Protecting South Dakota's Tomorrow ... Today

BOARD OF WATER AND NATURAL RESOURCES

DIGITAL DAKOTA NETWORK
Thursday, September 24, 2015
1:00 p.m. CDT

REVISED AGENDA

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

September 24, 2015

1:00 p.m. CDT

1. Call meeting to order
2. Approve agenda
3. Amend minutes of the March 27, 2015 meeting
4. Approve minutes of the June 25, 2015 meeting
5. Public Hearing to Adopt Brownfields Revitalization and Economic Development Program Work Plan —Kim McIntosh
6. Delmont Force Majeure Notification – Jim Feeney
7. Amendment to State Water Plan, 2015 Clean Water State Revolving Fund Intended Use Plan, and 2015 Drinking Water State Revolving Fund Intended Use Plan – Andy Bruels
8. Sanitary/Storm Sewer Facilities Funding Applications—Mike Perkovich
    a. Dimock (12)
    b. Lake Madison Sanitary District (7)
9. Solid Waste Management Program Funding Applications—Andy Bruels
    a. Wakonda
    b. Watertown
    c. Yankton
10. Emery Request to Amend Loan C461248-01 – Mike Perkovich
11. Lennox Request to Amend Loan C462105-01 – Dave Ruhnke
12. Sioux Falls Request to Amend Loans C461232-36 and C461232-36NPS – Jim Anderson
13. Approval of the State Fiscal Year 2015 State Revolving Funds Report to the Interim Bond Review Committee– Mike Perkovich
14. Black Hills Council of Governments Request to Amend Joint Powers Agreement for SRF Application and Administration and Davis-Bacon Monitoring— Mike Perkovich
15. Brown County Mud Creek Watershed District's General Improvement Plan – Pete Jahraus
16. Millennium Recycling, Inc. Request to Provide Loan Payment Deferment—Andy Bruels
17. Request to Advertise Request for Proposals for Drinking Water SRF Small System Technical Assistance – Jon Peschong
18. November 5th, 2015 Meeting
19. Adjourn

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

Digital Dakota Network Sites

BOARD OF WATER AND NATURAL RESOURCES

Thursday, September 24, 2015

1:00 p.m. – 4:00 p.m. Central Daylight Time
at the following locations:

Pierre (Capitol Building) (HOST SITE)
500 E. Capitol Avenue
Room B12, Studio A

Aberdeen (Northern State University)
1200 S Jay Street
Beulah Williams Library, Room 117

Brookings (DOT)
3031 6th Street
Room 205

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

Rapid City (SDSM&T)
501 E. St. Joseph Street
University Relations Building,
Public DDN Room

Sioux Falls (USD School of Medicine)
1400 West 22nd St
Room SF242

Watertown (SD Department of Human Services)
2001 9th Avenue SW
Suite 200

September 24, 2015
Item 3

TITLE:	Amend Minutes of the March 27, 2015 meeting
EXPLANATION:	Attached are the March 27, 2015 minutes with proposed changes.
RECOMMENDED ACTION:	Approve the amended changes.
CONTACT:	Mike Perkovich (773-4216)

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-~~2015-44 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-~~2015-45 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~~ 2015-46 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~~ 2015-47 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 $1,550,000 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.

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.

Minutes of the

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

June 25, 2015
10:00 a.m. CDT

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

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

BOARD MEMBERS ABSENT: None.

OTHERS: See attached attendance sheets.

APPROVE AGENDA: Mike Perkovich noted that Item 24 was deleted from the original agenda. Chairman Johnson approved the agenda.

APPROVE MINUTES OF MARCH 26-27, 2015, MEETING: Motion by Gnirk, seconded by Jones, to approve the minutes of the March 26-27, 2015, Board of Water and Natural Resources meeting. Motion carried unanimously.

Mike Perkovich reported that Elayne Lande retired and Derek Lankford was hired to fill her position.

AMENDMENTS TO 2015 STATE WATER FACILITIES PLAN: The board packet contained a map showing the location of the projects requesting amendment onto the 2015 facilities plan.

Water projects that will require state funding or need state support for categorical grant or loan funding must be on the State Water Facilities Plan. The Board of Water and Natural Resources annually approves projects for placement onto State Water Facilities Plan and provides for amendment of projects onto the plan on a quarterly basis. Placement of a project on the facilities plan by the board provides no guarantee of funding. The projects placed on the plan at this meeting will remain on the facilities plan through December 2016.

Andy Bruels presented the five applications, which were received by the May 1, 2015, deadline.

Dimock requested amendment onto the facilities plan to convert its bi-level wastewater treatment pond to a single cell and wetland to provide total retention, repair the outfall line trestle and pipe over Twelve Mile Creek, and install 1,400 feet of PVC sewer main and 1,050 feet of PVC water main to serve an undeveloped area. The estimated total project cost is $579,425.

Hecla requested amendment onto the facilities plan to replace cast iron and asbestos cement water main and replace water meters. The estimated total project cost is $554,000.

DRAFT

Lake Madison Sanitary District requested amendment onto the facilities plan to upgrade three lift stations and replace 7,800 feet of force main with new 6-inch PVC force main. The estimated total project cost is $428,000. .

Perkins County Rural Water System requested amendment onto the facilities plan to relocate 50,650 feet of water main to provide proper burial depth to prevent freezing and damage to the pipes due to a DOT project changing the grade and width of Highways 73 and 12. The total estimated project cost is $1,516,700.

Pierre requested amendment onto the facilities plan to replace grit removal equipment, the primary clarifier drive mechanism and scrapers, and to replace an air lift station and line at the wastewater treatment facility. The estimated total project cost is $1,772,100.

Staff recommended amending all five projects onto the 2015 facilities plan.

Motion by Gnirk, seconded by Goldhammer, to amend the five projects onto the 2015 State Water Facilities Plan. Motion carried unanimously.

AMEND 2015 CLEAN WATER STATE REVOLVING FUND (SRF) INTENDED USE PLAN (IUP): Mr. Bruels reported that at its March 2015 meeting, the board approved amendments to the administrative rules, which became effective May 11, 2015. As a result of the amendments, changes to the narrative section of the IUP are needed to be consistent with the new rules. The changes include removing repealed sections, updating new requirements, and adding information for affordability criteria for principal forgiveness eligibility.

A section was added to include green project reserve amounts for the 2015 capitalization grant. While the Water Resources Reform and Development Act removed the green project funding requirements, the 2015 capitalization grant was approved as part of a continuing resolution, so that particular change did not go into effect this year. The green project reserve required amount will be 10 percent of the FY 2015 SRF capitalization grant.

The following was added to address the need for additional administrative surcharge funds to provide funding for small community planning grants.

> The $99,000 of prior years' allocations for planning grants is not expected to be sufficient to meet demand for planning grants in FFY 2015. As a result, $53,093 of the $1,000,000 allocated to supplement the Consolidated and 319 programs will be shifted to the Small Community Planning Grant program.

The following was added to address the need for state match for the program administration portion of the capitalization grant.

> Administrative surcharge funds in the amount of $136,000 will be used to match that portion of 2015 and 2016 capitalization grants reserved for program administration. The 2014 bond issue did not differentiate between state match funds needed to match program administration and funds needed to match loan disbursements. Due to tax and accounting issues, restructuring the 2014 bond issue was not viable.

DRAFT

Staff recommended several projects added to the State Water Plan at the March meeting and the projects the board placed on the State Water Plan earlier today be placed on the Clean Water SRF Project Priority List. The projects were not added in March primarily due to the rule changes and resulting priority point and eligibility changes that would occur.

The following is the list of projects recommended for placement on the Clean Water SRF Project Priority List:

Priority Points	Loan Recipient	Project Description	Estimated Loan Amount	Expected Loan Rate & Term
28	Watertown	Install new sanitary sewer collection lines to serve residents currently utilizing septic systems and connect them to the city sanitary sewer system.	$832,896	3.25%, 30 yrs.
18	Pierre	Replace grit removal equipment, primary clarifier drive mechanism and scrapers, and an air lift station and line at the wastewater treatment facility.	$1,772,100	3.00%, 20 yrs.
16	Hot Springs	Install new sanitary sewer collection lines to serve residents currently utilizing septic systems and connect them to the city sanitary sewer system.	$270,000	3.25%, 30 yrs.
13	Florence	Replace clay sanitary sewer and rehabilitate a wastewater treatment lagoon.	$2,318,750	3.25%, 30 yrs.
12	Dimock	Convert bi-level wastewater treatment pond to a single cell and wetland to provide total retention, repair outfall line trestle and pipe over Twelve Mile Creek, install PVC sewer main and PVC water main to serve an undeveloped area.	$529,475	3.25%, 30 yrs.
11	Lemmon	Replace or reline clay sanitary sewer in various locations.	$9,515,948	3.25%, 30 yrs.
10	Dell Rapids	Replace clay sanitary sewer pipe in various locations.	$2,312,000	3.25%, 30 yrs.
7	Lake Madison Sanitary Dist.	Upgrade three lift stations and replace force main with PVC.	$428,000	3.25%, 30 yrs
6	Avon	Replace water meters with automatic meter reading system.	$469,800	2.25%, 10 yrs.
6	Humboldt	Replace water meters with automatic meter reading system.	$240,000	2.25%, 10 yrs.
6	Philip	Replace water meters with automatic meter reading system.	$340,000	2.25%, 10 yrs.
6	Plankinton	Replace water meters with automatic meter reading system.	$196,000	2.25%, 10 yrs.
5	Montrose	Install storm sewer collection pipe and drains to manage storm water flows.	$913,000	3.25%, 30 yrs.

DRAFT

The four water meter projects to upgrade to remote read systems are considered categorically green and are eligible to receive funds from both the Clean Water and Drinking Water SRF programs. In order to meet the green project reserve amount, it may be necessary to provide Clean Water SRF funding for these projects. The projects will remain on the Drinking Water SRF IUP to allow the flexibility that may be needed to fund these projects.

Mr. Bruels noted that changes were made to Attachment I to reflect new priority points and principal forgiveness eligibility due to rule changes. Changes were also made to Attachments II and III to reflect the changes made earlier in the IUP.

Staff recommended the board accept the proposed changes to the narrative section and the addition of the 13 projects to the Clean Water SRF IUP Project Priority List.

Motion by Soholt, seconded by Gnirk, to accept the changes to the narrative section and the addition of the 13 projects to the Clean Water SRF Intended Use Plan Project Priority List. Motion carried unanimously.

AMEND 2015 DRINKING WATER SRF IUP: Due to the administrative rule changes approved by the board in March 2015, changes to the narrative section of the IUP are needed to be consistent with the new rules. The changes include removing repealed sections, updating requirements, and adding 30-year loan rates and terms.

In the project priority rankings, many of the communities changed priority points due to the new affordability criteria for drinking water projects and the removal of the green project points; however this will not affect the ability to fund a project. With the new median household income data, some community's eligibility for disadvantaged rates changed.

Staff recommended several projects added to the State Water Plan at the March meeting and projects the board placed on the State Water Plan earlier today be placed on the Drinking Water SRF Project Priority List. The projects were not added in March primarily due to the rule changes and resulting priority point and eligibility changes that would occur.

The following is the list of projects recommended for placement on the Drinking Water SRF Project Priority List:

Priority Points	**Loan Recipient**	**Project Description**	**Estimated Loan Amount**	**Expected Loan Rate & Term**
145	Hermosa	Construct new well or connect to the Southern Black Hills Water System to supply additional water.	$1,471,875	2.25%, 30 yrs.
110	South Shore	Replace cast iron water main, replace water meters, construct a new water storage tank and install a new well.	$2,400,000	3.00%, 30 yrs.
108	Hecla	Replace cast iron and asbestos cement water main and replace water meters.	$554,000	2.25%, 30 yrs.

98	TC&G Water Association	Replace an undersized water main, replace water meters, and construct a booster pump station.	$2,100,000	2.25%, 30 yrs.
81	Perkins County Rural Water System	Relocate water main to provide proper burial depth to prevent freezing and damage to the pipes due to a DOT project changing the grade and width of Highways 73 and 12.	$1,516,700	2.25%, 30 yrs.
53	Florence	Replace cast iron water mains, replace water meters, construct a new ground storage tank and booster pump station.	$2,354,375	2.25%, 30 yrs.
39	Colman	Replace water main distribution pipe and construct a new water tower.	$925,000	3.00%, 30 yrs.
14	Philip	Replace water meters with remote read meters.	$340,000	2.25%, 10 yrs.
11	Dell Rapids	Replace cast iron water main pipe in various locations.	$1,883,000	3.25%, 30 yrs.

Mr. Bruels noted that Colman has received two Drinking Water SRF loans totaling $2,039,000 with principal forgiveness not to exceed $968,000 for phases 1, 2 and 3 of their water system upgrades project. Bids for the portions of the project were higher than the original estimate. A portion of the project has not yet opened bids. Staff anticipates the city will be submitting an application for additional funding in the future.

Changes were made to Attachment I to reflect new priority points and disadvantaged assistance eligibility due to rule changes. Changes were also made to Attachments II and III to reflect the changes made earlier in the IUP.

Staff recommended the board accept the proposed changes to the narrative section and the addition of the nine projects to the Drinking Water SRF IUP Project Priority list.

Mr. Bruels answered questions from the board.

Motion by Goldhammer, seconded by Lanning, to approve changes to the narrative section and the addition of nine projects to the Drinking Water SRF Intended Use Plan Project Priority List. Motion carried unanimously.

<u>AMEND 2014 CLEAN WATER SRF IUP</u>: Mr. Bruels stated that the FY 2014 Clean Water SRF IUP was approved by the Board of Water and Natural Resources in November 2013 and amended in March, June, and September 2014 and in March 2015.

For a project to utilize principal forgiveness allowed by a specific capitalization grant it must be on the IUP associated with that capitalization grant year. In order to maximize the use of each year's capitalization grant, it is necessary to amend projects to prior years' Intended Use Plans.

Staff proposed amending Attachment I - Project Priority List of the FY 2014 Clean Water Intended Use Plan by adding the following project.

Priority Points	Loan Recipient	Project Description	Estimated Loan Amount	Expected Loan Rate & Term
30	Waubay	Construct new wastewater treatment ponds to provide total retention.	$1,779,000	3.25%, 30 yrs.

Staff recommended the board approve the proposed amendment to the 2014 Clean Water SRF IUP.

Motion by Jones, seconded by Lanning, to add the Waubay project to the 2014 Clean Water SRF IUP. Motion carried unanimously.

HOSMER REQUEST TO RESCIND CLEAN WATER SRF LOAN C461279-01 AND CONSOLIDATED WATER FACILITIES CONSTRUCTION PROGRAM (CWFCP) GRANT 2016G-103: Mike Perkovich reported that in March 2015, the board approved a Clean Water SRF loan (C461279-01) in the amount of $968,000 with $714,400 of principal forgiveness and a Consolidated grant (2016G-103) in the amount of $300,000 for the city of Hosmer.

In March, the city requested $4,122,000 to construct additional cells to provide for a total retention wastewater treatment facility, televise the collection system, and replace or reline the lines. The funding award of $1,268,000 was intended to fund the wastewater treatment facility upgrade and the televising of the collection system.

Hosmer had also submitted applications to Rural Development and the Community Development Block Grant program to fund the project. The city received sufficient funding from these two sources to fund the project in its entirety. Therefore, Hosmer has submitted a letter requesting the loan and grant awarded by the Board be rescinded.

Staff recommended the board rescind the Clean Water SRF loan and the Consolidated grant.

Motion by Lanning, seconded by Soholt, to adopt Resolution #2015-61 rescinding Resolution #2015-28 which awarded a Clean Water SRF loan up to a maximum committed amount of $968,000 with up to 73.9 percent principal forgiveness not to exceed $714,400 to the city of Hosmer; and to adopt Resolution #2015-62 rescinding Resolution #2015-29 which awarded the Consolidated Water Facilities Construction Program grant to the city of Hosmer for up to 23.7 percent of approved total project costs not to exceed $300,000. Motion carried unanimously.

IPSWICH REQUEST TO RESCIND CLEAN WATER SRF LOAN C461133-01 AND CWFCP GRANT 2016G-104: Mr. Perkovich stated that in March 2015, the board approved a Clean Water SRF loan (C461279-01) in the amount of $1,951,000 and a Consolidated grant (2016G-103) in the amount of $2,000,000 to the city of Ipswich.

In March, Ipswich had requested $5,459,000 to replace or line the wastewater collection system, upgrade lift stations, and make minor upgrades at the wastewater treatment facility. The funding award of $3,951,000 was intended to fund the lift station improvements and the most critical collection system rehabilitation, as identified in the facilities plan.

DRAFT

Ipswich had also submitted applications to Rural Development to fund the project. The city received sufficient funding from Rural Development to fund the project in its entirety. Therefore, the city has submitted a letter requesting that the loan and grant awarded by the board be rescinded.

Staff recommended the board rescind the Clean Water SRF loan and the Consolidated grant to the city of Ipswich.

Mr. Perkovich answered questions from the board.

Motion by Goldhammer, seconded by Soholt, to adopt Resolution #2015-63 rescinding Resolution #2015-34 which awarded a Clean Water SRF loan up to a maximum committed amount of $1,951,000 to the city of Ipswich, and to adopt Resolution #2015-64 rescinding Resolution #2015-35 which awarded the Consolidated Water Facilities Construction Program grant to the city of Ipswich for up to 50.7 percent of approved total project costs not to exceed $2,000,000. Motion carried unanimously.

MINNEHAHA COMMUNITY WATER CORPORATION REQUEST TO RESCIND DRINKING WATER SRF LOAN C462440-02: Mr. Bruels reported that in March 2015, Minnehaha Community Water Corporation (MCWC) received a Drinking Water SRF loan (C462440-02) in the amount of $900,000 and a Consolidated grant (2016G-108) in the amount of $900,000.

Funds were provided as part of the Lewis & Clark/Madison "wheeling" option. The funds were to make improvements to the distribution system to provide for the ability to receive additional water from Lewis & Clark Regional Water System and free up capacity to provide up to one million gallons per day to Big Sioux Community Water System with the end use of providing water to the city of Madison.

MCWC has determined that they have sufficient local funds to provide the loan portion of the funding and submitted a letter requesting the loan be rescinded.

Staff recommended the board rescind Resolution #2015-49 authorizing the Drinking Water SRF loan to Minnehaha Community Water Corporation.

Motion by Soholt, seconded by Lanning, to adopt Resolution #2015-65 rescinding Resolution #2015-49 which awarded a Drinking Water SRF loan to the Minnehaha Community Water Corporation up to a maximum committed amount of $900,000. Motion carried unanimously.

HOWARD REQUEST TO AMEND CLEAN WATER SRF LOAN C461127-01: Drew Huisken reported that on March 27, 2015, the Board approved Resolution #2015-31 awarding the city of Howard a $1,764,000 Clean Water SRF loan at 3.25 percent for 30 years for its wastewater televising and lagoon expansion project. This project would provide additional storage and treatment of wastewater flows and also televise the entire wastewater collection system to prioritize future repairs.

To provide coverage for this loan amount, the city would need to establish a surcharge of $17.10. The current wastewater rates in Howard are $23.90 per 5,000 gallons. Mr. Huisken stated that the proposed surcharge would increase the rates to $41.00 per 5,000 gallons, however by restructuring

the domestic rates, a charge of $26.10 per customer per month would cover both operation and maintenance expenses and the surcharge for repayment of this debt.

The original loan amount was based on the assumption of a population increase and additional hydraulic loading due to a beef plant beginning operation in the city. The city of Howard is requesting to amend the loan to reflect a smaller population increase and a smaller necessary hydraulic capacity.

The city has also decided to pursue different methods of implementation for its wastewater treatment facility. The original project proposed increasing the size of the stabilization pond to provide the necessary treatment. The city is now proposing to modify the treatment system to a venturi aeration system and construct an artificial wetland for additional treatment. This method of treatment has a lower capital cost and can meet the anticipated requirements of future Surface Water Discharge permits. The city believes this is the most appropriate alternative based on current information.

The city of Howard has considered the previously mentioned information and has requested to reduce the amount of its Clean Water State Revolving Fund Loan to $979,000.

Staff recommended the board rescind Resolution #2015-31, which approved the previous loan, and award the city of Howard a $979,000 Clean Water State Revolving Fund Loan at 3.25 percent for 30 years for improvements to the wastewater collection and treatment system.

Mr. Huisken noted that staff analysis showed that the city would need to establish a surcharge of $9.50 in order to provide coverage for this loan amount. The current rate of $23.90 could be restructured to include the surcharge, and the city would not need to raise rates.

Staff recommended the loan be 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.

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

Motion by Goldhammer, seconded by Gnirk, to adopt Resolution #2015-66 rescinding Resolution #2015-31 and approving a Clean Water State Revolving Fund loan up to a maximum committed amount of $979,000 at 3.25 percent interest for 30 years to the city of Howard; 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.

<u>EAGLE BUTTE REQUEST TO AMEND DRINKING WATER SRF LOAN C462148-03</u>: Jim Anderson reported that on March 28, 2013, the city of Eagle Butte was awarded a $490,000 Drinking Water SRF loan at 0 percent interest for 30 years with 80 percent principal forgiveness. The project, as presented to the board, involved construction of water mains on Willow Street in

conjunction with a road resurfacing project. Due to legal issues regarding the ownership of Willow Street the loan was not closed and the project has not proceeded.

The city recently opened bids for a project to install water and sanitary sewer lines. The water portion of the project was intended to be funded by two Drinking Water SRF loans (C462148-02 and C462148-04). The construction cost for the water portion is approximately $2,200,000, which is higher than anticipated. There are insufficient funds in the two loans to cover the water costs.

In May 2015, Eagle Butte submitted a letter to the Board of Water and Natural Resources requesting that the loan intended for the Willow Street project be used to cover the funding shortfall on the other project. The request involves reducing the loan amount to $250,000 and changing the project scope. The project description for Eagle Butte's DW-03 loan will be changed to the project description in the city's DW-04 loan. The Drinking Water 04 loan description is, "A new water line constructed on the north side of the city to loop the system and provide water service to residences and businesses that are not currently served by the city. A water line will also be constructed on the west side of the city to provide a loop in the distribution system."

Staff recommended the board rescind Resolution #2013-52 and approve changes to the project scope and award a Drinking Water SRF loan for $250,000 at 0 percent interest for 30 years with up to 80 percent principal forgiveness not to exceed $200,000 for the city of Eagle Butte 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 by Gnirk, seconded by Lanning, to adopt Resolution #2015-67 rescinding Resolution #2013-52 and approving a Drinking Water State Revolving Fund loan up to a maximum commitment amount of $250,000 at 0 percent interest for 30 years with up to 80 percent principal forgiveness not to exceed $200,000 to the city of Eagle Butte, 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 sufficient to provide the required debt coverage. Motion carried unanimously.

<u>LINCOLN COUNTY REQUEST TO AMEND CWFCP GRANT 2013G-205</u>: Mr. Anderson stated that on June 29, 2012, Lincoln County was awarded a Consolidated Water Facilities Construction Fund grant of $100,000 for the Spring Creek Drainage Project. The grant was based on 5.1 percent of total project costs of $1,997,000. The project included replacement of drainage culverts with higher capacity culverts and stream channel improvements to alleviate recurring water backup, ponding, flooding and erosion that damages homes, property and infrastructure in the project area.

Due to flooding in 2014, Lincoln County had to repair some of the project components that were just put in place, which has prolonged the project. The project will not be complete before the grant terminates on June 29, 2015.

Lincoln County submitted a letter requesting a grant percentage increase from 5.1 percent to 13 percent to draw the total $100,000 grant based on the $1,300,000 in project costs incurred to date.

DRAFT

Staff recommended approval of the grant percentage increase for Lincoln County.

Motion by Jones, seconded by Lanning, to adopt Resolution #2015-68 approving amendment of Lincoln County's Consolidated Water Facilities Construction Program Grant Agreement 2013G-205 for up to 13 percent of approved incurred total project costs not to exceed $100,000. Motion carried unanimously.

BEAR BUTTE VALLEY WATER, INC. REQUEST TO AMEND CWFCP GRANT 2013G-401: Mr. Bruels reported that Bear Butte Water, Inc. (BBV) has requested a second amendment to its Consolidated program funding agreement.

BBV was awarded two consolidated grants for the construction of a new rural water system. Grant 2011G-102 was awarded on March 26, 2010, for $500,000, and grant 2013G-401 was awarded on January 4, 2013, for $500,000.

Section 5 of the 2013 Omnibus Bill provided legislative authorization for the Board of Water and Natural Resources to award up to $1,500,000 in Consolidated assistance to the BBV.

In March 2013, the board amended Consolidated grant 2013G-401 to provide an additional $500,000 in funding along with the re-award of the remaining balance of $265,000 from consolidated grant 2011G-102. This increased the total amount of Consolidated funding awarded to $1,500,000. At this time the cost for the total project was estimated at $7,000,000.

In 2014, BBV successfully constructed a well at a cost of $760,000 to provide the water supply for the system. In April 2015, BBV opened bids to construct the remaining components of the system. The bids were favorable and overall within the engineers estimate; however, with the sign up of additional users, BBV is facing a funding shortfall of $500,000. Users who have prepaid a connection fee will need to be removed from this project if additional funding cannot be secured.

BBV has requested an additional $500,000 in funding to cover this shortfall. Total project costs are now anticipated to be $11,000,000. Even with the additional grant funds BBV is projected to have rates of $112.15 for 7,000 gallons. A large portion of the rates are needed to repay the $3,117,000 Rural Development loan for system construction.

The existing grant will end in January 2016, and final project costs will be higher than the original estimates. In order for the system to be able to draw all of the funds prior to the grant end date, an increase in the grant percentage is also needed.

The 2015 Legislature amended SDCL 46A-1-64 giving the board discretionary authority to award a project up to $2,000,000 in Consolidated funding.

Staff recommended board approval of the second amendment to Consolidated grant 2013G-501 increasing the amount by $500,000 and increasing the grant percentage to 40.0 percent of total project costs not to exceed $1,765,000.

Representatives of Bear Butte Valley Water discussed the project and thanked the board for considering the grant amendment. They answered questions from the board.

DRAFT

Motion by Gnirk, seconded by Jones, to adopt Resolution #2015-69 approving the second amendment to the Bear Butte Valley Water, Inc. Consolidated Water Facilities Construction Program Grant Agreement 2013-G-401 for up to 40 percent of approved total project costs not to exceed $1,765,000. Motion carried unanimously.

HISEGA MEADOWS WATER, INC. REQUEST TO AMEND CWFCP GRANT 2015G-302: Claire Peschong reported that in September 2014, Hisega Meadows Water Inc. was awarded additional funding to complete the water system improvements project which had previously been separated into two phases when the bids came in higher than estimated and the original funding fell short.

Phase 1 included replacing 5,520 feet of 4-inch and 8-inch PVC water line in 2014. Phase 2 will replace about 900 feet of 1-inch service line and 3,075 feet of 6-inch PVC water line this summer.

The scope of the Consolidated grant only includes work identified in Phase 2, and Hisega Meadows Water Inc. has requested that the scope of this grant be changed to include both Phase 1 and Phase 2 of the water line replacement project.

Staff recommended approval of the request to amend the scope of Consolidated grant 2015G-302.

Motion by Soholt, seconded by Goldhammer, to adopt Resolution #2015-70 amending the project scope for the Hisega Meadows Water, Inc. Consolidated Water Facilities Construction Program grant agreement 2015G-302 for up to 50 percent of approved total project costs not to exceed $273,000. Motion carried unanimously.

TRANSFER OF CLEAN WATER SRF LOAN C461052-01 AND CONSOLIDATED GRANT 2015G-103 FROM THE LAKE BYRON WATERSHED DISTRICT TO THE LAKE BYRON SANITARY DISTRICT: Mr. Perkovich reported that in March 2014, the Lake Byron Watershed District received Clean Water SRF loan C461052-01 in the amount of $1,843,000 and Consolidated grant 2016G-103 in the amount of $500,000.

The Lake Byron Watershed District requested $3,693,000 to construct a centralized wastewater collection and treatment system to serve the lake community. The reduced funding award of $2,343,000 was based on the district's intent to assess each landowner in the district $6,000, which DENR recommended be used to help lower the amount of loan funds needed by $1,350,000. Funding was contingent upon the borrower adopting a bond resolution and the resolution becoming effective, contingent upon the borrower establishing a special assessment sufficient to provide the required debt coverage, contingent upon the borrower amending its General Improvement Plan by April 1, 2015, and contingent upon the borrower holding an election to approve the loan and the levying of a special assessment of $6,000 per landowner by April 1, 2015.

Due to the unique challenges involving the powers and authorities of a watershed district, DENR staff recommended consideration be given to forming a sanitary district. Subsequently, a decision was made to form a sanitary district at Lake Byron. The Lake Byron Sanitary District was incorporated in April 2015.

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With the formation of the sanitary district, the elections needed to satisfy the contingencies were not satisfied. Staff is working with the new sanitary district board to transfer the funding from the Lake Byron Watershed District to the Lake Byron Sanitary District.

Mr. Perkovich noted that this presentation was for informational purposes only. Staff will continue to work with the sanitary district board with regard to the transfer of funds from the watershed district to the sanitary district.

Mr. Perkovich answered questions from the board.

SELECTION OF SRF FINANCIAL ADVISOR: Mr. Perkovich stated that in March 2015, the board approved the release of a "Request For Proposal (RFP) to Serve as Financial Advisor for the State Revolving Fund Programs."

The RFP was advertised on April 1, 2015, and proposals were due by May 1, 2015.

Public Financial Management (PFM) was the only firm to submit a proposal to serve as the SRF Financial Advisor. PFM has served as the SRF Financial Advisor since 2003. The Board's current contract with PFM terminates on June 30, 2015.

With assistance from the Office of Attorney General, a contract for financial advisor services was prepared and reviewed by PFM and DENR. The contract period is from July 1, 2015, to June 30, 2018.

Staff recommended the board authorize the execution of the financial advisor contract with PFM.

Motion by Goldhammer, seconded by Jones, to adopt Resolution #2015-71 approving a consultant contract with Public Financial Management, Inc. to serve as financial advisor to the South Dakota Conservancy District for the Clean Water and Drinking Water SRF programs with a total contract amount not to exceed $225,000 and authorizing the execution of the contract. Motion carried unanimously.

MIDWEST ASSISTANCE PROGRAM DRINKING WATER SRF SET-ASIDE CONTRACT: Jon Peschong reported that the board has a current contract with Midwest Assistance Program (MAP) for providing technical assistance and completing capacity assessment reviews for technical, financial and managerial capacity for drinking water applicants. During the current contract MAP has assisted 37 communities and provided over 640 hours for these activities.

MAP has requested a new contract at an hourly rate of $71.00 per hour not to exceed 700 hours for a total contract amount of $49,700. The contract period will be from July 1, 2015, through June 30, 2016.

Staff recommended the board adopt a resolution authorizing the chairman to execute a contract with Midwest Assistance Program to provide assistance in capacity assessments to improve technical, financial, or managerial capacity for small systems in South Dakota.

Motion by Lanning, seconded by Soholt, to adopt Resolution #2015-72 approving the consulting contract in an amount not to exceed $49,700 between the Board of Water and Natural Resources

and Midwest Assistance Program to provide Drinking Water SRF local assistance set-aside services and authorizing execution of the contract. Motion carried unanimously.

ASSIGNMENT OF RANDALL RESOURCE CONSERVATION AND DEVELOPMENT DISTRICT CONSOLIDATED GRANT 2015G-402 TO THE JAMES RIVER WATER DEVELOPMENT DISTRICT: Barry McLaury reported that on January 8, 2015, the Board of Water and Natural Resources approved a $275,000 Consolidated program grant 2015G-402 to the Randall Resource Conservation and Development District (RC&D) for implementation of Best Management Practices in the Lewis and Clark Watershed.

Randall RC&D has concluded that transferring sponsorship of the Lewis and Clark Watershed project to the James River Water Development District (JRWDD) would result in improved operational efficiencies and better utilization of grant resources as well as JRWDD's financial and staff resources. Earlier this month, DENR approved the assignment between the two entities, and the Section 319 grant award has been transferred to the JRWDD.

Watershed Protection Program staff was involved in the discussions that lead to the transfer of sponsorship. Under Randall RC&Ds sponsorship, the Lewis and Clark Watershed Implementation Project has been an ongoing success since it started installing Best Management Practices in 2006. Recently, the Keya Paha River was delisted from the State's 303(d) Impaired Waterbodies list due to water quality improvements in the watershed.

Staff recommended that the Board approve the assignment of Consolidated Grant 2015G-402 to the JRWDD.

Mr. McLaury, Mr. Feeney, and Dave Bartel, James River Water Development District, answered questions from the board.

Motion by Lanning, seconded by Bernhard, to adopt Resolution #2015-73 approving the assignment of Consolidated Water Facilities Construction Program grant 2015G-402 from Randall Conservation and Development District to James River Water Development District. Motion carried unanimously.

CENTRAL SOUTH DAKOTA ENHANCEMENT DISTRICT REQUEST TO AMEND JOINT POWERS AGREEMENT FOR SRF APPLICATION AND ADMINISTRATION AND DAVIS-BACON MONITORING: Derek Lankford stated that the board has contracted with the planning districts since 2005 to assist entities with SRF applications and administration and since 2009 for Davis-Bacon monitoring.

Central South Dakota Enhancement District has requested amendment to its Joint Powers Agreement by adding $22,000. Since the first amendment at the November 2014 meeting, Central South Dakota Enhancement District has prepared more loan applications than anticipated and costs per SRF application administration has also gone up since the November 2014 meeting.

Staff recommended the board approve the second amendment to the Joint Powers Agreement with Central South Dakota Enhancement District for SRF loan application and administration and Davis-Bacon monitoring.

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Marlene Knutson, executive director of the Central South Dakota Enhancement District, discussed the need for the contract amendment and requested board approval of the amendment.

Motion by Goldhammer, seconded by Jones, to adopt Resolution #2015-74 approving the second amendment to the Joint Powers Agreement with Central South Dakota Enhancement District not to exceed $72,090 for preparation of applications, administration of loans, and Davis-Bacon monitoring requirements. Motion carried unanimously.

PUBLIC HEARING TO AMEND ADMINISTRATIVE RULES CHAPTER 74:05:05:16 – JAMES RIVER WATER DEVELOPMENT DISTRICT DIRECTOR AREAS: Chairman Johnson opened the hearing at 1:00 p.m. CDT.

The purpose of the hearing was to consider amendments to ARSD 74:05:05:16, Director Areas of the James River Water Development District.

The reason for amending the rules is to make changes to director area 3 due to legislation enacted by the 2015 Legislature eliminating the portion of Marshall County outside of the James River Watershed boundary and to adjust director areas 8 and 9 to minimize the population variance among director areas.

Notice of the public hearing was published in accordance with applicable rules and regulations. Affidavits of Publication were received and are included in the file. Notice of the hearing was also sent to the Board of Water and Natural Resources interested parties' mailing list and placed on the Department of Environment and Natural Resources' website.

No written comments regarding the proposed amendments to ARSD 74:05:05:16 were submitted after publication of the notice.

Pete Jahraus presented the proposed amendments to Chapter 74:05:05:16, Director Areas of the James River Water Development District.

Mr. Jahraus reported that the James River Water Development District board of directors and the executive director have reviewed the rules and concur with the proposed amendments.

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

The department recommended approval of the proposed amendments.

Chairman Johnson requested public comments regarding the proposed amendments. No one offered comments on the proposed amendments.

Chairman Johnson requested board action.

Motion by Jones, seconded by Lanning, to adopt amendments to ARSD 74:05:05:16, Director Areas of the James River Water Development District. Motion carried unanimously.

Chairman Johnson closed the hearing at 1:10 p.m. CDT.

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: Mike 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.

Emery requested $2,890,000 for a wastewater collection system upgrade and replacement project. The estimated total project cost is $2,894,127. Emery is contributing $4,127 in local cash.

Emery is proposing to replace the majority of its collection system to reduce the infiltration of groundwater entering the system. The city anticipates bidding the project next year with project completion in 2018.

Emery currently has a $30 flat rate.

Staff recommended awarding a $2,890,000 Clean Water SRF loan at 3.25 percent for 30 years with 58.1 percent principal forgiveness not to exceed $1,677,000.

The city has pledged a project surcharge for repayment of the loan. Staff analysis shows that a $26.80 surcharge is needed to provide the required debt coverage on the $1,213,000 loan. Staff analysis also indicates that $14 of the city's existing rate is needed for operating expenses, leaving $16 available for debt service. Overall rates of $40.80 are needed for this funding package.

Staff recommended the award 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.

Josh Kayser, Mayor of Emery, discussed the project and requested approval of funding. He answered questions from the board.

Motion by Goldhammer, seconded by Jones to adopt Resolution #2015-75 approving the Clean Water State Revolving Fund loan up to a maximum committed amount of $2,890,000 at 3.25 percent interest for 30 years with 58.1 percent principal forgiveness not to exceed $1,677,000 to the city of Emery for a wastewater collection system upgrade and replacement 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.

Cavour requested $1,652,000 for a wastewater system improvements project. The estimated total project cost is $1,702,000. The project received $50,000 grant from the James River Water Development District for the project.

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Cavour intends to replace 3,700 feet of the 6,500 feet of collection line in the town, the majority of which was installed in 1964. The project also involves replacing the lift station and force main that conveys wastewater to the treatment facility.

Cavour has a $17.00 flat rate.

The facility plan also identifies a second phase of line replacement that is estimated at approximately $900,000.

Mr. Perkovich noted that Cavour is not eligible for Clean Water SRF principal forgiveness and there are not sufficient grant funds available to put together a viable funding package for the entire project.

Staff recommended awarding a $150,000 Clean Water SRF loan at 3.25 percent for 30 years and awarding a Water Quality grant for 76.4 percent of eligible costs not to exceed $645,000 based on a project cost of $845,000.

The proposed funding, along with a $50,000 grant from the James River Water Development District, will cover the lift station and force main replacement. This approach is acceptable to the town and its engineers with the understanding that the town will apply for additional funding for the line rehabilitation work in January.

The current wastewater rates of $17.00 are below the $30 minimum needed for additional subsidy. A $13.10 surcharge is needed to provide the coverage on the $150,000 loan, which will bring rates slightly above the $30 subsidy threshold.

Mr. Perkovich noted that with the subsequent line replacement that is needed, Cavour's rates will be more than $40.

Staff recommended the award 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.

Lisa Goglin, Mayor of Cavour, discussed the project and answered questions from the board.

Motion by Goldhammer, seconded by Jones to adopt Resolution #2015-76 approving State Revolving Fund Water Quality grant agreement 2016G-WQ-200 to the town of Cavour for up to 76.4 percent of approved total project costs not to exceed $645,000 for wastewater system improvements; and to adopt Resolution #2015-77 approving the Clean Water State Revolving Fund loan up to a maximum committed amount of $150,000 at 3.25 percent interest for 30 years to the town of Cavour 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 and contingent upon the borrower establishing a surcharge at a level sufficient to provide the required debt coverage. Motion carried unanimously.

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Montrose requested $913,000 for storm water management improvements. The estimated total project cost is $913,000.

Mr. Perkovich noted that since the application was submitted, Montrose was awarded a $515,000 Community Development Block Grant for the project.

Montrose anticipates bidding the project in January 2016 with project completion in 2017.

Montrose pledged wastewater revenues for repayment of the loan. The city has a $27 flat rate.

The project, as originally proposed, would collect storm water that would ultimately be discharged directly into the Vermillion River. This raised concerns with DENR because sections of the Vermillion River, the East Fork of the Vermillion River, and Lake Vermillion are classified as impaired. Staff requested that the facilities plan be updated to include an alternative that utilizes some type of catchment basin or other "green" storm water management techniques to control sediments.

Montrose's engineer indicated challenges with catch basins due to the location of the flood plain. As a result, rain garden systems will be incorporated to better control sediments. This increased the project cost by $132,000.

Staff recommended awarding a $545,000 Clean Water SRF loan, at 3.25 percent for 30 years with 18.4 percent principal forgiveness not to exceed $100,000.

Montrose pledged wastewater revenues for repayment of the loan. Staff analysis indicates that rates will have to be increased $9.90 to provide the required 110 percent coverage.

Staff recommended the loan be 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.

Erin Steever, Banner Associates, discussed the project and answered questions from the board.

Jackie Lanning talked about rain gardens that were constructed in Brookings.

Motion by Jones, seconded by Gnirk, to adopt Resolution #2015-78 approving the Clean Water State Revolving Fund loan up to a maximum committed amount of $545,000 at 3.25 percent interest for 30 years with 18.4 percent principal forgiveness not to exceed $100,000 to the city of Montrose for storm water management 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 borrower establishing a sewer rate sufficient to provide the required debt coverage. Motion carried unanimously.

DRAFT

DRINKING WATER FACILITIES FUNDING APPLICATIONS: Mr. Bruels presented the Drinking Water Facilities funding application and staff recommendations. A map showing the location of the applications was included in the board packet.

Edgemont requested $3,890,000 for a water system improvements project. The estimated total project cost is $3,890,000.

This project will rehabilitate two wells, construct a 250,000-gallon elevated storage tank and the necessary piping to connect to the distribution system, and construct a water treatment system for removal of radiological contaminants. The city anticipates bidding the project in March 2016 with a project completion date of July 2018.

Mr. Bruels noted that Edgemont is the highest ranking project on the Drinking Water SRF Project Priority List due to past radiological violations and meeting affordability criteria.

Edgemont's rates are $25.45 per 5,000 gallons based on usage. Edgemont charges an additional $10 for distribution system replacement, bringing rates to $35.45.

Staff recommended awarding a Consolidated grant for 51.5 percent of total project costs not to exceed $2,000,000 and awarding a $1,890,000 Drinking Water SRF loan at 0 percent for 30 years with 63.9 percent principal forgiveness not to exceed $1,206,890.

Edgemont pledged a project surcharge for repayment of the loan. Staff analysis indicates that a surcharge of $5.25 per user is needed to repay the $683,110 loan. An additional $40.45 per month will be needed to cover existing operation expenses and the expenses associated with the new treatment plant. This results in rates of approximately $45.75 per month and eliminates the $10 distribution system replacement charge.

Staff recommended the award be 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 receipt of the 2015 Drinking Water capitalization grant from EPA.

Ted Schultz, AE2S Engineering, discussed the project and answered questions from the board.

Motion by Gnirk, seconded by Bernhard, to adopt Resolution #2015-79 approving the South Dakota Consolidated Water Facilities Construction Program grant agreement between the Board of Water and Natural Resources and the city of Edgemont for up to 51.5 percent of approved total project costs not to exceed $2,000,000 for a water system improvements project; and to adopt Resolution #2015-80 approving a Drinking Water State Revolving Fund loan up to a maximum commitment amount of $1,890,000 at 0 percent for 30 years with up to 63.9 percent principal forgiveness not to exceed $1,206,890 to the city of Edgemont for a water system 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 sufficient to provide the required debt coverage, and contingent upon receipt of the 2015

Drinking Water capitalization grant from EPA. Motion carried with six voting aye and Jones abstaining.

TC&G Water Association requested $2,100,000 for Water System Improvements. The estimated total project cost is $2,100,000.

The project will replace 94,000 feet of undersized water line, replace the water tower with a 50,000-gallon ground storage tank and booster pumps and install approximately 140 new water meters. TC & G Water Association anticipates bidding the project in October 2015 with project completion in October 2016.

TC&G Association's rates are $93.00 per 7,000 gallons based on usage.

Mr. Bruels noted that Dewey County, on behalf of the system, applied for and was awarded a $515,000 CDBG grant, which will lessen the amount of funds needed from the board for this project.

Staff recommended awarding a Consolidated grant for 66.2 percent of total project costs not to exceed $1,390,000 and awarding a $210,000 Drinking Water SRF loan at 2.25 percent for 30 years.

The association pledged system revenue for repayment of the loan. Staff analysis indicates that an increase in total system revenue of approximately one percent will be needed to provide the required 110 percent debt coverage for the loan. This equates to approximately $1.00 per user.

The original application showed operation and maintenance costs of nearly $185,000; however this included a $50,000 line replacement cost that should not have been included. Additionally, TC&G has two outstanding loans that they have indicated will be paid off this year. If those loans are repaid, staff analysis indicates that the existing system revenues will be sufficient to provide the required 110 percent coverage with no increase.

Staff recommended the loan be contingent upon the borrower adopting a resolution approving the form of the loan agreement, the promissory note, and the pledge of system revenues as repayment for the loan, contingent upon the borrower establishing water rates sufficient to provide the required debt coverage, contingent upon the borrower approving a security agreement and mortgage, and contingent upon a Parity Agreement being approved and executed.

Kelly Landis, TC&G Water Association, and Chancey Shrake, Brosz Engineering, discussed the project and answered questions from the board.

Motion by Gnirk, seconded by Soholt, to adopt Resolution #2015-81 approving the South Dakota Consolidated Water Facilities Construction Program grant agreement between the Board of Water and Natural Resources and the TC&G Water Association for up to 66.2 percent of approved total project costs not to exceed $1,390,000 for a water system improvements project; and to adopt Resolution #2015-82 approving a Drinking Water State Revolving Fund loan up to a maximum commitment amount of $210,000 at 2.25 percent for 30 years to the TC&G Water Association for a water system 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 approving the form of the loan agreement, the promissory note, and the pledge of system revenues as repayment for the loan, contingent upon the borrower establishing water rates sufficient to provide the required debt coverage, contingent upon the borrower approving a security agreement and mortgage, and contingent upon a Parity Agreement being approved and executed. Motion carried unanimously.

Florence requested $2,355,000 for water system improvements. The estimated total project cost is $2,255,000. Florence will contribute $100,000 in local cash.

The project will replace 17,000 feet of water lines, 7,250 feet of service lines, install new water meters, and construct a 105,000-gallon ground storage tank and booster station.

Florence anticipates bidding the project in March 2016 with project completion in November 2016.

The town's current water rates are $32.00 for 5,000 gallons based on usage.

Florence has requested to use two separate revenue pledges for repayment of loan funds. Mr. Bruels noted that in order to do this, staff had to split the project into two separate loans with one amount identifying sales tax as the repayment source and the other loan using a project surcharge for repayment.

Staff recommended awarding a $688,000 Drinking Water SRF loan (DW-01) at 3.25 percent for 30 years with sales tax pledged as the repayment source.

Staff analysis indicates that the town's sales tax revenue will provide 208 percent coverage of that loan. However, bond counsel has informed staff that the sales tax debt amount will put the town over the five percent debt limit allowed in state law, so the town will need an election to approve the use of the 10 percent debt limit for water and sewer improvements.

Staff recommended the DW-01 loan be contingent upon the borrower adopting a bond resolution and the resolution becoming effective.

Staff also recommended awarding a Consolidated grant for 42.5 percent of total project costs not to exceed $1,000,000, and awarding a $567,000 Drinking Water SRF loan (DW-02) at 3.25 percent for 30 years with project surcharge as the repayment source.

Staff analysis indicates that a surcharge of $18.25 is needed to provide coverage on the $567,000 loan. Staff believes the town needs approximately $23.50 to cover operation and maintenance expenses so the overall rates would be approximately $41.75 for 5,000 gallons.

Staff recommended the DW-02 loan 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.

Pat Callan, mayor of Florence, Bob Babcock, Helms and Associates, discussed the project and answered questions from the board.

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Motion by Bernhard, seconded by Lanning, to adopt Resolution #2015-83 approving a Drinking Water State Revolving Fund loan up to a maximum commitment amount of $688,000 at 3.25 percent for 30 years to the town of Florence for a water system 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. Motion carried unanimously.

Motion by Goldhammer, seconded Soholt, to adopt Resolution #2015-84 approving the South Dakota Consolidated Water Facilities Construction Program grant agreement between the Board of Water and Natural Resources and the town of Florence for up to 42.5 percent of approved total project costs not to exceed $1,000,000 for a water system improvements project; and to adopt Resolution #2015-85 approving a Drinking Water State Revolving Fund loan up to a maximum commitment amount of $567,000 at 3.25 percent for 30 years to the town of Florence for a water system 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 and contingent upon the borrower establishing a surcharge at a level sufficient to provide the required debt coverage. Motion carried unanimously.

Emery requested $2,200,000 for a water distribution system upgrade and replacement project. The estimated total project cost is $2,221,587. Emery will contribute $21,587 in local cash.

The project will replace much of the water main in the city and install looping sections to improve pressure and water quality. The city anticipates bidding the project in early 2017 with project completion in November 2018.

Emery's current rates are $41.20 per 5,000 gallons based on usage.

Staff recommended awarding a Consolidated grant for 27.7 percent of total project costs not to exceed $615,000 and awarding a $1,585,000 Drinking Water SRF loan at 3 percent for 30 years.

Emery has pledged a project surcharge for repayment of the loan. Staff analysis indicated that a $34.20 surcharge would be required to provide the coverage on the loan, bringing total rates to $75.40.

Mr. Bruels noted that staff is aware that the recommended funding package would result in high rates for Emery. However, Emery is the lowest drinking priority point project applicant in this funding round. In order to fund the higher ranking projects at reasonable rates there was not enough subsidy funding available in the current year to provide a viable funding package to Emery. Staff understands the wastewater line replacement and water line replacement projects are closely linked, and that doing one without the other does not make sense. Mr. Bruels said part of the reason to provide funding for the drinking water project now is to hopefully allow the city to utilize the grant funding early on so the engineering firm can proceed with design and have a project ready to bid by

next year or the following year. Staff would encourage the city to request an amendment for consideration at the March 2016 meeting for additional grant or principal forgiveness funding.

Staff recommended the loan 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.

Josh Kayser, mayor of Emery, discussed the project and requested approval of funding. He answered questions form the board.

Motion by Lanning, seconded by Bernhard, to adopt Resolution #2015-86 approving the South Dakota Consolidated Water Facilities Construction Program grant agreement between the Board of Water and Natural Resources and the city of Emery for up to 27.7 percent of approved total project costs not to exceed $615,000 for a water distribution system upgrade and replacement project; and to adopt Resolution #2015-87 approving a Drinking Water State Revolving Fund loan up to a maximum commitment amount of $1,585,000 at 3 percent for 30 years to the city of Emery for a water distribution system upgrade and replacement 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.

SMALL WATER FACILITIES FUNDING APPLICATION: Mr. Perkovich presented the funding application and staff recommendation. Mr. Perkovich noted that when the Small Water Facilities program was originally formulated for projects that were less than $250,000 to give those projects a way to get funded without having to go through the SRF requirements and the more rigorous application process. Now any project that is not eligible for SRF funding is allowed to apply for Small Water Facilities funding.

Haakon County School District requested $647,000 for a geothermal wastewater treatment system project. The estimated total project cost is $647,000.

The Haakon County School District requested funding to make improvements to the treatment facility used to treat the discharge water from the district's geothermal heating system.

The geothermal well water is naturally high in Radium 226, so it is treated with barium chloride. The system includes ponds that are used as settling ponds following the barium chloride treatment.

An inspection conducted by DENR in 2009 raised significant concerns about the condition of the ponds and the barium chloride delivery system. Additionally, the condition of the barium chloride handling system raised concerns regarding the health and safety of the operators. At that time, the district was told significant repairs or upgrades were needed to the treatment system to ensure compliance with the discharge permit. Since then, the district has had a number of violations of the radium limit in its discharge permit.

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Following a 2014 inspection at the site, the district was notified that a compliance schedule would be included in its new discharge permit. The draft permit is now at public notice. The schedule requires them to upgrade the system by October 2018.

Staff recommended awarding a Consolidated grant for 80 percent of eligible costs not to exceed $517,600.

Mr. Perkovich noted that EPA Region 8 staff determined that the project is not eligible for funding from the Clean Water SRF program. The 80 percent grant recommendation is the maximum allowable. Staff understands that the school district must issue capital outlay certificates to cover the remaining 20 percent of the project cost.

Kevin Morehart, school superintendent, and Dave LaFrance, Banner Associates, discussed the project and answered questions from the board.

Motion by Gnirk, seconded by Jones, to adopt Resolution #2015-88 the South Dakota Consolidated Water Facilities Construction Program grant agreement between the Board of Water and Natural Resources and the Haakon County School District for up to 80 percent of approved total project costs not to exceed $517,600 for a geothermal wastewater treatment system project. Motion carried unanimously.

Mr. Perkovich provided a summary of funds available for the next funding round.

SOLID WASTE MANAGEMENT PROGRAM FUNDING APPLICATIONS: Andy Bruels presented the applications and staff recommendations for funding. He reviewed a summary of available funds.

Brown County requested $385,000 for the purchase of a new scraper. The estimated total project cost is $770,494. The county will use local cash for the remaining funds.

The county proposes to purchase a new scraper at the landfill to replace the existing scraper which has outlived its useful life.

Staff recommended awarding a Regional Landfill Assistance grant for 30 percent of total project costs not to exceed $231,000.

Mike Scott, Brown County Landfill, discussed the need for a new scraper and answered questions from the board.

Motion by Lanning, seconded by Bernhard, to adopt Resolution #2015-89 approving the South Dakota Regional Landfill Assistance grant agreement between the Board of Water and Natural Resources and the Brown County Landfill for up to 30 percent of approved total project costs not to exceed $231,000 for the purchase of a new scraper. Motion carried unanimously.

Pierre requested $575,000 for the purchase of a solid waste baler. The estimated total project cost is $825,000. The city will use local cash for the remaining funds.

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The city of Pierre is proposing to replace the baler at the solid waste facility transfer station. The concrete around the baler area will also be replaced and minor improvements will be made to the conveyor system. A new baler will be more efficient and less likely to malfunction.

Staff recommended awarding a Regional Landfill Assistance grant for 40 percent of total project costs not to exceed $330,000 and awarding a Regional Landfill Assistance loan for $245,000 at 2.25 percent for 10 years.

The city has pledged sales tax for repayment of the loan. Staff analysis indicates debt coverage will be 223 percent.

Staff recommended the award be contingent on the borrower adopting a bond resolution and the resolution becoming effective.

John Childs, city engineer, discussed the project and answered questions from the board.

Motion by Bernhard, seconded by Jones, to adopt Resolution #2015-90 approving the South Dakota Regional Landfill Assistance grant agreement between the Board of Water and Natural Resources and the city of Pierre for up to 40 percent of approved total project costs not to exceed $330,000 for the purchase of a baler, concrete around the baler area, and improvements to the conveyor system, and to adopt Resolution #2015-91 approving the South Dakota Solid Waste Management Program loan agreement between the Board of Water and Natural Resources and the city of Pierre for an amount not to exceed $245,000 at 2.25 percent interest for ten years for the purchase of a baler, concrete around the baler area, and improvements to the conveyor system. The loan is contingent on the borrower adopting a bond resolution and the resolution becoming effective. Motion carried unanimously.

Mr. Bruels provided a summary of available funds for upcoming funding rounds.

<u>DELMONT FORCE MAJEURE NOTIFICATION AND REQUEST FOR DEBT SERVICE RELIEF</u>: On May 10, 2015, a tornado struck Delmont in Douglas County, SD. The tornado destroyed 44 homes and 28 others had major damage.

Mr. Feeney reported that Delmont has a Drinking Water SRF loan (DW-01) at 2.5 percent interest for 30 years for water main improvements. Delmont pledged a project surcharge for repayment of the loan. The city makes quarterly payment of $1,888.60, and the next payment is due July 15, 2015. The loan balance is $138,086.75.

