

**SOUTH DAKOTA
DRINKING WATER STATE REVOLVING FUND
FEDERAL FISCAL YEAR 2022 INTENDED USE PLAN**

INTRODUCTION

The Safe Drinking Water Act Amendments of 1996 and South Dakota Codified Law 46A-1-60.1 to 46A-1-60.3, inclusive, authorize the South Dakota Drinking Water State Revolving Fund (SRF) program. Program rules are established in Administrative Rules of South Dakota chapter 74:05:11.

The state of South Dakota proposes to adopt the following Intended Use Plan (IUP) for the federal fiscal year (FFY) 2021 as required under Section 1452(b) of the Safe Drinking Water Act and ARSD 74:05:11:03. The IUP describes how the state intends to use the Drinking Water SRF to meet the objectives of the Safe Drinking Water Act and further the goal of protecting public health. A public hearing was held on November 4, 2021, to review the FFY 2022 Intended Use Plan and receive comments. The IUP reflects the results of this review.

The IUP includes the following:

- Priority list of projects;
- Short- and long-term goals;
- Criteria and method of fund distribution;
- Funds transferred between the Drinking Water SRF and the Clean Water SRF;
- Financial status;
- Description and amount of non-Drinking Water SRF (set-aside) activities; and
- Disadvantaged community subsidies.

PRIORITY LIST OF PROJECTS

A project must be on the project priority list, Attachment I, to be eligible for a loan. This list was developed from the State Water Plan and includes projects that did not designate Drinking Water SRF loans as a funding source.

Projects may be added to the project priority list at any meeting of the Board of Water and Natural Resources if the action is included on the agenda at the time it is posted.

Priority ratings are based on the project priority system established in ARSD 74:05:11:06. The general objective of the priority system is to assure projects that address compliance or health concerns, meet certain affordability criteria, or regionalize facilities receive priority for funding.

GOALS, OBJECTIVES, AND ENVIRONMENTAL RESULTS

The long-term goals of the Drinking Water SRF are to fully capitalize the fund, ensure that the state's drinking water supplies remain safe and affordable, ensure that systems are operated and maintained, and promote economic well-being.

The specific long-term objectives of the program are:

1. To maintain a permanent, self-sustaining SRF program that will serve in perpetuity as a financing source for drinking water projects and source water quality protection measures. This will necessitate that

the amount of capitalization grant funds for non-Drinking Water SRF activities are reviewed annually to assure adequate cash flow to maintain the fund.

2. To fulfill the requirements of pertinent federal, state, and local laws and regulations governing safe drinking water activities, while providing the state and local project sponsors with maximum flexibility and decision making authority regarding such activities.

The short-term goal of the SRF is to fully capitalize the fund.

The specific short-term objectives of the program are:

1. To assist systems in replacing aging infrastructure.
2. To assist systems in maintaining and upgrading its water treatment capabilities to ensure compliance with the Safe Drinking Water Act.
3. To promote regionalization and consolidations of water systems, where mutually beneficial, as a practical means of addressing financial, managerial, and technical capacity.
4. To ensure the technical integrity of Drinking Water SRF projects through the review of planning, design plans and specifications, and construction activities.
5. To ensure the financial integrity of the Drinking Water SRF program through the review of the financial impacts of the set-asides and disadvantaged subsidies and individual loan applications and the ability for repayment.
6. To obtain maximum capitalization of the funds for the state in the shortest time

possible while taking advantage of the provisions for disadvantaged communities and supporting the non-Drinking Water SRF activities.

Environmental Results

States are required to establish program activity measures (outcomes) in its Intended Use Plan to receive the federal capitalization grant. Progress related to the measures is to be reported in the following annual report.

For FFY 2022, the specific measures are:

1. In FFY 2021, the fund utilization rate, as measured by the percentage of executed loans to funds available, was 97.1 percent, which exceeded the target goal of 90 percent. For FFY 2022, the goal of the Drinking Water SRF program is to maintain the fund utilization rate at or above 90 percent.
2. In FFY 2021, the rate at which projects progressed as measured by disbursements as a percent of assistance provided was 83.3 percent, which met the goal of 80 percent. For FFY 2022, the goal is to maintain the construction pace at 80 percent or higher.
3. For FFY 2022, the goal of the Drinking Water SRF program is to fund 110 loans, totaling more than \$902 million.
4. For FFY 2022, it is estimated that 19 projects will initiate operations.
5. For FFY 2022, it is estimated that 10 Small Community Planning Grants will be awarded to small systems to evaluate the system's infrastructure needs.
6. For FFY 2022, it is estimated that the South Dakota Association of Rural Water Systems will provide 1,400 hours of technical assistance to small systems.

To ensure measures are accurate and up-to-date, project data will be entered into the EPA SRF Data System on a quarterly basis.

CRITERIA AND METHOD OF FUND DISTRIBUTION

Projects will be funded based on their assigned priority as set forth on the Project Priority list. Projects with the highest ranking that have submitted a complete State Revolving Fund loan application and demonstrated adequate financial, managerial, and technical capacity to receive the loan shall be funded before any lower ranked projects. Projects on the priority list may be bypassed if they have not demonstrated readiness to proceed by submitting a loan application. “Readiness to Proceed” is defined by EPA as the applicant being prepared to begin construction and is immediately ready, or poised to be ready, to enter into assistance agreements. The next highest priority project that has submitted an application will be funded. The state shall exert reasonable effort to assure that the higher priority projects on the priority list are funded.

Interest rates are reviewed periodically in comparison to established bond rating indexes to assure rates are at or below market rates as required. The SRF rates are then set to be competitive with other funding agencies.

The current interest rates for FFY 2022 are summarized in Table 1. Information regarding disadvantaged eligibility and subsidy level criteria can be found in the disadvantaged community subsidies section. The interest rates were adjusted in March 2022.

ADMINISTRATIVE SURCHARGE FEES

The interest rate includes an administrative surcharge as identified in Table 1. The primary purpose of the surcharge is to provide a pool of funds to be used for administrative

Table 1 – Drinking Water SRF Interest Rates

| | Up to 5 Yrs | Up to 10 Yrs | Up to 20 Yrs | Up to 30 Yrs* |
|--|----------------|-----------------|-----------------|------------------|
| <u>Interim Rate</u> | | | | |
| Interest Rate | 2.00% | | | |
| Admin. Surcharge | 0.00% | | | |
| Total | 2.00% | | | |
| <u>Base Rate</u> | | | | |
| Interest Rate | | 1.625% | 1.75% | 1.875% |
| Admin. Surcharge | | 0.25% | 0.25% | 0.25% |
| Total | | 1.875% | 2.00% | 2.125% |
| <u>Disadvantaged Rate – 80% to 100% of MHI</u> | | | | |
| Interest Rate | | | | 1.625% |
| Admin. Surcharge | | | | 0.25% |
| Total | | | | 1.875% |
| <u>Disadvantaged Rate – 60% to 80% of MHI</u> | | | | |
| Interest Rate | | 1.00% | | 1.375% |
| Admin. Surcharge | | 0.00% | | 0.25% |
| Total | | 1.00% | | 1.625% |
| <u>Disadvantaged Rate – Less than 60% of MHI</u> | | | | |
| Interest Rate | | | | 0.00% |
| Admin. Surcharge | | | | 0.00% |
| Total | | | | 0.00% |

* Term cannot exceed useful life of the project

purposes after the state ceases to receive capitalization grants. The administrative surcharge is also available for other purposes, as determined eligible by EPA and at the

discretion of the Board of Water and Natural Resources and the department.

As of September 30, 2021, more than \$6.51 million of administrative surcharge funds are available.

Beginning in FFY 2005, administrative surcharge funds were provided to the planning districts to defray expenses resulting from SRF application preparation and project administration. Reimbursement is \$10,500 per approved loan with payments made in \$3,500 increments as certain milestones are met.

The American Recovery and Reinvestment Act (ARRA) of 2009 and subsequent capitalization grants have mandated implementation of Davis-Bacon prevailing wage rules. Under joint powers agreements between the planning districts and the department, the planning districts are to be reimbursed \$1,600 per project to oversee compliance with the Davis-Bacon wage rate verification and certification.

Administrative surcharge funds will again be provided to the planning districts to defray the cost of SRF application preparation and project administration, which includes Davis-Bacon wage rate verification and certification. The FFY 2022 allocation for these activities will be \$525,000.

In FFY 2022, \$75,000 of administrative surcharge funds will be allocated for operator certification training.

In FFY 2019, \$200,000 of administrative surcharge funds were allocated to provide grants to assist very small systems in violation of the Safe Drinking Water Act. These funds are limited to community systems with 50 or less connections and not-for-profit, non-transient non-community water systems. Funds will be provided for infrastructure projects as 100 percent grants up to a maximum of \$50,000 and for total project costs less than \$100,000. No additional funds will be allocated for these activities in federal fiscal year 2022.

SMALL SYSTEM FUNDING

A requirement of the program is that a minimum of 15 percent of all dollars credited to the fund be used to provide loan assistance to small systems that serve fewer than 10,000 persons. Since the inception of the program, loans totaling nearly \$296.8 million have been made to systems meeting this population threshold, or 49.9 percent of the \$594.4 million of total funds available for loan. Attachment II – List of Projects to be funded

in FFY 2022 identifies more than \$902.2 million in projects, of which more than \$265.7 million is for systems serving less than 10,000; therefore, the state expects to continue to exceed the 15 percent threshold.

Water systems must demonstrate the technical, managerial, and financial capability to operate a water utility before it can receive a loan.

The distribution methods and criteria are designed to provide affordable assistance to the borrower with maximum flexibility while providing for the long-term viability of the fund.

AMOUNT OF FUNDS TRANSFERRED BETWEEN THE DRINKING WATER SRF AND THE CLEAN WATER SRF

The Safe Drinking Water Act Amendments of 1996 and subsequent Congressional action allows states to transfer an amount equal to 33 percent of its Drinking Water SRF capitalization grant to the Clean Water SRF or an equivalent amount from the Clean Water SRF to the Drinking Water SRF. States can also transfer state match, investment earnings, or principal and interest repayments between SRF programs and may transfer a previous year's allocation at any time.

South Dakota transferred \$15,574,320 from the Clean Water SRF to the Drinking Water SRF program in past years. In FFY 2006 and 2011, \$7.5 million of leveraged bond proceeds and \$10 million of repayments, respectively were transferred from the Drinking Water SRF program to the Clean Water SRF program. With the expected FFY 2022 capitalization grant, the ability exists to transfer more than \$61.6 million from the Clean Water SRF program to the Drinking Water SRF program. More than \$59.6 million could be transferred from the Drinking Water SRF Program to the Clean Water SRF program. Table 2 (pages 10 and

11) itemizes the amount of funds transferred between the programs and the amount of funds available to be transferred.

No base program transfers are expected in FFY 2022.

FINANCIAL STATUS

Loan funds are derived from various sources and include federal capitalization grants, state match, leveraged bonds, borrowers' principal repayments, and interest earnings.

Capitalization Grants/State Match: Federal capitalization grants are provided to the state annually. These funds must be matched by the state at a ratio of 5 to 1. The anticipated FFY 2022 capitalization grant is expected to be \$7,008,000 which requires 1,401,600 in state match. Leveraged bonds will be used to match FFY 2022 capitalization grant funds.

For purposes of meeting FFY 2022 proportionality requirements, the South Dakota Drinking Water SRF program will document the expenditure of repayments and bond proceeds in an amount equivalent to the entire required state match.

Leveraged Bonds: The South Dakota Conservancy District has the ability to issue additional bonds above that required for state match, known as leveraged bonds. To date, \$123.7 million in leveraged bonds have been issued for the Drinking Water SRF program. It is anticipated that up to \$200 million of additional leveraged bonds will be required in FFY 2022.

Borrowers' Principal Repayments: The principal repaid by the loan borrowers is used to make semi-annual leveraged bond payments. Any excess principal is available for loans. It is estimated that \$12.0 million in principal repayments will become available for loans in FFY 2022.

Interest Earnings: The interest repaid by the loan borrowers, as well as interest earned on investments, is dedicated to make semi-annual state match bond payments. Any excess interest is available for loans. It is estimated that \$4.0 million in interest earnings will become available for loans in FFY 2022.

As of September 30, 2021, 371 loans totaling \$582,911,595 have been made.

At the beginning of FFY 2022, \$17,002,467 is available to loan. With the expected FFY 2022 capitalization grant, state match, leveraged bonds, excess interest earnings, and repayments, nearly \$223,424,017 million will be available to loan. This information is provided in Attachment III, Drinking Water SRF Funding Status.

Funds will be allocated to the set-aside activities in the amounts indicated below. All remaining funds will be used to fund projects on the project priority list. A more detailed description of the activities can be found in the section pertaining to set-asides and the attachments.

| | |
|-----------------------------|------------|
| Administration | \$0 |
| Technical Assistance | \$0 |
| Local Assistance | \$0 |
| <hr/> | |
| Total for set-asides | \$0 |

With the adoption of the amended and restated Master Indenture in 2004, the Clean Water and Drinking Water SRF programs are cross-collateralized. This allows the board to pledge excess revenues on deposit in the Drinking Water SRF program to act as additional security for bonds secured by excess revenues on deposit in the Clean Water SRF program, and vice versa.

The Safe Drinking Water Act included three provisions that call for a withholding of Drinking Water SRF grant funds where states fail to implement three necessary

programmatic requirements. These provisions were assuring the technical, financial and managerial capacity of new water systems, developing a strategy to address the capacity of existing systems, and developing an operator certification program that complies with EPA guidelines. The State of South Dakota continues to meet the requirements of these provisions and will not be subject to withholding of funds.

Additional Subsidy – Principal Forgiveness

The 2010 and 2011 Drinking Water SRF appropriations mandated that not less than 30 percent of the funds made available for Drinking Water SRF capitalization grants shall be used by the state to provide additional subsidy to eligible recipients. The 2012 through 2015 capitalization grants mandated additional subsidy be provided in an amount not less than 20 percent, but not more than 30 percent, of the capitalization grants. The 2016 through 2019 capitalization grant mandated additional subsidy of exactly 20 percent of the total grant be provided to recipients. The FFY 2020 and 2021 capitalization grants included the ability to award principal forgiveness for any borrower of exactly 14 percent of the total grant award. Additional subsidy may be in the form of forgiveness of principal, negative interest loans, or grants (or any combination of these).

Additional subsidy will be provided in the form of principal forgiveness. Municipalities and sanitary districts must have a minimum rate of \$30 per month based on 5,000 gallons usage or to qualify for principal forgiveness. Other applicants must have a minimum rate of \$55 per month based on 7,000 gallons usage to qualify for principal forgiveness.

When determining the amount of principal forgiveness, the Board of Water and Natural Resources may consider the following decision-making factors, which are set forth in alphabetical order:

- (1) Annual utility operating budgets;
- (2) Available local cash and in-kind contributions;
- (3) Available program funds;
- (4) Compliance with permits and regulations;
- (5) Debt service capability;
- (6) Economic impact;
- (7) Other funding sources;
- (8) Readiness to proceed;
- (9) Regionalization or consolidation of facilities;
- (10) Technical feasibility;
- (11) Utility rates; and
- (12) Water quality benefits.

Table 3 on pages 12 and 13 summarizes the amounts of principal forgiveness provided to date.

The FFY 2022 capitalization grant included the ability to award principal forgiveness for any borrower equal to 14 percent of the total grant award.

Additional principal forgiveness can also be provided to disadvantaged communities. Further discussion can be found in the Disadvantaged Community Subsidy section beginning on page 9.

Attachment II – List of Projects to be Funded in FFY 2022 identifies \$981,120 in principal forgiveness for communities not eligible for the additional disadvantaged community principal forgiveness.

DESCRIPTION AND AMOUNT OF NON-PROJECT ACTIVITIES (SET-ASIDES)

The Safe Drinking Water Act authorizes states to provide funding for certain non-project activities provided that the amount of that funding does not exceed certain ceilings. Unused funds in the non-Drinking Water SRF will be banked for future use, where allowable, or transferred to the project loan account at the discretion of the state and with

concurrence from the EPA Regional Administrator.

The following sections identify what portions of the capitalization grant will be used for non-Drinking Water SRF activities and describe how the funds will be used.

Administration.

The Water Infrastructure Improvements for the Nation (WIIN) Act of 2017 provides three options to states to calculate the administrative set-aside available from each year's capitalization grant. States may use the greatest of 1) \$400,000 per year, 2) 1/5 of a percent of the current valuation of the Drinking Water SRF fund based on the most recent previous year's audited financial statements, or 3) an amount equal to four percent of the annual capitalization grant. The Bipartisan Infrastructure Law (BIL) also provides these same options for determining the administrative set-aside.

Four percent of the FFY 2022 base capitalization grant is \$280,320, four percent of the FFY 2022 BIL Supplemental capitalization grant is \$719,680, and 1/5 of a percent of the current fund valuation of \$215,612,910 results in \$431,225 available for administrative fees. **As a result, no administrative set-aside will be allocated from the base capitalization grant.**

Specific activities to be funded are: staff salary, benefits, travel, and overhead; retaining of bond counsel, bond underwriter, financial advisor, and trustee; and other costs to administer the program.

Unused administrative funds will be banked to assure a source of funds not dependent on state general funds.

Small system technical assistance. is **\$140,160; whereas, two percent of the BIL Supplemental capitalization grant is \$359,840.s As a result, no small system technical assistance set-aside will be**

allocated from the base capitalization grant.

The objective of this set-aside is to bring non-complying systems into compliance and improve operations of water systems.

In fiscal year 1997, the board contracted with the South Dakota Association of Rural Water Systems to help communities evaluate the technical, managerial, and financial capability of its water utilities. These contracts have been renewed periodically to allow the continuation of assistance activities. The Rural Water Association provides such on-site assistance as leak detection, consumer confidence reports, water audits, board oversight and review, treatment plant operations, operator certification, and rate analysis.

To promote proactive planning within small communities, the Small Community Planning Grant program was initiated in fiscal year 2001. Communities are reimbursed 80 percent of the cost of an engineering study, with the maximum grant amount for any study being \$8,000.

No funds from the base capitalization grant are proposed to be utilized to continue these activities, the BIL supplemental funding set-aside will be utilized for these activities in 2022. Unused funds from previous years' set-aside for small system technical assistance are banked for use in future years. As of September 30, 2022, \$198,038 remains from previous years' allocations to be used for the purposes described above.

State program management. **No funds will be allocated from the State Program Management set-aside for the administration of the state's Public Water System Supervision (PWSS) program in FFY 2022.**

The state may use up to 10 percent of its allotment to (1) administer the state PWSS

program; (2) administer or provide technical assistance through water protection programs, including the Class V portion of the Underground Injection Control program; (3) develop and implement a capacity development strategy; and (4) develop and implement an operator certification program. The WIIN Act of 2017 removed the requirements for an additional dollar-for-dollar match of capitalization funds for these activities.

Previous year capitalization grant allocations will provide sufficient funding for South Dakota's PWSS program to complete all tasks and activities identified in the workplan. No additional funds will be set-aside for these activities in FFY 2022.

Local assistance and other state programs.

Set-aside funds from the BIL Supplemental capitalization grant will be used for the capacity development activities described below.

The state can fund other activities to assist development and implementation of local drinking water protection activities. Up to 15 percent of the capitalization grant may be used for the activities specified below, but not more than 10 percent can be used for any one activity. The allowable activities for this set-aside are: (1) assistance to a public water system to acquire land or a conservation easement for source water protection; (2) assistance to a community water system to implement voluntary, incentive-based source water quality protection measures; (3) to provide funding to delineate and assess source water protection areas; (4) to support the establishment and implementation of a wellhead protection program; and (5) to provide funding to a community water system to implement a project under the capacity development strategy.

Since 2008, Midwest Assistance Program (MAP) has been assisting communities that received an SRF loan and recommendations

were made in the capacity assessment to improve the technical, financial, or managerial capacity of the system. In addition, the MAP has assisted in the review of capacity assessments required as part of the Drinking Water SRF loan applications.

There remains \$75,000 from prior years' allocations. In FFY 2018, DENR issued a request for proposals to select the most qualified assistance provider firm for contracting of these services. A three-year contract was signed with Midwest Assistance Program to continue their efforts with borrowers to improve the technical, financial, or managerial capacity of the system. In 2021 a three-year extension was executed to extend these services through December 2024.

**DISADVANTAGED COMMUNITY
SUBSIDIES**

Communities that meet the disadvantaged eligibility criteria described below may receive additional subsidies. This includes communities that will meet the disadvantaged criteria as a result of the project.

Definition. To be eligible for loan subsidies a community must meet the following criteria:

- (2) for municipalities and sanitary districts:
 - (a) the median household income is below the state-wide median household income; and
 - (b) the monthly residential water bill is \$30 or more for 5,000 gallons usage; or
- (2) for other community water systems:
 - (a) the median household income is below the state-wide median household income; and

- (b) the monthly water bill for rural households is \$55 or more for 7,000 gallons usage.

The source of median household income statistics will be the American Community Survey or other statistically valid income data supplied by the applicant and acceptable to the board.

Affordability criteria used to determine subsidy amount. Loans given to disadvantaged communities may have a term up to 30 years or the expected life of the project, whichever is less. Disadvantaged communities below the statewide median household income, but at or greater than 80 percent, are eligible to extend the term of the loan up to 30 years. Disadvantaged communities below 80 percent of the statewide median household income, but at or greater than 60 percent may receive up to a one percentage point reduction in interest rates. Disadvantaged communities with a median household income less than 60 percent of the statewide median household income may receive a zero percent loan. See Table 1 for the disadvantaged interest rates for FFY 2022.

Amount of capitalization grant to be made available for providing additional subsidies to disadvantaged communities. Disadvantaged communities are eligible for additional subsidy in the form of principal forgiveness. South Dakota utilized the option to provide additional subsidy in the form of principal forgiveness to disadvantaged communities in federal fiscal years 2016 through 2018, in an amount equal to 30 percent of the annual capitalization grant.

The American Water Infrastructure Act (AWIA) of 2018 added new requirements to provide additional subsidy to disadvantaged communities. The FFY 2019 through 2021 capitalization grants mandated states must provide a minimum of 6 percent and may provide up to 35 percent of the capitalization

grant amount as additional subsidy to disadvantaged communities.

The 2021 BIL amendments increased the minimum to 12 percent and maximum of 35 percent of the capitalization grant amount must be provided as additional subsidy to disadvantaged communities.

Table 3 on page 11 summarizes the amounts of disadvantaged principal forgiveness provided to date.

Attachment II – List of Projects to be Funded in FFY 2022 identifies \$11,776,747 in principal forgiveness.

Identification of systems to receive subsidies and the amount. Systems that are eligible to receive disadvantaged community rates and terms are identified in Attachment I and Attachment II.

Table 2 – Amounts Available to Transfer between State Revolving Fund Programs

| Year | DWSRF Capitalization Grant | Amount Available for Transfer | Banked Transfer Ceiling | Base Program Transfers | | Transfer Description | CWSRF Funds Available to Transfer | DWSRF Funds Available to Transfer |
|------|----------------------------------|--|-------------------------------|--|--|-------------------------|--|--|
| | | | | Amount Transferred from CWSRF to DWSRF | Amount Transferred from DWSRF to CWSRF | | | |
| 1997 | | | | | | | | |
| - | \$42,690,000 | \$14,087,700 | \$14,087,700 | | | | \$14,087,700 | \$14,087,700 |
| 2001 | | | | | | | | |
| 2002 | \$8,052,500 | \$2,657,325 | \$16,745,025 | \$7,812,960 | | CW Cap Grant/Match | \$8,932,065 | \$16,745,025 |
| 2003 | \$8,004,100 | \$2,641,353 | \$19,386,378 | \$7,761,360 | | CW Cap Grant/Match | \$3,812,058 | \$19,386,378 |
| 2004 | \$8,303,100 | \$2,740,023 | \$22,126,401 | | | | \$6,552,081 | \$22,126,401 |
| 2005 | \$8,285,500 | \$2,734,215 | \$24,860,616 | | | | \$9,286,296 | \$24,860,616 |
| 2006 | \$8,229,300 | \$2,715,669 | \$27,576,285 | | \$7,500,000 | Leveraged Bonds | \$12,001,965 | \$20,076,285 |
| 2007 | \$8,229,000 | \$2,715,570 | \$30,291,855 | | | | \$14,717,535 | \$22,791,855 |
| 2008 | \$8,146,000 | \$2,688,180 | \$32,980,035 | | | | \$17,405,715 | \$25,480,035 |
| 2009 | \$8,146,000 | \$2,688,180 | \$35,668,215 | | | | \$20,093,895 | \$28,168,215 |
| 2010 | \$13,573,000 | \$4,479,090 | \$40,147,305 | | | | \$24,572,985 | \$32,647,305 |
| 2011 | \$9,418,000 | \$3,107,940 | \$43,255,245 | | \$10,000,000 | Repayments | \$27,680,925 | \$25,755,245 |
| 2012 | \$8,975,000 | \$2,961,750 | \$46,216,995 | | | | \$30,642,675 | \$28,716,995 |
| 2013 | \$8,421,000 | \$2,788,930 | \$48,995,925 | | | | \$33,421,605 | \$31,495,925 |
| 2014 | \$8,845,000 | \$2,918,850 | \$51,914,775 | | | | \$36,340,455 | \$34,414,775 |
| 2015 | \$8,787,000 | \$2,899,710 | \$54,814,485 | | | | \$39,240,165 | \$37,314,485 |
| 2016 | \$8,312,000 | \$2,742,960 | \$57,557,445 | | | | \$41,983,125 | \$40,057,445 |
| 2017 | \$8,241,000 | \$2,719,530 | \$60,276,975 | | | | \$44,702,655 | \$42,776,975 |
| 2018 | \$11,107,000 | \$3,665,310 | \$63,942,285 | | | | \$48,367,965 | \$46,442,285 |
| 2019 | \$11,103,000 | \$3,663,990 | \$67,606,275 | | | | \$52,031,955 | \$50,106,275 |
| 2020 | \$11,011,000 | \$3,633,630 | \$71,207,235 | | | | \$55,632,915 | \$53,707,235 |
| 2021 | \$11,001,000 | \$3,630,330 | \$74,870,235 | | | | \$59,295,915 | \$57,370,235 |
| 2022 | \$7,008,000 | \$2,312,640 | \$77,182,875 | | | | \$61,608,555 | \$59,682,875 |

BIL General Supplemental Transfers

| Year | DWSRF Capitalization Grant | Amount Available for Transfer | Banked Transfer Ceiling | Amount Transferred from CWSRF to DWSRF | Amount Transferred from DWSRF to CWSRF | Transfer Description | CWSRF Funds Available to Transfer | DWSRF Funds Available to Transfer |
|-------------|---|--|--|---|---|---------------------------------|--|--|
| 2022 | \$17,992,000 | \$5,937,360 | \$5,937,360 | | | | \$5,937,360 | \$5,937,360 |

BIL Emerging Contaminants Transfers

| Year | DWSRF Capitalization Grant | Amount Available for Transfer | Banked Transfer Ceiling | Amount Transferred from CWSRF to DWSRF | Amount Transferred from DWSRF to CWSRF | Transfer Description | CWSRF Funds Available to Transfer | DWSRF Funds Available to Transfer |
|-------------|---|--|--|---|---|---------------------------------|--|--|
| 2022 | \$7,555,000 | \$2,493,150 | \$2,493,150 | \$459,000 | | CWSRF EC Grant | \$2,034,150 | \$2,493,150 |

Table 3 – Principal Forgiveness Allowed and Awarded

| | Principal Forgiveness for all Borrowers | | | Disadvantaged-only Principal Forgiveness* | | |
|---------------|--|---------------------|----------------------------------|--|---------------------|----------------------------------|
| Year | Minimum | Maximum | Awarded from FY Grant | Minimum | Maximum | Awarded from FY Grant |
| 2010 | \$4,071,900 | \$13,573,000 | \$13,573,000 | | | |
| 2011 | \$2,825,400 | \$9,418,000 | \$9,418,000 | | | |
| 2012 | \$1,795,000 | \$2,692,500 | \$2,692,500 | | | |
| 2013 | \$1,684,200 | \$2,526,300 | \$2,526,300 | | | |
| 2014 | \$1,769,000 | \$2,653,500 | \$2,653,500 | | | |
| 2015 | \$1,757,400 | \$2,636,100 | \$2,636,100 | | | |
| 2016 | \$1,662,400 | \$1,662,400 | \$1,662,400 | \$0 | \$2,493,600 | \$2,493,600 |
| 2017 | \$1,648,200 | \$1,648,200 | \$1,648,200 | \$0 | \$2,472,300 | \$2,472,300 |
| 2018 | \$2,221,400 | \$2,221,400 | \$2,221,400 | \$0 | \$3,332,100 | \$3,332,100 |
| 2019 | \$2,220,600 | \$2,220,600 | \$2,220,600 | \$666,180 | \$3,886,050 | \$3,886,050 |
| 2020 | \$1,541,540 | \$1,541,540 | \$1,541,540 | \$660,660 | \$3,853,850 | \$3,853,850 |
| 2021 | \$1,541,540 | \$1,541,540 | \$1,477,358 | \$660,660 | \$3,853,850 | \$3,407,629 |
| 2022 | \$981,120 | \$981,120 | \$0 | \$840,960 | \$2,452,800 | \$0 |
| Totals | \$25,718,300 | \$45,314,800 | \$44,270,898 | \$2,827,860 | \$23,341,050 | \$19,445,529 |

| | BIL General Supplemental Principal Forgiveness* | | BIL Lead Service Line Replacement Principal Forgiveness* | | BIL Emerging Contaminants Principal Forgiveness** | |
|-------------|--|----------------------------------|---|----------------------------------|--|----------------------------------|
| Year | Required Amount | Awarded from FY Grant | Required Amount | Awarded from FY Grant | Required Amount | Awarded from FY Grant |
| 2022 | \$8,816,080 | \$0 | \$13,891,500 | \$0 | \$8,014,000*** | \$0 |

* Principal Forgiveness will only be provided to eligible entities that meet the Disadvantaged Community definition in ARSD 74:05:11(11) and described on page 9 of the IUP.

** At least 25% of these funds must be provided to entities that qualify as a Disadvantaged Community or systems with service populations less than 25,000.

*** Combined total of DWSRF Emerging Contaminant allocation and CWSRF Emerging Contaminant allocation which was transferred to the DWSRF for eligible emerging contaminants projects.

ATTACHMENT I

PROJECT PRIORITY LIST

Attachment I is a comprehensive list of projects that are eligible for Drinking Water SRF loans. This list was developed from State Water Plan applications. Inclusion on the list carries no obligations to the Drinking Water SRF program. Attachment II lists those projects expected to be funded in FFY 2022.

| Priority Points | Community/ Public Water System | Project Number | Project Description | Est. Loan Amount | Expected Loan Rate & Term | Pop. Served | Dis-advan-taged |
|-----------------|--|----------------|---|------------------|---------------------------|-------------|--------------------------------|
| 208 | South Dakota Ellsworth Development Authority | C462467-01 | Problem: an existing housing development located near Ellsworth Air Force Base has been determined to have PFAS contamination. The potential exists for other wells in the surrounding region including the city of Box Elder to experience PFAS contamination as the chemical continues to migrate in the groundwater. An upsized well and transmission line would allow the system to provide additional water to Box Elder and the surrounding area to meet current and future water capacity needs and alleviate the PFAS contamination concern. Project: installation of a new well and approximately 15 miles of 4- to 16-inch transmission and distribution main, two water storage tanks totaling 700,000-gallons, and related appurtenances. | \$12,191,552 | 1.625%, 30 years | 15,000 | Yes |
| 143 | Hermosa | C462278-03 | Problem: one of the city's supply wells was found to have radiologic contaminants and iron scale, and the other supply well is inadequate to supply daily demand. Project: The city will either construct a new well and transmission main to connect to the distribution system or connect to a nearby rural water system to purchase bulk water for use in its distribution system. | \$6,436,028 | 1.625%, 30 years | 398 | Yes (Pending rate increase) |

| Priority Points | Community/ Public Water System | Project Number | Project Description | Est. Loan Amount | Expected Loan Rate & Term | Pop. Served | Dis-advan- taged |
|------------------------|---|-----------------------|---|-------------------------|--------------------------------------|--------------------|-----------------------------|
| 125 | Tripp | C462238-02 | Problem: the existing storage does not equalize properly resulting in poor turnover of water, the existing wells do not have capacity to meet peak day demands with any one well out of service, the existing wells have high concentrations of chloride, sulfate, and total dissolved solids impacting water quality, and existing unused wells have not been properly abandoned. Project: install 7,750 feet of watermain to connect to the B-Y Water District for bulk service, raise one water storage tank to match overflow elevations and install a mixer to improve quality, and properly abandon unused wells. | \$1,700,000 | 0%, 30 years | 647 | Yes |
| 122 | Buffalo Gap | C462317-01 | Problem: the existing water distribution system is old and experiencing excessive breaks and high-water loss. Project: replace 12,500 feet of water main with PVC pipe allowing the community to become a bulk user of Fall River Water Users District. | \$3,176,000 | 0.00%, 30 years | 126 | Yes |
| 122 | TM Rural Water District | C462429-03 | Problem: the existing wells are beyond their useful life and are not able to provide sufficient source water, current storage volume does not meet peak demands, and several areas within the distribution system are unable to meet demands which causes insufficient pressures. Project: install new wells, construct a new 500,000-gallon storage reservoir, construct a new booster station to supply needed pressures, and install 25.5 miles of parallel and looping pipe to increase pressure and capacity throughout the system. | \$11,571,000 | 1.625%, 30 years | 6,462 | Yes |

| Priority Points | Community/ Public Water System | Project Number | Project Description | Est. Loan Amount | Expected Loan Rate & Term | Pop. Served | Dis-advan-taged |
|------------------------|---|-----------------------|--|-------------------------|--------------------------------------|--------------------|------------------------|
| 122 | Tripp County Water User District | C462434-05 | Problem: the existing wells are not able to provide sufficient source water, current storage volume does not meet peak demands, existing tanks suffer from reduced water quality during low flow periods, and several areas within the distribution system are unable to meet demands causing insufficient pressures. Project: install new wells to provide needed source water capacity, construct five new storage reservoirs totaling 760,000gallons of additional storage volume throughout the distribution system to increase capacity and pressure, construct a new booster station to supply needed pressures, install 12 tank mixers to improve quality, and install 62.1 miles of parallel and looping pipe to increase pressure and capacity throughout the system. | \$14,400,000 | 0.00%, 30 years | 8,350 | Yes |
| 120 | Springfield | C462071-02 | Problem: several locations within the distribution system are cast iron or asbestos cement watermain that is beyond its useful life, the system includes several dead-end mainlines, portions of the system have pipe that is undersized and causes reduced pressures, and the existing water meters are beyond their useful life. Project: install 64,470 feet of new PVC watermain to replace the existing pipe, loop the system, and remove undersized mains. The project will also replace 380 water meters with remote read meters. | \$12,702,570 | 1.625%, 30 years | 1,989 | Yes |

| Priority Points | Community/ Public Water System | Project Number | Project Description | Est. Loan Amount | Expected Loan Rate & Term | Pop. Served | Dis-advan- taged |
|-----------------|-----------------------------------|----------------|--|------------------|---------------------------|-------------|--------------------------------|
| 115 | BDM Rural Water System, Inc. | C462444-02 | Problem: the existing water treatment plant is no longer able to meet current demand and various process equipment is in need of replacement, the existing wells are not able to provide sufficient source water, current storage volume does not meet peak demands, several areas withing the distribution system are unable to meet demands causing insufficient pressures, and nearly 15 percent of water meters are in need of replacement. Project: construct a new 1.5 MGD treatment plant and make improvements to the existing treatment plant equipment, install five new wells to provide needed source water capacity, construct a 450,000-gallon reservoir, install 17.5 miles of parallel and looping pipe to increase pressure and redundancy, and replace 390 water meters. | \$11,536,860 | 1.875%, 30 years | 5,673 | Yes |
| 114 | Bear Butte Valley Water, Inc. | C462486-02 | Problem: existing homes along Elk Creek Road, eastern Tilford Road, and Elk Vale Road are on private or small community systems with poor water quality and desire to be connected to the larger system. Project: installation of 27 miles of distribution mains to provide service to residents in this area of the system. | \$8,947,000 | 2.125%, 30 years | 680 | |
| 113 | South Shore | C462294-01 | Problem: the system is served by only one well, the distribution system is glued joint PVC which is beyond its useful life and is undersized leading to poor system pressure, and there is no water storage tank within the system. Project: install a second well to provide a redundant source, install 18,800 feet of PVC watermain to replace the old pipe and increase pressures, and construct a new 50,000-gallon ground storage tank and booster station to supply needed storage and pressure. | \$6,090,920 | 1.875%, 30 years | 225 | Yes (Pending rate increase) |

| Priority Points | Community/ Public Water System | Project Number | Project Description | Est. Loan Amount | Expected Loan Rate & Term | Pop. Served | Dis-advantaged |
|-----------------|--|----------------|---|------------------|---------------------------|-------------|----------------|
| 112 | Westberry Trails Water Users Association | C462503-01 | Problem: the existing distribution system is undersized and beyond its useful life, users are not currently metered for water usage, the system lacks sufficient storage for average day demand, and the system has only one well which provides no redundancy for water source. Project: replace approximately 11,750 feet of water main with PVC pipe, install water meter pits, and construct a 50,000-gallon storage standpipe, drill a new well to provide additional source water, and install chemical feed for treatment. | \$3,380,418 | 2.125%, 30 yrs | 152 | |
| 111 | Hot Springs | C462040-02 | Problem: the city's raw water pumping system does not have capacity to provide adequate water in the event one of the two pumping stations is out of commission, the storage capacity is less than the peak day demand, and the system does not have adequate well supply. Project: install a new well and pump house, construct a new 1.5-million-gallon water tower, and develop a new Madison well. | \$4,250,000 | 0%, 30 years | 3,711 | Yes |
| 110 | Wagner | C462209-04 | Problem: several locations of the distribution system are cast iron or asbestos cement watermain that is beyond its useful life, the system includes several dead-end lines, and portions of the system have pipe that is undersized and causes reduced pressures. Project: install 31,000 feet of new PVC watermain to replace the existing pipe, loop the system, and replace undersized mains. | \$9,400,000 | 1.625%, 30 years | 1,566 | Yes |

| Priority Points | Community/ Public Water System | Project Number | Project Description | Est. Loan Amount | Expected Loan Rate & Term | Pop. Served | Dis-advan-taged |
|------------------------|---|-----------------------|--|-------------------------|--------------------------------------|--------------------|------------------------|
| 106 | Grant-Roberts Rural Water System | C462475-02 | Problem: areas of the existing distribution system are undersized to provide needed pressure and capacity to current and proposed users. Residents and communities adjacent to the current service area boundaries have expressed a desire to be served by the system to replace water sources that have issues with quality and capacity. Project: install 30 miles of transmission line to increase pressures and capacity in areas of the system not able to adequately convey water to users. Serving users outside of the existing system boundaries would require installing 225 miles of transmission lines, constructing elevated storage tank, installing additional wells and making upgrades to the water treatment facility to provide the needed capacity for the region. | \$62,138,000 | 2.125%, 30 years | 4,857 | Yes |
| 104 | Bear Butte Valley Water, Inc. | C462486-03 | Problem: the system is currently served only by one well leaving it without a redundant source of supply and households within the district's planned Tilford Road service area use private wells or haul water and wish to connect to Bear Butte Valley Water. Project: install a new well to provide redundant water supply for the system, construct related pumping and treatment systems and install 11 miles of distribution main to connect existing homes and loop the system. | \$4,998,000 | 2.125%, 30 years | 680 | |
| 104 | McLaughlin | C462233-03 | Problem: several locations of the distribution system are cast iron or asbestos cement watermain that is beyond its useful life, the system includes several dead-end lines, portions of the system have pipe that is undersized and causes reduced pressures, and the existing water meters are beyond their useful life. Project: install 6,730 feet of new PVC watermain to replace the existing pipe, loop the system, and replace undersized mains, and replace water meters. | \$1,356,000 | 0%, 30 years | 663 | Yes |

| Priority Points | Community/ Public Water System | Project Number | Project Description | Est. Loan Amount | Expected Loan Rate & Term | Pop. Served | Dis-advan- taged |
|-----------------|-----------------------------------|----------------|---|------------------|---------------------------|-------------|---------------------|
| 102 | Deer Mountain Sanitary District | C462485-02 | <p><i>Problem:</i> The users in the system are currently served by an existing privately owned PWS, which <u>that</u> is not properly maintaining the water system. The existing surface water treatment facility is in need of repairs and has had issues with mechanical failures leading to water outages and loss of pressure within the system. The system has also had total coliform limit exceedances and keeps a higher than standard chlorine residual in the system to help limit this issue, which is a sign of inadequate treatment levels. Storage tanks within the system are known to have leaks and are not properly located to provide sufficient pressure to all users. The existing distribution system is over 40 years old and the pipe has had numerous leaks and breaks resulting in large amounts of water loss. The existing user connections are unmetered and do not include backflow prevention devices so any loss in pressure within the system could result in cross contamination of the supply. These issues present a serious health and safety risk to the users and must be corrected, to assure public health.</p> <p><i>Project:</i> The district will construct an entirely new publicly owned water system, which can be operated and maintained properly. The existing private system would be disconnected from user connections and abandoned in place. The new water system will include construction of a surface water treatment facility, a 110,000-gallon storage tank located to supply needed pressure and storage, new water meters for each connection with backflow prevention devices, new PVC distribution system pipe, and a new booster station</p> | \$3,047,350 | 2.125%, 30 years | 62 | |

| Priority Points | Community/ Public Water System | Project Number | Project Description | Est. Loan Amount | Expected Loan Rate & Term | Pop. Served | Dis-advan- taged |
|------------------------|---|-----------------------|--|-------------------------|--------------------------------------|--------------------|-----------------------------|
| 101 | Hanson Rural Water System | C462458-02 | Problem: areas of the existing distribution system are undersized to provide needed pressure and capacity to current and proposed users and current meters are beyond their useful life. Project: install 38.5 miles of transmission line to increase pressures and capacity in areas of the system not able to adequately convey water to users and install new meters with remote read technology. | \$3,600,000 | 1.625%, 30 years | 3,431 | Yes |
| 100 | Shared Resources, Inc. | C462498-01 | Problem: the Big Sioux CWS and Minnehaha Community Water Corp. are adjacent water systems that both lack adequate water sources and treatment capacity to meet the demands of current users or existing residents in the service area that have requested connection. Project: construct a new jointly owned 8 MGD water treatment plant and well field to provide increased capacity for both systems to serve current and future users, install 2.5 miles of raw water transmission line and 12 miles of treated water transmission line, and construct two elevated storage towers to meet system storage needs and provide pressure. | \$102,884,000 | 2.125%, 30 years | 35,227 | |

| Priority Points | Community/ Public Water System | Project Number | Project Description | Est. Loan Amount | Expected Loan Rate & Term | Pop. Served | Dis-advan-taged |
|------------------------|---|-----------------------|---|-------------------------|--------------------------------------|--------------------|------------------------|
| 100 | WEB Water Development Association | C462426-04 | Problem: the existing water treatment is no longer able to provide needed capacity for current use and various process equipment needs replacement, the existing raw water intake is not able to provide sufficient raw water, current storage volume does not meet peak demands, and several areas within the distribution system are unable to supply demands leading to insufficient pressures. Project: construct a new 9.0 MGD treatment plant and make improvements to the existing treatment plant equipment, install a new joint raw water intake with the city of Aberdeen to provide needed source water capacity, construct two additional storage reservoirs totaling 8.0-million gallons, and install 51.2 miles of transmission main to increase pressure and redundancy. | \$214,993,415 | 1.875%, 30 years | 35,000 | Yes |
| 100 | Webster | C462054-04 | Problem: several locations of the distribution system are cast iron watermain that is beyond its useful life, the system includes several dead-end mainlines, and portions of the system have pipe that is undersized and causes reduced pressures. Project: install 16,000 feet of new PVC watermain to replace the existing pipe, loop the system, and replace undersized mains. | \$4,433,000 | 1.625%, 30 years | 1,866 | Yes |
| 99 | Newell | C462109-03 | Problem: several locations of the distribution system are transite watermain that is beyond its useful life, the system includes several dead-end lines, portions of the system have pipe that is undersized and causes reduced pressures, and an area of the community is not served by the system. Project: install 6,050 feet of new PVC watermain to replace the existing pipe, loop the system, replace undersized mains, and connect unserved users. | \$1,141,238 | 1.625%, 30 years | 603 | Yes |

| Priority Points | Community/ Public Water System | Project Number | Project Description | Est. Loan Amount | Expected Loan Rate & Term | Pop. Served | Dis-advan- taged |
|------------------------|---|-----------------------|--|-------------------------|--------------------------------------|--------------------|-----------------------------|
| 96 | Perkins County Rural Water System | C462474-03 | Problem: the existing water distribution system is unable to provide sufficient pressure during peak times and does not have adequate storage for peak use days. Project: construct two new water towers to increase system pressure and provide adequate storage. | \$4,106,500 | 1.625%, 30 years | 2,982 | Yes |
| 96 | Perkins County Rural Water System | C462474-04 | Problem: the existing water storage capacity is inadequate to meet the average day demands for current or projected future use. Project: construct a new 400,000-gallon ground water storage tank to provide the necessary storage. | \$860,901 | 1.625%, 30 years | 2,982 | Yes |
| 95 | Gregory | C462126-03 | Problem: the existing cast iron and asbestos cement distribution system pipe is beyond its useful life and areas within the system experience low pressure due to undersized pipe. Project: replace approximately 35,000 feet of water main with PVC pipe and increase pipe size where needed. | \$7,205,000 | 0.00%, 30 years | 1,295 | Yes |
| 94 | Bear Butte Valley Water, Inc. | C462486-04 | Problem: the system in the Blucksberg service area lacks adequate storage to meet peak demands during high use periods. Project: construct a new 150,000-gallon ground storage reservoir and booster station to provide necessary storage capacity and pressure in this area of the system. | \$1,048,500 | 2.125%, 30 years | 680 | |
| 93 | Irene | C462255-04 | Problem: the current storage tower is beyond its useful life and does not meet peak demand needs. Project: construct a new 100,000-gallon elevated storage tower. . | \$1,835,000 | 1.625%, 30 years | 420 | Yes |

| Priority Points | Community/ Public Water System | Project Number | Project Description | Est. Loan Amount | Expected Loan Rate & Term | Pop. Served | Dis-advan-taged |
|-----------------|-----------------------------------|----------------|---|------------------|---------------------------|-------------|-----------------|
| 93 | Kingbrook Rural Water System | C462432-10 | Problem: the existing water treatment plants are no longer able to provide needed capacity for current use and various process equipment i needs replacement, the existing wells are not able to provide sufficient raw water, current storage volume does not meet peak demands, and several areas withing the distribution system are unable to meet current demands resulting in insufficient pressures. Project: upgrade equipment and add additional treatment capacity at both treatment plants, install additional wells to provide needed source water capacity, construct a new storage reservoir, construct or upgrade four booster stations to supply needed pressures, relocate 12.5 miles of pipe to increase capacity and move out of the highway right-of-way. | \$29,850,000 | 2.125%, 30 years | 13,528 | |
| 92 | Morristown | C462366-01 | Problem: the existing water system has inadequate disinfection capabilities and the existing water storage facilities do not meet the existing demand or provide sufficient pressure. Project: install chlorination equipment prior to the ground storage reservoir, construct a new storage reservoir, and install flush hydrants on the distribution system to improve water quality on low flow mains. | \$214,760 | 1.625%, 30 years | 67 | Yes |
| 90 | Rapid City | C462014-05 | Problem: one of the existing water treatment plants is past itself useful life and rehabilitation is not feasible. Project: construct a new 20 MGD treatment facility located on the eastern side of the distribution system to better provide water in an area of high current growth and maintain the ability to serve the Ellsworth Air Force Base. | \$135,000,000 | 1.875%, 30 years | 67,956 | Yes |
| 88 | Murdo | C462108-01 | Problem: the system's meters are obsolete and unserviceable and require manual reading. Project: replace approximately 375 water meters and install an automatic meter reading system. | \$429,276 | 1.00%, 10 years | 488 | Yes |

| Priority Points | Community/ Public Water System | Project Number | Project Description | Est. Loan Amount | Expected Loan Rate & Term | Pop. Served | Dis-advan- tagged |
|-----------------|-----------------------------------|----------------|--|------------------|---------------------------|-------------|----------------------|
| 88 | Randall Community Water District | C462436-04 | <i>Problem:</i> the town of Geddes currently is a bulk user of Randall CWD, and its distribution system and water storage tower are in need of replacement. Randall CWD is in need of additional storage to meet current user demands on its system. <i>Project:</i> Randall CWD will reconstruct the Geddes system and supply residents as individual users to alleviate the operational issues of the city. A new 2.7-million gallon storage tank will be constructed to supply Randall CWD's users with a dedicated line to Geddes to supply pressure and flows for the community. | \$4,600,000 | 2.25%, 30 years | 11,028 | Yes |
| 87 | South Lincoln Rural Water System | C462441-03 | Problem: the existing water treatment plant is no longer able to provide needed capacity for current use and various process equipment needs replacement, there is no elevated storage volume in the central portion of the distribution system to meet peak demands, and several areas withing the distribution system are unable to meet demands resulting in insufficient pressures, and the existing SCADA systems are outdated and in need of replacement. Project: upgrade equipment and add additional treatment capacity at the treatment plant, construct a new elevated storage reservoir, construct a new booster station to supply needed pressures, and replace the SCADA system throughout the service area. | \$16,062,400 | 2.125%, 30 years | 9,441 | |
| 86 | Hot Springs | C462040-03 | Problem: the existing water distribution pipe under North River Street/SD Hwy 385/18 is old and the highway will be reconstructed. Project: replace the existing watermain pipe with new PVC pipe prior to the SD DOT reconstruction of the roadway. | \$392,000 | 0%, 30 years | 3,711 | Yes |

| Priority Points | Community/ Public Water System | Project Number | Project Description | Est. Loan Amount | Expected Loan Rate & Term | Pop. Served | Dis-advan- taged |
|------------------------|---|-----------------------|---|-------------------------|--------------------------------------|--------------------|-----------------------------|
| 85 | Corona | C462088-03 | Problem: the community is served by only one well and lacks source redundancy and is of poor water quality, users are not metered, and water usage and loss is unknown. Project: construct a connection to Grant-Roberts RWS and install water meters to allow for accurate billing and accounting of water use and loss. | \$1,742,000 | 2.125%, 30 years | 109 | |
| 84 | Southern Black Hills Water System | C462492-01 | Problem: two service areas of the distribution system lack redundant supply, have inadequate ground storage to meet demands or pressurize the systems, neither source of water is chlorinated, and control systems are outdated. Project: construct five miles of pipeline to connect the two service areas to provide redundancy in the system, construct an additional well to serve current and future users, construct an elevated storage tank to meet user demands and pressurize the system, and install chlorination and SCADA system equipment at new and existing facilities. | \$1,800,000 | 2.125%, 30 years | 925 | |
| 82 | Clay Rural Water System | C462437-06 | Problem: one of the existing water treatment plants is past itself useful life and is no longer able to demands of current users, additional wells are needed to provide capacity and redundancy based on recent demands, storage within the system is insufficient to meet average day demands, and several distribution lines are beyond their useful life and undersized to meet demands. Project: construct a new 2 MGD treatment facility, install two additional wells, construct two new storage reservoirs, and install 18 miles of transmission line to increase capacity in areas of the system not able to adequately convey water to users. | \$26,016,000 | 2.125%, 30 years | 5,800 | |

| Priority Points | Community/ Public Water System | Project Number | Project Description | Est. Loan Amount | Expected Loan Rate & Term | Pop. Served | Dis-advan-taged |
|------------------------|---|-----------------------|--|-------------------------|--------------------------------------|--------------------|------------------------|
| 78 | Terry Trojan Water Project District | C462455-02 | Problem: the system's existing water storage tank has structural and joint issues leading to large water loss and rehabilitation attempts have been unsuccessful in correcting the problem. Project: construct a new 125,000-gallon storage tank to replace the existing tank and provide necessary system storage to meet demands. | \$215,000 | 2.125%, 30 years | 475 | |
| 77 | Brandon | C462032-04 | Problem: the existing water source for the city has water quality issues that the treatment plant was not designed to address, the treatment plant lacks capacity for current users, an existing well has equipment that is beyond its useful life, pipes in several areas of the distribution system are beyond their useful life, and two areas within the system are fed by one long distribution line with no looping. Project: upgrade the existing treatment plant to address the water quality issues and provide necessary capacity for current and future users, and replace 18,250 feet of watermain with new PVC, and install 3,000 feet of new PVC watermain to loop two areas of the system and assure redundant supply to users. | \$18,530,000 | 2.125%, 30 years | 8,785 | |
| 73 | Joint Well Field, Inc. | C462454-02 | Problem: the existing treatment plant lacks the capacity and source water access to meet the demands of current users in the Kingbrook RWS and Brookings-Deuel RWS systems which it serves. Project: construct a new 3.5 MGD water treatment plant and two new wells to provide increased capacity for both systems to serve current and future users. | \$9,460,000 | 2.125%, 30 years | 22,028 | |

| Priority Points | Community/ Public Water System | Project Number | Project Description | Est. Loan Amount | Expected Loan Rate & Term | Pop. Served | Dis-advan-taged |
|-----------------|--------------------------------------|----------------|---|------------------|---------------------------|-------------|-----------------|
| 73 | Joint Well Field, Inc. | C462454-03 | <i>Problem:</i> Brookings-Deuel and Kingbrook Rural Water Systems which utilize the water produced by the system have the need for additional water quantity within their distribution systems and the existing backwash ponds are in poor condition and undersized. <i>Project:</i> make upgrades to the water treatment plant to increase the treatment and pumping capacity by 2.6 million gallons per day, install a new 1.2-million gallon ground storage tank, and replace the existing backwash ponds. | \$650,000 | 2.125%, 30 years | 22,028 | |
| 72 | High Meadows Water Association, Inc. | C462499-01 | <i>Problem:</i> the existing distribution system is undersized and beyond its useful life, users are not currently metered for water usage, and the systems wells are not able to supply needed capacity. <i>Project:</i> replace approximately 8,200 feet of water main with PVC pipe, install water meter pits for each user, and either connect to the Black Hawk Water Users District or drill a new well to provide additional source water. | \$2,558,000 | 2.125%, 30 years | 140 | |
| 70 | Chamberlain | C462044-04 | <i>Problem:</i> the water treatment plant recarbonation system is beyond its useful life and in need of replacement, two blocks of Mott Street watermain are beyond their useful life and experiencing breaks, a section of Byron Boulevard consists of a long dead-end that serves users in the area. <i>Project:</i> replace the recarbonation equipment, replace two blocks of watermain on Mott Street with new PVC, and install 2,300 feet of new PVC watermain to loop Byron Boulevard. | \$300,000 | 1.875%, 30 years | 2,387 | Yes |

| Priority Points | Community/ Public Water System | Project Number | Project Description | Est. Loan Amount | Expected Loan Rate & Term | Pop. Served | Dis-advan- taged |
|------------------------|---|-----------------------|---|-------------------------|--------------------------------------|--------------------|-----------------------------|
| 70 | Mid-Dakota Rural Water System | C460430-06 | Problem: the existing water treatment backwash process equipment is in need of replacement, the existing treatment plant is not able to meet demands when receiving cooler source water, several areas withing the distribution system are unable to meet demands resulting in insufficient pressures, and the existing meter reading system is in need of replacement. Project: construct a new backwash treatment process facility, make improvements to the existing treatment plant equipment to increase treatment capacity, install 143.4 miles of parallel and looping pipe to increase pressure and redundancy, and install new meter reading system equipment. | \$29,036,545 | 1.875%, 30 years | 32,102 | Yes |
| 70 | Salem | C462057-06 | Problem: areas throughout the distribution system are cast iron watermain and asbestos cement pipe that is beyond its useful life, the system includes several dead-end mainlines, and portions of the system have pipe that is undersized and causes reduced pressures, and the water treatment facility has equipment in need of replacement and high iron and manganese levels are fouling the treatment membranes. Project: install 9,250 feet of new PVC watermain to replace existing pipe, loop the system, and replace undersized mains, replace membrane equipment at the treatment facility, and install an iron and manganese removal system. | \$9,281,000 | 1.875%, 30 years | 1,347 | Yes |

| Priority Points | Community/ Public Water System | Project Number | Project Description | Est. Loan Amount | Expected Loan Rate & Term | Pop. Served | Dis-advan-taged |
|-----------------|-----------------------------------|----------------|--|------------------|---------------------------|-------------|--------------------------------|
| 69 | Fall River Water Users District | C462435-05 | <i>Problem:</i> one of the existing wells is past itself useful life and is no longer able to demands of current users, additional source water is needed to provide capacity and redundancy based on recent demands, storage within the system is insufficient to meet average day demands, and several distribution lines are beyond their useful life and undersized to meet demands. <i>Project:</i> install a new well to replace the current well and increase capacity, construct two new storage reservoirs, install 22 miles of transmission line and two new booster stations to increase capacity in areas of the system. | \$12,088,000 | 2.125%, 30 years | 927 | |
| 67 | Raymond | C462385-01 | Problem: the existing distribution system is undersized and beyond its useful life, users are not currently metered for water usage, and the system lacks sufficient storage for average day demand. Project: replace approximately 1,700 feet of water main with PVC pipe, install water meters, and construct a 20,000-gallon ground storage tank and booster station. | \$2,444,200 | 1.625%, 30 years | 50 | Yes |
| 62 | Mni Waste' Water Company | C462487-01 | Problem: the existing water line and storage capacity going north along Highway 63 for the system is inadequate to supply current users and those requesting service and capacity is also not available to provide bulk service to Timber Lake. Project: install 35 miles of transmission main from Highway 212 north along Highway 63 to serve current and anticipated new users and bulk water transmission to Timber Lake, the project will also construct an elevated storage tower to meet user demands. | \$13,081,000 | 1.625%, 30 years | 8,102 | Yes (Pending rate increase) |

| Priority Points | Community/ Public Water System | Project Number | Project Description | Est. Loan Amount | Expected Loan Rate & Term | Pop. Served | Dis-advan- taged |
|-----------------|-----------------------------------|----------------|--|------------------|---------------------------|-------------|--------------------------------|
| 61 | Mobridge | C462016-08 | <i>Problem:</i> the existing water treatment facility is in need of significant repairs, the raw water intake system is beyond its useful life and in need of repair, the North water tower height does not provide full system storage or adequate pressure, and the areas of the distribution system are beyond their useful life. <i>Project:</i> upgrades at the water treatment facility to include controls, high service pumps, lime slaker, and HVAC system, repair or replace the existing raw water intake system, increase the height of the North water tower, and replace approximately 1,800 feet of water main with PVC pipe. | \$11,300,000 | 1.875%, 30 years | 3,465 | Yes (Pending rate increase) |
| 58 | Brookings | C462019-01 | <i>Problem:</i> the northern water treatment facility has exceeded its useful life and needs replacement. <i>Project:</i> construction of a new 6 MGD lime softening water treatment facility and installation of 28,500 feet of raw water line and 20,000 feet of water main. | \$54,000,000 | 1.875%, 30 years | 22,588 | Yes |
| 58 | Aberdeen | C462072-05 | <i>Problem:</i> the existing treatment plant is unable to meet peak day demands and process equipment at the water treatment plant is reaching its useful life and in need of upgrades. <i>Project:</i> install a third treatment train to provide redundancy and meet current peak day demands and future projected demands and upgrade and replace existing equipment to improve plant operations. | \$36,139,132 | 1.875%, 30 years | 26,091 | Yes |
| 58 | Watertown | C462029-02 | <i>Problem:</i> one of the slakers at the treatment plant is beyond its useful life, the existing SCADA system within the plant is no longer serviceable, and the chlorine generator at the plant is beyond its useful life. <i>Project:</i> install new mechanical equipment to replace the slaker and chlorine generator and install new SCADA equipment. | \$974,238 | 1.875%, 30 years | 21,482 | Yes |

| Priority Points | Community/ Public Water System | Project Number | Project Description | Est. Loan Amount | Expected Loan Rate & Term | Pop. Served | Dis-advantaged |
|-----------------|-----------------------------------|----------------|--|------------------|---------------------------|-------------|----------------|
| 57 | Rapid Valley Sanitary District | C462013-03 | Problem: the city of Box Elder and some nearby housing developments lacks sufficient water quantity and quality water to meet current user needs. The Rapid Valley Sanitary District lacks sufficient source water capacity to meet the needs of their own district and assist in supplying the needs of Box Elder and other existing users in the area. Project: install of 5,220 feet of 12-inch watermain along Cheyenne Boulevard near Box Elder to connect the two distribution systems, the project will also construct a new 2-million-gallon storage tank to allow Rapid Valley to have sufficient storage to serve Box Elder and continued service to Valley View Heights Estates by Box Elder. The project includes the drilling of a new Madison aquifer well to provide additional needed capacity for current and future users and 3,500 feet of 6-inch line to connect the new well to Rapid Valley's treatment plant. | \$6,679,000 | 1.625%, 30 years | 10,000 | Yes |
| 56 | North Sioux City | C462009-02 | Problem: one of the existing water treatment plants has equipment that is past its useful life and is no longer able meet demands from current users. Project: construct a 1.8 MGD expansion to the Streeter Drive treatment facility and upgrade equipment for the existing treatment processes. | \$5,328,125 | 2.125%, 30 years | 2,530 | |
| 55 | Fort Pierre | C462049-01 | Problem: The city currently contracts for water supply through the local regional water system and has been informed the agreement will not be continued after 2032. Project: construction of an approximately 2 million gallon per day water treatment plant, to include a Missouri River intake and connection to the existing distribution system. | \$19,651,000 | 2.125%, 30 yrs | 2,078 | |

| Priority Points | Community/ Public Water System | Project Number | Project Description | Est. Loan Amount | Expected Loan Rate & Term | Pop. Served | Dis-advantaged |
|-----------------|-----------------------------------|----------------|---|------------------|---------------------------|-------------|----------------|
| 55 | Volga | C462046-03 | Problem: the city's existing chemical feed and treatment equipment is aging and undersized to manage the volumes being used. Project: improvements to and expansion of the treatment and chemical feed equipment at the existing water treatment plant to provide additional water capacity. | \$290,882 | 2.125%, 30 yrs | 1,768 | |
| 53 | Mitchell | C462129-07 | Problem: the distribution system lacks sufficient storage for certain pressure zones, the current bulk service connection only connects at the former water treatment plant which does not provide redundant feeds and additional bulk transmission line capacity is needed, the bulk water flows through portions of the unused water treatment plant before entering the distribution system, piping size and locations serving areas south of Interstate 90 limit capacity and pressures, and the existing treatment plant is no longer used and should be properly abandoned. Project: construct a new 2.5-million-gallon storage tank, install a secondary direct bulk service connection to the distribution system and construct 13.5 miles of bulk service transmission line, install piping to bypass the treatment plant, make piping modifications and booster pump upgrades to increase capacity and pressures in the southern part of the distribution system and properly abandon the unused treatment plant. | \$22,000,000 | 1.875%, 30 years | 15,524 | Yes |

| Priority Points | Community/ Public Water System | Project Number | Project Description | Est. Loan Amount | Expected Loan Rate & Term | Pop. Served | Dis-advan- tagged |
|-----------------|-------------------------------------|----------------|---|------------------|---------------------------|-------------|--------------------------------|
| 50 | Butte-Meade Sanitary Water District | C462190-03 | Problem: one of the system's existing wells is not useable due to high radionuclide levels and without this well the system does not have capacity to supply peak use, existing storage facilities are unable to meet peak demand capacity, and a portion of the existing distribution system is beyond its useful life. Project: construct a new well to supply needed capacity and provide improved water quality, construct a new 220,000-gallon storage tank, install two miles of new PVC main to connect the well and storage tank to the distribution system, and replace one mile of existing aged pipe with new PVC. | \$2,502,949 | 1.875%, 30 years | 2,000 | Yes |
| 48 | Henry | C462277-01 | Problem: the existing distribution system is undersized and beyond its useful life, many lines have dead ends contributing to poor water quality and pressure, and the system lacks sufficient storage for average day demand. Project: replace and install loops for approximately 18,500 feet of water main with PVC pipe and construct a 60,000-gallon ground storage tank and booster station. | \$6,120,000 | 1.875%, 30 years | 267 | Yes (pending rate increase) |
| 48 | Hudson | C462280-01 | Problem: the existing cast iron distribution system pipe is beyond its useful life and the current water storage ground level tanks do not supply adequate pressure or storage for the average day demand and are beyond their useful life. Project: replace and install approximately 22,000 feet of water main with PVC pipe, loop the system, and increase pipe size where needed, and construct a new 50,000-gallon water storage tank and booster station. | \$8,120,000 | 1.625%, 30 years | 296 | Yes |

| Priority Points | Community/ Public Water System | Project Number | Project Description | Est. Loan Amount | Expected Loan Rate & Term | Pop. Served | Dis-advan-taged |
|-----------------|-----------------------------------|----------------|---|------------------|---------------------------|-------------|--------------------------------|
| 48 | Aberdeen | C462072-06 | Problem: the city has difficulty meeting existing water capacity needs with current surface water sources during drought year conditions and existing ground water resources are limited for expansion and of poor water quality. Project: construct a new raw water intake on the Missouri River, pump station, and a 105-mile raw water transmission line to connect to the city's water treatment plant. | \$454,000,000 | 1.875%, 30 years | 26,091 | Yes |
| 48 | Watertown | C462029-03 | Problem: the existing Sioux Conifer wellfield is experiencing high organic loading causing issues within the treatment system and the well field is near the airport raising concerns of potential contamination from PFAS. Project: construct a new well field in a more suitable location and install the necessary raw water transmission lines and pumps. | \$4,567,500 | 1.875%, 30 years | 21,482 | Yes |
| 47 | Mni Waste' Water Company | C462487-02 | Problem: the distribution system along SD Highway 212 west of Eagle Butte to Faith lacks sufficient capacity and pressure to supply both current users and other residents in the area that desire to be connected and the Perkins County RWS is only served by one pipeline provider in North Dakota and lacks a redundant water supply. Project: install 43.3 miles of transmission main to provide additional capacity and pressure for current and future users and provide a second water source connection to the Perkins County RWS. | \$53,869,000 | 1.625%, 30 years | 8,102 | Yes (Pending rate increase) |
| 47 | Stratford | C462394-01 | Problem: the existing distribution system is undersized and beyond its useful life, water meters are beyond their useful life, and the system lacks sufficient storage for average day demand. Project: replace approximately 10,100 feet of water main with PVC pipe, install new water meters, and construct a 20,000-gallon storage tank and booster station. | \$3,498,800 | 1.875%, 30 yrs | 72 | Yes |

| Priority Points | Community/ Public Water System | Project Number | Project Description | Est. Loan Amount | Expected Loan Rate & Term | Pop. Served | Dis-advan- tagged |
|-----------------|-----------------------------------|----------------|---|------------------|---------------------------|-------------|----------------------|
| 46 | Aurora-Brule Rural Water System | C462425-02 | Problem: The Aurora-Brule Rural Water System is facing issues with its system including low pressures, lack of adequate storage, and unreliable transmission. Project: install 10 miles of new parallel water main, construct a new storage reservoir, loop multiple portions of the system, construct a booster station, and demolish a water tower and booster station that are beyond their useful life. | \$4,170,000 | 1.875%, 30 years | 3,000 | Yes |
| 45 | Clark | C462124-01 | Problem: several locations of the distribution system are cast iron or asbestos cement watermain that is beyond its useful life, the system includes several dead-end lines, portions of the system have pipe that is undersized and causes reduced pressures, the current storage tower needs major improvements to remain functional, and the existing water meters are beyond their useful life. Project: install 37,875 feet of new PVC watermain to replace the existing pipe, loop the system, and replace undersized mains, rehabilitate the elevated storage tower, and replace water meters. | \$11,618,000 | 1.875%, 30 years | 1,139 | Yes |
| 43 | Keystone | C462074-02 | <i>Problem:</i> additional source water is needed to provide capacity and redundancy based on recent demands, storage within the system is insufficient to meet peak day demands, and areas of the distribution system lack adequate pressure. <i>Project:</i> install a new well to increase capacity, construct a new storage reservoir, and a new booster station to increase capacity in areas of the system. | \$781,258 | 1.625%, 30 years | 337 | Yes |

| Priority Points | Community/ Public Water System | Project Number | Project Description | Est. Loan Amount | Expected Loan Rate & Term | Pop. Served | Dis-advantaged |
|-----------------|--|----------------|--|------------------|---------------------------|-------------|----------------|
| 38 | Spearfish | C462030-02 | <i>Problem:</i> an area of the water system near exit 17 on I-90 has experienced significant growth in recent years, the source water capacity and storage of the water system are having difficulty supplying the current users may lead to overall system issues. <i>Project:</i> the city will install a new well to increase the overall system capacity and install a new 750,000-gallon storage tank to provide storage and pressure for this area of the system. | \$4,620,000 | 1.625%, 30 years | 10,494 | Yes |
| 37 | Box Elder | C462003-06 | <i>Problem:</i> portions of the existing distribution system pipe are made of asbestos cement pipe and experiencing leaks, an existing well requires treatment and new pump equipment to be usable, and two ground storage tanks have liners in need of replacement. <i>Project:</i> install 12,555 feet of new PVC watermain in various locations, install a treatment equipment and replace the existing well #7 pump equipment, install two new ground storage tank liners. | \$4,392,150 | 1.625%, 30 years | 7,800 | Yes |
| 37 | Pleasant Valley Homeowners Association | C462502-01 | <i>Problem:</i> the existing distribution system is undersized and beyond its useful life, water meters are beyond their useful life, and the system lacks sufficient storage for average day demand. <i>Project:</i> replace approximately 1,800 feet of water main with PVC pipe, install new water meters, and construct a 25,000-gallon storage tank and booster station. | \$2,873,250 | 2.125%, 30 yrs | 100 | |
| 37 | Sturgis | C462068-05 | <i>Problem:</i> the existing wells in the system are unable to supply adequate capacity to meet peak demands and there is inadequate storage in the system's higher elevation pressure zone to provide needed capacity and pressure. <i>Project:</i> install a new well to provide additional source water capacity and construct a new 1.0-million-gallon storage tank to provide needed storage and pressure. | \$6,126,125 | 1.625%, 30 years | 6,627 | Yes |

| Priority Points | Community/ Public Water System | Project Number | Project Description | Est. Loan Amount | Expected Loan Rate & Term | Pop. Served | Dis-advantaged |
|-----------------|--|----------------|---|------------------|---------------------------|-------------|----------------|
| 35 | South Dakota Ellsworth Development Authority | C462467-02 | <i>Problem:</i> areas near the Ellsworth Air Force Base have known PFAS contamination to the ground water with some systems already being impacted and other potentially impacted in the future, additionally growth in the region has occurred and is anticipated to continue furthering the need to find a source of drinking water to serve the existing and potential future contamination issues and new users anticipated to be constructed in the near future. <i>Project:</i> a project to construct a new well and watermain from an area upstream of the PFAS contamination is being proposed but the extent of the regional needs is necessary to assure adequate capacity is developed. At this time funding is needed to complete a preliminary engineering study to provide a final project scope and determine which systems are interested in participation. The information gathered and results will allow SDEDA and regional partners to pursue construction and funding of a project in the future. | \$225,000 | 2.125%, 30 years | 100,000 | |
| 35 | Tyndall | C462131-04 | <i>Problem:</i> several locations of the distribution system are asbestos cement watermain that is beyond its useful life, the system includes several dead-end mainlines, portions of the system have pipe that is undersized and causes reduced pressures, and the booster station does not have a back-up power source. <i>Project:</i> install 18,730 feet of new PVC watermain to replace the existing pipe, loop the system, replace undersized mains, and purchase a generator for the booster station s. | \$3,460,000 | 1.875%, 30 years | 1,067 | Yes |

| Priority Points | Community/ Public Water System | Project Number | Project Description | Est. Loan Amount | Expected Loan Rate & Term | Pop. Served | Dis-advan- tagged |
|-----------------|-----------------------------------|----------------|--|------------------|---------------------------|-------------|----------------------|
| 35 | Volga | C462046-02 | Problem: the existing wells are not able to provide sufficient source water and several areas within the distribution system are unable to meet demands resulting in insufficient pressures. Project: install new wells and 3,300 feet of raw water transmission line to provide needed source water capacity, install 7,300 feet of new PVC watermain to replace the existing pipe, loop the system, and replace undersized mains | \$2,525,000 | 2.125%, 30 years | 1,768 | |
| 35 | WEB Water Association | C462426-06 | Problem: this is a collaborative effort between WEB, Aberdeen, and BDM water systems to regionalize and meet the current and future demands for treated water capacity in the northeast region of the state. the WEB Water Association currently has many area of its system with moratoriums in place preventing connections to existing homes and businesses, additional areas of the system are in need of significant upgrades to ensure capacity for current and future connections. The city of Aberdeen lacks sufficient water capacity to meet peak demands of existing users and the water quality during summer months has aesthetic issues making users concerned. BDM is in need of additional water capacity for future users and during the construction period of this project those capacity needs will become required to meet the demands of the system. Project: The project will provide at least 42.1 million gallons of water per day to users. To accomplish this goal new raw water intakes, and increased water treatment capacity along with three new water storage tanks, five pumping stations, pressure stations, and 148 miles of 20- to 54-inch watermain need to be constructed to fully complete the needed expansion. | \$755,860,000 | 1.875%, 30 years | 61,091 | Yes |

| Priority Points | Community/ Public Water System | Project Number | Project Description | Est. Loan Amount | Expected Loan Rate & Term | Pop. Served | Dis-advan-taged |
|-----------------|-----------------------------------|----------------|--|------------------|---------------------------|-------------|-----------------|
| 33 | Huron | C462291-04 | <i>Problem:</i> the existing water distribution system in the in several areas in the community is old and experiencing excessive breaks and high-water loss, existing water meters are beyond their useful life, the city is in need of additional source water, and several existing well houses need control equipment upgrades. <i>Project:</i> replace approximately 12,000 feet of water main with PVC pipe, replace all existing meter with new remote read meters, construct a new water treatment facility or pay for additional capacity improvements to the rural water system provider, and make improvements to existing controls and equipment at the well houses. | \$39,300,000 | 1.875%, 30 years | 12,592 | Yes |
| 33 | Randall Community Water District | C462436-04 | <i>Problem:</i> the city of Mitchell lacks necessary source water to meet peak demands and provide for new customers. <i>Project:</i> installation of 32.5 miles of 20-inch watermain and related appurtenances to allow the system to provide service to Mitchell as a second source of water for the city. | \$35,413,000 | 1.875%, 30 years | 11,028 | Yes |
| 33 | Yankton | C462038-07 | <i>Problem:</i> portions of the existing main are beyond its useful life contributing to line breaks and water loss, one of the existing storage tanks has both internal and external coating issues some water meters are beyond their useful life. <i>Project:</i> install approximately 50 blocks of new PVC watermain, replace all meters older than 5 years with new automatic read meters, and recoat the water tower. | \$8,441,639 | 1.875%, 30 years | 14,454 | Yes |
| 33 | Brookings | C462019-02 | <i>Problem:</i> the city has identified 48 lead water service lines which are a known drinking water issue. <i>Project:</i> full replacement of all known lead service lines within the community. | \$1,000,000 | 1.875%, 30 years | 22,056 | Yes |

| Priority Points | Community/ Public Water System | Project Number | Project Description | Est. Loan Amount | Expected Loan Rate & Term | Pop. Served | Dis-advan- tagged |
|-----------------|------------------------------------|----------------|--|------------------|---------------------------|-------------|----------------------|
| 33 | Timber Lake | C462260-01 | Problem: the distribution system is cast iron watermain that is beyond its useful life, includes several dead-end mainlines, and portions of the system have pipe that is undersized and causes reduced pressures, and the current storage tower is beyond its useful life and rehabilitation is not feasible. Project: install 15,770 feet of new PVC watermain to replace the existing pipe, loop the system, and replace undersized mains, and construct a new 50,000-gallon elevated storage tower will be constructed to replace the existing tank. | \$3,264,725 | 1.875%, 30 years | 443 | Yes |
| 32 | Brookings-Deuel Rural Water System | C462453-04 | Problem: the existing distribution system is segmented in north and south halves without redundancy to supply each zone from either water treatment plant, watermain existing in the project area is beyond its useful life, and areas of the distribution system lack sufficient pipe capacity to provide water during peak demands. Project: construct 28 miles of new and parallel transmission lines to interconnect the system's treatment plants, increase capacity, and alleviate low pressure issues. | \$8,300,000 | 2.125%, 30 years | 8,500 | |
| 32 | Sioux Rural Water System | C462433-03 | Problem: current storage volume does not meet peak demands, and several areas within the distribution system are unable to meet demands resulting in insufficient pressures. Project: construct two new storage reservoirs, install 42.8 miles of transmission line to increase capacity in areas of the system not able to adequately convey water, and make improvements to booster stations where necessary. | \$11,112,000 | 2.125%, 30 years | 8,885 | |

| Priority Points | Community/ Public Water System | Project Number | Project Description | Est. Loan Amount | Expected Loan Rate & Term | Pop. Served | Dis-advan-taged |
|------------------------|---|-----------------------|--|-------------------------|--------------------------------------|--------------------|------------------------|
| 28 | Spring/Cow Creek Sanitary Water District | C462493-01 | Problem: portions of the distribution system have dead-end lines resulting in low pressures and poor water quality, the existing water storage tank is not able to meet peak demands or provide adequate system pressure, and pressure from the bulk service provider may not be adequate to fill an elevated tank or provide system pressure. Project: install 1,800 feet of PVC watermain to loop the system and construct a 500,000-gallon elevated storage tank and booster station to supply needed storage and pressure. | \$3,528,568 | 2.125%, 30 years | 460 | |
| 27 | Northville | C462371-02 | Problem: the system's meters are obsolete and unserviceable and require manual reading, portions of the distribution system have dead-end lines resulting in low pressures and poor water quality, and the existing water storage tank is in poor condition and rehabilitation is not feasible. Project: replace approximately 68 water meters and install an automatic meter reading system, install 2,200 feet of PVC watermain to loop the system, and construct a new 40,000-gallon ground storage tank and booster station to supply needed storage and pressure. | \$1,705,000 | 2.125%, 30 years | 143 | |
| 26 | Davison Rural Water System | C462490-01 | Problem: areas of the existing distribution system are undersized to provide needed pressure and capacity to current and proposed users and current meters are beyond their useful life. Project: install 7.5 miles of transmission line to increase pressures and capacity in areas of the system not able to adequately convey water and install new meters with remote read technology. | \$1,240,000 | 2.125%, 30 years | 4,975 | |

| Priority Points | Community/ Public Water System | Project Number | Project Description | Est. Loan Amount | Expected Loan Rate & Term | Pop. Served | Dis-advan-taged |
|-----------------|-------------------------------------|----------------|--|------------------|---------------------------|-------------|--------------------------------|
| 26 | Lead-Deadwood Sanitary District | C462002-02 | <i>Problem:</i> the existing raw water transmission lines are over 100 years old and are experiencing excessive leakage, the tunnels that the transmission mains go through have become unsafe, one of the intake structures is in need of repair, the system does not have the ability to provide back-up power to pumping facilities if mainline power is out. <i>Project:</i> Replace and install approximately 1,200 feet of raw water line, rehabilitate the existing pipe tunnels, make improvements to the intake structure, repair leaking sections of lines, and purchase a portable back-up generator. | \$3,720,000 | 1.875%, 30 years | 4,556 | Yes (Pending rate increase) |
| 25 | Lewis & Clark Regional Water System | C462491-01 | <i>Problem:</i> Lewis & Clark RWS is a bulk water provider to 20 different public water systems in South Dakota, Minnesota and Iowa and each member system has a contracted maximum allocation of water they are eligible to receive. Several members are exceeding their maximum contracted allocation prior to full system completion and connection to all members. The system does not have the capacity to provide water above contracted amounts to members without expanding capacity throughout the source, treatment, and distribution systems. <i>Project:</i> the first phase involves improvements at the water treatment facility to include constructing solids drying beds and stockpile areas installing a sixth solids contact basin and second gravity thickener, and making upgrades to the high service pump station and clear well. | \$43,782,006 | 2.125%, 30 years | 275,000 | |

| Priority Points | Community/ Public Water System | Project Number | Project Description | Est. Loan Amount | Expected Loan Rate & Term | Pop. Served | Dis-advan-taged |
|------------------------|---|-----------------------|--|-------------------------|--------------------------------------|--------------------|------------------------|
| 25 | Sioux Falls | C462232-12 | Problem: the city of Sioux Falls has one area of its mainline distribution system that is not looped limiting the ability to meet capacity needs should an outage occur on one of the city's source water connections, the city has a well that is beyond its useful life and in need of replacement to assure needed water capacity can be provided. The city lost capacity from 21 wells in recent years due to PFAS contamination and the proposed well will provide some of the lost capacity to users in the service area. Project: installation of 1.5 miles of 24-inch watermain to provide a loop of the city's distribution system between 6th and 26th Streets. Replacement of city's existing well 25 with a new horizontal collector well and alleviate the need for some PFAS contaminated well capacity. | \$10,000,000 | 1.875%, 10 yrs | 153,888 | Yes |

| Priority Points | Community/ Public Water System | Project Number | Project Description | Est. Loan Amount | Expected Loan Rate & Term | Pop. Served | Dis-advan- tagged |
|------------------------|---|-----------------------|--|-------------------------|--------------------------------------|--------------------|------------------------------|
| 25 | Western Dakota Regional Water System | C462494-01 | Problem: areas west of the Missouri River in South Dakota have limited high quality ground water and surface water resources to serve existing and projected future populations. Studies show that based on current water use, if a prolonged drought were to occur, available water supplies would be inadequate at current population and water use levels and future use projections only cause this to be a larger issue. Project: a proposed solution to the lack of water and the ability to provide long term drought resiliency for the region is to construct a pipeline from the Missouri River to serve significant geographic areas west of the Missouri River. At this time funding is needed to complete preliminary engineering studies and reports to provide a final project scope and determine which systems are interested in participation. The information gathered and results will allow the newly formed regional water system to pursue construction and funding of a project in the future. | \$4,500,000 | 2.125%, 30 years | 240,000 | |
| 25 | West River/Lyman Jones Rural Water System | C462446-03 | Problem: current storage volume does not meet peak demands and several areas within the distribution system are unable to meet demands resulting in insufficient pressures. Project: construct three additional storage reservoirs totaling 1.7-million gallons and install 14 miles of parallel and looped line along with two booster stations to increase pressure and redundancy. | \$12,000,000 | 1.625%, 30 years | 18,000 | Yes |

| Priority Points | Community/ Public Water System | Project Number | Project Description | Est. Loan Amount | Expected Loan Rate & Term | Pop. Served | Dis-advan- taged |
|-----------------|-----------------------------------|----------------|--|------------------|---------------------------|-------------|---------------------|
| 24 | Elkton | C462229-02 | Problem: the existing water distribution system is old and experiencing excessive breaks and high-water loss, the current water tower coatings are in need of replacement, and an existing unused well has not been properly abandoned. Project: replace approximately 20,000 feet of water main with PVC pipe, recoat the water storage tank, and properly cap and abandon the unused well. | \$4,600,000 | 2.125%, 30 years | 736 | |
| 23 | Minnehaha Community Water Corp. | C462440-04 | Problem: areas of the existing distribution system lack necessary capacity to provide water to current and proposed users. Project: install 38.3 miles of transmission line to increase capacity in areas of the system not able to adequately convey waters. | \$48,678,000 | 2.125%, 30 years | 28,893 | |
| 23 | Mitchell | C462129-07 | Problem: areas throughout the distribution system are cast iron watermain and asbestos cement pipe that is beyond its useful life, the system includes several dead-end lines, and portions of the system have pipe that is undersized and causes reduced pressures. Project: install 49.8 miles of new PVC watermain to replace the existing pipe, loop the system, and replace undersized mains. | \$78,000,000 | 1.875%, 30 years | 15,254 | Yes |
| 23 | Watertown | C462029-04 | Problem: several locations within the distribution system are cast iron watermain that is beyond its useful, the system includes several dead-end lines, and portions of the system have pipe that is undersized and causes reduced pressures. Project: install 28,100 feet of new PVC watermain to replace the existing pipe, loop the system, and replace undersized mains. | \$4,242,525 | 1.875%, 30 years | 21,482 | Yes |
| 23 | Watertown | C462029-05 | Problem: the distribution system pipe in the Mellette tower and Harmony Hill areas is beyond its useful life. Project: replace 20,750 feet of water main with PVC pipe. | \$5,547,200 | 1.875%, 30 years | 21,482 | Yes |

| Priority Points | Community/ Public Water System | Project Number | Project Description | Est. Loan Amount | Expected Loan Rate & Term | Pop. Served | Dis-advan- taged |
|------------------------|---|-----------------------|--|-------------------------|--------------------------------------|--------------------|--------------------------------|
| 22 | Box Elder | C462003-03 | Problem: the existing water tower is 50 years old, subject to minor leaking, and undersized for current demands. Project: Replace the old water tower with a new 1.5 MG water tower. | \$1,700,000 | 1.625%, 30 years | 7,800 | Yes |
| 22 | Box Elder | C462003-04 | Problem: Box Elder has seen significant growth in recent years and the existing wells are unable to meet demands. Project: Construct a new supply well, storage reservoir, and associated piping to provide adequate supply. | \$4,129,600 | 1.625%, 30 years | 7,800 | Yes |
| 22 | Belle Fourche | C462012-02 | Problem: the water system is served from wells within the same well field, which would cause a portion of the system having no access to water if a line serving the area would break. Project: install a new well in a different location to provide system redundancy in all areas of the system. | \$1,050,000 | 1.625%, 30 years | 5,594 | Yes (Pending rate increase) |
| 22 | Big Sioux Community Water System | C462439-03 | Problem: areas of the existing distribution system lack necessary capacity to provide water to current and proposed users. Project: install 16 miles of transmission line to increase capacity in areas of the system not able to adequately convey water. | \$22,084,000 | 2.125%, 30 years | 9,500 | |
| 22 | Harrisburg | C462065-04 | Problem: several locations of the distribution system are cast iron watermain that is beyond its useful life, the system includes several dead-end lines, and portions of the system have pipe that is undersized and causes reduced pressures. Project: install 26,200 feet of new PVC watermain to replace the existing pipe, loop the system, and replace undersized mains. | \$6,239,000 | 2.125%, 30 years | 5,698 | |
| 22 | Lincoln County Rural Water System | C462445-03 | Problem: areas of the existing distribution system are undersized to provide needed pressure and capacity to current and proposed users. Project: install 16.1 miles of transmission line to increase pressures and capacity in areas of the system not able to adequately convey water. | \$8,809,000 | 2.125%, 30 years | 6,000 | |

| Priority Points | Community/ Public Water System | Project Number | Project Description | Est. Loan Amount | Expected Loan Rate & Term | Pop. Served | Dis-advan-taged |
|-----------------|-----------------------------------|----------------|---|------------------|---------------------------|-------------|-----------------|
| 22 | Madison | C462024-02 | Problem: several locations of the distribution system are cast iron watermain that is beyond its useful, the system includes several dead-end lines, and portions of the system have pipe that is undersized and causes reduced pressures. Project: install 23,000 feet of new PVC watermain to replace the existing pipe, loop the system, and replace undersized mains. | \$12,308,500 | 1.625%, 30 years | 6,474 | Yes |
| 21 | Clark Rural Water System | C462460-02 | Problem: areas of the existing distribution system are undersized to provide needed pressure and capacity to current and proposed users. Project: install 20.5 miles of transmission line to increase pressures and capacity in areas of the system not able to adequately convey water. | \$7,240,000 | 2.125%, 30 years | 4,230 | |
| 21 | Dell Rapids | C462064-09 | Problem: several locations of the distribution system are cast iron or asbestos cement watermain that is beyond its useful life, the system includes several dead-end lines, and portions of the system have pipe that is undersized and causes reduced pressures. Project: install 16,300 feet of new PVC watermain to replace the existing pipe, loop the system, and replace undersized mains. | \$9,451,000 | 2.125%, 30 years | 3,633 | |
| 21 | North Sioux City | C462009-03 | Problem: the existing elevated water storage capacity does not provide adequate storage to meet the average day demands for current or projected future use. Project: construct a new 750,000-gallon elevated water storage tank to provide the necessary storage to meet average day demand. | \$885,000 | 2.125%, 30 years | 2,530 | |

| Priority Points | Community/ Public Water System | Project Number | Project Description | Est. Loan Amount | Expected Loan Rate & Term | Pop. Served | Dis-advan-taged |
|-----------------|-----------------------------------|----------------|--|------------------|---------------------------|-------------|-----------------|
| 20 | DeSmet | C462193-03 | <i>Problem:</i> the existing water distribution system in the in several areas in the community is old and experiencing excessive breaks and high-water loss and has several dead-end lines, the existing water tower coatings are in need of repair. <i>Project:</i> replace and install approximately 11,300 feet of water main with PVC pipe and loop the system, recoat the interior and exterior of the water tower. | \$5,050,000 | 1.875%, 30 years | 1,089 | Yes |
| 20 | Oglala Lakota School District | C462500-01 | Problem: the Oglala Lakota School District is a regional district providing both education and living areas for students and staff. The current water system provider has limited capacity to meet the capacity needs of the school, as such the school needs to provide their own water source, treatment, and storage to assure reliable supply of water for all students and staff. Project: installation of a well, well house and necessary treatment, 400 feet of watermain and a 200,000-gallon elevated storage tower. | \$1,471,000 | 0.00%, 30 yrs | 1,200 | Yes |
| 20 | Salem | C462057-05 | Problem: the distribution system in the southeastern part of the city is beyond its useful life and has several dead-end lines impacting water quality and pressure. Project: replace and install approximately 3,000 feet of water main with PVC pipe and loop the system. | \$1,097,000 | 1.875%, 30 years | 1,347 | Yes |
| 20 | Baltic | C462223-04 | Problem: several locations of the distribution system are cast iron watermain that is beyond its useful life, the system includes several dead-end lines, portions of the system have pipe that is undersized and causes reduced pressures, and the current storage tower does not peak demand needs. Project: install 6,960 feet of new PVC watermain to replace the existing cast iron pipe, loop the system, and replace undersized mains and construct a new 250,000-gallon elevated storage tower to meet peak day demands. | \$5,693,000 | 2.125%, 30 years | 1,089 | |

| Priority Points | Community/ Public Water System | Project Number | Project Description | Est. Loan Amount | Expected Loan Rate & Term | Pop. Served | Dis-advantaged |
|-----------------|-----------------------------------|----------------|--|------------------|---------------------------|-------------|----------------|
| 20 | Crooks | C462227-03 | Problem: several locations of the distribution system are glued-joint PVC watermain that is beyond its useful life, the system includes several dead-end lines, portions of the system have pipe that is undersized and causes reduced pressures, and the current storage tower does not peak demand needs. Project: install 4,630 feet of new PVC watermain to replace the existing pipe, loop the system, and replace undersized mains and construct a new 250,000-gallon elevated storage tower to meet peak day demands. | \$5,683,000 | 2.125%, 30 years | 1,269 | |
| 20 | Garretson | C462063-04 | Problem: several locations of the distribution system are cast iron or asbestos cement watermain that is beyond its useful life, the system includes several dead-end lines, and portions of the system have pipe that is undersized and causes reduced pressures. Project: replace 19 blocks of the existing pipe with new PVC watermain. | \$3,578,662 | 2.125%, 30 years | 1,166 | |
| 20 | Lennox | C462105-06 | Problem: several locations of the distribution system are cast iron watermain that is beyond its useful, the system includes several dead-end lines, and portions of the system have pipe that is undersized and causes reduced pressures. Project: install 6,700 feet of new PVC watermain to replace the existing pipe, loop the system, and replace undersized mains. | \$2,942,000 | 1.875%, 30 years | 2,111 | Yes |
| 20 | Miller | C462128-05 | Problem: several locations of the distribution system are cast iron or asbestos cement watermain that is beyond its useful, the system includes several dead-end mainlines, the current storage reservoir is in need of repair to remain functional, and there are several unused wells that have not been properly abandoned. Project: install 19,000 feet of new PVC watermain to replace the existing pipe and loop the system, rehabilitate the storage tank, and properly abandon the unused wells. | \$4,229,871 | 1.875%, 30 years | 1,489 | Yes |

| Priority Points | Community/ Public Water System | Project Number | Project Description | Est. Loan Amount | Expected Loan Rate & Term | Pop. Served | Dis-advan-taged |
|-----------------|-----------------------------------|----------------|---|------------------|---------------------------|-------------|-----------------|
| 19 | Colman | C462144-05 | <i>Problem:</i> the existing cast iron water distribution system for one block on Loban Avenue is beyond its useful life, several locations in the city are served by long dead-end lines. <i>Project:</i> replace approximately 400 feet of water main with PVC pipe on Loban Avenue and install 2,000 feet of new PVC watermain to loop several areas. | \$480,000 | 1.875%, 30 years | 594 | Yes |
| 19 | Valley Springs | C462239-02 | <i>Problem:</i> the existing water distribution system is old and experiencing excessive breaks and high-water loss and has several dead-end lines. <i>Project:</i> replace and install approximately 15,000 feet of water main with PVC pipe and loop the system. | \$5,412,000 | 2.125%, 30 years | 759 | |
| 19 | Valley Springs | C462239-03 | <i>Problem:</i> the city's two existing well houses are beyond their useful life and the buildings along with equipment are in need of repair. <i>Project:</i> construct two new well houses to include chemical feed equipment in compliance with recommended standards for chemical feed systems. | \$2,703,000 | 2.125%, 30 years | 759 | |
| 19 | Alexandria | C462241-01 | <i>Problem:</i> there is 1,100 feet of cast iron watermain that is beyond its useful life, the system includes several dead-end lines, portions of the system have pipe that is undersized and causes reduced pressures, and the current storage tower does not meet peak demand needs. <i>Project:</i> install 1,530 feet of new PVC watermain to replace the existing cast iron pipe, loop the system, and replace undersized mains and construct a new 100,000-gallon elevated storage tower to meet peak day demands. | \$1,690,000 | 1.875%, 30 years | 615 | Yes |

| Priority Points | Community/ Public Water System | Project Number | Project Description | Est. Loan Amount | Expected Loan Rate & Term | Pop. Served | Dis-advan-taged |
|------------------------|---|-----------------------|---|-------------------------|--------------------------------------|--------------------|------------------------|
| 19 | Arlington | C462213-02 | Problem: several locations of the distribution system are cast iron watermain that is beyond its useful life, the system includes several dead-end lines, and portions of the system have pipe that is undersized and causes reduced pressures. Project: install 7,300 feet of new PVC watermain to replace the existing cast iron pipe, loop the system, and replace undersized mains. | \$2,639,000 | 1.875%, 30 years | 915 | Yes |
| 19 | Hill City | C462231-02 | Problem: One well serving the water system is in poor condition and produces poor quality water and if that source is unavailable current user demands could not be met. Project: install a new well to provide system redundancy and assure all users will have access to potable water. | \$637,500 | 1.875%, 30 years | 948 | Yes |
| 19 | Lake Preston | C462011-02 | Problem: several locations of the distribution system are cast iron watermain that is beyond its useful, the system includes several dead-end lines, and portions of the system have pipe that is undersized and causes reduced pressures. Project: install 25,200 feet of new PVC watermain to replace the existing pipe, loop the system, and replace undersized mains. | \$7,027,000 | 1.875%, 30 years | 599 | Yes |
| 19 | Wall | C462033-01 | Problem: several locations of the distribution system are asbestos cement watermain that is beyond its useful life, the system includes several dead-end lines, and portions of the system have pipe that is undersized and causes reduced pressures. Project: install 2,000 feet of new PVC watermain to replace the existing pipe, loop the system, and replace undersized mains. | \$1,378,750 | 1.875%, 30 years | 766 | Yes |
| 19 | Worthing | C462047-03 | Problem: several locations of the distribution system are asbestos cement watermain that is beyond its useful life, the system includes several dead-end lines, and portions of the system have pipe that is undersized and causes reduced pressures. Project: install 6,150 feet of new PVC watermain to replace the existing pipe, loop the system, and replace undersized mains. | \$3,866,000 | 2.125%, 30 years | 877 | |

| Priority Points | Community/ Public Water System | Project Number | Project Description | Est. Loan Amount | Expected Loan Rate & Term | Pop. Served | Dis-advan-taged |
|------------------------|---|-----------------------|---|-------------------------|--------------------------------------|--------------------|------------------------|
| 18 | Chancellor | C462122-03 | Problem: the distribution system throughout the city is beyond its useful life and has several dead-end lines impacting water quality. Project: replace and install approximately 6,550 feet of water main with PVC pipe. | \$3,300,000 | 1.875%, 30 years | 264 | Yes |
| 18 | Chester Sanitary District | C462073-01 | Problem: the existing distribution system is undersized and beyond its useful life and the system lacks sufficient storage for average day demand and the existing storage is beyond its useful life. Project: replace and install approximately 12,000 feet of water main with PVC pipe and loop the system and installation of a new elevated storage tower. | \$6,500,000 | 1.875%, 30 yrs | 261 | Yes |
| 18 | Pine Grove Community Water Association | C462501-01 | Problem: the existing distribution system is undersized and beyond its useful life, the SCADA system is beyond its useful life, and the system has only one well which provides no redundancy for water source. Project: replace approximately 12,900 feet of water main with PVC pipe, drill a new well to provide additional source water, replace the existing SCADA system, and purchase a generator in case of a power outage. | \$1,434,700 | 2.125%, 30 years | 450 | |
| 18 | White | C462118-01 | Problem: the distribution system in much of the city is beyond its useful life and has several dead-end lines impacting water quality, the existing interior and exterior coating on the water tower are in poor condition and need repair. Project: replace approximately 17,000 feet of water main with PVC pipe and loop the system and recoat the water tower interior and exterior. | \$6,000,000 | 1.625%, 30 years | 485 | Yes |

| Priority Points | Community/ Public Water System | Project Number | Project Description | Est. Loan Amount | Expected Loan Rate & Term | Pop. Served | Dis-advan-taged |
|-----------------|---------------------------------------|----------------|---|------------------|---------------------------|-------------|--------------------------------|
| 18 | Bryant | C462121-01 | Problem: several locations of the distribution system are cast iron watermain that is beyond its useful life, the system includes several dead-end lines, portions of the system have pipe that is undersized and causes reduced pressures, and the current storage tower is beyond its useful life and rehabilitation is not feasible. Project: install 7,900 feet of new PVC watermain to replace the existing cast iron pipe, loop the system, and replace undersized mains and construct a new 100,000-gallon elevated storage tower. | \$5,056,000 | 1.625%, 30 years | 456 | Yes |
| 18 | Randall Community Water District | C462436-02 | Problem: several areas withing the distribution system are unable to supply demands leading to insufficient pressures and capacity for current and potential new users. Project: install 103.3 miles of parallel and looping pipe to increase pressure and capacity throughout the system. | \$137,874,000 | 1.875%, 30 years | 11,028 | Yes (Pending rate increase) |
| 18 | Weston Heights Homeowners Association | C462495-01 | Problem: the existing water storage tank does not provide adequate storage capacity or pressure to meet demands due to the location and elevation of the tank and the system is served by only one well that does not have backup power. Project: construct a new storage tank in a different location or rehabilitate the existing tank and provide a booster station to allow full use of the available storage volume and pressurize the system and purchase a generator to allow the well to remain in service if power fails. | \$2,629,550 | 2.125%, 30 years | 447 | |
| 17 | Box Elder | C462003-05 | Problem: Parts of the northeastern portion of the distribution system are experiencing over pressurization due to limited looping in the system. Project: Install approximately 3,200 feet of water main to equalize pressures and provide looping. | \$670,400 | 1.625%, 30 years | 7,800 | Yes |

| Priority Points | Community/ Public Water System | Project Number | Project Description | Est. Loan Amount | Expected Loan Rate & Term | Pop. Served | Dis-advan-taged |
|-----------------|---|----------------|---|------------------|---------------------------|-------------|-----------------|
| 17 | Meadow Crest Sanitary District | C462488-01 | Problem: The existing well is unable to meet daily demands of the system and there is no backup source to supply water in the event of pump failure. Project: Drill a new well to meet daily demands and provide redundancy to the system. | \$590,000 | 1.875%, 30 years | 48 | Yes |
| 17 | Corona | C462088-02 | Problem: the distribution system is beyond its useful life, the includes several dead-end lines, portions of the system have pipe that is undersized and cause reduced pressures. Project: install 10,000 feet of new PVC watermain to replace the existing pipe, loop the system, and replace undersized mains. | \$3,389,000 | 2.125%, 30 years | 109 | |
| 16 | Dakota Dunes Community Improvement District | C462035-03 | Problem: the water system on the east side of I-90 is not looped and served by a single pipe lacking redundancy. Project: install 3,150 feet of PVC water main to loop. | \$855,000 | 2.125%, 30 years | 2,540 | |
| 15 | Platte | C462130-02 | Problem: the city is not providing water service to existing facilities along SD Highway 44 on the east and west edges of the city limits and existing water meters are not remote read slowing the ability to locate leaks in a timely manner. Project: install 2,650 feet of PVC pipe to extend service to existing facilities and install automatic meter reading equipment. | \$650,675 | 1.875%, 30 years | 1,230 | Yes |
| 15 | Beresford | C462187-03 | Problem: the water main on 7th Street between 298th and Maple Streets is not looped. Project: install 2,000 feet of PVC water main to loop the system eliminating two dead-ends. | \$227,000 | 1.875%, 30 years | 2,005 | Yes |
| 15 | Fort Pierre | C462049-01 | Problem: the existing storage reservoirs are not sufficient to meet peak day demands. Project: construct a new 700,000-gallon water storage tank and install 19,300 feet of PVC watermain to connect the storage tank to the distribution system and provide redundant looped lines to assure the tanks will not be stranded if a break occurs. | \$5,028,078 | 2.125%, 30 years | 2,078 | |

| Priority Points | Community/ Public Water System | Project Number | Project Description | Est. Loan Amount | Expected Loan Rate & Term | Pop. Served | Dis-advantaged |
|-----------------|-----------------------------------|----------------|--|------------------|---------------------------|-------------|--------------------------------|
| 15 | Garretson | C462063-04 | Problem: the city's distribution system has two primary areas with only one line connecting both areas and provides no redundancy if the main would break. Project: installation of approximately 700 feet of new water main on Dow Street to connect two areas of the distribution and improve water quality. | \$98,972 | 2.125%, 30 yrs | 1,166 | |
| 14 | Philip | C462205-01 | Problem: many of the city's meters are obsolete and unserviceable or require manual reading. Project: replace approximately 220 water meters and install an automatic meter reading system and install transmitters for the meters not being replaced. | \$464,031 | 1.875%, 10 years | 779 | Yes |
| 14 | Wessington Springs | C462210-02 | Problem: many of the city's meters are obsolete and unserviceable or require manual reading. Project: replace approximately 540 water meters and install an automatic meter reading system. | \$685,000 | 1.00%, 10 years | 956 | Yes |
| 14 | Mina Lake Sanitary District | C462287-03 | Problem: the district's meters are obsolete and unserviceable or require manual reading. Project: replace approximately 440 water meters and install an automatic meter reading system. | \$352,000 | 1.875%, 10 years | 791 | |
| 13 | Presho | C462236-01 | Problem: the system's meters are obsolete and unserviceable and require manual reading. Project: replace approximately 350 water meters and install an automatic meter reading system. | \$667,930 | 1.875%, 10 years | 497 | |
| 13 | Watertown | C462029-06 | Problem: the distribution system on SD Hwy 212 from SD Highway 81 to 19th Street West is beyond its useful life. Project: replace 7,220 feet of water main with PVC pipe. | \$958,913 | 1.875%, 30 years | 21,482 | Yes |
| 12 | Belle Fourche | C462012-03 | <i>Problem:</i> the asbestos cement and cast iron transmission pipe from the city's main well to the community, as well as the transmission main between a booster station and storage tank are beyond their useful life. <i>Project:</i> replace 28,700 feet of water main with PVC pipe. | \$5,328,000 | 1.625%, 30 years | 5,594 | Yes (Pending rate increase) |

| Priority Points | Community/ Public Water System | Project Number | Project Description | Est. Loan Amount | Expected Loan Rate & Term | Pop. Served | Dis-advan- taged |
|-----------------|-----------------------------------|----------------|---|------------------|---------------------------|-------------|---------------------|
| 11 | Lead | C462007-05 | Problem: the watermain on Mill Street between McClellan to Summit Streets is beyond its useful life. Project: replace 1,000 feet of water main with PVC pipe. | \$501,261 | 1.875%, 30 years | 3,124 | Yes |
| 11 | Lead | C462007-06 | <i>Problem:</i> the watermain on the eastern portion of Miners is beyond its useful life. <i>Project:</i> replace 600 feet of water main with PVC pipe. | \$219,045 | 1.875%, 30 years | 3,124 | Yes |
| 11 | Canton | C462039-04 | Problem: the watermain on First and Broadway Streets are beyond their useful life. Project: replace 3,000 feet of water main with PVC pipe. | \$1,926,000 | 1.875%, 30 years | 3,057 | Yes |
| 10 | Britton | C462188-03 | <i>Problem:</i> the existing water distribution system in the industrial park area is old and experiencing excessive breaks and high-water loss and has several dead-end lines. <i>Project:</i> replace and install approximately 6,510 feet of water main with PVC pipe and loop the system. | \$1,043,000 | 1.875%, 30 years | 1,215 | Yes |
| 10 | Flandreau | C462125-01 | <i>Problem:</i> the existing water distribution system in the in several areas in the community is old and experiencing excessive breaks and high-water loss and has several dead-end lines. <i>Project:</i> replace and install approximately 11,500 feet of water main with PVC pipe and loop the system. | \$4,440,000 | 1.875%, 30 years | 2,341 | Yes |
| 10 | Freeman | C462017-01 | Problem: the distribution system on Main and Railway Streets is beyond its useful life. Project: replace 2,874 feet of water main with PVC pipe. | \$1,586,846 | 1.625%, 30 years | 1,306 | Yes |
| 10 | Parker | C462026-05 | Problem: areas throughout the distribution system are cast iron watermain and asbestos cement pipe that is beyond its useful life, the system includes several dead-end lines, and portions of the system have pipe that is undersized and causes reduced pressures. Project: install 11,300 feet of new PVC watermain to replace the existing pipe, loop the system, and replace undersized mains. | \$3,666,000 | 1.875%, 30 years | 1,022 | Yes |

| Priority Points | Community/ Public Water System | Project Number | Project Description | Est. Loan Amount | Expected Loan Rate & Term | Pop. Served | Dis-advan- taged |
|-----------------|-----------------------------------|----------------|---|------------------|---------------------------|-------------|---------------------|
| 10 | Rapid City | C462014-06 | <i>Problem:</i> the existing Ribbinsdale booster station is in need of upgrades to equipment and controls and three ground storage reservoirs lack basic security measures to prevent tampering. <i>Project:</i> installation of new equipment and controls at the Robbinsdale booster station and installation of security fencing, access gates, and other security measures to assure safety of the drinking water supply. | \$710,000 | 1.875%, 30 years | 67,956 | Yes |
| 10 | WEB Water Development Association | C462426-05 | <i>Problem:</i> the existing treated water pipeline from the water treatment plant to the intersection of Hwy 83 and 12 does not have capacity to convey water to meet demands. <i>Project:</i> install 10 miles of new 48-inch pipe to parallel the existing line to assure adequate capacity to meet current and future system demands. | \$21,665,000 | 1.875%, 30 years | 35,000 | Yes |
| 9 | Corsica | C462107-01 | Problem: the distribution system on Corse Avenue is beyond its useful life. Project: replace 1,500 feet of water main with PVC pipe. | \$340,635 | 2.125%, 30 years | 592 | |
| 9 | Wessington Springs | C462210-03 | Problem: the distribution system on College Avenue is beyond its useful life. Project: replace 2,700 feet of water main with PVC pipe. | \$674,000 | 1.625%, 30 years | 956 | Yes |
| 9 | Kadoka | C462061-01 | Problem: the distribution system on Poplar Street is beyond its useful life. Project: replace 2,300 feet of water main with PVC pipe. | \$658,000 | 1.875%, 30 years | 654 | Yes |
| 9 | Marion | C462020-02 | Problem: the distribution system on Broadway Avenue is beyond its useful life. Project: replace approximately 2,500 feet of water main with PVC pipe. | \$258,682 | 1.875%, 30 years | 784 | Yes |
| 8 | Keystone | C462074-03 | <i>Problem:</i> the watermain on Bullion Street is beyond its useful life and not looped with other parts of the distribution system. <i>Project:</i> replace and install 1,300 feet of water main with PVC pipe. | \$593,803 | 1.625%, 30 years | 337 | Yes |

| Priority Points | Community/ Public Water System | Project Number | Project Description | Est. Loan Amount | Expected Loan Rate & Term | Pop. Served | Dis-advan-taged |
|-----------------|-----------------------------------|----------------|--|------------------|---------------------------|-------------|--------------------------------|
| 7 | Mni Waste' Water Company | C462487-03 | Problem: a 1,200-foot section of the existing raw water intake pipe is located under an area experiencing a slow landslide compromising the raw water main. Project: construction of buttresses at the slide toe to prevent additional movement down slope and installation of erosion control and stormwater management BMPs to assist in stabilizing the slide area. | \$2,938,302 | 1.625%, 30 years | 8,102 | Yes (Pending rate increase) |
| 6 | Black Hawk Water Users District | C462393-04 | <i>Problem:</i> the existing interstate crossing at exit 52 and transmission main along Sturgis Road do not have adequate capacity to serve current users. <i>Project:</i> install a new interstate crossing increasing size from a 6-inch to a 12-inch watermain and install a new 10-inch main along Sturgis Road parallel to the existing line. | \$6,675,500 | 2.125%, 30 years | 4,000 | |
| 6 | Grant-Roberts Rural Water System | C462475-03 | Problem: the existing SCADA system is old and beyond repair and will not communicate well with newer technology. Project: replace SCADA system components system wide. | \$857,000 | 2.00%, 20 years | 4,857 | |
| 6 | Tea | C462028-04 | Problem: a newly annexed area of the city with existing users is served only by undersized water mains with many long service connections. Project: install 4,550 feet of new PVC watermain to meet city standards and provide needed water pressure and capacity for users. | \$1,646,000 | 2.125%, 30 years | 3,806 | |
| 5 | Chamberlain | C462044-04 | Problem: Zebra mussels have been found in the raw water source for Chamberlain's water treatment facility. Project: install a screen on the raw water intake and a chemical treatment system at the intake entrance to prevent zebra mussels from entering. | \$670,000 | 1.875%, 30 years | 2,387 | Yes |

| Priority Points | Community/ Public Water System | Project Number | Project Description | Est. Loan Amount | Expected Loan Rate & Term | Pop. Served | Dis-advantaged |
|-----------------|-----------------------------------|----------------|--|------------------|---------------------------|-------------|----------------|
| 5 | Faith | C462249-02 | Problem: the town's primary storage source is a ground storage tank that utilizes a single pump to feed the water system, and the capacity of the existing elevated is insufficient to meet average day consumption when the single pump is offline due to maintenance or power outages. Areas of the distribution system in the proposed location of the storage tower need to be upgraded to improve flow and allow sufficient pressure in the distribution system. Project: replacement of the existing water storage with a new 250,000-gallon elevated tower and installation of approximately 2,000 feet of watermain in the area of the new tower to fully connect to the existing distribution system. | \$3,000,000 | 1.875%, 30 years | 421 | Yes |
| 4 | Humboldt | C462254-02 | Problem: several locations in the distribution system pipe are beyond their useful life and lack sufficient bury depth. Project: replace 4,150 feet of water main with PVC pipe. | \$1,355,000 | 2.125%, 30 years | 589 | |
| 4 | Wessington Springs | C462210-04 | Problem: the distribution system on Second Street is beyond its useful life. Project: replace 4.5 blocks of water main with PVC pipe. | \$100,000 | 1.625%, 30 years | 956 | Yes |
| 3 | Rosholt | C462258-01 | <i>Problem:</i> the city's existing elevated storage tank is beyond its useful life and in need of major improvements or replacement. <i>Project:</i> construct a new 75,000-gallon elevated storage tank. | \$2,300,000 | 2.125%, 30 years | 423 | |

ATTACHMENT II – LIST OF PROJECTS TO BE FUNDED IN FFY 2022

| Priority Points | Loan Recipient | Project Number | Assistance Amount | Principal Forgiveness ¹ | Funding Date | Expected Funding Source ² | Fund/Project Eligibility ^{3,4,5} |
|-----------------|---|----------------|-------------------|------------------------------------|--------------|--------------------------------------|---|
| LOANS MADE | | | | | | | |
| 53 | Mitchell | C462129-06 | \$11,000,000 | \$0 | Jan. 2022 | Repay/Lev. Bonds | |
| 122 | TM Rural Water District | C462429-03 | \$5,913,600 | \$0 | April 2022 | Repay/Lev. Bonds | |
| 122 | Tripp County Water User District | C462434-05 | \$9,250,000 | \$0 | April 2022 | Repay/Lev. Bonds | |
| 115 | BDM Rural Water System, Inc. | C462444-02 | \$8,006,917 | \$507,867 | April 2022 | 2021/2022 | 3 |
| 106 | Grant-Roberts Rural Water System | C462475-02 | \$4,360,400 | \$0 | April 2022 | 2022/Repay/Lev. Bonds | |
| 104 | Bear Butte Valley Water, Inc. | C462486-03 | \$1,115,500 | \$0 | April 2022 | Repay/Lev. Bonds | |
| 101 | Hanson Rural Water System | C462458-02 | \$2,356,165 | \$0 | April 2022 | Repay/Lev. Bonds | |
| 100 | Shared Resources, Inc. | C462498-01 | \$69,983,400 | \$0 | April 2022 | Repay/Lev. Bonds | |
| 100 | Webster | C462054-04 | \$1,855,956 | \$0 | April 2022 | Repay/Lev. Bonds | |
| 96 | Perkins County Rural Water System | C462474-03 | \$4,589,000 | \$0 | April 2022 | Repay/Lev. Bonds | |
| 95 | Gregory | C462126-03 | \$2,439,500 | \$0 | April 2022 | Repay/Lev. Bonds | |
| 93 | Irene | C462255-04 | \$303,600 | \$0 | April 2022 | Repay/Lev. Bonds | |
| 93 | Kingbrook Rural Water System | C462432-10 | \$22,850,000 | \$0 | April 2022 | Repay/Lev. Bonds | |
| 87 | South Lincoln Rural Water System | C462441-03 | \$10,384,082 | \$0 | April 2022 | Repay/Lev. Bonds | |
| 84 | Southern Black Hills Water System | C462492-01 | \$540,000 | \$0 | April 2022 | Repay/Lev. Bonds | |
| 82 | Clay Rural Water System | C462437-06 | \$10,736,050 | \$0 | April 2022 | Repay/Lev. Bonds | |
| 73 | Joint Well Field, Inc. | C462454-02 | \$6,592,000 | \$0 | April 2022 | Repay/Lev. Bonds | |
| 70 | Mid-Dakota Rural Water System | C460430-06 | \$29,467,750 | \$0 | April 2022 | Repay/Lev. Bonds | |
| 58 | Brookings | C462019-01 | \$50,963,200 | \$0 | April 2022 | Repay/Lev. Bonds | |
| 46 | Aurora-Brule Rural Water System | C462425-02 | \$4,144,734 | \$0 | April 2022 | Repay/Lev. Bonds | |
| 45 | Clark | C462124-01 | \$3,315,316 | \$0 | April 2022 | Repay/Lev. Bonds | |
| 35 | Tyndall | C462131-04 | \$1,192,856 | \$0 | April 2022 | Repay/Lev. Bonds | |
| 35 | Volga | C462046-02 | \$1,259,776 | \$0 | April 2022 | Repay/Lev. Bonds | |
| 33 | Timber Lake | C462260-01 | \$551,000 | \$0 | April 2022 | Repay/Lev. Bonds | |
| 33 | Yankton | C462038-06 | \$8,202,000 | \$0 | April 2022 | Repay/Lev. Bonds | |
| 32 | Brookings-Deuel Rural Water System | C462453-04 | \$5,607,560 | \$0 | April 2022 | Repay/Lev. Bonds | |
| 32 | Sioux Rural Water System | C462433-03 | \$3,202,650 | \$0 | April 2022 | Repay/Lev. Bonds | |
| 28 | Spring/Cow Creek Sanitary Water District | C462493-01 | \$444,000 | \$0 | April 2022 | Repay/Lev. Bonds | |
| 26 | Davison Rural Water System | C462490-01 | \$810,385 | \$0 | April 2022 | Repay/Lev. Bonds | |
| 25 | West River/Lyman Jones Rural Water System | C462446-03 | \$2,800,000 | \$0 | April 2022 | Repay/Lev. Bonds | |
| 23 | Minnehaha Community Water Corp. | C462440-04 | \$44,349,000 | \$0 | April 2022 | Repay/Lev. Bonds | |

| Priority Points | Loan Recipient | Project Number | Assistance Amount | Principal Forgiveness ¹ | Funding Date | Expected Funding Source ² | Fund/Project Eligibility ^{3,4,5} |
|-----------------|-----------------------------------|----------------|-------------------|------------------------------------|--------------|--------------------------------------|---|
| 23 | Mitchell | C462129-07 | \$2,840,000 | \$0 | April 2022 | Repay/Lev. Bonds | |
| 22 | Big Sioux Community Water System | C462439-03 | \$17,788,000 | \$0 | April 2022 | Repay/Lev. Bonds | |
| 22 | Box Elder | C462003-03 | \$4,333,350 | \$0 | April 2022 | Repay/Lev. Bonds | |
| 22 | Harrisburg | C462065-04 | \$6,305,000 | \$0 | April 2022 | Repay/Lev. Bonds | |
| 22 | Lincoln County Rural Water System | C462445-03 | \$2,653,700 | \$0 | April 2022 | Repay/Lev. Bonds | |
| 22 | Madison | C462024-02 | \$7,315,950 | \$0 | April 2022 | Repay/Lev. Bonds | |
| 21 | Clark Rural Water System | C462460-02 | \$5,068,000 | \$0 | April 2022 | Repay/Lev. Bonds | |
| 21 | Dell Rapids | C462064-09 | \$2,136,000 | \$0 | April 2022 | Repay/Lev. Bonds | |
| 20 | Baltic | C462223-04 | \$1,206,339 | \$0 | April 2022 | Repay/Lev. Bonds | |
| 20 | Miller | C462128-05 | \$1,460,755 | \$0 | April 2022 | Repay/Lev. Bonds | |
| 20 | Lennox | C462105-06 | \$1,339,200 | \$0 | April 2022 | Repay/Lev. Bonds | |
| 20 | Salem | C462057-05 | \$637,650 | \$0 | April 2022 | Repay/Lev. Bonds | |
| 19 | Alexandria | C462241-01 | \$350,000 | \$0 | April 2022 | Repay/Lev. Bonds | |
| 19 | Arlington | C462213-02 | \$1,267,700 | \$0 | April 2022 | Repay/Lev. Bonds | |
| 19 | Lake Preston | C462011-02 | \$431,825 | \$0 | April 2022 | Repay/Lev. Bonds | |
| 18 | Bryant | C462121-01 | \$920,000 | \$0 | April 2022 | Repay/Lev. Bonds | |
| 18 | Randall Community Water District | C462436-02 | \$6,325,375 | \$0 | April 2022 | Repay/Lev. Bonds | |
| 15 | Beresford | C462187-03 | \$672,000 | \$0 | April 2022 | Repay/Lev. Bonds | |
| 15 | Platte | C462130-02 | \$139,547 | \$0 | April 2022 | Repay/Lev. Bonds | |
| 14 | Mina Lake Sanitary District | C462287-03 | \$246,400 | \$0 | April 2022 | Repay/Lev. Bonds | |
| 10 | Parker | C462026-05 | \$1,668,150 | \$0 | April 2022 | Repay/Lev. Bonds | |
| 9 | Corsica | C462107-01 | \$283,500 | \$0 | April 2022 | Repay/Lev. Bonds | |
| 9 | Kadoka | C462061-01 | \$448,700 | \$0 | April 2022 | Repay/Lev. Bonds | |
| 9 | Wessington Springs | C462210-03 | \$341,075 | \$0 | April 2022 | Repay/Lev. Bonds | |
| 4 | Humboldt | C462254-02 | \$425,700 | \$0 | April 2022 | Repay/Lev. Bonds | |
| 113 | South Shore | C462294-01 | \$449,000 | \$0 | May 2022 | Repay/Lev. Bonds | |
| 56 | North Sioux City | C462009-02 | \$5,627,193 | \$0 | May 2022 | Repay/Lev. Bonds | |
| 48 | Hudson | C462280-01 | \$831,649 | \$0 | May 2022 | Repay/Lev. Bonds | |
| 27 | Northville | C462371-02 | \$179,758 | \$0 | May 2022 | Repay/Lev. Bonds | |
| 18 | Chancellor | C462122-03 | \$195,000 | \$0 | May 2022 | Repay/Lev. Bonds | |
| 18 | White | C462118-01 | \$1,786,189 | \$0 | May 2022 | Repay/Lev. Bonds | |
| 6 | Tea | C462028-04 | \$1,009,280 | \$0 | May 2022 | Repay/Lev. Bonds | |
| 143 | Hermosa | C462278-03 | \$2,861,956 | \$0 | June 2022 | Repay/Lev. Bonds | |
| 99 | Newell | C462109-03 | \$649,400 | \$0 | June 2022 | Repay/Lev. Bonds | |
| 70 | Chamberlain | C462044-04 | \$529,000 | \$0 | June 2022 | Repay/Lev. Bonds | |
| 69 | Fall River Water Users District | C462435-05 | \$2,915,450 | \$0 | June 2022 | Repay/Lev. Bonds | |
| 61 | Mobridge | C462016-08 | \$7,123,072 | \$0 | June 2022 | Repay/Lev. Bonds | |

| Priority Points | Loan Recipient | Project Number | Assistance Amount | Principal Forgiveness ¹ | Funding Date | Expected Funding Source ² | Fund/Project Eligibility ^{3,4,5} |
|-----------------|--|----------------|-------------------|------------------------------------|--------------|--------------------------------------|---|
| 58 | Watertown | C462029-02 | \$699,748 | \$0 | June 2022 | Repay/Lev. Bonds | |
| 48 | Watertown | C462029-03 | \$4,857,300 | \$0 | June 2022 | Repay/Lev. Bonds | |
| 38 | Spearfish | C462030-02 | \$3,234,000 | \$0 | June 2022 | Repay/Lev. Bonds | |
| 26 | Lead-Deadwood Sanitary District | C462002-02 | \$2,604,000 | \$0 | June 2022 | Repay/Lev. Bonds | |
| 23 | Watertown | C462029-04 | \$3,403,610 | \$0 | June 2022 | Repay/Lev. Bonds | |
| 23 | Watertown | C462029-05 | \$2,339,050 | \$0 | June 2022 | Repay/Lev. Bonds | |
| 20 | De Smet | C462193-03 | \$2,272,500 | \$0 | June 2022 | Repay/Lev. Bonds | |
| 19 | Colman | C462114-04 | \$230,400 | \$0 | June 2022 | Repay/Lev. Bonds | |
| 19 | Valley Springs | C462239-02 | \$521,168 | \$0 | June 2022 | Repay/Lev. Bonds | |
| 18 | Randall Community Water District | C462436-02 | \$38,734,175 | \$0 | June 2022 | Repay/Lev. Bonds | |
| 18 | Weston Heights Homeowners Association | C462495-01 | \$580,650 | \$0 | June 2022 | Repay/Lev. Bonds | |
| 16 | Dakota Dunes Community Improvement District | C462035-03 | \$429,300 | \$0 | June 2022 | Repay/Lev. Bonds | |
| 10 | Flandreau | C462125-01 | \$2,818,087 | \$0 | June 2022 | Repay/Lev. Bonds | |
| 9 | Marion | C462020-02 | \$134,655 | \$0 | June 2022 | Repay/Lev. Bonds | |
| 6 | Black Hawk Water Users District | C462393-03 | \$1,181,600 | \$0 | June 2022 | Repay/Lev. Bonds | |
| 3 | Rosholt | C462258-01 | \$1,397,500 | \$0 | June 2022 | Repay/Lev. Bonds | |
| Loans Expected | | | | | | | |
| 208 | South Dakota Ellsworth Development Authority | C462467-01 | \$12,192,000 | \$4,876,800 | Sept. 2022 | 2022 BIL EC/Repay/Lev. Bonds | 3,5 |
| 122 | Buffalo Gap | C462317-01 | \$1,147,000 | \$229,400 | Sept. 2022 | Repay/Lev. Bonds | 3 |
| 112 | Westberry Trails Water Users Association | C462503-01 | \$3,427,000 | \$171,350 | Sept. 2022 | Repay/Lev. Bonds | |
| 106 | Grant-Roberts Rural Water System | C462475-03 | \$40,000,000 | \$8,000,000 | Sept. 2022 | 2022 Base/BIL GS /Lev. Bonds | 3 |
| 104 | McLaughlin | C462233-03 | \$962,396 | \$192,479 | Sept. 2022 | Repay/Lev. Bonds | 3 |
| 102 | Deer Mountain Sanitary District | C462485-02 | \$3,047,350 | \$152,368 | Sept. 2022 | Repay/Lev. Bonds | |
| 88 | Randall Community Water District | C462436-04 | \$1,000,000 | \$200,000 | Sept. 2022 | Repay/Lev. Bonds | 3 |
| 87 | South Lincoln Rural Water System | C462441-03 | \$11,502,000 | \$0 | Sept. 2022 | 2022 Base/BIL GS /Lev. Bonds | |
| 78 | Terry Trojan Water Project District | C462455-02 | \$757,400 | \$37,870 | Sept. 2022 | Repay/Lev. Bonds | |
| 72 | High Meadows Water Association | C462499-01 | \$2,558,000 | \$119,533 | Sept. 2022 | Repay/Lev. Bonds | |
| 57 | Rapid Valley Sanitary District | C462013-03 | \$6,679,000 | \$1,335,800 | Sept. 2022 | Repay/Lev. Bonds | 3 |
| 55 | Fort Pierre | C462049-01 | \$24,280,381 | \$500,000 | Sept. 2022 | Repay/Lev. Bonds | |
| 50 | Butte-Meade Sanitary Water District | C462190-03 | \$3,325,000 | \$665,000 | Sept. 2022 | Repay/Lev. Bonds | 3 |
| 47 | Stratford | C462394-01 | \$3,498,800 | \$646,201 | Sept. 2022 | Repay/Lev. Bonds | 3 |

| Priority Points | Loan Recipient | Project Number | Assistance Amount | Principal Forgiveness ¹ | Funding Date | Expected Funding Source ² | Fund/Project Eligibility ^{3,4,5} |
|-----------------|--|----------------|-------------------|------------------------------------|--------------|--------------------------------------|---|
| 37 | Box Elder | C462003-04 | \$6,630,000 | \$0 | Sept. 2022 | Repay/Lev. Bonds | 3 |
| 37 | Pleasant Valley Homeowners Association | C462502-01 | \$398,000 | \$0 | Sept. 2022 | Repay/Lev. Bonds | |
| 37 | Sturgis | C462068-05 | \$4,938,000 | \$0 | Sept. 2022 | Repay/Lev. Bonds | 3 |
| 35 | WEB Water Development Association | C462426-04 | \$246,463,000 | \$0 | Sept. 2022 | Repay/Lev. Bonds | 3 |
| 33 | Randall Community Water District | C462436-05 | \$44,801,000 | \$0 | Sept. 2022 | Repay/Lev. Bonds | 3 |
| 27 | Brandon | C462032-04 | \$558,300 | \$0 | Sept. 2022 | Repay/Lev. Bonds | |
| 25 | Sioux Falls | C462232-12 | \$12,500,000 | \$3,137,200 | Sept. 2022 | 2022 BIL EC/Repay/Lev. Bonds | 3, 5 |
| 22 | Belle Fourche | C462012-02 | \$1,760,000 | \$0 | Sept. 2022 | Repay/Lev. Bonds | 3 |
| 18 | Chester Sanitary District | C462073-01 | \$2,342,000 | \$0 | Sept. 2022 | Repay/Lev. Bonds | 3 |
| 11 | Canton | C462039-04 | \$2,088,689 | \$0 | Sept. 2022 | Repay/Lev. Bonds | 3 |
| 8 | Randall Community Water District | C462436-06 | \$840,000 | \$0 | Sept. 2022 | Repay/Lev. Bonds | 3 |
| 33 | Brookings | C462019-02 | \$1,000,000 | \$490,000 | Jan. 2023 | 2022 BIL LSLR | 3, 4 |

1. Principal forgiveness amounts shown for loans expected are estimates for planning purposes only.

2. Projects identified using capitalization grant funds are for equivalency requirements planning purposes only, actual projects used for capitalization grant equivalency will be identified on the FFY 2022 annual report.

3. Projects are anticipated to be funded in part utilizing capitalization grant principal forgiveness reserved for disadvantaged communities, this may be from funds within the base capitalization grant, BIL general supplemental, BIL lead service line replacement, or BIL emerging contaminants grant allotments depending on project eligibility.

4. Projects identified are anticipated to be funded in part utilizing BIL lead service line replacement allotments.

5. Projects identified are anticipated to be funded in part utilizing BIL emerging contaminants allotments.

**ATTACHMENT III
BASE PROGRAM FUNDING STATUS**

Federal Fiscal Years 1997 - 2021

| | | |
|---|----------------------|------------------------|
| Capitalization Grants | \$227,187,698 | |
| State Match | \$45,437,540 | |
| ARRA Grant | \$19,500,000 | |
| Set-Asides | (\$16,955,202) | |
| Transfer of FY 2002 & 2003 Clean Water Capitalization Grant and State Match | \$15,574,320 | |
| Leveraged Bonds | \$123,742,076 | |
| Excess Interest as of September 30, 2021 | \$54,082,897 | |
| Excess Principal as of September 30, 2021 | <u>\$125,821,733</u> | |
| Total Funds Dedicated to Loan | | \$594,391,062 |
| Closed Loans made through September 30, 2021 | | <u>(\$577,388,595)</u> |
| Unclosed loans and available funds as of September 30, 2021 | | \$17,002,467 |

Federal Fiscal Year 2022 Projections

| | | |
|---|----------------------|-----------------------------|
| Base Capitalization Grant | \$7,008,000 | |
| BIL General Supplemental Grant | \$17,992,000 | |
| State Match (combined total) | \$3,200,800 | |
| Set-Asides (combined total) | (\$1,179,250) | |
| Projected Excess Principal Repayments | \$12,000,000 | |
| Projected Unrestricted Interest Earnings | \$4,000,000 | |
| Leveraged Bonds | <u>\$200,000,000</u> | |
| Projected FFY 2022 Loan Sub-total | | \$243,021,550 |
| Unclosed loans and funds Available for Loans | | \$260,024,017 |
| Loans Awarded and Unclosed as of September 30, 2021 | | (\$36,600,000) |
| Total Funds Available for Loans | | <u>\$223,424,017</u> |
| Loan Amount Identified on Attachment II - List of Projects to be Funded in FFY 2022 | | <u><u>\$902,288,319</u></u> |

| Administrative Surcharge Funds Available as of September 30, 2021 | |
|--|--------------------|
| Program Income | \$1,587,536 |
| Non-Program Income | <u>\$4,927,529</u> |
| Total | <u>\$6,515,065</u> |

**BIL EMERGING CONTAMINANTS
PROGRAM FUNDING STATUS**

Federal Fiscal Year 2022 Projections

| | | |
|---|-----------------------------|--|
| DWSRF BIL Emerging Contaminants Grant | \$7,555,000 | |
| Transfer of FY 2022 Clean Water Emerging Contaminants Grant | \$459,000 | |
| State Match | \$0 | |
| Set-Asides | \$0 | |
| Projected FFY 2022 Loan Sub-total | <u> </u> | \$8,014,000 |
| Unclosed loans and funds Available for Loans | | \$0 |
| