

January 5, 2023

Item 5

TITLE: Section 319 Applications

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

The 2023 Clean Water SRF Intended Use Plan authorized the use of \$2,200,000 of administrative surcharge fees to supplement the Consolidated and Section 319 programs for wastewater treatment and TMDL implementation projects. The DANR and NPS Task Force recommendations reflect both the anticipated FFY 2023 Section 319 federal funding allocation and \$200,000 in Clean Water SRF Water Quality grant funding.

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

- a. Big Sioux River Project —Segment 4 (Amendment)
- b. South Dakota Nonpoint Source Information and Education Project – Segment 7 (New)
- c. Northeast Glacial Lakes Upper Big Sioux Watershed Improvement and Protection Project – Segment 1 (New)
- d. Soil Health Improvement and Planning Project – Segment 3 (New)

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

Project Applications:

<https://danr.sd.gov/Conservation/WatershedProtection/Section319/Applications.aspx>

Final Project Reports:

<https://danr.sd.gov/Conservation/WatershedProtection/ReportsPublications.aspx>

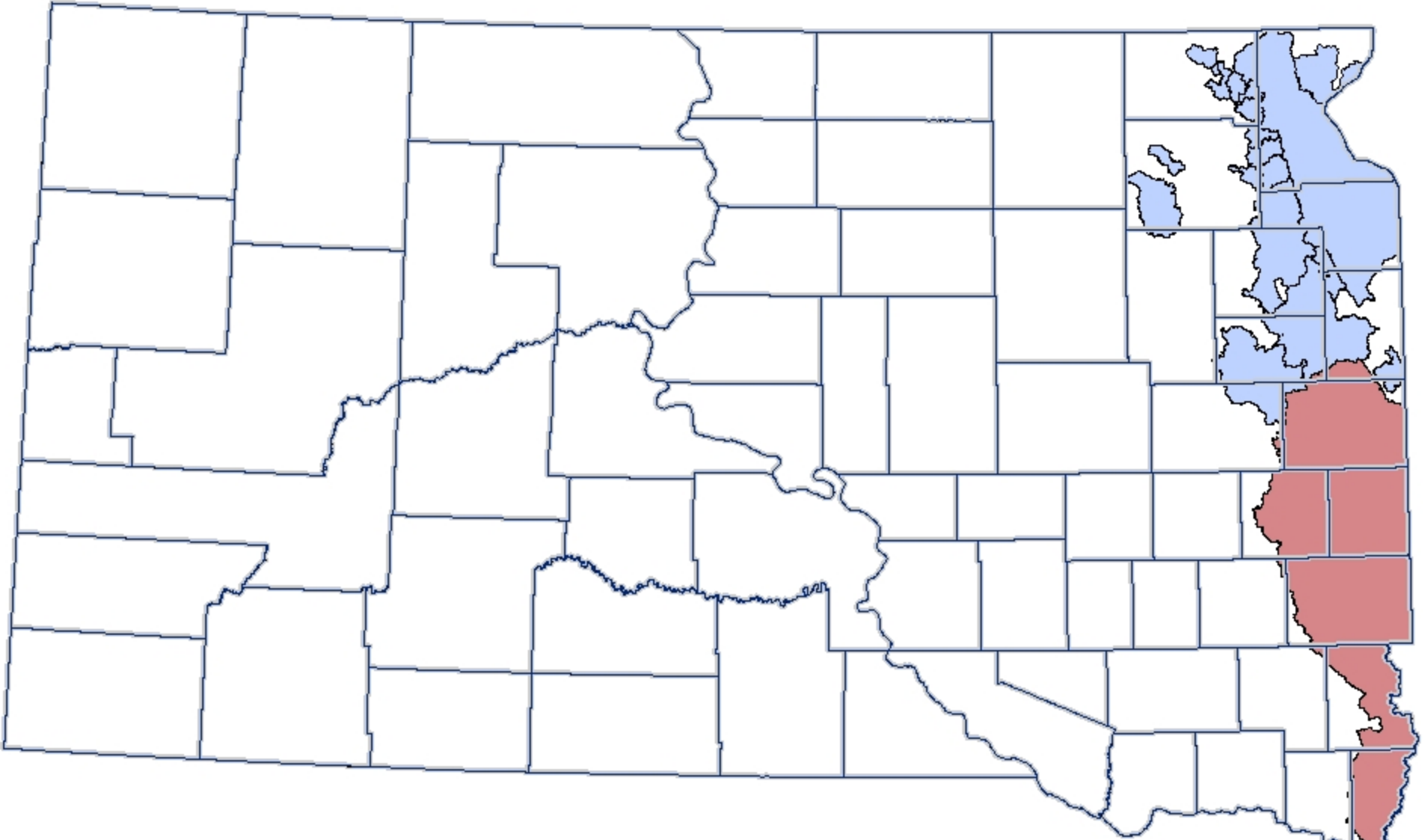
If you would like hard copies of the applications, please contact Kristopher Dozark at (605) 773-5682.

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

Authorize the Department of Agriculture and Natural Resources to enter into grant agreements with the project sponsors recommended for FFY 2023 federal Section 319 grant assistance in the amount of \$1,985,000 and up to \$200,000 from Clean Water SRF administrative surcharge fees pursuant to the 2023 Clean Water SRF Intended Use Plan, contingent upon the 2023 Legislature authorizing the required budget authority for the awards.

CONTACT: Kristopher Dozark (605) 773-5682

Nonpoint Source Implementation Projects requesting FY2023 Section 319 Funds



Legend

- Statewide Projects - SD Information and Education Segment 7
- Statewide Projects - Soil Health Project Segment 3
- Big Sioux River Implementation Project Segment 4
- Northeast Glacial Lakes/Upper Big Sioux Project



FFY 2023 Section 319 Nonpoint Source Project Summaries

Big Sioux River Watershed Project – Segment 4 (Amendment)

Sponsor: Minnehaha Conservation District

Total Cost: \$12,980,678

319 Grant Request: \$830,000

The Big Sioux River Watershed Project is a multiyear TMDL implementation strategy that will be completed in multiple segments. The project will restore and/or maintain the water quality of the Big Sioux River and its tributaries to meet the designated beneficial uses. The Lower Big Sioux River, Central Big Sioux River and the North-Central Big Sioux River/Oakwood Lakes Watershed Assessment identified various segments of the Big Sioux River and certain tributaries between Estelline, South Dakota and Sioux City, Iowa as failing to meet designated uses due to impairments from TSS, dissolved oxygen and/or bacteria. The current project (Segment 4) is focused on further reducing loadings from soil erosion, animal feeding operations, damaged riparian areas, and expanding ongoing project activities. It also extends water quality monitoring through 2025.

South Dakota Nonpoint Source Information and Education Project – Segment 5

Sponsor: South Dakota Discovery Center

Total Cost: \$513,125

319 Grant Request: \$350,000

The 2023 South Dakota Nonpoint Source Information and Education project is designed to continue providing South Dakota's citizens information and education opportunities about nonpoint source pollution in order to increase their understanding of, support for and participation in nonpoint source pollution prevention and reduction practices. To achieve the goal, this project will focus on:

1. Outreach to South Dakota's adults using a combination of traditional and innovative methods.
2. A volunteer monitoring program to support water quality monitoring by the state.
3. Support of local and regional activities through a competitive minigrants program.
4. Increased student and adult awareness of watershed and proficiency in watershed protection through education.

Northeast Glacial Lakes Upper Big Sioux Watershed Improvement and Protection Project – Segment 1

Sponsor: Day County Conservation District

Total Cost: \$1,739,150

319 Grant Request: \$759,500

The goal of this project is to protect and improve water quality of northeast South Dakota glacial lakes, streams, and rivers by implementing conservation practices that reduce the amount of fecal coliform bacteria, nutrients, and sediment loads entering project water bodies, maintaining their assigned beneficial uses, and to build on previous efforts and protect water quality improvements realized from previous implementation projects and segments.

This project combines two multi-year locally led watershed projects; Northeast Glacial Lakes Watershed Improvement and Protection Project (Segment 5) and Upper Big Sioux Watershed Project (Segment 7) into one project.

Soil Health Improvement and Planning Project – Segment 3

Sponsor: South Dakota Soil Health Coalition

Total Cost: \$1,617,000

319 Grant Request: \$965,750

The goal of this three-year project is to improve water quality through planning and implementation of soil health agricultural best management practices (BMPs) and outreach to producers in selected 303(d) listed waterbodies in South Dakota. Implementing and promoting best management practices in the watershed that reduce sediment loading and prevent bacterial contamination working to attain total maximum daily loads (TMDLs) developed for the rivers, tributaries, and lakes and meet the designated beneficial uses. Outreach will include planning and holding workshops and field demonstration tours to educate and inform producers of ways to manage land to reduce runoff and improve nutrient cycling which will ultimately improve water quality. The project will also provide information and education to local landowners and the public to provide a better understanding of water quality and its relationship to soil health benefits.

January 5, 2023

Item 6

TITLE: Funding Application Deferred from September 29, 2022

EXPLANATION: The South Dakota Ellsworth Development Association submitted an application for funding consideration at the September 29, 2022, meeting. The application was deferred to be presented at a later board meeting. Administrative rules allow the board to defer action on funding applications for no more than 120 days.

On December 6, 2022, staff received a letter from the South Dakota Ellsworth Development Association requesting the application be withdrawn as the project as submitted is no longer able to move forward.

RECOMMENDATION: No action based on request being withdrawn.

Drinking Water Facilities Funding Application

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

Applicant: South Dakota Ellsworth Devp. Authority	Proposed Funding Package	
Address: P.O. Box 477 Rapid City, SD 57709	Requested Funding	\$12,192,000
Subapplicant:	Local Cash	
DUNS Number: 832615475	Other: EAFB	\$17,568,481
	Other:	
	Other:	
	TOTAL	\$29,760,481

Project Title: Meade County Water Project

Description:

The Air Force has partnered with SDEDA to complete a community water system designed to provide an alternate drinking water supply to PFOS and PFOA-impacted private properties identified by the Air Force. In conjunction with design of the PFOS/PFOA impacted water supply, SDEDA plans on building capacity above the Air Force requirements. This will help address broader regional water needs being addressed in a separate regional study. The new water line will be part of a system that can provide critical water supply, storage and transmission needs for the region north of Rapid City, east of Black Hawk, and extending east to New Underwood. Some of the specific proposed improvements include: approximately 14 miles of 16" Transmission main, 450 lf of 12" water main, 500 lf of 6" water main and 3,360 lf of 4-8" distribution main, four pressure reducing / pressure sustaining valve stations as well as ancillary items such as isolation valves, service taps, etc. Also proposed are two water storage tanks of approximately 172,000 gal and 520,000 gal. capacity with associated piping, mixing fixtures and other items. Also included is a Madison water well with associated treatment, pump controls and ancillary items. Numerous other project components are also proposed (refer to attached engineering report for complete details and specifications).

The Applicant Certifies That:

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

Scott Landguth, Executive Director
Name & Title of Authorized Signatory
(Typed)

Signature

Date

FUNDING REQUEST EVALUATION FORM
DRINKING WATER FACILITIES FUNDING APPLICATION
SOUTH DAKOTA ELLSWORTH DEVELOPMENT AUTHORITY

Project Title:	Meade County Water Project				
Funding Requested:	\$12,192,000				
Other Proposed Funding:	\$17,568,481 – Ellsworth Air Force Base				
Total Project Cost:	\$29,760,481				
Project Description:	<p>The Air Force has partnered with South Dakota Ellsworth Development Authority (SDEDA) to complete a community water system design to provide drinking water supply to PFOS and PFOA impacted private properties identified by the Air Force.</p> <p>SDEDA plans on building capacity above the Air Force requirements to help address broader regional water needs being addressed in a separate regional study. The new water line could provide water supply to the regions north of Rapid City, east of Black Hawk, and to New Underwood.</p> <p>The project would include approximately 15 miles of 4 to 16-inch transmission and distribution mains and appurtenances, two water storage tanks of approximately 172,000-gallon and 520,000-gallon capacity, and a Madison well with associated treatment, pump controls, and ancillary items.</p>				
Implementation Schedule:	SDEDA anticipates bidding the project in the spring of 2023 with completion in the fall of 2024.				
Service Population:	1,500				
Current Domestic Rate:	N/A				
Interest Rate:	1.625%	Term:	30	Security:	Revenue

REVIEW COMPLETED BY: ABBEY LARSON



PO Box 477, Rapid City, SD 57709 | ellsworthauthority.com

Water Facilities Funding Application (Withdraw Request)

Andy Bruels, Engineering Manager SD DANR

Background Information

The South Dakota Ellsworth Development Authority (SDEDA), submitted Drinking Water Facilities Funding Application in June 2022, referred to as the "SDEDA Meade County Water Line project".

The Air Force has partnered with SDEDA to complete a community water system designed to provide an alternate drinking water supply to perfluorooctane sulfonic acid (PFOS) and perfluorooctanoic acid (PFOA)-impacted private properties identified by the Air Force. The Air Force has also entered into an Environmental Service Agreement with SDEDA to build the above stated system.

In conjunction with design of PFOS/PFOA impacted water supply SDEDA plans on building capacity above the Air Force requirements. This would help address broader regional water needs that are being addressed in a separate regional study.

Meade County Commission blocked the use of section lines, therefor blocking the project proposed in the Water Facilities Funding Application "SDEDA Meade County Water Line project".

Due to the Meade County Commission actions, SDEDA withdraws the Water Facilities Funding Application "SDEDA Meade County Water Line project".

Providing a alternate drinking water supply for (PFOS) / (PFOA)-impacted private properties is still a high priority for the Air Force. SDEDA is currently working with Pennington County, Rapid City, Box Elder and the Air Force to provide an alternate drinking water supply and to address the broader regional needs.

SDEDA thanks you for your consideration of this project application and hopes that you will look favorably at future requests if needed to solve this very important issue.

Thank You

Scott Landguth
Executive Director
South Dakota Ellsworth Development Authority

A handwritten signature in black ink, appearing to read "Scott Landguth", written over a horizontal line.

12/6/2022

TITLE: Drinking Water Facilities Funding Applications

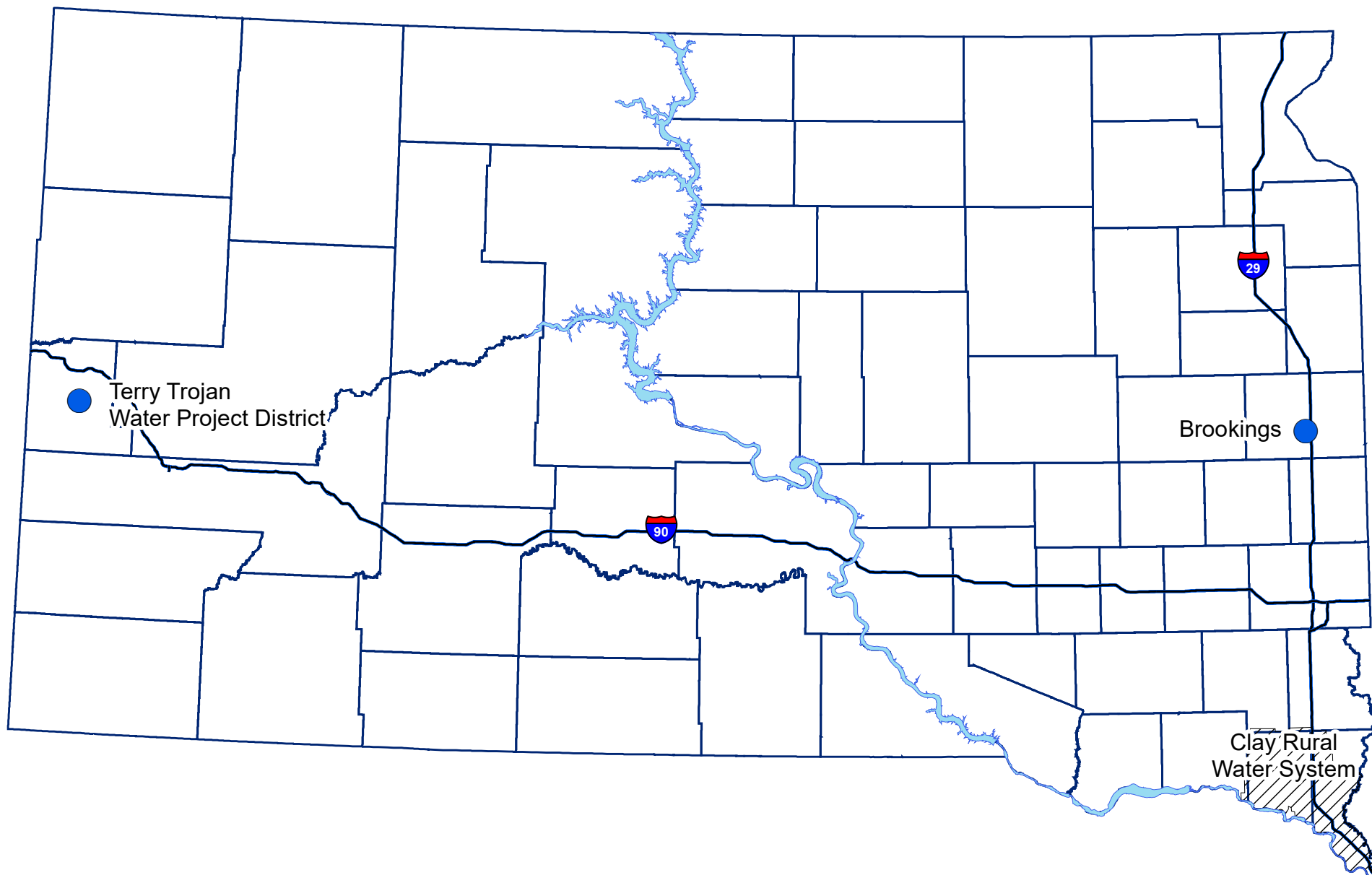
EXPLANATION: The following applications were received by DANR by the October 1, 2022, deadline for funding consideration at this meeting. The number in parentheses is the project priority points as assigned in the Intended Use Plan.

