

Minutes of the  
Board of Water and Natural Resources Meeting  
Matthew Training Center  
523 East Capitol  
Pierre, South Dakota

March 26-27, 2015

MARCH 26, 2015 – 1:00 P.M. CT

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

BOARD MEMBERS PRESENT: Brad Johnson, Paul Gnirk, Paul Goldhammer, Todd Bernhard, and Jerry Soholt.

BOARD MEMBERS ABSENT: Jackie Lanning and Gene Jones.

OTHERS PRESENT: See attached attendance sheets.

APPROVE AGENDA: Mike Perkovich noted that the only changes to the posted agenda were that he would be presenting Items 16 and 18, and Andy Bruels would be presenting Item 17.

Chairman Johnson approved the agenda with the changes.

APPROVE MINUTES OF JANUARY 8, 2015, MEETING: Motion by Gnirk, seconded by Soholt, to approve the minutes of the January 8, 2015, Board of Water and Natural Resources meeting. Motion carried unanimously.

PUBLIC HEARING TO AMEND ARSD CHAPTERS 74:05:07 CONSOLIDATED WATER FACILITIES CONSTRUCTION PROGRAM, 74:05:08 STATE WATER POLLUTION CONTROL REVOLVING FUND PROGRAM, 74:05:10 SOLID WASTE MANAGEMENT PROGRAM, AND 74:05:11 DRINKING WATER STATE REVOLVING FUND PROGRAM: Chairman Johnson opened the hearing at 1:05 p.m. CDT on March 26, 2015.

The purpose of the hearing was to consider amendments to administrative rules in chapters:

74:05:07 Consolidated water facilities construction program;  
74:05:08 State water pollution control revolving fund program;  
74:05:10 Solid waste management program; and  
74:05:11 Drinking water state revolving fund program.

Notice of the hearing was published in accordance with applicable rules and regulations. Affidavits of Publication were received and are included in the DENR file. Notice of the hearing was also sent to the Board of Water and Natural Resources interested parties mailing list. No written or verbal comments were submitted after publication of the notice.

The Legislative Research Council (LRC) reviewed and approved the proposed rules for style, form, and legality. LRC's changes were incorporated into the final version of the rules.

Andy Bruels and Mike Perkovich presented, explained the proposed amendments, and answered questions from the board.

**Chapter 74:05:07 Consolidated water facilities construction program**

The proposed amendments to ARSD 74:05:07 will

- increase the amount in the definition of "Minimum established rates" for water and wastewater users in an incorporated municipality or sanitary district (74:05:08:01);
- remove application restrictions that prohibit a project from including preliminary design costs in the total project cost (74:05:07:03);
- remove the requirements of applications to include the status of permits, required lands, easements and right of way (74:05:07:08); and
- provide a time length for the applicant to correct the identified deficiencies (74:05:07:08.01).

The reason for the amendments is to

- increase the minimum rates for applicants to be eligible to receive grant funding;
- allow applicants to include preliminary design costs in the total project cost so those costs can be reimbursed through the program;
- remove the requirements to submit information with the application that can be submitted at a later date, if needed; and
- provide consistency for application review and responses throughout the administrative rules for the different funding programs administered by the Department of Environment and Natural Resources.

**Chapter 74:05:08 State water pollution control revolving fund program**

The proposed amendments to ARSD 74:05:08 will

- update the definition of "Act" (74:05:08:01);
- revise the definition of "Interim financing" from three years to five years (74:05:08:01);
- establish a definition for "Median household income" and source for that information (74:05:08:01);

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- increase the amount in the definition of “Minimum established rates” for wastewater users in an incorporated municipality or sanitary district (74:05:08:01);
- establish a definition for “Unemployment rate” and the source for that information (74:05:08:01);
- revise the definition of “Wastewater treatment works” (74:05:08:01);
- repeal the “Green infrastructure priority points” section (74:05:08:03.02) and remove references to this section (74:05:08:03, 74:05:08:04 and 74:05:08:12.02) ;
- revise the criteria for principal forgiveness eligibility (74:05:08:12.01);
- establish affordability criteria to receive principal forgiveness (74:05:08:12.03);
- revise required information to be submitted as part of the application for funding (74:05:08:13);
- add a section reference (74:05:08:13.01); and
- extend the duration of assistance for interim financing to five years and minor grammatical changes (74:05:08:17).

The reason for the amendments is to

- update references to the Clean Water Act authorizing legislation;
- provide additional time for projects to complete construction if they have received interim funding;
- comply with the Water Resource Reform and Development Act (WRRDA) of 2014 requirement that median household income data be included in the affordability criteria established by the state;
- increase the minimum rates for applicants to be eligible to receive principal forgiveness;
- comply with the WRRDA requirement that unemployment data be included in the affordability criteria established by the state;
- comply with the WRRDA requirement that expanded the definition of treatment works;
- remove the requirement to provide additional priority points for green infrastructure projects;
- comply with the WRRDA requirement that an applicant meet the affordability criteria established by the state to be eligible to receive principal forgiveness;

- comply with the WRRDA requirement that the state must establish affordability criteria;
- remove certain documents currently required for application submittal which are no longer necessary, and include new documents which are now required;
- reference section 74:05:08:13.03 in the rule which was inadvertently omitted previously; and
- allow for interim financing loans to be provided for a period of up to five years and improve the readability of the section.

**Chapter 74:05:10 Solid waste management program**

The proposed amendments to ARSD 74:05:10 will

- change the requirements of documents that must be submitted as a part of the application (74:05:10:14);
- provide a time length for the applicant to correct the identified deficiencies (74:05:10:07); and
- repeal a duplicate section (74:05:10:32).

The reason for the amendments is to

- remove certain documents currently required for application submittal which are no longer necessary, and include new documents which are now required;
- provide consistency for application review and responses throughout the administrative rules for the different funding programs administered by the Department of Environment and Natural Resources; and
- eliminate duplicate sections in the chapter.

**Chapter 74:05:11 Drinking water state revolving fund program**

The proposed amendments to ARSD 74:05:11 will

- update the definition of “Act” (74:05:11:01);
- increase the amount in the definition of “Disadvantaged community” for water users in an incorporated municipality or sanitary district (74:05:11:01);
- revise the definition of “Interim financing” from three years to five year (74:05:11:01);
- update the definition for “Median household income” and the source for that information (74:05:11:01);

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- increase the amount in the definition of “Minimum established rates” for water users in an incorporated municipality or sanitary district (74:05:11:01);
- repeal the “Green infrastructure priority points” section (74:05:11:06.01), and remove references to this section (74:05:11:05, 74:05:11:08 and 74:05:11:11.02);
- adjust the affordability priority point criteria (74:05:11:06);
- revise required information to be submitted as part of the application for funding (74:05:11:12); and
- extend the duration of assistance for interim financing to five years, and provide for financing to increase from 20 years to up to 30 years as permitted by the Act (74:05:11:16).

The reason for the amendments is to

- update references to the Safe Drinking Water Act authorizing legislation;
- increase the minimum rates for applicants to be eligible to receive disadvantaged assistance;
- provide additional time for projects to complete construction if they have received interim funding;
- update the current median household income levels which are based on the 2000 census data this data is outdated, and provide consistency for median household income data used in both the state revolving fund programs;
- increase the minimum rates for applicants to be eligible to receive principal forgiveness;
- remove the requirement to provide additional priority points for green infrastructure projects;
- adjust the priority point affordability criteria formula to reflect new median household income data being used;
- remove certain documents currently required for application submittal which are no longer necessary, and include new documents which are now required; and
- allow for interim financing loans to be provided for a period of up to five years and that extended financing be provided for up to 30 years for non-disadvantaged communities as permitted by a recent EPA determination.

Following the presentation, Chairman Johnson requested public comments. No public comments were presented.

Motion by Goldhammer, seconded by Soholt, to adopt the amendments to 74:05:07 Consolidated Water Facilities Construction Program; 74:05:08 State Water Pollution Control Revolving Fund Program; 74:05:10 Solid Waste Management Program; and 74:05:11 Drinking Water State Revolving Fund Program. Motion carried unanimously.

REVIEW INTEREST RATES FOR THE DRINKING WATER SRF PROGRAM: Mr. Perkovich presented a table showing the current interest rates for the Drinking Water SRF Program. With the exception of the 1.25 percent for a 10-year Drinking Water SRF loan to disadvantaged communities, these rates have been in effect since February 2009. The 1.25 percent rate was adopted by the board in November 2011.

Periodically, the board reviews the rates and makes changes, as necessary. This was done for the Clean Water SRF Program in November 2014.

The administrative rules state that the board may adjust the interest rates at any meeting if the proposed action is included on the posted agenda. The rules also outline three criteria that is to be used in setting the interest rates: (1) current market rates, (2) rates secured on state issued matching funds, and (3) current demand for program funds.

Mr. Perkovich noted that for the current market rates, staff reviews the surrounding states' State Revolving Fund interest rates. The board members received this information prior to the meeting in the board packet. The interest rates for the states reviewed ranged from 1 percent to 2.75 percent.

Staff also reviewed the USDA Rural Development 2015 third quarter interest rates. The poverty rate is 2.125 percent and in order to qualify for the poverty rate, a community's median household income has to be less than 80 percent of the non-metropolitan median household income and the project has to address a health and safety issue. The intermediate rate, which is available for communities with a median household income less than 100 percent of the non-metropolitan median household income, qualifies for a 2.75 percent rate. Any other community would be driven by the market rate, which is 3.50 percent.

Staff also reviewed the Bond Buyer's 20 Bond Index, which was at 3.62% a week ago. This is an index that is a barometer for yields on tax-exempt bonds issued by state governments and local municipalities.

Mr. Perkovich stated that staff believes South Dakota's current Drinking Water SRF Program interest rates are in line with current market rates, so there is no need to adjust the rates.

Regarding the rates secured on state-issued matching funds, the Board of Water and Natural Resources did a Bond Issue in October 2014 in the amount of \$9,060,000 for a five-year Taxable Series bond for state match. The all-in True Interest Cost (TIC) was 1.69 percent. For whole leveraged series - \$50,755,000, which was a 20-year Tax-Exempt Leveraged Bond Series, the all-in TIC was 3.04 percent. Mr. Perkovich noted that he believes the current Drinking Water SRF Program interest rates are covering the funds as best they can, considering EPA requires the board to award the loans at or below market rate.

Mr. Perkovich stated that demand on the program is good.

Staff recommended that the board establish the Drinking Water SRF interest rate for interim financing up to a maximum term of five years at 2 percent interest.

Staff also recommended adding a thirty-year term and rate for non-disadvantaged communities. Mr. Perkovich noted that up until now, the SRF loans for anything greater than 20 years could only go to a disadvantaged community. EPA has determined that under certain circumstances, extended term loans can be made to non-disadvantaged communities, and this parallels a similar decision that was made in 2006 for the Clean Water SRF program.

EPA has determined that extended term financing may be applied when the state's SRF buys or refinances debt obligations from municipalities and inter-municipal and inter-state agencies and that the South Dakota program is structured in this manner. This excludes rural water systems and homeowner's associations that are formed as a nonprofit corporation from receiving this 30-year loan unless they qualify as a disadvantaged community. Extended term financing cannot exceed the useful life of the underlying asset, and the state must demonstrate that the long-term nature of the program is protected.

Working with Public Financial Management, the board's financial advisor, staff submitted a proposal to EPA, and the proposal was approved recently. Therefore, staff recommended the board establish a rate of 3.25 percent for the 30-year non-disadvantaged loans.

Motion by Bernhard, seconded by Goldhammer, adopt Resolution #2015-016 establishing the Drinking Water SRF interest rate for interim financing up to a maximum term of five years at 2 percent (consisting of a 2 percent interest rate and no administrative surcharge) for interim financing loans on the date the amendments to ARSD 74:05:11:01(17) and ARSD 74:05:11:16 become effective. Motion carried unanimously.

