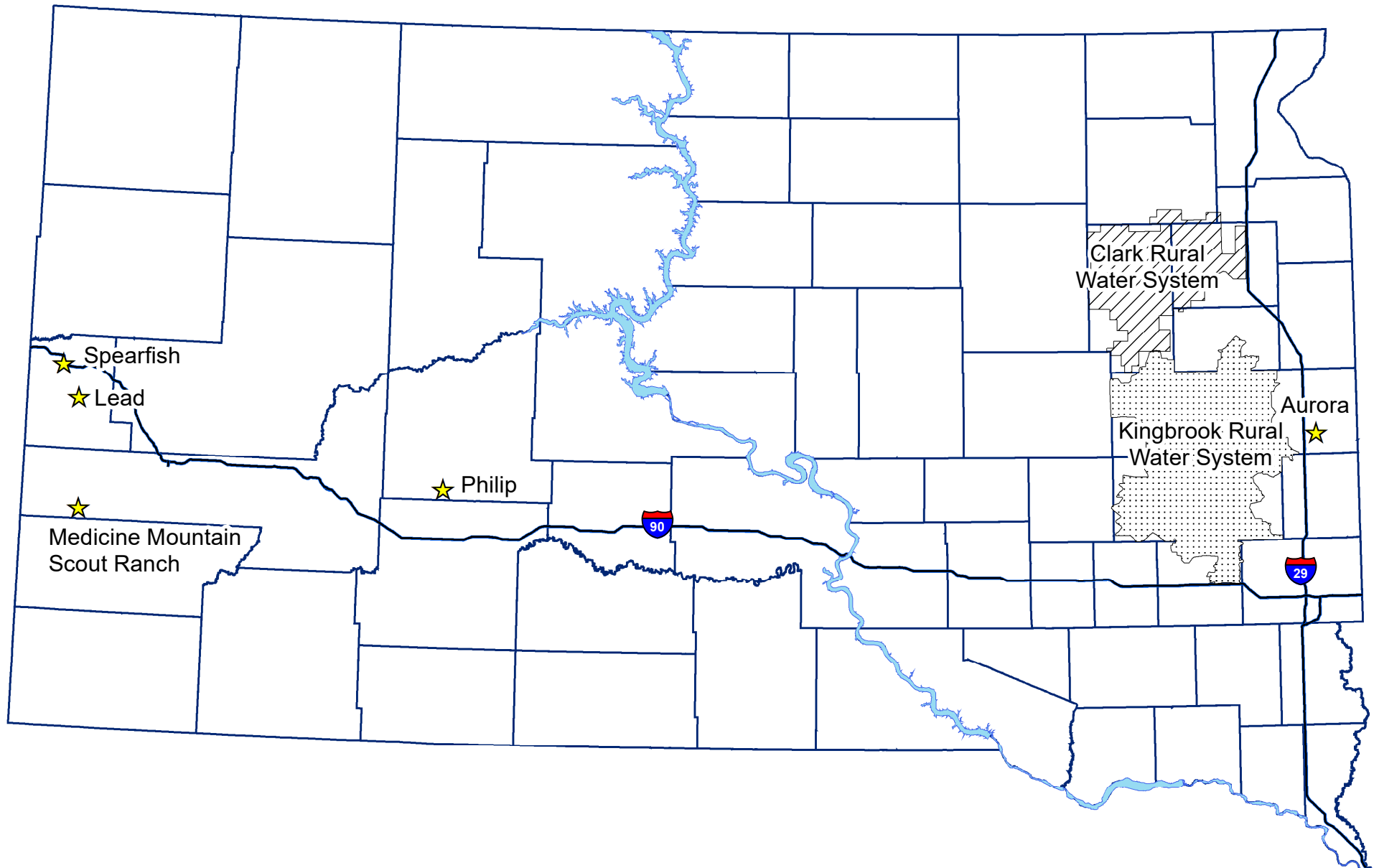


State Water Plan Applications

June 2023



State Water Facilities Plan Applicants

Project Sponsor	Description	Projected State Funding (\$)	Recommendation
Aurora	Drinking Water System Improvements	\$6,300,000	Place on Facilities Plan
Clark Rural Water System	Raymond Water System Improvements	\$575,750	Place on Facilities Plan
Kingbrook Rural Water System	2024 Pipeline Improvements	\$27,000,000	Place on Facilities Plan
Lead	Deadwood Water Supply Line	\$807,430	Place on Facilities Plan
Lead	Highway 85 Water Line Extension	\$605,236	Place on Facilities Plan
Medicine Mountain Scout Ranch	Water Supply Upgrades	\$51,572	Place on Facilities Plan
Philip	Kroetch Addition Infrastructure	\$1,516,375	Place on Facilities Plan
Spearfish	Exit 17 Water Tank & Well (Revised Project Scope)	\$8,268,327	Place on Facilities Plan

Staff is recommending that the following projects be added to *Attachment I – Project Priority* list of the 2023 Clean Water SRF Intended Use Plan:

Priority Points	Loan Recipient	Estimated Loan Amount	Expected Loan Rate & Term
14	Lake Norden	\$500,000	3.25%, 30 years
6	Philip	\$956,938	3.25%, 30 years

Staff is recommending that the following projects be added to *Attachment I – Project Priority* list of the 2023 Drinking Water SRF Intended Use Plan:

Priority Points	Loan Recipient	Estimated Loan Amount	Expected Loan Rate & Term
192	Clark Rural Water System	\$575,750	2.75%, 30 years
86	Lead	\$807,430	2.75%, 30 years
81	Lead	\$605,236	2.75%, 30 years
77	Cresbard	\$1,912,410	2.75%, 30 years
38	Spearfish	\$8,268,327	1.625%, 30 years
20	Aurora	\$6,300,000	3.25%, 30 years
15	Medicine Mountain Scout Ranch	\$51,572	3.25%, 30 years
8	Kingbrook Rural Water System	\$27,000,000	3.25%, 30 years

June 2023 Available Funds Summary

AMERICAN RESCUE PLAN ACT (ARPA) GRANTS

2022 Appropriation:	\$	600,000,000
Reversions:	\$	28,910,052
Awarded to Date:	\$	(606,190,008)
Available for Award:	\$	<u>22,720,043.62</u>

CONSOLIDATED WATER FACILITIES CONSTRUCTION PROGRAM

Available Funds:	\$	1,024,686
Reversions:	\$	93,000
Available for Award:	\$	<u>1,117,686</u>

DRINKING WATER SRF WATER CONSTRUCTION GRANTS

2023 IUP Allocation:	\$	2,000,000
Reversions:	\$	-
Awarded to Date:	\$	(1,820,780)
Available for Award:	\$	<u>179,220</u>

CLEAN WATER SRF WATER QUALITY GRANTS

Available Funds:	\$	4,311
2023 IUP Allocation:	\$	2,200,000
Reversions:	\$	-
Awarded to Date:	\$	(1,935,743)
Available for Award:	\$	<u>268,568</u>

June 2023 Available Funds Summary

DRINKING WATER SRF PRINCIPAL FORGIVENESS

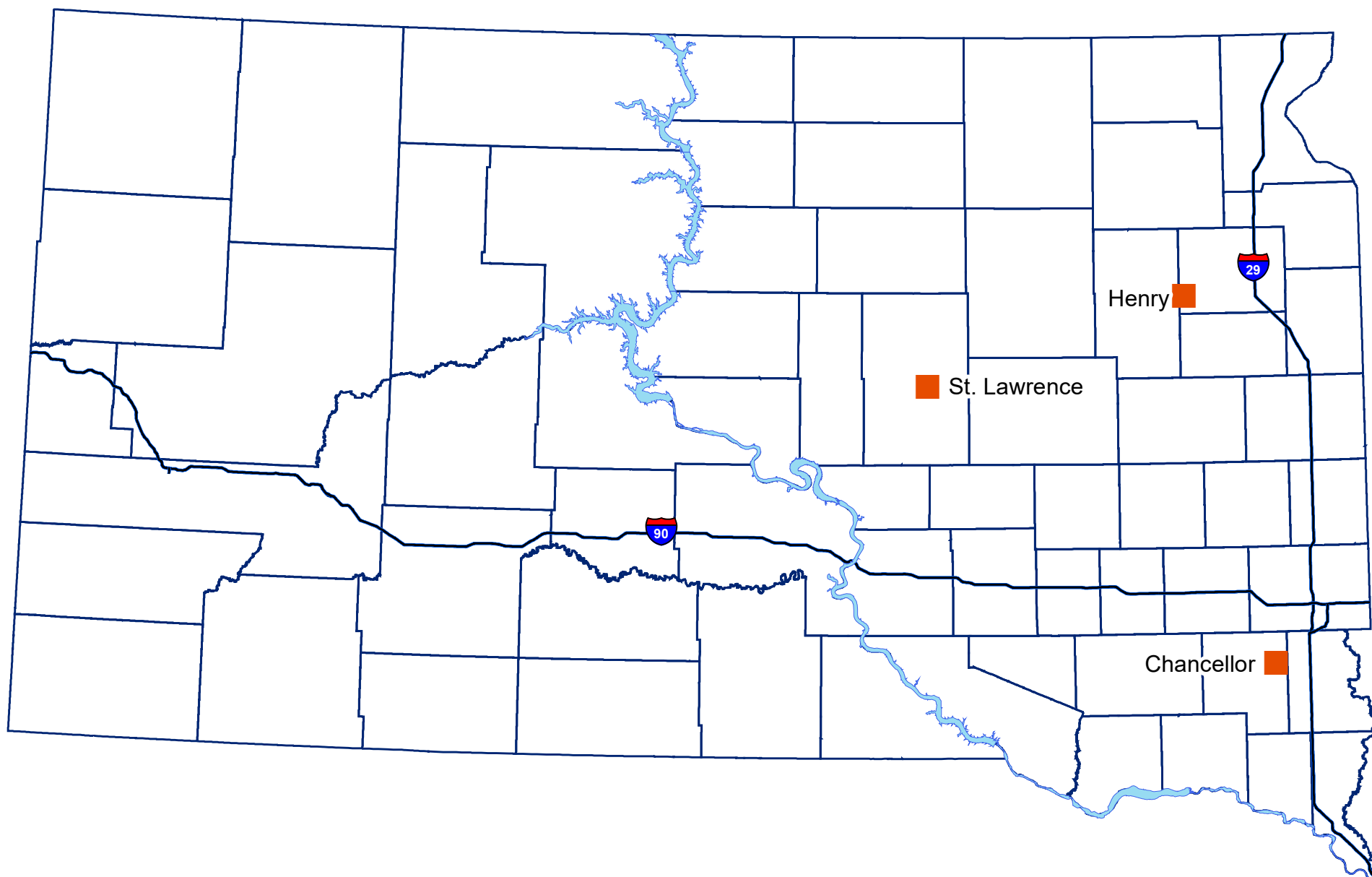
Prior Year Principal Forgiveness Allocations:	\$	45,328,660
FFY-23 Maximum Allocation:	\$	691,320
Reverted Principal Forgiveness:	\$	-
Awarded to Date:	\$	(45,326,042)
Available For Award:	\$	693,938
Princ. Forg. for Disadvantaged Communities:	\$	22,375,700
FFY-23 Maximum Allocation:	\$	1,728,300
Reverted Principal Forgiveness:	\$	-
Awarded to Date:	\$	(22,128,250)
Available For Award:	\$	1,975,750
BIL Supplemental PF for Disadvantaged Communities:	\$	8,816,080
FFY-23 Maximum Allocation:	\$	10,316,950
Reverted Principal Forgiveness:	\$	-
Awarded to Date:	\$	(8,598,536)
Available For Award:	\$	10,534,494
BIL Emerging Contaminants Principal Forgiveness:	\$	8,014,000
FFY-23 Maximum Allocation:	\$	7,640,000
FFY-23 Transfer from CWSRF Allocation:	\$	1,043,000
Reverted Principal Forgiveness:	\$	-
Awarded to Date:	\$	(7,895,000)
Available For Award:	\$	8,802,000
BIL Lead Service Line PF for Disadvantaged Communities:	\$	490,000
FFY-23 Maximum Allocation:	\$	14,038,500
Reverted Principal Forgiveness:	\$	-
Awarded to Date:	\$	(490,000)
Available For Award:	\$	14,038,500

June 2023 Available Funds Summary

CLEAN WATER SRF PRINCIPAL FORGIVENESS

Prior Year Principal Forgiveness Allocations:	\$	30,703,676
FFY-23 Maximum Allocation:	\$	1,473,200
Reverted Principal Forgiveness:	\$	-
Awarded to Date:	\$	(30,703,676)
Available For Award:	\$	1,473,200
BIL Supplemental PF for Disadvantaged Communities:	\$	4,281,620
FFY-23 Maximum Allocation:	\$	5,014,170
Reverted Principal Forgiveness:	\$	-
Awarded to Date:	\$	(4,086,600)
Available For Award:	\$	5,209,190
BIL Emerging Contaminants Principal Forgiveness:	\$	459,000
FFY-23 Maximum Allocation:	\$	1,043,000
Transferred to DWSRF Allocation:	\$	(1,502,000)
Reverted Principal Forgiveness:	\$	-
Awarded to Date:	\$	-
Available For Award:	\$	-

Applications Deferred from March 2023



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

APPLICANT: Chancellor CW-05

Total Project Cost:	\$1,450,000
BWNR Funding Assistance Requested:	\$1,450,000
Rate/Term:	3.25%/30 Years
Security Pledged For Repayment Of Loan:	Project Surcharge

Staff Analysis

- 1) Adopted rates to begin August 2023 are \$62.00/5,000 gallons. If funding was provided as all loan, a surcharge of \$47.00 would be needed to meet the required debt coverage, which would bring overall rates to \$109.00/5,000 gallons.
- 2) At the recommended funding level a surcharge of \$7.05 will be required, which will bring overall rates to \$69.05/5,000 gallons.

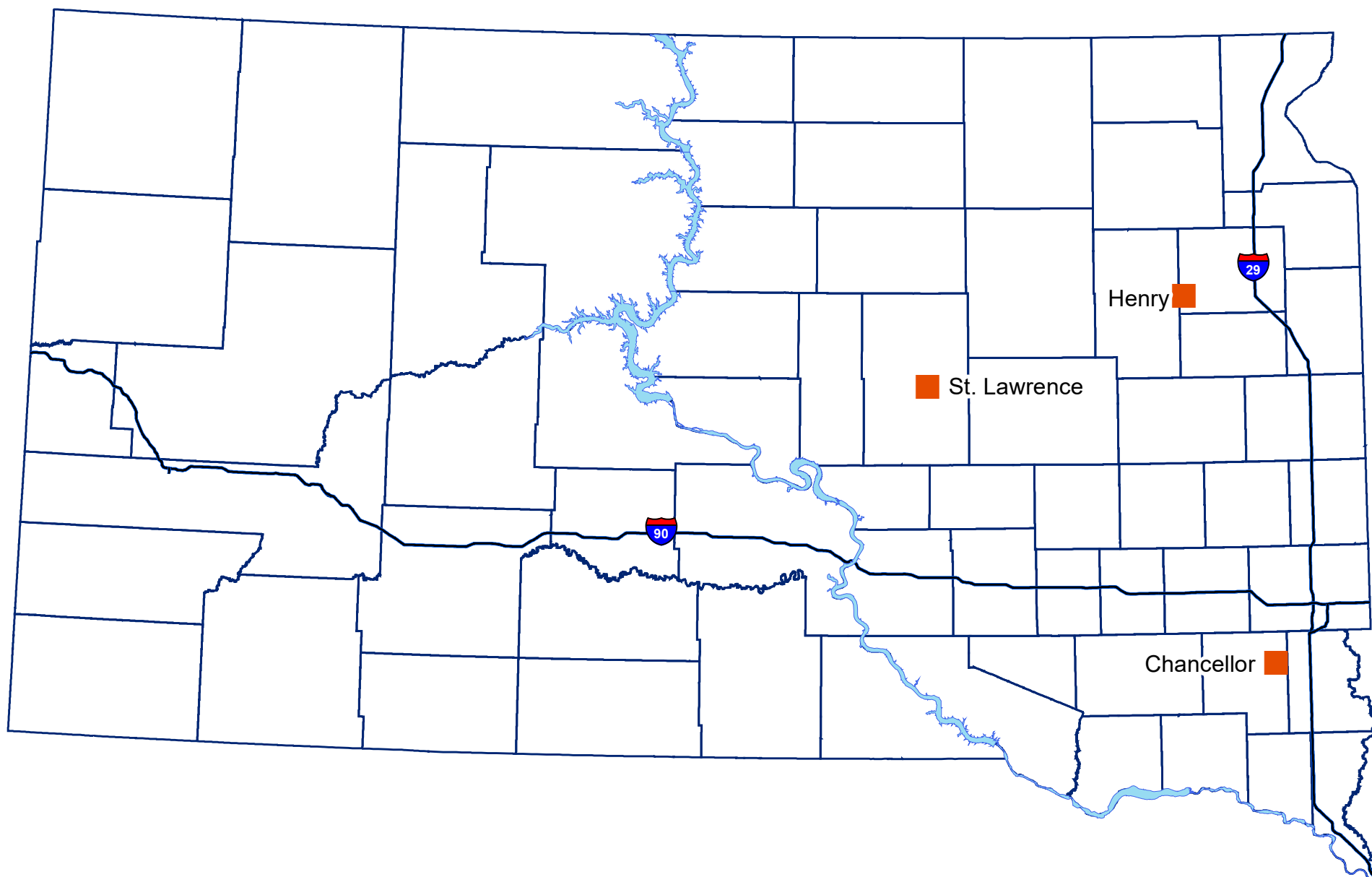
Funding Recommendation: Award a \$1,450,000 Clean Water SRF loan at 3.25% for 30 years with 85.1 percent principal forgiveness not to exceed \$1,233,000.

