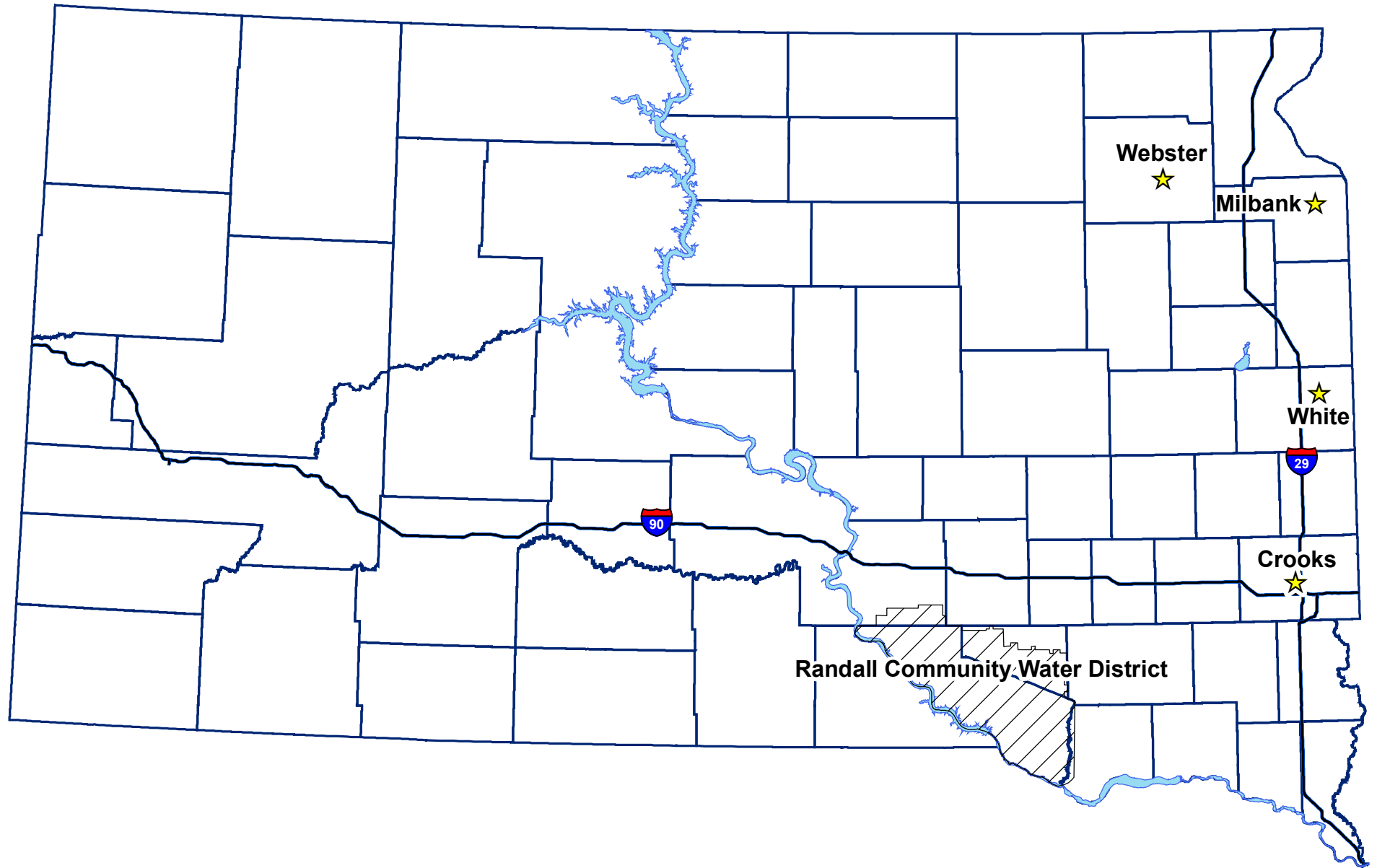


State Water Plan Applications

June 2026



State Water Facilities Plan Applicants

Project Sponsor	Description	Projected State Funding (\$)	Recommendation
Crooks	Southeast Water Distribution Improvements	\$3,800,000	Place on Facilities Plan
Milbank	Water Treatment Plant Construction	\$10,000,000	Place on Facilities Plan
Randall Community Water District	Pickstown Water Treatment Plant Expansion	\$31,907,000	Place on Facilities Plan
Webster	Water Meter Replacement	\$908,000	Place on Facilities Plan
White	Storm Sewer Improvements	\$325,000	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
6	White	\$325,000	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
164	Milbank	\$10,000,000	3.75%, 20 years
90	Webster	\$908,000	2.75%, 10 years
15	Crooks	\$3,800,000	4.00%, 30 years

June 2026 Available Funds Summary

AMERICAN RESCUE PLAN ACT (ARPA) GRANTS

2022 Appropriation:	\$	600,000,000
Reversions:	\$	41,740,908.09
Awarded to Date:	\$	(641,534,159.02)
Available for Award:	\$	<u>206,749.07</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:	\$	428,432
Awarded to Date:	\$	(9,618,400)
Available for Award:	\$	<u>2,604,298</u>

2026 GENERAL FUND WATER, WASTEWATER, AND STORMWATER GRANTS

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

June 2026 Available Funds Summary

DRINKING WATER SRF PRINCIPAL FORGIVENESS

Prior Year Principal Forgiveness Allocations:	\$	48,199,360
FFY-26 Required:	\$	537,880
Reverted Principal Forgiveness:	\$	-
Awarded to Date:	\$	(48,680,980)
Available For Award:	\$	56,260
Princ. Forg. for Disadvantaged Communities Maximum:	\$	27,941,344
Princ. Forg. for Disadvantaged Communities Minimum:	\$	5,294,400
FFY-26 Maximum Allowed:	\$	1,344,700
FFY-26 Minimum Required:	\$	461,040
Reverted Principal Forgiveness:	\$	-
Awarded to Date:	\$	(24,815,934)
Maximum Available For Award:	\$	4,470,110
Current Required Amount to be Awarded:	\$	-
BIL Supplemental PF for Disadvantaged Communities:	\$	42,595,700
FFY-26 Required Allocation:	\$	12,195,120
Reverted Principal Forgiveness:		
Awarded to Date:	\$	(38,662,202)
Available For Award:	\$	16,128,618
BIL Emerging Contaminants Principal Forgiveness:	\$	30,475,000
FFY-26 Maximum Allocation:	\$	7,640,000
Transfers from CWSRF Allocation:	\$	3,588,000
Reverted Principal Forgiveness:	\$	-
Awarded to Date:	\$	(32,225,000)
Available For Award:	\$	9,478,000
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