Motion by Bernhard, seconded by Goldhammer, to adopt Resolution #2015-17 establishing the Drinking Water SRF interest rate for loans to non-disadvantaged communities exceeding 20 years up to a maximum term of 30 years at 3.25 percent (consisting of 2.75 percent interest rate and 0.5 percent administrative surcharge) for construction loans commencing on the date the amendment to ARSD 74:05:11:16 becomes effective. Motion carried unanimously.

AMENDMENTS TO STATE WATER FACILITIES PLAN: Andy Bruels reported that water projects that will require state funding or need state support for categorical grant or loan funding must be on the State Water Plan. The Board of Water and Natural Resources annually approves projects for placement onto the State Water Facilities Plan and provides for amendment of projects onto the plan on a quarterly basis.

Placement of a project on the State Water Plan provides no guarantee of funding. The projects placed onto the plan at this meeting will remain on the facilities plan through December 2016.

Mr. Bruels presented the 13 applications that requested amendment onto the State Water Plan.

The city of Dell Rapids requested amendment onto the 2015 facilities plan to replace existing clay sanitary sewer and cast iron water main pipe in various areas of the city. Total project costs are estimated at \$4,195,000.

Florence requested amendment onto the 2015 facilities plan to replace existing clay sanitary sewer in various locations throughout town and to rehabilitate a wastewater treatment lagoon. Total project costs are estimated at \$2,318,750.

Florence requested amendment onto the 2015 facilities plan to replace existing cast iron water mains, replace existing water meters, construct a new ground storage tank, and a booster pump station. Total project costs are estimated at \$2,354,375.

Haakon County School District 27-1 requested amendment onto the 2015 facilities plan to construct upgrades to a wastewater treatment system used to treat geothermal well water. Total project costs are estimated at \$641,000.

Hermosa requested amendment onto the 2015 facilities plan to construct a new well to supply the town with needed water or to possibly connect to the Southern Black Hills Water System. Total project costs are estimated at \$1,471,875.

Hot Springs requested amendment onto the 2015 facilities plan to install new sanitary sewer collection lines to serve residents currently utilizing septic systems and connect them to the city sanitary sewer system. Total project costs are estimated at \$270,000.

Lemmon requested amendment onto the 2015 facilities plan to replace or reline most of the existing clay sanitary sewer in various locations throughout the city. Total project costs are estimated at \$9,515,948. Mr. Bruels noted that this project includes several phases.

Montrose requested amendment onto the 2015 facilities plan to install storm sewer collection pipe and drains to manage storm water flows within the city. Total project costs are estimated at \$913,000.

Perkins County RWS requested amendment onto the 2015 facilities plan to install SCADA controls at an existing booster station that is currently manually operated and construction of a security fence around a different booster station. Mr. Bruels noted that previously Perkins County RWS was listed in SDCL 46A-1-2.1 as a preferred project priority on the State Water Resources Management System (SWRMS) list. SDCL 46A-1-10 states that no project can be on both lists. However, as part of SB 173, the Omnibus Bill that was recently signed, Perkins County was removed from the SWRMS list, so the project is now eligible for placement the state water facilities plan. Total project costs are estimated at \$46,000.

Philip requested amendment onto the 2015 facilities plan to replace existing water meters with new remote-read meters. Total project costs are estimated at \$340,000.

South Shore requested amendment onto the 2015 facilities plan to replace existing cast iron water mains, to replace existing water meters, construct a new water storage tank, and install a new well. Total project costs are estimated at \$2,400,000.

T.C. & G. Water Association, Inc. requested amendment onto the 2015 facilities plan to replace an existing water main that is sized incorrectly and experiencing excessive breaks, replace existing water meters, and construct a booster pump station. Total project costs are estimated at \$2,100,000.

Watertown requested amendment onto the 2015 facilities plan to install new sanitary sewer collection lines to serve residents currently utilizing septic systems and connect them to the city’s sanitary sewer system. Total project costs are estimated at \$832,896.

Staff recommended amending 13 projects onto the facilities plan:

Motion by Gnirk, seconded by Sohlt, to amend the 13 projects listed above onto the 2015 State Water Facilities Plan. Motion carried unanimously.

AMENDMENTS TO THE FY 2011, 2012, 2013, and 2014 CLEAN WATER SRF INTENDED USE PLAN PROJECT PRIORITY LISTS: Mr. Bruels reported that the FY 2011, 2012, 2013, and 2014 Intended Use Plans (IUPs) have been approved and amended by the Board of Water and Natural Resources several times over the past few years, in most cases, doing the same thing – adding projects to Attachment I of the IUP, which is the Project Priority List either for new projects being added to the State Water Plan or to add projects previously funded for principal forgiveness utilization purposes

For a project to utilize principal forgiveness allowed by a specific capitalization grant, a project must be on the IUP associated with that capitalization grant. In order to maximize the use of each year’s capitalization grant, it is necessary to amend projects to prior year’s IUPs. The proposed projects will be amended to each year’s project priority list, as presented.

Staff recommended the board amend Attachment I - Project Priority List of the FY 2011 Clean Water Intended Use Plan by adding the following:

Priority Points	Loan Recipient	Project Description	Est. Loan Amount	Expected Loan Rate & Term
7	Wakonda	Replacement of a lift station and televising the collection system.	\$529,000	3.00%, 20 yrs

Staff recommended the board amend Attachment I - Project Priority List of the FY 2012 Clean Water Intended Use Plan by adding the following:

Priority Points	Loan Recipient	Project Description	Est. Loan Amount	Expected Loan Rate & Term
6	Letcher	Replacement of a lift station, rehabilitation of berms at the wastewater treatment facility, and televising the collection system.	\$776,000	3.25%, 30 yrs

Staff recommended the board amend Attachment I - Project Priority List of the FY 2013 Clean Water Intended Use Plan by adding the following:

Priority Points	Loan Recipient	Project Description	Est. Loan Amount	Expected Loan Rate & Term
15	Eagle Butte	Installation of aeration equipment and dredging of sludge at the wastewater treatment facility and the replacement of approximately 9,500 feet of sanitary sewer collection lines and an aging lift station. The project will also construct approximately 700 feet of storm sewer piping and catch basins.	\$2,910,000	3.25%, 30 yrs

Staff recommended the board amend Attachment I - Project Priority List of the FY 2014 Clean Water Intended Use Plan by adding the following:

Priority Points	Loan Recipient	Project Description	Est. Loan Amount	Expected Loan Rate & Term
21	Hosmer	Construction of a new wastewater treatment pond and rehabilitation of the existing ponds, replacement of sanitary sewer collection piping, and cleaning and televising of the existing gravity collection sewer to determine where repairs are needed.	\$4,122,000	3.25%, 30 yrs

Motion by Goldhammer, seconded by Gnirk, to approve the amendments to the FY 2011, 2012, 2013, and 2014 Clean Water SRF Intended Use Plans, as presented. Motion carried unanimously.

AMENDMENT TO THE FY 2015 CLEAN WATER SRF INTENDED USE PLAN: Mr. Bruels reported that the FY 2015 Clean Water State Revolving Fund IUP was approved by the Board of Water and Natural Resources in November 2014.

The Water Resources Reform and Development Act (WRRDA) of 2014 required that states adopt affordability criteria for the Clean Water SRF program. WRRDA limits the awarding of principal forgiveness to recipients that meet the state’s affordability criteria or to projects that implement a process, material, technique, or technology with water efficiency, energy efficiency, mitigation of storm water runoff or other sustainability benefits.

In order to continue providing principal forgiveness to recipients, staff proposed that the affordability criteria language be added to the 2015 Clean Water SRF IUP. The affordability criteria language was included in the rules adopted by the board earlier in the meeting.

Staff also proposed including the source of median household income statistics as the American Community Survey or by other statistically valid income data supplied by the applicant and acceptable to the board; and that 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.

Mr. Bruels noted that for planning purposes, Attachment II includes a list of projects to be funded in FY 2015 identifying \$1,491,000 in potential principal forgiveness.

Staff recommended approving the proposed amendments to the 2015 Clean Water SRF IUP.

Motion by Goldhammer, seconded by Bernhard, to approve the amendments to the 2015 Clean Water SRF Intended Use Plan, as presented. Motion carried unanimously.

AMENDMENT TO FY 2015 DRINKING WATER SRF IUP: Mr. Bruels reported that the FY 2015 Drinking Water State Revolving Fund Intended Use Plan was approved by the Board of Water and Natural Resources in November 2014.

A recent EPA opinion has determined that states may provide Drinking Water SRF funding to non-disadvantaged recipients for terms of up to 30 years, provided the useful life of the project is at least as long as the funding term. Staff proposed establishing a rate of 3.25 percent for 30 years for all projects meeting the useful life requirements.

This rate and term will only be available to municipalities and other systems organized as political subdivisions.

Staff also proposed changing the interim financing from three years to five years.

Motion by Soholt, seconded by Bernhard, to approve the amendments to the 2015 Drinking Water SRF Intended Use Plan, as presented. Motion carried unanimously.

PARKER REQUEST TO RESCIND CONSOLIDATED LOAN 2015L-113: Jon Peschong reported that the city of Parker was awarded a \$100,000 consolidated loan on March 28, 2014, for a lift station and force main replacement project. During the replacement of the lift station, the inspection of the force main revealed that the force main was in good condition and did not need to be repaired or replaced. The city submitted a letter to the department requesting that the loan be rescinded.

Staff recommended the board rescind Resolution #2014-52, which awarded a \$100,000 Consolidated loan to the city of Parker.

Motion by Goldhammer, seconded by Bernhard, to adopt Resolution #2015-18 rescinding Resolution #2014-52, which awarded the South Dakota Consolidated Water Facilities Construction Program Revenue Obligation Loan Agreement (2015L-113) to the city of Parker for an amount not to exceed \$100,000. Motion carried unanimously.

DAY COUNTY CONSERVATION DISTRICT REQUEST TO AMEND CLEAN WATER SRF WATER QUALITY GRANT 2014G-WQ-401: Barry McLaury reported that the Day County

Conservation District has requested amendment of its Clean Water SRF Water Quality grant (2014G-WQ-401) for the Northeast Glacial Lakes Watershed Protection and Improvement Project.

The amendment will increase the cost reimbursement to 50 percent for an amount not to exceed \$115,000 for use in the construction of the project, amend the project description, and revise the budget to allow the district to utilize the funds for riparian area buffers, stream bank stabilization, and grass waterways.

The allocation of these grant funds will allow the project coordinator to utilize the grant funds in funding packages for producers interested in these practices.

Due to increased costs for construction of animal waste management systems, the \$200,000 cap set in DENR's animal waste system cost share guidelines is provided using Natural Resources Conservation Service's Environmental Quality Incentive Program (EQIP) funds and Section 319 grant funds, and other funding sources such as Water Quality grants are not being used.

Staff recommended the board approve the amendment.

Motion by Gnirk, seconded by Bernhard, to adopt Resolution #2015-19 approving the First Amendment to the Day County Conservation District State Revolving Fund Program Water Quality Grant Agreement (2014G-WQ-401) increasing the cost reimbursement to 50 percent for an amount not to exceed \$115,000 for the use in the construction of the project. Motion carried unanimously.

KINGBROOK RURAL WATER SYSTEM REQUEST TO AMEND ITS PARITY AGREEMENT AMONG RURAL DEVELOPMENT, THE SOUTH DAKOTA CONSERVANCY DISTRICT, AND COBANK: Elayne Lande reported that Kingbrook Rural Water System has five Drinking Water SRF loans as well as numerous Rural Development and CoBank loans. Kingbrook recently refinanced two of its Rural Development loans with CoBank.

An analysis of Kingbrook's debt service based upon the new loan and all other loans indicates coverage to be 176 percent, which exceeds the 110 percent coverage requirement.

Staff recommended approval of the amendment request.

Motion by Soholt, seconded by Bernhard, to approve the form and authorize the execution of the Second Amended and Restated Parity Agreement among CoBank, Rural Development, and the South Dakota Conservancy District. Motion carried unanimously.

AVAILABLE FUNDING: Mr. Perkovich provided a summary of available funds for the Consolidated Water Facilities Construction program, Drinking Water SRF program, and Clean Water SRF program.

SANITARY/STORM SEWER FACILITIES FUNDING APPLICATIONS: Mr. Perkovich presented the sanitary/storm sewer facilities funding applications and staff recommendations. A map showing the location of the applications was included in the board packet.

Waubay requested \$1,780,000 for wastewater treatment facility improvements. The remaining \$415,820 is from a FEMA grant that Waubay has secured. The estimated total project cost is \$2,195,820.

Waubay will construct a wastewater treatment facility to replace the current system that is non-functional due to a portion of the facility being in Bitter Lake. The town is under a DENR-issued compliance order to construct a total retention treatment system by September 30, 2016. Waubay anticipates bidding the project in August 2015 with project completion in September 2016.

Waubay's rates are \$30.00 per 5,000 gallons usage.

Staff recommended awarding a \$1,080,000 Clean Water SRF loan, at 3.25 percent interest for 30 years, with 46.3 percent as principal forgiveness not to exceed \$500,000, and awarding a Consolidated grant for 31.9 percent of eligible costs not to exceed \$700,000.

Waubay is pledging a wastewater surcharge toward repayment of the loan. Staff analysis indicates a surcharge of \$9.00 is needed to provide the required 110% coverage, resulting in rates of \$39.00.

Staff recommended the funding being contingent upon the borrower adopting a bond resolution and the resolution becoming effective, contingent upon the borrower establishing a surcharge at a level sufficient to provide the required debt coverage, contingent upon the rule change to ARSD 74:05:07:03 allowing reimbursement for preliminary design activities becoming effective, contingent upon the rule change to ARSD 74:05:08:12.03 establishing the affordability criteria to award principal forgiveness becoming effective, and contingent upon receipt of the 2015 Clean Water capitalization grant from EPA.

Kevin Jens, mayor of Waubay, and Scott Mohror, Banner Associates, discussed the project and answered questions from the board.

Clark requested \$5,485,000 for a wastewater treatment facility. The estimated total project cost is \$7,000,000.

The project involves constructing a total retention treatment system to address a DENR compliance order to discontinue discharging from its existing treatment facility. The discharge must be eliminated due to reclassifications of Antelope Lake and Indian Springs Lake. A completion date of April 1, 2017, has been established in the compliance order.

Mr. Perkovich noted that the city received a \$515,000 Community Development Block Grant, and the Board of Water and Natural Resources awarded a \$1,000,000 Consolidated grant on March 28, 2014. At that time, funding from Rural Development was intended to complete the funding package.

Staff later approached Clark officials with an alternate plan to fund the project that involved getting legislative approval for up to \$4,000,000 in Consolidated funding. This funding proposal was part of the Omnibus Bill recommendations approved by the board at its November meeting and was approved by the Legislature with the passage of SB 173.

The city's rates are \$26.00 per 5,000 gallons usage.

Staff recommended the board rescind Resolution #2014-100 and adopt a new resolution awarding a Consolidated grant for 57.2 percent of eligible costs not to exceed \$4,000,000, and award a \$2,485,000 Clean Water SRF loan at 3.25 percent interest for 30 years.

The city is pledging a project surcharge for repayment of the loan. Staff analysis indicates that a surcharge of \$17.80 is required to provide the 110% coverage, resulting in rates of \$43.80.

Staff recommended the loan being contingent upon the borrower adopting a bond resolution and the resolution becoming effective, contingent upon the borrower establishing a surcharge at a level sufficient to provide the required debt coverage, and contingent upon the rule change to ARSD 74:05:07:03 allowing reimbursement for preliminary design activities becoming effective.

Jackie Luttrell, Clark finance officer, discussed the project and answered questions from the board.

Kennebec requested \$1,160,000 for wastewater system improvements. The estimated total project cost is \$1,164,915.

Kennebec intends to expand the collection system to serve 30 additional users located just north of I-90, and to upgrade the existing wastewater treatment facility by installing an additional primary treatment pond for 180-day storage. The project also includes cleaning and television inspection of the town's sewer lines.

In December 2014, Kennebec raised its rates from a flat rate of \$12.00 to a flat rate of \$35.00.

Mr. Perkovich stated that DENR issued Kennebec a construction schedule to complete upgrades to the wastewater treatment system by October 1, 2016.

Kennebec pledged a project surcharge to repay the loan. Project surcharges can be charged only to those users that benefit from the improvement. Bond counsel has determined that Kennebec cannot use a surcharge to repay the entire loan since the portion of the project connecting new users does not benefit the existing users.

Staff, working with the city's bond counsel, believes the best option is to fund the project with two loans: one loan for the pond improvements and televising the collection system and a separate loan to extend the collection system.

Staff recommended awarding a \$723,000 Clean Water SRF loan at 3.25 percent interest for 30 years for the collection system extension to be repaid with system revenues. This loan will be contingent upon the borrower adopting a bond resolution and the resolution becoming effective. The loan will raise the city's debt above the 5 percent constitutional debt allowance, and an election will be required in order for the city to incur debt under the 10 percent limit for water and wastewater infrastructure.

Staff analysis indicates that a rate of \$24.50 will provide 114 percent coverage on the \$723,000 loan and provide sufficient funds to cover operating expenses.

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Staff also recommended awarding a \$437,000 Clean Water SRF loan at 3.25 percent interest for 30 years for the pond improvements and collection system televising to be repaid with a project surcharge. This loan will be contingent upon the borrower adopting a bond resolution and the resolution becoming effective and contingent upon the borrower establishing a surcharge at a level sufficient to provide the required debt coverage.

Staff analysis indicates that a surcharge of \$12.50 is required to provide the 110% coverage on the \$437,000 project surcharge loan.

Mr. Perkovich stated that overall rates of \$37.00 are needed to operate the wastewater utility and provide coverage on the two loans.

Gene Mertens, town president, discussed the project and requested approval of funding. He answered questions from the board.

Humboldt requested \$4,077,000 for sanitary sewer improvements. The estimated total project cost is \$4,077,000.

The project will expand the existing wastewater lagoon to create a total retention facility and replace a portion of the existing clay lines throughout town. Humboldt anticipates bidding the project in January 2016 with project completion in October 2016.

Humboldt's rates are \$25.00 per 5,000 gallons usage.

Mr. Perkovich stated that staff is recommending funding in the amount of \$2,086,000 to fund the line replacement work that was identified in the application. This is consistent with the recommendation made in the facilities plan that the collection system be improved prior to the final sizing of the treatment ponds. The recommendation is for a \$417,200 Clean Water SRF loan at 3.25 percent interest for 30 years and awarding a Consolidated grant for 80 percent of eligible costs not to exceed \$1,668,800.

Humboldt has pledged a project surcharge for repayment of the loan.

Staff analysis indicates that the surcharge required on a \$417,200 loan is \$8.00, resulting in \$33.00 rates. It is anticipated that a similar increase will be needed to complete the wastewater treatment facility expansion, which will bring rates to at least \$40.00.

Staff recommended the award being contingent upon the borrower adopting a bond resolution and the resolution becoming effective, contingent upon the borrower establishing a surcharge at a level sufficient to provide the required debt coverage, contingent upon the rule change to ARSD 74:05:07:03 allowing reimbursement for preliminary design activities becoming effective, and contingent upon verification the borrower has an active registration with the federal System for Award Management.

Mr. Perkovich noted that SB 173 raised the allowable limit of Consolidated funds the board can award without specific legislative authorization from \$1,000,000 to \$2,000,000.

Richard Griep, town president, discussed the project and answered questions from the board.

Hosmer requested \$4,122,000 for wastewater system improvements. The estimated total project cost is \$4,122,000.

The project includes the construction of additional cells to provide for a total retention wastewater treatment facility, televise the collection system, and replace or reline the lines based on the findings of the line televising. Hosmer anticipates bid letting in September 2015 with a completion date of September 2016.

Hosmer's wastewater treatment system consists of an Imhoff tank followed by open channel flow to holding ponds. Runoff from snowmelt and rainfall flow into the holding ponds due to lack of berms. There are concerns regarding the existence or integrity of the clay liner in the ponds due to the presence of excessive vegetation.

Mr. Perkovich noted that discussions with Surface Water Quality staff indicate that the facility is on the verge of being issued a compliance schedule to make improvements to the treatment facility.

Mr. Perkovich said staff recommended funding in the amount of \$1,268,000 to fund the wastewater treatment facility upgrade and the televising of the collection system. The award includes a \$968,000 Clean Water SRF loan, at 3.25 percent interest for 30 years with 73.9 percent as principal forgiveness not to exceed \$714,400, and a Consolidated grant for 23.7 percent of eligible costs not to exceed \$300,000. Mr. Perkovich noted that the overall subsidy is 80 percent.

The community is pledging a project surcharge for repayment of the loan. Staff analysis indicates that a surcharge of \$7.85 is required to provide 110 percent coverage on the \$253,600 loan.

Hosmer currently has a flat rate of \$22.00. This rate is not sufficient to cover operation and maintenance costs. Staff believes a rate of \$26.00 per user is needed to cover operation and maintenance. With the surcharge and the extra \$4.00 needed to cover operation and maintenance, overall rates are expected to be \$33.85. Rates will likely exceed \$40.00 to complete the line portion of the project.

Staff recommended the loan being contingent upon the borrower adopting a bond resolution and the resolution becoming effective, contingent upon the borrower establishing a surcharge at a level sufficient to provide the required debt coverage, contingent upon the rule change to ARSD 74:05:07:03 allowing reimbursement for preliminary design activities becoming effective, contingent upon the rule change to ARSD 74:05:08:12.03 establishing the affordability criteria to award principal forgiveness becoming effective, contingent upon receipt of the 2015 Clean Water capitalization grant from EPA, and contingent upon the borrower raising its base rate to a level sufficient to cover operation and maintenance expenses.

Mike Schwingler, mayor, and Bob Babcock, Helms & Associates, discussed the project and answered questions from the board.

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Brandon requested \$27,785,000 for the construction of a new wastewater treatment plant and collection system improvements. The estimated total project cost of the wastewater treatment plant is \$15,100,000 and estimated cost of the collection system improvements is \$12,700,000.

The city's current rates are \$51.55 based on 5,000 gallons usage. The rates were raised in January 2014 from \$28.30 for 5,000 gallons usage.

Brandon currently pumps its partially treated wastewater to the Sioux Falls Water Reclamation plant, and has been doing so since 1994. Sioux Falls recently implemented a new rate structure for all its satellite users, which resulted in a significant increase to the city of Brandon. As a result, Brandon has begun moving forward with constructing its own wastewater treatment facility.

Mr. Perkovich stated that the Board of Water and Natural Resources and DENR staff have always preferred regional approaches to water and wastewater infrastructure, and this situation is no exception. Staff has had several meetings with Brandon and Sioux Falls representatives to see if a solution can be found that allows Sioux Falls to continue to treat Brandon's wastewater. The Environmental Finance Center at the University of North Carolina was hired to review the Sioux Falls rate structure and identify potential changes that can be made to rates that are amenable to both cities. The report is completed and staff is working to set up meetings to discuss the Environmental Finance Center study.

Mr. Perkovich stated that staff is reluctant to tie up nearly \$28,000,000 for a project that may not proceed if a new deal can be negotiated with Sioux Falls. Also, it is likely that construction of a new wastewater treatment facility is two or three years off due the hurdles facing the siting of a new facility, i.e. land acquisition, potential Condition Use Permit issues with Minnehaha County, archaeological issues, flood plain issues, etc. Additionally, the collection line work cannot proceed until it is determined where wastewater will be pumped for treatment.

