

Drinking Water State Revolving Fund Loan Rates

	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%
Interim Financing (5 Years)	2.50%	0.00%	2.50%
<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	0.00%	0.00%	0.00%
<u>Disadvantaged Community* Loans Up To 10 Years</u>			
MHI between 60% and 80% of MHI	2.25%	0.25%	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

	Interest	Admin	Total
Term Up to 30 Years	3.25%	0.25%	3.50%
Term Up to 20 Years	3.00%	0.25%	3.25%
Term Up to 10 Years	2.75%	0.25%	3.00%
<u>Disadvantaged Community* Loans Up To 30 Years</u>			
Median Household Income (MHI) between 80% of MHI and the MHI	3.00%	0.25%	3.25%
MHI between 60% and 80% of MHI	2.75%	0.25%	3.00%
MHI Income less than 60% of MHI	0.00%	0.00%	0.00%
<u>Disadvantaged Community* Loans Up To 10 Years</u>			
MHI between 60% and 80% of MHI	2.00%	0.25%	2.25%

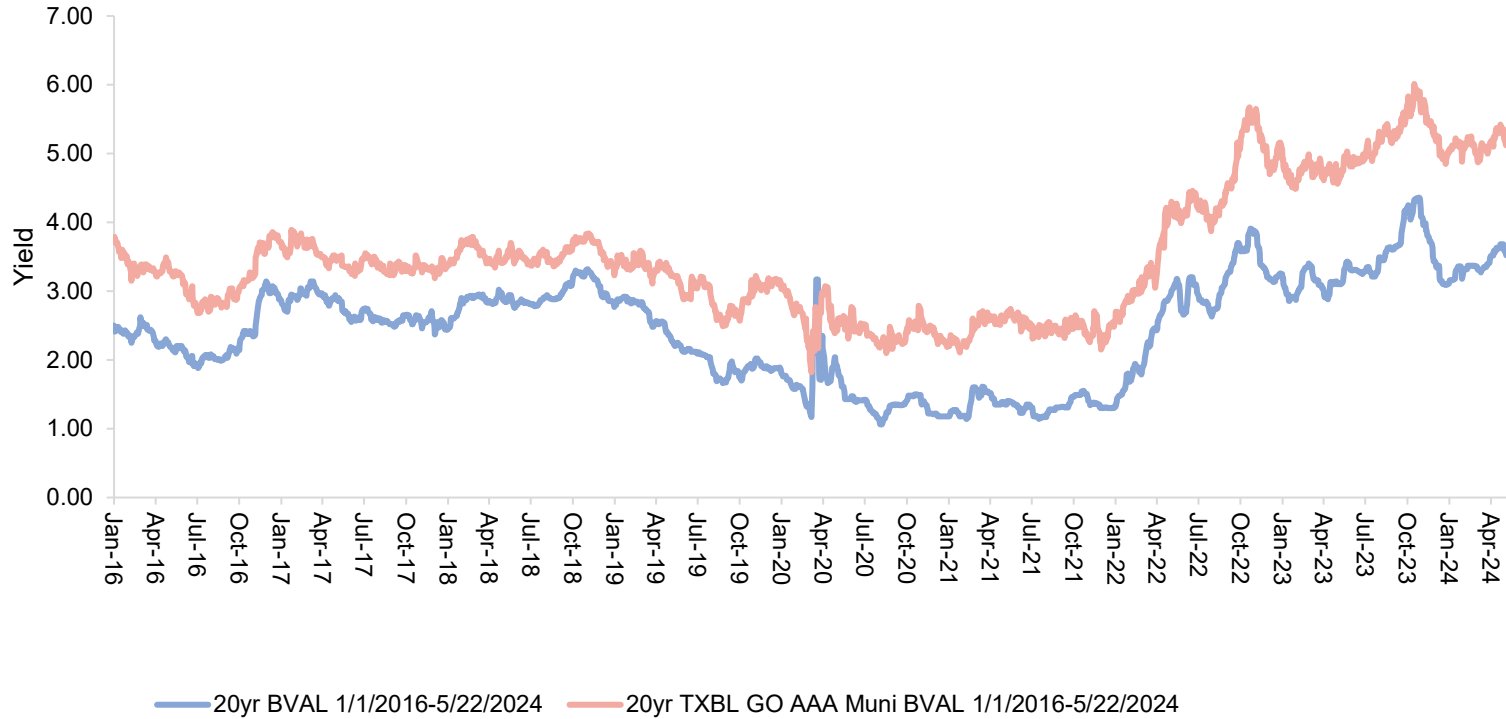
* Disadvantaged community must meet a MHI and water rate criteria as per ARSD 74:05:11:01(8)

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

	Interest	Admin	Total
All Borrowers	0.00%	0.00%	0.00%

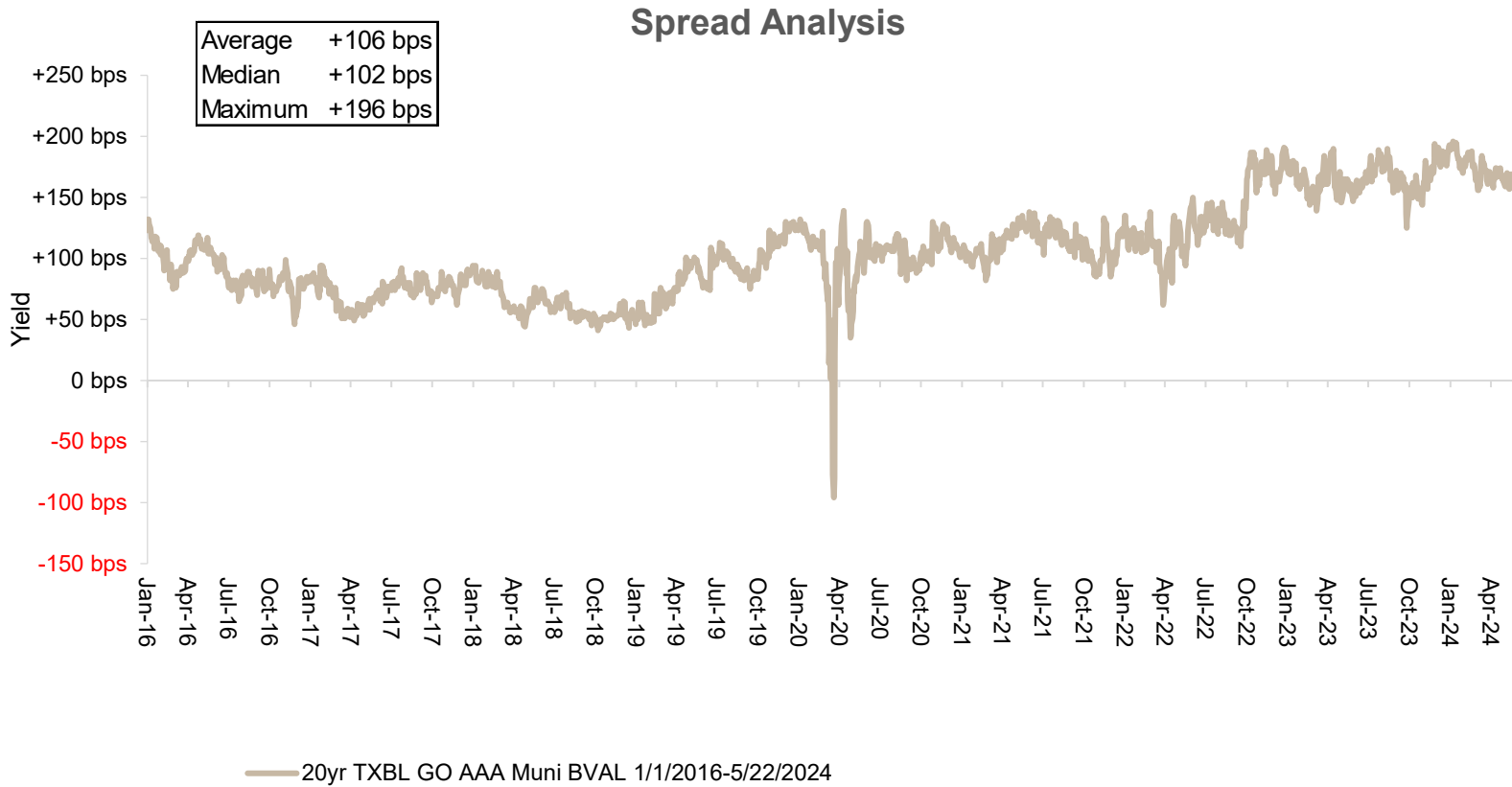


Spot Analysis



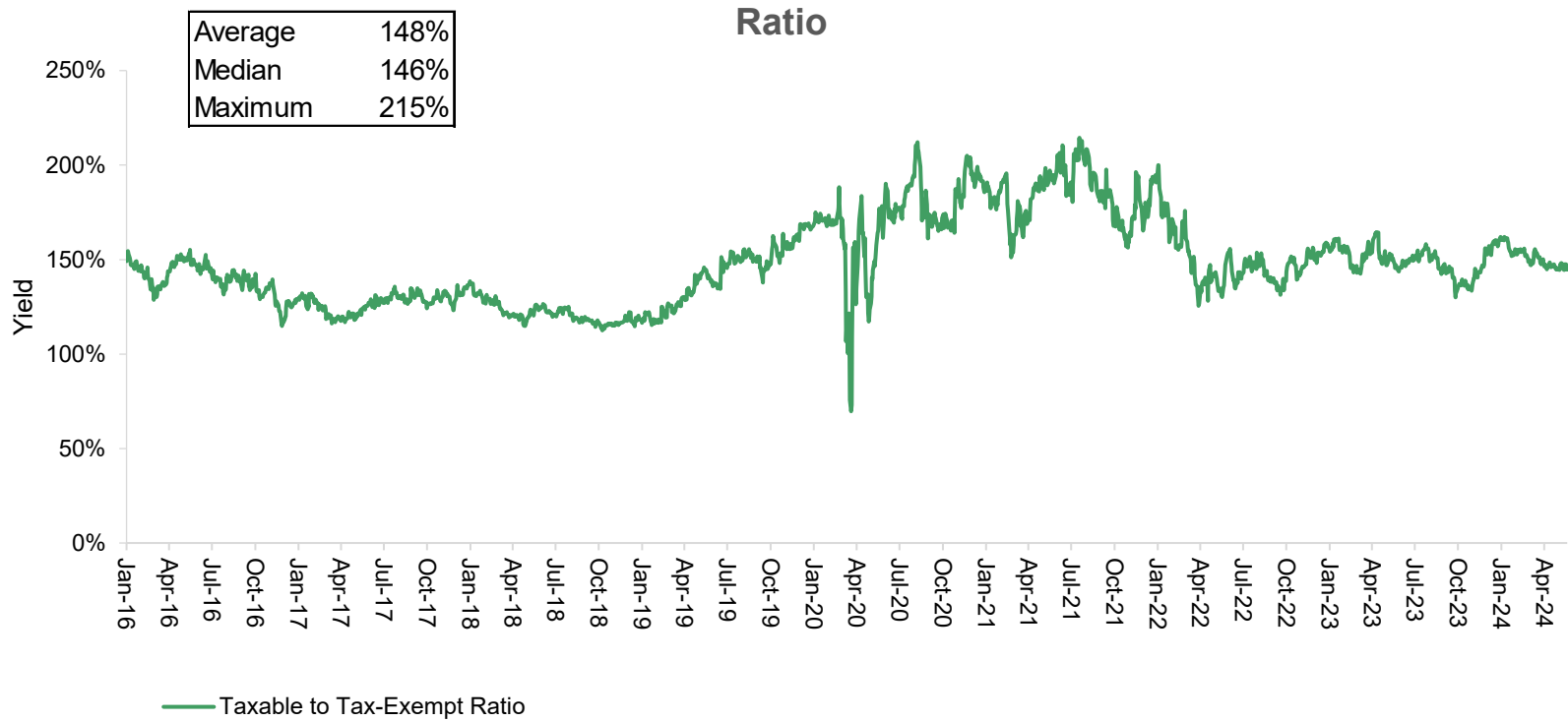


Taxable to Tax-Exempt Spreads





Comparative Ratios – 20-Year



**Drinking Water SRF Interest Rates
Proposed June 27, 2024**

Drinking Water State Revolving Fund Loan Rates for 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%

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

**Drinking Water SRF Interest Rates
Proposed June 27, 2024**

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	3.50%	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%

Disadvantaged Community* Loans Up To 30 Years

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%

Disadvantaged Community* Loans Up To 10 Years

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

	Interest	Admin	Total
Term Up to 30 Years	3.25%	0.25%	3.50%
Term Up to 20 Years	3.00%	0.25%	3.25%
Term Up to 10 Years	2.75%	0.25%	3.00%

Disadvantaged Community* Loans Up To 30 Years

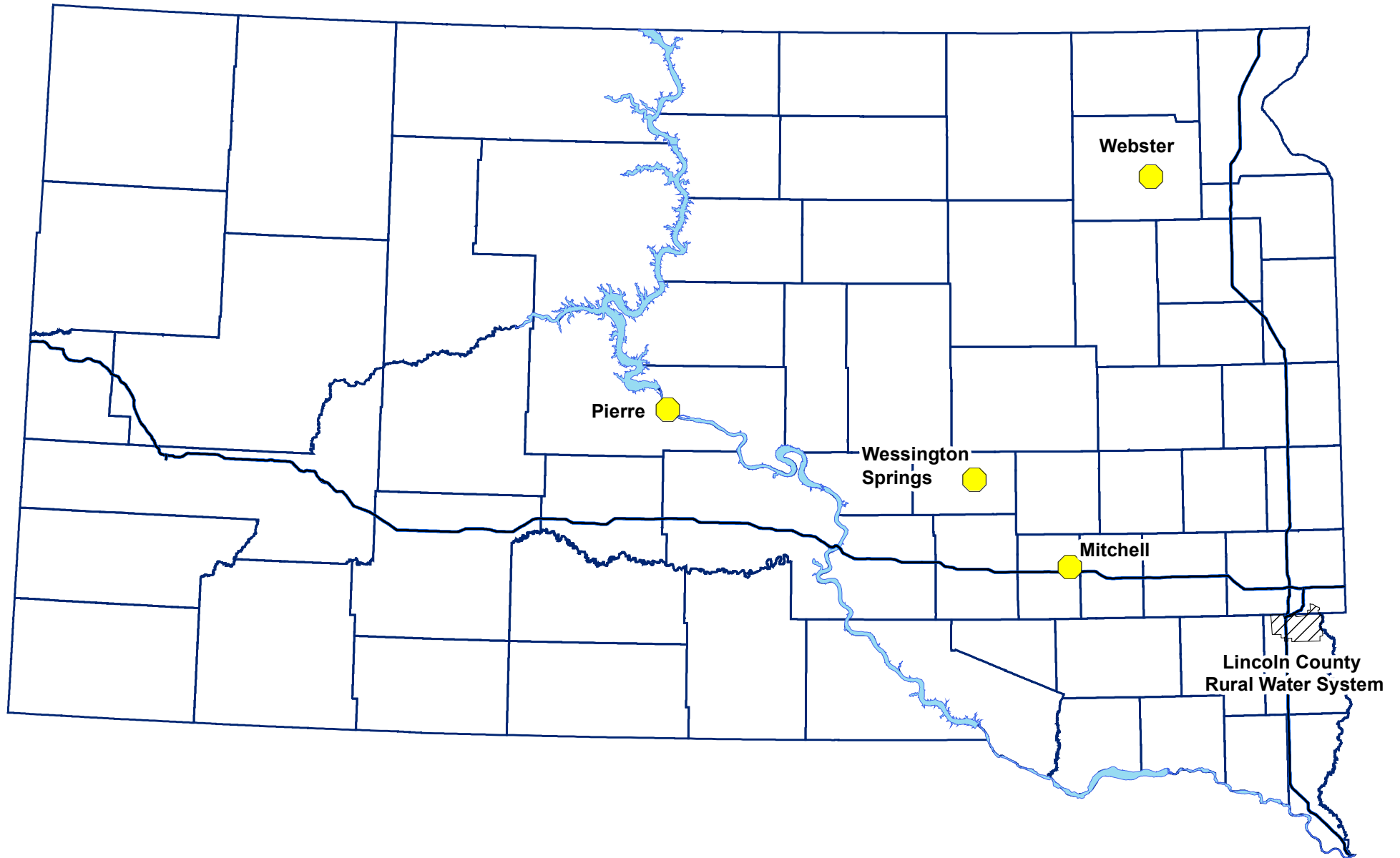
Median Household Income (MHI) between 80% of MHI and the MHI	3.00%	0.25%	3.25%
MHI between 60% and 80% of MHI	2.75%	0.25%	3.00%
MHI Income less than 60% of MHI	2.75%	0.00%	2.75%

Disadvantaged Community* Loans Up To 10 Years

MHI between 60% and 80% of MHI	2.00%	0.25%	2.25%
MHI Income less than 60% of MHI	2.00%	0.00%	2.00%

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

State Water Plan Applications June 2024



State Water Facilities Plan Applicants

Project Sponsor	Description	Projected State Funding (\$)	Recommendation
Lincoln County Rural Water System	Veteran's Parkway Relocation Additional Expansion	\$1,740,000	Place on Facilities Plan
Mitchell	Wastewater Treatment Facility Phase 2 Additional Scope	\$12,908,038	Place on Facilities Plan
Pierre	Euclid Avenue Drinking Water Improvements	\$5,075,823	Place on Facilities Plan
Pierre	Euclid Avenue Wastewater Improvements	\$1,009,096	Place on Facilities Plan
Webster	Industrial Park Wastewater Improvements	\$1,185,000	Place on Facilities Plan
Wessington Springs	Water Distribution and Meter Improvements	\$1,960,000	Place on Facilities Plan

Staff is recommending that the following projects be added to *Attachment I – Project Priority* list of the 2024 Clean Water SRF Intended Use Plan:

Priority Points	Loan Recipient	Estimated Loan Amount	Expected Loan Rate & Term
18	Mitchell	\$12,908,038	3.75%, 30 years
10	Pierre	\$1,009,096	3.75%, 30 years
9	Webster	\$1,185,000	3.75%, 30 years
8	Ipswich	\$390,100	3.75%, 30 years

Staff is recommending that the following projects be added to *Attachment I – Project Priority* list of the 2024 Drinking Water SRF Intended Use Plan:

Priority Points	Loan Recipient	Estimated Loan Amount	Expected Loan Rate & Term
318	Mid-Dakota Rural Water System	\$14,730,000	3.75%, 30 years
104	Wessington Springs	\$1,960,000	3.25%, 30 years
95	Miller	\$1,100,000	3.25%, 30 years
73	Joint Well Field, Inc.	\$5,500,000	3.75%, 30 years
70	Chamberlain	\$500,000	3.75%, 30 years
27	Northville	\$125,000	3.75%, 30 years
13	Pierre	\$5,075,823	3.75%, 30 years
7	Lincoln County Rural Water System	\$1,740,000	4.75%, 30 years

June 2024 Available Funds Summary

AMERICAN RESCUE PLAN ACT (ARPA) GRANTS

2022 Appropriation:	\$	600,000,000
Reversions:	\$	36,440,124.62
Awarded to Date:	\$	(620,813,388)
Available for Award:	\$	15,626,736.62
2024 Appropriation:	\$	89,384,221
Reversions:	\$	-
Awarded to Date:	\$	-
Available for Award:	\$	89,384,221.00

CONSOLIDATED WATER FACILITIES CONSTRUCTION PROGRAM

Available Funds:	\$	650,729
Reversions:	\$	787,599
Available for Award:	\$	1,438,328

DRINKING WATER SRF WATER CONSTRUCTION GRANTS

Available Prior Year Funds (4-Jan-2024):	\$	114,858
2024 IUP Allocation:	\$	2,000,000
Reversions:	\$	-
Awarded to Date:	\$	(2,114,800)
Available for Award:	\$	58

CLEAN WATER SRF WATER QUALITY GRANTS

Available Prior Year Funds (4-Jan-2024):	\$	316,847
2024 IUP Allocation:	\$	2,200,000
Reversions:	\$	397,183
Awarded to Date:	\$	(2,914,000)
Available for Award:	\$	30

June 2024 Available Funds Summary

DRINKING WATER SRF PRINCIPAL FORGIVENESS

Prior Year Principal Forgiveness Allocations:	\$	46,019,980
FFY-24 Maximum Allocation:	\$	652,540
Reverted Principal Forgiveness:	\$	-
Awarded to Date:	\$	(46,619,980)
Available For Award:	\$	52,540
Princ. Forg. for Disadvantaged Communities:	\$	24,104,000
FFY-24 Maximum Allocation:	\$	1,631,350
Reverted Principal Forgiveness:	\$	-
Awarded to Date:	\$	(23,280,130)
Available For Award:	\$	2,455,220
BIL Supplemental PF for Disadvantaged Communities:	\$	19,133,030
FFY-24 Maximum Allocation:	\$	11,262,650
Reverted Principal Forgiveness:	\$	-
Awarded to Date:	\$	(17,174,756)
Available For Award:	\$	13,220,924
BIL Emerging Contaminants Principal Forgiveness:	\$	16,697,000
FFY-24 Maximum Allocation:	\$	7,640,000
FFY-24 Transfer from CWSRF Allocation:	\$	-
Reverted Principal Forgiveness:	\$	-
Awarded to Date:	\$	(7,895,000)
Available For Award:	\$	16,442,000
BIL Lead Service Line PF for Disadvantaged Communities:	\$	490,000
FFY-24 Maximum Allocation:	\$	14,038,500
Reverted Principal Forgiveness:	\$	-
Awarded to Date:	\$	(490,000)
Available For Award:	\$	14,038,500

June 2024 Available Funds Summary

CLEAN WATER SRF PRINCIPAL FORGIVENESS

Prior Year Principal Forgiveness Allocations:	\$	32,176,876
FFY-24 Maximum Allocation:	\$	1,603,200
Reverted Principal Forgiveness:	\$	-
Awarded to Date:	\$	(33,075,676)
Available For Award:	\$	704,400
BIL Supplemental PF for Disadvantaged Communities:	\$	9,295,790
FFY-24 Maximum Allocation:	\$	5,470,360
Reverted Principal Forgiveness:	\$	-
Awarded to Date:	\$	(14,547,500)
Available For Award:	\$	218,650
BIL Emerging Contaminants Principal Forgiveness:	\$	1,502,000
FFY-24 Maximum Allocation:	\$	1,043,000
Transferred to DWSRF Allocation:	\$	(1,502,000)
Reverted Principal Forgiveness:	\$	-
Awarded to Date:	\$	-
Available For Award:	\$	1,043,000

		Current ARPA Grant	Additional ARPA Amount	New Total ARPA Grant
Aurora-Brule Rural Water System	System Improvements and Expansion	\$1,855,266.00	\$846,775.00	\$2,702,041.00
BDM Rural Water System	Water System Improvements	\$3,530,083.00	\$1,738,345.00	\$5,268,428.00
Black Hawk Water User District	Water System Improvements Phase II	\$506,400.00	\$254,340.00	\$760,740.00
Brookings	Water Treatment Facility	\$21,039,300.00	\$8,000,000.00	\$29,039,300.00

		Current ARPA Grant	Additional ARPA Amount	New Total ARPA Grant
Brookings-Deuel Rural Water System	Phase Tank Mainline Improvements	\$2,703,240.00	\$1,357,708.00	\$4,060,948.00
Clay Rural Water System	Water System Improvements Project	\$4,955,100.00	\$2,488,710.00	\$7,443,810.00
DANR	Riparian Buffer Initiative	\$1,000,000.00	\$5,000,000.00	\$6,000,000.00
Davison Rural Water System	Water Distribution Improvements and Meter Upgrade	\$439,615.00	\$189,255.00	\$628,870.00

		Current ARPA Grant	Additional ARPA Amount	New Total ARPA Grant
Fall River Water Users District	Water System Improvements	\$7,091,550.00	\$1,400,007.62	\$8,491,557.62
Grant-Roberts Rural Water System	Internal System Improvements	\$2,433,600.00	\$1,023,690.00	\$3,457,290.00
Hanson Rural Water System	Water Distribution Improvements and Meter Upgrade	\$1,273,835.00	\$548,388.00	\$1,822,223.00
Joint Well Field, Inc.	New Water Treatment Plant	\$2,868,000.00	\$1,440,459.00	\$4,308,459.00

		Current ARPA Grant	Additional ARPA Amount	New Total ARPA Grant
Kingbrook Rural Water System	2022 System Improvements	\$9,900,000.00	\$4,972,298.00	\$14,872,298.00
Lead-Deadwood Sanitary District	Drinking Water System Improvements	\$686,340.00	\$339,623.00	\$1,025,963.00
Lead-Deadwood Sanitary District	Wastewater Treatment Plant Improvements	\$272,100.00	\$136,662.00	\$408,762.00
Lewis & Clark Regional Water System	Water System Expansion	\$7,300,000.00	\$5,000,000.00	\$12,300,000.00

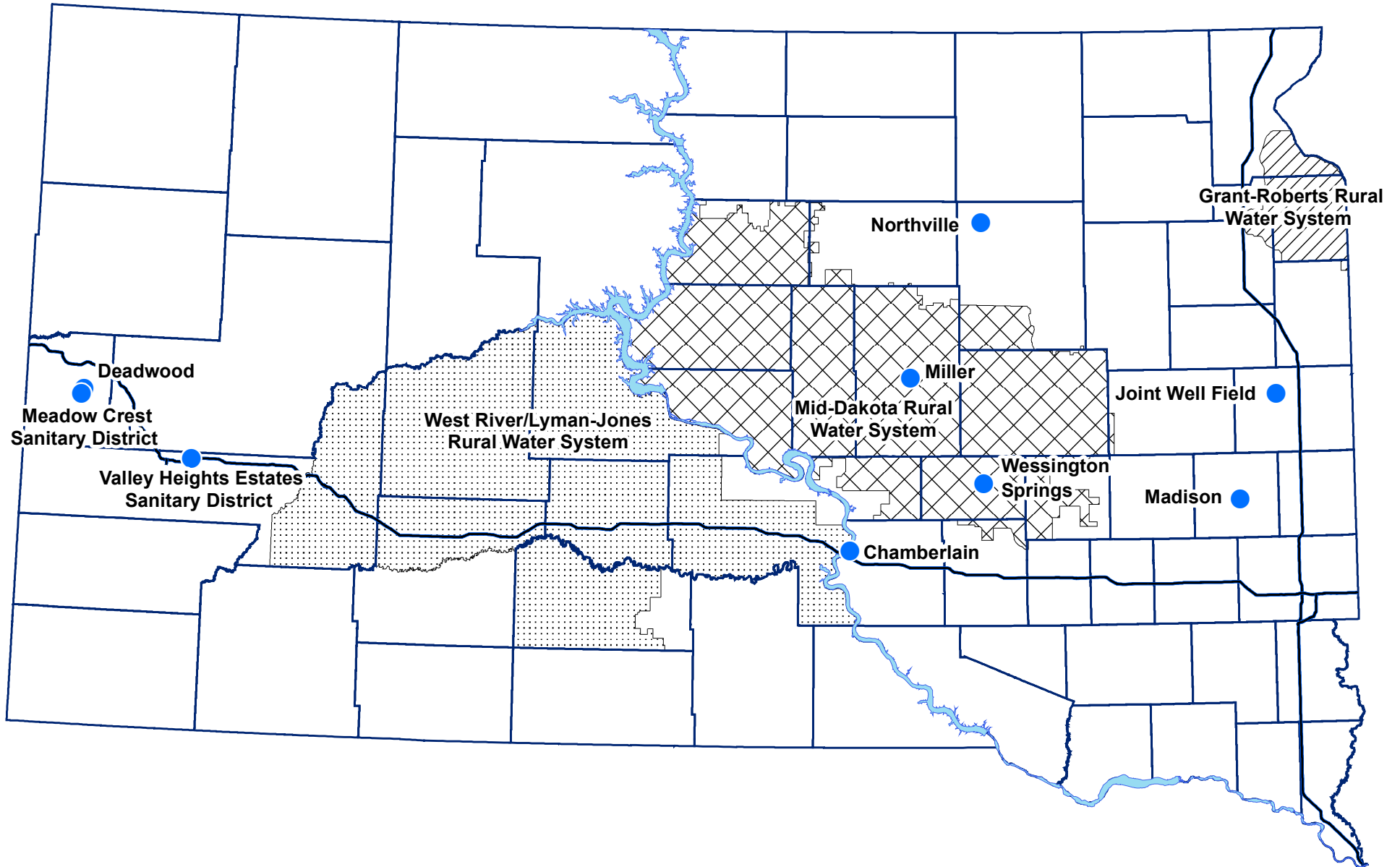
		Current ARPA Grant	Additional ARPA Amount	New Total ARPA Grant
Lincoln County Rural Water System	Eastern Distribution System Improvements	\$976,941.00	\$571,211.00	\$1,548,152.00
Mid-Dakota Rural Water System	Water System Improvements	\$13,867,250.00	\$6,830,882.00	\$20,698,132.00
Mni Waste Water Company	Highway 63 North	\$6,448,598.00	\$6,545,503.00	\$12,994,101.00
Randall Community Water District	Regional Waterline Upgrade	\$11,256,825.00	\$10,000,000.00	\$21,256,825.00

		Current ARPA Grant	Additional ARPA Amount	New Total ARPA Grant
Rapid City	South Plant Water Reclamation Facility Improvement	\$43,500,000.00	\$8,000,000.00	\$51,500,000.00
Shared Resources	Water Treatment Plant, Storage & Distribution	\$38,276,600.00	\$10,000,000.00	\$48,276,600.00
Sioux Falls	Water Reclamation Facility Expansion	\$41,900,000.00	\$8,000,000.00	\$49,900,000.00
Sioux Rural Water System	Water System Improvements	\$1,547,165.00	\$765,583.00	\$2,312,748.00

		Current ARPA Grant	Additional ARPA Amount	New Total ARPA Grant
South Lincoln Rural Water System	Water System Improvements	\$5,677,918.00	\$2,444,355.00	\$8,122,273.00
Southern Black Hills Water System	Paramount Point to Spring Creek Acres Extension	\$3,060,000.00	\$542,432.00	\$3,602,432.00
TM Rural Water District	Water System Improvements	\$2,534,400.00	\$1,272,908.00	\$3,807,308.00
Tripp County Water User District	System Wide Improvements	\$4,050,000.00	\$2,034,121.00	\$6,084,121.00

		Current ARPA Grant	Additional ARPA Amount	New Total ARPA Grant
WEB Water Development Association	WINS Water System Upgrades	\$14,623,380.00	\$10,500,000.00	\$25,123,380.00
Western Dakota Regional Water System	Missouri River Waterline Western South Dakota Study	\$8,000,000.00	\$2,165,000.00	\$10,165,000.00
West River/Lyman-Jones Rural Water System	Water Distribution & Storage Improvements	\$1,200,000.00	\$602,702.00	\$1,802,702.00

Drinking Water Funding Applications June 2024



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

APPLICANT: Mid-Dakota Rural Water System DW-07

Total Project Cost:	\$ 14,730,000
BWNR Funding Assistance Requested:	\$ 14,730,000
Rate/Term:	3.75% / 30 Years
Security Pledged For Repayment Of Loan:	System Revenue

Staff Analysis

- 1) Mid-Dakota Rural Water System will construct pipelines and install a master meter vault to provide bulk water service to the City of Wessington Springs. The current system that Wessington Springs is on is affected by E. Coli and manganese, manganese is considered an emerging contaminant.

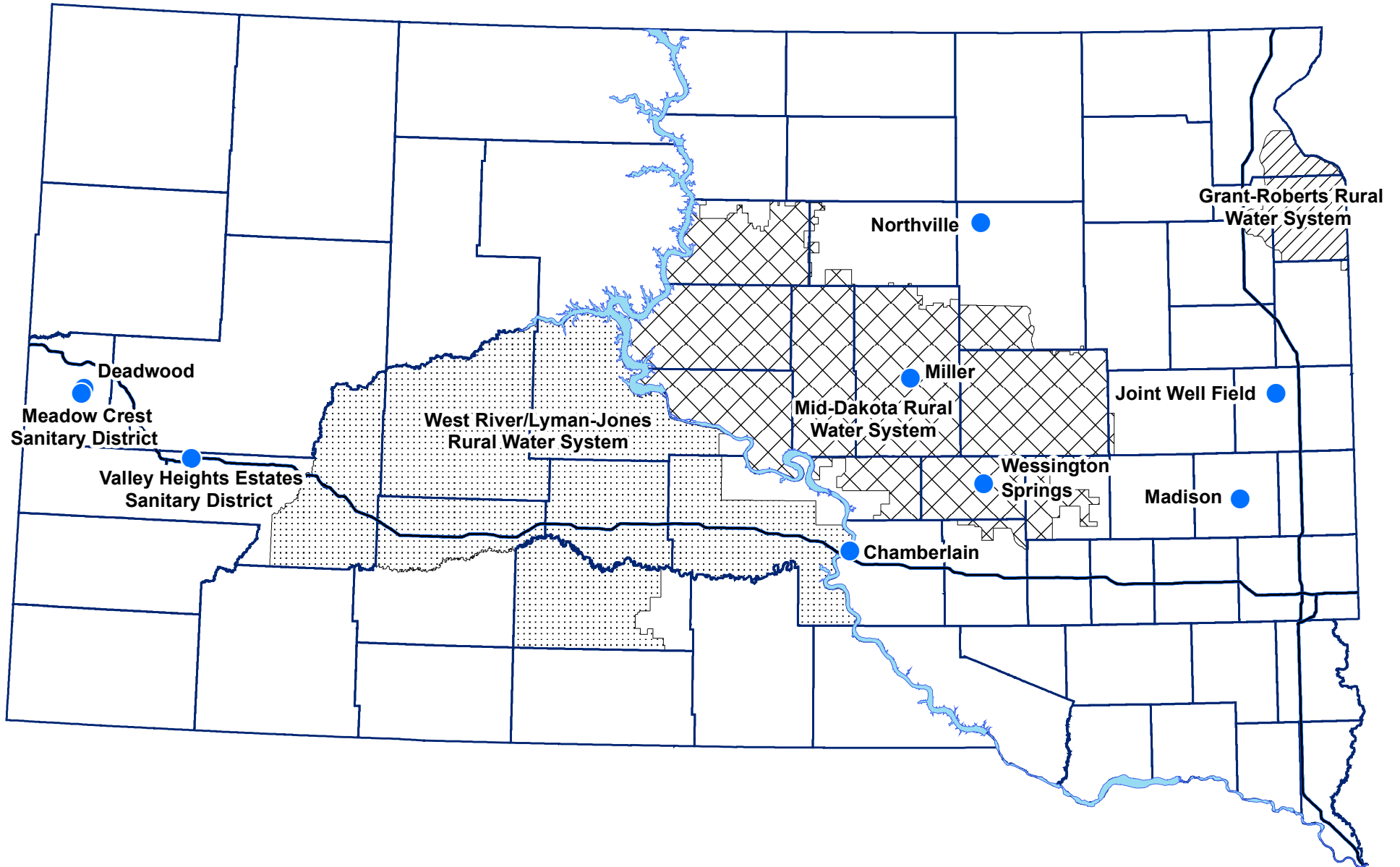
Funding Recommendation: Award a \$14,730,000 Drinking Water State Revolving fund loan with 100% principal forgiveness.

Debt Service Coverage: Not Required for 100% Principal Forgiveness

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 receipt of the 2023 and 2024 Drinking Water State Revolving Fund Emerging Contaminants Capitalization Grant from EPA.

Drinking Water Funding Applications June 2024



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

APPLICANT: Wessington Springs DW-04

Total Project Cost:	\$1,663,930
BWNR Funding Assistance Requested:	\$1,660,000
Rate/Term:	3.25% / 30 Years
Security Pledged For Repayment Of Loan:	Project Surcharge

Staff Analysis

- 1) Current rates are at \$55.40 per 5,000 gallons. If funding is provided as all loan, a surcharge of \$17.35 would be needed to meet the required debt coverage, which would bring overall rates to \$72.75.
- 2) Staff analysis indicates Wessington Springs can restructure their current rates to keep rates at \$70.00 per 5,000 gallons.

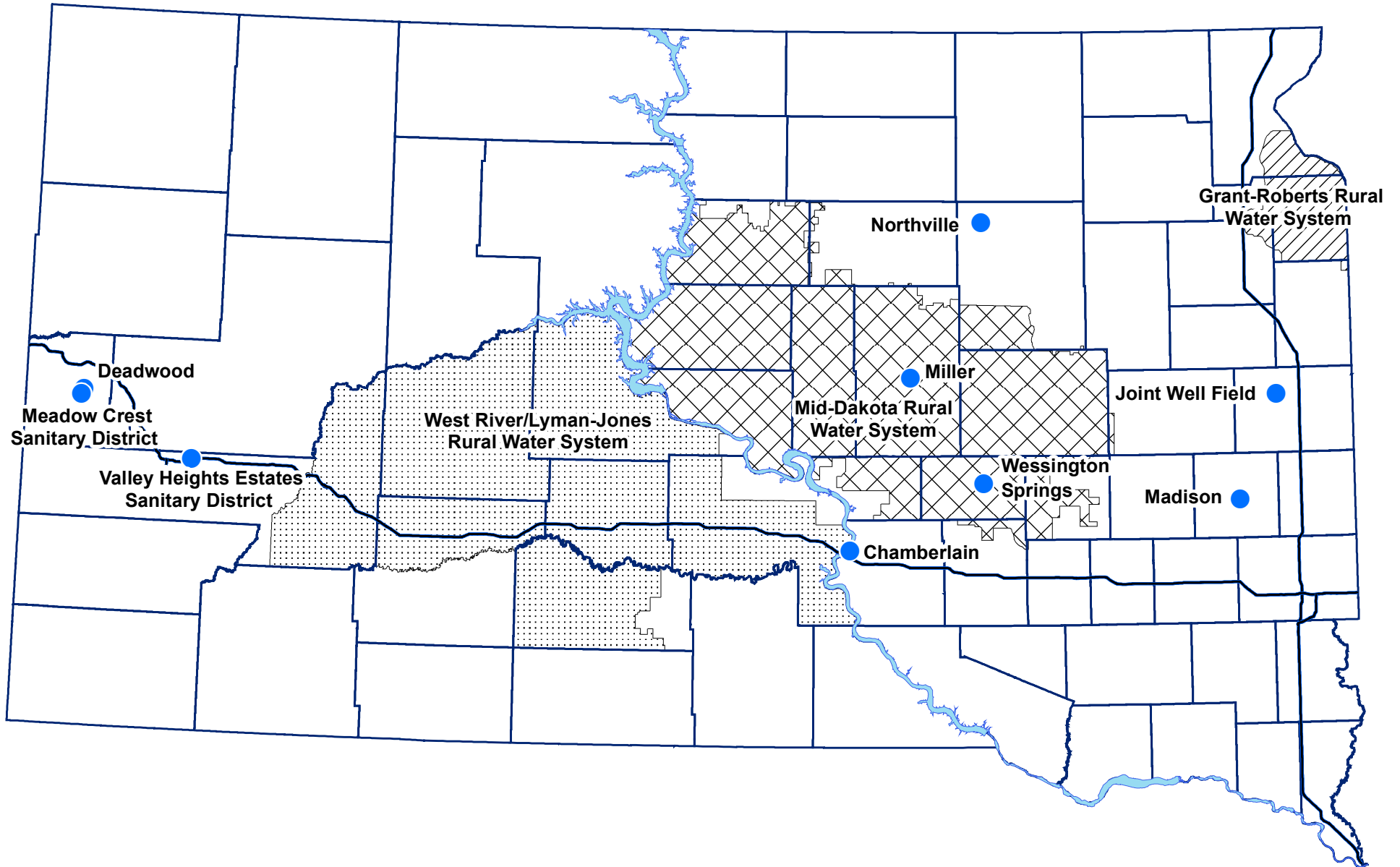
Funding Recommendation: Award a \$1,660,000 Drinking Water SRF loan at 3.25% for 30 years.

Debt Service Coverage: 110% based on a \$17.35 surcharge

Loan Contingencies:

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

Drinking Water Funding Applications June 2024



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

APPLICANT: Miller DW-06

Total Project Cost:	\$5,634,263
BWNR Funding Assistance Requested:	\$1,100,000
Rate/Term:	3.25% / 30 years
Security Pledged For Repayment Of Loan:	Project Surcharge

Staff Analysis

- 1) Current rates are \$65.79 per 5,000 gallons. If funding is provided as all loan, current revenues do not provide the required 110 percent debt coverage.
- 2) At the recommended loan amount staff analysis indicates that Miller will need to raise current rates \$7.10 per user to cover operational expenses and current debt; and implement a surcharge of \$2.20 per user resulting in cumulative rates of \$75.00

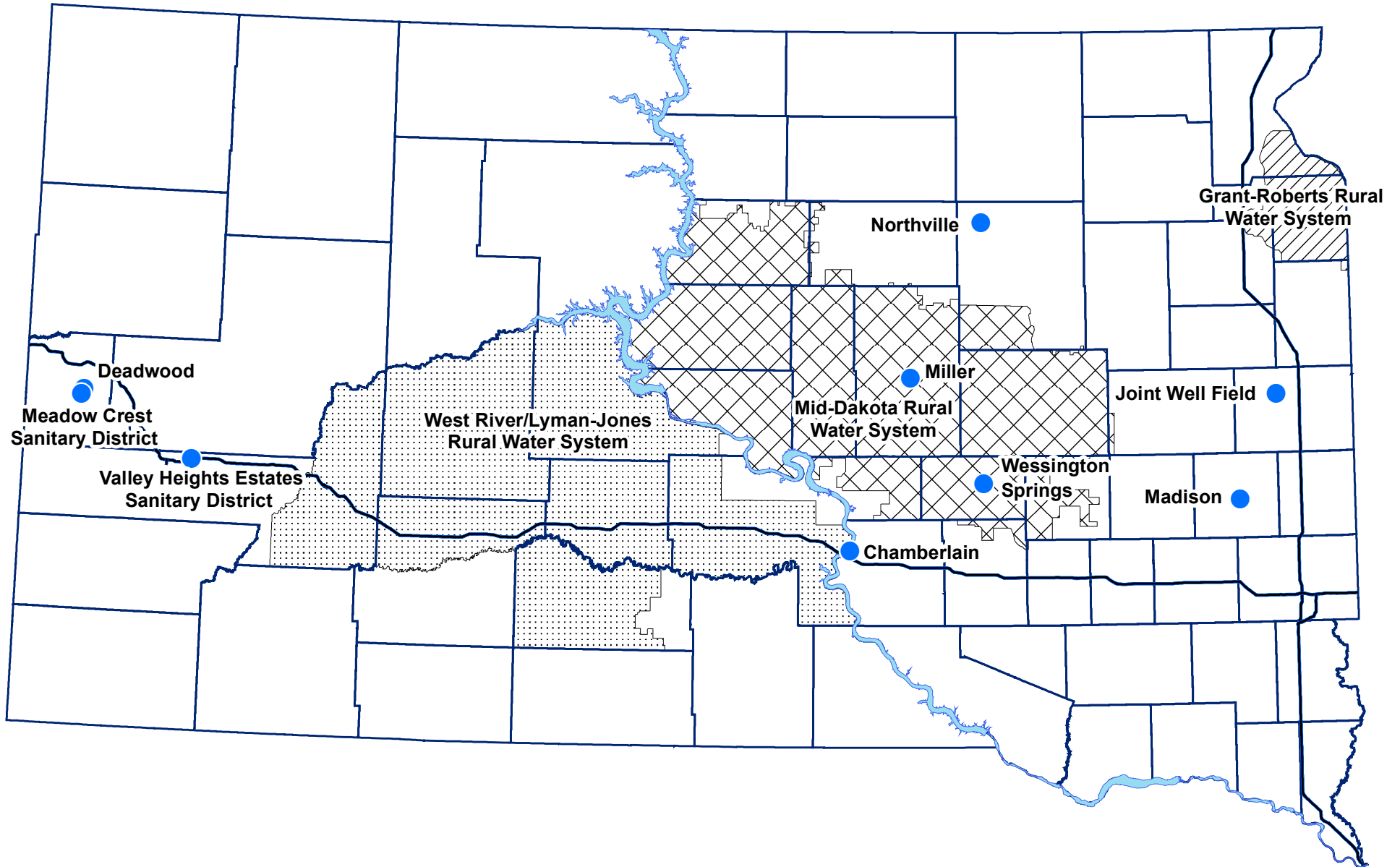
Funding Recommendation: Award a \$1,100,000 Drinking Water State Revolving Fund loan at 3.25% for 30 years with 65.5% principal forgiveness not to exceed \$720,000.

Debt Service Coverage: 110% based on total rates of \$75.00

Loan Contingencies:

- 1) Contingent upon the Borrower adopting a bond resolution and the resolution becoming effective.
- 2) Contingent upon the Borrower establishing a surcharge at a level sufficient to provide the required debt coverage.
- 3) Contingent upon receipt of the 2024 Drinking Water State Revolving Fund capitalization grant from EPA.

Drinking Water Funding Applications June 2024



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

APPLICANT: Meadow Crest Sanitary District DW-01

Total Project Cost:	\$818,000
BWNR Funding Assistance Requested:	\$818,000
Rate/Term:	3.75% / 30 years
Security Pledged For Repayment Of Loan:	Special Assessment

Staff Analysis

- 1) Current rates are \$60.41 per 5,000 gallons. There is currently an in-home treatment service which costs \$50.00/month per user which the District also is required to charge. Total rates are actually \$101.50 per 5,000 gallons.
- 2) Staff analysis indicates that Meadow Crest will need to implement a special assessment to all lots of \$996 annually, which equates to \$83.00 per month which will result in overall rates of \$184.50 per 5,000 gallons in order to meet the required debt coverage.

Funding Recommendation: Award a \$650,000 Drinking Water State Revolving fund loan at 3.75% for 30 years and award a Consolidated grant at 20.6 percent not to exceed \$168,000.

Debt Service Coverage: 110% based on an annual special assessment of \$39,840.

Loan Contingencies:

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

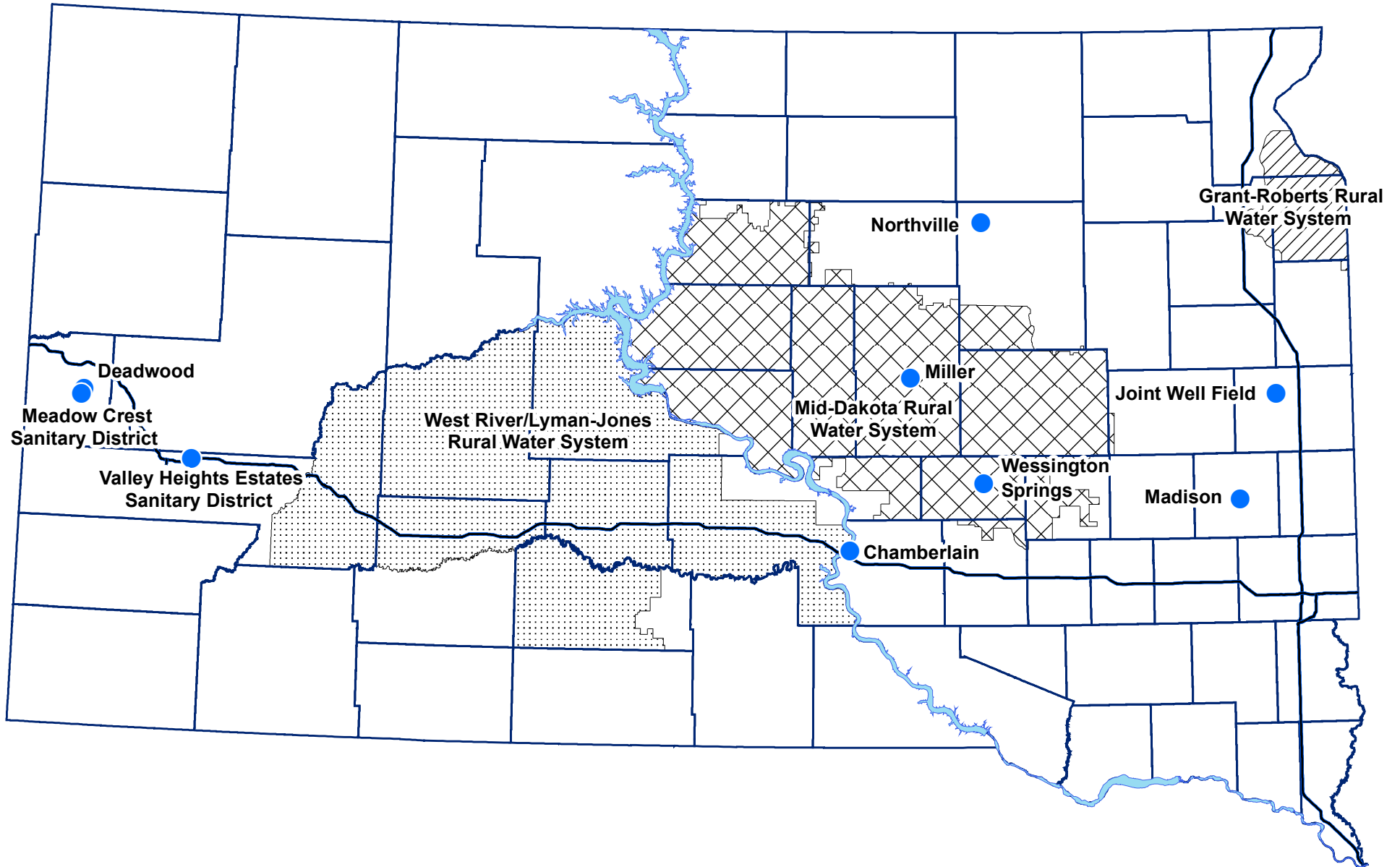
Loan Special Condition:

- 1) The Borrower shall provide documentation annually to the Conservancy District regarding the amount being levied for the DWSRF loan prior to filing with the Lawrence County auditor.

