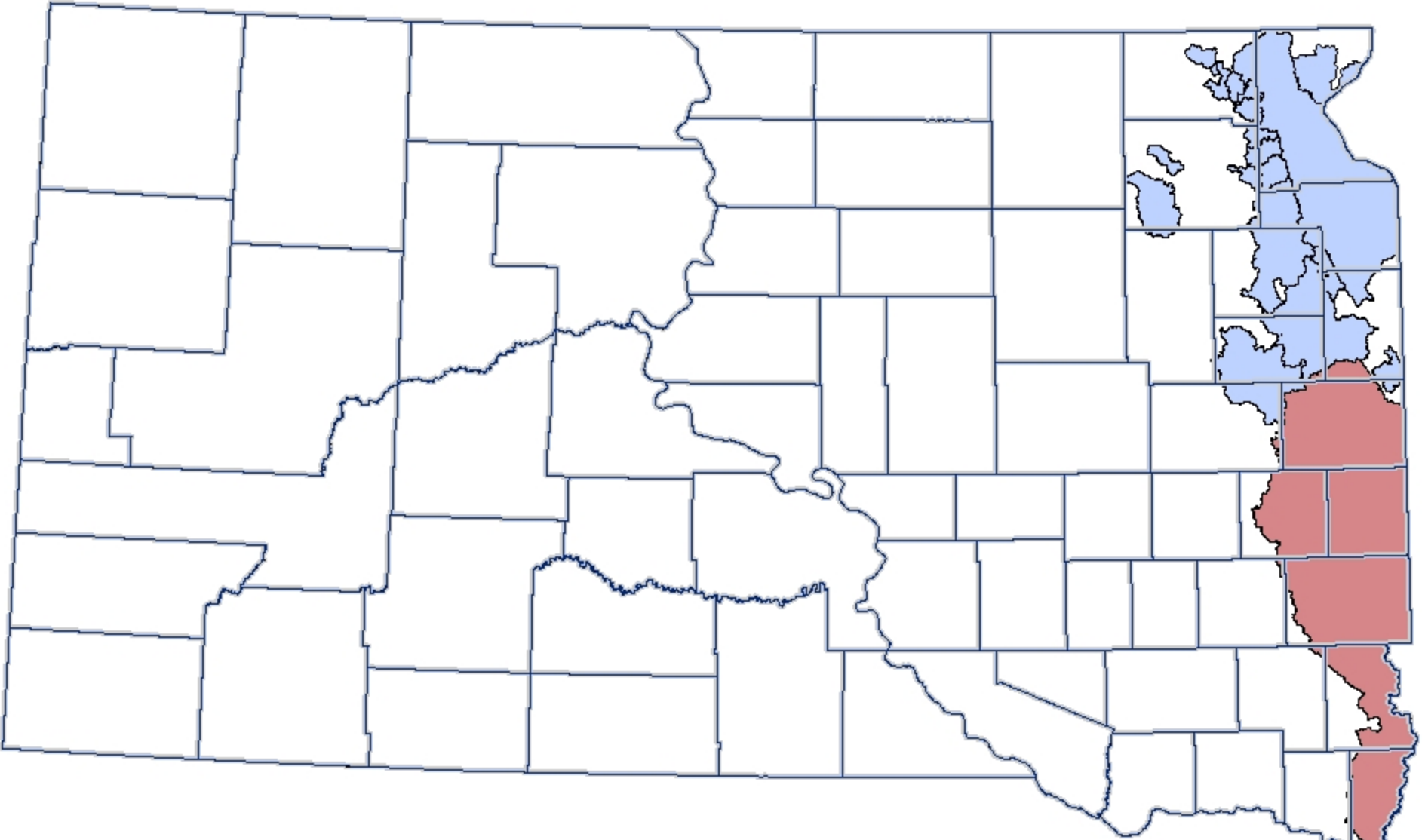


Nonpoint Source Implementation Projects requesting FY2023 Section 319 Funds



Legend

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



FFY 2023 319 NONPOINT SOURCE PROGRAM
FUNDING RECOMMENDATIONS

FFY 2023 FUNDING

NPS Program Funds	\$1,377,500
Watershed Project Funds	\$1,377,500
	\$2,755,000
DANR Staff & Support	<u>(\$770,000)</u>
Total 319 Available for Projects	\$1,985,000
CWSRF Water Quality Grants	<u>\$200,000</u>
Total Available for Pass Through	\$2,185,000

