

**South Dakota Department of
Environment and Natural Resources**



Protecting South Dakota's Tomorrow ... Today

**BOARD OF WATER
AND NATURAL RESOURCES**

September 28-29, 2017

DIGITAL DAKOTA NETWORK

Friday, September 29, 2017

8:30 a.m. to 11:30 a.m. CDT

September 28, 2017 (Thursday)

Thursday's tour will depart at 8:00 am CDT from the Best Western Vermillion Inn, 701 W. Cherry Street, Vermillion, SD

If you wish to participate in the tour, please contact Jay Gilbertson at (605) 695-1583

TOUR ITINERARY

8:00 AM – 4:30 PM

8:00 AM – Leave from Best Western Vermillion Inn

8:45 AM – Arrive at Adams Homestead and Nature Preserve – Tour historic Adams Homestead

9:45 AM – Leave Adams Homestead

10:30 AM – Arrive Missouri National Recreational River Mulberry Bend Overlook

11:15 AM – Leave Mulberry Bend Overlook

11:30 AM – Arrive at Lewis & Clark Regional Water System (LCRWS) Mulberry Point well field -Tour well field with LCRWS staff

12:15 PM – Leave Mulberry Point well field

12:30 PM – Arrive at the South Dakota Geological Survey Core Barn – Box Lunch then presentations on role and functions of the Geological Survey

2:00 PM – Leave South Dakota Geological Survey Core Barn

2:30 PM – Arrive Lewis & Clark Regional Water System Water Treatment Plant –Tour of the plant and meeting with LCRWS Board of Directors and Social.

4:15 PM – Leave LCWRS Water Treatment Plant

4:30 PM – Arrive at Best Western Vermillion Inn

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.

September 29, 2017 (Friday)

Call to order at 8:30 a.m. CDT

Via Digital Dakota Network (DDN) from 8:30 a.m. to 11:30 a.m. CDT

Live audio of the meeting and the full board packet can be found on the South Dakota Boards and Commissions Portal at <http://boardsandcommissions.sd.gov/Meetings.aspx?BoardID=108>

A list of DDN sites is attached.

AGENDA

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

8:30 a.m. CDT

1. Call meeting to order
2. Approve agenda
3. Approve minutes of the June 22, July 10 and July 21, 2017 meetings
4. State Fiscal Year 2017 State Revolving Fund Report to the Interim Bonding Review Committee — Mike Perkovich
5. Amendment to 2017 Clean Water State Revolving Fund Intended Use Plan — Andy Bruels
6. Amendment to 2017 Drinking Water State Revolving Fund Intended Use Plan — Andy Bruels
7. Sanitary Storm Sewer Funding Application — Mike Perkovich
 - a. Powder House Pass Community Improvement District
8. Solid Waste Management Program Funding Application — Drew Huisken
 - a. Balcon Enterprises Inc.
9. Rescission of Harrisburg Clean Water SRF Loan C461065-06 — Mike Perkovich
10. Amendment to Colton Consolidated Grant 2018G-106, DWSRF Loan C462135-04, and CWSRF Loan C461135-03 — Andy Bruels
11. State Water Resource Management System Grant Report on Examination of Isotopes in Selected Waters in Eastern South Dakota — Derric Iles
12. Aquifer Delineation Updates by East Dakota Water Development District — Jay Gilbertson
13. November 9, 2017 Meeting
14. Adjourn

**Revised List of
Digital Dakota Network Sites
Board of Water and Natural Resources
September 29, 2017
8:30 a.m. Central Time**

ABERDEEN

Northern State University
Location Map:
<https://www.northern.edu/about/campus/campusmap>
Beulah Williams Library, Room 117

BROOKINGS

South Dakota State University
1057 8th St
Location Map:
https://www.sdstate.edu/sites/default/files/2017-07/sdsu_campus_map_2017.pdf
Pugsley Center, Room SPC203

MITCHELL

Mitchell Technical Institute
Location Map:
<https://www.mitchelltech.edu/campus-map>
MTI Technology Center, Room 155

PIERRE

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

RAPID CITY

Rapid City Emergency Operations Center
130 Kansas City Street
Pennington County Administration Building, 1st Floor Conference Room
(use east public entrance off 1st Street)

SIOUX FALLS

University Center
4801 N. Career Avenue
Location Map:
http://www.sduniversitycenter.org/images/data/files/FADM%201st%20%26%202nd%20Floor%20Plans%20January%202017%208_5x11.pdf
Room FADM 145

VERMILLION

University of South Dakota
Location Map:
<http://www.usd.edu/-/media/files/about-usd/campusmapweb.ashx>
Delzell Education Center, Room 203

WATERTOWN

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

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

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

June 22, 2017
10:00 a.m. Central Time

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

Chairman Johnson announced that this meeting was streaming live on SD.net, a service of South Dakota Public Broadcasting.

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

BOARD MEMBERS ABSENT: Paul Goldhammer and Jerry Soholt.

OTHERS PRESENT: See attached attendance sheets.

APPROVE AGENDA: Chairman Johnson approved the agenda.

APPROVE MINUTES OF MARCH 30-31, 2017, MEETING: Mr. Perkovich pointed out that in the fourth paragraph on page 37 “SRF” should be changed to “SFY.”

Motion by Jones, seconded by Lanning, to approve the minutes of the March 30-31, 2017, Board of Water and Natural Resources meeting, with the change on page 37. Motion carried unanimously.

AMENDMENT TO STATE WATER PLAN, 2017 CLEAN WATER STATE REVOLVING FUND INTENDED USE PLAN, AND 2017 DRINKING WATER STATE REVOLVING FUND INTENDED USE PLAN

Amendments to State Water Plan

Andy Bruels reported that 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 on a quarterly basis. 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 2018.

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 (IUP). The State Water Plan applications are used to determine which projects should be amended onto the State Revolving Fund Project Priority Lists.

Two State Water Plan applications were received by the May 1, 2017, deadline. While presenting the State Water Plan applications, Mr. Bruels identified those projects to be placed on the Clean Water SRF and Drinking Water SRF project priority lists.

Cavour requested amendment on the facilities plan to replace clay sanitary sewer collection pipes in various locations throughout the community that are beyond their useful life. The estimated total project cost is \$877,300.

The project will be placed on the Clean Water IUP with six priority points and an estimated loan amount of \$600,000 at 2.5 percent interest for 30 years.

McIntosh requested placement on the facilities plan to replace existing water meters with new automatic read meters and to construct a booster station to increase system pressures to acceptable service levels. The estimated total project cost is \$840,000.

The project will be placed on the Drinking Water IUP with 87 priority points and an estimated loan amount of \$840,000 at 2.0 percent interest for 20 years.

Staff recommended amending both of the projects onto the facilities plan.

Motion by Gnirk, seconded by Bernhard, to amend the two projects onto the facilities plan. Motion carried unanimously.

Amendments to the Clean Water SRF Intended Use Plan Project Priority List

Mr. Bruels stated that staff has noticed recently that some of the communities applying for wastewater project funding have issues with managerial and financial capacity for their systems. Unlike the Drinking Water SRF where there is a set-aside amount of the capitalization grant and requirement for borrowers to meet capacity requirements, these issues have largely gone unaddressed in the Clean Water SRF program.

Mr. Bruels stated that assistance would address primarily financial issues to include basic accounting, rate setting, account separation, and possibly board training. Staff believes utilizing a portion of the Clean Water SRF administrative fees to contract with Midwest Assistance Program, who currently has a contract for similar work under the Drinking Water SRF, would be beneficial to borrowers and help provide for better debt security on the loans.

Staff proposed using up to \$4,500 of Clean Water SRF Administrative fees for the period from July 1, 2017 – June 30, 2018. Staff suggested making the following change to the IUP narrative:

Administrative Surcharge Uses in FY 2017:

Effective July 1, 2017, \$4,500 of administrative surcharge funds will be allocated to provide for the improvement of financial or managerial capacity of SRF applicants. DENR will contract with the Midwest Assistance Program to provide these services.

In addition to the Cavour sanitary sewer project that was placed on the 2017 State Water Plan, there is one additional project to be placed on the Clean Water SRF Project Priority List.

Eagle Butte received a previous Clean Water SRF loan in the amount of \$2,410,000 with 18.2 percent principal forgiveness not to exceed \$436,500. The city has completed upgrades to its wastewater treatment ponds. The project also included construction of gravity and force main wastewater collection pipe, and some of that work has been completed. There have been issues concerning ownership between the city and the Cheyenne River Sioux Tribe, which have slowed progress. Eagle Butte believes the remaining work to be completed will not face the same issues as previous work. Due to the additional time as well as some adjustments to alignment, the cost of the project has increased. Eagle Butte has submitted a new funding application, which will be presented later in the meeting, to complete the project funding. Total project costs for the new work are estimated at \$670,000.

The project will be placed on the Clean Water IUP with 15 priority points and an estimated loan amount of \$670,000 at 2.5 percent interest for 30 years.

Mr. Bruels noted that changes were made to Attachments 2 and 3 to reflect the changes made earlier to the IUP.

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

Motion by Jones, seconded by Gnirk, to approve the addition of the Cavour and Eagle Butte projects to the 2017 Clean Water SRF IUP Project Priority List, and to approve the addition to the IUP narrative, as presented. Motion carried unanimously.

Amendments to the Drinking Water SRF Intended Use Plan Project Priority List

In addition to the McIntosh drinking water project that was placed on the 2017 State Water Plan, there is one additional project to be placed on the Drinking Water SRF Project Priority List.

Edgemont received a previous Drinking Water SRF loan in the amount of \$1,890,000 with 63.9 percent as principal forgiveness not to exceed \$1,206,890 and a Consolidated grant of up to \$2,000,000. The project originally included construction of a new water treatment plant for radionuclide removal, a 250,000-gallon elevated storage tank, demolition of existing storage tanks, installation of 3,500 feet of new water main to connect the treatment system to the rest of the community, and rehabilitation of two existing wells.

In March 2017, the board amended the scope of the loan to include construction of a new well instead of rehabilitation after work on the first well was more difficult than anticipated. The drilling of a new well has caused the project costs to increase from the original amount and

Edgemont has submitted a new funding application for the increased total costs, which will be presented later in the meeting. The total project costs, including the new well, are estimated at \$4,337,000.

The project will be placed on the Drinking Water IUP with 270 priority points and an estimated loan amount of \$447,000 at 0 percent interest for 30 years.

Staff recommended the addition of both projects onto the Project Priority list of the Drinking Water SRF IUP.

Motion by Bernhard, seconded by Gnirk, to approve the addition of the McIntosh and Edgemont projects to the 2017 Drinking Water SRF IUP Project Priority List. Motion carried unanimously.

AMENDMENT TO THE 2015 CLEAN WATER SRF IUP: Mr. Bruels reported that the FY 2015 Clean Water SRF IUP was approved by the Board of Water and Natural Resources in November 2014 and amended in March, June, and September 2015 and March 2016.

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

Staff proposed amending Attachment I - Project Priority List of the FY 2015 Clean Water IUP by adding the following:

Priority Points	Loan Recipient	Estimated Loan Amount	Expected Loan Rate & Term
25	Sturgis	\$16,247,000	2.5%, 30 years

Motion by Gnirk, seconded by Jones, to approve the addition of the Sturgis project to the 2015 Clean Water SRF IUP Project Priority List. Motion carried unanimously.

AMENDMENT TO THE 2016 CLEAN WATER SRF IUP: Mr. Bruels reported that the FY 2016 Clean Water State Revolving Fund IUP was approved by the Board of Water and Natural Resources in November 2015 and amended in March, June, and September 2016.

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

It is proposed to amend Attachment I - Project Priority List of the FY 2016 Clean Water IUP by adding the following:

Priority Points	Loan Recipient	Estimated Loan Amount	Expected Loan Rate & Term
25	Sturgis	\$16,247,000	2.5%, 30 years

Motion by Gnirk, seconded by Lanning, to approve the addition of the Sturgis project to the 2016 Clean Water SRF IUP Project Priority List. Motion carried unanimously.

AMENDMENT TO THE 2016 DRINKING WATER SRF IUP: Mr. Bruels stated that the FY 2016 Drinking Water State Revolving Fund IUP was approved by the Board of Water and Natural Resources in November 2015 and amended in March, June, and September 2016.

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

It is proposed to amend Attachment I - Project Priority List of the FY 2016 Drinking Water IUP by adding the following:

Priority Points	Loan Recipient	Estimated Loan Amount	Expected Loan Rate & Term
24	Onida	\$950,000	2.25%, 20 years

Motion by Gnirk, seconded by Bernhard, to approve the addition of the Onida project to the 2016 Drinking Water SRF IUP Project Priority List. Motion carried unanimously.

HUMBOLDT REQUEST TO RESCIND CLEAN WATER SRF LOAN C461254-02: Drew Huisken reported that on March 31, 2017, the board approved Resolution #2017-50, awarding the town of Humboldt a \$272,000 Clean Water SRF loan for its water meter replacement project. This project would replace all 262 of the town's water meters as well as purchase the necessary hardware and software associated with the automatic reading system.

On May 11, 2017, the department received a letter from the town of Humboldt declining the Clean Water SRF loan. The town stated the replacement of the water meters remains a priority, but is not being pursued at this time.

Staff recommended the board rescind Resolution #2017-50, which approved the Clean Water SRF loan.

Motion by Jones, seconded by Lanning, to adopt **Resolution #2017-61** rescinding Resolution #2017-50, which approved Clean Water SRF loan C461254-02 to the **town of Humboldt** up to a maximum committed amount of \$272,000. Motion carried unanimously.

YALE REQUEST TO RESCIND CLEAN WATER SRF LOAN C461096-02: Jim Anderson reported that in March 2016 the town of Yale was awarded an \$84,000 Clean Water SRF loan and a \$243,000 Water Quality Grant to riprap the town's wastewater ponds. The project has been completed. Due to excellent bids, the town will only utilize the Water Quality Grant and a grant from the James River Water Development District.

A letter was received in March 2017 from the town requesting the board rescind Clean Water State Revolving Fund Loan C461096-02.

Staff recommended the board rescind Resolution #2016-23, which approved the Clean Water SRF loan.

Motion by Lanning, seconded by Bernhard, to adopt **Resolution #2017-62** rescinding Resolution #2016-23 which approved Clean SRF loan C461096-02 to the **town of Yale** up to a maximum committed amount of \$84,000. Motion carried unanimously.

BRITTON REQUEST TO RESCIND DRINKING WATER SRF LOAN C462188-02: Mr. Bruels reported that in March 2016 the city of Britton was awarded a \$3,212,000 Drinking Water SRF loan and \$1,444,000 Consolidated grant for a major water system improvements project.

A letter was received in March 2017 from the city requesting the board rescind Drinking Water State Revolving Fund Loan C462188-02. Britton received funding from another source, but plans on using the Consolidated grant.

Staff recommended the board rescind Resolution #2016-32, which approved the Drinking Water SRF loan.

Motion by Lanning, seconded by Jones, to adopt **Resolution #2017-63** rescinding Resolution #2016-32, which approved Drinking Water SRF loan C462188-02 to the **city of Britton** up to a maximum committed amount of \$3,212,000. Motion carried unanimously.

HOVEN REQUEST TO RESCIND CONSOLIDATED WATER FACILITIES

CONSTRUCTION PROGRAM LOAN 2017L-204: Jon Peschong reported that in June 2016 Hoven was awarded a \$50,000 Consolidated loan for an expected funding shortfall on its South Dakota Highway 47 project. Hoven went to bid and bids came in below the projected cost of the project. Subsequently on March 30, 2017, the department received a letter from the city of Hoven declining the loan.

Staff recommended the board rescind Resolution #2016-62, which approved the Consolidated Water Facilities Construction Program loan.

Motion by Gnirk, seconded by Bernhard, to adopt **Resolution #2017-64** rescinding Resolution #2016-62, which awarded Consolidated Water Facilities Construction Program Loan 2017L-204 to the **city of Hoven** up to a maximum committed amount of \$50,000. Motion carried unanimously.

MIDWEST ASSISTANCE PROGRAM DRINKING WATER STATE REVOLVING FUND SET- ASIDE CONTRACT AND MIDWEST ASSISTANCE PROGRAM WASTEWATER CAPACITY CONTRACT:

Jon Peschong stated that the Board of Water and Natural Resources has a current contract with Midwest Assistance Program (MAP) to provide technical assistance and complete capacity assessment reviews for technical, financial and managerial capacity for drinking water applicants. During the first three quarters of state fiscal year 2017, MAP assisted 28 communities and provided over 562 hours of technical assistance and training for drinking water applicants. The current contract ends June 30, 2017, and MAP has requested a new contract at an increased hourly rate of \$75 per hour not to exceed 660 hours for a total contract

amount of \$49,500. Mr. Peschong noted that the last rate increase was in 2012 when the hourly rate went from \$65 to \$71.

Staff recommended the contracts be at the \$75 per hour rate.

Mr. Peschong stated that since MAP has submitted its proposal, staff has been working with them and the board's legal counsel to expand the work scope that MAP does to include capacity work for wastewater applicants.

Staff believes that a separate contract for wastewater applicants is needed to address financial and managerial capacities. This would involve finance officer training and possible board training. The need arises when the department receives a wastewater application but does not receive a drinking water application. Since the current contract is funded with federal funds from the Drinking Water Capitalization grant, it is specific for just drinking water capacity, and work specific for wastewater capacity is not allowed when staff believes the wastewater applicant needs financial or managerial assistance.

Staff recommended the board approve two separate contracts that begin on July 1, 2017, and go through June 30, 2018. The first contract will be funded with the federal Local Assistance 15 percent set-aside from the Drinking Water Capitalization grant for the drinking water capacity developments, which is what has been done in the past. The second contract will be funded by non-federal administrative loan fees from clean water loans for the wastewater capacity assistance contract, as Mr. Bruels discussed in his presentation to amend the Clean Water SRF Intended Use Plan.

Harrold Deering has noted that since the work is similar in nature, the combined contracts cannot exceed \$50,000 without going through the Request For Proposal (RFP) process. Mr. Peschong noted that staff still needs to discuss the timeline, but because of the increased work scope staff believes it would be beneficial to do a RFP, which will allow the board to approve a contract above the \$50,000 limit and extend the contract three years with an option to renew for an additional three years. Staff anticipates the RFP will be advertised either later this year or early next year.

Mr. Peschong stated that throughout this process staff has been in contact with MAP and has provided them with the draft contracts and revised work plans. MAP agrees with the changes and understands the need for the RFP process.

Staff recommended the board approve a resolution authorizing the chairman to sign a contract with Midwest Assistance Program to provide technical assistance and complete capacity assessments to improve technical, financial, or managerial capacity for drinking water systems in South Dakota at a rate of \$75.00 per hour not to exceed 600 hours for a total contract amount of \$45,000.

Motion by Gnirk, seconded by Jones, to adopt **Resolution #2017-65** approving a consulting contract with **Midwest Assistance Program** not to exceed \$45,000 to provide Drinking Water SRF local assistance set-aside services. Motion carried unanimously.

Staff recommended the board approve a resolution authorizing the chairman to sign a contract with Midwest Assistance Program to provide technical assistance to improve financial and managerial capacity of wastewater systems in South Dakota at a rate of \$75.00 per hour not to exceed 60 hours for a total contract \$4,500.

Motion by Gnirk, seconded by Lanning, to adopt **Resolution #2017-66** approving a consulting Contract with **Midwest Assistance Program** not to exceed \$4,500 to provide wastewater capacity assessment. Motion carried unanimously.

PERKINS COIE LLP CONFLICT WAIVER REQUEST FOR SIMULTANEOUS REPRESENTATION OF SOUTH DAKOTA CONSERVANCY DISTRICT AND U.S. BANK

N.A.: Mike Perkovich reported that Bruce Bonjour, Perkins Coie, has served as bond counsel for the Clean Water State Revolving Fund program since 1993 and the Drinking Water SRF program since 1997. Perkins Coie currently has a contract with the Conservancy District to serve as bond counsel for the SRF programs through December 31, 2018.

Effective April 24, 2017, U.S. Bank N.A succeeded The First National Bank in Sioux Falls as Trustee, Loan Servicer, and Paying Agent/Registrar for the SRF programs.

Bruce Bonjour submitted a letter requesting the state and the Conservancy District sign a waiver of a conflict of interest that will allow Mr. Bonjour to continue to represent the Conservancy District even though his firm has represented, and is currently representing, US Bank with respect to a variety of unrelated work, including financing and lending transaction matters.

Mr. Perkovich stated that because there is a theoretical conflict, the Conservancy District needs to waive the conflict in order to proceed. Additionally, the legal services contract requires consent of the Attorney General.

Mr. Bonjour stated in his letter that he does not believe the work his firm does for U.S. Bank N.A. will adversely affect the work he does for the Conservancy District. The Conservancy District's legal counsel, Mr. Harold Deering, agrees with the conclusion of no adverse effect. Attorney General Marty Jackley has signed the waiver on behalf of the State of South Dakota.

Staff recommended the board authorize the chairman to execute the Perkins Coie LLP Conflict Waiver Request for Simultaneous Representation of the South Dakota Conservancy District and U.S. Bank N.A.

Motion by Bernhard, seconded by Jones, to authorize the chairman to execute the Perkins Coie LLP conflict waiver request for simultaneous representation of the South Dakota Conservancy District and U.S. Bank N.A. Motion carried unanimously.

PERKINS COIE LLP CONFLICT WAIVER REQUEST FOR SIMULTANEOUS REPRESENTATION OF SOUTH DAKOTA CONSERVANCY DISTRICT AND WELLS

FARGO BANK, N.A.: Bruce Bonjour, Perkins Coie, has served as bond counsel for the Clean Water State Revolving Fund program since 1993 and the Drinking Water SRF program since 1997. Perkins Coie currently has a contract with the Conservancy District to serve as bond counsel for the State Revolving Fund programs through December 31, 2018.

Wells Fargo Bank is under contract with South Dakota Conservancy District for underwriting services related to the issuance of bonds.

Bruce Bonjour submitted a letter requesting the state and the Conservancy District to sign a waiver of a conflict of interest that will allow Mr. Bonjour to continue to represent the Conservancy District even though his firm has represented, and is currently representing, Wells Fargo Bank with respect to a variety of unrelated work, including financing and lending transaction matters.

Because there is a theoretical conflict, the Conservancy District needs to waive the conflict in order to proceed. Additionally, the legal services contract requires consent of the Attorney General.

Mr. Bonjour stated in his letter that he does not believe the work his firm does for Wells Fargo will adversely affect the work he does for the Conservancy District. The Conservancy District's legal counsel, Mr. Harold Deering, agrees with the conclusion of no adverse effect. Attorney General Marty Jackley has signed the waiver on behalf of the State of South Dakota.

Staff recommended the board authorize the chairman to execute the Perkins Coie LLP Conflict Waiver Request for Simultaneous Representation of the South Dakota Conservancy District and Wells Fargo Bank N.A.

Motion by Bernhard, seconded by Lanning, to authorize the chairman to execute the Perkins Coie LLP conflict waiver request for simultaneous representation of the South Dakota Conservancy District and Wells Fargo Bank N.A. Motion carried unanimously.

2017 BOND ISSUE: Mr. Perkovich reported that staff has been in contact with the Trustee, financial advisor, Wells Fargo, and JP Morgan, regarding an upcoming bond issue. The bond issue will be approximately \$68,500,000, subject to change, as time goes on. There will be two series. There will be a taxable series for the state match, which will have a five-year term with \$6,500,000 for the Clean Water SRF program and \$8,500,000 for the Drinking Water SRF program. The taxable series is done primarily because of the Tax Increase Prevention and Reconciliation Act that requires the state to spend 30 percent of tax-exempt bond proceeds in one year and 95 percent of it in three years. Getting the state match spent at that pace can be difficult and the spend-down requirements do not apply to taxable series.

There will be a tax-exempt series for leveraged funds which will be on a 20-year term. It is expected that about \$43,500,000 will be for the Clean Water SRF program and \$11,000,000 for the Drinking Water SRF program. There are discussions regarding refunding some prior year's bond issues. The underwriter and the district's financial advisor will determine if the refunding provides any savings. If some prior year's bond issues are refunded, that \$68,500,000 will increase.

Wells Fargo is acting as the lead underwriter and JP Morgan is the co-underwriter.

In 2014, the district issued a Request For Proposals for underwriter services. The current underwriters' contracts had a three-year contract period that runs through December of this year.

It is anticipated that this issue will get done in late July or early August. Because that does not coincide with any of the regular board meetings, there will be several special board meetings. Perkins Coie was requested to submit a fee proposal for their services on this bond issue. That has been received and will have to be acted upon sometime in the future.

Mr. Perkovich answered questions from the board.

SIoux FALLS REQUEST TO AMEND CLEAN WATER STATE REVOLVING FUND LOAN C461232-35A, C461232-35NPS, C461232-36A, C461232-36NPS, C461232- 37, C461232-37NPS: Dave Ruhnke stated that the city of Sioux Falls has requested that the board approve an amendment to CW-35, CW-36, and CW-37 loans, which will change the scheduled repayments.

The city of Sioux Falls currently has 12 Clean Water State Revolving Fund loans in repayment. The repayment schedules for these loans require quarterly payments in January, April, July, and October. The city has three additional loans (CW-35, CW-36, and CW-37) that are not yet in repayment. These loans are scheduled to have quarterly repayments in February, May, August, and November. Sioux Falls has requested that the Board approve an amendment to CW-35, CW-36, and CW-37 loans changing the scheduled repayments to correspond with the repayment schedule of the 12 loans currently in repayment.

Staff recommended the board approve Sioux Falls' request to amend the CW-35, CW-36, and CW-37 loan agreements to provide quarterly loan payments in January, April, July, and October.

Motion by Lanning, seconded by Bernhard, to adopt **Resolution #2017-67** approving amendments to the **city of Sioux Falls'** CW-35, CW-36, and CW-37 loan agreements to provide quarterly loan payments in January, April, July, and October, and authorizing the board chairman to execute the amendments. Motion carried unanimously.

PIPE LINING VIDEO: Andy Bruels presented two videos demonstrating pipe lining for sanitary sewer and waterlines.

The videos can be found at the following links:
<https://www.youtube.com/watch?v=0DNC50Y0T8A>
<https://www.youtube.com/watch?v=I9CUcF-r6Us>.

Mr. Bruels, Mr. Perkovich, Brandon Smid, Helms and Associates, and Dustin Dale, AE2S, answered questions from the board.

ELECTION OF BOARD OFFICERS: Dr. Gnirk nominated Brad Johnson as chair, Gene Jones as vice chair, and Todd Bernhard as secretary.

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

SEPTEMBER 2017 MEETING: Mr. Perkovich stated that the September 28-29, 2017, board meeting will be held in Vermillion. On September 28, a tour of the area will take place and the business meeting will be held via the Digital Dakota Network on September 29. Jay Gilbertson discussed possible sites to tour, and Mr. Perkovich discussed agenda items.

BREAK: Chairman Johnson called a recess for lunch. He called the meeting back to order at 1:00 p.m. Central Time.

AVAILABLE FUNDING: Mr. Perkovich provided a summary of available funds for the Consolidated Water Facilities Construction Program, Drinking Water SRF Principal Forgiveness, Drinking Water SRF loans, Clean Water SRF Water Quality Grants, Clean Water SRF Principal Forgiveness, and Clean Water SRF loans.

SANITARY/STORM SEWER FACILITIES FUNDING APPLICATIONS: Mr. Perkovich presented the Sanitary/Storm Sewer Facilities funding applications and the staff recommendations for funding. The projects were presented in priority points order as identified in the Clean Water SRF IUP. A map showing the location of the applications was included in the board packet.

Blunt requested funding to refurbish its three-cell wastewater lagoon treatment system and rehabilitation of both lift stations. The lagoon system is experiencing odor issues, and the city has been receiving complaints about leakage from the lagoons. The city anticipates bidding the project this year with a project completion date in 2018.

The estimated total project cost is \$1,210,000, and the amount requested is \$1,210,000.

Blunt raised rates from a flat rate of \$23.00 to \$30.00, effective January 1, 2017.

The city received a \$500,000 Community Development Block Grant for construction activities.

Staff recommended awarding a \$710,000 Clean Water SRF loan at 2.5 percent interest for 30 years.

The city has pledged a project surcharge for repayment of the loan. A surcharge of \$21.95 is needed for repayment of the loan; however staff analysis indicates that the current rate of \$30.00 can be restructured to cover the debt service and operating expenses with no increase needed.

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

Dawn Tassler, Blunt city council, and Chancy Schrake, Brosz Engineering, discussed the project and answered questions from the board.

Motion by Gnirk, seconded by Bernhard, to adopt **Resolution #2017-68** approving a Clean Water State Revolving Fund loan up to a maximum committed amount of \$710,000 at 2.5 percent interest for 30 years to the **city of Blunt** for a wastewater 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.

Volga requested funding to implement phase 1 of a two-phase project to make improvements to its wastewater treatment process. The wastewater treatment system has had BOD₅ and Total Coliform permit violations in the past and is near being hydraulically overloaded. phase 1 involves improvements to the blower building to include installing new blowers, a new pretreatment building to house a mechanical bar screen system with a washer, compactor, and screenings conveyor, and the installation of an ultra-violet disinfection system. The city anticipates bidding the project in December 2017 with a project completion date of June 2019.

The total project cost is \$2,819,600, and the amount requested is \$2,819,600.

Rates in Volga are \$19.63 per month based on 5,000 gallons usage.

Staff recommended awarding a \$2,819,000 Clean Water SRF loan at 2.25 percent interest for 20 years.

The city is pledging a project surcharge for repayment of the loan. Staff analysis indicates that a surcharge of \$18.00 is required to provide the necessary coverage, bringing overall rates to \$37.63.

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

Jameson Berreth, city administrator, and Mayor Randy Santema, discussed the project and answered questions from the board.

Motion by Jones, seconded by Lanning, to adopt **Resolution #2017-69** approving a Clean Water State Revolving Fund loan up to a maximum committed amount of \$2,819,000 at 2.25 percent interest for 20 years to the **city of Volga** for a wastewater treatment facilities 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.

Eagle Butte requested additional funds for a sewer line replacement project that began in 2015 and has been delayed due to conflicts between the city and the Cheyenne River Sioux Tribe. Additional funds are needed to cover cost over-runs and legal expenses. A \$2,410,000 Clean Water SRF loan with \$436,500 principal forgiveness (18.2 percent) was awarded previously for this project. Work is scheduled to commence this summer and be completed by year's end.

The estimated total project cost is \$3,080,000, and the additional amount requested is \$670,000.

Eagle Butte has a \$30.85 flat rate, which includes the surcharge for the previous loan.

Staff recommended awarding a \$670,000 Clean Water SRF loan at 2.5 percent interest for 30 years.

Eagle Butte has pledged a project surcharge for repayment of the loan. The surcharge required on the loan is \$2.50, which brings overall rates to \$33.35.

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

Mr. Perkovich and Emeline Hoblick, Central South Dakota Enhancement District, answered questions from the board.

Motion by Gnirk, seconded by Bernhard, to adopt **Resolution #2017-70** approving a Clean Water State Revolving Fund loan up to a maximum committed amount of \$670,000 at 2.5 percent interest for 30 years to the **city of Eagle Butte** for sanitary and storm sewer improvements; and authorizing the execution of the loan agreement, the acceptance of the Local Obligation, the assignment of the Local Obligation to the Trustee, and the execution and delivery of such other documents and the performance of all acts necessary to effectuate the loan approved in accordance with all terms as set forth in the Indenture of Trust, contingent upon the borrower adopting a bond resolution and the resolution becoming effective and contingent upon the borrower establishing a surcharge at a level sufficient to provide the required debt coverage. Motion carried unanimously.

Garretson requested funding to replace sanitary sewer lines on 3rd Street, Main Avenue, and the Truck Route. Garretson plans to bid this project in August 2017 with construction completed in November 2018.

The estimated total project cost is \$1,160,304, and the amount requested is \$1,160,304.

Rates in Garretson are \$30.00 based on 5,000 gallons usage.

Staff recommended awarding a \$1,160,000 Clean Water SRF loan at 2.5 percent interest for 30 years.

The city is pledging a project surcharge for repayment of the loan. A surcharge of \$10.50 is required to provide the necessary coverage; however, staff analysis indicates that the current rate of \$30.00 can be restructured so that total rates of about \$35.00 per month will cover the debt service and operating expenses.

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

Craig Nussbaum, utilities superintendent, discussed the project and answered questions from the board.

Motion by Gnirk, seconded by Jones, to adopt **Resolution #2017-71** approving a Clean Water State Revolving Fund loan up to a maximum committed amount of \$1,160,000 at 2.5 percent interest for 30 years to the **city of Garretson** for a sewer 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.

Lennox requested funding to replace approximately 4,900 feet of aging sanitary sewer and construct nearly 4,200 feet of storm sewer in the central part of the city.

The estimated total project cost is \$3,766,000, and the amount requested is \$3,766,000.

Rates in Lennox are \$46.79 per month based on 5,000 gallons usage.

Staff recommended awarding a \$1,496,000 Clean Water SRF loan at 2.5 percent interest for 30 years, award a Consolidated grant for 53.2 percent of eligible costs not to exceed \$2,000,000, and award a Water Quality grant for 7.2 percent of eligible costs not to exceed \$270,000.

The city has pledged a project surcharge for repayment the loan. A surcharge of \$6.30 is required to provide the necessary coverage. Staff analysis indicates that not much relief can be realized by restructuring rates; therefore, overall rates in Lennox will be \$53.09.

Mr. Perkovich noted that the \$2,000,000 Consolidated grant is the maximum amount allowable without legislative approval, and the Water Quality grant award leaves all but a few hundred dollars remaining.

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

Staff also recommended the following Special Condition to the Consolidated and Water Quality Grants: Grant Funds will be drawn concurrently with the Clean Water State Revolving Fund loan awarded for this project.

Amanda Anglin, city administrator, and Jerry Jones, finance officer, discussed the project and answered questions from the board.

Motion by Bernhard, seconded by Gnirk, to adopt **Resolution #2017-72** approving the Clean Water State Revolving Fund loan up to a maximum committed amount of \$1,496,000 at 2.5 percent interest for 30 years to the **city of Lennox** for central basin improvements phases 2&3; 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; to adopt **Resolution #2017-73** approving the South Dakota Consolidated Water Facilities Construction Program grant agreement between the Board of Water and Natural Resources and the **city of Lennox** for up to 53.2 percent of eligible costs not to exceed \$2,000,000 for central basin improvements phases 2&3, with the special condition that grant funds for reimbursement of project costs must be drawn concurrently with the Clean Water SRF loan funds; and to adopt **Resolution #2017-74** approving the Clean Water State Revolving Fund Program Water Quality grant agreement between the Board of Water and Natural Resources and the **city of Lennox** for up to 7.2 percent of eligible costs not to exceed \$270,000 for central basin improvements phases 2&3, with the special condition that grant funds for reimbursement of project costs must be drawn concurrently with the Clean Water SRF loan funds. Motion carried unanimously.

Parker requested funding to replace several blocks of clay sewer lines with PVC pipes beneath Sanborn Street. The city anticipates bidding the project in February 2018 with a project completion date of September 2018.

The estimated total project cost is \$731,000, and the amount requested is \$731,000.

Rates in Parker are \$34.59 per month based on 5,000 gallons usage.

Staff recommended awarding a \$731,000 Clean Water SRF loan at 2.5 percent interest for 30 years.

The city has pledged a project surcharge for repayment of the loan. A surcharge of \$6.60 is required to provide the necessary coverage, bringing overall rates to \$41.19.

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

Gregg Jorgenson, Banner Associates, answered questions from the board.

Motion by Jones, seconded by Lanning, to adopt **Resolution #2017-75** approving a Clean Water State Revolving Fund loan up to a maximum committed amount of \$731,000 at 2.5 percent interest for 30 years to the **city of Parker** for a phase 5 utility 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.

Platte requested funding to rehabilitate 17,500 feet of clay sewer lines ranging from 8 to 15 inches using cast in place pipe methods, replace approximately 500 feet of 8-inch line, and rehabilitate 26 manholes. Platte anticipates bidding the project in fall 2017 with a project completion date of June 2018.

The estimated total project cost is \$2,300,000, and the amount requested is \$2,300,000.

Rates in Platte are \$37.00 per month based on 5,000 gallons usage.

Staff recommended awarding a \$2,300,000 Clean Water SRF loan at 2.5 percent interest for 30 years.

The city has pledged a project surcharge for repayment of the loan. A surcharge of \$15.25 is required to provide the necessary coverage. Staff analysis indicates Platte can restructure its rates to provide the surcharge and keep rates at or below \$40.00.

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

Shauna Meyerink, finance officer, and Mayor Steve Christensen, discussed the project and answered questions from the board.

Motion by Gnirk, seconded by Bernhard, to adopt **Resolution #2017-76** approving a Clean Water State Revolving Fund loan up to a maximum committed amount of \$2,300,000 at 2.5 percent interest for 30 years to the **city of Platte** 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.

Hartford requested funding for the sanitary sewer portion of a project to accommodate growth in the southeast portion of the city. The project involves installing sewer and storm sewer lines,

a new lift station, and force main. Hartford anticipates bidding the project in January 2018 with a project completion date of November 2018.

The estimated total project cost is \$6.5 million and the amount requested is \$1,482,000. The total project amount includes ineligible road construction and drainage work.

Rates in Hartford are \$41.90 per month based on 5,000 gallons usage.

Staff recommended awarding a \$1,482,000 Clean Water SRF loan at 2.5 percent interest for 30 years.

The city has pledged system revenues for repayment of the loan. Staff analysis indicates that the existing rates provide 249 percent coverage, so no rate increase would be needed.

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

Teresa Sidel, city administrator, discussed the project and answered questions from the board.

Motion by Gnirk, seconded by Jones, to adopt **Resolution #2017-77** approving a Clean Water State Revolving Fund loan up to a maximum committed amount of \$1,482,000 at 2.5 percent interest for 30 years to the **city of Hartford** for a sanitary sewer 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.

Veblen requested funding to make improvements to its wastewater collection and treatment systems. Collection improvements involve cleaning and televising lines to determine which can be lined and which must be replaced and proceeding accordingly and replacing a lift station lid. Improvements at the wastewater treatment facility involve placing riprap on the stabilization pond berms and making improvement to the access road. The city anticipates bidding the project in September 2017 with a project completion date of July 2018.

The estimated total project cost is \$2,137,000, and the amount requested is \$2,137,000.

As of January 1, 2017, rates in Veblen were raised from an \$18.00 per month flat fee to a \$30.00 per month flat fee.

Veblen has received a \$750,000 Community Development Block Grant for construction activities.

Staff recommended awarding a \$1,387,000 Clean Water SRF loan at 2.5 percent interest for 30 years.

The city has pledged a project surcharge for repayment of the loan. A surcharge of \$35.30 is required to provide the necessary coverage. Staff analysis indicates that rates of \$44.00 will cover the debt service and operating expenses, and still allow the wastewater utility to provide approximately \$12,500 per year for repair and replacement expenses.

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

Brandon Smid, Helms and Associates, discussed the project and answered questions from the board.

Motion by Lanning, seconded by Bernhard, to adopt **Resolution #2017-78** approving a Clean Water State Revolving Fund loan up to a maximum committed amount of \$1,387,000 at 2.5 percent interest for 30 years to the **city of Veblen** for a wastewater 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.

DRINKING WATER FACILITIES FUNDING APPLICATIONS: Andy Bruels presented the applications and the staff recommendations for funding. The projects were presented in priority points order as identified in the Drinking Water SRF IUP. A map showing the location of the applications was included in the board packet.

Edgemont requested funding to develop a water well and abandon an existing well. The city plans to bid the project in July 2017 with construction completed in October 2017.

The estimated total project cost is \$4,337,000, and the amount requested is \$447,000.

Rates in Edgemont are \$59.30 per 5,000 gallons based on usage.

Edgemont originally received funding to rehabilitate the existing well, but rehabilitation was found to be an unviable option, and there was not enough money in the previously awarded funding package to develop another water source. The funding package for the original project consisted of a \$1,890,000 Drinking Water SRF loan with \$1,206,890 principal forgiveness and a \$2,000,000 Consolidated grant, which amounts to 82 percent subsidy.

Staff recommended awarding a \$447,000 Drinking Water SRF loan at 0 percent interest for 30 years with 35.2 percent as principal forgiveness not to exceed \$157,000.

The city is pledging a project surcharge for repayment of the project. Staff analysis indicates a surcharge of \$2.25 is needed to provide the required 110 percent coverage. Included in the city's current rate is a \$10.00 repair and replacement fee. If Edgemont uses \$2.25 of this fee to cover

the surcharge, \$7.75 will still be available to put in the repair and replacement fund. The \$7.75 monthly fee will generate nearly \$37,300 per year with the current number of users.

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

Mayor Jerry Dibble and Dustin Dale, AE2S, discussed the project and answered questions from the board.

Motion by Gnirk, seconded by Bernhard, to adopt **Resolution #2017-79** approving a Drinking Water State Revolving Fund loan up to a maximum committed amount of \$447,000 at 0 percent interest for 30 years with up to 35.2 percent principal forgiveness not to exceed \$157,000 to the **city of Edgemont** to develop a new water well and abandon an existing well; 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.

Langford requested funding to construct a 75,000-gallon elevated storage tank and a pump house building to house a 4,000-gallon ground storage tank along with pumps and controls to supply the elevated tank. The project also involves replacing approximately 4,200 feet of 4-inch asbestos cement water main with 6-inch PVC main. All of the town's water meters will also be replaced with new radio read meters. The town anticipates bidding a portion of the project in 2017 with a project completion date of 2018.

The estimated total project cost is \$1,921,000, and the amount requested is \$1,921,000.

Rates in Langford are \$48.00 per 5,000 gallons based on usage.

Langford was awarded a \$550,000 CDBG grant, which lowers the amount of funds needed to complete the project.

Staff recommended awarding a \$386,000 Drinking Water SRF loan at 0 percent interest for 30 years and a Consolidated grant for up to 51.3 percent of the total project cost not to exceed \$985,000.

Langford has pledged a project surcharge for repayment of the loan. With the CDBG funds already provided, this funding package would provide an overall grant percentage of 78 percent. Staff analysis indicates that a surcharge of \$6.00 per user would be needed to provide 110 percent coverage.

Staff believes the current \$48.00 rate could be restructured and will cover the debt service and operating expenses while still allowing the water utility to provide approximately \$14,000 per year for repair and replacement expenses.

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

Staff also recommended the following Special Condition to the Consolidated grant: Grant funds for reimbursement of project costs must be drawn concurrently with the Drinking Water SRF loan funds.

Blair Healy, utilities manager, and Gabe Laber, DGR Engineering, discussed the project and answered questions from the board.

Motion by Lanning, seconded by Bernhard, to adopt **Resolution #2017-80** approving a Drinking Water State Revolving Fund loan up to a maximum committed amount of \$386,000 at 0 percent interest for 30 years to the **town of Langford** for drinking water improvements; and authorizing the execution of the loan agreement, the acceptance of the Local Obligation, the assignment of the Local Obligation to the Trustee, and the execution and delivery of such other documents and the performance of all acts necessary to effectuate the loan approved in accordance with all terms as set forth in the Indenture of Trust, contingent upon the borrower adopting a bond resolution and the resolution becoming effective and contingent upon the borrower establishing a surcharge at a level sufficient to provide the required debt coverage; and to adopt **Resolution #2017-81** approving the South Dakota Consolidated Water Facilities Construction Program grant agreement between the Board of Water and Natural Resources and the **town of Langford** for up to 51.3 percent of approved total project costs not to exceed \$985,000 for drinking water improvements with the special condition that grant funds for reimbursement of project costs must be drawn concurrently with the Drinking Water SRF loan funds. Motion carried with Bernhard, Gnirk, Lanning, and Johnson voting aye. Jones abstained.

Garretson requested funding to replace water main on 3rd Street, Main Avenue, and the Truck Route. There have been reports of deficiencies in the water system including low water pressure, and rusty water affecting in-house filters. Approximately 6,000 feet of 4-inch cast iron pipe will be replaced with 6-inch PVC pipe. The project will be done in conjunction with sanitary sewer replacement project. The city plans to bid the project in August 2017 with construction completed in November 2018.

The estimated total project cost is \$1,279,114, and the amount requested is \$1,279,114.

Rates in Garretson are \$40.00 per 5,000 gallons based on usage.

Staff recommended awarding a \$639,500 Drinking Water SRF loan at 2.5 percent interest for 30 years and awarding a Consolidated grant at 50 percent of the total project cost not to exceed \$639,500.

The city has pledged a project surcharge for repayment of the loan. The surcharge required on the loan is \$5.45, which brings overall rates to \$45.45 per 5,000 gallons.

Staff recommended the loan being contingent upon the borrower adopting a bond resolution and the resolution becoming effective, contingent upon the borrower establishing a surcharge at a level sufficient to provide the required debt coverage, and contingent upon the borrower demonstrating adequate technical, managerial and financial capacity.

Staff also recommended the following Special Condition on the Consolidated grant: Grant funds for reimbursement of project costs must be drawn concurrently with the Drinking Water SRF loan funds.

Anna Uhl, finance officer, and Craig Nussbaum, utilities superintendent, discussed the project and answered question from the board.

Motion by Jones, seconded by Lanning, to adopt **Resolution #2017-82** approving a Drinking Water State Revolving Fund loan up to a maximum committed amount of \$639,500 at 2.5 percent interest for 30 years to the **city of Garretson** for a water main 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, contingent upon the borrower establishing a surcharge at a level sufficient to provide the required debt coverage, and contingent upon the borrower demonstrating financial, managerial, and technical capacity; and to adopt **Resolution #2017-83** approving the South Dakota Consolidated Water Facilities Construction Program grant agreement between the Board of Water and Natural Resources and the **city of Garretson** for up to 50 percent of approved total project costs not to exceed \$639,500 for a water main replacement project with the special condition that grant funds for reimbursement of project costs must be drawn concurrently with the Drinking Water SRF loan funds. Motion carried unanimously.

Lennox requested funding to replace, extend, and loop 2,400 feet of water main in the central part of the city. The project will be done in conjunction with sanitary sewer replacement project. The city anticipates bidding the project in December 2017 with a project completion date of October 2018.

The estimated total project cost is \$912,000, and the amount requested is \$912,000.

Rates in Lennox are \$49.00 per 5,000 gallons based on usage.

Staff recommended awarding a \$912,000 Drinking Water SRF loan at 2.25 percent interest for 30 years.

The city has pledged a project surcharge for repayment of the loan. Staff analysis indicates a surcharge of \$3.75 is needed to provide the required coverage, which would bring overall rates to \$52.75. Staff believes that Lennox will have capacity for the loan repayment within its existing rate structure because of a recent switch in water department operations. For the first few years Lennox received water from Lewis and Clark RWS, the city used only the minimum 25 percent of its Lewis and Clark allocation and used its wells and treatment plant to make up the

difference. Over a year ago, Lennox discontinued using its wells and treatment plant and now receives 100 percent of its water from Lewis and Clark. After one year of this arrangement, the Lennox utility manager noted a savings of \$130,000. Since the city needs to generate \$46,100 per year for repayment of the loan, the rates can be restructured, and no increase is necessary.

Staff recommended the award being contingent upon the borrower adopting a bond resolution and the resolution becoming effective, contingent upon the borrower establishing a surcharge at a level sufficient to provide the required debt coverage, and contingent upon the borrower demonstrating adequate technical, managerial and financial capacity.

Amanda Anglin, city administrator, and Jerry Jones, finance officer, discussed the project and answered questions from the board.

Motion by Bernhard, seconded by Gnirk, to adopt **Resolution #2017-84** approving a Drinking Water State Revolving Fund loan up to a maximum committed amount of \$912,000 at 2.25 percent interest for 30 years to the **city of Lennox** for central basin improvements phases 2 and 3; and authorizing the execution of the loan agreement, the acceptance of the Local Obligation, the assignment of the Local Obligation to the Trustee, and the execution and delivery of such other documents and the performance of all acts necessary to effectuate the loan approved in accordance with all terms as set forth in the Indenture of Trust, contingent upon the borrower adopting a bond resolution and the resolution becoming effective, contingent upon the borrower establishing a surcharge at a level sufficient to provide the required debt coverage, and contingent upon the borrower demonstrating financial, managerial, and technical capacity. Motion carried unanimously.

Parker requested funding to begin phase 5 of its utility improvements project. This project includes replacement of approximately 3,600 feet of aging water main on Sanborn Street. The project will also include minor piping and valve modifications in the vicinity of the new water tower. The project will be done in conjunction with sanitary sewer replacement project. The city anticipates bidding the project in February 2018 with a project completion date of September 2018.

The estimated total project cost is \$697,000, and the amount requested is \$697,000.

Parker's rates are \$54.18 per 5,000 gallons based on usage.

Staff recommended awarding a \$697,000 Drinking Water SRF loan at 2.25 percent interest for 30 years.

The city has pledged a project surcharge for repayment of the loan. The surcharge needed for repayment of the loan is \$5.85. Staff analysis indicates that Parker can restructure its rates and establish the surcharge with no rate increase. The water fund has been making about \$100,000 per year. Annual debt service on the loan would be approximately \$32,000.

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

level sufficient to provide the required debt coverage, and contingent upon the borrower demonstrating adequate technical, managerial and financial capacity.

Gregg Jorgenson, Banner Associates, discussed the project and answered questions from the board.

Motion by Lanning, seconded by Jones, to adopt **Resolution #2017-85** approving a Drinking Water State Revolving Fund loan up to a maximum committed amount of \$697,000 at 2.25 percent interest for 30 years to the **city of Parker** for utility improvements phase 5; 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, and contingent upon the borrower demonstrating financial, managerial, and technical capacity. Motion carried unanimously.

EAGLE BUTTE REQUEST TO AMEND DRINKING WATER STATE REVOLVING FUND LOAN C462148-03: In March 2013 Eagle Butte was awarded the Drinking Water SRF 03 loan for \$490,000 with 80 percent principal forgiveness to replace water lines on Willow Street. The project did not proceed due to legal issues regarding the ownership of Willow Street.

At the request of the city, the Board of Water and Natural Resources reduced the amount of the loan from \$490,000 to \$250,000 with 80 percent principal forgiveness not to exceed \$200,000. The project description was changed to match the Drinking Water 02 and 04 loan descriptions to allow the loan to be used for another drinking water line replacement project. The 03 loan has not yet been closed.

The city submitted a letter in April 2017 requesting that the loan amount be increased from \$250,000 to \$520,000. The additional funds are needed to cover cost over-runs and legal expenses. The city has completed a significant portion of the project; however, due to legal issues, the project did not proceed during the 2016 construction season. The city is hopeful that construction can be completed on the already started projects yet this year.

The estimated total project cost is \$2,489,000, and the amount requested is \$270,000, making the DW-03 loan total \$520,000.

Rates in Eagle Butte are \$41.40 per 5,000 gallons based on usage.

Eagle Butte has already received two Drinking Water SRF loans for this project – one for \$1,244,000 with \$995,000 principal forgiveness (80 percent); another for \$725,000 with \$362,500 principal forgiveness (50 percent). Additionally, Eagle Butte received a \$588,581 loan with \$470,864 principal forgiveness (80 percent) for a water meter project. Based on the current loan amounts and subsidy amounts for all four drinking water loans Eagle Butte has received subsidy of 72 percent.

Staff recommended the board rescind Resolution #2015-67, which reduced the Drinking Water SRF 03 loan from \$490,000 to \$250,000, and approve a new resolution to increase the loan amount from \$250,000 to \$520,000 at 0 percent interest for 30 years with 38.5 percent principal forgiveness not to exceed \$200,000, and retain the amended project description.

Eagle Butte has pledged a project surcharge for repayment of the loan. The surcharge required on the \$320,000 net loan amount is \$1.10. This would bring total rates to \$42.50. If approved by the board, the overall subsidy from the Board of Water and Natural Resources for all of the city's water projects will be nearly 66 percent.

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

Emeline Hoblick, Central South Dakota Enhancement District, answered questions from the board.

Motion by Gnirk, seconded by Bernhard, to rescind Resolution #2015-67, and to adopt **Resolution #2017-86** approving a Drinking Water State Revolving Fund loan up to a maximum committed amount of \$520,000 at 0 percent interest for 30 years with up to 38.5 percent principal forgiveness not to exceed \$200,000 to the **city of Eagle Butte** for water distribution 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.

Mr. Bruels provided an update on available funds.

REVISION TO STATE BOARDS AND COMMISSIONS CONFLICT OF INTEREST

STATUTES: The 2017 Legislature enacted HB 1170 which amended the 2016 conflict of interest laws (HB 1214) applicable to members of the Board of Water and Natural Resources. The amendments are effective July 1, 2017.

Harold Deering explained the revisions to the law. Under the amended law, current and certain former members of the board cannot have an interest in certain contracts, without disclosure of the interest, and may not receive a direct benefit from certain contracts without a waiver from the board.

Mr. Deering answered questions from the board.

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

Approved this 29th day of September, 2017.

(SEAL)

Chairman, Board of Water and Natural Resources

ATTEST:

Secretary, Board of Water and Natural Resources

DRAFT

BOARD OF WATER AND NATURAL RESOURCES
ATTENDANCE SHEET

DATE June 22, 2017

LOCATION Matthew Training Center, Pierre, SD

Name (PLEASE PRINT)	Address	Representing
PAUL GNIRK	NEW UNDERWOOD	BWNR
Dustin Dale	RAPID CITY	EDGEMONT / AERS
JACKIE LANNING	BROOKINGS	BWNR
Gene Jones Jr.	SF	BWNR
J & S "Jim" Remon	ARMOUR	SCWOOD
Brad Johnson	WATERLOO	BWNR
Jon Peschong	PIERRE	DENR
TED HAESEL	WATERTOWN	FIRST DISTRICT
James Feeney	PIERRE	DENR
Andy Bruels	PIERRE	DENR
David Ruhnke	PIERRE	DENR
Mike Perkovich	PIERRE	DENR
Jay Gilbertson	BROOKINGS	First District WND
Jim Anderson	PIERRE	DENR
Brandon Smit	ABERDEEN	Helms + Associates
Mary Duvall	PIERRE	Legislative Oversight
Drew Haisten	PIERRE	DENR
Jameson Berreth	VOLGA	Volga
Randy Sentens	VOLGA	Volga
Gregg Torgenson	BROOKINGS	Banner Assoc.
Harold Deering	BROOKINGS	DEWE

BOARD OF WATER AND NATURAL RESOURCES
ATTENDANCE SHEET

DATE 6-22-17 LOCATION Matthew Training Center, Pierre

Name (PLEASE PRINT)	Address	Representing
Amanda Anglen	Lennox SD	City of Lennox
Jerry Jones	Lennox SD	City of Lennox
Teresa Sidel	Hartford, SD	City of Hartford
Jerry Dibble	Edgemont SD	
Jennifer Sietsema	Aberdeen SD	NECOG
Blair Healy	Langford	City of Langford
Anna Wni	GARRETSON, SD	City of Garretson
Craig Nussbaum	Garretson SD	City of Garretson
Gabe Labor	Sioux Falls	DGR
Emeline Hobbick	Pierre, SD	CSDCD
Dawn Tassler	Blunt, SD	City of Blunt
Chancy Snake	Pierre SD	Brosz Engineering
Chris Van Sledzen	Pierre, SD	Brosz Engineering
TODD BERNHARD	FORT PIERRE, SD	BWNR
Shauna Meyerink	Platte, SD	City of Platte
Steve Christensen	Platte, SD	City of Platte
Jarrod Lang	Platte, SD	City of Platte
Debra Woodward	Edgemont	City of Edgemont

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

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

July 10, 2017
11:00 a.m. CDT

CALL TO ORDER: The meeting was called to order by Chairman Brad Johnson. The roll was called and a quorum of the board was present.