Grant Special Condition:

- 1) Grant funds for reimbursement of project costs must be drawn concurrently with the Drinking Water SRF loan funds.

Drinking Water Funding Applications June 2024



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

APPLICANT: Deadwood DW-01

Total Project Cost:	\$2,897,000
BWNR Funding Assistance Requested:	\$2,897,000
Rate/Term:	3.75% / 30 Years
Security Pledged For Repayment Of Loan:	System Revenue

Staff Analysis

- 1) Current rates are \$38.90 per 5,000 gallons usage. At the recommended funding level, the system will have to increase their revenue approximately \$45,000 annually to meet the required debt coverage. This increase would raise rates approximately \$3.00 per user per month, bringing total rates to \$41.90.

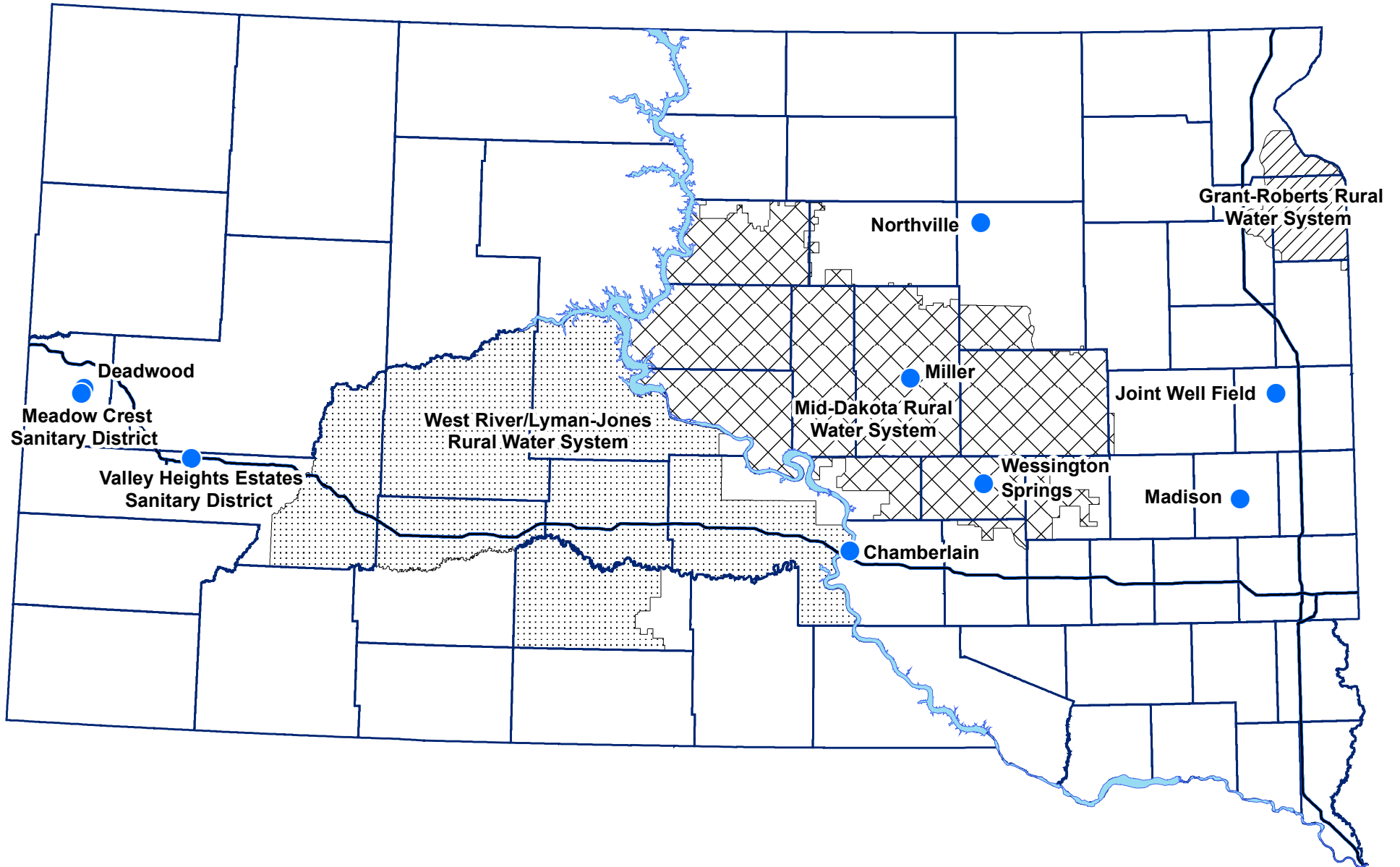
Funding Recommendation: Award a \$2,897,000 Drinking Water SRF loan at 3.75% for 30 years.

Debt Service Coverage: 110% based on rates of \$41.90 per 5,000 gallons usage.

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.

Drinking Water Funding Applications June 2024



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

APPLICANT: Grant-Roberts Rural Water System DW-03

Total Project Cost:	\$ 2,549,000
BWNR Funding Assistance Requested:	\$ 2,549,000
Rate/Term:	3.75% / 30 Years
Security Pledged For Repayment Of Loan:	System Revenue

Staff Analysis

- 1) Current rates are \$62.10 per 7,000 gallons usage. At the recommended funding level, the system will have to increase their revenue approximately \$119,000 annually to meet the required debt coverage. This increase would raise rates approximately \$5.85 per user per month , bringing total rates to \$67.95.
- 2) The proposed project would aide in providing individual water service to the town of Marvin. Grant-Roberts would take over Marvin's system and make improvements to provide this service. The Town of Marvin qualifies as a disadvantaged community for consideration of the use of principal forgiveness in funding that portion of the project.

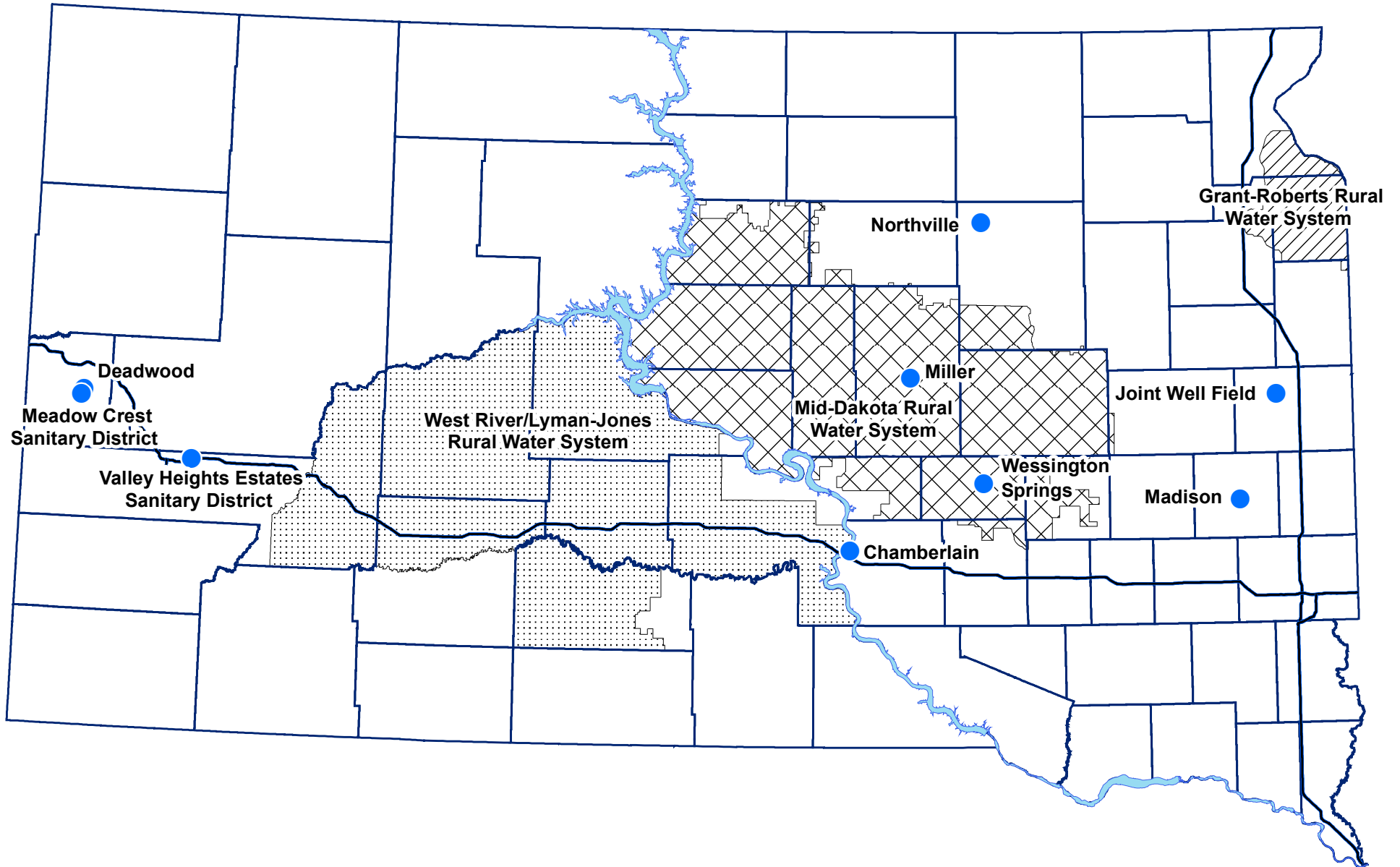
Funding Recommendation: Award a \$2,549,000 Drinking Water SRF loan at 3.75% for 30 years with 24.3% principal forgiveness not to exceed \$619,000.

Debt Service Coverage: 110% coverage based on rates of \$67.95 per 7,000 gallons.

Loan Contingencies:

- 1) Contingent upon the Borrower adopting a resolution approving the form of the loan agreement, the promissory note, and the pledge of revenues for repayment of the loan.
- 2) Contingent upon the Borrower approving a security agreement and mortgage.
- 3) Contingent upon the Borrower establishing rates at a level sufficient to provide the required debt coverage
- 4) Contingent on receipt of the 2024 Drinking Water SRF capitalization grant.

Drinking Water Funding Applications June 2024



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

APPLICANT: Joint Well Field Inc. DW-03

Total Project Cost:	\$ 15,060,000
BWNR Funding Assistance Requested:	\$ 4,059,541
Rate/Term:	3.75% / 30 Years
Security Pledged For Repayment Of Loan:	System Revenue

Staff Analysis

- 1) Current rates are \$1.25 per 1,000 or \$8.75 per 7,000 gallons usage. At the recommended funding level, the system will have to increase their revenue approximately \$555,000 annually to meet the required debt coverage. This increase would raise rates approximately \$0.26 per 1,000 gallons, bringing total rates to \$10.57 per 7,000 gallons.
- 2) Joint Well Field supplies water to Kingbrook Rural Water System and Brookings-Deuel Rural Water System, these rate increases would impact those systems user's in a similar manner.

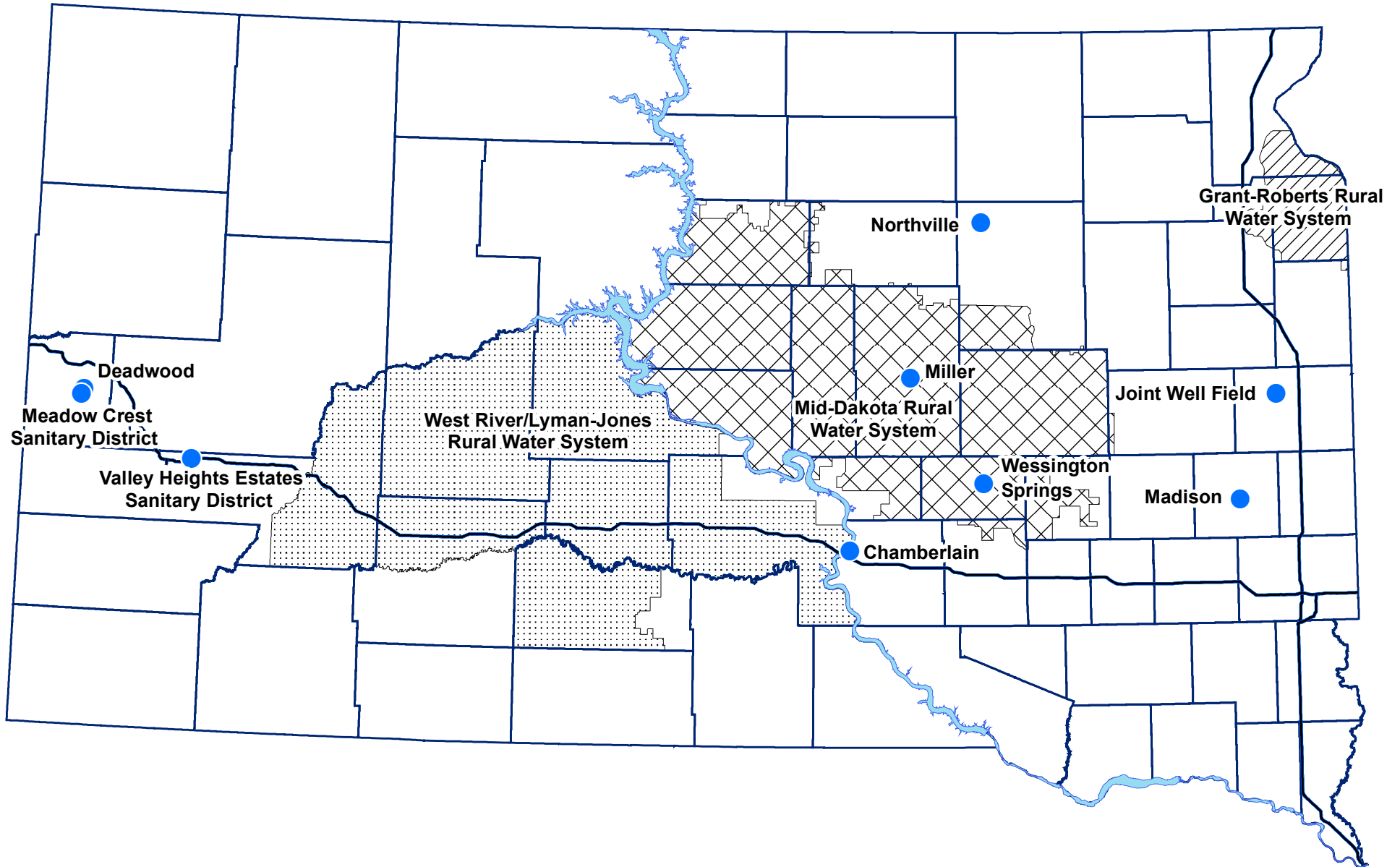
Funding Recommendation: Award a \$4,059,541 Drinking Water SRF loan at 3.75% for 30 years.

Debt Service Coverage: 110% coverage based on rates of \$10.59 per 7,000 gallons.

Loan Contingencies:

- 1) Contingent upon the Borrower adopting a resolution approving the form of the loan agreement, the promissory note, and the pledge of revenues for repayment of the loan.
- 2) Contingent upon the Borrower approving a security agreement and mortgage.
- 3) Contingent upon the Borrower establishing rates at a level sufficient to provide the required debt coverage
- 4) Contingent upon an Intercreditor Agreement being approved and executed by Cobank, Citizens Bank, Joint Well Field Inc. and the District.

Drinking Water Funding Applications June 2024



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

APPLICANT: City of Chamberlain DW-04

Total Project Cost:	\$	1,350,000
BWNR Funding Assistance Requested:	\$	500,000
Rate/Term:	3.75% / 30 Years	
Security Pledged For Repayment Of Loan:	Sales Tax	

Staff Analysis

- 1) Chamberlain has pledged Sales Tax Revenues for debt repayment. If all funding is provided as all loan current sales tax revenues would provide over 7,000% coverage.

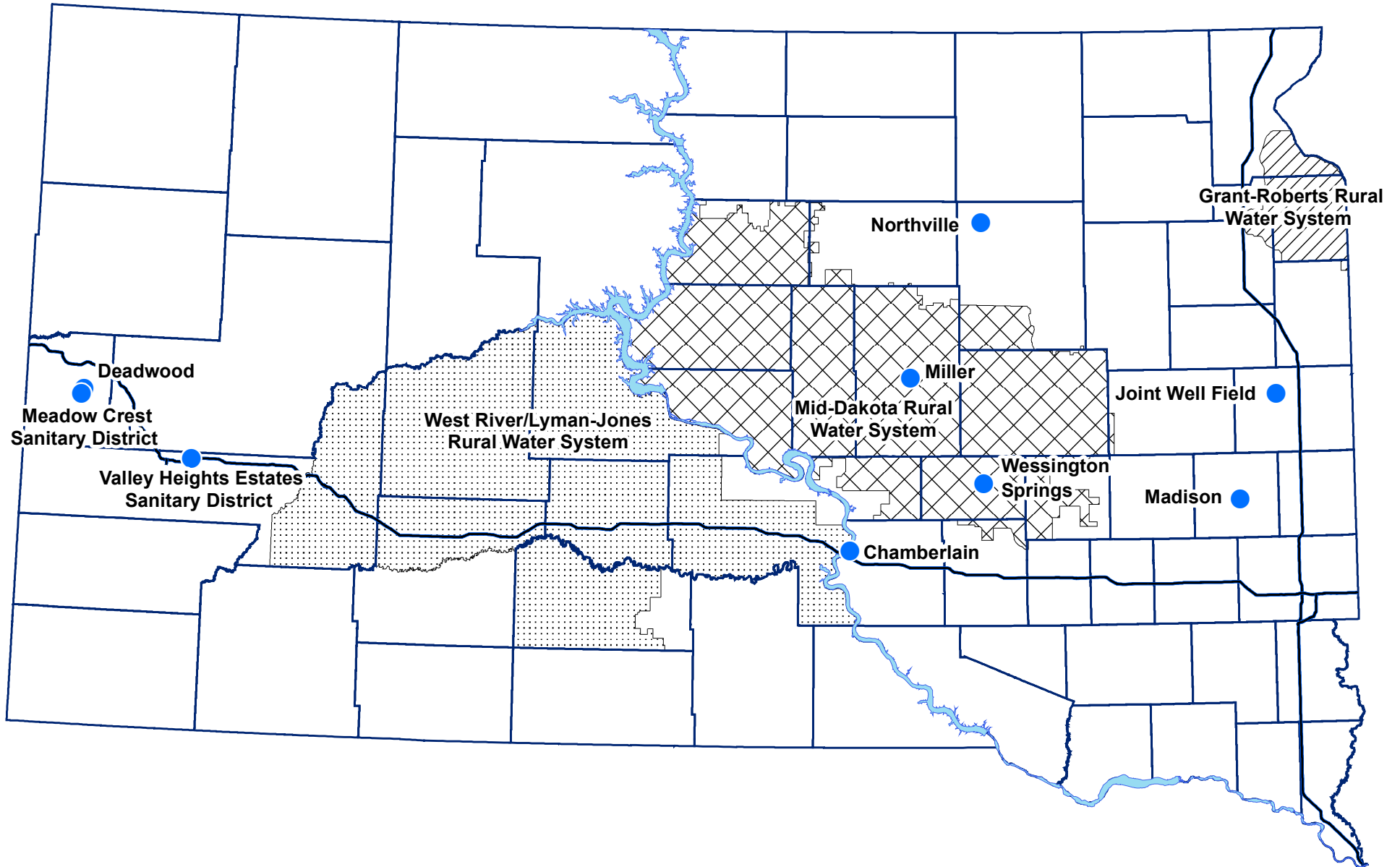
Funding Recommendation: Award a \$500,000 Drinking Water SRF loan at 3.75% for 30 years.

Debt Service Coverage: 7,825% coverage based on Sales Tax Revenues

Loan Contingencies:

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

Drinking Water Funding Applications June 2024



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

APPLICANT: Valley Heights Estates Sanitary District DW-01

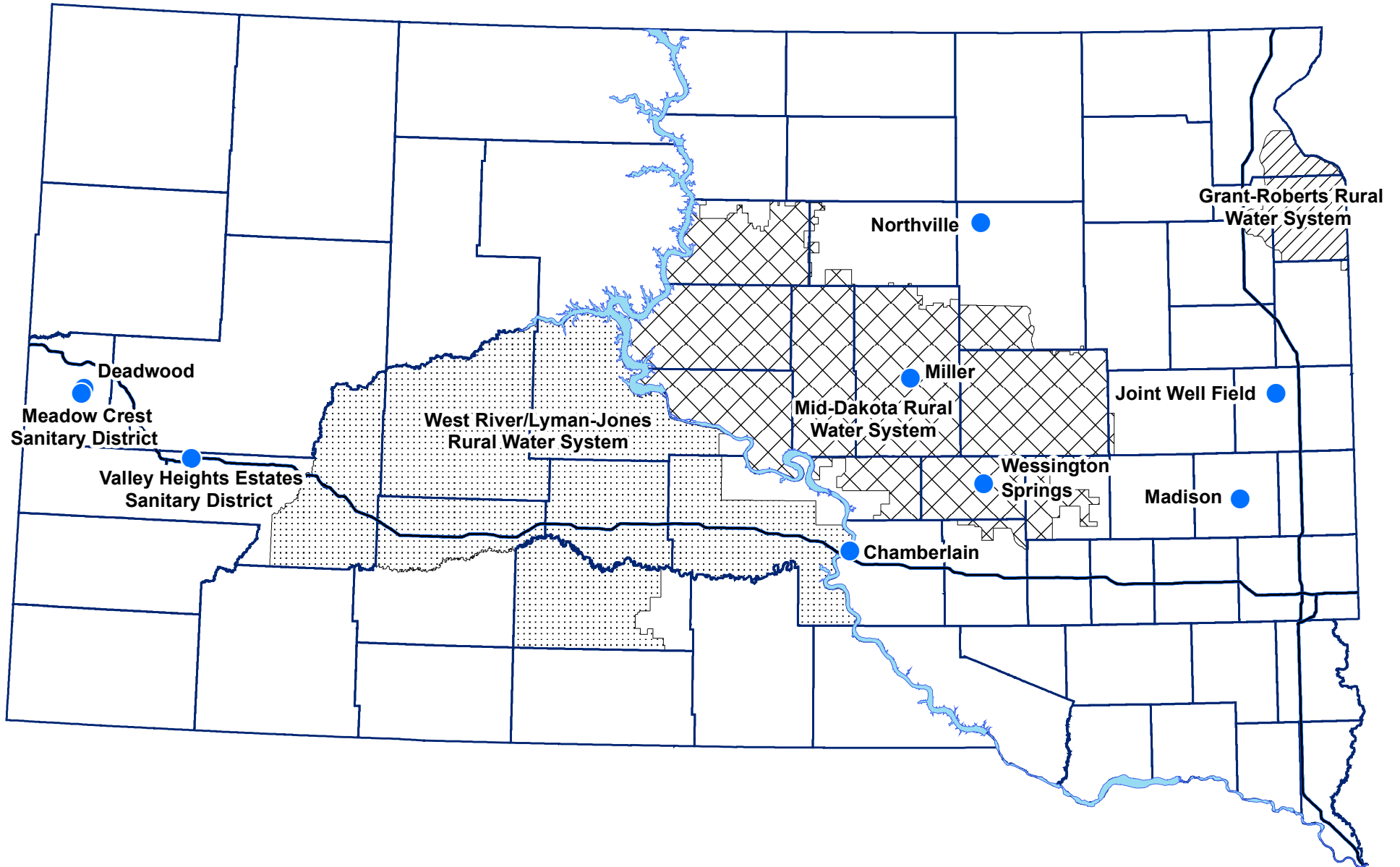
Total Project Cost:	\$3,339,000
BWNR Funding Assistance Requested:	\$3,339,000
Rate/Term:	3.75% / 30 years
Security Pledged For Repayment Of Loan:	Project Surcharge

Staff Analysis

- 1) Valley Heights Estates Sanitary District proposes a System Acquisition project with the Removal of a Wall Reservoir and Line/Booster Improvements. Valley Heights Sanitary District requested funding for \$3,339,000 for the project, with the result that Box Elder take over the water system after completion.
- 2) Valley Heights Estates has been working for several years with the current private owner to take ownership of the system and needs to make system improvements as the district. The private owner has provided a cost for the acquisition but neither Valley Heights Estates or DANR staff believe the amount is reasonable for the condition of the system and what it is worth.
- 3) In March 2024, the Board deferred action on this request to allow further discussion with the current owner to occur.

Funding Recommendation: No funding.

Drinking Water Funding Applications June 2024



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

APPLICANT: West River/Lyman-Jones Rural Water System DW-04

Total Project Cost:	\$	14,500,000
BWNR Funding Assistance Requested:	\$	14,500,000
Rate/Term:		3.75% / 30 Years
Security Pledged For Repayment Of Loan:		System Revenue

Staff Analysis

- 1) Current rates are \$58.20 per 7,000 gallons usage. At the recommended funding level, the system will have to increase their revenue approximately \$470,000 annually to meet the required debt coverage. This increase would raise rates approximately \$6.95 per user per month, bringing total rates to \$65.15.

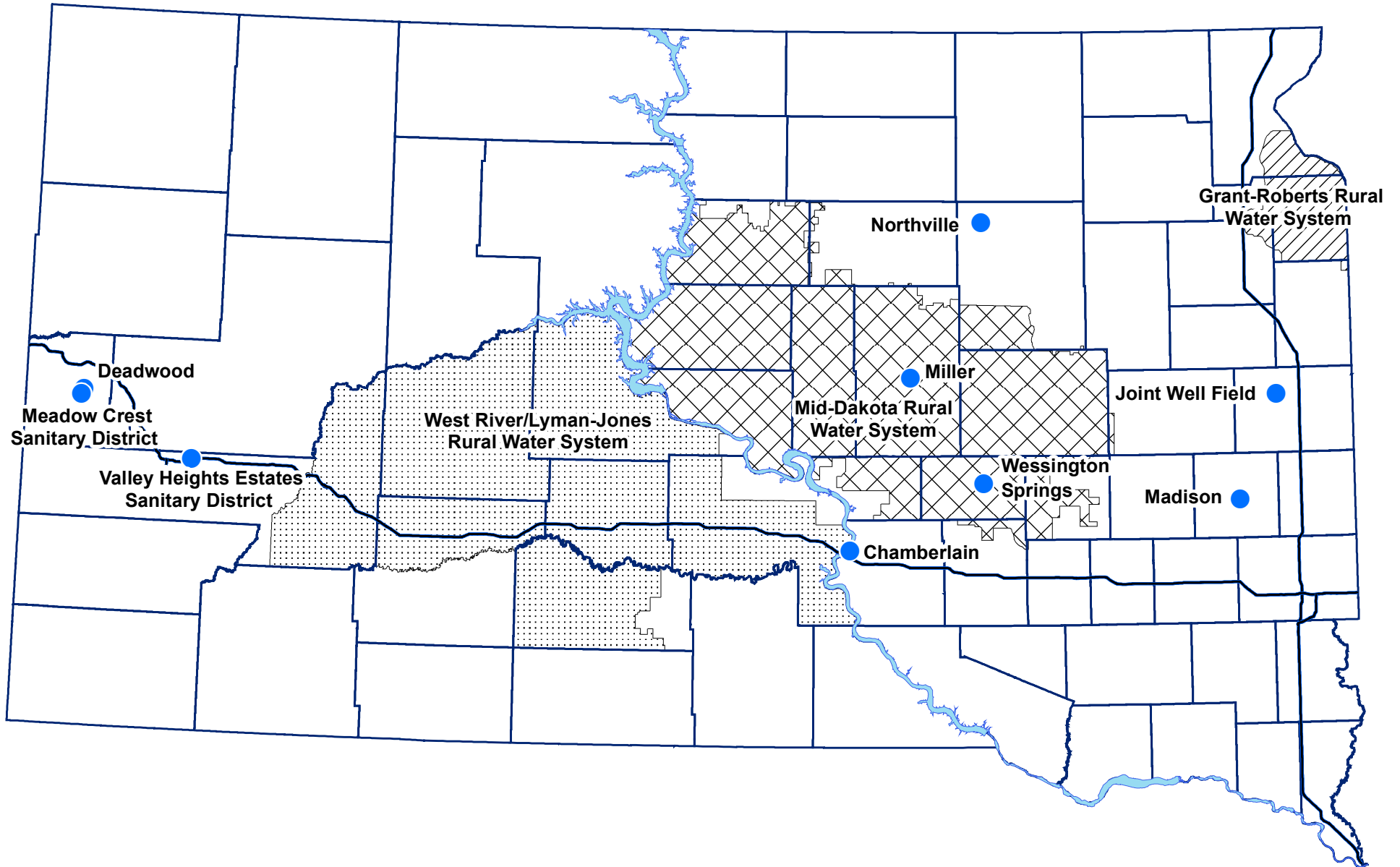
Funding Recommendation: Award a \$14,500,000 Drinking Water SRF loan at 3.75% for 30 years.

Debt Service Coverage: 110% coverage at rates of \$65.15 per 7,000 gallons.

Loan Contingencies:

- 1) Contingent upon the Borrower establishing rates at a level sufficient to provide the required debt coverage.
- 2) 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.
- 3) Contingent upon the Borrower approving a security agreement and mortgage.

Drinking Water Funding Applications June 2024



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

APPLICANT: Northville DW-03

Total Project Cost:	\$1,375,250
BWNR Funding Assistance Requested:	\$125,000
Rate/Term:	3.75% / 30 Years
Security Pledged For Repayment Of Loan:	Project Surcharge

Staff Analysis

- 1) Current rates are \$58.87 per 5,000 gallons. If funding is provided as all loan, a surcharge of \$8.50 would be needed to meet the required debt coverage, which would bring overall rates to \$67.40.

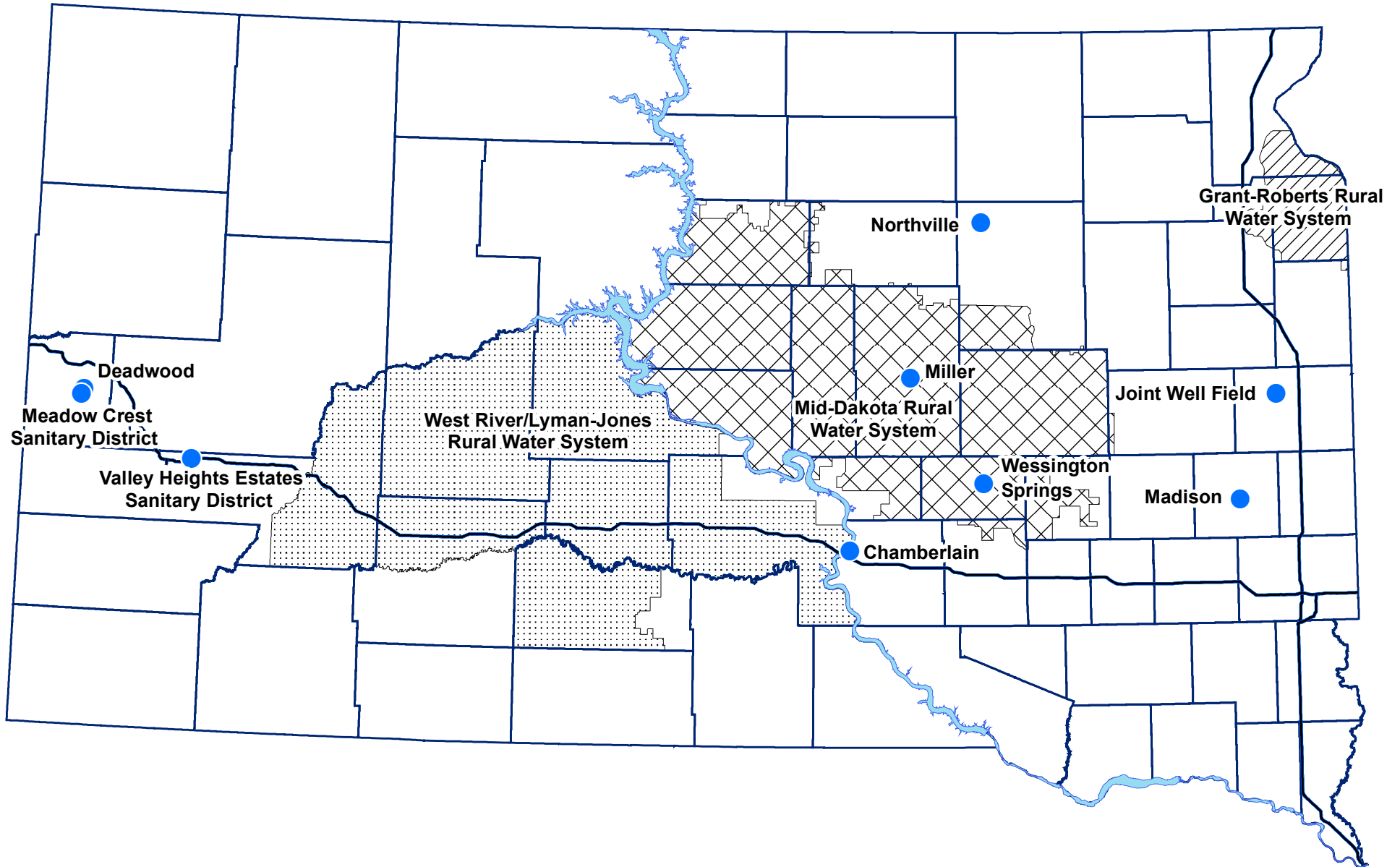
Funding Recommendation: Award a \$125,000 Drinking Water SRF loan at 3.75% for 30 years.

