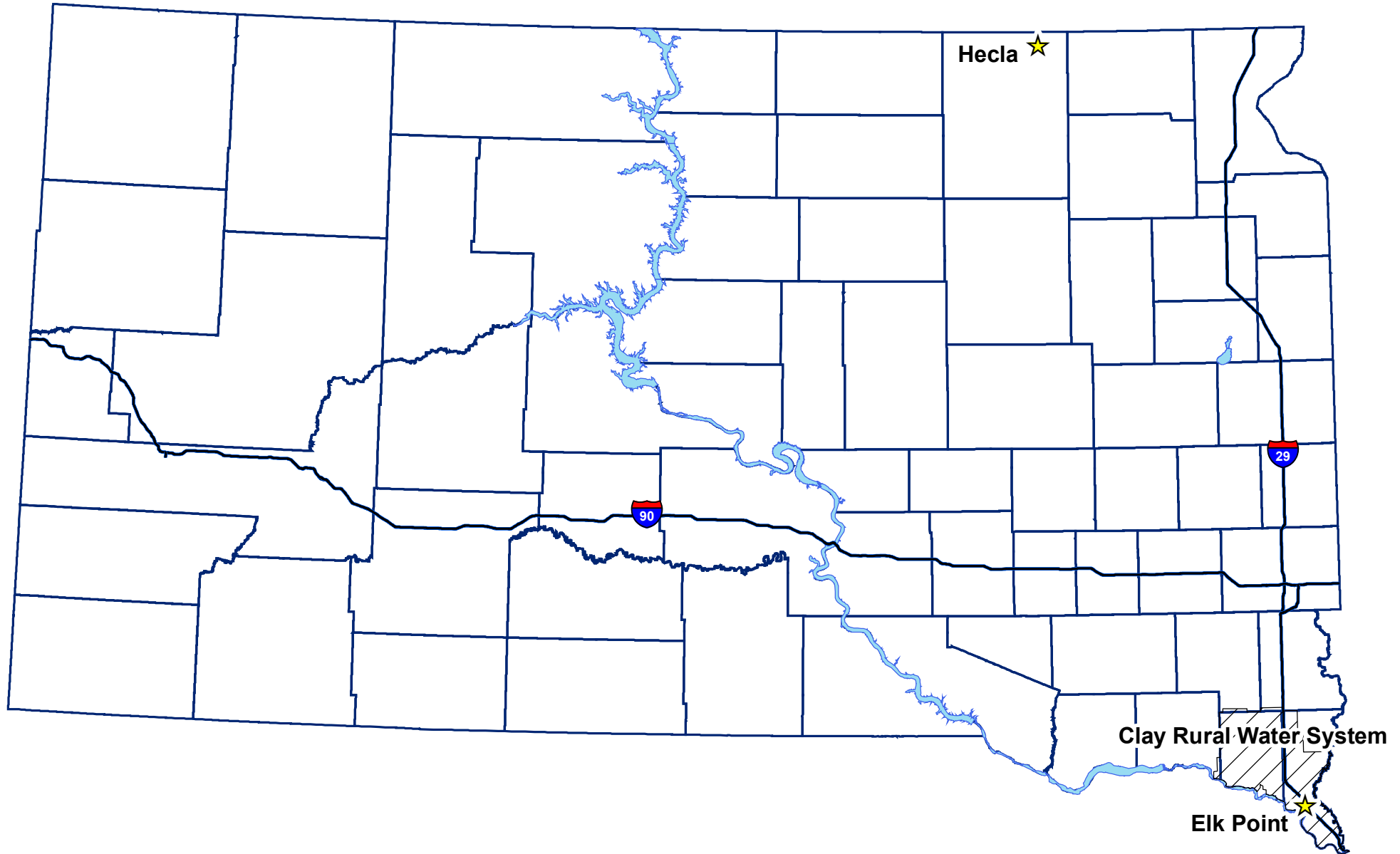


State Water Plan Applications March 2026



State Water Facilities Plan Applicants

Project Sponsor	Description	Projected State Funding (\$)	Recommendation
Clay Rural Water System	Connection to Elk Point	\$16,932,500	Place on Facilities Plan
Elk Point	Connection to Clay Rural Water System	\$15,912,000	Place on Facilities Plan
Hecla	Wastewater Improvements Phase 3	\$2,500,000	Place on Facilities Plan

Staff is recommending that the following projects be added to *Attachment I – Project Priority* list of the 2026 Clean Water SRF Intended Use Plan:

Priority Points	Loan Recipient	Estimated Loan Amount	Expected Loan Rate & Term
8	Elkton	\$1,225,000	4.00%, 30 years
6	Hecla	\$2,500,000	4.00%, 30 years

Staff is recommending that the following projects be added to *Attachment I – Project Priority* list of the 2026 Drinking Water SRF Intended Use Plan:

Priority Points	Loan Recipient	Estimated Loan Amount	Expected Loan Rate & Term
211	Clay Rural Water System	\$16,932,500	5.00%, 30 years
149	Elk Point	\$15,912,000	3.75%, 30 years
63	Vermillion	\$1,015,000	3.50%, 30 years
22	Belle Fouché	\$623,000	3.50%, 30 years
19	Elkton	\$1,375,000	4.00%, 30 years

Meeting Calendar for SFY 2027

July 2026

Su	Mo	Tu	We	Th	Fr	Sa
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

August 2026

Su	Mo	Tu	We	Th	Fr	Sa
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

September 2026

Su	Mo	Tu	We	Th	Fr	Sa
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30			

October 2026

Su	Mo	Tu	We	Th	Fr	Sa
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

November 2026

Su	Mo	Tu	We	Th	Fr	Sa
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30					

December 2026

Su	Mo	Tu	We	Th	Fr	Sa
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

January 2027

Su	Mo	Tu	We	Th	Fr	Sa
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

February 2027

Su	Mo	Tu	We	Th	Fr	Sa
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28						

March 2027

Su	Mo	Tu	We	Th	Fr	Sa
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

April 2027

Su	Mo	Tu	We	Th	Fr	Sa
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	

May 2027

Su	Mo	Tu	We	Th	Fr	Sa
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

June 2027

Su	Mo	Tu	We	Th	Fr	Sa
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30			

The Board of Water and Natural Resources meeting is at recess for lunch.

The meeting will reconvene at 1:00 pm CT.

March 2026 Available Funds Summary

AMERICAN RESCUE PLAN ACT (ARPA) GRANTS

2022 Appropriation:	\$	600,000,000
Reversions:	\$	41,534,159.02
Awarded to Date:	\$	(640,888,818.47)
Available for Award:	\$	<u>645,340.55</u>

2024 SB 53 Section 1 Appropriation:	\$	89,384,221
2024 SB 53 Section 2 Authority Transfer:	\$	5,745,508.05
Reversions:	\$	-
Awarded to Date:	\$	(95,129,729)
Available for Award:	\$	<u>-</u>

CONSOLIDATED WATER FACILITIES CONSTRUCTION PROGRAM

Available Prior Year Funds (8-Jan-2026):	\$	394,266
2026 Omnibus Appropriation:	\$	11,400,000
Reversions:	\$	418,611
Available for Award:	\$	<u>12,212,877</u>

2026 GENERAL FUND WATER, WASTEWATER, AND STORMWATER GRANTS

Available Funds 2026 SB 222, Section 2:	\$	2,000,000
Reversions:	\$	-
Awarded to Date:	\$	-
Available for Award:	\$	<u>2,000,000</u>

DRINKING WATER EMERGING CONTAMINANTS

SMALL or DISADVANTAGED COMMUNITIES

Available Prior Year Funds (8-Jan-2026):	\$	22,352,000
Reversions:	\$	-
Available for Award:	\$	<u>22,352,000</u>

March 2026 Available Funds Summary

DRINKING WATER SRF PRINCIPAL FORGIVENESS

Prior Year Principal Forgiveness Allocations:	\$	48,199,360
FFY-26 Required:	\$	532,000
Reverted Principal Forgiveness:	\$	-
Awarded to Date:	\$	(47,319,980)
Available For Award:	\$	1,411,380
Princ. Forg. for Disadvantaged Communities Maximum:	\$	27,941,344
Princ. Forg. for Disadvantaged Communities Minimum:	\$	5,294,400
FFY-26 Maximum Allowed:	\$	1,330,000
FFY-26 Minimum Required:	\$	456,000
Reverted Principal Forgiveness:	\$	-
Awarded to Date:	\$	(24,360,934)
Maximum Available For Award:	\$	4,910,410
Current Required Amount to be Awarded:	\$	456,000
BIL Supplemental PF for Disadvantaged Communities:	\$	42,595,700
FFY-26 Required Allocation:	\$	12,200,020
Reverted Principal Forgiveness:	\$	-
Awarded to Date:	\$	(32,171,036)
Available For Award:	\$	22,624,684
BIL Emerging Contaminants Principal Forgiveness:	\$	29,423,000
FFY-26 Maximum Allocation:	\$	7,640,000
Transfers from CWSRF Allocation:	\$	2,545,000
Reverted Principal Forgiveness:	\$	-
Awarded to Date:	\$	(30,925,000)
Available For Award:	\$	8,683,000
BIL Lead Service Line PF for Disadvantaged Communities:	\$	14,528,500
FFY-26 Maximum Allocation:	\$	14,038,500
Reverted Principal Forgiveness:	\$	193,832
Awarded to Date:	\$	(490,000)
Available For Award:	\$	28,270,832

March 2026 Available Funds Summary

CLEAN WATER SRF PRINCIPAL FORGIVENESS

Prior Year Principal Forgiveness Maximum:	\$	35,613,897
Prior Year Principal Forgiveness Minimum:	\$	11,882,781
FFY-26 Maximum Allowed:	\$	1,400,000
FFY-26 Minimum Required:	\$	700,000
Reverted Principal Forgiveness:	\$	-
Awarded to Date:	\$	(33,900,047)
Maximum Available For Award:	\$	3,113,850
Current Required Amount to be Awarded:	\$	1,386,250
BIL Supplemental PF for Disadvantaged Communities:	\$	20,692,210
FFY-26 Maximum Allocation:	\$	5,926,060
Reverted Principal Forgiveness:		
Awarded to Date:	\$	(19,781,150)
Available For Award:	\$	6,837,120
BIL Emerging Contaminants Principal Forgiveness:	\$	3,588,000
FFY-26 Maximum Allocation:	\$	1,043,000
Transferred to DWSRF Allocation:	\$	(2,545,000)
Reverted Principal Forgiveness:	\$	-
Awarded to Date:	\$	-
Available For Award:	\$	2,086,000

Drinking Water Funding Applications March 2026



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

APPLICANT: Brookings-Deuel Rural Water System DW-05

Total Project Cost: \$1,400,000

BWNR Funding Assistance Requested: \$1,300,000

Rate/Term: 0% / 0 Years

Security Pledged For Repayment Of Loan: System Revenue

Staff Analysis

- 1) The town of Ward currently operates its own water supply and is experiencing manganese levels that exceed the Secondary Drinking Water standards. Brookings-Deuel Rural Water System is proposing to install a new looped system in the Elkton service area which includes Ward to provide water to Ward, and allow them to remove their existing water source from use.
- 2) This project qualifies for use of the DWSRF Emerging Contaminants grant funding, which is required to be provided at 100 percent principal forgiveness. The project is also considered an SRF federal equivalency project and subject to BABA material procurement requirements based on this funding source.

Funding Recommendation: Award a \$1,300,000 Drinking Water SRF loan at 100% principal forgiveness from the Emerging Contaminants grant.

Debt Service Coverage: Not required for 100% Principal Forgiveness

Loan Contingencies:

- 1) Contingent upon the Applicant resolution becoming effective following its publication
- 2) Contingent upon the Borrower approving and executing a Promissory Note
- 3) Contingent upon the receipt of the 2025 Drinking Water State Revolving Fund Emerging Contaminants Capitalization Grant from EPA.

Drinking Water Funding Applications March 2026



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

APPLICANT: WEB Water Development Association

Total Project Cost:	\$363,000
BWNR Funding Assistance Requested:	\$363,000
Rate/Term:	5.0% / 30 Years
Security Pledged For Repayment Of Loan:	System Revenue

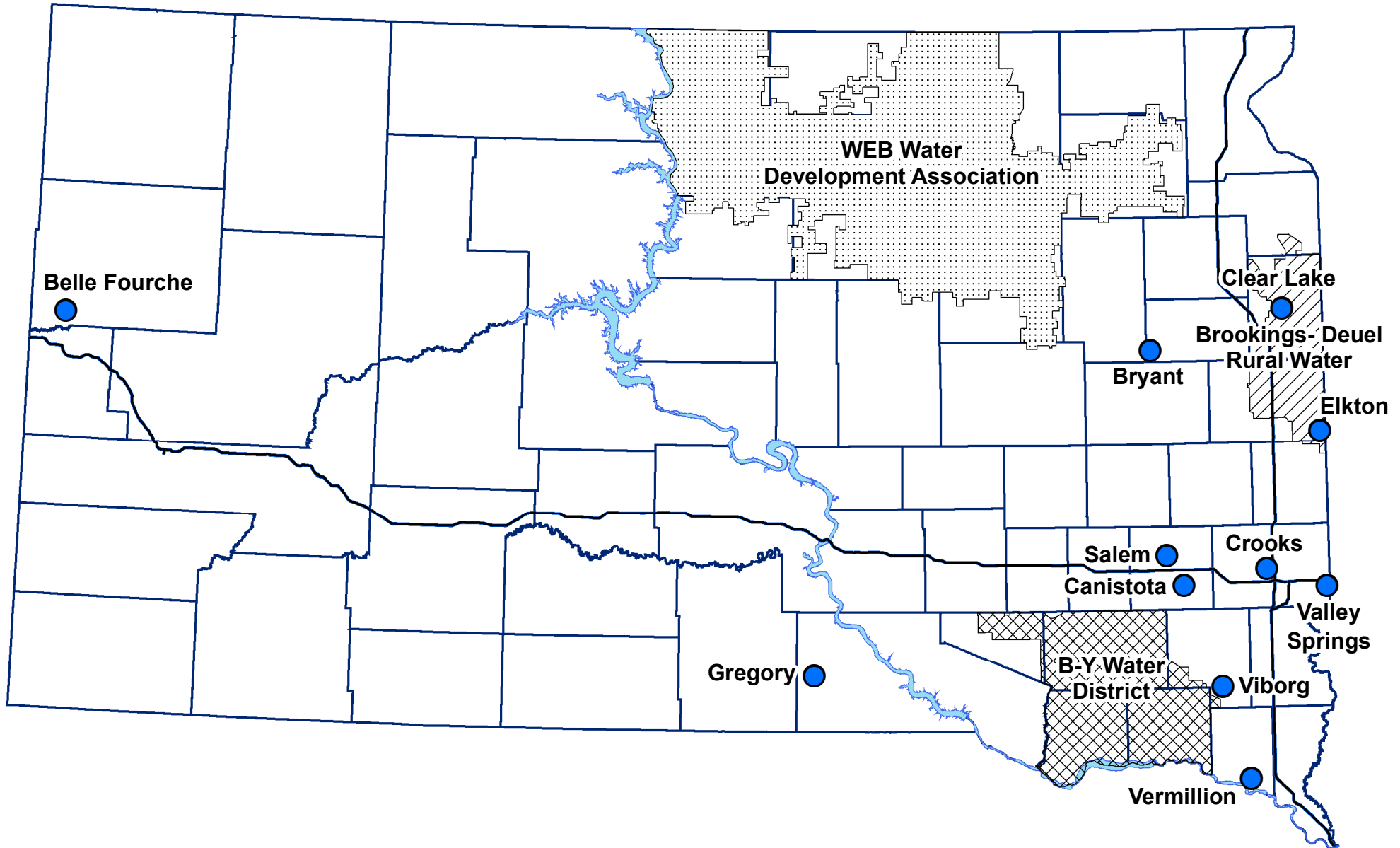
Staff Analysis

- 1) WEB Water is proposing to replace and increase the watermain from 2" to 3" and install meters that currently provide service to Wecota as a Class "C" bulk user. WEB Water will then take over the water system as individual users at completion.

Funding Recommendation: Award a \$290,400 Consolidated grant at 80% of total project costs.

Debt Service Coverage: Not required for grant funding.

Drinking Water Funding Applications March 2026



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

APPLICANT: Bryant DW-04

Total Project Cost:	\$2,643,000
BWNR Funding Assistance Requested:	\$2,643,000
Rate/Term:	3.50% / 30 years
Security Pledged For Repayment Of Loan:	Surcharge

Staff Analysis

- 1) Bryant's current water rates are \$71.80 per 5,000 gallons. If funding is provided as all loan, a surcharge of \$50.90. would be needed to meet the required debt coverage, which would bring overall rates to \$122.70.
- 2) At the recommended funding level Bryant will need to establish a \$10.15 surcharge resulting in cumulative rates of \$76.60 per 5,000 gallons.

Funding Recommendation: Award a \$2,643,000 Drinking Water State Revolving Fund loan at 3.50% for 30 years with 80.1% Principal Forgiveness not to exceed \$2,116,000.

Debt Service Coverage: 110% based on a \$10.15 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 the receipt of the 2026 Drinking Water SRF Capitalization Grant.

Drinking Water Funding Applications March 2026



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

APPLICANT: Canistota DW-05

Total Project Cost:	\$7,185,000
BWNR Funding Assistance Requested:	\$7,185,000
Rate/Term:	3.75% / 30 Years
Security Pledged For Repayment Of Loan:	Project Surcharge

Staff Analysis

- 1) Current rates are at \$78.03 per 5,000 gallons. If funding is provided as all loan, a surcharge of \$56.70 would be needed to meet the required debt coverage, which would bring overall rates to \$134.73.
- 2) Staff does not believe it is feasible to develop a funding package for the total requested amount and keep rates at reasonable levels all in one project. The recommended funding level was developed through discussion with Canistota and allows for a significant portion to be completed. Staff is recommending the original scope applied for be approved and if lower than estimated costs are received during bidding some portions of work could be added for completion.
- 3) At the recommended funding level a surcharge of \$11.80 would be required, which would bring overall rates to \$89.85.

Funding Recommendation: Award a \$3,640,000 Drinking Water SRF loan at 3.75% for 30 years with 80.0% principal forgiveness not to exceed \$2,912,000.

Debt Service Coverage: 110% based on a \$11.80 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 2026 Drinking Water State Revolving Fund capitalization grant from EPA.

Drinking Water Funding Applications March 2026



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

APPLICANT: Clear Lake DW-03

Total Project Cost:	\$2,696,900
BWNR Funding Assistance Requested:	\$2,696,900
Rate/Term:	4.0% / 30 years
Security Pledged For Repayment Of Loan:	Surcharge

Staff Analysis

- 1) Clear Lake's current water rates are \$86.35 per 5,000 gallons. If funding is provided as all loan, a surcharge of \$22.95 would be needed to meet the required debt coverage, which would bring overall rates to \$109.30.
- 2) At the recommended funding level Clear Lake will need to establish a \$9.65 surcharge. Staff analysis indicates rates can be restructured with no increase to existing rates of \$86.35 per 5,000 gallons.

Funding Recommendation: Award a \$2,496,000 Drinking Water State Revolving Fund loan at 4.0% for 30 years, with 54.6% Principal Forgiveness not to exceed \$1,361,000 and award a Consolidated Grant at 7.5% of total project costs not to exceed \$200,000.

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

Loan Contingencies:

- 1) Contingent upon the Borrower adopting a bond resolution and the resolution becoming effective.
- 2) Contingent upon the Borrower establishing a surcharge at a level sufficient to provide the required debt coverage.
- 3) Contingent upon the receipt of the 2026 Clean Water SRF Capitalization Grant.

Drinking Water Funding Applications March 2026



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

APPLICANT: Salem DW-08

Total Project Cost:	\$2,100,000
BWNR Funding Assistance Requested:	\$2,100,000
Rate/Term:	3.75% / 30 Years
Security Pledged For Repayment Of Loan:	Project Surcharge

Staff Analysis

- 1) Current rates are at \$88.69 per 5,000 gallons. If funding is provided as all loan, a surcharge of \$16.20 would be needed to meet the required debt coverage, which would bring overall rates to \$104.89.
- 2) At the recommended funding level a surcharge of \$8.50 would be required, which would bring overall rates to \$97.19. Staff analysis indicates Salem can restructure their current rates to reduce rates total to \$81.00 per 5,000 gallons.