Staff recommended awarding a \$3,000,000 Clean Water SRF loan, at 3.25 percent interest for 30 years. This would allow the city to continue working towards addressing the environmental concerns and to continue with design and land acquisition. Mr. Perkovich noted that staff discussed this option with Brandon and the city was receptive to it.

Brandon has pledged a project surcharge for repayment of the loan. Staff analysis indicates that a surcharge of \$4.95 is needed to provide the 110 percent coverage. Staff believes the current rates can be restructured to provide this surcharge.

Staff recommended the award being contingent upon the borrower adopting a bond resolution and the resolution becoming effective, contingent upon the borrower establishing a surcharge at a level 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.

Gabe Laber, Stockwell Engineers, discussed the project and answered questions from the board.

Howard requested \$1,764,334 for a lagoon expansion project. The estimated total project cost is \$1,764,334.

The city intends to expand the existing wastewater lagoon to provide additional storage and treatment of wastewater flows and to televiser the collection system. Howard anticipates bidding the project in the spring of 2015 with project completion in early 2016.

Current rates in Howard are \$23.90 per 5,000 gallons. This facility is being sized to accommodate flows from a meat processing operation that may re-open. The project cost without the capacity for the meat processing operation is \$1,193,000.

Staff recommended awarding a \$1,764,000 Clean Water SRF loan at 3.25 percent interest for 30 years.

Staff analysis indicates that a surcharge of \$17.10 is required to provide the coverage on the \$1,764,000 loan.

Mr. Perkovich noted that based on the numbers provided in the application, staff believes that the city needs approximately \$9.00 to cover operation and maintenance expenses. By increasing the existing domestic rate to \$26.10 per customer per month and restructuring the rate schedule to include the surcharge, the city would be able to cover both operation and maintenance expenses and surcharge for repayment of this debt. If the surcharge is enacted without restructuring the rates, Howard users would pay \$41.00 per month based on 5,000 gallons.

Staff recommended the award being contingent upon the borrower adopting a bond resolution and the resolution becoming effective and contingent upon the borrower establishing a surcharge at a level sufficient to provide the required debt coverage.

Terry Aaker, SPN, answered questions from the board.

Sioux Falls requested \$11,979,457 for the Bandon Road pump station parallel force main. The estimated total project cost is \$11,979,457.

The project consists of running a parallel force main from the Brandon Road pump station to the water reclamation facility. A portion of the project involves nonpoint source improvements in the Big Sioux River basin. These improvements include stream bank stabilization, grazing management, agricultural waste management systems, and vegetative buffers. The nonpoint source component of the project is estimated to be \$579,457

Sioux Falls anticipates bidding the force main project in April 2015 with project completion in May 2016.

The current rates in Sioux Falls are \$27.56 per 5,000 gallons usage.

Mr. Perkovich noted that loans with a nonpoint source component are eligible to receive a reduced interest rate to offset the cost of the nonpoint source improvements.

Staff recommended awarding an \$11,979,457 Clean Water SRF loan at 1.25 percent interest for 10 years, which will consist of two bonds: one in the amount of \$11,400,000 for the sanitary sewer project and one in the amount of \$579,457 for the nonpoint source project.

Sioux Falls is pledging a project surcharge for repayment of the loan. Staff analysis indicates that a surcharge of \$2.35 is needed to provide the required 110 percent coverage.

Staff recommended the award being contingent upon the borrower adopting a bond resolution and the resolution becoming effective, contingent upon the borrower establishing a surcharge at a level sufficient to provide the required debt coverage, and contingent upon EPA approval of the Big Sioux Watershed Implementation project.

Lance Weatherly, public works department, discussed the project and answered questions from the board. Mr. Feeney also answered questions from the board.

Sioux Falls requested \$19,475,025 for an outfall sewer replacement project. The estimated total project cost is \$19,475,025.

The project includes replacing the outfall line running from the Cliff Avenue equalization basin to the Brandon Road pump station. Similar to the previous loan, a portion of the loan is to make nonpoint source improvements in the Big Sioux River basin. These improvements include stream stabilization, grazing management, agricultural waste management systems, and vegetative buffers. The nonpoint source component of the project is estimated to be \$942,025.

Sioux Falls anticipates bidding the outfall sewer portion of the project in June 2015 with project completion in December 2016.

Staff recommended awarding a \$19,475,025 Clean Water SRF loan at 1.25 percent interest for 10 years which will consist of two bonds: one in the amount of \$18,533,000 for the sanitary sewer project and one in the amount of \$942,025 for the nonpoint source project.

Sioux Falls is pledging project surcharge for repayment of the loan. Staff analysis indicates that a surcharge of \$4.15 is needed to provide the required 110 percent coverage on this loan. The surcharge for both loans total \$6.50, which would bring rates to \$34.06, although staff believes there is room in the existing rates to provide the 110 percent coverage.

Staff recommended the award being contingent upon the borrower adopting a bond resolution and the resolution becoming effective, contingent upon the borrower establishing a surcharge at a level sufficient to provide the required debt coverage, and contingent upon EPA approval of the Big Sioux Watershed Implementation project.

Mr. Weatherly discussed this project and answered questions from the board.

Ipswich requested \$5,459,000 wastewater system improvements. The estimated total project cost is \$5,459,000.

Ipswich intends to replace or line the wastewater collection system and upgrade lift stations within the system. The project also includes minor upgrades at the wastewater treatment facility. The city anticipates bidding the project in November 2015 with project completion in July 2017.

Staff recommended funding in the amount of \$3,951,000 to fund the lift station improvements and the most critical collection system rehabilitation as identified in the facilities plan. The improvements needed at the wastewater treatment facility primarily involve fence repair and spot repair of rip rap. Staff believes the city can accomplish these items on its own, if needed.

The staff recommended awarding a \$1,951,000 Clean Water SRF loan at 3.25 percent interest for 30 years, and awarding a Consolidated grant for 50.7 percent of eligible costs not to exceed \$2,000,000.

Mr. Perkovich noted that Ipswich is not eligible for Clean Water SRF principal forgiveness because the city does not meet the affordability criteria and additional Consolidated funding is not possible without Legislative authorization. Staff believes Ipswich can address the high priority components of the project with the staff's funding recommendation.

The city has pledged project surcharge as repayment of the loan. Staff analysis indicates that a surcharge of \$20.85 is needed to provide 110 percent coverage on the loan. The city's current rates are \$22.00 per 5,000 gallons, and staff believes that about \$16.50 is needed for operation and maintenance of the system, resulting in overall rates of \$37.35 per user per month.

Staff recommended the award being contingent upon the borrower adopting a bond resolution and the resolution becoming effective, contingent upon the borrower establishing a surcharge at a level sufficient to provide the required debt coverage, and contingent upon the rule change to ARSD 74:05:07:03 allowing reimbursement for preliminary design activities becoming effective.

LeRoy Kilber, mayor of Ipswich, and Bob Babcock, Helms & Associates, discussed the project and answered questions from the board.

Lennox requested \$2,433,000 for Main Street storm and sanitary sewer system improvements. The estimated total project cost is \$2,733,000. Other funding for the project includes a \$200,000 DOT Community Access Grant and \$100,000 in local cash.

The city intends to make improvements to its storm sewer and sanitary sewer systems. Lennox anticipates bidding the project in August 2015 with project completion in November 2016.

Wastewater rates are \$43.34 per 5,000 gallons usage plus \$7.13 surcharge for a loan that was awarded last year for a total of \$50.47 for 5,000 gallons.

Lennox also collects storm water drainage fees that are expected to generate about \$100,000 this year.

The storm sewer portion of project makes up about \$1,873,000 of the requested funds and the sanitary sewer makes up the remaining \$560,000.

Staff recommended awarding a \$1,873,000 Clean Water SRF loan at 3.25 percent interest for 30 years and awarding a Consolidated grant for 20.5 percent of eligible costs not to exceed \$560,000.

Lennox is pledging wastewater surcharge for repayment of the loan, even though the city has a storm drainage fee in place. Due to the high wastewater rates, the staff recommendation was for 100

percent subsidy for the wastewater portion of the project. Staff believes the storm water portion of the project should be financed with the storm drainage fee revenue and subsidy for the storm water portion is not justifiable when this revenue is not being used. A surcharge of about \$9.25 is needed to provide coverage on a \$1,873,000 loan. Wastewater rates of nearly \$60 will be required if the city chooses to repay the loan with a wastewater surcharge rather than storm drainage revenues.

Staff recommended the award being contingent upon the borrower adopting a bond resolution and the resolution becoming effective, contingent upon the borrower establishing a surcharge at a level 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.

Greg Stack, public works director, discussed the project and answered questions from the board.

Wessington Springs requested \$443,000 for a Main Street sanitary sewer infrastructure improvements project. The estimated total project cost is \$433,000.

Wessington Springs intends to replace three blocks of sanitary sewer on Main Street in conjunction with a street improvement project. The city anticipates bidding the project in January 2016 with project completion in September 2016.

The city's rates are \$24.00 based on 5,000 gallons usage.

Staff recommended awarding a \$443,000 Clean Water SRF loan at 3.0 percent interest for 20 years.

Wessington Springs pledged a project surcharge for repayment of the loan. The city's bond counsel has determined that a surcharge cannot be used because the project does not benefit the entire community. Therefore, the city will have to pledge its wastewater revenues as security on the loan and an election may be necessary. Staff analysis indicates that current rate of \$24.00 provides coverage of 288 percent.

Staff recommended the award being contingent upon the borrower adopting a bond resolution and the resolution becoming effective.

Melissa Mebius, mayor, discussed the project and answered questions from the board.

This concluded presentation of the Sanitary/Storm Sewer Facilities funding applications. The board made funding decisions the following day.

**DRINKING WATER FACILITIES FUNDING APPLICATIONS:** Mr. Bruels presented the applications and staff recommendations for funding.

Sioux Rural Water System requested \$4,515,900 for 2015 water system improvements. The estimated total project cost is \$4,564,600. The funding package also includes \$50,000 in local cash.

This project will construct 31 miles of new water distribution line, connect the town of Kranzburg as individual users, replace the existing SCADA system, and develop two additional wells at the

Castlewood well field. Sioux RWS anticipates bidding the project in February 2016 with project completion in November 2016.

The current household rates are \$62.20 per 7,000 gallons based on usage.

This project along with making several improvements to the Sioux RWS system as a whole includes a specific component to move the town of Kranzburg users to individual users of the Sioux RWS. Currently, Sioux RWS provides operation, maintenance and administrative support for the town. Without Sioux RWS being willing to take on the Kranzburg users individually, the cost to the city would be very high to replace lines and make upgrades as well as to hire a certified operator to run the system.

Mr. Bruels noted that staff believes this is a good solution and will get a small town out of the water business.

Staff recommended awarding a Consolidated grant for 43.9 percent of total project costs not to exceed \$2,000,000 and awarding a \$2,515,000 Drinking Water SRF loan at 3 percent interest for 20 years.

Sioux RWS has pledged system revenues for repayment of the loan. Staff analysis indicates that an increase in total system revenue of approximately 3.0 percent will be needed to provide the required 110 percent debt coverage for a loan of \$2,515,000.

Staff recommended the award being contingent upon the borrower adopting a resolution and the resolution becoming effective, contingent upon the borrower raising its rates sufficient to provide the required debt coverage, contingent upon the borrower approving a security agreement and mortgage, and contingent upon an Inter-creditor Agreement being approved and executed by CoBank, Rural Utilities Service, Sioux Rural Water System, and the District.

Heath Thompson, Sioux RWS discussed the project and answered questions from the board.

Big Sioux Community Water System requested \$3,014,700 for water system improvements. The estimated total project cost is \$3,014,700.

The project is part of a larger effort to “wheel” water to the city of Madison. With this funding Big Sioux Community Water System will construct a pipeline that runs from Minnehaha Community Water Corporation’s tower near Colton to Lewis & Clark regional water’s Madison service line. The connection to the Minnehaha system allows Big Sioux Community Water System to deliver up to 1,000,000 gallons of water per day to Madison.

Big Sioux Community Water System anticipates bidding the project in August 2015 with project completion in November 2016.

Big Sioux Community Water System proposes rural household rates of \$62.30 per 7,000 gallons based on usage.

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Staff recommended awarding a Consolidated grant for 66.4 percent of total project costs not to exceed \$2,000,000, and awarding a \$1,014,000 Drinking Water SRF loan, at 3 percent interest for 20 years.

Big Sioux Community Water System has pledged system revenues for repayment of the loan. Staff analysis indicates that an increase in total system revenues of approximately 4.8 percent will be needed to provide the required 110 percent debt coverage for a loan of \$1,014,000.

Staff recommended the loan being contingent upon the borrower adopting a resolution and the resolution becoming effective, contingent upon the borrower raising its rates sufficient to provide the required debt coverage, contingent upon the borrower approving a security agreement and mortgage, contingent upon an Inter-creditor Agreement being approved and executed by CoBank, Rural Utilities Service, Big Sioux Community Water System and the District, and contingent upon service agreements for all parties being signed and executed.

Staff also recommended the grant being contingent upon service agreements for all parties being signed and executed.

Chad Bachman, Banner Associates, discussed the project. Mr. Bachman, Jay Gilbertson, and Mr. Feeney answered questions from the board.

Woodland Hills Sanitary District requested \$481,000 for Phase I water system improvements. The estimated total project cost is \$1,261,000.

In June 2013, Woodland Hills was awarded a \$780,000 Drinking Water SRF loan with \$480,000 in principal forgiveness for the water system improvement project. The proposed project included the construction of a ground level water storage tank, installation of PVC water main, new water meter pits for the entire system, water service line replacements and improvements to the well, well-house, and pump station buildings. The bids for the project came in over the cost estimate, so only a portion of the project was awarded. The district is now seeking funding to complete the replacement of service lines and meter pits and to make improvements to the well, well house, and pump station buildings, which were the items removed from the original bid.

The sanitary district anticipates bidding the project in May 2015 with project completion in October 2015.

Woodland Hills Sanitary District's current rates are \$70.66 for 5,000 gallons.

Staff recommended awarding a \$481,000 Drinking Water SRF loan at 3 percent interest for 20 years with 80 percent as principal forgiveness not to exceed \$384,800.

Woodland Hills Sanitary District has pledged a project surcharge for repayment of the loan. The surcharge needed to provide the 110 percent coverage on a \$96,200 loan is \$5.76, which will bring the rates to \$76.42.

Staff recommended the award being contingent upon the borrower adopting a bond resolution and the resolution becoming effective, contingent upon the borrower establishing a surcharge sufficient to

provide the required debt coverage, and contingent upon receipt of the 2015 Drinking Water capitalization grant from EPA.

Randy Alexander, subdivision president, requested approval of funding and answered questions from the board.

Tyndall requested \$1,570,000 for water distribution and storage system upgrades. The estimated total project cost is \$1,575,330. Tyndall is contributing \$5,330 in local cash for the project.

The project includes constructing a new 200,000-gallon water tower and replacing all the cast iron and selected asbestos concrete water main with new PVC water main throughout the city, as well as replacing valves, hydrants, and service connections.

Tyndall anticipates bidding the project in August 2015 with project completion in October 2016.

The city's rates are \$43.00 per 5,000 gallons based on usage.

Staff recommended awarding a \$1,570,000 Drinking Water SRF loan, at 2.25 percent interest for 30 years with 12.8 percent as principal forgiveness not to exceed \$200,000.

Tyndall is pledging project surcharge for repayment of the loan. Staff analysis indicates a surcharge of \$10.68 is needed for a \$1,370,000 loan. In the past three years, Tyndall's revenues have exceeded its operating expenses by an average of \$100,000. The city's existing rates generate sufficient revenue to provide the surcharge so no rate increase is needed.

Staff recommended the award being contingent upon the borrower adopting a bond resolution and the resolution becoming effective, contingent upon the borrower establishing a surcharge sufficient to provide the required debt coverage, and contingent upon receipt of the 2015 Drinking Water capitalization grant from EPA.

Kevin Ranek, Tyndall city council, and Terry Aaker, SPN, discussed the project and answered questions from the board.

Buffalo requested \$1,695,000 for drinking water system improvements. The estimated total project cost is \$1,695,000.

The project will replace all existing cast iron and asbestos cement water main with PVC water main, valves, hydrants, and service connections. The town anticipates bidding the project in May 2015 with project completion in August 2016.

Buffalo's rates are \$20.00 per 5,000 gallons based on usage. Mr. Bruels noted that the town's current rates are below the minimum to be able to receive additional subsidy; however, as a result of the recommended funding package the rates will be over the \$25.00 minimum for 5,000 gallons.

Staff recommended awarding a \$1,695,000 Drinking Water SRF loan, at 2.25 percent interest for 30 years with 35.4 percent as principal forgiveness not to exceed \$600,000.

Buffalo has pledged project surcharge for repayment of the loan. A surcharge of \$18.82 is needed to provide coverage on the \$1,095,000 loan, bringing overall rates to \$38.82.

Staff recommended the award being contingent upon the borrower adopting a bond resolution and the resolution becoming effective, contingent upon the borrower establishing a surcharge sufficient to provide the required debt coverage, and contingent upon receipt of the 2015 Drinking Water capitalization grant from EPA.

Gary Johnson, town board president, discussed the project and answered questions from the board.

Brandon requested \$12,425,000 for drinking water system improvements. The estimated total project cost is \$12,425,000.

The project includes the construction of two 1,250,000-gallon water storage tanks to ensure a reliable water supply, adequate system pressures and the recommended storage volume. The project will also loop distribution lines and upsize trunk lines to increase flow capacity and reduce pressure loss.

Brandon's rates are \$30.05 for 5,000 gallons based on usage.

Staff recommended awarding a \$12,425,000 Drinking Water SRF loan, at 3 percent interest for 20 years, with 4.1 percent as principal forgiveness, not to exceed \$500,000.

The city has pledged a project surcharge for repayment of the loan. Staff analysis indicates a surcharge of \$24.85 is needed for debt service on an \$11,925,000 loan, which will result in rates of \$54.90.

Mr. Bruels stated that the city of Brandon was informed that a new rate of 3.25 percent for 30 years would be available for this project; however, the city declined that option. With the extended term of 30 years, a surcharge of \$20.35 is needed to provide the required coverage and overall rates would be reduced to \$50.40. Additionally, staff identified that \$2.25 of the current rate is being used to repay a loan that was pledged to sales tax. If this loan were repaid using sales tax, rates would be \$48.15.

Mr. Bruels noted that staff acknowledges that the rates will be rather high even with the extended term; however, staff believes Brandon has other options to reduce rates. These options include reducing project costs by reducing the tank size, eliminating or downsizing lines proposed to loop the distribution system, or putting local cash towards the project. Brandon's unrestricted cash balance at the end of 2014 was \$946,000 and projected to grow to \$1.4 million in three years. Brandon's base rate could also be reduced by \$3.00 to \$4.00 per 5,000 gallons and still have sufficient funds to cover operation and maintenance expenses.

Staff recommended the award being contingent upon the borrower adopting a bond resolution and the resolution becoming effective, contingent upon the borrower establishing a surcharge sufficient to provide the required debt coverage, contingent upon verification the borrower has an active registration with the federal System for Award Management, and contingent upon receipt of the 2015 Drinking Water capitalization grant from EPA.

Gabe Laber, Stockwell Engineering, discussed the project and answered questions from the board.

Minnehaha Community Water Corporation requested \$1,800,000 for connection to Big Sioux Community Water System and Madison. The estimated total project cost is \$1,800,000.

This project is another part of the effort to “wheel” water to the city of Madison. The funding will enable Minnehaha Community Water Corporation to more effectively utilize its second connection to the Lewis & Clark Regional Water System. This frees up water from Minnehaha’s water treatment plants near Dell Rapids and allows it to sell up to 1,000,000 gallons of water per day to Big Sioux Community Water System, which will then deliver water to Madison.

Minnehaha Community Water Corporation anticipates bidding the project in August 2015 with project completion in November 2016.

The rural household rates are \$52.75 per 7,000 gallons based on usage.

Staff recommended awarding a Consolidated grant for 50 percent of total project costs not to exceed \$900,000 and awarding a \$900,000 Drinking Water SRF loan at 3 percent interest for 20 years.

Minnehaha Community Water Corporation’s current rate of \$52.75 is below the minimum rate of \$55.00 for 7,000 gallons to be eligible to receive grant funds. However, in accordance with ARSD 74:05:07:11, the board may award grant assistance to recipients not meeting the minimum established rates for regionalization or consolidation of facilities.

Minnehaha Community Water Corporation has pledged system revenue for repayment of the loan. Staff analysis indicates that Minnehaha Community Water Corporation has sufficient revenue with its existing rates to provide 110 percent debt coverage on the loan.

Staff recommended the loan being contingent upon the borrower adopting a resolution and the resolution becoming effective, contingent upon the borrower approving a security agreement and mortgage, contingent upon an Inter-creditor Agreement being approved and executed by Rural Utilities Service, Minnehaha Community Water Corporation, and the District, and contingent upon service agreements for all parties being signed and executed.

Staff also recommended the grant being awarded contingent upon service agreements for all parties being signed and executed.

Scott Buss, executive director of Minnehaha Community Water Corporation, discussed the project and answered questions from the board.

Canton requested \$1,550,000 for water supply improvements. The estimated total project cost is \$1,970,000. Canton is contributing \$420,000 in local cash for this project.

The project includes the replacement of two existing wells with diminishing capacities with two new wells and replacement or upgrades to the existing high service pumps and control system.

The city anticipates bidding the project in July 2015 with project completion in May 2016.

Canton's rates are \$31.20 for 5,000 gallons based on usage.

Mr. Bruels noted that the original application submitted by Canton requests a loan rate and term of 3 percent interest for 20 years. In reviewing the application, staff determined that Canton is eligible for the disadvantaged rate and term of 3 percent interest for 30 years based on the new Median Household Income data approved by the board in the rule changes earlier today. Staff contacted the city regarding this possibility, and the city has decided they would prefer the extended terms on the loan. The loan will include an additional contingency that will require the rule changes becoming effective prior to the loan closing.

Staff recommended awarding a \$1,550,000 Drinking Water SRF loan, at 3 percent interest for 30 years.

Canton has pledged a project surcharge for repayment of the loan. Staff analysis indicates that a surcharge of \$5.45 per user is needed to repay the loan. This results in rates of \$36.65 per month. Mr. Bruels stated that Canton's current water rate is sufficient to provide coverage for existing system debt and operation and maintenance, along with providing coverage for this new loan. A restructure of the rates would be sufficient if the city chose not to add the surcharge to the current rate.

Staff recommended the award being contingent upon the borrower adopting a bond resolution and the resolution becoming effective, contingent upon the borrower establishing a surcharge sufficient to provide the required debt coverage, and contingent upon the rule change to ARSD 74:05:11:01(20) changing the source of median household income data becoming effective.

Bill Thorson, public works director, discussed the project and answered questions from the board.

Wessington Springs requested \$259,600 for a Main Street infrastructure improvements project. The estimated total project cost is \$259,600.

The project will replace three blocks of asbestos cement water main on Main Street with PVC water main. The city anticipates bidding the project in January 2016 with project completion in September 2016

The city's rates are \$33.00 for 5,000 gallons based on usage.

Wessington Springs' original application requested a loan rate and term of 3 percent interest for 20 years; however, in reviewing the application, staff determined that the city is eligible for the disadvantaged rate and term of 2.25 percent interest for 30 years based on the new Median Household Income data. Staff contacted the city regarding this possibility, and the city has decided they would prefer the disadvantaged rate and terms on the loan. Mr. Bruels noted that the loan will include an additional contingency that will require the rule changes becoming effective prior to the loan closing.

Staff recommended awarding a \$259,000 Drinking Water SRF loan at 2.25 percent interest for 30 years.

The city pledged a project surcharge for repayment of the loan. The city's bond counsel has determined that a project surcharge cannot be pledged for repayment of the loan, and the city will need to pledge system revenues.

Staff analysis indicates that the city's existing rates will provide 190.2 percent coverage of the loan.

Staff recommended the award being contingent upon the borrower adopting a bond resolution and the resolution becoming effective and contingent upon the rule change to ARSD 74:05:11:01(20) changing the source of median household income data becoming effective.

Melissa Mebius, mayor of Wessington Springs, discussed the project and answered questions from the board.

This concluded presentation of the Drinking Water Facilities funding applications. The board made its funding decisions the following day.

SMALL WATER FACILITIES FUNDING APPLICATIONS: Mr. Perkovich presented the applications and staff recommendations for funding.

Lesterville requested \$53,000 for a water meter replacement project. The estimated total project cost is \$53,000.

The project will replace water meters in conjunction with switching to remote reading system. Lesterville anticipates bidding the project in April 2015 with project completion in July 2015.

Lesterville's rates are \$35.00 per month based on 5,000 gallons usage.

Staff recommended awarding a \$26,500 Consolidated loan at 2.25 percent interest for 10 years and awarding a Consolidated grant for 50 percent of eligible costs not to exceed \$26,500.

Lesterville has pledged water revenues for replacement of the loan. Staff analysis indicates a rate increase of \$4.00 is needed to provide the required coverage, resulting in overall rates of \$39.00.

Staff recommended the loan being contingent upon the borrower adopting a bond resolution and the resolution becoming effective and contingent upon the borrower raising its water rates to a level sufficient to provide the necessary coverage.

Northville requested \$140,000 for storm sewer improvements. The estimated total project cost is \$140,000.

The project will replace approximately three blocks of storm sewer and install catch basins at intersections and several clean outs for sump discharge from residences. Northville anticipates bidding the project in July 2015 with project completion in December 2015.

Northville has a \$37.60 flat rate per user for wastewater. The community has not established a separate storm water fee.

Mr. Perkovich noted that it appears the project is needed to drain water away from a street that has water issues. Small-scale storm drainage projects are low priority projects that do not typically receive subsidy.

Staff recommended awarding a \$140,000 Consolidated loan at 3.25 percent interest for 30 years.

Northville has pledged a wastewater surcharge for repayment of the loan. Staff analysis shows that a surcharge of \$9.40 is needed to repay the loan, resulting in overall rates of \$47.00.

Staff recommended the loan being contingent upon the borrower adopting a bond resolution and the resolution becoming effective and contingent upon the borrower establishing a surcharge at a level sufficient to provide the required debt coverage.

Clayton Blachford, town president, discussed the project.

The board made funding decisions the following day.

SOLID WASTE MANAGEMENT PROGRAM FUNDING APPLICATIONS: Mr. Bruels reviewed available funds for the Solid Waste Management Program. The board packet included a map showing the location of the Solid Waste Management Program applicants.

The board may award grant and loan funds for the purpose of solid waste planning and management under the program. In accordance with the administrative rules, the board must make its funding decisions within 120 days after the applications are presented.

The department received two new applications for Solid Waste Management Program funding by the January 1, 2015, deadline. Mr. Bruels presented the applications and staff recommendations for funding.

The Department of Environment and Natural Resources requested \$350,000 for waste tire and other solid waste cleanup projects. The estimated total project cost is \$350,000.

The South Dakota Department of Environment and Natural Resources proposes to continue its efforts to fund the statewide cleanup of waste tires and other solid waste. Section 7 of the Governor's 2012 Omnibus Bill appropriated \$500,000 to the department, and provided that grants could be awarded for up to 100 percent for the purpose of conducting waste tire and other solid waste cleanups within the state. The existing grant that the board awarded to the department is expiring at the end of March, and there are still funds available from the appropriation to be obligated to the department. There is approximately \$370,000 of this appropriation available.

Since 2010, the department has used \$1.32 million for 22 waste tire cleanup projects totaling nearly 8,950 tons of tires being disposed of properly. An additional \$58,000 has been used for 22 school chemical cleanups and other solid waste cleanups throughout the state. Allocating additional funds will allow the department to continue its efforts to have waste tires, chemicals, and solid waste disposed of properly.

Staff recommended awarding a Regional Landfill Assistance grant for 100 percent of total project costs not to exceed \$350,000.

Mr. Bruels answered questions from the board.

South Eastern Council of Governments requested \$500,000 for the Solid Waste Management Regional Revolving Loan fund recapitalization. The total cost is \$625,000. South Eastern Council of Governments' borrowers are contributing \$125,000 to match these funds.

South Eastern Council of Governments has requested funding to pass through to the South Eastern Development Foundation to recapitalize a fund promoting the solid waste hierarchy in for-profit businesses in Clay, Lincoln, McCook, Minnehaha, Turner, and Union Counties.

South Eastern Council of Governments has received previous funds from this board totaling \$1,345,000 for the same purpose. The funds have been loaned to local borrowers at rates and terms that are the same as the board's rate and terms. South Eastern Council of Governments is able to more quickly provide the loan funding to local businesses for solid waste and recycling projects and this makes utilizing their program more attractive to borrowers. The funds awarded will enter a revolving fund and can then be reused again for future projects similar to the way our SRF program works.

This program has been an effective partnership for the department and South Eastern Council of Governments. There are currently two projects ready to utilize some of the requested funding, if approved by the Board.

Staff recommended awarding a Solid Waste Management Program Recycling grant for 80 percent of total project costs not to exceed \$250,000 and awarding a Solid Waste Management Program disposal grant for 80 percent of total project costs not to exceed \$250,000.

Staff recommended the grant being contingent on all funds passing through the South Eastern Development Foundation.

This concluded presentation of the Solid Waste Management Program funding applications. The board made funding decisions the following day.

RECESS: Chairman Johnson declared the meeting in recess until the following day.

MARCH 27, 2015 – 8:15 A.M.

Chairman Johnson called the meeting back to order. A quorum was present.

LEGISLATIVE UPDATE: DENR Secretary Steve Pirner provided an update on 2015 legislation and answered questions from the board.

SANITARY AND STORM SEWER FACILITIES FUNDING DECISIONS: Mr. Perkovich reviewed available funding, the applications and staff recommendations.

Motion by Goldhammer, seconded by Soholt, to adopt Resolution #2015-20 approving a Clean Water State Revolving Fund loan up to a maximum committed amount of \$1,080,000 at 3.25 percent interest for 30 years with up to 46.3 percent principal forgiveness not to exceed \$500,000 to the city of Waubay for wastewater treatment facility 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 establishing a surcharge at a level sufficient to provide the required debt coverage, contingent upon the rule change to ARSD 74:05:07:03 allowing reimbursement for preliminary design activities becoming effective, contingent upon the rule change to ARSD 74:05:08:12.03 establishing the affordability criteria to award principal forgiveness becoming effective, and contingent upon receipt of the 2015 Clean Water capitalization grant from EPA; and to adopt Resolution #2015-21 approving the South Dakota Consolidated Water Facilities Construction Program grant agreement between the Board of Water and Natural Resources and the city of Waubay for up to 31.9 percent of approved total project costs not to exceed \$700,000 for wastewater treatment facility improvements. Motion carried unanimously.

Motion by Bernhard, seconded by Soholt, to adopt Resolution #2015-22 rescinding Resolution #2014-16 which awarded the Consolidated Water Facilities Construction Program Grant Agreement (2015G-100) to the city of Clark for up to 20.3 percent of approved total project costs not to exceed \$1,000,000, and approving the South Dakota Consolidated Water Facilities Construction Program grant agreement between the Board of Water and Natural Resources and the city of Clark for up to 57.2 percent of approved total project costs not to exceed \$4,000,000 for a wastewater treatment facility construction project; and to adopt Resolution #2015-23 approving the Clean Water State Revolving Fund loan up to a maximum committed amount of \$2,485,000 at 3.25 percent interest for 30 years to the city of Clark for a wastewater treatment facility construction project; 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. The loan is contingent upon the borrower adopting a bond resolution and the resolution becoming effective, contingent upon the borrower establishing a surcharge at a level sufficient to provide the required debt coverage, and contingent upon the rule change to ARSD 74:05:07:03 allowing reimbursement for preliminary design activities becoming effective. Motion carried unanimously.

Motion by Gnirk, seconded by Bernhard, to adopt Resolution #2015-24 approving the Clean Water State Revolving Fund loan up to a maximum committed amount of \$723,000 at 3.25 percent interest for 30 years to the city of Kennebec for wastewater system 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. The loan is contingent upon the borrower adopting a bond resolution and the resolution becoming effective. Motion carried unanimously.

Motion by Gnirk, seconded by Goldhammer, to adopt Resolution #2015-25 approving the Clean Water State Revolving Fund loan up to a maximum committed amount of \$437,000 at 3.25 percent

interest for 30 years to the city of Kennebec for wastewater system 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. The loan is contingent upon the borrower adopting a bond resolution and the resolution becoming effective and contingent upon the borrower establishing a surcharge at a level sufficient to provide the required debt coverage. Motion carried unanimously.

Motion by Soholt, seconded by Goldhammer, to adopt Resolution #2015-26 approving the Clean Water State Revolving Fund loan up to a maximum committed amount of \$417,200 at 3.25 percent interest for 30 years to the city of Humboldt for a sanitary sewer improvements project; 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 establishing a surcharge at a level sufficient to provide the required debt coverage, contingent upon the rule change to ARSD 74:05:07:03 allowing reimbursement for preliminary design activities becoming effective, and contingent upon verification the borrower has an active registration with the federal System for Award Management; and to adopt Resolution #2015-27 approving the South Dakota Consolidated Water Facilities Construction Program grant agreement between the Board of Water and Natural Resources and the city of Humboldt for up to 80 percent of approved total project costs not to exceed \$1,668,800 for a sanitary sewer improvements project. Motion carried unanimously.

Motion by Soholt, seconded by Goldhammer, to adopt Resolution #2015-28 approving the Clean Water State Revolving Fund loan up to a maximum committed amount of \$968,000 at 3.25 percent interest for 30 years with 73.9 percent principal forgiveness not to exceed \$714,400 to the city of Hosmer for wastewater treatment system 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 establishing a surcharge at a level sufficient to provide the required debt coverage, contingent upon the rule change to ARSD 74:05:07:03 allowing reimbursement for preliminary design activities becoming effective, contingent upon the rule change to ARSD 74:05:08:12.03 establishing the affordability criteria to award principal forgiveness becoming effective, contingent upon receipt of the 2015 Clean Water capitalization grant from EPA, and contingent upon the borrower raising its base rate to a level sufficient to cover operation and maintenance expenses, and to adopt Resolution #2015-29 approving the South Dakota Consolidated Water Facilities Construction Program grant agreement between the Board of Water and Natural Resources and the city of Hosmer for up to 23.7 percent of approved total project costs not to exceed \$300,000 for wastewater treatment system improvements. Motion carried unanimously.

Motion by Bernhard, seconded by Goldhammer, to adopt Resolution #2015-30 approving the Clean Water State Revolving Fund loan up to a maximum committed amount of \$3,000,000 at 3.25 percent interest for 30 years to the city of Brandon for sanitary sewer 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 establishing a surcharge at a level 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. Motion carried unanimously.

Motion by Goldhammer, seconded by Soholt to adopt Resolution #2015-31 approving the Clean Water State Revolving Fund loan up to a maximum committed amount of \$1,764,000 at 3.25 percent interest for 30 years to the city of Howard for a lagoon expansion project; 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 and contingent upon the borrower establishing a surcharge at a level sufficient to provide the required debt coverage. Motion carried unanimously.