BOARD MEMBERS PRESENT: Brad Johnson, Gene Jones, Jr., Todd Bernhard, Dr. Paul Gnirk, Jerry Soholt, Paul Goldhammer, and Jackie Lanning (joined the conference call at 11:30 a.m.)

BOARD MEMBERS ABSENT: None.

OTHERS: Harold Deering, Special Assistant Attorney General, Katie Mallory, Assistant Attorney General, Mike Perkovich, Dave Ruhnke, Jon Peschong, and Lukus Leidholdt.

APPROVE AGENDA: Chairman Johnson noted that Item #3, Conflict of Interest Disclosures, would be heard after Item #6. He approved the agenda.

AMENDMENT TO THE DRINKING WATER SRF 2017 INTENDED USE PLAN: Mike Perkovich reported that the FY 2017 Drinking Water State Revolving Fund Intended Use Plan (IUP) was approved by the Board of Water and Natural Resources in November 2016 and amended in March and June 2017.

On December 16, 2016, the President signed the Water Infrastructure Improvements for the Nation (WIIN) Act of 2017. As a result of this act, states are now allowed to use three options when calculating the amount of funds from the Drinking Water SRF Capitalization grants that can be used for program administration. These options were not included in the 2017 IUP and need to be included prior to grant submission to EPA.

Below are the sections within the narrative portion of the IUP that will be changed.

DESCRIPTION AND AMOUNT OF NON-PROJECT ACTIVITIES (SET-ASIDES)

Administration.

~~Four percent of the fiscal year capitalization grant (\$332,480) will be allocated to administer the Drinking Water SRF program. This is the maximum allowed for this purpose.~~

The WIIN Act of 2017 provides three options to states to calculate the administrative set-aside available from each year's capitalization grant. States may use the greatest of 1) \$400,000 per year, 2) 1/5 of a percent of the current valuation of the Drinking Water SRF fund based on the most recent previous year's audited financial statements, or 3) an amount equal to four percent of the annual capitalization grant.

Four percent of the fiscal year 2017 capitalization grant is \$329,640, and 1/5 of a percent of the current fund valuation of \$168,630,968 results in \$337,261 available for administrative fees. As a result, an administrative set-aside of \$400,000 will be reserved for administrative purposes in fiscal year 2017.

Additionally, the amount of the capitalization grant and allowable principal forgiveness has been updated throughout the IUP to reflect the actual amounts as distributed by EPA.

Staff recommended approval of the proposed amendments to the 2017 Drinking Water SRF Intended Use Plan.

Motion by Jones, seconded by Soholt, to approve the amendment to the 2017 Drinking Water State Revolving Fund Intended Use Plan, as presented. A roll call vote was taken, and the motion carried unanimously.

AMENDMENT TO U.S. BANK N.A. TRUSTEE CONTRACT: U. S. Bank has requested that the Trustee contract be amended to address legal fees related to the issuance of Bonds and Notes, not to exceed \$1,500 per issuance.

Mr. Perkovich stated that staff is proposing the following amendment to Section 4.G. of the Trustee contract:

G. The District will pay a Trustee Acceptance Fee of up to \$3,750 and legal fees of up to \$1,500 per new Series of Bonds or Notes. Payment will be made at the time of bond closing.

Staff recommended approval of the proposed amendment to the Trustee contract.

Motion by Gnirk, seconded by Goldhammer, to adopt Resolution #2017-87 approving the amendment to Section 4.G. of the Trustee contract, as presented. A roll call vote was taken, and the motion carried unanimously.

CONSULTING CONTRACT WITH PERKINS COIE LLP FOR BOND COUNSEL SERVICES FOR SRF PROGRAMS SERIES 2017 BOND ISSUE: Mr. Perkovich stated that Bruce Bonjour, Perkins Coie, LLP in Chicago, has served as bond counsel for the South Dakota Conservancy District since 1994. Mr. Bonjour proposed fees of up to \$140,000 for bond counsel services for the 2017 bond issue. The services to be provided will be similar to past issues. This includes an amount up to \$50,000 for the advance refunding portion of the Series 2017 bond issue (\$25,000 per refunding)

Mr. Perkovich noted that it is anticipated the 2017 bond issue will include a taxable series to provide State Match and a tax-exempt series to provide funds for leveraged loans and potentially advance refunding prior years efforts. The projected par amount is \$69.5 million, not including any proceeds for advance refunding. Mr. Perkovich discussed the financing schedule.

Working with the legal counsel and the Office of Attorney General, staff prepared the contract for bond counsel services for the 2017 bond series. The contract runs through December 31, 2018.

Staff recommended the board approve a resolution authorizing the execution of the bond counsel contract.

Motion by Bernhard, seconded by Gnirk, to adopt Resolution #2017-88 authorizing a contract with Bruce A. Bonjour of Perkins Coie to serve as bond counsel for the 2017 Series Bonds and to authorize the Board of Water and Natural Resource to execute the Agreement for Legal Services. A roll call vote was taken, and the motion carried.

CONFLICT OF INTEREST DISCLOSURES: Harold Deering stated that at the June board meeting he discussed H.B. 1170. To address the revisions to the conflicts statutes, Mr. Deering has emailed a letter, the guidance, and disclosure forms to the members of the Board of Water and Natural Resources addressing the specific situation for each board member.

Mr. Deering stated that, in his opinion, none of the board members has to request a waiver or provide an annual disclosure at this time.

Mr. Deering answered questions from the board members.

Jackie Lanning joined the conference call at 11:30 a.m.

ADJOURN: Mr. Perkovich stated that the board will need to hold another conference call to approve a Series Resolution authorizing State Revolving Fund Program Bonds, Series 2017. The board agreed to hold the conference call on July 17, 2017, at 10:00 a.m. Central Time.

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

Approved this 29th day of September, 2017.

(SEAL)

Chairman, Board of Water and
Natural Resources

ATTEST:

Secretary, Board of Water and
Natural Resources

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

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

July 21, 2017
10:00 a.m. CDT

CALL TO ORDER: The meeting was called to order by Chairman Brad Johnson. The roll was called, and a quorum of the board was present.

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

BOARD MEMBERS ABSENT: Gene Jones, Jr. and Todd Bernhard.

OTHERS: Harold Deering, Special Assistant Attorney General; Mike Perkovich, Jon Peschong, Andy Bruels, and Lukus Leidholt, DENR; Bruce Bonjour, Perkins Coie; Jessica Cameron, PFM; Craig Hrinkevich, Wells Fargo; Greg Skutnik, US Bank; and Matt Couch, JP Morgan.

APPROVE AGENDA: Chairman Johnson approved the agenda.

SERIES RESOLUTION AUTHORIZING STATE REVOLVING FUND PROGRAM BOND SERIES 2017 A/B: Bruce Bonjour, Perkins Coie, discussed the specifics of the Series Resolution.

It is anticipated that the South Dakota Conservancy District will issue an amount not to exceed \$115,000,000 in State Revolving Fund Program Bonds, Series 2017 (the "Series 2017 Bonds") during the week of July 24, 2017. The Series 2017A Bonds are taxable bonds being issued to provide funds sufficient, together with other available moneys, (a) to provide funds in the appropriate amount of \$6,500,000 to be deposited to the Clean Water State Match Loan Account established with respect to the Series 2017A Bonds which, together with amounts derived from EPA and deposited into the Federally Capitalized Loan Account, are to be loaned to Borrowers, (b) to provide funds in the approximate amount of \$8,500,000 to be deposited to the Drinking Water State Match Loan Account established with respect to the Series 2017A Bonds which, together with amounts derived from EPA and deposited into the Federally Capitalized Loan Account, are to be loaned to Borrowers, (c) if the Authorized Officers executing the Bond Order for the Series 2017A Bonds determine that sufficient debt service or other savings are achievable, to advance refund approximately \$1,515,000 principal amount of the outstanding Series 2012B Bonds allocable to the prior refunding of Series 2001 Clean Water and Drinking Water Bonds and (d) to provide funds to pay associated costs of issuance.

The Series 2017B Bonds are tax exempt bonds being issued to provide funds sufficient, together with other available moneys, (a) to provide funds in the approximate amount of \$43,000,000 to be deposited to the Clean Water Leveraged Loan Account established with respect to the Series 2017B

Board of Water and Natural Resources
July 21, 2017, telephone conference call meeting minutes

Bonds which funds are to be loaned to Borrowers, (b) to provide funds in the approximate amount of \$11,000,000 to be deposited to the Drinking Water Leveraged Loan Account established with respect to the Series 2017B Bonds which funds are to be loaned to Borrowers, (c) if the Authorized Officers executing the Bond Order for the Series 2017B Bonds determine that sufficient debt service savings are achievable, to advance refund approximately \$28,000,000 principal amount of the outstanding Series 2010B Bonds and/or \$10,000,000 principal amount of the outstanding Series 2012B Bonds, and (d) to pay associated costs of issuance and refunding.

Prior to the meeting, the board was provided with a draft of the Series Resolution for the Series 2017 Bonds prepared by SRF bond counsel. The Series Resolution provides board approval of the Preliminary Official Statement, the Bond Purchase Agreement, and the Escrow Agreements.

The Series Resolution authorizes the Chairman and/or Secretary to file a Coverage Certificate for each program with the Trustee and to do all acts and to execute or accept all documents as may be necessary to carry out and comply with the provisions of the resolution and the documents approved by the resolution.

Mr. Bonjour and Mr. Perkovich answered questions from the board.

Jessica Cameron discussed the structure of the bond issue, current market conditions, and coverage requirement.

Ms. Cameron answered questions from the board.

Staff recommended approval of the Series 2017 Resolution.

Mr. Perkovich stated that sales of the bonds will be August 2, 2017. The pre-closing will be August 22, 2017, and the bond closing will be August 23, 2017.

Motion by Lanning, seconded by Sohlt, to adopt Resolution #2017-89 authorizing the State Revolving Fund Program Bonds, Series 2017A/B. A roll call vote was taken, and the motion carried unanimously.

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

Approved this 29th day of September, 2017.

(SEAL)

Chairman, Board of Water and
Natural Resources

ATTEST:

Secretary, Board of Water and
Natural Resources

TITLE: State Fiscal Year 2017 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 2017.

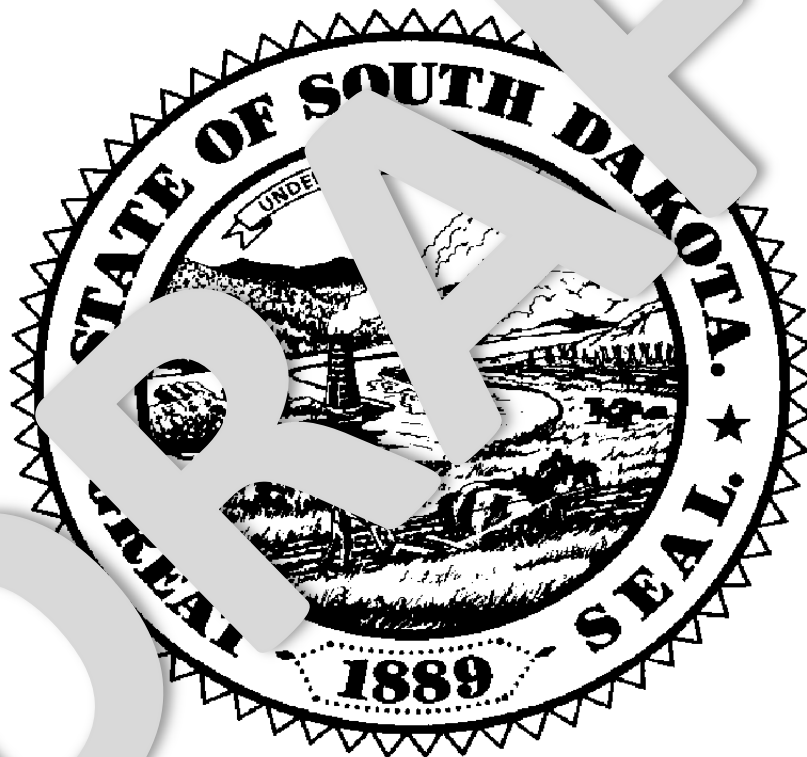
A combined report for both SRF programs for the legislative committee's review was developed for this purpose. Information in this report presents program activity and financial statements on a state fiscal year basis and contains additional information on the District's bond issues.

RECOMMENDED ACTION: Approve the State Fiscal Year 2017 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 2017
July 1, 2016 – June 30, 2017**



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

DRAFT

THE SOUTH DAKOTA CONSERVANCY DISTRICT

**REPORT TO THE
LEGISLATIVE BOND REVIEW COMMITTEE
STATE FISCAL YEAR 2017**

**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**

**THE SOUTH DAKOTA CONSERVANCY DISTRICT
BOARD MEMBERS**

BRAD JOHNSON, CHAIRMAN

Watertown
Member since 2003

GENE JONES, JR., VICE-CHAIRMAN

Sioux Falls
Member since 2002

TODD BERNHARD, SECRETARY

Fort Pierre
Member since 2010

PAUL GNIRK

New Underwood
Member since 2009

PAUL GOLDHAMMER

Wall
Member since 2010

JACKIE LANNING

Brookings
Member since 2011

JERRY SOHOLT

Sioux Falls
Member since 2014

**THE SOUTH DAKOTA CONSERVANCY DISTRICT
LEGISLATIVE OVERSIGHT COMMITTEE**

SENATOR JASON FRERICHS
Wilmot

SENATOR TERRI HAVERLY
Rapid City

REPRESENTATIVE MARY DUVALL
Pierre

REPRESENTATIVE STEVEN McCLEEREY
Sisseton

TABLE OF CONTENTS

<u>Section</u>	<u>Page</u>
Executive Summary	
Program Overview	1
Bonding Authority Overview	1
Bond History	2
Tax Increase Prevention and Reconciliation Act (TIPRA)	3
Additional Subsidy	3
SRF Program Interest Rates	4
Oversight	5
Fiscal Year 2017 Program Activity	5
Clean Water State Revolving Fund	5
Drinking Water State Revolving Fund	7
Financial Statements	
Clean Water State Revolving Fund Statements	9
Drinking Water State Revolving Fund Statements	
Clean Water State Revolving Fund Program Information	
Clean Water State Revolving Fund Program Overview	
Portfolio	
Project Descriptions	
Drinking Water State Revolving Fund Program Information	
Drinking Water State Revolving Fund Program Overview	
Portfolio	
Project Descriptions	
Bond Issue Summaries	
Statutes	

STATE FISCAL YEAR

2017

EXECUTIVE SUMMARY

DRAFT

DRAFT

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 2017, the federal capitalization grants total \$394.3 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, 2017, the Conservancy District has entered into 727 binding State Revolving Fund commitments totaling \$1.25 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' inception, the state match requirement amounts to more than \$71.1 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.

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. Table 1 itemizes the uses of the various series of bonds and notes. Summaries of previous bond and note issues are provided beginning on page 101. Table 2 shows the principal balances for the outstanding bond issues.

Table 1
State Revolving Fund Program Bond and Note Issues

Series	Par Amount	Clean Water SRF			Drinking Water SRF		
		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	\$9,060,000	\$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, 2017

Series	Clean Water SRF	Drinking Water SRF	Series Totals
1996	\$100,000		\$100,000
2010A	\$26,030,000	\$12,665,000	\$38,695,000
2010B	\$16,030,000	\$13,260,000	\$29,290,000
2012A	\$26,965,000	\$20,675,000	\$47,640,000
2012B	\$42,555,000	\$1,155,000	\$43,710,000
2014A	\$2,550,000	\$3,185,000	\$5,735,000
2014B	\$42,105,000	\$5,570,000	\$47,675,000
Totals	\$156,335,000	\$56,510,000	\$212,845,000

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 disbursements 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.

–Subsequent 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 \$27,782,874 in principal forgiveness, and Drinking Water SRF borrowers have received \$52,065,886 in principal forgiveness. The Clean Water and Drinking Water projects awarded principal forgiveness can be found in Tables 7 and 10 on pages 46 and 80, 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 2017 interest rates for each program are summarized in the respective sections below.

Clean Water SRF Program

In November 2016, the board set rates at 2 percent for loans with a term of 10 years or less, 2.25 percent for loans with a term greater than 10 years up to 20 years, and 2.5 percent for loans 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 November 2016, the board set the nonpoint source incentive rates at 1 percent for loans with a term of 10 years or less, 1.25 percent for loans with a term greater than 10 years up to 20 years, and 1.5 percent for loans with a term up to 30 years.

Drinking Water SRF Program

In November 2016, the board set rates at 2 percent for loans with a term of 10 years or less, 2.25 percent for loans with a term greater than 10 years up to 20 years, and 2.50 percent for loans 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.

Communities that meet the disadvantaged community criteria may receive a Drinking Water SRF loan at an interest rate below that for other recipients. In November 2016, the board set disadvantaged communities rates at 2.25 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 percent for loans with a term up to 30 years or 1 percent for loans with a term 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.

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 2017 PROGRAM ACTIVITY

Clean Water State Revolving Fund

The district was unable to apply for a Clean Water SRF federal capitalization grant in SFY 2017 due to Congressional delays in adopting the 2017 appropriation and change of administrations at the federal level.

In SFY 2017, disbursements totaling \$34,929,743 were made to borrowers. Disbursements consisted of \$5.50 million in federal funds, \$0.94 million in State match funds, \$26.57 million in leveraged bond proceeds, and \$1.92 million in principal repayments and interest earnings.

Two hundred six loans are in repayment, and \$29,447,059 in repayments were received during the year. One hundred thirty-six loans have been repaid in full, which includes those with 100 percent principal forgiveness. Twenty-four loans drew no funds, and the full loan amounts were deobligated. There have been no defaults.

In SFY 2017, the Board of Water and Natural Resources awarded 24 loans totaling \$55,238,125. Table 3 on the following provides a synopsis of the loans that were awarded.

**Table 3
Clean Water Loans
State Fiscal Year 2017**

Recipient	Project Description	Total SRF Assistance	Principal Forgiveness	Rate	Term
Belle Fourche (03)	8 th Avenue Utility Improvements	\$2,125,000		2.25%	20 yrs.
Blunt (01)	Wastewater Treatment and Lift Station Improvements	\$710,000		2.50%	30 yrs.
Centerville (03)	Storm Sewer Improvements	\$240,000		2.50%	30 yrs.
Colton (03)	Sanitary Sewer and Water Distribution Improvements	\$1,385,000		2.50%	30 yrs.
Doland (01)	Water Meter Replacement	\$150,000	\$75,000	2.00%	10 yrs.
Eagle Butte (03)	Sanitary and Storm Sewer Improvements	\$670,000		2.50%	30 yrs.
Garretson (03)	Water and Sewer Replacement	\$1,160,000		2.50%	30 yrs.
Gregory (03)	Felton Street Sanitary Sewer Replacement	\$260,000		2.25%	20 yrs.
Hartford (06)	Mickelson Road Sanitary and Storm Sewer	\$1,482,000		2.50%	30 yrs.
Humboldt (02) *	Water Meter Replacement	\$272,000		2.00%	10 yrs.
Lake Norden (01)	Wastewater Collection Improvements	\$1,285,000		2.50%	30 yrs.
Lennox (07)	Central Basin Improvements Phase 2 and 3	\$1,496,000		2.50%	30 yrs.
Miller (03)	2017 Infrastructure Improvements	\$1,875,000		2.50%	30 yrs.
Onida (01)	Wastewater Collection Improvements	\$2,400,000		2.50%	30 yrs.
Parker (05)	Utility Improvements – Phase 5	\$731,000		2.50%	30 yrs.
Plankinton (02)	Water Meter Replacement	\$240,000		2.00%	10 yrs.
Platte (02)	Wastewater Collection Improvements	\$2,300,000		2.50%	30 yrs.
Salem (03)	Sanitary Sewer and Water Main Improvements	\$2,556,000		2.50%	30 yrs.
Sioux Falls (38)	Primary Digester Mixing Improvements and Big Sioux Watershed Improvements	\$11,559,125		1.00%	10 yrs.
Sturgis (06)	Wastewater Treatment Facility Replacement	\$16,247,000	\$1,600,000	2.50%	30 yrs.
Summerset (02)	Wastewater Treatment Facility Improvements	\$1,769,000		2.50%	30 yrs.
Veblen (01)	Wastewater System Improvements	\$1,387,000		2.50%	30 yrs.
Volga (01)	Wastewater Treatment Facility Improvements	\$2,819,000		2.25%	20 yrs.
Worthing (04)	Water Meter Replacement	\$120,000	\$90,000	2.00%	10 yrs.
TOTAL		\$55,238,125	\$1,765,000		

* Loan was de-obligated at the borrower's request

Beginning on page 33, additional information regarding the historical activity of the Clean Water SRF Program is provided.

Drinking Water State Revolving Fund

The district was unable to apply for a Drinking Water SRF federal capitalization grant in SFY 2017 due to Congressional delays in adopting the 2017 appropriation and change of administrations at the federal level..

In SFY 2017, disbursements totaling \$17,375,108 were made to borrowers. Disbursements consisted of \$6.59 million in federal funds, \$0.70 million in state match funds, \$0.07 million in leveraged bond proceeds, and \$10.02 million in principal repayments and interest earnings.

One hundred eighty-two loans are in repayment, and \$15,673,536 in repayments were received during the year. Fifty-seven loans have been repaid in full, which includes those with 100 percent principal forgiveness. Seventeen loans drew no funds, and the full loan amounts were deobligated. There have been no defaults.

In SFY 2017, the board awarded 16 loans and amended two older loans for a total of \$50,934,500. Table 4 on the following page provides a synopsis of the loans that were awarded.

**Table 4
Drinking Water Loans
State Fiscal Year 2017**

Recipient	Project Description	Total SRF Assistance	Principal Forgiveness	Rate	Term
Belle Fourche (DW-01)	8 th Avenue Utility Improvements	\$265,000		2.25%	20 yrs.
B-Y Water District (DW-02)	Water Storage Reservoir	\$4,700,000		2.50%	30 yrs.
Colton (DW-04)	Sanitary Sewer and Water Distribution Improvements	\$500,000		2.50%	30 yrs.
Eagle Butte (DW-03) *	Water Distribution System Improvements	\$270,000		0%	30 yrs.
Edgemont (DW-02)	Water System Upgrades	\$447,000	\$157,000	0%	30 yrs.
Garretson (DW-02)	Water and Sewer Replacement	\$639,500		2.50%	30 yrs.
Hermosa (DW-02)	Water Source and Distribution Improvements	\$199,000		2.00%	30 yrs.
Langford (DW-01)	Water Line and Storage Improvements	\$386,000		0%	30 yrs.
Lennox (DW-03)	Central Basin Improvements Phase 2 and 3	\$912,000		2.25%	30 yrs.
Martin (DW-02)	4th & 5th Avenue Water Main Improvements	\$633,000		2.00%	30 yrs.
Miller (DW-03)	2017 Infrastructure Improvements	\$1,099,000		2.25%	30 yrs.
Onida (DW-02)	Wastewater Collection Improvements	\$950,000	\$250,000	2.25%	20 yrs.
Parker (DW-04)	Utility Improvements – Phase 5	\$697,000		2.25%	30 yrs.
Pine Cliff Park (DW-01)	2017 Water System Improvements	\$348,000		2.25%	20 yrs.
Salem (DW-04)	Sanitary Sewer and Water Main Improvements	\$302,000		2.25%	30 yrs.
TC&G Water Association (DW-01) *	Water System Improvements	\$775,000		2.25%	30 yrs.
Terry Trojan Water Project District (DW-01)	Water System Rehabilitation	\$812,000	\$80,000	2.25%	20 yrs.
Yankton (DW-06)	Water Treatment Plant Construction	\$37,000,000		2.25%	30 yrs.
TOTAL		\$50,934,500	\$487,000		

* Amendment to a previously awarded loan

Beginning on page 69, additional information regarding the historical activity of the Drinking Water SRF Program is provided.

STATE REVOLVING FUND

FINANCIAL STATEMENTS
(Unaudited)

DRAFT

DRAFT

**SOUTH DAKOTA BOARD OF WATER AND NATURAL RESOURCES
 CLEAN WATER STATE REVOLVING FUND
 STATEMENT OF NET POSITION
 June 30, 2017**

Assets

Current Assets:

Cash and Cash Equivalents	\$	21,662,692.27
Restricted Cash and Cash Equivalents		3,016.92
Total Cash and Cash Equivalents		21,665,709.19

Investments		14,709,277.51
Restricted Investments		95,770.84
Due from Federal Governments		125,881.69
Due from Other Governments		343,045.63
Accrued Interest Receivable		2,991,579.06
Loans Receivable		19,274,548.36
Total Current Assets		59,205,812.28

Noncurrent Assets:

Investments		102,433,138.11
Loans Receivable		241,870,629.32
Total Noncurrent Assets		344,303,767.43

Total Assets

403,509,579.71

Deferred Outflows of Resources

Related to Pensions		112,264.00
Deferred Charge on Refunding		2,841,578.27
Total Deferred Outflows of Resources		2,953,842.27

Liabilities

Current Liabilities:

Accounts Payable		863,449.93
Accrued Liabilities		21,888.06
Net Pension Liability		46,888.00
Compensated Absences Payable		35,687.02
Accrued Interest Payable		2,832,727.90
Bonds Payable - net of unamortized premium and discount		11,097,470.42
Total Current Liabilities		14,898,111.33

Noncurrent Liabilities:

Compensated Absences Payable		31,419.08
Bonds Payable - net of unamortized premium and discount		160,880,867.48
Total Noncurrent Liabilities		160,912,286.56

Total Liabilities

175,810,397.89

Deferred Inflows of Resources

Related to Pensions		768.00
Total Deferred Inflows of Resources		768.00

Net Position

Restricted For Debt Service		98,787.76
Restricted For Pension Obligations		64,608.00
Unrestricted		230,488,860.33
		230,488,860.33

Total Net Position

\$ 230,652,256.09

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

**SOUTH DAKOTA BOARD OF WATER AND NATURAL RESOURCES
 CLEAN WATER STATE REVOLVING FUND
 STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
 For the Fiscal Year Ended June 30, 2017**

Operating Revenues:

Loan Interest Income	\$	5,535,707.50
Other Income		1,427,678.16
Total Operating Revenue		6,963,385.66

Operating Expenses:

Administrative Expenses		
Personal Services	275,010.99	
Employee Benefits	92,207.11	
Travel	9,359.18	
Contractual	430,697.07	
Supplies	83.48	
Grants	2,046,751.91	
Other	68.42	
Total Administrative Expenses		2,854,178.16
Grant Expense		559,050.00
Interest Expense		6,222,661.40
Total Operating Expenses		9,635,889.56

Operating Income (Loss) (2,672,503.90)

Nonoperating Revenues (Expenses):

Federal Capitalization Grants		5,912,490.82
Other Income		430,457.82
Investment Income		4,182,799.17
Investment Expense		(1,890.27)
Arbitrage Rebate		-
Payments to State		(37,410.28)
Total Nonoperating Revenues (Expenses)		10,486,447.26

Change in Net Position 7,813,943.36

Net Position at Beginning of Year 222,838,312.73

Net Position at End of Year \$ 230,652,256.09

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

**SOUTH DAKOTA BOARD OF WATER AND NATURAL RESOURCES
 CLEAN WATER STATE REVOLVING FUND
 STATEMENT OF CASH FLOWS
 For the Fiscal Year Ended June 30, 2017**

Cash Flows from Operating Activities:		
Receipts for Loan Repayments	\$ 22,669,561.81	
Receipts for Interest Income on Loans	5,419,566.76	
Receipts for Surcharge Interest on Loans	1,357,930.00	
Payments to Loan Recipients	(34,370,693.00)	
Payments for Principal Forgiveness	(559,050.00)	
Payments for Employee Services	(345,736.59)	
Payments for Contractual Services	(392,923.70)	
Payments for Grants	(1,439,845.03)	
Other Payments	(9,251.19)	
Net Cash Provided (Used) by Operating Activities		(7,670,440.94)
Cash Flows from Noncapital Financing Activities:		
Payments to State	(37,410.28)	
Principal Payments on Bonds	(9,875,000.00)	
Interest Payments on Bonds	(6,931,715.62)	
Receipts for Administering Program	5,902,501.00	
Other Income	430,457.82	
Net Cash Provided (Used) by Noncapital Financing Activities		(10,511,167.08)
Cash Flows from Investing Activities:		
Arbitrage Payment	-	
Interest on Investments	4,091,994.97	
Proceeds from Sale of Investment Securities	36,709,634.68	
Purchase of Investment Securities	(42,022,049.30)	
Net Cash Provided (Used) by Investing Activities		(1,220,419.65)
Net Increase (Decrease) in Cash and Cash Equivalents		(19,402,027.67)
Cash and Cash Equivalents at Beginning of Year		41,067,736.86
Cash and Cash Equivalents at End of Year		<u>\$ 21,665,709.19</u>
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities		
Operating Income (Loss)		\$ (2,672,503.90)
Adjustments to Reconcile Net Income to Net Cash Provided (Used) by Operating Activities:		
Interest Expense	6,222,661.40	
Assets: (Increase)/Decrease		
Loans Receivable	(11,701,131.19)	
Accrued Interest Receivable on Loans	(116,140.74)	
Due from Other Governments	(69,748.16)	
Pension Assets	108,529.00	
Decrease/(Increase) in Deferred Outflows of Resources:		
Deferred Outflows of Resources - Related to Pensions	2,719.00	
Liabilities: Increase/(Decrease)		
Accounts Payable	644,940.14	
Accrued Employee Benefits	(1,096.79)	
Accrued Liabilities	2,311.30	
Increase/(Decrease) in Deferred Inflows of Resources:		
Deferred Inflows of Resources - Related to Pensions	(90,981.00)	
Total Adjustments		(4,997,937.04)
Net Cash Provided by Operations		<u>\$ (7,670,440.94)</u>

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

SOUTH DAKOTA BOARD OF WATER AND NATURAL RESOURCES
CLEAN WATER STATE REVOLVING FUND
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2017

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Authorizing Legislation

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

B. Fund Accounting

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

C. Basis of Accounting

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

D. Cash and Cash Equivalents

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

E. Investments

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

F. Premiums and Deferred Amounts on Refunding

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

G. Reserves

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

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

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

H. Restricted Resources

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

I. Revenue and Expense Recognition

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

J. Federal Capitalization Grant

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

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

2. CASH AND INVESTMENTS

Cash

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

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

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

Investments

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

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

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

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

Level 1

<u>Investment</u>	<u>Maturities</u>	<u>Fair Value</u>
US Treasury Bonds	9/30/2016	7,003,850
US Treasury Bonds	12/31/2016	6,543,821
US Treasury Bonds	1/31/2017	1,746,634
US Treasury Bonds	3/31/2017	6,675,204
US Treasury Bonds	6/30/2017	3,809,044
		<u>\$ 25,778,553</u>
Federal Agency Bonds	8/28/2017	\$ 501,400
Federal Agency Bonds	3/07/2018	702,170
		<u>\$ 1,203,570</u>

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

Guaranteed Investment Contracts (GICS)

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

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

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

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

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

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

3. LOANS RECEIVABLE

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

4. LONG-TERM DEBT

Revenue Bonds

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

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

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

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

Changes in long-term liabilities

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

5. COMMITMENTS

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

6. PENSION PLAN

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

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

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

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

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

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

7. ANNUAL AND SICK LEAVE ACCRUAL

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

8. RISK MANAGEMENT

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

9. SUBSEQUENT EVENTS

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

**SOUTH DAKOTA BOARD OF WATER AND NATURAL RESOURCES
DRINKING WATER STATE REVOLVING FUND
STATEMENT OF NET POSITION
For the Fiscal Year Ended June 30, 2017**

Assets

Current Assets:

Cash and Cash Equivalents	\$	15,526,738.21
Investments		8,079,127.40
Due from Federal Government		337,529.25
Due from Other Governments		173,944.91
Accrued Interest Receivable		1,960,701.11
Loans Receivable		10,802,469.23
Total Current Assets		36,880,510.11

Noncurrent Assets:

Investments		70,163,410.50
Loans Receivable		145,369,365.57
Total Noncurrent Assets		215,532,776.07

Total Assets

252,413,286.18

Deferred Outflows of Resources

Related to Pensions		113,420.00
Deferred Charge on Refunding		1,986,214.07
Total Deferred Outflows of Resources		2,099,634.07

Liabilities

Current Liabilities:

Accounts Payable		266,328.47
Accrued Liabilities		40,349.59
Net Pension Liability		41,551.00
Compensated Absences Payable		53,585.97
Accrued Interest Payable		876,808.06
Arbitrage Payable		1,550,301.62
Bonds Payable - net of unamortized premium and discount		6,243,067.18
Total Current Liabilities		9,071,991.89

Noncurrent Liabilities:

Compensated Absences Payable		47,177.42
Bonds Payable - net of unamortized premium and discount		52,689,916.80
Total Noncurrent Liabilities		52,737,094.22

Total Liabilities

61,809,086.11

Deferred Inflows of Resources

Related to Pensions		680.00
Total Deferred Inflows of Resources		680.00

Net Position

Restricted For Pension Obligations		71,189.00
Unrestricted		192,631,965.14
Total Net Position		192,703,154.14

Total Net Position

\$ 192,703,154.14

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

**SOUTH DAKOTA BOARD OF WATER AND NATURAL RESOURCES
DRINKING WATER STATE REVOLVING FUND
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
For the Fiscal Year Ended June 30, 2017**

Operating Revenues:		
Loan Interest Income		\$ 3,602,498.14
Other Income		915,551.73
Total Operating Revenue		<u>4,518,049.87</u>
Operating Expenses:		
Administrative Expenses		
Personal Services	602,745.05	
Employee Benefits	209,708.04	
Travel	14,207.37	
Contractual	646,687.39	
Supplies	370.08	
Grants	384,426.38	
Other	<u>248.62</u>	
Total Administrative Expenses		1,858,392.93
Grant Expense		3,054,319.00
Interest Expense		2,211,581.08
Total Operating Expenses		<u>7,124,293.01</u>
Operating Income (Loss)		(2,606,243.14)
Nonoperating Revenue (Expenses):		
Federal Capitalization Grants		7,658,892.08
Other Income		209,433.01
Investment Income		2,931,199.48
Investment Expense		(1,331.87)
Arbitrage Rebate		(384,742.51)
Payments to State		<u>(80,122.72)</u>
Total Nonoperating Revenues (Expenses)		<u>10,333,327.47</u>
Change in Net Position		7,727,084.33
Net Position at Beginning of Year		<u>184,976,069.81</u>
Net Position at End of Year		<u><u>\$ 192,703,154.14</u></u>

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

**SOUTH DAKOTA BOARD OF WATER AND NATURAL RESOURCES
DRINKING WATER STATE REVOLVING FUND
STATEMENT OF CASH FLOWS
For the Fiscal Year Ended June 30, 2017**

Cash Flows from Operating Activities:		
Receipts for Loan Repayments	\$ 10,977,596.97	
Receipts for Interest Income on Loans	3,748,232.28	
Receipts for Surcharge Interest on Loans	947,706.27	
Payments to Loan Recipients	(14,320,789.00)	
Payments for Employee Services	(742,004.36)	
Payments for Contractual Services	(661,619.68)	
Payment for Grants	(291,110.15)	
Payments for Principal Forgiveness	(3,054,319.00)	
Other Payments	(14,566.17)	
Net Cash Provided (Used) by Operating Activities		(3,410,872.84)
Cash Flows from Noncapital Financing Activities:		
Payments to State	(80,122.72)	
Principal Payments on Bonds	(5,925,000.00)	
Interest Payments on Bonds	(2,174,213.08)	
Receipts for Administering Program	7,566,422.00	
Other Income	209,433.01	
Net Cash Provided (Used) by Noncapital Financing Activities		(403,480.79)
Cash Flows from Investing Activities:		
Arbitrage Payment	-	
Interest on Investments	2,965,392.74	
Proceeds from Sale of Investment Securities	10,195,810.99	
Purchase of Investment Securities	(23,637,743.85)	
Net Cash Provided (Used) by Investing Activities		(10,476,540.12)
Net Increase (Decrease) in Cash and Cash Equivalents		(14,290,893.75)
Cash and Cash Equivalents at Beginning of Year		29,817,631.96
Cash and Cash Equivalents at End of Year		\$ 15,526,738.21
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities		
Operating Income (Loss)		\$ (2,606,243.14)
Adjustments to Reconcile Net Income to Net Cash Provided (Used) by Operating Activities:		
Interest Expense	2,211,581.08	
Bond Issuance Expense		
Assets: (Increase)/Decrease		
Loans Receivable	(3,343,192.03)	
Accrued Interest Receivable on Loans	145,734.14	
Due from Other Governments	32,154.54	
Pension Assets	93,039.00	
Decrease/(Increase) in Deferred Outflows of Resources:		
Deferred Outflows of Resources - Related to Pensions	(16,571.00)	
Liabilities: Increase/(Decrease)		
Accounts Payable	78,643.84	
Accrued Employee Benefits	47,261.93	
Accrued Liabilities	22,675.80	
Increase/(Decrease) in Deferred Inflows of Resources:		
Deferred Inflows of Resources - Related to Pensions	(75,957.00)	
Total Adjustments		(804,629.70)
Net Cash Provided by Operations		\$ (3,410,872.84)

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

**SOUTH DAKOTA BOARD OF WATER AND NATURAL RESOURCES
DRINKING WATER STATE REVOLVING FUND
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2017**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Authorizing Legislation

The Drinking Water State Revolving Fund (DWSRF) Loan Program was federally authorized by the Safe Drinking Water Act Amendments of 1996. The state authorized the loan program in 1994 in anticipation of federal action. The Environmental Protection Agency (EPA) developed final guidance for the Drinking Water State Revolving Fund on February 28, 1997. The Board of Water and Natural Resources, acting in its capacity as the South Dakota Conservancy District, conducted a public hearing on April 15, 1997 to adopt formal administrative rules for the program. The South Dakota Conservancy District (SDCD) was created by the Legislature under Chapter 46A-2 of the South Dakota Codified Law as a body politic and corporate for the purpose of constructing water resource facilities for the conservation, storage, distribution and utilization of water for municipal purposes within the State of South Dakota. The SDCD bonds do not constitute a debt of the State of South Dakota or a pledge of the faith and credit of the State. Because the State of South Dakota is able to impose its will over the SDCD and the governing body is substantively the same as the governing body of the primary government, it is considered a blended component unit and, as such, the accompanying financial statements are included in the Comprehensive Annual Financial Report of the State of South Dakota. The Department of Environment and Natural Resources performs all of the functions of the South Dakota Conservancy District, except for quasi-legislative, quasi-judicial, advisory, and special budgetary functions, which are performed by the Board acting in its capacity as the Conservancy District. The DWSRF is a low interest loan program to finance drinking water projects. Funds are provided to the states in the form of capitalization grants awarded annually through the United States Environmental Protection Agency. The federal capitalization grants are matched by state funds at a ratio of 5:1.

B. Fund Accounting

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

C. Basis of Accounting

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

D. Cash and Cash Equivalents

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

E. Investments

Investments are reported at fair value except for Guaranteed Investment Contracts, which are non-participating and, therefore, are recorded at carrying value. Unrealized gains and losses due to fluctuations in market value are included in investment income.

F. Premium and Deferred Amount on Refunding

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

G. Revenue and Expense Recognition

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

H. Federal Capitalization Grant

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

CFDA Number:	66.468
Federal Agency:	Environmental Protection Agency
Program:	Drinking Water State Revolving Fund
State Agency:	Environment & Natural Resources
Outstanding Loans:	\$156,171,835
Current Year	
Administrative Expense:	\$1,043,603
Loan Disbursement:	\$17,375,108

I. Reclassifications

Certain reclassifications have been made to the accompanying financial statements based upon recent GASB pronouncements and review of current information. The reclassifications included reporting arbitrage in the Statement of Revenues, Expenses, and Changes in Fund Net Position as nonoperating rather than operating expenses and in the Cash Flows Statement as investing activity rather than operating activity. The reclassifications had no impact on the change in net position or the net position.

J. Net Position

Net Position is classified in the following two components:

- Restricted - Consists of net position with constraints placed on their use by (1) bond indentures and (2) law through enabling legislation.
- Unrestricted - Consists of net position that does not meet the definition of net investment in capital assets or restricted.

K. Pension

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

2. CASH AND INVESTMENTS

Cash

Cash and Cash Equivalents during FY17 consisted Federated Funds, and the South Dakota Cash Flow Fund. However, on 3/31/2017 all the DW SRF funds in the Cash Flow Fund were transferred to US Bank. The South Dakota Conservancy District Investment Policy adopted pursuant to the Master Trust Indenture authorizes the investment of up to 20 percent of funds in the South Dakota Cash Flow portfolio which is an unrated fund. The fund paid 1.25% for state fiscal year 2017.

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

Federated Funds were rated "AAAm by Standard and Poor's Rating Group and as of 6/30/17 they had an average annualized return of .035%.

Investments

Investments must be categorized within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the assets. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

US Bank which serves as trustee to the DWSRF uses a pricing service, FT Interactive to value investments. FT Interactive uses market approach pricing which utilizes models and pricing systems as well as mathematical tools and pricing analyst judgement. All DWSRF investments are priced by this service, which is not quoted prices in the active market, but

rather significant other observable inputs; therefore, the investments are categorized as Level 2.

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

Level 2

Investment	Maturities	Fair Value
US Treasury Bonds	7/31/2017	\$ 634,873
US Treasury Bonds	10/15/2017	499,695
US Treasury Bonds	12/31/2017	1,473,850
US Treasury Bonds	2/28/2018	1,262,300
US Treasury Bonds	3/31/2018	747,862
US Treasury Bonds	5/31/2018	1,245,512
US Treasury Bonds	5/31/2018	1,296,594
US Treasury Bonds	9/30/2018	496,465
US Treasury Bonds	10/31/2018	689,628
US Treasury Bonds	10/31/2018	1,298,479
US Treasury Bonds	12/31/2018	1,000,390
US Treasury Bonds	12/31/2018	701,533
US Treasury Bonds	4/30/2019	1,004,340
US Treasury Bonds	7/31/2019	952,773
		<u>\$ 13,304,294</u>
Federal Agency Bonds	8/28/2017	\$ 144,952
Federal Agency Bonds	12/20/2017	399,460
Federal Agency Bonds	3/07/2018	374,028
Federal Agency Bonds	8/07/2018	694,575
Federal Agency Bonds	2/26/2019	695,331
Federal Agency Bonds	3/18/2019	1,174,483
Federal Agency Bonds	5/28/2019	674,278
Federal Agency Bonds	7/19/2019	666,954
Federal Agency Bonds	8/05/2019	666,752
Federal Agency Bonds	10/24/2019	741,690
		<u>\$ 6,232,503</u>

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

Excluding investments explicitly guaranteed by the U.S. Government which are not considered to have credit risk, the DWSRF held Federal Agency Bonds with a fair value of \$6,232,503 which were rated AAA by Moody's Investor Services.

Custodial Credit Risk: Custodial credit risk is the risk that in the event of a bank failure, the Drinking Water State Revolving Fund's investments may not be returned. At June 30, 2017, \$58,705,740 of guaranteed investment contracts was uninsured and unregistered, with the securities held by its trust department, but not in the DWSRF's name and, as a result, were exposed to custodial credit risk. Also, investments made in US Treasury Bonds with a market value of \$13,304,294 and in Federal Agency Bonds with a market value of \$6,232,503 were exposed to custodial credit risk.

Guaranteed Investment Contracts (GICS)

The DWSRF holds the following GICS where the rate of return is guaranteed.

	<u>Maturities</u>	<u>Contract Value</u>
Guaranteed Investment Contract	8/01/2025	\$ 44,735,743
Guaranteed Investment Contract	8/01/2026	13,969,997
		<u>\$ 58,705,740</u>

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

<u>Moody's Rating</u>	<u>Contract Value</u>
Baa1	<u>\$ 58,705,740</u>

This guarantor's rating is below the acceptable rating category (i.e., below Moody's Aa3). This investment has been fully collateralized with government securities in accordance with the provisions of Guaranteed Investment Contracts. These fully collateralized investments have a fair value that equates to contract value.

3. LOANS RECEIVABLE

Loans receivable consist of loans made to local governments through a loan agreement. In order for a local government to receive a loan, evidence must be shown that the principal and interest of the loan will be repaid. Loans made from the DWSRF may be made at or below market interest rates and may be fully amortized up to thirty years. Disadvantaged Communities may be eligible for lower rates or even zero percent, and may be fully amortized up to thirty years. Interest rates are reduced for those loans with shorter amortization periods.

4. LONG-TERM DEBT

Revenue Bonds

The bond issues outstanding as of June 30, 2017 are as follows:

Issue	Interest Rate	Maturity Through	Principal Balance
Series 2010AB			
Build America Bonds (BABs) Leveraged Term Bonds	4.084% - 5.646%	2031	\$ 12,665,000
Tax Exempt Bonds			
Leveraged Term Bonds	2.000% - 5.125%	2030	9,250,000
State Match Term Bonds	2.000% - 5.125%	2030	4,010,000
Series 2012AB			
Taxable Revenue Bonds			
State Match	0.250% - 3.183%	2027	3,840,000
Leveraged	0.250% - 3.183%	2027	16,835,000
Revenue Bonds			
State Match	2.000% - 5.000%	2023	1,155,000
Series 2014A			
Taxable Revenue Bonds			
State Match	0.300% - 1.920%	2020	3,185,000
Series 2014B			
Revenue Bonds Leveraged	2.000% - 5.000%	2035	5,570,000
Total			<u>56,510,000</u>
Add: Unamortized Premium			<u>2,422,983</u>
Total Net of Amortization			<u>\$ 58,932,983</u>

Future bond payments and future interest payments remaining as of June 30, 2017 are as follows:

Year Ended June 30,	Principal	Interest	Total Principal and Interest
2018	\$ 6,075,000	\$ 2,022,697	\$ 8,097,697
2019	6,255,000	1,853,711	8,108,711
2020	5,850,000	1,684,739	7,534,739
2021	4,215,000	1,537,073	5,752,073
2022	4,345,000	1,397,867	5,742,867
2023-2027	18,955,000	4,642,901	23,597,901
2028-2032	9,520,000	1,287,146	10,807,146
2033-2035	1,295,000	99,375	1,394,375
TOTAL	<u>\$ 56,510,000</u>	<u>\$ 14,525,509</u>	<u>\$ 71,035,509</u>

Changes in long-term liabilities

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Revenue Bonds	\$ 62,435,000	\$ 0	\$ (5,925,000)	\$ 56,510,000	\$ 6,075,000
Add: Bond Premium	2,591,051	0	(168,067)	2,422,984	168,067
Total	65,026,051	0	(6,093,067)	58,932,984	6,243,067
Compensated Absences	53,501	47,262	(0)	100,763	53,586
Long-Term Liabilities	<u>\$ 65,079,552</u>	<u>\$ 19,210</u>	<u>\$ (5,714,039)</u>	<u>\$ 59,033,747</u>	<u>\$ 6,296,653</u>

5. COMMITMENTS

As of June 30, 2017 the DWSRF had loan commitments with political subdivisions worth \$23,915,776.

6. PENSION PLAN

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

State law requires employees to contribute 6 percent of their salary to the plan and the employer to contribute an amount equal to the employee's contribution. The right to receive retirement benefits vests after three years of credited service. DENR contributions to the SDRS for the fiscal years ended June 30, 2017, 2016, and 2015 were \$38,850.09, \$16,172.26, and \$15,353.52, respectively, equal to the required contributions each year.

The net pension liability was measured as of June 30, 2016 and the SDRS is 96.89% funded. At June 30, 2017, the DWSRF reported a liability of \$41,551 for its proportionate share of the net pension asset. For the fiscal year ended June 30, 2017, there was no pension revenue recorded. At June 30, 2017, deferred outflows of resources and deferred inflows of resources related to pensions were reported from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ 14,465	\$ -
Changes in assumption	24,887	-
Net difference between projected and actual earnings on pension plan investments	35,036	
Changes in Proportionate Share	182	680
Contributions after the measurement date	38,850	-
Total	<u>\$ 113,420</u>	<u>\$ 680</u>

7. ANNUAL AND SICK LEAVE ACCRUAL

All employees earn annual leave. Upon termination, employees are eligible to receive compensation for their accrued annual leave balances. At June 30, 2017, a liability existed for accumulated annual leave calculated at the employee's June 30, 2017 pay rate in the amount of \$40,892. Employees who have been continuously employed by the State of South Dakota for at least seven years prior to the date of their retirement, voluntary resignation or death will receive payment for one-fourth of their accumulated sick leave balance. This payment is not to exceed the sum of twelve weeks of employee's annual compensation. At June 30, 2017 a liability existed for accumulated sick leave, calculated at each employee's June 30, 2017 pay rate in the amount of \$59,871. The total leave liability of \$100,763 at June 30, 2017 is shown as a liability on the balance sheet.

8. RISK MANAGEMENT

The Department of Environment and Natural Resources is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Department participates in the various programs administered by the State of South Dakota. These risk management programs are funded through assessments charged to participating entities. The risk management programs include; 1) coverage for risks associated with automobile liability and general tort liability (including public officials' errors and omissions liability, medical malpractice liability, law enforcement liability, and products liability) through the State's Public Entity Pool for Liability Fund, 2) coverage of employee medical claims through the State's health insurance program, 3) coverage for unemployment benefits through the State's Unemployment Insurance Fund, and, 4) coverage for workers' compensation benefits through the State's Workers' Compensation Fund, 5) coverage for property loss through the South Dakota Property and Casualty Insurance Company, LLC. Financial information relative to the self-insurance funds administered by the State is presented in the State of South Dakota Comprehensive Annual Financial Report.

9. SUBSEQUENT EVENTS

In August 2017, the South Dakota Conservancy District issued its State Revolving Fund Program Bonds, Series 2017 consisting of \$9,405,000 principal amount of Taxable Revenue Bonds, Series 2017A and \$13,005,000 principal amount Revenue Bonds, Series 2017B. The following is a summary of the estimated sources and uses of Clean Water Series 2017 Bonds:

<u>Sources:</u>	Series 2017A (Taxable)	Series 2017B (Tax-Exempt)	Totals
Bond Proceeds (Par)	\$9,405,000	\$13,005,000	\$ 22,410,000
Premium	-	2,819,851	2,819,851
Total Sources of Funds	<u>\$9,405,000</u>	<u>\$15,824,851</u>	<u>\$25,229,851</u>
 <u>Uses:</u>			
Refund Series 2010B Drinking Water Bonds	\$ -	\$4,711,213	\$ 4,711,213
Refund Series 2012B Drinking Water Bonds	832,626	-	832,626
Deposit to Drinking Water State Match Loan Fund	8,500,000	-	8,500,000
Deposit to Drinking Water Leveraged Loan Fund	-	11,000,000	11,000,000
Cost of Issuance	72,374	113,638	186,012
Total Uses of Funds	<u>\$9,405,000</u>	<u>\$15,824,851</u>	<u>\$25,229,851</u>

SOUTH DAKOTA
CLEAN WATER STATE REVOLVING FUND
PROGRAM INFORMATION

DRAFT

DRAFT

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 \$187,078,700. 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, 2017, principal repayments from borrowers totaled \$265,659,085. Of this amount \$163,166,046 has been re-loaned or obligated for active loans. Principal repayments are also used for debt service on leveraged bonds. Interest payments from borrowers totaled \$71,402,529. These funds, coupled with investment earnings, have provided \$84,844,261 in loans or obligations for active loans. Interest payments are also used for debt service on State Match bonds.

As of June 30, 2017, the Board has made 427 Clean Water loan awards totaling \$742,509,389. The Clean Water SRF loan portfolio begins on [page 35](#) with a map showing the location of the borrowers. Table 6, beginning on [page 36](#), provides the loan amount, date, and terms. Table 7, beginning on [page 46](#), shows the projects awarded principal forgiveness. More detailed project description narratives are provided by recipient beginning on [page 48](#).

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

Federal Fiscal Year	Federal Capitalization Grant Award	State Match	Leveraged Funds	Total
2002 *	\$0	\$0		\$0
2003 *	\$0	\$0		\$0
2004	\$6,471,800	\$1,294,360		\$7,766,160
2005	\$5,243,500	\$1,048,700		\$6,292,200
2006	\$4,242,300	\$848,460	\$41,000,000	\$46,090,760
2007	\$5,207,200	\$1,041,440		\$6,248,640
2008	\$3,274,300	\$654,860	\$19,826,250	\$23,755,410
2009	\$3,274,300	\$654,860	\$33,912,476**	\$37,841,636
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
2016	\$6,525,000	\$1,305,000		\$7,830,000
TOTAL	\$187,078,700	\$33,567,920	\$207,246,266	\$427,892,886

* 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

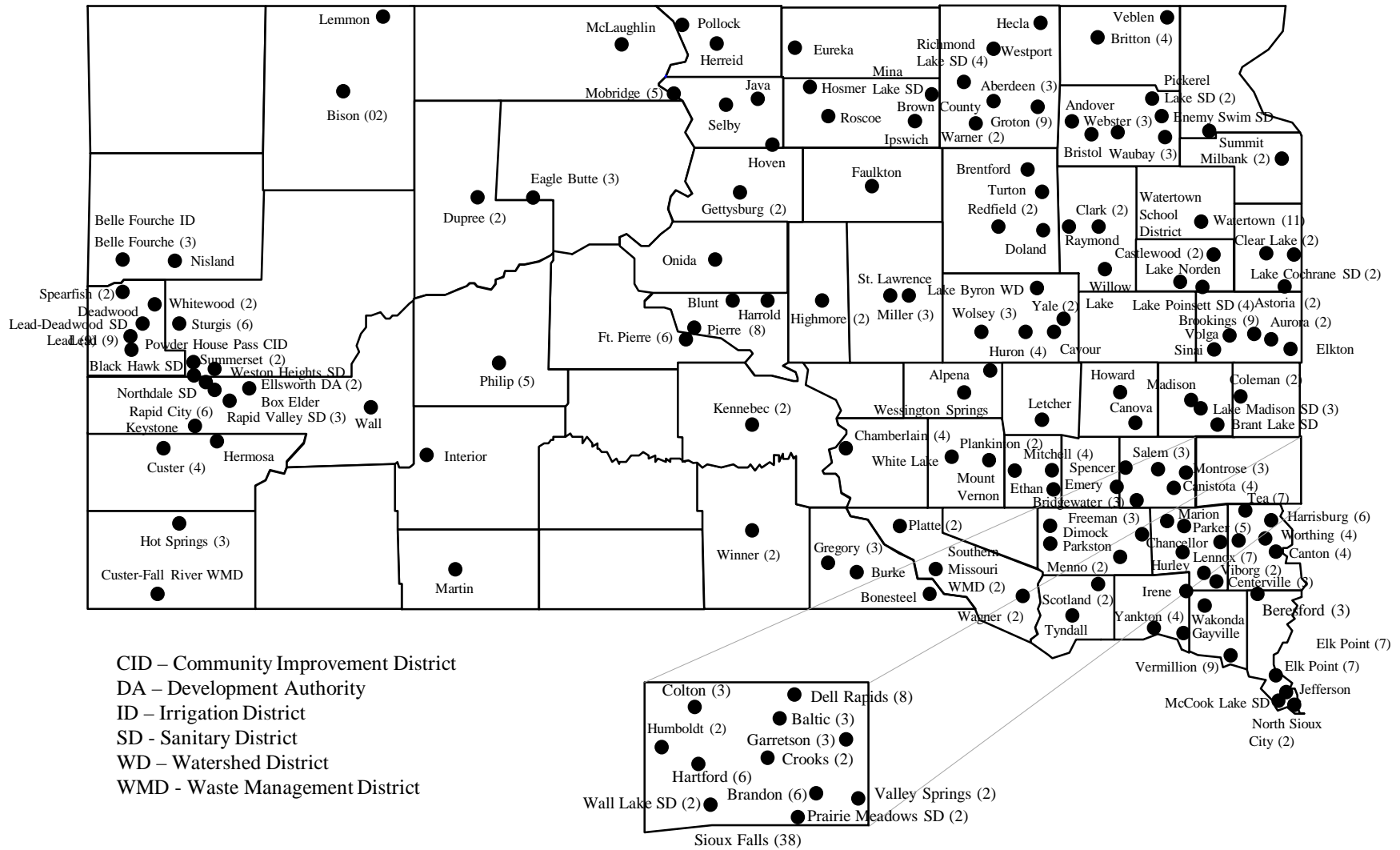


Table 6
Clean Water SRF Loans
Since Inception of Program through June 30, 2017

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	\$905,474
Andover (01)	03/30/2012	3.25%	30	\$194,000	\$194,000
Astoria (01) ²	01/04/2013	3.25%	30	\$235,000	\$0
Astoria (02)	03/31/2016	3.25%	30	\$744,000	\$744,000
Aurora (01)	07/27/2000	5.00%	20	\$410,000	\$309,759
Aurora (02) – ARRA	07/23/2009	3.25%	30	\$660,000	\$421,303
Baltic (01)	06/27/2002	3.50%	20	\$465,000	\$405,646
Baltic (02) – ARRA	06/25/2009	3.00%	20	\$433,000	\$276,164
Baltic (03)	03/30/2012	3.25%	30	\$764,700	\$705,015
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 (03)	01/05/2017	2.25%	20	\$2,125,000	\$2,125,000
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	\$560,821
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
Blunt (01)	06/22/2017	2.50%	30	\$710,000	\$710,000
Bonesteel (01)	03/28/2013	3.25%	30	\$588,000	\$370,456
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) ²	03/27/2015	3.25%	30	\$3,000,000	\$0
Brandon (06)	03/31/2016	3.00%	20	\$2,598,000	\$2,598,000
Brant Lake Sanitary District (01)	06/24/2010	3.25%	30	\$1,700,000	\$1,700,000
Brentford (01)	03/28/2013	3.25%	30	\$194,000	\$171,507
Bridgewater (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	\$893,785

Sponsor	Binding Commitment Date	Rate	Term (years)	Original Binding Commitment Amount	Final Loan Amount
Britton (01) ¹	05/13/1999	4.50%	10	\$509,935	\$509,935
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	\$1,935,489
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	\$30,017,417
Brookings (08) ²	09/27/2012	3.00%	20	\$255,000	\$0
Brookings (09)	01/10/2014	3.00%	20	\$1,570,000	\$448,140
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
Canistota (04)	06/23/2016	3.25%	30	\$378,000	\$378,000
Canova (01)	01/07/2011	3.25%	30	\$262,500	\$238,713
Canton (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
Canton (05)	03/31/2016	3.25%	30	\$1,648,000	\$1,648,000
Castlewood (01)	01/31/2002	3.50%	20	\$250,000	\$215,859
Castlewood (02)	06/22/2006	3.25%	20	\$160,000	\$160,000
Cavour (01)	06/25/2015	3.25%	30	\$150,000	150,000
Centerville (01)	06/27/2002	3.50%	20	\$500,000	\$500,000
Centerville (02)	03/30/2012	3.25%	30	\$435,471	\$400,509
Centerville (03)	03/31/2017	2.50%	30	\$240,000	\$240,000
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
Chancellor (02)	03/31/2016	2.25%	10	\$180,000	\$180,000
Clark (01)	01/10/2003	3.50%	20	\$400,000	\$400,000
Clark (02)	03/27/2015	3.25%	30	\$2,485,000	\$2,485,000
Clear Lake (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	\$766,243
Colton (01) ¹	09/22/2005	3.25%	20	\$204,500	\$178,332

Sponsor	Binding Commitment Date	Rate	Term (years)	Original Binding Commitment Amount	Final Loan Amount
Colton (02)	03/25/2011	3.00%	20	\$189,200	\$140,826
Colton (03)	03/31/2017	2.50%	30	\$1,385,000	\$1,385,000
Crooks (01)	03/27/2008	3.25%	20	\$697,000	\$421,975
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
Dell Rapids (08)	03/31/2016	3.25%	30	\$2,386,000	\$2,386,000
Dimock (01)	09/24/2015	3.25%	30	\$478,000	\$478,000
Doland (01)	03/31/2017	2.00%	10	\$150,000	\$150,000
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
Eagle Butte (03)	06/22/2017	2.50%	30	\$670,000	\$670,000
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
Elk Point (07)	06/23/2016	3.25%	30	\$235,000	\$235,000
Elkton (01) – ARRA	03/27/2009	3.00%	20	\$510,000	\$505,464
Ellsworth Development Authority (01)	08/14/2012	3.00%	20	\$16,000,000	\$16,000,000
Ellsworth Development Authority (02)	03/28/2013	3.00%	20	\$6,812,000	\$6,812,000
Emery (01)	06/25/2015	3.25%	30	\$3,084,000	\$3,084,000
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	\$1,383,155
Faulkton	09/27/2012	3.25%	30	\$902,000	\$790,879
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

Sponsor	Binding Commitment Date	Rate	Term (years)	Original Binding Commitment Amount	Final Loan Amount
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
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
Garretson (03)	06/22/2017	2.50%	30	\$1,160,000	\$1,160,000
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)	09/27/2013	2.25%	10	\$259,000	\$229,958
Gregory (03)	03/31/2017	2.25%	20	\$260,000	\$260,000
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) ¹	03/28/2003	3.50%	20	\$163,775	\$126,648
Groton (05) ¹	03/28/2003	3.50%	20	\$440,000	\$440,000
Groton (06) ¹	01/03/2008	3.25%	20	\$150,000	\$56,368
Groton (07) – ARRA ¹	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	\$679,217
Harrisburg (05)	03/25/2011	3.00%	20	\$1,783,760	\$1,402,976
Harrisburg (06)	09/27/2013	3.25%	20	\$2,577,000	\$2,577,000
Harrold (01)	06/26/2008	3.25%	20	\$170,000	\$162,372
Hartford (01)	04/13/2000	5.00%	20	\$504,000	\$504,000
Hartford (02)	04/13/2000	5.00%	20	\$690,804	\$690,804
Hartford (03)	04/12/2002	3.50%	20	\$300,000	\$300,000
Hartford (04)	01/10/2003	3.50%	20	\$550,035	\$550,035
Hartford (05)	06/28/2007	3.25%	20	\$583,000	\$523,629
Hartford (06)	06/22/2017	2.50%	30	\$1,482,000	\$1,482,000
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	\$538,871
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

Sponsor	Binding Commitment Date	Rate	Term (years)	Original Binding Commitment Amount	Final Loan Amount
Hoven (01)	06/26/2014	3.25%	30	\$656,000	\$470,351
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
Humboldt (02) ²	03/31/2017	2.00%	10	\$272,000	\$0
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
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	\$613,952
Java (01)	06/24/2011	3.25%	30	\$438,325	\$393,252
Jefferson (01)	03/28/2003	3.50%	20	\$320,000	\$166,084
Kennebec (01)	03/27/2015	3.25%	30	\$723,000	\$723,000
Kennebec (02)	03/27/2015	3.25%	30	\$437,000	\$437,000
Keystone (01)	06/23/2016	3.00%	20	\$431,000	\$431,000
Lake Byron Watershed District ²	03/28/2014	3.25%	30	\$1,843,000	\$0
Lake Cochrane San District (01) ¹	04/11/1990	3.00%	20	\$80,000	\$80,000
Lake Cochrane San District (02)	01/08/2004	3.50%	20	\$160,000	\$156,111
Lake Madison San District (01) ¹	03/14/1991	4.00%	15	\$330,000	\$330,000
Lake Madison San District (02)	09/25/2003	3.50%	20	\$875,000	\$613,419
Lake Madison San District (03)	09/24/2015	3.25%	30	\$428,000	\$428,000
Lake Norden (01)	03/31/2017	2.50%	30	\$1,285,000	\$1,285,000
Lake Poinsett San District (01) ²	01/06/2005	3.25%	20	\$590,000	\$0
Lake Poinsett San District (02)	06/28/2007	3.50%	30	\$1,094,700	\$1,094,700
Lake Poinsett San District (03)	09/24/2010	3.25%	30	\$3,075,000	\$2,413,671
Lake Poinsett San District (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 (08)	03/28/2014	3.00%	20	\$937,000	\$937,000
Lead (09)	06/23/2016	2.25%	10	\$427,000	\$427,000
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

Sponsor	Binding Commitment Date	Rate	Term (years)	Original Binding Commitment Amount	Final Loan Amount
Lennox (06)	03/27/2015	3.25%	30	\$1,873,000	\$1,873,000
Lennox (07)	06/22/2017	2.50%	30	\$1,496,000	\$1,496,000
Letcher (01)	06/28/2013	3.25%	30	\$775,000	\$742,374
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) ¹	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
McLaughlin (01)	06/24/2011	3.25%	30	\$1,145,675	\$1,050,424
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
Miller (01) ²	03/31/2016	3.25%	30	\$3,541,000	\$0
Miller (02) ²	03/31/2016	3.25%	30	\$1,958,000	\$0
Miller (03)	03/31/2017	2.50%	30	\$1,875,000	\$1,875,000
Mina Lake San. Dist. (01)	06/23/2016	3.25%	30	\$559,000	\$559,000
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) ¹	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) ²	06/25/2015	3.25%	30	\$545,000	\$0
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
Onida (01)	03/31/2017	2.50%	30	\$2,400,000	\$2,400,000
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
Parker (05)	06/22/2017	2.50%	30	\$731,000	\$731,000
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

Sponsor	Binding Commitment Date	Rate	Term (years)	Original Binding Commitment Amount	Final Loan Amount
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
Pierre (06)	09/26/2014	2.25%	10	\$817,600	\$817,600
Pierre (07)	03/31/2016	3.00%	20	\$3,821,000	\$3,821,000
Pierre (08)	06/23/2016	2.25%	10	\$1,450,000	\$1,450,000
Plankinton (01)	06/24/2011	3.25%	30	\$1,005,744	\$1,005,744
Plankinton (01)	03/31/2017	2.00%	10	\$240,000	\$240,000
Platte (01) ¹	03/25/1999	5.00%	20	\$1,000,000	\$975,865
Platte (02)	06/22/2017	2.50%	30	\$2,300,000	\$2,300,000
Pollock (01) ¹	09/23/1993	3.00%	10	\$170,000	\$151,619
Powder House Pass CID (01)	03/30/2012	3.25%	30	\$2,575,218	\$2,575,218
Prairie Meadow San. Dist. (01) ²	03/28/2013	3.25%	30	\$788,000	\$0
Prairie Meadow San. Dist. (02)	03/31/2016	3.25%	30	\$588,000	\$588,000
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
Raymond (01)	06/23/2016	3.25%	30	\$745,000	\$745,000
Redfield (01) ²	06/23/2005	3.25%	20	\$333,788	\$0
Redfield (02)	03/30/2012	3.25%	30	\$884,000	\$803,423
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	\$148,224
Salem (01)	03/28/2003	3.50%	20	\$592,307	\$518,035
Salem (02)	06/23/2005	3.25%	20	\$387,960	\$387,960
Salem (03)	03/31/2017	2.50%	30	\$2,556,000	\$2,556,000
Scotland (01)	03/28/2003	3.50%	20	\$250,000	\$250,000

Sponsor	Binding Commitment Date	Rate	Term (years)	Original Binding Commitment Amount	Final Loan Amount
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
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	\$19,188,341
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) ¹	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 ¹	05/27/2009	2.25%	10	\$1,970,000	\$1,831,523
Sioux Falls (32)	01/07/2011	1.25%	10	\$23,400,000	\$21,848,437
Sioux Falls (32NPS)	01/07/2011	1.25%	10	\$1,189,400	\$1,189,400
Sioux Falls (33)	06/24/2011	1.25%	10	\$14,000,000	\$12,945,439
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	\$12,040,836
Sioux Falls (35)	03/27/2015	1.25%	10	\$11,400,000	\$11,400,000

Sponsor	Binding Commitment Date	Rate	Term (years)	Original Binding Commitment Amount	Final Loan Amount
Sioux Falls (35NPS)	03/27/2015	1.25%	10	\$579,457	\$579,457
Sioux Falls (36)	03/27/2015	1.25%	10	\$24,800,000	\$24,800,000
Sioux Falls (36NPS)	03/27/2015	1.25%	10	\$1,260,000	\$1,260,000
Sioux Falls (37)	06/23/2016	1.25%	10	\$8,838,000	\$8,838,000
Sioux Falls (37NPS)	06/23/2016	1.25%	10	\$449,000	\$449,000
Sioux Falls (38)	03/31/2017	1.00%	10	\$11,000,000	\$11,000,000
Sioux Falls (38NPS)	03/31/2017	1.00%	10	\$559,125	\$559,125
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
Sturgis (05) – ARRA	08/26/2009	3.00%	20	\$516,900	\$516,900
Sturgis (06)	03/31/2017	2.50%	30	\$16,247,000	\$16,247,000
Summerset (01)	03/30/2012	3.00%	20	\$300,000	\$257,947
Summerset (02)	03/31/2017	2.50%	30	\$1,769,000	\$1,769,000
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) ¹	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	\$212,375
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
Veblen (01)	06/22/2017	2.50%	30	\$1,387,000	\$1,387,000
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 (08)	06/23/2016	3.00%	20	\$812,000	\$812,000
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
Viborg (02)	06/23/2016	3.25%	30	\$105,000	\$105,000

Sponsor	Binding Commitment Date	Rate	Term (years)	Original Binding Commitment Amount	Final Loan Amount
Volga (01)	06/22/2017	2.25%	20	\$2,819,000	\$2,819,000
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	\$1,662,217
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
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	\$1,470,000	\$1,470,000
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
Westport (01)	03/31/2016	3.25%	30	\$445,000	\$445,000
White Lake (01)	03/28/2013	3.25%	30	\$371,000	\$307,374
Whitewood (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

Sponsor	Binding Commitment Date	Rate	Term (years)	Original Binding Commitment Amount	Final Loan Amount
Worthing (03)	03/30/2012	3.00%	20	\$459,832	\$419,585
Worthing (04)	03/31/2017	2.00%	10	\$120,000	\$120,000
Yale (01)	06/24/2011	3.25%	30	\$885,110	\$863,135
Yale (02) ²	03/28/2016	3.25%	30	\$84,000	\$0
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				\$742,509,389	\$665,272,548

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
Astoria (02)	\$744,000	\$368,700	\$375,300
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
Chancellor (02)	\$180,000	\$90,000	\$90,000
Colman (01)	\$1,574,248	\$356,500	\$1,217,748
Colman (02)	\$766,243	\$478,901	\$287,342
Dell Rapids (05)	\$742,564	\$398,014	\$344,550
Doland (01)	\$150,000	\$75,000	\$75,000
Eagle Butte (02)	\$2,410,000	\$436,500	\$1,973,500
Elkton (01)	\$505,464	\$130,000	\$375,064
Elk Point (06)	\$607,840	\$60,784	\$547,056
Emery (01)	\$3,084,000	\$1,871,000	\$1,213,000
Fort Pierre (06)	\$266,000	\$50,000	\$216,000
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	\$122,945	\$1,819,249
Letcher (01)	\$742,374	\$263,542	\$478,832
McLaughlin (01)	\$1,050,424	\$137,605	\$912,819
Milbank (01)	\$3,376,639	\$2,171,179	\$1,205,460
Montrose (02)	\$767,190	\$160,400	\$606,790
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
Raymond (01)	\$745,000	\$745,000	\$0

Sponsor	Total Loan Award	Principal Forgiveness Awarded	Loan Payable
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
Sioux Falls (29)	\$1,211,097	\$121,110	\$1,089,987
Sioux Falls (30)	\$4,974,661	\$497,466	\$4,477,195
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
Sturgis (06)	\$16,247,000	\$1,600,000	\$14,647,000
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)	\$1,662,217	\$927,517	\$734,700
Watertown (09)	\$11,554,853	\$1,155,485	\$10,399,368
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
Worthing (04)	\$120,000	\$90,000	\$30,000
Yale (01)	\$863,135	\$591,247	\$271,888
TOTAL	\$87,340,048	\$27,782,874	\$59,556,695

CLEAN WATER SRF PROJECT DESCRIPTIONS

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

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

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

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

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

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

BELLE FOURCHE – The city of Belle Fourche received two loans totaling \$517,422. The first loan, at 3 percent for 20 years, was used to construct sanitary sewer lines and manholes. The second loan, at 4.5 percent for 10 years, was used to upgrade the city's primary sanitary force main. Belle Fourche received its third loan in the amount of \$2,125,000 at 2.25 percent for 20 years to replace the sanitary sewer in 8th Avenue.

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.

BLUNT – Blunt was awarded its first Clean Water SRF loan refurbish its wastewater lagoon treatment system and rehabilitate two lift stations. The \$710,000 loan is at 2.5 percent for 30 years.

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

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

BRANDON – The city of Brandon received two Clean Water SRF loans totaling \$631,018 for a storm drainage project and for the construction of a force main to convey partially treated wastewater from Brandon to the Sioux Falls wastewater treatment plant as well as the associated pumping station and improvements to the existing treatment facility. Both loans were for 10 years at 3 percent interest. Brandon’s third loan, for \$687,000 at 2.25 percent for 10 years, was to reroute the force main leading to the wastewater treatment facility. Brandon’s fourth loan, for \$383,250 at 2.25 percent for 10 years, was to construct a storm water detention pond on the east side of the city. The third and fourth loans received 10 percent principal forgiveness (\$68,700 and \$38,325, respectively) through the American Recovery and Reinvestment Act of 2009. The third loan was rescinded at the city’s request due to uncertainties concerning the route of the force main and the time limitations imposed by the American Recovery and Reinvestment Act. Brandon’s fifth loan was awarded for engineering planning and design for modifications to the collection systems and construction of a new treatment system. The loan was for \$3,000,000 at 3.25 percent for 30 years. This loan was rescinded at the city’s request after the city dismissed plans to build a new treatment system. Brandon received its sixth loan for \$2,598,000 at 3 percent for 20 years to construct a lift station to convey raw sewage to the Sioux Falls Water Reclamation facility.

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

BRENTFORD – The city of Brentford received a \$194,000 loan to finance lift station and force main upgrades, construct a new wastewater treatment cell, and make improvements to the existing cell. The

project also involved cleaning and televising of the collection system to determine the most appropriate lines to replace in the future. The loan was at 3.25 percent for 30 years.

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

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

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

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

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

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

CANISTOTA – The city of Canistota received a \$616,840 loan at 3.25 percent for 30 years to replace sewer line on Ash Street. The loan included \$420,190 of principal forgiveness through the American

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

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

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

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

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

CENTERVILLE – Centerville received a loan for \$500,000 at 3.5 percent for 20 years to fund the construction of a new wastewater treatment facility and new force main and lift station to transfer the wastewater to the new facility. Centerville received its second loan for \$435,471 at 3.25 percent for 30 years to line approximately 22,600 feet of sewer main and rehabilitate ten manholes. The city's third loan in the amount of \$240,000 at 2.5 percent for 30 years to install new storm sewer parallel to existing storm sewer lines in Main Street to increase capacity.

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

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

CLARK – Clark rehabilitated portions of its wastewater collection and treatment system with a \$400,000 loan at 3.5 percent for 20 years. Clark's second loan, in the amount of \$2,485,000 at 3.25 percent for 30

years, is for the construction of a new total retention wastewater treatment facility and a lift station and force main to convey wastewater to the new facility.

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

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

COLTON – The city's first loan, \$204,500 at 3.25 percent for 20 years, funded wastewater treatment system improvements. Colton's second loan for \$189,200, at 3.25 percent for 30 years, funded sanitary sewer improvements along 5th Street. The city's third loan is for the replacement of clay sanitary sewer on Main and First Streets. The loan amount is \$1,385,000 at 2.5 percent for 30 years.

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 13,000 feet of sewer main and manholes 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. The city's eighth loan in the amount of \$2,386,000 at 3.25 percent for 30 years was for the construction of a sequencing batch reactor treatment facility. Effluent from the city's existing wastewater treatment facility was incapable of meeting more stringent standards that were placed on the Big Sioux River.

DOLAND – Doland's first Clean Water SRF loan funded the replacement of water meters throughout the town. The \$150,000 loan, at 2 percent for 10 years, included \$75,000 of principal forgiveness.

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

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

EAGLE BUTTE – The city of Eagle Butte first SRF loan was to assist in the replacement of a gravity sewer main with a force main and construction a new lift station to connect existing businesses currently without sewer services. The project also involved dredging one of its wastewater treatment ponds, installing aerators to a cell, and upgrading inter-pond and inlet piping between the lagoons. The loan was for \$1,561,500 at 3 percent for 20 years; however, the loan was subsequently deobligated in full at the city's request. Eagle Butte reapplied for funding for the project and was awarded a \$2,410,000 loan at 3.25 percent for 30 years. Sanitary and storm sewer upgrades and extensions within the city were added to the project scope. The third loan awarded to Eagle Butte, \$670,000 at 2.5 percent for 30 years, was needed to complete the sewer main portion of the aforementioned project.

ELK POINT – The city of Elk Point has received six loans for various wastewater and storm water projects. Its first loan, \$458,000 at 4 percent for 15 years, financed the replacement of two existing lift stations with a new lift station, force main and interceptor lines. The city's second loan for \$450,000 at 3.5 percent for 20 years funded new storm sewer and replaced sanitary sewer in conjunction with the Pearl Street Utility Improvement project. Its third loan, in the amount of \$345,000 at 3.5 percent for 20 years, financed renovation of the city's lagoon system. Elk Point's fourth loan, \$100,000 at 3.25 percent for 20 years, funded the wastewater portion of the utility systems' improvements. The fifth SRF loan awarded to Elk Point funded sanitary and storm sewer rehabilitation on Clay and Washington Streets. This loan was \$150,000 at 3.25 percent for 20 years. The city's sixth loan was used to replace the sewer main on Main Street in conjunction with a highway reconstruction project. The loan amount was \$931,700 at 3 percent for 20 years and included \$93,170 of principal forgiveness through the American Recovery and Reinvestment Act of 2009. Elk Point's seventh loan in the amount of \$235,000 at 3.25 percent for 30 years was to line the collection system beneath Rose Street.

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

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

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

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

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

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

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

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

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

GARRETSON – The city of Garretson constructed new wastewater treatment stabilization ponds to make the existing sanitary system total retention and made improvements to the existing wastewater facility using the \$300,000, 4 percent, 15-year loan. The Split Rock Creek lift station and sewer extension project was funded with the city's second loan for \$503,239 at 3.25 percent for 20 years. Garretson was awarded its third loan, \$1,160,000 at 2.5 percent for 30 years, to replace sanitary sewer on 3rd Street, Main Avenue, and the Truck Route.

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. Gregory received its third loan, \$260,000 at 2.25 percent for 20 years, to replace clay sanitary sewer pipe in Felton Street between 4th Street and 2nd Street.

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

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

years to pay a system development charge to the city of Sioux Falls for treatment of wastewater from Harrisburg.

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

HARTFORD – The city of Hartford has received six Clean Water SRF loans . 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. Hartford’s sixth loan was awarded to install a sanitary sewer line in Mickelson Road between Patrick Avenue and Highway 38 and install a new lift station, force main, and storm sewers to accommodate growth in the area. The loan amount is \$1,482,000 at 2.5 percent for 30 years.

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 town’s clay lines to reduce infiltration entering the collection system. The loan amount was \$417,200 at 3.25 percent for 30 years. The city’s second loan in the amount of \$272,000 at 2 percent for 10 years was awarded to replace water meters throughout the city. The loan was subsequently deobligated in full at the city’s request.

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

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

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

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

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

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

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

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

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

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

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

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

LAKE NORDEN – Lake Norden was awarded its first Clean water SRF loan to reline sanitary sewer lines and manholes and televiser additional lines to determine if additional rehabilitation is necessary. The \$1,285,000 loan is at 2.5 percent for 30 years.

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

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

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

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

LENNOX – The city of Lennox received a \$350,000 Clean Water SRF loan at 5.25 percent interest for 20 years to construct and rehabilitate sanitary sewer interceptors. The city received a second loan for \$583,735 at 5.25 percent for 20 years to add four aeration basins, two lift stations, and force mains to the existing wastewater facility. Lennox's third and fourth loans were to replace the existing treatment facility with a sequencing batch reactor (SBR) mechanical aeration system and make improvements to a lift station. A loan of \$1,565,760 with 100 percent principal forgiveness through the American Recovery and Reinvestment Act of 2009 was for those components of the project with a design life of 20 years. A loan of \$1,942,273 at 3.25 percent for 30 years was used to construct those components of the project with a design life of at least 30 years. This loan included \$123,024 of principal forgiveness through the American Recovery and Reinvestment Act of 2009. Lennox received its fifth loan of \$1,290,000 at 3.25 percent for 30 years to replace or repair sanitary and storm sewers in the southwestern part of the city. Lennox received its sixth loan of \$1,873,000 at 3.25 percent for 30 years and a seventh loan of \$1,496,000 at 2.5 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 televisize the entire sanitary sewer collection system. The \$775,000 loan, at 3.25 percent for 30 years, included \$275,000 of principal forgiveness.

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

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

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

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

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

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

MILBANK – The city of Milbank received two Clean Water SRF loans to complete phase II improvements to its wastewater treatment facility. A loan for \$3,515,000 with \$2,257,500 of principal forgiveness through the American Recovery and Reinvestment Act of 2009 was used for improvements to the primary clarifier, intermediate pumping facilities, final clarifiers and other appurtenances necessary to

complete the project. The loan carries an interest rate of 3.0 percent for 20 years. A loan for \$1,000,000 at 3.25 percent for 30 years was used to reclaim abandoned sludge storage ponds.

MILLER – Miller received two loans to make improvements to its sanitary and storm water collection systems. The loans are in the amounts of \$3,541,000 and \$1,958,000 and are for the sanitary and storm water improvements, respectively. Both loans are at 3.25 percent for 30 years. The loans were subsequently deobligated in full at the city's request. Miller was awarded a third loan in the amount of \$1,875,000, at 2.5 percent for 30 years, to make additional improvements to the sanitary and storm sewer infrastructure.

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

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

MOBRIDGE – The city of Mobridge received two Clean Water SRF loans to partially fund the upgrade and expansion of the wastewater treatment facility. The first loan totaled \$1,500,000 at 3 percent for 20 years, while the second loan of \$158,000 was at a rate of 4 percent for 15 years. The city received its third loan in the amount of \$1,355,000 at 4.5 percent interest for 10 years to install storm sewers in the northwest section of town. Mobridge was awarded its fourth loan in the amount of \$764,000 at 3 percent for 30 years to better manage storm water in the area of Second Avenue West and Railway Street Southwest. The city's fifth loan is to make improvements at the wastewater treatment facility by constructing a new primary clarifier, bio-filter pump station, ultraviolet disinfection system and disinfection basin drain and rehabilitating the existing primary clarifier. The loan amount is \$1,475,000 at 3 percent for 20 years.

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

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

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

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

NORTHDALÉ 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.

ONIDA - Onida received a \$2,400,000 Clean Water SRF loan at 2.5 percent for 30 years to replace clay sewer lines and services lines in various part of the city, as well as replacing the existing submersible lift station with a wet well/dry well lift station.

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. The city was awarded a fifth loan in the amount of \$731,000, at 2.5 percent for 30 years, to continue with additional replacement of its wastewater collection system.

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

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

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

PIERRE – The city of Pierre has received five Clean Water SRF loans for various projects. Its first loan, in the amount of \$433,976 at 4 percent for 15 years, financed the construction of an interceptor line near the airport and the addition of comminutors at the treatment plant as well as improvements to the sludge handling facilities at the treatment plant. The city's second loan, for \$4,417,000 at 5.25 percent for 20 years, financed phase I improvements to the wastewater treatment facility. Pierre received a third loan in

the amount of \$5,391,260 at 5 percent for 20 years to improve the wastewater treatment facility (phase II). Its fourth loan, \$1,378,404 at 3.5 percent for 20 years, funded the water quality components of a new regional landfill. Pierre's fifth loan was for \$976,953 at 3.25 percent for 20 years for the stabilization of slide areas and drainage improvements at an old, pre-Subtitle D landfill. The city's sixth loan, in the amount of \$817,600 at 2.25 percent for 10 years financed construction of an additional cell at the Pierre Regional Landfill. Pierre was awarded its seventh loan to make several improvements to the wastewater treatment facility. The improvements involve rehabilitation of the grit removal system and primary clarifier, replacing an air delivery line serving an air lift station and replacing the chlorine-based disinfection process with an ultraviolet disinfection system. The loan amount was \$3,821,000 at 3 percent for 20 years. The city's eighth loan in the amount of \$1,450,000 at 2.25 percent for 10 years is to extend sewer lines to an undeveloped area in the northeast part of Pierre.

PLANKINTON – Plankinton received its first Clean Water SRF loan to replace the main interceptor leading to the wastewater treatment facility, replace or reline approximately 8,000 feet of sanitary sewer lines, and replace 40 manholes. The loan was for \$1,005,744 at 3.25 percent for 30 years and included \$150,000 of principal forgiveness. The city was awarded its second loan in the amount of \$240,000 at 2 percent for 10 years to replace water meters throughout the city.

PLATTE – The city of Platte received a \$1,000,000 loan at 5 percent for 20 years to renovate its sanitary sewer system. The city was awarded its second loan in the amount of \$2,300,000 at 2.5 percent for 30 years for additional rehabilitation of its sanitary sewer system.

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

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

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

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

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

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

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

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

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

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

SALEM – Salem's first Clean Water SRF loan, in the amount of \$592,307 at 3.5 percent for 20 years, funded wastewater collection improvements in conjunction with a South Dakota DOT project. The city's second loan, \$387,960 at 3.25 percent for 20 years, funded wastewater and storm water utility improvements. Salem was awarded its third loan in the amount of \$2,556,000 at 2.5 percent for 30 years for rehabilitation of a portion of its sanitary sewer system.

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

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

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

SIoux FALLS – The city of Sioux Falls has received 38 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 \$24,800,000 was for the replacement of the existing 66-inch outfall line from the equalization basin to the Brandon Road Pump Station. Sioux Falls received its 37th loan to extend sewer service to an industrial park located North of I-90 and west of I-29. Loans 35, 36, and 37 had a 1.25 percent interest rate and a term of 10 years. The 38th loan awarded to the city, \$11,559,125 at 1 percent for 10 years, replaced the mixing systems and floating covers on primary digesters. Loans 35-38 also included a nonpoint component to install nonpoint source best management practices in the Big Sioux River basin.

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

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

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

STURGIS – The city of Sturgis has received four loans totaling \$3,975,630. The first two loans, totaling \$1,438,250 at 5 percent for 20 years, financed the construction of three sewer interceptor lines, a sewer collection line, and wastewater treatment facility upgrades. The city's third loan, \$437,380 at 5.25 percent for 20 years, financed the repair of damage to and replacement of riprap in the second and third cells of the wastewater treatment facility as well as engineering planning studies. The city's fourth loan for \$2,100,000, at 5 percent interest for 20 years, expanded the city's treated effluent irrigation system. Sturgis was awarded its fifth loan to install sanitary sewer service to the 90 homes of the Murray Addition and connecting them to city sanitary sewer service. The \$516,900 loan was at 3.0 percent for 20 years and included \$218,283 of principal forgiveness through the American Recovery and Reinvestment Act of 2009. The city's sixth loan was awarded to replace the existing stabilization ponds and irrigation treatment system with a membrane bio-reactor treatment system, line 31,500 feet of clay pipe, and upsize the influent line to the treatment facility. The \$16,247,000 loan at 2.5 percent for 30 years includes \$1,600,000 of principal forgiveness.

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. The city will use its second loan, \$1,769,000 at 2.5 percent for 30 years, to construct a filter equalization basin, effluent filter, and a building to enclose exposed treatment processes.

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.

VEBLEN – Veblen received its first Clean Water SRF loan for rehabilitation of its wastewater collection system, construction of an all-weather access road at the wastewater treatment facility, and installation of rip-rap on the pond berms. The loan is for \$1,387,000 at 2.5 percent for 30 years,

VERMILLION – Vermillion’s first loan, \$125,000 at 3 percent for 20 years, was used to reconstruct a sanitary sewer interceptor. The second loan, \$500,000 at 4 percent for 15 years, funded the construction of approximately 6,200 feet of storm sewer pipe and associated appurtenances in three areas of the city. The third loan, a nonpoint source loan of \$480,000 at 4.5 percent for 10 years, financed the construction of a second trench at the city’s landfill and to purchase a scraper. The city’s fourth SRF loan, \$456,000 at 3.5 percent for 20 years, funded wastewater collection facilities in the northwest area of the city. Vermillion’s fifth and sixth loans, in the amount of \$3,548,351 and \$4,851,000, respectively, financed two phases of wastewater treatment plant improvements to update mechanical process equipment, controls and instrumentation, to replace the main lift station, and to construct an additional force main between the new lift station and the treatment facility. Both are 20-year loans with an interest rate of 3.25 percent. The city’s seventh loan for \$499,000 involved lining approximately 11,600 feet of sanitary sewer lines in various locations throughout the city using cured-in-place pipe. This loan was at 3.0 percent for 20 years and included \$249,500 of principal forgiveness through the American Recovery and Reinvestment Act of 2009. The eighth loan awarded to Vermillion - \$1,639,000 at 3 percent for 20 years – assisted in the construction of the fifth disposal cell at the regional landfill. The city’s ninth loan was used to replace the Prentis Street lift station as well as manholes and gravity sewer in the area that has inadequate capacity due to growth in the area. The loan amount was \$812,000 at 3 percent for 20 years.

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

VOLGA –The city of Volga was awarded its first Clean Water SRF loan, \$2,819,000 at 2.25 percent for 20 years, to implement the first phase of a two phase project to make improvements to its wastewater treatment process. This involves improvements to the existing blower building to include installing new blowers, a new pretreatment building to house a mechanical bar screen system with a washer, compactor, and screenings conveyor, and the installation of an ultra-violet disinfection system.

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

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

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

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

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

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

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

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

retention wastewater system. The loan amount is \$1,470,000 at 3.25 percent for 30 years and includes \$500,000 of principal forgiveness.

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

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

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

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

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

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

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

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

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

WORTHING – The town of Worthing received a \$227,645 Clean Water SRF loan at 5.25 percent interest for 20 years that was used to expand and upgrade the existing stabilization pond treatment facility. Worthing's second loan was to install a new sewer line along Cedar Street and to replace the lift station at the wastewater treatment facility and a sewer trunk line along Third Street. The loan was for

\$580,000 at 3.25 percent for 20 years. Worthing received its third loan to make collection system improvements and install storm sewer and curb and gutter. The loan amount was \$459,832 at 3 percent for 20 years. The city was awarded its fourth loan in the amount of \$120,000 at 2 percent for 10 years to replace water meters throughout the city. The loan included \$90,000 of principal forgiveness.

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

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

DRAFT

SOUTH DAKOTA
DRINKING WATER STATE REVOLVING FUND
PROGRAM INFORMATION

DRAFT

DRAFT

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 \$207,203,298. 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
2016	\$8,312,000	\$1,662,400		\$9,974,400
TOTAL	\$207,203,298	\$37,540,660	\$67,725,700	\$312,469,658

Through June 30, 2017, principal repayments from borrowers totaled \$156,622,460. Of this amount \$103,449,944 has been re-loaned or obligated for active loans. Principal repayments are also used for debt service on leveraged bonds. Interest payments from borrowers totaled \$42,343,084. These funds, coupled with investment earnings, have provided \$41,513,044 in loans or obligations for active loans. Interest payments are also used for debt service on State Match bonds.

As of June 30, 2017, the Board has made 300 Drinking Water loan awards totaling \$508,760,957. The Drinking Water SRF loan portfolio begins on page 71 with a map showing the location of the borrowers. Table 9, beginning on page 72, provides the loan amount, date, and terms. Table 10, beginning on page 80, shows the projects awarded principal forgiveness. More detailed project description narratives are provided by recipient beginning on page 83.

FIGURE 2
Drinking Water State Revolving Fund Loans

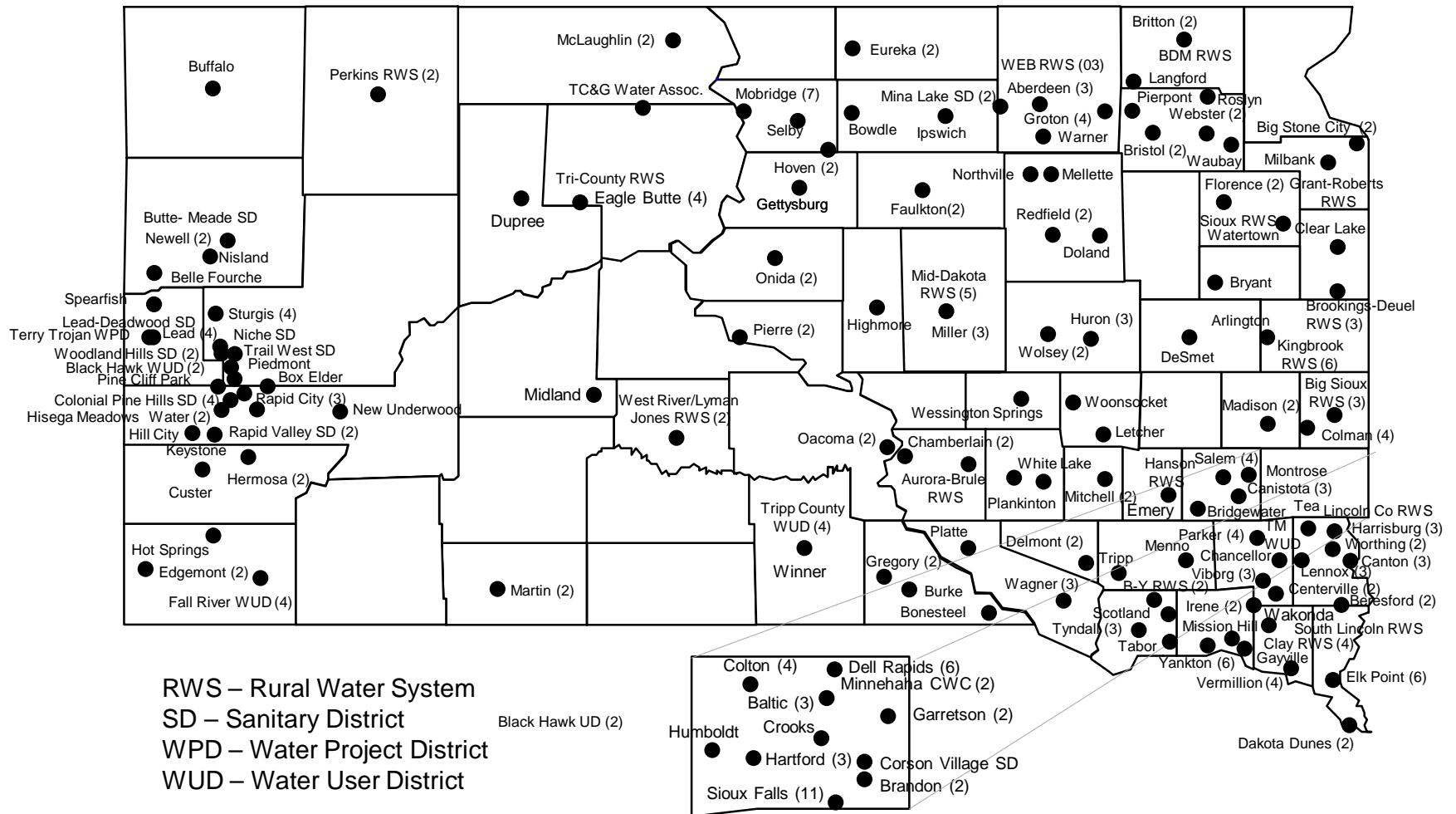


Table 9
Drinking Water SRF Loans
Since Inception of Program through June 30, 2017

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
Belle Fourche (DW-01)	01/05/2017	2.25%	20	\$265,000	\$265,000
Beresford (DW-01)	03/30/2012	3.00%	30	\$916,040	\$916,040
Beresford (DW-01)	03/28/2014	3.00%	30	\$745,000	\$698,784
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
Bonesteel (DW-01)	03/28/2013	2.25%	30	\$2,043,000	\$1,939,847
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
Bridgewater (DW-01)	06/23/2016	2.25%	30	\$121,000	\$121,000
Bristol (DW-01) ²	04/25/2001	4.50%	20	\$139,000	\$0
Bristol (DW-02)	03/28/2014	3.00%	30	\$1,979,000	\$1,785,113
Britton (DW-01)	04/25/2001	4.50%	20	\$320,000	\$320,000
Britton (DW-02) ²	03/31/2016	3.00%	30	\$3,212,000	\$0
Brookings-Deuel Rural Water System (DW-01)	01/06/2005	3.25%	30	\$1,200,000	\$1,002,464
Brookings-Deuel Rural Water System (DW-02)	06/23/2005	3.25%	30	\$1,750,000	\$1,750,000
Brookings-Deuel Rural Water System (DW-03)	03/31/2016	2.25%	10	\$250,000	\$250,000
Bryant (DW-01)	01/13/2000	3.00%	30	\$142,000	\$142,000
Buffalo (DW-01)	03/27/2015	2.25%	30	\$1,695,000	\$1,695,000

Sponsor	Binding Commitment Date	Rate	Term (years)	Original Binding Commitment Amount	Final Loan Amount
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
B-Y Water District (DW-01) – ARRA ²	06/25/2009	0%	-	\$300,000	\$0
B-Y Water District (DW-02)	03/31/2017	2.50%	30	\$4,700,000	\$4,700,000
Canistota (DW-01) – ARRA	03/27/2009	3.00%	30	\$426,460	\$426,460
Canistota (DW-02)	03/28/2014	3.00%	30	\$1,095,000	\$1,095,000
Canistota (DW-03)	06/23/2016	3.00%	30	\$96,000	\$96,000
Canton (DW-01)	01/10/2003	3.50%	20	\$500,000	\$500,000
Canton (DW-02)	03/27/2015	3.00%	30	\$1,550,000	\$1,550,000
Canton (DW-02)	03/31/2016	3.00%	30	\$760,000	\$760,000
Centerville (DW-01)	03/25/2004	3.25%	30	\$870,000	\$870,000
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) ¹	03/30/2012	0%	-	\$182,000	\$167,260
Colman (DW-02)	03/30/2012	3.00%	30	\$439,008	\$434,528
Colman (DW-03)	03/28/2013	3.00%	30	\$1,600,000	\$1,600,000
Colman (DW-04)	03/31/2016	3.00%	30	\$500,000	\$500,000
Colonial Pine Hills Sanitary District (DW-01)	01/31/2002	3.50%	20	\$659,000	\$636,108
Colonial Pine Hills Sanitary District (DW-02) – 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
Colton (DW-04)	03/31/2017	2.50%	30	\$500,000	\$500,000
Conde (DW-01)	03/31/2016	2.25%	30	\$2,333,000	\$2,333,000
Corson Village Sanitary District (DW-01) – ARRA	07/23/2009	3.00%	20	\$601,735	\$581,364
Crooks (DW-01)	06/25/2004	3.25%	20	\$302,900	\$133,510
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	\$1,512,103
Dell Rapids (DW-01)	03/28/2003	3.50%	20	\$621,000	\$621,000
Dell Rapids (DW-02)	01/05/2006	3.25%	20	\$162,263	\$162,263

Sponsor	Binding Commitment Date	Rate	Term (years)	Original Binding Commitment Amount	Final Loan Amount
Dell Rapids (DW-03)	09/24/2011	3.00%	20	\$531,835	\$428,698
Dell Rapids (DW-04)	01/05/2012	2.25%	10	\$300,000	\$300,000
Dell Rapids (DW-05)	06/29/2012	3.00%	20	\$897,000	\$866,931
Dell Rapids (DW-06)	03/31/2016	3.25%	30	\$705,000	\$705,000
Delmont (DW-01) ¹	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	\$1,642,867
Dupree (DW-01)	09/27/2012	2.25%	30	\$163,500	\$163,500
Eagle Butte (DW-01)	09/27/2012	0%	10	\$593,000	\$588,581
Eagle Butte (DW-02)	09/27/2012	0%	30	\$1,244,000	\$1,244,000
Eagle Butte (DW-03)	03/28/2013	0%	30	\$520,000	\$520,000
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
Edgemont (DW-02)	06/22/2017	0%	30	\$447,000	\$447,000
Elk Point (DW-01)	01/31/2002	3.50%	20	\$220,000	\$220,000
Elk Point (DW-02)	06/25/2004	3.25%	20	\$570,000	\$570,000
Elk Point (DW-03)	06/22/2006	3.25%	20	\$218,000	\$114,441
Elk Point (DW-04)	06/26/2008	3.25%	20	\$564,000	\$539,449
Elk Point (DW-05) – ARRA	07/23/2009	3.00%	20	\$1,179,500	\$798,040
Elk Point (DW-06)	06/23/2016	3.25%	30	\$564,000	\$564,000
Emery (DW-01)	06/25/2015	3.00%	30	\$1,585,000	\$490,000
Eureka (DW-01)	09/28/2006	0.00%	10	\$135,000	\$133,681
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
Garretson (DW-02)	06/22/2017	2.50%	30	\$639,500	\$639,500
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) ¹	03/28/2003	3.50%	20	\$440,000	\$440,000

Sponsor	Binding Commitment Date	Rate	Term (years)	Original Binding Commitment Amount	Final Loan Amount
Groton (DW-02) ¹	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
Hermosa (DW-02)	03/31/2017	2.00%	30	\$199,000	\$199,000
Highmore (DW-01)	03/28/2014	3.00%	30	\$395,000	\$267,038
Hill City (DW-01) - ARRA ¹	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
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-02)	03/28/2014	3.00%	30	\$1,546,000	\$1,223,326
Keystone (DW-01)	03/25/2004	3.25%	20	\$762,000	\$630,212
Kingbrook RWS (DW-01)	04/13/2000	0.00%	30	\$475,000	\$474,204
Kingbrook RWS (DW-02)	01/06/2005	3.25%	30	\$2,115,000	\$2,115,000
Kingbrook RWS (DW-03)	03/30/2005	3.25%	20	\$3,324,000	\$3,136,677
Kingbrook RWS (DW-04)	06/22/2006	3.25%	20	\$2,350,000	\$2,315,622
Kingbrook RWS (DW-05)	01/10/2014	3.00%	20	\$540,000	\$540,000
Kingbrook RWS (DW-06) ²	03/31/2016	3.00%	20	\$9,000,000	\$0
Langford (DW-01)	06/26/2017	0.00%	30	\$386,000	\$386,000
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

Sponsor	Binding Commitment Date	Rate	Term (years)	Original Binding Commitment Amount	Final Loan Amount
Lennox (DW-02)	03/30/2012	3.00%	20	\$712,431	\$712,431
Lennox (DW-03)	06/26/2017	2.25%	30	\$912,000	\$912,000
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
Martin (DW-02)	03/31/2017	2.00%	30	\$633,000	\$633,000
McLaughlin (DW-01)	06/25/2004	2.50%	30	\$350,000	\$350,000
McLaughlin (DW-02)	06/24/2011	2.25%	30	\$4,151,050	\$3,805,869
Mellette (DW-01) – ARRA	08/27/2009	3.00%	30	\$271,780	\$271,780
Menno (DW-01)	09/22/2012	2.25%	10	\$157,000	\$157,000
Mid-Dakota RWS (DW-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
Midland (DW-01)	06/23/2016	2.25%	30	\$225,000	\$225,000
Milbank (DW-01)	09/22/2005	2.50%	30	\$4,741,000	\$4,460,294
Miller (DW-01)	01/03/2008	2.50%	10	\$255,200	\$225,389
Miller (DW-02)	03/31/2016	3.00%	30	\$2,112,000	\$2,112,000
Miller (DW-03)	03/31/2017	2.25%	30	\$1,099,000	\$1,099,000
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	\$369,526
Montrose (DW-01)	03/25/2011	3.00%	30	\$893,000	\$862,825
New Underwood (DW-01)- ARRA	06/25/2009	3.00%	20	\$175,500	\$169,299
Newell (DW-01)- ARRA	08/26/2009	2.25%	30	\$829,500	\$714,774
Newell (DW-02)	03/30/2012	1.25%	10	\$266,250	\$230,952

Sponsor	Binding Commitment Date	Rate	Term (years)	Original Binding Commitment Amount	Final Loan Amount
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
Onida (DW-02)	03/31/2017	2.25%	20	\$950,000	\$950,000
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
Parker (DW-04)	06/22/2017	2.25%	30	\$697,000	\$697,000
Perkins County RWS (DW-01) ¹	06/29/2012	0%	-	\$151,000	\$151,000
Perkins County RWS (DW-02)	03/31/2016	2.25%	30	\$1,722,000	\$1,722,000
Piedmont (DW-01)	03/25/2011	3.00%	20	\$1,404,000	\$1,404,000
Pierpont (DW-01)	06/24/2011	3.00%	30	\$551,200	\$544,908
Pierre (DW-01)	01/31/2002	3.50%	15	\$1,094,200	\$988,188
Pierre (DW-02)	09/25/2003	3.50%	15	\$1,832,900	\$1,832,900
Pine Cliff Park Water & Maintenance, Inc. (DW-01)	03/31/2017	2.25%	20	\$348,000	\$348,000
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
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
Salem (DW-04)	03/31/2017	2.25%	30	\$302,000	\$302,000
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

Sponsor	Binding Commitment Date	Rate	Term (years)	Original Binding Commitment Amount	Final Loan Amount
Sioux Falls (DW-07)	01/03/2008	2.50%	10	\$2,200,000	\$2,200,000
Sioux Falls (DW-08)	01/03/2008	2.50%	10	\$2,705,600	\$2,088,645
Sioux Falls (DW-09) – ARRA	03/27/2009	2.25%	10	\$3,578,750	\$2,678,738
Sioux Falls (DW-10) – ARRA	03/27/2009	2.25%	10	\$7,606,900	\$5,819,138
Sioux Falls (DW-11)	01/07/2011	2.25%	10	\$4,000,000	\$4,000,000
Sioux Rural Water System (DW-01)	03/27/2015	3.00%	20	\$2,515,000	\$2,515,000
South Lincoln RWS (DW-01) ¹	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	\$1,488,130
TC&G Water Association (DW-01)	06/25/2015	2.25%	30	\$985,000	\$985,000
Tea (DW-01)	03/30/2007	3.25%	20	\$2,263,723	\$2,263,723
Terry Trojan Water Project District (DW-01)	01/05/2017	2.25%	20	\$812,000	\$812,000
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
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)	03/25/2011	2.25%	30	\$1,532,000	\$1,438,541
Viborg (DW-01)	03/27/2008	3.25%	20	\$249,775	\$104,491
Viborg (DW-02)	11/30/2010	3.00%	30	\$847,000	\$847,000
Viborg (DW-03)	06/23/2016	3.25%	30	\$606,000	\$606,000
Wagner (DW-01)	06/22/2006	0.00%	30	\$750,000	\$750,000
Wagner (DW-02)	06/28/2007	0.00%	30	\$175,000	\$175,000
Wagner (DW-03) – ARRA ²	07/23/2009	0.00%	30	\$275,000	\$0
Wakonda (DW-01)	03/31/2016	3.00%	20	\$1,378,000	\$1,378,000

Sponsor	Binding Commitment Date	Rate	Term (years)	Original Binding Commitment Amount	Final Loan Amount
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)	09/24/2010	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	\$372,437
Wolsey (DW-01)	06/23/2005	3.25%	20	\$263,000	\$227,950
Wolsey (DW-02)	09/27/2007	3.25%	20	\$162,300	\$162,300
Woodland Hills Sanitary District (DW-01)	06/28/2013	3.00%	20	\$780,000	\$780,000
Woodland Hills Sanitary District (DW-02)	03/27/2015	3.00%	20	\$481,000	\$481,000
Woonsocket (DW-01) – ARRA	08/27/2009	3.00%	30	\$720,000	\$720,000
Worthing (DW-01)	06/26/2003	3.50%	20	\$288,000	\$288,000
Worthing (DW-02)	03/30/2012	3.00%	20	\$301,227	\$277,094
Yankton (DW-01)	11/09/2001	3.50%	20	\$3,460,000	\$3,460,000
Yankton (DW-02)	06/28/2007	3.25%	20	\$1,100,000	\$896,975
Yankton (DW-03) – ARRA	03/27/2009	3.00%	20	\$3,000,000	\$2,542,146
Yankton (DW-04) – ARRA	03/27/2009	3.00%	20	\$2,200,000	\$2,200,000
Yankton (DW-05)	09/27/2013	3.00%	30	\$12,850,000	\$12,850,000
Yankton (DW-06)	03/31/2017	2.25%	30	\$37,000,000	\$37,000,000
TOTAL				\$508,760,957	\$443,328,214

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)	\$1,939,847	\$1,466,524	\$473,323
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)	\$1,785,113	\$1,367,396	\$417,717
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)	\$167,260	\$167,260	\$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
Conde (DW-01)	\$2,333,000	\$1,833,000	\$500,000
Corson Village San. Dist. (DW-01)	\$581,364	\$523,227	\$58,137
Dell Rapids (DW-04)	\$300,000	\$30,000	\$270,000
Dell Rapids (DW-05)	\$866,931	\$241,873	\$625,058
Delmont (DW-02)	\$90,000	\$90,000	\$0
DeSmet (DW-01)	\$258,000	\$25,800	\$232,200
Doland (DW-01)	\$1,642,867	\$1,283,079	\$359,788
Dupree (DW-01)	\$163,500	\$100,000	\$63,500
Eagle Butte (DW-01)	\$588,581	\$470,864	\$117,717
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
Edgemont (DW-02)	\$447,000	\$157,000	\$290,000

Sponsor	Total Loan Awarded	Principal Forgiveness Awarded	Loan Payable
Elk Point (DW-05)	\$798,040	\$446,902	\$351,138
Eureka (DW-02)	\$200,000	\$200,000	\$0
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)	\$1,223,326	\$922,387	\$300,939
Lead (DW-03)	\$784,987	\$298,295	\$486,692
Lennox (DW-02)	\$712,431	\$400,000	\$312,431
McLaughlin (DW-02)	\$3,805,869	\$2,919,101	\$886,768
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
Miller (DW-02)	\$2,112,000	\$692,000	\$1,420,000
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
Onida (DW-02)	\$950,000	\$250,000	\$700,000
Parker (DW-03)	\$554,200	\$452,100	\$102,100
Perkins County RWS (DW-01)	\$151,000	\$151,000	\$0
Perkins County RWS (DW-02)	\$1,722,000	\$1,033,200	\$688,800
Piedmont (DW-01)	\$1,404,000	\$804,000	\$600,000
Pierpont (DW-01)	\$544,908	\$408,681	\$136,227

Sponsor	Total Loan Awarded	Principal Forgiveness Awarded	Loan Payable
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
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)	\$1,488,130	\$681,563	\$806,567
Terry Trojan WPD (DW-01)	\$812,000	\$80,000	\$732,000
TM Rural Water District	\$1,394,175	\$1,394,175	\$0
Trail West Sanitary District (DW-01)	\$1,607,626	\$742,106	\$865,520
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
Wakonda (DW-01)	\$1,378,000	\$948,000	\$430,000
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	\$128,125,671	\$52,065,886	\$76,059,785

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.

