BOARD OF WATER AND NATURAL RESOURCES

November 5, 2026
1:00 p.m. CT
In-Person or On-Line
Matthew Training Center
Joe Foss Building
523 E. Capitol, Pierre, SD

The public may participate in-person, by live audio, or by streaming through a computer or other mobile device. The full board packet and directions for access to the meeting and live streaming can be found on the South Dakota Boards and Commissions Portal at
http://boardsandcommissions.sd.gov/Meetings.aspx?BoardID=108

AGENDA

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

November 5, 2026

1:00 p.m. CT

1. Call meeting to order and roll call
2. Approve Agenda
3. Approve Minutes of September 24, 2026, Board Meeting
4. Public Comment Period
5. ARPA Grant Amendments – Andy Bruels
   a. Department of Agriculture and Natural Resources
   b. Randall Community Water District
   c. Shared Resources
6. Review Interest Rates for the Clean Water State Revolving Fund, Drinking Water State Revolving Fund, Consolidated Water Facilities Construction Program, and Solid Waste Management Program – Tina McFarling
7. 2027 State Water Plan Applications – Andy Bruels

a. Aberdeen- clean water
b. Aberdeen - drinking water
c. Bear Butte Valley Water, Inc. - Elk Creek
d. Bear Butte Valley Water, Inc. - Hereford
e. Black Hawk Sanitary District
f. Bryant - clean water
g. Bryant - drinking water
h. Burke - clean water
j. Burke - drinking water
k. Canton - clean water
l. Canton - drinking water
m. Castlewood
n. Columbia

Notice is given to individuals with disabilities that the meeting is being held in a physically accessible location. Individuals requiring assistive technology or other services in order to participate in the meeting or materials in an alternate format should contact Brian Walsh, Nondiscrimination Coordinator, by calling (605) 773-5559 or by email at Brian.Walsh@state.sd.us as soon as possible but no later than two business days prior to the meeting in order to ensure accommodations are available.

o. Custer- clean water
p. Custer - drinking water
q. Davison Rural Water System
r. Dell Rapids - drainage
s. Dell Rapids - clean water
t. Dell Rapids - drinking water
u. Edgemont
v. Fort Pierre - clean water
w. Fort Pierre - drinking water
x. Golden Hills Homeowner's Association
y. Hartford - 2nd Street - clean water
z. Hartford - Kelly Avenue - clean water
aa. Hartford - 2nd Street - drinking water
bb. Hartford - Kelly Avenue - drinking water
cc. Hill City
dd. Hisega Meadows Water, Inc.
ee. Iroquois
ff. Java - clean water
gg. Java - drinking water
hh. Martin
ii. Mellette
jj. Mitchell - clean water
kk. Mitchell - drinking water
ll. Murdo
mm. North Sioux City
nn. Parker - clean water
oo. Parker - drinking water
pp. Philip
qq. Pine Grove Community Water Association
rr. Pringle
ss. Reliance
tt. Sioux Falls
uu. Sioux Rural Water System
vv. Tyndall - clean water
ww. Tyndall - drinking water
xx. Utica - clean water
yy. Utica - drinking water
zz. Veblen
aaa. White - clean water
bbb. White - drinking water
ccc. White River - clean water
ddd. White River - drinking water
eee. Willow Lake

8. Public Hearing to Adopt Federal Fiscal Year 2027 Clean Water State Revolving Fund Intended Use Plan and Project Priority List – Andy Bruels
9. Public Hearing to Adopt Federal Fiscal Year 2027 Drinking Water State Revolving Fund Intended Use Plan and Project Priority List – Andy Bruels
10. State Water Resources Management System Recommendations – Andy Bruels
11. Omnibus Bill Funding Recommendations – Tina McFarling
12. State Fiscal Year 2026 Investment Review and Update – Jon Peschong
13. 2026 Annual Report and the 2027 State Water Plan – Andy Bruels
14. Howard Request to Deobligate Clean Water SRF Loan C461127-03 – Tina McFarling
15. January 7, 2027, Meeting
16. Adjourn

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Minutes of the
Board of Water and Natural Resources
In-Person or Remote
Matthew Training Center
523 East Capitol
Pierre, SD

September 24, 2026
1:00 p.m. Central Time

CALL MEETING TO ORDER: Chairman Soholt called the meeting to order. The roll was called, and a quorum was present.

The meeting was streaming live on SD.net, a service of South Dakota Public Broadcasting.

BOARD MEMBERS PRESENT: Jerry Soholt, Todd Bernhard, and Gary Drewes participated in person. Cameron Becker, Gene Jones, Jr., Bruce Jennings, and Jackie Lanning participated remotely.

LEGISLATIVE OVERSIGHT COMMITTEE MEMBERS: Representative Nicole Uhre-Balk.

OTHERS: See attached attendance sheet.

APPROVE AGENDA: Motion by Drewes, seconded by Bernhard, to approve the agenda. The motion carried unanimously.

APPROVE MINUTES FROM JUNE 25, 2026, MEETINGS: Motion by Jennings, seconded by Jones, to approve the minutes from the June 25, 2026, Board of Water and Natural Resources meeting. The motion carried unanimously.

PUBLIC COMMENT PERIOD: None.

PUBLIC HEARING TO ADOPT THE FFY 2027 BROWNFIELDS REVITALIZATION AND ECONOMIC DEVELOPMENT PROGRAM WORK PLAN: Chairman Soholt opened the hearing at 1:05 p.m. Central Time.

The purpose of the hearing was to receive public input and adopt the FFY 2027 Brownfields Revitalization and Economic Development Program Work Plan.

Macy Jo Peterson, DANR Inspection, Compliance and Remediation Program, presented and discussed the proposed FFY 2027 Brownfields Revitalization and Economic Development Work Plan.

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The Brownfields Program receives annual funding from the EPA to help communities across South Dakota with assessment and cleanup of properties. These properties may desire expansion or redevelopment but are bound by the presence or potential presence of a hazardous substance, pollutant, or contaminant.

This year, in addition to the regular funding in the amount of $506,800, the department received grants in the amount of $500,000 and an additional $40,000 in Technical Assistance grant funds. DANR will utilize these funds to assess and clean up the Brownfields sites into properties that will provide increased tax resources, an economic boost and/or affordable housing to communities. This is 100 percent federal money and does not require match either from the State or local communities.

The primary purpose of the work plan is to identify Brownfields projects and their allocated funding.

By law, DANR is required to include the public notice in three newspapers 30 days prior to this board hearing. Notice of the public hearing was published in the Black Hills Pioneer (Spearfish), Brookings Register, and Yankton Daily Press & Dakotan. Affidavits of Publication were received for these public notices. The notice was also available on the Department of Agriculture and Natural Resources' website. No comments or concerns were received after publication of the notice.

The board members received a copy of the 2027 Brownfields work plan in the board packet. Ms. Peterson noted that Table 1 on page 4 of the workplan contains a list of the projects and the amounts allocated or spent on those projects.

Chairman Soholt requested public testimony regarding the proposed work plan. There was no public testimony.

There were no questions from the board regarding the work plan.

Ms. Peterson requested approval of the work plan.

Motion by Bernhard, seconded by Drewes, to adopt the FFY 2027 Brownfields Revitalization and Economic Development Program Work Plan. The motion carried unanimously.

Chairman Soholt closed the hearing at 1:15 p.m.

SERIES RESOLUTION AUTHORIZING STATE REVOLVING FUND PROGRAM BONDS, SERIES 2026 CD: Tina McFarling reported that is anticipated that the South Dakota Conservancy District will issue approximately $180,000,000 in State Revolving Fund Program bonds during the week of November 2, 2026. The issue will consist of a taxable Series 2026C, being issued to provide leverage funds for the Drinking Water Program and a taxable Series

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2026D, being issued to provide tax-exempt leverage funds for both the Clean Water and Drinking Water SRF Programs.

Staff recommended that the board approve the Series Resolution authorizing State Revolving Fund Program Bonds, Series 2026CD and the execution and delivery of certain documents.

Bruce Bonjour, Ashurst Perkins Coie, discussed the specifics of the Series Resolution, which provides board approval of the Preliminary Official Statement, the Continuing Disclosure Agreement, Notices of Sale for Series 2026CD, and supporting schedules prepared by the Conservancy District's financial advisor. The Series Resolution authorizes the chair, vice chair and/or secretary of the Conservancy District to file a Coverage Certificate for each program with the Trustee and to do all acts and to execute or accept all documents as may be necessary to carry out and comply with the provisions of the resolution and the documents approved by the resolution. The Series Resolution also allows for such signatures to be accomplished electronically.

Jessica Cameron Mitchell, PFM, discussed the structure of the bond issue and current market conditions.

Motion by Bernhard, seconded by Jennings, to adopt Resolution No. 2026-94 authorizing the State Revolving Fund Program Bonds, Series 2026CD, and authorizing execution and delivery of all necessary documents. The motion carried unanimously.

ANNUAL BOARD REVIEW OF OPEN MEETING LAW REQUIREMENTS: Prior to the meeting the board members were provided with a copy of the brochure "Conducting the Public's Business in Public" revised in 2026 as published on the Attorney General's website https://atg.sd.gov/docs/July%202025OpenMeetingsLaw.pdf.

David McVey, Assistant Attorney General, explained the open meeting laws.

Chairman Soholt acknowledged that the board members completed the required annual review of the open meeting law.

AMENDMENTS TO THE STATE WATER PLAN, 2026 CLEAN WATER STATE REVOLVING FUND AND 2026 DRINKING WATER STATE REVOLVING FUND INTENDED USE PLANS: Water projects which will require state funding or need state support for categorical grant or loan funding need to be on the State Water Plan. The Board of Water and Natural Resources annually approves projects for placement onto State Water Facilities Plan and provides for amendment of projects onto the plan. Placement of a project on the State Water Plan by the board provides no guarantee of funding. The projects placed on the plan at this meeting will remain on the facilities plan through December 2027.

Projects seeking a Clean Water or Drinking Water State Revolving Fund loan must be included on the project priority list of the Intended Use Plan. The State Water Plan applications are used

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to determine which projects should be amended onto the State Revolving Fund Project Priority Lists.

Mr. Bruels presented two State Water Plan applications that were received by the August 1, 2026, deadline from the City of Lennox. As he presented the State Water Plan applications, Mr. Bruels also identified those projects to be placed on the Clean Water SRF and Drinking Water SRF project priority lists.

Project Sponsor	Description	Projected State Funding ($)	Recommendation
Lennox	Central Basin Phase 5 and Other Areas Sanitary and Storm Sewer Improvements	$13,732,060	Place on Facilities Plan
Lennox	Central Basin Phase 5 and Other Areas Drinking Water Improvements	$2,579,826	Place on Facilities Plan

Staff recommended amending the two projects onto the 2026 State Water Facilities Plan.

Motion by Drewes, seconded by Becker, to place the two Lennox projects on the 2026 State Water Facilities Plan. The motion carried unanimously.

Clean Water Intended Use Plan

Staff recommended that the following project be added to the Project Priority list of the 2026 Clean Water SRF Intended Use Plan.

Priority Points	Loan Recipient	Estimated Loan Amount	Expected Loan Rate & Term
11	Lennox	$13,732,060	4.00%, 30 years

Motion by Jennings, seconded by Lanning, to approve the addition of the Lennox sanitary and storm sewer project to the Project Priority List of the 2026 Clean Water SRF Intended Use Plan with the updated interest rates. The motion carried unanimously.

Drinking Water Intended Use Plan

Mr. Bruels stated that the City of Aberdeen previously received a Drinking Water SRF loan to construct a water storage tank and transmissions main. Due to increased project costs, the city submitted a funding application to fully fund this project.

Staff recommended that the following projects be added to the Project Priority List of the 2026 Drinking Water SRF Intended Use Plan.

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Priority Points	Loan Recipient	Estimated Loan Amount	Expected Loan Rate & Term
80	Lennox	$2,579,826	3.75%, 30 years
23	Aberdeen	$2,500,000	3.75%, 20 years

Motion by Lanning, seconded by Bernhard, to approve the addition of the Lennox and Aberdeen drinking water projects to the Project Priority List of the 2026 Drinking Water SRF Intended Use Plan with the updated interest rates. The motion carried unanimously.

ARPA GRANT AMENDMENTS: Mr. Bruels stated that Senate Bill 53 was passed during the 2024 Legislative Session. Section 1 of the bill appropriated an additional $89,384,221 in American Rescue Plan Act (ARPA) funds for water and wastewater infrastructure. These funds were awarded to eligible projects by the Board of Water and Natural Resources in June 2024.

Section 2 of the bill included up to $28,000,000 in additional ARPA fund authority to the board. This was included in case other state agency-funded ARPA efforts were not able to utilize all funding.

In September 2026, DANR was informed by the Bureau of Finance and Management that an additional $1,914,137 in ARPA funds would be transferred to the board to allocate to existing ARPA projects.

Some projects that were originally funded through the $600,000,000 in ARPA funds provided by 2022 Senate Bill 62 have deobligated portions of the funding. In the 2023 Legislative Session Senate Bill 20 was passed to provide the board discretion on the reallocation of those funds. The amount deobligated is currently $746,204.77, bringing the total currently available to re-award to $2,660,341.77.

The group of projects on the agenda were selected by DANR staff. The projects are regional or statewide in impact, will improve systems for current users and future growth and most have higher than average user rates. These projects also all have remaining eligible project costs to incur and utilize the funding to be recommended.

The following priorly funded projects were contacted and submitted requests for additional ARPA grant fund consideration:

Kingbrook Rural Water System: On April 13, 2022, the Kingbrook Rural Water System was awarded a $22,850,000 Drinking Water SRF loan and a $9,900,000 ARPA grant. In June 2024 the ARPA grant was amended to award an additional $4,972,298 in ARPA grant funds, bringing the total ARPA grant to $14,872,298. All prior ARPA grant funds have been fully expended and there remains sufficient eligible costs to draw additional ARPA funds in advance of the December 1, 2026, submission deadline.

This project was to upgrade the Badger pump station, DeSmet water treatment plant, Chester water treatment plant, Oakwood pump station, and the Orland pump station. The project also

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involves construction of an elevated tank near Arlington and booster pump station near Bryant, and relocation and resizing of pipeline segments along Highway 25 north of DeSmet.

Staff recommended awarding an additional $250,000.00 in ARPA grant funds, bringing the total ARPA grant to $15,122,298.00.

Motion by Jennings, seconded by Drewes to adopt **Resolution No. 2026-95** approving the Second Amendment to American Rescue Plan Act Grant Agreement 2022G-ARP-155 to increase the total grant amount to $15,122,298.00 for **Kingbrook Rural Water System**. The motion carried unanimously.

Mid-Dakota Rural Water System: On April 13, 2022, the Mid-Dakota Rural Water System was awarded a $29,467,750 Drinking Water SRF loan, a $2,000,000 Consolidated grant, and a $13,867,250 ARPA grant. In June 2024 and January 2026, the ARPA grant was amended to award an additional $7,748,239.85 in ARPA grant funds, bringing the total ARPA grant to $21,615,489.85. All prior ARPA grant funds have been fully expended and there remains sufficient eligible costs to draw additional ARPA funds in advance of the December 1, 2026, submission deadline.

This project was to update the existing water system by installing an advanced metering infrastructure system for water meters, paralleling of pipe, addition of a new backwash recovery system and additional membrane capacity.

Staff recommended awarding an additional $600,000.00 in ARPA grant funds, bringing the total ARPA grant to $22,215,489.85.

Scott Gross, Mid-Dakota RWS, discussed the project and thanked the board for consideration of funding.

Motion by Bernhard, seconded by Jones, to adopt **Resolution No. 2026-96** approving the Third Amendment to American Rescue Plan Act Grant Agreement 2022G-ARP-165 to increase the total grant amount to $22,215,489.85 for **Mid-Dakota Rural Water System**. The motion carried unanimously.

Randall Community Water District: On June 23, 2022, the Randall Community Water District was awarded a $38,734,175 Drinking Water SRF loan and an $11,256,825 ARPA grant. The project has received two additional Drinking Water SRF loans totaling $50,000,000 which were needed for the full project costs. An additional $5,000,000 request has been submitted for board action later in this meeting.

In June 2024, May 2025, and March 2026 the ARPA grant was amended to award an additional $11,810,890.60, bringing the total ARPA grant to $23,067,715.60. All prior ARPA grant funds have been fully expended and there remains sufficient eligible costs to draw additional ARPA funds in advance of the December 1, 2026, submission deadline.

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This project is to address increasing demand among existing customers as well as supply water to the City of Mitchell. The ARPA funded project will consist of 38 miles of HDPE pipe from a storage facility near Platte to the existing tank near Stickney. The proposed improvements will provide enough capacity to the system to allow Mitchell to connect its redundant water line. Booster stations, storage facilities, and an upgrade to the Platte Water Treatment Plant will be necessary to complete the proposed improvements.

Staff recommended awarding an additional $905,000.00 in ARPA grant funds, bringing the total ARPA grant to $23,972,715.60.

Greg Powell, PinPoint Corporation, on behalf of Randall CWD, discussed the project and thanked the board for consideration of funding.

Motion by Drewes, seconded by Bernhard, to adopt **Resolution No. 2026-97** approving the Fourth Amendment to American Rescue Plan Act Grant Agreement 2022G-ARP-439 to increase the total grant amount to $23,972,715.60 for **Randall Community Water District**. The motion carried unanimously.

Shared Resources, Inc.: On April 13, 2022, Shared Resources was awarded a $69,983,400 Drinking Water SRF loan and a $38,276,600 ARPA grant. In June 2024, May 2025, January 2026 and, June 2026 the ARPA grant was amended to award an additional $12,872,297.07 in ARPA grant funds, bringing the total ARPA grant to $51,148,897.07. All prior ARPA grant funds have been fully expended and there remains sufficient eligible costs to draw additional ARPA funds in advance of the December 1, 2026, submission deadline.

Shared Resources is a joint effort between Minnehaha Community Water Corporation and the Big Sioux Community Water System. The project includes an 8-MGD treatment plant, well field, distribution pipeline, and two storage tanks. Shared Resources will treat and deliver water to both systems. Shared Resources will then distribute water to its existing customer base.

Mr. Bruels noted that this recommendation includes $100,000 more than is known to be available for ARPA funds to award. Staff has worked with legal counsel and the Bureau of Finance and Management to develop this recommendation.

The purpose of awarding more than available is if a project is not able to incur eligible costs by the December 1, 2026, submission deadline in all ARPA grants, then those funds can be moved to Shared Resources to assure maximum use of the state ARPA funds.

DANR is working diligently with the remaining ARPA projects to assure expenditure, and all projects anticipate meeting the deadlines, however staff wanted to be sure a mechanism was in place to address unforeseen circumstances.

Staff recommended awarding an additional $1,005,341.77 in ARPA grant funds, bringing the total ARPA grant to an amount not to exceed $52,154,238.84.

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Motion by Drewes, seconded by Lanning, to adopt **Resolution No. 2026-98** approving the Fifth Amendment to American Rescue Plan Act Grant Agreement 2022G-ARP-192 to increase the total grant amount to $52,154,238.84 for **Shared Resources, Inc**. The motion carried Becker, Bernhard, Drewes, Jennings, Lanning, and Soholt voting aye. Jones abstained.

DRINKING WATER FACILITIES FUNDING APPLICATIONS: Prior to presenting the applications and staff recommendations for funding, Mr. Bruels provided an overview of available funds.

Clay Rural Water System requested funding for improvements to its distribution system which will allow the rural water system to connect to the City of Elk Point's existing water system and supply the city with bulk water. The city's water exceeds recommended levels for manganese. The city's existing water treatment plants and wells are beyond their useful life and in need of replacement.

It has been determined that the most cost-effective and best long-term solution for the city's water needs is a bulk connection to Clay Rural Water System (RWS). This will also remove a long-term costs for operation and maintenance of wells and treatment system by the city and remove the need for future capital improvements to be a cost taken on solely by the residents of Elk Point. The project includes installation of approximately 23 miles of pipeline, a 500,000-gallon storage tank, a booster station, and a master water meter.

The estimated total project amount is $16,505,000, and the amount requested is $16,505,000.

The manganese levels in Elk Point's current water source are above recommended levels. While not a primary drinking water standard it is considered an Emerging Contaminant by EPA. The designation allows the use of the Emerging Contaminants for Small or Disadvantaged Communities grant program. This is a federal grant that is separate from the SRF program but was also passed as part of the overall IIJA funding programs.

South Dakota has previously awarded one other grant from this source, and authority for the use of funds was included in the 2025 Omnibus bill to allow eligible projects to be awarded these dollars. The funds are to be provided as 100 percent grant and must be provided to small or disadvantaged communities. The City of Elk Point qualifies for these funds based on its population size and Median Household Income. While funding is being provided to Clay RWS, the project is eligible for these funds as it is primarily to serve Elk Point. DANR staff has discussed this with EPA to assure allowability as well.

Staff recommended awarding a $16,505,000 Drinking Water grant from the Emerging Contaminants for Small or Disadvantaged Communities federal grant program.

Rates are $87.10 for 7,000 gallons for Clay RWS rural users. Rates are $39.89 for 5,000 gallons for Elk Point users.

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Since the funding is to be provided as 100 percent grant there is no financial impact to Clay RWS. Elk Point users will see some additional costs associated with connection to Clay RWS for the purchase of water. Based on the rates Clay RWS will charge Elk Point, a 5,000-gallon user would see a $23.25 per month increase. There will be savings to the City of Elk Point for reduced operation and maintenance. In total, Elk Point user rates are anticipated to be $57.84 prior to any debt awarded in an application for necessary city-owned improvements. That application was presented to the Board later in the meeting. This is significantly less than if Elk Point were to replace its existing systems.

Staff recommended the grant being contingent upon DANR receipt of the Emerging Contaminants for Small or Disadvantaged Communities grants from EPA.

Steve Mullenburg, Manager, Clay RWS, discussed the project and thanked the board for consideration of funding.

Motion by Lanning, seconded by Bernhard, to adopt **Resolution No. 2026-99** approving the Emerging Contaminants in Small of Disadvantaged Communities Sub-Recipient Agreement (2027G-EC-300) to **Clay Rural Water System**, **Inc.** for all approved project costs not to exceed $16,505,000 for connection to the City of Elk Point. The motion carried with Becker, Bernhard, Drewes, Jennings, Lanning, and Soholt voting aye. Jones abstained.

Milbank requested funding for improvements to its drinking water treatment system, which currently exceeds EPA secondary treatment standards. The city plans to install package filters and an aeration unit to reduce iron and manganese levels, with future plans to address water hardness.

The estimated total project amount is $10,000,000, and the amount requested is $10,000,000.

Staff recommended awarding a $10,000,000 Drinking Water SRF loan at 3.75 percent interest for 20 years.

The city pledged a project surcharge for repayment of the loan.

Rates in Milbank are $42.58 for 5,000 gallons. Milbank has an existing SRF loan that will be fully repaid prior to this loan beginning repayments. Additionally, a second SRF loan currently being used for some improvements will not be fully utilized. With the reductions in debt service from these two loans, some additional funds in the existing rate structure will become available for repayment toward this loan. Milbank also has a large user with Valley Queen Cheese accounting for a significant amount of water use and revenue. To properly account for this Milbank has informed staff they intend to structure the surcharge to have both flat rate and usage-rate components that will more equitably distribute the system costs across all users.

Staff analysis indicates that to provide the required 110 percent debt coverage the annual surcharge must generate $784,257.00. Based on total water usage and necessary revenues, total residential rates will need to be $45.50. Staff anticipates the surcharge for this loan would be

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$5.90 for a 5,000-gallon per month residential user. Milbank plans to complete a detailed rate study in the coming months, and staff estimates may be different than the final rates to be implemented by the city.

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

Motion by Jones, seconded by Lanning, to adopt **Resolution No. 2026-100** approving a Drinking Water State Revolving Fund loan up to a maximum committed amount of $10,000,000 at 3.75 percent interest for 20 years to the **City of Milbank** for the construction of a 2.0 MGD water treatment plant, and authorizing the execution of the loan agreement, the acceptance of the Local Obligation, the assignment of the Local Obligation to the Trustee, and the execution and delivery of such other documents and the performance of all acts necessary to effectuate the loan approved in accordance with all terms as set forth in the Indenture of Trust, contingent upon the borrower adopting a bond resolution and the resolution becoming effective and contingent upon the borrower establishing a surcharge at a level sufficient to provide the required debt coverage. The motion carried unanimously.

Elk Point requested funding for improvements to its water system to enable it to receive water from Clay Rural Water System. Elk Point's current water source has manganese above recommended levels. The current treatment plant and wells are in need of a complete replacement or a new water source.

It has been determined that the most cost effective and best long-term solution for the city's water needs is a bulk connection to Clay RWS. This project includes the installation of 1,400 of 12-inch watermain between the new Clay RWS storage tank and the city's existing distribution system.

The estimated total project amount is $730,000, and the amount requested is $730,000.

Staff recommended awarding a $730,000 Drinking Water SRF loan at 3.75 percent interest for 30 years.

Elk Point pledged a project surcharge for repayment of the loan.

Rates in Elk Point are $39.89 for 5,000 gallons. Staff analysis indicates a surcharge of $3.95 is needed for repayment of the loan. Staff has reviewed the city's existing rates and structure and the city's anticipated costs from transitioning to bulk water. Staff analysis indicates that the rate anticipated in total would be $61.80 per 5,000 gallons. This will also serve to remove the city's need to operate, maintain, and perform capital improvements for a water treatment plant and wells.

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

Motion by Lanning, seconded by Jennings, to adopt **Resolution No. 2026-101** approving a Drinking Water State Revolving Fund loan up to a maximum committed amount of $730,000 at 3.75 percent interest for 30 years to the **City of Elk Point** for connection to Clay Rural Water System, and authorizing the execution of the loan agreement, the acceptance of the Local Obligation, the assignment of the Local Obligation to the Trustee, and the execution and delivery of such other documents and the performance of all acts necessary to effectuate the loan approved in accordance with all terms as set forth in the Indenture of Trust, contingent upon the borrower adopting a bond resolution and the resolution becoming effective and contingent upon the borrower establishing a surcharge at a level sufficient to provide the required debt coverage. The motion carried unanimously.

Randall Community Water District: In June 2022, the Randall Community Water District (CWD) was awarded a $38,734,175 Drinking Water SRF loan and an $11,256,825 ARPA grant.

In September 2022 and June 2025, two Drinking Water SRF loans were awarded totaling $50,000,000 to provide additional funds for the project.

In June 2024, May 2025, March 2026, and earlier during today's board meeting the ARPA grant was amended to award additional ARPA grant funds, bringing the total ARPA grant to $23,972,715.60. Total project funding to date is $111,801,890.60.

This project is to address increasing demand among existing customers as well as supply water to the City of Mitchell. The project will consist of 38 miles of HDPE pipe from a storage facility near Platte to the existing tank near Stickney. The proposed improvements will provide enough capacity to the system to allow Mitchell to connect its redundant water line. Booster stations, storage facilities, and an upgrade to the Platte Water Treatment Plant will be necessary to complete the proposed improvements.

The project has been fully bid, and costs have exceeded the currently awarded funding. To allow upsizing of pipe to better serve future capacity, Randall is requesting additional funds.

The estimated total project amount is $116,156,550, and the amount requested is $5,000,000

Randall CWD would not qualify as a disadvantaged community system for a reduced interest rate due to its user rates being less than the minimum. The board's Drinking Water SRF loans though allow for the disadvantaged rate to be provided if a primary beneficiary to be served by the overall project qualifies as a disadvantaged community. The City of Mitchell is the main beneficiary of the overall project and meets the criteria for disadvantaged community status by rule. Therefore, the recommendation from staff includes providing the qualifying disadvantaged interest rate for the loan to Randall CWD.

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Staff recommended awarding a $5,000,000 Drinking Water SRF loan at 3.75 percent interest for 30 years.

Randall CWD pledged system revenues for repayment of the loan. Rates are $65.10 for 7,000 gallons for rural household users. City of Mitchell users' rates are anticipated to be $85.33 in 2027, which exceeds the $45 minimum rate qualification.

Staff analysis indicates that system revenues for Randall CWD, based on projected 2028 rates and revenues from their customers and bulk water sales to Mitchell and other entities, will be 128 percent, which is above the required 110% debt coverage requirement. Randall CWD rural household customers, based on proposed rate increases, will have rates of $74.00 per 7,000 gallons.

Staff recommended the loan being contingent upon the borrower adopting a bond resolution and the resolution becoming effective, contingent upon the borrower establishing rates at a level sufficient to provide the required debt coverage, and contingent upon an Intercreditor Agreement being approved and executed by Cobank, Randall Community Water District and the District.

Greg Powell with Pinpoint Corporation and representing Randall Community Water District discussed the project and thanked the board for consideration of funding.

Motion by Bernhard, seconded by Becker, to adopt **Resolution No. 2026-102** approving a Drinking Water State Revolving Fund loan up to a maximum committed amount of $5,000,000 at 3.75 percent interest for 30 years to **Randall Community Water District** for a regional waterline upgrade to connect to the City of Mitchell, and authorizing the execution of the loan agreement, the acceptance of the Local Obligation, the assignment of the Local Obligation to the Trustee, and the execution and delivery of such other documents and the performance of all acts necessary to effectuate the loan approved in accordance with all terms as set forth in the Indenture of Trust, contingent upon the borrower adopting a bond resolution and the resolution becoming effective, contingent upon the borrower establishing rates at a level sufficient to provide the required debt coverage, and contingent upon an Intercreditor Agreement being approved and executed by Cobank, Randall Community Water District and the Conservancy District. A roll call vote was taken, and the motion carried unanimously.

Webster requested funding for a water meter replacement project. The existing water meter system is beyond its useful life and in need of replacement of the meters and updated software. Webster is planning to install a tower based remote read system to make reading the new water meters more efficient and is replacing all 1,075 meters in the city along with upgrading the software system.

The estimated total project amount is $908,000, and the amount requested is $908,000.

Staff recommended awarding a $908,000 Drinking Water SRF loan at 2.50 percent interest for 10 years, with 80.0% as principal forgiveness, not to exceed $726,000.

DRAFT

The city pledged a project surcharge for repayment of the loan.

Rates in Webster are $77.30 for 5,000 gallons. Staff analysis indicates that a surcharge of $1.70 is needed for repayment of the $182,000 net loan. Current drinking water revenues do not provide sufficient debt coverage for Drinking Water Loans DW-03 & DW-04. An increase of $6.70 to the current rates would be needed to meet the required debt coverage, which would bring overall rates to $85.70.

Staff recommended the loan being contingent upon the borrower adopting a bond resolution and the resolution becoming effective, contingent upon the borrower establishing a surcharge at a level sufficient to provide the required debt coverage, and contingent upon the borrower raising its rates sufficiently to provide the required debt coverage for Drinking Water Loans C462054-03 & C462054-04.

The finance officer for the City of Webster discussed the project and thanked the board for consideration of funding.

Motion by Drewes, seconded by Jones, to adopt **Resolution No. 2026-103** approving a Drinking Water State Revolving Fund loan up to a maximum committed amount of $908,000 at 2.50 percent interest for 10 years, with 80.0 percent as principal forgiveness not to exceed $726,000 to the **City of Webster** for a water meter replacement project, and authorizing the execution of the loan agreement, the acceptance of the Local Obligation, the assignment of the Local Obligation to the Trustee, and the execution and delivery of such other documents and the performance of all acts necessary to effectuate the loan approved in accordance with all terms as set forth in the Indenture of Trust, contingent upon the borrower adopting a bond resolution and the resolution becoming effective, contingent upon the borrower establishing a surcharge at a level sufficient to provide the required debt coverage, and contingent upon the borrower raising its rates sufficiently to provide the required debt coverage for Drinking Water Loans C462054-03 & C462054-04. The motion carried unanimously.

Aberdeen requested funding to construct a 1,500,000-gallon elevated water storage tower and 16-inch transmission lines. The tower is being installed in the northeast part of Aberdeen to supply additional water to existing users.

In March 2024 a $10,000,000 Drinking Water SRF loan was awarded to Aberdeen. The city has also received a $2,000,000 federal Economic Development Authority grant. Bids have been opened for the full project and there is a $2,500,000 shortfall in available funds.

The estimated total project amount is $14,500,000, and the amount requested is $2,500,000.

Staff recommended awarding a $2,500,000 Drinking Water SRF loan at 3.75 percent interest for 20 years.

Aberdeen pledged a project surcharge for repayment of the loan.

DRAFT

Rates are $48.25 for 5,000 gallons. Staff analysis indicates a surcharge of $1.75 is needed for the loan, bringing total rates to $50.00.

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

The city engineer for Aberdeen discussed the project and thanked the board for consideration of funding.

Motion by Bernhard, seconded by Drewes, to adopt **Resolution No. 2026-104** approving a Drinking Water State Revolving Fund loan up to a maximum committed amount of $2,500,000 at 3.75 percent interest for 20 years to the **City of Aberdeen** for a water tower and transmission line project, and authorizing the execution of the loan agreement, the acceptance of the Local Obligation, the assignment of the Local Obligation to the Trustee, and the execution and delivery of such other documents and the performance of all acts necessary to effectuate the loan approved in accordance with all terms as set forth in the Indenture of Trust, contingent upon the borrower adopting a bond resolution and the resolution becoming effective and contingent upon the borrower establishing a surcharge at a level sufficient to provide the required debt coverage. The motion carried unanimously.

SOLID WASTE MANAGEMENT FUNDING APPLICATIONS: Mr. Bruels provided an overview of available funding. He then presented the Solid Waste Management funding application and staff recommendation.

Northwest South Dakota Regional Landfill requested funding to replace machinery and equipment that has reached the end of its useful life. The landfill intends to purchase a bulldozer, a roll-off trailer, and ten garbage roll-off dumpsters.

The estimated total project amount is $631,000, and the amount requested is $631,000.

Staff recommended awarding a $502,000 Solid Waste Management Program loan at 3.50 percent interest for 10 years and a Solid Waste Management Program grant at 20.5 percent of approved total project costs not to exceed $129,000.

Northwest SD Regional Landfill is pledging landfill revenues for repayment of the loan.

Rates are $42.00 per ton for regional service customers. Based on an existing loan being fully paid prior to the recommended loan entering repayment, staff anticipates coverage will be above the required 100 percent debt coverage requirement for Solid Waste Management Program loan.

Staff recommended the loan being contingent upon the borrower adopting a resolution approving the form of the loan agreement, the promissory note, and the pledge of revenues for repayment of the loan and contingent upon the borrower approving a security agreement and mortgage.

DRAFT

Motion by Jones, seconded by Jennings, to adopt **Resolution No. 2026-105** approving a Solid Waste Management Program loan up to a maximum committed amount of $502,000 at 3.50 percent interest for 10 years to **Northwest South Dakota Regional Landfill** for the purchase of a bulldozer, a roll-off trailer, and ten garbage roll-off dumpsters contingent upon the borrower adopting a resolution approving the form of the loan agreement, the promissory note, and the pledge of revenues for repayment of the loan and contingent upon the borrower approving a security agreement and mortgage; and to adopt **Resolution No. 2026-106** approving a South Dakota Solid Waste Management Program grant agreement to **Northwest South Dakota Regional Landfill** for up to 20.5 percent of approved project costs not to exceed $129,000 for a for the purchase of a bulldozer, a roll-off trailer, and ten garbage roll-off dumpsters. The motion carried unanimously.

HERMOSA REQUEST TO DEOBLIGATE DRINKING WATER SRF LOAN C462278-03: Ms. McFarling stated that on June 23, 2022, the Board of Water and Natural Resources awarded a $2,861,956 Drinking Water SRF loan to Hermosa for its drinking water source project.

On September 10, 2026, DANR received a letter from the Town of Hermosa requesting to deobligate the Drinking Water SRF loan. The town stated that the residents of Hermosa referred the bond resolution for this loan to a public vote, and the measure failed to pass during the June 2, 2026, election.

Staff recommended that the Board rescind Resolution No. 2022-310, which awarded the Drinking Water SRF Loan to Hermosa.

Motion by Drewes, seconded by Lanning, to rescind Resolution No. 2022-310, which awarded Drinking Water SRF Loan C462278-03 to Hermosa. The motion carried unanimously.

NORTHVILLE REQUEST TO DEOBLIGATE DRINKING WATER SRF LOAN C462371-03: Ms. McFarling reported that on June 27, 2024, the Board awarded a $125,000 SRF loan to Northville for its Phase II Water Project

On August 11, 2026, DANR received a letter from Northville requesting to deobligate the Drinking Water SRF loan. The letter stated that Northville has enough funds available to complete the project without the loan.

Staff recommended that the board rescind Resolution No. 2024-123, which awarded the Drinking Water SRF loan to Northville.

Motion by Bernhard, seconded by Jennings, to rescind Resolution No. 2024-123, which awarded the Drinking Water SRF loan C462371-03 to Northville. The motion carried unanimously.

ROBERTS COUNTY REQUEST TO DEOBLIGATE SOLID WASTE MANAGEMENT PROGRAM GRANT 2026G-SW-106: Ms. McFarling stated that on March 27, 2025, the Board awarded a $68,000 Solid Waste Management Program Grant to Roberts County for its landfill loader purchase.

DRAFT

On August 18, 2026, DANR received a letter from Roberts County requesting to deobligate the Solid Waste Management Program grant.

Staff recommended that the board rescind Resolution No. 2025-61, which awarded the grant for this project.

Motion by Jones, seconded by Drewes, to rescind Resolution No. 2025-61, which awarded Solid Waste Management Program Grant 2026G-SW-106 to Roberts County. The motion carried unanimously.

STATE FISCAL YEAR 2026 STATE REVOLVING FUNDS REPORT TO THE INTERIM BONDING REVIEW COMMITTEE: Ms. McFarling stated that the South Dakota Conservancy District is required to present an annual report to the Legislature's Interim Bonding Review Committee at its November 2026 meeting.

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

In SFY 2026 the Board of Water and Natural Resources awarded 19 Drinking Water SRF totaling $57,840,000. The Board awarded 32 Clean Water SRF loans totaling $201,770,400. This leads to a total of 51 loans and total awards of $259,610,400.

As of June 30, 2026, there were 13 outstanding bond series with an overall principal balance of $923,395,000.

The SFY 2026 report includes the March 17, 2026, bond issuance for the 2026AB Bond Issue. For the 2026A Series, the Conservancy District received eight bidders with Hilltop Securities being the winning bidder. The par amount was $8,720,000 and an all in true interest cost of 3.9809%. This provided $1,500,000 in state match funds for the Clean Water SRF and $7,500,000 in state match funds for the Drinking Water SRF.

For the 2026B Series, the Conservancy District received six bidders with Truist Securities being the winning bidder. The par amount was $186,585,000 and a true interest rate of 4.4641%. The series provided $125,000,000 of leveraged funds for the Drinking Water SRF program and $75,000,000 of leverage funds for the Clean Water SRF Program.

Staff recommended the board approve the SFY 2026 State Revolving Funds Report to the Interim Bonding Review Committee and authorize distribution of the report.

Motion by Drewes, seconded by Bernhard, to approve the State Fiscal Year 2026 State Revolving Funds Report to the Interim Bonding Review Committee and authorize distribution of the report. The motion carried unanimously.

DRAFT

ELECTION OF OFFICERS: Motion by Lanning, seconded by Drewes, to nominate Jerry Soholt as chairman, Gene Jones, Jr. as vice chairman, and Todd Bernhard as secretary, to cease nominations, and to cast a unanimous vote for the slate of officers. The motion carried unanimously.

NOVEMBER 5, 2026, MEETING: Ms. McFarling discussed possible agenda items for the November 5, 2026, board meeting.

ADJOURN: Motion by Drewes, seconded by Lanning, to adjourn the meeting. The motion carried unanimously.

Approved November 5, 2026.

(SEAL)

_____
Chairman, Board of Water and Natural Resources

ATTEST:

_____
Secretary, Board of Water and Natural Resources

DRAFT

BOARD OF WATER AND NATURAL RESOURCES
ATTENDANCE SHEET

DATE 9-24-26 LOCATION Matthew Training Center, Pierre

Name *(PLEASE PRINT)*	Address	Representing
Scott Gross	608 W 14th Miller SD	Mid Dakota Rural Water
Suzanne McKinley	Rapid City	DANR
Andy Bruels	Pierre	DANR
Greg Powell	Chamberlain	Randall Water
Jerry Soholt	Sioux Falls	Board of Water
Tina McFarling	Pierre	DANR
Leander Austin	Pierre	DANR
MacyJo Peterson	Pierre	DANR
TODD BERNHARD	FORT PIERRE	BWNR
Gary Drewes	Rapid City	BWNR
Jon Peschong	Pierre	DANR
Adarsh Nair	Pierre	DANR
Sam Sojka	Pierre	DANR

November 5, 2026
Item 5

TITLE: Amendments to Prior ARPA Funded Projects

EXPLANATION: Senate Bill 53 was passed during the 2024 Legislative Session. Section 1 appropriated an additional $89,384,221 of American Rescue Plan Act (ARPA) funds for water and wastewater infrastructure. These funds were awarded to eligible projects by the Board of Water and Natural Resources in June 2024. Section 2 of the bill included up to $28 million of additional ARPA fund authority to the board. This was included in case other state agency funded ARPA efforts were not able to utilize all funding. In September 2026, DANR was informed by the Bureau of Finance and Management that additional ARPA funds would be transferred to the board to allocate to existing ARPA projects.

Additionally, some projects originally funded through the $600 million of ARPA funds provided by 2022 Senate Bill 62 have deobligated portions of the funding. In the 2023 Legislative Session Senate Bill 20 was passed to provide the board discretion on the reallocation of those funds.

The projects below were selected by DANR staff. These projects have remaining eligible project costs to incur and utilize the funding to be recommended. The following prior funded projects were contacted and submitted requests for additional ARPA grant fund consideration:

a) Department of Agriculture and Natural Resources
b) Randall Community Water District
c) Shared Resources

COMPLETE APPLICATIONS: The letters requesting additional ARPA grant fund consideration have been provided as part of the board packet.

CONTACT: Andy Bruels, (605) 773-4216.

DEPARTMENT of AGRICULTURE and NATURAL RESOURCES
JOE FOSS BUILDING
523 E CAPITOL AVE
PIERRE SD 57501-3182
danr.sd.gov

October 23, 2026

Mr. Jerry Soholt, Chair
Board of Water and Natural Resources
Joe Foss Building
523 E Capitol Ave
Pierre, SD 57501

RE: ARPA Grant #2022G-ARP-134

Dear Mr. Soholt:

On April 13, 2022, the Department of Agriculture and Natural Resources (DANR) was awarded a $1,000,000 ARPA grant (Grant #2022G-ARP-134) to support the Riparian Buffer Initiative. Due to strong landowner participation and growing interest in the program, the Board of Water and Natural Resources approved two amendments increasing the total funding to $7,000,000.

Based on continued demand, DANR respectfully requests an additional $3,500,000 in ARPA grant funds to further expand the initiative. The project provides payments to landowners to implement buffer strips and other nonpoint-source best management practices (BMPs) along properties bordering waterbodies. These practices enhance natural filtration, improving water quality within the watershed.

The Riparian Buffer Initiative aligns closely with the Board of Water and Natural Resources' ARPA funding priorities and represents an excellent use of available resources. DANR believes this request is a timely and impactful investment in protecting and preserving South Dakota's water resources.

We appreciate your consideration and your continued support of the Riparian Buffer Initiative.

Sincerely,

Hunter Roberts
Secretary

October 12, 2026

Mr. Jerry Soholt, Chair
Board of Water and Natural Resources
Joe Foss Building
523 E Capitol Ave
Pierre, SD 57501

RE: ARPA Grant #2022G-ARP-439

Dear Mr. Soholt:

Randall Community Water District has been awarded $23,972,715.60 in ARPA grant funds. Thank you for your consideration of the Connecting Neighbors Project that will provide additional water to Aurora-Brule Rural Water, Davison Rural Water, and the City of Mitchell.

It is my understanding that some additional ARPA funds have become available for reallocation and will be awarded by the Board of Water and Natural Resources to eligible projects. It is also my understanding that projects that received a previous ARPA grant, that provide service to a regional area and that have eligible costs remaining for reimbursement can request consideration for these funds.

We have been notified by the Department of Agriculture and Natural Resources that Randall Community Water District would be considered for up to $2,000,000 in ARPA additional grant funds. Randall Community Water District is formally requesting consideration by the Board of Water and Natural Resources for these additional funds to be awarded.

Enclosed to support this request is a revised resolution authorizing the request for the additional funding.

Sincerely,

Dave Meyerink
Chairman

cc:Pinpoint Corp.

RESOLUTION NO. 2026-1012

A RESOLUTION AUTHORIZING DAVE MEYERINK, CHAIRMAN TO ENTER INTO AN AGREEMENT FOR FINANCIAL ASSISTANCE BETWEEN THE RANDALL COMMUNITY WATER DISTRICT AND SOUTH DAKOTA DEPARTMENT OF AGRICULTURE AND NATURAL RESOURCES.

WHEREAS, Randall Community Water District is constructing the Connecting Neighbors Project which will provide additional water to Aurora-Brule RWS, Davison RWS and a secondary source for the City of Mitchell (the "Project"); and

WHEREAS, Randall Community Water District has sought and continues to seek financial assistance to complete the project and an application for financial assistance to the South Dakota Board of Water and Natural Resources (the "Board") was prepared; and

WHEREAS, Randall Community Water District submitted a funding application for the Project to the Board; and

WHEREAS, the American Rescue Plan Act (ARPA) Grant Agreement allows for an additional grant allocations; and

WHEREAS, Randall Community Water District is requesting consideration up to an additional $2,000,000 in ARPA funding; and

WHEREAS, the Randall Community Water District has received $23,972,715.60 in ARPA funds.

NOW, THEREFORE, BE IT RESOLVED BY RANDALL COMMUNITY WATER DISTRICT:

1. That Randall Community Water District is hereby authorizing a request for consideration by the Board for up to $2,000,000 of additional ARPA grant funds to be provided for this project.
2. That Randall Community Water District is hereby authorized to execute the applications and submit it to the South Dakota Board of Water and Natural Resources and to execute and deliver such other documents and perform all acts necessary to effectuate the application for financial assistance.
3. That Dave Meyerink, Chairman, is hereby designated as the authorized representative of Randall Community Water District to do all things on its behalf to certify and sign payment requests in the event financial assistance is awarded for the Project.

Date adopted: October 12, 2026.

Authorized Signatory

ATTEST:

Name and Title

September 10, 2026

Mr. Jerry Soholt, Chair
Board of Water and Natural Resources
Joe Foss Building
523 E Capitol Ave
Pierre, SD 57501

RE: ARPA Grant #2022G-ARP-439

Dear Mr. Soholt:

Randall Community Water District has been awarded $23,067,715.60 in ARPA grant funds. Thank you for your consideration of the Connecting Neighbors Project that will provide additional water to Aurora-Brule Rural Water, Davison Rural Water, and the City of Mitchell.

It is my understanding that some additional ARPA funds have become available for reallocation and will be awarded by the Board of Water and Natural Resources to eligible projects. It is also my understanding that projects that received a previous ARPA grant, that provide service to a regional area and that have eligible costs remaining for reimbursement can request consideration for these funds.

We have been notified by the Department of Agriculture and Natural Resources that Randall Community Water District would be considered for up to $1,250,000 in ARPA additional grant funds. Randall Community Water District is formally requesting consideration by the Board of Water and Natural Resources for these additional funds to be awarded.

Enclosed to support this request is a revised resolution authorizing the request for the additional funding.

Sincerely,

Scott Pick
General Manager

cc:Pinpoint Corp.

RESOLUTION NO. 2026-10

A RESOLUTION AUTHORIZING DAVE MEYERINK, CHAIRMAN TO ENTER INTO AN AGREEMENT FOR FINANCIAL ASSISTANCE BETWEEN THE RANDALL COMMUNITY WATER DISTRICT AND SOUTH DAKOTA DEPARTMENT OF AGRICULTURE AND NATURAL RESOURCES.

WHEREAS, Randall Community Water District is constructing the Connecting Neighbors Project which will provide additional water to Aurora-Brule RWS, Davison RWS and a secondary source for the City of Mitchell (the "Project"); and

WHEREAS, Randall Community Water District has sought and continues to seek financial assistance to complete the project and an application for financial assistance to the South Dakota Board of Water and Natural Resources (the "Board") was prepared; and

WHEREAS, Randall Community Water District submitted a funding application for the Project to the Board; and

WHEREAS, the American Rescue Plan Act (ARPA) Grant Agreement allows for an additional grant allocations; and

WHEREAS, Randall Community Water District is requesting consideration up to an additional $1,250,000 in ARPA funding; and

WHEREAS, the Randall Community Water District has received $23,067,715.60 in ARPA funds.

NOW, THEREFORE, BE IT RESOLVED BY RANDALL COMMUNITY WATER DISTRICT:

1. That Randall Community Water District is hereby authorizing a request for consideration by the Board for up to $1,250,000 of additional ARPA grant funds to be provided for this project.
2. That Randall Community Water District is hereby authorized to execute the applications and submit it to the South Dakota Board of Water and Natural Resources and to execute and deliver such other documents and perform all acts necessary to effectuate the application for financial assistance.
3. That Dave Meyerink, Chairman, is hereby designated as the authorized representative of Randall Community Water District to do all things on its behalf to certify and sign payment requests in the event financial assistance is awarded for the Project.

Date adopted: September 10, 2026.

