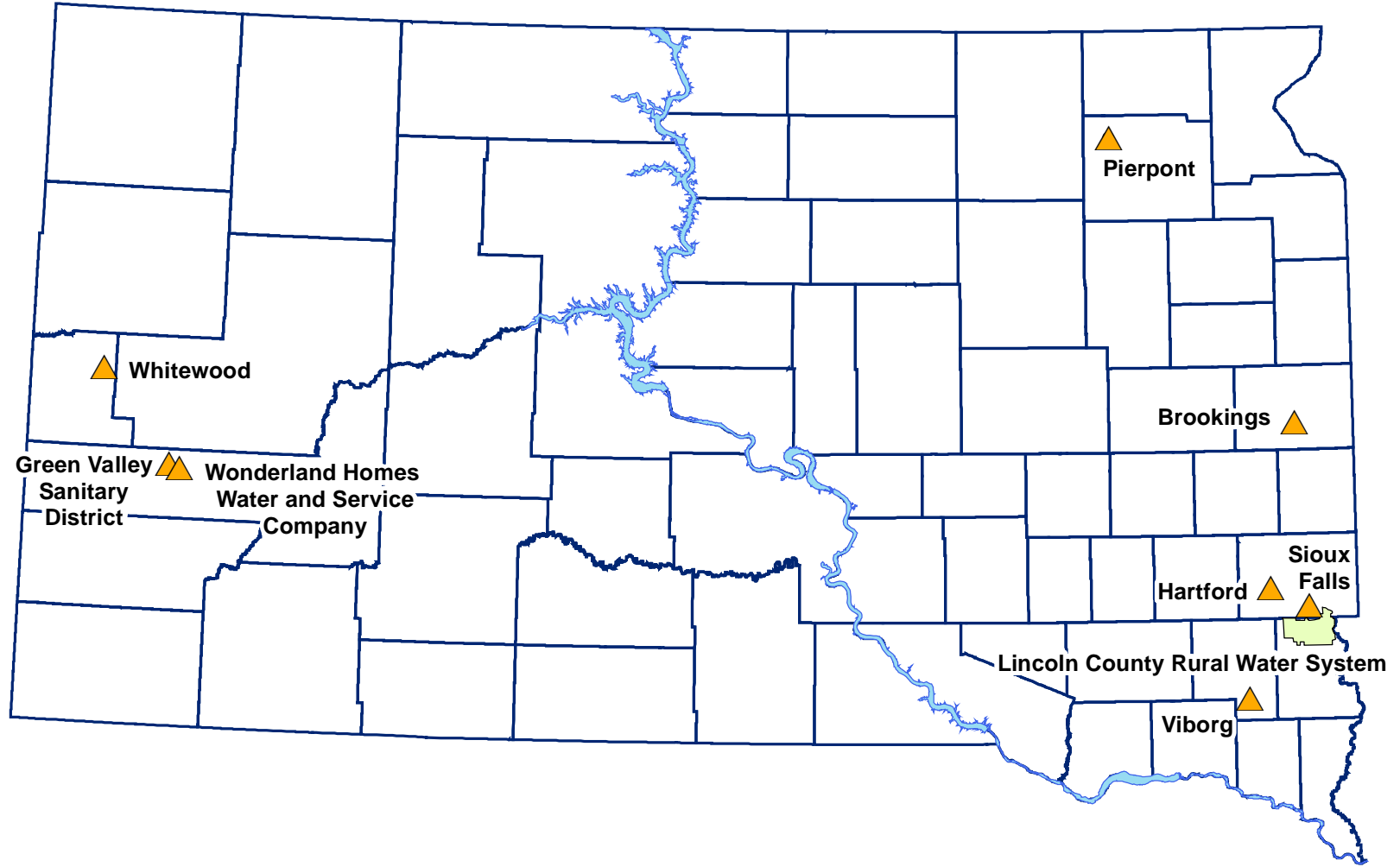


Staff is recommending that the following projects be added to *Attachment I – Project Priority* lists of both the 2018 Drinking Water SRF Intended Use Plans:

| Priority Points | Loan Recipient | Estimated Loan Amount | Expected Loan Rate & Term |
|------------------------|----------------------------------|------------------------------|--------------------------------------|
| 88 | Kingbrook Rural Water System | \$1,245,000 | 2.25%, 30 years |
| 88 | Randall Community Water District | \$4,600,000 | 2.25%, 30 years |

State Water Plan



Staff is recommending that the following projects be placed on the State Water Facilities Plan:

- Brookings
- Green Valley Sanitary District
- Hartford
- Lincoln County Rural Water System, Inc.
- Pierpont
- Sioux Falls
- Viborg
- Whitewood
- Wonderland Homes Water and Service Co.

Staff is recommending that the following projects be added to *Attachment I – Project Priority* list of the 2019 Clean Water SRF Intended Use Plan:

| Priority Points | Loan Recipient | Estimated Loan Amount | Expected Loan Rate & Term |
|------------------------|--------------------------------|------------------------------|--------------------------------------|
| 28 | Green Valley Sanitary District | \$9,470,000 | 2.75%, 30 years |
| 20 | Sioux Falls | \$159,000,000 | 2.50%, 20 years |
| 10 | Brookings | \$850,000 | 2.75%, 30 years |
| 10 | Viborg | \$2,762,090 | 2.75%, 30 years |
| 8 | Hartford | \$964,000 | 2.75%, 30 years |
| 4 | Pierpont | \$127,000 | 2.25%, 10 years |

Staff is recommending that the following projects be added to *Attachment I – Project Priority* list of the 2019 Drinking Water SRF Intended Use Plan:

| Priority Points | Loan Recipient | Estimated Loan Amount | Expected Loan Rate & Term |
|------------------------|---|------------------------------|--------------------------------------|
| 88 | Kingbrook Rural Water System | \$1,245,000 | 2.25%, 30 years |
| 19 | Wonderland Homes Water and Service Co. | \$795,275 | 2.75%, 30 years |
| 12 | Pierpont | \$127,000 | 2.25%, 10 years |
| 6 | Lincoln County Rural Water System, Inc. | \$750,000 | 2.75%, 30 years |

June 2019

Available Funds Summary

CONSOLIDATED WATER FACILITIES CONSTRUCTION PROGRAM

| | | |
|----------------------|----|------------------|
| Available Funds: | \$ | 3,781,457 |
| Reversions: | \$ | 1,070,067 |
| Available for Award: | \$ | <u>4,851,524</u> |