IMPLEMENTATION PROJECTS

Big Sioux River Project Segment 4 (Amendment)
SD NPS Information and Education Project Segment 7 -- New
Northeast Glacial/Upper Big Sioux Segment 1 -- New
Soil Health Improvement and Planning Project Segment 3 -- New

Total Implementation

Total Request

Requested	Recommendations				
	DANR		Total	Task Force	BWNR
	319	WQ Grants			
\$830,000	\$ 651,500		\$651,500	\$651,500	
\$350,000	\$ 250,000	\$ 100,000	\$350,000	\$350,000	
\$759,500	\$ 426,500	\$ 100,000	\$526,500	\$526,500	
\$965,750	\$ 657,000		\$657,000	\$657,000	
\$2,905,250	\$ 1,985,000	\$ 200,000	\$2,185,000	\$2,185,000	

319 plus CWSRF WQ

Total Available

\$2,185,000

\$ 2,185,000

DRINKING WATER FACILITIES FUNDING APPLICATION FINANCIAL ANALYSIS SUMMARY

APPLICANT: South Dakota Ellsworth Development Authority

Total Project Cost: \$29,760,481

BWNR Funding Assistance Requested: \$12,192,000

Rate/Term: 1.625%/30 years

Security Pledged For Repayment Of Loan: Revenue

Staff Analysis

- 1) The Air Force has partnered with South Dakota Ellsworth Development Authority (SDEDA) to complete a community water system design to provide drinking water supply to PFOS and PFOA impacted private properties identified by the Air Force
- 2) SDEDA plans on building capacity above the Air Force requirements to help address broader regional water needs being addressed in a separate regional study. The new water line could provide water supply to the regions north of Rapid City, east of Black Hawk, and to New Underwood.
- 2) SDEA has not secured the necessary state permits to proceed with the project and Meade County has also denied the water pipeline permit application.

Funding Recommendation: No Funding - Application withdrawn

January 2023 Available Funds Summary

AMERICAN RESCUE PLAN ACT (ARPA) GRANTS

2022 Appropriation:	\$	600,000,000
Reversions:	\$	6,222,407
Awarded to Date:	\$	(606,190,008)
Available for Award:	\$	<u>32,399</u>

CONSOLIDATED WATER FACILITIES CONSTRUCTION PROGRAM

Available Funds:	\$	10,591
Reversions:	\$	49,596
Available for Award:	\$	<u>60,187</u>

CLEAN WATER SRF WATER QUALITY GRANTS

Available Funds:	\$	110,323
2022 IUP Allocation:	\$	300,000
Reversions:	\$	4,311
2022 SCPG Allotment:	\$	(100,000)
Awarded to Date:	\$	(310,323)
Available for Award:	\$	<u>4,311</u>

January 2023

Available Funds Summary

DRINKING WATER SRF PRINCIPAL FORGIVENESS

Base SRF Principal Forgiveness Allocations:	\$	44,333,680
FFY-22 Maximum Allocation:	\$	981,120
Reverted Principal Forgiveness:	\$	2,364
Awarded to Date:	\$	(45,014,546)
Available For Award:	\$	302,618
Princ. Forg. for Disadvantaged Communities:	\$	19,888,250
FFY-22 Maximum Allocation:	\$	2,452,800
Reverted Principal Forgiveness:	\$	85,371
Awarded to Date:	\$	(19,973,621)
Available For Award:	\$	2,452,800
BIL Supplemental PF for Disadvantaged Communities:	\$	-
FFY-22 Maximum Allocation:	\$	8,816,080
Reverted Principal Forgiveness:	\$	-
Awarded to Date:	\$	(4,690,396)
Available For Award:	\$	4,125,684
BIL Emerging Contaminants Principal Forgiveness:	\$	-
FFY-22 Maximum Allocation:	\$	7,555,000
Transfer from CWSRF Allocation:	\$	459,000
Reverted Principal Forgiveness:	\$	-
Awarded to Date:	\$	(7,895,000)
Available For Award:	\$	119,000
BIL Lead Service Line PF for Disadvantaged Communities:	\$	-
FFY-22 Maximum Allocation:	\$	13,891,500
Reverted Principal Forgiveness:	\$	-
Awarded to Date:	\$	-
Available For Award:	\$	13,891,500