Authorized Signatory

ATTEST:

Name and Title

SHARED RESOURCES

47381 248th St, Dell Rapids, SD 57022
605-910-5870 605-910-5879
sharedresourcessd@outlook.com

October 7, 2026

Mr. Jerry Soholt, Chair
Board of Water and Natural Resources
Joe Foss Building
523 E Capitol Ave
Pierre, SD 57501

RE: ARPA Grant #2022G-ARP-192

Dear Mr. Soholt:

On 4/13/2022 Shared Resources, Inc. was awarded a $38,276,000 ARPA grant #2022G-ARP-192.

With the 2026 deadline for spending ARPA funds approaching, unused funds are being returned to the State of South Dakota. It is my understanding that these funds will be redistributed by the Board of Water and Natural Resources to selected projects.

We have been notified by the Department of Agriculture and Natural Resource that Shared Resources, Inc. would be considered for up to $2,000,000 in ARPA additional grant funds. Shared Resources, Inc is formally requesting consideration by the Board of Water and Natural Resources for these additional funds.

Enclosed to support this request is a revised resolution authorizing the request for additional funding.

Sincerely,

Lloyd A Rave

Lloyd A Rave
President

cc: Mason Weidenbach, First District Association of Local Governments
Joe Munson, Banner Associates

SHARED RESOURCES
RESOLUTION NO. 2026-02

A RESOLUTION AUTHORIZING THE BOARD PRESIDENT TO ENTER INTO AN AGREEMENT FOR FINANCIAL ASSISTANCE BETWEEN SHARED RESOURCES AND SOUTH DAKOTA DEPARTMENT OF AGRICULTURE AND NATURAL RESOURCES.

WHEREAS, Shared Resources has determined it is necessary to proceed with WATER TREATMENT PLANT, STORAGE, AND DISTRIBUTION (the "Project"); and

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

WHEREAS, Shared Resources submitted a funding application for the Project to the Board; and

WHEREAS, the American Rescue Plan Act (ARPA) Grant Agreement allows for additional grant allocations; and

WHEREAS, Shared Resources is requesting consideration up to an additional $200,000,000; and

WHEREAS, Shared Resources received $52,154,148 ARPA funds.

NOW, THEREFORE, BE IT RESOLVED BY SHARED RESOURCES:

1. That Shared Resources is hereby authorizing a request for consideration by the Board for up to $2,000,000 of additional ARPA grant funds to be provided for this project.
2. That Shared Resources is hereby authorized to execute the applications and submit it to the South Dakota Board of Water and Natural Resources and to execute and deliver such other documents and perform all acts necessary to effectuate the application for financial assistance.
3. That the Board President is hereby designated as the authorized representative of Shared Resources to do all things on its behalf to certify and sign payment requests in the event financial assistance is awarded for the Project.

Date adopted: October 8, 2026.

Lloyd A Rone
Authorized Signatory

ATTEST:
Dusty Burns Ex. Dir/MCWC
Name and Title

SHARED RESOURCES
47381 248th St, Dell Rapids, SD 57022
605-910-5870 605-910-5879
sharedresourcessd@outlook.com

September 4, 2026

Mr. Jerry Soholt, Chair
Board of Water and Natural Resources
Joe Foss Building
523 E Capitol Ave
Pierre, SD 57501

RE: ARPA Grant #2022G-ARP-192

Dear Mr. Soholt:

On 4/13/2022 Shared Resources, Inc. was awarded a $38,276,000 ARPA grant #2022G-ARP-192.

With the 2026 deadline for spending ARPA funds approaching, unused funds are being returned to the State of South Dakota. It is my understanding that these funds will be redistributed by the Board of Water and Natural Resources to selected projects.

We have been notified by the Department of Agriculture and Natural Resource that Shared Resources, Inc. would be considered for up to $1,250,000 in ARPA additional grant funds. Shared Resources, Inc is formally requesting consideration by the Board of Water and Natural Resources for these additional funds.

Enclosed to support this request is a revised resolution authorizing the request for additional funding.

Sincerely,

Lloyd A Rave

Lloyd A Rave
President

cc: Mason Weidenbach, First District Association of Local Governments
Joe Munson, Banner Associates

SHARED RESOURCES
RESOLUTION NO. 2026-01

A RESOLUTION AUTHORIZING THE BOARD PRESIDENT TO ENTER INTO AN AGREEMENT FOR FINANCIAL ASSISTANCE BETWEEN SHARED RESOURCES AND SOUTH DAKOTA DEPARTMENT OF AGRICULTURE AND NATURAL RESOURCES.

WHEREAS, Shared Resources has determined it is necessary to proceed with WATER TREATMENT PLANT, STORAGE, AND DISTRIBUTION (the "Project"); and

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

WHEREAS, Shared Resources submitted a funding application for the Project to the Board; and

WHEREAS, the American Rescue Plan Act (ARPA) Grant Agreement allows for additional grant allocations; and

WHEREAS, Shared Resources is requesting consideration up to an additional $1,250,000; and

WHEREAS, Shared Resources received $49,442,148 ARPA funds.

NOW, THEREFORE, BE IT RESOLVED BY SHARED RESOURCES:

1. That Shared Resources is hereby authorizing a request for consideration by the Board for up to $1,250,000 of additional ARPA grant funds to be provided for this project.
2. That Shared Resources is hereby authorized to execute the applications and submit it to the South Dakota Board of Water and Natural Resources and to execute and deliver such other documents and perform all acts necessary to effectuate the application for financial assistance.
3. That the Board President is hereby designated as the authorized representative of Shared Resources to do all things on its behalf to certify and sign payment requests in the event financial assistance is awarded for the Project.

Date adopted: September 4, 2026.

Lloyd A Rone
Authorized Signatory

ATTEST:
Dottie Buss, Ex. Dir. MLWC
Name and Title

November 5, 2026
Item 6

TITLE: Review Interest Rates for the Clean Water State Revolving Fund, Drinking Water State Revolving Fund, Consolidated Water Facilities Construction Program, and Solid Waste Management Program.

EXPLANATION: Pursuant to ARSD 74:05:08:18, 74:05:11:17, 74:05:07:15.01, and 74:05:10:12.02, the Board of Water and Natural Resources shall set the interest rates for the Clean Water State Revolving Fund, Drinking Water State Revolving Fund, Consolidated Water Facilities Construction Program, and Solid Waste Management Program, respectively, based on the following criteria: (1) current market rates, (2) rates secured on state issued matching funds, and (3) current demand for program funds. The board may adjust interest rates at any meeting if the proposed action is included on the board agenda posted for the meeting.

Periodically, the board reviews and adjusts interest rates based on the criteria listed above.

The current interest rates and the interest rates being proposed are attached. Current interest rates were adopted on September 25, 2025.

RECOMMENDED ACTION: Approve resolutions adjusting the interest rates for the Clean Water State Revolving Fund, Drinking Water State Revolving Fund, Consolidated Water Facilities Construction Program, and Solid Waste Management Program.

CONTACT: Tina McFarling, 773-4216

Consolidated Water Facilities Fund, Solid Waste Management Program, and Clean Water SRF Interest Rates - September 25, 2025

Consolidated Water Facilities Construction Fund Loan Rates

	Interest
Term Up to 30 Years	4.00%
Term Up to 20 Years	3.75%
Term Up to 10 Years	3.50%

Solid Waste Management Program Loan Rates

	Interest
Term Up to 20 Years	3.75%
Term Up to 10 Years	3.50%

Clean Water State Revolving Fund Loan Rates

	Interest	Admin	Total
Term Up to 30 Years	3.75%	0.25%	4.00%
Term Up to 20 Years	3.50%	0.25%	3.75%
Term Up to 10 Years	3.25%	0.25%	3.50%
Interim Financing (5 years)	2.50%	0.00%	2.50%
NPS--Watershed Incentive Rate (Up to 30 Years)	3.00%	0.25%	3.25%
NPS--Watershed Incentive Rate (Up to 20 Years)	2.75%	0.25%	3.00%
NPS--Watershed Incentive Rate (Up to 10 Years)	2.50%	0.25%	2.75%

Clean Water State Revolving Fund Loan Rates for Borrowers Subject to BABA

	Interest	Admin	Total
Term Up to 30 Years	3.50%	0.25%	3.75%
Term Up to 20 Years	3.25%	0.25%	3.50%
Term Up to 10 Years	3.00%	0.25%	3.25%

Drinking Water SRF Interest Rates - September 25, 2025

Drinking Water State Revolving Fund Interim Interest Rate for All Borrowers

	Interest	Admin	Total
Interim Financing (5 Years)	2.50%	0.00%	2.50%

Drinking Water State Revolving Fund Loan Rates for Lead Service Line Replacement

	Interest	Admin	Total
All Borrowers	0.00%	0.00%	0.00%

Drinking Water State Revolving Fund for Public Entity Borrowers

	Interest	Admin	Total
Term Up to 30 Years	3.75%	0.25%	4.00%
Term Up to 20 Years	3.50%	0.25%	3.75%
Term Up to 10 Years	3.25%	0.25%	3.50%
<u>Disadvantaged Community* Loans Up To 30 Years</u>			
Median Household Income (MHI) between 80% of MHI and the MHI	3.50%	0.25%	3.75%
MHI between 60% and 80% of MHI	3.25%	0.25%	3.50%
MHI Income less than 60% of MHI	3.25%	0.00%	3.25%
<u>Disadvantaged Community* Loans Up To 10 Years</u>			
MHI between 60% and 80% of MHI	2.50%	0.25%	2.75%
MHI Income less than 60% of MHI	2.50%	0.00%	2.50%

* Disadvantaged community must meet a MHI and water rate criteria as per ARSD 74:05:11:01(8)

Drinking Water State Revolving Fund Loan Rates for Borrowers Subject to BABA Public Entity Borrowers

	Interest	Admin	Total
Term Up to 30 Years	3.50%	0.25%	3.75%
Term Up to 20 Years	3.25%	0.25%	3.50%
Term Up to 10 Years	3.00%	0.25%	3.25%
<u>Disadvantaged Community* Loans Up To 30 Years</u>			
Median Household Income (MHI) between 80% of MHI and the MHI	3.25%	0.25%	3.50%
MHI between 60% and 80% of MHI	3.00%	0.25%	3.25%
MHI Income less than 60% of MHI	3.00%	0.00%	3.00%
<u>Disadvantaged Community* Loans Up To 10 Years</u>			
MHI between 60% and 80% of MHI	2.25%	0.25%	2.50%
MHI Income less than 60% of MHI	2.25%	0.00%	2.25%

* Disadvantaged community must meet a MHI and water rate criteria as per ARSD 74:05:11:01(8)

Drinking Water SRF Interest Rates - September 25, 2025

Drinking Water State Revolving Fund Loan Rates for Nonprofit Corporation Borrowers

	Interest	Admin	Total
Term Up to 30 Years	4.75%	0.25%	5.00%
Term Up to 20 Years	4.50%	0.25%	4.75%
Term Up to 10 Years	4.25%	0.25%	4.50%

Drinking Water State Revolving Fund Loan Rates for Borrowers Subject to BABA Nonprofit Corporation Borrowers

	Interest	Admin	Total
Term Up to 30 Years	4.50%	0.25%	4.75%
Term Up to 20 Years	4.25%	0.25%	4.50%
Term Up to 10 Years	4.00%	0.25%	4.25%

Proposed Consolidated Water Facilities Fund, Solid Waste Management Program, and Clean Water SRF Interest Rates

Consolidated Water Facilities Construction Fund Loan Rates

	Interest
Term Up to 30 Years	4.50%
Term Up to 20 Years	4.25%
Term Up to 10 Years	4.00%

Solid Waste Management Program Loan Rates

	Interest
Term Up to 20 Years	4.25%
Term Up to 10 Years	4.00%

Clean Water State Revolving Fund Loan Rates

	Interest	Admin	Total
Term Up to 30 Years	4.25%	0.25%	4.50%
Term Up to 20 Years	4.00%	0.25%	4.25%
Term Up to 10 Years	3.75%	0.25%	4.00%
Interim Financing (5 years)	2.50%	0.00%	2.50%
NPS--Watershed Incentive Rate (Up to 30 Years)	3.75%	0.25%	4.00%
NPS--Watershed Incentive Rate (Up to 20 Years)	3.50%	0.25%	3.75%
NPS--Watershed Incentive Rate (Up to 10 Years)	3.25%	0.25%	3.50%

Clean Water State Revolving Fund Loan Rates for Borrowers Subject to BABA

	Interest	Admin	Total
Term Up to 30 Years	4.00%	0.25%	4.25%
Term Up to 20 Years	3.75%	0.25%	4.00%
Term Up to 10 Years	3.50%	0.25%	3.75%

Proposed Drinking Water SRF Interest Rates

Drinking Water State Revolving Fund Interim Interest Rate for All Borrowers

	Interest	Admin	Total
Interim Financing (5 Years)	2.50%	0.00%	2.50%

Drinking Water State Revolving Fund Loan Rates for Lead Service Line Replacement

	Interest	Admin	Total
All Borrowers	0.00%	0.00%	0.00%

Drinking Water State Revolving Fund for Public Entity Borrowers

	Interest	Admin	Total
Term Up to 30 Years	4.25%	0.25%	4.50%
Term Up to 20 Years	4.00%	0.25%	4.25%
Term Up to 10 Years	3.75%	0.25%	4.00%
<u>Disadvantaged Community* Loans Up To 30 Years</u>			
Median Household Income (MHI) between 80% of MHI and the MHI	4.00%	0.25%	4.25%
MHI between 60% and 80% of MHI	3.75%	0.25%	4.00%
MHI Income less than 60% of MHI	3.75%	0.00%	3.75%
<u>Disadvantaged Community* Loans Up To 10 Years</u>			
MHI between 60% and 80% of MHI	3.00%	0.25%	3.25%
MHI Income less than 60% of MHI	3.00%	0.00%	3.00%

* Disadvantaged community must meet a MHI and water rate criteria as per ARSD 74:05:11:01(8)

Drinking Water State Revolving Fund Loan Rates for Borrowers Subject to BABA Public Entity Borrowers

	Interest	Admin	Total
Term Up to 30 Years	4.00%	0.25%	4.25%
Term Up to 20 Years	3.75%	0.25%	4.00%
Term Up to 10 Years	3.50%	0.25%	3.75%
<u>Disadvantaged Community* Loans Up To 30 Years</u>			
Median Household Income (MHI) between 80% of MHI and the MHI	3.75%	0.25%	4.00%
MHI between 60% and 80% of MHI	3.50%	0.25%	3.75%
MHI Income less than 60% of MHI	3.50%	0.00%	3.50%
<u>Disadvantaged Community* Loans Up To 10 Years</u>			
MHI between 60% and 80% of MHI	2.75%	0.25%	3.00%
MHI Income less than 60% of MHI	2.75%	0.00%	2.75%

* Disadvantaged community must meet a MHI and water rate criteria as per ARSD 74:05:11:01(8)

Proposed Drinking Water SRF Interest Rates

Drinking Water State Revolving Fund Loan Rates for Nonprofit Corporation Borrowers

	Interest	Admin	Total
Term Up to 30 Years	5.25%	0.25%	5.50%
Term Up to 20 Years	5.00%	0.25%	5.25%
Term Up to 10 Years	4.75%	0.25%	5.00%

Drinking Water State Revolving Fund Loan Rates for Borrowers Subject to BABA Nonprofit Corporation Borrowers

	Interest	Admin	Total
Term Up to 30 Years	5.00%	0.25%	5.25%
Term Up to 20 Years	4.75%	0.25%	5.00%
Term Up to 10 Years	4.50%	0.25%	4.75%

November 5, 2026
Item 7

TITLE: 2027 State Water Plan Applications

EXPLANATION: Water projects that will require state funding or need state support for categorical grant or loan funding must be on the State Water Plan. At its November planning meeting, the Board of Water and Natural Resources approves projects for placement on the next year's State Water Facilities Plan. The projects placed on the plan at this meeting will remain on the facilities plan through December 2028.

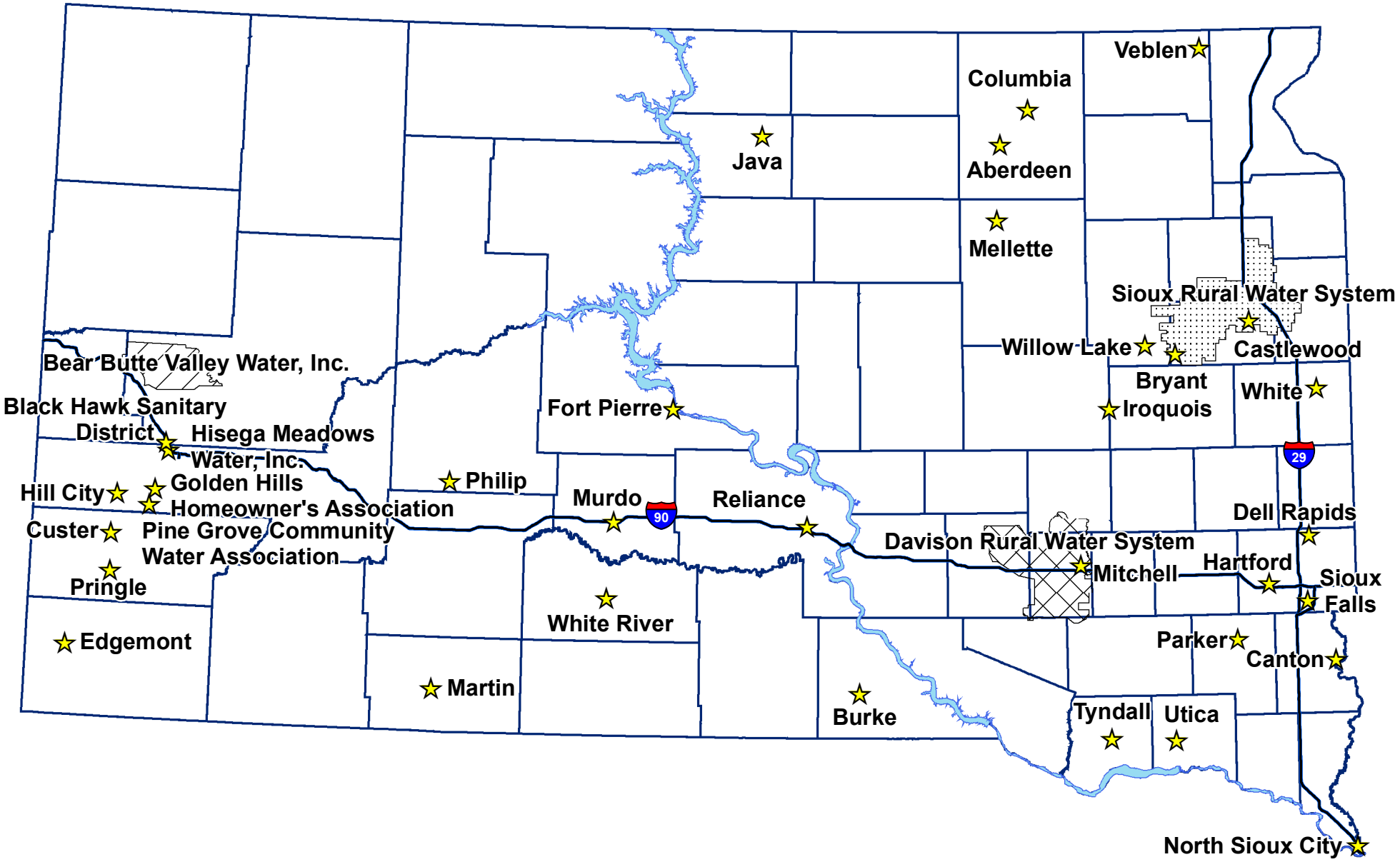
Placement of a project on the State Water Plan by the board provides no guarantee of funding. The applications shown below have been received for placement on the 2027 State Water Plan.

a. Aberdeen- clean water
b. Aberdeen - drinking water
c. Bear Butte Valley Water, Inc. - Elk Creek
d. Bear Butte Valley Water, Inc. - Hereford
e. Black Hawk Sanitary District
f. Bryant - clean water
g. Bryant - drinking water
h. Burke - clean water
j. Burke - drinking water
k. Canton - clean water
l. Canton - drinking water
m. Castlewood
n. Columbia
o. Custer- clean water
p. Custer - drinking water
q. Davison Rural Water System
r. Dell Rapids - drainage
s. Dell Rapids - clean water
t. Dell Rapids - drinking water
u. Edgemont
v. Fort Pierre - clean water
w. Fort Pierre - drinking water
x. Golden Hills Homeowner's Association
y. Hartford - 2nd Street clean water
z. Hartford - Kelly Avenue clean water
aa. Hartford - 2nd Street drinking water
bb. Hartford - Kelly Avenue drinking water
cc. Hill City
dd. Hisega Meadows Water, Inc.
ee. Iroquois
ff. Java - clean water
gg. Java - drinking water
hh. Martin
ii. Mellette
jj. Mitchell - clean water
kk. Mitchell - drinking water
ll. Murdo
mm. North Sioux City
nn. Parker - clean water
oo. Parker - drinking water
pp. Philip
qq. Pine Grove Community Water Association
rr. Pringle
ss. Reliance
tt. Sioux Falls
uu. Sioux Rural Water System
vv. Tyndall - clean water
ww. Tyndall - drinking water
xx. Utica - clean water
yy. Utica - drinking water
zz. Veblen
aaa. White - clean water
bbb. White - drinking water
ccc. White River - clean water
ddd. White River - drinking water
eee. Willow Lake

RECOMMENDED ACTION: Approve staff recommendations for placement of projects onto the 2027 State Water Facilities Plan.

CONTACT: Andy Bruels, 773-4216

State Water Plan Applications
November 2026



State Water Plan Application

Applicant:	Proposed Funding Package	
City of Aberdeen	Projected State Funding	$40,539,000
Address:	Local Cash	
123 S. Lincoln Aberdeen SD 57401	Other:	
	Other:	
	TOTAL	$40,539,000

Project Title: City of Aberdeen Water Reclamation Facility - Phase 2

Description: (Include present monthly utility rate.)

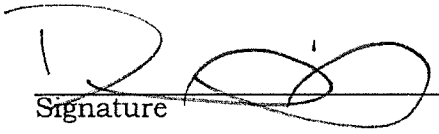
The City of Aberdeen is proposing to complete additional improvements to the Water Reclamation Facility including Biosolids Stabilization, Biosolids dewatering and a Replacement/Remodel of the current administrative building at the Water Reclamation Facility.

The Current Wastewater Rates for both Domestic and Commercial/Industrial are $41.50 per 5,000 gallons based on usage.

The Applicant Certifies That:

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

Dave McNeil, City Manager
Name & Title of Authorized Signatory (Typed)



Signature

9/28/26
Date

State Water Plan Application

Applicant:	Proposed Funding Package	
City of Aberdeen	Projected State Funding	$16,484,962
Address:	Local Cash	
123 S. Lincoln St. Aberdeen, SD 57401	Other:	
	Other:	
	TOTAL	$16,484,962

Project Title: Aberdeen Water System Lead Line Replacement Project

Description: (Include present monthly utility rate.)

The project is to replace existing lead service lines. The City's existing Lead Service Line Inventory database documents 1,045 known lead services (as of August 2026) with 1,554 unknown – pending verification service lines of which it is projected to add an additional 199 services for a total of 1,245 known lead services. Lead and Copper Rule Improvements, 40 CFR Part 141, Subpart I requires full replacement of Lead and Galvanized-Requiring-Replacement (GRR) service lines within its inventory, with a general compliance deadline of October 2034. While this project is considered needful and necessary to eliminate a potential health and safety concern, EPA Lead and Copper Rule Improvements' mandatory replacement timeline puts a significant burden on the City and its water user's. This project is being prepared pursuant of the EPA's funding, as administered by SD DANR for the purpose of Lead Service Line Replacement projects in the form of DWSRF loans and principal forgiveness. In order to complete this project in a reasonable timeline, it is anticipated that two separate schedules will be let in Fall of 2027 with a potential substantial completion date of October 2029 pending sufficient funding and final design.

The current water rates are $48.25 for 5,000 gallons for domestic users and $60.25 for 5,000 gallons for business/bulk users.

The Applicant Certifies That:

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

Dave McNeil, City Manager		9/28/26
Name & Title of Authorized Signatory (Typed)	Signature	Date

State Water Plan Application

Applicant:	Proposed Funding Package	
Bear Butte Valley Water, Inc	Projected State Funding	$11,760,000
Address:	Local Cash	
20550 Highway 79, Sturgis, SD 57785	Other:	
	Other:	
	TOTAL	$11,760,000

Project Title: Elk Creek Valley Expansion

Description: (Include present monthly utility rate.)

Bear Butte Valley Water proposes extending the existing BBVW regional distribution system to the south into the Elk Creek Road area to provide reliable drinking water supply to rural residences, ranches and existing public water systems that currently depend on groundwater or hauling water that have documented water quality concerns.

The project includes:
1. Elk Creek Expansion East Route ($10,936,000).
2. Fort Meade Way Parallel Construction ($440,000).
3. Well #1 Rehabilitation($384,000).

The project will improve water quality, system reliability, drought resiliency, hydraulic performance, and long-term system capacity.

Current water rates for 7,000 gallons is $77.50 plus $5.15 per 1,000 gallons used. At 7,000 gallons per month, the total monthly charge is $113.55.

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.

Clair Rowett, Board President
Name & Title of Authorized Signatory (Typed)

Signature

9/27/2026
Date

Additional Comments:

Water rate expected as a result of this project if the funding is entirely loan (question #2 above) was calculated as follows:

$11,760,000 loan @ 4.0% for 30 years with 110% debt coverage results in a monthly payment of $61,758.45 With 450 users on the system, this would result in a monthly surcharge of $137.25 for each water user.

State Water Plan Application

Applicant:	Proposed Funding Package	
Bear Butte Valley Water, Inc	Projected State Funding	$8,728,000
Address:	Local Cash	
20550 Highway 79, Sturgis, SD 57785	Other:	
	Other:	
	TOTAL	$8,728,000

Project Title: Hereford Community and Internal User Expansion Project

Description: (Include present monthly utility rate.)

Bear Butte Valley Water proposes the following improvements to their water system:
1. Hereford Community Expansion ($6,571,000) - this project will extend BBVW regional water service east from the existing system toward the Hereford area and provide a dependable potable supply to rural residents, ranches, and the Hereford School, Fire Department, and Community Hall, who may otherwise rely on individual wells, hauled water, or other limited private supplies.
2. Internal User Development ($1,654,000) -currently new users requesting service outside a funded construction project must fund 100% of construction, which some users can't afford. BBVW accumulates unserved requests and groups them into a funded internal added-user project. This approach improves affordability, makes better use of existing infrastructure, addresses localized needs, and advances portions of the master plan rather than constructing undersized, isolated extensions.
3. Elk Creek To Middle Alkali Road ($299,000) - this area currently has limited pressure and uses a booster station. The project would improve service to the existing branch near the south end of Middle Alkali Road.
4. Greslin to Cattail Control / Meter Vault and Pressure Transducer Relocation ($204,000) - this project would allow existing Greslin storage to be used more reliably during peak demands, maintenance, and emergency repairs. Relocating the Cattail GSR pressure transducer closer to the tank would improve level measurement, high-service-pump staging, and storage control.

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.

Clair Rowett, Board President
Name & Title of Authorized Signatory (Typed)

Signature

9/27/2026
Date

Additional Comments:

Current water rates for 7,000 gallons is $77.50 plus $5.15 per 1,000 gallons used. At 7,000 gallons per month, the total monthly charge is $113.55.

Water rate expected as a result of this project if the funding is entirely loan (question #2 above) was calculated as follows:

$8,728,000 loan @ 4.0% for 30 years with 110% debt coverage results in a monthly payment of $45,835.69 With 450 users on the system, this would result in a monthly surcharge of $101.86 for each water user.

State Water Plan Application

Applicant:	Proposed Funding Package	
Black Hawk Sanitary District	Projected State Funding	$648,000
Address:	Local Cash	
6801 Sturgis Road, Black Hawk, SD 57718	Other:	
	Other:	
	TOTAL	$648,000

Project Title: Lift Station Improvements

Description: (Include present monthly utility rate.)

Black Hawk Sanitary District proposes following improvements to their two lift stations:
1. SCADA/ Electrical upgrades for $472,500. The existing SCADA systems at both lift stations were upgraded from dialer systems but still rely on obsolete PLCs, making maintenance and replacement difficult. The systems also do not allow operators to remotely adjust settings during false high-water readings, which can cause pumps to rapidly cycle on and off, resulting in unnecessary motor wear and reduced pumping capabilities. Upgrading the SCADA systems would allow operators to remotely monitor and adjust settings, addressing issues more efficiently during normal business hours.
2. Vault Improvements for $19,845. The vaults adjacent to the wet well are prone to filling with water and must be pumped out multiple times a year. The pipes and fittings are ductile iron which are rusting, and the pits have evidence of groundwater I&I. There is also a visible layer of oil/grease on the surface of the water which could indicate that there is I&I coming from the street. Link-sealing the pipes and recoating the vault with a sealant that is submersible would address these issues.
3. Meter Pit Installation for $155,250. The Timberline lift station does not currently have a meter vault. A meter vault is used to report sewerage flowing through the force main. Since most of the residential homes flow to the Timberline lift station, it would make maintenance more efficient to have a meter vault to assist in detecting I&I and leakage points.
Current sewer rate for 5,000 gallons is a flat fee of $120/month

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.

Heidi Peterson, Board President
Name & Title of Authorized Signatory (Typed)

Heidi Peterson
Signature

9-29-2026
Date

Additional Comments:

Sewer surcharge expected as a result of the project if the funding is entirely loan was calculated using the following:

$648,000 loan @ 4.0% interest for 30 years with 110% debt coverage results in a monthly payment of $1,403.02. With 195 users on the system, this would result in a monthly surcharge of $7.31 for each sewer user.

State Water Plan Application

Applicant:	Proposed Funding Package	
City of Bryant	Projected State Funding	2,340,000.00
Address:	Local Cash	
PO Box 145 Bryant, SD 57221	Other:	
	Other:	
	TOTAL	2,340,000.00

Project Title: Phase 3A Wastewater System Improvements

Description: (Include present monthly utility rate.)

Approximately 7 blocks of vitrified clay pipe would be replaced and 1 block added to eliminate long sewer services totaling roughly 3,375 LF of sewer main installation. At minimum 45 service connections would be replaced to the property line. This project includes sanitary sewer main replacement on Main Avenue between a half block east of the Prospect Street and Main Avenue intersection and William Street, 4th Avenue between Lee Street and William Street, William Street between Main Avenue and 4th Avenue, and Lee Street between 5th Avenue and SD Highway 28.

The current user rate is $70.05.

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.

Winfred Noem, Mayor
Name & Title of Authorized Signatory (Typed)

Winfred Noem
Signature

9/30/26
Date

Additional Comments:

Amendment No. 1 to the 2024 Wastewater Facility Plan Update is included with this application. The amendment updates Phase IIIa of the Facility Plan which this application is requesting funds for. An updated opinion of probable cost, site map, and user rate cost analysis are included as appendices in the Amendment.

State Water Plan Application

Applicant:	Proposed Funding Package	
City of Bryant	Projected State Funding	1,958,000.00
Address:	Local Cash	
PO Box 145 Bryant, SD 57221	Other:	
	Other:	
	TOTAL	1,958,000.00

Project Title: Phase 3A Water System Improvements

Description: (Include present monthly utility rate.)

A total of 7 blocks of cast iron water main would be replaced and one block of water main would be added to loop the water to the south side of SD Highway 28. This project includes water main replacement on Main Avenue between Prospect Street to a half block west of the Main Avenue and William Street intersection, on 4th Avenue between Prospect Street and William Street, and looping the water main on Lee Street between 5th Avenue and SD Highway 28.

The current user rate is $71.80.

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.

Winfred Noem, Mayor — Name & Title of Authorized Signatory (Typed)

Signature — 9/30/26 — Date

Additional Comments:

Amendment No. 1 to the 2024 Water Facility Plan Update is included with this application. The amendment updates Phase IIIa of the Facility Plan which this application is requesting funds for. An updated opinion of probable cost, site map, and user rate cost analysis are included as appendices in the Amendment.

State Water Plan Application

Applicant:	Proposed Funding Package	
City of Burke	Projected State Funding	8,981,000
Address:	Local Cash	
PO Box 250 Burke, SD 57523	Other:	
	Other:	
	TOTAL	8,981,000

Project Title: Burke Wastewater System Improvements

Description: (Include present monthly utility rate.)

The City of Burke proposes to upgrade its aging sewer infrastructure. In 2016, Brosz Engineering conducted a wastewater facility plan that recommended televising and cleaning the system, conducting a conventional replacement of the manhole and collection system, and some improvements to the wastewater treatment facility. These issues are still present, and the City of Burke is looking to:

* Televise and clean over 30,000 linear feet of sewer line.
* Replace approximately 6,150 linear feet of sewer pipe along identified streets.
* Complete Wastewater Treatment Facility improvements.

In 2026, Brosz completed a feasibility study on completing this work in the southeastern portion of town and recently provided updated cost estimates for all 3 projects (attached). Brosz is in the process of completing an updated facility plan, which will be complete before the City of Burke applies for any SRF funds.

The City's current utility rates for sewer are a flat rate of $43.00.

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.

Thomas Glover, Mayor	Thomas Glover	9-14-26
Name & Title of Authorized Signatory (Typed)	Signature	Date

Additional Comments:

The amount of sewer pipe that will be replaced or refurbished for this project depends on what is discovered during the televising and cleaning process. Currently, the City is leaning towards just replacing or refurbishing pipe in the southern part of town. However, they are submitting the application for the entire system as they are unaware of what the televising process will uncover.

State Water Plan Application

Applicant:	Proposed Funding Package	
City of Burke	Projected State Funding	7,846,000
Address:	Local Cash	
PO Box 250 Burke, SD 57523	Other:	
	Other:	
	TOTAL	7,846,000

Project Title: Burke Water Distribution Improvements

Description: (Include present monthly utility rate.)

The City of Burke is planning to upgrade the city's water infrastructure, mainly in the southern end of town near the public school and courthouse. In 2016, a Brosz Engineering water facility plan recommended waterline improvements throughout town. In 2026, Brosz returned and conducted a study on the proposed area of town and waterline replacement needs. The City is now proposing:

* Water improvements to include replacement and upgrade of approximately 4,150 linear feet of cast iron, steel, and asbestos-cement waterlines, which are at their design life limit.
  - Projects included for 8th Street, 10th & Washington, and 12th & Lincoln (see attached map)
* Street reconstruction associated with the waterline replacement is also included.

Recently, Brosz completed a feasibility study on completing this work in the south end of town. They have provided an updated cost estimate for waterline replacement work and associated street work. Brosz is in the process of completing an updated facility plan, which will be complete before the City of Burke applies for any SRF funds.

The City's current utility rates are as follows:
Water = $49.00 for 5,000 gallons of water used (base of $24.00 plus $5.00 per 1,000 gallons)

The Applicant Certifies That:

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

Thomas Glover, Mayor		9-14-26
Name & Title of Authorized Signatory (Typed)	Signature	Date

State Water Plan Application

Applicant:	Proposed Funding Package	
City of Canton	Projected State Funding	$1,484,000
Address:	Local Cash	
210 N Dakota St. Canton, SD 57013	Other:	
	Other:	
	TOTAL	$1,484,000

Project Title: Sanborn Street Utility Improvements

Description: (Include present monthly utility rate.)

This project includes the reconstruction of N Sanborn Street from approximately Elder Street to Lynn Ave. Improvements will include the replacement of Watermain, Sanitary Sewer, installation of Storm Sewer, construction of a storm water detention basin, paving, and other miscellaneous work to complete the project.

Residential Sewer rates contain a base rate of $27.50 per meter plus $7.25 per 100 cubic feet. A surcharge of $7.25 is applied per meter.

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.

Sandi Lundstrom, Mayor	Sandra Lundstrom	9/29/20
Name & Title of Authorized Signatory (Typed)	Signature	Date

State Water Plan Application

Applicant:	Proposed Funding Package	
City of Canton	Projected State Funding	$797,000
Address:	Local Cash	
210 N Dakota St. Canton, SD 57013	Other:	
	Other:	
	TOTAL	$797,000

Project Title: Sanborn Street Utility Improvements

Description: (Include present monthly utility rate.)

This project includes the reconstruction of N Sanborn Street from approximately Elder Street to Lynn Ave. Improvements will include the replacement of Watermain, Sanitary Sewer, installation of Storm Sewer, construction of a storm water detention basin, paving, and other miscellaneous work to complete the project.

Residential Water rates contain a base rate of $25.50 per meter plus $4.20 per 100 cubic feet. A surcharge of $6.47 is applied per meter.

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.

Sandi Lundstrom, Mayor
Name & Title of Authorized Signatory (Typed)

Sandra Lundstrom
Signature

9/29/26
Date

State Water Plan Application

Applicant:	Proposed Funding Package	
City of Castlewood	Projected State Funding	$3,825,000
Address:	Local Cash	
204 E. Main St. Castlewood, SD 57223	Other:	
	Other:	
	TOTAL	$3,825,000

Project Title: Castlewood Phase 2 Wastewater System Improvements

Description: (Include present monthly utility rate.)

A facility plan for the Castlewood wastewater system was written in 2026. This facility plan recommended improvements to the collection system, lift stations, and wastewater treatment facility (WWTF) to be completed through several different phases.

This application is requesting funding for 'City Phase 2', which consists of two projects:
1) Collection system - mainline CIPP improvements. The city should consider reducing the volume of I/I in the city's sanitary sewers. It is recommended to line clay pipe as a first step.
2) Replacement of the existing forcemain from the Main Lift Station. The Main Lift Station forcemain has had several leaks and is almost 70 years old. The City completed hydro excavation of the forcemain in fall of 2026 to confirm the material of the pipe is DIP or CIP near the WWTF as well as near the lift station. Because the forcemain is metallic and has a history of leaks, it is recommended for replacement.

Additional improvements will be covered under future phases.

The currently monthly sewer rate is a flat fee of $35/month.

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.

Brian Ries, Mayor.
Name & Title of Authorized Signatory (Typed)

Brian Ries 9-15-26
Signature Date

State Water Plan Application

Applicant:	Proposed Funding Package	
City of Columbia	Projected State Funding	4,898,484
Address: PO Box 43 Columbia, SD 57433	Local Cash	
	Other:	
	Other:	
	TOTAL	4,898,484

Project Title: Columbia Wastewater and Storm Water Improvements

Description: (Include present monthly utility rate.)

The City of Columbia is proposing to replace/re-line approximately 9,250 linnear feet of 8" sewer line, reclamation of the old lagoon and installing approximately 2,400 linear feet of 18" storm sewer along with culverts, catch basins and valley gutters.

Current wastewater rates are a flat $70.00 per user per month.

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.

Dana Mohr, Mayor

Name & Title of Authorized Signatory (Typed)

Signature

9/13/26

Date

State Water Plan Application

Applicant:	Proposed Funding Package	
City of Custer	Projected State Funding	$686,000
Address:	Local Cash	
622 Crook Street, Custer, SD 57730	Other:	
	Other:	
	TOTAL	$686,000

Project Title: Custer, S. HWY 385 Sanitary Sewer Extension

Description: (Include present monthly utility rate.)

The City of Custer has identified a wastewater collection system deficiency along South Highway 385. The City's existing sanitary sewer system currently terminates south of Gordon Street, leaving several existing properties and campgrounds dependent on individual septic systems for wastewater treatment and disposal. Many of these systems are beyond their useful life and no longer provide adequate long-term wastewater treatment. To address this deficiency, the City proposes to extend municipal sanitary sewer service to these existing facilities.

The project consists of constructing approximately 1,400 linear feet of new 8-inch PVC sanitary sewer main extending south from the existing collection system along Mickelson Trail. The project will include installation of sanitary sewer service lines to the public right-of-way for future connections and an extension of the sewer main across Highway 385 to provide service to existing campground facilities. The proposed improvements will allow affected properties to connect to the municipal collection system and eliminate reliance on aging septic systems. Estimated cost of the project is $686,000.

Current sewer rates for 5,000 gallons is calculated as follows: $32.91 (usage) + $5.50 surcharge + $5.40 surcharge + $16.75 surcharge + $10.10 surcharge for the total of $70.66

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.

Robert Brown, Mayor	Robert E B 9-29-26
Name & Title of Authorized Signatory (Typed)	Signature Date

Additional Comments:

Sewer surcharge expected as a result of this project if the funding is entirely loan is calculated as follows:

$686,000 loan @ 4.0% for 30 years with 110% debt coverage results in a monthly payment of $3,602.58. With 1,065 users on the system, this would result in a monthly surcharge of $3.38 for each user.

State Water Plan Application

Applicant:	Proposed Funding Package	
City of Custer	Projected State Funding	$11,820,000
Address:	Local Cash	
622 Crook Street Custer, SD 57730	Other:	
	Other:	
	TOTAL	$11,820,000

Project Title: Custer Water System Improvements

Description: (Include present monthly utility rate.)

The South Dakota Department of Transportation (SDDOT) is currently working on plans for improving the 5th Street Corridor (Highway 16/385) and Mt. Rushmore Rd. corridor (Highway 16B/385) through the City of Custer. The City is proposing following water distribution system improvements to be completed in conjunction with the SDDOT projects:

1. 5th Street Corridor Improvements for $2,680,000. It includes replacing the existing CIP main with new PVC pipes, which loops the water system between the existing 4th Street water main to the new 5th Street water main. It also includes replacing existing valves and hydrants, and installing new water service lines.
2. Mt. Rushmore Rd. Water Improvements for $8,090,000. It includes improvements to the existing water distribution infrastructure along Mr. Rushmore Rd.
3. Booster Station SCADA, Controls & Generator for $490,000. It includes providing SCADA, controls, and an emergency generator within the Booster Station to provide automatic operations, real time monitoring, and backup power of the system within the high-pressure zone.
4. Well #9 VFD, SCADA, Controls & Generator for $560,000. It includes emergency generator, installing a VFD, SCADA, and controls at Well #9 to allow for a rampedup start, automatic start / stop of the pump, and ability to monitor pumping rates.

The current water rate for 5,000 gallons is $37.47 + $8.17 surcharge for the total of $45.64.

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.

Robert Brown, Mayor		
Name & Title of Authorized Signatory (Typed)	Signature	Date

Additional Comments:

Water rate expected as a result of this project if the funding is entirely loan (question #2 above) was calculated as follows:

$11,820,000 loan @ 4.0% for 30 years with 110% debt coverage results in a monthly payment of $62,073.54. With 1,233 users on the system, this would result in a monthly surcharge of $50.35 for each water user.

State Water Plan Application

Applicant:	Proposed Funding Package	
Davison Rural Water System	Projected State Funding	$12,400,000
Address:	Local Cash	$28,500
PO Box 668 Mitchell, South Dakota 57301	Other:	
	Other:	
	TOTAL	$12,428,500

Project Title: Elevated Water Storage and Associated Pipeline

Description: (Include present monthly utility rate.)

Davison Rural Water System (DRWS) proposes to acquire property and construct a new 1-million-gallon elevated water storage reservoir located in the northeast quadrant of the intersection of 254th Street and 406th Avenue, west of Mitchell, South Dakota. The facility will utilize either an elevated spheroid or composite design featuring internally contained piping and equipment. The project scope includes full site preparation and infrastructure improvements: foundation construction, site grading, a gravel access road and parking area, site security fencing, on-site and off-site piping, and necessary appurtenances. To supply the facility, a new water line will connect to the existing 16-inch water main at the southeast quadrant of 254th Street and 406th Avenue and extend north to the reservoir site. Additionally, electrical power upgrades and controls will be installed to fully integrate the new storage facility into the existing DRWS SCADA system.

DRWS water rate for 7,000 gallons is $105.35

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.

Jake Jones, General Manager

Name & Title of Authorized Signatory (Typed) | Signature | Date

State Water Plan Application

Applicant:	Proposed Funding Package	
City of Dell Rapids	Projected State Funding	$1,800,000
Address: 317 E. 4th St. Dell Rapids, SD 57022	Local Cash	
	Other:	
	Other:	
	TOTAL	$1,800,000

Project Title: Drainage Channel Improvements - Phase I

Description: (Include present monthly utility rate.)

This project represents the first phase (approximately 950 feet) of a 2,000-foot drainageway reconstruction project that conveys a significant portion of Dell Rapids' stormwater runoff. The existing drainage channel, constructed of quartzite stone masonry, is more than 100 years old and has deteriorated beyond repair in several locations. Due to its age and extensive vegetation growth, the channel has developed structural deficiencies and water quality concerns, particularly because it discharges directly into the Big Sioux River.

Preliminary engineering analysis indicates the channel currently provides capacity for only an approximate 2-year storm event. The proposed improvements include removal of the existing quartzite masonry channel and construction of a new open rectangular concrete channel. To address public safety concerns associated with the open channel, protective fencing will be installed along the corridor. Due to the presence of bedrock, blasting and rock excavation will likely be required in certain areas.

The City of Dell Rapids sewer rates for 5,000 gallons of usage is $69.73.

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.

Marsha Symens, Mayor

Name & Title of Authorized Signatory (Typed)

Signature

9-24-24

Date

State Water Plan Application

Applicant:	Proposed Funding Package	
City of Dell Rapids	Projected State Funding	$3,580,000
Address: 317 E. 4th St. Dell Rapids, SD 57022	Local Cash	
	Other:	
	Other:	
	TOTAL	$3,580,000

Project Title: Northeast Area Reconstruction Sanitary & Storm Sewer Improvements

Description: (Include present monthly utility rate.)

This project is located in the northeast portion of the community, extending from Dakota Avenue to the D&I Railroad tracks west of Prairie Avenue and from 7th Street to 10th Street. It represents the first phase of the second portion of the Citywide Phase 1 Improvements project, which was previously submitted in September 2016 and again in September 2021. The improvements include replacing existing cast iron and asbestos cement water mains with C900 DR18 PVC pipe, replacing vitrified clay sanitary sewer pipe with PVC pipe, and improving drainage through the addition of curb and gutter. Most existing utilities in this area were installed 70 to 90 years ago directly on bedrock. As a result, blasting and rock excavation will be necessary for installation of the proposed utilities, structures, and manholes, and boring is not considered a feasible construction method.
The project will replace all existing storm sewer, sanitary sewer, and water main infrastructure, along with all active services located within the public right-of-way. Existing asphalt surfacing will be removed to allow installation of the utilities using open-trench construction methods. Upon completion, the streets will be reconstructed with 4 inches of asphalt pavement, consistent with the City's standard for new and reconstructed roadways. Final grading improvements will also be completed to better direct surface runoff to storm sewer inlets.

The City of Dell Rapids sewer rates for 5,000 gallons of usage is $69.73.

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.

Marsha Symens, Mayor

Name & Title of Authorized Signatory (Typed)

Marsha Symens 9-24-24

Signature Date

State Water Plan Application

Applicant:	Proposed Funding Package	
City of Dell Rapids	Projected State Funding	$1,692,000
Address: 317 E. 4th St. Dell Rapids, SD 57022	Local Cash	
	Other:	
	Other:	
	TOTAL	$1,692,000

Project Title: Northeast Area Reconstruction Drinking Water Improvements

Description: (Include present monthly utility rate.)

This project is located in the northeast portion of the community, extending from Dakota Avenue to the D&I Railroad tracks west of Prairie Avenue and from 7th Street to 10th Street. It represents the first phase of the second portion of the Citywide Phase 1 Improvements project, which was previously submitted in September 2016 and again in September 2021. The improvements include replacing existing cast iron and asbestos cement water mains with C900 DR18 PVC pipe, replacing vitrified clay sanitary sewer pipe with PVC pipe, and improving drainage through the addition of curb and gutter. Most existing utilities in this area were installed 70 to 90 years ago directly on bedrock. As a result, blasting and rock excavation will be necessary for installation of the proposed utilities, structures, and manholes, and boring is not considered a feasible construction method. The project will replace all existing storm sewer, sanitary sewer, and water main infrastructure, along with all active services located within the public right-of-way. Existing asphalt surfacing will be removed to allow installation of the utilities using open-trench construction methods. Upon completion, the streets will be reconstructed with 4 inches of asphalt pavement, consistent with the City's standard for new and reconstructed roadways. Final grading improvements will also be completed to better direct surface runoff to storm sewer inlets and culverts.

The City of Dell Rapids water rates per 5,000 gallons of usage is $52.30.

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.

Marsha Symens, Mayor — Name & Title of Authorized Signatory (Typed)

Signature — 9-24-24 — Date

State Water Plan Application

Applicant:	Proposed Funding Package	
City of Edgemont	Projected State Funding	$4,000,000
Address:	Local Cash	
PO BOX A, Edgemont, SD 57735	Other:	
	Other:	
	TOTAL	$4,000,000

Project Title: New Well and the Water Distribution System Improvement

Description: (Include present monthly utility rate.)

Current municipal drinking water system for the City of Edgemont is supplied by two deep wells completed into the Madison limestone aquifer. One of the wells (#4) is beginning to fail - water is flowing out of pre-existing holes in the casing below ground level. The City is also experiencing an unaccounted water rate of over 50%. While the installation of new meters has helped account for some of the water, it is suspected that a significant volume of water is being lost through the distribution system.

The City of Edgemont is proposing a construction of a new well ($2,370,569) and current distribution system improvement by replacing AC piping ($1,628,640). Construction of a new well is expected to decrease operation and maintenance costs of supply and treatment and increase water supply and resiliency. Replacement of AC piping with PVC piping is expected to significantly decrease water lost in the distribution system and O&M costs associated with repairing water main breaks.

Current water rate for 5,000 gallons is a flat fee of $38.20 calculated as follows:
Base fee of $29.45 + SR surcharge of $5.25 + Well Surcharge of $3.50.

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.