- a. Terry Trojan Water Project District (123)
- b. Clay Rural Water System, Inc. (82)
- c. Brookings (58)
- d. Brookings (33)

COMPLETE APPLICATIONS: The application cover sheets and summary sheets have been provided as part of the board packet. The complete applications and summary sheets are available online and can be accessed by using the link on the Board Agenda.

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

Drinking Water Funding Applications January 2023



Drinking Water Facilities Funding Application

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

Applicant: Terry Trojan Water Project District Address: PO Box 515 Lead, SD 57754 Subapplicant: DUNS Number: 129852331	<table style="width: 100%; border-collapse: collapse;"> <tr> <td colspan="2" style="text-align: center; border-bottom: 1px solid black;">Proposed Funding Package</td> </tr> <tr> <td style="text-align: right; padding-right: 20px;">Requested Funding</td> <td style="text-align: right; border-bottom: 1px solid black;">\$700,000</td> </tr> <tr> <td style="text-align: right; padding-right: 20px;">Local Cash</td> <td style="text-align: right; border-bottom: 1px solid black;">\$99,996</td> </tr> <tr> <td style="text-align: right; padding-right: 20px;">Other: SRF - C462455-01</td> <td style="text-align: right; border-bottom: 1px solid black;">\$375,307</td> </tr> <tr> <td style="text-align: right; padding-right: 20px;">Other: _____</td> <td style="text-align: right; border-bottom: 1px solid black;">_____</td> </tr> <tr> <td style="text-align: right; padding-right: 20px;">Other: _____</td> <td style="text-align: right; border-bottom: 1px solid black;">_____</td> </tr> <tr> <td style="text-align: right; padding-right: 20px;">TOTAL</td> <td style="text-align: right; border-bottom: 1px solid black;">\$1,175,303</td> </tr> </table>	Proposed Funding Package		Requested Funding	\$700,000	Local Cash	\$99,996	Other: SRF - C462455-01	\$375,307	Other: _____	_____	Other: _____	_____	TOTAL	\$1,175,303
Proposed Funding Package															
Requested Funding	\$700,000														
Local Cash	\$99,996														
Other: SRF - C462455-01	\$375,307														
Other: _____	_____														
Other: _____	_____														
TOTAL	\$1,175,303														

Project Title: System-Wide Water Meter Pit Project - Additional Funding Request

Description:

Terry Trojan Water Project District (TTWD) is requesting additional funding to replace water meters with meter pits and install an automatic meter reading system in 2023. Installation of new meter pits and meters will allow TTWD to read meters remotely (as opposed to monthly manual readings), which will lower the labor required to read meters and increase the amount and speed of usage information available, helping to detect leaks and unauthorized use. A handheld data collector system will be used to more easily collect data from all meters and make meter reading more convenient during the winter months.

Project improvements include removal and replacement of road surfacing, meter pits, furnish and installation of Sensus meters and radio transmitters, purchase of a handheld data collector, and 1-year of required Sensus support.

The remaining amount of TTWD's DW SRF No. C462455-01 (\$375,307) will also be utilized to fund the project.

The Applicant Certifies That:

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

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

Janell Berg
 Signature

 9/30/22
 Date

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

Project Title:	System-Wide Water Meter Pit Project – Additional Funding Request				
Funding Requested:	\$700,000				
Other Proposed Funding:	\$99,996 – Local Cash \$375,307 – Remaining DWSRF Loan Amount				
Total Project Cost:	\$1,175,303				
Project Description:	Terry Trojan Water Project District is requesting additional funding to replace water meters with meter pits and install an automatic meter reading system. Installation of new pits and meters will allow the district to read meters remotely. A handheld data collector will be used to easily collect data from all the meters.				
Implementation Schedule:	Terry Trojan Water Project District has already begun parts of the project and intends to complete construction in 2023.				
Service Population:	500				
Current Domestic Rate:	\$95.00 per 7,000 gallons usage.				
Interest Rate:	1.875%	Term:	10 years	Security:	System Revenue

REVIEW COMPLETED BY: ABBEY LARSON

Drinking Water Facilities Funding Application

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

Applicant: Clay Rural Water System Address: 30376 SD Highway 19 Wakonda, SD 57073 Subapplicant: DUNS Number: W42NN7KQ6AK7	<table style="width: 100%; border-collapse: collapse;"> <tr> <td colspan="2" style="text-align: center; border-bottom: 1px solid black;">Proposed Funding Package</td> </tr> <tr> <td style="text-align: right; padding-right: 20px;">Requested Funding</td> <td style="text-align: right; border-bottom: 1px solid black;">\$21,843,000</td> </tr> <tr> <td style="text-align: right; padding-right: 20px;">Local Cash</td> <td style="text-align: right; border-bottom: 1px solid black;"></td> </tr> <tr> <td style="text-align: right; padding-right: 20px;">Other:</td> <td style="text-align: right; border-bottom: 1px solid black;"></td> </tr> <tr> <td style="text-align: right; padding-right: 20px;">Other:</td> <td style="text-align: right; border-bottom: 1px solid black;"></td> </tr> <tr> <td style="text-align: right; padding-right: 20px;">Other:</td> <td style="text-align: right; border-bottom: 1px solid black;"></td> </tr> <tr> <td style="text-align: right; padding-right: 20px;">TOTAL</td> <td style="text-align: right; border-bottom: 1px solid black;">\$21,843,000</td> </tr> </table>	Proposed Funding Package		Requested Funding	\$21,843,000	Local Cash		Other:		Other:		Other:		TOTAL	\$21,843,000
Proposed Funding Package															
Requested Funding	\$21,843,000														
Local Cash															
Other:															
Other:															
Other:															
TOTAL	\$21,843,000														

Project Title: Clay Rural Water Treatment Plant Project

Description:

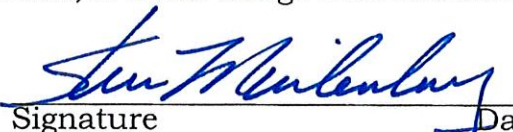
Clay Rural Water System (CRWS) proposes improvements to address deficiencies caused by population growth within the area, increased water demand, an outdated and undersized water treatment plant. The new facility will be a 2.5 MGD WTP with a future expansion capacity of 5.0 MGD. The Wakonda Water Treatment Plant (WTP) was originally constructed in 1979 and was modified into the current lime softening WTP in 1996. The design capacity of this facility was 1.2 million gallons per day (MGD), however the facility can only treat 75% of the original design capacity. To currently provide an adequate drinking water supply, CRWS has obtained a short-term agreement with a member of Lewis and Clark Regional Water System to utilize their allocation which provides CRWS a supplemental 300,000 gallons per day (Please see attached narrative for more details about the Water Treatment Plant).

Clay Rural Water System's current monthly rate for 7,000 gallons of usage is \$77.10.

The Applicant Certifies That:

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

Steve Muilenburg, Manager
 Name & Title of Authorized Signatory
 (Typed)


 9-29-2022
 Signature Date

FUNDING REQUEST EVALUATION FORM
DRINKING WATER FACILITIES FUNDING APPLICATION
CLAY RURAL WATER SYSTEM

Project Title: Water Treatment Plant Project

Funding Requested: \$21,843,000

Other Proposed Funding: None

Total Project Cost: \$21,843,000

Project Description: Clay Rural Water System is proposing a project to address deficiencies caused by increased population growth, higher water demand, and an outdated and undersized water treatment plant. Clay RWS is proposing to construct a 2.5 MGD conventional lime softening water treatment plant. The water treatment plant will consist of aeration basins, clarifiers, chemical application, recarbonation, filtration, clearwell storage, process piping, backwash lagoons, and many other appurtenances associated with conventional water treatment plant construction. This plant will be designed with the ability to increase the capacity from 2.5 MGD to 5.0 MGD in the future.

In addition to the proposed plant, at least two additional wells are needed within the existing wellfield to provide the necessary capacity and redundancy. A raw water pipeline from the new wells to the proposed plant will also be required.

Implementation Schedule: Clay Rural Water System anticipates beginning construction in March 2024 with a project completion date in August 2026.

Service Population: 7,092

Current Domestic Rate: \$77.10 per 7,000 gallons usage.

Interest Rate: 2.125% Term: 30 years Security: Water Revenues

REVIEW COMPLETED BY: DREW HUISKEN

Drinking Water Facilities Funding Application

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

Applicant: City of Brookings Address: 520 3rd St. Brookings, SD 57006 Subapplicant: Brookings Municipal Utilities - 525 Western DUNS Number: 020495776	Proposed Funding Package <table style="width: 100%;"> <tr> <td style="text-align: right;">Requested Funding</td> <td style="text-align: right;">\$1,000,000</td> </tr> <tr> <td style="text-align: right;">Local Cash</td> <td style="text-align: right;">_____</td> </tr> <tr> <td style="text-align: right;">Other:</td> <td style="text-align: right;">_____</td> </tr> <tr> <td style="text-align: right;">Other:</td> <td style="text-align: right;">_____</td> </tr> <tr> <td style="text-align: right;">Other:</td> <td style="text-align: right;">_____</td> </tr> <tr> <td style="text-align: right;">TOTAL</td> <td style="text-align: right;">\$1,000,000</td> </tr> </table>	Requested Funding	\$1,000,000	Local Cash	_____	Other:	_____	Other:	_____	Other:	_____	TOTAL	\$1,000,000
Requested Funding	\$1,000,000												
Local Cash	_____												
Other:	_____												
Other:	_____												
Other:	_____												
TOTAL	\$1,000,000												

Project Title: Lead Water Service Line Replacement Project

Description:

An update to the federal Lead and Copper Rule is anticipated in 2024. Sampling protocols are expected to change such that reported lead levels may be as much as 5 times higher than previously reported. This increases the potential for lead level exceedances. In the past, BMU has done projects with property owners to replace privately owned lead service lines. Those projects were successful and BMU fortunately only has 48 known lead service lines remaining in the system. BMU plans to work with property owners to remove the remaining lead service lines. This is consistent with increased State and Federal emphasis to reduce lead exposure in drinking water.

The current (2022) monthly water rate based on 5,000 gallons is \$40.43.

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.

Oepke Niemeyer, Mayor

 Name & Title of Authorized Signatory
 (Typed)

Signature

Date

FUNDING REQUEST EVALUATION FORM
DRINKING WATER FACILITIES FUNDING APPLICATION
APPLICANT: CITY OF BROOKINGS

Project Title:	Lead Water Service Line Replacement
Funding Requested:	\$1,000,000
Other Proposed Funding:	-
Total Project Cost:	\$1,000,000
Project Description:	The City of Brookings proposes to work with property owners to remove lead service lines. There are currently 48 known lead service lines remaining in the system. This project is intended to address the State and Federal emphasis to reduce lead exposure in drinking water.
Implementation Schedule:	The city of Brookings expects to proceed with the lead water service line replacement program during the 2023 construction season.
Service Population:	24,804
Current Domestic Rate:	\$40.43 per 5,000 gallons usage
Interest Rate:	1.875 %
Term:	30 years
Security:	Project Surcharge

REVIEW COMPLETED BY: OLIVER IZANA

Drinking Water Facilities Funding Application

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

Applicant: City of Brookings Address: 520 3rd St. Brookings, SD 57006 Subapplicant: Brookings Municipal Utilities - 525 Western DUNS Number: 020495776	Proposed Funding Package <table style="width: 100%;"> <tr> <td style="text-align: right;">Requested Funding</td> <td style="text-align: right;">\$40,700,000</td> </tr> <tr> <td style="text-align: right;">Local Cash</td> <td style="text-align: right;">_____</td> </tr> <tr> <td style="text-align: right;">Other:</td> <td style="text-align: right;">_____</td> </tr> <tr> <td style="text-align: right;">Other:</td> <td style="text-align: right;">_____</td> </tr> <tr> <td style="text-align: right;">Other:</td> <td style="text-align: right;">_____</td> </tr> <tr> <td style="text-align: right;">TOTAL</td> <td style="text-align: right;">\$40,700,000</td> </tr> </table>	Requested Funding	\$40,700,000	Local Cash	_____	Other:	_____	Other:	_____	Other:	_____	TOTAL	\$40,700,000
Requested Funding	\$40,700,000												
Local Cash	_____												
Other:	_____												
Other:	_____												
Other:	_____												
TOTAL	\$40,700,000												

Project Title: Water Treatment Facility & Water System Upgrades

Description:

The Facility Plan prepared by AE2S and amended by HDR details a phased approach to the Water System Facilities. Phase 1 (this funding request) includes the construction of a new 6 MGD lime softening Water Treatment Facility along 34th Avenue (east side of Brookings). This location is between the East Well Field and the North Well Field, both of which will deliver raw water to the new treatment facility. A total of 28,500 feet of new 16-inch raw water line will be constructed, along with 19,890 feet of new 16-inch finished water line to feed into the distribution system. Construction of 6 new municipal wells is included; 4 at the East Well Field and 2 at the North Well Field. Additionally, 17,400 feet of new 20-inch transmission main to the South Main water tower will be included in Phase 1 (this component was identified as Phase 2 work in the Facility Plan and has been moved forward into Phase 1). Market conditions have increase project costs from the original \$74M to \$114.7M; this application requests the additional \$40.7M in SRF funding

The current (2022) monthly water rate based on 5,000 gallons is \$40.43.

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.

Oepke Niemeyer, Mayor

 Name & Title of Authorized Signatory
 (Typed)

Signature

Date

FUNDING REQUEST EVALUATION FORM
DRINKING WATER FACILITIES FUNDING APPLICATION
APPLICANT: CITY OF BROOKINGS

Project Title:	Water Treatment Facility and Water System Upgrades-Supplemental Funding
Funding Requested:	\$40,700,000
Other Proposed Funding:	\$21,039,300 – ARPA \$50,963,200 – DWSRF \$2,000,000 - Local Cash
Total Project Cost:	\$114,702,500
Project Description:	The city of Brookings intends to upgrade the water systems facilities in multiple phases. Phase one, includes the construction of a new 6 MGD lime softening Water Treatment Facility along 34 th Avenue. The new treatment plant will require 28,500 feet of 16-inch raw water line and 19,890 feet of 16-inch finished water line to feed into the distribution system. This Phase also includes the construction of 6 new municipal wells and an additional 17,400 feet of new 20-inch transmission main. The project was funded in April 2022 and market conditions have increased project costs requiring additional funding.
Implementation Schedule:	The city of Brookings bid the project in October 2022 with a project completion date of August 2025
Service Population:	24,804
Current Domestic Rate:	\$40.43 per 5,000 gallons usage
Interest Rate:	1.875 %
Term:	30 years
Security:	Project Surcharge

REVIEW COMPLETED BY: OLIVER IZANA

TITLE: Sanitary/Storm Sewer Facilities Funding Applications

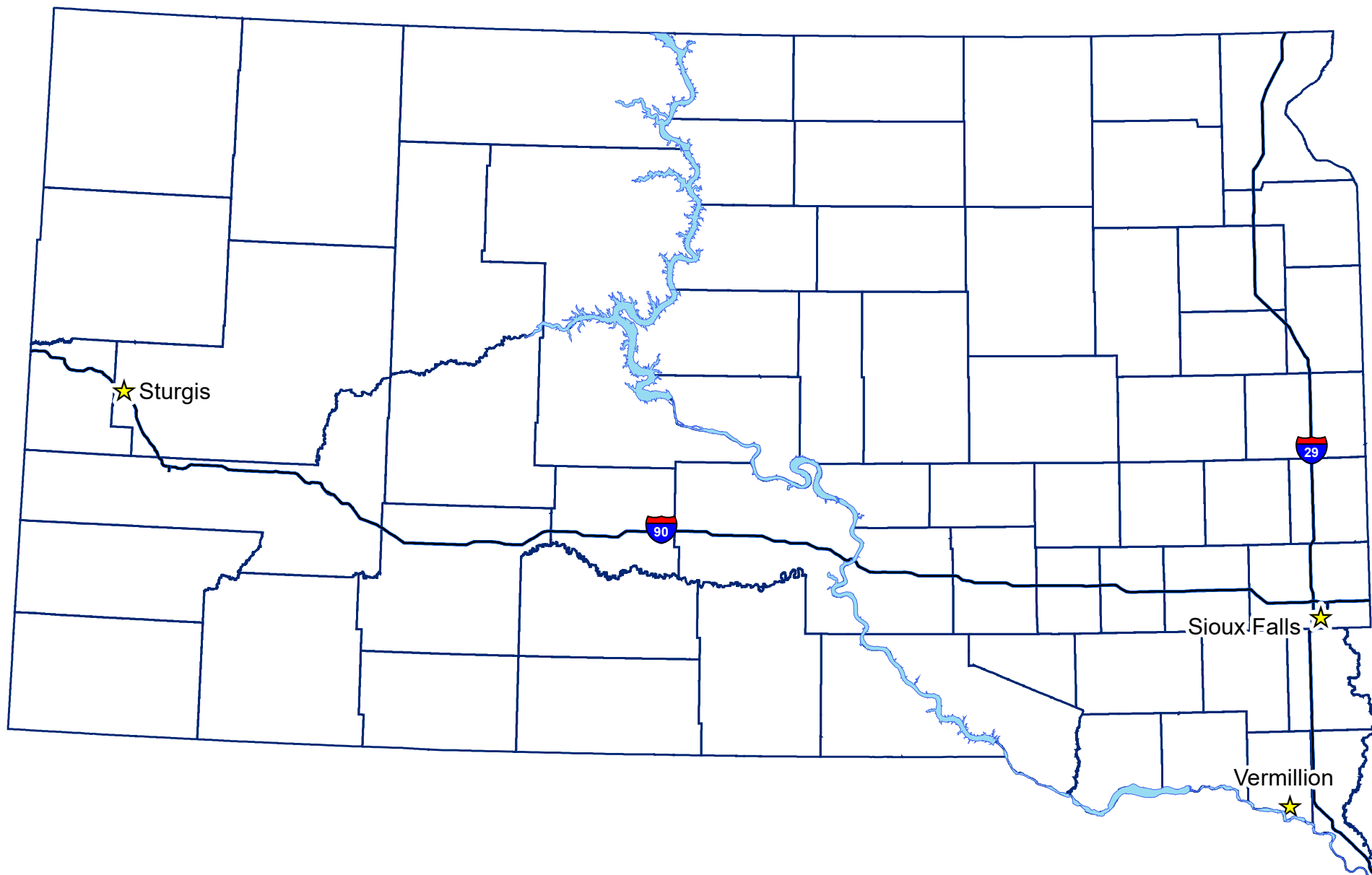
EXPLANATION: The following applications have been received by DANR by the October 1, 2022, deadline, for funding consideration at this meeting. The number in parentheses is the project priority points as assigned in the Intended Use Plan.

- a. Vermillion (16)
- b. Sioux Falls (12)
- c. Sturgis (11)

COMPLETE APPLICATIONS: The application cover sheets and summary sheets have been provided as part of the board packet. The complete applications and summary sheets are available online and can be accessed by using the link on the Board Agenda.

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

Sanitary/Sewer Funding Applications January 2023



Solid Waste Management Program Application

Applicant
City of Vermillion

Proposed Funding Package

Address
25 Center St.
Vermillion, SD 57069

SWMP Funds: \$1,043,200

Local Cash:

Other: March 2023 SWMP App. \$260,800

Other:

Other:

Phone
Number

Total Project Cost: \$1,304,000

Project Title: Leachate Pond 2

Description:

This project will consist of designing and building a new leachate pond to increase the leachate storage capacity at the Landfill. Recently, the Vermillion Landfill has completed the construction of a new cell to increase the disposal capacity of municipal solid waste to meet the Landfill requirements. The new cell increased the leachate generated at the Landfill therefore increasing the need of additional leachate storage capacity. The new leachate pond will be built with a four layer base liner system to mitigate against the infiltration into the groundwater, a leak detection system to monitor leaks within the base liner system, and a drain tile system to remove any groundwater accumulating beneath the new leachate pond.

The City of Vermillion will submit an additional Solid Waste Management Program funding application for the March 2023 funding round to complete the funding package.

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.

Jonathan D. Cole, Mayor

Name and Title of Authorized Signatory (Typed)


Signature

9/15/22

Date

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

Project Title:	Landfill Leachate Pond 2
Funding Requested:	\$1,043,200
Other Proposed Funding:	\$260,800- SWMP (March 2023)
Total Project Cost:	\$1,304,000
Project Description:	The city of Vermillion proposes to construct a new leachate pond to increase storage capacity at the Vermillion Landfill. With the completion of a new municipal solid waste cell, additional leachate is now generated therefore increasing the need of additional leachate storage capacity. The project will include four-layer base liner, leak detection and drain tile systems.
Implementation Schedule:	The city of Vermillion anticipates bidding the project in the Spring of 2023 with a project completion date in the Fall of 2023.
Service Population:	60,000
Current Domestic Rate:	Garbage (Licensed Haulers) \$53.00 per ton Garbage (Unlicensed Haulers) \$59.50 per ton
Interest Rate: 2.00 %	Term: 20 years Security: System Revenue

REVIEW COMPLETED BY: OLIVER IZANA

Sanitary/Storm Sewer Facilities Funding Application

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

Applicant: City of Sioux Falls Address: 224 W 9th Street Sioux Falls, SD 57104 Subapplicant: NA DUNS Number: YRPLVUUZ1FN5	Proposed Funding Package <table> <tr> <td>Requested Funding</td> <td>\$16,711,000</td> </tr> <tr> <td>Local Cash</td> <td></td> </tr> <tr> <td>Other: Non Point Source</td> <td>\$1,240,000</td> </tr> <tr> <td>Other:</td> <td></td> </tr> <tr> <td>Other:</td> <td></td> </tr> <tr> <td>TOTAL</td> <td>\$17,951,000</td> </tr> </table>	Requested Funding	\$16,711,000	Local Cash		Other: Non Point Source	\$1,240,000	Other:		Other:		TOTAL	\$17,951,000
Requested Funding	\$16,711,000												
Local Cash													
Other: Non Point Source	\$1,240,000												
Other:													
Other:													
TOTAL	\$17,951,000												

Project Title: Basin 15 Sanitary Sewer Extension

Description:

The City of Sioux Falls continues to grow west of Ellis Road. There is a need for a new trunk line near 12th Street (SD Hwy 42) and Ellis Road to accommodate future needs. Basin 15 is located northwest of the current City limits. This area was identified as a future growth area in the February 2018 City of Sioux Falls Treatment and Collection System Master Plan (Master Plan). The initial phase of this project will include a two mile sanitary sewer trunk extension from the existing collection system that will be sized to match approximately 100 years of growth. This first phase will open approximately 1,200 acres of land for development.

Currently monthly wastewater rates are \$39.90 for domestic use and \$62.24 for business use. These rates are effective for 2022. The loan will be a 20 year loan term with no surcharge. This application also includes Non Point Source funds.

Approved monthly wastewater rates for the upcoming year of 2023 are: Year 2023: \$41.06 for domestic use and \$64.06 for business use.

The Applicant Certifies That:

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

Paul TenHaken, Mayor
 Name & Title of Authorized Signatory
 (Typed)

Signature

Date

10/19/22

FUNDING REQUEST EVALUATION FORM
SANITARY/STORM SEWER FACILITIES FUNDING APPLICATION
CITY OF SIOUX FALLS

Project Title:	Basin 15 Sewer Expansion
Funding Requested:	\$16,711,000 – Sewer Portion \$1,240,000 – Non-point Source Incentive Funds
Other Proposed Funding:	none
Total Project Cost:	\$17,951,000
Project Description:	<p>The City of Sioux Falls continues to grow west of Ellis Road. There is a need for new trunk line near 12th Street (SD Hwy 42) and Ellis Road to accommodate future needs. Basin 15 is located northwest of the current City limits. This area was identified as a future growth area in the February 2018 City of Sioux Falls Treatment and Collection System Master Plan (Master Plan). The initial phase of this project will include a two-mile sanitary sewer trunk extension from the existing collection system that will be size to match approximately 100 years of growth. This first phase will open approximately 1,200 acres of land for development.</p> <p>This project will also continue the city's work to make non-point source improvements within the Big Sioux River watershed that provide improved water quality benefits to the residents.</p>
Implementation Schedule:	Sioux Falls anticipates bidding the project in March 2023 with a project completion date of October 2024.
Service Population:	202,600
Current Domestic Rate:	\$41.06 per 5,000 gallons usage
Interest Rate:	1.25%
Term:	20 years
Security:	System Revenue

REVIEW COMPLETED BY: SUZANNE MCKINLEY

Read Me First!

SD EForm - 2127LD V5

Sanitary/Storm Sewer Facilities Funding Application

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

Applicant: City of Sturgis Address: 1040 Harley-Davidson Way Sturgis, SD 57785 Subapplicant: DUNS Number: 033698630	Proposed Funding Package Requested Funding <u>\$10,339,000</u> Local Cash _____ Other: _____ Other: _____ Other: _____ TOTAL <u>\$10,339,000</u>
--	--

Project Title: Sturgis Sanitary Sewer Improvements Project

Description:

The proposed project is Alternatives #2 & #3 (see eng. study). -- There is an existing north trunk line of 8, 10, & 12" main with inadequate future capacity. Alt. #2 constructs a new sewer trunk line in a new alignment along & near the north City boundary. The new line will be upsized to 15-inch diam. PVC main & will also extend about 3,500' further NW along Avalanche Rd. The line will begin along Avalanche Rd. near Bear Butte Creek & follow the creek east to Blanche St. where it will connect to existing sewer. This new north trunk line will convey flow from existing development north of Bear Butte Creek & from future NW city growth. Much of the old trunk line will remain (although some abandoned) but will function better once flow is partially diverted to the new main. --Alt. #3 removes and replaces about 5,500' of sewer main along Williams, Dudley & Miller St.'s in the downtown. Alt. #3 need is due to aged/antiquated sewer main & to provide needed capacity increase on the trunk line that conveys flow from downtown. Now, flow is limited by undersized main & inadequate slope. Replacing the existing 8" clay tile pipe & CIPP-lined pipe with 10-inch PVC pipe will relieve surcharge/backflow issues. Also, the larger trunk line will be at/above min. design slope thus providing the velocity to keep solids suspended thereby reducing operation costs.

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.

Daniel Ainslie, City Manager
Name & Title of Authorized Signatory
(Typed)

Daniel Ainslie
Signature

9/28/22
Date

FUNDING REQUEST EVALUATION FORM
SANITARY/STORM SEWER FACILITIES FUNDING APPLICATION
CITY OF STURGIS

Project Title:	Sturgis Sanitary Sewer Improvements Project				
Funding Requested:	\$10,339,000				
Other Proposed Funding:	None				
Total Project Cost:	\$10,339,000				
Project Description:	<p>Sturgis proposes to upsize an existing trunk line to 15-inch diameter PVC and extend it 3,500 feet. The line will convey flow from an existing development north of Bear Butte Creek and will be able to accommodate future growth in the area.</p> <p>In addition, the city will replace the 8-inch trunk line that conveys flows from the downtown area. This line is undersized, composed of clay tile and cured in place lined pipe, and becomes surcharged in times of high flow. The line will be replaced with 10-inch PVC.</p>				
Implementation Schedule:	Sturgis anticipates bidding the project in June 2023 with project completion in October 2024.				
Service Population:	7,700				
Current Domestic Rate:	\$43.92 flat rate.				
Interest Rate:	2.125%	Term:	30 years	Security:	Project Surcharge

REVIEW COMPLETED BY: ABBEY LARSON

TITLE: Solid Waste Management Program Funding Application

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

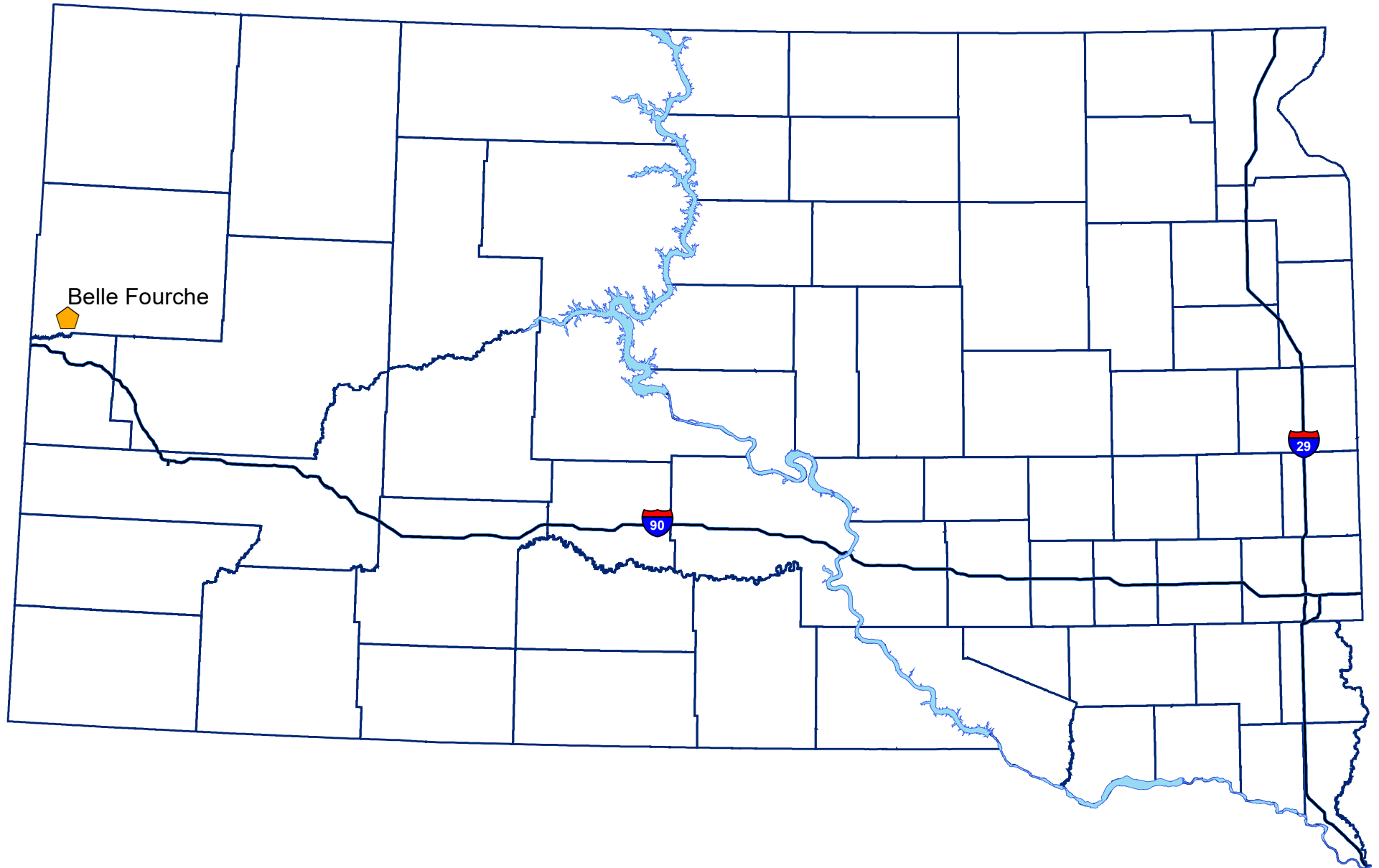
a) Belle Fourche

COMPLETE APPLICATIONS: The complete application, summary sheets, and financial analysis are available online and can be accessed by using the link on the Board Agenda.

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

Solid Waste Management Program Funding Applications

January 2023



OCT 3 2022

Dept. of Agriculture
& Natural Resources

Solid Waste Management Program Application

Applicant

City of Belle Fourche

Proposed Funding Package

SWMP Funds: \$359,192

Address

Local Cash: \$359,193

511 6th Avenue
Belle Fourche, SD 57717

Other: _____

Other: _____

Other: _____

Phone
Number (605) 723-0485

Total Project Cost: \$718,385

Project Title: Landfill Longevity Initiative (Shredder & Ancillary Equipment Acquisition)

Description:

The City of Belle Fourche is planning to purchase a pre-shredding machine to increase on-site volume reduction of municipal solid waste at their landfill. This will help to improve operational efficiencies and extend the useful life of the landfill. Specifically, the shredder will be used to reduce the size of materials to be baled for better air space maximization, which will also save wear and tear on the baler unit itself, and reduce wind blown litter sources by having less loose fill. The shredder will also be utilized to grind tree branches and stumps for composting or resale, as well as tires for use as fill material or possible reuse.

The selected shredder is the EDGE VS420 (see product brochure). Other ancillary equipment to be purchased include rubber grouser pads, spare breaker bar, block heater and glow plugs, and a dust suppression system.

The City of Belle Fourche is seeking SWMP grant funding only (no loan) for this project.

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.

Randy Schmidt, Mayor

Name and Title of Authorized Signatory (Typed)

Signature

Date

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

Project Title:	Shredder and Ancillary Equipment Acquisition
Funding Requested:	\$359,192
Other Proposed Funding:	\$359,193 – Local Cash
Total Project Cost:	\$718,385
Project Description:	<p>The city of Belle Fourche plans to purchase a pre-shredding machine to increase on-site volume reduction of municipal solid waste at the landfill. This will improve operational efficiency and extend the useful life of the landfill. The shredder will reduce the size of materials to be baled for better air space maximization which will reduce wear and tear on the baler and decrease wind-blown litter sources. The shredder will also be used to grind tree branches and stumps for composting resale, and shred tires for use as fill material or reuse.</p> <p>Ancillary equipment to be purchased includes rubber grouser pads, spare breaker bar, block heater and glow plugs, and a dust suppression system.</p>
Type:	Solid Waste
Service Population:	5,617
Implementation Schedule:	If funds are awarded, acquisition is expected to commence in the Spring of 2023 with acquisition and installation complete in the Summer of 2023.
Fees:	\$66.87 per ton of Municipal Solid Waste

Engineering Review Completed By: Abbey Larson

January 5, 2023

Item 10

TITLE: Rescind Keystone's Consolidated Water Facilities Construction Program Loan 2022L-200

EXPLANATION: On June 23, 2022, the Board of Water and Natural Resources awarded Keystone a \$102,200 Consolidated Water Facilities Construction Program loan and a \$92,800 ARPA grant for its new well construction project.

On September 27, 2022, DANR staff received a letter from Keystone requesting to deobligate the loan and stated they will utilize only the ARPA funds for the project.

RECOMMENDED ACTION: Rescind Resolution 2022-357 which awarded the Consolidated Water Facilities Construction Program loan for this project.

CONTACT: Abbey Larson, 773-4216



Town of Keystone

P.O. Box 689
Keystone, SD 57751
605.666.4827

townofkeystone@mt-rushmore.net
www.keystonesd.govoffice3.com

September 27, 2022

The Town of Keystone met in a regular board meeting on September 21st 2022. Resolutions 9-21-22-1 and 9-21-22-2 were on the agenda. These resolutions were provided to the Town to accept the loan for the Well 6 project as well as to approve a surcharge of \$1.25 to cover the loan repayment. The Board voted to not approve the loan and to not approve the surcharge. An excerpt from the minutes are below.

RESOLUTION 9-21-22-1: Loan from State for Well 6 Project. Finance Officer explained that the Town Board was not obligated to accept the loan and had enough savings in the water fund to cover the amount of the loan. If the board chose to accept the loan, the town would be obligated by the terms of the loan to add a \$1.25 surcharge to all water accounts. Motion by Trustee McNulty to not approve the resolution. Second by Trustee Fullilove. Vote – all aye.

RESOLUTION 9-21-22-2: \$1.25 Surcharge for Loan repayment. Motion by Trustee McNulty to not approve the resolution. Second by Trustee McLain. Vote – all aye.

Sincerely,

Cassandra Ott

Finance Officer



9/27/22

January 5, 2023

Item 11

TITLE:	Rescind Bryant's Clean Water SRF Loan C461121-01, ARPA Grant 2022G-ARP-120, Drinking Water SRF Loan C462121-02, and ARPA Grant 2022G-ARP-119
EXPLANATION:	<p>On April 13, 2022, the Board of Water and Natural Resources awarded Bryant a \$1,800,050 Clean Water SRF loan and a \$708,450 American Rescue Plan Act grant for its wastewater improvements project. The Board also awarded Bryant a \$920,000 Drinking Water SRF loan and a \$1,152,100 American Rescue Plan Act grant for its drinking water system Improvements project.</p> <p>On September 22, 2022, DANR staff received a letter from the city of Bryant declining all funding that was provided to the city at the April 2022 meeting.</p>
RECOMMENDED ACTION:	Rescind Resolution 2022-48, Resolution 2022-49, Resolution 2022-50, and Resolution 2022-51, which awarded the CWSRF, DWSRF, and ARPA funding for this project.
CONTACT:	Drew Huiskens, 773-4216

City of Bryant
PO Box 145
Bryant, SD 57221
(605) 628-2931


RECEIVED
SEP 22 2022
Dept. of Agriculture
& Natural Resources

September 19th, 2022

To Whom It May Concern,

Writing to inform you the City of Bryant is not going to move forward with Water and Wastewater Infrastructure Project. At this time the city will decline the funding that was awarded April 12th, 2022.

Sincerely,


Winfred Noem,
Mayor

“The City of Bryant is an equal opportunity provider and employer.”



To file a complaint of discrimination write USDA, Director, Office of Civil Rights, 1400 Independence Avenue, SW, Washington, DC 20250-9410 or call (800)795-3272 (voice) or (202)720-6382 (TDD).

January 5, 2023

Item 12

TITLE: Tripp County Water User District's Request to Amend Drinking Water SRF Loan C462434-05

EXPLANATION: On April 13, 2022, the Tripp County Water User District was awarded a \$9,250,000 Drinking Water SRF loan and a \$4,050,000 ARPA grant for system wide improvements to their water infrastructure.

On December 5, 2022, DANR received a letter from Tripp County Water User District requesting that DWSRF loan C462434-05 be amended to include an additional \$9,500,000. The additional funding is to cover increased construction material and labor costs

This increase will bring the project total to \$22,800,000.

RECOMMENDED ACTION: Rescind resolution 2022-218 which awarded the original Drinking Water SRF loan and award a \$18,750,000 Drinking Water SRF loan at 0% for 30 years, contingent on adopting a bond resolution and the resolution becoming effective and contingent upon the borrower establishing rates at a level sufficient to provide the required debt coverage.

CONTACT: Stephanie Riggle, 773-4216

**Tripp County Water User District
1052 West 1st Street
Winner, South Dakota 57580**

RECEIVED

DEC 7 2022

Dept. of Agriculture
& Natural Resources

Phone (605) 842-2755

Fax (605) 842-1621

December 2, 2022

Mr. Andrew Bruels
Department of Agriculture and Natural Resources
Division of Financial and Technical Services
Waste and Water Funding
523 East Capitol
Pierre, SD 57501

Dear Mr. Bruels,

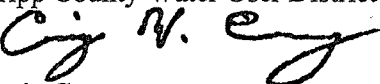
Tripp County Water User District (the "District") submitted a Drinking Water State Revolving Loan Fund (CW-SRF) application on or about January 1, 2022. The application was submitted to secure financing to support water distribution, source, and storage improvements proposed by the District. As design progressed to pre-bid status, an updated cost estimate was prepared by the consulting engineer, Bartlett & West. The new estimated total project cost estimate is \$22,800,000.00 – an increase of \$9,500,000.00. This new cost estimate, coupled with a trend in bids exceeding engineer's estimates, encouraged the District to take a proactive approach to project financing.

Therefore, the District respectfully requests DANR staff and Board of Water and Natural Resources to consider an addition to the financing package awarded in March 2022. After reviewing the project with the consulting engineer, the District requests an additional \$9,500,000.00 in funding. These additional funds should cover the revised cost estimate and any cost overages. Bartlett & West is cautiously optimistic the requested amendment will address all project costs and will help to ensure a bid award of late February with construction to commence in the Spring of 2023.

Bartlett & West's updated Engineer's Estimates of Probable Project Cost dated November 30, 2022 (one for "system improvements" and one for "wellfield expansion") are enclosed. I have also enclosed the Resolution adopted by the District board of directors today which authorizes this request.

The District thanks DANR and the Board for its support and guidance on this project and looks forward to finalizing the project's funding package at the January Board of Water and Natural Resources meeting.

Sincerely,
Tripp County Water User District


Craig Covey
Board President

RESOLUTION AUTHORIZING AN APPLICATION FOR ADDITIONAL FINANCIAL ASSISTANCE, AUTHORIZING THE EXECUTION AND SUBMITTAL OF THE APPLICATION, AND DESIGNATING AN AUTHORIZED REPRESENTATIVE TO CERTIFY AND SIGN PAYMENT REQUESTS.

WHEREAS, Tripp County Water User District (the "District") has determined it is necessary to proceed with internal system improvements addressing storage, distribution, and supply (the "Project"); and

WHEREAS, the District has determined that financial assistance will be necessary to undertake the Project and an application (the "Application") for financial assistance to the South Dakota Board of Water and Natural Resources (the "Board") will be prepared; and

WHEREAS, on December 13, 2021, the District adopted a Resolution authorizing an application to the Board for financial assistance in the sum of up to \$13,500,00.00; and

WHEREAS, due to increases in the estimated cost of the Project, it is necessary to request additional financial assistance from the Board in order to complete the Project; and

WHEREAS, it is necessary to designate an authorized representative to execute and submit the request on behalf of the District and to certify and sign payment requests in the event financial assistance is awarded for the Project,

NOW THEREFORE BE IT RESOLVED by the District as follows:

1. The District hereby approves the submission of a request to the Board for additional financial assistance for the Project in the amount of up to **\$9,500,000.00**.
2. The District Board President is hereby authorized to execute the request for additional financial assistance and submit it to the Board, and to execute and deliver such other documents and perform all acts necessary to effectuate the request for additional financial assistance.
3. The District Board President is hereby designated as the authorized representative of the District to do all things on its behalf to certify and sign payment requests in the event additional financial assistance is awarded for the Project.

[DOCUMENT CONTINUES ON FOLLOWING PAGE]

January 5, 2023

Item 13

TITLE: Town of Gayville Request to Amend CWSRF Loan C461250-02

EXPLANATION: On April 13, 2022, the Board of Water and Natural Resources awarded Gayville a \$1,364,900 Clean Water SRF loan and a \$2,993,100 American Rescue Plan Act grant for its Sanitary and Storm Sewer Rehabilitation project. On June 23, 2022, the Board amended the loan to provide an additional \$500,000 to reflect adjusted project costs.

On December 6, DANR staff received a letter from the Town of Gayville requesting an additional \$400,000 of CWSRF loan funding to complete the project. The project was bid in fall 2022, and bids were approximately \$2.7 million over the project estimate. The project scope was revised and re-bid again, and the low bid was \$380,000 over estimated construction costs.

RECOMMENDED ACTION: Rescind Resolution 2022-303 and award a Clean Water SRF Loan of \$2,264,900.

CONTACT: Drew Huiskens, 773-4216

Town of Gayville
P.O. Box 162
Gayville, South Dakota 57031
(605) 267-4555

December 6, 2022

Mr. Andrew Bruels
Department of Agriculture and Natural Resources
Division of Financial and Technical Assistance
Waste and Water Funding
523 East Capitol
Pierre, SD 57501

Dear Mr. Bruels,

The Town of Gayville submitted a Clean Water State Revolving Loan Fund (CW-SRF) application on or about January 1, 2022. The application was submitted to secure financing on the wastewater improvements proposed by the Town. Post submission, an updated cost estimate was prepared by the consulting engineer which increased the estimated projected cost from \$4.4 to \$4.8 million. This coupled with a trend in higher bidding results urged the Town Board to secure additional funds via an amendment of the original award by an additional \$500,000.

Since the original application and subsequent funding amendment (Amendment #1) the Board has bid the project twice. The original bid was approximately \$2.7 million over engineer's estimate requiring the Town to reject these bids. The project was revised and rebid with the low bidder around \$380,000 over estimated construction costs. Therefore, the Town of Gayville respectfully requests DANR staff and Board of Water and Natural Resources to consider an amendment to the financing package awarded in March of 2022 and amended the following June. **After receiving bids for the revised project, the Town now requests an additional \$400,000 in CWSRF funds.** DGR the Town's consulting engineer is confident the requested amendment will address all project costs and ensure a bid award in January 2023 with construction to commence in the spring.

The Town thanks the Division of Financial and Technical Assistance staff and Board of Water and Natural Resources for support on this project and looks forward to finalizing the project's funding package at the January 2023 Board meeting.

Sincerely,
Town of Gayville



Nick Huber
Board President

January 5, 2023

Item 14

TITLE:	Westberry Trails Water Users Association - Drinking Water SRF C462503-01 Request for Scope Change
EXPLANATION:	<p>September 29, 2022, the Westberry Trails Water Users Association was awarded a \$1,950,000 Clean Water SRF Loan and a \$288,650 ARPA grant for new water meter installation, construction of a new well, and a chemical feed system.</p> <p>On December 13, 2022, DANR received a letter from the Westberry Trails Water Users Association requesting that the scope of the Drinking Water SRF loan be amended to include approximately 67 water meters, appurtenances, and replacement of some of the existing water main.</p> <p>Although the estimated cost of the project replacement exceeds the awarded funds, the association believes it can reduce costs with a single bid package. If necessary, the scope of this project can be further reduced by prioritizing and phasing construction of water distribution main sections. Therefore, Westberry Trails is not requesting additional funding at this time.</p>
RECOMMENDED ACTION:	Amend the scope of Drinking Water SRF loan C462503-01 and ARPA grant 2022-ARP-510 to include the proposed work.
CONTACT:	Suzanne McKinley, 773-4216

**Westberry Trails Water Users Association
465 Blue Sky Trail
Rapid City, SD 57702**

SD Dept of Ag & Nat Resources (DANR)
Joe Foss Building
523 E Capitol Ave
Pierre, SD 57501-3182
(Attn: Andy Bruels, Engineering Manager
Suzanne McKinley, Engineer
SD Board of Water and Natural Resources)

December 6, 2022

RE: Westberry Trails Water Users Association, ARPA 2022-ARP-510 & DWSRF Loan
Drinking Water Improvement Project

Dear BWNR Board Members, Mr. Bruels & Ms. KcKinley

First, I'd like to thank the Department for its support of our Drinking Water Improvement Project. I appreciate your Oct 11th letter and I apologize for the delayed response. We have been in coordination with your office and with our engineers, AE2S, to determine the best and most cost-effective approach to meet the most critical needs of our water system while still maintaining a water rate that is in line with what you have recommended in your award.

After much discussion and review with AE2S, we would like to modify the scope outlined in the award. We would like to complete priorities #1 and #4 as referenced in our submitted Water Facility Plan. This project would include the installation of water meters and meter pits (#1) and distribution main replacement (#4). While our plan originally listed a new well and chemical feed system as #2 and #3 priorities, in retrospect they are very close in priorities and looking at the long-term sustainability of the system, we feel replacing the distribution mains in conjunction with installation of water meters will be more beneficial at this time.

We currently have two wells for redundancy so believe the distribution system is a higher priority. We are planning a more extensive well evaluation in the future. Information from that evaluation will drive the decision for potential well replacement or rehabilitation as needed in the future. Our water quality, average water age, and robust flushing program have ensured we consistently meet water quality standards and have not had the need for continuous chlorination. By replacing the distribution system and installing water meters, we believe we can better manage and control water loss thereby reducing the demand on our existing wells. We have had a history of leaks throughout the distribution system that have been extremely difficult to identify and locate due to the rock nature of the geology in our area. In conferring with AE2S, remedying the leak issue and tracking water use was determined to be a preferred first step in improving the water system. Replacement due to age (50 years), sizing and varying pipe materials is also warranted at this point.

While the estimated cost of #1 and #4 exceed the awarded funds, we believe we can achieve some cost-savings by bidding and completing the water main replacement and water meters as one bid package and constructed concurrently. If necessary, we are prepared to reduce scope by prioritizing construction of water main distribution sections to meet budget, so we are not requesting additional funding at this time.

Westberry Trails Water Users Association
465 Blue Sky Trail
Rapid City, SD 57702

Thank you for your attention to this matter. Questions regarding this request can be directed to the undersigned as well as to Joe Noble, AE2S at: joe.noble@ae2s.com as well as Mark Howard, Sec/Treas and water system operator at: howardhillsmsn@msn.com.

Regards,

A handwritten signature in cursive script that reads "Kent Jacobs".

Kent Jacobs, President
Westberry Trails Water Users Association

Cc: Bill Lass, BHCOLG's
Joe Noble, AE2S

Talbot Wieczorek, GPNA

TITLE: Federal Fiscal Year 2022 Clean Water State Revolving Fund Annual Report

EXPLANATION: The South Dakota Conservancy District is required to submit an annual report to the Environmental Protection Agency for the Clean Water State Revolving Fund (SRF). The Federal Fiscal Year 2022 report follows the same format as previous years and discusses activity from October 1, 2021, to September 30, 2022.

Highlights of FFY 2022 Clean Water SRF funding include the following:

- a. Eighty-seven Clean Water SRF loans were awarded for total funding of \$490,768,207.
- b. Two loans received principal forgiveness in the aggregate total of \$3,418,653.
- c. Loan repayments totaled more than \$34 million dollars, with \$26.8 million in principal, \$6 million in interest, and \$2.1 million in administrative surcharge.

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

CONTACT: Annie Thurs, 773-4046

TITLE: Federal Fiscal Year 2022 Drinking Water State Revolving Fund Annual Report

EXPLANATION: The South Dakota Conservancy District is required to submit an annual report to the Environmental Protection Agency for the Drinking Water State Revolving Fund (SRF). The Federal Fiscal Year 2022 report follows the same format as previous years and discusses activity from October 1, 2021, to September 30, 2022.

Highlights of FFY 2022 Drinking Water SRF funding include the following:

- a. One hundred four Drinking Water SRF loans and one loan amendment were awarded for total funding of \$629,203,413
- b. Nine loans received principal forgiveness in the aggregate total of \$14,870,765
- c. Loan repayments totaled just over \$16.2 million dollars, with \$10.8 million in principal, \$4.3 million in interest, and \$1.1 million in administrative surcharge.

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

CONTACT: Megan Johnson, 773-4222

The FFY 2022 Clean Water and Drinking Water SRF annual reports will be posted on the Boards and Commissions portal during the week of December 26, 2022.

TITLE: Amendments to the Joint Powers Agreements for SRF Application and Administration and Davis-Bacon Monitoring

EXPLANATION: The board has contracted with the planning districts to assist entities with State Revolving Fund (SRF) applications and administration since 2005 and with Davis-Bacon monitoring since 2009. Pursuant to Intended Use Plans and Omnibus bills, the board has allocated funds to each of the planning districts to continue to provide this assistance to recipients of SRF funding.

At its meeting on June 24, 2021, the Board entered into new Joint Powers Agreements with each of the planning districts to provide for SRF application and administration and Davis-Bacon monitoring. Due to the influx of applications, the agreements need to be amended to allow for additional costs.

The First Amendments to the Joint Powers Agreements are as follows:

Planning District	Amending Amount	New Contract Amount
Black Hills Council of Local Governments	\$300,000	\$540,000
Central South Dakota Enhancement District	\$55,000	\$165,000
First District Assn of Local Governments	\$485,000	\$735,000
Northeast Council of Governments	\$140,000	\$440,000
South Eastern Council of Governments	\$255,000	\$980,000
Planning and Development District III	\$355,000	\$605,000

RECOMMENDED ACTION: Approve the First Amendments to the Joint Powers Agreements with the planning districts for SRF loan application and administration and Davis-Bacon monitoring.

CONTACT: Stephanie Riggle, 773-4216

SOUTH DAKOTA BOARD OF WATER AND NATURAL RESOURCES
FIRST AMENDMENT TO
JOINT POWERS AGREEMENT
WITH
BLACK HILLS COUNCIL OF GOVERNMENTS

FIRST AMENDMENT made and entered into, effective upon its execution by all parties, by and between the South Dakota Board of Water and Natural Resources, Joe Foss Building, 523 East Capitol Ave., Pierre, SD 57501-3182 ("Board"), and Black Hills Council of Governments, 730 E Watertown St. Rapid City, SD 57701 ("BHCOG").

WHEREAS, the Board has the authority to make financial assistance awards to eligible entities pursuant to SDCL 46A-1-60.1, and the Department of Agriculture and Natural Resources ("DANR") serves as staff for the Board; and

WHEREAS, BHCOG is a governmental entity, has the authority to enter into a Joint Powers Agreement with the Board, and is willing to provide the services described herein for the consideration stated herein in accordance within the covenants, terms, and conditions set forth herein; and

WHEREAS, the Board has approved using Administrative Expense Surcharge Fee Funds for the purpose of contracting for the preparation of applications and administration of Clean Water and Drinking Water State Revolving Fund loans with the various planning districts; and

WHEREAS, the Board entered into a Joint Powers Agreement dated June 24, 2021 with BHCOG to retain its services to help ensure the Davis-Bacon reviews and new job creation estimate requirements are being complied with on projects the Board funds in whole or in part with funds provided by the Act; and,

WHEREAS, the Board and BHCOG have determined it is necessary to amend the Joint Powers Agreement to provide additional funds to be paid to BHCOG to provide for the preparation and administration of state revolving fund applications, and believe that such an amendment is to their mutual benefit.

NOW THEREFORE IT IS MUTUALLY AGREED AS FOLLOWS:

1. That section 2 of the Joint Powers Agreement is hereby amended to read as follows:

"2. BHCOG's services under this Agreement shall commence upon both parties' execution of the agreement and end on June 30, 2026, unless sooner terminated pursuant to the terms hereof.