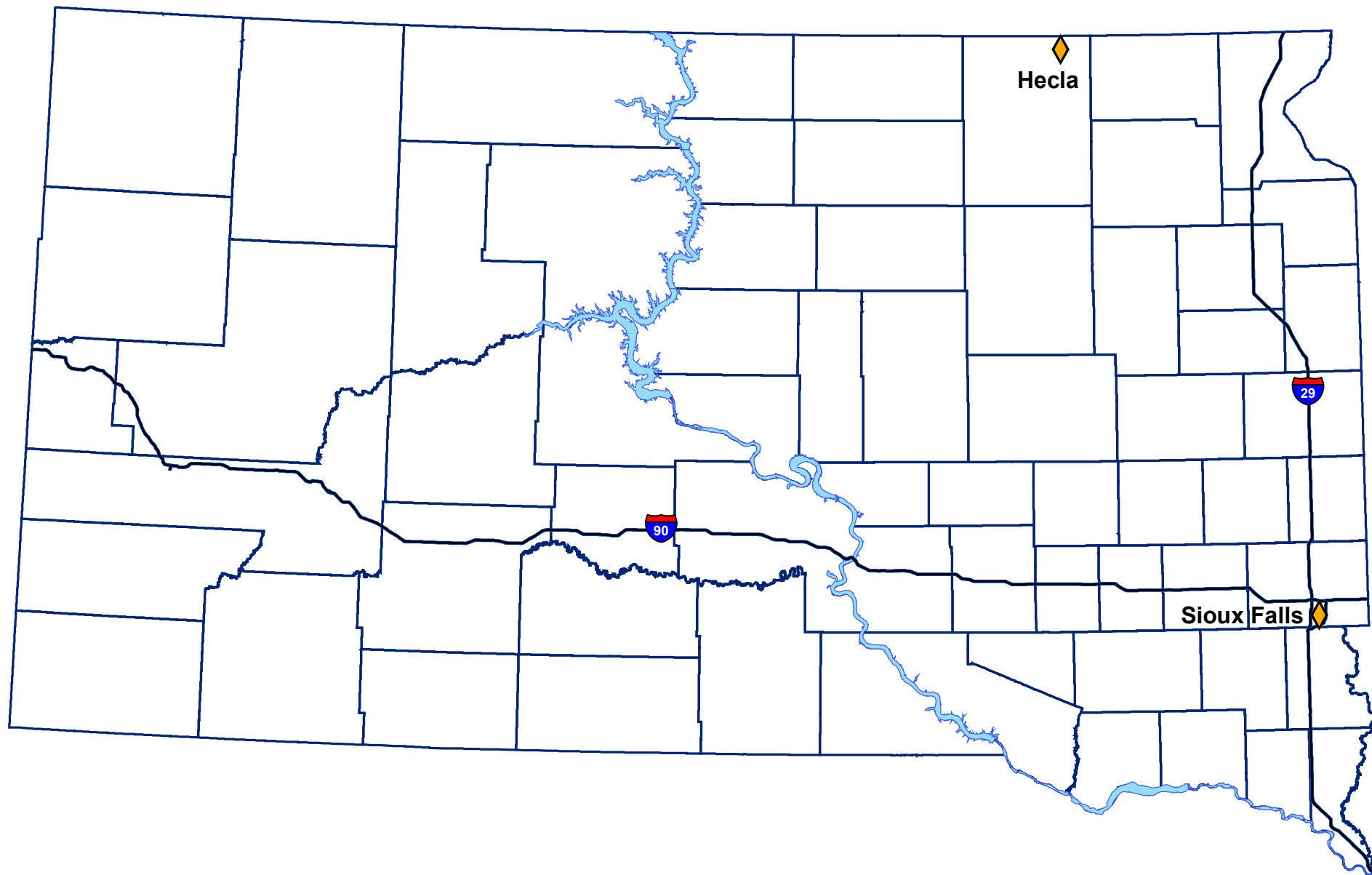
June 2026 Available Funds Summary

CLEAN WATER SRF PRINCIPAL FORGIVENESS

Prior Year Principal Forgiveness Maximum:	\$	35,446,409
Prior Year Principal Forgiveness Minimum:	\$	11,882,781
FFY-26 Maximum Allowed:	\$	1,402,800
FFY-26 Minimum Required:	\$	701,400
Reverted Principal Forgiveness:	\$	-
Awarded to Date:	\$	(34,997,439)
Maximum Available For Award:	\$	1,851,770
Current Required Amount to be Awarded:	\$	-
BIL Supplemental PF for Disadvantaged Communities:	\$	20,692,210
FFY-26 Maximum Allocation:	\$	5,926,060
Reverted Principal Forgiveness:		
Awarded to Date:	\$	(26,618,270)
Available For Award:	\$	-
BIL Emerging Contaminants Principal Forgiveness:	\$	3,588,000
FFY-26 Maximum Allocation:	\$	1,043,000
Transferred to DWSRF Allocation:	\$	(3,588,000)
Reverted Principal Forgiveness:	\$	-
Awarded to Date:	\$	-
Available For Award:	\$	1,043,000

Sanitary/Sewer Funding Applications

June 2026



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

APPLICANT: Sioux Falls (CW-51)

Total Project Cost:	\$51,900,000
BWNR Funding Assistance Requested:	\$51,900,000
Rate/Term:	3.75% / 20 years
Security Pledged For Repayment Of Loan:	System Revenue

Staff Analysis

- 1) Sioux Falls has established rate increases for 2027 which will bring wastewater rates to \$50.85 per 5,000 gallons. Sioux Falls will have 8 CWSRF loans maturing in the next two years which will decrease their annual debt service by approximately \$6.2 million providing additional debt service capacity.

Funding Recommendation: \$51,900,000 Clean Water SRF loan at 3.75% for 20 years.