Debt Service Coverage: 110% based on a surcharge of \$7.05

Loan Contingencies:

- 1) Contingent upon the Borrower adopting a bond resolution and the resolution becoming effective.
- 2) Contingent upon the Borrower establishing a surcharge at a level sufficient to provide the required debt coverage.
- 3) Contingent upon receipt of the 2023 Clean Water State Revolving Fund capitalization grants from EPA.

Applications Deferred from March 2023



DRINKING WATER FACILITIES FUNDING APPLICATION FINANCIAL ANALYSIS SUMMARY

APPLICANT: Chancellor DW-04

Total Project Cost:	\$906,000
BWNR Funding Assistance Requested:	\$906,000
Rate/Term:	3.00%/30 Years
Security Pledged For Repayment Of Loan:	Project Surcharge

Staff Analysis

- 1) Current rates are \$65.05/5,000 gallons. If funding was provided as all loan, a surcharge of \$31.90 would be needed to meet the required debt coverage, which would bring overall rates to \$96.95/5,000 gallons.
- 2) At the recommended funding level a surcharge of \$4.85 will be required, which will bring overall rates to \$69.90/5,000 gallons.

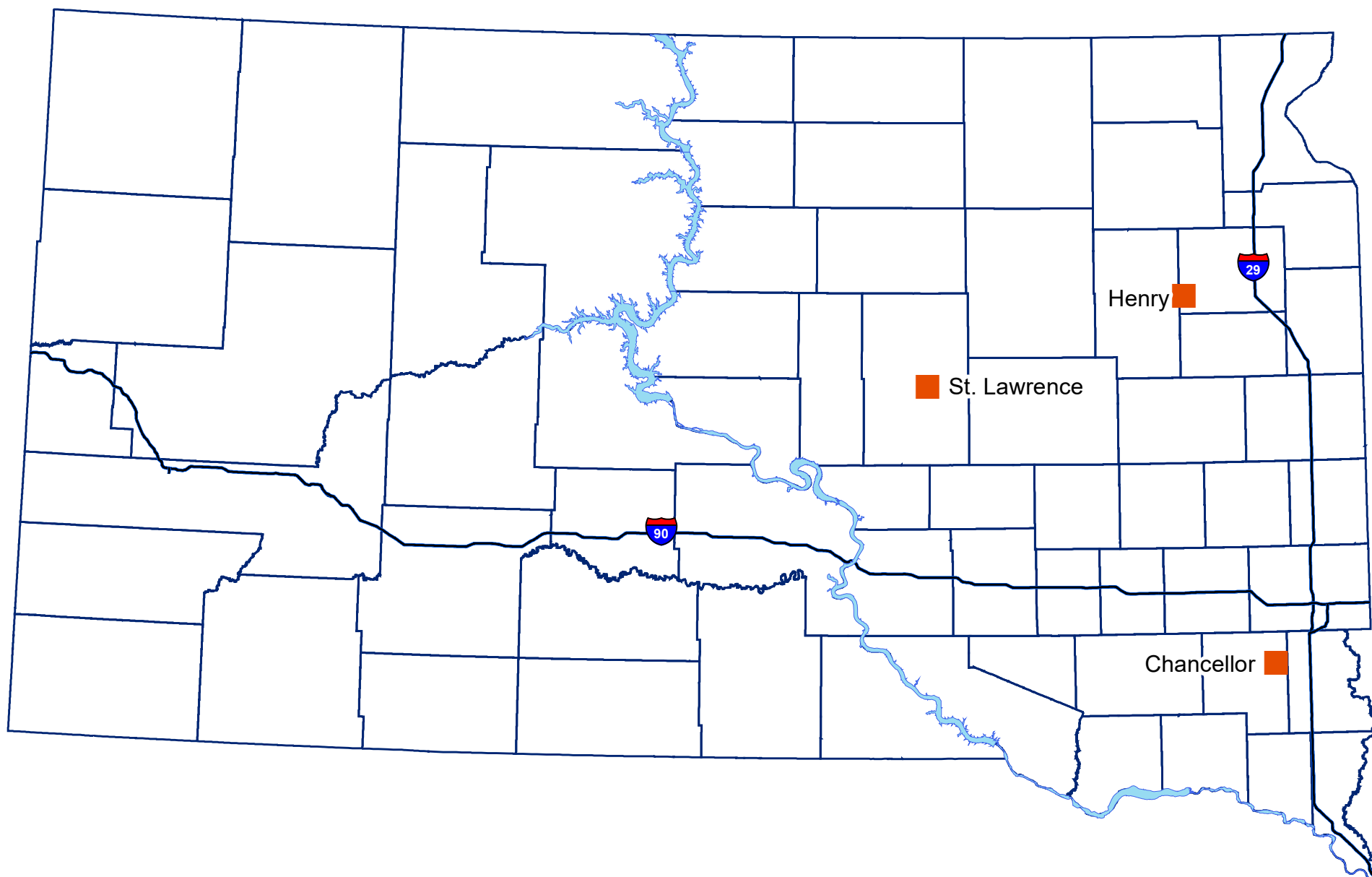
Funding Recommendation: Award a \$906,000 Drinking Water SRF loan at 3.00% for 30 years with 85.0% principal forgiveness not to exceed \$770,100.

Debt Service Coverage: 110% based on a surcharge of \$4.85

Loan Contingencies:

- 1) Contingent upon the Borrower adopting a bond resolution and the resolution becoming effective.
- 2) Contingent upon the Borrower establishing a surcharge at a level sufficient to provide the required debt coverage.
- 3) Contingent upon receipt of the 2023 Drinking Water State Revolving Fund capitalization grants from EPA.

Applications Deferred from March 2023



SANITARY/STORM SEWER FACILITIES FUNDING APPLICATION FINANCIAL ANALYSIS SUMMARY

APPLICANT: Henry CW-01

Total Project Cost:	\$2,000,000
BWNR Funding Assistance Requested:	\$2,000,000
Rate/Term:	3.25%/30 Years
Security Pledged For Repayment Of Loan:	Project Surcharge

Staff Analysis

- 1) Current rates are a \$20 flat rate. If funding was provided as all loan, the city would have to establish a surcharge of \$79.25, bringing overall rates to \$99.25.
- 2) At the recommended funding level, the city will have to establish a surcharge of \$45.00. Staff analysis indicates they could restructure their rates to \$55.00 total.

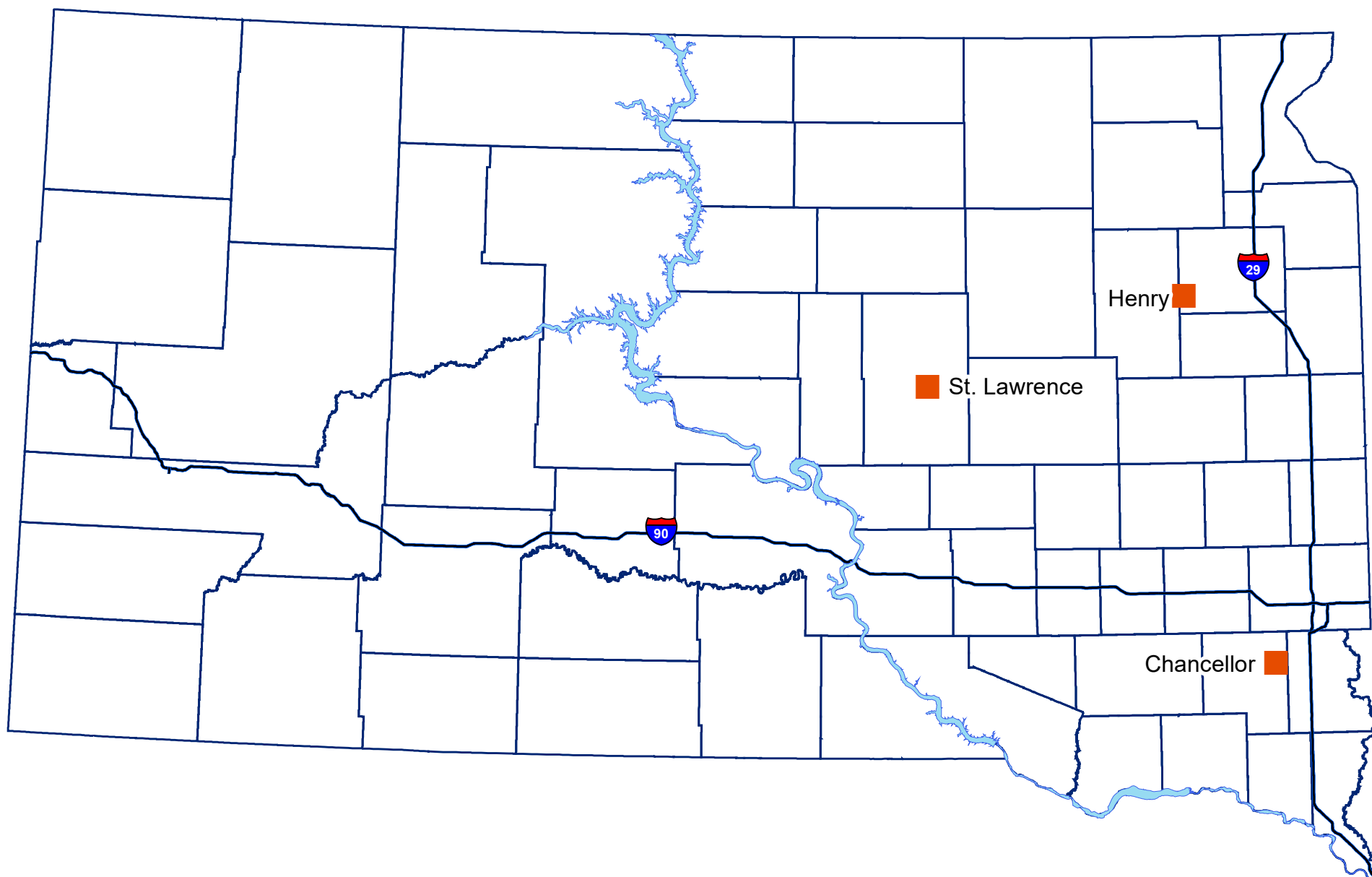
Funding Recommendation: Award a \$2,000,000 Clean Water SRF loan at 3.25% for 30 years with 43.3% principal forgiveness not to exceed \$865,000.

Debt Service Coverage: 110% based on a \$45.00 surcharge.

Loan Contingencies:

- 1) Contingent upon the Borrower adopting a bond resolution and the resolution becoming effective.
- 2) Contingent upon the Borrower establishing a surcharge at a level sufficient to provide the required debt coverage.
- 3) Contingent upon receipt of the 2023 Clean Water State Revolving Fund capitalization grants from EPA.

Applications Deferred from March 2023



DRINKING WATER FACILITIES FUNDING APPLICATION FINANCIAL ANALYSIS SUMMARY

APPLICANT: Henry DW-01

Total Project Cost:	\$2,000,000
BWNR Funding Assistance Requested:	\$2,000,000
Rate/Term:	0.00%/30 Years
Security Pledged For Repayment Of Loan:	Project Surcharge

Staff Analysis

- 1) Current Rates are \$21.67/5,000 gallons. If funding was provided as all loan, a surcharge of \$50.55 would be needed, which would bring overall rates to \$72.22/5,000 gallons.
- 2) At the recommended funding level, a surcharge of \$15.00 will be required for repayment of the loan.
- 3) Staff Analysis indicates that approximately \$40.00 per user is required to meet O&M expenses. This would result in overall rates of \$55.00

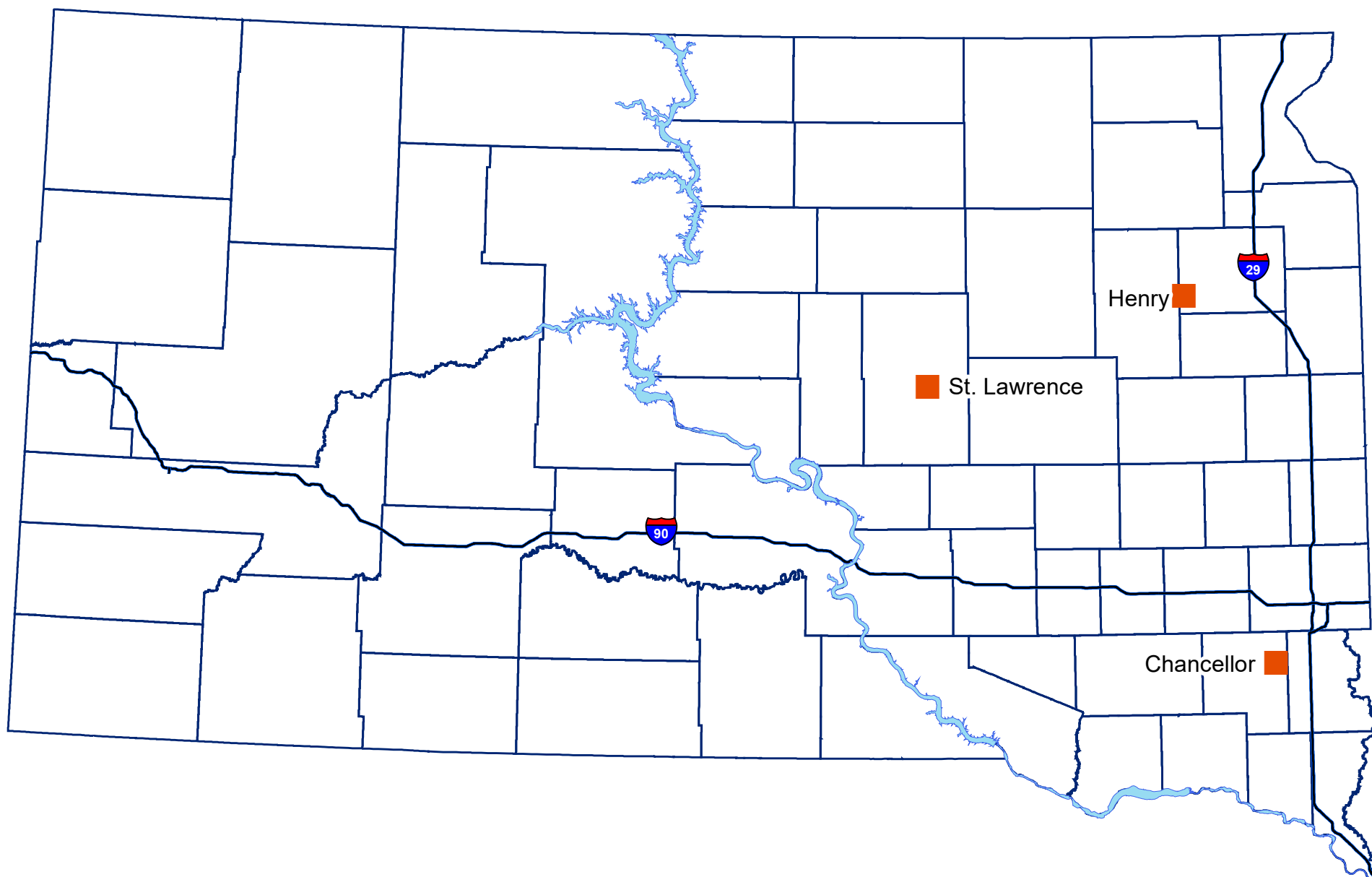
Funding Recommendation: Award a \$2,000,000 Drinking Water SRF loan at 0.00% for 30 years with 70.3% principal forgiveness not to exceed \$1,405,000.

Debt Service Coverage: 110% based on a surcharge of \$15.00

Loan Contingencies:

- 1) Contingent upon the Borrower adopting a bond resolution and the resolution becoming effective.
- 2) Contingent upon the Borrower establishing a surcharge at a level sufficient to provide the required debt coverage.
- 3) Contingent upon receipt of the 2023 Drinking Water State Revolving Fund capitalization grants from EPA.

Applications Deferred from March 2023



SANITARY/STORM SEWER FACILITIES FUNDING APPLICATION FINANCIAL ANALYSIS SUMMARY

APPLICANT: Saint Lawrence CW-03

Total Project Cost:	\$1,138,000
BWNR Funding Assistance Requested:	\$1,138,000
Rate/Term:	3.25%/30 Years
Security Pledged For Repayment Of Loan:	Project Surcharge

Staff Analysis

- 1) Current rates are \$55.00 flat rate. If funding was provided as all loan, the city would have to establish a surcharge of \$64.20, which would bring overall rates to \$119.20.
- 2) At the recommended funding level, the city would have to establish a surcharge of \$9.65, bringing overall rates to \$64.65.

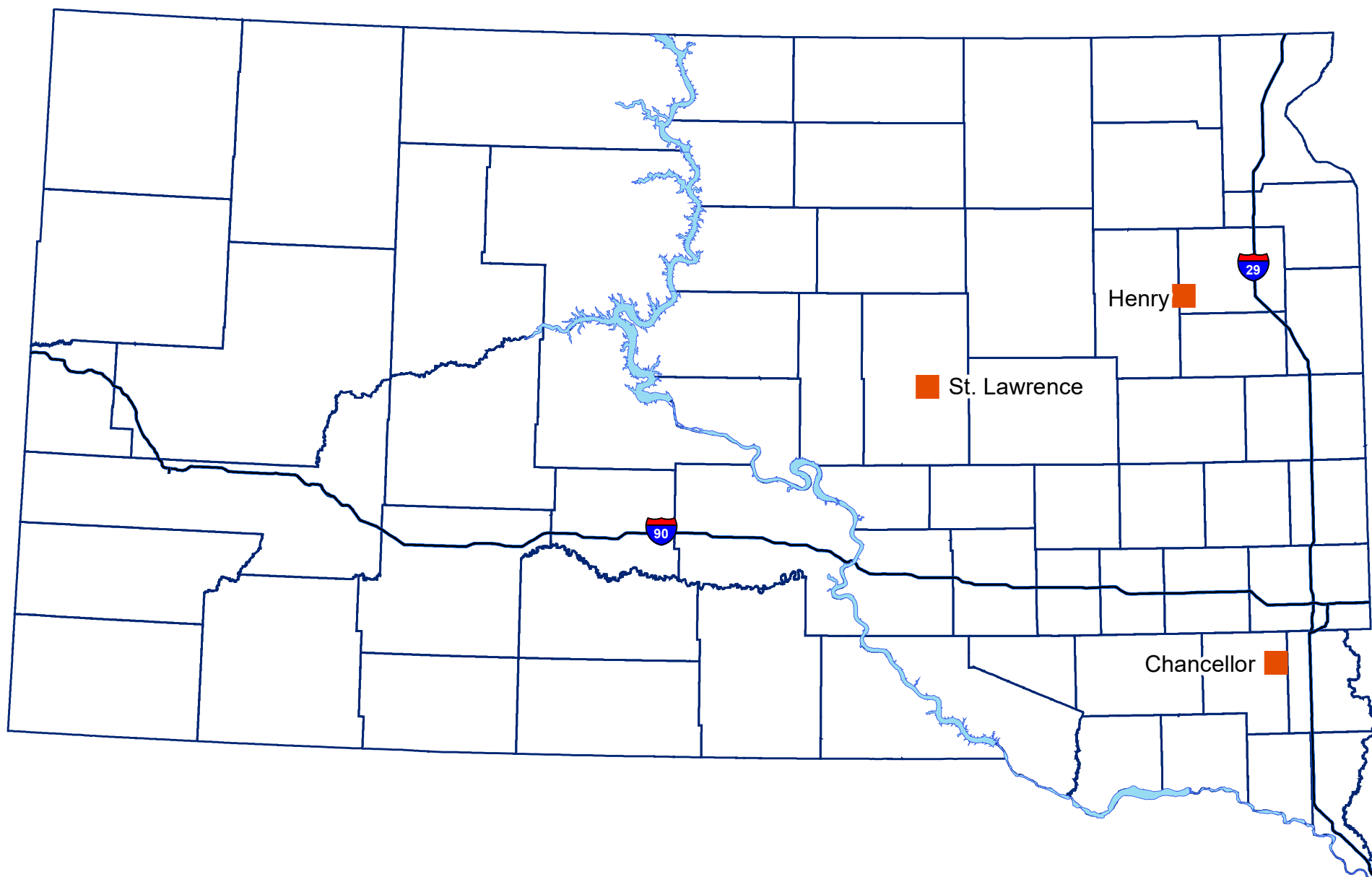
Funding Recommendation: Award a \$1,138,000 Clean Water SRF loan at 3.25% for 30 years with 85.0% principal forgiveness not to exceed \$967,300.

Debt Service Coverage: 110% based on a surcharge of \$9.65

Loan Contingencies:

- 1) Contingent upon the Borrower adopting a bond resolution and the resolution becoming effective.
- 2) Contingent upon the Borrower establishing a surcharge at a level sufficient to provide the required debt coverage.
- 3) Contingent upon receipt of the 2023 Clean Water State Revolving Fund capitalization grants from EPA.

Applications Deferred from March 2023



DRINKING WATER FACILITIES FUNDING APPLICATION FINANCIAL ANALYSIS SUMMARY

APPLICANT: Saint Lawrence DW-02

Total Project Cost:	\$940,000
BWNR Funding Assistance Requested:	\$940,000
Rate/Term:	3.00%/30 Years
Security Pledged For Repayment Of Loan:	Project Surcharge

Staff Analysis

- 1) Current rates are \$59.00/5,000 gallons. If funding was provided as all loan, the city would have to establish a surcharge of \$44.20, which would bring overall rates to \$103.20.
- 2) At the recommended funding level, the city will have to establish a surcharge of \$6.65, bringing overall rates to \$65.65/5,000 gallons.

Funding Recommendation: Award a \$940,000 Drinking Water SRF loan at 3.00% for 30 years with 85.0% principal forgiveness not to exceed \$799,000.

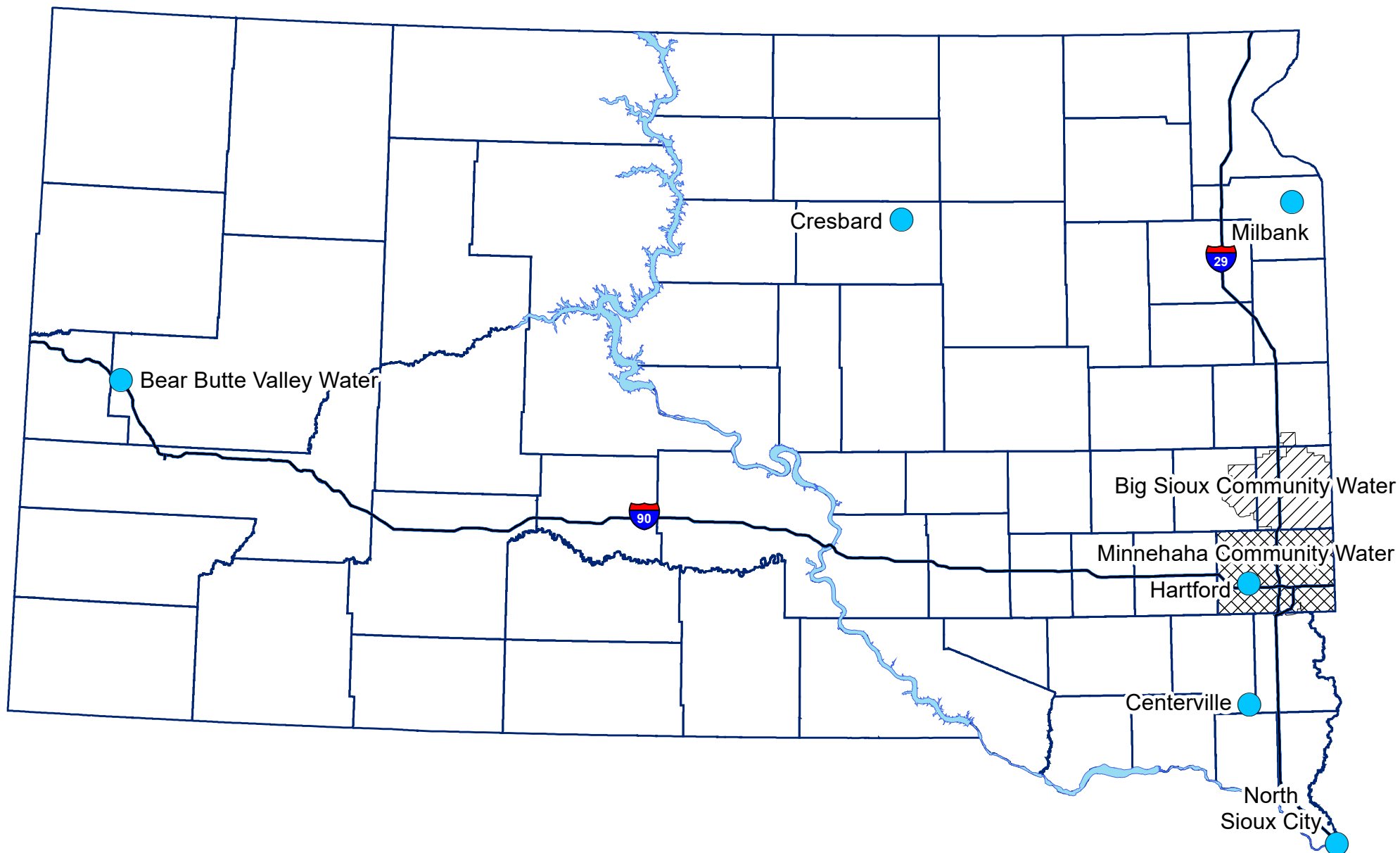
Debt Service Coverage: 110% based on a surcharge of \$6.65

Loan Contingencies:

- 1) Contingent upon the Borrower adopting a bond resolution and the resolution becoming effective.
- 2) Contingent upon the Borrower establishing a surcharge at a level sufficient to provide the required debt coverage.
- 3) Contingent upon receipt of the 2023 Drinking Water State Revolving Fund capitalization grants from EPA.

Drinking Water Funding Applications

June 2023



DRINKING WATER FACILITIES FUNDING APPLICATION FINANCIAL ANALYSIS SUMMARY

APPLICANT: Cresbard DW-02

Total Project Cost:	\$ 1,912,410
BWNR Funding Assistance Requested:	\$ 1,912,410
Rate/Term:	2.750%/30 Years
Security Pledged For Repayment Of Loan:	Project Surcharge

Staff Analysis

- 1) Current rates are at \$58.15/5,000. If funding is provided as all loan, the city would have to establish a surcharge of approximately \$101.18 bringing total rates to \$159.33.
- 2) At the recommended funding lever a surcharge of \$15.20 will be required, resulting in total rates of \$73.35/5,000.

Funding Recommendation: Award a \$1,912,410 Drinking Water SRF loan at 2.75% for 30 years, with 85.0% as principal forgiveness not to exceed \$1,625,000.

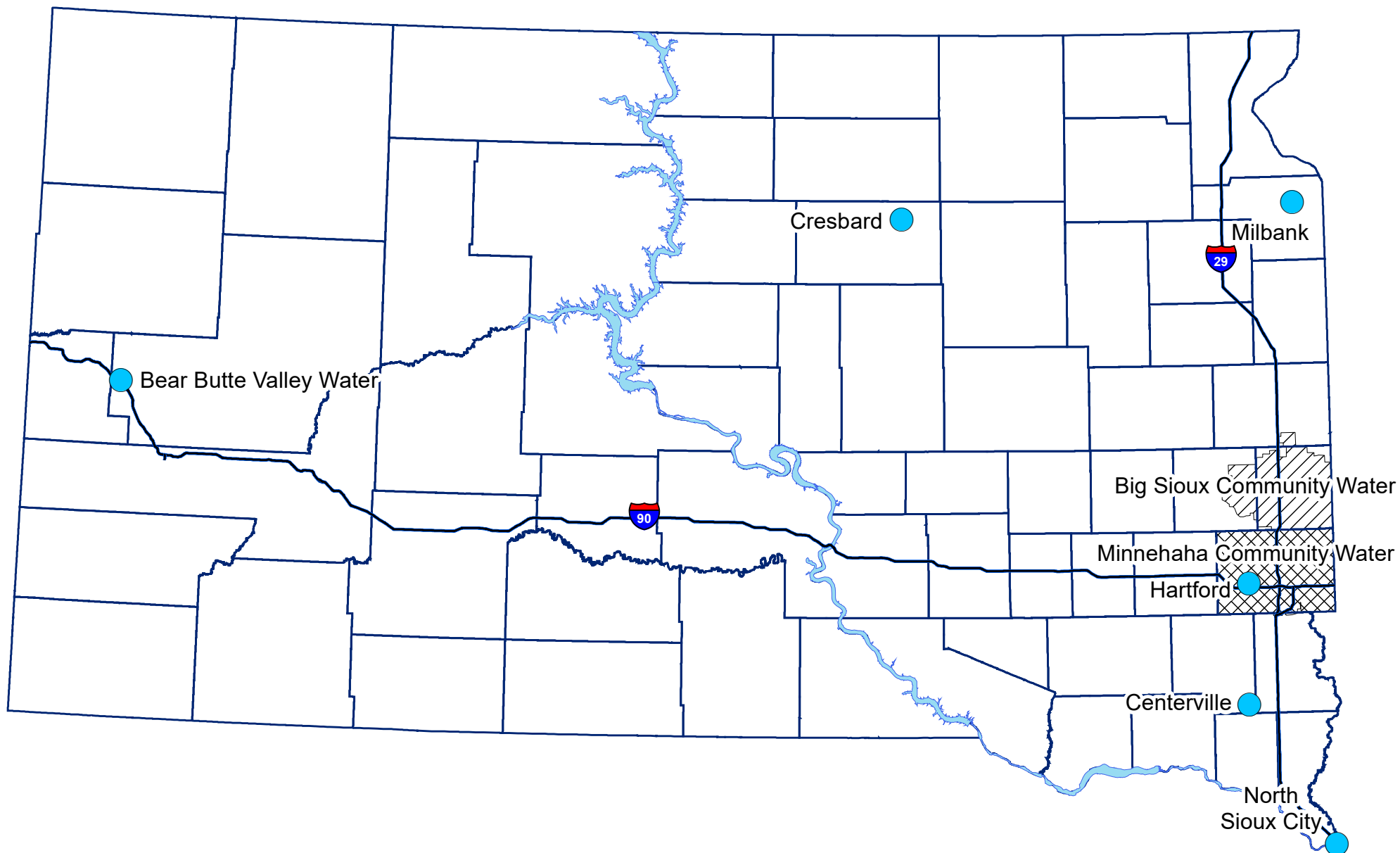
Debt Service Coverage: 110% based on surcharge of \$15.20

Loan Contingencies:

- 1) Contingent upon the Borrower adopting a bond resolution and the resolution becoming effective.
- 2) Contingent upon the Borrower establishing a surcharge at a level sufficient to provide the required debt coverage.
- 3) Contingent upon receipt of the 2023 Drinking Water State Revolving Fund capitalization grants from EPA.

Drinking Water Funding Applications

June 2023



DRINKING WATER FACILITIES FUNDING APPLICATION FINANCIAL ANALYSIS SUMMARY

APPLICANT: Bear Butte Valley Water DW-03

Total Project Cost:	\$7,893,140
BWNR Funding Assistance Requested:	\$1,500,000
Rate/Term:	3.25%/30 Years
Security Pledged For Repayment Of Loan:	System Revenue

Staff Analysis

- 1) In April of 2022, Bear Butte Valley was awarded a funding package of \$6,317,500, which includes an ARPA grant and a Drinking Water SRF loan, however additional funding is needed to complete the project.
- 2) Current rates are \$112.85 per 7,000 gallons. At the recommended funding level, staff analysis indicates they will have to increase their rates to approximately \$117.75 per 7,000 gallons.

Funding Recommendation: Award a \$1,500,000 loan at 3.25% for 30 years with 20.0% principal forgiveness not to exceed \$300,000.

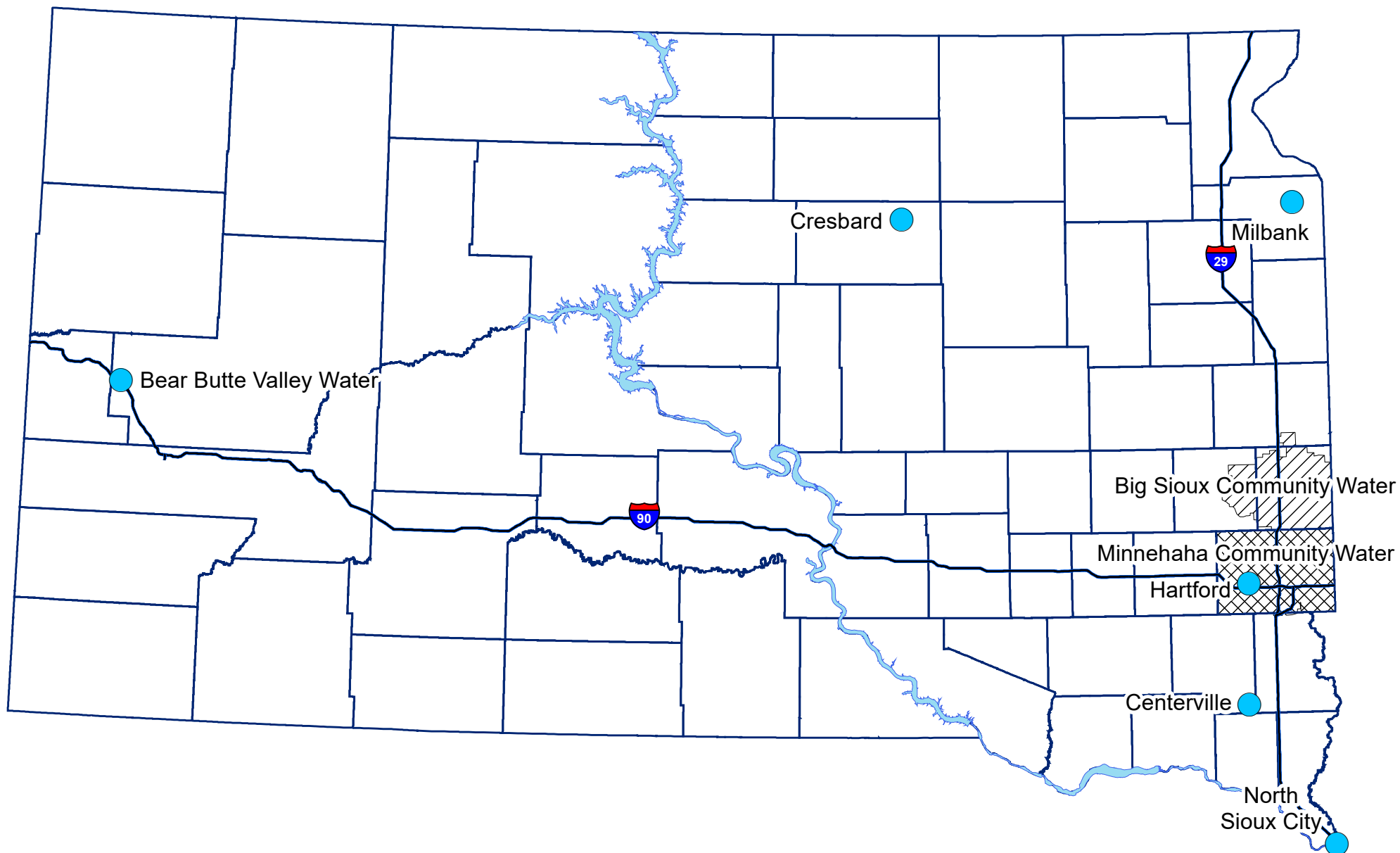
Debt Service Coverage: 110% coverage at rates of \$117.75 per 7,000 gallons.

Loan Contingencies:

- 1) Contingent upon the Borrower adopting a resolution approving the form of the loan agreement, the promissory note, and the pledge of revenues for repayment of the loan.
- 2) Contingent upon the Borrower approving a security agreement and mortgage.
- 3) Contingent upon the Borrower establishing rates at a level sufficient to provide the required debt coverage.
- 4) Contingent upon an Intercreditor Agreement being approved and executed by Rural Utilities Service, Bear Butte Valley Water, Inc. and the District.
- 5) Contingent upon receipt of the 2023 Drinking Water State Revolving Fund capitalization grants from EPA.

Drinking Water Funding Applications

June 2023



DRINKING WATER FACILITIES FUNDING APPLICATION FINANCIAL ANALYSIS SUMMARY

APPLICANT: Centerville DW-02

Total Project Cost:	\$1,412,000
BWNR Funding Assistance Requested:	\$1,412,000
Rate/Term:	2.75%/30 Years
Security Pledged For Repayment Of Loan:	Project Surcharge

Staff Analysis

- 1) Current rates are \$42.58/5,000 gallons. At the recommended funding level a surcharge of \$14.55 will be required, which would bring overall rates to \$57.13.
- 2) Staff Analysis indicates that the city can restructure their rates to be at or below \$55.00 with the required surcharge for repayment of the loan.

Funding Recommendation: Award a \$1,412,000 Drinking Water SRF loan at 2.75% for 30 Years.

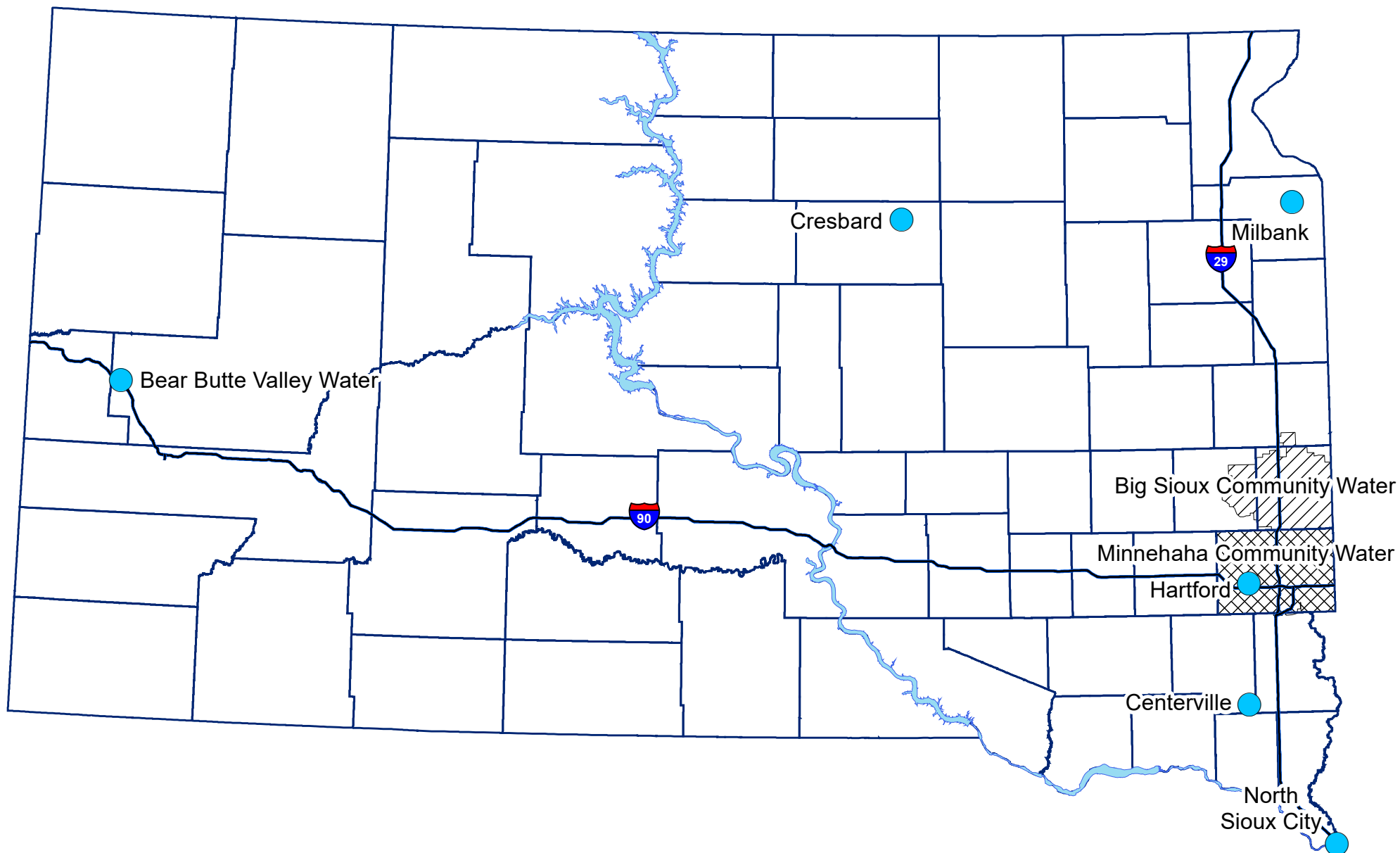
Debt Service Coverage: 110% based on a surcharge of \$14.55.

Loan Contingencies:

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

Drinking Water Funding Applications

June 2023



DRINKING WATER FACILITIES FUNDING APPLICATION FINANCIAL ANALYSIS SUMMARY

APPLICANT: Milbank DW-02

Total Project Cost:	\$ 12,500,000
BWNR Funding Assistance Requested:	\$ 12,500,000
Rate/Term:	3.250% / 30 Years
Security Pledged For Repayment Of Loan:	Project Surcharge

Staff Analysis

- 1) Current rates are at \$20.18/5,000 gallons. If funding is provided as all loan, the city would have to establish surcharge of approximately \$48.18 if applied to all users equally, bringing the total rates to \$68.36.
- 2) The city's rates are based on meter size and water usage. Additionally, they have Valley Queen Cheese Factory that uses approximately 50% of their systems water. The city proposes to increase both base meter charges and volume based rates in order to generate the required surcharge, this would require total residential rates to increase to approximately \$36.15/5,000 gallons.

Funding Recommendation: Award a \$12,500,000 Drinking Water SRF loan at 3.250% for 30 years.

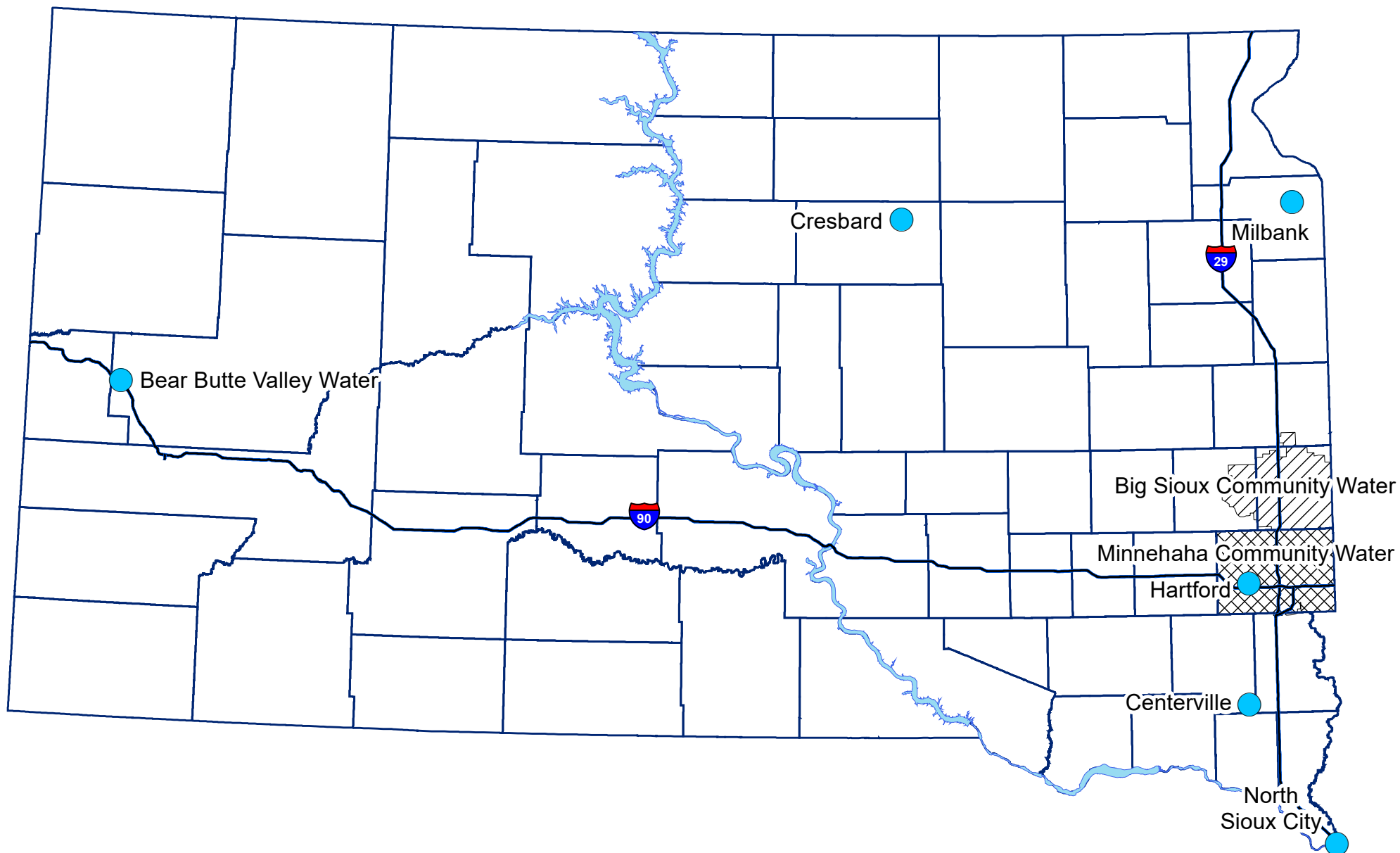
Debt Service Coverage: 110% based on anticipated rate increases

Loan Contingencies:

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

Drinking Water Funding Applications

June 2023



DRINKING WATER FACILITIES FUNDING APPLICATION FINANCIAL ANALYSIS SUMMARY

APPLICANT: North Sioux City DW-03

Total Project Cost: \$580,000

BWNR Funding Assistance Requested: \$580,000

Rate/Term: 3.00%/20 Years

Security Pledged For Repayment Of Loan: Project Surcharge

Staff Analysis

- 1) Current rates are \$30.00/5,000 gallons usage. If funding is provided as all loan, the city will have to establish a surcharge of \$3.05 which would bring overall rates to \$33.05.

Funding Recommendation: Award a \$580,000 Drinking Water SRF loan at 3.00% for 20 years.

