



DENR
SOUTH DAKOTA

**BOARD OF WATER
AND NATURAL RESOURCES**
September 24, 2020
1:00 p.m. CT

**Remote Meeting Via Audio/Visual Conference
September 24 at 1:00 p.m. CT**

The public may participate by live audio or by streaming through a computer or other mobile device. The full board packet and directions for access to the meeting and live streaming can be found on the South Dakota Boards and Commissions Portal at

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

AGENDA

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

September 24, 2020

1:00 p.m. CT

1. Call meeting to order and roll call
2. Approve Agenda
3. Approve Minutes of June 5th and June 25th, 2020 Board Meeting
4. Public Comment Period
5. Departmental Update – Hunter Roberts/Brian Walsh
6. Public Hearing to Adopt Brownfields Revitalization and Economic Development Program Work Plan – Nayyer Syed
7. Amendments to State Water Plan, 2020 Clean Water SRF and 2020 Drinking Water SRF Intended Use Plans – Andy Bruels
8. Sanitary/Storm Sewer Facilities Funding Applications – Mike Perkovich
 - a. Sioux Falls (20)
 - b. Mitchell (12)
9. Drinking Water Facilities Funding Applications – Andy Bruels
 - a. Tea (21)
10. Solid Waste Funding Applications – Drew Huisken
 - a. Gregory
 - b. South Eastern Council of Governments
11. Montrose Clean Water SRF Loan Re-award – Mike Perkovich
12. Brant Lake Sanitary District Update – Mike Perkovich
13. State Fiscal Year 2020 State Revolving Funds Report to the Interim Bond Review Committee – Mike Perkovich
14. November 5th Meeting
15. Adjourn

The audio recording for this meeting is available on the South Dakota Boards and Commissions Portal at <http://boardsandcommissions.sd.gov/Meetings.aspx?BoardID=108>.

Minutes of the
Board of Water and Natural Resources
Telephone Conference Call Meeting

June 5, 2020
11:15 a.m. CT

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

BOARD MEMBERS PRESENT: Jerry Soholt, Karl Adam, Todd Bernhard, Dr. Paul Gnirk, Dr. Kathryn Johnson, Gene Jones, Jr., and Jackie Lanning.

BOARD MEMBERS ABSENT: None.

OTHERS: Mike Perkovich, Andy Bruels, Dave Ruhnke, Jon Peschong, and Stephanie Riggle, DENR, David McVey, Attorney General's Office, Bruce Bonjour, Perkins Coie, Jessica Cameron Mitchell, PFM Financial Advisors LLC, and Tom Liu, Bank of America Securities, Inc., BofA Securities.

APPROVE AGENDA: Motion by Gnirk, seconded by Adam, to approve the agenda. A roll call vote was taken, and the motion carried unanimously.

PUBLIC COMMENT PERIOD: None.

REQUEST FOR CONSENT TO PERKINS COIE'S CONCURRENT REPRESENTATION OF SOUTH DAKOTA CONSERVANCY DISTRICT AND THE CITY OF SIOUX FALLS: Mike Perkovich stated that Bruce Bonjour of Perkins Coie, LLP, serves as bond counsel for the Clean Water and Drinking Water State Revolving Fund programs, and has served as bond counsel since 1994. Approximately ten years ago, the city of Sioux Falls requested that Perkins Coie serve as bond counsel for the city in connection with its Sales Tax Bonds issued to finance its Convention Center. In 2011, Perkins Coie provided a similar conflict waiver letter to that which was included in the board packet. The district signed the letter and the Attorney General approved it as to form, thus waiving any potential conflict of interest.

Perkins Coie continues to serve as bond counsel to the city of Sioux Falls with respect to specific capital improvements it finances with Sales Tax Bonds. These projects include parking ramps, fire stations, public safety buildings, etc., none of which are related to the SRF Programs or the activities of the district. Although Sioux Falls is a borrower of funds under the SRF Programs, it does not use Perkins Coie as bond counsel for such transactions.

Presently, the district is proposing to issue one or more series of bonds to finance loans to the city of Sioux Falls from the Clean Water SRF Program. Perkins Coie's role in connection with

the bonds will be to represent the district and execute the Work Plan as specified in the legal services agreement. Under no circumstances will Perkins Coie be involved on behalf of the city in connection with any such SRF Program loans.

Mr. Perkovich stated that South Dakota has a new Attorney General and a new board chairman since the last conflict of interest waiver was approved, it was decided that a new waiver letter would be executed. Mr. Bonjour submitted this conflict waiver letter to seek the informed consent of the district to allow Perkins Coie to concurrently represent the city of Sioux Falls as its bond counsel in connection with its various Sales Tax Bonds and also serve the city in the Series 2020 Bond issue as described in the legal services agreement.

Staff recommended that the board authorize Chairman Soholt to execute the Consent Letter for Perkins Coie's concurrent representation of the South Dakota Conservancy District and the city of Sioux Falls.

Bruce Bonjour stated that the consent waiver is mandatory under the canons of ethics in Perkins Coie's view. Perkins Coie does not believe the rolls that they serve for both parties in unrelated matters in any hinders Perkins Coie's ability to continue to serve the district and the city separately to the full extent of their capacity. He requested that the board renew the consent letter for concurrent representation of the South Dakota Conservancy District and the city of Sioux Falls.

Motion by Bernhard, seconded by Johnson, to authorize Chairman Soholt to execute the Consent Letter for Perkins Coie's concurrent representation of the South Dakota Conservancy District and the city of Sioux Falls. A roll call vote was taken, and the motion carried unanimously.

CONSULTING CONTRACT WITH PERKINS COIE, LLP FOR BOND COUNSEL SERVICES FOR STATE REVOLVING FUND PROGRAM SERIES 2020 BOND ISSUE: Mr. Perkovich reported that Bruce Bonjour, Perkins Coie, LLP in Chicago, IL, has served as bond counsel for the South Dakota Conservancy District since 1994 Mr. Bonjour proposed fees of up to \$85,000 for bond counsel services for the 2020 bond issue.

Staff worked with legal counsel from the Office of Attorney General to prepare a contract for bond counsel services for the 2020 bond series. The contract runs through December 31, 2020.

Staff recommended the board authorize execution of the bond counsel contract.

Motion by Lanning, seconded by Jones, to authorize execution of the bond counsel contract with Bruce Bonjour, Perkins Coie, LLP for bond counsel services for the State Revolving Fund Program Series 2020 bond issue. A roll call vote was taken, and the motion carried unanimously.

SERIES RESOLUTION AUTHORIZING STATE REVOLVING FUND PROGRAM BONDS, SERIES 2020: Mr. Perkovich reported that it is anticipated that the South Dakota Conservancy District will issue approximately \$100,000,000 in Clean Water State Revolving Fund Program Bonds, Series 2020 during the week of June 29, 2020 to be deposited to the Clean Water

Leveraged Loan Account established with respect to the Series 2020 Bonds. The Series 2020 Bonds are tax exempt bonds being issued to provide funds sufficient, together with other available moneys to make new and fund existing loans to the city of Sioux Falls, South Dakota and pay costs of issuance.

The Series Resolution for the Series 2020 Bonds prepared by SRF bond counsel, Bruce Bonjour of Perkins Coie, LLP was provided in the board packet.

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

Bruce Bonjour, Perkins Coie, discussed the specifics of the Series Resolution, which provides board approval of the Preliminary Official Statement, the Bond Purchase Agreement, the Bond Order, and the Continuing Disclosure Agreement. The Series Resolution authorizes the chairman and/or secretary to file a Coverage Certificate for each program with the Trustee and to do all acts and to execute or accept all documents as may be necessary to carry out and comply with the provisions of the resolution and the documents approved by the resolution.

Staff recommended approval of the Series Resolution authorizing the State Revolving Fund Program Bonds, Series, 2020.

Motion by Bernhard, seconded by Gnirk, to adopt **Resolution No. 2020-73** authorizing the State Revolving Fund Program Bonds, Series 2020. A roll call vote was taken, and the motion carried unanimously.

JUNE 25, 2020, MEETING: Mr. Perkovich discussed possible agenda items for the June 25 meeting. The meeting will be held remotely.

ADJOURN: Motion by Jones, seconded by Johnson, to adjourn. Motion carried unanimously.

Chairman Soholt declared the meeting adjourned.

Approved this 25 day of June 2020.

(SEAL)

Chairman, Board of Water and
Natural Resources

ATTEST:

Secretary, Board of Water and
Natural Resources

The audio recording for this meeting is available on the South Dakota Boards and Commissions Portal at <http://boardsandcommissions.sd.gov/Meetings.aspx?BoardIDis108>

Minutes of the
Board of Water and Natural Resources Meeting
Remote Meeting Via Audio/Visual Conference

June 25, 2020
1:00 p.m. Central Time

CALL MEETING TO ORDER: The meeting was called to order by Chairman Jerry Soholt. A quorum was present.

Chairman Soholt announced that the meeting was streaming live on SD.net, a service of South Dakota Public Broadcasting.

BOARD MEMBERS PRESENT: Jerry Soholt, Gene Jones, Todd Bernhard, Paul Gnirk, Kathryn Johnson, and Karl Adam.

BOARD MEMBERS ABSENT: Jackie Lanning.

APPROVE AGENDA: Dr. Gnirk requested that Election of Officers be moved up on the agenda, after Public Comment Period, because Mr. Bernhard had to leave the meeting at 2:00 p.m.

Motion by Bernhard, seconded by Johnson, to approve the agenda, as amended. A roll call vote was taken, and the motion carried unanimously.

APPROVE MINUTES OF APRIL 17, 2020 AND APRIL 27, 2020, MEETINGS: Motion by Gnirk, seconded by Jones, to approve the minutes of the April 17, 2020, Board of Water and Natural Resources meeting. A roll call vote was taken, and the motion carried unanimously.

Motion by Gnirk, seconded by Bernhard, to approve the minutes of the April 27, 2020, Board of Water and Natural Resources meeting. A roll call vote was taken, and the motion carried unanimously.

PUBLIC COMMENT PERIOD: There were no public comments.

ELECTION OF OFFICERS: Gnirk nominated Jerry Soholt as chairman, Gene Jones as vice chairman, and Todd Bernhard as secretary.

Motion by Johnson, seconded by Gnirk, to cease nominations and cast a unanimous ballot for the following slate of offices: Jerry Soholt, chairman, Gene Jones, vice chairman, and Todd Bernhard, secretary. A roll call vote was taken, and the motion carried unanimously.

RESCISSION OF MADISON CLEAN WATER SRF LOANS C461024-03 AND C461024-04: Stephanie Riggle reported that on April 27, 2020, the Board of Water and Natural Resources awarded a Clean Water SRF loan for \$3,287,000 and a Clean Water SRF loan \$3,073,000 to the city of Madison for improvements to the storm water and the wastewater collection systems, respectively.

After the presentation of the funding recommendations and approval by the board, the city of Madison decided to seek funding through Rural Development instead due to lower interest rates.

Staff recommended that the board rescind Resolutions No.2020-58 and No. 2020-59, which approved the two Clean Water SRF loans to the city of Madison.

Motion by Gnirk, seconded by Bernhard, to rescind Resolution No. 2020-58 and No. 2020-59, which approved the two Clean Water SRF loans to the city of Madison. A roll call vote was taken, and the motion carried unanimously.

RESCISSION OF WESTPORT CONSOLIDATED WATER FACILITIES CONSTRUCTION

PROGRAM LOAN 2019L-104: Jonathan Peschong reported that on March 27, 2018, the board awarded a \$270,000 Consolidated loan to the town of Westport to replace the existing lift station with a duplex submersible lift station and install 2,800 feet of sewer line. The loan was closed on July 1, 2019, but no reimbursements have been made and no progress has been made on this project.

Staff received a document, which was included in the board packet, from Westport that states that the borrower waives any written notice requirement as provided in the Loan Agreement and acknowledges this suspension of loan and revocation of the commitment amount.

Westport has submitted a new application for the project since the initial funding package included a Consolidated grant that has expired.

Staff recommended the board rescind Resolution No. 2018-39, which approved the \$270,000 Consolidated loan 2019L-104 to the town of Westport.

Motion by Jones, seconded by Adam, to rescind Resolution No. 2018-39, which approved Consolidated loan 2019L-104 to the town of Westport. A roll call vote was taken, and the motion carried unanimously.

AMENDMENTS TO STATE WATER PLAN, 2020 CLEAN WATER STATE REVOLVING FUND INTENDED USE PLAN, AND 2020 DRINKING WATER STATE REVOLVING FUND INTENDED USE PLAN

Amendments to State Water Plan

Andy Bruels reported that water projects that will require state funding or need state support for categorical grant or loan funding must be on the State Water Plan. The Board of Water and Natural Resources annually approves projects for placement on State Water Facilities Plan and provides for amendment of projects onto the plan on a quarterly basis. Placement of a project on the State Water Plan provides no guarantee of funding. The projects placed on the plan at this meeting will remain on the facilities plan through December 2021.

Projects seeking a Clean Water or Drinking Water State Revolving Fund loan must be included on the project priority list of the Intended Use Plan. The State Water Plan applications are used to determine which projects should be amended onto the State Revolving Fund Project Priority Lists.

The department received six State Water Plan applications by the May 1, 2020, deadline. Mr. Bruels provided a map showing the location of the applications. Mr. Bruels identified the projects to be placed on the Clean Water SRF and Drinking Water SRF project priority lists as he presented the State Water Plan applications.

Gregory requested placement onto the facilities plan to replace and reline the existing sanitary sewer collection lines, replace the existing cast iron and asbestos cement drinking water lines, replace two existing lift stations and make improvements to the wastewater treatment facility. The estimated total project cost is \$19,944,400. The project will be placed on the Clean Water IUP with 15 priority points and an estimated loan amount of \$13,192,000 at 2.125 percent interest for 30 years. The project will also be placed on the Drinking Water IUP with 95 priority points and an estimated loan amount of \$6,752,000 at 0.00 percent for 30 years.

Mitchell requested placement onto the facilities plan to televise, replace and reline large areas of sanitary sewer collection lines throughout the city, and replace or rehabilitate several existing lift stations throughout the city. The estimated total project cost is \$23,100,000. The project will be placed on the Clean Water IUP with 12 priority points and an estimated loan amount of \$23,100,000 at 2.125 percent interest for 30 years.

Rapid City - Elk Vale requested amendment onto the facilities plan to install upgraded wastewater gravity and force main lines that enter into and exit the Elk Vale Lift Station, these line upgrades will increase the capacity for sewer service in the surrounding area. Total Project Cost is \$8,000,000. The project will be placed on the Clean Water IUP with 12 priority points and an estimated loan amount of \$7,800,000 at 2.125 percent interest for 30 years.

Rapid City - Water Reclamation Facility requested amendment onto the facilities plan to make upgrades at the Water Reclamation Facility a new clarifloculator on the aeration basin will be installed and replacement of siphon pipes near the screenings building will be completed. The estimated total project cost is \$6,175,000. The project will be placed on the Clean Water IUP with 20 priority points and an estimated loan amount of \$6,075,000 at 2.00 percent interest for 20 years.

Rapid City - Landfill requested amendment onto the facilities plan to construct a landfill cap for existing waste cell #16, construct a landfill gas collection and control system and make improvements to the existing gas collection and control system, and construct a new landfill disposal cell. The estimated total project cost is \$4,960,000. The project will be placed on the Clean Water IUP with 16 priority points and an estimated loan amount of \$4,760,000 at 2.00 percent interest for 20 years.

Tea requested amendment onto the facilities plan to construct a 750,000-gallon elevated storage tank. The tank will serve a newly annexed area not connected to the current city system with no storage currently for existing users. The estimated total project cost is \$3,152,000. The project will be placed on the Drinking Water IUP with 21 priority points and an estimated loan amount of \$3,152,000 at 2.125 percent interest for 30 years.

Staff recommended amending all six projects onto the 2020 facilities plan.

Motion by Adam, seconded by Bernhard, to place the six projects on the 2020 State Water Facilities Plan.

Amendments to 2020 Clean Water SRF IUP

In addition to the clean water projects that were placed on the 2020 State Water Plan there were three additional projects to be placed onto the Clean Water SRF Project Priority List.

Claremont received a previous Clean Water SRF loan for a sanitary sewer replacement project. Due to estimated project costs increasing and a change to the design to eliminate a lift station, which requires additional sewer lines, Claremont is requesting additional funds. Additional funds necessary for the project were originally estimated at \$1,000,000. Mr. Bruels noted that an application for funding would be presented later in the meeting. The project will be placed on the Clean Water IUP with 12 priority points and an estimated loan amount of \$1,000,000 at 2.125 percent interest for 30 years.

Lake Norden is currently on the State Water Plan and was previously on the Intended Use Plan for a project to rehabilitate the wastewater treatment facility and replace a lift station. Last year, when preparing the IUP, this project was inadvertently removed from the IUP. Lake Norden submitted a funding application for the lift station replacement and needs to be added to the IUP to allow that funding to be recommended. The project will be placed on the Clean Water IUP with 7 priority points and an estimated loan amount of \$671,000 at 2.125 percent interest for 30 years.

Westport received a previous Consolidated grant and loan package to fund a lift station replacement project. Westport has not yet begun the project. The grant has expired, and the project costs have increased from the original request. The new estimated project cost is \$352,000. The project will be placed on the Clean Water IUP with 6 priority points and an estimated loan amount of \$352,000 at 2.00 percent interest for 20 years.

Staff recommended the addition of all eight projects, as shown below, to the Project Priority list of the Clean Water SRF IUP.

Priority Points	Loan Recipient	Estimated Loan Amount	Expected Loan Rate & Term
20	Rapid City–WRF Improvement	\$6,075,000	2.00%, 20 years
16	Rapid City - Landfill	\$4,760,000	2.00%, 20 years
15	Gregory	\$13,192,400	2.125%, 30 years
12	Claremont	\$1,000,000	2.125%, 30 years
12	Mitchell	\$23,100,000	2.125%, 30 years
12	Rapid City – Elk Vale	\$7,800,000	2.125%, 30 years
7	Lake Norden	\$671,000	2.125%, 30 years
6	Westport	\$352,000	2.00%, 20 years

Motion by Gnirk, seconded by Jones, to accept the staff recommendation regarding amendments to the 2020 Clean Water SRF IUP. A roll call vote was taken, and the motion carried unanimously.

Amendments to 2019 Drinking Water SRF IUP

In addition to the drinking water projects that were placed on the 2020 State Water Plan there was one additional project to be placed onto the Drinking Water SRF Project Priority List.

Kingbrook Rural Water System received a previous Drinking Water SRF loan to repair the water distribution system and serve the residents of Oldham as individual users. Bids were recently opened, and the original loan amount of \$1,245,000 is approximately \$400,000 less than the total anticipated costs of the project. Kingbrook RWS is requesting additional funds. The additional funds are estimated at \$400,000, and an amendment for the additional funding will be presented to the board later in the meeting. The project will be placed on the Drinking Water IUP with 88 priority points and an estimated loan amount of \$1,645,000 at 2.25 percent interest for 30 years.

Staff recommended the addition of all three projects, as shown below, to the Project Priority list of the Drinking Water SRF IUP.

Priority Points	Loan Recipient	Estimated Loan Amount	Expected Loan Rate & Term
95	Gregory	\$6,752,000	0.00%, 30 years
88	Kingbrook Rural Water System	\$1,645,000	2.25%, 30 years
21	Tea	\$3,152,000	2.125%, 30 years

Motion by Johnson, seconded by Bernhard, to accept the staff recommendation regarding amendments to the 2020 Drinking Water SRF IUP. A roll call vote was taken, and the motion carried unanimously.

AMENDMENTS TO THE FY 2019 CLEAN WATER SRF INTENDED USE PLAN: The FY 2019 Clean Water State Revolving Fund Intended Use Plan was approved by the Board of Water and Natural Resources in November 2018 and amended in March, June and September 2019 and April 2020.

For a project to utilize principal forgiveness allowed by a specific capitalization grant, it must be on the Intended Use Plan associated with that capitalization grant. In order to maximize the use of each year’s capitalization grant, it is necessary to amend projects to prior years’ Intended Use Plans.

Staff proposed to amend Attachment I - Project Priority List of the FY 2019 Clean Water Intended Use Plan by adding the following entries:

Priority Points	Loan Recipient	Estimated Loan Amount	Expected Loan Rate & Term
13	Delmont	\$1,770,000	2.125%, 30 years
8	Andover	\$1,168,750	2.125%, 30 years

Motion by Jones, seconded by Adam, to accept the staff recommendation regarding amendments to the 2019 Clean Water SRF IUP. A roll call vote was taken, and the motion carried unanimously.

AVAILABLE FUNDING: Mike Perkovich reviewed available funds for the Consolidated Water Facilities Construction Program, Drinking Water Facility Grants Build America Bonds (BABs) Federal Subsidy Payments, Drinking Water SRF Loans, Drinking Water SRF Principal Forgiveness, Clean Water SRF Water Quality Grants, Wastewater Facility Grants Build America Bonds (BABs) Federal Subsidy Payments, Clean Water SRF loans, and Clean Water SRF Principal Forgiveness.

SANITARY/STORM SEWER FACILITIES FUNDING APPLICATIONS: Mr. Perkovich presented the applications and staff recommendations for funding.

Fort Pierre requested funding for major modifications to its wastewater treatment facility to better remove ammonia. Deficiencies in the system have resulted in multiple permit violations, which has resulted in a Notice of Violation from the Department of Environment and Natural Resources.

Fort Pierre anticipates bidding the project in October 2020 with project completion in July 2022.

The estimated total project amount is \$3,701,000, and the amount requested is \$3,701,000.

Rates in Fort Pierre are \$35.60 based on 5,000 gallons usage.

Staff recommended awarding a \$3,701,000 Clean Water SRF loan at 2.125 percent interest for 30 years.

The city pledged a project surcharge for repayment of the loan. The surcharge required for repayment of the loan is \$12.65. Staff analysis indicates the city can cover the debt and any increased operation and maintenance as a result of the project with rates of \$45 or less.

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

Rick Hohn, city engineer and Mayor Gloria Hanson, provided information on the project.

Motion by Adam, seconded by Jones, to adopt **Resolution No. 2020-74** approving a Clean Water State Revolving Fund loan up to a maximum committed amount of \$3,701,000 at 2.125 percent interest for 30 years to the city of **Fort Pierre** for wastewater improvements, and authorizing the execution of the loan agreement, the acceptance of the Local Obligation, the assignment of the Local Obligation to the Trustee, and the execution and delivery of such other documents and the performance of all acts necessary to effectuate the loan approved in accordance with all terms as set forth in the Indenture of Trust contingent upon the borrower adopting a bond resolution and the resolution becoming effective and contingent upon the borrower establishing a surcharge at a level sufficient to provide the required debt coverage. A roll call vote was taken, and the motion carried with Adam, Gnirk, Johnson, Jones, and Soholt voting aye. Bernhard abstained.

Huron requested funding to construct new sequencing batch reactors (SBRs), abandon the existing ones, and rehabilitate the pretreatment building. The current SBRs are undersized for current demands and cannot provide adequate BOD and ammonia removal.

Huron anticipates bidding the project in August of 2020 with project completion in December 2021.

The estimated total project amount is \$14,946,000, and the amount requested is \$14,946,000.

Rates in Huron are \$30.72 based on 5,000 gallons usage.

Staff recommended awarding a \$14,946,000 Clean Water SRF loan at 2.125 percent interest for 30 years.

The city pledged a project surcharge for repayment of the loan. The surcharge required on the loan is \$11.65, bringing overall rates to \$42.37; however, staff analysis indicates Huron could restructure its rates to cover operating expenses and provide the required surcharge with no rate increase.

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

Puallyn Carey, Huron Finance Officer and Ted Dickey, Northeast Council of Governments provided information on the project.

Motion by Bernhard, seconded by Johnson, to adopt **Resolution No. 2020-75** approving a Clean Water State Revolving Fund loan up to a maximum committed amount of \$14,946,000 at 2.125 percent interest for 30 years to the city of **Huron** for wastewater pretreatment improvements, and authorizing the execution of the loan agreement, the acceptance of the Local Obligation, the assignment of the Local Obligation to the Trustee, and the execution and delivery of such other documents and the performance of all acts necessary to effectuate the loan approved in accordance with all terms as set forth in the Indenture of Trust contingent upon the borrower adopting a bond resolution and the resolution becoming effective and contingent upon the borrower establishing a surcharge at a level sufficient to provide the required debt coverage. A roll call vote was taken, and the motion carried unanimously.

Pierre requested funding for Phase I of a two-phase wastewater treatment system improvement project. The work in this phase includes a new submersible lift station, influent pumping and solids-screening upgrades, modifications to the digester and solids handling processes, replacement of the outfall line pipe, and installation of an emergency pump facility on the outfall line in case of flooding. The primary clarifiers and trickling filter will be removed to address odor issues and modifications will be made to the secondary treatment processes.

Pierre anticipates bidding the project in July 2020 with project completion in December 2021.

The estimated total project amount is \$15,310,602, and the amount requested is \$15,310,602.

Rates in Pierre are \$48.84 for 5,000 gallons usage.

Staff recommended awarding a \$15,310,000 Clean Water SRF loan at 2.0 percent interest for 20 years.

The city pledged a project surcharge for repayment of the loan. The surcharge required for repayment of the loan is \$13.50. Staff analysis indicates Pierre could restructure its rates and operate the system and provide the required surcharge with no rate increase.

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

Brad Palmer and John Childs, city of Pierre provided information on the project.

Motion by Bernhard, seconded by Jones, to adopt **Resolution No. 2020-76** approving a Clean Water State Revolving Fund loan up to a maximum committed amount of \$15,310,000 at 2.0 percent interest for 20 years to the city of **Pierre** for a wastewater treatment plant redesign project, and authorizing the execution of the loan agreement, the acceptance of the Local Obligation, the assignment of the Local Obligation to the Trustee, and the execution and delivery of such other documents and the performance of all acts necessary to effectuate the loan approved in accordance with all terms as set forth in the Indenture of Trust contingent upon the borrower adopting a bond resolution and the resolution becoming effective and contingent upon the borrower establishing a surcharge at a level sufficient to provide the required debt coverage. A roll call vote was taken, and the motion carried unanimously.

Eagle Butte requested funding to replace two lift stations, 2,900 feet of collection line, and 10 manholes. Improvements will also be made at the wastewater treatment facility to include replacing riprap and improving drainage.

The estimated total project amount is \$5,506,000, and the amount requested is \$5,506,000

Eagle Butte has a flat rate of \$30.85.

Staff recommended that the board deny funding. Staff believes Eagle Butte would be better served to utilize USDA Rural Development funding. Eagle Butte is eligible for the poverty loan rate of 1.375 percent interest compared to SRF Program's current rate of 2.125 percent interest. The Rural Development loan is a 40-year note, whereas SRF loans are a 30-year note. For every \$1,000,000 borrowed from Rural Development the surcharge per user would be \$2.55, and the total interest paid over 40 years would be \$301,757. For comparative purposes, for every \$1,000,000 borrowed from the SRF Program the surcharge per user would be \$3.55, and the total interest paid over 30 years would be \$354,956.

After performing the financial analysis, staff believes it would be doing Eagle Butte a disservice by funding the project through the State Revolving Fund Program.

Aaron Miller, DGR Engineering provided information on the project.

Motion by Bernhard, seconded by Johnson, to deny funding to the city of Eagle Butte. A roll call vote was taken, and the motion carried unanimously.

Delmont requested funding to rehabilitate approximately 18,500 feet of sewer lines and replace several manholes, replace pumps and controls at the lift stations, and make improvements to the treatment facility involving bank reconstruction and installation of riprap.

Delmont anticipates bidding the project in early 2021 with completion in December 2021.

The estimated total project amount is \$3,631,845, and the amount requested is \$1,770,000. When the application was submitted Delmont had received a \$770,000 Community Development Block Grant and was also seeking funding from Rural Development.

Delmont has flat rate of \$37.00 per user.

Delmont was recently awarded a Rural Development loan in the amount of \$888,000 at the poverty rate of 1.375 percent interest for 40 years and a grant in the amount of \$763,845. This leaves a funding shortfall of \$1,210,000.

Staff recommended awarding a \$1,210,000 Clean Water SRF loan with 100 percent as principal forgiveness.

With the proposed funding package consisting of 75.5 percent subsidy, rates in Delmont are expected to be a flat fee of approximately \$54.00.

Staff recommended the loan being contingent upon the borrower adopting a bond resolution and the resolution becoming effective and contingent upon receipt of the 2020 Clean Water State Revolving Fund capitalization grant.

Robert Hotchkiss, Trustee provided information on the project.

Motion by Jones, seconded by Adam, to adopt **Resolution No. 2020-77** approving a Clean Water State Revolving Fund loan up to a maximum committed amount of \$1,210,000 with 100 percent principal forgiveness the town of **Delmont** for a sewer system improvement project, and authorizing the execution of the loan agreement, the acceptance of the Local Obligation, the assignment of the Local Obligation to the Trustee, and the execution and delivery of such other documents and the performance of all acts necessary to effectuate the loan approved in accordance with all terms as set forth in the Indenture of Trust contingent upon the borrower adopting a bond resolution and the resolution becoming effective and contingent upon receipt of the 2020 Clean Water State Revolving Fund capitalization grant. A roll call vote was taken, and the motion carried unanimously.

Claremont requested funding for wastewater improvements. Claremont received a \$1,832,000 Clean Water SRF loan with \$1,387,000 in principal forgiveness in March 2019. The project involved replacement of most of the wastewater collection system, rehabilitation of existing lift stations, and replacement of the clay liner in the treatment ponds with synthetic liners. High groundwater was discovered while conducting investigations during the design phase. The engineer has determined that extensive dewatering will likely be necessary to construct the new collection system which was not considered when estimating the project cost. Claremont has also identified additional work that will allow further optimization of the collection system operation and maintenance by eliminating a

lift station. Bids were recently opened, and \$625,000 is needed to cover the dewatering and newly identified work.

Claremont anticipates completing the project by the end of the year.

The new estimated total project amount is \$2,457,000, and the amount requested is \$625,000.

Claremont has a flat rate of \$47.00 per user of which \$32.85 is needed to pay the surcharge on the existing loan.

Staff recommended awarding a \$625,000 Clean Water SRF loan at 2.125 percent interest for 30 years with 89 percent as principal forgiveness not to exceed \$556,000.

Claremont pledged a project surcharge for repayment of the loan. A surcharge of \$4.70 is needed to provide the coverage requirement on the net loan of \$69,000, bringing rates to \$51.70.

Staff recommended the loan being contingent upon the borrower adopting a bond resolution and the resolution becoming effective, contingent upon the borrower establishing a surcharge at a level sufficient to provide the required debt coverage, and contingent upon receipt of the 2020 Clean Water State Revolving Fund capitalization grant.

Shane Johnson, Claremont Town President and Karen Schaefer, Helms & Associates provided information on the project.

Motion by Bernhard, seconded by Johnson, to adopt **Resolution No. 2020-78** approving a Clean Water State Revolving Fund loan up to a maximum committed amount of \$625,000 with at 2.125 percent interest for 30 years with 89 percent as principal forgiveness not to exceed \$556,000 the town of **Claremont** for a wastewater improvements project, and authorizing the execution of the loan agreement, the acceptance of the Local Obligation, the assignment of the Local Obligation to the Trustee, and the execution and delivery of such other documents and the performance of all acts necessary to effectuate the loan approved in accordance with all terms as set forth in the Indenture of Trust contingent upon the borrower adopting a bond resolution and the resolution becoming effective, contingent upon the borrower establishing a surcharge at a level sufficient to provide the required debt coverage, and contingent upon receipt of the 2020 Clean Water State Revolving Fund capitalization grant. A roll call vote was taken, and the motion carried unanimously.

Aurora requested funding for Phase I of a two-phase wastewater system improvements project. This phase will replace or reline portions of the collection system to reduce infiltration of clear water into the system and includes improvements to the main lift station. Phase II is to upgrade the wastewater treatment facility and is expected to cost \$4.5 to \$5.0 million.

Aurora anticipates bidding the project in March 2021 with project completion in July 2022.

The estimated total project amount is \$4,352,000, and the amount requested is \$4,352,000.

The city has a flat rate of \$42.60 per user.

Staff recommended awarding a \$2,002,000 Clean Water SRF loan at 2.125 percent interest for 30 years, a Consolidated grant for 46 percent of eligible costs not to exceed \$2,000,000, and a Build America Bonds grant for 8.1 percent of eligible costs not to exceed \$350,000.

Aurora pledged a project surcharge for repayment of the loan. The surcharge required for repayment of the loan is \$21.35. Staff analysis indicates Aurora could restructure its rates and operate the system and provide the required surcharge with rates of approximately \$43.00 when an existing Clean Water SRF loan is paid off in January 2022.

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

Staff also recommend a Special Condition to the Consolidated Grant and the Build America Bonds Grant that grant funds will be drawn concurrently with the Clean Water State Revolving Fund loan awarded for this project.

Motion by Jones, seconded by Johnson, to adopt **Resolution No. 2020-79** approving a Clean Water State Revolving Fund loan up to a maximum committed amount of \$2,002,000 at 2.125 percent interest for 30 years to the city of **Aurora** for a wastewater system improvements project, and authorizing the execution of the loan agreement, the acceptance of the Local Obligation, the assignment of the Local Obligation to the Trustee, and the execution and delivery of such other documents and the performance of all acts necessary to effectuate the loan approved in accordance with all terms as set forth in the Indenture of Trust contingent upon the borrower adopting a bond resolution and the resolution becoming effective and contingent upon the borrower establishing a surcharge at a level sufficient to provide the required debt coverage; to adopt **Resolution No. 2020-80** approving a South Dakota Consolidated Water Facilities Construction Program grant agreement for the city of **Aurora** for up to 46.0 percent of eligible costs not to exceed \$2,000,000 for wastewater system improvements with the special condition that grant funds must be drawn concurrently with Clean Water SRF loan; and adopt **Resolution No. 2020-81** approving a Wastewater Facility Grant Agreement to the city of **Aurora** for up to 8.1 percent of eligible costs not to exceed \$350,000 for wastewater system improvements with the special condition that grant funds for reimbursement of the project costs must be drawn concurrently with the Clean Water SRF loan funds. A roll call vote was taken, and the motion carried unanimously.

Todd Bernard left the meeting at 2:00 p.m. because of another commitment.

Renner Sanitary District requested funding to make improvements to its sanitary and stormwater sewer systems to reduce the amount of groundwater entering the sanitary sewer collection system. Flood-proofing improvements will be made to three of the district's five lift stations and SCADA and controls will be updated as needed. The district pumps its wastewater to the Sioux Falls Water Reclamation Facility and is charged based on volume.

Renner Sanitary District anticipates bidding the project in March 2021 with project completion in October 2021.

The estimated total project amount is \$2,125,000, and the amount requested is \$2,125,000.

The sanitary district charges a flat rate of \$71.00 per user.

Staff recommended awarding a \$1,147,000 Clean Water SRF loan at 2.125 percent interest for 30 years and awarding a Consolidated grant for 46.1 percent of eligible costs not to exceed \$978,000.

The district pledged system revenues for repayment of the loan. Staff analysis indicates the 110 percent coverage requirement could be met with a flat rate of \$75.00 per month. By eliminating excess water in the collection system, it is likely that the monthly rate could be reduced in the future.

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

Staff also recommended a special condition to the Consolidated grant that grant funds will be drawn concurrently with the Clean Water State Revolving Fund loan awarded for this project.

Roger Scheibe, Renner Sanitary District provided information on the project.

Motion by Adam, seconded by Johnson, to adopt **Resolution No. 2020-82** approving a Clean Water State Revolving Fund loan up to a maximum committed amount of \$1,147,000 at 2.125 percent interest for 30 years to the **Renner Sanitary District** for a sanitary and stormwater improvements, and authorizing the execution of the loan agreement, the acceptance of the Local Obligation, the assignment of the Local Obligation to the Trustee, and the execution and delivery of such other documents and the performance of all acts necessary to effectuate the loan approved in accordance with all terms as set forth in the Indenture of Trust, contingent upon the borrower adopting a bond resolution and the resolution becoming effective and contingent upon the borrower establishing a surcharge at a level sufficient to provide the required debt coverage; and adopt **Resolution No. 2020-83** approving a South Dakota Consolidated Water Facilities Construction Program grant agreement for the **Renner Sanitary District** for up to 46.1 percent of eligible costs not to exceed \$978,000 for sanitary and stormwater improvements with the special condition that grant funds must be drawn concurrently with Clean Water SRF loan

Andover requested funding to remove storm water flows from the sanitary sewer collection system. This involves relining a large portion of the collection system and constructing a storm sewer trunk line that will remove a large amount of the storm flows. The excessive storm flows have resulted in unauthorized discharges, and the town is under a compliance order to address the situation.

The town of Andover anticipates bidding the project in the spring of 2021 with project completion in the fall of 2021.

The estimated total project amount is \$1,168,750, and the amount requested is \$1,168,750.

Andover has a flat rate of \$38.00 per user.

Staff recommended awarding a \$1,168,000 Clean Water SRF loan at 2.125 percent interest for 30 years with 91.5 percent as principal forgiveness not to exceed \$1,068,000.

Andover pledged a project surcharge for repayment of the loan.

Andover has two existing loans – a Clean Water SRF loan and a Consolidated loan. Staff analysis indicated that the current rates do not appear to provide sufficient revenue to meet the loan coverage requirements and pay operating expenses. Staff believes rates of approximately \$56 are needed. At staff's request, the Midwest Assistance Program has reached out to the community to provide technical assistance.

Staff recommended the loan being contingent upon the borrower adopting a bond resolution and the resolution becoming effective, contingent upon the borrower establishing a surcharge at a level sufficient to provide the required debt coverage, and contingent upon receipt of the 2020 Clean Water State Revolving Fund capitalization grant.

Charlene Voss, Andover Trustee, provided information on the project.

Motion by Johnson, seconded by Jones, to adopt **Resolution No. 2020-84** approving a Clean Water State Revolving Fund loan up to a maximum committed amount of \$1,168,000 at 2.125 percent interest for 30 years to the town of **Andover** for a sewer improvement project, and authorizing the execution of the loan agreement, the acceptance of the Local Obligation, the assignment of the Local Obligation to the Trustee, and the execution and delivery of such other documents and the performance of all acts necessary to effectuate the loan approved in accordance with all terms as set forth in the Indenture of Trust, contingent upon the borrower adopting a bond resolution and the resolution becoming effective, contingent upon the borrower establishing a surcharge at a level sufficient to provide the required debt coverage, and contingent upon receipt of the 2020 Clean Water State Revolving Fund capitalization grant. A roll call vote was taken, and the motion carried unanimously.

Eureka submitted an application by the January 1, 2020, deadline seeking \$4,959,448 on a project to replace all the clay tile pipe and brick and concrete block manholes in the wastewater collection system. This application was deferred at the April 27, 2020, meeting by the Board of Water and Natural Resources due to pending applications for Rural Development funding and a Community Development Block Grant. Since then, Eureka was offered a funding package through Rural Development. The city submitted a letter to the department withdrawing the funding application for consideration by the Board of Water and Natural Resources.

Lake Norden requested funding to replace the main lift station with a new lift station located at the wastewater treatment facility. The existing lift station is beyond its useful life and undersized to meet current needs.

Lake Norden anticipates bidding the project in July of 2020 with project completion in June 2021.

The estimated total project amount is \$671,000, and the amount requested is \$671,000.

Rates in Lake Norden are \$43.70 based on 5,000 gallons usage.

Staff recommended awarding a \$671,000 Clean Water SRF loan at 2.0 percent interest for 20 years.

Lake Norden pledged a project surcharge for repayment of the loan. The surcharge required for repayment of the loan is \$10.70. Staff analysis indicates Lake Norden could restructure its rates and operate the system and provide the required surcharge with rates of \$45.00.

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

A representative of Lake Norden provided information on the project.

Motion by Johnson, seconded by Jones, to adopt **Resolution No. 2020-85** approving a Clean Water State Revolving Fund loan up to a maximum committed amount of \$671,000 at 2.125 percent interest for 30 years to the city of **Lake Norden** for wastewater lift station improvements, and authorizing the execution of the loan agreement, the acceptance of the Local Obligation, the assignment of the Local Obligation to the Trustee, and the execution and delivery of such other documents and the performance of all acts necessary to effectuate the loan approved in accordance with all terms as set forth in the Indenture of Trust, contingent upon the borrower adopting a bond resolution and the resolution becoming effective and contingent upon the borrower establishing a surcharge at a level sufficient to provide the required debt coverage. A roll call vote was taken, and the motion carried unanimously.

Westport requested funding to replace a lift station that is in poor condition. Westport received a \$270,000 Consolidated loan and a \$30,000 Consolidated grant in March 2016 to address this issue. The project was bid in the summer of 2019, but bids came in higher than anticipated and were rejected. The grant expired March 31, 2020.

Westport anticipates bidding the project in January 2021 with project completion in December 2021.

The estimated total project amount is \$352,000, and the amount requested is \$352,000.

Westport has a flat rate of \$35.00 per user.

Staff recommended awarding a \$352,000 Consolidated loan at 2.0 percent interest for 20 years.

The surcharge required for repayment of the loan is \$32.50 per user. Staff analysis indicates Westport can restructure its rates and cover the required surcharge and operating expenses with a flat rate of \$42.50 per user. Westport also has a loan that matures in April 2024 with a balance of \$9,700. It appears Westport has the cash on hand to retire the debt. The town could then cover the required surcharge and operating expenses with a flat rate of \$40.00 per user.

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

Doreen Hertel, Finance Officer, provided information on the project.

Motion by Jones, seconded by Adam, to adopt **Resolution No. 2020-86** approving a Consolidated Water Facilities Construction Program loan to the town of **Westport** not to exceed the maximum committed amount of \$352,000 at 2.0 percent interest for 20 years contingent upon the borrower adopting a bond resolution and the resolution becoming effective and contingent upon the borrower establishing a surcharge at a level sufficient to provide the required debt coverage. A roll call vote was taken, and the motion carried unanimously.

DRINKING WATER FACILITIES FUNDING APPLICATION: Mr. Bruels presented the Drinking Water Facilities applications and the staff recommendations for funding.

Springfield requested funding to construct a new water treatment plant. The facility will intake water from the Missouri River then proceed through pre-treatment, a membrane ultra-filtration treatment, and disinfection system.

Springfield anticipates bidding the project in November of 2020 with completion in December 2021.

The estimated total project amount is \$7,355,200, and the amount requested is \$6,600,000.

Rates in Springfield are \$37.00 per 5,000 gallons.

The city has received a \$550,000 Community Development Block Grant for the project. Springfield is also pursuing funding from Rural Development as it appears it will qualify for the poverty rate of 1.375 percent interest with a 40-year term, so may be eligible to receive some grant funding through Rural Development also. Based on the interest rate and term it appears the best option for the city would be funding through Rural Development for any loan component in the project. A decision by Rural Development on the funding of the project has not yet been made.

Staff recommended awarding a \$2,000,000 Drinking Water SRF loan with 100 percent principal forgiveness.

Mike Durfee State Prison accounts for approximately 50 percent of the water use in Springfield. It is anticipated that the city will establish a separate surcharge amount for the prison based on the prison's average usage, which will reduce the impact to the residential users' rates. Based on conversations with Rural Development, DENR staff believes rates can be kept at less than \$55 per residential user, based on the recommended funding. If the city chooses to restructure their rates, staff believes rates could be up to \$10 less per user.

Staff recommended the loan being contingent upon the borrower adopting a bond resolution and the resolution becoming effective and contingent upon receipt of the 2020 Drinking Water State Revolving Fund capitalization grant.

Mayor Mike Lee and Amanda Hofer, SPN & Associates provided information on the project.

Motion by Gnirk, seconded by Jones, to adopt **Resolution No. 2020-87** approving a Drinking Water State Revolving Fund loan up to a maximum committed amount of \$2,000,000 with 100 percent principal forgiveness to the city of **Springfield** for water treatment plant construction, and authorizing the execution of the loan agreement, the acceptance of the Local Obligation, the

assignment of the Local Obligation to the Trustee, and the execution and delivery of such other documents and the performance of all acts necessary to effectuate the loan approved in accordance with all terms as set forth in the Indenture of Trust, contingent upon the borrower adopting a bond resolution and the resolution becoming effective and contingent upon receipt of the 2020 Drinking Water State Revolving Fund capitalization grant. A roll call vote was taken, and the motion carried unanimously.

Kingbrook Rural Water System requested funding to provide individual service to the residents of the town of Nunda. This involves replacing the water distribution system with new PVC water lines, meter pits, and service lines. Improvements in the Kingbrook RWS system will also be necessary in order to maintain service to the rural customers while supplying service to Nunda. This will include replacing a booster station and line work.

Kingbrook RWS anticipates bidding the project in the spring of 2021 with project completion in the fall of 2021.

The estimated total project amount is \$849,000, and the amount requested is \$836,500. Kingbrook RWS will provide \$12,500 in local cash hook-up fees for the project.

The rural water system's rates are \$62.40 per 7,000 gallons and \$54.00 per 5,000 gallons.

Kingbrook RWS is the applicant for funding and is ultimately responsible for any loan repayment; however, all of the work involved is solely to benefit the residents of Nunda, and that should be the focus when considering how to fund this project. Staff focused on analyzing rate impacts to Nunda users if Kingbrook RWS chooses to assess debt taken out back to those users, since they are the only ones to benefit from the project.

For this project, since all of the costs are related to serving Nunda, Kingbrook RWS would qualify for the disadvantaged rate and term that Nunda is eligible for, which is 1.625 percent interest for 30 years.

Staff recommended awarding a \$836,500 Drinking Water SRF loan at 1.625 percent interest for 30 years with 89.4 percent as principal forgiveness not to exceed \$747,000.

Kingbrook RWS pledged system revenue for repayment of the loan. Kingbrook RWS' existing revenues will provide in excess of the required 110 percent debt coverage requirement. Staff focused its financial analysis on the 25 users of the Nunda system and what rate impact they would have from the net loan of \$89,500. Based on Nunda's users being Kingbrook RWS individual users, their rates will be \$54.00 for 5,000 gallons usage plus an additional \$13.90 for debt service. This will bring total rates to \$67.90. While this is higher than many communities, Nunda will no longer have any responsibilities for operation and maintenance of the system and will realize a cost savings based on that. A project on its own for Nunda would have been greater cost, and they would still need to provide for ongoing operation and maintenance. This rate is similar to what other towns that have recently been connected to rural water systems as individual users will pay.

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

loan, contingent upon the borrower approving a security agreement and mortgage, contingent upon an Intercreditor Agreement being approved and executed by Rural Utilities Service, CoBank, Kingbrook Rural Water System, and the District, and contingent upon receipt of the 2020 Capitalization Grant.

Erin Hayes, manager of Kingbrook RWS, provided information on the project.

Motion by Johnson, seconded by Adam, to adopt **Resolution No. 2020-88** approving a Drinking Water State Revolving Fund loan up to a maximum committed amount of \$836,500 at 1.625 percent interest for 30 years with 89.4 percent as principal forgiveness not to exceed \$747,000 to **Kingbrook Rural Water System** for water system improvements, and authorizing the execution of the loan agreement, the acceptance of the Local Obligation, the assignment of the Local Obligation to the Trustee, and the execution and delivery of such other documents and the performance of all acts necessary to effectuate the loan approved in accordance with all terms as set forth in the Indenture of Trust, contingent upon the borrower adopting a resolution approving the form of the loan agreement, the promissory note, and the pledge of revenues for repayment of the loan, contingent upon the borrower approving a security agreement and mortgage, contingent upon an Intercreditor Agreement being approved and executed by Rural Utilities Service, CoBank, Kingbrook Rural Water System, and the District, and contingent upon receipt of the 2020 Capitalization Grant. A roll call vote was taken, and the motion carried unanimously.

Deer Mountain Sanitary District requested funding to make improvements to an existing water system or to construct an entirely new system including new treatment building, pump station, 110,000-gallon reservoir, water meters, a new or replaced water distribution system, and a new booster station.

The sanitary district proposes to bid the project in January 2021 with completion of construction in December 2021.

The estimated total project amount is \$2,174,000, and the amount requested is \$2,174,000.

The private owner of the water system charges \$125 per month for water use.

The district is currently negotiating to acquire the existing system from the private owner. If an agreement cannot be reached, the district will construct a new system. Whether the district is able to acquire the existing system or needs to construct an entirely new system, the needed improvements remain very similar as the current system condition is poor and in need of total replacement.

Staff recommended awarding a \$2,174,000 Drinking Water SRF loan at 2.125 percent interest for 30 years.

The sanitary district pledged a Property Tax General Obligation Bond for repayment of the loan. The General Obligation Bond will generate \$200,000 per year, which will be more than enough to provide the 110 percent debt coverage required. Currently, the cost to purchase water from the Lead-Deadwood Sanitary District and operate the system is approximately \$11,000 per month. A usage based fee schedule will be developed when the district begins operation of its system. An exact rate for the overall project is not determined, but it is anticipated to be less than residents are currently paying in combined assessment and rates to the private owner.

Staff recommended the loan being contingent upon the borrower adopting a bond resolution and the resolution becoming effective, contingent upon the borrower demonstrating financial, managerial, and technical capacity, and contingent upon a certified copy of any other approvals of the levy of ad valorem taxes.

Osborne Enderby, Deer Mountain Sanitary District, and Dustin Dale, AE2S provided information on the project.

Motion by Gnirk, seconded by Adam, to adopt **Resolution No. 2020-89** approving a Drinking Water State Revolving Fund loan up to a maximum committed amount of \$2,174,000 at 2.125 percent interest for 30 years to the **Deer Mountain Sanitary District** for water system improvements, and authorizing the execution of the loan agreement, the acceptance of the Local Obligation, the assignment of the Local Obligation to the Trustee, and the execution and delivery of such other documents and the performance of all acts necessary to effectuate the loan approved in accordance with all terms as set forth in the Indenture of Trust, contingent upon the borrower adopting a bond resolution and the resolution becoming effective, contingent upon the borrower demonstrating financial, managerial, and technical capacity, and contingent upon a certified copy of any other approvals of the levy of ad valorem taxes. A roll call vote was taken, and the motion carried unanimously.

Brandon requested funding to construct a 1,250,000-gallon water tower to provide adequate storage and uniform pressure throughout the city. In addition, the booster station servicing the new tower will be modified and an altitude valve building will be constructed to circulate water between the pressure zones.

Brandon anticipates bidding the project in November of 2020 with project completion in September 2022.

The estimated total project amount is \$5,687,000, and the amount requested is \$5,687,000.

Rates in Brandon are \$32.20 for 5,000 gallons.

Staff recommended awarding a \$5,687,000 Drinking Water SRF loan at 2.125 percent interest for 30 years.

Brandon pledged system revenue for repayment of the loan. Staff analysis indicates current rates will provide 174 percent debt coverage upon project completion.

Staff recommended the loan being contingent upon the borrower adopting a bond resolution and the resolution becoming effective.

Motion by Johnson, seconded by Adam, to adopt **Resolution No. 2020-90** approving a Drinking Water State Revolving Fund loan up to a maximum committed amount of \$5,687,000 at 2.125 percent interest for 30 years to the city of **Brandon** for drinking water system improvements, and authorizing the execution of the loan agreement, the acceptance of the Local Obligation, the assignment of the Local Obligation to the Trustee, and the execution and delivery of such other

documents and the performance of all acts necessary to effectuate the loan approved in accordance with all terms as set forth in the Indenture of Trust, contingent upon the borrower adopting a bond resolution and the resolution becoming effective. A roll call vote was taken, and the motion carried unanimously.

Burke requested funding to loop several dead-end lines to improve water quality and pressures. The existing 4-inch cast iron pipes will be replaced with approximately 2,060 feet of 6- and 8-inch PVC. Installation will be concurrent with reconstruction of the road surface.

Burke anticipates bidding the project in the spring of 2021 with project completion in November 2021.

The estimated total project amount is \$540,302, and the amount requested is \$540,000.

Rates in Burke are \$35.00 per 5,000 gallons.

Staff recommended awarding a \$540,000 Drinking Water SRF loan at 1.625 percent interest for 30 years.

Burke pledged system revenue for repayment of the loan. Staff analysis indicates that the 110 percent debt coverage requirement could be achieved with little or no increase to current rates.

Staff recommended the loan being contingent upon the borrower adopting a bond resolution and the resolution becoming effective.

Wade Broome, city of Burke, provided information on the project.

Motion by Jones, seconded by Adam, to adopt **Resolution No. 2020-91** approving a Drinking Water State Revolving Fund loan up to a maximum committed amount of \$540,000 at 1.625 percent interest for 30 years to the city of **Burke** for drinking water system improvements, and authorizing the execution of the loan agreement, the acceptance of the Local Obligation, the assignment of the Local Obligation to the Trustee, and the execution and delivery of such other documents and the performance of all acts necessary to effectuate the loan approved in accordance with all terms as set forth in the Indenture of Trust, contingent upon the borrower adopting a bond resolution and the resolution becoming effective. A roll call vote was taken, and the motion carried with Adam, Johnson, Jones, and Soholt voting aye. Gnirk abstained.

KINGBROOK RWS REQUEST TO AMEND DRINKING WATER SRF LOAN C462432-07: Mr. Bruels stated that in June 2019 Kingbrook RWS received a \$1,245,000 Drinking Water SRF loan with \$945,000 (76 percent) in principal forgiveness for a project to provide individual water service to residents of Oldham. The project was recently bid, and the low bid was approximately \$400,000 over the estimate. Kingbrook RWS has requested an increase in the loan amount by \$400,000.

This project is planned to begin soon with completion in the fall of 2020.

Kingbrook RWS' rates are \$54.00 for 5,000 gallons and \$62.40 for 7,000 gallons.

For this project, since all of the costs are related to serving Oldham, Kingbrook RWS was eligible for the disadvantaged rate and term that Oldham was eligible for at the time of the original application, which is 2.25 percent interest for 30 years.

Staff recommended the board rescind resolution #2019-59, which awarded the original loan, and adopt a new resolution awarding a \$1,645,000 Drinking Water SRF loan at 2.25 percent interest for 30 years with 76.0 percent as principal forgiveness not to exceed \$1,249,000.

Kingbrook RWS pledged system revenue for repayment of the loan. Kingbrook RWS' existing revenues will provide in excess of the required 110 percent debt coverage requirement. Staff focused its financial analysis on the 88 users of the Oldham system and what rate impact they would have from the net loan of \$396,000. When the loan was made in 2019, it was expected that rates for the Oldham users would be about \$68.00 based on 5,000 gallons usage if Kingbrook assessed the debt back to the Oldham users. With this recommendation, Oldham users would be expected to pay about \$72.00.

Staff recommended the loan being contingent upon the borrower adopting a resolution approving the form of the loan agreement, the promissory note, and the pledge of revenues for repayment of the loan, contingent upon the borrower approving a security agreement and mortgage, contingent upon an Intercreditor Agreement being approved and executed by Rural Utilities Service, CoBank, Kingbrook Rural Water System, and the District, and contingent upon receipt of the 2020 Capitalization Grant.

Erin Hayes, Kingbrook RWS provided information on the project.

Motion by Gnirk, seconded by Johnson, to rescind Resolution No. 2019-59, and to adopt **Resolution No. 2020-92** approving a Drinking Water State Revolving Fund loan up to a maximum committed amount of \$1,645,000 at 2.25 percent interest for 30 years with 76 percent as principal forgiveness not to exceed \$1,249,000 to **Kingbrook Rural Water System** for water service to Oldham, and authorizing the execution of the loan agreement, the acceptance of the Local Obligation, the assignment of the Local Obligation to the Trustee, and the execution and delivery of such other documents and the performance of all acts necessary to effectuate the loan approved in accordance with all terms as set forth in the Indenture of Trust, contingent upon the borrower adopting a resolution approving the form of the loan agreement, the promissory note, and the pledge of revenues for repayment of the loan, contingent upon the borrower approving a security agreement and mortgage, contingent upon an Intercreditor Agreement being approved and executed by Rural Utilities Service, CoBank, Kingbrook Rural Water System, and the District, and contingent upon receipt of the 2020 Capitalization Grant. A roll call vote was taken, and the motion carried unanimously.

Mr. Bruels provided an overview of available funds for the next funding round.

SERIES 2020 BOND ISSUE RECAP: Mr. Perkovich reported that the sale of the tax exempt bonds, which will provide \$100 million for loans and to fund existing loans to the city of Sioux Falls. There was a lot of demand for the bonds, and the bond sale was very successful.

The par value for the bonds is \$76,310,000, and the issue includes \$24,232,482 in premium. This is a total of \$100,542,482, and that \$542,000 will be used for the cost of issuance. The bonds had an

Board of Water and Natural Resources
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all-interest cost of 2.35 percent and the bonds were rated AAA by both Moody's and Standard and Poor's. Bank of America was the underwriter. The Issue will be closed on July 1, 2020.

SEPTEMBER 2020 MEETING: The next meeting is scheduled for September 24-25, 2020. Mr. Perkovich highlighted some possible agenda items for that meeting.

ADJOURN: Motion by Jones, seconded by Gnirk, that the meeting be adjourned. Motion carried unanimously.

Approved this ___ day of September 2020.

(SEAL)

Chairman, Board of Water and Natural Resources

ATTEST:

Secretary, Board of Water and Natural Resources

TITLE: Public Hearing to Adopt Brownfields Revitalization and Economic Development Program Work Plan

EXPLANATION: In accordance with ARSD 74:05:12:02, the Board of Water and Natural Resources adopts the annual work plan including a list of projects being funded this year.

RECOMMENDED ACTION: Adoption of FFY 2021 Brownfields Work Plan

CONTACT: Nayyer Syed, 773-5058

**SOUTH DAKOTA
BROWNFIELDS REVITALIZATION AND ECONOMIC DEVELOPMENT
PROGRAM
FY 2021 WORK PLAN**

INTRODUCTION

The state of South Dakota proposes to adopt the following Work Plan for federal fiscal year 2021 as required under ARSD 74:05:12:02. The primary purpose of the Work Plan is to identify proposed annual Brownfields projects to be funded through the Brownfields Revolving Loan Subfund and Brownfields Assessment and Cleanup Subfund and amounts available to fund such projects. The Board of Water and Natural Resource's intent to adopt the Work Plan has been publicly noticed in three state papers: Aberdeen, Rapid City Journal and the Pierre Capitol Journal. Copies of the Work Plan have been provided to those parties requesting a copy. This Work Plan reflects the results of the public's review.

The Department of Environment and Natural Resources (DENR) currently has no funds available to capitalize the revolving loan fund.

The department does however have limited funding for the Assessment and Cleanup Subfund. These funds will be used by the department to hire contractors to perform assessment and cleanup work on eligible Brownfields sites. The work plan provides a list of projects and the work that is being performed on each project by the department. In addition, the department may supplement Brownfields Assessment and Cleanup funds with other available funds such as Leaking Underground Storage Tank (LUST) Trust Funds and other appropriate funds. The department estimates that \$100,000 in LUST Trust funds will be used through the Assessment and Cleanup Subfund on LUST eligible activities at Brownfields sites in calendar years 2021-2022. These funds will be used to assess and cleanup petroleum contaminated properties that meet the requirements of both the Brownfields Program and the Leaking Underground Storage Tank Program.

WORK PLAN ELEMENTS:

1. Information on the Assessment and Cleanup Subfund.
2. Inventory of the Brownfields Sites.
3. Board approval of the annual work plan.
4. Table 1 - List of projects being assessed or cleaned up using the Brownfields Assessment and Cleanup Subfund.
5. Public Review and Comment.
6. Information on the Brownfields Revolving Loan Subfund.

Brownfields Assessment and Cleanup Subfund

The department has received funds from EPA for the development and enhancement of a state Brownfields program. DENR has the ability to use a portion of these funds (up to 50%) to perform assessment and cleanup activities at eligible Brownfields sites.

The department has been using these funds to assist eligible entities with work to assist in the redevelopment of Brownfields sites. Table 1 lists projects that have been funded or are being funded with Brownfields Assessment and Cleanup sub-funds. Each year the department prepares a work plan and budget which is submitted to EPA. Funding to the states fluctuates each year and is not guaranteed. For federal fiscal year 2021, the department has received **\$506,800** in funds for the Brownfields Program. EPA limited states ability to apply for additional funds based on the amount of unexpended funds that each state has remaining. The department will prioritize the work that is performed in the next year to ensure that remaining funds are used to complete the projects that are already in progress. Table 1 contains a list of qualifying projects where assessment and cleanup actions are currently being conducted.

The department currently has selected projects based on the qualifying applicant/project, availability of funds, environmental merits of the project, and public benefit. All projects have been funded based on a first come basis. Due to the increased awareness of the program and the limited funds available, the department will prioritize assessment activities over cleanup activities. Property held by public entities (cities or counties) or non-profit organizations will receive priority over privately held properties. Assessment work will only be performed on privately owned property if the project can be shown to provide a significant public benefit to the community. If funds are available, cleanup activities will be performed on those projects where the cleanup provides a clear public benefit and provides significant protection to human health or the environment.

DENR typically hires a contractor to perform the necessary work. The department can contract or grant funds directly with a City or County to fund assessment and cleanup activities under certain circumstances.

To be eligible for Assessment or Cleanup assistance from the department, the following must occur:

- Assessment and Cleanup funds must be available
- An application must be submitted to DENR.
- DENR must review the application and determine that both the project and the applicant are eligible to receive funding under the federal act.
- The applicant must have a letter of support from the Mayor or City Commission or if the site is located in a rural area, the County Commission.
- EPA must approve of each applicant, project, and the work plans for each phase of the work performed if the property is owned by the State of South Dakota.
- DENR must meet or have a conference call with the applicant to discuss the work needed and to discuss prospective redevelopment plans.
- The Department and its designees must have access to the property to perform the necessary work.
- The work plan and budget for each project must be approved and signed by the Secretary of the Department of Environment and Natural Resources, or the Secretary's designee.

- The applicant must agree to comply with the cleanup requirements of the department.

Inventory of the Brownfields Sites

The South Dakota Department of Environment and Natural Resources has again received an additional grant of **\$20,000** from EPA to perform inventory of the Brownfields sites in disadvantaged communities. This work will help in compiling the information and data the small towns need to inventory abandoned or blighted properties in their communities and move their redevelopment efforts forward. The DENR identified six rural communities to target this inventory outreach and effort: Corsica, Platte, Presho, Scotland, Wessington Springs, and Woonsocket. These towns are located in six different counties in rural South Dakota.

Board Approval of the Annual Brownfields Work Plan

It is anticipated that the department will provide Assessment and Cleanup Subfund assistance in those circumstances where the costs of performing the project are low, cleanup could be completed with available funds, and there is strong community support of the project.