In consideration of the services provided by BHCOG pursuant to Attachment A, the Board agrees to pay to BHCOG the amounts specified and on the schedule provided in Attachment A In consideration of the services provided by BHCOG pursuant to Attachment B, the Board agrees to pay to BHCOG the amounts

specified and on the schedule provided in Attachment B. Payment will be made pursuant to payment requests provided by DANR. The Board will not pay BHCOG's expenses as a separate item. BHCOG is required to submit a completed "Vendor ACH Authorization Form" which will authorize the Board to make electronic payments by direct deposit and provide electronic payment notification to BHCOG. This form is available through the DANR Fiscal Office or it can be downloaded directly from <http://www.state.sd.us/bfm/vendor/ach.htm>. BHCOG must fax the completed form to (605) 773-4068, or scan and email to DANRmail@state.sd.us with "Attn: Fiscal Office" in the subject line, or mail it to:

DANR Fiscal Office
523 East Capitol
Pierre, SD 57501-3182

Payment will be made consistent with SDCL ch. 5-26. The TOTAL AGREEMENT AMOUNT is an amount not to exceed \$540,000. Services performed under the prior Joint Powers Agreement identified in Section 15 of this Agreement which have not been submitted for payment are considered eligible expenses under this Agreement. All requests for disbursement for eligible costs under this Agreement not presented within ninety (90) days after the completion of the term of this Agreement are barred from payment."

2. That except as specifically modified herein, the Joint Powers Agreement shall remain in full force and effect in accordance with its original terms and conditions.

In witness hereto the parties signify their agreement by signatures affixed below:

BLACK HILLS COUNCIL OF
GOVERNMENTS

BY:

Jennifer Sietsma
Executive Director

(SEAL)

ATTEST:

BY:

Its: _____

BOARD OF WATER AND NATURAL
RESOURCES

BY:

Jerry Soholt
Chairman

(SEAL)

ATTEST:

BY:

Todd Bernhard
Secretary

STATE OF SOUTH DAKOTA
BOARD OF WATER AND NATURAL RESOURCES
RESOLUTION # 2023-

APPROVING AN AMENDMENT TO THE JOINT POWERS AGREEMENT WITH BLACK HILLS COUNCIL OF GOVERNMENTS FOR THE PREPARATION OF APPLICATIONS AND ADMINISTRATION OF LOANS AND FOR MONITORING DAVIS-BACON REQUIREMENTS, APPROVING THE FORM OF THE FIRST AMENDMENT TO JOINT POWERS AGREEMENT, AND DESIGNATING THE SECRETARY OF THE DEPARTMENT OF AGRICULTURE AND NATURAL RESOURCES TO ACT ON ITS BEHALF.

WHEREAS, the Board adopted Intended Use Plans for the Clean Water and the Drinking Water State Revolving Fund Programs that identified activities to be supported by the State Administrative Expense Surcharge Fee Funds; and

WHEREAS, Sections 6 and 7 of Senate Bill 64 adopted by the 2022 South Dakota Legislature provided authority to expend and the Board approved using Administrative Expense Surcharge Fee Funds for the purpose of contracting for the preparation of applications, administering Clean Water and Drinking Water State Revolving Fund loans, and monitoring Davis-Bacon requirements established pursuant to §46A-1-60.1; and

WHEREAS, the Board entered into a Joint Powers Agreement dated June 24, 2021 with Black Hills Council of Governments ("BHCOG") to assist Borrowers in preparing and submitting loan applications to the Board, in administering loans, and in monitoring Davis-Bacon requirements; and

WHEREAS, the Board and BHCOG have determined it is necessary to amend the Joint Powers Agreement to increase the total funding under the Joint Powers Agreement; and

WHEREAS, the Board has reviewed the proposed First Amendment to Joint Powers Agreement, a true copy of which is attached hereto and finds it proper in all respects.

NOW THEREFORE BE IT RESOLVED:

1. That the Board of Water and Natural Resources approves an amendment to the Joint Powers Agreement for financial services with BHCOG increasing the total contract amount, as set forth with particularity in the form of the First Amendment to Joint Powers Agreement attached hereto, which First Amendment is hereby approved; and
2. That the Chairman and Secretary are authorized to execute the First Amendment to Joint Powers Agreement; and
3. That the Secretary, Department of Agriculture and Natural Resources, is hereby designated as the representative of the Board to do all things on its behalf allowable with reference to the First Amendment to Joint Powers Agreement described herein, provided that the

Secretary is hereby empowered to delegate such authority in writing to persons under the supervision of the Secretary as deemed appropriate.

Dated this 5th day of January 2023

(SEAL)

Chairman
Board of Water and Natural Resources

ATTEST:

Secretary
Board of Water and Natural Resources

SOUTH DAKOTA BOARD OF WATER AND NATURAL RESOURCES
FIRST AMENDMENT TO
JOINT POWERS AGREEMENT
WITH
CENTRAL SOUTH DAKOTA ENHANCEMENT DISTRICT

FIRST AMENDMENT made and entered into, effective upon its execution by all parties, by and between the South Dakota Board of Water and Natural Resources, Joe Foss Building, 523 East Capitol Ave., Pierre, SD 57501-3182 ("Board"), and Central South Dakota Enhancement District, PO Box 220, Pierre SD 57501("Central").

WHEREAS, the Board has the authority to make financial assistance awards to eligible entities pursuant to SDCL 46A-1-60.1, and the Department of Agriculture and Natural Resources ("DANR") serves as staff for the Board; and

WHEREAS, Central is a governmental entity, has the authority to enter into a Joint Powers Agreement with the Board, and is willing to provide the services described herein for the consideration stated herein in accordance within the covenants, terms, and conditions set forth herein; and

WHEREAS, the Board has approved using Administrative Expense Surcharge Fee Funds for the purpose of contracting for the preparation of applications and administration of Clean Water and Drinking Water State Revolving Fund loans with the various planning districts; and

WHEREAS, the Board entered into a Joint Powers Agreement dated June 24, 2021 with Central to retain its services to help ensure the Davis-Bacon reviews and new job creation estimate requirements are being complied with on projects the Board funds in whole or in part with funds provided by the Act; and,

WHEREAS, the Board and Central have determined it is necessary to amend the Joint Powers Agreement to provide additional funds to be paid to Central to provide for the preparation and administration of state revolving fund applications, and believe that such an amendment is to their mutual benefit.

NOW THEREFORE IT IS MUTUALLY AGREED AS FOLLOWS:

1. That section 2 of the Joint Powers Agreement is hereby amended to read as follows:

"2. Central's services under this Agreement shall commence upon both parties' execution of the agreement and end on June 30, 2026, unless sooner terminated pursuant to the terms hereof.

In consideration of the services provided by Central pursuant to Attachment A, the Board agrees to pay to Central the amounts specified and on the schedule provided in Attachment A In consideration of the services provided by Central pursuant to Attachment B, the Board agrees to pay to Central the amounts specified and on the

schedule provided in Attachment B. Payment will be made pursuant to payment requests provided by DANR. The Board will not pay Central's expenses as a separate item. Central is required to submit a completed "Vendor ACH Authorization Form" which will authorize the Board to make electronic payments by direct deposit and provide electronic payment notification to Central. This form is available through the DANR Fiscal Office or it can be downloaded directly from <http://www.state.sd.us/bfm/vendor/ach.htm>. Central must fax the completed form to (605) 773-4068, or scan and email to DANRmail@state.sd.us with "Attn: Fiscal Office" in the subject line, or mail it to:

DANR Fiscal Office
523 East Capitol
Pierre, SD 57501-3182

Payment will be made consistent with SDCL ch. 5-26. The TOTAL AGREEMENT AMOUNT is an amount not to exceed \$165,000. Services performed under the prior Joint Powers Agreement identified in Section 15 of this Agreement which have not been submitted for payment are considered eligible expenses under this Agreement. All requests for disbursement for eligible costs under this Agreement not presented within ninety (90) days after the completion of the term of this Agreement are barred from payment."

2. That except as specifically modified herein, the Joint Powers Agreement shall remain in full force and effect in accordance with its original terms and conditions.

In witness hereto the parties signify their agreement by signatures affixed below:

CENTRAL SOUTH DAKOTA
ENHANCEMENT DISTRICT

BY:

Nicole Gordon
Executive Director

(SEAL)

ATTEST:

BY:

Its: _____

BOARD OF WATER AND NATURAL
RESOURCES

BY:

Jerry Soholt
Chairman

(SEAL)

ATTEST:

BY:

Todd Bernhard
Secretary

STATE OF SOUTH DAKOTA
BOARD OF WATER AND NATURAL RESOURCES
RESOLUTION # 2023-

APPROVING AN AMENDMENT TO THE JOINT POWERS AGREEMENT WITH CENTRAL SOUTH DAKOTA ENHANCEMENT DISTRICT FOR THE PREPARATION OF APPLICATIONS AND ADMINISTRATION OF LOANS AND FOR MONITORING DAVIS-BACON REQUIREMENTS, APPROVING THE FORM OF THE FIRST AMENDMENT TO JOINT POWERS AGREEMENT, AND DESIGNATING THE SECRETARY OF THE DEPARTMENT OF AGRICULTURE AND NATURAL RESOURCES TO ACT ON ITS BEHALF.

WHEREAS, the Board adopted Intended Use Plans for the Clean Water and the Drinking Water State Revolving Fund Programs that identified activities to be supported by the State Administrative Expense Surcharge Fee Funds; and

WHEREAS, Sections 6 and 7 of Senate Bill 64 adopted by the 2022 South Dakota Legislature provided authority to expend and the Board approved using Administrative Expense Surcharge Fee Funds for the purpose of contracting for the preparation of applications, administering Clean Water and Drinking Water State Revolving Fund loans, and monitoring Davis-Bacon requirements established pursuant to §46A-1-60.1; and

WHEREAS, the Board entered into a Joint Powers Agreement dated June 24, 2021 with Central South Dakota Enhancement District ("Central") to assist Borrowers in preparing and submitting loan applications to the Board, in administering loans, and in monitoring Davis-Bacon requirements; and

WHEREAS, the Board and Central have determined it is necessary to amend the Joint Powers Agreement to increase the total funding under the Joint Powers Agreement; and

WHEREAS, the Board has reviewed the proposed First Amendment to Joint Powers Agreement, a true copy of which is attached hereto and finds it proper in all respects.

NOW THEREFORE BE IT RESOLVED:

1. That the Board of Water and Natural Resources approves an amendment to the Joint Powers Agreement for financial services with Central increasing the total contract amount, as set forth with particularity in the form of the First Amendment to Joint Powers Agreement attached hereto, which First Amendment is hereby approved; and
 2. That the Chairman and Secretary are authorized to execute the First Amendment to Joint Powers Agreement; and
 3. That the Secretary, Department of Agriculture and Natural Resources, is hereby designated as the representative of the Board to do all things on its behalf allowable with reference to the First Amendment to Joint Powers Agreement described herein, provided that the
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Secretary is hereby empowered to delegate such authority in writing to persons under the supervision of the Secretary as deemed appropriate.

Dated this 5th day of January 2023

(SEAL)

Chairman
Board of Water and Natural Resources

ATTEST:

Secretary
Board of Water and Natural Resources

SOUTH DAKOTA BOARD OF WATER AND NATURAL RESOURCES
FIRST AMENDMENT TO
JOINT POWERS AGREEMENT
WITH
FIRST DISTRICT ASSOCIATION OF LOCAL GOVERNMENTS

FIRST AMENDMENT made and entered into, effective upon its execution by all parties, by and between the South Dakota Board of Water and Natural Resources, Joe Foss Building, 523 East Capitol Ave., Pierre, SD 57501-3182 ("Board"), and First District Association of Local Governments, PO Box 1207, Watertown, SD 57201 ("First District").

WHEREAS, the Board has the authority to make financial assistance awards to eligible entities pursuant to SDCL 46A-1-60.1, and the Department of Agriculture and Natural Resources ("DANR") serves as staff for the Board; and

WHEREAS, First District is a governmental entity, has the authority to enter into a Joint Powers Agreement with the Board, and is willing to provide the services described herein for the consideration stated herein in accordance within the covenants, terms, and conditions set forth herein; and

WHEREAS, the Board has approved using Administrative Expense Surcharge Fee Funds for the purpose of contracting for the preparation of applications and administration of Clean Water and Drinking Water State Revolving Fund loans with the various planning districts; and

WHEREAS, the Board entered into a Joint Powers Agreement dated June 24, 2021 with First District to retain its services to help ensure the Davis-Bacon reviews and new job creation estimate requirements are being complied with on projects the Board funds in whole or in part with funds provided by the Act; and,

WHEREAS, the Board and First District have determined it is necessary to amend the Joint Powers Agreement to provide additional funds to be paid to First District to provide for the preparation and administration of state revolving fund applications, and believe that such an amendment is to their mutual benefit.

NOW THEREFORE IT IS MUTUALLY AGREED AS FOLLOWS:

1. That section 2 of the Joint Powers Agreement is hereby amended to read as follows:

"2. First District's services under this Agreement shall commence upon both parties' execution of the agreement and end on June 30, 2026, unless sooner terminated pursuant to the terms hereof.

In consideration of the services provided by First District pursuant to Attachment A, the Board agrees to pay to First District the amounts specified and on the schedule provided in Attachment A. In consideration of the services provided by First District pursuant to Attachment B, the Board agrees to pay to First District the

amounts specified and on the schedule provided in Attachment B. Payment will be made pursuant to payment requests provided by DANR. The Board will not pay First District's expenses as a separate item. First District is required to submit a completed "Vendor ACH Authorization Form" which will authorize the Board to make electronic payments by direct deposit and provide electronic payment notification to First District. This form is available through the DANR Fiscal Office or it can be downloaded directly from <http://www.state.sd.us/bfm/vendor/ach.htm>. First District must fax the completed form to (605) 773-4068, or scan and email to DANRmail@state.sd.us with "Attn: Fiscal Office" in the subject line, or mail it to:

DANR Fiscal Office
523 East Capitol
Pierre, SD 57501-3182

Payment will be made consistent with SDCL ch. 5-26. The TOTAL AGREEMENT AMOUNT is an amount not to exceed \$735,000. Services performed under the prior Joint Powers Agreement identified in Section 15 of this Agreement which have not been submitted for payment are considered eligible expenses under this Agreement. All requests for disbursement for eligible costs under this Agreement not presented within ninety (90) days after the completion of the term of this Agreement are barred from payment."

2. That except as specifically modified herein, the Joint Powers Agreement shall remain in full force and effect in accordance with its original terms and conditions.

In witness hereto the parties signify their agreement by signatures affixed below:

FIRST DISTRICT ASSOCIATION OF
LOCAL GOVERNMENTS

BY:

Todd Kays
Executive Director

(SEAL)

ATTEST:

BY:

Its: _____

BOARD OF WATER AND NATURAL
RESOURCES

BY:

Jerry Soholt
Chairman

(SEAL)

ATTEST:

BY:

Todd Bernhard
Secretary

STATE OF SOUTH DAKOTA
BOARD OF WATER AND NATURAL RESOURCES
RESOLUTION # 2023-

APPROVING AN AMENDMENT TO THE JOINT POWERS AGREEMENT WITH FIRST DISTRICT ASSOCIATION OF LOCAL GOVERNMENTS FOR THE PREPARATION OF APPLICATIONS AND ADMINISTRATION OF LOANS AND FOR MONITORING DAVIS-BACON REQUIREMENTS, APPROVING THE FORM OF THE FIRST AMENDMENT TO JOINT POWERS AGREEMENT, AND DESIGNATING THE SECRETARY OF THE DEPARTMENT OF AGRICULTURE AND NATURAL RESOURCES TO ACT ON ITS BEHALF.

WHEREAS, the Board adopted Intended Use Plans for the Clean Water and the Drinking Water State Revolving Fund Programs that identified activities to be supported by the State Administrative Expense Surcharge Fee Funds; and

WHEREAS, Sections 6 and 7 of Senate Bill 64 adopted by the 2022 South Dakota Legislature provided authority to expend and the Board approved using Administrative Expense Surcharge Fee Funds for the purpose of contracting for the preparation of applications, administering Clean Water and Drinking Water State Revolving Fund loans, and monitoring Davis-Bacon requirements established pursuant to §46A-1-60.1; and

WHEREAS, the Board entered into a Joint Powers Agreement dated June 24, 2021 with First District Association of Local Governments ("First District") to assist Borrowers in preparing and submitting loan applications to the Board, in administering loans, and in monitoring Davis-Bacon requirements; and

WHEREAS, the Board and First District have determined it is necessary to amend the Joint Powers Agreement to increase the total funding under the Joint Powers Agreement; and

WHEREAS, the Board has reviewed the proposed First Amendment to Joint Powers Agreement, a true copy of which is attached hereto and finds it proper in all respects.

NOW THEREFORE BE IT RESOLVED:

1. That the Board of Water and Natural Resources approves an amendment to the Joint Powers Agreement for financial services with First District increasing the total contract amount, as set forth with particularity in the form of the First Amendment to Joint Powers Agreement attached hereto, which First Amendment is hereby approved; and
2. That the Chairman and Secretary are authorized to execute the First Amendment to Joint Powers Agreement; and
3. That the Secretary, Department of Agriculture and Natural Resources, is hereby designated as the representative of the Board to do all things on its behalf allowable with reference to the First Amendment to Joint Powers Agreement described herein, provided that the

Secretary is hereby empowered to delegate such authority in writing to persons under the supervision of the Secretary as deemed appropriate.

Dated this 5th day of January 2023

(SEAL)

Chairman
Board of Water and Natural Resources

ATTEST:

Secretary
Board of Water and Natural Resources

SOUTH DAKOTA BOARD OF WATER AND NATURAL RESOURCES
FIRST AMENDMENT TO
JOINT POWERS AGREEMENT
WITH
NORTHEAST COUNCIL OF GOVERNMENTS

FIRST AMENDMENT made and entered into, effective upon its execution by all parties, by and between the South Dakota Board of Water and Natural Resources, Joe Foss Building, 523 East Capitol Ave., Pierre, SD 57501-3182 ("Board"), and Northeast Council of Governments, 416 Production St. N, Suite 1, Aberdeen SD 57402 ("NECOG").

