this set-aside include the following:

Staff salaries	Overhead
Travel	Trustee expenses
Bond counsel	Other administrative costs
Benefits	

During FFY 2016, \$475,301 was disbursed for administrative expenses.

- **Small System Technical Assistance**

The Drinking Water SRF program continues to provide technical assistance to public water systems serving 10,000 people or fewer through the Small System Technical Assistance Set-Aside. The objectives of this funding are to bring non-complying systems into compliance, to improve operations of water systems, and to facilitate completion of small systems' capacity assessments and access to the Drinking Water SRF program.

The Small Community Planning Grant program was initiated in 2001 to encourage proactive planning by small communities. Grants are available to communities of 2,500 or fewer to assist in preparing a water system engineering study. Participating systems are reimbursed 80 percent of the cost of the study, up to a maximum of \$8,000. Additional grants for studies incorporating a rate analysis using Rate Maker software are also available through this program. Reimbursement for performing a rate analysis is 80 percent of costs up to a maximum of \$1,600. Table 6 provides a list of the small community public water systems that received awards in 2016 through the Small Community Planning Grant program.

**Table 6**  
**Small System Technical Assistance**  
**FFY 2016**

<b>Sponsor</b>	<b>Project Description</b>	<b>Amount Obligated</b>
Bradley	Water System Improvements Study	\$8,000
Burke	Water System Improvements Study	\$8,000
Canova	Water System Improvements Study	\$8,000
Chester San. Dist.	Water System Improvements Study	\$8,000
Colton	Water System Improvements Study	\$8,000
Crooks	Water System Improvements Study	\$8,000
Langford	Water System Improvements Study	\$8,000
McIntosh	Water System Improvements Study	\$8,000
Redfield	Water System Improvements Study	\$8,000
<b>TOTAL</b>		<b>\$72,000</b>

The South Dakota Association of Rural Water Systems continues to provide on-site assistance such as leak detection, consumer confidence reports, water audits, board training, treatment plant operations, operator certification, and rate analysis. During FFY 2016, the Association has provided nearly 1,500 hours of on-site small system technical assistance.

To ensure continued technical assistance for South Dakota communities, the maximum allowable allocation of two percent of the capitalization grant was set aside in FFY 2016. This amounted to \$166,240 and is intended to be used for planning grants and technical assistance activities as needed.

- **State Program Management**

The state may use up to 10 percent of its allotment to (1) administer the state Public Water System Supervision (PWSS) program; (2) administer or provide technical assistance through water protection programs, including the Class V portion of the Underground Injection Control program; (3) develop and implement a capacity development strategy; and (4) develop and implement an operator certification program. A dollar-for-dollar match of capitalization funds must be provided for these activities.

Insufficient federal funds have been allocated from the Performance Partnership Grant for South Dakota's PWSS program to complete all tasks and activities identified in the workplan. A total of \$400,000 was set-aside for these activities in federal fiscal year 2016. The required dollar-for-dollar match for the set aside funds will be provided from \$200,000 in DWSRF administrative surcharge fees and \$200,000 in PWSS fees.

- **Local Assistance and other state programs**

In FFY 2016, \$75,000 (0.9 percent of the capitalization grant) was set aside to extend the contract with Midwest Assistance Program (MAP) for technical, financial, and managerial capacity evaluations. In FFY 2016, the board executed a contract in the amount of \$49,700 under this set-aside to continue these activities with the MAP. This allows MAP to work with all sizes of community water systems to improve technical, financial, and managerial capacity. In FFY 2016, MAP conducted fifteen capacity assessments in conjunction with the Department's Drinking Water program.

### **ADMINISTRATIVE SURCHARGE**

The board continued to provide assistance for the preparation of applications and on-going loan administration activities. The state's six planning districts each have joint powers agreements to receive up to \$9,000 per loan for application and loan administration duties. Joint powers agreements were executed between the department and the planning districts to provide \$1,100 per project for Davis-Bacon wage rate verification and

certification. In FFY 2016, an additional \$1,018,000 was allocated for the planning districts' joint powers agreements.

Beginning in FFY 2013, administrative surcharge fees have been used for operator certification training. These funds replaced the funding provided for operator training through the EPA Expense Reimbursement Grant which has expired. In FY 2016, \$75,000 was allocated for this purpose, and 530 operators were provided training.

The board continued to offer grants to assist very small systems in violation of the Safe Drinking Water Act, excluding the Total Coliform Rule, to come into compliance. These funds will be limited to community systems with 50 or less connections and not-for-profit, non-transient, non-community water systems. Funds will be provided for infrastructure projects as 100 percent grants up to a maximum of \$50,000 and for total project costs less than \$100,000. No very small system compliance grants were awarded in 2016.

### **BUILD AMERICA BOND ACTIVITIES AND USES**

The Series 2010A bonds that were issued in December 2010 were designated as Build America Bonds. As a result the District receives subsidy payments from the U.S. Treasury equal to 35% of the interest payable on its Series 2010A Bonds.

In fiscal year 2016, approximately \$1,200,000 of Build America Bond funds were allocated to supplement the Consolidated program with grants for water projects. The appropriation level reflects the semi-annual subsidy payments received from July 2011 through September 2016 on the Drinking Water SRF portion of the Build America Bonds.

### **BOND ISSUE**

No Bonds were issued in FFY 2016

## GOALS AND ENVIRONMENTAL RESULTS

The following goals were developed for the FFY 2016 Intended Use Plan. The short-term goals support the implementation of the program's long-term goals. The long-term goals provide a framework that guides management decisions for the Drinking Water SRF program.

### **SHORT-TERM GOAL**

#### **GOAL: To fully capitalize the fund.**

As of September 30, 2016, South Dakota had provided loans totaling \$405,328,732. At the end of the year, South Dakota has made binding commitments to fully utilize all but \$5,005,192 of its capitalization awards and associated state matching funds.

### **LONG-TERM GOALS**

#### **GOAL: To fully capitalize the fund.**

The state has received and obligated each capitalization grant in the required time period and has had state match moneys available for each capitalization grant. As of September 30, 2016, South Dakota had made binding commitments to fully utilize all but \$5,005,192 of its capitalization awards and associated state matching funds.

#### **GOAL: To ensure that the state's drinking water supplies remain safe and affordable, to ensure that the systems are operated and maintained, and to promote economic well-being.**

The state has awarded 284 loans to 144 entities to assist with construction or refinancing of drinking water projects. Since the Drinking Water SRF program began in 1997, the state has set aside \$2,880,612 to be used to provide technical assistance to public water systems serving 10,000 people or less.

Additionally, \$884,526 has been set aside for capacity development and \$4,300 for supplemental operator training. This year an additional \$400,000 was set aside for the PWSS Program.

## **ENVIRONMENTAL RESULTS**

Effective January 1, 2005, EPA required states to establish program activity measures (outcomes) in its Intended Use Plan to receive the federal capitalization grant. Progress related to these measures is to be reported in the annual report. The specific measures and the results are as follows:

- 1. For fiscal year 2016, the goal of the Drinking Water SRF program was to maintain the fund utilization rate at or above 90 percent.**

As of September 30, 2016, the state had made loans totaling \$405,328,732. The amount of funds (capitalization grants, state match, leveraged bonds, repayments, and interest earnings) totaled \$428,610,551. This results in a fund utilization rate of 94.6 percent.

- 2. For fiscal year 2016, the goal was to maintain the construction pace at 80 percent or higher.**

As of September 30, 2016, \$343,868,704 had been disbursed to loan recipients, and loans totaling \$405,328,732 had been awarded. This results in a construction pace of 84.7 percent.

- 3. For fiscal year 2016, the goal of the Drinking Water SRF program was to fund 25 loans, totaling \$46.0 million.**

In FFY 2016, 15 loans totaling \$23,584,000 were awarded.

- 4. For fiscal year 2016, it was estimated that 29 projects would initiate operations.**

Six projects initiated operation in fiscal year 2016.

- 5. For fiscal year 2016, it was estimated that 10 Small Community Planning Grants would be awarded to small systems to evaluate the system's infrastructure needs.**

In FFY 2016, nine Small Community Planning Grants were awarded to small systems to evaluate infrastructure needs.

- 6. For FFY 2016, it was estimated that the South Dakota Association of Rural Water Systems would provide 1,500 hours of technical assistance to small systems.**

The South Dakota Association of Rural Water Systems provided 1,500 hours of technical assistance to small systems in FFY 2016.



## DETAILS OF ACTIVITIES

### FUND FINANCIAL STATUS

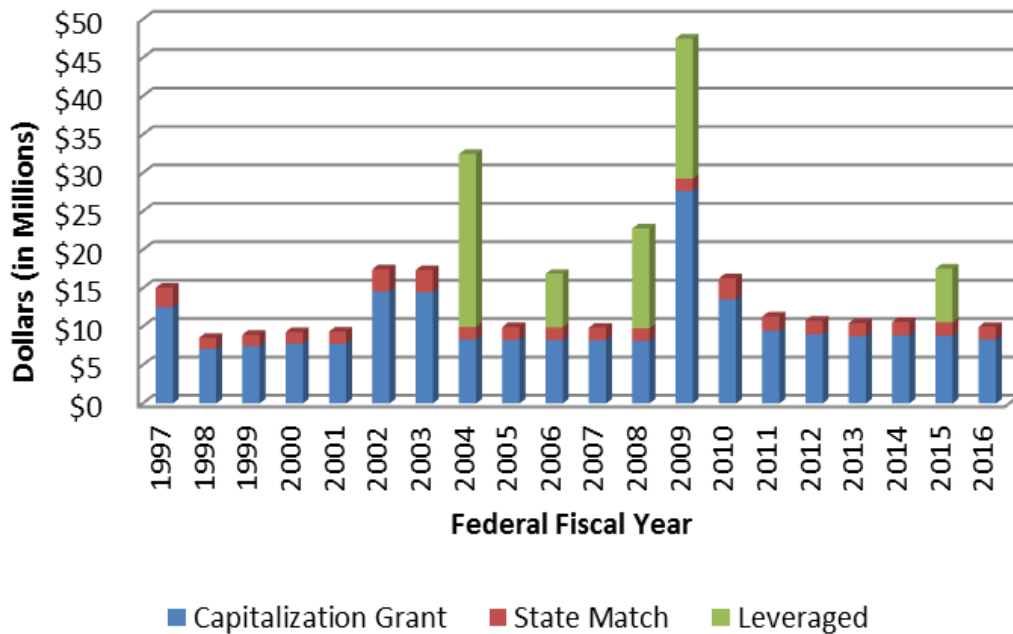
**Sources of Funds:** During FFY 2016, funding from the following sources was available for award under the Drinking Water SRF program:

FFY 2016 federal capitalization grant	\$8,312,000
FFY 2016 state match	\$1,662,400
Principal repayments *	\$ 9,112,436
Interest payments *	\$ 3,349,230
<b>Total</b>	<b>\$22,436,066</b>

\* Amount transferred to cumulative excess accounts and available to loan

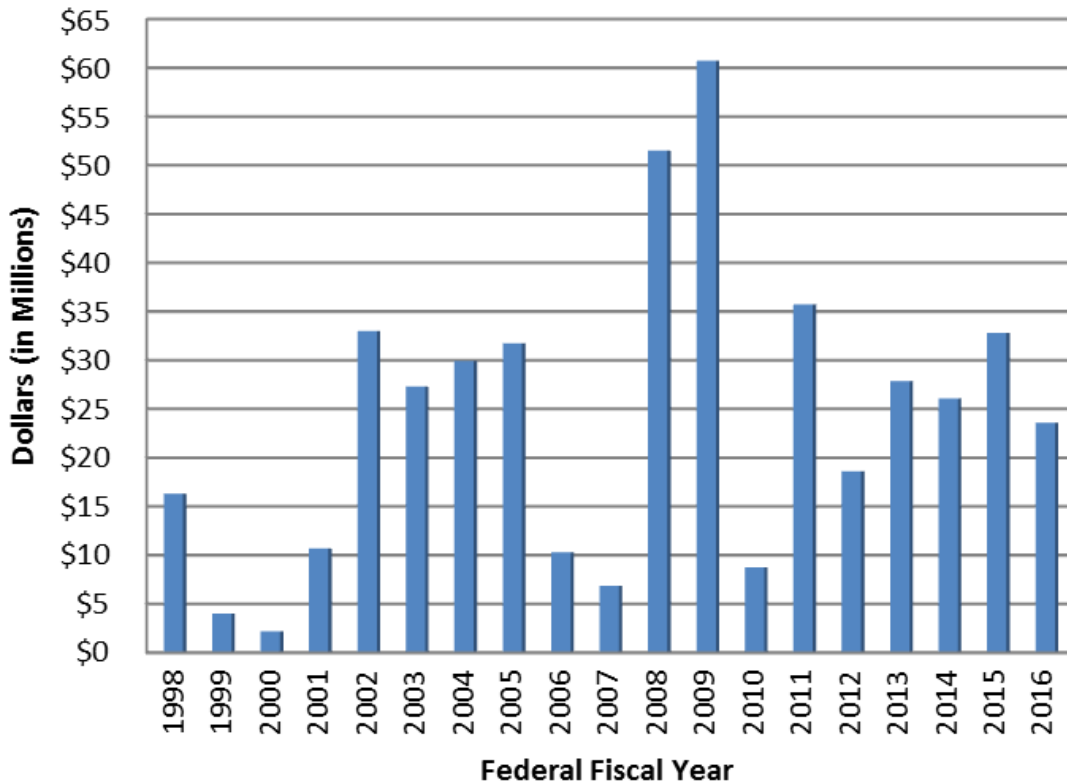
Annual amounts of Capitalization grants, state match and periodic leveraged bond funds are shown in Figure 2.

**FIGURE 2**  
**Source of State Revolving Funds by Year**



**Binding Commitments:** In order to provide financial assistance for drinking water projects, the state made 15 binding commitments totaling \$23,584,000. Exhibit I details the Drinking Water SRF binding commitments made during FFY 2016. Figure 3 shows binding commitments by year since the inception of the program.

**FIGURE 3**  
**Binding Commitments by Year**



**Revenues and Expenses:** Fund revenues consisted of capitalization grants, administrative expense surcharge payments, and interest earned on loans, investments, and other non-operating revenues. In state fiscal year 2016 (July 1, 2015 through June 30, 2016) these revenues totaled \$24,851,386. Fund expenses included administration expenditures, interest payable on bonds, and the amortization of each bond’s issuance costs. These expenses totaled \$8,506,285. The Statement of Revenues, Expenses, and Changes in Fund Net Assets is shown on Exhibit X.

**Disbursements and Guarantees:** There were no loan guarantees during FFY 2016.

**Findings and Recommendations of the Annual Audit and EPA Oversight Review:**

The Drinking Water SRF program was audited by the South Dakota Department of Legislative Audit for state fiscal year 2016 (July 1, 2015, through June 30, 2016), and the audit report was issued on October, 7, 2016. The audit did not contain any written findings or recommendations.

Region VIII conducted its annual oversight review of the South Dakota Drinking Water SRF program. Final reports for EPA’s annual review were received on July 20, 2016, and there were no recommendations.

## **ASSISTANCE ACTIVITY**

Exhibits I through VIII illustrate the assistance activity of the Drinking Water SRF in FFY 2016 and projected cash flows for FFY 2016.

- |              |  |
|--------------|--|
| Exhibit I    | Recipients by population category that received Drinking Water SRF loans during FFY 2016.  |
| Exhibit II   | The assistance amount provided to each project by needs category.  |
| Exhibit III  | Source of Drinking Water SRF funds by fiscal year.   |
| Exhibit IV   | The loan draws and administrative disbursements for FFY 2016.  |
| Exhibit V    | The estimated and actual cash disbursement schedule from the federal Letter of Credit for FFY 2016. The estimated schedule was established by the state and EPA through the annual capitalization grant application process. |
| Exhibit VI   | The environmental review and land purchase information for the loans made in FFY 2016.   |
| Exhibit VII  | The cumulative report showing loan transactions by borrower through September 30, 2016.  |
| Exhibit VIII | The projected principal and interest payments for FFY 2016.  |

## **PROVISIONS OF THE OPERATING AGREEMENT/CONDITIONS OF THE GRANT**

The State of South Dakota agreed to 25 conditions in the Operating Agreement and Capitalization Grant Agreement. The following 21 conditions have been met and need no further description:

1. Enact legislation to establish Drinking Water SRF
2. Comply with all applicable state statutes and regulations
3. Allocate adequate personnel and resources to Drinking Water SRF program
4. Agreement to accept payments
5. Cash draws for Drinking Water SRF program separate
6. Provide state match
7. Deposit of all funds into Drinking Water SRF account
8. Establish fiscal controls and accounting procedures in accordance with Generally Accepted Accounting Principles
9. Annual audit
10. Loan covenants
11. Timely and expeditious use of funds
12. Project priority list additions and modifications
13. Annual revision of the intended use plan
14. Reports on the actual use of funds
15. Conduct environmental reviews
16. Set-asides will be identified each year
17. Compliance with specific Title I requirements
  - A. Authority to ensure new systems demonstrate technical, managerial, and financial capability
  - B. Funds provided only to systems with technical, managerial, and financial capability
  - C. Operator certification
18. Privately-owned systems may receive funding
19. Disadvantaged communities
20. Transfers between Clean Water SRF Program and Drinking Water SRF Program
21. Prior to executing binding commitments on Drinking Water SRF projects, the Regional Administrator must certify project compliance with Title VI of the Civil Rights Act. All loan recipients submitted project certification forms (EPA 4700-4) to DENR, but the department was notified in FY 2003 that it need no longer submit these forms to EPA for concurrence.

The following condition is described in detail below.

- **Compliance with all applicable federal cross-cutting authorities, including the establishment of Minority Business Enterprise (MBE)/Women’s Business enterprise (WBE) goals and submission of MBE/WBE Utilization reports.**

The state and EPA have agreed on “fair share” goals of 1 percent MBE and 4 percent WBE. The actual MBE/WBE participation achieved during FFY 2016 was 0.0 percent MBE and 0.44 percent WBE.

- **The state must use \$1,662,400 of the funds provided by the FFY 2016 capitalization grant for additional subsidy. Disadvantaged communities were eligible for additional subsidy in the form of principal forgiveness, in an amount equal to an additional 30 percent of the FFY 2016 capitalization grant or \$2,493,600.**

Additional subsidy in the amount of \$1,582,378 was awarded from FFY 2016 capitalization grant funds from the non-disadvantaged assistance allowance. An additional \$2,493,600 of additional subsidy was provided to community’s meeting the criteria for disadvantaged assistance.

The State met the reporting requirements for additional subsidy awarded for the FFY 2015 Capitalization grant.

- **Davis-Bacon Wage Rate Requirements**

The state contracts with the six planning districts to monitor Davis-Bacon wage rate requirements for all entities with the exception of Sioux Falls, which provides its own reporting.

- **Reporting subawards as required by the Federal Financial Accountability and Transparency Act (FFATA)**

The state met the reporting requirements of FFATA with regard to the FFY 2015 capitalization grant. The FFATA requirements of the FFY 2016 must be met by July 20, 2018. As of September 30, 2016, \$705,000 of the \$8,312,000 capitalization grant has been reported.

## **2017 INTENDED USE PLAN**

The Annual Report contains the 2017 Intended Use Plan as approved by the Board of Water and Natural Resources on November 9, 2016, and is shown in Addendum A.



**SOUTH DAKOTA**

**DRINKING WATER**

**STATE REVOLVING FUND**

**LOAN PROGRAM HISTORY**





## **INITIATION OF THE PROGRAM**

The Drinking Water State Revolving Fund (SRF) Loan program is a low interest loan program to finance drinking water projects. Funds are provided to the state in the form of capitalization grants awarded annually through the United States Environmental Protection Agency (EPA). The federal capitalization grants are matched by state funds at a ratio of 5 to 1.

The program was federally authorized by the Safe Drinking Water Act Amendments of 1996. The state authorized the loan program in 1994 in anticipation of federal action. EPA provided the final guidance for the Drinking Water SRF program on February 28, 1997. The South Dakota Conservancy District, acting in its capacity as the Board of Water and Natural Resources (the board), conducted a public hearing on April 15, 1997, to adopt formal administrative rules for the program.

The board conducted a public hearing on May 28, 1997, to adopt the 1997 Intended Use Plan. The State of South Dakota submitted an Operating Agreement and Capitalization Grant application for FFY 1997 in August of that year and received EPA approval on September 23, 1997. South Dakota's Drinking Water SRF program was the fourth in the nation to be approved by EPA.

## **CAPITALIZATION GRANTS**

Since 1997, South Dakota's Drinking Water SRF program has received federal capitalization grants totaling \$187,703,298. This includes the 2002 and 2003 Clean Water SRF Capitalization Grants that were transferred to the Drinking Water SRF Program. In order to receive each of the capitalization grants, the federal grant must be matched with state funds equal to at least 20 percent of each grant. To meet this requirement, state appropriations, SRF administrative surcharge fees, and revenue bonds have provided the required \$37,540,660 state matching funds. Exhibit III shows the total amount of capitalization grants and state match by year. In addition to the base capitalization grant, the program received \$19,500,000 in American Recovery and Reinvestment Act funds, for which no match was required.

## **STATE MATCHING FUNDS**

The Safe Drinking Water Act amendments allowed states to defer the state match of the 1997 capitalization grant until September 30, 1999. South Dakota deferred its match until program bonds were issued in 1998. For the 1998 capitalization grant, the source of the state match had to be identified at the time of the grant application in December 1997. The 1997 state appropriation of \$1,424,260 was utilized to match the 1998 capitalization grant.

The first program bonds were issued for state match purposes in June 1998. To date, \$28,279,720 in state match bonds have been issued for state match. Table 7 recaps the state match bond issues. Additionally, \$7,260,940 Drinking Water administrative surcharge fees have



been used for state match. The administrative surcharge fees are structured as a component of the interest rate paid by the Drinking Water SRF borrowers.

**Table 7**  
**Drinking Water State Revolving Fund Program**  
**Bond and Note Issues**

Series	Match	Refund	Leveraged	True	Bond Ratings	
				Interest	Moody's	S & P
				Cost		
1998	\$6,450,000			4.85%	A1	
2001	\$5,270,000			4.87%	Aa1	
2004	\$5,001,620		\$22,305,662	4.48%	Aaa	AAA
2005	\$1,670,500		\$7,000,000	4.36%	Aaa	AAA
2008	\$4,887,600		\$13,000,000	**	VMIG-1	A-1+
2009*			\$18,221,624	0.584%	MIG-1	SP-1+
2010*		\$18,221,624		0.35%	MIG-1	SP-1+
2010A		\$12,801,699		3.394%	Aaa	AAA
2010B		\$26,447,224		3.588%	Aaa	AAA
2012A		\$29,991,648		2.416%	Aaa	AAA
2012B		\$3,537,954		2.822%	Aaa	AAA
2014A	\$5,000,000			1.69%	Aaa	AAA
2014B			\$7,000,000	3.02%	Aaa	AAA
	\$28,279,720	\$91,000,149	\$67,527,286			

\* Bond Anticipation Notes

\*\* Multi-modal variable rate issue

Initial Pricing March 2008: 2.35% in effect until August 1, 2008  
 Rate Reset on August 1, 2008: 1.90% in effect until February 1, 2009  
 Rate Reset on February 1, 2009: 1.00% in effect until August 1, 2009  
 Rate Reset on August 1, 2009: 0.70% in effect until February 1, 2010  
 Rate Reset on February 1, 2010: 0.34% in effect until August 1, 2010  
 Rate Reset on August 1, 2010: 0.40% in effect until February 1, 2011  
 redemption date

### LEVERAGED PROGRAM BONDS AND NOTES

The Conservancy District has the ability to issue revenue bonds and notes above the amount required for state match to leverage additional funds for the programs. Leveraged bonds for the Drinking Water SRF program were issued in 2004, 2005, 2008, and 2014. The Series 2005 bonds initially provided \$14,500,000 of leveraged funds for the Drinking Water SRF program. Subsequently, the District transferred \$7,500,000 of leveraged bond proceeds to the Clean Water SRF program (see Table 8).

In August 2009, the Series 2009 Bond Anticipation Notes provided \$18,221,624 in leverage funds for the program. The cumulative amount of leveraged bonds and notes for the Drinking Water SRF program is \$60.725 Million. Table 7 recaps the state leveraged bonds and notes.

### TRANSFERS BETWEEN PROGRAMS

In federal fiscal years 2002 and 2003, because of the demand on the Drinking Water program, the Clean Water SRF capitalization grants and state match were transferred to the Drinking Water SRF program (see Table 8). These grants amounted to \$12,978,600, with a corresponding state match of \$2,595,720. In 2006, \$7,500,000 of the Series 2005 Drinking Water bond proceeds were transferred to the Clean Water program to meet demand, and in 2011, \$10,000,000 of repayment funds were transferred to the Clean Water program.

**Table 8**  
**Transfers between Clean Water SRF and Drinking Water SRF Programs**

From	To	Date of Transfer	Capitalization Grant	State Match	Bonds/ Repayment Transferred	Total
Clean Water SRF	Drinking Water SRF	09/2002	\$6,510,800	\$1,302,160		\$7,182,960
Clean Water SRF	Drinking Water SRF	05/2003	\$6,467,800	\$1,293,560		\$7,761,360
Drinking Water SRF	Clean Water SRF	03/2006			\$7,500,000	\$7,500,000
Drinking Water SRF	Clean Water SRF	05/2011			\$10,000,000	\$10,000,000

### OTHER FUNDS

The Drinking Water SRF program is intended to revolve in perpetuity. As borrowers repay their loans, the principal repayments are used to pay debt service on leveraged bonds. Excess repayments are then available to be loaned out to other communities. The first use of principal repayment for a loan was in 1999. The interest repaid by borrowers and investment earnings are dedicated to pay debt service on state match bonds. The excess interest (unrestricted cumulative interest) is then available to be loaned out to other communities. When the federal capitalization grants cease, all loans will be made from these sources. The first loan from unrestricted cumulative excess interest earnings was made in 2008.

### TRUSTEE

The First National Bank in Sioux Falls has been the trustee since the onset of the program in 1997. The trustee manages and invests all funds and accounts for the Drinking Water SRF program, issues amortization schedules, disburses loan funds, and receives all loan repayments. On September 2, 2016, the First National Bank in Sioux Falls provided the department with written notice of its intent to terminate its consultant contract as trustee. As of September 30, 2016 a new trustee had not been retained.

## **BOND COUNSEL**

Alzheimer & Gray served as bond counsel for the Series 1998A and Series 2001 Drinking Water State Revolving Fund Program Bonds. In July 2003, Alzheimer & Gray law firm dissolved, and Perkins Coie LLP was retained to serve as bond counsel. Perkins Coie served as bond counsel for the Series 2004, 2005, 2008, 2010, 2012, and 2014 bond issues and 2009 and 2010 bond anticipation notes.

## **UNDERWRITER**

Piper Jaffray served as underwriter for the Series 1998A Drinking Water State Revolving Fund Program Bonds. Dougherty and Company served as underwriter for the Series 2001 bonds. UBS Financial Services served as underwriter for the Series 2004 and Series 2005 State Revolving Fund Program Bonds. Wachovia Bank, National Association was selected as underwriter and remarketing agent for the Series 2008 bonds. Piper Jaffray & Company was selected through a competitive bid process as the underwriter for the Series 2009 Bond Anticipation Notes, and J.P. Morgan Securities L.L.C was chosen through a competitive bid process as the underwriter for the Series 2010 Bond Anticipation Notes.

In October 2010, a request for proposals was circulated for investment banking services. Three firms were retained to provide investment banking services through December 2013. For the 2010 Series Bonds, J.P. Morgan served as the book running senior manager and Piper Jaffray & Co. and Wells Fargo Securities, N.A. served as co-senior manager and co-manager, respectively. For the Series 2012 bonds, Wells Fargo Securities served as lead underwriter, with Piper Jaffray and Company and J.P. Morgan serving as co-managers.

In June 2014, another request for proposals was circulated for investment banking services. Two firms were selected to provide investment banking service until October 8, 2017. J.P. Morgan served as lead underwriter on the 2014 issue and Wells Fargo Securities served as co-manager.

## **FINANCIAL ADVISOR**

In September 2003, Public Financial Management (PFM) was retained to perform financial analyses of the SRF programs. PFM designed a comprehensive program cash flow model that assessed financial impacts of transfers between the Clean Water and Drinking Water programs, maintenance of SRF funds in perpetuity, short- and long-term effects of refunding some or all of the District's outstanding debt, financial impacts of leveraging the Drinking Water SRF program, and financial impacts of various methods by which required state matching funds may be provided.

## **INVESTMENT MANAGER**

The Board of Water and Natural Resources authorized distribution of a Request for Proposals for an Investment Manager for the SRF programs in January 2013. On March 11, 2013, the board selected PFM Asset Management as the investment manager, which will direct the investment of certain SRF program funds.

## **EPA REGION VIII**

Region VIII of the Environmental Protection Agency oversees the Drinking Water State Revolving Fund Loan program. EPA assists the state in securing capitalization grants and guides the Conservancy District in its administration of the program.



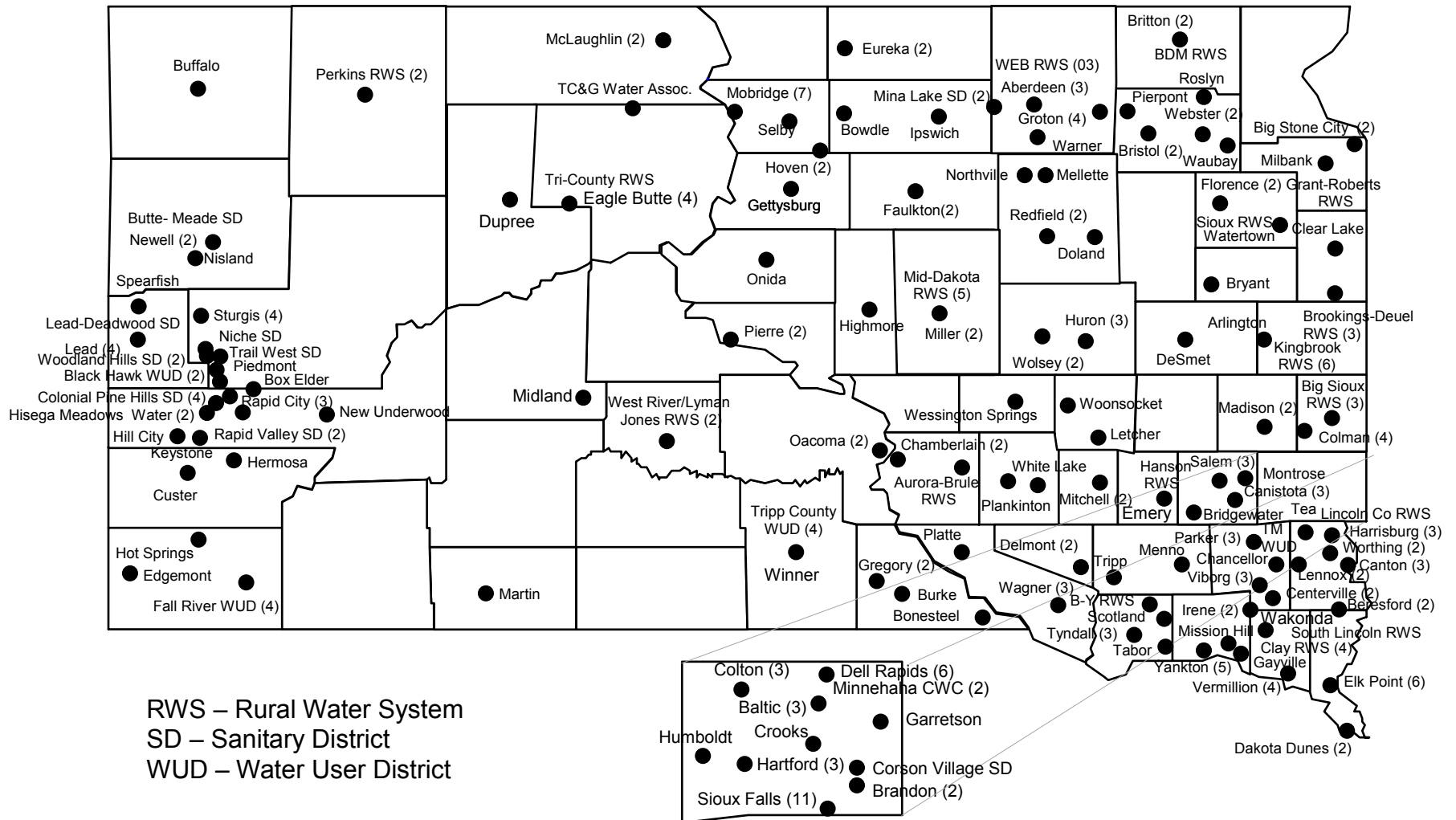
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**DRINKING WATER**  
**STATE REVOLVING FUND**  
**LOAN PORTFOLIO**

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**FIGURE 4**  
**Drinking Water State Revolving Fund Loans**





**Table 9**  
**Drinking Water SRF Loans**  
**Since Inception of Program through September 30, 2016**  
**Active Drinking Water SRF Loans**

<b>Sponsor</b>	<b>Binding Commitment Date</b>	<b>Rate</b>	<b>Term (years)</b>	<b>Original Binding Commitment Amount</b>	<b>Final Award Amount</b>
Aberdeen (DW-02)	07/23/2009	2.25%	10	\$1,750,000	\$1,330,118
Aberdeen (DW-03)	06/29/2012	3.00%	20	\$1,040,000	\$1,040,000
Baltic (DW-01)	06/27/2002	3.50%	20	\$250,000	\$250,000
Baltic (DW-02) – ARRA	06/25/2009	2.25%	10	\$165,000	\$163,446
Baltic (DW-03)	03/30/2012	3.00%	20	\$457,000	\$420,922
BDM RWS (DW-01)	04/12/2002	3.50%	20	\$536,000	\$280,251
Beresford (DW-01)	03/30/2012	3.00%	30	\$916,040	\$916,040
Beresford (DW-01)	03/28/2014	3.00%	30	\$745,000	\$745,000
Big Sioux CWS (DW-02)	03/28/2014	3.00%	15	\$900,000	\$900,000
Big Sioux CWS (DW-03)	03/27/2015	3.00%	20	\$1,014,000	\$1,014,000
Black Hawk WUD (DW-01)	03/26/1998	5.25%	20	\$500,000	\$500,000
Black Hawk WUD (DW-02)	01/03/2008	3.25%	20	\$1,142,000	\$1,066,674
Bonesteel (DW-01)	03/28/2013	2.25%	30	\$2,043,000	\$1,939,847
Box Elder (DW-01)	03/25/2011	3.00%	20	\$3,562,950	\$3,562,950
Brandon (DW-02)	03/27/2015	3.00%	20	\$12,425,000	\$12,425,000
Bridgewater (DW-01)	06/23/2016	2.25%	30	\$121,000	\$121,000
Bristol (DW-02)	03/28/2014	3.00%	30	\$1,979,000	\$1,979,000
Britton (DW-01)	04/25/2001	4.50%	20	\$320,000	\$320,000
Britton (DW-02)	03/31/2016	3.00%	30	\$3,212,000	\$3,212,000
Brookings-Deuel Rural Water System (DW-01)	01/06/2005	3.25%	30	\$1,200,000	\$1,002,464
Brookings-Deuel Rural Water System (DW-02)	06/23/2005	3.25%	30	\$1,750,000	\$1,750,000
Brookings-Deuel Rural Water System (DW-03)	03/31/2016	2.25%	10	\$250,000	\$250,000
Bryant (DW-01)	01/13/2000	3.00%	30	\$142,000	\$142,000
Buffalo (DW-01)	03/27/2015	2.25%	30	\$1,695,000	\$1,695,000
Burke (DW-01)	01/05/2006	2.50%	30	\$115,600	\$115,600
Butte-Meade Sanitary Water District	06/24/2011	2.25%	10	\$396,700	\$257,668
Canistota (DW-01) – ARRA	03/27/2009	3.00%	30	\$426,460	\$426,460
Canistota (DW-02)	03/28/2014	3.00%	30	\$1,095,000	\$1,095,000
Canistota (DW-03)	06/23/2016	3.00%	30	\$96,000	\$96,000
Canton (DW-01)	01/10/2003	3.50%	20	\$500,000	\$500,000
Canton (DW-02)	03/27/2015	3.00%	30	\$1,550,000	\$1,550,000
Canton (DW-02)	03/31/2016	3.00%	30	\$760,000	\$760,000
Centerville (DW-01)	03/25/2004	3.25%	30	\$870,000	\$870,000
Chamberlain (DW-01)	03/27/2008	3.25%	20	\$276,500	\$276,500
Chamberlain (DW-02)	09/26/2009	3.00%	20	\$1,000,000	\$873,704
Chancellor (DW-01)	09/22/2005	3.25%	30	\$230,000	\$205,948
Clay RWS (DW-01)	06/23/2005	3.25%	30	\$4,331,000	\$4,331,000
Clay RWS (DW-02) – ARRA	06/25/2009	3.00%	20	\$846,300	\$844,968
Clay RWS (DW-03)	06/24/2010	3.00%	30	\$2,208,000	\$2,205,570