BELLE FOURCHE - The city of Belle Fourche received its first Drinking Water SRF loan in the amount of \$265,000 at 2.25 percent for 20 years to replace water main in 8th Avenue.

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

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

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

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

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

BRIDGEWATER – Bridgewater received a loan in the amount of \$121,000 at 2.25 percent for 30 years to replace water main on Main Street.

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

BRITTON – The city of Britton received a loan in the amount of \$320,000 to replace and make improvements to approximately 30 blocks of water main throughout the city. The project involved replacing 50-year old cast iron pipes, much of which completely deteriorated due to rust and scale build-up. The loan was at 4.5 percent interest for 20 years. Britton’s second loan in the amount of \$3,212,000 at 3 percent for 30 years was to make improvements to its water system. Improvements involved replacing all the 4-inch lines and 6-inch cast iron pipes in the distribution system with 6-inch PVC lines and installing additional valves. Other improvements included painting and updating the existing 250,000-gallon ground level and 150,000-gallon elevated storage tanks and constructing a new pump house. The loan was subsequently deobligated in full at the city’s request.

BROOKINGS-DEUEL RURAL WATER SYSTEM – Brookings-Deuel RWS received two Drinking Water SRF loans in FFY 2005. The first loan, in the amount of \$1,200,000 at 3.25 percent for 30 years, increases the treatment capacity of the Bruce water treatment plant. The second loan, in the amount of \$1,750,000 at 3.25 percent for 30 years, made improvements to the distribution system and extended water to the community of Astoria. The system's third loan in the amount of \$250,000 at 2.25 percent for 10 years was for the installation of a meter data transmission unit on existing water meters to transmit meter readings to the Brookings-Deuel office using a cellular network.

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

BUFFALO –Buffalo's first loan is for the replacement of the cast iron pipe and asbestos cement pipe water main in the distribution system along with replacement of valves, hydrants, and service connections. The loan was for \$1,695,000 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.

B-Y WATER USER DISTRICT - The B-Y 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. The district received its second loan in the amount of \$4,700,000 at 2.5 percent for 30 years to construct a 3.4-million gallon pre-stressed concrete ground storage reservoir.

CANISTOTA - The city of Canistota received a \$426,460 loan at 3.0 percent for 30 years to replace the water line on Ash Street. The loan included \$313,960 of principal forgiveness through the American Recovery and Reinvestment Act of 2009. The city received its second loan to replace water lines in a portion of the community. The loan was for \$1,095,000 at 3 percent for 30 years and included \$616,000 of principal forgiveness. Canistota was awarded its third loan in the amount of \$96,000 at 3 percent for 30 years to replace water service lines on Main Street.

CANTON - Canton utilized its first loan in the amount of \$500,000 at 3.5 percent for 20 years to fund utility improvements in conjunction with South Dakota DOT reconstruction of US 18. Canton received a second loan in the amount of \$1,550,000 at 3.0 for 30 years to for the installation of two wells and upgrades to the existing pumps and control system. Canton received its third loan in the amount of \$760,000 at 3 percent for 30 years to replace water lines as part of the Dakota Street reconstruction project.

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

CHAMBERLAIN – The city of Chamberlain obtained its first Drinking Water SRF loan in the amount of \$276,500 at 3.25 percent for 20 years to upgrade chemical feed and control systems and to make renovations to its water treatment plant. Chamberlain's second loan was for \$1,000,000 and was used to

replace water mains and appurtenances at nine locations within the city. This loan was at 3.0 percent for 20 years and included \$300,000 of principal forgiveness through the American Recovery and Reinvestment Act of 2009.

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

CLAY RURAL WATER SYSTEM – Clay RWS’s first drinking water SRF loan expanded the system to southern Union County. The loan was for \$4,331,000 at 3.25 percent for 30 years. The system’s second loan was for \$846,300 to construct 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 with 100 percent principal forgiveness, was to replace water meters and install an automatic reading system. The other loan was for \$439,008 at 3 percent for 30 years to replace water lines and provided looping of the distribution system. A third loan was awarded in 2013 to replace water lines, loop the distribution system, and replace an old water storage tank. The loan amount was \$1,600,000 at 3 percent for 30 years and included \$968,000 in principal forgiveness. A fourth loan was awarded in 2016 in the amount of \$500,000 at 3 percent for 30 years to replace 4,400 of watermain along Highway 34 and to cover cost over-runs and recoup expenses for an emergency repair on the Highway 34 water main.

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

COLTON – The city of Colton used a loan in the amount of \$681,720 at 3.5 percent for 30 years to connect to the Minnehaha Community Water Corporation. The loan was used for an elevated storage tank, water lines, wells, and new water treatment plant. The city received its second loan to replace water lines as part of a utility replacement project on 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. The city was awarded its fourth loan to replace ductile iron

and asbestos concrete water main on Main, First and Sherman Streets and complete a loop on the north side of town. The loan amount was \$500,000 at 2.5 percent for 30 years.

CONDE – The town of Conde was awarded a loan to replace existing 6-inch ductile iron pipe and 4-inch PVC pipe in the distribution system with 6-inch PVC pipe, replace the existing water tower with a 50,000-gallon ground storage tank and replace booster pumps. The loan was for \$2,333,000 at 2.25 percent for 30 years and included \$1,833,000 of principal forgiveness.

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

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

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

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

DELL RAPIDS - Dell Rapids constructed various distribution system improvements with its first \$621,000 loan at 3.5 percent for 20 years. The city's second loan, in the amount of \$162,263 at 3.25 percent for 20 years, financed the drinking water portion of the 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. Dell Rapids was awarded its sixth loan to replace approximately 1,900 feet of cast iron water mains at the intersection of SD Highway 115, Old Highway 77 and 4th Street and 800 feet of cast iron lines on a portion of 10th Street near the hospital. This loan was for \$705,000 at 3.25 percent for 30 years.

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

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

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

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

EAGLE BUTTE - Eagle Butte was awarded a loan for \$593,000 with \$474,000 of principal forgiveness was at zero percent for 10 years that was used to replace water meters and install an automatic meter read system. The city’s second and fourth loans were to extend water services to a portion of the community with limited access to the water system and replace aging infrastructure in the downtown area. These loans, each at zero percent for 30 years, were for \$1,244,000 and \$725,000, respectively, and included \$995,200 and \$362,500 of principal forgiveness, respectively. A third loan in the amount \$490,000 at zero percent for 30 years, with \$392,000 of principal forgiveness, was originally intended to replace water lines on Willow Street. When the cost of the water line extension and replacement project came in over estimates, the city requested that the scope of the Willow Street 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. Subsequent cost over-runs occurred due to legal matters involving the city and the Cheyenne River Sioux Tribe, and additional funds were needed. The loan was increased to \$520,000 and the \$200,000 of principal forgiveness was retained.

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 zero percent for 30 years and includes \$1,206,890 of principal forgiveness. Because rehabilitation of one of the wells was determined to be unfeasible, the city was awarded an additional loan to drill a new well and plug the unusable well. The second loan was in the amount of \$447,000 at zero percent for 30 years and includes \$157,000 of principal forgiveness.

ELK POINT – Elk Point received its first loan in the amount of \$220,000 for water main replacement in conjunction with its Pearl Street Utility Improvement project at 3.5 percent for 20 years. Its second loan, in the amount of \$570,000 at 3.25 percent for 20 years, funded an upgrade to the city’s water treatment plant. The city received its third loan in the amount of \$218,000 at 3.25 percent for 20 years, to fund the drinking water portion of the utility systems improvements. The fourth SRF loan awarded to Elk Point funded water line replacement on Clay and Washington Streets. This loan was for \$564,000 at 3.25 percent for 20 years. The city’s fifth loan was to replace the water main on Main Street in conjunction with a highway reconstruction project. The loan amount was \$1,179,500 at 3 percent for 20 years and included \$660,520 of principal forgiveness through the American Recovery and Reinvestment Act of 2009. Elk Point’s sixth loan in the amount of \$564,000 at 3.25 percent for 30 years was to replace water lines on Rose Street.

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

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

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

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

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

GARRETSON – The city of Garretson connected to the Minnehaha CWC with its \$1,261,060 loan at 3.5 percent for 30 years. The loan was used to construct water lines, wells, and a new water treatment plant. Garretson was awarded its second loan, \$639,500 at 2.5 percent for 30 years, to replace water lines on 3rd Street, Main Avenue, and the Truck Route.

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 replaced water distribution lines. Hermosa's second loan, \$199,000 at 2 percent for 30 years, was awarded to rehabilitate a well with high radionuclides and install a booster station. The well rehabilitation project will investigate the different well production zones to isolate and plug off zones negatively impacting the water quality.

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

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

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

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

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

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

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

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

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

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

KINGBROOK RWS – The Kingbrook Rural Water System received a loan in the amount of \$475,000. This loan was at 0 percent interest for 30 years. The project hooked up the city of Carthage and upgraded its distribution system and storage tank. Kingbrook RWS took over the system and provided individual service. Kingbrook’s second loan, in the amount of \$2,115,000 at 3.25 percent for 30 years, provided additional capacity within the system and provided service to Ramona and the Badger area. The third loan of \$3,324,000 at 3.25 percent for 20 years expanded the distribution system to allow 250 additional connections to the system. Kingbrook’s fourth loan, \$2,350,000 at 3.25 percent for 20 years, continued with the improvements to the system’s distribution system. The rural water system received its fifth loan for the construction of rural and in-town water lines to provide individual service to the residents of Sinai. Kingbrook was awarded its sixth loan to connect approximately 220 new users and improve capacity and reliability in the service area. The project involved approximately 6.5 miles of 14- and 16-inch PVC pipe and 125 miles of 2- to 6-inch PVC pipe as well as new booster pumps and other miscellaneous work. The loan was for \$9,000,000 at 3 percent for 20 years. The loan was subsequently deobligated in full at the system’s request.

LANGFORD – Langford received its first Drinking Water SRF loan for \$386,000 at zero percent for 30 years to make system-wide improvements to its drinking water infrastructure. Improvements include construction of a 75,000-gallon elevated storage tank and a pump house building and replacement of 4-inch asbestos cement water main and all water meters.

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. Lennox’s third loan in the amount of \$912,000 at 2.25 percent for 30 years is to replace and loop water mains.

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 – With its first Drinking water SRF loan, Martin corrected undersized water lines and water supply issues with a \$920,000 loan at 2.5 percent for 30 years. Martin was awarded its second loan, \$633,000 at 2 percent for 30 years to replace water lines and meters in a five-block area.

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.

MIDLAND – Midland was awarded its first loan in the amount of \$225,000 at 2.25 percent for 30 years to address haloacetic acid (HAA5) violations. The project consists of a new 53,000-gallon ground storage facility with a new mixing system and construction of 3,220 feet of 6-inch main to loop the system.

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

MILLER - The city of Miller was awarded a loan in the amount of \$255,200 at 2.5 percent for 10 years to replace water meters throughout the city. The city's second loan in the amount of \$2,112,000 at 3 percent for 30 years is for the replacement of approximately 9,100 feet of water mains throughout the city. The loan included \$692,000 of principal forgiveness. Miller was awarded a third loan in the amount of \$1,099,000 at 2.25 percent for 30 years to continue replacing water distribution lines.

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. Onida was awarded its second loan to replace water lines in various locations within the city. The loan was for \$950,000 at 2.25 percent for 20 years and 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. The city was awarded its fourth loan in the amount of \$697,000 at 2.5 percent for 30 years to continue with additional replacement of its water distribution system.

PERKINS COUNTY RURAL WATER SYSTEM – A \$131,000 Drinking Water SRF loan was awarded the Perkins County Rural Water System to construct a booster station along Highway 75. The loan was awarded as 100 percent principal forgiveness. The loan amount was increased to \$151,000 to allow for the purchase of a SCADA system. Perkins County RWS received its second loan to change the vertical alignment or insulate existing water main along Highways 12 and 73 near the city of Lemmon that will lose minimum cover needed to prevent freezing due to an upcoming DOT project. The \$1,722,000 loan at 2.25 percent for 30 years includes \$1,033,000 of principal forgiveness and also funded the installation of a SCADA system at the Highway 20 Booster station.

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

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

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

PINE CLIFF PARK WATER AND MAINTENANCE, INC. – Pine Cliff Park received its first Drinking Water SRF loan in the amount of \$348,000 at 2.25 percent for 20 years to replace lines in the water distribution system.

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. Salem was awarded its fourth loan in the amount of \$302,000 at 2.25 percent for 30 years to replace a portion of its water distribution system.

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

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

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

award to Sioux Falls was for \$4,000,000 at 2.5 percent for 10 years to replace water mains and valves in various locations.

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

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

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

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

TC&G WATER ASSOCIATION – The TC&G Water association received its first loan for the replacement water meters, installation of a new booster station, and replacement of approximately 18 miles of old and undersized pipe throughout the system. The loan amount was \$985,000 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.

TERRY TROJAN WATER PROJECT DISTRICT – The Terry Trojan Water Project District received its first Drinking Water SRF loan to construct an additional well, make upgrades to the SCADA system at the existing well, and replace water lines. The loan was for \$812,000 at 2.25 percent for 20 years and included \$80,000 of principal forgiveness.

TM RURAL WATER DISTRICT – The TM Rural Water District receive two loans to provide service to new users within its southeast service area and improve service to Viborg and Hurley by providing storage for these communities. The loans were for \$1,084,750 at 3 percent for 30 years and \$1,398,750 with 100 percent as principal forgiveness.

TRAIL WEST SANITARY DISTRICT – The Trail West Sanitary District received a loan of \$1,651,000 to install water meters and approximately 7,500 feet of 4-inch water main, rehabilitate existing wells, and construct an iron removal treatment system. The loan was at 3 percent for 20 years and included \$637,860 of principal forgiveness.

TRI-COUNTY WATER ASSOCIATION – The Tri-County Water Association received a \$200,000 loan, awarded as 100 percent principal forgiveness, to construct an elevated water storage tank.

TRIPP – The city of Tripp received a loan for \$291,000 at 2.5 percent interest for 30 years to complete the city's on-going water main rehabilitation project. The project involves approximately 8,100 feet of pipe, service connections, valves, fire hydrants and appurtenances to replace 70-year old cast iron water mains.

TRIPP COUNTY WATER USERS DISTRICT — Tripp County Water Users District was awarded two loans in 2003. The first loan, \$3,500,000 at 2.5 percent for 30 years, funded expansion of the district into Gregory County and the assimilation of the East Gregory Rural Water System. The second loan, \$148,000 at zero percent interest for 30 years, allowed the district to assume the water distribution system at Wood. The district's third loan, in the amount of \$850,000 at 3 percent for 20 years, funded the construction of an elevated water storage tank near Fairfax. This loan was de-obligated in full at the request of the district. Tripp County was awarded its fourth loan to upgrade a large portion of its distribution system by installing more than 195 miles of mains, increasing pump sizes or constructing new booster stations, providing new water services, and constructing two new water towers. The loan was for \$11,750,000 at 2.25 percent for 30 years.

TYNDALL – Tyndall received a loan for \$300,000 at 2.5 percent interest for 10 years. This loan financed the installation of approximately 2,800 feet of water main to enhance the overall efficiency of the distribution system by looping areas of the community that are currently dead ends. Tyndall received a second loan in the amount of \$861,000 to fund a connection to the B-Y Rural Water System. This loan was at 2.5 percent interest for 30 years. The city's third loan financed the construction of a new 200,000-gallon water tower and replacement of sections of water main located throughout the city. The \$1,570,000 loan was made at 2.25 percent for 30 years and included \$200,000 of principal forgiveness.

VERMILLION – Vermillion received a loan for \$942,000 at 5 percent interest for 20 years. This loan was used to construct lime sludge disposal lagoons. Vermillion's second loan, \$1,510,000 at 3.5 percent interest for 20 years, funded water treatment plant improvements. Vermillion's third drinking water SRF loan, in the amount of \$3,772,500 at 2.5 percent for 20 years, funded phase 3 improvements to the water treatment plant. The city's received its fourth loan to replace a water tower. The loan was for \$1,532,000 at 2.25 percent for 30 years and included \$153,200 of principal forgiveness.

VIBORG - The city of Viborg's first SRF loan was to replace water distribution lines and loop lines at various locations in the city. The loan amount was \$249,775 with an interest rate of 3.25 percent and a term of 20 years. Viborg funded water main improvements in conjunction with a Highway 19 reconstruction project with its second loan. The \$847,000 loan had a 3 percent interest rate, a 30-year term, and included \$730,000 of principal forgiveness. Viborg's third loan in the amount of \$606,000 at 3.25 percent interest for 30 years was for the replacement of approximately 2,900 feet of water main and five fire hydrants,

WAGNER – Wagner received its first drinking water loan in the amount of \$750,000 at the disadvantaged rate of zero percent interest for 30 years to make improvements to its water tower and replace water lines. The city's second loan, in the amount of \$175,000 at the disadvantaged rate of zero percent interest for 30 years, replaced water utilities along North Park Street and North Street. Wagner was awarded its third loan to replace water line on South Park Street. The \$275,000 loan was at 0 percent

for 30 years and included \$55,000 of principal forgiveness through the American Recovery and Reinvestment Act of 2009. The loan was rescinded at the city's request.

WAKONDA – Wakonda received its first loan to replace a meter pit, rehabilitate the water tower, and replace cast iron lines that account for more than 40 percent of the water distribution system. The loan is for \$1,378,000 at 3 percent for 30 years and includes \$948,000 of principal forgiveness.

WARNER - The city of Warner received a \$400,000 loan with 100 percent principal forgiveness through the American Recovery and Reinvestment Act of 2009. The loan partially funded improvements to the city's water storage capabilities.

WATERTOWN - Watertown's first Drinking Water SRF loan was used to develop a new well field and expand the city water treatment plant in order to discontinue using the Lake Kampeska water source and treatment facility and replace a standpipe with a new 2-million gallon standpipe. The loan was for \$23,760,000 at 3.25 percent interest and a 20-year term.

WAUBAY – The city of Waubay's first loan, in the amount of \$750,000 at the disadvantaged rate of 2.5 percent for 30 years, funded phase 1 of the city's drinking water distribution system improvements.

WEB – WEB Water Development Association, Inc. received a loan for \$1,110,000 at 5 percent interest for 15 years. The project would have allowed WEB to extend service to approximately 200 additional rural homes and farms and provide additional water service to four existing bulk users. The Board of Water and Natural Resources rescinded this loan on May 13, 1999. WEB applied for and received a \$137,450 loan at 2.5 percent interest for 30 years to improve water service in the community of Glenham by replacing the town's water distribution system. This loan was rescinded on June 27, 2003. WEB was awarded its third drinking water SRF loan in the amount of \$3,950,000 at 3.25 percent for 20 years to increase the capacity of its water treatment plant. The award was contingent upon a specific loan closing date, which was not met, and the application was withdrawn at WEB's request.

WEBSTER – The city of Webster received a \$330,000 loan at 3.5 percent interest for 20 years to fund replacement of cast iron water mains with PVC pipe and replacement of water services and fire hydrants. Webster second loan was for \$387,400 at 2.25 percent for 10 years to install new water meters and an automatic read system. The loan included \$150,000 of principal forgiveness.

WESSINGTON SPRINGS – The city of Wessington Springs received its first loan - \$209,000 at 2.25 percent for 30 years – to replace three blocks of water main on Main Street.

WEST RIVER/LYMAN-JONES RURAL WATER SYSTEM – WR/LJ received a loan in the amount of \$340,000 at 2.5 percent for 30 years to fund water main replacement in the town of Reliance. WR/LJ's second loan, in the amount of \$8,000,000 at 3.25 percent for 30 years, funded phase 1 of the construction of the north loop pipeline to provide service to Stanley and Haakon counties.

WHITE LAKE - White lake received its first Drinking Water SRF loan, \$362,000 at 2.25 percent for 30 years to replace aging water lines on Main Street. The loan included \$85,000 of principal forgiveness.

WINNER - Winner's first Drinking Water SRF loan, \$450,000 at 2.25 percent for 30 years, funded construction of a new chlorine building including new pumps, piping and chlorine equipment.

WOLSEY – Wolsey's first Drinking Water SRF loan, \$263,000 at 3.25 percent for 20 years, funded a waterline replacement project. The city's second loan, in the amount of \$162,300 at 3.25 percent for 20 years, funded water line replacement in conjunction with the SDDOT's reconstruction of Highway 14/281.

WOODLAND HILLS SANITARY DISTRICT – A \$780,000 loan at 3 percent for 20 years with \$480,000 of principal forgiveness was awarded to the Woodland Hills Sanitary District for phase 1 improvements to its water system. Improvements included a new 10,000-gallon ground level water storage tank, water meter pits for the entire system, upgrades to the well, well house, and pump station building, installation of 1,800 feet water main, and replacement of water service line within the right-of-way. Due to higher than expected bids, several items were removed from the original project scope. The sanitary district requested and received an additional \$481,000 to complete the project as intended, with the exception of the ground storage tank. The loan was at 3.00 for 20 years and included \$384,800 of principal forgiveness.

WOONSOCKET — Woonsocket was awarded its first SRF loan in the amount of \$720,000 to replace and loop of water lines primarily along Highway 34. The loan had an interest rate of 3.0 percent, a 30-year term and included \$416,500 of principal forgiveness through the American Recovery and Reinvestment Act of 2009.

WORTHING — Worthing received its first loan in the amount of \$288,000 at 3.5 percent for 20 years for improvements to the city's water distribution system. The city's second loan in the amount of \$301,227 financed 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. The city's sixth loan, \$37,000,000 at 2.25 percent for 30 years, was for the construction of new reverse osmosis water treatment plant and to decommission the oldest of the two existing treatment plants.

BOND ISSUE SUMMARIES

DRAFT

DRAFT

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

DRAFT

DRAFT

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.

DRAFT

DRAFT

45 copies of this document were printed by
the Department of Environment and Natural Resources
at a cost of \$3.18 per copy

TITLE: Amendment to the FY 2017 Clean Water SRF Intended Use Plan

EXPLANATION: The FY 2017 Clean Water State Revolving Fund Intended Use Plan was approved by the Board of Water and Natural Resources in November 2016 and amended in March and June 2017.

Staff recommends 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
12	Powder House Pass Community Improvement District	\$1,593,000	2.50%, 30 years

RECOMMENDED ACTION: Approve the proposed amendments to the 2017 Clean Water SRF Intended Use Plan

CONTACT: Andy Bruels, 773-4216

TITLE: Amendment to FY 2017 Drinking Water SRF Intended Use Plan

EXPLANATION: The FY 2017 Drinking Water State Revolving Fund Intended Use Plan was approved by the Board of Water and Natural Resources in November 2016 and amended in March, June, and July 2017.

With the adoption of the 2015 Drinking Water SRF Intended Use Plan a new program known as Very Small System Compliance grants was included. The purpose of this program is to help public water systems with less than 50 connections to correct a compliance issue with the Safe Drinking Water Act. The program was based on another state's program that excluded violations of the Total Coliform Rule from being eligible. The Water and Waste Funding staff Drinking Water Quality staff have determined that in South Dakota this may not be the best approach.

Below is the section within the narrative portion of the Intended Use Plan that will be changed:

ADMINISTRATIVE SURCHARGE FEES

In federal fiscal year 2015, \$250,000 of administrative surcharge funds were allocated to provide grants to assist very small systems in violation of the Safe Drinking Water Act ~~excluding the Total Coliform Rule~~. These funds are limited to community systems with 50 or less connections and not-for-profit, non-transient non-community water systems. Funds will be provided for infrastructure projects as 100 percent grants up to a maximum of \$50,000 and for total project costs less than \$100,000. No additional funds will be allocated for these activities in federal fiscal year 2017.