With the approval of the annual work plan, the Board grants approval to the department to proceed with the expenditure of the funds to perform work that is eligible under federal and state laws. Projects that meet the eligibility requirements of the state and federal law may be added at any time to Table 1: *List of Brownfields Assessment and Cleanup Projects*. The addition of projects to Table 1 allows the department to proceed with the expenditure of funds to perform the assessment and cleanup work as necessary at each site. This work may be initiated prior to the next board hearing as long as the project expenditures are within the guidelines established by EPA. The department will provide the Board with an updated list of projects at each scheduled board hearing when new projects are listed.

See page 4 for Table - 1

Table 1-

List of Brownfields Assessment and Cleanup Projects 08/24/2020

Start Date	Applicant	Site Name/Location	Assessment, Cleanup, or Other	Amount Anticipated / the Amount Spent as of
2019	DENR	Inventory of the Brownfields Sites	Data Gathering	\$20,000/ -0.00
2019	Glacial Lakes Area Development	Britton Livestock Sale Barn	Assessment	\$20,000/ -\$11,761.80 complete
2019	South Eastern Development Foundation	Ozones Falls	Assessment	\$15,000/ -\$11,798.60 complete
2019	Hartford Area Development Foundation	Railway Addition	Assessment	\$5,000/ -\$2,905.25 complete
2019	City of Scotland	Former Residence	Assessment	\$5,000/ -\$1,829.55 complete
2019	South Dakota Military Heritage Alliance	Badland pawn	Assessment	\$5,000/ -\$4,957.05 complete
2020	Hartford Area Development Foundation	Vacant Lots	Assessment	\$5,000/ -\$3,535.90 complete
2020	Brandon Development Foundation	Rovang Industrial Park	Assessment	\$5,000/ -\$3,410.70 complete
2020	Hartford Area Development Foundation	Vacant Lots	Assessment	\$5,000/ -\$1,198.00 complete
2020	City of Hudson	Fillin Station	Assessment	\$5,000/ -\$3,125.00 complete
2020	Kimball Economic District	Main Street Apartment	Assessment	\$5,000/ -\$3,992.00 complete
2020	DENR	Inventory of the Brownfields Sites	Data Gathering	\$20,000/ -0.00
2020	Pathways Shelter for the Homeless	Pathways Shelter Yankton	Assessment	\$10,000/ -0.00

Bold = new projects

Public Review and Comment

In accordance with ARSD 74:05:12:02 the department shall develop an annual work plan which will be provided to the Board of Water and Natural Resources within 30 days of the effective date of the rules and prior to January 1st of each year thereafter. Upon completion of the work plan by the department, the board shall conduct a public hearing and receive comments from the public. The Board shall provide notice of the public hearing prior to adoption of the work plan. This work plan has been provided to the public at least 30 days prior to the Board hearing. Comments to the work plan, if any were provided, will be attached. See Attachment 1.

Brownfields Revolving Loan Subfund

The Department of Environment and Natural Resources (DENR) currently has no funds available to capitalize the revolving loan fund. If the department would receive Brownfields Revolving Loan Funds, the Work Plan will be modified to clearly outline the following details:

1. Goals and objectives of the program;
2. Eligible activities as outlined in ARSD 74:05:12:06; and
3. Criteria and method for distribution of the Revolving Loan Subfund.

Attachment 1
Public Comments on the Annual Work Plan

TITLE: Amendments to State Water Plan, 2020 Clean Water State Revolving Fund and 2020 Drinking Water State Revolving Fund Intended Use Plans

EXPLANATION: Water projects which will require state funding or need state support for categorical grant or loan funding need to be on the State Water Plan. The Board of Water and Natural Resources annually approves projects for placement onto State Water Facilities Plan and provides for amendments of projects onto the plan. Placement of a project on the State Water Plan by the board provides no guarantee of funding. The projects placed onto the plan at this meeting will remain on the facilities plan through December 2021.

Projects seeking a Clean Water or Drinking Water State Revolving Fund loan must be included on the project priority list of the Intended Use Plan. The State Water Plan applications are used to determine which projects should be amended onto the State Revolving Fund Project Priority Lists.

The following is the list of State Water Plan applications received by the August 1, 2020 deadline.

- a) Minnehaha Community Water Corp.
- b) Sioux Falls – Pump Station 240
- c) Sioux Falls – Basin 15
- d) Yankton

Staff is recommending that the following projects be amended onto the 2020 Clean Water State Revolving Fund Project Priority List:

Priority Points	Loan Recipient	Estimated Loan Amount	Expected Loan Rate & Term
18	Yankton	\$3,180,000	2.125%, 30 years
12	Sioux Falls – Pump Station 240	\$39,038,000	1.25%, 20 years
12	Sioux Falls – Basin 15	\$10,128,145	1.25%, 20 years

September 24, 2020

Item 7

Additionally, staff is recommending that the following project be amended onto the 2020 Drinking Water State Revolving Fund Project Priority List:

Priority Points	Loan Recipient	Estimated Loan Amount	Expected Loan Rate & Term
32	Minnehaha Community Water Corp.	\$7,505,900	2.125%, 30 years

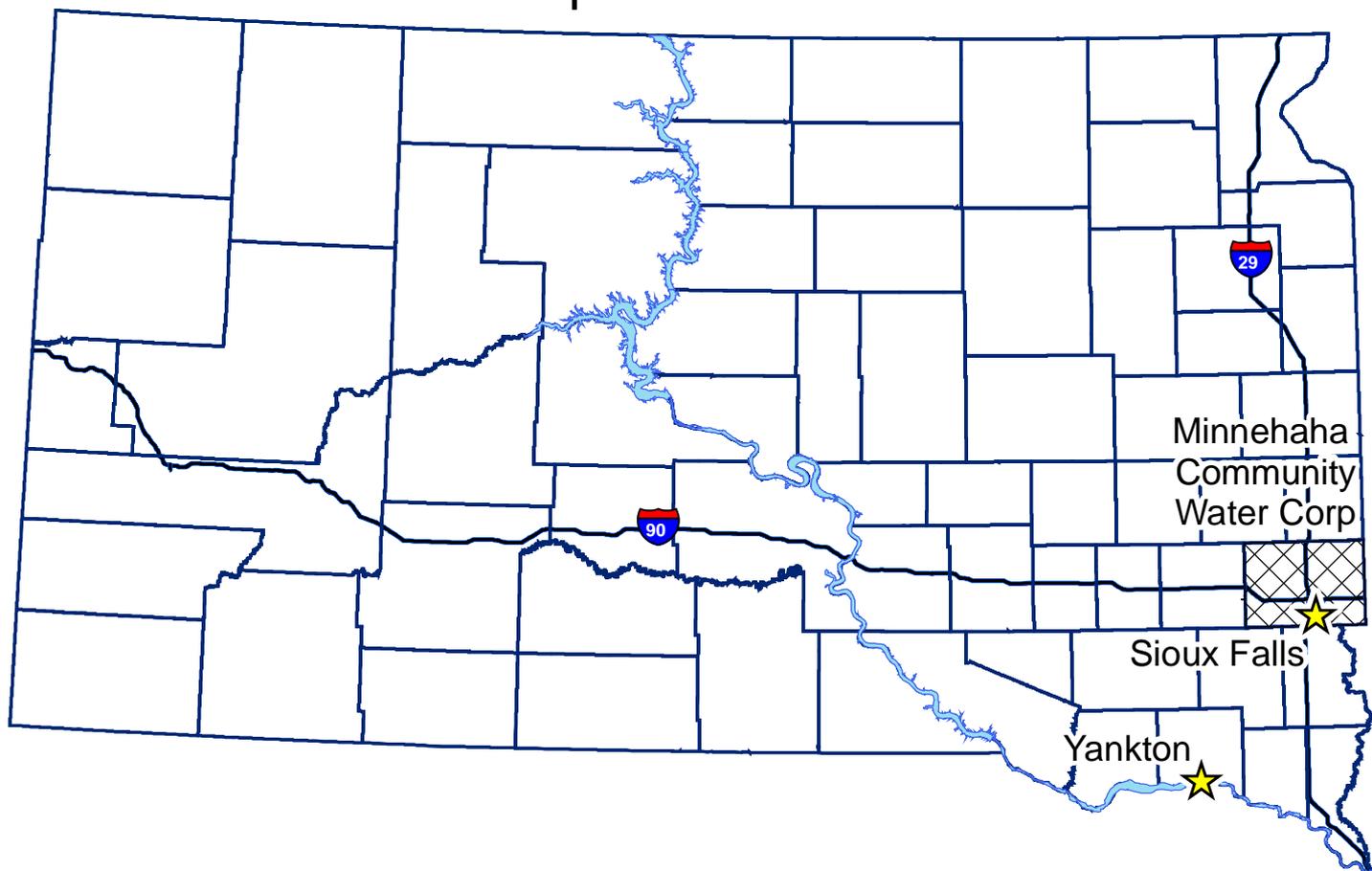
RECOMMENDED
ACTION:

Approve amendments of projects onto the State Water Plan, 2020 Clean Water State Revolving Fund and 2020 Drinking Water State Revolving Fund Intended Use Plans

CONTACT:

Andy Bruels, 773-4216

State Water Plan Funding Applications September 2020



State Water Plan Application

JUL 30 2020

Division of Financial
& Technical Assistance

Applicant: Minnehaha Community Water Corp. Address: 47381 248th St. Dell Rapids, SD 57022 Phone Number: 605-428-3374	Proposed Funding Package <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 70%;">Projected State Funding</td> <td style="width: 30%; text-align: right;">\$7,505,900</td> </tr> <tr> <td>Local Cash</td> <td style="text-align: right;">0</td> </tr> <tr> <td>Other: _____</td> <td style="text-align: right;">0</td> </tr> <tr> <td>Other: _____</td> <td style="text-align: right;">0</td> </tr> <tr> <td style="text-align: right;">TOTAL</td> <td style="text-align: right;">\$7,505,900</td> </tr> </table>	Projected State Funding	\$7,505,900	Local Cash	0	Other: _____	0	Other: _____	0	TOTAL	\$7,505,900
Projected State Funding	\$7,505,900										
Local Cash	0										
Other: _____	0										
Other: _____	0										
TOTAL	\$7,505,900										

Project Title: Water Storage and Capacity Improvements

Description: (Include present monthly utility rate.)

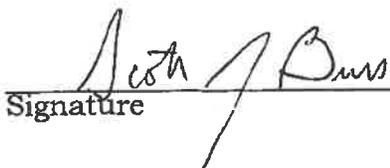
The proposed project will improve the water storage and capacity in two (2) separate areas of the Minnehaha Community Water Corporation (MCWC) water distribution system. The project consists of:

1. Approximately 8.2 miles of 12" water transmission main;
2. 250,000-gallon water tower located near Humboldt;
3. 750,000-gallon water tower located near Brandon; and
4. Control valve station.

The existing residential customer's monthly water bill for 7,000 gallons per month is approximately \$56.25 (\$30 base charge and \$3.75/1000 gallons). For more information on the proposed improvements, see attached additional comments and the included figures.

The Applicant Certifies That:

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

Scott J Buss Executive Director Name & Title of Authorized Signatory (Typed)	 Signature	7/30/20 Date
------------------------------------------------------------------------------------	---------------------------------------------------------------------------------------------------	-----------------

State Water Plan Application

Applicant: City of Sioux Falls Address: 224 West 9th Street Sioux Falls, SD 57104 Phone Number: 605-367-8800	Proposed Funding Package <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="text-align: right;">Projected State Funding</td> <td style="text-align: right; border-bottom: 1px solid black;">\$35,500,000</td> </tr> <tr> <td style="text-align: right;">Local Cash</td> <td style="text-align: right; border-bottom: 1px solid black;">_____</td> </tr> <tr> <td style="text-align: right;">Other: Non Point Source</td> <td style="text-align: right; border-bottom: 1px solid black;">\$3,538,000</td> </tr> <tr> <td style="text-align: right;">Other: _____</td> <td style="text-align: right; border-bottom: 1px solid black;">_____</td> </tr> <tr> <td style="text-align: right;">TOTAL</td> <td style="text-align: right; border-bottom: 1px solid black;">\$39,038,000</td> </tr> </table>	Projected State Funding	\$35,500,000	Local Cash	_____	Other: Non Point Source	\$3,538,000	Other: _____	_____	TOTAL	\$39,038,000
Projected State Funding	\$35,500,000										
Local Cash	_____										
Other: Non Point Source	\$3,538,000										
Other: _____	_____										
TOTAL	\$39,038,000										

Project Title: Pump Station 240 Capacity Improvements

Description: (Include present monthly utility rate.)

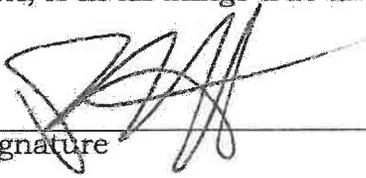
The City of Sioux Falls Pump Station 240 is projected to be at or near capacity by the year 2021. Additional capacity is necessary to meet future growth. The city plans to increase the capacity of the existing pump station 240, install a 10 million gallon (MG) equalization basin, a 30 inch force main from the pump station to the Water Reclamation Facility (WRF) and an intermediate pump station. The project will be constructed in phases. The equalization basin will be constructed first using local funds as more of an immediate need. The loan request would be for Pump Station 240 Improvements and will consist of increasing capacity from approximately 3.5 MGD to 7 MGD. This includes adding new pumps, processing pipes, structural modification, new connections and miscellaneous building improvements. In addition, capacity will be increased with the addition of a 30 inch diameter force main from the existing pump station to the Water Reclamation Facility.

Currently monthly wastewater rates are \$36.49 for domestic use and \$56.98 for business use. These rates are effective for 2020. The loan will be a 20 year loan term with no surcharge.

The Applicant Certifies That:

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

Paul Ten Haken Mayor
 Name & Title of Authorized Signatory
 (Typed)


 Signature

7-24-20
 Date

RECEIVED

JUL 24 2020

Division of Financial & Technical Assistance

SD EForm - 0487LD V3

State Water Plan Application

Applicant: City of Yankton Address: PO Box 176 Yankton, SD 57078 Phone Number: 605 668-5221	Proposed Funding Package <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="text-align: right;">Projected State Funding</td> <td style="text-align: right;">\$3,180,000</td> </tr> <tr> <td style="text-align: right;">Local Cash</td> <td style="text-align: right;">0</td> </tr> <tr> <td style="text-align: right;">Other: <u>EDA</u></td> <td style="text-align: right;">\$6,458,400</td> </tr> <tr> <td style="text-align: right;">Other: _____</td> <td style="text-align: right;">_____</td> </tr> <tr> <td style="text-align: right;">TOTAL</td> <td style="text-align: right;">\$9,638,400</td> </tr> </table>	Projected State Funding	\$3,180,000	Local Cash	0	Other: <u>EDA</u>	\$6,458,400	Other: _____	_____	TOTAL	\$9,638,400
Projected State Funding	\$3,180,000										
Local Cash	0										
Other: <u>EDA</u>	\$6,458,400										
Other: _____	_____										
TOTAL	\$9,638,400										

Project Title: Yankton Wastewater Treatment Improvements

Description: (Include present monthly utility rate.)

The City of Yankton proposes to make major improvements to its sewage treatment system, primarily involving comprehensive upgrades to the treatment plant. Some of the work will include construction of a new equalization basin, replacing piping leading into the plant and installing splitter/secondary influent piping at the plant, upgrades to the electrical system, and installing a power generator in the plant for effluent pumping. The project also will include some non-construction components, including development of planning documents for the wastewater treatment and collection systems.

Yankton's current wastewater rate for Class I (Residential) and Class II (Commercial and Industrial) users is \$43.09/5,000 gal of water used. Class III Industrial users pay additional BOD and TSS surcharges.

The Applicant Certifies That:

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

Amy Leon, City Manager

 Name & Title of Authorized Signatory
 (Typed)



Digitally signed by Amy Leon
 DN: cn=Amy Leon, o.ou,
 email=aleon@cityofyankton.org,
 c=US
 Date: 2020.07.22 09:47:24 -05'00'

July 22, 2020

 Signature Date

TITLE: Sanitary/Storm Sewer Facilities Funding Applications

EXPLANATION: The following applications have been received by DENR for funding consideration at this meeting. The project priority points shown in the Intended Use Plan are listed in parentheses.

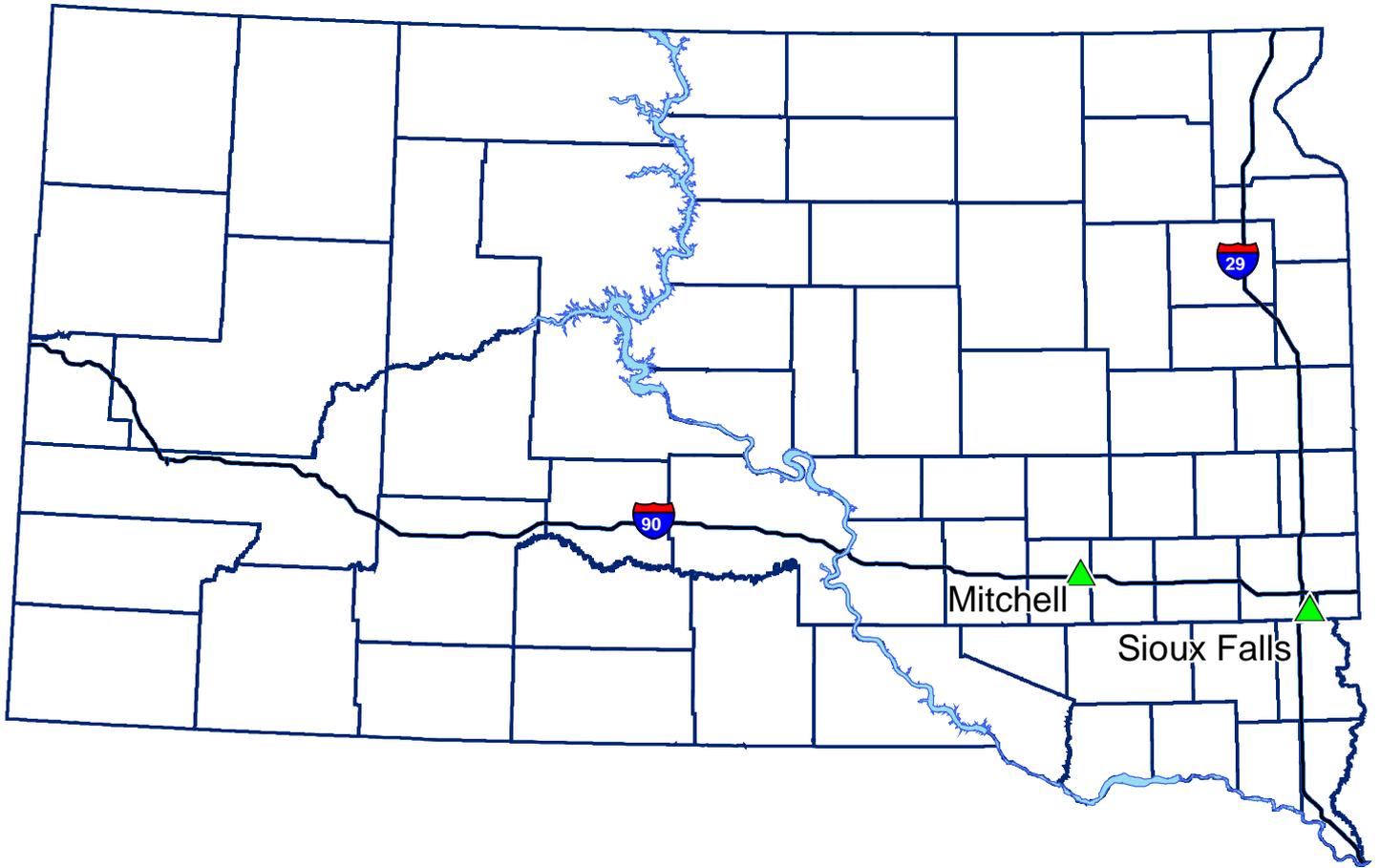
- a. Sioux Falls (20)
- b. Mitchell (12)

COMPLETE APPLICATIONS: The application cover sheets and summary sheets with a financial analysis have been provided as part of the board packet. The complete applications are available online and can be accessed by typing the following address in your internet browser:

<http://denr.sd.gov/bwnrapps/BWNRappsssf0920.pdf>

If you would like a hard copy of the applications, please contact Andy Bruels at (605) 773-4216.

Sanitary/Storm Sewer Facilities Funding Applications September 2020



FUNDING REQUEST EVALUATION FORM
SANITARY/STORM SEWER FACILITIES FUNDING APPLICATION
APPLICANT: CITY OF SIOUX FALLS

Project Title: Water Reclamation Facility

Funding Requested: \$18,500,000

Other Proposed Funding: None

Total Project Cost: \$18,500,000

Project Description: The City of Sioux Falls is undertaking the expansion of the Water Reclamation Facility (WRF) which is estimated to cost \$159,000,000. The \$18,500,000 funding application is the second of four anticipated loans to fund the project. A \$41,625,000 loan was awarded in September 2019.

The project includes improvements to the influent flow equalization, headworks facilities, primary clarifier facilities, aeration basin, final clarifiers, return activated sludge (RAS) and waste activated sludge pumps, tertiary filter, disinfection, effluent flow meter, solids handling, thickening, new generator, site piping and site work, Phase 1 high priority items and Phase 1 medium priority items as noted in the facilities plan.

The project will address the need to improve reliability due to age and condition to avert a risk of failure, increase hydraulic and organic capacity for growth, meet future regulations, and improve treatment operations at the WRF.

Alternatives Evaluated: The "No Action" alternative was rejected. Failure to implement the recommended improvements could have significant adverse impacts on the WRF, including:

1. Non-compliance with discharge permit requirements,
2. Non-compliance with pre-treatment allocation ordinance,
3. Raw sewage spills, and associated public health issues,
4. Water quality impairment of the Big Sioux River, and
5. Inability to handle wastewater generated by the community.

The city evaluated four activated sludge treatment alternatives:

1. Biological phosphorus removal at the WRF,
2. Chemical phosphorus removal at the WRF,
3. Membrane bioreactor at the WRF, and
4. Chemical phosphorus removal at the WRF with a membrane bioreactor at Pump Station 240.

Alternative 1 is the preferred alternative based on factor weighing, alternative scoring and cost-benefit development.

The city evaluated eleven alternatives for biosolids ranging from a lagoon with liquid storage and land application to dewater sludge to 24 percent, dry 50 percent of sludge to 92 percent solids, and store the cakes in above-ground pads/bunkers for 200 days. The preferred alternative is to store the dried cake in an aboveground pad/bunker for use by residents and for contracted land application on existing land application sites.

The city has not selected an alternative at this time. The city is working with a Construction Manager-At-Risk to finalize the design and oversee the construction of the entire Water Reclamation Facility project.

Implementation Schedule:

Sioux Falls anticipates bidding the project in winter of 2021 with a project completion date of fall of 2024.

Service Population:

176,888

Current Domestic Rate:

\$36.49 per 5,000 gallons

Interest Rate: 2.0%

Term: 20 years

Security: System Revenue

DEBT SERVICE CAPACITY

Coverage at Maximum Loan Amount:	Sioux Falls has already established rates through 2023. If funding is provided as all loan, Sioux Falls would have 150% coverage based projected revenues and expenses in the year 2023. The rate in 2024 will be \$39.19/5,000 gallons.
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ENGINEERING REVIEW COMPLETED BY: DREW HUISKEN

FINANCIAL REVIEW COMPLETED BY: DAVE RUHNKE

APPLICANT

SD EForm - 2127LD V5

Sanitary/Storm Sewer Facilities Funding Application

Clean Water State Revolving Fund Program (CWSRF)
Consolidated Water Facilities Construction Program (CWFCP)

Applicant: City of Mitchell Address: 612 N. Main Street Mitchell, SD 57301 Subapplicant: DUNS Number: 04-091-4277	Proposed Funding Package Requested Funding <u>\$1,500,000</u> Local Cash <u>\$23,202</u> Other: <u>Non-Point Source</u> <u>\$163,000</u> Other: _____ Other: _____ TOTAL <u>\$1,686,202</u>
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Project Title: Dailey Drive Sewage Lift Station Replacement

Description:

The project consists of the construction of a new sewage lift station in northern Mitchell at the intersection of 407th Avenue and North Harmon Drive. The lift station will replace the nearby Dailey Drive lift station, which will be converted into a flow through manhole. The project includes extension of a six-inch force main to the new lift station site.

The Dailey Drive lift station, which was installed in 1997, has a number of design deficiencies that hinder its operation and maintenance, including lack of a trash basket in the wet well, pump isolation and check valves that are difficult to access and are unsafe for operation, and pumps that are inadequately sized for current and future needs. For these reasons, and the fact that the lift station is located in the yard of a residential property, it has been determined that rehabbing the structure in its current location is impractical.

The Applicant Certifies That:

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

Robert Everson, Mayor
Name & Title of Authorized Signatory
(Typed)


Signature

July 6, 2020
Date

FUNDING REQUEST EVALUATION FORM
SANITARY/STORM SEWER FACILITIES FUNDING APPLICATION
APPLICANT: CITY OF MITCHELL

Project Title: Dailey Drive Sewage Lift Station Replacements

Funding Requested: \$1,663,000

Other Proposed Funding: \$23,202 – Local Cash

Total Project Cost: \$1,686,202

Project Description: Mitchell is proposing to construct a new sewage lift station in northern Mitchell to replace the nearby Dailey Drive lift station. The project also includes extension of a six-inch force main to the new lift station site.

The Dailey Drive lift station is beyond its useful life and in need of rehabilitation. This lift station is also located on residential property and needs to be moved to a city-owned location.

This project will install a dry pit and wet well style lift station as well as all the necessary appurtenances. This project will also involve 380 linear feet of 8-inch sanitary sewer main, 7,850 linear feet of 6-inch sanitary sewer force main, and a generator for the lift station.

This project also includes \$163,000 of non-point source funding for improvements to Firesteel Creek. The nonpoint source component of the loan will be used to make improvements, which include stream bank stabilization, grazing management, agricultural waste management, and vegetative buffers.

Alternatives Evaluated: The “No Action” Alternative was not chosen because it would not correct any problems present in the existing lift station.

Several other lift stations and sanitary sewer collection alternatives throughout the entire city were identified for replacement in the engineering report, but ultimately the Dailey Drive Sewage Lift Station was chosen as the most critical need project.

Implementation Schedule: Mitchell anticipates bidding the project in December 2020 with a construction completion date of December 2021.

Service Population: 15,566

Current Domestic Rate: \$30.52 per 5,000 gallons

Interest Rate: 1.375%

Term: 30 years

Security: Project Surcharge

DEBT SERVICE CAPACITY

Coverage at Maximum Loan Amount:	If all funding is provided as loan Mitchell would have to establish a surcharge of approximately \$1.11. Mitchell's current rate is \$30.52/5,000 gallons. Mitchell has not established the required \$4.20 surcharge for loan CW-07 which was approved in April but has not closed. Mitchell's rate will be approximately \$35.83 when all required surcharges are established.
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ENGINEERING REVIEW COMPLETED BY: DREW HUISKEN

FINANCIAL REVIEW COMPLETED BY: DAVE RUHNKE

TITLE: Drinking Water Facilities Funding Application

EXPLANATION: The following application has been received by DENR for funding consideration at this meeting.

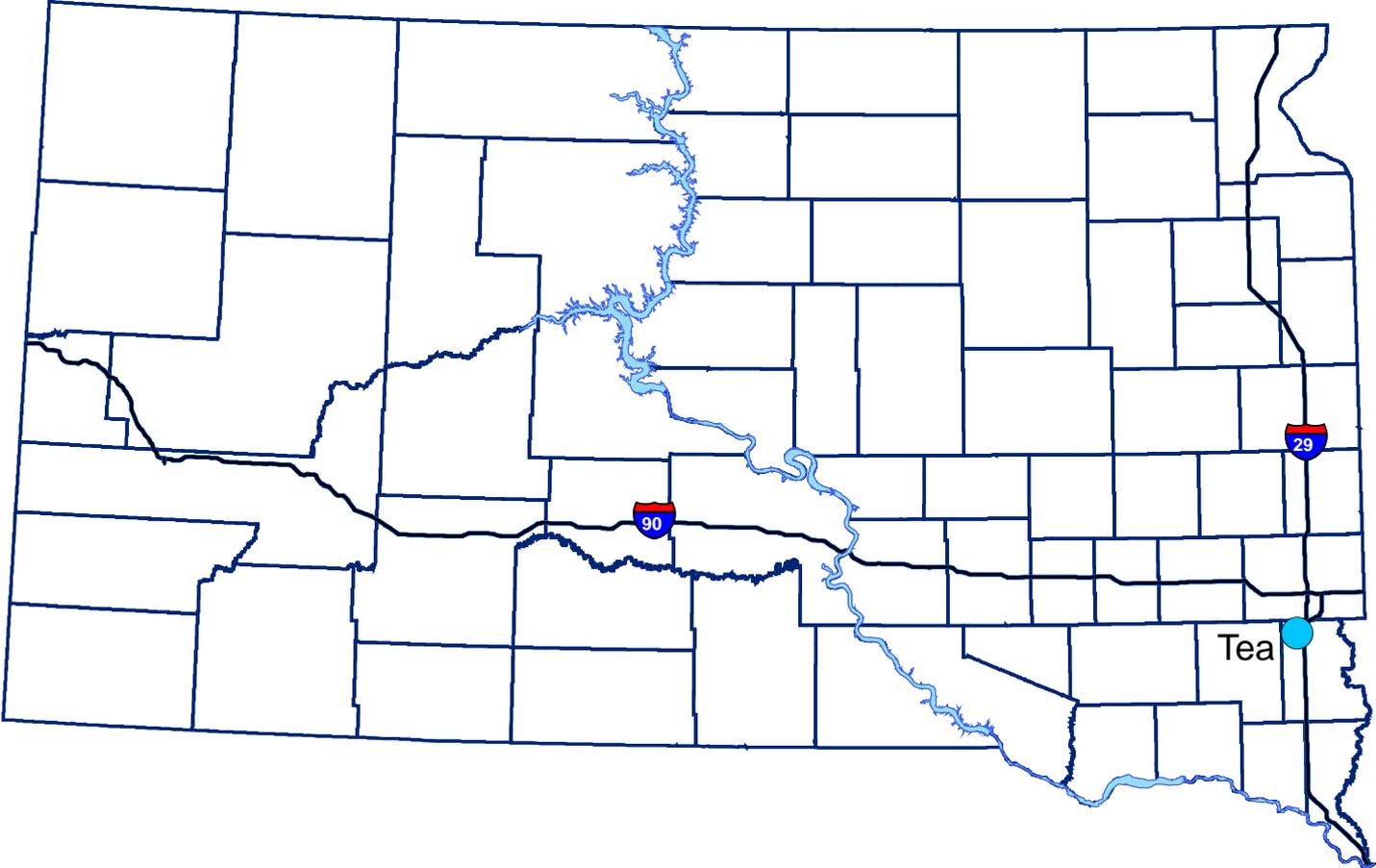
a) Tea (21)

COMPLETE APPLICATIONS: The application cover sheet and summary sheet with a financial analysis has been provided as part of the board packet. A complete application is available online and can be accessed by typing the following address in your internet browser:

<http://denr.sd.gov/bwnrapps/BWNRappsdfw0920.pdf>

If you would like a hard copy of the application, please contact Andy Bruels at (605) 773-4216.

Drinking Water Facilities Funding Applications September 2020



RECEIVED

JUL - 1 2020

Division of Financial Services EForm - 2126LD V6
& Technical Assistance

Drinking Water Facilities Funding Application

Drinking Water State Revolving Fund Program (DWSRF)
Consolidated Water Facilities Construction Program (CWFCP)

<p>Applicant: City of Tea</p> <p>Address: PO Box 128 Tea, South Dakota 57064</p> <p>Subapplicant: N/A</p> <p>DUNS Number: 033542754</p>	<p>Proposed Funding Package</p> <p>Requested Funding <u>\$3,200,000</u></p> <p>Local Cash _____</p> <p>Other: _____</p> <p>Other: _____</p> <p>Other: _____</p> <p>TOTAL <u>\$3,200,000</u></p>
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Project Title: City of Tea Water Tower Project

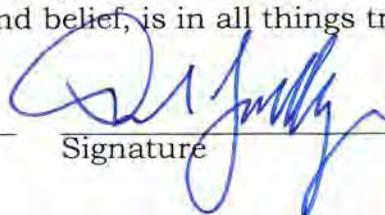
Description:

The City of Tea needs an additional elevated storage tank to serve existing customers. The current proposed location is near Bakker Landing Avenue, directly west of Interstate 29. Currently, this area is only served by a second Lewis and Clark Rural Water System connection for the City. Due to ground elevation and distance, this area cannot be serviced by the existing tanks because they would not be able to provide adequate pressure. The current monthly water rate for a 5,000 residential user with a meter not exceeding one inch is \$31.80. Water rates are based on usage; additional information regarding rates is included in the attached rate document. The City has a reserve, but anticipates needing a funding package to cover eligible project costs.

The Applicant Certifies That:

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

Dan Zulkosky, City Administrator
Name & Title of Authorized Signatory
(Typed)



6-17-20

Signature

Date

**FUNDING REQUEST EVALUATION FORM
DRINKING WATER FACILITIES FUNDING APPLICATION
APPLICANT: CITY OF TEA**

Project Title: Water Tower Construction

Funding Requested: \$2,700,000

Other Proposed Funding: None

Total Project Cost: \$2,700,000

Project Description: Construction of a 750,000-gallon elevated water storage tank in the northeast section of the city.

Alternatives Evaluated: The "No Action" alternative was evaluated and dismissed. Additional storage is needed for proper operation of the city's distribution system. Current storage facilities do not provide system pressure and volume stability.

Additional elevated water storage is the only other alternative evaluated. It was determined that an additional water tower is needed for stable operation of the distribution system.

Implementation Schedule: The city bid the project in July 2020 and the project is currently under construction. A project completion date of November 2021 is anticipated.

Service Population: 5,624

Current Domestic Rate: \$32.00 per 5,000 gallons

Interest Rate: 2.125 % Term: 30 years Security: System Revenue

DEBT SERVICE CAPACITY

Coverage at Maximum Loan Amount:	If funding is provided as all loan, Tea would have 118% coverage based on the current rate of \$32.00/5,000 gallons.
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ENGINEERING REVIEW COMPLETED BY: ERIC MEINTSMA

FINANCIAL REVIEW COMPLETED BY: STEPHANIE RIGGLE

TITLE: Solid Waste Management Program Funding Applications

EXPLANATION: The following applications have been received by DENR for funding consideration at this meeting:

- a) Gregory
- b) South Eastern Council of Governments

COMPLETE APPLICATIONS: The application cover sheets and summary sheets with a financial analysis have been provided as part of the board packet. The complete applications are available online and can be accessed by typing the following address in your internet browser:

<http://denr.sd.gov/bwnrapps/BWNRappsOther0920.pdf>

If you would like a hard copy of the applications, please contact Drew Huisken at (605) 773-4216.

Solid Waste Management Program Funding Applications September 2020



RECEIVED
JUL - 1 2020
Division of Financial
& Technical Assistance

Solid Waste Management Program Application

Applicant

CITY OF GREGORY

Address

PO Box 436

Gregory, South Dakota 57533--0436

EMAIL: gregcity@gwtc.net

Phone (605) 835-8270
Number

Proposed Funding Package

SWMP Funds: \$11,500

Local Cash: \$2,925

Other: _____

Other: _____

Other: _____

Total Project Cost: \$14,425

Project Title: Purchase of Multi Compartment Recycling Trailer

Description:

The City of Gregory in partnership with the Gregory Recycling Team propose to acquire a recycling trailer similar to one the City of Burke operates. Specifications for the trailer include an eight by twenty foot box with a twenty five yard capacity, three internal compartments in addition to a cardboard container and tandem 12,000 pound hydraulic cylinders. The trailer is to be parked within the corporate limits of Gregory for free public drop off. The Gregory Recycling Team has volunteered to police the recycling activities and transport the recyclables to vendors.

The City respectfully requests \$11,500 in grant funds to implement the aforementioned activity. Due to the project's direct relation to recycling a higher grant percentage (80%) is being requested. Such a funding package will enable the City to introduce uniform recycling options.

The Applicant certifies that:

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

Scott Anshutz, Mayor

Name and Title of Authorized Signatory (Typed)

 Signature
6/30/20 Date

FUNDING REQUEST EVALUATION FORM
SOLID WASTE MANAGEMENT PROGRAM FUNDING APPLICATION
APPLICANT: GREGORY

Project Title:	Recycling Trailer Purchase
Funding Requested:	\$11,500
Other Proposed Funding:	\$2,925 - Local Cash
Total Project Cost:	\$14,425
Project Description:	The City of Gregory proposes to purchase an eight-by-twenty recycling trailer. The trailer will be parked within the corporate limits of Gregory for free public drop-off and voluntarily operated by the Gregory Recycling Team.
Type:	Recycling
Service Population:	1,295
Financial & History Information:	N/A
Implementation Schedule:	The City of Gregory anticipates purchasing the recycling trailer in October of 2020 if funding is awarded.
Fees:	N/A

Engineering Review Completed By: Tyler Zettl

RECEIVED

JUL - 1 2020

SD EForm 0482LD V3

Division of Financial
Technical Assistance

Solid Waste Management Program Application

Applicant

South Eastern Council of Governments
SECOG 46-0305845
SEDF 30-0017659

Address

500 N. Western Avenue, Suite 100
Sioux Falls, SD 57104

Phone

Number (605) 367-5390

Proposed Funding Package

SWMP Funds: 500,000

Local Cash: 125,000

Other: _____

Other: _____

Other: _____

Total Project Cost: 625,000

Project Title: Solid Waste Management Regional Revolving Loan Fund Recapitalization

Description:

The purpose of this proposed \$500,000 grant is for the South Eastern Council of Governments (SECOG) to secure funding to pass through to the South Eastern Development Foundation (SEDF) to recapitalize a fund within SEDF's Economic Development Revolving Loan Fund. The fund is used to make loans for eligible purposes as defined under DENR's Solid Waste Management Program to for-profit businesses in Clay, Lincoln, McCook, Minnehaha, Turner, and Union Counties.

The current interest rate is 2% for twenty years and 1.875% for ten years. The applicant will be charged an origination fee and will be responsible for attorney closing fees and recording fees.

The Applicant certifies that:

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

Lynne Keller Forbes, Executive Director

Name and Title of Authorized Signatory (Typed)

 Signature

6-29-20

Date

FUNDING REQUEST EVALUATION FORM
SOLID WASTE MANAGEMENT PROGRAM FUNDING APPLICATION
APPLICANT: SOUTH EASTERN COUNCIL OF GOVERNMENTS

Project Title: Solid Waste Management Regional Revolving Loan Fund
Recapitalization

Funding Requested: \$500,000

Other Proposed Funding: \$125,000 – Local Cash

Total Project Cost: \$625,000

Project Description: The South Eastern Council of Governments (SECOG) is requesting funding to pass through to the South Eastern Development Foundation to recapitalize its revolving loan fund program. This program assists with economic development and makes loans to for-profit entities that request assistance for eligible projects that advance South Dakota’s Solid Waste Hierarchy.

Since 2010, SECOG has used previous DENR grants and other funding to leverage approximately \$21.3M in total funding and the creation and retention of 61 jobs in the solid waste industry. The funding is available to eligible entities in SECOG’s region which includes Clay, Lincoln, McCook, Minnehaha, Turner, and Union counties.

Type: Special Purpose District

Service Population: 298,234

Financial & History Information: In March 2015, South Eastern Council of Governments received a \$500,000 grant to pass through to the South Eastern Development Foundation.

In March 2012, South Eastern Council of Governments received a \$645,000 grant to pass through to the South Eastern Development Foundation.

In May 2010, South Eastern Council of Governments received a \$325,000 grant to pass through to the South Eastern Development Foundation.

In January 2010, South Eastern Council of Governments received a \$375,000 grant to pass through to the South Eastern Development Foundation.

Implementation Schedule: SECOG anticipates using the funding as soon as it is available to pass through to the South Eastern Development Foundation.

Fees: Not Applicable

TITLE: Montrose Clean Water SRF Loan Re-award

EXPLANATION: In April, the Board of Water and Natural Resources awarded Montrose a \$1,008,000 Clean Water State Revolving Fund loan that included \$200,000 of principal forgiveness for a wastewater project. It recently came to our attention that Montrose was awarded a \$644,800 grant from the Economic Development Administration (EDA) for the same wastewater project.

Had the city secured the EDA grant prior to the board meeting, the staff recommendation would have been for a \$363,200 loan with no principal forgiveness.

RECOMMENDED ACTION: Rescind Resolution 2020-62 and re-award Montrose a \$363,200 Clean Water SRF loan at 2.125 percent for 30 years.

CONTACT: Mike Perkovich, 773-4216



DENR
SOUTH DAKOTA

**DEPARTMENT of ENVIRONMENT
and NATURAL RESOURCES**

JOE FOSS BUILDING
523 EAST CAPITOL
PIERRE, SOUTH DAKOTA 57501-3182
denr.sd.gov

August 12, 2020

Paul Klaudt, Mayor
City of Montrose
PO Box 97
Montrose, SD 57048-0097

Dear Mayor Klaudt:

It has come to our attention that Montrose was awarded a \$644,800 grant from the Economic Development Administration (EDA) for the wastewater project that was recently funded by the Board of Water and Natural Resources. In April the board awarded Montrose a \$1,008,000 Drinking Water State Revolving Fund loan that included \$200,000 of principal forgiveness.

The principal forgiveness was awarded to keep monthly user rates at approximately \$45 per user. With the EDA grant, our analysis indicates that \$6.85 surcharge is needed on a \$363,200 Drinking Water SRF loan. This would bring the monthly wastewater rate in Montrose to approximately \$36.50 per user. Had the city secured the EDA grant prior to the board meeting, the staff would not have recommended the loan include any principal forgiveness based on rates being well below \$45.

Please be advised that staff will make a recommendation to the Board of Water and Natural Resources to re-award Montrose a \$363,200 loan with no principal forgiveness. This action will be taken when the board meets on September 24, 2020.

Please feel free to contact me if you have any questions.

Sincerely,

Michael A. Perkovich, P.E.
Environmental Funding Program Administrator
Telephone: 605-773-4216

cc: Leslie Mastroianni, South Eastern Council of Governments, Sioux Falls
Trent Bruce, DGR Engineering, Sioux Falls

TITLE: Brant Lake Sanitary District Update

EXPLANATION: The Department received a Declaration of Financial Insolvency from the Brant Lake Sanitary District (BLSD). BLSD was awarded Clean Water State Revolving Fund loan on June 24, 2010, for \$1,700,000 to replace septic systems with a conventional wastewater collection system. The current balance of the loan is \$1,471,311.27, and the loan does not mature until 2044.

The district is having financial problems due primarily to a judgement in a civil case brought on by the contractor on the aforementioned wastewater project. The contractor was awarded \$2,026,483 and has incurred additional interest of approximately \$430,000. The district has also incurred unforeseen expenses due to flood events in 2019. There is a chance that the BLSD situation may result in the first default in the history of both the Clean and Drinking Water SRF programs.

Attached is a letter from BLSD explaining its financial situation, the Declaration of Insolvency resolution, the response from DENR and the follow-up from Brant Lake.

RECOMMENDED ACTION: Monitor the situation.

CONTACT: Mike Perkovich, 773-4216



Brant Lake Sanitary District

P.O. Box 235
Chester, South Dakota
57016

Secretary Hunter Roberts
S.D. Department of Environment & Natural Resources
Joe Foss Building
523 E. Capitol
Pierre, SD 57501

Eric Hanson
Dakota Homestead Title Insurance Company
315 S. Phillips Avenue
Sioux Falls, SD 57014

Mark & Judith Meierhenry
c/o Dakota Homestead Title Insurance Company
315 S. Phillips Avenue
Sioux Falls, SD 57104

Kim Hansen, President
Chester Sanitary District
P.O. Box 188
Chester, SD 57016

David Brown
Brown Excavating
2401 20th Street
Slayton, MN 56172

Lori Basler
Independent Service Provider
3441 Basler Drive
Wentworth, SD 57075

To Creditors and Contract Partners of the Brant Lake Sanitary District

After months of discussion, financial forecasting, and budget planning, the Governing Board of the Brant Lake Sanitary District was forced to pass Resolution 2020.05.A on May 13, 2020 which publicly and officially declared the District to be financially insolvent. We have attached a copy of that resolution for your files and for your review so that each of you has a detailed catalog of the many different factors that have contributed to this financial situation.

The details of this Resolution, along with initial plans for managing the District during insolvency, were explained in detail to the public during a meeting on May 16, 2020 and, from that time forward, the Board has been working to implement a multi-faceted financial plan for the District. We will not expand on the details of that plan in this communication although we would be happy to share those details with any of you as desired.

We are sending this letter to all of our creditors and contract providers in an effort to...

- keep each of you informed of the efforts we are making on the financial matters of the District;
- to be wholly transparent with all of our stakeholders who could be impacted by the actions we take while insolvent;

- and, to make every effort to satisfy the recent directives of the circuit court, the many provisions of South Dakota law that govern the Sanitary District, and the various contract provisions by which the District is bound.

More formally, our intent with this communication is also to...

- Notify the S.D. Department of Environment and Natural Resources, as required in Section 9.6 of our Revenue Obligation Loan Agreement of 2012, that there is a potential risk of default on our agreement; and,
- Notify our ground lease holders, as required by Article IX of our 2012 Agreement, that there is a potential risk of default on our rental payments.

With that as background and purpose, let us share with you our current status, plans, and perspectives regarding the District's finances...

I. IMMEDIATE FUNDING SHORTFALL

Over 35% of the Brant Lake Sanitary District's grinders were damaged by the twin floods of 2019. Although the District has been able to keep these pumps operating across the past few months, the failure rate on these pumps is rising and all of the damaged pumps are expected to fail in the near term. As outlined in our enclosed resolution, the total cost of repairs and mitigation is estimated to be approximately \$414,000. Although we had hoped for 90% FEMA and state funding for these repairs, it now appears that our less optimistic forecast of 85% grant funding is more likely. This will require us to find \$62,000 in funding to repair the system.

As of June 30th, the District has just over \$42,700 in our operating accounts. We are anticipating \$85,000 in fee revenue and \$17,000 in tax revenue between now and February 1, 2020. This would give the District \$144,700 in cash to meet our obligations. However, by the end of January, our operational costs, debt payments, and FEMA match will total more than \$173,000.

Thus, we face an immediate funding shortfall in the next few months that we will need to address. As we have explained to the public, our intent is to negotiate with our current operational vendor – Brown Excavating – to help overcome this shortfall. We have specifically asked this vendor for a package of cost forgiveness and five-year financing to overcome this shortfall.

II. EXPLORING OPTIONS TO SATISFY OUR JUDGMENT CREDITOR

As most of you are probably aware, the Brant Lake Sanitary District is liable for a jury-awarded judgment in Civil Case 14-50 which was not overturned during appeal to the South Dakota Supreme Court. The original judgment was for \$2,026,483.39 and that amount is subject to an additional 10% interest per year. Immediately after the Supreme Court issued its opinion, Excel filed a Second Application for Preliminary Writ of Mandamus, demanding that the Sanitary District use judgment bonds as a mechanism for satisfying the judgment.

As part of our comprehensive efforts to manage the District's financial insolvency, the BLSD Board of Directors extended an offer to pay Excel Underground \$380,000 over a ten-year period of time to satisfy the judgment. Excel Underground, Inc. rejected that initial offer, responding with a letter demanding that no compromise would be acceptable.

On June 18, 2020 the Honorable Kent Shelton, Circuit Judge of the Third Judicial Circuit, denied Excel's Application. Additionally, the Judge recognized that the Brant Lake Sanitary District was "exploring multiple options to address the Judgment" and that the Plaintiff had not proven that we were intending to default. The Judge further encouraged us to continue searching for a resolution that would be acceptable to the plaintiff.

For the public record, we welcome this opportunity and encouragement from the court to seek a negotiated resolution to address this judgment. Furthermore, we have studied the provisions of South Dakota law that govern judgment bonds (9-26), and we understand why Excel Underground would prefer this mechanism for addressing the judgment as compared to our initial offer of promising ten annual payments that did not offer any legal guarantee or security. As detailed in SDCL 9-26-23, judgment bonds are designed with a purpose similar to our initial offer – enabling the Sanitary District to pay the judgment over time. That said, judgment bonds would provide additional benefits to Excel...

- First of all, judgment bonds are secured by the preservation of the original judgment. Unlike bonds that are governed by other statutes, judgment bonds are not initially sold on the open market. Rather judgment bonds are "delivered to the judgment creditor" as a mechanism to pay the judgment at a future date or in installments across time. That said, these promissory notes are secured by the provision in the law that states the initial "judgment shall remain in full force and effect as security of the payment of such principal and interest". The Sanitary District's initial offer of payments over a ten-year period would have required Excel to accept our promise of payment on good faith and trust with no guarantee of future payment. Since no elected board can bind a future elected board, the judgment bonds as detailed in South Dakota Codified Law do provide a compelling incentive for future boards to pay the bonds.
- Secondly, these bonds would be negotiable assets. Unlike our good faith promise to pay, Excel Underground could sell the judgment bonds after they are issued by the District and delivered to them as the judgment creditor. Of course, any proceeds from a secondary transaction would require a discount to be taken by Excel on the face value of the bonds, but that would be a matter to be negotiated between them and any potential buyer that they might find.

As stated above, we understand why these benefits would be attractive to Excel Underground and, thus, the Sanitary District is willing to consider this mechanism for addressing the judgment. Therefore, in alignment with Excel Underground's preference for the District to issue judgment bonds to address the judgment, we will be asking Excel Underground's management and their counsel to meet with us and our counsel as soon as possible to fulfill the requirements of 9-26-23. Since judgment bonds cannot be issued "until after the execution of an agreement between the municipality (sanitary district) and judgment creditor", we hope that these meetings can happen as soon as possible.

In addition to this invitation to Excel Underground's management to meet with us and negotiate an agreement, the District is planning to begin the process of increasing taxes and fees in the hope and anticipation of reaching an agreement with Excel. The only way that the District would have any hope of beginning to make payments on judgment bonds in 2021 is if we take action this month to

raise revenues for next year so that our final budgets can be certified to the County by the first of September, as required by law.

III. **GUARANTEEING THE LONG TERM SUSTAINABILITY AND MAINTENANCE OF THE SYSTEM**

As documented in Resolution 2020.05A, all of the advisors (engineers, contractors, financiers, etc.) involved in the original construction of the Sanitary Sewer System overlooked the need to replace the system's grinder pumps on a regular ten-year cycle. This rapid depreciation and obsolescence of a core element of the system's operating infrastructure requires that the District should be setting aside nearly \$69,000 per year for pump replacement.

However, this has not been done over the past six years which potentially puts the Sanitary District in violation of Article VI, Section 6.1 of the District's loan agreement with the South Dakota Conservancy District, and in violation of Article V, Section 5.03 of our original lease agreement now assigned to Dakota Homestead Title and other parties. Both contracts require the District to maintain the system in good repair and good operating condition which will not happen without the dedication of grinder replacement funds.

To correct his situation, the Board created a dedicated fund last year and transferred a small amount of surplus money into that fund. However, these efforts are insufficient to guarantee compliance with our contractual and operational obligations. Therefore, the Board will be taking a number of other steps beginning immediately...

- 1) First, the Board has adopted a 16 year replacement schedule rather than a 10 year replacement schedule for the system's grinder pumps. Although this is substantially longer than recommended by the manufacturer, we have analyzed our pump usage and evaluated our vendor's ability to keep pumps operational beyond their expected lifespan. Although each pump is different, we believe that this extended depreciation and replacement schedule is workable and will reduce the amount of reserves required each year by 48%.
- 2) Additionally, the Board will further raise both taxes and fees beginning in 2021 in order to provide necessary revenues to fund these replacement reserves for the future. More specifically, the Board will be raising taxes by nearly 59% and fees by 66% over 2019 rates in order to guarantee funds are available for system replacement.
- 3) And finally, although not the direct result of Board action, another factor that will enable the District to improve the maintenance and replacement of system infrastructure will be the anticipated replacement of 85 grinder pumps that were damaged by the 2019 floods. By replacing these pumps, the replacement clock starts over for a sizable portion of the District's infrastructure which gives the Board time to compensate and reserve funds for future maintenance and repair.

We recognize that the maintenance of the system is of critical concern to our bond holders and lease holders. We would, therefore, welcome any questions or onsite inspections by any of our creditors if you continue to have concerns about the long term viability of the system.

Our apologies for the length of this communication. As said, our intention is to be honest and transparent about the finances and the operations of the Brant Lake Sanitary District. Our negative equity position, our restricted cash flow, and our minimal reserves are undoubtedly a concern for all. However, our hope is that each of our creditors, vendors, and partners will recognize that we are making significant efforts to address

our many challenges. We thank you in advance for your understanding and we look forward to working with each of you as necessary to manage and address the insolvency of the Brant Lake Sanitary System.

Best Personal Regards...

BSLD Board of Trustees

Michael Wagner
President

Barb Nelson
Vice President

Tim Basler
Treasurer



On Behalf of the Board...

Michael Wagner
President

CC:

Elizabeth Hertz
Davenport Law Firm
P.O. Box 1030
Sioux Falls, SD 57101

Jerome Lammers
BLSD Attorney
Lammers Kleibacker
P.O. Box 45
Madison, SD 57042



RESOLUTION 2020.05A

Declaration of Insolvency

A RESOLUTION TO PROVIDE FOR THE DECLARATION OF FINANCIAL INSOLVENCY OF THE BRANT LAKE SANITARY DISTRICT AND FOR THE AUTHORIZATION OF FINANCIAL PLANNING AND NEGOTIATIONS TO GUARANTEE THE LONG TERM SUSTAINABILITY OF BRANT LAKE SANITARY SEWER SYSTEM OPERATIONS AND INFRASTRUCTURE MANAGEMENT.

- i. WHEREAS, the Brant Lake Sanitary District (BLSD) is responsible for the management and maintenance of a sanitary sewer system that is essential to the health and welfare of the residents, guests, and property owners surrounding Brant Lake in Lake County, South Dakota and that is essential in the protection of water outflows from Brant Lake which impact downstream communities, landowners, and citizens; and
- ii. WHEREAS, the BLSD must be able to collect and expend funds on an ongoing basis to support the routine and customary operations of the BLSD infrastructure; and
- iii. WHEREAS, the BLSD must be able to manage monetary and infrastructure assets in order to provide for long term replacement, updating, and upgrading of the BLSD infrastructure; and
- iv. WHEREAS, the BLSD must maintain a reasonable margin of financial flexibility – both in cash reserves and borrowing capability – to provide for unforeseen natural disasters, complex operational difficulties, and economic downturns; and
- v. WHEREAS, the BLSD incurred an initial debt of \$1,980,405.75 in order to construct the sanitary system currently operated by the BLSD, of which the remaining principle as of April 30, 2020 is \$1,733,090.34, resulting in annual principle and interest payments totaling \$119,249.60 per year until 2031 and then \$89,143.72 per year until 2044; and
- vi. WHEREAS, after construction of the BLSD sanitary sewer system, the total infrastructure asset value of the sanitary sewer system was \$1,859,950.74 resulting in a negative equity position for the BLSD at commencement of operations in 2014; and

- vii. WHEREAS, the BLSD had for many years following commencement of services operated with a deficit budget, leading to an increasingly negative equity position and dwindling cash reserves to less than \$15,000; and
- viii. WHEREAS, both the initial debt financing and the initial financial calculations for operation of the BLSD and for debt retirement overlooked the need to replace grinder pumps in approximately 2024, 20 years before the construction debt for the system has been retired and after a useful life span and depreciation schedule of 10 years, at an estimated cost of \$3035 per pump replacement, for a total future capital investment liability of \$691,980, of which only \$15,000 has been reserved, thus leaving a capitalization requirement of nearly \$138,378 per year if replacement were to happen in 2025; and
- ix. WHEREAS, BLSD infrastructure was severely damaged during two federally declared natural disasters (#4440 and #4469) in the Spring and Fall of 2019, resulting in emergency repairs, damaged infrastructure replacement, and recommended future mitigation costs totaling \$414,134, of which no more than 90% is eligible for FEMA reimbursement, leaving an expected current liability for the BLSD of \$62,120; and
- x. WHEREAS, the BLSD's sanitary system is dependent upon sewage lagoon treatment ponds operated by the Chester Sanitary District (CSD) for which -- per a 2014 Joint Powers Agreement with the CSD -- the BLSD is responsible for 50% of future repair, maintenance, expansion, and repair costs which could be as much as \$400,000 if an extra lagoon needed to be constructed or replaced; and
- xi. WHEREAS, the BLSD is liable for a court judgment in Civil Case 14-50 totaling \$2,026,483.39 which was upheld by the South Dakota Supreme Court on April 2, 2020, and which has incurred an additional, estimated \$431,640.28 in interest, and which incurs additional interest at a rate of 10% per annum, and which would result in an amortized payment over 20 years of \$23,721.42 per month or \$284,657.04 per year, or if financed via the unrated bond market at 6% an amortized payment of \$17,610 per month or \$211,310 per year; and
- xii. WHEREAS, the routine operating costs for the BLSD are budgeted to be approximately \$89,000 per year even after undertaking cost reduction strategies such as the introduction of quarterly billing, to lower those costs over time; and
- xiii. WHEREAS, total income for the BLSD is budgeted to be approximately \$205,000, which unlike many municipal and special district sanitary systems is derived from two disparate, rather than one primary, revenue sources, of \$46,658 in property tax revenues

and \$158,596 in charges and late fees; and

- xiv. WHEREAS, the opportunity to increase revenues is severely limited because there are few, if any, empty building sites within the boundaries of the BLSD whereby customer count could be increased; and
- xv. WHEREAS, there is a strong possibility of decreased revenue capacity in the future with the ongoing consolidation of housing units and building lots as flood ravaged or low value properties are torn down and then either left vacant or consolidated into larger building lots that meet current zoning and land use standards, and
- xvi. WHEREAS, the BLSD has already increased property taxes by 200% above tax rates as initially frozen in accordance with SDCL 10-13 via two separate opt-out provisions passed by the BLSD Board of Directors, and because the BLSD has raised user fees to \$186 per household per quarter which is amongst the highest rates charged by sanitary system operators in the region; and
- xvii. WHEREAS, in combination, the above mentioned burdens of annual operating costs (\$88,900), current debt financing annual payments (\$119,249), near term annualized infrastructure replacement capitalization (\$138,000), one time natural disaster cost share expenses (\$62,120), and the annualized costs of best case judgment payments (\$211,310), totaling an expected minimum financial commitment of \$2,849,415 over the next five years alone, with an expected five-year revenue forecast of \$1,025,000, would result in a near term deficit of \$1,824,415 or \$364,883 per year; and
- xviii. WHEREAS, the above mentioned liabilities of construction debt (\$1,733,090.34), unfunded infrastructure replacement liability (\$542,472.77), legal debt liability (\$2,026,483.39), post judgment interest (\$431,640.28), in combination with the assets of undepreciated infrastructure (\$1,857,950.74) and minimal cash reserves result in a negative equity position for the BLSD of (\$2,837,585.86), which is equivalent to more than 24 years of current operating cash surpluses; and
- xix. WHEREAS, the public policy of the State of South Dakota -- by choosing not to provide explicit authorization for municipalities and special districts to access Federal Chapter 9 Bankruptcy laws and by also choosing to not offer or mandate any other procedural mechanisms by which a unit of local government can address insolvency created by that government's authorized functions and responsibilities, including but not limited to the incurring of debt -- is for the local government itself to develop, propose, negotiate, and implement debt restructuring and management plans when necessary without legal oversight and at the sole discretion of the governing body; and

- xx. WHEREAS, the health and safety of BLSD residents, guests, and property owners, as well as the environmental protection of the Brant Lake water shed and downstream water sheds such as Skunk Creek and the Big Sioux River, depends upon the integrity of the BLSD sanitary treatment system, the BLSD is prohibited from ceasing or degrading the operations and maintenance of the BLSD sanitary sewer system;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE BRANT LAKE SANITARY DISTRICT:

- I. THAT...the BLSD is unable to financially manage and maintain the operations of the BLSD's sanitary sewer system without a combination of multiple financial strategies, including but not limited to significant debt re-organization and relief, a dramatic reduction in expenses and overhead, delays in payments or infrastructure replacement, and/or increases in revenue; and
- II. THAT...the BLSD Board of Directors authorizes its designees and/or representatives to negotiate with any of the BLSD's current creditors and vendors to secure more favorable terms of financing, payment schedules, and other concessions deemed to reduce the financial deficits and burdens of the District; and
- III. THAT...the Board of Directors further declares that if favorable agreements cannot be secured from the creditors of the District that the Board will formally identify the District's financial priorities and will develop hierarchies of payment, even if detrimental to one or more creditors, that will guarantee that the Board fulfill its primary financial responsibility of operating and maintaining the Brant Lake Sanitary Sewer System within the guidelines of SDCL 34-5-36, including but not limited to fixing "reasonable rates and charges for services furnished", and making and enforcing agreements which are "necessary or desirable for the purpose of...maintaining its credit and ability to engage in further financing when and as necessary"; and
- IV. THAT...the Board of Directors will establish a budget for calendar year 2021 within a larger 10 year budget framework that clearly outlines capital requirements, obligation payment priorities, revenue planning, and expense reductions.

BRANT LAKE SANITARY DISTRICT

By: 
Michael Wagner, Board of Trustees President

ATTEST:

Lori Basler, Clerk

Published once at the approximate cost of \$ ____.



DENR
SOUTH DAKOTA

DEPARTMENT of ENVIRONMENT
and NATURAL RESOURCES

JOE FOSS BUILDING
523 EAST CAPITOL
PIERRE, SOUTH DAKOTA 57501-3182
denr.sd.gov

August 19, 2020

Michael Wagner, President
Brant Lake Sanitary District
PO Box 235
Chester, SD 57016-0235

Dear Mr. Wagner:

This letter is to acknowledge receipt of the Declaration of Insolvency from the Brant Lake Sanitary District and notice pursuant to Section 9.6 of the Loan Agreement.

We are aware of the challenges facing the Brant Lake Sanitary District, but also remain firm that the district agreed to and has an obligation to repay the loan as described in the Loan Agreement and the collateral loan documents. We expect the district to take the actions necessary, including raising rates and/or taxes, to fulfill its obligations under the Loan Agreement.

Stephanie Riggle of my staff sent the district a letter requesting the annual information to fulfill the requirements of Sections 2.2(f) and 6.4 of the Loan Agreement and additional information to assess the financial status of the district. I ask that you work with Ms. Riggle and others on my staff to prevent the district from defaulting on the loan and triggering the default remedies set forth in Section 9.2 of the Loan Agreement.

Sincerely,

A handwritten signature in blue ink, appearing to read "Hunter Roberts".

Hunter Roberts
Secretary

cc: Elizabeth Hertz, Davenport Law Firm, Sioux Falls, SD
Jerome Lammers, Lammers Kleibacker, Madison, SD
Todd Meierhenry, Meierhenry Sargent LLP, Sioux Falls, SD



RECEIVED

August 24, 2020

AUG 26 2020

Dept. of Environment and
Natural Resources
Secretary's Office

Secretary Hunter Roberts
S.D. Department of Environment & Natural Resources
Joe Foss Building
523 E. Capitol
Pierre, SD 57501

Dear Secretary Roberts –

Thank you for your letter of August 19, 2020, your acknowledgement of our notification of insolvency, and your recognition of the many financial challenges that are facing the Brant Lake Sanitary District at this time.

Prior to the receipt of your letter, I had already submitted to Ms. Riggie the information that she had requested, and she and I have exchanged subsequent emails so that I could provide her with additional information. We welcome the opportunity to continue working with your staff to find creative ways to navigate this difficult situation.

As an update to our previous communications, we have already executed against several components of our long term plan and we are continuing our efforts to negotiate with our vendors and creditors. Specifically...

- On July 8th, the Board passed an opt-out resolution for \$40,000, which is a 135% tax increase over our historic \$31,000 tax base. We advertised this decision per South Dakota law and we hosted two public meetings via Zoom to explain the need for this action. The decision has not been referred to a vote of the people and thus we have been able to fold those projected tax revenues into our budget planning for the next five years. That said, we are sorely aware that our bond agreement with DENR strictly prohibits the use of these funds for repayment of our bonds and we are also aware that other provisions of law and of our own ordinances shun tax revenues as a source of operating funds for the District.
- On August 12th, the Board passed our 2021 budget which we will certify to the County Auditor and the Secretary of Revenue as required by law by September 1st. This budget includes a January 2021 rate increase to \$275 per household per quarter which represents a 66% increase in rates as compared to January 2020. This should put BLSA rates at the highest level in South Dakota and our three-state region. Above and beyond household rates, the new budget also provides for a 788% increase in sewer rates for camping spots. With a five-year phase-in, this will account for final camping spot fee of \$360 per year which is substantially higher than any other campground fee in the state. The budget includes price concessions from our prime vendor – Brown Excavating – who is responsible for the maintenance, repair, and inspection of our system. The budget also cuts our administrative staff budget to \$3000 per year. To compensate, members of our volunteer board are

now performing administrative functions such as processing permits, stuffing envelopes for statements, and so on.¹

- Because of our forecasted budget cuts, we increased our settlement offer to Excel Underground on July 31st by \$5000 per year to a total offer of \$430,000 over a ten-year period. That offer was rejected without significant comment or offers to discuss.

Unfortunately, all of these efforts do not fully address two specific issues that we still need to resolve...

- Without some combination of concessions from our creditors, we are still at risk of running out of money before the end of the year. As you are aware, our part of the state suffered two federally declared disasters in 2019. The largest of these disasters for the Sanitary District was FEMA Federal Disaster #4469, the floods of September 2019. As we have been working with the state and with FEMA, we expect to be able to replace approximately 35% of our grinder pumps that were damaged in the floods. Over the long term, this twist of fate eases some of the financial pressure on our pump replacement schedule after 10-15 years of useful life. However, for the next several years, this puts a new financial burden on the District. Our share of these repair and mitigation costs is expected to exceed \$60,000. This is emergency funding money that is due and payable immediately. We have worked out a tentative agreement with Brown Excavating to defer our payments on this amount over a five-year period, contingent on our being able to secure final agreements from other creditors. We should note that in addition to contract concessions already made by Brown Excavating in our 2021 budget, this vendor has been willing to accept a tremendous financial burden to help the District.
- And, of constant concern is the fact that our judgment creditor, Excel Underground, has refused to work with us to reach a settlement. However, we will continue our efforts to negotiate a settlement in order to stabilize the finances of the District.

Secretary Roberts, please be assured that the Board of the Sanitary District takes all of our financial obligations to our creditors seriously. We are equally dedicated to doing what is necessary to protect the soundness of the sanitary waste system and to faithfully execute the fiduciary responsibilities to the public. We will be working to develop new financial models over the next two weeks in order to manage our cash flow as carefully as possible, and we will continue to explore opportunities to resolve our long term financial challenges. We sincerely appreciate your encouragement to continue working with your staff to resolve these financial challenges for the District. As you have additional questions and/or concerns, please feel free to contact me at any time.

Best Personal Regards,



CC: Elizabeth Hertz, Davenport Law Firm, Sioux Falls, SD
Jerome Lammers, Lammers Kleibacker, Madison, SD
Todd Meierhenry, Meierhenry Sargent LLP, Sioux Falls, SD

¹ From the conversations we have had with regional staff, DENR staff, our vendors, and other sanitary districts, it appears that the Brant Lake Sanitary District, by a combination of both high taxes and high rates, will be imposing a financial burden upon our residents that is higher than any other sanitary district or system in the state and region.

TITLE: State Fiscal Year 2020 State Revolving Funds Report to the Interim Bonding Review Committee

EXPLANATION: The South Dakota Conservancy District is required to present an annual report to the Legislature's Interim Bonding Review committee at its meeting in November 2020.

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

RECOMMENDED ACTION: Approve the State Fiscal Year 2020 State Revolving Funds Report to the Interim Bonding Review Committee and authorize distribution of the report.

CONTACT: Mike Perkovich, 773-4216

**THE SOUTH DAKOTA CONSERVANCY DISTRICT
REPORT TO THE
LEGISLATIVE BOND REVIEW COMMITTEE**

**STATE FISCAL YEAR 2020
July 1, 2019 – June 30, 2020**



**Department of Environment and Natural Resources
Division of Financial and Technical Assistance**

THE SOUTH DAKOTA CONSERVANCY DISTRICT

REPORT TO THE

LEGISLATIVE BOND REVIEW COMMITTEE

STATE FISCAL YEAR 2020

Department of Environment and Natural Resources
Division of Financial and Technical Assistance
523 East Capitol Avenue
Pierre, South Dakota 57501-3181
PHONE: (605) 773-4216 FAX: (605) 773-4068

**THE SOUTH DAKOTA CONSERVANCY DISTRICT
BOARD MEMBERS**

JERRY SOHOLT, CHAIRMAN

Sioux Falls

Member since 2014

GENE JONES, JR., VICE-CHAIRMAN

Sioux Falls

Member since 2002

TODD BERNHARD, SECRETARY

Fort Pierre

Member since 2010

KARL ADAM

Pierre

Member since 2019

PAUL GNIRK

New Underwood

Member since 2009

KATHRYN JOHNSON

Hill City

Member since 2018

JACKIE LANNING

Brookings

Member since 2011

**THE SOUTH DAKOTA CONSERVANCY DISTRICT
LEGISLATIVE OVERSIGHT COMMITTEE**

SENATOR RED DAWN FOSTER
Pine Ridge

SENATOR JOHN WIIK
Big Stone City

REPRESENTATIVE MARY DUVALL
Pierre

REPRESENTATIVE STEVEN McCLEEREY
Sisseton

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STATE FISCAL YEAR

2020

EXECUTIVE SUMMARY

PROGRAM OVERVIEW

The Clean Water State Revolving Fund (SRF) program was created by the 1987 amendments to the federal Clean Water Act to provide low interest loans to communities and other political subdivisions for wastewater, storm sewer and nonpoint source projects (solid waste facilities/water quality). South Dakota's first Clean Water SRF loan was made in November 1989.

The Drinking Water State Revolving Fund (SRF) program was federally authorized by the Safe Drinking Water Act Amendments of 1996 to provide low interest loans to public water systems for drinking water projects. Political subdivisions (cities and special purpose districts) and nonprofit corporations (rural water systems) are eligible to apply for South Dakota Drinking Water SRF loans. The first Drinking Water SRF loan was awarded in January 1998.

Funds are provided for the programs by means of capitalization grants awarded annually through the United States Environmental Protection Agency. For every \$5 the federal government provides to each program through annual capitalization grants, the state must match it with \$1. Through SFY 2020, the federal capitalization grants total nearly \$447 million.

The South Dakota Board of Water and Natural Resources was authorized by SDCL § 46A-1-60.1 through § 46A-1-60.3 to administer a water pollution control revolving fund program and drinking water revolving fund program and to promulgate rules pursuant to chapter 1-26 to implement the provisions of this section consistent with the requirements of federal law. The board serves as the board for the South Dakota Conservancy District.

The two key federal program requirements are that loan rates are set below market rate and that all loan payments and program income revolve in the programs to provide low-interest financing for water and wastewater infrastructure in perpetuity.

As of June 30, 2020, the Conservancy District made 841 State Revolving Fund awards totaling more than \$1.61 billion.

BONDING AUTHORITY OVERVIEW

The authority for the South Dakota Conservancy District to issue bonds is established in SDCL § 46A-1-31.

Since the programs' inception, the state match requirement amounts to nearly \$78 million. The South Dakota Conservancy District has issued revenue bonds to provide a large portion of the state match, as well as reserves required for earlier issues. An initial state appropriation was made for each program. Administrative surcharge fees paid by borrowers were used to match the 2002 and 2003 Clean Water SRF capitalization grants, a portion of the 2010 Drinking Water SRF capitalization grant, and the entire 2011 – 2013 Drinking Water SRF capitalization grants.

The Conservancy District has the ability to issue revenue bonds and notes above the amount required for state match to leverage additional funds for the programs. Leveraged bonds for the Clean Water SRF program were issued in 1995, 2005, 2008, 2012, 2014, 2017, 2018, and 2020 and in 2004, 2005, 2008, 2014, 2017, and 2018 for the Drinking Water SRF program. The

total par amount of the leveraged bonds is \$539.5 million. In August 2009, the Conservancy District issued \$55 million in leveraged bond anticipation notes.

2020 BOND ISSUE

The South Dakota Conservancy District issued \$76,310,000 of Series 2020 Bonds in July to provide leveraged funds for the Clean Water SRF programs. With a \$24,232,482 premium, bond proceeds totaled \$100,542,482.

The Series 2020 Bonds are tax exempt bonds issued to provide funds to make new loans and fund existing loans to the city of Sioux Falls for several ongoing and upcoming projects, including the \$159,000,000 Water Reclamation Facility upgrade project. The bonds had an all-in true interest cost of 2.35 percent. The bonds were rated Aaa by Moody's and AAA by Standard & Poor's.

Along with the Conservancy District, the financing team consisted of U.S. Bank N.A. acting as trustee; Perkins Coie acting as bond counsel; PFM Financial Advisors, LLC, the District's financial advisor; the Attorney General's Office serving as issuer's counsel; and BofA Securities acting as lead underwriter with J.P Morgan Securities, LLC and Citigroup Global Markets, Inc. serving as co-managers.

BOND HISTORY

The South Dakota Conservancy District has issued 23 bond or note series since 1989. The Conservancy District issues bonds for state match as needed. Additionally, bonds have been issued to refund prior issues and to provide leveraged funds. Table 1 itemizes the uses of the various series of bonds and notes. Summaries of previous bond and note issues are provided beginning on page 119. Table 2 shows the principal balances for the outstanding bond issues.

Table 1
State Revolving Fund Program Bond and Note Issues

Series	Par Amount	Clean Water SRF			Drinking Water SRF		
		Match	Refund	Leveraged	Match	Refund	Leveraged
1989	\$5,875,000	\$5,875,000					
1992	\$4,180,000	\$4,180,000					
1994	\$10,220,000	\$631,195	\$9,299,195				
1995	\$7,970,000	\$3,462,460		\$4,507,540			
1996	\$2,770,000	\$2,770,000					
1998	\$6,450,000				\$6,450,000		
2001	\$4,405,000	\$4,405,000					
2001	\$5,270,000				\$5,270,000		
2004	\$38,460,000		\$11,450,913		\$5,001,620		\$22,503,662
2005	\$50,000,000	\$1,558,349		\$41,000,000	\$1,670,500		\$7,000,414
2008	\$40,000,000	\$1,964,580		\$19,826,250	\$4,887,600		\$13,000,000
2009	\$55,000,000			\$37,455,570			\$18,221,624
2010	\$54,330,000	\$3,543,094	\$37,455,570	(\$3,543,094)		\$18,221,624	
2010A	\$38,695,000		\$26,315,168			\$12,801,699	
2010B	\$53,685,000		\$32,097,173			\$26,447,224	
2012A	\$69,775,000		\$39,624,316			\$29,991,648	
2012B	\$53,530,000	\$1,700,000	\$2,946,204	\$55,000,000		\$3,537,954	
2014A	\$9,060,00	\$4,000,000			\$5,000,000		
2014B	\$50,755,000			\$53,000,000			\$7,000,000
2017A	\$16,730,000	\$6,500,000	\$765,666		\$8,500,000	\$832,626	
2017B	\$77,870,000		\$35,961,380	\$42,531,976		\$4,711,213	\$11,006,791
2018	\$96,355,000			\$66,007,810			\$45,009,585
2020	\$76,310,000			\$100,000,000			
Total		\$40,589,678	\$195,915,585	\$415,786,052	\$36,779,720	\$96,543,988	\$123,742,076

Table 2
Outstanding Bonds Principal Balances
as of June 30, 2020

Series	Clean Water SRF	Drinking Water SRF	Series Totals
2010A	\$25,485,000	\$12,405,000	\$37,890,000
2010B	\$3,553,985	\$2,921,015	\$6,475,000
2012A	\$19,145,000	\$13,710,000	\$32,855,000
2012B	\$9,510,000	0	\$9,510,000
2014B	\$37,200,000	\$4,940,000	\$42,140,000
2017A	\$4,245,000	\$5,485,000	\$9,730,000
2017B	\$62,625,000	\$12,430,000	\$75,055,000
2018	\$56,190,000	\$38,315,000	\$94,505,000
Totals	\$217,953,985	\$90,206,015	\$308,160,000

TAX INCREASE PREVENTION AND RECONCILIATION ACT (TIPRA)

Passage of the federal Tax Increase Prevention and Reconciliation Act (TIPRA) of 2005 placed additional requirements on pooled financing bonds. Of particular concern to the South Dakota SRF programs was the Strengthened Reasonable Expectation Requirement. This mandated that 30 percent of net bond or note proceeds must be spent within one year and 95 percent of net proceeds must be spent within three years of the date of issue. If these objectives are not met, bonds or notes must be redeemed in an amount necessary to meet the spend-down requirement. To avoid extraordinary call provisions on fixed rate bonds, the South Dakota Conservancy District opted to issue variable rate bonds in 2008 and bond anticipation notes (BANs) in 2009. Based on the pace of disbursements on those issues, the district chose to issue fixed-rate bonds in 2012, 2014, 2017, and 2018. The spend down requirements are not applicable to the 2020 issue since it was not a pooled financing bond.

ADDITIONAL SUBSIDY

The American Recovery and Reinvestment Act (ARRA) of 2009 required a portion of the ARRA funds to be awarded as “additional subsidy” to borrowers. This could be in the form of grants, negative interest rate loans, or principal forgiveness on loans. It was decided that the South Dakota SRF programs would provide additional subsidy in the form of principal forgiveness on loans.

Subsequent capitalization grants also required that a portion of the grants be awarded as additional subsidy. Since 2009, borrowers from the Clean Water SRF program have received \$37,054 in principal forgiveness, and Drinking Water SRF borrowers have received \$71,273,247 in principal forgiveness. The Clean Water and Drinking Water projects awarded principal forgiveness can be found in Tables 7 and 10 on pages 52 and 93, respectively.

SRF PROGRAM INTEREST RATES

Interest rates are reviewed periodically to ensure that they are below market rate and are competitive with other funding sources such as the federal Rural Development program. The SFY 2020 interest rates for each program are summarized in the respective sections below.

Clean Water SRF Program

Prior to April 2020, rates were 2.00 percent for loans with a term of 10 years or less, 2.25 percent for loans with a term greater than 10 years up to 20 years, and 2.5 percent for loans with a term up to 30 years. In April 2020, the board set rates at 1.875 percent for loans with a term of 10 years or less, 2.00 percent for loans with a term greater than 10 years up to 20 years, and 2.125 percent for loans with a term up to 30 years. The term of each loan is at the discretion of the borrower provided that the proposed repayment source produces the required debt service coverage and does not exceed the useful life of the facilities being financed.

In addition to the base rates, the board has established a Clean Water SRF incentive rate for nonpoint source (NPS) projects. Prior to April 2020, the nonpoint source incentive rates were 1.00 percent for loans with a term of 10 years or less, 1.25 percent for loans with a term greater than 10 years up to 20 years, and 1.5 percent for loans with a term up to 30 years. In April 2020, the board set the nonpoint source incentive rates at 1.00 percent for loans with a term of 10 years or less, 1.25 percent for loans with a term greater than 10 years up to 20 years, and 1.375 percent for loans with a term up to 30 years.

Drinking Water SRF Program

Prior to April 2020, rates were 2.00 percent for loans with a term of 10 years or less, 2.25 percent for loans with a term greater than 10 years up to 20 years, and 2.50 percent for loans with a term up to 30 years. In April 2020, the board set rates at 1.875 percent for loans with a term of 10 years or less, 2.00 percent for loans with a term greater than 10 years up to 20 years, and 2.125 percent for loans with a term up to 30 years. The term of each loan is at the discretion of the borrower provided that the proposed repayment source produces the required debt service coverage and does not exceed the useful life of the facilities being financed.

Communities that meet the disadvantaged community criteria may receive a Drinking Water SRF loan at an interest rate below that for other recipients. Prior to April 2020, the disadvantaged communities' rates were 2.25 percent for 30-year loans for communities with a median household income (MHI) between 80 percent and 100 percent of the statewide MHI. Borrowers with an MHI between 60 percent and 80 percent of the statewide MHI were eligible for an interest rate of 2.00 percent for loans with a term up to 30 years or 1.00 percent for loans with a term up to 10 years. Communities with an MHI less than 60 percent of the statewide MHI were eligible for a loan at zero percent interest. In April 2020, the board set disadvantaged communities' rates at 1.875 percent for 30-year loans for communities with a median household income (MHI) between 80 percent and 100 percent of the statewide MHI. Communities with an MHI between 60 percent and 80 percent of the statewide MHI are eligible for an interest rate of 1.625 percent for loans with a term up to 30 years or 1.00 percent for loans with a term up to 10 years. Communities with an MHI less than 60 percent of the statewide MHI are eligible for a loan at zero percent interest. Residential water bills must be at least \$30 for 5,000 gallons usage for municipalities and sanitary districts and \$55 for 7,000 gallons usage for other community water systems to qualify for disadvantaged rates.

SRF FINANCIAL TEAM

Trustee

The First National Bank in Sioux Falls was selected as trustee at the onset of the Clean Water SRF program in 1989. On September 2, 2016, the First National Bank in Sioux Falls provided the department with written notice of its intent to terminate its consultant contract as trustee. The Board of Water and Natural Resources authorized the distribution of a Request for Proposals for Trustee, Loan Servicer, and Paying Agent/Registrar on September 23, 2016. U.S. Bank NA was named Successor Trustee effective April 24, 2017.

Bond Counsel

Kutak Rock served as bond counsel for the Series 1989 and series 1992 bond issues. Altheimer & Gray served as bond counsel for the Series 1994A, 1995A, 1996A, 1998A and Series 2001 State Revolving Fund Program Bonds. In July 2003, Altheimer & Gray law firm dissolved, and Perkins Coie LLP was retained to serve as bond counsel. Perkins Coie has served as bond counsel for all subsequent transactions.

Underwriter

The Conservancy District has retained several underwriting firms to provide investment banking service since the 1989. The underwriters for each bond issue are identified in the Bond Issue Summaries section of the report.

Financial Advisor

In September 2003, PFM Financial Advisors, LLC (formerly Public Financial Management, Inc.) was retained to provide financial services related to the SRF programs. PFM prepares program cash flow models that assist in the rating and sale of the District's bonds, assesses the financial impacts of transfers between the Clean Water and Drinking Water programs, maintenance of SRF funds in perpetuity, and short- and long-term effects of refunding some or all of the District's outstanding debt. PFM Financial Advisors prepares a capacity model designed to evaluate the impacts to current and future lending capacity considering factors including loan terms, loan rates, leveraging the programs and various methods by which required state matching funds may be provided. PFM Financial Advisors also provides guidance regarding TIPRA compliance and maintaining the SRF fund in perpetuity.

Investment Manager

The Board of Water and Natural Resources authorized distribution of a Request for Proposals for an Investment Manager for the SRF programs in January 2013. On March 11, 2013, the board selected PFM Asset Management as the investment manager, which will direct the investment of certain SRF program funds. The contract with PFM Asset Management expired March 31, 2019, and the board chose to discontinue utilizing PFM Asset Management's services. A new investment manager is not expected to be retained in the near future, and investments will be directed by staff.

OVERSIGHT

Region VIII of the Environmental Protection Agency oversees the State Revolving Fund Loan Programs. EPA assists the state in securing capitalization grants and guides the Conservancy District in its administration of the program.

The Department of Legislative Audit conducts annual financial audits of the Clean Water and Drinking Water SRF programs, and EPA conducts a program audit. Our most recent audits did not note any substantive program or financial deficiencies.

FISCAL YEAR 2020 PROGRAM ACTIVITY

Clean Water State Revolving Fund

The Clean Water SRF program received the 2019 federal capitalization grant of \$7,779,000 in July 2019. The capitalization grant was matched by \$1,555,800 of state match bond proceeds. Capitalization grant and state match are supplemented by accumulated loan repayments, interest earnings, and leveraged bond proceeds.

In SFY 2020, disbursements totaling \$46,137,875 were made to borrowers. Disbursements consisted of \$11.15 million in federal funds, \$2.59 million in State match funds, \$31.735 million in leveraged bond proceeds, and \$0.66 million in principal repayments and interest earnings.

Two hundred thirty-six loans are in repayment, and \$38,350,353 in repayments were received during the year. One hundred sixty-one loans have been repaid in full, which includes those with 100 percent principal forgiveness. Thirty-three loans drew no funds, and the full loan amounts were deobligated. There have been no defaults.

In SFY 2020, the Board of Water and Natural Resources awarded 33 loans and amended one older loan totaling \$130,195,600. Table 3 provides a synopsis of the loans that were awarded.

**Table 3
Clean Water Loans
State Fiscal Year 2020**

Recipient	Project Description	Total SRF Assistance	Principal Forgiveness	Rate	Term
Andover (02)	Wastewater and Storm Sewer Improvements	\$1,168,000	\$1,068,000	2.125%	30 yrs.
Aurora (03)	Sanitary Sewer Collection System Replacement	\$2,002,000		2.125%	30 yrs.
Brookings (10)	State Avenue Stormwater Improvements	\$850,000		2.25%	20 yrs.
Claremont (02)	Wastewater System Improvements	\$625,000	\$556,000	2.125%	30 yrs.
Dell Rapids (10)	5 th , 6 th , and Iowa Streets Utilities Improvements and Big Sioux River Watershed Improvements	\$2,177,500		1.375%	30 yrs.
Delmont (01)	Sanitary Sewer Line Replacement	\$1,210,000	\$1,210,000	0%	
Elk Point (08)	Washington and Douglas Streets Utilities Improvements	\$593,000		2.50%	30 yrs.
Fort Pierre (07)	Wastewater Treatment System Improvements	\$3,701,000		2.125%	30 yrs.
Garretson (04)	Water and Sewer Replacement	\$917,000		2.125%	30 yrs.
Hartford (07)	Western Avenue Sewer Improvements	\$1,334,000		2.75%	30 yrs.
Hudson (01)	Wastewater System Improvements	\$898,000		2.125%	30 yrs.
Hurley (02)	Center Avenue Collection Improvements	\$188,000		2.125%	30 yrs.
Huron (05)	Sequencing Batch Reactor Replacement	\$14,946,000		2.125%	30 yrs.
Irene (02) *	Utilities Improvements – Phase II	\$330,000	\$248,000	2.75%	30 yrs.
Lake Norden (02)	Wastewater Lift Station Replacement	\$671,000		2.125%	30 yrs.
Lake Preston (01)	Wastewater Collection System Improvements	\$758,000		2.125%	0 yrs.
Lennox (08)	Central Basin Improvements Phases 2 and 3	\$1,000,000		2.75%	30 yrs.
Madison (03)	Sanitary and Storm Sewer Improvements	\$3,287,000		2.125%	30 yrs.
Madison (04)	Sanitary and Storm Sewer Improvements	\$3,073,000		2.125%	30 yrs.

Recipient	Project Description	Total SRF Assistance	Principal Forgiveness	Rate	Term
Marion (03)	Broadway Avenue Utility Improvements – Phase I	\$420,000		2.125%	30 yrs.
Mellette (01)	Lift Station Improvements	\$286,000		2.125%	30 yrs.
Mitchell (07)	East Central Drainage Utilities Phase II and Firesteel Creek Watershed Improvements	\$4,511,700		1.25%	20 yrs.
Montrose (04)	Wastewater Collection and Treatment Improvements	\$1,008,000	\$200,000	2.125%	30 yrs.
Pierpont (01)	Water Meter Replacement	\$132,000	\$118,000	2.25%	10 yrs.
Pierre (09)	Wastewater Treatment Facility Improvements	\$15,310,000		2.00%	20 yrs.
Renner Sanitary Dist. (01)	Wastewater and Storm Sewer Improvements	\$1,147,000		2.125%	30 yrs.
Sioux Falls (41)	Water Reclamation Facility Expansion	\$41,625,000		2.50%	20 yrs.
Sioux Falls (42)	Basins 95,104, and 371 and Big Sioux Watershed Improvements	\$9,457,400		1.00%	10 yrs.
Tea (08)	Sanitary Sewer Regionalization	\$4,431,000		2.125%	30 yrs.
Valley Springs (03)	Utilities Improvements	\$1,779,000		2.125%	30 yrs.
Viborg (03)	Park Avenue Sanitary and Storm Sewer	\$1,771,000		2.50%	30 yrs.
Volga (02)	Wastewater Collection System Improvements	\$2,405,000		2.00%	20 yrs.
Watertown (12)	Administration and Operations Building	\$5,000,000		2.25%	20 yrs.
Webster (04)	Sanitary Sewer Line Replacement	\$1,184,000		2.125%	30 yrs.
TOTAL		\$130,195,600	\$3,400,000		

* Amendment to a previously awarded loan

Beginning on page 37, additional information regarding the historical activity of the Clean Water SRF Program is provided.

Drinking Water State Revolving Fund

The Drinking Water SRF program received the 2019 federal capitalization grant of \$11,004,000 in July 2019. The capitalization grant was matched by \$2,200,800 of state match bond proceeds. Capitalization grant and state match are supplemented by accumulated loan repayments, interest earnings, and leveraged bond proceeds.

In SFY 2020, disbursements totaling \$27,792,553 were made to borrowers. Disbursements consisted of \$10.30 million in federal funds, \$2.48 million in state match funds, \$14.19 million in leveraged bond proceeds, and \$0.81 million in principal repayments and interest earnings.

Two hundred five loans are in repayment, and \$16,431,134 in repayments were received during the year. Seventy-six loans have been repaid in full, which includes those with 100 percent principal forgiveness. Eighteen loans drew no funds, and the full loan amounts were deobligated. There have been no defaults.

In SFY 2020, the board awarded 24 loans and amended one older loan for a total of \$37,839,000. Table 4 provides a synopsis of the loans that were awarded.

Table 4

**Drinking Water Loans
State Fiscal Year 2020**

Recipient	Project Description	Total SRF Assistance	Principal Forgiveness	Rate	Term
Blunt (DW-01)	Water Distribution System Improvements	\$657,000	\$207,000	2.25%	20 yrs.
Brandon (DW-03)	Water Tower and Booster Station	\$5,687,000		2.125%	30 yrs.
Burke (DW-02)	Water Main Replacement	\$540,000		1.625%	30 yrs.
Clay RWS (DW-05)	2020 Improvements Project	\$2,185,000		2.125%	30 yrs.
Deer Mountain Sanitary District (DW-01)	Water System Construction/Replacement	\$2,174,000		2.125%	30 yrs.
Dell Rapids (DW-08)	5 th , 6 th , and Iowa Streets Utilities Improvements	\$926,000		2.125%	30 yrs.
DeSmet (DW-02)	Water Distribution System Improvements	\$565,000		1.875%	30 yrs.
Elk Point (DW-07)	Washington and Douglas Streets Utilities Improvement	\$495,000		2.50%	30 yrs.
Garretson (DW-03)	Water and Sewer Replacement	\$458,500		2.125%	30 yrs.
Kingbrook RWS (DW-07) *	Water Service to Oldham	\$400,000	\$304,000	2.25%	30 yrs.
Kingbrook RWS (DW-08)	Water Service to Nunda	\$836,500	\$747,000	1.625%	30 yrs.
Lake Norden (DW-02)	Water Supply and Treatment Improvements	\$1,345,000		1.625%	20 yrs.
Lake Preston (DW-01)	Water Distribution System Improvements	\$2,610,000	\$1,000,000	1.875%	30 yrs.
Langford (DW-02)	Water Line and Storage Improvements	\$570,000	\$470,000	0%	30 yrs.
Lennox (DW-04)	Central Basin Improvements Phases 2 and 3	\$375,000		2.75%	30 yrs.
Lincoln County RWS (DW-02)	Water Mainline Improvements	\$750,000		2.75%	30 yrs.
Marion (DW-01)	Broadway Avenue Utility Improvements – Phase I	\$1,235,000	\$325,000	1.875%	30 yrs.
North Sioux City (DW-01)	Water Tower Construction	\$2,700,000		2.125%	30 yrs.
Ree Heights (DW-02)	Distribution System Replacement	\$432,000	\$432,000	0%	-
Saint Lawrence (DW-01)	Water System Improvements	\$1,148,000	\$1,030,000	2.125%	30 yrs.
Springfield (DW-01)	Water Treatment Plant Replacement	\$2,000,000	\$2,000,000	0%	-
Valley Springs (DW-01)	Utilities Improvements	\$1,603,000		2.125%	30 yrs.
Volga (DW-01)	Water Tower Construction	\$2,790,000		2.00%	20 yrs.
Webster (DW-03)	Water Line Replacement	\$5,031,000	\$1,400,000	1.625%	30 yrs.
Wolsey (DW-03)	Pumphouse Replacement	\$326,000		1.625%	30 yrs.
TOTAL		\$37,839,000	\$7,915,000		

* Amendment to a previously awarded loan

Beginning on page 80, additional information regarding the historical activity of the Drinking Water SRF Program is provided.

STATE REVOLVING FUND
FINANCIAL STATEMENTS
(Unaudited)

**SOUTH DAKOTA BOARD OF WATER AND NATURAL RESOURCES
 CLEAN WATER STATE REVOLVING FUND
 STATEMENT OF NET POSITION
 For the Fiscal Year Ended June 30, 2020**

Assets	
Current Assets:	
Cash and Cash Equivalents	\$ 105,623,805.21
Investments	14,131,747.03
Due from Federal Government	350,861.71
Due from Other Governments	424,663.79
Accrued Interest Receivable	3,050,846.07
Loans Receivable	21,513,234.34
Total Current Assets	145,095,158.15
Noncurrent Assets:	
Investments	88,217,626.90
Net Pension Assets	1,272.00
Loans Receivable	276,937,582.94
Total Noncurrent Assets	365,156,481.84
Total Assets	510,251,639.99
Deferred Outflows of Resources	
Related to Pensions	66,338.00
Deferred Charge on Refunding	5,677,348.50
Total Deferred Outflows of Resources	5,743,686.50
Liabilities	
Current Liabilities:	
Accounts Payable	160,796.58
Accrued Liabilities	17,912.49
Compensated Absences Payable	30,685.32
Accrued Interest Payable	4,254,879.10
Cost of Issuance Payable	252,314.09
Bonds Payable - net of unamortized premium and discount	15,284,709.60
Total Current Liabilities	20,001,297.18
Noncurrent Liabilities:	
Compensated Absences Payable	27,069.83
Arbitrage Payable	34,371.28
Bonds Payable - net of unamortized premium and discount	235,779,604.11
Total Noncurrent Liabilities	235,841,045.22
Total Liabilities	255,842,342.40
Deferred Inflows of Resources	
Related to Pensions	25,918.00
Total Deferred Inflows of Resources	25,918.00
Net Position	
Restricted For Pension Obligations	41,692.00
Unrestricted	260,085,374.09
Total Net Position	\$ 260,127,066.09
The notes to the financial statements are an integral part of this statement.	

**SOUTH DAKOTA BOARD OF WATER AND NATURAL RESOURCES
 CLEAN WATER STATE REVOLVING FUND
 STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
 For the Fiscal Year Ended June 30, 2020**

Operating Revenues:		
Loan Interest Income		\$ 5,723,622.87
Other Income		1,676,844.67
Total Operating Revenues		<u>7,400,467.54</u>
Operating Expenses:		
Administrative Expenses		
Personal Services	258,722.51	
Employee Benefits	110,900.56	
Travel	6,222.87	
Contractual	442,049.44	
Supplies	101.20	
Grants	879,879.96	
Other	130.36	
Total Administrative Expenses		1,698,006.90
Loan Principal Forgiveness Expense		2,777,577.00
Bond Issuance Costs		252,314.09
Interest Expense		8,749,748.38
Total Operating Expenses		<u>13,477,646.37</u>
Operating Income (Loss)		(6,077,178.83)
Nonoperating Revenue (Expenses):		
Federal Capitalization Grants		11,575,417.69
Other Income		430,509.50
Investment Income		5,832,053.44
Arbitrage Expense		(34,371.28)
Payments to State		(43,915.85)
Total Nonoperating Revenues (Expenses)		<u>17,759,693.50</u>
Change in Net Position		11,682,514.67
Net Position at Beginning of Year		<u>248,444,551.42</u>
Net Position at End of Year		<u>\$ 260,127,066.09</u>
The notes to the financial statements are an integral part of this statement.		

**SOUTH DAKOTA BOARD OF WATER AND NATURAL RESOURCES
 CLEAN WATER STATE REVOLVING FUND
 STATEMENT OF CASH FLOWS
 For the Fiscal Year Ended June 30, 2020**

Cash Flows from Operating Activities:		
Receipts for Loan Repayments	\$ 30,973,135.51	
Receipts for Interest Income on Loans	5,703,728.36	
Receipts for Surcharge Interest on Loans	1,673,489.20	
Payments to Loan Recipients	(43,360,298.00)	
Payments for Employee Services	(343,816.11)	
Payments for Contractual Services	(400,560.30)	
Payment for Grants	(846,861.75)	
Payments for Principal Forgiveness	(2,777,577.00)	
Other Payments	(7,637.44)	
Net Cash Provided (Used) by Operating Activities		(9,386,397.53)
Cash Flows from Noncapital Financing Activities:		
Payments to State	(43,915.85)	
Principal Payments on Bonds	(13,130,000.00)	
Interest Payments on Bonds	(10,766,717.54)	
Receipts for Administering Program	11,551,034.00	
Other Income	430,509.50	
Net Cash Provided (Used) by Noncapital Financing Activities		(11,959,089.89)
Cash Flows from Investing Activities:		
Interest on Investments	6,745,512.13	
Proceeds from Sale of Investment Securities	83,079,541.56	
Purchase of Investment Securities	(23,530,652.18)	
Net Cash Provided (Used) by Investing Activities		66,294,401.51
Net Increase (Decrease) in Cash and Cash Equivalents		44,948,914.09
Cash and Cash Equivalents at Beginning of Year		60,674,891.12
Cash and Cash Equivalents at End of Year		<u>\$ 105,623,805.21</u>
Reconciliation of Operating Income to Net		
Cash Provided (Used) by Operating Activities		
Operating Income (Loss)		\$ (6,077,178.83)
Adjustments to Reconcile Net Income to Net Cash		
Provided (Used) by Operating Activities:		
Interest Expense	8,749,748.38	
Bond Issuance Expense	252,314.09	
Assets: (Increase)/Decrease		
Loans Receivable	(12,387,162.58)	
Accrued Interest Receivable on Loans	(19,894.43)	
Due from Other Governments	(3,355.47)	
Net Pension Assets	(963.00)	
Decrease/(Increase) in Deferred Outflows of Resources:		
Deferred Outflows of Resources - Related to Pensions	41,852.00	
Liabilities: Increase/(Decrease)		
Accounts Payable	73,324.35	
Accrued Employee Benefits	(14,194.75)	
Accrued Liabilities	(3,338.29)	
Increase/(Decrease) in Deferred Inflows of Resources:		
Deferred Inflows of Resources - Related to Pensions	2,451.00	
Total Adjustments		(3,309,218.70)
Net Cash Provided by Operations		<u>\$ (9,386,397.53)</u>
The notes to the financial statements are an integral part of this statement.		

**SOUTH DAKOTA BOARD OF WATER AND NATURAL RESOURCES
CLEAN WATER STATE REVOLVING FUND
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2020**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Authorizing Legislation

The 1988 South Dakota Legislature authorized the State Water Pollution Control Revolving Loan Fund Program, also known as the Clean Water State Revolving Fund (CWSRF) Loan Program. Additionally, the legislature appropriated \$1,200,000 and directed the South Dakota Conservancy District (SDCD) to administer the program. The SDCCD was created by the Legislature under Chapter 46A-2 of the South Dakota Codified Law as a body politic and corporate for the purpose of constructing water resource facilities for the conservation, storage, distribution and utilization of water for municipal purposes within the State of South Dakota. The SDCCD bonds do not constitute a debt of the State of South Dakota, or a pledge of the faith and credit of the State. Because the State of South Dakota is able to impose its will over the SDCCD and the governing body is substantively the same as the governing body of the primary government, it is considered a blended component unit and, as such, the accompanying financial statements are included in the Comprehensive Annual Financial Report of the State of South Dakota. The Department of Environment and Natural Resources performs all of the functions of the South Dakota Conservancy District, except for quasi-legislative, quasi-judicial, advisory, and special budgetary functions, which are performed by the Board of Water and Natural Resources acting in its capacity as the Conservancy District. The CWSRF is a low interest loan program to finance the construction of wastewater facilities, storm sewers and non-point source pollution control projects. The program was created by the 1987 Clean Water Act amendments. Funds are provided to the states in the form of capitalization grants awarded annually through the United States Environmental Protection Agency. The federal capitalization grants are matched by state funds at a ratio of 5:1.

B. Fund Accounting

The CWSRF is accounted for as an enterprise fund. An enterprise fund is a proprietary fund type used to report an activity for which a fee is charged to external users for goods or services.

C. Basis of Accounting

The CWSRF follows the accrual basis of accounting. This method of accounting recognizes the financial effect of transactions, events, and interfund activities when they occur, regardless of the timing of related cash flows.

D. Cash and Cash Equivalents

For purposes of the accompanying statement of net position and statement of cash flows all highly liquid investments with original maturities of 90 days or less are considered to be cash equivalents.

E. Investments

Investments are reported at fair value except for Guaranteed Investment Contracts, which are nonparticipating and, therefore, are recorded at carrying value. Unrealized gains and losses due to fluctuations in market value are included in investment income.

F. Premiums and Deferred Amounts on Refunding

Premiums and the deferred amount of refunding on bonds are amortized using the straight line method over the life of the bonds to which they relate.

G. Revenue and Expense Recognition

Enterprise funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering items in connection with an enterprise fund's principal ongoing operations. The CWSRF records all revenues derived from interest on loans as operating revenues since these revenues are generated from the CWSRF's daily operations needed to carry out its purpose. Operating expenses include grants and subsidies, and contractual service expenses related to the administration of the CWSRF program.

H. Federal Capitalization Grant

Federal capitalization grants reported as nonoperating income in the statement of revenues, expenses, and changes in fund net position is a federally funded loan program. Information about the program is as follows:

CFDA Number:	66.458
Federal Agency:	Environmental Protection Agency
Program:	Clean Water State Revolving Fund
State Agency:	Environment & Natural Resources
Outstanding Loans:	\$298,450,817
Current Year	
Administrative Expense:	\$440,222
Loan Disbursement:	\$46,137,875

I. Net Position

Net Position is classified in the following two components:

- Restricted - Consists of net position with constraints placed on their use by (1) Master Trust Indenture and (2) law through enabling legislation.
- Unrestricted - Consists of net position that does not meet the definition of net investment in capital assets or restricted.

J. Pension

For purposes of measuring the net pension liability (asset), deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the South Dakota Retirement System (SDRS) and additions to/deletions from SDRS's fiduciary net position have been determined on the

same basis as they are reported by SDRS. Clean Water SRF contributions and net pension liability (asset) are recognized on an accrual basis of accounting.

2. CASH AND INVESTMENTS

Cash

Cash and Cash Equivalents at the end of FY20 consisted of Federated Government Obligations Funds. The South Dakota Conservancy District has adopted an Investment Policy to supplement the provisions of the Master Trust Indenture, various Series Resolutions and supplemental indentures and certain tax regulatory agreements related to the investment of funds.

Federated Government Obligations Fund was rated AAAm by Standard and Poor's Rating Group and as of 6/30/20 had a total annualized return of 1.28%.

Investments

Investments must be categorized within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the assets. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

US Bank which serves as trustee to the CWSRF uses a pricing service, FT Interactive, to value investments. FT Interactive uses market approach pricing which utilizes models and pricing systems as well as mathematical tools and pricing analyst judgment. All CWSRF investments are priced by this service, which is not quoted prices in an active market, but rather significant other observable inputs; therefore, the investments are categorized as Level 2.

Interest Rate Risk: Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The maturities of the investments as of June 30, 2020 are listed below.

Level 2

Investment	Maturities	Fair Value
US Treasury Bonds	07/31/2020	\$ 1,502,265
US Treasury Bonds	08/31/2020	250,495
US Treasury Bonds	09/30/2020	249,740
US Treasury Bonds	10/31/2020	3,026,670
US Treasury Bonds	11/15/2020	2,765,785
US Treasury Bonds	12/15/2020	1,511,595
US Treasury Bonds	01/15/2021	504,885
US Treasury Bonds	02/15/2021	1,532,220
US Treasury Bonds	03/31/2021	1,269,437
US Treasury Bonds	04/30/2021	1,017,190
		<u>\$ 13,630,282</u>

Investment	Maturities	Fair Value
Federal Agency Bonds	09/28/2020	\$ 501,465
		<u>\$ 501,465</u>

Credit Risk: Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations to the CWSRF.

Excluding investments explicitly guaranteed by the U.S. Government which are not considered to have credit risk, the CWSRF held Federal Agency Bonds with a fair value of \$501,465 which were rated AAA by Moody's Investor Services.

Custodial Credit Risk: Custodial credit risk is the risk that in the event of a bank failure, the Clean Water State Revolving Fund's investments may not be returned. As of June 30, 2020, \$88,217,627 of guaranteed investment contracts were uninsured and unregistered, with the securities held by its trust department, but not in the CWSRF's name and, as a result, were exposed to custodial credit risk. Also, investments were made in US Treasury Bonds with a market value of \$13,630,282 and in Federal Agency Bonds with a market value of \$501,465 were exposed to custodial credit risk.

Guaranteed Investment Contracts (GICS):

The CWSRF holds the following GICS where the rate of return is guaranteed.

	<u>Maturities</u>	<u>Contract Value</u>
Guaranteed Investment Contract	8/01/2025	\$17,264,687
Guaranteed Investment Contract	8/01/2026	70,952,940
		<u>\$88,217,627</u>

The South Dakota State Revolving Fund Master Trust Indenture requires any investment agreement to be with a guarantor whose long-term rating category is no lower than the two highest long-term rating categories. The investment is rated by Moody's Investors Service. The ratings for Guaranteed Investment Contracts are as follows:

<u>Moody's Rating</u>	<u>Contract Value</u>
Baa1*	<u>\$ 88,217,627</u>

* These guarantor's ratings are below the acceptable rating category (i.e., below Moody's Aa3). The Guaranteed Investment Contract investments have been fully collateralized with government securities in accordance with the provisions of Guaranteed Investment Contracts. These fully collateralized investments have a fair value that equates to contract value.

3. LOANS RECEIVABLE

Loans receivable consist of loans made to local governments through a loan agreement. In order for a borrower to receive a loan, evidence must be shown that the principal and interest of the loan will be repaid. Therefore, each local government must show the ability to impose utility rates, levy special assessments or collect sales taxes that will generate enough revenue to equal at least 110% of the annual principal and interest on the loan. Loans made from the CWSRF may be made at or below market interest rates and shall be fully amortized within thirty years of the date which is not more than one year following completion of the project financed. Interest rates are reduced for those loans shorter than thirty years. Of the \$298,450,817 loan receivable balance, \$17,002,166 is a long term receivable balance and \$993,948 is a short term receivable balance for the Ellsworth Development Authority which is a component unit of the State of South Dakota.

The allowance for doubtful accounts is determined principally on the basis of loans that are in default. Receivables are reported at the gross amount and an allowance for doubtful accounts would reduce loan receivables by the outstanding loan balances that are in default. As of June 30, 2020, the District has no loans that are in default. Loans in default would be expensed only after it has been determined the collection process has been exhausted and all legal actions have been finalized.

On July 13, 2020, the District received a letter from a borrower indicating the potential risk of default. As of June 30, 2020, the borrower had an outstanding loan balance of \$1,481,559. The borrower made their quarterly, July 15, 2020 payment.

4. LONG-TERM DEBT

The revenue bond issues outstanding as of June 30, 2020 are as follows:

Issue	Interest Rate	Maturity Through FY	Principal Balance
Series 2010AB			
Build America Bonds (BABs)			
State Match	4.084% - 5.646%	2031	\$ 2,375,000
Leveraged	4.084% - 5.646%	2031	23,110,000
Tax Exempt Bonds			
State Match	5.125%	2030	323,544
Leveraged	5.125%	2030	3,230,441
Series 2012A			
Taxable Bonds			
State Match	1.648% - 3.183%	2027	700,000
Leveraged	1.648% - 3.183%	2027	18,445,000
Series 2012B			
Tax Exempt Bonds			
State Match	4.000% - 5.000%	2023	285,000
Leveraged	4.000% - 5.000%	2031	9,225,000
Series 2014B			
Tax Exempt Bonds			
Leveraged	5.000%	2035	37,200,000
Series 2017A			
Taxable Bonds			
State Match	1.410% - 2.149%	2023	4,245,000
Series 2017B			
Tax Exempt Bonds			
State Match	5.00%	2030	995,000
Leveraged	3.00%-5.00%	2038	61,630,000
Series 2018			
Tax Exempt Bonds			
Leveraged	5.00%	2039	56,190,000
Total			217,953,985
Add: Unamortized Bond Premium			33,110,329
Total Net of Amortization			<u>\$ 251,064,314</u>

Future bond payments and future interest payments remaining as of June 30, 2020 are as follows:

Year Ended June 30	Principal	Interest	Total Principal and Interest
2021	\$ 13,115,000	\$ 9,979,356	\$ 23,094,356
2022	14,685,000	9,455,467	24,140,467
2023	15,335,000	8,841,632	24,176,632
2024	14,075,000	8,202,165	22,277,165
2025	14,560,000	7,551,916	22,111,916
2026-2030	67,658,985	27,688,785	95,347,770
2031-2035	54,275,000	12,406,425	66,681,425
2036-2040	24,250,000	2,293,750	26,543,750
TOTAL	\$ 217,953,985	\$ 86,419,496	\$ 304,373,481

Changes in long-term liabilities

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Revenue Bonds	\$ 231,083,985	\$ 0	\$ (13,130,000)	\$ 217,953,985	\$ 13,115,000
Add: Bond Premium	35,280,039	0	(2,169,710)	33,110,329	2,169,710
Total	266,364,024	0	(15,299,710)	251,064,314	15,284,710
Compensated Absences	71,950	0	(14,194)	57,756	30,685
Long-Term Liabilities	<u>\$ 266,435,974</u>	<u>\$ 0</u>	<u>\$15,285,516</u>	<u>\$ 251,122,070</u>	<u>\$ 15,315,395</u>

5. REFUNDED BONDS

The SDCD entered into a refunding whereby refunding bonds have been issued to facilitate defeasance of the District's obligation with respect to certain bond issues. The proceeds of the refunding issues have been placed in irrevocable escrow accounts and invested in U.S. Treasury obligations that, together with interest earned thereon, will provide amounts sufficient for future payments of interest and principal on the issues being refunded. Refunded bonds and the related assets held in the trust are not included in the accompanying financial statements since the District has satisfied its obligations with respect thereto through consummation of the refunding transactions.

The 2017A refunding portion had an average interest rate of 1.73 percent which was used to refund \$725,000 of outstanding Taxable Series 2012B bonds with an average interest rate of 4.34 percent. The Series 2017B refunding portion had an average interest rate of 4.98 percent which was used to refund \$26,190,000 Tax-exempt Series 2012B bonds and \$5,186,015 Tax-exempt Series 2010B bonds with an average interest rate of 5.03 percent. The net proceeds of the refunding portion of \$36,727,046 were deposited in an irrevocable trust with an escrow agent to provide for all the future debt service payments on the refunded portions. As a result, the refunded portion bonds are considered to be defeased and the liability for those bonds has been removed from the Statement of Net Position.

The advanced refunding resulted in a difference between the reacquisition price and the net carrying amount of the old debt of \$4,626,031. This difference is being charged to operations through 2032 using the effective-interest method. The District completed the advanced refunding for a net economic gain of \$2,810,001. The difference between the cash flows of the refunded bonds and the refunding bonds is a \$3,472,275 reduction in debt service payments.

Fully defeased bonds not yet paid to bondholders as of June 30, 2020, are as follows:

Bond Issues	Year of Defeasance	Original Amount Defeased
Series 2012B (01)	2018	\$ 725,000
Series 2010B (08)	2018	5,186,015
Series 2012B	2018	26,190,000
		<u>\$ 32,101,015</u>

Series 2010B (08) that was escrowed will be called on August 1, 2020.
 Series 2012B (01) and Series 2012B that were escrowed will be called on August 1, 2022.

6. COMMITMENTS

As of June 30, 2020, the CWSRF had loan commitments with borrowers worth \$134,757,746.

7. PENSION PLAN

The Department of Environment and Natural Resources, (DENR), participates in the South Dakota Retirement System (SDRS), a cost-sharing, multiple-employer defined benefit pension plan established to provide retirement, disability, and survivor benefits for employees of the State and its political subdivisions. Authority for establishing, administering, and amending plan provisions is found in SDCL 3-12. The SDRS issues a publicly available financial report that includes financial statements, footnote disclosures, and required supplementary information. That report may be obtained by contacting the SDRS in writing at South Dakota Retirement System, P.O. Box 1098, Pierre, SD 57501-1098 or by calling (605) 773-3731. Additionally, the State of South Dakota's Comprehensive Annual Financial Report (CAFR) will report the State's proportionate share of the plan. The CAFR can be obtained by writing to the Department of Legislative Audit, 427 South Chapelle, c/o 500 East Capitol, Pierre, South Dakota 57501 or by calling (605)773-3595.

State law requires employees to contribute 6 percent of their salary to the plan and the employer to contribute an amount equal to the employee's contribution. The right to receive retirement benefits vests after three years of credited service. DENR contributions to the SDRS for the fiscal years ended June 30, 2020, 2019, and 2018 were \$17,696, \$17,871, and \$19,155, respectively, equal to the required contributions each year.

The net pension asset was measured as of June 30, 2020 and the estimated SDRS was 100% funded. At June 30, 2020, CWSRF reported an asset of \$1,272 for its proportionate share of the net pension asset. At June 30, 2020, deferred outflows of resources and deferred inflows of resources related to pensions were reported from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 4,991	\$ 576
Changes in assumption	43,940	18,013
Net difference between projected and actual earnings on pension plan investments		7,329
Changes in Proportionate Share	2,336	-
Contributions after the measurement date	15,071	-
Total	<u>\$ 66,338</u>	<u>\$ 25,918</u>

8. ANNUAL AND SICK LEAVE ACCRUAL

All employees earn annual leave. Upon termination, employees are eligible to receive compensation for their accrued annual leave balances. At June 30, 2020, a liability existed for accumulated annual leave calculated at the employee's June 30, 2020 pay rate in the amount of \$24,217. Employees who have been continuously employed by the State of South Dakota for at least seven years prior to the date of their retirement, voluntary resignation or death will receive payment for one-fourth of their accumulated sick leave balance. This payment is not to exceed the sum of twelve weeks of employee's annual compensation. At June 30, 2020, a liability existed for accumulated sick leave, calculated at each employee's June 30, 2020 pay rate in the amount of \$33,539. The total leave liability of \$57,756 at June 30, 2020 is shown as a liability on the balance sheet.

9. RISK MANAGEMENT

The Board of Water and Natural Resources and the Department of Environment and Natural Resources are exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Department participates in the various programs administered by the State of South Dakota. These risk management programs are funded through assessments charged to participating entities. The risk management programs include; 1) coverage for risks associated with automobile liability and general tort liability (including public officials' errors

and omissions liability, medical malpractice liability, law enforcement liability, and products liability) through the State's Public Entity Pool for Liability Fund, 2) coverage of employee medical claims through the State's health insurance program, 3) coverage for unemployment benefits through the State's Unemployment Insurance Fund, and, 4) coverage for workers' compensation benefits through the State's Workers' Compensation Fund, 5) coverage for property loss through the South Dakota Property and Casualty Insurance Company, LLC. Financial information relative to the self-insurance funds administered by the State is presented in the State of South Dakota Comprehensive Annual Financial Report.

10. SUBSEQUENT EVENTS

On July 1, 2020, the South Dakota Conservancy District issued its State Revolving Fund Program Bonds, Series 2020 consisting of \$76,310,000 principal amount of Tax-exempt Revenue Bonds. The following is a summary of the estimated sources and uses of the Clean Water Series 2020 Bonds:

Sources:

Bond Proceeds (Par)	\$ 76,310,000
Premium	24,225,263
Total Sources of Funds	<u>\$ 100,535,263</u>

Uses:

Deposit to Clean Water Leveraged Loan Fund	\$ 100,000,000
Cost of Issuance	256,603
Underwriter's Discount	278,660
Total Uses of Funds	<u>\$ 100,535,263</u>

**SOUTH DAKOTA BOARD OF WATER AND NATURAL RESOURCES
DRINKING WATER STATE REVOLVING FUND
STATEMENT OF NET POSITION
For the Fiscal Year Ended June 30, 2020**

Assets	
Current Assets:	
Cash and Cash Equivalents	\$ 54,725,922.26
Investments	7,798,941.56
Due from Federal Government	348,320.37
Due from Other Governments	161,076.71
Accrued Interest Receivable	1,850,868.31
Loans Receivable	10,400,864.58
Total Current Assets	75,285,993.79
Noncurrent Assets:	
Investments	57,716,124.77
Net Pension Assets	2,097.00
Loans Receivable	178,960,260.42
Total Noncurrent Assets	236,678,482.19
Total Assets	311,964,475.98
Deferred Outflows of Resources	
Related to Pensions	108,191.00
Deferred Charge on Refunding	1,630,055.54
Total Deferred Outflows of Resources	1,738,246.54
Liabilities	
Current Liabilities:	
Accounts Payable	137,297.39
Accrued Liabilities	32,325.25
Compensated Absences Payable	47,822.70
Accrued Interest Payable	1,673,319.39
Bonds Payable - net of unamortized premium and discount	8,141,044.65
Total Current Liabilities	10,031,809.38
Noncurrent Liabilities:	
Compensated Absences Payable	42,188.04
Arbitrage Payable	1,267,571.31
Bonds Payable - net of unamortized premium and discount	92,097,101.94
Total Noncurrent Liabilities	93,406,861.29
Total Liabilities	103,438,670.67
Deferred Inflows of Resources	
Related to Pensions	42,723.00
Total Deferred Inflows of Resources	42,723.00
Net Position	
Restricted For Pension Obligations	67,565.00
Unrestricted	210,153,763.85
Total Net Position	\$ 210,221,328.85
The notes to the financial statements are an integral part of this statement.	

**SOUTH DAKOTA BOARD OF WATER AND NATURAL RESOURCES
DRINKING WATER STATE REVOLVING FUND
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
For the Fiscal Year Ended June 30, 2020**

Cash Flows from Operating Activities:		
Receipts for Loan Repayments	\$ 11,431,305.81	
Receipts for Interest Income on Loans	3,993,013.79	
Receipts for Surcharge Interest on Loans	1,006,814.31	
Payments to Loan Recipients	(24,079,576.00)	
Payments for Employee Services	(538,580.46)	
Payments for Contractual Services	(622,392.13)	
Payment for Grants	(168,385.14)	
Payments for Principal Forgiveness	(3,712,977.00)	
Other Payments	(9,083.79)	
Net Cash Provided (Used) by Operating Activities		(12,699,860.61)
Cash Flows from Noncapital Financing Activities:		
Payments to State	(68,839.51)	
Principal Payments on Bonds	(8,575,000.00)	
Interest Payments on Bonds	(4,359,894.56)	
Receipts for Administering Program	11,190,658.00	
Other Income	209,463.01	
Net Cash Provided (Used) by Noncapital Financing Activities		(1,603,613.06)
Cash Flows from Investing Activities:		
Interest on Investments	4,218,407.01	
Proceeds from Sale of Investment Securities	44,757,500.31	
Purchase of Investment Securities	(14,214,653.92)	
Net Cash Provided (Used) by Investing Activities		34,761,253.40
Net Increase (Decrease) in Cash and Cash Equivalents		20,457,779.73
Cash and Cash Equivalents at Beginning of Year		34,268,142.53
Cash and Cash Equivalents at End of Year		<u>\$ 54,725,922.26</u>
Reconciliation of Operating Income to Net		
Cash Provided (Used) by Operating Activities		
Operating Income (Loss)		\$ (3,879,758.33)
Adjustments to Reconcile Net Income to Net Cash		
Provided (Used) by Operating Activities:		
Interest Expense	3,730,342.51	
Assets: (Increase)/Decrease		
Loans Receivable	(12,648,270.19)	
Accrued Interest Receivable on Loans	(24,195.92)	
Due from Other Governments	(8,853.85)	
Net Pension Assets	(1,634.00)	
Decrease/(Increase) in Deferred Outflows of Resources:		
Deferred Outflows of Resources - Related to Pensions	56,162.00	
Liabilities: Increase/(Decrease)		
Accounts Payable	80,775.11	
Accrued Employee Benefits	(10,146.46)	
Accrued Liabilities	(1,856.48)	
Increase/(Decrease) in Deferred Inflows of Resources:		
Deferred Inflows of Resources - Related to Pensions	7,575.00	
Total Adjustments		(8,820,102.28)
Net Cash Provided by Operations		<u>\$ (12,699,860.61)</u>
The notes to the financial statements are an integral part of this statement.		

**SOUTH DAKOTA BOARD OF WATER AND NATURAL RESOURCES
DRINKING WATER STATE REVOLVING FUND
STATEMENT OF CASH FLOWS
For the Fiscal Year Ended June 30, 2020**

Cash Flows from Operating Activities:		
Receipts for Loan Repayments	\$ 11,431,305.81	
Receipts for Interest Income on Loans	3,993,013.79	
Receipts for Surcharge Interest on Loans	1,006,814.31	
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Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities		
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Accrued Liabilities	(1,856.48)	
Increase/(Decrease) in Deferred Inflows of Resources:		
Deferred Inflows of Resources - Related to Pensions	7,575.00	
Total Adjustments		(8,820,102.28)
Net Cash Provided by Operations		<u>\$ (12,699,860.61)</u>
The notes to the financial statements are an integral part of this statement.		

**SOUTH DAKOTA BOARD OF WATER AND NATURAL RESOURCES
DRINKING WATER STATE REVOLVING FUND
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2020**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Authorizing Legislation

The Drinking Water State Revolving Fund (DWSRF) Loan Program was federally authorized by the Safe Drinking Water Act Amendments of 1996. The state authorized the loan program in 1994 in anticipation of federal action. The Environmental Protection Agency (EPA) developed final guidance for the Drinking Water State Revolving Fund on February 28, 1997. The Board of Water and Natural Resources, acting in its capacity as the South Dakota Conservancy District, conducted a public hearing on April 15, 1997 to adopt formal administrative rules for the program. The South Dakota Conservancy District (SDCD) was created by the Legislature under Chapter 46A-2 of the South Dakota Codified Law as a body politic and corporate for the purpose of constructing water resource facilities for the conservation, storage, distribution and utilization of water for municipal purposes within the State of South Dakota. The SDCD bonds do not constitute a debt of the State of South Dakota or a pledge of the faith and credit of the State. Because the State of South Dakota is able to impose its will over the SDCD and the governing body is substantively the same as the governing body of the primary government, it is considered a blended component unit and, as such, the accompanying financial statements are included in the Comprehensive Annual Financial Report of the State of South Dakota. The Department of Environment and Natural Resources performs all of the functions of the South Dakota Conservancy District, except for quasi-legislative, quasi-judicial, advisory, and special budgetary functions, which are performed by the Board of Water and Natural Resources acting in its capacity as the Conservancy District. The DWSRF is a low interest loan program to finance drinking water projects. Funds are provided to the states in the form of capitalization grants awarded annually through the United States Environmental Protection Agency. The federal capitalization grants are matched by state funds at a ratio of 5:1.

B. Fund Accounting

The DWSRF is accounted for as an enterprise fund. An enterprise fund is a proprietary fund type used to report an activity for which a fee is charged to external users for goods or services.

C. Basis of Accounting

The DWSRF follows the accrual basis of accounting. This method of accounting recognizes the financial effect of transactions, events and interfund activities when they occur, regardless of the timing of related cash flows.

D. Cash and Cash Equivalents

For purposes of the accompanying statement of net position and statement of cash flows all highly liquid investments with original maturities of 90 days or less are considered to be cash equivalents.

E. Investments

Investments are reported at fair value except for Guaranteed Investment Contracts, which are non-participating and, therefore, are recorded at carrying value. Unrealized gains and losses due to fluctuations in market value are included in investment income.

F. Premium and Deferred Amount on Refunding

Premiums and the deferred amount on refunding on bonds are amortized using the straight line method over the life of the bonds to which they relate.

G. Revenue and Expense Recognition

Enterprise funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering items in connection with an enterprise fund's principal ongoing operations. The DWSRF records all revenues derived from interest on loans as operating revenues since these revenues are generated from the DWSRF's daily operations needed to carry out its purpose. Operating expenses include grants and subsidies, and contractual service expenses related to the administration of the DWSRF program.

H. Federal Capitalization Grant

Federal capitalization grants reported as nonoperating income in the statement of revenues, expenses, and changes in fund net position is a federally funded loan program. Information about the program is as follows:

CFDA Number:	66.468
Federal Agency:	Environmental Protection Agency
Program:	Drinking Water State Revolving Fund
State Agency:	Environment & Natural Resources
Outstanding Loans:	\$189,361,125
Current Year	
Administrative Expense:	\$914,115
Loan Disbursement:	\$27,792,553

I. Net Position

Net Position is classified in the following two components:

- Restricted - Consists of net position with constraints placed on their use by (1) Master Trust Indenture and (2) law through enabling legislation.
- Unrestricted - Consists of net position that does not meet the definition of net investment in capital assets or restricted.