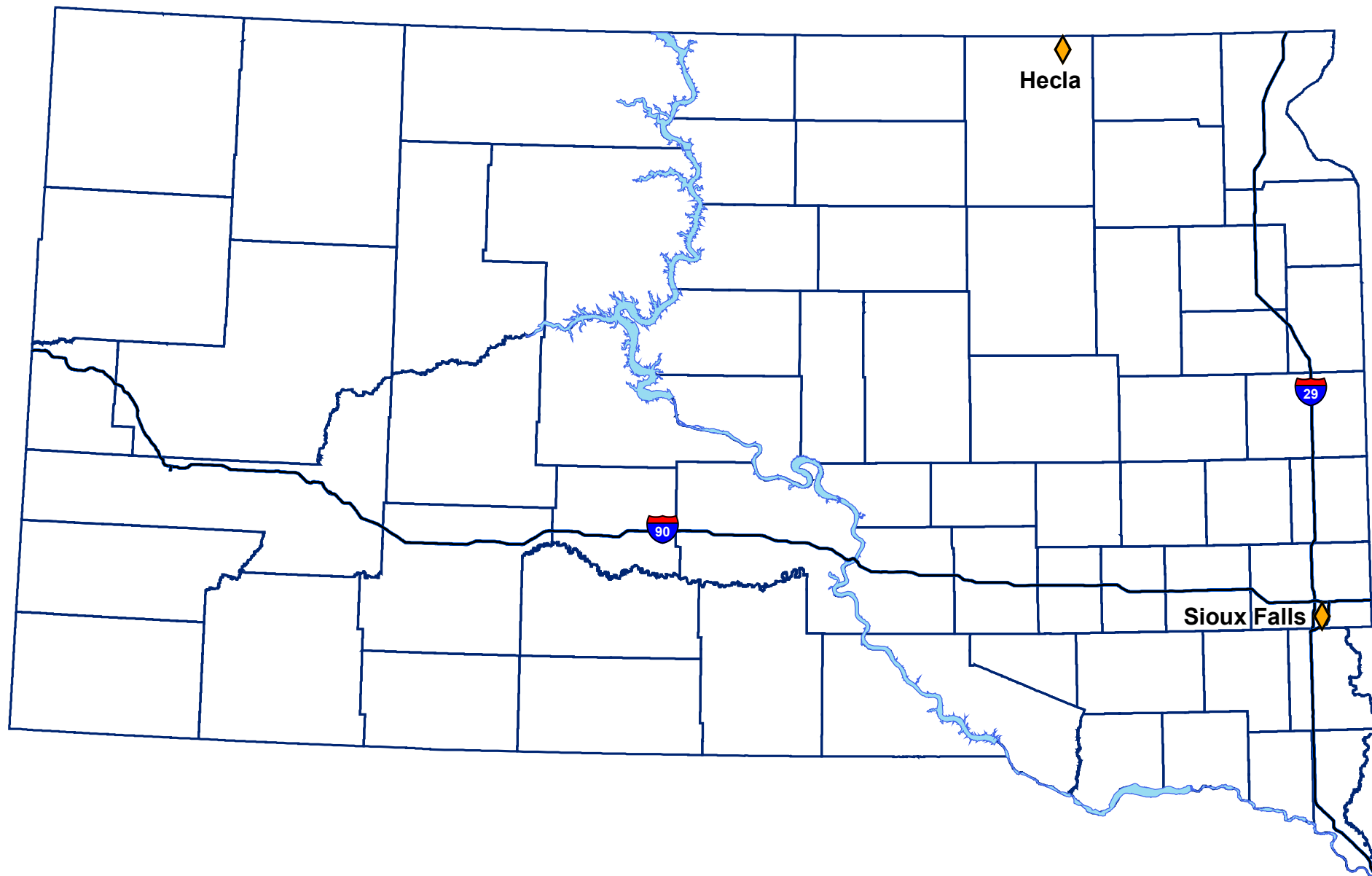
Debt Service Coverage: 151% based on 2027 estimates.

Loan Contingencies:

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

Sanitary/Sewer Funding Applications

June 2026



SANITARY/STORM SEWER FACILITIES FUNDING APPLICATION FINANCIAL ANALYSIS SUMMARY

APPLICANT: Hecla (CW04)

Total Project Cost: \$2,500,000

BWNR Funding Assistance Requested: \$2,500,000

Rate/Term: 4.00% / 30 years

Security Pledged For Repayment Of Loan: Project Surcharge

Staff Analysis

- 1) The City of Hecla has requested a significant project scope change to their Phase II Wastewater Improvements project that was awarded by the board on March 27, 2025. Since the new project scope was not included in the original application, staff recommended that the City of Hecla rescind CW-03 and reapply with the new project scope.
- 2) At the recommended funding level a surcharge of \$16.50 would be required, which would bring overall rates to \$84.15 per 5,000 gallons.
- 3) With changes to O&M estimates and higher loan interest rate, the amounts needed to fund the same requested amount has resulted in a higher surcharge amount and higher overall rates.

Funding Recommendation: \$2,500,000 Clean Water SRF loan at 4.0% for 30 years with 80.0% principal forgiveness not to exceed \$2,000,000.

Debt Service Coverage: 110% based on a \$16.50 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.

June 2026 **Remaining Available Funds Summary**

AMERICAN RESCUE PLAN ACT (ARPA) GRANTS

2022 Appropriation:	\$	600,000,000
Reversions:	\$	41,740,908.09
Awarded to Date:	\$	(641,534,159.02)
Available for Award:	\$	206,749.07
Recommended:	\$	(206,749.07)
Balance:	\$	0.00

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:	\$	-

CONSOLIDATED WATER FACILITIES CONSTRUCTION PROGRAM

Available Prior Year Funds (8-Jan-2026):	\$	394,266
2026 Omnibus Appropriation:	\$	11,400,000
Reversions:	\$	533,432
Awarded to Date:	\$	(9,618,400)
Available for Award:	\$	2,604,298
Recommended:	\$	-
Balance:	\$	2,709,298

2026 GENERAL FUND WATER, WASTEWATER, AND STORMWATER GRANTS

Available Funds 2026 SB 222, Section 2:	\$	2,000,000
Reversions:	\$	-
Available for Award:	\$	-
Recommended:	\$	-
Balance:	\$	-

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:	\$	22,352,000

June 2026

Remaining Available Funds Summary

DRINKING WATER SRF PRINCIPAL FORGIVENESS

Prior Year Principal Forgiveness Allocations:	\$	48,199,360
FFY-26 Required:	\$	537,880
Reverted Principal Forgiveness:	\$	-
Awarded to Date:	\$	(48,680,980)
Available For Award:	\$	56,260
Recommended:	\$	-
Balance:	\$	56,260
Princ. Forg. for Disadvantaged Communities Maximum:	\$	27,941,344
Princ. Forg. for Disadvantaged Communities Minimum:	\$	5,294,400
FFY-26 Maximum Allowed:	\$	1,344,700
FFY-26 Minimum Required:	\$	461,040
Reverted Principal Forgiveness:	\$	-
Awarded to Date:	\$	(24,815,934)
Maximum Available For Award:	\$	4,470,110
Current Required Amount to be Awarded:	\$	-
Recommended:	\$	638,000
Maximum Balance:	\$	5,108,110
Required Balance:	\$	638,000
BIL Supplemental PF for Disadvantaged Communities:	\$	42,595,700
FFY-26 Required Allocation:	\$	12,195,120
Reverted Principal Forgiveness:	\$	-
Awarded to Date:	\$	(38,662,202)
Available For Award:	\$	16,128,618
Recommended:	\$	456,000
Balance:	\$	16,584,618
BIL Emerging Contaminants Principal Forgiveness:	\$	30,475,000
FFY-26 Maximum Allocation:	\$	7,640,000
Transfers from CWSRF Allocation:	\$	3,588,000
Reverted Principal Forgiveness:	\$	-
Awarded to Date:	\$	(32,225,000)
Available For Award:	\$	9,478,000
Recommended:	\$	-
Balance:	\$	9,478,000
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
Recommended:	\$	-
Balance:	\$	28,270,832

June 2026

Remaining Available Funds Summary

CLEAN WATER SRF PRINCIPAL FORGIVENESS

Prior Year Principal Forgiveness Maximum:	\$	35,446,409
Prior Year Principal Forgiveness Minimum:	\$	11,882,781
FFY-26 Maximum Allowed:	\$	1,402,800
FFY-26 Minimum Required:	\$	701,400
Reverted Principal Forgiveness:	\$	-
Awarded to Date:	\$	(34,997,439)
Maximum Available For Award:	\$	1,851,770
Current Required Amount to be Awarded:	\$	-
Recommended:	\$	(1,928,250)
Maximum Balance:	\$	(76,480)
Required Balance:	\$	(1,928,250)
BIL Supplemental PF for Disadvantaged Communities:	\$	20,692,210
FFY-26 Maximum Allocation:	\$	5,926,060
Reverted Principal Forgiveness:	\$	-
Awarded to Date:	\$	(26,618,270)
Available For Award:	\$	-
Recommended:	\$	(71,750)
Balance:	\$	(71,750)
BIL Emerging Contaminants Principal Forgiveness:	\$	3,588,000
FFY-26 Maximum Allocation:	\$	1,043,000
Transferred to DWSRF Allocation:	\$	(3,588,000)
Reverted Principal Forgiveness:	\$	-
Awarded to Date:	\$	-
Available For Award:	\$	1,043,000
Recommended:	\$	-
Balance:	\$	1,043,000

June 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:	\$	193,298
Awarded to Date:	\$	(1,201,600)
Available for Award:	\$	<u>2,502,561</u>

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

APPLICANT: Department of Agriculture and Natural Resources

Total Project Cost:	\$	250,000
BWNR Funding Assistance Requested:	\$	250,000
Rate/Term:		N/A
Security Pledged For Repayment Of Loan:		N/A

Staff Analysis

- 1) Department of Agriculture and Natural Resources (DANR) proposes to use funds for DANR's Inspection, Compliance, and Remediation program to work with local entities for collect and dispose of PFAS foam or other products. A portion of the funds may be available to regional landfills in South Dakota, or to school districts to remove old and potential chemical hazards, or used for other solid waste cleanups or removals deemed necessary by DANR staff to protect the state's natural resources.
- 2) \$250,000 of funding was appropriated by 2026 Senate Bill 37 and does not require local match.

Funding Recommendation: Award a Solid Waste Management Program grant at 100 percent not to exceed \$250,000.

June 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:	\$	193,298
Awarded to Date:	\$	(1,201,600)
Available for Award:	\$	2,502,561
Recommended:	\$	(260,000)
Balance:	\$	2,242,561

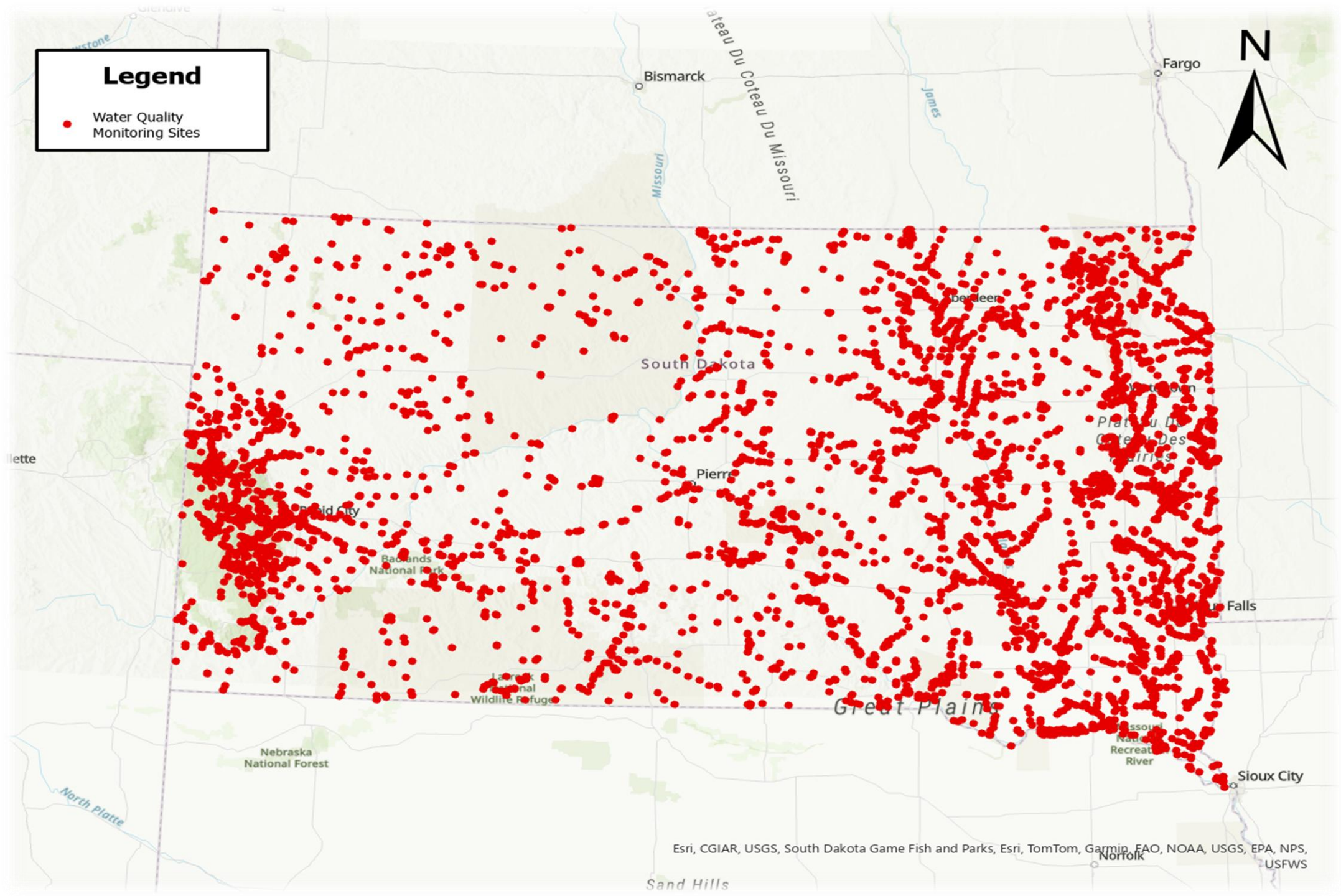
South Dakota's Surface Water Quality Assessment and Water Quality Improvement/Protection Strategies

DANR Watershed Protection Program



Legend

- Water Quality Monitoring Sites



THE 2024 SOUTH DAKOTA
INTEGRATED REPORT FOR
SURFACE WATER QUALITY
ASSESSMENT



*Protecting South Dakota's
Tomorrow...Today*

Prepared By
SOUTH DAKOTA DEPARTMENT OF
AGRICULTURE AND NATURAL
RESOURCES

HUNTER ROBERTS, SECRETARY

Assessment Process

Beneficial Uses



Water Quality Criteria

E. coli bacteria limit 235



Sample Data Compared to Criteria

Timeframe (5 and 10 year)