RECOMMENDED ACTION: Approve the proposed amendments to the 2017 Drinking Water SRF Intended Use Plan

CONTACT: Mike Perkovich, 773-4216

TITLE: Sanitary/Storm Sewer Facilities Funding Applications

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

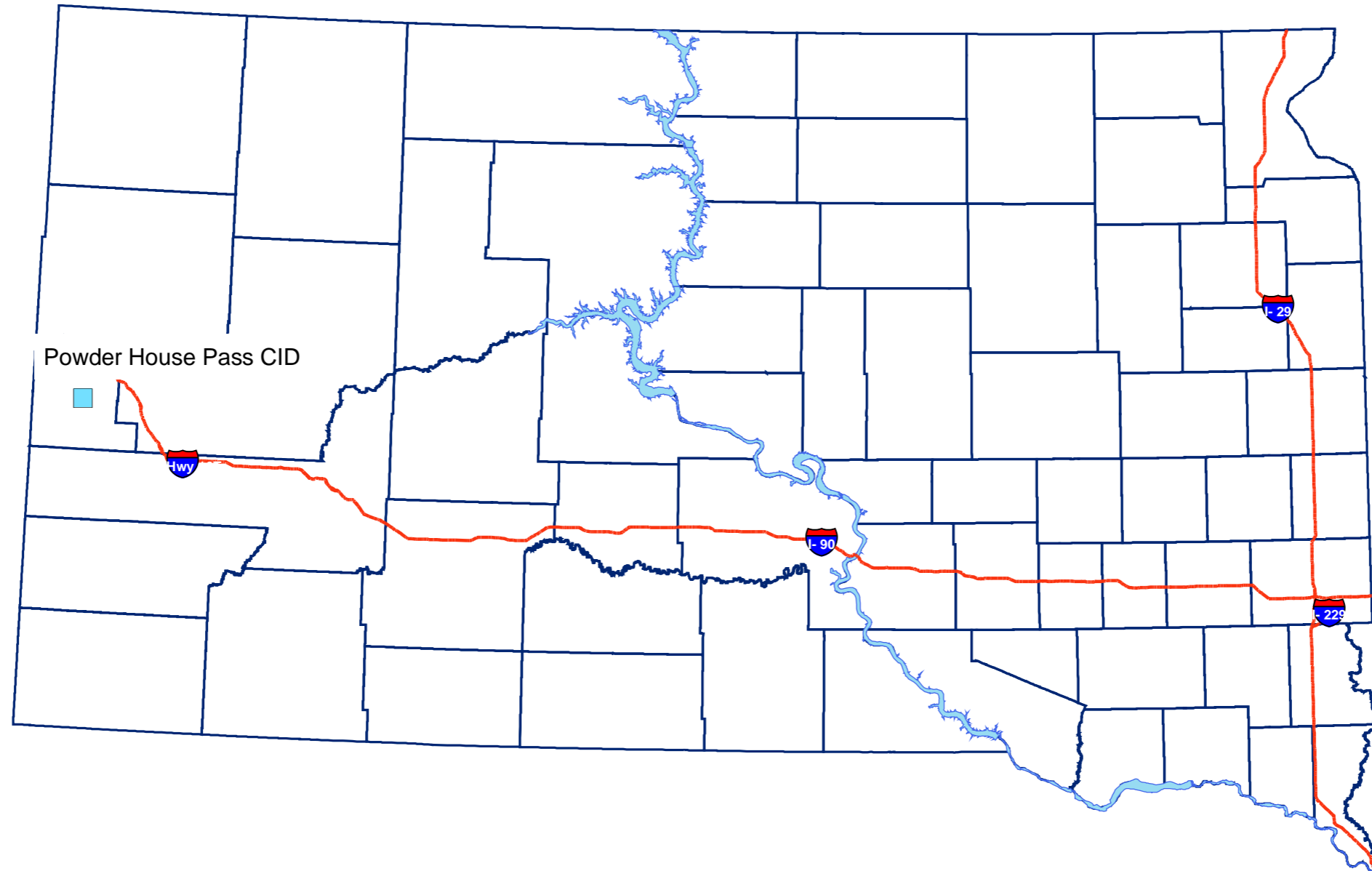
- a. Powder House Pass CID (12)

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

<http://denr.sd.gov/bwnrapps/BWNRappsssf0917.pdf>

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

Sanitary/Storm Sewer Facilities Funding Applications September 2017



Sanitary/Storm Sewer Facilities Funding Application

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

Applicant: Powder House Pass Community Improvement District Address: P.O. Box 2524 Sioux Falls, SD 57101 Subapplicant: DUNS Number: 079606019	Proposed Funding Package <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="text-align: right;">Requested Funding</td> <td style="text-align: right; border-bottom: 1px solid black;">\$2,060,000</td> </tr> <tr> <td style="text-align: right;">Local Cash</td> <td style="text-align: right; border-bottom: 1px solid black;">_____</td> </tr> <tr> <td style="text-align: right;">Other: <u>Prior SRF Award</u></td> <td style="text-align: right; border-bottom: 1px solid black;">\$2,575,218</td> </tr> <tr> <td style="text-align: right;">Other: _____</td> <td style="text-align: right; border-bottom: 1px solid black;">_____</td> </tr> <tr> <td style="text-align: right;">Other: _____</td> <td style="text-align: right; border-bottom: 1px solid black;">_____</td> </tr> <tr> <td style="text-align: right;">TOTAL</td> <td style="text-align: right; border-bottom: 1px solid black;">\$4,635,218</td> </tr> </table>	Requested Funding	\$2,060,000	Local Cash	_____	Other: <u>Prior SRF Award</u>	\$2,575,218	Other: _____	_____	Other: _____	_____	TOTAL	\$4,635,218
Requested Funding	\$2,060,000												
Local Cash	_____												
Other: <u>Prior SRF Award</u>	\$2,575,218												
Other: _____	_____												
Other: _____	_____												
TOTAL	\$4,635,218												

Project Title: Powder House Pass - Waste Water Treatment Project

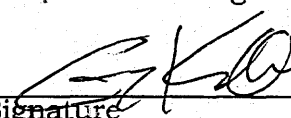
Description:

The Powder House Pass (PHP) Community Improvement District (CID) is applying for additional CWSRF loan funds in order to complete a sanitary waste water treatment project. In 2012 a \$2,575,218 CWSRF loan was awarded to the PHP CID to complete a sanitary waste water project consisting of construction of collection main and a treatment plant. The sewer main construction has been completed although additional funding is now needed in order to complete construction of the treatment plant. A moving bed biological reactor (MBBR) package treatment plant and related appurtenances (refer to facility plan addendum) is now being proposed to provide for sanitary waste water treatment for the PHP CID. Further, funding is also being requested in this new application to complete additional collection main. Finally, funding is also being included to cover the costs of a sewer master plan for the CID.

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.

Greg Kaschmitter, Chairman
Name & Title of Authorized Signatory
(Typed)


Signature

8/28/2017
Date

FUNDING REQUEST EVALUATION FORM
SANITARY/STORM SEWER FACILITIES FUNDING APPLICATION
POWDER HOUSE PASS COMMUNITY IMPROVEMENT DISTRICT

Project Title: Wastewater Treatment and Sewer Project

Funding Requested: \$2,060,000

Other Proposed Funding: \$2,575,218 – Prior State Revolving Fund Loan

Total Project Cost: \$4,635,218

Project Description: Powder House Pass Community Improvement District (District) is proposing to construct a moving bed biological reactor package treatment plant and an additional sanitary sewer line to the proposed Welcome Center

Alternatives Evaluated: The District evaluated two wastewater treatment facility alternatives: 1) a membrane bioreactor (MBR) and 2) a moving bed biological reactor (MBBR).

The MBR treatment system would consist of flow measurement (Parshall flume), aerated flow equalization, screening, aeration, post-aeration membrane solids separation, permeate pumping, ultraviolet disinfection and gravity discharge. Provisions for odor control and waste-activated sludge storage are also included in the process. Aerated flow equalization, screening, aeration, post-aeration membrane solids separation, and permeate pumping are included in the MBR package plant.

The MBBR treatment system would consist of flow measurement (Parshall flume), aerated flow equalization, screening, aeration, clarification, effluent filtration, ultraviolet disinfection and gravity discharge. Provisions for odor control and waste-activated sludge storage are also included in the process. Aerated flow equalization, screening, aeration, clarification, and effluent filtration are included in the MBBR package plant.

The District selected the MBBR system due to lower capital and O & M costs. The system also has lower energy demands.

The District will also install 2,174 feet of 8-inch sanitary sewer

lines, eight manholes and appurtenances to connect the Welcome Center to the collection system.

Implementation Schedule: Powder House Pass bid the projects in July 2017 with a project completion date of October 2018.

Service Population: 25

Current Domestic Rate: NA

Interest Rate: 2.5% Term: 30 years Security: Special Assessment Bond

DEBT SERVICE CAPACITY

Coverage at Maximum Loan Amount:	If all funding is provided as a loan, an annual levy (special assessment) of approximately \$481 per platted lot and \$88,500 for the undeveloped areas of the district will be required to provide 110% coverage.
----------------------------------	--

10% Funding Subsidy:	\$206,000 subsidy.
----------------------	--------------------

10% Subsidy analysis:	For each 10% of subsidy the annual levy will decrease \$47 per platted lot and \$8,845 for the undeveloped areas.
-----------------------	---

ENGINEERING REVIEW COMPLETED BY: JIM ANDERSON

FINANCIAL REVIEW COMPLETED BY: DAVE RUHNKE

TITLE: Solid Waste Management Program Funding Application(s)

EXPLANATION: The following application(s) have been received by DENR for funding consideration at this meeting.

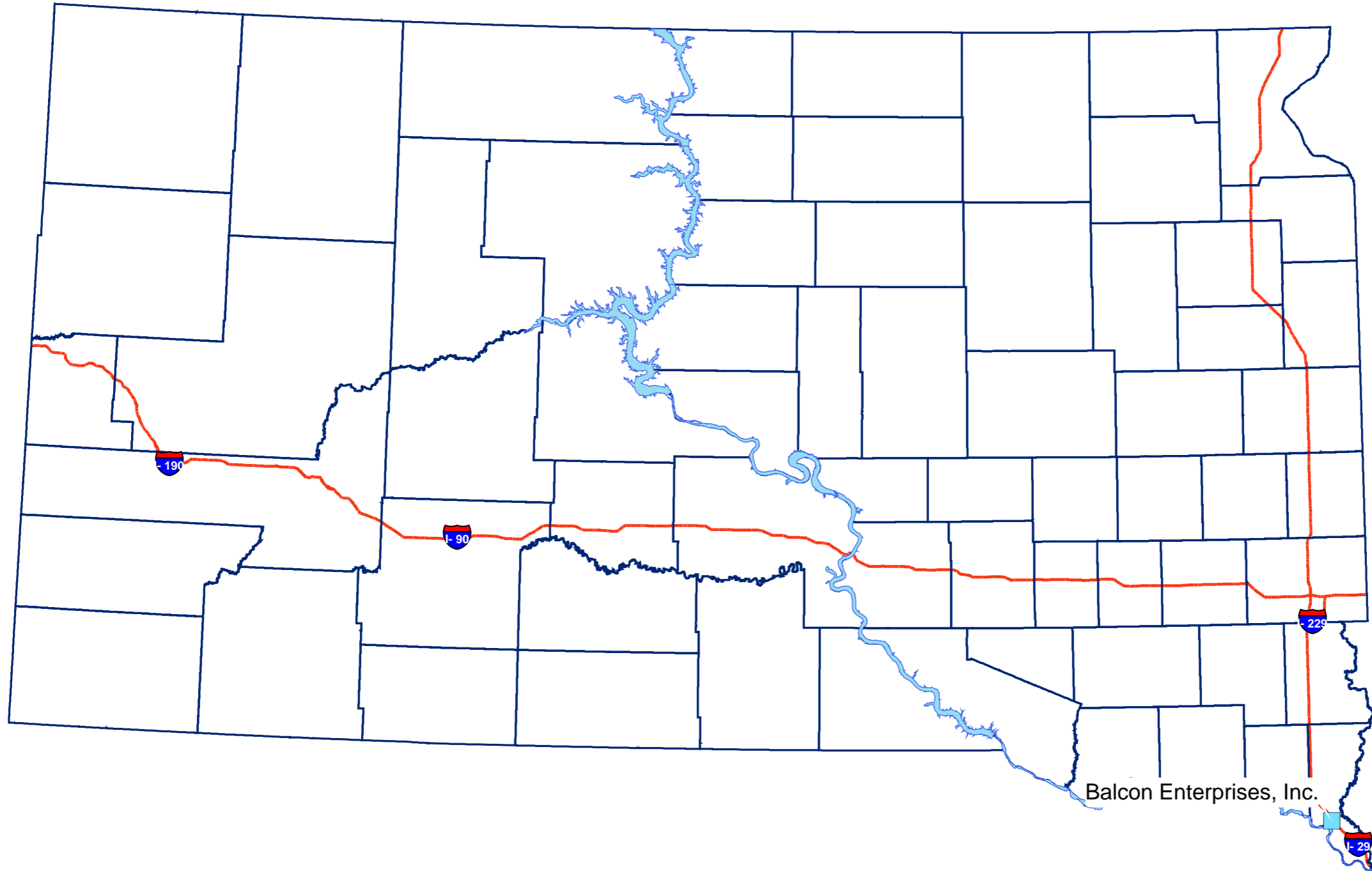
- a. BalCon Enterprises

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

<http://denr.sd.gov/bwnrapps/BWNRapps0917.pdf>

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

Solid Waste Management Program Funding Applications September 2017



Solid Waste Management Program Application

Applicant
Balcon Enterprises

Proposed Funding Package

SWMP Funds: \$954,213.00

Local Cash: \$0

Address
PO Box 799
Elk Point, South Dakota 57025

Other: _____

Other: _____

Other: \$0

Phone Number (605)356-2122

Total Project Cost: \$954,213.00

Project Title: Balcon Distribution Center/Recycling Program Enhancement

Description:

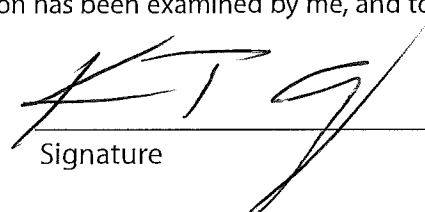
Balcon Enterprises, Inc. is a business with its headquarters located in Elk Point, South Dakota. They sell bulk bags, gaylord boxes and liners to other businesses. Gaylord boxes are sold new and used. Boxes that are no longer usable are recycled. The current recycling is done in a very small building located approximately 8 miles from the main headquarters. Balcon Enterprises helps with cardboard recycling efforts for the City of Elk Point. Balcon Enterprises has been looking for locations to expand their capacity. Some of the locations under consideration were Minneapolis, Des Moines, and Kansas City. Elk Point is the corporate office and would be the marquee processing center showcasing their marketing and promotional efforts. Balcon Enterprises, Inc. plans to expand its processing plant in Elk Point and increase its overall capacity. This project will be able to recycle and re purpose even more product, develop better recycling processes and procedures to increase re-use and reduce mill recycling. The project will entail a new recycling and distribution center (approximately 20,000 sq. ft)located in the Elk Point Development Park. New equipment will be purchased. A new baler for recycling and and a Bobcat forklift will be located in the new building. The insulated building will have an environmentally friendly recycled oil heating system to heat the building and keep it cool during the summer months. SWMP grant funding will be used and would apply for the 20 year loan at 2.25% from SWMP for any balance.

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.

Kevin Connelly, Vice President, Balcon Enterprises, Inc.

Name and Title of Authorized Signatory (Typed)

 8-7-17
Signature Date

FUNDING REQUEST EVALUATION FORM
SOLID WASTE MANAGEMENT PROGRAM FUNDING APPLICATION
APPLICANT: BALCON ENTERPRISES, INC.

Project Title: Balcon Distribution Center/Recycling Program Enhancement

Funding Requested: \$954,213

Other Proposed Funding: None

Total Project Cost: \$954,213

Project Description: Balcon Enterprises is a package supply business with its headquarters in Elk Point. The business sells new and used Gaylord boxes. Boxes that are no longer usable are recycled. The business also assists the city of Elk Point with its recycling efforts. The business is out-growing its existing recycling building, and is requesting \$954,213 to construct a new recycling center and purchase a new baler and forklift.

Type: Solid Waste – Recycling

Service Population: 2,075

Financial & History Information: Balcon Enterprises, Inc. has not received any prior assistance from the Solid Waste Management Program.

Fees: Not Applicable

Interest Rate: 2.25%

Term: 20 years

Security: Revenue Bond

Engineering Review Completed By: Drew Huisken

Financial Review Completed By: Jon Peschong

TITLE: Rescission of Harrisburg Clean Water State Revolving Fund Loan C461065-06

EXPLANATION:

Harrisburg sends its partially treated wastewater to the Sioux Falls Wastewater Treatment Facility for final treatment. In 2012, the city of Sioux Falls completed a Comprehensive Wastewater Regionalization Study to establish regional levels of service and develop an equitable financial rate structure for regional users. The study determined that a system development charge of \$3,677,000 was required for Harrisburg's then 1,506 connections.

At the September 27, 2013 Board of Water and Natural Resources meeting, Harrisburg was awarded a \$600,000 Consolidated grant and a \$2,577,000 Clean Water State Revolving Fund (SRF) loan to be used towards payment of the system development charge.

The system development charge has not been paid because Harrisburg has been evaluating the viability of constructing a new wastewater treatment facility to treat its wastewater. The city has yet to decide on a long-term solution for treatment of its wastewater.

Since the system development charge has not been paid, no funds have been drawn from either the grant or the loan. The Consolidated grant terminated on September 27, 2017. The rules governing the Consolidated program do not allow for grant extensions. The SRF loan has yet to be closed. Per the attached letter, DENR staff has notified the city of Harrisburg of the recommendation of rescission of loan C461065-06 at this meeting.

RECOMMENDED ACTION:

Rescind Resolution #2013-90 approving Clean Water State Revolving Fund loan C461065-06 to the city of Harrisburg.

CONTACT:

Mike Perkovich
773-4216



DEPARTMENT of ENVIRONMENT
and NATURAL RESOURCES

JOE FOSS BUILDING
523 EAST CAPITOL
PIERRE, SOUTH DAKOTA 57501-3182

denr.sd.gov

September 6, 2017

The Honorable Julie Burke-Van Luvanee
Mayor of Harrisburg
PO Box 26
Harrisburg, SD 57032-0026

Dear Mayor Burke-Van Luvanee:

At the September 27, 2013 Board of Water and Natural Resources meeting, Harrisburg was awarded a \$600,000 Consolidated grant and a \$2,577,000 Clean Water State Revolving Fund (SRF) loan. The funding was provided to pay the regional system development charge for existing city users implemented by Sioux Falls to treat wastewater received from Harrisburg.

The Consolidated grant will terminate on September 27, 2017. The rules governing the Consolidated program do not allow for grant extensions. Staff will recommend to the Board of Water and Natural Resources at its September 29, 2017 meeting that the SRF loan be rescinded since the city has yet to decide on a long-term solution for treatment of its wastewater.

The September Board of Water and Natural Resources meeting will be held in Vermillion and transmitted via the Digital Dakota Network (DDN). If you wish to participate, the locations of those sites are:

SIOUX FALLS
University Center
4801 N. Career Avenue
Room FADM 145

VERMILLION
University of South Dakota
Delzell Education Center, Room 203

Sincerely,

A handwritten signature in black ink that reads "Michael A. Perkovich, PE".

Michael A. Perkovich, P.E.
Water Resources Assistance Program
Email: mike.perkovich@state.sd.us
Telephone: 605-773-4216

cc: Melissa Gibson, South Eastern Council of Governments, Sioux Falls
John Brown, Stockwell Engineers, Sioux Falls
Douglas J. Hajek, Davenport, Evans, Hurwitz & Smith, LLP, Sioux Falls

September 29, 2017

Item 10

TITLE: Colton Request to Amend Consolidated Grant 2018G-106, DWSRF Loan C462135-04, and CWSRF Loan C461135-03

EXPLANATION: In March, the Board awarded Colton an \$815,000 Consolidated grant, a \$500,000 Drinking Water SRF loan, and a \$1,385,000 Clean Water SRF loan. These funds were for a water and sewer main replacement project on 1st and Main Streets, and would fully replace approximately 7,000 feet of watermain, 5,500 feet of sanitary sewer and related appurtenances.

On September 12, the department received a letter from Colton requesting additional funding assistance from the Board of Water and Natural Resources in the total amount of \$2,232,938, split into \$843,372 for drinking water and \$1,389,566 for clean water. During initial design preparations the city was informed that the soils underlying the streets were of poor quality and far too wet to be dried and used for backfill and road base. This will require the poor quality soils to be excavated and removed and new soils suitable for construction to be hauled in. The additional excavation and hauling costs have significantly increased the project costs. Additionally, it is anticipated the impacts from hurricane Harvey will result in increased PVC pipe costs. To account for this, the the contingency amount in the estimate has been increased to ensure adequate funds will be available. Total project costs are now estimated at \$4,933,000.

RECOMMENDED ACTION: Approve/Disapprove the Amendment Request.

CONTACT: Andy Bruels, 773-4216



September 7, 2017

Andy Bruels, PE
Department of Environment and Natural Resources
Joe Foss Building
523 East Capitol
Pierre, SD 57501

Dear Mr. Bruels:

The City of Colton was approved for a \$1,385,000 Clean Water State Revolving Fund loan, a \$500,000 Drinking Water State Revolving Loan Fund loan and a \$815,000 Consolidated grant on March 31, 2017. The funds will be used for Colton's First and Main Street Sanitary Sewer Improvements and Water Distribution Improvements project.

Our engineering consultant, Banner Associates, provided the following explanation of our current situation, "Standard practice for design engineering of utility trenches and streets is to consult with a geotechnical engineer and request their professional opinion on soil conditions and a recommendation based off those soil conditions. After the geotechnical engineer performed standard soil investigation; it was recommended to import trench material and not use the existing material. The moisture content of the insitu soil is considerably higher than optimum moisture. With the limited ROW to properly spread the insitu soil out for drying along with the amount of effort to do so, the geotechnical engineer recommended not using the insitu soil for trench material and also recommended cement soil stabilization for the street subgrade foundation. Costs for these unforeseen conditions include removal, importing trench material, and cement stabilization.

In addition to the above-mentioned costs, Hurricane Harvey has significantly impacted the price and availability of PVC pipe. With the unforeseen/unknown duration of this act of God, Banner bumped contingencies to 20% in an attempt to cover the unforeseen/unknown. The last time a hurricane of this magnitude hit the Gulf Coast, PVC prices and availability were affected for 6-7 months. We could see significant pipe prices at the time of the bids."

The City of Colton is requesting an increase in funding award from \$2,700,000 to \$4,933,000. In addition to the justification for the additional costs from our engineer, the following are included with this correspondence:

- Original and Revised Budget Sheets from the funding request

Mayor Ryan Foss

Council: Rick Lehman, Jeff Pedersen, Matthew Swartwout, Trevor Bunde, LeRoy Koopman & Colby Jensen



City of Colton
PO Box 66, Colton SD 57018
Phone 605.446.3811 Fax 605.446.3010

- Opinion of Probable Costs from Banner & Associates
- Draft of the Revised Authorizing Resolution – original to follow
- Most recent unaudited Annual Report for the City of Colton
- City of Colton August 2017 Budget Control Summary
- City of Colton Budget Year-to-Date Revenues and Expenses
- City of Colton Rate Resolution 4-2017

Thank you and the Board of Water and Natural Resources for your consideration of the City of Colton request for additional funding.

Sincerely,

Ryan Fods

Cc: Allen Prince

Mayor Ryan Fods

Council: Rick Lehman, Jeff Pedersen, Matthew Swartwout, Trevor Bunde, LeRoy Koopman & Colby Jensen

TITLE: SWRMS Grant Agreement for Examination of Isotopes in Selected Waters in Eastern South Dakota

EXPLANATION: During its June 25, 2015, meeting, the Board of Water and Natural Resources awarded a \$47,000 grant to DENR's Geological Survey Program for the study of isotopes in selected eastern South Dakota aquifers. The funding came from a \$250,000 appropriation for hydrology and water management studies in the 2015 Omnibus Bill.

The Geological Survey proposed to use carbon-14 ages, tritium content, and stable isotope ratios of oxygen-18 and deuterium to (1) examine the degree of mixing of connate glacial meltwater with more recently derived meteoric water in selected bodies of aquifer media and (2) to draw inferences related to ground-water recharge. The grant funding was requested for laboratory analyses of water samples.

The work outlined in the Geological Survey's proposal has been completed, the grant funds have been expended, and a report has been prepared. The summary and conclusions presented in the report are attached (minus the referenced figures, table, and appendix). The full report is available at <http://www.sdgs.usd.edu/PUBS/PDF/RI-118.pdf>.

RECOMMENDED ACTION: Informational item

CONTACT: Derric Iles (605-677-5227)

SUMMARY AND CONCLUSIONS

A program of sampling rainfall, lakes, wetlands, streams, glacial outwash, and bedrock aquifers for isotopes of hydrogen, oxygen, and carbon was undertaken in 2015 and 2016. The four isotope parameters determined from these analyses were delta oxygen-18, delta deuterium, radiocarbon age, and tritium content. The delta oxygen-18 and delta deuterium are useful as tracers of ground water movement due to their stability. Radiocarbon and tritium are useful in determining residence time in water because they decay radioactively. Data gathered in 2015 and 2016 were combined, and collectively analyzed with similar isotopic data collected by the Geological Survey Program in earlier studies.

Atmospheric precipitation from different times during the year was sampled and analyzed for the stable-isotope ratios. Results of this sampling allowed the determination of a local meteoric water line for eastern South Dakota which could be used to compare with stable-isotope results determined for various sources of surface-water and ground-water. All of the data points representing stable-isotope ratios determined for surface-water and ground-water samples plotted below the meteoric water line. Data points representing stable-isotope ratios from ground water plotting below the meteoric water line were explained by Fritz and others (1979) as reflecting evaporative fractionation of rainwater prior to infiltration into the ground or the presence of old waters that originated in a different climate regime.

Water that was thought, on the basis of geologic and hydrologic criteria, to be connate or dominantly connate glacial water was sampled and analyzed. Ground-water sources that were suspected of containing connate water were the Dolton, Bad-Cheyenne, and Grand aquifers. Results show that four of the five samples from the Dolton aquifer had stable-isotope ratios characteristic of connate glacial water. All five samples from the Dolton aquifer had radiocarbon ages ranging from 13,526 to 17,500 years before present (table 3, app. A). In addition, water sampled from the Lower-James-Missouri aquifer in Bon Homme County and unnamed buried outwash in northwestern Hand County exhibited characteristics of connate water.

Ground water for which the amount of mixing of meteoric and connate water was more uncertain was sampled and analyzed. This water came from unnamed buried outwash in Hand, Hyde, Lincoln, and Turner Counties (table 4, app. A). An examination of the stable-isotope, radiocarbon, and tritium data for this set of samples shows a range of results that exhibit connate-water characteristics to modern-water characteristics and many points in between (table 4). This means that recharge to each aquifer must be evaluated separately. To do this, however, will likely require more information on the hydrogeologic framework within which each aquifer exists and will certainly require more information on isotopic content of water contained in each aquifer.

Multiple sources of surface water (streams, lakes, wetlands) were sampled and analyzed for stable-isotope ratios. Variation in stable-isotope ratios in surface-water bodies may accommodate tracing of recharge sources (Mazor, 1991), particularly in aquifers where a

substantial portion of the recharge is derived from bodies of surface water and not from the direct infiltration of precipitation. Results showed the wetlands and lakes that were sampled are substantially heavier with regard to the stable-isotope ratios than the ground water. Data from the three samples collected from streams plot in an intermediate position between data from wetlands and lakes and the data from ground water (figs. 5, 6, and 7). The data indicate that the surface waters that were sampled are isotopically distinct from the ground water that was sampled. However, some of the ground water exhibited isotopic signatures indicating the presence of some modern recharge. Yet, the amount of recharge or mixing of surface waters with ground water cannot be quantified with the available information.

Weathered till was interpreted to receive recharge from modern rainwater. Radiocarbon dating of samples of water from transitional till indicates minimal influence by modern recharge. Data available for unweathered till indicates minimal to no natural influence by modern recharge.

Water from the Cretaceous-age Niobrara Formation, Split Rock Creek Formation, Codell Sandstone Member of the Carlile Shale, and the Dakota Formation exhibited radiocarbon ages from thousands to tens of thousands of years old, with one exception (app. A), or much younger than the formations themselves. Although these waters are clearly not connate due to the radiocarbon ages, the isotope data do not exhibit all of the characteristics of modern recharge. Nine of the ten samples of water from the Sioux Quartzite indicate a strong influence by modern recharge but radiocarbon and tritium data from this water source are largely lacking to make a better conclusion.

The depth of burial of an outwash body is not always a good predictor as to whether the water within that body is largely meteoric or connate. For example, one of the wells yielding water that is interpreted to be connate from the Grand aquifer in Faulk County is installed in outwash that is only 70 feet below ground surface. Conversely, water with a modern radiocarbon age is observed to be present in outwash lying 130 feet below ground in northern Hyde County.

Results of this study affirm that each aquifer of glacial or bedrock origin must be evaluated individually in the context of its own hydrogeologic framework, hydrogeologic history, and water chemistry. Often, the information needed to make such evaluations is insufficient or non-existent. It is recommended, to the extent that budgets allow, that analyses of water be regularly performed in the future for relevant isotopic content in addition to the traditional analyses for common inorganic constituents. The routine addition of isotopic information into ground-water studies will lead to a better understanding of South Dakota's aquifers, more informed interpretations on sustainable water availability from those aquifers, and a better probability that South Dakota's ground-water resources will be available for future generations.