J. Pension

For purposes of measuring the net pension liability (asset), deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the South Dakota Retirement System (SDRS) and additions to/deletions from SDRS's fiduciary net position have been determined on the same basis as they are reported by SDRS. Drinking Water SRF contributions and net pension liability (asset) are recognized on an accrual basis of accounting.

2. CASH AND INVESTMENTS

Cash

Cash and Cash Equivalents at the end of FY20 consisted of Federated Government Obligations Funds. The South Dakota Conservancy District has adopted an Investment Policy to supplement the provisions of the Master Trust Indenture, various Series Resolutions and supplemental indentures and certain tax regulatory agreements related to the investment of funds.

Federated Government Obligations Fund was rated "AAAm by Standard and Poor's Rating Group and as of 6/30/20 had a total annualized return of 1.28%.

Investments

Investments must be categorized within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the assets. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

US Bank which serves as trustee to the DWSRF uses a pricing service, FT Interactive to value investments. FT Interactive uses market approach pricing which utilizes models and pricing systems as well as mathematical tools and pricing analyst judgement. All DWSRF investments are priced by this service, which is not quoted prices in the active market, but rather significant other observable inputs; therefore, the investments are categorized as Level 2.

Interest Rate Risk: Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The maturities of the investments as of June 30, 2020 are listed below.

Level 2

<u>Investment</u>	<u>Maturities</u>	<u>Fair Value</u>
US Treasury Bonds	08/31/2020	\$ 1,252,475
US Treasury Bonds	09/30/2020	499,479
US Treasury Bonds	11/15/2020	1,005,740
US Treasury Bonds	12/15/2020	1,763,528
US Treasury Bonds	01/15/2021	1,009,770
US Treasury Bonds	02/15/2021	255,370
US Treasury Bonds	03/31/2021	253,888
US Treasury Bonds	04/30/2020	254,297
		<u>\$ 6,294,547</u>

<u>Investment</u>	<u>Maturities</u>	<u>Fair Value</u>
Federal Agency Bonds	09/28/2020	\$ 1,504,395
		<u>\$ 1,504,395</u>

Credit Risk: Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations to the DWSRF.

Excluding investments explicitly guaranteed by the U.S. Government which are not considered to have credit risk, the DWSRF held Federal Agency Bonds with a fair value of \$1,504,395 which were rated AAA by Moody's Investor Services.

Custodial Credit Risk: Custodial credit risk is the risk that in the event of a bank failure, the Drinking Water State Revolving Fund's investments may not be returned. At June 30, 2020, \$57,716,125 of guaranteed investment contracts was uninsured and unregistered, with the securities held by its trust department, but not in the DWSRF's name and, as a result, were exposed to custodial credit risk. Also, investments made in US Treasury Bonds with a market value of \$6,294,547 and in Federal Agency Bonds with a market value of \$1,504,395 were exposed to custodial credit risk.

Guaranteed Investment Contracts (GICS):

The DWSRF holds the following GICS where the rate of return is guaranteed.

	<u>Maturities</u>	<u>Contract Value</u>
Guaranteed Investment Contract	8/01/2025	\$ 45,319,567
Guaranteed Investment Contract	8/01/2026	12,396,558
		<u>\$ 57,716,125</u>

The South Dakota State Revolving Fund Master Trust Indenture requires any investment agreement to be with a guarantor whose long-term rating category is no lower than the two highest long-term rating categories. The investment is rated by Moody's Investors Service. The ratings for Guaranteed Investment Contracts are as follows:

<u>Moody's Rating</u>	<u>Contract Value</u>
Baa1*	<u>\$ 57,716,125</u>

*This guarantor's rating is below the acceptable rating category (i.e., below Moody's Aa3). This investment has been fully collateralized with government securities in accordance with the provisions of Guaranteed Investment Contracts. These fully collateralized investments have a fair value that equates to contract value.

3. LOANS RECEIVABLE

Loans receivable consist of loans made to local governments and nonprofit corporations through a loan agreement. In order for a borrower to receive a loan, evidence must be shown that the principal and interest of the loan will be repaid. Loans made from the DWSRF may be made at or below market interest rates and may be fully amortized up to thirty years. Disadvantaged Communities may be eligible for lower rates or even zero percent, and may be fully amortized up to thirty years. Interest rates are reduced for those loans with shorter amortization periods.

4. LONG-TERM DEBT

The Revenue bond issues outstanding as of June 30, 2020 are as follows:

Issue	Interest Rate	Maturity Through FY	Principal Balance
<hr/>			
Series 2010AB			
Build America Bonds (BABs)			
Leveraged	4.084% - 5.646%	2031	\$ 12,405,000
Tax Exempt Bonds			
State Match	2.000% - 5.125%	2030	799,493
Leveraged	2.000% - 5.125%	2030	2,121,522
Series 2012A			
Taxable Bonds			
State Match	1.648% - 3.183%	2027	2,565,000
Leveraged	1.648% - 3.183%	2027	11,145,000
Series 2014B			
Tax Exempt Bonds			
Leveraged	5.000%	2035	4,940,000
Series 2017A			
Taxable Bonds			
State Match	1.410% - 2.149%	2023	5,485,000

Series 2017B			
Tax Exempt Bonds			
State Match	5.000%	2030	1,035,000
Leveraged	5.000%	2038	11,395,000
Series 2018			
Tax Exempt Bonds			
Leveraged	5.000%	2039	38,315,000
Total			90,206,015
Add: Unamortized Premium			10,032,131
Total Net of Amortization			<u>\$ 100,238,146</u>

Future bond payments and future interest payments remaining as of June 30, 2020 are as follows:

Year Ended June 30	Principal	Interest	Total Principal and Interest
2021	\$ 7,515,000	\$ 3,899,955	\$ 11,414,955
2022	7,740,000	3,652,749	11,392,749
2023	8,140,000	3,378,968	11,518,968
2024	6,315,000	3,108,985	9,423,985
2025	6,425,000	2,848,259	9,273,259
2026-2030	23,816,015	10,669,171	34,485,186
2031-2035	16,995,000	5,432,467	22,427,467
2036-2040	13,260,000	1,313,000	14,573,000
TOTAL	<u>\$ 90,206,015</u>	<u>\$ 34,303,554</u>	<u>\$ 124,509,569</u>

Changes in long-term liabilities

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Revenue Bonds	\$ 98,781,015	\$ 0	\$ (8,575,000)	\$ 90,206,015	\$ 7,515,000
Add: Bond Premium	10,658,175	\$ 0	(626,045)	10,032,130	626,045
Total	109,439,190	0	(9,201,045)	100,238,145	8,141,045
Compensated Absences	100,157	0	(10,146)	90,011	47,823
Long-Term Liabilities	<u>\$ 109,539,347</u>	<u>\$ 0</u>	<u>\$ (9,211,191)</u>	<u>\$ 100,328,156</u>	<u>\$ 8,188,868</u>

5. REFUNDED BONDS

The SDCD entered into refunding whereby refunding bonds have been issued to facilitate defeasance of the District's obligation with respect to certain bond issues. The proceeds of the refunding issues have been placed in irrevocable escrow accounts and invested in U.S. Treasury obligations that, together with interest earned thereon, will provide amounts sufficient for future payments of interest and principal on the issues being refunded. Refunded bonds and the related assets held in the trust are not included in the accompanying financial statements since the District has satisfied its obligations with respect thereto through consummation of the refunding transactions.

The 2017A refunding portion had an average interest rate of 1.73 percent which was used to refund \$790,000 of outstanding Taxable 2012B bonds with an average interest rate of 4.34 percent. The 2017B refunding portion had an average interest rate of 4.98 percent which was used to refund \$4,253,985 Tax-exempt 2010B bonds with an average interest rate of 5.03 percent. The net proceeds of the refunding portion of \$5,543,839 were deposited in an irrevocable trust with an escrow agent to provide for all the future debt service payments on the refunded portions. As a result, the refunded portion bonds are considered to be defeased and the liability for those bonds has been removed from the Statement of Net Position.

The advanced refunding resulted in a difference between the reacquisition price and the net carrying amount of the old debt of \$499,854. This difference is being charged to operations through 2028 using the effective-interest method. The District completed the advanced refunding for a net economic gain of \$627,936. The difference between the cash flows of the refunded bonds and the refunding bonds is a \$765,664 reduction in debt service payments.

Fully defeased bonds not yet paid to bondholders as of June 30, 2020, are as follows:

Bond Issues	Year of Defeasance	Original Amount Defeased
Series 2012B (01)	2018	\$ 790,000
Series 2010B (08)	2018	4,253,985
		<u>\$ 5,043,985</u>

Series 2010B (08) that were escrowed will be called on August 1, 2020.

Series 2012B (01) that were escrowed will be called on August 1, 2022.

6. COMMITMENTS

As of June 30, 2020, the DWSRF had loan commitments with borrowers worth \$64,226,116.

7. PENSION PLAN

The Department of Environment and Natural Resources, (DENR), participates in the South Dakota Retirement System (SDRS), a cost-sharing, multiple-employer defined benefit pension plan established to provide retirement, disability, and survivor benefits for employees of the State and its political subdivisions. Authority for establishing, administering, and amending plan provisions is found in SDCL 3-12. The SDRS issues a publicly available financial report that includes financial statements, footnote disclosures, and required

supplementary information. That report may be obtained by contacting the SDRS in writing at South Dakota Retirement System, P.O. Box 1098, Pierre, SD 57501-1098 or by calling (605) 773-3731. Additionally, the State of South Dakota's Comprehensive Annual Financial Report (CAFR) will report the State's proportionate share of the plan. The CAFR can be obtained by writing to the Department of Legislative Audit, 427 South Chapelle, c/o 500 East Capitol, Pierre, South Dakota 57501 or by calling (605)773-3595.

State law requires employees to contribute 6 percent of their salary to the plan and the employer to contribute an amount equal to the employee's contribution. The right to receive retirement benefits vests after three years of credited service. DENR contributions to the SDRS for the fiscal years ended June 30, 2020, 2019, and 2018, were \$27,801.05, \$34,407.28, and \$33,400.12, respectively, equal to the required contributions each year.

The net pension liability was measured as of June 30, 2020, and the estimated SDRS is 100% funded. At June 30, 2020, the DWSRF reported an asset of \$2,097 for its proportionate share of the net pension asset. At June 30, 2020, deferred outflows of resources and deferred inflows of resources related to pensions were reported from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ 8,226	\$ 949
Changes in assumption	72,431	29,693
Net difference between projected and actual earnings on pension plan investments		12,081
Changes in Proportionate Share	3,850	-
Contributions after the measurement date	23,684	-
Total	<u>\$ 108,191</u>	<u>\$ 42,723</u>

8. ANNUAL AND SICK LEAVE ACCRUAL

All employees earn annual leave. Upon termination, employees are eligible to receive compensation for their accrued annual leave balances. At June 30, 2020, a liability existed for accumulated annual leave calculated at the employee's June 30, 2020, pay rate in the amount of \$37,002. Employees who have been continuously employed by the State of South Dakota for at least seven years prior to the date of their retirement, voluntary resignation or death will receive payment for one-fourth of their accumulated sick leave balance. This payment is not to exceed the sum of twelve weeks of employee's annual compensation. At June 30, 2020, a liability existed for accumulated sick leave, calculated at each employee's June 30, 2020, pay rate in the amount of \$53,009. The total leave liability of \$90,011 at June 30, 2020, is shown as a liability on the balance sheet.

9. RISK MANAGEMENT

The Board of Water and Natural Resources and the Department of Environment and Natural Resources are exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Department participates in the various programs administered by the State of South Dakota. These risk management programs are funded through assessments charged to participating entities. The risk management programs include; 1) coverage for risks associated with automobile liability and general tort liability (including public officials' errors and omissions liability, medical malpractice liability, law enforcement liability, and products liability) through the State's Public Entity Pool for Liability Fund, 2) coverage of employee medical claims through the State's health insurance program, 3) coverage for unemployment benefits through the State's Unemployment Insurance Fund, and, 4) coverage for workers' compensation benefits through the State's Workers' Compensation Fund, 5) coverage for property loss through the South Dakota Property and Casualty Insurance Company, LLC. Financial information relative to the self-insurance funds administered by the State is presented in the State of South Dakota Comprehensive Annual Financial Report.

SOUTH DAKOTA
CLEAN WATER STATE REVOLVING FUND
PROGRAM INFORMATION

CLEAN WATER SRF OVERVIEW

The Clean Water SRF program was created by the 1987 Clean Water Act amendments, and in 1988 the South Dakota legislature authorized the State Water Pollution Control Revolving Loan Fund program. The legislature also appropriated \$1,200,000 and directed the South Dakota Board of Water and Natural Resources to administer the program.

Since 1989, South Dakota’s Clean Water SRF program has received federal capitalization grants totaling \$202,930,200. In federal fiscal years 2002 and 2003, because of the demand on the drinking water program, the Clean Water SRF Capitalization Grants and state match were transferred to the Drinking Water SRF program. These grants amounted to \$12,978,600, with a corresponding state match of \$2,595,720. In 2009, the Clean Water SRF program received \$19,239,000 through the American Recovery and Reinvestment Act. Table 5 shows capitalization grants, state match, and leveraged funds for the Clean Water SRF program.

Through June 30, 2020, principal repayments from borrowers totaled \$340,480,332. Of this amount \$170,783,019 has been re-loaned or obligated for active loans. Principal repayments are also used for debt service on leveraged bonds. Interest payments from borrowers totaled \$88,370,184. These funds, coupled with investment earnings, have provided \$92,593,515 in loans or obligations for active loans. Interest payments are also used for debt service on State Match bonds.

As of June 30, 2020, the board has made 489 Clean Water loan awards totaling \$982,963,464. The Clean Water SRF loan portfolio begins on page 39 with a map showing the location of the borrowers. Table 6, beginning on page 40, provides the loan amount, date, and terms. Table 7, beginning on page 52, shows the projects awarded principal forgiveness. More detailed project description narratives are provided by recipient beginning on page 54.

**Table 5
Clean Water SRF Program – Source of Funds**

Federal Fiscal Year	Federal Capitalization Grant Award	State Match	Leveraged Funds	Total
1989	\$4,577,200	\$915,440		\$5,492,640
1990	\$4,738,000	\$947,600		\$5,685,600
1991	\$10,074,800	\$2,014,960		\$12,089,760
1992	\$9,534,900	\$1,906,980		\$11,441,880
1993	\$9,431,000	\$1,886,200		\$11,317,200
1994	\$5,813,800	\$1,162,760		\$6,976,560
1995	\$6,007,800	\$1,201,560	\$4,507,540	\$11,716,900
1996	\$9,904,700	\$1,980,940		\$11,885,640
1997	\$2,990,500	\$598,100		\$3,588,600
1998	\$6,577,300	\$1,315,460		\$7,892,760
1999	\$6,577,900	\$1,315,580		\$7,893,480

Federal Fiscal Year	Federal Capitalization Grant Award	State Match	Leveraged Funds	Total
2000	\$6,555,200	\$1,311,040		\$7,866,240
2001	\$6,496,100	\$1,299,220		\$7,795,320
2002*	\$6,510,800	\$1,302,160		\$7,812,960
2003*	\$6,467,800	\$1,293,560		\$7,761,360
2004	\$6,471,800	\$1,294,360		\$7,766,160
2005	\$5,243,500	\$1,048,700		\$6,292,200
2006	\$4,242,300	\$848,460	\$41,000,000	\$46,090,760
2007	\$5,207,200	\$1,041,440		\$6,248,640
2008	\$3,274,300	\$654,860	\$19,826,250	\$23,755,410
2009	\$3,274,300	\$654,860	\$33,912,476**	\$37,841,636
2009 – ARRA	\$19,239,100	\$0		\$19,239,100
2010	\$10,002,000	\$2,000,400		\$12,002,400
2011	\$7,222,000	\$1,444,400		\$8,666,400
2012	\$6,908,000	\$1,381,600	\$55,000,000	\$63,289,600
2013	\$6,520,000	\$1,304,000		\$7,824,000
2014	\$6,853,000	\$1,370,600		\$8,223,600
2015	\$6,817,000	\$1,363,400	\$53,000,000	\$61,180,400
2016	\$6,525,000	\$1,305,000		\$7,830,000
2017	\$6,474,000	\$1,294,800	\$42,531,976	\$50,300,776
2018	\$7,859,000	\$1,571,800	\$66,007,810	\$75,438,610
2019	\$7,779,000	\$1,555,800	\$100,000,000	\$109,334,800
	\$222,169,300	\$40,586,040	\$	\$678,541,392
TOTAL			\$415,786,052	

* The 2002 and 2003 capitalization grants and state match were transferred to the Drinking Water SRF program. Administrative surcharge funds were used as state match.

** Leveraged funds in the amount of \$37,455,570 were issued as part of the 2009 bond anticipation notes. When the 2010 bond anticipation notes were issued to redeem the 2009 bond anticipation notes, \$3,543,094 of leveraged bonds were converted to state match bonds.

FIGURE 1
Clean Water State Revolving Fund Loans

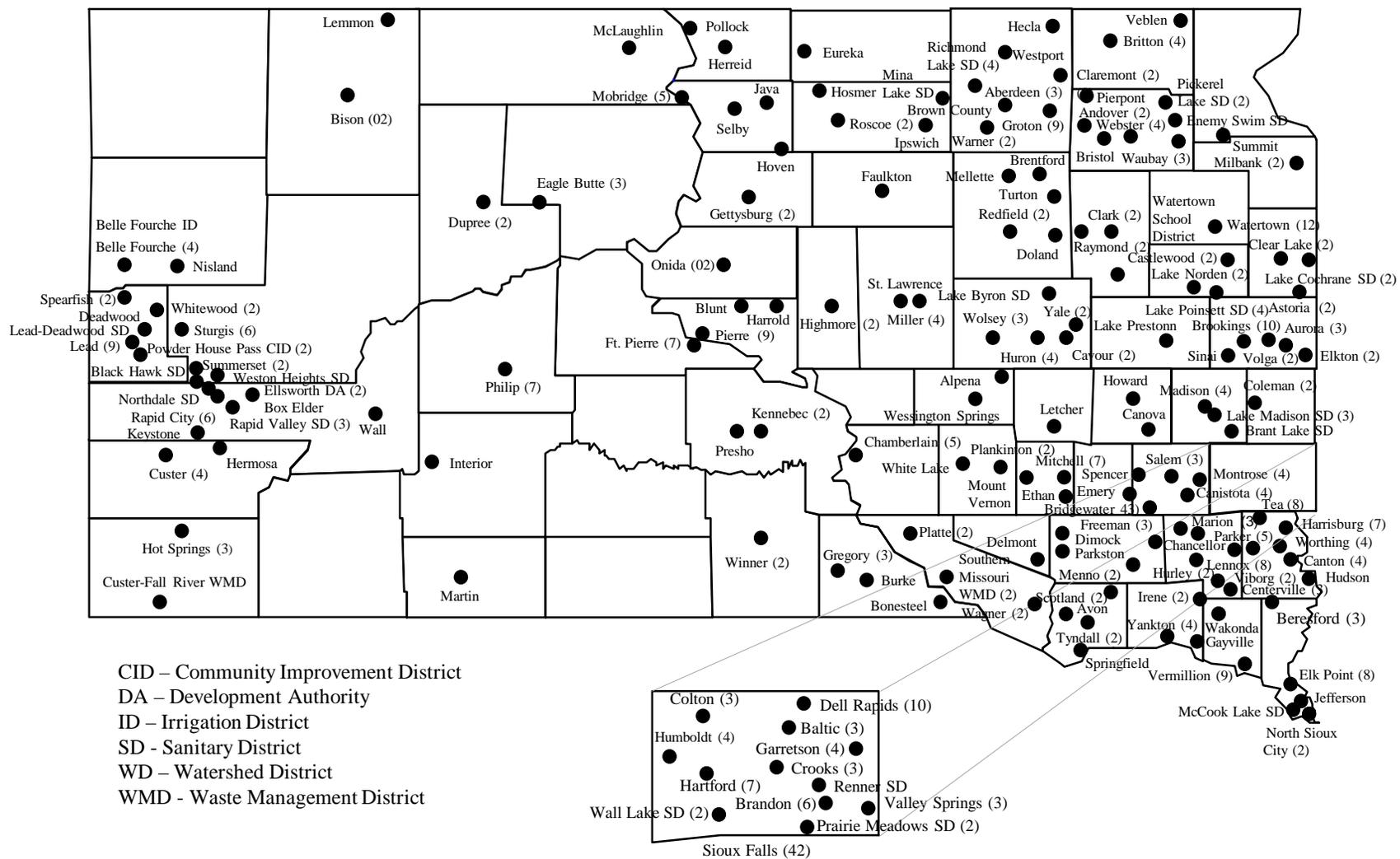


Table 6
Clean Water SRF Loans
Since Inception of Program through June 30, 2020

Sponsor	Binding Commitment Date	Rate	Term (years)	Original Binding Commitment Amount	Final Loan Amount
Aberdeen (01) ¹	01/06/2005	2.25%	20	\$12,062,600	\$12,062,600
Aberdeen (01NPS) ¹	01/06/2005	2.25%	20	\$1,156,259	\$1,156,259
Aberdeen (02) ¹	06/28/2007	3.25%	20	\$6,000,000	\$5,201,739
Aberdeen (03)	03/28/2013	2.25%	10	\$1,500,000	1,500,000
Alpena (01)	03/30/2012	3.00%	20	\$1,465,000	\$905,474
Andover (01)	03/30/2012	3.25%	30	\$194,000	\$194,000
Andover (02)	06/25/2020	2.125%	30	\$1,168,000	\$1,168,000
Astoria (01) ³	01/04/2013	3.25%	30	\$235,000	\$0
Astoria (02)	03/31/2016	3.25%	30	\$744,000	\$600,656
Aurora (01)	07/27/2000	5.00%	20	\$410,000	\$309,759
Aurora (02) – ARRA	07/23/2009	3.25%	30	\$660,000	\$421,303
Aurora (03)	06/25/2020	2.125%	30	\$2,002,000	\$2,002,000
Avon (01)	03/28/2019	2.50%	20	\$138,000	\$138,000
Baltic (01)	06/27/2002	3.50%	20	\$465,000	\$405,646
Baltic (02) – ARRA	06/25/2009	3.00%	20	\$433,000	\$276,164
Baltic (03)	03/30/2012	3.25%	30	\$764,700	\$705,015
Belle Fourche (01) ¹	08/22/1990	3.00%	20	\$253,000	\$253,000
Belle Fourche (02) ¹	06/22/1995	4.50%	10	\$300,000	\$264,422
Belle Fourche (03)	01/05/2017	2.25%	20	\$2,125,000	\$2,125,000
Belle Fourche (04)	03/28/2019	2.50%	20	\$1,836,000	\$1,836,000
Belle Fourche Irrigation District (01) ¹	06/24/2011	0%	-	\$200,000	\$200,000
Beresford (01) ¹	06/22/2000	4.50%	10	\$1,150,000	\$1,115,852
Beresford (02)	03/30/2012	3.25%	30	\$789,790	\$789,790
Beresford (03)	03/28/2014	3.25%	30	\$605,000	\$560,821
Bison (01)	06/24/2011	3.00%	20	\$504,000	\$504,000
Bison (02) ³	06/26/2014	3.25%	30	\$419,000	\$0
Black Hawk Sanitary District (01) ¹	06/26/2003	3.50%	20	\$589,600	\$477,823
Blunt (01)	06/22/2017	2.50%	30	\$710,000	\$710,000
Bonesteel (01)	03/28/2013	3.25%	30	\$588,000	\$370,456
Box Elder (01) ¹	04/11/1990	3.00%	20	\$648,600	\$648,600
Brandon (01) ¹	03/14/1991	3.00%	10	\$105,000	\$105,000
Brandon (02) ¹	03/31/1993	3.00%	10	\$600,000	\$526,018
Brandon (03) – ARRA ²	06/25/2009	2.25%	10	\$687,000	\$0
Brandon (04) – ARRA	06/25/2009	2.25%	10	\$383,250	\$383,250
Brandon (05) ²	03/27/2015	3.25%	30	\$3,000,000	\$0
Brandon (06)	03/31/2016	3.00%	20	\$2,598,000	\$2,598,000
Brant Lake Sanitary District (01)	06/24/2010	3.25%	30	\$1,700,000	\$1,700,000
Brentford (01)	03/28/2013	3.25%	30	\$194,000	\$171,507
Bridgewater (01) ¹	09/25/1997	5.25%	20	\$120,000	\$90,328

Sponsor	Binding Commitment Date	Rate	Term (years)	Original Binding Commitment Amount	Final Loan Amount
Bridgewater (02)	06/23/2005	3.25%	20	\$321,600	\$321,600
Bridgewater (03)	06/24/2011	3.25%	30	\$261,000	\$256,273
Bridgewater (04)	03/28/2019	2.75%	30	\$1,760,000	\$1,760,000
Bristol (01)	03/28/2014	3.25%	30	\$1,000,000	\$893,785
Britton (01) ¹	05/13/1999	4.50%	10	\$509,935	\$509,935
Britton (02)	09/26/2002	3.50%	20	\$322,500	\$291,854
Britton (03)	01/05/2012	3.00%	20	\$1,042,034	\$897,735
Britton (04)	03/28/2013	3.25%	30	\$2,500,000	\$1,935,489
Brookings (01) ¹	03/14/1991	4.00%	15	\$188,065	\$188,065
Brookings (02) – ARRA	03/27/2009	3.00%	20	\$1,190,000	\$744,545
Brookings (03)	06/24/2010	3.00%	20	\$665,000	\$433,909
Brookings (04)	06/24/2011	3.00%	20	\$483,538	\$335,314
Brookings (05)	03/30/2012	3.00%	20	\$549,476	\$226,121
Brookings (06)	03/30/2012	3.00%	20	\$3,222,319	\$1,972,719
Brookings (07)	06/29/2012	3.25%	30	\$30,600,000	\$30,017,417
Brookings (08) ²	09/27/2012	3.00%	20	\$255,000	\$0
Brookings (09)	01/10/2014	3.00%	20	\$1,570,000	\$448,140
Brookings (10)	01/30/2020`	2.25%	20	\$850,000	\$850,000
Brown County (01) ²	03/28/2014	2.25%	10	\$1,385,600	\$0
Burke (01)	01/05/2006	3.25%	20	\$155,000	\$155,000
Canistota (01) – ARRA	03/27/2009	3.25%	30	\$616,840	\$616,840
Canistota (02)	12/16/2009	3.25%	30	\$188,669	\$186,183
Canistota (03)	03/28/2014	3.25%	30	\$381,000	\$381,000
Canistota (04)	06/23/2016	3.25%	30	\$378,000	\$378,000
Canova (01)	01/07/2011	3.25%	30	\$262,500	\$238,713
Canton (01) ¹	05/19/1992	4.00%	15	\$621,000	\$515,715
Canton (02)	01/10/2003	3.50%	20	\$600,000	\$600,000
Canton (03) – ARRA	03/27/2009	3.00%	20	\$2,462,000	\$2,462,000
Canton (04)	06/29/2012	3.25%	30	\$732,000	\$732,000
Canton (05)	03/31/2016	3.25%	30	\$1,648,000	\$1,609,567
Castlewood (01)	01/31/2002	3.50%	20	\$250,000	\$215,859
Castlewood (02)	06/22/2006	3.25%	20	\$160,000	\$160,000
Cavour (01)	06/25/2015	3.25%	30	\$150,000	\$73,794
Cavour (02)	06/28/2018	2.50%	30	\$192,000	\$192,000
Centerville (01)	06/27/2002	3.50%	20	\$500,000	\$500,000
Centerville (02)	03/30/2012	3.25%	30	\$435,471	\$400,509
Centerville (03)	03/31/2017	2.50%	30	\$240,000	\$240,000
Chamberlain (01) ¹	07/08/1992	3.00%	10	\$350,500	\$350,500
Chamberlain (02) ¹	01/26/1993	3.00%	10	\$265,000	\$265,000
Chamberlain (03) ¹	06/27/1996	5.25%	20	\$2,700,000	\$2,700,000
Chamberlain (04) ¹	03/26/1998	5.25%	20	\$450,000	\$450,000
Chamberlain (05)	01/03/20019	2.00%	10	\$300,000	\$300,000
Chancellor (01)	03/28/2014	3.25%	30	\$574,000	\$573,999
Chancellor (02)	03/31/2016	2.25%	10	\$180,000	\$120,520

Sponsor	Binding Commitment Date	Rate	Term (years)	Original Binding Commitment Amount	Final Loan Amount
Claremont (01)	03/28/2019	2.75%	30	\$1,832,000	\$1,832,000
Claremont (02)	06/25/2020	2.125%	30	\$625,000	\$625,000
Clark (01)	01/10/2003	3.50%	20	\$400,000	\$400,000
Clark (02)	03/27/2015	3.25%	30	\$2,485,000	\$2,485,000
Clear Lake (01) ¹	06/13/1991	4.00%	15	\$370,000	\$79,537
Clear Lake (02)	06/25/2004	3.25%	20	\$910,000	\$687,227
Colman (01)	03/30/2012	3.25%	30	\$1,574,248	\$1,574,248
Colman (02)	03/28/2013	3.25%	30	\$800,000	\$766,243
Colton (01) ¹	09/22/2005	3.25%	20	\$204,500	\$178,332
Colton (02)	03/25/2011	3.00%	20	\$189,200	\$140,826
Colton (03)	03/31/2017	2.50%	30	\$1,974,000	\$1,974,000
Crooks (01)	03/27/2008	3.25%	20	\$697,000	\$421,975
Crooks (02) ²	03/30/2012	3.25%	30	\$425,000	\$0
Crooks (03)	03/27/2018	2.50%	30	\$2,400,000	\$2,400,000
Custer (01) ¹	04/11/1990	3.00%	20	\$430,000	\$430,000
Custer (02) ¹	07/11/1990	3.00%	20	\$182,000	\$182,000
Custer (03) ¹	08/23/1993	3.00%	10	\$276,000	\$276,000
Custer (04)	06/29/2012	3.00%	20	\$1,633,000	\$925,919
Custer-Fall River WMD (NPS-01) ¹	06/22/1995	5.00%	20	\$250,000	\$106,939
Deadwood (01) ¹	04/25/1994	4.00%	15	\$582,000	\$447,838
Dell Rapids (01) ¹	12/09/1993	3.00%	10	\$300,000	\$300,000
Dell Rapids (02)	01/05/2006	3.25%	20	\$731,737	\$561,737
Dell Rapids (03)	09/27/2007	3.25%	20	\$1,062,000	\$1,062,000
Dell Rapids (04)	09/25/2008	3.25%	20	\$950,000	\$950,000
Dell Rapids (05)	09/24/2010	3.00%	20	\$1,185,995	\$742,564
Dell Rapids (06)	06/29/2012	3.00%	20	\$612,000	\$612,000
Dell Rapids (07)	01/10/2014	3.00%	20	\$1,200,000	\$1,200,000
Dell Rapids (08)	03/31/2016	3.25%	30	\$2,386,000	\$1,975,384
Dell Rapids (09)	03/27/2018	1.50%	30	\$2,324,000	\$2,324,000
Dell Rapids (09NPS)	03/27/2018	1.50%	30	\$337,700	\$337,000
Dell Rapids (10)	04/27/2020	1.375	30	\$1,964,000	\$1,964,000
Dell Rapids (10NPS)	04/27/2020	1.375	30	\$213,500	\$213,500
Delmont (01)	06/25/2020	0%	-	\$1,210,000	\$1,210,000
Dimock (01)	09/24/2015	3.25%	30	\$478,000	\$478,000
Doland (01)	03/31/2017	2.00%	10	\$150,000	\$82,699
Dupree (01)	06/28/2013	3.25%	30	\$450,000	\$450,000
Dupree (02)	01/08/2015	3.25%	30	\$192,000	\$192,000
Eagle Butte (01) ²	09/27/2012	3.00%	20	\$1,561,500	\$0
Eagle Butte (02)	11/06/2014	3.25%	30	\$2,410,000	\$2,410,000
Eagle Butte (03)	06/22/2017	2.50%	30	\$670,000	\$670,000
Elk Point (01) ¹	05/27/1993	4.00%	15	\$458,000	\$458,000
Elk Point (02)	01/31/2002	3.50%	20	\$450,000	\$450,000
Elk Point (03) ¹	06/26/2003	3.50%	20	\$345,000	\$345,000
Elk Point (04)	06/22/2006	3.25%	20	\$100,000	\$100,000

Sponsor	Binding Commitment Date	Rate	Term (years)	Original Binding Commitment Amount	Final Loan Amount
Elk Point (05)	06/26/2008	3.25%	20	\$150,000	\$150,000
Elk Point (06) – ARRA	07/23/2009	3.00%	20	\$931,700	\$607,840
Elk Point (07)	06/23/2016	3.25%	30	\$235,000	\$235,000
Elk Point (08)	01/03/2020	2.50%	30	\$593,000	\$593,000
Elkton (01) – ARRA	03/27/2009	3.00%	20	\$510,000	\$505,464
Elkton (02)	03/28/2019	2.75%	30	\$1,206,000	\$1,206,000
Ellsworth Development Authority (01)	08/14/2012	3.00%	20	\$16,000,000	\$16,000,000
Ellsworth Development Authority (02)	03/28/2013	3.00%	20	\$6,812,000	\$6,812,000
Emery (01)	06/25/2015	3.25%	30	\$3,084,000	\$2,502,877
Enemy Swim San. Dist. (01) – ARRA ²	03/27/2009	0%	-	\$300,000	\$0
Ethan (01)	03/30/2012	3.25%	30	\$500,000	\$489,349
Eureka (01)	09/27/2012	3.25%	30	\$1,494,000	\$1,383,155
Faulkton	09/27/2012	3.25%	30	\$902,000	\$790,879
Fort Pierre (01) ¹	05/11/1994	3.00%	10	\$330,294	\$330,294
Fort Pierre (02) ¹	01/31/2002	3.50%	15	\$462,500	\$462,500
Fort Pierre (03)	01/09/2004	3.50%	20	\$450,000	\$443,223
Fort Pierre (04) ²	03/30/2007	3.25%	20	\$374,620	\$0
Fort Pierre (05)	02/11/2009	3.00%	20	\$900,000	\$495,549
Fort Pierre (06)	03/30/2012	3.25%	30	\$266,000	\$266,000
Fort Pierre (07)	06/25/2020	2.125%	30	\$3,701,000	\$3,701,000
Freeman (01)	01/06/2005	2.50%	10	\$300,000	\$300,000
Freeman (02)	06/26/2008	3.25%	20	\$800,000	\$800,000
Freeman (03)	06/26/2014	3.00%	20	\$1,536,000	\$1,000,000
Garretson (01) ¹	05/11/1994	4.00%	15	\$510,000	\$300,000
Garretson (02)	03/27/2008	3.25%	20	\$507,445	\$503,239
Garretson (03)	06/22/2017	2.50%	30	\$1,160,000	\$1,160,000
Garretson (04)	04/27/2020	2.125%	30	\$917,000	\$917,000
Gayville (01) ¹	06/25/2004	3.25%	20	\$275,000	\$262,972
Gettysburg (01)	06/25/2009	3.25%	30	\$624,000	\$535,758
Gregory (01)	08/26/2009	3.00%	20	\$357,000	\$241,574
Gregory (02)	09/27/2013	2.25%	10	\$259,000	\$229,958
Gregory (03)	03/31/2017	2.25%	20	\$260,000	\$260,000
Groton (01) ¹	01/13/1994	3.00%	10	\$192,000	\$189,524
Groton (02) ¹	05/11/1994	3.00%	10	\$106,000	\$74,630
Groton (03)	07/23/1997	5.25%	20	\$635,000	\$470,809
Groton (04) ¹	03/28/2003	3.50%	20	\$163,775	\$126,648
Groton (05) ¹	03/28/2003	3.50%	20	\$440,000	\$440,000
Groton (06) ¹	01/03/2008	3.25%	20	\$150,000	\$56,368
Groton (07) – ARRA ¹	06/25/2009	3.00%	20	\$907,700	\$310,913
Groton (08)	06/24/2010	2.25%	10	\$322,000	\$206,979
Groton (09)	06/24/2011	2.25%	10	\$485,000	\$249,240
Harrisburg (01) ¹	06/23/1999	5.00%	20	\$520,000	\$507,277
Harrisburg (02) – ARRA ¹	06/25/2009	0%	-	\$3,941,200	\$3,941,200
Harrisburg (03)	06/25/2009	3.25%	30	\$5,911,800	\$2,544,036

Sponsor	Binding Commitment Date	Rate	Term (years)	Original Binding Commitment Amount	Final Loan Amount
Harrisburg (04)	03/25/2011	2.25%	10	\$1,435,340	\$679,217
Harrisburg (05)	03/25/2011	3.00%	20	\$1,783,760	\$1,402,976
Harrisburg (06) ³	09/27/2013	3.25%	20	\$2,577,000	\$0
Harrisburg (07)	09/27/2018	2.50%	30	\$24,487,000	\$24,487,000
Harold (01) ¹	06/26/2008	3.25%	20	\$170,000	\$162,372
Hartford (01)	04/13/2000	5.00%	20	\$504,000	\$504,000
Hartford (02)	04/13/2000	5.00%	20	\$690,804	\$690,804
Hartford (03)	04/12/2002	3.50%	20	\$300,000	\$300,000
Hartford (04)	01/10/2003	3.50%	20	\$550,035	\$550,035
Hartford (05)	06/28/2007	3.25%	20	\$583,000	\$523,629
Hartford (06)	06/22/2017	2.50%	30	\$1,482,000	\$1,482,000
Hartford (07)	09/26/2019	2.75%	30	\$1,334,000	\$1,334,000
Hecla (01)	07/06/2009	3.00%	20	\$143,390	\$101,909
Hermosa (01)	03/25/2011	3.25%	30	\$303,604	\$292,156
Herreid (01)	03/25/2011	3.25%	30	\$694,300	\$694,300
Highmore (01) ¹	04/12/2002	3.50%	20	\$262,300	\$262,300
Highmore (02) ¹	03/28/2014	3.25%	30	\$679,000	\$538,871
Hosmer (01) ²	03/27/2015	3.25%	30	\$968,000	\$0
Hot Springs (01) ¹	03/12/1992	3.00%	10	\$196,930	\$196,930
Hot Springs (02)	09/24/2010	3.00%	20	\$1,453,000	\$1,227,332
Hot Springs (NPS-01) ¹	01/13/1994	5.00%	20	\$930,000	\$930,000
Hoven (01)	06/26/2014	3.25%	30	\$656,000	\$470,351
Howard (01) ²	03/27/2015	3.25%	30	\$1,764,000	\$0
Hudson (01)	04/27/2020	2.125%	30	\$898,000	\$898,000
Humboldt (01)	03/27/2015	3.25%	30	\$417,200	\$340,287
Humboldt (02) ²	03/31/2017	2.00%	10	\$272,000	\$0
Humboldt (03)	03/27/2018	2.50%	30	\$1,876,000	\$1,876,000
Humboldt (04)	03/27/2018	2.00%	10	\$290,000	\$290,000
Hurley (01)	03/30/2012	3.25%	30	\$835,964	\$835,964
Hurley (02)	04/27/2020	2.125%	30	\$188,000	\$188,000
Huron (01) ¹	11/09/1989	3.00%	20	\$1,656,000	\$1,656,000
Huron (02) ¹	06/13/1991	3.00%	10	\$750,000	\$701,997
Huron (03) ¹	09/19/1995	5.25%	20	\$2,700,000	\$1,856,828
Huron (04) ²	01/06/2005	3.25%	20	\$1,500,000	\$0
Huron (05)	06/25/2020	2.125%	30	\$14,946,000	\$14,946,000
Interior (01)	06/24/2011	3.25%	30	\$250,000	\$246,721
Ipswich (01) ²	03/27/2015	3.25%	30	\$1,951,000	\$0
Irene (01)	03/28/2014	3.25%	30	\$656,000	\$613,952
Irene (02)	06/27/2019	2.75%	30	\$3,392,000	\$3,392,000
Java (01)	06/24/2011	3.25%	30	\$438,325	\$393,252
Jefferson (01)	03/28/2003	3.50%	20	\$320,000	\$166,084
Kennebec (01)	03/27/2015	3.25%	30	\$723,000	\$642,079
Kennebec (02)	03/27/2015	3.25%	30	\$437,000	\$390,362
Keystone (01)	06/23/2016	3.00%	20	\$431,000	\$429,140

Sponsor	Binding Commitment Date	Rate	Term (years)	Original Binding Commitment Amount	Final Loan Amount
Lake Byron Sanitary District (01) ³	03/27/2018	2.50%	30	\$3,475,000	\$0
Lake Byron Watershed District (01) ³	03/28/2014	3.25%	30	\$1,843,000	\$0
Lake Cochrane San District (01) ¹	04/11/1990	3.00%	20	\$80,000	\$80,000
Lake Cochrane San District (02)	01/08/2004	3.50%	20	\$160,000	\$156,111
Lake Madison San District (01) ¹	03/14/1991	4.00%	15	\$330,000	\$330,000
Lake Madison San District (02) ¹	09/25/2003	3.50%	20	\$875,000	\$613,419
Lake Madison San District (03)	09/24/2015	3.25%	30	\$428,000	\$428,000
Lake Norden (01)	03/31/2017	2.50%	30	\$1,285,000	\$1,285,000
Lake Norden (01)	06/25/2020	2.125%	30	\$671,000	\$671,000
Lake Poinsett San District (01) ²	01/06/2005	3.25%	20	\$590,000	\$0
Lake Poinsett San District (02)	06/28/2007	3.50%	30	\$1,094,700	\$1,094,700
Lake Poinsett San District (03)	09/24/2010	3.25%	30	\$3,075,000	\$2,413,671
Lake Poinsett San District (04)	03/28/2014	3.25%	30	\$1,917,000	\$1,917,000
Lake Preston (01)	04/27/2020	2.125%	30	\$758,000	\$758,000
Lead (01) ¹	07/11/1990	3.00%	20	\$186,409	\$186,409
Lead (02) ¹	07/11/1991	3.00%	10	\$500,770	\$500,770
Lead (03) ¹	05/19/1992	3.00%	10	\$405,000	\$375,298
Lead (04) ¹	07/27/2000	4.50%	10	\$239,200	\$239,200
Lead (05)	01/06/2005	3.25%	20	\$333,700	\$220,029
Lead (06)	06/28/2007	3.25%	20	\$240,000	\$240,000
Lead (07)	09/24/2010	3.00%	20	\$200,000	\$192,541
Lead (08)	03/28/2014	3.00%	20	\$937,000	\$829,854
Lead (09)	06/23/2016	2.25%	10	\$427,000	\$342,380
Lead-Deadwood San District (01) ¹	06/07/1990	3.00%	5	\$110,000	\$106,855
Lemmon (01) ¹	04/11/1990	3.00%	20	\$427,100	\$427,100
Lennox (01) ¹	06/27/1996	5.25%	20	\$350,000	\$350,000
Lennox (02) ¹	07/23/1997	5.25%	20	\$600,000	\$583,735
Lennox (03) – ARRA ¹	06/25/2009	0%	-	\$1,565,760	\$1,565,760
Lennox (04) – ARRA	06/25/2009	3.25%	30	\$1,942,273	\$1,942,273
Lennox (05)	03/28/2014	3.25%	30	\$1,290,000	\$1,290,000
Lennox (06)	03/27/2015	3.25%	30	\$1,873,000	\$1,853,747
Lennox (07)	06/22/2017	2.50%	30	\$1,496,000	\$1,496,000
Lennox (08)	09/26/2019	2.75%	30	\$1,000,000	\$1,000,000
Letcher (01)	06/28/2013	3.25%	30	\$775,000	\$742,374
Madison (01) ¹	03/14/1991	3.00%	10	\$150,000	\$119,416
Madison (02)	09/27/2007	3.25%	20	\$5,343,256	\$4,986,796
Madison (03) ²	04/27/2020	2.125%	30	\$3,287,000	\$0
Madison (04) ²	04/27/2020	2.125%	30	\$3,073,000	\$0
Marion (01)	09/25/2008	3.50%	30	\$1,710,000	\$1,707,908
Marion (02)	06/28/2018	2.00%	10	\$522,000	\$451,642
Marion (03)	04/27/2020	2.125%	30	\$420,000	\$420,000
Martin (01) ¹	03/27/2008	3.25%	20	\$237,250	\$142,732
McCook Lake San District (01) ¹	08/29/1991	5.00%	20	\$641,935	\$641,935
McLaughlin (01)	06/24/2011	3.25%	30	\$1,145,675	\$1,050,424

Sponsor	Binding Commitment Date	Rate	Term (years)	Original Binding Commitment Amount	Final Loan Amount
Mellette (01)	04/27/2020	2.125%	30	\$286,000	\$286,000
Menno (01)	09/24/2010	3.00%	20	\$240,000	\$191,500
Menno (02)	03/28/2013	3.25%	30	\$1,230,000	\$1,170,777
Milbank (01) – ARRA	06/25/2009	3.00%	20	\$3,515,000	\$3,376,639
Milbank (02) ¹	06/25/2009	3.25%	30	\$1,000,000	\$261,306
Miller (01) ²	03/31/2016	3.25%	30	\$3,541,000	\$0
Miller (02) ²	03/31/2016	3.25%	30	\$1,958,000	\$0
Miller (03)	03/31/2017	2.50%	30	\$1,875,000	\$1,875,000
Miller (04)	03/28/2019	2.50%	30	\$1,900,000	\$1,900,000
Mina Lake San. District (01)	06/23/2016	3.25%	30	\$559,000	\$431,803
Mitchell (01) ¹	04/15/1997	4.50%	10	\$2,000,000	\$1,543,405
Mitchell (02)	09/25/2003	3.50%	20	\$1,320,000	\$1,320,000
Mitchell (03)	02/11/2009	2.00%	20	\$1,534,224	\$1,534,224
Mitchell (03NPS)	02/11/2009	2.00%	20	\$148,523	\$148,523
Mitchell (04)	03/28/2013	3.00%	20	\$800,000	\$543,447
Mitchell (05)	09/27/2018	1.25%	20	\$7,832,000	\$7,832,000
Mitchell (05NPS)	09/27/2018	1.25%	20	\$780,750	\$780,750
Mitchell (06)	01/03/2019	1.25%	20	\$3,575,000	\$3,575,000
Mitchell (06NPS)	01/03/2019	1.25%	20	\$356,000	\$356,000
Mitchell (07)	04/27/2020	1.25%	20	\$4,200,000	\$4,200,000
Mitchell (07NPS)	04/27/2020	1.25%	20	\$311,700	\$311,700
Mobridge (01) ¹	07/11/1990	3.00%	20	\$1,500,000	\$1,500,000
Mobridge (02) ¹	12/11/1991	4.00%	15	\$158,000	\$158,000
Mobridge (03) ¹	04/13/2000	4.50%	10	\$1,355,000	\$1,350,000
Mobridge (04) ¹	06/29/2012	3.00%	20	\$764,000	\$703,425
Mobridge (05)	01/08/2015	3.00%	20	\$1,475,000	\$1,475,000
Montrose (01) ¹	09/22/2005	2.50%	10	\$142,621	\$34,988
Montrose (02) – ARRA	03/27/2009	3.25%	30	\$804,000	\$767,190
Montrose (03) ²	06/25/2015	3.25%	30	\$545,000	\$0
Montrose (04)	04/27/2020	2.125%	30	\$1,008,000	\$1,008,000
Mount Vernon (01)	01/07/2011	3.25%	30	\$2,300,000	\$2,300,000
Nisland (01)	01/06/2005	3.25%	20	\$204,000	\$204,000
North Sioux City (01) ¹	07/08/1992	3.00%	10	\$239,650	\$239,650
North Sioux City (02) ¹	06/22/1995	5.00%	15	\$646,000	\$646,000
Northdale San Dist (01) ¹	04/25/1994	5.00%	20	\$315,000	\$256,380
Northville (01)	03/25/2011	3.25%	30	\$238,300	\$111,405
Onida (01)	03/31/2017	2.50%	30	\$2,400,000	\$2,400,000
Onida (02)	06/27/2019	2.75%	30	\$1,426,000	\$1,426,000
Parker (01)	09/23/2004	3.25%	20	\$824,000	\$430,000
Parker (02)	06/22/2006	3.25%	20	\$620,000	\$480,501
Parker (03) – ARRA	03/27/2009	3.25%	30	\$700,900	\$694,329
Parker (04)	03/28/2013	3.00%	20	\$295,000	\$203,257
Parker (05)	06/22/2017	2.50%	30	\$731,000	\$731,000
Parkston (01)	06/26/2008	3.25%	20	\$650,000	\$635,690

Sponsor	Binding Commitment Date	Rate	Term (years)	Original Binding Commitment Amount	Final Loan Amount
Philip (01) ¹	06/22/1995	5.00%	15	\$472,000	\$453,885
Philip (02) ¹	06/26/1997	5.25%	20	\$325,000	\$321,127
Philip (03) ¹	09/22/2005	3.25%	15	\$347,040	\$316,423
Philip (04)	03/30/2012	3.25%	30	\$1,073,300	\$865,546
Philip (05)	03/30/2012	3.25%	30	\$750,000	\$604,122
Philip (06)	03/27/2018	2.50%	30	\$536,000	\$414,302
Philip (07)	03/27/2018	2.50%	30	\$605,000	\$485,821
Pickerel Lake San Dist (01) ¹	05/09/1996	5.25%	15	\$850,000	\$850,000
Pickerel Lake San Dist (02) ¹	09/25/1997	5.25%	20	\$670,000	\$670,000
Pierpont (01)	09/26/2019	2.25%	10	\$132,000	\$132,000
Pierre (01) ¹	11/08/1990	4.00%	15	\$600,000	\$433,976
Pierre (02) ¹	03/26/1998	5.25%	20	\$4,417,000	\$4,417,000
Pierre (03) ¹	03/25/1999	5.00%	20	\$5,391,260	\$5,391,260
Pierre (04)	03/28/2003	3.50%	20	\$1,378,404	\$1,199,832
Pierre (05)	09/25/2008	3.25%	20	\$976,953	\$612,159
Pierre (06)	09/26/2014	2.25%	10	\$817,600	\$817,600
Pierre (07)	03/31/2016	3.00%	20	\$3,821,000	\$2,708,381
Pierre (08)	06/23/2016	2.25%	10	\$1,450,000	\$912,203
Pierre (09)	06/25/2020	2.00%	20	\$15,310,000	\$15,310,000
Plankinton (01)	06/24/2011	3.25%	30	\$1,005,744	\$1,005,744
Plankinton (01)	03/31/2017	2.00%	10	\$240,000	\$240,000
Platte (01) ¹	03/25/1999	5.00%	20	\$1,000,000	\$975,865
Platte (02)	06/22/2017	2.50%	30	\$2,300,000	\$2,300,000
Pollock (01) ¹	09/23/1993	3.00%	10	\$170,000	\$151,619
Powder House Pass CID (01)	03/30/2012	3.25%	30	\$2,575,218	\$2,575,218
Powder House Pass CID (01)	09/29/2017	2.50%	30	\$2,060,000	\$1,703,499
Prairie Meadow San Dist (01) ³	03/28/2013	3.25%	30	\$788,000	\$0
Prairie Meadow San Dist (02) ²	03/31/2016	3.25%	30	\$588,000	\$0
Presho (01)	06/28/2018	2.50%	30	\$4,048,000	\$4,048,000
Rapid City (01) ¹	12/12/1990	4.00%	15	\$2,637,000	\$2,479,905
Rapid City (02) ¹	07/08/1992	4.00%	15	\$1,138,200	\$986,685
Rapid City (03) ¹	06/23/1993	4.00%	15	\$777,500	\$674,577
Rapid City (04) ¹	08/10/1994	4.00%	15	\$1,214,861	\$1,214,861
Rapid City (05) ¹	01/11/2001	4.50%	20	\$14,000,000	\$14,000,000
Rapid City (06)	09/23/2009	3.00%	20	\$5,000,000	\$5,000,000
Rapid Valley San Dist (01) ¹	01/11/1990	3.00%	20	\$614,000	\$614,000
Rapid Valley San Dist (02) ¹	11/10/1994	4.00%	15	\$460,000	\$364,583
Rapid Valley San Dist (03) ¹	07/29/1996	5.25%	20	\$630,000	\$630,000
Raymond (01) ¹	06/23/2016	3.25%	30	\$745,000	\$745,000
Raymond (02)	09/27/2018	0%	-	\$951,225	\$951,225
Redfield (01) ²	06/23/2005	3.25%	20	\$333,788	\$0
Redfield (02)	03/30/2012	3.25%	30	\$884,000	\$803,423
Renner Sanitary District (01)	06/25/2020	2.125%	30	\$1,147,000	\$1,147,000
Richmond Lake San Dist (01) ¹	06/27/1996	5.25%	20	\$414,000	\$414,000

Sponsor	Binding Commitment Date	Rate	Term (years)	Original Binding Commitment Amount	Final Loan Amount
Richmond Lake San Dist (02) ¹	06/25/1998	5.25%	20	\$226,500	\$191,500
Richmond Lake San Dist (03) ²	03/25/2011	3.00%	20	\$193,600	\$0
Richmond Lake San Dist (04) ¹	03/25/2011	3.25%	30	\$339,800	\$275,149
Roscoe (01) ¹	07/29/1996	5.25%	20	\$358,408	\$358,408
Roscoe (02)	03/28/2019	2.75%	30	\$1,600,000	\$1,600,000
Saint Lawrence (01)	09/26/2014	3.25%	30	\$193,000	\$148,224
Salem (01)	03/28/2003	3.50%	20	\$592,307	\$518,035
Salem (02)	06/23/2005	3.25%	20	\$387,960	\$387,960
Salem (03)	03/31/2017	2.50%	30	\$2,556,000	\$2,412,689
Scotland (01) ¹	03/28/2003	3.50%	20	\$250,000	\$250,000
Scotland (02)	06/24/2011	3.25%	30	\$945,930	\$804,740
Selby (01) ¹	09/24/2010	0%	-	\$700,000	\$700,000
Sinai (01)	03/28/2014	3.25%	30	\$500,000	\$366,668
Sioux Falls (01) ¹	04/11/1990	3.00%	20	\$3,316,310	\$2,836,963
Sioux Falls (02) ¹	07/11/1990	3.00%	10	\$454,000	\$453,999
Sioux Falls (03) ¹	12/12/1990	3.00%	10	\$845,000	\$845,000
Sioux Falls (04) ¹	12/12/1990	3.00%	10	\$1,200,000	\$1,200,000
Sioux Falls (05) ¹	03/12/1992	3.00%	10	\$1,955,000	\$1,955,000
Sioux Falls (06) ¹	03/12/1992	3.00%	10	\$700,000	\$700,000
Sioux Falls (07) ¹	01/26/1993	3.00%	10	\$4,500,000	\$4,500,000
Sioux Falls (08) ¹	01/13/1994	3.00%	10	\$1,000,000	\$699,003
Sioux Falls (09) ¹	08/10/1994	3.00%	10	\$1,250,000	\$1,250,000
Sioux Falls (10) ¹	08/10/1994	3.00%	10	\$1,500,000	\$1,432,941
Sioux Falls (11) ¹	06/22/1995	4.50%	10	\$1,250,000	\$1,195,346
Sioux Falls (12) ¹	03/27/1996	4.50%	10	\$1,300,000	\$1,300,000
Sioux Falls (13) ¹	01/09/1997	4.50%	10	\$2,500,000	\$2,083,137
Sioux Falls (14) ¹	07/27/2000	4.50%	10	\$5,100,000	\$4,888,537
Sioux Falls (15) ¹	04/12/2002	3.50%	10	\$1,724,000	\$1,467,706
Sioux Falls (16) ¹	01/10/2003	3.50%	10	\$2,479,500	\$2,479,500
Sioux Falls (17) ¹	06/26/2003	3.50%	10	\$932,000	\$561,320
Sioux Falls (18) ¹	07/16/2004	2.50%	10	\$3,951,000	\$3,730,114
Sioux Falls (19) ¹	07/16/2004	2.50%	10	\$801,000	\$415,785
Sioux Falls (20A) ¹	01/06/2005	1.50%	10	\$16,000,000	\$16,000,000
Sioux Falls (20B) ¹	10/19/2005	1.50%	10	\$8,700,000	\$8,700,000
Sioux Falls (20NPS) ¹	01/06/2005	1.50%	10	\$1,249,349	\$1,249,349
Sioux Falls (21A)	03/31/2005	2.25%	20	\$12,500,000	\$12,500,000
Sioux Falls (21B)	10/19/2005	2.25%	20	\$21,608,000	\$19,188,341
Sioux Falls (21NPS)	03/31/2005	2.25%	20	\$3,269,418	\$3,125,636
Sioux Falls (22) ¹	02/07/2006	2.50%	10	\$10,550,000	\$10,550,000
Sioux Falls (23)	03/31/2006	2.50%	10	\$10,323,000	\$10,309,144
Sioux Falls (24) ¹	03/30/2007	2.50%	7	\$500,000	\$500,000
Sioux Falls (25) ¹	01/03/2008	2.50%	10	\$5,657,000	\$3,508,134
Sioux Falls (26) ¹	03/27/2008	2.50%	10	\$3,744,000	\$3,744,000
Sioux Falls (27) ¹	03/27/2008	2.50%	10	\$2,621,000	\$2,621,000

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Sioux Falls (28) – ARRA ¹	03/27/2009	2.25%	10	\$1,803,000	\$1,803,000
Sioux Falls (29) – ARRA ¹	03/27/2009	2.25%	10	\$2,540,000	\$1,211,097
Sioux Falls (30) – ARRA ¹	07/23/2009	2.25%	10	\$8,462,000	\$4,974,661
Sioux Falls (31) – ARRA ¹	05/27/2009	2.25%	10	\$1,970,000	\$1,831,523
Sioux Falls (32)	01/07/2011	1.25%	10	\$23,400,000	\$21,848,437
Sioux Falls (32NPS)	01/07/2011	1.25%	10	\$1,189,400	\$1,189,400
Sioux Falls (33)	06/24/2011	1.25%	10	\$14,000,000	\$12,945,439
Sioux Falls (33NPS)	06/24/2011	1.25%	10	\$711,614	\$711,614
Sioux Falls (34)	09/27/2012	2.25%	10	\$12,464,000	\$12,040,836
Sioux Falls (35)	03/27/2015	1.25%	10	\$11,400,000	\$11,400,000
Sioux Falls (35NPS)	03/27/2015	1.25%	10	\$579,457	\$579,457
Sioux Falls (36)	03/27/2015	1.25%	10	\$24,800,000	\$15,750,044
Sioux Falls (36NPS)	03/27/2015	1.25%	10	\$1,260,000	\$800,500
Sioux Falls (37)	06/23/2016	1.25%	10	\$8,838,000	\$8,838,000
Sioux Falls (37NPS)	06/23/2016	1.25%	10	\$449,000	\$449,000
Sioux Falls (38)	03/31/2017	1.00%	10	\$11,000,000	\$11,000,000
Sioux Falls (38NPS)	03/31/2017	1.00%	10	\$559,125	\$559,125
Sioux Falls (39)	01/04/2018	1.00%	10	\$8,400,000	\$8,400,000
Sioux Falls (39NPS)	01/04/2018	1.00%	10	\$429,000	\$429,000
Sioux Falls (40)	03/28/2019	1.50%	20	\$24,400,000	\$24,400,000
Sioux Falls (40NPS)	03/28/2019	1.50%	20	\$2,408,800	\$2,408,800
Sioux Falls (41)	09/26/2019	2.50%	20	\$41,625,000	\$41,625,000
Sioux Falls (42)	01/03/2020	1.00%	10	\$9,000,000	\$9,000,000
Sioux Falls (42NPS)	01/03/2020	1.00%	10	\$457,400	\$457,400
Southern Missouri RWMD (NPS-01) ¹	10/06/1994	5.00%	20	\$700,000	\$700,000
Southern Missouri RWMD (02)	06/29/2012	2.25%	10	\$242,000	\$223,813
Spearfish (01) ¹	03/12/1992	4.00%	15	\$1,956,000	\$1,956,000
Spearfish (02)	01/03/2008	3.25%	20	\$5,900,000	\$5,658,584
Spencer (01)	06/24/2010	3.25%	30	\$230,156	\$230,156
Springfield (01)	06/27/2019	2.75%	30	\$1,950,000	\$1,950,000
Sturgis (01) ¹	08/23/1993	5.00%	20	\$502,000	\$502,000
Sturgis (02) ¹	06/23/1994	5.00%	20	\$936,250	\$936,250
Sturgis (03) ¹	06/27/1997	5.25%	20	\$450,000	\$437,380
Sturgis (04) ¹	04/14/2000	5.00%	20	\$2,100,000	\$2,100,000
Sturgis (05) – ARRA ¹	08/26/2009	3.00%	20	\$516,900	\$516,900
Sturgis (06)	03/31/2017	2.50%	30	\$16,247,000	\$16,247,000
Summerset (01)	03/30/2012	3.00%	20	\$300,000	\$257,947
Summerset (02)	03/31/2017	2.50%	30	\$1,769,000	\$1,741,865
Summit (01) – ARRA ¹	03/27/2009	0%	-	\$100,000	\$100,000
Tea (01) ¹	03/31/1993	4.00%	15	\$600,000	\$600,000
Tea (02) ¹	05/11/1994	4.00%	15	\$600,000	\$600,000
Tea (03) ¹	06/27/1997	5.25%	20	\$250,000	\$208,813
Tea (04) ¹	05/14/1998	5.00%	15	\$375,000	\$375,000
Tea (05)	06/26/2003	3.50%	20	\$495,490	\$495,490

Sponsor	Binding Commitment Date	Rate	Term (years)	Original Binding Commitment Amount	Final Loan Amount
Tea (06)	06/28/2007	3.25%	20	\$858,000	\$787,174
Tea (07)	06/25/2009	3.00%	20	\$875,000	\$845,000
Tea (08)	04/27/2020	2.125%	30	\$4,431,000	\$4,431,000
Turton (01)	03/28/2014	3.25%	30	\$262,000	\$212,375
Tyndall (01)	03/31/2006	3.25%	20	\$795,000	\$795,000
Tyndall (02)	01/04/2018	2.25%	20	\$374,000	\$286,725
Valley Springs (01) ¹	05/14/1998	5.25%	20	\$430,000	\$422,128
Valley Springs (02)	09/23/2004	3.25%	20	\$350,000	\$350,000
Valley Springs (03)	04/27/2020	2.125%	30	\$1,779,000	\$1,779,000
Veblen (01) ²	06/22/2017	2.50%	30	\$1,387,000	\$0
Vermillion (01) ¹	06/07/1990	3.00%	20	\$125,000	\$125,000
Vermillion (02) ¹	12/09/1993	4.00%	15	\$500,000	\$370,471
Vermillion (03)	03/28/2003	3.50%	20	\$456,000	\$273,965
Vermillion (04) ¹	07/16/2004	3.25%	20	\$3,548,351	\$3,333,994
Vermillion (05)	06/26/2008	3.25%	20	\$4,851,000	\$4,213,191
Vermillion (06) – ARRA	06/25/2009	3.00%	20	\$499,000	\$499,000
Vermillion (07)	03/30/2012	3.00%	20	\$1,639,000	\$1,639,000
Vermillion (08)	06/23/2016	3.00%	20	\$812,000	\$751,900
Vermillion (NPS-01) ¹	08/10/1995	4.50%	10	\$480,000	\$356,531
Viborg (01)	06/24/2011	3.25%	30	\$883,000	\$616,764
Viborg (02)	06/23/2016	3.25%	30	\$105,000	\$103,103
Viborg (03)	01/03/2020	2.50	30	\$1,771,000	\$1,771,000
Volga (01)	06/22/2017	2.25%	20	\$2,819,000	\$2,819,000
Volga (02)	04/27/2020	2.00%	20	\$2,405,000	\$2,405,000
Wagner (01)	06/28/2007	3.25%	20	\$150,000	\$138,329
Wagner (02) ²	07/23/2009	3.25%	30	\$500,000	\$0
Wakonda (01)	06/28/2013	3.00%	20	\$529,000	\$507,555
Wall (01) ¹	07/22/1999	5.00%	20	\$1,146,000	\$788,600
Wall Lake San Dist. (01)	12/13/2001	3.50%	20	\$200,000	\$175,126
Wall Lake San Dist. (01)	03/30/2012	3.25%	30	\$135,000	\$135,000
Warner (01) ¹	03/23/1995	4.50%	10	\$102,000	\$101,152
Warner (02)	06/24/2011	3.25%	30	\$1,826,760	\$1,662,217
Watertown (01) ¹	10/09/1991	4.00%	15	\$2,000,000	\$2,000,000
Watertown (02) ¹	08/12/1992	4.00%	15	\$4,000,000	\$4,000,000
Watertown (03) ¹	06/22/1995	5.25%	20	\$2,600,000	\$2,583,734
Watertown (04) ¹	11/09/1995	5.25%	20	\$2,200,000	\$932,830
Watertown (05)	03/28/2003	3.50%	20	\$2,055,000	\$2,055,000
Watertown (06)	03/31/2006	2.25%	20	\$1,189,145	\$1,151,694
Watertown (06NPS)	03/31/2006	2.25%	20	\$113,985	\$113,985
Watertown (07)	01/05/2007	2.25%	20	\$847,170	\$808,736
Watertown (07NPS)	01/05/2007	2.25%	20	\$81,205	\$81,205
Watertown (08)	01/05/2007	2.25%	20	\$612,877	\$525,041
Watertown (08NPS)	01/05/2007	2.25%	20	\$58,747	\$58,747
Watertown (09) – ARRA	07/23/2009	3.00%	20	\$16,446,000	\$11,554,853

Sponsor	Binding Commitment Date	Rate	Term (years)	Original Binding Commitment Amount	Final Loan Amount
Watertown (10) – ARRA	07/23/2009	3.00%	20	\$3,330,000	\$2,983,757
Watertown (11)	06/24/2010	3.00%	20	\$815,000	\$498,166
Watertown (12)	01/03/2020	2.25%	20	\$5,000,000	\$5,000,000
Watertown School District (01) – ARRA	07/23/2009	0%	-	\$503,635	\$399,747
Waubay (01) ¹	02/18/1992	5.00%	20	\$163,487	\$81,454
Waubay (02)	09/27/2012	3.25%	30	\$149,200	\$134,056
Waubay (03)	03/27/2015	3.25%	30	\$1,470,000	\$1,470,000
Webster (01) ¹	03/27/1996	4.50%	10	\$400,000	\$345,394
Webster (02)	04/12/2002	3.50%	20	\$811,000	\$811,000
Webster (03) – ARRA ¹	03/27/2009	0%	-	\$500,000	\$500,000
Webster (04)	04/27/2020	2.125%	30	\$1,184,000	\$1,184,000
Wessington Springs (01)	03/27/2015	3.00%	20	\$393,000	\$241,979
Weston Heights Sanitary District (01)	03/31/2006	3.25%	20	\$638,300	\$600,412
Westport (01) ²	03/31/2016	3.25%	30	\$445,000	\$0
White Lake (01)	03/28/2013	3.25%	30	\$371,000	\$307,374
Whitewood (01) ¹	02/18/1992	4.00%	15	\$200,000	\$180,801
Whitewood (02)	07/27/2000	5.00%	20	\$275,000	\$189,032
Willow Lake (01)	01/08/2004	3.50%	20	\$100,000	\$100,000
Winner (01)	06/22/2006	3.25%	20	\$925,000	\$925,000
Winner (02)	03/30/2012	3.00%	20	\$400,000	\$373,528
Wolsey (01)	09/27/2007	3.25%	20	\$162,300	\$162,300
Wolsey (02) ²	03/27/2009	3.00%	20	\$614,400	\$0
Wolsey (03)	03/25/2010	3.00%	20	\$901,560	\$556,790
Worthing (01) ¹	06/27/1996	5.25%	20	\$315,725	\$227,645
Worthing (02)	09/27/2007	3.50%	20	\$580,000	\$561,185
Worthing (03)	03/30/2012	3.00%	20	\$459,832	\$419,585
Worthing (04)	03/31/2017	2.00%	10	\$120,000	\$120,000
Yale (01)	06/24/2011	3.25%	30	\$885,110	\$863,135
Yale (02) ²	03/28/2016	3.25%	30	\$84,000	\$0
Yankton (01) ¹	12/10/1997	5.25%	20	\$2,625,000	\$2,625,000
Yankton (02) ¹	12/10/1997	6.00%	20	\$4,500,000	\$4,500,000
Yankton (03)	10/12/2001	3.50%	20	\$6,130,000	\$6,020,406
Yankton (04)	03/30/2012	3.00%	20	\$3,330,000	\$3,330,000
TOTAL				\$982,963,464	\$875,143,192

¹ Loans paid in full

² Deobligated in full at borrower's request

³ Rescinded by BWNR

**Table 7
Principal Forgiveness Awards to Clean Water SRF Borrowers**

Sponsor	Total Loan Award	Principal Forgiveness Awarded	Loan Payable
Andover (02)	\$1,168,000	\$1,068,000	\$100,000
Astoria (02)	\$600,656	\$297,925	\$302,731
Aurora (02)	\$421,303	\$191,692	\$229,611
Baltic (02)	\$276,164	\$127,588	\$148,576
Belle Fourche Irrigation District (01)	\$200,000	\$200,000	\$0
Brandon (04)	\$383,250	\$38,325	\$344,925
Bridgewater (04)	\$1,760,000	\$260,000	\$1,500,000
Brookings (02)	\$744,545	\$74,455	\$670,090
Brookings (03)	\$433,909	\$43,390	\$390,519
Canistota (01)	\$616,840	\$420,190	\$196,650
Canova (01)	\$238,713	\$154,686	\$84,027
Canton (03)	\$2,462,000	\$840,500	\$1,621,500
Chancellor (02)	\$120,520	\$60,260	\$60,260
Claremont (01)	\$1,832,000	\$1,387,000	\$445,000
Claremont (02)	\$625,000	\$556,000	\$69,000
Colman (01)	\$1,574,248	\$356,500	\$1,217,748
Colman (02)	\$766,243	\$478,901	\$287,342
Dell Rapids (05)	\$742,564	\$398,014	\$344,550
Delmont (01)	\$1,210,000	\$1,210,000	\$0
Doland (01)	\$82,699	\$41,349	\$41,350
Eagle Butte (02)	\$2,410,000	\$436,500	\$1,973,500
Elk Point (06)	\$607,840	\$60,784	\$547,056
Elkton (01)	\$505,464	\$130,000	\$375,464
Emery (01)	\$2,502,877	\$1,519,246	\$983,631
Fort Pierre (06)	\$266,000	\$50,000	\$216,000
Groton (07)	\$310,913	\$131,827	\$179,086
Groton (08)	\$206,979	\$51,744	\$155,235
Harrisburg (02)	\$3,941,200	\$3,941,200	\$0
Hecla (01)	\$101,909	\$10,191	\$91,718
Irene (02)	\$3,392,000	\$2,548,000	\$844,000
Java (01)	\$393,252	\$92,807	\$300,445
Lake Poinsett Sanitary District (03)	\$2,413,671	\$1,257,522	\$1,156,149
Lead (07)	\$192,541	\$48,135	\$144,406
Lennox (03)	\$1,565,760	\$1,565,760	\$0
Lennox (04)	\$1,942,273	\$122,945	\$1,819,328
Letcher (01)	\$742,374	\$263,542	\$478,832

Sponsor	Total Loan Award	Principal Forgiveness Awarded	Loan Payable
Marion (02)	\$451,642	\$85,811	\$365,831
McLaughlin (01)	\$1,050,424	\$137,605	\$912,819
Milbank (01)	\$3,376,639	\$2,171,179	\$1,205,460
Montrose (02)	\$767,190	\$160,400	\$606,790
Montrose (02)	\$1,008,000	\$200,000	\$808,000
Mount Vernon (01)	\$2,300,000	\$1,050,000	\$1,250,000
Parker (03)	\$694,329	\$471,450	\$222,879
Pierpont (01)	\$132,000	\$118,000	\$14,000
Plankinton (01)	\$1,005,744	\$150,000	\$855,744
Presho (01)	\$4,048,000	\$1,400,000	\$2,648,000
Raymond (01)	\$745,000	\$745,000	\$0
Raymond (02)	\$951,225	\$951,225	\$0
Selby (01)	\$700,000	\$700,000	\$0
Sinai (01)	\$366,668	\$73,333	\$293,335
Sioux Falls (28)	\$1,803,000	\$180,300	\$1,622,700
Sioux Falls (29)	\$1,211,097	\$121,110	\$1,089,987
Sioux Falls (30)	\$4,974,661	\$497,466	\$4,477,195
Sioux Falls (31)	\$1,831,523	\$183,152	\$1,648,371
Spencer (01)	\$230,156	\$100,000	\$130,156
Sturgis (05)	\$516,900	\$218,283	\$298,617
Sturgis (06)	\$16,247,000	\$1,600,000	\$14,647,000
Summit (01)	\$100,000	\$100,000	\$0
Vermillion (06)	\$499,000	\$249,500	\$249,500
Wakonda (01)	\$507,555	\$187,287	\$320,268
Warner (02)	\$1,662,217	\$927,517	\$734,700
Watertown (09)	\$11,554,853	\$1,155,485	\$10,399,368
Watertown (10)	\$2,983,757	\$298,375	\$2,685,382
Watertown (11)	\$498,166	\$305,873	\$192,293
Watertown School District (01)	\$399,747	\$399,747	\$0
Waubay (03)	\$1,470,000	\$500,000	\$970,000
Webster (03)	\$500,000	\$500,000	\$0
Worthing (04)	\$120,000	\$90,000	\$30,000
Yale (01)	\$863,135	\$591,247	\$271,888
TOTAL	\$103,323,335	\$37,054,323	\$66,269,012

CLEAN WATER SRF PROJECT DESCRIPTIONS

ABERDEEN – Aberdeen received its first loan for wastewater treatment plant improvements and upgrades and nonpoint source best management practices. The loan was for \$13,218,859 at 2.25 percent for 20 years. The second loan, in the amount of \$6,000,000 at 3.25 percent for 20 years, funded the second phase of the wastewater treatment plant improvement project. Aberdeen's third loan was for the replacement of 1,300 feet of sanitary and 1,600 feet of storm sewer on Kline Street. This loan was for \$1,500,000 at 2.25% for 10 years.

ALPENA – Alpena received a \$1,465,000 loan at 3 percent for 20 years to construct a third stabilization pond to the existing treatment system. The expansion was necessitated to accommodate an increased waste load from Link Snacks, Inc.

ANDOVER – Andover received a \$194,000 loan at 3.25 percent for 30 years. The loan will partially fund a project to convert the town's single cell lagoon to a three-cell system, construct an inter-pond lift station, and televise the collection system. The town received its second loan to rehabilitate the collection system by relining or replacing all existing lines and construct a storm sewer trunk line to remove stormwater from the wastewater collection system. The loan was for \$1,168,000 at 2.125 percent for 30 years and included \$1,068,000 of principal forgiveness.

ASTORIA – Astoria's first Clean Water SRF loan was for \$235,000 at 3.25 percent for 30 years. The loan will help the city increase the capacity of the existing wastewater treatment facility by adding a new cell and rehabilitate a storm water diversion channel west of the treatment facility. The project also included cleaning and televising the city's wastewater collection system to identify areas of excessive inflow and infiltration. Due to increased project costs the loan was rescinded, and another loan was awarded. The second loan was for \$744,000 at 3.25 percent for 30 years and included \$368,700 of principal forgiveness.

AURORA – Aurora received a \$410,000 loan at 5 percent interest for 20 years. The project upgraded the city's wastewater collection system. The city's second loan was for \$660,000, at 3.25 percent for 30 years, and included \$300,000 of principal forgiveness through the American Recovery and Reinvestment Act of 2009. This loan was to upgrade the city's single cell wastewater treatment lagoon to an artificial wetland treatment system. Aurora received its third loan to replace and reline sanitary sewer collection lines, increase the capacity of the main lift station, and construct a new parallel forcemain from the lift station to the treatment ponds. The loan was for \$2,002,000 at 2.125 percent for 30 years.

AVON – Avon received its first Clean Water State Revolving Fund loan to replace sanitary sewer and storm sewer along or adjacent to Main Street. The loan amount was \$138,000 at 2.5 percent for 20 years.

BALTIC – Baltic received a \$465,000 loan at 3.5 percent for 20 years to fund sewer main and lift station replacement. Baltic's second loan was for \$433,000 to install rip rap at the wastewater treatment lagoon cells. This loan was at 3 percent for 20 years and included \$200,000 of principal forgiveness through the American Recovery and Reinvestment Act of 2009. A third loan in the amount of \$764,700 was awarded to replace aging sewer lines on Elm Avenue, Jans Circle, Richards Circle and Bonnies Circle. The loan terms were 3.25 percent for 30 years.

BELLE FOURCHE – The city of Belle Fourche received two loans totaling \$517,422. The first loan, at 3 percent for 20 years, was used to construct sanitary sewer lines and manholes. The second loan, at 4.5 percent for 10 years, was used to upgrade the city's primary sanitary force main. Belle Fourche received its third loan in the amount of \$2,125,000 at 2.25 percent for 20 years to replace the sanitary sewer in 8th Avenue. Belle Fourche received its fourth loan in the amount of \$1,836,000 at 2.5 percent for 20 years to replace the Day Street Lift Station.

BELLE FOURCHE IRRIGATION DISTRICT – The Belle Fourche Irrigation District received a \$200,000 loan with 100 percent principal forgiveness. The loan was to partially fund irrigators’ conversion from flood irrigation to more efficient sprinkler systems.

BERESFORD – The city of Beresford received a 4.5 percent, 10-year loan in the amount of \$1,150,000 to improve sanitary sewer and storm sewer lines in conjunction with a South Dakota Department of Transportation street reconstruction project. Beresford was awarded its second loan to replace an aging sanitary sewer lines on portions of Second Street, Fifth Street, and Eleventh Street. The loan was for \$789,790 at 3.25 percent for 30 years. The city received its third loan - \$605,000 at 3.25 percent for 30 years – to replace sewer in conjunction with a South Dakota Department of Transportation Highway 46 reconstruction project.

BISON – Bison received its first State Revolving Fund loan to install a storm water collection system and a construct a bio-retention pond to manage storm water flows. The loan was in the amount of \$504,000 at 3 percent for 20 years. Bison received its second loan to reline portions of the collection system and make improvements to the berms at the wastewater treatment facility. The loan was for \$419,00 at 3.25 percent for 30 years. The loan was rescinded by the board.

BLACK HAWK SANITARY DISTRICT – Black Hawk Sanitary District’s Clean Water SRF loan in the amount of \$589,600 loan at 3.5 percent for 20 years was used for a wastewater improvement project. The district’s wastewater runs through the Northdale Sanitary District to be treated by the city of Rapid City.

BLUNT – Blunt was awarded its first Clean Water SRF loan to refurbish its wastewater lagoon treatment system and rehabilitate two lift stations. The \$710,000 loan is at 2.5 percent for 30 years.

BONESTEEL – Bonesteel received a \$588,000 loan at 3.25 percent for 30 years to partially finance improvements to the wastewater treatment and collection systems. The treatment facility improvements involved repairing the clay liner and interior pond dikes, installing rip rap, and other miscellaneous repairs. The collection system improvements involved replacing 600 feet of interceptor line cleaning and televising existing clay sewer lines to prioritize future collection system replacement projects.

BOX ELDER – Box Elder utilized a \$648,600 Clean Water SRF loan at 3 percent for 20 years to refinance existing sewer debt incurred to expand its treatment facility.

BRANDON – The city of Brandon received two Clean Water SRF loans totaling \$631,018 for a storm drainage project and for the construction of a force main to convey partially treated wastewater from Brandon to the Sioux Falls wastewater treatment plant as well as the associated pumping station and improvements to the existing treatment facility. Both loans were for 10 years at 3 percent interest. Brandon’s third loan, for \$687,000 at 2.25 percent for 10 years, was to reroute the force main leading to the wastewater treatment facility. Brandon’s fourth loan, for \$383,250 at 2.25 percent for 10 years, was to construct a storm water detention pond on the east side of the city. The third and fourth loans received 10 percent principal forgiveness (\$68,700 and \$38,325, respectively) through the American Recovery and Reinvestment Act of 2009. The third loan was rescinded at the city’s request due to uncertainties concerning the route of the force main and the time limitations imposed by the American Recovery and Reinvestment Act. Brandon’s fifth loan was awarded for engineering planning and design for modifications to the collection systems and construction of a new treatment system. The loan was for \$3,000,000 at 3.25 percent for 30 years. This loan was deobligated at the city’s request after the city dismissed plans to build a new treatment system. Brandon received its sixth loan for \$2,598,000 at 3 percent for 20 years to construct a lift station to convey raw sewage to the Sioux Falls Water Reclamation facility.

BRANT LAKE SANITARY DISTRICT – The Brant Lake Sanitary District received a \$1,700,000 loan to construct a wastewater collection system to serve the residents of Brant Lake and convey wastewater to the Chester Sanitary District’s wastewater treatment facility. The loan was at 3.25 percent for 30 years.

BRENTFORD – The city of Brentford received a \$194,000 loan to finance lift station and force main upgrades, construct a new wastewater treatment cell, and make improvements to the existing cell. The project also involved cleaning and televising of the collection system to determine the most appropriate lines to replace in the future. The loan was at 3.25 percent for 30 years.

BRIDGEWATER – The city of Bridgewater constructed storm sewer along the north and east sides of the city to connect to an existing inlet basin with its first loan, a 20-year, 5.25 percent loan for \$90,328. The city’s second loan, for \$321,600 at 3.25 percent for 20 years funded improvements to the sanitary sewer system. Bridgewater’s third loan was in the amount of \$261,000 at 3.25 percent for 30 years and was used to replace or reline several blocks of sewer main and repair or replace several manholes along Main Street. Bridgewater received its fourth loan to address deficiencies in its storm water system by installing new pipes and adding a detention basin. The loan was for \$1,760,000 at 2.75 percent for 30 years and included \$260,000 of principal forgiveness.

BRISTOL – The city of Bristol received a \$1,000,000 loan at 3.25 percent for 30 years to replace sanitary and storm sewer primarily in the northwest portion of the community.

BRITTON – The city of Britton received two Clean Water SRF loans for a total amount of \$832,435. The first loan, at 4.5 percent for 10 years, funded wastewater system improvements, including the installation of a lift station and force main and the construction of artificial wetlands. The city’s second loan in the amount of \$322,500 at 3.5 percent for 20 years funded sewer main replacement and extensions along Highway 10. A third loan in the amount of \$1,042,034 was awarded to televise the collection system, rehabilitate multiple lift stations, and general improvements to the wastewater treatment facility. The loan terms were 3 percent for 20 years. Britton received its fourth loan to fund a project to replace vitrified clay pipe with PVC pipe throughout the city. The loan amount was \$2,500,000 with terms of 3.25 percent for 30 years.

BROOKINGS – The city of Brookings received a loan for \$188,065 at 4 percent for 15 years to finance the construction of a new interceptor. The city of Brookings received its second loan to extend sanitary and storm sewer service to the South Dakota State University Innovation Campus. The loan was for \$1,190,000 at 3.0 percent for 20 years and included \$119,000 of principal forgiveness through the American Recovery and Reinvestment Act of 2009. The city’s third loan financed the construction of a storm water detention pond with a rain garden component. The loan was for \$665,000 at 3 percent for 20 years and included \$66,500 of principal forgiveness. The city’s fourth loan also financed the construction of a storm water detention pond with a rain garden component. The loan was for \$483,538 at 3 percent for 20 years. Brookings received its fifth loan, \$549,476 at 3 percent for 20 years, to construct a 15-acre-foot storm water detention pond. The city’s sixth loan upgraded the existing storm sewer in the area of Christine Avenue and 12th Street South. This loan was in the amount of \$3,222,319 at 3 percent for 20 years. The city was awarded its seventh loan for upgrades to the wastewater treatment facility and equalization basins, install new sanitary sewer mains, and construct a combined flow equalization pumping station facility. The seventh loan was for \$30.6 million at 3.25 percent for 30 years. Brookings’s eighth loan was intended to replace sanitary sewer under 11th Street that is undersized; however, the loan was subsequently deobligated in full at the city’s request. The loan was for \$255,000 at 3 percent for 20 years. The city’s ninth loan was to construct a storm water management system in the Division Avenue area. This loan was in the amount of \$1,570,000 at 3 percent for 20 years. Brookings’s tenth loan is for storm sewer upgrades on Jefferson Avenue, State Avenue, and Morningside Drive involving storm sewer pipe, curb and gutter, and a new channel for excess flow. This loan was in the amount of \$850,000 at 2.25 percent for 20 years.

BROWN COUNTY – Brown County was awarded a \$1,385,600 loan at 2.25 percent for 10 years for the construction of a new landfill cell; however, the loan was subsequently deobligated in full at the county's request.

BURKE – The city of Burke received a \$155,000 loan at 3.25 percent for 20 years to fund the wastewater portion of the Franklin Street Utilities Replacement project.

CANISTOTA – The city of Canistota received a \$616,840 loan at 3.25 percent for 30 years to replace sewer line on Ash Street. The loan included \$420,190 of principal forgiveness through the American Recovery and Reinvestment Act of 2009. Due to higher than expected costs on the Ash Street project, the city was awarded a second loan of \$188,669 to complete the project. This loan was also at 3.25 percent for 30 years. Canistota received a third loan in the amount of \$381,000 at 3.25 percent for 30 years for a project to replace additional sewer lines in the community. The project also involves replacement of storm sewer. Canistota was awarded its fourth loan in the amount of \$378,000 at 3.25 percent for 30 years to replace service lines on Main Street and install a block of storm sewer lines.

CANOVA – The town of Canova received a \$262,500 loan at 3.25 percent for 30 years to add a 3.0-acre artificial wetland to the treatment system to provide additional capacity needed for the system to operate as a total retention facility. The loan included \$170,000 of principal forgiveness.

CANTON – The city of Canton received its first Clean Water SRF loan at 4 percent for 15 years in the amount of \$515,715 to finance sanitary and storm sewer improvements. The city's second loan, for \$600,000, was at 3.5 percent for 20 years for utility improvements in conjunction with South Dakota Department of Transportation reconstruction of US Highway 18. Canton's third loan was for \$2,462,000 to upgrade the treatment capabilities of the city's wastewater treatment facility by constructing aerated lagoons and adding disinfection facilities. This loan was at 3.0 percent for 20 years and included \$840,500 of principal forgiveness through the American Recovery and Reinvestment Act of 2009. The city's fourth loan is for the construction of a new lift station and force main to replace a deteriorated lift station. The loan is for \$732,000 at 3.25 percent for 30 years. Canton received its fifth loan in the amount of \$1,648,000 at 3.25 for 30 years to replace sanitary and storm sewer as part of the Dakota Street reconstruction project.

CASTLEWOOD – The city of Castlewood received a \$250,000 loan at 3.5 percent for 20 years to fund sanitary sewer collection improvements. The city's second loan funded the restoration of the wastewater treatment lagoons. This project was funded at \$160,000 at 3.5 percent for 20 years.

CAVOUR – Cavour was awarded a \$150,000 loan at 3.25 percent for 30 years to replace the lift station and force main leading to the wastewater treatment facility. Cavour received its second loan to replace a portion of its wastewater collection system using conventional open trench methods to address significant infiltration entering the collection system. The loan was for \$192,000 at 2.5 percent for 30 years.

CENTERVILLE – Centerville received a loan for \$500,000 at 3.5 percent for 20 years to fund the construction of a new wastewater treatment facility and new force main and lift station to transfer the wastewater to the new facility. Centerville received its second loan for \$435,471 at 3.25 percent for 30 years to line approximately 22,600 feet of sewer main and rehabilitate ten manholes. The city's third loan in the amount of \$240,000 at 2.5 percent for 30 years to install new storm sewer parallel to existing storm sewer lines in Main Street to increase capacity.

CHAMBERLAIN – Chamberlain received two loans at 3 percent for 10 years totaling \$615,500 to rehabilitate sanitary sewer lines and construct storm sewer lines under two major streets in the city. The city's third and fourth loans, at 5.25 percent for 20 years, totaled \$3,150,000 for renovations to the city's wastewater treatment facility and expansion of sewer service into a newly annexed area of town. The city

was awarded its fifth loan in an amount of \$300,000 at 2 percent for 10 years to upgrade and replace water meters.

CHANCELLOR – Chancellor received a \$574,000 loan at 3.25 percent for 30 years to rehabilitate aging sanitary sewer collection system throughout the community. The town received its second loan in the amount of \$180,000 at 2.25 percent for 10 years to replace water meters and install an automatic read system. The loan included \$90,000 of principal forgiveness. Water meters are eligible for Clean Water SRF loans, and this loan was applied to the Green Project Reserve requirements.

CLAREMONT – Claremont received its first Clean Water SRF loan to replace most of the wastewater collection system throughout the town, rehabilitate lift stations by installing new pumps and making wetwell repairs, and replace the clay liner in the treatment ponds with synthetic liners. The \$1,832,000 loan, at 2.75 percent for 30 years, included \$1,387,000 of principal forgiveness. The town's second loan was to replace most of the wastewater collection system, rehabilitate an existing lift station by installing new pumps and making wetwell repairs, and replacing the clay liners in the treatment ponds with synthetic liners. The \$625,000 loan, at 2.125 percent for 30 years, included \$556,000 of principal forgiveness.

CLARK – Clark rehabilitated portions of its wastewater collection and treatment system with a \$400,000 loan at 3.5 percent for 20 years. Clark's second loan, in the amount of \$2,485,000 at 3.25 percent for 30 years, is for the construction of a new total retention wastewater treatment facility and a lift station and force main to convey wastewater to the new facility.

CLEAR LAKE – The city of Clear Lake used a \$79,537, 4 percent, 15-year loan to construct two new wastewater treatment stabilization ponds and convert the existing pond into an artificial wetland. The city's second loan, in the amount of \$910,000 at 3.25 percent for 20 years, funded wastewater collection improvements.

COLMAN – Colman received its first Clean Water SRF loan to replace the older, substandard lines in the sanitary sewer collection system to reduce excessive infiltration. The loan was in the amount of \$1,574,248 at 3.25 percent for 30 years and included \$356,500 of principal forgiveness. Colman received a second loan for \$800,000 at 3.25 percent for 20 years to continue with the replacement of the sanitary sewer collection system. The second loan included \$500,000 of principal forgiveness.

COLTON – The city's first loan, \$204,500 at 3.25 percent for 20 years, funded wastewater treatment system improvements. Colton's second loan for \$189,200, at 3.25 percent for 30 years, funded sanitary sewer improvements along 5th Street. The city's third loan is for the replacement of clay sanitary sewer on Main and First Streets. The loan amount was originally \$1,385,000 at 2.5 percent for 30 years but was later amended to \$1,974,000.

CROOKS – Crooks received its first Clean Water SRF loan, in the amount of \$697,000 at 3.25 percent for 20 years, to expand its wastewater treatment facility by adding approximately 32 acres of new lagoons. The city's was awarded its second loan, \$425,000 at 3.25 percent for 30 years, to install a storm sewer system within the Palmira Park sub-division. The city later deobligated the loan in full. The city was awarded its third loan in the amount of \$2,052,000 at 2.5 percent for 30 years, to replace the collection system within the Palmira Park sub-division. The loan was later amended to \$2,400,000 to address additional storm water related work.

CUSTER – The city of Custer received four Clean Water SRF loans totaling \$2,521,000. The first loan financed the construction of a force main to convey treated effluent from the wastewater treatment facility to the municipal golf course, a storage reservoir at the golf course to store the effluent, and irrigation facilities at the golf course to utilize the effluent. The second loan financed sewer improvements that included collection lines and an interceptor line extension on the west edge of the city limits. The first and

second loans were for 20 years at an interest rate of 3 percent. The third loan, for \$276,000 at 3 percent interest for 10 years, financed the construction of an additional wastewater stabilization pond. Custer's fourth loan involved relining approximately 13,000 feet of sewer main and manholes on Mount Rushmore road and installing new aerators at the wastewater treatment facility. The loan was for \$1,633,000 at 3 percent for 20 years.

CUSTER-FALL RIVER WASTE MANAGEMENT DISTRICT – The Custer-Fall River Waste Management District used a \$106,939 loan at 5 percent interest for 20 years for the construction of a landfill to serve residents of Custer and Fall River counties. The landfill also serves the Hot Springs Material Recovery Facility (MRF).

DEADWOOD – Deadwood received a \$447,838 Clean Water SRF loan at 4 percent interest for 15 years to slip line approximately 2,700 feet of 24-inch diameter sewer interceptor line.

DELL RAPIDS – The city of Dell Rapids constructed sanitary and storm sewers with a \$300,000 loan. The new lines replaced existing undersized sewers in conjunction with a street rehabilitation project. The term of the loan was 10 years at 3 percent. The city's second loan, for \$731,737 at 3.25 percent for 20 years, funded the wastewater portion of the 4th Street Utility Improvements project. The city's third loan, \$1,062,000 at 3.25 percent for 20 years, was for improvements to storm water drainage in the 12th Street and Clark Avenue area. Dell Rapids's fourth loan was for \$950,000 at 3.25 percent for 20 years to construct a new lift station, force main, and gravity sewer. The fifth loan awarded to the city installed sanitary and storm sewer along 15th Street. The loan was for \$1,185,200 at 3 percent for 20 years and included \$635,995 of principal forgiveness. The city's sixth loan partially financed the replacement of aging sanitary lines on 15th Street, Garfield Avenue, State Avenue and at the Big Sioux River Crossing. The loan amount was \$612,000 at 3 percent for 20 years. Dell Rapids was awarded its seventh loan to replace the sanitary sewer, construct a lift station and gravity sewer to an area south of the Big Sioux River, and clean, televise and analyze approximately 40,000 feet of existing sanitary sewer. The loan was for \$1,200,000 at 3 percent for 20 years. The city's eighth loan in the amount of \$2,386,000 at 3.25 percent for 30 years was for the construction of a sequencing batch reactor treatment facility. Effluent from the city's existing wastewater treatment facility was incapable of meeting more stringent standards that were placed on the Big Sioux River. Dell Rapids was awarded its ninth loan in the amount of \$2,661,700 at 1.5 percent for 30 years to replace sewer mains, manholes and storm sewers in the southeast area of the city. The loan also included a nonpoint component to install nonpoint source best management practices in the Big Sioux River basin. The city's tenth loan, \$2,177,500 at 1.375 percent for 30 years, was for sanitary and storm sewer rehabilitation on 5th, 6th, and Iowa Streets and included a nonpoint component to install nonpoint source best management practices in the Big Sioux River basin.

DELMONT – The town of Delmont received its first Clean Water SRF loan in the amount of \$1,210,000 loan with 100 percent principal forgiveness. The loan partially funded major upgrades to the wastewater system by relining or replacing sewer lines throughout the community, making improvements to the wastewater treatment facility, and rehabilitating a lift station.

DOLAND – Doland's first Clean Water SRF loan funded the replacement of water meters throughout the town. The \$150,000 loan, at 2 percent for 10 years, included \$75,000 of principal forgiveness.

DIMOCK – Dimock received its first loan to replace an above ground stream crossing on the influent line, make improvements to the wastewater treatment facility, and extend sewer to an undeveloped portion of the town. The loan was for \$478,000 at 3.25 percent for 30 years.

DUPREE – Dupree received two loans – one for \$450,000 and another for \$192,000 - to finance the rehabilitation of the main lift station and installation of riprap at the wastewater treatment facility cells. The

project also includes televising the collection system to determine which lines to replace in the future. The terms of the loans are 3.25 percent for 30 years.

EAGLE BUTTE – The city of Eagle Butte first SRF loan was to assist in the replacement of a gravity sewer main with a force main and construction a new lift station to connect existing businesses currently without sewer services. The project also involved dredging one of its wastewater treatment ponds, installing aerators to a cell, and upgrading inter-pond and inlet piping between the lagoons. The loan was for \$1,561,500 at 3 percent for 20 years; however, the loan was subsequently deobligated in full at the city's request. Eagle Butte reapplied for funding for the project and was awarded a \$2,410,000 loan at 3.25 percent for 30 years. Sanitary and storm sewer upgrades and extensions within the city were added to the project scope. The third loan awarded to Eagle Butte, \$670,000 at 2.5 percent for 30 years, was needed to complete the sewer main portion of the aforementioned project.

ELK POINT – The city of Elk Point has received six loans for various wastewater and storm water projects. Its first loan, \$458,000 at 4 percent for 15 years, financed the replacement of two existing lift stations with a new lift station, force main and interceptor lines. The city's second loan for \$450,000 at 3.5 percent for 20 years funded new storm sewer and replaced sanitary sewer in conjunction with the Pearl Street Utility Improvement project. Its third loan, in the amount of \$345,000 at 3.5 percent for 20 years, financed renovation of the city's lagoon system. Elk Point's fourth loan, \$100,000 at 3.25 percent for 20 years, funded the wastewater portion of the utility systems' improvements. The fifth SRF loan awarded to Elk Point funded sanitary and storm sewer rehabilitation on Clay and Washington Streets. This loan was \$150,000 at 3.25 percent for 20 years. The city's sixth loan was used to replace the sewer main on Main Street in conjunction with a highway reconstruction project. The loan amount was \$931,700 at 3 percent for 20 years and included \$93,170 of principal forgiveness through the American Recovery and Reinvestment Act of 2009. Elk Point's seventh loan in the amount of \$235,000 at 3.25 percent for 30 years was to line the collection system beneath Rose Street. The city received its eighth loan to replace approximately 800 feet of sanitary sewer and install approximately 700 feet of storm sewer under Washington and Douglas streets. The loan was for \$593,000 at 2.50 percent for 30 years.

ELKTON – The city of Elkton was awarded a loan for \$510,000 to upgrade its wastewater treatment facility. The loan was at 3.25 percent for 30 years and included \$130,000 of principal forgiveness through the American Recovery and Reinvestment Act of 2009. The city received its second loan, \$1,206,000 at 2.75 percent for 30 years, for the first phase of a project to replace sanitary and storm sewer lines.

ELLSWORTH DEVELOPMENT AUTHORITY – The South Dakota Ellsworth Authority received two loans for the construction of a regional wastewater treatment facility and interceptor line to serve the Ellsworth Air Force Base (AFB) and the city of Elder. Each loan contains a tax-exempt series (Series A) for the Box Elder portion and a taxable series (Series B) for the Ellsworth AFB portion. The loan amounts are \$16 million (\$8 million Series A/\$8 million Series B) and \$6,812,000 (\$1,703,000 Series A/\$5,109,000 Series B). The terms of the loans are 3 percent for 20 years.

EMERY – Emery was awarded a loan for \$3,084,000 at 3.25 percent for 30 years to replace the majority of its collection system to reduce the infiltration of groundwater entering the system. The loan included \$1,871,000 of principal forgiveness.

ENEMY SWIM SANITATION DISTRICT – The Enemy Swim Sanitation District received a \$300,000 loan with 100 percent principal forgiveness through the American Recovery and Reinvestment Act of 2009. The loan was to construct a centralized wastewater collection system at Enemy Swim Lake. The loan was rescinded at the district's request due to the inability to meet the time limitations imposed by the American Recovery and Reinvestment Act.

ETHAN – Ethan’s first loan will partially finance a project that involves replacing an existing pump station, installing force main, and making modifications to its existing total retention wastewater treatment facility to discharge at a point downstream of Ethan Lake. The loan is for \$500,000 at 3.25 percent for 30 years.

EUREKA – Eureka used its first Clean Water SRF loan to replace collection lines and separate storm sewer connections to the sanitary sewer along Highway 10, rehabilitate a lift station, and miscellaneous work at the wastewater treatment facility. The loan was for \$1,494,000 at 3.25 percent for 30 years.

FAULKTON – The city of Faulkton was awarded its first Clean Water SRF loan in the amount of \$902,000 at 3.25 percent for 30 years. The project involved removal storm sewer connections from the sanitary sewer, and the installation of 1,500 feet of storm sewer pipe. The project also involved televising about 65,000 feet of sewer main to identify and prioritize pipe to replace in the future.

FORT PIERRE – Fort Pierre’s first loan, \$330,294 at 3 percent for 10 years, was used to construct two storm sewers and a new sanitary sewer that serves a residential area previously not connected to the city’s system. Fort Pierre received its second loan in the amount of \$462,500 at 3.5 percent for 15 years to finance a sanitary sewer lift station and manhole rehabilitation. The city’s third loan, in the amount of \$450,000 at 3.5 percent for 20 years, funded additional wastewater lagoons. The city’s fourth loan, in the amount of \$374,620 at 3.25 percent for 20 years, funded a nonpoint source project to make improvements to drainage ditches and prevent sediment from entering the Missouri River. Due to higher than anticipated construction costs, this loan was rescinded at the city’s request, and a new loan in the amount \$900,000 at 3.25 percent for 20 years was awarded. Fort Pierre received its sixth loan to make improvements at its wastewater treatment facility. The loan amount is \$266,000 at 3.25 percent for 30 years and includes \$50,000 of principal forgiveness. The city received its seventh loan to make further improvements at its wastewater treatment facility to include rerouting flow to eliminate short circuiting in the treatment ponds, installing an aeration system, adding additional ammonia treatment, and installing UV disinfection. The loan amount is \$3,701,000 at 2.125 percent for 30 years.

FREEMAN – The city of Freeman’s first loan, in the amount of \$300,000 at 2.5 percent for 10 years, funded wastewater collection system improvements. Freeman was awarded a second loan to reconstruct sanitary sewer, install storm water lines, and construct two storm water detention ponds. This loan was for \$800,000 at 3.25 percent for 20 years. The city received a third loan - \$1,536,000 at 3 percent for 20 years - to rehabilitate the main lift station and make several improvements to the aerated lagoon treatment system. The loan amount was reduced to \$1,000,000 at the city’s request.

GARRETSON – The city of Garretson constructed new wastewater treatment stabilization ponds to make the existing sanitary system total retention and made improvements to the existing wastewater facility using the \$300,000, 4 percent, 15-year loan. The Split Rock Creek lift station and sewer extension project was funded with the city’s second loan for \$503,239 at 3.25 percent for 20 years. Garretson was awarded its third loan, \$1,160,000 at 2.5 percent for 30 years, to replace sanitary sewer on 3rd Street, Main Avenue, and the Truck Route. Due to a funding shortage, Garretson received its fourth loan for \$917,000 at 2.125 percent for 30 years to continue with the replacement of the sanitary sewer collection system 3rd Street, Main Avenue, and the Truck Route.

GAYVILLE – Gayville received its first Clean Water SRF loan in the amount of \$275,000 at 3.25 percent for 20 years to fund a wastewater lagoon upgrade.

GETTYSBURG – The city of Gettysburg received a \$624,000 loan at 3.25 percent for 30 years to re-line several blocks of sewer main using cured-in-place pipe. The loan award included \$82,400 of principal forgiveness through the American Recovery and Reinvestment Act of 2009. The principal forgiveness component of the loan was forfeited due to failure to meet the milestone date for submitting bid proposals.

GREGORY – Gregory received a \$327,000 loan at 3 percent for 20 years to replace or re-line the outfall line to the wastewater treatment facility and replace 500 feet of sanitary sewer pipe within the city. The city received its second loan for \$259,000 at 2.25 percent for 10 years to rehabilitate several blocks of the collection system. Gregory received its third loan, \$260,000 at 2.25 percent for 20 years, to replace clay sanitary sewer pipe in Felton Street between 4th Street and 2nd Street.

GROTON – The city of Groton has received nine Clean Water SRF loans to finance various projects. Its first two loans, in the total amount of \$264,154, financed new interceptor lines, force mains and lift stations in the east and northwest sections of the city. Both loans were at 3 percent for 10 years. The city's third loan, \$470,809 at 5.25 percent for 20 years, funded construction of a new three-cell wastewater treatment facility, lift station, and force main. The city received its fourth and fifth Clean Water SRF loans in 2003, both at 3.5 percent for 20 years. The fourth loan, for \$163,775, funded expansion of the sewer system to the northeast part of the city. The fifth loan, \$440,000, funded replacement of sewer lines on Main Street and reconstruction of the road. Groton's sixth loan - \$150,000, 3.25 percent, 20 years – was awarded for emergency replacement of approximately 3 blocks of sewer main damaged by heavy rainfall and flooding. The seventh loan replaced 4,700 feet of 8-inch sanitary sewer lines and 2,700 feet of 4-inch sewer services and upgraded a lift station. This loan was for \$907,700 at 3.0 percent for 20 years and included \$500,000 of principal forgiveness through the American Recovery and Reinvestment Act of 2009. The city's eighth loan was to replace a collapsed sanitary sewer line that crossed under an operating railroad. The loan was awarded for \$322,000 at 2.25 percent for 10 years and included \$80,500 of principal forgiveness. The ninth loan also replaced a failing sanitary sewer line and relocated a lift station. The loan amount was \$485,000 at 2.25 percent for 10 years.

HARRISBURG – The city of Harrisburg received a Clean Water SRF loan for \$507,277 at 5 percent for 20 years to construct total retention stabilization ponds. Harrisburg's second and third loans were for a project to convey wastewater from Harrisburg to the city of Sioux Falls for treatment. A loan of \$3,941,200 with 100 percent principal forgiveness through the American Recovery and Reinvestment Act of 2009 was used to construct a lift station at the city's existing wastewater treatment facility property. A loan of \$5,911,800 at 3.25 percent for 30 years was used to construct a force main from the lift station to the city of Sioux Falls' collection system. The city's fourth and fifth loans were used to install sanitary and storm sewer in the Columbia Drainage Basin area. The loan for the storm sewer portion was for \$1,783,760 at 3 percent for 20 years, and the loan for the sanitary sewer portion was for \$1,435,340 at 2.25 percent for 10 years. Harrisburg was awarded its sixth loan for \$2,577,000 at 3.25 percent for 30 years to pay a system development charge to the city of Sioux Falls for treatment of wastewater from Harrisburg. The loan was rescinded by the board. Harrisburg received its seventh loan to construct a modified return-activated sludge (RAS) wastewater treatment system with continuous flow and two-stage aeration and discontinue pumping its wastewater to Sioux Falls. The loan is for \$24,487,000 at 2.5 for 30 years.

HARROLD – The city of Harrold was awarded a loan in the amount of \$170,000 at 3.25 percent for 20 years to replace the entire storm water drainage system on Wyman Avenue from Highway 14 to the south side of town.

HARTFORD – The city of Hartford has received six Clean Water SRF loans. With the first two loans, for \$1,194,804 at 5 percent interest for 20 years, the city replaced sanitary sewer mains within the city and replaced the wastewater treatment facility. Hartford's third loan, for \$300,000 at 3.5 percent for 20 years, completed the funding for the wastewater treatment facility project. Hartford's fourth loan, in the amount of \$550,035 at 3.5 percent for 20 years, funded further wastewater collection and storm sewer improvements. The city's fifth loan, in the amount of \$583,000 at 3.25 percent for 20 years, also funded further wastewater collection and storm sewer improvements. Hartford's sixth loan was awarded to install a sanitary sewer line in Mickelson Road between Patrick Avenue and Highway 38 and install a new lift station, force main, and storm sewers to accommodate growth in the area. The loan amount is \$1,482,000

at 2.5 percent for 30 years. The city received its seventh loan, \$1,334,000 at 2.75 percent for 30 years, to extend sewer service on Western Avenue.

HECLA – The town of Hecla was awarded a loan to replace sanitary sewer lines, sewer services, and appurtenances. This loan was for \$143,390 at 3.0 percent for 20 years and included \$14,339 of principal forgiveness through the American Recovery and Reinvestment Act of 2009.

HERMOSA – The town of Hermosa received its first SRF loan to extend sewer lines to an area along Highway 79 without sewer service. The loan was for \$303,604 at 3.25 percent for 30 years.

HERRIED – Herried received its first SRF loan in the amount of \$694,300 at 3.25 percent for 30 years to replace wastewater lines, lift station pumps and structures at the lagoon.

HIGHMORE – The city of Highmore's first loan was in the amount of \$262,300 at 3.5 percent for 20 years to fund an upgrade to its wastewater treatment facility. The upgrade included reshaping dikes, installing riprap, relocating the inlet structure, and replacing inter-pond piping. The city received its second loan to replace sewer lines in conjunction with a South Dakota Department of Transportation project to reconstruct Highway 47. The loan amount was \$679,000 at 3.25 percent for 30 years.

HOSMER – Hosmer received its first SRF loan in the amount of \$968,000 at 3.25 percent for 30 years, with \$714,400 of principal forgiveness, to upgrade the wastewater treatment facility and televise the collection system. The loan was subsequently deobligated in full at the city's request.

HOT SPRINGS – The city of Hot Springs received two loans totaling \$1,126,930. The first loan of \$196,930, at 3 percent interest for 10 years, was used to construct new sanitary sewers in an area of the city with failing septic systems. The second loan of \$930,000, at 5 percent for 20 years, was used to close the existing landfill site and construct a transfer station and municipal solid waste composting facility. The city's third loan was for \$1,453,000 at 3 percent for 20 years and was used to replace sanitary sewer lines throughout the city.

HOVEN – The city of Hoven received its first loan to replace sewer lines in conjunction with a South Dakota Department of Transportation project to reconstruct Highway 47. The loan amount was \$656,000 at 3.25 percent for 30 years.

HOWARD – The city of Howard received its first loan in the amount of \$1,764,000 at 3.25 percent for 30 years to upgrade the wastewater treatment facility and televise the collection system. The loan amount was reduced to \$979,000 at the city's request. The loan was later deobligated at the city's request.

HUDSON – Hudson received its first Clean Water SRF loan to replace an existing lift station, the force main from the lift station to the treatment ponds, and control structures at the treatment facility and undertake a sludge survey of the wastewater ponds. The loan amount is \$898,000 at 2.125 percent for 30 years.

HUMBOLDT – Humboldt was awarded its first loan to replace a portion of the town's clay lines to reduce infiltration entering the collection system. The loan amount was \$417,200 at 3.25 percent for 30 years. The city's second loan in the amount of \$272,000 at 2 percent for 10 years was awarded to replace water meters throughout the city. The loan was subsequently deobligated in full at the city's request. Humboldt received its third loan - \$1,876,000 at 2.5 percent for 30 years – to make improvements to the collection system by replacing vitrified clay pipe and sewer services. The city's fourth loan was used to replace water meters throughout the community. The loan amount was \$290,000 at 2 percent for 10 years.

HURLEY – Hurley’s first Clean Water SRF loan - \$835,964 at 3.25 percent for 30 years – partially funded a project to replace or line approximately 8,000 feet of sewer main. The city received its second loan for \$188,000 at 2.125 percent for 30 years to replace the sanitary sewer along Center Avenue.

HURON – The city of Huron has received four Clean Water SRF loans. The first loan was used to partially fund improvements at the mechanical wastewater treatment facility and artificial wetlands treatment site. This loan totaled \$1,656,000 at 3 percent for 20 years. The second loan, for \$701,007 at 3 percent for 10 years, was used to construct an extension to the storm sewer system to provide drainage in a developing area of the city. Huron utilized a third Clean Water SRF loan in the amount of \$1,856,828 at 5.25 percent for 20 years to expand the existing stabilization pond system and increase pumping capacity. The city funded upgrades to its wastewater treatment facility with a fourth loan for \$1,500,000 at 3.25 percent for 20 years. Huron received its fifth loan, \$14,946,000 at 2.125 percent for 30 years, to construct new sequencing batch reactors (SBRs), abandon the existing SBRs, and rehabilitate the pretreatment building.

INTERIOR – Interior’s first Clean Water SRF loan was used to replace its undersized wastewater treatment facility with a new three-cell treatment pond facility and replace the line leading to treatment facility. The loan amount was \$250,000 at 3.25 percent for 30 years.

IPSWICH – Ipswich received its first SRF loan in the amount of \$1,951,000 at 3.25 percent for 30 years to replace or line portions of the wastewater collection system and upgrade lift stations within the system. The loan was subsequently deobligated in full at the city’s request.

IRENE – Irene received its first Clean Water SRF loan of \$656,000 at 3.25 percent for 30 years to rehabilitate 21 blocks of the wastewater collection system. Irene received its second loan to complete the rehabilitation of its wastewater collection system. The loan was for \$3,392,000 at 2.75 percent for 30 years and included 2,548,000 of principal forgiveness.

JAVA – The town of Java used its first Clean Water SRF loan to clean and televise the sanitary sewer collection system, riprap the dikes at the wastewater treatment facility, and rehabilitate the north lift station. The loan was for \$438,325 at 3.25 percent for 30 years and includes \$103,325 of principal forgiveness.

JEFFERSON – Jefferson received its first Clean Water SRF loan of \$320,000 at 3.5 percent for 20 years to fund wastewater treatment facilities improvements. The city constructed two lagoon cells, enabling the existing cell to become a wetland.

KENNEBEC – Kennebec received two loans for wastewater projects. One loan, in the amount of \$723,000 at 3.25 percent for 30 years, is to extend service to an unserved area of the community. The other loan, in the amount of \$437,000 at 3.25 percent for 30 years, is to construct a new primary cell at the wastewater treatment facility and televise the collection system.

KEYSTONE – Keystone received its first loan to upgrade its wastewater treatment facility by installing a new influent fine screen, replacing the ultraviolet disinfection equipment, and other items necessary to improve the quality of the wastewater effluent. The town will also televise its system to identify pipes for possible future replacement. The loan is for \$431,000 at 3 percent for 20 years.

LAKE BYRON WATERSHED DISTRICT – The Lake Byron Watershed District received a \$1,843,000 loan at 3.25 percent for 30 years to construct a centralized wastewater treatment and collection system. The loan was rescinded by the board.

LAKE BYRON SANITARY DISTRICT – The Lake Byron Sanitary District received a \$3,475,000 loan at 2.5 percent for 30 years to construct a centralized wastewater treatment and collection system. The loan was rescinded by the board.

LAKE COCHRANE SANITARY DISTRICT – The Lake Cochrane Sanitary District constructed a wastewater collection and treatment system at Lake Cochrane. An \$80,000 loan at 3 percent for 20 years was made to the district to refinance a portion of the project. Its second loan, in the amount of \$160,000 at 3.5 percent for 20 years, upgraded the wastewater collection system.

LAKE MADISON SANITARY DISTRICT – The Lake Madison Sanitary District received a 4 percent, 15-year Clean Water SRF loan for \$330,000 to refinance a Farmers Home Administration loan, which partially funded the installation of a wastewater collection and treatment system to serve Lake Madison. The district's second loan, in the amount of \$875,000 at 3.5 percent for 20 years, funded two new wastewater treatment ponds. The district was awarded its third loan in the amount of \$428,000 at 3.25 percent for 30 years to replace a lift station and force main.

LAKE NORDEN – Lake Norden was awarded its first Clean water SRF loan to reline sanitary sewer lines and manholes and televise additional lines to determine if additional rehabilitation is necessary. The \$1,285,000 loan is at 2.5 percent for 30 years. The city received its second loan for \$671,000 at 2.125 percent for 30 years to replace the main lift station with a new lift station located at the wastewater treatment facility.

LAKE POINSETT SANITARY DISTRICT – Lake Poinsett Sanitary District received a loan in the amount of \$590,000 at 3.25 percent for 20 years to fund expansion of the sanitary system at Lake Poinsett. Due to the need to re-site the proposed wastewater treatment lagoons, the project was delayed. As a result the project cost increased significantly, and the loan was subsequently deobligated at the sanitary district's request. A second loan in the amount of \$1,094,700 at 3.50 percent for 30 years was received to fund the expansion project. The sanitary district was awarded its third loan to expand sewer service to an additional 90 users which involves installing a combination of gravity sewers, lift stations, and forcemains and constructing a new 3-acre total retention treatment pond adjacent to an existing pond. The loan was for \$3,075,000 at 3.25 percent for 30 years and included \$1,603,000 of principal forgiveness. The sanitary district received its fourth loan for \$1,917,000 at 3.25 percent for 30 years to expand sewer service to another 100 users. The project involves installing a combination of gravity sewers, lift stations, and forcemains and constructing a new total retention treatment pond.

LAKE PRESTON– Lake Preston received its first Clean Water SRF loan in the amount of \$758,000 at 2.125 percent for 30 years for sewer rehabilitation within the city.

LEAD – The city of Lead received seven Clean Water SRF loans amounting to \$1,961,706 to separate combined sanitary and storm sewers along with the rehabilitation of portions of the sanitary sewer system. The first loan was at 3 percent interest for 20 years, the second and third loans were at 3 percent for 10 years, and the fourth loan was at 4.5 percent interest for 10 years. Lead's fifth and sixth loans were at 3.25 percent interest for 20 years. The city's seventh loan continued the sewer separation and rehabilitation project on Lower May, South Main, and West Addie Streets. The loan amount was \$200,000 at 3 percent for 20 years and included \$50,000 of principal forgiveness. Lead was awarded its eighth loan for sewer separation and rehabilitation to occur in conjunction with a South Dakota Department of Transportation project to reconstruct Highway 85. The loan amount was \$937,000 at 3 percent for 20 years. The city received its ninth loan in the amount of \$427,000 at 2.25 percent for 10 years to replace water meters and install an automatic read system. Water meters are eligible for Clean Water SRF loans, and this loan was applied to the Green Project Reserve requirements.

LEAD-DEADWOOD SANITARY DISTRICT – A sludge disposal vehicle and a sewer jet were purchased by the Lead-Deadwood Sanitary District with a loan for \$106,855 at 3 percent for 5 years.

LEMMON – The city of Lemmon received a \$427,100 loan at 3 percent interest for 20 years to refinance a general obligation sewer bond issued in 1985. The bonds were issued to correct an infiltration/inflow problem.

LENNOX – The city of Lennox received a \$350,000 Clean Water SRF loan at 5.25 percent interest for 20 years to construct and rehabilitate sanitary sewer interceptors. The city received a second loan for \$583,735 at 5.25 percent for 20 years to add four aeration basins, two lift stations, and force mains to the existing wastewater facility. Lennox's third and fourth loans were to replace the existing treatment facility with a sequencing batch reactor (SBR) mechanical aeration system and make improvements to a lift station. A loan of \$1,565,760 with 100 percent principal forgiveness through the American Recovery and Reinvestment Act of 2009 was for those components of the project with a design life of 20 years. A loan of \$1,942,273 at 3.25 percent for 30 years was used to construct those components of the project with a design life of at least 30 years. This loan included \$123,024 of principal forgiveness through the American Recovery and Reinvestment Act of 2009. Lennox received its fifth loan of \$1,290,000 at 3.25 percent for 30 years to replace or repair sanitary and storm sewers in the southwestern part of the city. Lennox received its sixth loan of \$1,873,000 at 3.25 percent for 30 years to replace storm and sanitary sewer along Main Street from 4th Avenue to SD Highway 44. The city received its seventh and eighth loans for phases 2 and 3 to replace or repair sanitary and storm sewers within the Central Basin of the city. The loans were for \$1,496,000 at 2.5 percent for 30 years and \$1,000,000 at 2.75 percent for 30 years, respectively.

LETCHER – Letcher received its first Clean Water SRF loan to replace a lift station, install riprap on the dikes of the wastewater treatment ponds, and televise the entire sanitary sewer collection system. The \$775,000 loan, at 3.25 percent for 30 years, included \$275,000 of principal forgiveness.

MADISON – The city of Madison received a \$119,416 Clean Water SRF loan at 3 percent interest for 10 years to finance the construction of new collectors. The city's second loan for \$5,343,256 at 3.25 percent for 20 years made widespread renovations to the existing wastewater treatment facility. Madison received its third and fourth loans for \$3,287,000 and \$3,073,000, respectively, to make improvements to the sanitary and storm sewer systems. Both loans were at 2.125 percent for 30 years. The loans were deobligated at the request of the city.

MARION – The city of Marion received a \$1,710,000 loan at 3.25 percent for 20 years to replace lines within the wastewater collection system. The city's second loan to replace water meters throughout the community was in the amount of \$522,000 at 2 percent for 10 years and included \$99,000 of principal forgiveness. Marion received its third loan for \$420,000 at 2.125 percent for 30 years to make improvements to the sanitary and storm sewer systems.

MARTIN – Martin was awarded its first Clean Water SRF loan in the amount of \$237,250 at 3.25 percent for 20 years to fund the rehabilitation of the city's north stabilization ponds.

McCOOK LAKE SANITARY DISTRICT – McCook Lake Sanitary District received a Clean Water SRF loan for \$641,935 at 5 percent for 20 years to partially fund the upgrade and expansion of the wastewater treatment facility.

McLAUGHLIN – McLaughlin received its first Clean Water SRF loan to replace or repair of much of the collection system and for the repair of riprap at the treatment facility. The loan was for \$1,145,675 at 3.25 percent for 30 years and included \$150,000 of principal forgiveness.

MELLETTTE – Mellette received its first Clean Water SRF loan to upgrade a lift station and controls and construct a new force main from the lift station to the wastewater ponds. The loan amount is \$286,000 at 2.125 percent for 30 years.

MENNO – The city of Menno was awarded a \$240,000 Clean Water SRF loan at 3 percent for 20 years to replace collection lines in conjunction with the reconstruction of US Highway 18. A second loan, \$1,230,000 at 3.25 percent for 20 years, will finance replacing or relining the majority of the sanitary sewer collection system.

MILBANK – The city of Milbank received two Clean Water SRF loans to complete phase II improvements to its wastewater treatment facility. A loan for \$3,515,000 with \$2,257,500 of principal forgiveness through the American Recovery and Reinvestment Act of 2009 was used for improvements to the primary clarifier, intermediate pumping facilities, final clarifiers and other appurtenances necessary to complete the project. The loan carries an interest rate of 3.0 percent for 20 years. A loan for \$1,000,000 at 3.25 percent for 30 years was used to reclaim abandoned sludge storage ponds.

MILLER – Miller received two loans to make improvements to its sanitary and storm water collection systems. The loans are in the amounts of \$3,541,000 and \$1,958,000 and are for the sanitary and storm water improvements, respectively. Both loans are at 3.25 percent for 30 years. The loans were subsequently deobligated in full at the city's request. Miller was awarded a third loan in the amount of \$1,875,000, at 2.5 percent for 30 years, to make additional improvements to the sanitary and storm sewer infrastructure. Miller received its fourth loan in the amount of \$1,900,000 at 2.5 percent for 30 years to complete the improvements to the sanitary and storm sewer systems.

MINA LAKE SANITARY DISTRICT – Mina Lake Sanitary District received a loan to construct an artificial wetland and make other improvements at the wastewater treatment facility and replace pumps in a lift station. The loan was in the amount of \$559,000 at 3.25 percent for 30 years.

MITCHELL – The city of Mitchell received its first loan for \$1,543,405 at 4.5 percent for 10 years to partially fund the construction of a storm drain diversion project. Mitchell's second loan, of \$1,320,000 at 3.5 percent for 20 years, funded the water quality components of a regional landfill that serves Mitchell as well as several surrounding counties and their communities. The city's third SRF loan funded the replacement of the Foster Street lift station and associated force main and provided funding for shoreline stabilization and restoration on Lake Mitchell. The loan was in the amount of \$1,682,747 with an interest rate of 2.0 percent for 20 years. Mitchell was awarded its fourth loan in the amount of \$800,000 at 3 percent for 20 years to replace the Norway Avenue lift station. Mitchell's fifth loan in the amount of \$8,612,750 upgraded the storm water and sanitary sewer systems on Sanborn Boulevard between 1st and 15th Avenues. Mitchell's sixth loan in the amount of \$3,931,000 upgraded storm water and sanitary sewer infrastructure along various street segments located within the city's east central drainage basin. Both these loans are at 1.25 percent for 20 years and included a nonpoint source component to install nonpoint source best management practices in the Firesteel Creek watershed. Mitchell received its seventh loan to continue the upgrade of storm water and sanitary sewer infrastructure located within the city's east central drainage basin and install nonpoint source best management practices in the Firesteel Creek watershed. The loan amount is \$4,511,700 at 1.25 percent for 30 years.

MOBRIDGE – The city of Mobridge received two Clean Water SRF loans to partially fund the upgrade and expansion of the wastewater treatment facility. The first loan totaled \$1,500,000 at 3 percent for 20 years, while the second loan of \$158,000 was at a rate of 4 percent for 15 years. The city received its third loan in the amount of \$1,355,000 at 4.5 percent interest for 10 years to install storm sewers in the northwest section of town. Mobridge was awarded its fourth loan in the amount of \$764,000 at 3 percent for 30 years to better manage storm water in the area of Second Avenue West and Railway Street Southwest. The city's fifth loan is to make improvements at the wastewater treatment facility by constructing a new primary clarifier, bio-filter pump station, ultraviolet disinfection system and disinfection basin drain and rehabilitating the existing primary clarifier. The loan amount is \$1,475,000 at 3 percent for 20 years.

MONTROSE – Montrose’s first loan in the amount of \$142,621 at 2.5 percent for 10 years was to fund wastewater collection and treatment improvements. Due to changes in the project scope, this loan was not sufficient to fund the needed improvements. The city received a second SRF loan for \$804,000 at 3.25 percent for 30 years to upgrade the wastewater treatment facility. This loan included \$160,400 of principal forgiveness through the American Recovery and Reinvestment Act of 2009. Montrose’s third loan to make improvements to its storm water system was in the amount of \$545,000 at 3.25 percent for 30 years and included \$100,000 of principal forgiveness. This loan was rescinded by the board at the city’s request. The city’s fourth loan involved several improvements to the wastewater system to include flood-proofing a lift station and installing a standby generator and replacing the pumps. The project also placed riprap along the Vermillion River to prevent erosion of the wastewater treatment system and replaced or relined clay pipe to reduce infiltration into the collection system. The loan amount was \$1,008,000 at 2.125 percent for 30 years and included \$200,000 of principal forgiveness.

MOUNT VERNON – The city of Mount Vernon replaced or relined all existing clay sanitary sewer lines and rehabilitating or replacing manholes along these lines. The city also upgraded the existing wastewater treatment facility by constructing two new treatment ponds near the existing pond and converting the existing pond into an artificial wetland. The project was funded with a \$2,300,000 loan at 3.25 percent for 30 years that included \$1,050,000 of principal forgiveness.

NISLAND – Nisland received its first loan in the amount of \$204,000 at 3.25 percent for 20 years to upgrade its wastewater treatment system to a three-cell stabilization pond system.

NORTH SIOUX CITY – North Sioux City received a Clean Water SRF loan in the amount of \$239,650 at a rate of 3 percent for 10 years to construct storm sewer and drainage improvements in the community. The city received its second Clean Water SRF loan, \$646,000 at 5 percent interest for 15 years, to expand the storm sewer system in a rapidly developing area.

NORTHDAL SANITARY DISTRICT – The Northdale Sanitary District used a \$256,380, 5 percent, 20-year loan to construct a new gravity sewer, lift station and force main. The new system connected the sanitary district to Rapid City’s wastewater system.

NORTHVILLE – Northville was awarded its first SRF loan for the construction of a lift station and force main so the existing total retention wastewater treatment facility can discharge treated effluent. The loan is for \$238,300 at 3.25 percent for 30 years.

ONIDA – Onida received a \$2,400,000 Clean Water SRF loan at 2.5 percent for 30 years to replace clay sewer lines and services lines in various part of the city, as well as replacing the existing submersible lift station with a wet well/dry well lift station. Onida received its second loan in the amount of \$1,426,000 at 2.75 percent for 30 years to complete the replacement of the sanitary sewer system.

PARKER – Parker’s first loan of \$824,000 at 3.25 percent for 20 years funded improvements to the city’s wastewater collection system. The city’s second loan, \$620,000 at 3.25 percent for 20 years, funded the second phase of the improvements to the wastewater collection system. Parker was awarded a third loan in the amount of \$700,900 to continue replacing its wastewater collection system. This loan is at 3.25 percent for 30 years and included \$475,450 of principal forgiveness through the American Recovery and Reinvestment Act of 2009. Parker was awarded its fourth loan in the amount of \$295,000 at 3 percent for 20 years to replace the North lift station. The city was awarded a fifth loan in the amount of \$731,000, at 2.5 percent for 30 years, to continue with additional replacement of its wastewater collection system.

PARKSTON – The city of Parkston received its first Clean Water SRF loan to address deficiencies within the wastewater collection system. The loan was for \$650,000 with a 3.25 percent interest rate and a 20-year term.

PHILIP – Philip financed the construction of sanitary and storm sewer improvements with its first loan for \$453,885 at 5 percent interest for 15 years. The city received a second, \$321,127 Clean Water SRF loan for a term of 20 years at 5.25 percent to finance the construction of sanitary sewer, storm sewer, concrete curb and gutter, and replacement of force main. Philip’s third SRF loan, in the amount of \$347,040 at 3.25 percent for 15 years, funded wastewater and storm sewer utility improvements in the downtown area of the city. The city’s fourth and fifth loans involved making improvements to the sanitary and storm sewer along Wood and Waldren Avenues. The loan for the storm sewer was in the amount of \$1,073,300, and the loan for sanitary sewer was in the amount of \$750,000. Both loans were 3.25 percent for 30 years. The city’s sixth and seventh loans involved making improvements to the sanitary and storm sewer in the southwest portion of the city. The loan for the storm sewer was in the amount of \$536,000, and the loan for sanitary sewer was in the amount of \$605,000. Both loans were at 2.5 percent for 30 years.

PICKEREL LAKE SANITARY DISTRICT – The Pickerel Lake Sanitary District received an \$850,000 Clean Water SRF loan, at 5 percent for 15 years, to finance the phase I construction of a new wastewater treatment facility and a sanitary sewer collection system. The district received a second loan of \$670,000 at 5.25 percent for 20 years to complete phase II of the collection system construction.

PIERPONT –Pierpont received its first Clean Water SRF loan to replace old and non-functioning water meters throughout town with a new electronic read water meter system. The loan was for \$132,000 at 2.25 percent for 10 years and included \$118,000 of principal forgiveness.

PIERRE – The city of Pierre has received five Clean Water SRF loans for various projects. Its first loan, in the amount of \$433,976 at 4 percent for 15 years, financed the construction of an interceptor line near the airport and the addition of comminutors at the treatment plant as well as improvements to the sludge handling facilities at the treatment plant. The city’s second loan, for \$4,417,000 at 5.25 percent for 20 years, financed phase I improvements to the wastewater treatment facility. Pierre received a third loan in the amount of \$5,391,260 at 5 percent for 20 years to improve the wastewater treatment facility (phase II). Its fourth loan, \$1,378,404 at 3.5 percent for 20 years, funded the water quality components of a new regional landfill. Pierre’s fifth loan was for \$976,953 at 3.25 percent for 20 years for the stabilization of slide areas and drainage improvements at an old, pre-Subtitle D landfill. The city’s sixth loan, in the amount of \$817,600 at 2.25 percent for 10 years financed construction of an additional cell at the Pierre Regional Landfill. Pierre was awarded its seventh loan to make several improvements to the wastewater treatment facility. The improvements involve rehabilitation of the grit removal system and primary clarifier, replacing an air delivery line serving an air lift station and replacing the chlorine-based disinfection process with an ultraviolet disinfection system. The loan amount was \$3,821,000 at 3 percent for 20 years. The city’s eighth loan in the amount of \$1,450,000 at 2.25 percent for 10 years is to extend sewer lines to an undeveloped area in the northeast part of Pierre. The city received its ninth loan, \$15,310,000 at 2.00 percent for 20 years, to construct Phase I of a two-phase wastewater treatment facility improvement project. The work includes a new submersible lift station, influent pumping and solids-screening upgrades, modifications to the digester and solids handling processes, replacement of the outfall line pipe, and upgrades to the primary and secondary treatment processes.

PLANKINTON – Plankinton received its first Clean Water SRF loan to replace the main interceptor leading to the wastewater treatment facility, replace or reline approximately 8,000 feet of sanitary sewer lines, and replace 40 manholes. The loan was for \$1,005,744 at 3.25 percent for 30 years and included \$150,000 of principal forgiveness. The city was awarded its second loan in the amount of \$240,000 at 2 percent for 10 years to replace water meters throughout the city.

PLATTE – The city of Platte received a \$1,000,000 loan at 5 percent for 20 years to renovate its sanitary sewer system. The city was awarded its second loan in the amount of \$2,300,000 at 2.5 percent for 30 years for additional rehabilitation of its sanitary sewer system.

POLLOCK – Pollock received a \$151,619 Clean Water SRF loan at 3 percent for 10 years to cover costs that exceeded the available EPA grant funding used to upgrade the wastewater treatment facility.

POWDER HOUSE PASS CID – The Powder House Pass Community Improvement District received a loan to construct sanitary sewer lines in a proposed development and a wastewater treatment facility to serve the development. The loan is for \$2,575,218 at 3.25 percent for 30 years. As a result of increased project costs, Powder House Pass CID was awarded a second loan for \$2,060,000 at 2.5 percent for 30 years.

PRAIRIE MEADOWS SANITARY DISTRICT – Prairie Meadows first SRF loan was used to partially fund a project to replace or rehabilitate the district’s wastewater collection system. The \$788,000 loan, at 3.25 percent for 20 years, included \$200,000 of principal forgiveness. This loan was rescinded and second loan issued for the project in the amount of \$588,000 at 3.25 percent for 30 years. This loan was deobligated at the city’s request.

PRESHO – The city of Presho received its first Clean Water SRF loan in the amount of \$4,048,000 at 2.5 percent for 30 years to replace the city’s wastewater collection system.

RAPID CITY – Rapid City has received five Clean Water SRF loans which have been used for construction activities at the wastewater treatment facility, rehabilitation and extension of the sanitary sewer system, construction of stormwater facilities and mitigation of approximately four acres of wetlands at the city’s Material Recovery Facility (MRF). The first four loans totaled \$5,536,028, all at a rate of 4 percent for 15 years. The fifth loan, at a rate of 4.5 percent for 20 years for \$14,000,000, was used to upgrade the wastewater treatment plant as well as to construct a facility to co-compost wastewater treatment plant biosolids with municipal solid wastes. Rapid City’s sixth loan was used for replacing or upgrading various components within the water reclamation facility. The loan amount was \$5,000,000 and was at 3 percent for 20 years.

RAPID VALLEY SANITARY DISTRICT – The Rapid Valley Sanitary District has received three Clean Water SRF loans totaling \$1,600,583. The first two loans, totaling \$978,583, were used for rehabilitation and extension of the existing sanitary sewer system and carried terms of 3 percent for 20 years and 4 percent for 15 years. The sanitary district continued to rehabilitate the sanitary sewer system with a third loan of \$630,000 at 5.25 percent for 20 years.

RAYMOND – Raymond received a \$745,000 loan with 100 percent principal forgiveness for the rehabilitation of the wastewater collection system. The town received its second loan for \$951,225 with 100 percent principal forgiveness to replace a lift station and install an emergency generator for the lift station. The loan was also used to rehabilitate the wastewater treatment facility by installing a synthetic liner in the primary cell and converting the second cell into an artificial wetland.

REDFIELD – Redfield’s first loan, \$333,788 at 3.25 percent for 20 years, was to fund wastewater and storm water utility improvements on South Main Street and Sixth Avenue. This loan was subsequently deobligated in full at the city’s request. The city was awarded its second loan to install sanitary and storm sewer lines in the Shar-Wynn Estates subdivision. This loan was in the amount of \$884,000 at 3.25 percent for 30 years.

RENNER SANITARY DISTRICT – The Renner Sanitary District received its first Clean Water SRF loan to make improvements to its sanitary and stormwater sewer systems to reduce the amount of groundwater entering the sanitary sewer collection system. The loan amount was \$1,147,000 at 2.125 percent for 30 years.

RICHMOND LAKE SANITARY DISTRICT – The Richmond Lake Sanitary District received a \$414,000 Clean Water SRF loan at an interest rate of 5.25 percent for 20 years, which was used to partially finance the construction of a new sanitary sewer system and stabilization pond system for residences around Richmond Lake. The district received a second loan of \$191,500 at 5.25 percent for 20 years to complete phase II of the collection system construction. The district's third and fourth loans were awarded for the rehabilitation of lift stations and the wastewater treatment facility. The loans were for \$193,600 at 3 percent for 20 years and \$339,800 at 3.25 percent for 30 years.

SAINT LAWRENCE – Saint Lawrence received its first Clean Water SRF loan in the amount of \$193,000 at 3.25 percent for 30 years to finance berm rehabilitation at the wastewater treatment facility.

ROSCOE – The city of Roscoe received a Clean Water SRF loan for \$358,408 at 5.25 percent for 20 years to expand its wastewater treatment facility, rehabilitate an interceptor sewer and construct a new collection sewer. The city's second loan, \$1,600,000 at 2.75 percent for 30 years, was for a project to rehabilitate the majority of the wastewater collection system.

SALEM – Salem's first Clean Water SRF loan, in the amount of \$592,307 at 3.5 percent for 20 years, funded wastewater collection improvements in conjunction with a South Dakota DOT project. The city's second loan, \$387,960 at 3.25 percent for 20 years, funded wastewater and storm water utility improvements. Salem was awarded its third loan in the amount of \$2,556,000 at 2.5 percent for 30 years for rehabilitation of a portion of its sanitary sewer system.

SCOTLAND – Scotland first Clean Water SRF loan funded the wastewater component of its Main Street reconstruction project with a \$250,000 loan at 3.5 percent for 20 years. The city's second loan was used to expand the storm sewer system, replace the sanitary sewer along Washington Street and extend the sanitary sewer to an area without sewer service. The loan was for \$945,930 at 3.25 percent for 30 years.

SELBY – Selby received a \$700,000 loan with 100 percent principal forgiveness through the American Recovery and Reinvestment Act of 2009. The loan partially funded the replacement of the city's wastewater collection system.

SINAI – Sinai received its first loan to construct a total retention pond wastewater treatment facility to replace the existing mechanical wastewater facility, replace the main lift station, and install force main to the new wastewater treatment facility. The loan was for \$500,000 at 3.25 percent for 30 years and included \$100,000 of principal forgiveness.

SIoux FALLS – The city of Sioux Falls has received 38 Clean Water SRF loans for a variety of projects. These projects include the construction of new interceptor lines and lift stations, rehabilitation of the sanitary sewers and lift stations, purchase of sludge handling equipment and improvements, infiltration/inflow correction, improvement of storm water drainage, flow equalization basin construction, and other wastewater system improvements. The first loan was at 3 percent for 20 years. Loans 2 through 10 were at 3 percent for 10 years, loans 11 through 14 were at 4.5 percent for 10 years, and the 15th loan was at 3.5 percent for 10 years. The City's 16th and 17th loans, for \$2,479,500 and \$932,000, were both at 3.5 percent for ten years, funded wastewater facilities improvements and identified and implemented best management practices within the city. Loans 18 (for \$3,951,000) and 19 (for \$801,000) were at 2.5 percent for ten years and funded improvements to the wastewater system and retrofitted storm water detention ponds, respectively. The city's 20th loan, in the amount of \$25,949,349 at 1.5 percent for 10 years, funded storm sewer improvements and nonpoint source best management practices, and the 21st loan provided for construction of the East Side Sanitary Sewer System and nonpoint source best management practices. This loan was for \$37,377,418 at 2.25 percent for 20 years. Both 2005 loans were structured with a portion of the funding in a Series B bond that was approved contingent upon sufficient Clean Water SRF funding being available in FFY 2006 to fund the balance. The Series B amounts were \$8,700,000 and \$21,608,000

for the Storm Drainage (20) and East Side Sanitary Sewer (21) projects, respectively. The city's 22nd loan, \$10,550,000 at 2.5 percent for 10 years, also funded the Storm Drainage project, and its 23rd loan, for \$10,323,000 at 2.5 percent for 10 years, was approved for the Basin 13 Trunk sewer and other utility system improvements. The city's 24th loan, \$500,000 at 2.5 percent for 7 years, was used to close side slopes of the unlined active area and construct an alternative cap on the active area side slopes at the city-owned regional landfill. In 2008, Sioux Falls received three additional Clean Water SRF loans. The city's 25th, 26th, and 27th loans were for \$5,657,000, \$3,744,000 and \$2,621,000, respectively, and each was at 2.5 percent for 10 years. The loans were awarded for sanitary trunk and collection system sewer construction within the Basin 13 area, along with two odor control structures (loan 25); replacement of a portion of the Central Main Interceptor (loan 26); and reconstructing storm sewer and retrofitting eight existing detention ponds (loan 27). Sioux Falls' 28th loan in the amount of \$1,803,000 funded the addition of a third engine/generator in the Energy Recovery Unit at the Water Reclamation Facility. The city's 29th loan involved the lining of sanitary sewer lines at numerous locations in the city and the construction of the Basin 13 Sanitary Trunk Sewer Section 2, Phase 1 project and was in the amount of \$2,540,000. The city's 30th loan of \$1,970,000 was to expand the gas collection capabilities at the regional landfill. The 31st loan was for the continuation of the Central Main Interceptor project. Loans 28, 29, 30, and 31 each had an interest rate of 2.25 percent, a 10-year term and included 10 percent principal forgiveness through the American Recovery and Reinvestment Act of 2009. The city's 32nd loan in the amount of \$24,589,400 was also for the continuation of the Central Main Interceptor project and other sewer line rehabilitation work. The city's 33rd loan of \$14,711,614 was used for Phase 1 of the Sioux River South Interceptor Project which replaced 42- and 36-inch sewer lines with 54-inch sanitary sewer lines in the southeast part of the city. Loans 32 and 33 had a 1.25 percent interest rate and a term of 10 years, and each loan also included a nonpoint component to conduct water quality studies and continue with bank stabilization activities along Skunk Creek and the Big Sioux River. The 34th loan awarded to Sioux Falls was used for the construction of phase 2 of the Sioux River South Interceptor Project and was in the amount of \$12,464,000 at 2.5 percent for 10 years. The city's 35th loan for \$11,979,457 was for the construction of a second force main parallel to the existing force main from the Brandon Road Pump Station to the Water Reclamation Facility. The city's 36th loan for \$24,800,000 was for the replacement of the existing 66-inch outfall line from the equalization basin to the Brandon Road Pump Station. Sioux Falls received its 37th loan to extend sewer service to an industrial park located North of I-90 and west of I-29. Loans 35, 36, and 37 had a 1.25 percent interest rate and a term of 10 years. The 38th loan awarded to the city, \$11,559,125 at 1 percent for 10 years, replaced the mixing systems and floating covers on primary digesters. The city was awarded its 39th loan for storm sewer improvements in the drainage basin bounded by Interstate 29 to Marion Road and 41st Street to 47th Street. The loan was in the amount of \$8,829,000 at 1 percent for 10 years. Sioux Falls received its 40th loan in the amount of \$26,808,800 at 1.5 percent for 20 years to replace the Main Pump Station. The 41st loan awarded to Sioux Falls was for \$41,625,000 at 2.50 percent for 20 years to make major modifications to all process elements at the water reclamation facility. The city received its 42nd loan in the amount of \$9,457,000 at 1.00 percent for 10 years to make stormwater improvements in three drainage basins in the southwest portion of the city. Loans 35-40 and 42 also included a nonpoint source component to install nonpoint source best management practices in the Big Sioux River watershed.

SOUTHERN MISSOURI WASTE MANAGEMENT DISTRICT – The Southern Missouri Waste Management District received a \$700,000 Clean Water SRF loan at 5 percent for 20 years for the construction of a regional landfill near Lake Andes. The second loan awarded to the Southern Missouri Waste Management District assisted in the construction of a third cell at the regional landfill. The loan was for \$242,000 at 2.25 percent for 10 years.

SPEARFISH – The city of Spearfish used a \$1,956,000 Clean Water SRF loan for 15 years at 4 percent to fund the expansion of the wastewater treatment facility. The city's second loan increased capacity of the wastewater treatment facility and provided additional treatment components to meet the discharge permit limit for residual chlorine. The loan was for \$5,900,000 with an interest rate of 3.25 percent and a term of 20 years.

SPENCER – The town of Spencer was awarded a loan to replace sanitary sewer lines throughout the town. This loan was for \$230,156 at 3.25 percent for 30 years and included \$100,000 of principal forgiveness.

SPRINGFIELD – Springfield’s first Clean Water SRF loan to make improvements to its sanitary sewer and storm sewer infrastructure, rehabilitate the main sewage lift station and replace the southwest lift station. The loan is in the amount of \$1,950,000 at 2.75 percent for 30 years.

STURGIS – The city of Sturgis has received four loans totaling \$3,975,630. The first two loans, totaling \$1,438,250 at 5 percent for 20 years, financed the construction of three sewer interceptor lines, a sewer collection line, and wastewater treatment facility upgrades. The city’s third loan, \$437,380 at 5.25 percent for 20 years, financed the repair of damage to and replacement of riprap in the second and third cells of the wastewater treatment facility as well as engineering planning studies. The city’s fourth loan for \$2,100,000, at 5 percent interest for 20 years, expanded the city’s treated effluent irrigation system. Sturgis was awarded its fifth loan to install sanitary sewer service to the 90 homes of the Murray Addition and connecting them to city sanitary sewer service. The \$516,900 loan was at 3.0 percent for 20 years and included \$218,283 of principal forgiveness through the American Recovery and Reinvestment Act of 2009. The city’s sixth loan was awarded to replace the existing stabilization ponds and irrigation treatment system with a membrane bio-reactor treatment system, line 31,500 feet of clay pipe, and upsize the influent line to the treatment facility. The \$16,247,000 loan at 2.5 percent for 30 years includes \$1,600,000 of principal forgiveness.

SUMMERSET – The city of Summerset’s first loan, in the amount of \$225,000 at 3 percent for 20 years, was to construct reed drying beds for sludge treatment. The loan amount was later amended to \$300,000. The city will use its second loan, \$1,769,000 at 2.5 percent for 30 years, to construct a filter equalization basin, effluent filter, and a building to enclose exposed treatment processes.

SUMMIT – The city of Summit received a \$100,000 loan with 100 percent principal forgiveness through the American Recovery and Reinvestment Act of 2009. The loan was to upgrade the city’s wastewater treatment system.

TEA – The city of Tea has received seven loans for a variety of projects. Its first two loans of \$600,000 each at 4 percent for 15 years funded the construction of a storm drainage system. The third loan of \$208,813, at 5.25 percent for 20 years, funded the construction of a sanitary sewer and lift station. The city received a fourth loan of \$375,000 at 5 percent for 15 years to reconfigure the existing lagoon system and construct a new primary cell and two secondary cells. Tea’s fifth loan of \$495,490 at 3.5 percent for 20 years expanded the city’s wastewater treatment capability by adding an aerated lagoon. The sixth loan funded the construction of a new lift station at the wastewater treatment facility and installation of about 1,200 feet of sanitary sewer trunk line, force main and appurtenances. This loan was for \$858,000 at 3.25 percent for 20 years. The city’s seventh loan for \$875,000 involved the construction of a 24-inch sanitary sewer trunk line along Highway 111 to serve the northern part of the city. This loan was at 3.0 percent for 20 years and included \$87,500 of principal forgiveness through the American Recovery and Reinvestment Act of 2009. The principal forgiveness component of the loan was forfeited due to failure to meet the milestone date for submitting plans and specifications, and the loan amount was reduced to \$845,000. Tea received its eighth loan to pay system development charges to buy into the Sioux Falls regional wastewater system and for engineering costs associated with the design of a pumping station and force main for the connection to the Sioux Falls collection system. The loan amount was \$4,431,000 at 2.125 percent for 30 years.

TURTON – Turton was awarded its first loan in the amount of \$262,000 at 3.25 percent for 20 years to make improvements at the wastewater treatment facility, replace the lift station, purchase a stand-by generator, and clean and televise the entire wastewater collection system.

TYNDALL – The city of Tyndall’s first loan, in the amount of \$795,000 at 3.25 percent for 20 years, funded the South Main Street and 14th Avenue Sanitary Sewer Project. The city’s second loan, \$374,000 at 2.25 percent for 20 years, was for the replacement of three blocks of sanitary sewer on Maple Street.

VALLEY SPRINGS – The city of Valley Springs received a \$430,000 loan for 20 years at 5.25 percent interest to fund the expansion and upgrade of the existing wastewater treatment facility. The city’s second loan, in the amount of \$350,000 at 3.25 percent for 20 years, funded sanitary sewer replacement. Valley Springs received its third loan in the amount of \$1,779,000 at 2.125 percent for 30 years to rehabilitate portions of the sanitary and storm sewer systems.

VEBLEN – Veblen received its first Clean Water SRF loan for rehabilitation of its wastewater collection system, construction of an all-weather access road at the wastewater treatment facility, and installation of rip-rap on the pond berms. The loan is for \$1,387,000 at 2.5 percent for 30 years. This loan was deobligated at the city’s request.

VERMILLION – Vermillion’s first loan, \$125,000 at 3 percent for 20 years, was used to reconstruct a sanitary sewer interceptor. The second loan, \$500,000 at 4 percent for 15 years, funded the construction of approximately 6,200 feet of storm sewer pipe and associated appurtenances in three areas of the city. The third loan, a nonpoint source loan of \$480,000 at 4.5 percent for 10 years, financed the construction of a second trench at the city’s landfill and to purchase a scraper. The city’s fourth SRF loan, \$456,000 at 3.5 percent for 20 years, funded wastewater collection facilities in the northwest area of the city. Vermillion’s fifth and sixth loans, in the amount of \$3,548,351 and \$4,851,000, respectively, financed two phases of wastewater treatment plant improvements to update mechanical process equipment, controls and instrumentation, to replace the main lift station, and to construct an additional force main between the new lift station and the treatment facility. Both are 20-year loans with an interest rate of 3.25 percent. The city’s seventh loan for \$499,000 involved lining approximately 11,600 feet of sanitary sewer lines in various locations throughout the city using cured-in-place pipe. This loan was at 3.0 percent for 20 years and included \$249,500 of principal forgiveness through the American Recovery and Reinvestment Act of 2009. The eighth loan awarded to Vermillion - \$1,639,000 at 3 percent for 20 years – assisted in the construction of the fifth disposal cell at the regional landfill. The city’s ninth loan was used to replace the Prentis Street lift station as well as manholes and gravity sewer in the area that has inadequate capacity due to growth in the area. The loan amount was \$812,000 at 3 percent for 20 years.

VIBORG – Viborg received its first Clean Water SRF loan for \$238,300 at 3.25 percent for 30 years to replace a portion of its sewer lines in conjunction with a road reconstruction project. The city’s second loan in the amount of \$105,000 at 3.25 percent for 30 years will also be used to replace sewer lines. Viborg received its third loan in the amount of \$1,771,000 at 2.50 percent for 30 years to rehabilitate portions of the sanitary and storm sewer systems.

VOLGA – The city of Volga was awarded its first Clean Water SRF loan, \$2,819,000 at 2.25 percent for 20 years, to implement the first phase of a two phase project to make improvements to its wastewater treatment process. This involves improvements to the existing blower building to include installing new blowers, a new pretreatment building to house a mechanical bar screen system with a washer, compactor, and screenings conveyor, and the installation of an ultra-violet disinfection system. Volga received its second loan in the amount of \$2,405,000 at 2.00 percent for 20 years to rehabilitate portions of the wastewater collection system.

WAGNER –Wagner received its first SRF loan, in an amount of \$150,000 at 3.25 percent for 20 years, to replace wastewater utilities along North Park St. and North Street and extend sanitary sewer to unsewered residences at Lake Wagner. Wagner was awarded its second loan to replace sewer line on South Park Street. The \$500,000 loan was at 3.25 percent for 30 years and included \$50,000 of principal forgiveness

through the American Recovery and Reinvestment Act of 2009. The loan was rescinded at the city's request.

WAKONDA – Wakonda received its first SRF loan to replace the existing lift station and construct a new forcemain parallel to the existing forcemain. The project also involves conducting a video inspection of the town's wastewater collection system to determine the condition of the collection lines. The \$529,000 loan, at 3.00 percent for 20 years, included \$195,000 of principal forgiveness.

WALL – The city of Wall received a Clean Water SRF loan in the amount of \$1,146,000 at 5 percent for 20 years for its municipal wastewater improvement project. The project consisted of the construction of a seven-mile transfer line to new total retention ponds.

WALL LAKE SANITARY DISTRICT – The district received its first Clean Water SRF loan for \$200,000 at 3.5 percent for 20 years to fund an extension of sewer main to residents without service. This included the installation of lift stations and small diameter force main. The second loan awarded to the Wall Lake Sanitary District was in the amount of \$135,000 at 3.25 percent for 30 years. The loan will partially fund a project involving relining the existing stabilization cells and converting the two wetland cells to a third stabilization pond.

WARNER – The town of Warner used a \$101,152 Clean Water SRF loan at 4.5 percent for 10 years to construct a storm sewer collection and disposal system to improve storm drainage within the community. Warner's second loan was used to replace lift station pumps and expand the existing wastewater treatment pond system by adding an additional cell. This loan was for \$1,826,760 at 3.25 percent for 30 years and included \$1,058,760 of principal forgiveness.

WATERTOWN – The city of Watertown has received eleven Clean Water SRF loans for various projects. The first two loans, both at 4 percent for 15 years, financed the upgrade and expansion of the city's wastewater treatment facility. The third and fourth loans, payable at 5.25 percent interest for 20 years, were used to rehabilitate portions of the sanitary sewer collection system and for engineering costs associated with the final upgrade of the wastewater treatment facility. The city's fifth loan, \$2,055,000 at 3.5 percent for 20 years, funded replacement or rehabilitation of sanitary sewers throughout the city and lift stations serving the Lake Kampeska area. Watertown's sixth loan of \$1,303,130 funded a storm water project in the southwest portion of the city and a nonpoint source portion for Best Management Practices (BMP) on the Big Sioux River, thus qualifying the city for a loan at 2.25 percent for 20 years. The city received its seventh and eighth loans for a project to install sanitary and storm sewer on First Avenue North and continuation of the BMP project on the Big Sioux River. Loan seven was for \$928,375 at 2.25 percent for 20 years, of which \$847,170 was for the sanitary sewer portion of the First Avenue North project and \$81,205 for the BMP project. Loan eight was for \$671,624 at 2.25 percent for 20 years, of which \$612,877 is for the storm sewer portion of the First Avenue North project and \$58,747 for the BMP project. Watertown's ninth loan was in the amount of \$16,446,000 and was used to construct a new head works facility, rehabilitate a lift station, and extend, replace and re-line sanitary sewer. The city's tenth loan for \$3,330,000 funded several storm sewer projects throughout the city. Loans 9 and 10 each had an interest rate of 3 percent, a 20-year term and included 10 percent principal forgiveness through the American Recovery and Reinvestment Act of 2009. An eleventh loan in the amount of \$815,000 was awarded for the construction of a parking lot utilizing pervious pavement for storm water management. This loan was at 3 percent for 20 years and included \$500,000 of percent principal forgiveness. Watertown's twelfth loan, \$5,000,000 2.25 percent for 30 years, was for the construction of a new administration building with garage storage at the wastewater treatment facility.

WATERTOWN SCHOOL DISTRICT – The Watertown School District was awarded a loan in the amount of \$503,635 with 100 percent principal forgiveness through the American Recovery and Reinvestment Act of 2009. The loan was to construct a parking lot utilizing pervious pavement and other

green infrastructure features for storm water management. The loan was reduced to \$424,843 due to insufficient costs being under contract by February 17, 2010.

WAUBAY – The city of Waubay received a 20 year, 5 percent Clean Water SRF loan in the amount of \$81,454 to construct a wastewater collection system within the city limits on the south shore of Blue Dog Lake, an area previously served by septic tanks. Waubay’s second loan will finance improvements to Lift Station 5, construction of a force main, and pipe lining on portions of the wastewater collection system. The second loan was in the amount of \$149,200 at 3.25 percent for 20 years. The city’s third loan is for the construction of additional ponds and wetlands at the existing treatment facility to create a total retention wastewater system. The loan amount is \$1,470,000 at 3.25 percent for 30 years and includes \$500,000 of principal forgiveness.

WEBSTER – The city of Webster used a 10 year, 4.5 percent Clean Water SRF loan for \$345,394 to reconstruct a sanitary sewer line on Main Street. The city received a second loan in the amount of \$811,000 at 3.5 percent for 20 years to fund the replacement of about 7,400 feet of sewer main, 136 service connections, and approximately 3,400 feet of storm sewer lines. The city’s third loan was in the amount of \$500,000 with 100 percent principal forgiveness through the American Recovery and Reinvestment Act of 2009. The loan was to upgrade the city’s discharging wastewater treatment facility to a total retention artificial wetland system. Webster’s fourth loan, \$1,184,000 at 2.125 percent for 30 years, funded the replacement of sanitary sewer lines.

WESSINGTON SPRINGS – Wessington Springs received its first loan in an amount of \$393,000 at 3 percent for 20 years to replace three blocks of vitrified clay pipe sanitary sewer lines with PVC lines on Main Street.

WESTON HEIGHTS SANITARY DISTRICT – Weston Heights secured a loan for \$638,300 at 3.25 percent for 20 years to improve its wastewater treatment system.

WESTPORT – Westport received a loan in the amount of \$445,000 at 3.25 percent for 30 years to replace a lift station and install approximately 2,800 feet of storm sewer lines. This loan was deobligated at the city’s request.

WHITE LAKE – White lake received its first Clean Water SRF loan, \$371,000 at 3.25 percent for 20 years, to replace sewer mains and install storm sewer on Main Street.

WHITEWOOD – Whitewood has received two loans totaling \$455,801. The first loan was at 4 percent interest for 15 years while the second was at 5 percent for 20 years. Whitewood constructed a new mechanical wastewater treatment facility in conjunction with the existing stabilization pond system and expanded the wastewater collection system.

WILLOW LAKE – Willow Lake’s first loan, in the amount of \$100,000 at 3.5 percent for 20 years, funded improvements to the wastewater collection system.

WINNER – The city of Winner’s first loan, in the amount of \$925,000 at 3.25 percent for 20 years, funded improvement to the wastewater collection system. A second loan in the amount of \$400,000 at 3 percent for 20 years funded additional wastewater collection system improvements.

WOLSEY – The city of Wolsey was awarded its first Clean Water SRF loan - \$162,300 at 3.25 percent for 20 years – to replace sanitary sewer mains under US Highway 14/281 in conjunction with a South Dakota Department of Transportation project. The city’s second loan for \$614,400 involves installing approximately 3,000 feet of storm sewer to separate combined sewer on Maple Avenue and install a lift station and sanitary sewer to provide sanitary sewer service to a new development in the south part of town. This loan was at 3.0 percent for 20 years and included \$61,440 of principal forgiveness through the

American Recovery and Reinvestment Act of 2009. Due to an increase in project costs and the inability to meet the time limitations imposed by the American Recovery and Reinvestment Act, this loan was rescinded. A third loan in the amount of \$901,560 at 3.0 for 20 years was awarded to Wolsey for the project.

WORTHING – The town of Worthing received a \$227,645 Clean Water SRF loan at 5.25 percent interest for 20 years that was used to expand and upgrade the existing stabilization pond treatment facility. Worthing’s second loan was to install a new sewer line along Cedar Street and to replace the lift station at the wastewater treatment facility and a sewer trunk line along Third Street. The loan was for \$580,000 at 3.25 percent for 20 years. Worthing received its third loan to make collection system improvements and install storm sewer and curb and gutter. The loan amount was \$459,832 at 3 percent for 20 years. The city was awarded its fourth loan in the amount of \$120,000 at 2 percent for 10 years to replace water meters throughout the city. The loan included \$90,000 of principal forgiveness.

YALE – The town of Yale received a Clean Water SRF loan to rehabilitate the collection system and add an additional cell to the wastewater treatment facility. The loan was for \$885,100 at 3.25 percent for 30 years and included \$606,110 of principal forgiveness. Yale’s second loan in the amount of \$84,000 at 3.25 percent for 30 years was used to place rip rap on the berms of the wastewater treatment facility.

YANKTON – The city of Yankton received three loans totaling \$13,255,000. All three loans were used to upgrade and expand the existing wastewater treatment facility. The term of the first loan was 5.25 percent for 20 years. The second loan utilized leveraged program bonds with a term of 6 percent for 20 years. Yankton’s third loan, in the amount of \$6,130,000 at 3.5 percent for 20 years, funded the third phase of the project. Yankton’s fourth loan was used to construct a lift station and additional sewer line to eliminate two existing lift stations. The loan amount is \$3,330,000 at 3 percent for 20 years.

SOUTH DAKOTA
DRINKING WATER STATE REVOLVING FUND
PROGRAM INFORMATION

DRINKING WATER SRF OVERVIEW

The Drinking Water SRF program was federally authorized by the Safe Drinking Water Act Amendments of 1996, while the state authorized the loan program in 1994 in anticipation of federal action. EPA provided the final guidance for the Drinking Water SRF program on February 28, 1997. The South Dakota Conservancy District, acting in its capacity as the Board of Water and Natural Resources, conducted a public hearing on April 15, 1997, to adopt formal administrative rules for the program.

Since 1997, South Dakota’s Drinking Water SRF Program has received federal capitalization grants totaling \$205,076,698. Because of the demand on the Drinking Water SRF program, the 2002 and 2003 Clean Water SRF Capitalization Grants and state match were transferred to the Drinking Water SRF program. These grants amounted to \$12,978,600, with the corresponding state match of \$2,595,720 provided by administrative surcharge funds and not bond proceeds. In 2009, the Drinking Water SRF program received \$19,500,000 through the American Recovery and Reinvestment Act. Table 8 shows capitalization grants, state match and leveraged funds for the Drinking Water SRF program.

Table 8
Drinking Water SRF Program – Source of Funds

Federal Fiscal Year	Federal Capitalization Grant Award	State Match	Leveraged Funds	Total
1997	\$12,558,800	\$2,511,760		\$15,070,560
1998	\$7,121,300	\$1,424,260		\$8,545,560
1999	\$7,463,800	\$1,492,760		\$8,956,560
2000	\$7,757,000	\$1,551,400		\$9,308,400
2001	\$7,789,100	\$1,557,820		\$9,346,920
	\$	\$		\$
2002	8,052,500	1,610,500		9,663,000
	\$	\$		\$
2003	8,004,100	1,600,820		9,604,920
2004	\$8,303,100	\$1,660,620	\$22,503,662	\$32,467,382
2005	\$8,285,500	\$1,657,100		\$9,942,600
2006	\$8,229,300	\$1,645,860	\$7,000,414	\$16,875,574
2007	\$8,229,000	\$1,645,800		\$9,874,800
2008	\$8,146,000	\$1,629,200	\$13,000,000	\$22,775,200
2009	\$8,146,000	\$1,629,200	\$18,221,624	\$27,996,824
2009 – ARRA	\$19,500,000	\$0		\$19,500,000
2010	\$13,573,000	\$2,714,600		\$16,287,600
2011	\$9,418,000	\$1,883,600		\$11,301,600

Federal Fiscal Year	Federal Capitalization Grant Award	State Match	Leveraged Funds	Total
2012	\$8,975,000	\$1,795,000		\$10,770,000
2013	\$8,729,198	\$1,745,840		\$10,475,038
2014	\$8,845,000	\$1,769,000		\$10,614,000
2015	\$8,787,000	\$1,757,400	\$7,000,000	\$17,544,400
2016	\$8,312,000	\$1,662,400		\$9,974,400
2017	\$8,241,000	\$1,648,200	\$11,009,791	\$20,898,991
2018	\$11,107,000	\$2,221,400	\$45,009,585	\$58,337,985
2019	\$11,004,000	\$2,200,800		\$13,204,800
TOTAL	\$224,576,698	\$41,015,340	\$123,745,076	\$389,337,114

Through June 30, 2020, principal repayments from borrowers totaled \$193,327,607. Of this amount \$106,798,696 has been re-loaned or obligated for active loans. Principal repayments are also used for debt service on leveraged bonds. Interest payments from borrowers totaled \$53,835,471. These funds, coupled with investment earnings, have provided \$46,709,749 in loans or obligations for active loans. Interest payments are also used for debt service on State Match bonds.

As of June 30, 2020, the board has made 352 Drinking Water loan awards totaling \$628,673,957. The Drinking Water SRF loan portfolio begins on page 82 with a map showing the location of the borrowers. Table 9, beginning on page 83, provides the loan amount, date, and terms. Table 10, beginning on page 93, shows the projects awarded principal forgiveness. More detailed project description narratives are provided by recipient beginning on page 97.

FIGURE 2
Drinking Water State Revolving Fund Loans

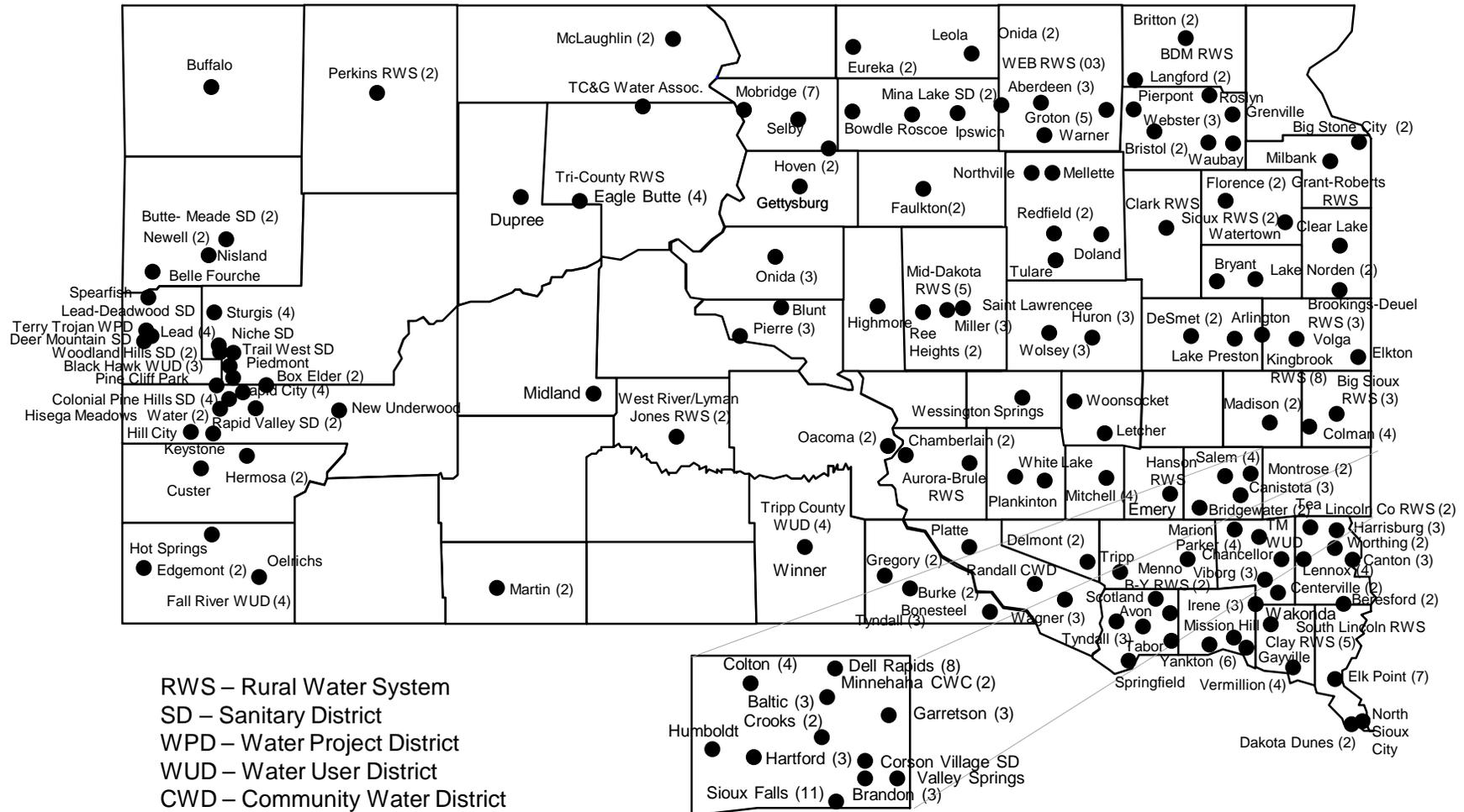


Table 9
Drinking Water SRF Loans
Since Inception of Program through June 30, 2020

Sponsor	Binding Commitment Date	Rate	Term (years)	Original Binding Commitment Amount	Final Loan Amount
Aberdeen (DW-01A) ¹	03/28/2003	3.50%	20	\$9,460,000	\$9,460,000
Aberdeen (DW-01B) ¹	01/08/2004	3.50%	20	\$7,300,000	\$7,024,258
Aberdeen (DW-02)	07/23/2009	2.25%	10	\$1,750,000	\$1,330,118
Aberdeen (DW-03)	06/29/2012	3.00%	20	\$1,040,000	\$1,040,000
Arlington (DW-01) – ARRA ¹	06/25/2009	0%	-	\$100,000	\$100,000
Aurora-Brule RWS (DW-01) – ARRA ¹	03/27/2009	0%	-	\$500,000	\$500,000
Avon (DW-01)	03/28/2019	2.50%	20	\$174,000	\$174,000
Baltic (DW-01)	06/27/2002	3.50%	20	\$250,000	\$250,000
Baltic (DW-02) – ARRA	06/25/2009	2.25%	10	\$165,000	\$163,446
Baltic (DW-03)	03/30/2012	3.00%	20	\$457,000	\$420,922
BDM RWS (DW-01)	04/12/2002	3.50%	20	\$536,000	\$280,251
Belle Fourche (DW-01)	01/05/2017	2.25%	20	\$265,000	\$265,000
Beresford (DW-01)	03/30/2012	3.00%	30	\$916,040	\$916,040
Beresford (DW-02)	03/28/2014	3.00%	30	\$745,000	\$698,784
Big Sioux CWS (DW-01) ²	03/31/2006	3.25%	20	\$831,000	\$0
Big Sioux CWS (DW-02)	03/28/2014	3.00%	15	\$900,000	\$767,616
Big Sioux CWS (DW-03)	03/27/2015	3.00%	20	\$1,014,000	\$1,002,209
Big Stone City (DW-01) ¹	07/22/1998	5.25%	20	\$600,000	\$570,000
Big Stone City (DW-02) ¹	06/26/2003	3.50%	20	\$240,000	\$139,873
Black Hawk WUD (DW-01) ¹	03/26/1998	5.25%	20	\$500,000	\$500,000
Black Hawk WUD (DW-02)	01/03/2008	3.25%	20	\$1,142,000	\$1,066,674
Black Hawk WUD (DW-03)	06/27/2019	2.50%	20	\$3,810,000	\$3,810,000
Blunt (DW-01)	01/03/2020	2.25%	20	\$657,000	\$657,000
Bonesteel (DW-01)	03/28/2013	2.25%	30	\$2,043,000	\$1,939,847
Bowdle (DW-01) – ARRA ¹	06/25/2009	0%	-	\$150,000	\$150,000
Box Elder (DW-01)	03/25/2011	3.00%	20	\$3,562,950	\$2,511,877
Box Elder (DW-02)	06/27/2019	2.25%	20	\$1,742,000	\$1,742,000
Brandon (DW-01) ¹	11/13/1998	4.75%	15	\$1,950,000	\$1,877,375
Brandon (DW-02) ²	03/27/2015	3.00%	20	\$12,425,000	\$0
Brandon (DW-03)	06/25/2020	2.125	30	\$5,687,000	\$5,687,000
Bridgewater (DW-01)	06/23/2016	2.25%	30	\$121,000	\$121,000
Bridgewater (DW-02)	03/27/2018	1.00%	10	\$243,000	\$210,363
Bristol (DW-01) ²	04/25/2001	4.50%	20	\$139,000	\$0
Bristol (DW-02)	03/28/2014	3.00%	30	\$1,979,000	\$1,785,113

Sponsor	Binding Commitment Date	Rate	Term (years)	Original Binding Commitment Amount	Final Loan Amount
Britton (DW-01) ¹	04/25/2001	4.50%	20	\$320,000	\$320,000
Britton (DW-02) ²	03/31/2016	3.00%	30	\$3,212,000	\$0
Brookings-Deuel Rural Water System (DW-01)	01/06/2005	3.25%	30	\$1,200,000	\$1,002,464
Brookings-Deuel Rural Water System (DW-02)	06/23/2005	3.25%	30	\$1,750,000	\$1,750,000
Brookings-Deuel Rural Water System (DW-03)	03/31/2016	2.25%	10	\$250,000	\$250,000
Bryant (DW-01) ¹	01/13/2000	3.00%	30	\$142,000	\$142,000
Buffalo (DW-01)	03/27/2015	2.25%	30	\$1,695,000	\$1,695,000
Burke (DW-01)	01/05/2006	2.50%	30	\$115,600	\$115,600
Burke (DW-02)	06/25/2020	1.625%	30	\$540,000	\$540,000
Butte-Meade Sanitary Water District (DW-01)	06/24/2011	2.25%	10	\$396,700	\$257,668
Butte-Meade Sanitary Water District (DW-02)	06/28/2018	2.25%	20	\$413,000	\$402,687
B-Y Water District (DW-01) – ARRA ³	06/25/2009	0%	-	\$300,000	\$0
B-Y Water District (DW-02)	03/31/2017	2.50%	30	\$4,700,000	\$4,151,654
Canistota (DW-01) – ARRA	03/27/2009	3.00%	30	\$426,460	\$426,460
Canistota (DW-02)	03/28/2014	3.00%	30	\$1,095,000	\$1,095,000
Canistota (DW-03)	06/23/2016	3.00%	30	\$96,000	\$96,000
Canton (DW-01)	01/10/2003	3.50%	20	\$500,000	\$500,000
Canton (DW-02)	03/27/2015	3.00%	30	\$1,550,000	\$1,550,000
Canton (DW-02)	03/31/2016	3.00%	30	\$760,000	\$760,000
Centerville (DW-01)	03/25/2004	3.25%	30	\$870,000	\$870,000
Centerville (DW-02) ²	03/30/2012	2.25%	10	\$116,685	\$0
Chamberlain (DW-01)	03/27/2008	3.25%	20	\$276,500	\$276,500
Chamberlain (DW-02)	09/26/2009	3.00%	20	\$1,000,000	\$873,704
Chancellor (DW-01)	09/22/2005	3.25%	30	\$230,000	\$205,948
Clark RWS (DW-01)	03/27/2018	2.00%	30	\$2,950,000	\$2,950,000
Clay RWS (DW-01)	06/23/2005	3.25%	30	\$4,331,000	\$4,331,000
Clay RWS (DW-02) – ARRA	06/25/2009	3.00%	20	\$846,300	\$844,968
Clay RWS (DW-03)	06/24/2010	3.00%	30	\$2,208,000	\$2,205,570
Clay RWS (DW-04) ¹	09/22/2011	2.00%	3	\$1,369,758	\$1,369,758
Clay RWS (DW-05)	04/27/2020	2.125%	30	\$2,185,000	\$2,185,000
Clear Lake (DW-01)	12/10/1998	3.00%	30	\$565,000	\$540,637
Colman (DW-01) ¹	03/30/2012	0%	-	\$182,000	\$167,260
Colman (DW-02)	03/30/2012	3.00%	30	\$439,008	\$434,528
Colman (DW-03)	03/28/2013	3.00%	30	\$1,600,000	\$1,600,000
Colman (DW-04)	03/31/2016	3.00%	30	\$500,000	\$462,362
Colonial Pine Hills Sanitary District (DW-01)	01/31/2002	3.50%	20	\$659,000	\$636,108
Colonial Pine Hills Sanitary District (DW-02) – ARRA	07/23/2009	3.00%	20	\$1,003,608	\$1,003,608
Colonial Pine Hills Sanitary District (DW-03)	06/29/2012	3.00%	20	\$705,000	\$705,000
Colonial Pine Hills Sanitary District (DW-04)	01/08/2015	3.00%	20	\$400,000	\$400,000
Colton (DW-01)	06/27/2002	3.50%	30	\$681,720	\$632,455

Sponsor	Binding Commitment Date	Rate	Term (years)	Original Binding Commitment Amount	Final Loan Amount
Colton (DW-02)	03/25/2011	3.00%	20	\$191,100	\$181,156
Colton (DW-03)	01/05/2012	2.25%	10	\$210,740	\$156,434
Colton (DW-04)	03/31/2017	2.50%	30	\$1,343,000	\$1,343,000
Conde (DW-01)	03/31/2016	2.25%	30	\$2,333,000	\$2,333,000
Corson Village Sanitary District (DW-01) – ARRA	07/23/2009	3.00%	20	\$601,735	\$581,364
Crooks (DW-01) ¹	06/25/2004	3.25%	20	\$302,900	\$133,510
Crooks (DW-02)	03/27/2018	2.50%	30	\$1,214,000	\$1,214,000
Custer (DW-01) ¹	01/10/2003	3.50%	20	\$800,000	\$800,000
Dakota Dunes CID (DW-01) ¹	06/27/2002	3.50%	20	\$908,000	\$376,962
Dakota Dunes CID (DW-02)	01/08/2015	3.00%	20	\$1,600,000	\$1,512,103
Deer Mountain Sanitary District (DW-01)	06/25/2020	2.125%	30	\$2,174,000	\$2,174,000
Dell Rapids (DW-01)	03/28/2003	3.50%	20	\$621,000	\$621,000
Dell Rapids (DW-02)	01/05/2006	3.25%	20	\$162,263	\$162,263
Dell Rapids (DW-03)	09/24/2011	3.00%	20	\$531,835	\$428,698
Dell Rapids (DW-04)	01/05/2012	2.25%	10	\$300,000	\$300,000
Dell Rapids (DW-05)	06/29/2012	3.00%	20	\$897,000	\$866,931
Dell Rapids (DW-06)	03/31/2016	3.25%	30	\$705,000	\$703,719
Dell Rapids (DW-07)	03/27/2018	2.50%	30	\$2,486,000	\$2,486,000
Dell Rapids (DW-08)	04/27/2020	2.125%	30	\$926,000	\$926,000
Delmont (DW-01) ¹	06/26/2008	2.50%	30	\$185,000	\$158,461
Delmont (DW-02) ¹	09/24/2011	2.25%	10	\$90,000	\$90,000
DeSmet (DW-01) – ARRA	08/26/2009	2.25%	30	\$258,000	\$258,000
DeSmet (DW-02)	04/27/2020	1.875%	30	\$565,000	\$565,000
Doland (DW-01)	06/24/2011	3.00%	30	\$1,762,200	\$1,642,867
Dupree (DW-01)	09/27/2012	2.25%	30	\$163,500	\$163,500
Eagle Butte (DW-01)	09/27/2012	0%	10	\$593,000	\$588,581
Eagle Butte (DW-02)	09/27/2012	0%	30	\$1,244,000	\$1,244,000
Eagle Butte (DW-03)	03/28/2013	0%	30	\$520,000	\$520,000
Eagle Butte (DW-04)	11/06/2014	0%	30	\$725,000	\$725,000
Edgemont (DW-01)	06/25/2015	0%	30	\$1,890,000	\$1,890,000
Edgemont (DW-02)	06/22/2017	0%	30	\$700,000	\$700,000
Elk Point (DW-01)	01/31/2002	3.50%	20	\$220,000	\$220,000
Elk Point (DW-02)	06/25/2004	3.25%	20	\$570,000	\$570,000
Elk Point (DW-03)	06/22/2006	3.25%	20	\$218,000	\$114,441
Elk Point (DW-04)	06/26/2008	3.25%	20	\$564,000	\$539,449
Elk Point (DW-05) – ARRA	07/23/2009	3.00%	20	\$1,179,500	\$798,040
Elk Point (DW-06)	06/23/2016	3.25%	30	\$564,000	\$564,000
Elk Point (DW-07)	01/03/2020	2.50%	30	\$495,000	\$495,000
Elkton (DW-01)	03/28/2019	2.75%	30	\$2,000,000	\$2,000,000
Emery (DW-01)	06/25/2015	3.00%	30	\$1,585,000	\$466,303

Sponsor	Binding Commitment Date	Rate	Term (years)	Original Binding Commitment Amount	Final Loan Amount
Eureka (DW-01) ¹	09/28/2006	0.00%	10	\$135,000	\$133,681
Eureka (DW-02) – ARRA ¹	06/25/2009	0%	-	\$200,000	\$200,000
Fall River Water Users District (DW-01)	12/09/1999	3.00%	30	\$759,000	\$759,000
Fall River Water Users District (DW-02)	11/09/2001	2.50%	30	\$400,000	\$260,958
Fall River Water Users District (DW-03) – ARRA ¹	03/27/2009	0%	-	\$612,000	\$612,000
Fall River Water Users District (DW-04) – ARRA ¹	06/25/2009	0%	-	\$750,000	\$750,000
Faulton (DW-01) – ARRA ¹	03/27/2009	0%	-	\$500,000	\$500,000
Faulton (DW-02)	01/07/2011	3.00%	30	\$511,725	\$499,185
Florence (DW-01)	06/25/2015	3.25%	30	\$688,000	\$688,000
Florence (DW-02)	06/25/2015	3.25%	30	\$567,000	\$567,000
Garretson (DW-01)	06/27/2002	3.50%	30	\$1,261,060	\$1,102,147
Garretson (DW-02)	06/22/2017	2.50%	30	\$639,500	\$639,500
Garretson (DW-03)	04/27/2020	2.125%	30	\$458,500	\$458,500
Gayville (DW-01)	11/30/2010	3.00%	30	\$900,000	\$900,000
Gettysburg (DW-01) ¹	06/14/2001	4.50%	20	\$565,000	\$565,000
Grant-Roberts Rural Water System (DW-01)	03/28/2013	3.00%	30	\$4,500,000	\$4,500,000
Gregory (DW-01)	04/12/2002	2.50%	30	\$380,000	\$347,580
Gregory (DW-02)	01/07/2011	2.25%	30	\$685,080	\$551,691
Grenville (DW-01)	06/28/2018	2.00%	30	\$352,000	\$352,000
Groton (DW-01) ¹	03/28/2003	3.50%	20	\$440,000	\$440,000
Groton (DW-02) ¹	06/25/2004	3.25%	20	\$365,900	\$308,945
Groton (DW-03) – ARRA ¹	06/25/2009	0%	-	\$272,000	\$231,315
Groton (DW-04) ²	09/24/2010	2.25%	10	\$703,000	\$0
Groton (DW-05)	03/28/2019	2.75%	30	\$1,798,000	\$1,798,000
Hanson Rural Water System (DW-01)- ARRA	08/26/2009	3.00%	20	\$840,000	\$754,341
Harrisburg (DW-01) ¹	10/12/2000	5.00%	20	\$525,000	\$525,000
Harrisburg (DW-02)	03/30/2007	3.25%	20	\$1,714,327	\$1,291,925
Harrisburg (DW-03)	09/25/2008	3.25%	20	\$2,090,000	\$1,753,441
Hartford (DW-01) ¹	04/13/2000	5.00%	20	\$185,000	\$185,000
Hartford (DW-02)	01/10/2003	3.50%	20	\$800,957	\$800,957
Hartford (DW-03)	01/06/2005	3.25%	20	\$1,123,556	\$1,123,556
Hermosa (DW-01) ¹	12/10/1998	5.00%	20	\$300,000	\$300,000
Hermosa (DW-02)	03/31/2017	2.00%	30	\$199,000	\$199,000
Highmore (DW-01)	03/28/2014	3.00%	30	\$395,000	\$267,038
Hill City (DW-01) - ARRA ¹	08/26/2009	3.00%	30	\$402,200	\$336,903
Hisega Meadows Water, Inc. (DW-01) ¹	06/29/2012	3.00%	20	\$487,500	\$487,500
Hisega Meadows Water, Inc. (DW-02)	09/26/2014	3.00%	20	\$273,000	\$249,923
Hot Springs (DW-01)	09/24/2010	3.00%	20	\$1,636,000	\$1,636,000
Hoven (DW-01) ¹	09/24/2010	0%	-	\$750,000	\$750,000
Hoven (DW-02) ¹	01/08/2015	0%	-	\$264,750	\$264,750

Sponsor	Binding Commitment Date	Rate	Term (years)	Original Binding Commitment Amount	Final Loan Amount
Humboldt (DW-01)	06/22/2006	3.25%	20	\$520,000	\$481,773
Huron (DW-01)	06/27/2002	3.50%	20	\$4,000,000	\$4,000,000
Huron (DW-02) – ARRA	08/26/2009	3.00%	30	\$619,684	\$478,407
Huron (DW-03)	09/24/2010	3.00%	30	\$1,098,900	\$592,073
Ipswich (DW-01) – ARRA	06/25/2009	3.00%	30	\$1,245,000	\$1,245,000
Irene (DW-01) ¹	06/22/2000	5.00%	20	\$145,000	\$127,126
Irene (DW-02)	03/28/2014	3.00%	30	\$1,546,000	\$1,223,326
Irene (DW-03)	06/27/2019	2.25%	30	\$1,191,000	\$1,191,000
Keystone (DW-01)	03/25/2004	3.25%	20	\$762,000	\$630,212
Kingbrook RWS (DW-01)	04/13/2000	0.00%	30	\$475,000	\$474,204
Kingbrook RWS (DW-02)	01/06/2005	3.25%	30	\$2,115,000	\$2,115,000
Kingbrook RWS (DW-03)	03/30/2005	3.25%	20	\$3,324,000	\$3,136,677
Kingbrook RWS (DW-04)	06/22/2006	3.25%	20	\$2,350,000	\$2,315,622
Kingbrook RWS (DW-05)	01/10/2014	3.00%	20	\$540,000	\$540,000
Kingbrook RWS (DW-06) ²	03/31/2016	3.00%	20	\$9,000,000	\$0
Kingbrook RWS (DW-07)	03/28/2019	2.25%	30	\$1,645,000	\$1,645,000
Kingbrook RWS (DW-08)	06/25/2020	1.625%	30	\$836,500	\$836,500
Lake Norden (DW-01)	03/27/2018	2.00%	20	\$1,477,000	\$1,477,000
Lake Norden (DW-02)	04/27/2020	1.625%	20	\$1,345,000	\$1,345,000
Lake Preston (DW-01)	04/27/2020	1.875%	30	\$2,610,000	\$2,610,000
Langford (DW-01)	06/26/2017	0.00%	30	\$386,000	\$386,000
Langford (DW-02)	01/03/2020	0%	30	\$570,000	\$570,000
Lead (DW-01) ¹	07/27/2000	4.50%	10	\$192,800	\$192,800
Lead (DW-02)	01/06/2005	3.25%	30	\$205,800	\$192,549
Lead (DW-03) –ARRA	08/26/2009	3.00%	20	\$1,020,000	\$784,987
Lead (DW-04)	03/28/2014	3.00%	20	\$939,000	\$896,101
Lead-Deadwood San District (DW-01) ¹	06/24/1998	5.25%	20	\$2,700,000	\$2,683,957
Lennox (DW-01)	07/16/2004	3.25%	30	\$2,000,000	\$2,000,000
Lennox (DW-02)	03/30/2012	3.00%	20	\$712,431	\$712,431
Lennox (DW-03)	06/26/2017	2.25%	30	\$912,000	\$912,000
Lennox (DW-04)	09/29/2019	2.75%	30	\$375,000	\$375,000
Leola (DW-01)	06/28/2018	2.00%	30	\$1,891,000	\$1,891,000
Letcher (DW-01) ²	08/26/2009	2.25%	30	\$200,000	\$0
Lincoln County Rural Water (DW-01)	01/31/2002	3.50%	20	\$1,200,000	\$1,079,170
Lincoln County Rural Water (DW-02)	09/29/2019	2.75%	30	\$750,000	\$750,000
Madison (DW-01) ¹	05/14/1998	5.00%	15	\$2,372,000	\$2,372,000
Madison (DW-02) ²	03/30/2012	3.00%	15	\$3,464,360	\$0
Marion (DW-01)	04/27/2020	1.875%	30	\$1,235,000	\$1,235,000
Martin (DW-01)	09/25/2003	2.50%	30	\$920,000	\$917,901
Martin (DW-02)	03/31/2017	2.00%	30	\$633,000	\$440,525