<b>Sponsor</b>	<b>Binding Commitment Date</b>	<b>Rate</b>	<b>Term (years)</b>	<b>Original Binding Commitment Amount</b>	<b>Final Award Amount</b>
Clear Lake (DW-01)	12/10/1998	3.00%	30	\$565,000	\$540,637
Colman (DW-02)	03/30/2012	3.00%	30	\$439,008	\$434,528
Colman (DW-03)	03/28/2013	3.00%	30	\$1,600,000	\$1,600,000
Colman (DW-04)	03/31/2016	3.00%	30	\$500,000	\$500,000
Colonial Pine Hills Sanitary District (DW-01)	01/31/2002	3.50%	20	\$659,000	\$636,108
Colonial Pine Hills Sanitary District (DW-02)	07/23/2009	3.00%	20	\$1,003,608	\$1,003,608
Colonial Pine Hills Sanitary District (DW-03)	06/29/2012	3.00%	20	\$705,000	\$705,000
Colonial Pine Hills Sanitary District (DW-04)	01/08/2015	3.00%	20	\$400,000	\$400,000
Colton (DW-01)	06/27/2002	3.50%	30	\$681,720	\$632,455
Colton (DW-02)	03/25/2011	3.00%	20	\$191,100	\$181,156
Colton (DW-03)	01/05/2012	2.25%	10	\$210,740	\$156,434
Conde (DW-01)	03/31/2016	2.25%	30	\$2,333,000	\$2,333,000
Corson Village Sanitary District (DW-01) – ARRA	07/23/2009	3.00%	20	\$601,735	\$581,364
Crooks (DW-01)	06/25/2004	3.25%	20	\$302,900	\$133,510
Dakota Dunes CID (DW-02)	01/08/2015	3.00%	20	\$1,600,000	\$1,512,103
Dell Rapids (DW-01)	03/28/2003	3.50%	20	\$621,000	\$621,000
Dell Rapids (DW-02)	01/05/2006	3.25%	20	\$162,263	\$162,263
Dell Rapids (DW-03)	09/24/2011	3.00%	20	\$531,835	\$428,698
Dell Rapids (DW-04)	01/05/2012	2.25%	10	\$300,000	\$300,000
Dell Rapids (DW-05)	06/29/2012	3.00%	20	\$897,000	\$866,931
Dell Rapids (DW-06)	03/31/2016	3.25%	30	\$705,000	\$705,000
DeSmet (DW-01) – ARRA	08/26/2009	2.25%	30	\$258,000	\$258,000
Doland (DW-01)	06/24/2011	3.00%	30	\$1,762,200	\$1,642,867
Dupree (DW-01)	09/27/2012	2.25%	30	\$163,500	\$163,500
Eagle Butte (DW-01)	09/27/2012	0%	10	\$593,000	\$588,581
Eagle Butte (DW-02)	09/27/2012	0%	30	\$1,244,000	\$1,244,000
Eagle Butte (DW-03)	03/28/2013	0%	30	\$490,000	\$250,000
Eagle Butte (DW-04)	11/06/2014	0%	30	\$725,000	\$725,000
Edgemont (DW-01)	06/25/2015	0%	30	\$1,890,000	\$1,890,000
Elk Point (DW-01)	01/31/2002	3.50%	20	\$220,000	\$220,000
Elk Point (DW-02)	06/25/2004	3.25%	20	\$570,000	\$570,000
Elk Point (DW-03)	06/22/2006	3.25%	20	\$218,000	\$114,441
Elk Point (DW-04)	06/26/2008	3.25%	20	\$564,000	\$539,449
Elk Point (DW-05) – ARRA	07/23/2009	3.00%	20	\$1,179,500	\$798,040
Elk Point (DW-06)	06/23/2016	3.25%	30	\$564,000	\$564,000
Emery (DW-01)	06/25/2015	3.00%	30	\$1,585,000	\$490,000
Eureka (DW-01)	09/28/2006	0.00%	10	\$135,000	\$133,681
Fall River Water Users District (DW-01)	12/09/1999	3.00%	30	\$759,000	\$759,000
Fall River Water Users District (DW-02)	11/09/2001	2.50%	30	\$400,000	\$260,958
Faulton (DW-02)	01/07/2011	3.00%	30	\$511,725	\$499,185
Florence (DW-01)	06/25/2015	3.25%	30	\$688,000	\$688,000
Florence (DW-02)	06/25/2015	3.25%	30	\$567,000	\$567,000
Garretson (DW-01)	06/27/2002	3.50%	30	\$1,261,060	\$1,102,147
Gayville (DW-01)	11/30/2010	3.00%	30	\$900,000	\$900,000
Grant-Roberts Rural Water System (DW-01)	03/28/2013	3.00%	30	\$4,500,000	\$4,500,000

<b>Sponsor</b>	<b>Binding Commitment Date</b>	<b>Rate</b>	<b>Term (years)</b>	<b>Original Binding Commitment Amount</b>	<b>Final Award Amount</b>
Gregory (DW-01)	04/12/2002	2.50%	30	\$380,000	\$347,580
Gregory (DW-02)	01/07/2011	2.25%	30	\$685,080	\$551,691
Hanson Rural Water System (DW-01)- ARRA	08/26/2009	3.00%	20	\$840,000	\$754,341
Harrisburg (DW-01)	10/12/2000	5.00%	20	\$525,000	\$525,000
Harrisburg (DW-02)	03/30/2007	3.25%	20	\$1,714,327	\$1,291,925
Harrisburg (DW-03)	09/25/2008	3.25%	20	\$2,090,000	\$1,753,441
Hartford (DW-02)	01/10/2003	3.50%	20	\$800,957	\$800,957
Hartford (DW-03)	01/06/2005	3.25%	20	\$1,123,556	\$1,123,556
Hermosa (DW-01)	12/10/1998	5.00%	20	\$300,000	\$300,000
Highmore (DW-01)	03/28/2014	3.00%	30	\$395,000	\$267,038
Hisega Meadows Water, Inc. (DW-01)	06/29/2012	3.00%	20	\$487,500	\$487,500
Hisega Meadows Water, Inc. (DW-02)	09/26/2014	3.00%	20	\$273,000	\$273,000
Hot Springs (DW-01)	09/24/2010	3.00%	20	\$1,636,000	\$1,636,000
Hoven (DW-01)	09/24/2010	0%	-	\$750,000	\$750,000
Hoven (DW-02)	01/08/2015	0%	-	\$264,750	\$264,750
Humboldt (DW-01)	06/22/2006	3.25%	20	\$520,000	\$481,773
Huron (DW-01)	06/27/2002	3.50%	20	\$4,000,000	\$4,000,000
Huron (DW-02) – ARRA	08/26/2009	3.00%	30	\$619,684	\$478,407
Huron (DW-03)	09/24/2010	3.00%	30	\$1,098,900	\$592,073
Ipswich (DW-01) – ARRA	06/25/2009	3.00%	30	\$1,245,000	\$1,245,000
Irene (DW-02)	03/28/2014	3.00%	30	\$1,546,000	\$1,546,000
Keystone (DW-01)	03/25/2004	3.25%	20	\$762,000	\$630,212
Kingbrook RWS (DW-01)	04/13/2000	0.00%	30	\$475,000	\$474,204
Kingbrook RWS (DW-02)	01/06/2005	3.25%	30	\$2,115,000	\$2,115,000
Kingbrook RWS (DW-03)	03/30/2005	3.25%	20	\$3,324,000	\$3,136,677
Kingbrook RWS (DW-04)	06/22/2006	3.25%	20	\$2,350,000	\$2,315,622
Kingbrook RWS (DW-05)	01/10/2014	3.00%	20	\$540,000	\$540,000
Kingbrook RWS (DW-06)	03/31/2016	3.00%	20	\$9,000,000	\$9,000,000
Lead (DW-02)	01/06/2005	3.25%	30	\$205,800	\$192,549
Lead (DW-03) –ARRA	08/26/2009	3.00%	20	\$1,020,000	\$784,987
Lead (DW-04)	03/28/2014	3.00%	20	\$939,000	\$939,000
Lennox (DW-01)	07/16/2004	3.25%	30	\$2,000,000	\$2,000,000
Lennox (DW-02)	03/30/2012	3.00%	20	\$712,431	\$712,431
Lincoln County Rural Water (DW-01)	01/31/2002	3.50%	20	\$1,200,000	\$1,079,170
Martin (DW-01)	09/25/2003	2.50%	30	\$920,000	\$917,901
McLaughlin (DW-01)	06/25/2004	2.50%	30	\$350,000	\$350,000
McLaughlin (DW-02)	06/24/2011	2.25%	30	\$4,151,050	\$3,805,869
Mellette (DW-01) – ARRA	08/27/2009	3.00%	30	\$271,780	\$271,780
Menno (DW-01)	09/22/2012	2.25%	10	\$157,000	\$157,000
Mid-Dakota RWS (DW-03)	06/24/2011	3.00%	30	\$2,979,054	\$2,979,054
Mid-Dakota RWS (DW-04)	06/29/2012	3.00%	30	\$719,000	\$644,786
Mid-Dakota RWS (DW-05)	01/08/2015	3.00%	15	\$2,535,000	\$2,535,000
Midland (DW-01)	06/23/2016	2.25%	30	\$225,000	\$225,000
Milbank (DW-01)	09/22/2005	2.50%	30	\$4,741,000	\$4,460,294
Miller (DW-01)	01/03/2008	2.50%	10	\$255,200	\$225,389
Miller (DW-02)	03/31/2016	3.00%	30	\$2,112,000	\$2,112,000

<b>Sponsor</b>	<b>Binding Commitment Date</b>	<b>Rate</b>	<b>Term (years)</b>	<b>Original Binding Commitment Amount</b>	<b>Final Award Amount</b>
Mina Lake San Dist (DW-01)	11/13/1998	5.00%	20	\$255,200	\$255,200
Mina Lake San Dist (DW-02) – ARRA	06/25/2009	3.00%	20	\$567,390	\$490,398
Minnehaha CWC (DW-01)	06/27/2002	3.50%	20	\$6,500,000	\$6,022,816
Mitchell (DW-01)	10/12/2000	4.50%	20	\$6,000,000	\$2,850,115
Mitchell (DW-02) – ARRA	08/26/2009	3.00%	20	\$2,360,000	\$1,956,237
Mobridge (DW-03)	09/28/2006	2.50%	30	\$213,500	\$213,500
Mobridge (DW-04)	06/28/2007	2.50%	30	\$90,000	\$62,442
Mobridge (DW-06)	06/29/2012	2.25%	30	\$1,212,000	\$1,212,000
Mobridge (DW-07)	01/10/2014	2.25%	30	\$400,000	\$369,526
Montrose (DW-01)	03/25/2011	3.00%	30	\$893,000	\$862,825
New Underwood (DW-01)- ARRA	06/25/2009	3.00%	20	\$175,500	\$169,299
Newell (DW-01)- ARRA	08/26/2009	2.25%	30	\$829,500	\$714,774
Newell (DW-02)	03/30/2012	1.25%	10	\$266,250	\$230,952
Niche Sanitary District (DW-01)	06/29/2012	2.25%	30	\$315,000	\$315,000
Nisland (DW-01)	12/13/2001	0.00%	30	\$350,000	\$350,000
Northville (DW-01)- ARRA	07/23/2009	3.00%	20	\$203,460	\$186,804
Onida (DW-01)	09/26/2014	3.00%	20	\$905,000	\$905,000
Parker (DW-01)	09/23/2004	3.25%	20	\$730,000	\$730,000
Parker (DW-02)	06/22/2006	3.25%	20	\$300,000	\$209,541
Parker (DW-03) – ARRA	03/27/2009	3.00%	20	\$554,200	\$554,200
Perkins County RWS (DW-02)	03/31/2016	2.25%	30	\$1,722,000	\$1,722,000
Piedmont (DW-01)	03/25/2011	3.00%	20	\$1,404,000	\$1,404,000
Pierpont (DW-01)	06/24/2011	3.00%	30	\$551,200	\$544,908
Pierre (DW-01)	01/31/2002	3.50%	15	\$1,094,200	\$988,188
Pierre (DW-02)	09/25/2003	3.50%	15	\$1,832,900	\$1,832,900
Plankinton (DW-01)	06/24/2011	3.00%	30	\$1,765,000	\$1,442,083
Rapid City (DW-02)	07/23/2009	3.00%	20	\$6,000,000	\$6,000,000
Rapid City (DW-03)	06/26/2014	3.00%	20	\$4,626,000	\$4,626,000
Rapid Valley San. Dist. (DW-02)	09/27/2012	3.00%	20	\$500,000	\$414,367
Redfield (DW-01)	04/25/2001	4.50%	20	\$85,000	\$85,000
Redfield (DW-02)	06/23/2005	2.50%	30	\$342,755	\$228,823
Salem (DW-02)	06/23/2005	3.25%	20	\$348,540	\$328,966
Salem (DW-03)	06/28/2007	3.25%	30	\$1,345,000	\$1,345,000
Scotland (DW-01)	03/28/2003	2.50%	30	\$340,000	\$235,172
Sioux Falls (DW-05)	07/16/2004	2.50%	10	\$12,749,000	\$10,828,766
Sioux Falls (DW-06)	01/03/2008	2.50%	10	\$17,848,000	\$9,938,849
Sioux Falls (DW-07)	01/03/2008	2.50%	10	\$2,200,000	\$2,200,000
Sioux Falls (DW-08)	01/03/2008	2.50%	10	\$2,705,600	\$2,088,645
Sioux Falls (DW-09) – ARRA	03/27/2009	2.25%	10	\$3,578,750	\$2,678,738
Sioux Falls (DW-10) – ARRA	03/27/2009	2.25%	10	\$7,606,900	\$5,819,138
Sioux Falls (DW-11)	01/07/2011	2.25%	10	\$4,000,000	\$4,000,000
Sioux Rural Water System (DW-01)	03/27/2015	3.00%	20	\$2,515,000	\$2,515,000
South Lincoln RWS (DW-02)	01/07/2011	3.00%	30	\$476,500	\$476,500
Spearfish (DW-01)	01/04/2013	2.25%	10	\$3,254,000	\$3,254,000

<b>Sponsor</b>	<b>Binding Commitment Date</b>	<b>Rate</b>	<b>Term (years)</b>	<b>Original Binding Commitment Amount</b>	<b>Final Award Amount</b>
Sturgis (DW-02) – ARRA	08/26/2009	2.25%	10	\$863,000	\$608,417
Sturgis (DW-04)	03/30/2012	3.00%	20	\$2,200,000	\$2,035,893
Tabor (DW-01)	03/28/2013	3.00%	20	\$1,530,000	\$1,530,000
TC&G Water Association (DW-01)	06/25/2015	2.25%	30	\$210,000	\$210,000
Tea (DW-01)	03/30/2007	3.25%	20	\$2,263,723	\$2,263,723
TM Rural Water District (DW-01)	06/24/2011	3.00%	30	\$1,084,750	\$1,081,299
Trail West Sanitary District (DW-01)	09/22/2011	3.00%	20	\$1,651,000	\$1,607,626
Tri County Water Association	03/30/2012	0%	-	\$200,000	\$200,000
Tripp (DW-01)	07/26/2001	2.50%	30	\$291,000	\$225,656
Tripp County WUD (DW-01)	11/14/2002	2.50%	30	\$3,500,000	\$3,500,000
Tripp County WUD (DW-02)	11/14/2002	0.00%	30	\$148,000	\$131,469
Tripp County WUD (DW-04)	03/28/2014	2.25%	30	\$11,750,000	\$11,750,000
Tyndall (DW-02)	11/09/2001	2.50%	30	\$861,000	\$861,000
Tyndall (DW-03)	03/27/2015	2.25%	30	\$1,570,000	\$1,570,000
Vermillion (DW-02)	06/27/2002	3.50%	20	\$1,510,000	\$1,507,552
Vermillion (DW-03)	09/22/2005	2.50%	20	\$3,772,500	\$3,693,216
Vermillion (DW-04)	03/25/2011	2.25%	30	\$1,532,000	\$1,438,541
Viborg (DW-01)	03/27/2008	3.25%	20	\$249,775	\$104,491
Viborg (DW-02)	11/30/2010	3.00%	30	\$847,000	\$847,000
Viborg (DW-03)	06/23/2016	0.00%	30	\$606,000	\$606,000
Wagner (DW-01)	06/22/2006	0.00%	30	\$750,000	\$750,000
Wagner (DW-02)	06/28/2007	0.00%	30	\$175,000	\$175,000
Wakonda (DW-01)	03/31/2016	3.00%	20	\$1,378,000	\$1,378,000
Watertown (DW-01)	03/27/2008	3.25%	20	\$23,760,000	\$23,760,000
Waubay (DW-01)	03/31/2006	2.50%	30	\$750,000	\$750,000
Webster (DW-01)	04/12/2002	3.50%	20	\$330,000	\$318,828
Webster (DW-02)	09/24/2010	2.25%	10	\$387,400	\$277,522
Wessington Springs (DW-01)	03/27/2015	2.25%	30	\$209,000	\$209,000
White Lake (DW-01)	03/28/2013	2.25%	30	\$362,000	\$362,000
Winner (DW-01)	06/28/2013	2.25%	30	\$450,000	\$372,437
Wolsey (DW-01)	06/23/2005	3.25%	20	\$263,000	\$227,950
Wolsey (DW-02)	09/27/2007	3.25%	20	\$162,300	\$162,300
Woodland Hills Sanitary District (DW-01)	06/28/2013	3.00%	20	\$780,000	\$780,000
Woodland Hills Sanitary District (DW-02)	03/27/2015	3.00%	20	\$481,000	\$481,000
Woonsocket (DW-01) – ARRA	08/27/2009	3.00%	30	\$720,000	\$720,000
Worthing (DW-01)	06/26/2003	3.50%	20	\$288,000	\$288,000
Worthing (DW-02)	03/30/2012	3.00%	20	\$301,227	\$277,094
Yankton (DW-01)	11/09/2001	3.50%	20	\$3,460,000	\$3,460,000
Yankton (DW-02)	06/28/2007	3.25%	20	\$1,100,000	\$896,975
Yankton (DW-03) – ARRA	03/27/2009	3.00%	20	\$3,000,000	\$2,542,146
Yankton (DW-04) – ARRA	03/27/2009	3.00%	20	\$2,200,000	\$2,200,000
Yankton (DW-05)	09/27/2013	3.00%	30	\$12,850,000	\$12,850,000
<b>Total of Active Loans (Open or in Repayment)</b>				<b>\$347,735,533</b>	<b>\$320,077,538</b>

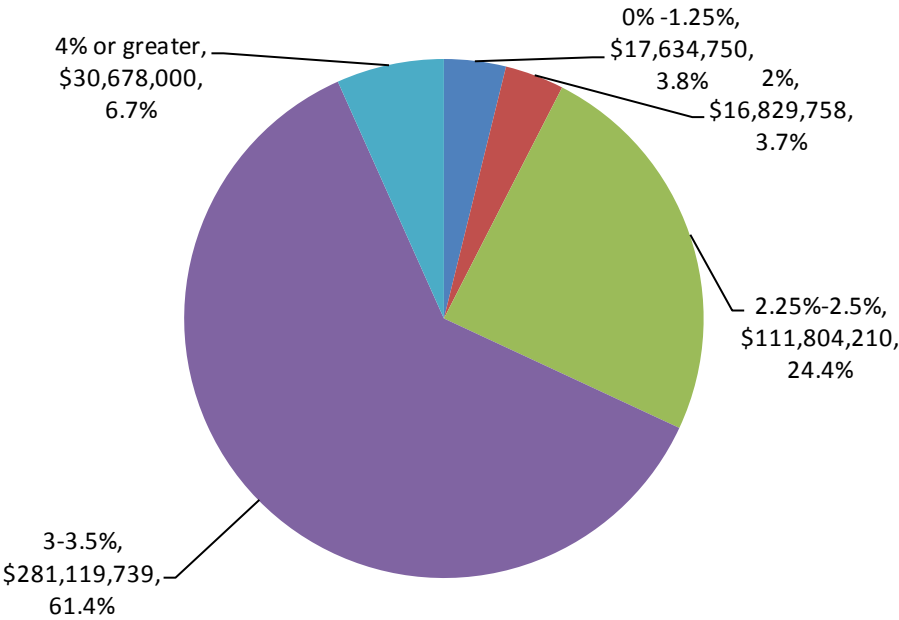
## Fully Repaid Drinking Water SRF Loans

Sponsor	Binding		Term (years)	Original	Final Award
	Commitment Date	Rate		Binding Commitment Amount	
Aberdeen (DW-01A)	03/28/2003	3.50%	20	\$9,460,000	\$9,460,000
Aberdeen (DW-01B)	01/08/2004	3.50%	20	\$7,300,000	\$7,024,258
Arlington (DW-01) – ARRA	06/25/2009	0%	-	\$100,000	\$100,000
Aurora-Brule RWS (DW-01) – ARRA	03/27/2009	0%	-	\$500,000	\$500,000
Big Stone City (DW-01)	07/22/1998	5.25%	20	\$600,000	\$570,000
Big Stone City (DW-02)	06/26/2003	3.50%	20	\$240,000	\$139,873
Bowdle (DW-01) – ARRA	06/25/2009	0%	-	\$150,000	\$150,000
Brandon (DW-01)	11/13/1998	4.75%	15	\$1,950,000	\$1,877,375
Clay RWS (DW-04)	09/22/2011	2.00%	3	\$1,369,758	\$1,369,758
Colman (DW-01)	03/30/2012	0%	-	\$182,000	\$167,260
Custer (DW-01)	01/10/2003	3.50%	20	\$800,000	\$800,000
Dakota Dunes CID (DW-01)	06/27/2002	3.50%	20	\$908,000	\$376,962
Delmont (DW-01)	06/26/2008	2.50%	30	\$185,000	\$158,461
Delmont (DW-02)	09/24/2011	2.25%	10	\$90,000	\$90,000
Eureka (DW-02) – ARRA	06/25/2009	0%	-	\$200,000	\$200,000
Fall River Water Users District (DW-03) – ARRA	03/27/2009	0%	-	\$612,000	\$612,000
Fall River Water Users District (DW-04) – ARRA	06/25/2009	0%	-	\$750,000	\$750,000
Faulton (DW-01) – ARRA	03/27/2009	0%	-	\$500,000	\$500,000
Gettysburg (DW-01)	06/14/2001	4.50%	20	\$565,000	\$565,000
Groton (DW-01)	03/28/2003	3.50%	20	\$440,000	\$440,000
Groton (DW-02)	06/25/2004	3.25%	20	\$365,900	\$308,945
Groton (DW-03) – ARRA	06/25/2009	0%	-	\$272,000	\$231,315
Hartford (DW-01)	04/13/2000	5.00%	20	\$185,000	\$185,000
Hill City (DW-01) - ARRA	08/26/2009	3.00%	30	\$402,200	\$336,903
Irene (DW-01)	06/22/2000	5.00%	20	\$145,000	\$127,126
Lead (DW-01)	07/27/2000	4.50%	10	\$192,800	\$192,800
Lead-Deadwood San Dist (DW-01)	06/24/1998	5.25%	20	\$2,700,000	\$2,683,957
Madison (DW-01)	05/14/1998	5.00%	15	\$2,372,000	\$2,372,000
Mid-Dakota RWS (DW-01)	03/27/2009	2.00%	3	\$12,000,000	\$9,455,108
Mid-Dakota RWS (DW-02) – ARRA	03/27/2009	0%	-	\$1,000,000	\$1,000,000
Mobridge (DW-01)	03/26/1998	5.25%	20	\$965,000	\$965,000
Mobridge (DW-02)	07/22/1998	5.25%	20	\$355,000	\$352,207
Mobridge (DW-05) – ARRA	06/25/2009	0%	-	\$500,000	\$500,000
Oacoma (DW-02)	08/10/2010	2.25%	10	\$1,351,300	\$1,061,416
Perkins County RWS (DW-01)	06/29/2012	0%	-	\$151,000	\$151,000
Platte (DW-01)	06/25/2004	2.50%	10	\$400,000	\$293,134
Rapid City (DW-01)	11/14/2003	3.50%	20	\$3,500,000	\$3,500,000
Rapid Valley San. Dist. (DW-01) – ARRA	06/25/2009	0%	-	\$682,000	\$682,000
Roslyn (DW-01) – ARRA	06/25/2009	0%	-	\$500,000	\$500,000
Salem (DW-01)	03/28/2003	3.50%	10	\$126,921	\$118,540
Selby (DW-01) – ARRA	06/25/2009	0%	-	\$100,000	\$100,000
Sioux Falls (DW-01)	07/22/1998	4.50%	10	\$7,022,000	\$6,496,745
Sioux Falls (DW-02)	01/11/2001	4.50%	10	\$2,750,000	\$2,348,168
Sioux Falls (DW-03)	04/12/2002	3.50%	10	\$7,930,000	\$7,930,000
Sioux Falls (DW-04)	01/10/2003	3.50%	10	\$5,279,000	\$279,599
South Lincoln RWS (DW-01)	01/10/2003	3.50%	20	\$2,000,000	\$2,000,000
Sturgis (DW-01)	01/08/1998	5.00%	15	\$700,000	\$478,377
Sturgis (DW-03)	06/24/2011	2.00%	3	\$3,460,000	\$3,460,000
TM Rural Water District (DW-02)	06/24/2011	0%	-	\$1,398,750	\$1,394,175
Tyndall (DW-01)	07/27/2000	2.50%	10	\$300,000	\$300,000
Vermillion (DW-01)	05/13/1999	5.00%	20	\$942,000	\$795,338
Warner (DW-01) – ARRA	03/27/2009	0%	-	\$400,000	\$400,000
West River/Lyman Jones RWS (DW-01)	10/12/2001	2.50%	30	\$340,000	\$340,000
West River/Lyman Jones RWS (DW-02)	03/30/2005	3.25%	30	\$8,000,000	\$7,943,023
<b>Total of Loans Paid in Full</b>				<b>\$95,689,629</b>	<b>\$85,132,823</b>
<b>GRAND TOTAL</b>				<b>\$443,425,162</b>	<b>\$405,210,361</b>

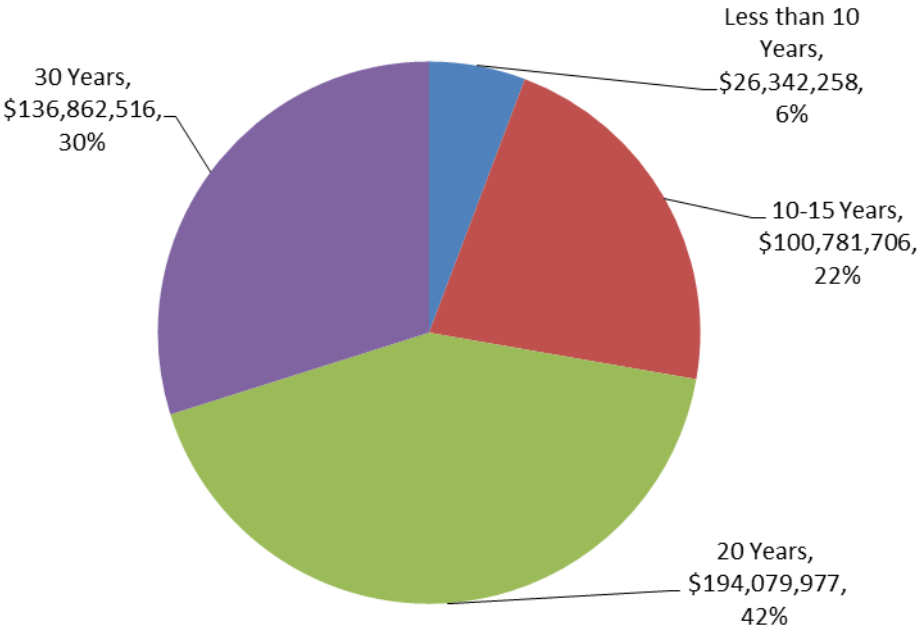
**Table 10**  
**State of South Dakota**  
**Drinking Water State Revolving Fund Loans Deobligated in Full or Rescinded by Board**

<b>Sponsor</b>	<b>Binding Commitment Date</b>	<b>Rate</b>	<b>Term (years)</b>	<b>Original Binding Commitment Amount</b>	<b>Final Award Amount</b>
Big Sioux CWS (DW-01)	03/31/2006	3.25%	20	\$831,000	\$0
Bristol (DW-01)	04/25/2001	4.50%	20	\$139,000	\$0
B - Y Water District (DW-01)	06/25/2009	0%	-	\$300,000	\$0
Centerville (DW-02)	03/30/2012	2.25%	10	\$116,685	\$0
Groton (DW-04)	09/24/2010	2.25%	10	\$703,000	\$0
Letcher (DW-01)	08/26/2009	2.25%	30	\$200,000	\$0
Madison (DW-02)	03/30/2012	3.00%	15	\$3,464,360	\$0
Minnehaha CWC (DW-02)	03/27/2015	3.00%	20	\$900,000	\$0
Mission Hill (DW-01)	06/26/2008	3.25%	20	\$250,000	\$0
Oacoma (DW-01) – ARRA	03/27/2009	3.00%	20	\$1,414,800	\$0
Tripp County WUD (DW-03)	06/29/2012	3.00%	20	\$850,000	\$0
Wagner (DW-03) – ARRA	07/23/2009	0.00%	30	\$275,000	\$0
WEB WDA (DW-01)	03/26/1998	5.25%	20	\$1,110,000	\$0
WEB WDA (DW-02)	10/11/2001	2.50%	30	\$137,450	\$0
WEB WDA (DW-03)	03/31/2006	3.25%	20	\$3,950,000	\$0
<b>Total of Loans Deobligated or Rescinded</b>				<b>\$14,641,295</b>	<b>\$0</b>

**FIGURE 5**  
**Drinking Water SRF Interest Rates By Percent of Awards**  
**(\$458.1 Million)**



**FIGURE 6**  
**Drinking Water SRF Loan Terms By Percent of Awards**  
**(\$458.1 Million)**





## DRINKING WATER SRF PROJECT DESCRIPTIONS

**ABERDEEN** – The city of Aberdeen received an \$8,460,000 loan at 3.5 percent for 20 years. This loan was the first installment of the city's \$14,460,000 project to improve the water treatment plant. Total project costs increased to \$18,700,000, and the city received the second installment of its loan in 2004 in the amount of \$8,300,000. Aberdeen received a \$1,750,000 loan with \$175,000 of principal forgiveness through the American Recovery and Reinvestment Act of 2009 to replace water meters throughout the city. The loan was awarded at 2.25 percent for ten years. The city's third loan, in the amount of \$1,040,000 at 3 percent for 20 years, was awarded to replace the Elm River raw water intake for the water treatment facility.

**ARLINGTON** - The city of Arlington received a \$100,000 loan with 100 percent principal forgiveness through the American Recovery and Reinvestment Act of 2009. The loan was to replace water lines on Birch and 1<sup>st</sup> Streets.

**AURORA-BRULE RURAL WATER SYSTEM** - The Aurora-Brule Rural Water System received a \$500,000 loan with 100 percent principal forgiveness through the American Recovery and Reinvestment Act of 2009. The loan was to construct a new raw water intake and associated piping.

**BALTIC** – The city of Baltic received a \$250,000 loan for replacement of existing cast iron pipe with PVC water mains. The loan was at 3.5 percent for 20 years. Baltic's second loan was for \$165,000 to replace water meters. This loan was at 2.25 percent for 10 years and included \$16,500 of principal forgiveness through the American Recovery and Reinvestment Act of 2009. The city's third loan was awarded to replace aging water and sewer lines on Elm Avenue, Jans Circle, Richards Circle, and Bonnies Circle. The loan was for \$457,000 at 3 percent for 20 years,

**BDM RURAL WATER SYSTEM** – The system received a loan in the amount of \$536,000 for expansion of the system to the city of Britton, SD. The loan was at 3.5 percent for 20 years.

**BERESFORD** - The city of Beresford received its first loan to repair aging water lines in various areas in the city and install new lines to provide looping in the system and connect to the Lewis & Clark Regional Water System. The loan was for \$916,040 at 3 percent for 30 years and included \$458,020 of principal forgiveness. The city received its second loan to replace sewer in conjunction with a South Dakota Department of Transportation Highway 46 reconstruction project. The loan was for \$745,000 at 3 percent for 30 years and included \$375,000 of principal forgiveness.

**BIG SIOUX COMMUNITY WATER SYSTEM** – The Big Sioux Community Water System received a loan in the amount of \$831,000 for clearwell and water storage improvements. The loan was at 3.25 percent for 20 years. The loan was rescinded at the borrower's request. The water system received its second loan to install an automatic meter reading system. The loan was for \$900,000 at 3 percent for 15 years. The Big Sioux Community Water System received its third loan for the installation of a 12-inch water main to connect the Big Sioux system to the Minnehaha Community Water Corporation to pump water north to the existing Big Sioux Ethanol Tower. This addition will allow the Big Sioux system to deliver up to 1.0 MGD of water to the city of Madison, South Dakota. The loan amount was \$1,014,000 at 3.0 percent for 20 years.

**BIG STONE CITY** – The city of Big Stone City utilized a \$600,000 loan to construct a 100,000-gallon elevated water storage tank. The project also included the installation of a water main to connect the tank to the existing distribution system, and the refinancing of debt incurred to connect to the Ortonville, Minnesota regional water treatment plant. The 20-year loan is at 5.25 percent. The city received its second loan in the amount of \$240,000 at 3.5 percent for 20 years to fund improvements to the water distribution system.

**BLACK HAWK WATER USER DISTRICT** – The Black Hawk Water User District received a loan for \$500,000. This loan financed a new well, pump house construction, installation of chlorination and fluoridation equipment, a 48,000-gallon water storage reservoir, and approximately 7,000 feet of new water lines. This loan is at 5.25 percent for 20 years. The second loan, in the amount of \$1,142,000 loan at 3.25 percent for 20 years, financed an 815,000-gallon, ground storage reservoir and a transmission line to improve service to Summerset

**BON HOMME-YANKTON WATER USER DISTRICT** - The Bon Homme-Yankton Water User District received a \$300,000 loan with 100 percent principal forgiveness through the American Recovery and Reinvestment Act (ARRA) of 2009. The loan was to construct a new raw water intake; however, due to inability of the project to meet ARRA deadlines, the loan was subsequently deobligated in full at the district's request.

**BONESTEEL** - Bonesteel received its first Drinking Water SRF loan to eliminate all 4- to 8-inch cast iron pipe in the distribution system and install new hydrants, service lines and valves. A radio read water metering system was also installed. The loan amount was \$2,043,000 at 2.25 percent for 30 years and included \$1,543,000 in principal forgiveness.

**BOWDLE** - The city of Bowdle received a \$150,000 loan with 100 percent principal forgiveness through the American Recovery and Reinvestment Act of 2009. The loan was to replace water lines in various locations throughout the city.

**BOX ELDER** – The city of Box Elder's First Drinking Water SRF loan was to develop a new well and construct a water reservoir and pipe lines to connect to the existing water distribution system. The \$3,562,950 loan was at 3 percent of 20 years and included \$356,295 in principal forgiveness.

**BRANDON** – Brandon received a loan for \$1,950,000 at 4.75 percent for 15 years to construct a water treatment plant and upgrade the distribution system. Brandon received its second loan to construct two 1,250,000-gallon water storage tanks, loop distribution lines, upsize trunk lines, and replace approximately 13,000 feet of asbestos concrete pipe. The loan was for \$12,425,000 at 3.0 percent for 20 years and included \$500,000 of principal forgiveness.

**BRIDGEWATER** – Bridgewater received a loan in the amount of \$121,000 at 2.25 percent for 30 years to replace water main on Main Street.

**BRISTOL** – The town of Bristol received a loan in the amount of \$139,000 at 4.5 percent interest for 20 years. The project involved construction of a new elevated storage tank as well as replacement of an underground storage tank. The loan was subsequently deobligated at the town's request. The town received its second loan to replace all existing cast iron and asbestos concrete water lines throughout the community. The loan was for \$1,979,000 at 3 percent for 30 years and included \$1,514,000 of principal forgiveness.

**BRITTON** – The city of Britton received a loan in the amount of \$320,000 to replace and make improvements to approximately 30 blocks of water main throughout the city. The project involved replacing 50-year old cast iron pipes, much of which completely deteriorated due to rust and scale build-up. The loan was at 4.5 percent interest for 20 years. Britton's second loan in the amount of \$3,212,000 at 3 percent for 30 years was to make improvements to its water system. Improvements involved replacing all the 4-inch lines and 6-inch cast iron pipes in the distribution system with 6-inch PVC lines and installing additional valves. Other improvements included painting and updating the existing 250,000-gallon ground level and 150,000-gallon elevated storage tanks and constructing a new pump house.

**BROOKINGS-DEUEL RURAL WATER SYSTEM** – Brookings-Deuel RWS received two Drinking Water SRF loans in FFY 2005. The first loan, in the amount of \$1,200,000 at 3.25 percent for 30 years, increases the treatment capacity of the Bruce water treatment plant. The second loan, in the amount of \$1,750,000 at 3.25 percent for 30 years, made improvements to the distribution system and extended water to the community of Astoria. The system's third loan in the amount of \$250,000 at 2.25 percent for 10 years was for the installation of a meter data transmission unit on existing water meters to transmit meter readings to the Brookings-Deuel office using a cellular network.

**BRYANT** – The city of Bryant received a \$142,000 loan to help replace lead service lines and asbestos cement water mains throughout the city. The loan was at 3 percent interest for a term of 30 years.

**BUFFALO** –Buffalo's first loan is for the replacement of the cast iron pipe and asbestos cement pipe water main in the distribution system along with replacement of valves, hydrants, and service connections. The loan was for \$2,695,000 at 2.25 percent for 30 years and included \$600,000 of principal forgiveness.

**BUTTE-MEADE SANITARY WATER DISTRICT** – The Butte Meade Sanitary Water District received a \$396,700 Drinking Water SRF loan at 2.25 percent for 10 years to install new water meters and an automatic read system. The loan included \$85,000 of principal forgiveness.

**BURKE** – Burke's first loan, in the amount of \$115,600 at the disadvantaged rate of 2.5 percent for 30 years, funded the drinking water portion of the Franklin Street Utilities Replacement project.

**CANISTOTA** - The city of Canistota received a \$426,460 loan at 3.0 percent for 30 years to replace the water line on Ash Street. The loan included \$313,960 of principal forgiveness through the American Recovery and Reinvestment Act of 2009. The city received its second loan to replace water lines in a portion of the community. The loan was for \$1,095,000 at 3 percent for 30 years and included \$616,000 of principal forgiveness. Canistota was awarded its third loan in the amount of \$96,000 at 3 percent for 30 years to replace water service lines on Main Street.

**CANTON** - Canton utilized its first loan in the amount of \$500,000 at 3.5 percent for 20 years to fund utility improvements in conjunction with South Dakota DOT reconstruction of US 18. Canton received a second loan in the amount of \$1,550,000 at 3.0 for 30 years to for the installation of two wells and upgrades to the existing pumps and control system. Canton received its third loan in the amount of \$760,000 at 3 percent for 30 years to replace water lines as part of the Dakota Street reconstruction project.

**CENTERVILLE** – Centerville received its first drinking water SRF loan in the amount of \$870,000 to construct water distribution system improvements. The loan was at 3.25 percent for 30 years. The city received a second loan in the amount of \$116,685 at 2.25 percent for 10 years to replace meters and upgrade to a remote reading system. The loan was subsequently deobligated in full at the city's request.

**CHAMBERLAIN** – The city of Chamberlain obtained its first Drinking Water SRF loan in the amount of \$276,500 at 3.25 percent for 20 years to upgrade chemical feed and control systems and to make renovations to its water treatment plant. Chamberlain's second loan was for \$1,000,000 and was used to replace water mains and appurtenances at nine locations within the city. This loan was at 3.0 percent for 20 years and included \$300,000 of principal forgiveness through the American Recovery and Reinvestment Act of 2009.