Delmont also has a Consolidated loan (2011L-306) at 2.25 percent for 10 years for a water meter replacement project. The city makes semi-annual payments of $1,387.24, and the next payment is due November 1, 2015. The loan balance is $19,049.33.

As required by Section 9.1(b) of the loan documents for both loans, Delmont provided written notice to the board of its inability to meet its debt service obligations due to this act of God. The city has requested forgiveness of the Drinking Water SRF loan balance of $138,086.75 and the Consolidated loan balance of $19,049.33.

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Mr. Feeney noted that Delmont's most recent funding application reflected 145 total drinking water accounts, and the tornado had significant impact on 28 percent of the accounts.

Mr. Feeney stated that the board has full discretion to convert the $19,049.33 balance of the Consolidated loan to a grant. Consideration of additional principal forgiveness is constrained at this time by the limited amount of available principal forgiveness. In addition, adjustments to the Drinking Water SRF loan, which is technically Delmont's municipal bond, will constitute a reissuance, and bond counsel involvement will be required.

Mr. Feeney stated that staff believes forgiveness of the Drinking Water SRF loan is premature.

Staff recommended that the board inform Delmont that its inability to make its July 15, 2015, payment is deemed not to constitute a default by reason of force majeure. Staff also recommended the board provide direction to staff regarding debt forgiveness for consideration at the September board meeting.

Mr. Feeney requested the board reevaluate Delmont's repayment ability at the September and subsequent board meetings.

Mae Gunnare, mayor of Delmont, discussed city's budget and its inability to repay the loans at this time. She requested that the board defer the loan payments until at least the first of the year.

Mr. Feeney and Mayor Gunnare answered questions from the board.

Motion by Gnirk, seconded by Jones, to inform Delmont that its inability to make the July 15, 2015, loan payment is deemed not to constitute a default by reason of force majeure. Motion carried unanimously.

Motion by Goldhammer, seconded by Soholt, to adopt Resolution #2015-92 approving conversion of Delmont's South Dakota Consolidated Water Facilities Construction Program loan agreement 2011L-306 to a grant. Motion carried unanimously.

The board will review the request for debt forgiveness at a subsequent board meeting.

<u>LEWIS AND CLARK REGIONAL WATER SYSTEM STATE WATER RESOURCES MANAGEMENT LOAN AGREEMENT</u>: Mr. Feeney stated that the 2015 State Legislature appropriated $7,700,000 in loan funding to Lewis and Clark Regional Water System in Section 2 of Senate Bill 173. Funding has been provided based upon the expectation that the federal government will appropriate funds up to the federally authorized ceiling, and that federal funding will be the repayment source.

The department has received a request from the project sponsor to place this appropriation under agreement. He distributed a copy of a letter from Troy Larson, executive director of the water system.

Mr. Feeney noted that a loan agreement was drafted with the assistance of the Attorney General's Office, and the loan agreement has completed the DENR review process. The funding will be for engineering, easements, construction and other costs associated with completion of Segment 1 and

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Segment 5 of the Madison Service Line. Segment 1 will provide a connection for Minnehaha Community Water Corporation near Crooks, and Segment 5 will be used as part of an interim connection so Madison can receive water from Big Sioux Community Water System.

Staff recommended the board approve the resolution authorizing the Chairman to execute the State Water Resources Management System Loan Agreement with Lewis and Clark Regional Water System, Inc.

Motion by Goldhammer, seconded by Jones, to adopt Resolution #2015-93 approving the South Dakota State Water Resources Management System loan agreement in the amount of $7,700,000 to Lewis and Clark Rural Water System and authorizing the chairman of the board to execute the loan agreement. The loan is contingent on the borrower resolution becoming effective. Motion carried unanimously.

DEPARTMENT OF ENVIRONMENT AND NATURAL RESOURCES STATE WATER RESOURCES MANAGEMENT SYSTEM GRANT AGREEMENT: Mr. Feeney reported that pursuant to the board's recommendation, the 2015 Legislature amended the State Water Resources Management System component of the State Water Plan to include statewide Hydrology and Water Management Studies to manage and protect state water resources.

In Section 3 of Senate Bill 173, the 2015 Legislature appropriated $250,000 to the board for grants to state and local project sponsors of hydrology and water management studies. The Department of Environment and Natural Resources' Geological Survey Program has submitted a request for a $47,000 grant to examine isotopes in selected aquifers in eastern South Dakota. The grant funds will cover the cost for analyzing water samples for carbon-14, tritium, and the stable isotope ratios at out-of-state laboratories.

Derric Iles, state geologist, SD Geological Survey, discussed the proposal to examine isotopes in selected waters in eastern South Dakota. The proposal has two primary goals. The first goal is to ascertain the degree of mixing of glacial meltwater with more recently derived meteoric water in selected aquifers. The second goal is to draw inferences as to recharge sources, flow directions and discharge destinations of ground waters in the selected areas.

Mr. Iles answered questions from the board members.

Staff recommended the board approve the resolution authorizing the chairman to execute the State Water Resources Management System grant agreement with the Department of Environment and Natural Resources.

Motion by Gnirk, seconded by Bernhard, to adopt Resolution #2015-94 approving the State Water Resources Management System grant agreement in the amount of $47,000 with the South Dakota Department of Environment and Natural Resources. Motion carried unanimously.

ELECTION OF OFFICERS: Gnirk nominated the following slate of officers Brad Johnson as chairman, Gene Jones as vice chairman, and Todd Bernhard as secretary.

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Motion by Gnirk, seconded by Lanning, that nominations cease and a unanimous ballot be cast for the following slate of offices - Brad Johnson as chairman, Gene Jones as vice chairman, and Todd Bernhard as secretary. Motion carried unanimously.

SEPTEMBER BOARD MEETING: The next meeting is scheduled for September 24, 2015, via the Digital Dakota Network. Mr. Perkovich discussed possible agenda items.

ADJOURN: Motion by Lanning, seconded by Soholt, that the meeting be adjourned. Motion carried unanimously.

Approved this 24th day of September, 2015.

(SEAL)

_____
Chairman, Board of Water and Natural Resources

ATTEST:

_____
Secretary, Board of Water and Natural Resources

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BOARD OF WATER AND NATURAL RESOURCES
ATTENDANCE SHEET

DATE 6-25-15 LOCATION Matthew Training Center - Pierre

Name (PLEASE PRINT)	Address	Representing
Jon Peschong	Pierre	DENR
Mike Perkovich	"	"
Derek Lankford	"	"
PAUL GNIRK	NEW UNDERWOOD	BWNR
PATRICK CALLAN	FLORENCE	FLORENCE
Jim PUTNAM	ARMOUR	SCWD
Andy Bruels	Pierre	DENR
Jerry Soholt	Sioux Falls	BWNR
Dave Brittel	Huron	JRWDD
Dave Ruhnke	Pierre	DENR
Claire Peschong	Pierre	SDDENR
Emeline Post	Pierre	CSDED
Matthew Oedekoven	Rock Rapids IA	DGR Engineering
Neal Rowett	Bear Butte Water →	
Bruce Weyrich	Sturgis SD	BBVW
DENNIS KINSLOW	STURGIS SD	BBVW
Jim Anderson	Pierre	DENR
Ted Dickey	Aberdeen	NECOG
Jackie Lanning	Brookings	BWNR
David Hertz	Pierre	DENR
JOSHUA KAYSER	EMERY	CITY OF EMERY

BOARD OF WATER AND NATURAL RESOURCES
ATTENDANCE SHEET

DATE 6-25-15 LOCATION Matthew Training Center

Name (PLEASE PRINT)	Address	Representing
Barry McCaury		SD DENR - Pierre
Todd Bernhard	Fort Pierre	BWNR
Marlene Knutson	PO Box 220 Pierre	CSDED
Mike Scott	Brown County-Aberdeen	BC Landfill
Joshua Kayser	Emery	City of Emery
Mae Gunnare, Mayor	Delmont	City of Delmont
Linda Laib	Delmont	City of Delmont Finance Office
Carl A Shaw	Edgemont	City of Edgemont
Sandra Woodward	Edgemont	City of Edgemont
Bill Lass	Rapid City	BH Council of Gov't's.
Dave LaFrance	Rapid City	CITY OF PHILIP
Erin Steever	Sioux Falls	City of Cavour/Monroe
Pete Jahraus	Pierre	DENR
Bob Babcock	Aberdeen	Helms & Associates
Tom Fischbach	Warner	Brown Co.
Ted Schultz	Rapid City	AE2S - Edgemont
Don Hollenbeck	Trail City	TCG
Bill Haha	Trail City	TC+G
Jim Keller	Trail City	TC+G
Jason Voegele	Mobridge	TC+G
Leon Voegele	Trail City	TC+G

BOARD OF WATER AND NATURAL RESOURCES
ATTENDANCE SHEET

DATE 6-25-15 LOCATION Matthew Training Center

Name (PLEASE PRINT)	Address	Representing
Kelly Landis	Trail City	TC+G Water
TED Schweitzer	Glencross	TC eG Water
Stephen Keller	Trail City	T.C. +G Water
Chaney Shrake	Pierre	Brost Engineering
Karen Morehart	Philip	Haakon School Dist
Lisa Gogolin	Cavour	Cavour
John Childs	City of Pierre	
Paul Goldammer	Wall SD	BWNR

September 24, 2015
Item 5

TITLE: Brownfields Revitalization and Economic Development Program

EXPLANATION: In accordance with ARSD 74:05:12:02, the Board of Water and Natural Resources adopt the annual work plan including a list of projects being funded this year.

RECOMMENDED ACTION: Adoption of FFY 2016 Brownfields Work Plan.

CONTACT: Kim McIntosh,
Ground Water Quality Program
773-5091

SOUTH DAKOTA
BROWNFIELDS REVITALIZATION AND ECONOMIC DEVELOPMENT PROGRAM
FY 2016 WORK PLAN

INTRODUCTION

The state of South Dakota proposes to adopt the following Work Plan for federal fiscal year 2016 as required under ARSD 74:05:12:02. The primary purpose of the Work Plan is to identify proposed annual Brownfields projects to be funded through the Brownfields Revolving Loan Subfund and Brownfields Assessment and Cleanup Subfund and amounts available to fund such projects. The Board of Water and Natural Resource's intent to adopt the Work Plan has been publicly noticed in three state papers: Aberdeen, Rapid City Journal and the Pierre Capitol Journal. Copies of the Work Plan have been provided to those parties requesting a copy. This Work Plan reflects the results of the public's review.

The Department of Environment and Natural Resources (DENR) currently has no funds available to capitalize the revolving loan fund.

The department does however have limited funding for the Assessment and Cleanup Subfund. These funds will be used by the department to hire contractors to perform assessment and cleanup work on eligible Brownfields sites. The work plan provides a list of projects and the work that is being performed on each project by the department. In addition, the department may supplement Brownfields Assessment and Cleanup funds with other available funds such as Leaking Underground Storage Tank (LUST) Trust Funds and other appropriate funds. The department estimates that $100,000 in LUST Trust funds will be used through the Assessment and Cleanup Subfund on LUST eligible activities at Brownfields sites in 2016. These funds will be used to assess and cleanup petroleum contaminated properties that meet the requirements of both the Brownfields Program and the Leaking Underground Storage Tank Program.

WORK PLAN ELEMENTS:

1. Information on the Assessment and Cleanup Subfund

2. Table 1 - List of projects being assessed or cleaned up using the Brownfields Assessment and Cleanup Subfund.

3. Board approval of the annual work plan.

4. Information on the Brownfields Revolving Loan Subfund.

Brownfields Assessment and Cleanup Subfund

The department has received funds from EPA for the development and enhancement of a state Brownfields program. DENR has the ability to use a portion of these funds (up to 50%) to perform assessment and cleanup activities at eligible Brownfields sites.

The department has been using these funds to assist eligible entities with work to assist in the redevelopment of Brownfields sites. Table 1 lists projects that have been funded or are being funded with Brownfields Assessment and Cleanup sub-funds. Each year the department prepares a work plan and budget which is submitted to EPA. Funding to the states fluctuates each year and is not guaranteed. For federal fiscal year 2016, the department will receive $450,500 in funds for the Brownfields Program. EPA limited states ability to apply for additional funds based on the amount of unexpended funds that each state has remaining. The department will prioritize the work that is performed in the next year to insure that remaining funds are used to complete the projects that are already in progress. Table 1 contains a list of qualifying projects where assessment and cleanup actions are currently being conducted.

The department currently has selected projects based on the qualifying applicant/project, availability of funds, environmental merits of the project, and public benefit. All projects have been funded based on a first come basis. Due to the increased awareness of the program and the limited funds available, the department will prioritize assessment activities over cleanup activities. Property held by public entities (cities or counties) or non-profit organizations will receive priority over privately held properties. Assessment work will only be performed on privately owned property if the project can be shown to provide a significant public benefit to the community. If funds are available, cleanup activities will be performed on those projects where the cleanup provides a clear public benefit and provides significant protection to human health or the environment.

DENR typically hires a contractor to perform the necessary work. The department can contract or grant funds directly with a City or County to fund assessment and cleanup activities under certain circumstances.

To be eligible for Assessment or Cleanup assistance from the department, the following must occur:

- Assessment and Cleanup funds must be available
- An application must be submitted to DENR.
- DENR must review the application and determine that both the project and the applicant are eligible to receive funding under the federal act.
- The applicant must have a letter of support from the Mayor or City Commission or if the site is located in a rural area, the County Commission.
- EPA must approve of each applicant, project, and the work plans for each phase of the work performed if the property is owned by the State of South Dakota.
- DENR must meet or have a conference call with the applicant to discuss the work needed and to discuss prospective redevelopment plans.
- The Department and its designees must have access to the property to perform the necessary work.
- The work plan and budget for each project must be approved and signed by the Secretary of the Department of Environment and Natural Resources, or the Secretary's designee.

- The applicant must agree to comply with the cleanup requirements of the department.

Board Approval of the Annual Brownfields Work Plan

It is anticipated that the department will provide Assessment and Cleanup Subfund assistance in those circumstances where the costs of performing the project are low, cleanup could be completed with available funds, and there is strong community support of the project.

With the approval of the annual work plan, the Board grants approval to the department to proceed with the expenditure of the funds to perform work that is eligible under federal and state laws. Projects that meet the eligibility requirements of the state and federal law may be added at any time to Table 1: *List of Brownfields Assessment and Cleanup Projects.* The addition of projects to Table 1 allows the department to proceed with the expenditure of funds to perform the assessment and cleanup work as necessary at each site. This work may be initiated prior to the next board hearing as long as the project expenditures are within the guidelines established by EPA. The department will provide the Board with an updated list of projects at each scheduled board hearing when new projects are listed.

Table 1

List of Brownfields Assessment and Cleanup Projects
07/23/2015

Start Date	Applicant	Site Name/Location	Assessment, Cleanup, or Other Funds Requested	Amount Anticipated / the Amount Spent as of 7/23/2015*
2005	City of Pierre	Pierre VOC (BETX) Investigation	Leaking Underground Storage Tank Funds	$400,000/ -$474,917
2011	Harding County	Airport project	Leaking Underground Storage Tank Trust Funds	$80,000 -31,528
2011	Behm's Service/DENR	Behm's Service and Utility Project - Howard	Leaking Underground Storage Tank Trust Funds	$180,000 -157,236 complete
2013	Stanley County School District	Fort Pierre Elementary School	Leaking Underground Storage Tank Trust Funds	$30,000 -19,070
2013	City of Miller	Street Project	Leaking Underground Storage Tank Trust	$20,000 -0.00

			Funds	
2014	Sturgis Economic Development Corp	Former Primary School	Assessment	$32,000 -17,147 complete
2014	Jerkin's Living Center	Former St. Martin's Church	Cleanup	$70,000 -61,988 complete
2014	City of Colman	Street Project	Leaking Underground Storage Tank Trust Funds	$30,000 -4,657
2014	DENR	Former Baltic Service	Leaking Underground Storage Tank Trust Funds	$35,000 -0.00
2014	Kadoka School District	Former Ponderosa Campground	Assessment	$37,000 -33,024 complete
2015	**Huron Economic Development**	**Former Huron Water Treatment Plant**	**Assessment**	**$50,000 -12,712 complete**
2015	**City of Highmore**	**Street Project**	**Leaking Underground Storage Tank Trust Funds**	**$80,000 -0.00**
2015	**Madison Economic Development**	**Former Wenk Foods**	**Assessment**	**$30,000 -0.00**
2015	**Northern State University**	**Former Madison Community Hospital**	**Assessment**	**$45,900 -0.00**
2015	**Belle Fourche Economic Development**	**Former Airport Property**	**Assessment**	**$55,000 -0.00**

Bold = new projects
Strike through = projects that have been removed or withdrawn
* = projects completed with other funds

Public Review and Comment
In accordance with ARSD 74:05:12:02 the department shall develop an annual work plan which will be provided to the Board of Water and Natural Resources within 30 days of the effective date of the rules and prior to January 1st each year thereafter. Upon completion of the work plan by the department, the board shall conduct a public hearing and receive comments from the public. The Board shall provide notice of the public hearing prior to adoption of the work plan. This work plan has been provided to the public at least 20 days prior to the Board hearing. Comments to the work plan, if any were provided, will be attached. See Attachment 1.

Brownfields Revolving Loan Subfund

The Department of Environment and Natural Resources (DENR) currently has no funds available to capitalize the revolving loan fund. If the department would receive Brownfields Revolving Loan Funds, the Work Plan will be modified to clearly outline the following details:

1. Goals and objectives of the program;
2. Eligible activities as outlined in ARSD 74:05:12:06; and
3. Criteria and method for distribution of the Revolving Loan Subfund.

Attachment 1

Public Comments on the Annual Work Plan

September 24, 2015
Item 6

TITLE: Delmont Force Majeure Notification

EXPLANATION: The city of Delmont has submitted the attached letter to provide written notice to the Board of Delmont's continuing inability to meet its debt service obligation on its Drinking Water State Revolving Fund loan (DW-01) due to the continued impact of an act of God.

Background

On May 10, 2015, a tornado struck Delmont and caused extensive damage or destruction of 44 water service connections or nearly a third of the community's 153 water users. As required by section 9.1 (b) of the Board's loan documents, Delmont provided written notice to the Board in May of its inability to meet its debt service obligation due to this act of God.

At its June meeting, the Board converted Delmont's state Consolidated Program loan balance of $19,050 to a grant and concurred that Delmont's inability to make its July 15th Drinking Water SRF payment was deemed not to constitute a default by reason of *force majeure*. The Board directed staff to explore options for debt forgiveness of Delmont's remaining loan.

- Drinking Water SRF (DW-01) – water main improvements
  - Award date: June 26, 2008
  - Loan balance: $138,086.75
  - Terms: 2.5% / 30 years
  - Quarterly payment: $1,888.61
  - Next payments due: October 15, 2015 and January 15, 2016

Staff discussed the option of providing principal forgiveness for DW-01 with EPA Region 8. Due to older SRF capitalization grants being closed not allowing the use of principal forgiveness for disadvantaged communities based on the award date and newer grants not allowing the use of principal forgiveness for refinancing of an existing debt, it was determined that SRF principal forgiveness is not an option.

Staff will work with Delmont to determine a course of action to provide additional debt relief. It is anticipated that this cannot be addressed until additional Consolidated funding is available in March 2016.

RECOMMENDED ACTION: Inform Delmont that its inability to make its October 15, 2015 and January 15, 2016 payments are deemed not to constitute a default by reason of force majeure.

CONTACT: Jim Feeney (773-4216)

City of Delmont
105 W Main St.
PO Box 202
Delmont, SD 57330
Phone (605) 779-2621
Fax (605) 779-2622

September 8, 2015

Dear Chairman Johnson and Board Members,

Thank you from the City of Delmont for passing the Resolutions 2015-92 converting the $ 19,049.33 balance and accrued interest on consolidated loan # 2011L-306 to a grant.

Also, thank you for taking the following actions at your June meeting: That Delmont's inability to make its July 15th payment was deemed not to constitute a default by reason of force majeure.

As required by section 9.1 (b) of the loan document, this letter provides written notice to the Board of Delmont's continuing inability to meet its debt service obligation on DW-01 loan due to the continued impact of this act of God. The City of Delmont cannot meet our October 15th and January 15th payments, so we are asking that these two payments be deemed not to constitute a default by reason of force majeure . In addition, the City of Delmont requests forgiveness of this loan.

To give an update of our status in Delmont, we do have six (6) homes that are being rebuilt which includes: one model home, governor's home and the Zion Lutheran parsonage. Currently the Delmont Volunteer Fire Hall has started to be rebuilt rebuilding. The Koehn Funeral Home Chapel is not being rebuilt along with (34) thirty-four resident homes in Delmont. The Zion Lutheran Church is possibly rebuilding next spring. The City of Delmont has lost approximately 70 residents, 35 homes and a business. The recovery from the May 10th tornado will take years for Delmont to recover.

With the loss of these structures, Delmont will have a yearly utility loss of over $ 30,000 and estimated loss of property tax of $ 22,000. Please contact Linda Laib, City Finance Officer, if you need additional financial information regarding these matters.

We continue to ask your assistance to be part of our long-term recovery process. Thank you in advance for your consideration of this request.

Sincerely,
Mae Gunnare
Mae Gunnare
Mayor of Delmont
LL

September 24, 2015
Item 7

TITLE: Amendments to 2015 State Water Facilities Plan, 2015 Clean Water State Revolving Fund and 2015 Drinking Water State Revolving Fund Intended Use Plans

EXPLANATION: Water projects which will require state funding or need state support for categorical grant or loan funding need to be on the State Water Plan. The Board of Water and Natural Resources annually approves projects for placement onto State Water Facilities Plan and provides for amendments of projects onto the plan. Placement of a project on the State Water Plan by the board provides no guarantee of funding. The projects placed onto the plan at this meeting will remain on the facilities plan through December 2016.

Projects seeking a Clean Water or Drinking Water State Revolving Fund loan must be included on the project priority list of the Intended Use Plan. The State Water Plan applications are used to determine which projects should be amended onto the State Revolving Fund Project Priority Lists.

The following is the list of State Water Plan applications received by the August 1, 2015 deadline.

a.	Brookings-Deuel Rural Water System
b.	Lead

Staff is recommending that the following projects be amended onto the 2015 Clean Water State Revolving Fund Project Priority List:

Priority Points	Loan Recipient	Estimated Loan Amount	Expected Loan Rate & Term
8	Lead	$560,000	2.25%, 10 years

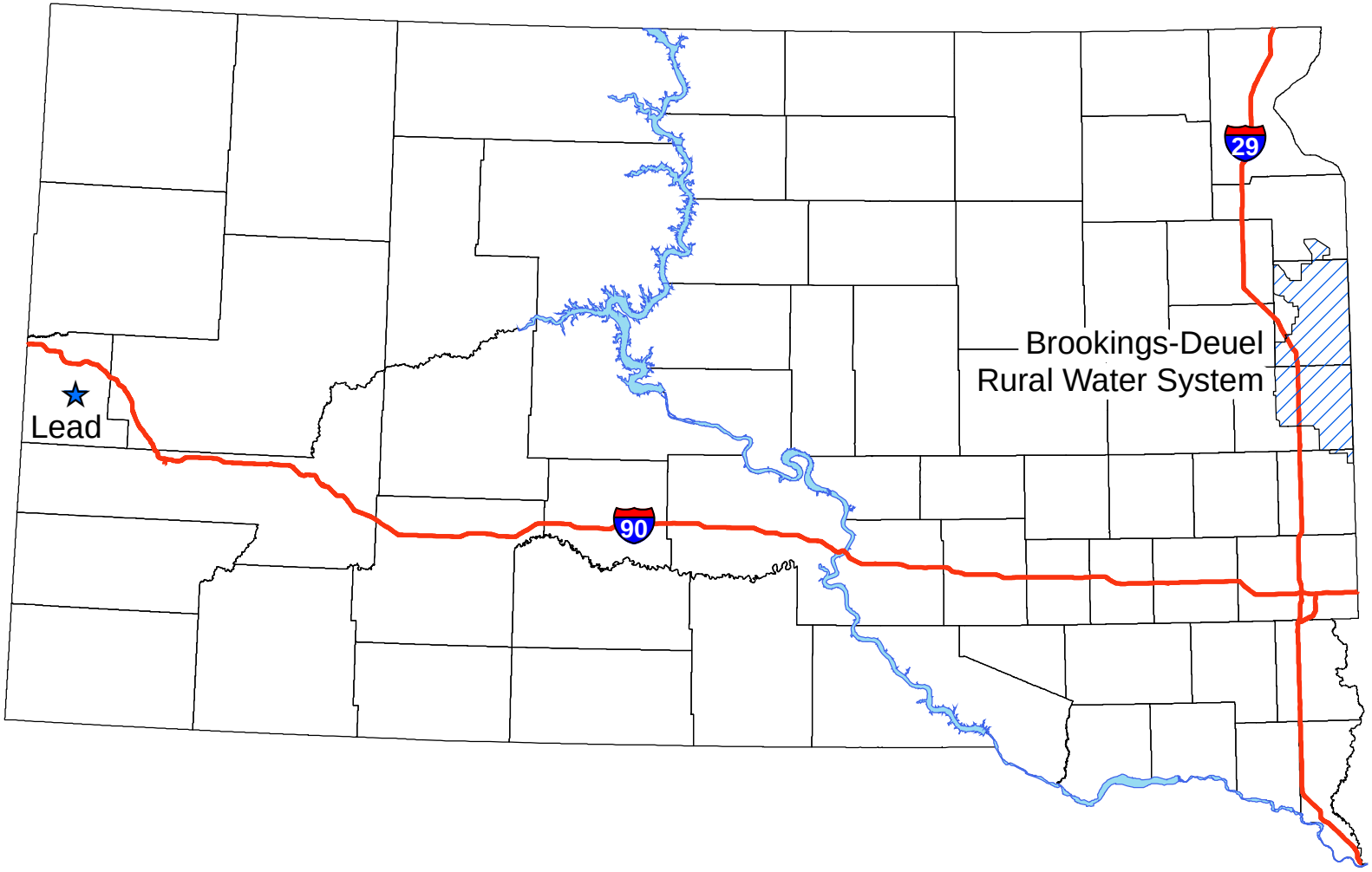
Staff is recommending that the following projects be amended onto the 2015 Drinking Water State Revolving Fund Project Priority List:

Priority Points	Loan Recipient	Estimated Loan Amount	Expected Loan Rate & Term
17	Brookings-Deuel Rural Water System	$675,000	2.25%, 10 years
16	Lead	$560,000	2.25%, 10 years

September 24, 2015
Item 7

RECOMMENDED ACTION:	Approve amendment of projects on the 2015 State Water Facilities Plan, 2015 Drinking Water State Revolving Fund and 2015 Drinking Water State Revolving Fund Intended Use Plans
CONTACT:	Andy Bruels, 773-4216

State Water Plan Applications
September 2015



State Water Plan Application

Applicant:	Proposed Funding Package	
Brookings Deuel Rural Water System		
Address:	Projected State Funding	$675,000
47602 SD Highway 28 Toronto, SD 57268	Local Cash	0
	Other:	
Phone Number: (605) 794-4201	Other:	
	TOTAL	$675,000

Project Title: Automatic Meter Reading System Installation

Description: (Include present monthly utility rate.)

Brookings Deuel Rural Water System (BDRWS) is considering improvements to their current metering system. Automatic Meter Reading (AMR) devices will be installed at each service with a Sensus FlexNet radio network. The radio AMR system allows hourly usage data to be automatically recorded, transmitted, and stored for easy online access by the utility and the user. AMR systems greatly increase the ease and accuracy of measuring water use. The increased frequency of meter reading and transmission can help identify service line leaks and abnormal usage patterns, therefore reducing the water demand on the utility and preventing an unidentified leak from causing a spike in the user's bill. The instantaneous usage data also allows the utility to more easily analyze patterns to determine which areas of the system may require improvement. BDRWS plans to use a SRF loan to pay for the project. The loan will be repaid over a ten year period by increasing the minimum monthly fee for each of 2,550 users by $2. The monthly utility rate for farms and rural residences is a minimum of $33 + $3.20/1,000 gal and $2.75/1,000 gal over 20,000 gal.

The Applicant Certifies That:

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

Gene Wilts General Manager	Gene P. Wilts	7-20-15
Name & Title of Authorized Signatory (Typed)	Signature	Date

State Water Plan Application

Applicant:	Proposed Funding Package	
City of Lead	Projected State Funding	$560,000
Address:	Local Cash	
801 West Main Street Lead, SD 57754	Other:	
	Other:	
Phone Number: 605-584-1401	TOTAL	$560,000

Project Title: Water Meter Replacement Project

Description: (Include present monthly utility rate.)

The City of Lead is proposing to install an automatic meter reading system, which consists of new water meters, transmitters, and touch pads at each water customer's residence or business. The system also includes a new hand-held receiver, Vehicle Base Station, laptop, and software.

The existing water meters are twenty years old, and coming to the end of their life cycle. In addition, it takes city personnel 10 days to collect water meter readings. With the proposed system, the City would be able to have all meter readings collected in one day.

For more detailed information on the proposed project, please see the attached engineering report.

The City of Lead's current monthly water rate is $37.15/5,000 gallons.

The Applicant Certifies That:

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

Jerry Apa, Mayor		7-28-15
Name & Title of Authorized Signatory (Typed)	Signature	Date

September 24, 2015
Item 8

TITLE: Sanitary/Storm Sewer Facilities Funding Applications

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

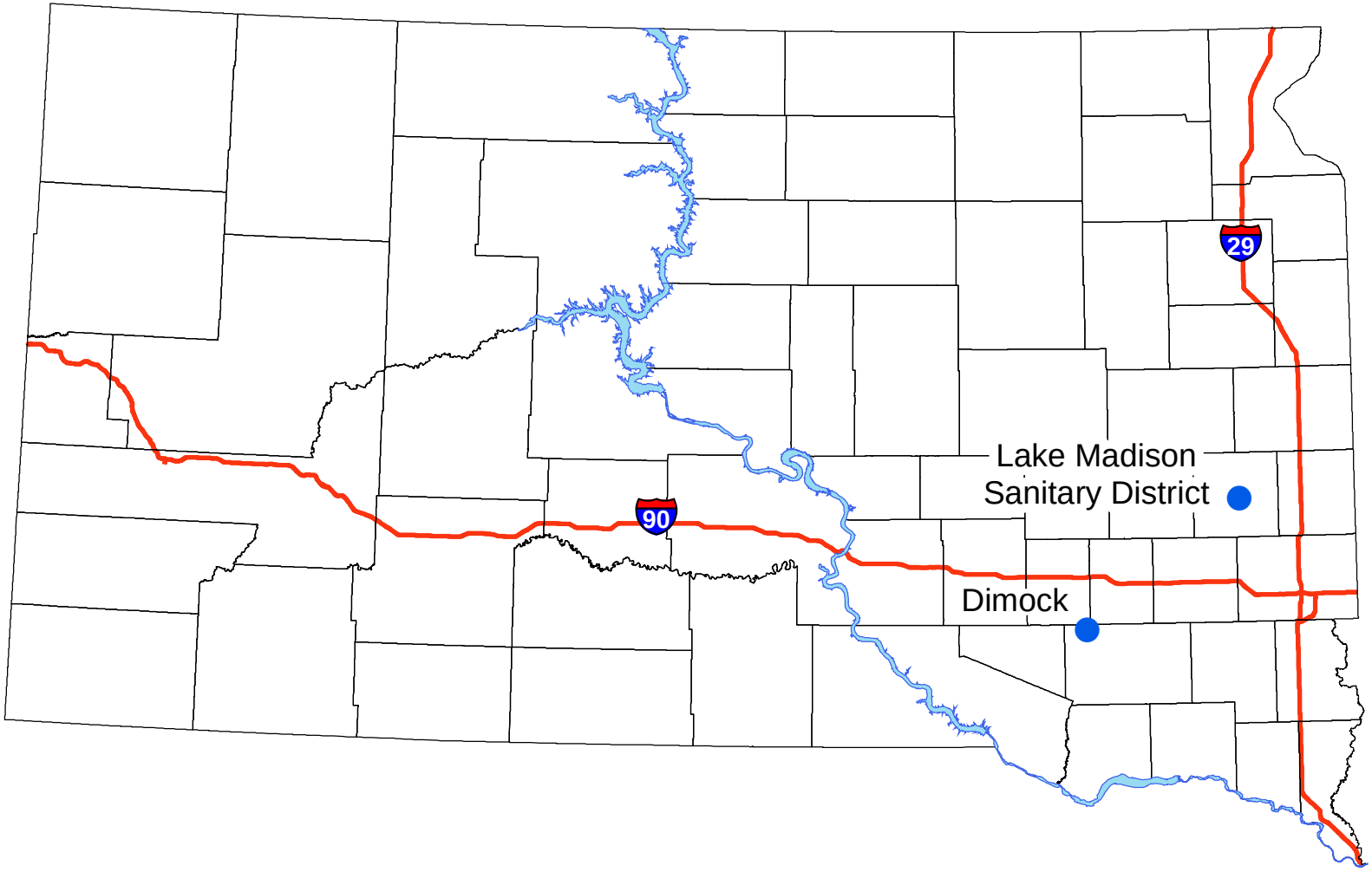
a. Dimock (12)
b. Lake Madison Sanitary District (7)

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

http://denr.sd.gov/bwnrapps/BWNRappssssf0915.pdf

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

Sanitary / Storm Sewer Facilities Applications
September 2015



Sanitary/Storm Sewer Facilities Funding Application

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

Applicant: Town of Dimock	Proposed Funding Package
Address: PO Box 115 Dimock, SD 57331	Requested Funding $528,000 Local Cash $40,000
Subapplicant:	Other: _____ _____ Other: _____ _____
DUNS Number: 04-484-0653	Other: _____ _____ TOTAL $568,000

Project Title: Dimock Wastewater Improvements

Description:

The Town of Dimock is seeking to improve its wastewater treatment facilities and expand its water distribution and wastewater collection systems. The wastewater treatment facility has compliance issues regarding maintaining an adequate depth in the pond and freezing of the influent line in the winter. Correcting this deficiency includes replacement of the existing stream crossing segment of the influent line as well as the installation of an interior dike dividing the deeper section from the shallow section. Other improvements to the treatment facility include valves, manholes, inlet and transfer lines.

The Town is also planning to serve an area in the southern part of the community through the expansion of its water distribution and wastewater collection systems. The development area is planned to accommodate 20 lots. The project plan calls for 1,400 LF of 8" sewer main, 5 manholes, wyes, service lines, and bedding.

The Town charges $25/$30 (residential/commercial) for its sewer service.

The Applicant Certifies That:

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

Rick Herrold, Town Board President		August 19, 2015
Name & Title of Authorized Signatory (Typed)	Signature	Date

WRAP Review Sheet
Sanitary/Storm Sewer Facilities Funding Application
Applicant: City of Dimock

Project Title:	Wastewater Treatment Improvements
Funding Requested:	$528,000
Other Proposed Funding:	$40,000 - Local Cash
Total Project Cost:	$568,000
Project Description:	The Town of Dimock is seeking to improve its wastewater treatment facilities and expand the wastewater collection system. The wastewater treatment facility has compliance issues regarding maintaining an adequate depth in the pond and freezing of the influent line in the winter.
Alternatives Evaluated:	"Do Nothing Alternative" was evaluated but not recommended as this alternative would do nothing to improve the issues facing the wastewater treatment system. "Replace existing stream crossing" alternative would replace the existing wooden beam and piling system that has twisted and sagged resulting in leaking wastewater entering the south fork of Twelve Mile Creek. This alternative will replace the line and support system with precast double tee beams supported on concrete piers which will act as insulation and a bridge over the creek to access the pond. "Wastewater Treatment Upgrades" alternative would include the addition of 3,100 cubic yards of berm material to divide the bi-level pond to the size necessary for maintaining adequate depth and treatment of the waste water. This project also includes the installation of a geosynthetic liner in the new smaller cell. The permitted facility will remain a total retention facility and the additional area will become an artificial wetland. "Sanitary Sewer Collection System Extension" alternative would extend sanitary sewer collection lines to a development on the southern part of town for future connection of anticipated residential lots. This would include approximately 1,800 feet of 4-inch to 8-inch PVC sewer line, five manholes, twelve 4-inch service connections and road surface restoration.

Implementation Schedule:	The city of Dimock anticipates bidding the project in May of 2016 with a project completion date of September 2016.
Service Population:	125
Current Domestic Rate:	$25.00 flat rate

Interest Rate: 3.25% Term: 30 years Security: Wastewater Surcharge

DEBT SERVICE CAPACITY

Coverage at Maximum Loan Amount:	If all funding is provided as loan Dimock would have to enact a surcharge of approximately $36.70. When added to current flat rate of $25 residents would be paying $61.70.

25% Funding Subsidy:	$132,000 subsidy with a loan of $396,000
Coverage at 25% Subsidy:	Based on a 25% subsidy and a loan of $426,000 Dimock would have to enact a surcharge of approximately $27.53 thereby paying a flat rate $52.53.

50% Funding Subsidy:	$264,000 subsidy with a loan of $264,000
Coverage at 50% Subsidy:	Based on a 50% subsidy and a loan of $264,000 Dimock would have to enact a surcharge approximately $18.35 thereby paying a flat rate $43.35.

75% Funding Subsidy:	$396,000 subsidy with a loan of $132,000
Coverage at 75% Subsidy:	Based on a 75% subsidy and a loan of $122,500 Dimock would have to enact a surcharge of approximately $9.18 thereby paying a flat rate $34.18.

ENGINEERING REVIEW COMPLETED BY: CLAIRE PESCHONG

FINANCIAL REVIEW COMPLETED BY: DEREK LANKFORD

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JUN 29 2015
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& Technical Assistance

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Sanitary/Storm Sewer Facilities Funding Application

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

Applicant: Lake Madison Sanitary District	Proposed Funding Package
Address: PO Box 123 Madison, SD 57042-0123	Requested Funding $428,000 Local Cash
	Other:
Subapplicant: N/A	Other:
DUNS Number: 049364243	Other:
	TOTAL $428,000

Project Title: LMSD Area Lift Station 14 South Upgrade Project

Description:

The Lake Madison Sanitary District (LMSD) proposes to upgrade several lift stations and replace an existing force main to resolve issues with the wastewater collection system. Parts of the collection system are experiencing overloading issues during certain times of the year. Several area lift stations share a common three inch force main. This fact plus an increase in the number of dwelling units in this portion of the system are causing overloading problems. The LMSD proposes to install approximately 7,800 LF of six inch force main, install one air release manhole, install six access pits, complete improvements/upgrades to three system lift stations, street repairs and seeding plus install any other necessary appurtenances to complete the proposed project. The proposed project will resolve the identified issues with the system. The LMSD wastewater rate for residential dwellings is a flat fee of $36/month. The LMSD has an established reserve fund for the system.

The Applicant Certifies That:

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

Gary Avise, Chairman	Gary Avise	6-26-15
Name & Title of Authorized Signatory (Typed)	Signature	Date

WRAP Review Sheet
Sanitary/Storm Sewer Facilities Funding Application
Applicant: Lake Madison Sanitary District

Project Title:	Lift Stations and Force Main Improvements
Funding Requested:	$428,000
Other Proposed Funding:	None
Total Project Cost:	$428,000
Project Description:	The southeast corner of Lake Madison Sanitary District's (LMSD) sanitary sewer system is being overloaded due to high growth rates. LMSD is proposing to increase their capacity of the sanitary sewer system to meet the current and future design flows by replacing 7,800 feet of current 3-inch forcemain with 6-inch forcemain and upgrade three overloaded lift stations.
Alternatives Evaluated:	"South Side Force Main" alternative evaluated increasing capacity by replacing 7,800 feet of 3-inch forcemain with 6-inch forcemain and making necessary upgrades and replacement of three lift stations. This alternative was evaluated and selected as it was the most cost effective. "North Side Force Main" alternative would involve the addition of 19,500 feet of 6-inch forcemain to pump the current flow to a separate lift station. This alternative was evaluated but not selected as it was not cost effective. "Add Area Lift Station" alternative would add lift stations necessary to reduce head loss due to friction for current flows. This alternative was evaluated but not selected as it did not address issues with the undersized forcemain for future conditions. "Upgrade Area Lift Station 14-S" alternative would add a high head grinder pump to area lift station 14-S. This alternative was evaluated but not selected as it did not effectively address the issues with the sanitary sewer system
Implementation Schedule:	The Lake Madison Sanitary District anticipates bidding the project in February 2016 with a project completion date of July 2016.
Service Population:	1,902

Current Domestic Rate:	$36.00 flat rate
Proposed Domestic rate at Project Completion	$36.00 flat rate

Interest Rate: 3.25% Term: 30 years Security: Wastewater Surcharge

DEBT SERVICE CAPACITY

Coverage at Maximum Loan Amount:	If all funding is provided as loan, Lake Madison Sanitary District would have 176% coverage based on the current flat rate of $36.00.

50% Funding Subsidy:	$214,000 subsidy with a loan of $214,000
Coverage at 50% Subsidy:	Based on a 50% subsidy and a loan of $214,000 Lake Madison Sanitary District would have 351% coverage based on the current flat rate of $36.00.

ENGINEERING REVIEW COMPLETED BY: NICK NELSON

FINANCIAL REVIEW COMPLETED BY: DEREK LANKFORD

September 24, 2015
Item 9

TITLE: Solid Waste Management Program Funding Applications

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

a. Wakonda
b. Watertown
c. Yankton

Pursuant to ARSD 75:05:10:11, the Board must make its funding decisions within 120 days after applications are presented. In accordance with SDCL 46A-1-83, a minimum of 50 percent of the Solid Waste Management Program funds must be reserved for recycling activities.

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

http://denr.sd.gov/bwnrapps/BWNRappsother0915.pdf

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

Solid Waste Management Applications
September 2015

SD EForm 0482LD V3

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JUL 01 2015
Division of Financial & Technical Assistance

Solid Waste Management Program Application

Applicant

Town of Wakonda

Address

111 Ohio Street

Wakonda, SD 57073

Phone Number 605 267 3118

Proposed Funding Package

SWMP Funds: $7,773

Local Cash: $1.943

Other:

Other:

Other:

Total Project Cost: $9,716

Project Title: Recycling Drop-off trailer purchase

Description: The Town of Wakonda South Dakota population 325 plans to purchase a recycling collection trailer to receive drop-off recycling from residents of Wakonda and surrounding rural residents. Currently Wakonda residents must transport their own recycling 23 miles to Vermillion. The Wakonda trailer will be identical to those used by the Vermillion / Yankton Solid Waste and Recycling system, which operates the Missouri Valley Recycling facility. This reduces the need for re-education. The Wakonda recycling trailer will be located centrally and available 24-hours. The Clay County Highway Department will provide trailer transport to and from the Vermillion system for recycling and assist in the trailer maintenance and care. Ease, availability and convenience are major contributors to increasing the success of recycling participation.

The Applicant certifies that:

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

Steve Mohr Mayor of Wakonda

Name and Title of Authorized Signatory (Typed)

Signature

6-30-15

Date

WRAP Review Sheet
Solid Waste Management Program

Engineering Review Completed By: Drew Huisken

Applicant:	Town of Wakonda
Project Title:	Recycling Drop-off Trailer Purchase
Funding Requested:	$7,773
Other Proposed Funding:	$1,943 – Local Cash
Total Project Cost:	$9,716
Project Description:	The town of Wakonda plans to purchase a recycling collection trailer to receive drop-off recycling from residents in the town and surrounding rural area. Currently, residents do not have access to a recycling drop-off. This purchase will increase recycling participation by increasing the convenience and accessibility of recycling in the area.
Type:	Recycling and Reuse
Service Population:	325
Financial & History Information:	The town of Wakonda has not previously received any SWMP funds.

Solid Waste Management Program Application

Applicant
City of Watertown

Address
PO Box 910
Watertown, SD 57501-0910

Phone Number (605) 882-6243

Proposed Funding Package

SWMP Funds:	$500,000
Local Cash:	$573,436
Other:	
Other:	
Other:	
Total Project Cost:	$1,073,436

Project Title: Watertown Landfill Cell #6 Construction

Description:

The City of Watertown is proposing to design and construct the sixth waste disposal cell at its regional landfill facility. The Watertown landfill facility will need to construct Cell #6 as the current operational cell (#5) will be filled to grade during calendar year 2016. The proposed project includes approximately 152,300 CY of excavation and sub-grade correction; installation of approximately 10,250 SY of geo-composite drainage layer; installation of approximately 26,500 CY of re-compacted soil barrier layer and buffer layer; installation of approximately 13,250 CY of sand drainage layer; installation of de-watering and leachate collection systems infrastructure; removal of old and installation of new fencing; temporary pumping; seeding, mulching and fertilizing of project site plus any other necessary appurtenances to complete this project. The new cell construction will help protect the environment and ensure the continued operation of the regional landfill facility benefiting facility customers. The preliminary engineering report and cost estimates were provided by Houston Engineering Inc.

The Applicant certifies that:

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

Steve Thorson, Mayor — 6-2-15

Name and Title of Authorized Signatory (Typed) — Signature — Date

WRAP REVIEW SHEET
SOLID WASTE MANAGEMENT PROGRAM

ENGINEERING REVIEW COMPLETED BY: DREW HUISKEN

Applicant:	City of Watertown
Project Title:	Watertown Landfill Cell #6 Construction
Funding Requested:	$500,000
Other Proposed Funding:	$573,436 – Local Cash
Total Project Cost:	$1,073,436
Project Description:	The city of Watertown is proposing to design and construct the sixth waste disposal cell at its regional landfill. The new cell will help protect the environment and ensure continued operation of the regional landfill and the benefits it provides to the local population.
Type:	Regional Landfill
Service Population:	41,000
Financial & History Information:	In June 2013, Watertown was awarded a $296,400 grant for construction of the fifth waste disposal cell at its regional landfill. In 2012, Watertown received a $232,500 SWMP grant to purchase a recycling collection truck and single stream containers. In 2010, Watertown received a $92,780 SWMP grant to purchase recycling collection truck. In 2010, Watertown received a $411,305 SWMP grant for construction of the fourth waste disposal cell at its regional landfill.
Fees:	$37.50 per ton – MSW $22.00 each – White Goods $22.00 per ton – Yard Waste

SD EForm 0482LD V3

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JUL 06 2015
Division of Financial & Technical Assistance

Solid Waste Management Program Application

Applicant

City of Yankton

Address

PO Box 176
Yankton, South Dakota 57078

Phone Number (605) 665-5221

Proposed Funding Package

SWMP Funds:	$750,000
Local Cash:	
Other:	
Other:	
Other:	
Total Project Cost:	$750,000

Project Title: Transfer Station Entrance Reconfiguration and Scale Replacement

Description:

The City of Yankton in operates a multi faceted solid waste and recycling facility. Current operations include a Solid Waste Transfer Station, Recycling Center, and Type IIA Restricted Use Site as permitted by the South Dakota Department of Environment and Natural Resources. Activity at the facility has greatly exceeded original estimates resulting in numerous improvements to include expansion of the principal structure for recycling efforts and development of a yard waste composting program. Unfortunately, one critical improvement remains and it is the project before you. Access to the facility was not configured to effectively handle current traffic volumes. A bottleneck occurs at the scale, a scale which has exceeded its service life and is in need of replacement. While replacement of the weigh scale is a critical element within the proposed project, a reconfiguring of the facility's public access routes is as important.

The City of Yankton respectfully request grant and loan funds to assist in replacing a weigh scale in conjunction with implementing a new public ingress and egress routes. Preliminary local discussions and funding estimates have determined a 50/50 grant to loan ratio would be a favorable funding package thereby enabling the City to improve it transfer station operations while retaining a competitive pricing structure.

The Applicant certifies that:

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

Dave Carda, Mayor

Name and Title of Authorized Signatory (Typed)

Signature

Date

WRAP REVIEW SHEET
SOLID WASTE MANAGEMENT PROGRAM

ENGINEERING REVIEW COMPLETED BY: DREW HUISKEN

Applicant:	City of Yankton
Project Title:	Transfer Station Entrance Reconfiguration and Scale Replacement
Funding Requested:	$750,000
Other Proposed Funding:	None
Total Project Cost:	$750,000
Project Description:	The City of Yankton operates a multi-faceted solid waste and recycling facility. The facility is not suited to handle the current traffic volumes that it experiences and significant bottlenecks occur at the ingress scale, which is beyond its service life and in need of replacement. The City of Yankton is proposing to replace the weigh scale as well as make improvements to the ingress and egress routes to sufficiently handle current and future traffic loads.
Type:	Regional Landfill Transfer Station
Service Population:	14,591
Financial & History Information:	In June 2010, Yankton received a $187,500 SWMP for its yard waste composting program. In March 2004, Yankton received a $285,000 RLA loan for its transfer and recycling station. This loan was supplemented in January 2005 with another $67,680 SWMP loan. In March 2004, Yankton received a $75,000 SWMP REC loan and a $225,620 SWMP grant for the same transfer and recycling station mentioned above.
Fees:	$45.00 per ton – MSW (licensed) $50.00 per ton – MSW (unlicensed)

September 24, 2015
Item 10

TITLE: City of Emery Request to Amend Clean Water SRF Loan C461248-01

EXPLANATION: On June 25, 2015, the City of Emery received a $2,890,000 Clean Water SRF loan (3.25 percent interest for 30 years with 58.1% in principal forgiveness not to exceed $1,677,000), a $1,585,000 Drinking Water SRF loan (3.0 percent interest for 30 years), and a $615,000 Consolidated Grant for the replacement of the wastewater collection and water distribution systems that have outlived their useful life. An updated cost estimate of the project by Johnson Engineering has indicated that the current clean and drinking water funding packages will have a combined project shortfall of $348,682.63.

To account for this shortfall, the city requests to amend their Clean Water SRF loan in the additional amount of $194,000, with the intention of making an additional request to amend their Drinking Water SRF loan in the additional amount of $155,000 in the March funding round of 2016.

RECOMMENDED ACTION: Approve the amendment request.

CONTACT: Mike Perkovich (773-4216)

City of Emery
PO Box 38 560 SD Hwy 262
Emery, SD 57332
605.449.4455
emerycity@triotel.net

Emery
South Dakota

August 11, 2015

DENR
Attn: Mike Perkovich
Joe Foss Building
523 E Capitol
Pierre, SD 57501

Water and Waste Funding Board,

The City of Emery is requesting additional grand funds for the clean water portion of our City sewer/water improvement project. We are attempting to be proactive in replacing old lines prior to an emergency or crisis.

When we started looking into this project our rates were $60.00 total for utility services in 2005. In anticipation of the project the city council began raising rates so that we are now at $91.08 total for utility services. Based on the current funding package, with an estimated project cost of $5.09 million, our rates would increase by $54.06 per month for each customer. With an increase to the project cost by $375,000, the impact to users will go up by another $7.65 per month for each customer. This total impact will be a total of $61.71 per month per customer which is a very significant increase. As part of the application process in an effort to qualify for more grant dollars we conducted a survey of the residents and found that more than 50% of our residents fell below the household income of $39,272. The City is striving to keep rates as low as possible for our customers and additional funding would put us in the right position to accomplish this.

Sincerely,

Joshua Kayser
Mayor
City of Emery

TITLE: Lennox Request to Amend Revenue Pledge Securing State Revolving Fund Loans DW-01

EXPLANATION: In July 2004 the Board of Water and Natural Resources approved Drinking Water State Revolving Fund (DWSRF) loan #C462105-01 in the amount of $2,000,000 for the construction of up to three wells, two 500,000-gallon water towers and the updating of a portion of the water distribution system. The city of Lennox pledged system revenue for repayment of the loan. The loan was closed in July 2005 with a rate and term of 3.25 percent for thirty years.

The city of Lennox has requested that the Board approve an amendment to the revenue pledged as security for repayment of Drinking Water State Revolving Fund loan. The city originally pledged System Revenue for repayment of the loan. Lennox has requested that the Board approve amending the revenue pledge and that the loan be secured by a Project Surcharge.

RECOMMENDED ACTION: Approve Lennox's request to change the revenue pledged of repayment for Drinking Water State Revolving Fund loan DW-01 to a pledge of Project Surcharge Revenue.

CONTACT: Dave Ruhnke (773-4583)

CITY OF Lennox
PO BOX 228 • 107 SOUTH MAIN • LENNOX, SD 57039 • (605)647-2286 PHONE / (605) 647-2281 FAX

September 2, 2015

SD Board of Water & Natural Resources
Joe Foss Building
523 E Capitol Avenue
Pierre, SD 57501
Attn: David Ruhnke

Subject: <u>City of Lennox SRF Loan C462105-01 – Request to pledge system user surcharge versus current pledge of system revenue</u>

Dear SD Board of Water & Natural Resources:

In April 2004, the City of Lennox applied for a Drinking Water State Revolving Fund (SRF) Loan of $2,000,000. The security to be pledged at the time of the application was City of Lennox Water Service Revenues. The rate and term of the loan was 3.25% and 30 years respectively. The annual debt service, based on quarterly payments, is $104,616.20.

Since the repayment of the SRF loan currently uses water service revenues, the loan is considered constitutional debt. Because of this, the City of Lennox is requesting to change the repayment pledge to a system user surcharge. Our bond counsel has indicated that changing the repayment pledge to a system user surcharge would remove the loan balance of C462105-01 from City of Lennox constitutional debt.

Our bond counsel, Doug Hajek, will work with SD DENR staff to ensure that all required administrative documents are filed and signed. On behalf of the City of Lennox, I would like to thank the Board of Water & Natural Resources in advance of the decision on our request.

Sincerely,

Greg Stack
Public Works Director

Cc: Jerry Jones, Finance Officer
Lennox City Council (e-mail only)
Doug Hajek, Davenport, Evans, Hurwitz & Smith, LLP

September 24, 2015
Item 12

TITLE: Sioux Falls – Clean Water State Revolving Fund (SRF) Loan Amendment

EXPLANATION: The city of Sioux Falls is requesting an amendment for Clean Water SRF Loan 36. The city received a loan in March 2015 for $18.533 million and $942,025 in Non-Point Source Funds. Additional project items have increased the total project costs. As a result of the increased project costs, the city of Sioux Falls has requested an additional $6.267 million in SRF loan funds and $317,975 in Non-Point Sources Funds.

The project will replace the existing 66-inch outfall line with 72-inch line using open cut and trenchless technology from the Equalization Basin to the Brandon Road Pump Station. The city will also install two manually operated pump stations, a connection to the original diversion box and equalization basin outlet, siphon box rehabilitation, additional siphon boxes and barrel for increased capacity.

The non-point source improvements in the Big Sioux River basin include stream stabilization, grazing management, agricultural waste management and creating vegetative buffers.

The city is requesting approval of a revised SRF loan amendment of $26.06 million at 1.25% for a 10-year term. This will include $24.8 million for the outfall line and $1.26 million for non-point source activities. The city is repaying this loan with a sanitary sewer surcharge.

RECOMMENDED ACTION: Approve the Clean Water SRF loan amendment to the city of Sioux Falls.