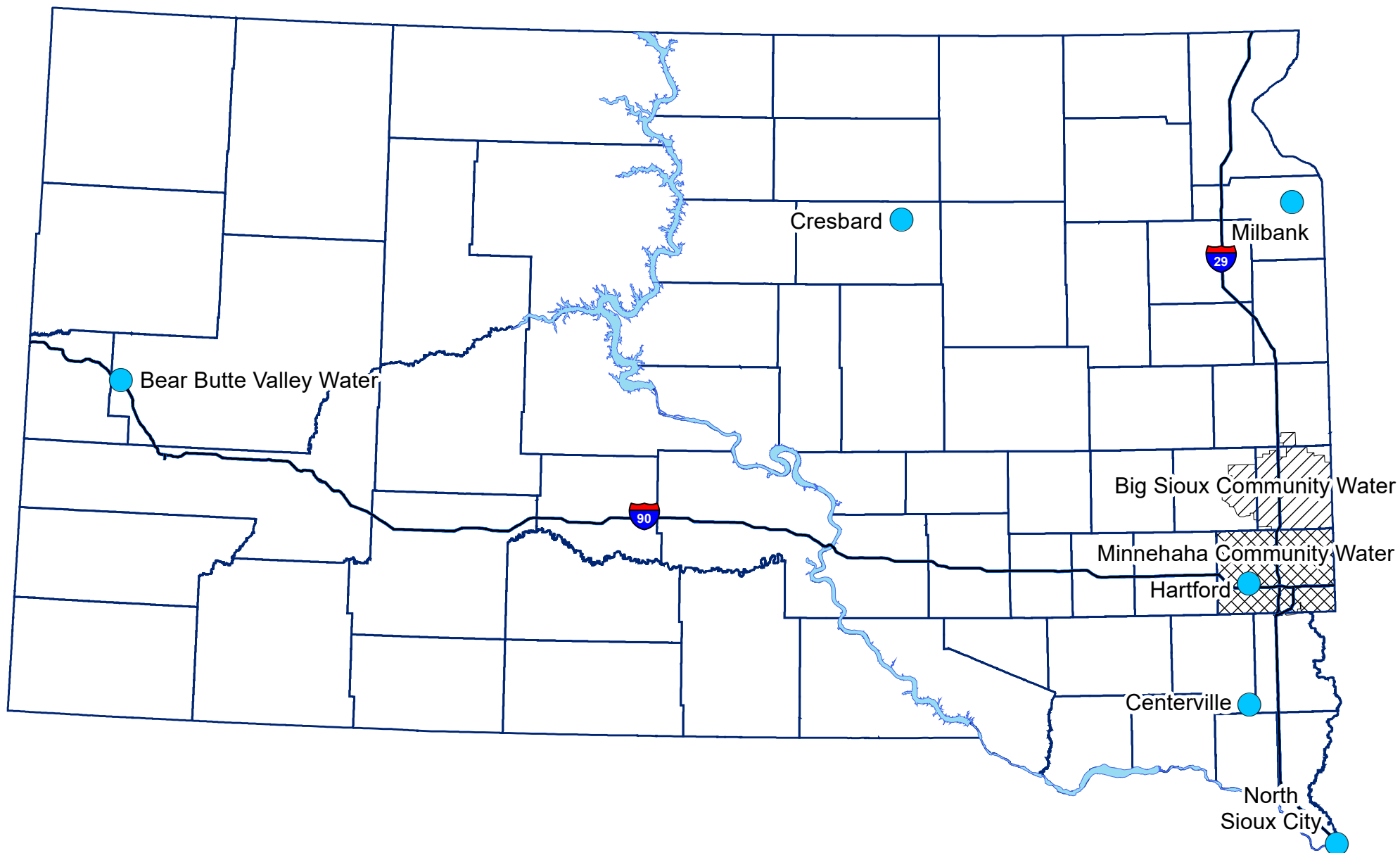
Debt Service Coverage: 110% based on a \$3.05 surcharge

Loan Contingencies:

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

Drinking Water Funding Applications

June 2023



DRINKING WATER FACILITIES FUNDING APPLICATION FINANCIAL ANALYSIS SUMMARY

APPLICANT: Big Sioux Community Water DW-05

Total Project Cost: \$2,200,000

BWNR Funding Assistance Requested: \$2,200,000

Rate/Term: 3.25%/30 Years

Security Pledged For Repayment Of Loan: System Revenue

Staff Analysis

- 1) Big Sioux Community Water has joined with Minnehaha Community Water to form Shared Resources, Inc. and has agreed to pay for 35% of the debt service.
- 2) Current rates are \$81.05 per 7,000 gallons usage. At the recommended funding level, the system will have to increase their rates to approximately \$130.10 to meet the required debt coverage, which includes the operational and debt expense related to the Shared Resources, Inc. project.

Funding Recommendation: Award a \$2,200,000 Drinking Water SRF loan at 3.25% for 30 years.

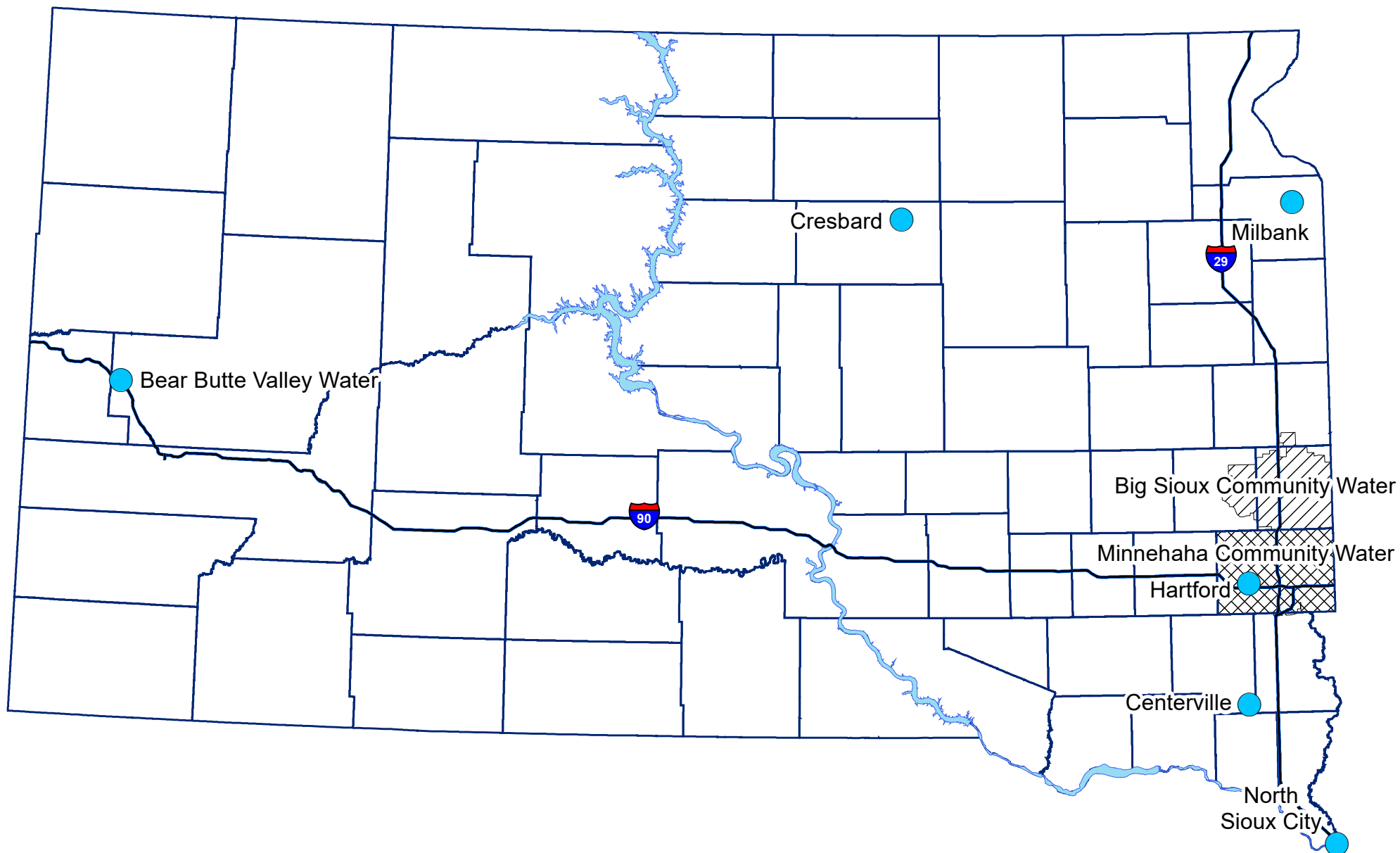
Debt Service Coverage: 110% coverage at rates of \$130.10 per 7,000 gallons.

Loan Contingencies:

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

Drinking Water Funding Applications

June 2023



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

APPLICANT: Hartford DW-04

Total Project Cost:	\$	990,800
BWNR Funding Assistance Requested:	\$	490,800
Rate/Term:		3.250% / 30 Years
Security Pledged For Repayment Of Loan:		System Revenue

Staff Analysis

- 1) Current rates are \$46.82/5,000 gallons. If funding is provided as all loan, staff analysis indicates that the current rates will provide 329% coverage.

Funding Recommendation: Award a \$490,800 Drinking Water SRF loan at 3.250% for 30 years.

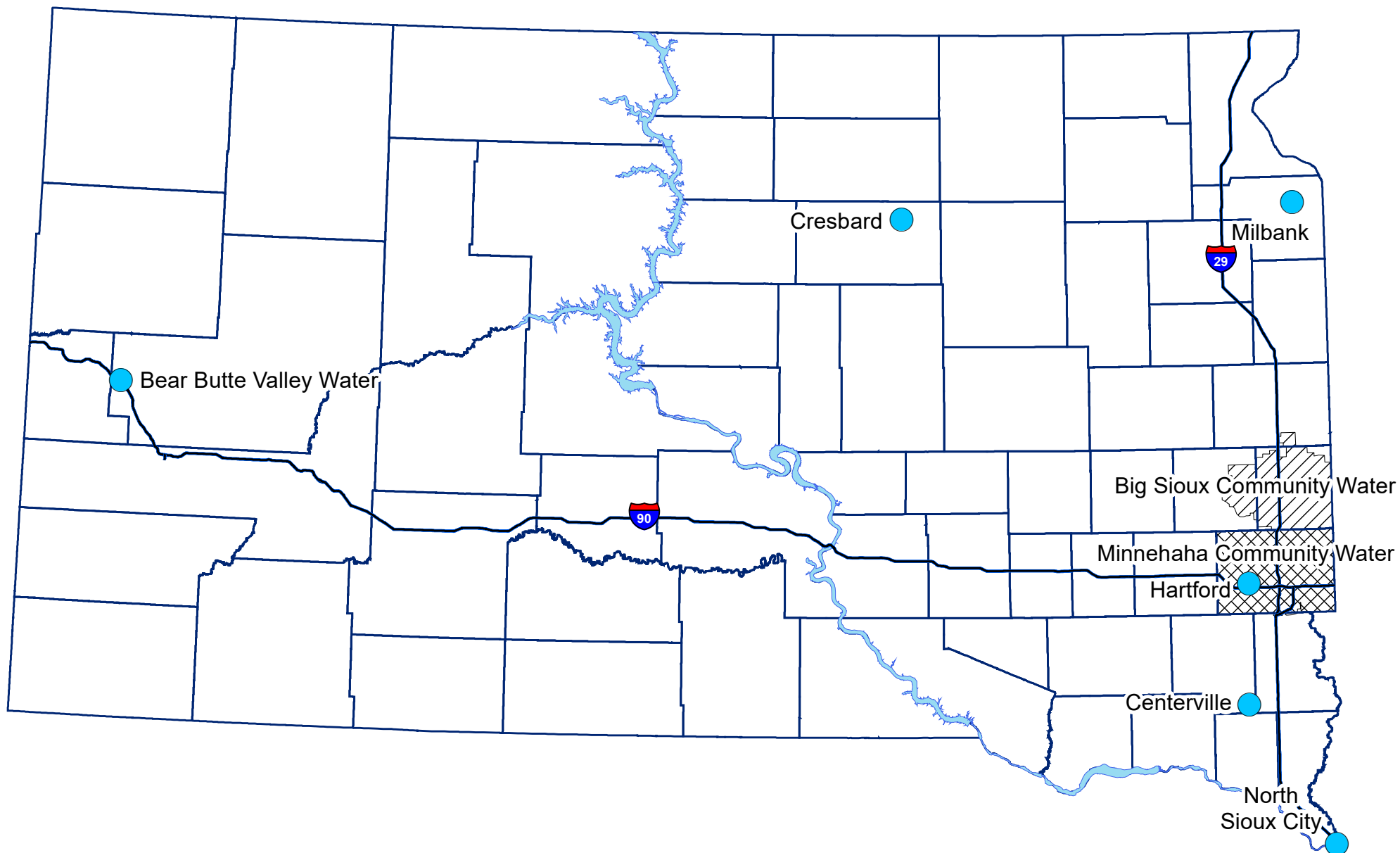
Debt Service Coverage: 329% based on current system revenues

Loan Contingencies:

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

Drinking Water Funding Applications

June 2023



DRINKING WATER FACILITIES FUNDING APPLICATION FINANCIAL ANALYSIS SUMMARY

APPLICANT: Minnehaha Community Water Corp. DW-05

Total Project Cost: \$4,670,000

BWNR Funding Assistance Requested: \$4,670,000

Rate/Term: 3.25%/30 Years

Security Pledged For Repayment Of Loan: System Revenue

Staff Analysis

- 1) Minnehaha Community Water Corp. has joined with Big Sioux Community Water to form Shared Resources. Inc. and has agreed to pay for 65% of the debt service.
- 2) Current rates are \$81.50 per 7,000 gallons usage. At the recommended funding level, the system will have to increase their rates to approximately \$123.70 to meet the required debt coverage, which includes the operational and debt expense related to the Shared Resources, Inc. project.

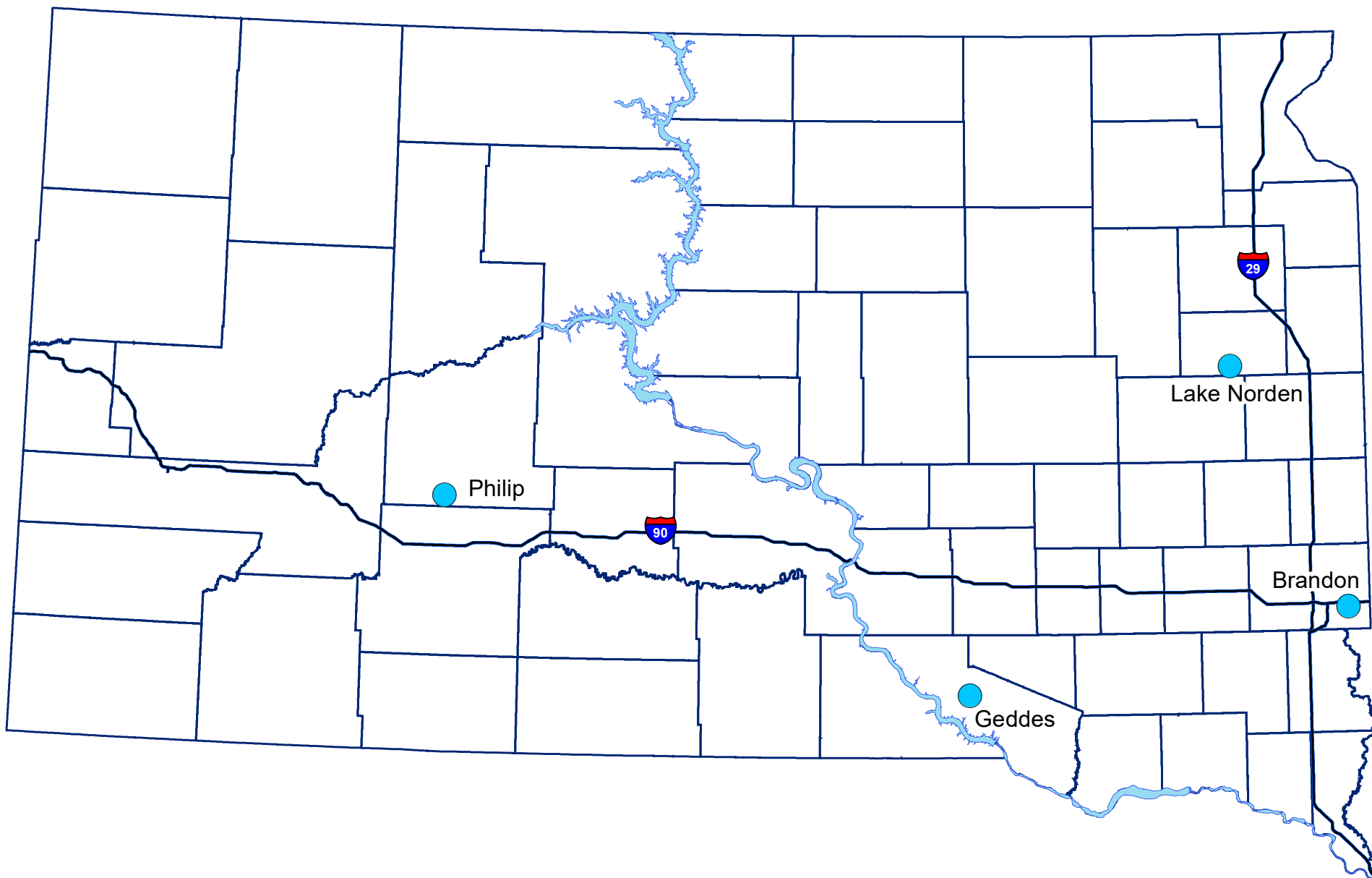
Funding Recommendation: Award a \$4,670,000 Drinking Water SRF loan at 3.25% for 30 Years.