**CHANCELLOR** – Chancellor's first drinking water SRF loan for \$230,000 at 3.25 percent for 30 years provided water distribution system improvements.

**CLAY RURAL WATER SYSTEM** – Clay RWS's first drinking water SRF loan expanded the system to southern Union County. The loan was for \$4,331,000 at 3.25 percent for 30 years. The system's second loan was for \$846,300 to construct two new wells, replace the Garfield Booster Station with an above ground pumping station, replace variable frequency drives on pumps, and miscellaneous improvements to the SCADA system. This loan was at 3.0 percent for 20 years and included \$700,000 of principal forgiveness through the American Recovery and Reinvestment Act of 2009. Clay Rural Water was awarded its third loan in the amount of \$2,208,000 at 3 percent for 30 years and included \$500,000 of principal forgiveness. The loan funded the construction of several loops in the distribution system, improvements to the Spink Reservoir, an upgrade to the interconnection with the city of Beresford, installation of a new booster station, and added about 80 new users. Clay Rural Water received a \$1,379,758 interim loan to replace aging water meters, install an automatic meter reading system, and construct three new lime sludge lagoons. The interim loan was for three years at 2 percent interest.

**CLEAR LAKE** – Clear Lake received a loan in the amount of \$565,000. This loan qualified for the disadvantaged rate and term of 3 percent for 30 years. This project consisted of constructing a new 300,000-gallon water tower and installation of a 2,700 LF of 10-inch water main that connected the tower with the water distribution system.

**COLMAN** – The city of Colman received its first two Drinking Water SRF loans in 2012. One loan, in the amount of \$182,000 at 2.25 percent for 10 years, was to replace water meters and install an automatic reading system. The other loan was for \$439,008 at 3 percent for 30 years to replace water lines and provided looping of the distribution system. A third loan was awarded in 2013 to replace water lines, loop the distribution system, and replace an old water storage tank. The loan amount was \$1,600,000 at 3 percent for 30 years and included \$968,000 in principal forgiveness. A fourth loan was awarded in 2016 in the amount of \$500,000 at 3 percent for 30 years to cover cost over-runs and recoup expenses for an emergency repair on the Highway 34 water main.

**COLONIAL PINE HILLS SANITARY DISTRICT** – Colonial Pine Hills improved its water distribution system with a \$659,000 loan at 3.5 percent for 20 years. The district’s second loan in the amount of \$1,003,608 was used to construct a new well, well-house, and distribution line to replace a well that experienced high radionuclide levels. This loan was at 3.0 percent for 20 years and included \$250,000 of principal forgiveness through the American Recovery and Reinvestment Act of 2009. Colonial Pine Hills’ third and fourth loans were awarded to provide financing for the installation of a new microfiltration water treatment unit and associated transmission lines. The loan amounts were \$705,000 and \$400,000, respectively; each at 3 percent for 20 years.

**COLTON** – The city of Colton used a loan in the amount of \$681,720 at 3.5 percent for 30 years to connect to the Minnehaha Community Water Corporation. The loan was used for an elevated storage tank, water lines, wells, and new water treatment plant. The city received its second loan to replace water lines as part of a utility replacement project on 5<sup>th</sup> Street. The loan was for \$191,100 at 3 percent for 20 years and included \$91,100 of principal forgiveness. Colton’s third loan was used to replace water meters and install an automatic reading system. The loan amount was \$210,740 at 2.25 percent for 10 years and included \$52,685 of principal forgiveness.

**CONDE** – The town of Conde was awarded a loan to replace existing 6-inch ductile iron pipe and 4-inch PVC pipe in the distribution system with 6-inch PVC pipe, replace the existing water tower with a 50,000-gallon ground storage tank and replace booster pumps. The loan was for \$2,333,000 at 2.25 percent for 30 years and included \$1,833,000 of principal forgiveness.

**CORSON VILLAGE SANITARY DISTRICT** – Corson Village received its first Drinking Water SRF loan to replace the water distribution system and connect to the city of Brandon. The \$601,735 loan (3 percent for 20 years) included \$541,562 of principal forgiveness through the American Recovery and Reinvestment Act of 2009.

**CROOKS** – Crooks constructed a second connection to Minnehaha Community Water Corporation’s distribution system and replaced high service pumps to improve capacity. The loan, in the amount of \$302,900, was at 3.25 percent for 20 years.

**CUSTER** - Custer received an \$800,000 loan at 3.5 percent for 20 years to replace transmission and distribution water lines within the business district in conjunction with a South Dakota DOT project.

**DAKOTA DUNES COMMUNITY IMPROVEMENT DISTRICT** – Dakota Dunes connected its water supply with the city of Sioux City, Iowa, with its \$908,000 loan at 3.5 percent for 20 years. This project included construction of a line beneath the Big Sioux River connecting the city of Sioux City’s distribution system with Dakota Dunes and the cost to upsize water mains in Sioux City to provide the additional capacity necessary to serve Dakota Dunes. The second loan awarded to Dakota Dunes was to construct an additional 500,000-gallon clearwell and add a third high service pump at the water treatment plant. The loan amount was \$1,600,000 at 3.0 percent for 20 years.

**DELL RAPIDS** - Dell Rapids constructed various distribution system improvements with its first \$621,000 loan at 3.5 percent for 20 years. The city’s second loan, in the amount of \$162,263 at 3.25 percent for 20 years, financed the drinking water portion of the 4<sup>th</sup> Street Utility Improvements project. A third loan in the amount of \$531,835 at 3 percent for 20 years was awarded to install water lines on 15<sup>th</sup> Street. Dell Rapids received two additional loans in 2012. A \$300,000 loan (2.25 percent for 10 years) was awarded to replace water meters and included \$30,000 of principal forgiveness.

The second loan financed the replacement of waterlines on 15th Street, Garfield Avenue, State Avenue and at the Big Sioux River Crossing. The loan amount was \$897,000 at 3 percent for 20 years and included \$250,000 of principal forgiveness. Dell Rapids was awarded its sixth loan to replace approximately 1,900 feet of cast iron water mains at the intersection of SD Highway 115, Old Highway 77 and 4th Street and 800 feet of cast iron lines on a portion of 10th Street near the hospital. This loan was for \$705,000 at 3.25 percent for 30 years.

**DELMONT** - Delmont received its first Drinking Water SRF loan to loop lines within the distribution system to improve water quality. The \$185,000 loan had a 2.5 percent interest rate with a 30-year term. The community's second loan, \$90,000 with 100% as principal forgiveness, was to install new water meters and an automatic read system.

**DESMET** - DeSmet used its first SRF loan to replace cast iron water mains with PVC water mains on 3rd Street from Highway 25 to Prairie Avenue. The \$258,000 loan, at 2.25 percent for 30 years, included \$25,800 of principal forgiveness through the American Recovery and Reinvestment Act of 2009.

**DOLAND** – Doland was awarded its first Drinking Water SRF loan to replace cast iron water lines throughout the town construct a new elevated storage tank. The loan amount was \$1,762,200 at 3 percent for 30 years and included \$1,375,000 of principal forgiveness.

**DUPREE** – Dupree's first Drinking Water SRF loan, \$163,500 at 2.25 percent for 30 years, was used to replace 8 blocks of cast iron and asbestos cement water mains. The loan included \$100,000 of principal forgiveness.

**EAGLE BUTTE** - Eagle Butte was awarded a loan for \$593,000 with \$474,000 of principal forgiveness was at zero percent for 10 years that was used to replace water meters and install an automatic meter read system. The city's second and fourth loans were to extend water services to a portion of the community with limited access to the water system and replace aging infrastructure in the downtown area. These loans, each at zero percent for 30 years, were for \$1,244,000 and \$725,000, respectively, and included \$995,200 and \$362,500 of principal forgiveness, respectively. A third loan in the amount \$490,000 at zero percent for 30 years, with \$392,000 of principal forgiveness, was originally intended to replace water lines on Willow Street. When the cost of the afore-mentioned project came in over estimates, the city requested that the scope of the loan be revised and used to address the cost over-run. The loan amount was reduced to \$250,000 and included \$200,000 of principal forgiveness.

**EDGEMONT** – Edgemont received its first loan in the amount of \$1,890,000 to rehabilitate two of the city's wells, construct a water treatment facility to reduce radiological contaminants, construct a 250,000-gallon elevated storage tank, and install water main to connect the storage tank to the distribution system. The loan is at at zero percent for 30 years and includes \$1,206,890 of principal forgiveness

**ELK POINT** – Elk Point received its first loan in the amount of \$220,000 for water main replacement in conjunction with its Pearl Street Utility Improvement project at 3.5 percent for 20 years. Its second loan, in the amount of \$570,000 at 3.25 percent for 20 years, funded an upgrade to the city's water treatment plant. The city received its third loan in the amount of \$218,000 at 3.25 percent for 20 years, to fund the drinking water portion of the utility systems improvements. The fourth SRF loan awarded to Elk Point funded water line replacement on Clay and Washington Streets. This loan was for \$564,000 at 3.25 percent for 20 years.

The city's fifth loan was to replace the water main on Main Street in conjunction with a highway reconstruction project. The loan amount was \$1,179,500 at 3 percent for 20 years and included \$660,520 of principal forgiveness through the American Recovery and Reinvestment Act of 2009. Elk Point's sixth loan in the amount of \$564,000 at 3.25 percent for 30 years was to replace water lines on Rose Street.

**EMERY** – Emery received a \$1,585,000 loan at 3.0 percent for 30 years to replace the majority of the existing water distribution system and install new lines to loop the system.

**EUREKA** - Eureka utilized a \$135,000 loan at zero percent interest for ten years to replace water meters and implement a computer-generated water meter reading system. The city's second loan was in the amount of \$200,000 loan with 100 percent principal forgiveness through the American Recovery and Reinvestment Act of 2009. The loan was to replace old water mains throughout the city and loop additional lines, as well as the installation of a SCADA system and variable frequency drives on the pump house pump.

**FALL RIVER WATER USERS DISTRICT** – The Fall River Water Users District received a \$759,000 loan at 3 percent interest for 30 years. This loan will help finance the construction of the Fall River Rural Water System to include supply, storage, and distribution. Fall River's second Drinking Water SRF loan in the amount of \$400,000 at 2.5 percent for 30 years was used for initial construction of the rural water system in Fall River County. Fall River's third and fourth loans were for \$612,000 and \$750,000, respectively, each with 100 percent principal forgiveness through the American Recovery and Reinvestment Act of 2009. The third loan was to construct additional lines to serve additional users including the town of Buffalo Gap and to construct a well house and associated lines to connect the well to the system. The fourth loan upgraded main distribution lines throughout the system to supply larger volume of water to meet demand.

**FAULKTON** - The city of Faulkton received a \$500,000 loan with 100 percent principal forgiveness through the American Recovery and Reinvestment Act of 2009. The loan was to replace water lines in various locations throughout the city, loop all dead-end lines 4 inches and larger, replace all water meters, and purchase a standby generator. The city's second loan involved construction of water line along US Highway 212. The loan was for \$511,725 at 3 percent for 30 years and included \$395,905 of principal forgiveness.

**FLORENCE** – Florence received two loans to replace water lines, services, hydrants and appurtenances and construct a 105,000-gallon ground water storage tank and booster station. One loan, in the amount of \$688,000, is backed by a sales tax pledge and the other loan, in the amount of \$567,000, is backed by a project surcharge pledge. Both loans are at 3.25 percent for 30 years.

**GARRETSON** – The city of Garretson connected to the Minnehaha CWC with its \$1,261,060 loan at 3.5 percent for 30 years. The loan was used to construct water lines, wells, and a new water treatment plant.

**GAYVILLE** – Gayville was awarded its first Drinking Water SRF loan in the amount of \$900,000 with \$480,000 of principal forgiveness. The rate and term of the loan were 3 percent for 30 years, and the loan was used to replace the cast iron water lines within the community.

**GETTYSBURG** – The city of Gettysburg received a \$565,000 loan at 4.5 percent interest for 20 years to replace and relocate water lines within the city.

**GRANT-ROBERTS RURAL WATER SYSTEM** – The Grant-Roberts Rural Water System received a \$4,500,000 loan for the construction of water main and a water storage reservoir to improve service and add new customers in the Milbank Service area. The project also includes the installation of satellite read meters and a SCADA telemetry system. The terms of the loan were 3 percent for 30 years.

**GREGORY** – The city of Gregory received \$380,000 for the construction of a new steel reservoir and a new booster station. The terms of the loan were 2.5 percent for 30 years.

**GROTON** - Groton's first loan in the amount of \$440,000 at 3.5 percent for 20 years funded replacement of water main in conjunction with its Main Street Utility Project. Its second loan, in the amount of \$365,900 at 3.25 percent for 20 years, funded additional waterline replacement. The city's third loan was in the amount of \$272,000 with 100 percent principal forgiveness through the American Recovery and Reinvestment Act of 2009. The loan was to replace water meters. Groton's fourth loan in the amount of \$703,000, with \$150,000 principal forgiveness was to replace the city's elevated water storage tank, water pumps and approximately five blocks of water mains. The city chose to deobligate the loan in its entirety.

**HANSON RURAL WATER SYSTEM** – The Hanson Rural Water System was awarded its first Drinking Water SRF loan in the amount of \$840,000 at 3 percent for 20 years and included \$588,000 of principal forgiveness through the American Recovery and Reinvestment Act of 2009. The rural water system replaced an elevated water storage tank located in Ethan with a new 200,000-gallon water storage tank to be used by Ethan residents and surrounding residents on the Hanson system.

**HARRISBURG** – The city of Harrisburg received its first loan in the amount of \$525,000 at 5 percent interest for 20 years to abandon its existing wells and water treatment plant, construct a connection to the Lincoln County RWS, construct an elevated water storage tank, and loop a line to ensure uninterrupted water service. The city's second loan - \$1,714,327 at 3.25 percent for 20 years - funded an emergency connection to the Lewis and Clark Rural Water System. Harrisburg's third loan was for \$2,090,000 at 3.25 for 20 years to construct a 750,000-gallon water tower, demolish the existing standpipe and an abandoned 30,000-gallon water tower, and install miscellaneous piping.

**HARTFORD** – Hartford received a \$185,000 loan at 5 percent interest for 20 years. This project replaced water distribution lines throughout the city. With its second loan in the amount of \$800,957 at 3.5 percent for 20 years, Hartford replaced aging cast iron water mains. Hartford's third loan, in the amount of \$1,123,556 at 3.25 percent for 20 years, funded improvements to the water supply by providing a second connection to the Minnehaha Community Water Corporation.

**HERMOSA** – Hermosa received a loan for \$300,000. This loan was at 5 percent for 20 years. This project will replace water distribution lines.

**HIGHMORE** – Highmore received a loan to replace sewer lines in conjunction with a South Dakota Department of Transportation project to reconstruct Highway 47. The loan amount was \$679,000 at 3.25 percent for 30 years.



**HILL CITY** – The city of Hill City received its first Drinking Water SRF loan in the amount of \$402,200 at 3 percent for 30 years and included \$241,320 of principal forgiveness through the American Recovery and Reinvestment Act of 2009. The project involved looping dead-end lines and replacing a water line that froze due to insufficient cover.

**HISEGA MEADOWS WATER, INC.** – The Drinking Water SRF first loan awarded to Hisega Meadows was for the installation of 5,100 feet of 6-inch PVC line and other appurtenances to replace the sub-standard distribution system. The loan amount was \$487,500 at 3 percent for 20 years and included \$250,000 of principal forgiveness. The project went to bid, and bids came in over estimate. It was decided to eliminate some of the work to get the project started with the funding available. Hisega Meadows received a second loan to complete the work that was bid previously and additional lines that were identified to need replacement. This loan amount was \$273,000 at 3.0 percent for 20 years.

**HOT SPRINGS** – Hot Springs' first Drinking Water SRF loan was for \$1,636,000 at 3 percent for 20 years to replace water lines in various areas of the city.

**HOVEN** – The town of Hoven received a \$750,000 loan with 100 percent principal forgiveness to replace all water meters with new remote read meters, replace all cast iron pipes within the distribution system, construct a 180,000-gallon ground water storage tank, and rehabilitate an existing tank. Hoven received a second loan in the amount of \$264,750 with 100 percent principal forgiveness to replace water mains under South Dakota Highway 47 that will be done in conjunction with a highway reconstruction project.

**HUMBOLDT** – The city of Humboldt's first loan, in the amount of \$412,300 at 3.25 percent for 20 years, funded water supply and distribution system improvements.

**HURON** – Huron received a loan in the amount of \$4,000,000 at 3.5 percent for 20 years to fund the construction of a new water treatment facility, water tower improvements, and water meter replacement. The city's second loan was used to replace approximately 14,500 feet of 6 inch and 12 inch water main. The loan was for \$619,684 at 3.0 percent for 20 years and includes \$122,500 of principal forgiveness through the American Recovery and Reinvestment Act of 2009. A third loan, for \$1,098,900 at 3 percent for 30 years, was awarded for the construction of an elevated water storage reservoir.

**IPSWICH** - The city of Ipswich received a \$1,245,000 loan to replace an elevated water tower and two underground water tanks with a new 150,000-gallon elevated water storage tank, replace water meters and install a radio read system, and purchase a standby generator and variable frequency drives for the city pumps. The loan was at 3.0 percent for 30 years and included \$933,750 of principal forgiveness through the American Recovery and Reinvestment Act of 2009.

**IRENE** – The city of Irene received a 5 percent interest loan for 20 years in the amount of \$145,000. The project replaced water main along SD Highway 46. The city received its second loan to replace 13 blocks of water lines, loop water lines south of Highway 46, and install new water meters. The loan was for \$1,546,000 at 3 percent for 30 years and included \$1,165,000 of principal forgiveness.

**KEYSTONE** – Keystone used its first loan, in the amount of \$762,000 at 3.25 percent for 20 years, was used to build a 187,000 gallon reservoir, to close the loop on one-third of the town's system, and to install a pumping station.

**KINGBROOK RWS** – The Kingbrook Rural Water System received a loan in the amount of \$475,000. This loan was at 0 percent interest for 30 years. The project hooked up the city of Carthage and upgraded its distribution system and storage tank. Kingbrook RWS took over the system and provided individual service. Kingbrook’s second loan, in the amount of \$2,115,000 at 3.25 percent for 30 years, provided additional capacity within the system and provided service to Ramona and the Badger area. The third loan of \$3,324,000 at 3.25 percent for 20 years expanded the distribution system to allow 250 additional connections to the system. Kingbrook’s fourth loan, \$2,350,000 at 3.25 percent for 20 years, continued with the improvements to the system’s distribution system. The rural water system received its fifth loan for the construction of rural and in-town water lines to provide individual service to the residents of Sinai. Kingbrook was awarded its sixth loan to connect approximately 220 new users and improve capacity and reliability in the service area. The project involved approximately 6.5 miles of 14- and 16-inch PVC pipe and 125 miles of 2- to 6-inch PVC pipe as well as new booster pumps and other miscellaneous work. The loan was for \$9,000,000 at 3 percent for 20 years.

**LEAD** – Lead received a \$192,800 loan at 4.5 percent interest for 10 years. This loan helped replace water lines beneath a portion of US Highway 85 in conjunction with the South Dakota Department of Transportation roadway reconstruction project. Lead’s second drinking water SRF loan, in the amount of \$205,800 at 3.25 percent for 30 years, completed water main improvements associated with the Highway 85 project. The city’s third SRF loan replaced water mains on Lower May, South Main, and West Addie Streets in conjunction with a project to separate combined sanitary and storm sewer mains. The \$1,020,000 loan, at 3 percent for 20 years, included \$387,600 of principal forgiveness through the American Recovery and Reinvestment Act of 2009. Lead was awarded its fourth loan to replace water lines in conjunction with a South Dakota Department of Transportation project to reconstruct Highway 85. The loan amount was \$939,000 at 3 percent for 20 years.

**LEAD-DEADWOOD SANITARY DISTRICT** – The Lead-Deadwood Sanitary District received a \$2,683,957, 5.25 percent, 20-year loan to refinance its Series 1994 General Obligation Bond issue. The Series 1994 bonds were originally issued to finance the construction of a new water treatment plant in Lead.

**LENNOX** – Lennox’s first loan, in the amount of \$2,000,000 at 3.25 percent for 30 years, funded two wells, an elevated water storage reservoir, water main replacement and new lines. The city’s second loan involved replacing about 2,200 feet of cast iron water main and upgrading the existing water meters with remote read meters. The loan amount was \$712,431 at 3 percent for 20 years and included \$400,000 of principal forgiveness.

**LETCHER** – Letcher received its first SRF loan to assist in financing the replacement of the town’s water distribution system. The loan amount was \$200,000 at 2.25 percent for 30 years.

**LINCOLN COUNTY RURAL WATER SYSTEM** – The RWS received a loan in the amount of \$1,200,000 at 3.5 percent for 20 years to fund storage improvements.

**MADISON** – Madison received a loan for \$2,372,000 to refinance its Series 1995 Bonds. The Series 1995 Bonds were issued to finance the rehabilitation of the water treatment facility and the construction of three new wells. This loan was at 5 percent for 15 years. Madison’s second loan involved upgrades and modifications to the water treatment plant to address volatile organic compounds in the raw water source. The loan amount was \$3,464,360 at 3 percent for 15 years.

**MARTIN** - Martin corrected undersized water lines and water supply issues with a \$920,000 loan at 2.5 percent for 30 years.

**McLAUGHLIN** – Improvements to McLaughlin’s water distribution system in conjunction with an SDDOT project were funded with a \$350,000 loan at 2.5 percent for 30 years. The city’s second loan was used to replace water lines throughout the city and construct a new storage tank. The loan is for \$4,151,050 at 2.25 percent for 30 years and included \$3,180,050 of principal forgiveness.

**MELLETTTE** - The town of Mellette received a loan for \$271,780 to replace nine blocks of water main and install gate valves and fire hydrants. The loan was at 3 percent for 30 years and included \$244,602 of principal forgiveness through the American Recovery and Reinvestment Act of 2009.

**MENNO** - The city of Menno received its first Drinking Water SRF loan for the replacement of its water meters with remote reading water meters and the installation of an automatic meter reading system. The loan was for \$157,000 at 2.25 percent for 10 years and included \$39,250 of principal forgiveness.

**MID-DAKOTA RURAL WATER SYSTEM** - The Mid-Dakota Rural Water System received its first two loans for projects to increase the production capacity of the water treatment plant and to construct an underground pumping station and a two million-gallon elevated water reservoir. The first loan for \$12,000,000 at 2.00 percent for 3 years provided interim financing for those projects. The second loan was in the amount of \$1,000,000 with 100 percent principal forgiveness through the American Recovery and Reinvestment Act of 2009 and partially funded the pumping station and elevated water reservoir. A third loan in the amount of \$2,979,054 was awarded to extend service to new users within the Mid-Dakota service area to include users on the Crow Creek Reservation. The rate and term of the loan are 3 percent for 30 years, and the loan included \$450,000 of principal forgiveness. To construct a 150,000-gallon elevated water storage tank for the Redfield service area, Mid-Dakota RWS was awarded a fourth loan for \$719,000 at 3 percent for 30 years. Mid-Dakota received its fifth loan in the amount of \$2,535,000 at 3 percent for 15 years to install an automatic meter reading system.

**MIDLAND** – Midland was awarded its first loan in the amount of \$225,000 at 2.25 percent for 30 years to address haloacetic acid (HAA5) violations. The project consists of a new 53,000-gallon ground storage facility with a new mixing system and construction of 3,220 feet of 6-inch main to loop the system.

**MILBANK** – Milbank secured a \$4,741,000 loan at 2.5 percent for 30 years to replace raw water transmission lines.

**MILLER** - The city of Miller was awarded a loan in the amount of \$255,200 at 2.5 percent for 10 years to replace water meters throughout the city. The city’s second loan in the amount of \$2,112,000 at 3 percent for 30 years is for the replacement of approximately 9,100 feet of water mains throughout the city. The loan included \$692,000 of principal forgiveness.

**MINA LAKE SANITARY DISTRICT** – Mina Lake Sanitary District received a loan for \$255,200 at an interest rate of 5 percent for 20 years. This loan was for the construction of a 150,000-gallon water tower. The district’s second loan was for \$567,390 to replace undersized water mains, construct approximately 11,400 feet of new water main to improve pressure, and upgrade existing water meters. This loan was at 3.0 percent for 20 years and included \$283,695 of principal forgiveness through the American Recovery and Reinvestment Act of 2009.

**MINNEHAHA COMMUNITY WATER CORPORATION** – Minnehaha Community Water Corporation received a loan in the amount of \$6,500,000 at 3.5 percent for 20 years to expand its rural water system to the communities of Colton and Garretson. The loan was used for water lines, an elevated water storage tank, wells, and a new water treatment plant. Minnehaha Community Water Corporation was awarded its third loan to make improvements to the distribution system which will enable Minnehaha Community Water to receive additional water from the Lewis & Clark Regional Water System. These improvements will then allow Minnehaha Community Water to deliver 1.0 MGD to Big Sioux Community Water System who will then, in turn, use the extra capacity to deliver up to 1.0 MGD to the city of Madison. The loan was for \$900,000 at 3.0 percent for 20 years but was rescinded at the borrower's request.

**MISSION HILL** - The first SRF loan awarded to Mission Hill will be used to construct a new water tower and install new water lines to loop dead-end lines. The loan was in the amount of \$250,000 at 3.25 percent for 20 years. The loan was subsequently deobligated in full at the request of the city.

**MITCHELL** – The city of Mitchell received a \$6,000,000 loan at 4.5 percent interest for 20 years to connect to the B-Y Rural Water System by constructing a water pipeline from Lesterville west and north to Mitchell. The project involved 61 miles of pipe, two pumping stations, a water storage reservoir, a meter station and appurtenances. The city's second Drinking Water SRF loan was used to construct a 1,000,000-gallon elevated water storage tank to replace a water tower built in 1928. The \$2,360,000 loan, at 3 percent for 20 years, included \$354,000 of principal forgiveness through the American Recovery and Reinvestment Act of 2009.

**MOBRIDGE** – The city of Mobridge received two loans in the amounts of \$965,000 and \$355,000 to finance water treatment plant upgrades. Both loans were at 5.25 percent for 20 years. The city undertook a water line extension project along Lake Front Drive to provide water to new users and to loop the system. The project was funded with two loans in the amounts of \$213,500 and \$90,000 both at 2.50 percent for 30 years. The city's fifth loan was in the amount of \$500,000 loan with 100 percent principal forgiveness through the American Recovery and Reinvestment Act of 2009. The loan was to make improvements to the raw water intake. Mobridge's sixth loan will be used to construct a 600,000-gallon water tower and make improvements to an existing 500,000-gallon water tower. The loan is for \$1,212,000 at 2.25 percent for 30 years. Mobridge's seventh loan for \$400,000 at 2.25 percent for 30 years was necessary to address higher than anticipated construction costs on the water tower project.

**MONTROSE** – Montrose received its first Drinking Water SRF loan to replace all 4-inch water mains within the distribution system and various hydrants and gate valves. The loan amount was \$893,000 (3 percent for 30 years) and included \$593,000 of principal forgiveness.

**NEW UNDERWOOD** - The city of New Underwood was awarded a \$175,500 loan to partially fund the construction of a water treatment facility to address radium and gross alpha contamination at its water source. The loan was at 3.0 percent for 20 years and included \$70,200 of principal forgiveness through the American Recovery and Reinvestment Act of 2009.

**NEWELL** - The city of Newell received a loan for \$829,000 to drill a new well, construct a new well house, controls, and chlorination equipment; replace old water main, and replace a water tower. The loan was at 2.25 percent for 30 years and included \$322,750 of principal forgiveness through the American Recovery and Reinvestment Act of 2009. The city's second loan was used to replace the water meters and install a drive-by remote reading system. The loan was in the amount of \$266,250 at 1.25 percent for 10 years and included \$166,250 of principal forgiveness.

**NICHE SANITARY DISTRICT** – A \$315,000 loan was awarded to the Niche Sanitary District to replace the undersized water distribution lines with 6-inch PVC lines, install individual service lines and meters to each user, and connect to the Black Hawk Water Users District. At project completion, the Black Hawk Water Users District will take ownership of the system and supply water to the sanitary district residents as individual users. The loan was awarded at 2.25 percent for 30 years and included \$225,000 of principal forgiveness.

**NISLAND** – Nisland received a \$350,000 loan at zero percent interest for 30 years to fund the reconstruction of its water distribution system.

**NORTHVILLE** – Northville received a \$203,460 loan to replace water meters throughout the town, replace and loop water lines, and make improvements to a service pump. The loan was at 3.0 percent for 20 years and included \$162,768 of principal forgiveness through the American Recovery and Reinvestment Act of 2009.

**OACOMA** - Oacoma received a \$1,414,800 Drinking water SRF loan to construct a new water reservoir and associated piping. The loan was at 3.0 percent for 20 years and included \$321,480 of principal forgiveness through the American Recovery and Reinvestment Act of 2009. The loan was subsequently deobligated due to a change in project scope which prevented the city from meeting ARRA deadlines. The city was awarded a second loan for \$1,351,300 at 2.25 percent for 10 years to proceed with the revised water storage project.

**ONIDA** – Onida's first loan, in the amount of \$905,000 loan at 3.0 percent for 20 years, funded the construction of a 200,000-gallon water storage tank and the installation of new meters and an automatic meter reading system, lines to eliminate dead end lines, and additional hydrants and valves. The loan included \$250,000 of principal forgiveness.

**PARKER** – Parker's first loan, in the amount of \$730,000 at 3.25 percent for 20 years, was used to replace cast iron water mains in various locations in the city. The city's second loan, in the amount of \$300,000 at 3.25 percent for 20 years, funded the second phase of the water line replacement project. Parker was awarded a third loan in the amount of \$554,200 to continue replacing its water distribution system. This loan was at 3.0 percent for 20 years and included \$452,100 of principal forgiveness through the American Recovery and Reinvestment Act of 2009.

**PERKINS COUNTY RURAL WATER SYSTEM** – A \$131,000 Drinking Water SRF loan was awarded the Perkins County Rural Water System to construct a booster station along Highway 75. The loan was awarded as 100 percent principal forgiveness. The loan amount was increased to \$151,000 to allow for the purchase of a SCADA system.

Perkins County RWS received its second loan to change the vertical alignment or insulate existing water main along Highways 12 and 73 near the city of Lemmon that will lose minimum cover needed to prevent freezing due to an upcoming DOT project. The \$1,722,000 loan at 2.25 percent for 30 years includes \$1,033,000 of principal forgiveness and also funded the installation of a SCADA system at the Highway 20 Booster station.

**PIEDMONT** – Piedmont extended its distribution system to residences within the town utilizing individual wells as a water source. The town’s first loan was for \$1,404,000 at 3 percent for 20 years and included \$804,000 of principal forgiveness.

**PIERPONT** – Pierpont received a loan in the amount of \$551,200 at 3 percent for 30 years to replace the existing high service pump and pressure tank. The loan included \$413,400 in principal forgiveness.

**PIERRE** – The city of Pierre used a \$1,094,200 loan at 3.5 percent for 15 years to fund a well field expansion. The loan funded construction of new wells, well houses, and water distribution lines. Pierre’s second drinking water loan, \$1,832,900 at 3.5 percent for 15 years, funded construction of a new storage tank to create a third pressure zone within the city.

**PLANKINTON** – The city of Plankinton used its first Drinking Water SRF loan to construct a new storage tower, replace portions of the distribution system, and loop dead-end lines. The loan was for \$1,765,000 at 3 percent for 30 years and included \$1,009,000 of principal forgiveness.

**PLATTE** – Platte replaced cast iron water mains with its first drinking water loan of \$400,000 at 2.5 percent for 10 years.

**RAPID CITY** – Rapid City’s first drinking water loan was for \$3,500,000 at 3.5 percent for 20 years. This loan financed a new water tank and transmission main in the southwest edge of the city. Rapid City was awarded its second loan for engineering services and the purchase of membranes at the Jackson Springs Water Treatment Plant. The loan amount was \$6,000,000 at 3 percent for 20 years. Rapid City was awarded its third loan to expand its service area to provide water to users located east of the city limits. These homes are currently served by systems that provide substandard to poor quality water that is often in violation of drinking water standards. The loan was for \$4,626,000 at 3 percent for 20 years with \$3,000,000 of principal forgiveness.

**RAPID VALLEY SANITARY DISTRICT** – The Rapid Valley Sanitary District received a \$682,000 loan with 100 percent principal forgiveness through the American Recovery and Reinvestment Act of 2009. The loan was to install a third microfiltration skid to increase plant production from 2 to 3 MGD, allowing the district to serve two small existing sanitary districts east of Rapid City. The second loan awarded to the Rapid Valley Sanitary District was for the removal and replacement of a 166,000-gallon water storage tank in poor condition with a 256,000 gallon tank. The loan amount was \$500,000 at 3 percent for 20 years.

**REDFIELD** – The city of Redfield received a loan in the amount of \$85,000 at an interest rate of 4.5 percent for 20 years. The loan financed the replacement of water lines located under US Hwy 212 and 281. The project involves construction of approximately 4,900 feet of pipe, services lines, and appurtenances and will replace brittle asbestos cement or cast iron pipes that are fifty to eighty years old. Redfield received a second loan, in the amount of \$342,755 at 2.5 percent for 30 years, to fund water line replacement on South Main Street and Sixth Avenue.

**ROSLYN** - The city of Roslyn received a \$500,000 loan with 100 percent principal forgiveness through the American Recovery and Reinvestment Act of 2009. The loan was to replace water mains throughout the city and construct a new 50,000-gallon water storage tank.

**SALEM** -- Salem received a loan of \$126,921 at 3.5 percent for 10 years to fund water distribution improvements in the city. Salem's second loan, in the amount of \$348,540 at 3.25 percent for 20 years, funded water distribution system improvements in 2005. The city's third loan, in the amount of \$1,345,000 at 3.25 percent for 30 years, was for a microfiltration pretreatment system with a nanofiltration softening system in a new water treatment facility and the installation of a new well.

**SCOTLAND** —Scotland replaced water mains in conjunction with reconstruction of Main Street with its \$340,000 loan at 2.5 percent for 30 years.

**SELBY** - The city of Selby received a \$100,000 loan with 100 percent principal forgiveness through the American Recovery and Reinvestment Act of 2009. The loan partially funded the second phase of the city's water main replacement project.

**SIoux FALLS** – The city of Sioux Falls received a loan in the amount of \$7,022,000 at an interest rate of 4.5 percent for 10 years to finance central pressure zone improvements. The city's second loan allowed the city to continue with drinking water facility improvements with a loan for \$2,750,000 at 4.5 percent interest for 10 years. Its third loan, at 3.5 percent for ten years, was in the amount of \$7,930,000 for drinking water facilities improvements and water distribution line replacement. The city's fourth drinking water loan, \$5,279,000 at 3.5 percent for 10 years, funded the replacement of aging equipment and water main and the improvement of operational efficiency, maintenance space, and pressure zones. Sioux Falls' fifth drinking water loan is in the amount of \$12,749,000 at 2.5 percent for 10 years. This loan financed improvements to the water treatment plant, improvements to the West Pump Station, replacement of water mains, and upgrade of elevated finish tanks and collector wells. In 2008, Sioux Falls received three additional Drinking Water SRF loans, each at 2.5 percent for 10 years. The city's sixth loan, for \$17,848,000, was for the construction of a new backwash basin and additional filters to improve operational efficiencies in the treatment plant. The seventh loan was to upgrade a vertical well to a horizontal collector well to increase production capacity and is for \$2,200,000. The eighth loan, in the amount of \$2,705,600, replaced water mains in two areas and valves at several locations. Sioux Falls' ninth loan in the amount of \$3,578,750 replaced three vertical water supply wells with a new horizontal collector well and rehabilitated an existing horizontal well. The city's tenth loan in the amount of \$7,606,900 involved water main and valve replacement at various locations and the upgrade of a pumping station. Loans 9 and 10 each had an interest rate of 2.25 percent, a 10-year term and included 10 percent principal forgiveness through the American Recovery and Reinvestment Act of 2009. The eleventh loan award to Sioux Falls was for \$4,000,000 at 2.5 percent for 10 years to replace water mains and valves in various locations.

**SIoux RURAL WATER SYSTEM** — A \$2,515,000 loan at 3.0 percent for 20 years was awarded to the Sioux Rural Water System to construct 31 miles of water distribution line, connect the city of Kranzburg as individual users, replace the existing SCADA system, and develop two additional wells at the Castlewood well field.

**SOUTH LINCOLN RURAL WATER SYSTEM** — A \$2,000,000 loan at 3.5 percent for 20 years funded South Lincoln Rural Water System’s pipeline, well and pumping improvements. In addition, new facilities were constructed to provide connection of South Lincoln’s system to the Lewis and Clark Regional Water System. The South Lincoln system was awarded its second loan to provide individual service to the residents of Fairview by extending a water line to the town and replace the town’s distribution system. The loan was for \$476,500 at 3 percent for 30 years and included \$244,500 of principal forgiveness.

**SPEARFISH** - The city of Spearfish was awarded its first Drinking Water SRF loan to construct a two-million gallon ground level water storage tank, install 16-inch water main to connect the tank to the distribution system, and add water level control valves at two existing storage tanks. The loan was for \$3,254,000 at 3 percent for 20 years.

**STURGIS** – Sturgis received a loan for \$700,000 at 5 percent interest for 15 years. This loan financed the replacement of approximately 7,800 feet of water main in conjunction with a South Dakota Department of Transportation roadway reconstruction project. The second loan awarded to Sturgis was to upgrade the water distribution system serving the Murray Addition. The \$863,000 loan is at 2.25 percent for 10 years and included \$86,300 of principal forgiveness through the American Recovery and Reinvestment Act of 2009. The city’s third loan was awarded to provide interim financing for upgrades to pressure reducing valves, the SCADA system, a booster pump, and well house and the replacement of a well and water lines. The loan was for \$3,460,000 at 2 percent for three years. Sturgis received its fourth loan, \$2,200,000 at 3 percent for 20 years, to replace water lines beneath Lazelle Street.

**TC&G WATER ASSOCIATION** – The TC&G Water association received its first loan for the replacement water meters, installation of a new booster station, and replacement of approximately 18 miles of old and undersized pipe throughout the system. The loan amount was \$210,000 at 2.25 percent for 30 years.

**TABOR** – Tabor’s first Drinking Water SRF loan was in the amount of \$1,530,000 at 3 percent for 30 years and included \$700,000 of principal forgiveness. The loan will be used for the replacement of cast iron water main with PVC pipe, rehabilitation of the pump station, and to conduct a leak detection survey.