Rheta Reagan, Mayor
Name & Title of Authorized Signatory (Typed)

Rheta L Reagan 9-23-26
Signature Date

Additional Comments:

Water rate expected as a result of this project if the funding is entirely loan (question #2 above) was calculated as follows:

$4,000,000 loan @ 3.75% (disadvantages community MHI 80% of MHI and MHI) for 30 years with 110% debt coverage results in a monthly payment of $20,377.09. With 428 users on the system, this would result in a monthly surcharge of $47.61 for each water user.

State Water Plan Application

Applicant:	Proposed Funding Package	
Fort Pierre, South Dakota	Projected State Funding	1,669,980.00
Address:	Local Cash	
108 East 2nd Ave Fort Pierre, SD 57532	Other:	
	Other:	
	TOTAL	1,669,980.00

Project Title: Fort Pierre Bad River Bore Project

Description: (Include present monthly utility rate.)

The proposed project includes replacement of the sanitary sewer force main extending from the Spur Lift Station to the Fairgrounds Lift Station, including installation of the force main beneath the Bad River using boring methods. The project will also include evaluation of the existing pumps at the 8th Avenue, Spur, and Fairgrounds lift stations and replacement of pumps as necessary. These improvements are intended to address aging wastewater infrastructure, improve system reliability, and help ensure the City can continue to safely and effectively convey wastewater through its collection system.

The Applicant Certifies That:

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

Greg Kenzy, Mayor
Name & Title of Authorized Signatory (Typed)

Signature

9/22/2026
Date

State Water Plan Application

Applicant:	Proposed Funding Package	
City of Fort Pierre	Projected State Funding	2,418,600
Address:	Local Cash	
PO Box 700 Fort Pierre, SD 57532	Other: Federal	7,738,400
	Other:	
	TOTAL	10,157,000

Project Title: Ft Pierre North Water Storage, Booster Station and Associated Water Line Construction

Description: (Include present monthly utility rate.)

Bartlett & West designed a ground storage reservoir, booster pump station and associated water lines in 2025 that was based on a Facility Plan prepared by Interstate Engineering in 2021. The ground storage reservoir is located in the river bluff area north and west of Fort Pierre. (See Attached Map) The City Council decided to shelve the project, waiting for more information regarding the future source of water for the City of Fort Pierre. The water line to fill the new north reservoir will be connected to the existing 12-inch water line located at the west end of Phoebe Street. The proposed booster station will be located one block north. The anticipated 2027 project costs are $10,157,000 with potential federal assistance grant of $7,738,400; should a federal award not occur the City will pursue SRF assistance to cover all project costs.

The City of Fort Pierre's current user drinking water rates are $42.50 per five thousand gallons.

The Applicant Certifies That:

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

Greg Kenzy, Mayor	Greg Kenzy	7/30/2026
Name & Title of Authorized Signatory (Typed)	Signature	Date

State Water Plan Application

Applicant:	Proposed Funding Package	
Golden Hills HOA	Projected State Funding	$437,000
Address:	Local Cash	
23801 Golden Hills Drive, Rapid City, SD 57702-7409	Other:	
	Other:	
	TOTAL	$437,000

Project Title: Water System Improvements

Description: (Include present monthly utility rate.)

Golden Hills HOA water system struggles with limited storage capacity, production not being able to meet peak day demands, low pressures at some homes located near the well / storage tank and the well house being damaged during a windstorm in December of 2025.

Golden Hills HOA proposes following improvements to the existing water system:
1. Repair ground storage ($107,000)
2. Build new well house and upgrade treatment equipment ($216,100)
3. Distribution system improvements ($117,750)

Current monthly water rate for 7,000 gallons is calculated as follows: $65 flat fee for the first $5,000 gallons and $50 x 2 for additional 2,000 gallons for the total of $165/month.

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.

Roy Boschee, Board President
Name & Title of Authorized Signatory (Typed)

Roy E. Boschee 09/17/26
Signature Date

Additional Comments:

Water rate expected as a result of this project if the funding is entirely loan (question #2 above) was calculated as follows:

$437,000 loan @ 5.0% for 30 years with 110% debt coverage results in a monthly payment of $2,580.50 With 19 users on the system, this would result in a monthly surcharge of $134.82 for each water user.

State Water Plan Application

Applicant:	Proposed Funding Package	
City of Hartford	Projected State Funding	$459,600
Address:	Local Cash	
125 N. Main Ave. Hartford, SD 57033	Other:	
	Other:	
	TOTAL	$459,600

Project Title: 2nd Street Utility Extension

Description: (Include present monthly utility rate.)

The City of Hartford plans to install water main along 2nd Street to create a loop in the system. The 38 North development is currently under construction and will make create 100+ residential lots. Without the proposed loop, the development will be served by a single connection at Oakley Street. The water main is proposed to maintain water quality, reduce strain on the Oakley Street connection, and loop the development.

Additionally, sanitary sewer will be installed to make sewer service available to rural residential users. Rural residents are currently on septic and would have the opportunity to connect to City sewer following completion of the project. Once annexed, rural users will likely be required to connect to the proposed sewer main.

City of Hartford sewer rates per 5,000 gallons of usage is $99.38.

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.

Arden Jones, Mayor
Name & Title of Authorized Signatory (Typed)

Signature

9-29-26
Date

Additional Comments:

The sanitary sewer will be replaced meeting the City's standard specifications and 10 States Standards. Sewer pipe will be 8" PVC installed by open cut.

Sewer extents shown are based on available LiDAR data and known sewer depths to approximate the serviceable area. Following the design survey, sewer extents may be revised due to topographical discrepancies. The roadway will be replaced with granular surfacing to match existing.

State Water Plan Application

Applicant:	Proposed Funding Package	
City of Hartford	Projected State Funding	$585,130
Address:	Local Cash	
125 N. Main Ave. Hartford, SD 57033	Other:	
	Other:	
	TOTAL	$585,130

Project Title: Kelley Avenue Reconstruction

Description: (Include present monthly utility rate.)

The City of Hartford plans to reconstruct Kelley Avenue from Van Demark Avenue to 2nd Street. Kelley Avenue experiences drainage issues, water main breaks, and inflow & infiltration due to clay sewer. The reconstruction is expected to lower the roadway profile to effectively manage drainage which will require full replacement of the water main and services to ensure adequate cover. Additionally, the sanitary sewer will be replaced due to cracking and sagging identified by televising investigations.

City of Hartford sewer rates per 5,000 gallons of usage is $99.38.

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.

Arden Jones, Mayor

Name & Title of Authorized Signatory (Typed)

Signature

9-19-24

Date

Additional Comments:

The sanitary sewer will be replaced meeting the City's standard specifications and 10 States Standards. Sewer pipe will be 8" PVC installed by open cut. Services will be replaced to the right-of-way as part of the project and residents will have the opportunity to pay and extend the new service from the right-of-way to their house.

The sewer alignment will be revised. Kelley Avenue was originally constructed in phases, resulting in a sanitary main running between residences at midblock. The proposed main will start to the north near 2nd street and flow south to where the road turns. From the turn, the sewer will flow east and connect to the existing sewer behind the residences.

The existing main running between houses at mid block will be abandoned and filled with flowable fill to ensure it's sealed won't cause future issues. All other sewer pipes will be removed and replaced.

State Water Plan Application

Applicant:	Proposed Funding Package	
City of Hartford	Projected State Funding	$728,450
Address:	Local Cash	
125 N. Main Ave. Hartford, SD 57033	Other:	
	Other:	
	TOTAL	$728,450

Project Title: 2nd Street Utility Extension

Description: (Include present monthly utility rate.)

The City of Hartford plans to install water main along 2nd Street to create a loop in the system. The 38 North development is currently under construction and will make create 100+ residential lots. Without the proposed loop, the development will be served by a single connection at Oakley Street. The water main is proposed to maintain water quality, reduce strain on the Oakley Street connection, and loop the development.

Additionally, sanitary sewer will be installed to make sewer service available to rural residential users. Rural residents are currently on septic and would have the opportunity to connect to City sewer following completion of the project. Once annexed, rural users will likely be required to connect to the proposed sewer main.

City of Hartford drinking water rates per 5,000 gallons of usage is $49.72.

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.

Arden Jones, Mayor
Name & Title of Authorized Signatory (Typed)

Signature

4-29-26
Date

Additional Comments:

Water main will be replaced meeting the City's standard specifications and 10 States Standards. Water pipe will be 8" C900 PVC installed by open cut. Hydrants will be placed to facilitate flushing of the pipe to ensure water quality and will be located based on future roadway improvements. Roadway will be replaced with granular surfacing to match existing.

State Water Plan Application

Applicant:	Proposed Funding Package	
City of Hartford	Projected State Funding	$475,650
Address:	Local Cash	
125 N. Main Ave. Hartford, SD 57033	Other:	
	Other:	
	TOTAL	$475,650

Project Title: Kelley Avenue Reconstruction

Description: (Include present monthly utility rate.)

The City of Hartford plans to reconstruct Kelley Avenue from Van Demark Avenue to 2nd Street. Kelley Avenue experiences drainage issues, water main breaks, and inflow & infiltration due to clay sewer. The reconstruction is expected to lower the roadway profile to effectively manage drainage which will require full replacement of the water main and services to ensure adequate cover. Additionally, the sanitary sewer will be replaced due to cracking and sagging identified by televising investigations.

City of Hartford drinking water rates per 5,000 gallons of usage is $49.72.

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.

Arden Jones, Mayor
Name & Title of Authorized Signatory (Typed)

Signature

9-29-24
Date

Additional Comments:

Water main will be replaced meeting the City's standard specifications and 10 States Standards. Water pipe will be 8" C900 PVC installed by open cut. Services will be replaced to the right-of-way as part of the project and residents will have the opportunity to pay and extend the new service from the right-of-way to their house.

The water main will generally follow the same alignment and will be looped with connections at 2nd Street and Van Demark Avenue.

State Water Plan Application

Applicant:	Proposed Funding Package	
City of Hill City	Projected State Funding	$4,485,000
Address:	Local Cash	
PO Box 395, Hill City, SD 57701	Other:	
	Other:	
	TOTAL	$4,485,000

Project Title: Wastewater Treatment infrastructure rehab & addition of 2nd train SBR - Phase 3

Description: (Include present monthly utility rate.)

City of Hill City is proposing to construct a second train of sequencing batch reactor (SBR) to expand treatment capacity and rehabilitation of the existing wastewater system to improve functionality.

Funding for Phase 1 was awarded in 2025 for $7,521,000. Funding for Phase 2 was awarded in 2026 for $4,659,000.

This application is for Phase 3 (final phase) of the project - rehabilitation of the existing infrastructure that includes replacing and repairing much of the equipment and electrical components that are reaching the end of design life. The lack of redundancy in the wastewater treatment system has prevented maintenance on some of the equipment.

Hill City's current sewer rate per $5,000 gallons is $153.38 for residential and $169.77 for commercial customers.

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.

Tanna Nichols, Mayor
Name & Title of Authorized Signatory (Typed)

Tana Nichols
Signature

8/24/2026
Date

State Water Plan Application

Applicant:	Proposed Funding Package	
Hisega Meadows Water, Inc. Address: 2315 Lindsey Drive, Rapid City, SD 57702	Projected State Funding	1,890,000
	Local Cash	
	Other:	
	Other:	
	TOTAL	1,890,000

Project Title: Drinking Water Improvements

Description: (Include present monthly utility rate.)

The existing water treatment facility for Hisega Meadows Water, Inc consists of aging, below-grade infrastructure located within the Rapid Creek floodplain. Treatment relies on pressure sand filters, cartridge filtration, and chemical disinfection. While the system can achieve acceptable turbidity levels under favorable conditions, compliance is increasingly dependent on frequent cartridge replacement, intensive operator labor, and frequent backwashing during periods of elevated turbidity.

Hisega Meadows Water, inc is proposing a Ceramic Ultrafiltration Membrane Treatment project to address critical regulatory compliance, reliability, and sustainability challenges facing the System. The project includes construction of new above-grade treatment building located outside the floodplain, upgraded raw water pumping, membrane filtration skid installation, chemical feed systems (including fluoridation), and improvements to backwash handling and disposal.

Hisega's current water rate per 7,000 gallons is a base rate of $90.00 per month and a usage rate of $28.00 ($4 per 1,000 gallons) for a total of $118 per month.

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 Vadney, Board President
Name & Title of Authorized Signatory (Typed)

Steve Vadney
Signature

16 Sept 2026
Date

Additional Comments:

Water rate expected as a result of this project if the funding is entirely loan (question #2 above) was calculated as follows:

$1,890,000 loan @ 5.0% for 30 years with 110% debt coverage results in a monthly payment of $11,160.53. With 198 users on the system, this would result in a monthly surcharge of $56.37 for each water user.

State Water Plan Application

Applicant:	Proposed Funding Package	
City of Iroquois	Projected State Funding	$1,223,000
Address:	Local Cash	
PO Box 127 Iroquois, SD 57353-0127	Other:	
	Other:	
	TOTAL	1,223,000

Project Title: Iroquois WWTF Improvements

Description: (Include present monthly utility rate.)

The present monthly sanitary rate is a flat fee of $65.

The city of Iroquois completed a facility plan in 2023 and the result of that facility plan was a recommendation of four phases of improvements. As part of the original facility plan, Iroquois requested funds to complete Phase 1, which was for Main Lift Station Improvements.

The funds requested as part of this application are for Phase 2, Wastewater Treatment Facility Structure Improvements. The transfer structures do not operate correctly and need to be replaced. This funds requested will be to replace the five existing manholes and associated piping, valves, and concrete with new and modern structures.

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.

Zach Jacobs, Mayor

Zach Jacobs Mayor
Name & Title of Authorized Signatory (Typed)

e1c76a2d-e987-4b22-b6ee-affecab3c719 Digitally signed by e1c76a2d-e987-4b22-b6ee-affecab3c719 Date: 2026.09.23 00:42:51 -05'00'

Signature

9/21/2026

9-21-26
Date

State Water Plan Application

Applicant:	Proposed Funding Package	
Town of Java	Projected State Funding	$1,293,080
Address:	Local Cash	
PO Box 56 Java, SD 57452	Other:	
	Other:	
	TOTAL	$1,293,080

Project Title: Java Phase II Wastewater Line Replacement Project

Description: (Include present monthly utility rate.)

The Town of Java is proposing to finish replacing the wastewater lines in town.

Current wastewater rates for the Town of Java are $69.05 per 5,000 gallons.

The Applicant Certifies That:

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

Gene Buechler, Town President		9/24/26
Name & Title of Authorized Signatory (Typed)	Signature	Date

State Water Plan Application

Applicant:	Proposed Funding Package	
Town of Java	Projected State Funding	$508,870
Address:	Local Cash	
PO Box 56 Java, SD 57452	Other:	
	Other:	
	TOTAL	$508,870

Project Title: Java Water Tower and Water Meter Project

Description: (Include present monthly utility rate.)

The Town of Java is proposing to repaint both the exterior and interior portion of there water tower. They are also proposing to purchase and install an electronic meter reading system.

Current water rates for the Town of Java are $37.00 per 5,000 gallons.

The Applicant Certifies That:

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

Gene Buechler, Town President		9/24/26
Name & Title of Authorized Signatory (Typed)	Signature	Date

State Water Plan Application

Applicant:	Proposed Funding Package	
City of Martin	Projected State Funding	$4,532,000
Address:	Local Cash	
PO Box 687 Martin, SD 57551	Other:	
	Other:	
	TOTAL	$4,532,000

Project Title: Water System Improvements

Description: (Include present monthly utility rate.)

The City of Martin water system utilizes three groundwater wells to provide water to the distribution system. Two of the wells (wells 3 and 5) provide most of the flow while well 4 is used as an emergency backup as the Arsenic level has exceeded the EPA maximum contaminant level (MCL) of 0.010 mg/L. The water distribution system contains multiple different pipe materials, including cast iron, asbestos cement (AC), and polyvinyl chloride (PVC) pipe. The pipe sizes range from 2-inches to 8-inches in diameter.

The City is proposing treatment for Arsenic removal be installed for all 3 wells ($3,148,200). This will assure the citizens of Martin that their drinking water is safe. The City is also proposing to replace remaining 2-inch watermains in the distribution with 6-inch PVC watermain along with new service lines, valves and hydrants ($1,383,100).

Current water rates for 5,000 gallons are $28.00

The Applicant Certifies That:

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

Gary Rayhill, Mayor
Name & Title of Authorized Signatory (Typed)

Gary L. Rayhill 9-14-26
Signature Date

Additional Comments:

Water rate expected as a result of this project if the funding is entirely loan (question #2 above) was calculated as follows:

$4,532,000 loan @ 3.5% (disadvantages community MHI between 60% and 80%) for 30 years with 110% debt coverage results in a monthly payment of $22,385.78. With 575 users on the system, this would result in a monthly surcharge of $38.93 for each water user.

State Water Plan Application

Applicant:	Proposed Funding Package	
City of Mellette	Projected State Funding	$870,000
Address:	Local Cash	
231 1st St. PO Box 105 Mellette SD 57461-2129	Other:	
	Other:	
	TOTAL	$870,000

Project Title:

Description: (Include present monthly utility rate.)

The City of Mellette has experienced major water main breaks which has resulted in costly repairs to the system. The city completed a study to determine the status of their entire water system.

Although there have been sections of Mellette's water system has been updated in 2008 and 2010, there are parts of the system that have not. The original infrastructure has reached the limit of its lifespan and breaks and leaks are occurring requiring emergency repairs to the system. This project will replace remaining aged infrastructure in Mellette.

Replacement will include water meter upgrades, replacement of the water main in Main Street to PVC, and up sizing of water main on Sunshine Ave.

Mellette's water rates are: $80 per 5,000 gallons of usage for 110 residential users and 11 commercial users. There are 199 residents in Mellette as of the 2020 census.

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.

Brian Bauer, Mayor, City of Mellette
Name & Title of Authorized Signatory (Typed)

Brian L Bauer 8-13-26
Signature Date

State Water Plan Application

Applicant:	Proposed Funding Package	
City of Mitchell	Projected State Funding	$55,000,000
Address:	Local Cash	
612 N. Main Mitchell, SD 57301	Other:	
	Other:	
	TOTAL	$55,000,000

Project Title: Mitchell Comprehensive Wastewater System Improvements

Description: (Include present monthly utility rate.)

The project comprises most of the projects analyzed in SPN & Associates' 2020 Facility Plan for the Sanitary Sewer System in Mitchell that are not already completed or currently underway. It includes replacement of virtually all remaining deficient or undersized piping within the system, as well as rehabilitation or replacement of several sewage lift stations.

The City's current wastewater rate, based on 5,000 gallons of water used, is $61.43 for residential customers, $68.76 for commercial users, and $68.97 for industrial users.

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.

Jordan Hanson, Mayor
Name & Title of Authorized Signatory (Typed)

Signature

September 8, 2026
Date

State Water Plan Application

Applicant:	Proposed Funding Package	
City of Mitchell	Projected State Funding	$57,000,000
Address:	Local Cash	
612 N. Main Mitchell, SD 57301	Other:	
	Other:	
	TOTAL	$57,000,000

Project Title: Mitchell Comprehensive Water Distribution System Improvements

Description: (Include present monthly utility rate.)

The project comprises Distribution Options 2, 3 and 4 from the 2016 Facility Plan for the Water System in Mitchell produced by SPN & Associates, which is being updated at this time. These options consist of replacement of all CIP and SCP waterlines, replacement of ACP lines, and looping of water lines.

The City's current water rate, based on 5,000 gallons of water used, is $74.90 for all users.

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.

Jordan Hanson, Mayor
Name & Title of Authorized Signatory (Typed)

Signature

September 8, 2026
Date

State Water Plan Application

Applicant:	Proposed Funding Package	
City of Murdo	Projected State Funding	$6,315,000
Address:	Local Cash	
City of Murdo 107 2nd Street Murdo, SD 57559	Other:	
	Other:	
	TOTAL	$6,315,000

Project Title: Murdo Sanitary Sewer Improvements

Description: (Include present monthly utility rate.)

The Murdo sanitary sewer collection system is made up of approximately 32,600 feet of which 29,400 LF is vitrified clay pipe (VCP), sizes ranging from 6" to 10" diameter that was originally constructed in the 1950s and is now past its useful life. The proposed project will replace and CIPP-line pipe segments as well as manholes throughout the collection system. The sanitary sewer collection system was cleaned and televised in 2025 and found the majority of the system is highly deficient. Deficiencies include segments with severe cracking, blockages due to joint separation and root intrusion, complete pipe failure due to pipe collapse, infiltration & inflow (I/I) and severe manhole deterioration. Sewage is likely seeping into the soil at locations where the collection pipe is cracked, collapsed and joints separated.

The existing Wastewater Treatment Facility (WWTF) lagoon system is generally functioning as intended, however, several maintenance and infrastructure-related issues have been identified that need to be addressed. Installation of riprap along the primary lagoon cell is needed, additionally two existing hydraulic control structures are deteriorated and need replaced along with isolation valves within the treatment system.

Without system improvements, the City will not be able to provide reliable and sanitary conditions to its citizens, businesses and tourists who visit the community. As of Jan. 1, 2026 the monthly sewer rate is $45.

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.

David Geisler, Jr. - Mayor
Name & Title of Authorized Signatory (Typed)

Signature

9-28-26
Date

Additional Comments:

The recommended alternative will have a significant impact on existing infrastructure past its useful life, inflow and infiltration and reduce operational and maintenance issues.

State Water Plan Application

Applicant:	Proposed Funding Package	
City of North Sioux City	Projected State Funding	$3,686,000
Address:	Local Cash	
504 River Drive North Sioux City, South Dakota 57053	Other:	
	Other:	
	TOTAL	$3,686,000

Project Title: North Shore Bypass Lift Station

Description: (Include present monthly utility rate.)

This Project is a Clean Water Utility Project that adds a new sanitary sewer lift station in the Northwest corner of the City. The project consists of construction of a new sanitary sewer lift station and connection to proposed gravity sewer and forcemain networks that are being installed as part of a separate project.

The lift station is the final step in providing sanitary sewer service for approximately 790 acres of land north of the Dakota Valley High School. The proposed land use will be primarily residential land which could contain workforce housing for low- and moderate- income families.

The new lift station will also add redundancy by providing an alternate path for sanitary sewer waste being pumped from the Lakeshore Drive lift station on the east side of McCook Lake to the sanitary sewer treatment facility on the west side of McCook Lake if the forcemain was compromised or out of service for maintenance.

North Sioux City's current sanitary sewer rates for 5,000 gallons of usage is $55.64

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.

Chris Bogenrief, Mayor

Name & Title of Authorized Signatory (Typed)

Signature

Date 9/14/24

State Water Plan Application

Applicant:	Proposed Funding Package	
City of Parker	Projected State Funding	$3,197,000
Address:	Local Cash	
P.O. Box 265 Parker, South Dakota 57053	Other:	
	Other:	
	TOTAL	$3,197,000

Project Title: City Phase 1 - Flow Monitoring, Coll. Sys. Phase 1, & WWTF Non-Capacity Impr.

Description: (Include present monthly utility rate.)

The facility plan recommends several phases of work for the WWTF, Lift Stations, and Collection System. The funding request for this application is for 'City Phase 1', see additional information below:

1)Add flow monitoring to the collection system – This work is needed to provide information for the upcoming WWTF Capacity Improvements. If the flow monitoring results confirm that the city has a high amount of I/I, additional I/I evaluation should be completed to find and mitigate the sources of I/I.

2)Collection System Phase 1 - Replacing existing VCP sanitary sewer with PVC along Main Street via open-cut from Walnut Street to 4th Street. Additionally, replacement of the manhole upstream of the Main Lift Station and the manhole north of the courthouse are included in this Phase. This project will include 1520 LF of trunk main sewer and 6 manholes. The city is planning for water pipe replacement in this area as well as road replacement.

3)WWTF Non-capacity Improvements such as interim/patch rip rap addition, addition of gravel to roadways, resetting valve boxes, etc. These improvements will allow the WWTF to continue operating until the capacity improvements are completed.

The current monthly utility rate for $5,000 gallons is $52.21 (includes $47.20 + $0.75/unit of water)

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.

Robbie Buller, Mayor

Name & Title of Authorized Signatory (Typed)

Signature

9-18-26

Date

State Water Plan Application

Applicant:	Proposed Funding Package	
City of Parker	Projected State Funding	$1,886,200
Address:	Local Cash	
P.O. Box 265 Parker, South Dakota 57053	Other:	
	Other:	
	TOTAL	$1,886,200

Project Title: Parker Water System Improvements

Description: (Include present monthly utility rate.)

The City of Parker has some aging piping in throughout the city that likely contribute to the city's water loss which averages 11% per year based on information from 2020 to 2025. The improvements identified in this application include the replacement of 8" ductile iron pipe with new 10" PVC pipe along Main Avenue, from 4th Street to Railroad Street. Along with the replacement and up-sizing of pipe, this project will also include new isolation valves, fire hydrants, surface and or road restoration, and seeding.

The project engineering and cost estimates were completed by Banner Associates.

The City of Parker charges $79.45 for 5,000 gallons of water usage.

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.

Robbi Buller, Mayor
Name & Title of Authorized Signatory (Typed)

Signature

9-18-26
Date

State Water Plan Application

Applicant:	Proposed Funding Package	
Philip, South Dakota	Projected State Funding	2,129,100
Address:	Local Cash	
140 S Howard Ave. 4th Floor Philip, SD 57567	Other:	
	Other:	
	TOTAL	2,129,100

Project Title: Philip Myrtle Avenue Sanitary Sewer Improvements

Description: (Include present monthly utility rate.)

The City of Philip proposes improvements to the sanitary sewer and storm drainage systems along Myrtle Avenue and adjacent areas to address aging and deteriorated wastewater infrastructure, recurring blockages and sewer backups, excessive infiltration and inflow, and associated drainage and street deficiencies. The project will include replacement of approximately 1,810 linear feet of existing sanitary sewer with eight-inch PVC pipe; removal and replacement of seven sanitary sewer manholes; installation of approximately 970 linear feet of four-inch PVC sanitary sewer service pipe and reconnection of approximately 29 existing sewer services; and installation of approximately 360 linear feet of 18-inch reinforced concrete storm sewer with two new inlets. The project will also include necessary street excavation and reconstruction, curb and gutter, sidewalk and approach restoration, grading, surfacing, erosion control, and related improvements. The project is intended to improve the reliability and condition of the wastewater collection system, reduce infiltration and inflow, prevent recurring maintenance problems and sewer backups, and restore the affected street corridor following utility construction. The current residential wastewater rate is $34.00 per month based on 5,000 gallons of usage.

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.

Marion Matt, Mayor		9-8-26
Name & Title of Authorized Signatory (Typed)	Signature	Date

State Water Plan Application

Applicant:	Proposed Funding Package	
Pine Grove Community Water Association	Projected State Funding	$3,006,793
Address:	Local Cash	
23884 Hart Ranch Road West Rapid City, SD 57702	Other:	
	Other:	
Phone Number: 605-390-1967	TOTAL	$3,006,793

Project Title: PGCWA WATER SYSTEM CAPACITY AND INFRASTRUCTURE IMPROVEMENTS

Description: (Include present monthly utility rate.)

Pine Grove Community Water Association (PGCWA) currently relies on one (1) well to supply 151 connections at a current population of approximately 430 people. The area is continuing to grow. The system consists of one pressure zone across a variety of elevations. This system experiences low pressure scenarios (less than 20 psi) during high demands due to smaller water main sizes and lack of system looping, and high pressure scenarios (greater than 150 psi) within the system at lower elevations. With the system relying on one (1) 150-gpm well, the current hard capacity is 0 gpm. In the event of a pump failure, the community would be without water. Currently, there is no backup power system in place in the event of a power outage.

PGCWA system improvements have been evaluated to improve system reliability and pressure conditions. A second 80-gpm well has been acquired and tested for PGCWA system use. Currently this well site is connected to the system but the well pump is undersized and unusable. A new pump will be required for this well to provide capacity to the system. With a new well functional, the hard capacity of the system increases to 80-gpm. A backup generator has been evaluated for system redundancy. With the addition of a second well, a new SCADA system has been proposed to provide communication between sites. System water main improvements, and addition of pressure reducing valves have been evaluated to improve flows and system pressures.

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.

Janice Helgeson, Treasurer	Janice Helgeson	9/30/2026
Name & Title of Authorized Signatory (Typed)	Signature	Date

State Water Plan Application

Applicant:	Proposed Funding Package	
Town of Pringle	Projected State Funding	$5,496,000
Address:	Local Cash	
PO Box 139, Pringle, SD 57773	Other:	
	Other:	
	TOTAL	$5,496,000

Project Title: Water System Improvements

Description: (Include present monthly utility rate.)

The Town of Pringle proposes following water system improvements:
1. Source Water Treatment Implementation ($797,000). The Town currently chlorinates the water supplied by Well #1 to the seven existing customers; however, all residents who are on private wells are responsible for the individual treatment of their own water. Implementing centralized water treatment into the Town water system will provide a potable public water supply throughout the Town of Pringle.
2. Replace and Expand Distribution System ($3,402,535). Pringle's existing water system relies on one groundwater well serving seven properties, while other properties use private wells. The Town proposes installing a new pressurized water main system and replacing existing water lines to create a cohesive public water distribution system that can consistently supply all residents with treated water and to meter customer water usage and adjust water rates accordingly.
3. Construct a Ground Storage Reservoir and Booster Station ($1,296,150). The existing topography of the town is beneficial for installing a GSR that can be used for additional water storage after treatment. Storage acts as a buffer, helping to balance out the fluctuating water demand during the day. It will also provide water supply during maintenance on the well or water treatment equipment.

The Town of Pringle does not have a process in place to charge users for water.

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.

David Patrick Zeimet, Board President
Name & Title of Authorized Signatory (Typed)

D. Patrick Z — 9-22-2016
Signature — Date

Additional Comments:

The Town of Pringle does not have a process in place to charge users for water. Every lot that receives water service will be charged water rates, and the estimated number of users based on future services is 72.

Question #2 includes estimated project surcharge only and is calculated as follows:

$5,496,000 loan @ 3.5% (disadvantaged community MHI between 60% and 80%) for 30 years with 110% debt coverage results in a monthly payment of $27,147.45. With estimated 72 users on the system, this would result in a monthly surcharge of $377.05 for each water user.

State Water Plan Application

Applicant:	Proposed Funding Package	
Town of Reliance	Projected State Funding	$2,760,000
Address:	Local Cash	$9,403
PO Box 572 Reliance, South Dakota 57569	Other:	
	Other:	
	TOTAL	$2,769,403

Project Title: Reliance Wastewater System Improvements

Description: (Include present monthly utility rate.)

The Town of Reliance's sanitary sewer system serves 120 connections, with aging vitrified clay pipe (VCP) comprising 66% of the network. Recent televising identified widespread structural failure including collapsed pipes, sags, offset joints, and root intrusion with 51% of the VCP system requiring urgent replacement or CIPP lining. August–September 2026 flow monitoring revealed severe infiltration and inflow (I/I), averaging 19,100 gallons per day (GPD) against a 7,700 GPD baseline. This excess 11,400 GPD hydraulically overloads the treatment facility and drives historical BOD_5 permit violations. Undersized four-inch mains serving septic effluent remain a lower priority due to upstream solids retention.

This project prioritizes collection system rehabilitation and critical lift station and treatment facility upgrades. Both lift stations require updated wet-well piping, new valves, and SCADA monitoring; the South Station also requires right-sized pumps to control force main velocity. Treatment facility improvements include replacing aging inlet piping and valves, enhancing all-weather access, and increasing wetland hydraulic capacity. Targeted I/I reduction will relieve hydraulic burdens, improve effluent quality, and extend facility lifespan without costly expansion.

The current sewer rate is flat at $32 per account.

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.

Shane Reis, Board President
Name & Title of Authorized Signatory (Typed)

Signature

9/26/26
Date

State Water Plan Application

Applicant:	Proposed Funding Package	
City of Sioux Falls	Projected State Funding	$29,958,000
Address:	Local Cash	$6,071,000
224 West 9th Street Sioux Falls, South Dakota 57104	Other:	
	Other:	
	TOTAL	$ 36,029,000

Project Title: Southeast Basins Sanitary Sewer Improvements

Description: (Include present monthly utility rate.)

The City of Sioux Falls has identified the southeast region of the city as a priority to accommodate future growth area needs established in the early 2000's. The City is coordinating with the South Dakota Department of Transportation (SDDOT) on the construction of South Veterans Parkway from Interstate 29 to 57th Street to meet the continued residential growth and traffic demand. There is a need for new sanitary sewer trunk lines, lift stations, and gravity extensions along the north side of CR 106 from Western Avenue to Highway 11 and along Hwy 11 to the north. The project will be constructed in phases and will serve approximately 6,000 acres over the next 20 years. Local funds of water reclamation user fees will be added to fund any non-participating items. Also, local water purification user fees may be added to fund the installation of water transmission main for redundancy, development, and looping. This project will also be coordinated with SDDOT's Hwy 11 Reconstruction and Widening Project from Cody Road to 273rd Street planned in the next few years.

This application is for the remaining phases of the project which are identified as phases 2, 3, 4, and 5. These may be divided into subphases.

Current monthly wastewater rates for 2026 are $48.44 for domestic use and $75.57 for business use. Planned rates for 2027 are $50.85 for domestic use and $79.36 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.

Christine Erickson, Mayor		9/23/26
Name & Title of Authorized Signatory (Typed)	Signature	Date

State Water Plan Application

Applicant:	Proposed Funding Package	
Sioux Rural Water System	Projected State Funding	$3,134,000
Address:	Local Cash	$366,000
45703 176th Street Watertown, SD 57201-7186	Other:	
	Other:	
	TOTAL	$3,500,000

Project Title: 2027 User Expansion Project

Description: (Include present monthly utility rate.)

Sioux Rural Water System proposes water system improvements to connect approximately 61 new customers. The project will require pipeline, service line, and meter pit construction to serve new customers. Prospective customers are primarily existing houses and livestock operations which until now have relied on water from private wells. Water from private wells contains levels of nitrates and manganese which exceed the respective MCL and SMCL. Because of the elevated presence of manganese, this project to connect customers to rural water may be eligible for Emerging Contaminants Grant. The current monthly utility rate for farms and rural residences is a minimum of $59.50 +$5.05 /1,000 gallons used.

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.

Travis Steffensen, General Manager		9/30/2026
Name & Title of Authorized Signatory (Typed)	Signature	Date

Additional Comments:

In the priority point assessment above, occurrence of nitrate, chloride, manganese, sulfate, and TDS exceeding respective MCL and SMCL limits is from private wells sampled by Sioux RWS staff. Applicants for connections to rural water are primarily existing houses and farms which currently rely on said private wells. The proposed project would allow customers to abandon their private wells and connect to the rural water system where contaminant concentrations do not exceed the relevant MCL and SMCL.

State Water Plan Application

Applicant:	Proposed Funding Package	
City of Tyndall	Projected State Funding	$22,690,861
Address:	Local Cash	
PO Box 29 Tyndall, SD 57066	Other:	
	Other:	
	TOTAL	$22,690,861

Project Title: Tyndall Wastewater System Improvements

Description: (Include present monthly utility rate.)

The City of Tyndall proposes several improvements to its wastewater system. A recent facility plan conducted by Brosz Engineering recommended several significant improvements to the system to prevent any further deterioration and sustain the wastewater collection system well into the future. The recommended projects within the plan include:

- Clean and televise collection system
- CIPP for manhole and collection system refurbishment
- Outfall piping refurbishment
- New forcemain lift stations at 14th Avenue, Hwy 50, and Treatment Ponds
- Reroute collection system to treatment ponds
- Eliminate lift station #5
- New lift station #5
- Land development for the future

The city's current sewer rate for residential users at 5,000 gallons of water used is $25.00 plus a $10.00 surcharge, for a total of $35.00.

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.

Amanda Whittington, Mayor
Name & Title of Authorized Signatory (Typed)

Signature

Date

Additional Comments:

The facility plan for Tyndall's wastewater system outlines several potential project alternatives. Because the City of Tyndall has not yet determined which specific projects it will pursue for funding, all identified alternatives are being submitted for inclusion in the State Water Plan.

State Water Plan Application

Applicant:	Proposed Funding Package	
City of Tyndall	Projected State Funding	$5,212,109
Address:	Local Cash	
PO Box 29 Tyndall, SD 57066	Other:	
	Other:	
	TOTAL	$5,212,109

Project Title: Tyndall Water Storage and Distribution Improvements

Description: (Include present monthly utility rate.)

The City of Tyndall proposes improvements to its current water storage and distribution system. The city receives its drinking water from B-Y Rural Water System while operating its own water storage and distribution system. A recent facility plan by Brosz Engineering on the current system suggested three major projects to improve and update the water storage and distribution system:

1. Updating and replacing older asbestos cement waterlines along 30 city blocks.
2. Providing new watermains at several locations to provide additional looping within the system.
3. Installing a back-up generator at the pump station adjacent to the ground storage tank.

The city's current residential water rate at 5,000 gallons of water used is $41.00 plus a $19.75 surcharge, for a total of $60.75.

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.

Amanda Whittington, Mayor

Name & Title of Authorized Signatory (Typed) | Signature | Date

State Water Plan Application

Applicant:	Proposed Funding Package	
Town of Utica	Projected State Funding	$2,600,000
Address:	Local Cash	
P.O. Box 65	Other:	
Utica, SD 57067-0065	Other:	
	TOTAL	$2,600,000

Project Title: Utica Sanitary Sewer Improvements Phases 1 & 2

Description: (Include present monthly utility rate.)

The proposed improvements are located throughout the Town of Utica, generally extending from Milwaukee Street north to the wastewater treatment lagoons (approximately 1/3 mile north of Town). Work within the developed portion of Town is generally located between Main Street and 435th Avenue/Highway 211.This application represents the first and second phases of the Town-Wide Sanitary Sewer Improvements project. The project includes repairs to sanitary sewer mains and manholes identified as deficient through closed-circuit television inspection, replacement of the existing lift station, and improvements to the two-cell wastewater treatment lagoon system. Collection system repairs will address pipe sags, root intrusion, fractures, misaligned joints, leaks, and deteriorated manholes that contribute to inflow and infiltration. Lift station improvements include a new wet well, pumps, controls, a valve vault/building, remote alarm notification, and standby power generation. These improvements will increase system reliability, provide additional emergency response time, and reduce the risk of sanitary sewer backups. Lagoon improvements include sludge removal and land application, fence and sign upgrades, and the installation of water-level measurement pads. Construction will primarily use open-trench methods, with disturbed streets and rights-of-way restored following construction.

The current sanitary sewer rate is a flat fee of $65.00 per month, and a rate increase is anticipated to help finance the improvements.

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.

Ric Barrick, Board President
Name & Title of Authorized Signatory (Typed)

Signature

9-25-26
Date

State Water Plan Application

Applicant:	Proposed Funding Package	
Town of Utica, SD	Projected State Funding	$1,150,000
Address: P.O. Box 65 Utica, SD 57067-0065	Local Cash	
	Other:	
	Other:	
	TOTAL	$1,150,000

Project Title: Utica Drinking Water Improvements Phases 1 & 2

Description: (Include present monthly utility rate.)

The proposed drinking water improvements span the Town of Utica, focusing on the existing water tower, meter building, and individual service lines. This application encompasses both Phase 1 and Phase 2 of the Town's drinking water improvements, as outlined in the Town's Facilities Plan.

Water tower improvements include replacing the existing standpipe to address recommendations from the 2023 water tower inspection. Distribution system improvements include repairing or replacing broken and inaccessible curb stops to ensure reliable access for service shut-offs and routine maintenance, as well as installing automated-read meters for all customers to enable accurate usage tracking, streamline comparisons with master-meter data, and proactively detect system water loss. Additionally, replacing internal fittings within the meter building will improve flow control of incoming water and mitigate pressure spikes that currently risk water tower overflows.

Collectively, the proposed projects directly resolve documented infrastructure deficiencies, enhance ongoing operation and maintenance capabilities, and ensure reliable, long-term drinking water service for the community. Current drinking water rates are $67.00 per month for the first 5,000 gallons.

The Applicant Certifies That:

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

Ric Barrick, Board President
Name & Title of Authorized Signatory (Typed)

Signature

9-25-26
Date

State Water Plan Application

Applicant:	Proposed Funding Package	
City of Veblen	Projected State Funding	4,585,000
Address:	Local Cash	
PO Box 96 Veblen SD 57270-0096	Other:	
	Other:	
	TOTAL	4,585,000

Project Title: Veblen Wastewater Improvements

Description: (Include present monthly utility rate.)

Veblen's wastewater system needs of replacement of lines throughout the system. Studies show that the system is clay pipe and the lines are in need of replacement or lining. Costs for the project are based on the estimates that 50% of the system is in need of replacement and 50% can be lined. Included with project costs is replacement of manholes and mains.

Televising is also included in project costs to determine the extent of repairs that are needed for the system. Televising the entire system will inform Helms what lines are in need of replacement and which can be lined.

Veblen has a wastewater rate of $30 for 5,000 gallons and has a population of 317 as of the 2020 census. There are 140 users on their wastewater system.

The Applicant Certifies That:

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

Chuck Baus, Mayor, City of Veblen
Name & Title of Authorized Signatory (Typed)

Chuck Baus 9-15-24
Signature Date

State Water Plan Application

Applicant:	Proposed Funding Package	
City of White	Projected State Funding	$3,312,200.00
Address:	Local Cash	
300 W. Main St. PO Box 682 White, SD 57276	Other:	
	Other:	
	TOTAL	$3,312,200.00

Project Title: White Wastewater Collection and Treatment Improvements - Phase 3

Description: (Include present monthly utility rate.)

The City proposes to complete/continue improvements to their wastewater collection and treatment systems: north of Main Street and east of Hooker Avenue along Main Street, at the existing WWTF located approximately 0.5 mile southwest of the City, and locations along the existing storm sewer system. (See the Additional Comments section on page 5 for additional information.)
- Install influent flow monitoring equipment upstream of the WWTF. Currently there are no structures to monitor and record wastewater flows to the facility via gravity pipes.
- Replace the existing 50-year-old WWTF structures and piping. The structures are difficult to control pond levels and are causing erosion at the point of discharge in the State Highway ROW.
- Replace vitrified clay pipe, services and manholes within the collection system. The VCP is past its useful life and has no sealed joints. Approximately 10 blocks of pipe and structures would be replaced with PVC pipe and concrete manholes.
-Replace existing VCP storm sewer that extends north from Main Street and Railroad Ave. The existing pipe is deteriorated and outside the street ROW. Additional storm sewer improvements will be made as part of the other utility improvements.
Current Utility Rates:
-Base Rate = $25.00/month
-Phase 1 Surcharge = $30.00 and Phase 2 Surcharge = $21.60
Current Total Monthlv Fee = $76.60/month

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.

Matt Lagerstrom, Mayor	LAGERSTROM.MATTHEW.ALAN.1147467431 Digitally signed by LAGERSTROM.MATTHEW.ALAN.1147467431 Date: 2026.09.30 13:11:23 -05'00'	9/30/2026
Name & Title of Authorized Signatory (Typed)	Signature	Date

Additional Comments:

Below is a more in depth description of the proposed improvements.

- Install an influent flow measurement structure and a new inlet control structure on the existing influent line to the facility. There are no lift stations or other elements from which to monitor or determine wastewater flows to the WWTF. The 2021 Facility Plan recommends influent flow measurement equipment be installed at the treatment facility to provide the capability to measure wastewater flow volumes/rates for use in evaluating treatment facility capacity and evaluate infiltration/inflow from the collection system.

- Replace pond level control structures and piping - the existing pond level control structures are vertical pipes with 6-inch adjusting rings (donut risers). The structures are close to 50-years old, offer limited control and are difficult to impossible to safely operate. Often the operator must enter the manhole to pry or "knock" loose the rings to transfer water or discharge from the facility. This is not a safe procedure for the operator.

- Replace vitrified clay pipe and structures installed approximately 70 years ago. Video inspection of the collection system indicates many areas of fractured pipes, open joints, and vertical alignment concerns (sags and displaced joints vertically) creating potential sediment build-up and flow restrictions leading to backups.

-Replace existing VCP storm sewer piping near the Main Street and Railroad Ave intersection and other locations necessitated by other utility improvements. The Main street storm sewer main collects one third of the city's storm water and extends north across Main Street under a fuel pump island and building and discharging into Six Mile Creek. The proposed improvements will relocate this storm sewer pipe and replace other non-effective piping.

State Water Plan Application

Applicant:	Proposed Funding Package	
City of White	Projected State Funding	$2,616,110.00
Address:	Local Cash	
300 W. Main St. PO Box 682 White, SD 57276	Other:	
	Other:	
	TOTAL	$2,616,110.00

Project Title: White Water Distribution System Improvements - Phase 3

Description: (Include present monthly utility rate.)

The City is proposing to continue improvements to their municipal water distribution system which began with the Phase 1 project constructed in 2024 and 2025 and the Phase 2 project currently under construction with a 2027 completion. The proposed Phase 3 project will include water distribution main and service replacements primarily north of Main Street and east of Hooker Avenue along Main Street.

The 2020 Water Facility Plan recommends replacement of the existing 70-year old, under-sized, cast iron mains, valves, hydrants, service lines and curb stops. Dead end mains will be looped and long service lines will be corrected. Approximately 15-blocks of pipe and appurtenances would be replaced with PVC pipe.

Current Utility Rates:
Base Rate = $25.00/month/2000 gallons + $5.50/1000 gallons above base usage of 2000 gallons
Phase 1 Surcharge = $27.60
Phase 2 Surcharge = $14.75
Current Total Monthly Fee = $67.35/month/2000 gallons of usage

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.

Matt Lagerstrom, Mayor	LAGERSTROM.MATTHEW.ALAN.1147467431 Digitally signed by LAGERSTROM.MATTHEW.ALAN.1147467431 Date: 2026.09.30 13:10:57 -05'00'	9/30/2026
Name & Title of Authorized Signatory (Typed)	Signature	Date

State Water Plan Application

Applicant:	Proposed Funding Package	
White River, South Dakota	Projected State Funding	1,366,780
Address: 501 3rd St White River, SD 57579	Local Cash	
	Other:	
	Other:	
	TOTAL	1,366,780

Project Title: White River Wastewater Collection and Treatment System Improvements

Description: (Include present monthly utility rate.)

The City of White River proposes improvements to its wastewater collection and treatment systems to address excessive infiltration and inflow, deteriorating lagoon dikes, aging equipment, and other deficiencies identified in the City's 2026 Wastewater Facility Plan. The project will include cleaning and televising approximately 24,580 linear feet of sanitary sewer, removing obstructions and roots, and inspecting approximately 57 manholes to identify structural deficiencies and sources of infiltration and inflow. Wastewater treatment facility improvements will include reshaping and stabilizing the dikes of Cells 1, 2, and 3; installing approximately 6,500 tons of riprap; replacing the Cell 1 inlet structure and associated piping; replacing deteriorated manholes and an interpond valve; replacing the lift station pump, control panel, and electrical components, air release valve, and related valves; and removing trees and brush around Cell 1. The estimated total project cost is $1,366,780, including approximately $174,030 for sanitary sewer inspection and $1,192,750 for wastewater treatment facility improvements. The City's current residential water rate is $20 per month with $22/month for outside-city residential users and $25/month + $.80 per 1,000 gallons of water used over 5,000 gallons.

The Applicant Certifies That:

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

Mayor Brandi L. Hodges	Brandi L Hodges	9/17/20
Name & Title of Authorized Signatory (Typed)	Signature	Date

State Water Plan Application

Applicant:	Proposed Funding Package	
White River, South Dakota	Projected State Funding	5,681,530
Address:	Local Cash	
501 3rd St. White River, SD 57579	Other:	
	Other:	
	TOTAL	5,681,530

Project Title: White River Drinking Water System Improvements

Description: (Include present monthly utility rate.)

The City of White River proposes comprehensive improvements to its municipal drinking water system to address aging infrastructure, water loss, inadequate storage, and distribution system deficiencies. The project includes replacement of existing aging water meters with a drive-by radio-read metering system; demolition of the existing 200,000-gallon ground storage tank and booster station; construction of a new 125,000 gallon elevated water storage tank with associated controls and SCADA improvements; replacement of approximately 5,830 linear feet of existing water main, including aging cast iron and asbestos cement pipe; and installation of approximately 2,820 linear feet of six-inch PVC water main to eliminate existing dead ends and create three distribution system loops. The improvements are intended to reduce water loss, improve water quality and system reliability, provide adequate usable storage, and improve operation of the City's water distribution system. The City's current residential water rate is $37.00 per month based on 5,000 gallons of usage.

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.

Mayor Brandi L Hodges
Name & Title of Authorized Signatory (Typed)

Brandi L Hodges 9/16/26
Signature Date

State Water Plan Application

Applicant:	Proposed Funding Package	
City of Willow Lake	Projected State Funding	$7,077,421.25
Address:	Local Cash	
PO Box 317 Willow Lake, SD 57278	Other:	
	Other:	
	TOTAL	$7,077,421.25

Project Title: Willow Lake Wastewater Collection & Treatment System Improvements

Description: (Include present monthly utility rate.)

The existing wastewater collection system has a massive infiltration problem, as the current clay tile allows an absorbent amount of groundwater into the system. The project would first include televising to determine current conditions of the pipe. After the evaluation, a determination would be made on lining or total replacement. Lift station #1 has reached the end of its useful life and needs to be replaced. Currently, lift station #2 is running at capacity for over 4 months out of the year. The force main to the lagoons is also undersized for the amount of wastewater that is currently pumped to the lagoons. This project will likely need to be phased.

The current monthly utility rates for Wastewater is a flat $35.00 residential monthly service fee and a flat $38.00 commercial monthly fee per user.

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.

Jacob Edleman, Mayor — Name & Title of Authorized Signatory (Typed)

Signature — 9-21-26 — Date

November 5, 2026
Item 8

TITLE: Public Hearing to Adopt Federal Fiscal Year 2027 Clean Water State Revolving Fund Intended Use Plan and Project Priority List.

EXPLANATION: The Intended Use Plan consists of two components. One component describes how the state intends to use available funds from the standard program allocation for the year to meet the objectives of the Clean Water Act and further the goal of protecting public health. This includes the amount of funds to be allocated to set-aside activities such as administration and technical assistance.

The second component of the Intended Use Plan is a priority list of projects that will be eligible to receive funding. Projects seeking a Clean Water State Revolving Fund loan must be on the priority list.

RECOMMENDED ACTION: Conduct the public hearing, receive testimony, and approve the Federal Fiscal Year 2027 Clean Water SRF Intended Use Plan and Project Priority List.

CONTACT: Andy Bruels, 773-4216

NOTICE OF PUBLIC HEARING
TO ADOPT
FISCAL YEAR 2027 CLEAN WATER STATE REVOLVING FUND
INTENDED USE PLAN AND PROJECT PRIORITY LIST

Notice is hereby given that the South Dakota Board of Water and Natural Resources will hold a public hearing to adopt the South Dakota 2027 Clean Water State Revolving Fund Intended Use Plan and Project Priority List on November 5, 2026, at 1:00 p.m. CT.

The public may participate in person at the Matthew Training Center, Joe Foss Building, 523 E. Capitol Avenue, Pierre SD, 57501. Online participation is available with live audio or by streaming through a computer or other mobile device. The full board packet and directions for access to the meeting and live streaming can be found on the South Dakota Boards and Commissions Portal at:

http://boardsandcommissions.sd.gov/Meetings.aspx?BoardID=108

This public hearing is being held pursuant to ARSD 74:05:08:05 and meets all requirements of the Clean Water Act.

The Intended Use Plan consists of two components. One component describes how the state intends to use available funds from the standard program allocation for the year to meet the objectives of the Clean Water Act and further the goal of protecting public health. This includes the amount of funds to be allocated to set-aside activities such aa administration and technical assistance.

The second component of the Intended Use Plan is a priority list of projects that will be eligible to receive funding. Projects seeking a Clean Water State Revolving Fund loan must be on the priority list.

Persons interested in presenting public testimony concerning the adoption of the 2027 Intended Use Plan may appear at the designated place and time. Written or online comments will be received at any time prior to the hearing date by mailing them to the Environmental Funding Program, Department of Agriculture and Natural Resources, 523 E. Capitol Avenue, Pierre, SD 57501 or at the DANR website listed below.

Copies of the proposed 2027 Intended Use Plan can be received at no charge by requesting a copy from the address given above, by calling (605) 773-4216, by sending an e-mail request to andrew.bruels@state.sd.us, or from the DANR website at:

https://danr.sd.gov/public/default.aspx

Notice is given to individuals with disabilities that the hearing is being held in a physically accessible location. Individuals requiring assistive technology or other services in order to participate in the hearing or materials in an alternate format should contact Brian Walsh, Nondiscrimination Coordinator, by calling (605) 773-5559 or by email at Brian.Walsh@state.sd.us

as soon as possible but no later than two business days prior to the meeting in order to ensure accommodations are available.

Published once at the total approximate cost of $_____ .

SOUTH DAKOTA CLEAN WATER STATE REVOLVING FUND
FEDERAL FISCAL YEAR 2027 INTENDED USE PLAN

INTRODUCTION

The state of South Dakota proposes to adopt the following Intended Use Plan (IUP) for Federal Fiscal Year (FFY) 2027 as required under Section 606(c) of the Clean Water Act.

The primary purpose of the IUP is to identify the proposed annual intended use of the amounts available to the Clean Water State Revolving Fund (SRF). The IUP has been reviewed by the public and reflects the results of that review.

The IUP includes the following:

1. List of projects and activities;
2. Goals, objectives, and environmental results;
3. Amount of funds transferred between the Clean Water SRF and the Drinking Water SRF;
4. Information on the activities to be supported;
5. Assurances and specific proposals;
6. Criteria and method for distribution of funds; and
7. Sources and uses of funds.

LIST OF PROJECTS AND ACTIVITIES

The IUP identifies potential municipal wastewater, storm water, and nonpoint source projects. A project must be on the project priority list, Attachment I, to be eligible for a loan. This list was developed from the State Water Plan and includes projects that did not designate Clean Water SRF loans as a funding source.

Projects may be added to the project priority list by the Board of Water and Natural Resources if the action is included on the meeting agenda at the time it is posted.

Priority ratings are based on the integrated project priority system established in ARSD 74:05:08:03.01. The general objective of the integrated priority system is to ensure that projects funded through the Clean Water SRF program address high priority water quality problems. This is accomplished with a priority system that ranks both municipal wastewater and nonpoint source pollution control projects on an equal basis. Projects and activities utilizing administrative surcharge funds are not required to be ranked and included on the project priority list.

The Clean Water SRF may be used for the following purposes:

1. Low-interest loans for secondary or more stringent treatment of any cost-effective alternatives, new interceptors and appurtenances, infiltration/inflow correction, new collectors, sewer system rehabilitation, expansion and correction of combined sewer overflows, decentralized wastewater

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treatment systems, and construction of new storm sewers. The low-interest loans can be made for up to 100 percent of the total project cost;

2. Refinancing of existing debt obligations for municipal wastewater facilities if the debt was incurred and construction initiated after March 7, 1985; or

3. Nonpoint source pollution control projects and programs, including non-traditional projects (projects with a primary purpose other than water quality).

A determination of which projects are funded from the above-mentioned lists, the amount of assistance, and the financing terms and conditions will be made by the Board of Water and Natural Resources during FFY 2027.

GOALS, OBJECTIVES, AND ENVIRONMENTAL RESULTS

Long-term Goals and Objectives:

The long-term goals of the State Water Pollution Control Revolving Fund are to fully capitalize the Clean Water SRF, maintain or restore and enhance the chemical, physical, and biological integrity of the state's waters for the benefit of the overall environment, protect public health, and promote economic well-being.

Objectives:

1. Maintain a permanent, self-sustaining Clean Water SRF program that will serve in perpetuity as a financing source for wastewater treatment works projects and nonpoint source pollution control projects; and

2. Fulfill the requirements of pertinent federal, state, and local laws and regulations governing water pollution control activities while providing the state and local project sponsors with maximum flexibility and decision-making authority regarding such activities.

Short-term Goal and Objectives:

The short-term goal of the Clean Water SRF is to fully capitalize the fund.

Objectives:

1. Ensure the technical integrity of Clean Water SRF projects through the review of planning, design plans and specifications, and construction activities;

2. Ensure compliance with all pertinent federal, state, and local water pollution control laws and regulations; and

3. Obtain maximum capitalization of the funds for the state in the shortest time possible.

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Environmental Results:

States are required to quantify and report the environmental benefits being realized through the Clean Water SRF loan program. The reporting requirement is being satisfied using an on-line environmental benefits assessment developed by EPA in cooperation with the States and other organizations. A summary of the FFY 2027 loans and the resulting benefits will be provided in the end-of-year-annual report.

AMOUNT OF FUNDS TRANSFERRED BETWEEN THE CLEAN WATER SRF AND THE DRINKING WATER SRF

The Safe Drinking Water Act Amendments of 1996 and subsequent congressional action allows states to transfer an amount equal to 33 percent of its Drinking Water SRF capitalization grant to the Clean Water SRF or an equivalent amount from the Clean Water SRF to the Drinking Water SRF. States can also transfer state match, investment earnings, or principal and interest repayments between SRF programs and may transfer a previous year's allocation at any time.

South Dakota has transferred $40,574,320 from the Clean Water SRF program to the Drinking Water SRF program in past years. South Dakota has transferred $42,500,000 from the Drinking Water SRF program to the Clean Water SRF program in past years. With the anticipated FFY 2027 capitalization grant, the ability exists to transfer more than $132.1 million from the Clean Water SRF program to the Drinking Water SRF program. More than $128.0 million could be transferred from the Drinking Water Program to the Clean Water SRF program. These totals include prior year IIJA General Supplemental grant levels being available in the totals. Table 2 on pages 12 and 13 details the amount of funds transferred between the programs and the amount of funds available to be transferred.

No program transfers are currently proposed for FFY 2027, this will be evaluated further during the year.

INFORMATION ON THE ACTIVITIES TO BE SUPPORTED

The primary type of assistance to be provided by the Clean Water SRF is direct loans including refinancing of existing debts where eligible. Loan assistance will be provided to municipalities, sanitary districts, counties, or other units of government for publicly owned wastewater treatment facilities, storm sewers, and nonpoint source pollution control programs in accordance with the Clean Water SRF administrative rules adopted by the Board of Water and Natural Resources. With the adoption of the amended and restated Master Indenture in 2004, the Clean Water and Drinking Water SRF programs are cross-collateralized. This allows the board to pledge excess revenues on deposit in the Drinking Water SRF program to act as additional security for bonds secured by excess revenues on deposit in the Clean Water SRF program, and vice versa.

Sources of Loan Funds

Loan funds are derived from various sources and include federal capitalization grants, state match, leveraged bonds, borrowers' principal repayments, and interest earnings.

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Capitalization Grants/State Match: Federal capitalization grants are provided to the state annually. These funds must be matched by the state at a ratio of 5 to 1. The fiscal year 2027 capitalization grant is anticipated to be $5,000,000 which requires $1,000,000 in state match. Administrative surcharge fees will be used to match FFY 2027 capitalization grant funds.

Leveraged Bonds: The South Dakota Conservancy District has the ability to issue additional bonds above that required for state match, known as leveraged bonds. It is anticipated that approximately $250 million in leveraged bonds will be required in FFY 2027.

Borrowers' Principal Repayments: The principal repaid by the loan borrowers is used to make semi-annual leveraged bond payments. Any excess principal is available for loans. It is estimated that no excess principal repayments will become available for loans in FFY 2027.

Interest Earnings: The interest repaid by the loan borrowers, as well as interest earned on investments, is dedicated to make semi-annual state match bond payments. Any excess interest is available for loans. It is estimated that $6.0 million in interest earnings will become available for loans in FFY 2027.

Additional Subsidy - Principal Forgiveness

The 2010 and 2011 Clean Water SRF appropriations mandated that not less than 30 percent of the funds made available for Clean Water SRF capitalization grants be used by the State to provide additional subsidy to eligible recipients and shall only apply to the portion of the national allocation that exceeds $1 billion. The 2012 through 2014 capitalization grants mandated additional subsidy be provided in an amount not less than 20 percent, but not more than 30 percent, of that portion of the national allocation that exceeds $1 billion. Additional subsidy may be in the form of forgiveness of principal, negative interest loans, or grants (or any combination of these).

With the passage of the Water Resources Reform and Development Act (WRRDA) in June 2014, states may provide additional subsidization when the total amount appropriated for capitalization grants exceeds $1 billion. The IIJA of 2021 requires a minimum of 10 percent up to a maximum of 30 percent of the capitalization grant be provided as additional subsidy to an eligible entity that meets the affordability requirements established by the state or to projects that implement a process, material, technique, or technology with water efficiency, energy efficiency, mitigation of stormwater runoff or sustainability benefits.

The 2016 through 2026 appropriation acts required an additional 10 percent of the capitalization grant be used for additional subsidy and is available for any eligible borrower. At this time, South Dakota will only provide this 10 percent to borrowers who meet the state's affordability criteria. It is anticipated the 2027 capitalization grant will include similar additional subsidy requirements.

Additional subsidy will be provided in the form of principal forgiveness. Municipalities and sanitary districts must have a minimum rate of $45 per month based on 5,000 gallons usage or a flat rate to qualify for principal forgiveness. Other applicants must have a minimum rate of $70 per month based on 5,000 gallons usage or a flat rate to qualify for principal forgiveness.

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When determining the amount of principal forgiveness, the Board of Water and Natural Resources may consider the following decision-making factors, which are set forth in alphabetical order:

(1) Annual utility operating budgets;
(2) Available local cash and in-kind contributions;
(3) Available program funds;
(4) Compliance with permits and regulations;
(5) Debt service capability;
(6) Economic impact;
(7) Other funding sources;
(8) Readiness to proceed;
(9) Regionalization or consolidation of facilities;
(10) Technical feasibility;
(11) Utility rates; and
(12) Water quality benefits.

Table 3 on page 14 summarizes the amounts of principal forgiveness provided with the 2010 – 2026 capitalization grants.

In compliance with the WRRDA provisions, South Dakota has adopted the affordability criteria below in ARSD 74:05:08:12.03.

1. All applicants will be awarded points to determine principal forgiveness eligibility as follows:

    a. Five points if an applicant's median household income is equal to or less than 95 percent of the statewide median household income;

    b. Three points if an applicant's median household income is equal to or less than 105 percent of the statewide median household income and greater than 95 percent of the statewide median household income;

    c. One point if the applicant's 2020 census population is less than the applicant's 2010 census population; and

    d. One point if an applicant's county unemployment rate is greater than the statewide unemployment rate.

2. If the boundaries of an applicant are located in more than one county, the unemployment rate of the county with the largest percentage of the applicant's population will be used.

3. Applicants must receive a minimum of five points to be eligible for principal forgiveness in the upcoming fiscal year.

The source of median household income statistics will be the American Community Survey or other statistically valid income data supplied by the applicant and acceptable to the board.

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The source of unemployment rates will be the 2021 average unemployment rates as determined by the South Dakota Department of Labor and Regulation, Labor Force Statistics.

Systems that are eligible to receive principal forgiveness are identified in Attachment I and Attachment II. Attachment II – List of Projects to be Funded in FFY 2027 identifies $1.10 million in potential principal forgiveness.

Green Project Reserve

Recent Clean Water SRF appropriations mandated that to the extent there are sufficient eligible project applications, a portion of the funds made available for each year's Clean Water SRF capitalization grant shall be used by the State for projects to address green infrastructure, water or energy efficiency improvements, or other environmentally innovative activities. These four categories of projects are the components of the Green Project Reserve (GPR).

Sufficient funds have been awarded to qualifying projects to meet the 2010 – 2023 capitalization grant requirements. There remains a combined total of $3,621,338 to meet the 2024 - 2026 capitalization grant GPR requirements.

The GPR requirement was included in the 2010 - 2026 capitalization grants and required that not less than 10 percent be made available for GPR eligible projects. South Dakota for several years has utilized incentive rate financing to help encourage borrowers to take additional loan funds for Section 319 non-point source project funding. In South Dakota, many non-point source projects include the purchase of easements adjacent to impaired waterbodies to install best management practices reducing nutrient loading into the streams. Other best management practices funded through non-point source SRF funded projects are also installed to reduce nutrient and other contaminant run-off into streams. These non-point source projects are green projects as defined by EPA's eligibility criteria and have been used to meet a portion of the 2016-2026 GPR requirements, additional funds are allocated to projects and as funds are expended, they will be recorded for GPR tracking. It is anticipated these prior funded projects will provide sufficient funds to meet the 10 percent requirement of the remaining 2024 through 2026 capitalization grants. It is anticipated the 2027 capitalization grant will include similar green project reserve provisions.

Interest Rates

Interest rates are reviewed quarterly in comparison to established bond rating indexes to assure rates are at or below market rates as required. The SRF rates are then set to be competitive with other funding agencies.

The current interest rates for FFY 2027 are summarized in Table 1. The rates were adjusted in November 2026.

In November 2023 specific interest rates were approved for loans that will be subject to Build America, Buy America Act. For loans subject to Build America, Buy America Act requirements a

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0.25 percent interest rate reduction will be provided from whatever standard interest rate and term a borrower would normally receive funding.

Projects for traditional wastewater or stormwater projects that include a nonpoint source component may receive the nonpoint source rate. The annual principal and interest payments are calculated for a loan at the higher base interest rate. Using the lower interest incentive rate, a loan is sized using the annual payment previously calculated. The difference in the two loan amounts is the amount of funding available for the nonpoint source component of the project.

Table 1 – Clean Water SRF Interest Rates

	Up to 5 Yrs	Up to 10 Yrs	Up to 20 Yrs	Up to 30 Yrs*
Interim Rate				
Interest Rate				
Admin. Surcharge				
Total				
Base Rate				
Interest Rate				
Admin. Surcharge				
Total				
Nonpoint Source Incentive Rate				
Interest Rate				
Admin. Surcharge				
Total				

Clean Water SRF loan interest rates will be reviewed by the Board of Water and Natural Resources at its November 5, 2026, Board meeting prior to the IUP public hearing.

Rate Reduction for Build America, Buy America Projects
For projects subject to Build America, Buy America Act requirements through the Clean Water SRF program a 0.25% reduction in interest rate will be applied to all above rates and terms.
* Term cannot exceed useful life of the project.

Administrative Surcharge Activities

The interest rate includes an administrative surcharge as identified in Table 1. The surcharge was established to provide a pool of funds to be used for administrative purposes after the state ceases to receive capitalization grants. The administrative surcharge is also available for other purposes, as determined eligible by EPA and at the discretion of the Board of Water and Natural Resources and Department of Agriculture and Natural Resources. Recent emphasis has been on using the surcharge for purposes other than reserves for future program administration.

Administrative surcharges are being used for non-federal cost share for Total Maximum Daily Load (TMDL) assessment and implementation projects. Additionally, administrative surcharges have been allocated previously to supplement the state of South Dakota funded Consolidated Water Facilities Construction Program by providing water quality grants to Clean Water SRF eligible projects.

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Beginning in fiscal year 2005, administrative surcharge funds were also provided to the planning districts to defray the cost of SRF application preparation and project administration. Reimbursement is currently $13,000 per approved loan with payments made in increments as certain milestones are met. Future allocations for this activity are anticipated and will be based on expected loan demand.

The American Recovery and Reinvestment Act (ARRA) of 2009 and subsequent capitalization grants through 2014 had mandated implementation of Davis-Bacon prevailing wage rules. The WRRDA of 2014 included Davis-Bacon prevailing wage requirements for all capitalization grants going forward. Under joint powers agreements between the planning districts and the department, the planning districts are reimbursed $2,000 per approved loan to oversee compliance with the Davis-Bacon wage rate verification and certification.

Administrative Surcharge Uses in FFY 2026

As of September 30, 2026, nearly $3.55 million of administrative surcharge funds is available. It is anticipated that the administrative surcharge will generate an additional $3,500,000 in FFY 2027.

In FFY 2027, $725,000 of administrative surcharge funds will be allocated. It is proposed to allocate $200,000 to supplement the Section 319 programs with grants for TMDL implementation projects.

Administrative surcharge funds will again be provided to the planning districts to defray the cost of SRF application preparation and project administration, which includes Davis-Bacon wage rate verification and certification. The FFY 2027 allocation for these activities will be $425,000.

In FFY 2027, up to $100,000 of administrative surcharge funds will be allocated for DANR SRF staff program administrative costs. This will allow a reduction in the administrative set-aside allotment use.

Based on the estimated FFY 2027 capitalization grants sufficient state match funds are already allocated from administrative surcharge fees to meet required amounts. If the FFY 2027 capitalization grant actual amount is above estimated levels, there is up to $3,100,000 of administrative surcharge funds available to provide a portion of the necessary state match.

Capitalization Grant Administrative Allowance

The WRRDA of 2014 provides three options to states to calculate the administrative fees available from each year's capitalization grant. States may use the larger of 1) an amount equal to four percent of the total annual capitalization grants, 2) $400,000 per year or 3) 1/5 of a percent of the current valuation of the Clean Water SRF fund based on the most recent previous year's audited financial statements.

Four percent of the estimated fiscal year 2027 capitalization grant is $200,000 and 1/5 of a percent of the current fund valuation of $329,031,658 results in $658,063 available for administrative fees.

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As a result, an administrative allowance of $500,000 will be reserved for administrative purposes in FFY 2027.

Capitalization Grant Technical Assistance Set-Aside

Passage of the IIJA allows states the ability to use an amount up to two percent of all grant awards to the Clean Water SRF for technical assistance activities to small and rural systems. This includes the ability to provide funds for planning studies and for non-profit organizations to assist applicants in need of technical, managerial, or financial capacity training.

In fiscal year 2001, the Board of Water and Natural Resources initiated the Small Community Planning Grant program to encourage proactive planning by small communities. The planning grants reimburse 80 percent of the cost of the study. Planning grants are available only to communities of 2,500 or less. Communities are reimbursed 80 percent of the cost of an engineering study, with the maximum grant amount for any project being $10,000.

South Dakota has a contract with Midwest Assistance Program for technical, managerial, or financial capacity training to SRF applicants and recipients for up to $25,000 annually.

As of September 30, 2026, there remains $259,870 from prior year grants to these activities. No additional funding is proposed for these activities in FFY 2027.

ASSURANCES AND SPECIFIC PROPOSALS

The state has assured compliance with the following sections of the law in the State/EPA Operating Agreement – XI Certification Procedures. In addition, the state has developed specific proposals on implementation of those assurances in the administrative rules promulgated by the Board of Water and Natural Resources.

Section 602(a) – Environmental Reviews – The state certifies that it will conduct environmental reviews of each project on Attachment II receiving assistance from the Clean Water SRF, as applicable. The state will follow EPA-approved National Environmental Policy Act (NEPA) like procedures in conjunction with such environmental reviews.

Section 602(b)(3) – Binding Commitments – The state certifies that it will enter into binding commitments equal to at least 120 percent of each grant payment within one year after receipt.

Section 602(b)(4) – Timely Expenditures of Funds – The state is committed to obligate Clean Water SRF moneys to eligible applicants as quickly and efficiently as possible to facilitate the financing of eligible projects and to initiate construction with a minimum of delay.

Section 602(b)(5) – First Use Enforceable Requirements – The state certifies that all major and minor wastewater treatment facilities identified as part of the National Municipal Policy (NMP) universe are:

1. in compliance, or

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2. have received funding through various state and federal assistance programs and constructed a facility designed to produce an effluent capable of meeting the appropriate permit limits and achieve compliance with its discharge permit, or

3. have upgraded existing facilities or constructed new facilities through its own means to achieve compliance with its discharge permit.

Section 602(b)(6) – Compliance with Title II Requirements – The state certifies that it will comply as applicable.

Section 602(b)(13) – Cost Effectiveness Certification – The state will require Clean Water SRF assistance recipients and their consulting engineer to certify that they have studied and evaluated the cost effectiveness of the proposed project, and to the maximum extent practicable, have selected the alternative that maximizes the potential for efficient water use, reuse, and recapture, and conservation and energy conservation.

Section 602(b)(14) – Procurement of Architectural and Engineering Services – The state will not provide Clean Water SRF assistance to projects for architectural or engineering services that are identified as an equivalency project in the annual report, unless the project has complied with the architectural and engineering procurement procedures identified in 40 U.S.C. 1101 *et seq*.

Section 608 – American Iron and Steel Provisions – The state certifies that it will require American Iron and Steel products to be utilized for all treatment works projects receiving assistance from the Clean Water SRF, as applicable.

Section 70914(a) of IIJA – Build America, Buy America Provisions – The state certifies that it will require Build America, Buy America products to be utilized for all projects receiving assistance from the Clean Water SRF that are identified as an equivalency project in the annual report, unless exempted by an approved national or project specific waiver.

SRF Data System – Project data will be entered into the EPA SRF Data System on a quarterly basis.

CRITERIA AND METHOD FOR DISTRIBUTION OF FUNDS

The Clean Water SRF funds are distributed using the following criteria:

1. the availability of funds in the Clean Water SRF program;

2. the applicant's need;

3. violation of health and safety standards; and

4. the applicant's ability to repay.

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The methods and criteria used are designed to provide the maximum flexibility and assistance that is affordable to the borrower while providing for the long-term viability of the fund.

Public Review and Comment – On May 25, 1988, a public hearing was held to review the initial Clean Water SRF rules and to receive comments. The Board of Water and Natural Resources approved the rules following the hearing. Revisions to the Clean Water SRF rules have been made periodically to reflect the needs of the program.

On November 5, 2026, a public hearing was held seeking comments on the Clean Water SRF 2027 Intended Use Plan. The notice was published at least 20 days prior 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 2027 IUP 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 2027 IUP was e-mailed to a list of interested parties that regularly 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.

Public Comments: Will be updated prior to IUP being finalized.

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Table 2 – Amounts Available to Transfer between State Revolving Fund Programs

	Base Program Transfers							
Year	**DWSRF Capitalization Grant**	**Amount Available for Transfer**	**Banked Transfer Ceiling**	**Amount Transferred from CWSRF to DWSRF**	**Amount Transferred from DWSRF to CWSRF**	**Transfer Description**	**CWSRF Funds Available to Transfer**	**DWSRF Funds Available to Transfer**
1997 - 2001	$42,690,000	$14,087,700	$14,087,700				$14,087,700	$14,087,700
2002	$8,052,500	$2,657,325	$16,745,025	$7,812,960		CW Cap Grant/Match	$8,932,065	$24,557,985
2003	$8,004,100	$2,641,353	$19,386,378	$7,761,360		CW Cap Grant/Match	$3,812,058	$34,960,698
2004	$8,303,100	$2,740,023	$22,126,401				$6,552,081	$37,700,721
2005	$8,285,500	$2,734,215	$24,860,616				$9,286,296	$40,434,936
2006	$8,229,300	$2,715,669	$27,576,285		$7,500,000	Leveraged Bonds	$19,501,965	$35,650,605
2007 - 2010	$57,594,000	$19,006,020	$46,582,305				$38,507,985	$54,656,625
2011	$9,418,000	$3,107,940	$49,690,245		$10,000,000	Repayments	$51,615,925	$47,764,565
2012 - 2025	$210,345,000	$69,413,850	$119,104,095				$121,029,775	$117,178,415
2026	$3,842,000	$1,267,860	$128,584,995	$25,000,000	$25,000,000	Repayments Leveraged Bonds	$130,510,675	$126,659,315
2027 est.	$5,000,000	$1,650,000	$130,234,995				$132,160,675	$128,309,315

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IIJA Emerging Contaminants Transfers

Year	DWSRF Capitalization Grant	Amount Available for Transfer	Banked Transfer Ceiling	Amount Transferred from CWSRF to DWSRF	Amount Transferred from DWSRF to CWSRF	Transfer Description	CWSRF Funds Available to Transfer	DWSRF Funds Available to Transfer
2022	$7,555,000	$2,493,150	$2,493,150	$459,000		CWSRF EC Grant	$2,034,150	$2,952,150
2023	$7,640,000	$2,521,200	$5,014,350	$1,043,000		CWSRF EC Grant	$3,512,350	$6,516,350
2024	$7,640,000	$2,521,200	$7,535,550	$1,043,000		CWSRF EC Grant	$4,990,550	$10,080,550
2025	$7,640,000	$2,521,200	$10,056,750	$1,043,000		CWSRF EC Grant	$6,468,750	$13,644,750
2026	$7,640,000	$2,521,200	$12,577,950	$1,043,000		CWSRF EC Grant	$7,946,950	$17,208,950

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Table 3 – Principal Forgiveness Allowed and Awarded

Principal Forgiveness for all Borrowers*			
Year	**Minimum**	**Maximum**	**Awarded from FY Grant**
2010	$1,497,982	$4,993,274	$4,993,274
2011	$669,233	$2,230,777	$2,230,777
2012	$383,922	$575,882	$575,882
2013	$307,120	$460,680	$359,114
2014	$372,924	$559,386	$548,729
2015	$0	$2,045,100	$2,045,100
2016	$652,500	$2,610,000	$2,610,000
2017	$647,400	$2,589,600	$2,589,600
2018	$785,900	$3,143,600	$3,143,600
2019	$777,900	$3,111,600	$3,079,621
2020	$778,000	$3,112,000	$3,112,000
2021	$777,900	$3,111,600	$2,566,600
2022	$1,136,200	$2,272,400	$2,272,400
2023	$736,600	$1,473,200	$1,468,862
2024	$801,600	$1,603,200	$898,800
2025	$1,557,600	$3,115,200	$1,905,300
2026	$701,400	$1,402,800	$750,630
2027 est.	$1,000,000	$2,000,000	$0
Totals	$13,584,181	$40,410,299	$34,982,801

	IIJA General Supplemental Principal Forgiveness*		**IIJA Emerging Contaminants Principal Forgiveness**	
Year	**Required Amount**	**Awarded from FY Grant**	**Required Amount**	**Awarded from FY Grant**
2022	$4,281,620	$4,281,620	$0**	$0
2023	$5,014,170	$5,014,170	$0**	$0
2024	$5,470,360	$5,470,360	$0**	$0
2025	$5,926,060	$5,926,060	$0**	$0
2026	$5,926,060	$5,926,060	$0**	$0
Totals	$26,618,270	$26,618,270	$0	$0

* Principal Forgiveness will only be provided to eligible entities that meet the Affordability Criteria definition in ARSD 74:05:08:12.03 and described on pages 5 and 6 of the IUP.

** All of the CWSRF Emerging Contaminant allocation was transferred to the DWSRF for eligible emerging contaminants projects.

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ATTACHMENT I

PROJECT PRIORITY LIST

Attachment I is a comprehensive list of projects that are eligible for Clean Water SRF loans. This list was developed from State Water Plan applications. Inclusion on the list carries no obligations to the Clean Water SRF program. Attachment II lists those projects expected to be funded in FFY 2027.

Priority Points	Loan Recipient	Project Number	Project Description	Estimated Loan Amount	Expected Loan Rate & Term	Principal Forgiveness Eligible	NPDES Permit Number
36	James River Water Development District	C461497-01	Installation of nonpoint source best management practices to improve water quality in the watersheds outlined in the South Central Watershed Implementation Project - Segment 3.	$1,000,000	4.00%, 30 yrs		NA, NPS
32	Viborg	C461240-05	The wastewater treatment facility is currently under a compliance schedule to upgrade treatment to meet ammonia limits. A submerged attached growth reactor treatment system would be installed to meet limits. Areas of the sanitary sewer collection system are beyond their useful life and 4,400 feet of current clay pipe would be replaced with PVC.	$5,500,000	4.00%, 30 yrs	Yes (Pending rate increase)	SD0020541
23	Custer	C461021-09	An area of the community adjacent to Highway 385 south is currently not connected to the city sewer system and utilizes septic tanks for wastewater management. This project would construct 1,400 feet of new sanitary sewer to extend service to these existing users and allow for future connection if new users would site in this area.	$686,000	4.00%, 30 yrs	Yes	SD0023281

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Priority Points	Loan Recipient	Project Number	Project Description	Estimated Loan Amount	Expected Loan Rate & Term	Principal Forgiveness Eligible	NPDES Permit Number
23	Lake Poinsett Sanitary District	C461027-07	Installation of more than 30,000 feet of sanitary sewer, service connection lines, individual grinder pump stations, 12 main lift stations and associated appurtenances to connect to houses currently on septic systems to centralized collection and construction of a new treatment pond.	$6,400,000	4.00%, 30 yrs		SD0026450
22	Hill City	C461231-03	Hill City is in the middle of a multi-phase project to improve its wastewater treatment infrastructure. Construction of a second sequencing batch reactor wastewater treatment train to provide for needed capacity and system redundancy were part of the first two phases. Phase 3 includes improvements to the existing treatment process equipment and electrical components that are in poor condition and will be replaced.	$4,485,000	3.75%, 20 yrs		SD0020885
18	Aberdeen	C461072-07	Aberdeen is proposing to complete phase two of their planned improvements to the Water Reclamation Facility. This work would include equipment and facilities utilized to improve biosolids stabilization and dewatering and major renovations to the current administration building for the facility.	$40,539,000	3.75%, 20 yrs	Yes (Pending rate increase)	SD0020702

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Priority Points	Loan Recipient	Project Number	Project Description	Estimated Loan Amount	Expected Loan Rate & Term	Principal Forgiveness Eligible	NPDES Permit Number
16	Hot Springs	C461040-03	This project would replace the existing wastewater treatment system that is beyond its useful life and not able to meet user capacity demand. The project would install a moving bed biofilm reactor treatment system and new discharge point to the Fall River. Improvements will be made to other existing treatment components to facilitate this and necessary lift stations and forcemains to allow the new discharge point will also be installed.	$18,000,000	4.00%, 30 yrs	Yes	SD0022918
14	Burke	C461225-02	Replacement of approximately 6,200 feet of sanitary sewer throughout the community, cleaning and televising over 30,000 feet of sanitary sewer to identify additional improvements necessary. Improvements would also be made to the treatment facility to include removal of sludge to improve operations, reshaping of ponds dikes, installation of rip-rap, replacement of inter pond piping and valves, and other miscellaneous site improvements.	$8,981,000	4.00%, 30 yrs	Yes (Pending rate increase)	SDG822306
14	White	C461118-03	Replacement of 10 blocks of clay sanitary sewer pipe, replacement of storm sewer north of Main Street and Railroad Avenue, installation of influent monitoring near the treatment facility, and replacement of treatment facility structures and piping.	$3,312,200	4.00%, 30 yrs		SD0021636
14	White River	C461119-01	Cleaning and televising of 24,600 feet of sanitary sewer, reshaping and grading of three treatment ponds, installation of rip-rap, replacement of inter pond piping and valves, and improvements to the lift station pumps and equipment.	$1,366,780	4.00%, 30 yrs	Yes (Pending rate increase)	SD0022063

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Priority Points	Loan Recipient	Project Number	Project Description	Estimated Loan Amount	Expected Loan Rate & Term	Principal Forgiveness Eligible	NPDES Permit Number
13	Iroquois	C461174-02	The existing wastewater treatment ponds transfer piping, valves, and associated structures will be replaced. This will allow for proper operation of the treatment facility to ensure permit requirements are met.	$1,223,000	4.00%, 30 yrs	Yes	SDG922438
13	Murdo	C461108-01	Replacement or relining of approximately 30,000 feet of clay sanitary sewer, improvements to the wastewater treatment pond valves and installing rip-rap on a portion of the pond.	$6,315,000	4.00%, 30 yrs	Yes	SDG920818
12	Hartford	C461104-10	Replacement of approximately 1,100 feet of clay sanitary sewer and 1,200 feet of storm sewer on a portion of Kelly Avenue.	$585,130	4.00%, 30 yrs		SD0021750
12	Mitchell	C461129-18	Replacement of approximately 28.8 miles of existing sanitary sewer, increasing the capacity of 26,000 feet of sewer and replacement or rehabilitation of six existing lift stations. This project will be completed in multiple phases over many years.	$55,000,000	4.00%, 30 yrs	Yes	SD0023361
12	Reliance	C461221-01	Replacement or relining of 9,600 feet of clay sanitary sewer, lift station wet well piping, valve, pump, and SCADA improvements, and improvements to the treatment facility piping, access road, and expanded wetland capacity.	$2,760,000	4.00%, 30 yrs	Yes (Pending rate increase)	SDG92031
12	Sioux Falls	C461232-52	The southeast area of the city adjacent to the new South Veterans Parkway highway is an area of new growth in the city. To allow for this growth new sanitary sewer trunk lines, lift stations, and gravity sewer are necessary to allow for anticipated growth to occur over the next 20 years.	$29,958,000	3.75%, 20 yrs		SD0022128

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Priority Points	Loan Recipient	Project Number	Project Description	Estimated Loan Amount	Expected Loan Rate & Term	Principal Forgiveness Eligible	NPDES Permit Number
12	Utica	C461398-01	Replacement of 600 feet clay sanitary sewer, replacement of the existing lift station, installation of a back-up generator, installing lagoon depth indicators, new fencing, and sludge removal.	$2,600,000	4.00%, 30 yrs	Yes	SDG825844
11	Lennox	C461105-11	Replacement of approximately 9,250 feet of clay sanitary sewer and installation of 9,400 feet of storm sewer in several locations throughout the community.	$13,732,060	4.00%, 30 yrs	Yes	SD0021768
10	Canton	C461039-08	Replacement of approximately 1,100 feet of clay sanitary sewer and 1,500 feet of storm sewer on a portion of Sanborn Street.	$1,484,000	4.00%, 30 yrs		SD0022489
10	Castlewood	C461246-03	The project includes the replacement or relining of 3,500 feet of existing clay sewer pipe with PVC, the replacement of 1,800 feet of forcemain from the town to the treatment facility which has experienced multiple leaks in recent years, and improvements to the existing main lift station and treatment facility.	$3,825,000	4.00%, 30 yrs		SDG821580
10	Dell Rapids	C461064-15	Replacement of approximately 2,300 feet of clay sanitary sewer,500 feet of storm sewer, and curb and gutter installation in the Northeast portion of the community.	$3,580,000	4.00%, 30 yrs		SD0022101
9	Fort Pierre	C461049-08	The project would replace 600 feet of forcemain that is in poor condition and goes under the Bad River conveying the city's wastewater to the treatment facility. Additionally pumps at three of the city's lift stations are in need of replacement.	$1,669,980	4.00%, 30 yrs		SD0023582

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Priority Points	Loan Recipient	Project Number	Project Description	Estimated Loan Amount	Expected Loan Rate & Term	Principal Forgiveness Eligible	NPDES Permit Number
9	Parker	C461026-08	This project would replace 1,500 feet of clay sanitary sewer on Main Street, install flow monitoring on the collection system to identify infiltration and inflow, and make improvements at the treatment facility to add rip-rap, improve access roads, and adjust control valves.	$3,197,000	4.00%, 30 yrs		SD0020940
9	Tyndall	C461131-04	Replacement or relining of 25,000 feet clay sanitary sewer, installation of 17,000 feet of new forcemain, installation of 4,300 feet of new outfall sewer, installation of a new lift station, and a generator for emergency back-up.	$22,690,861	4.00%, 30 yrs	Yes (Pending rate increase)	SDG920133
9	Willow Lake	C461303-02	Replacement or relining of 12,000 feet of clay sanitary sewer, replacement of both existing lift stations, and installation of 5,500 feet of forcemain from lift station #2 to the treatment facility.	$7,077,421	4.00%, 30 yrs	Yes (Pending rate increase)	SDG821679
8	Columbia	C461078-02	Replacement or relining of approximately 9,300 feet of clay sanitary sewer and installing 2,400 feet of storm sewer throughout the community. The prior treatment facility lagoon site would be properly closed and reclaimed as part of this project.	$4,898,484	4.00%, 30 yrs	Yes	SD0022926
8	Hartford	C461104-11	This project would install 2,000 feet of new sanitary sewer on Second Street to serve a planned new development.	$459,600	4.00%, 30 yrs		SD0021750
8	North Sioux City	C461009-04	This project would install a new lift station in the northwest area of the city. This will allow an area of approximately 790 acres to open for future development and the capacity to manage wastewater flows from this area.	$3,686,000	3.75%, 20 yrs	Yes	SD0020567

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Priority Points	Loan Recipient	Project Number	Project Description	Estimated Loan Amount	Expected Loan Rate & Term	Principal Forgiveness Eligible	NPDES Permit Number
8	Philip	C461205-10	Replacement of approximately 1,800 feet of clay sanitary sewer and 400 feet of storm sewer on a portion of Myrtle Avenue.	$2,129,100	4.00%, 30 yrs	Yes (Pending rate increase)	SD0020303
8	Canistota	C461226-06	Replacement of approximately 7,000 feet of clay sanitary sewer and installation of 6,700 feet of storm sewer throughout the community.	$2,694,000	4.00%, 30 yrs	Yes	SD0022497
7	Black Hawk Sanitary District	C461427-02	The district has two lift stations in need of improvements to continue serving users. These include SCADA and electrical improvements, sealing and pipe improvements to the wet wells, and installing flow metering equipment at one lift station.	$648,000	3.75%, 20 yrs		NA, Treatment by Rapid City
7	Bryant	C461121-04	Replacement of approximately 3,000 feet of clay sanitary sewer and installation of 400 feet of new sanitary sewer to eliminate long service connections.	$2,340,000	4.00%, 30 yrs	Yes	SD0021555
7	Veblen	C461186-03	Replacement or relining of 19,700 feet of existing clay sanitary sewer.	$4,585,000	4.00%, 30 yrs	Yes (Pending rate increase)	SD0020001
6	Java	C461350-03	Replacement or relining of approximately 4,400 feet of clay sanitary sewer, purchase of two generators for lift stations, and control improvements to one existing lift station.	$1,293,080	4.00%, 30 yrs	Yes	SDG822195
5	Pukwana	C461417-01	Installation of 7,250 feet of new sanitary sewer collection pipe and 200 feet of storm sewer. This will serve a currently undeveloped area for potential future residential housing.	$4,363,000	4.00%, 30 yrs		SDG822586

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ATTACHMENT II – LIST OF PROJECTS TO BE FUNDED IN FFY 2027

Priority Points	Loan Recipient *Green Project Reserve Information*	Project Number	Assistance Amount	Principal Forgiveness [1]	Funding Date	Expected Funding Source [2]	Fund/Project Eligibility [3]
Loans Expected							
11	Lennox	C461105-11	$8,241,000	$247,230	Jan. 2027	Repay/Lev. Bonds	3
23	Custer	C461021-09	$686,000	$20,580	March 2027	Repay/Lev. Bonds	3
22	Hill City	C461231-03	$2,500,000	$0	March 2027	Repay/Lev. Bonds	
18	Aberdeen	C461072-07	$20,000,000	$0	March 2027	Repay/Lev. Bonds	3
16	Hot Springs	C461040-03	$6,000,000	$180,000	March 2027	Repay/Lev. Bonds	3
14	Burke	C461225-02	$2,000,000	$60,000	March 2027	Repay/Lev. Bonds	3
14	White	C461118-03	$2,000,000	$0	March 2027	2027 Cap Grant	
14	White River	C461119-01	$1,366,780	$41,003	March 2027	Repay/Lev. Bonds	3
13	Iroquois	C461174-02	$1,223,000	$36,690	March 2027	Repay/Lev. Bonds	3
12	Hartford	C461104-10	$585,130	$0	March 2027	Repay/Lev. Bonds	
12	Mitchell	C461129-18	$6,600,000	$0	March 2027	Repay/Lev. Bonds	3
12	Reliance	C461221-01	$1,500,000	$45,000	March 2027	Repay/Lev. Bonds	3
12	Utica	C461398-01	$1,000,000	$30,000	March 2027	Repay/Lev. Bonds	3
10	Canton	C461039-08	$1,484,000	$0	March 2027	Repay/Lev. Bonds	
10	Castlewood	C461246-03	$2,000,000	$0	March 2027	Repay/Lev. Bonds	
10	Dell Rapids	C461064-15	$3,580,000	$0	March 2027	2027 Cap Grant	
9	Fort Pierre	C461049-08	$1,669,980	$0	March 2027	Repay/Lev. Bonds	
9	Parker	C461026-08	$2,000,000	$0	March 2027	Repay/Lev. Bonds	
9	Tyndall	C461131-04	$2,000,000	$60,000	March 2027	Repay/Lev. Bonds	3
9	Willow Lake	C461303-02	$2,000,000	$60,000	March 2027	Repay/Lev. Bonds	3
8	Columbia	C461078-02	$2,000,000	$60,000	March 2027	Repay/Lev. Bonds	3
8	Hartford	C461104-11	$459,600	$0	March 2027	Repay/Lev. Bonds	
8	Philip	C461205-10	$2,129,100	$63,873	March 2027	Repay/Lev. Bonds	3
7	Black Hawk Sanitary District	C461427-02	$648,000	$0	March 2027	Repay/Lev. Bonds	
7	Bryant	C461121-04	$2,340,000	$70,200	March 2027	Repay/Lev. Bonds	3
7	Veblen	C461186-03	$1,500,000	$45,000	March 2027	Repay/Lev. Bonds	3
6	Java	C461350-03	$1,293,080	$38,792	March 2027	Repay/Lev. Bonds	3
13	Murdo	C461108-01	$1,500,000	$45,000	Sept. 2027	Repay/Lev. Bonds	3
12	Sioux Falls	C461232-52	$20,000,000	$0	Sept. 2027	Repay/Lev. Bonds	
8	North Sioux City	C461009-04	$3,686,000	$0	Sept. 2027	Repay/Lev. Bonds	3

1. Principal forgiveness amounts shown for loans expected are estimates for planning purposes only.
2. Projects identified using capitalization grant funds are for equivalency requirements planning purposes only Actual projects used for capitalization grant equivalency will be identified on the FFY 2027 annual report.
3. Projects are anticipated to be funded in part utilizing capitalization grant principal forgiveness reserved for affordability criteria communities and may be from funds within the base capitalization grant or IIJA general supplemental depending on project eligibility.

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ATTACHMENT III
PROGRAM FUNDING STATUS

Federal Fiscal Years 1989 – 2026		
Capitalization Grants	$243,156,200	
IIJA Supplemental Grants	$54,323,000	
State Match (Base and IIJA)	$57,598,740	
ARRA Grant	$19,239,100	
Set-Asides (Base and IIJA)	($13,583,669)	
Leveraged Funds	$743,703,951	
Transfer CWSRF to DWSRF	($23,074,320)	
Transfer DWSRF to CWRSF	$25,000,000	
Excess Interest as of September 30, 2026	$152,196,047	
Excess Principal as of September 30, 2026	$218,573,160	
Total Funds Dedicated to Loan		$1,477,132,209
Closed Loans made through September 30, 2026		($1,775,050,718)
Available funds as of September 30, 2026		($297,918,509)
Federal Fiscal Year 2027 Projections		
Base Capitalization Grant	$5,000,000	
State Match	$1,000,000	
Set-Asides	($500,000)	
Projected Excess Principal Repayments	$0	
Projected Unrestricted Interest Earnings	$6,000,000	
Leveraged Bonds	$250,000,000	
Projected FFY 2027 Loan Subtotal		$261,500,000
Funds Available for Loans		($36,418,509)
Loans Awarded and Unclosed as of September 30, 2026		($214,694,750)
Total Funds Available for Loans		($251,113,259)
Loan Amount Identified on Attachment II - List of Projects to be Funded in FFY 2027		$103,991,670

Administrative Surcharge Funds Available as of September 30, 2026	
Restricted Account (Administrative Purposes Only)	$1,737,846
Discretionary Account (Available for Other Eligible Purposes)	$1,821,945
Total	$3,559,791

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IIJA EMERGING CONTAMINANTS PROGRAM FUNDING STATUS

Federal Fiscal Years 2022-2026

CWSRF IIJA Emerging Contaminants Grants	$2,545,000	
State Match	$0	
Set-Asides	$0	
Transfer FFY 2022, 2023, and 2024 Grants to DWSRF Emerging Contaminants	($2,545,000)	
Total Funds Dedicated to Loan		$0
Closed Loans made through September 30, 2025		$0
Available funds as of September 30, 2025		$0

Federal Fiscal Year 2027 Projections

Transfer of 2025 IIJA Emerging Contaminants to DWSRF Emerging Cont.	($1,043,000)	
Transfer of 2026 IIJA Emerging Contaminants to DWSRF Emerging Cont.	($1,043,000)	
State Match	$0	
Set-Asides	$0	
Projected FFY 2027 Loan Sub-total		($2,086,000)
Funds Available for Loans		$0
Loans Awarded and Unclosed as of September 30, 2026		$0
Total Funds Available for Loans		$0
Loan Amount Identified on Attachment II - List of Projects to be Funded in FFY 2027		$0

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November 5, 2026
Item 9

TITLE: Public Hearing to Adopt Federal Fiscal Year 2027 Drinking Water State Revolving Fund Intended Use Plan and Project Priority List

EXPLANATION: The Intended Use Plan consists of two components. One component describes how the state intends to use available funds from the standard program allocation for the year to meet the objectives of the Safe Drinking Water Act and further the goal of protecting public health. This includes the amount of funds to be allocated to set-aside activities such as administration, state program management, small system technical assistance, and local assistance and other state programs.

The second component of the Intended Use Plan is a priority list of projects that will be eligible to receive funding. Projects seeking a Drinking Water State Revolving Fund loan must be on the priority list.

RECOMMENDED ACTION: Conduct the public hearing, receive testimony, and approve the Federal Fiscal Year 2027 Drinking Water SRF Intended Use Plan and Project Priority List.

CONTACT: Andy Bruels, 773-4216

NOTICE OF PUBLIC HEARING
TO ADOPT
FISCAL YEAR 2027 DRINKING WATER STATE REVOLVING FUND
INTENDED USE PLAN AND PROJECT PRIORITY LIST

Notice is hereby given that the South Dakota Board of Water and Natural Resources will hold a public hearing to adopt the South Dakota 2027 Drinking Water State Revolving Fund (SRF) Intended Use Plan and Project Priority List on November 5, 2026, at 1:00 p.m. CT.

The public may participate in person at the Matthew Training Center, Joe Foss Building, 523 E. Capitol Avenue, Pierre SD, 57501. Online participation is available with live audio or by streaming through a computer or other mobile device. The full board packet and directions for access to the meeting and live streaming can be found on the South Dakota Boards and Commissions Portal at:

http://boardsandcommissions.sd.gov/Meetings.aspx?BoardID=108

This public hearing is being held pursuant to ARSD 74:05:11:03 and meets all requirements of the federal Safe Drinking Water Act.

The Intended Use Plan consists of two components. One component describes how the state intends to use available funds from the standard program allocation for the year to meet the objectives of the Safe Drinking Water Act and further the goal of protecting public health. This includes the amount of funds to be allocated to set-aside activities such as administration, state program management, small system technical assistance, local assistance and other state programs.

The second component of the Intended Use Plan is a priority list of projects that will be eligible to receive funding. Projects seeking a Drinking Water State Revolving Fund loan must be on the priority list.

Persons interested in presenting public testimony concerning the adoption of the 2027 Intended Use Plan may appear at the designated place and time. Written or online comments will be received at any time prior to the hearing date by mailing them to the Environmental Funding Program, Department of Agriculture and Natural Resources, 523 E. Capitol Avenue, Pierre, SD 57501 or at the DANR website listed below.