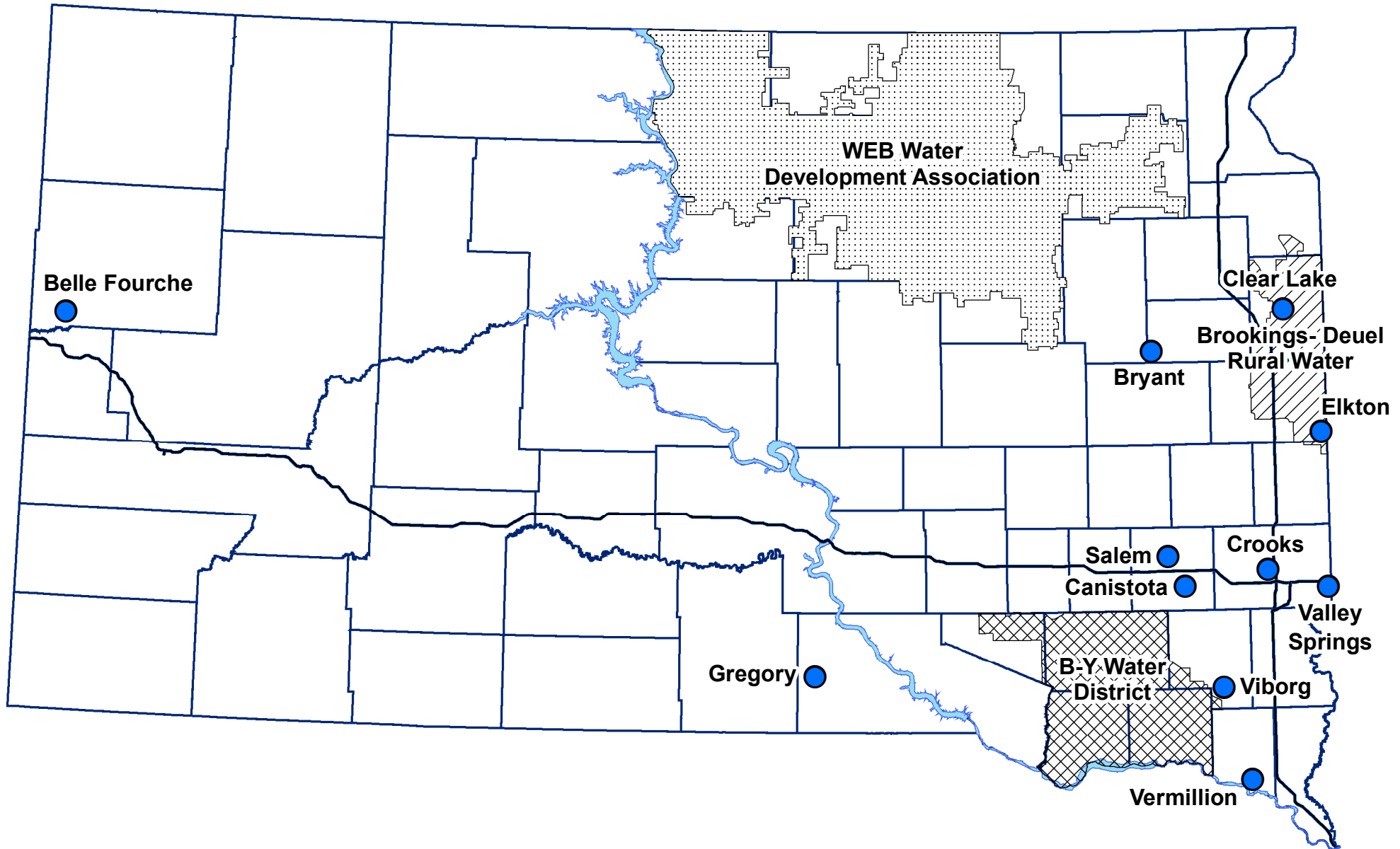
Funding Recommendation: Award a \$2,100,000 Drinking Water SRF loan at 3.75% for 30 years with 47.7% principal forgiveness not to exceed \$1,000,000.

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.
- 3) Contingent upon receipt of the 2026 Drinking Water State Revolving Fund capitalization grant from EPA.

Drinking Water Funding Applications March 2026



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

APPLICANT: Viborg DW-04 / Drinking Water Improvements Phase 2

Total Project Cost:	\$2,226,900
BWNR Funding Assistance Requested:	\$2,226,900
Rate/Term:	3.50% / 30 years
Security Pledged For Repayment Of Loan:	Surcharge

Staff Analysis

- 1) Viborg's current water rates are \$45.79 per 5,000 gallons. If funding is provided as all loan, a surcharge of \$26.50 would be needed to meet the required debt coverage, which would bring overall rates to \$72.30.
- 2) At the recommended funding level Viborg will need to establish a \$13.45 surcharge resulting in rates of \$59.25 per 5,000 gallons.
- 3) Viborg is applying for a second drinking water request during this funding round. If both loans are approved, then overall rates are anticipated to be \$65.00 per 5,000 gallons.

Funding Recommendation: Award a \$2,226,000 Drinking Water State Revolving Fund loan at 3.50% for 30 years with 49.2% Principal Forgiveness not to exceed \$1,093,000.

Debt Service Coverage: 110% based on a \$13.45 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 the receipt of the 2026 Drinking Water SRF Capitalization Grant.

Drinking Water Funding Applications March 2026



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

APPLICANT: Brookings-Deuel Rural Water System DW-06

Total Project Cost: \$5,550,000
BWNR Funding Assistance Requested: \$4,700,000
Rate/Term: 4.75% / 30 Years
Security Pledged For Repayment Of Loan: System Revenue

Staff Analysis

- 1) Current rates are \$79.80 per 7,000 gallons usage. At the recommended funding level, the system will have sufficient revenues to meet the required debt coverage.
- 2) The 4.75% interest rate is 0.25% lower than the standard rate and term. This project has been selected for compliance with Build American, Buy American material procurement requirements. The board has adopted rates to allow for projects meeting this requirement to receive a 0.25% interest rate reduction.

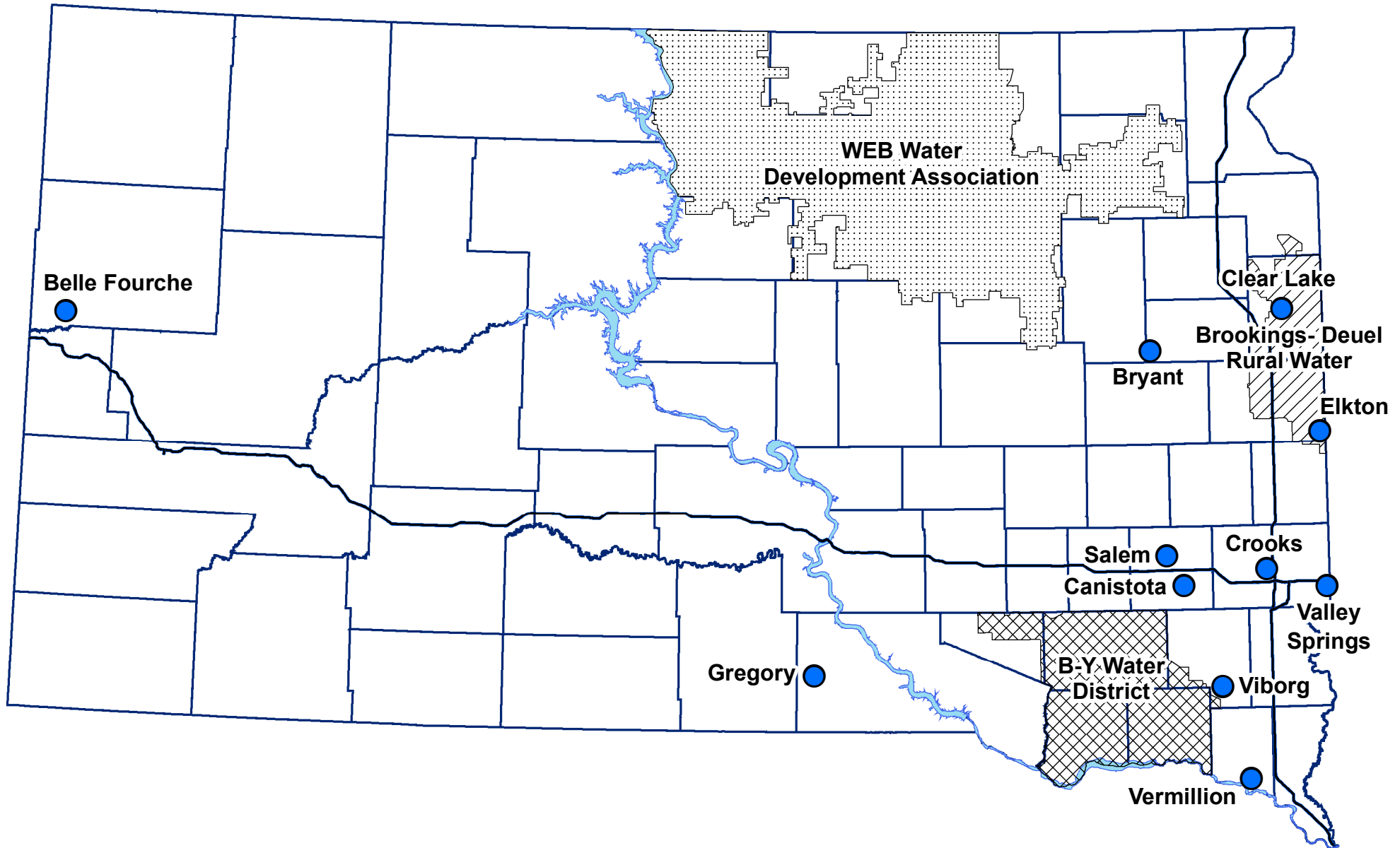
Funding Recommendation: Award a \$4,700,000 Drinking Water SRF loan at 4.75% for 30 years.

Debt Service Coverage: 134% based on current revenues

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 an Intercreditor Agreement being approved and executed by Cobank, Brookings-Deuel Rural Water System and the District.

Drinking Water Funding Applications March 2026



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

APPLICANT: Gregory DW-04

Total Project Cost:	\$975,000
BWNR Funding Assistance Requested:	\$975,000
Rate/Term:	3.5% / 30 Years
Security Pledged For Repayment Of Loan:	Project Surcharge

Staff Analysis

- 1) Current rates are at \$54.40 per 5,000 gallons. If funding is provided as all loan, a surcharge of \$6.90 would be needed to meet the required debt coverage, which would bring overall rates to \$61.30.

Funding Recommendation: Award a \$975,000 Drinking Water SRF loan at 3.5% for 30 years.

Debt Service Coverage: 110% based on a \$6.90 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 March 2026



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

APPLICANT: Viborg DW-05 / Highway 19 Drinking Water Improvements

Total Project Cost:	\$479,700
BWNR Funding Assistance Requested:	\$479,700
Rate/Term:	3.50% / 30 years
Security Pledged For Repayment Of Loan:	Surcharge

Staff Analysis

- 1) Viborg's current wastewater rates are \$45.79 per 5,000 gallons. If funding is provided as all loan, a surcharge of \$5.75 would be needed to meet the required debt coverage, which would bring rates to \$51.55.
- 2) Viborg was awarded a previous drinking water loan earlier this meeting. If both loans are approved, then overall rates will be \$65.00 per 5,000 gallons.

Funding Recommendation: Award a \$479,00 Drinking Water State Revolving Fund loan at 3.50% for 30 years

Debt Service Coverage: 110% based on a \$5.75 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 March 2026



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

APPLICANT: Vermillion DW-06

Total Project Cost:	\$8,015,000
BWNR Funding Assistance Requested:	\$1,015,000
Rate/Term:	4.0% / 30 Years
Security Pledged For Repayment Of Loan:	Project Surcharge

Staff Analysis

- 1) Current rates are at \$37.61 per 5,000 gallons. If funding is provided as all loan, a surcharge of \$1.50 would be needed to meet the required debt coverage, which would bring overall rates to \$39.11.

Funding Recommendation: Award a \$1,015,000 Drinking Water SRF loan at 4.0% for 30 years.

Debt Service Coverage: 110% based on a \$1.50 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 March 2026



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

APPLICANT: Belle Fourche DW-03 / Hat Ranch Well - Additional Funding

Total Project Cost:	\$2,383,000
BWNR Funding Assistance Requested:	\$623,000
Rate/Term:	3.50% / 30 year
Security Pledged For Repayment Of Loan:	Surcharge

Staff Analysis

- 1) Belle Fourche's current water rates are \$36.10 per 5,000 gallons. If funding is provided as all loan, a surcharge of \$1.25 would be needed to meet the required debt coverage.
- 2) Belle Fourche is applying for an additional drinking water loans during this funding round. If both loans are approved, then overall rates are anticipated to be \$46.70.

Funding Recommendation: Award a \$623,000 Drinking Water State Revolving Fund loan at 3.50% for 30 years

Debt Service Coverage: 110% based on a \$1.25 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 the borrower establishing minimum rates of \$45.00 per 5,000 gallons usage required to receive the disadvantage community interest rate assistance.

Drinking Water Funding Applications March 2026



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

APPLICANT: Elkton DW-04

Total Project Cost:	\$1,375,000
BWNR Funding Assistance Requested:	\$1,375,000
Rate/Term:	4.00% / 30 years
Security Pledged For Repayment Of Loan:	Surcharge

Staff Analysis

- 1) Elkton's current water rates are \$72.00 per 5,000 gallons. If funding is provided as all loan, a surcharge of \$21.50 would be needed to meet the required debt coverage, which would bring overall rates to \$93.50.
- 2) At the recommended funding level Elkton will need to establish an \$8.00 surcharge resulting in cumulative rates of \$80.00 per 5,000 gallons.

Funding Recommendation: Award a \$512,000 Drinking Water State Revolving Fund loan at 4.0% for 30 years and award Consolidated Grant at 62.8% of total project costs not to exceed \$863,000 .

Debt Service Coverage: 110% based on a \$8.00 surcharge

Loan Contingencies:

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

Drinking Water Funding Applications March 2026



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

APPLICANT: B-Y Water District DW-03 / Automatic Read Meter Upgrades

Total Project Cost:	\$6,136,980
BWNR Funding Assistance Requested:	\$6,075,000
Rate/Term:	3.25% / 10 year
Security Pledged For Repayment Of Loan:	Revenue

Staff Analysis

- 1) B-Y Water District's current water rates are \$79.25 per 5,000 gallons.
- 2) B-Y Water District is applying for a second drinking water request during this funding round. If both loans are approved, current rates are anticipated to provide 298% debt coverage.
- 3) The 3.25% interest rate is 0.25% lower than the standard rate and term. This project has been selected for compliance with Build American, Buy American material procurement requirements. The board has adopted rates to allow for projects meeting this requirement to receive a 0.25% interest rate reduction.

Funding Recommendation: Award a \$6,075,000 Drinking Water State Revolving Fund loan at 3.25% for 10 years

Debt Service Coverage: 289% based on current rates

Loan Contingencies:

- 1) Contingent upon the Borrower adopting a bond resolution and the resolution becoming effective.
- 2) Contingent upon an Intercreditor Agreement being approved and executed by Cobank, Rural Utilities Service, B-Y Water District and the District.

Drinking Water Funding Applications March 2026



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

APPLICANT: Belle Fourche DW-04 / Springs Waterline Replacement

Total Project Cost:	\$5,123,000
BWNR Funding Assistance Requested:	\$5,123,000
Rate/Term:	3.25% / 30 year
Security Pledged For Repayment Of Loan:	Surcharge

Staff Analysis

- 1) Belle Fourche's current wastewater rates are \$36.10 per 5,000 gallons. If funding is provided as all loan, a surcharge of \$9.35 would be needed to meet the required debt coverage.
- 2) Belle Fourche was awarded a previous drinking water loan earlier this meeting. If both loans are approved, then rates will be \$46.70 per 5,000 gallons.
- 3) The 3.25% interest rate is 0.25% lower than the standard rate and term. This project has been selected for compliance with Build American, Buy American material procurement requirements. The board has adopted rates to allow for projects meeting this requirement to receive a 0.25% interest rate reduction.

Funding Recommendation: Award a \$5,123,000 Drinking Water State Revolving Fund loan at 3.25% for 30 years.

Debt Service Coverage: 110% based on a \$9.35 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.
- 3) Contingent upon the borrower establishing minimum rates of \$45.00 per 5,000 gallons usage required to receive the disadvantage community interest rate assistance.

Drinking Water Funding Applications March 2026



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

APPLICANT: Valley Springs DW-04

Total Project Cost:	\$1,261,000
BWNR Funding Assistance Requested:	\$1,261,000
Rate/Term:	3.75% / 30 Years
Security Pledged For Repayment Of Loan:	Project Surcharge

Staff Analysis

- 1) Current rates are at \$65.56 per 5,000 gallons. If funding is provided as all loan, a surcharge of \$18.05 would be needed to meet the required debt coverage, which would bring overall rates to \$83.61.
- 2) Staff analysis indicates Valley Springs can restructure their current rates and establish the required \$18.05 surcharge for the recommended loan to take total rates to \$73.56 per 5,000 gallons.
- 3) The 3.75% interest rate is 0.25% lower than the standard rate and term. This project has been selected for compliance with Build American, Buy American material procurement requirements. The board has adopted rates to allow for projects meeting this requirement to receive a 0.25% interest rate reduction.

Funding Recommendation: Award a \$1,261,000 Drinking Water SRF loan at 3.75% for 30 years.

Debt Service Coverage: 110% based on a \$18.05 surcharge

Loan Contingencies:

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

Drinking Water Funding Applications March 2026



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

APPLICANT: B-Y Water District DW-04 / Highway 18 Water Line Relocation

Total Project Cost:	\$11,576,111
BWNR Funding Assistance Requested:	\$5,300,000
Rate/Term:	3.75% / 30 year
Security Pledged For Repayment Of Loan:	Revenue

Staff Analysis

- 1) B-Y Water District's current water rates are \$79.25 per 5,000 gallons.
- 2) B-Y Water District was awarded a previous drinking water loan earlier this meeting. If both loans are approved, current rates are anticipated to provide 298% debt coverage.
- 3) The 3.75% interest rate is 0.25% lower than the standard rate and term. This project has been selected for compliance with Build American, Buy American material procurement requirements. The board has adopted rates to allow for projects meeting this requirement to receive a 0.25% interest rate reduction.

Funding Recommendation: Award a \$5,300,000 Drinking Water State Revolving Fund loan at 3.75% for 30 years

Debt Service Coverage: 289% based on current rates

Loan Contingencies:

- 1) Contingent upon the Borrower adopting a bond resolution and the resolution becoming effective.
- 2) Contingent upon an Intercreditor Agreement being approved and executed by Cobank, Rural Utilities Service, B-Y Water District and the District.

Drinking Water Funding Applications March 2026



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

APPLICANT: Crooks DW-04

Total Project Cost:	\$2,090,000
BWNR Funding Assistance Requested:	\$2,090,000
Rate/Term:	3.75% / 30 Years
Security Pledged For Repayment Of Loan:	Project Surcharge

Staff Analysis

- 1) Current rates are at \$77.58 per 5000 gallons. If funding is provided as all loan, a surcharge of \$18.15 would be needed to meet the required debt coverage, which would bring overall rates to \$95.73.
- 2) Staff analysis indicates Crooks can restructure the rates to stay at their current rates with the recommended loan surcharge included.
- 3) The 3.75% interest rate is 0.25% lower than the standard rate and term. This project has been selected for compliance with Build American, Buy American material procurement requirements. The board has adopted rates to allow for projects meeting this requirement to receive a 0.25% interest rate reduction.

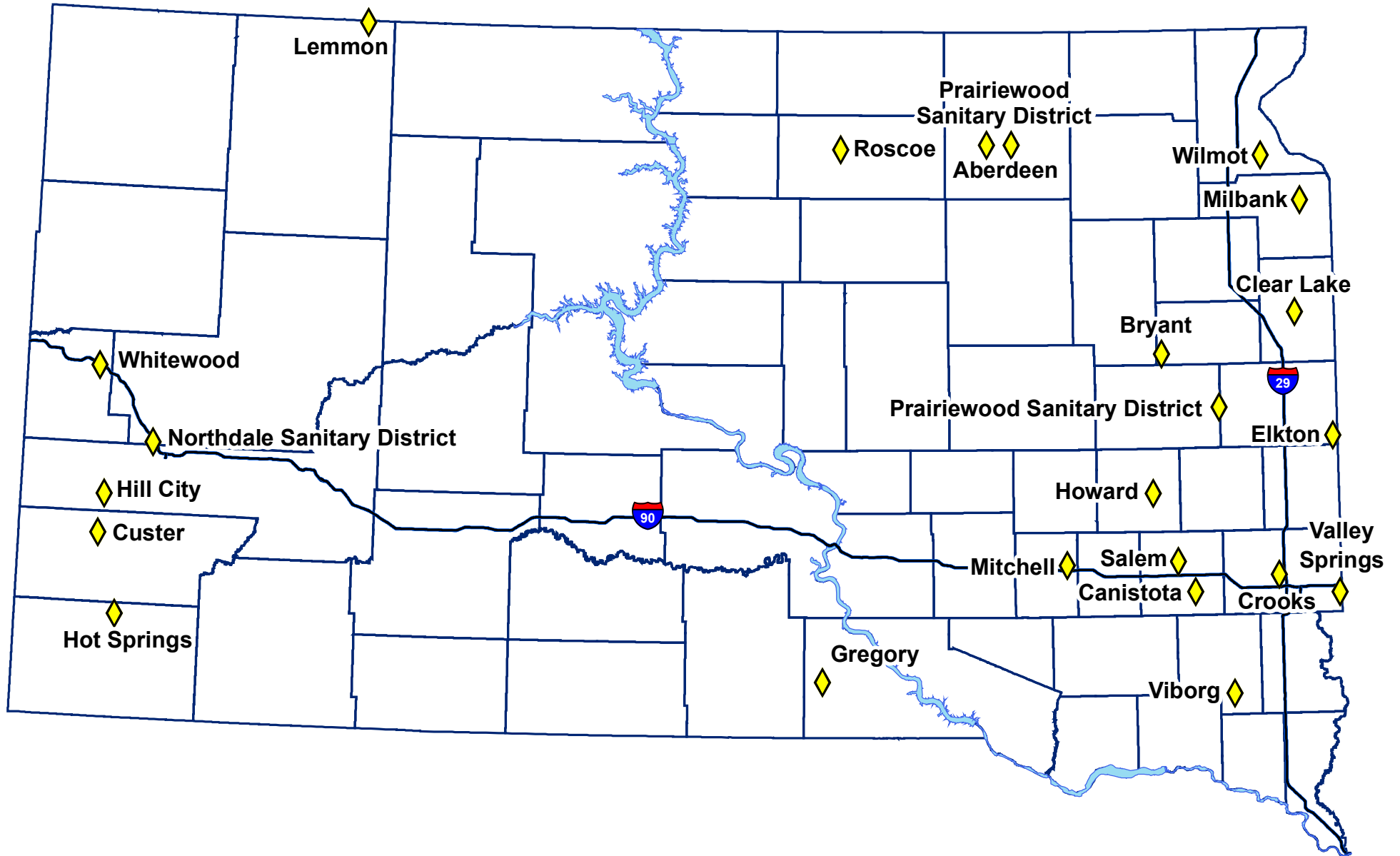
Funding Recommendation: Award a \$2,090,000 Drinking Water SRF loan at 3.75% for 30 years.

Debt Service Coverage: 110% based on a \$18.15 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 March 2026



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

APPLICANT: Whitewood CW-04

Total Project Cost:	\$7,107,000
BWNR Funding Assistance Requested:	\$1,942,000
Rate/Term:	4.0% / 30 years
Security Pledged For Repayment Of Loan:	Surcharge

Staff Analysis

- 1) Whitewood's current wastewater rates are \$60.00 per 5,000 gallons. If funding is provided as all loan, a surcharge of \$21.00 would be needed to meet the required debt coverage, which would bring overall rates to \$81.00.
- 2) At the recommended funding level Whitewood will need to establish a \$13.30 surcharge resulting in cumulative rates of \$73.30 per 5,000 gallons.

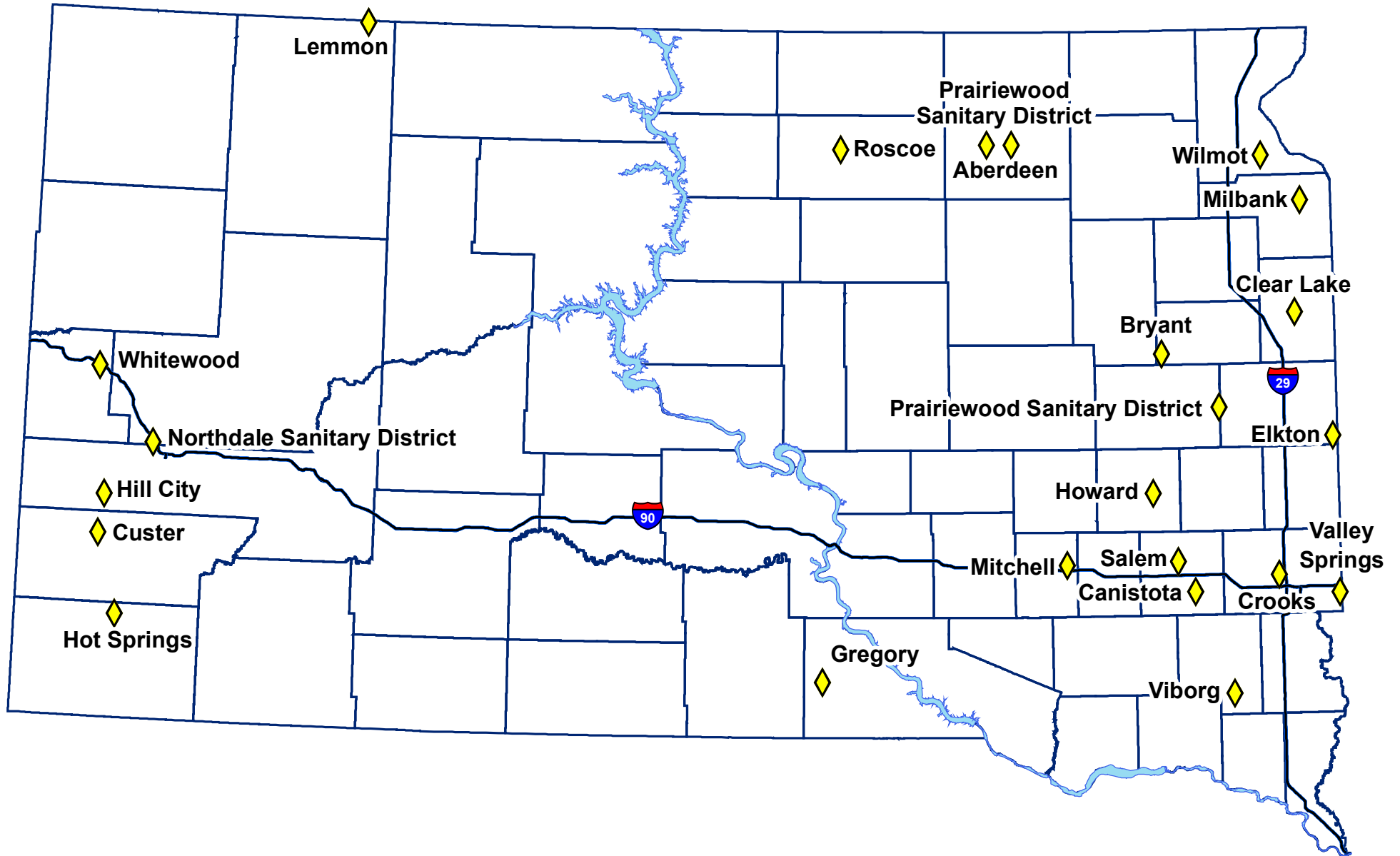
Funding Recommendation: Award a \$1,942,000 Clean Water State Revolving Fund loan at 4.0% for 30 years with 36.5% principal forgiveness not to exceed \$708,000.

Debt Service Coverage: 110% based on a \$13.30 surcharge

Loan Contingencies:

- 1) Contingent upon the Borrower adopting a bond resolution and the resolution becoming effective.
- 2) Contingent upon the Borrower establishing a surcharge at a level sufficient to provide the required debt coverage.
- 3) Contingent upon the receipt of the 2026 Clean Water SRF Capitalization Grant.

Sanitary/Sewer Funding Applications March 2026



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

APPLICANT: Howard CW-03

Total Project Cost:	\$2,816,288
BWNR Funding Assistance Requested:	\$2,816,288
Rate/Term:	4.0% / 30 Years
Security Pledged For Repayment Of Loan:	Project Surcharge

Staff Analysis

- 1) Current rates are at \$59.10 per 5,000 gallons. If funding is provided as all loan, a surcharge of \$30.90 would be needed to meet the required debt coverage, which would bring overall rates to \$90.00.
- 2) Staff analysis indicates Howard can restructure their current rates to keep rates at \$72.50 per 5,000 gallons.

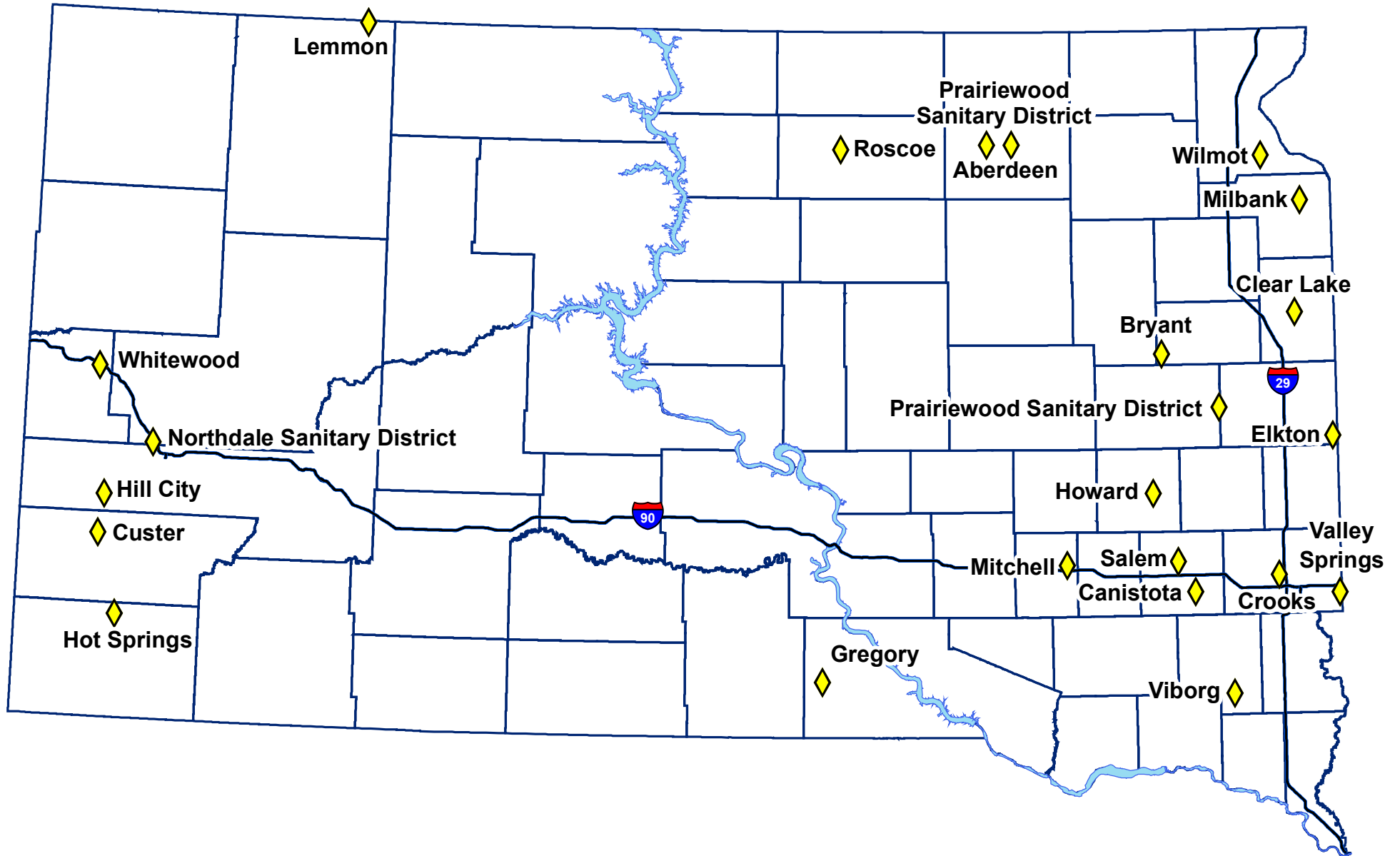
Funding Recommendation: Award a \$2,816,000 Clean Water SRF loan at 4.0% for 30 years.

Debt Service Coverage: 110% based on a \$30.90 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 March 2026



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

APPLICANT: Lake Poinsett Sanitary District CW-06

Total Project Cost:	\$8,799,110
BWNR Funding Assistance Requested:	\$8,799,110
Rate/Term:	4.0% / 30 Years
Security Pledged For Repayment Of Loan:	System Revenue

Staff Analysis

- 1) Current rates are at \$82.00 per month. If funding is provided as all loan, revenues would be needed to be increased by \$280,000 to meet the required debt coverage, which would be equivalent to bringing overall rates to approximately \$116.00 per month.
- 2) At the recommended funding level Lake Poinsett Sanitary District will need to increase revenues by approximately \$190,000 to meet the required debt coverage, which would be equivalent to bringing overall rates to \$106.50.

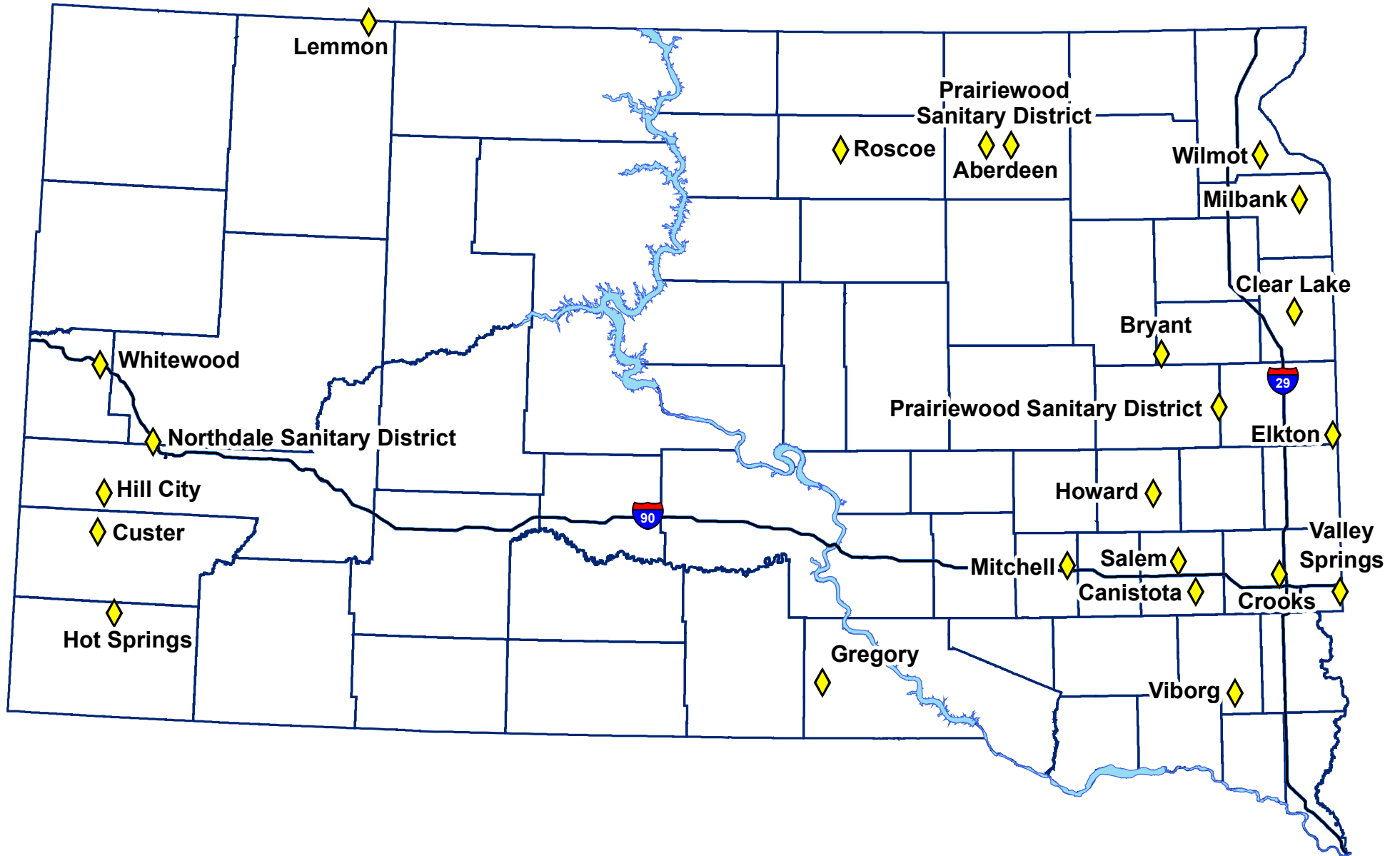
Funding Recommendation: Award a \$6,299,000 Clean Water SRF loan at 4.0% for 30 years, award a General Fund grant at 5.7% not to exceed \$500,000, and award a Consolidated Grant at 22.8% not to exceed \$2,000,000.

Debt Service Coverage: 110% based on a revenue increase of \$190,000

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.

Sanitary/Sewer Funding Applications March 2026



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

APPLICANT: Roscoe CW-04

Total Project Cost:	\$2,260,000
BWNR Funding Assistance Requested:	\$2,260,000
Rate/Term:	4.0% / 30 years
Security Pledged For Repayment Of Loan:	Surcharge

Staff Analysis

- 1) Roscoe's current wastewater rates are \$49.50 per 5,000 gallons. If funding is provided as all loan, a surcharge of \$66.80 would be needed to meet the required debt coverage, which would bring overall rates to \$116.30.
- 2) At the recommended funding level Roscoe will need to establish a \$23.75 surcharge resulting in cumulative rates of \$73.25 per 5,000 gallons.

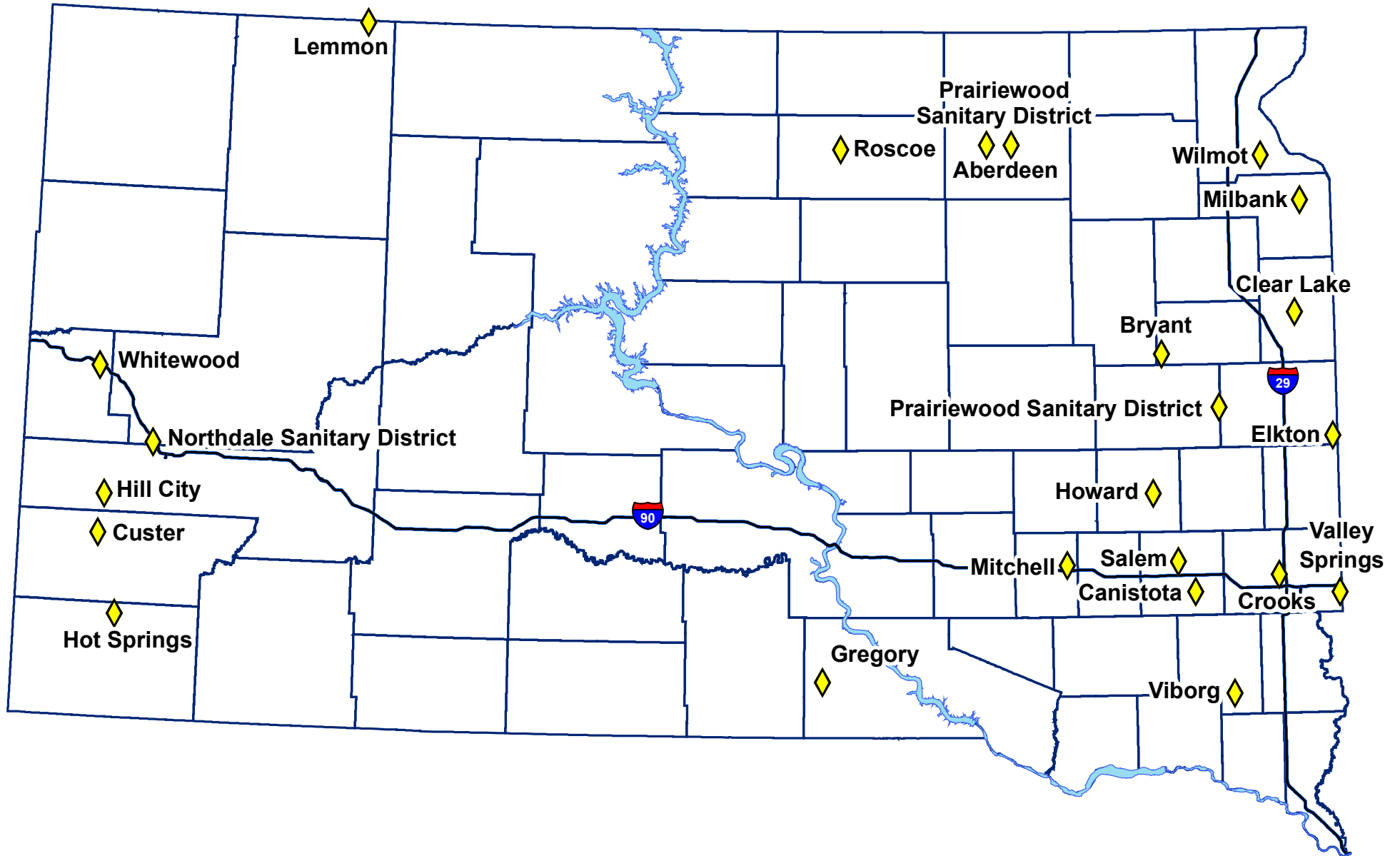
Funding Recommendation: Award a \$2,260,000 Clean Water State Revolving Fund loan at 4.0% for 30 years with 64.6% Principal Forgiveness not to exceed \$1,458,000.

Debt Service Coverage: 110% based on a \$23.75 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 the receipt of the 2026 Clean Water SRF Capitalization Grant.

Sanitary/Sewer Funding Applications March 2026



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

APPLICANT: Hill City CW-02

Total Project Cost:	\$4,659,000
BWNR Funding Assistance Requested:	\$4,659,000
Rate/Term:	4.0% / 30 years
Security Pledged For Repayment Of Loan:	Surcharge

Staff Analysis

- 1) Hill City's anticipated wastewater rates in 2029 will be \$186.94 per 5,000 gallons. If funding is provided as all loan, a surcharge of \$40.95 would be needed to meet the required debt coverage, which would bring overall rates to \$227.89.
- 2) At the recommended funding level Hill City will need to establish a \$12.25 surcharge resulting in cumulative rates of \$199.20 per 5,000 gallons.

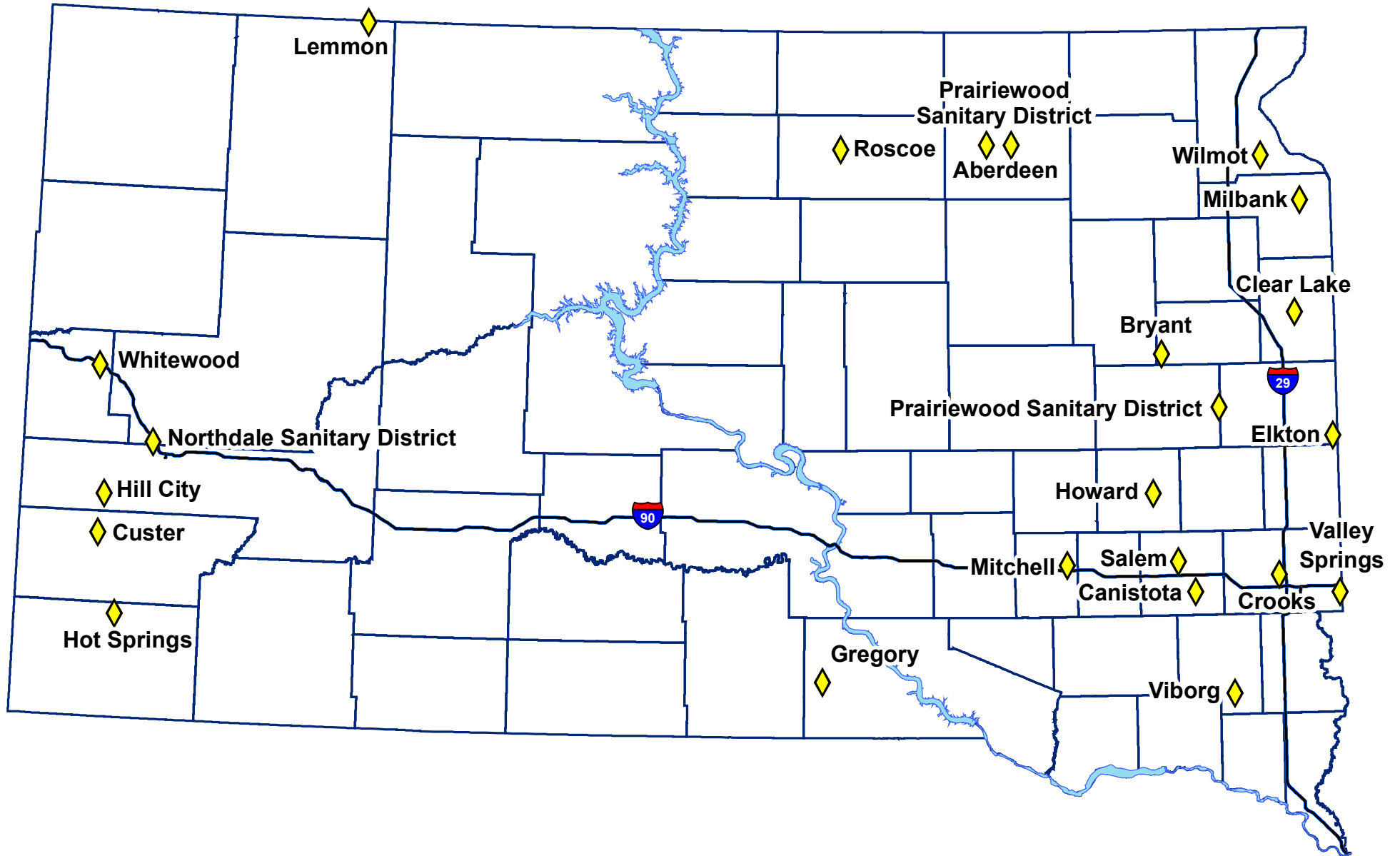
Funding Recommendation: Award a \$1,659,000 Clean Water State Revolving Fund loan at 4.0% for 30 years, award a Consolidated grant at 43.0% not to exceed \$2,000,000, and award a General Fund grant at 21.5% not to exceed \$1,000,000.

Debt Service Coverage: 110% based on a \$12.25 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.

Sanitary/Sewer Funding Applications March 2026



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

APPLICANT: Prairiewood Sanitary District CW-01

Total Project Cost: \$1,895,000
BWNR Funding Assistance Requested: \$1,895,000
Rate/Term: 4.0% / 30 years
Security Pledged For Repayment Of Loan: Revenue

Staff Analysis

- 1) Prairiewood Sanitary District's current wastewater rates are \$60.00 monthly flat rate. If funding is provided as all loan, a rate increase of \$77.90 would be needed to meet the required debt coverage, which would bring overall rates to \$137.90.
- 2) At the recommended funding level, Prairiewood Sanitary District will need to raise rates by \$51.35 per month. Staff analysis indicates that existing revenues can be restructured and total rates of \$100 per month are anticipated.

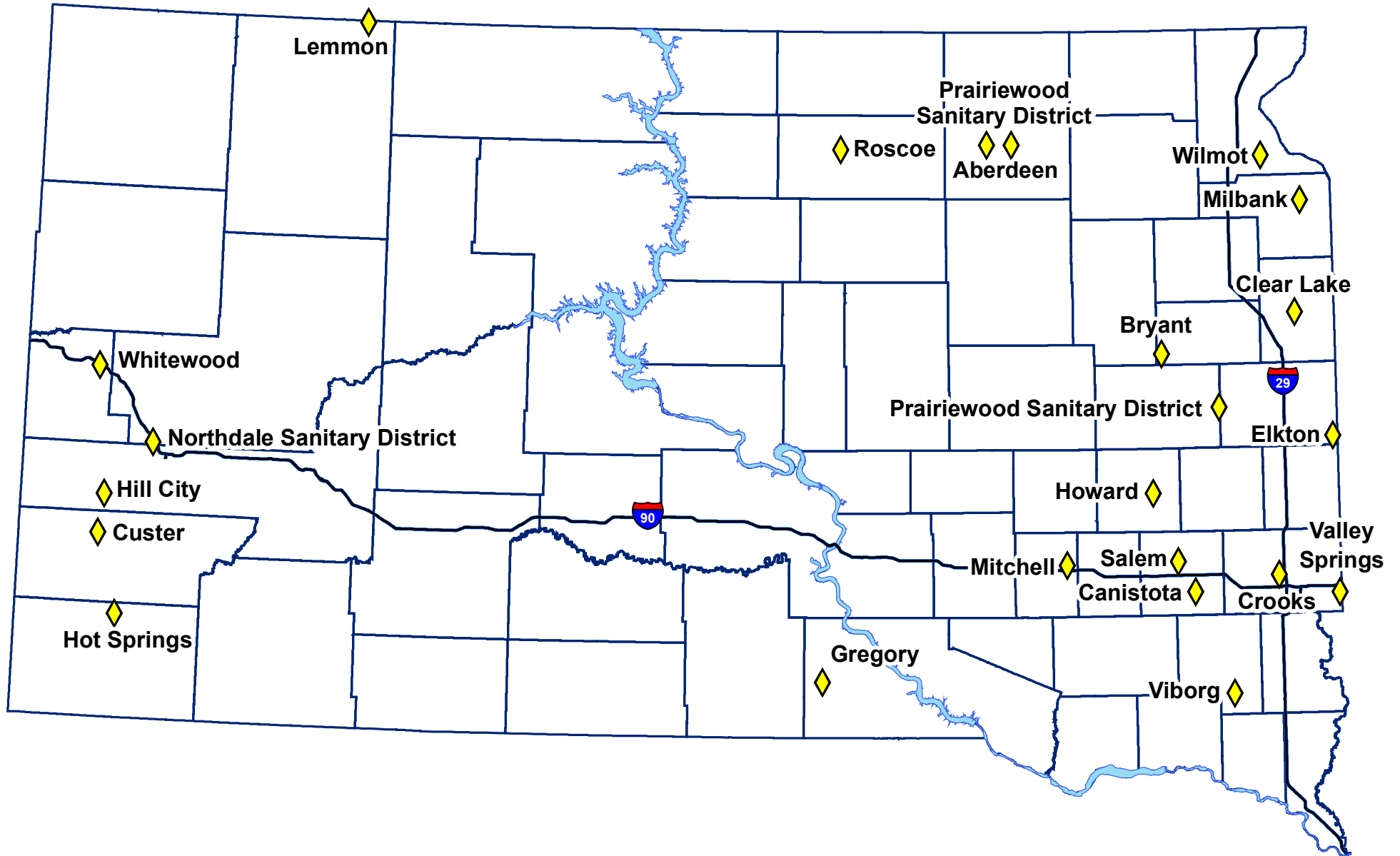
Funding Recommendation: Award a \$1,249,000 Clean Water State Revolving Fund loan at 4.0% for 30 years and award a Consolidated grant at 34.1% not to exceed \$646,000.

Debt Service Coverage: 126% based on annual revenue of \$153,600

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.

Sanitary/Sewer Funding Applications March 2026



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

APPLICANT: Aberdeen CW-06

Total Project Cost:	\$102,521,000
BWNR Funding Assistance Requested:	\$16,198,000
Rate/Term:	4.0% / 30 years
Security Pledged For Repayment Of Loan:	Project Surcharge

Staff Analysis

- 1) Current rates are at \$41.50 per 5,000 gallons. If funding is provided as all loan, a surcharge of \$9.05 would be needed to meet the required debt coverage bringing overall rates to \$67.05, which includes the \$16.05 required for their CW-05 loan awarded in March 2025 that has not yet been passed by the city.

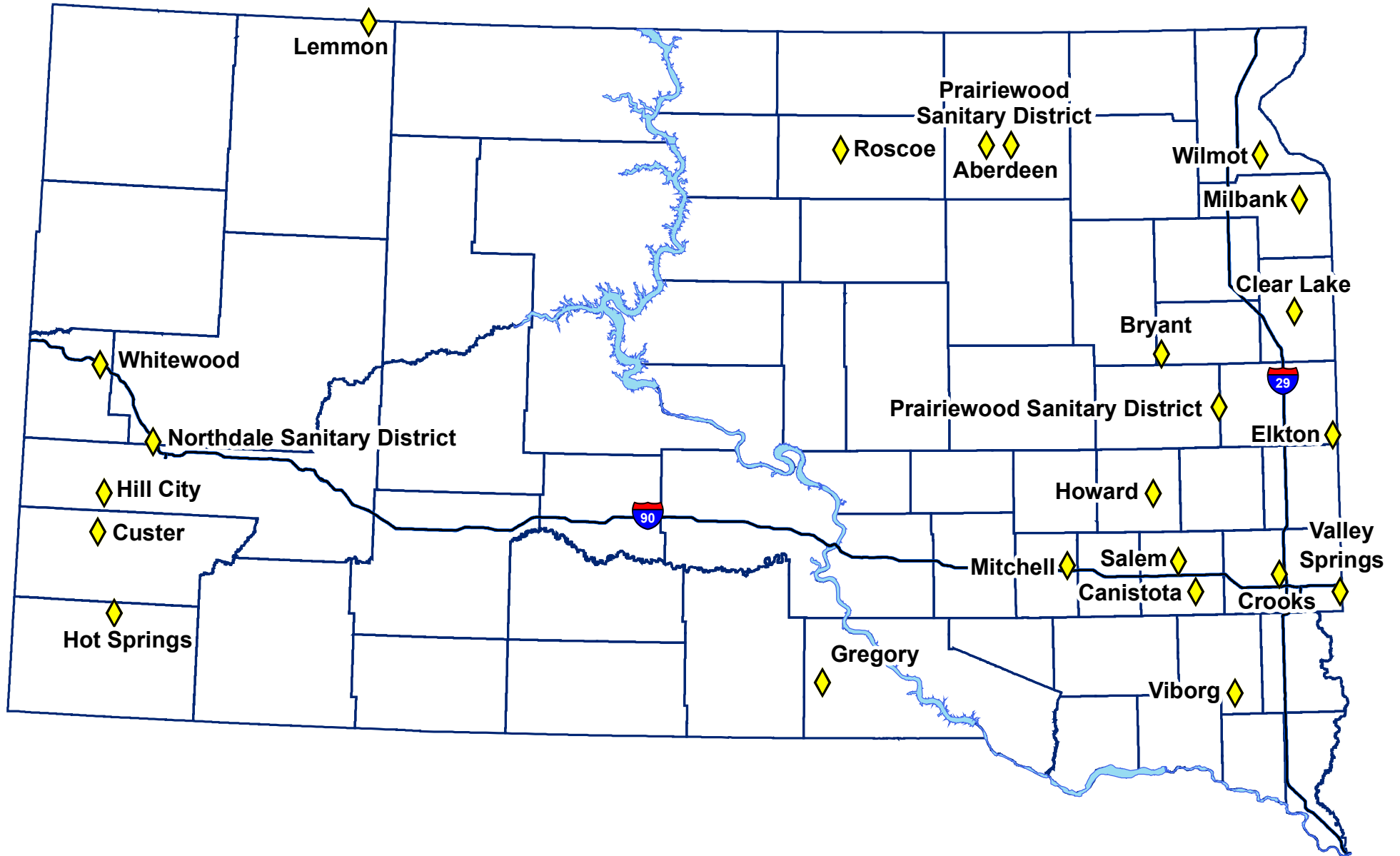
Funding Recommendation: Award a \$16,198,000 Clean Water SRF loan at 4.0% for 30 years.

Debt Service Coverage: 110% based on a \$9.05 surcharge

Loan Contingencies:

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

Sanitary/Sewer Funding Applications March 2026



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

APPLICANT: Mitchell CW-17

Total Project Cost:	\$2,059,425
BWNR Funding Assistance Requested:	\$1,560,000
Rate/Term:	4.0% / 30 Years
Security Pledged For Repayment Of Loan:	Project Surcharge

Staff Analysis

- 1) Current rates are at \$61.43 per 5,000 gallons. If funding is provided as all loan, a surcharge of \$1.45 would be needed to meet the required debt coverage, which would bring overall rates to \$62.88.
- 2) Staff analysis indicates that overall rates would need to be \$66.43 including the surcharge for their Clean Water SRF loan that was awarded in January 2026, that surcharge resolution has not yet been passed.

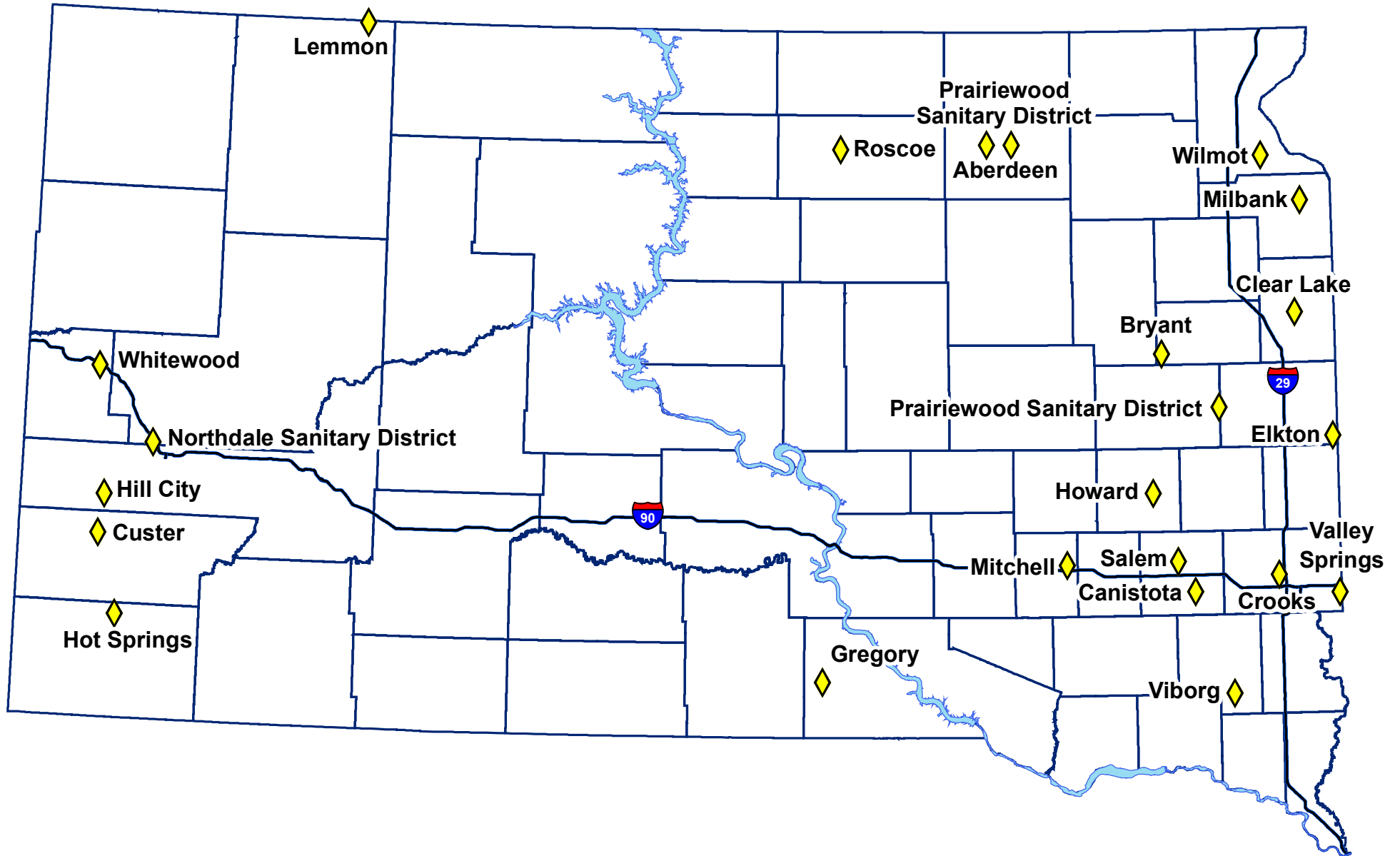
Funding Recommendation: Award a \$1,560,000 Clean Water SRF loan at 4.0% for 30 years.

Debt Service Coverage: 110% based on a \$1.45 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 March 2026



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

APPLICANT: Hot Springs CW-03

Total Project Cost:	\$9,166,000
BWNR Funding Assistance Requested:	\$9,166,000
Rate/Term:	4.0% / 30 years
Security Pledged For Repayment Of Loan:	Surcharge

Staff Analysis

- 1) Hot Springs current wastewater rates are \$33.99 per 5,000 gallons. If funding is provided as all loan, a surcharge of \$29.70 would be needed to meet the required debt coverage, which would bring overall rates to \$63.69.
- 2) Staff analysis indicates existing revenues could be restructured, and with the recommended \$29.70 surcharge bring overall rates to \$55.00.

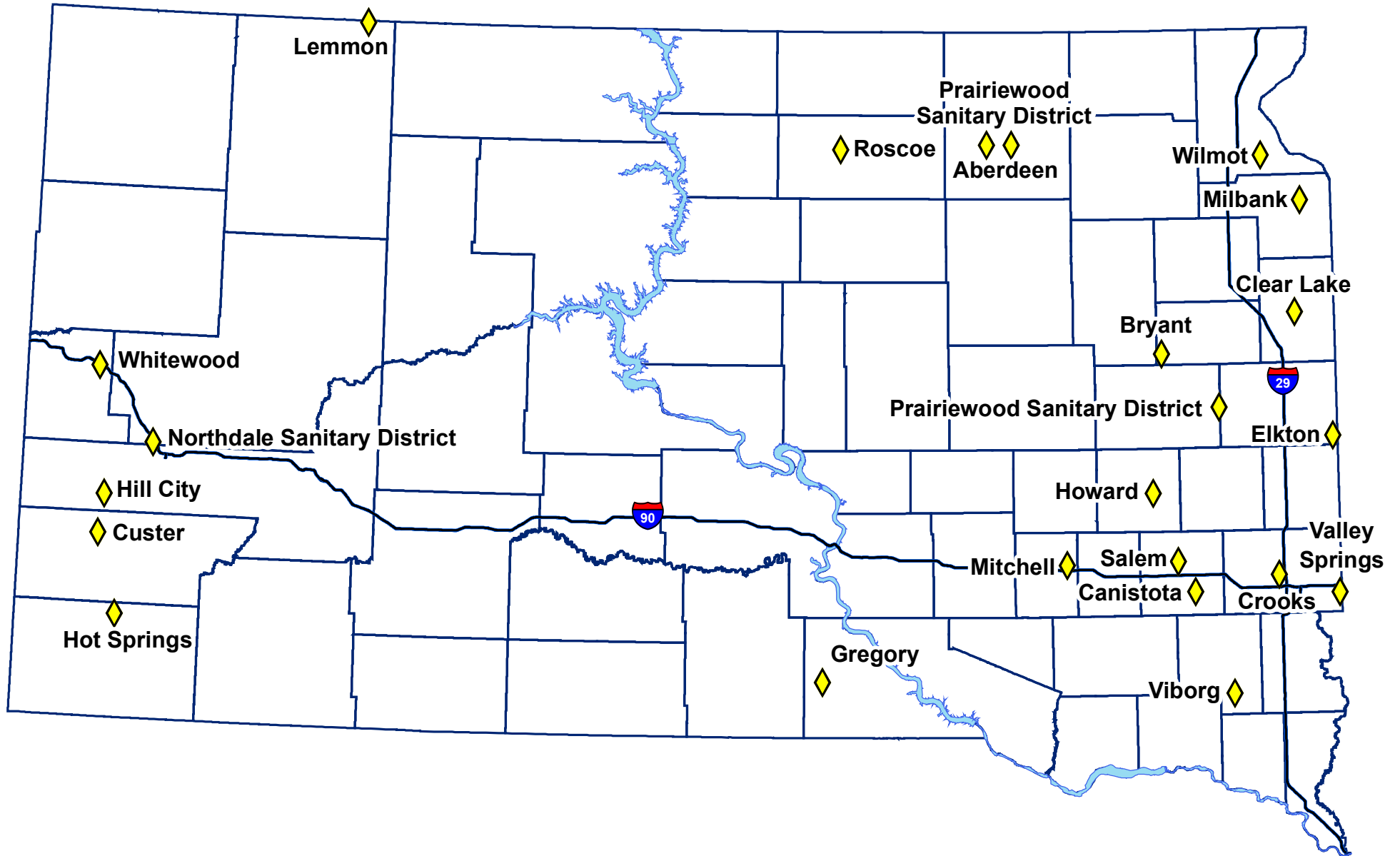
Funding Recommendation: Award a \$9,166,000 Clean Water State Revolving Fund loan at 4.0% for 30 years.

Debt Service Coverage: 110% based on a \$29.70 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 March 2026



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

APPLICANT: Milbank CW-03

Total Project Cost:	\$17,500,000
BWNR Funding Assistance Requested:	\$17,500,000
Rate/Term:	4.0% / 30 years
Security Pledged For Repayment Of Loan:	Surcharge

Staff Analysis

- 1) Milbank's current wastewater rates are \$35.74 per 5,000 gallons. If funding is provided as all loan, a surcharge of \$62.10 would be needed to meet the required debt coverage, which would bring overall rates to \$97.84.
- 2) At the recommended funding level Milbank will need to establish a \$55.00 surcharge resulting in cumulative rates of \$90.74 per 5,000 gallons.

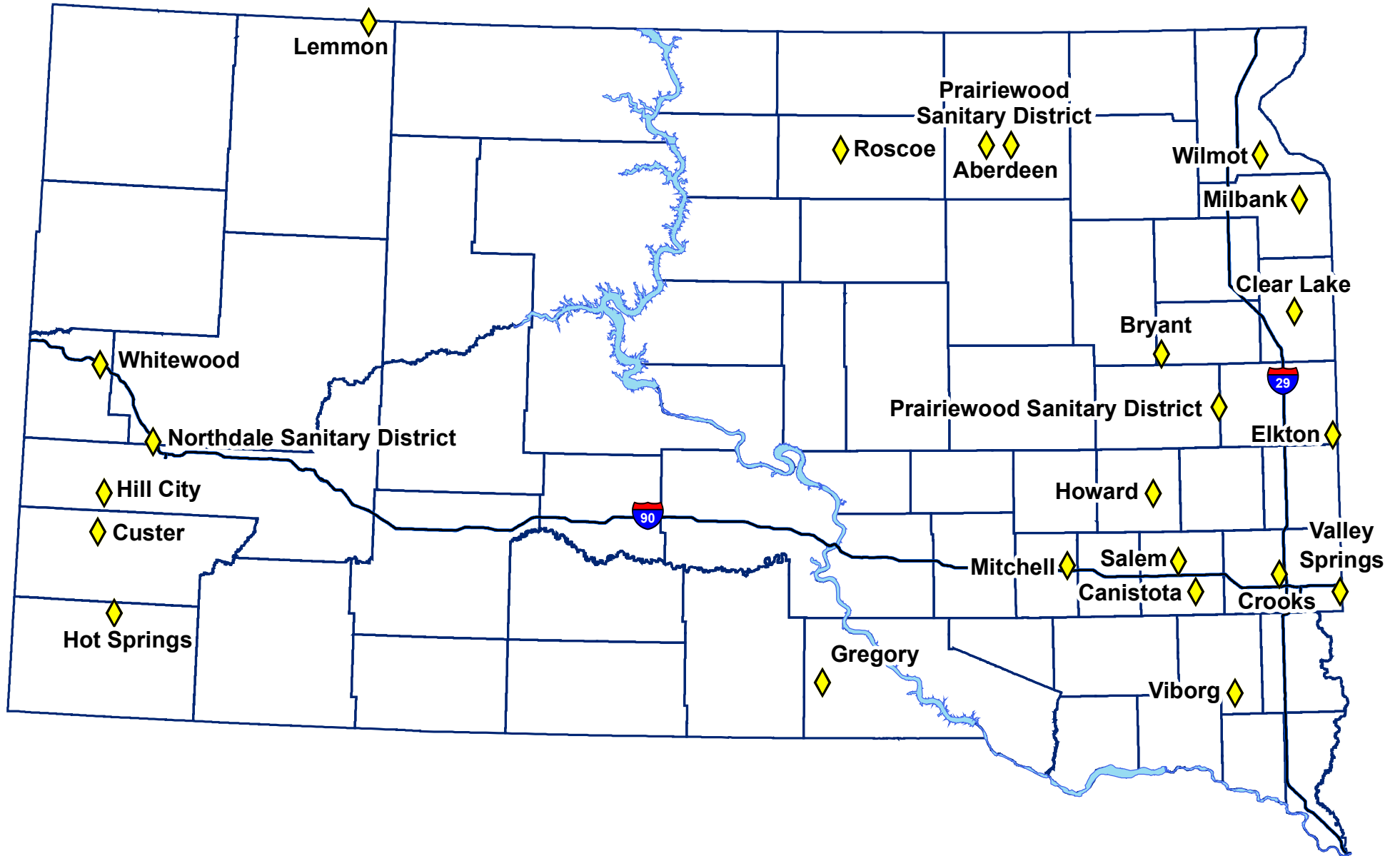
Funding Recommendation: Award a \$15,500,000 Clean Water State Revolving Fund loan at 4.0% for 30 years and award a Consolidated grant at 11.5% not to exceed \$2,000,000.