January 2023

Available Funds Summary

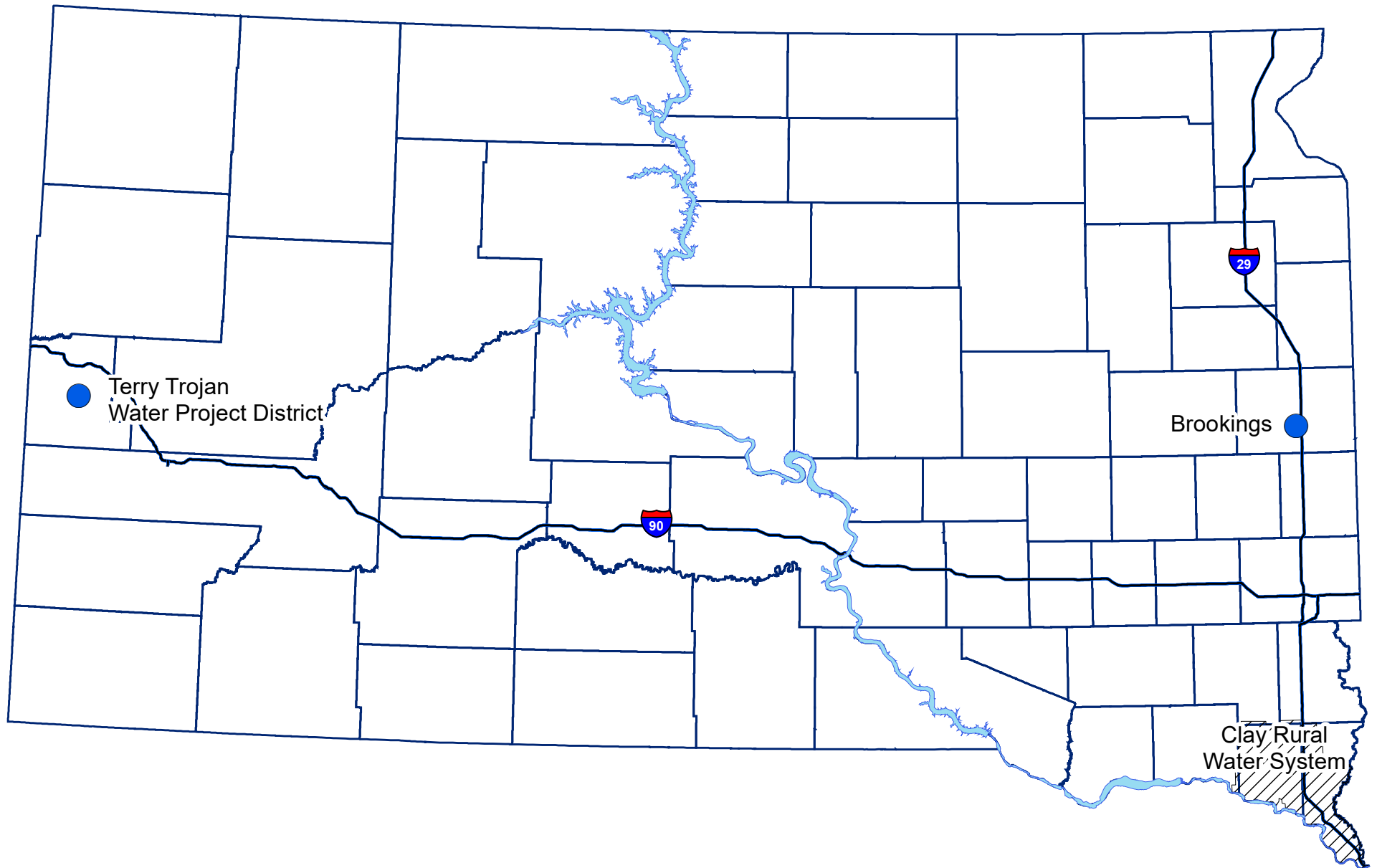
CLEAN WATER SRF PRINCIPAL FORGIVENESS

Prior Year Principal Forgiveness Allocations:	\$	28,543,499
FFY-22 Maximum Allocation:	\$	2,272,400
Reverted Principal Forgiveness:	\$	166,573
Awarded to Date:	\$	(28,710,072)
Available For Award:	\$	2,272,400

BIL Supplemental PF for Disadvantaged Communities:	\$	-
FFY-22 Maximum Allocation:	\$	4,281,620
Reverted Principal Forgiveness:	\$	-
Awarded to Date:	\$	(3,284,000)
Available For Award:	\$	997,620

BIL Emerging Contaminants Principal Forgiveness:	\$	-
FFY-22 Maximum Allocation:	\$	459,000
Transferred to DWSRF Allocation:	\$	(459,000)
Reverted Principal Forgiveness:	\$	-
Awarded to Date:	\$	-
Available For Award:	\$	-

Drinking Water Funding Applications January 2023



DRINKING WATER FACILITIES FUNDING APPLICATION FINANCIAL ANALYSIS SUMMARY

APPLICANT: Terry Trojan Water Project District DW-03

Total Project Cost:	\$1,175,303
BWNR Funding Assistance Requested:	\$700,000
Rate/Term:	1.875%/10 Years
Security Pledged For Repayment Of Loan:	System Revenue

Staff Analysis

- 1) Terry Trojan WPD is seeking funding for their water meter project. This project was partially funded with their DW-01 loan, but due to increased project costs, more funding is needed. The remaining funds on the DW-01 loan are \$375,307.
- 2) Current rates for Terry Trojan WPD are \$95/7,000 gallons usage and the current coverage is at 100%, which is below the required 110% debt coverage.
- 3) The system applied for a 30 year loan, but water meters only have a life expectancy of 10 years.

Funding Recommendation: Award a \$700,000 Drinking Water SRF loan with up to 42.9% principal forgiveness not to exceed \$300,000.

Debt Service Coverage: 110% with rates of \$110/7,000 gallons.

Loan Contingencies:

- 1) Contingent upon the Borrower adopting a bond resolution and the resolution becoming effective.
- 2) Contingent upon the Borrower establishing rates at a level sufficient to provide the required debt coverage.
- 3) Contingent upon receipt of the 2022 Drinking Water State Revolving Fund capitalization grant from EPA.

DRINKING WATER FACILITIES FUNDING APPLICATION FINANCIAL ANALYSIS SUMMARY

APPLICANT: Clay Rural Water System DW-07

Total Project Cost:	\$21,843,000
BWNR Funding Assistance Requested:	\$21,843,000
Rate/Term:	2.125%/30 Years
Security Pledged For Repayment Of Loan:	System Revenue

Staff Analysis

- 1) Clay Rural Water System is proposing a project to address deficiencies caused by population growth and higher water demands.
- 2) Staff analysis has determined at their current rate of \$77.10/ 7,000 gallons they would only have 55% loan coverage and will need to increase rates to maintain the 110% debt coverage.

Funding Recommendation: Award a \$21,843,000 Drinking Water SRF loan at 2.125% for 30 years.

Debt Service Coverage: 111% with rates at \$117.10/7,000 gallons.

Loan Contingencies:

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

DRINKING WATER FACILITIES FUNDING APPLICATION FINANCIAL ANALYSIS SUMMARY

APPLICANT: Brookings DW-02

Total Project Cost:	\$114,702,500
BWNR Funding Assistance Requested:	\$40,700,000
Rate/Term:	1.875% / 30 Years
Security Pledged For Repayment Of Loan:	Project Surcharge

Staff Analysis

- 1) A \$50,963,200 Drinking Water SRF Loan at 1.875% for 30 years was awarded at the March 13, 2022 BWNR Meeting
- 2) If funding is provided as all loan, the city will have to establish a surcharge of approximately \$20.10 per month
- 3) At the recommended level of loan funding, Brookings will need to increase its rates to \$61.85 per 5,000 gallons

Funding Recommendation: Award a \$40,700,000 Drinking Water SRF Loan at 1.875% for 30 years

Debt Service Coverage: 110% based on a \$20.10 surcharge

Loan Contingencies:

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

DRINKING WATER FACILITIES FUNDING APPLICATION FINANCIAL ANALYSIS SUMMARY

APPLICANT: Brookings DW-03

Total Project Cost:	\$1,000,000
BWNR Funding Assistance Requested:	\$1,000,000
Rate/Term:	1.875% / 30 Years
Security Pledged For Repayment Of Loan:	Project Surcharge

Staff Analysis

- 1) A \$50,963,200 Drinking Water SRF Loan at 1.875% for 30 years was awarded at the March 13, 2022 BWNR Meeting
- 2) If funding is provided as all loan, the city will have to establish a surcharge of approximately \$0.25 per month.
- 3) At the recommended level of loan funding, Brookings will need to increase its rates to \$61.85 per 5,000 gallons

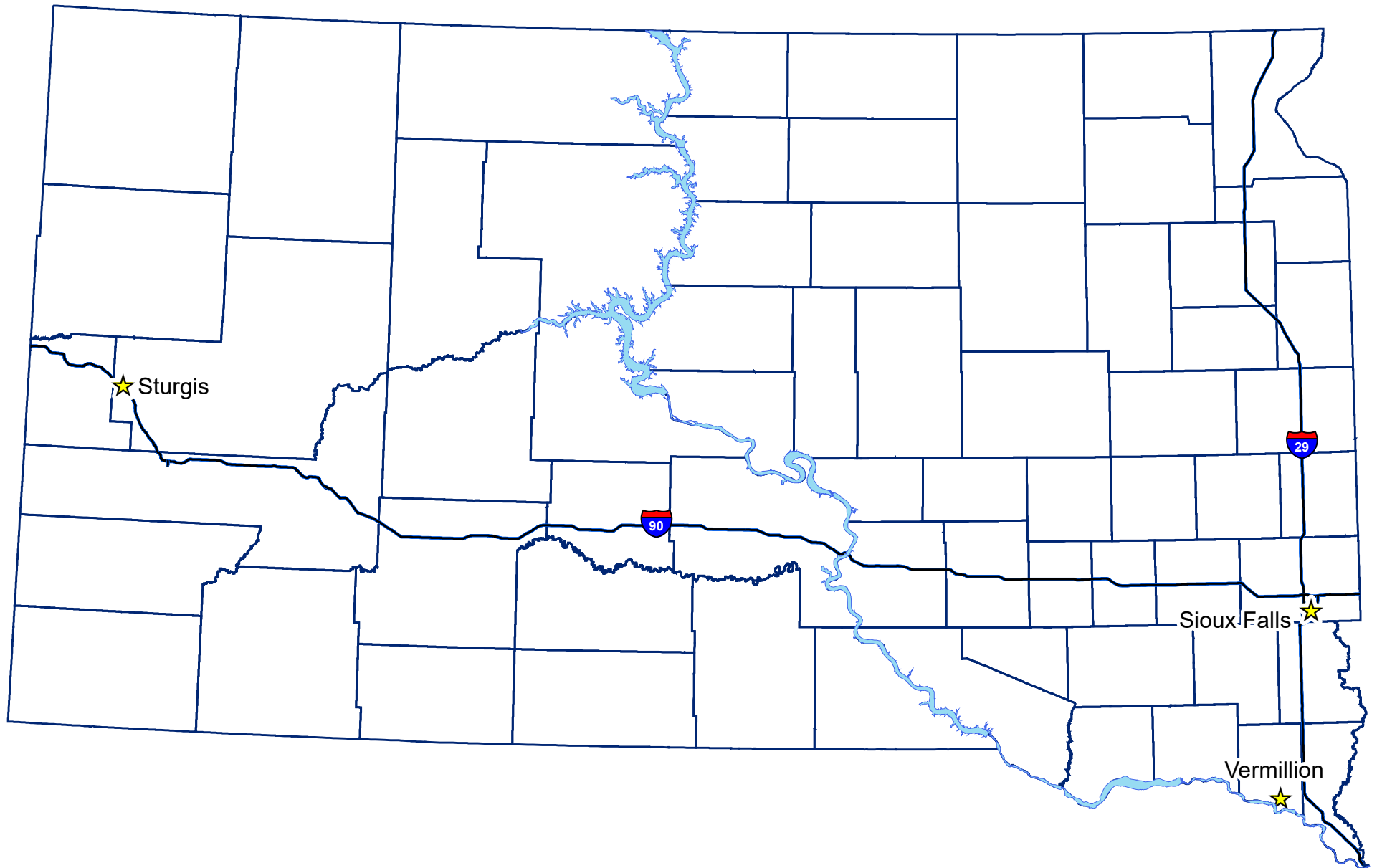
Funding Recommendation: Award a \$1,000,000 Drinking Water SRF loan at 1.875% for 30 years with up to 49% principal forgiveness not to exceed \$490,000.