Debt Service Coverage: 110% coverage at rates of \$123.70 per 7,000 gallons.

Loan Contingencies:

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

Sanitary/Sewer Funding Applications June 2023



SANITARY/STORM SEWER FACILITIES FUNDING APPLICATION FINANCIAL ANALYSIS SUMMARY

APPLICANT: Lake Norden CW-04

Total Project Cost: \$500,000

BWNR Funding Assistance Requested: \$500,000

Rate/Term: 3.25% / 30 Years

Security Pledged For Repayment Of Loan: Project Surcharge

Staff Analysis

- 1) Current rates are at \$67.55/5,000 gallons. If funding is provided as all loan, the city would have to establish a surcharge of approximately \$7.65 to bring overall rates to \$75.20.
- 2) Staff analysis is that Lake Norden's current rates could be restructured to include the required loan surcharge and remain at current rates of \$67.55/5,000 gallons.

Funding Recommendation: Award a \$500,000 Clean Water SRF loan at 3.25% for 30 years.

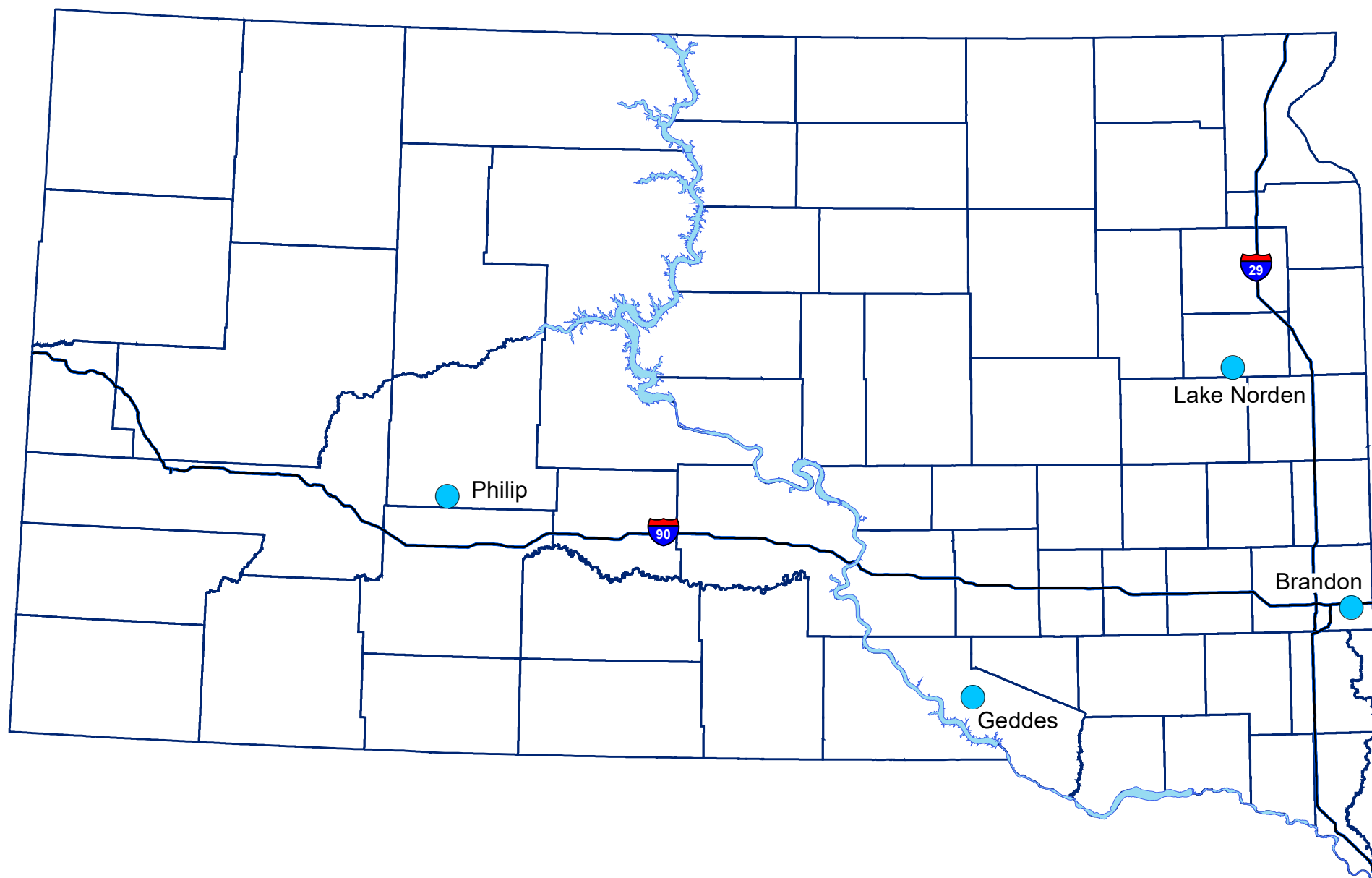
Debt Service Coverage: 110% based on a \$7.65 surcharge

Loan Contingencies:

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

Sanitary/Sewer Funding Applications

June 2023



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

APPLICANT: Brandon CW-07

Total Project Cost: \$3,905,000

BWNR Funding Assistance Requested: \$893,233

Rate/Term: N/A

Security Pledged For Repayment Of Loan: N/A

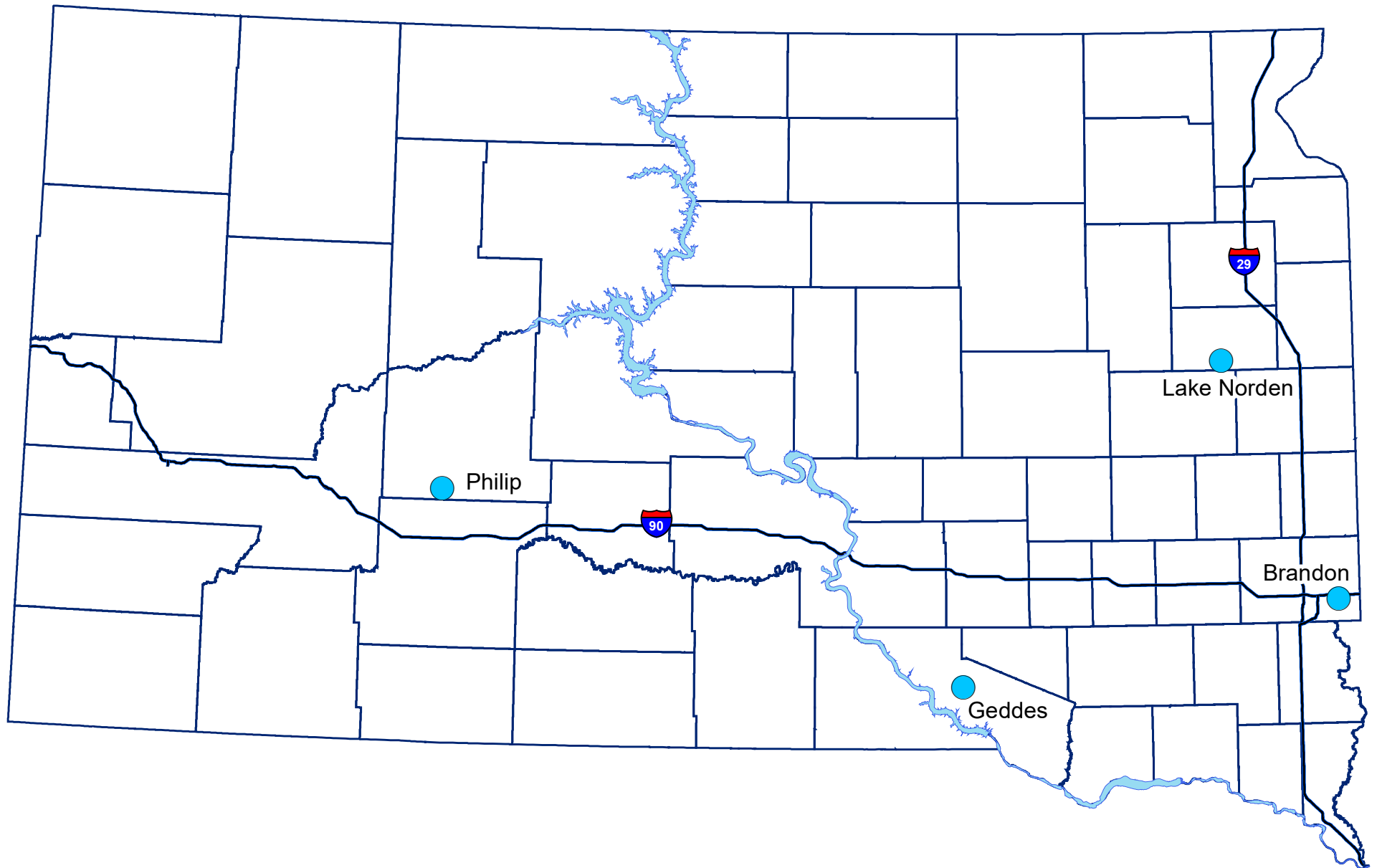
Staff Analysis

- 1) The city has requested state ARPA funding for their East Side Sewer Main Extension project. The city is proposing to fund the rest of the project with a Revenue bond, local ARPA funds, and already awarded state ARPA funds. They are not requesting any SRF loan funds.

Funding Recommendation: No Funding

Sanitary/Sewer Funding Applications

June 2023



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

APPLICANT: Philip CW-08

Total Project Cost: \$1,395,875

BWNR Funding Assistance Requested: \$1,040,830

Rate/Term: 3.25% / 30 Years

Security Pledged For Repayment Of Loan: Project Surcharge

Staff Analysis

- 1) Current rates are \$34.00/5,000. If funding is provided as all loan, the city would have to establish a surcharge of \$12.75 bringing overall rates to \$46.75.

Funding Recommendation: Award a \$1,040,830 Clean Water SRF loan at 3.25% for 30 years.

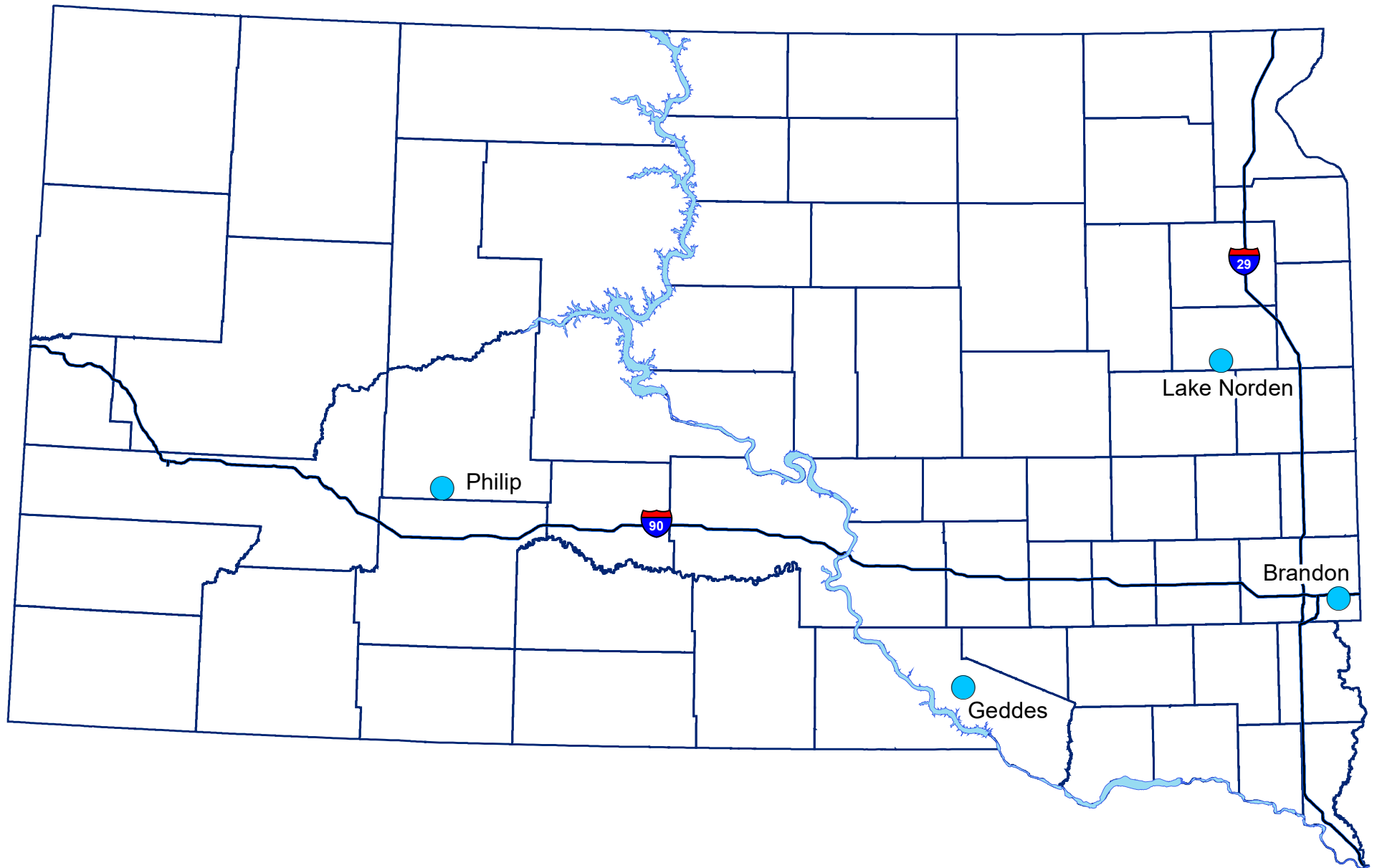
Debt Service Coverage: 110% based on surcharge of \$12.75

Loan Contingencies:

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

Sanitary/Sewer Funding Applications

June 2023



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

APPLICANT: Philip CW-09

Total Project Cost: \$800,342

BWNR Funding Assistance Requested: \$800,342

Rate/Term: 3.250% / 30 Years

Security Pledged For Repayment Of Loan: Sales Tax Revenue

Staff Analysis

- 1) Philip has pledged Sales Tax Revenue for debt repayment. If funding is provided as all loan current sales tax revenues will provide 298% coverage.

Funding Recommendation: Award a \$800,342 Clean Water SRF loan at 3.25% for 30 years.

Debt Service Coverage: 298% based on sales tax revenues

Loan Contingencies:

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

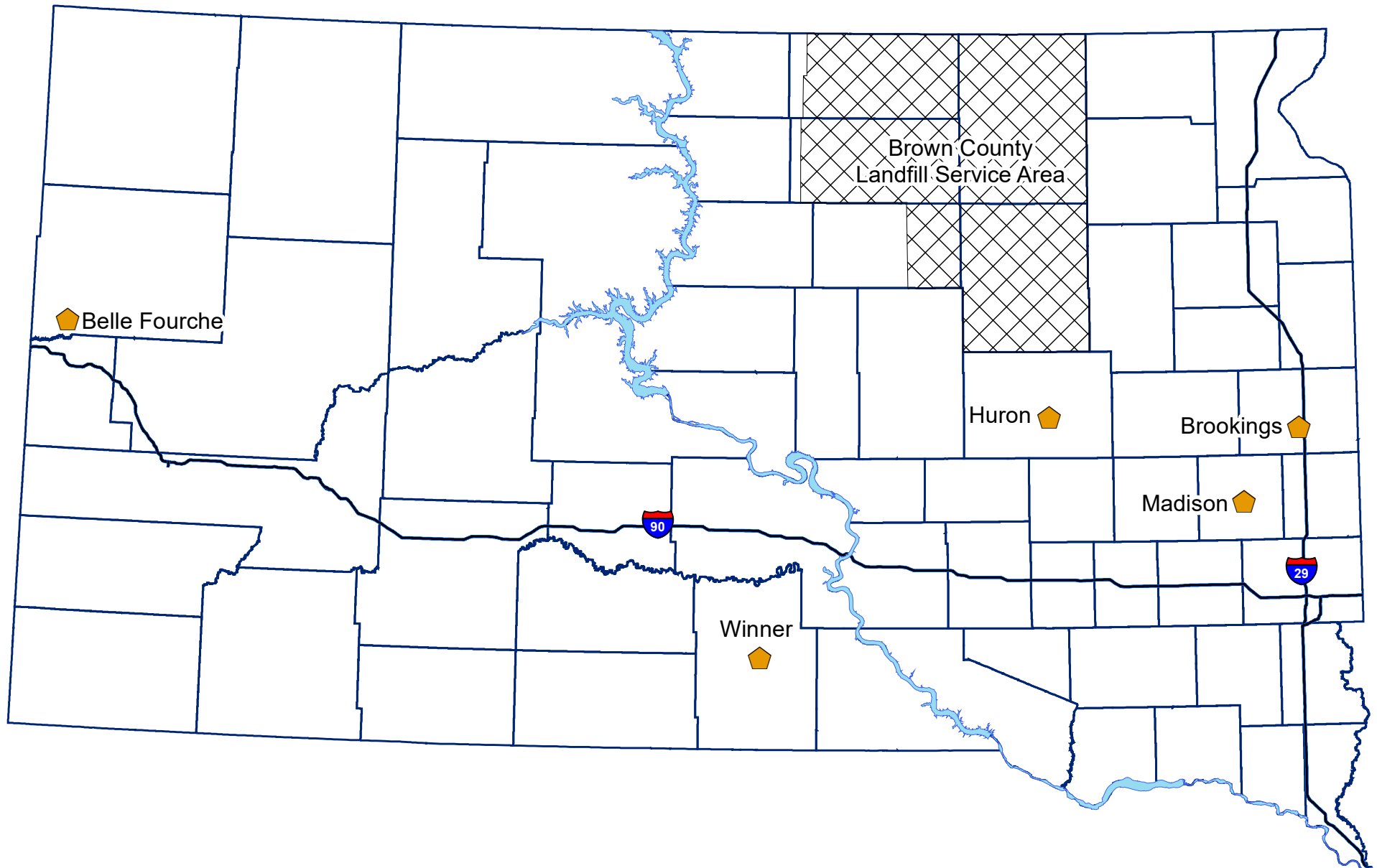
June 2023
Dedicated Solid Waste Management Fees

Solid Waste Management Program (SWMP)

Available Funds:	\$	468,861
Reversions:	\$	200,504
Available for Award:	\$	669,365

Solid Waste Management Program Funding Applications

June 2023



SOLID WASTE MANAGEMENT PROGRAM FUNDING APPLICATION FINANCIAL ANALYSIS SUMMARY

APPLICANT: Belle Fourche

Total Project Cost: \$718,385

BWNR Funding Assistance Requested: \$287,192

Rate/Term: 3.00%/20 Years

Security Pledged For Repayment Of Loan: Solid Waste Revenue

Staff Analysis

- 1) In January 2023, the board awarded Belle Fourche a \$72,000 SWMP grant for the purchase of Solid Waste equipment. They indicated at that time they did not want a loan and were going to use local funds to fund the remaining costs.
- 2) The city has since requested to have the remaining half of the project originally requested grant only funds for be funded with a SWMP loan.

Funding Recommendation: Award a \$287,192 Solid Waste Management Program Loan at 3.00% for 20 Years.

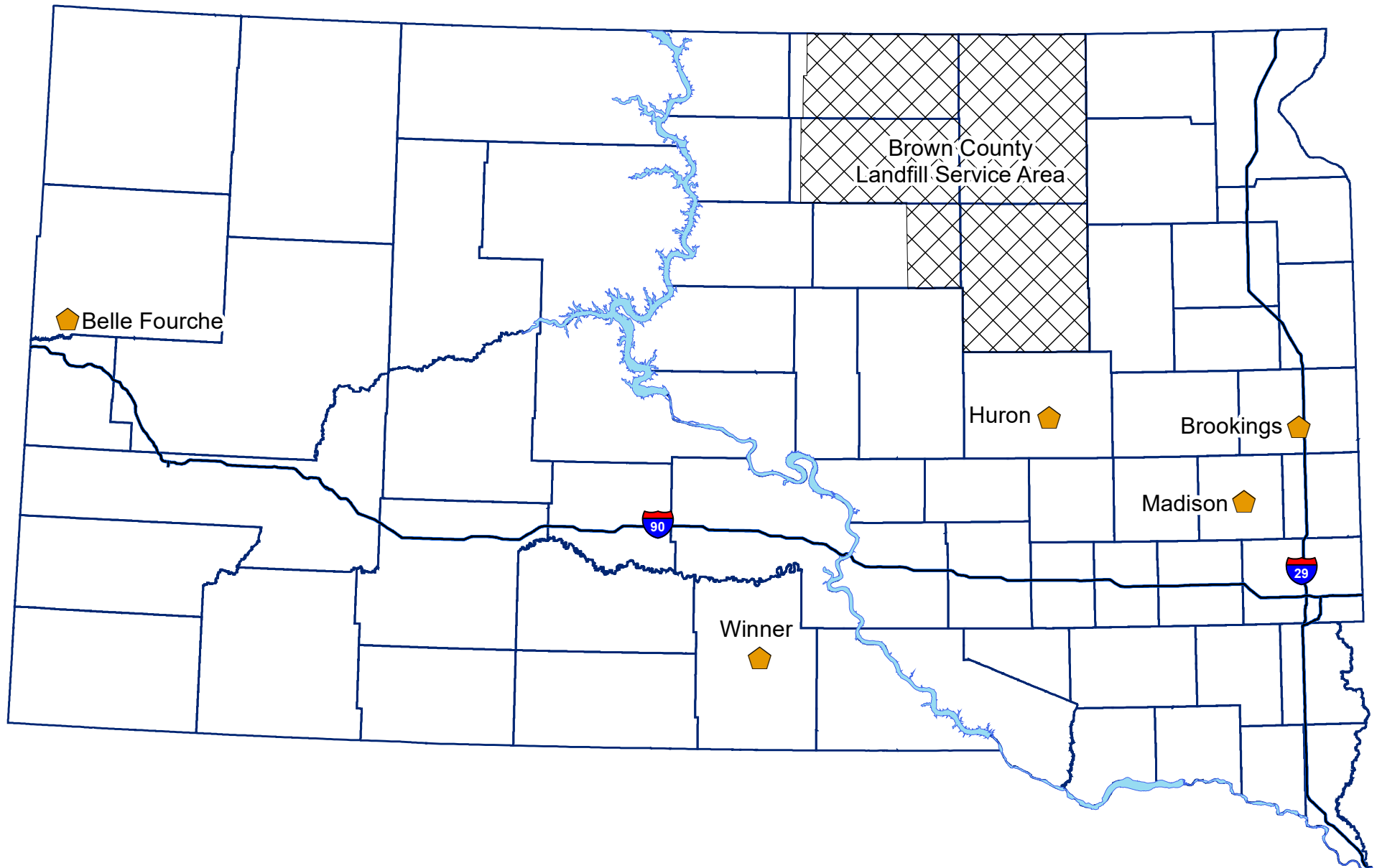
Debt Service Coverage: 4,167% based on current Solid Waste revenue collections

Loan Contingencies:

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

Solid Waste Management Program Funding Applications

June 2023



**SOLID WASTE MANAGEMENT PROGRAM FUNDING APPLICATION
FINANCIAL ANALYSIS SUMMARY**

APPLICANT: Brookings (SWMP)

Total Project Cost: \$40,000

BWNR Funding Assistance Requested: \$30,000

Rate/Term: NA

Security Pledged For Repayment Of Loan: NA

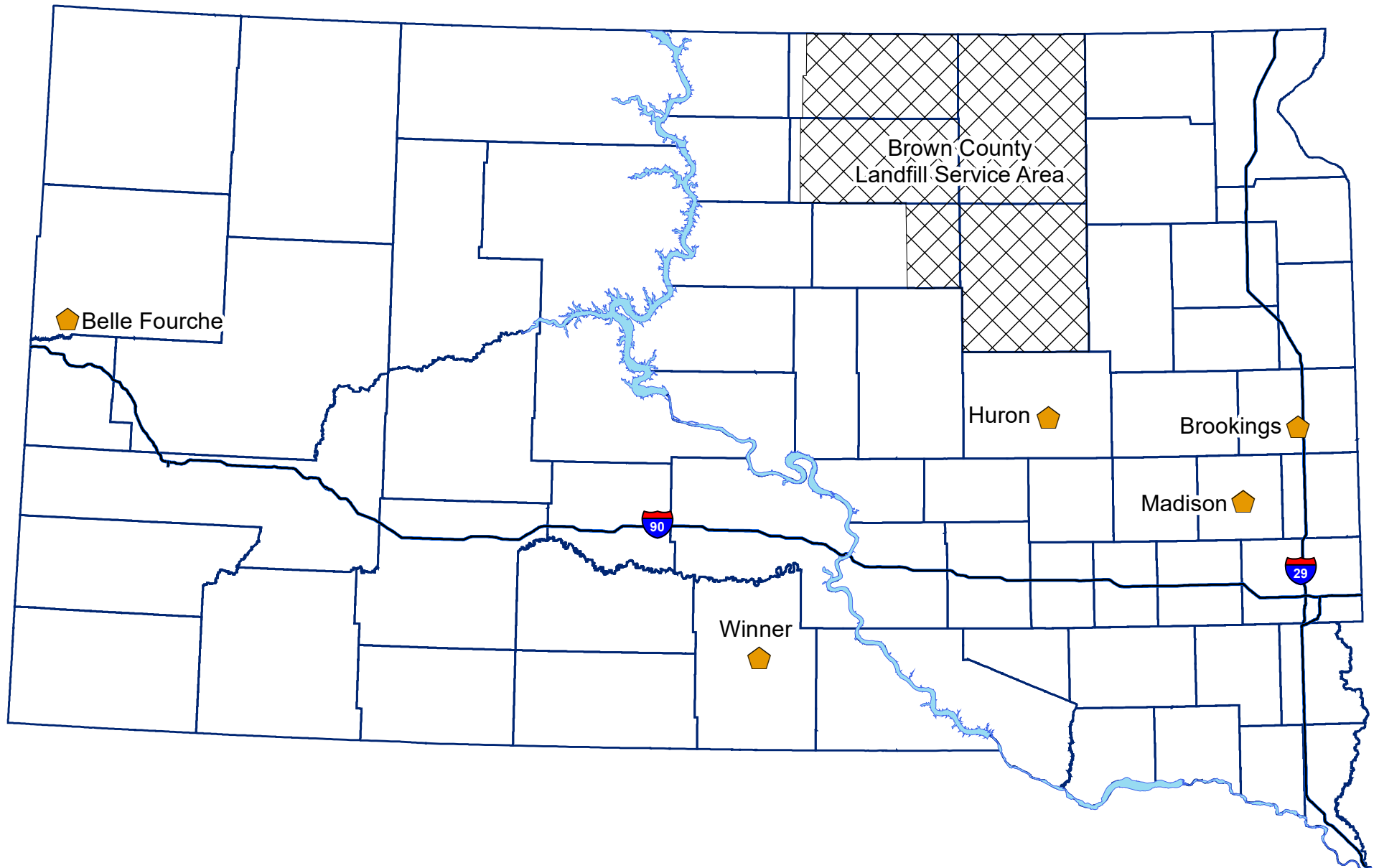
Staff Analysis

- 1) The city has requested to funding for a Household Hazardous Waste event. The city has pledged \$10,000 in local cash and requests the remaining \$30,000 be funded by a grant.
- 2) DANR staff does not believe funding from the Solid Waste Management Program should be dedicated or that sufficient funds are available to fund yearly reoccurring activities a community chooses to pursue.

Funding Recommendation: No Funding

Solid Waste Management Program Funding Applications

June 2023



**SOLID WASTE MANAGEMENT PROGRAM FUNDING APPLICATION
FINANCIAL ANALYSIS SUMMARY**

APPLICANT: Brown County

Total Project Cost: \$462,162

BWNR Funding Assistance Requested: \$231,081

Rate/Term: N/A

Security Pledged For Repayment Of Loan: N/A

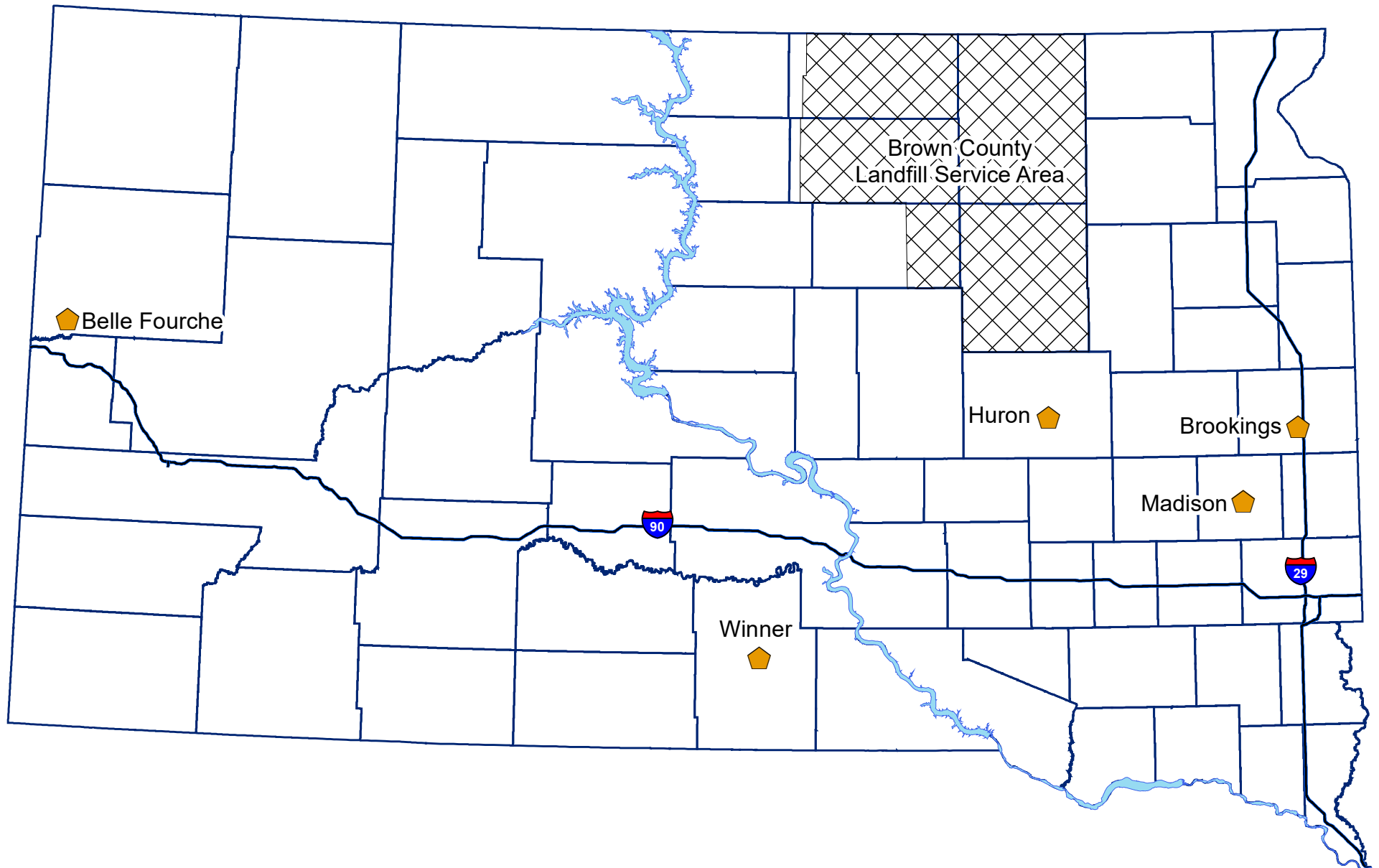
Staff Analysis

- 1) Brown County is proposing to purchase a new loader for the landfill facility.
- 2) Only grant funds are being requested and they will fund the rest of the costs with local funds.

