



**Brant
Lake Sanitary District**

P.O. Box 235

Chester, South Dakota

57016

June 21, 2021

DELIVERED BY EMAIL TO:

Stephanie Riggle

Stephanie.Riggle@state.sd.us

Board of Water and Natural Resources
Pierre, SD 57501

Members of the Board --

I am writing this letter to formally request that you authorize a parity agreement to be executed in connection with our SDCD loan. As previous communications have detailed, the Sanitary District is struggling to return the District to a position of financial stability and to end the legal proceedings that have burdened the District for many years. We are now also working to comply with a *Writ of Mandamus* issued by the Court that is forcing us to stop any further negotiations and pay the full amount of a legal judgment plus interest that we owe immediately, regardless of how we finance such payment.

In response, we have crafted a multi-faceted financing plan to comply with the Court and pay our financial obligations. As part of that plan, we will need to issue judgment bonds to cover a sizable portion of our court-ordered payment. But, the creditors that we have approached need to have parity with the SDCD loan in order for us to proceed. Therefore, on behalf of the residents and the Board of the BLSD, I would ask that you authorize a parity agreement as required which will enable us to move forward.

Thank you in advance for your consideration of our situation and this request. This has been an incredibly difficult journey for the residents of the Sanitary District. We are hopeful that we can move past this challenging situation as quickly as possible. If you have questions or concerns, please feel free to contact me personally. My email address is blsd.michael.wagner@gmail.com My cell phone is 605.940.4849.

Best Personal Regards,

Brant Lake Sanitary District
Board President

CC: Elizabeth Hertz, Davenport Law Firm, Sioux Falls, SD
Cody Miller, Lammers Kleibacker, Madison, SD
Tobin Morris, – Senior VP, Colliers Securities LLC