Debt Service Coverage: 110% based on a \$0.25 surcharge

Loan Contingencies:

- 1) Contingent upon the Borrower adopting a bond resolution and the resolution becoming effective.
- 2) Contingent upon the Borrower establishing a surcharge at a level sufficient to provide the required debt coverage.
- 3) Contingent upon receipt of the 2022 Drinking Water State Revolving fund Lead Service Line Capitalization grant.

Sanitary/Sewer Funding Applications January 2023



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

APPLICANT: Vermillion CW-11

Total Project Cost:	\$1,304,000
BWNR Funding Assistance Requested:	\$1,043,200
Rate/Term:	2.00%/20 Years
Security Pledged For Repayment Of Loan:	Solid Waste Revenue

Staff Analysis

- 1) Vermillion is proposing a project to design and build a new leachate pond.
- 2) Staff analysis has determined at their current rate of \$53.00/ton they would have 963% loan coverage.

Funding Recommendation: Award a \$1,043,200 Clean Water SRF loan at 2.00% for 20 years.

Debt Service Coverage: 963% with rates of \$53.00/ton.

Loan Contingencies:

- 1) Contingent upon the Borrower adopting a bond resolution and the resolution becoming effective.
- 2) Contingent upon the Borrower executing Joint Powers Agreement between the city of Vermillion, the city of Yankton, Clay County and Yankton County.

SANITARY/STORM SEWER FACILITIES FUNDING APPLICATION FINANCIAL ANALYSIS SUMMARY

APPLICANT: Sioux Falls CW-45

Total Project Cost:	\$17,951,000
BWNR Funding Assistance Requested:	\$17,951,000
Rate/Term:	1.25%/ 20 years
Security Pledged For Repayment Of Loan:	System Revenue

Staff Analysis

- 1) Sioux Falls is proposing a project to construct a new trunk line near 12th Street and Ellis Road to accomadate future needs.
- 2) Staff analysis has determined at their current rates of \$41.06 the city would have the required debt coverage to cover a new loan.
- 3) The loan will consist of two series - a \$16,711,000 series for the Basin 15 Sanitary Sewer Extension project and a \$1,240,000 series for the nonpoint source project.

Funding Recommendation: Award a \$17,951,000 Clean Water SRF loan at 1.25% for 20 years.

Debt Service Coverage: 129% based on current rates.

Loan Contingencies:

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

Loan Special Condition:

- 1) It shall be a condition of the Loan that the Borrower may not draw funds from the proceeds of the Series NPS Borrower Bond until EPA approves the revised budget for the Big Sioux Watershed Implementation Project.

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

APPLICANT: Sturgis CW-07

Total Project Cost:	\$10,339,000
BWNR Funding Assistance Requested:	\$10,339,000
Rate/Term:	2.125%/30 Years
Security Pledged For Repayment Of Loan:	Project Surcharge

Staff Analysis

- 1) If funding is provided as all loan, the city will have to establish a surcharge of approximately \$11.10 per month.
- 2) At the recommended level of loan funding, Sturgis will need to increase its rates to \$55.02 per 5,000 gallons.

Funding Recommendation: Award a \$10,339,000 Clean Water SRF loan at 2.125% for 30 years.