CONTACT PERSONS: Jim Anderson (773-4216)
Dave Ruhnke (773-4216)

City of Sioux Falls

Mayor
Mike T. Huether

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September 16, 2015

Mr. Mike Perkovich
SDDENR
Joe Foss Building
523 East Capitol Avenue
Pierre, SD 57501-3182

Dear Mr. Perkovich:

Subject: State Revolving Fund Clean Water Loan 36 Request

The City of Sioux Falls is currently in the facility plan and preliminary planning phase for the Outfall Sewer Replacement Project. The City had previously requested and gotten approval from DENR for $18.533 million for clean water funds and $942,025 in non-point source funds.

During the design, additional project items are needed to construct the project. The additional items result in approximately $6.3 million over the amount originally approved. The City has incorporated this additional project cost in the 2016–2020 Capital Improvements Program. The City is respectfully requesting an increase in the Clean Water Loan 36 amount and also non-point source funds. The new estimate for the total project cost is $24.8 million, which corresponds with an amount of approximately $1.26 million in nonpoint source funds.

We request to be added to the September DENR Board meeting for consideration for approval.

Thank you for your consideration.

Sincerely,

Mike T. Huether
Mayor

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August 26, 2015

Shannon Ausen
City of Sioux Falls Public Works: Engineering
224 West 9th Street
Sioux Falls, SD 57104

RE: City of Sioux Falls
Outfall Sewer Replacement Facility Plan – Scope Update
Minnehaha County, South Dakota

Dear Ms. Ausen,

Additional improvements have been added to the Outfall Sewer Replacement Facility Plan and project scope. Due to the additional improvements, the SFR loan has been increased from $18.533 Million to $24.833 Million. The table below details the additional improvements, previous cost estimate, and updated cost estimate. The list to follow summarizes the scope changes.

Improvement	Previous Cost Estimate	Updated Cost Estimate	Difference
Sanitary Sewer Installation	$11,440,100	$12,637,250	$1,197,150
Siphon Box Rehabilitation	$150,000	$3,500,000	$3,350,000
Sanitary Sewer Bypass	$250,000	$740,000	$490,000
Flow-Dar meter	$54,000	$36,000	-$18,000
Service to Lime Sludge lagoons	$10,000	$0	-$10,000
Manhole for Lime Sludge lagoons	$4,500	$0	-$4,500
Floatation Protection	$437,500	$463,750	$26,250
Fiber Optic Line	$48,475	$66,495	$18,020
Great Bear Watermain	$800,000	$0	-$800,000
Pump Stations	$400,000	$500,000	$100,000
USACE Permitting/Coordination	$30,000	$30,000	$0
Abandon 66" RCP	$0	$420,559	$420,559
Equalization	$0	$1,230,000	$1,230,000
Equalization - Alternate	$0	285000	$285,000
Legal/Administration	$316,803	$136,000	-$180,803
		Net Loan Increase	$6,300,000

- The sanitary sewer installation increase is due to updated costs for trenchless installation and multiple connections to the line.
- In addition to rehabilitating the existing siphon boxes, additional siphon boxes and a barrel has been added to increase system capacity.
- Due to the additions to the siphon boxes, more bypass pumping work is required.

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(605) 977-7740

- One Flow-Dar meter has been eliminated.
- All work associated with the Lime Sludge lagoons and Great Bear Watermain has been eliminated.
- Since USACE requires the abandonment of portions of the existing sewer under the levee, the City decided it would be beneficial and adds safety to abandon the entire existing line.
- Equalization improvement and its alternate are added to enhance the operations of the sewer system.
- Other estimated cost fluctuations which includes Floatation Protection, Fiber Optic Line, Pump Stations, and Legal/Administration are due to updated cost estimates.

Please don't hesitate to contact me should you have any questions.

Sincerely,
HDR ENGINEERING, INC.

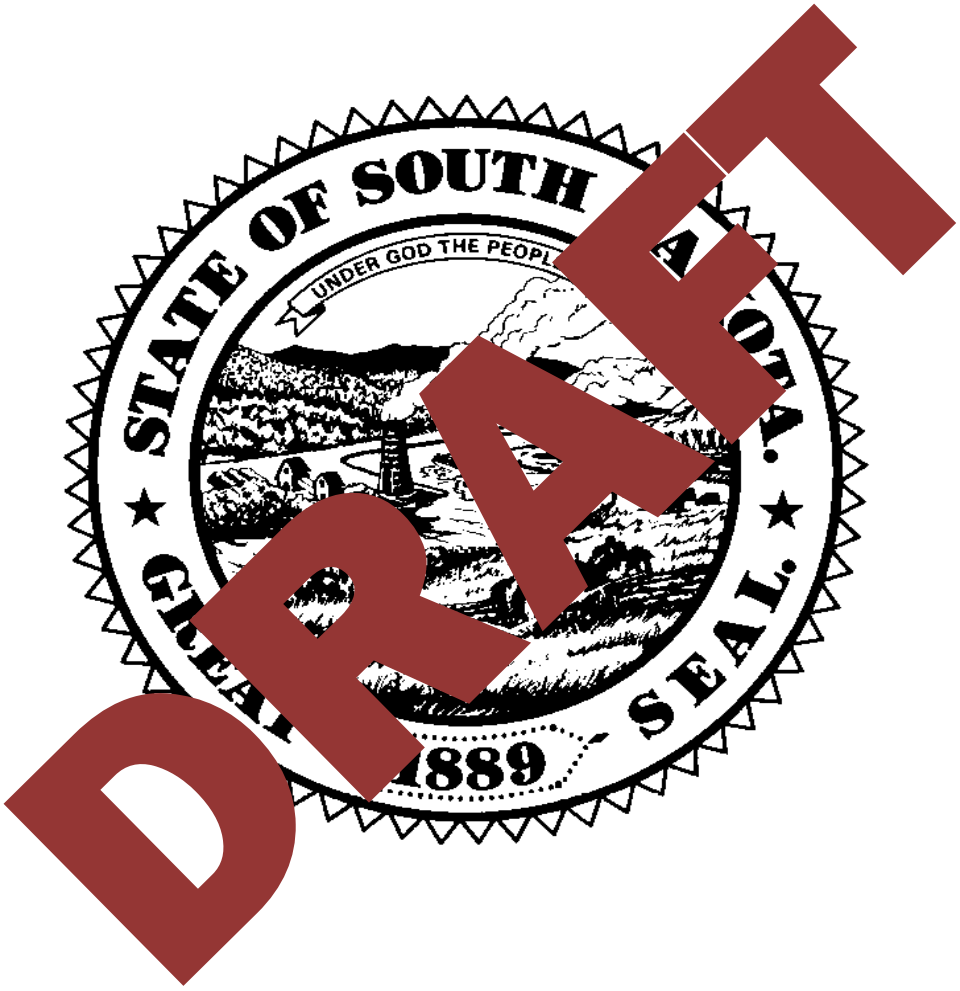
Dan Graber
Project Manager
Copy to: Lance Weatherly, City of Sioux Falls

September 24, 2015
Item 13

TITLE:	State Fiscal Year 2015 State Revolving Funds Report to the Interim Bonding Review Committee
EXPLANATION:	The South Dakota Conservancy District is required to present an annual report to the Legislature's Interim Bonding Review committee at its meeting in November 2015. A combined report for both SRF programs for the legislative committee's review was developed for this purpose. Information in this report presents program activity and financial statements on a state fiscal year basis and contains additional information on the District's bond issues.
RECOMMENDED ACTION:	Approve the State Fiscal Year 2015 State Revolving Funds Report to the Interim Bonding Review Committee and authorize distribution of the report.
CONTACT:	Mike Perkovich, 773-4216

THE SOUTH DAKOTA CONSERVANCY DISTRICT
REPORT TO THE
LEGISLATIVE BOND REVIEW COMMITTEE

STATE FISCAL YEAR 2015
July 1, 2014 – June 30, 2015



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

THE SOUTH DAKOTA CONSERVANCY DISTRICT

REPORT TO THE

LEGISLATIVE BOND REVIEW COMMITTEE

STATE FISCAL YEAR 2015

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

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SENATOR JIM WHITE
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Sisseton

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STATE FISCAL YEAR

2015

EXECUTIVE SUMMARY

PROGRAM OVERVIEW

The Clean Water State Revolving Fund (SRF) program was created by the 1987 amendments to the federal Clean Water Act to provide low interest loans to communities and other political subdivisions for wastewater, storm sewer and nonpoint source projects (solid waste facilities/water quality). South Dakota's first Clean Water loan was made in November 1989.

The Drinking Water State Revolving Fund (SRF) program was federally authorized by the Safe Drinking Water Act Amendments of 1996 to provide low interest loans to public water systems for drinking water projects. Political subdivisions (cities and special purpose districts) and nonprofit corporations (rural water systems) are eligible to apply for South Dakota Drinking Water SRF loans. The first Drinking Water loan was awarded in January 1998.

Funds are provided for the programs by means of capitalization grants awarded annually through the United States Environmental Protection Agency. For every $5 the federal government provides to each program through annual capitalization grants, the state must match it with $1. Through SFY 2015, the federal capitalization grants total $340.7 million.

The South Dakota Board of Water and Natural Resources was authorized by SDCL § 46A-1-60.1 through § 46A-1-60.3 to administer a water pollution control revolving fund program and drinking water revolving fund program and to promulgate rules pursuant to chapter 1-26, to implement the provisions of this section consistent with the requirements of federal law. The board serves as the board for the South Dakota Conservancy District.

The two key federal program requirements are that loan rates are set below market rate and that all loan payments and program income revolve in the programs to provide low-interest financing for water and wastewater infrastructure in perpetuity.

As of June 30, 2015, the Conservancy District has entered into 649 binding State Revolving Fund commitments totaling $1.08 billion.

BONDING AUTHORITY OVERVIEW

The authority for the South Dakota Conservancy District to issue bonds is established in SDCL § 46A-1-31.

Since the programs' inceptions, the state match requirement amounts to more than 64.9 million. The South Dakota Conservancy District has issued revenue bonds to provide a large portion of the state match, as well as reserves required for earlier issues. An initial state appropriation was made for each program. Administrative surcharge fees paid by borrowers were used to match the 2002 and 2003 Clean Water SRF capitalization grants, a portion of the 2010 Drinking Water SRF capitalization grant, and the entire 2011 – 2013 Drinking Water SRF capitalization grants.

The Conservancy District has the ability to issue revenue bonds and notes above the amount required for state match to leverage additional funds for the programs. Leveraged bonds

for the Clean Water SRF program were issued in 1995, 2005, 2008, 2012, and 2014 and in 2004, 2005, 2008, and 2014 for the Drinking Water SRF program. The total amount of the leveraged bonds is $275 million. In August 2009, the Conservancy District issued $55 million in leveraged bond anticipation notes.

2014 BOND ISSUE

The South Dakota Conservancy District issued Series 2014 Bonds with a par value of $59,815,000 in October 2014 to provide leveraged and state match funds for the Clean Water and Drinking Water SRF programs. The issue consisted of a $9 million taxable series (Series A) with a five-year maturity and a $50.8 tax-exempt series (Series B) with a twenty-year maturity. The taxable series provided $4 million of state match for the Clean Water State Revolving Fund (SRF) program and $5 million of state match for the Drinking Water SRF program. The tax-exempt series provided $53 million of leveraged funds for the Clean Water SRF program and $7 million of leveraged funds for the Drinking Water SRF program. The 2014A series had an all-in true interest cost of 1.69 percent, and the 2014B series had an all-in true interest cost of 3.04 percent.

Along with the Conservancy District, the financing team consisted of The First National Bank in Sioux Falls, serving as trustee; Perkins Coie, serving as bond counsel; Public Financial Management, Inc., serving as the District's financial advisor; the Attorney General's Office serving as issuer's counsel; and J.P Morgan serving as senior underwriter, with Wells Fargo Securities serving as co-manager.

BOND HISTORY

The South Dakota Conservancy District has issued 19 bond or note series since 1989. The Conservancy District issues bonds for state match as needed. Additionally, bonds have been issued to refund prior issues and to provide leveraged funds. Recent demands on the programs have necessitated the Conservancy District to become more active in issuing long-term bonds, variable rate bonds, and bond anticipation notes. Table 1 on the following page itemizes the uses of the various series of bonds and notes. Summaries of previous bond and note issues are provided beginning on page 87. Table 2 on the following page shows the principal balances for the outstanding bond issues.

Table 1
State Revolving Fund Program Bond and Note Issues

		Clean Water SRF			Drinking Water SRF		
Series	Par Amount	Match	Refund	Leveraged	Match	Refund	Leveraged
1989	$5,875,000	$5,875,000					
1992	$4,180,000	$4,180,000					
1994	$10,220,000	$631,195	$9,299,195				
1995	$7,970,000	$3,462,460		$4,507,540			
1996	$2,770,000	$2,770,000					
1998	$6,450,000				$6,450,000		
2001	$4,405,000	$4,405,000					
2001	$5,270,000				$5,270,000		
2004	$38,460,000		$11,450,913		$5,001,620		$22,503,662
2005	$50,000,000	$1,558,349		$41,000,000	$1,670,500		$7,000,414
2008	$40,000,000	$1,964,580		$19,826,250	$4,887,600		$13,000,000
2009	$55,000,000			$37,455,570			$18,221,624
2010	$54,330,000	$3,543,094	$37,455,570	($3,543,094)		$18,221,624	
2010A	$38,695,000		$26,315,168			$12,801,699	
2010B	$53,685,000		$32,097,173			$26,447,224	
2012A	$69,775,000		$39,624,316			$29,991,648	
2012B	$53,530,000	$1,700,000	$2,946,204	$55,000,000		$3,537,954	
2014A	$9,060,00	$4,000,000			$5,000,000		
2014B	$50,755,000			$53,000,000			$7,000,000
Total		$34,089,678	$159,188,539	$207,246,266	$28,279,720	$91,000,149	$67,725,286

Table 2
Outstanding Bonds Principal Balances
as of June 30, 2015

Series	Clean Water SRF	Drinking Water SRF	Series Totals
1996	$100,000		$100,000
2005	$28,940,000	$5,875,000	$34,815,000
2010A	$26,030,000	$12,665,000	$38,695,000
2010B	$21,310,000	$17,335,000	$38,645,000
2012A	$32,550,000	$25,165,000	$57,715,000
2012B	$46,650,000	$1,850,000	$48,500,000
2014A	$4,025,000	$5,035,000	$9,060,000
2014B	$44,835,000	$5,920,000	$50,755,000
Totals	$204,440,000	$73,845,000	$278,285,000

TAX INCREASE PREVENTION AND RECONCILIATION ACT (TIPRA)

Passage of the federal Tax Increase Prevention and Reconciliation Act (TIPRA) of 2005 placed additional requirements on pooled financing bonds. Of particular concern to the South Dakota SRF programs was the Strengthened Reasonable Expectation Requirement. This

mandated that 30 percent of net bond or note proceeds must be spent within one year and 95 percent of net proceeds must be spent within three years of the date of issue. If these objectives are not met, bonds or notes must be redeemed in an amount necessary to meet the spend-down requirement. To avoid extraordinary call provisions on fixed rate bonds, the South Dakota Conservancy District opted to issue variable rate bonds in 2008 and bond anticipation notes (BANs) in 2009. The spend-down requirements were met without difficulty. Based on the pace of disbursement on the past issues, the district chose to issue fixed-rate bonds in 2012 and 2014.

ADDITIONAL SUBSIDY

The American Recovery and Reinvestment Act (ARRA) of 2009 required a portion of the ARRA funds to be awarded as "additional subsidy" to borrowers. This could be in the form of grants, negative interest rate loans, or principal forgiveness on loans. It was decided that the South Dakota SRF programs would provide additional subsidy in the form of principal forgiveness on loans.

The 2010 - 2015 capitalization grants also required that a portion of the grants be awarded as additional subsidy. Since 2009, borrowers from the Clean Water SRF program have received $25,759,160 in principal forgiveness, and Drinking Water SRF borrowers have received $47,831,843 in principal forgiveness. The Clean Water and Drinking Water projects awarded principal forgiveness can be found in Tables 7 and 10 on pages 42 and 73, respectively.

SRF PROGRAM INTEREST RATES

Interest rates are reviewed periodically to ensure that they are below market rate and are competitive with other funding sources such as the federal Rural Development program. The SFY 2015 interest rates for each program are summarized in the respective sections below.

Clean Water SRF Program

In February 2009, the board set rates at 2.25 percent for loans with a term of 10 years or less, 3 percent for loans with a term greater than 10 years up to 20 years, and 3.25 percent with a term up to 30 years. The term of each loan is at the discretion of the borrower provided that the proposed repayment source produces the required debt service coverage and does not exceed the useful life of the facilities being financed.

In addition to the base rates, the board has established a Clean Water SRF incentive rate for nonpoint source (NPS) projects. In February 2009, the board set the nonpoint source incentive rates at 1.25 percent for loans with a term of 10 years or less, 2.00 percent for loans with a term greater than 10 years up to 20 years, and 2.25 percent with a term up to 30 years.

Drinking Water SRF Program

In February 2009, the board set rates at 2.25 percent for loans with a term of 10 years or less and 3 percent for loans with a term greater than 10 years up to 20 years. In 2014 EPA issued an opinion allowing states to offer extended term financing to non-disadvantaged communities under certain conditions. In March 2015, the board established a rate of 3.25 percent for loans up to 30 years for non-disadvantaged communities. The term of each loan is at the discretion of the borrower provided that the proposed repayment source produces the required debt service coverage and does not exceed the useful life of the facilities being financed.

Communities that meet the disadvantaged community criteria may receive a Drinking Water SRF loan at an interest rate below that for other recipients. Additionally, the maximum allowable repayment period for disadvantaged communities can be extended to 30 years. Since February 2009, disadvantaged communities qualify for 3 percent loans for 30 years if their median household income (MHI) is 80 percent to 100 percent of the statewide MHI. Municipalities, other community water systems, and sanitary districts must have an MHI below 80 percent of the statewide MHI to be eligible for an interest rate of 2.25 percent for up to 30 years or 1.25 percent for up to 10 years, and an MHI less than 60 percent of the statewide MHI to be eligible for a loan at zero percent interest. Residential water bills must be at least $30 for 5,000 gallons usage for municipalities and sanitary districts and $55 for 7,000 gallons usage for other community water systems to qualify for disadvantaged rates. The disadvantaged rate of 1.25 percent for up to 10 years was established by the board in November 2011.

OVERSIGHT

Region VIII of the Environmental Protection Agency oversees the State Revolving Fund Loan Programs. EPA assists the state in securing capitalization grants and guides the conservancy district in its administration of the program.

The Department of Legislative Audit conducts annual financial audits of the Clean Water and Drinking Water SRF programs, and EPA conducts a program audit. Our most recent audits did not note any substantive program or financial deficiencies.

FISCAL YEAR 2015 PROGRAM ACTIVITY

Clean Water State Revolving Fund

The Clean Water SRF program received a federal capitalization grant of $6,817,000 in 2015. These funds were matched with $1,363,400 of bond proceeds. Capitalization grants and state match are supplemented by accumulated loan repayments, interest earnings, and leveraged bonds.

In SFY 2015, disbursements totaling $26,410,194 were made to borrowers. Disbursements consisted of $6.5 million in federal funds, $0.3 million in State match funds,

$10.5 million in leveraged bond proceeds, and $9.0 million in principal repayments and interest earnings.

One hundred ninety loans are in repayment, and $27,337,760 in repayments were received during the year. One hundred twenty-two loans have been repaid in full, which includes those with 100 percent principal forgiveness. Fifteen loans drew no funds, and the full loan amounts were deobligated. There have been no defaults.

In SFY 2015, the Board of Water and Natural Resources awarded 21 loans totaling $55,218,282. Table 3 provides a synopsis of the loans that were awarded.

Table 3
Clean Water Loans
State Fiscal Year 2015

Recipient	Project Description	Total SRF Assistance	Principal Forgiveness	Rate	Term
Brandon (05)	Sanitary Sewer Improvements	$3,000,000		3.25%	30 yrs.
Cavour (01)	Lift Station and Force Main	$150,000		3.25%	30 yrs.
Clark (02)	Total Retention Wastewater Treatment Facility	$2,485,000		3.25%	30 yrs.
Dupree (02)	Treatment Facility &Lift Station Improvements	$192,000		3.25%	30 yrs.
Eagle Butte (02)	Sanitary and Storm Sewer Improvements	$2,410,000	$436,500	3.25%	30 yrs.
Emery (01)	Collection Line Improvements	$2,890,000	$1,677,000	3.25%	30 yrs.
Hosmer (01) *	Wastewater Improvements	$968,000	$714,400	3.25%	30 yrs.
Howard (01)	Lagoon Expansion and Televising	$1,764,000		3..25%	30 yrs.
Humboldt (01)	Wastewater Collection and Treatment	$417,200		3..25%	30 yrs.
Ipswich (01) *	Wastewater Improvements	$1,951,000		3..25%	30 yrs.
Kennebec (01)	Collection System Expansion	$723,000		3..25%	30 yrs.
Kennebec (02)	Wastewater Treatment System Improvements	$437,000		3..25%	30 yrs.
Lennox (06)	Storm and Sanitary Sewer Improvements	$1,873,000		3.25%	30 yrs.
Mobridge (05)	Wastewater Treatment Facility Improvements	$1,475,000		3.00%	20 yrs.
Montrose (03)	Storm Water Improvements	$545,000	$100,000	3.25%	30 yrs.
Pierre (06)	Regional Landfill – Cell #3 Construction	$817,600		2.25%	10 yrs.
Saint Lawrence	Wastewater Lagoon Repairs	$193,000		3.25%	30 yrs.
Sioux Falls (35)	Brandon Road Lift Station and Big Sioux Watershed Improvements	$11,979,457		1.25%	10 yrs.
Sioux Falls (36)	Outfall Sewer Replacement and Big Sioux Watershed Improvements	$19,475,025		1.25%	10 yrs.
Waubay (03)	Wastewater Treatment Facility Improvements	$1,080,000	$500,000	3.25%	30 yrs.
Wessington Springs (01)	Infrastructure Improvements	$393,000		3.00%	20 yrs.
TOTAL		**$55,218,282**	**$3,427,900**		

* These loans were de-obligated in its entirety on June 25, 2015 at the request of the borrowers.

Beginning on page 29, additional information regarding the historical activity of the Clean Water SRF Program is provided.

Drinking Water State Revolving Fund

The Drinking Water SRF program received a federal capitalization grant of $8,787,000 in 2015. These funds were matched with $1,757,400 of bond proceeds. Capitalization grants and state match are supplemented by accumulated loan repayments, interest earnings, and leveraged bonds.

In SFY 2015, disbursements totaling $19,173,741 were made to borrowers. Disbursements consisted of $10.7 million in federal funds, $0.9 million in state match funds, $3.4 million in leveraged bond proceeds, and $4.2 million in principal repayments and interest earnings.

One hundred seventy-two loans are in repayment, and $21,675,116 in repayments were received during the year. Forty-three loans have been repaid in full, which includes those with 100 percent principal forgiveness. Fifteen loans drew no funds, and the full loan amounts were deobligated. There have been no defaults.

In SFY 2015, the board awarded 21 loans totaling $34,001,750. Table 4 provides a synopsis of the loans that were awarded.

Table 4
Drinking Water Loans
State Fiscal Year 2015

Recipient	Project Description	Total SRF Assistance	Principal Forgiveness	Rate	Term (Years)
Big Sioux Community Water System (DW-03)	Connection to MCWC and City of Madison	$1,014,000		3.00%	20 yrs.
Brandon (DW-02)	Water System Improvements	$12,425,000	$500,000	3.00%	20 yrs.
Buffalo (DW-01)	Distribution System Improvements	$1,695,000	$600,000	2.25%	30 yrs.
Canton (DW-02)	Well Replacement	$1,550,000		3.00%	30 yrs.
Colonial Pine Hills Sanitary District(DW-04)	Microfiltration System Installation	$400,000		3.00%	20 yrs.
Dakota Dunes (DW-02)	Clear Well Expansion	$1,600,000		3.00%	20 yrs.
Eagle Butte (DW-04)	Distribution System Improvements	$725,000	$362,500	0%	30 yrs.
Edgemont (DW-01)	Water System Improvements	$1,890,000	$1,206,890	0%	30 yrs.
Emery (DW-01)	Distribution System Upgrade & Replacement	$1,585,000		3.00%	30 yrs.
Florence (DW-01)	Water System Improvements	$688,000		3.25%	30 yrs.
Florence (DW-02)	Water System Improvements	$567,000		3.25%	30 yrs.
Hisega Meadows Water, Inc. (DW-02)	System Acquisition and Improvements	$273,000		3.00%	20 yrs.
Hoven (DW-02)	Highway 47 Utilities Replacement	$264,750	$264,750	0%	-
Mid-Dakota Rural Water System (DW-05)	Automatic Meter Reading Project	$2,535,000		3.00%	15 yrs.
Minnehaha Community Water Corp. (DW-02) *	Connection to Big Sioux RWS and City of Madison	$900,000		3.00%	20 yrs.
Onida (DW-01)	Water System Improvements	$905,000	$250,000	3.00%	20 yrs.

Recipient	Project Description	Total SRF Assistance	Principal Forgiveness	Rate	Term (Years)
Sioux Rural Water System (DW-01)	Water System Improvements and System Expansion	$2,515,000		3.00%	20 yrs.
TC&G Water Association, Inc. (DW-01)	Water System Improvements	$210,000		2.25%	30 yrs.
Tyndall (DW-03)	Distribution and Storage Upgrades	$1,570,000	$200,000	2.25%	30 yrs.
Wessington Springs (DW-01)	Infrastructure Improvements	$209,000		2.25%	30 yrs.
Woodland Hills Sanitary District (DW-02)	Water System Improvements Phase I	$481,000	$384,800	3.00%	20 yrs.
TOTAL		**$34,001,750**	**$3,768,940**		

This loan was de-obligated in its entirety on June 25, 2015 at the request of the borrower.

Beginning on page 63, additional information regarding the historical activity of the Drinking Water SRF Program is provided.

STATE REVOLVING FUND

FINANCIAL STATEMENTS
(Unaudited)

SOUTH DAKOTA BOARD OF WATERAND NATURAL RESOURCES
CLEAN WATER STATE REVOLVING FUND
STATEMENT OF NET POSITION
June 30, 2015

SOUTH DAKOTA BOARD OF WATERAND NATURAL RESOURCES
CLEAN WATER STATE REVOLVING FUND
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
For the Fiscal Year Ended June 30, 2015

SOUTH DAKOTA BOARD OF WATERAND NATURAL RESOURCES
CLEAN WATER STATE REVOLVING FUND
STATEMENT OF CASH FLOWS
For the Fiscal Year Ended June 30, 2015

SOUTH DAKOTA BOARD OF WATERAND NATURAL RESOURCES
CLEAN WATER STATE REVOLVING FUND
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2015

SOUTH DAKOTA BOARD OF WATERAND NATURAL RESOURCES
DRINKING WATER STATE REVOLVING FUND
STATEMENT OF NET POSITION
June 30, 2015

SOUTH DAKOTA BOARD OF WATERAND NATURAL RESOURCES
DRINKING WATER STATE REVOLVING FUND
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
For the Fiscal Year Ended June 30, 2015

SOUTH DAKOTA BOARD OF WATERAND NATURAL RESOURCES
DRINKING WATER STATE REVOLVING FUND
STATEMENT OF CASH FLOWS
For the Fiscal Year Ended June 30, 2015

SOUTH DAKOTA BOARD OF WATER AND NATURAL RESOURCES
DRINKING WATER STATE REVOLVING FUND
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2015

SOUTH DAKOTA

CLEAN WATER STATE REVOLVING FUND

PROGRAM INFORMATION

CLEAN WATER SRF OVERVIEW

The Clean Water SRF program was created by the 1987 Clean Water Act amendments, and in 1988 the South Dakota legislature authorized the State Water Pollution Control Revolving Loan Fund program. The legislature also appropriated $1,200,000 and directed the South Dakota Board of Water and Natural Resources to administer the program.

Since 1989, South Dakota's Clean Water SRF program has received federal capitalization grants totaling $180,553,700. In federal fiscal years 2002 and 2003, because of the demand on the drinking water program, the Clean Water SRF Capitalization Grants and state match were transferred to the Drinking Water SRF program. These grants amounted to $12,978,600, with a corresponding state match of $2,595,720. Table 5 shows capitalization grants, state match, and leveraged funds for the Clean Water SRF program.

Through June 30, 2015, principal repayments from borrowers totaled $219,845,329. Of this amount $143,004,304 has been re-loaned. Principal repayments are also used for debt service on leveraged bonds. Interest payments from borrowers totaled $60,461,987. These funds, coupled with investment earnings, have provided $64,840,401 in loans. Interest payments are also used for debt service on State Match bonds.

As of June 30, 2015, the Board has made 380 Clean Water loan awards totaling $646,774,289. The Clean Water SRF loan portfolio begins on page 31 with a map showing the location of the borrowers. Table 6, beginning on page 32, provides the loan amount, date, and terms. Table 7, beginning on page 42, shows the principal forgiveness awarded. More detailed project description narratives are provided by recipient beginning on page 44.

Table 5
Clean Water SRF Program – Source of Funds

Federal Fiscal Year	Federal Capitalization Grant Award	State Match	Leveraged Funds	Total
1989	$4,577,200	$915,440		$5,492,640
1990	$4,738,000	$947,600		$5,685,600
1991	$10,074,800	$2,014,960		$12,089,760
1992	$9,534,900	$1,906,980		$11,441,880
1993	$9,431,000	$1,886,200		$11,317,200
1994	$5,813,800	$1,162,760		$6,976,560
1995	$6,007,800	$1,201,560	$4,507,540	$11,716,900
1996	$9,904,700	$1,980,940		$11,885,640
1997	$2,990,500	$598,100		$3,588,600
1998	$6,577,300	$1,315,460		$7,892,760
1999	$6,577,900	$1,315,580		$7,893,480
2000	$6,555,200	$1,311,040		$7,866,240
2001	$6,496,100	$1,299,220		$7,795,320
2002 *	$0	$0		$0
2003 *	$0	$0		$0

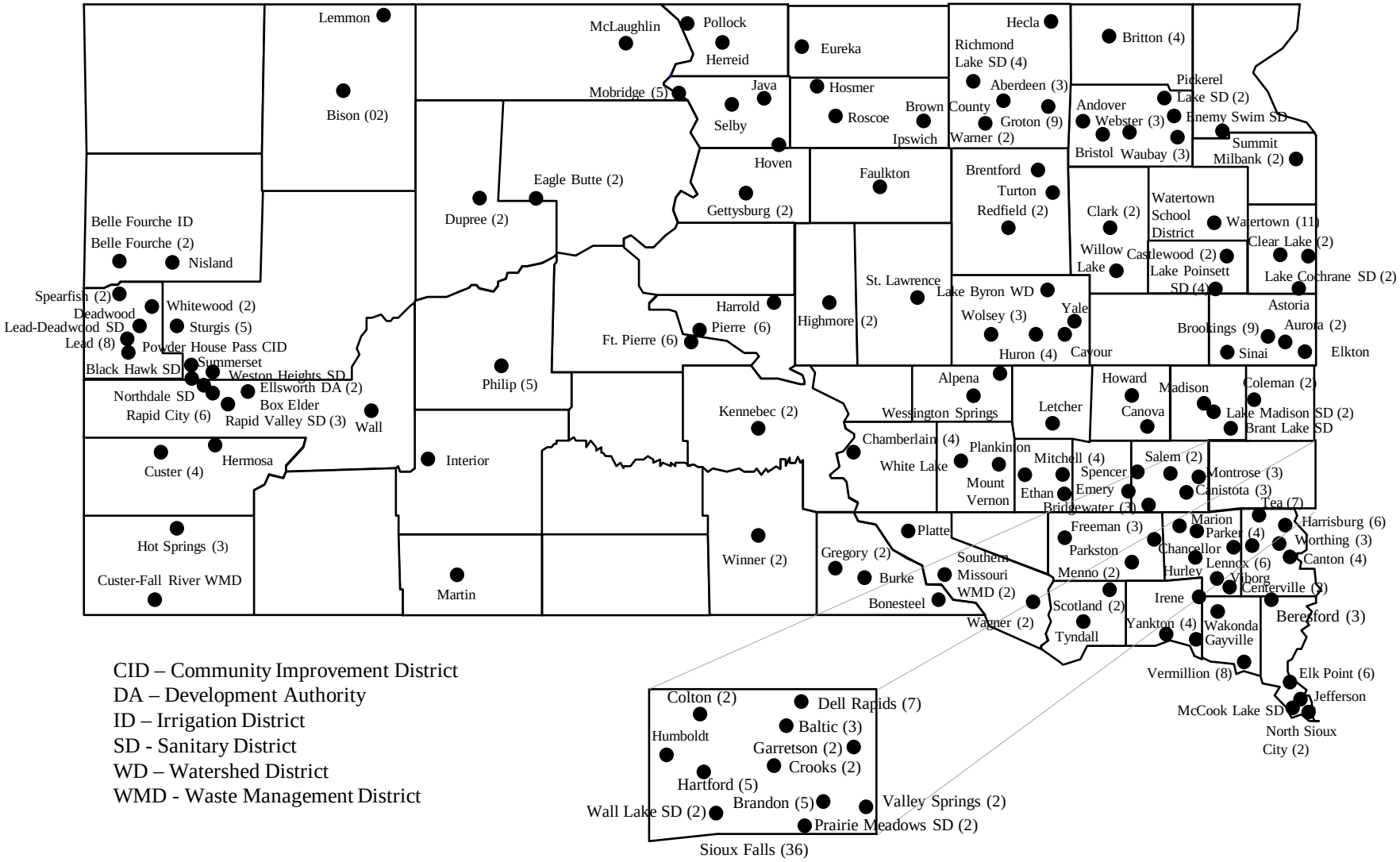
Federal Fiscal Year	Federal Capitalization Grant Award	State Match	Leveraged Funds	Total
2004	$6,471,800	$1,294,360		$7,766,160
2005	$5,243,500	$1,048,700		$6,292,200
2006	$4,242,300	$848,460	$41,000,000	$46,090,760
2007	$5,207,200	$1,041,440		$6,248,640
2008	$3,274,300	$654,860	$19,826,250	$23,755,410
2009	$3,274,300	$654,860	$33,912,476**	$37,841,636
2009 – ARRA	$19,239,100	$0		$19,239,100
2010	$10,002,000	$2,000,400		$12,002,400
2011	$7,222,000	$1,444,400		$8,666,400
2012	$6,908,000	$1,381,600	$55,000,000	$63,289,600
2013	$6,520,000	$1,304,000		$7,824,000
2014	$6,853,000	$1,370,600		$8,223,600
2015	$6,817,000	$1,363,400	$53,000,000	$61,180,400
TOTAL	$180,553,700	$32,262,920	$207,246,266	$420,062,886

* The 2002 and 2003 capitalization grants and state match were transferred to the Drinking Water SRF program. Administrative surcharge funds were used as state match.

** Leveraged funds in the amount of $37,455,570 were issued as part of the 2009 bond anticipation notes. When the 2010 bond anticipation notes were issued to redeem the 2009 bond anticipation notes, $3,543,094 of leveraged bonds were converted to state match bonds.

Fiscal Year	Capitalization Grant Award	State Match	Total Transferred
2002	$6,510,800	$1,302,160	$7,812,960
2003	$6,467,800	$1,293,560	$7,761,360
TOTAL	$12,978,600	$2,595,720	$15,574,320

FIGURE 1
Clean Water State Revolving Fund Loans



CID – Community Improvement District
DA – Development Authority
ID – Irrigation District
SD - Sanitary District
WD – Watershed District
WMD - Waste Management District

Table 6
Clean Water SRF Loans
Since Inception of Program through June 30, 2015

Sponsor	Binding Commitment Date	Rate	Term (years)	Original Binding Commitment Amount	Final Loan Amount
Aberdeen (01)	01/06/2005	2.25%	20	$12,062,600	$12,062,600
Aberdeen (01NPS)	01/06/2005	2.25%	20	$1,156,259	$1,156,259
Aberdeen (02)	06/28/2007	3.25%	20	$6,000,000	$5,201,739
Aberdeen (03)	03/28/2013	2.25%	10	$1,500,000	1,500,000
Alpena (01)	03/30/2012	3.00%	20	$1,465,000	$1,465,000
Andover (01)	03/30/2012	3.25%	30	$194,000	$194,000
Astoria (01)	01/04/2013	3.25%	30	$235,000	$235,000
Aurora (01)	07/27/2000	5.00%	20	$410,000	$309,759
Aurora (02) – ARRA	07/23/2009	3.25%	30	$660,000	$421,303
Baltic (01)	06/27/2002	3.50%	20	$465,000	$405,646
Baltic (02) – ARRA	06/25/2009	3.00%	20	$433,000	$276,164
Baltic (03)	03/30/2012	3.25%	30	$764,700	$705,015
Belle Fourche (01) [1]	08/22/1990	3.00%	20	$253,000	$253,000
Belle Fourche (02) [1]	06/22/1995	4.50%	10	$300,000	$264,422
Belle Fourche Irrigation District (01) [1]	06/24/2011	0%	-	$200,000	$200,000
Beresford (01) [1]	06/22/2000	4.50%	10	$1,150,000	$1,115,852
Beresford (02)	03/30/2012	3.25%	30	$789,790	$789,790
Beresford (03)	03/28/2014	3.25%	30	$605,000	$605,000
Bison (01)	06/24/2011	3.00%	20	$504,000	$504,000
Bison (02)	06/26/2014	3.25%	30	$419,000	$419,000
Black Hawk Sanitary District (01) [1]	06/26/2003	3.50%	20	$589,600	$477,823
Bonesteel (01)	03/28/2013	3.25%	30	$588,000	$588,000
Box Elder (01) [1]	04/11/1990	3.00%	20	$648,600	$648,600
Brandon (01) [1]	03/14/1991	3.00%	10	$105,000	$105,000
Brandon (02) [1]	03/31/1993	3.00%	10	$600,000	$526,018
Brandon (03) – ARRA [2]	06/25/2009	2.25%	10	$687,000	$0
Brandon (04) – ARRA	06/25/2009	2.25%	10	$383,250	$383,250
Brandon (05)	03/27/2015	3.25%	30	$3,000,000	$3,000,000
Brant Lake Sanitary District (01)	06/24/2010	3.25%	30	$1,700,000	$1,700,000
Brentford (01)	03/28/2013	3.25%	30	$194,000	$194,000
Bridgewater (01) [1]	09/25/1997	5.25%	20	$120,000	$90,328
Bridgewater (02)	06/23/2005	3.25%	20	$321,600	$321,600
Bridgewater (03)	06/24/2011	3.25%	30	$261,000	$256,273
Bristol (01)	03/28/2014	3.25%	30	$1,000,000	$1,000,000
Britton (01) [1]	05/13/1999	4.50%	10	$509,935	$509,935

Sponsor	Binding Commitment Date	Rate	Term (years)	Original Binding Commitment Amount	Final Loan Amount
Britton (02)	09/26/2002	3.50%	20	$322,500	$291,854
Britton (03)	01/05/2012	3.00%	20	$1,042,034	$897,735
Britton (04)	03/28/2013	3.25%	30	$2,500,000	$2,500,000
Brookings (01) [1]	03/14/1991	4.00%	15	$188,065	$188,065
Brookings (02) – ARRA	03/27/2009	3.00%	20	$1,190,000	$744,545
Brookings (03)	06/24/2010	3.00%	20	$665,000	$433,909
Brookings (04)	06/24/2011	3.00%	20	$483,538	$335,314
Brookings (05)	03/30/2012	3.00%	20	$549,476	$226,121
Brookings (06)	03/30/2012	3.00%	20	$3,222,319	$1,972,719
Brookings (07)	06/29/2012	3.25%	30	$30,600,000	$30,600,000
Brookings (08) [2]	09/27/2012	3.00%	20	$255,000	$0
Brookings (09)	01/10/2014	3.00%	20	$1,570,000	$1,570,000
Brown County (01) [2]	03/28/2014	2.25%	10	$1,385,600	$0
Burke (01)	01/05/2006	3.25%	20	$155,000	$155,000
Canistota (01) – ARRA	03/27/2009	3.25%	30	$616,840	$616,840
Canistota (02)	12/16/2009	3.25%	30	$188,669	$186,183
Canistota (03)	03/28/2014	3.25%	30	$381,000	$381,000
Canova (01)	01/07/2011	3.25%	30	$262,500	$238,713
Canton (01) [1]	05/19/1992	4.00%	15	$621,000	$515,715
Canton (02)	01/10/2003	3.50%	20	$600,000	$600,000
Canton (03) – ARRA	03/27/2009	3.00%	20	$2,462,000	$2,462,000
Canton (04)	06/29/2012	3.25%	30	$732,000	$732,000
Castlewood (01)	01/31/2002	3.50%	20	$250,000	$215,859
Castlewood (02)	06/22/2006	3.25%	20	$160,000	$160,000
Cavour (01)	06/25/2015	3.25%	30	$150,000	150,000
Centerville (01)	06/27/2002	3.50%	20	$500,000	$500,000
Centerville (02)	03/30/2012	3.25%	30	$435,471	$435,471
Chamberlain (01) [1]	07/08/1992	3.00%	10	$350,500	$350,500
Chamberlain (02) [1]	01/26/1993	3.00%	10	$265,000	$265,000
Chamberlain (03) [1]	06/27/1996	5.25%	20	$2,700,000	$2,700,000
Chamberlain (04) [1]	03/26/1998	5.25%	20	$450,000	$450,000
Chancellor (01)	03/28/2014	3.25%	30	$574,000	$574,000
Clark (01)	01/10/2003	3.50%	20	$400,000	$400,000
Clark (02)	03/27/2015	3.25%	30	$2,485,000	$2,485,000
Clear Lake (01) [1]	06/13/1991	4.00%	15	$370,000	$79,537
Clear Lake (02)	06/25/2004	3.25%	20	$910,000	$687,227
Colman (01)	03/30/2012	3.25%	30	$1,574,248	$1,574,248
Colman (02)	03/28/2013	3.25%	30	$800,000	$800,000
Colton (01) [1]	09/22/2005	3.25%	20	$204,500	$178,332
Colton (02)	03/25/2011	3.00%	20	$189,200	$140,826
Crooks (01)	03/27/2008	3.25%	20	$697,000	$421,975

Sponsor	Binding Commitment Date	Rate	Term (years)	Original Binding Commitment Amount	Final Loan Amount
Crooks (02) [2]	03/30/2012	3.25%	30	$425,000	$0
Custer (01) [1]	04/11/1990	3.00%	20	$430,000	$430,000
Custer (02) [1]	07/11/1990	3.00%	20	$182,000	$182,000
Custer (03) [1]	08/23/1993	3.00%	10	$276,000	$276,000
Custer (04)	06/29/2012	3.00%	20	$1,633,000	$925,919
Custer-Fall River WMD (NPS-01) [1]	06/22/1995	5.00%	20	$250,000	$106,939
Deadwood (01) [1]	04/25/1994	4.00%	15	$582,000	$447,838
Dell Rapids (01) [1]	12/09/1993	3.00%	10	$300,000	$300,000
Dell Rapids (02)	01/05/2006	3.25%	20	$731,737	$561,737
Dell Rapids (03)	09/27/2007	3.25%	20	$1,062,000	$1,062,000
Dell Rapids (04)	09/25/2008	3.25%	20	$950,000	$950,000
Dell Rapids (05)	09/24/2010	3.00%	20	$1,185,995	$742,564
Dell Rapids (06)	06/29/2012	3.00%	20	$612,000	$612,000
Dell Rapids (07)	01/10/2014	3.00%	20	$1,200,000	$1,200,000
Dupree (01)	06/28/2013	3.25%	30	$450,000	$450,000
Dupree (02)	01/08/2015	3.25%	30	$192,000	$192,000
Eagle Butte (01) [2]	09/27/2012	3.00%	20	$1,561,500	$0
Eagle Butte (02)	11/06/2014	3.25%	30	$2,410,000	$2,410,000
Elk Point (01) [1]	05/27/1993	4.00%	15	$458,000	$458,000
Elk Point (02)	01/31/2002	3.50%	20	$450,000	$450,000
Elk Point (03) [1]	06/26/2003	3.50%	20	$345,000	$345,000
Elk Point (04)	06/22/2006	3.25%	20	$100,000	$100,000
Elk Point (05)	06/26/2008	3.25%	20	$150,000	$150,000
Elk Point (06) – ARRA	07/23/2009	3.00%	20	$931,700	$607,840
Elkton (01) – ARRA	03/27/2009	3.00%	20	$510,000	$510,000
Ellsworth Development Authority (01)	08/14/2012	3.00%	20	$16,000,000	$16,000,000
Ellsworth Development Authority (02)	03/28/2013	3.00%	20	$6,812,000	$6,812,000
Emery (01)	06/25/2015	3.25%	30	$2,890,000	$2,890,000
Enemy Swim San. Dist. (01) – ARRA [2]	03/27/2009	0%	-	$300,000	$0
Ethan (01)	03/30/2012	3.25%	30	$500,000	$489,349
Eureka (01)	09/27/2012	3.25%	30	$1,494,000	$1,494,000
Faulkton	09/27/2012	3.25%	30	$902,000	$902,000
Fort Pierre (01) [1]	05/11/1994	3.00%	10	$330,294	$330,294
Fort Pierre (02)	01/31/2002	3.50%	15	$462,500	$462,500
Fort Pierre (03)	01/09/2004	3.50%	20	$450,000	$443,223
Fort Pierre (04) [2]	03/30/2007	3.25%	20	$374,620	$0
Fort Pierre (05)	02/11/2009	3.00%	20	$900,000	$495,549
Fort Pierre (06)	03/30/2012	3.25%	30	$266,000	$266,000
Freeman (01)	01/06/2005	2.50%	10	$300,000	$300,000
Freeman (02)	06/26/2008	3.25%	20	$800,000	$800,000
Freeman (03)	06/26/2014	3.00%	20	$1,536,000	$1,000,000

Sponsor	Binding Commitment Date	Rate	Term (years)	Original Binding Commitment Amount	Final Loan Amount
Garretson (01) [1]	05/11/1994	4.00%	15	$510,000	$300,000
Garretson (02)	03/27/2008	3.25%	20	$507,445	$503,239
Gayville (01) [1]	06/25/2004	3.25%	20	$275,000	$262,972
Gettysburg (01)	06/25/2009	3.25%	30	$624,000	$535,758
Gregory (01)	08/26/2009	3.00%	20	$357,000	$241,574
Gregory (02)	09/27/02013	2.25%	10	$259,000	$229,958
Groton (01) [1]	01/13/1994	3.00%	10	$192,000	$189,524
Groton (02) [1]	05/11/1994	3.00%	10	$106,000	$74,630
Groton (03)	07/23/1997	5.25%	20	$635,000	$470,809
Groton (04)	03/28/2003	3.50%	20	$163,775	$126,648
Groton (05)	03/28/2003	3.50%	20	$440,000	$440,000
Groton (06)	01/03/2008	3.25%	20	$150,000	$56,368
Groton (07) – ARRA	06/25/2009	3.00%	20	$907,700	$310,913
Groton (08)	06/24/2010	2.25%	10	$322,000	$206,979
Groton (09)	06/24/2011	2.25%	10	$485,000	$249,240
Harrisburg (01) [1]	06/23/1999	5.00%	20	$520,000	$507,277
Harrisburg (02) – ARRA [1]	06/25/2009	0%	-	$3,941,200	$3,941,200
Harrisburg (03)	06/25/2009	3.25%	30	$5,911,800	$2,544,036
Harrisburg (04)	03/25/2011	2.25%	10	$1,435,340	$1,435,340
Harrisburg (05)	03/25/2011	3.00%	20	$1,783,760	$1,783,760
Harrisburg (06)	09/27/02013	3.25%	20	$2,577,000	$2,577,000
Harrold (01)	06/26/2008	3.25%	20	$170,000	$162,372
Hartford (01)	04/13/2000	5.00%	20	$504,000	$504,000
Hartford (02)	04/13/2000	5.00%	20	$690,804	$690,804
Hartford (03)	04/12/2002	3.50%	20	$300,000	$300,000
Hartford (04)	01/10/2003	3.50%	20	$550,035	$550,035
Hartford (05)	06/28/2007	3.25%	20	$583,000	$523,629
Hecla (01)	07/06/2009	3.00%	20	$143,390	$101,909
Hermosa (01)	03/25/2011	3.25%	30	$303,604	$292,156
Herreid (01)	03/25/2011	3.25%	30	$694,300	$694,300
Highmore (01) [1]	04/12/2002	3.50%	20	$262,300	$262,300
Highmore (02)	03/28/2014	3.25%	30	$679,000	$679,000
Hosmer (01) [2]	03/27/2015	3.25%	30	$968,000	$0
Hot Springs (01) [1]	03/12/1992	3.00%	10	$196,930	$196,930
Hot Springs (02)	09/24/2010	3.00%	20	$1,453,000	$1,227,332
Hot Springs (NPS-01) [1]	01/13/1994	5.00%	20	$930,000	$930,000
Hoven (01)	06/26/2014	3.25%	30	$656,000	$656,000
Howard (01)	03/27/2015	3.25%	30	$1,764,000	$979,000
Humboldt (01)	03/27/2015	3.25%	30	$417,200	$417,200
Hurley (01)	03/30/2012	3.25%	30	$835,964	$835,964
Huron (01) [1]	11/09/1989	3.00%	20	$1,656,000	$1,656,000

Sponsor	Binding Commitment Date	Rate	Term (years)	Original Binding Commitment Amount	Final Loan Amount
Huron (02) [1]	06/13/1991	3.00%	10	$750,000	$701,997
Huron (03)	09/19/1995	5.25%	20	$2,700,000	$1,856,828
Huron (04) [2]	01/06/2005	3.25%	20	$1,500,000	$0
Interior (01)	06/24/2011	3.25%	30	$250,000	$246,721
Ipswich (01) [2]	03/27/2015	3.25%	30	$1,951,000	$0
Irene (01)	03/28/2014	3.25%	30	$656,000	$656,000
Java (01)	06/24/2011	3.25%	30	$438,325	$393,252
Jefferson (01)	03/28/2003	3.50%	20	$320,000	$166,084
Kennebec (01)	03/27/2015	3.25%	30	$723,000	$723,000
Kennebec (02)	03/27/2015	3.25%	30	$437,000	$437,000
Lake Byron Watershed District	03/28/2014	3.25%	30	$1,843,000	$1,843,000
Lake Cochrane San Dist (01) [1]	04/11/1990	3.00%	20	$80,000	$80,000
Lake Cochrane San Dist (02)	01/08/2004	3.50%	20	$160,000	$156,111
Lake Madison San Dist (01) [1]	03/14/1991	4.00%	15	$330,000	$330,000
Lake Madison San Dist (02)	09/25/2003	3.50%	20	$875,000	$613,419
Lake Poinsett San Dist (01) [2]	01/06/2005	3.25%	20	$590,000	$0
Lake Poinsett San Dist (02)	06/28/2007	3.50%	30	$1,094,700	$1,094,700
Lake Poinsett San Dist (03)	09/24/2010	3.25%	30	$3,075,000	$2,413,671
Lake Poinsett San Dist (04)	03/28/2014	3.25%	30	$1,917,000	$1,917,000
Lead (01) [1]	07/11/1990	3.00%	20	$186,409	$186,409
Lead (02) [1]	07/11/1991	3.00%	10	$500,770	$500,770
Lead (03) [1]	05/19/1992	3.00%	10	$405,000	$375,298
Lead (04) [1]	07/27/2000	4.50%	10	$239,200	$239,200
Lead (05)	01/06/2005	3.25%	20	$333,700	$220,029
Lead (06)	06/28/2007	3.25%	20	$240,000	$240,000
Lead (07)	09/24/2010	3.00%	20	$200,000	$192,541
Lead (07)	03/28/2014	3.00%	20	$937,000	$937,000
Lead-Deadwood San Dist (01) [1]	06/07/1990	3.00%	5	$110,000	$106,855
Lemmon (01) [1]	04/11/1990	3.00%	20	$427,100	$427,100
Lennox (01) [1]	06/27/1996	5.25%	20	$350,000	$350,000
Lennox (02) [1]	07/23/1997	5.25%	20	$600,000	$583,735
Lennox (03) – ARRA [1]	06/25/2009	0%	-	$1,565,760	$1,565,760
Lennox (04) – ARRA	06/25/2009	3.25%	30	$1,942,273	$1,942,273
Lennox (05)	03/28/2014	3.25%	30	$1,290,000	$1,290,000
Lennox (06)	03/27/2015	3.25%	30	$1,873,000	$1,873,000
Letcher (01)	06/28/2013	3.25%	30	$775,000	$775,000
Madison (01) [1]	03/14/1991	3.00%	10	$150,000	$119,416
Madison (02)	09/27/2007	3.25%	20	$5,343,256	$4,986,796
Marion (01)	09/25/2008	3.50%	30	$1,710,000	$1,707,908
Martin (01)	03/27/2008	3.25%	20	$237,250	$142,732
McCook Lake San Dist (01)	08/29/1991	5.00%	20	$641,935	$641,935

Sponsor	Binding Commitment Date	Rate	Term (years)	Original Binding Commitment Amount	Final Loan Amount
McLaughlin (01)	06/24/2011	3.25%	30	$1,145,675	$1,145,675
Menno (01)	09/24/2010	3.00%	20	$240,000	$191,500
Menno (02)	03/28/2013	3.25%	30	$1,230,000	$1,170,777
Milbank (01) – ARRA	06/25/2009	3.00%	20	$3,515,000	$3,376,639
Milbank (02) [1]	06/25/2009	3.25%	30	$1,000,000	$261,306
Mitchell (01) [1]	04/15/1997	4.50%	10	$2,000,000	$1,543,405
Mitchell (02)	09/25/2003	3.50%	20	$1,320,000	$1,320,000
Mitchell (03)	02/11/2009	2.00%	20	$1,534,224	$1,534,224
Mitchell (03NPS)	02/11/2009	2.00%	20	$148,523	$148,523
Mitchell (04)	03/28/2013	3.00%	20	$800,000	$543,447
Mobridge (01)	07/11/1990	3.00%	20	$1,500,000	$1,500,000
Mobridge (02) [1]	12/11/1991	4.00%	15	$158,000	$158,000
Mobridge (03) [1]	04/13/2000	4.50%	10	$1,355,000	$1,350,000
Mobridge (04)	06/29/2012	3.00%	20	$764,000	$703,425
Mobridge (05)	01/08/2015	3.00%	20	$1,475,000	$1,475,000
Montrose (01) [1]	09/22/2005	2.50%	10	$142,621	$34,988
Montrose (02) – ARRA	03/27/2009	3.25%	30	$804,000	$767,190
Montrose (03)	06/25/2015	3.25%	30	$545,000	$545,000
Mount Vernon (01)	01/07/2011	3.25%	30	$2,300,000	$2,300,000
Nisland (01)	01/06/2005	3.25%	20	$204,000	$204,000
North Sioux City (01) [1]	07/08/1992	3.00%	10	$239,650	$239,650
North Sioux City (02) [1]	06/22/1995	5.00%	15	$646,000	$646,000
Northdale San Dist (01) [1]	04/25/1994	5.00%	20	$315,000	$256,380
Northville (01)	03/25/2011	3.25%	30	$238,300	$111,405
Parker (01)	09/23/2004	3.25%	20	$824,000	$430,000
Parker (02)	06/22/2006	3.25%	20	$620,000	$480,501
Parker (03) – ARRA	03/27/2009	3.25%	30	$700,900	$694,329
Parker (04)	03/28/2013	3.00%	20	$295,000	$203,257
Parkston (01)	06/26/2008	3.25%	20	$650,000	$635,690
Philip (01) [1]	06/22/1995	5.00%	15	$472,000	$453,885
Philip (02)	06/26/1997	5.25%	20	$325,000	$321,127
Philip (03)	09/22/2005	3.25%	15	$347,040	$316,423
Philip (04)	03/30/2012	3.25%	30	$1,073,300	$865,546
Philip (05)	03/30/2012	3.25%	30	$750,000	$604,122
Pickerel Lake San Dist (01) [1]	05/09/1996	5.25%	15	$850,000	$850,000
Pickerel Lake San Dist (02) [1]	09/25/1997	5.25%	20	$670,000	$670,000
Pierre (01) [1]	11/08/1990	4.00%	15	$600,000	$433,976
Pierre (02) [1]	03/26/1998	5.25%	20	$4,417,000	$4,417,000
Pierre (03) [1]	03/25/1999	5.00%	20	$5,391,260	$5,391,260
Pierre (04)	03/28/2003	3.50%	20	$1,378,404	$1,199,832
Pierre (05)	09/25/2008	3.25%	20	$976,953	$612,159