Assessment Result:

Full Support: $\geq 90\%$ samples meet

Nonsupport: $< 90\%$ samples meet

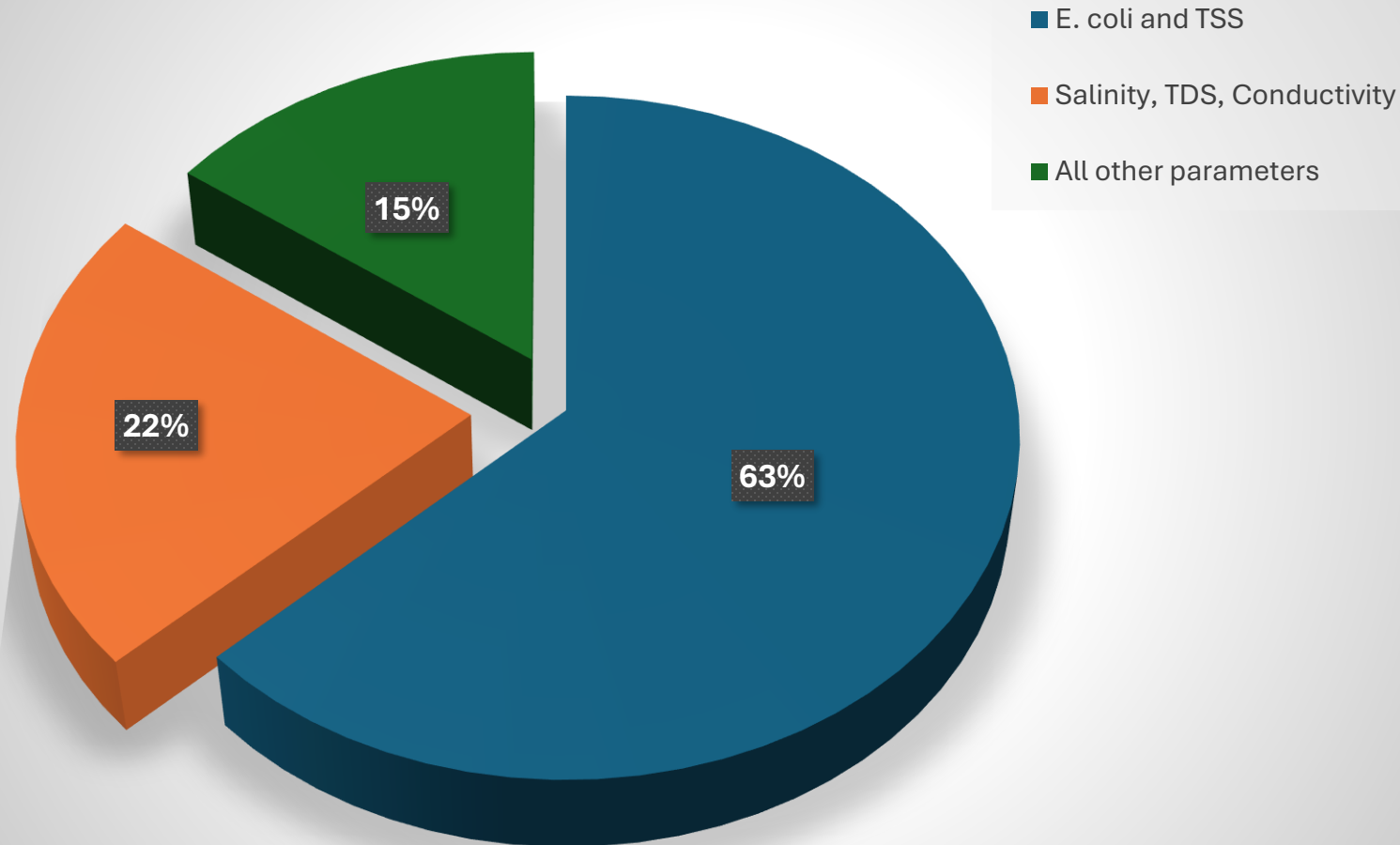
Beneficial Uses Support or Nonsupport ?



Nonsupport does not necessarily mean the water body is unusable

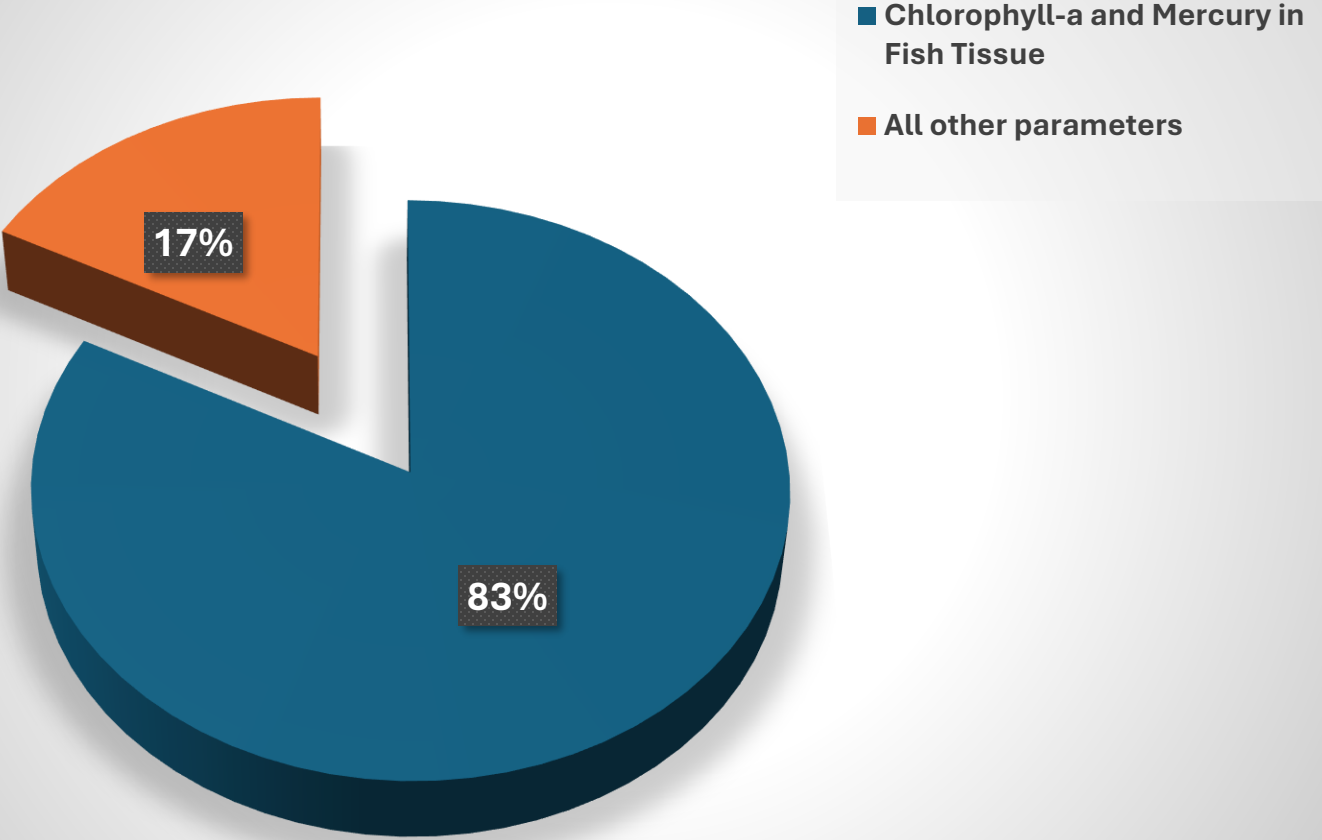
- In many nonsupport waters, only a few samples exceed water quality criteria.
 - Ex. 2026 IR; Big Sioux River segment 14 (Harrisburg)—22.5% of E. coli samples exceeded.
- Most nonsupport waterbodies are productive fisheries that provide recreational opportunities.
 - Bitter Lake nearly 40,000 angling hours-2019.
- Nonsupport parameters “pollutants of concern” rather than “too polluted”.
- Water quality criteria for human health conservative - **Risk Based**.
 - E. coli criteria 235 based on 8 in 1,000 humans developing illness.