DRINKING WATER SRF LOANS

| | | |
|--|----|---------------------|
| Available Prior Year Funds (30-Sept-2018): | \$ | 9,220,644 |
| FFY-19 Cap Grant & Match: | \$ | 11,869,560 |
| FFY-19 Repayments: | \$ | 8,000,000 |
| Leveraged Bonds: | \$ | 45,000,000 |
| Deobligations/Recissions: | \$ | 1,320,057 |
| FFY-19 Awards to Date: | \$ | <u>(44,348,000)</u> |
| Available for Award: | \$ | 31,062,261 |

DRINKING WATER SRF PRINCIPAL FORGIVENESS

| | | |
|---|----|---------------------|
| Prior Year Principal Forgiveness Allocations: | \$ | 39,031,400 |
| FFY-19 Maximum Allocation: | \$ | 2,200,800 |
| Reverted Principal Forgiveness: | \$ | 105,108 |
| Awarded to Date: | \$ | <u>(38,685,607)</u> |
| Available For Award: | \$ | 2,651,701 |
| Princ. Forg. for Disadvantaged Communities: | \$ | 8,298,000 |
| FFY-19 Maximum Allocation: | \$ | 3,851,400 |
| Reverted Principal Forgiveness: | \$ | - |
| Awarded to Date: | \$ | <u>(6,124,600)</u> |
| Available for Award: | \$ | 6,024,800 |
| Total Available for Award: | \$ | 8,676,501 |

June 2019 Available Funds Summary

CLEAN WATER SRF WATER QUALITY GRANTS

| | | |
|----------------------|----|----------------|
| Available Funds: | \$ | 743,853 |
| 2019 IUP Allocation: | \$ | 1,000,000 |
| Reversions: | \$ | 9,196 |
| 2019 SCPG Allotment: | \$ | (100,000) |
| Awarded to Date: | \$ | (1,333,000) |
| Available for Award: | \$ | <u>320,049</u> |

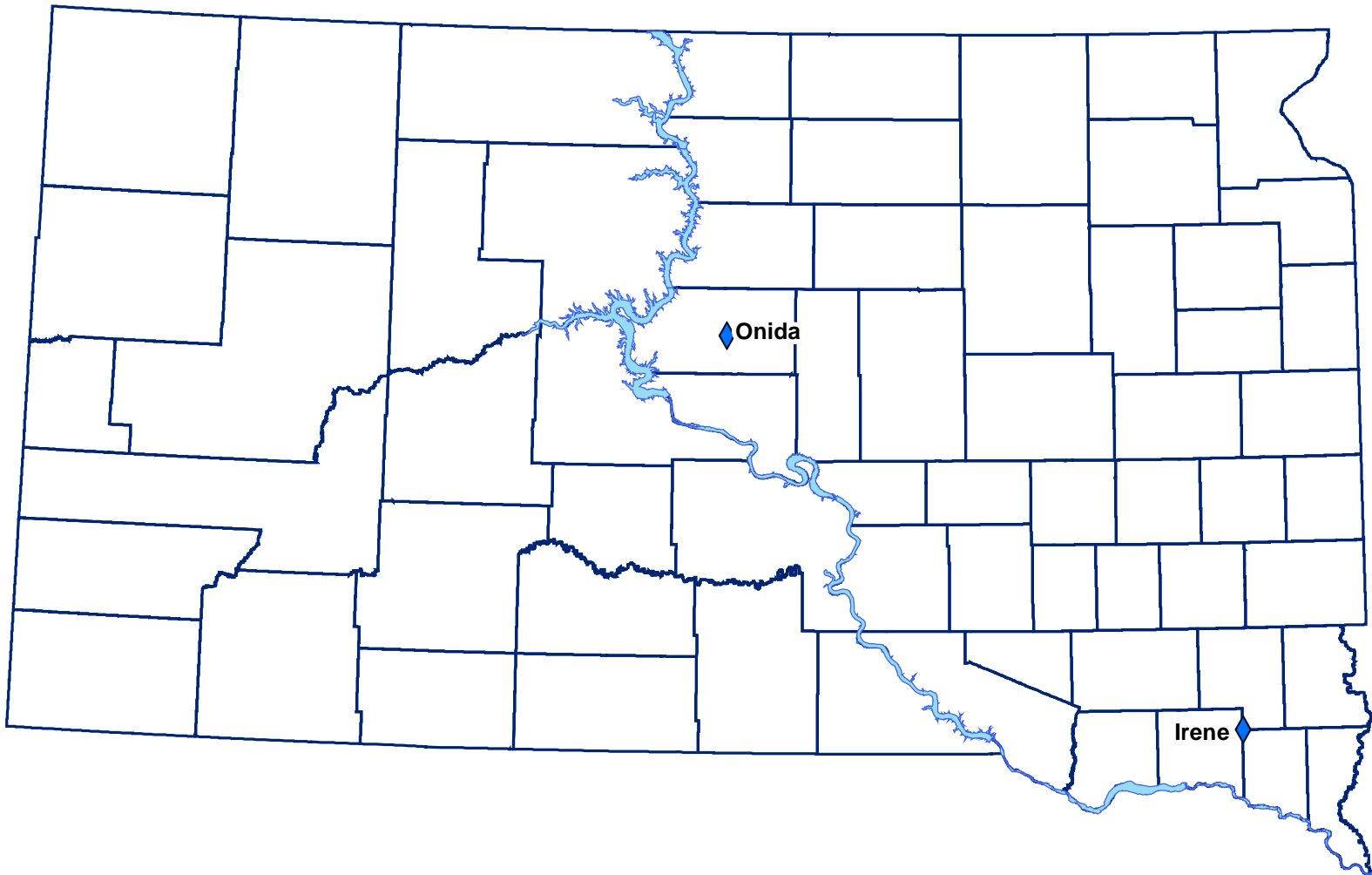
CLEAN WATER SRF LOANS

| | | |
|--|----|-------------------|
| Available Prior Year Funds (30-Sept-2018): | \$ | 24,243,171 |
| FFY-19 Cap Grant & Match: | \$ | 8,849,220 |
| FFY-19 Repayments: | \$ | 9,500,000 |
| Leveraged Bonds: | \$ | 66,000,000 |
| Deobligations/Recissions: | \$ | 2,849,704 |
| FFY-19 Awards to Date: | \$ | (42,748,550) |
| Available For Award: | \$ | <u>68,693,545</u> |

CLEAN WATER SRF PRINCIPAL FORGIVENESS

| | | |
|---|----|------------------|
| Prior Year Principal Forgiveness Allocations: | \$ | 19,208,299 |
| FFY-19 Maximum Allocation: | \$ | 3,111,600 |
| Reverted Principal Forgiveness: | \$ | 33,651 |
| Awarded to Date: | \$ | (17,391,013) |
| Available For Award: | \$ | <u>4,962,537</u> |

Deferred Funding Applications



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

APPLICANT: Onida (CW-02)

Total Project Cost: \$5,700,000
BWNR Funding Assistance Requested: \$5,700,000
Rate/Term: 2.75%/30 years
Security Pledged For Repayment Of Loan: Surcharge

Staff Analysis

- 1) If funding is provided as all loan, Onida would have to establish a surcharge of \$62.55. Onida's current rate is a flat fee of \$44.90 per account. The surcharge would raise the rates to \$107.45.
- 2) Based on the recommended funding Onida will have to establish a surcharge of \$15.65 which would increase rates to \$60.55 per account. However staff analysis shows that Onida can restructure its rates and have rates of approximately \$49.00.

Funding Recommendation: Award a \$1,426,000 Clean Water SRF loan at 2.75% for 30 years, a \$2,000,000 Consolidated Grant and a \$320,000 Water Quality Grant.

Debt Service Coverage: 110% based on a \$15.65 surcharge

Loan Contingencies:

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

Grant Special Condition:

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

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

APPLICANT: Irene (CW-02)

| | |
|--|----------------|
| Total Project Cost: | \$3,776,534 |
| BWNR Funding Assistance Requested: | \$3,437,000 |
| Rate/Term: | 2.75%/30 years |
| Security Pledged For Repayment Of Loan: | Surcharge |

Staff Analysis

- 1) If funding is provided as all loan, Irene would have to establish a surcharge of \$70.00 per user. Current rates in Irene are \$45.06 per 5,000 gallons, which would bring rates to \$115.00 per 5,000 gallons.
- 2) Based on staff recommendation, Irene would have to establish a surcharge of \$15.55 which would increase rates to \$60.61 per 5,000 gallons. However staff analysis shows that Irene can restructure its rates and have rates of approximately \$48.95.

Funding Recommendation: Award a \$3,062,000 Clean Water SRF loan with 75.2% principal forgiveness not to exceed \$2,300,000 at 2.75% for 30 years.

Debt Service Coverage: 110% based on a surcharge of \$15.55

Loan Contingencies:

- 1) Contingent upon the Borrower adopting a bond resolution and the resolution becoming effective.
- 2) Contingent upon the Borrower establishing a surcharge at a level sufficient to provide the required debt coverage.
- 3) Contingent upon receipt of the 2019 Clean Water State Revolving Fund Capitalization Grant.

DRINKING WATER FACILITIES FUNDING APPLICATION FINANCIAL ANALYSIS SUMMARY

APPLICANT: Irene (DW-03)

| | |
|--|----------------|
| Total Project Cost: | \$1,566,000 |
| BWNR Funding Assistance Requested: | \$1,566,000 |
| Rate/Term: | 2.25%/30 years |
| Security Pledged For Repayment Of Loan: | Surcharge |

Staff Analysis

- 1) If funding is provided as all loan, Irene would have to establish a surcharge of \$29.85 per account. Their current rates are \$52.64 per 5,000 gallons. This would increase rates to \$82.49 per 5,000 gallons.
- 2) Based on the funding recommendation, Irene would have to establish a surcharge of \$7.70 which would bring their rates to \$60.34 per 5,000. However staff analysis shows that Irene can restructure rates and fund the loan with no increase in rates.

Funding Recommendation: Award a \$1,191,000 Drinking Water SRF loan with 66.3% principal forgiveness not to exceed \$789,000 at 2.25% for 30 years.

Debt Service Coverage: 110% based on a surcharge of \$7.70

Loan Contingencies:

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

DRINKING WATER FACILITIES FUNDING APPLICATION FINANCIAL ANALYSIS SUMMARY

APPLICANT: Onida (DW-03)

Total Project Cost: \$2,000,000
BWNR Funding Assistance Requested: \$2,000,000
Rate/Term: 2.75%/30 years
Security Pledged For Repayment Of Loan: Surcharge

Staff Analysis

- 1) If funding is provided as all loan, Onida would have to establish a surcharge of \$21.95 per account. Onida's current rate is \$45.70 per 5,000 gallons. The surcharge would bring rates up to \$67.65 per 5,000 gallons.
- 2) Based on the recommended funding, Onida will have to enact a surcharge of \$4.45 bringing the existing rate up to \$50.15 per 5,000 gallons.

Funding Recommendation: Award a \$750,000 Drinking Water SRF loan with 46.0% principal forgiveness not to exceed \$345,000 at 2.75% for 30 years and award a \$1,250,000 Consolidated Grant.

Debt Service Coverage: 110% based on a surcharge of \$4.45

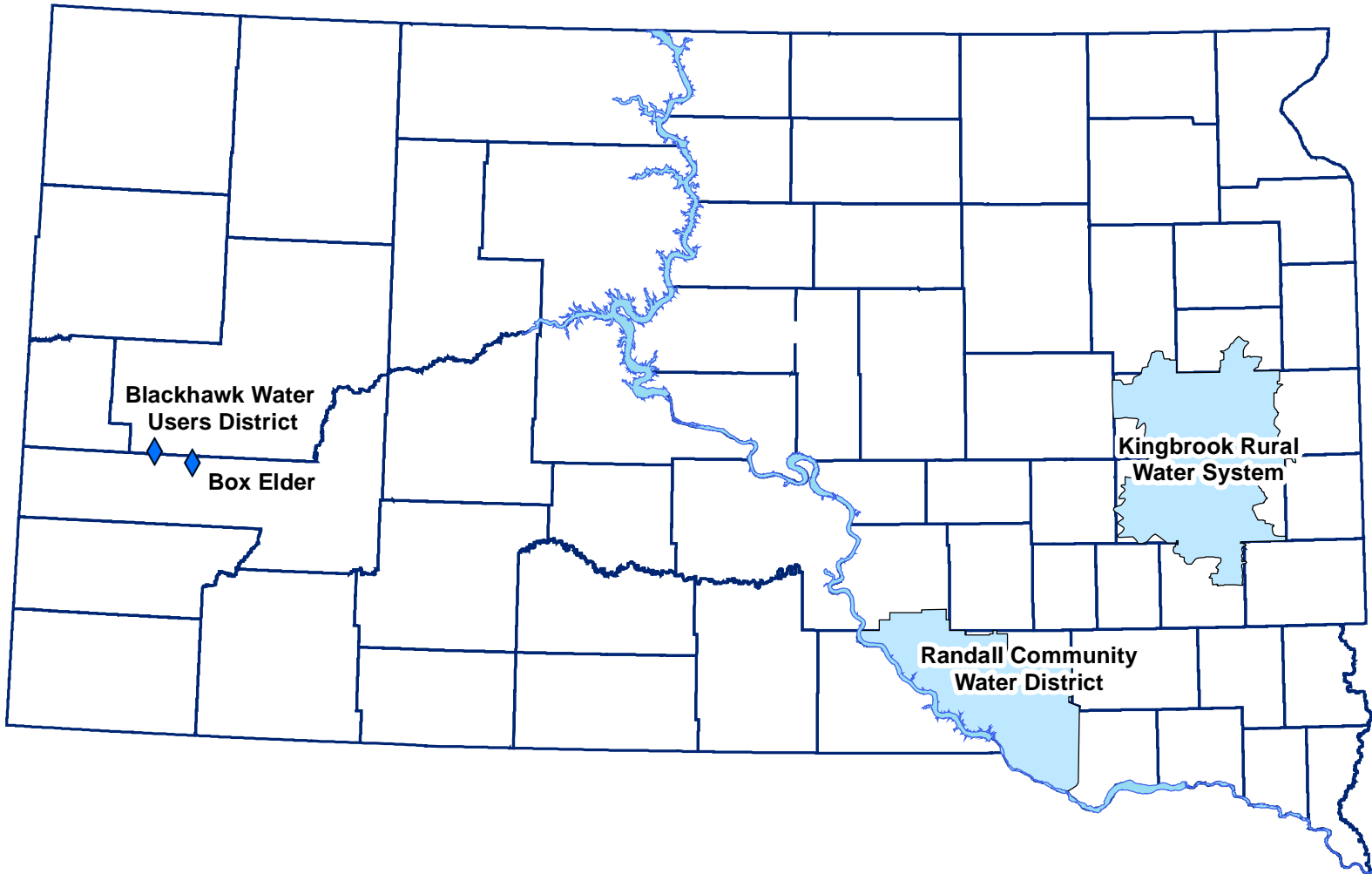
Loan Contingencies:

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

Grant Special Condition:

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

Drinking Water Facilities Funding Applications



DRINKING WATER FACILITIES FUNDING APPLICATION FINANCIAL ANALYSIS SUMMARY

APPLICANT: Kingbrook Rural Water System (DW-07)

| | |
|--|----------------|
| Total Project Cost: | \$1,289,000 |
| BWNR Funding Assistance Requested: | \$1,245,000 |
| Rate/Term: | 2.25%/30 Years |
| Security Pledged For Repayment Of Loan: | System Revenue |

Staff Analysis

- 1) This project will provide individual service to the residents of Oldham. Current rates for Kingbrook RWS rural residential users for 7,000 gallons are \$61.35.
- 2) Current Kingbrook RWS rates per 5,000 gallons are \$53.50. If funding were provided as all loan Oldham customers would need to enact a surcharge of \$59.80. Based on the staff recommendation a surcharge of \$14.40 per user would be required, bringing the overall rates to \$67.90.

Funding Recommendation: Award a \$1,245,000 Drinking Water SRF loan at 2.25% for 30 years with 76.0% principal forgiveness not to exceed \$945,000.

Debt Service Coverage: 1098% based on current rates

Loan Contingencies:

- 1) Contingent upon the Borrower adopting a resolution approving the form of the loan agreement, the promissory note, and the pledge of revenues for repayment of the loan.
- 2) Contingent upon the Borrower approving a security agreement and mortgage.
- 3) Contingent upon an Intercreditor Agreement being approved and executed by Rural Utilities Service, USDA, Cobank, ACB, Kingbrook Rural Water System, and the District.
- 4) Contingent upon receipt of the 2019 Capitalization Grant.

DRINKING WATER FACILITIES FUNDING APPLICATION FINANCIAL ANALYSIS SUMMARY

APPLICANT: Randall Community Water District (DW-01)

| | |
|--|----------------|
| Total Project Cost: | \$4,628,749 |
| BWNR Funding Assistance Requested: | \$4,600,000 |
| Rate/Term: | 2.25%/30 Years |
| Security Pledged For Repayment Of Loan: | System Revenue |

Staff Analysis

- 1) Part of the project is system improvements for Randall CWD and the other part will provide individual service to the residents of Geddes. The portion of the project attributable to the Geddes improvements is approximately \$3,023,000.
- 2) Randall CWD's current residential rate for 5,000 gallons is \$40.50. The \$3,023,000 of the loan attributable to Geddes will include \$2,023,000 of principle forgiveness resulting in a net loan of \$1,000,000. A surcharge from Geddes users of \$27.20 will be required, resulting in rates of \$67.70 for Geddes residents.

Funding Recommendation: Award a \$4,600,000 Drinking Water SRF loan at 2.25% for 30 years with 49.2% principal forgiveness not to exceed \$2,263,000

Debt Service Coverage: 150% based on 2021 rates

Loan Contingencies:

- 1) Contingent upon the Borrower adopting a bond resolution and the resolution becoming effective.
- 2) Contingent upon the Borrower establishing rates at a level sufficient to provide the required debt coverage.
- 3) Contingent upon the Borrower approving a security agreement and mortgage.
- 4) Contingent upon an Intercreditor Agreement being approved and executed by Rural Utilities Service, USDA, Cobank, ACB, First National Bank in Sioux Falls, as trustee for the Borrower's Water System Revenue Bonds, Randall Community Water District, and the District.
- 5) Contingent upon receipt of the 2019 Capitalization Grant.

DRINKING WATER FACILITIES FUNDING APPLICATION FINANCIAL ANALYSIS SUMMARY

APPLICANT: Black Hawk Water Users District (DW-03)

Total Project Cost: \$4,810,656

BWNR Funding Assistance Requested: \$3,810,656

Rate/Term: 2.5%/20 years

Security Pledged For Repayment Of Loan: System Revenue

Staff Analysis

- 1) Current rates for Black Hawk WUD users are \$31.00 per 7,000 gallons.
- 2) Based on the funding recommendation, Black Hawk WUD will have to increase its revenues by approximately 40%, this equates to \$12.40 per account increase if applied to the base rate only.

Funding Recommendation: Award a \$3,810,000 Drinking Water SRF loan at 2.5% for 20 years.

Debt Service Coverage: 110% with a 40% increase in system revenues.