Motion by Soholt, seconded by Bernhard, to adopt Resolution #2015-32 approving the Clean Water State Revolving Fund loan up to a maximum committed amount of \$11,979,457 at 1.25 percent interest for 10 years to the city of Sioux Falls for the Brandon Road pump station parallel force main project and nonpoint source activities, 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 establishing a surcharge at a level sufficient to provide the required debt coverage, and contingent upon EPA approval of the Big Sioux Watershed project implementation plan. Motion carried unanimously.

Motion by Soholt, seconded by Bernhard, to adopt Resolution #2015-33 approving the Clean Water State Revolving Fund loan up to a maximum committed amount of \$19,475,025 at 1.25 percent interest for 10 years to the city of Sioux Falls for an outfall sewer replacement project and nonpoint source activities; 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 establishing a surcharge at a level sufficient to provide the required debt coverage, and contingent upon EPA approval of the Big Sioux Watershed project implementation plan. Motion carried unanimously.

Motion by Goldhammer, seconded by Bernhard, to adopt Resolution #2015-34 approving the Clean Water State Revolving Fund loan up to a maximum committed amount of \$1,951,000 at 3.25 percent interest for 30 years to the city of Ipswich for wastewater system 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 establishing a surcharge at a level sufficient to provide the required debt coverage, and contingent upon the rule change to ARSD 74:05:07:03 allowing reimbursement for preliminary design activities becoming effective; and to adopt Resolution #2015-35 approving the South Dakota Consolidated Water Facilities Construction Program grant agreement between the Board of Water and Natural Resources and the city of Ipswich for up to 50.7 percent of approved total project costs not to exceed \$2,000,000 for wastewater system improvements. Motion carried unanimously.

Motion by Gnirk, seconded by Bernhard, to adopt Resolution #2015-36 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 and sanitary sewer 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 establishing a surcharge at a level 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; and to adopt Resolution #2015-37 approving the South Dakota Consolidated Water Facilities Construction Program grant agreement between the Board of Water and Natural Resources and the city of Lennox for up to 20.5 percent of approved total project costs not to exceed \$560,000 for Main Street storm and sanitary sewer improvements. Motion carried unanimously.

Motion by Sohlt, seconded by Bernhard, to adopt Resolution #2015-38 approving the Clean Water State Revolving Fund loan up to a maximum committed amount of \$393,000 at 3 percent interest for 20 years to the city of Wessington Springs for Main Street sanitary sewer 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; and to adopt Resolution #2015-39 approving the South Dakota Consolidated Water Facilities Construction Program grant agreement between the Board of Water and Natural Resources and the city of Wessington Springs for up to 11.3 percent of approved total project costs not to exceed \$50,000 for Main Street sanitary sewer improvements. Motion carried unanimously.

DRINKING WATER FACILITIES FUNDING DECISIONS: Mr. Bruels reviewed available funding, the applications, and staff recommendations for funding.

Motion by Goldhammer, seconded by Sohlt, to adopt Resolution #2015-40 approving the South Dakota Consolidated Water Facilities Construction Program grant agreement between the Board of Water and Natural Resources and the Sioux Rural Water System for up to 43.9 percent of approved total project costs not to exceed \$2,000,000 for drinking water facility improvements project; and to adopt Resolution #2015-41 approving a Drinking Water State Revolving Fund loan up to a maximum commitment amount of \$2,515,000 at 3 percent for 20 years to the Sioux Rural Water System for a

drinking water facility improvements project; 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 resolution and the resolution becoming effective, contingent upon the borrower raising its rates sufficient to provide the required debt coverage, contingent upon the borrower approving a security agreement and mortgage, and contingent upon an Inter-creditor Agreement being approved and executed by CoBank, Rural Utilities Service, Sioux Rural Water System, and the District. Motion carried unanimously.

Motion by Bernhard, seconded by Soholt, to adopt Resolution #2015-42 approving the South Dakota Consolidated Water Facilities Construction Program grant agreement between the Board of Water and Natural Resources and the Big Sioux Community Water System for up to 66.4 percent of approved total project costs not to exceed \$2,000,000 for a system interconnection project to deliver water to Madison contingent upon service agreements for all parties being signed and executed; and to adopt Resolution #2015-43 approving a Drinking Water State Revolving Fund loan up to a maximum commitment amount of \$1,014,000 at 3 percent for 20 years to the Big Sioux Community Water System for a system interconnection project to deliver water to Madison 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 resolution and the resolution becoming effective, contingent upon the borrower raising its rates sufficient to provide the required debt coverage, contingent upon the borrower approving a security agreement and mortgage, contingent upon an Inter-creditor Agreement being approved and executed by CoBank, Rural Utilities Service, Big Sioux Community Water System and the District. Motion carried unanimously.

Motion by Gnirk, seconded by Goldhammer, to adopt Resolution #2014-44 approving a Drinking Water State Revolving Fund loan up to a maximum commitment amount of \$481,000 at 3 percent for 20 years with up to 80 percent principal forgiveness not to exceed \$384,800 to Woodland Hills Sanitary District for water system 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 establishing a surcharge sufficient to provide the required debt coverage, and contingent upon receipt of the 2015 Drinking Water capitalization grant from EPA. Motion carried unanimously.

Motion by Gnirk, seconded by Goldhammer, to adopt Resolution #2014-45 approving a Drinking Water State Revolving Fund loan up to a maximum commitment amount of \$1,570,000 at 2.25 percent for 30 years with up to 12.8 percent principal forgiveness not to exceed \$200,000 to the city of Tyndall for water distribution and storage system upgrades; 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 establishing a surcharge sufficient to provide the required debt coverage, and contingent upon receipt of the 2015 Drinking Water capitalization grant from EPA. Motion carried unanimously.

Motion by Gnirk, seconded by Soholt, to adopt to Resolution #2014-46 approving a Drinking Water State Revolving Fund loan up to a maximum commitment amount of \$1,695,000 at 2.25 percent for 30 years with up to 35.4 percent principal forgiveness not to exceed \$600,000 to the town of Buffalo for drinking water system 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 establishing a surcharge sufficient to provide the required debt coverage, and contingent upon receipt of the 2015 Drinking Water capitalization grant from EPA. Motion carried unanimously.

Motion by Goldhammer, seconded by Soholt, to adopt Resolution #2014-47 approving a Drinking Water State Revolving Fund loan up to a maximum commitment amount of \$12,425,000 at 3 percent interest for 30 years with up to 4.1 percent principal forgiveness not to exceed \$500,000 to the city of Brandon for drinking water system 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 establishing a surcharge sufficient to provide the required debt coverage, contingent upon verification the borrower has an active registration with the federal System for Award Management, and contingent upon receipt of the 2015 Drinking Water capitalization grant from EPA. Motion carried unanimously.

Motion by Bernhard, seconded by Goldhammer, to adopt Resolution #2015-48 approving the South Dakota Consolidated Water Facilities Construction Program grant agreement between the Board of Water and Natural Resources and the Minnehaha Community Water Corporation for up to 50 percent of approved total project costs not to exceed \$900,000 for a water distribution improvements project, contingent upon service agreements for all parties being signed; and to adopt Resolution #2015-49 approving a Drinking Water State Revolving Fund loan up to a maximum commitment amount of \$900,000 at 3 percent for 20 years to the Minnehaha Community Water Corporation a water distribution improvements project; 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 resolution and the resolution becoming effective, contingent upon the borrower approving a security agreement and mortgage, contingent upon an Inter-creditor Agreement being approved and executed by Rural Utilities Service, Minnehaha Community Water Corporation, and the District, and contingent upon service agreements for all parties being signed and executed. Motion carried unanimously.

Motion by Goldhammer, seconded by Soholt, to adopt Resolution #2014-50 approving a Drinking Water State Revolving Fund loan up to a maximum commitment amount of \$1,550,0000 at 3 percent interest for 30 years to the city of Canton for water supply 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 establishing a surcharge sufficient to provide the required debt coverage, and contingent upon the rule change to ARSD 74:05:11:01(20) changing the source of median household income data becoming effective. Motion carried unanimously.

Motion by Soholt, seconded by Bernhard, to adopt Resolution #2015-51 approving a Drinking Water State Revolving Fund loan up to a maximum commitment amount of \$209,000 at 3 percent for 20 years to the city of Wessington Springs for Main Street water infrastructure 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 and contingent upon the rule change to ARSD 74:05:11:01(20) changing the source of median household income data becoming effective, and to adopt Resolution #2015-52 approving the South Dakota Consolidated Water Facilities Construction Program grant agreement between the Board of Water and Natural Resources and the city of Wessington Springs for up to 19.3 percent of approved total project costs not to exceed \$50,000 for Main Street water infrastructure improvements. Motion carried unanimously.

SMALL WATER FACILITIES FUNDING DECISIONS: Mr. Perkovich reviewed the applications and the staff recommendations for funding.

Motion by Gnirk, seconded by Soholt, to adopt Resolution #2015-53 approving the South Dakota Consolidated Water Facilities Construction Program loan agreement between the Board of Water and Natural Resources and the town of Lesterville for a loan not to exceed \$26,500 at 2.25 percent interest for 10 years for a water meter replacement project, contingent upon the borrower adopting a bond resolution and the resolution becoming effective and contingent upon the borrower raising its wastewater rates to a level sufficient to provide the necessary coverage; and to adopt Resolution #2015-54 approving the South Dakota Consolidated Water Facilities Construction Program grant agreement between the Board of Water and Natural Resources and the town of Lesterville for up to 50 percent of approved total project costs not to exceed \$26,500 for a water meter replacement project. Motion carried unanimously.

Motion by Gnirk, seconded by Soholt, to adopt Resolution #2015-55 approving the South Dakota Consolidated Water Facilities Construction Program loan agreement between the Board of Water and Natural Resources and the town of Northville for a loan not to exceed \$140,000 at 3.25 percent interest for 30 years for storm sewer improvements, contingent upon the borrower adopting a bond resolution and the resolution becoming effective and contingent upon the borrower establishing a surcharge sufficient to provide the required debt coverage. Motion carried unanimously.

SOLID WASTE MANAGEMENT PROGRAM FUNDING DECISIONS: Mr. Bruels reviewed available funds, the applications, and staff recommendations.

Motion by Gnirk, seconded by Bernhard, to adopt Resolution #2015-56 approving the South Dakota Regional Landfill Assistance grant agreement between the Board of Water and Natural Resources and the Department of Environment and Natural Resources for up to 100 percent of approved total project costs not to exceed \$350,000 for waste tire and other solid waste cleanup projects. Motion carried unanimously.

Motion by Jones, seconded by Gnirk, to adopt Resolution #2015-57 approving the South Dakota Solid Waste Management Program grant agreement (2016G-REC-102) between the South Dakota Board of Water and Natural Resources and South Eastern Council of Governments for up to 80 percent of the total project costs not to exceed \$250,000 for financial assistance to recapitalize the waste management regional revolving loan fund contingent upon all funds passing through the South Eastern Development Foundation. Motion carried unanimously.

Motion by Goldhammer, seconded by Soholt, to adopt Resolution #2015-58 approving the South Dakota Solid Waste Management Program grant agreement (2016G-SW-101) between the South Dakota Board of Water and Natural Resources and South Eastern Council of Governments for up to 80 percent of the total project costs not to exceed \$250,000 for financial assistance to recapitalize the waste management regional revolving loan fund contingent upon all funds passing through the South Eastern Development Foundation. Motion carried unanimously.

AUTHORIZATION FOR DENR TO AWARD GRANTS TO VERY SMALL SYSTEMS AS ALLOWED BY THE DRINKING WATER 2015 IUP AND THE 2015 OMNIBUS BILL: Claire Peschong reported that the Very Small System Compliance Grant program is meant to assist small water systems that are in violation of the Safe Drinking Water Act to achieve compliance. This does not include systems that are solely in violation of the total coliform rule.

The implementation of this grant program allows a qualifying water system to receive up to a \$50,000 grant to streamline a project that would correct system deficiencies. The grant may be used to purchase equipment and pay for engineering and labor costs directly associated with the construction of the project. These funds will be limited to systems with 50 or fewer connections and not-for-profit, non-transient, non-community water systems.

Administrative surcharge funds will be provided as 100 percent grants up to a maximum of \$50,000. The total project must cost less than \$100,000. The 2015 allocation for these activities will be \$250,000.

The department's intent is that the non-governmental recipients of these grant funds will not be required to comply with state bid law. Staff anticipates that the large majority of the applicants will be homeowner associations, and they will be allowed to get three quotes for project costs when possible. In the past, private borrowers and grantees have had to follow state bid law because of a board decision that public funds disbursed by the board should follow state bid law with its theory of getting the best deal for the public dollar. However, the board could consider making a limited exception to this by allowing the Very Small System Compliance Grant program to streamline the process.

As an example: the cost to purchase and install a treatment unit for radionuclides is around \$80,000. If we were to require engineering services to prepare specifications and advertise for bids, the project costs may exceed the \$100,000 project limit. Although the applicant could proceed through regular funding channels, this would result in the applicant losing the opportunity to streamline the corrective action, which again is the intent of this program.

Staff recommended the board approve the Very Small System Compliance Grant program proposal and authorize the department to develop and implement the program; and approve the use of \$250,000 of the administrative surcharge funds as provided in the 2015 Drinking Water State Revolving Fund Intended Use Plan to assist eligible water systems in achieving compliance with current or future standards of the Safe Drinking Water Act, and designate the Secretary, of the Department of Environment and Natural Resources as a representative of this Board to do all things on its behalf to develop and implement the Very Small System Compliance Grant Program.

Ms. Peschong and Mr. Feeney answered questions from the board.

Motion by Goldhammer, seconded by Gnirk, to adopt Resolution #2015-59 approving the Very Small System Compliance Grant Program proposal and authorize the department to develop and implement the Very Small System Compliance Grant Program, and approving the use of up to \$250,000 from the administrative surcharge collected from loans made through the Drinking Water SRF Program to assist eligible water systems in achieving compliance with current or future standards of the Safe Drinking Water Act. Motion carried unanimously.

DISTRIBUTION OF REQUEST FOR PROPOSALS FOR FINANCIAL ADVISOR FOR THE STATE REVOLVING FUND PROGRAMS: Mr. Perkovich reported that in 2003 and 2011, the Board of Water and Natural Resources requested proposals from qualified firms to serve as its State Revolving Fund Financial Advisor. Public Financial Management (PFM) was selected and has served as Financial Advisor since 2003. The Board's current contract with PFM expires on June 30, 2015.

Mr. Perkovich noted that the draft Request for Proposal to serve as Financial Advisor for the State Revolving Fund Programs was included in the board packet.

The Request for Proposals will be advertised on April 1, 2015, and proposals are due on May 1, 2015. Financial advisor selection will take place in June 2015, and a contract will be executed on July 1, 2015. The contract will be for a three-year period with the option to renew for an additional three years if the board chooses to do so.

Mr. Perkovich requested that the board authorize distribution of the Request for Proposals to serve as financial advisor for the State Revolving Fund programs.

Motion by Bernhard, seconded by Goldhammer, to authorize distribution of the Request for Proposals to serve as financial advisor for the State Revolving Fund programs. Motion carried unanimously.

Chairman Johnson appointed himself, Mr. Soholt and Mr. Bernhard as the subcommittee to work with staff in the selection process.

AMENDMENT TO JOINT POWERS AGREEMENT WITH EAST DAKOTA WATER DEVELOPMENT DISTRICT FOR AQUIFER DELINEATION TECHNICAL ASSISTANCE TO COMMUNITY WATER SYSTEMS: Jon Peschong reported that at its March 2013 meeting, the board approved a Joint Powers Agreement with East Dakota Water Development District to undertake and complete the Updating and Implementation of Comprehensive Local Groundwater Protection for Shallow Aquifers in Eastern South Dakota.

The original work plan called for coordination with the Department's Geological Survey Program to install new or possibly rehabilitate old observation wells at a variety of public water supply well fields during the 2013 season. This work was delayed by the Department's Geological Survey Program investigation of the Upper Vermillion-Missouri aquifer for priority pending water rights permit applications.

With the current agreement scheduled to terminate on April 1, 2015, East Dakota Water Development District submitted a letter requesting that the Joint Powers Agreement be extended for one year to April 1, 2016.

Staff recommended the board approve the First Amendment to the Joint Powers Agreement with East Dakota Water Development District to extend the term by one year to April 1, 2016.

Jay Gilbertson requested board approval of the amendment.

Motion by Gnirk, seconded by Goldhammer, to adopt Resolution #2015-60 approving the First Amendment to Joint Powers Agreement with East Dakota Water Development District to extend the term of the Joint Powers Agreement to April 1, 2016, and to authorize the chairman and secretary of the Board of Water and Natural Resources to execute the First Amendment. Motion carried unanimously.

SFY 2016 MEETING SCHEDULE: Mr. Perkovich presented the tentative FY 2015 meeting schedule.

Motion by Gnirk, seconded by Bernhard, to adopt the following meeting schedule for FY 2016:

September 24-25, 2015  
November 5, 2015  
January 7-8, 2016  
March 31-April 1, 2016  
June 23-24, 2016

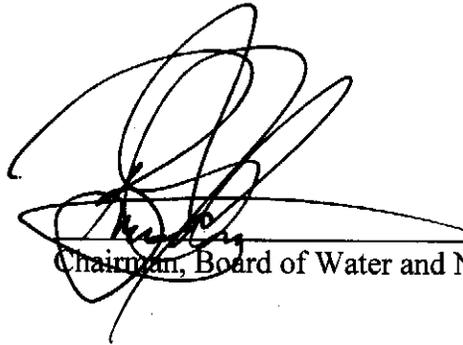
Motion carried unanimously.

JUNE MEETING: The next meeting is scheduled for June 25-26, 2015, at the Matthew Training Center, Foss Building, in Pierre. Mr. Perkovich highlighted some of the agenda items for that meeting.

ADJOURN: Motion by Goldhammer, seconded by Bernhard, that the meeting be adjourned. Motion carried.

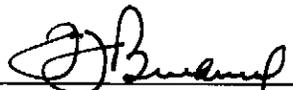
Approved this 25<sup>th</sup> day of June, 2015.

(SEAL)



Chairman, Board of Water and Natural Resources

ATTEST:



Secretary, Board of Water and Natural Resources

BOARD OF WATER AND NATURAL RESOURCES  
ATTENDANCE SHEET

DATE 3-26-15

LOCATION Matthew Training Center, Pierre

Name (PLEASE PRINT)	Address	Representing
Mike Perkovich	Pierre	DENR
Jim Feeney	Pierre	DENR
Andy Bruels	Pierre	DENR
Elayne Lande	Pierre	DENR
PAUL GNIRK	NEW UNDERWOOD	BWNR
BOB BUDHAMMER	WALL	BWNR
Don Miller	Hermosa	Hermosa
Jarck Munkusold	Lesterville	Lesterville
Becky Frank	Lesterville	Lesterville
Muriel Pratt	Lesterville	Lesterville
<del>Nan Holsworn</del>	<del>Hermosa</del>	<del>Hermosa</del>
Ritchy Guepp	Humboldt	Humboldt
Melissa Mebius	Wessington Springs	Wessington Springs
Jonda Williams	Wessington Spgs	Wess Spgs
TED HADDER	WATER TOWN	FIRST DISTRICT
Jim Putnam	Armann	SCWD
Scott Buss	Dell Rapids	MCWC
Barry McLaury	Pierre	DENR
Jerry Schoff	Sioux Falls	BWNR
Jon Paschang	Pierre	DENR
Amanda Anglin	Ipswich City of Ipswich	

BOARD OF WATER AND NATURAL RESOURCES  
ATTENDANCE SHEET

DATE 3-26-15

LOCATION Matthew Training Center, Pierre

Name (PLEASE PRINT)	Address	Representing
<u>Jerry Aaker</u>	<u>Po Box 398 Mitchell</u>	<u>SPN</u>
<u>Jeff McCormick</u>	<u>Po Box 398 Mitchell</u>	<u>SPN</u>
<u>Gene Mertens</u>	<u>P.O. Box 125, Round</u>	<u>City of Round Bay</u>
<u>Jon Gilbert</u>	<u>10193<sup>rd</sup> Ave Ipswich</u>	<u>Ipswich</u>
<u>LeRoy Kilber</u>	<u>804 4<sup>th</sup> St Ipswich</u>	<u>Ipswich</u>
<u>Mike Schwinger</u>	<u>Hosmer</u>	<u>Hosmer S.D.</u>
<u>Chris Holmes</u>	<u>PO 132 Hosmer</u>	<u>City of Hosmer</u>
<u>Dale A Proszler</u>	<u>410 Valley Dr. Hosmer</u>	<u>City of Hosmer</u>
<u>Chad Bachman</u>	<u>409 22<sup>nd</sup> Ave S</u>	<u>Banner</u>
<u>Scott Mohror</u>	<u>402 22<sup>nd</sup> Ave S</u>	<u>Banner Asso.</u>
<u>Beth Niemeyer</u>	<u>402 22<sup>nd</sup> Ave S Brookings</u>	<u>Banner Assoc.</u>
<u>Claire Peschong</u>	<u>SDDENR</u>	<u>DENR</u>
<u>Drew Huisken</u>	<u>SD DENR</u>	<u>DENR</u>
<u>TOO BERNHARD</u>	<u>FORT PIERRE</u>	<u>BUNR</u>
<u>Kevin Jews</u>	<u>PO Box 155</u>	<u>City of Utebaq</u>
<u>Dave Ruhnke</u>	<u>Pierre</u>	<u>DENR</u>
<u>Jackie Luttrell</u>	<u>Clark</u>	<u>City of Clark</u>
<u>NICK NELSON</u>	<u>PIERRE</u>	<u>DENR</u>
<u>Kevin Raret</u>	<u>Tyndall</u>	<u>City of Tyndall</u>
<u>RICHARD JONES</u>	<u>TYNDALL</u>	<u>CITY OF TYNDALL</u>

BOARD OF WATER AND NATURAL RESOURCES  
ATTENDANCE SHEET

DATE 3-26-15 LOCATION Matthew Training Center, Pierre

Name (PLEASE PRINT)	Address	Representing
Gale Haber	Sioux Falls	Stockwell
Greg Stack	Lennox	City of Lennox
Lance Weatherly	Sioux Falls	City of Sioux Falls
Bill Thorson	Canton	City of Canton
Justin Bladé	canton	city of canton
Randy Alexandra	BLACK HAWK	WNSD
EVAN HUTCHINS	BLACK HAWK	WOODLAND HILLS SANITARY DISC.
Mary Duvall	Pierre	legis. Oversight
Diane Hawala	Buffalo	Town of Buffalo
Bill Leas	Rapid City	BACLG's
Gary Johnson	Buffalo	Town of Buffalo
DON WEIGEL	ABERDEEN	CLARK ENGINEERING
Bob Bescock	"	Helms & Associates
Jay Gilbertson	Brookings	East Dakota WWD
Kirby Bauer	Buffalo	Town of Buffalo
Jim Jones	Black Hawk	MAP - TIG, Kennon,
Bob Mercer	Pierre	Newspapers
Jennifer Sietsema	NECOG	NECOG
Heath Thompson	Water town.	Sioux Rural water
Todd Moritz	Clear Lake SD	" " "
Jim Thyen	Waverly SD	" "