A copy of the proposed 2027 Intended Use Plan can be received at no charge by requesting a copy from the address given above, by calling (605) 773-4216, by sending an e-mail request to andrew.bruels@state.sd.us, or from the DANR website at:

https://danr.sd.gov/public/default.aspx

Notice is given to individuals with disabilities that the hearing is being held in a physically accessible location. Individuals requiring assistive technology or other services in order to participate in the hearing or materials in an alternate format should contact Brian Walsh, Nondiscrimination Coordinator, by calling (605) 773-5559 or by email at Brian.Walsh@state.sd.us

as soon as possible but no later than two business days prior to the meeting in order to ensure accommodations are available.

Published once at the total approximate cost of $_____ .

SOUTH DAKOTA
DRINKING WATER STATE REVOLVING FUND
FEDERAL FISCAL YEAR 2027 INTENDED USE PLAN

INTRODUCTION

The Safe Drinking Water Act Amendments of 1996 and South Dakota Codified Law 46A-1-60.1 to 46A-1-60.3, inclusive, authorize the South Dakota Drinking Water State Revolving Fund (SRF) program. Program rules are established in Administrative Rules of South Dakota chapter 74:05:11.

The state of South Dakota proposes to adopt the following Intended Use Plan (IUP) for the federal fiscal year (FFY) 2027 as required under Section 1452(b) of the Safe Drinking Water Act and ARSD 74:05:11:03. The IUP describes how the state intends to use the Drinking Water SRF to meet the objectives of the Safe Drinking Water Act and further the goal of protecting public health.

On November 5, 2026, a public hearing was held seeking comments on the Drinking Water SRF 2027 Intended Use Plan. The notice was published at least 20 days prior 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 2027 IUP 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 2027 IUP was e-mailed to a list of interested parties that regularly receive notice of Board of Water and Natural Resources activities. As part of the required board meeting notice the IUP was also available on the Boards and Commissions portal website https://boardsandcommissions.sd.gov/Meetings.aspx?BoardID=108 . The IUP reflects the results of this review.

Public Comments: Will be updated prior to IUP being finalized.

The IUP includes the following:

- Priority list of projects;
- Short- and long-term goals;
- Criteria and method of fund distribution;
- Funds transferred between the Drinking Water SRF and the Clean Water SRF;
- Financial status;
- Description and amount of non-Drinking Water SRF (set-aside) activities; and
- Disadvantaged community subsidies.

PRIORITY LIST OF PROJECTS

A project must be on the project priority list, Attachment I, to be eligible for a loan. This list was developed from the State Water Plan and includes projects that did not designate Drinking Water SRF loans as a funding source.

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Projects may be added to the project priority list at any meeting of the Board of Water and Natural Resources, if the action is included on the agenda at the time it is posted.

Priority ratings are based on the project priority system established in ARSD 74:05:11:06. The general objective of the priority system is to assure projects that address compliance or health concerns, meet certain affordability criteria, or regionalize facilities receive priority for funding.

GOALS, OBJECTIVES, AND ENVIRONMENTAL RESULTS

The long-term goals of the Drinking Water SRF are to fully capitalize the fund, ensure that the state's drinking water supplies remain safe and affordable, ensure that systems are operated and maintained, and promote economic well-being.

The specific long-term objectives of the program are:

1. To maintain a permanent, self-sustaining SRF program that will serve in perpetuity as a financing source for drinking water projects and source water quality protection measures. This will necessitate that the amount of capitalization grant funds for non-Drinking Water SRF activities are reviewed annually to assure adequate cash flow to maintain the fund.

2. To fulfill the requirements of pertinent federal, state, and local laws and regulations governing safe drinking water activities, while providing the state and local project sponsors with maximum flexibility and decision making authority regarding such activities.

The short-term goal of the SRF is to fully capitalize the fund.

The specific short-term objectives of the program are:

1. To assist systems in replacing aging infrastructure.

2. To assist systems in maintaining and upgrading its water treatment capabilities to ensure compliance with the Safe Drinking Water Act.

3. To promote regionalization and consolidations of water systems, where mutually beneficial, as a practical means of addressing financial, managerial, and technical capacity.

4. To ensure the technical integrity of Drinking Water SRF projects through the review of planning, design plans and specifications, and construction activities.

5. To ensure the financial integrity of the Drinking Water SRF program through the review of the financial impacts of the set-asides and disadvantaged subsidies and individual loan applications and the ability for repayment.

6. To obtain maximum capitalization of the funds for the state in the shortest time possible while taking advantage of the provisions for disadvantaged communities and supporting the non-Drinking Water SRF activities.

Environmental Results

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States are required to establish program activity measures (outcomes) in its Intended Use Plan to receive the federal capitalization grant. Progress related to the measures is to be reported in the following annual report.

For FFY 2027, the specific measures are:

1. In FFY 2026, the fund utilization rate, as measured by the percentage of executed loans to funds available, was 120 percent, which exceeded the target goal of 100 percent. Based on South Dakota utilizing the cashflow model for allocation of funds, the fund utilization rate is anticipated to remain above 100 percent in future years.

2. In FFY 2026, the rate at which projects progressed as measured by disbursements as a percent of assistance provided was 73.5 percent, which was below the goal of 75 percent. This was an increase from FFY 2025 levels of 67.0 percent showing positive movement towards the goal. This was due to a large number of loans being executed which included significant amounts of American Rescue Plan Act grants in the funding package. Those grant funds are primarily drawn before the SRF loan funds for the project, ARPA grant funds must be fully drawn by December 31, 2026. For FFY 2027, the goal is to increase the construction pace to 75 percent.

3. For FFY 2027, the goal of the Drinking Water SRF program is to fund 29 loans, totaling nearly $82.9 million.

4. For FFY 2027, it is estimated that 82 projects will initiate operations.

5. For FFY 2027, it is estimated that 10 Small Community Planning Grants will be awarded to small systems to evaluate the system's infrastructure needs.

6. For FFY 2027, it is estimated that the South Dakota Association of Rural Water Systems will provide 1,400 hours of technical assistance to small systems.

To ensure measures are accurate and up-to-date, project data will be entered into the EPA SRF Data System on a quarterly basis.

CRITERIA AND METHOD OF FUND DISTRIBUTION

Projects will be funded based on their assigned priority as set forth on the Project Priority list. Projects with the highest ranking that have submitted a complete State Revolving Fund loan application and demonstrated adequate financial, managerial, and technical capacity to receive the loan shall be funded before any lower ranked projects. Projects on the priority list may be bypassed if they have not demonstrated readiness to proceed by submitting a loan application. "Readiness to Proceed" is defined by EPA as the applicant being prepared to begin construction and is immediately ready, or poised to be ready, to enter into assistance agreements. The next highest priority project that has submitted an application will be funded. The state shall exert reasonable effort to assure that the higher priority projects on the priority list are funded.

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INTEREST RATES

Interest rates are reviewed quarterly in comparison to established bond rating indexes to assure rates are at or below market rates as required. The SRF rates are then set to be competitive with other funding agencies.

The current interest rates for FFY 2027 are summarized in Table 1. Information regarding disadvantaged eligibility and subsidy level criteria can be found in the disadvantaged community subsidies section. The interest rates were adjusted in November 2026.

In November 2023 specific interest rates were approved for loans that will be subject to Build America, Buy America Act and for loans for lead service line replacement activities. For loans subject to Build America, Buy America Act requirements a 0.25 percent interest rate reduction will be provided from whatever standard interest rate and term a borrower would normally receive funding. For lead service line replacement projects from the IIJA lead service line replacement funds all eligible projects and borrowers will receive a 0 percent total interest rate for all loan terms.

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Table 1 – Drinking Water SRF Interest Rates

	Up to 5 Yrs	Up to 10 Yrs	Up to 20 Yrs	Up to 30 Yrs*
Interim Rate				
Interest Rate				
Admin. Surcharge				
Total				
Public Entity Base Rate				
Interest Rate				
Admin. Surcharge				
Total				
Nonprofit Corporation Rate				
Interest Rate				
Admin. Surcharge				
Total				
Public Entity Disadvantaged Rate – 80% to100% of MHI				
Interest Rate				
Admin. Surcharge				
Total				
Public Entity Disadvantaged Rate – 60% to 80% of MHI				
Interest Rate				
Admin. Surcharge				
Total				
Public Entity Disadvantaged Rate – Less than 60% of MHI				
Interest Rate				
Admin. Surcharge				
Total				
IIJA Lead Service Line Replacement Loans				
Interest Rate				
Admin Rate				
Total				

Drinking Water SRF loan interest rates will be reviewed by the Board of Water and Natural Resources at its November 5, 2026, Board meeting prior to the IUP public hearing.

Rate Reduction for Build America, Buy America Projects

For projects subject to Build America, Buy America Act requirements through the Drinking Water SRF program a 0.25% reduction in interest rate will be applied to all above rates and terms.

* Term cannot exceed useful life of the project

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ADMINISTRATIVE SURCHARGE FEES

The interest rate includes an administrative surcharge as identified in Table 1. The primary purpose of the surcharge is to provide a pool of funds to be used for administrative purposes if the state ceases to receive capitalization grants. The administrative surcharge is also available for other purposes, as determined eligible by EPA and at the discretion of the Board of Water and Natural Resources and the Department of Agriculture and Natural Resources.

As of September 30, 2026, nearly $3.31 million of administrative surcharge funds are available. It is estimated that during FFY 2027 and additional $1.95 million of administrative surcharge funds will be received.

Beginning in FFY 2005, administrative surcharge funds were provided to the planning districts to defray expenses resulting from SRF application preparation and project administration. Reimbursement is currently $13,000 per approved loan with payments made in increments as certain milestones are met.

The American Recovery and Reinvestment Act (ARRA) of 2009 and subsequent capitalization grants have mandated implementation of Davis-Bacon prevailing wage rules. Under joint powers agreements between the planning districts and the department, the planning districts are to be reimbursed $2,000 per approved loan to oversee compliance with the Davis-Bacon wage rate verification and certification.

Administrative surcharge funds will again be provided to the planning districts to defray the cost of SRF application preparation and project administration, which includes Davis-Bacon wage rate verification and certification. The FFY 2027 allocation for these activities will be $400,000.

In FFY 2027, $75,000 of administrative surcharge funds will be allocated for operator certification training.

In FFY 2027, up to $200,000 of administrative surcharge funds will be allocated for DANR SRF staff program administrative costs. This will allow a reduction in the administrative set-aside allotment use.

Based on the estimated FFY 2027 capitalization grants sufficient state match funds are already allocated from administrative surcharge fees to meet required amounts. If the FFY 2027 capitalization grant actual amount is above estimated levels, there is up to $1,600,000 of administrative surcharge funds available to provide additional necessary state match.

SMALL SYSTEM FUNDING

A requirement of the program is that a minimum of 15 percent of all dollars credited to the fund be used to provide loan assistance to small systems that serve fewer than 10,000 persons. Since the inception of the program, loans totaling more than $656.2 million have been made to systems meeting this population threshold, or 44.8 percent of the $1.465 billion of total funds available for loan. Attachment II – List of Projects to be funded in FFY 2027 identifies nearly $82.9 million in projects, of which more than $66.4 million is for systems serving less than 10,000; therefore, the state expects to continue to exceed the 15 percent threshold.

Water systems must demonstrate the technical, managerial, and financial capability to operate a water utility before it can receive a loan.

The distribution methods and criteria are designed to provide affordable assistance to the borrower with maximum flexibility while providing for the long-term viability of the fund.

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AMOUNT OF FUNDS TRANSFERRED BETWEEN THE DRINKING WATER SRF AND THE CLEAN WATER SRF

The Safe Drinking Water Act Amendments of 1996 and subsequent Congressional action allows states to transfer an amount equal to 33 percent of its Drinking Water SRF capitalization grant to the Clean Water SRF or an equivalent amount from the Clean Water SRF to the Drinking Water SRF. States can also transfer state match, investment earnings, or principal and interest repayments between SRF programs and may transfer a previous year's allocation at any time.

South Dakota transferred $40,574,320 from the Clean Water SRF to the Drinking Water SRF program in past years. South Dakota has transferred $42,500,000 from the Drinking Water SRF program to the Clean Water SRF program. With the anticipated FFY 2027 capitalization grant, the ability exists to transfer more than $132.1 million from the Clean Water SRF program to the Drinking Water SRF program. More than $128.0 million could be transferred from the Drinking Water SRF Program to the Clean Water SRF program. These totals include prior year IIJA General Supplemental grant levels being available in the totals. Table 2 (pages 13 and 14) itemizes the amount of funds transferred between the programs and the amount of funds available to be transferred.

No program transfers are currently proposed for FFY 2027, this will be evaluated further during the year.

FINANCIAL STATUS

Loan funds are derived from various sources and include federal capitalization grants, state match, leveraged bonds, borrowers' principal repayments, and interest earnings.

Capitalization Grants/State Match: Federal capitalization grants are provided to the state annually. These funds must be matched by the state at a ratio of 5 to 1. The FFY 2027 capitalization grant is anticipated to be $5,000,000 which requires $1,000,000 in state match. Administrative surcharge fees will be used to match FFY 2027 capitalization grant funds.

Leveraged Bonds: The South Dakota Conservancy District has the ability to issue additional bonds above that required for state match, known as leveraged bonds. As of September 30, 2026, $502.1 million in leveraged bonds have been issued for the Drinking Water SRF program. It is anticipated that up to $150 million of additional leveraged bonds will be required in FFY 2027.

Borrowers' Principal Repayments: The principal repaid by the loan borrowers is used to make semi-annual leveraged bond payments. Any excess principal is available for loans. It is estimated that no excess principal repayments will become available for loans in FFY 2027.

Interest Earnings: The interest repaid by the loan borrowers, as well as interest earned on investments, is dedicated to make semi-annual state match bond payments. Any excess interest is available for loans. It is estimated that $1,500,000 of interest earnings will become available for loans in FFY 2027.

As of September 30, 2026, 575 loans totaling $1,464,981,296 have been made.

South Dakota has switched from a cash-on-hand financing model to a cashflow model. This model allows funding to be awarded based on the anticipation of future repayments and leveraged bonds

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being issued. With the anticipated FFY 2027 capitalization grant, state match, leveraged bonds, excess interest earnings, and repayments, nearly $156.8 million in funds for new and existing projects will be available. This information is provided in Attachment III, Drinking Water SRF Funding Status.

Funds will be allocated to the set-aside activities in the amounts outlined on pages 9 and 10. All remaining funds will be used to fund projects on the project priority list. A more detailed description of the activities can be found in the section pertaining to set-asides and the attachments.

With the adoption of the amended and restated Master Indenture in 2004, the Clean Water and Drinking Water SRF programs are cross-collateralized. This allows the board to pledge excess revenues on deposit in the Drinking Water SRF program to act as additional security for bonds secured by excess revenues on deposit in the Clean Water SRF program, and vice versa.

The Safe Drinking Water Act included three provisions that call for a withholding of Drinking Water SRF grant funds where states fail to implement three necessary programmatic requirements. These provisions were assuring the technical, financial and managerial capacity of new water systems, developing a strategy to address the capacity of existing systems, and developing an operator certification program that complies with EPA guidelines. The State of South Dakota continues to meet the requirements of these provisions and will not be subject to withholding of funds.

Additional Subsidy – Principal Forgiveness

The 2010 and 2011 Drinking Water SRF appropriations mandated that not less than 30 percent of the funds made available for Drinking Water SRF capitalization grants shall be used by the state to provide additional subsidy to eligible recipients. The 2012 through 2015 capitalization grants mandated additional subsidy be provided in an amount not less than 20 percent, but not more than 30 percent, of the capitalization grants. The 2016 through 2019 capitalization grant mandated additional subsidy of exactly 20 percent of the total grant be provided to recipients. The FFY 2020 through 2026 capitalization grants included the ability to award principal forgiveness for any borrower of exactly 14 percent of the total grant award. Additional subsidy may be in the form of forgiveness of principal, negative interest loans, or grants (or any combination of these).

Additional subsidy will be provided in the form of principal forgiveness. Municipalities and sanitary districts must have a minimum rate of $45 per month based on 5,000 gallons usage or to qualify for principal forgiveness. Other applicants must have a minimum rate of $70 per month based on 7,000 gallons usage to qualify for principal forgiveness.

When determining the amount of principal forgiveness, the Board of Water and Natural Resources may consider the following decision-making factors, which are set forth in alphabetical order:

1. Annual utility operating budgets;
2. Available local cash and in-kind contributions;
3. Available program funds;
4. Compliance with permits and regulations;
5. Debt service capability;
6. Economic impact;
7. Other funding sources;
8. Readiness to proceed;

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9. Regionalization or consolidation of facilities;
10. Technical feasibility;
11. Utility rates; and
12. Water quality benefits.

Table 3 on page 15 summarizes the amounts of principal forgiveness provided to date. It is anticipated the FFY 2027 capitalization grant will include the ability to award principal forgiveness for any borrower equal to 14 percent of the total grant award. Additional principal forgiveness can also be provided to disadvantaged communities. Further discussion can be found in the Disadvantaged Community Subsidy section beginning on page 11.

Attachment II – List of Projects to be Funded in FFY 2027 identifies $756,000 in principal forgiveness for communities not eligible for the additional disadvantaged community principal forgiveness.

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

The Safe Drinking Water Act authorizes states to provide funding for certain non-project activities provided that the amount of that funding does not exceed certain ceilings. Unused funds in the non-Drinking Water SRF will be banked for future use, where allowable, or transferred to the project loan account at the discretion of the state and with concurrence from the EPA Regional Administrator.

The following sections identify what portions of the capitalization grant will be used for non-Drinking Water SRF activities and describe how the funds will be used.

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

Four percent of the anticipated FFY 2027 capitalization grant is $200,000 and 1/5 of a percent of the current fund valuation of $332,506,708 results in $665,013 available for administrative fees. **South Dakota intends to allocate $400,000 of the FFY 2027 capitalization grant funds for program administration.**

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.

Unused administrative funds will be banked to assure a source of funds not dependent on state general funds.

Small system technical assistance. Two percent of the estimated capitalization grant is $100,000. **South Dakota does not intend to allocate additional funds from the FFY 2027 capitalization grant set-aside allotment to fund these activities.**

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The objective of this set-aside is to bring non-complying systems into compliance and improve operations of water systems. States may use up to two percent of its allotment to assist in funding these activities.

Since fiscal year 1997, the board has contracted with the South Dakota Association of Rural Water Systems to help communities evaluate the technical, managerial, and financial capability of its water utilities. These contracts have been renewed periodically to allow the continuation of assistance activities. The South Dakota Rural Water Association provides such on-site assistance as leak detection, consumer confidence reports, water audits, board oversight and review, treatment plant operations, operator certification, and rate analysis.

To promote proactive planning within small communities, the Small Community Planning Grant program was initiated in fiscal year 2001. Communities are reimbursed 80 percent of the cost of an engineering study, with the maximum grant amount for any study being $8,000.

Unused funds from previous years' set-aside for small system technical assistance are banked for use in future years. As of September 30, 2026, $323,940 remains from previous years' allocations to be used for the purposes described above.

State program management. Funds may be allocated from the State Program Management set-aside for the administration of the state's Public Water System Supervision (PWSS) program. **Set-aside funds of $300,000 from the FFY2027 grant funds will be utilized.**

The state may use up to 10 percent of its allotment to (1) administer the state PWSS program; (2) administer or provide technical assistance through water protection programs, including the Class V portion of the Underground Injection Control program; (3) develop and implement a capacity development strategy; and (4) develop and implement an operator certification program. The WIIN Act of 2017 removed the requirements for an additional dollar-for-dollar match of capitalization funds for these activities.

The Performance Partnership Grant for South Dakota's PWSS program does not provide sufficient funds to complete all tasks and activities identified in the workplan. Additional PWSS fees will be used to fully fund all activities identified in the workplan.

Local assistance and other state programs. Funds may be allocated for Local Assistance set-aside activities from the capitalization grant. **South Dakota does not intend to allocate additional funds from the FFY 2027 grant set-aside allotment to fund these activities.**

The state can fund other activities to assist development and implementation of local drinking water protection activities. Up to 15 percent of the capitalization grant may be used for the activities specified below, but not more than 10 percent can be used for any one activity. The allowable activities for this set-aside are: (1) assistance to a public water system to acquire land or a conservation easement for source water protection; (2) assistance to a community water system to implement voluntary, incentive-based source water quality protection measures; (3) to provide funding to delineate and assess source water protection areas; (4) to support the establishment and implementation of a wellhead protection program; and (5) to provide funding to a community water system to implement a project under the capacity development strategy.

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Since 2008, Midwest Assistance Program (MAP) has been assisting communities that received an SRF loan and recommendations were made in the capacity assessment to improve the technical, financial, or managerial capacity of the system. In addition, MAP has assisted in the review of capacity assessments required as part of the Drinking Water SRF loan applications.

There remains $248,300 from prior years' allocations for these activities.

DISADVANTAGED COMMUNITY SUBSIDIES

Communities that meet the disadvantaged eligibility criteria described below and in ARSD 74:05:11.01(8) may receive additional subsidies. This includes communities that will meet the disadvantaged criteria as a result of the project.

Definition. To be eligible for loan subsidies a community must meet the following criteria:

1. for municipalities and sanitary districts:

    a. the median household income is below the state-wide median household income; and
    b. the monthly residential water bill is $45 or more for 5,000 gallons usage; or

2. for other community water systems:

    a. the median household income is below the state-wide median household income; and
    b. the monthly water bill for rural households is $70 or more for 7,000 gallons usage.

The source of median household income statistics will be the American Community Survey or other statistically valid income data supplied by the applicant and acceptable to the board.

Affordability criteria used to determine subsidy amount. Public entity disadvantaged communities below 80 percent of the statewide median household income, but at or greater than 60 percent may receive up to a one percentage point reduction in interest rates. Public entity disadvantaged communities with a median household income less than 60 percent of the statewide median household income may receive zero percent loans, if interest rates are approved to that level. See Table 1 for the disadvantaged interest rates for FFY 2027.

Amount of capitalization grant to be made available for providing additional subsidies to disadvantaged communities. Disadvantaged communities are eligible for additional subsidy in the form of principal forgiveness. South Dakota utilized the option to provide additional subsidy in the form of principal forgiveness to disadvantaged communities in federal fiscal years 2016 through 2018, in an amount equal to 30 percent of the annual capitalization grant.

The American Water Infrastructure Act (AWIA) of 2018 added new requirements to provide additional subsidy to disadvantaged communities. The FFY 2019 through 2021 capitalization grants mandated states must provide a minimum of 6 percent and may provide up to 35 percent of the capitalization grant amount as additional subsidy to disadvantaged communities.

The 2021 IIJA amendments increased the minimum to 12 percent and maximum of 35 percent of the capitalization grant amount must be provided as additional subsidy to disadvantaged communities. This applies to 2022 and subsequent program capitalization grants unless amended by Congress.

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Table 3 on page 15 summarizes the amounts of disadvantaged principal forgiveness provided to date.

Attachment II – List of Projects to be Funded in FFY 2027 identifies $16.4 million in principal forgiveness.

Identification of systems to receive subsidies and the amount. Systems that are eligible to receive disadvantaged community rates and terms are identified in Attachment I and Attachment II.

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Table 2 – Amounts Available to Transfer between State Revolving Fund Programs

Base Program Transfers

Year	DWSRF Capitalization Grant	Amount Available for Transfer	Banked Transfer Ceiling	Amount Transferred from CWSRF to DWSRF	Amount Transferred from DWSRF to CWSRF	Transfer Description	CWSRF Funds Available to Transfer	DWSRF Funds Available to Transfer
1997 - 2001	$42,690,000	$14,087,700	$14,087,700				$14,087,700	$14,087,700
2002	$8,052,500	$2,657,325	$16,745,025	$7,812,960		CW Cap Grant/Match	$8,932,065	$24,557,985
2003	$8,004,100	$2,641,353	$19,386,378	$7,761,360		CW Cap Grant/Match	$3,812,058	$34,960,698
2004	$8,303,100	$2,740,023	$22,126,401				$6,552,081	$37,700,721
2005	$8,285,500	$2,734,215	$24,860,616				$9,286,296	$40,434,936
2006	$8,229,300	$2,715,669	$27,576,285		$7,500,000	Leveraged Bonds	$19,501,965	$35,650,605
2007 - 2010	$57,594,000	$19,006,020	$46,582,305				$38,507,985	$54,656,625
2011	$9,418,000	$3,107,940	$49,690,245		$10,000,000	Repayments	$51,615,925	$47,764,565
2012 - 2025	$210,345,000	$69,413,850	$119,104,095				$121,029,775	$117,178,415
2026	$3,842,000	$1,267,860	$128,584,995	$25,000,000	$25,000,000	Repayments Leveraged Bonds	$130,510,675	$126,659,315
2027 est.	$5,000,000	$1,650,000	$130,234,995				$132,160,675	$128,309,315

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IIJA Emerging Contaminants Transfers

Year	DWSRF Capitalization Grant	Amount Available for Transfer	Banked Transfer Ceiling	Amount Transferred from CWSRF to DWSRF	Amount Transferred from DWSRF to CWSRF	Transfer Description	CWSRF Funds Available to Transfer	DWSRF Funds Available to Transfer
2022	$7,555,000	$2,493,150	$2,493,150	$459,000		CWSRF EC Grant	$2,034,150	$2,952,150
2023	$7,640,000	$2,521,200	$5,014,350	$1,043,000		CWSRF EC Grant	$3,512,350	$6,516,350
2024	$7,640,000	$2,521,200	$7,535,550	$1,043,000		CWSRF EC Grant	$4,990,550	$10,080,550
2025	$7,640,000	$2,521,200	$10,056,750	$1,043,000		CWSRF EC Grant	$6,468,750	$13,644,750
2026	$7,640,000	$2,521,200	$12,577,950	$1,043,000		CWSRF EC Grant	$7,946,950	$17,208,950

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Table 3 – Principal Forgiveness Allowed and Awarded

	Principal Forgiveness for all Borrowers			Disadvantaged-only Principal Forgiveness [a]		
Year	Minimum	Maximum	Awarded from FY Grant	Minimum	Maximum	Awarded from FY Grant
2010	$4,071,900	$13,573,000	$13,573,000			
2011	$2,825,400	$9,418,000	$9,418,000			
2012	$1,795,000	$2,692,500	$2,692,500			
2013	$1,684,200	$2,526,300	$2,526,300			
2014	$1,769,000	$2,653,500	$2,653,500			
2015	$1,757,400	$2,636,100	$2,636,100			
2016	$1,662,400	$1,662,400	$1,662,400	$0	$2,493,600	$2,493,600
2017	$1,648,200	$1,648,200	$1,648,200	$0	$2,472,300	$2,471,688
2018	$2,221,400	$2,221,400	$2,221,400	$0	$3,332,100	$3,282,690
2019	$2,220,600	$2,220,600	$2,220,600	$666,180	$3,886,050	$3,886,050
2020	$1,541,540	$1,541,540	$1,541,540	$660,660	$3,853,850	$3,693,850
2021	$1,554,000	$1,554,000	$1,554,000	$666,000	$3,885,000	$3,867,106
2022	$981,120	$981,120	$981,120	$840,960	$2,452,800	$1,536,119
2023	$691,320	$691,320	$691,320	$592,560	$1,728,300	$592,560
2024	$652,540	$652,540	$652,540	$559,320	$1,631,350	$559,320
2025	$1,526,840	$1,526,840	$1,526,840	$1,308,720	$3,817,700	$1,308,720
2026	$537,880	$537,880	$481,620	$461,040	$1,344,700	$461,040
2027 est	$700,000	$700,000	$0	$600,000	$1,750,000	$0
Totals	$29,840,740	$49,437,240	$48,680,980	$6,355,440	$32,647,150	$24,152,743

	IIJA General Supplemental Principal Forgiveness [a]		IIJA Lead Service Line Replacement Principal Forgiveness [a]		IIJA Emerging Contaminants Principal Forgiveness [b]	
Year	Required Amount	Awarded from FY Grant	Required Amount	Awarded from FY Grant	Required Amount	Awarded from FY Grant
2022	$8,816,080	$8,816,080	$490,000 [d]	$490,000	$8,014,000 [c]	$8,014,000
2023	$10,316,950	$10,316,950	$0 [d]	$0	$8,683,000 [c]	$8,683,000
2024	$11,262,650	$11,262,650	$0 [d]	$0	$8,683,000 [c]	$8,683,000
2025	$12,200,020	$8,506,999	$0 [d]	$0	$8,683,000 [c]	$6,845,000
2026	$12,195,120	$0	$13,453,440	$0	$8,683,000 [c]	$0
Totals	$54,790,820	$38,902,679	$13,943,440	$490,000	$42,746,000	$32,225,000

[a] Principal Forgiveness will only be provided to eligible entities that meet the Disadvantaged Community definition in ARSD 74:05:11:01(8) and described on page 11 of the IUP.

[b] At least 25% of these funds must be provided to entities that qualify as a Disadvantaged Community or systems with service populations less than 25,000.

[c] Combined total of DWSRF Emerging Contaminant allocation and CWSRF Emerging Contaminant allocation which was transferred to the DWSRF for eligible emerging contaminants projects.

[d] Due to lack of project interest, South Dakota was not able to apply for these grants beyond amounts indicated and no funds will be utilized.

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ATTACHMENT I

PROJECT PRIORITY LIST

Attachment I is a comprehensive list of projects that are eligible for Drinking Water SRF loans. This list was developed from State Water Plan applications. Inclusion on the list carries no obligations to the Drinking Water SRF program. Attachment II lists those projects expected to be funded in FFY 2027.

Priority Points	Community/ Public Water System	Project Number	Project Description	Est. Loan Amount	Expected Loan Rate & Term	Pop. Served	Dis-advan-taged
236	Bear Butte Valley Water	C462486-04	There are several private public water systems and many individual homes that have poor water quality including manganese and other listed potential emerging contaminants in their water sources near the southern service area limits of Bear Butte Valley Water. They have begun initial discussions and sign-ups to demonstrate an interest from these potential customers to connect to the Bear Butte Valley water system and be provided a better quality of water which BBVW also has significant capacity to serve. This project and the customers and systems to be connected is anticipated to be eligible for funding provided through specific funds for emerging contaminant projects. The total project scope would include over 40 miles of new distribution lines from 3- to 8- inches, new service connections, a 250,000-gallon ground storage reservoir, improvements to an existing well, and other related appurtenances.	$11,760,000	5.00%, 30 years	450	

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Priority Points	Community/ Public Water System	Project Number	Project Description	Est. Loan Amount	Expected Loan Rate & Term	Pop. Served	Dis-advan-taged
210	Sioux Rural Water System	C462433-05	Approximately 61 individual homes that have poor water quality including manganese and other listed contaminants in their water sources within the Sioux RWS service area.. They have begun initial discussions and sign-ups to demonstrate an interest from these potential customers to connect to the water system and be provided a better quality of water which Sioux RWS also has capacity to serve. This project and the customers to be connected is anticipated to be eligible for funding provided through specific funds for emerging contaminant projects. The total project scope would include nearly 35 miles of new distribution lines from 2- to 4- inches, new service connections, and other related appurtenances.	$3,134,000	5.00%, 30 years	152	
114	Edgemont	C462216-04	An existing well is no longer functioning properly due to a deteriorated casing, portions of the existing distribution lines are asbestos cement pipe and experience significant breaks. This project will install a new well to replace the existing one, and replace 5,300 feet of watermain with PVC in several locations in the community.	$4,000,000	3.25%, 30 years	725	Yes (Pending rate increase)
109	Canistota	C462226-06	Problem: a portion of the existing distribution system pipe is cast iron pipe and beyond its useful life, there are several dead-end lines in the system, and the existing water storage tank lacks capacity to meet average day demand. Project: install 7,500 feet of new PVC watermain in various locations within the community and construct a new 50,000-gallon elevated water storage tank.	$3,600,000	3.75%, 30 years	631	Yes
103	Pine Grove Community Water Association	C462501-01	The existing system lacks a redundant water source, and the distribution system has dead end lines impacting pressure. This project will connect a second existing well and install infrastructure for the well, SCADA controls to manage the system, and a backup generator. The project will also install new lines to loop the existing dead ends and pressure valves to better manage system flow and pressures.	$3,006,793	5.00%, 30 years	430	

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Priority Points	Community/ Public Water System	Project Number	Project Description	Est. Loan Amount	Expected Loan Rate & Term	Pop. Served	Dis-advan-taged
102	Mission Hill	C462364-02	Problem: a portion of the existing distribution system pipe is beyond its useful life, there are several dead-end lines in the system, and the system lacks storage capacity to meet average day demand. Project: install 1,500 feet of new PVC watermain in various locations within the community and construct a new 65,000-gallon elevated water storage tank.	$1,925,000	3.75%, 30 years	190	Yes
98	Mitchell	C462129-09	Replacement of approximately 43.4 miles pf existing watermain which is all remaining cast-iron, sand-cast, and asbestos cement pipe within the distribution system, 20 sections of new pipe totaling 13,000 feet would be installed to loop the system in various locations throughout the city. This project will be completed in multiple phases over many years.	$57,000,000	3.50%, 30 years	15,660	Yes
96	Davison Rural Water System	C462490-02	The system is in need of additional storage to meet user demand. This project would construct a 1-million gallon elevated tank and associated pipeline to connect to the distribution system west of Mitchell.	$12,400,000	5.00%, 30 years	4,296	
95	Tyndall	C462131-05	The existing distribution system includes portions of asbestos cement watermain and several dead-end lines, there is no back-up power for the pump station. This project will install 17,900 feet of PVC watermain and procure a back-up generator for booster station power.	$5,212,109	3.50%, 30 years	1,057	Yes
94	White	C462118-03	Portions of the existing distribution system are cast iron pipe beyond its useful life and several dead-end lines exist. This project will install approximately 15 blocks of new PVC watermain.	$2,616,110	4.00%, 30 years	537	
93	Bryant	C462121-05	A portion of the existing distribution system pipe is cast iron pipe and beyond its useful life. The project would install 3,400 feet of new PVC watermain in this phase.	$1,958,000	3.50%, 30 years	471	Yes

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Priority Points	Community/ Public Water System	Project Number	Project Description	Est. Loan Amount	Expected Loan Rate & Term	Pop. Served	Dis-advan-taged
87	Java	C462350-01	The existing water meters are beyond their useful life, the existing storage tank is in need of improvements to piping, venting, and coatings. This project will install new remote read meters and software, will make improvements to the storage tank piping and venting, and recoat the interior and exterior of the tank.	$508,870	3.50%, 30 years	121	Yes (Pending rate increase)
87	Utica	C462398-01	The existing storage tank standpipe is in poor condition and the tank has had issues with water quality due to stagnation, the distribution mains have several areas of undersized pipe to meet capacity needs, many curb stops for users are inoperable, and the existing water meters are beyond their useful life. This project will install a new standpipe for the water tank, install a tank agitator, make other minor tank improvements, replace 120 feet of existing undersized watermain, and replace all water meters with a new remote system and software.	$1,150,000	3.50%, 30 years	70	Yes
84	Burke	C462225-03	A portion of the existing distribution system pipe is cast iron or asbestos cement pipe and beyond its useful life. The project would install 4,200 feet of new PVC watermain throughout the community.	$7,846,000	3.25%, 30 years	575	Yes
80	Lennox	C462105-07	Problem: a portion of the existing distribution system pipe is potentially too shallow with other surface improvements for stormwater management. Project: replace approximately 9,250 feet of watermain to maintain required minimum depth.	$2,579,826	3.75%, 30 years	2,423	Yes

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Priority Points	Community/ Public Water System	Project Number	Project Description	Est. Loan Amount	Expected Loan Rate & Term	Pop. Served	Dis-advan-taged
78	Bear Butte Valley Water	C462486-05	Bear Butte Valley Water has received numerous requests to provide water service to additional users both within their existing service area and to adjacent areas. To allow for connection of these users to the Bear Butte Valley System improvements would be necessary to some existing infrastructure and new infrastructure to be installed this would include over 51 miles of distribution line from 2- 8- inches, new service connections, a 100,000-gallon ground storage reservoir, improvements to an existing control vault, and other related appurtenances.	$8,728,000	5.00%, 30 years	450	
77	Golden Hills HOA	C462509-01	The existing well house and treatment equipment was damaged in a recent windstorm, the storage tank is in need of repairs to remain functional, and portions of the distribution system have low pressure issues due to dead end lines. This project will construct a new well house and associated treatment equipment, make repairs to the storage tank, and install booster pumps to increase pressures in portions of the distribution system.	$437,000	5.00%, 30 years	47	
77	Mellette	C462363-02	The existing water meters are beyond their useful life a portion of the distribution system is old and experiencing significant breaks. This project would install new remote read meters and software and would replace 2,000 feet of existing watermain.	$870,000	3.75%, 30 years	199	Yes
54	Martin	C462203-03	The existing wells that serve the community have shown the presence of arsenic which is a known contaminant, while the levels for two of the wells are typically less than the maximum levels they have had occurrences above and the other well consistently tests above. Additionally, portions of the distribution system are undersized to meet flow and pressure needs. This project would install an arsenic removal system for wells to assure proper treatment of water and replace 1,500 feet of watermain with new 6-inch PVC.	$4,532,000	3.50%, 30 years	938	Yes (Pending rate increase)

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Priority Points	Community/ Public Water System	Project Number	Project Description	Est. Loan Amount	Expected Loan Rate & Term	Pop. Served	Dis-advan-taged
53	Hisega Meadows, Inc	C462468-03	The system currently operates a water treatment facility that is located below grade and due to age and condition of equipment has begun experiencing difficulties in meeting required treatment compliance. This project will construct a new above grade facility outside the floodplain of Rapid Creek, the new facility will include raw water pump upgrades, ceramic ultrafiltration membranes, chemical feed systems, and improved backwash handling and disposal.	$1,890,000	5.00%, 30 years	491	
52	Pringle	C462380-01	The system currently includes one well that is in need of improvements and only serves a portion of the residents with a distribution system, the system includes no storage, and the distribution system is inadequate to connect additional residents. This project would make improvements to the existing well, replace and expand the distribution system to serve all residents, and install a ground storage tank and booster station.	$5,496,000	3.50%, 30 years	109	Yes (Pending rate increase)
38	Aberdeen	C462072-06	Aberdeen has 1,045 known lead water service lines for individual customers, and has additional lines that are unknown with a portion anticipated to be found as lead. It is estimated that a total of 1,245 lead service lines are required to be replaced by EPA's Lead and Copper Rule Improvements regulations. Aberdeen is requesting funding to allow for the full replacement of all known lead water service lines, and for the determination of unknown service lines to be found and if lead replaced in full. This project will be eligible to utilize the DWSRF Lead Service Line Replacement funds.	$16,484,962	0.00%, 30 years	28,495	Yes

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Priority Points	Community/ Public Water System	Project Number	Project Description	Est. Loan Amount	Expected Loan Rate & Term	Pop. Served	Dis-advan-taged
29	White River	C462119-01	The existing water meters are beyond their useful life, the existing storage tank is in poor condition, portions of the distribution system are cast iron or asbestos cement pipe that is beyond its useful life, and several dead-end lines exist. This project will install new water meters and remote read software, construct a new 125,500-gallon elevated storage tank, and installation of 8,700 feet of new PVC watermain.	$5,681,530	3.50%, 30 years	533	Yes
20	Custer	C462021-02	Portions of watermain along 5th street and Mt. Rushmore Road are existing cast iron and in need of replacement, the controls and electrical equipment for well #9 and a booster station are in need of upgrades. This project would install a total of 21,000 feet of PVC watermain, replace SCADA controls and equipment at both well #9 and the booster station, and purchase emergency generators for both the well and booster station.	$11,820,000	3.75%, 30 years	1,919	Yes
20	Fort Pierre	C462049-03	The city currently lacks sufficient water storage capacity to meet peak day demands.This project would install a new ground water storage tank, booster pump, and 12-inch transmission line to connect to the rest of the distribution system.	$2,418,600	4.00%, 30 years	2,115	
15	Crooks	C462227-05	Problem: the city of Crooks currently has one connection to Minnehaha Community Water Corp for its bulk service, this results in a lack of redundancy for the community if the connection is compromised. Project: install a second connection to MCWC and install 2.5 miles of 12-inch transmission main to connect to the existing distribution system.	$3,800,000	4.00%, 30 years	1,362	
11	Canton	C462039-06	A portion of the existing distribution system pipe is asbestos cement pipe and beyond its useful life. This project would install 1,200 feet of new PVC watermain on a portion of Sanborn Street.	$797,000	4.00%, 30 years	3,066	
11	Dell Rapids	C462064-12	A portion of the existing distribution system pipe is cast iron or asbestos cement pipe and beyond its useful life. This project would install 2,500 feet of new PVC watermain in the Northeast portion of the community.	$1,692,000	4.00%, 30 years	3,996	

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Priority Points	Community/ Public Water System	Project Number	Project Description	Est. Loan Amount	Expected Loan Rate & Term	Pop. Served	Dis-advan-taged
11	Hot Springs	C462040-02	Problem: a portion of the existing distribution system is experiencing leaks and beyond its useful life, the system lacks pumping capacity to fully utilize existing wells and meet user demands, portions of the distribution system lack pressure to meet demand, and the total system storage is less than necessary to meet peak day demand. Project: replace 7,200 feet of watermain with new PVC, install additional pumps at the Evans pump station, install a booster station and 9,33 feet of new transmission line to connect wells to the distribution system, and install a new 1,300,000-gallon water storage tank.	$16,350,000	3.50%, 30 years	3,395	Yes (Pending rate increase)
10	Parker	C462026-07	A portion of the existing distribution system pipe ductile iron pipe and beyond its useful life. This project would install 1,500 feet of new PVC watermain on a portion of Kelly Avenue.	$1,886,200	4.00%, 30 years	1,194	
6	Hartford	C462104-05	A portion of the existing distribution system pipe is experiencing excessive breaks and beyond its useful life. This project would install 1,200 feet of new PVC watermain on a portion of Kelly Avenue.	$475,650	4.00%, 30 years	3,354	

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ATTACHMENT II – LIST OF PROJECTS TO BE FUNDED IN FFY 2027

Priority Points	Loan Recipient	Project Number	Assistance Amount	Principal Forgiveness [1]	Funding Date	Expected Funding Source[2]	Fund/Project Eligibility [3,4,5]
Loans Expected							
80	Lennox	C462105-07	$2,434,000	$1,460,400	Jan. 2027	2025, 2026, 2027 Base/IIJA GS	3
236	Bear Butte Valley Water	C462486-04	$8,000,000	$8,000,000	March 2027	2025 & 2026 IIJA EC	5
210	Sioux Rural Water System	C462433-05	$3,134,000	$3,134,000	March 2027	2025 & 2026 IIJA EC	5
114	Edgemont	C462216-04	$2,500,000	$1,500,000	March 2027	2025, 2026, 2027 Base/IIJA GS	3
103	Pine Grove Community Water Association	C462501-01	$1,000,000	$100,000	March 2027	Repay/Lev. Bonds	
102	Mission Hill	C462364-02	$1,000,000	$600,000	March 2027	2025, 2026, 2027 Base/IIJA GS	3
95	Tyndall	C462131-05	$2,000,000	$1,200,000	March 2027	Repay/Lev. Bonds	3
94	White	C462118-03	$2,000,000	$200,000	March 2027	2025, 2026, 2027 Base/IIJA GS	
93	Bryant	C462121-05	$1,958,000	$1,174,800	March 2027	Repay/Lev. Bonds	3
87	Java	C462350-01	$508,870	$305,322	March 2027	2025, 2026, 2027 Base/IIJA GS	3
87	Utica	C462398-01	$500,000	$300,000	March 2027	Repay/Lev. Bonds	3
84	Burke	C462225-03	$2,000,000	$1,200,000	March 2027	Repay/Lev. Bonds	3
77	Golden Hills HOA	C462509-01	$437,000	$50,000	March 2027	Repay/Lev. Bonds	
77	Mellette	C462363-02	$870,000	$522,000	March 2027	Repay/Lev. Bonds	3
54	Martin	C462203-03	$2,000,000	$1,200,000	March 2027	Repay/Lev. Bonds	3
53	Hisega Meadows, Inc	C462468-03	$1,000,000	$100,000	March 2027	Repay/Lev. Bonds	
52	Pringle	C462380-01	$500,000	$300,000	March 2027	Repay/Lev. Bonds	3
38	Aberdeen	C462072-06	$16,484,962	$8,077,631	March 2027	2022 & 2026 IIJA LSLR	3, 4
29	White River	C462119-01	$2,000,000	$1,200,000	March 2027	Repay/Lev. Bonds	3
20	Custer	C462021-02	$2,500,000	$1,500,000	March 2027	2025, 2026, 2027 Base/IIJA GS	3
11	Canton	C462039-06	$797,000	$80,000	March 2027	2025, 2026, 2027 Base/IIJA GS	
11	Dell Rapids	C462064-12	$1,692,000	$170,000	March 2027	2025, 2026, 2027 Base/IIJA GS	
10	Parker	C462026-07	$1,886,200	$56,000	March 2027	2025, 2026, 2027 Base/IIJA GS	
6	Hartford	C462104-05	$475,650	$0	March 2027	Repay/Lev. Bonds	
96	Davison Rural Water System	C462490-02	$12,400,000	$0	June 2027	2025, 2026, 2027 Base/IIJA GS	
109	Canistota	C462226-06	$3,600,000	$2,160,000	Sept. 2027	Repay/Lev. Bonds	3
20	Fort Pierre	C462049-03	$2,418,600	$0	Sept. 2027	Repay/Lev. Bonds	
15	Crooks	C462227-05	$3,800,000	$0	Sept. 2027	Repay/Lev. Bonds	

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Priority Points	Loan Recipient	Project Number	Assistance Amount	Principal Forgiveness [1]	Funding Date	Expected Funding Source[2]	Fund/Project Eligibility [3,4,5]
11	Hot Springs	C462040-02	$3,000,000	$1,800,000	Sept. 2027	Repay/Lev. Bonds	3

1. Principal forgiveness amounts shown for loans expected are estimates for planning purposes only.
2. Projects identified using capitalization grant funds are for equivalency requirements planning purposes only, actual projects used for capitalization grant equivalency will be identified on the FFY 2027 annual report.
3. Projects are anticipated to be funded in part utilizing capitalization grant principal forgiveness reserved for disadvantaged communities, this may be from funds within the base capitalization grant, IIJA general supplemental, IIJA lead service line replacement, or IIJA emerging contaminants grant allotments depending on project eligibility.
4. Projects identified are anticipated to be funded in part utilizing IIJA lead service line replacement allotments.
5. Projects identified are anticipated to be funded in part utilizing IIJA emerging contaminants allotment.

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ATTACHMENT III
BASE PROGRAM FUNDING STATUS

Federal Fiscal Years 1997 - 2026		
Capitalization Grants	$258,641,698	
IIJA Supplemental Grants	$111,818,000	
State Match (Base and IIJA)	$70,187,240	
ARRA Grant	$19,500,000	
Set-Asides (Base and IIJA)	($23,285,902)	
Transfer CWSRF to DWSRF	$23,074,320	
Transfer DWSRF to CWRSF	($25,000,000)	
Leveraged Bonds	$502,115,014	
Excess Interest as of September 30, 2026	$73,687,536	
Excess Principal as of September 30, 2026	$129,678,502	
Total Funds Dedicated to Loan		$1,140,416,408
Closed Loans made through September 30, 2026		($1,343,666,870)
Available funds as of September 30, 2026		($203,250,462)
Federal Fiscal Year 2027 Projections		
Capitalization Grant	$5,000,000	
State Match	$1,000,000	
Set-Asides	($700,000)	
Projected Excess Principal Repayments	$0	
Projected Unrestricted Interest Earnings	$1,500,000	
Leveraged Bonds	$150,000,000	
Projected FFY 2027 Loan Sub-total		$156,800,000
Funds Available for Loans		($46,450,462)
Loans Awarded and Unclosed as of September 30, 2026		($88,485,000)
Total Funds Available for Loans		($134,935,462)
Loan Amount Identified on Attachment II - List of Projects to be Funded in FFY 2027		$55,277,320

Administrative Surcharge Funds Available as of September 30, 2026	
Program Income	$1,539,728
Non-Program Income	$1,776,223
Total	$3,315,950

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IIJA EMERGING CONTAMINANTS
PROGRAM FUNDING STATUS
Federal Fiscal Years 2022-2026

DWSRF IIJA Emerging Contaminants Grants	$38,115,000	
State Match	$0	
Set-Asides	($0)	
Transfer FFY 2022 through 2024 Grants from CWSRF Emerging Contaminants	$2,545,000	
Total Funds Dedicated to Loan		$40,660,000
Closed Loans made through September 30, 2026		($22,625,000)
Available funds as of September 30, 2026		$18,035,000

Federal Fiscal Year 2027 Projections

Transfer of FY 2025 Clean Water Emerging Contaminants Grant	$1,043,000	
Transfer of FY 2026 Clean Water Emerging Contaminants Grant	$1,043,000	
State Match	$0	
Set-Asides	$0	
Projected FFY 2027 Loan Sub-total		$2,086,000
Funds Available for Loans		$20,121,000
Loans Awarded and Unclosed as of September 30, 2026		($9,600,000)
Total Funds Available for Loans		$10,521,000
Loan Amount Identified on Attachment II - List of Projects to be Funded in FFY 2027		$11,134,000

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IIJA LEAD SERVICE LINE REPLACEMENT
PROGRAM FUNDING STATUS
Federal Fiscal Year 2022 - 2026

DWSRF IIJA Lead Service Line Replacement Grants	$1,000,000	
State Match	$0	
Set-Asides	($0)	
Total Funds Dedicated to Loan		$1,000,000
Closed Loans made through September 30, 2026		($604,426)
Available funds as of September 30, 2026		$395,574

Federal Fiscal Year 2027 Projections

IIJA Lead Service Line Replacement 2026 Grant	$27,456,000	
State Match	$0	
Set-Asides	$0	
Projected FFY 2027 Loan Sub-total		$27,456,000
Funds Available for Loans		$27,851,574
Loans Awarded and Unclosed as of September 30, 2026		$0
Total Funds Available for Loans		$27,851,574
Loan Amount Identified on Attachment II - List of Projects to be Funded in FFY 2027		$16,484,962

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November 5, 2026
Item 10

TITLE: State Water Resources Management System Recommendations

EXPLANATION: The Board of Water and Natural Resources annually provides recommendations to the State Legislature and Governor regarding deletions, additions, and retention of projects on the State Water Resources Management System (SWRMS) component of the State Water Plan. The following projects are currently included on the State Water Resources Management System list:

1. Belle Fourche Irrigation Upgrade Project
2. Big Sioux Flood Control Study
3. Cendak Irrigation Project
4. Dakota Mainstem Regional Water System Study
5. Hydrology and Water Management Studies
6. Lake Andes-Wagner/Marty II Irrigation Unit
7. Lewis and Clark Rural Water System
8. Sioux Falls Flood Control Project
9. Vermillion Basin Flood Control Project
10. Water Investment in Northern South Dakota (WINS) Project
11. Western Dakota Regional Water System Study

RECOMMENDED ACTION: Approve a resolution recommending the retention of all current projects on the State Water Resources Management System list.