WHEREAS, the Board has the authority to make financial assistance awards to eligible entities pursuant to SDCL 46A-1-60.1, and the Department of Agriculture and Natural Resources ("DANR") serves as staff for the Board; and

WHEREAS, NECOG is a governmental entity, has the authority to enter into a Joint Powers Agreement with the Board, and is willing to provide the services described herein for the consideration stated herein in accordance within the covenants, terms, and conditions set forth herein; and

WHEREAS, the Board has approved using Administrative Expense Surcharge Fee Funds for the purpose of contracting for the preparation of applications and administration of Clean Water and Drinking Water State Revolving Fund loans with the various planning districts; and

WHEREAS, the Board entered into a Joint Powers Agreement dated June 24, 2021 with NECOG to retain its services to help ensure the Davis-Bacon reviews and new job creation estimate requirements are being complied with on projects the Board funds in whole or in part with funds provided by the Act; and,

WHEREAS, the Board and NECOG have determined it is necessary to amend the Joint Powers Agreement to provide additional funds to be paid to NECOG to provide for the preparation and administration of state revolving fund applications, and believe that such an amendment is to their mutual benefit.

NOW THEREFORE IT IS MUTUALLY AGREED AS FOLLOWS:

1. That section 2 of the Joint Powers Agreement is hereby amended to read as follows:

"2. NECOG's services under this Agreement shall commence upon both parties' execution of the agreement and end on June 30, 2026, unless sooner terminated pursuant to the terms hereof.

In consideration of the services provided by NECOG pursuant to Attachment A, the Board agrees to pay to NECOG the amounts specified and on the schedule provided in Attachment A. In consideration of the services provided by NECOG pursuant to Attachment B, the Board agrees to pay to NECOG the amounts

specified and on the schedule provided in Attachment B. Payment will be made pursuant to payment requests provided by DANR. The Board will not pay NECOG's expenses as a separate item. NECOG is required to submit a completed "Vendor ACH Authorization Form" which will authorize the Board to make electronic payments by direct deposit and provide electronic payment notification to NECOG. This form is available through the DANR Fiscal Office or it can be downloaded directly from <http://www.state.sd.us/bfm/vendor/ach.htm>. NECOG must fax the completed form to (605) 773-4068, or scan and email to DANRmail@state.sd.us with "Attn: Fiscal Office" in the subject line, or mail it to:

DANR Fiscal Office
523 East Capitol
Pierre, SD 57501-3182

Payment will be made consistent with SDCL ch. 5-26. The TOTAL AGREEMENT AMOUNT is an amount not to exceed \$440,000. Services performed under the prior Joint Powers Agreement identified in Section 15 of this Agreement which have not been submitted for payment are considered eligible expenses under this Agreement. All requests for disbursement for eligible costs under this Agreement not presented within ninety (90) days after the completion of the term of this Agreement are barred from payment."

2. That except as specifically modified herein, the Joint Powers Agreement shall remain in full force and effect in accordance with its original terms and conditions.

In witness hereto the parties signify their agreement by signatures affixed below:

NORTHEAST COUNCIL OF
GOVERNMENTS

BY:

Eric Senger
Executive Director

(SEAL)

ATTEST:

BY:

Its: _____

BOARD OF WATER AND NATURAL
RESOURCES

BY:

Jerry Soholt
Chairman

(SEAL)

ATTEST:

BY:

Todd Bernhard
Secretary

STATE OF SOUTH DAKOTA
BOARD OF WATER AND NATURAL RESOURCES
RESOLUTION # 2023-

APPROVING AN AMENDMENT TO THE JOINT POWERS AGREEMENT WITH NORTHEAST COUNCIL OF GOVERNMENTS FOR THE PREPARATION OF APPLICATIONS AND ADMINISTRATION OF LOANS AND FOR MONITORING DAVIS-BACON REQUIREMENTS, APPROVING THE FORM OF THE FIRST AMENDMENT TO JOINT POWERS AGREEMENT, AND DESIGNATING THE SECRETARY OF THE DEPARTMENT OF AGRICULTURE AND NATURAL RESOURCES TO ACT ON ITS BEHALF.

WHEREAS, the Board adopted Intended Use Plans for the Clean Water and the Drinking Water State Revolving Fund Programs that identified activities to be supported by the State Administrative Expense Surcharge Fee Funds; and

WHEREAS. Sections 6 and 7 of Senate Bill 64 adopted by the 2022 South Dakota Legislature provided authority to expend and the Board approved using Administrative Expense Surcharge Fee Funds for the purpose of contracting for the preparation of applications, administering Clean Water and Drinking Water State Revolving Fund loans, and monitoring Davis-Bacon requirements established pursuant to §46A-1-60.1; and

WHEREAS, the Board entered into a Joint Powers Agreement dated June 24, 2021 with Northeast Council of Governments ("NECOG") to assist Borrowers in preparing and submitting loan applications to the Board, in administering loans, and in monitoring Davis-Bacon requirements; and

WHEREAS, the Board and NECOG have determined it is necessary to amend the Joint Powers Agreement to increase the total funding under the Joint Powers Agreement; and

WHEREAS, the Board has reviewed the proposed First Amendment to Joint Powers Agreement; a true copy of which is attached hereto and finds it proper in all respects.

NOW THEREFORE BE IT RESOLVED:

1. That the Board of Water and Natural Resources approves an amendment to the Joint Powers Agreement for financial services with NECOG increasing the total contract amount, as set forth with particularity in the form of the First Amendment to Joint Powers Agreement attached hereto, which First Amendment is hereby approved; and
 2. That the Chairman and Secretary are authorized to execute the First Amendment to Joint Powers Agreement; and
 3. That the Secretary, Department of Agriculture and Natural Resources, is hereby designated as the representative of the Board to do all things on its behalf allowable with reference to the First Amendment to Joint Powers Agreement described herein, provided that the
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Secretary is hereby empowered to delegate such authority in writing to persons under the supervision of the Secretary as deemed appropriate.

Dated this 5th day of January 2023

(SEAL)

Chairman
Board of Water and Natural Resources

ATTEST:

Secretary
Board of Water and Natural Resources

SOUTH DAKOTA BOARD OF WATER AND NATURAL RESOURCES
FIRST AMENDMENT TO
JOINT POWERS AGREEMENT
WITH
SOUTH EASTERN COUNCIL OF GOVERNMENTS

FIRST AMENDMENT made and entered into, effective upon its execution by all parties, by and between the South Dakota Board of Water and Natural Resources, Joe Foss Building, 523 East Capitol Ave., Pierre, SD 57501-3182 ("Board"), and South Eastern Council of Governments, 500 N. Western Ave., Suite 100, Sioux Falls, SD 57104 ("SECOG").

WHEREAS, the Board has the authority to make financial assistance awards to eligible entities pursuant to SDCL 46A-1-60.1, and the Department of Agriculture and Natural Resources ("DANR") serves as staff for the Board; and

WHEREAS, SECOG is a governmental entity, has the authority to enter into a Joint Powers Agreement with the Board, and is willing to provide the services described herein for the consideration stated herein in accordance within the covenants, terms, and conditions set forth herein; and

WHEREAS, the Board has approved using Administrative Expense Surcharge Fee Funds for the purpose of contracting for the preparation of applications and administration of Clean Water and Drinking Water State Revolving Fund loans with the various planning districts; and

WHEREAS, the Board entered into a Joint Powers Agreement dated June 24, 2021 with SECOG to retain its services to help ensure the Davis-Bacon reviews and new job creation estimate requirements are being complied with on projects the Board funds in whole or in part with funds provided by the Act; and,

WHEREAS, the Board and SECOG have determined it is necessary to amend the Joint Powers Agreement to provide additional funds to be paid to SECOG to provide for the preparation and administration of state revolving fund applications, and believe that such an amendment is to their mutual benefit.

NOW THEREFORE IT IS MUTUALLY AGREED AS FOLLOWS:

1. That section 2 of the Joint Powers Agreement is hereby amended to read as follows:

"2. SECOG's services under this Agreement shall commence upon both parties' execution of the agreement and end on June 30, 2026, unless sooner terminated pursuant to the terms hereof.

In consideration of the services provided by SECOG pursuant to Attachment A, the Board agrees to pay to SECOG the amounts specified and on the schedule provided in Attachment A In consideration of the services provided by SECOG pursuant to Attachment B, the Board agrees to pay to SECOG the amounts specified and on the

schedule provided in Attachment B. Payment will be made pursuant to payment requests provided by DANR. The Board will not pay SECOG's expenses as a separate item. SECOG is required to submit a completed "Vendor ACH Authorization Form" which will authorize the Board to make electronic payments by direct deposit and provide electronic payment notification to SECOG. This form is available through the DANR Fiscal Office or it can be downloaded directly from <http://www.state.sd.us/bfm/vendor/ach.htm>. SECOG must fax the completed form to (605) 773-4068, or scan and email to DANRmail@state.sd.us with "Attn: Fiscal Office" in the subject line, or mail it to:

DANR Fiscal Office
523 East Capitol
Pierre, SD 57501-3182

Payment will be made consistent with SDCL ch. 5-26. The TOTAL AGREEMENT AMOUNT is an amount not to exceed \$980,000. Services performed under the prior Joint Powers Agreement identified in Section 15 of this Agreement which have not been submitted for payment are considered eligible expenses under this Agreement. All requests for disbursement for eligible costs under this Agreement not presented within ninety (90) days after the completion of the term of this Agreement are barred from payment."

2. That except as specifically modified herein, the Joint Powers Agreement shall remain in full force and effect in accordance with its original terms and conditions.

In witness hereto the parties signify their agreement by signatures affixed below:

SOUTH EASTERN COUNCIL OF
GOVERNMENTS

BY: _____
Lynne Keller-Forbes
Executive Director

(SEAL)

ATTEST:

BY: _____
Its: _____

BOARD OF WATER AND NATURAL
RESOURCES

BY: _____
Jerry Soholt
Chairman

(SEAL)

ATTEST:

BY: _____
Todd Bernhard
Secretary

STATE OF SOUTH DAKOTA
BOARD OF WATER AND NATURAL RESOURCES
RESOLUTION # 2023-

APPROVING AN AMENDMENT TO THE JOINT POWERS AGREEMENT WITH SOUTH EASTERN COUNCIL OF GOVERNMENTS FOR THE PREPARATION OF APPLICATIONS AND ADMINISTRATION OF LOANS AND FOR MONITORING DAVIS-BACON REQUIREMENTS, APPROVING THE FORM OF THE FIRST AMENDMENT TO JOINT POWERS AGREEMENT, AND DESIGNATING THE SECRETARY OF THE DEPARTMENT OF AGRICULTURE AND NATURAL RESOURCES TO ACT ON ITS BEHALF.

WHEREAS, the Board adopted Intended Use Plans for the Clean Water and the Drinking Water State Revolving Fund Programs that identified activities to be supported by the State Administrative Expense Surcharge Fee Funds; and

WHEREAS, Sections 6 and 7 of Senate Bill 64 adopted by the 2022 South Dakota Legislature provided authority to expend and the Board approved using Administrative Expense Surcharge Fee Funds for the purpose of contracting for the preparation of applications, administering Clean Water and Drinking Water State Revolving Fund loans, and monitoring Davis-Bacon requirements established pursuant to §46A-1-60.1; and

WHEREAS, the Board entered into a Joint Powers Agreement dated June 24, 2021 with South Eastern Council of Governments ("SECOG") to assist Borrowers in preparing and submitting loan applications to the Board, in administering loans, and in monitoring Davis-Bacon requirements; and

WHEREAS, the Board and SECOG have determined it is necessary to amend the Joint Powers Agreement to increase the total funding under the Joint Powers Agreement; and

WHEREAS, the Board has reviewed the proposed First Amendment to Joint Powers Agreement, a true copy of which is attached hereto and finds it proper in all respects.

NOW THEREFORE BE IT RESOLVED:

1. That the Board of Water and Natural Resources approves an amendment to the Joint Powers Agreement for financial services with SECOG increasing the total contract amount, as set forth with particularity in the form of the First Amendment to Joint Powers Agreement attached hereto, which First Amendment is hereby approved; and
 2. That the Chairman and Secretary are authorized to execute the First Amendment to Joint Powers Agreement; and
 3. That the Secretary, Department of Agriculture and Natural Resources, is hereby designated as the representative of the Board to do all things on its behalf allowable with reference to the First Amendment to Joint Powers Agreement described herein, provided that the
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Secretary is hereby empowered to delegate such authority in writing to persons under the supervision of the Secretary as deemed appropriate.

Dated this 5th day of January 2023

(SEAL)

Chairman
Board of Water and Natural Resources

ATTEST:

Secretary
Board of Water and Natural Resources

SOUTH DAKOTA BOARD OF WATER AND NATURAL RESOURCES
FIRST AMENDMENT TO
JOINT POWERS AGREEMENT
WITH
PLANNING & DEVELOPMENT DISTRICT III

FIRST AMENDMENT made and entered into, effective upon its execution by all parties, by and between the South Dakota Board of Water and Natural Resources, Joe Foss Building, 523 East Capitol Ave., Pierre, SD 57501-3182 ("Board"), and Planning & Development District III, PO Box 687, Yankton, SD 57078 ("Third District").

WHEREAS, the Board has the authority to make financial assistance awards to eligible entities pursuant to SDCL 46A-1-60.1, and the Department of Agriculture and Natural Resources ("DANR") serves as staff for the Board; and

WHEREAS, Third District is a governmental entity, has the authority to enter into a Joint Powers Agreement with the Board, and is willing to provide the services described herein for the consideration stated herein in accordance within the covenants, terms, and conditions set forth herein; and

WHEREAS, the Board has approved using Administrative Expense Surcharge Fee Funds for the purpose of contracting for the preparation of applications and administration of Clean Water and Drinking Water State Revolving Fund loans with the various planning districts; and

WHEREAS, the Board entered into a Joint Powers Agreement dated June 24, 2021 with Third District to retain its services to help ensure the Davis-Bacon reviews and new job creation estimate requirements are being complied with on projects the Board funds in whole or in part with funds provided by the Act; and,

WHEREAS, the Board and Third District have determined it is necessary to amend the Joint Powers Agreement to provide additional funds to be paid to Third District to provide for the preparation and administration of state revolving fund applications, and believe that such an amendment is to their mutual benefit.

NOW THEREFORE IT IS MUTUALLY AGREED AS FOLLOWS:

1. That section 2 of the Joint Powers Agreement is hereby amended to read as follows:

"2. Third District's services under this Agreement shall commence upon both parties' execution of the agreement and end on June 30, 2026, unless sooner terminated pursuant to the terms hereof.

In consideration of the services provided by Third District pursuant to Attachment A, the Board agrees to pay to Third District the amounts specified and on the schedule provided in Attachment A In consideration of the services provided by Third District pursuant to Attachment B, the Board agrees to pay to Third District

the amounts specified and on the schedule provided in Attachment B. Payment will be made pursuant to payment requests provided by DANR. The Board will not pay Third District's expenses as a separate item. Third District is required to submit a completed "Vendor ACH Authorization Form" which will authorize the Board to make electronic payments by direct deposit and provide electronic payment notification to Third District. This form is available through the DANR Fiscal Office or it can be downloaded directly from <http://www.state.sd.us/bfm/vendor/ach.htm>. Third District must fax the completed form to (605) 773-4068, or scan and email to DANRmail@state.sd.us with "Attn: Fiscal Office" in the subject line, or mail it to:

DANR Fiscal Office
523 East Capitol
Pierre, SD 57501-3182

Payment will be made consistent with SDCL ch. 5-26. The TOTAL AGREEMENT AMOUNT is an amount not to exceed \$605,000. Services performed under the prior Joint Powers Agreement identified in Section 15 of this Agreement which have not been submitted for payment are considered eligible expenses under this Agreement. All requests for disbursement for eligible costs under this Agreement not presented within ninety (90) days after the completion of the term of this Agreement are barred from payment."

2. That except as specifically modified herein, the Joint Powers Agreement shall remain in full force and effect in accordance with its original terms and conditions.

In witness hereto the parties signify their agreement by signatures affixed below:

PLANNING & DEVELOPMENT
DISTRICT III

BY:

Greg Henderson
Executive Director

(SEAL)

ATTEST:

BY:

Its: _____

BOARD OF WATER AND NATURAL
RESOURCES

BY:

Jerry Soholt
Chairman

(SEAL)

ATTEST:

BY:

Todd Bernhard
Secretary

STATE OF SOUTH DAKOTA
BOARD OF WATER AND NATURAL RESOURCES
RESOLUTION # 2023-

APPROVING AN AMENDMENT TO THE JOINT POWERS AGREEMENT WITH PLANNING & DEVELOPMENT DISTRICT III FOR THE PREPARATION OF APPLICATIONS AND ADMINISTRATION OF LOANS AND FOR MONITORING DAVIS-BACON REQUIREMENTS, APPROVING THE FORM OF THE FIRST AMENDMENT TO JOINT POWERS AGREEMENT, AND DESIGNATING THE SECRETARY OF THE DEPARTMENT OF AGRICULTURE AND NATURAL RESOURCES TO ACT ON ITS BEHALF.

WHEREAS, the Board adopted Intended Use Plans for the Clean Water and the Drinking Water State Revolving Fund Programs that identified activities to be supported by the State Administrative Expense Surcharge Fee Funds; and

WHEREAS, Sections 6 and 7 of Senate Bill 64 adopted by the 2022 South Dakota Legislature provided authority to expend and the Board approved using Administrative Expense Surcharge Fee Funds for the purpose of contracting for the preparation of applications, administering Clean Water and Drinking Water State Revolving Fund loans, and monitoring Davis-Bacon requirements established pursuant to §46A-1-60.1; and

WHEREAS, the Board entered into a Joint Powers Agreement dated June 24, 2021 with Planning & Development District III ("Third District") to assist Borrowers in preparing and submitting loan applications to the Board, in administering loans, and in monitoring Davis-Bacon requirements; and

WHEREAS, the Board and Third District have determined it is necessary to amend the Joint Powers Agreement to increase the total funding under the Joint Powers Agreement; and

WHEREAS, the Board has reviewed the proposed First Amendment to Joint Powers Agreement, a true copy of which is attached hereto and finds it proper in all respects.

NOW THEREFORE BE IT RESOLVED:

1. That the Board of Water and Natural Resources approves an amendment to the Joint Powers Agreement for financial services with Third District increasing the total contract amount, as set forth with particularity in the form of the First Amendment to Joint Powers Agreement attached hereto, which First Amendment is hereby approved; and
 2. That the Chairman and Secretary are authorized to execute the First Amendment to Joint Powers Agreement; and
 3. That the Secretary, Department of Agriculture and Natural Resources, is hereby designated as the representative of the Board to do all things on its behalf allowable with reference to the First Amendment to Joint Powers Agreement described herein, provided that the
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Secretary is hereby empowered to delegate such authority in writing to persons under the supervision of the Secretary as deemed appropriate.

Dated this 5th day of January 2023

(SEAL)

Chairman
Board of Water and Natural Resources

ATTEST:

Secretary
Board of Water and Natural Resources

January 5, 2023

Item 18

TITLE: Update Authorized Representatives to Act on Behalf of the Board of Water and Natural Resources and the South Dakota Conservancy District

EXPLANATION: In May 2019, staff worked with the Attorney General's Office to create a document that designated authorized representatives to perform specific duties on behalf of the Board and the District.

Staff was authorized to perform duties on behalf of the Board of Water and Natural Resources (the "Board") and the South Dakota Conservancy District (the "District") through a series of forms from the Trustee, U.S. Bank, and designation letters from the Department Secretary.

Due to staff changes, the document needs to be updated.

RECOMMENDED ACTION: Approve the updated Authorized Representatives document outlining authority for staff to perform specific duties on behalf of the Board of Water and Natural Resources and the South Dakota Conservancy District.

CONTACT: Stephanie Riggle (773-4216)

AUTHORIZED REPRESENTATIVE(S) OF THE SOUTH DAKOTA BOARD OF WATER AND NATURAL RESOURCES AND THE SOUTH DAKOTA CONSERVANCY DISTRICT.

The Secretary of the Department and Authorize Representative(s) listed below are authorized to perform specific duties on behalf of the Board of Water and Natural Resources (the “Board”) and the South Dakota Conservancy District (the “District”).

1. The following personnel are authorized to sign Loan Disbursement and Administrative Disbursement Orders for the Clean Water and Drinking Water State Revolving Fund Programs.
 - a. Michael Perkovich, Program Administrator
 - b. Andrew Bruels, Division Director
 - c. Stephanie Riggle, Grant & Loan Specialist II
 - d. Megan Johnson, Grant & Loan Specialist I
2. The following personnel are authorized to sign or approve Uniform Commercial Code filings.
 - a. Michael Perkovich, Program Administrator
 - b. Andrew Bruels, Division Director
 - c. Stephanie Riggle, Grant & Loan Specialist II
 - d. Megan Johnson, Grant & Loan Specialist I
 - e. Annie Thurs, Grant & Loan Specialist I
3. The following personnel are authorized to sign IRS forms on behalf of the District in connections with Arbitrage Rebates, Arbitrage Payments, or W9s.
 - a. Michael Perkovich, Program Administrator
 - b. Andrew Bruels, Division Director
 - c. Stephanie Riggle, Grant & Loan Specialist II
4. The following personnel are authorized to select, buy, and sell investments on behalf of the District for the Clean Water and Drinking Water State Revolving Fund Programs.
 - a. Michael Perkovich, Program Administrator
 - b. Andrew Bruels, Division Director
 - c. Stephanie Riggle, Grant & Loan Specialist II
5. The following personnel are authorized to direct the Trustee to transfer funds from any account or fund under the Master Trust Indenture to provide flexibility for the Clean Water and Drinking Water State Revolving Fund Programs, including any transfers from time to time as authorized by the Master Trust Indenture. In addition, the following personnel are authorized to direct the Trustee to establish and maintain additional accounts or subaccounts for the purposes described above or to account for allocation of restricted and unrestricted moneys under the Master Trust Indenture.

- a. Michael Perkovich, Program Administrator
- b. Andrew Bruels, Division Director
- c. Stephanie Riggle, Grant & Loan Specialist II
- d. Megan Johnson, Grant & Loan Specialist I

I hereby certify that the above representative(s) are authorized to act on behalf of the Board of Water and Natural Resources and the South Dakota Conservancy District as specified above.

Dated this 5th day of January, 2023

{Seal}

Chairman, Board of Water
and Natural Resources

Attest:

Secretary, Board of Water
and Natural Resources

January 5, 2023

Item 19

TITLE:	Amendment to the FY 2022 Drinking Water SRF Intended Use Plan and BIL Addendum
EXPLANATION:	<p>The FFY 2022 Drinking Water State Revolving Fund Intended Use Plan was approved by the Board of Water and Natural Resources in November 2021 and amended in January, March, June, and September of 2022. Amendments in September 2022 were specifically to address funding provisions of the Bipartisan Infrastructure Law (BIL) and an addendum specific to uses of those funds.</p> <p>The proposed uses of BIL funds included the use of BIL Lead Service Line Replacement set-aside funds to complete lead service line inventories and for the board to select a contractor to perform the inventories. After submission of grant applications to EPA it was determined the set-aside funds were not available for use through the BIL Lead Service Line Replacement grant as anticipated.</p> <p>To provide necessary funding to allow contracting for the lead service line inventories it is necessary to amend the BIL Addendum as attached. The source of funds for lead service line inventories will now be provided through the BIL General Supplemental grant and the Local Assistance set-aside.</p>
RECOMMENDED ACTION:	Approve the proposed amendment to the FFY 2022 Drinking Water SRF Intended Use Plan and BIL Addendum
CONTACT:	Andy Bruels, 773-4216

Addendum to the 2022 DWSRF Intended Use Plan:

Bipartisan Infrastructure Law

The Bipartisan Infrastructure Law (BIL), previously referred to as the Infrastructure Investment and Jobs Act, was signed into law on November 15, 2021. The BIL invests more than \$50 billion over the next five years in EPA water infrastructure programs including the State Revolving Funds. South Dakota's first year allotment for the DWSRF program totals approximately \$53.9 million.

This addendum is to amend the existing [2022 DWSRF Intended Use Plan](#) (IUP) for changes to the DWSRF program required by the BIL, and for the distribution of BIL funds in 2022. The existing 2022 DWSRF IUP remains in effect and any changes to the program or requirements described in the existing IUP are specifically outlined in this addendum.

The BIL funding will be issued through the DWSRF in three categories: 1) DWSRF BIL General Supplemental Funding, 2) DWSRF BIL Emerging Contaminants Funding, and 3) DWSRF BIL Lead Service Line Funding. The IUP amendments and the BIL funding categories are described below.

BIL Funding Categories and Use of Funds

DWSRF BIL General Supplemental Funding

The BIL includes a general supplemental funding allotment to South Dakota of \$17,992,000 in 2022 for the DWSRF program. The existing DWSRF program as described in this IUP applies to this funding category and includes the following:

Eligibility

- Eligible entities and projects for this funding must be eligible under the existing DWSRF program.
- All eligible projects for this allotment must be listed on the existing Attachment I - Project Eligibility List.

Requirements

- Application, prioritization, and approval for funding will be the same as the existing DWSRF program.
- State match is 10% of the total amount of the capitalization grant in fiscal year 2022. Bond proceeds will be used to provide the matching funds.
- Forty-nine percent of the capitalization grant amount will be issued as additional subsidization in the form of principal forgiveness. Additional subsidization will be provided to eligible entities that meet the Disadvantaged Community definition in ARSD 74:05:11(11) and described on page 9 of the base program IUP.

Set-Aside Activities for DWSRF BIL General Supplemental Funding

Similar to the DWSRF base program, South Dakota may set-aside a portion of the capitalization grant for non-project, or set-aside activities, that are necessary to accomplish the requirements of the Safe Drinking Water Act.

The 2022 BIL DWRF appropriation is \$17,992,000. A description of each set-aside and the funding available from the 2022 BIL general supplemental capitalization grant for each activity is detailed below.

Administration Set-Aside

2022 BIL Federal Year One - Requested Amount \$719,680

The BIL 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 all grant awards to the DWSRF.

Four percent of the FFY 2022 base capitalization grant is \$280,320, four percent of the FFY 2022 BIL Supplemental capitalization grant is \$719,680, and 1/5 of a percent of the current fund valuation of \$215,612,910 results in \$431,225 available for administrative fees. The department is choosing to utilize only the \$719,680 allowable from the BIL for administrative purposes.

Use of funds and expected accomplishments

Specific activities to be funded are: staff salary, benefits, travel, and overhead; retaining of bond counsel, bond underwriter, financial advisor, and trustee; and other costs to administer the program.

Small System Training and Technical Assistance

2022 BIL Federal Year One - Requested Amount \$359,840

These monies support ongoing training and technical assistance to small systems serving less than 10,000 people to bring non-complying systems into compliance and improve operations of water systems as described on page 7 of the DWSRF base program IUP.

South Dakota intends to take the full two percent available, or \$359,840, from the BIL general supplemental set-aside allotment to fund these activities.

Use of funds and expected accomplishments

Funds are used to provide technical assistance, training, and completion of engineering studies for small systems.

State Program Management (10%)

2022 BIL Federal Year One - Requested Amount \$0

South Dakota does not intend to take any funds for state program management activities as there remains sufficient available funding from prior year capitalization grant set-asides to fund these activities.

Local Assistance and Other State Programs (15%)

2022 BIL Federal Year One - Requested Amount \$1,600,000

This set-aside can fund other activities to assist development and implementation of local drinking water protection activities. This set-aside may also be used to provide capacity development technical assistance for public water systems to maintain compliance with Safe Drinking Water Act requirements. These activities are described on page 8 of the base program IUP.

South Dakota intends to take \$100,000 to assist new and existing systems to achieve and maintain technical, managerial and financial capacity from this set-aside.

South Dakota intends to take \$1,500,000 to contract for completion of lead service line inventories for all public water systems in the state.

Use of funds and expected accomplishments

Midwest Assistance Program (MAP) will continue its efforts with borrowers to improve the technical, financial, or managerial capacity of the systems and assist in the review of capacity assessments required as part of the Drinking Water SRF loan applications.

South Dakota will use these funds to contract with assistance providers to conduct the lead service line inventories and assure necessary and consistent data is collected for each system. This will remove the burden from public water systems that are required to complete these inventories to comply with the Safe Drinking Water Act Lead and Copper Rule Revisions. These inventories will identify public water systems with lead service lines that can utilize the BIL Lead Service Line Replacement funding.

DWSRF BIL Emerging Contaminants Funding

The BIL includes a funding allocation of \$7,555,000 to South Dakota in 2022 to be applied to drinking water emerging contaminant projects. Additionally, the department proposes to transfer the \$459,000 CWSRF Emerging Contaminant allotment to the DWSRF Emerging Contaminant fund. This makes \$8,014,000 available for DWSRF Emerging Contaminant activities.

Eligibility

- Entities and projects eligible for this funding must be eligible under the existing DWSRF program and the primary purpose must be to address emerging contaminants in drinking water.
- All eligible projects for this allotment must be listed on the existing Attachment I Project Priority List. Projects eligible for this source of funds are identified on Attachment II – List of Projects to be Funded in 2022.
- Eligible emerging contaminants include perfluoroalkyl and polyfluoroalkyl substances (PFAS) and contaminants on EPA's [Contaminant Candidate Lists](#). Additional eligibility details and requirements for this category are defined in the [EPA BIL SRF Implementation Memo](#) dated March 8, 2022.

Requirements

- Application, prioritization, and approval for funding will be the same as the existing DWSRF program.
 - State match is not required.
 - 100% of the capitalization grant amount, less set-asides, will be issued as additional subsidization
- Amendment 1

in the form of principal forgiveness.

- Distribution of funding
 - Twenty-five percent of funds from this category must go to communities that qualify as a disadvantaged community or communities with populations less than 25,000. Applicants with project costs exceeding available funds or with project components unrelated to addressing emerging contaminants, may receive funds for the remaining project costs through the DWSRF supplemental or base programs. Additional principal forgiveness may be available from the DWSRF supplemental or base programs for applicants that qualify as a disadvantaged community.

Set-Aside Activities for DWSRF BIL Emerging Contaminants Funding

South Dakota may set-aside a portion of the capitalization grant for non-project, or set-aside activities, that are necessary for implementing Emerging Contaminants activities.

No set-aside funds are proposed to be allocated from the BIL emerging contaminants funding in 2022. South Dakota reserves the ability to request set-aside funding in future years, if necessary, from the 2022 BIL emerging contaminants funding.

DWSRF BIL Lead Service Line Funding

The BIL includes a supplemental funding allotment of \$28,350,000 to South Dakota in 2022 to be applied to the lead service line replacement projects.

Eligibility

- Entities and projects eligible for this funding must be eligible under the existing DWSRF program and be a lead service line replacement project or associated activity directly connected to the identification, planning, design, and replacement of lead service lines.
- All eligible projects for this allotment must be listed on the existing Attachment I - Project Priority List. Projects eligible for this source of funds are identified on Attachment II – List of Projects to be Funded in 2022.
- Additional eligibility requirements for this category of funding are defined in the [EPA BIL SRF Implementation Memo](#) dated March 8, 2022.

Requirements

- Application, prioritization, and approval will be the same as the existing DWSRF program.
- State match is not required
- 49 percent of the capitalization grant amount will be issued as additional subsidization in the form of principal forgiveness. Additional subsidization will be provided to eligible entities that that qualify as a disadvantaged community.
- Distribution of funding
 - Applicants with project costs exceeding available funds, or with project components unrelated to lead service line identification and replacement, may receive funds for the remaining project costs through the DWSRF supplemental or base programs. Additional principal forgiveness may be available from the DWSRF supplemental or base programs for applicants meeting DWSRF BIL Principal Forgiveness Eligibility Criteria or base program principal forgiveness criteria.

Set-Aside Activities for DWSRF BIL Lead Service Line Replacement Funding

South Dakota may set-aside a portion of the capitalization grant for non-project, or set-aside activities, that are necessary for implementing lead service line replacement.

The 2022 BIL DWSRF Lead Service Line Replacement appropriation is \$28,350,000.

No set-aside funds are proposed to be allocated from the BIL lead service line replacement funding in 2022. South Dakota reserves the ability to request set-aside funding in future years, if necessary, from the 2022 BIL lead service line replacement funding.

DWSRF BIL Principal Forgiveness Eligibility Criteria

An eligible applicant may receive principal forgiveness in the DWSRF BIL Supplemental General Supplemental Funding, DWSRF BIL Emerging Contaminants Funding, and DWSRF BIL Lead Service Line Funding if it meets the Disadvantaged Community definition in ARSD 74:05:11(11) and described on page 9 of the base program IUP

Project Priority List and List of Projects Expected to be Funded

All projects identified on Attachment I -Project Priority List and Attachment II - List of Projects Expected to be Funded in FFY 2022 are eligible to receive BIL supplemental funding. Projects eligible to receive DWSRF BIL Emerging Contaminants Funding and DWSRF BIL Lead Service Line Funding are specifically annotated on Attachment II – List of Projects Expected to be Funded in FFY 2022. Projects may be funded by a combination of BIL supplemental funds and base program funds.

BIL Funding Applicable Provisions and Additional Requirements

All provisions promulgated through statute, guidance, or regulations issued by EPA for the implementation of the CWSRF and DWSRF programs will remain in effect (e.g. American Iron and Steel and Davis-Bacon related prevailing wage requirements) unless they are inconsistent with the BIL, capitalization grant conditions, or the requirements contained in the [EPA BIL SRF Implementation Memo](#) dated March 8, 2022. The BIL supplemental appropriations are federal funds and therefore all equivalency requirements apply to projects funded by BIL.

The EPA BIL SRF Implementation Memo includes the following other provisions summarized below:

1. Build America, Buy America Act: BIL creates the Build America, Buy America (BABA) Act domestic sourcing requirements for Federal financial assistance programs for infrastructure, including the SRF programs. For more specific information on BABA implementation, please refer to the Office of Management and Budget's Build America, Buy America Act Implementation Guidance. EPA will issue a separate memorandum for BABA after the United States Office of Management and Budget (OMB) publishes its guidance. The American Iron and Steel provisions of both the CWSRF and DWSRF continue to apply.

BABA applies to both the existing DWSRF program and BIL funding. This hereby amends the requirements in the 2022 DWSRF IUP to include the BABA requirement for the existing DWSRF program and to implement BABA for BIL funding. The OMB guidance and EPA memorandums mentioned above will determine the specific requirements for implementing and meeting the BABA requirement.

2. Reporting: States must use EPA's SRF Data System to report key BIL project characteristics and milestone information no less than quarterly. Additional reporting will be required through the terms and conditions of the grant award. Federal Funding Accountability and Transparency Act (FFATA) of 2010 requires SRF programs to report on recipients that received federal dollars in the FFATA Subaward Reporting System (www.ftrs.gov).
3. Blending Funds and Cash Draws: States have the flexibility to craft single assistance agreements (e.g., loans) that contain multiple types of construction components and activities. These assistance agreements may commit funds from multiple BIL capitalization grants and base program funds. Upon disbursement of funds, these assistance agreements may draw from both BIL and base SRF capitalization grants for eligible project components.
4. Green Project Reserve: If provided for in the annual appropriation, the green project reserve (GPR) is applicable to the BIL capitalization grants for the corresponding fiscal year.
5. Inter-SRF Transfers: Per SRF statute and regulation, states have the flexibility to transfer funds between the CWSRF and DWSRF. Given BIL's requirements, authorities, and narrower SRF eligibilities, states may only transfer funds between the specific BIL appropriations in the equivalent CWSRF or DWSRF program. In other words, transfer of funds may occur between the CWSRF and DWSRF General BIL capitalization grants and between the CWSRF and DWSRF BIL Emerging Contaminants capitalization grants. Because there is no similar CWSRF appropriation to the DWSRF BIL LSLR appropriation, no funds may be transferred from or to the DWSRF BIL LSLR appropriation. States may not transfer BIL appropriations to or from base appropriations.
6. Recycled Funds: To the extent assistance recipients repay BIL funds or provide interest payments to the state SRF program, those repaid funds and interest have the flexibility to be used for any SRF-eligible purpose. For example, repaid DWSRF BIL LSLR funds are not limited to future LSLR projects and activities.
7. Federal Civil Rights Responsibilities, Including Title VI of the Civil Rights Act of 1964 is reviewed by the state to ensure requirements are met and applies to DWSRF and CWSRF programs for both base and BIL funding.