Debt Service Coverage: 110% based on a \$55.00 surcharge

Loan Contingencies:

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

Sanitary/Sewer Funding Applications March 2026



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

APPLICANT: Salem CW-08

Total Project Cost:	\$1,620,000
BWNR Funding Assistance Requested:	\$1,620,000
Rate/Term:	4.0% / 30 Years
Security Pledged For Repayment Of Loan:	Project Surcharge

Staff Analysis

- 1) Current rates are at \$62.25 per 5,000 gallons. If funding is provided as all loan, a surcharge of \$12.95 would be needed to meet the required debt coverage, which would bring overall rates to \$75.20.
- 2) Staff analysis indicates Salem can restructure their current rates to keep rates at \$70.00 per 5,000 gallons.

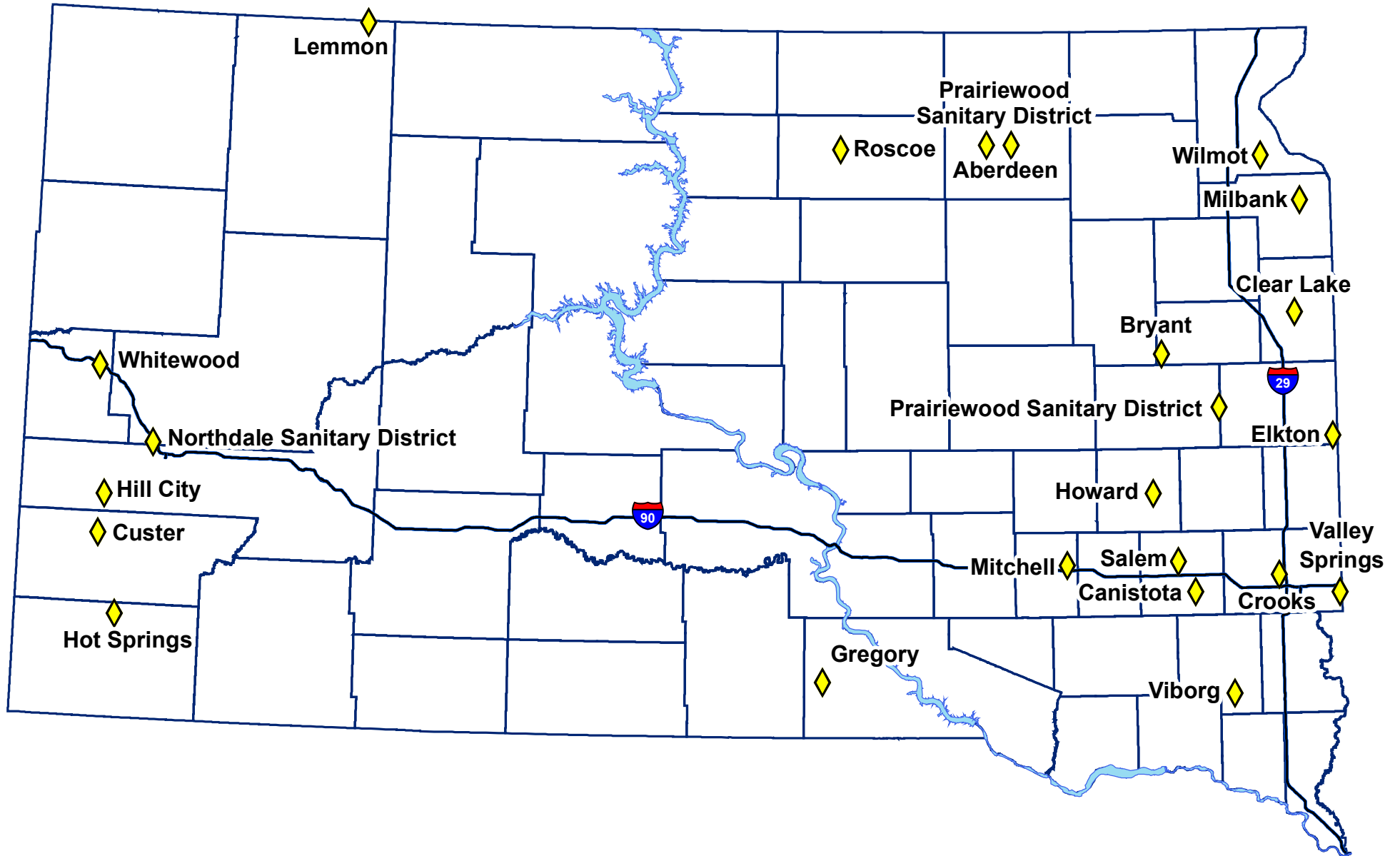
Funding Recommendation: Award a \$1,620,000 Clean Water SRF loan at 4.0% for 30 years.

Debt Service Coverage: 110% based on a \$12.95 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 March 2026



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

APPLICANT: Crooks CW-06

Total Project Cost:	\$3,030,000
BWNR Funding Assistance Requested:	\$3,030,000
Rate/Term:	3.75% / 30 Years
Security Pledged For Repayment Of Loan:	Project Surcharge

Staff Analysis

- 1) Current rates are at \$70.70 per 5,000 gallons. If funding is provided as all loan, a surcharge of \$26.35 would be needed to meet the required debt coverage, which would bring overall rates to \$97.05.
- 2) At the recommended funding level a surcharge of \$20.30 would be required, which would bring overall rates to \$91.00. Staff analysis indicates Crooks can restructure their current rates to keep rates at \$75.00 per 5,000 gallons.
- 3) The 3.75% interest rate is 0.25% lower than the standard rate and term. This project has been selected for compliance with Build American, Buy American material procurement requirements. The board has adopted rates to allow for projects meeting this requirement to receive a 0.25% interest rate reduction.

Funding Recommendation: Award a \$2,334,000 Clean Water SRF loan at 3.75% for 30 years and a Consolidated Grant at 23.0% not to exceed \$696,000.

Debt Service Coverage: 110% based on a surcharge of \$20.30

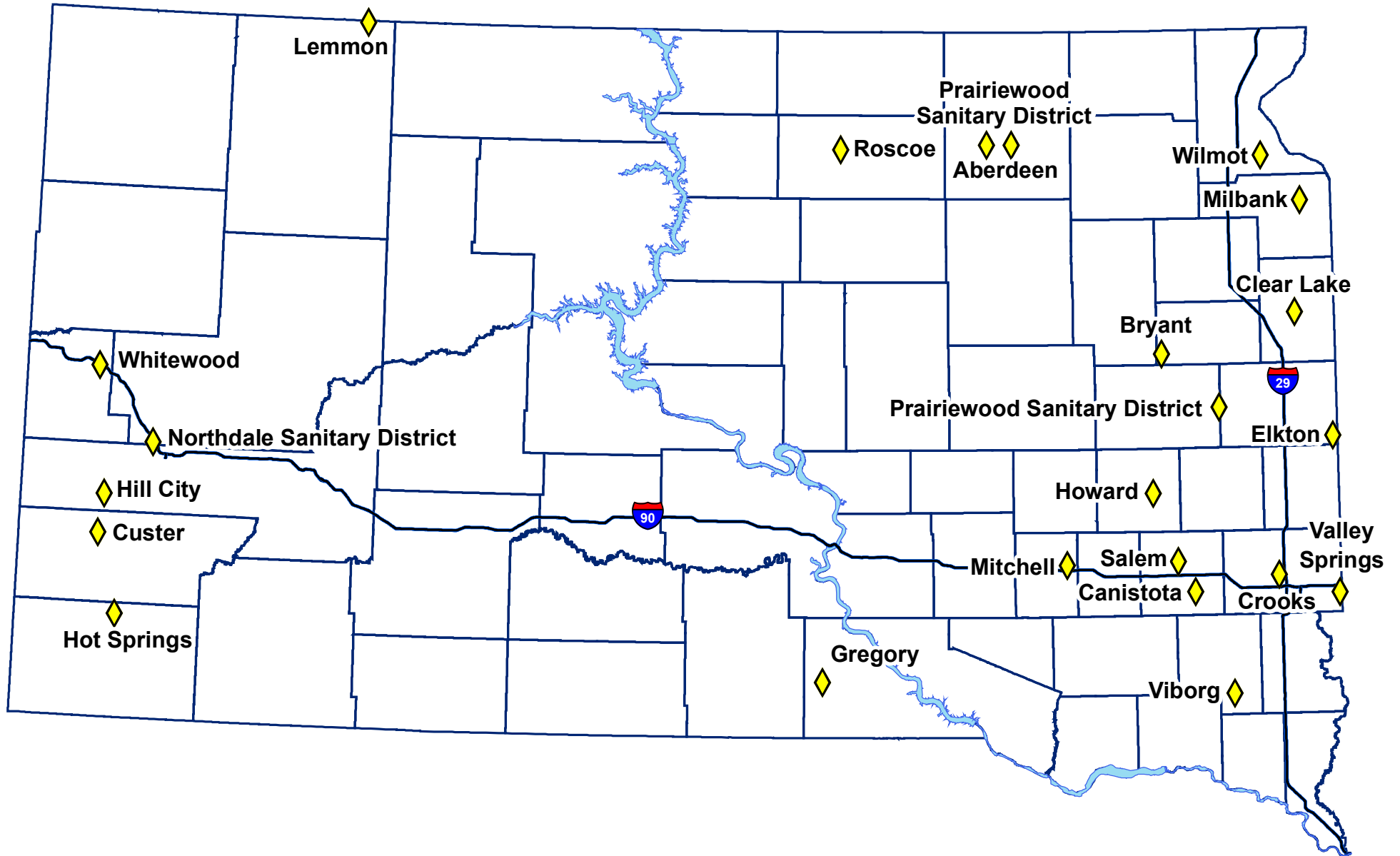
Loan Contingencies:

- 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.

Loan Special Condition:

- 1) Engineering costs for this project are not eligible for reimbursement through the CWSRF loan.

Sanitary/Sewer Funding Applications March 2026



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

APPLICANT: Custer CW-08

Total Project Cost:	\$2,650,000
BWNR Funding Assistance Requested:	\$2,650,000
Rate/Term:	4.0% / 30 years
Security Pledged For Repayment Of Loan:	Surcharge

Staff Analysis

- 1) Custer's current wastewater rates are \$70.65 per 5,000 gallons. If funding is provided as all loan, a surcharge of \$13.10. would be needed to meet the required debt coverage, which would bring overall rates to \$83.75.
- 2) At the recommended funding level Custer will need to establish a \$2.60 surcharge resulting in cumulative rates of \$73.25 per 5,000 gallons.

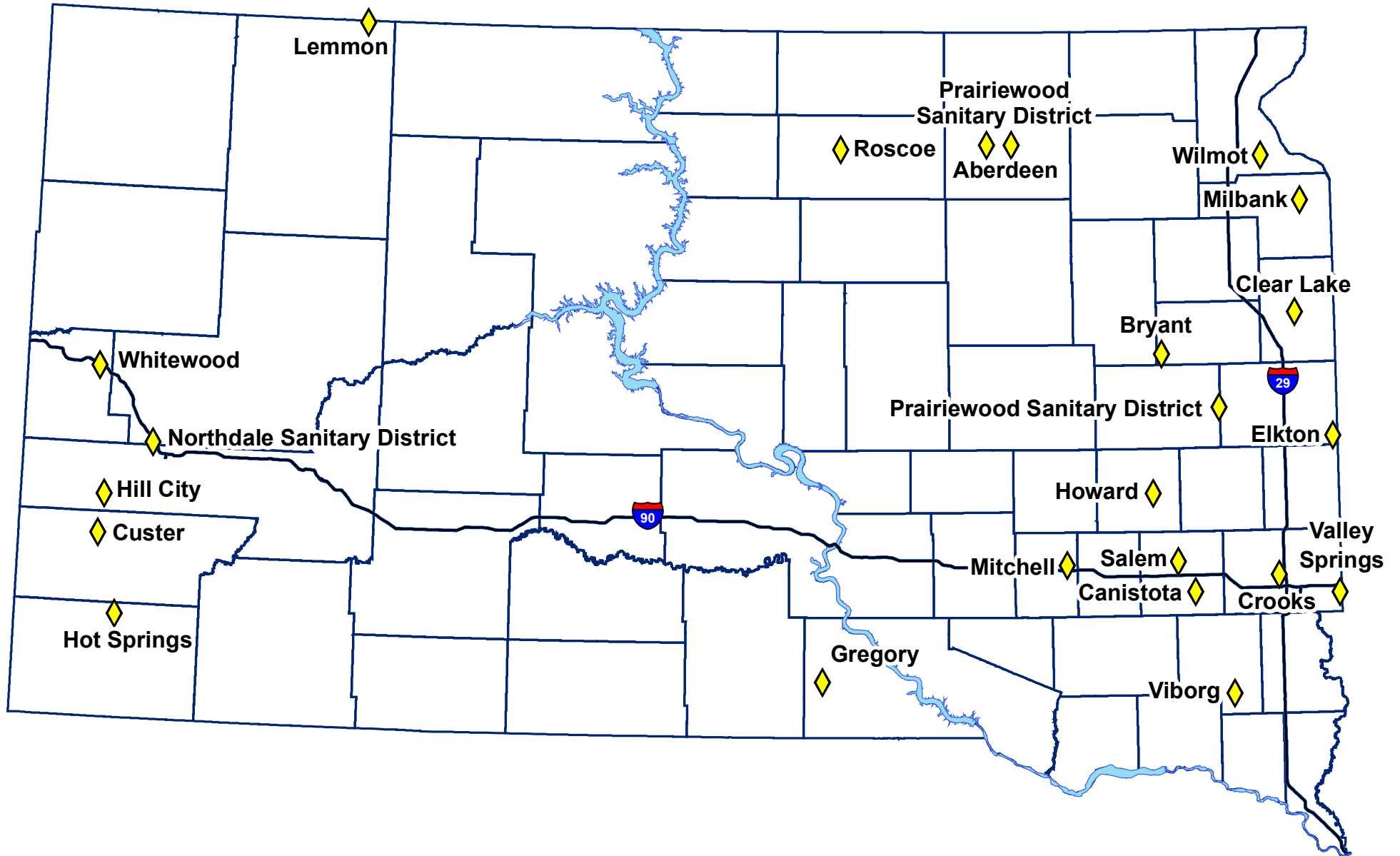
Funding Recommendation: Award a \$2,650,000 Clean Water State Revolving Fund loan at 4.0% for 30 years with 80.2% as Principal Forgiveness not to exceed \$2,125,000.

Debt Service Coverage: 110% based on a \$2.60 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 the receipt of the 2026 Clean Water SRF Capitalization Grant.

Sanitary/Sewer Funding Applications March 2026



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

APPLICANT: Gregory CW-05

Total Project Cost:	\$1,750,000
BWNR Funding Assistance Requested:	\$1,750,000
Rate/Term:	4.0% / 30 Years
Security Pledged For Repayment Of Loan:	Project Surcharge

Staff Analysis

- 1) Current rates are at \$50.20 per 5,000 gallons. If funding is provided as all loan, a surcharge of \$14.30 would be needed to meet the required debt coverage, which would bring overall rates to \$64.50.

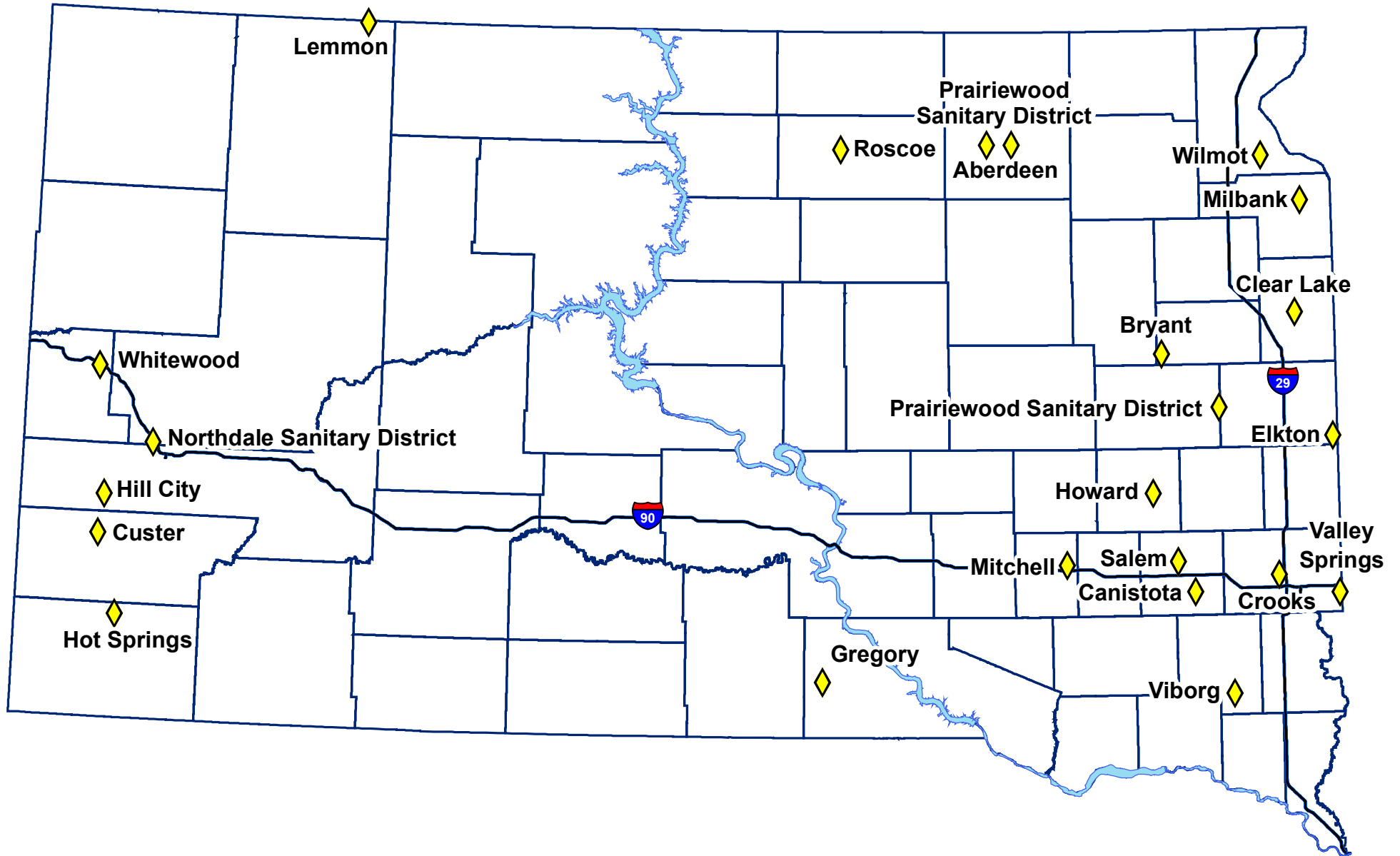
Funding Recommendation: Award a \$1,750,000 Clean Water SRF loan at 4.0% for 30 years.

Debt Service Coverage: 110% based on a \$14.30 surcharge

Loan Contingencies:

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

Sanitary/Sewer Funding Applications March 2026



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

APPLICANT: Lemmon CW-01

Total Project Cost:	\$4,700,000
BWNR Funding Assistance Requested:	\$4,700,000
Rate/Term:	4.0% / 30 Years
Security Pledged For Repayment Of Loan:	Project Surcharge

Staff Analysis

- 1) Current rates are at \$29.50 per month. If funding is provided as all loan, a surcharge of \$34.40 would be needed to meet the required debt coverage, which would bring overall rates to \$63.90.