Percent Nonsupport WQ Parameter for Streams



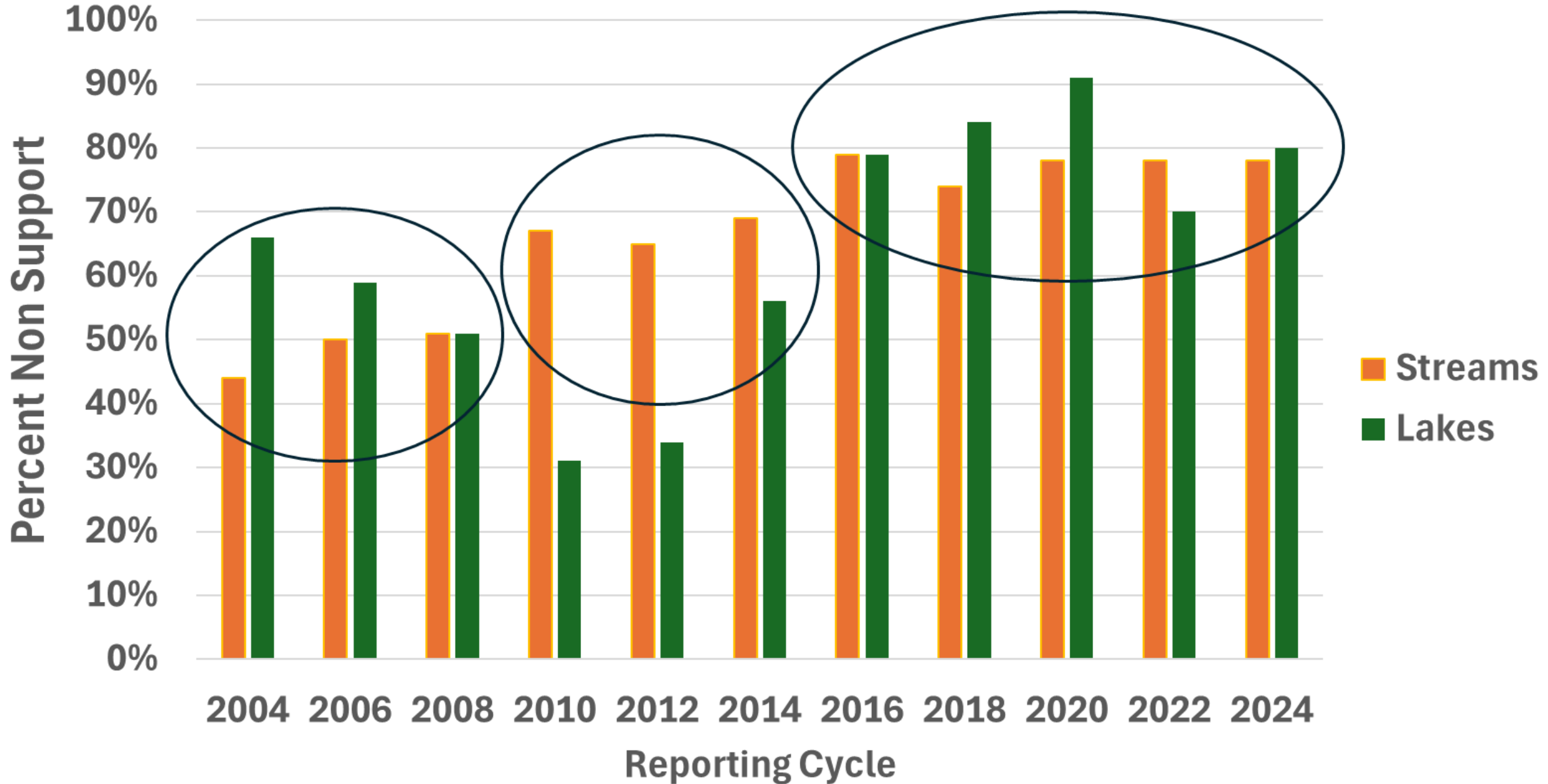
Parameter	Percent Exceedance
E. coli	37%
Total Suspended Solids	26%
Salinity	10%
Mercury in Fish Tissue	7%
Total Dissolved Solids	6%
Specific Conductivity	5%
Dissolved Oxygen	5%
Sodium Adsorption Ratio	2%
Temperature	0.7%
PH	0.2%
Total Selenium	0.009%
Ammonia-Nitrogen	0.0%
Nitrate	0.0%
Dissolved Selenium	0.0%
Alkalinity	0.0%
Arsenic	0.0%
Radium	0.0%
Uranium	0.0%
Cadmium	0.0%
Zinc	0.0%
Copper	0.0%
Nickel	0.0%
Lead	0.0%
Total Mercury	0.0%
Chromium	0.0%
Silver	0.0%
Chloride	0.0%
Sulfate	0.0%
Cyanide	0.0%
Total	100%

Percent Nonsupport WQ parameters for Lakes



Parameter	Percent Exceedance
Mercury in Fish Tissue	52%
Chlorophyll-a	31%
PH	7%
Dissolved Oxygen	4%
Salinity	3%
Temperature	1%
E. Coli	1%
PH, High	1%
Specific Conductivity	0.02%
TDS	0.02%
Nitrate	0.02%
Selenium	0.02%
TSS	0.0%
Alkalinity	0.0%
Ammonia-Nitrogen	0.0%
Chloride	0.0%
Total	100%