Debt Service Coverage: 110% based on an \$11.10 surcharge

Loan Contingencies:

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

January 2023

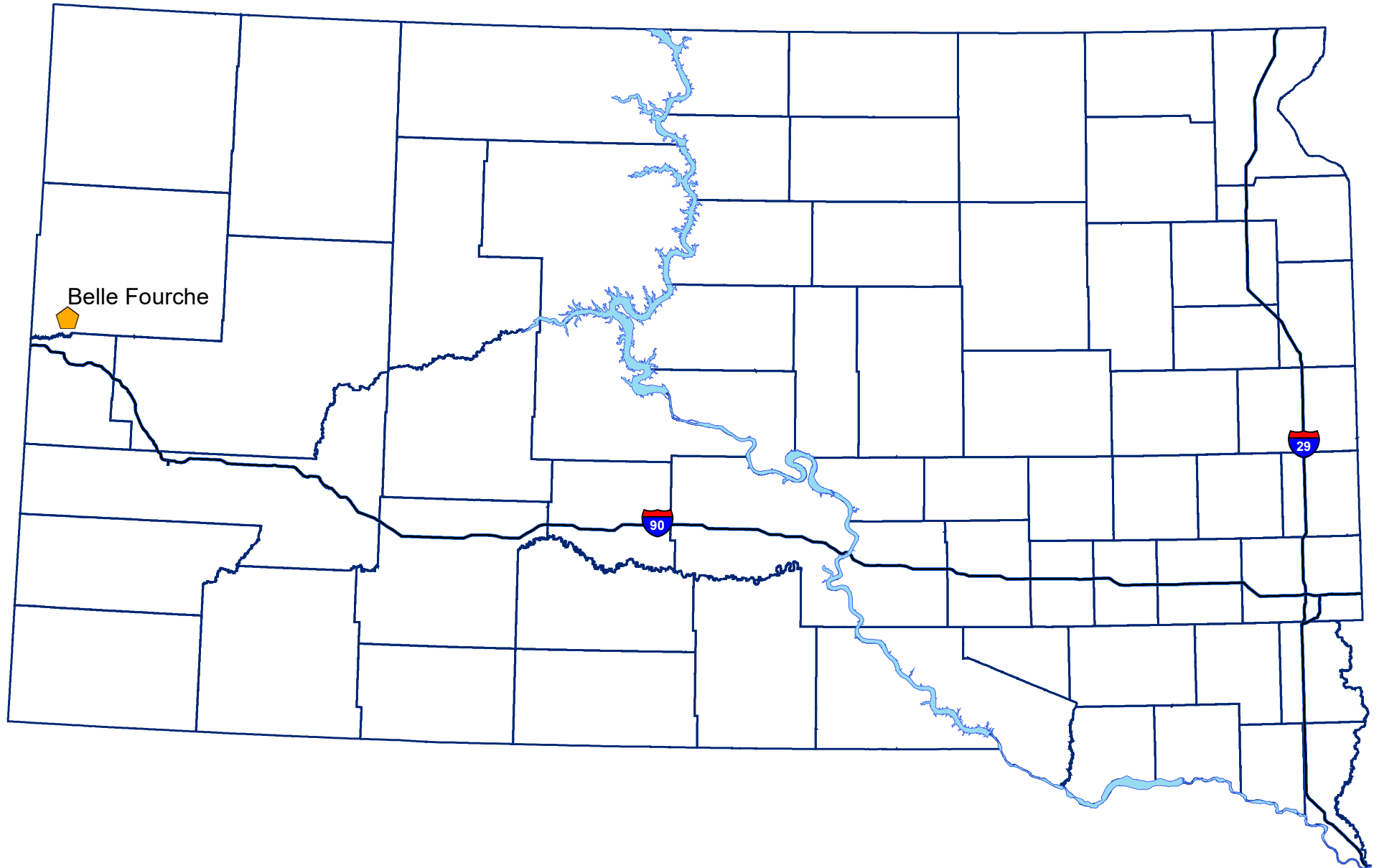
Dedicated Solid Waste Management Fees

Solid Waste Management Program (SWMP)

Available Funds:	\$	168,459
Reversions:	\$	65,704
Available for Award:	<u>\$</u>	<u>234,163</u>

Solid Waste Management Program Funding Applications

January 2023



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

APPLICANT: City of Belle Fourche

Total Project Cost: \$718,385

BWNR Funding Assistance Requested: \$359,192

Rate/Term: N/A

Security Pledged For Repayment Of Loan: N/A

Staff Analysis

- 1) Belle Fourche will purchase a pre-shredding machine to increase-on-site volume reduction of municipal solid waste at their landfill. This will help to improve operational efficiencies and extend the useful life of the landfill.

Funding Recommendation: Award a Solid Waste Management Program grant at 10.1% of eligible costs not to exceed \$72,000.

January 2023

Dedicated Solid Waste Management Fees

Solid Waste Management Program (SWMP)

Available Funds:	\$	168,459
Reversions:	\$	65,704
Available for Award:	\$	234,163
Recommended:	\$	(72,000)
Balance:	\$	162,163

January 2023
Available Funds Summary

AMERICAN RESCUE PLAN ACT (ARPA) GRANTS

2022 Appropriation:	\$	600,000,000
Reversions:	\$	8,082,957
Awarded to Date:	\$	(606,190,008)
Available for Award:	\$	1,892,949
Recommended:	\$	-
Balance:	\$	1,892,949

CONSOLIDATED WATER FACILITIES CONSTRUCTION PROGRAM

Available Funds:	\$	10,591
Reversions:	\$	151,796
Available for Award:	\$	162,387
Recommended:	\$	-
Balance:	\$	162,387

CLEAN WATER SRF WATER QUALITY GRANTS

Available Funds:	\$	110,323
2022 IUP Allocation:	\$	300,000
Reversions:	\$	4,311
2022 SCPG Allotment:	\$	(100,000)
Awarded to Date:	\$	(310,323)
Available for Award:	\$	4,311
Recommended:	\$	-
Balance:	\$	4,311

January 2023 Available Funds Summary

DRINKING WATER SRF PRINCIPAL FORGIVENESS

Base SRF Principal Forgiveness Allocations:	\$	44,333,680
FFY-22 Maximum Allocation:	\$	981,120
Reverted Principal Forgiveness:	\$	2,364
Awarded to Date:	\$	(45,014,546)
Available For Award:	\$	302,618
Recommended:	\$	(300,000)
Balance:	\$	2,618
Princ. Forg. for Disadvantaged Communities:	\$	19,888,250
FFY-22 Maximum Allocation:	\$	2,452,800
Reverted Principal Forgiveness:	\$	85,371
Awarded to Date:	\$	(19,973,621)
Available For Award:	\$	2,452,800
Recommended:	\$	-
Balance:	\$	2,452,800
BIL Supplemental PF for Disadvantaged Communities:	\$	-
FFY-22 Maximum Allocation:	\$	8,816,080
Reverted Principal Forgiveness:	\$	-
Awarded to Date:	\$	(4,690,396)
Available For Award:	\$	4,125,684
Recommended:	\$	-
Balance:	\$	4,125,684
BIL Emerging Contaminants Principal Forgiveness:	\$	-
FFY-22 Maximum Allocation:	\$	7,555,000
Transfer from CWSRF Allocation:	\$	459,000
Reverted Principal Forgiveness:	\$	-
Awarded to Date:	\$	(7,895,000)
Available For Award:	\$	119,000
Recommended:	\$	-
Balance:	\$	119,000
BIL Lead Service Line PF for Disadvantaged Communities:	\$	-
FFY-22 Maximum Allocation:	\$	13,891,500
Reverted Principal Forgiveness:	\$	-
Awarded to Date:	\$	-
Available For Award:	\$	13,891,500
Recommended:	\$	(490,000)
Balance:	\$	13,401,500

January 2023 Available Funds Summary

CLEAN WATER SRF PRINCIPAL FORGIVENESS

Prior Year Principal Forgiveness Allocations:	\$	28,543,499
FFY-22 Maximum Allocation:	\$	2,272,400
Reverted Principal Forgiveness:	\$	166,573
Awarded to Date:	\$	(28,710,072)
Available For Award:	\$	2,272,400
Recommended:	\$	-
Balance:	\$	2,272,400
BIL Supplemental PF for Disadvantaged Communities:	\$	-
FFY-22 Maximum Allocation:	\$	4,281,620
Reverted Principal Forgiveness:	\$	-
Awarded to Date:	\$	(3,284,000)
Available For Award:	\$	997,620
Recommended:	\$	-
Balance:	\$	997,620
BIL Emerging Contaminants Principal Forgiveness:	\$	-
FFY-22 Maximum Allocation:	\$	459,000
Transferred to DWSRF Allocation:	\$	(459,000)
Reverted Principal Forgiveness:	\$	-
Awarded to Date:	\$	-
Available For Award:	\$	-
Recommended:	\$	-
Balance:	\$	-