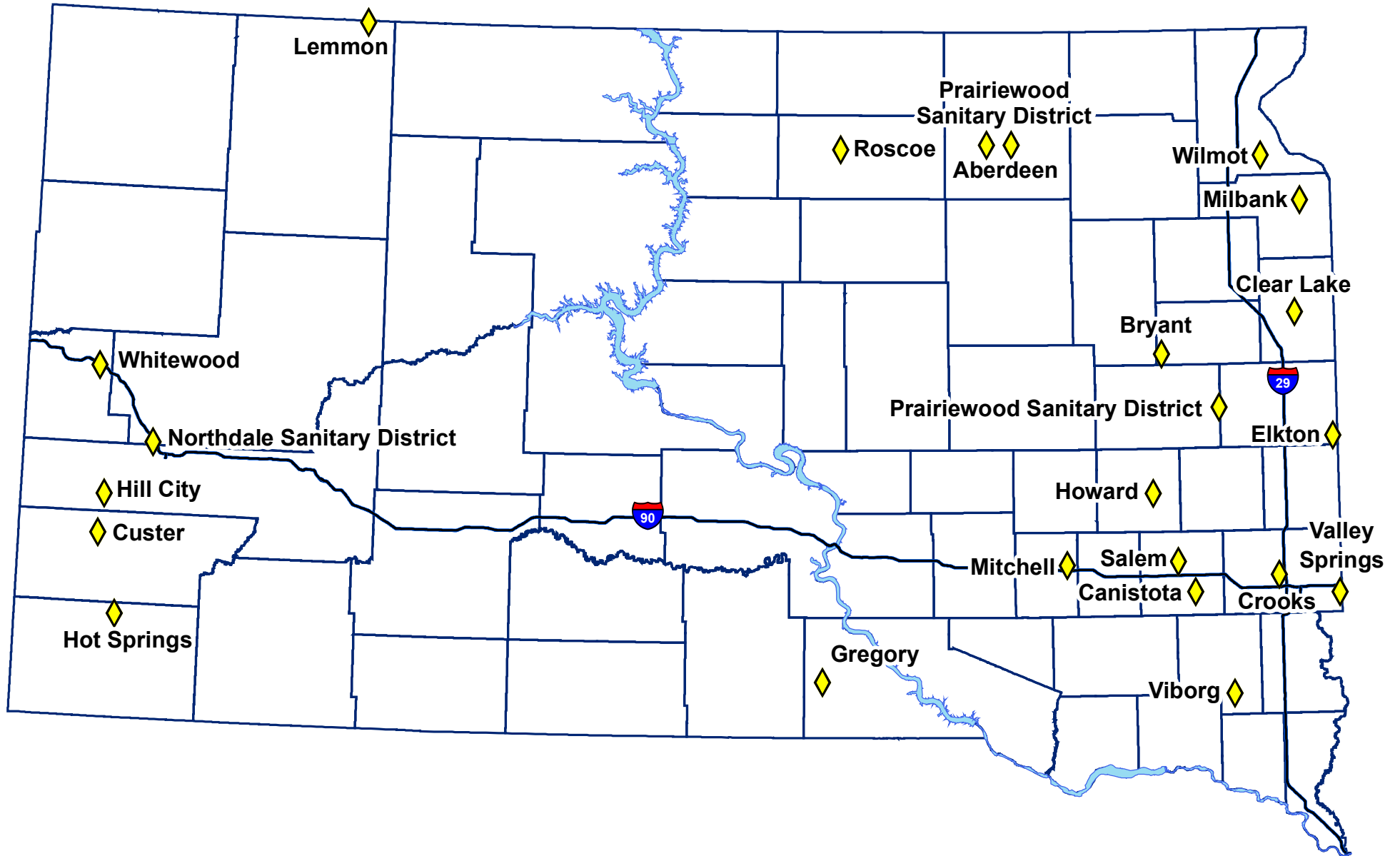
Funding Recommendation: Award a \$4,700,000 Clean Water SRF loan at 4.0% for 30 years.

Debt Service Coverage: 110% based on a \$34.40 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 March 2026



SANITARY/STORM SEWER FACILITIES FUNDING APPLICATION FINANCIAL ANALYSIS SUMMARY

APPLICANT: Canistota CW-06

Total Project Cost: \$6,306,200

BWNR Funding Assistance Requested: \$6,306,200

Rate/Term: 4.0% / 30 Years

Security Pledged For Repayment Of Loan: Project Surcharge

Staff Analysis

- 1) Current rates are at \$77.32 per 5,000 gallons. If funding is provided as all loan, a surcharge of \$54.35 would be needed to meet the required debt coverage, which would bring overall rates to \$131.67.
- 2) Staff does not believe it is feasible to develop a funding package for the total requested amount and keep rates at reasonable levels all in one project. The recommended funding level was developed through discussion with Canistota and allows for a significant portion to be completed. Staff is recommending the original scope applied for be approved and if lower than estimated costs are received during bidding some portions of work could be added for completion.
- 3) At the recommended funding level a surcharge of \$19.00 would be required, which would bring overall rates to \$96.32.

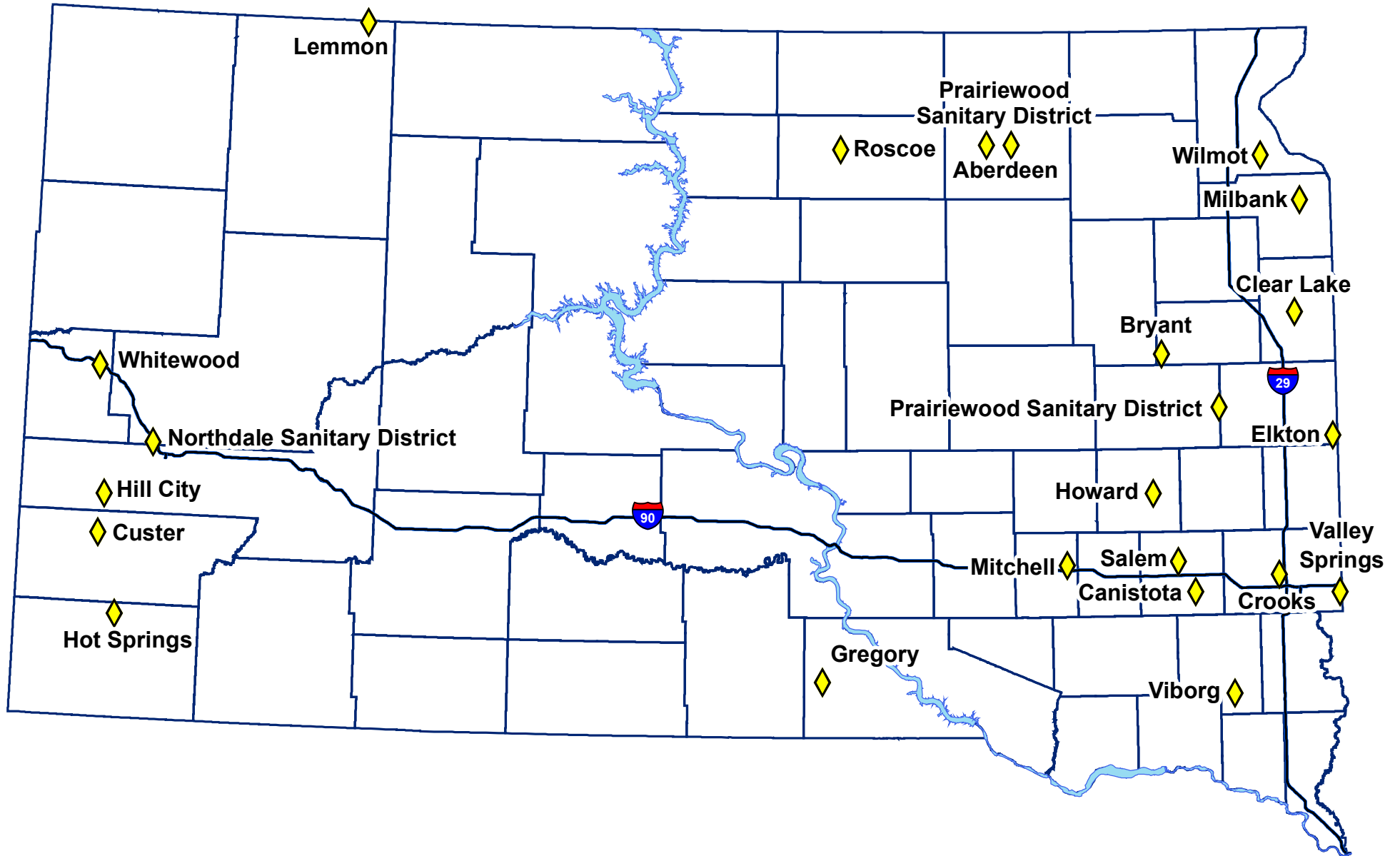
Funding Recommendation: Award a \$3,612,000 Clean Water SRF loan at 4.0% for 30 years with 69.6% principal forgiveness not to exceed \$2,513,000 and a General Fund grant at 12.2% of the total awarded funding not to exceed \$500,000.

Debt Service Coverage: 110% based on a \$19.00 surcharge

Loan Contingencies:

- 1) Contingent upon the Borrower adopting a bond resolution and the resolution becoming effective.
- 2) Contingent upon the Borrower establishing a surcharge at a level sufficient to provide the required debt coverage.
- 3) Contingent upon receipt of the 2026 Clean Water State Revolving Fund capitalization grant from EPA.

Sanitary/Sewer Funding Applications March 2026



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

APPLICANT: Elkton CW-05

Total Project Cost:	\$1,225,000
BWNR Funding Assistance Requested:	\$1,225,000
Rate/Term:	4.0% / 30 years
Security Pledged For Repayment Of Loan:	Surcharge

Staff Analysis

- 1) Elkton's current wastewater rates are \$70.15 per 5,000 gallons. If funding is provided as all loan, a surcharge of \$19.10 would be needed to meet the required debt coverage, which would bring overall rates to \$89.25.
- 2) At the recommended funding level Elkton will need to establish a \$9.85 surcharge resulting in cumulative rates of \$80.00 per 5,000 gallons.

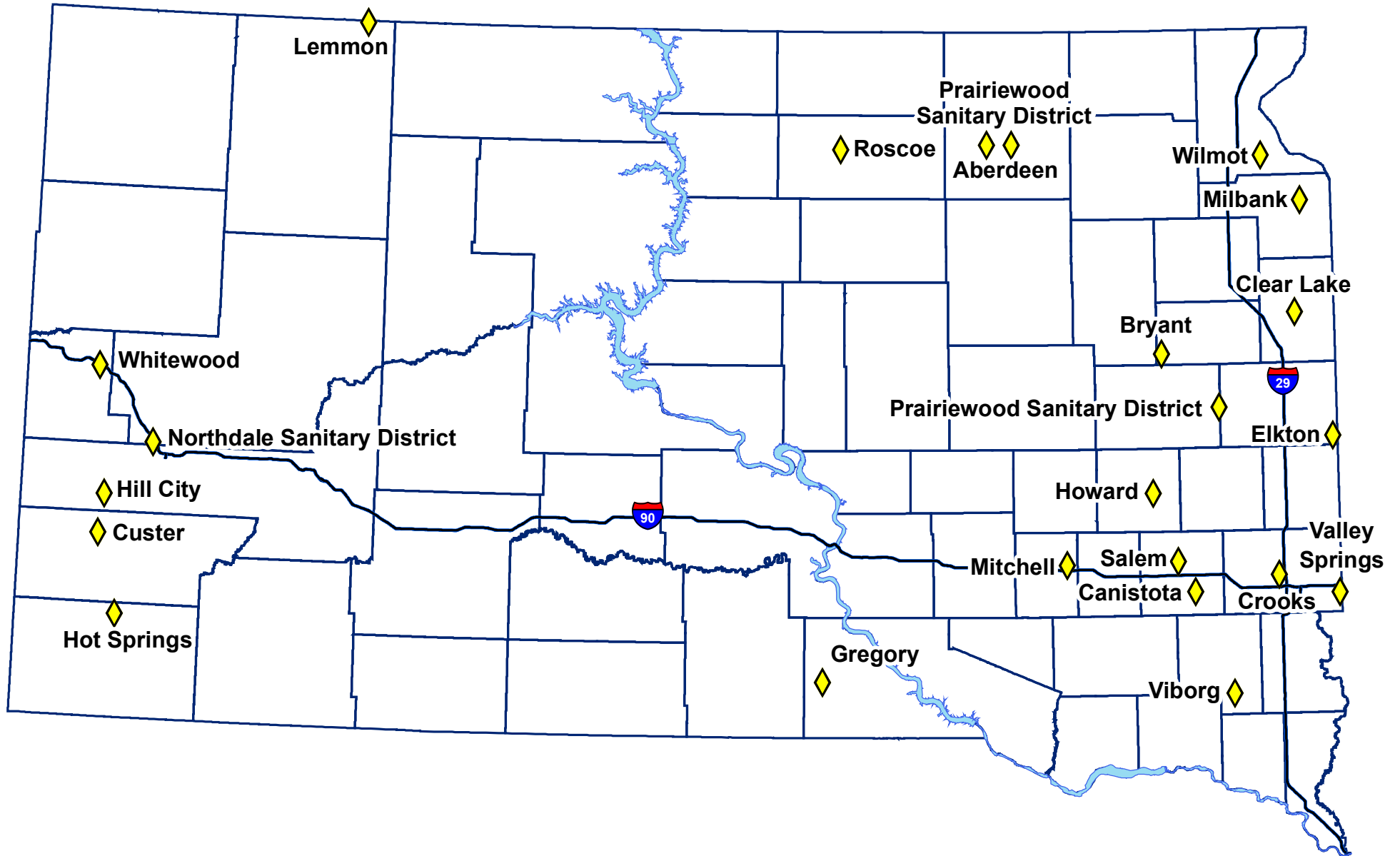
Funding Recommendation: Award a \$632,000 Clean Water State Revolving Fund loan at 4.0% for 30 years and award a Consolidated grant at 48.5% of total project costs not to exceed \$593,000.

Debt Service Coverage: 110% based on a \$9.85 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 March 2026



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

APPLICANT: Northdale Sanitary District CW-01

Total Project Cost: \$1,181,000
BWNR Funding Assistance Requested: \$1,181,000
Rate/Term: 4.0% / 30 years
Security Pledged For Repayment Of Loan: System Revenue

Staff Analysis

- 1) Northdale Sanitary District's current wastewater rates are \$45.00 per 5,000 gallons. If funding is provided as all loan, then a rate increase of \$20.00 would be needed to meet the required debt coverage. Staff analysis indicated rates can be restructured slightly and total rates of \$65.00 would be needed.

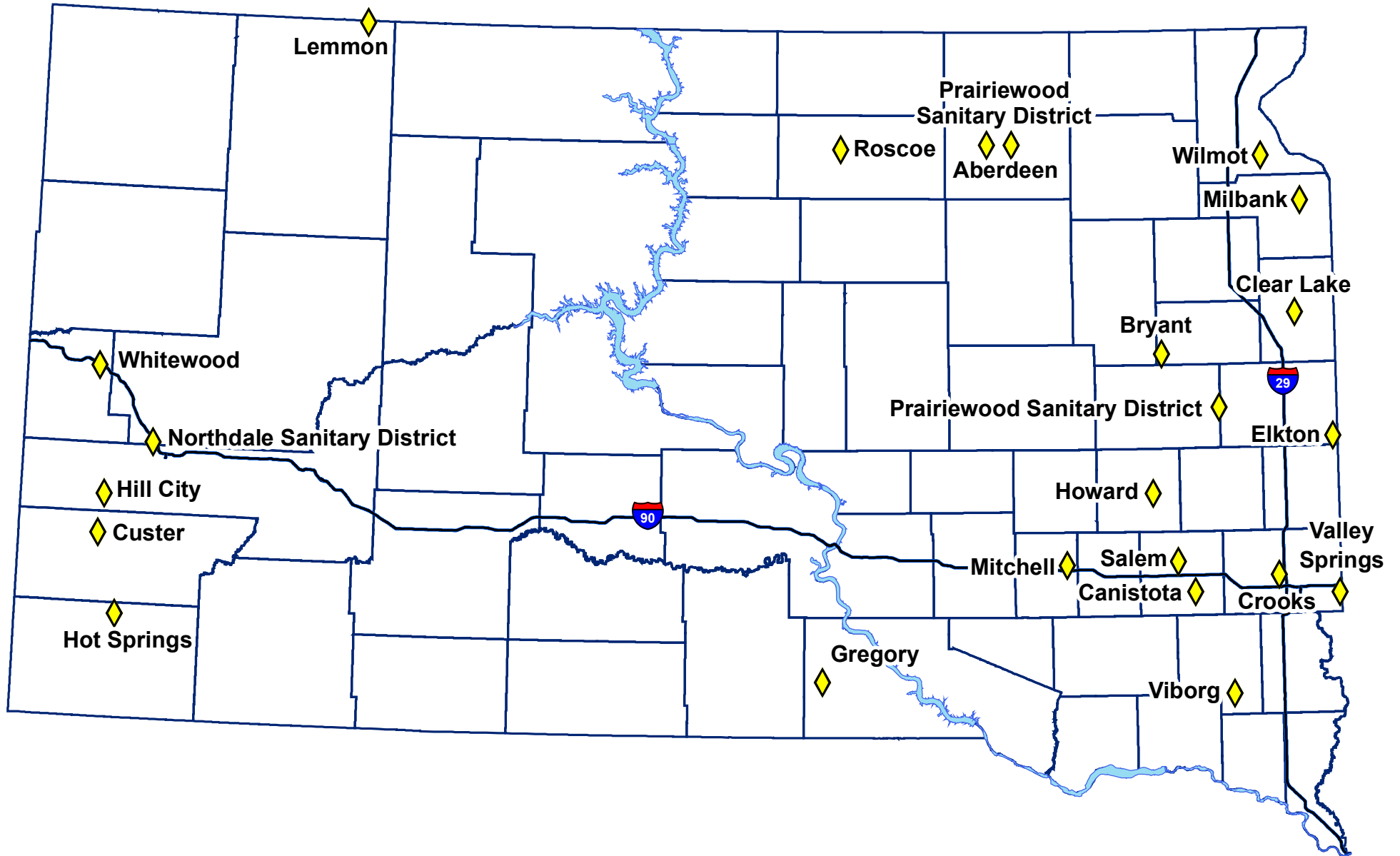
Funding Recommendation: Award a \$1,181,000 Clean Water State Revolving Fund loan at 4.0% for 30 years

Debt Service Coverage: 110% based on annual revenue of \$234,780

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.

Sanitary/Sewer Funding Applications March 2026



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

APPLICANT: Valley Springs CW-04

Total Project Cost: \$2,417,000
BWNR Funding Assistance Requested: \$2,417,000
Rate/Term: 3.75% / 30 Years
Security Pledged For Repayment Of Loan: Project Surcharge

Staff Analysis

- 1) Current rates are at \$35.00 per 5,000 gallons. If funding is provided as all loan, a surcharge of \$34.75 would be needed to meet the required debt coverage, which would bring overall rates to \$69.75.
- 2) At the recommended funding level a surcharge of \$30.00 would be required, which would bring overall rates to \$65.00.
- 3) Staff analysis indicates Valley Springs does not generate sufficient revenues to cover operating and maintenance expenses and would need to increase their rates an additional \$10.00 to \$45.00. This would bring overall rates to \$75.00 per 5,000 gallons.
- 4) The 3.75% interest rate is 0.25% lower than the standard rate and term. This project has been selected for compliance with Build American, Buy American material procurement requirements. The board has adopted rates to allow for projects meeting this requirement to receive a 0.25% interest rate reduction.

Funding Recommendation: Award a \$2,087,000 Clean Water SRF loan at 3.75% for 30 years and a Consolidated Grant at 13.7% of project costs not to exceed \$330,000.

Debt Service Coverage: 110% based on a \$30.00 surcharge

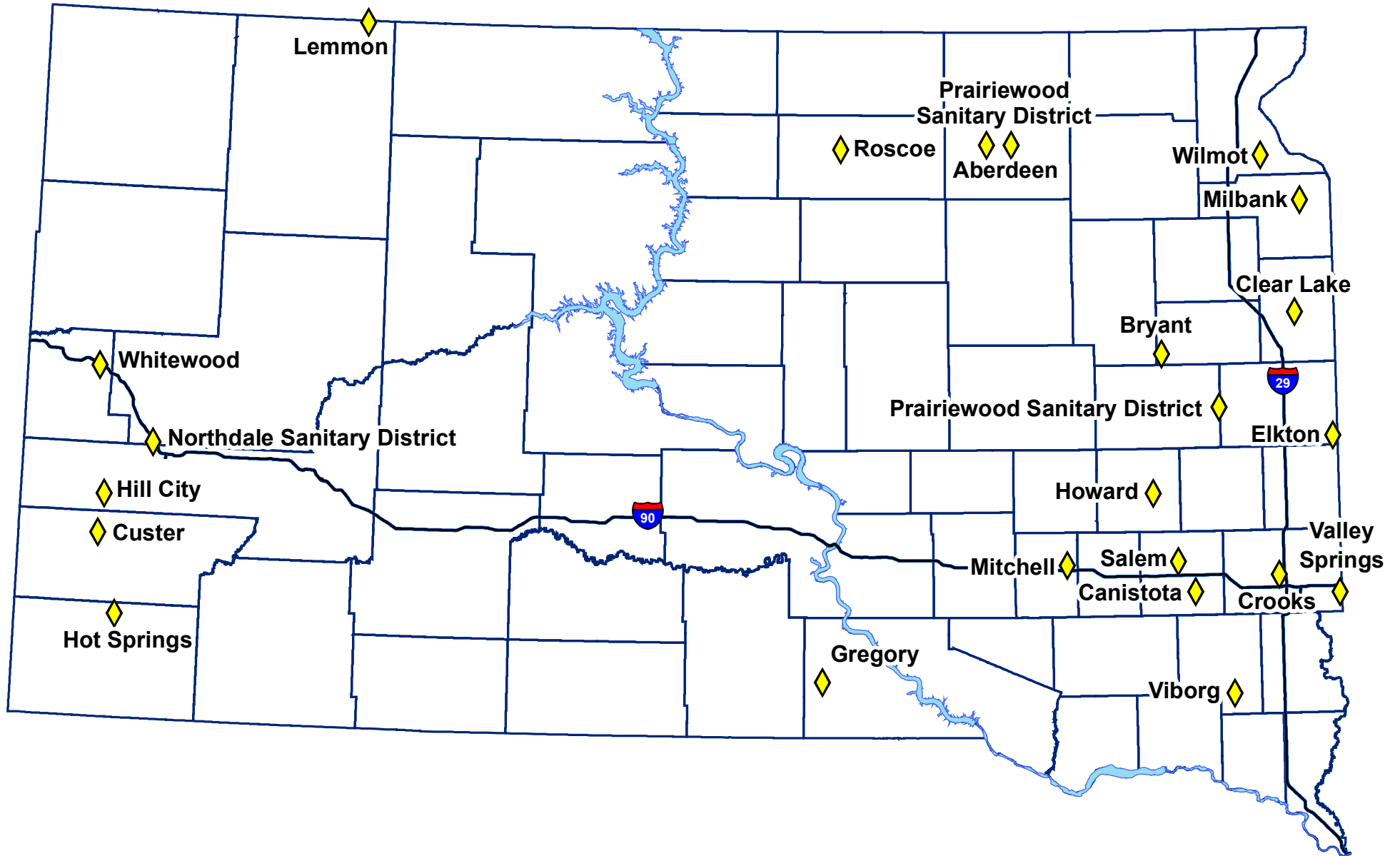
Loan Contingencies:

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

Loan Special Condition:

- 1) Engineering costs for this project are not eligible for reimbursement through the CWSRF loan.