Funding Recommendation: Award a Solid Waste Management program grant at 20.1% of eligible costs not to exceed \$92,500

Solid Waste Management Program Funding Applications

June 2023



SOLID WASTE MANAGEMENT PROGRAM FUNDING APPLICATION FINANCIAL ANALYSIS SUMMARY

APPLICANT: City of Huron

Total Project Cost: \$277,252

BWNR Funding Assistance Requested: \$138,626

Rate/Term: N/A

Security Pledged For Repayment Of Loan: N/A

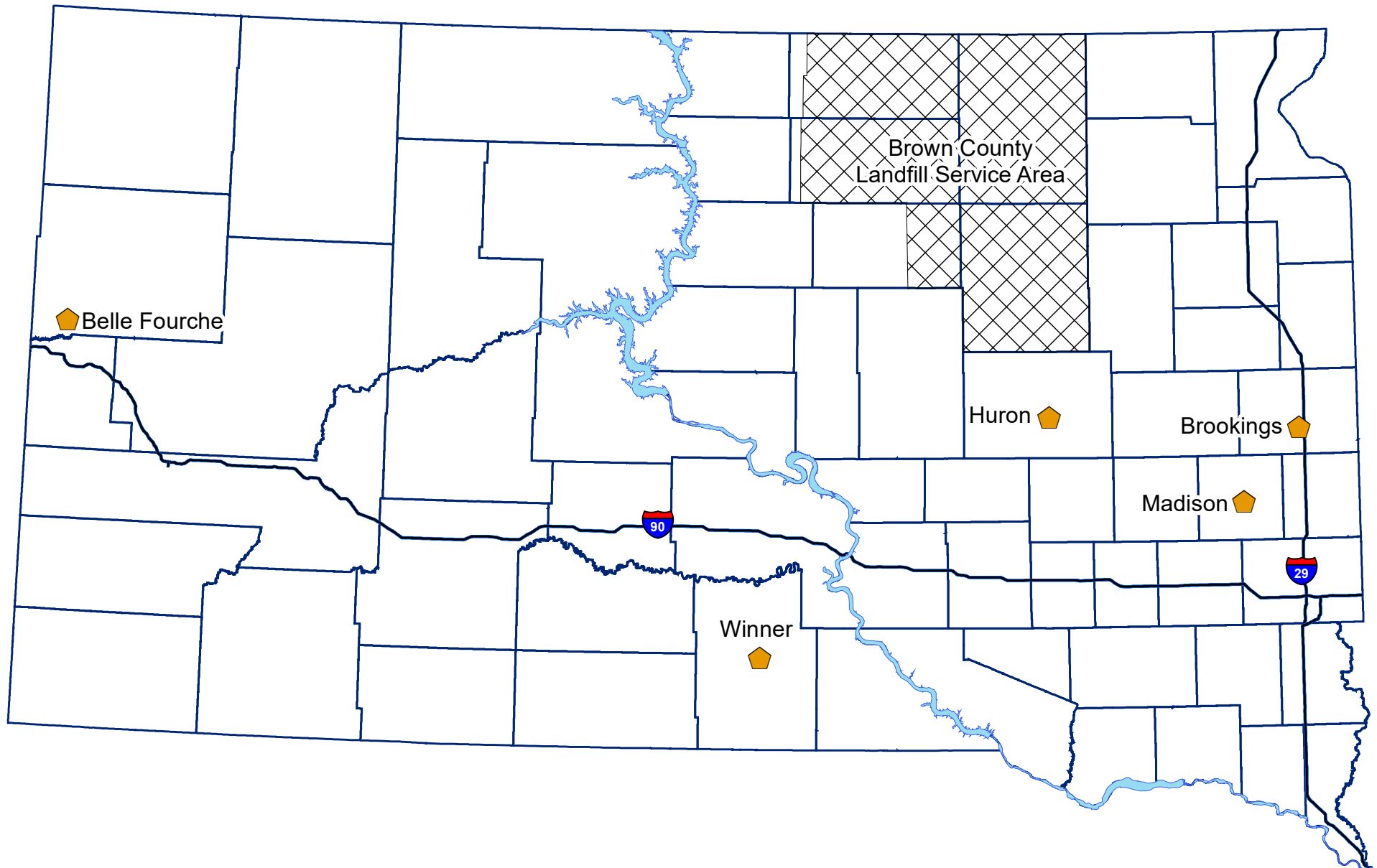
Staff Analysis

- 1) The city of Huron proposes the purchase of a new hook truck along with six roll-off containers. The new hook truck and roll-off containers are components of the new community drop-off area planned for the new transfer station facility.
- 2) Only grant funds are being requested and they will fund the rest of the costs with local funds.

Funding Recommendation: Award a Solid Waste Management program grant at 30.2% of eligible costs not to exceed \$83,500.

Solid Waste Management Program Funding Applications

June 2023



**SOLID WASTE MANAGEMENT PROGRAM FUNDING APPLICATION
FINANCIAL ANALYSIS SUMMARY**

APPLICANT: Madison

Total Project Cost: \$547,800

BWNR Funding Assistance Requested: \$109,560

Rate/Term: N/A

Security Pledged For Repayment Of Loan: N/A

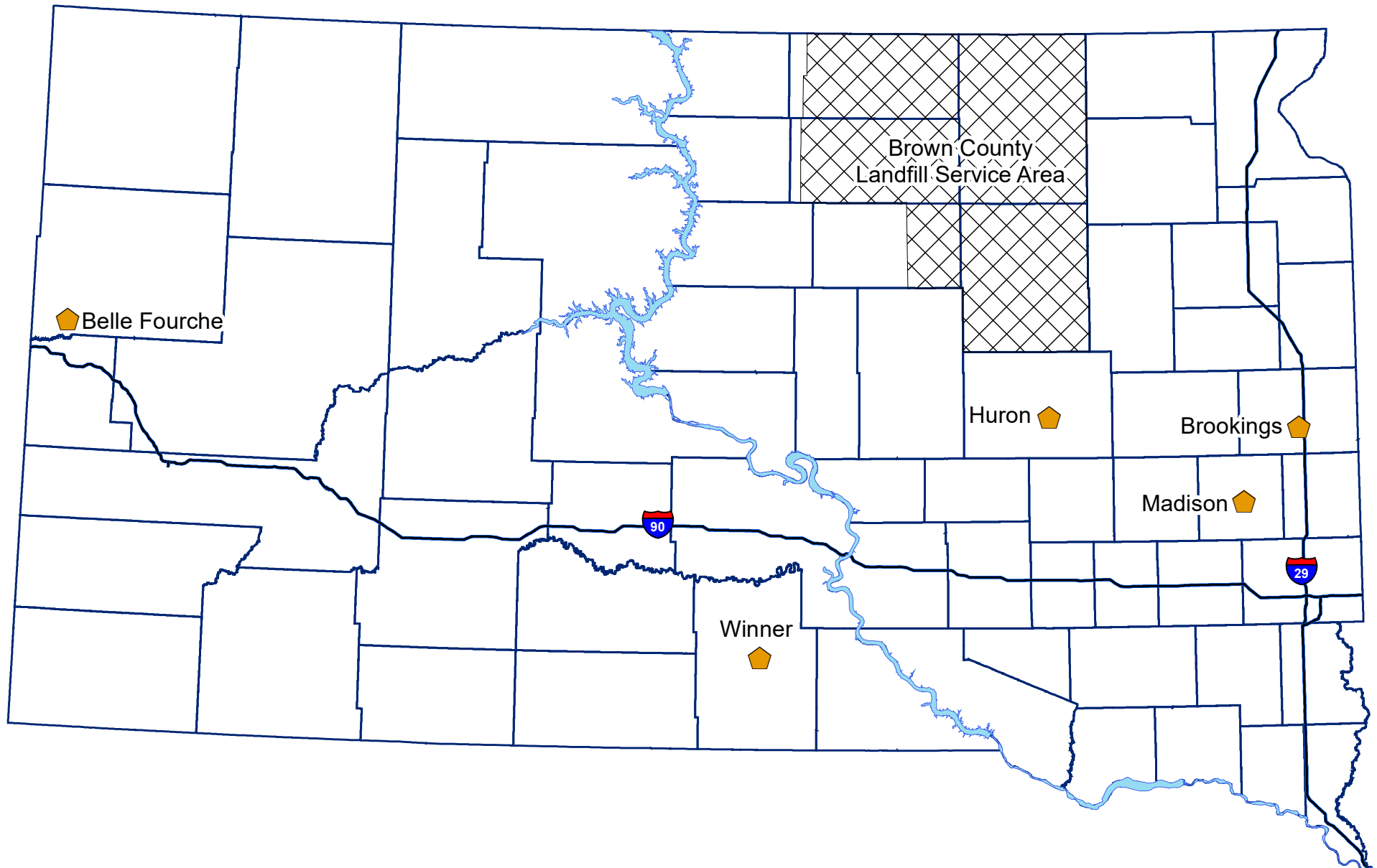
Staff Analysis

- 1) The city of Madison is proposing to purchase land for a Restricted Use Site facility. The existing site is nearing capacity, and the city has identified a site that would fulfill this need, which is comprised of 73-acres.
- 2) Only grant funds are being requested and they will fund the rest of the costs with local funds.

Funding Recommendation: Award a Solid Waste Management program grant at 20.0% of eligible costs not to exceed \$109,560.

Solid Waste Management Program Funding Applications

June 2023



SOLID WASTE MANAGEMENT PROGRAM FUNDING APPLICATION FINANCIAL ANALYSIS SUMMARY

APPLICANT: Winner (SWMP)

Total Project Cost: \$1,500,343

BWNR Funding Assistance Requested: \$900,000

Rate/Term: N/A

Security Pledged For Repayment Of Loan: N/A

Staff Analysis

- 1) Winner is proposing to purchase an existing recycling structure from Tripp County. The city also wishes to implement standardized solid waste containers for individual and commercial uses to be collected by a city contracted hauler. The project also includes the purchase of a walking floor trailer, used semi-tractor, compact articulated loader, and repairs to the existing baler.
- 2) Based on the total amount of available Solid Waste Management Program funds at the beginning of the board meeting there would not have been a sufficient amount to fund this project. Staff recommends if Winner desires to pursue this project they resubmit an application for the January 1, 2024, funding deadline.

Funding Recommendation: No Funding

June 2023
Dedicated Solid Waste Management Fees

Solid Waste Management Program (SWMP)

Available Funds:	\$	468,861
Reversions:	\$	200,504
Available for Award:	\$	669,365
Recommended:	\$	(572,752)
Balance:	\$	96,613

DRINKING WATER FACILITIES FUNDING APPLICATION FINANCIAL ANALYSIS SUMMARY

APPLICANT: Mitchell DW-06

Total New Project Cost:	\$16,000,000
Additional BWNR Funding Assistance Requested:	\$5,000,000
Rate/Term:	1.875%/30 Years
Security Pledged For Repayment Of Loan:	Project Surcharge

Staff Analysis

- 1) In January 2022, the city was awarded a \$11,000,000 Drinking Water SRF loan for the project, however due to increased costs additional funding of \$5,000,000 is needed to complete the project.
- 2) Current rates are \$36.88/5,000 gallons. The original award required a surcharge of \$7.60. At the recommended funding level, a new total surcharge of \$10.30 will be required. Rate increases will also be required for the Randall CWD Regionalization project and an additional \$2,840,000 DWSRF loan awarded in April 2022 which will result in overall rates of approximately \$68.75/5000 gallons.

Funding Recommendation: Rescind Resolution 2022-92 and award a \$16,000,000 Drinking Water SRF loan at 1.875% for 30 years with 6.3% Principal Forgiveness not to exceed \$1,000,000.

Debt Service Coverage: 110% based on a \$10.30 surcharge

Loan Contingencies:

- 1) Contingent upon the Borrower adopting a bond resolution and the resolution becoming effective.
- 2) Contingent upon the Borrower establishing a surcharge at a level sufficient to provide the required debt coverage.
- 3) Contingent upon receipt of the 2023 Drinking Water State Revolving Fund capitalization grants from EPA.

DRINKING WATER FACILITIES FUNDING APPLICATION FINANCIAL ANALYSIS SUMMARY

APPLICANT: Spearfish DW-02

New Total Project Cost:	\$9,678,762
Additional BWNR Funding Assistance Requested:	\$3,648,327
Rate/Term:	1.625%/30 Years
Security Pledged For Repayment Of Loan:	System Revenue

Staff Analysis

- 1) In June 2022, the city was awarded a \$4,620,000 funding package that included a \$3,234,000 DWSRF loan and a \$1,386,000 ARPA Grant. The scope of the project has increased some and additional funding is needed to complete the project.
- 2) Current rates in Spearfish are \$32.93/5,000 gallons. With the additional funding request of \$3,648,327, the city will have 171% coverage at current rates.

Funding Recommendation: Rescind Resolution 2022-386 and award a \$6,882,327 Drinking Water SRF loan at 1.625% for 30 years.

Debt Service Coverage: 171% at current rates of \$32.93/5,000 gallons.

Loan Contingencies:

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

June 2023

Available Funds Summary

AMERICAN RESCUE PLAN ACT (ARPA) GRANTS

2022 Appropriation:	\$	600,000,000
Reversions:	\$	28,910,052
Awarded to Date:	\$	(606,190,008)
Available for Award:	\$	<u>22,720,043.62</u>

CONSOLIDATED WATER FACILITIES CONSTRUCTION PROGRAM

Available Funds:	\$	1,024,686
Reversions:	\$	93,000
Available for Award:	\$	<u>1,117,686</u>

DRINKING WATER SRF WATER CONSTRUCTION GRANTS

2023 IUP Allocation:	\$	2,000,000
Reversions:	\$	-
Awarded to Date:	\$	(1,820,780)
Available for Award:	\$	<u>179,220</u>

CLEAN WATER SRF WATER QUALITY GRANTS

Available Funds:	\$	4,311
2023 IUP Allocation:	\$	2,200,000
Reversions:	\$	-
Awarded to Date:	\$	(1,935,743)
Available for Award:	\$	<u>268,568</u>

June 2023

Available Funds Summary

DRINKING WATER SRF PRINCIPAL FORGIVENESS

Prior Year Principal Forgiveness Allocations:	\$	45,328,660
FFY-23 Maximum Allocation:	\$	691,320
Reverted Principal Forgiveness:	\$	-
Awarded to Date:	\$	(45,326,042)
Available For Award:	\$	693,938
Princ. Forg. for Disadvantaged Communities:	\$	22,375,700
FFY-23 Maximum Allocation:	\$	1,728,300
Reverted Principal Forgiveness:	\$	-
Awarded to Date:	\$	(22,128,250)
Available For Award:	\$	1,975,750
BIL Supplemental PF for Disadvantaged Communities:	\$	8,816,080
FFY-23 Maximum Allocation:	\$	10,316,950
Reverted Principal Forgiveness:	\$	-
Awarded to Date:	\$	(8,598,536)
Available For Award:	\$	10,534,494
BIL Emerging Contaminants Principal Forgiveness:	\$	8,014,000
FFY-23 Maximum Allocation:	\$	7,640,000
FFY-23 Transfer from CWSRF Allocation:	\$	1,043,000
Reverted Principal Forgiveness:	\$	-
Awarded to Date:	\$	(7,895,000)
Available For Award:	\$	8,802,000
BIL Lead Service Line PF for Disadvantaged Communities:	\$	490,000
FFY-23 Maximum Allocation:	\$	14,038,500
Reverted Principal Forgiveness:	\$	-
Awarded to Date:	\$	(490,000)
Available For Award:	\$	14,038,500

June 2023

Remaining Available Funds Summary

CLEAN WATER SRF PRINCIPAL FORGIVENESS

Prior Year Principal Forgiveness Allocations:	\$	30,703,676
FFY-23 Maximum Allocation:	\$	1,473,200
Reverted Principal Forgiveness:	\$	-
Awarded to Date:	\$	(30,703,676)
Available For Award:	\$	1,473,200
Recommended:	\$	-
Balance:	\$	1,473,200
BIL Supplemental PF for Disadvantaged Communities:	\$	4,281,620
FFY-23 Maximum Allocation:	\$	5,014,170
Reverted Principal Forgiveness:	\$	-
Awarded to Date:	\$	(4,086,600)
Available For Award:	\$	5,209,190
Recommended:	\$	(3,065,300)
Balance:	\$	2,143,890
BIL Emerging Contaminants Principal Forgiveness:	\$	459,000
FFY-23 Maximum Allocation:	\$	1,043,000
Transferred to DWSRF Allocation:	\$	(1,502,000)
Reverted Principal Forgiveness:	\$	-
Awarded to Date:	\$	-
Available For Award:	\$	-
Recommended:	\$	-
Balance:	\$	-