Sponsor	Binding Commitment Date	Rate	Term (years)	Original Binding Commitment Amount	Final Loan Amount
Pierre (06)	09/26/2014	2.25%	10	$817,600	$817,600
Plankinton (01)	06/24/2011	3.25%	30	$1,005,744	$1,005,744
Platte (01) [1]	03/25/1999	5.00%	20	$1,000,000	$975,865
Pollock (01) [1]	09/23/1993	3.00%	10	$170,000	$151,619
Powder House Pass CID	03/30/2012	3.25%	30	$2,575,218	$2,575,218
Prairie Meadow San. Dist.	03/28/2013	3.25%	30	$788,000	$788,000
Rapid City (01) [1]	12/12/1990	4.00%	15	$2,637,000	$2,479,905
Rapid City (02) [1]	07/08/1992	4.00%	15	$1,138,200	$986,685
Rapid City (03) [1]	06/23/1993	4.00%	15	$777,500	$674,577
Rapid City (04) [1]	08/10/1994	4.00%	15	$1,214,861	$1,214,861
Rapid City (05) [1]	01/11/2001	4.50%	20	$14,000,000	$14,000,000
Rapid City (06)	09/23/2009	3.00%	20	$5,000,000	$5,000,000
Rapid Valley San Dist (01) [1]	01/11/1990	3.00%	20	$614,000	$614,000
Rapid Valley San Dist (02) [1]	11/10/1994	4.00%	15	$460,000	$364,583
Rapid Valley San Dist (03)	07/29/1996	5.25%	20	$630,000	$630,000
Redfield (01) [2]	06/23/2005	3.25%	20	$333,788	$0
Redfield (02)	03/30/2012	3.25%	30	$884,000	$884,000
Richmond Lake San Dist (01) [1]	06/27/1996	5.25%	20	$414,000	$414,000
Richmond Lake San Dist (02) [1]	06/25/1998	5.25%	20	$226,500	$191,500
Richmond Lake San Dist (03) [2]	03/25/2011	3.00%	20	$193,600	$0
Richmond Lake San Dist (04) [1]	03/25/2011	3.25%	30	$339,800	$275,149
Roscoe (01) [1]	07/29/1996	5.25%	20	$358,408	$358,408
Saint Lawrence (01)	09/26/2014	3.25%	30	$193,000	$193,000
Salem (01)	03/28/2003	3.50%	20	$592,307	$518,035
Salem (02)	06/23/2005	3.25%	20	$387,960	$387,960
Scotland (01)	03/28/2003	3.50%	20	$250,000	$250,000
Scotland (02)	06/24/2011	3.25%	30	$945,930	$804,740
Selby (01) [1]	09/24/2010	0%	-	$700,000	$700,000
Sinai (01)	03/28/2014	3.25%	30	$500,000	$500,000
Sioux Falls (01) [1]	04/11/1990	3.00%	20	$3,316,310	$2,836,963
Sioux Falls (02) [1]	07/11/1990	3.00%	10	$454,000	$453,999
Sioux Falls (03) [1]	12/12/1990	3.00%	10	$845,000	$845,000
Sioux Falls (04) [1]	12/12/1990	3.00%	10	$1,200,000	$1,200,000
Sioux Falls (05) [1]	03/12/1992	3.00%	10	$1,955,000	$1,955,000
Sioux Falls (06) [1]	03/12/1992	3.00%	10	$700,000	$700,000
Sioux Falls (07) [1]	01/26/1993	3.00%	10	$4,500,000	$4,500,000
Sioux Falls (08) [1]	01/13/1994	3.00%	10	$1,000,000	$699,003
Sioux Falls (09) [1]	08/10/1994	3.00%	10	$1,250,000	$1,250,000
Sioux Falls (10) [1]	08/10/1994	3.00%	10	$1,500,000	$1,432,941
Sioux Falls (11) [1]	06/22/1995	4.50%	10	$1,250,000	$1,195,346
Sioux Falls (12) [1]	03/27/1996	4.50%	10	$1,300,000	$1,300,000

Sponsor	Binding Commitment Date	Rate	Term (years)	Original Binding Commitment Amount	Final Loan Amount
Sioux Falls (13) [1]	01/09/1997	4.50%	10	$2,500,000	$2,083,137
Sioux Falls (14) [1]	07/27/2000	4.50%	10	$5,100,000	$4,888,537
Sioux Falls (15) [1]	04/12/2002	3.50%	10	$1,724,000	$1,467,706
Sioux Falls (16) [1]	01/10/2003	3.50%	10	$2,479,500	$2,479,500
Sioux Falls (17) [1]	06/26/2003	3.50%	10	$932,000	$561,320
Sioux Falls (18)	07/16/2004	2.50%	10	$3,951,000	$3,730,114
Sioux Falls (19)	07/16/2004	2.50%	10	$801,000	$415,785
Sioux Falls (20A)	01/06/2005	1.50%	10	$16,000,000	$16,000,000
Sioux Falls (20B)	10/19/2005	1.50%	10	$8,700,000	$8,700,000
Sioux Falls (20NPS)	01/06/2005	1.50%	10	$1,249,349	$1,249,349
Sioux Falls (21A)	03/31/2005	2.25%	20	$12,500,000	$12,500,000
Sioux Falls (21B)	10/19/2005	2.25%	20	$21,608,000	$20,108,000
Sioux Falls (21NPS)	03/31/2005	2.25%	20	$3,269,418	$3,125,636
Sioux Falls (22)	02/07/2006	2.50%	10	$10,550,000	$10,550,000
Sioux Falls (23)	03/31/2006	2.50%	10	$10,323,000	$10,309,144
Sioux Falls (24)	03/30/2007	2.50%	7	$500,000	$500,000
Sioux Falls (25)	01/03/2008	2.50%	10	$5,657,000	$3,508,134
Sioux Falls (26)	03/27/2008	2.50%	10	$3,744,000	$3,744,000
Sioux Falls (27)	03/27/2008	2.50%	10	$2,621,000	$2,621,000
Sioux Falls (28) – ARRA	03/27/2009	2.25%	10	$1,803,000	$1,803,000
Sioux Falls (29) – ARRA	03/27/2009	2.25%	10	$2,540,000	$1,211,097
Sioux Falls (30) – ARRA	07/23/2009	2.25%	10	$8,462,000	$4,974,661
Sioux Falls (31) – ARRA	05/27/2009	2.25%	10	$1,970,000	$1,831,523
Sioux Falls (32)	01/07/2011	1.25%	10	$23,400,000	$23,400,000
Sioux Falls (32NPS)	01/07/2011	1.25%	10	$1,189,400	$1,189,400
Sioux Falls (33)	06/24/2011	1.25%	10	$14,000,000	$14,000,000
Sioux Falls (33NPS)	06/24/2011	1.25%	10	$711,614	$711,614
Sioux Falls (34)	09/27/2012	2.25%	10	$12,464,000	$12,464,000
Sioux Falls (35)	03/27/2015	1.25%	10	$11,400,000	$11,400,000
Sioux Falls (35NPS)	03/27/2015	1.25%	10	$579,457	$579,457
Sioux Falls (36)	03/27/2015	1.25%	10	$18,533,000	$18,533,000
Sioux Falls (36NPS)	03/27/2015	1.25%	10	$942,025	$942,025
Southern Missouri RWMD (NPS-01)	10/06/1994	5.00%	20	$700,000	$700,000
Southern Missouri RWMD (02)	06/29/2012	2.25%	10	$242,000	$223,813
Spearfish (01) [1]	03/12/1992	4.00%	15	$1,956,000	$1,956,000
Spearfish (02)	01/03/2008	3.25%	20	$5,900,000	$5,658,584
Spencer (01)	06/24/2010	3.25%	30	$230,156	$230,156
Sturgis (01) [1]	08/23/1993	5.00%	20	$502,000	$502,000
Sturgis (02) [1]	06/23/1994	5.00%	20	$936,250	$936,250
Sturgis (03) [1]	06/27/1997	5.25%	20	$450,000	$437,380
Sturgis (04) [1]	04/14/2000	5.00%	20	$2,100,000	$2,100,000

Sponsor	Binding Commitment Date	Rate	Term (years)	Original Binding Commitment Amount	Final Loan Amount
Sturgis (05) – ARRA	08/26/2009	3.00%	20	$516,900	$516,900
Summerset (01)	03/30/2012	3.00%	20	$300,000	$257,947
Summit (01) – ARRA [1]	03/27/2009	0%	-	$100,000	$100,000
Tea (01) [1]	03/31/1993	4.00%	15	$600,000	$600,000
Tea (02) [1]	05/11/1994	4.00%	15	$600,000	$600,000
Tea (03)	06/27/1997	5.25%	20	$250,000	$208,813
Tea (04)	05/14/1998	5.00%	15	$375,000	$375,000
Tea (05)	06/26/2003	3.50%	20	$495,490	$495,490
Tea (06)	06/28/2007	3.25%	20	$858,000	$787,174
Tea (07)	06/25/2009	3.00%	20	$875,000	$845,000
Turton (01)	03/28/2014	3.25%	30	$262,000	$262,000
Tyndall (01)	03/31/2006	3.25%	20	$795,000	$795,000
Valley Springs (01)	05/14/1998	5.25%	20	$430,000	$422,128
Valley Springs (02)	09/23/2004	3.25%	20	$350,000	$350,000
Vermillion (01) [1]	06/07/1990	3.00%	20	$125,000	$125,000
Vermillion (02) [1]	12/09/1993	4.00%	15	$500,000	$370,471
Vermillion (03)	03/28/2003	3.50%	20	$456,000	$273,965
Vermillion (04) [1]	07/16/2004	3.25%	20	$3,548,351	$3,333,994
Vermillion (05)	06/26/2008	3.25%	20	$4,851,000	$4,213,191
Vermillion (06) – ARRA	06/25/2009	3.00%	20	$499,000	$499,000
Vermillion (07)	03/30/2012	3.00%	20	$1,639,000	$1,639,000
Vermillion (NPS-01) [1]	08/10/1995	4.50%	10	$480,000	$356,531
Viborg (01)	06/24/2011	3.25%	30	$883,000	$616,764
Wagner (01)	06/28/2007	3.25%	20	$150,000	$138,329
Wagner (02) [2]	07/23/2009	3.25%	30	$500,000	$0
Wakonda (01)	06/28/2013	3.00%	20	$529,000	$507,555
Wall (01) [1]	07/22/1999	5.00%	20	$1,146,000	$788,600
Wall Lake San Dist. (01)	12/13/2001	3.50%	20	$200,000	$175,126
Wall Lake San Dist. (01)	03/30/2012	3.25%	30	$135,000	$135,000
Warner (01) [1]	03/23/1995	4.50%	10	$102,000	$101,152
Warner (02)	06/24/2011	3.25%	30	$1,826,760	$1,826,760
Watertown (01) [1]	10/09/1991	4.00%	15	$2,000,000	$2,000,000
Watertown (02) [1]	08/12/1992	4.00%	15	$4,000,000	$4,000,000
Watertown (03)	06/22/1995	5.25%	20	$2,600,000	$2,583,734
Watertown (04) [1]	11/09/1995	5.25%	20	$2,200,000	$932,830
Watertown (05)	03/28/2003	3.50%	20	$2,055,000	$2,055,000
Watertown (06)	03/31/2006	2.25%	20	$1,189,145	$1,151,694
Watertown (06NPS)	03/31/2006	2.25%	20	$113,985	$113,985
Watertown (07)	01/05/2007	2.25%	20	$847,170	$808,736
Watertown (07NPS)	01/05/2007	2.25%	20	$81,205	$81,205
Watertown (08)	01/05/2007	2.25%	20	$612,877	$525,041

Sponsor	Binding Commitment Date	Rate	Term (years)	Original Binding Commitment Amount	Final Loan Amount
Watertown (08NPS)	01/05/2007	2.25%	20	$58,747	$58,747
Watertown (09) – ARRA	07/23/2009	3.00%	20	$16,446,000	$11,554,853
Watertown (10) – ARRA	07/23/2009	3.00%	20	$3,330,000	$2,983,757
Watertown (11)	06/24/2010	3.00%	20	$815,000	$498,166
Watertown School District (01) – ARRA	07/23/2009	0%	-	$503,635	$399,747
Waubay (01) [1]	02/18/1992	5.00%	20	$163,487	$81,454
Waubay (02)	09/27/2012	3.25%	30	$149,200	$134,056
Waubay (03)	03/27/2015	3.25%	30	$1,080,000	$1,080,000
Webster (01) [1]	03/27/1996	4.50%	10	$400,000	$345,394
Webster (02)	04/12/2002	3.50%	20	$811,000	$811,000
Webster (03) – ARRA [1]	03/27/2009	0%	-	$500,000	$500,000
Wessington Springs (01)	03/27/2015	3.00%	20	$393,000	$393,000
Weston Heights Sanitary District (01)	03/31/2006	3.25%	20	$638,300	$600,412
White Lake (01)	03/28/2013	3.25%	30	$371,000	$371,000
Whitewood (01) [1]	02/18/1992	4.00%	15	$200,000	$180,801
Whitewood (02)	07/27/2000	5.00%	20	$275,000	$189,032
Willow Lake (01)	01/08/2004	3.50%	20	$100,000	$100,000
Winner (01)	06/22/2006	3.25%	20	$925,000	$925,000
Winner (02)	03/30/2012	3.00%	20	$400,000	$373,528
Wolsey (01)	09/27/2007	3.25%	20	$162,300	$162,300
Wolsey (02) [2]	03/27/2009	3.00%	20	$614,400	$0
Wolsey (03)	03/25/2010	3.00%	20	$901,560	$556,790
Worthing (01)	06/27/1996	5.25%	20	$315,725	$227,645
Worthing (02)	09/27/2007	3.50%	20	$580,000	$561,185
Worthing (03)	03/30/2012	3.00%	20	$459,832	$419,585
Yale (01)	06/24/2011	3.25%	30	$885,110	$885,110
Yankton (01) [1]	12/10/1997	5.25%	20	$2,625,000	$2,625,000
Yankton (02) [1]	12/10/1997	6.00%	20	$4,500,000	$4,500,000
Yankton (03)	10/12/2001	3.50%	20	$6,130,000	$6,020,406
Yankton (04)	03/30/2012	3.00%	20	$3,330,000	$3,330,000
TOTAL				**$646,774,289**	**$591,324,259**

[1] Loans paid in full

[2] Deobligated in full

Table 7
Principal Forgiveness Awards to Clean Water SRF Borrowers

Sponsor	Total Loan Award	Principal Forgiveness Awarded	Loan Payable
Aurora (02)	$421,303	$191,692	$229,611
Baltic (02)	$276,164	$127,588	$148,576
Belle Fourche Irrigation District (01)	$200,000	$200,000	$0
Brandon (04)	$383,250	$38,325	$344,925
Brookings (02)	$744,545	$74,455	$670,090
Brookings (03)	$433,909	$43,390	$390,519
Canistota (01)	$616,840	$420,190	$196,650
Canova (01)	$238,713	$154,686	$84,027
Canton (03)	$2,462,000	$840,500	$1,621,500
Colman (01)	$1,574,248	$356,500	$1,217,748
Colman (02)	$800,000	$500,000	$300,000
Dell Rapids (05)	$742,564	$398,014	$344,550
Eagle Butte (02)	$2,410,000	$436,500	$1,973,500
Elkton (01)	$510,000	$130,000	$380,000
Elk Point (06)	$607,840	$60,784	$547,056
Emery (01)	$2,890,000	$1,677,000	$1,213,000
Groton (07)	$310,913	$131,827	$179,086
Groton (08)	$206,979	$51,744	$155,235
Harrisburg (02)	$3,941,200	$3,941,200	$0
Hecla (01)	$101,909	$10,191	$91,718
Java (01)	$393,252	$92,807	$300,445
Lake Poinsett Sanitary District (03)	$2,413,671	$1,257,522	$1,156,149
Lead (07)	$192,541	$48,135	$144,406
Lennox (03)	$1,565,760	$1,565,760	$0
Lennox (04)	$1,942,273	$123,024	$1,819,249
Letcher (01)	$775,000	$275,000	$500,000
McLaughlin (01)	$1,145,675	$150,000	$995,675
Milbank (01)	$3,376,639	$2,171,179	$1,205,460
Montrose (02)	$767,190	$160,400	$606,790
Montrose (03)	$545,000	$100,000	$445,000
Mount Vernon (01)	$2,300,000	$1,050,000	$1,250,000
Parker (03)	$694,329	$471,450	$222,879
Plankinton (01)	$1,005,744	$150,000	$855,744
Prairie Meadows Sanitary Dist. (01)	$788,000	$200,000	588,000
Selby (01)	$700,000	$700,000	$0
Sinai (01)	$500,000	$100,000	$400,000
Sioux Falls (28)	$1,803,000	$180,300	$1,622,700

Sponsor	Total Loan Award	Principal Forgiveness Awarded	Loan Payable
Sioux Falls (29)	$1,211,097	$121,110	$1,089,987
Sioux Falls (30)	$8,462,000	$846,200	$7,615,800
Sioux Falls (31)	$1,831,523	$183,152	$1,648,371
Spencer (01)	$230,156	$100,000	$130,156
Sturgis (05)	$516,900	$218,283	$298,617
Summit (01)	$100,000	$100,000	$0
Vermillion (06)	$499,000	$249,500	$249,500
Wakonda (01)	$507,555	$187,287	$320,268
Warner (02)	$1,826,760	$1,018,760	$808,000
Watertown (09)	$16,446,000	$1,644,600	$14,801,400
Watertown (10)	$2,983,757	$298,375	$2,685,382
Watertown (11)	$498,166	$305,873	$192,293
Watertown School District(01)	$399,747	$399,747	$0
Waubay (03)	$1,080,000	$500,000	$580,000
Webster (03)	$500,000	$500,000	$0
Yale (01)	$885,110	$606,110	$279,000
TOTAL	**$78,758,222**	**$25,859,160**	**$52,899,062**

CLEAN WATER SRF PROJECT DESCRIPTIONS

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

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

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

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

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

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

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

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

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

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

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

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

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

BRANDON – The city of Brandon received two Clean Water SRF loans totaling $631,018 for a storm drainage project and for the construction of a force main to convey partially treated wastewater from Brandon to the Sioux Falls wastewater treatment plant as well as the associated pumping station and improvements to the existing treatment facility. Both loans were for 10 years at 3 percent interest. Brandon's third loan, for $687,000 at 2.25 percent for 10 years, was to reroute the force main leading to the wastewater treatment facility. Brandon's fourth loan, for $383,250 at 2.25 percent for 10 years, was to construct a storm water detention pond on the east side of the city. The third and fourth loans received 10 percent principal forgiveness ($68,700 and $38,325, respectively) through the American Recovery and Reinvestment Act of 2009. The third loan was rescinded at the city's request due to uncertainties concerning the route of the force main and the time limitations imposed by the American Recovery and Reinvestment Act. Brandon's fifth loan was awarded for engineering planning and design for modifications to the collection systems and construction of a new treatment system. The loan was for $3,000,000 at 3.25 percent for 30 years.

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

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

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

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

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

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

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

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

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

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

CANTON – The city of Canton received its first Clean Water SRF loan at 4 percent for 15 years in the amount of $515,715 to finance sanitary and storm sewer improvements. The city's second loan, for $600,000, was at 3.5 percent for 20 years for utility improvements in conjunction with South Dakota Department of Transportation reconstruction of US Highway 18. Canton's third loan was for $2,462,000

to upgrade the treatment capabilities of the city's wastewater treatment facility by constructing aerated lagoons and adding disinfection facilities. This loan was at 3.0 percent for 20 years and included $840,500 of principal forgiveness through the American Recovery and Reinvestment Act of 2009. The city's fourth loan is for the construction of a new lift station and force main to replace a deteriorated lift station. The loan is for $732,000 at 3.25 percent for 30 years.

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

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

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

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

CHANCELLOR – Chancellor received a $574,000 loan at 3.25 percent for 30 years to rehabilitate aging sanitary sewer collection system throughout the community.

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

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

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

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

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

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

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

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

DELL RAPIDS – The city of Dell Rapids constructed sanitary and storm sewers with a $300,000 loan. The new lines replaced existing undersized sewers in conjunction with a street rehabilitation project. The term of the loan was 10 years at 3 percent. The city's second loan, for $731,737 at 3.25 percent for 20 years, funded the wastewater portion of the 4th Street Utility Improvements project. The city's third loan, $1,062,000 at 3.25 percent for 20 years, was for improvements to storm water drainage in the 12th Street and Clark Avenue area. Dell Rapid's fourth loan was for $950,000 at 3.25 percent for 20 years to construct a new lift station, force main, and gravity sewer. The fifth loan awarded to the city installed sanitary and storm sewer along 15th Street. The loan was for $1,185,200 at 3 percent for 20 years and included $635,995 of principal forgiveness. The city's sixth loan partially financed the replacement of aging sanitary lines on 15th Street, Garfield Avenue, State Avenue and at the Big Sioux River Crossing. The loan amount was $612,000 at 3 percent for 20 years. Dell Rapids was awarded its seventh loan to replace the sanitary sewer, construct a lift station and gravity sewer to an area south of the Big Sioux River, and clean, televise and analyze approximately 40,000 feet of existing sanitary sewer. The loan was for $1,200,000 at 3 percent for 20 years.

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

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

ELK POINT – The city of Elk Point has received six loans for various wastewater and storm water projects. Its first loan, $458,000 at 4 percent for 15 years, financed the replacement of two existing lift stations with a new lift station, force main and interceptor lines. The city's second loan for $450,000 at 3.5 percent for 20 years funded new storm sewer and replaced sanitary sewer in conjunction with the

Pearl Street Utility Improvement project. Its third loan, in the amount of $345,000 at 3.5 percent for 20 years, financed renovation of the city's lagoon system. Elk Point's fourth loan, $100,000 at 3.25 percent for 20 years, funded the wastewater portion of the utility systems' improvements. The fifth SRF loan awarded to Elk Point funded sanitary and storm sewer rehabilitation on Clay and Washington Streets. This loan was $150,000 at 3.25 percent for 20 years. The city's sixth loan was used to replace the sewer main on Main Street in conjunction with a highway reconstruction project. The loan amount was $931,700 at 3 percent for 20 years and included $93,170 of principal forgiveness through the American Recovery and Reinvestment Act of 2009.

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

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

EMERY – Emery was awarded a loan for $2,890,000 at 3.25 percent for 30 years to replace the majority of its collection system to reduce the infiltration of groundwater entering the system. The loan included $1,677,000 of principal forgiveness.

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

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

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

FAULKTON – The city of Faulkton was awarded its first Clean Water SRF loan in the amount of $902,000 at 3.25 percent for 30 years. The project involved removal storm sewer connections from the sanitary sewer, and the installation of 1,500 feet of storm sewer pipe. The project also involved televising about 65,000 feet of sewer main to identify and prioritize pipe to replace in the future.

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

$900,000 at 3.25 percent for 20 years was awarded. Fort Pierre received its sixth loan to make improvements at its wastewater treatment facility. The loan amount is $266,000 at 3.25 percent for 30 years and includes $50,000 of principal forgiveness.

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

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

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

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

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

GROTON – The city of Groton has received nine Clean Water SRF loans to finance various projects. Its first two loans, in the total amount of $264,154, financed new interceptor lines, force mains and lift stations in the east and northwest sections of the city. Both loans were at 3 percent for 10 years. The city's third loan, $470,809 at 5.25 percent for 20 years, funded construction of a new three-cell wastewater treatment facility, lift station, and force main. The city received its fourth and fifth Clean Water SRF loans in 2003, both at 3.5 percent for 20 years. The fourth loan, for $163,775, funded expansion of the sewer system to the northeast part of the city. The fifth loan, $440,000, funded replacement of sewer lines on Main Street and reconstruction of the road. Groton's sixth loan - $150,000, 3.25 percent, 20 years – was awarded for emergency replacement of approximately 3 blocks of sewer main damaged by heavy rainfall and flooding. The seventh loan replaced 4,700 feet of 8-inch sanitary sewer lines and 2,700 feet of 4-inch sewer services and upgraded a lift station. This loan was for $907,700 at 3.0 percent for 20 years and included $500,000 of principal forgiveness through the American Recovery and Reinvestment Act of 2009. The city's eighth loan was to replace a collapsed sanitary sewer line that crossed under an operating railroad. The loan was awarded for $322,000 at 2.25 percent for 10 years and included $80,500 of principal forgiveness. The ninth loan also replaced a failing sanitary sewer line and relocated a lift station. The loan amount was $485,000 at 2.25 percent for 10 years.

HARRISBURG – The city of Harrisburg received a Clean Water SRF loan for $507,277 at 5 percent for 20 years to construct total retention stabilization ponds. Harrisburg's second and third loans were for a project to convey wastewater from Harrisburg to the city of Sioux Falls for treatment. A loan of $3,941,200 with 100 percent principal forgiveness through the American Recovery and Reinvestment Act

of 2009 was used to construct a lift station at the city's existing wastewater treatment facility property. A loan of $5,911,800 at 3.25 percent for 30 years was used to construct a force main from the lift station to the city of Sioux Falls' collection system. The city's fourth and fifth loans were used to install sanitary and storm sewer in the Columbia Drainage Basin area. The loan for the storm sewer portion was for $1,783,760 at 3 percent for 20 years, and the loan for the sanitary sewer portion was for $1,435,340 at 2.25 percent for 10 years. Harrisburg was awarded it sixth loan for $2,577,000 at 3.25 percent for 30 years to pay a system development charge to the city of Sioux Falls for treatment of wastewater from Harrisburg.

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

HARTFORD – The city of Hartford has received five loans totaling $2,627,839. With the first two loans, for $1,194,804 at 5 percent interest for 20 years, the city replaced sanitary sewer mains within the city and replaced the wastewater treatment facility. Hartford's third loan, for $300,000 at 3.5 percent for 20 years, completed the funding for the wastewater treatment facility project. Hartford's fourth loan, in the amount of $550,035 at 3.5 percent for 20 years, funded further wastewater collection and storm sewer improvements. The city's fifth loan, in the amount of $583,000 at 3.25 percent for 20 years, also funded further wastewater collection and storm sewer improvements.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

LAKE COCHRANE SANITARY DISTRICT – The Lake Cochrane Sanitary District constructed a wastewater collection and treatment system at Lake Cochrane. An $80,000 loan at 3 percent for 20 years

was made to the district to refinance a portion of the project. Its second loan, in the amount of $160,000 at 3.5 percent for 20 years, upgraded the wastewater collection system.

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

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

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

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

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

LENNOX – The city of Lennox received a $350,000 Clean Water SRF loan at 5.25 percent interest for 20 years to construct and rehabilitate sanitary sewer interceptors. The city received a second loan for $583,735 at 5.25 percent for 20 years to add four aeration basins, two lift stations, and force mains to the existing wastewater facility. Lennox's third and fourth loans were to replace the existing treatment facility with a sequencing batch reactor (SBR) mechanical aeration system and make improvements to a lift station. A loan of $1,565,760 with 100 percent principal forgiveness through the American Recovery and Reinvestment Act of 2009 was for those components of the project with a design life of 20 years. A loan of $1,942,273 at 3.25 percent for 30 years was used to construct those components of the project with a design life of at least 30 years. This loan included $123,024 of principal forgiveness through the American Recovery and Reinvestment Act of 2009. Lennox received its fifth loan of $1,290.000 at 3.25 percent for 30 years to replace or repair sanitary and storm sewers in the southwestern part of the city.

Lennox received its sixth loan of $1,873.000 at 3.25 percent for 30 years to continue to replace or repair sanitary and storm sewers within the city.

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

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

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

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

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

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

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

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

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

MOBRIDGE – The city of Mobridge received two Clean Water SRF loans to partially fund the upgrade and expansion of the wastewater treatment facility. The first loan totaled $1,500,000 at 3 percent for 20 years, while the second loan of $158,000 was at a rate of 4 percent for 15 years. The city received its third loan in the amount of $1,355,000 at 4.5 percent interest for 10 years to install storm sewers in the northwest section of town. Mobridge was awarded its fourth loan in the amount of $764,000 at 3 percent for 30 years to better manage storm water in the area of Second Avenue West and Railway Street

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

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

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

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

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

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

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

PARKER – Parker's first loan of $824,000 at 3.25 percent for 20 years funded improvements to the city's wastewater collection system. The city's second loan, $620,000 at 3.25 percent for 20 years, funded the second phase of the improvements to the wastewater collection system. Parker was awarded a third loan in the amount of $700,900 to continue replacing its wastewater collection system. This loan is at 3.25 percent for 30 years and included $475,450 of principal forgiveness through the American Recovery and Reinvestment Act of 2009. Parker was awarded its fourth loan in the amount of $295,000 at 3 percent for 20 years to replace the North lift station.

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

PHILIP – Philip financed the construction of sanitary and storm sewer improvements with its first loan for $453,885 at 5 percent interest for 15 years. The city received a second, $321,127 Clean Water SRF loan for a term of 20 years at 5.25 percent to finance the construction of sanitary sewer, storm sewer, concrete curb and gutter, and replacement of force main. Philip's third SRF loan, in the amount of $347,040 at 3.25 percent for 15 years, funded wastewater and storm sewer utility improvements in the

downtown area of the city. The city's fourth and fifth loans involved making improvements to the sanitary and storm sewer along Wood and Waldren Avenues. The loan for the storm sewer was in the amount of $1,073,300, and the loan for sanitary sewer was in the amount of $750,000. Both loans were 3.25 percent for 30 years.

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

PIERRE – The city of Pierre has received five Clean Water SRF loans for various projects. Its first loan, in the amount of $433,976 at 4 percent for 15 years, financed the construction of an interceptor line near the airport and the addition of comminutors at the treatment plant as well as improvements to the sludge handling facilities at the treatment plant. The city's second loan, for $4,417,000 at 5.25 percent for 20 years, financed phase I improvements to the wastewater treatment facility. Pierre received a third loan in the amount of $5,391,260 at 5 percent for 20 years to improve the wastewater treatment facility (phase II). Its fourth loan, $1,378,404 at 3.5 percent for 20 years, funded the water quality components of a new regional landfill. Pierre's fifth loan was for $976,953 at 3.25 percent for 20 years for the stabilization of slide areas and drainage improvements at an old, pre-Subtitle D landfill. The city's sixth loan, in the amount of $817,600 at 2.25 percent for 10 years financed construction of an additional cell at the Pierre Regional Landfill.

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

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

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

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

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

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

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

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

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

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

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

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

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

SINAI – Sinai received its first loan to construct a total retention pond wastewater treatment facility to replace the existing mechanical wastewater facility, replace the main lift station, and install force main to the new wastewater treatment facility. The loan was for $500,000 at 3.25 percent for 30 years and included $100,000 of principal forgiveness.

SIOUX FALLS – The city of Sioux Falls has received 36 Clean Water SRF loans for a variety of projects. These projects include the construction of new interceptor lines and lift stations, rehabilitation of the sanitary sewers and lift stations, purchase of sludge handling equipment and improvements, infiltration/inflow correction, improvement of storm water drainage, flow equalization basin construction, and other wastewater system improvements. The first loan was at 3 percent for 20 years. Loans 2 through 10 were at 3 percent for 10 years, loans 11 through 14 were at 4.5 percent for 10 years, and the 15th loan was at 3.5 percent for 10 years. The City's 16th and 17th loans, for $2,479,500 and $932,000, were both at 3.5 percent for ten years, funded wastewater facilities improvements and identified and implemented best management practices within the city. Loans 18 (for $3,951,000) and 19 (for $801,000) were at 2.5 percent for ten years and funded improvements to the wastewater system and retrofitted storm water

detention ponds, respectively. The city's 20th loan, in the amount of $25,949,349 at 1.5 percent for 10 years, funded storm sewer improvements and nonpoint source best management practices, and the 21st loan provided for construction of the East Side Sanitary Sewer System and nonpoint source best management practices. This loan was for $37,377,418 at 2.25 percent for 20 years. Both 2005 loans were structured with a portion of the funding in a Series B bond that was approved contingent upon sufficient Clean Water SRF funding being available in FFY 2006 to fund the balance. The Series B amounts were $8,700,000 and $21,608,000 for the Storm Drainage (20) and East Side Sanitary Sewer (21) projects, respectively. The city's 22nd loan, $10,550,000 at 2.5 percent for 10 years, also funded the Storm Drainage project, and its 23rd loan, for $10,323,000 at 2.5 percent for 10 years, was approved for the Basin 13 Trunk sewer and other utility system improvements. The city's 24th loan, $500,000 at 2.5 percent for 7 years, was used to close side slopes of the unlined active area and construct an alternative cap on the active area side slopes at the city-owned regional landfill. In 2008, Sioux Falls received three additional Clean Water SRF loans. The city's 25th, 26th, and 27th loans were for $5,657,000, $3,744,000 and $2,621,000, respectively, and each was at 2.5 percent for 10 years. The loans were awarded for sanitary trunk and collection system sewer construction within the Basin 13 area, along with two odor control structures (loan 25); replacement of a portion of the Central Main Interceptor (loan 26); and reconstructing storm sewer and retrofitting eight existing detention ponds (loan 27). Sioux Falls' 28th loan in the amount of $1,803,000 funded the addition of a third engine/generator in the Energy Recovery Unit at the Water Reclamation Facility. The city's 29th loan involved the lining of sanitary sewer lines at numerous locations in the city and the construction of the Basin 13 Sanitary Trunk Sewer Section 2, Phase 1 project and was in the amount of $2,540,000. The city's 30th loan of $1,970,000 was to expand the gas collection capabilities at the regional landfill. The 31st loan was for the continuation of the Central Main Interceptor project. Loans 28, 29, 30, and 31 each had an interest rate of 2.25 percent, a 10-year term and included 10 percent principal forgiveness through the American Recovery and Reinvestment Act of 2009. The city's 32nd loan in the amount of $24,589,400 was also for the continuation of the Central Main Interceptor project and other sewer line rehabilitation work. The city's 33rd loan of $14,711,614 was used for Phase 1 of the Sioux River South Interceptor Project which replaced 42- and 36-inch sewer lines with 54-inch sanitary sewer lines in the southeast part of the city. Loans 32 and 33 had a 1.25 percent interest rate and a term of 10 years, and each loan also included a nonpoint component to conduct water quality studies and continue with bank stabilization activities along Skunk Creek and the Big Sioux River. The 34th loan awarded to Sioux Falls was used for the construction of phase 2 of the Sioux River South Interceptor Project and was in the amount of $12,464,000 at 2.5 percent for 10 years. The city's 35th loan for $11,979,457 was for the construction of a second force main parallel to the existing force main from the Brandon Road Pump Station to the Water Reclamation Facility. The city's 36th loan for $19,475,025 was for the replacement of the existing 66-inch outfall line from the equalization basin to the Brandon Road Pump Station. Loans 35 and 36 had a 1.25 percent interest rate and a term of 10 years, and each loan also included a nonpoint component to make non-point source improvements in the Big Sioux River basin.

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

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

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

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

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

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

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

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

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

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

VERMILLION – Vermillion's first loan, $125,000 at 3 percent for 20 years, was used to reconstruct a sanitary sewer interceptor. The second loan, $500,000 at 4 percent for 15 years, funded the construction of approximately 6,200 feet of storm sewer pipe and associated appurtenances in three areas of the city. The third loan, a nonpoint source loan of $480,000 at 4.5 percent for 10 years, financed the construction

of a second trench at the city's landfill and to purchase a scraper. The city's fourth SRF loan, $456,000 at 3.5 percent for 20 years, funded wastewater collection facilities in the northwest area of the city. Vermillion's fifth and sixth loans, in the amount of $3,548,351 and $4,851,000, respectively, financed two phases of wastewater treatment plant improvements to update mechanical process equipment, controls and instrumentation, to replace the main lift station, and to construct an additional force main between the new lift station and the treatment facility. Both are 20-year loans with an interest rate of 3.25 percent. The city's seventh loan for $499,000 involved lining approximately 11,600 feet of sanitary sewer lines in various locations throughout the city using cured-in-place pipe. This loan was at 3.0 percent for 20 years and included $249,500 of principal forgiveness through the American Recovery and Reinvestment Act of 2009. The eighth loan awarded to Vermillion - $1,639,000 at 3 percent for 20 years – assisted in the construction of the fifth disposal cell at the regional landfill.

VIBORG – Viborg received its first Clean Water SRF loan for $238,300 at 3.25 percent for 30 years to replace a portion of its sewer lines in conjunction with a road reconstruction project.

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

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

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

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

WARNER – The town of Warner used a $101,152 Clean Water SRF loan at 4.5 percent for 10 years to construct a storm sewer collection and disposal system to improve storm drainage within the community. Warner's second loan was used to replace lift station pumps and expand the existing wastewater treatment pond system by adding an additional cell. This loan was for $1,826,760 at 3.25 percent for 30 years and included $1,058,760 of principal forgiveness.

WATERTOWN – The city of Watertown has received eleven Clean Water SRF loans for various projects. The first two loans, both at 4 percent for 15 years, financed the upgrade and expansion of the city's wastewater treatment facility. The third and fourth loans, payable at 5.25 percent interest for 20 years, were used to rehabilitate portions of the sanitary sewer collection system and for engineering costs associated with the final upgrade of the wastewater treatment facility. The city's fifth loan, $2,055,000 at 3.5 percent for 20 years, funded replacement or rehabilitation of sanitary sewers throughout the city and lift stations serving the Lake Kampeska area. Watertown's sixth loan of $1,303,130 funded a storm water project in the southwest portion of the city and a nonpoint source portion for Best Management Practices

(BMP)on the Big Sioux River, thus qualifying the city for a loan at 2.25 percent for 20 years. The city received its seventh and eighth loans for a project to install sanitary and storm sewer on First Avenue North and continuation of the BMP project on the Big Sioux River. Loan seven was for $928,375 at 2.25 percent for 20 years, of which $847,170 was for the sanitary sewer portion of the First Avenue North project and $81,205 for the BMP project. Loan eight was for $671,624 at 2.25 percent for 20 years, of which $612,877 is for the storm sewer portion of the First Avenue North project and $58,747 for the BMP project. Watertown's ninth loan was in the amount of $16,446,000 and was used to construct a new head works facility, rehabilitate a lift station, and extend, replace and re-line sanitary sewer. The city's tenth loan for $3,330,000 funded several storm sewer projects throughout the city. Loans 9 and 10 each had an interest rate of 3 percent, a 20-year term and included 10 percent principal forgiveness through the American Recovery and Reinvestment Act of 2009. An eleventh loan in the amount of $815,000 was awarded for the construction of a parking lot utilizing pervious pavement for storm water management. This loan was at 3 percent for 20 years and included $500,000 of percent principal forgiveness.

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

WAUBAY – The city of Waubay received a 20 year, 5 percent Clean Water SRF loan in the amount of $81,454 to construct a wastewater collection system within the city limits on the south shore of Blue Dog Lake, an area previously served by septic tanks. Waubay's second loan will finance improvements to Lift Station 5, construction of a force main, and pipe lining on portions of the wastewater collection system. The second loan was in the amount of $149,200 at 3.25 percent for 20 years. The city's third loan is for the construction of additional ponds and wetlands at the existing treatment facility to create a total retention wastewater system. The loan amount is $1,080,000 at 3.25 percent for 30 years and includes $500,000 of principal forgiveness.

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

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

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

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

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

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

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

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

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

YALE – The town of Yale received a Clean Water SRF loan to rehabilitate the collection system and add an additional cell to the wastewater treatment facility. The loan was for $885,100 at 3.25 percent for 30 years and included $606,110 of principal forgiveness

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

SOUTH DAKOTA

DRINKING WATER STATE REVOLVING FUND

PROGRAM INFORMATION

DRINKING WATER SRF OVERVIEW

The Drinking Water SRF program was federally authorized by the Safe Drinking Water Act Amendments of 1996, while the state authorized the loan program in 1994 in anticipation of federal action. EPA provided the final guidance for the Drinking Water SRF program on February 28, 1997. The South Dakota Conservancy District, acting in its capacity as the Board of Water and Natural Resources, conducted a public hearing on April 15, 1997, to adopt formal administrative rules for the program.

Since 1997, South Dakota's Drinking Water SRF Program has received federal capitalization grants totaling $198,891,298. Because of the demand on the Drinking Water SRF program, the 2002 and 2003 Clean Water SRF Capitalization Grants and state match were transferred to the Drinking Water SRF program. These grants amounted to $12,978,600, with the corresponding state match of $2,595,720 provided by administrative surcharge funds and not bond proceeds. Table 8 shows capitalization grants, state match and leveraged funds for the Drinking Water SRF program.

Table 8
Drinking Water SRF Program – Source of Funds

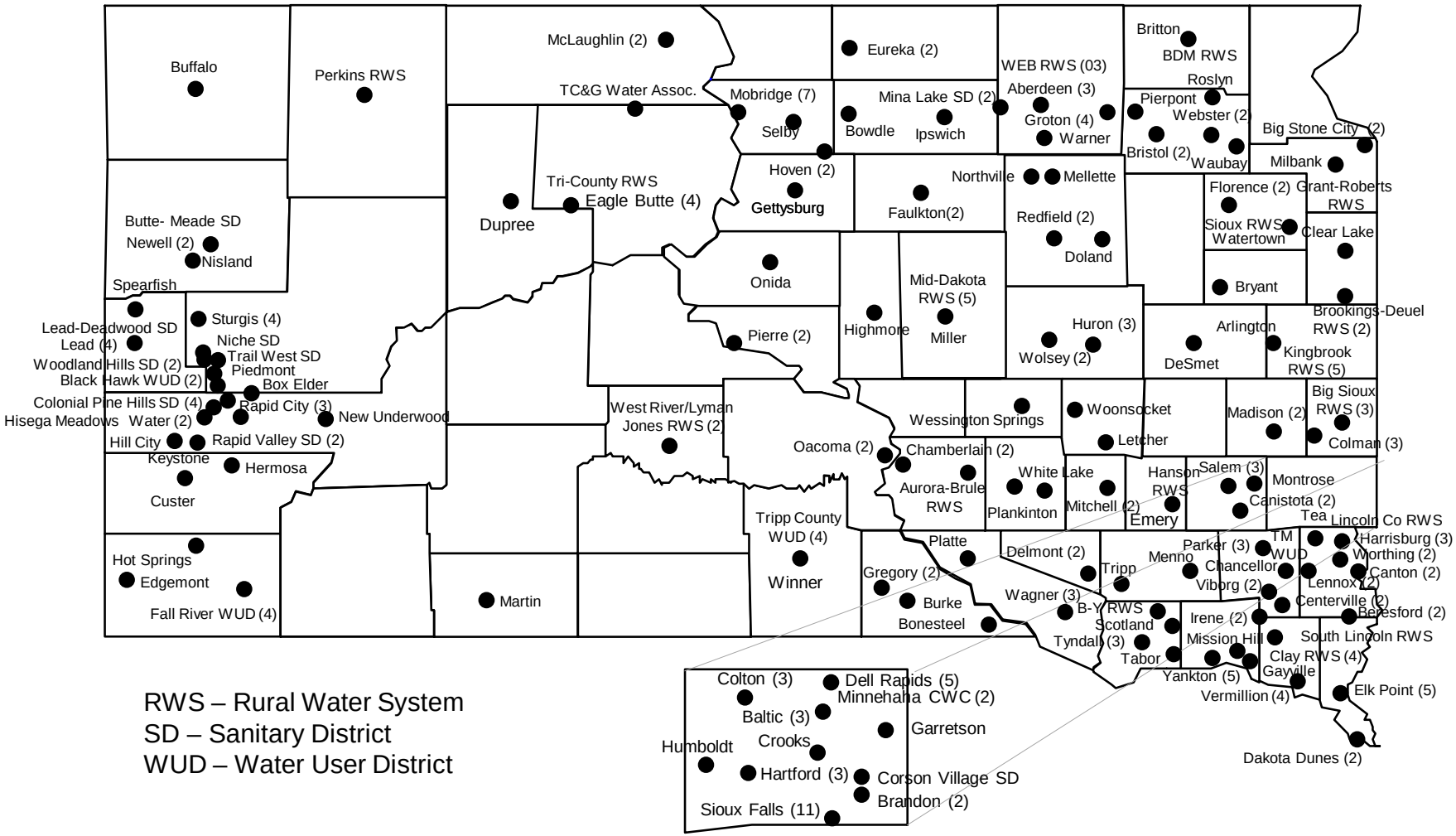
Federal Fiscal Year	Federal Capitalization Grant Award	State Match	Leveraged Funds	Total
1997	$12,558,800	$2,511,760		$15,070,560
1998	$7,121,300	$1,424,260		$8,545,560
1999	$7,463,800	$1,492,760		$8,956,560
2000	$7,757,000	$1,551,400		$9,308,400
2001	$7,789,100	$1,557,820		$9,346,920
2002	$14,563,300	$2,912,660		$17,475,960
2003	$14,471,900	$2,894,380		$17,366,280
2004	$8,303,100	$1,660,620	$22,503,662	$32,467,382
2005	$8,285,500	$1,657,100		$9,942,600
2006	$8,229,300	$1,645,860	$7,000,414	$16,875,574
2007	$8,229,000	$1,645,800		$9,874,800
2008	$8,146,000	$1,629,200	$13,000,000	$22,775,200
2009	$8,146,000	$1,629,200	$18,221,624	$27,996,824
2009 – ARRA	$19,500,000	$0		$19,500,000
2010	$13,573,000	$2,714,600		$16,287,600
2011	$9,418,000	$1,883,600		$11,301,600
2012	$8,975,000	$1,795,000		$10,770,000
2013	$8,729,198	$1,745,840		$10,475,038

Federal Fiscal Year	Federal Capitalization Grant Award	State Match	Leveraged Funds	Total
2014	$8,845,000	$1,769,000		$10,614,000
2015	$8,787,000	$1,757,400	$7,000,000	$17,544,400
TOTAL	$198,891,298	$35,878,260	$67,725,700	$302,495,258

Through June 30, 2015, principal repayments from borrowers totaled $131,272,105. Of this amount $74,754,427 has been re-loaned. Principal repayments are also used for debt service on leveraged bonds. Interest payments from borrowers totaled $35,356,745, of which $25,122,221 has been re-loaned. Interest payments are also used for debt service on State Match bonds.

As of June 30, 2015, the Board has made 269 Drinking Water loan awards totaling $434,482,457. The Drinking Water SRF loan portfolio begins on page 65 with a map showing the location of the borrowers. Table 9, beginning on page 66, provides the loan amount, date, and terms. Table 10, beginning on page 73, shows the principal forgiveness awarded through the American Reinvestment and Recovery Act of 2009. More detailed project description narratives are provided by recipient beginning on page 76.

FIGURE 2
Drinking Water State Revolving Fund Loans



RWS – Rural Water System
SD – Sanitary District
WUD – Water User District

Table 9
Drinking Water SRF Loans
Since Inception of Program through June 30, 2015

Sponsor	Binding Commitment Date	Rate	Term (years)	Original Binding Commitment Amount	Final Loan Amount
Aberdeen (DW-01A) [1]	03/28/2003	3.50%	20	$9,460,000	$9,460,000
Aberdeen (DW-01B) [1]	01/08/2004	3.50%	20	$7,300,000	$7,024,258
Aberdeen (DW-02)	07/23/2009	2.25%	10	$1,750,000	$1,330,118
Aberdeen (DW-03)	06/29/2012	3.00%	20	$1,040,000	$1,040,000
Arlington (DW-01) – ARRA [1]	06/25/2009	0%	-	$100,000	$100,000
Aurora-Brule RWS (DW-01) – ARRA [1]	03/27/2009	0%	-	$500,000	$500,000
Baltic (DW-01)	06/27/2002	3.50%	20	$250,000	$250,000
Baltic (DW-02) – ARRA	06/25/2009	2.25%	10	$165,000	$163,446
Baltic (DW-03)	03/30/2012	3.00%	20	$457,000	$420,922
BDM RWS (DW-01)	04/12/2002	3.50%	20	$536,000	$280,251
Beresford (DW-01)	03/30/2012	3.00%	30	$916,040	$916,040
Beresford (DW-01)	03/28/2014	3.00%	30	$745,000	$745,000
Big Sioux CWS (DW-01) [2]	03/31/2006	3.25%	20	$831,000	$0
Big Sioux CWS (DW-02)	03/28/2014	3.00%	15	$900,000	$900,000
Big Sioux CWS (DW-03)	03/27/2015	3.00%	20	$1,014,000	$1,014,000
Big Stone City (DW-01)	07/22/1998	5.25%	20	$600,000	$570,000
Big Stone City (DW-02)	06/26/2003	3.50%	20	$240,000	$139,873
Black Hawk WUD (DW-01)	03/26/1998	5.25%	20	$500,000	$500,000
Black Hawk WUD (DW-02)	01/03/2008	3.25%	20	$1,142,000	$1,066,674
Bon Homme – Yankton WUD – ARRA [2]	06/25/2009	0%	-	$300,000	$0
Bonesteel (DW-01)	03/28/2013	2.25%	30	$2,043,000	$2,043,000
Bowdle (DW-01) – ARRA [1]	06/25/2009	0%	-	$150,000	$150,000
Box Elder (DW-01)	03/25/2011	3.00%	20	$3,562,950	$3,562,950
Brandon (DW-01) [1]	11/13/1998	4.75%	15	$1,950,000	$1,877,375
Brandon (DW-02)	03/27/2015	3.00%	20	$12,425,000	$12,425,000
Bristol (DW-01) [2]	04/25/2001	4.50%	20	$139,000	$0
Bristol (DW-01)	03/28/2014	3.00%	30	$1,979,000	$1,979,000
Britton (DW-01)	04/25/2001	4.50%	20	$320,000	$320,000
Brookings-Deuel Rural Water System (DW-01)	01/06/2005	3.25%	30	$1,200,000	$1,002,464
Brookings-Deuel Rural Water System (DW-02)	06/23/2005	3.25%	30	$1,750,000	$1,750,000
Bryant (DW-01)	01/13/2000	3.00%	30	$142,000	$142,000
Buffalo (DW-01)	03/27/2015	2.25%	30	$1,695,000	$1,695,000
Burke (DW-01)	01/05/2006	2.50%	30	$115,600	$115,600
Butte-Meade Sanitary Water District	06/24/2011	2.25%	10	$396,700	$257,668
Canistota (DW-01) – ARRA	03/27/2009	3.00%	30	$426,460	$426,460

Sponsor	Binding Commitment Date	Rate	Term (years)	Original Binding Commitment Amount	Final Loan Amount
Canistota (DW-02)	03/28/2014	3.00%	30	$1,095,000	$1,095,000
Canton (DW-01)	01/10/2003	3.50%	20	$500,000	$500,000
Canton (DW-02)	03/27/2015	3.00%	30	$1,550,000	$1,550,000
Centerville (DW-01)	03/25/2004	3.25%	30	$870,000	$870,000
Centerville (DW-02) [2]	03/30/2012	2.25%	10	$116,685	$0
Chamberlain (DW-01)	03/27/2008	3.25%	20	$276,500	$276,500
Chamberlain (DW-02)	09/26/2009	3.00%	20	$1,000,000	$873,704
Chancellor (DW-01)	09/22/2005	3.25%	30	$230,000	$205,948
Clay RWS (DW-01)	06/23/2005	3.25%	30	$4,331,000	$4,331,000
Clay RWS (DW-02) – ARRA	06/25/2009	3.00%	20	$846,300	$844,968
Clay RWS (DW-03)	06/24/2010	3.00%	30	$2,208,000	$2,205,570
Clay RWS (DW-04) [1]	09/22/2011	2.00%	3	$1,369,758	$1,369,758
Clear Lake (DW-01)	12/10/1998	3.00%	30	$565,000	$540,637
Colman (DW-01)	03/30/2012	2.25%	10	$182,000	$182,000
Colman (DW-02)	03/30/2012	3.00%	30	$439,008	$434,528
Colman (DW-03)	03/28/2013	3.00%	30	$1,600,000	$1,600,000
Colonial Pine Hills Sanitary District (DW-01)	01/31/2002	3.50%	20	$659,000	$636,108
Colonial Pine Hills Sanitary District (DW-02) – ARRA	07/23/2009	3.00%	20	$1,003,608	$1,003,608
Colonial Pine Hills Sanitary District (DW-03)	06/29/2012	3.00%	20	$705,000	$705,000
Colonial Pine Hills Sanitary District (DW-04)	01/08/2015	3.00%	20	$400,000	$400,000
Colton (DW-01)	06/27/2002	3.50%	30	$681,720	$632,455
Colton (DW-02)	03/25/2011	3.00%	20	$191,100	$181,156
Colton (DW-03)	01/05/2012	2.25%	10	$210,740	$156,434
Corson Village Sanitary District (DW-01) – ARRA	07/23/2009	3.00%	20	$601,735	$581,364
Crooks (DW-01)	06/25/2004	3.25%	20	$302,900	$133,510
Custer (DW-01)	01/10/2003	3.50%	20	$800,000	$800,000
Dakota Dunes CID (DW-01) [1]	06/27/2002	3.50%	20	$908,000	$376,962
Dakota Dunes CID (DW-02)	01/08/2015	3.00%	20	$1,600,000	$1,600,000
Dell Rapids (DW-01)	03/28/2003	3.50%	20	$621,000	$621,000
Dell Rapids (DW-02)	01/05/2006	3.25%	20	$162,263	$162,263
Dell Rapids (DW-03)	09/24/2011	3.00%	20	$531,835	$428,698
Dell Rapids (DW-04)	01/05/2012	2.25%	10	$300,000	$300,000
Dell Rapids (DW-05)	06/29/2012	3.00%	20	$897,000	$866,931
Delmont (DW-01)	06/26/2008	2.50%	30	$185,000	$158,461
Delmont (DW-02) [1]	09/24/2011	2.25%	10	$90,000	$90,000
DeSmet (DW-01) – ARRA	08/26/2009	2.25%	30	$258,000	$258,000
Doland (DW-01)	06/24/2011	3.00%	30	$1,762,200	$1,762,200
Dupree (DW-01)	09/27/2012	2.25%	30	$163,500	$163,500
Eagle Butte (DW-01)	09/27/2012	0%	10	$593,000	$593,000
Eagle Butte (DW-02)	09/27/2012	0%	30	$1,244,000	$1,244,000

Sponsor	Binding Commitment Date	Rate	Term (years)	Original Binding Commitment Amount	Final Loan Amount
Eagle Butte (DW-03)	03/28/2013	0%	30	$490,000	$250,000
Eagle Butte (DW-04)	11/06/2014	0%	30	$725,000	$725,000
Edgemont (DW-01)	06/25/2015	0%	30	$1,890,000	$1,890,000
Elk Point (DW-01)	01/31/2002	3.50%	20	$220,000	$220,000
Elk Point (DW-02)	06/25/2004	3.25%	20	$570,000	$570,000
Elk Point (DW-03)	06/22/2006	3.25%	20	$218,000	$114,441
Elk Point (DW-04)	06/26/2008	3.25%	20	$564,000	$539,449
Elk Point (DW-05) – ARRA	07/23/2009	3.00%	20	$1,179,500	$798,040
Emery (DW-01)	06/25/2015	3.00%	30	$1,585,000	$1,585,000
Eureka (DW-01)	09/28/2006	0.00%	10	$135,000	$133,681
Eureka (DW-02) – ARRA [1]	06/25/2009	0%	-	$200,000	$200,000
Fall River Water Users District (DW-01)	12/09/1999	3.00%	30	$759,000	$759,000
Fall River Water Users District (DW-02)	11/09/2001	2.50%	30	$400,000	$260,958
Fall River Water Users District (DW-03) – ARRA [1]	03/27/2009	0%	-	$612,000	$612,000
Fall River Water Users District (DW-04) – ARRA [1]	06/25/2009	0%	-	$750,000	$750,000
Faulkton (DW-01) – ARRA [1]	03/27/2009	0%	-	$500,000	$500,000
Faulkton (DW-02)	01/07/2011	3.00%	30	$511,725	$499,185
Florence (DW-01)	06/25/2015	3.25%	30	$688,000	$688,000
Florence (DW-02)	06/25/2015	3.25%	30	$567,000	$567,000
Garretson (DW-01)	06/27/2002	3.50%	30	$1,261,060	$1,102,147
Gayville (DW-01)	11/30/2010	3.00%	30	$900,000	$900,000
Gettysburg (DW-01) [1]	06/14/2001	4.50%	20	$565,000	$565,000
Grant-Roberts Rural Water System (DW-01)	03/28/2013	3.00%	30	$4,500,000	$4,500,000
Gregory (DW-01)	04/12/2002	2.50%	30	$380,000	$347,580
Gregory (DW-02)	01/07/2011	2.25%	30	$685,080	$551,691
Groton (DW-01)	03/28/2003	3.50%	20	$440,000	$440,000
Groton (DW-02)	06/25/2004	3.25%	20	$365,900	$308,945
Groton (DW-03) – ARRA [1]	06/25/2009	0%	-	$272,000	$231,315
Groton (DW-04) [2]	09/24/2010	2.25%	10	$703,000	$0
Hanson Rural Water System (DW-01)- ARRA	08/26/2009	3.00%	20	$840,000	$754,341
Harrisburg (DW-01)	10/12/2000	5.00%	20	$525,000	$525,000
Harrisburg (DW-02)	03/30/2007	3.25%	20	$1,714,327	$1,291,925
Harrisburg (DW-03)	09/25/2008	3.25%	20	$2,090,000	$1,753,441
Hartford (DW-01) [1]	04/13/2000	5.00%	20	$185,000	$185,000
Hartford (DW-02)	01/10/2003	3.50%	20	$800,957	$800,957
Hartford (DW-03)	01/06/2005	3.25%	20	$1,123,556	$1,123,556
Hermosa (DW-01)	12/10/1998	5.00%	20	$300,000	$300,000
Highmore (DW-01)	03/28/2014	3.00%	30	$395,000	$395,000
Hill City (DW-01)- ARRA	08/26/2009	3.00%	30	$402,200	$336,903
Hisega Meadows Water, Inc. (DW-01)	06/29/2012	3.00%	20	$487,500	$487,500

Sponsor	Binding Commitment Date	Rate	Term (years)	Original Binding Commitment Amount	Final Loan Amount
Hisega Meadows Water, Inc. (DW-02)	09/26/2014	3.00%	20	$273,000	$273,000
Hot Springs (DW-01)	09/24/2010	3.00%	20	$1,636,000	$1,636,000
Hoven (DW-01)	09/24/2010	0%	-	$750,000	$750,000
Hoven (DW-02)	01/08/2015	0%	-	$264,750	$264,750
Humboldt (DW-01)	06/22/2006	3.25%	20	$520,000	$481,773
Huron (DW-01)	06/27/2002	3.50%	20	$4,000,000	$4,000,000
Huron (DW-02) – ARRA	08/26/2009	3.00%	30	$619,684	$478,407
Huron (DW-03)	09/24/2010	3.00%	30	$1,098,900	$592,073
Ipswich (DW-01) – ARRA	06/25/2009	3.00%	30	$1,245,000	$1,245,000
Irene (DW-01) [1]	06/22/2000	5.00%	20	$145,000	$127,126
Irene (DW-01)	03/28/2014	3.00%	30	$1,546,000	$1,546,000
Keystone (DW-01)	03/25/2004	3.25%	20	$762,000	$630,212
Kingbrook RWS (DW-01)	04/13/2000	0.00%	30	$475,000	$474,204
Kingbrook RWS (DW-02)	01/06/2005	3.25%	30	$2,115,000	$2,115,000
Kingbrook RWS (DW-03)	03/30/2005	3.25%	20	$3,324,000	$3,136,677
Kingbrook RWS (DW-04)	06/22/2006	3.25%	20	$2,350,000	$2,315,622
Kingbrook RWS (DW-05)	01/10/2014	3.00%	20	$540,000	$540,000
Lead (DW-01) [1]	07/27/2000	4.50%	10	$192,800	$192,800
Lead (DW-02)	01/06/2005	3.25%	30	$205,800	$192,549
Lead (DW-03) –ARRA	08/26/2009	3.00%	20	$1,020,000	$784,987
Lead (DW-04)	03/28/2014	3.00%	20	$939,000	$939,000
Lead-Deadwood San Dist (DW-01) [1]	06/24/1998	5.25%	20	$2,700,000	$2,683,957
Lennox (DW-01)	07/16/2004	3.25%	30	$2,000,000	$2,000,000
Lennox (DW-02)	03/30/2012	3.00%	20	$712,431	$712,431
Letcher (DW-01) [2]	08/26/2009	2.25%	30	$200,000	$0
Lincoln County Rural Water (DW-01)	01/31/2002	3.50%	20	$1,200,000	$1,079,170
Madison (DW-01) [1]	05/14/1998	5.00%	15	$2,372,000	$2,372,000
Madison (DW-02) [2]	03/30/2012	3.00%	15	$3,464,360	$0
Martin (DW-01)	09/25/2003	2.50%	30	$920,000	$917,901
McLaughlin (DW-01)	06/25/2004	2.50%	30	$350,000	$350,000
McLaughlin (DW-02)	06/24/2011	2.25%	30	$4,151,050	$4,151,050
Mellette (DW-01) – ARRA	08/27/2009	3.00%	30	$271,780	$271,780
Menno (DW-01)	09/22/2012	2.25%	10	$157,000	$157,000
Mid-Dakota RWS (DW-01) [1]	03/27/2009	2.00%	3	$12,000,000	$9,455,108
Mid-Dakota RWS (DW-02) – ARRA [1]	03/27/2009	0%	-	$1,000,000	$1,000,000
Mid-Dakota RWS (DW-03)	06/24/2011	3.00%	30	$2,979,054	$2,979,054
Mid-Dakota RWS (DW-04)	06/29/2012	3.00%	30	$719,000	$644,786
Mid-Dakota RWS (DW-05)	01/08/2015	3.00%	15	$2,535,000	$2,535,000
Milbank (DW-01)	09/22/2005	2.50%	30	$4,741,000	$4,460,294
Miller (DW-01)	01/03/2008	2.50%	10	$255,200	$225,389

Sponsor	Binding Commitment Date	Rate	Term (years)	Original Binding Commitment Amount	Final Loan Amount
Mina Lake San Dist (DW-01)	11/13/1998	5.00%	20	$255,200	$255,200
Mina Lake San Dist (DW-02) – ARRA	06/25/2009	3.00%	20	$567,390	$490,398
Minnehaha CWC (DW-01)	06/27/2002	3.50%	20	$6,500,000	$6,022,816
Minnehaha CWC (DW-02) [2]	03/27/2015	3.00%	20	$900,000	$0
Mission Hill (DW-01) [2]	06/26/2008	3.25%	20	$250,000	$0
Mitchell (DW-01)	10/12/2000	4.50%	20	$6,000,000	$2,850,115
Mitchell (DW-02) – ARRA	08/26/2009	3.00%	20	$2,360,000	$1,956,237
Mobridge (DW-01) [1]	03/26/1998	5.25%	20	$965,000	$965,000
Mobridge (DW-02) [1]	07/22/1998	5.25%	20	$355,000	$352,207
Mobridge (DW-03)	09/28/2006	2.50%	30	$213,500	$213,500
Mobridge (DW-04)	06/28/2007	2.50%	30	$90,000	$62,442
Mobridge (DW-05) – ARRA [1]	06/25/2009	0%	-	$500,000	$500,000
Mobridge (DW-06)	06/29/2012	2.25%	30	$1,212,000	$1,212,000
Mobridge (DW-07)	01/10/2014	2.25%	30	$400,000	$400,000
Montrose (DW-01)	03/25/2011	3.00%	30	$893,000	$862,825
New Underwood (DW-01)- ARRA	06/25/2009	3.00%	20	$175,500	$169,299
Newell (DW-01)- ARRA	08/26/2009	2.25%	30	$829,500	$714,774
Newell (DW-02)	03/30/2012	1.25%	10	$266,250	$230,952
Niche Sanitary District (DW-01)	06/29/2012	2.25%	30	$315,000	$315,000
Nisland (DW-01)	12/13/2001	0.00%	30	$350,000	$350,000
Northville (DW-01)- ARRA	07/23/2009	3.00%	20	$203,460	$186,804
Oacoma (DW-01) – ARRA [2]	03/27/2009	3.00%	20	$1,414,800	$0
Oacoma (DW-02)	08/10/2010	2.25%	10	$1,351,300	$1,061,416
Onida (DW-01)	09/26/2014	3.00%	20	$905,000	$905,000
Parker (DW-01)	09/23/2004	3.25%	20	$730,000	$730,000
Parker (DW-02)	06/22/2006	3.25%	20	$300,000	$209,541
Parker (DW-03) – ARRA	03/27/2009	3.00%	20	$554,200	$554,200
Perkins County RWS (DW-01) [1]	06/29/2012	0%	-	$151,000	$151,000
Piedmont (DW-01)	03/25/2011	3.00%	20	$1,404,000	$1,404,000
Pierpont (DW-01)	06/24/2011	3.00%	30	$551,200	$544,908
Pierre (DW-01)	01/31/2002	3.50%	15	$1,094,200	$988,188
Pierre (DW-02)	09/25/2003	3.50%	15	$1,832,900	$1,832,900
Plankinton (DW-01)	06/24/2011	3.00%	30	$1,765,000	$1,442,083
Platte (DW-01)	06/25/2004	2.50%	10	$400,000	$293,134
Rapid City (DW-01) [1]	11/14/2003	3.50%	20	$3,500,000	$3,500,000
Rapid City (DW-02)	07/23/2009	3.00%	20	$6,000,000	$6,000,000
Rapid City (DW-03)	06/26/2014	3.00%	20	$4,626,000	$4,626,000
Rapid Valley San. Dist. (DW-01) – ARRA [1]	06/25/2009	0%	-	$682,000	$682,000
Rapid Valley San. Dist. (DW-02)	09/27/2012	3.00%	20	$500,000	$414,367
Redfield (DW-01)	04/25/2001	4.50%	20	$85,000	$85,000

Sponsor	Binding Commitment Date	Rate	Term (years)	Original Binding Commitment Amount	Final Loan Amount
Redfield (DW-02)	06/23/2005	2.50%	30	$342,755	$228,823
Roslyn (DW-01) – ARRA [1]	06/25/2009	0%	-	$500,000	$500,000
Salem (DW-01) [1]	03/28/2003	3.50%	10	$126,921	$118,540
Salem (DW-02)	06/23/2005	3.25%	20	$348,540	$328,966
Salem (DW-03)	06/28/2007	3.25%	30	$1,345,000	$1,345,000
Scotland (DW-01)	03/28/2003	2.50%	30	$340,000	$235,172
Selby (DW-01) – ARRA [1]	06/25/2009	0%	-	$100,000	$100,000
Sioux Falls (DW-01) [1]	07/22/1998	4.50%	10	$7,022,000	$6,496,745
Sioux Falls (DW-02) [1]	01/11/2001	4.50%	10	$2,750,000	$2,348,168
Sioux Falls (DW-03) [1]	04/12/2002	3.50%	10	$7,930,000	$7,930,000
Sioux Falls (DW-04) [1]	01/10/2003	3.50%	10	$5,279,000	$279,599
Sioux Falls (DW-05)	07/16/2004	2.50%	10	$12,749,000	$10,828,766
Sioux Falls (DW-06)	01/03/2008	2.50%	10	$17,848,000	$9,938,849
Sioux Falls (DW-07)	01/03/2008	2.50%	10	$2,200,000	$2,200,000
Sioux Falls (DW-08)	01/03/2008	2.50%	10	$2,705,600	$2,088,645
Sioux Falls (DW-09) – ARRA	03/27/2009	2.25%	10	$3,578,750	$2,678738
Sioux Falls (DW-10) – ARRA	03/27/2009	2.25%	10	$7,606,900	$5,819,138
Sioux Falls (DW-11)	01/07/2011	2.25%	10	$4,000,000	$4,000,000
Sioux Rural Water System (DW-01)	03/27/2015	3.00%	20	$2,515,000	$2,515,000
South Lincoln RWS (DW-01)	01/10/2003	3.50%	20	$2,000,000	$2,000,000
South Lincoln RWS (DW-02)	01/07/2011	3.00%	30	$476,500	$476,500
Spearfish (DW-01)	01/04/2013	2.25%	10	$3,254,000	$3,254,000
Sturgis (DW-01) [1]	01/08/1998	5.00%	15	$700,000	$478,377
Sturgis (DW-02) – ARRA	08/26/2009	2.25%	10	$863,000	$608,417
Sturgis (DW-03) [1]	06/24/2011	2.00%	3	$3,460,000	$3,460,000
Sturgis (DW-04)	03/30/2012	3.00%	20	$2,200,000	$2,035,893
Tabor (DW-01)	03/28/2013	3.00%	20	$1,530,000	$1,530,000
TC&G Water Association (DW-01)	06/25/2015	2.25%	30	$210,000	$210,000
Tea (DW-01)	03/30/2007	3.25%	20	$2,263,723	$2,263,723
TM Rural Water District (DW-01)	06/24/2011	3.00%	30	$1,084,750	$1,081,299
TM Rural Water District (DW-02) [1]	06/24/2011	0%	-	$1,398,750	$1,394,175
Trail West Sanitary District (DW-01)	09/22/2011	3.00%	20	$1,651,000	$1,607,626
Tri County Water Association	03/30/2012	0%	-	$200,000	$200,000
Tripp (DW-01)	07/26/2001	2.50%	30	$291,000	$225,656
Tripp County WUD (DW-01)	11/14/2002	2.50%	30	$3,500,000	$3,500,000
Tripp County WUD (DW-02)	11/14/2002	0.00%	30	$148,000	$131,469
Tripp County WUD (DW-03) [2]	06/29/2012	3.00%	20	$850,000	$0
Tripp County WUD (DW-04)	03/28/2014	2.25%	30	$11,750,000	$11,750,000
Tyndall (DW-01) [1]	07/27/2000	2.50%	10	$300,000	$300,000
Tyndall (DW-02)	11/09/2001	2.50%	30	$861,000	$861,000

Sponsor	Binding Commitment Date	Rate	Term (years)	Original Binding Commitment Amount	Final Loan Amount
Tyndall (DW-03)	03/27/2015	2.25%	30	$1,570,000	$1,570,000
Vermillion (DW-01) [1]	05/13/1999	5.00%	20	$942,000	$795,338
Vermillion (DW-02)	06/27/2002	3.50%	20	$1,510,000	$1,507,552
Vermillion (DW-03)	09/22/2005	2.50%	20	$3,772,500	$3,693,216
Vermillion (DW-04)	3/25/2011	2.25%	30	$1,532,000	$1,438,541
Viborg (DW-01)	03/27/2008	3.25%	20	$249,775	$104,491
Viborg (DW-02)	11/30/2010	3.00%	30	$847,000	$847,000
Wagner (DW-01)	06/22/2006	0.00%	30	$750,000	$750,000
Wagner (DW-02)	06/28/2007	0.00%	30	$175,000	$175,000
Wagner (DW-03) – ARRA [2]	07/23/2009	0.00%	30	$275,000	$0
Warner (DW-01) – ARRA [1]	03/27/2009	0%	-	$400,000	$400,000
Watertown (DW-01)	03/27/2008	3.25%	20	$23,760,000	$23,760,000
Waubay (DW-01)	03/31/2006	2.50%	30	$750,000	$750,000
WEB WDA (DW-01) [3]	03/26/1998	5.25%	20	$1,110,000	$0
WEB WDA (DW-02) [3]	10/11/2001	2.50%	30	$137,450	$0
WEB WDA (DW-03) [3]	03/31/2006	3.25%	20	$3,950,000	$0
Webster (DW-01)	04/12/2002	3.50%	20	$330,000	$318,828
Webster (DW-02)	9/24/2010	2.25%	10	$387,400	$277,522
Wessington Springs (DW-01)	03/27/2015	2.25%	30	$209,000	$209,000
West River/Lyman Jones RWS (DW-01) [1]	10/12/2001	2.50%	30	$340,000	$340,000
West River/Lyman Jones RWS (DW-02) [1]	03/30/2005	3.25%	30	$8,000,000	$7,943,023
White Lake (DW-01)	03/28/2013	2.25%	30	$362,000	$362,000
Winner (DW-01)	06/28/2013	2.25%	30	$450,000	$373,437
Wolsey (DW-01)	06/23/2005	3.25%	20	$263,000	$227,950
Wolsey (DW-02)	09/27/2007	3.25%	20	$162,300	$162,300
Woodland Hills Sanitary District (DW-01)	06/28/2013	3.00%	20	$780,000	$780,000
Woodland Hills Sanitary District (DW-02)	03/27/2015	3.00%	20	$481,000	$481,000
Woonsocket (DW-01) – ARRA	08/27/2009	3.00%	30	$720,000	$720,000
Worthing (DW-01)	06/26/2003	3.50%	20	$288,000	$288,000
Worthing (DW-02)	03/30/2012	3.00%	20	$301,227	$277,094
Yankton (DW-01)	11/09/2001	3.50%	20	$3,460,000	$3,460,000
Yankton (DW-02)	06/28/2007	3.25%	20	$1,100,000	$896,975
Yankton (DW-03) – ARRA	03/27/2009	3.00%	20	$3,000,000	$2,542,146
Yankton (DW-04) – ARRA	03/27/2009	3.00%	20	$2,200,000	$2,200,000
Yankton (DW-05)	09/27/2013	3.00%	30	$12,850,000	$12,850,000
TOTAL				**$434,482,457**	**$382,566,35**

[1] Loans paid in full

[2] Deobligated in full

[3] Rescinded by BWNR

Table 10
Principal Forgiveness Awards to Drinking Water SRF Borrowers

Sponsor	Total Loan Awarded	Principal Forgiveness Awarded	Loan Payable
Aberdeen (DW-02)	$1,330,118	$133,012	$1,197,106
Arlington (DW-01)	$100,000	$100,000	$0
Aurora-Brule RWS (DW-01)	$500,000	$500,000	$0
Baltic (DW-02)	$163,446	$16,345	$147,101
Beresford (DW-01)	$916,040	$458,020	$458,020
Beresford (DW-02)	$745,000	$375,000	$370,000
Bonesteel (DW-01)	$2,043,000	$1,543,000	$500,000
Bowdle (DW-01)	$150,000	$150,000	$0
Box Elder (DW-01)	$3,562,950	$356,295	$3,206,655
Brandon (DW-03)	$12,425,000	$500,000	$11,925,000
Bristol (DW-02)	$1,979,000	$1,514,000	$465,000
Buffalo (DW-01)	$1,695,000	$600,000	$1,095,000
Butte-Meade San. Water Dist. (DW-01)	$257,668	$55,398	$202,270
Canistota (DW-01)	$426,460	$313,960	$112,500
Canistota (DW-02)	$1,095,000	$616,000	$479,000
Chamberlain (DW-02)	$873,704	$262,111	$611,593
Clay RWS (DW-02)	$844,968	$698,789	$146,179
Clay RWS (DW-03)	$2,205,570	$500,000	$1,705,570
Colman (DW-01)	$182,000	$182,000	$0
Colman (DW-03)	$1,600,000	$968,000	$632,000
Colonial Pine Hills San. Dist. (DW-02)	$1,003,608	$250,000	$753,608
Colton (DW-02)	$181,156	$86,411	$94,745
Colton (DW-03)	$156,434	$39,108	$117,326
Corson Village San. Dist. (DW-01)	$581,364	$523,227	$58,137
Delmont (DW-02)	$90,000	$90,000	$0
Dell Rapids (DW-04)	$300,000	$30,000	$270,000
Dell Rapids (DW-05)	$897,000	$250,000	$647,000
DeSmet (DW-01)	$258,000	$25,800	$232,200
Doland (DW-01)	$1,762,200	$1,375,000	$387,200
Dupree (DW-01)	$163,500	$100,000	$63,500
Eagle Butte (DW-01)	$593,000	$474,400	$118,600
Eagle Butte (DW-02)	$1,244,000	$995,200	$248,800
Eagle Butte (DW-03)	$250,000	$200,000	$50,000
Eagle Butte (DW-04)	$725,000	$362,500	$362,500
Edgemont (DW-01)	$1,890,000	$1,206,890	$683,110
Elk Point (DW-05)	$798,040	$446,902	$351,138
Eureka (DW-02)	$200,000	$200,000	$0

Sponsor	Total Loan Awarded	Principal Forgiveness Awarded	Loan Payable
Fall River WUD (DW-03)	$612,000	$612,000	$0
Fall River WUD (DW-04)	$750,000	$750,000	$0
Faulkton (DW-01)	$500,000	$500,000	$0
Faulkton (DW-02)	$499,185	$386,369	$112,816
Gayville (DW-01)	$900,000	$480,000	$420,000
Gregory (DW-01)	$551,691	$149,508	$402,183
Groton (DW-03)	$231,315	$231,315	$0
Hanson RWS (DW-01)	$754,341	$528,038	$226,303
Hill City (DW-01)	$336,903	$202,141	$134,762
Hisega Meadows Water, Inc.	$487,500	$250,000	$237,500
Hoven (DW-01)	$750,000	$750,000	$0
Hoven (DW-02)	$264,750	$264,750	$0
Huron (DW-02)	$478,407	$94,724	$383,683
Ipswich (DW-01)	$1,245,000	$933,750	$311,250
Irene (DW-02)	$1,546,000	$1,165,000	$381,000
Lead (DW-03)	$784,987	$298,295	$486,692
Lennox (DW-02)	$712,431	$400,000	$312,431
McLaughlin (DW-02)	$4,151,050	$3,180,050	$971,000
Mellette (DW-01)	$271,780	$244,602	$27,178
Menno (DW-01)	$157,000	$39,250	$117,750
Mid-Dakota RWS (DW-02)	$1,000,000	$1,000,000	$0
Mid-Dakota RWS (DW-03)	$2,979,054	$605,000	$2,374,054
Mina Lake San. Dist. (DW-02)	$490,398	$245,199	$245,199
Mitchell (DW-02)	$1,956,237	$293,436	$1,662,801
Mobridge (DW-05)	$500,000	$500,000	$0
Montrose (DW-01)	$862,825	$573,778	$289,047
New Underwood (DW-01)	$169,299	$67,719	$101,580
Newell (DW-01)	$714,774	$322,750	$392,024
Newell (DW-02)	$230,952	$144,345	$86,607
Niche Sanitary District (DW-01)	$315,000	$225,000	$90,000
Northville (DW-01)	$186,804	$149,443	$37,361
Onida (DW-01)	$905,000	$250,000	$655,000
Parker (DW-03)	$554,200	$452,100	$102,100
Perkins County RWS (DW-01)	$151,000	$151,000	$0
Piedmont (DW-01)	$1,404,000	$804,000	$600,000
Pierpont (DW-01)	$544,908	$408,681	$136,227
Plankinton (DW-01)	$1,442,083	$824,871	$617,212
Rapid City (DW-03)	$4,626,000	$3,000,000	$1,626,000
Rapid Valley San. Dist. (DW-01)	$682,000	$682,000	$0
Roslyn (DW-01)	$500,000	$500,000	$0
Selby (DW-01)	$100,000	$100,000	$0

Sponsor	Total Loan Awarded	Principal Forgiveness Awarded	Loan Payable
Sioux Falls (DW-09)	$2,678,738	$267,874	$2,410,864
Sioux Falls (DW 10)	$5,819,138	$581,914	$5,237,224
South Lincoln RWS (DW-02)	$476,500	$244,500	$232,000
Sturgis (DW-02)	$608,417	$60,841	$547,576
Tabor (DW-01)	$1,530,000	$700,000	$830,000
TM Rural Water District	$1,394,175	$1,394,175	$0
Trail West Sanitary District (DW-01)	$1,651,000	$637,860	$1,013,140
Tri-County RWS (DW-01)	$200,000	$200,000	$0
Tyndall (DW-03)	$1,570,000	$200,000	$1,370,000
Vermillion (DW-04)	$1,438,541	$143,854	$1,294,687
Viborg (DW-02)	$847,000	$730,000	$117,000
Warner (DW-01)	$400,000	$400,000	$0
Webster (DW-02)	$277,522	$107,678	$169,844
White Lake (DW-01)	$362,000	$85,000	$277,000
Woodland Hills San. Dist. (DW-01)	$780,000	$480,000	$300,000
Woodland Hills San. Dist. (DW-02)	$481,000	$384,800	$96,200
Woonsocket (DW-01)	$720,000	$416,500	$303,500
Worthing (DW-02)	$277,094	$183,990	$93,104
Yankton (DW-03)	$2,542,146	$136,375	$2,405,771
Yankton (DW-04)	$2,200,000	$220,000	$1,980,000
Yankton (DW-05)	$12,850,000	$1,000,000	$11,850,000
TOTAL	**$119,590,371**	**$47,831,843**	**$71,758,528**

DRINKING WATER SRF PROJECT DESCRIPTIONS

ABERDEEN – The city of Aberdeen received an $8,460,000 loan at 3.5 percent for 20 years. This loan was the first installment of the city's $14,460,000 project to improve the water treatment plant. Total project costs increased to $18,700,000, and the city received the second installment of its loan in 2004 in the amount of $8,300,000. Aberdeen received a $1,750,000 loan with $175,000 of principal forgiveness through the American Recovery and Reinvestment Act of 2009 to replace water meters throughout the city. The loan was awarded at 2.25 percent for ten years. The city's third loan, in the amount of $1,040,000 at 3 percent for 20 years, was awarded to replace the Elm River raw water intake for the water treatment facility.

ARLINGTON - The city of Arlington received a $100,000 loan with 100 percent principal forgiveness through the American Recovery and Reinvestment Act of 2009. The loan was to replace water lines on Birch and 1st Streets.

AURORA-BRULE RURAL WATER SYSTEM - The Aurora-Brule Rural Water System received a $500,000 loan with 100 percent principal forgiveness through the American Recovery and Reinvestment Act of 2009. The loan was to construct a new raw water intake and associated piping.

BALTIC – The city of Baltic received a $250,000 loan for replacement of existing cast iron pipe with PVC water mains. The loan was at 3.5 percent for 20 years. Baltic's second loan was for $165,000 to replace water meters. This loan was at 2.25 percent for 10 years and included $16,500 of principal forgiveness through the American Recovery and Reinvestment Act of 2009. The city's third loan was awarded to replace aging water and sewer lines on Elm Avenue, Jans Circle, Richards Circle, and Bonnies Circle. The loan was for $457,000 at 3 percent for 20 years,

BDM RURAL WATER SYSTEM – The system received a loan in the amount of $536,000 for expansion of the system to the city of Britton, SD. The loan was at 3.5 percent for 20 years.

BERESFORD - The city of Beresford received its first loan to repair aging water lines in various areas in the city and install new lines to provide looping in the system and connect to the Lewis & Clark Regional Water System. The loan was for $916,040 at 3 percent for 30 years and included $458,020 of principal forgiveness. The city received its second loan to replace sewer in conjunction with a South Dakota Department of Transportation Highway 46 reconstruction project. The loan was for $745,000 at 3 percent for 30 years and included $375,000 of principal forgiveness.

BIG SIOUX COMMUNITY WATER SYSTEM – The Big Sioux Community Water System received a loan in the amount of $831,000 for clearwell and water storage improvements. The loan was at 3.25 percent for 20 years. The loan was rescinded at the borrower's request. The water system received its second loan to install an automatic meter reading system. The loan was for $900,000 at 3 percent for 15 years. The Big Sioux Community Water System received its third loan for the installation of a 12-inch water main to connect the Big Sioux system to the Minnehaha Community Water Corporation to pump water north to the existing Big Sioux Ethanol Tower. This addition will allow the Big Sioux system to deliver up to 1.0 MGD of water to the city of Madison, South Dakota. The loan amount was $1,014,000 at 3.0 percent for 20 years.

BIG STONE CITY – The city of Big Stone City utilized a $600,000 loan to construct a 100,000-gallon elevated water storage tank. The project also included the installation of a water main to connect the tank to the existing distribution system, and the refinancing of debt incurred to connect to the Ortonville, Minnesota regional water treatment plant. The 20-year loan is at 5.25 percent. The city received its

second loan in the amount of $240,000 at 3.5 percent for 20 years to fund improvements to the water distribution system.

BLACK HAWK WATER USER DISTRICT – The Black Hawk Water User District received a loan for $500,000. This loan financed a new well, pump house construction, installation of chlorination and fluoridation equipment, a 48,000-gallon water storage reservoir, and approximately 7,000 feet of new water lines. This loan is at 5.25 percent for 20 years. The second loan, in the amount of $1,142,000 loan at 3.25 percent for 20 years, financed an 815,000-gallon, ground storage reservoir and a transmission line to improve service to Summerset

BON HOMME-YANKTON WATER USER DISTRICT - The Bon Homme-Yankton Water User District received a $300,000 loan with 100 percent principal forgiveness through the American Recovery and Reinvestment Act (ARRA) of 2009. The loan was to construct a new raw water intake; however, due to inability of the project to meet ARRA deadlines, the loan was subsequently deobligated in full at the district's request.

BONESTEEL - Bonesteel received its first Drinking Water SRF loan to eliminate all 4- to 8-inch cast iron pipe in the distribution system and install new hydrants, service lines and valves. A radio read water metering system was also installed. The loan amount was $2,043,000 at 2.25 percent for 30 years and included $1,543,000 in principal forgiveness.

BOWDLE - The city of Bowdle received a $150,000 loan with 100 percent principal forgiveness through the American Recovery and Reinvestment Act of 2009. The loan was to replace water lines in various locations throughout the city.

BOX ELDER – The city of Box Elder's First Drinking Water SRF loan was to develop a new well and construct a water reservoir and pipe lines to connect to the existing water distribution system. The $3,562,950 loan was at 3 percent of 20 years and included $356,295 in principal forgiveness.

BRANDON – Brandon received a loan for $1,950,000 at 4.75 percent for 15 years.to construct a water treatment plant and upgrade the distribution system. Brandon received its second loan to construct two 1,250,000-gallon water storage tanks, loop distribution lines, upsize trunk lines, and replace approximately 13,000 feet of asbestos concrete pipe. The loan was for $12,425,000 at 3.0 percent for 20 years and included $500,000 of principal forgiveness.

BRISTOL – The town of Bristol received a loan in the amount of $139,000 at 4.5 percent interest for 20 years. The project involved construction of a new elevated storage tank as well as replacement of an underground storage tank. The loan was subsequently deobligated at the town's request. The town received its second loan to replace all existing cast iron and asbestos concrete water lines throughout the community. The loan was for $1,979,000 at 3 percent for 30 years and included $1,514,000 of principal forgiveness.

BRITTON – The city of Britton received a loan in the amount of $320,000 to replace and make improvements to approximately 30 blocks of water main throughout the city. The project involved replacing 50-year old cast iron pipes, much of which completely deteriorated due to rust and scale build-up. The loan was at 4.5 percent interest for 20 years.

BROOKINGS-DEUEL RURAL WATER SYSTEM – Brookings-Deuel RWS received two Drinking Water SRF loans in FFY 2005. The first loan, in the amount of $1,200,000 at 3.25 percent for 30 years, increases the treatment capacity of the Bruce water treatment plant. The second loan, in the amount of $1,750,000 at 3.25 percent for 30 years, made improvements to the distribution system and extended water to the community of Astoria.

BRYANT – The city of Bryant received a $142,000 loan to help replace lead service lines and asbestos cement water mains throughout the city. The loan was at 3 percent interest for a term of 30 years.

BUFFALO –Buffalo's first loan is for the replacement of the cast iron pipe and asbestos cement pipe water main in the distribution system along with replacement of valves, hydrants, and service connections. The loan was for $2,695,000 at 2.25 percent for 30 years and included $600,000 of principal forgiveness.

BUTTE-MEADE SANITARY WATER DISTRICT – The Butte Meade Sanitary Water District received a $396,700 Drinking Water SRF loan at 2.25 percent for 10 years to install new water meters and an automatic read system. The loan included $85,000 of principal forgiveness.

BURKE – Burke's first loan, in the amount of $115,600 at the disadvantaged rate of 2.5 percent for 30 years, funded the drinking water portion of the Franklin Street Utilities Replacement project.

CANISTOTA - The city of Canistota received a $426,460 loan at 3.0 percent for 30 years to replace the water line on Ash Street. The loan included $313,960 of principal forgiveness through the American Recovery and Reinvestment Act of 2009. The city received its second loan to replace water lines in a portion of the community. The loan was for $1,095,000 at 3 percent for 30 years and included $616,000 of principal forgiveness.

CANTON - Canton utilized its first loan in the amount of $500,000 at 3.5 percent for 20 years to fund utility improvements in conjunction with South Dakota DOT reconstruction of US 18. Canton received a second loan in the amount of $1,550,000 at 3.0 for 30 years to for the installation of two wells and upgrades to the existing pumps and control system.

CENTERVILLE – Centerville received its first drinking water SRF loan in the amount of $870,000 to construct water distribution system improvements. The loan was at 3.25 percent for 30 years. The city received a second loan in the amount of $116,685 at 2.25 percent for 10 years to replace meters and upgrade to a remote reading system. The loan was subsequently deobligated in full at the city's request.

CHAMBERLAIN – The city of Chamberlain obtained its first Drinking Water SRF loan in the amount of $276,500 at 3.25 percent for 20 years to upgrade chemical feed and control systems and to make renovations to its water treatment plant. Chamberlain's second loan was for $1,000,000 and was used to replace water mains and appurtenances at nine locations within the city. This loan was at 3.0 percent for 20 years and included $300,000 of principal forgiveness through the American Recovery and Reinvestment Act of 2009.

CHANCELLOR – Chancellor's first drinking water SRF loan for $230,000 at 3.25 percent for 30 years provided water distribution system improvements.

CLAY RURAL WATER SYSTEM – Clay RWS's first drinking water SRF loan expanded the system to southern Union County. The loan was for $4,331,000 at 3.25 percent for 30 years. The system's second loan was for $846,300 to construct of two new wells, replace the Garfield Booster Station with an above ground pumping station, replace variable frequency drives on pumps, and miscellaneous improvements to the SCADA system. This loan was at 3.0 percent for 20 years and included $700,000 of principal forgiveness through the American Recovery and Reinvestment Act of 2009. Clay Rural Water was awarded its third loan in the amount of $2,208,000 at 3 percent for 30 years and included $500,000 of principal forgiveness. The loan funded the construction of several loops in the distribution system, improvements to the Spink Reservoir, an upgrade to the interconnection with the city of Beresford, installation of a new booster station, and added about 80 new users. Clay Rural Water received a

$1,379,758 interim loan to replace aging water meters, install an automatic meter reading system, and construct three new lime sludge lagoons. The interim loan was for three years at 2 percent interest.

CLEAR LAKE – Clear Lake received a loan in the amount of $565,000. This loan qualified for the disadvantaged rate and term of 3 percent for 30 years. This project consisted of constructing a new 300,000-gallon water tower and installation of a 2,700 LF of 10-inch water main that connected the tower with the water distribution system.

COLMAN – The city of Colman received its first two Drinking Water SRF loans in 2012. One loan, in the amount of $182,000 at 2.25 percent for 10 years, was to replace water meters and install an automatic reading system. The other loan was for $439,008 at 3 percent for 30 years to replace water lines and provided looping of the distribution system. A third loan was awarded in 2013 to replace water lines, loop the distribution system, and replace an old water storage tank. The loan amount was $1,600,000 at 3 percent for 30 years and included $968,000 in principal forgiveness.

COLONIAL PINE HILLS SANITARY DISTRICT – Colonial Pine Hills improved its water distribution system with a $659,000 loan at 3.5 percent for 20 years. The district's second loan in the amount of $1,003,608 was used to construct a new well, well-house, and distribution line to replace a well that experienced high radionuclide levels. This loan was at 3.0 percent for 20 years and included $250,000 of principal forgiveness through the American Recovery and Reinvestment Act of 2009. Colonial Pine Hills' third and fourth loans were awarded to provide financing for the installation of a new microfiltration water treatment unit and associated transmission lines. The loan amounts were $705,000 and $400,000, respectively; each at 3 percent for 20 years.

COLTON – The city of Colton used a loan in the amount of $681,720 at 3.5 percent for 30 years to connect to the Minnehaha Community Water Corporation. The loan was used for an elevated storage tank, water lines, wells, and new water treatment plant. The city received its second loan to replace water lines as part of a utility replacement project on 5th Street. The loan was for $191,100 at 3 percent for 20 years and included $91,100 of principal forgiveness. Colton's third loan was used to replace water meters and install an automatic reading system. The loan amount was $210,740 at 2.25 percent for 10 years and included $52,685 of principal forgiveness.

CORSON VILLAGE SANITARY DISTRICT – Corson Village received its first Drinking Water SRF loan to replace the water distribution system and connect to the city of Brandon. The $601,735 loan (3 percent for 20 years) included $541,562 of principal forgiveness through the American Recovery and Reinvestment Act of 2009.

CROOKS – Crooks constructed a second connection to Minnehaha Community Water Corporation's distribution system and replaced high service pumps to improve capacity. The loan, in the amount of $302,900, was at 3.25 percent for 20 years.

CUSTER - Custer received an $800,000 loan at 3.5 percent for 20 years to replace transmission and distribution water lines within the business district in conjunction with a South Dakota DOT project.

DAKOTA DUNES COMMUNITY IMPROVEMENT DISTRICT – Dakota Dunes connected its water supply with the city of Sioux City, Iowa, with its $908,000 loan at 3.5 percent for 20 years. This project included construction of a line beneath the Big Sioux River connecting the city of Sioux City's distribution system with Dakota Dunes and the cost to upsize water mains in Sioux City to provide the additional capacity necessary to serve Dakota Dunes. The second loan awarded to Dakota Dunes was to construct an additional 500,000-gallon clearwell and add a third high service pump at the water treatment plant. The loan amount was $1,600,0000 at 3.0 percent for 20 years.

DELL RAPIDS - Dell Rapids constructed various distribution system improvements with its first $621,000 loan at 3.5 percent for 20 years. The city's second loan, in the amount of $162,263 at 3.25 percent for 20 years, financed the drinking water portion of the 4th Street Utility Improvements project. A third loan in the amount of $531,835 at 3 percent for 20 years was awarded to install water lines on 15th Street. Dell Rapids received two additional loans in 2012. A $300,000 loan (2.25 percent for 10 years) was awarded to replace water meters and included $30,000 of principal forgiveness. The second loan financed the replacement of waterlines on 15th Street, Garfield Avenue, State Avenue and at the Big Sioux River Crossing. The loan amount was $897,000 at 3 percent for 20 years and included $250,000 of principal forgiveness.

DELMONT - Delmont received its first Drinking Water SRF loan to loop lines within the distribution system to improve water quality. The $185,000 loan had a 2.5 percent interest rate with a 30-year term. The community's second loan, $90,000 with 100% as principal forgiveness, was to install new water meters and an automatic read system.

DESMET - DeSmet used its first SRF loan to replace cast iron water mains with PVC water mains on 3rd Street from Highway 25 to Prairie Avenue. The $258,000 loan, at 2.25 percent for 30 years, included $25,800 of principal forgiveness through the American Recovery and Reinvestment Act of 2009.

DOLAND – Doland was awarded its first Drinking Water SRF loan to replace cast iron water lines throughout the town construct a new elevated storage tank. The loan amount was $1,762,200 at 3 percent for 30 years and included $1,375,000 of principal forgiveness.

DUPREE – Dupree's first Drinking Water SRF loan, $163,500 at 2.25 percent for 30 years, was used to replace 8 blocks of cast iron and asbestos cement water mains. The loan included $100,000 of principal forgiveness.

EAGLE BUTTE - Eagle Butte was awarded a loan for $593,000 with $474,000 of principal forgiveness was at zero percent for 10 years that was used to replace water meters and install an automatic meter read system. The city's second and fourth loans were to extend water services to a portion of the community with limited access to the water system and replace aging infrastructure in the downtown area. These loans, each at zero percent for 30 years, were for $1,244,000 and $725,000, respectively, and included $995,200 and $362,500 of principal forgiveness, respectively. A third loan in the amount $490,000 at zero percent for 30 years, with $392,000 of principal forgiveness, was originally intended to replace water lines on Willow Street. When the cost of the afore-mentioned project came in over estimates, the city requested that the scope of the loan be revised and used to address the cost over-run. The loan amount was reduced to $250,000 and included $200,000 of principal forgiveness.

EDGEMONT – Edgemont received its first loan in the amount of $1,890,000 to rehabilitate two of the city's wells, construct a water treatment facility to reduce radiological contaminants, construct a 250,000-gallon elevated storage tank, and install water main to connect the storage tank to the distribution system. The loan is at at zero percent for 30 years and includes $1,206,890 of principal forgiveness

ELK POINT – Elk Point received its first loan in the amount of $220,000 for water main replacement in conjunction with its Pearl Street Utility Improvement project at 3.5 percent for 20 years. Its second loan, in the amount of $570,000 at 3.25 percent for 20 years, funded an upgrade to the city's water treatment plant. The city received its third loan in the amount of $218,000 at 3.25 percent for 20 years, to fund the drinking water portion of the utility systems improvements. The fourth SRF loan awarded to Elk Point funded water line replacement on Clay and Washington Streets. This loan was for $564,000 at 3.25 percent for 20 years. The city's fifth loan was to replace the water main on Main Street in conjunction with a highway reconstruction project. The loan amount was $1,179,500 at 3 percent for 20 years and

included $660,520 of principal forgiveness through the American Recovery and Reinvestment Act of 2009.

EMERY – Emery received a $1,585,000 loan at 3.0 percent for 30 years to replace the majority of the existing water distribution system and install new lines to loop the system.

EUREKA - Eureka utilized a $135,000 loan at zero percent interest for ten years to replace water meters and implement a computer-generated water meter reading system. The city's second loan was in the amount of $200,000 loan with 100 percent principal forgiveness through the American Recovery and Reinvestment Act of 2009. The loan was to replace old water mains throughout the city and loop additional lines, as well as the installation of a SCADA system and variable frequency drives on the pump house pump.

FALL RIVER WATER USERS DISTRICT – The Fall River Water Users District received a $759,000 loan at 3 percent interest for 30 years. This loan will help finance the construction of the Fall River Rural Water System to include supply, storage, and distribution. Fall River's second Drinking Water SRF loan in the amount of $400,000 at 2.5 percent for 30 years was used for initial construction of the rural water system in Fall River County. Fall River's third and fourth loans were for $612,000 and $750,000, respectively, each with 100 percent principal forgiveness through the American Recovery and Reinvestment Act of 2009. The third loan was to construct additional lines to serve additional users including the town of Buffalo Gap and to construct a well house and associated lines to connect the well to the system. The fourth loan upgraded main distribution lines throughout the system to supply larger volume of water to meet demand.

FAULKTON - The city of Faulkton received a $500,000 loan with 100 percent principal forgiveness through the American Recovery and Reinvestment Act of 2009. The loan was to replace water lines in various locations throughout the city, loop all dead-end lines 4 inches and larger, replace all water meters, and purchase a standby generator. The city's second loan involved construction of water line along US Highway 212. The loan was for $511,725 at 3 percent for 30 years and included $395,905 of principal forgiveness.

FLORENCE – Florence received two loans to replace water lines, services, hydrants and appurtenances and construct a 105,000-gallon ground water storage tank and booster station. One loan, in the amount of $688,000, is backed by a sales tax pledge and the other loan, in the amount of $567,000, is backed by a project surcharge pledge. Both loans are at 3.25 percent for 30 years.

GARRETSON – The city of Garretson connected to the Minnehaha CWC with its $1,261,060 loan at 3.5 percent for 30 years. The loan was used to construct water lines, wells, and a new water treatment plant.

GAYVILLE – Gayville was awarded its first Drinking Water SRF loan in the amount of $900,000 with $480,000 of principal forgiveness. The rate and term of the loan were 3 percent for 30 years, and the loan was used to replace the cast iron water lines within the community.

GETTYSBURG – The city of Gettysburg received a $565,000 loan at 4.5 percent interest for 20 years to replace and relocate water lines within the city.

GRANT-ROBERTS RURAL WATER SYSTEM – The Grant-Roberts Rural Water System received a $4,500,000 loan for the construction of water main and a water storage reservoir to improve service and add new customers in the Milbank Service area. The project also includes the installation of satellite read meters and a SCADA telemetry system. The terms of the loan were 3 percent for 30 years.

GREGORY – The city of Gregory received $380,000 for the construction of a new steel reservoir and a new booster station. The terms of the loan were 2.5 percent for 30 years.

GROTON - Groton's first loan in the amount of $440,000 at 3.5 percent for 20 years funded replacement of water main in conjunction with its Main Street Utility Project. Its second loan, in the amount of $365,900 at 3.25 percent for 20 years, funded additional waterline replacement. The city's third loan was in the amount of $272,000 with 100 percent principal forgiveness through the American Recovery and Reinvestment Act of 2009. The loan was to replace water meters. Groton's fourth loan in the amount of $703,000, with $150,000 principal forgiveness was to replace the city's elevated water storage tank, water pumps and approximately five blocks of water mains. The city chose to deobligate the loan in its entirety.

HANSON RURAL WATER SYSTEM – The Hanson Rural Water System was awarded its first Drinking Water SRF loan in the amount of $840,000 at 3 percent for 20 years and included $588,000 of principal forgiveness through the American Recovery and Reinvestment Act of 2009. The rural water system replaced an elevated water storage tank located in Ethan with a new 200,000-gallon water storage tank to be used by Ethan residents and surrounding residents on the Hanson system.

HARRISBURG – The city of Harrisburg received its first loan in the amount of $525,000 at 5 percent interest for 20 years to abandon its existing wells and water treatment plant, construct a connection to the Lincoln County RWS, construct an elevated water storage tank, and loop a line to ensure uninterrupted water service. The city's second loan - $1,714,327 at 3.25 percent for 20 years - funded an emergency connection to the Lewis and Clark Rural Water System. Harrisburg's third loan was for $2,090,000 at 3.25 for 20 years to construct a 750,000-gallon water tower, demolish the existing standpipe and an abandoned 30,000-gallon water tower, and install miscellaneous piping.

HARTFORD – Hartford received a $185,000 loan at 5 percent interest for 20 years. This project replaced water distribution lines throughout the city. With its second loan in the amount of $800,957 at 3.5 percent for 20 years, Hartford replaced aging cast iron water mains. Hartford's third loan, in the amount of $1,123,556 at 3.25 percent for 20 years, funded improvements to the water supply by providing a second connection to the Minnehaha Community Water Corporation.

HERMOSA – Hermosa received a loan for $300,000. This loan was at 5 percent for 20 years. This project will replace water distribution lines.

HIGHMORE – Highmore received a loan to replace sewer lines in conjunction with a South Dakota Department of Transportation project to reconstruct Highway 47. The loan amount was $679,000 at 3.25 percent for 30 years.

HILL CITY – The city of Hill City received its first Drinking Water SRF loan in the amount of $402,200 at 3 percent for 30 years and included $241,320 of principal forgiveness through the American Recovery and Reinvestment Act of 2009. The project involved looping dead-end lines and replacing a water line that froze due to insufficient cover.

HISEGA MEADOWS WATER, INC. – The Drinking Water SRF first loan awarded to Hisega Meadows was for the installation of 5,100 feet of 6-inch PVC line and other appurtenances to replace the sub-standard distribution system. The loan amount was $487,500 at 3 percent for 20 years and included $250,000 of principal forgiveness. The project went to bid, and bids came in over estimate. It was decided to eliminate some of the work to get the project started with the funding available. Hisega Meadows received a second loan to complete the work that was bid previously and additional lines that were identified to need replacement. This loan amount was $273,000 at 3.0 percent for 20 years.

HOT SPRINGS – Hot Springs' first Drinking Water SRF loan was for $1,636,000 at 3 percent for 20 years to replace water lines in various areas of the city.

HOVEN – The town of Hoven received a $750,000 loan with 100 percent principal forgiveness to replace all water meters with new remote read meters, replace all cast iron pipes within the distribution system, construct a 180,000-gallon ground water storage tank, and rehabilitate an existing tank. Hoven received a second loan in the amount of $264,750 with 100 percent principal forgiveness to replace water mains under South Dakota Highway 47 that will be done in conjunction with a highway reconstruction project.

HUMBOLDT – The city of Humboldt's first loan, in the amount of $412,300 at 3.25 percent for 20 years, funded water supply and distribution system improvements.

HURON – Huron received a loan in the amount of $4,000,000 at 3.5 percent for 20 years to fund the construction of a new water treatment facility, water tower improvements, and water meter replacement. The city's second loan was used to replace approximately 14,500 feet of 6 inch and 12 inch water main. The loan was for $619,684 at 3.0 percent for 20 years and includes $122,500 of principal forgiveness through the American Recovery and Reinvestment Act of 2009. A third loan, for $1,098,900 at 3 percent for 30 years, was awarded for the construction of an elevated water storage reservoir.

IPSWICH - The city of Ipswich received a $1,245,000 loan to replace an elevated water tower and two underground water tanks with a new 150,000-gallon elevated water storage tank, replace water meters and install a radio read system, and purchase a standby generator and variable frequency drives for the city pumps. The loan was at 3.0 percent for 30 years and included $933,750 of principal forgiveness through the American Recovery and Reinvestment Act of 2009.

IRENE – The city of Irene received a 5 percent interest loan for 20 years in the amount of $145,000. The project replaced water main along SD Highway 46. The city received its second loan to replace 13 blocks of water lines, loop water lines south of Highway 46, and install new water meters. The loan was for $1,546,000 at 3 percent for 30 years and included $1,165,000 of principal forgiveness.

KEYSTONE – Keystone used its first loan, in the amount of $762,000 at 3.25 percent for 20 years, was used to build a 187,000 gallon reservoir, to close the loop on one-third of the town's system, and to install a pumping station.

KINGBROOK RWS – The Kingbrook Rural Water System received a loan in the amount of $475,000. This loan was at 0 percent interest for 30 years. The project hooked up the city of Carthage and upgraded its distribution system and storage tank. Kingbrook RWS took over the system and provided individual service. Kingbrook's second loan, in the amount of $2,115,000 at 3.25 percent for 30 years, provided additional capacity within the system and provided service to Ramona and the Badger area. The third loan of $3,324,000 at 3.25 percent for 20 years expanded the distribution system to allow 250 additional connections to the system. Kingbrook's fourth loan, $2,350,000 at 3.25 percent for 20 years, continued with the improvements to the system's distribution system. The rural water system received its fifth loan for the construction of rural and in-town water lines to provide individual service to the residents of Sinai.

LEAD – Lead received a $192,800 loan at 4.5 percent interest for 10 years. This loan helped replace water lines beneath a portion of US Highway 85 in conjunction with the South Dakota Department of Transportation roadway reconstruction project. Lead's second drinking water SRF loan, in the amount of $205,800 at 3.25 percent for 30 years, completed water main improvements associated with the Highway 85 project. The city's third SRF loan replaced water mains on Lower May, South Main, and West Addie Streets in conjunction with a project to separate combined sanitary and storm sewer mains. The $1,020,000 loan, at 3 percent for 20 years, included $387,600 of principal forgiveness through the

American Recovery and Reinvestment Act of 2009. Lead was awarded its fourth loan to replace water lines in conjunction with a South Dakota Department of Transportation project to reconstruct Highway 85. The loan amount was $939,000 at 3 percent for 20 years.

LEAD-DEADWOOD SANITARY DISTRICT – The Lead-Deadwood Sanitary District received a $2,683,957, 5.25 percent, 20-year loan to refinance its Series 1994 General Obligation Bond issue. The Series 1994 bonds were originally issued to finance the construction of a new water treatment plant in Lead.

LENNOX – Lennox's first loan, in the amount of $2,000,000 at 3.25 percent for 30 years, funded two wells, an elevated water storage reservoir, water main replacement and new lines. The city's second loan involved replacing about 2,200 feet of cast iron water main and upgrading the existing water meters with remote read meters. The loan amount was $712,431 at 3 percent for 20 years and included $400,000 of principal forgiveness.

LETCHER – Letcher received its first SRF loan to assist in financing the replacement of the town's water distribution system. The loan amount was $200,000 at 2.25 percent for 30 years.

LINCOLN COUNTY RURAL WATER SYSTEM – The RWS received a loan in the amount of $1,200,000 at 3.5 percent for 20 years to fund storage improvements.

MADISON – Madison received a loan for $2,372,000 to refinance its Series 1995 Bonds. The Series 1995 Bonds were issued to finance the rehabilitation of the water treatment facility and the construction of three new wells. This loan was at 5 percent for 15 years. Madison's second loan involved upgrades and modifications to the water treatment plant to address volatile organic compounds in the raw water source. The loan amount was $3,464,360 at 3 percent for 15 years.

MARTIN - Martin corrected undersized water lines and water supply issues with a $920,000 loan at 2.5 percent for 30 years.

McLAUGHLIN – Improvements to McLaughlin's water distribution system in conjunction with an SDDOT project were funded with a $350,000 loan at 2.5 percent for 30 years. The city's second loan was used to replace water lines throughout the city and construct a new storage tank. The loan is for $4,151,050 at 2.25 percent of 30 years and included $3,180,050 of principal forgiveness.

MELLETTE - The town of Mellette received a loan for $271,780 to replace nine blocks of water main and install gate valves and fire hydrants. The loan was at 3 percent for 30 years and included $244,602 of principal forgiveness through the American Recovery and Reinvestment Act of 2009.

MENNO - The city of Menno received its first Drinking Water SRF loan for the replacement of its water meters with remote reading water meters and the installation of an automatic meter reading system. The loan was for $157,000 at 2.25 percent for 10 years and included $39,250 of principal forgiveness.