**TEA** - Tea received a loan in the amount of \$1,714,327 at 3.25 percent for 20 years for an emergency connection to the Lewis and Clark Regional Water System.

**TM RURAL WATER DISTRICT** – The TM Rural Water District receive two loans to provide service to new users within its southeast service area and improve service to Viborg and Hurley by providing storage for these communities. The loans were for \$1,084,750 at 3 percent for 30 years and \$1,398,750 with 100 percent as principal forgiveness.

**TRAIL WEST SANITARY DISTRICT** – The Trail West Sanitary District received a loan of \$1,651,000 to install water meters and approximately 7,500 feet of 4-inch water main, rehabilitate existing wells, and construct an iron removal treatment system. The loan was at 3 percent for 20 years and included \$637,860 of principal forgiveness.



**TRI-COUNTY WATER ASSOCIATION** – The Tri-County Water Association received a \$200,000 loan, awarded as 100 percent principal forgiveness, to construct an elevated water storage tank.

**TRIPP** – The city of Tripp received a loan for \$291,000 at 2.5 percent interest for 30 years to complete the city’s on-going water main rehabilitation project. The project involves approximately 8,100 feet of pipe, service connections, valves, fire hydrants and appurtenances to replace 70-year old cast iron water mains.

**TRIPP COUNTY WATER USERS DISTRICT** — Tripp County Water Users District was awarded two loans in 2003. The first loan, \$3,500,000 at 2.5 percent for 30 years, funded expansion of the district into Gregory County and the assimilation of the East Gregory Rural Water System. The second loan, \$148,000 at zero percent interest for 30 years, allowed the district to assume the water distribution system at Wood. The district’s third loan, in the amount of \$850,000 at 3 percent for 20 years, funded the construction of an elevated water storage tank near Fairfax. This loan was de-obligated in full at the request of the district. Tripp County was awarded its fourth loan to upgrade a large portion of its distribution system by installing more than 195 miles of mains, increasing pump sizes or constructing new booster stations, providing new water services, and constructing two new water towers. The loan was for \$11,750,000 at 2.25 percent for 30 years.

**TYNDALL** – Tyndall received a loan for \$300,000 at 2.5 percent interest for 10 years. This loan financed the installation of approximately 2,800 feet of water main to enhance the overall efficiency of the distribution system by looping areas of the community that are currently dead ends. Tyndall received a second loan in the amount of \$861,000 to fund a connection to the B-Y Rural Water System. This loan was at 2.5 percent interest for 30 years. The city’s third loan financed the construction of a new 200,000-gallon water tower and replacement of sections of water main located throughout the city. The \$1,570,000 loan was made at 2.25 percent for 30 years and included \$200,000 of principal forgiveness.

**VERMILLION** – Vermillion received a loan for \$942,000 at 5 percent interest for 20 years. This loan was used to construct lime sludge disposal lagoons. Vermillion’s second loan, \$1,510,000 at 3.5 percent interest for 20 years, funded water treatment plant improvements. Vermillion’s third drinking water SRF loan, in the amount of \$3,772,500 at 2.5 percent for 20 years, funded phase 3 improvements to the water treatment plant. The city’s received its fourth loan to replace a water tower. The loan was for \$1,532,000 at 2.25 percent for 30 years and included \$153,200 of principal forgiveness.

**VIBORG** - The city of Viborg’s first SRF loan was to replace water distribution lines and loop lines at various locations in the city. The loan amount was \$249,775 with an interest rate of 3.25 percent and a term of 20 years. Viborg funded water main improvements in conjunction with a Highway 19 reconstruction project with its second loan. The \$847,000 loan had a 3 percent interest rate, a 30-year term, and included \$730,000 of principal forgiveness. Viborg’s third loan in the amount of \$606,000 at zero percent interest for 30 years was for the replacement of approximately 2,900 feet of water main and five fire hydrants,

**WAGNER** – Wagner received its first drinking water loan in the amount of \$750,000 at the disadvantaged rate of zero percent interest for 30 years to make improvements to its water tower and replace water lines. The city's second loan, in the amount of \$175,000 at the disadvantaged rate of zero percent interest for 30 years, replaced water utilities along North Park Street and North Street. Wagner was awarded its third loan to replace water line on South Park Street. The \$275,000 loan was at 0 percent for 30 years and included \$55,000 of principal forgiveness through the American Recovery and Reinvestment Act of 2009. The loan was rescinded at the city's request.

**WAKONDA** – Wakonda received its first loan to replace a meter pit, rehabilitate the water tower, and replace cast iron lines that account for more than 40 percent of the water distribution system. The loan is for \$1,378,000 at 3 percent for 30 years and includes \$948,000 of principal forgiveness.

**WARNER** - The city of Warner received a \$400,000 loan with 100 percent principal forgiveness through the American Recovery and Reinvestment Act of 2009. The loan partially funded improvements to the city's water storage capabilities.

**WATERTOWN** - Watertown's first Drinking Water SRF loan was used to develop a new well field and expand the city water treatment plant in order to discontinue using the Lake Kampeska water source and treatment facility and replace a standpipe with a new 2-million gallon standpipe. The loan was for \$23,760,000 at 3.25 percent interest and a 20-year term.

**WAUBAY** – The city of Waubay's first loan, in the amount of \$750,000 at the disadvantaged rate of 2.5 percent for 30 years, funded phase 1 of the city's drinking water distribution system improvements.

**WEB** – WEB Water Development Association, Inc. received a loan for \$1,110,000 at 5 percent interest for 15 years. The project would have allowed WEB to extend service to approximately 200 additional rural homes and farms and provide additional water service to four existing bulk users. The Board of Water and Natural Resources rescinded this loan on May 13, 1999. WEB applied for and received a \$137,450 loan at 2.5 percent interest for 30 years to improve water service in the community of Glenham by replacing the town's water distribution system. This loan was rescinded on June 27, 2003. WEB was awarded its third drinking water SRF loan in the amount of \$3,950,000 at 3.25 percent for 20 years to increase the capacity of its water treatment plant. The award was contingent upon a specific loan closing date, which was not met, and the application was withdrawn at WEB's request.

**WEBSTER** – The city of Webster received a \$330,000 loan at 3.5 percent interest for 20 years to fund replacement of cast iron water mains with PVC pipe and replacement of water services and fire hydrants. Webster second loan was for \$387,400 at 2.25 percent for 10 years to install new water meters and an automatic read system. The loan included \$150,000 of principal forgiveness.

**WESSINGTON SPRINGS** – The city of Wessington Springs received its first loan - \$209,000 at 2.25 percent for 30 years – to replace three blocks of water main on Main Street.

**WEST RIVER/LYMAN-JONES RURAL WATER SYSTEM** – WR/LJ received a loan in the amount of \$340,000 at 2.5 percent for 30 years to fund water main replacement in the town of Reliance. WR/LJ's second loan, in the amount of \$8,000,000 at 3.25 percent for 30 years, funded phase 1 of the construction of the north loop pipeline to provide service to Stanley and Haakon counties.

**WHITE LAKE** - White lake received its first Drinking Water SRF loan, \$362,000 at 2.25 percent for 30 years to replace aging water lines on Main Street. The loan included \$85,000 of principal forgiveness.

**WINNER** - Winner's first Drinking Water SRF loan, \$450,000 at 2.25 percent for 30 years, funded construction of a new chlorine building including new pumps, piping and chlorine equipment.

**WOLSEY** – Wolsey's first Drinking Water SRF loan, \$263,000 at 3.25 percent for 20 years, funded a waterline replacement project. The city's second loan, in the amount of \$162,300 at 3.25 percent for 20 years, funded water line replacement in conjunction with the SDDOT's reconstruction of Highway 14/281.

**WOODLAND HILLS SANITARY DISTRICT** – A \$780,000 loan at 3 percent for 20 years with \$480,000 of principal forgiveness was awarded to the Woodland Hills Sanitary District for phase 1 improvements to its water system. Improvements included a new 10,000-gallon ground level water storage tank, water meter pits for the entire system, upgrades to the well, well house, and pump station building, installation of 1,800 feet water main, and replacement of water service line within the right-of-way. Due to higher than expected bids, several items were removed from the original project scope. The sanitary district requested and received an additional \$481,000 to complete the project as intended, with the exception of the ground storage tank. The loan was at 3.00 for 20 years and included \$384,800 of principal forgiveness.

**WOONSOCKET** — Woonsocket was awarded its first SRF loan in the amount of \$720,000 to replace and loop of water lines primarily along Highway 34. The loan had an interest rate of 3.0 percent, a 30-year term and included \$416,500 of principal forgiveness through the American Recovery and Reinvestment Act of 2009.

**WORTHING** — Worthing received its first loan in the amount of \$288,000 at 3.5 percent for 20 years for improvements to the city's water distribution system. The city's second loan in the amount of \$301,227 will finance the replacement of approximately 1,600 feet of water main on Second and Juniper Streets. The loan was at 3 percent for 20 years and included \$200,000 of principal forgiveness.

**YANKTON** – Yankton utilized a \$3,460,000 loan for line replacement and water treatment plant improvements to include a new disinfection system. The loan was at 3.5 percent for 20 years. The city secured a second loan in the amount of \$1,100,000 at 3.25 percent for 20 years to install a high pressure area pump station and transmission lines. Yankton's third loan in the amount of \$3,000,000 funded 12 water main replacement projects and two water tower rehabilitation projects. The city received its fourth loan in the amount of \$2,200,000 to drill two wells on the Nebraska side of the Missouri River and construct a raw water transmission line from the wells to the existing water treatment plant on the South Dakota shore. These loans had an interest rate of 3.0 percent, a 20-year term and included 10 percent principal forgiveness through the American Recovery and Reinvestment Act of 2009. Yankton was awarded its fifth loan to upgrade the existing water treatment plant No. 2 and construct a new collector well. The loan was for \$12,850,000 at 3 percent for 30 years with \$1,000,000 of principal forgiveness.

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**EXHIBITS I -- VIII**

**DRINKING WATER SRF**

**STATUS REPORTS**

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**EXHIBIT I**  
**Recipients by Population Category**  
**Federal Fiscal Year 2016**

<b>Sponsor</b>	<b>Fewer Than 10,000</b>	<b>10,000 and Greater</b>	<b>Binding Commitment</b>	<b>Rate</b>	<b>Term</b>
Bridgewater (DW-01)	\$121,000		06/23/2016	2.25%	30
Britton (DW-02)	\$3,212,000		03/31/2016	3.00%	30
Brookings-Deuel Rural Water System (DW-03)		\$250,000	03/31/2016	2.25%	10
Canistota (DW-03)	\$96,000		06/23/2016	3.00%	30
Canton (DW-03)	\$760,000		03/31/2016	3.00%	30
Colman (DW-04)	\$500,000		03/31/2016	3.00%	30
Conde (DW-01)	\$2,333,000		03/31/2016	2.25%	30
Dell Rapids (DW-06)	\$705,000		03/31/2016	3.25%	30
Elk Point (DW-06)	\$564,000		06/23/2016	3.25%	30
Kingbrook Rural Water System (DW-06)		\$9,000,000	03/31/2016	3.00%	30
Midland (DW-01)	\$225,000		06/23/2016	2.25%	30
Miller (DW-02)	\$2,112,000		03/31/2016	3.00%	30
Perkins County Rural Water System (DW-02)	\$1,722,000		03/31/2016	2.25%	30
Viborg (DW-03)	\$606,000		06/23/2016	0.00%	30
Wakonda (DW-01)	\$1,378,000		03/31/2016	3.00%	30
<b>TOTAL</b>	<b>\$14,334,000</b>	<b>\$9,250,000</b>			

**EXHIBIT II**  
**Assistance Provided by Needs Categories**  
**Federal Fiscal Year 2016**

<b>Sponsor</b>	<b>Transmission /Distribution</b>	<b>Source</b>	<b>Storage</b>
Bridgewater (DW-01)	\$121,000		
Britton (DW-02)	\$2,700,000		\$512,000
Brookings-Deuel Rural Water System (DW-03)	\$250,000		
Canistota (DW-03)	\$96,000		
Canton (DW-03)	\$760,000		
Colman (DW-04)	\$333,333		\$166,667
Conde (DW-01)	\$1,846,300		\$486,700
Dell Rapids (DW-06)	\$705,000		
Elk Point (DW-06)	\$564,000		
Kingbrook Rural Water System (DW-06)	\$9,000,000		
Midland (DW-01)	\$92,000		\$133,000
Miller (DW-02)	\$2,112,000		
Perkins County Rural Water System (DW-02)	\$1,722,000		
Viborg (DW-03)	\$606,000		
Wakonda (DW-01)	\$1,143,740	\$110,240	\$124,020
<b>TOTAL</b>	<b>\$22,051,373</b>	<b>\$110,240</b>	<b>\$1,422,387</b>

**EXHIBIT III**  
**Source of SRF Funds**

<b>Fiscal Year</b>	<b>Capitalization Grant Award</b>	<b>State Match</b>	<b>Leveraged Funds</b>	<b>Total</b>
1997	\$12,558,800	\$2,511,760		\$15,070,560
1998	\$7,121,300	\$1,424,260		\$8,545,560
1999	\$7,463,800	\$1,492,760		\$8,956,560
2000	\$7,757,000	\$1,551,400		\$9,308,400
2001	\$7,789,100	\$1,557,820		\$9,346,920
2002 *	\$14,563,300	\$2,912,660		\$17,475,960
2003 *	\$14,471,900	\$2,894,380		\$17,366,280
2004	\$8,303,100	\$1,660,620	\$22,503,662	\$32,467,382
2005	\$8,285,500	\$1,657,100		\$9,942,600
2006	\$8,229,300	\$1,645,860	\$7,000,414	\$16,875,574
2007	\$8,229,000	\$1,645,800		\$9,874,800
2008	\$8,146,000	\$1,629,200	\$13,000,000	\$22,775,200
2009	\$8,146,000	\$1,629,200	\$18,221,624	\$27,996,824
2009--ARRA	\$19,500,000			\$19,500,000
2010	\$13,573,000	\$2,714,600		\$16,287,600
2011	\$9,418,000	\$1,883,600		\$11,301,600
2012	\$8,975,000	\$1,795,000		\$10,770,000
2013	\$8,729,198	\$1,745,840		\$10,475,038
2014	\$8,845,000	\$1,769,000		\$10,614,000
2015	\$8,787,000	\$1,757,400	\$7,000,000	\$17,544,400
2016	\$8,312,000	\$1,662,400		\$9,974,400
<b>TOTAL</b>	<b>\$207,203,298</b>	<b>\$35,540,660</b>	<b>\$67,725,700</b>	<b>\$312,469,658</b>

\* Includes transfers from Clean Water SRF of \$6,510,800 from the 2002 Clean Water SRF capitalization grant and \$1,302,160 Clean Water state match and \$6,467,800 from the 2003 Clean Water SRF capitalization grant and \$1,293,560 Clean Water state match.



**EXHIBIT IV**  
**Drinking Water SRF Disbursements**  
**October 1, 2015 to September 30, 2016**

<b>Date</b>	<b>Borrower Name</b>	<b>State Funds</b>	<b>Federal Funds</b>	<b>Repayments</b>	<b>Interest /Earnings</b>	<b>Leveraged</b>	<b>Total Disbursements</b>
10/07/15	Colonial Pine Hills (DW-03)	\$0.00	\$0.00	\$0.00	\$4,904.00	\$0.00	\$4,904.00
10/07/15	Colonial Pine Hills (DW-03)	\$0.00	\$0.00	\$0.00	\$0.00	\$264,592.00	\$264,592.00
10/08/15	Dakota Dunes (DW-02)	\$110,815.00	\$400,000.00	\$0.00	\$0.00	\$0.00	\$510,815.00
10/08/15	Lead (DW-04)	\$99,012.00	\$0.00	\$0.00	\$0.00	\$0.00	\$99,012.00
10/09/15	Colman (DW-03)	\$77,020.00	\$50,285.00	\$0.00	\$0.00	\$0.00	\$127,305.00
10/09/15	Tripp County WUD (DW-04)	\$68,616.00	\$800,000.00	\$0.00	\$0.00	\$0.00	\$868,616.00
10/20/15	Lennox (DW-02)	\$0.00	\$0.00	\$0.00	\$0.00	\$39,393.00	\$39,393.00
10/20/15	Lennox (DW-02)	\$0.00	\$0.00	\$0.00	\$1,151.00	\$0.00	\$1,151.00
10/20/15	Onida (DW-01)	\$0.00	\$40,114.00	\$0.00	\$0.00	\$0.00	\$40,114.00
10/27/15	Bristol (DW-02)	\$31,821.00	\$104,165.00	\$0.00	\$0.00	\$0.00	\$135,986.00
10/27/15	Hisega Meadows (DW-02)	\$0.00	\$45,516.00	\$0.00	\$0.00	\$0.00	\$45,516.00
10/27/15	Irene (DW-02)	\$4,532.00	\$30,000.00	\$0.00	\$0.00	\$0.00	\$34,532.00
10/29/15	Eagle Butte (DW-02)	\$0.00	\$0.00	\$0.00	\$0.00	\$272,113.00	\$272,113.00
10/29/15	Eagle Butte (DW-02)	\$0.00	\$0.00	\$29,773.00	\$0.00	\$0.00	\$29,773.00
10/30/15	Dakota Dunes (DW-02)	\$15,337.00	\$200,000.00	\$0.00	\$0.00	\$0.00	\$215,337.00
11/09/15	Beresford (DW-02)	\$31,831.00	\$0.00	\$0.00	\$0.00	\$0.00	\$31,831.00
11/09/15	Canistota (DW-02)	\$229,327.00	\$121,976.00	\$0.00	\$0.00	\$0.00	\$351,303.00
11/09/15	Canistota (DW-02)	\$0.00	\$0.00	\$56,026.00	\$0.00	\$0.00	\$56,026.00
11/09/15	Mid-Dakota RWS (DW-05)	\$0.00	\$446,932.00	\$0.00	\$0.00	\$0.00	\$446,932.00
11/09/15	Tripp County WUD (DW-04)	\$73,155.00	\$1,000,000.00	\$0.00	\$0.00	\$0.00	\$1,073,155.00
11/18/15	Beresford (DW-02)	\$12,420.00	\$12,621.00	\$0.00	\$0.00	\$0.00	\$25,041.00
11/18/15	Bristol (DW-02)	\$0.00	\$0.00	\$0.00	\$0.00	\$157,055.00	\$157,055.00
11/18/15	Colman (DW-03)	\$1,284.00	\$14,000.00	\$0.00	\$0.00	\$0.00	\$15,284.00
11/18/15	Colonial Pine Hills (DW-03)	\$0.00	\$0.00	\$0.00	\$9,437.00	\$0.00	\$9,437.00
11/18/15	Colonial Pine Hills (DW-04)	\$9,745.00	\$100,000.00	\$0.00	\$0.00	\$0.00	\$109,745.00
11/18/15	Highmore (DW-01)	\$2,194.00	\$20,000.00	\$0.00	\$0.00	\$0.00	\$22,194.00
11/18/15	Hisega Meadows (DW-02)	\$0.00	\$71,852.00	\$0.00	\$0.00	\$0.00	\$71,852.00
11/18/15	Onida (DW-01)	\$2,206.00	\$5,758.00	\$0.00	\$0.00	\$0.00	\$7,964.00
11/18/15	Tabor (DW-01)	\$0.00	\$0.00	\$0.00	\$0.00	\$4,684.00	\$4,684.00
11/18/15	Woodland Hills (DW-02)	\$24,398.00	\$97,595.00	\$0.00	\$0.00	\$0.00	\$121,993.00
11/24/15	Canistota (DW-02)	\$118,024.00	\$91,609.00	\$0.00	\$0.00	\$0.00	\$209,633.00
11/24/15	Eagle Butte (DW-02)	\$0.00	\$0.00	\$0.00	\$0.00	\$232,702.00	\$232,702.00
11/24/15	Hisega Meadows (DW-02)	\$0.00	\$31,354.00	\$0.00	\$0.00	\$0.00	\$31,354.00

Date	Borrower Name	State Funds	Federal Funds	Repayments	Interest /Earnings	Leveraged	Total Disbursements
11/24/15	Irene (DW-02)	\$158,827.00	\$51,819.00	\$0.00	\$0.00	\$0.00	\$210,646.00
11/27/15	Highmore (DW-01)	\$38,966.00	\$0.00	\$0.00	\$0.00	\$0.00	\$38,966.00
12/02/15	Dakota Dunes (DW-02)	\$0.00	\$182,006.00	\$0.00	\$0.00	\$0.00	\$182,006.00
12/02/15	Grant Roberts RWS (DW-01)	\$0.00	\$32,378.00	\$0.00	\$0.00	\$0.00	\$32,378.00
12/04/15	Colonial Pine Hills (DW-04)	\$22,486.00	\$100,000.00	\$0.00	\$0.00	\$0.00	\$122,486.00
12/04/15	Mobridge (DW-07)	\$47,910.00	\$100,000.00	\$0.00	\$0.00	\$0.00	\$147,910.00
12/04/15	Tripp County WUD (DW-04)	\$26,813.00	\$600,000.00	\$0.00	\$0.00	\$0.00	\$626,813.00
12/04/15	Woodland Hills (DW-02)	\$7,089.00	\$28,352.00	\$0.00	\$0.00	\$0.00	\$35,441.00
12/14/15	Bristol (DW-02)	\$1,682.00	\$187,778.00	\$0.00	\$0.00	\$0.00	\$189,460.00
12/14/15	Bristol (DW-02)	\$0.00	\$0.00	\$0.00	\$0.00	\$55,681.00	\$55,681.00
12/14/15	Colman (DW-03)	\$7,411.00	\$0.00	\$0.00	\$0.00	\$0.00	\$7,411.00
12/14/15	Colman (DW-03)	\$0.00	\$0.00	\$0.00	\$0.00	\$26,816.00	\$26,816.00
12/18/15	Canistota (DW-02)	\$0.00	\$0.00	\$88,974.00	\$0.00	\$0.00	\$88,974.00
12/18/15	Canistota (DW-02)	\$1,525.00	\$40,000.00	\$0.00	\$0.00	\$0.00	\$41,525.00
12/18/15	Colonial Pine Hills (DW-04)	\$17,769.00	\$150,000.00	\$0.00	\$0.00	\$0.00	\$167,769.00
12/24/15	Box Elder (DW-01)	\$0.00	\$0.00	\$14,707.00	\$0.00	\$0.00	\$14,707.00
12/24/15	Lead (DW-04)	\$68,267.00	\$0.00	\$0.00	\$0.00	\$0.00	\$68,267.00
12/24/15	Lead (DW-04)	\$0.00	\$0.00	\$0.00	\$17,062.00	\$0.00	\$17,062.00
12/29/15	Irene (DW-02)	\$0.00	\$0.00	\$0.00	\$0.00	\$230,181.00	\$230,181.00
12/31/15	Dakota Dunes (DW-02)	\$14,590.00	\$70,000.00	\$0.00	\$0.00	\$0.00	\$84,590.00
12/31/15	Eagle Butte (DW-02)	\$0.00	\$0.00	\$0.00	\$0.00	\$204,760.00	\$204,760.00
12/31/15	Grant Roberts RWS (DW-01)	\$0.00	\$55,098.00	\$0.00	\$0.00	\$0.00	\$55,098.00
12/31/15	Hisega Meadows (DW-02)	\$0.00	\$3,973.00	\$0.00	\$0.00	\$0.00	\$3,973.00
12/31/15	Onida (DW-01)	\$7,489.00	\$19,547.00	\$0.00	\$0.00	\$0.00	\$27,036.00
01/07/16	Colman (DW-03)	\$0.00	\$0.00	\$0.00	\$0.00	\$13,971.00	\$13,971.00
01/07/16	Colman (DW-03)	\$0.00	\$0.00	\$62,529.00	\$0.00	\$0.00	\$62,529.00
01/07/16	Mid-Dakota RWS (DW-05)	\$0.00	\$399,735.00	\$0.00	\$0.00	\$0.00	\$399,735.00
01/07/16	Tripp County WUD (DW-04)	\$87,456.00	\$400,000.00	\$0.00	\$0.00	\$0.00	\$487,456.00
01/07/16	Tripp County WUD (DW-04)	\$0.00	\$0.00	\$103,058.00	\$0.00	\$0.00	\$103,058.00
01/28/16	Dakota Dunes (DW-02)	\$167.00	\$43,000.00	\$0.00	\$0.00	\$0.00	\$43,167.00
01/28/16	Onida (DW-01)	\$4,955.00	\$12,935.00	\$0.00	\$0.00	\$0.00	\$17,890.00
02/03/16	Colman (DW-03)	\$0.00	\$0.00	\$13,378.00	\$0.00	\$0.00	\$13,378.00
02/03/16	Eagle Butte (DW-02)	\$0.00	\$0.00	\$0.00	\$0.00	\$69,971.00	\$69,971.00
02/04/16	Big Sioux CWS (DW-02)	\$0.00	\$13,323.00	\$0.00	\$0.00	\$0.00	\$13,323.00
02/04/16	Mid-Dakota RWS (DW-05)	\$0.00	\$40,109.00	\$0.00	\$0.00	\$0.00	\$40,109.00
02/04/16	Tripp County WUD (DW-04)	\$36,127.00	\$450,000.00	\$0.00	\$0.00	\$0.00	\$486,127.00

Date	Borrower Name	State Funds	Federal Funds	Repayments	Interest /Earnings	Leveraged	Total Disbursements
02/12/16	Irene (DW-02)	\$0.00	\$0.00	\$0.00	\$0.00	\$65,454.00	\$65,454.00
02/19/16	Onida (DW-01)	\$5,458.00	\$14,244.00	\$0.00	\$0.00	\$0.00	\$19,702.00
02/25/16	Dakota Dunes (DW-02)	\$1,811.00	\$40,000.00	\$0.00	\$0.00	\$0.00	\$41,811.00
02/25/16	Hisega Meadows (DW-02)	\$0.00	\$10,390.00	\$0.00	\$0.00	\$0.00	\$10,390.00
03/04/16	Eagle Butte (DW-02)	\$0.00	\$0.00	\$0.00	\$0.00	\$36,567.00	\$36,567.00
03/04/16	Eagle Butte (DW-02)	\$0.00	\$0.00	\$23,098.00	\$0.00	\$0.00	\$23,098.00
03/04/16	Eagle Butte (DW-04)	\$0.00	\$0.00	\$0.00	\$29,304.00	\$0.00	\$29,304.00
03/04/16	Mid-Dakota RWS (DW-05)	\$0.00	\$739,052.00	\$0.00	\$0.00	\$0.00	\$739,052.00
03/04/16	Tripp County WUD (DW-04)	\$55,680.00	\$200,000.00	\$0.00	\$0.00	\$0.00	\$255,680.00
03/16/16	Highmore (DW-01)	\$47.00	\$2,000.00	\$0.00	\$0.00	\$0.00	\$2,047.00
03/18/16	Bristol (DW-02)	\$0.00	\$1,047.00	\$0.00	\$0.00	\$0.00	\$1,047.00
03/18/16	Bristol (DW-02)	\$0.00	\$0.00	\$66,078.00	\$0.00	\$0.00	\$66,078.00
03/18/16	Onida (DW-01)	\$0.00	\$35,183.00	\$0.00	\$0.00	\$0.00	\$35,183.00
03/28/16	Woodland Hills (DW-02)	\$5,330.00	\$0.00	\$0.00	\$0.00	\$0.00	\$5,330.00
03/30/16	Big Sioux CWS (DW-03)	\$0.00	\$29,247.00	\$0.00	\$0.00	\$0.00	\$29,247.00
03/30/16	Yankton (DW-05)	\$6,044.00	\$608,554.00	\$0.00	\$0.00	\$0.00	\$614,598.00
03/30/16	Yankton (DW-05)	\$47,523.00	\$391,446.00	\$0.00	\$0.00	\$0.00	\$438,969.00
03/30/16	Yankton (DW-05)	\$0.00	\$0.00	\$4,763,870.00	\$0.00	\$0.00	\$4,763,870.00
04/06/16	Eagle Butte (DW-04)	\$0.00	\$0.00	\$0.00	\$15,006.00	\$0.00	\$15,006.00
04/06/16	Tripp County WUD (DW-04)	\$17,373.00	\$0.00	\$0.00	\$0.00	\$0.00	\$17,373.00
04/15/16	Dakota Dunes (DW-02)	\$0.00	\$148,799.00	\$0.00	\$0.00	\$0.00	\$148,799.00
04/15/16	Mid-Dakota RWS (DW-05)	\$0.00	\$73,161.00	\$0.00	\$0.00	\$0.00	\$73,161.00
04/15/16	Onida (DW-01)	\$0.00	\$15,441.00	\$0.00	\$0.00	\$0.00	\$15,441.00
04/21/16	Box Elder (DW-01)	\$0.00	\$0.00	\$42,567.00	\$0.00	\$0.00	\$42,567.00
04/21/16	Bristol (DW-02)	\$0.00	\$0.00	\$0.00	\$0.00	\$20,042.00	\$20,042.00
04/28/16	Dakota Dunes (DW-02)	\$16,716.00	\$120,000.00	\$0.00	\$0.00	\$0.00	\$136,716.00
04/28/16	Eagle Butte (DW-04)	\$0.00	\$0.00	\$0.00	\$76,284.00	\$0.00	\$76,284.00
04/28/16	Eagle Butte (DW-04)	\$0.00	\$0.00	\$0.00	\$0.00	\$40,000.00	\$40,000.00
04/28/16	Irene (DW-02)	\$0.00	\$0.00	\$0.00	\$0.00	\$9,224.00	\$9,224.00
04/28/16	Mid-Dakota RWS (DW-05)	\$0.00	\$29,832.00	\$0.00	\$0.00	\$0.00	\$29,832.00
04/28/16	Tripp County WUD (DW-04)	\$19,423.00	\$150,000.00	\$0.00	\$0.00	\$0.00	\$169,423.00
05/05/16	Woodland Hills (DW-02)	\$0.00	\$1,888.00	\$0.00	\$0.00	\$0.00	\$1,888.00
05/13/16	Mid-Dakota RWS (DW-05)	\$0.00	\$185,819.00	\$0.00	\$0.00	\$0.00	\$185,819.00
05/13/16	Onida (DW-01)	\$3,886.00	\$10,142.00	\$0.00	\$0.00	\$0.00	\$14,028.00
05/19/16	Irene (DW-02)	\$0.00	\$0.00	\$0.00	\$0.00	\$92,967.00	\$92,967.00
05/26/16	Edgemont (DW-01)	\$0.00	\$0.00	\$0.00	\$15,134.00	\$0.00	\$15,134.00

Date	Borrower Name	State Funds	Federal Funds	Repayments	Interest /Earnings	Leveraged	Total Disbursements
05/26/16	Woodland Hills (DW-02)	\$5,246.00	\$20,982.00	\$0.00	\$0.00	\$0.00	\$26,228.00
06/03/16	Bristol (DW-02)	\$0.00	\$0.00	\$0.00	\$0.00	\$25,650.00	\$25,650.00
06/03/16	Dakota Dunes (DW-02)	\$0.00	\$57,791.00	\$0.00	\$0.00	\$0.00	\$57,791.00
06/03/16	Mid-Dakota RWS (DW-05)	\$0.00	\$37,220.00	\$0.00	\$0.00	\$0.00	\$37,220.00
06/10/16	Sioux RWS (DW-01)	\$0.00	\$21,280.00	\$0.00	\$0.00	\$0.00	\$21,280.00
06/10/16	Tripp County WUD (DW-04)	\$27,651.00	\$291,150.00	\$0.00	\$0.00	\$0.00	\$318,801.00
06/17/16	Eagle Butte (DW-04)	\$0.00	\$0.00	\$0.00	\$35,956.00	\$0.00	\$35,956.00
06/17/16	Hoven (DW-02)	\$0.00	\$179,734.00	\$0.00	\$0.00	\$0.00	\$179,734.00
06/17/16	Sioux RWS (DW-01)	\$0.00	\$184,037.00	\$0.00	\$0.00	\$0.00	\$184,037.00
06/17/16	Tyndall (DW-03)	\$22,514.00	\$153,378.00	\$0.00	\$0.00	\$0.00	\$175,892.00
06/24/16	Edgemont (DW-01)	\$33,811.00	\$19,101.00	\$0.00	\$0.00	\$0.00	\$52,912.00
06/24/16	Irene (DW-02)	\$0.00	\$0.00	\$0.00	\$0.00	\$125,354.00	\$125,354.00
06/24/16	Irene (DW-02)	\$6,618.00	\$0.00	\$0.00	\$0.00	\$0.00	\$6,618.00
06/24/16	Mid-Dakota RWS (DW-05)	\$0.00	\$25,385.00	\$0.00	\$0.00	\$0.00	\$25,385.00
06/24/16	Sioux RWS (DW-01)	\$0.00	\$263,967.00	\$0.00	\$0.00	\$0.00	\$263,967.00
06/24/16	Woodland Hills (DW-02)	\$25,352.00	\$6,338.00	\$0.00	\$0.00	\$0.00	\$31,690.00
06/28/16	Bristol (DW-02)	\$0.00	\$0.00	\$0.00	\$0.00	\$25,308.00	\$25,308.00
06/28/16	Bristol (DW-02)	\$0.00	\$0.00	\$62,236.00	\$0.00	\$0.00	\$62,236.00
07/11/16	Tripp County WUD (DW-04)	\$15,737.00	\$100,000.00	\$0.00	\$0.00	\$0.00	\$115,737.00
07/15/16	Big Sioux CWS (DW-03)	\$0.00	\$23,791.00	\$0.00	\$0.00	\$0.00	\$23,791.00
07/15/16	Onida (DW-01)	\$11,268.00	\$29,411.00	\$0.00	\$0.00	\$0.00	\$40,679.00
07/15/16	Tyndall (DW-03)	\$11,808.00	\$80,442.00	\$0.00	\$0.00	\$0.00	\$92,250.00
07/25/16	Mid-Dakota RWS (DW-05)	\$0.00	\$117,310.00	\$0.00	\$0.00	\$0.00	\$117,310.00
07/25/16	Onida (DW-01)	\$18,667.00	\$7,152.00	\$0.00	\$0.00	\$0.00	\$25,819.00
07/25/16	Woodland Hills (DW-02)	\$3,259.00	\$815.00	\$0.00	\$0.00	\$0.00	\$4,074.00
07/28/16	Irene (DW-02)	\$18,685.00	\$83,221.00	\$0.00	\$0.00	\$0.00	\$101,906.00
07/28/16	Irene (DW-02)	\$0.00	\$0.00	\$0.00	\$8,466.00	\$0.00	\$8,466.00
07/28/16	Perkins County (DW-02)	\$0.00	\$239,781.00	\$0.00	\$0.00	\$0.00	\$239,781.00
07/28/16	Sioux RWS (DW-01)	\$0.00	\$287,590.00	\$0.00	\$0.00	\$0.00	\$287,590.00
07/28/16	Tripp County WUD (DW-04)	\$80,259.00	\$500,000.00	\$0.00	\$0.00	\$0.00	\$580,259.00
08/04/16	Big Sioux CWS (DW-03)	\$0.00	\$130,096.00	\$0.00	\$0.00	\$0.00	\$130,096.00
08/04/16	Buffalo (DW-01)	\$0.00	\$0.00	\$22,640.00	\$0.00	\$0.00	\$22,640.00
08/04/16	Dakota Dunes (DW-02)	\$0.00	\$90,000.00	\$0.00	\$0.00	\$0.00	\$90,000.00
08/04/16	Dakota Dunes (DW-02)	\$0.00	\$0.00	\$0.00	\$1,071.00	\$0.00	\$1,071.00
08/04/16	Hoven (DW-02)	\$0.00	\$64,170.00	\$0.00	\$0.00	\$0.00	\$64,170.00
08/11/16	Colman (DW-03)	\$0.00	\$0.00	\$94,635.00	\$0.00	\$0.00	\$94,635.00

Date	Borrower Name	State Funds	Federal Funds	Repayments	Interest /Earnings	Leveraged	Total Disbursements
08/11/16	Eagle Butte (DW-04)	\$0.00	\$0.00	\$0.00	\$44,828.00	\$0.00	\$44,828.00
08/12/16	Big Sioux CWS (DW-02)	\$0.00	\$81,895.00	\$0.00	\$0.00	\$0.00	\$81,895.00
08/18/16	Eagle Butte (DW-04)	\$0.00	\$0.00	\$0.00	\$29,065.00	\$0.00	\$29,065.00
08/22/16	Hoven (DW-01)	\$0.00	\$14,289.00	\$0.00	\$0.00	\$0.00	\$14,289.00
08/22/16	Hoven (DW-02)	\$0.00	\$20,846.00	\$0.00	\$0.00	\$0.00	\$20,846.00
08/22/16	Mid-Dakota RWS (DW-05)	\$0.00	\$339,829.00	\$0.00	\$0.00	\$0.00	\$339,829.00
08/22/16	Tyndall (DW-03)	\$69,516.00	\$473,583.00	\$0.00	\$0.00	\$0.00	\$543,099.00
08/22/16	Woodland Hills (DW-02)	\$789.00	\$3,156.00	\$0.00	\$0.00	\$0.00	\$3,945.00
08/25/16	Bristol (DW-02)	\$0.00	\$0.00	\$398,182.00	\$0.00	\$0.00	\$398,182.00
08/25/16	Perkins County (DW-02)	\$0.00	\$285,132.00	\$0.00	\$0.00	\$0.00	\$285,132.00
08/25/16	Tripp County WUD (DW-04)	\$42,937.00	\$100,000.00	\$0.00	\$0.00	\$0.00	\$142,937.00
08/25/16	Wessington Springs (DW-01)	\$0.00	\$0.00	\$0.00	\$14,466.00	\$0.00	\$14,466.00
09/06/16	Big Sioux CWS (DW-03)	\$0.00	\$307,633.00	\$0.00	\$0.00	\$0.00	\$307,633.00
09/06/16	Bristol (DW-02)	\$0.00	\$0.00	\$37,070.00	\$0.00	\$0.00	\$37,070.00
09/06/16	Buffalo (DW-01)	\$0.00	\$0.00	\$140,945.00	\$0.00	\$0.00	\$140,945.00
09/06/16	Mobridge (DW-07)	\$0.00	\$0.00	\$0.00	\$0.00	\$35,957.00	\$35,957.00
09/06/16	Mobridge (DW-07)	\$2,090.00	\$0.00	\$0.00	\$0.00	\$0.00	\$2,090.00
09/06/16	Mobridge (DW-07)	\$0.00	\$0.00	\$0.00	\$69,526.00	\$0.00	\$69,526.00
09/06/16	Sioux RWS (DW-01)	\$0.00	\$228,080.00	\$0.00	\$0.00	\$0.00	\$228,080.00
09/12/16	Dell Rapids (DW-06)	\$0.00	\$0.00	\$32,988.00	\$0.00	\$0.00	\$32,988.00
09/12/16	Edgemont (DW-01)	\$47,088.00	\$0.00	\$0.00	\$0.00	\$0.00	\$47,088.00
09/12/16	Edgemont (DW-01)	\$0.00	\$0.00	\$0.00	\$16,886.00	\$0.00	\$16,886.00
09/15/16	Dell Rapids (DW-06)	\$0.00	\$0.00	\$40,921.00	\$0.00	\$0.00	\$40,921.00
09/15/16	Tyndall (DW-03)	\$8,759.00	\$0.00	\$0.00	\$0.00	\$0.00	\$8,759.00
09/15/16	Tyndall (DW-03)	\$0.00	\$0.00	\$7,010.00	\$0.00	\$0.00	\$7,010.00
09/23/16	Mid-Dakota RWS (DW-05)	\$0.00	\$71,393.00	\$0.00	\$0.00	\$0.00	\$71,393.00
09/23/16	Onida (DW-01)	\$46,568.00	\$0.00	\$0.00	\$0.00	\$0.00	\$46,568.00
09/23/16	Sioux RWS (DW-01)	\$0.00	\$81,199.00	\$0.00	\$0.00	\$0.00	\$81,199.00
09/27/16	Edgemont (DW-01)	\$0.00	\$0.00	\$0.00	\$95,473.00	\$0.00	\$95,473.00
09/28/16	Buffalo (DW-01)	\$56,431.00	\$30,923.00	\$0.00	\$0.00	\$0.00	\$87,354.00
09/28/16	Tripp County WUD (DW-04)	\$40,931.00	\$300,000.00	\$0.00	\$0.00	\$0.00	\$340,931.00
<b>Total Base Program</b>		<b>\$2,236,541.00</b>	<b>\$14,822,175.00</b>	<b>\$6,100,685.00</b>	<b>\$484,019.00</b>	<b>\$2,048,442.00</b>	<b>\$25,691,862.00</b>

### SET-ASIDE DISBURSEMENTS

Date	Payee	Cost of Issuance	Admin Federal	Set-Aside Federal	State Admin	Total Payment
10/27/15	SD - Admin	\$0.00	\$29,800.00	\$0.00	\$0.00	\$29,800.00
10/27/15	SD - Tech Assist	\$0.00	\$0.00	\$10,000.00	\$0.00	\$10,000.00
10/27/15	SD - Oper Cert	\$0.00	\$0.00	\$0.00	\$17,500.00	\$17,500.00
10/29/15	PFM Asset Management	\$0.00	\$1,014.00	\$0.00	\$0.00	\$1,014.00
11/24/15	SD - Admin	\$0.00	\$41,000.00	\$0.00	\$0.00	\$41,000.00
11/24/15	SD - State Program	\$0.00	\$0.00	\$2,600.00	\$0.00	\$2,600.00
11/24/15	SD - Tech Assist	\$0.00	\$0.00	\$28,000.00	\$0.00	\$28,000.00
11/24/15	SD-Planning Dist Grants	\$0.00	\$0.00	\$0.00	\$13,000.00	\$13,000.00
11/24/15	SD-Davis Bacon	\$0.00	\$0.00	\$0.00	\$2,550.00	\$2,550.00
12/01/15	PFM Asset Management	\$0.00	\$1,024.00	\$0.00	\$0.00	\$1,024.00
12/11/15	FNB	\$0.00	\$42,240.00	\$0.00	\$0.00	\$42,240.00
12/18/15	SD - Admin	\$0.00	\$26,600.00	\$0.00	\$0.00	\$26,600.00
12/18/15	SD - Tech Assist	\$0.00	\$0.00	\$16,000.00	\$0.00	\$16,000.00
12/18/15	SD-Planning Dist Grants	\$0.00	\$0.00	\$0.00	\$28,500.00	\$28,500.00
12/18/15	SD-Davis Bacon	\$0.00	\$0.00	\$0.00	\$4,000.00	\$4,000.00
12/18/15	SD - Oper Cert	\$0.00	\$0.00	\$0.00	\$19,500.00	\$19,500.00
12/31/15	PFM Asset Management	\$0.00	\$998.00	\$0.00	\$0.00	\$998.00
01/15/16	SD - Admin	\$0.00	\$29,000.00	\$0.00	\$0.00	\$29,000.00
01/15/16	SD - Tech Assist	\$0.00	\$0.00	\$28,000.00	\$0.00	\$28,000.00
01/15/16	SD-Planning Dist Grants	\$0.00	\$0.00	\$0.00	\$11,000.00	\$11,000.00
02/04/16	PFM Asset Management	\$0.00	\$1,031.00	\$0.00	\$0.00	\$1,031.00
02/12/16	SD - Admin	\$0.00	\$30,400.00	\$0.00	\$0.00	\$30,400.00
02/12/16	SD - Oper Cert	\$0.00	\$0.00	\$0.00	\$7,000.00	\$7,000.00
02/25/16	PFM Asset Management	\$0.00	\$957.00	\$0.00	\$0.00	\$957.00
03/16/16	SD - Admin	\$0.00	\$32,400.00	\$0.00	\$0.00	\$32,400.00
03/28/16	PFM	\$0.00	\$0.00	\$0.00	\$1,508.02	\$1,508.02
04/07/16	PFM Asset Management	\$0.00	\$764.00	\$0.00	\$0.00	\$764.00
04/11/16	PFM	\$0.00	\$0.00	\$0.00	(\$1,508.02)	(\$1,508.02)
04/11/16	PFM	\$0.00	\$1,508.00	\$0.00	\$0.00	\$1,508.00
04/22/16	SD - Admin	\$0.00	\$31,300.00	\$0.00	\$0.00	\$31,300.00
04/22/16	SD - Tech Assist	\$0.00	\$0.00	\$18,000.00	\$0.00	\$18,000.00
04/22/16	SD-Davis Bacon	\$0.00	\$0.00	\$0.00	\$1,000.00	\$1,000.00
04/28/16	PFM Asset Management	\$0.00	\$779.00	\$0.00	\$0.00	\$779.00
05/26/16	SD - Admin	\$0.00	\$49,100.00	\$0.00	\$0.00	\$49,100.00
05/26/16	SD - Tech Assist	\$0.00	\$0.00	\$20,000.00	\$0.00	\$20,000.00
05/26/16	SD - State Program	\$0.00	\$0.00	\$16,700.00	\$0.00	\$16,700.00
05/26/16	SD-Planning Dist Grants	\$0.00	\$0.00	\$0.00	\$20,500.00	\$20,500.00

<b>Date</b>	<b>Payee</b>	<b>Cost of Issuance</b>	<b>Admin Federal</b>	<b>Set-Aside Federal</b>	<b>State Admin</b>	<b>Total Payment</b>
05/26/16	SD-Aquifer Assist	\$0.00	\$0.00	\$0.00	\$8,300.00	\$8,300.00
05/26/16	PFM Asset Management	\$0.00	\$686.00	\$0.00	\$0.00	\$686.00
06/03/16	FNB	\$0.00	\$12,753.00	\$0.00	\$0.00	\$12,753.00
06/03/16	FNB	\$0.00	\$29,322.00	\$0.00	\$0.00	\$29,322.00
06/17/16	SD - Admin	\$0.00	\$13,000.00	\$0.00	\$0.00	\$13,000.00
06/17/16	SD - Tech Assist	\$0.00	\$0.00	\$26,400.00	\$0.00	\$26,400.00
06/17/16	SD - Tech Assist	\$0.00	\$0.00	\$9,600.00	\$0.00	\$9,600.00
06/17/16	SD-Davis Bacon	\$0.00	\$0.00	\$0.00	\$500.00	\$500.00
06/17/16	SD - Oper Cert	\$0.00	\$0.00	\$0.00	\$19,000.00	\$19,000.00
07/11/16	PFM Asset Management	\$0.00	\$830.00	\$0.00	\$0.00	\$830.00
07/11/16	PFM Asset Management	\$0.00	\$0.00	\$0.00	\$3.40	\$3.40
07/25/16	SD - Admin	\$0.00	\$25,900.00	\$0.00	\$0.00	\$25,900.00
07/25/16	SD-Planning Dist Grants	\$0.00	\$0.00	\$0.00	\$8,000.00	\$8,000.00
07/28/16	PFM Asset Management	\$0.00	\$730.00	\$0.00	\$0.00	\$730.00
07/28/16	PFM Asset Management	\$0.00	\$0.00	\$0.00	\$8.59	\$8.59
08/25/16	PFM Asset Management	\$0.00	\$665.00	\$0.00	\$0.00	\$665.00
08/25/16	PFM Asset Management	\$0.00	\$0.00	\$0.00	\$3.35	\$3.35
08/25/16	SD - Admin	\$0.00	\$30,000.00	\$0.00	\$0.00	\$30,000.00
08/25/16	SD - Tech Assist	\$0.00	\$0.00	\$20,000.00	\$0.00	\$20,000.00
08/25/16	SD - State Program	\$0.00	\$0.00	\$18,818.00	\$0.00	\$18,818.00
08/25/16	SD-Planning Dist Grants	\$0.00	\$0.00	\$0.00	\$15,550.00	\$15,550.00
09/06/16	Perkins Coie	\$0.00	\$12,900.00	\$0.00	\$0.00	\$12,900.00
09/06/16	Perkins Coie	\$0.00	\$0.00	\$0.00	\$23,273.00	\$23,273.00
09/23/16	SD - Admin	\$0.00	\$27,800.00	\$0.00	\$0.00	\$27,800.00
09/23/16	SD - Tech Assist	\$0.00	\$0.00	\$8,000.00	\$0.00	\$8,000.00
09/23/16	SD-Planning Dist Grants	\$0.00	\$0.00	\$0.00	\$24,050.00	\$24,050.00
09/23/16	SD - Oper Cert	\$0.00	\$0.00	\$0.00	\$16,000.00	\$16,000.00
09/28/16	PFM Asset Management	\$0.00	\$800.00	\$0.00	\$0.00	\$800.00
09/28/16	PFM Asset Management	\$0.00	\$0.00	\$0.00	\$4.93	\$4.93
<b>Total Admin Disbursements</b>		<b>\$0.00</b>	<b>\$475,301.00</b>	<b>\$222,118.00</b>	<b>\$252,243.27</b>	<b>\$949,662.27</b>
<b>TOTAL OF ALL DWSRF DISBURSEMENTS</b>						<b>\$26,641,524.27</b>

**EXHIBIT V**  
**Letter of Credit Analysis**  
**Projected Federal Grant Draws vs. Actual Draws**  
**Federal Fiscal Year 2016**

Quarter	Grant Payment Schedule	Actual Loan Draws	Actual Set-Aside Draws	Difference
1 <sup>st</sup>	\$12,130,969	\$5,304,728	\$199,276	\$6,626,965
2 <sup>nd</sup>	\$2,211,250	\$3,430,265	\$121,788	(\$1,340,803)
3 <sup>rd</sup>	\$2,211,250	\$1,995,445	\$229,912	(\$14,107)
4 <sup>th</sup>	\$1,468,667	\$4,091,737	\$146,443	(\$2,769,513)
	<b>\$18,022,136</b>	<b>\$14,822,175</b>	<b>\$697,419</b>	<b>\$2,502,542</b>

**Letter of Credit Draws**  
**Federal Fiscal Year 2016**

Draw #	Date	Loan	Admin	Technical Assistance	Local Assistance	Total
1053	10/07/15	\$1,250,285	\$0	\$0	\$0	\$1,250,285
1054	10/16/15	\$40,114	\$0	\$0	\$0	\$40,114
1055	10/23/15	\$179,681	\$29,800	\$10,000	\$0	\$219,481
1056	10/28/15	\$200,000	\$1,014	\$0	\$0	\$201,014
1057	11/05/15	\$1,568,908	\$0	\$0	\$0	\$1,568,908
1058	11/16/15	\$321,826	\$0	\$0	\$0	\$321,826
1059	11/20/15	\$174,782	\$41,000	\$28,000	\$2,600	\$246,382
1060	11/30/15	\$214,384	\$1,024	\$0	\$0	\$215,408
1061	12/02/15	\$828,352	\$0	\$0	\$0	\$828,352
1062	12/10/15	\$187,778	\$42,240	\$0	\$0	\$230,018
1063	12/16/15	\$190,000	\$26,600	\$16,000	\$0	\$232,600
1064	12/30/15	\$148,618	\$998	\$0	\$0	\$149,616
1065	01/06/16	\$799,735	\$0	\$0	\$0	\$799,735
1066	01/14/16	\$0	\$29,000	\$28,000	\$0	\$57,000
1067	01/27/16	\$55,935	\$0	\$0	\$0	\$55,935
1068	02/03/16	\$503,432	\$1,031	\$0	\$0	\$504,463
1069	02/12/16	\$0	\$30,400	\$0	\$0	\$30,400
1070	02/18/16	\$14,244	\$0	\$0	\$0	\$14,244
1071	02/24/16	\$50,390	\$957	\$0	\$0	\$51,347
1072	03/03/16	\$939,052	\$0	\$0	\$0	\$939,052
1073	03/15/16	\$2,000	\$32,400	\$0	\$0	\$34,400
1074	03/17/16	\$36,230	\$0	\$0	\$0	\$36,230
1075	03/29/16	\$1,029,247	\$0	\$0	\$0	\$1,029,247
1076	04/06/16	\$0	\$764	\$0	\$0	\$764
1077	04/08/16	\$0	\$1,508	\$0	\$0	\$1,508
1078	04/14/16	\$237,401	\$0	\$0	\$0	\$237,401
1078A	04/21/16	\$0	\$31,300	\$18,000	\$0	\$49,300
1079	04/27/16	\$299,832	\$779	\$0	\$0	\$300,611
1080	05/04/16	\$1,888	\$0	\$0	\$0	\$1,888



<b>Draw #</b>	<b>Date</b>	<b>Loan</b>	<b>Admin</b>	<b>Technical Assistance</b>	<b>Local Assistance</b>	<b>Total</b>
1081	05/12/16	\$10,142	\$0	\$0	\$0	\$10,142
1082	05/12/16	\$185,819	\$0	\$0	\$0	\$185,819
1083	05/25/16	\$20,982	\$49,786	\$20,000	\$16,700	\$107,468
1084	06/02/16	\$95,011	\$42,075	\$0	\$0	\$137,086
1085	06/09/16	\$312,430	\$0	\$0	\$0	\$312,430
1086	06/16/16	\$517,149	\$13,000	\$36,000	\$0	\$566,149
1087	06/23/16	\$314,791	\$0	\$0	\$0	\$314,791
1088	07/08/16	\$100,000	\$830	\$0	\$0	\$100,830
1089	07/14/16	\$133,644	\$0	\$0	\$0	\$133,644
1090	07/22/16	\$125,277	\$25,900	\$0	\$0	\$151,177
1091	07/27/16	\$1,110,592	\$730	\$0	\$0	\$1,111,322
1092	08/03/16	\$284,266	\$0	\$0	\$0	\$284,266
1093	08/11/16	\$81,895	\$0	\$0	\$0	\$81,895
1094	08/19/16	\$851,703	\$0	\$0	\$0	\$851,703
1095	08/24/16	\$385,132	\$30,665	\$20,000	\$18,818	\$454,615
1096	09/02/16	\$535,713	\$12,900	\$0	\$0	\$548,613
1097	09/22/16	\$152,592	\$27,800	\$8,000	\$0	\$188,392
1098	09/27/16	\$330,923	\$800	\$0	\$0	\$331,723
<b>TOTAL</b>		<b>\$14,822,175</b>	<b>\$475,301</b>	<b>\$184,000</b>	<b>\$38,118</b>	<b>\$15,519,594</b>

**EXHIBIT VI**  
**Environmental Review and Land Purchase Information**  
**Completed During Federal Fiscal Year 2016**

<b>Recipient</b>	<b>Environmental Assessment Class</b>	<b>Environmental Assessment Publication Date</b>	<b>Land Purchase w/ SRF?</b>
Britton (DW-01)	CATEX	04/24/2016	No
Brookings-Deuel Rural Water System (DW-02)	CATEX	04/20/2016	No
Canton (DW-03)	CATEX	05/05/2016	No
Dell Rapids (DW-06)	CATEX	05/04/2016	No
Midland (DW-01)	CATEX	08/04/2016	No
Miller (DW-02)	CATEX	08/31/2016	No
Perkins County Rural Water System (DW-02)	CATEX	04/04/2016	No
Wakonda (DW-01)	CATEX	09/29/2016	No

### Awarded During Federal Fiscal Year 2016 and Still Pending

<b>Recipient</b>	<b>Environmental Assessment Class</b>	<b>Land Purchase w/ SRF?</b>
Bridgewater (DW-01)	CATEX	No
Canistota (DW-03)	CATEX	No
Colman (DW-04)	CATEX	No
Conde (DW-01)	CATEX	No
Elk Point (DW-06)	CATEX	No
Kingbrook Rural Water System (DW-06)	CATEX	No
Viborg (DW-03)	CATEX	No

**EXHIBIT VII**  
**DWSRF Loan Transactions by Borrower**  
**September 30, 2016**

<b>Borrower</b>	<b>Maximum Committed Amount</b>	<b>ARRA Advance</b>	<b>Federal Advance</b>	<b>State Advance</b>	<b>Recycled Advance</b>	<b>Leveraged Advance</b>	<b>Total Advances</b>	<b>Principal Forgiven</b>	<b>Principal Repayments</b>	<b>Loan Balance</b>
Aberdeen (DW-01A)	\$9,460,000	\$0	\$5,212,008	\$1,611,628	\$2,636,364	\$0	\$9,460,000	\$0	\$9,460,000	\$0
Aberdeen (DW-01B)	\$7,024,258	\$0	\$830,686	\$953,745	\$0	\$5,239,827	\$7,024,258	\$0	\$7,024,258	\$0
Aberdeen (DW-02)	\$1,330,118	\$1,118,399	\$0	\$0	\$56,039	\$155,680	\$1,330,118	\$133,012	\$535,233	\$661,873
Aberdeen (DW-03)	\$1,040,000	\$0	\$1,000,000	\$40,000	\$0	\$0	\$1,040,000	\$0	\$38,571	\$1,001,429
Arlington (DW-01)	\$100,000	\$100,000	\$0	\$0	\$0	\$0	\$100,000	\$100,000	\$0	\$0
Aurora-Brule RWS (DW-01)	\$500,000	\$500,000	\$0	\$0	\$0	\$0	\$500,000	\$500,000	\$0	\$0
Baltic (DW-01)	\$250,000	\$0	\$174,962	\$75,038	\$0	\$0	\$250,000	\$0	\$135,438	\$114,562
Baltic (DW-02)	\$163,446	\$16,500	\$0	\$146,946	\$0	\$0	\$163,446	\$16,345	\$69,429	\$77,672
Baltic (DW-03)	\$420,922	\$0	\$0	\$0	\$420,922	\$0	\$420,922	\$0	\$39,920	\$381,002
BDM RWS (DW-01)	\$280,251	\$0	\$280,251	\$0	\$0	\$0	\$280,251	\$0	\$152,767	\$127,484
Beresford (DW-01)	\$916,040	\$0	\$0	\$121,151	\$794,889	\$0	\$916,040	\$458,020	\$19,439	\$438,581
Beresford (DW-02)	\$745,000	\$0	\$227,476	\$94,620	\$0	\$295,000	\$617,096	\$311,016	\$0	\$306,080
Big Sioux Water (DW-02)	\$900,000	\$0	\$442,062	\$0	\$0	\$0	\$442,062	\$0	\$0	\$442,062
Big Sioux Water (DW-03)	\$1,014,000	\$0	\$490,767	\$0	\$0	\$0	\$490,767	\$0	\$0	\$490,767
Big Stone City (DW-01)	\$570,000	\$0	\$570,000	\$0	\$0	\$0	\$570,000	\$0	\$570,000	\$0
Big Stone City (DW-02)	\$139,873	\$0	\$40,000	\$99,873	\$0	\$0	\$139,873	\$0	\$139,873	\$0
Black Hawk WUD (DW-01)	\$500,000	\$0	\$390,376	\$109,624	\$0	\$0	\$500,000	\$0	\$371,776	\$128,224
Black Hawk WUD (DW-02)	\$1,066,674	\$0	\$152,088	\$99,816	\$0	\$814,770	\$1,066,674	\$0	\$262,675	\$803,999
Bonesteel (DW-01)	\$1,939,847	\$0	\$276,011	\$323,989	\$810,739	\$529,108	\$1,939,847	\$1,466,524	\$10,792	\$462,531
Bowdle (DW-01)	\$150,000	\$150,000	\$0	\$0	\$0	\$0	\$150,000	\$150,000	\$0	\$0
Box Elder (DW-01)	\$3,562,950	\$0	\$196,109	\$172,081	\$2,143,687	\$0	\$2,511,877	\$251,187	\$209,793	\$2,050,897
Brandon (DW-01)	\$1,877,375	\$0	\$1,877,375	\$0	\$0	\$0	\$1,877,375	\$0	\$1,877,375	\$0
Bristol (DW-02)	\$1,979,000	\$0	\$387,069	\$194,931	\$563,566	\$550,000	\$1,695,566	\$1,298,803	\$0	\$396,763
Britton (DW-01)	\$320,000	\$0	\$317,146	\$2,854	\$0	\$0	\$320,000	\$0	\$320,000	\$0
Brookings-Deuel RWS (DW-01)	\$1,002,464	\$0	\$860,281	\$0	\$142,183	\$0	\$1,002,464	\$0	\$213,271	\$789,193
Brookings-Deuel RWS (DW-02)	\$1,750,000	\$0	\$1,750,000	\$0	\$0	\$0	\$1,750,000	\$0	\$332,112	\$1,417,888
Bryant (DW-01)	\$142,000	\$0	\$133,962	\$8,038	\$0	\$0	\$142,000	\$0	\$52,709	\$89,291
Buffalo (DW-01)	\$1,695,000	\$0	\$30,923	\$56,431	\$163,585	\$0	\$250,939	\$88,832	\$0	\$162,107
Burke (DW-01)	\$115,600	\$0	\$0	\$0	\$0	\$115,600	\$115,600	\$0	\$27,769	\$87,831
Butte-Meade SWD (DW-01)	\$257,668	\$0	\$54,340	\$30,660	\$172,668	\$0	\$257,668	\$55,398	\$65,694	\$136,575

<b>Borrower</b>	<b>Maximum Committed Amount</b>	<b>ARRA Advance</b>	<b>Federal Advance</b>	<b>State Advance</b>	<b>Recycled Advance</b>	<b>Leveraged Advance</b>	<b>Total Advances</b>	<b>Principal Forgiven</b>	<b>Principal Repayments</b>	<b>Loan Balance</b>
Canistota (DW-01)	\$426,460	\$313,960	\$0	\$0	\$8,485	\$104,015	\$426,460	\$313,960	\$13,169	\$99,331
Canistota (DW-02)	\$1,095,000	\$0	\$302,770	\$647,230	\$145,000	\$0	\$1,095,000	\$616,000	\$4,969	\$474,031
Canton (DW-01)	\$500,000	\$0	\$378,021	\$121,979	\$0	\$0	\$500,000	\$0	\$250,939	\$249,061
Centerville (DW-01)	\$870,000	\$0	\$174,754	\$146,573	\$548,673	\$0	\$870,000	\$0	\$238,945	\$631,055
Chamberlain (DW-01)	\$276,500	\$0	\$0	\$0	\$0	\$276,500	\$276,500	\$0	\$77,225	\$199,275
Chamberlain (DW-02)	\$873,704	\$300,000	\$0	\$344,992	\$0	\$228,712	\$873,704	\$262,111	\$114,043	\$497,550
Chancellor (DW-01)	\$205,948	\$0	\$0	\$0	\$0	\$205,948	\$205,948	\$0	\$42,450	\$163,498
Clay RWS (DW-01)	\$4,331,000	\$0	\$4,331,000	\$0	\$0	\$0	\$4,331,000	\$0	\$892,654	\$3,438,346
Clay RWS (DW-02)	\$844,968	\$700,000	\$144,968	\$0	\$0	\$0	\$844,968	\$698,789	\$19,164	\$127,015
Clay RWS (DW-03)	\$2,205,570	\$0	\$2,205,570	\$0	\$0	\$0	\$2,205,570	\$500,000	\$172,337	\$1,533,233
Clay RWS (DW-04)	\$1,369,758	\$0	\$1,369,758	\$0	\$0	\$0	\$1,369,758	\$0	\$1,369,758	\$0
Clear Lake (DW-01)	\$540,637	\$0	\$540,637	\$0	\$0	\$0	\$540,637	\$0	\$228,927	\$311,710
Colman (DW-01)	\$167,260	\$0	\$165,440	\$0	\$0	\$1,820	\$167,260	\$167,260	\$0	\$0
Colman (DW-02)	\$434,528	\$0	\$223,601	\$0	\$210,927	\$0	\$434,528	\$0	\$13,728	\$420,800
Colman (DW-03)	\$1,600,000	\$0	\$64,285	\$85,715	\$508,648	\$900,000	\$1,558,648	\$942,982	\$5,999	\$609,667
Colonial Pine Hills SD (DW-01)	\$636,108	\$0	\$450,382	\$185,726	\$0	\$0	\$636,108	\$0	\$388,486	\$247,622
Colonial Pine Hills SD (DW-02)	\$1,003,608	\$250,000	\$0	\$345,000	\$0	\$408,608	\$1,003,608	\$250,000	\$164,594	\$589,014
Colonial Pine Hills SD (DW-03)	\$705,000	\$0	\$103,440	\$15,945	\$100,000	\$485,615	\$705,000	\$0	\$19,955	\$685,045
Colonial Pine Hills SD (DW-04)	\$400,000	\$0	\$350,000	\$50,000	\$0	\$0	\$400,000	\$0	\$11,085	\$388,915
Colton (DW-01)	\$632,455	\$0	\$632,455	\$0	\$0	\$0	\$632,455	\$0	\$178,845	\$453,610
Colton (DW-02)	\$181,156	\$0	\$84,305	\$9,923	\$86,928	\$0	\$181,156	\$86,411	\$9,922	\$84,823
Colton (DW-03)	\$156,434	\$0	\$33,921	\$3,492	\$119,021	\$0	\$156,434	\$39,108	\$15,966	\$101,360
Corson Village (DW-01)	\$581,364	\$541,562	\$0	\$0	\$0	\$39,802	\$581,364	\$523,227	\$12,074	\$46,063
Crooks (DW-01)	\$133,510	\$0	\$133,510	\$0	\$0	\$0	\$133,510	\$0	\$60,366	\$73,144
Custer (DW-01)	\$800,000	\$0	\$508,821	\$159,437	\$131,742	\$0	\$800,000	\$0	\$800,000	\$0
Dakota Dunes (DW-01)	\$376,962	\$0	\$96,429	\$25,393	\$255,140	\$0	\$376,962	\$0	\$376,962	\$0
Dakota Dunes (DW-02)	\$1,512,103	\$0	\$1,351,596	\$159,436	\$1,071	\$0	\$1,512,103	\$0	\$19,066	\$1,493,037
Dell Rapids (DW-01)	\$621,000	\$0	\$470,941	\$150,059	\$0	\$0	\$621,000	\$0	\$305,205	\$315,795
Dell Rapids (DW-02)	\$162,263	\$0	\$0	\$0	\$0	\$162,263	\$162,263	\$0	\$64,160	\$98,103
Dell Rapids (DW-03)	\$428,698	\$0	\$32,361	\$2,639	\$393,698	\$0	\$428,698	\$0	\$62,154	\$366,544
Dell Rapids (DW-04)	\$300,000	\$0	\$30,000	\$0	\$270,000	\$0	\$300,000	\$30,000	\$94,224	\$175,776
Dell Rapids (DW-05)	\$866,931	\$0	\$0	\$213,309	\$600,793	\$52,829	\$866,931	\$241,873	\$35,035	\$590,023
Dell Rapids (DW-06)	\$705,000	\$0	\$0	\$0	\$73,909	\$0	\$73,909	\$0	\$0	\$73,909
Delmont (DW-01)	\$158,461	\$0	\$0	\$0	\$0	\$158,461	\$158,461	\$0	\$158,461	\$0
Delmont (DW-02)	\$90,000	\$0	\$90,000	\$0	\$0	\$0	\$90,000	\$90,000	\$0	\$0

<b>Borrower</b>	<b>Maximum Committed Amount</b>	<b>ARRA Advance</b>	<b>Federal Advance</b>	<b>State Advance</b>	<b>Recycled Advance</b>	<b>Leveraged Advance</b>	<b>Total Advances</b>	<b>Principal Forgiven</b>	<b>Principal Repayments</b>	<b>Loan Balance</b>
Desmet (DW-01)	\$258,000	\$25,800	\$0	\$93,002	\$0	\$139,198	\$258,000	\$25,800	\$31,757	\$200,442
Doland (DW-01)	\$1,642,867	\$0	\$850,396	\$302,861	\$306,754	\$182,856	\$1,642,867	\$1,283,079	\$14,708	\$345,080
Dupree (DW-01)	\$163,500	\$0	\$121,539	\$41,961	\$0	\$0	\$163,500	\$100,000	\$3,035	\$60,465
Eagle Butte (DW-01)	\$588,581	\$0	\$0	\$0	\$588,581	\$0	\$588,581	\$470,864	\$20,184	\$97,533
Eagle Butte (DW-02)	\$1,244,000	\$0	\$0	\$0	\$200,000	\$1,044,000	\$1,244,000	\$995,200	\$5,382	\$243,418
Eagle Butte (DW-04)	\$725,000	\$0	\$0	\$0	\$230,443	\$40,000	\$270,443	\$135,221	\$0	\$135,222
Edgemont (DW-01)	\$1,890,000	\$0	\$19,101	\$80,899	\$127,493	\$0	\$227,493	\$145,368	\$0	\$82,125
Elk Point (DW-01)	\$220,000	\$0	\$189,819	\$30,181	\$0	\$0	\$220,000	\$0	\$131,154	\$88,846
Elk Point (DW-02)	\$570,000	\$0	\$0	\$0	\$0	\$570,000	\$570,000	\$0	\$238,791	\$331,209
Elk Point (DW-03)	\$114,441	\$0	\$0	\$0	\$88,902	\$25,539	\$114,441	\$0	\$36,220	\$78,221
Elk Point (DW-04)	\$539,449	\$0	\$0	\$0	\$0	\$539,449	\$539,449	\$0	\$121,199	\$418,250
Elk Point (DW-05)	\$798,040	\$660,520	\$0	\$0	\$34,557	\$102,963	\$798,040	\$446,902	\$76,831	\$274,307
Emery (DW-01)	\$490,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Eureka (DW-01)	\$133,681	\$0	\$0	\$0	\$0	\$133,681	\$133,681	\$0	\$120,313	\$13,368
Eureka (DW-02)	\$200,000	\$200,000	\$0	\$0	\$0	\$0	\$200,000	\$200,000	\$0	\$0
Fall River WUD (DW-01)	\$759,000	\$0	\$759,000	\$0	\$0	\$0	\$759,000	\$0	\$289,710	\$469,290
Fall River WUD (DW-02)	\$260,958	\$0	\$236,894	\$24,064	\$0	\$0	\$260,958	\$0	\$91,817	\$169,141
Fall River WUD (DW-03)	\$612,000	\$612,000	\$0	\$0	\$0	\$0	\$612,000	\$612,000	\$0	\$0
Fall River WUD (DW-04)	\$750,000	\$750,000	\$0	\$0	\$0	\$0	\$750,000	\$750,000	\$0	\$0
Faulkton (DW-01)	\$500,000	\$500,000	\$0	\$0	\$0	\$0	\$500,000	\$500,000	\$0	\$0
Faulkton (DW-02)	\$499,185	\$0	\$358,020	\$28,349	\$112,816	\$0	\$499,185	\$386,369	\$9,871	\$102,945
Florence (DW-01)	\$688,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Florence (DW-01)	\$567,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Garretson (DW-01)	\$1,102,147	\$0	\$1,102,147	\$0	\$0	\$0	\$1,102,147	\$0	\$311,498	\$790,649
Gayville (DW-01)	\$900,000	\$0	\$411,485	\$77,450	\$411,065	\$0	\$900,000	\$480,000	\$31,912	\$388,088
Gettysburg (DW-01)	\$565,000	\$0	\$565,000	\$0	\$0	\$0	\$565,000	\$0	\$565,000	\$0
Grant Roberts RWS (DW-01)	\$4,500,000	\$0	\$2,342,549	\$0	\$0	\$0	\$2,342,549	\$0	\$133,878	\$2,208,671
Gregory (DW-01)	\$347,580	\$0	\$312,474	\$35,106	\$0	\$0	\$347,580	\$0	\$124,918	\$222,662
Gregory (DW-02)	\$551,691	\$0	\$137,650	\$11,858	\$402,183	\$0	\$551,691	\$149,508	\$34,214	\$367,969
Groton (DW-01)	\$440,000	\$0	\$211,848	\$228,152	\$0	\$0	\$440,000	\$0	\$440,000	\$0
Groton (DW-02)	\$308,945	\$0	\$0	\$0	\$0	\$308,945	\$308,945	\$0	\$308,945	\$0
Groton (DW-03)	\$231,315	\$231,315	\$0	\$0	\$0	\$0	\$231,315	\$231,315	\$0	\$0
Hanson RWS (DW-01)	\$754,341	\$588,000	\$166,341	\$0	\$0	\$0	\$754,341	\$528,038	\$42,899	\$183,404
Harrisburg (DW-01)	\$525,000	\$0	\$504,926	\$20,074	\$0	\$0	\$525,000	\$0	\$325,866	\$199,134
Harrisburg (DW-02)	\$1,291,925	\$0	\$1,291,925	\$0	\$0	\$0	\$1,291,925	\$0	\$403,424	\$888,501

<b>Borrower</b>	<b>Maximum Committed Amount</b>	<b>ARRA Advance</b>	<b>Federal Advance</b>	<b>State Advance</b>	<b>Recycled Advance</b>	<b>Leveraged Advance</b>	<b>Total Advances</b>	<b>Principal Forgiven</b>	<b>Principal Repayments</b>	<b>Loan Balance</b>
Harrisburg (DW-03)	\$1,753,441	\$0	\$0	\$259,438	\$6,314	\$1,487,689	\$1,753,441	\$0	\$373,727	\$1,379,714
Hartford (DW-01)	\$185,000	\$0	\$185,000	\$0	\$0	\$0	\$185,000	\$0	\$185,000	\$0
Hartford (DW-02)	\$800,957	\$0	\$429,369	\$371,588	\$0	\$0	\$800,957	\$0	\$429,147	\$371,810
Hartford (DW-03)	\$1,123,556	\$0	\$450,629	\$0	\$672,927	\$0	\$1,123,556	\$0	\$444,155	\$679,401
Hermosa (DW-01)	\$300,000	\$0	\$300,000	\$0	\$0	\$0	\$300,000	\$0	\$223,915	\$76,085
Highmore (DW-01)	\$267,038	\$0	\$186,997	\$80,041	\$0	\$0	\$267,038	\$0	\$4,875	\$262,163
Hill City (DW-01)	\$336,903	\$241,320	\$0	\$95,583	\$0	\$0	\$336,903	\$202,141	\$134,762	\$0
Hisega Meadows (DW-01)	\$487,500	\$0	\$487,500	\$0	\$0	\$0	\$487,500	\$250,000	\$13,815	\$223,685
Hisega Meadows (DW-02)	\$273,000	\$0	\$227,345	\$0	\$0	\$0	\$227,345	\$0	\$0	\$227,345
Hot Springs (DW-01)	\$1,636,000	\$0	\$0	\$0	\$1,636,000	\$0	\$1,636,000	\$0	\$220,539	\$1,415,461
Hoven (DW-01)	\$750,000	\$0	\$488,298	\$261,702	\$0	\$0	\$750,000	\$750,000	\$0	\$0
Hoven (DW-02)	\$264,750	\$0	\$264,750	\$0	\$0	\$0	\$264,750	\$264,750	\$0	\$0
Humboldt (DW-01)	\$481,773	\$0	\$481,773	\$0	\$0	\$0	\$481,773	\$0	\$161,961	\$319,812
Huron (DW-01)	\$4,000,000	\$0	\$0	\$734,473	\$3,265,527	\$0	\$4,000,000	\$0	\$2,076,694	\$1,923,306
Huron (DW-02)	\$478,407	\$122,500	\$50,000	\$18,215	\$0	\$287,692	\$478,407	\$94,724	\$79,684	\$303,999
Huron (DW-03)	\$592,073	\$0	\$0	\$0	\$592,073	\$0	\$592,073	\$0	\$34,946	\$557,127
Ipswich (DW-01)	\$1,245,000	\$933,750	\$0	\$0	\$290,028	\$21,222	\$1,245,000	\$933,750	\$32,283	\$278,967
Irene (DW-01)	\$127,126	\$0	\$127,126	\$0	\$0	\$0	\$127,126	\$0	\$127,126	\$0
Irene (DW-02)	\$1,546,000	\$0	\$237,823	\$222,177	\$8,466	\$646,000	\$1,114,466	\$840,307	\$990	\$273,169
Keystone (DW-01)	\$630,212	\$0	\$222,822	\$407,390	\$0	\$0	\$630,212	\$0	\$279,690	\$350,522
Kingbrook RWS (DW-01)	\$474,204	\$0	\$474,204	\$0	\$0	\$0	\$474,204	\$0	\$224,497	\$249,707
Kingbrook RWS (DW-02)	\$2,115,000	\$0	\$0	\$0	\$2,115,000	\$0	\$2,115,000	\$0	\$536,477	\$1,578,523
Kingbrook RWS (DW-03)	\$3,136,677	\$0	\$3,136,677	\$0	\$0	\$0	\$3,136,677	\$0	\$1,202,502	\$1,934,175
Kingbrook RWS (DW-04)	\$2,315,622	\$0	\$2,315,622	\$0	\$0	\$0	\$2,315,622	\$0	\$718,704	\$1,596,918
Kingbrook RWS (DW-05)	\$540,000	\$0	\$352,307	\$0	\$0	\$0	\$352,307	\$0	\$0	\$352,307
Lead (DW-01)	\$192,800	\$0	\$82,360	\$110,440	\$0	\$0	\$192,800	\$0	\$192,800	\$0
Lead (DW-02)	\$192,549	\$0	\$0	\$0	\$0	\$192,549	\$192,549	\$0	\$48,841	\$143,708
Lead (DW-03)	\$784,987	\$387,600	\$0	\$0	\$97,387	\$300,000	\$784,987	\$298,295	\$85,153	\$401,539
Lead (DW-04)	\$939,000	\$0	\$216,222	\$282,778	\$322,671	\$0	\$821,671	\$0	\$0	\$821,671
Lead-Deadwood SD (DW-01)	\$2,683,957	\$0	\$2,682,145	\$1,812	\$0	\$0	\$2,683,957	\$0	\$2,683,957	\$0
Lennox (DW-01)	\$2,000,000	\$0	\$0	\$0	\$0	\$2,000,000	\$2,000,000	\$0	\$425,494	\$1,574,506
Lennox (DW-02)	\$712,431	\$0	\$352,676	\$81,076	\$178,679	\$100,000	\$712,431	\$400,000	\$21,072	\$291,359
Lincoln County RWS (DW-01)	\$1,079,170	\$0	\$1,079,170	\$0	\$0	\$0	\$1,079,170	\$0	\$527,941	\$551,229
Madison (DW-01)	\$2,372,000	\$0	\$2,372,000	\$0	\$0	\$0	\$2,372,000	\$0	\$2,372,000	\$0
Martin (DW-01)	\$917,901	\$0	\$705,896	\$212,005	\$0	\$0	\$917,901	\$0	\$255,395	\$662,507