Loan Contingencies:

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

DRINKING WATER FACILITIES FUNDING APPLICATION FINANCIAL ANALYSIS SUMMARY

APPLICANT: Box Elder (DW-02)

| | |
|--|----------------|
| Total Project Cost: | \$2,912,000 |
| BWNR Funding Assistance Requested: | \$1,742,000 |
| Rate/Term: | 2.25%/20 years |
| Security Pledged For Repayment Of Loan: | Surcharge |

Staff Analysis

- 1) Current rates are \$26.50 per 5,000 gallons. Box Elder has requested and qualifies for the disadvantaged interest rate of 2.25%. The city will need to have and maintain rates of \$30.00 per 5,000 gallons.
- 2) Based on the staff recommendation, the city will need a surcharge of \$4.55 which will bring rates to \$31.05 per 5,000 gallons which meets the rate criteria to receive the disadvantaged interest rate.

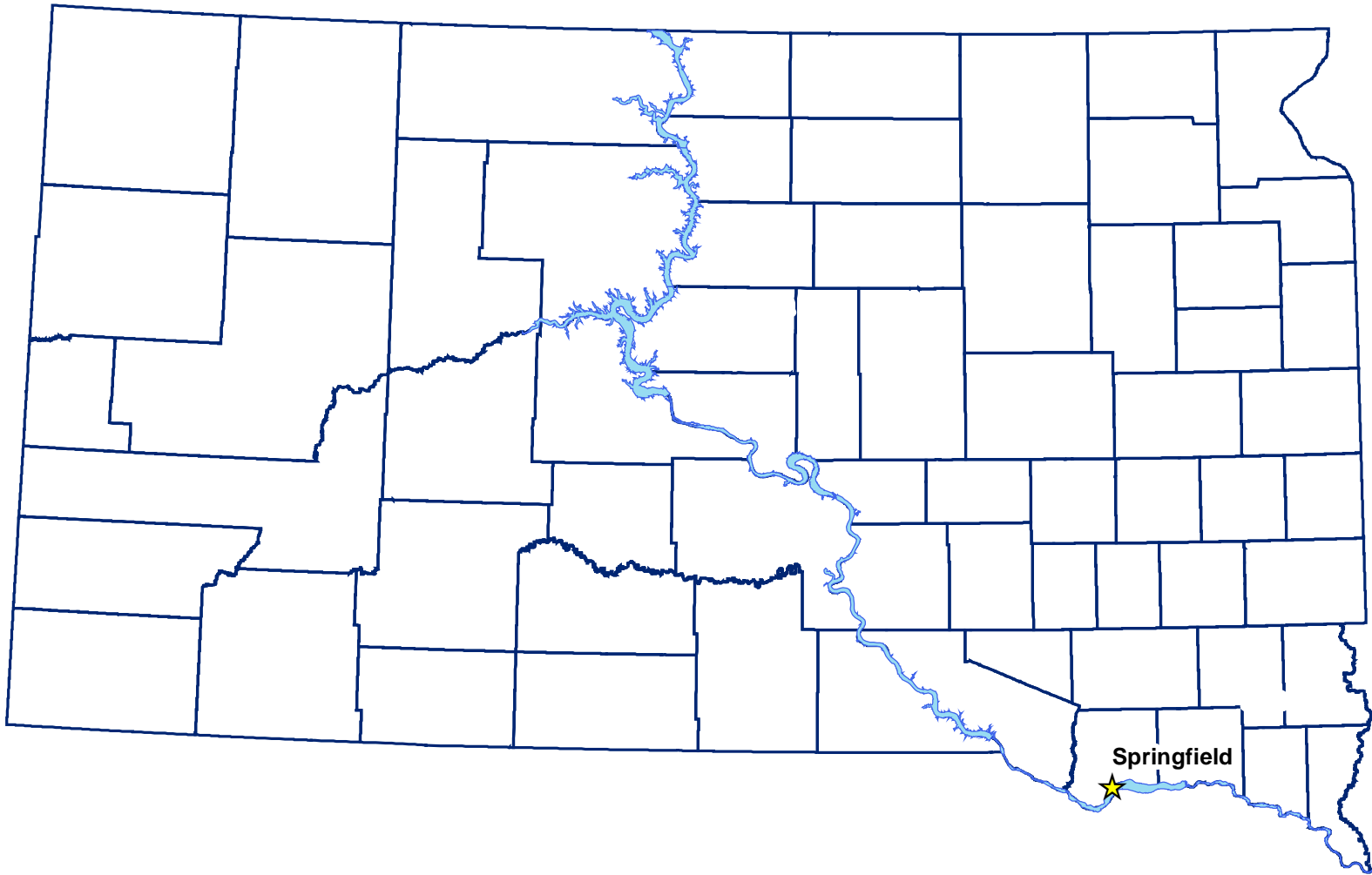
Funding Recommendation: Award a \$1,742,000 Drinking Water SRF loan at 2.25% for 20 years.

Debt Service Coverage: 110% with a \$4.55 surcharge.

Loan Contingencies:

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

Sanitary/Storm Sewer Facilities Funding Applications



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

APPLICANT: Springfield (CW-01)

| | |
|--|----------------|
| Total Project Cost: | \$2,720,000 |
| BWNR Funding Assistance Requested: | \$1,950,000 |
| Rate/Term: | 2.75%/30 years |
| Security Pledged For Repayment Of Loan: | Surcharge |

Staff Analysis

- 1) If funding is provided as all loan, Springfield would have to enact a surcharge of approximately \$25 per account.
- 2) Springfield's current rate is a flat rate rate of \$18 for residential customers and a usage rate of \$14.40 per 5,000 gallons for the Mike Durfee State Prison. A \$25 surcharge per user would bring residential rates to \$43.
- 3) The prison accounts for approximately 60% of wastewater flows. Springfield could offset the impact to the residential users by establishing a volume based surcharge rate for the prison, which would result in a surcharge of approximately \$8.00 for residential users. This would bring total rates to \$26.00.

Funding Recommendation: Award a \$1,950,000 Clean Water SRF loan at 2.75% for 30 years.

Debt Service Coverage: 110% coverage with a surcharge sufficient to generate a total of \$105,236 annually.

Loan Contingencies:

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

June 2019 Available Funds Summary

CONSOLIDATED WATER FACILITIES CONSTRUCTION PROGRAM

| | | |
|----------------------|-----------|--------------------|
| Available Funds: | \$ | 3,781,457 |
| Reversions: | \$ | 1,070,067 |
| Available for Award: | \$ | <u>4,851,524</u> |
| Recommended: | \$ | <u>(3,250,000)</u> |
| Balance: | \$ | 1,601,524 |

DRINKING WATER SRF LOANS

| | | |
|--|-----------|---------------------|
| Available Prior Year Funds (30-Sept-2018): | \$ | 9,220,644 |
| FFY-19 Cap Grant & Match: | \$ | 11,869,560 |
| FFY-19 Repayments: | \$ | 8,000,000 |
| Leveraged Bonds: | \$ | 45,000,000 |
| Deobligations/Recissions: | \$ | 1,320,057 |
| FFY-19 Awards to Date: | \$ | <u>(44,348,000)</u> |
| Available for Award: | \$ | 31,062,261 |
| Recommended PF: | \$ | (4,342,000) |
| Recommended Loan: | \$ | <u>(8,996,000)</u> |
| Balance: | \$ | 17,724,261 |

DRINKING WATER SRF PRINCIPAL FORGIVENESS

| | | |
|---|-----------|---------------------|
| Prior Year Principal Forgiveness Allocations: | \$ | 39,031,400 |
| FFY-19 Maximum Allocation: | \$ | 2,200,800 |
| Reverted Principal Forgiveness: | \$ | 105,108 |
| Awarded to Date: | \$ | <u>(38,685,607)</u> |
| Available For Award: | \$ | 2,651,701 |
| Recommended: | \$ | <u>(345,000)</u> |
| Balance: | \$ | 2,306,701 |
| Princ. Forg. for Disadvantaged Communities: | \$ | 8,298,000 |
| FFY-19 Maximum Allocation: | \$ | 3,851,400 |
| Reverted Principal Forgiveness: | \$ | - |
| Awarded to Date: | \$ | <u>(6,124,600)</u> |
| Available for Award: | \$ | 6,024,800 |
| Recommended: | \$ | <u>(3,997,000)</u> |
| Balance: | \$ | 2,027,800 |
| Total Balance: | \$ | 4,334,501 |

June 2019
Available Funds Summary

CLEAN WATER SRF WATER QUALITY GRANTS

| | | |
|----------------------|----|--------------------|
| Available Funds: | \$ | 743,853 |
| 2019 IUP Allocation: | \$ | 1,000,000 |
| Reversions: | \$ | 9,196 |
| 2019 SCPG Allotment: | \$ | (100,000) |
| Awarded to Date: | \$ | <u>(1,333,000)</u> |
| Available for Award: | \$ | 320,049 |
| Recommended: | \$ | <u>(320,000)</u> |
| Balance: | \$ | 49 |

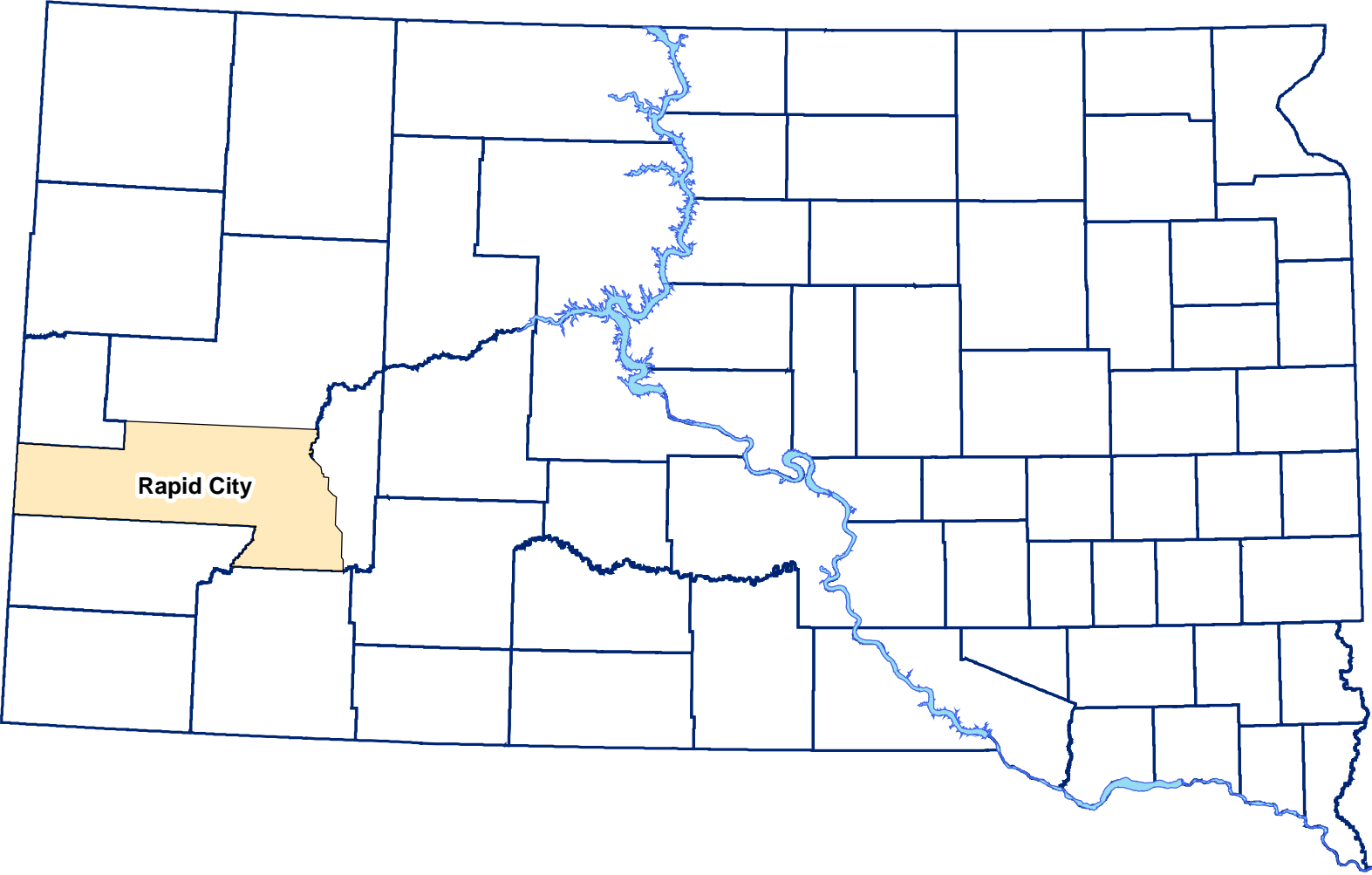
CLEAN WATER SRF LOANS

| | | |
|--|----|---------------------|
| Available Prior Year Funds (30-Sept-2018): | \$ | 24,243,171 |
| FFY-19 Cap Grant & Match: | \$ | 8,849,220 |
| FFY-19 Repayments: | \$ | 9,500,000 |
| Leveraged Bonds: | \$ | 66,000,000 |
| Deobligations/Recissions: | \$ | 2,849,704 |
| FFY-19 Awards to Date: | \$ | <u>(42,748,550)</u> |
| Available For Award: | \$ | 68,693,545 |
| Recommended PF: | \$ | (2,300,000) |
| Recommended Loan: | \$ | <u>(4,138,000)</u> |
| Balance: | \$ | 62,255,545 |