MID-DAKOTA RURAL WATER SYSTEM - The Mid-Dakota Rural Water System received its first two loans for projects to increase the production capacity of the water treatment plant and to construct an underground pumping station and a two million-gallon elevated water reservoir. The first loan for $12,000,000 at 2.00 percent for 3 years provided interim financing for those projects. The second loan was in the amount of $1,000,000 with 100 percent principal forgiveness through the American Recovery and Reinvestment Act of 2009 and partially funded the pumping station and elevated water reservoir. A third loan in the amount of $2,979,054 was awarded to extend service to new users within the Mid-Dakota service area to include users on the Crow Creek Reservation. The rate and term of the loan are 3 percent for 30 years, and the loan included $450,000 of principal forgiveness. To construct a 150,000-

gallon elevated water storage tank for the Redfield service area, Mid-Dakota RWS was awarded a fourth loan for $719,000 at 3 percent for 30 years. Mid-Dakota received its fifth loan in the amount of $2,535,000 at 3 percent for 15 years to install an automatic meter reading system.

MILBANK – Milbank secured a $4,741,000 loan at 2.5 percent for 30 years to replace raw water transmission lines.

MILLER - The city of Miller was awarded a loan in the amount of $255,200 at 2.5 percent for 10 years to replace water meters throughout the city.

MINA LAKE SANITARY DISTRICT – Mina Lake Sanitary District received a loan for $255,200 at an interest rate of 5 percent for 20 years. This loan was for the construction of a 150,000-gallon water tower. The district's second loan was for $567,390 to replace undersized water mains, construct approximately 11,400 feet of new water main to improve pressure, and upgrade existing water meters. This loan was at 3.0 percent for 20 years and included $283,695 of principal forgiveness through the American Recovery and Reinvestment Act of 2009.

MINNEHAHA COMMUNITY WATER CORPORATION – Minnehaha Community Water Corporation received a loan in the amount of $6,500,000 at 3.5 percent for 20 years to expand its rural water system to the communities of Colton and Garretson. The loan was used for water lines, an elevated water storage tank, wells, and a new water treatment plant. Minnehaha Community Water Corporation was awarded its third loan to make improvements to the distribution system which will enable Minnehaha Community Water to receive additional water from the Lewis & Clark Regional Water System. These improvements will then allow Minnehaha Community Water to deliver 1.0 MGD to Big Sioux Community Water System who will then, in turn, use the extra capacity to deliver up to 1.0 MGD to the city of Madison. The loan was for $900,000 at 3.0 percent for 20 years but was rescinded at the borrower's request.

MISSION HILL - The first SRF loan awarded to Mission Hill will be used to construct a new water tower and install new water lines to loop dead-end lines. The loan was in the amount of $250,000 at 3.25 percent for 20 years. The loan was subsequently deobligated in full at the request of the city.

MITCHELL – The city of Mitchell received a $6,000,000 loan at 4.5 percent interest for 20 years to connect to the B-Y Rural Water System by constructing a water pipeline from Lesterville west and north to Mitchell. The project involved 61 miles of pipe, two pumping stations, a water storage reservoir, a meter station and appurtenances. The city's second Drinking Water SRF loan was used to construct a 1,000,000-gallon elevated water storage tank to replace a water tower built in 1928. The $2,360,000 loan, at 3 percent for 20 years, included $354,000 of principal forgiveness through the American Recovery and Reinvestment Act of 2009.

MOBRIDGE – The city of Mobridge received two loans in the amounts of $965,000 and $355,000 to finance water treatment plant upgrades. Both loans were at 5.25 percent for 20 years. The city undertook a water line extension project along Lake Front Drive to provide water to new users and to loop the system. The project was funded with two loans in the amounts of $213,500 and $90,000 both at 2.50 percent for 30 years. The city's fifth loan was in the amount of $500,000 loan with 100 percent principal forgiveness through the American Recovery and Reinvestment Act of 2009. The loan was to make improvements to the raw water intake. Mobridge's sixth loan will be used to construct a 600,000-gallon water tower and make improvements to an existing 500,000-gallon water tower. The loan is for $1,212,000 at 2.25 percent for 30 years. Mobridge's seventh loan for $400,000 at 2.25 percent for 30 years was necessary to address higher than anticipated construction costs on the water tower project.

MONTROSE – Montrose received its first Drinking Water SRF loan to replace all 4-inch water mains within the distribution system and various hydrants and gate valves. The loan amount was $893,000 (3 percent for 30 years) and included $593,000 of principal forgiveness.

NEW UNDERWOOD - The city of New Underwood was awarded a $175,500 loan to partially fund the construction of a water treatment facility to address radium and gross alpha contamination at its water source. The loan was at 3.0 percent for 20 years and included $70,200 of principal forgiveness through the American Recovery and Reinvestment Act of 2009.

NEWELL - The city of Newell received a loan for $829,000 to drill a new well, construct a new well house, controls, and chlorination equipment; replace old water main, and replace a water tower. The loan was at 2.25 percent for 30 years and included $322,750 of principal forgiveness through the American Recovery and Reinvestment Act of 2009. The city's second loan was used to replace the water meters and install a drive-by remote reading system. The loan was in the amount of $266,250 at 1.25 percent for 10 years and included $166,250 of principal forgiveness.

NICHE SANITARY DISTRICT – A $315,000 loan was awarded to the Niche Sanitary District to replace the undersized water distribution lines with 6-inch PVC lines, install individual service lines and meters to each user, and connect to the Black Hawk Water Users District. At project completion, the Black Hawk Water Users District will take ownership of the system and supply water to the sanitary district residents as individual users. The loan was awarded at 2.25 percent for 30 years and included $225,000 of principal forgiveness.

NISLAND – Nisland received a $350,000 loan at zero percent interest for 30 years to fund the reconstruction of its water distribution system.

NORTHVILLE – Northville received a $203,460 loan to replace water meters throughout the town, replace and loop water lines, and make improvements to a service pump. The loan was at 3.0 percent for 20 years and included $162,768 of principal forgiveness through the American Recovery and Reinvestment Act of 2009.

OACOMA - Oacoma received a $1,414,800 Drinking water SRF loan to construct a new water reservoir and associated piping. The loan was at 3.0 percent for 20 years and included $321,480 of principal forgiveness through the American Recovery and Reinvestment Act of 2009. The loan was subsequently deobligated due to a change in project scope which prevented the city from meeting ARRA deadlines. The city was awarded a second loan for $1,351,300 at 2.25 percent for 10 years to proceed with the revised water storage project.

ONIDA – Onida's first loan, in the amount of $905,000 loan at 3.0 percent for 20 years, funded the construction of a 200,000-gallon water storage tank and the installation of new meters and an automatic meter reading system, lines to eliminate dead end lines, and additional hydrants and valves. The loan included $250,000 of principal forgiveness.

PARKER – Parker's first loan, in the amount of $730,000 at 3.25 percent for 20 years, was used to replace cast iron water mains in various locations in the city. The city's second loan, in the amount of $300,000 at 3.25 percent for 20 years, funded the second phase of the water line replacement project. Parker was awarded a third loan in the amount of $554,200 to continue replacing its water distribution system. This loan was at 3.0 percent for 20 years and included $452,100 of principal forgiveness through the American Recovery and Reinvestment Act of 2009.

PERKINS COUNTY RURAL WATER SYSTEM – A $131,000 Drinking Water SRF loan was awarded the Perkins County Rural Water System to construct a booster station along Highway 75. The

loan was awarded as 100 percent principal forgiveness. The loan amount was increased to $151,000 to allow for the purchase of a SCADA system.

PIEDMONT – Piedmont extended its distribution system to residences within the town utilizing individual wells as a water source. The town's first loan was for $1,404,000 at 3 percent for 20 years and included $804,000 of principal forgiveness.

PIERPONT – Pierpont received a loan in the amount of $551,200 at 3 percent for 30 years to replace the existing high service pump and pressure tank. The loan included $413,400 in principal forgiveness.

PIERRE – The city of Pierre used a $1,094,200 loan at 3.5 percent for 15 years to fund a well field expansion. The loan funded construction of new wells, well houses, and water distribution lines. Pierre's second drinking water loan, $1,832,900 at 3.5 percent for 15 years, funded construction of a new storage tank to create a third pressure zone within the city.

PLANKINTON – The city of Plankinton used its first Drinking Water SRF loan to construct a new storage tower, replace portions of the distribution system, and loop dead-end lines. The loan was for $1,765,000 at 3 percent for 30 years and included $1,009,000 of principal forgiveness.

PLATTE – Platte replaced cast iron water mains with its first drinking water loan of $400,000 at 2.5 percent for 10 years.

RAPID CITY – Rapid City's first drinking water loan was for $3,500,000 at 3.5 percent for 20 years. This loan financed a new water tank and transmission main in the southwest edge of the city. Rapid City was awarded its second loan for engineering services and the purchase of membranes at the Jackson Springs Water Treatment Plant. The loan amount was $6,000,000 at 3 percent for 20 years. Rapid City was awarded its third loan to expand its service area to provide water to users located east of the city limits. These homes are currently served by systems that provide substandard to poor quality water that is often in violation of drinking water standards. The loan was for $4,626,000 at 3 percent for 20 years with $3,000,000 of principal forgiveness.

RAPID VALLEY SANITARY DISTRICT – The Rapid Valley Sanitary District received a $682,000 loan with 100 percent principal forgiveness through the American Recovery and Reinvestment Act of 2009. The loan was to install a third microfiltration skid to increase plant production from 2 to 3 MGD, allowing the district to serve two small existing sanitary districts east of Rapid City. The second loan awarded to the Rapid Valley Sanitary District was for the removal and replacement of a 166,000-gallon water storage tank in poor condition with a 256,000 gallon tank. The loan amount was $500,000 at 3 percent for 20 years.

REDFIELD – The City of Redfield received a loan in the amount of $85,000 at an interest rate of 4.5 percent for 20 years. The loan financed the replacement of water lines located under US Hwy 212 and 281. The project involves construction of approximately 4,900 feet of pipe, services lines, and appurtenances and will replace brittle asbestos cement or cast iron pipes that are fifty to eighty years old. Redfield received a second loan, in the amount of $342,755 at 2.5 percent for 30 years, to fund water line replacement on South Main Street and Sixth Avenue.

ROSLYN - The city of Roslyn received a $500,000 loan with 100 percent principal forgiveness through the American Recovery and Reinvestment Act of 2009. The loan was to replace water mains throughout the city and construct a new 50,000-gallon water storage tank.

SALEM -- Salem received a loan of $126,921 at 3.5 percent for 10 years to fund water distribution improvements in the city. Salem's second loan, in the amount of $348,540 at 3.25 percent for 20 years,

funded water distribution system improvements in 2005. The city's third loan, in the amount of $1,345,000 at 3.25 percent for 30 years, was for a microfiltration pretreatment system with a nanofiltration softening system in a new water treatment facility and the installation of a new well.

SCOTLAND —Scotland replaced water mains in conjunction with reconstruction of Main Street with its $340,000 loan at 2.5 percent for 30 years.

SELBY - The city of Selby received a $100,000 loan with 100 percent principal forgiveness through the American Recovery and Reinvestment Act of 2009. The loan partially funded the second phase of the city's water main replacement project.

SIOUX FALLS – The city of Sioux Falls received a loan in the amount of $7,022,000 at an interest rate of 4.5 percent for 10 years to finance central pressure zone improvements. The city's second loan allowed the city to continue with drinking water facility improvements with a loan for $2,750,000 at 4.5 percent interest for 10 years. Its third loan, at 3.5 percent for ten years, was in the amount of $7,930,000 for drinking water facilities improvements and water distribution line replacement. The city's fourth drinking water loan, $5,279,000 at 3.5 percent for 10 years, funded the replacement of aging equipment and water main and the improvement of operational efficiency, maintenance space, and pressure zones. Sioux Falls' fifth drinking water loan is in the amount of $12,749,000 at 2.5 percent for 10 years. This loan financed improvements to the water treatment plant, improvements to the West Pump Station, replacement of water mains, and upgrade of elevated finish tanks and collector wells. In 2008, Sioux Falls received three additional Drinking Water SRF loans, each at 2.5 percent for 10 years. The city's sixth loan, for $17,848,000, was for the construction of a new backwash basin and additional filters to improve operational efficiencies in the treatment plant. The seventh loan was to upgrade a vertical well to a horizontal collector well to increase production capacity and is for $2,200,000. The eighth loan, in the amount of $2,705,600, replaced water mains in two areas and valves at several locations. Sioux Falls' ninth loan in the amount of $3,578,750 replaced three vertical water supply wells with a new horizontal collector well and rehabilitated an existing horizontal well. The city's tenth loan in the amount of $7,606,900 involved water main and valve replacement at various locations and the upgrade of a pumping station. Loans 9 and 10 each had an interest rate of 2.25 percent, a 10-year term and included 10 percent principal forgiveness through the American Recovery and Reinvestment Act of 2009. The eleventh loan award to Sioux Falls was for $4,000,000 at 2.5 percent for 10 years to replace water mains and valves in various locations.

SIOUX RURAL WATER SYSTEM — A $2,515,000 loan at 3.0 percent for 20 years was awarded to the Sioux Rural Waer System to construct 31 miles of water distribution line, connect the city of Kranzburg as individual users, replace the existing SCADA system, and develop two additional wells at the Castlewood well field.

SOUTH LINCOLN RURAL WATER SYSTEM — A $2,000,000 loan at 3.5 percent for 20 years funded South Lincoln Rural Water System's pipeline, well and pumping improvements. In addition, new facilities were constructed to provide connection of South Lincoln's system to the Lewis and Clark Regional Water System. The South Lincoln system was awarded it second loan to provide individual service to the residents of Fairview by extending a water line to the town and replace the town's distribution system. The loan was for $476,500 at 3 percent for 30 years and included $244,500 of principal forgiveness.

SPEARFISH - The city of Spearfish was awarded its first Drinking Water SRF loan to construct a two-million gallon ground level water storage tank, install 16-inch water main to connect the tank to the distribution system, and add water level control valves at two existing storage tanks. The loan was for $3,254,000 at 3 percent for 20 years.

STURGIS – Sturgis received a loan for $700,000 at 5 percent interest for 15 years. This loan financed the replacement of approximately 7,800 feet of water main in conjunction with a South Dakota Department of Transportation roadway reconstruction project. The second loan awarded to Sturgis was to upgrade the water distribution system serving the Murray Addition. The $863,000 loan is at 2.25 percent for 10 years and included $86,300 of principal forgiveness through the American Recovery and Reinvestment Act of 2009. The city's third loan was awarded to provide interim financing for upgrades to pressure reducing valves, the SCADA system, a booster pump, and well house and the replacement of a well and water lines. The loan was for $3,460,000 at 2 percent for three years. Sturgis received its fourth loan, $2,200,000 at 3 percent for 20 years, to replace water lines beneath Lazelle Street.

TC&G WATER ASSOCIATION – The TC&G Water association received its first loan for the replacement water meters, installation of a new booster station, and replacement of approximately 18 miles of old and undersized pipe throughout the system. The loan amount was $210,000 at 2.25 percent for 30 years.

TABOR – Tabor's first Drinking Water SRF loan was in the amount of $1,530,000 at 3 percent for 30 years and included $700,000 of principal forgiveness. The loan will be used for the replacement of cast iron water main with PVC pipe, rehabilitation of the pump station, and to conduct a leak detection survey.

TEA - Tea received a loan in the amount of $1,714,327 at 3.25 percent for 20 years for an emergency connection to the Lewis and Clark Regional Water System.

TM RURAL WATER DISTRICT – The TM Rural Water District receive two loans to provide service to new users within its southeast service area and improve service to Viborg and Hurley by providing storage for these communities. The loans were for $1,084,750 at 3 percent for 30 years and $1,398,750 with 100 percent as principal forgiveness.

TRAIL WEST SANITARY DISTRICT – The Trail West Sanitary District received a loan of $1,651,000 to install water meters and approximately 7,500 feet of 4-inch water main, rehabilitate existing wells, and construct an iron removal treatment system. The loan was at 3 percent for 20 years and included $637,860 of principal forgiveness.

TRI-COUNTY WATER ASSOCIATION – The Tri-County Water Association received a $200,000 loan, awarded as 100 percent principal forgiveness, to construct an elevated water storage tank.

TRIPP – The city of Tripp received a loan for $291,000 at 2.5 percent interest for 30 years to complete the city's on-going water main rehabilitation project. The project involves approximately 8,100 feet of pipe, service connections, valves, fire hydrants and appurtenances to replace 70-year old cast iron water mains.

TRIPP COUNTY WATER USERS DISTRICT — Tripp County Water Users District was awarded two loans in 2003. The first loan, $3,500,000 at 2.5 percent for 30 years, funded expansion of the district into Gregory County and the assimilation of the East Gregory Rural Water System. The second loan, $148,000 at zero percent interest for 30 years, allowed the district to assume the water distribution system at Wood. The district's third loan, in the amount of $850,000 at 3 percent for 20 years, funded the construction of an elevated water storage tank near Fairfax. This loan was de-obligated in full at the request of the district. Tripp County was awarded its fourth loan to upgrade a large portion of its distribution system by installing more than 195 miles of mains, increasing pump sizes or constructing new booster stations, providing new water services, and constructing two new water towers. The loan was for $11,750,000 at 2.25 percent for 30 years.

TYNDALL – Tyndall received a loan for $300,000 at 2.5 percent interest for 10 years. This loan financed the installation of approximately 2,800 feet of water main to enhance the overall efficiency of the distribution system by looping areas of the community that are currently dead ends. Tyndall received a second loan in the amount of $861,000 to fund a connection to the B-Y Rural Water System. This loan was at 2.5 percent interest for 30 years. The city's third loan financed the construction of a new 200,000-gallon water tower and replacement of sections of water main located throughout the city. The $1,570,000 loan was made at 2.25 percent for 30 years and included $200,000 of principal forgiveness.

VERMILLION – Vermillion received a loan for $942,000 at 5 percent interest for 20 years. This loan was used to construct lime sludge disposal lagoons. Vermillion's second loan, $1,510,000 at 3.5 percent interest for 20 years, funded water treatment plant improvements. Vermillion's third drinking water SRF loan, in the amount of $3,772,500 at 2.5 percent for 20 years, funded phase 3 improvements to the water treatment plant. The city's received its fourth loan to replace a water tower. The loan was for $1,532,000 at 2.25 percent for 30 years and included $153,200 of principal forgiveness.

VIBORG - The city of Viborg's first SRF loan was to replace water distribution lines and loop lines at various locations in the city. The loan amount was $249,775 with an interest rate of 3.25 percent and a term of 20 years. Viborg funded water main improvements in conjunction with a Highway 19 reconstruction project with its second loan. The $847,000 loan had a 3 percent interest rate, a 30-year term, and included $730,000 of principal forgiveness.

WAGNER – Wagner received its first drinking water loan in the amount of $750,000 at the disadvantaged rate of zero percent interest for 30 years to make improvements to its water tower and replace water lines. The city's second loan, in the amount of $175,000 at the disadvantaged rate of zero percent interest for 30 years, replaced water utilities along North Park Street and North Street. Wagner was awarded its third loan to replace water line on South Park Street. The $275,000 loan was at 0 percent for 30 years and included $55,000 of principal forgiveness through the American Recovery and Reinvestment Act of 2009. The loan was rescinded at the city's request.

WARNER - The city of Warner received a $400,000 loan with 100 percent principal forgiveness through the American Recovery and Reinvestment Act of 2009. The loan partially funded improvements to the city's water storage capabilities.

WATERTOWN - Watertown's first Drinking Water SRF loan was used to develop a new well field and expand the city water treatment plant in order to discontinue using the Lake Kampeska water source and treatment facility and replace a standpipe with a new 2-million gallon standpipe. The loan was for $23,760,000 at 3.25 percent interest and a 20-year term.

WAUBAY – The city of Waubay's first loan, in the amount of $750,000 at the disadvantaged rate of 2.5 percent for 30 years, funded phase 1 of the city's drinking water distribution system improvements.

WEB – WEB Water Development Association, Inc. received a loan for $1,110,000 at 5 percent interest for 15 years. The project would have allowed WEB to extend service to approximately 200 additional rural homes and farms and provide additional water service to four existing bulk users. The Board of Water and Natural Resources rescinded this loan on May 13, 1999. WEB applied for and received a $137,450 loan at 2.5 percent interest for 30 years to improve water service in the community of Glenham by replacing the town's water distribution system. This loan was rescinded on June 27, 2003. WEB was awarded its third drinking water SRF loan in the amount of $3,950,000 at 3.25 percent for 20 years to increase the capacity of its water treatment plant. The award was contingent upon a specific loan closing date, which was not met, and the application was withdrawn at WEB's request.

WEBSTER – The city of Webster received a $330,000 loan at 3.5 percent interest for 20 years to fund replacement of cast iron water mains with PVC pipe and replacement of water services and fire hydrants. Webster second loan was for $387,400 at 2.25 percent for 10 years to install new water meters and an automatic read system. The loan included $150,000 of principal forgiveness.

WESSSINGTON SPRINGS – The city of Wessington Springs received its first loan - $209,000 at 2.25 percent for 30 years – to replace three blocks of water main on Main Street.

WEST RIVER/LYMAN-JONES RURAL WATER SYSTEM – WR/LJ received a loan in the amount of $340,000 at 2.5 percent for 30 years to fund water main replacement in the town of Reliance. WR/LJ's second loan, in the amount of $8,000,000 at 3.25 percent for 30 years, funded phase 1 of the construction of the north loop pipeline to provide service to Stanley and Haakon counties.

WHITE LAKE - White lake received its first Drinking Water SRF loan, $362,000 at 2.25 percent for 30 years to replace aging water lines on Main Street. The loan included $85,000 of principal forgiveness.

WINNER - Winner's first Drinking Water SRF loan, $450,000 at 2.25 percent for 30 years, funded construction of a new chlorine building including new pumps, piping and chlorine equipment.

WOLSEY – Wolsey's first Drinking Water SRF loan, $263,000 at 3.25 percent for 20 years, funded a waterline replacement project. The city's second loan, in the amount of $162,300 at 3.25 percent for 20 years, funded water line replacement in conjunction with the SDDOT's reconstruction of Highway 14/281.

WOODLAND HILLS SANITARY DISTRICT – A $780,000 loan at 3 percent for 20 years with $480,000 of principal forgiveness was awarded to the Woodland Hills Sanitary District for phase 1 improvements to its water system. Improvements included a new 10,000-gallon ground level water storage tank, water meter pits for the entire system, upgrades to the well, well house, and pump station building, installation of 1,800 feet water main, and replacement of water service line within the right-of-way. Due to higher than expected bids, several items were removed from the original project scope. The sanitary district requested and received an additional $481,000 to complete the project as intended, with the exception of the ground storage tank. The loan was at 3.00 for 20 years and included $384,800 of principal forgiveness.

WOONSOCKET — Woonsocket was awarded its first SRF loan in the amount of $720,000 to replace and loop of water lines primarily along Highway 34. The loan had an interest rate of 3.0 percent, a 30-year term and included $416,500 of principal forgiveness through the American Recovery and Reinvestment Act of 2009.

WORTHING — Worthing received its first loan in the amount of $288,000 at 3.5 percent for 20 years for improvements to the city's water distribution system. The city's second loan in the amount of $301,227 will finance the replacement of approximately 1,600 feet of water main on Second and Juniper Streets. The loan was at 3 percent for 20 years and included $200,000 of principal forgiveness.

YANKTON – Yankton utilized a $3,460,000 loan for line replacement and water treatment plant improvements to include a new disinfection system. The loan was at 3.5 percent for 20 years. The city secured a second loan in the amount of $1,100,000 at 3.25 percent for 20 years to install a high pressure area pump station and transmission lines. Yankton's third loan in the amount of $3,000,000 funded 12 water main replacement projects and two water tower rehabilitation projects. The city received its fourth loan in the amount of $2,200,000 to drill two wells on the Nebraska side of the Missouri River and construct a raw water transmission line from the wells to the existing water treatment plant on the South Dakota shore. These loans had an interest rate of 3.0 percent, a 20-year term and included 10 percent

principal forgiveness through the American Recovery and Reinvestment Act of 2009. Yankton was awarded its fifth loan to upgrade the existing water treatment plant No. 2 and construct a new collector well. The loan was for $12,850,000 at 3 percent for 30 years with $1,000,000 of principal forgiveness.

BOND ISSUE SUMMARIES

South Dakota Conservancy District

$59,815,000
State Revolving Fund Program Bonds
Series 2014A and 2014B

Bond Issue

- Series A - Taxable revenue bonds
  - Par Amount - $9,060,000
  - Provided $4 million of Clean Water SRF state match funds
  - Provided $5 million of Drinking Water SRF state match funds
  - True Interest Cost 1.69%
- Series B - Tax-exempt revenue bonds
  - Par Amount $50,755,000
  - Net Premium $9,601,865
  - Provided $53 million in leveraged proceeds for Clean Water SRF program
  - Provided $7 million in leveraged proceeds for Drinking Water SRF program
  - True Interest Cost 3.02%
- Aaa rating by Moody's Investors Services, Inc.
- AAA rating by Standard & Poor's
- Bonds priced and sold on October 8, 2014
- Bond closing on October 21, 2014

Financial Team

- Perkins Coie, LLP - Bond Counsel
- The First National Bank in Sioux Falls - Trustee
- Public Financial Management, Inc. - Financial Advisor
- J.P. Morgan – Lead Underwriter
- Wells Fargo Securities – Co-manager
- Faegre & Benson, LLP - Counsel to Underwriters

South Dakota Conservancy District

$123,305,000
State Revolving Fund Program Bonds
Series 2012A and 2012B

Bond Issue

- Series A - Taxable revenue bonds
  - Par Amount - $69,775,000
  - Provided $69.6 million to refund Series 2004 and 2005 bonds
  - True Interest Cost 2.416%
- Series B - Tax-exempt revenue bonds
  - Par Amount $53,530,000
  - Net Premium $9,284.439
  - Provided $3.3 million to refund Series 2001 bonds
  - True Interest Cost 2.822%
- Refundings realized a Net Present Value Savings of $6,114,018
- Aaa rating by Moody's Investors Services, Inc.
- AAA rating by Standard & Poor's
- Bonds priced and sold on May 9, 2012
- Bond closing on May 23, 2012

Financial Team

- Perkins Coie, LLP - Bond Counsel
- The First National Bank in Sioux Falls - Trustee
- Public Financial Management, Inc. - Financial Advisor
- Wells Fargo Securities – Lead Underwriter
- J.P. Morgan. - Co-manager
- Piper Jaffray & Company – Co-manager
- Faegre & Benson, LLP - Counsel to Underwriters

South Dakota Conservancy District

$92,380,000
State Revolving Fund Program Bonds
Series 2010A and 2010B

Bond Issue

- Series A - Taxable revenue bonds (Build America Bonds)
  - Par Amount of Serial Bonds - $26,645,000
  - Par Amount of Term Bonds - $12,050,000
  - True Interest Cost 3.394%
- Series B - Tax-exempt, revenue bonds
  - Par Amount $53,685,000
  - Net Premium $4,147,963
  - True Interest Cost 3.588%
- Provide $54,330,000 to refund Series 2010 Bond Anticipation Notes
- Provide $42,260,000 to refund Series 1998A and 2008 bond issues
- Aaa rating by Moody's Investors Services, Inc.
- AAA rating by Standard & Poor's
- Bonds priced and sold on December 14, 2010
- Bond closing on December 28, 2010

Financial Team

- Perkins Coie, LLP - Bond Counsel
- The First National Bank in Sioux Falls - Trustee
- Public Financial Management, Inc. - Financial Advisor
- J.P. Morgan. - Lead Underwriter
- Piper Jaffray & Company – Co-senior Underwriter
- Wells Fargo Securities – Co-manager
- Faegre & Benson, LLP - Counsel to Underwriters

South Dakota Conservancy District

$54,330,000
State Revolving Fund Program Bond Anticipation Notes
Series 2010

Bond Anticipation Note Issue

- Tax-exempt, Bond Anticipation Notes
- Competitive Sale
- Par Amount $54,330,000
- Proceeds used to pay the redemption price of the District's $55,000,000 Series 2009 Bond Anticipation Notes
- MIG-1 rating by Moody's Investors Services, Inc.
- SP-1+ rating by Standard & Poor's
- Notes priced and sold on August 30, 2010
- Notes closing on September 8, 2010
- True Interest Cost - 0.35%
- Average Coupon Rate – 1.75%
- Maturity Date - September 30, 2011

Financial Team

- Perkins Coie, LLP - Bond Counsel
- The First National Bank in Sioux Falls - Trustee
- Public Financial Management, Inc. - Financial Advisor

Winning Bidder

- J.P. Morgan Securities LLC

South Dakota Conservancy District

$55,000,000
State Revolving Fund Program Bond Anticipation Notes
Series 2009

Bond Anticipation Note Issue

- Tax-exempt, Bond Anticipation Notes
- Competitive Sale
- Par Amount $55,000,000
- Provide $37.5 million in leveraged proceeds for Clean Water SRF program
- Provide $18.2 million in leveraged proceeds for Drinking Water SRF program
- MIG-1 rating by Moody's Investors Services, Inc.
- SP-1+ rating by Standard & Poor's
- Notes priced and sold on August 12, 2009
- Notes closing on August 25, 2009
- True Interest Cost - 0.584%
- Average Coupon Rate - 2.00%
- Maturity Date - September 10, 2010

Financial Team

- Perkins Coie, LLP - Bond Counsel
- The First National Bank in Sioux Falls - Trustee
- Public Financial Management, Inc. - Financial Advisor

Winning Bidder

- Piper Jaffray & Company

South Dakota Conservancy District

$40,000,000
State Revolving Fund Program Bonds
Series 2008

Bond Issue

- Tax-exempt, multi-modal variable rate, revenue issue
- Par Amount $40,000,000
- Provide $1.96 million to match federal Clean Water SRF capitalization grants for FFY 2008 - 2010
- Provide $4.89 million to match federal Drinking Water SRF capitalization grants for FFY 2008 - 2010
- Provide $19.8 million in leveraged proceeds for Clean Water SRF program
- Provide $13.0 million in leveraged proceeds for Drinking Water SRF program
- Aaa/VMIG 1 rating by Moody's Investors Services, Inc.
- AAA/A-1+ rating by Standard & Poor's
- Bonds priced and sold on March 4, 2008
- Bond closing on March 6, 2008
- Semi-annual rate mode required until August 1, 2008
- Initial interest rate - 2.35% in effect until August 1, 2008

  Rate Reset on August 1, 2008 - 1.90% in effect until February 1, 2009
  Rate Reset on February 1, 2009 - 1.00% in effect until August 1, 2009
  Rate Reset on August 1, 2009 - 0.70% in effect until February 1, 2010
  Rate Reset on February 1, 2010 - 0.34% in effect until August 1, 2010
  Rate Reset on August 1, 2010 - 0.40%

Financial Team

- Perkins Coie, LLP - Bond Counsel
- The First National Bank in Sioux Falls - Trustee
- Public Financial Management, Inc. - Financial Advisor
- Wachovia Bank, National Association - Senior Managing Underwriter & Remarketing Agent
- Faegre & Benson, LLP - Counsel to Underwriter
- U.S. Bank National Association - Liquidity Provider
- Briggs and Morgan, P.A. - Liquidity Provider's Counsel

South Dakota Conservancy District

$50,000,000
State Revolving Fund Program Bonds
Series 2005

Bond Issue

- Tax-exempt, revenue issue
- Par Amount $50,000,000
- Net Premium $1,565,648.15
- Provide $1.56 million to match federal Clean Water SRF capitalization grants for FFY 2006 - 2007
- Provide $1.67 million to match federal Drinking Water SRF capitalization grants for FFY 2007
- Provide $41.0 million in leveraged proceeds for Clean Water SRF program
- Provide $7.0 million in leveraged proceeds for Drinking Water SRF program
- Aaa rating by Moody's Investors Services, Inc.
- AAA rating by Standard & Poor's
- Bonds priced on October 5, 2005
- Bonds sold on October 6, 2005
- Bond closing on October 19, 2005
- True Interest Cost - 4.36%
- Average Coupon Rate - 4.68%

Financial Team

- Perkins Coie, LLP - Bond Counsel
- The First National Bank in Sioux Falls - Trustee
- Public Financial Management, Inc. - Financial Advisor
- UBS Financial Services, Inc. - Senior Managing Underwriter
- Faegre & Benson, LLP - Counsel to Underwriter

South Dakota Conservancy District

$38,460,000
State Revolving Fund Program Bonds
Series 2004

Bond Issue

- Tax-exempt, revenue issue
- Par Amount $38,460,000
- Net Premium $903,538.80
- Provide $5.0 million to match federal Drinking Water SRF capitalization grants for FFYs 2004 - 2006
- Provide $22.5 million in leveraged proceeds for Drinking Water SRF program
- Provide $11.5 million to refund prior year Clean Water SRF bonds
- Refunding resulted in Net Present Value savings of $986,412.65
- Aaa rating by Moody's Investors Services, Inc.
- AAA rating by Standard & Poor's
- Bonds priced on June 28-29, 2004
- Bonds sold on June 30, 2004
- Bond closing on July 13, 2004
- True Interest Cost - 4.48%
- Average Coupon Rate - 4.76%

Financial Team

- Perkins Coie, LLP - Bond Counsel
- The First National Bank in Sioux Falls - Trustee
- Public Financial Management, Inc. - Financial Advisor
- UBS Financial Services, Inc. - Senior Managing Underwriter
- Dougherty & Company, LLC. - Co-Manager
- Northland Securities, Inc. - Co-Manager
- Faegre & Benson, LLP - Counsel to Underwriter

South Dakota Conservancy District

$5,270,000
Drinking Water State Revolving Fund Program Bonds
Series 2001

Bond Issue

- Tax-exempt, revenue issue
- Par Amount $5,270,000
- Provide match for federal Drinking Water SRF capitalization grants for FFYs 2001 - 2003
- Aaa rating by Moody's Investors Services, Inc.
- Insured by Ambac Assurance Corporation
- Underlying Rating Aa1
- Bond closing on October 3, 2001
- Average Coupon Rate - 4.87%

Financial Team

- Altheimer & Gray - Bond Counsel
- The First National Bank in Sioux Falls - Trustee
- Dougherty & Company, LLC.- Senior Managing Underwriter
- Faegre & Benson, LLP - Counsel to Underwriter

South Dakota Conservancy District

$4,405,000
Clean Water State Revolving Fund Program Bonds
Series 2001

Bond Issue

- Tax-exempt, revenue issue
- Par Amount $4,405,000
- Provide match for federal Clean Water SRF capitalization grants for FFYs 2001 - 2003
- Aaa rating by Moody's Investors Services, Inc.
- Insured by Ambac Assurance Corporation
- Underlying Rating Aa1
- Bond closing on October 3, 2001
- Average Coupon Rate - 4.85%

Financial Team

- Altheimer & Gray - Bond Counsel
- The First National Bank in Sioux Falls - Trustee
- Dougherty & Company, LLC.- Senior Managing Underwriter
- Faegre & Benson, LLP - Counsel to Underwriter

South Dakota Conservancy District

$6,450,000
Drinking Water State Revolving Fund Program Bonds
Series 1998A

Bond Issue

- Tax-exempt, revenue issue
- Par Amount $6,450,000
- Provide match for federal Drinking Water SRF capitalization grants for FFYs 1998 - 2000
- Aaa rating by Moody's Investors Services, Inc.
- Insured by Ambac Assurance Corporation
- Underlying Rating Aa3
- Bond closing on June 30, 1998
- Average Coupon Rate - 4.85%

Financial Team

- Altheimer & Gray - Bond Counsel
- The First National Bank in Sioux Falls - Trustee
- Piper Jaffray, Inc - Senior Managing Underwriter
- Faegre & Benson, LLP - Counsel to Underwriter

South Dakota Conservancy District

$2,770,000
Clean Water State Revolving Fund Program Bonds
Series 1996A

Bond Issue

- Tax-exempt, revenue issue
- Par Amount $2,770,000
- Provide match for federal Clean Water SRF capitalization grants for FFYs 1996 - 1998
- A1 rating by Moody's Investors Services, Inc.
- Bond closing on December 17, 1996
- True Interest Cost 5.86%
- Average Coupon Rate 5.51%

Financial Team

- Altheimer & Gray - Bond Counsel
- The First National Bank in Sioux Falls - Trustee
- Piper Jaffray, Inc - Senior Managing Underwriter
- Faegre & Benson, LLP - Counsel to Underwriter

South Dakota Conservancy District

$7,970,000
Clean Water State Revolving Fund Program Bonds
Series 1995A

Bond Issue

- Tax-exempt, revenue issue
- Par Amount $7,970,000
- Provide $2.5 million to match federal Clean Water SRF capitalization grants for FFY 1995 and 1996
- Provide $4.5 million in leveraged proceeds for Clean Water SRF program
- A1 rating by Moody's Investors Services, Inc.
- Bond closing on April 4, 1995
- Average Coupon Rate 5.94%

Financial Team

- Altheimer & Gray - Bond Counsel
- The First National Bank in Sioux Falls - Trustee
- Piper Jaffray, Inc - Senior Managing Underwriter
- Faegre & Benson, LLP - Counsel to Underwriter

South Dakota Conservancy District

$10,220,000
State Revolving Fund Program Bonds
Series 1994A

Bond Issue

- Tax-exempt, revenue issue
- Par Amount $10,220,000
- Provide $631,195 to match federal Clean Water SRF capitalization grants
- Provide $9.3 million to refund Series 1989 and 1992 Bonds
- Refunding resulted in Net Present Value savings of $
- A rating by Moody's Investors Services, Inc.
- Bond closing on February 17, 1994
- Average Coupon Rate 5.01%

Financial Team

- Altheimer & Gray - Bond Counsel
- The First National Bank in Sioux Falls - Trustee
- Piper Jaffray, Inc - Senior Managing Underwriter
- Faegre & Benson, LLP - Counsel to Underwriter

South Dakota Conservancy District

$4,180,000
State Revolving Fund Program Bonds
Series 1992

Bond Issue

- Tax-exempt, revenue issue
- Par Amount $4,180,000
- Provide match for federal Clean Water SRF capitalization grants for FFYs 1992 - 1994
- BBB rating by Standard & Poor's
- Bond closing on September 24, 1992
- Average Coupon Rate 6.83%

Financial Team

- Kutak Rock, LLP - Bond Counsel
- The First National Bank in Sioux Falls - Trustee
- Lehman Brothers. - Senior Managing Underwriter

South Dakota Conservancy District

$5,785,000
State Revolving Fund Program Bonds
Series 1989

Bond Issue

- Tax-exempt, revenue issue
- Par Amount $5,785,000
- Provide match for federal Clean Water SRF capitalization grants for FFYs 1989 - 1991
- AAA rating by Standard & Poor's
- Insured by Capital Guaranty Insurance Company
- Bond closing on August 10, 1989
- Average Coupon Rate 7.12%

Financial Team

- Kutak Rock & Campbell, LLP - Bond Counsel
- The First National Bank in Sioux Falls - Trustee
- Shearson Lehman Hutton Inc. - Senior Managing Underwriter

STATUTES

State Revolving Fund Administration

SOUTH DAKOTA CONSERVANCY DISTRICT
BOARD OF WATER AND NATURAL RESOURCES

1-40-5. Water and Natural Resources Board created -- Functions -- Appointment and terms of members. The Board of Natural Resource Development is abolished. There is created a Board of Water and Natural Resources. The board shall perform all functions exercised by the former Board of Natural Resource Development. The Board of Water and Natural Resources shall consist of seven members not all of the same political party and appointed by the Governor for four-year terms. The terms of members of the Board of Water and Natural Resources who are first appointed after the effective date of this order shall be: one appointed for a term of one year; two appointed for a term of two years; two for a term of three years; and two for a term of four years, and such initial terms shall be designated by the Governor. Any member appointed to fill a vacancy arising from other than the natural expiration of a term shall serve for only the unexpired portion of the term.

1-40-9. Performance of administrative functions of conservancy district board. Except as provided in § 1-40-10, the Department of Environment and Natural Resources shall, under the direction and control of the secretary of environment and natural resources, perform all the functions of the former board of directors of the South Dakota conservancy district, created by chapter 46A-2.

1-40-10. Performance of nonadministrative functions of conservancy district board. The Board of Water and Natural Resources created by this chapter shall perform all quasi-legislative, quasi-judicial, advisory, and special budgetary functions (as defined in § 1-32-1) of the former board of directors of the South Dakota conservancy district, created by chapter 46A-2.

46A-2-1. Creation of South Dakota conservancy district -- Boundaries -- Powers. There is hereby created within the State of South Dakota, a conservancy district, to be known as the "South Dakota conservancy district." The boundaries of the district shall coincide in all particulars with the boundaries of the state of South Dakota. Such district is a governmental agency, body politic and corporate with authority to exercise the powers specified in this chapter.

46A-2-5. Board of directors abolished -- Performance of functions. The board of directors of the South Dakota conservancy district is abolished, and all its functions shall be administered by the department and board of water and natural resources, as provided by § § 1-40-9 and 1-40-10.

46A-2-11. Board of Water and Natural Resources -- Authority to sue and be sued. The Board of Water and Natural Resources shall have the power to sue and be sued in the name of the district.

State Revolving Fund Administration

SRF SUBFUNDS
SRF LOAN PROGRAMS

46A-1-31. Discretionary bond issuance to finance water resources projects or developments-- Maximum amount--Issuance of bonds for purchase or financing of loans by FmHA--Issuance of bonds for revolving fund programs under federal Clean Water Act or federal Safe Drinking Water Act. In addition to the aggregate indebtedness authorized by the Legislature and Board of Water and Natural Resources pursuant to §§ 46A-1-29 and 46A-1-30, the district may issue bonds in an amount not to exceed in aggregate eight million dollars at any time for the purpose of financing projects as defined in subdivision 46A-2-4(5) which are components of the statewide water plan subject to the provisions of §§ 46A-1-49 to 46A-1-52, inclusive. In addition to the aggregate indebtedness authorized by the Legislature and Board of Water and Natural Resources pursuant to §§ 46A-1-29 and 46A-1-30, the district may issue bonds in any amount at any time for the purpose of purchasing or otherwise financing or providing for the purchase or payment of loans made by the United States Farmers' Home Administration to any person or public entity, whether or not the person or public entity or the project financed with the loan are located in South Dakota or formed under or recognized by South Dakota law, as community facilities loans or water and waste disposal loans, which purchasing, financing, or payment activities are hereby determined to be components of the state water plan and are authorized without regard to § 46A-2-20. The district may enter into financing agreements with the persons or public entities to secure and provide for the payment of the bonds, without regard to § 46A-2-20 or §§ 46A-1-63.1 to 46A-1-69, inclusive. The district may make payments or deposits for the purchase or payment of the loans from funds obtained from the persons or public entities, whether or not bonds have been issued. The purchase or payment of loans for persons or public entities or projects located outside of the State of South Dakota is hereby authorized and declared to be a public purpose whenever, at the discretion and in the determination of the district, the purchase or payment is expected to result in economies of scale, fees, interest savings, financing, or other benefits to the district, South Dakota persons or public entities or the State of South Dakota. The district, in the proceedings for the issuance of the bonds, shall establish the manner in which the trustee shall manage and disperse any savings for the benefit of the persons and public entities whose community facilities loans and water and waste disposal loans have been purchased or prepaid by the district. In addition to the aggregate indebtedness authorized by the Legislature and the Board of Water and Natural Resources pursuant to §§ 46A-1-29 and 46A-1-30, the district may also issue bonds in any amount at any time for the purpose of funding all or part of the revolving funds required for either the state water pollution control revolving fund program or the state drinking water revolving fund program or both under either the federal Clean Water Act or federal Safe Drinking Water Act or both. The bonds issued for these revolving fund programs shall be used to purchase or otherwise finance or provide for the purchase or payment of bonds or other obligations, including the refinancing of obligations previously issued or for projects previously completed, which purchasing, financing, or payment activities are hereby determined to be components of the state water facilities plan and are authorized without regard to § 46A-2-20. The district may enter into financing agreements with such persons or public entities to secure and provide for the payment of such bonds, without regard to § 46A-2-20 or §§ 46A-1-63.1 to 46A-1-69, inclusive. The district may pledge or assign to or hold in trust for the benefit of the holder or holders of the bonds those moneys appropriated by the Legislature for the purpose of funding state contributions to the state water pollution control revolving fund program and the state drinking water revolving fund program, which moneys may be held and invested pursuant to a trust agreement for the payment of the principal of, premium, if any, and interest on, the bonds.

46A-1-32. Terms of bonds. The bonds may be issued and sold in one or more series, may be in such amounts and at such prices, may bear such date or dates, may be in such denomination or denominations, may mature at such time or times not exceeding fifty years from the respective dates thereof, may mature in such amount or amounts, may bear interest at such times and at such fixed or variable rate or rates as shall be determined by the district and without regard to any interest rate limitation appearing in any other law, may be in such form, either coupon or registered as to principal only or as to both principal and interest, may carry such registration privileges (including the conversion of a fully registered bond to a coupon bond or bonds and the conversion of a coupon bond to a fully registered bond), may be executed in such manner, may be made payable in such medium of payment, at such place or places within or without the state, may be callable or subject to purchase and retirement or tender and remarketing as determined by the district in any indenture, resolution, or other instrument. The district may take any action it deems appropriate for the purpose of implementing this section, including establishing parameters referencing current market conditions or published indices in connection with establishing interest rates, imposing maximum interest rate limitations, or establishing other parameters it deems appropriate, and may delegate the administration of specific functions within the established parameters. The district may enter into arrangements to provide additional security and liquidity for bonds, and to limit, reduce, or manage interest rate exposure with respect to bonds issued or to be issued

§ 46A-1-60.1. Water pollution control revolving fund program and state drinking water revolving fund program established - Program subfunds created - Deposits into subfunds and use thereof. The state water pollution control revolving fund program and the state drinking water revolving fund program are hereby established. Program subfunds shall be created within the water and environment fund established pursuant to § 46A-1-60. The required subfunds shall be maintained separately, and all federal, state, and other funds for use in the program shall be deposited into the respective subfund, including all federal grants for capitalization of either a state water pollution control revolving fund or a state drinking water revolving fund or both, all repayments of assistance awarded from the subfund, interest on investments made on money in the subfund, proceeds of discretionary bond issues allowed by § 46A-1-31, and principal and interest on loans made from the fund. Money in the subfund may be used only for purposes authorized under federal law. The subfund may be pledged or assigned by the district to or in trust for the holder or holders of the bonds of the district and may be transferred to and held by a trustee or trustees pursuant to § 46A-1-39.

The board shall promulgate rules pursuant to chapter 1-26, to implement the provisions of this section consistent with the requirements of federal law in order for an approved state water pollution control revolving fund or a state drinking water revolving fund to become eligible for grant funds from the United States Environmental Protection Agency.

§ 46A-1-60.2. Disbursements from and administration of water pollution control revolving fund program and state drinking water revolving fund program - Sections 46A-1-61 to 46A-1-69 inapplicable. Funds from the state water pollution control revolving fund program and the state drinking water revolving fund program shall be disbursed and administered according to rules promulgated by the Board of Water and Natural Resources pursuant to chapter 1-26, § 46A-1-65 and the provisions of §§ 46A-1-60 to 46A-1-60.3, inclusive. Sections 46A-1-61 to 46A-1-69, inclusive, do not apply to the subfund of the water and environment fund or loans therefrom pursuant to the state water pollution control revolving fund program and the drinking water revolving fund program described in §§ 46A-1-60 to 46A-1-60.3, inclusive.

The board shall promulgate rules pursuant to chapter 1-26, to implement the provisions of this section consistent with the requirements of federal law in order for an approved state water pollution control revolving fund or a state drinking water revolving fund to become eligible for grant funds from the United States Environmental Protection Agency.

§ 46A-1-60.3. Rules for selection of projects to receive funds from water pollution control revolving fund program and state drinking water revolving fund program and administration of same. The Board of Water and Natural Resources may, by rules promulgated pursuant to chapter 1-26, establish criteria and procedures for the selection of projects to receive funds from the state water pollution control revolving fund program and the state drinking water revolving fund program and for the administration of the programs.

45 copies of this document were printed by
the Department of Environment and Natural Resources
at a cost of $6.39 per copy

September 24, 2015
Item 14

TITLE: Amendment to Joint Powers Agreement Black Hills Council of Governments for SRF Application and Administration and Davis-Bacon Monitoring

EXPLANATION: Since 2005, the board has entered into consulting contracts with each of the planning districts to provide administrative services in the form of State Revolving Fund loan applications and administration. In 2009, staff discussions with Harold Deering of the Attorney General's Office concluded that Joint Powers Agreements were preferable to consulting contracts, since planning districts can be considered to be governmental entities.

The First Amendment to Joint Powers Agreement with Black Hills Council of Governments put $118,500 under agreement. This Second Amendment will add $52,000, provided by the Clean Water and Drinking Water SRF Administrative Surcharge fees, to the total available to Black Hills Council of Governments.

RECOMMENDED ACTION: Approve the Second Amendment to the Joint Powers Agreement with the Black Hills Council of Governments for SRF loan application and administration and Davis-Bacon monitoring.

CONTACT: Derek Lankford, 773-4907

BLACK HILLS COUNCIL
OF LOCAL GOVERNMENTS

September 8, 2015

Department of Environment & Natural Resources
Derek Lankford
523 East Capitol Avenue
Pierre, South Dakota 57501-3181

Dear Derek Lankford:

Black Hills Council of Local Governments requests an increase of $52,000 to the Joint Powers Agreement for administration of the State SRF Loan program. The demand for these type of projects was greater than expected.

Thank you for your consideration

Sincerely,

Blaise Emerson
Executive Director

730 E. Watertown Street, Suite 102 ■ Rapid City, SD 57701 ■ (P) 605.394.2681 ■ (F) 605.394.6140 ■ www.blackhillscouncil.com

September 24, 2015
Item 15

TITLE: Brown County Mud Creek Watershed District's general improvement plan

EXPLANATION: Brown County Mud Creek Watershed District is a new watershed district which was formed on July 26, 2012. In September of 2012, the department received a request from the Watershed District to participate in the special purpose water district loan program (SDCL 46A-1-96). The request for $30,000 was approved for the first year of administrative and operating expenses. The loan has been repaid in full. As required by SDCL 46A-14-47, the Watershed District has submitted its general improvement plan to the Board of Water and Natural Resources for examination and recommendations (see attached).

> **46A-14-47. General improvement plan within district--Adoption by managers, consultation with advisory committee and district supervisors of conservation district--Contents--Estimated benefits--Method of financing--Examination by board, report of recommendations.** The managers shall within a reasonable length of time after qualifying, adopt an overall plan for improvements within the district for reclamation, drainage, erosion, and flood control, and improvement of lands, soils, waters, forests, wildlife, and all other authorized purposes. The plan finally adopted shall be made in conjunction with the advisory committee and in consultation with the district supervisors of the conservation district or districts in the watershed district, but the managers have final authority and full responsibility. This plan shall be designated the general improvement plan for the watershed district. The general improvement plan shall consist of a map, on which is shown the area to be benefited, the location of the proposed works of improvement, and the location of buildings, roads, streams, and such other topographic features as are pertinent to show the relation of the proposed works of improvement to the area of the district, and a narrative in which are stated the estimated benefits that will result and the proposed method of financing and accomplishing the work to be done. Upon receipt of a copy of the general improvement plan, the Board of Water and Natural Resources shall examine the plan and within thirty days transmit a report of their recommendations to the managers.

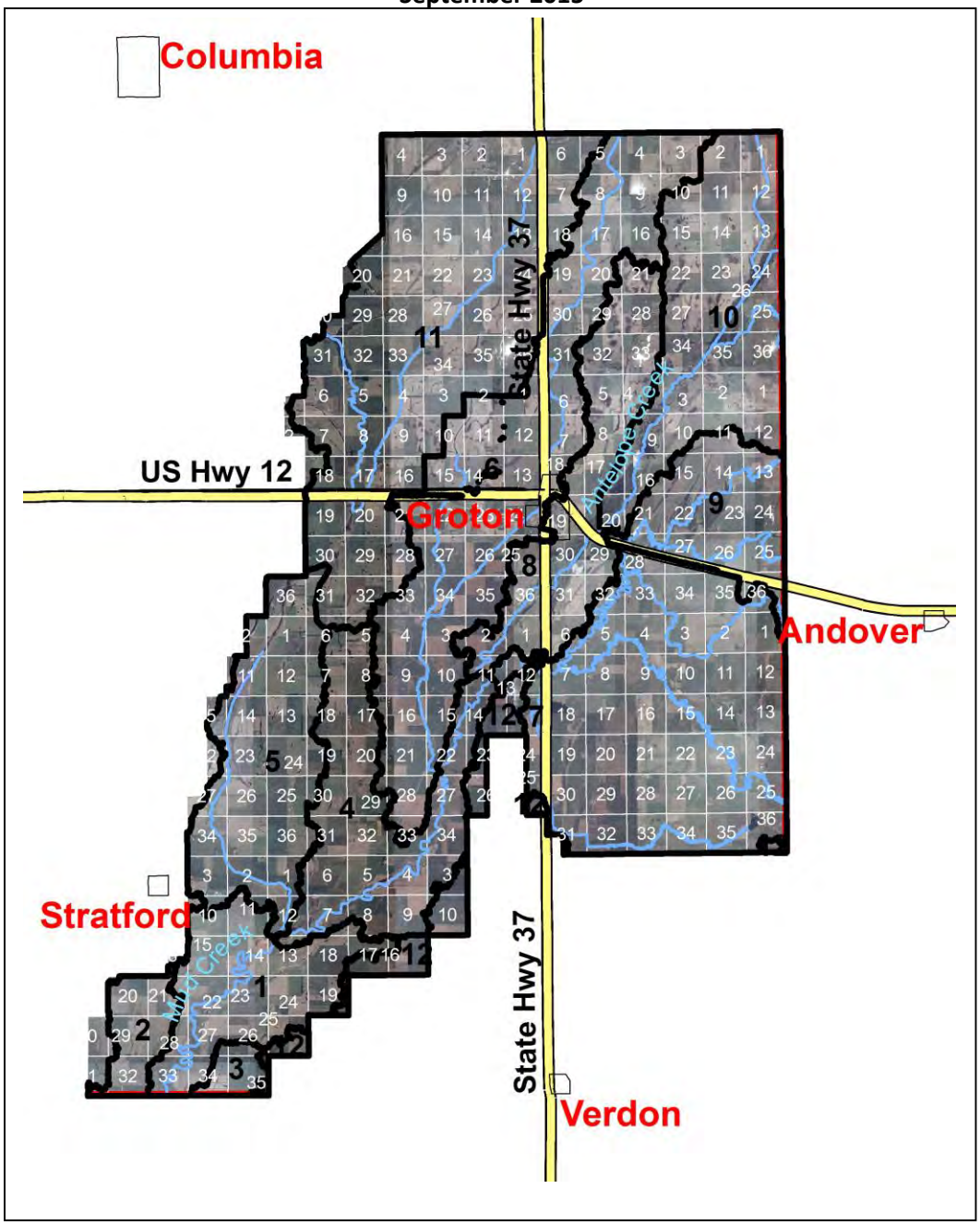
RECOMMENDED ACTION: Review the Brown County Mud Creek Watershed District's general improvement plan and develop recommendations as needed.

CONTACT: Pete Jahraus (605) 773.4254

Brown County Mud Creek Watershed District

General Improvement Plan

September 2015



Prepared by:

Brown County Mud Creek Watershed District
Roger Rix, Chr
12960 406th Ave
Groton, SD 57445

Kunze Soil Consulting
Bruce Kunze, Owner
23017 176th Ave
Flandreau, SD 57028

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Exhibit A—Preliminary Report for the Mud Creek Restoration

Exhibit B—Maps of Areas Surveyed

Executive Summary

The Brown County Mud Creek Watershed District was formed in July of 2012. The district is located in Southeastern Brown County, South Dakota. The general district boundaries borders are Day County on the east, Spink County on the South, James River on the West, and the Lower Crow Creek Watershed District on the North. The total area is approximately 166,000 acres with the majority being cultivated.

The Brown County Mud Creek Watershed District is actually two separate creeks that join into one and then find their way to the James River which reaches the Missouri River in the southern part of South Dakota. Antelope Creek and Mud Creek enter Brown County from Day County at points 10 miles from each other eventually joining together 9 miles north of the Spink County line becoming only Mud Creek. Mud Creek ultimately flows into the James River 4 miles into Spink County.

A preliminary General Improvement Plan which set forth the consideration undertaken by the steering committee of local people was adopted at the first organizational meeting of the district as allowed by SDCL 46A-14-50. This plan was put forward by the public and adopted as a template for the improvement of the Mud Creek Watershed.

In developing their plan, the Managers sought the public's input though a public meeting plus one on one discussion with landowners. To that end the Board of Directors hired Helms & Associates of Aberdeen, SD to survey and develop an plan of improvement for the southern area of Mud Creek.

Policies/Goals and Objectives are to be part of the outcome of the planning and development of the General Improvement Plan. They are organized in the three Major Areas of District Involvement as follows:

Watershed Management-The Board of Directors will manage the watershed from an effective plan that addresses goals and meets the needs of the watersheds residents and landowners.

Watershed Drainage Improvement-The Board of Directors will hire a surveyor to survey the natural waterways within the district and determine if they are any manmade or natural restrictions and develop a plan to improve the flow back to historic levels.

Stewardship- The District will provide the residents and landowners with information to assure the protection and improvement of the Brown County Mud Creek Watershed District.

The overall goal of the board of Managers is to facilitate the wisest use possible use of taxpayer funds to promote and improve the conservation of soil and water resources. The watershed improvement plan will be used as a guide for planning the improvement and management of the districts waterways and the land areas that drain into them.

Part I. Introduction

A. History of Watershed District

Since the beginning of agricultural development in the Mud Creek Watershed, the farmers have relied on the natural topography to drain away the excess surface moisture in the area. This watershed consists of a land mass considered a glacial lake plain that has several natural intermittent streams and stream beds that flow from the agricultural land into the James River which then empties into the Missouri River in the southern part of the state. As agricultural production practices advanced thru mechanization, many of these stream beds became tilled farm ground which changed the dynamics of the natural flow of water. Tillage, erosion deposits, or vegetative growth changed the natural flow of the water thus changing the original drainage characteristics in the area.

The natural resource conservation movement began in earnest in South Dakota in the 1930's. Drought and high winds were devastating the entire Great Plains. In 1933, Congress established the Soil Erosion Service under the Department of Interior.

In 1935, the federal government instituted a program to protect the nation's soil and water resources. The Soil Conservation Service located in the US Department of Agriculture was assigned administration of this new program. These new laws called for a working partnership with the state and a local unit of government organized to cooperate with landowners.

On July 1, 1937, South Dakota established its' own soil conservation law, which encouraged the formation of local soil conservation districts, governed by local farmers to assist landowners in developing their own soil conservation practices.

The South Brown Conservation District was formed by petition of landowners in April, 1949. It's first purpose was to promote conservation of soil and moisture resources, prevent erosion and encourage good land use and thereby preserve the county's natural resources, control floods, prevent the impairment of dams and reservoirs, preserve wildlife, protect tax base, and protect and promote the health, safety and general welfare of the people. At first it promoted planting tree windbreaks to help stop soil erosion by wind. Later the district changed a portion of its focus holding several meetings and seminars promoting the use of no-till to reduce both wind and water erosion on agricultural production areas. When the rainfall and snowfall increased in the 1990's, the conservation district became a promoter of watershed management and drainage concepts.

In 1957, the South Dakota Legislature passed the Watershed Act (46A-14) which provided the process for establishment of a governmental unit that would encompass the territory of a watershed, not withstanding political boundary lines.

In the summer and fall of 2011, a group of landowners in the South Brown Conservation district started discussions on the process of establishing a watershed district within their area. A petition drive was held to secure the required number of signatures to submit to the conservation district to hold an election to form the Brown County Mud Creek Watershed District. The required

number of signatures was secured and an election held on July 24, 2012 with the election passing by 68-34 ballot or 66.7% margin in favor.

B. General Goals for Watershed District

The goal of watershed planning and implementation is to coordinate land and water resource management and to implement management programs on watershed basis. These programs must balance the needs with local, social, economic and political considerations of the area.

With growing demand for land for production agriculture and the need for maximizing the production from this resource within the watershed, there needs to be a process that can be used to accomplish both. Because there are limited public funds, being able to leverage what funds that are available to accomplish more thru cooperative efforts is extremely important.

Developing a general improvement plan for a watershed is a tool that can be used to manage the districts water and land resources. The plan will give the district board of managers a beginning plan of action. Planning will be a continuous process that needs to be a collaboration of every individual and entity involved. As new needs are identified, they will be addressed by the board of managers of the watershed district.

The development of a general plan of improvement for the watershed will have several components: 1) educating the public on the role of a watershed district in protecting the area resources; 2) gathering input from the public; 3) developing policies based on the landowner and public concerns; 4) prioritizing projects or areas for specific actions to be taken. By a thorough planning process, a coordinated effort can be used by private parties and public entities to protect and enhance the resources of the area with the goal of maximizing the effective use public and private funds.

C. Public Input---Overview of the Public Participation Process

The main issues faced by the watershed district were identified through several sources. The first source was through local assessments conducted by the individual landowners in the district. The second source was through surveys conducted by Helms and Associates and other professionals. Finally, the importance of local input was also identified, such that public informational meetings and meetings with other possible partners were held.

Part II. Brown County Mud Creek Watershed District Overall Plan for Improvements Within the District

A. Initial Plans for Improvement

Helms and Associates conducted surveys of the Southern portion of the watershed district and developed an Initial Plan for Improvement within the District. That Plan has been incorporated into this General Improvement Plan. As required statutorily pursuant to SDCL 46A-14-47, the following information is provided:

1. Map Showing Area to be Benefitted: Numerous maps showing the area to be benefitted are set forth in a document entitled "Preliminary Report for the Mud Creek Restoration", which is attached hereto as Exhibit A and incorporated by reference herein, including one on the front cover of the plan, and at pages 3, 7, and 11. Specific attention is also directed to the survey maps in Exhibit B.

2. Location of the Proposed Works of Improvement: The location of the proposed works of improvement is set forth in Exhibit A, on Table 5.2.2-2 entitled "Estimated Locations and Costs of Improvements by Station" and this document is located at pages 15 of Exhibit A. This is a preliminary listing of estimated locations and costs, which documentation will continue to be updated as additional surveying is completed in association with Table 6.2-1 entitled "Mud Creek Restoration Phases" and set forth at page 17 of Exhibit A.

3. Location of Buildings, Roads, Streams and Other Topographic Features as are Pertinent to Show the Relation of Proposed Works of Improvement to the Area of the District: Several Location Maps, Bridge Maps, Tributary Location Maps, Beaver Dam Locations and other features are set forth in Exhibit A at Figure 2-1 at page 3; Figure 3-1 at page 7; Figure 3-2 at page 8; Figure 3-3 at page 8; Figure 4-1 at page 11; Table 3-1 at page 6; Table 3-2 at page 9; and Table 3-3 at page 9. It is believed these maps, figures and tables provide information on the necessary topographic features related to the areas of proposed improvement within the District.

4. Estimated Benefits That Will Result and Proposed Method of Financing:

Estimated Benefits

a. The removal of sedimentation, beaver dams, tree and shrub refuse and man-made obstructions will restore the natural flow of water thru the creek beds to the James River from the start of spring thaw until fall freeze up. With the nearly flat topography of the area, .63 foot of elevation drop per mile, the largest sediment deposit of 2.3 feet will back water up over 3.6 miles before it continues to flow towards the James River.

b. The economic benefits will vary year to year with the differing amounts of snow pack and occurrence of large rain events. In the years of large snow packs, the lower reaches will be allowed to flow into the James River before the upper areas thaw and flow into Mud Creek. The creek restorations proposed should help to allow the excess runoff water to flow its' natural course down stream which may lessen the impact of localized flooding.

c. An esthetic and natural benefit will be accomplished by eliminating the many man made and vegetative obstacles noted in the survey. After years of neglect, the goal is to try and bring Mud Creek back as close as possible to its' natural state.

Funding of District Activities

a. The Brown County Mud Creek Watershed district intends to fund most of its plan activities through the district wide levy. The authority for a watershed taxation district is under SDCL 46A-14.

b. The district reserves the right to consider other financing such as sub watershed taxing in special situations.

c. The district may also pursue additional financial resources such as grants, donations, in-kind services and/or participation by other governmental units or agencies. These other funding sources can greatly reduce the District's financial burden when implementing projects.

B. Long Term Plans for Improvement

The long term goals of the Brown County Watershed District are organized into three areas of involvement. Watershed Management, Watershed Drainage Improvement, and Stewardship are areas that were identified as initial areas of concern.

Major Area I. Watershed Management

a. The Brown County Mud Creek Watershed District has a 5 member Board of Managers that oversees the management and operations of the district. The individual managers have been elected to represent the district areas they are familiar with. The existing board members try to ensure that all areas of the district are represented by individuals that know or are from the different geological areas of the district, who are familiar with the topographical and other issues set forth in this report.

b. The initial focus of the watershed district has been to survey, analyze, and determine if there are ways to improve the management of surface water within the district. That process has been started with the southern area of Mud Creek already completed. Future surveys and plans will be incorporated into this General Improvement Plan as an amendment on an annual basis or sooner if deemed necessary.

Major Area II. Watershed Drainage Improvement

a. The drainage improvement plans start with the main natural drainage ways which are Mud Creek and Antelope Creek. Surveys of the natural flow streams have been started to identify areas of siltation, vegetative growth, farming practices, and man-made obstacles that impede the natural flow of the watershed and thereby cause periodic flooding of farm ground in the area. It is anticipated that improvements will start at the southernmost point of Mud Creek where it joins the James River. The portion of Mud Creek that is in Spink County is not part of the watershed district; but as it was suggested by the public and verified by a survey, that this is the point at which the improvement plan should begin. Surveying and proposals for improvement will be developed in stages, as the cost to do all of the improvements at one time will be cost prohibitive.

b. After surveys are completed and separate plans of improvement are written, public meetings will be held to inform the public of the plan and show the areas identified as containing obstacles to the natural flow of water to the James River. The public hearings will allow for public input and modifications to the improvement plan.

c. The BOD will also consider other identified situations on a case by case basis. Funding requests may be made to the Brown County Mud Creek Watershed District with cost sharing being a priority. The local township requests will be considered if they are identified as a drainage improvement project that will benefit areas of the district.

Major Area III. Stewardship

a. The watershed district will provide information to the residents and landowners to assure protection and improvement of the Brown County Mud Creek Watershed District.

b. An advisory committee that consists of at least one person appointed by each township will be maintained to provide input and assistance. The committee maybe expanded if enough interested and a need shown.

c. The BOD will consider the use of a website to provide district information and notices to the general public.

Part III. Administrative Procedures

1. Anticipated Date of Plan Revision

The anticipated term for the plan is 10 years following adoption, or 2026. The District will conduct a review of the plan in 2021 with input from the Citizen Advisory committee to amend the plan if necessary.

2. Plan Amendment

The District recognizes the need to amend the General Improvement Plan from time to time to reflect changes in land uses, update technical data as more accurate information becomes available, and to modify, goals, policies, and standards and implementation procedures as a result of future legislation or as problems become evident.

3. Annual Monitoring and Evaluation

Any Watershed management plan requires an annual monitoring and evaluation program to review activities that were completed, if necessary, to reprioritize implementation activities in the watershed to meet local needs or to capitalize on funding opportunities from other programs. To accomplish this, the District will develop an annual activity report that will be presented at its' annual meeting.

Bibliography

Preliminary Report for the Mud Creek Restoration—Project #5558 Helms & Associates

South Brown Conservation District—History of Conservation in South Dakota

South Dakota Codified Laws—Codified Law 46a-14

Turtle Creek Watershed District--Turtle Creek Watershed District Watershed Management Plan-September 2003

Exhibit A

PRELIMINARY REPORT

FOR THE

MUD CREEK RESTORATION

BROWN COUNTY MUD CREEK WATERSHED DISTRICT

BROWN AND SPINK COUNTIES, SOUTH DAKOTA

PROJECT #5558
JULY 2014

Helms & Associates
Civil Engineers & Land Surveyors

PRELIMINARY ENGINEERING REPORT

FOR THE

MUD CREEK RESTORATION

BROWN COUNTY MUD CREEK WATERSHED DISTRICT

HELMS #5558

JULY 2014

I hereby certify that this plan, specification or report was prepared by me or under my direct supervision and that I am a duly Registered Professional Engineer under the laws of the State of South Dakota.

By _____
Jeffrey P. McCormick, PE

Registration Number 8471

Date 8/22/14

REGISTERED PROFESSIONAL ENGINEER
REG. NO. 8471
JEFFREY P. McCORMICK
SOUTH DAKOTA

HELMS AND ASSOCIATES
CIVIL ENGINEERS AND LAND SURVEYORS
221 BROWN CO. HWY. 19, PO BOX 111
ABERDEEN SOUTH DAKOTA 57402

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1 INTRODUCTION

1.1 PURPOSE

The Brown County Mud Creek Watershed District has requested that Helms and Associates complete a topographic survey of Mud Creek from the James River to South Dakota Highway 37. In addition to the topographic survey a preliminary report was requested to identify the findings of the topographic survey. The topographic survey and report are the result of a desire to improve drainage through the Mud Creek drainage basin.

1.2 SCOPE

This report will evaluate the current conditions of the creek and a recommendation to alleviate identified deficiencies. An opinion of probable cost will be furnished to aid the Watershed District in budgeting and financing a proposed “Mud Creek Restoration Project”.

2.1 TOPOGRAPHY

2.1.1 Brown County

Brown County is located in the northeast corner of South Dakota as indicated on Figure 2-1. The slope of the County is from north to south and is nearly flat. The County is located in the James River Lowland physiographic division. Three rivers are located in Brown County which includes the James, Elm, and Maple Rivers. Other principal tributaries include Foot Creek, Moccasin Creek, Mud Creek and Willow Creek.

2.1.2 Spink County

Spink County is located in the northeast corner of South Dakota as indicated on Figure 2-1. The north and central area of the County are nearly flat but slope north to south. The southern portion of the county is also nearly flat but has areas of prominent hills. The County is located in the James River Lowland physiographic division. The James River is the major tributary through the County. Other principal tributaries include Dry Run Creek, Mud Creek, Snake Creek, Timber Creek and Turtle Creek which all drain to the James River.

2.2 ENVIRONMENTAL REVIEW INFORMATION

An environmental assessment may be required for the preliminary engineering report and is dependent upon what funding packages are pursued. The project sponsor may be required to contact various state and federal agencies. Environmental assessment letters may be sent to the following agencies depending on potential funding requirements. It is expected that no adverse environmental impacts will occur due to construction taking place on previously disturbed areas.

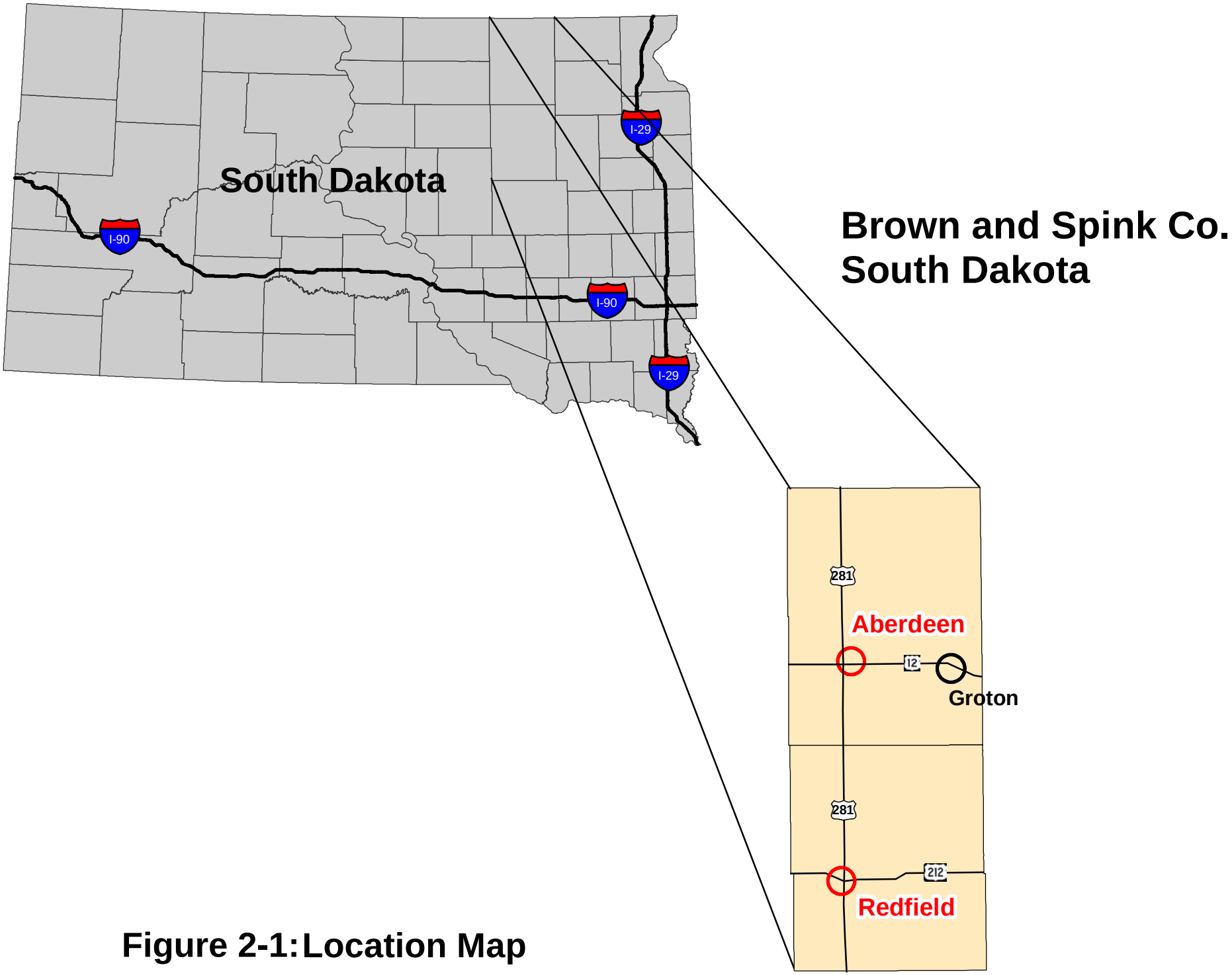

Figure 2-1: Location Map

2.2.1 Historic and Archaeological Sites

Upon completion of an application for funding through one or more various funding agencies, if necessary, a letter will be sent to the funding agency describing the proposed project location and construction activities as well as a general description of the existing conditions as found within the project limits. Any correspondence related to this contact will be sent to the Brown County Mud Creek Watershed District and be available upon request.

2.2.2 Floodplains and Wetlands

2.2.2.1 Flood Hazard Evaluation, Flood Construction Permits and Wetlands

The U.S. Army Corps of Engineers, the U.S. Fish and Wildlife Service and the South Dakota Department of Game, Fish and Parks will need to be contacted for the purpose of soliciting input on the proposed improvements including but not limited to information on wetlands, wild and scenic rivers, critical wildlife habitats and endangered species. Tom Lowin with the Army Corps of Engineers was contacted to discuss the project. Mr. Lowin stated that the removal of sediment from the existing creek will likely not require any type of permit. It is recommended that a permit application for the project be submitted to the Army Corps of Engineers and the Army Corps will respond accordingly. Any correspondence related to these contacts will be sent to the Brown County Mud Creek Watershed District and be available upon request.

2.2.3 Agricultural Lands

The U.S. Department of Agriculture State Soil Scientist may need to be contacted for the purpose of soliciting input on the proposed improvements. Any correspondence related to this contact will be sent to the Brown County Mud Creek Watershed District and be available upon request.

2.2.4 Water Quality and Quantity

The South Dakota Department of Environment and Natural Resources may need to be contacted for the purpose of soliciting review and comments related to potential impact on water quality and quantity that could result from the proposed project. Any correspondence related to this contact will be sent to the Brown County Mud Creek Watershed District and be available upon request.

2.2.5 Direct and Indirect Impacts

Soil erosion, noise pollution, and disturbances to wildlife due to construction activities during this type of project are inevitable. However, these impacts are temporary and will not influence the environment over the long term. The improvements will benefit the ecosystem which will provide a positive impact to the environment that will have long-lasting value to the area.

2.3 MITIGATION OF ADVERSE IMPACTS

Adverse impacts will be minimized to the greatest extent possible by the implementation of accepted cautionary measures. Temporary erosion control will be included in construction contracts. Appropriate permits will be secured prior to the discharge of any dewatering or storm waters. Procedures for the protection of public health, safety and welfare will be incorporated into the specifications and contract documents. Additionally, should any permanent adverse impacts result from the project, mitigating measures will be implemented to the satisfaction of the appropriate review agency.

3 EXISTING CONDITIONS

The area of Mud Creek to be studied stretched from Highway 37 south of Groton to the James River. The length of the creek surveyed was approximately 36 miles. A location map of the evaluated area is shown in Figure 3.1. A topographic survey was completed of the creek to verify the location and physical characteristics of the channel. The survey included identifying tributaries draining into Mud Creek, the location of beaver dams and road crossings whether by bridge or culverts. The total elevation difference of the bottom of the creek at the start of the survey and the end of the survey was approximately 23.25 vertical feet. Mud Creek currently has a slope of 0.00012 ft/ft when straight grading from the controlling elevations at the James River and the Highway 37 crossing.

The length of Mud Creek from the start of the survey to the end of the survey was 36 miles. However, there were some areas for which data was not gathered due to inaccessible terrain or permission was not granted by the landowners. Those areas where information was not collected are shown in Table 3-1.

Table 3-1: Sections of Creek Omitted from Topographic Survey

Station	to	Station	Length
738+50	to	752+65	1,415
854+50	to	977+50	12,300
991+00	to	1024+90	3,390

Road crossings are accomplished by culverts or bridges. There are 22 bridges and one culvert crossings within the 36-mile section that was surveyed. Figure 3-1 illustrates the locations of the bridges identified during the survey. Photos of two bridge crossings have been provided in Figure 3-2 and 3-3.

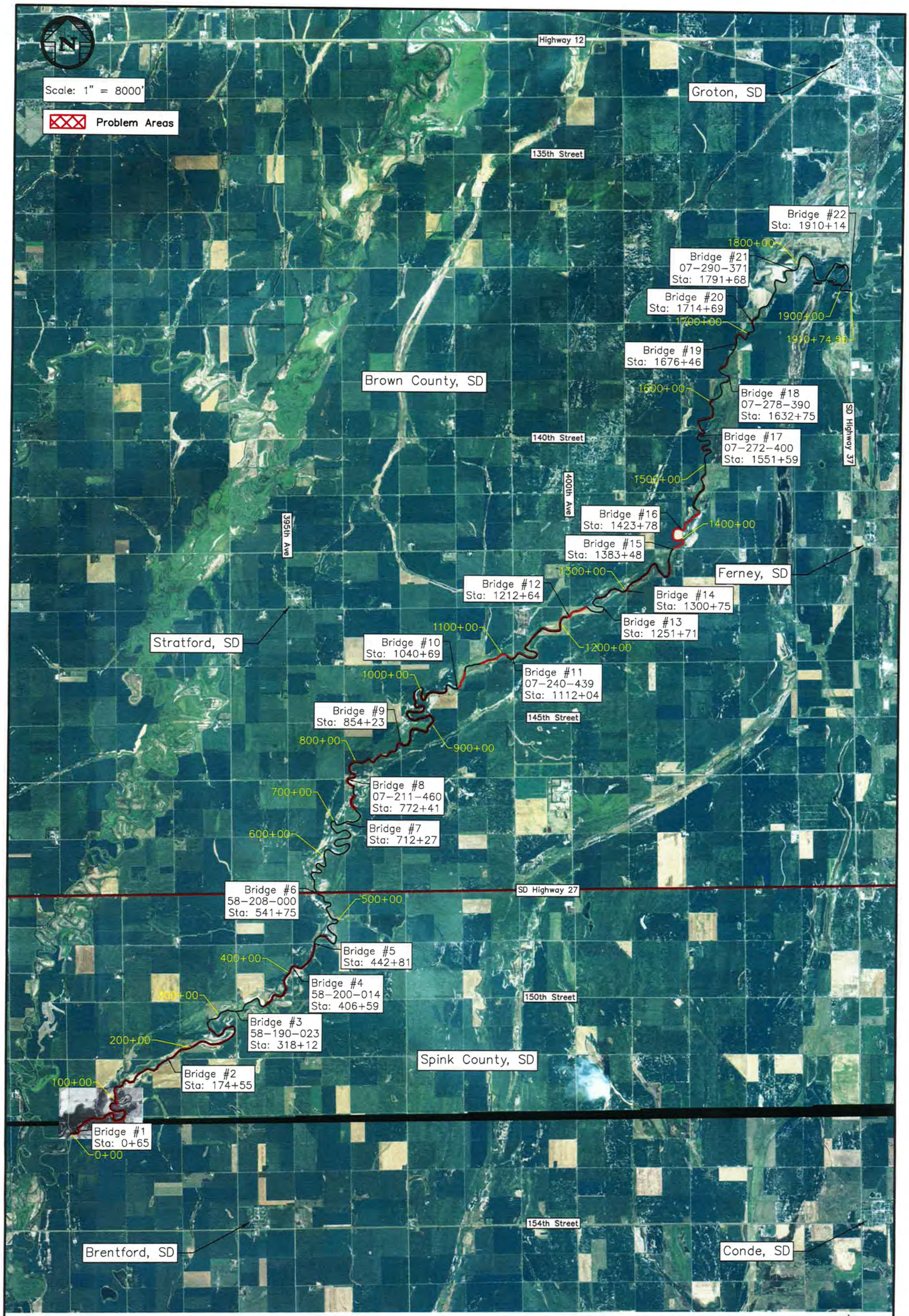

Figure 3-1: Bridge Locations

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Figure 3-2: Bridge #6 Located on 148th Street

Figure 3-3: Bridge #5 Located on 149th Street

Run-off is contributed to Mud Creek by smaller tributaries within the drainage basin. Ten tributaries were identified during the topographic survey and are shown in Table 3-2. One stock dam was constructed so water from Mud Creek can flow freely from the creek to the stock dam.

Table 3-2: Tributary Locations

Tributary Locations	
Station	
32+20	1223+54
75+81	1317+09
312+88	1587+43
1067+13	1748+35
1086+21	1884+89

As with all creeks and areas with water there is plenty of wildlife in the area. Beaver dams are located at eight different locations along the creek. The locations can be found in Table 3-3. Beaver dams have the potential to block the natural flow path of the channel and increase the depth of water upstream. The reduced flow from the blockage can allow sediment to deposit decreasing the capacity of the channel.

Table 3-3: Beaver Dam Locations

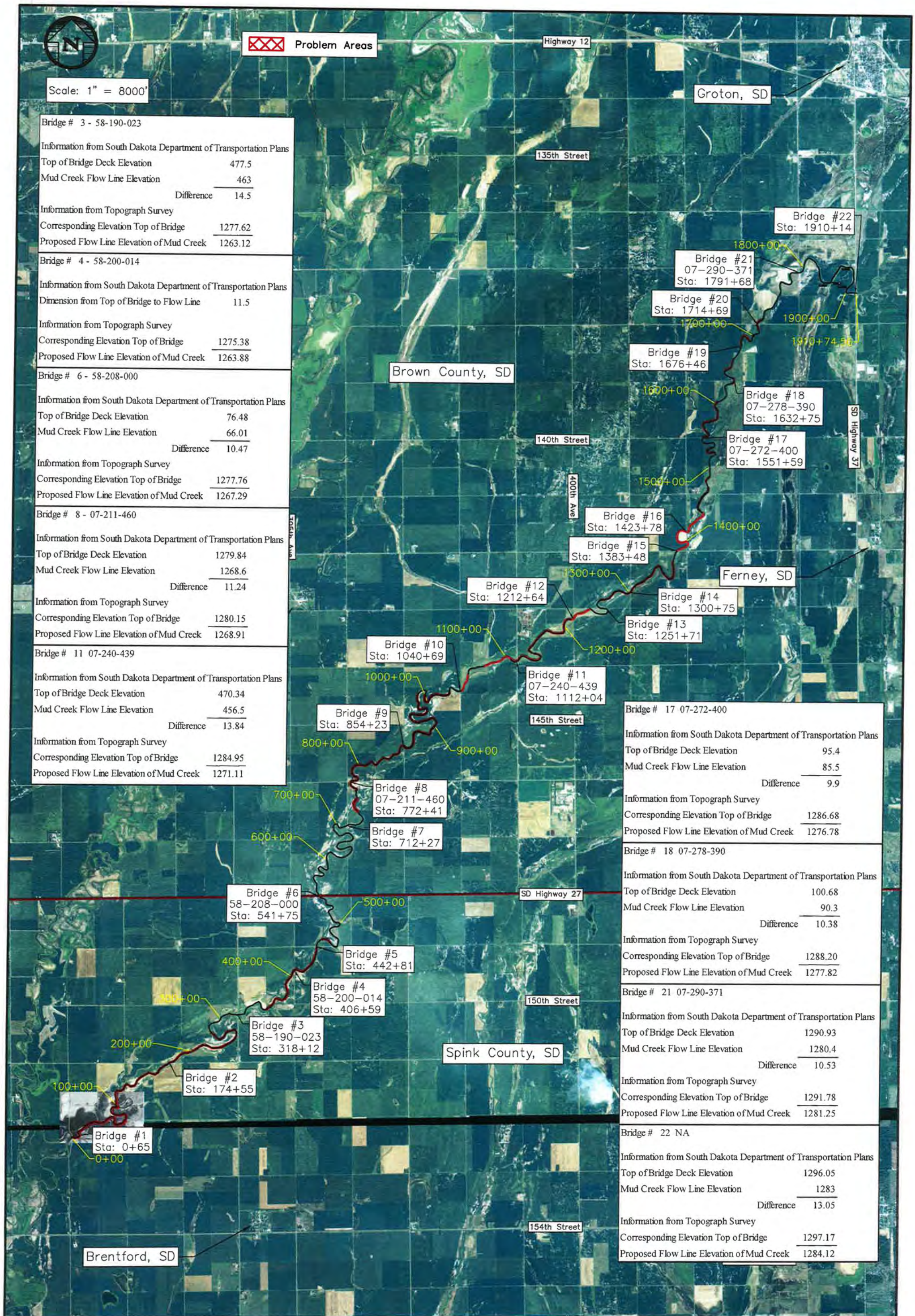
Beaver Dam Locations	
Station	
600+00	1666+50
755+30	1842+25
1763+97	1846+42
1766+01	1872+74
1767+69	1897+48

4 DETERMINATION OF THE PROPOSED MUD CREEK BASELINE

The goal of this project is to determine which areas of Mud Creek are restricting the natural flow of the channel and eliminate those restrictions. A baseline of the creek bottom needed to be determined for the controlling elevations in which to compare the existing flow line of the creek as determined from the topographic survey.

The South Dakota Department of Transportation was contacted to acquire designed or as-built information on bridges with which they designed or had information for in the project area. The Department of Transportation provided plans for nine bridges within the 36 miles evaluated. The elevation of the creek flow line was determined by taking the elevation difference from the top of the bridge deck to the flow line of the creek from the DOT plans and subtracting the elevation obtained from the topographic survey of the corresponding bridge deck. Figure 4-1 provides the locations and numerical data that was used to determine the creek flow line elevation. The plan sheets that the DOT used for the determination of the elevations of the creek flow line can be found in Appendix B.

The baseline of the creek was determined by straight grading the calculated flow line elevations from bridge to bridge. The slope of the creek is extremely flat and no dramatic elevation changes are anticipated. No data was available for Bridge #1 where Mud Creek meets the James River. At this location the flow line elevation of the creek was taken from the topographic survey.



Bridge # 3 - 58-190-023

Information from South Dakota Department of Transportation Plans

Top of Bridge Deck Elevation	477.5
Mud Creek Flow Line Elevation	463
Difference	14.5

Information from Topograph Survey

Corresponding Elevation Top of Bridge	1277.62
Proposed Flow Line Elevation of Mud Creek	1263.12

Bridge # 4 - 58-200-014

Information from South Dakota Department of Transportation Plans

Dimension from Top of Bridge to Flow Line	11.5

Information from Topograph Survey

Corresponding Elevation Top of Bridge	1275.38
Proposed Flow Line Elevation of Mud Creek	1263.88

Bridge # 6 - 58-208-000

Information from South Dakota Department of Transportation Plans

Top of Bridge Deck Elevation	76.48
Mud Creek Flow Line Elevation	66.01
Difference	10.47

Information from Topograph Survey

Corresponding Elevation Top of Bridge	1277.76
Proposed Flow Line Elevation of Mud Creek	1267.29

Bridge # 8 - 07-211-460

Information from South Dakota Department of Transportation Plans

Top of Bridge Deck Elevation	1279.84
Mud Creek Flow Line Elevation	1268.6
Difference	11.24

Information from Topograph Survey

Corresponding Elevation Top of Bridge	1280.15
Proposed Flow Line Elevation of Mud Creek	1268.91

Bridge # 11 07-240-439

Information from South Dakota Department of Transportation Plans

Top of Bridge Deck Elevation	470.34
Mud Creek Flow Line Elevation	456.5
Difference	13.84

Information from Topograph Survey

Corresponding Elevation Top of Bridge	1284.95
Proposed Flow Line Elevation of Mud Creek	1271.11

Bridge # 17 07-272-400

Information from South Dakota Department of Transportation Plans

Top of Bridge Deck Elevation	95.4
Mud Creek Flow Line Elevation	85.5
Difference	9.9

Information from Topograph Survey

Corresponding Elevation Top of Bridge	1286.68
Proposed Flow Line Elevation of Mud Creek	1276.78

Bridge # 18 07-278-390

Information from South Dakota Department of Transportation Plans

Top of Bridge Deck Elevation	100.68
Mud Creek Flow Line Elevation	90.3
Difference	10.38

Information from Topograph Survey

Corresponding Elevation Top of Bridge	1288.20
Proposed Flow Line Elevation of Mud Creek	1277.82

Bridge # 21 07-290-371

Information from South Dakota Department of Transportation Plans

Top of Bridge Deck Elevation	1290.93
Mud Creek Flow Line Elevation	1280.4
Difference	10.53

Information from Topograph Survey

Corresponding Elevation Top of Bridge	1291.78
Proposed Flow Line Elevation of Mud Creek	1281.25

Bridge # 22 NA

Information from South Dakota Department of Transportation Plans

Top of Bridge Deck Elevation	1296.05
Mud Creek Flow Line Elevation	1283
Difference	13.05

Information from Topograph Survey

Corresponding Elevation Top of Bridge	1297.17
Proposed Flow Line Elevation of Mud Creek	1284.12

Figure 4-1: Bridges Used for the Basis of Design

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CIVIL ENGINEERS & LAND SURVEYORS

5 EVALUATION OF PROPOSED PROJECT

5.1 OPINION OF PROBABLE COST

The following opinion of probable costs reflects the anticipated cost for administration, engineering design, construction, contingencies, construction staking and other costs related to completion of the projects. The costs as presented hereinafter are based on an analysis and comparison of projects of similar size and scope. The actual construction and project costs will vary on an individual project basis. The actual bid cost will reflect the bidders' evaluation of construction problems, weather, soils and difficulty of work. Changes in materials, equipment and energy costs, as well as availability of other construction work at the time of the bid opening, could substantially influence the actual project cost. Construction costs will also vary somewhat based on the quantity of items necessary to construct the project. The construction costs contained in this report are an opinion of costs based on our best judgment without in-depth field measurements.

Different funding sources have different requirements for some of the non-construction items. Therefore, the actual costs of non-construction items should be considered tentative at this time and subject to later modifications and adjustments as the then current situations and funding sources dictate. Further, inasmuch as the period of construction cannot be accurately predicted, the costs as presented hereinafter have not been adjusted to reflect current and projected inflation factors. Therefore, it is important that the estimate of costs as presented herein be reviewed and updated periodically to reflect current construction cost trends.

5.2 MUD CREEK IMPROVEMENTS

5.2.1 Alternative 1: Do Nothing

Alternative 1 is the "Do Nothing" alternative. There would be no improvements completed and no costs associated with this alternative.

5.2.2 Alternative 2: Restoration of Creek Flow Line

Alternative 2 of the Mud Creek Improvements proposes removing the accumulation of sediment from areas within the creek and restoring the baseline. The problem areas were determined by comparing the existing topographic survey to the baseline as described in Section 4. Removal of sediment will be required where elevations from the topographic survey are above the baseline. Areas from the topographic survey below the baseline will remain unchanged.

Approximately 18.5 miles of creek excavation and grading in over 34 locations were identified. Removal ranged in height from approximately 2.30 to 0.15 feet. Sediment removed from the creek will be spread over designated areas and seeded. Soil deposits within the creek bed labeled as islands will remain in place. Only the main channel will be cleaned where sediment removal is needed adjacent to an island. Care should be taken during the removal of sediment to ensure that the removed material is not placed in an existing wetland. The final design should identify all wetlands in the restoration area and indicate where removed sediment can be placed.

Accumulated sediment was not the only identified problem. Eight beaver dams are located throughout the 36-mile length of creek surveyed and should be removed. Trees and shrubs along the edge of the banks will be removed where access is needed for equipment to complete the work. One manmade rock crossing and one location of rubble were also recorded and recommended to be removed.

Table 5.2.2-1 illustrates a detailed cost estimate for the first improvement area. Table 5.2.2-2 has been provided to show the locations and overall costs of all proposed improvements. Comments have been provided to give a brief description of the potential reason for accumulation of sediment. Figures have been provided in Appendix A to show the creek and the location of the proposed improvements. The areas of the creek that were not surveyed are also labeled.

.

Table 5.2.2-1: Detailed Cost Estimate for Improvement Area 44+70

Improvement Area - 44+70
Station 0+80 to 88+65
Station Length - 8,785 Feet
Maximum Cut - 1.47 Vertical Feet
Average Width - 55 Feet

Item #	Description	Quantity	Unit Price	Total Price
1	Mobilization	1 LS	$3,005.58	$3,005.58
2	Sediment Removal and Disposal	16,629 CY	$2.00	$33,258.00
3	Creek Grading	8,785 LF	$0.75	$6,588.75
4	Seeding Disturbed Areas	16 Acre	$500.00	$8,050.00
5	Clearing, Grubbing and Tree Disposal	1 LS	$2,196.25	$2,196.25
			Sub-Total	$53,098.58
			Contingencies	$3,501.42
			Design Engineering and Bidding	$3,700.00
			Construction Engineering and Staking	$2,700.00
			Total Cost	$63,000.00

Table 5.2.2-2: Estimated Locations and Costs of Improvements by Station

Improvement Area #	Station to Station			Length Feet	Maximum Cut Vertical Feet	Avg Width Linear Feet	Volume Cubic	Estimated Cost	Comments
SPINK COUNTY									
44+70	0+80	to	88+65	8,785	1.47	55	16,629	$ 63,000.00	
130+70	89+80	to	171+60	8,180	1.95	68	24,754	$ 82,000.00	
227+20	174+15	to	280+30	10,615	1.35	49	1,226	$ 32,000.00	Bridge #2
398+10	354+15	to	441+90	8,775	1.48	75	16,369	$ 62,000.00	
455+70	451+15	to	460+20	905	0.56	78	970	$ 5,000.00	
BROWN COUNTY									
600+00								$ 3,000.00	Beaver Dam Location
745+60	738+50	to	752+70	1,420				$ 12,000.00	Tree Removal
755+30								$ 3,000.00	Beaver Dam Location
807+20	760+00	to	854+50	9,450	0.96	80	6,106	$ 59,000.00	Rock Drive
1050+20	1042+30	to	1058+10	1,580	1.09	36	817	$ 7,000.00	Bridge #10
1154+70	1078+50	to	1230+90	15,240	2.28	57	17,849	$ 86,000.00	Tributary, Rubble, Bridge #12
1320+50	1268+25	to	1372+60	10,435	1.53	64	19,944	$ 98,000.00	
1416+70	1384+10	to	1449+20	6,510	1.32	59	3,579	$ 27,000.00	Bridge #15, Bridge #16
1465+50	1452+70	to	1478+30	2,560	1.61	63	4,152	$ 19,000.00	
1486+70	1483+15	to	1490+10	695	0.57	59	444	$ 3,000.00	
1523+40	1517+15	to	1529+65	1,250	0.55	44	232	$ 4,000.00	
1577+30	1552+55	to	1602+10	4,955	0.97	44	1,787	$ 21,000.00	Bridge #17, Tributary
1633+50	1630+35	to	1636+50	615	0.68	55	151	$ 3,000.00	Bridge #18
1654+00	1647+00	to	1661+00	1,400	1.35	47	924	$ 7,000.00	
1666+50								$ 3,000.00	Beaver Dam Location
1684+80	1677+45	to	1692+05	1,460	0.53	38	409	$ 5,000.00	Bridge #19
1699+90	1699+15	to	1700+65	150	0.86	27	92	$ 1,000.00	
1714+50	1709+20	to	1719+70	1,050	1.19	36	251	$ 5,000.00	Bridge #20
1763+97								$ 3,000.00	Beaver Dam Location
1766+01								$ 3,000.00	Beaver Dam Location
1767+69								$ 3,000.00	Beaver Dam Location
1842+25								$ 3,000.00	Beaver Dam Location
1846+42								$ 3,000.00	Beaver Dam Location
1872+74								$ 3,000.00	Beaver Dam Location
1897+48								$ 3,000.00	Beaver Dam Location
							Total Estimated Cost	$ 631,000.00	

6 SUMMARY AND RECOMMENDATION

6.1 ALTERNATIVE 1: DO NOTHING

The “Do Nothing” Alternative does not correct any of the deficiencies identified for the 36 miles of Mud Creek which was evaluated. For this reason the “Do Nothing” Alternative will not be considered.

6.2 ALTERNATIVE 2: RESTORATION OF CREEK FLOW LINE

Alternative 2 proposes the mucking and removal of approximately 18.5 miles of Mud Creek in 30 locations with an estimated total cost of $631,000. The improvements have been broken into ten phases to allow the Brown County Mud Creek Watershed District to manage the amount of work completed at one time. The improvements will increase the capacity of the creek and remove flow restrictions. It is our recommendation to the Brown County Mud Creek Watershed District to start securing funds and implement a Mud Creek Restoration project.

Table 6.2-1: Mud Creek Restoration Phases

Improvement Area #	Station to Station			Length Feet	Maximum Cut Vertical Feet	Avg Width Linear Feet	Volume Cubic	Estimated Cost	Comments
SPINK COUNTY									
Phase 1 - Total Cost $63,000									
44+70	0+80	to	88+65	8,785	1.47	55	16,629	$ 63,000.00	
Phase 2 - Total Cost $82,000									
130+70	89+80	to	171+60	8,180	1.95	68	24,754	$ 82,000.00	
Phase 3 - Total Cost $32,000									
227+20	174+15	to	280+30	10,615	1.35	49	1,226	$ 32,000.00	Bridge #2
Phase 4 - Total Cost $62,000									
398+10	354+15	to	441+90	8,775	1.48	75	16,369	$ 62,000.00	
Phase 5 - Total Cost $23,000									
455+70	451+15	to	460+20	905	0.56	78	970	$ 5,000.00	
BROWN COUNTY									
600+00								$ 3,000.00	Beaver Dam Location
745+60	738+50	to	752+70	1,420				$ 12,000.00	Tree Removal
755+30								$ 3,000.00	Beaver Dam Location
Phase 6 - Total Cost $66,000									
807+20	760+00	to	854+50	9,450	0.96	80	6,106	$ 59,000.00	Rock Drive
1050+20	1042+30	to	1058+10	1,580	1.09	36	817	$ 7,000.00	Bridge #10
Phase 7 - Total Cost $86,000									
1154+70	1078+50	to	1230+90	15,240	2.28	57	17,849	$ 86,000.00	Tributary, Rubble, Bridge #12
Phase 8 - Total Cost $98,000									
1320+50	1268+25	to	1372+60	10,435	1.53	64	19,944	$ 98,000.00	
Phase 9 - Total Cost $53,000									
1416+70	1384+10	to	1449+20	6,510	1.32	59	3,579	$ 27,000.00	Bridge #15, Bridge #16
1465+50	1452+70	to	1478+30	2,560	1.61	63	4,152	$ 19,000.00	
1486+70	1483+15	to	1490+10	695	0.57	59	444	$ 3,000.00	
1523+40	1517+15	to	1529+65	1,250	0.55	44	232	$ 4,000.00	
Phase 10 - Total Cost $66,000									
1577+30	1552+55	to	1602+10	4,955	0.97	44	1,787	$ 21,000.00	Bridge #17, Tributary
1633+50	1630+35	to	1636+50	615	0.68	55	151	$ 3,000.00	Bridge #18
1654+00	1647+00	to	1661+00	1,400	1.35	47	924	$ 7,000.00	
1666+50								$ 3,000.00	Beaver Dam Location
1684+80	1677+45	to	1692+05	1,460	0.53	38	409	$ 5,000.00	Bridge #19
1699+90	1699+15	to	1700+65	150	0.86	27	92	$ 1,000.00	
1714+50	1709+20	to	1719+70	1,050	1.19	36	251	$ 5,000.00	Bridge #20
1763+97								$ 3,000.00	Beaver Dam Location
1766+01								$ 3,000.00	Beaver Dam Location
1767+69								$ 3,000.00	Beaver Dam Location
1842+25								$ 3,000.00	Beaver Dam Location
1846+42								$ 3,000.00	Beaver Dam Location
1872+74								$ 3,000.00	Beaver Dam Location
1897+48								$ 3,000.00	Beaver Dam Location

Exhibit B

Helms & ASSOCIATES
CIVIL ENGINEERS & LAND SURVEYORS

Mud Creek
Brown, Spink Counties
South Dakota

Project Number:	A-5558
Sheet Number: 1	Total Sheets: 22

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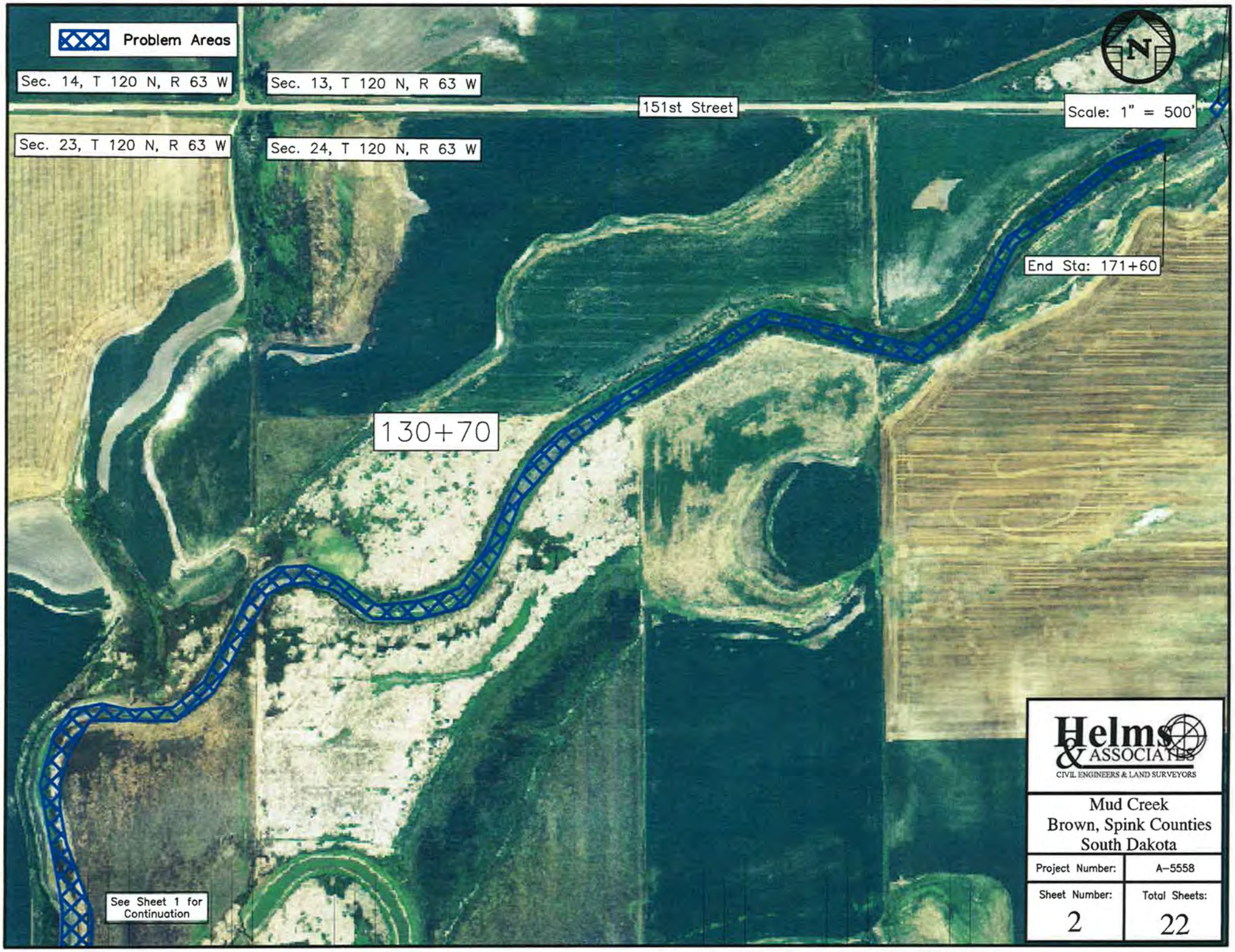

Helms & Associates
CIVIL ENGINEERS & LAND SURVEYORS

Mud Creek
Brown, Spink Counties
South Dakota

Project Number:	A-5558
Sheet Number: 2	Total Sheets: 22

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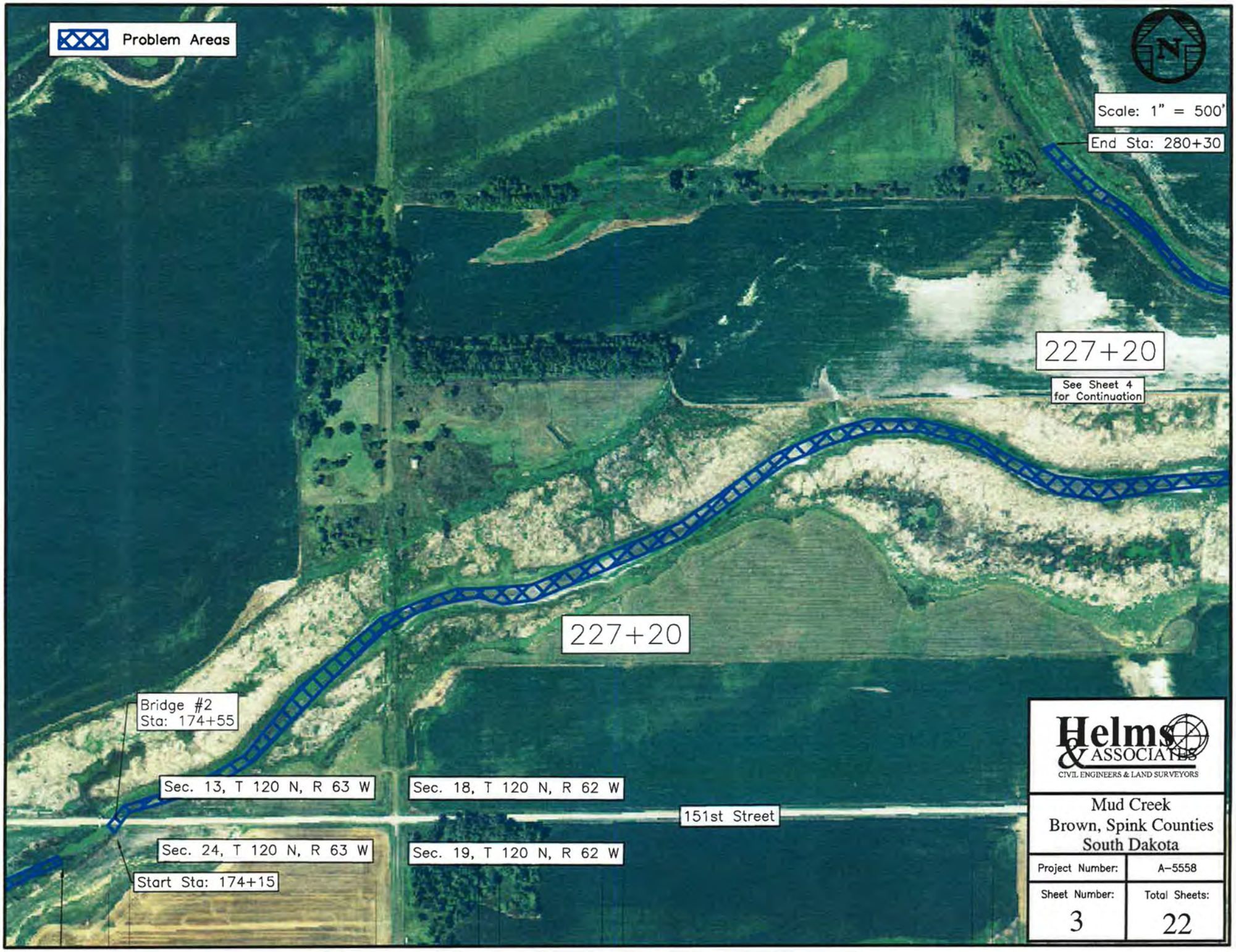

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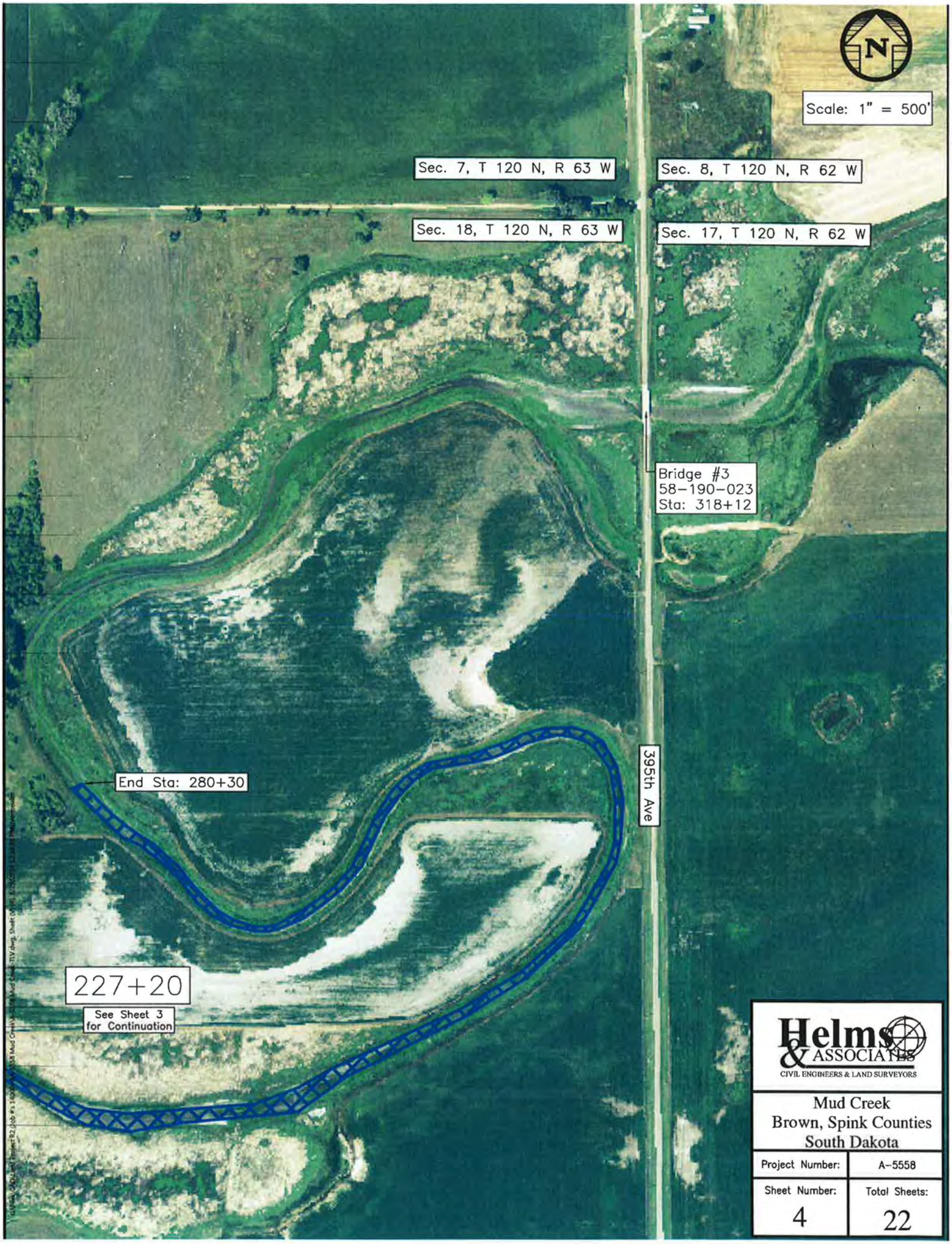

Helms & Associates
CIVIL ENGINEERS & LAND SURVEYORS

Mud Creek
Brown, Spink Counties
South Dakota

Project Number:	A-5558
Sheet Number: 4	Total Sheets: 22

N
Problem Areas
Scale: 1" = 500'
Bridge #4
58-200-014
Sta: 406+59
398+10
See Sheet 6
for Continuation
Sec. 9, T 120 N, R 62 W
396th Ave
Sec. 8, T 120 N, R 62 W
Sec. 17, T 120 N, R 62 W
Start Sta: 354+15
Helms & ASSOCIATES
CIVIL ENGINEERS & LAND SURVEYORS
Mud Creek
Brown, Spink Counties
South Dakota
Project Number: A-5558
Sheet Number: 5
Total Sheets: 22

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CIVIL ENGINEERS & LAND SURVEYORS

Mud Creek
Brown, Spink Counties
South Dakota

Project Number:	A-5558
Sheet Number: 6	Total Sheets: 22

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CIVIL ENGINEERS & LAND SURVEYORS

Mud Creek
Brown, Spink Counties
South Dakota

Project Number:	A-5558
Sheet Number: 7	Total Sheets: 22

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Mud Creek
Brown, Spink Counties
South Dakota

Project Number:	A-5558
Sheet Number: 8	Total Sheets: 22

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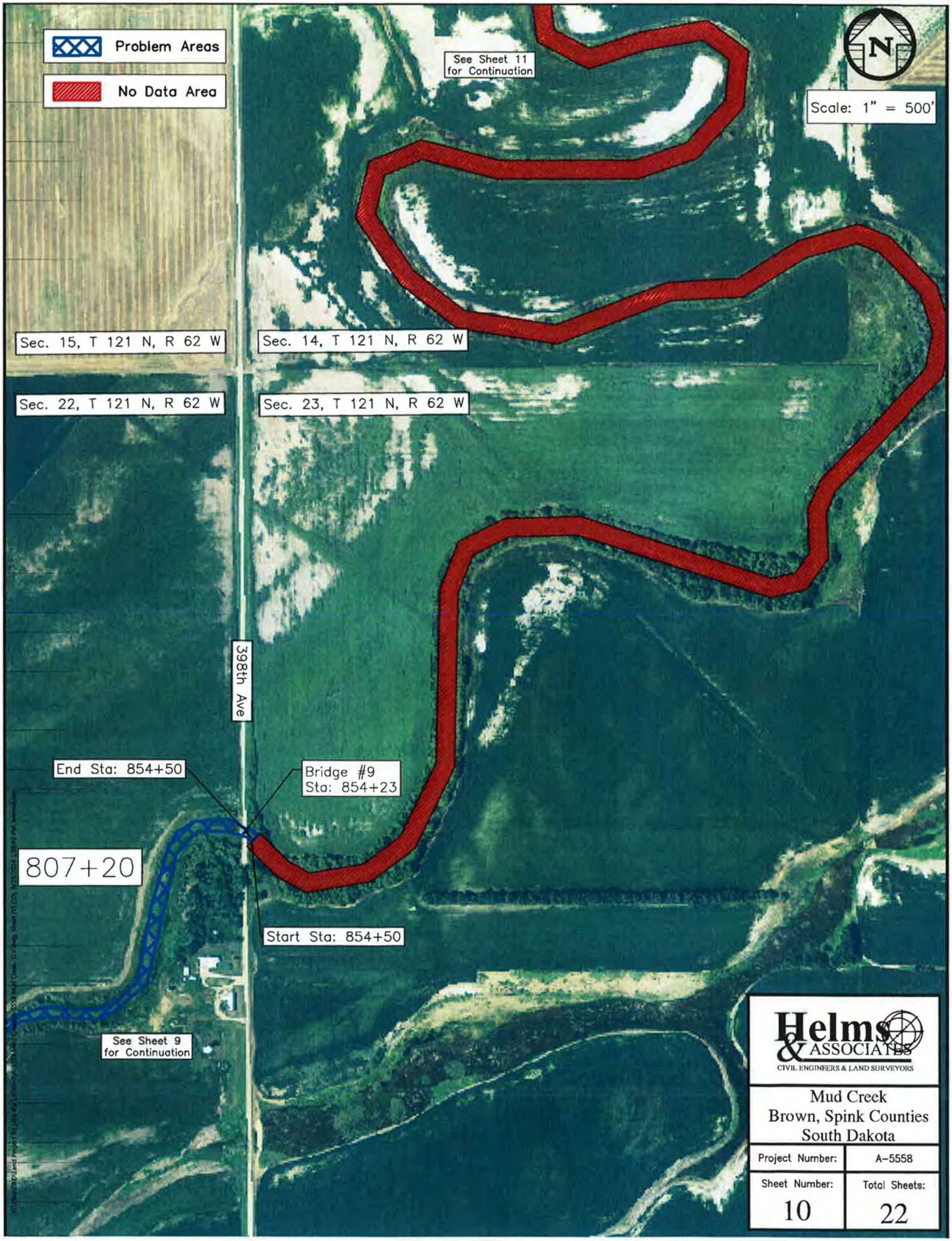
CIVIL ENGINEERS & LAND SURVEYORS

Mud Creek
Brown, Spink Counties
South Dakota

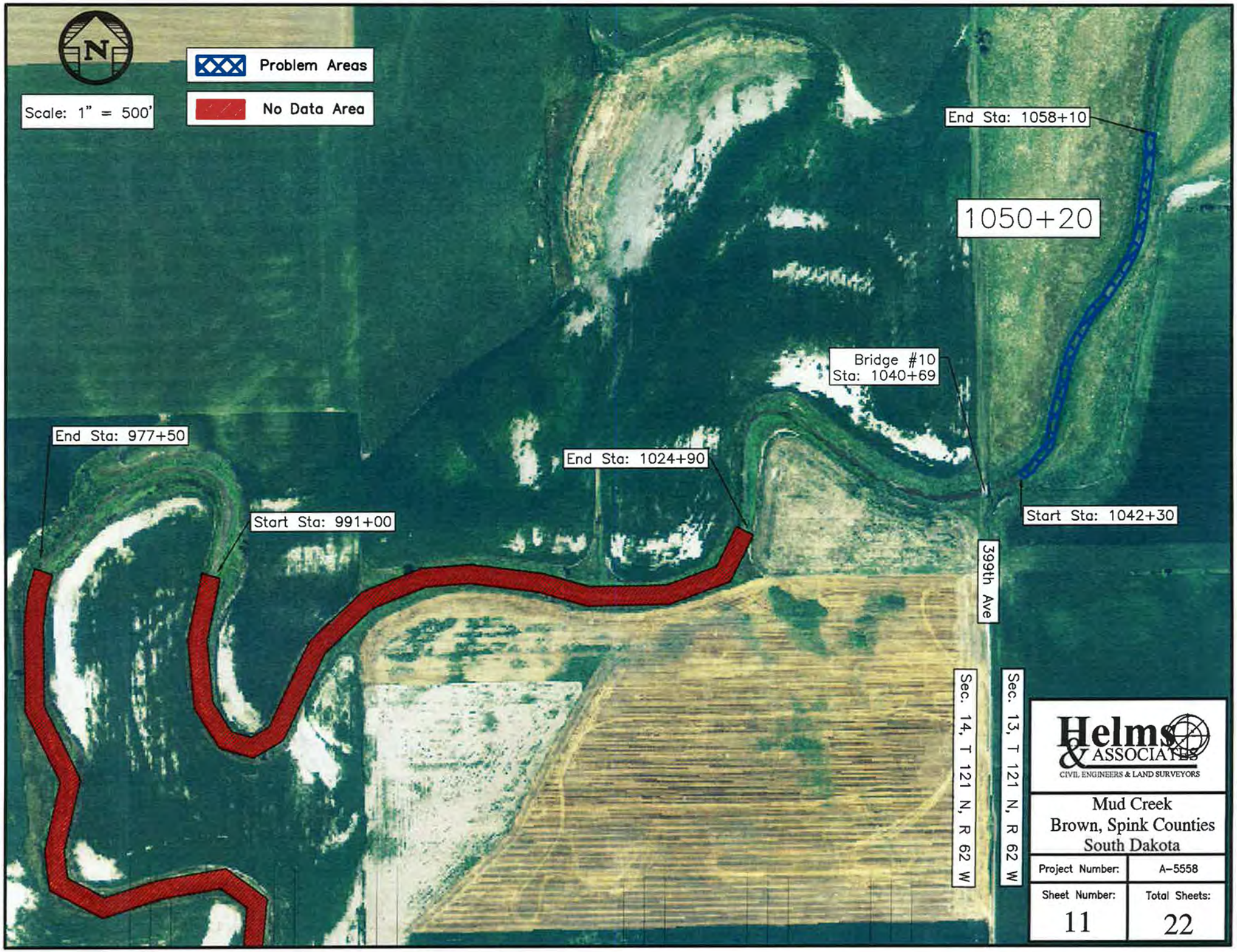
Project Number:	A-5558
Sheet Number: 9	Total Sheets: 22



Helms & ASSOCIATES
CIVIL ENGINEERS & LAND SURVEYORS

Mud Creek
Brown, Spink Counties
South Dakota

Project Number:	A-5558
Sheet Number: 10	Total Sheets: 22



Helms & Associates
CIVIL ENGINEERS & LAND SURVEYORS

Mud Creek
Brown, Spink Counties
South Dakota

Project Number:	A-5558
Sheet Number: 11	Total Sheets: 22

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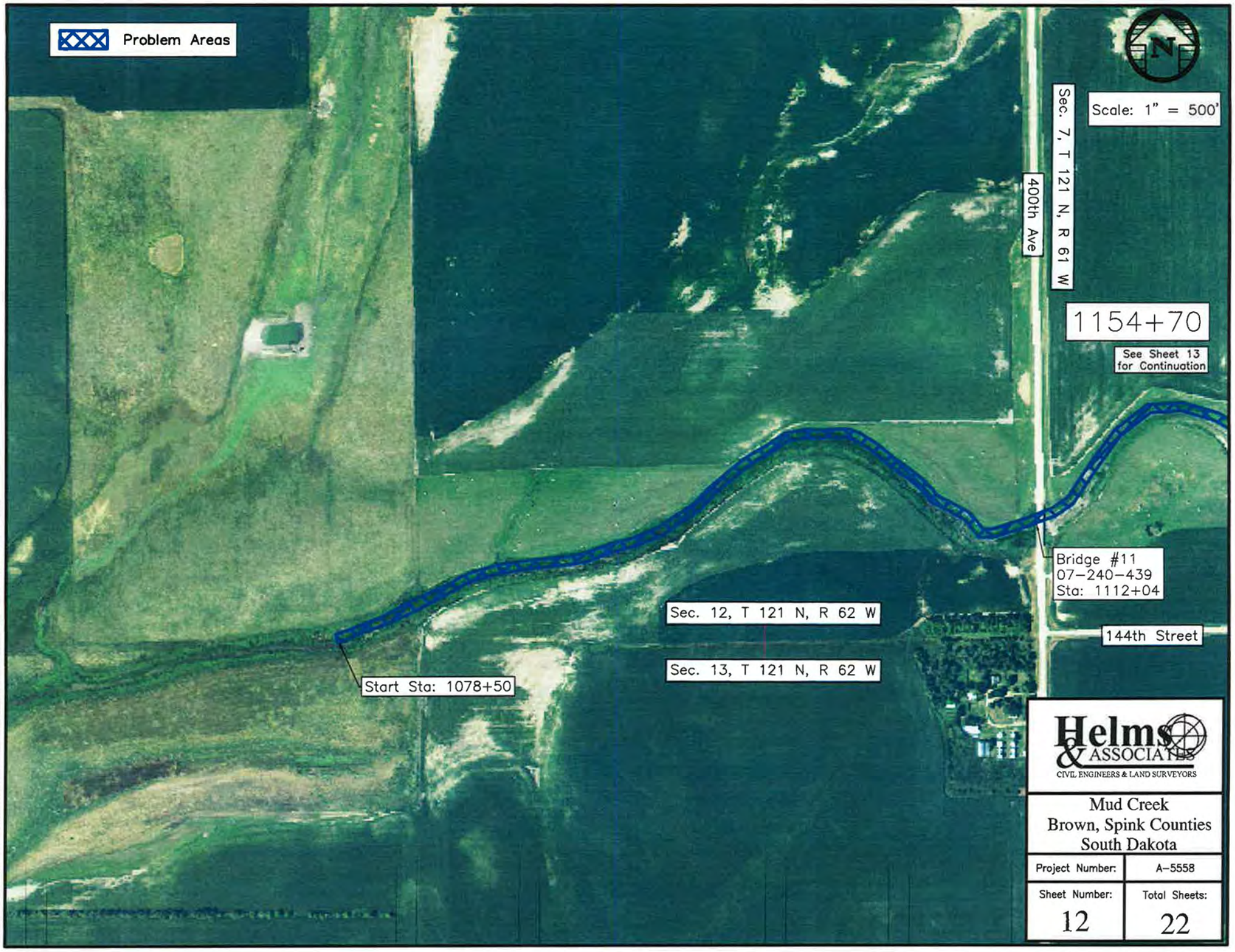

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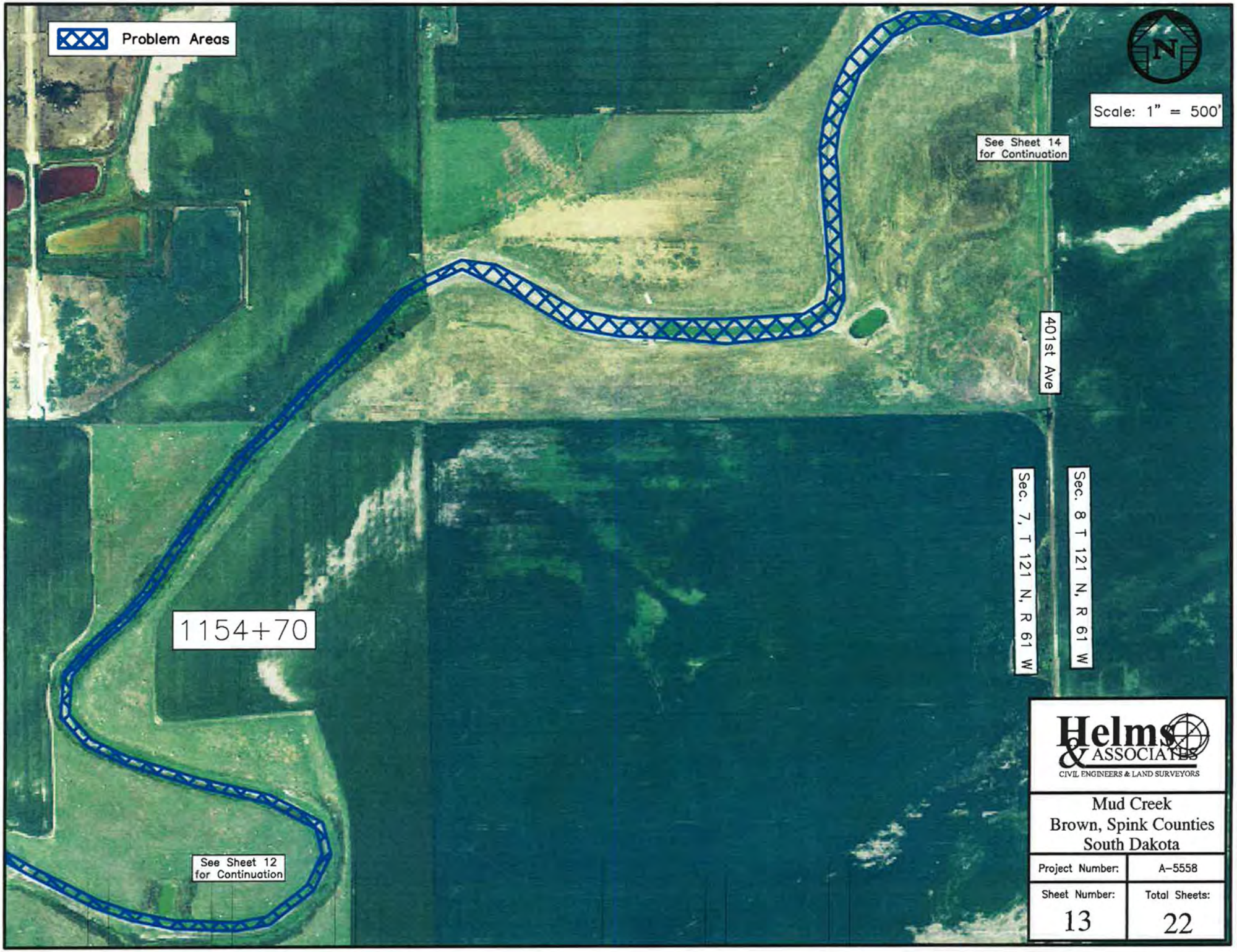

Helms & ASSOCIATES
CIVIL ENGINEERS & LAND SURVEYORS

Mud Creek
Brown, Spink Counties
South Dakota

Project Number:	A-5558
Sheet Number: 13	Total Sheets: 22

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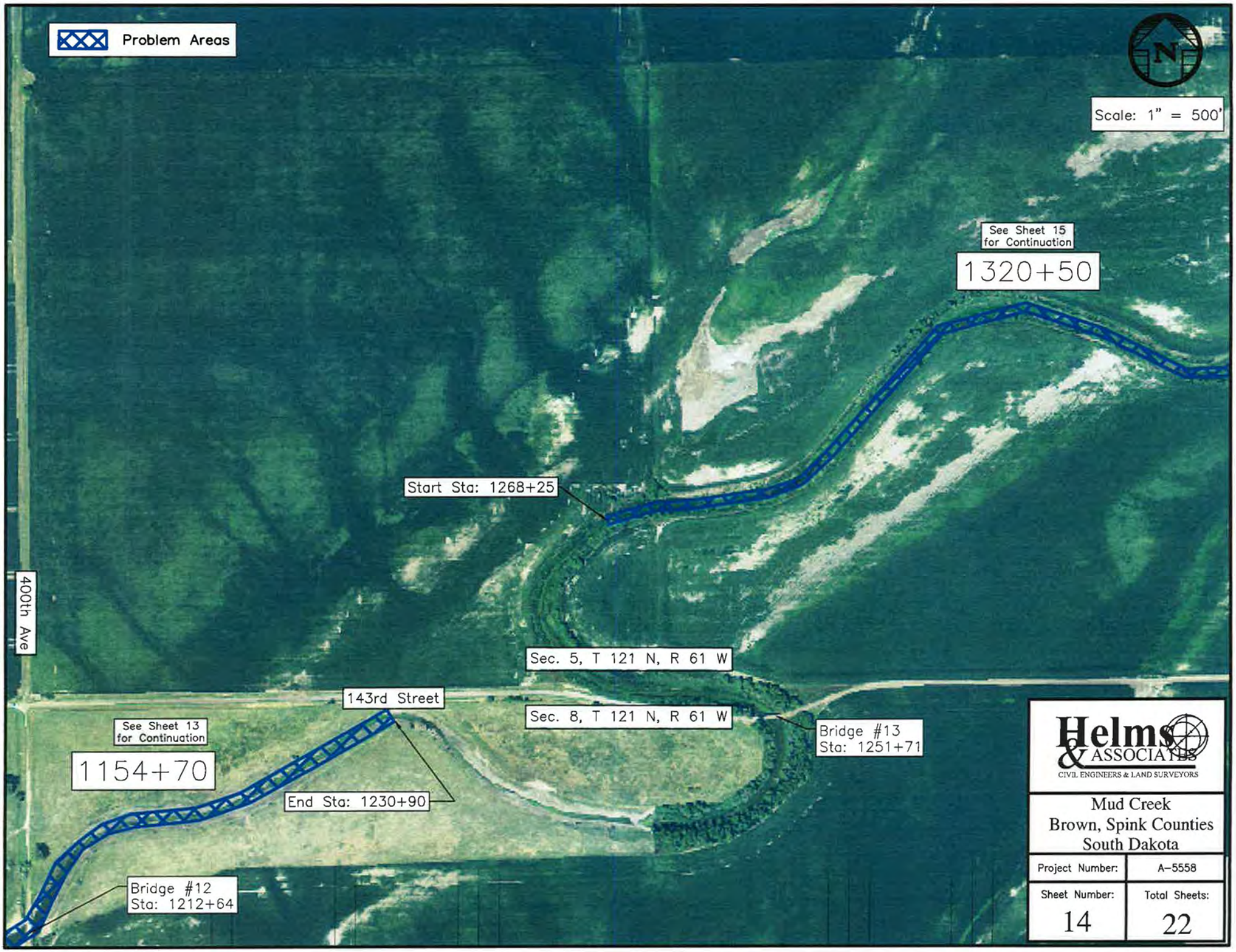

Helms & ASSOCIATES
CIVIL ENGINEERS & LAND SURVEYORS

Mud Creek
Brown, Spink Counties
South Dakota

Project Number:	A-5558
Sheet Number: 14	Total Sheets: 22

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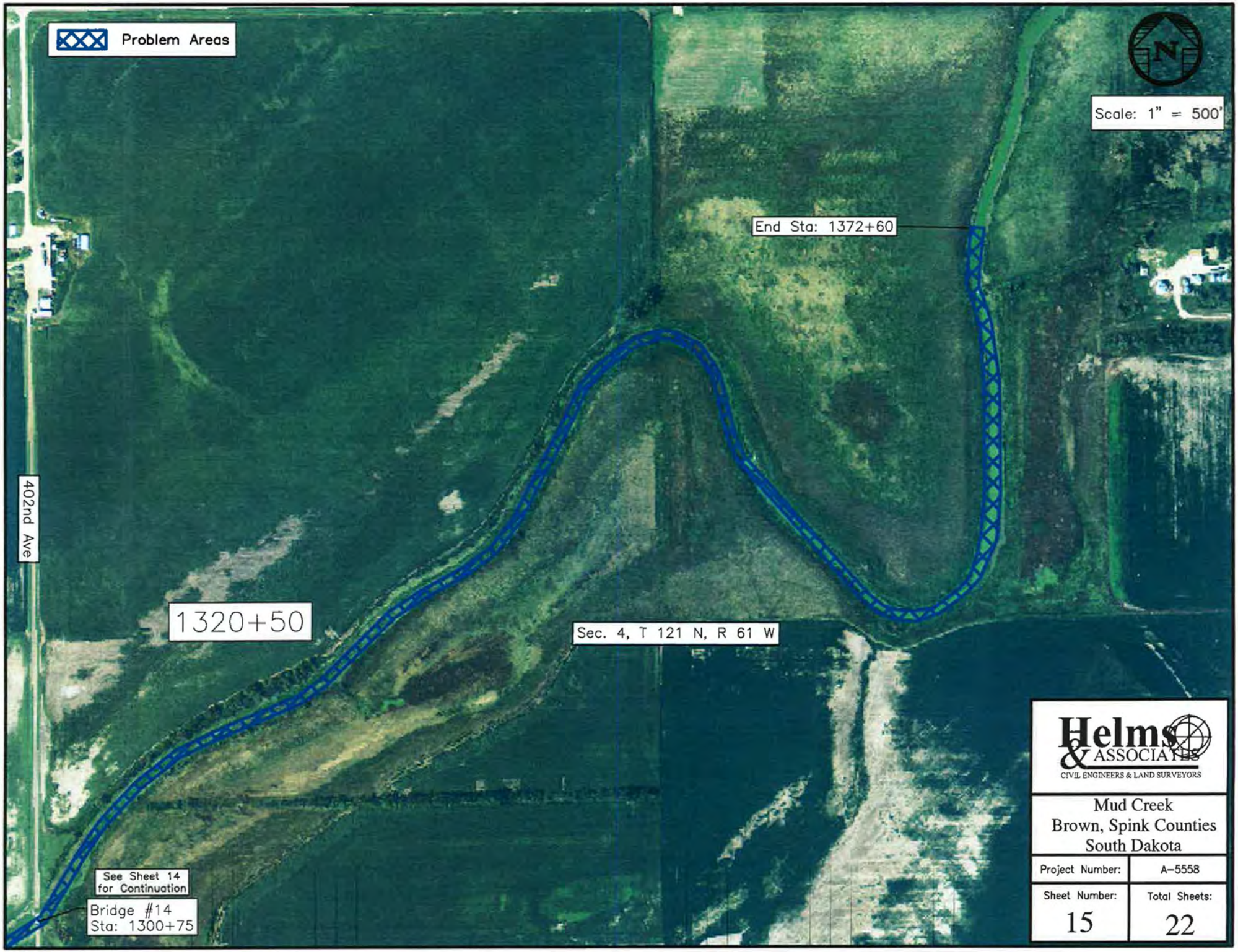

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CIVIL ENGINEERS & LAND SURVEYORS

Mud Creek
Brown, Spink Counties
South Dakota

Project Number:	A-5558
Sheet Number: 15	Total Sheets: 22

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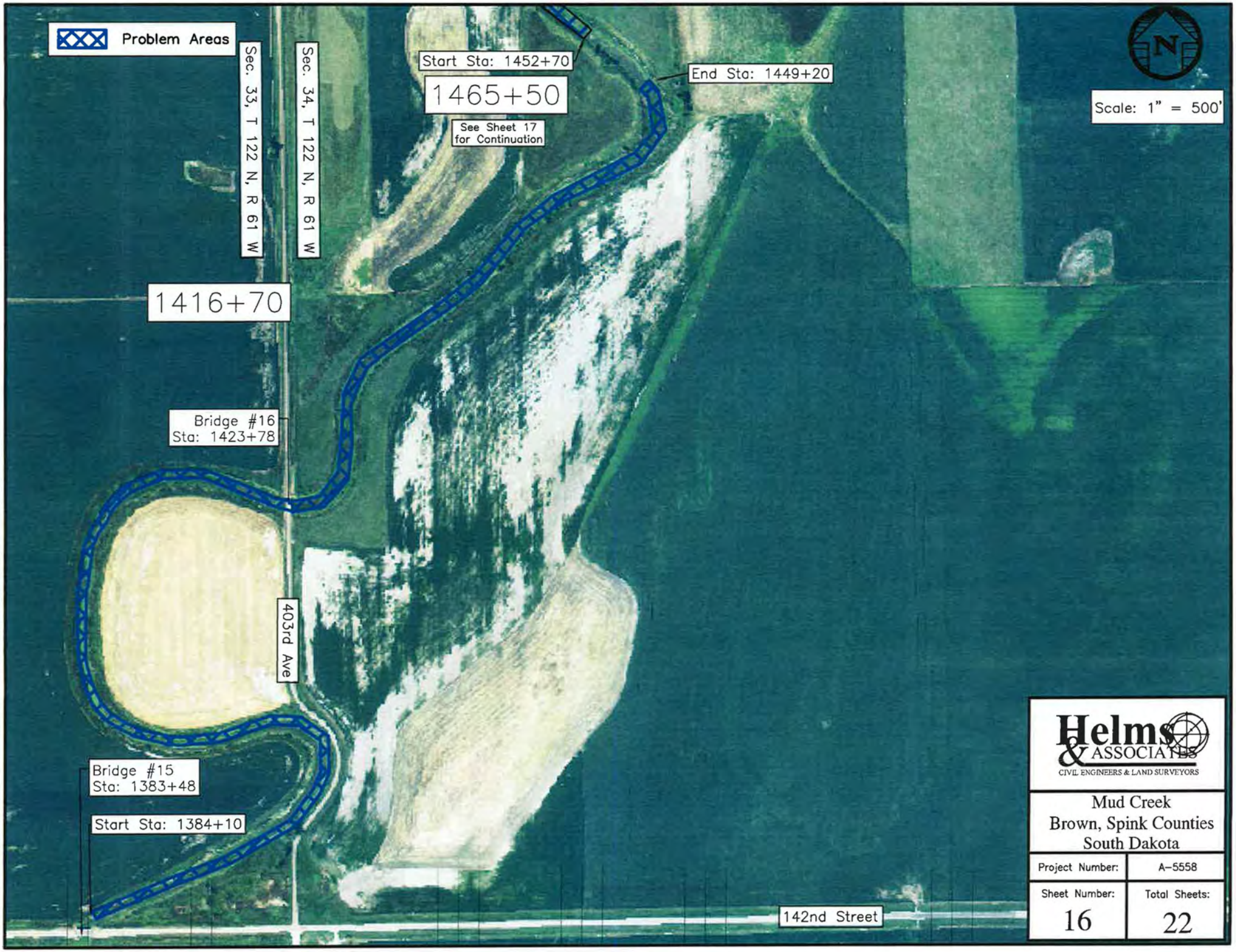

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CIVIL ENGINEERS & LAND SURVEYORS

Mud Creek
Brown, Spink Counties
South Dakota

Project Number:	A-5558
Sheet Number: 16	Total Sheets: 22

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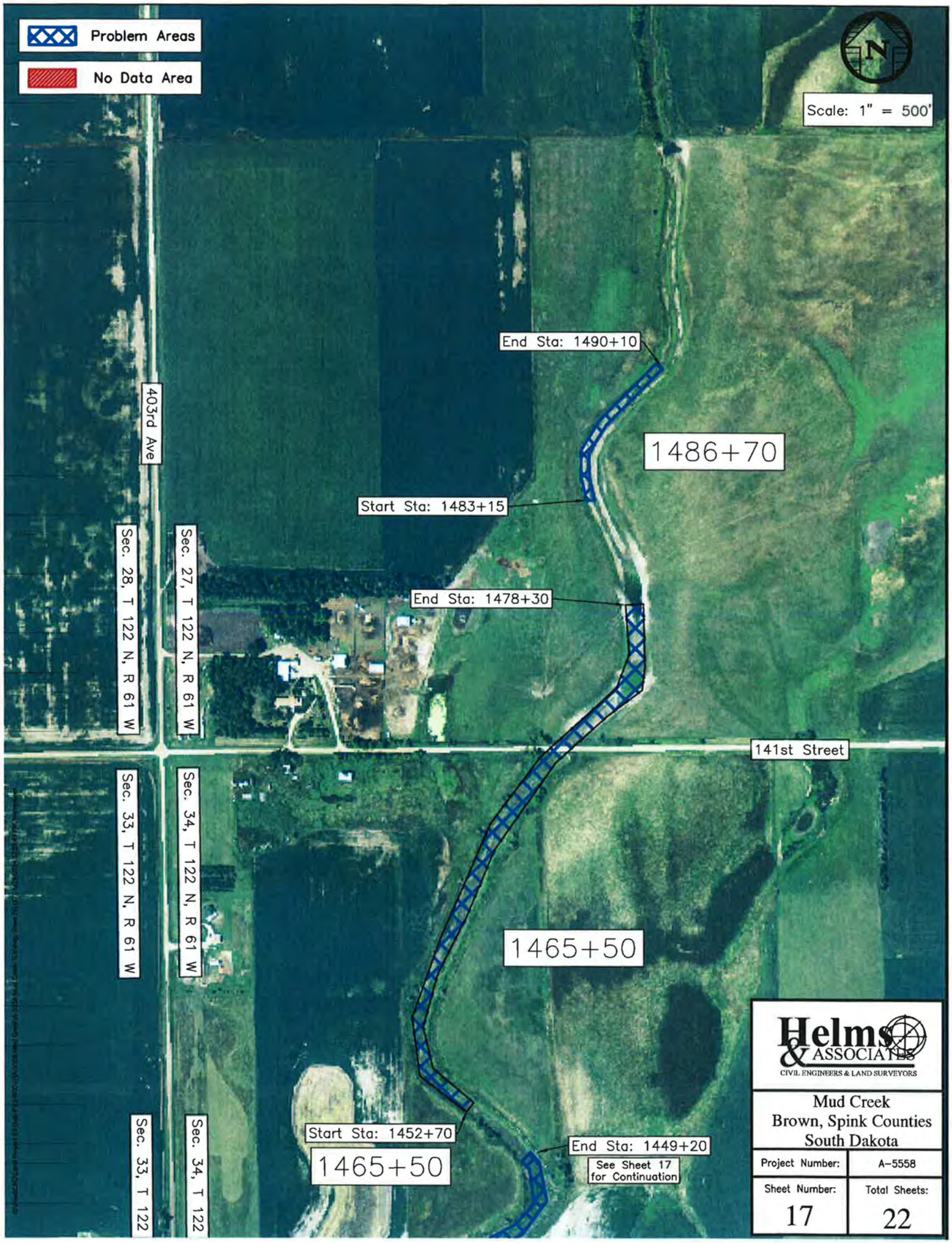
Problem Areas
No Data Area
N
Scale: 1" = 500'
End Sta: 1490+10
1486+70
Start Sta: 1483+15
403rd Ave
Sec. 28, T 122 N, R 61 W
Sec. 27, T 122 N, R 61 W
End Sta: 1478+30
141st Street
Sec. 33, T 122 N, R 61 W
Sec. 34, T 122 N, R 61 W
1465+50
Start Sta: 1452+70
1465+50
End Sta: 1449+20
See Sheet 17 for Continuation
Sec. 33, T 122
Sec. 34, T 122
Helms & ASSOCIATES
CIVIL ENGINEERS & LAND SURVEYORS
Mud Creek
Brown, Spink Counties
South Dakota
Project Number: A-5558
Sheet Number: 17
Total Sheets: 22

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CIVIL ENGINEERS & LAND SURVEYORS

Mud Creek
Brown, Spink Counties
South Dakota

Project Number:	A-5558
Sheet Number: 18	Total Sheets: 22

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CIVIL ENGINEERS & LAND SURVEYORS

Mud Creek
Brown, Spink Counties
South Dakota

Project Number:	A-5558
Sheet Number: 19	Total Sheets: 22

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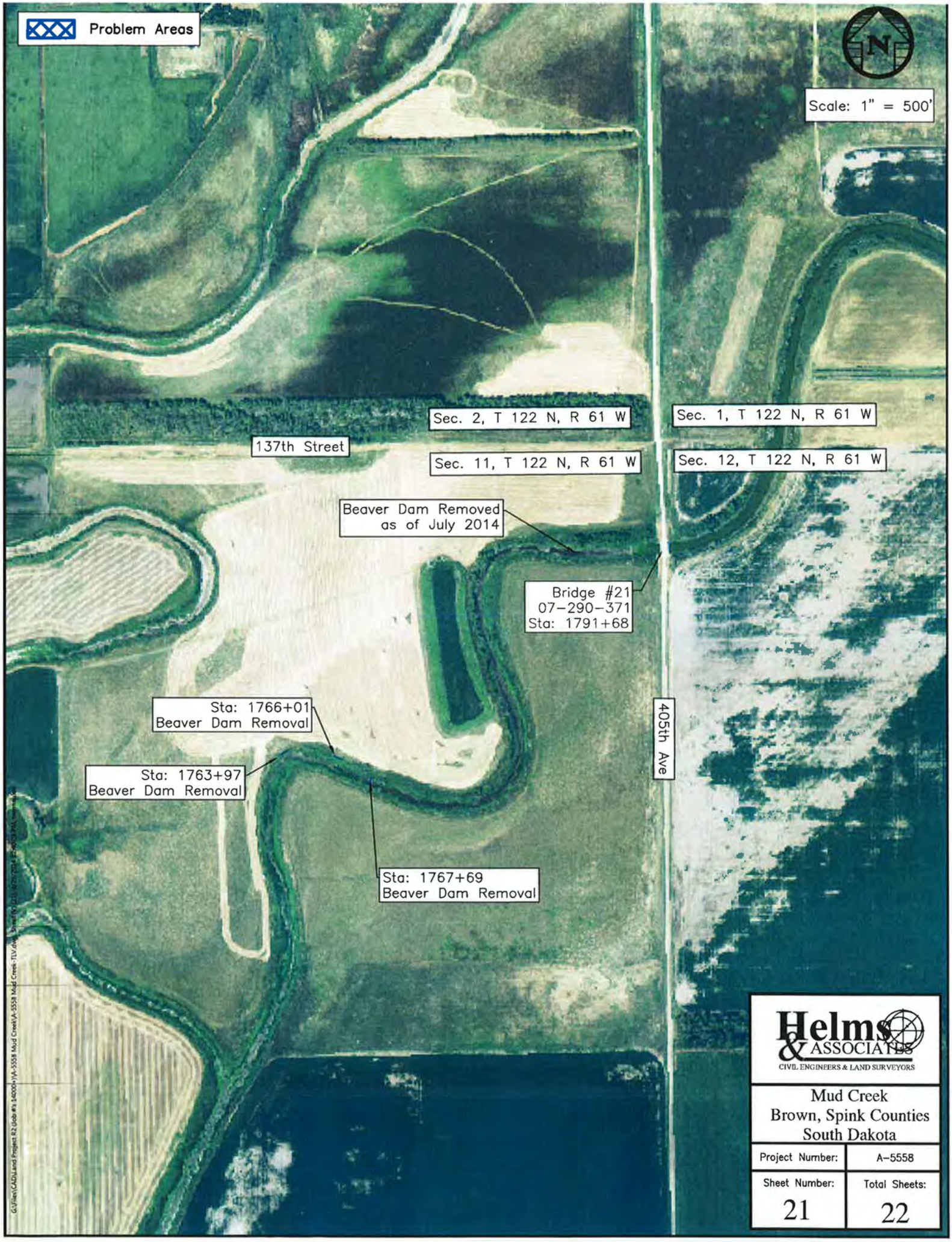
CIVIL ENGINEERS & LAND SURVEYORS

Mud Creek
Brown, Spink Counties
South Dakota

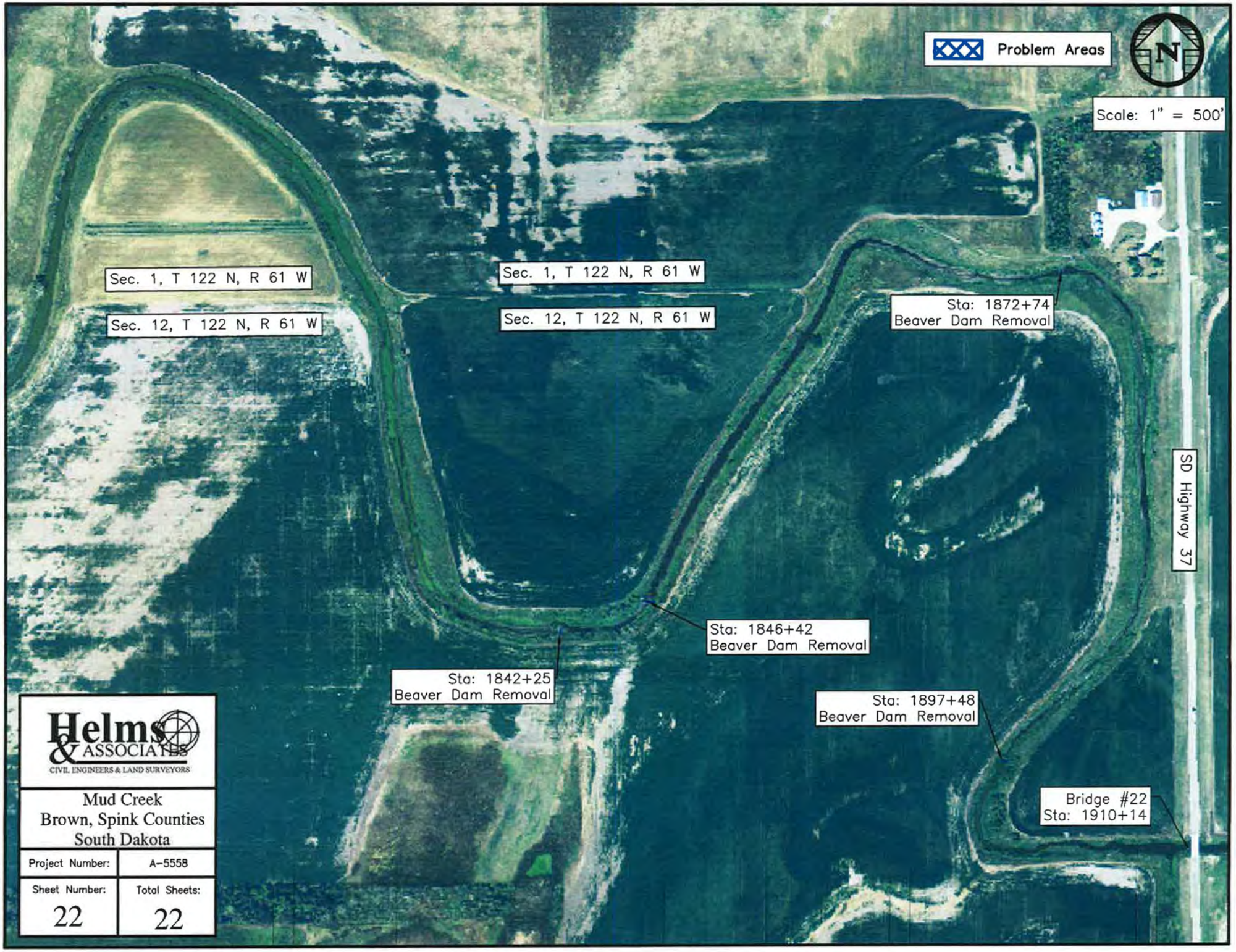
Project Number:	A-555B
Sheet Number: 20	Total Sheets: 22



Helms & Associates
CIVIL ENGINEERS & LAND SURVEYORS

Mud Creek
Brown, Spink Counties
South Dakota

Project Number:	A-5558
Sheet Number: 21	Total Sheets: 22



Helms & Associates
CIVIL ENGINEERS & LAND SURVEYORS

Mud Creek
Brown, Spink Counties
South Dakota

Project Number:	A-5558
Sheet Number: 22	Total Sheets: 22

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September 24, 2015
Item 16

TITLE: Millennium Recycling, Inc. Request to Provide Loan Payment Deferment

EXPLANATION: In June 2012, Millennium Recycling was awarded an $860,000 Solid Waste Management Program recycling loan with terms of 2.25% for 10 years. The loan funded the purchase of equipment to accept aseptic containers (i.e., milk and juice cartons), reconfigure the sorting stream and add additional tipping capacity in the sorting area.

- SWMP (2013L-REC-201)
  - Terms: 2.25% / 10 years
  - Bi-annual payment: $46,247.67
  - Loan Balance: $711,973.76
  - Loan payoff date: December 1, 2024

Millennium Recycling has requested a one year deferment on loan payments beginning with the upcoming December 2015 repayment (see attached). This request is based on poor global recycling commodities prices, which has resulted in a downturn in Millennium Recycling's earnings. Staff has worked with the Attorney General's office to prepare amended loan documents for this request.

RECOMMENDED ACTION: Approve the First Amendment to the Loan Agreement and the Amended and Restated Promissory Note.

CONTACT: Andy Bruels, 773-4216

From: jake@millenniumrecycling.com [mailto:jake@millenniumrecycling.com]
Sent: Monday, August 17, 2015 11:23 AM
To: Bruels, Andrew
Subject: Fwd: Millennium Recycling - FS

Hi Andy, hope all is well with you.

Wanted to touch base with you today about the possibility of doing a one year deferment on loan 2013-L-REC-201.

Not sure how well aware you are of the challenging times in the recycling industry, particularly in the commodity markets. A poor overall global economy (especially China), a very strong dollar, and low oil prices due to high supply and low demand have combined to send prices across the board down to levels we haven't seen since the recession of '09. The CEO of Waste Management has gone so far as to say recently that recycling is in a "crisis".

I've attached our most recent financial statements to support our case. We have been a very good borrower to the solid waste program over the 16 year history of our company, and I would not make the request if I didn't feel it to be a necessary move in order to remain a going concern.

I'm requesting no such relief on the other outstanding note we have with the state. 2010-REC-303 is on track to be paid in full in Oct of 2016.

Please let me know if you need any other info from me, or if there is a form of some sort that I would need to complete in order for the board to hear our request at the next BWNR meeting in Sept. Thanks

JA

September 24, 2015
Item 17

TITLE: Drinking Water State Revolving Fund (SRF) Program Small System Technical Assistance—Request For Proposals (RFP)

EXPLANATION: SDCL 5-18D-17 provides that state agencies may not award or renew a contract for professional services exceeding fifty thousand dollars without complying with the procedures set forth in §§ 5-18D-17 to 5-18D-22, inclusive.

A draft "Request for Proposal to Provide Small System Technical Assistance for the Drinking Water State Revolving Fund Program" is attached for your review. The following is a list of activities and estimated timelines relevant to the RFP process:

- RFP advertisement – September 28, 2015
- Proposals due – October 19, 2015
- Technical Assistance provider selection – November 5, 2015
- Contract execution – January 1, 2016

The staff will review the submitted proposals and be prepared to make a consultant selection recommendation to the Board at its meeting on November 5, 2015.

RECOMMENDED ACTION: Authorize distribution of the Request for Proposal to Provide Small System Technical Assistance for the Drinking Water State Revolving Fund Program.

CONTACT: Jonathan Peschong, 773-4216

SOUTH DAKOTA
DEPARTMENT OF ENVIRONMENT AND NATURAL RESOURCES
(ACTING ON BEHALF OF THE SOUTH DAKOTA BOARD OF WATER AND NATURAL RESOURCES)

REQUEST FOR PROPOSALS (RFPs) #XXXXX
Drinking Water State Revolving Fund (SRF) Program Technical Assistance
(Proposed Contract Period January 1, 2016, through December 31, 2018)

Background
The South Dakota Department of Environment and Natural Resources (DENR) is a state government agency. DENR provides staff resources to the Board of Water and Natural Resources (Board) which oversees the Clean Water and Drinking Water State Revolving Fund (SRF) programs in South Dakota. South Dakota receives an annual Drinking Water SRF Capitalization Grant of approximately $9 million. The Board is allowed to use up to two percent ($180,000) of their annual Capitalization Grant to provide for technical assistance to small drinking water systems serving less than 10,000 service population. Approximately $120,000 is being reserved for the small system technical assistance activities. The Board will be including these activities in its Federal Fiscal Year 2016 Intended Use Plan. These amounts may be adjusted higher or lower if the Federal Fiscal Year 2016 Drinking Water Capitalization Grant amount changes.

DENR is seeking proposals from qualified contractors to provide technical assistance to small community drinking water systems in South Dakota. The technical assistance requested includes, but is not limited to, on-site technical assistance to include leak detection, water audits and accountability, operation and maintenance, record keeping, rate analyses, sampling procedures, interpretation of lab results, consumer compliance reporting, individual operator certification assistance, planning, opportunities for regionalization, and capacity assessments. There are more than 400 community public water systems in South Dakota with service populations less than 10,000. The proposed technical assistance is limited to these systems.

The work will be paid for using the Board's Federal Fiscal Year 2016 EPA Capitalization Grant set aside funding for small system technical assistance (up to a maximum aggregate amount of $180,000). This RFP is for work to be completed during calendar years 2016 through 2018. The Board reserves the right to renew the contract to be awarded to the successful respondent for up to three additional calendar years if the Board considers any contract price adjustment to be reasonable and justified. The scope of the technical assistance activities must be approved by the South Dakota Board of Water and Natural Resources and the U.S. Environmental Protection Agency before the technical assistance contract is awarded or renewed.

Available Documents
DENR's 2015 Intended Use Plan identified the use of two percent of the Federal Fiscal Year 2015 Drinking Water Capitalization Grant for the purpose of providing small system technical assistance activities for community water systems with less than 10,000 in population. The 2015 Drinking Water SRF Intended Use Plan can be accessed at: http://denr.sd.gov/dfta/wwf/dwsrf/15dwsrfiup.pdf. The Board will be adopting a Federal Fiscal Year 2016 Drinking Water Intended Use Plan at its November 5, 2015, meeting. It is expected the 2016 Intended Use Plan will include a similar set aside.

Project Objectives
The primary objective of the project is to select the most qualified contractor or contractors whose RFP submittal demonstrates the background, experience, and capability and contains what is considered the best approach to provide the requested small system technical assistance activities to assist community water systems to operate in a cost efficient and effective manner.

Request for Proposals
The following is a list of activities and estimated timelines relevant to the RFP process:

- RFP advertisement – September 28, 2015
- RFP submittal – October 19, 2015
- Tentative contractor selection – November 5, 2015
- U.S. Environmental Protection Agency's approval of proposed contractor's work plan – December 1, 2015
- Contract execution – January 1, 2016

Contents of the Request for Proposals
The RFP shall be prepared and submitted in such form and by such date as specified elsewhere in this RFP. Each page shall be numbered. The proposal should be prepared and provide a concise description of the respondent's ability to meet the requirements of this RFP. Information the respondent considers to be proprietary information should be identified as such; however, DENR reserves the right to determine whether the information is public.

Proposals which in the judgment of DENR fail to meet the requirements of this RFP, or which are in any way incomplete, conditional, or which contain additions or deletions not called for, alterations or other irregularities, or in which errors occur, may be rejected at DENR's discretion. The DENR reserves the right to waive any requirements of or informalities in any proposal or to reject any or all proposals if it determines that it is in DENR's best interest to do so.

Respondents should submit a complete response to all the required elements of the RFP as described below.

1. *Transmittal Letter* – Each respondent shall prepare a transmittal letter summarizing the principal points in the respondent's proposal. The letter must be signed by the representative who would serve as the primary contact for this project and include that person's address, telephone number, fax number, and email address.
2. *Experience* – Describe the respondent's experience and capabilities as well as any proposed subcontractor's experience and capabilities. Emphasis should be placed on knowledge of the state's community water systems as well as capabilities relating to the requirements of the Safe Drinking Water Act and South Dakota laws and rules pertaining to the treatment and distribution of water for domestic use. In addition, a thorough knowledge of the operation and maintenance of drinking water treatment and distribution systems is required and should be documented.
3. *Proposed Approach* - Describe the activities proposed to accomplish the project's objectives.
4. *Project Team* - Identify the members of your firm as well as any proposed subcontractors that will participate in the completion of this project. The use of a subcontractor(s) to increase the effectiveness of the respondent's proposal is allowable. A joint venture is also allowed but one firm shall be designated as the lead agency for the purposes of communication, compensation, and contract execution.
5. *Compensation* – Provide a detailed description of the proposed compensation by the respondent's team, to include any proposed subcontractors. The compensation may be less than but shall not exceed the maximum available amount of $120,000.

Criteria for Contractor Selection

Proposals will be evaluated according to the following criteria and points:

- Experience, demonstrated knowledge, and acceptable performance history with technical assistance to smaller community water systems (less than 10,000 population) (30 points),
- Familiarity with South Dakota's community drinking water systems (30 points),
- Overall depth and perceived ability of the proposal to meet or exceed the project's objectives (30 points),
- Personnel resources committed to the project (20 points), and
- Compensation (20 points).

This is not a competitive bidding proposal. DENR personnel will review and rank the submitted proposals and then make a recommendation to the Board. At the discretion of the Board, respondents may be invited to make oral presentations to the Board. The Board reserves the right to hire more than one contractor if the Board deems doing so would be in the best interest of the State of South Dakota.

Terms and Conditions

- DENR will make a recommendation to the Board on which contractor to hire. The Board will make the final determination regarding the selection of the contractor.
- The Board reserves the right to reject any and all proposals.
- The Board may combine portions of different proposals, if the Board deems this action to be warranted.
- The Board may negotiate the compensation and hire the successful respondent subject to the terms and conditions specified by the Board.
- If the Board is not able to successfully negotiate a contract with the highest ranked respondent, negotiations shall cease. The Board shall then begin negotiations with the second highest ranked respondent. This process may continue until negotiations are successful.
- The successful respondent may not subcontract with any firm not previously identified in its RFP without the prior, written consent of the Board.
- All respondents will be notified in writing of the selection.

State Not Liable for Expenses of Proposals

Neither the Board nor DENR shall be liable for any expenses incurred by any respondent in preparing or presenting the proposal.

Proposal Due Date and Contact for Information

Three hard copies of the respondent's proposal should be submitted to Jonathan Peschong, Grant and Loan Specialist II, Water and Waste Funding Program, South Dakota Department of Environment and Natural Resources, 523 East Capitol Avenue, Pierre, South Dakota, 57501 by 5:00 P.M., Central Daylight Time, on or before October 19, 2015. Additionally, please provide an electronic copy of your proposal to Mr. Peschong at Jonathan.Peschong@state.sd.us on or before the submittal deadline. Questions regarding this RFP may be directed to Jonathan Peschong via email or by phone at 605.773.4216.