<b>Borrower</b>	<b>Maximum Committed Amount</b>	<b>ARRA Advance</b>	<b>Federal Advance</b>	<b>State Advance</b>	<b>Recycled Advance</b>	<b>Leveraged Advance</b>	<b>Total Advances</b>	<b>Principal Forgiven</b>	<b>Principal Repayments</b>	<b>Loan Balance</b>
McLaughlin (DW-01)	\$350,000	\$0	\$0	\$0	\$0	\$350,000	\$350,000	\$0	\$91,601	\$258,399
McLaughlin (DW-02)	\$3,805,869	\$0	\$1,822,990	\$906,698	\$1,076,181	\$0	\$3,805,869	\$2,919,101	\$39,843	\$846,925
Menno (DW-01)	\$157,000	\$0	\$39,250	\$0	\$117,750	\$0	\$157,000	\$39,250	\$53,328	\$64,422
Mid-Dakota RWS (DW-01)	\$9,455,108	\$0	\$9,455,108	\$0	\$0	\$0	\$9,455,108	\$0	\$9,455,108	\$0
Mid-Dakota RWS (DW-02)	\$1,000,000	\$1,000,000	\$0	\$0	\$0	\$0	\$1,000,000	\$1,000,000	\$0	\$0
Mid-Dakota RWS (DW-03)	\$2,979,054	\$0	\$2,979,054	\$0	\$0	\$0	\$2,979,054	\$605,000	\$175,662	\$2,198,392
Mid-Dakota RWS (DW-04)	\$644,786	\$0	\$644,786	\$0	\$0	\$0	\$644,786	\$0	\$33,236	\$611,550
Mid-Dakota RWS (DW-05)	\$2,535,000	\$0	\$2,521,377	\$0	\$0	\$0	\$2,521,377	\$0	\$0	\$2,521,377
Milbank (DW-01)	\$4,460,294	\$0	\$300,000	\$1,506,323	\$0	\$2,653,971	\$4,460,294	\$0	\$1,800,076	\$2,660,218
Miller (DW-01)	\$225,389	\$0	\$0	\$0	\$59,495	\$165,894	\$225,389	\$0	\$139,020	\$86,369
Mina Lake S&W Dist (DW-01)	\$255,200	\$0	\$144,947	\$110,253	\$0	\$0	\$255,200	\$0	\$182,163	\$73,037
Mina Lake S&W Dist (DW-02)	\$490,398	\$283,695	\$0	\$0	\$48,008	\$158,695	\$490,398	\$245,199	\$45,717	\$199,482
Minnehaha CWC (DW-01)	\$6,022,816	\$0	\$6,022,816	\$0	\$0	\$0	\$6,022,816	\$0	\$3,105,434	\$2,917,382
Mitchell (DW-01)	\$2,850,115	\$0	\$2,246,532	\$603,583	\$0	\$0	\$2,850,115	\$0	\$1,471,651	\$1,378,464
Mitchell (DW-02)	\$1,956,237	\$1,322,243	\$0	\$0	\$633,994	\$0	\$1,956,237	\$293,436	\$291,750	\$1,371,051
Mobridge (DW-01)	\$965,000	\$0	\$965,000	\$0	\$0	\$0	\$965,000	\$0	\$965,000	\$0
Mobridge (DW-02)	\$352,207	\$0	\$352,207	\$0	\$0	\$0	\$352,207	\$0	\$352,207	\$0
Mobridge (DW-03)	\$213,500	\$0	\$0	\$213,500	\$0	\$0	\$213,500	\$0	\$45,299	\$168,201
Mobridge (DW-04)	\$62,442	\$0	\$0	\$62,442	\$0	\$0	\$62,442	\$0	\$12,817	\$49,625
Mobridge (DW-05)	\$500,000	\$500,000	\$0	\$0	\$0	\$0	\$500,000	\$500,000	\$0	\$0
Mobridge (DW-06)	\$1,212,000	\$0	\$818,481	\$393,519	\$0	\$0	\$1,212,000	\$0	\$41,665	\$1,170,335
Mobridge (DW-07)	\$369,526	\$0	\$150,000	\$50,000	\$69,526	\$100,000	\$369,526	\$0	\$3,474	\$366,052
Montrose (DW-01)	\$862,825	\$0	\$364,632	\$209,146	\$289,047	\$0	\$862,825	\$573,778	\$20,316	\$268,731
Newell (DW-01)	\$714,774	\$322,750	\$0	\$184,000	\$208,024	\$0	\$714,774	\$322,750	\$43,214	\$348,810
Newell (DW-02)	\$230,952	\$0	\$0	\$0	\$230,952	\$0	\$230,952	\$144,345	\$12,312	\$74,295
New Underwood (DW-01)	\$169,299	\$70,200	\$0	\$0	\$0	\$99,099	\$169,299	\$67,719	\$21,096	\$80,484
Niche San District (DW-01)	\$315,000	\$0	\$258,831	\$56,169	\$0	\$0	\$315,000	\$225,000	\$5,412	\$84,588
Nisland (DW-01)	\$350,000	\$0	\$179,243	\$170,757	\$0	\$0	\$350,000	\$0	\$145,834	\$204,167
Northville (DW-01)	\$186,804	\$172,536	\$0	\$0	\$9,928	\$4,340	\$186,804	\$149,443	\$6,514	\$30,847
Oacoma (DW-02)	\$1,061,416	\$0	\$0	\$0	\$1,061,416	\$0	\$1,061,416	\$0	\$1,061,416	\$0
Onida (DW-01)	\$905,000	\$0	\$246,492	\$185,847	\$0	\$305,000	\$737,339	\$204,242	\$0	\$533,097
Parker (DW-01)	\$730,000	\$0	\$0	\$0	\$0	\$730,000	\$730,000	\$0	\$288,410	\$441,590
Parker (DW-02)	\$209,541	\$0	\$0	\$174,612	\$0	\$34,929	\$209,541	\$0	\$64,200	\$145,341
Parker (DW-03)	\$554,200	\$452,100	\$0	\$0	\$0	\$102,100	\$554,200	\$452,100	\$23,403	\$78,697
Perkins County RWS (DW-01)	\$151,000	\$0	\$151,000	\$0	\$0	\$0	\$151,000	\$151,000	\$0	\$0

<b>Borrower</b>	<b>Maximum Committed Amount</b>	<b>ARRA Advance</b>	<b>Federal Advance</b>	<b>State Advance</b>	<b>Recycled Advance</b>	<b>Leveraged Advance</b>	<b>Total Advances</b>	<b>Principal Forgiven</b>	<b>Principal Repayments</b>	<b>Loan Balance</b>
Perkins County RWS (DW-02)	\$1,722,000	\$0	\$524,913	\$0	\$0	\$0	\$524,913	\$314,947	\$0	\$209,966
Piedmont (DW-01)	\$1,404,000	\$0	\$677,637	\$126,363	\$600,000	\$0	\$1,404,000	\$804,000	\$62,831	\$537,169
Pierpont (DW-01)	\$544,908	\$0	\$305,414	\$104,748	\$134,746	\$0	\$544,908	\$408,861	\$9,574	\$126,652
Pierre (DW-01)	\$988,188	\$0	\$857,306	\$130,882	\$0	\$0	\$988,188	\$0	\$864,956	\$123,232
Pierre (DW-02)	\$1,832,900	\$0	\$1,452,491	\$380,409	\$0	\$0	\$1,832,900	\$0	\$1,247,080	\$585,820
Plankinton (DW-01)	\$1,442,083	\$0	\$571,429	\$269,263	\$601,391	\$0	\$1,442,083	\$824,871	\$26,196	\$591,016
Platte (DW-01)	\$293,134	\$0	\$0	\$0	\$0	\$293,134	\$293,134	\$0	\$293,134	\$0
Rapid City (DW-01)	\$3,500,000	\$0	\$2,985,946	\$188,878	\$0	\$325,176	\$3,500,000	\$0	\$3,500,000	\$0
Rapid City (DW-02)	\$6,000,000	\$0	\$1,355,880	\$240,992	\$3,000,664	\$1,402,464	\$6,000,000	\$0	\$829,679	\$5,170,321
Rapid City (DW-03)	\$4,626,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Rapid Valley SD (DW-01)	\$682,000	\$682,000	\$0	\$0	\$0	\$0	\$682,000	\$682,000	\$0	\$0
Rapid Valley SD (DW-02)	\$414,367	\$0	\$350,000	\$0	\$0	\$64,367	\$414,367	\$0	\$23,226	\$391,141
Redfield (DW-01)	\$85,000	\$0	\$0	\$85,000	\$0	\$0	\$85,000	\$0	\$62,258	\$22,742
Redfield (DW-02)	\$228,823	\$0	\$50,000	\$178,823	\$0	\$0	\$228,823	\$0	\$38,724	\$190,099
Roslyn (DW-01)	\$500,000	\$500,000	\$0	\$0	\$0	\$0	\$500,000	\$500,000	\$0	\$0
Salem (DW-01)	\$118,540	\$0	\$72,120	\$46,420	\$0	\$0	\$118,540	\$0	\$118,540	\$0
Salem (DW-02)	\$328,966	\$0	\$0	\$328,966	\$0	\$0	\$328,966	\$0	\$126,115	\$202,851
Salem (DW-03)	\$1,345,000	\$0	\$619,706	\$184,926	\$0	\$540,368	\$1,345,000	\$0	\$216,820	\$1,128,180
Scotland (DW-01)	\$235,172	\$0	\$128,630	\$106,542	\$0	\$0	\$235,172	\$0	\$68,438	\$166,734
Selby (DW-01)	\$100,000	\$100,000	\$0	\$0	\$0	\$0	\$100,000	\$100,000	\$0	\$0
Sioux Falls (DW-01)	\$6,496,745	\$0	\$2,617,744	\$3,879,001	\$0	\$0	\$6,496,745	\$0	\$6,496,745	\$0
Sioux Falls (DW-02)	\$2,348,168	\$0	\$2,342,067	\$6,101	\$0	\$0	\$2,348,168	\$0	\$2,348,168	\$0
Sioux Falls (DW-03)	\$7,930,000	\$0	\$6,596,126	\$1,333,874	\$0	\$0	\$7,930,000	\$0	\$7,930,000	\$0
Sioux Falls (DW-04)	\$279,599	\$0	\$231,200	\$48,399	\$0	\$0	\$279,599	\$0	\$279,599	\$0
Sioux Falls (DW-05)	\$10,828,766	\$0	\$0	\$0	\$0	\$10,828,766	\$10,828,766	\$0	\$10,828,766	\$0
Sioux Falls (DW-06)	\$9,938,849	\$0	\$3,010,443	\$841,180	\$730,424	\$5,356,802	\$9,938,849	\$0	\$5,879,944	\$4,058,905
Sioux Falls (DW-07)	\$2,200,000	\$0	\$1,179,517	\$174,180	\$26,282	\$820,021	\$2,200,000	\$0	\$1,366,930	\$833,070
Sioux Falls (DW-08)	\$2,088,645	\$0	\$1,388	\$4,980	\$0	\$2,082,277	\$2,088,645	\$0	\$1,406,419	\$682,226
Sioux Falls (DW-09)	\$2,678,738	\$2,196,783	\$20,000	\$3,804	\$0	\$458,151	\$2,678,738	\$267,874	\$1,258,699	\$1,152,165
Sioux Falls (DW-10)	\$5,819,138	\$760,690	\$1,020,700	\$722,218	\$10,530	\$3,305,000	\$5,819,138	\$581,914	\$2,724,192	\$2,513,033
Sioux Falls (DW-11)	\$4,000,000	\$0	\$0	\$0	\$3,850,000	\$150,000	\$4,000,000	\$0	\$1,299,153	\$2,700,847
Sioux RWS (DW-01)	\$2,515,000	\$0	\$1,066,153	\$0	\$0	\$0	\$1,066,153	\$0	\$0	\$1,066,153
South Lincoln RWS (DW-01)	\$2,000,000	\$0	\$2,000,000	\$0	\$0	\$0	\$2,000,000	\$0	\$2,000,000	\$0
South Lincoln RWS (DW-02)	\$476,500	\$0	\$476,500	\$0	\$0	\$0	\$476,500	\$244,500	\$16,287	\$215,713
Spearfish (DW-01)	\$3,254,000	\$0	\$2,311,248	\$0	\$0	\$942,752	\$3,254,000	\$0	\$442,798	\$2,811,202



<b>Borrower</b>	<b>Maximum Committed Amount</b>	<b>ARRA Advance</b>	<b>Federal Advance</b>	<b>State Advance</b>	<b>Recycled Advance</b>	<b>Leveraged Advance</b>	<b>Total Advances</b>	<b>Principal Forgiven</b>	<b>Principal Repayments</b>	<b>Loan Balance</b>
Sturgis (DW-01)	\$478,377	\$0	\$478,377	\$0	\$0	\$0	\$478,377	\$0	\$478,377	\$0
Sturgis (DW-02)	\$608,417	\$86,300	\$0	\$492,307	\$0	\$29,810	\$608,417	\$60,841	\$285,922	\$261,654
Sturgis (DW-03)	\$3,460,000	\$0	\$0	\$0	\$3,460,000	\$0	\$3,460,000	\$0	\$3,460,000	\$0
Sturgis (DW-04)	\$2,035,893	\$0	\$415,407	\$0	\$1,620,486	\$0	\$2,035,893	\$0	\$193,082	\$1,842,810
Tabor (DW-01)	\$1,530,000	\$0	\$331,790	\$398,210	\$682,328	\$67,471	\$1,479,799	\$677,747	\$12,501	\$789,551
Tea (DW-01)	\$2,263,723	\$0	\$2,263,723	\$0	\$0	\$0	\$2,263,723	\$0	\$787,396	\$1,476,328
TM Rural Water (DW-01)	\$1,081,299	\$0	\$15,750	\$0	\$1,065,549	\$0	\$1,081,299	\$0	\$221,478	\$859,821
TM Rural Water (DW-02)	\$1,394,175	\$0	\$1,329,434	\$34,034	\$30,707	\$0	\$1,394,175	\$1,394,175	\$0	\$0
Trail West (DW-01)	\$1,607,626	\$0	\$587,267	\$230,019	\$790,340	\$0	\$1,607,626	\$742,106	\$165,352	\$700,168
Tri-County Water Assn (DW-01)	\$200,000	\$0	\$200,000	\$0	\$0	\$0	\$200,000	\$200,000	\$0	\$0
Tripp (DW-01)	\$225,656	\$0	\$210,265	\$15,391	\$0	\$0	\$225,656	\$0	\$79,396	\$146,260
Tripp County WUD (DW-01)	\$3,500,000	\$0	\$2,846,206	\$653,794	\$0	\$0	\$3,500,000	\$0	\$1,081,393	\$2,418,607
Tripp County WUD (DW-02)	\$131,469	\$0	\$93,183	\$38,286	\$0	\$0	\$131,469	\$0	\$51,492	\$79,977
Tripp County WUD (DW-04)	\$11,750,000	\$0	\$8,903,442	\$990,126	\$103,058	\$0	\$9,996,626	\$0	\$0	\$9,996,626
Tyndall (DW-01)	\$300,000	\$0	\$300,000	\$0	\$0	\$0	\$300,000	\$0	\$300,000	\$0
Tyndall (DW-02)	\$861,000	\$0	\$680,115	\$180,885	\$0	\$0	\$861,000	\$0	\$241,538	\$619,462
Tyndall (DW-03)	\$1,570,000	\$0	\$707,403	\$112,597	\$7,010	\$0	\$827,010	\$105,857	\$0	\$721,153
Vermillion (DW-01)	\$795,338	\$0	\$726,511	\$0	\$68,827	\$0	\$795,338	\$0	\$795,338	\$0
Vermillion (DW-02)	\$1,507,552	\$0	\$1,201,823	\$305,729	\$0	\$0	\$1,507,552	\$0	\$797,370	\$710,182
Vermillion (DW-03)	\$3,693,216	\$0	\$35,413	\$98,204	\$0	\$3,559,599	\$3,693,216	\$0	\$1,388,382	\$2,304,834
Vermillion (DW-04)	\$1,438,541	\$0	\$385,305	\$73,781	\$979,455	\$0	\$1,438,541	\$143,854	\$132,888	\$1,161,799
Viborg (DW-01)	\$104,491	\$0	\$0	\$0	\$24,705	\$79,786	\$104,491	\$0	\$29,184	\$75,307
Viborg (DW-02)	\$847,000	\$0	\$452,695	\$277,305	\$117,000	\$0	\$847,000	\$730,000	\$9,561	\$107,439
Wagner (DW-01)	\$750,000	\$0	\$2,833	\$469,439	\$0	\$277,728	\$750,000	\$0	\$193,750	\$556,250
Wagner (DW-02)	\$175,000	\$0	\$0	\$175,000	\$0	\$0	\$175,000	\$0	\$49,583	\$125,417
Warner (DW-01)	\$400,000	\$400,000	\$0	\$0	\$0	\$0	\$400,000	\$400,000	\$0	\$0
Watertown (DW-01)	\$23,760,000	\$0	\$6,648,778	\$1,451,222	\$4,606,753	\$11,053,247	\$23,760,000	\$0	\$7,833,472	\$15,926,528
Waubay (DW-01)	\$750,000	\$0	\$0	\$0	\$0	\$750,000	\$750,000	\$0	\$143,693	\$606,307
Webster (DW-02)	\$277,522	\$0	\$108,796	\$0	\$168,726	\$0	\$277,522	\$107,678	\$63,403	\$106,441
Wessington Springs (DW-01)	\$209,000	\$0	\$0	\$0	\$14,466	\$0	\$14,466	\$0	\$0	\$14,466
White Lake (DW-01)	\$362,000	\$0	\$191,941	\$78,059	\$0	\$92,000	\$362,000	\$85,000	\$8,020	\$268,980
WR/Lyman Jones (DW-01)	\$340,000	\$0	\$280,908	\$59,092	\$0	\$0	\$340,000	\$0	\$340,000	\$0
WR/Lyman Jones (DW-02)	\$7,943,023	\$0	\$7,943,023	\$0	\$0	\$0	\$7,943,023	\$0	\$7,943,023	\$0
Winner (DW-01)	\$372,437	\$0	\$164,038	\$137,716	\$70,683	\$0	\$372,437	\$0	\$13,275	\$359,162
Wolsey (DW-01)	\$227,950	\$0	\$0	\$227,950	\$0	\$0	\$227,950	\$0	\$84,378	\$143,572

<b>Borrower</b>	<b>Maximum Committed Amount</b>	<b>ARRA Advance</b>	<b>Federal Advance</b>	<b>State Advance</b>	<b>Recycled Advance</b>	<b>Leveraged Advance</b>	<b>Total Advances</b>	<b>Principal Forgiven</b>	<b>Principal Repayments</b>	<b>Loan Balance</b>
Wolsey (DW-02)	\$162,300	\$0	\$4,067	\$122,320	\$0	\$35,913	\$162,300	\$0	\$38,023	\$124,277
Woodland Hills (DW-01)	\$780,000	\$0	\$311,199	\$133,801	\$20,000	\$315,000	\$780,000	\$480,000	\$13,718	\$286,282
Woodland Hills (DW-02)	\$481,000	\$0	\$159,126	\$207,425	\$0	\$0	\$366,551	\$293,240	\$0	\$73,311
Woonsocket (DW-01)	\$720,000	\$416,500	\$0	\$0	\$303,500	\$0	\$720,000	\$416,500	\$30,027	\$273,473
Worthing (DW-01)	\$288,000	\$0	\$116,579	\$171,421	\$0	\$0	\$288,000	\$0	\$135,632	\$152,367
Worthing (DW-02)	\$277,094	\$0	\$177,501	\$32,347	\$67,246	\$0	\$277,094	\$183,990	\$7,909	\$85,195
Yankton (DW-01)	\$3,460,000	\$0	\$2,546,639	\$913,361	\$0	\$0	\$3,460,000	\$0	\$1,942,303	\$1,517,697
Yankton (DW-02)	\$896,975	\$0	\$449,100	\$111,732	\$0	\$336,143	\$896,975	\$0	\$260,180	\$636,795
Yankton (DW-03)	\$2,542,146	\$136,375	\$1,446,101	\$482,024	\$26,271	\$451,375	\$2,542,146	\$115,667	\$437,886	\$1,988,593
Yankton (DW-04)	\$2,200,000	\$220,000	\$1,013,015	\$441,985	\$0	\$525,000	\$2,200,000	\$220,000	\$432,448	\$1,547,552
Yankton (DW-05)	\$12,850,000	\$0	\$3,562,372	\$444,679	\$4,763,870	\$0	\$8,770,921	\$688,517	\$0	\$8,082,404
<b>TOTAL</b>	<b>\$369,618,361</b>	<b>\$19,110,000</b>	<b>\$167,443,009</b>	<b>\$34,827,095</b>	<b>\$54,795,881</b>	<b>\$67,692,719</b>	<b>\$343,868,704</b>	<b>\$40,975,413</b>	<b>\$148,609,254</b>	<b>\$154,284,037</b>

**EXHIBIT VIII**  
**Projected Principal and Interest Payments**  
**Federal Fiscal Year 2017**

<b>Borrower</b>	<b>Principal</b>	<b>Interest</b>	<b>Admin Surcharge</b>	<b>Total</b>
Aberdeen (DW-02)	\$120,134	\$10,829	\$3,054	\$134,018
Aberdeen (DW-03)	\$39,741	\$24,567	\$5,032	\$69,340
Baltic (DW-01)	\$13,601	\$2,721	\$1,111	\$17,434
Baltic (DW-02)	\$14,845	\$1,266	\$357	\$16,468
Baltic (DW-03)	\$16,822	\$9,331	\$1,911	\$28,064
BDM Rural Water System (DW-01)	\$15,135	\$3,028	\$1,237	\$19,400
Beresford (DW-01)	\$10,164	\$10,826	\$2,217	\$23,208
Beresford (DW-02)	\$6,398	\$7,562	\$1,549	\$15,509
Big Sioux Community Water System (DW-02)	\$16,832	\$10,851	\$2,223	\$29,906
Big Sioux Community Water System (DW-03)	\$0	\$1,604	\$329	\$1,932
Black Hawk Water User District (DW-01)	\$34,279	\$4,548	\$1,516	\$40,344
Black Hawk Water User District (DW-02)	\$47,182	\$19,680	\$5,879	\$72,741
Bonesteel (DW-01)	\$11,447	\$8,042	\$2,268	\$21,758
Box Elder (DW-01)	\$90,552	\$50,227	\$10,287	\$151,066
Bristol (DW-02)	\$8,294	\$16,906	\$3,463	\$28,663
Brookings-Deuel Rural Water System (DW-01)	\$27,116	\$19,497	\$5,824	\$52,437
Brookings-Deuel Rural Water System (DW-02)	\$46,388	\$35,050	\$10,470	\$91,908
Bryant (DW-01)	\$4,597	\$2,627	\$0	\$7,225
Buffalo (DW-01)	\$950	\$887	\$250	\$2,087
Burke (DW-01)	\$3,324	\$1,732	\$433	\$5,489
Butte-Meade Sanitary Water District (DW-01)	\$14,761	\$1,733	\$489	\$16,983
Canistota (DW-01)	\$2,751	\$2,448	\$501	\$5,700
Canistota (DW-02)	\$10,164	\$11,709	\$2,398	\$24,271
Canton (DW-01)	\$26,517	\$5,944	\$2,428	\$34,888
Centerville (DW-01)	\$25,319	\$15,556	\$4,647	\$45,522
Chamberlain (DW-01)	\$12,531	\$4,870	\$1,455	\$18,856
Chamberlain (DW-02)	\$26,142	\$12,146	\$2,488	\$40,777
Chancellor (DW-01)	\$5,526	\$4,040	\$1,207	\$10,773
Clay Rural Water System (DW-01)	\$116,210	\$84,961	\$25,378	\$226,550
Clay Rural Water System (DW-02)	\$3,635	\$3,121	\$639	\$7,396
Clay Rural Water System (DW-03)	\$40,851	\$37,714	\$7,725	\$86,289
Clear Lake (DW-01)	\$13,600	\$6,912	\$0	\$20,512
Colman (DW-02)	\$9,500	\$10,390	\$2,128	\$22,018
Colman (DW-03)	\$11,136	\$15,077	\$3,088	\$29,302
Colonial Pine Hills Sanitary District (DW-01)	\$26,947	\$4,449	\$1,817	\$33,212
Colonial Pine Hills Sanitary District (DW-02)	\$24,615	\$10,847	\$2,222	\$37,684
Colonial Pine Hills Sanitary District (DW-03)	\$29,198	\$16,877	\$3,457	\$49,532
Colonial Pine Hills Sanitary District (DW-04)	\$11,336	\$7,193	\$1,473	\$20,002
Colton (DW-01)	\$18,437	\$11,102	\$4,534	\$34,073
Colton (DW-02)	\$3,815	\$2,077	\$425	\$6,317
Colton (DW-03)	\$10,946	\$1,707	\$482	\$13,135
Corson Village Sanitary District (DW-01)	\$2,522	\$1,124	\$230	\$3,876
Crooks (DW-01)	\$7,115	\$1,764	\$527	\$9,406
Dakota Dunes CID (DW-02)	\$24,551	\$36,949	\$7,568	\$69,067
Dell Rapids (DW-01)	\$32,484	\$7,547	\$3,083	\$43,113
Dell Rapids (DW-02)	\$7,974	\$2,381	\$711	\$11,065
Dell Rapids (DW-03)	\$17,785	\$8,962	\$1,836	\$28,583

<b>Borrower</b>	<b>Principal</b>	<b>Interest</b>	<b>Admin Surcharge</b>	<b>Total</b>
Dell Rapids (DW-04)	\$26,494	\$2,911	\$821	\$30,227
Dell Rapids (DW-05)	\$24,245	\$14,467	\$2,963	\$41,674
Dell Rapids (DW-06)	\$0	\$110	\$19	\$129
DeSmet (DW-01)	\$6,207	\$2,987	\$1,471	\$10,665
Doland (DW-01)	\$7,997	\$8,518	\$1,745	\$18,260
Dupree (DW-01)	\$1,569	\$1,051	\$296	\$2,917
Eagle Butte (DW-01)	\$11,822	\$0	\$0	\$11,822
Eagle Butte (DW-02)	\$8,617	\$0	\$0	\$8,617
Eagle Butte (DW-04)	\$3,381	\$0	\$0	\$3,381
Elk Point (DW-01)	\$12,394	\$2,093	\$855	\$15,342
Elk Point (DW-02)	\$28,508	\$8,023	\$2,396	\$38,927
Elk Point (DW-03)	\$5,422	\$1,907	\$570	\$7,898
Elk Point (DW-04)	\$23,478	\$10,248	\$3,061	\$36,787
Elk Point (DW-05)	\$15,354	\$6,688	\$1,370	\$23,411
Eureka (DW-01)	\$13,368	\$0	\$0	\$13,368
Fall River Water Users District (DW-01)	\$24,658	\$13,803	\$0	\$38,461
Fall River Water Users District (DW-02)	\$8,239	\$4,152	\$0	\$12,390
Faulkton (DW-02)	\$2,658	\$2,539	\$520	\$5,716
Garretson (DW-01)	\$32,136	\$19,350	\$7,904	\$59,390
Gayville (DW-01)	\$9,748	\$9,573	\$1,961	\$21,282
Grant-Roberts Rural Water System (DW-01)	\$53,027	\$54,394	\$11,141	\$118,562
Gregory (DW-01)	\$11,047	\$5,464	\$0	\$16,510
Gregory (DW-02)	\$10,279	\$6,391	\$1,802	\$18,472
Hanson Rural Water System (DW-01)	\$9,697	\$4,457	\$913	\$15,066
Harrisburg (DW-01)	\$32,279	\$7,486	\$1,872	\$41,637
Harrisburg (DW-02)	\$60,066	\$21,675	\$6,474	\$88,215
Harrisburg (DW-03)	\$75,783	\$33,821	\$10,102	\$119,707
Hartford (DW-02)	\$34,254	\$6,718	\$2,744	\$43,716
Hartford (DW-03)	\$41,247	\$12,495	\$3,732	\$57,474
Hermosa (DW-01)	\$20,406	\$2,740	\$685	\$23,831
Highmore (DW-01)	\$5,767	\$6,474	\$1,326	\$13,568
Hisega Meadows Water, Inc. (DW-01)	\$9,239	\$5,465	\$1,119	\$15,823
Hisega Meadows Water, Inc. (DW-02)	\$6,300	\$9,426	\$1,931	\$17,657
Hot Springs (DW-01)	\$67,366	\$34,620	\$7,091	\$109,077
Humboldt (DW-01)	\$22,735	\$7,791	\$2,327	\$32,854
Huron (DW-01)	\$219,974	\$45,759	\$18,690	\$284,424
Huron (DW-02)	\$16,647	\$7,415	\$1,519	\$25,581
Huron (DW-03)	\$13,437	\$13,748	\$2,816	\$30,001
Ipswich (DW-01)	\$7,510	\$6,877	\$1,408	\$15,795
Irene (DW-02)	\$1,534	\$6,788	\$1,390	\$9,712
Keystone (DW-01)	\$23,925	\$6,430	\$1,921	\$32,276
Kingbrook Rural Water System (DW-01)	\$15,854	\$0	\$0	\$15,854
Kingbrook Rural Water System (DW-02)	\$60,057	\$38,943	\$11,632	\$110,632
Kingbrook Rural Water System (DW-03)	\$152,893	\$46,978	\$14,032	\$213,903
Kingbrook Rural Water System (DW-04)	\$107,957	\$38,957	\$11,636	\$158,550
Kingbrook Rural Water System (DW-05)	\$13,066	\$8,651	\$1,772	\$23,489
Lead (DW-02)	\$5,468	\$3,545	\$1,059	\$10,072
Lead (DW-03)	\$20,674	\$9,806	\$2,009	\$32,489
Lead (DW-04)	\$30,474	\$20,177	\$4,133	\$54,783
Lennox (DW-01)	\$54,100	\$38,898	\$11,619	\$104,616
Lennox (DW-02)	\$12,406	\$7,140	\$1,462	\$21,008

<b>Borrower</b>	<b>Principal</b>	<b>Interest</b>	<b>Admin Surcharge</b>	<b>Total</b>
Lincoln County Rural Water System (DW-01)	\$56,702	\$13,173	\$5,381	\$75,256
Martin (DW-01)	\$27,155	\$16,309	\$0	\$43,464
McLaughlin (DW-01)	\$10,254	\$6,364	\$0	\$16,618
McLaughlin (DW-02)	\$21,980	\$14,720	\$4,152	\$40,851
Mellette (DW-01)	\$650	\$604	\$124	\$1,378
Menno (DW-01)	\$11,832	\$1,053	\$297	\$13,182
Mid-Dakota Rural Water System (DW-03)	\$54,908	\$54,117	\$11,084	\$120,109
Mid-Dakota Rural Water System (DW-04)	\$14,473	\$15,063	\$3,085	\$32,621
Mid-Dakota Rural Water System (DW-05)	\$67,109	\$65,349	\$13,385	\$145,844
Milbank (DW-01)	\$146,668	\$52,110	\$13,028	\$211,806
Miller (DW-01)	\$23,913	\$1,549	\$387	\$25,849
Mina Lake San Dist (DW-01)	\$12,612	\$2,066	\$517	\$15,194
Mina Lake San Dist (DW-02)	\$7,831	\$3,677	\$753	\$12,261
Minnehaha Community Water Corp. (DW-01)	\$321,773	\$69,520	\$28,396	\$419,689
Mitchell (DW-01)	\$154,904	\$39,626	\$13,209	\$207,739
Mitchell (DW-02)	\$70,592	\$33,484	\$6,858	\$110,934
Mobridge (DW-03)	\$5,988	\$3,319	\$830	\$10,137
Mobridge (DW-04)	\$1,740	\$980	\$245	\$2,965
Mobridge (DW-06)	\$29,656	\$20,345	\$5,738	\$55,740
Mobridge (DW-07)	\$4,032	\$7,509	\$2,118	\$13,659
Montrose (DW-01)	\$6,659	\$6,630	\$1,358	\$14,646
New Underwood (DW-01)	\$4,407	\$1,963	\$402	\$6,773
Newell (DW-01)	\$10,251	\$6,054	\$1,708	\$18,014
Newell (DW-02)	\$8,337	\$712	\$178	\$9,227
Niche Sanitary District (DW-01)	\$2,251	\$1,475	\$416	\$4,142
Nisland (DW-01)	\$11,667	\$0	\$0	\$11,667
Northville (DW-01)	\$1,588	\$753	\$154	\$2,496
Onida (DW-01)	\$14,773	\$21,812	\$4,468	\$41,053
Parker (DW-01)	\$35,891	\$10,716	\$3,201	\$49,808
Parker (DW-02)	\$9,826	\$3,546	\$1,059	\$14,430
Parker (DW-03)	\$4,497	\$1,918	\$393	\$6,807
Perkins County Rural Water System (DW-02)	\$0	\$515	\$145	\$661
Piedmont (DW-01)	\$24,159	\$13,151	\$2,694	\$40,004
Pierpont (DW-01)	\$3,138	\$3,125	\$640	\$6,903
Pierre (DW-01)	\$81,437	\$2,309	\$943	\$84,689
Pierre (DW-02)	\$138,891	\$13,273	\$5,421	\$157,585
Plankinton (DW-01)	\$13,697	\$14,589	\$2,988	\$31,274
Rapid City (DW-02)	\$271,661	\$126,220	\$25,852	\$423,733
Rapid Valley Sanitary District (DW-02)	\$16,073	\$9,590	\$1,964	\$27,627
Redfield (DW-01)	\$4,129	\$563	\$159	\$4,851
Redfield (DW-02)	\$4,634	\$2,828	\$707	\$8,170
Salem (DW-02)	\$16,035	\$4,927	\$1,472	\$22,434
Salem (DW-03)	\$34,101	\$27,915	\$8,338	\$70,354
Scotland (DW-01)	\$7,064	\$4,102	\$0	\$11,166
Sioux Falls (DW-06)	\$1,123,789	\$72,793	\$18,198	\$1,214,781
Sioux Falls (DW-07)	\$230,652	\$14,940	\$3,735	\$249,328
Sioux Falls (DW-08)	\$221,765	\$11,990	\$2,997	\$236,753
Sioux Falls (DW-09)	\$246,079	\$18,609	\$5,249	\$269,936
Sioux Falls (DW-10)	\$536,732	\$40,588	\$11,448	\$588,768
Sioux Falls (DW-11)	\$390,314	\$44,843	\$12,648	\$447,805

<b>Borrower</b>	<b>Principal</b>	<b>Interest</b>	<b>Admin Surcharge</b>	<b>Total</b>
Sioux Rural Water System (DW-01)	\$0	\$5,043	\$1,033	\$6,076
South Lincoln Rural Water System (DW-02)	\$5,339	\$5,311	\$1,088	\$11,737
Spearfish (DW-01)	\$303,587	\$47,348	\$13,355	\$364,290
Sturgis (DW-02)	\$55,884	\$4,226	\$1,192	\$61,302
Sturgis (DW-04)	\$81,364	\$45,131	\$9,244	\$135,739
Tabor (DW-01)	\$17,147	\$19,501	\$3,994	\$40,642
Tea (DW-01)	\$107,695	\$35,941	\$10,736	\$154,372
TM Rural Water District (DW-01)	\$20,462	\$21,220	\$4,346	\$46,028
Trail West Sanitary District (DW-01)	\$37,281	\$17,088	\$3,500	\$57,870
Tripp (DW-01)	\$7,124	\$3,590	\$0	\$10,714
Tripp County Water User District (DW-01)	\$105,980	\$59,477	\$0	\$165,457
Tripp County Water User District (DW-02)	\$4,382	\$0	\$0	\$4,382
Tripp County Water User District (DW-04)	\$236,201	\$332,860	\$93,884	\$662,945
Tyndall (DW-02)	\$25,391	\$15,250	\$0	\$40,640
Tyndall (DW-03)	\$0	\$2,057	\$580	\$2,637
Vermillion (DW-02)	\$60,653	\$12,861	\$5,253	\$78,768
Vermillion (DW-03)	\$134,372	\$33,903	\$8,476	\$176,751
Vermillion (DW-04)	\$41,717	\$15,110	\$4,262	\$61,088
Viborg (DW-01)	\$4,736	\$1,840	\$550	\$7,126
Viborg (DW-02)	\$2,736	\$2,650	\$543	\$5,928
Wagner (DW-01)	\$25,000	\$0	\$0	\$25,000
Wagner (DW-02)	\$5,833	\$0	\$0	\$5,833
Watertown (DW-01)	\$1,150,961	\$387,833	\$115,846	\$1,654,641
Waubay (DW-01)	\$20,645	\$11,972	\$2,993	\$35,611
Webster (DW-01)	\$17,650	\$3,254	\$1,329	\$22,233
Webster (DW-02)	\$16,760	\$1,758	\$496	\$19,014
Wessington Springs	\$0	\$27	\$8	\$34
White Lake (DW-01)	\$6,736	\$4,676	\$1,319	\$12,731
Winner (DW-01)	\$9,101	\$6,244	\$1,761	\$17,106
Wolsey (DW-01)	\$11,044	\$3,490	\$1,042	\$15,576
Wolsey (DW-02)	\$7,132	\$3,044	\$909	\$11,084
Woodland Hills Sanitary District (DW-01)	\$11,560	\$7,021	\$1,438	\$20,019
Woodland Hills Sanitary District (DW-02)	\$672	\$1,954	\$400	\$3,026
Woonsocket (DW-01)	\$7,260	\$6,742	\$1,381	\$15,383
Worthing (DW-01)	\$15,156	\$3,646	\$1,489	\$20,291
Worthing (DW-02)	\$3,694	\$2,087	\$427	\$6,208
Yankton (DW-01)	\$145,476	\$27,388	\$11,186	\$184,050
Yankton (DW-02)	\$30,629	\$11,761	\$3,513	\$45,904
Yankton (DW-03)	\$79,691	\$36,643	\$7,505	\$123,840
Yankton (DW-04)	\$64,672	\$28,500	\$5,837	\$99,009
Yankton (DW-05)	\$126,241	\$286,721	\$58,726	\$471,688
<b>Total</b>	<b>\$10,073,171</b>	<b>\$3,617,885</b>	<b>\$916,816</b>	<b>\$14,607,872</b>



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**EXHIBITS IX -- XI**

**DRINKING WATER SRF**

**FINANCIAL STATEMENTS  
(Unaudited)**

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**EXHIBIT IX**  
**DENR Drinking Water State Revolving Fund**  
**Statement of Net Assets**  
**For the Federal Fiscal Year Ended**  
**June 30, 2016**

<b>Assets</b>	
Current Assets:	
Cash and Cash Equivalents	\$ 29,817,631.96
Investments	7,469,547.82
Due from Federal Government	245,059.17
Due from Other Governments	206,099.45
Accrued Interest Receivable	2,044,374.26
Loans Receivable	10,042,772.48
<b>Total Current Assets</b>	<u>49,825,485.14</u>
Noncurrent Assets:	
Investments	57,428,643.34
Restricted Net Pension Asset	51,488.00
Loans Receivable	142,785,870.29
<b>Total Noncurrent Assets</b>	<u>200,266,001.63</u>
<b>Total Assets</b>	<u>250,091,486.77</u>
<b>Deferred Outflows of Resources</b>	
Related to Pensions	96,849.00
Deferred Charge on Refunding	2,249,877.38
<b>Total Deferred Outflows of Resources</b>	<u>2,346,726.38</u>
<b>Liabilities</b>	
Current Liabilities:	
Accounts Payable	187,684.63
Accrued Liabilities	17,673.79
Compensated Absences Payable	28,468.13
Accrued Interest Payable	935,036.19
Arbitrage Payable	1,165,559.11
Bonds Payable - net of unamortized premium and discount	6,093,067.18
<b>Total Current Liabilities</b>	<u>8,427,489.03</u>
Noncurrent Liabilities:	
Compensated Absences Payable	25,033.33
Bonds Payable - net of unamortized premium and discount	58,932,983.98
<b>Total Noncurrent Liabilities</b>	<u>58,958,017.31</u>
<b>Total Liabilities</b>	<u>67,385,506.34</u>
<b>Deferred Inflows of Resources</b>	
Related to Pensions	76,637.00
<b>Total Deferred Inflows of Resources</b>	<u>76,637.00</u>
<b>Net Position</b>	
Restricted For Pension Obligations	71,700.00
Unrestricted	184,904,369.81
<b>Total Net Position</b>	<u>\$ 184,976,069.81</u>

The notes to the financial statements are an integral part of this statement.