Debt Service Coverage: 110% based on a \$8.50 surcharge

Loan Contingencies:

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

Drinking Water Funding Applications June 2024



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

APPLICANT: Madison DW-04

Total Project Cost:	\$2,645,916
BWNR Funding Assistance Requested:	\$2,645,916
Rate/Term:	3.5% / 30 years
Security Pledged For Repayment Of Loan:	Project Surcharge

Staff Analysis

- 1) Current rates are \$43.70 per 5,000 gallons.
- 2) Staff analysis indicates that Madison will need to implement a surcharge of \$4.00 per user resulting in cumulative rates of \$47.70

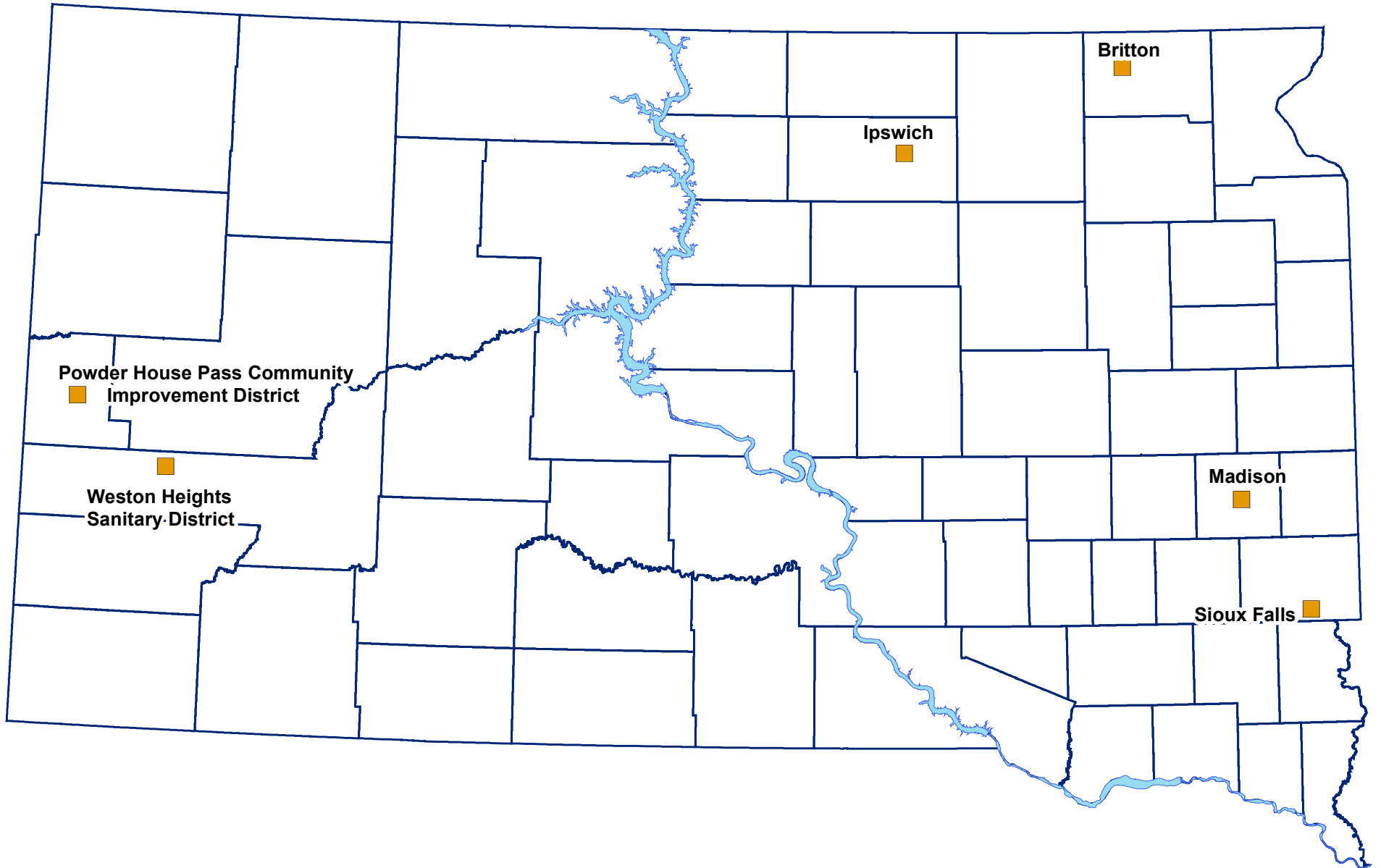
Funding Recommendation: Award a \$2,645,916 Drinking Water State Revolving fund loan at 3.5% for 30 years.

Debt Service Coverage: 110% based total rates of \$47.70

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 the Borrower establishing rates at a minimum of \$45.00 per user for 5,000 gallons to receive the disadvantaged rate.

Sanitary/Sewer Funding Applications June 2024



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

APPLICANT: Powder House Pass Community Improvement District CW-04

Total Project Cost:	\$	9,576,000
BWNR Funding Assistance Requested:	\$	2,075,000
Rate/Term:		3.75% / 30 Years
Security Pledged For Repayment Of Loan:		Special Assessment

Staff Analysis

- 1) If all funding is provided as a loan, Powder House Pass CID will have to levy an annual special assessment totaling \$128,075. Powder House Pass CID has 386 platted lots. Staff analysis indicates an annual assessment amount of \$128,075 is required for debt repayment. This equates to a \$27.65 assessment per platted lot per month or \$331.80 per platted lot per year.

Funding Recommendation: Award a \$2,075,000 Clean Water SRF loan at 3.75% for 30 years.

Debt Service Coverage: 110% based on an annual assessment of \$128,075 on all property in the District.

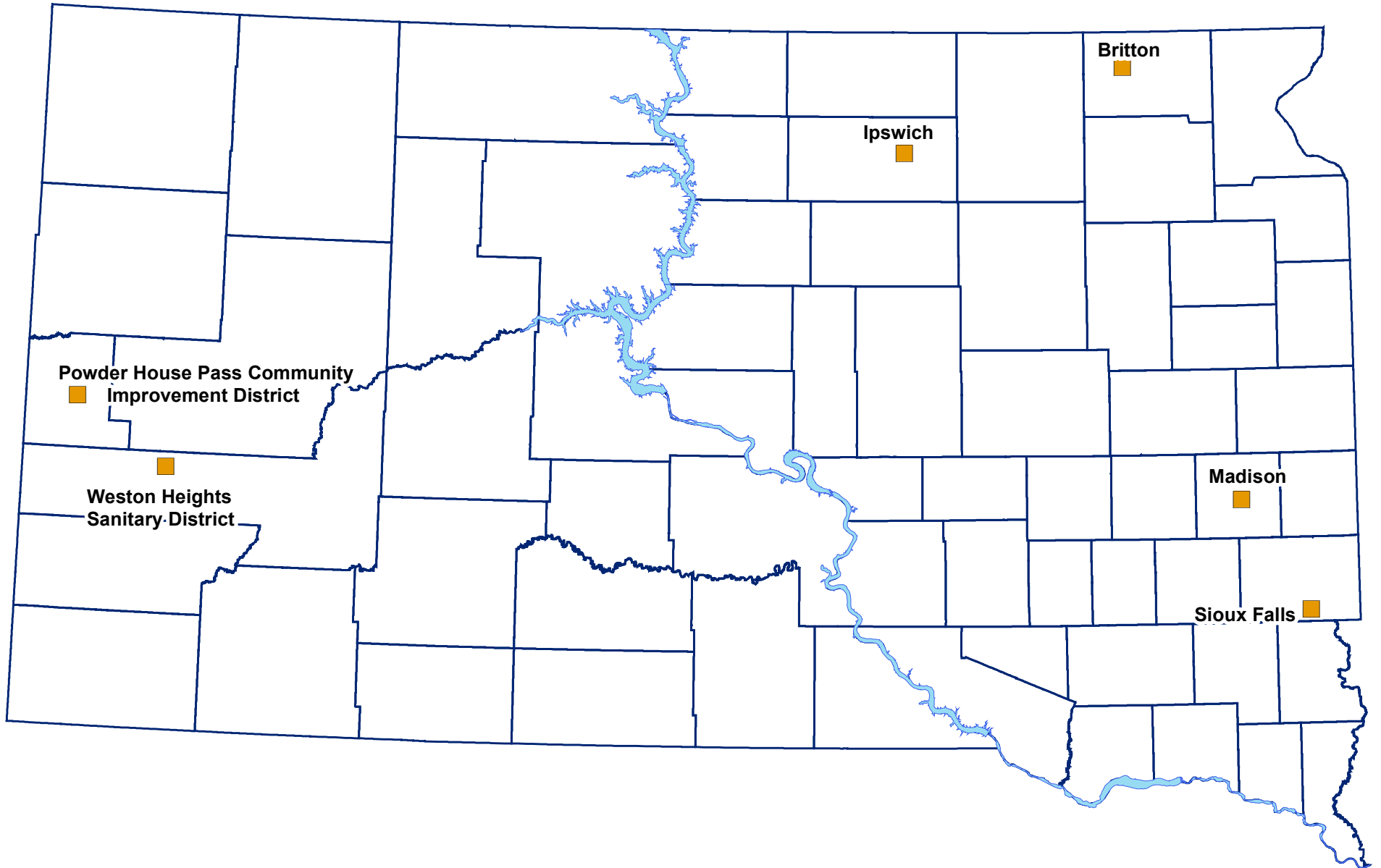
Loan Contingencies:

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

Loan Special Condition:

- 1) The Borrower is to provide documentation annually to the Conservancy District regarding the amount being levied for both State Revolving Fund loans prior to filing with the Lawrence County Auditor.

Sanitary/Sewer Funding Applications June 2024



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

APPLICANT: Sioux Falls CW-48

Total Project Cost:	\$25,103,000
BWNR Funding Assistance Requested:	\$11,000,000
Rate/Term:	3.5% / 20 years
Security Pledged For Repayment Of Loan:	System Revenue

Staff Analysis

- 1) Current residential user rates are \$43.55 per 5,000 gallons usage. If funds are provided as all loan, based on Sioux Falls projected revenues and expenses, and established rate increases through 2027 sufficient revenue will be collected to provide the required 110 percent debt coverage.

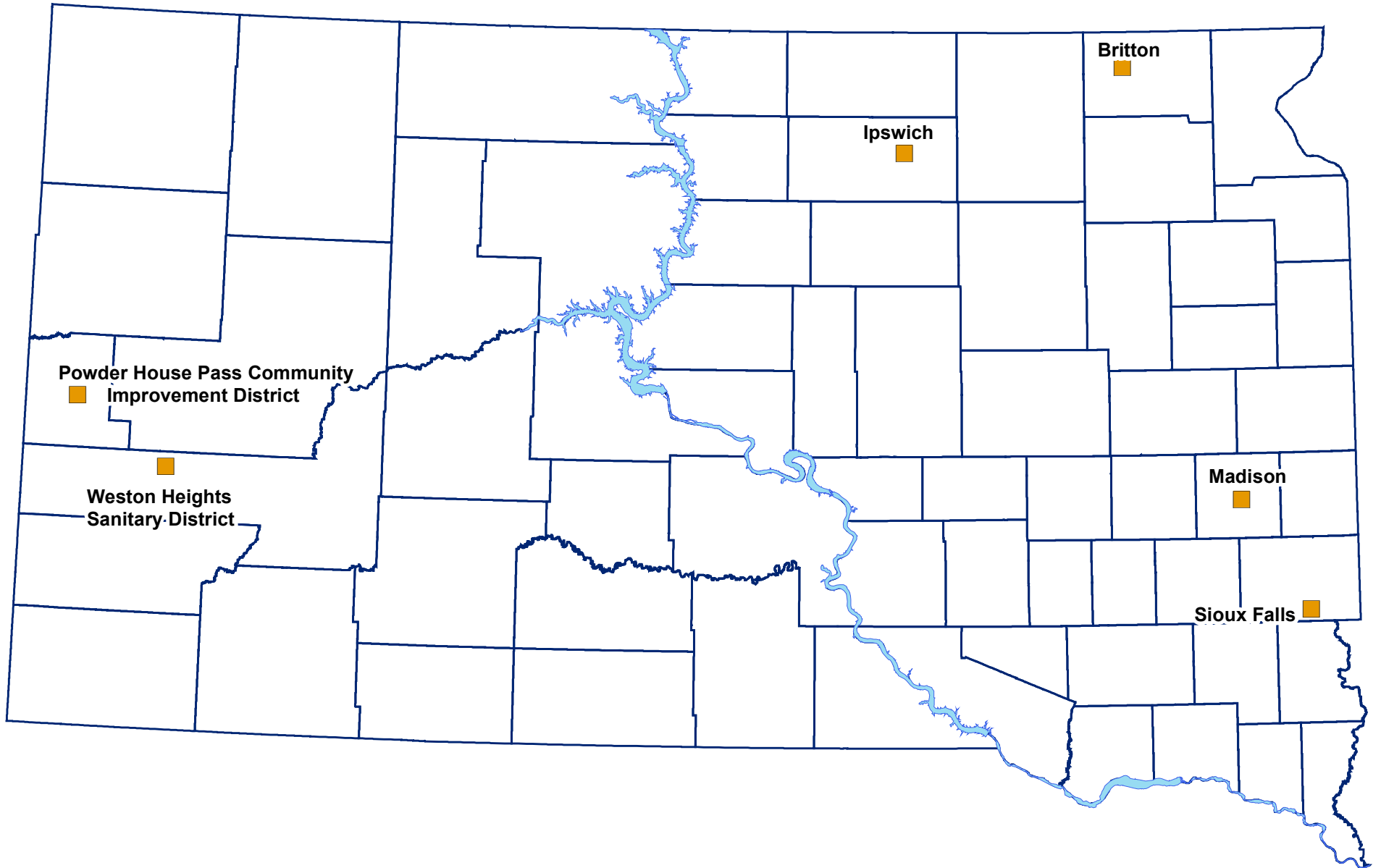
Funding Recommendation: \$11,000,000 Clean Water State Revolving Fund loan at 3.5% for 20 years

Debt Service Coverage: 113% based on current approved rates.

Loan Contingencies:

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

Sanitary/Sewer Funding Applications June 2024



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

APPLICANT: Madison CW-06

Total Project Cost:	\$2,692,548
BWNR Funding Assistance Requested:	\$2,692,548
Rate/Term:	3.75% / 30 years
Security Pledged For Repayment Of Loan:	Project Surcharge

Staff Analysis

- 1) Current rates are \$49.30 per 5,000 gallons usage. At all loan a surcharge of \$4.30 will be needed to meet the required debt coverage, bringing total rates to \$53.60.