Sanitary/Sewer Funding Applications March 2026



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

APPLICANT: Viborg CW-05 / Sanitary Sewer Improvements Phase 2

Total Project Cost:	\$1,946,800
BWNR Funding Assistance Requested:	\$1,946,800
Rate/Term:	4.0% / 30 years
Security Pledged For Repayment Of Loan:	Surcharge

Staff Analysis

- 1) Viborg's current wastewater rates are \$42.65 per 5,000 gallons. If funding is provided as all loan, a surcharge of \$24.60 would be needed to meet the required debt coverage, which would bring overall rates to \$67.25.
- 2) Viborg is applying for a second wastewater request during this funding round. If both loans are approved, then overall rates are anticipated to be \$70.40 per 5,000 gallons.

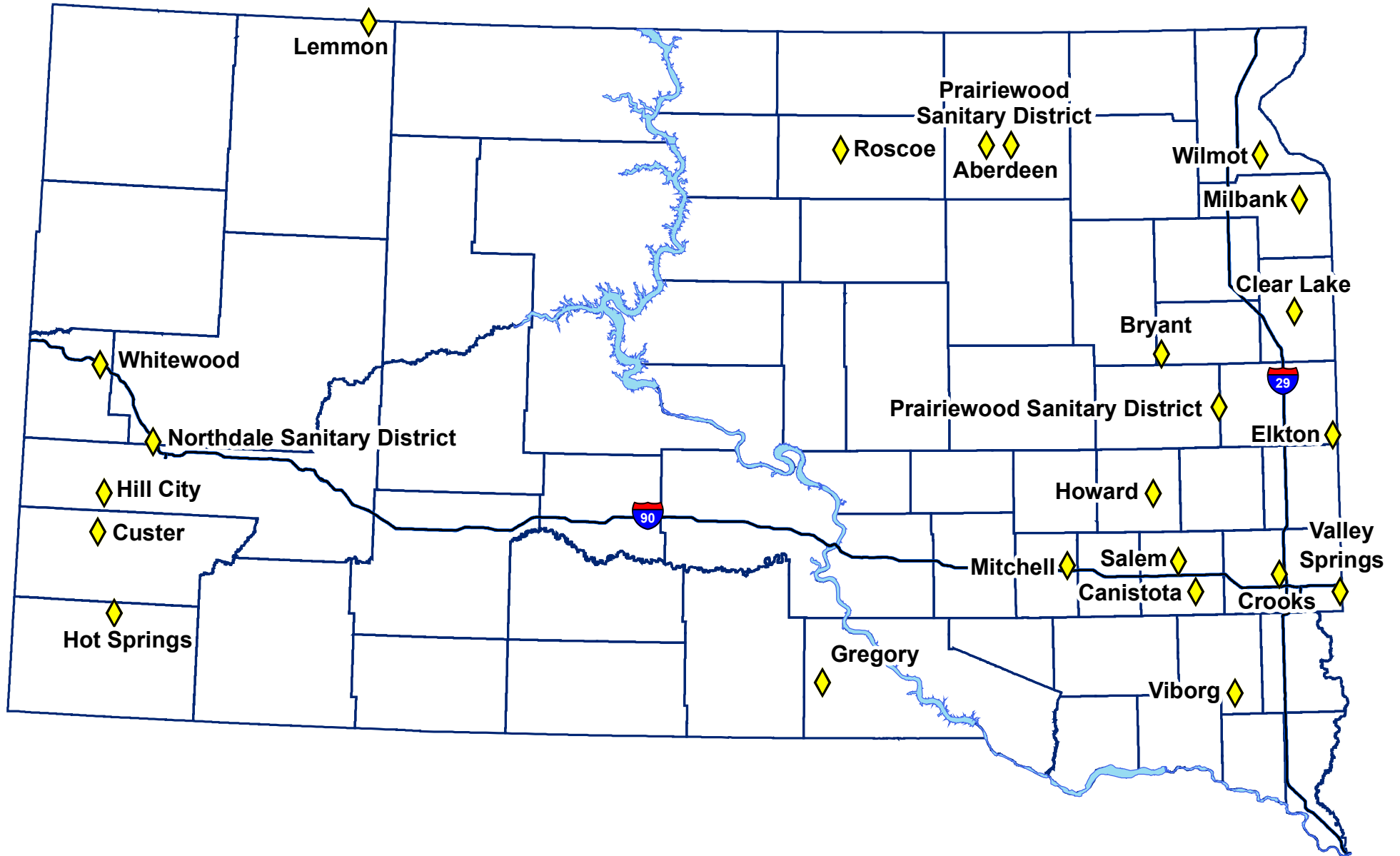
Funding Recommendation: Award a \$1,946,000 Clean Water State Revolving Fund loan at 4.0% for 30 years.

Debt Service Coverage: 110% based on a \$24.60 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 March 2026



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

APPLICANT: Viborg CW-06 / Highway 19 Sanitary Sewer Improvements

Total Project Cost:	\$249,200
BWNR Funding Assistance Requested:	\$249,200
Rate/Term:	4.0% / 30 years
Security Pledged For Repayment Of Loan:	Surcharge

Staff Analysis

- 1) Viborg's current wastewater rates are \$42.65 per 5,000 gallons. If funding is provided as all loan, a surcharge of \$3.15 would be needed to meet the required debt coverage, which would bring overall rates to \$45.80.
- 2) Viborg was awarded a previous wastewater loan earlier this meeting. If both loans are approved, then overall rates will be \$70.40 per 5,000 gallons.

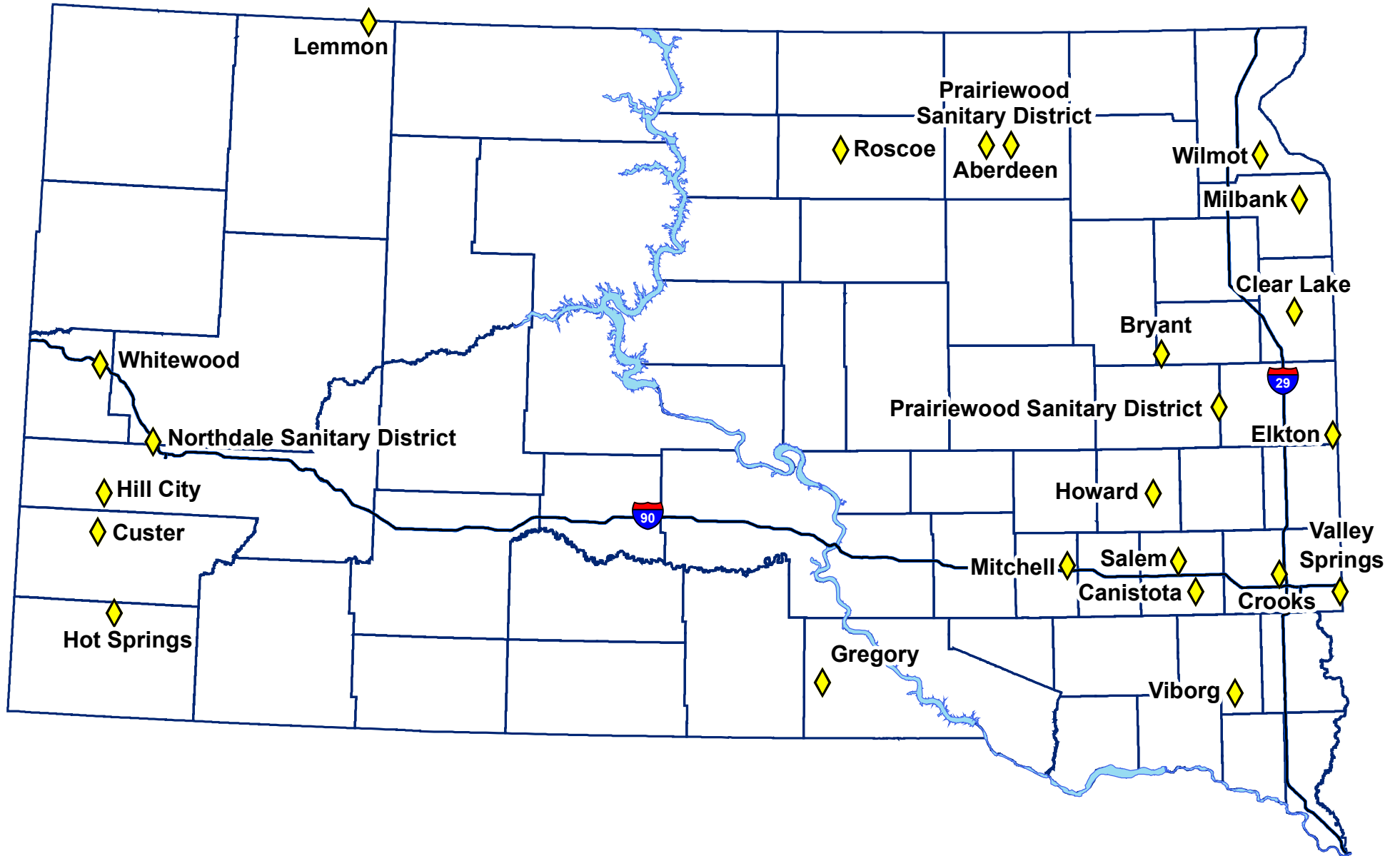
Funding Recommendation: Award a \$249,000 Clean Water State Revolving Fund loan at 4.0% for 30 years.

Debt Service Coverage: 110% based on a \$3.15 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 March 2026



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

APPLICANT: Bryant CW-03

Total Project Cost:	\$2,259,000
BWNR Funding Assistance Requested:	\$2,259,000
Rate/Term:	4.0% / 30 years
Security Pledged For Repayment Of Loan:	Surcharge

Staff Analysis

- 1) Bryant's current wastewater rates are \$70.05 per 5,000 gallons. If funding is provided as all loan, a surcharge of \$54.55 would be needed to meet the required debt coverage, which would bring overall rates to \$124.55.
- 2) At the recommended funding level Bryant will need to establish a \$23.20 surcharge. Staff analysis indicates Bryant has approximately \$20.00 per month available in existing rates to restructure, resulting in cumulative rates of \$73.25 per 5,000 gallons.

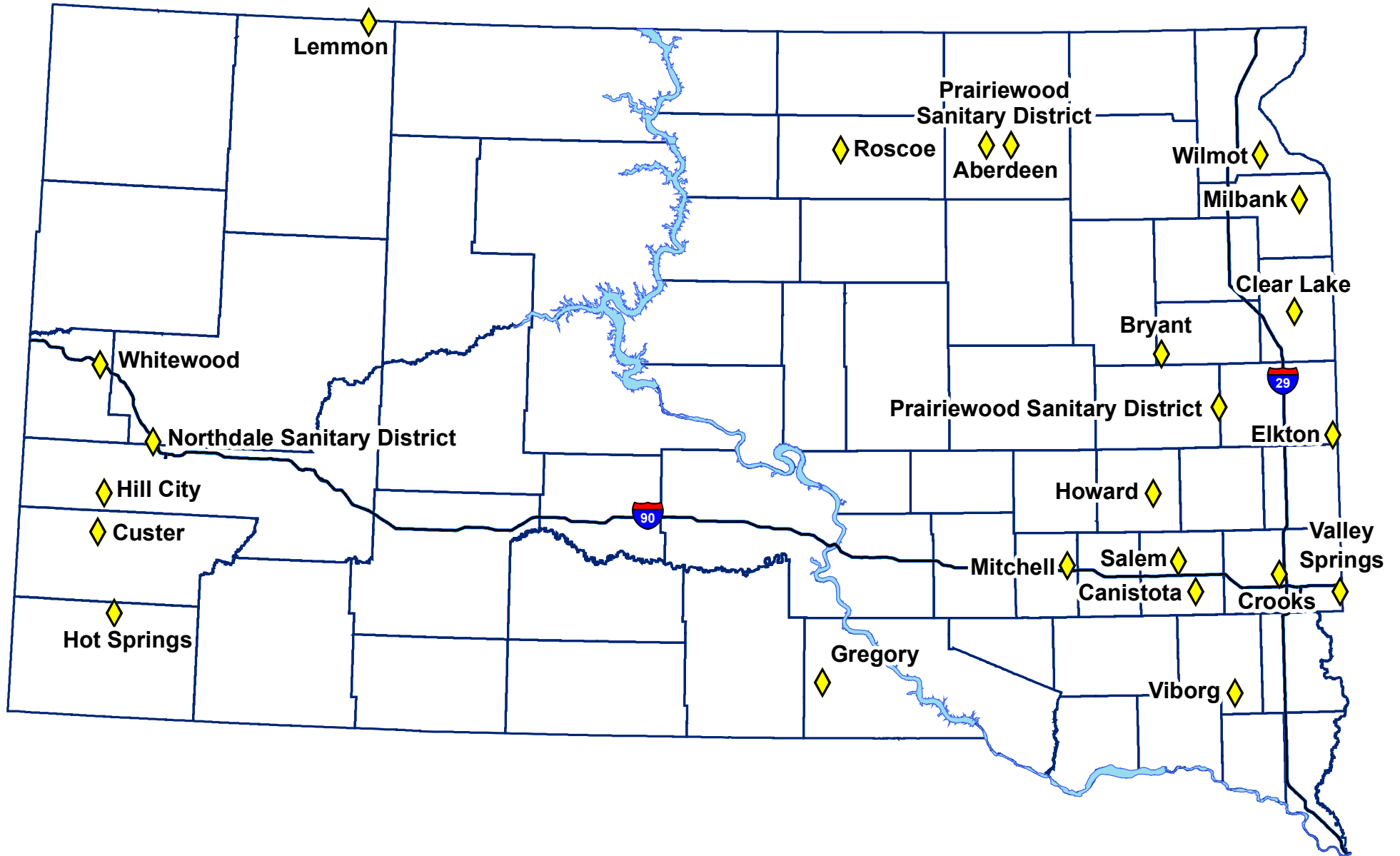
Funding Recommendation: Award a \$2,259,000 Clean Water State Revolving Fund loan at 4.0% for 30 years with 57.5% Principal Forgiveness not to exceed \$1,298,000.

Debt Service Coverage: 110% based on a \$23.20 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 the receipt of the 2026 Clean Water SRF Capitalization Grant.

Sanitary/Sewer Funding Applications March 2026



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

APPLICANT: Clear Lake CW-04

Total Project Cost:	\$2,130,400
BWNR Funding Assistance Requested:	\$2,130,400
Rate/Term:	4.0% / 30 years
Security Pledged For Repayment Of Loan:	Surcharge

Staff Analysis

- 1) Clear Lake's current wastewater rates are \$67.65 per 5,000 gallons.
- 2) At the recommended funding level Clear Lake will need to establish a \$18.85 surcharge. Staff analysis indicates Clear Lake has sufficient revenue available in existing rates to restructure and remain at the current rate of \$67.65 per 5,000 gallons.

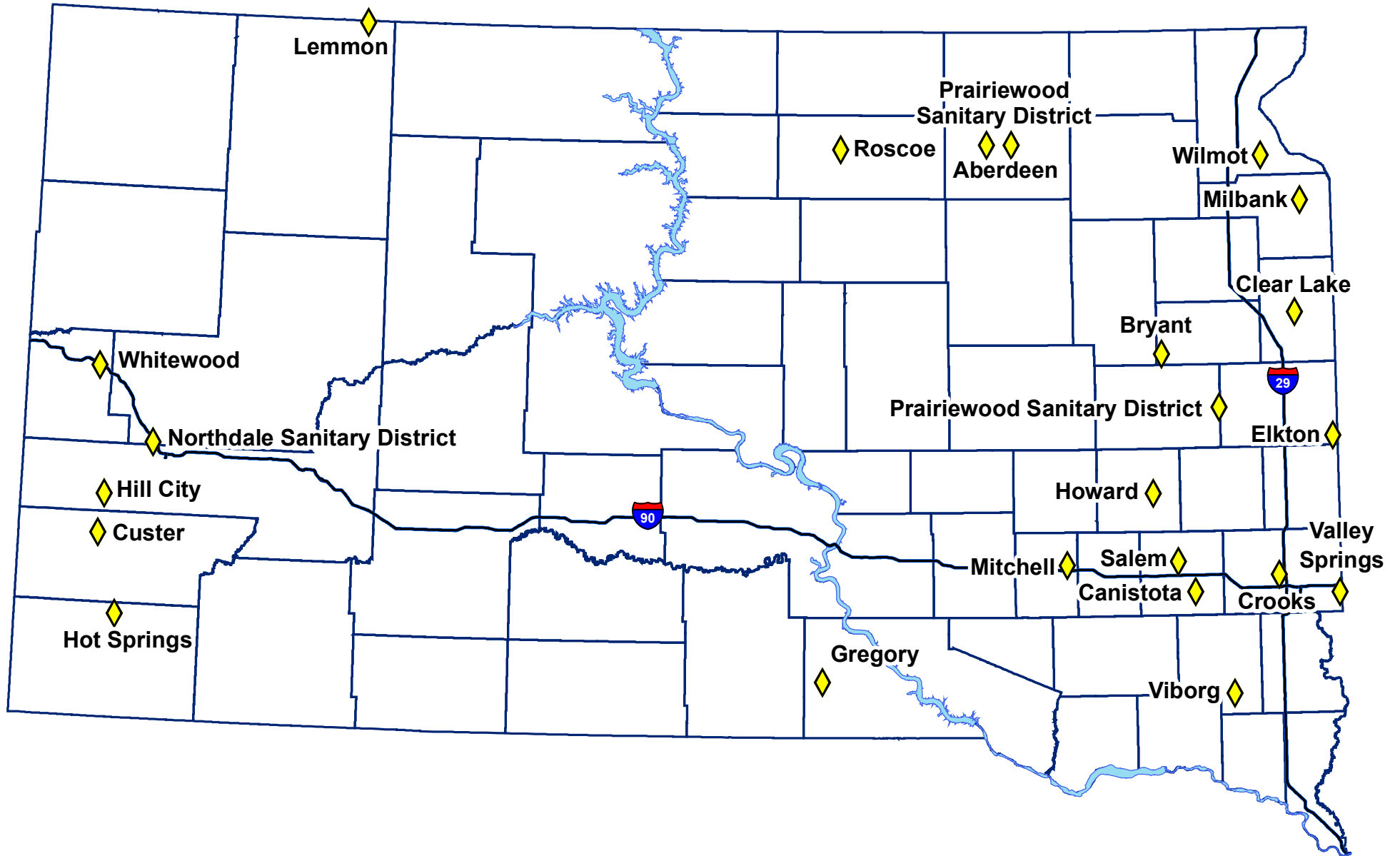
Funding Recommendation: Award a \$2,130,000 Clean Water State Revolving Fund loan at 4.0% for 30 years.

Debt Service Coverage: 110% based on a \$18.85 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 March 2026



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

APPLICANT: Wilmot CW-02

Total Project Cost:	\$850,000
BWNR Funding Assistance Requested:	\$850,000
Rate/Term:	4.0 % / 30 Years
Security Pledged For Repayment Of Loan:	Surcharge

Staff Analysis

- 1) Current rates are at \$55.50 per 5,000 gallons. If funding is provided as all loan, a surcharge of \$17.75 would be needed to meet the required debt coverage, which would bring overall rates to \$73.25.

Funding Recommendation: Award a \$850,000 Clean Water SRF loan at 4.0% for 30 years.

Debt Service Coverage: 110% based on a \$17.75 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.