Sponsor	Binding Commitment Date	Rate	Term (years)	Original Binding Commitment Amount	Final Loan Amount
McLaughlin (DW-01)	06/25/2004	2.50%	30	\$350,000	\$350,000
McLaughlin (DW-02)	06/24/2011	2.25%	30	\$4,151,050	\$3,805,869
Mellette (DW-01) – ARRA	08/27/2009	3.00%	30	\$271,780	\$271,780
Menno (DW-01) ¹	09/22/2012	2.25%	10	\$157,000	\$157,000
Mid-Dakota RWS (DW-01) ¹	03/27/2009	2.00%	3	\$12,000,000	\$9,455,108
Mid-Dakota RWS (DW-02) – ARRA ¹	03/27/2009	0%	-	\$1,000,000	\$1,000,000
Mid-Dakota RWS (DW-03)	06/24/2011	3.00%	30	\$2,979,054	\$2,979,054
Mid-Dakota RWS (DW-04)	06/29/2012	3.00%	30	\$719,000	\$644,786
Mid-Dakota RWS (DW-05)	01/08/2015	3.00%	15	\$2,535,000	\$2,535,000
Midland (DW-01)	06/23/2016	2.25%	30	\$225,000	\$205,530
Milbank (DW-01)	09/22/2005	2.50%	30	\$4,741,000	\$4,460,294
Miller (DW-01) ¹	01/03/2008	2.50%	10	\$255,200	\$225,389
Miller (DW-02)	03/31/2016	3.00%	30	\$2,112,000	\$2,112,000
Miller (DW-03)	03/31/2017	2.25%	30	\$1,099,000	\$1,099,000
Miller (DW-04)	03/28/2019	2.25%	30	\$400,000	\$400,000
Mina Lake San District (DW-01)	11/13/1998	5.00%	20	\$255,200	\$255,200
Mina Lake San District (DW-02) – ARRA	06/25/2009	3.00%	20	\$567,390	\$490,398
Minnehaha CWC (DW-01)	06/27/2002	3.50%	20	\$6,500,000	\$6,022,816
Minnehaha CWC (DW-02) ²	03/27/2015	3.00%	20	\$900,000	\$0
Mission Hill (DW-01) ²	06/26/2008	3.25%	20	\$250,000	\$0
Mitchell (DW-01)	10/12/2000	4.50%	20	\$6,000,000	\$2,850,115
Mitchell (DW-02) – ARRA	08/26/2009	3.00%	20	\$2,360,000	\$1,956,237
Mitchell (DW-03)	09/27/2018	2.25%	20	\$1,028,000	\$1,028,000
Mitchell (DW-04)	01/03/2019	2.25%	20	\$690,000	\$690,000
Mobridge (DW-01) ¹	03/26/1998	5.25%	20	\$965,000	\$965,000
Mobridge (DW-02) ¹	07/22/1998	5.25%	20	\$355,000	\$352,207
Mobridge (DW-03) ¹	09/28/2006	2.50%	30	\$213,500	\$213,500
Mobridge (DW-04) ¹	06/28/2007	2.50%	30	\$90,000	\$62,442
Mobridge (DW-05) – ARRA ¹	06/25/2009	0%	-	\$500,000	\$500,000
Mobridge (DW-06)	06/29/2012	2.25%	30	\$1,212,000	\$1,212,000
Mobridge (DW-07)	01/10/2014	2.25%	30	\$400,000	\$369,526
Montrose (DW-01)	03/25/2011	3.00%	30	\$893,000	\$862,825
Montrose (DW-02)	03/28/2019	2.25%	30	\$187,000	\$187,000
New Underwood (DW-01)- ARRA	06/25/2009	3.00%	20	\$175,500	\$169,299
Newell (DW-01)- ARRA	08/26/2009	2.25%	30	\$829,500	\$714,774
Newell (DW-02)	03/30/2012	1.25%	10	\$266,250	\$230,952
Niche Sanitary District (DW-01)	06/29/2012	2.25%	30	\$315,000	\$315,000
Nisland (DW-01)	12/13/2001	0.00%	30	\$350,000	\$350,000
North Sioux City (DW-01)	04/27/2020	2.125%	30	\$2,700,000	\$2,700,000
Northville (DW-01)- ARRA	07/23/2009	3.00%	20	\$203,460	\$186,804

Sponsor	Binding Commitment Date	Rate	Term (years)	Original Binding Commitment Amount	Final Loan Amount
Oacoma (DW-01) – ARRA ²	03/27/2009	3.00%	20	\$1,414,800	\$0
Oacoma (DW-02) ¹	08/10/2010	2.25%	10	\$1,351,300	\$1,061,416
Oelrichs (DW-01)	03/27/2018	2.25%	30	\$447,000	\$447,000
Onida (DW-01)	09/26/2014	3.00%	20	\$905,000	\$905,000
Onida (DW-02)	03/31/2017	2.25%	20	\$950,000	\$950,000
Onida (DW-03)	06/27/2019	2.75%	30	\$750,000	\$750,000
Parker (DW-01)	09/23/2004	3.25%	20	\$730,000	\$730,000
Parker (DW-02)	06/22/2006	3.25%	20	\$300,000	\$209,541
Parker (DW-03) – ARRA	03/27/2009	3.00%	20	\$554,200	\$554,200
Parker (DW-04)	06/22/2017	2.25%	30	\$697,000	\$697,000
Perkins County RWS (DW-01) ¹	06/29/2012	0%	-	\$151,000	\$151,000
Perkins County RWS (DW-02)	03/31/2016	2.25%	30	\$1,722,000	\$1,543,611
Piedmont (DW-01)	03/25/2011	3.00%	20	\$1,404,000	\$1,404,000
Pierpont (DW-01)	06/24/2011	3.00%	30	\$551,200	\$544,908
Pierre (DW-01) ¹	01/31/2002	3.50%	15	\$1,094,200	\$988,188
Pierre (DW-02)	09/25/2003	3.50%	15	\$1,832,900	\$1,832,900
Pierre (DW-03)	01/03/2019	2.50%	30	\$36,850,000	\$36,850,000
Pine Cliff Park Water & Maintenance, Inc. (DW-01)	03/31/2017	2.25%	20	\$348,000	\$348,000
Plankinton (DW-01)	06/24/2011	3.00%	30	\$1,765,000	\$1,442,083
Platte (DW-01) ¹	06/25/2004	2.50%	10	\$400,000	\$293,134
Randall Community Water District (DW-01)	06/27/2019	2.25%	30	\$4,600,000	\$4,600,000
Rapid City (DW-01) ¹	11/14/2003	3.50%	20	\$3,500,000	\$3,500,000
Rapid City (DW-02)	07/23/2009	3.00%	20	\$6,000,000	\$6,000,000
Rapid City (DW-03)	06/26/2014	3.00%	20	\$4,626,000	\$4,626,000
Rapid City (DW-04)	06/28/2018	2.00%	20	\$500,000	\$500,000
Rapid Valley San. Dist. (DW-01) – ARRA ¹	06/25/2009	0%	-	\$682,000	\$682,000
Rapid Valley San. Dist. (DW-02)	09/27/2012	3.00%	20	\$500,000	\$414,367
Redfield (DW-01)	04/25/2001	4.50%	20	\$85,000	\$85,000
Redfield (DW-02)	06/23/2005	2.50%	30	\$342,755	\$228,823
Ree Heights (DW-01)	03/27/2018	0%	-	\$430,000	\$430,000
Ree Heights (DW-02)	09/26/2019	0%	-	\$432,000	\$432,000
Roscoe (DW-01)	03/27/2019	2.50%	30	\$644,000	\$644,000
Roslyn (DW-01) – ARRA ¹	06/25/2009	0%	-	\$500,000	\$500,000
Saint Lawrence (DW-01)	04/27/2020	2.125%	30	\$1,148,000	\$1,148,000
Salem (DW-01) ¹	03/28/2003	3.50%	10	\$126,921	\$118,540
Salem (DW-02)	06/23/2005	3.25%	20	\$348,540	\$328,966
Salem (DW-03)	06/28/2007	3.25%	30	\$1,345,000	\$1,345,000
Salem (DW-04)	03/31/2017	2.25%	30	\$302,000	\$302,000
Scotland (DW-01)	03/28/2003	2.50%	30	\$340,000	\$235,172
Selby (DW-01) – ARRA ¹	06/25/2009	0%	-	\$100,000	\$100,000

Sponsor	Binding Commitment Date	Rate	Term (years)	Original Binding Commitment Amount	Final Loan Amount
Sioux Falls (DW-01) ¹	07/22/1998	4.50%	10	\$7,022,000	\$6,496,745
Sioux Falls (DW-02) ¹	01/11/2001	4.50%	10	\$2,750,000	\$2,348,168
Sioux Falls (DW-03) ¹	04/12/2002	3.50%	10	\$7,930,000	\$7,930,000
Sioux Falls (DW-04) ¹	01/10/2003	3.50%	10	\$5,279,000	\$279,599
Sioux Falls (DW-05) ¹	07/16/2004	2.50%	10	\$12,749,000	\$10,828,766
Sioux Falls (DW-06) ¹	01/03/2008	2.50%	10	\$17,848,000	\$9,938,849
Sioux Falls (DW-07) ¹	01/03/2008	2.50%	10	\$2,200,000	\$2,200,000
Sioux Falls (DW-08) ¹	01/03/2008	2.50%	10	\$2,705,600	\$2,088,645
Sioux Falls (DW-09) – ARRA ¹	03/27/2009	2.25%	10	\$3,578,750	\$2,678,738
Sioux Falls (DW-10) – ARRA	03/27/2009	2.25%	10	\$7,606,900	\$5,819,138
Sioux Falls (DW-11)	01/07/2011	2.25%	10	\$4,000,000	\$4,000,000
Sioux Rural Water System (DW-01)	03/27/2015	3.00%	20	\$2,515,000	\$2,515,000
Sioux Rural Water System (DW-02)	03/27/2018	2.25%	20	\$9,821,000	\$9,821,000
South Lincoln RWS (DW-01) ¹	01/10/2003	3.50%	20	\$2,000,000	\$2,000,000
South Lincoln RWS (DW-02)	01/07/2011	3.00%	30	\$476,500	\$476,500
Spearfish (DW-01)	01/04/2013	2.25%	10	\$3,254,000	\$3,254,000
Springfield (DW-01)	06/25/2020	0%	-	\$2,000,000	\$2,000,000
Sturgis (DW-01) ¹	01/08/1998	5.00%	15	\$700,000	\$478,377
Sturgis (DW-02) – ARRA ¹	08/26/2009	2.25%	10	\$863,000	\$608,417
Sturgis (DW-03) ¹	06/24/2011	2.00%	3	\$3,460,000	\$3,460,000
Sturgis (DW-04)	03/30/2012	3.00%	20	\$2,200,000	\$2,035,893
Tabor (DW-01)	03/28/2013	3.00%	20	\$1,530,000	\$1,488,130
TC&G Water Association (DW-01)	06/25/2015	2.25%	30	\$1,485,000	\$1,485,000
Tea (DW-01)	03/30/2007	3.25%	20	\$2,263,723	\$2,263,723
Terry Trojan Water Project District (DW-01)	01/05/2017	2.25%	20	\$812,000	\$812,000
TM Rural Water District (DW-01)	06/24/2011	3.00%	30	\$1,084,750	\$1,081,299
TM Rural Water District (DW-02) ¹	06/24/2011	0%	-	\$1,398,750	\$1,394,175
Trail West Sanitary District (DW-01)	09/22/2011	3.00%	20	\$1,651,000	\$1,607,626
Tri County Water Association (DW-01) ¹	03/30/2012	0%	-	\$200,000	\$200,000
Tripp (DW-01)	07/26/2001	2.50%	30	\$291,000	\$225,656
Tripp County WUD (DW-01)	11/14/2002	2.50%	30	\$3,500,000	\$3,500,000
Tripp County WUD (DW-02)	11/14/2002	0.00%	30	\$148,000	\$131,469
Tripp County WUD (DW-03) ²	06/29/2012	3.00%	20	\$850,000	\$0
Tripp County WUD (DW-04)	03/28/2014	2.25%	30	\$11,750,000	\$11,750,000
Tulare (DW-01)	01/03/2019	0%	-	\$1,145,000	\$1,145,000
Tyndall (DW-01) ¹	07/27/2000	2.50%	10	\$300,000	\$300,000
Tyndall (DW-02)	11/09/2001	2.50%	30	\$861,000	\$861,000
Tyndall (DW-03)	03/27/2015	2.25%	30	\$1,570,000	\$1,429,827
Valley Springs (DW-01)	04/27/2020	2.125%	30	\$1,603,000	\$1,603,000
Vermillion (DW-01) ¹	05/13/1999	5.00%	20	\$942,000	\$795,338

Sponsor	Binding Commitment Date	Rate	Term (years)	Original Binding Commitment Amount	Final Loan Amount
Vermillion (DW-02)	06/27/2002	3.50%	20	\$1,510,000	\$1,507,552
Vermillion (DW-03)	09/22/2005	2.50%	20	\$3,772,500	\$3,693,216
Vermillion (DW-04)	03/25/2011	2.25%	30	\$1,532,000	\$1,438,541
Viborg (DW-01)	03/27/2008	3.25%	20	\$249,775	\$104,491
Viborg (DW-02)	11/30/2010	3.00%	30	\$847,000	\$847,000
Viborg (DW-03)	06/23/2016	3.25%	30	\$606,000	\$507,038
Volga (DW-01)	04/27/2020	2.00%	20	\$2,790,000	\$2,790,000
Wagner (DW-01)	06/22/2006	0.00%	30	\$750,000	\$750,000
Wagner (DW-02)	06/28/2007	0.00%	30	\$175,000	\$175,000
Wagner (DW-03) – ARRA ²	07/23/2009	0.00%	30	\$275,000	\$0
Wakonda (DW-01)	03/31/2016	3.00%	20	\$1,378,000	\$1,256,831
Warner (DW-01) – ARRA ¹	03/27/2009	0%	-	\$400,000	\$400,000
Watertown (DW-01)	03/27/2008	3.25%	20	\$23,760,000	\$23,760,000
Waubay (DW-01)	03/31/2006	2.50%	30	\$750,000	\$750,000
WEB WDA (DW-01) ³	03/26/1998	5.25%	20	\$1,110,000	\$0
WEB WDA (DW-02) ³	10/11/2001	2.50%	30	\$137,450	\$0
WEB WDA (DW-03) ³	03/31/2006	3.25%	20	\$3,950,000	\$0
Webster (DW-01)	04/12/2002	3.50%	20	\$330,000	\$318,828
Webster (DW-02)	09/24/2010	2.25%	10	\$387,400	\$277,522
Webster (DW-03)	04/27/2020	1.625%	30	\$5,031,000	\$5,031,000
Wessington Springs (DW-01)	03/27/2015	2.25%	30	\$209,000	\$150,313
West River/Lyman Jones RWS (DW-01) ¹	10/12/2001	2.50%	30	\$340,000	\$340,000
West River/Lyman Jones RWS (DW-02) ¹	03/30/2005	3.25%	30	\$8,000,000	\$7,943,023
White Lake (DW-01)	03/28/2013	2.25%	30	\$362,000	\$362,000
Winner (DW-01)	06/28/2013	2.25%	30	\$450,000	\$372,437
Wolsey (DW-01)	06/23/2005	3.25%	20	\$263,000	\$227,950
Wolsey (DW-02)	09/27/2007	3.25%	20	\$162,300	\$162,300
Wolsey (DW-03)	04/27/2020	1.625%	30	\$326,000	\$326,000
Woodland Hills Sanitary District (DW-01)	06/28/2013	3.00%	20	\$780,000	\$780,000
Woodland Hills Sanitary District (DW-02)	03/27/2015	3.00%	20	\$481,000	\$481,000
Woonsocket (DW-01) – ARRA	08/27/2009	3.00%	30	\$720,000	\$720,000
Worthing (DW-01)	06/26/2003	3.50%	20	\$288,000	\$288,000
Worthing (DW-02)	03/30/2012	3.00%	20	\$301,227	\$277,094
Yankton (DW-01)	11/09/2001	3.50%	20	\$3,460,000	\$3,460,000
Yankton (DW-02)	06/28/2007	3.25%	20	\$1,100,000	\$896,975
Yankton (DW-03) – ARRA	03/27/2009	3.00%	20	\$3,000,000	\$2,542,146

Sponsor	Binding Commitment Date	Rate	Term (years)	Original Binding Commitment Amount	Final Loan Amount
Yankton (DW-04) – ARRA	03/27/2009	3.00%	20	\$2,200,000	\$2,200,000
Yankton (DW-05)	09/27/2013	3.00%	30	\$12,850,000	\$12,850,000
Yankton (DW-06)	03/31/2017	2.25%	30	\$37,000,000	\$37,000,000
TOTAL				\$628,673,957	\$548,091,753

¹ Loans paid in full

² Deobligated in full at borrower's request

³ Rescinded by BWNR

Table 10
Principal Forgiveness Awards to Drinking Water SRF Borrowers

Sponsor	Total Loan Awarded	Principal Forgiveness Awarded	Loan Payable
Aberdeen (DW-02)	\$1,330,118	\$133,012	\$1,197,106
Arlington (DW-01)	\$100,000	\$100,000	\$0
Aurora-Brule RWS (DW-01)	\$500,000	\$500,000	\$0
Baltic (DW-02)	\$163,446	\$16,345	\$147,101
Beresford (DW-01)	\$916,040	\$458,020	\$458,020
Beresford (DW-02)	\$698,784	\$352,187	\$346,597
Blunt (DW-02)	\$657,000	\$207,000	\$450,000
Bonesteel (DW-01)	\$1,939,847	\$1,466,524	\$473,323
Bowdle (DW-01)	\$150,000	\$150,000	\$0
Box Elder (DW-01)	\$2,511,877	\$251,187	\$2,260,690
Brandon (DW-03)	\$12,425,000	\$500,000	\$11,925,000
Bristol (DW-02)	\$1,785,113	\$1,367,396	\$417,717
Buffalo (DW-01)	\$1,695,000	\$600,000	\$1,095,000
Butte-Meade San. Water Dist. (DW-01)	\$257,668	\$55,398	\$202,270
Canistota (DW-01)	\$426,460	\$313,960	\$112,500
Canistota (DW-02)	\$1,095,000	\$616,000	\$479,000
Chamberlain (DW-02)	\$873,704	\$262,111	\$611,593
Clark RWS (DW-01)	\$2,950,000	\$1,270,000	\$1,680,000
Clay RWS (DW-02)	\$844,968	\$698,789	\$146,179
Clay RWS (DW-03)	\$2,205,570	\$500,000	\$1,705,570
Colman (DW-01)	\$167,260	\$167,260	\$0
Colman (DW-03)	\$1,600,000	\$968,000	\$632,000
Colonial Pine Hills San. Dist. (DW-02)	\$1,003,608	\$250,000	\$753,608
Colton (DW-02)	\$181,156	\$86,411	\$94,745
Colton (DW-03)	\$156,434	\$39,108	\$117,326
Colton (DW-04)	\$1,343,000	\$558,000	\$785,000
Conde (DW-01)	\$2,333,000	\$1,833,000	\$500,000
Corson Village San. Dist. (DW-01)	\$581,364	\$523,227	\$58,137
Dell Rapids (DW-04)	\$300,000	\$30,000	\$270,000
Dell Rapids (DW-05)	\$866,931	\$241,873	\$625,058
Delmont (DW-02)	\$90,000	\$90,000	\$0
DeSmet (DW-01)	\$258,000	\$25,800	\$232,200
Doland (DW-01)	\$1,642,867	\$1,283,079	\$359,788
Dupree (DW-01)	\$163,500	\$100,000	\$63,500
Eagle Butte (DW-01)	\$588,581	\$470,864	\$117,717
Eagle Butte (DW-02)	\$1,244,000	\$995,200	\$248,800
Eagle Butte (DW-03)	\$520,000	\$200,000	\$320,000

Sponsor	Total Loan Awarded	Principal Forgiveness Awarded	Loan Payable
Eagle Butte (DW-04)	\$725,000	\$362,500	\$362,500
Edgemont (DW-01)	\$1,890,000	\$1,206,890	\$683,110
Edgemont (DW-02)	700,000	\$246,000	\$454,000
Elk Point (DW-05)	\$798,040	\$446,902	\$351,138
Elkton (DW-01)	\$2,000,000	1,164,000	\$836,000
Eureka (DW-02)	\$200,000	\$200,000	\$0
Fall River WUD (DW-03)	\$612,000	\$612,000	\$0
Fall River WUD (DW-04)	\$750,000	\$750,000	\$0
Faulkton (DW-01)	\$500,000	\$500,000	\$0
Faulkton (DW-02)	\$499,185	\$386,369	\$112,816
Gayville (DW-01)	\$900,000	\$480,000	\$420,000
Gregory (DW-01)	\$551,691	\$149,508	\$402,183
Grenville (DW-01)	\$352,000	\$282,000	\$70,000
Groton (DW-03)	\$231,315	\$231,315	\$0
Hanson RWS (DW-01)	\$754,341	\$528,038	\$226,303
Hill City (DW-01)	\$336,903	\$202,141	\$134,762
Hisega Meadows Water, Inc. (DW-01)	\$487,500	\$250,000	\$237,500
Hoven (DW-01)	\$750,000	\$750,000	\$0
Hoven (DW-02)	\$264,750	\$264,750	\$0
Huron (DW-02)	\$478,407	\$94,724	\$383,683
Ipswich (DW-01)	\$1,245,000	\$933,750	\$311,250
Irene (DW-02)	\$1,223,326	\$922,387	\$300,939
Irene (DW-03)	\$1,191,000	\$789,000	\$402,000
Kingbrook RWS (DW-07)	\$1,645,000	\$1,249,000	\$396,000
Kingbrook RWS (DW-08)	\$836,500	\$747,000	\$89,500
Lake Preston (DW-01)	\$2,610,000	\$1,000,000	\$1,610,000
Langford (DW-02)	\$570,000	\$470,000	\$100,000
Lead (DW-03)	\$784,987	\$298,295	\$486,692
Lennox (DW-02)	\$712,431	\$400,000	\$312,431
Leola (DW-01)	\$1,891,000	\$1,615,000	\$276,000
Marion (DW-01)	\$1,235,000	\$325,000	\$910,000
McLaughlin (DW-02)	\$3,805,869	\$2,919,101	\$886,768
Mellette (DW-01)	\$271,780	\$244,602	\$27,178
Menno (DW-01)	\$157,000	\$39,250	\$117,750
Mid-Dakota RWS (DW-02)	\$1,000,000	\$1,000,000	\$0
Mid-Dakota RWS (DW-03)	\$2,979,054	\$605,000	\$2,374,054
Miller (DW-02)	\$2,112,000	\$692,000	\$1,420,000
Mina Lake San. Dist. (DW-02)	\$490,398	\$245,199	\$245,199
Mitchell (DW-02)	\$1,956,237	\$293,436	\$1,662,801
Mobridge (DW-05)	\$500,000	\$500,000	\$0
Montrose (DW-01)	\$862,825	\$573,778	\$289,047

Sponsor	Total Loan Awarded	Principal Forgiveness Awarded	Loan Payable
New Underwood (DW-01)	\$169,299	\$67,719	\$101,580
Newell (DW-01)	\$714,774	\$322,750	\$392,024
Newell (DW-02)	\$230,952	\$144,345	\$86,607
Niche Sanitary District (DW-01)	\$315,000	\$225,000	\$90,000
Northville (DW-01)	\$186,804	\$149,443	\$37,361
Oelrichs (DW-01)	\$447,000	\$357,600	\$89,400
Onida (DW-01)	\$905,000	\$250,000	\$655,000
Onida (DW-02)	\$950,000	\$250,000	\$700,000
Onida (DW-03)	\$750,000	\$345,000	\$405,000
Parker (DW-03)	\$554,200	\$452,100	\$102,100
Perkins County RWS (DW-01)	\$151,000	\$151,000	\$0
Perkins County RWS (DW-02)	\$1,543,611	\$926,166	\$617,445
Piedmont (DW-01)	\$1,404,000	\$804,000	\$600,000
Pierpont (DW-01)	\$544,908	\$408,681	\$136,227
Plankinton (DW-01)	\$1,442,083	\$824,871	\$617,212
Randall CWD (DW-01)	\$4,600,000	\$2,263,000	\$2,337,000
Rapid City (DW-03)	\$4,626,000	\$3,000,000	\$1,626,000
Rapid City (DW-04)	\$500,000	\$375,000	\$125,000
Rapid Valley San. Dist. (DW-01)	\$682,000	\$682,000	\$0
Ree Heights (DW-01)	\$430,000	\$430,000	\$0
Ree Heights (DW-02)	\$432,000	\$432,000	\$0
Roslyn (DW-01)	\$500,000	\$500,000	\$0
Saint Lawrence (DW-01)	\$1,148,000	\$1,030,000	\$118,000
Selby (DW-01)	\$100,000	\$100,000	\$0
Sioux Falls (DW-09)	\$2,678,738	\$267,874	\$2,410,864
Sioux Falls (DW-10)	\$5,819,138	\$581,914	\$5,237,224
South Lincoln RWS (DW-02)	\$476,500	\$244,500	\$232,000
Springfield (DW-01)	\$2,000,000	\$2,000,000	\$0
Sturgis (DW-02)	\$608,417	\$60,841	\$547,576
Tabor (DW-01)	\$1,488,130	\$681,563	\$806,567
Terry Trojan WPD (DW-01)	\$812,000	\$80,000	\$732,000
TM Rural Water District	\$1,394,175	\$1,394,175	\$0
Trail West Sanitary District (DW-01)	\$1,607,626	\$742,106	\$865,520
Tri-County RWS (DW-01)	\$200,000	\$200,000	\$0
Tulare (DW-01)	\$1,145,000	\$1,145,000	\$0
Tyndall (DW-03)	\$1,429,827	\$183,017	\$1,246,810
Vermillion (DW-04)	\$1,438,541	\$143,854	\$1,294,687
Viborg (DW-02)	\$847,000	\$730,000	\$117,000
Wakonda (DW-01)	\$1,256,831	\$864,699	\$392,132
Warner (DW-01)	\$400,000	\$400,000	\$0
Webster (DW-02)	\$277,522	\$107,678	\$169,844

Sponsor	Total Loan Awarded	Principal Forgiveness Awarded	Loan Payable
Webster (DW-03)	\$5,031,000	\$1,400,000	\$3,631,000
White Lake (DW-01)	\$362,000	\$85,000	\$277,000
Woodland Hills San. Dist. (DW-01)	\$780,000	\$480,000	\$300,000
Woodland Hills San. Dist. (DW-02)	\$481,000	\$384,800	\$96,200
Woonsocket (DW-01)	\$720,000	\$416,500	\$303,500
Worthing (DW-02)	\$277,094	\$183,990	\$93,104
Yankton (DW-03)	\$2,542,146	\$136,375	\$2,405,771
Yankton (DW-04)	\$2,200,000	\$220,000	\$1,980,000
Yankton (DW-05)	\$12,850,000	\$1,000,000	\$11,850,000
TOTAL	\$160,875,151	\$71,273,247	\$89,601,904

DRINKING WATER SRF PROJECT DESCRIPTIONS

ABERDEEN – The city of Aberdeen received an \$8,460,000 loan at 3.5 percent for 20 years. This loan was the first installment of the city’s \$14,460,000 project to improve the water treatment plant. Total project costs increased to \$18,700,000, and the city received the second installment of its loan in 2004 in the amount of \$8,300,000. Aberdeen received a \$1,750,000 loan with \$175,000 of principal forgiveness through the American Recovery and Reinvestment Act of 2009 to replace water meters throughout the city. The loan was awarded at 2.25 percent for ten years. The city’s third loan, in the amount of \$1,040,000 at 3 percent for 20 years, was awarded to replace the Elm River raw water intake for the water treatment facility.

ARLINGTON – The city of Arlington received a \$100,000 loan with 100 percent principal forgiveness through the American Recovery and Reinvestment Act of 2009. The loan was to replace water lines on Birch and 1st Streets.

AURORA-BRULE RURAL WATER SYSTEM – The Aurora-Brule Rural Water System received a \$500,000 loan with 100 percent principal forgiveness through the American Recovery and Reinvestment Act of 2009. The loan was to construct a new raw water intake and associated piping.

AVON – The city Avon was awarded its first Drinking Water SRF loan to replace water lines along or adjacent to Main Street. The loan amount was \$174,000 at 2.5 percent for 20 years.

BALTIC – The city of Baltic received a \$250,000 loan for replacement of existing cast iron pipe with PVC water mains. The loan was at 3.5 percent for 20 years. Baltic’s second loan was for \$165,000 to replace water meters. This loan was at 2.25 percent for 10 years and included \$16,500 of principal forgiveness through the American Recovery and Reinvestment Act of 2009. The city’s third loan was awarded to replace aging water and sewer lines on Elm Avenue, Jans Circle, Richards Circle, and Bonnies Circle. The loan was for \$457,000 at 3 percent for 20 years,

BDM RURAL WATER SYSTEM – The system received a loan in the amount of \$536,000 for expansion of the system to the city of Britton, SD. The loan was at 3.5 percent for 20 years.

BELLE FOURCHE – The city of Belle Fourche received its first Drinking Water SRF loan in the amount of \$265,000 at 2.25 percent for 20 years to replace water main in 8th Avenue.

BERESFORD – The city of Beresford received its first loan to repair aging water lines in various areas in the city and install new lines to provide looping in the system and connect to the Lewis & Clark Regional Water System. The loan was for \$916,040 at 3 percent for 30 years and included \$458,020 of principal forgiveness. The city received its second loan to replace sewer in conjunction with a South Dakota Department of Transportation Highway 46 reconstruction project. The loan was for \$745,000 at 3 percent for 30 years and included \$375,000 of principal forgiveness.

BIG SIOUX COMMUNITY WATER SYSTEM – The Big Sioux Community Water System received a loan in the amount of \$831,000 for clearwell and water storage improvements. The loan was at 3.25 percent for 20 years. The loan was rescinded at the borrower's request. The water system received its second loan to install an automatic meter reading system. The loan was for \$900,000 at 3 percent for 15 years. The Big Sioux Community Water System received its third loan for the installation of a 12-inch water main to connect the Big Sioux system to the Minnehaha Community Water Corporation to pump water north to the existing Big Sioux Ethanol Tower. This addition will allow the Big Sioux system to deliver up to 1.0 MGD of water to the city of Madison, South Dakota. The loan amount was \$1,014,000 at 3.0 percent for 20 years.

BIG STONE CITY – The city of Big Stone City utilized a \$600,000 loan to construct a 100,000-gallon elevated water storage tank. The project also included the installation of a water main to connect the tank

to the existing distribution system, and the refinancing of debt incurred to connect to the Ortonville, Minnesota regional water treatment plant. The 20-year loan is at 5.25 percent. The city received its second loan in the amount of \$240,000 at 3.5 percent for 20 years to fund improvements to the water distribution system.

BLACK HAWK WATER USER DISTRICT – The Black Hawk Water User District received a loan for \$500,000. This loan financed a new well, pump house construction, installation of chlorination and fluoridation equipment, a 48,000-gallon water storage reservoir, and approximately 7,000 feet of new water lines. This loan is at 5.25 percent for 20 years. The second loan, in the amount of \$1,142,000 loan at 3.25 percent for 20 years, financed an 815,000-gallon, ground storage reservoir and a transmission line to improve service to Summerset. A third loan was awarded to replace undersized and obsolete water main, construct a well house, pump, and controls, construct a 500,000-gallon water storage tank, and install water main to connect a new well and the storage tank into the water system. The loan was for \$3,810,000 at 2.5 percent for 30 years.

BLUNT – Blunt received its first Drinking Water SRF loan to replace water meters, install new meter pits and install an automatic meter reading system and make other improvements to the distribution system. The \$657,000 was at 2.25 percent for 20 years and included \$207,000 of principal forgiveness.

BONESTEEL – Bonesteel received its first Drinking Water SRF loan to eliminate all 4- to 8-inch cast iron pipe in the distribution system and install new hydrants, service lines and valves. A radio read water metering system was also installed. The loan amount was \$2,043,000 at 2.25 percent for 30 years and included \$1,543,000 in principal forgiveness.

BOWDLE – The city of Bowdle received a \$150,000 loan with 100 percent principal forgiveness through the American Recovery and Reinvestment Act of 2009. The loan was to replace water lines in various locations throughout the city.

BOX ELDER – The city of Box Elder's First Drinking Water SRF loan was to develop a new well and construct a water reservoir and pipe lines to connect to the existing water distribution system. The \$3,562,950 loan was at 3 percent of 20 years and included \$356,295 in principal forgiveness. The city's second loan in the amount of \$1,742,000 at 2.25 percent for 20 years was to develop a new well and install water lines from the well to an existing well house and reservoir.

BRANDON – Brandon received a loan for \$1,950,000 at 4.75 percent for 15 years to construct a water treatment plant and upgrade the distribution system. Brandon received its second loan to construct two 1,250,000-gallon water storage tanks, loop distribution lines, upsize trunk lines, and replace approximately 13,000 feet of asbestos concrete pipe. The loan was for \$12,425,000 at 3.0 percent for 20 years and included \$500,000 of principal forgiveness. The loan was deobligated in full at the borrower's request. Brandon received its third loan for \$5,687,000 at 2.125 percent for 30 years to construct a 1,250,000-gallon water storage tank and booster station.

BRIDGEWATER – Bridgewater received a loan in the amount of \$121,000 at 2.25 percent for 30 years to replace water main on Main Street. The city's second loan in the amount of \$243,000 at 1.0 percent for 10 years was used to replace water meters and install a remote-read system.

BRISTOL – The town of Bristol received a loan in the amount of \$139,000 at 4.5 percent interest for 20 years. The project involved construction of a new elevated storage tank as well as replacement of an underground storage tank. The loan was subsequently deobligated at the town's request. The town received its second loan to replace all existing cast iron and asbestos concrete water lines throughout the community. The loan was for \$1,979,000 at 3 percent for 30 years and included \$1,514,000 of principal forgiveness.

BRITTON – The city of Britton received a loan in the amount of \$320,000 to replace and make improvements to approximately 30 blocks of water main throughout the city. The project involved replacing 50-year old cast iron pipes, much of which completely deteriorated due to rust and scale build-up. The loan was at 4.5 percent interest for 20 years. Britton’s second loan in the amount of \$3,212,000 at 3 percent for 30 years was to make improvements to its water system. Improvements involved replacing all the 4-inch lines and 6-inch cast iron pipes in the distribution system with 6-inch PVC lines and installing additional valves. Other improvements included painting and updating the existing 250,000-gallon ground level and 150,000-gallon elevated storage tanks and constructing a new pump house. The loan was subsequently deobligated in full at the city’s request.

BROOKINGS-DEUEL RURAL WATER SYSTEM – Brookings-Deuel RWS received two Drinking Water SRF loans in FFY 2005. The first loan, in the amount of \$1,200,000 at 3.25 percent for 30 years, increases the treatment capacity of the Bruce water treatment plant. The second loan, in the amount of \$1,750,000 at 3.25 percent for 30 years, made improvements to the distribution system and extended water to the community of Astoria. The system’s third loan in the amount of \$250,000 at 2.25 percent for 10 years was for the installation of a meter data transmission unit on existing water meters to transmit meter readings to the Brookings-Deuel office using a cellular network.

BRYANT – The city of Bryant received a \$142,000 loan to help replace lead service lines and asbestos cement water mains throughout the city. The loan was at 3 percent interest for a term of 30 years.

BUFFALO – Buffalo’s first loan is for the replacement of the cast iron pipe and asbestos cement pipe water main in the distribution system along with replacement of valves, hydrants, and service connections. The loan was for \$1,695,000 at 2.25 percent for 30 years and included \$600,000 of principal forgiveness.

BUTTE-MEADE SANITARY WATER DISTRICT – The Butte Meade Sanitary Water District received a \$396,700 Drinking Water SRF loan at 2.25 percent for 10 years to install new water meters and an automatic read system. The loan included \$85,000 of principal forgiveness. The district was awarded its second loan in the amount of \$413,000 at 2.25 percent for 20 years to replace approximately 2.7 miles of pipe in its service area.

BURKE – Burke’s first loan, in the amount of \$115,600 at the disadvantaged rate of 2.5 percent for 30 years, funded the drinking water portion of the Franklin Street Utilities Replacement project. The city was awarded its second loan to replace water mains and loop several dead-end lines to improve water quality. The loan was for \$540,000 at 1.625 percent for 30 years.

B-Y WATER USER DISTRICT – The B-Y Water User District received a \$300,000 loan with 100 percent principal forgiveness through the American Recovery and Reinvestment Act (ARRA) of 2009. The loan was to construct a new raw water intake; however, due to inability of the project to meet ARRA deadlines, the loan was subsequently deobligated in full at the district’s request. The district received its second loan in the amount of \$4,700,000 at 2.5 percent for 30 years to construct a 3.4-million gallon pre-stressed concrete ground storage reservoir.

CANISTOTA – The city of Canistota received a \$426,460 loan at 3.0 percent for 30 years to replace the water line on Ash Street. The loan included \$313,960 of principal forgiveness through the American Recovery and Reinvestment Act of 2009. The city received its second loan to replace water lines in a portion of the community. The loan was for \$1,095,000 at 3 percent for 30 years and included \$616,000 of principal forgiveness. Canistota was awarded its third loan in the amount of \$96,000 at 3 percent for 30 years to replace water service lines on Main Street.

CANTON – Canton utilized its first loan in the amount of \$500,000 at 3.5 percent for 20 years to fund utility improvements in conjunction with South Dakota DOT reconstruction of US 18. Canton received a second loan in the amount of \$1,550,000 at 3.0 for 30 years to for the installation of two wells and upgrades to the existing pumps and control system. Canton received its third loan in the amount of \$760,000 at 3 percent for 30 years to replace water lines as part of the Dakota Street reconstruction project.

CENTERVILLE – Centerville received its first drinking water SRF loan in the amount of \$870,000 to construct water distribution system improvements. The loan was at 3.25 percent for 30 years. The city received a second loan in the amount of \$116,685 at 2.25 percent for 10 years to replace meters and upgrade to a remote reading system. The loan was subsequently deobligated in full at the city’s request.

CHAMBERLAIN – The city of Chamberlain obtained its first Drinking Water SRF loan in the amount of \$276,500 at 3.25 percent for 20 years to upgrade chemical feed and control systems and to make renovations to its water treatment plant. Chamberlain’s second loan was for \$1,000,000 and was used to replace water mains and appurtenances at nine locations within the city. This loan was at 3.0 percent for 20 years and included \$300,000 of principal forgiveness through the American Recovery and Reinvestment Act of 2009.

CHANCELLOR – Chancellor’s first drinking water SRF loan for \$230,000 at 3.25 percent for 30 years provided water distribution system improvements.

CLARK RURAL WATER SYSTEM – Clark RWS’s first Drinking Water SRF loan will improve water quality and system pressures throughout the distribution system and connect to the city of Willow Lake to provide bulk water service and provide individual service to residents in the town of Bradley. The loan amount was \$2,950,000 at 2.0 percent for 30 years and included \$1,270,000 of principal forgiveness.

CLAY RURAL WATER SYSTEM – Clay RWS’s first Drinking Water SRF loan expanded the system to southern Union County. The loan was for \$4,331,000 at 3.25 percent for 30 years. The system’s second loan was for \$846,300 to construct of two new wells, replace the Garfield Booster Station with an above ground pumping station, replace variable frequency drives on pumps, and miscellaneous improvements to the SCADA system. This loan was at 3.0 percent for 20 years and included \$700,000 of principal forgiveness through the American Recovery and Reinvestment Act of 2009. Clay Rural Water was awarded its third loan in the amount of \$2,208,000 at 3 percent for 30 years and included \$500,000 of principal forgiveness. The loan funded the construction of several loops in the distribution system, improvements to the Spink Reservoir, an upgrade to the interconnection with the city of Beresford, installation of a new booster station, and added about 80 new users. Clay Rural Water received a \$1,379,758 interim loan to replace aging water meters, install an automatic meter reading system, and construct three new lime sludge lagoons. The interim loan was for three years at 2 percent interest. Clay RWS was awarded its fifth loan to construct approximately nine miles of pipeline and a new booster station and make improvements to the SCADA system. The loan was for \$2,185,000 at 2.125 percent for 30 years.

CLEAR LAKE – Clear Lake received a loan in the amount of \$565,000. This loan qualified for the disadvantaged rate and term of 3 percent for 30 years. This project consisted of constructing a new 300,000-gallon water tower and installation of a 2,700 LF of 10-inch water main that connected the tower with the water distribution system.

COLMAN – The city of Colman received its first two Drinking Water SRF loans in 2012. One loan, in the amount of \$182,000 with 100 percent principal forgiveness, was to replace water meters and install an automatic reading system. The other loan was for \$439,008 at 3 percent for 30 years to replace water lines and provided looping of the distribution system. A third loan was awarded in 2013 to replace water lines, loop the distribution system, and replace an old water storage tank. The loan amount was \$1,600,000 at 3 percent for 30 years and included \$968,000 in principal forgiveness. A fourth loan was awarded in 2016

in the amount of \$500,000 at 3 percent for 30 years to replace 4,400 of watermain along Highway 34 and to cover cost over-runs and recoup expenses for an emergency repair on the Highway 34 water main.

COLONIAL PINE HILLS SANITARY DISTRICT – Colonial Pine Hills improved its water distribution system with a \$659,000 loan at 3.5 percent for 20 years. The district’s second loan in the amount of \$1,003,608 was used to construct a new well, well-house, and distribution line to replace a well that experienced high radionuclide levels. This loan was at 3.0 percent for 20 years and included \$250,000 of principal forgiveness through the American Recovery and Reinvestment Act of 2009. Colonial Pine Hills’ third and fourth loans were awarded to provide financing for the installation of a new microfiltration water treatment unit and associated transmission lines. The loan amounts were \$705,000 and \$400,000, respectively; each at 3 percent for 20 years.

COLTON – The city of Colton used a loan in the amount of \$681,720 at 3.5 percent for 30 years to connect to the Minnehaha Community Water Corporation. The loan was used for an elevated storage tank, water lines, wells, and new water treatment plant. The city received its second loan to replace water lines as part of a utility replacement project on 5th Street. The loan was for \$191,100 at 3 percent for 20 years and included \$91,100 of principal forgiveness. Colton’s third loan was used to replace water meters and install an automatic reading system. The loan amount was \$210,740 at 2.25 percent for 10 years and included \$52,685 of principal forgiveness. The city was awarded its fourth loan to replace ductile iron and asbestos concrete water main on Main, First and Sherman Streets and complete a loop on the north side of town. The loan amount was \$1,343,000 at 2.5 percent for 30 years and included \$558,000 of principal forgiveness.

CONDE – The town of Conde was awarded a loan to replace existing 6-inch ductile iron pipe and 4-inch PVC pipe in the distribution system with 6-inch PVC pipe, replace the existing water tower with a 50,000-gallon ground storage tank and replace booster pumps. The loan was for \$2,333,000 at 2.25 percent for 30 years and included \$1,833,000 of principal forgiveness.

CORSON VILLAGE SANITARY DISTRICT – Corson Village received its first Drinking Water SRF loan to replace the water distribution system and connect to the city of Brandon. The \$601,735 loan (3 percent for 20 years) included \$541,562 of principal forgiveness through the American Recovery and Reinvestment Act of 2009.

CROOKS – Crooks constructed a second connection to Minnehaha Community Water Corporation’s distribution system and replaced high service pumps to improve capacity. The loan, in the amount of \$302,900, was at 3.25 percent for 20 years. The city’s second loan, in the amount of \$1,214,000 at 2.5 percent for 30 years, was to replace the distribution system within the Palmira Park sub-division.

CUSTER – Custer received an \$800,000 loan at 3.5 percent for 20 years to replace transmission and distribution water lines within the business district in conjunction with a South Dakota DOT project.

DAKOTA DUNES COMMUNITY IMPROVEMENT DISTRICT – Dakota Dunes connected its water supply with the city of Sioux City, Iowa, with its \$908,000 loan at 3.5 percent for 20 years. This project included construction of a line beneath the Big Sioux River connecting the city of Sioux City’s distribution system with Dakota Dunes and the cost to upsize water mains in Sioux City to provide the additional capacity necessary to serve Dakota Dunes. The second loan awarded to Dakota Dunes was to construct an additional 500,000-gallon clearwell and add a third high service pump at the water treatment plant. The loan amount was \$1,600,000 at 3.0 percent for 20 years.

DEER MOUNTAIN SANITARY DISTRICT – Deer Mountain Sanitary District received its first Drinking Water SRF loan to make improvements to its entire water system including new treatment plant,

pump station, 110,000-gallon reservoir, water meters, new or replaced water distribution system, and a new booster station. The loan was for \$2,174,000 at 2.125 percent for 30 years.

DELL RAPIDS – Dell Rapids constructed various distribution system improvements with its first \$621,000 loan at 3.5 percent for 20 years. The city's second loan, in the amount of \$162,263 at 3.25 percent for 20 years, financed the drinking water portion of the 4th Street Utility Improvements project. A third loan in the amount of \$531,835 at 3 percent for 20 years was awarded to install water lines on 15th Street. Dell Rapids received two additional loans in 2012. A \$300,000 loan (2.25 percent for 10 years) was awarded to replace water meters and included \$30,000 of principal forgiveness. The second loan financed the replacement of waterlines on 15th Street, Garfield Avenue, State Avenue and at the Big Sioux River Crossing. The loan amount was \$897,000 at 3 percent for 20 years and included \$250,000 of principal forgiveness. Dell Rapids was awarded its sixth loan to replace approximately 1,900 feet of cast iron water mains at the intersection of SD Highway 115, Old Highway 77 and 4th Street and 800 feet of cast iron lines on a portion of 10th Street near the hospital. This loan was for \$705,000 at 3.25 percent for 30 years. Dell Rapids was awarded its seventh loan in the amount of \$2,486,000 at 2.5 percent for 30 years to replace water mains in the southeast area of the city. The city's eighth loan, \$926,000 at 2.125 percent for 30 years, was to replace water main, fire hydrants, valves and other appurtenances on 5th, 6th, and Iowa Streets.

DELMONT – Delmont received its first Drinking Water SRF loan to loop lines within the distribution system to improve water quality. The \$185,000 loan had a 2.5 percent interest rate with a 30-year term. The community's second loan, \$90,000 with 100% as principal forgiveness, was to install new water meters and an automatic read system.

DESMET – DeSmet used its first SRF loan to replace cast iron water mains with PVC water mains on 3rd Street from Highway 25 to Prairie Avenue. The \$258,000 loan, at 2.25 percent for 30 years, included \$25,800 of principal forgiveness through the American Recovery and Reinvestment Act of 2009. The city received its second loan to install water mains, fire hydrants, valves and other appurtenances to complete line looping in the system to improve water quality and system pressure. The loan was for \$565,000 at 1.875 percent for 30 years.

DOLAND – Doland was awarded its first Drinking Water SRF loan to replace cast iron water lines throughout the town construct a new elevated storage tank. The loan amount was \$1,762,200 at 3 percent for 30 years and included \$1,375,000 of principal forgiveness.

DUPREE – Dupree's first Drinking Water SRF loan, \$163,500 at 2.25 percent for 30 years, was used to replace 8 blocks of cast iron and asbestos cement water mains. The loan included \$100,000 of principal forgiveness.

EAGLE BUTTE – Eagle Butte was awarded a loan for \$593,000 with \$474,000 of principal forgiveness was at zero percent for 10 years that was used to replace water meters and install an automatic meter read system. The city's second and fourth loans were to extend water services to a portion of the community with limited access to the water system and replace aging infrastructure in the downtown area. These loans, each at zero percent for 30 years, were for \$1,244,000 and \$725,000, respectively, and included \$995,200 and \$362,500 of principal forgiveness, respectively. A third loan in the amount \$490,000 at zero percent for 30 years, with \$392,000 of principal forgiveness, was originally intended to replace water lines on Willow Street. When the cost of the water line extension and replacement project came in over cost estimates, the city requested that the scope of the Willow Street loan be revised and used to address the cost over-run. The loan amount was reduced to \$250,000 and included \$200,000 of principal forgiveness. Subsequent cost over-runs occurred due to legal matters involving the city and the Cheyenne River Sioux Tribe, and additional funds were needed. The loan was increased to \$520,000 and the \$200,000 of principal forgiveness was retained.

EDGEMONT – Edgemont received its first loan in the amount of \$1,890,000 to rehabilitate two of the city’s wells, construct a water treatment facility to reduce radiological contaminants, construct a 250,000-gallon elevated storage tank, and install water main to connect the storage tank to the distribution system. The loan is at zero percent for 30 years and includes \$1,206,890 of principal forgiveness. Because rehabilitation of one of the wells was determined to be unfeasible, the city was awarded an additional loan to drill a new well and plug the unusable well. The second loan was in the amount of \$447,000 at zero percent for 30 years and includes \$157,000 of principal forgiveness and was later amended to \$700,000 with \$246,000 of principal forgiveness.

ELK POINT – Elk Point received its first loan in the amount of \$220,000 for water main replacement in conjunction with its Pearl Street Utility Improvement project at 3.5 percent for 20 years. Its second loan, in the amount of \$570,000 at 3.25 percent for 20 years, funded an upgrade to the city’s water treatment plant. The city received its third loan in the amount of \$218,000 at 3.25 percent for 20 years, to fund the drinking water portion of the utility systems improvements. The fourth SRF loan awarded to Elk Point funded water line replacement on Clay and Washington Streets. This loan was for \$564,000 at 3.25 percent for 20 years. The city’s fifth loan was to replace the water main on Main Street in conjunction with a highway reconstruction project. The loan amount was \$1,179,500 at 3 percent for 20 years and included \$660,520 of principal forgiveness through the American Recovery and Reinvestment Act of 2009. Elk Point’s sixth loan in the amount of \$564,000 at 3.25 percent for 30 years was to replace water lines on Rose Street. The city received its seventh loan to replace approximately 1,700 feet of water main under Washington and Douglas streets. The loan was for \$495,000 at 2.50 percent for 30 years.

ELKTON – Elkton received its first Drinking Water SRF loan for the first phase of a project to replace water lines and rehabilitate an existing water tower. The loan amount was \$2,000,000 at 2.75 percent for 30 years and included \$1,164,000 of principal forgiveness.

EMERY – Emery received a \$1,585,000 loan at 3.0 percent for 30 years to replace the majority of the existing water distribution system and install new lines to loop the system.

EUREKA – Eureka utilized a \$135,000 loan at zero percent interest for ten years to replace water meters and implement a computer-generated water meter reading system. The city’s second loan was in the amount of \$200,000 loan with 100 percent principal forgiveness through the American Recovery and Reinvestment Act of 2009. The loan was to replace old water mains throughout the city and loop additional lines, as well as the installation of a SCADA system and variable frequency drives on the pump house pump.

FALL RIVER WATER USERS DISTRICT – The Fall River Water Users District received a \$759,000 loan at 3 percent interest for 30 years. This loan will help finance the construction of the Fall River Rural Water System to include supply, storage, and distribution. Fall River’s second Drinking Water SRF loan in the amount of \$400,000 at 2.5 percent for 30 years was used for initial construction of the rural water system in Fall River County. Fall River’s third and fourth loans were for \$612,000 and \$750,000, respectively, each with 100 percent principal forgiveness through the American Recovery and Reinvestment Act of 2009. The third loan was to construct additional lines to serve additional users including the town of Buffalo Gap and to construct a well house and associated lines to connect the well to the system. The fourth loan upgraded main distribution lines throughout the system to supply larger volume of water to meet demand.

FAULKTON – The city of Faulkton received a \$500,000 loan with 100 percent principal forgiveness through the American Recovery and Reinvestment Act of 2009. The loan was to replace water lines in various locations throughout the city, loop all dead-end lines 4 inches and larger, replace all water meters, and purchase a standby generator. The city’s second loan involved construction of water line along US

Highway 212. The loan was for \$511,725 at 3 percent for 30 years and included \$395,905 of principal forgiveness.

FLORENCE – Florence received two loans to replace water lines, services, hydrants and appurtenances and construct a 105,000-gallon ground water storage tank and booster station. One loan, in the amount of \$688,000, is backed by a sales tax pledge and the other loan, in the amount of \$567,000, is backed by a project surcharge pledge. Both loans are at 3.25 percent for 30 years.

GARRETSON – The city of Garretson connected to the Minnehaha CWC with its \$1,261,060 loan at 3.5 percent for 30 years. The loan was used to construct water lines, wells, and a new water treatment plant. Garretson was awarded its second loan, \$639,500 at 2.5 percent for 30 years, to replace water lines on 3rd Street, Main Avenue, and the Truck Route. Due to a funding shortage, Garretson received its third loan for \$458,500 at 2.125 percent for 30 years to continue with the replacement of the water lines on 3rd Street, Main Avenue, and the Truck Route.

GAYVILLE – Gayville was awarded its first Drinking Water SRF loan in the amount of \$900,000 with \$480,000 of principal forgiveness. The rate and term of the loan were 3 percent for 30 years, and the loan was used to replace the cast iron water lines within the community.

GETTYSBURG – The city of Gettysburg received a \$565,000 loan at 4.5 percent interest for 20 years to replace and relocate water lines within the city.

GRANT-ROBERTS RURAL WATER SYSTEM – The Grant-Roberts Rural Water System received a \$4,500,000 loan for the construction of water main and a water storage reservoir to improve service and add new customers in the Milbank Service area. The project also includes the installation of satellite read meters and a SCADA telemetry system. The terms of the loan were 3 percent for 30 years.

GRENVILLE – Grenville received its first Drinking Water SRF loan to replace inoperable valves in the distribution system and water meters and install a radio read system for reading meters. The loan amount was \$352,000 at 2.0 percent for 30 years and included \$282,000 of principal forgiveness.

GREGORY – The city of Gregory received \$380,000 for the construction of a new steel reservoir and a new booster station. The terms of the loan were 2.5 percent for 30 years.

GROTON – Groton's first loan in the amount of \$440,000 at 3.5 percent for 20 years funded replacement of water main in conjunction with its Main Street Utility Project. Its second loan, in the amount of \$365,900 at 3.25 percent for 20 years, funded additional waterline replacement. The city's third loan was in the amount of \$272,000 with 100 percent principal forgiveness through the American Recovery and Reinvestment Act of 2009. The loan was to replace water meters. Groton's fourth loan in the amount of \$703,000, with \$150,000 principal forgiveness was to replace the city's elevated water storage tank, water pumps and approximately five blocks of water mains. The city chose to deobligate the loan in its entirety. The city's fifth loan was to replace the existing water tower with a new 125,000-gallon tower and pump house, replace several blocks of asbestos cement water main with PVC, and loop several dead-end lines. The loan was for \$1,798,000 at 2.75 for 30 years.

HANSON RURAL WATER SYSTEM – The Hanson Rural Water System was awarded its first Drinking Water SRF loan in the amount of \$840,000 at 3 percent for 20 years and included \$588,000 of principal forgiveness through the American Recovery and Reinvestment Act of 2009. The rural water system replaced an elevated water storage tank located in Ethan with a new 200,000-gallon water storage tank to be used by Ethan residents and surrounding residents on the Hanson system.

HARRISBURG – The city of Harrisburg received its first loan in the amount of \$525,000 at 5 percent interest for 20 years to abandon its existing wells and water treatment plant, construct a connection to the Lincoln County RWS, construct an elevated water storage tank, and loop a line to ensure uninterrupted water service. The city’s second loan - \$1,714,327 at 3.25 percent for 20 years - funded an emergency connection to the Lewis and Clark Rural Water System. Harrisburg’s third loan was for \$2,090,000 at 3.25 for 20 years to construct a 750,000-gallon water tower, demolish the existing standpipe and an abandoned 30,000-gallon water tower, and install miscellaneous piping.

HARTFORD – Hartford received a \$185,000 loan at 5 percent interest for 20 years. This project replaced water distribution lines throughout the city. With its second loan in the amount of \$800,957 at 3.5 percent for 20 years, Hartford replaced aging cast iron water mains. Hartford’s third loan, in the amount of \$1,123,556 at 3.25 percent for 20 years, funded improvements to the water supply by providing a second connection to the Minnehaha Community Water Corporation.

HERMOSA – Hermosa received a loan for \$300,000. This loan was at 5 percent for 20 years. This project replaced water distribution lines. Hermosa’s second loan, \$199,000 at 2 percent for 30 years, was awarded to rehabilitate a well with high radionuclides and install a booster station. The well rehabilitation project will investigate the different well production zones to isolate and plug off zones negatively impacting the water quality.

HIGHMORE – Highmore received a loan to replace sewer lines in conjunction with a South Dakota Department of Transportation project to reconstruct Highway 47. The loan amount was \$679,000 at 3.25 percent for 30 years.

HILL CITY – The city of Hill City received its first Drinking Water SRF loan in the amount of \$402,200 at 3 percent for 30 years and included \$241,320 of principal forgiveness through the American Recovery and Reinvestment Act of 2009. The project involved looping dead-end lines and replacing a water line that froze due to insufficient cover.

HISEGA MEADOWS WATER, INC. – The Drinking Water SRF first loan awarded to Hisega Meadows was for the installation of 5,100 feet of 6-inch PVC line and other appurtenances to replace the sub-standard distribution system. The loan amount was \$487,500 at 3 percent for 20 years and included \$250,000 of principal forgiveness. The project went to bid, and bids came in over estimate. It was decided to eliminate some of the work to get the project started with the funding available. Hisega Meadows received a second loan to complete the work that was bid previously and additional lines that were identified to need replacement. This loan amount was \$273,000 at 3.0 percent for 20 years.

HOT SPRINGS – Hot Springs’ first Drinking Water SRF loan was for \$1,636,000 at 3 percent for 20 years to replace water lines in various areas of the city.

HOVEN – The town of Hoven received a \$750,000 loan with 100 percent principal forgiveness to replace all water meters with new remote read meters, replace all cast iron pipes within the distribution system, construct a 180,000-gallon ground water storage tank, and rehabilitate an existing tank. Hoven received a second loan in the amount of \$264,750 with 100 percent principal forgiveness to replace water mains under South Dakota Highway 47 that will be done in conjunction with a highway reconstruction project.

HUMBOLDT – The city of Humboldt’s first loan, in the amount of \$412,300 at 3.25 percent for 20 years, funded water supply and distribution system improvements.

HURON – Huron received a loan in the amount of \$4,000,000 at 3.5 percent for 20 years to fund the construction of a new water treatment facility, water tower improvements, and water meter replacement.

The city's second loan was used to replace approximately 14,500 feet of 6 inch and 12 inch water main. The loan was for \$619,684 at 3.0 percent for 20 years and includes \$122,500 of principal forgiveness through the American Recovery and Reinvestment Act of 2009. A third loan, for \$1,098,900 at 3 percent for 30 years, was awarded for the construction of an elevated water storage reservoir.

IPSWICH – The city of Ipswich received a \$1,245,000 loan to replace an elevated water tower and two underground water tanks with a new 150,000-gallon elevated water storage tank, replace water meters and install a radio read system, and purchase a standby generator and variable frequency drives for the city pumps. The loan was at 3.0 percent for 30 years and included \$933,750 of principal forgiveness through the American Recovery and Reinvestment Act of 2009.

IRENE – The city of Irene received a 5 percent interest loan for 20 years in the amount of \$145,000. The project replaced water main along SD Highway 46. The city received its second loan to replace 13 blocks of water lines, loop water lines south of Highway 46, and install new water meters. The loan was for \$1,546,000 at 3 percent for 30 years and included \$1,165,000 of principal forgiveness. Irene received its third loan to complete the replacement of its water distribution system. The loan was for \$1,191,000 at 2.25 percent for 30 years and included \$789,000 of principal forgiveness.

KEYSTONE – Keystone used its first loan, in the amount of \$762,000 at 3.25 percent for 20 years, was used to build a 187,000-gallon reservoir, to close the loop on one-third of the town's system, and to install a pumping station.

KINGBROOK RWS – The Kingbrook Rural Water System received a loan in the amount of \$475,000. This loan was at 0 percent interest for 30 years. The project hooked up the city of Carthage and upgraded its distribution system and storage tank. Kingbrook RWS took over the system and provided individual service. Kingbrook's second loan, in the amount of \$2,115,000 at 3.25 percent for 30 years, provided additional capacity within the system and provided service to Ramona and the Badger area. The third loan of \$3,324,000 at 3.25 percent for 20 years expanded the distribution system to allow 250 additional connections to the system. Kingbrook's fourth loan, \$2,350,000 at 3.25 percent for 20 years, continued with the improvements to the system's distribution system. The rural water system received its fifth loan for the construction of rural and in-town water lines to provide individual service to the residents of Sinai. Kingbrook was awarded its sixth loan to connect approximately 220 new users and improve capacity and reliability in the service area. The project involved approximately 6.5 miles of 14- and 16-inch PVC pipe and 125 miles of 2- to 6-inch PVC pipe as well as new booster pumps and other miscellaneous work. The loan was for \$9,000,000 at 3 percent for 20 years. The loan was subsequently deobligated in full at the system's request. Kingbrook received its seventh loan to provide individual service to the residents of Oldham. This involves replacing the water distribution system, meter pits, and service lines and rehabilitating the existing water tower in Oldham. The loan was for \$1,645,000 at 2.25 percent for 30 years and included \$1,249,000 of principal forgiveness. Kingbrook's eighth loan funded a project to provide individual service to the residents of Nunda. This involves replacing the water distribution system, meter pits, and service lines in Nunda and adding lines and replacing a booster station in the Kingbrook system. The loan was for \$836,500 at 1.625 percent for 30 years and included \$747,000 of principal forgiveness.

LAKE NORDEN – Lake Norden received its first Drinking Water SRF loan to replace filters and outdated controls in the water treatment facility, develop new wells, and construct a new raw water line to connect the new well field and existing water treatment facility. The rate and term for the \$1,477,000 loan were 2.0 percent for 20 years. A second loan was needed due to high groundwater prohibiting the installation the raw water line from being installed using conventional open trench methods. The line was installed using a more expensive directional bore technique. The loan was for \$1,345,000 at 1.625 percent for 20 years.

LAKE PRESTON – Lake Preston received its first Drinking Water SRF loan to replace the existing water tower and approximately one-half of the distribution system and install 48 gate valve where needed. The loan was for ^2,610,000 at 1.875 percent for 30 years and included \$1,000,000 of principal forgiveness.

LANGFORD – Langford received its first Drinking Water SRF loan for \$386,000 at zero percent for 30 years to make system-wide improvements to its drinking water infrastructure. Improvements include construction of a 75,000-gallon elevated storage tank and a pump house building and replacement of 4-inch asbestos cement water main and all water meters. Due to the construction cost of the water tower exceeding the estimated costs, bids were rejected, and re-bid at a later date. A second loan in the amount of \$570,000 was awarded to Langford to cover the shortfall. The rate and term of the loan is zero percent for 30 years and includes \$470,000 in principal forgiveness.