**EXHIBIT X**  
**DENR Drinking Water State Revolving Fund**  
**Statement of Revenues, Expenses, and Changes in Fund Net Assets**  
**For the Fiscal Year Ended June 30, 2016**

<b>Operating Revenues:</b>		
Loan Interest Income		\$ 3,434,319.94
Other Income		<u>899,092.29</u>
Total Operating Revenue		<u>4,333,412.23</u>
 <b>Operating Expenses:</b>		
Administrative Expenses		
Personal Services	240,935.37	
Employee Benefits	53,045.38	
Travel	7,982.74	
Contractual	555,308.65	
Supplies	172.19	
Grants	62,549.02	
Other	<u>1,449.17</u>	
Total Administrative Expenses		921,442.52
Grant Expense		5,234,593.00
Interest Expense		<u>2,350,249.85</u>
Total Operating Expenses		<u>8,506,285.37</u>
Operating Income (Loss)		(4,172,873.14)
 <b>Nonoperating Revenue (Expenses):</b>		
Federal Capitalization Grants		17,764,511.46
Other Income		208,983.34
Investment Income		3,105,522.02
Investment Expense		(1,744.02)
Arbitrage Rebate		(523,559.04)
Payments to State		<u>(35,739.34)</u>
Total Nonoperating Revenues (Expenses)		<u>20,517,974.42</u>
Change in Net Position		16,345,101.28
Net Position at Beginning of Year		<u>168,630,968.53</u>
<b>Net Position at End of Year</b>		<u><u>\$ 184,976,069.81</u></u>

The notes to the financial statements are an integral part of this statement.

**EXHIBIT XI**  
**DENR Drinking Water State Revolving Fund**  
**Statement of Cash Flows**  
**For the Fiscal year Ended June 30, 2016**

<b>Cash Flows from Operating Activities:</b>		
Receipts for Loan Repayments	\$ 14,372,758.30	
Receipts for Interest Income on Loans	3,266,440.10	
Receipts for Surcharge Interest on Loans	862,084.68	
Payments to Loan Recipients	(24,202,177.00)	
Payments for Employee Services	(300,067.12)	
Payments for Contractual Services	(524,890.13)	
Payment for Grants	(72,000.00)	
Payments for Principal Forgiveness	(5,234,593.00)	
Other Payments	(9,554.10)	
Net Cash Provided (Used) by Operating Activities		(11,841,998.27)
<b>Cash Flows from Noncapital Financing Activities:</b>		
Payments to State	(35,739.34)	
Principal Payments on Bonds	(5,535,000.00)	
Interest Payments on Bonds	(2,307,488.72)	
Receipts for Administering Program	17,759,405.00	
Other Income	208,983.34	
Net Cash Provided (Used) by Noncapital Financing Activities		10,090,160.28
<b>Cash Flows from Investing Activities:</b>		
Arbitrage Payment	(47,134.80)	
Interest on Investments	3,065,723.42	
Proceeds from Sale of Investment Securities	19,481,971.89	
Purchase of Investment Securities	(11,186,795.70)	
Net Cash Provided (Used) by Investing Activities		11,313,764.81
Net Increase (Decrease) in Cash and Cash Equivalents		9,561,926.82
Cash and Cash Equivalents at Beginning of Year		20,255,705.14
Cash and Cash Equivalents at End of Year		\$ 29,817,631.96
<b>Reconciliation of Operating Income to Net</b>		
<b>Cash Provided (Used) by Operating Activities</b>		
Operating Income (Loss)		\$ (4,172,873.14)
<b>Adjustments to Reconcile Net Income to Net Cash</b>		
<b>Provided (Used) by Operating Activities:</b>		
Interest Expense	2,350,249.85	
Bond Issuance Expense		
<b>Assets: (Increase)/Decrease</b>		
Loans Receivable	(9,829,418.70)	
Accrued Interest Receivable on Loans	(167,879.84)	
Due from Other Governments	(37,007.61)	

Pension Assets	25,747.00	
<b>Decrease/(Increase) in Deferred Outflows of Resources:</b>		
Deferred Outflows of Resources - Related to Pensions	(26,602.00)	
<b>Liabilities: Increase/(Decrease)</b>		
Accounts Payable	21,017.54	
Accrued Employee Benefits	8,238.35	
Accrued Liabilities	(655.72)	
<b>Increase/(Decrease) in Deferred Inflows of Resources:</b>		
Deferred Inflows of Resources - Related to Pensions	(12,814.00)	
Total Adjustments		<u>(7,669,125.13)</u>
Net Cash Provided by Operations		<u>\$ (11,841,998.27)</u>

The notes to the financial statements are an integral part of this statement.

**South Dakota Board of Water and Natural Resources**  
**Drinking Water State Revolving Fund**  
**Notes to the Financial Statements**  
**June 30, 2016**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Authorizing Legislation**

The Drinking Water State Revolving Fund (DWSRF) Loan Program was federally authorized by the Safe Drinking Water Act Amendments of 1996. The state authorized the loan program in 1994 in anticipation of federal action. The Environmental Protection Agency (EPA) developed final guidance for the Drinking Water State Revolving Fund on February 28, 1997. The Board of Water and Natural Resources, acting in its capacity as the South Dakota Conservancy District, conducted a public hearing on April 15, 1997 to adopt formal administrative rules for the program. The South Dakota Conservancy District (SDCD) was created by the Legislature under Chapter 46A-2 of the South Dakota Codified Law as a body politic and corporate for the purpose of constructing water resource facilities for the conservation, storage, distribution and utilization of water for municipal purposes within the State of South Dakota. The SDCD bonds do not constitute a debt of the State of South Dakota or a pledge of the faith and credit of the State. Because the State of South Dakota is able to impose its will over the SDCD and the governing body is substantively the same as the governing body of the primary government, it is considered a blended component unit and, as such, the accompanying financial statements are included in the Comprehensive Annual Financial Report of the State of South Dakota. The Department of Environment and Natural Resources performs all of the functions of the South Dakota Conservancy District, except for quasi-legislative, quasi-judicial, advisory, and special budgetary functions, which are performed by the Board acting in its capacity as the Conservancy District. The DWSRF is a low interest loan program to finance drinking water projects. Funds are provided to the states in the form of capitalization grants awarded annually through the United States Environmental Protection Agency. The federal capitalization grants are matched by state funds at a ratio of 5:1.

**B. Fund Accounting**

The DWSRF is accounted for as an enterprise fund. An enterprise fund is a proprietary fund type used to report an activity for which a fee is charged to external users for goods or services.

**C. Basis of Accounting**

The DWSRF follows the accrual basis of accounting. This method of accounting recognizes the financial effect of transactions, events and interfund activities when they occur, regardless of the timing of related cash flows.

#### D. Cash and Cash Equivalents

For purposes of the accompanying statement of net position and statement of cash flows all highly liquid investments with original maturities of 90 days or less are considered to be cash equivalents.

#### E. Investments

Investments are reported at fair value except for Guaranteed Investment Contracts, which are non-participating and, therefore, are recorded at carrying value. Unrealized gains and losses due to fluctuations in market value are included in investment income.

#### F. Premium and Deferred Amount on Refunding

Premiums and the deferred amount on refunding on bonds are amortized using the straight line method over the life of the bonds to which they relate.

#### G. Revenue and Expense Recognition

Enterprise funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering items in connection with an enterprise fund's principal ongoing operations. The DWSRF records all revenues derived from interest on loans as operating revenues since these revenues are generated from the DWSRF's daily operations needed to carry out its purpose. Operating expenses include grants and subsidies, and contractual service expenses related to the administration of the DWSRF program.

#### H. Federal Capitalization Grant

Federal capitalization grants reported as nonoperating income in the statement of revenues, expenses, and changes in fund net position is a federally funded loan program. Information about the program is as follows:

CFDA Number:	66.468
Federal Agency:	Environmental Protection Agency
Program:	Drinking Water State Revolving Fund
State Agency:	Environment & Natural Resources
Outstanding Loans:	\$152,828,643
Current Year	
Administrative Expense:	\$738,391
Loan Disbursement:	\$29,436,770

#### I. Reclassifications

Certain reclassifications have been made to the accompanying financial statements based upon recent GASB pronouncements and review of current information. The reclassifications included reporting arbitrage in the Statement of Revenues, Expenses, and Changes in Fund Net Position as nonoperating rather than operating expenses

and in the Cash Flows Statement as investing activity rather than operating activity. The reclassifications had no impact on the change in net position or the net position.

#### J. Net Position

Net Position is classified in the following two components:

- Restricted - Consists of net position with constraints placed on their use by (1) bond indentures and (2) law through enabling legislation.
- Unrestricted - Consists of net position that does not meet the definition of net investment in capital assets or restricted.

#### K. Pension

For purposes of measuring the net pension asset, deferred outflows of resources and deferred inflows of resources related to pensions, and pension revenue, information about the fiduciary net position of the South Dakota Retirement System (SDRS) and additions to/deletions from SDRS's fiduciary net position have been determined on the same basis as they are reported by SDRS. Drinking Water SRF contributions and net pension asset are recognized on an accrual basis of accounting.

## 2. CASH AND INVESTMENTS

### Cash

Cash and Cash Equivalents consisted of a Goldman Sachs Financial Square Treasury Obligation Fund (money market fund), Federated Funds, and the South Dakota Cash Flow Fund. The South Dakota Conservancy District Investment Policy adopted pursuant to the Master Trust Indenture authorizes the investment of up to 20 percent of funds in the South Dakota Cash Flow portfolio which is an unrated fund. The fund paid 1.35% for state fiscal year 2016.

Management of the State's internal investment pool is the statutory responsibility of the South Dakota Investment Council (SDIC). The investment policy and required disclosures for the State's internal investment pool are presented in the audit report of the South Dakota Investment Council, which can be obtained by contacting the Department of Legislative Audit, 427 South Chapelle, c/o 500 East Capitol, Pierre, South Dakota 57501.

The Goldman Sachs Fund was rated "AAAm" by Standard and Poor's Rating Group. The fund paid less than .01% for the period 7/01/2015– 6/30/2016. Federated Funds were rated "AAAm" by Standard and Poor's Rating Group and paid .07% over the same period.

### Investments

Investments must be categorized within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the assets. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.



First National Bank (FNB) which serves as trustee to the DWSRF uses a pricing service, Standard and Poor's Security Evaluation (SPSE), to value investments SPSE uses market approach pricing which utilizes models and pricing systems as well as mathematical tools and pricing analyst judgement. All DWSRF investments are priced by this service, which is not quoted prices in the active market, but rather significant other observable inputs; therefore, the investments are categorized as Level 2.

*Interest Rate Risk:* Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The maturities of the investments are listed below.

Level 2

<u>Investment</u>	<u>Maturities</u>	<u>Fair Value</u>
US Treasury Bonds	8/31/2016	\$ 475,485
US Treasury Bonds	5/31/2017	525,515
US Treasury Bonds	11/30/2016	950,076
US Treasury Bonds	12/31/2016	2,490,641
US Treasury Bonds	10/31/2016	2,500,364
		<u>\$ 6,942,081</u>
Federal Agency Bonds	4/27/2017	\$ 527,468
Federal Agency Bonds	8/28/2017	145,406
Federal Agency Bonds	12/20/2017	401,440
Federal Agency Bonds	3/07/2018	376,162
		<u>\$ 1,450,476</u>

*Credit Risk:* Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations to the DWSRF.

Excluding investments explicitly guaranteed by the U.S. Government which are not considered to have credit risk, the DWSRF held Federal Agency Bonds with a fair value of \$1,450,476 which were rated Aaa by Moody's Investor Services.

*Custodial Credit Risk:* Custodial credit risk is the risk that in the event of a bank failure, the Drinking Water State Revolving Fund's investments may not be returned. At June 30, 2016, \$56,505,635 of guaranteed investment contracts was uninsured and unregistered, with the securities held by its trust department, but not in the DWSRF's name and, as a result, were exposed to custodial credit risk. Also, investments made in US Treasury Bonds with a market value of \$6,942,081 and in Federal Agency Bonds with a market value of \$1,450,476 were exposed to custodial credit risk.

*Guaranteed Investment Contracts (GICS)*

The DWSRF holds the following GICS where the rate of return is guaranteed.

	<u>Maturities</u>	<u>Contract Value</u>
Guaranteed Investment Contract	8/01/2025	\$ 43,402,129
Guaranteed Investment Contract	8/01/2026	13,103,506
		<u>\$ 56,505,635</u>

The South Dakota State Revolving Fund Master Trust Indenture requires any investment agreement to be with a guarantor whose long-term rating category is no lower than the two highest long-term rating categories. The investment is rated by Moody's Investors Service. The ratings for Guaranteed Investment Contracts are as follows:

<u>Moody's Rating</u>	<u>Contract Value</u>
Baa1	<u>\$ 56,505,635</u>

This guarantor's rating is below the acceptable rating category (i.e., below Moody's Aa3). This investment has been fully collateralized with government securities in accordance with the provisions of Guaranteed Investment Contracts. These fully collateralized investments have a fair value that equates to contract value.

### 3. LOANS RECEIVABLE

Loans receivable consist of loans made to local governments through a loan agreement. In order for a local government to receive a loan, evidence must be shown that the principal and interest of the loan will be repaid. Loans made from the DWSRF may be made at or below market interest rates and may be fully amortized up to thirty years. Disadvantaged Communities may be eligible for lower rates or even zero percent, and may be fully amortized up to thirty years. Interest rates are reduced for those loans with shorter amortization periods.

### 4. LONG-TERM DEBT

#### Revenue Bonds

The bond issues outstanding as of June 30, 2016 are as follows:

<u>Issue</u>	<u>Interest Rate</u>	<u>Maturity Through</u>	<u>Principal Balance</u>
Series 2010AB			
Build America Bonds (BABs) Leveraged Term Bonds	4.084% - 5.646%	2031	\$ 12,665,000
Tax Exempt Bonds			
Leveraged Term Bonds	2.000% - 5.125%	2030	10,710,000
State Match Term Bonds	2.000% - 5.125%	2030	4,635,000
Series 2012AB			
Taxable Revenue Bonds			
State Match	0.250% - 3.183%	2027	4,250,000
Leveraged	0.250% - 3.183%	2027	18,675,000
Revenue Bonds			
State Match	2.000% - 5.000%	2023	1,505,000
Series 2014A			
Taxable Revenue Bonds			
State Match	0.300% - 1.920%	2020	4,225,000
Series 2014B			

Revenue Bonds Leveraged	2.000% - 5.000%	2035	5,770,000
Total			<u>62,435,000</u>
Add: Unamortized Premium			<u>2,591,051</u>
Total Net of Amortization			<u>\$ 65,026,051</u>

Future bond payments and future interest payments remaining as of June 30, 2016 are as follows:

Year Ended June 30,	Principal	Interest	Total Principal and Interest
2017	\$ 5,925,000	\$ 2,174,213	\$ 8,099,213
2018	6,075,000	2,022,697	8,097,697
2019	6,255,000	1,853,711	8,108,711
2020	5,850,000	1,684,739	7,534,739
2021	4,215,000	1,537,073	5,752,073
2022-2026	20,465,000	5,403,772	25,868,772
2027-2031	11,965,000	1,849,642	13,814,642
2032-2035	<u>1,685,000</u>	<u>173,875</u>	<u>1,858,875</u>
TOTAL	<u>\$ 62,435,000</u>	<u>\$ 16,699,722</u>	<u>\$ 79,134,722</u>

#### Changes in long-term liabilities

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Revenue Bonds	\$ 67,970,000	\$ 0	\$ (5,535,000)	\$ 62,435,000	\$ 5,925,000
Add: Bond Premium	2,759,118	0	(168,067)	2,591,051	168,067
Total	70,729,118	0	(5,703,067)	65,026,051	6,093,067
Compensated Absences	<u>45,263</u>	<u>19,210</u>	<u>(10,972)</u>	<u>53,501</u>	<u>28,468</u>
Long-Term Liabilities	<u>\$ 70,774,381</u>	<u>\$ 19,210</u>	<u>\$ (5,714,039)</u>	<u>\$ 65,079,552</u>	<u>\$ 6,121,535</u>

## 5. COMMITMENTS

As of June 30, 2016, the DWSRF had loan commitments with political subdivisions worth \$28,399,686.

## 6. PENSION PLAN

The Department of Environment and Natural Resources, (DENR), participates in the South Dakota Retirement System (SDRS), a cost-sharing, multiple-employer defined benefit pension plan established to provide retirement, disability, and survivor benefits for employees of the State and its political subdivisions. Authority for establishing, administering, and amending plan provisions is found in SDCL 3-12. The SDRS issues a publicly available financial report that includes financial statements, footnote disclosures, and required supplementary information. That report may be obtained by contacting the SDRS in writing at South Dakota Retirement System, P.O. Box 1098, Pierre, SD 57501-1098 or by calling (605) 773-3731. Additionally, the State of South Dakota's Comprehensive Annual Financial Report (CAFR) will report the State's proportionate share of the plan. The CAFR can be obtained by writing to the Department of Legislative Audit, 427 South Chapelle, c/o 500 East Capitol, Pierre, South Dakota 57501 or by calling (605)773-3595.

State law requires employees to contribute 6 percent of their salary to the plan and the employer to contribute an amount equal to the employee's contribution. The right to receive retirement benefits vests after three years of credited service. DENR contributions to the SDRS for the fiscal years ended June 30, 2016, 2015, and 2014 were \$16,172.26, \$15,353.52, and \$12,834.14, respectively, equal to the required contributions each year.

The net pension asset was measured as of June 30, 2015 and the SDRS is 104.1% funded. At June 30, 2016, the DWSRF reported an asset of \$51,488 for its proportionate share of the net pension asset. For the fiscal year ended June 30, 2016, there was no pension revenue recorded. At June 30, 2016, deferred outflows of resources and deferred inflows of resources related to pensions were reported from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ 10,542	\$ -
Changes in assumption	40,826	-
Net difference between projected and actual earnings on pension plan investments	29,309	75,971
Changes in Proportionate Share		666
Contributions after the measurement date	16,172	-
Total	<u>\$ 96,849</u>	<u>\$ 76,637</u>

## **7. ANNUAL AND SICK LEAVE ACCRUAL**

All employees earn annual leave. Upon termination, employees are eligible to receive compensation for their accrued annual leave balances. At June 30, 2016, a liability existed for accumulated annual leave calculated at the employee's June 30, 2016 pay rate in the amount of \$22,813. Employees who have been continuously employed by the State of South Dakota for at least seven years prior to the date of their retirement, voluntary resignation or death will receive payment for one-fourth of their accumulated sick leave balance. This payment is not to exceed the sum of twelve weeks of employee's annual compensation. At June 30, 2016 a liability existed for accumulated sick leave, calculated at each employee's June 30, 2016 pay rate in the amount of \$30,689. The total leave liability of \$53,501 at June 30, 2016 is shown as a liability on the balance sheet.

## **8. RISK MANAGEMENT**

The Department of Environment and Natural Resources is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Department participates in the various programs administered by the State of South Dakota. These risk management programs are funded through assessments charged to participating entities. The risk management programs include; 1) coverage for risks associated with automobile liability and general tort liability (including public officials' errors and omissions liability, medical malpractice liability, law enforcement liability, and products liability) through the State's Public Entity Pool for Liability Fund, 2) coverage of employee medical claims through the State's health insurance program, 3) coverage for unemployment benefits through the State's Unemployment Insurance Fund, and, 4) coverage for workers' compensation benefits through the State's Workers' Compensation Fund, 5) coverage for property loss through the South Dakota Property and Casualty Insurance Company, LLC. Financial information relative to the self-insurance funds administered by the State is presented in the State of South Dakota Comprehensive Annual Financial Report.

## **9. SUBSEQUENT EVENTS**

On 9/2/16 First National Bank provided DENR with written notice of their intent to terminate its consultant contract as Trustee to the State Clean Water and Drinking Water SRF programs. In the notice they stated that the Trust Indenture provides guidance regarding the Trustee's resignation requiring written notice of not less than 30 to days to the Conservancy District and other parties. Furthermore, the Trust Indenture provides that any such resignation or removal shall not take effect until a successor has been appointed, has accepted the duties of Trustee and all funds, property (including any credit enhancement instrument and Liquidity Facilities) have been transferred to the successor. The bank representatives stated their intent to work with DENR to facilitate an orderly transition to a successor trustee. The Conservancy District intends to put out an RFP to select and transition to a new Trustee as soon as possible.

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**ADDENDUM A**  
**FEDERAL FISCAL YEAR 2017**  
**INTENDED USE PLAN**

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**SOUTH DAKOTA  
DRINKING WATER STATE REVOLVING FUND  
FISCAL YEAR 2017 INTENDED USE PLAN**

**INTRODUCTION**

The Safe Drinking Water Act Amendments of 1996 and South Dakota Codified Law 46A-1-60.1 to 46A-1-60.3, inclusive, authorize the South Dakota Drinking Water State Revolving Fund (SRF) program. Program rules are established in Administrative Rules of South Dakota chapter 74:05:11.

The state of South Dakota proposes to adopt the following Intended Use Plan (IUP) for the federal fiscal year 2017 as required under Section 1452(b) of the Safe Drinking Water Act and ARSD 74:05:11:03. The IUP describes how the state intends to use the Drinking Water SRF to meet the objectives of the Safe Drinking Water Act and further the goal of protecting public health. A public hearing was held on November 9, 2016, to review the 2017 Intended Use Plan and receive comments. The IUP reflects the results of this review.

The 2017 capitalization grant estimate used in the IUP is based on last year's allocation.

The IUP includes the following:

- Priority list of projects;
- Short- and long-term goals;
- Criteria and method of fund distribution;
- Funds transferred between the Drinking Water SRF and the Clean Water SRF;
- Financial status;

- Description and amount of non-Drinking Water SRF (set-aside) activities; and
- Disadvantaged community subsidies.

**PRIORITY LIST OF PROJECTS**

A project must be on the project priority list, Attachment I, to be eligible for a loan. This list was developed from the State Water Plan and includes projects that did not designate Drinking Water SRF loans as a funding source.

Projects may be added to the project priority list at any meeting of the Board of Water and Natural Resources if the action is included on the agenda at the time it is posted.

Priority ratings are based on the project priority system established in ARSD 74:05:11:06. The general objective of the priority system is to assure projects that address compliance or health concerns, meet certain affordability criteria, or regionalize facilities receive priority for funding.

**GOALS, OBJECTIVES, AND ENVIRONMENTAL RESULTS**

The long-term goals of the Drinking Water SRF are to fully capitalize the fund, ensure that the state's drinking water supplies remain safe and affordable, ensure that systems are operated and maintained, and promote economic well-being.



The specific long-term objectives of the program are:

1. To maintain a permanent, self-sustaining SRF program that will serve in perpetuity as a financing source for drinking water projects and source water quality protection measures. This will necessitate that the amount of capitalization grant funds for non-Drinking Water SRF activities are reviewed annually to assure adequate cash flow to maintain the fund.

2. To fulfill the requirements of pertinent federal, state, and local laws and regulations governing safe drinking water activities, while providing the state and local project sponsors with maximum flexibility and decision making authority regarding such activities.

The short-term goal of the SRF is to fully capitalize the fund.

The specific short-term objectives of the program are:

1. To assist systems in replacing aging infrastructure.

2. To assist systems in maintaining and upgrading its water treatment capabilities to ensure compliance with the Safe Drinking Water Act.

3. To promote regionalization and consolidations of water systems, where mutually beneficial, as a practical means of addressing financial, managerial, and technical capacity.

4. To ensure the technical integrity of Drinking Water SRF projects through the review of planning, design plans and specifications, and construction activities.

5. To ensure the financial integrity of the Drinking Water SRF program through the review of the financial impacts of the set-asides and disadvantaged subsidies and individual loan applications and the ability for repayment.

6. To obtain maximum capitalization of the funds for the state in the shortest time possible while taking advantage of the provisions for disadvantaged communities and supporting the non-Drinking Water SRF activities.

### Environmental Results

Beginning January 1, 2005, states were required to establish program activity measures (outcomes) in its Intended Use Plan to receive the federal capitalization grant. Progress related to the measures is to be reported in the following annual report.

For fiscal year 2017, the specific measures are:

1. In fiscal year 2016, the fund utilization rate, as measured by the percentage of executed loans to funds available, was 94.6 percent, which exceeded the target goal of 90 percent. For fiscal year 2017, the goal of the Drinking Water SRF program is to maintain the fund utilization rate at or above 90 percent.

2. In fiscal year 2016, the rate at which projects progressed as measured by disbursements as a percent of assistance provided was 84.7 percent, which met the goal of 80 percent. For fiscal year 2017, the goal is to maintain the construction pace at 80 percent or higher.

3. For fiscal year 2017, the goal of the Drinking Water SRF program is to fund 21 loans, totaling \$81.4 million.

4. For fiscal year 2017, it is estimated that 29 projects will initiate operations.

5. For fiscal year 2017, it is estimated that 10 Small Community Planning Grants will be awarded to small systems to evaluate the system's infrastructure needs.

6. For fiscal year 2017, it is estimated that the South Dakota Association of Rural Water Systems will provide 1,500 hours of technical assistance to small systems.

**CRITERIA AND METHOD OF FUND DISTRIBUTION**

Projects will be funded based on their assigned priority as set forth on the Project Priority list. Projects with the highest ranking that have submitted a complete State Revolving Fund loan application and demonstrated adequate financial, managerial, and technical capacity to receive the loan shall be funded before any lower ranked projects. Projects on the priority list may be bypassed if they have not demonstrated readiness to proceed by submitting a loan application. "Readiness to Proceed" is defined by EPA as the applicant being prepared to begin construction and is immediately ready, or poised to be ready, to enter into assistance agreements. The next highest priority project that has submitted an application will be funded. The state shall exert reasonable effort to assure that the higher priority projects on the priority list are funded.

Interest rates are reviewed periodically in comparison to established bond rating indexes to assure rates are at or below market rates as required. The SRF rates are then set to be competitive with other funding agencies.

The interest rates for fiscal year 2017 are summarized in Table 1. Information regarding disadvantaged eligibility and

subsidy level criteria can be found in the disadvantaged community subsidies section. The interest rates were adjusted in November 2016.

	Up to 5 Yrs	Up to 10 Yrs	Up to 20 Yrs	Up to 30 Yrs*
<u>Interim Rate</u>				
Interest Rate	2.00%			
Admin. Surcharge	0.00%			
Total	2.00%			
<u>Base Rate</u>				
Interest Rate	1.50%	1.75%	2.00%	
Admin. Surcharge	0.50%	0.50%	0.50%	
Total	2.00%	2.25%	2.50%**	
<u>Disadvantaged Rate – 80% to 100% of MHI</u>				
Interest Rate				1.75%
Admin. Surcharge				0.50%
Total				2.25%
<u>Disadvantaged Rate - 60% to 80% of MHI</u>				
Interest Rate	1.00%			1.50%
Admin. Surcharge	0.00%			0.50%
Total	1.00%			2.00%
<u>Disadvantaged Rate – Less than 60% of MHI</u>				
Interest Rate				0.00%
Admin. Surcharge				0.00%
Total				0.00%

\* Term cannot exceed useful life of the project  
 \*\* Non-Profit Borrowers are not eligible to receive this loan rate and term.

**ADMINISTRATIVE SURCHARGE FEES**

The interest rate includes an administrative surcharge as identified in Table 1. The primary purpose of the surcharge is to provide a pool of funds to be used for administrative purposes after the state ceases to receive capitalization grants. The administrative surcharge is also available for other purposes, as determined eligible by EPA and at the discretion of the Board of Water and Natural Resources and the department.

As of September 30, 2016, nearly \$4.02 million of administrative surcharge funds are available.

Beginning in fiscal year 2005, administrative surcharge funds were provided to the planning districts to defray expenses resulting from SRF application preparation and project administration. Reimbursement is \$9,000 per approved loan with payments made in \$3,000 increments as certain milestones are met.

The American Recovery and Reinvestment Act (ARRA) of 2009 and subsequent capitalization grants have mandated implementation of Davis-Bacon prevailing wage rules. Under joint powers agreements between the planning districts and the department, the planning districts are to be reimbursed \$1,100 per project to oversee compliance with the Davis-Bacon wage rate verification and certification.

Administrative surcharge funds will again be provided to the planning districts to defray the cost of SRF application preparation and project administration, which includes Davis-Bacon wage rate verification and certification. The 2017 allocation for these activities will be \$150,000.

In fiscal year 2017, \$75,000 of administrative surcharge funds will be used for operator certification training.

In federal fiscal year 2015, \$250,000 of administrative surcharge funds were allocated to provide grants to assist very small systems in violation of the Safe Drinking Water Act excluding the Total Coliform Rule. These funds are limited to community systems with 50 or less connections and not-for-profit, non-transient non-community water systems. Funds will be provided for infrastructure projects as 100 percent grants up to a maximum of \$50,000 and for total project costs less than \$100,000. No additional funds

will be allocated for these activities in federal fiscal year 2017.

In fiscal year 2017, \$200,000 of administrative surcharge funds will be used to provide part of the dollar-for-dollar match for the state program management set-aside. These set-aside funds and the administrative surcharge funds will be used to provide funding for South Dakota's Public Water System Supervision (PWSS) program management. The remaining set-aside match will come from PWSS fees.

### **SMALL SYSTEM FUNDING**

A requirement of the program is that a minimum of 15 percent of all dollars credited to the fund be used to provide loan assistance to small systems that serve fewer than 10,000 persons. Since the inception of the program, loans totaling over \$206.1 million have been made to systems meeting this population threshold, or 48.1 percent of the \$428.6 million of total funds available for loan. Attachment II – List of Projects to be funded in Fiscal Year 2017 identifies more than \$81.4 million in projects, of which approximately \$20.1 million is for systems serving less than 10,000; therefore, the state expects to continue to exceed the 15 percent threshold.

Water systems must demonstrate the technical, managerial, and financial capability to operate a water utility before it can receive a loan.

The distribution methods and criteria are designed to provide affordable assistance to the borrower with maximum flexibility while providing for the long-term viability of the fund.

## **AMOUNT OF FUNDS TRANSFERRED BETWEEN THE DRINKING WATER SRF AND THE CLEAN WATER SRF**

The Safe Drinking Water Act Amendments of 1996 and subsequent Congressional action allows states to transfer an amount equal to 33 percent of its Drinking Water SRF capitalization grant to the Clean Water SRF or an equivalent amount from the Clean Water SRF to the Drinking Water SRF. States can also transfer state match, investment earnings, or principal and interest repayments between SRF programs and may transfer a previous year's allocation at any time.

South Dakota transferred \$15,574,320 from the Clean Water SRF to the Drinking Water SRF program in past years. In fiscal year 2006 and 2011, \$7.5 million of leveraged bond proceeds and \$10 million of repayments, respectively were transferred from the Drinking Water SRF program to the Clean Water SRF program. With the 2017 capitalization grant, the ability exists to transfer over \$44.7 million from the Clean Water SRF program to the Drinking Water SRF program. More than \$42.8 million could be transferred from the Drinking Water SRF Program to the Clean Water SRF program. Table 4 (page 11) itemizes the amount of funds transferred between the programs and the amount of funds available to be transferred.

No transfers are expected in fiscal year 2017.

## **FINANCIAL STATUS**

Loan funds are derived from various sources and include federal capitalization grants, state match, leveraged bonds, borrowers' principal repayments, and interest earnings.

Capitalization Grants/State Match: Federal capitalization grants are provided to the state

annually. These funds must be matched by the state at a ratio of 5 to 1. The fiscal year 2017 capitalization grant is \$8,312,000 which requires \$1,662,400 in state match. Bond proceeds will be used to match 2017 capitalization grant funds.

For purposes of meeting fiscal year 2017 proportionality requirements, the South Dakota Drinking Water SRF program will document the expenditure of repayments and bond proceeds in an amount equivalent to the entire required state match.

Leveraged Bonds: The South Dakota Conservancy District has the ability to issue additional bonds above that required for state match, known as leveraged bonds. To date, \$67.7 million in leveraged bonds have been issued for the Drinking Water SRF program. It is anticipated that up to \$45.0 million in leveraged bonds will be required in 2017.

Borrowers' Principal Repayments: The principal repaid by the loan borrowers is used to make semi-annual leveraged bond payments. Any excess principal is available for loans. It is estimated that \$9.5 million in principal repayments will become available for loans in fiscal year 2017.

Interest Earnings: The interest repaid by the loan borrowers, as well as interest earned on investments, is dedicated to make semi-annual state match bond payments. Any excess interest is available for loans. It is estimated that \$3.0 million in interest earnings will become available for loans in fiscal year 2017.

As of September 30, 2016, 284 loans totaling \$405,210,361 have been made.

At the beginning of fiscal year 2017, \$23,400,190 is available for loan. With the 2017 capitalization grant, state match, leveraged bonds, excess interest earnings, and

repayments, approximately \$89.9 million will be available to loan. This information is provided in Attachment III, Drinking Water SRF Funding Status.

Funds will be allocated to the set-aside activities in the amounts indicated below. All remaining funds will be used to fund projects on the project priority list. A more detailed description of the activities can be found in the section pertaining to set-asides and the attachments.

Administration	\$332,480
Small System Technical Assistance	\$166,240
Local Assistance	\$75,000
State Program Management	\$400,000
<b>Total for set-asides</b>	<b>\$973,720</b>

A conservative approach to set-asides has been taken to assure achieving the goals of developing a permanent, self-sustaining SRF program. Future demand on the program will influence the allocation of funds to set-asides and loan subsidies.

With the adoption of the amended and restated Master Indenture in 2004, the Clean Water and Drinking Water SRF programs are cross-collateralized. This allows the board to pledge excess revenues on deposit in the Drinking Water SRF program to act as additional security for bonds secured by excess revenues on deposit in the Clean Water SRF program, and vice versa.

The Safe Drinking Water Act included three provisions that call for a withholding of Drinking Water SRF grant funds where states fail to implement three necessary programmatic requirements. These provisions were assuring the technical, financial and managerial capacity of new water systems, developing a strategy to address the capacity of existing systems, and developing an operator certification program

that complies with EPA guidelines. The State of South Dakota continues to meet the requirements of these provisions and will not be subject to withholding of funds.

**Additional Subsidy - Principal Forgiveness**

The 2010 and 2011 Drinking Water SRF appropriations mandated that not less than 30 percent of the funds made available for Drinking Water SRF capitalization grants shall be used by the State to provide additional subsidy to eligible recipients. The 2012 through 2015 capitalization grants mandated additional subsidy be provided in an amount not less than 20 percent, but not more than 30 percent, of the capitalization grants. The 2016 capitalization grant mandated additional subsidy of exactly 20 percent of the total grant be provided to recipients. Additional subsidy may be in the form of forgiveness of principal, negative interest loans, or grants (or any combination of these).

Additional subsidy will be provided in the form of principal forgiveness. Municipalities and sanitary districts must have a minimum rate of \$30 per month based on 5,000 gallons usage or to qualify for principal forgiveness. Other applicants must have a minimum rate of \$55 per month based on 7,000 gallons usage to qualify for principal forgiveness.

When determining the amount of principal forgiveness, the Board of Water and Natural Resources may consider the following decision-making factors, which are set forth in alphabetical order:

- (1) Annual utility operating budgets;
- (2) Available local cash and in-kind contributions;
- (3) Available program funds;
- (4) Compliance with permits and regulations;
- (5) Debt service capability;

- (6) Economic impact;
- (7) Other funding sources;
- (8) Readiness to proceed;
- (9) Regionalization or consolidation of facilities;
- (10) Technical feasibility;
- (11) Utility rates; and
- (12) Water quality benefits.

Table 2 summarizes the amounts of principal forgiveness provided to date.

Table 2 – Principal Forgiveness Status

FFY	Principal Forgiveness	
	Minimum	Maximum
2010	\$4,071,900	\$13,573,000
2011	\$2,825,400	\$9,418,000
2012	\$1,795,000	\$2,692,500
2013	\$1,684,200	\$2,526,300
2014	\$1,769,000	\$2,653,500
2015	\$1,757,400	\$2,636,100
2016	\$1,662,400	\$1,662,400
2017 (est)	\$1,662,400	\$2,493,600
	\$17,227,700	\$35,161,800
Awarded from 2010 grant		\$13,504,075
Awarded from 2011 grant		\$9,418,000
Awarded from 2012 grant		\$2,692,000
Awarded from 2013 grant		\$2,526,300
Awarded from 2014 grant		\$2,653,500
Awarded from 2015 grant		\$2,636,100
Awarded from 2016 grant		\$1,582,378

It is anticipated that the 2017 capitalization grant will include the ability to award principal forgiveness for any borrower between 20 and 30 percent of the total grant award.

Additional principal forgiveness can also be provided to disadvantaged communities. Further discussion can be found in the Disadvantaged Community Subsidy section beginning on page 9.

Attachment II - List of Projects to be Funded in FY 2017 identifies \$2,573,600 in potential principal forgiveness for communities not eligible for the additional disadvantaged community principal forgiveness.

### Green Project Reserve

The 2010 and 2011 Drinking Water SRF appropriations mandate that to the extent there are sufficient eligible project applications, not less than 20 percent of the funds made available for each year's Drinking Water SRF capitalization grant shall be used by the State for projects to address green infrastructure, water or energy efficiency improvements, or other environmentally innovative activities. These four categories of projects are the components of the Green Project Reserve.

Sufficient funds have been awarded to qualifying projects to meet the 2010 and 2011 Green Project Reserve requirement. The 2012 - 2016 capitalization grants were not subject to the Green Project Reserve requirement.

The Green Project Reserve requirement is not expected to be reinstated in with the 2017 capitalization grant.

### Build America Bond Activities and Uses

The Series 2010A bonds that were issued in December 2010 were designated as Build America Bonds. As a result the District receives subsidy payments from the U.S. Treasury equal to 35% of the interest payable on its Series 2010A Bonds.

In fiscal year 2017, approximately \$50,000 of Build America Bond funds will be allocated to supplement the Consolidated program with grants for water projects.

## **DESCRIPTION AND AMOUNT OF NON-PROJECT ACTIVITIES (SET-ASIDES)**

The Safe Drinking Water Act authorizes states to provide funding for certain non-project activities provided that the amount of that funding does not exceed certain ceilings. Unused funds in the non-Drinking Water SRF will be banked for future use, where allowable, or transferred to the project loan account at the discretion of the State and with concurrence from the EPA Regional Administrator.

The following sections identify what portions of the capitalization grant will be used for non-Drinking Water SRF activities and describe how the funds will be used.

**Administration. Four percent of the fiscal year capitalization grant (\$332,480) will be allocated to administer the Drinking Water SRF program. This is the maximum allowed for this purpose.**

Specific activities to be funded are: staff salary, benefits, travel, and overhead; retaining of bond counsel, bond underwriter, financial advisor, and trustee; and other costs to administer the program.

Unused administrative funds will be banked to assure a source of funds not dependent on state general funds.

**Small system technical assistance. Two percent of the capitalization grant (\$166,240) will be allocated to provide technical assistance to public water systems serving 10,000 or fewer. This is the maximum allowed for this purpose.**

The objective of this set-aside is to bring non-complying systems into compliance and improve operations of water systems.

In fiscal year 1997, the board contracted with the South Dakota Association of Rural Water Systems to help communities evaluate the technical, managerial, and financial capability of its water utilities. These contracts have been renewed periodically to allow the continuation of assistance activities. The Rural Water Association provides such on-site assistance as leak detection, consumer confidence reports, water audits, board oversight and review, treatment plant operations, operator certification, and rate analysis.

To promote proactive planning within small communities, the Small Community Planning Grant program was initiated in fiscal year 2001. Communities are reimbursed 80 percent of the cost of an engineering study, with the maximum grant amount for any study being \$8,000.

The board also provides additional grants for studies incorporating a rate analysis using Rate Maker software. Reimbursement for performing a rate analysis is 80 percent of costs up to a maximum of \$1,600.

To assure available funds to support the existing small system technical assistance endeavors, \$166,240 from the fiscal year 2017 capitalization grant will be allocated to this set-aside. Unused funds from previous years' set-aside for small system technical assistance are banked for use in future years. Currently, \$180,378 remains from previous years' allocations to be used for the purposes described above.

**State program management. \$400,000 will be allocated for the administration of the state's Public Water System Supervision program.**

The state may use up to 10 percent of its allotment to (1) administer the state PWSS program; (2) administer or provide technical assistance through water protection programs, including the Class V portion of the Underground Injection Control program; (3) develop and implement a capacity development strategy; and (4) develop and implement an operator certification program. A dollar-for-dollar match of capitalization funds must be provided for these activities.

Insufficient federal funds have been allocated from the Performance Partnership Grant for South Dakota's PWSS program to complete all tasks and activities identified in the workplan. A total of \$400,000 will be set-aside for these activities in federal fiscal year 2017. The required dollar-for-dollar match for the set aside funds will be provided from \$200,000 in DWSRF administrative surcharge fees and \$200,000 in PWSS fees.

Local assistance and other state programs.

**Up to \$75,000 will be allocated for the capacity development activities described below.**

The state can fund other activities to assist development and implementation of local drinking water protection activities. Up to 15 percent of the capitalization grant may be used for the activities specified below, but not more than 10 percent can be used for any one activity. The allowable activities for this set-aside are: (1) assistance to a public water system to acquire land or a conservation easement for source water protection; (2) assistance to a community water system to implement voluntary, incentive-based source water quality protection measures; (3) to provide funding to delineate and assess source water protection areas; (4) to support the establishment and implementation of a wellhead protection program; and (5) to provide funding to a community water system

to implement a project under the capacity development strategy.

There remains \$25,300 from prior years' allocations. It is anticipated that a portion of these funds will be used by the Midwest Assistance Program (MAP) in FY 2017. Since 2008, MAP has been assisting communities that received an SRF loan and recommendations were made in the capacity assessment to improve the technical, financial, or managerial capacity of the system. In addition, the Midwest Assistance Program has assisted in the review of capacity assessments required as part of the Drinking Water SRF loan applications. The DENR and the Midwest Assistance Program will continue the partnership in FY 2017.

**DISADVANTAGED COMMUNITY SUBSIDIES**

Communities that meet the disadvantaged eligibility criteria described below may receive additional subsidies. This includes communities that will meet the disadvantaged criteria as a result of the project.

Definition. To be eligible for loan subsidies a community must meet the following criteria:

- (1) for municipalities and sanitary districts:
  - (a) the median household income is below the state-wide median household income; and
  - (b) the monthly residential water bill is \$30 or more for 5,000 gallons usage; or
- (2) for other community water systems:
  - (a) the median household income is below the state-wide median household income; and



(b) the monthly water bill for rural households is \$55 or more for 7,000 gallons usage.

The source of median household income statistics will be the American Community Survey or other statistically valid income data supplied by the applicant and acceptable to the board.

Affordability criteria used to determine subsidy amount. Loans given to disadvantaged communities may have a term up to 30 years or the expected life of the project, whichever is less. Disadvantaged communities below the statewide median household income, but at or greater than 80 percent, are eligible to extend the term of the loan up to 30 years. Disadvantaged communities below 80 percent of the statewide median household income, but at or greater than 60 percent may receive up to a two percentage point reduction in interest rates. Disadvantaged communities with a median household income less than 60 percent of the statewide median household income may receive a zero percent loan. See Table 1 for the disadvantaged interest rate for fiscal year 2017.

Amount of capitalization grant to be made available for providing additional subsidies to disadvantaged communities. Disadvantaged communities are eligible for additional subsidy in the form of principal forgiveness, in an amount equal to 30 percent of the annual capitalization grant. South Dakota utilized the option to provide additional subsidy in the form of principal forgiveness to disadvantaged communities in federal fiscal year 2016. Table 3 summarizes the amounts of disadvantaged principal forgiveness provided to date. Disadvantaged communities below 80 percent of the statewide median household income will be given priority for this subsidy.

Table 3 – Disadvantaged Principal Forgiveness

FFY	Principal Forgiveness	
	Minimum	Maximum
2016	\$0	\$2,493,600
2017 (est)	\$0	\$2,493,600
	\$0	\$4,987,200

Awarded from 2016 grant \$2,493,600

In FY 2017 South Dakota will plan to again provide additional principal forgiveness to disadvantaged communities, for up to 30 percent of the capitalization grant. Attachment II - List of Projects to be Funded in FY 2017 identifies \$1,884,000 in potential principal forgiveness.

Identification of systems to receive subsidies and the amount. Systems that are eligible to receive disadvantaged community rates and terms are identified in Attachment I and Attachment II.

**Table 4 - Amounts Available to Transfer between State Revolving Fund Programs**

<b>Year</b>	<b>DWSRF Capitalization Grant</b>	<b>Amount Available for Transfer</b>	<b>Banked Transfer Ceiling</b>	<b>Amount Transferred from CWSRF to DWSRF</b>	<b>Amount Transferred from DWSRF to CWSRF</b>	<b>Transfer Description</b>	<b>CWSRF Funds Available to Transfer</b>	<b>DWSRF Funds Available to Transfer</b>
1997	\$12,558,800	\$4,144,404	\$4,144,404				\$4,144,404	\$4,144,404
1998	\$7,121,300	\$2,350,029	\$6,494,433				\$6,494,433	\$6,494,433
1999	\$7,463,800	\$2,463,054	\$8,957,487				\$8,957,487	\$8,957,487
2000	\$7,757,000	\$2,559,810	\$11,517,297				\$11,517,297	\$11,517,297
2001	\$7,789,100	\$2,570,403	\$14,087,700				\$14,087,700	\$14,087,700
2002	\$8,052,500	\$2,657,325	\$16,745,025	\$7,812,960		CW Cap Grant/Match	\$8,932,065	\$16,745,025
2003	\$8,004,100	\$2,641,353	\$19,386,378	\$7,761,360		CW Cap Grant/Match	\$3,812,058	\$19,386,378
2004	\$8,303,100	\$2,740,023	\$22,126,401				\$6,552,081	\$22,126,401
2005	\$8,352,500	\$2,756,325	\$24,882,726				\$9,308,406	\$24,882,726
2006	\$8,229,300	\$2,715,669	\$27,598,395		\$7,500,000	Leveraged Bonds	\$12,024,075	\$20,098,395
2007	\$8,229,000	\$2,715,570	\$30,313,965				\$14,739,645	\$22,813,965
2008	\$8,146,000	\$2,688,180	\$33,002,145				\$17,427,825	\$25,502,145
2009	\$8,146,000	\$2,688,180	\$35,690,325				\$20,116,005	\$28,190,325
2010	\$13,573,000	\$4,479,090	\$40,169,415				\$24,595,095	\$32,669,415
2011	\$9,418,000	\$3,107,940	\$43,277,355		\$10,000,000	Repayments	\$27,703,035	\$25,777,355
2012	\$8,975,000	\$2,961,750	\$46,239,105				\$30,664,785	\$28,739,105
2013	\$8,421,000	\$2,788,930	\$49,018,035				\$33,443,715	\$31,518,035
2014	\$8,845,000	\$2,918,850	\$51,936,885				\$36,362,565	\$34,436,885
2015	\$8,787,000	\$2,899,710	\$54,814,485				\$39,240,165	\$37,314,485
2016	\$8,312,000	\$2,742,960	\$57,557,445				\$41,983,125	\$40,057,445
2017 (est)	\$8,312,000	\$2,742,960	\$60,300,405				\$44,726,085	\$42,800,405

## ATTACHMENT I

### PROJECT PRIORITY LIST

Attachment I is a comprehensive list of projects that are eligible for Drinking Water SRF loans. This list was developed from State Water Plan applications. Inclusion on the list carries no obligations to the Drinking Water SRF program. Attachment II lists those projects expected to be funded in fiscal year 2017.

Priority Points	Community/ Public Water System	Project Number	Project Description	Est. Loan Amount	Expected Loan Rate & Term	Pop. Served	Dis-advan-taged
145	Hermosa	C462278-02	<i>Problem:</i> the town does not have sufficient water supply from its wells as one has exceeded the maximum contaminant level for radionuclides and is not in use. <i>Project:</i> attempt to rehabilitate an existing well to provide better water quality and needed supply or install a new well and distribution line to supply the community or connect to a regional supplier to purchase water.	\$199,000	2.00%, 30 years	398	Yes (Pending rate Increase)
134	Veblen	C462186-01	<i>Problem:</i> the existing 4-inch distribution mains are undersized and experiencing excessive breaks and include dead end lines, water meters are old and some locations are unmetered so the town does not accurately bill for water, and the town does not have adequate storage capacity or pressure. <i>Project:</i> install 14,150-feet of new PVC water mains and loop the system, install 198 water meters, and construct a 125,000-gallon water storage tank.	\$2,976,100	0%, 30 years	531	Yes

Priority Points	Community/ Public Water System	Project Number	Project Description	Est. Loan Amount	Expected Loan Rate & Term	Pop. Served	Dis-advantaged
110	South Shore	C462294-01	<i>Problem:</i> the existing distribution mains are poor quality PVC and experiencing excessive breaks and include dead end lines, no water meters are currently installed so the town does not accurately bill for water, the town does not have adequate storage capacity, and the existing wells cannot supply the necessary water to meet demands. <i>Project:</i> install 17,300-feet of new PVC water mains and loop the system, install 85 water meters, construct a 50,000-gallon water storage tank, and install a new well.	\$2,650,000	2.25%, 30 years	225	Yes (Pending rate increase)
108	Langford	C462285-01	<i>Problem:</i> the existing 4-inch asbestos cement distribution mains are undersized and experiencing excessive leakage, water meters are old and some locations are unmetered so the town does not accurately bill for water, and the town does not have adequate storage capacity or pressure. <i>Project:</i> install 3,400 feet of new PVC water mains and loop the system, install 184 water meters, and construct a 75,000-gallon water storage tank.	\$1,922,000	0%, 30 years	313	Yes
96	Hot Springs	C462040-02	<i>Problem:</i> the city's raw water pumping system does not have capacity to provide adequate water in the event one of the two pumping stations is out of commission, the storage capacity is less than a peak day, and the system does not have adequate well supply. <i>Project:</i> install a new well and pump house, construct a new 3-million gallon water tower, and develop a new Madison well.	\$3,850,000	0%, 30 years	3,711	Yes (Pending rate increase)
73	Yankton	C462038-06	<i>Problem:</i> The city does not have adequate treatment capacity for current water system demands and the installation of a new well requires a new treatment system. <i>Project:</i> construction of a new reverse osmosis water treatment system by expanding and upgrading the existing treatment plant.	\$34,500,000	2.25%, 30 years	14,454	Yes

Priority Points	Community/ Public Water System	Project Number	Project Description	Est. Loan Amount	Expected Loan Rate & Term	Pop. Served	Dis-advantaged
53	Lake Norden	C462256-01	<i>Problem:</i> one of the existing water treatment filters has begun to leak and is in need of replacement. <i>Project:</i> install a new stainless steel water filter.	\$500,000	2.00%, 20 years	467	Yes (Pending rate increase)
52	Lesterville	C462357-01	<i>Problem:</i> the existing 4- and 6-inch cast iron distribution mains are undersized and experiencing excessive breaks and include dead end lines. <i>Project:</i> install 5,400 feet of new PVC water mains and loop the system.	\$448,500	2.25%, 30 years	127	Yes
48	Terry Trojan Water Project District	C462455-01	<i>Problem:</i> the existing distribution mains are poor quality PVC and experiencing excessive breaks and includes dead end lines, the existing storage tank is in poor condition, the system only has one existing well which would leave the system without water if it were to fail for even limited time, and the existing electrical and SCADA systems for the well and treatment plant need to be upgraded. <i>Project:</i> install 3,400-feet of new PVC water mains and loop the system, install 31 water meters, construct a 150,000-gallon water storage tank, make improvements to the electrical and SCADA systems, and install a new well.	\$1,087,377	2.50%, 30 years	475	
26	Lead-Deadwood Sanitary District	C462002-02	<i>Problem:</i> the Peake Ditch raw water source has limited use due to a landslide that damaged a portion of the water line. <i>Project:</i> abandon approximately 17,200 feet of the existing line and replace it with approximately 16,600 feet of new HDPE line.	\$1,061,000	2.25%, 30 years	4,556	Yes (Pending rate increase)
23	B-Y Water District	C462431-01	<i>Problem:</i> the district's water treatment plant is at the end of the electrical power system serving it and the system lacks the storage capacity to supply its users if adverse weather causes an outage at the treatment plant. <i>Project:</i> construct a 3-million gallon water storage reservoir to provide additional storage for the district's users.	\$4,300,000	2.50%, 30 years	15,000	

<b>Priority Points</b>	<b>Community/ Public Water System</b>	<b>Project Number</b>	<b>Project Description</b>	<b>Est. Loan Amount</b>	<b>Expected Loan Rate &amp; Term</b>	<b>Pop. Served</b>	<b>Dis-advan- taged</b>
20	Martin	C462203-02	<i>Problem:</i> the distribution system on 4 <sup>th</sup> and 5 <sup>th</sup> Avenue consists of old cast iron lines that are old and undersized, and water meters in this area are beyond their useful life also. <i>Project:</i> installation of approximately 1,825 feet of new PVC water main to replace the cast iron lines and installation of 21 new water meters.	\$633,000	2.00%, 30 years	1,071	Yes (Pending rate increase)
19	Colton	C462135-04	<i>Problem:</i> a portion of the city's distribution system consists of asbestos cement pipe that is beyond its useful life. <i>Project:</i> replace approximately 7,000 feet of asbestos cement pipe with PVC pipe.	\$1,247,159	2.50%, 30 years	687	
17	Canova	C462321-01	<i>Problem:</i> the town is experiencing significant water loss due to outdated meters and a section of deteriorating asbestos cement pipe. <i>Project:</i> replace approximately 55 water meters and install an automatic meter reading system, replace the existing asbestos cement watermain with 950 feet of PVC pipe, and conduct a leak detection study.	\$225,920	2.50%, 30 years	105	
17	Pine Cliff Park Water and Maintenance, Inc.	C462452-01	<i>Problem:</i> the system has been experiencing excessive watermain breaks and water loss attributed to poor installation of the original pipe, and the pipe is also difficult to access for maintenance because of the original alignment. <i>Project:</i> replacement of approximately 2,700 feet of watermain with new PVC pipe to correct deficiencies.	\$398,000	2.25%, 20 years	175	
16	Tea	C462028-02	<i>Problem:</i> currently the city's airport is not served by the distribution system, and homes along Christine Ave are served by a long dead end line. <i>Project:</i> installation of approximately 5,300 feet of PVC watermain to connect the airport to the system and to provide looping to remove dead ends.	\$941,000	2.50%, 30 years	3,806	

Priority Points	Community/ Public Water System	Project Number	Project Description	Est. Loan Amount	Expected Loan Rate & Term	Pop. Served	Dis-advantaged
16	Tea	C462028-03	<i>Problem:</i> homes north of 271 <sup>st</sup> St on Devin Ave are served by a long un-looped line which is also a mainline into the city from a water storage reservoir. <i>Project:</i> installation of approximately 5,900 feet of PVC watermain to provide a northern loop to the city's distribution system to improve water quality and system redundancy.	\$830,000	2.50%, 30 years	3,806	
14	Avon	C462242-01	<i>Problem:</i> the city's meters are obsolete and unserviceable. <i>Project:</i> replace approximately 330 water meters and install an automatic meter reading system.	\$469,800	2.00%, 10 years	590	Yes
14	Humboldt	C462254-02	<i>Problem:</i> the city's meters are obsolete and unserviceable. <i>Project:</i> replace approximately 350 water meters and install an automatic meter reading system.	\$264,580	2.00%, 10 years	581	
14	Philip	C462205-01	<i>Problem:</i> many of the city's meters are obsolete and unserviceable or require manual reading. <i>Project:</i> replace approximately 220 water meters and install an automatic meter reading system and transmitters for the meters not being replaced.	\$340,000	2.00%, 10 years	779	Yes
14	Plankinton	C462110-02	<i>Problem:</i> the city's meters are old and in need of replacement. <i>Project:</i> replace approximately 380 water meters and install a drive-by meter reading system.	\$240,000	2.00%, 10 years	707	Yes
14	Valley Springs	C462239-01	<i>Problem:</i> the city's meters are old and in need of replacement. <i>Project:</i> replace approximately 350 water meters and install a drive-by meter reading system.	\$175,000	2.00%, 10 years	759	
14	Wessington Springs	C462210-02	<i>Problem:</i> the city's meters are old and in need of replacement. <i>Project:</i> replace approximately 540 water meters and install an automatic meter reading system.	\$568,000	1.00%, 10 years	956	Yes

Priority Points	Community/ Public Water System	Project Number	Project Description	Est. Loan Amount	Expected Loan Rate & Term	Pop. Served	Dis-advan- taged
14	Worthing	C462047-03	<i>Problem:</i> the city's meters are old and in need of replacement. <i>Project:</i> replace approximately 380 water meters and install an automatic meter reading system.	\$120,000	2.00%, 10 years	877	
13	Blunt	C462265-01	<i>Problem:</i> the city's meters are old and in need of replacement. <i>Project:</i> replace approximately 360 water meters and install an automatic meter reading system.	\$530,000	2.00%, 10 years	354	
13	Blunt	C462265-02	<i>Problem:</i> the city's water main valves and several curb stops are old and in need of replacement. <i>Project:</i> replace approximately 10 water valves and 18 curb stops.	\$115,000	2.50%, 30 years	354	
12	Belle Fourche	C462012-01	<i>Problem:</i> the water line under 8 <sup>th</sup> Avenue consists of old cast iron pipe that is susceptible to corrosion. <i>Project:</i> replace the cast line with approximately 1,500 feet of PVC pipe.	\$230,000	2.00%, 30 years	5,594	Yes (Pending rate increase)
12	Doland	C462050-01	<i>Problem:</i> the city's meters are old and in need of replacement. <i>Project:</i> replace approximately 100 water meters and install an automatic meter reading system.	\$104,300	2.00%, 10 years	180	
11	Dell Rapids	C462064-07	<i>Problem:</i> a portion of the city's distribution system consists of asbestos cement and cast iron pipe that is beyond its useful life. <i>Project:</i> replace approximately 11,700 feet of water main with PVC pipe.	\$4,328,100	2.50%, 30 years	3,633	
10	Miller	C462128-02	<i>Problem:</i> a portion of the city's distribution system consists of asbestos cement pipe that is experiencing excessive breaks. <i>Project:</i> replace approximately 53,000 feet of asbestos cement pipe with PVC pipe.	\$6,318,460	2.25%, 30 years	1,489	Yes
10	Salem	C462057-04	<i>Problem:</i> the existing cast iron distribution mains are old and beginning to experience excessive breaks. <i>Project:</i> install 3,000 feet of new PVC water mains.	\$801,676	2.25%, 30 years	1,347	Yes



<b>Priority Points</b>	<b>Community/ Public Water System</b>	<b>Project Number</b>	<b>Project Description</b>	<b>Est. Loan Amount</b>	<b>Expected Loan Rate &amp; Term</b>	<b>Pop. Served</b>	<b>Dis-advan-taged</b>
10	WEB Water Development Association, Inc.	C462426-04	<i>Problem:</i> increased demand within the system's service area has resulted in insufficient flows within the system. <i>Project:</i> install approximately 21 miles of 24-inch ductile iron mainline pipe and install an additional high service pump at the treatment plant.	\$22,504,300	2.25%, 30 years	45,000	Yes
9	Valley Springs	C462239-01	<i>Problem:</i> the existing asbestos cement distribution mains are old and beginning to experience excessive breaks. <i>Project:</i> install 23,000 feet of new PVC water mains.	\$7,300,000	2.50%, 30 years	759	
6	Tea	C462028-04	<i>Problem:</i> there are eight existing homes that are currently unserved by the city's distribution system. <i>Project:</i> installation of approximately 4,335 feet of PVC watermain to connect these users to the City's distribution system.	\$808,000	2.50%, 30 years	3,806	

**ATTACHMENT II – LIST OF PROJECTS TO BE FUNDED IN FISCAL YEAR 2017**

<b>Priority Points</b>	<b>Loan Recipient</b>	<b>Project Number</b>	<b>Assistance Amount</b>	<b>Principal Forgiveness <sup>1</sup></b>	<b>Funding Date</b>	<b>Expected Funding Source<sup>2</sup></b>
<b>LOANS EXPECTED</b>						
48	Terry Trojan Water Project District	C462455-01	\$1,087,377	\$80,022	Jan. 2017	Repayments
12	Belle Fourche	C462012-01	\$230,000	\$0	Jan. 2017	Repayments
134	Veblen	C462186-01	\$2,976,100	\$900,000 <sup>3</sup>	March 2017	Repayments
108	Langford	C462285-01	\$1,922,000	\$570,000 <sup>3</sup>	March 2017	Repayments
73	Yankton	C462038-06	\$34,500,000	\$1,000,000	March 2017	Repayments
52	Lesterville	C462357-01	\$448,500	\$45,000	March 2017	Repayments
23	B-Y Water District	C462431-01	\$4,300,000	\$430,000	March 2017	Repay/Lev. Funds
20	Martin	C462203-02	\$633,000	\$189,000 <sup>3</sup>	March 2017	Lev. Funds
19	Colton	C462135-04	\$1,247,159	\$125,000	March 2017	Lev. Funds
17	Canova	C462321-01	\$225,920	\$25,000	March 2017	Lev. Funds
17	Pine Cliff Park Water and Maintenance, Inc.	C462452-01	\$398,000	\$40,000	March 2017	2017
14	Wessington Springs	C462210-02	\$568,000	\$165,000 <sup>3</sup>	March 2017	Lev. Funds
13	Blunt	C462265-02	\$115,000	\$10,000	March 2017	Lev. Funds
10	Salem	C462057-04	\$801,676	\$80,000	March 2017	Lev. Funds
110	South Shore	C462294-01	\$2,650,000	\$265,000	June 2017	Lev. Funds
16	Tea	C462028-02	\$941,000	\$94,000	June 2017	Lev. Funds
11	Dell Rapids	C462064-07	\$4,328,100	\$379,600	June 2017	Lev. Funds
145	Hermosa	C462278-02	\$199,000	\$60,000 <sup>3</sup>	Sept. 2017	Lev. Funds
53	Lake Norden	C462256-01	\$500,000	\$0	Sept. 2017	Lev. Funds
16	Tea	C462028-03	\$830,000	\$0	Sept. 2017	Lev. Funds
10	WEB Water Development Association, Inc.	C462426-04	\$22,504,300	\$0	Sept. 2017	2017/Lev. Funds

1. Principal forgiveness amounts shown for loans expected are estimates for planning purposes only.

2. Projects identified using 2017 capitalization grant funds are for equivalency requirements planning purposes only, actual projects used for capitalization grant equivalency will be identified on the fiscal year 2017 annual report.

3. Projects are anticipated to be funded in part utilizing the additional up to 30 percent of the capitalization grant for principal forgiveness to disadvantaged communities.

**ATTACHMENT III  
PROGRAM FUNDING STATUS**

**Fiscal Years 1997 - 2016**

Capitalization Grants	\$174,724,698	
State Match	\$37,540,660	
ARRA Grant	\$19,500,000	
Set-Asides	(\$11,560,104)	
Transfer of FY 2002 & 2003 Clean Water Capitalization Grant and State Match	\$15,574,320	
Transfer of DWSRF Repayments	(\$10,000,000)	
Leveraged Bonds	\$67,725,699	
Excess Interest as of September 30, 2016	\$39,443,572	
Excess Principal as of Sept. 30, 2016	\$88,257,426	
	<hr/>	
Total Funds Dedicated to Loan		\$428,610,551
Loans made through September 30, 2016		<u>(\$405,210,361)</u>
Balance of funds as of September 30, 2016		\$23,400,190

**Fiscal Year 2017 Projections**

Capitalization Grants	\$8,312,000	
State Match	\$1,662,400	
Set-Asides	(\$973,720)	
Projected Excess Principal Repayments	\$9,500,000	
Projected Unrestricted Interest Earnings	\$3,000,000	
Leveraged Bonds	\$45,000,000	
	<hr/>	
Projected Fiscal Year 2017 Loan Sub-total		<u>\$66,500,680</u>
Total Funds Available for Loans		<u>\$89,900,870</u>
Loan Amount Identified on Attachment II - List of Projects to be Funded in Fiscal Year 2017		<u><u>\$81,405,132</u></u>

<b>Administrative Surcharge Funds Available as of September 30, 2016</b>	
Program Income	\$935,515
Non-Program Income	\$3,082,801
Total	<u>\$4,018,316</u>

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January 5, 2017

Item 12

**TITLE:** Assignment of Rapid City Consolidated Grant 2015G-403 to South Dakota Game, Fish and Parks

**EXPLANATION:** On January 8, 2015, the Board of Water and Natural Resources approved a \$155,000 Consolidated Program grant (#2015G-403) to Rapid City to remove sediment from Canyon Lake. This was planned to be done in conjunction with the lowering of the lake for renovations of the dam. Due to extraordinarily high flows in Rapid Creek, the proposed by-pass system was inadequate, and Rapid Creek continued to flow through the lake. As a result, the sediment removal could not be accomplished as planned.

The city has been working with Game, Fish and Parks for the purchase of a dredge that would be owned, operated, and maintained by GFP. A Memorandum of Understanding between Rapid City and GFP has been developed for the removal of sediment from Canyon Lake. The city has submitted a letter requesting that grant 2015G-403 be assigned to South Dakota Game, Fish and Parks for the purchase of a dredge and ancillary equipment and sediment removal activities.

The Board may agree to the assignment or decline to assign Consolidated Grant 2015G-403 to Rapid City. If the decision is to not assign, the existing agreement will need to be terminated and the funds reverted back to the Water and Environment Fund.

**RECOMMENDED ACTION:** Approve the assignment request and revise the project scope to include the equipment purchase.

**CONTACT:** Mike Perkovich (773-4216)



# CITY OF RAPID CITY

## RAPID CITY, SOUTH DAKOTA 57701-2724

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### *Office of the Mayor*

*300 Sixth Street*

*605-394-4110*

*E-mail: [mayorsoffice@rcgov.org](mailto:mayorsoffice@rcgov.org)*

Board of Water and Natural Resources  
South Dakota Department of Environment and Natural Resources  
Attn: Mike Percovich  
523 E. Capitol  
Pierre, South Dakota 57501

*RE: Canyon Lake Sediment Removal Project (modification to financial assistance)*

Dear Board Members:

The City of Rapid City has been working in conjunction with the West Dakota Water Development District (WDWDD), Black Hills Fly Fisherman (BHFF), and the South Dakota Department of Environment and Natural Resources (DENR) on a project to remove sediment build-up in Canyon Lake. DENR has identified funds available to assist in this endeavor and the Board of Water and Natural Resources (BWNR) approved funding assistance (\$155,000). The funding would have been administered by the City.

The purpose of this letter is to outline a change with the project. Our initial intent was to hire a contractor to physically remove the sediment with heavy equipment during the renovation of the Canyon Lake Dam when it was drained. This would have been possible because of a by-pass piping system that was installed to divert Rapid Creek water around the lake. Unfortunately, we had extremely high water falls during the spring and summer months during the dam renovation project. The by-pass could handle 25 cfs of water flow from Rapid Creek, but we routinely had 75-125 cfs during this time period due to high ground water spring flows associated with Storm Atlas and heavier than normal precipitation.

The contractor was unable to perform any removal due to the fact Rapid Creek flowed through the lake during the entire time during the dam renovation project.

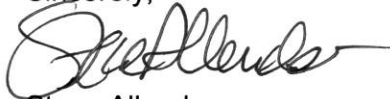
We are pursuing a Plan B which is to purchase a dredger that would be owned, maintained, and operated by the South Dakota Game Fish and Parks (GFP) here in Rapid City. GFP has agreed to the plan and we have developed an agreement (memorandum of understanding) with them to proceed with the project. The WDWDD (\$150,000) and BHFF (\$10,000) are also financial contributors and parties to the agreement.

The change in our agreement with the board would be to direct the funding (\$155,000) approved by the board for the Canyon Lake Dredging Project to GFP.

We hope that this is acceptable to the board. The overall goal is to remove sediment build-up in Canyon Lake to improve water quality and recreational opportunities in the lake as well as improve water quality in Rapid Creek below the lake.

If you have any questions, please feel free to contact Dale Tech of my staff at 605-394-4154.

Sincerely,

A handwritten signature in black ink, appearing to read "Steve Allender", with a long horizontal flourish extending to the right.

Steve Allender  
Mayor of Rapid City

**TITLE:** TC&G Water Association Request to Amend Project Scope of Consolidated Grant 2016G-201

**EXPLANATION:** In June 2015, Trail City and Glencross Water Association Inc. (TC&G) received a \$1,390,000 Consolidated Water Facilities Construction Program Grant to install new meters, a booster station, and 94,000 feet of water main. TC&G recently discovered that the system's water supply was not sufficient to keep up with demand and emergency repairs to some of the TC&G's wells needed to be done. The cost estimate for these repairs is approximately \$46,500.

On December 21, 2016 the department received a letter from TC&G requesting that the Board of Water and Natural Resources amend the scope of the Consolidated Grant to include rehabilitation work on the system's wells.

**RECOMMENDED ACTION:** Amend the project scope of Consolidated Water Facilities Construction Program Grant 2016G-201 to include rehabilitation work on the wells in TC&G's system.

**CONTACT:** Drew Huisken  
605-773-5092





# T. C. & G WATER ASSOCIATION INC.

13485 258<sup>th</sup> Avenue  
Glencross, SD 57630

December 20, 2016

Brad Johnson, Chairman  
SD Board of Water and Natural Resources  
%, SD Dept. of Environmental and Natural Resources  
PMB 2020  
Joe Foss Building  
523 East Capitol  
Pierre, South Dakota 57501-3182

Drew Huisken  
Natural Resources Engineer II  
Department of Environment & Natural Resources  
Financial and Technical Assistance Department  
523 East Capitol  
Pierre, SD 57501

Dear Chairman Johnson and Mr. Huisken;

The Trail City and Glencross Water Association (T. C. & G. Water Association or TC&G) is respectfully requesting a change in the scope of work to their Consolidated Water Facilities Construction Program Grant ID # 2016-201 to include the rehabilitation of the system's water supply wells. This request is being made as the system began experiencing low water pressure for most of our users in December in many cases was unable to provide water for several days to some of those users. It was initially thought there was a water leak, but after extensive research it was determined that this was not the case; but rather, the water supply wells were not pumping enough water. In fact, the five existing wells were pumping approximately 86 to 90 GPM total with two wells not pumping at all. TC&G declared an emergency on December 11 and hired Utility Service Group, dba, Suez Water Advanced Solutions to rehabilitate four of the five water supply wells known by TG&C as #1, 4, 5, and 6 at an estimated cost of \$41,000 payable in two years. Schlosser Ditching and Plumbing immediately replaced a pump on the one well at an approximately cost of \$3,560. Gregg's Drilling and Excavating worked on well #2 at an estimated cost of \$2,000.00. It is requested that all these costs be included in the CWFC scope of work.

In addition at the December 14 board meeting, the system raised rates by \$1/1000 gallons/user/month beginning January 1, 2017. Thus, rates will be \$80/user/5000 gallons/month. In addition, we will be paying off the existing Rural Development loan before the end of 2016 in order to facilitate the request of additional funds from SDDENR for additional work needed by the system and be able to close the loan in a timely manner so that the project can be constructed in 2017. The

\$89,065.63 payoff of the Rural Development loan will necessitate a \$50,000 3.25% 15 year note with Western Dakota Bank. The bank loan, however, can be paid off early with no penalties. This may result in the system having a cash flow shortage due to a lack of water being sold and the Rural Development loan being paid, this will only leave the system approximately \$86,000 to operate on. Thus, TC&G is requesting the well rehabilitation costs be included in the scope of the consolidated grant so that our monthly operating cash flow does not fall to approximately \$40,000. If you have any questions, please feel free to contact Marlene Knutson, Central South Dakota Enhancement District Director at 773-2782 or Karen Salzer, TC&G Office Manager at 605-850-1612

Sincerely,

A handwritten signature in cursive script, appearing to read "Don Hollenbeck".

Don Hollenbeck,  
President, T.C. & G Water Association, Inc.



# Kingbrook

## Rural Water System, Inc.

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PO Box 299 • 302 E. Ash St. • Arlington, SD 57212 • Phone 605-983-5074 • 1-800-605-5279 • Fax 605-983-5636 • office@kingbrookruralwater.com

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January 3, 2017

Jim Feeney  
Division of Financial & Technical Assistance  
Department of Environment & Natural Resources  
Joe Foss Building  
523 E. Capitol Avenue  
Pierre, SD 57501

Dear Jim,

The Board of Water & Natural Resources at its March 31, 2016 meeting approved a \$9,000,000 Drinking Water State Revolving Fund loan for Kingbrook Rural Water. Subsequent to that approval, Kingbrook submitted an application to Rural Development (RD) in an attempt to obtain more attractive financing. Last Friday we received notification that our application was approved with both loan and grant funding.

We appreciated your allowing us to keep the DENR offer open until we received final notice from Rural Development. Based on our acceptance of the RD funding package, please release the \$9,000,000 in Drinking Water SRF funds for consideration by other worthy applicants.

Sincerely,




Randy Jencks, P.E.  
General Manager

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**MISSION STATEMENT:** To provide member-owners with reasonably priced, reliable, quality water.

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 Kingbrook Rural Water System, Inc. is an equal opportunity provider and employer.