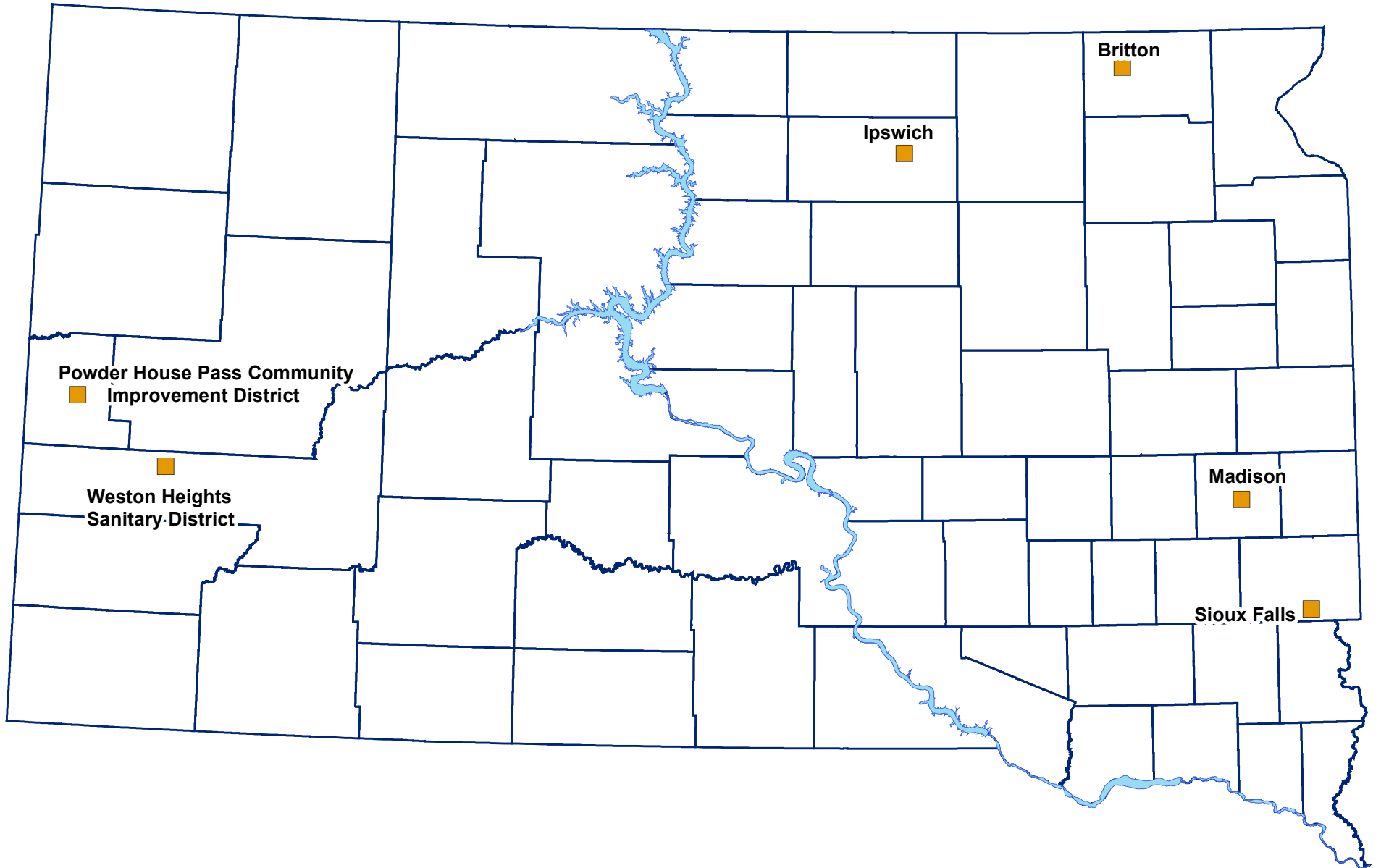
Funding Recommendation: Award a \$2,692,547 Clean Water State Revolving Fund loan at 3.75% for 30 years.

Debt Service Coverage: 110% coverage based on a surcharge of \$4.30

Loan Contingencies:

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

Sanitary/Sewer Funding Applications June 2024



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

APPLICANT: Britton CW-06

Total Project Cost:	\$2,264,000
BWNR Funding Assistance Requested:	\$733,000
Rate/Term:	3.75% / 30 years
Security Pledged For Repayment Of Loan:	Project Surcharge

Staff Analysis

- 1) Current rates are at \$54.76 per 5,000 gallons . If funding is provided as all loan, a surcharge of \$5.55 would be needed to meet the required debt coverage, which would bring overall rates to \$60.35.

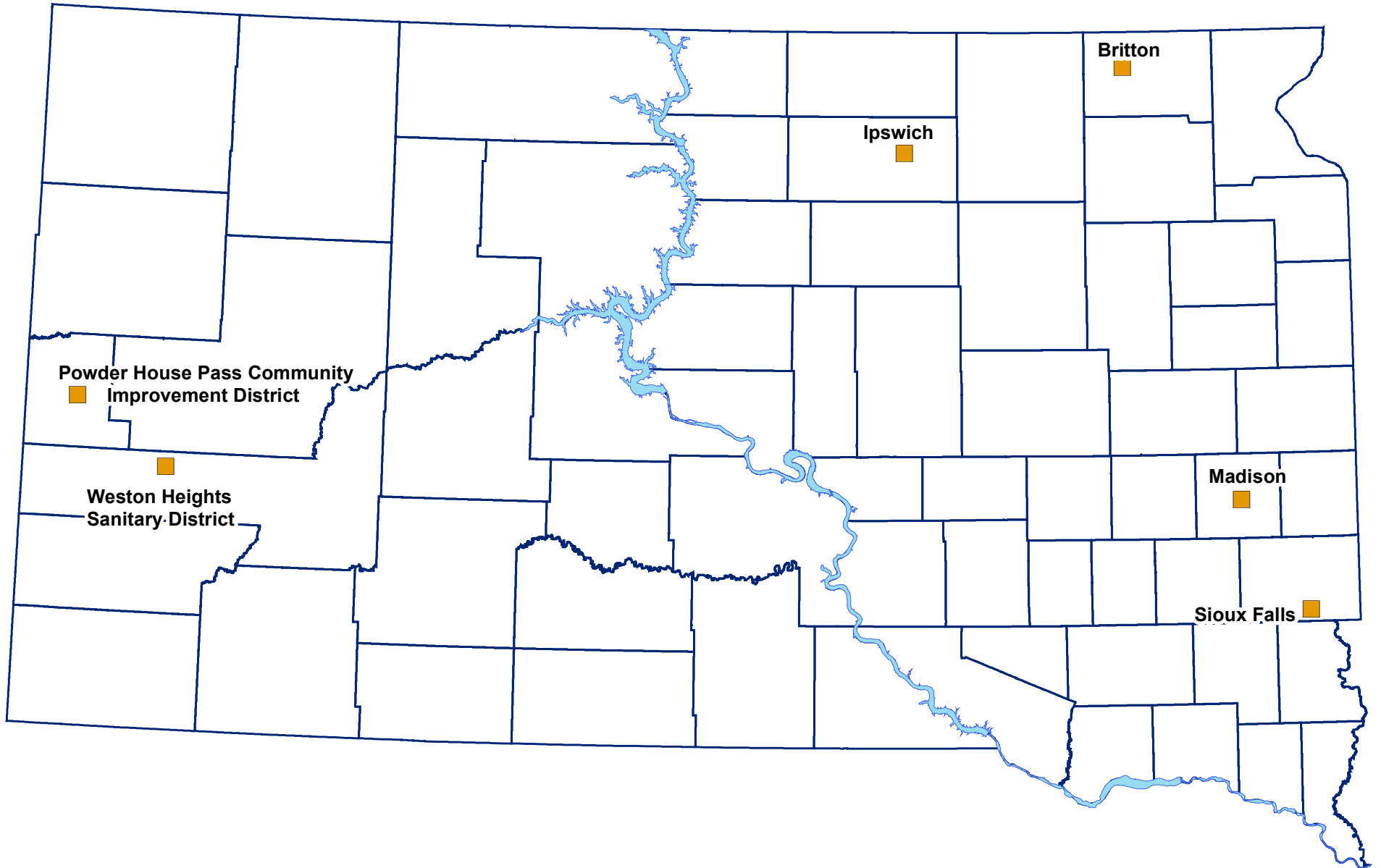
Funding Recommendation: Award a \$733,000 Clean Water SRF loan at 3.75% for 30 years.

Debt Service Coverage: 110% based on a \$5.55 surcharge

Loan Contingencies:

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

Sanitary/Sewer Funding Applications June 2024



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

APPLICANT: Weston Heights Sanitary District CW-02

Total Project Cost: \$1,168,372

BWNR Funding Assistance Requested: \$1,111,000

Rate/Term: 3.75% / 30 years

Security Pledged For Repayment Of Loan: System Revenue

Staff Analysis

- 1) Current rates are \$45.00 per 5,000 gallons usage. At the recommended funding level, the system will have to increase their revenue approximately \$53,280 annually to meet the required debt coverage. This increase would raise rates approximately \$30.00 per user per month, bringing total rates to \$75.00.

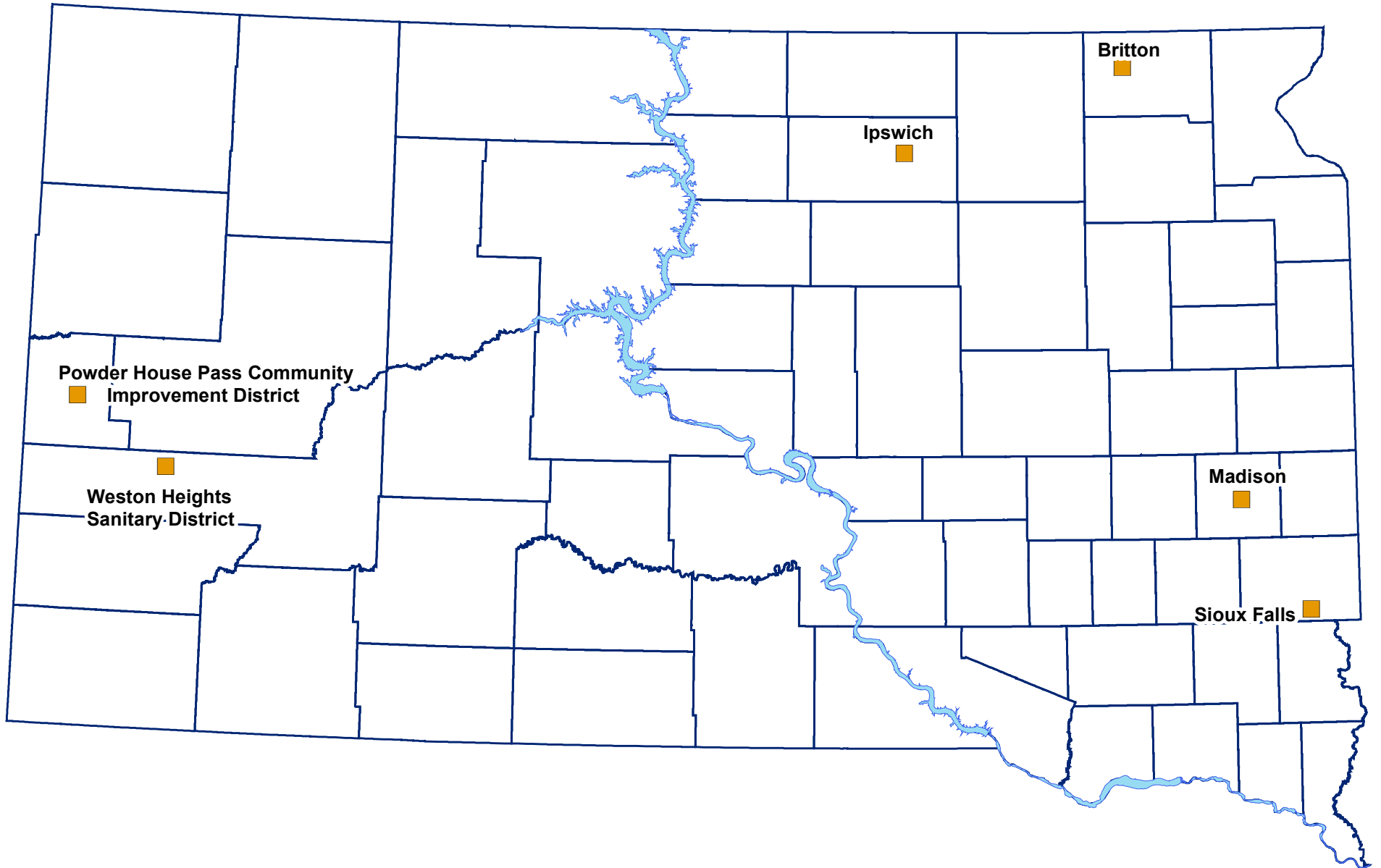
Funding Recommendation: Award a \$1,111,000 Clean Water State Revolving Fund loan at 3.75% for 30 years.

Debt Service Coverage: 110% coverage at rates of \$75.00 per 5,000 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 the Borrower establishing a separate fund to only track sewage and wastewater income and expenses.

Sanitary/Sewer Funding Applications June 2024



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

APPLICANT: Ipswich CW-03

Total Project Cost:	\$2,974,582
BWNR Funding Assistance Requested:	\$390,100
Rate/Term:	3.75% / 30 Years
Security Pledged For Repayment Of Loan:	Project Surcharge

Staff Analysis

- 1) Current rates are at \$47.00 per 5,000 gallons. If funding is provided as all loan, a surcharge of \$4.75 would be needed to meet the required debt coverage, which would bring overall rates to \$51.75. Staff analysis indicates that Ipswich will need to raise rates approximately \$22.05 to cover operation and maintenance expenses, which would bring overall rates to \$73.80.
- 2) At the recommended funding level a surcharge of \$3.55 would be required, which would bring overall rates to \$72.60 including the \$22.05 needed for operation and maintenance expenses.

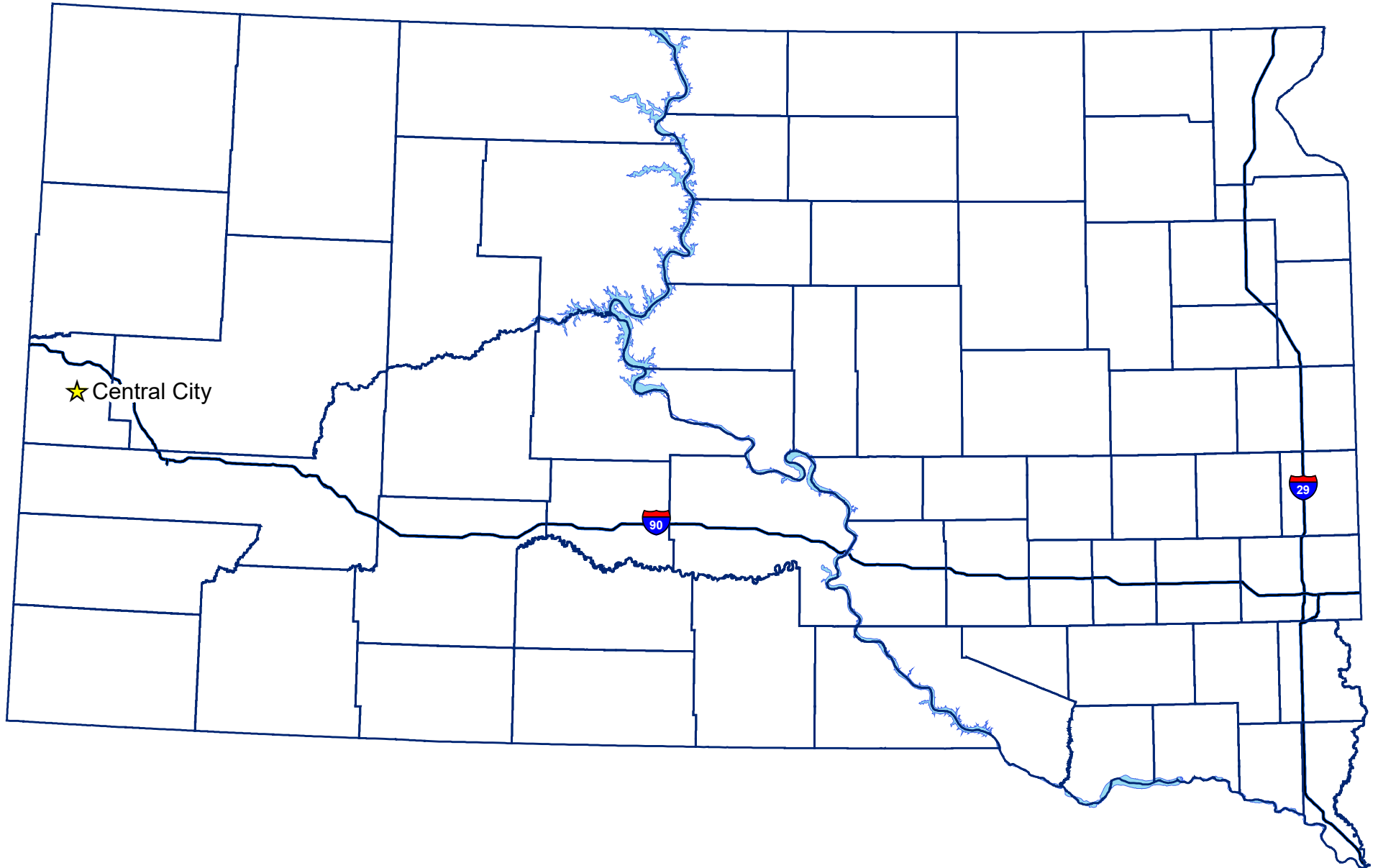
Funding Recommendation: Award a \$390,100 Clean Water SRF loan at 3.75% for 30 years with 25.7% principal forgiveness not to exceed \$100,000.