Public Review and Comment

On September 29, 2022, a public hearing notice seeking comments on the proposed addendum to the DWSRF 2022 Intended Use Plan was published in four newspapers of general circulation in different parts of the state. The department maintains a public notice page on its website

<https://danr.sd.gov/public/default.aspx>, and interested parties are able to submit comments through the website. The addendum was made available during the public notice period for review and comment. The department sends out weekly updates to a list of interested parties who have subscribed for updates to the website. Upon posting the public notice on the department's website, the addendum was e-mailed to a list of interested parties that regular receive notice of Board of Water and Natural Resources activities. As part of the required board meeting notice the addendum was also available on the Boards and Commissions portal website <https://boardsandcommissions.sd.gov/Meetings.aspx?BoardID=108>.

January 5, 2023

Item 20

TITLE: Selection of Contactor(s) for Drinking Water State Revolving Fund Program Lead Service Line Inventory

EXPLANATION: The Board approved the release of a “Request for Proposal for Lead Service Line Inventory for the Drinking Water State Revolving Fund Program” at its November 2022 meeting.

The following is a list of activities and estimated timelines relevant to the Lead Service Line Inventory procurement.

- RFP advertisement – November 4, 2022
- Proposals due – December 9, 2022
- Technical Assistance provider selection – January 5, 2023
- Contract execution – January 31, 2023
- Contract period – January 31, 2023 through December 31, 2024

Proposals to provide lead service line inventory services were submitted by:

- Advanced Engineering and Environmental Services, LLC (AE2S)
- Bartlett & West
- HDR Engineering, Inc.
- 120 Water Audit, Inc.

Staff has reviewed the proposals and evaluated each based on the criteria outlined in the Request for Proposals. Staff will provide a recommendation to the board regarding the selection of the lead service line inventory provider(s).

RECOMMENDED ACTION: Select lead service line inventory provider(s) and authorize the Secretary to execute the contract for the Lead Service Line Inventory for the Drinking Water State Revolving Fund Program contract(s) contingent upon the review and approval of contract terms by the Board’s legal counsel.

CONTACT: Andy Bruels, 773-4216

Between

State of South Dakota
Board of Water and Natural Resources
523 E. Capitol Avenue
Pierre, SD 57501-3182

Referred to as Vendor

Referred to as State

The State hereby enters into this agreement (the "Agreement" hereinafter) for services with the Vendor. While performing services hereunder, Vendor is an independent contractor and not an officer, agent, or employee of the State of South Dakota.

A. STANDARD PROVISIONS

1. VENDOR

The Vendor will provide the State with its Vendor Number, Employer Identification Number, Federal Tax Identification Number or Social Security Number upon execution of this Agreement.

2. PERIOD OF PERFORMANCE OF THIS AGREEMENT

This agreement shall be effective on _____ and will end on _____, unless sooner terminated pursuant to the terms hereof. The State in its sole discretion may renew the Agreement under the same terms and conditions for up to one (1) additional three-year period. Notice of intent to renew shall be given by the State to the Vendor in writing prior to a term's expiration as provided in the Agreement. If notice of intent to renew is given, the Agreement shall renew unless terminated by either party pursuant to the Termination Provision of the Agreement.

3. NOTICE

Any notice or other communication required under this Agreement shall be in writing and sent to the address set forth above. Notices shall be given by and to _____ on behalf of the State, and by and to _____, on behalf of the Vendor, or such authorized designees as either party may from time to time designate in writing. Notices or communications to or between the parties shall be deemed to have been delivered when mailed by first class mail, provided that notice of default or termination shall be sent by registered or certified mail, or, if personally delivered, when received by such party.

4. PROVISIONS

The Purpose of this Consultant Contract is to:

- A. Provide technical assistance related to the development, compilation, and presentation of water service line inventories and lead service line replacement plans for water systems subject to the requirements of the Lead and Copper Rule Revisions. Inventory to include, both public and privately owned portions of each service line.

The Vendor agrees to perform the following services:

- A. The Vendor will perform those activities described in the Scope of Work attached hereto as Attachment A and incorporated herein.

The Vendor further agrees, represents, and warrants that:

- A. The Vendor will not use state equipment, supplies or facilities.
- B. Will the State pay Vendor expenses as a separate item?
YES () NO (X)

If YES, expenses submitted will be reimbursed as identified in this Agreement.

- C. The TOTAL CONTRACT AMOUNT will not exceed \$_____.

5. BILLING AND PAYMENT

The State will make payment for services upon satisfactory completion of the services. Vendor agrees to submit an itemized invoice for services within thirty (30) days following the month in which services were provided. Vendor agrees to submit a final itemized invoice within thirty (30) days of the Agreement end date to receive payment for completed services. As used herein, the term "end date" shall include the completion of any services pursuant to the Agreement, any extension period, or early termination of the Agreement. If a final itemized invoice cannot be submitted in thirty (30) days, then a written request for extension of time and explanation must be provided to the State.

Payment will be made consistent with SDCL ch. 5-26, as such, payment will be made within forty-five (45) days of the receipt of an itemized invoice submitted by the Vendor with a signed state voucher. The Vendor acknowledges that it would be difficult or impracticable for the State to provide the notice of disagreement provided for by SDCL 5-26-5 within the ten days provided for by that section. Accordingly, Vendor hereby agrees that the State shall have thirty (30) days to provide the requisite notice of disagreement

6. OVERPAYMENT

All payments to the Vendor by the State are subject to site review and audit as prescribed and carried out by the State. Any overpayment of this Agreement shall be returned to the State within thirty (30) days after written notification to the Vendor

7. LICENSING AND STANDARD COMPLIANCE

The Vendor agrees to comply in full with all laws, regulations, ordinances, guidelines, permits, requirements and other standards applicable to providing services under this Agreement, promulgated by any federal, state, tribal, or local government, and will be solely responsible for obtaining current information regarding the foregoing.

8. TERMINATION

This Agreement may be terminated by either party hereto upon thirty (30) days written notice. In the event the Vendor breaches any of the terms or conditions hereof, this Agreement may be terminated by the State for cause at any time, with or without notice. If termination for such a default is effected by the State, any payments due to Vendor at the time of termination may be adjusted to cover any additional costs to the State because of Vendor's default. Upon termination the State may take over the work and may award another party an agreement to complete the work under this Agreement. If after the State terminates for a default by Vendor it is determined that Vendor was not at fault, then the Vendor shall be paid for eligible services rendered and expenses incurred up to the date of termination. Upon termination of this Agreement in all other circumstances, all accounts and payments shall be processed according to financial arrangements set forth herein for services rendered to date of termination.

In the event this Agreement is to be terminated by the State pursuant to Paragraph 9 (FUNDING), the Agreement may be terminated by the State upon five (5) business days written notice.

9. FUNDING

This Agreement depends upon the continued availability of appropriated funds and expenditure authority from the Legislature for this purpose. If for any reason the Legislature fails to appropriate funds or grant expenditure authority, or funds become unavailable by operation of the law or federal funds reduction, this Agreement will be terminated by the State. Termination for any of these reasons is not a default by the State nor does it give rise to a claim against the State.

10. ASSIGNMENT AND AMENDMENT

This Agreement may not be assigned without the express prior written consent of the State. This Agreement may not be amended except in writing, which writing shall be expressly identified as a part hereof, and be signed by an authorized representative of each of the parties hereto.

11. CONTROLLING LAW

This Agreement shall be governed by and construed in accordance with the laws of the State of South Dakota, without regard to any conflicts of law principles, decisional law, or statutory provision which would require or permit the application of another jurisdiction's substantive law. Venue for any lawsuit pertaining to or affecting this Agreement shall be in the Circuit Court, Sixth Judicial Circuit, Hughes County, South Dakota.

12. SUPERCESSION

All prior discussions, communications and representations concerning the subject matter of this Agreement are superseded by the terms of this Agreement, and except as specifically provided herein, this Agreement constitutes the entire agreement with respect to the subject matter hereof.

13. SEVERABILITY

In the event that any provision of this Agreement shall be held unenforceable or invalid by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision of this Agreement, which shall remain in full force and effect.

14. THIRD PARTY BENEFICIARIES

This Agreement is intended only to govern the rights and interests of the parties named herein. It is not intended to, does not and may not be relied upon to create any rights, substantial or procedural, enforceable at law by any third party in any matters, civil or criminal.

15. SUBCONTRACTORS

The Vendor may not use subcontractors to perform the services described herein without express prior written consent from the State.

The Vendor will include provisions in its subcontracts requiring its subcontractors to comply with the applicable provisions of this Agreement, to indemnify the State, and to provide insurance coverage for the benefit of the State in a manner consistent with this Agreement. The Vendor will cause its subcontractors, agents, and employees to comply with applicable federal, state and local laws, regulations, ordinances, guidelines, permits and requirements and will adopt such review and inspection procedures as are necessary to assure such compliance. The State, at its option, may require the vetting of any subcontractors. The Vendor is required to assist in this process as needed.

16. STATE'S RIGHT TO REJECT

The State reserves the right to reject any person from the Agreement who the State believes would be detrimental to the project, presents insufficient skills, presents inappropriate behavior or is considered by the State to be a security risk.

17. HOLD HARMLESS AND INDEMNIFICATION

The Vendor agrees to hold harmless and indemnify the State of South Dakota, its officers, agents and employees, from and against any and all actions, suits, damages, liability or other proceedings which may arise as the result of performing services hereunder, including reasonable attorney's fees. This section does not require the Vendor to be responsible for or defend against claims or damages arising solely from errors or omissions of the State, its officers, agents or employees. The foregoing indemnification language likewise applies to claims arising from or relating to a third party claim that any of the services or deliverables provided by Vendor to the State under this Agreement infringes that party's U.S. patent, U.S. trademark or copyright or misappropriates that party's trade secret or other intellectual property right; provided that Vendor, in this circumstance, shall not be required to indemnify State and its affiliates for any claims that result from or are related to: (i) the State's or other party's combination, operation, or use of the software in a manner not specifically authorized by Vendor; or (ii) alterations or modifications to the software not performed or authorized by Vendor.

18. INSURANCE

Before beginning work under this Agreement, Vendor shall furnish the State with properly executed Certificates of Insurance which shall clearly evidence all insurance required in this Agreement. The Vendor, at all times during the term of this Agreement, shall obtain and maintain in force insurance coverage of the types and with the limits listed below. In the event of a substantial change in insurance, issuance of a new policy, cancellation or nonrenewal of a policy, the Vendor agrees to provide immediate notice to the State and provide a new certificate of insurance showing continuous coverage in the amounts required. Vendor shall furnish copies of insurance policies if requested by the State.

A. Commercial General Liability Insurance:

Vendor shall maintain occurrence-based commercial general liability insurance or an equivalent form with a limit of not less than \$1,000,000 for each occurrence. If such insurance contains a general aggregate limit, it shall apply separately to this Agreement or be no less than two times the occurrence limit.

B. Business Automobile Liability Insurance:

Vendor shall maintain business automobile liability insurance or an equivalent form with a limit of not less than \$1,000,000 for each accident. Such insurance shall include coverage for owned, hired, and non-owned vehicles.

C. Worker's Compensation Insurance:

Vendor shall procure and maintain Workers' Compensation and employers' liability insurance as required by South Dakota law.

19. CERTIFICATION REGARDING DEBARMENT, SUSPENSION, INELIGIBILITY, AND VOLUNTARY EXCLUSION

By signing this Agreement, Vendor certifies that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by the federal government or any state or local government department or agency. Vendor further agrees that it will immediately notify the State if during the term of this Agreement either it or its principals become subject to debarment, suspension or ineligibility from participating in transactions by the federal government, or by any state or

local government department or agency.

20. REPORTING PROVISION

Vendor agrees to report to the State any event encountered in the course of performance of this Agreement which results in injury to any person or property, or which may otherwise subject Vendor, or the State of South Dakota or its officers, agents or employees to liability. Vendor shall report any such event to the State immediately upon discovery.

Vendor's obligation under this section shall only be to report the occurrence of any event to the State and to make any other report provided for by their duties or applicable law. Vendor's obligation to report shall not require disclosure of any information subject to privilege or confidentiality under law (e.g., attorney-client communications). Reporting to the State under this section shall not excuse or satisfy any obligation of Vendor to report any event to law enforcement or other entities under the requirements of any applicable law.

21. FORCE MAJEURE

Notwithstanding anything in this Agreement to the contrary, neither party shall be liable for any delay or failure to perform under the terms and conditions of this Agreement, if the delay or failure is caused by war, terrorist attacks, riots, civil commotion, fire, flood, earthquake or any act of God, or other causes beyond the party's reasonable control. Provided, however, that in order to be excused from delay or failure to perform, the party must act diligently to remedy the cause of such delay or failure and must give notice to the other party as provided in this Agreement as soon as reasonably possible of the length and cause of the delay in performance.

22. DILIGENCE AND SKILL

- A. In the performance of these services and providing the deliverables under the Agreement, Vendor, and its employees shall exercise the degree of skill and care consistent with customarily accepted practices and procedures for the performance of the type of services required. The Vendor shall be responsible for the professional quality, technical accuracy, timely completion, and coordination of all services and deliverables furnished by the Vendor and any subcontractors, if applicable, under this Agreement.
- B. Vendor represents and warrants that:
 - i. It shall give high priority to the performance of the services; and
 - ii. The services shall be performed in a timely manner.
- C. It shall be the duty of the Vendor to assure that its services and deliverables are technically sound and in conformance with all pertinent technical codes and standards.
- D. The Vendor shall be responsible to the State for material deficiencies in the contracted deliverables and services which result from the failure to meet the standard given herein. Vendor shall promptly correct or revise any material errors or omissions in deliverables and re-perform any services which are not in compliance with such representations and warranties at no cost to the State, provided that Vendor's failure to comply is not related or attributable, in whole or in part, to the actions, errors or omissions of the State.
- E. Permitted or required approval by the State of any services or deliverables furnished by the Vendor shall not in any way relieve the Vendor of its responsibility for the professional quality and technical accuracy and adequacy of its work. The State's review, approval, acceptance, or payment for any of the Vendor's services or deliverables herein shall not be construed to operate as a waiver of any rights under this Agreement or of any cause of action arising out of the performance of this Agreement, and except as provided herein the Vendor shall be and remain liable in

accordance with the terms of this Agreement and applicable law for all damages to the State caused by the Vendor's performance or failure to perform under this Agreement.

F. In the event of a breach of these representations and warranties, the State shall provide telephonic notice to the Vendor. The State may, in its sole discretion, require Vendor to cure such breaches. If it is necessary for Vendor to send at least one qualified and knowledgeable representative to the State's site where the system is located, this will be done at Vendor's sole expense. This representative will continue to address and work to remedy the deficiency, failure, malfunction, defect, or problem at the site. The rights and remedies provided in this paragraph are in addition to any other rights or remedies provided in this Agreement or by law.

23. THIRD PARTY RIGHTS

The Vendor represents and warrants that it has the full power and authority to grant the rights described in this Agreement without violating any rights of any third party, and that there is currently no actual or, to Vendor's knowledge, threatened suit by any such third party based on an alleged violation of such rights by Vendor. The Vendor further represents and warrants that the person executing this Agreement for Vendor has actual authority to bind Vendor to each and every term, condition and obligation to this Agreement, and that all requirements of Vendor have been fulfilled to provide such actual authority.

24. COMPLIANCE WITH EXECUTIVE ORDER 2020-01

Vendor certifies and agrees that by signing this Agreement, that it has not refused to transact business activities, has not terminated business activities, and has not taken other similar actions intended to limit its commercial relations, related to the subject matter of the contract, with a person or entity that is either the State of Israel, or a company doing business in or with Israel or authorized by, licensed by, or organized under the laws of the State of Israel to do business, or doing business in the State of Israel, with the specific intent to accomplish a boycott or divestment of Israel in a discriminatory manner. Vendor understands and agrees that, if this certification is false, such false certification will constitute grounds for the State to terminate this Agreement. Vendor further agrees to provide immediate written notice to the State if during the term of the Agreement it no longer complies with this certification, and agrees such noncompliance may be grounds for contract termination.

B. AUTHORIZED SIGNATURES:

State

Vendor

(Signature)

(Signature)

BY: _____
(Name)

BY: _____
(Name)

(Title)

(Title)

DATE: _____

(Vendor)

DATE: _____

TITLE: Approve an Amended Intercreditor Agreement among Randall Community Water District, US Bank, as Trustee, and the South Dakota Conservancy District.

EXPLANATION: In March of 2021, the board approved an amended intercreditor agreement between the South Dakota Conservancy District, Randall Community Water District and US Bank, as Trustee for a Series 2021 bond issuance. Randall Community Water District used the proceeds to pay off debt with CoBank and Rural Development. This agreement was executed in April of 2021.

Randall Community Water District is preparing to issue Series 2023 Bonds to finance a \$5.8 million dollar project for their water treatment plant in Platte. Randall Community Water District is requesting the Conservancy District agree to amend the current intercreditor agreement with the updated bond issuance. Staff has reviewed the proposed rate increases and increased debt capacity and determined Randall CWD will have the required debt coverage for their SRF loans.

RECOMMENDED

ACTION: Authorize the Chairman to execute the Intercreditor Agreement.

CONTACT: Stephanie Riggle, 773-4907



Randall CWD is going out to the bond market and is requesting parity from the SD Conservancy district on our Bond request issuance of 5.8 million.

Stephanie, the bond request is for 5.8 million dollars on projects. The projects included three new lines out into the Missouri River for our central intake. The old lines were over 45 years old and reached the state of obsolescence.

RCWD is in the process of completing upgrades to our treatment plant at Platte. Improvements to our treatment process will increase our treatment process from 1 million to 4 million gallons per day. I hope you received the coverage schedule I sent last week. On behalf of RCWD, I thank the SD Conservancy District for working with us and wish everyone a very merry Christmas and a wonderful New Year.


Sincerely,

Scott Pick

Scott Pick

General Manager, Randall Water

12-19-2022

605-487-7823 

Rcwd@rcwd.org 

www.rcwd.org 

605-487-7824 