CLEAN WATER SRF PRINCIPAL FORGIVENESS

| | | |
|---|----|---------------------|
| Prior Year Principal Forgiveness Allocations: | \$ | 19,208,299 |
| FFY-19 Maximum Allocation: | \$ | 3,111,600 |
| Reverted Principal Forgiveness: | \$ | 33,651 |
| Awarded to Date: | \$ | <u>(17,391,013)</u> |
| Available For Award: | \$ | 4,962,537 |
| Recommended: | \$ | <u>(2,300,000)</u> |
| Balance: | \$ | 2,662,537 |

Solid Waste Management Program Funding Applications



June 2019
Dedicated Solid Waste Management Fees

Solid Waste Management Program (SWMP)

| | | |
|----------------------|----|------------------|
| Available Funds: | \$ | 4,355,172 |
| Reversions: | \$ | 115,706 |
| Available for Award: | \$ | <u>4,470,878</u> |

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

APPLICANT: Rapid City

Total Project Cost: \$1,499,119
BWNR Funding Assistance Requested: \$1,499,119
Rate/Term: NA
Security Pledged For Repayment Of Loan: NA

Staff Analysis

- 1) Rapid City is purchasing a compost windrow turner, a baler for recyclable materials, a front end loader for the Material Recovery Facility, and 648 new 65-gallon residential recycling containers.

Funding Recommendation: Award a Solid Waste Management Program Grant at 50.1% of eligible project costs, not to exceed \$750,000.

June 2019
Dedicated Solid Waste Management Fees

Solid Waste Management Program (SWMP)

| | | |
|----------------------|----|------------------|
| Available Funds: | \$ | 4,355,172 |
| Reversions: | \$ | 115,706 |
| Available for Award: | \$ | <u>4,470,878</u> |
| Recommended: | \$ | <u>(750,000)</u> |
| Balance: | \$ | 3,720,878 |

June 2019
Available Funds Summary

CONSOLIDATED WATER FACILITIES CONSTRUCTION PROGRAM

| | | |
|----------------------|-----------|--------------------|
| Available Funds: | \$ | 3,781,457 |
| Reversions: | \$ | 1,070,067 |
| Available for Award: | \$ | <u>4,851,524</u> |
| Recommended: | \$ | <u>(3,250,000)</u> |
| Balance: | \$ | 1,601,524 |

DRINKING WATER SRF LOANS

| | | |
|--|-----------|---------------------|
| Available Prior Year Funds (30-Sept-2018): | \$ | 9,220,644 |
| FFY-19 Cap Grant & Match: | \$ | 11,869,560 |
| FFY-19 Repayments: | \$ | 8,000,000 |
| Leveraged Bonds: | \$ | 45,000,000 |
| Deobligations/Recissions: | \$ | 1,320,057 |
| FFY-19 Awards to Date: | \$ | <u>(44,348,000)</u> |
| Available for Award: | \$ | 31,062,261 |
| Recommended PF: | \$ | (4,342,000) |
| Recommended Loan: | \$ | <u>(8,996,000)</u> |
| Balance: | \$ | 17,724,261 |

DRINKING WATER SRF PRINCIPAL FORGIVENESS

| | | |
|---|-----------|---------------------|
| Prior Year Principal Forgiveness Allocations: | \$ | 39,031,400 |
| FFY-19 Maximum Allocation: | \$ | 2,200,800 |
| Reverted Principal Forgiveness: | \$ | 105,108 |
| Awarded to Date: | \$ | <u>(38,685,607)</u> |
| Available For Award: | \$ | 2,651,701 |
| Recommended: | \$ | <u>(345,000)</u> |
| Balance: | \$ | 2,306,701 |
| Princ. Forg. for Disadvantaged Communities: | \$ | 8,298,000 |
| FFY-19 Maximum Allocation: | \$ | 3,851,400 |
| Reverted Principal Forgiveness: | \$ | - |
| Awarded to Date: | \$ | <u>(6,124,600)</u> |
| Available for Award: | \$ | 6,024,800 |
| Recommended: | \$ | <u>(3,997,000)</u> |
| Balance: | \$ | 2,027,800 |
| Total Balance: | \$ | 4,334,501 |

June 2019
Available Funds Summary

CLEAN WATER SRF WATER QUALITY GRANTS

| | | |
|----------------------|----|--------------------|
| Available Funds: | \$ | 743,853 |
| 2019 IUP Allocation: | \$ | 1,000,000 |
| Reversions: | \$ | 9,196 |
| 2019 SCPG Allotment: | \$ | (100,000) |
| Awarded to Date: | \$ | <u>(1,333,000)</u> |
| Available for Award: | \$ | 320,049 |
| Recommended: | \$ | <u>(320,000)</u> |
| Balance: | \$ | 49 |

CLEAN WATER SRF LOANS

| | | |
|--|----|---------------------|
| Available Prior Year Funds (30-Sept-2018): | \$ | 24,243,171 |
| FFY-19 Cap Grant & Match: | \$ | 8,849,220 |
| FFY-19 Repayments: | \$ | 9,500,000 |
| Leveraged Bonds: | \$ | 66,000,000 |
| Deobligations/Recissions: | \$ | 2,849,704 |
| FFY-19 Awards to Date: | \$ | <u>(42,748,550)</u> |
| Available For Award: | \$ | 68,693,545 |
| Recommended PF: | \$ | (2,300,000) |
| Recommended Loan: | \$ | <u>(4,138,000)</u> |
| Balance: | \$ | 62,255,545 |

CLEAN WATER SRF PRINCIPAL FORGIVENESS

| | | |
|---|----|---------------------|
| Prior Year Principal Forgiveness Allocations: | \$ | 19,208,299 |
| FFY-19 Maximum Allocation: | \$ | 3,111,600 |
| Reverted Principal Forgiveness: | \$ | 33,651 |
| Awarded to Date: | \$ | <u>(17,391,013)</u> |
| Available For Award: | \$ | 4,962,537 |
| Recommended: | \$ | <u>(2,300,000)</u> |
| Balance: | \$ | 2,662,537 |

June 2019
Dedicated Solid Waste Management Fees

Solid Waste Management Program (SWMP)

| | | |
|----------------------|----|------------------|
| Available Funds: | \$ | 4,355,172 |
| Reversions: | \$ | 115,706 |
| Available for Award: | \$ | <u>4,470,878</u> |
| Recommended: | \$ | <u>(750,000)</u> |
| Balance: | \$ | 3,720,878 |

\$3,315,000

Tripp County Water Users District, South Dakota
USDA Refinance Analysis
A Rated with Annual Savings throughout Life of Bond

Debt Service Comparison

Part 1 of 2

| Date | Total P+I | DSR | Net New D/S | Old Net D/S | Savings |
|--------------|-----------------------|---------------------|-----------------------|-----------------------|---------------------|
| 07/01/2020 | 199,225.63 | - | 199,225.63 | 201,394.06 | 2,168.43 |
| 07/01/2021 | 201,125.00 | - | 201,125.00 | 205,599.52 | 4,474.52 |
| 07/01/2022 | 204,035.00 | - | 204,035.00 | 205,599.54 | 1,564.54 |
| 07/01/2023 | 201,850.00 | - | 201,850.00 | 205,599.50 | 3,749.50 |
| 07/01/2024 | 204,550.00 | - | 204,550.00 | 205,599.52 | 1,049.52 |
| 07/01/2025 | 202,150.00 | - | 202,150.00 | 205,599.56 | 3,449.56 |
| 07/01/2026 | 204,510.00 | - | 204,510.00 | 205,599.52 | 1,089.52 |
| 07/01/2027 | 201,760.00 | - | 201,760.00 | 205,599.52 | 3,839.52 |
| 07/01/2028 | 203,760.00 | - | 203,760.00 | 205,599.50 | 1,839.50 |
| 07/01/2029 | 200,640.00 | - | 200,640.00 | 205,599.55 | 4,959.55 |
| 07/01/2030 | 202,260.00 | - | 202,260.00 | 205,599.57 | 3,339.57 |
| 07/01/2031 | 203,750.00 | - | 203,750.00 | 205,599.61 | 1,849.61 |
| 07/01/2032 | 204,830.00 | - | 204,830.00 | 205,599.58 | 769.58 |
| 07/01/2033 | 200,770.00 | - | 200,770.00 | 205,599.57 | 4,829.57 |
| 07/01/2034 | 201,420.00 | - | 201,420.00 | 205,599.51 | 4,179.51 |
| 07/01/2035 | 201,920.00 | - | 201,920.00 | 205,599.55 | 3,679.55 |
| 07/01/2036 | 202,115.00 | - | 202,115.00 | 202,517.88 | 402.88 |
| 07/01/2037 | 167,155.00 | - | 167,155.00 | 168,620.25 | 1,465.25 |
| 07/01/2038 | 167,995.00 | - | 167,995.00 | 168,620.30 | 625.30 |
| 07/01/2039 | 163,675.00 | - | 163,675.00 | 168,620.26 | 4,945.26 |
| 07/01/2040 | 164,085.00 | - | 164,085.00 | 168,620.29 | 4,535.29 |
| 07/01/2041 | 164,325.00 | - | 164,325.00 | 168,620.24 | 4,295.24 |
| 07/01/2042 | 164,250.00 | - | 164,250.00 | 168,620.30 | 4,370.30 |
| 07/01/2043 | 164,000.00 | - | 164,000.00 | 168,620.20 | 4,620.20 |
| 07/01/2044 | 98,420.00 | - | 98,420.00 | 155,133.41 | 56,713.41 |
| 07/01/2045 | - | - | - | 129,633.33 | 129,633.33 |
| 07/01/2046 | - | - | - | 127,315.16 | 127,315.16 |
| 07/01/2047 | - | - | - | 127,315.14 | 127,315.14 |
| 07/01/2048 | - | (204,830.00) | (204,830.00) | 127,315.12 | 332,145.12 |
| 07/01/2049 | - | - | - | 10,609.60 | 10,609.60 |
| Total | \$4,694,575.63 | (204,830.00) | \$4,489,745.63 | \$5,345,568.66 | \$855,823.03 |

\$3,315,000

Tripp County Water Users District, South Dakota
USDA Refinance Analysis
A Rated with Annual Savings throughout Life of Bond

Debt Service Comparison

Part 2 of 2

PV Analysis Summary (Net to Net)

| | |
|--|--------------|
| Gross PV Debt Service Savings | 331,726.19 |
| Effects of changes in DSR investments | 77,913.51 |
| Net PV Cashflow Savings @ 3.366%(AIC) | 409,639.70 |
| Total Cash contribution | (38,000.00) |
| Contingency or Rounding Amount | 2,558.08 |
| Net Present Value Benefit | \$374,197.78 |
| Net PV Benefit / \$3,199,277 Refunded Principal | 11.696% |
| Net PV Benefit / \$3,315,000 Refunding Principal | 11.288% |

Refunding Bond Information

| | |
|-------------------------|-----------|
| Refunding Dated Date | 7/16/2019 |
| Refunding Delivery Date | 7/16/2019 |



**DEPARTMENT of ENVIRONMENT
and NATURAL RESOURCES**

JOE FOSS BUILDING
523 EAST CAPITOL
PIERRE, SOUTH DAKOTA 57501-3182

denr.sd.gov

June 27, 2019

Brad Johnson, Chairman
Board of Water and Natural Resources
PO Box 1343
Watertown, SD 57201

Dear Chairman Johnson:

Thank you for your 16 years of service on the Board of Water and Natural Resources, the last 14 years serving as its Chairman. Much has been accomplished during your tenure. The following is just a sampling of those accomplishments.

- The construction, and near completion, of the South Dakota portion of the Lewis & Clark Regional Water System which held its ground breaking ceremony on August 21, 2003;
- The hiring of a financial advisor in September 2003 to shepherd the State Revolving Fund programs through seven large leveraged bond issues that provided more than \$439 million for water, wastewater, and storm water infrastructure throughout the state;
- Presiding over 15 board meetings from March 2009 to February 2010 to assure that the \$39.7 million of American Recovery and Reinvestment Act funds could be awarded in the mandated one-year time frame;
- The "Madison Wheeling Option" that creatively utilized three regional water systems to deliver water to Madison in 2017, the last of the South Dakota communities to benefit from the Lewis & Clark Regional Water System; and
- The development of the Big Sioux Flood Implementation Model in 2018 – a tool that can be used for future generations to accurately predict flooding in high impact areas of the Big Sioux River.

Those success stories and many more made it possible to help communities build water, wastewater, and solid waste projects that are good for our people, good for the environment, and good for our state.

Again, thank you for your service to the State of South Dakota, and I wish you the best in future endeavors.

Sincerely,

Steven M. Pirner
Secretary