Debt Service Coverage: 110% based on a \$3.55 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 2024 Clean Water State Revolving Fund capitalization grant from EPA.

Small Water Facility Funding Applications June 2024



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

APPLICANT: Central City

Total Project Cost: \$182,000

BWNR Funding Assistance Requested: \$182,000

Rate/Term: 3.50% / 20 Years

Security Pledged For Repayment Of Loan: Storm Water Revenue

Staff Analysis

- 1) Central City does not have a storm water fee currently. Current wastewater rates are a \$24.00 flat fee. At the recommended funding level, the system will have to establish a storm water fee of \$19.00 per user per month to meet the required debt coverage. When combined with the current wastewater fee this would increase their rates to approximately \$43.00.

Funding Recommendation: Award a \$182,000 Consolidated loan at 3.5% for 20 years.

Debt Service Coverage: 100% based storm sewer rates of \$19.00

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.

June 2024 Remaining Available Funds Summary

AMERICAN RESCUE PLAN ACT (ARPA) GRANTS

2022 Appropriation:	\$	600,000,000
Reversions:	\$	36,440,124.62
Awarded to Date:	\$	(620,813,388)
Available for Award:	\$	15,626,736.62
Recommended:	\$	<u>(15,626,736.62)</u>
Balance:	\$	-
2024 Appropriation:	\$	89,384,221
Reversions:	\$	-
Awarded to Date:	\$	-
Available for Award:	\$	89,384,221
Recommended:	\$	<u>(89,384,221)</u>
Balance:	\$	-

CONSOLIDATED WATER FACILITIES CONSTRUCTION PROGRAM

Available Funds:	\$	650,729
Reversions:	\$	<u>787,599</u>
Available for Award:	\$	1,438,328
Recommended:	\$	<u>(350,000)</u>
Balance:	\$	1,088,328

DRINKING WATER SRF WATER CONSTRUCTION GRANTS

Available Prior Year Funds (4-Jan-2024):	\$	114,858
2024 IUP Allocation:	\$	2,000,000
Reversions:	\$	-
Available for Award:	\$	<u>58</u>
Recommended:	\$	-
Balance:	\$	58

CLEAN WATER SRF WATER QUALITY GRANTS

Available Prior Year Funds (4-Jan-2024):	\$	316,847
2024 IUP Allocation:	\$	2,200,000
Reversions:	\$	397,183
Awarded to Date:	\$	<u>(2,914,000)</u>
Available for Award:	\$	30
Recommended:	\$	-
Balance:	\$	30

June 2024 Remaining Available Funds Summary

DRINKING WATER SRF PRINCIPAL FORGIVENESS

Prior Year Principal Forgiveness Allocations:	\$ 46,019,980
FFY-24 Maximum Allocation:	\$ 652,540
Reverted Principal Forgiveness:	\$ -
Awarded to Date:	<u>\$ (46,619,980)</u>
Available For Award:	\$ 52,540
Recommended:	<u>\$ -</u>
Balance:	\$ 52,540
Princ. Forg. for Disadvantaged Communities:	\$ 24,104,000
FFY-24 Maximum Allocation:	\$ 1,631,350
Reverted Principal Forgiveness:	\$ -
Awarded to Date:	<u>\$ (23,280,130)</u>
Available For Award:	\$ 2,455,220
Recommended:	<u>\$ -</u>
Balance:	\$ 2,455,220
BIL Supplemental PF for Disadvantaged Communities:	\$ 19,133,030
FFY-24 Maximum Allocation:	\$ 11,262,650
Reverted Principal Forgiveness:	\$ -
Awarded to Date:	<u>\$ (17,174,756)</u>
Available For Award:	\$ 13,220,924
Recommended:	<u>\$ (1,339,000)</u>
Balance:	\$ 11,881,924
BIL Emerging Contaminants Principal Forgiveness:	\$ 16,697,000
FFY-24 Maximum Allocation:	\$ 7,640,000
FFY-24 Transfer from CWSRF Allocation:	\$ -
Reverted Principal Forgiveness:	\$ -
Awarded to Date:	<u>\$ (7,895,000)</u>
Available For Award:	\$ 16,442,000
Recommended:	<u>\$ (14,730,000)</u>
Balance:	\$ 1,712,000
BIL Lead Service Line PF for Disadvantaged Communities:	\$ 490,000
FFY-24 Maximum Allocation:	\$ 14,038,500
Reverted Principal Forgiveness:	\$ -
Awarded to Date:	<u>\$ (490,000)</u>
Available For Award:	\$ 14,038,500
Recommended:	<u>\$ -</u>
Balance:	\$ 14,038,500

June 2024 Remaining Available Funds Summary

CLEAN WATER SRF PRINCIPAL FORGIVENESS

Prior Year Principal Forgiveness Allocations:	\$	32,176,876
FFY-24 Maximum Allocation:	\$	1,603,200
Reverted Principal Forgiveness:	\$	-
Awarded to Date:	\$	<u>(33,075,676)</u>
Available For Award:	\$	704,400
Recommended:	\$	<u>-</u>
Balance:	\$	704,400
BIL Supplemental PF for Disadvantaged Communities:	\$	9,295,790
FFY-24 Maximum Allocation:	\$	5,470,360
Reverted Principal Forgiveness:	\$	-
Awarded to Date:	\$	<u>(14,547,500)</u>
Available For Award:	\$	218,650
Recommended:	\$	<u>(100,000)</u>
Balance:	\$	118,650
BIL Emerging Contaminants Principal Forgiveness:	\$	1,502,000
FFY-24 Maximum Allocation:	\$	1,043,000
Transferred to DWSRF Allocation:	\$	(1,502,000)
Reverted Principal Forgiveness:	\$	-
Awarded to Date:	\$	<u>-</u>
Available For Award:	\$	1,043,000
Recommended:	\$	<u>-</u>
Balance:	\$	1,043,000

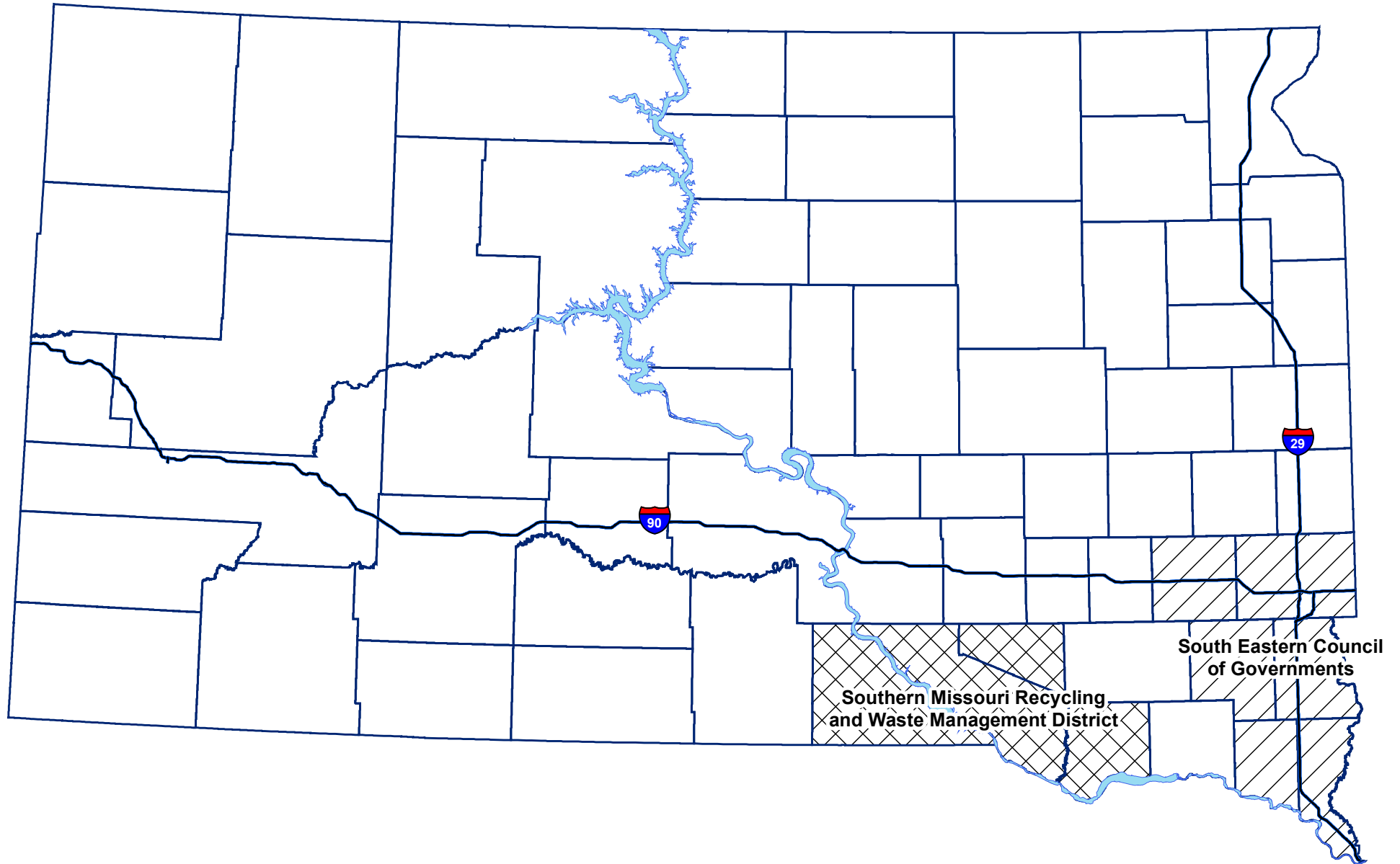
June 2024
Dedicated Solid Waste Management Fees

Solid Waste Management Program (SWMP)

Available Funds:	\$	1,172,150
Reversions:	\$	6,684
Available for Award:	\$	<u>1,178,834</u>

Solid Waste Management Program Funding Applications

June 2024



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

APPLICANT: South Eastern Council of Governments

Total Project Cost: \$625,000

BWNR Funding Assistance Requested: \$500,000

Rate/Term: N/A

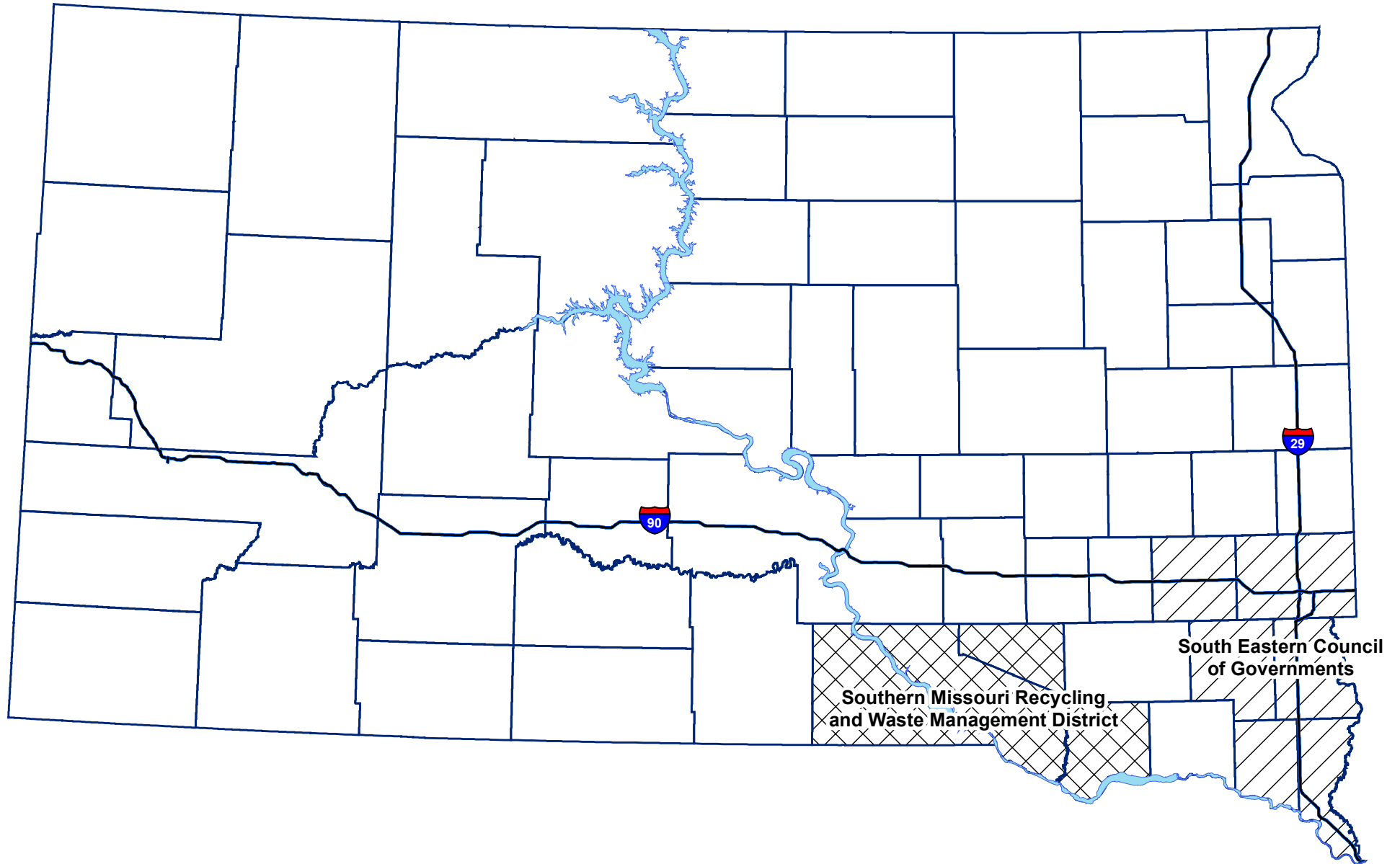
Security Pledged For Repayment Of Loan: N/A

Staff Analysis

- 1) South Eastern Council of Governments is requesting funds to recapitalize the South Eastern Development Foundation revolving loan fund program.
- 2) These funds are used to originate loans for eligible purposes as defined under the Solid Waste Management Program, for-profit businesses in Clay, Lincoln, McCook, Minnehaha, Turner, and Union Counties.

Funding Recommendation: Award a Solid Waste Management Program grant for 80% of eligible costs not to exceed \$500,000.

Solid Waste Management Program Funding Applications June 2024



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

APPLICANT: Southern Missouri Recycling & Waste Management District

Total Project Cost:	\$	507,271
BWNR Funding Assistance Requested:	\$	500,000
Rate/Term:		3.50% / 20 Years
Security Pledged For Repayment Of Loan:		Solid Waste Revenue

Staff Analysis

- 1) Southern Missouri Recycling and Waste Management District is requesting funds for the purchase of a new baler. Previously the District has utilized a refurbished baler that has needed several repairs to extend it's service life.
- 2) The purchase of a new baler would reduce overall costs and is compatible with their other existing equipment.

Funding Recommendation: Award a \$400,000 Solid Waste Management Program Loan at 3.50% for 20 years and award a Solid Waste Management Program grant at 19.8 percent not to exceed \$100,000.

Debt Service Coverage: 194% based on current Solid Waste revenue collections

Loan Contingencies:

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

June 2024

Dedicated Solid Waste Management Fees

Solid Waste Management Program (SWMP)

Available Funds:	\$	1,172,150
Reversions:	\$	6,684
Available for Award:	\$	<u>1,178,834</u>
Recommended:	\$	<u>(1,000,000)</u>
Balance:	\$	178,834