LEAD – Lead received a \$192,800 loan at 4.5 percent interest for 10 years. This loan helped replace water lines beneath a portion of US Highway 85 in conjunction with the South Dakota Department of Transportation roadway reconstruction project. Lead’s second drinking water SRF loan, in the amount of \$205,800 at 3.25 percent for 30 years, completed water main improvements associated with the Highway 85 project. The city’s third SRF loan replaced water mains on Lower May, South Main, and West Addie Streets in conjunction with a project to separate combined sanitary and storm sewer mains. The \$1,020,000 loan, at 3 percent for 20 years, included \$387,600 of principal forgiveness through the American Recovery and Reinvestment Act of 2009. Lead was awarded its fourth loan to replace water lines in conjunction with a South Dakota Department of Transportation project to reconstruct Highway 85. The loan amount was \$939,000 at 3 percent for 20 years.

LEAD-DEADWOOD SANITARY DISTRICT – The Lead-Deadwood Sanitary District received a \$2,683,957, 5.25 percent, 20-year loan to refinance its Series 1994 General Obligation Bond issue. The Series 1994 bonds were originally issued to finance the construction of a new water treatment plant in Lead.

LENNOX – Lennox’s first loan, in the amount of \$2,000,000 at 3.25 percent for 30 years, funded two wells, an elevated water storage reservoir, water main replacement and new lines. The city’s second loan involved replacing about 2,200 feet of cast iron water main and upgrading the existing water meters with remote read meters. The loan amount was \$712,431 at 3 percent for 20 years and included \$400,000 of principal forgiveness. Lennox’s third and fourth loans for \$912,000 at 2.25 percent for 30 years and \$375,000 at 2.75 for 30 years, respectively, are to replace and loop water mains in the central part of the city.

LEOLA – Leola received its first SRF loan to upgrade the water meters to a remote-read system, construct a new booster pump house, replace watermain within the community, and install new lines to loop the distribution system. The loan amount is \$1,891,000 at 2.0 percent for 30 years and included \$1,615,000 of principal forgiveness.

LETCHER – Letcher received its first SRF loan to assist in financing the replacement of the town’s water distribution system. The loan amount was \$200,000 at 2.25 percent for 30 years.

LINCOLN COUNTY RURAL WATER SYSTEM – The rural water system received a loan in the amount of \$1,200,000 at 3.5 percent for 20 years to fund storage improvements. Lincoln County RWS was awarded its second loan to install a parallel transmission line in Springdale Township to provide redundancy within the system and increase water quantity. The rate and term of the \$750,000 loan were 2.75 percent for 30 years.

MADISON – Madison received a loan for \$2,372,000 to refinance its Series 1995 Bonds. The Series 1995 Bonds were issued to finance the rehabilitation of the water treatment facility and the construction of three

new wells. This loan was at 5 percent for 15 years. Madison's second loan involved upgrades and modifications to the water treatment plant to address volatile organic compounds in the raw water source. The loan amount was \$3,464,360 at 3 percent for 15 years.

MARION – Marion received its first Drinking Water SRF loan to replace water mains, fire hydrants, valves and other appurtenances in the distribution system. The loan was for \$1,235,000 at 1.875 percent for 30 years and included \$325,000 of principal forgiveness.

MARTIN – With its first Drinking water SRF loan, Martin corrected undersized water lines and water supply issues with a \$920,000 loan at 2.5 percent for 30 years. Martin was awarded its second loan, \$633,000 at 2 percent for 30 years to replace water lines and meters in a five-block area.

McLAUGHLIN – Improvements to McLaughlin's water distribution system in conjunction with an SDDOT project were funded with a \$350,000 loan at 2.5 percent for 30 years. The city's second loan was used to replace water lines throughout the city and construct a new storage tank. The loan is for \$4,151,050 at 2.25 percent of 30 years and included \$3,180,050 of principal forgiveness.

MELLETTE – The town of Mellette received a loan for \$271,780 to replace nine blocks of water main and install gate valves and fire hydrants. The loan was at 3 percent for 30 years and included \$244,602 of principal forgiveness through the American Recovery and Reinvestment Act of 2009.

MENNO – The city of Menno received its first Drinking Water SRF loan for the replacement of its water meters with remote reading water meters and the installation of an automatic meter reading system. The loan was for \$157,000 at 2.25 percent for 10 years and included \$39,250 of principal forgiveness.

MID-DAKOTA RURAL WATER SYSTEM – The Mid-Dakota Rural Water System received its first two loans for projects to increase the production capacity of the water treatment plant and to construct an underground pumping station and a two million-gallon elevated water reservoir. The first loan for \$12,000,000 at 2.00 percent for 3 years provided interim financing for those projects. The second loan was in the amount of \$1,000,000 with 100 percent principal forgiveness through the American Recovery and Reinvestment Act of 2009 and partially funded the pumping station and elevated water reservoir. A third loan in the amount of \$2,979,054 was awarded to extend service to new users within the Mid-Dakota service area to include users on the Crow Creek Reservation. The rate and term of the loan are 3 percent for 30 years, and the loan included \$450,000 of principal forgiveness. To construct a 150,000-gallon elevated water storage tank for the Redfield service area, Mid-Dakota RWS was awarded a fourth loan for \$719,000 at 3 percent for 30 years. Mid-Dakota received its fifth loan in the amount of \$2,535,000 at 3 percent for 15 years to install an automatic meter reading system.

MIDLAND – Midland was awarded its first loan in the amount of \$225,000 at 2.25 percent for 30 years to address haloacetic acid (HAA5) violations. The project consists of a new 53,000-gallon ground storage facility with a new mixing system and construction of 3,220 feet of 6-inch main to loop the system.

MILBANK – Milbank secured a \$4,741,000 loan at 2.5 percent for 30 years to replace raw water transmission lines.

MILLER – The city of Miller was awarded a loan in the amount of \$255,200 at 2.5 percent for 10 years to replace water meters throughout the city. The city's second loan in the amount of \$2,112,000 at 3 percent for 30 years is for the replacement of approximately 9,100 feet of water mains throughout the city. The loan included \$692,000 of principal forgiveness. Miller was awarded a third loan in the amount of \$1,099,000 at 2.25 percent for 30 years to continue replacing water distribution lines. Miller received its fourth loan in the amount of \$400,000 at 2.25 percent for 30 years to complete the replacement of the water distribution system.

MINA LAKE SANITARY DISTRICT – Mina Lake Sanitary District received a loan for \$255,200 at an interest rate of 5 percent for 20 years. This loan was for the construction of a 150,000-gallon water tower. The district's second loan was for \$567,390 to replace undersized water mains, construct approximately 11,400 feet of new water main to improve pressure, and upgrade existing water meters. This loan was at 3.0 percent for 20 years and included \$283,695 of principal forgiveness through the American Recovery and Reinvestment Act of 2009.

MINNEHAHA COMMUNITY WATER CORPORATION – Minnehaha Community Water Corporation received a loan in the amount of \$6,500,000 at 3.5 percent for 20 years to expand its rural water system to the communities of Colton and Garretson. The loan was used for water lines, an elevated water storage tank, wells, and a new water treatment plant. Minnehaha Community Water Corporation was awarded its third loan to make improvements to the distribution system which will enable Minnehaha Community Water to receive additional water from the Lewis & Clark Regional Water System. These improvements will then allow Minnehaha Community Water to deliver 1.0 MGD to Big Sioux Community Water System who will then, in turn, use the extra capacity to deliver up to 1.0 MGD to the city of Madison. The loan was for \$900,000 at 3.0 percent for 20 years but was rescinded at the borrower's request.

MISSION HILL – The first SRF loan awarded to Mission Hill was used to construct a new water tower and install new water lines to loop dead-end lines. The loan was in the amount of \$250,000 at 3.25 percent for 20 years. The loan was subsequently deobligated in full at the request of the city.

MITCHELL – The city of Mitchell received a \$6,000,000 loan at 4.5 percent interest for 20 years to connect to the B-Y Rural Water System by constructing a water pipeline from Lesterville west and north to Mitchell. The project involved 61 miles of pipe, two pumping stations, a water storage reservoir, a meter station and appurtenances. The city's second Drinking Water SRF loan was used to construct a 1,000,000-gallon elevated water storage tank to replace a water tower built in 1928. The \$2,360,000 loan, at 3 percent for 20 years, included \$354,000 of principal forgiveness through the American Recovery and Reinvestment Act of 2009. Mitchell's third loan in the amount of \$1,028,000 replaced water lines on Sanborn Boulevard between 1st and 15th Avenues. Mitchell's fourth loan in the amount of \$690,000 replaced water lines along various street segments located within the city's east central drainage basin. Both of these loans are at 2.25 percent for 20 years.

MOBRIDGE – The city of Mobridge received two loans in the amounts of \$965,000 and \$355,000 to finance water treatment plant upgrades. Both loans were at 5.25 percent for 20 years. The city undertook a water line extension project along Lake Front Drive to provide water to new users and to loop the system. The project was funded with two loans in the amounts of \$213,500 and \$90,000 both at 2.50 percent for 30 years. The city's fifth loan was in the amount of \$500,000 loan with 100 percent principal forgiveness through the American Recovery and Reinvestment Act of 2009. The loan was to make improvements to the raw water intake. Mobridge's sixth loan will be used to construct a 600,000-gallon water tower and make improvements to an existing 500,000-gallon water tower. The loan is for \$1,212,000 at 2.25 percent for 30 years. Mobridge's seventh loan for \$400,000 at 2.25 percent for 30 years was necessary to address higher than anticipated construction costs on the water tower project.

MONTROSE – Montrose received its first Drinking Water SRF loan to replace all 4-inch water mains within the distribution system and various hydrants and gate valves. The loan amount was \$893,000 (3 percent for 30 years) and included \$593,000 of principal forgiveness. The city's second loan, \$187,000 at 2.25 percent for 30 years, was for the construction of a 90,000-gallon ground storage standpipe.

NEW UNDERWOOD – The city of New Underwood was awarded a \$175,500 loan to partially fund the construction of a water treatment facility to address radium and gross alpha contamination at its water

source. The loan was at 3.0 percent for 20 years and included \$70,200 of principal forgiveness through the American Recovery and Reinvestment Act of 2009.

NEWELL – The city of Newell received a loan for \$829,000 to drill a new well, construct a new well house, controls, and chlorination equipment; replace old water main, and replace a water tower. The loan was at 2.25 percent for 30 years and included \$322,750 of principal forgiveness through the American Recovery and Reinvestment Act of 2009. The city's second loan was used to replace the water meters and install a drive-by remote reading system. The loan was in the amount of \$266,250 at 1.25 percent for 10 years and included \$166,250 of principal forgiveness.

NICHE SANITARY DISTRICT – A \$315,000 loan was awarded to the Niche Sanitary District to replace the undersized water distribution lines with 6-inch PVC lines, install individual service lines and meters to each user, and connect to the Black Hawk Water Users District. At project completion, the Black Hawk Water Users District will take ownership of the system and supply water to the sanitary district residents as individual users. The loan was awarded at 2.25 percent for 30 years and included \$225,000 of principal forgiveness.

NISLAND – Nisland received a \$350,000 loan at zero percent interest for 30 years to fund the reconstruction of its water distribution system.

NORTH SIOUX CITY – North Sioux City received its first Drinking Water SRF loan in the amount of \$2,700,000 at 2.125 percent for 30 years to construct a 750,000-gallon elevated water storage tank.

NORTHVILLE – Northville received a \$203,460 loan to replace water meters throughout the town, replace and loop water lines, and make improvements to a service pump. The loan was at 3.0 percent for 20 years and included \$162,768 of principal forgiveness through the American Recovery and Reinvestment Act of 2009.

OACOMA – Oacoma received a \$1,414,800 Drinking water SRF loan to construct a new water reservoir and associated piping. The loan was at 3.0 percent for 20 years and included \$321,480 of principal forgiveness through the American Recovery and Reinvestment Act of 2009. The loan was subsequently deobligated due to a change in project scope which prevented the city from meeting ARRA deadlines. The city was awarded a second loan for \$1,351,300 at 2.25 percent for 10 years to proceed with the revised water storage project.

OELRICHS – Oelrichs received its first Drinking Water SRF loan for a project involving water tower rehabilitation, fire hydrant replacement, and installation of meter setters and backflow prevention valves. The loan was for \$447,000 at 2.25 percent for 30 years and included \$357,600 of principal forgiveness.

ONIDA – Onida's first loan, in the amount of \$905,000 loan at 3.0 percent for 20 years, funded the construction of a 200,000-gallon water storage tank and the installation of new meters and an automatic meter reading system, lines to eliminate dead end lines, and additional hydrants and valves. The loan included \$250,000 of principal forgiveness. Onida was awarded its second loan to replace water lines in various locations within the city. The loan was for \$950,000 at 2.25 percent for 20 years and included \$250,000 of principal forgiveness. Onida's third loan completed replacing water lines in the city. The loan was for \$750,000 at 2.75 percent for 30 years and included \$345,000 of principal forgiveness.

PARKER – Parker's first loan, in the amount of \$730,000 at 3.25 percent for 20 years, was used to replace cast iron water mains in various locations in the city. The city's second loan, in the amount of \$300,000 at 3.25 percent for 20 years, funded the second phase of the water line replacement project. Parker was awarded a third loan in the amount of \$554,200 to continue replacing its water distribution system. This

loan was at 3.0 percent for 20 years and included \$452,100 of principal forgiveness through the American Recovery and Reinvestment Act of 2009. The city was awarded its fourth loan in the amount of \$697,000 at 2.5 percent for 30 years to continue with additional replacement of its water distribution system.

PERKINS COUNTY RURAL WATER SYSTEM – A \$131,000 Drinking Water SRF loan was awarded the Perkins County Rural Water System to construct a booster station along Highway 75. The loan was awarded as 100 percent principal forgiveness. The loan amount was increased to \$151,000 to allow for the purchase of a SCADA system. Perkins County RWS received its second loan to change the vertical alignment or insulate existing water main along Highways 12 and 73 near the city of Lemmon that will lose minimum cover needed to prevent freezing due to an upcoming DOT project. The \$1,722,000 loan at 2.25 percent for 30 years includes \$1,033,000 of principal forgiveness and also funded the installation of a SCADA system at the Highway 20 Booster station.

PIEDMONT – Piedmont extended its distribution system to residences within the town utilizing individual wells as a water source. The town's first loan was for \$1,404,000 at 3 percent for 20 years and included \$804,000 of principal forgiveness.

PIERPONT – Pierpont received a loan in the amount of \$551,200 at 3 percent for 30 years to replace the existing high service pump and pressure tank. The loan included \$413,400 in principal forgiveness.

PIERRE – The city of Pierre used a \$1,094,200 loan at 3.5 percent for 15 years to fund a well field expansion. The loan funded construction of new wells, well houses, and water distribution lines. Pierre's second drinking water loan, \$1,832,900 at 3.5 percent for 15 years, funded construction of a new storage tank to create a third pressure zone within the city. The city received its third loan, \$36,850,000 at 2.5 percent for 30 years, to construct a water intake in the Missouri River, raw water pump station, raw water transmission line, an 8.8-million gallon per day ultrafiltration water treatment facility, and transmission lines to connect into the distribution system.

PINE CLIFF PARK WATER AND MAINTENANCE, INC. – Pine Cliff Park received its first Drinking Water SRF loan in the amount of \$348,000 at 2.25 percent for 20 years to replace lines in the water distribution system.

PLANKINTON – The city of Plankinton used its first Drinking Water SRF loan to construct a new storage tower, replace portions of the distribution system, and loop dead-end lines. The loan was for \$1,765,000 at 3 percent for 30 years and included \$1,009,000 of principal forgiveness.

PLATTE – Platte replaced cast iron water mains with its first drinking water loan of \$400,000 at 2.5 percent for 10 years.

RANDALL COMMUNITY WATER SYSTEM – The Randall Community Water System was awarded its first Drinking Water SRF loan to provide individual service to the residents of Geddes and make improvements within its system. The Geddes service involved replacing a portion of the water distribution system and installing meter pits. Improvements to the Randall Community Water system included installing approximately 61,000 feet of water main and constructing a 2.7 million-gallon ground storage reservoir. The loan was for \$4,600,000 at 2.25 percent for 30 years and included \$2,263,000 of principal forgiveness.

RAPID CITY – Rapid City's first drinking water loan was for \$3,500,000 at 3.5 percent for 20 years. This loan financed a new water tank and transmission main in the southwest edge of the city. Rapid City was awarded its second loan for engineering services and the purchase of membranes at the Jackson Springs Water Treatment Plant. The loan amount was \$6,000,000 at 3 percent for 20 years. Rapid City was awarded its third loan to expand its service area to provide water to users located east of the city limits. These homes

are currently served by systems that provide substandard to poor quality water that is often in violation of drinking water standards. The loan was for \$4,626,000 at 3 percent for 20 years with \$3,000,000 of principal forgiveness. To cover shortfalls on the aforementioned project, Rapid City was awarded a \$500,000 loan at 2.0 percent for 20 years with \$375,000 of principal forgiveness.

RAPID VALLEY SANITARY DISTRICT – The Rapid Valley Sanitary District received a \$682,000 loan with 100 percent principal forgiveness through the American Recovery and Reinvestment Act of 2009. The loan was to install a third microfiltration skid to increase plant production from 2 to 3 MGD, allowing the district to serve two small existing sanitary districts east of Rapid City. The second loan awarded to the Rapid Valley Sanitary District was for the removal and replacement of a 166,000-gallon water storage tank in poor condition with a 256,000-gallon tank. The loan amount was \$500,000 at 3 percent for 20 years.

REDFIELD – The City of Redfield received a loan in the amount of \$85,000 at an interest rate of 4.5 percent for 20 years. The loan financed the replacement of water lines located under US Hwy 212 and 281. The project involves construction of approximately 4,900 feet of pipe, services lines, and appurtenances and will replace brittle asbestos cement or cast iron pipes that are fifty to eighty years old. Redfield received a second loan, in the amount of \$342,755 at 2.5 percent for 30 years, to fund water line replacement on South Main Street and Sixth Avenue.

REE HEIGHTS – Ree Heights received a \$430,000 loan with 100 percent principal forgiveness to replace the town's water system so that Mid-Dakota Rural Water System will take over all operational and maintenance requirements of the system and serve Ree Heights' users individually. Due to a funding shortage, Ree Heights received a second loan for \$432,000 with 100 percent principal forgiveness to complete the project.

ROSCOE – Roscoe received its first Drinking Water SRF loan to replace asbestos cement pipe in the distribution system and loop dead end lines, install remote read meters, update the interior piping of the well house and repair the existing water towers. The loan was in the amount of \$644,000 at 2.5 percent for 30 years.

ROSLYN – The town of Roslyn received a \$500,000 loan with 100 percent principal forgiveness through the American Recovery and Reinvestment Act of 2009. The loan was to replace water mains throughout the city and construct a new 50,000-gallon water storage tank.

SAINT LAWRENCE – Saint Lawrence received its first Drinking Water SRF loan to replace water meters and install an automatic water meter reading system, rehabilitate its water tower, and replace cast iron water main. The loan was for \$1,148,000 at 2.125 percent for 30 years and included \$1,030,000 of principal forgiveness.

SALEM – Salem received a loan of \$126,921 at 3.5 percent for 10 years to fund water distribution improvements in the city. Salem's second loan, in the amount of \$348,540 at 3.25 percent for 20 years, funded water distribution system improvements in 2005. The city's third loan, in the amount of \$1,345,000 at 3.25 percent for 30 years, was for a microfiltration pretreatment system with a nanofiltration softening system in a new water treatment facility and the installation of a new well. Salem was awarded its fourth loan in the amount of \$302,000 at 2.25 percent for 30 years to replace a portion of its water distribution system.

SCOTLAND – Scotland replaced water mains in conjunction with reconstruction of Main Street with its \$340,000 loan at 2.5 percent for 30 years.

SELBY – The city of Selby received a \$100,000 loan with 100 percent principal forgiveness through the American Recovery and Reinvestment Act of 2009. The loan partially funded the second phase of the city’s water main replacement project.

SIoux FALLS – The city of Sioux Falls received a loan in the amount of \$7,022,000 at an interest rate of 4.5 percent for 10 years to finance central pressure zone improvements. The city’s second loan allowed the city to continue with drinking water facility improvements with a loan for \$2,750,000 at 4.5 percent interest for 10 years. Its third loan, at 3.5 percent for ten years, was in the amount of \$7,930,000 for drinking water facilities improvements and water distribution line replacement. The city’s fourth drinking water loan, \$5,279,000 at 3.5 percent for 10 years, funded the replacement of aging equipment and water main and the improvement of operational efficiency, maintenance space, and pressure zones. Sioux Falls’ fifth drinking water loan is in the amount of \$12,749,000 at 2.5 percent for 10 years. This loan financed improvements to the water treatment plant, improvements to the West Pump Station, replacement of water mains, and upgrade of elevated finish tanks and collector wells. In 2008, Sioux Falls received three additional Drinking Water SRF loans, each at 2.5 percent for 10 years. The city’s sixth loan, for \$17,848,000, was for the construction of a new backwash basin and additional filters to improve operational efficiencies in the treatment plant. The seventh loan was to upgrade a vertical well to a horizontal collector well to increase production capacity and is for \$2,200,000. The eighth loan, in the amount of \$2,705,600, replaced water mains in two areas and valves at several locations. Sioux Falls’ ninth loan in the amount of \$3,578,750 replaced three vertical water supply wells with a new horizontal collector well and rehabilitated an existing horizontal well. The city’s tenth loan in the amount of \$7,606,900 involved water main and valve replacement at various locations and the upgrade of a pumping station. Loans 9 and 10 each had an interest rate of 2.25 percent, a 10-year term and included 10 percent principal forgiveness through the American Recovery and Reinvestment Act of 2009. The eleventh loan award to Sioux Falls was for \$4,000,000 at 2.5 percent for 10 years to replace water mains and valves in various locations.

SIoux RURAL WATER SYSTEM – A \$2,515,000 loan at 3.0 percent for 20 years was awarded to the Sioux Rural Water System to construct 31 miles of water distribution line, connect the city of Kranzburg as individual users, replace the existing SCADA system, and develop two additional wells at the Castlewood well field. The second loan awarded to Sioux Rural Water System Drinking involved improvements to a well field and the Castlewood and Sioux water treatment plants, additional pipeline and pumping facilities in the distribution system and installation of radio meter reading infrastructure and new meters. In addition, the project included work associated with the residents of the city of Hazel becoming individual customers of the Sioux Rural Water System. The loan amount was \$9,821,000 with a rate and term of 2.25 percent for 20 years.

SOUTH LINCOLN RURAL WATER SYSTEM – A \$2,000,000 loan at 3.5 percent for 20 years funded South Lincoln Rural Water System’s pipeline, well and pumping improvements. In addition, new facilities were constructed to provide connection of South Lincoln’s system to the Lewis and Clark Regional Water System. The South Lincoln system was awarded its second loan to provide individual service to the residents of Fairview by extending a water line to the town and replace the town’s distribution system. The loan was for \$476,500 at 3 percent for 30 years and included \$244,500 of principal forgiveness.

SPEARFISH – The city of Spearfish was awarded its first Drinking Water SRF loan to construct a two-million gallon ground level water storage tank, install 16-inch water main to connect the tank to the distribution system, and add water level control valves at two existing storage tanks. The loan was for \$3,254,000 at 3 percent for 20 years.

SPRINGFIELD –Springfield was awarded a \$2,000,000 Drinking Water SRF loan with 100 percent principal forgiveness to partially fund the construction of a new water treatment plant.

STURGIS – Sturgis received a loan for \$700,000 at 5 percent interest for 15 years. This loan financed the replacement of approximately 7,800 feet of water main in conjunction with a South Dakota Department of Transportation roadway reconstruction project. The second loan awarded to Sturgis was to upgrade the water distribution system serving the Murray Addition. The \$863,000 loan is at 2.25 percent for 10 years and included \$86,300 of principal forgiveness through the American Recovery and Reinvestment Act of 2009. The city's third loan was awarded to provide interim financing for upgrades to pressure reducing valves, the SCADA system, a booster pump, and well house and the replacement of a well and water lines. The loan was for \$3,460,000 at 2 percent for three years. Sturgis received its fourth loan, \$2,200,000 at 3 percent for 20 years, to replace water lines beneath Lazelle Street.

TC&G WATER ASSOCIATION – The TC&G Water association received its first loan for the replacement water meters, installation of a new booster station, and replacement of approximately 18 miles of old and undersized pipe throughout the system. The loan amount was \$1,485,000 at 2.25 percent for 30 years.

TABOR – Tabor's first Drinking Water SRF loan was in the amount of \$1,530,000 at 3 percent for 30 years and included \$700,000 of principal forgiveness. The loan will be used for the replacement of cast iron water main with PVC pipe, rehabilitation of the pump station, and to conduct a leak detection survey.

TEA – Tea received a loan in the amount of \$1,714,327 at 3.25 percent for 20 years for an emergency connection to the Lewis and Clark Regional Water System.

TERRY TROJAN WATER PROJECT DISTRICT – The Terry Trojan Water Project District received its first Drinking Water SRF loan to construct an additional well, make upgrades to the SCADA system at the existing well, and replace water lines. The loan was for \$812,000 at 2.25 percent for 20 years and included \$80,000 of principal forgiveness.

TM RURAL WATER DISTRICT – The TM Rural Water District receive two loans to provide service to new users within its southeast service area and improve service to Viborg and Hurley by providing storage for these communities. The loans were for \$1,084,750 at 3 percent for 30 years and \$1,398,750 with 100 percent as principal forgiveness.

TRAIL WEST SANITARY DISTRICT – The Trail West Sanitary District received a loan of \$1,651,000 to install water meters and approximately 7,500 feet of 4-inch water main, rehabilitate existing wells, and construct an iron removal treatment system. The loan was at 3 percent for 20 years and included \$637,860 of principal forgiveness.

TRI-COUNTY WATER ASSOCIATION – The Tri-County Water Association received a \$200,000 loan, awarded as 100 percent principal forgiveness, to construct an elevated water storage tank.

TRIPP – The city of Tripp received a loan for \$291,000 at 2.5 percent interest for 30 years to complete the city's on-going water main rehabilitation project. The project involves approximately 8,100 feet of pipe, service connections, valves, fire hydrants and appurtenances to replace 70-year old cast iron water mains.

TRIPP COUNTY WATER USERS DISTRICT – Tripp County Water Users District was awarded two loans in 2003. The first loan, \$3,500,000 at 2.5 percent for 30 years, funded expansion of the district into Gregory County and the assimilation of the East Gregory Rural Water System. The second loan, \$148,000 at zero percent interest for 30 years, allowed the district to assume the water distribution system at Wood. The district's third loan, in the amount of \$850,000 at 3 percent for 20 years, funded the construction of an elevated water storage tank near Fairfax. This loan was de-obligated in full at the request of the district. Tripp County was awarded its fourth loan to upgrade a large portion of its distribution system by installing

more than 195 miles of mains, increasing pump sizes or constructing new booster stations, providing new water services, and constructing two new water towers. The loan was for \$11,750,000 at 2.25 percent for 30 years.

TULARE – Tulare received a \$1,145,000 loan, awarded as 100 percent principal forgiveness, to replace the transfer pump station and install new pumps, controls, and piping, replace a ground storage reservoir and water tower with a larger water tower, cap an abandoned well, and demolish the well house building.

TYNDALL – Tyndall received a loan for \$300,000 at 2.5 percent interest for 10 years. This loan financed the installation of approximately 2,800 feet of water main to enhance the overall efficiency of the distribution system by looping areas of the community that are currently dead ends. Tyndall received a second loan in the amount of \$861,000 to fund a connection to the B-Y Rural Water System. This loan was at 2.5 percent interest for 30 years. The city's third loan financed the construction of a new 200,000-gallon water tower and replacement of sections of water main located throughout the city. The \$1,570,000 loan was made at 2.25 percent for 30 years and included \$200,000 of principal forgiveness.

VALLEY SPRINGS –Valley Springs received its first Drinking Water SRF loan, \$1,603,000 at 2.125 percent for 30 years, to replace water main and re-coat the water tower.

VERMILLION – Vermillion received a loan for \$942,000 at 5 percent interest for 20 years. This loan was used to construct lime sludge disposal lagoons. Vermillion's second loan, \$1,510,000 at 3.5 percent interest for 20 years, funded water treatment plant improvements. Vermillion's third drinking water SRF loan, in the amount of \$3,772,500 at 2.5 percent for 20 years, funded phase 3 improvements to the water treatment plant. The city's received its fourth loan to replace a water tower. The loan was for \$1,532,000 at 2.25 percent for 30 years and included \$153,200 of principal forgiveness.

VIBORG – The city of Viborg's first SRF loan was to replace water distribution lines and loop lines at various locations in the city. The loan amount was \$249,775 with an interest rate of 3.25 percent and a term of 20 years. Viborg funded water main improvements in conjunction with a Highway 19 reconstruction project with its second loan. The \$847,000 loan had a 3 percent interest rate, a 30-year term, and included \$730,000 of principal forgiveness. Viborg's third loan in the amount of \$606,000 at 3.25 percent interest for 30 years was for the replacement of approximately 2,900 feet of water main and five fire hydrants.

VOLGA – The city of Volga received its first Drinking Water SRF loan, \$2,790,000 at 2.00 percent for 20 years, to construct a 750,000-gallon water tower.

WAGNER – Wagner received its first drinking water loan in the amount of \$750,000 at the disadvantaged rate of zero percent interest for 30 years to make improvements to its water tower and replace water lines. The city's second loan, in the amount of \$175,000 at the disadvantaged rate of zero percent interest for 30 years, replaced water utilities along North Park Street and North Street. Wagner was awarded its third loan to replace water line on South Park Street. The \$275,000 loan was at 0 percent for 30 years and included \$55,000 of principal forgiveness through the American Recovery and Reinvestment Act of 2009. The loan was rescinded at the city's request.

WAKONDA – Wakonda received its first loan to replace a meter pit, rehabilitate the water tower, and replace cast iron lines that account for more than 40 percent of the water distribution system. The loan is for \$1,378,000 at 3 percent for 30 years and includes \$948,000 of principal forgiveness.

WARNER – The city of Warner received a \$400,000 loan with 100 percent principal forgiveness through the American Recovery and Reinvestment Act of 2009. The loan partially funded improvements to the city’s water storage capabilities.

WATERTOWN – Watertown’s first Drinking Water SRF loan was used to develop a new well field and expand the city water treatment plant in order to discontinue using the Lake Kampeska water source and treatment facility and replace a standpipe with a new two-million gallon standpipe. The loan was for \$23,760,000 at 3.25 percent interest and a 20-year term.

WAUBAY – The city of Waubay’s first loan, in the amount of \$750,000 at the disadvantaged rate of 2.5 percent for 30 years, funded phase 1 of the city’s drinking water distribution system improvements.

WEB – WEB Water Development Association, Inc. received a loan for \$1,110,000 at 5 percent interest for 15 years. The project would have allowed WEB to extend service to approximately 200 additional rural homes and farms and provide additional water service to four existing bulk users. The Board of Water and Natural Resources rescinded this loan on May 13, 1999. WEB applied for and received a \$137,450 loan at 2.5 percent interest for 30 years to improve water service in the community of Glenham by replacing the town’s water distribution system. This loan was rescinded on June 27, 2003. WEB was awarded its third drinking water SRF loan in the amount of \$3,950,000 at 3.25 percent for 20 years to increase the capacity of its water treatment plant. The award was contingent upon a specific loan closing date, which was not met, and the application was withdrawn at WEB’s request.

WEBSTER – The city of Webster received a \$330,000 loan at 3.5 percent interest for 20 years to fund replacement of cast iron water mains with PVC pipe and replacement of water services and fire hydrants. Webster’s second loan was for \$387,400 at 2.25 percent for 10 years to install new water meters and an automatic read system. The loan included \$150,000 of principal forgiveness. Webster received its third loan to replace the majority of the water distribution system. The \$5,031,000 loan was at 1.625 percent for 30 years and included \$1,400,000 of principal forgiveness.

WESSINGTON SPRINGS – The city of Wessington Springs received its first loan - \$209,000 at 2.25 percent for 30 years – to replace three blocks of water main on Main Street.

WEST RIVER/LYMAN-JONES RURAL WATER SYSTEM – WR/LJ received a loan in the amount of \$340,000 at 2.5 percent for 30 years to fund water main replacement in the town of Reliance. WR/LJ’s second loan, in the amount of \$8,000,000 at 3.25 percent for 30 years, funded phase 1 of the construction of the north loop pipeline to provide service to Stanley and Haakon counties.

WHITE LAKE – White lake received its first Drinking Water SRF loan, \$362,000 at 2.25 percent for 30 years to replace aging water lines on Main Street. The loan included \$85,000 of principal forgiveness.

WINNER – Winner’s first Drinking Water SRF loan, \$450,000 at 2.25 percent for 30 years, funded construction of a new chlorine building including new pumps, piping and chlorine equipment.

WOLSEY – Wolsey’s first Drinking Water SRF loan, \$263,000 at 3.25 percent for 20 years, funded a waterline replacement project. The city’s second loan, in the amount of \$162,300 at 3.25 percent for 20 years, funded water line replacement in conjunction with the SDDOT’s reconstruction of Highway 14/281. Wolsey received its third loan to replace a pumphouse, and the pumps and controls and purchase a standby generator. The loan was for \$326,000 at 1.625 percent for 30 years.

WOODLAND HILLS SANITARY DISTRICT – A \$780,000 loan at 3 percent for 20 years with \$480,000 of principal forgiveness was awarded to the Woodland Hills Sanitary District for phase 1

improvements to its water system. Improvements included a new 10,000-gallon ground level water storage tank, water meter pits for the entire system, upgrades to the well, well house, and pump station building, installation of 1,800 feet water main, and replacement of water service line within the right-of-way. Due to higher than expected bids, several items were removed from the original project scope. The sanitary district requested and received an additional \$481,000 to complete the project as intended, with the exception of the ground storage tank. The loan was at 3.00 for 20 years and included \$384,800 of principal forgiveness.

WOONSOCKET – Woonsocket was awarded its first SRF loan in the amount of \$720,000 to replace and loop of water lines primarily along Highway 34. The loan had an interest rate of 3.0 percent, a 30-year term and included \$416,500 of principal forgiveness through the American Recovery and Reinvestment Act of 2009.

WORTHING – Worthing received its first loan in the amount of \$288,000 at 3.5 percent for 20 years for improvements to the city's water distribution system. The city's second loan in the amount of \$301,227 financed the replacement of approximately 1,600 feet of water main on Second and Juniper Streets. The loan was at 3 percent for 20 years and included \$200,000 of principal forgiveness.

YANKTON – Yankton utilized a \$3,460,000 loan for line replacement and water treatment plant improvements to include a new disinfection system. The loan was at 3.5 percent for 20 years. The city secured a second loan in the amount of \$1,100,000 at 3.25 percent for 20 years to install a high pressure area pump station and transmission lines. Yankton's third loan in the amount of \$3,000,000 funded 12 water main replacement projects and two water tower rehabilitation projects. The city received its fourth loan in the amount of \$2,200,000 to drill two wells on the Nebraska side of the Missouri River and construct a raw water transmission line from the wells to the existing water treatment plant on the South Dakota shore. These loans had an interest rate of 3.0 percent, a 20-year term and included 10 percent principal forgiveness through the American Recovery and Reinvestment Act of 2009. Yankton was awarded its fifth loan to upgrade the existing water treatment plant No. 2 and construct a new collector well. The loan was for \$12,850,000 at 3 percent for 30 years with \$1,000,000 of principal forgiveness. The city's sixth loan, \$37,000,000 at 2.25 percent for 30 years, was for the construction of new reverse osmosis water treatment plant and to decommission the oldest of the two existing treatment plants.

BOND ISSUE SUMMARIES

South Dakota Conservancy District

\$76,310,000
State Revolving Fund Program Bonds
Series 2020

Bond Issue

- Tax-exempt, revenue issue
- Par Amount \$76,310,000
- Net Premium \$24,232,482
- Provide \$100 million in leveraged proceeds for Clean Water SRF program
- Provide funds solely to the city of Sioux Falls for ongoing and upcoming projects
- Aaa rating by Moody's Investors Services, Inc.
- AAA rating by Standard & Poor's
- Bonds priced and sold on June 16, 2020
- Bond closing on July 1, 2020
- All-In True Interest Cost – 2.35%

Financial Team

- Perkins Coie, LLP - Bond Counsel
- U.S. Bank N.A. - Trustee
- PFM Financial Advisors, LLC - Financial Advisor
- Bank of America Securities – Lead Underwriter
- J.P. Morgan Securities, LLC - Co-manager
- Citigroup Global Markets, Inc - Co-manager
- Kutak Rock, LLP - Counsel to the Underwriter

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South Dakota Conservancy District

\$96,355,000
State Revolving Fund Program Bonds
Series 2018

Bond Issue

- Tax-exempt, revenue issue
- Par Amount \$96,355,000
- Net Premium \$15,270,934
- Provide \$66.0 million in leveraged proceeds for Clean Water SRF program
- Provide \$45.0 million in leveraged proceeds for Drinking Water SRF program
- Aaa rating by Moody's Investors Services, Inc.
- AAA rating by Standard & Poor's
- Bonds priced and sold on December 4, 2018
- Bond closing on December 19, 2018
- All-In True Interest Cost – 3.37%

Financial Team

- Perkins Coie, LLP - Bond Counsel
- U.S. Bank N.A. - Trustee
- PFM Financial Advisors, LLC - Financial Advisor
- Citigroup Global Markets, Inc – Lead Underwriter
- J.P. Morgan Securities, LLC - Co-manager
- Bank of America Merrill Lynch - Co-manager
- Kutak Rock, LLP - Counsel to the Underwrite

South Dakota Conservancy District

\$94,600,000 State Revolving Fund Program Bonds Series 2017A and 2017B

Bond Issue

- Series A - Taxable revenue bonds
 - Par Amount - \$16,730,000
 - Provided \$6.5 million of Clean Water SRF state match funds
 - Provided \$8.5 million of Drinking Water SRF state match funds
 - Provided \$1.598 million to refund Series 2012B bonds
 - All-In True Interest Cost 2.18%
- Series B - Tax-exempt revenue bonds
 - Par Amount \$77,870,000
 - Net Premium \$16,941,729
 - Provided \$42.5 million in leveraged proceeds for Clean Water SRF program
 - Provided \$11 million in leveraged proceeds for Drinking Water SRF program
 - Provided \$40.67 million to refund Series 2010B and 2012B bonds
 - All-In True Interest Cost 2.77%
- Refundings realized a Net Present Value Savings of approximately \$4,444,000
- Aaa rating by Moody's Investors Services, Inc.
- AAA rating by Standard & Poor's
- Bonds priced and sold on August 2 and 3, 2017
- Bond closing on August 23, 2017

Financial Team

- Perkins Coie, LLP - Bond Counsel
- U.S. Bank N.A. - Trustee
- Public Financial Management, Inc. - Financial Advisor
- Wells Fargo Securities – Lead Underwriter
- J.P. Morgan. - Co-manager
- Kutak Rock, LLP - Counsel to Underwriters

South Dakota Conservancy District

\$59,815,000 State Revolving Fund Program Bonds Series 2014A and 2014B

Bond Issue

- Series A - Taxable revenue bonds
 - Par Amount - \$9,060,000
 - Provided \$4 million of Clean Water SRF state match funds
 - Provided \$5 million of Drinking Water SRF state match funds
 - True Interest Cost 1.69%
- Series B - Tax-exempt revenue bonds
 - Par Amount \$50,755,000
 - Net Premium \$9,601,865
 - Provided \$53 million in leveraged proceeds for Clean Water SRF program
 - Provided \$7 million in leveraged proceeds for Drinking Water SRF program
 - True Interest Cost 3.02%
- Aaa rating by Moody's Investors Services, Inc.
- AAA rating by Standard & Poor's
- Bonds priced and sold on October 8, 2014
- Bond closing on October 21, 2014

Financial Team

- Perkins Coie, LLP - Bond Counsel
- The First National Bank in Sioux Falls - Trustee
- Public Financial Management, Inc. - Financial Advisor
- J.P. Morgan – Lead Underwriter
- Wells Fargo Securities – Co-manager
- Faegre & Benson, LLP - Counsel to Underwriters

South Dakota Conservancy District

\$123,305,000
State Revolving Fund Program Bonds
Series 2012A and 2012B

Bond Issue

- Series A - Taxable revenue bonds
 - Par Amount - \$69,775,000
 - Provided \$69.6 million to refund Series 2004 and 2005 bonds
 - True Interest Cost 2.416%
- Series B - Tax-exempt revenue bonds
 - Par Amount \$53,530,000
 - Net Premium \$9,284.439
 - Provided \$3.3 million to refund Series 2001 bonds
 - True Interest Cost 2.822%
- Refundings realized a Net Present Value Savings of \$6,114,018
- Aaa rating by Moody's Investors Services, Inc.
- AAA rating by Standard & Poor's
- Bonds priced and sold on May 9, 2012
- Bond closing on May 23, 2012

Financial Team

- Perkins Coie, LLP - Bond Counsel
- The First National Bank in Sioux Falls - Trustee
- Public Financial Management, Inc. - Financial Advisor
- Wells Fargo Securities – Lead Underwriter
- J.P. Morgan. - Co-manager
- Piper Jaffray & Company – Co-manager
- Faegre & Benson, LLP - Counsel to Underwriters

South Dakota Conservancy District

\$92,380,000
State Revolving Fund Program Bonds
Series 2010A and 2010B

Bond Issue

- Series A - Taxable revenue bonds (Build America Bonds)
 - Par Amount of Serial Bonds - \$26,645,000
 - Par Amount of Term Bonds - \$12,050,000
 - True Interest Cost 3.394%
- Series B - Tax-exempt, revenue bonds
 - Par Amount \$53,685,000
 - Net Premium \$4,147,963
 - True Interest Cost 3.588%
- Provide \$54,330,000 to refund Series 2010 Bond Anticipation Notes
- Provide \$42,260,000 to refund Series 1998A and 2008 bond issues
- Aaa rating by Moody's Investors Services, Inc.
- AAA rating by Standard & Poor's
- Bonds priced and sold on December 14, 2010
- Bond closing on December 28, 2010

Financial Team

- Perkins Coie, LLP - Bond Counsel
- The First National Bank in Sioux Falls - Trustee
- Public Financial Management, Inc. - Financial Advisor
- J.P. Morgan. - Lead Underwriter
- Piper Jaffray & Company – Co-senior Underwriter
- Wells Fargo Securities – Co-manager
- Faegre & Benson, LLP - Counsel to Underwriters

South Dakota Conservancy District

\$54,330,000 State Revolving Fund Program Bond Anticipation Notes Series 2010

Bond Anticipation Note Issue

- Tax-exempt, Bond Anticipation Notes
- Competitive Sale
- Par Amount \$54,330,000
- Proceeds used to pay the redemption price of the District's \$55,000,000 Series 2009 Bond Anticipation Notes
- MIG-1 rating by Moody's Investors Services, Inc.
- SP-1+ rating by Standard & Poor's
- Notes priced and sold on August 30, 2010
- Notes closing on September 8, 2010
- True Interest Cost - 0.35%
- Average Coupon Rate – 1.75%
- Maturity Date - September 30, 2011

Financial Team

- Perkins Coie, LLP - Bond Counsel
- The First National Bank in Sioux Falls - Trustee
- Public Financial Management, Inc. - Financial Advisor

Winning Bidder

- J.P. Morgan Securities LLC

South Dakota Conservancy District

\$55,000,000 State Revolving Fund Program Bond Anticipation Notes Series 2009

Bond Anticipation Note Issue

- Tax-exempt, Bond Anticipation Notes
- Competitive Sale
- Par Amount \$55,000,000
- Provide \$37.5 million in leveraged proceeds for Clean Water SRF program
- Provide \$18.2 million in leveraged proceeds for Drinking Water SRF program
- MIG-1 rating by Moody's Investors Services, Inc.
- SP-1+ rating by Standard & Poor's
- Notes priced and sold on August 12, 2009
- Notes closing on August 25, 2009
- True Interest Cost - 0.584%
- Average Coupon Rate - 2.00%
- Maturity Date - September 10, 2010

Financial Team

- Perkins Coie, LLP - Bond Counsel
- The First National Bank in Sioux Falls - Trustee
- Public Financial Management, Inc. - Financial Advisor

Winning Bidder

- Piper Jaffray & Company

South Dakota Conservancy District

\$40,000,000 State Revolving Fund Program Bonds Series 2008

Bond Issue

- Tax-exempt, multi-modal variable rate, revenue issue
- Par Amount \$40,000,000
- Provide \$1.96 million to match federal Clean Water SRF capitalization grants for FFY 2008 - 2010
- Provide \$4.89 million to match federal Drinking Water SRF capitalization grants for FFY 2008 - 2010
- Provide \$19.8 million in leveraged proceeds for Clean Water SRF program
- Provide \$13.0 million in leveraged proceeds for Drinking Water SRF program
- Aaa/VMIG 1 rating by Moody's Investors Services, Inc.
- AAA/A-1+ rating by Standard & Poor's
- Bonds priced and sold on March 4, 2008
- Bond closing on March 6, 2008
- Semi-annual rate mode required until August 1, 2008
- Initial interest rate - 2.35% in effect until August 1, 2008
 - Rate Reset on August 1, 2008 - 1.90% in effect until February 1, 2009
 - Rate Reset on February 1, 2009 - 1.00% in effect until August 1, 2009
 - Rate Reset on August 1, 2009 - 0.70% in effect until February 1, 2010
 - Rate Reset on February 1, 2010 - 0.34% in effect until August 1, 2010
 - Rate Reset on August 1, 2010 - 0.40%

Financial Team

- Perkins Coie, LLP - Bond Counsel
- The First National Bank in Sioux Falls - Trustee
- Public Financial Management, Inc. - Financial Advisor
- Wachovia Bank, NA - Senior Managing Underwriter & Remarketing Agent
- Faegre & Benson, LLP - Counsel to Underwriter
- U.S. Bank National Association - Liquidity Provider
- Briggs and Morgan, P.A. - Liquidity Provider's Counsel

South Dakota Conservancy District

\$50,000,000 State Revolving Fund Program Bonds Series 2005

Bond Issue

- Tax-exempt, revenue issue
- Par Amount \$50,000,000
- Net Premium \$1,565,648.15
- Provide \$1.56 million to match federal Clean Water SRF capitalization grants for FFY 2006 - 2007
- Provide \$1.67 million to match federal Drinking Water SRF capitalization grants for FFY 2007
- Provide \$41.0 million in leveraged proceeds for Clean Water SRF program
- Provide \$7.0 million in leveraged proceeds for Drinking Water SRF program
- Aaa rating by Moody's Investors Services, Inc.
- AAA rating by Standard & Poor's
- Bonds priced on October 5, 2005
- Bonds sold on October 6, 2005
- Bond closing on October 19, 2005
- True Interest Cost - 4.36%
- Average Coupon Rate - 4.68%

Financial Team

- Perkins Coie, LLP - Bond Counsel
- The First National Bank in Sioux Falls - Trustee
- Public Financial Management, Inc. - Financial Advisor
- UBS Financial Services, Inc. - Senior Managing Underwriter
- Faegre & Benson, LLP - Counsel to Underwriter

South Dakota Conservancy District

\$38,460,000
State Revolving Fund Program Bonds
Series 2004

Bond Issue

- Tax-exempt, revenue issue
- Par Amount \$38,460,000
- Net Premium \$903,538.80
- Provide \$5.0 million to match federal Drinking Water SRF capitalization grants for FFYs 2004 - 2006
- Provide \$22.5 million in leveraged proceeds for Drinking Water SRF program
- Provide \$11.5 million to refund prior year Clean Water SRF bonds
- Refunding resulted in Net Present Value savings of \$986,412.65
- Aaa rating by Moody's Investors Services, Inc.
- AAA rating by Standard & Poor's
- Bonds priced on June 28-29, 2004
- Bonds sold on June 30, 2004
- Bond closing on July 13, 2004
- True Interest Cost - 4.48%
- Average Coupon Rate - 4.76%

Financial Team

- Perkins Coie, LLP - Bond Counsel
- The First National Bank in Sioux Falls - Trustee
- Public Financial Management, Inc. - Financial Advisor
- UBS Financial Services, Inc. - Senior Managing Underwriter
- Dougherty & Company, LLC. - Co-Manager
- Northland Securities, Inc. - Co-Manager
- Faegre & Benson, LLP - Counsel to Underwriter

South Dakota Conservancy District

\$5,270,000

Drinking Water State Revolving Fund Program Bonds
Series 2001

Bond Issue

- Tax-exempt, revenue issue
- Par Amount \$5,270,000
- Provide match for federal Drinking Water SRF capitalization grants for FFYs 2001 - 2003
- Aaa rating by Moody's Investors Services, Inc.
- Insured by Ambac Assurance Corporation
- Underlying Rating Aa1
- Bond closing on October 3, 2001
- Average Coupon Rate - 4.87%

Financial Team

- Altheimer & Gray - Bond Counsel
- The First National Bank in Sioux Falls - Trustee
- Dougherty & Company, LLC.- Senior Managing Underwriter
- Faegre & Benson, LLP - Counsel to Underwriter

South Dakota Conservancy District

\$4,405,000
Clean Water State Revolving Fund Program Bonds
Series 2001

Bond Issue

- Tax-exempt, revenue issue
- Par Amount \$4,405,000
- Provide match for federal Clean Water SRF capitalization grants for FFYs 2001 - 2003
- Aaa rating by Moody's Investors Services, Inc.
- Insured by Ambac Assurance Corporation
- Underlying Rating Aa1
- Bond closing on October 3, 2001
- Average Coupon Rate - 4.85%

Financial Team

- Altheimer & Gray - Bond Counsel
- The First National Bank in Sioux Falls - Trustee
- Dougherty & Company, LLC.- Senior Managing Underwriter
- Faegre & Benson, LLP - Counsel to Underwriter

South Dakota Conservancy District

\$6,450,000
Drinking Water State Revolving Fund Program Bonds
Series 1998A

Bond Issue

- Tax-exempt, revenue issue
- Par Amount \$6,450,000
- Provide match for federal Drinking Water SRF capitalization grants for FFYs 1998 - 2000
- Aaa rating by Moody's Investors Services, Inc.
- Insured by Ambac Assurance Corporation
- Underlying Rating Aa3
- Bond closing on June 30, 1998
- Average Coupon Rate - 4.85%

Financial Team

- Altheimer & Gray - Bond Counsel
- The First National Bank in Sioux Falls - Trustee
- Piper Jaffray, Inc - Senior Managing Underwriter
- Faegre & Benson, LLP - Counsel to Underwriter

South Dakota Conservancy District

\$2,770,000
Clean Water State Revolving Fund Program Bonds
Series 1996A

Bond Issue

- Tax-exempt, revenue issue
- Par Amount \$2,770,000
- Provide match for federal Clean Water SRF capitalization grants for FFYs 1996 - 1998
- A1 rating by Moody's Investors Services, Inc.
- Bond closing on December 17, 1996
- True Interest Cost 5.86%
- Average Coupon Rate 5.51%

Financial Team

- Altheimer & Gray - Bond Counsel
- The First National Bank in Sioux Falls - Trustee
- Piper Jaffray, Inc - Senior Managing Underwriter
- Faegre & Benson, LLP - Counsel to Underwriter

South Dakota Conservancy District

\$7,970,000

Clean Water State Revolving Fund Program Bonds
Series 1995A

Bond Issue

- Tax-exempt, revenue issue
- Par Amount \$7,970,000
- Provide \$2.5 million to match federal Clean Water SRF capitalization grants for FFY 1995 and 1996
- Provide \$4.5 million in leveraged proceeds for Clean Water SRF program
- A1 rating by Moody's Investors Services, Inc.
- Bond closing on April 4, 1995
- Average Coupon Rate 5.94%

Financial Team

- Altheimer & Gray - Bond Counsel
- The First National Bank in Sioux Falls - Trustee
- Piper Jaffray, Inc - Senior Managing Underwriter
- Faegre & Benson, LLP - Counsel to Underwriter

South Dakota Conservancy District

\$10,220,000
State Revolving Fund Program Bonds
Series 1994A

Bond Issue

- Tax-exempt, revenue issue
- Par Amount \$10,220,000
- Provide \$631,195 to match federal Clean Water SRF capitalization grants
- Provide \$9.3 million to refund Series 1989 and 1992 Bonds
- Refunding resulted in Net Present Value savings of \$
- A rating by Moody's Investors Services, Inc.
- Bond closing on February 17, 1994
- Average Coupon Rate 5.01%

Financial Team

- Altheimer & Gray - Bond Counsel
- The First National Bank in Sioux Falls - Trustee
- Piper Jaffray, Inc - Senior Managing Underwriter
- Faegre & Benson, LLP - Counsel to Underwriter

South Dakota Conservancy District

\$4,180,000
State Revolving Fund Program Bonds
Series 1992

Bond Issue

- Tax-exempt, revenue issue
- Par Amount \$4,180,000
- Provide match for federal Clean Water SRF capitalization grants for FFYs 1992 - 1994
- BBB rating by Standard & Poor's
- Bond closing on September 24, 1992
- Average Coupon Rate 6.83%

Financial Team

- Kutak Rock, LLP - Bond Counsel
- The First National Bank in Sioux Falls - Trustee
- Lehman Brothers. - Senior Managing Underwriter

South Dakota Conservancy District

\$5,785,000
State Revolving Fund Program Bonds
Series 1989

Bond Issue

- Tax-exempt, revenue issue
- Par Amount \$5,785,000
- Provide match for federal Clean Water SRF capitalization grants for FFYs 1989 - 1991
- AAA rating by Standard & Poor's
- Insured by Capital Guaranty Insurance Company
- Bond closing on August 10, 1989
- Average Coupon Rate 7.12%

Financial Team

- Kutak Rock & Campbell, LLP - Bond Counsel
- The First National Bank in Sioux Falls - Trustee
- Shearson Lehman Hutton Inc. - Senior Managing Underwriter

STATUTES

State Revolving Fund Administration

SOUTH DAKOTA CONSERVANCY DISTRICT BOARD OF WATER AND NATURAL RESOURCES

1-40-5. Water and Natural Resources Board created -- Functions -- Appointment and terms of members. The Board of Natural Resource Development is abolished. There is created a Board of Water and Natural Resources. The board shall perform all functions exercised by the former Board of Natural Resource Development. The Board of Water and Natural Resources shall consist of seven members not all of the same political party and appointed by the Governor for four-year terms. The terms of members of the Board of Water and Natural Resources who are first appointed after the effective date of this order shall be: one appointed for a term of one year; two appointed for a term of two years; two for a term of three years; and two for a term of four years, and such initial terms shall be designated by the Governor. Any member appointed to fill a vacancy arising from other than the natural expiration of a term shall serve for only the unexpired portion of the term.

1-40-9. Performance of administrative functions of conservancy district board. Except as provided in § 1-40-10, the Department of Environment and Natural Resources shall, under the direction and control of the secretary of environment and natural resources, perform all the functions of the former board of directors of the South Dakota conservancy district, created by chapter 46A-2.

1-40-10. Performance of nonadministrative functions of conservancy district board. The Board of Water and Natural Resources created by this chapter shall perform all quasi-legislative, quasi-judicial, advisory, and special budgetary functions (as defined in § 1-32-1) of the former board of directors of the South Dakota conservancy district, created by chapter 46A-2.

46A-2-1. Creation of South Dakota conservancy district -- Boundaries -- Powers. There is hereby created within the State of South Dakota, a conservancy district, to be known as the "South Dakota conservancy district." The boundaries of the district shall coincide in all particulars with the boundaries of the state of South Dakota. Such district is a governmental agency, body politic and corporate with authority to exercise the powers specified in this chapter.

46A-2-5. Board of directors abolished -- Performance of functions. The board of directors of the South Dakota conservancy district is abolished, and all its functions shall be administered by the department and board of water and natural resources, as provided by § 1-40-9 and 1-40-10.

46A-2-11. Board of Water and Natural Resources -- Authority to sue and be sued. The Board of Water and Natural Resources shall have the power to sue and be sued in the name of the district.

State Revolving Fund Administration

SRF SUBFUNDS SRF LOAN PROGRAMS

46A-1-31. Discretionary bond issuance to finance water resources projects or developments-- Maximum amount--Issuance of bonds for purchase or financing of loans by FmHA--Issuance of bonds for revolving fund programs under federal Clean Water Act or federal Safe Drinking Water Act. In addition to the aggregate indebtedness authorized by the Legislature and Board of Water and Natural Resources pursuant to §§ 46A-1-29 and 46A-1-30, the district may issue bonds in an amount not to exceed in aggregate eight million dollars at any time for the purpose of financing projects as defined in subdivision 46A-2-4(5) which are components of the statewide water plan subject to the provisions of §§ 46A-1-49 to 46A-1-52, inclusive. In addition to the aggregate indebtedness authorized by the Legislature and Board of Water and Natural Resources pursuant to §§ 46A-1-29 and 46A-1-30, the district may issue bonds in any amount at any time for the purpose of purchasing or otherwise financing or providing for the purchase or payment of loans made by the United States Farmers' Home Administration to any person or public entity, whether or not the person or public entity or the project financed with the loan are located in South Dakota or formed under or recognized by South Dakota law, as community facilities loans or water and waste disposal loans, which purchasing, financing, or payment activities are hereby determined to be components of the state water plan and are authorized without regard to § 46A-2-20. The district may enter into financing agreements with the persons or public entities to secure and provide for the payment of the bonds, without regard to § 46A-2-20 or §§ 46A-1-63.1 to 46A-1-69, inclusive. The district may make payments or deposits for the purchase or payment of the loans from funds obtained from the persons or public entities, whether or not bonds have been issued. The purchase or payment of loans for persons or public entities or projects located outside of the State of South Dakota is hereby authorized and declared to be a public purpose whenever, at the discretion and in the determination of the district, the purchase or payment is expected to result in economies of scale, fees, interest savings, financing, or other benefits to the district, South Dakota persons or public entities or the State of South Dakota. The district, in the proceedings for the issuance of the bonds, shall establish the manner in which the trustee shall manage and disperse any savings for the benefit of the persons and public entities whose community facilities loans and water and waste disposal loans have been purchased or prepaid by the district. In addition to the aggregate indebtedness authorized by the Legislature and the Board of Water and Natural Resources pursuant to §§ 46A-1-29 and 46A-1-30, the district may also issue bonds in any amount at any time for the purpose of funding all or part of the revolving funds required for either the state water pollution control revolving fund program or the state drinking water revolving fund program or both under either the federal Clean Water Act or federal Safe Drinking Water Act or both. The bonds issued for these revolving fund programs shall be used to purchase or otherwise finance or provide for the purchase or payment of bonds or other obligations, including the refinancing of obligations previously issued or for projects previously completed, which purchasing, financing, or payment activities are hereby determined to be components of the state water facilities plan and are authorized without regard to § 46A-2-20. The district may enter into financing agreements with such persons or public entities to secure and provide for the payment of such bonds, without regard to § 46A-2-20 or §§ 46A-1-63.1 to 46A-1-69, inclusive. The district may pledge or assign to or hold in trust for the benefit of the holder or holders of the bonds those moneys appropriated by the Legislature for the purpose of funding state contributions to the state water pollution control revolving fund program and the state drinking water revolving fund program, which moneys may be held and invested pursuant to a trust agreement for the payment of the principal of, premium, if any, and interest on, the bonds.

46A-1-32. Terms of bonds. The bonds may be issued and sold in one or more series, may be in such amounts and at such prices, may bear such date or dates, may be in such denomination or denominations, may mature at such time or times not exceeding fifty years from the respective dates thereof, may mature in such amount or amounts, may bear interest at such times and at such fixed or variable rate or rates as shall be determined by the district and without regard to any interest rate limitation appearing in any other law, may be in such form, either coupon or registered as to principal only or as to both principal and interest, may carry such registration privileges (including the conversion of a fully registered bond to a coupon bond or bonds and the conversion of a coupon bond to a fully registered bond), may be executed in such manner, may be made payable in such medium of payment, at such place or places within or without the state, may be callable or subject to purchase and retirement or tender and remarketing as determined by the district in any indenture, resolution, or other instrument. The district may take any action it deems appropriate for the purpose of implementing this section, including establishing parameters referencing current market conditions or published indices in connection with establishing interest rates, imposing maximum interest rate limitations, or establishing other parameters it deems appropriate, and may delegate the administration of specific functions within the established parameters. The district may enter into arrangements to provide additional security and liquidity for bonds, and to limit, reduce, or manage interest rate exposure with respect to bonds issued or to be issued

§ 46A-1-60.1. Water pollution control revolving fund program and state drinking water revolving fund program established - Program subfunds created - Deposits into subfunds and use thereof. The state water pollution control revolving fund program and the state drinking water revolving fund program are hereby established. Program subfunds shall be created within the water and environment fund established pursuant to § 46A-1-60. The required subfunds shall be maintained separately, and all federal, state, and other funds for use in the program shall be deposited into the respective subfund, including all federal grants for capitalization of either a state water pollution control revolving fund or a state drinking water revolving fund or both, all repayments of assistance awarded from the subfund, interest on investments made on money in the subfund, proceeds of discretionary bond issues allowed by § 46A-1-31, and principal and interest on loans made from the fund. Money in the subfund may be used only for purposes authorized under federal law. The subfund may be pledged or assigned by the district to or in trust for the holder or holders of the bonds of the district and may be transferred to and held by a trustee or trustees pursuant to § 46A-1-39.

The board shall promulgate rules pursuant to chapter 1-26, to implement the provisions of this section consistent with the requirements of federal law in order for an approved state water pollution control revolving fund or a state drinking water revolving fund to become eligible for grant funds from the United States Environmental Protection Agency.

§ 46A-1-60.2. Disbursements from and administration of water pollution control revolving fund program and state drinking water revolving fund program - Sections 46A-1-61 to 46A-1-69 inapplicable. Funds from the state water pollution control revolving fund program and the state drinking water revolving fund program shall be disbursed and administered according to rules promulgated by the Board of Water and Natural Resources pursuant to chapter 1-26, § 46A-1-65 and the provisions of §§ 46A-1-60 to 46A-1-60.3, inclusive. Sections 46A-1-61 to 46A-1-69, inclusive, do not apply to the subfund of the water and environment fund or loans therefrom pursuant to the state water pollution control revolving fund program and the drinking water revolving fund program described in §§ 46A-1-60 to 46A-1-60.3, inclusive.

The board shall promulgate rules pursuant to chapter 1-26, to implement the provisions of this section consistent with the requirements of federal law in order for an approved state water pollution control revolving fund or a state drinking water revolving fund to become eligible for grant funds from the United States Environmental Protection Agency.

§ 46A-1-60.3. Rules for selection of projects to receive funds from water pollution control revolving fund program and state drinking water revolving fund program and administration of same. The Board of Water and Natural Resources may, by rules promulgated pursuant to chapter 1-26, establish criteria and procedures for the selection of projects to receive funds from the state water pollution control revolving fund program and the state drinking water revolving fund program and for the administration of the programs.

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