March 2026 Remaining Available Funds Summary

AMERICAN RESCUE PLAN ACT (ARPA) GRANTS

2022 Appropriation:	\$	600,000,000
Reversions:	\$	41,534,159.02
Awarded to Date:	\$	(640,888,818.47)
Available for Award:	\$	645,340.55
Recommended:	\$	(645,340.55)
Balance:	<u>\$</u>	<u>(0.00)</u>
2024 SB 53 Section 1 Appropriation:	\$	89,384,221
2024 SB 53 Section 2 Authority Transfer:	\$	5,745,508
Reversions:	\$	-
Awarded to Date:	\$	(95,129,729)
Available for Award:	\$	-
Recommended:	\$	-
Balance:	<u>\$</u>	<u>-</u>

CONSOLIDATED WATER FACILITIES CONSTRUCTION PROGRAM

Available Prior Year Funds (8-Jan-2026):	\$	394,266
2026 Omnibus Appropriation:	\$	11,400,000
Reversions:	\$	418,611
Available for Award:	\$	12,212,877
Recommended:	\$	(9,618,400)
Balance:	<u>\$</u>	<u>2,594,477</u>

2026 GENERAL FUND WATER, WASTEWATER, AND STORMWATER GRANTS

Available Funds 2026 SB 222, Section 2:	\$	2,000,000
Reversions:	\$	-
Available for Award:	\$	2,000,000
Recommended:	\$	(2,000,000)
Balance:	<u>\$</u>	<u>-</u>

DRINKING WATER EMERGING CONTAMINANTS - SMALL or DISADVANTAGED COMMUNITIES

Available Prior Year Funds (8-Jan-2026):	\$	22,352,000
Reversions:	\$	-
Available for Award:	\$	22,352,000
Recommended:	\$	-
Balance:	<u>\$</u>	<u>22,352,000</u>

March 2026 Remaining Available Funds Summary

DRINKING WATER SRF PRINCIPAL FORGIVENESS

Prior Year Principal Forgiveness Allocations:	\$	48,199,360
FFY-26 Required:	\$	532,000
Reverted Principal Forgiveness:	\$	-
Awarded to Date:	\$	<u>(47,319,980)</u>
Available For Award:	\$	1,411,380
Recommended:	\$	<u>(1,361,000)</u>
Balance:	\$	50,380
Princ. Forg. for Disadvantaged Communities Maximum:	\$	27,941,344
Princ. Forg. for Disadvantaged Communities Minimum:	\$	5,294,400
FFY-26 Maximum Allowed:	\$	1,330,000
FFY-26 Minimum Required:	\$	456,000
Reverted Principal Forgiveness:	\$	-
Awarded to Date:	\$	<u>(24,360,934)</u>
Maximum Available For Award:	\$	4,910,410
Current Required Amount to be Awarded:	\$	456,000
Recommended:	\$	<u>(455,000)</u>
Maximum Balance:	\$	4,455,410
Required Balance:	\$	1,000
BIL Supplemental PF for Disadvantaged Communities:	\$	42,595,700
FFY-26 Required Allocation:	\$	12,200,020
Reverted Principal Forgiveness:	\$	-
Awarded to Date:	\$	<u>(32,171,036)</u>
Available For Award:	\$	22,624,684
Recommended:	\$	<u>(5,665,000)</u>
Balance:	\$	16,959,684
BIL Emerging Contaminants Principal Forgiveness:	\$	29,423,000
FFY-26 Maximum Allocation:	\$	7,640,000
Transfers from CWSRF Allocation:	\$	2,545,000
Reverted Principal Forgiveness:	\$	-
Awarded to Date:	\$	<u>(30,925,000)</u>
Available For Award:	\$	8,683,000
Recommended:	\$	<u>(1,300,000)</u>
Balance:	\$	7,383,000
BIL Lead Service Line PF for Disadvantaged Communities:	\$	14,528,500
FFY-26 Maximum Allocation:	\$	14,038,500
Reverted Principal Forgiveness:	\$	193,832
Awarded to Date:	\$	<u>(490,000)</u>
Available For Award:	\$	28,270,832
Recommended:	\$	-
Balance:	\$	28,270,832

March 2026
Remaining Available Funds Summary

CLEAN WATER SRF PRINCIPAL FORGIVENESS

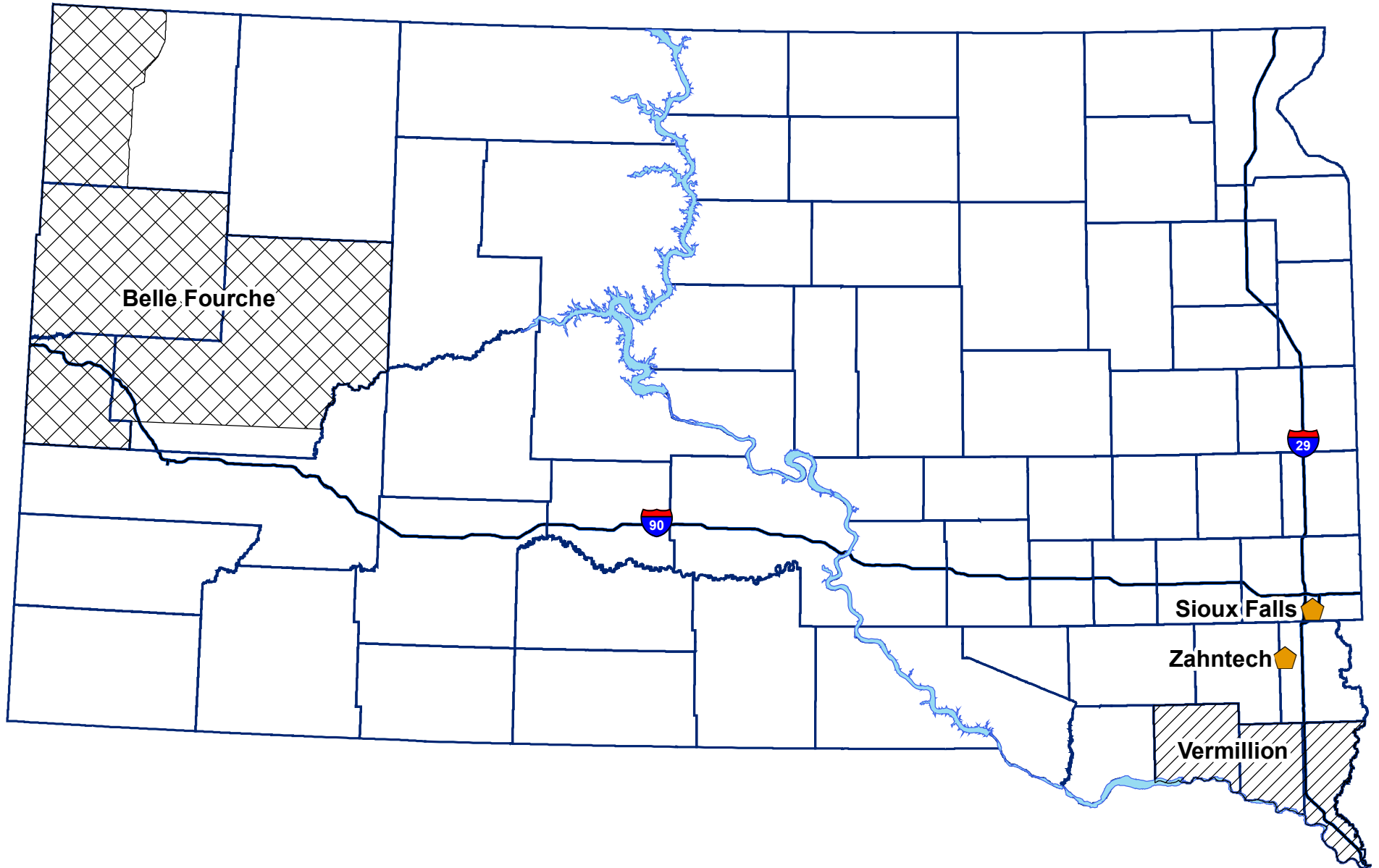
Prior Year Principal Forgiveness Maximum:	\$	35,613,897
Prior Year Principal Forgiveness Minimum:	\$	11,882,781
FFY-26 Maximum Allowed:	\$	1,400,000
FFY-26 Minimum Required:	\$	700,000
Reverted Principal Forgiveness:	\$	-
Awarded to Date:	\$	<u>(33,900,047)</u>
Maximum Available For Award:	\$	3,113,850
Current Required Amount to be Awarded:	\$	1,386,250
Recommended:	\$	<u>(1,386,250)</u>
Maximum Balance:	\$	1,727,600
Required Balance:	\$	-
BIL Supplemental PF for Disadvantaged Communities:	\$	20,692,210
FFY-26 Maximum Allocation:	\$	5,926,060
Reverted Principal Forgiveness:	\$	-
Awarded to Date:	\$	<u>(19,781,150)</u>
Available For Award:	\$	6,837,120
Recommended:	\$	<u>(6,715,750)</u>
Balance:	\$	121,370
BIL Emerging Contaminants Principal Forgiveness:	\$	3,588,000
FFY-26 Maximum Allocation:	\$	1,043,000
Transferred to DWSRF Allocation:	\$	(2,545,000)
Reverted Principal Forgiveness:	\$	-
Awarded to Date:	\$	<u>-</u>
Available For Award:	\$	2,086,000
Recommended:	\$	<u>-</u>
Balance:	\$	2,086,000

March 2026
Dedicated Solid Waste Management Fees

Solid Waste Management Program (SWMP)

Available Prior Year Funds (8-Jan-2026):	\$ 110,863
2026 Omnibus Appropriation:	\$ 3,400,000
Reversions:	\$ 154,001
Available for Award:	<u>\$ 3,664,864</u>

Solid Waste Management Program Funding Applications March 2026



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

APPLICANT: Belle Fourche CW-05 SWMP

Total Project Cost:	\$ 2,836,000
BWNR Funding Assistance Requested:	\$ 2,836,000
Rate/Term:	3.75% / 20 Years
Security Pledged For Repayment Of Loan:	System Revenue

Staff Analysis

- 1) Current landfill tipping fees are \$68.00 per ton for municipal solid waste.
- 2) Belle Fourche has pledged landfill revenue for debt repayment. If funding is provided as all loan, current revenues will provide over 525% debt coverage.

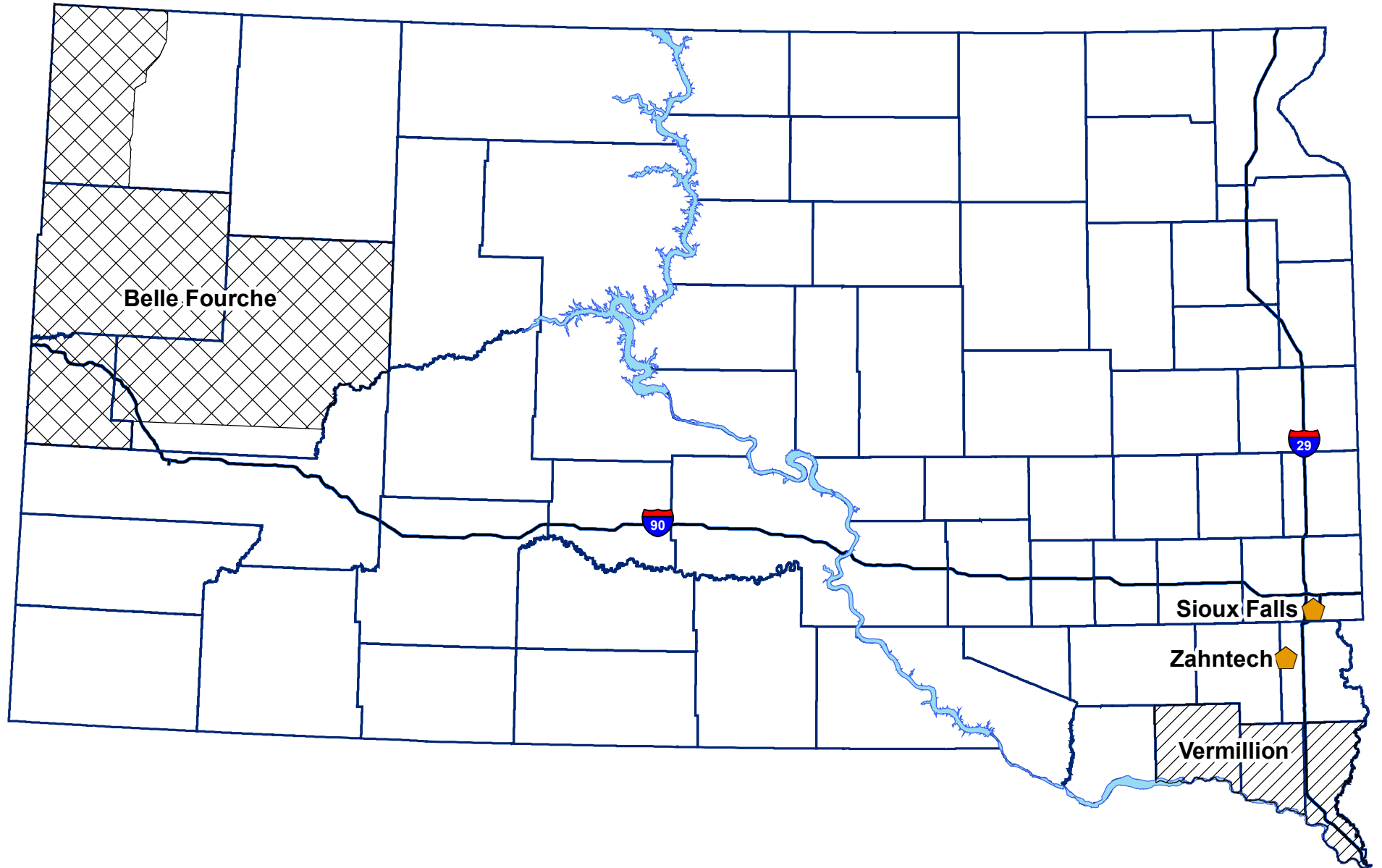
Funding Recommendation: Award a \$2,552,400 Clean Water SRF loan at 3.75% for 20 years and award a Solid Waste Management Program grant at 10.0% of total project costs not to exceed \$283,600.

Debt Service Coverage: Over 525% based on current Revenues

Loan Contingencies:

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

Solid Waste Management Program Funding Applications March 2026



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

APPLICANT: Sioux Falls

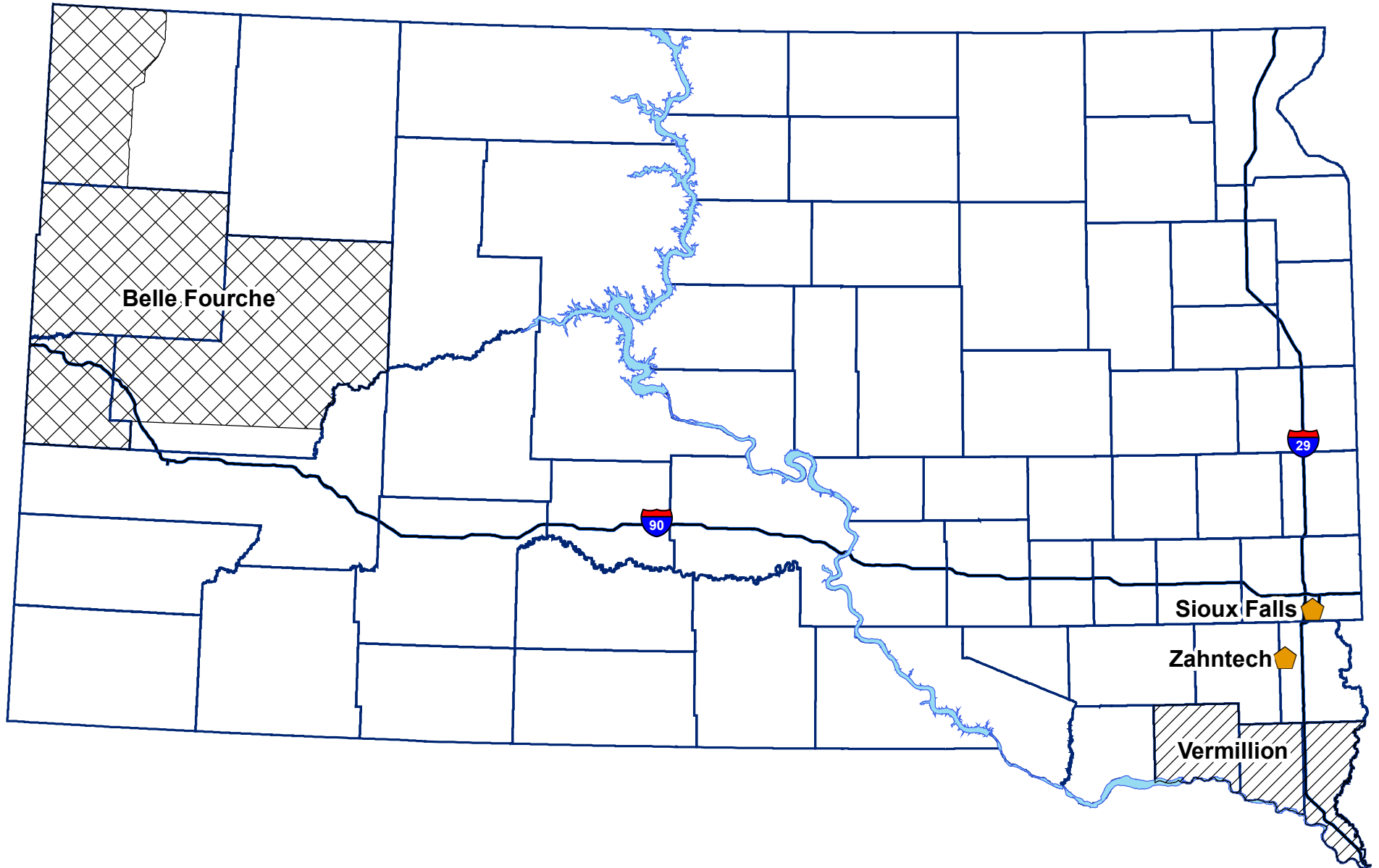
Total Project Cost:	\$	700,000
BWNR Funding Assistance Requested:	\$	350,000
Rate/Term:		N/A
Security Pledged For Repayment Of Loan:		N/A

Staff Analysis

- 1) Sioux Falls is proposing to renovate and expand the existing Household Hazardous Waste Facility. Improvements include constructing a new storage building, loading dock repairs, and interior repairs of the existing facility. These improvements will allow the city to continue to keep these materials from entering the landfill and are more safely handled for all with the facility improvements.

Funding Recommendation: Award a Solid Waste Management Program grant at 50.0 percent not to exceed \$350,000.

Solid Waste Management Program Funding Applications March 2026



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

APPLICANT: Vermillion CW-14

Total Project Cost: \$2,842,500
BWNR Funding Assistance Requested: \$2,700,375
Rate/Term: 3.5% / 10 Years
Security Pledged For Repayment Of Loan: Solid Waste Revenue

Staff Analysis

- 1) The city of Vermillion is proposing modifications to their existing landfill which includes partial closure of existing cells that have reached capacity and constructing a new cell to meet future solid waste demands.
- 2) Staff analysis has determined at their current rates of \$69.50 per ton for municipal solid waste they would have 210% loan coverage.

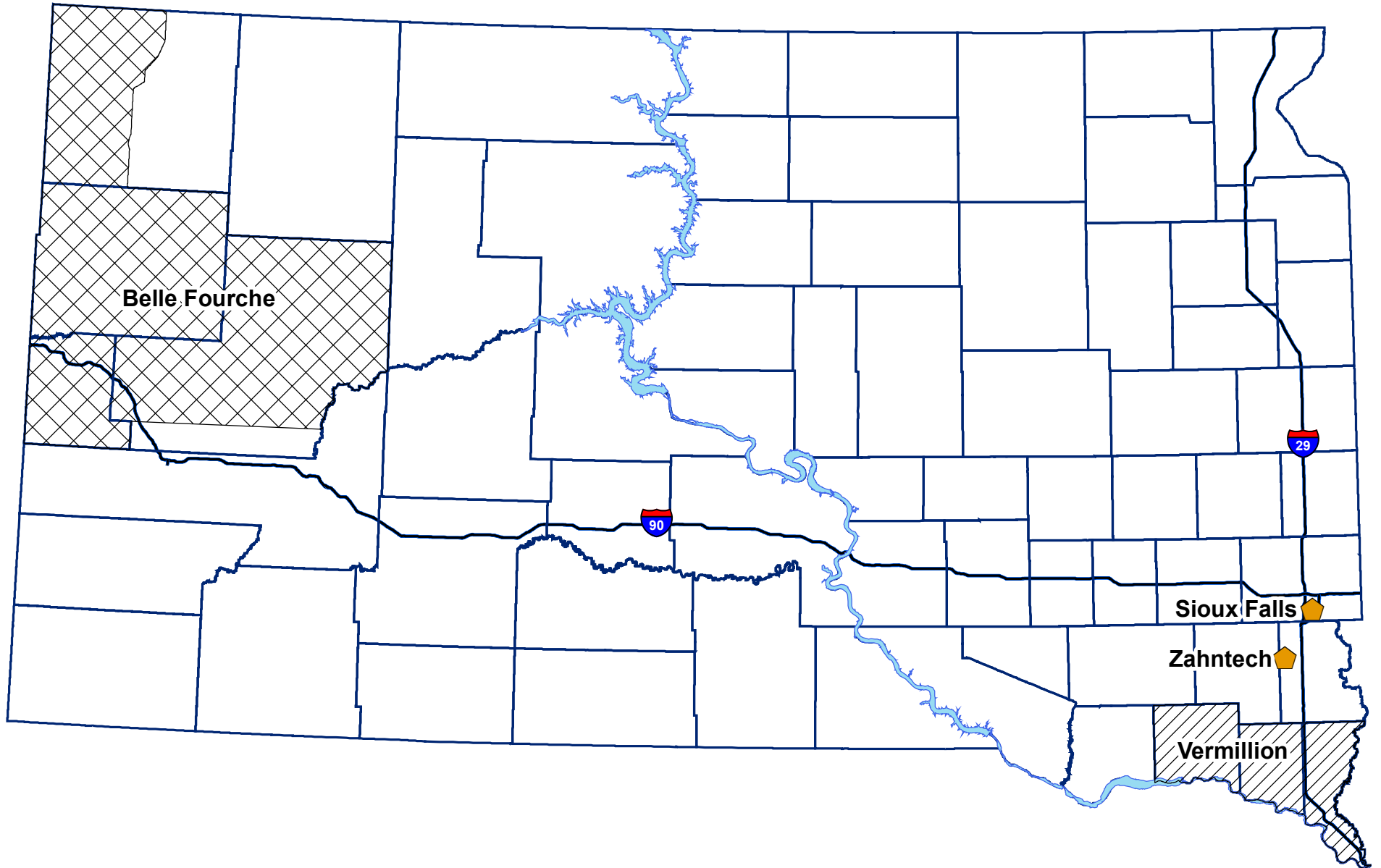
Funding Recommendation: Award a \$2,132,000 Clean Water SRF loan at 3.5% for 10 years and a Solid Waste Management Plan grant at 20.0% of the total project costs not to exceed \$568,000.

Debt Service Coverage: 210% coverage based on current revenues

Loan Contingencies:

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

Solid Waste Management Program Funding Applications March 2026



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

APPLICANT: Zahntech

Total Project Cost:	\$	5,002,500
BWNR Funding Assistance Requested:	\$	2,500,000
Rate/Term:		3.75% / 20 years
Security Pledged For Repayment Of Loan:		Revenue

Staff Analysis

- 1) Zahntech plans to expand its facility and install additional equipment to boost processing capacity, enabling the company to manage all recyclable and hard to recycle plastic waste and convert it into composite products, primarily fence posts.

Funding Recommendation: Defer action until June 2026. By rule the board may defer action on funding decisions for up to 120 days.

Staff has been in discussions with GOED and Zahntech representatives regarding the requested funding and overall project. These discussions have continued regarding the ability for staff to develop a funding recommendation for the board to consider. At this time we are not prepared to provide a final recommendation.

March 2026
Dedicated Solid Waste Management Fees

Solid Waste Management Program (SWMP)

Available Prior Year Funds (8-Jan-2026):	\$	110,863
2026 Omnibus Appropriation:	\$	3,400,000
Reversions:	\$	154,001
Available for Award:	\$	<u>3,664,864</u>
Recommended:	\$	<u>(1,201,600)</u>
Balance:	\$	2,463,264