Percent Non Support for Lakes and Streams by Reporting Cycle



Point Source pollution

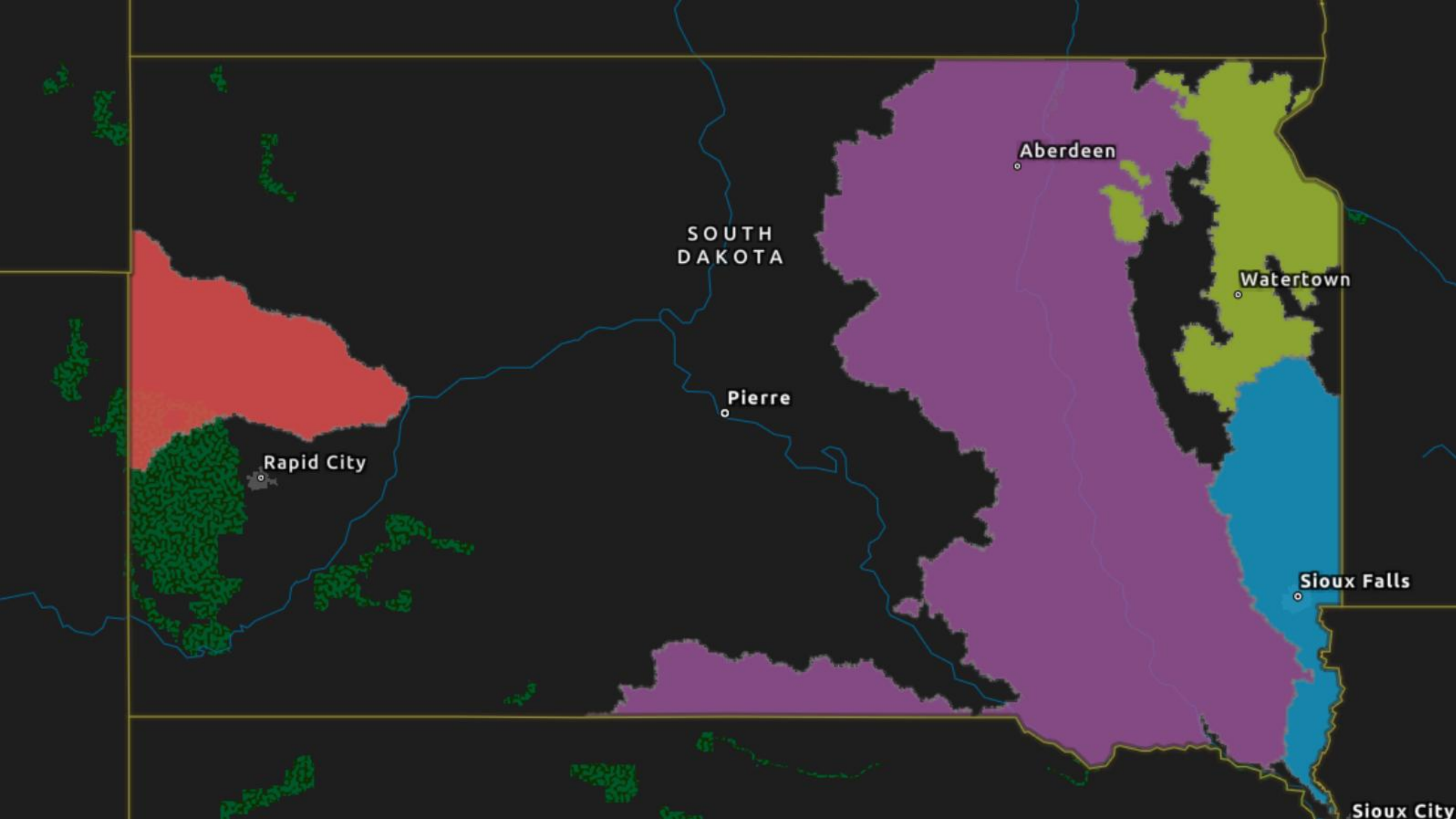
Regulatory Approach

- Regulatory oversight through the permitting process ensures compliance with Clean Water Act and state laws.
- Permit Requirements imposed on municipal wastewater discharge facilities, municipal and construction stormwater runoff, Concentrated Animal Feeding Operations (CAFOs) and Groundwater Protections.
- Examples: CAFO permit, wastewater effluent limits (end of pipe), MS4 activities etc.

Nonpoint Source Pollution

Voluntary-Incentive-Based Approach

- Farms and ranches cover more than 87% of the total land area in South Dakota.
 - 85% of SD's cropland is managed with conservation tillage; soil health and sustainability.
- DNR's nonpoint source program manages watershed-scale projects that work with agricultural producers to implement conservation practices on private lands to reduce pollution.
- Project success relies heavily on producer participation and partnerships.
 - Ex. NRCS, Conservation Districts, GFP, PF, DU, FWS and others.
- Since 2014, NPS projects have led to the following pollutant reductions:
 - 160,000 tons of sediment
 - 390,000 pounds of phosphorus
 - 1.7 million pounds of nitrogen



SOUTH
DAKOTA

Aberdeen

Watertown

Pierre

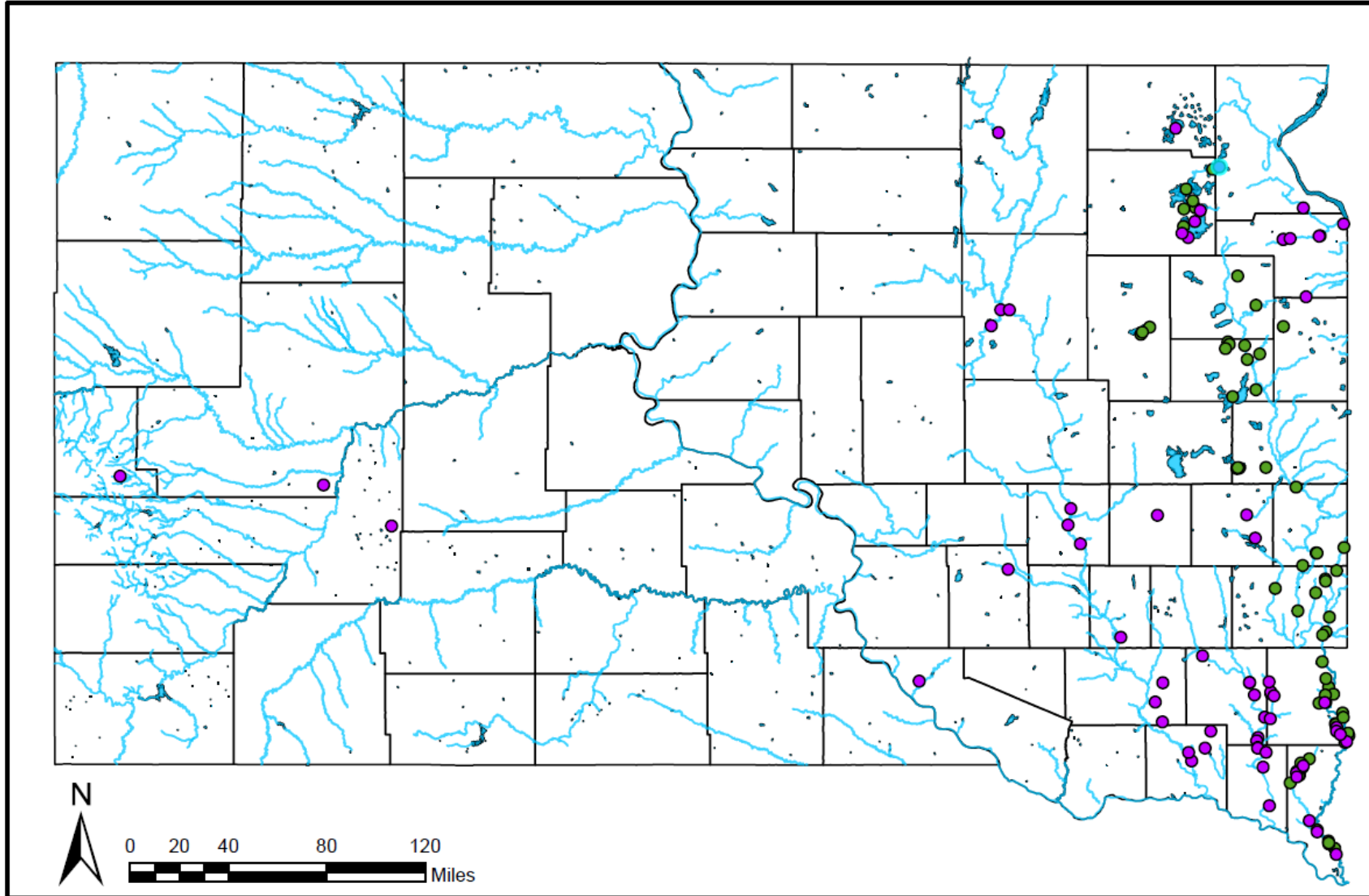
Rapid City

Sioux Falls

Sioux City

Current as of:
06/03/2026

RBI Contracted Projects Map



Legend

- RBI Contract Statewide
- RBI Contract HB1265

Contracted Statewide RBI Projects

Number of Projects: 63
Total Acres: 2,191
Linear Footage: 823,466
Miles: 156.14
Money Spent: \$4,351,288.69

Contracted HB1265 RBI Projects

Number of Projects: 67
Total Acres: 1,218.69
Linear Footage: 436,184
Miles: 83
Money Spent: \$3,000,000



Blue Dog -
Before



Blue Dog -
After



Big Sioux River E. coli Percent Exceedance by Year

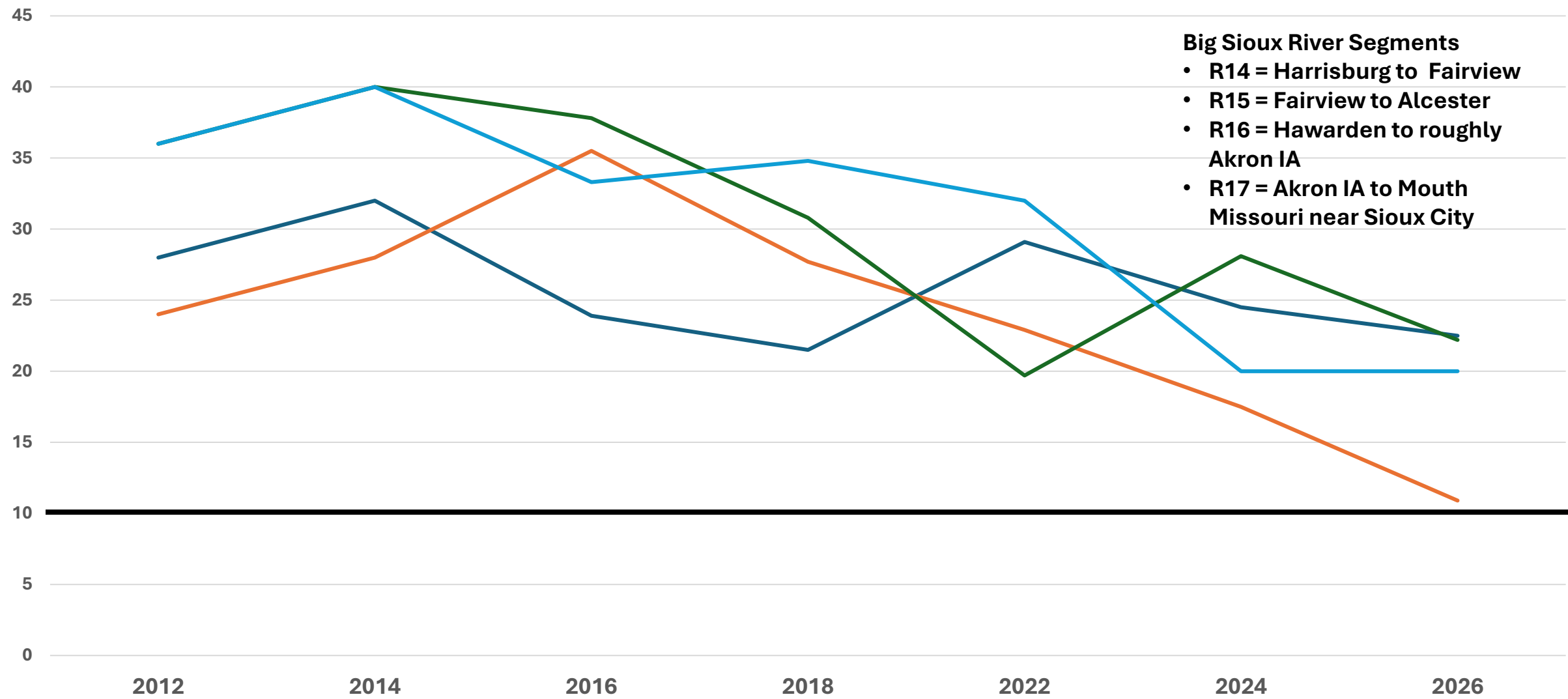
Percent Exceedance

- Big Sioux River Segments**
- R14 = Harrisburg to Fairview
 - R15 = Fairview to Alcester
 - R16 = Hawarden to roughly Akron IA
 - R17 = Akron IA to Mouth Missouri near Sioux City

2012 2014 2016 2018 2022 2024 2026

Big Sioux River Segments

14 15 16 17





South Dakota's 2026 Surface Water Quality Assessment

Department of Agriculture and Natural Resources

<https://arcg.is/1v0Ofm2>

Transparency

Executive Summary

- The Surface Water Quality Assessment used to have executive summary on first page, which stated the % of waters that are non-support for at least one beneficial use.
 - Removed in 2026 Cycle.
 - Want audience to go through the whole report
- 2026 is first cycle with new reporting mechanism (Story Map vs. 200-page report)
 - User-Friendly interactive application.
 - Includes all raw data used to make support determinations.
 - Make improvements based on public comments.