CONTACT: Andy Bruels, 773-4216

State Water Resources Management System
Projected Funding Need

Applicant:	Proposed Funding Package	
Dakota Mainstem Regional Water System	State Funding Requested	$750,000.00
Address:		
1100 Heritage Dr. PO Box 308 Madison, SD 57042	Federal Appropriation	
	Grant	
	Loan	
	Local Cash	$187,500.00
	Other:	
	TOTAL	$937,500.00

Project Title:

DAKOTA MAINSTEM REGIONAL WATER SYSTEM

Description:

The Dakota Mainstem Regional Water System (DMRWS) is a collaboration of approximately fifty-seven municipal and regional public water systems in South Dakota, Minnesota, Iowa, and Nebraska. The Project completed its Appraisal Study in late 2025, confirming the need for a long-term Missouri River regional water supply solution to address growing water demands, drought resiliency, and regional economic growth.Dakota Mainstem is now advancing into a Feasibility Study, with HDR Engineering serving as the lead consultant. The study is expected to take approximately thirty months and will evaluate system capacity, treatment and transmission requirements, environmental considerations, routing alternatives, and project costs.During the past year, federal authorization legislation, S. 3736 and H.R. 7331, was introduced in the United States Senate and House of Representatives to authorize the U.S. Bureau of Reclamation (BOR) to participate technically and financially in the Feasibility Study. Federal participation will help ensure the study meets BOR planning standards and positions the Project for future federal consideration.Dakota Mainstem also continues working with members and state partners in Iowa and Minnesota to develop a proportional cost participation framework based on projected long-term water demand. Continued SWRMS support remains essential to advancing the Project and developing a resilient supplemental water supply for the Upper Midwest region.

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.

Ryan Johnson, President of the board of directors	Ryan W Johnson	May 26, 2026
Name & Title of Authorized Signatory (Typed)	Signature	Date

State Water Resources Management System
Projected Funding Need

Applicant:	Proposed Funding Package	
Water Rights Program, DANR	State Funding Requested	$500,000
Address:		
Joe Foss Building 523 E Capitol Avenue Pierre SD 57501	Federal Appropriation	
	Grant	
605-773-3352	Loan	
	Local Cash	
	Other:	
	TOTAL	$500,000

Project Title:

South Dakota Observation Well Network

Description:

The Water Rights Program within DANR maintains an observation well network of 1,626 wells to monitor and provide historic data on water levels in aquifers throughout South Dakota. To address data gaps and ensure aquifers are not over appropriated, the network requires additional observation wells, refurbishment of selected existing wells, and expanded automated data collection. The observation well network is the backbone for management of the groundwater resources in South Dakota to ensure aquifers are not over appropriated and the resource is preserved into perpetuity for future for future generations.

The continued development throughout South Dakota, most notably the Black Hills and Sioux Falls regions, observation wells are needed to monitor aquifer water levels to assess impacts, if any, from withdrawal to these groundwater resources for the purpose of determining if new appropriations can be approved. Several existing DANR observation wells in the Black Hills region require refurbishment to be used effectively. Furthermore, there is opportunity to integrate unused public water supply wells in the Black Hills area into the observation well network. These new wells will also require some refurbishment to be usable. Having data loggers to record water levels more frequently will allow for better assessment of the aquifers further aiding in preserving the states groundwater resources.

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.

Hunter Roberts, Secretary		July 31, 2026
Name & Title of Authorized Signatory (Typed)	Signature	Date

State Water Resources Management System
Projected Funding Need

Applicant:

WEB Water

Address:
38456 US Highway 12
Aberdeen, SD 57401

Proposed Funding Package

State Funding Requested	$5,000,000
Federal Appropriation	
Grant	19,920,000
Loan	
Local Cash	
Other:	
TOTAL	24,920,000

Project Title:

Water Investment in Northern South Dakota (WINS) Project - Phase 3A

Description:

The WINS project is a collaborative effort between WEB Water, the City of Aberdeen and BDM Rural Water. The project will provide 42.1 MGD of treated drinking water to the northeast South Dakota region through the three systems. The proposed project consists of a raw water intake, water treatment facility, three (3) storage reservoirs, five (5) pump or control facilities, a pressure reducing facility and 148 miles of pipeline ranging from 20-inch to 54-inch.

The Water Treatment Plant upgrades and Phase I mainline near the treatment plant have been completed. Phase 2A mainline near Bowdle and Spring Lake is currently under construction and will be finished by the end of this year. Phase 2B funding for the Ipswich area water line improvements has been secured and is currently being designed.

Phase 3A of the WINS project will be used for the continued engineering, pre-construction, and construction activities including placement of new 30" waterline, water tower improvements and pump/control valve station improvements in the Mina Lake area. A cost estimate, map, CDS application through Senator John Thune's office and narrative are attached.

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.

Name & Title of Authorized Signatory	Signature	Date
Shane Phillips, General Manager, WEB	Shane Phillips	05/20/2026
Dave McNeil, City Manager, City of Aberdeen		5/26/26
Tom Jones, General Manager, BDM	Thomas Jones	05/20/2026

State Water Resources Management System
Projected Funding Need

Applicant:

Western Dakota Regional Water System

Address:

P.O. Box 484
Rapid City, SD 57709

Phone Number:
605-519-7333

Proposed Funding Package

State Funding Requested	1,000,000.00
Federal Appropriation	
Grant	
Loan	
Local Cash	
Other:	
TOTAL	

Project Title:

Western Dakota Regional Water System 2027 Support

Description:

The Western Dakota Regional Water System is requesting SWRMS funding assistance for continued project development, regional coordination, administrative support, and technical advancement activities associated with the long-term development of a supplemental Missouri River water supply for western South Dakota.

As a regional water development system currently in the advocacy, planning, and pre-feasibility phase, WDRWS does not yet have a customer revenue stream to support operational and project advancement costs. We are continuing aggressive membership expansion.

Requested funds will support organizational administration, operational expenses, state and federal coordination, member and stakeholder engagement, communications and outreach efforts, legal and accounting services, insurance and audit requirements, advocacy activities, grant and contract administration, engineering advancement, program management, and technical consultant oversight necessary to advance the project.

With strong support from South Dakota's Congressional delegation, the Bureau of Reclamation,

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.

Kristin Conzet Executive Director	Kristin Conzet	6/29/26
Name & Title of Authorized Signatory (Typed)	Signature	Date

November 5, 2026
Item 11

TITLE: Omnibus Bill Funding Recommendations

EXPLANATION: The Board of Water and Natural Resources, under the authority provided in SDCL 46A-1-12 and 46A-1-13, may recommend state funding and cost share levels to the Governor and Legislature.

The board annually reviews applications from projects wishing to be placed on the State Water Facilities Plan and the projected funding needs of projects on the State Water Resources Management System (SWRMS) component of the State Water Plan.

The board conducts a public meeting to take statements from all interested parties regarding water development funding needs. A resolution is developed to make specific recommendations to the Governor and State Legislature on funding levels for individual SWRMS projects, the Consolidated program, and the Solid Waste Management program, and for appropriations from specific state revolving fund subfunds.

The board's recommendations developed through this public process provide the basis for the Governor's preparation and the Legislature's consideration of the annual Omnibus Funding bill.

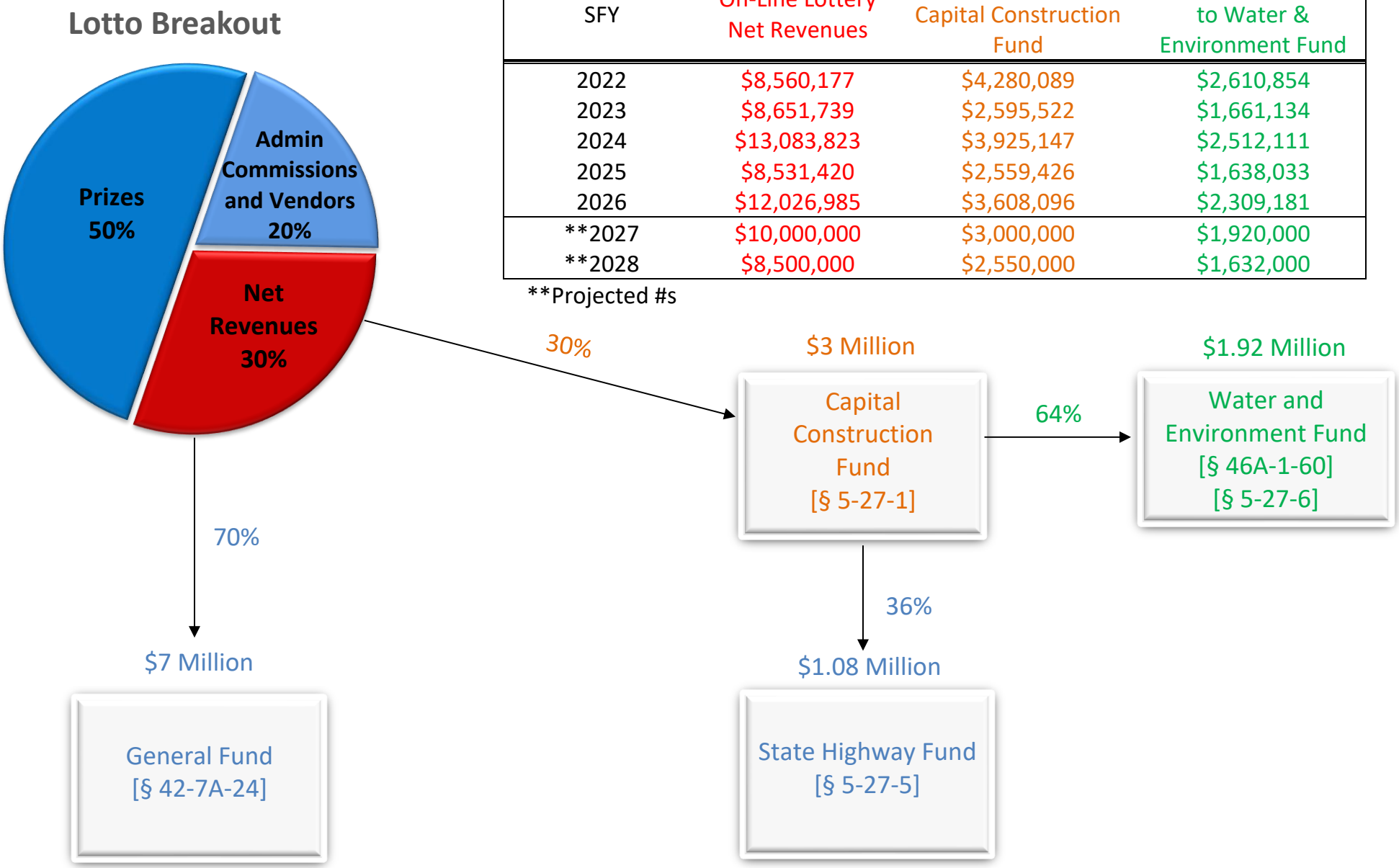
RECOMMENDED ACTION: Approve a resolution providing recommendations to the Governor and the State Legislature on Water & Environment Fund state fiscal year 2028 funding levels for the State Water Resources Management System projects, the Consolidated program, and the Solid Waste Management program, and for appropriations from specific state revolving fund subfunds.

CONTACT: Tina McFarling, 773-4216

Projected SFY 2027 South Dakota Lotto Distribution

SFY	On-Line Lottery Net Revenues	Lotto Deposits to Capital Construction Fund	Lotto Distribution to Water & Environment Fund
2022	$8,560,177	$4,280,089	$2,610,854
2023	$8,651,739	$2,595,522	$1,661,134
2024	$13,083,823	$3,925,147	$2,512,111
2025	$8,531,420	$2,559,426	$1,638,033
2026	$12,026,985	$3,608,096	$2,309,181
**2027	$10,000,000	$3,000,000	$1,920,000
**2028	$8,500,000	$2,550,000	$1,632,000

**Projected #s



Projected SFY 2027 Petroleum Release Compensation and Tank Inspection Fee Distribution

($20 per 1,000 gallons or $0.02 per gallon)

SFY	Tank Inspection Fees	Tank Fees Deposits to the Capital Construction Fund	Tank Fees Distribution to the Water & Environment Fund
2022	$18,016,221	$12,971,679	$7,912,724
2023	$17,391,234	$14,173,856	$9,071,268
2024	$18,225,935	$14,854,137	$9,506,648
2025	$18,212,182	$14,842,928	$9,499,474
2026	$18,672,178	$15,217,825	$9,739,408
**2027	$18,750,000	$15,281,250	$9,780,000
**2028	$18,750,000	$15,281,250	$9,780,000

**Projected #s

§ 34A-13-20 Transfers



81.5% $15.28 Million

Capital Construction Fund [§ 5-27-1]

64%

$9.78 Million

Water and Environment Fund [§ 46A-1-60] [§ 5-27-6]

36%

$5.50 Million

State Highway Fund [§ 5-27-5]

1.5%

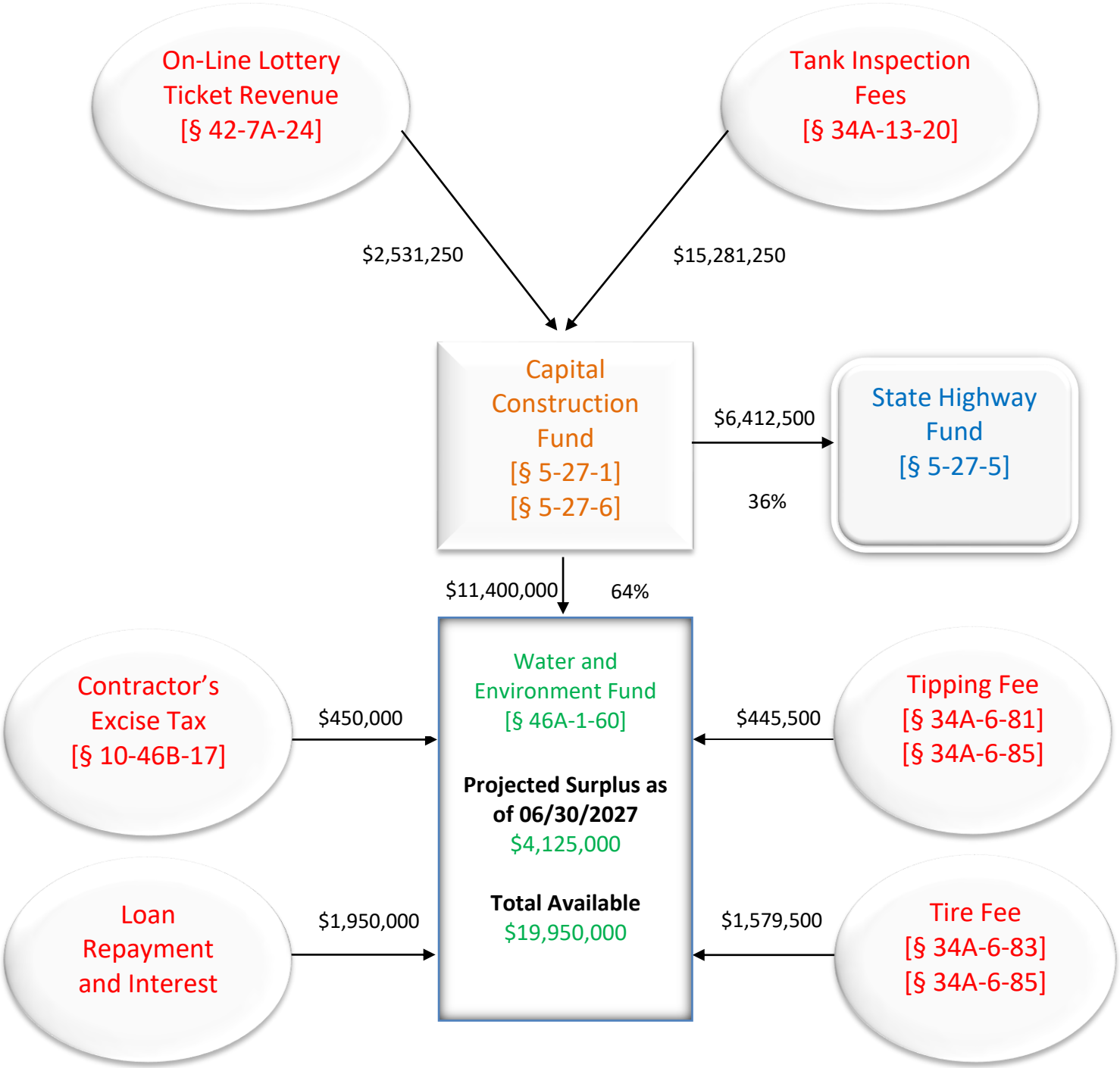
$281,000

Ethanol Infrastructure Incentive Fund [10-47B-164.1]

17%

$3.18 Million

Petroleum Release Compensation Fund


On-Line Lottery Ticket Revenue [§ 42-7A-24]
Tank Inspection Fees [§ 34A-13-20]
$2,531,250
$15,281,250
Capital Construction Fund [§ 5-27-1] [§ 5-27-6]
$6,412,500
36%
State Highway Fund [§ 5-27-5]
$11,400,000
64%
Contractor's Excise Tax [§ 10-46B-17]
$450,000
Water and Environment Fund [§ 46A-1-60]
Projected Surplus as of 06/30/2027
$4,125,000
Total Available
$19,950,000
$445,500
Tipping Fee [§ 34A-6-81] [§ 34A-6-85]
Loan Repayment and Interest
$1,950,000
$1,579,500
Tire Fee [§ 34A-6-83] [§ 34A-6-85]

November 5, 2026
Item 12

TITLE: Periodic Review of the Conservancy District Investment Policy and State Fiscal Year 2026 State Revolving Fund Investments and Investment Returns

EXPLANATION: Section 15 of the Investment Policy states that the board will periodically review the policy. The current Investment Policy was approved pursuant to Resolution 2018-75 adopted by the Board of Water and Natural Resources acting as the South Dakota Conservancy District on November 8, 2018.

Staff will provide a review of SRF investments and investment returns for State Fiscal Year 2026.

CONTACT: Jon Peschong, 773-2004

November 5, 2026
Item 13

TITLE: 2026 Annual Report and 2027 State Water Plan

EXPLANATION: In accordance with South Dakota Codified Laws § 46A-2-2, § 46A-1-10, and § 46A-1-14, an Annual Report and State Water Plan is to be presented to the Legislature and Governor by the first day of the legislative session.

The Annual Report provides a brief description of activities undertaken in calendar year 2026 and includes tables detailing funding awards approved by the board throughout the year. The State Water Plan identifies the projects approved for placement on the 2027 State Water Facilities Plan and provides information on the State Water Resources Management System projects. The report also provides recommendations to the Governor and Legislature on funding levels for various water and solid waste projects, programs, and activities. The board's recommendations for State Water Resources Management System designation, funding levels for projects, programs, and activities, and a Water and Environment Fund Special Condition Statement are provided as appendices to the report.

RECOMMENDED ACTION: Approve the 2026 Annual Report and 2027 State Water Plan for distribution to the State Legislature, Governor, and other interested parties.

CONTACT: Andy Bruels, 773-4216

2026 ANNUAL REPORT

~~and~~

2027 STATE WATER PLAN



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BOARD OF WATER AND NATURAL RESOURCES

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DEPARTMENT of AGRICULTURE and NATURAL RESOURCES
JOE FOSS BUILDING
523 E CAPITOL AVE
PIERRE SD 57501-3182
danr.sd.gov

Governor Larry Rhoden and Members of the One-Hundred and Second Legislative Session

As required by state law, transmitted herewith is the 2026 Annual Report/2027 State Water Plan of the Board of Water and Natural Resources (the board). The Annual Report describes water development and waste management activities during the past year. The State Water Plan outlines the projects on the State Water Facilities Plan and State Water Resources Management System (SWRMS).

Throughout this document, you will see the on-going needs for water, wastewater, and solid waste projects statewide and how critical state assistance is to construct these projects. During the past year, the board awarded more than $294.8 million in grant and loan funds for the planning, design, and construction of municipal drinking water, wastewater, rural water, watershed restoration, solid waste disposal, and recycling projects. The 2027 State Water Facilities Plan currently includes 68 unfunded projects with projected state funding needs of nearly $486.8 million.

The Department of Agriculture and Natural Resources appreciates everyone who contributes to the development and execution of the State Water Plan and remains committed to working with you, the Board of Water and Natural Resources, and local project partners to identify and address critical infrastructure needs across South Dakota.

Sincerely,

Hunter Roberts
Secretary

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BOARD OF WATER AND NATURAL RESOURCES

JERRY SOHOLT, CHAIRMAN
Sioux Falls
Member since 2014

GENE JONES, JR., VICE CHAIRMAN
Sioux Falls
Member since 2002

TODD BERNHARD, SECRETARY
Ft. Pierre
Member since 2010

CAMERON BECKER
Marion
Member since 2024

GARY DREWES
Rapid City
Member since 2023

BRUCE JENNINGS
Belle Fourche
Member since 2024

JACKIE LANNING
Brookings
Member since 2011

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2026 LEGISLATIVE OVERSIGHT COMMITTEE

Senator Jim Mehlhaff	Pierre
Senator Red Dawn Foster	Pine Ridge
Representative Nicole Uhre-Balk	Rapid City
Representative Scott Odenbach	Spearfish

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To
Governor Larry Rhoden
and the
One-Hundred and Second Session, Legislative Assembly
2027

2026 ANNUAL REPORT
~~and~~
2027 STATE WATER PLAN

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Board of Water and Natural Resources

January 2027

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Preface

The purpose of this document is to fulfill the statutory requirements placed on the Board of Water and Natural Resources. These requirements are generally outlined as follows:

SDCL 46A-2-2. *To prepare and submit to the Governor and Legislature a yearly progress report on the State Water Plan*

SDCL 46A-1-10. *To make recommendations to the Governor and Legislature concerning projects for the State Water Resources Management System*

SDCL 46A-1-14. *To make an annual report on all activities during the preceding year and funding recommendations necessary to implement the water plan*

This report consists of two principal sections – the 2026 Annual Report and the 2027 State Water Plan. The annual report provides progress reports on each funding program and other board activities during calendar year 2026.

The water plan section sets forth the projects included on the State Water Facilities Plan and the State Water Resources Management System. A Water and Environment Fund Special Condition Statement that projects the status of the Water and Environment Fund at the end of fiscal year 2026 is included in Appendix A. A copy of the resolutions approved by the Board of Water and Natural Resources that provide recommendations to the Governor and the Legislature for the designation of projects on the State Water Resources Management System and the recommended Water and Environment Fund fiscal year 2028 appropriation levels are included in Appendix B.

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2026 Annual Report

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Board of Water and Natural Resources

Overview

South Dakota Codified Law 46A-1-14 requires an annual report of the Board of Water and Natural Resources (the board). The report summarizes the board's 2026 activities, including a detailed account of Water and Environment Fund grant and loan awards.

In November 2025, the board placed 37 projects on the 2026 State Water Facilities Plan. This made the projects eligible for financial assistance from a variety of federal and state sources. During the year, the board took action to amend an additional 10 projects onto the plan.

The board awarded more than $294.8 million in grant and loan funds to finance municipal drinking water systems, rural water systems, wastewater facilities, watershed restoration, solid waste disposal, and recycling activities. The grant and loan funds helped to provide South Dakotans with safe and dependable environmental infrastructure.

American Rescue Plan Act Grants

The 2022 State Legislature, through Senate Bill 62, appropriated $600 million of American Rescue Plan Act (ARPA) grant funding to the Board of Water and Natural Resources. The funds were for eligible water and sewer projects on the State Water Plan. In 2022, the board fully obligated all of the original $600 million.

Funds were awarded to applicants by the board based on the required distribution criteria within Senate Bill 62. This included limitations to project size based on population, a minimum of 30 percent grant for all projects, additional grants for smaller systems with rates above $55 for municipal systems or $75 for non-municipal systems, and discretionary grant consideration for certain project types. These requirements were removed during the 2023 legislative session through Senate Bill 20, to allow the board flexibility in reallocating funds to assure full expenditure of all dollars.

The 2024 State Legislature, through Senate Bill 53, appropriated an additional $89,384,221 of ARPA grant funding to the Board of Water and Natural Resources. The funds were for eligible water and sewer projects that had received previous ARPA grant funds through the board and were focused on projects that had a regional service area. The board fully allocated all of the additional ARPA funds allocated during 2024.

Section 2 of 2024 Senate Bill 53 provided the authority for the board to award up to $28 million of additional ARPA funds if available. During 2026 the board was notified by the Bureau of Finance and Management that an additional $3,120,665.36 would be transferred to the board to provide

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to existing ARPA funded projects consistent with U.S. Treasury requirements for fund use. In total $697,043,866.05 of ARPA funds have been appropriated to the board to make awards for eligible projects.

During 2023 - 2026 some projects deobligated all or a portion of the awarded funding. The board has worked to reallocate deobligated funds within a reasonable period after they have been officially rescinded. Table 1 shows the awards made by the board during calendar year 2026 for additional ARPA fund allocations.

Table 1 – 2026 American Rescue Plan Act Grants

Sponsor	Description	2026 Awarded Amount	Total Grant Amount	Total Project
BDM Rural Water System	Water System Improvements	$233,450.00	$5,501,878.00	$13,001,028.00
Clay Rural Water System	Water System Improvements Project	$334,250.00	$7,778,060.00	$19,339,960.00
DANR	Riparian Buffer Initiative	$1,000,000.00	$7,000,000.00	$7,000,000.00
Kingbrook Rural Water System	2022 System Improvement Project	$250,000.00	$15,122,298.00	$37,972,298.00
Mid-Dakota Rural Water System	Water System Improvements	$1,517,357.85	$22,215,789.05	$53,683,539.05
Randall Community Water District	Regional Waterline Upgrade	$1,550,340.55	$23,972,715.60	$117,706,890.60
Shared Resources	Water Treatment Plant, Storage & Distribution	$2,712,090.84	$52,154,238.84	$122,137,638.84
South Lincoln Rural Water System	Water System Improvements	$328,250.00	$8,450,523.00	$30,336,605.00
	Total	**$5,165,397.47**	**$142,195,502.49**	**$401,177,959.49**

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Clean Water State Revolving Fund Loan Program

In 1989, the Clean Water State Revolving Fund (SRF) loan program began providing low-interest loans to governmental entities including municipalities, sanitary districts, and other special purpose districts. The loans are used for construction of wastewater facilities, storm sewers, and nonpoint source pollution control projects. During 2026, the board approved 30 loans totaling more than $167.4 million (Table 2).

The interest rates for the Clean Water SRF Program were 3.50 percent for loans up to 10 years, 3.75 percent for loans up to 20 years, 4.00 percent for loans up to 30 years, and an interim

financing rate of 2.50 percent for loans up to five years. The program's nonpoint source incentive rates were 2.75 percent for loans with a term of 10 years or less, 3.00 percent for loans with a term up to 20 years, and 3.25 percent for loans with a term up to 30 years. Projects for traditional wastewater or stormwater projects that include a nonpoint source component may receive the nonpoint source rate. The annual principal and interest payments were calculated for a loan at the higher base interest rate. Using the lower nonpoint source interest rate, a loan is sized using the annual payment previously calculated. The difference in the two loan amounts is the amount of funding available for the nonpoint source component of the project.

The board uses principal forgiveness to provide additional subsidy. Municipalities and sanitary districts with monthly residential wastewater rates of $45 per month (based on 5,000 gallons usage or a flat rate) are eligible to receive principal forgiveness. Other applicants are required to have residential wastewater rates of $70 per month (based on 5,000 gallons usage or a flat rate) to be eligible to receive principal forgiveness. Applicants must also meet the state's affordability criteria to be eligible to receive principal forgiveness.

Table 2 – 2026 Clean Water State Revolving Fund Loan Awards

Sponsor	Description	Total Award	Principal Forgiveness	Interest Rate	Term
Aberdeen (06)	Wastewater Treatment Facility	$16,198,000		4.00%	30
Belle Fourche (05)	Landfill Cell #3 Construction	$2,552,400		3.50%	20
Bryant (03)	Wastewater Improvements Phase 2B	$2,259,000	$1,298,000	4.00%	30
Canistota (06)	Sanitary and Storm Sewer Replacement Phase 4	$3,612,000	$2,513,000	4.00%	30
Clear Lake (04)	Storm Sewer Collection Improvements Phase 1B	$2,130,000		4.00%	30
Crooks (06)	Sanitary and Storm Sewer Replacement Phase 2	$2,334,000		3.75%	30
Custer (08)	5th Street Sanitary Sewer Improvements	$2,650,000	$2,125,000	4.00%	30
Elkton (05)	Sanitary and Storm Sewer Improvements Phases 3 and 4	$632,000		4.00%	30
Gregory (05)	Wastewater Improvements Phase 2	$1,750,000		4.00%	30

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Sponsor	Description	Total Award	Principal Forgiveness	Interest Rate	Term
Hecla (04)	Wastewater Improvements Phase 3	$2,500,000	$2,000,000	4.00%	30
Hill City (02)	Wastewater Treatment Expansion and Rehabilitation Phase 2	$1,659,000		4.00%	30
Hot Springs (03)	Wastewater Treatment System Improvements	$9,166,000		4.00%	30
Howard (03)	Wastewater Treatment Facility Improvements	$2,816,000		4.00%	30
Lake Poinsett Sanitary District (06)	West and Northwest Area Wastewater Collection and Treatment Installation	$6,299,000		4.00%	30
Lemmon (02)	Sanitary Sewer Improvements Phase 2	$4,700,000		4.00%	30
Milbank (03)	Wastewater Treatment Facility Improvements Phase 1	$15,500,000		4.00%	30
Mitchell (16)	North Ohlman Street Sewer Replacement	$3,930,000		4.00%	30
Mitchell (17)	13th Ave Sanitary and Storm Sewer Replacement	$1,560,000		4.00%	30
Northdale Sanitary District (02)	Sanitary Sewer Re-Route Hideaway Hills Subdivision	$1,181,000		4.00%	30
Prairiewood Sanitary District (01)	Wastewater Collection and Treatment Improvements	$1,249,000		4.00%	30
Roscoe (04)	Wastewater Treatment System Improvements	$2,260,000	$1,458,000	4.00%	30
Salem (08)	City Sanitary Sewer Relining and Lift Station Rehab	$1,620,000		4.00%	30
Sioux Falls (50)	Southeast Sanitary Sewer Basin Expansion	$17,746,000		3.50%	20

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Sponsor	Description	Total Award	Principal Forgiveness	Interest Rate	Term
Sioux Falls (51)	Water Reclamation Facility Primary Clarifier Expansion	$51,900,000		3.75%	20
Valley Springs (04)	Sanitary and Storm Sewer Replacement	$2,087,000		4.00%	30
Vermillion (14)	Cell #7 Construction and Cell 2-4 Partial Closure	$2,132,000		3.50%	10
Viborg (05)	Wastewater Collection Phase 2	$1,946,000		4.00%	30
Viborg (06)	Wastewater Collection Phase 1	$249,000		4.00%	30
Whitewood (04)	Wastewater Treatment Facility Upgrades	$1,942,000	$708,000	4.00%	30
Wilmot (02)	Wastewater Outfall Line Replacement	$850,000		4.00%	30
	Total	**$167,409,400**	**$10,102,000**		

Drinking Water State Revolving Fund Loan Program

In 1998, the Drinking Water State Revolving Fund (SRF) loan program began providing low-interest loans to nonprofit corporations and governmental entities including municipalities, sanitary districts, and other special districts for the construction of drinking water facilities. In 2026, 24 loans were approved totaling nearly $77.0 million (Table 3).

The interest rates for the Drinking Water SRF Program for public entity borrowers were 3.50 percent for loans up to 10 years, 3.75 percent for loans up to 20 years, 4.00 percent for loans up to 30 years, and an interim financing rate of 2.50 percent for up to five years.

Public entity disadvantaged communities were eligible to receive an interest rate below the base rate. To qualify as disadvantaged, the water system's monthly residential water bill must be at least $45 per 5,000 gallons usage for municipalities and sanitary districts or $70 per 7,000 gallons usage for all other public entity community water systems.

Additionally, the median household income of a disadvantaged community must be below the statewide median household income (MHI). Communities with a household income less than the MHI but greater than 80 percent of the MHI were eligible for a 30-year term loan at 3.75 percent interest. Communities with a household income between 60 percent and 80 percent of the MHI

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were eligible for a 30-year term loan at 3.50 percent interest and a 10-year loan at 2.75 percent interest. Communities with a household income less than 60 percent of the MHI were eligible for a 30-year term loan at 3.25 percent interest and a 10-year loan at 2.50 percent interest.

The interest rates for private nonprofit borrowers are established separately. These borrowers require the use of taxable financing and the current market interest rate difference is substantial. Loan rates were 4.50 percent for loans up to 10 years, 4.75 percent for loans up to 20 years, 5.00 percent for loans up to 30 years, and an interim financing rate of 2.50 percent for up to five years.

The board uses principal forgiveness to provide additional subsidy. Municipalities and sanitary districts with monthly residential water rates of $45 per month (based on 5,000 gallons usage) were eligible to receive principal forgiveness. Other applicants were required to have residential water rates of $70 per month (based on 7,000 gallons usage) to be eligible to receive principal forgiveness.

Table 3 – 2026 Drinking Water State Revolving Fund Loan Awards

Sponsor	Description	Total Award	Principal Forgiveness	Interest Rate	Term
Aberdeen (DW-05)	Water Tower and Transmission Line	$2,500,000		3.75%	20
Belle Fourche (DW-03)	Hat Ranch Well	$623,000		3.75%	30
Belle Fourche (DW-04)	Springs Waterline Replacement	$5,123,000		3.25%	30
Brookings-Deuel Rural Water System (DW-05)	Town of Ward Consolidation	$1,300,000	$1,300,000	0%	0
Brookings-Deuel Rural Water System (DW-06)	Highway 15 Altamont Pipeline Improvements	$4,700,000		4.75%	30
Bryant (DW-04)	Drinking Water Improvements Phase 2B	$2,643,000	$2,116,000	3.50%	30
B-Y Water District (DW-03)	Automatic Read Meter Upgrades	$6,075,000		3.25%	10
B-Y Water District (DW-04)	Water Line Relocation	$5,300,000		3.75%	30
Canistota (DW-05)	Drinking Water Replacement Phase 4	$3,640,000	$2,912,000	3.75%	30
Clear Lake (DW-03)	Drinking Water Distribution Improvements Phase 1B	$2,496,000	$1,361,000	4.00%	30
Crooks (DW-04)	Drinking Water Replacement Phase 2	$2,090,000		3.75%	30

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Sponsor	Description	Total Award	Principal Forgiveness	Interest Rate	Term
Elk Point (DW-08)	Connection to Clay Rural Water System	$730,000		3.75%	30
Elkton (DW-04)	Drinking Water Improvements Phases 3 and 4	$512,000		4.00%	30
Gregory (DW-04)	Water Improvements Phase 2	$975,000		3.50%	30
Milbank (DW-03)	Water Treatment Plant Construction	$10,000,000		3.75	20
Randall Community Water District (DW-07)	Regional Waterline Upgrade	$5,000,000		3.75%	30
Rapid City (DW-06)	Well 13 and 14 Improvements	$14,512,000		3.75%	30
Salem (DW-08)	Water Source Improvements	$2,100,000	$1,000,000	3.75%	30
Toronto (DW-01)	Water Line Relocation	$770,000	$425,000	3.50%	30
Valley Springs (DW-04)	Drinking Water Replacement	$1,261,000		3.75%	30
Vermillion (DW-06)	Water Treatment Facility Upgrades and Line Replacement	$1,015,000		4.00%	30
Viborg (DW-04)	Drinking Water Improvements Phase 2	$2,226,000	$1,093,000	3.50%	30
Viborg (DW-05)	Highway 19 Drinking Water Improvements	$479,000		3.50%	30
Webster (DW-05)	Water Meter Replacement	$908,000	$726,000	2.50%	10
	Total	**$76,978,000**	**$10,933,000**		

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Consolidated Water Facilities Construction Program

The 2026 State Legislature appropriated $11,400,000 for the Consolidated Water Facilities Construction Program to provide grants and loans for water development projects on the State Water Facilities Plan. Additionally, prior year funding and reversions were available for award in 2026.

The board awarded 10 grants totaling more than $9.6 million (Table 4). The 2026 awards leveraged nearly $44.0 million in total project activities.

Table 4 – 2026 Consolidated Awards

Sponsor	Description	Grant Amount	Loan Amount	Total Project
Clear Lake	Drinking Water Distribution Improvements Phase 1B	$200,000		$2,696,900
Crooks	Sanitary and Storm Sewer Replacement Phase 2	$696,000		$3,030,000
Elkton	Drinking Water Improvements Phases 3 and 4	$863,000		$1,375,000
Elkton	Sanitary and Storm Sewer Improvements Phases 3 and 4	$593,000		$1,225,000
Hill City	Wastewater Treatment Expansion and Rehabilitation Phase 2	$2,000,000		$4,659,000
Lake Poinsett Sanitary District	West and Northwest Area Wastewater Collection and Treatment Installation	$2,000,000		$8,799,110
Milbank	Wastewater Treatment Facility Improvements Phase 1	$2,000,000		$17,500,000
Prairiewood Sanitary District	Wastewater Collection and Treatment Improvements	$646,000		$1,895,000
Valley Springs	Sanitary and Storm Sewer Replacement	$330,000		$2,417,000
WEB Water Development Association	Wecota Drinking Water Improvements and Consolidation	$290,400		$363,000
	Total	**$9,618,400**	**$0**	**$43,960,010**

State Revolving Fund Programs – Assistance

In 2026, the board allocated additional funds under both the Clean Water and Drinking Water State Revolving Fund programs for planning, technical assistance, and construction activities. The board's 2026 intended use plans approved the use of $1,700,000 in Clean Water and Drinking Water funds for assistance (Table 5).

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Table 5 – 2026 State Revolving Fund Allocations

Activity	Source	Amount
Capacity Development Assistance	Clean Water SRF Set-Aside and Drinking Water SRF Set-Aside	$125,000
Drinking Water Operator Certification Training	Drinking Water SRF Admin Surcharge	$75,000
Public Water System Supervision Program	Drinking Water SRF Set-Aside	$300,000
Small System Technical Assistance Grants	Clean Water SRF Set-Aside and Drinking Water SRF Set-Aside	$200,000
SRF Application Preparation and Administration	Clean Water SRF and Drinking Water SRF Admin Surcharge	$800,000
Water Quality Grants	Clean Water SRF Admin Surcharge (CWSRF WQ)	$200,000
	Total	**$1,700,000**

During 2026, the board approved 29 Construction or Technical Assistance awards and amendments totaling $6,443,000 (Table 6). The narrative sections below describe the general categories of the State Revolving Fund program assistance and provide updates for ongoing activities supported by this funding.

Watershed / Wastewater / Water Construction Grants: The board provided additional grant assistance from Clean Water Administrative Surcharge fees to supplement Section 319 grant awards. Watershed restoration projects are eligible uses for these fees, and its use allows additional projects to be completed.

Drinking Water and Clean Water SRF Planning Grants: The Small Community Planning Grant Program was established to encourage proactive planning by small communities and systems. Grants are available for the preparation of a drinking water, wastewater, or stormwater engineering study for systems serving populations of 2,500 or less. For engineering studies, participating systems are reimbursed at 80 percent of the cost up to $8,000 for drinking water studies and up to $10,000 for wastewater or stormwater studies.

Public Water System Supervision Program: Insufficient federal funds have been allocated from the Performance Partnership Grant for South Dakota's Public Water System Supervision (PWSS) program to complete all tasks and activities identified in DANR's workplan with EPA. The PWSS program is managed by DANR's Drinking Water program and ensures all public water systems in the state are maintaining compliance with the requirements of the Safe Drinking Water Act. A total of $300,000 was allocated from the State Program Management set-aside in federal fiscal year 2026.

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Technical Assistance: The board continued its technical assistance contract with the South Dakota Association of Rural Water Systems (SDARWS). SDARWS provides assistance to small drinking water systems serving populations of 10,000 or less with compliance, permitting, and operational issues. Midwest Assistance Program conducted capacity assessments and follow-up reviews to assist the department in ensuring that all borrowers demonstrate the required technical, financial, or managerial capacity to access Drinking Water SRF loan assistance. Midwest Assistance Program also has a contract to provide technical assistance to wastewater funding applicants with capacity issues.

In 2026, the board provided $75,000 for operator certification training. These funds are provided to SDARWS and used for operator certification training of drinking water system operators. During state fiscal year 2026, 359 operators received training.

The board continued to provide assistance to the state's six planning districts for preparation of applications and ongoing loan administration activities to include Davis-Bacon wage rate compliance. New five-year joint powers agreements were executed with each of planning districts in June 2026 which adjusted the assistance amounts to receive up to $13,000 per loan for application and loan administration duties and up to $2,000 per loan for Davis-Bacon wage rate compliance.

Table 6 – 2026 State Revolving Fund Programs Grant Awards

Watershed /Wastewater/Water Construction Grant Awards

Sponsor	Project	Grant Amount	Source of Funds
Day Conservation District*	Prairie Coteau Watershed Implementation Project Segment 1	$200,000	CWSRF WQ
	Total	**$200,000**	

* Amendment to prior year award.

Small Community Planning Grant Awards

Sponsor	Project	Grant Amount
Baltic	Drinking Water Engineering Study	$8,000
Baltic	Wastewater Engineering Study	$10,000
Black Hawk Sanitary District	Wastewater Engineering Study	$10,000
Castlewood	Wastewater Engineering Study	$10,000

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Sponsor	Project	Grant Amount
Custer	Drinking Water Engineering Study	$8,000
DeSmet	Drinking Water Engineering Study	$8,000
Golden Hills Homeowners Association	Drinking Water Engineering Study	$8,000
Lake Norden	Drinking Water Engineering Study	$8,000
Lake Norden	Wastewater Engineering Study	$10,000
Martin	Drinking Water Engineering Study	$8,000
Mellette	Drinking Water Engineering Study	$8,000
Murdo	Wastewater Engineering Study	$10,000
Parker	Drinking Water Engineering Study	$8,000
Parker	Wastewater Engineering Study	$10,000
Pringle	Drinking Water Engineering Study	$8,000
Pringle	Wastewater Engineering Study	$10,000
Pukwana	Wastewater Engineering Study	$10,000
Willow Lake	Wastewater Engineering Study	$10,000
	Total	**$162,000**

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Technical Assistance Awards

Sponsor	Project	Award
Black Hills Council of Local Governments	2026-2031 Agreement for SRF Application, Project Administration and Davis-Bacon Wage Rate Monitoring	$988,000
Central South Dakota Enhancement District	2026-2031 Agreement for SRF Application, Project Administration and Davis-Bacon Wage Rate Monitoring	$254,000

Sponsor	Project	Award
First District Association of Local Governments	2026-2031 Agreement for SRF Application, Project Administration and Davis-Bacon Wage Rate Monitoring	$1,545,000
Midwest Assistance Program*	Drinking Water Capacity Assessments	$100,000
Midwest Assistance Program*	Small Systems Wastewater Capacity	$25,000
Northeast Council of Governments	2026-2031 Agreement for SRF Application, Project Administration and Davis-Bacon Wage Rate Monitoring	$825,000
Planning and Development District III	2026-2031 Agreement for SRF Application, Project Administration and Davis-Bacon Wage Rate Monitoring	$863,000
SD Association of Rural Water Systems*	Drinking Water Operator Certification Training	$75,000
SD Association of Rural Water Systems*	Small System Technical Assistance	$130,000
South Eastern Council of Governments	2026-2031 Agreement for SRF Application, Project Administration and Davis-Bacon Wage Rate Monitoring	$1,438,000
	Total	**$6,243,000**

* Amendment to prior year Technical Assistance award.

Drinking Water Emerging Contaminants in Small or Disadvantaged Communities

The 2025 State Legislature, through Senate Bill 33, authorized $30 million of federal fund expenditure authority for use of the Drinking Water Emerging Contaminants for Small or Disadvantaged Communities grant program to the Board of Water and Natural Resources. The federal Infrastructure Investment and Jobs Act (IIJA) was enacted on November 15, 2021. Among its provisions, the IIJA provides a total of $47,285,000 in fiscal years 2022-2026 for the Emerging Contaminants in Small or Disadvantaged Communities (EC-SDC) grant program. This grant program focuses on addressing emerging contaminants, including but not limited to perfluoroalkyl and polyfluoroalkyl substances (PFAS), in small or disadvantaged communities' drinking or source water.

For use of the Emerging Contaminants in Small or Disadvantaged Communities the board will select public water systems that meet the definition of small or the state's disadvantaged community definition to receive assistance through the grant program. The public water

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systems to be provided funding will need to demonstrate through testing that an eligible emerging contaminant exists within the system and that the proposed project will result in the removal of the contaminant through treatment, connection to a different source, or system consolidation.

The board awarded two grants totaling more than $24.1 million (Table 7).

Table 7 – 2026 Drinking Water Emerging Contaminants in Small or Disadvantaged Communities Grants

Sponsor	Description	Total Grant Amount	Total Project
Clay Rural Water System	Connection to Elk Point	$16,505,000	$16,505,000
Sioux Falls	Water Transmission Improvements Third Lewis & Clark Connection	$7,648,000	$7,648,000
	Total	**$24,153,000**	**$24,153,000**

2026 General Funds for Water, Wastewater, and Storm Water Grants

The 2026 State Legislature, through Senate Bill 222, appropriated $2,000,000 of general funds for awards to eligible water, wastewater, and storm water project grants to the Board of Water and Natural Resources. The bill required that projects awarded funding by the board must be included in the state water plan.

The board awarded three grants totaling $2.0 million (Table 8).

Table 8 – 2026 General Fund Grants for Water, Wastewater, and Storm Water

Sponsor	Description	Total Grant Amount	Total Project
Canistota	Sanitary and Storm Sewer Replacement Phase 4	$500,000	$4,112,000
Hill City	Wastewater Treatment Expansion and Rehabilitation Phase 2	$1,000,000	$4,659,000
Lake Poinsett Sanitary District	West and Northwest Area Wastewater Collection and Treatment Installation	$500,000	$8,799,110
	Total	**$2,000,000**	**$17,570,110**

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State Water Resources Management System

On March 24, 2026, Governor Rhoden signed the 2026 Omnibus Bill (Senate Bill 37), which appropriated $750,000 for the Dakota Mainstem Regional Water System study, $500,000 for Hydrology and Water Management studies, $175,000 for the Big Sioux Flood Control study, and $2,000,000 for the Water Investment in Northern South Dakota project. Information on individual SWRMS project accomplishments and activities is provided in the State Water Plan section (pages 43-65). During the year, the board placed the following amount under agreement (Table 9).

Table 9 - 2026 State Water Resources Management System Awards

Sponsor	Project	Amount	Type
Dakota Mainstem Regional Water System*	Eastern Dakota Regional Water System – Feasibility Study	$750,000	Grant
Department of Agriculture and Natural Resources	Hydrology and Water Management Studies – Wetland Delineation Mapping Tool	$500,000	Grant
Watertown*	Big Sioux Flood Control Study – Watertown Vicinity	$175,000	Grant
City of Aberdeen, BDM Rural Water System, WEB Water Development Association*	Water Investment in Northern South Dakota project	$2,000,000	Grant
	Total	**$3,425,000**	

* Amendment to prior year SWRMS award

Watershed Protection Program – EPA Section 319 Grants

The South Dakota Watershed Protection Program is designed to assess nonpoint source water pollution and reduce or eliminate the impact on water quality throughout the state. Nonpoint source refers to the polluted runoff from urban, agriculture, and forest lands. The program provides technical and financial assistance to local watershed project sponsors in the planning and management of assessment and implementation projects. Additionally, the program administers state and federal grants, monitors effectiveness of implementation projects, and funds information and education activities. Applications for Section 319 grants must be approved by the board prior to submission to EPA. In 2026, the board recommended that EPA award $1.8 million in federal fiscal year 2026 Section 319 grant funds to watershed projects (Table 10). Final allocation was $1.8 million.

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Table 10 - 2026 EPA Section 319 Grants

Sponsor	Project	Amount	Total Project
Belle Fourche River Watershed Partnership*	Belle Fourche River Watershed Implementation Project – Segment 11	$300,000	$3,949,000
South Dakota Soil Health Coalition*	Soil Health Improvement and Planning Project – Segment 3	$400,000	$3,223,990
James River Water Development District	South Central Watershed Implementation Project – Segment 3	$893,000	$44,394,430
South Dakota Discovery Center	South Dakota Nonpoint Source Information and Education Project – Segment 8	$207,000	$679,500
	Total	**$1,800,000**	**$52,246,920**

* Amendment to prior year 319 award

Throughout the year the department works with EPA to reallocate deobligated prior year funds. Table 11 contains the list of grants that were awarded to existing project sponsors during calendar year 2026.

Table 11 - 2025 EPA Section 319 Grant Amendments

Sponsor	Project	Amount	Total Project
James River Water Development District	South Central Watershed Implementation Project – Segment 2	$150,000	$25,910,340
	Total	$150,000	$25,910,340

Solid Waste Management Program

The 2026 State Legislature appropriated $3,400,000 for the Solid Waste Management Program (SWMP). Additionally, prior year funding and reversions were available for award in 2026 for grants and loans for recycling, waste tire, and solid waste disposal projects.

These programs are supported by three funding sources – a $0.75 per ton landfill surcharge on municipal solid waste, a $0.25 per tire vehicle registration fee, and principal and interest payments from past solid waste loan awards.

The board awarded five grants, one loan, and one contract in 2026, totaling nearly $2.1 million (Table 12). SWMP awards helped leverage nearly $7.3 million in total project activities.

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Table 12 - 2026 Solid Waste Management Awards

Sponsor	Description	Loan Amount	Grant Amount	Total Project
Belle Fourche	Landfill Cell #3 Construction		$283,600	$2,836,000
SD Department of Agriculture and Natural Resources	Statewide PFAS Foam, Solid Waste, or Waste Tire Cleanups		$250,000	$250,000
Northwest South Dakota Regional Landfill	Equipment Purchase 2026	$502,000	$129,000	$631,000
Sioux Falls	Household Hazardous Facility Improvements		$350,000	$700,000
South Eastern Council of Governments	Contract for Solid Waste Loan Private Entity Reviews		$10,000	$10,000
Vermillion	Cell #7 Construction & Cell 2-4 Partial Closure		$568,000	$2,842,500
	Total	**$502,000**	**$1,590,600**	**$7,269,500**

Brownfields Revitalization and Economic Development Program

The 2004 South Dakota Legislature followed the federal Brownfields Act and established a state Brownfields Revitalization and Economic Development Program within the Department of Agriculture and Natural Resources (the department). The purpose of the Brownfields program is to complete environmental assessments and cleanups so that local governments can put contaminated lands back into productive, beneficial use and complete projects that are necessary to revitalize local economies. The 2004 bill created two subfunds: a Brownfields revolving loan subfund and a Brownfields assessment and cleanup subfund. The board approves annual work plans for both subfunds. The department agreed to use existing staff to administer this program.

While the department has made application for federal funding, the U.S. Environmental Protection Agency has not awarded South Dakota any federal funds for the Brownfields revolving loan subfund. Therefore, there has been no activity in this subfund. EPA has advised the department that until potential applicants are identified, the department will not be eligible for federal revolving loan funds.

The department has used both federal Brownfields grants and federal Leaking Underground Storage Tank Trust Funds to complete environmental assessments and cleanups of Brownfields projects statewide. Projects are limited by federal Brownfields law to $200,000 per site for assessment and $200,000 per site for cleanup unless a waiver is granted by EPA. Brownfields projects are nominated by local project sponsors and approved by the board. Table 13 contains a list of all the Brownfields projects approved by the board in calendar year 2026. The

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Brownfields process is an extremely useful tool to help assess and clean up contaminated lands statewide and move forward with economic development projects that are a high local priority.

Table 13 - 2026 Brownfields Assessment and Cleanup Projects

Applicant	Site Name and Location	Activity	Amount*
Town of Tabor	Former Elementary School Building	Assessment/Cleanup	$150,000.00
Town of Tabor	Former Petersen Pit Stop	Assessment/Cleanup	$74,026.84
Walworth County	Dakota Star Inn - Mobridge	Assessment/Cleanup	$250,000.00
City of Yankton	Community Library	Assessment/Cleanup	$100,000.00
Department of Agriculture and Natural Resources	Inventory of the Brownfields Sites	Data Gathering	$20,000.00
Trinity Lutheran Church	Trinity Lutheran Church-Yankton	Assessment/Cleanup	$200,000.00
First Congregational Church	First Congregational Church – Rapid City	Assessment/Cleanup	$200,000.00
Lutheran Church	Lutheran Church - Dell Rapids	Assessment/Cleanup	$200,000.00
City of Sioux Falls	Former Landfill	Assessment	$100,000.00
Chamberlain School District	Former Elementary School	Assessment/Cleanup	$150,000.00
Furniture Mission	Furniture Mission - Sioux Falls	Assessment	$25,000.00
South Dakota Game, Fish & Parks	Fort Sisseton Historic State Park	Assessment	$200,000.00
Lewis and Clark Behavioral Health	Lewis and Clark Behavioral Health, Yankton	Assessment/Cleanup	$100,000.00
Yvonne Cunningham	Ghost Town Former Gas Station	Assessment	$80,000.00
Sue O'Donnell	Wild West Former Gas Station	Assessment	$100,000.00
		Total	**$1,949,026.84**

* Accumulative costs as of August 31, 2026

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2027 State Water Development Legislation

On March 24, 2026, Governor Rhoden signed Senate Bill 37, the Omnibus Water Funding Bill. The 2026 Omnibus Bill contained the following appropriations:

Appropriations from the Water and Environment Fund

- Dakota Mainstem Regional Water System study – $750,000 grant to complete an engineering feasibility study to evaluate the need for additional water sources and systems in eastern South Dakota;
- Big Sioux Flood Control Study – $175,000 grant to provide one-half of the nonfederal costs for an update to the US Army Corps of Engineers study for flood control in the Watertown area;
- Hydrology and Water Management Studies - $500,000 grant to provide funding for hydrology and water management studies for the development of a statewide high-resolution wetland delineation online map by the Department of Agriculture and Natural Resources;
- Water Investment in Northern South Dakota project - $2,000,000 grant for engineering design, preconstruction, and construction of the facilities associated with constructing a regional water supply pipeline beginning at the Missouri River water intakes, operated by WEB Water Development Association, to Aberdeen and connecting to BDM Rural Water;
- Consolidated Water Facilities Construction Program – $11,400,000 to provide grants and loans for community drinking water, wastewater, and watershed improvement projects; and
- Solid Waste Management Program – $3,400,000 to provide grants and loans for recycling, solid waste disposal, and waste tire projects.

Appropriations from WEF Subfunds and Other Sources

- Section 7 of the bill appropriated $200,000 from the Clean Water State Revolving Fund program subfund for the purpose of providing water quality grants;
- Section 8 of the bill appropriated $400,000 from the Clean Water State Revolving Fund program subfund for the preparation of loan applications and administration of loans;
- Section 9 of the bill appropriated $400,000 from the Drinking Water State Revolving Fund program subfund for the preparation of loan applications and administration of loans;
- Section 10 of the bill appropriated $250,000 from the Drinking Water State Revolving Fund program subfund for technical assistance; and
- Section 11 of the bill appropriated $50,000 from the Clean Water State Revolving Fund program subfund for technical assistance.

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On March 24, 2026, Governor Rhoden signed Senate Bill 222. This bill appropriated $2,000,000 of general funds to the Board of Water Natural Resources, to provide grants for water, wastewater, and stormwater projects.

On March 27, 2026, Governor Rhoden signed Senate Bill 231. This bill created the Water Infrastructure Development Fund and appropriated $3,000,000 of general funds to the Board of Water and Natural Resources. The purpose of the fund is to provide money for awards for the construction, planning, and design of rural water projects in the state.

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2027 State Water Plan

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2027 State Water Plan

Overview

The 1972 State Legislature established the State Water Plan to ensure the optimum overall benefits of the state's water resources for the general health, welfare, safety, and economic well-being of the people of South Dakota through the conservation, development, management, and use of those resources. The Legislature placed the responsibility for this plan with the Board of Water and Natural Resources (the board).

The State Water Plan, as established in SDCL 46A-1-2, consists of two components – the State Water Facilities Plan and the State Water Resources Management System. To be considered for the State Water Facilities Plan, projects must meet criteria established by the board. These eligibility criteria are used as guidelines by the board and the Department of Agriculture and Natural Resources (the department) when considering a project for inclusion on the State Water Facilities Plan. Additions to or deletions from the State Water Resources Management System can only be made by the State Legislature.

State Water Facilities Plan

The State Water Facilities Plan (Facilities Plan) is a list of potential water projects. The Facilities Plan includes projects such as rural, municipal, and industrial water supply, wastewater collection and treatment facilities, storm sewers, groundwater protection, and watershed restoration. The board is responsible for approving the placement of projects on the Facilities Plan. The board can provide direct assistance to projects on the plan and placement on the plan may influence federal and other state agency funding decisions.

In November 2026, the board considered 56 applications requesting placement on the State Water Plan. The board placed all 56 projects on the Facilities Plan, bringing the total number of projects on the 2027 State Water Facilities Plan to 316 (Table 14 and Table 15).

The projects in Table 14 have received either partial or full funding. Projects that have received funding from the board remain on the Facilities Plan until project completion and remain eligible to request additional funding.

The projects or a portion of the project in Table 15 had not received funding as of December 31, 2026. Projects placed on the plan in November 2025 or that were amended onto the plan during calendar year 2026 remain on the Facilities Plan through December 2027. The 56 projects placed on the plan in November 2026 remain on the Facilities Plan through December 2028.

Additional projects may be placed on the Facilities Plan during the year. Projects placed on the Facilities Plan through the amendment process remain on the plan for the balance of the calendar

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year and the following year. Once a project is removed from the Facilities Plan, the project sponsor must submit a new State Water Plan application to be eligible to seek assistance.

Table 14 - 2027 State Water Facilities Plan Funded Projects

Sponsor	Project Description	Amount Funded	Total Project
Aberdeen	Wastewater Treatment Facility	$97,521,000	$102,521,000
Aberdeen	Water Tower and Transmission Line	$12,500,000	$14,500,000
Alcester	Collection System Improvements - Phase I	$1,530,000	$1,530,000
Alcester	Drinking Water Improvements Phase 1A and 1B	$2,230,000	$2,230,000
Alexandria	Water Distribution Improvements	$500,000	$500,000
Alexandria	Wastewater System Improvements	$2,677,920	$2,894,000
Aurora	Wastewater Treatment Improvements - Phase 3A	$1,200,000	$1,200,000
Aurora	Drinking Water System Improvements	$3,383,200	$3,383,200
BDM Rural Water System	Water System Improvements	$11,537,000	$11,537,000
Bear Butte Valley Water, Inc	Alkali Road Expansion	$6,702,000	$6,702,000
Belle Fourche	Landfill Cell #3 Construction	$2,836,600	$2,836,600
Belle Fourche	Hat Ranch Well	$2,383,000	$2,383,000
Belle Fourche	Springs Waterline Replacement	$5,123,000	$5,123,000
Beresford	Wastewater Collection & Treatment Improvements	$9,258,653	$9,258,653
Beresford	Seventh Street Utility Extension	$672,000	$672,000
Big Sioux Community Water System	Distribution System Improvements	$17,788,000	$17,788,000
Big Sioux Community Water System	Lake Madison Area Improvements	$2,200,000	$2,200,000
Bison	Wastewater Collection and Treatment Improve 2022	$4,250,000	$4,250,000

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Sponsor	Project Description	Amount Funded	Total Project
Bowdle	Wastewater Improvements	$2,750,309	$2,750,309
Box Elder	14/16 Sanitary Sewer System Improvements Phase II	$14,344,000	$14,344,000
Box Elder	Cheyenne Blvd, Westgate Rd., and South Trunk Main	$6,261,000	$6,261,000
Box Elder	Sanitary Sewer Upgrade and Expansion	$4,460,000	$5,800,000
Box Elder	Drinking Water Improvements	$5,904,499	$5,904,499
Britton	Lift Station & Sewer Improvements	$733,000	$733,000
Brookings	Water Treatment Plant	$114,702,500	$119,702,500
Brookings-Deuel Rural Water System	Phase Tank Mainline Improvements	$9,010,800	$9,010,800
Brookings-Deuel Rural Water System	Town of Ward Consolidation	$1,300,000	$1,300,000
Brookings-Deuel Rural Water System	Highway 15 Altamont Pipeline Improvements	$4,700,000	$4,700,000
Bryant	Wastewater Improvements Phase 2A	$1,240,000	$1,240,000
Bryant	Wastewater Improvements Phase 2B	$2,259,000	$2,259,000
Bryant	Water System Phase 2A & Water Tower Improvements	$1,575,000	$1,575,000
Bryant	Drinking Water Improvements Phase 2B	$2,643,000	$2,643,000
Buffalo Gap	Cast Iron and 4-inch PVC Replacement Phase 2	$1,314,000	$1,314,000
Butte-Meade Sanitary Water District	Drinking Water Improvements	$3,325,000	$3,325,000
B-Y Water District	Automatic Read Meter Upgrades	$6,075,000	$6,075,000
B-Y Water District	Water Line Relocation	$5,300,000	$5,300,000
Canistota	Sanitary and Storm Sewer Replacement Phase 4	$3,612,000	$3,612,000
Canistota	Drinking Water Replacement Phase 4	$3,640,000	$3,640,000

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Sponsor	Project Description	Amount Funded	Total Project
Centerville	New Water Tower	$1,412,000	$1,412,000
Chamberlain	Wastewater Improvements	$2,100,000	$2,500,000
Chamberlain	Water Improvements	$771,000	$850,000
Clark	Drinking Water System Improvements	$3,315,316	$3,315,316
Clay Rural Water System	Water System Improvements Project	$16,517,000	$16,517,000
Clay Rural Water System	Connection to Elk Point	$16,505,000	$16,505,000
Clay Rural Water System	Water Treatment Plant Construction	$21,843,000	$21,843,000
Clear Lake	Drinking Water Distribution Improvements Phase 1B	$2,696,000	$2,696,900
Clear Lake	Water Distribution System Improvements	$3,694,000	$3,694,000
Clear Lake	Wastewater and Storm Sewer Improvements	$3,500,000	$3,500,000
Clear Lake	Storm Sewer Collection Improvements Phase 1B	$2,130,000	$2,130,000
Colman	Wastewater Collection System Improvements 2022	$1,995,000	$1,995,000
Colman	Water Distribution Improvements 2022	$480,000	$480,000
Colton	Sanitary Sewer Improvements Phase 4	$110,323	$110,323
Colton	4th Street Sewer Infrastructure Improvements	$323,748	$323,748
Colton	4th Street Water Infrastructure Improvements	$766,000	$766,000
Columbia	Wastewater and Stormwater Improvements	$3,700,000	$3,714,000
Corona	Drinking Water System Improvements - Phase I	$1,598,000	$1,598,000
Corona	Water Distribution System Improvements	$78,200	$391,000

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Sponsor	Project Description	Amount Funded	Total Project
Corona	Sanitary & Storm Sewer System Improvements Phase I	$1,312,000	$1,312,000
Cresbard	Sanitary and Storm Sewer Improvements	$3,124,000	$3,124,000
Cresbard	Distribution System Improvements	$2,000,000	$2,000,000
Cresbard	Water Improvements - Phase II	$1,912,410	$1,912,410
Crooks	Sanitary and Storm Sewer Replacement Phase 2	$3,030,000	$3,030,000
Crooks	Drinking Water Replacement Phase 2	$2,090,000	$2,090,000
Custer	5th Street Sanitary Sewer Improvements	$2,650,000	$2,650,000
DANR	Riparian Buffer Initiative	$7,000,000	$7,000,000
Davison Rural Water System	Water Distribution Improvements and Meter Upgrade	$2,507,000	$2,507,000
Dell Rapids	Orleans Ave Sewer Replacement	$3,492,000	$3,492,000
Dell Rapids	Western Area Sewer Expansion	$2,782,000	$2,782,000
Dell Rapids	Orleans Ave DW Waterline Replacement	$1,158,000	$1,158,000
Elk Point	Connection to Clay Rural Water System	$730,000	$730,000
Elkton	Water Improvements - Phase III	$1,000,000	$1,000,000
Elkton	Wastewater Improvements - Phase III	$1,870,000	$1,870,000
Elkton	Sanitary/Storm Sewer Improvements Phases 3 and 4	$1,225,000	$1,225,000
Elkton	Drinking Water Phases Improvements 3 and 4	$1,375,000	$1,375,000
Fall River Water User District	Water System Improvements	$10,007,000	$10,007,000
Fall River Water User District	North Angostura Booster Station	$3,240,000	$3,240,000
Flandreau	Wastewater Collection System Improvements 2022	$4,172,919	$4,380,000

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Sponsor	Project Description	Amount Funded	Total Project
Flandreau	Water Distribution Improvements 2022	$4,232,919	$4,440,000
Garden City	Wastewater System Improvements	$488,000	$488,000
Gary	Wastewater Improvements	$2,015,822	$2,015,822
Grant-Roberts Rural Water System	2024 System Improvements	$1,687,000	$2,549,000
Grant-Roberts Rural Water System	Bulk Water Supply to the Town of Summit	$8,300,000	$8,300,000
Gregory	Wastewater Improvements Phase I	$3,116,400	$3,116,400
Gregory	Water and Wastewater Improvements Phase 2	$1,750,000	$1,750,000
Gregory	Water Distribution Improvements	$2,439,500	$2,439,500
Gregory	Water and Wastewater Improvements Phase 2	$975,000	$975,000
Groton	Wastewater Improvements	$6,587,000	$6,587,000
Hanson Rural Water System	Water Distribution Improvements and Meter Upgrade	$6,056,165	$6,056,165
Harrisburg	Westside Trunk & Southeastern Sewer Improvements	$16,549,073	$17,749,000
Harrisburg	Southeastern Water Improvements	$6,305,000	$6,305,000
Hecla	Wastewater Collection Improvements	$2,500,000	$2,500,000
Hecla	Wastewater Improvements Phase 3	$2,500,000	$2,500,000
Henry	Water System Improvements Phases 2 and 3	$4,075,000	$4,075,000
High Meadows Water Association, Inc.	Drinking Water Improvements 2022	$652,000	$652,000
Hill City	Wastewater Treatment Expansion and Rehabilitation	$7,521,000	$7,521,000
Hill City	Wastewater Treatment Expansion and Rehabilitation Phase 2	$4,659,000	$4,659,000
Hill City	Drinking Water System Improvements	$5,520,000	$5,520,000

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Sponsor	Project Description	Amount Funded	Total Project
Hot Springs	Wastewater Treatment System Improvements	$9,166,000	$9,166,000
Howard	Wastewater Collection System Improvements Phase I	$2,472,000	$2,472,000
Howard	Wastewater Treatment Facility Improvements	$2,816,000	$2,816,000
Hudson	Sanitary Sewer Improvements Phase 2	$647,000	$1,295,000
Humboldt	Sanitary Sewer Improvements	$3,100,850	$3,521,000
Ipswich	Storm Sewer Upgrades	$390,100	$390,100
Iroquois	Wastewater Improvements	$1,900,000	$1,900,000
Isabel	Wastewater Collection Improvements	$1,101,202	$2,044,374
Java	Wastewater Improvements	$2,600,000	$2,600,000
Joint Well Field, Inc.	New Water Treatment Plant	$8,638,000	$9,560,000
Joint Well Field, Inc	Water Treatment Plant Improvements	$5,523,000	$5,523,000
Keystone	Sewer Trunkline Improvements	$5,609,000	$5,609,000
Kimball	Main Street Sewer Improvements	$1,095,000	$1,095,000
Kimball	Main Street Water Improvements	$325,000	$325,000
Kingbrook Rural Water System	2022 System Improvement Project	$33,000,000	$33,000,000
Kingbrook Rural Water System	2024 Pipeline Improvements	$14,500,000	$14,500,000
Lake Norden	Wastewater Lagoon Improvements	$500,000	$500,000
Lake Poinsett Sanitary District	W & NW Area WW Collection & Treatment Installation	$8,799,000	$8,799,110
Lake Preston	Drinking Water Improvements - Phase 2A	$2,599,000	$2,599,000
Lake Preston	Sanitary Sewer Utility Improvements - Phase 2A	$2,921,000	$2,921,000

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Sponsor	Project Description	Amount Funded	Total Project
Lake Preston	Sanitary Sewer Utility Improvements - Phase 2B	$2,653,600	$2,653,600
Lake Preston	Drinking Water Improvements - Phase 2B	$2,492,100	$2,492,100
Lead	Deadwood Water Supply Line	$841,425	$841,425
Lemmon	Sanitary Sewer Improvements Phase 2	$4,700,000	$4,700,000
Lennox	Boynton Avenue Wastewater Improvements	$2,299,000	$2,299,000
Lennox	Boynton Avenue Water Improvements	$868,000	$868,000
Lennox	Central Basin Improvements Phase 4	$3,275,550	$3,275,550
Lennox	Central Basin Improvements Phase 4	$1,339,200	$1,339,200
Lincoln County Rural Water System	Western Area Improvements and Bulk Water Con.	$3,078,000	$3,078,000
Madison	Sanitary Sewer Improvements Segments 1 - 6	$5,192,400	$5,962,400
Madison	Drinking Water Improvements Segments 1 - 6	$11,658,500	$12,308,500
Madison	Egan Avenue Wastewater Improvements	$2,692,547	$2,692,547
Madison	Egan Avenue Drinking Water Improvements	$2,645,916	$2,645,916
Meadow Crest Sanitary District	New Well Construction	$818,000	$818,000
Mid-Dakota Rural Water System	Water System Improvements	$45,335,000	$45,335,000
Mid-Dakota Rural Water System	Wessington Springs Bulk Water Supply	$14,730,000	$14,730,000
Milbank	Wastewater Treatment Facility Improvements Phase 1	$17,500,000	$17,500,000
Milbank	Water Treatment Plant Construction	$10,000,000	$10,000,000
Miller	Phase IV Wastewater	$683,579	$683,579

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Sponsor	Project Description	Amount Funded	Total Project
Miller	Phase IV Water	$3,833,245	$4,307,000
Minnehaha Community Water Corp.	Water Storage and Capacity Improvements	$7,510,000	$7,510,000
Minnehaha Community Water Corp.	Water Distribution Improvements	$44,349,000	$44,349,000
Minnehaha Community Water Corp.	Water Treatment Control Panel Upgrade & Distribution Improvements	$4,670,000	$4,670,000
Mitchell	Wastewater Treatment Facility Improvements Phase 2	$32,195,000	$32,195,000
Mitchell	Lake Mitchell Rehabilitation	$16,815,900	$16,815,900
Mitchell	Fifth Avenue Wastewater Improvements	$2,350,000	$2,350,000
Mitchell	Fifth Avenue Drinking Water Improvements	$1,325,000	$1,325,000
Mitchell	North Ohlman Street Sewer Utility Replacement	$3,930,000	$3,930,000
Mitchell	13th Ave Sanitary and Storm Sewer Replacement	$1,560,000	$1,560,000
Mobridge	Wastewater Treatment Improvements	$7,350,000	$7,350,000
Mobridge	Drinking Water System Improvements	$7,123,072	$7,123,072
Morristown	Potable Water System Improvements	$133,308	$214,760
New Underwood	Drinking Water System Improvements	$4,010,000	$4,010,000
Niche Sanitary District	Wastewater System Improvements	$1,697,000	$1,697,000
North Brookings Sanitary and Water Dist	Sanitary Sewer Cast-In-Place Pipe - Phase 1	$2,359,000	$2,359,000
Northdale Sanitary District	Sanitary Sewer Re-Route Hideaway Hills Subdivision	$1,181,000	$1,181,000
Oacoma	Wastewater Treatment and Lift Station Improvements	$1,657,000	$1,657,000
Oak Mountain Country Estates Owners Assc	Water Distribution System Improvements	$445,000	$445,000

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Sponsor	Project Description	Amount Funded	Total Project
Parker(07)	Wastewater Improvements - Phase 6B	$1,669,000	$1,669,000
Parker(DW-06)	Drinking Water Improvements - Phase 6B	$1,215,000	$1,215,000
Parkston(03)	Wastewater Treatment Improvements	$1,300,332	$1,500,000
Peever(01)	Wastewater Collection & Treatment Improvements	$706,000	$1,663,173
Perkins County Rural Water System(DW-04)	New Water Tank and Pipeline Replacement	$5,800,000	$5,800,000
Philip	Northeast and Stewart Ave Wastewater Improvements	$1,201,601	$1,201,601
Philip	Stewart Avenue Area Storm Sewer Improvements	$800,342	$800,342
Pierre	Euclid Avenue Drinking Water Improvements	$5,075,823	$5,075,823
Powder House Pass CID	WRRF Expansion and Lift Station	$2,075,000	$2,075,000
Prairiewood Sanitary District	Wastewater Collection and Treatment Improvements	$1,895,000	$1,895,000
Randall Community Water District	Internal System Improvements	$9,036,250	$9,036,250
Randall Community Water District	Regional Waterline Upgrade	$128,963,715	$128,963,715
Rapid City(07)	South Plant Water Reclamation Facility Improvement	$188,000,000	$188,000,000
Rapid City	Municipal Well Installation and Improvements	$3,932,000	$3,932,000
Rapid City	Well 13 and 14 Improvements	$14,512,000	$14,512,000
Rapid Valley Sanitary District	System Expansion for Service to Box Elder	$7,342,000	$12,028,000
Roberts County	Solid Waste Disposal Cell Construction	$2,000,000	$2,000,000
Roscoe	Wastewater Treatment System Improvements	$2,260,000	$2,260,000
Rosholt	Water Tower Construction	$1,397,500	$1,397,500

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Sponsor	Project Description	Amount Funded	Total Project
Saint Lawrence	Wastewater System Improvements Phase II	$1,138,000	$1,138,000
Saint Lawrence	Drinking Water System Improvements - Phase II	$940,000	$940,000
Salem	City Sanitary Sewer Relining & Lift Station Rehab	$1,620,000	$1,620,000
Salem	Water Source Improvements	$2,100,000	$2,100,000
Seneca	Water Meters and Looping	$440,800	$440,800
Shared Resources	Water Treatment Plant, Storage & Distribution	$122,037,638	$122,037,638
Sioux Falls	Water Transmission Improv. 3rd Lewis & Clark Conn.	$7,648,000	$7,648,000
Sioux Falls	Water Reclamation Facility Expansion	$123,000,000	$123,000,000
Sioux Falls	Basin 15 Sewer Exp. and Big Sioux River Watershed	$17,951,000	$1,240,000
Sioux Falls	Pump Station 240 Capacity Improvements	$61,000,000	$61,000,000
Sioux Falls	Basin 15 Sewer Extension Phase 2A and 2B	$23,130,000	$23,130,000
Sioux Falls	Basin 15 Sanitary Sewer Expansion Phase 2B and 2C	$11,000,000	$11,000,000
Sioux Falls	Water Reclamation Facility Expansion Phase II	$32,761,000	$32,761,000
Sioux Falls	Southeast Sanitary Sewer Basin Expansion	$17,746,000	$17,746,000
Sioux Falls	Water Reclamation Facility Primary Clarifier Expan	$51,900,000	$51,900,000
Sioux Rural Water System	Water System Improvements	$3,202,650	$3,202,650
Sioux Rural Water System	2025 Water System Improvements	$8,281,000	$8,281,000
South Shore	Water System Improvements	$1,635,000	$1,635,000
Spearfish	Wastewater Conveyance & Treatment Improvements	$5,964,700	$5,964,700

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Sponsor	Project Description	Amount Funded	Total Project
Spring/Cow Creek Sanitary District	Water Storage & Infrastructure	$3,012,000	$3,012,000
Spring/Cow Creek Sanitary District	Wastewater Treatment Improvements	$4,860,740	$4,860,740
Springfield	Sanitary and Storm Sewer Improvements 2025	$565,000	$565,000
Springfield	Water Distribution Improvements 2025	$505,000	$505,000
Stratford	Drinking Water Improvements 2022	$1,846,000	$1,846,000
Sturgis	Drinking Water Improvements 2022	$4,938,000	$5,688,000
Sturgis	Trunk Line and Sanitary Sewer Improvements	$10,339,000	$10,339,000
Tabor	Wastewater Collection System Improvements Phase 2	$5,900,000	$5,900,000
Timber Lake	Wastewater Improvements	$2,229,066	$2,229,066
TM Rural Water District	Water System Improvements	$5,913,600	$5,913,600
Toronto	Water Line Relocation	$770,000	$770,000
Tripp County Water User District	System Wide Improvements	$18,750,000	$18,750,000
Tulare	Wastewater Improvements	$1,449,000	$1,449,000
Two Bit Ranch Estates Homeowners Association	Water Storage Tank and Backup Generator	$188,000	$188,000
Tyndall	Watermain Replacement	$2,000,000	$2,000,000
Tyndall	Collection System Improvements	$690,240	$690,240
Valley Springs	Drinking Water System Improvements 2022	$4,289,000	$4,289,000
Valley Springs	Sanitary and Storm Sewer Replacement	$2,417,000	$2,417,000
Valley Springs	Drinking Water Replacement	$1,261,000	$1,261,000

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Sponsor	Project Description	Amount Funded	Total Project
Veblen	Wastewater Improvements	$1,300,000	$1,300,000
Vermillion	Wastewater Treatment Facility Upgrades	$23,100,000	$23,100,000
Vermillion	Cell #7 Construction & Cell 2-4 Partial Closure	$2,132,000	$2,132,000
Vermillion	Water Treatment Facility Upgrades and Line Replace	$8,015,000	$8,015,000
Viborg	Industrial Area Sanitary Sewer Extension	$512,000	$512,000
Viborg	Wastewater Collection Phase 1	$249,000	$249,000
Viborg	Wastewater Collection Phase 2	$1,946,000	$1,946,000
Viborg	Highway 19 Drinking Water Improvements	$479,000	$479,000
Viborg	Drinking Water Improvements Phase 2	$2,226,000	$2,226,000
Viewfield Rural Water Association Inc.	Water Meter Replacement and SCADA Improvements	$210,000	$210,000
Wagner	Highway 46 Utilities Replacement	$425,000	$425,000
Wagner	Highway 46 Utilities Replacement	$1,400,000	$1,400,000
Watertown	Wastewater Collection and Treatment Improvements	$60,714,000	$60,714,000
Watertown	Cast Iron Main Replacement	$4,862,300	$4,862,300
WEB Water Development Association	WINS Water System Upgrades	$26,344,628	$39,650,000
WEB Water Development Association	Consolidation of Pleasant Valley HOA Users	$713,600	$892,000
WEB Water Development Association	Wecota Drinking water Improvements and Consolidation	$290,400	$363,000
Webster	Water System Improvements - Phase II	$3,843,143	$4,433,000

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Sponsor	Project Description	Amount Funded	Total Project
Webster	Wastewater Improvements Phase II	$5,162,472	$7,558,000
Webster	Storm Water Improvements	$353,000	$353,000
Webster	Industrial Park Wastewater Improvements	$1,964,000	$1,964,000
Webster	Water Meter Replacement 2026	$908,000	$908,000
Wessington Springs	Wastewater Facility Treatment Improvements	$1,245,000	$1,245,000
Wessington Springs	Water Supply Improvements	$1,660,000	$1,660,000
Wessington Springs	Water Distribution and Meter Improvements	$1,565,000	$1,565,000
Wessington	Drinking Water System Improvements	$673,000	$673,000
West River/Lyman-Jones Rural Water System	2024 System Improvements	$5,300,000	$5,300,000
Weston Heights Homeowners Association	New Water Storage Reservoir	$4,834,650	$4,834,650
White	Wastewater Replacement - Phase 2	$2,164,000	$2,164,336
White	Watermain Replacement - Phase 2	$2,117,000	$2,117,506
Whitewood	Wastewater Treatment Facility Upgrades	$9,062,000	$6,092,000
Wilmot	Wastewater Outfall Line Replacement	$850,000	$850,000
Yankton	Wastewater Treatment Plant Improvements	$42,000,000	$44,565,600
Yankton	Wastewater Collection Improvements	$7,200,000	$7,200,000
Yankton	Water Distribution & Storage Improvements	$8,202,000	$8,202,000
	Total	**$2,171,202,960**	**$2,198,970,508**

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Table 15 - 2027 State Water Facilities Plan Unfunded Projects

Sponsor	Project Description	On Plan Through	Projected State Funding	Total Project
Aberdeen	Water Reclamation Facility Improvements - Phase 2	2028	$40,539,000	$40,539,000
Aberdeen	Lead Service Line Replacements	2028	$16,484,962	$16,484,962
Bear Butte Valley Water, Inc.	Elk Creek Valley Expansion	2028	$11,760,000	$11,760,000
Bear Butte Valley Water, Inc.	Hereford Area and Internal System Expansion	2028	$8,728,000	$8,728,000
Black Hawk Sanitary District	Lift Station Improvements	2028	$648,000	$648,000
Bryant	Wastewater System Improvements - Phase 3A	2028	$2,340,000	$2,340,000
Bryant	Drinking Water System Improvements - Phase 3A	2028	$1,958,000	$1,958,000
Burke	Wastewater Treatment and Collection Improvements	2028	$8,981,000	$8,981,000
Burke	Drinking Water Distribution Improvements	2028	$7,846,000	$7,846,000
Canton	Sanborn Street Sanitary and Storm Sewer Improvements	2028	$1,484,000	$1,484,000
Canton	Sanborn Street Drinking Water Improvements	2028	$797,000	$797,000
Castlewood	Wastewater System Improvements - Phase 2	2028	$3,825,000	$3,825,000
Columbia	Wastewater and Storm Water Improvements	2028	$4,898,484	$4,898,484
Crooks	Southeast Water Distribution Improvements	2027	$3,800,000	$3,800,000
Custer	Highway 385 Sanitary Sewer Extension	2028	$686,000	$686,000
Custer	Water System Improvements	2028	$11,820,000	$11,820,000
Davison Rural Water System	Elevated Storage Tank and Connecting Pipeline	2028	$12,400,000	$12,428,500
Dell Rapids	Drainage Channel Improvements - Phase 1	2028	$1,800,000	$1,800,000

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Sponsor	Project Description	On Plan Through	Projected State Funding	Total Project
Dell Rapids	Northeast Area Sanitary and Storm Sewer Improvements	2028	$3,580,000	$3,580,000
Dell Rapids	Northeast Area Drinking Water Improvements	2028	$1,692,000	$1,692,000
Edgemont	New Well and Distribution System Improvements	2028	$4,000,000	$4,000,000
Fort Pierre	Bad River Forcemain Bore	2028	$1,669,980	$1,669,980
Fort Pierre	New Storage Tank, Booster Station, and Transmission Line	2028	$2,418,600	$10,157,000
Golden Hills Homeowner's Association	Drinking Water System Improvements	2028	$437,000	$437,000
Hartford	2nd Street Sanitary Sewer Extension	2028	$459,600	$459,600
Hartford	Kelly Avenue Sanitary Sewer Replacement	2028	$585,130	$585,130
Hartford	2nd Street Drinking Water Extension	2028	$728,450	$728,450
Hartford	Kelly Avenue Drinking Water Replacement	2028	$475,650	$475,650
Hecla	Drinking Water Distribution Improvements	2027	$135,728	$1,150,000
Hill City	Wastewater Treatment Improvements and Expansion - Phase 3	2028	$4,485,000	$4,485,000
Hisega Meadows Water, Inc.	Drinking Water Treatment Improvements	2028	$1,890,000	$1,890,000
Hot Springs	Water System Improvements	2027	$16,350,000	$16,350,000
Iroquois	Wastewater Treatment Facility Improvements	2028	$1,223,000	$1,223,000
James River Water Development District	South Central Implementation Project Segment 3	2027	$1,000,000	$42,473,430
Java	Wastewater Collection Improvements - Phase 2	2028	$1,293,080	$1,293,080
Java	Water Meter Replacement and Storage Tank Painting	2028	$508,870	$508,870

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Sponsor	Project Description	On Plan Through	Projected State Funding	Total Project
Lennox	Central Basin Phase 5 and Other Areas Sanitary and Storm Sewer Improvements	2027	$13,732,060	$13,732,060
Lennox	Central Basin Phase 5 and Other Areas Drinking Water Improvements	2027	$2,579,826	$2,579,826
Martin	Drinking Water System Improvements	2028	$4,532,000	$4,532,000
Mellette	Drinking Water Distribution Improvements	2028	$870,000	$870,000
Milbank	Drinking Water Treatment Improvements	2027	$39,000,000	$39,000,000
Mission Hill	Water System Improvements	2027	$1,925,000	$1,925,000
Mitchell	Wastewater Collection Improvements	2028	$55,000,000	$55,000,000
Mitchell	Water Distribution Improvements	2028	$57,000,000	$57,000,000
Murdo	Sanitary Sewer Improvements	2028	$6,315,000	$6,315,000
North Sioux City	North Shore Bypass Lift Station	2028	$3,686,000	$3,686,000
Parker	Wastewater System Improvements - Phase 1	2028	$3,197,000	$3,197,000
Parker	Drinking Water Distribution Improvements	2028	$1,886,200	$1,886,200
Philip	Myrtle Avenue Sewer Improvements	2028	$2,129,100	$2,129,100
Pine Grove Community Water Association	Drinking Water System Improvements	2028	$3,006,793	$3,006,793
Pringle	Drinking Water System Improvements	2028	$5,496,000	$5,496,000
Pukwana	Sanitary and Storm Sewer Expansion for Westside Development	2027	$4,363,000	$5,805,000
Randall Community Water District	Pickstown Water Treatment Plant Expansion	2027	$5,000,000	$31,907,000

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Sponsor	Project Description	On Plan Through	Projected State Funding	Total Project
Reliance	Wastewater Collection and Treatment System Improvements	2028	$2,760,000	$2,769,403
Salem	Water Meter Replacement	2027	$860,000	$860,000
Sioux Falls	Southeast Basins Sanitary Sewer Phases 2-5	2028	$29,958,000	$36,029,000
Sioux Rural Water System	2027 User Expansion	2028	$3,134,000	$3,500,000
Tyndall	Wastewater System Improvements	2028	$22,690,861	$22,690,861
Tyndall	Water Storage and Distribution Improvements	2028	$5,212,109	$5,212,109
Utica	Sanitary Sewer Improvements - Phases 1 and 2	2028	$2,600,000	$2,600,000
Utica	Drinking Water Improvements - Phases 1 and 2	2028	$1,150,000	$1,150,000
Veblen	Collection System Improvements	2028	$4,585,000	$4,585,000
White	Wastewater Collection and Treatment System Improvements - Phase 3	2028	$3,312,200	$3,312,200
White	Drinking Water Distribution Improvements - Phase 3	2028	$2,616,110	$2,616,110
White	Storm Sewer Improvements	2027	$325,000	$325,000
White River	Wastewater Collection and Treatment System Improvements	2028	$1,366,780	$1,366,780
White River	Drinking Water System Improvements	2028	$5,681,530	$5,681,530
Willow Lake	Wastewater Collection and Treatment System Improvements	2028	$7,077,421	$7,077,421
		Total	**$486,774,524**	**$571,824,529**

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State Water Resources Management System

The State Water Resources Management System (SWRMS) identifies large, costly water projects that require specific state or federal authorization and financing. These projects are placed on the list when recommended by the board and approved by the Governor and the Legislature. The SWRMS list (Table 16) serves as the preferred priority list to optimize water resources management in the state. Once a project is placed on the SWRMS list, it remains on the list until removed by legislative action.

Table 16 – State Water Resources Management System Projects

Project	Description
Belle Fourche Irrigation Upgrade Project	Irrigation Project – Belle Fourche Region
Big Sioux Flood Control Study	Watertown Flood Control
CENDAK Irrigation Project	Irrigation Project - Central SD
Dakota Mainstem Regional Water System Study	Regional Water System – Eastern SD
Hydrology and Water Management Studies	Statewide Water Resources
Lake Andes-Wagner/Marty II Irrigation Unit	Irrigation - Charles Mix County
Lewis and Clark Rural Water System	Bulk Water System - Southeastern SD
Sioux Falls Flood Control Project	Increased Flood Protection
Vermillion Basin Flood Control Project	Flood Control on Vermillion River
Water Investment in Northern South Dakota Project	Regional Water System – Northeastern SD
Western Dakota Regional Water System Study	Bulk Water System - Western SD

SWRMS Project Status

A brief summary of each project and its status is presented on the following pages. The year in the title indicates when the project was placed on the State Water Resources Management System (SWRMS).

Belle Fourche Irrigation Upgrade Project - 2012

- The 2012 Omnibus Bill added the Belle Fourche Irrigation District upgrade project to the SWRMS list. The project was for the construction of a $5,000,000 Belle Fourche irrigation upgrade project to include replacement of the Indian Creek siphon, the Horse Creek siphon, the north canal control house, the south canal control house, repair of the Belle Fourche River siphon, and removal of sediment from the south canal intake for the purpose of

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stabilizing crop and forage production in central western South Dakota to offset the effects of drought conditions which naturally devastate South Dakota's economic viability.

- South Dakota Codified Law 46A-1-13.12 authorized a state cost share commitment of up to $2,500,000 in grant and $2,500,000 in loan assistance to provide funding for the Belle Fourche Irrigation District upgrade project.
- The appropriations for 2012 included a $1,250,000 grant and a $1,250,000 loan for engineering design, preconstruction, and construction of the facilities associated with the Belle Fourche irrigation upgrade project.
- During calendar years 2012 and 2013, engineering design of siphons and the canal gatehouse was on-going.
- The appropriations for 2013 included a $750,000 grant and a $750,000 loan for engineering design, preconstruction, and construction of the facilities associated with the Belle Fourche irrigation upgrade project.
- The appropriations for 2014 included a $500,000 grant and a $500,000 loan for engineering design, preconstruction, and construction of the facilities associated with the Belle Fourche irrigation upgrade project. This completed the state cost share commitment to the upgrade project.
- Bids were opened and awarded for the Indian Creek and Horse Creek siphons in 2013, and construction started in October of 2013. The Indian Creek siphon was completed in 2014 and was operational for the 2014 irrigation season. The Horse Creek siphon was completed in 2015 and was operational for the 2015 irrigation season.
- Bids were opened and awarded for the canal gatehouse upgrade in 2015, and construction started in the fall of 2015. The canal gatehouse upgrade was completed in the spring of 2016 and was operational for the 2016 irrigation season.
- In May 2014, bids were opened for dredging of the reservoir intake structure. Dredging operations were approximately 10 percent complete prior to 2016 when the contractor experienced difficulties with their methods to hydraulically dredge the reservoir. The dredging contractor returned to the site in late summer of 2016 with larger equipment to resume dredging operations. Dredging of the intake was completed in the spring of 2017.
- The final portion of the Belle Fourche irrigation upgrade project was an assessment of the Belle Fourche River siphon. The work was bid during the 2017 construction season, and the work was completed in the spring of 2018.
- With all proposed work completed, the Board of Water and Natural Resources took action to certify the project complete as of November 1, 2018. As a result of this action the Belle Fourche Irrigation District began making loan payments on November 1, 2019.
- No activity occurred on the project in 2026.

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Big Sioux Flood Control Study (Watertown and Vicinity) – 1989

- The Corps of Engineers completed a reconnaissance report titled "Flood Control for Watertown and Vicinity." The study concluded the best alternative for flood protection for Watertown, Lake Kampeska, and Pelican Lake was a $16 million dry dam on the Big Sioux River at the Mahoney Creek site.
- The Corps of Engineers, in cooperation with Watertown, East Dakota Water Development District, Codington County, Lake Kampeska Water Project District, and the Department of Environment and Natural Resources, initiated a feasibility study in 1988. State appropriations of $150,000 were provided to help meet the nonfederal cost share.
- The final draft feasibility report was distributed in June 1994 for public review and comment. A public hearing in July 1994 in Watertown presented findings of the report and gathered comments. City and county elections were held, and residents voted against further local participation in the project.
- The project regained momentum after severe spring flooding in 1997 forced 5,000 residents from their homes. The Watertown City Council scheduled an election in February 1998, calling for a citywide vote on the proposed Mahoney Creek Dam. The record turnout of voters again rejected the proposed dam.
- In June 2001, the residents of Watertown called for a citywide vote on the proposed Mahoney Creek Dam project. The voters approved the project. City officials proceeded with updating the original Corps of Engineers feasibility study and obtaining support and financing for the project.
- After the affirmative vote, Watertown began negotiations with the Corps of Engineers to complete a General Re-evaluation Report of the city's flood control alternatives. Negotiations continued in 2003, and the scope of work to be reviewed by the report continued to be evaluated. The cost of the re-evaluation report was estimated at $2.8 million.
- In 2003, Watertown returned $450,000 of state funds appropriated in 2003 for local participation during the General Re-evaluation process. Because of cost share and scope of work issues, Watertown decided to step back from participation in the re-evaluation and turned over all work to the Corps of Engineers.
- The Corps of Engineers received $246,000 in 2003, $473,000 in 2004, $176,000 in 2005, and $344,000 in 2008 to continue with the General Re-evaluation Report. Alternatives to be considered included the Mahoney Creek Dry Dam, three to five medium sized dams, 800 small dams, and a diversion between Lake Kampeska and Lake Pelican.
- A stakeholder's group consisting of representatives from the Lake Pelican and Kampeska water project districts, the Corps of Engineers, the city of Watertown, Codington County Commissioners, and landowners was created in 2010. The group held several public meetings to discuss and develop a flood control plan.
- The U.S. Army Corps of Engineers indicated that the most cost-effective solution is the Mahoney Creek Dry Dam. The city of Watertown voted to support the Mahoney Creek Dry

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Dam for flood protection. The cost-benefit study of the dam is anticipated to take two years once started, and the total project cost is estimated at $40 million dollars.

- In 2015, the city of Watertown indicated its intent to partner with the Corps of Engineers to conduct a feasibility level study update to investigate flood risk management solutions for Watertown.
- In 2016, the $225,125 in grant funds appropriated by the 2016 legislature was placed under agreement with the city of Watertown. This grant will fund half of the nonfederal cost share for the flood control feasibility study to be completed by the Corps of Engineers.
- In October 2019, discussions were held with the city of Watertown regarding the study and the need for additional flood protection in the area. Through the existing Big Sioux Flood Information System additional flood inundation studies were conducted and reviewed to show potential benefits of construction of the Mahoney Creek Dry Dam.
- In 2020, the additional flood inundation reviews were completed showing potential benefits of the Mahoney Creek Dry Dam. Flood elevation reductions would be realized; however, it appears only in extreme flood events above the 100-year occurrence level. Additional benefits to other downstream communities would be very limited even during high flow events.
- In 2022, the $225,125 in grant funds appropriated by the 2016 legislature remained unexpended and were reverted. The 2022 Legislature allocated $249,227 for the project. This grant will fund half of the nonfederal cost share for the flood control feasibility study to be completed by the Corps of Engineers.
- In 2022, the city of Watertown met with the Corps of Engineers to discuss how to best move the study forward. Due to recent federal funding appropriations, the Corps believes it will receive funding for the study and prioritize it in its list of projects to begin work in the coming year.
- In 2023, the legislature appropriated an additional $200,273 bringing the total state funding for the updated study to $450,000. This amount is half of the Corps of Engineers most recent estimate for the nonfederal cost share update to the feasibility study.
- In 2023, the Corps received funding and began efforts to update the study and undertake public outreach and engagement activities.
- In 2024, the Corps continued outreach activities and the tentatively selected plan was released in September 2024. The tentatively selected plan includes three primary aspects to assist in flood control and reduction of impacts, those include seasonal lowering of Lake Kampeska for additional flood storage, construction of embankments and flood walls on the east side of the river for approximately 1.1 miles, and widening of the existing channel by 50 feet for approximately 4.6 miles. The current estimated capital costs for these alternatives are more than $22.9 million. Projects selected for final completion are funded at 65 percent federal and 35 percent non-federal cost share.
- The tentatively selected plan is current undergoing public comment, environmental review, and further analysis and is not expected to be finalized until 2026. The Omaha District will

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submit the final report for Policy review with the Chief of Engineers signing the approved plan by May 2026. If approved, project design and contracting activities would occur during 2027 through 2029, with construction beginning in the spring of 2030, and final completion anticipated for 2032.

- During 2025, the USACE working with the city of Watertown began hosting public informational and comment meeting regarding the proposed plan. The information and comments received from members of the public along with local and state stakeholders and permitting authorities will be reviewed and incorporated into the final report prior to publication.
- During 2026, USACE working with the city of Watertown utilized comments from the public and stakeholders to refine alternatives and complete a final report and recommended plan, which was posted for comments in August 2026. The recommended plan is currently undergoing final State and Agency review and is expected to be approved in Fall 2026 by the USACE Chief of Engineers. The Recommended Plan includes construction of embankments and flood walls on the east bank of the Big Sioux River for approximately 1.1 miles and widening of the existing channel by 50 feet for approximately 4.6 miles. The current estimated capital costs for the project is $47.4 million. Projects selected for final completion are funded at 65 percent federal and 35 percent non-federal cost share. If approved and authorized by Congress, project design and contracting activities would occur during 2027 through 2029, with construction beginning in the spring of 2030, and final completion anticipated in 2032.

CENDAK Irrigation Project – 1982

- This proposed irrigation project would supply Missouri River water to 474,000 acres in Hughes, Hyde, Hand, Spink, Beadle, and Faulk counties in central South Dakota. South Dakota will pursue development of the project when federal policies are more supportive of large-scale irrigation projects. No activity occurred on the project in 2026.

Dakota Mainstem Regional Water System Study – 2024

- The 2024 Omnibus Bill added the Dakota Mainstem Regional Water System study to the SWRMS list. The Dakota Mainstem Regional Water System Study will complete an engineering feasibility study to evaluate the need for additional water sources and systems in eastern South Dakota. A $1,000,000 grant was appropriated as part of the 2024 Omnibus Bill for a feasibility level study, system startup, and administration of the Dakota Mainstem Regional Water System study.
- During 2024, work on the study included the issuance of a Request for Proposals to select an engineering firm for an appraisal level study. In May that process was completed with HDR Engineering selected. An agreement was signed to allow the completion of the appraisal level study anticipated to be completed in 2025. Once completed, efforts will move to complete a more detailed feasibility level study.

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- During 2024, Dakota Mainstem continued efforts to increase its membership in the proposed region and included 39 South Dakota members, 10 Iowa members, 5 Minnesota members, and 1 tribal member from Nebraska.
- The 2025 Omnibus Bill provided an additional $1,000,000 SWRMS grant towards completion of the study. This brings the current state contribution towards the study to $2,000,000.
- In 2025, HDR Engineering worked to gather information from all members related to current and potential water needs, availability of source water, and conceptual design ideas for the appraisal level study. This information will provide a more detailed outline of the potential for a project to move forward and how different members could be served by any future project. The final results and appraisal level study report are anticipated for completed by the end of the calendar year. Based on the results Dakota Mainstem and members will determine if and how to proceed into the more detailed feasibility level study.
- In 2025, Dakota Mainstem began efforts to receive federal authorization for the feasibility study which would allow direct involvement through the Bureau of Reclamation and potential for funding assistance. Discussions for study and funding support occurred with the states of Iowa, Minnesota, and Nebraska.
- The 2026 Omnibus Bill provided an additional $750,000 SWRMS grant towards completion of the study. This brings the current state contribution towards the study to $2,750,000.
- Dakota Mainstem completed its Appraisal Level Study, with the final report published January 5, 2026. Following completion of the study, the Dakota Mainstem authorized HDR Engineering to conduct the project's Feasibility Study. The approximately $4.3 million study is expected to take 2.5 years to complete. Initial feasibility work is underway, including evaluation of potential water sources and Missouri River intake locations. Work is also underway to secure a future use Missouri River water right for the project.
- Dakota Mainstem continues to pursue federal authorization for Bureau of Reclamation participation in the Feasibility Study. Authorization bills introduced in 2026 in both the U.S. House and Senate have advanced through committee markup and are awaiting consideration by the full chambers.

Black Hills Hydrology and Water Management Study – 1982 to 2015

- The hydrology study compiled water resource data to assess the quantity, quality, and distribution of surface and groundwater resources in the Black Hills area. These resources have been stressed by increasing population, periodic drought, and developments related to expansion of mineral, timber, agricultural, recreational, municipal and urban needs. The U.S. Geological Survey provided $3.4 million from federal fiscal years 1988 through 2001 to establish the hydrologic monitoring system, collect the data, and complete data analysis.
- The hydrology study entered Phase II in federal fiscal year 1997 and was completed in 2002. The study emphasis during Phase I was data collection. The emphasis shifted to analytical activities and publication of maps and reports during Phase II.

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- The hydrology study produced 31 technical reports including a lay reader summary, a comprehensive report on the hydrology of the Black Hills area, and a comprehensive lay reader atlas of water resources in the Black Hills area.
- The water management study provided interested parties with the tools needed to assist in making informed management decisions about development of water resources. Data gathered during the hydrology study was used in the water management study. Congress appropriated funds in federal fiscal year 1991 to initiate the Federal Black Hills Water Management Study by the Bureau of Reclamation.
- The Black Hills Water Management Study was completed in federal fiscal year 2003. The study focused on needs assessment, management alternatives, and a final report.
- The 2004 Omnibus Bill appropriated $100,000 for the development, evaluation, and review of studies related to development of regional water supply systems in or near the Black Hills. The Fall River Water User District sponsored a regional water supply study for an area that included all of Custer and portions of Fall River and southern Pennington counties.
- The 2005 Omnibus Bill appropriated $100,000 for the development, evaluation, and review of studies related to development of regional water supply systems in or near the Black Hills. The Southern Black Hills Water System, Inc., a nonprofit corporation, was formed to continue the feasibility study of a regional water system in Custer, Fall River, and southern Pennington counties. The Southern Black Hills Water System requested additional funds to continue activities begun by the Fall River Water User District. In June 2005, the board awarded $50,000 for these activities.
- The 2006 Omnibus Bill amended the State Water Resources Management System to add the Southern Black Hills Water System to its list of preferred, priority objectives for South Dakota. The bill also provided an initial appropriation of $125,000 to allow the Southern Black Hills Water System to continue activities begun by the Fall River Water User District.
- In December 2006, the Lead-Deadwood Sanitary District submitted a request for the remaining $50,000 of SFY 2006 Black Hills Water Management Study funding placed under agreement with the District to conduct a regional water study in the Lead, Deadwood, and Central City area. The funding was awarded in January 2007, and the sanitary district selected an engineer in June 2007. The Lead-Deadwood Area Water Study Final Report was issued on July 18, 2008. The study provided an analysis of the Lead-Deadwood Sanitary District intake and water treatment plant, a review of the Lead and Deadwood distribution systems, an analysis of the development in the surrounding area, and analyzed the ability of the Lead-Deadwood Sanitary District to serve them.
- The 2009 Omnibus Bill appropriated $65,000 for hydrology studies. These funds were awarded to West Dakota Water Development District to cost share the United States Geological Survey groundwater aquifer study in the Black Hills.
- Several microgravity surveys were completed during 2010 and 2011 at three study sites in the Black Hills. Collected data was analyzed spatially to help characterize the heterogeneity of the Madison and Minnelusa aquifers and possibly the transition zone between the two

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aquifers. Time-series data was analyzed at each of the three study sites and correlated with water levels in Madison aquifer wells. This analysis helps characterize vertical heterogeneity and effective porosity at selected sites.

- A report entitled "Microgravity Methods for Characterization of Groundwater-Storage Changes and Aquifer Properties in the Karstic Madison Aquifer in the Black Hills of South Dakota" was completed in 2012.

Hydrology and Water Management Studies – 2015 to Present

- The 2015 Omnibus Bill appropriated $250,000 for statewide hydrology and water management studies. In June 2015, the Department of Environment and Natural Resources was awarded a $47,000 grant to conduct aquifer isotope analysis in eastern South Dakota. The department's Geological Survey program conducted this work, and the final report was issued in September 2017.
- The 2016 Omnibus Bill appropriated $750,000 for the development of a Big Sioux River Basin Hydrologic model. In March 2016, the appropriation was placed under agreement with the Department of Environment and Natural Resources to hire a consulting firm to develop the hydrologic model for the Lower Big Sioux River Basin.
- In May 2016, DENR issued a Request for Proposals to consulting firms to develop the hydrologic and hydraulic model. Nine firms submitted proposals for review. In August 2016, after review by all involved state agencies and interviews of several firms, RESPEC was selected as the consulting firm to complete the hydrologic and hydraulic models.
- The 2017 Omnibus Bill appropriated an additional $450,000 for the development of a Big Sioux River Basin Hydrologic model. In March 2017, the appropriation was placed under agreement with the Department of Environment and Natural Resources to increase the contract with RESPEC to $1,300,000 to complete development of the models for the Lower Big Sioux River Basin.
- Using the new models, the Big Sioux River Flood Information System was developed. A majority of the effort in 2017 focused on developing a basin-wide hydrologic model as well as hydraulic models for the cities of Watertown, Brookings, Dell Rapids, Sioux Falls, and North Sioux City. Concurrently, a web user interface was created to allow access to model predictions, stream gauge data, and precipitation data. The project team met several times with the local authorities to gain feedback on model results and user interface.
- In 2017 and 2018, new stream gauges were installed to improve the stream gauge network available for the Flood Information System.
- The beta version of the Flood Information System was operational in the spring of 2018. The beta version was used to help predict river elevations and flood inundation during flooding in June 2018. The model predictions matched very closely to the actual flood levels observed. Entities that were along the river where flooding occurred were able to accurately predict if any infrastructure would be impacted due to the flood waters and prepare accordingly.

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- The Flood Information System was completed in December 2018. With the completion of the model, federal, state, county, and local community authorities are able to use the Flood Information System to evaluate flood scenarios and prepare appropriately for flood response.
- In June 2018, an additional $10,000 from the remaining funds of the 2017 Omnibus Bill appropriation was placed under agreement with the Department of Environment and Natural Resources. These funds were used to cost share on a United States Geological Survey high resolution hydrographic mapping study in the Lower Big Sioux River Basin. Other entities contributing to the project include US Geological Survey ($20,000), SD Department of Transportation ($20,000), city of North Sioux City ($3,333), Dakota Dunes Community Improvement District ($3,333), and Union County ($3,333). The primary goal of the project is to determine more accurate flow routes for flood waters and runoff from heavy precipitation events. The area under study has a complex drainage pattern through a heavily developed area. The project will give state and local authorities a better understanding of potential impacts from severe drainage events in the area. In 2019, digital data sets were created for terrain and flow paths. Field verification of flow structures, such as culverts, took place during 2020.
- In the spring of 2019 significant flooding occurred along the Big Sioux River corridor from Watertown to North Sioux City and Dakota Dunes. The recently completed Big Sioux River Flood Information System (BSRFIS) was used extensively during the March and April floods by local, state, and federal officials as a tool to predict areas that would be impacted by flood waters. Appropriate protection measures were implemented by county emergency managers and city officials based on the predictions of the BSRFIS. The cities of Watertown, Dell Rapids, Sioux Falls, North Sioux City, and Dakota Dunes, as well as the general public, all benefited from the information the BSRFIS was able to provide. Real time monitoring of flood events by state officials verified that the BSRFIS models were highly accurate.
- In March 2019, $90,149.50 from the remaining funds of the 2017 Omnibus Bill appropriation was placed under agreement with the Department of Environment and Natural Resources. These funds were used to help fund the replacement of well pumps within the Statewide Ground Water Quality Monitoring Network. The five water development districts with wells needing pumps located within their district's provided the remaining $26,931.75 needed to complete the funding. The well pumps in the monitoring network were beyond their useful life and experiencing mechanical issues that were beyond normal repair. The lack of reliable operation made it difficult to ensure samples could be obtained as scheduled. The monitoring network provides a valuable resource for state and local entities when making decisions on current water quality conditions and trends in 25 of the state's vulnerable shallow aquifers.
- The 2022 Omnibus Bill appropriated $1,021,500 for improvements and expansion of the statewide observation monitoring well network. The funds were placed under agreement in March 2022 with the Department of Agriculture and Natural Resources to undertake the upgrades and improvements. The network of nearly 1,600 observation wells provides historic water levels of aquifers through the state and assures proper water management and appropriations are made. Areas of the state have limited and insufficient wells to collect adequate data to assure proper management of the state's water resources. These funds will

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install and refurbish up to 50 wells along with the installation of automatic data collection units on up to 100 existing wells.

- In 2023, DANR sent a request for quotes to venders for repair or rehabilitation of three observation wells in the Black Hills region. The department received only one qualifying quote to repair the wells and has entered into a contract for that work. DANR's understanding of well driller's work backlog is that it has been difficult to find companies to work on observation wells when the drillers are working to meet immediate water supply needs to customers. Work to repair the three observation wells was successfully completed late in 2023.
- In 2025, the ability to retain well driller services remained difficult with little to no interest expressed to repair additional existing observation wells. Efforts to drill new observation wells to expand the network have not been successful as drilling companies continue to have a backlog with contracts to drill new production wells meeting water system's needs.
- In 2025, DANR worked with several vendors to provide a small-scale number of data loggers and pressure transducers with remote read capability. These pilot studies of different technologies will allow DANR to determine which system best meets the needs for remote data access and reporting.
- In 2026, the authority to utilize the grant award for DANR's Water Rights program to drill additional observation wells, refurbish existing wells, and install automated data collection equipment expired on June 30, 2026. DANR expended a total of $22,602.69 of the original authority allocated. DANR Water Rights program staff will evaluate potential options to request additional funding with a revised scope of work based on newer information.
- The 2026 Omnibus Bill appropriated $500,000 for development of an online wetland map delineation tool. The funds were placed under agreement in March 2026 with the Department of Agriculture and Natural Resources to solicit a request for proposals from qualified firms to develop the wetland mapping tool. Seven firms submitted proposals for review. In October 2026, after DANR evaluated proposals, a selection to contract with Houston Engineering as the most advantageous vendor to complete development of the wetland mapping tool was made. It is anticipated that development of the tool will be completed by the end of calendar year 2027.

Lake Andes-Wagner/Marty II Irrigation Unit – 1975

- The 45,000-acre Lake Andes–Wagner Irrigation project and 3,000-acre Marty II Irrigation project are federally authorized Pick–Sloan Missouri Basin Units in Charles Mix County (Public Law 102-575). Estimated construction costs are $175 million and $24 million, respectively.
- In 1990, a plan of study was developed for a 5,000-acre research demonstration program to determine best management practices for irrigating glacial till soils containing selenium.
- The 1992 State Legislature authorized the construction of the Lake Andes-Wagner/Marty II project and provided a state loan cost share commitment of $7 million. Both the state and federal project authorizations are contingent upon the successful completion of the 5,000-acre research demonstration program.

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- In 1995, Congress approved $250,000 for the research program. State and federal agencies revised the 1990 plan of study to re-scope the demonstration program and identify the specific issues and research components that are of national significance. A nine-year, $11.3 million effort was projected.
- In 1999, the Bureau of Reclamation (BoR) received $150,000 to prepare an environmental assessment for the demonstration program.
- The BoR completed the environmental assessment and issued a Finding of No Significant Impact for the demonstration program in 2000. Significant federal funding must be secured before the demonstration program can proceed.
- The Board of Water and Natural Resources placed $15,000 in 2002 and $50,000 in 2003 under agreement. The Lake Andes-Wagner Irrigation District continued to seek federal funding for the demonstration program.
- The 2009 Omnibus Bill appropriated $35,000 for the Lake Andes-Wagner/Marty II research demonstration program. These funds were awarded to the project sponsor to continue its efforts to get this project moving forward.
- During 2010, the sponsor worked to assemble information and research data from multiple resources. Discussions with BoR continued regarding the possibility of funding and placing the project into the BoR's program proposal.
- The 2011 Omnibus Bill appropriated $55,500 for the Lake Andes-Wagner/Marty II research demonstration program. However, these funds will not be awarded unless the federal government makes the decision to begin funding the project at levels that will ensure project completion in a reasonable timeframe.
- In June 2012, a portion of South Central Water Development District's future use permit reserving water from the Missouri River was transferred to the Lake Andes-Wagner Irrigation District. The District's transfer was for the reservation of 96,000 acre-feet of water annually from the Missouri River for future development including irrigation, municipal, stock watering, fire protection, industrial, and public recreation use. The seven-year review of this permit, as required by statute, was conducted in October 2013 before the Water Management Board, and the permit was allowed to remain in effect for 96,000 acre-feet annually, subject to the required fee being submitted.
- No activity occurred on the project in 2026.

Lewis and Clark Regional Water System – 1989

- The Lewis and Clark Regional Water System is a bulk delivery system providing treated Missouri River water to communities and existing rural water systems in southeastern South Dakota, northwestern Iowa, and southwestern Minnesota. South Dakota membership includes eight communities and three rural water systems. Approximately 155,000 South Dakotans will receive water from Lewis and Clark.
- President Clinton signed Public Law 106-246 on July 13, 2000, authorizing the federal construction of the Lewis and Clark Regional Water System. The federal legislation also

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approved a federal appropriation of $600,000 to continue project engineering and begin construction. The Board of Water and Natural Resources placed $200,000 in state funding under agreement in 2000 to assist with these same project activities.

- Iowa and Minnesota sponsors provided funding support for project development in proportion to their service capacity needs. The Iowa and Minnesota State Legislatures authorized the project for construction and completed their cost share commitments.
- The South Dakota Legislature authorized Lewis and Clark's South Dakota project features ($200 million) in 1993. In 2002, the state cost share commitment of $18,585,540 in 1993 dollars was established for the Lewis and Clark Regional Water System.
- The 2002 Omnibus Bill appropriated $750,000 for the project. These funds, combined with federal and other local sources, completed the federal environmental review, the final engineering report, and initiated construction. Lewis and Clark Regional Water System's final engineering report completed its initial required 90-day congressional review on September 8, 2002. The federal Office of Management and Budget (OMB) determined that Lewis and Clark could not submit its final engineering report to Congress until OMB had approved it. Lewis and Clark worked with OMB to get its final engineering report approved and resubmitted to Congress. Lewis and Clark held its groundbreaking on August 21, 2003.
- In 2005, Lewis and Clark agreed to provide Sioux Falls an additional 17 million gallons of water per day, bringing the total delivered capacity to 45 million gallons per day. Sioux Falls financed the cost of the additional capacity.
- In May 2007, Lewis and Clark elected to change the project's name from "Rural" to "Regional". The project is doing business as the Lewis and Clark Regional Water System.
- In May 2008, Lewis and Clark began operating its first segment of pipeline – a nine-mile emergency connection between Sioux Center and Hull, Iowa. Until Lewis and Clark water arrives, Lewis and Clark will purchase water from Sioux Center and resell it to Hull.
- Through June 30, 2008, the South Dakota Legislature had appropriated, and the Board of Water and Natural Resources had placed under agreement, $19,275,000 toward South Dakota's cost share commitment.
- In July 2008, a $20.8 million contract was awarded for the first phase of the water treatment plant, which included a three-million-gallon underground reservoir, high capacity pumps, electrical building, and two standby generators. This infrastructure is separate from the main treatment plant building.
- In July 2008, work was completed on a $5.5 million contract that included one mile of riverbank stabilization southwest of Vermillion to protect Lewis and Clark's main well field from erosion, as well as two well houses, four valve vaults, and various piping. Utilizing a permanent easement, Lewis and Clark's main well field is located on land owned by the SD Department of Game, Fish and Parks (Frost Game Production Area).
- In September 2008, Lewis and Clark began operating its second segment of pipeline, a 12-mile emergency connection for Tea and Harrisburg. Until Lewis and Clark water arrived, Lewis and Clark purchased water from Sioux Falls and resold it to Tea and Harrisburg.

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- The 2009 Omnibus Bill appropriated $6.3 million for the engineering design, preconstruction activities, and construction.
- In April 2009, Lewis and Clark was approved to receive $56.5 million from the Bureau of Reclamation as part of the American Recovery and Reinvestment Act.
- In May 2009, a $64.1 million contract was awarded for Phase II of the water treatment plant. In July 2009, Phase II construction of the water treatment plant commenced.
- In July 2009, a $5.04 million contract was awarded for the construction of the 85th Street Tower, which has a three million-gallon storage capacity, located in Sioux Falls.
- In August 2009, a $9.5 million contract was awarded for the construction of two above-ground reservoirs to be built near Tea. These two reservoirs along with the 85th Street tower serve as Lewis and Clark's primary storage facilities.
- In September 2009, a $3.7 million contract was awarded for the first segment of the "Minnesota Transmission Line." This segment is a five-mile pipeline constructed in South Dakota and serves Minnehaha Community Water Corporation, all Minnesota users, and Rock Rapids, Iowa.
- In September 2009, a $2.8 million contract was awarded for construction of the Parker and Centerville service lines. These service lines include almost fourteen miles for the Parker service line and five miles for the Centerville service line.
- Lewis and Clark received $10 million in federal funding in 2009 under the 2010 Energy and Water Appropriation bill.
- In November 2009, the last section of the treated water pipeline, which is the main trunk between the water treatment plant and the city of Sioux Falls, was completed.
- A contract for five new wells was awarded in April 2010 for $6.8 million. The five new wells will provide Lewis and Clark with an estimated 10 million gallons a day of additional capacity. Including the six previously drilled wells, Lewis and Clark's total well capacity will be 28 million gallons per day.
- A $4.2 million bid was awarded in May 2010 for the treated water pipeline - segment 11. This five-mile segment connected Beresford to the main truck line. This is the first segment of the "Iowa Transmission Line." Eventually this line will connect to Sioux Center, Hull, and Sheldon.
- In June 2010, the $6.3 million approved by the 2010 Legislature was put under agreement. This completed the State's cost share commitment to the project.
- In October 2010, Lewis and Clark was awarded approximately $3.5 million in reprogrammed American Recovery and Reinvestment Act funding through the Bureau of Reclamation.
- In October 2010, a $7.55 million contract was awarded for the Minnesota – segment 1 pipeline, which runs along the South Dakota - Iowa border from just west of the Big Sioux River to a point six miles west of Rock Rapids.

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- Lewis and Clark received $1,996,000 in federal funding through the Bureau of Reclamation in FFY 2011. Lewis and Clark was also allocated an additional $306,000 in funding for FFY 2011 in reprogrammed funds.
- In May 2011, Lewis and Clark awarded a $1.6 million dollar contract for the pipeline commissioning. This contract provided for testing, disinfecting, and cleaning 85 miles of pipes from the water treatment plant near Vermillion to Sioux Falls.
- Lewis and Clark received $5.5 million in federal funds for FY 2012. Lewis and Clark initiated operation of its water treatment plant and began to serve water to eleven of its twenty members in July 2012.
- The 20 members and three states have prepaid 100 percent of the nonfederal cost share. Because the prepayments made by the 20 members and three states, which total just under $154 million, have been fully utilized, the schedule to connect the remaining nine members is entirely dependent upon future federal funding.
- In 2014, Lewis and Clark was provided $22 million in advance federal funding from Minnesota. These funds were used to construct transmission lines to Luverne and Magnolia.
- In 2014, Lewis and Clark received a $1 million reimbursable grant for advance federal funding from South Dakota. These funds were made available by the Joint Appropriations Committee in Senate Bill 53. These funds were used to acquire easements and pay for engineering costs for two of the five segments of the Madison service line.
- In 2015, Lewis and Clark was provided $19 million in advance federal funding from Minnesota. These funds were used to connect the Lincoln Pipestone Rural Water System, construct a 4 million-gallon storage reservoir southwest of Luverne, install a booster station southeast of Luverne, acquire easements, and complete design for the pipeline between Adrian and Worthington.
- In 2015, Lewis and Clark received a $7.7 million loan for advance federal funding from South Dakota. These funds were made available by Senate Bill 173. These funds were used to construct segments one and five of the Madison service line. Madison was the only South Dakota member system not yet connected; however, construction of segments 1 and 5 did not get a drop of water to Madison. In 2016, the agreement was amended to include engineering design and easement acquisition of segments 2 through 4 and was estimated to cost more than $22 million for final construction.
- DENR worked with three regional water systems and the city of Madison to develop a wheeling option as an alternative to providing federal fund advances to construct the balance of the Madison service line. The wheeling option builds on the construction of segments 1 and 5. Segment 1 provides Minnehaha Community Water Corporation (MCWC) with its second Lewis and Clark connection a mile west of Crooks. That connection increases the delivery of Lewis and Clark water to MCWC to 1.1 million gallons per day and with $1.8 million in wheeling upgrades and frees up water from MCWC's water treatment plants to feed its Tower 3B near Colton. Tower 3B feeds water into a new 12-inch Big Sioux Community Water line going north and west to connect with Lewis and Clark's segment 5 to deliver 1 million

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gallons of water per day to Madison costing $3 million to construct. The wheeling option saved the state more than $17 million in federal fund advances.

- In 2015, Lewis and Clark delivered water to 12 of the 20 members.
- In January 2016, the first of several contracts for the wheeling option to provide water to Madison was awarded. The contract was awarded by MCWC, and construction of the additional lines to free capacity elsewhere within MCWC's distribution system was completed in the fall of 2016. This work was funded partially by a $900,000 Consolidated grant.
- In May and July of 2016, the Big Sioux Community Water System awarded bids for its portion of the Madison wheeling option. The work included construction of a new water distribution line to connect MCWC to a new Lewis and Clark line east of Madison and a new pump station to provide the pressure needed to move the water. Construction was completed in early 2017. This work was funded by a $2,000,000 Consolidated grant and a $1,014,000 Drinking Water SRF loan.
- In April 2016, Lewis and Clark awarded the contract for construction of the Madison meter building and Crooks meter building/pump station. These buildings supply metering and pressure for water to get to Madison. Construction was completed in late 2016.
- In June 2016, the final bids for the Madison wheeling project were awarded by Lewis and Clark for construction of segments 1 and 5 of the Lewis and Clark lines and connections to MCWC and Big Sioux CWS. Construction of this work was completed early 2017.
- In 2016, Lewis and Clark delivered water to 13 of the 20 members, with Luverne being connected in March 2016. Water demand has increased, and the treatment plant is now staffed 24 hours per day seven days a week.
- From 2015 through 2017, Lewis and Clark had been provided $44.5 million in advance federal funding from Minnesota. This federal funding advance allowed all the Lewis and Clark members in Minnesota to be connected and begin receiving water.
- In May 2017, Lewis and Clark received $2.25 million in advance federal funding from Iowa. These funds were used to pay for engineering services and easement acquisition for the pipeline and meter building to Sioux Center. The bill passed by Iowa's legislature also committed $4.75 million for use in fiscal year 2018.
- In 2017, Lewis and Clark delivered water to 14 of the 20 members, with Lincoln Pipestone Rural Water System being connected in November 2017.
- In May 2017, the joint projects of Lewis and Clark, Big Sioux CWS, MCWC, and the city of Madison were fully completed. With the completion of the projects, Madison now has access to 1 million gallons of water per day from a regional system supplier. All South Dakota members of Lewis and Clark are now directly or indirectly connected to the system.
- In May 2018, Lewis and Clark received $4.75 million in advance federal funding from Iowa. These funds, along with a $2.25 million advance in 2017 from Iowa were used to construct pipeline starting at Sioux Center and going approximately six miles west towards the Big Sioux River.

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- In June 2018, Lewis and Clark awarded a contract for the purchase of an emergency generator for the Tea Pump Station. Without this generator 93 percent of the water produced by the system cannot be delivered to its customers if power is lost. A portion of the remaining funds from the $7.7 million federal fund advance from South Dakota in 2015 was used for the procurement of this generator.
- After 2018, Lewis and Clark was able to provide 16 of its 20 members with access to their full allocation of water with Worthington anticipated to be connected in early December 2018. The Lewis and Clark system construction was estimated to be 75 percent complete and anticipated being at 80 percent complete with the construction planned for 2019 and 2020.
- Through FY 2017, the federal government appropriated $249.15 million for the project. Federal funding levels included $14.875 million in FY 2018; however, only $100,000 was included for FY 2019 in the proposed White House budget.
- In May 2019, Lewis and Clark was able to fully connect to Worthington, MN and provide a second connection to Lincoln Pipestone Rural Water System. Of the 20 full members of Lewis and Clark, 16 systems are now able to access their full allocation of water.
- In 2019, the Lewis and Clark system was 82 percent complete with construction underway between Beresford and Sioux Center, IA. Connection to Hull and Sioux Center, IA was anticipated in 2022, and would provide 18 of its 20 members with access to water.
- Through FY 2018, the federal government appropriated $264,025 million for the project. Federal funding levels included $14.9 million in FY 2019. The remaining federal cost share to provide is currently $180 million, which is indexed annually for inflation.
- Through FY 2019, the federal government appropriated $278,925 million for the project. Recent federal funding levels include $18.0 million in FY 2020. The remaining federal cost share to provide is currently $166.8 million, which is indexed annually for inflation.
- In 2020, bids were opened and contracts awarded for construction of a 2.5-million-gallon elevated water storage tower in Union County near Beresford, which will allow Lewis and Clark to provided water to Hull and Sioux Center, Iowa when completed in 2023, and eventually Sheldon, Iowa as well. Work continues on the nearly 34-mile long pipeline segment from Beresford to Sioux Center, which will also connect Hull. The pipeline was scheduled for completion in late 2022.
- In 2020, a contract was also awarded for the construction of a 22-million gallon per day (MGD) radial collector well at the site of the existing wellfield. When completed in the spring of 2023 the total well production capacity will be approximately 49 MGD when combined with the existing vertical well capacity.
- Through FY 2020, the federal government appropriated $296.925 million for the project. Recent federal funding levels include $17.5 million in FY 2021.
- Lewis and Clark's current buildout capacity is 45 MGD, but the system has been designed so it can be expanded to 60 MGD in the future. The most recent estimated cost for this expansion is $114 million in today's dollars. The members who voluntarily participate in

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this expansion are required to cover 100 percent of their proportional share of the cost. In 2020 when initial discussions began the anticipated need for expansion was estimated at ten years. Due to the impacts of the 2021 drought and demands seen, expansion is necessary as soon as funds are available. In 2022, $13,136,100 of South Dakota's American Rescue Plan Act funds were awarded for the expansion. Additional funds from Iowa were provided to assist in the expansion project.

- In 2022, direct federal appropriations of $21.9 million were received through the annual appropriations bill with an additional $75.5 million appropriated through the Bipartisan Infrastructure Law. The FY 2023 proposed White House budget is $6.6 million with an additional $12.0 million requested from the congressional delegation. Lewis and Clark is eligible to receive additional FY 23 and FY 24 funding through the Bipartisan Infrastructure Law.
- In 2023, direct federal appropriations of $18.6 million were received through the annual appropriations bill with an additional $60.0 million appropriated through the Bipartisan Infrastructure Law. The FY 2024 proposed White House budget is $6.825 million with an additional $12.0 million requested from the congressional delegation. Lewis and Clark is eligible to receive additional FY 24 and FY 25 funding through the Bipartisan Infrastructure Law. It is anticipated that full funding may be provided within the FY 24 budget.
- During 2023, the South Dakota Legislature approved the conversion of a $7.7 million advance on federal funding loan to a grant. Minnesota has also approved up to a $22 million loan to grant conversation for the advance federal funding provided. Discussions are ongoing in Iowa seeking a similar conversion of loans to grants.
- As of 2023, the original 45 MGD system buildout is 95 percent complete. Of the 20 members of Lewis and Clark, 18 members are now able to access their full allocation of water. Based on recent federal funding levels it is estimated all 20 members will be fully connected by 2025.
- In 2023, construction was completed on the 22 MGD horizontal collector well. Due to delays, substantial completion was moved from 2022 into 2023. Other projects completed in 2023 are water tower and pump station upgrades at Beresford. Additional projects that are near completion are meter buildings at Sioux Center and Hull, 32 miles of 16-inch line and a water storage reservoir to fully connect Madison, 17 miles of 16-inch line between Hull and Sheldon, and a water tower and meter building at Sheldon. Projects that will soon be starting include, pipelines and a meter building near Sibley and Phase 3 of the water treatment plant.
- During 2023, as a result of increased demand Lewis and Clark began initial construction activities on certain projects to increase capacity of the system to 60 MGD. At the current pace and estimates of need for the full system buildout is anticipated by 2030.
- In 2024, direct federal appropriations of $24.825 million were received through the annual appropriations bill with an additional $16 million appropriated through the Bipartisan Infrastructure Law. The FY 2025 proposed White House budget is $6.825 million with an additional $20.0 million requested from the congressional delegation. Lewis and Clark is

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eligible to receive additional FY 25 funding through the Bipartisan Infrastructure Law. It is anticipated that full funding may be provided within the FY 25 budget.

- As of 2024, the original 45 MGD system buildout is nearly complete. In August 2024, Madison was fully connected to the system. In October 2024 Sibley, MN was connected and all 20 members of Lewis and Clark are now fully connected to the base system.
- In 2024, construction was completed for Madison pipeline segments 2, 3, and 4 of over 32 miles of 16-inch pipe, the Madison storage reservoir, pump improvements at the Crooks pump station and treatment plant sites, and Sibley service line and meter building. Additional projects underway include the Larchwood pump station and Hull reservoir.
- In 2025, direct federal appropriations of $6.825 million were received through the annual appropriations bill with an additional $15.17 million appropriated through the Bureau of Reclamation funding budget. This is to be the final federal funding provided for the currently authorized project. Total federal funding provided through 2025 is $554.2 million and total construction cost of the base system is anticipated to be $711 million.
- In 2026, the remaining non-treatment plant work for the base system is now limited to backup generator installations at the treatment plant and Tea pump station. Due to long lead times for generator procurement these projects are anticipated to be complete in 2028.
- In 2026, work continued on components of the federally authorized system buildout of 45 MGD, which will provide access to all members' full allocations of contracted capacity. One of the last remaining projects for this is the phase 3 expansion of the water treatment plant which began in May 2024. Work at the treatment plant site also includes projects related to the expansion from 45 MGD to 60 MGD. This includes construction of a second clear well and the addition of an extra lime sludge drying bed, which is being paid for with ARPA funds.

Sioux Falls Flood Control Project – 1989

- In 1961, the Corps of Engineers completed a channelization, levee, and diversion system to provide 100-year flood protection on the Big Sioux River and Skunk Creek.
- Because of subsequent flooding events on the Big Sioux River and Skunk Creek, the Corps of Engineers reanalyzed the flood criteria in the early 1980s and determined that the one percent chance of flood occurrence was greater than previously established. The Corps then recommended that the levee system be upgraded so that it would continue to provide Sioux Falls with 100–year flood protection on the Big Sioux River and Skunk Creek. Project upgrades included constructing a dam on the Big Sioux River just above the confluence of Skunk Creek as well as raising the levees along the Big Sioux River from Skunk Creek to Interstate 229, raising the levees along Skunk Creek from Marion Road to the Big Sioux River, raising the levees above and along the diversion channel, modifying the spillway chute, replacing the stilling basin, and modifying some bridges.
- The 1992 State Legislature authorized project construction and a state cost share commitment of $4.55 million. Federal authorization was completed as part of the 1996

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Water Resources Development Act on October 12, 1996 (Public Law 104-303). The Act authorizes a $34.6 million construction project under the Corps of Engineers.

- In 1999, a $2.2 million federal appropriation was provided to the Corps of Engineers. A Project Cooperation Agreement was executed between the Department of the Army and the city of Sioux Falls for final design work.
- Construction of Phase 1A of the Big Sioux River/Skunk Creek Flood Control Project was completed in 2001 and addressed the spillway and stilling basin area at the outfall of the diversion channel. Later that year bids were accepted on Phase 1B of the project addressing the levees adjacent to Morrell's downstream to Cliff Avenue.
- Sioux Falls continued to work with the Corps of Engineers on final design and construction of the project from 2001 to 2007. Sioux Falls continued to secure required easements and properties for the project.
- Construction of Phase 2A of the project continued in 2007. Phase 2A work included improvements to the levees on the Big Sioux River from 49th Street to Interstate 229.
- Phase 2B of the project was completed in 2008. This work included the levee and associated structures on the east side of the Big Sioux River from 41st Street to 49th Street. The city advanced sufficient funds to the US Army Corps of Engineers to complete Phase 2 work in the next two years. This was an ambitious schedule, but reduced the high cost of flood insurance for many properties now being placed in Flood Zone A of the National Flood Insurance Program.
- Phase 2C raised two miles of existing levees approximately two to five feet in order to provide 100-year flood protection along the Big Sioux River within the city of Sioux Falls. In October 2009, the Corps of Engineers accepted proposals for this phase of the project. Phase 2C of the Sioux Falls Flood Control project was awarded in February 2011 for approximately $12 million. The project was completed by the end of calendar year 2011.
- In December 2009, the city issued $27 million in taxable revenue bonds; $17 million of the total was advanced to the Corps of Engineers for levee and dam construction. The balance was to pay for the 41st Street Bridge project.
- As part of the 2010 Energy and Water Appropriation bill, $1.84 million was appropriated to the Corps of Engineers for the Sioux Falls Flood Control Project.
- In March 2010, the city of Sioux Falls reconstructed the existing 41st Street bridge in order to raise the levee system. The project was substantially completed in September 2010.
- The 2011 Omnibus Bill appropriated $3.31 million for project design and construction.
- Phase 3 was awarded at $8.8 million, and work began above the diversion dam and on the diversion channel where the levees were raised two to four feet. Phase 3 was completed by the end of calendar year 2012 and was the final phase of construction.
- The Corps of Engineers prepared documents for certification of the remaining uncertified levees within the city. FEMA completed the process of revising the flood insurance rate maps

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within the city limits. With the completion of the new rate maps, the Sioux Falls Flood Control Project was completed.

- In 2013, the project reached substantial completion. The new levee system building was built, and all of the gates and posts for the closure structures were received. Testing of the controls for the dam was conducted, and the operation of the gates was successfully completed. The Corps of Engineers awarded and completed a project to replace a deficient drainage structure through the levee next to the Sioux Falls zoo.
- In 2015, the major work on the levee system was completed. The Corps of Engineers submitted the application to FEMA for a physical map revision. FEMA review and issuance of new flood insurance rate maps resulted in approximately 1,500 properties in Sioux Falls being taken out of the floodplain.
- In 2016, the $2,036,375 in grant funds appropriated by the 2016 legislature was placed under agreement with the city of Sioux Falls. This funding provided the final portion of the state's cost share commitment to provide half of the nonfederal cost share to the city, and all necessary work was completed.
- In 2022, Sioux Falls finalized work with the Corps of Engineers to complete property appraisals for city-owned land that was not previously appraised. After final costs were reviewed it was determined the eligible project costs were less than originally estimated when funds were appropriated. Of the $2,036,375 provided in 2016, the city of Sioux Falls reverted $911,375.
- After 2023, no further work on the project is currently planned.

Vermillion Basin Flood Control Project – 1987

- The project objective is to address the severe flooding problems in the Vermillion River Basin. The basin covers 2,697 square miles in parts of 14 counties and is about 150 miles long with an average width of about 20 miles.
- In 1993, the Corps of Engineers completed The *Vermillion Basin Flood Control Reconnaissance Report* but failed to identify a feasible federal project. The project sponsors re-evaluated project alternatives for nonfederal development. Local project sponsors submitted a pre-application notification for a Federal Emergency Management Agency (FEMA) Hazard Mitigation grant for a *Feasibility Study of Flood Control Alternatives* for the basin. In 1994, more than 70 technical experts met to develop a multi-objective plan to reduce flooding impacts in the Vermillion River Basin. The National Park Service compiled the group's issues and suggestions and formulated the multi-objective plan.
- The Vermillion River Watershed Authority was incorporated in December 1997 and is comprised of representatives from the Clay, Miner, Turner, McCook, and Lake County commissions. The Authority proposed to use FEMA Hazard Mitigation grant funds to widen the channel at the outlet of Lake Thompson and construct a control structure to retain the natural outlet elevation, channel maintenance along 19 miles of the Vermillion River and its tributaries, and wetland restoration and development throughout the basin. The cost benefit ratio for the outlet of Lake Thompson was found to be in error. The ratio was actually less than one; consequently, all FEMA Hazard Mitigation funds were withdrawn. The Authority

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withdrew its request to set the outlet elevation on Lake Thompson and moved to dissolve after financial records were completed.

- No activity occurred on the project in 2026.

Water Investment in Northern South Dakota Project – 2023

- The 2023 Omnibus Bill added the Water Investment in Northern South Dakota (WINS) project to the SWRMS list. The WINS project is a joint effort between WEB Water, Inc, the city of Aberdeen, and the BDM Rural Water system to construct a new pipeline to transmit water from the Missouri River to northeast South Dakota estimated at a 2022 cost of more than $755 million. A $5,000,000 grant was appropriated as part of the 2023 Omnibus Bill for the engineering design, preconstruction activities, and construction associated with the project.
- In 2022 and 2023, the Board of Water and Natural Resources awarded a total of $39,230,000 of American Rescue Plan Act (ARPA) grants to several different construction phases of the project.
- The 2024 Omnibus Bill provided an additional $5,000,000 SWRMS grant towards completion of the project. The Board of Water and Natural Resources awarded an additional $10,500,000 of ARPA grant funds towards the project. This brings the total state contribution towards the WINS project to $59,730,000.
- During 2024, construction was ongoing for the 13.5 mile, 49.5-inch raw and treated water main project that connect WEB's Missouri River intake to the water treatment plant, and the water treatment plant to the distribution system near the intersection of Highways 83 and 12. To date, approximately 6 miles of water main have been installed.
- The 2025 Omnibus Bill provided an additional $2,000,000 SWRMS grant towards completion of the project. The Board of Water and Natural Resources awarded an additional $1,221,248 of ARPA grant funds towards the project. This brings the total state contribution towards the WINS project to $62,951,248.
- During 2025, construction was completed for the 13.5 mile, 49.5-inch raw and treated water main project that connect WEB's Missouri River intake to the water treatment plant, and the water treatment plant to the distribution system near the intersection of Highways 83 and 12.
- In March 2025, bids were opened for the Spring Lake and Bowdle phases of the WINS project, which includes approximately 8.5 miles of 36-inch water main. This project is anticipated to be complete in early 2027. These parallel water mains will increase system capacity to assist with the connection to Aberdeen.
- An additional phase totaling 9 miles must be completed for there to be 4 million gallons a day available at Mina which would supply the next phase, Mina to Aberdeen. These remaining phases to allow connection and service to Aberdeen have an estimated cost of $108 million.
- The 2026 Omnibus Bill provided an additional $2,000,000 SWRMS grant towards completion of the project. This brings the total state contribution towards the WINS project to $64,951,248.

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- During 2026, construction began on the Spring Lake and Bowdle segments of the WINS project, which includes approximately 8.5 miles of 36-inch water main. These segments are anticipated to be completed in early 2027.
- The next segment totaling 9 miles of 30" water main near Ipswich is scheduled to go to bid late in 2026. This segment will be funded with a $20,300,000 Congressionally Designated Spending allocation provided through the Bureau of Reclamation, which includes an $18,882,750 grant and a $1,417,250 loan. The remaining project funding for this segment will come from previously awarded SWRMS awards for local match.
- Three segments remain to begin construction, which will allow up to 4 million gallons per day of water to become available to Aberdeen. These remaining construction phases to allow connection and service to Aberdeen have an estimated cost of $95 million.

Western Dakota Regional Water System Study – 2023

- In 2022, the Board of Water and Natural Resources awarded an $8,000,000 American Rescue Plan Act (ARPA) grant to the Western Dakota Regional Water System to assist in funding the study.
- The 2023 Omnibus Bill added the Western Dakota Regional Water System study to the SWRMS list. The Western Dakota Regional Water System Study will evaluate the feasibility of bringing water from the Missouri River to areas throughout western South Dakota. The total study cost is estimated at $13.165 million. A $1,000,000 grant was appropriated as part of the 2023 Omnibus Bill for a feasibility level study, system startup, and administration of the Western Dakota Regional Water System study.
- The 2024 Omnibus Bill provided an additional $1,000,000 SWRMS grant towards completion of the study. The Board of Water and Natural Resources awarded an additional $2,165,000 of ARPA grant funds towards the study. This brings the total state contribution towards the feasibility study to $12,165,000.
- During 2024, work on the study included continued outreach efforts and meetings to inform potential systems of participation in the regionalization effort. Membership was increased by 11 system up to 35 total members.
- During 2025, coordination efforts with South Dakota's Congressional Delegation and U.S. Bureau of Reclamation concerning federal project authorization and alternatives for general water development project reauthorizations were on-going.
- During 2025, conceptual designs for mainline transmission pipeline from Lake Oahe to Rapid City area was evaluated, to include pumping and storage necessary along the potential routes. A more detailed review of water intake locations was completed with the preferred alternative being identified as a new Lake Oahe intake facility. Desktop reviews of potential regional transmission line routes from Rapid City to other system members were undertaken to further define possible routes.
- In 2025, The U.S. Geological Survey completed an evaluation of ground water availability and use information to review the ability of existing sources to meet the needs of the region. This evaluation is necessary for completion of the feasibility study. To assure necessary water

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rights necessary to meet anticipated member demands were secured the Western Dakota RWS applied for a 20,765 acre-feet Missouri River surface water right permit. State law requires legislative approval of all water rights in excess of 10,000 acre-feet. In 2025, the legislature approved Western Dakota RWS's request through SJR 501. After legislative approval was secured, the Water Management Board took action to approve the future use water right.

- In 2026, WDRWS neared completion of engineering evaluations of the proposed Lake Oahe intake, pumping and storage requirements, transmission alignment, and connections to member systems. Completed items include evaluations of regional distribution networks and financial analyses addressing capital and operating cost allocation, local matching requirements, and affordability for member systems.
- WDRWS continues to pursue federal authorization for Bureau of Reclamation participation in the Feasibility Study. Authorization bills introduced in 2026 in both the U.S. House and Senate have advanced through committee markup and are awaiting consideration by the full chambers.

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Recommendations to the Governor and State Legislature

In November 2026, the board conducted a public meeting on the State Water Resources Management System (SWRMS) projects. The board adopted Resolution #2026-____ recommending that all current projects be retained on the SWRMS list. The board also adopted Resolution #2026-____ providing its recommendations to the Governor and the Legislature for the Water and Environment Fund (WEF) and WEF subfunds and state fiscal year 2028 appropriation levels. A summary of the board's recommendations are below. Full resolutions are in Appendix B.

Table 17 – Board of Water and Natural Resources Funding Recommendations

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Appendix A

Water and Environment Fund Special Condition Statement

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WATER AND ENVIRONMENT FUND
Special Condition Statement
As of 6/30/2026

Cash Balance as of 6/30/2026		**42,665,322.60**
Projected SFY 2027 Revenues		
Capital Construction Fund	11,700,000.00	
Contractors' Excise Tax	450,000.00	
Investment Interest	1,700,000.00	
Loan Principal & Interest Payments (Water)	490,000.00	
Loan Principal & Interest Payments (Solid Waste)	790,000.00	
Solid Waste Fees	2,000,000.00	
		17,130,000.00
FY2027 Transfer (Per SDCL 1-41-23.1)		
Environment & Natural Resources Fee Fund		(600,000.00)
Available Balance		**59,195,322.60**
Board of Water and Natural Resources Commitments		
Consolidated Water Facilities Construction Program		(30,830,307.00)
Solid Waste Management Program		(3,652,093.00)
SWRMS Grants/Loans - Major Projects		
DANR - Water Rights Well Installation	0.00	
Watertown Big Sioux Flood Control Study	(287,500.00)	
Western Dakota Regional Water Study	(755,180.00)	
DANR - Wetland Screening Tool Development	(500,000.00)	
WEB WINS Project	(12,368,812.00)	
Dakota Mainstem Regional Water Study	(1,673,289.00)	
		(15,584,781.00)
Commitment Total		**(50,067,181.00)**
Uncommitted Special Appropriation Authority		
Consolidated Water Facilities Construction Program		(2,709,298.39)
Solid Waste Management Program		(2,242,561.06)
SWRMS Grants/Loans - Major Projects		
DANR - Water Rights Well Installation	0.00	
Watertown Big Sioux Flood Control Study	0.00	
Water Investment in Northern South Dakota project	0.00	
WEB WINS Project	0.00	
Western Dakota Regional Water Study	0.00	
		0.00
Uncommitted Total		**(4,951,859.45)**
Projected Surplus/(Shortfall) for preparation of 2027 Omnibus Bill		**4,176,282.15**

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Appendix B

Board of Water and Natural Resources Resolutions

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STATE OF SOUTH DAKOTA
BOARD OF WATER AND NATURAL RESOURCES
RESOLUTION NO. 2026-____

PROVIDING TO THE SOUTH DAKOTA LEGISLATURE AND GOVERNOR, THE BOARD OF WATER AND NATURAL RESOURCES' RECOMMENDATIONS FOR STATE WATER RESOURCES MANAGEMENT SYSTEM DESIGNATION.

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STATE OF SOUTH DAKOTA
BOARD OF WATER AND NATURAL RESOURCES
RESOLUTION NO. 2026-____

PROVIDING TO THE SOUTH DAKOTA LEGISLATURE AND GOVERNOR, THE BOARD OF WATER AND NATURAL RESOURCES' RECOMMENDATIONS FOR WATER AND ENVIRONMENT FUND FISCAL YEAR 2028 APPROPRIATION LEVELS.

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November 5, 2026
Item 14

TITLE:	Howard Request to Deobligate Clean Water SRF Loan C461127-03
EXPLANATION:	On March 26, 2026, the Board of Water and Natural Resources awarded Howard a $2,816,000 Clean Water SRF loan for a Wastewater Treatment Facility Improvements project. DANR staff received a letter dated October 1, 2026, from the city of Howard requesting to deobligate the $2,816,000 Clean Water SRF loan C461127-03.
RECOMMENDED ACTION:	Rescind Resolution #2026-45 which awarded the Clean Water SRF loan for the project.
CONTACT:	Tina McFarling, 773-5559

howard
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E-Mail: howardsd@alliancecom.net

October 1, 2026

Andy Bruels
DANR
523 East Capitol Avenue
Pierre, SD 57501

Dear Mr. Bruels:

The City of Howard is requesting to rescind the Howard Wastewater Treatment Facility Improvement Project Funding.

We truly appreciate the financial assistance your agency has provided our city in the past and look forward to working with your agency on future water and wastewater projects.

If you require any additional information regarding this matter, please feel free to contact me.

Sincerely,

Greg Vavra
Mayor
City of Howard

Mayor

Greg Vavra
City Attorney
Todd Wilkinson

City Council Members
Ward I
Lynn Borgers
Jean Thompson
Ward II
Curt Eliason
Nathan Dawson
Ward III
Drew Yanish
Shane Rowley

City Finance Officer

Kim Paradies

Deputy Finance Officer
Heidi Dornbusch

Electric Superintendent
Kody Dawson

Water/Sewer
Eric Rentschler

Streets & Parks
Josh Esser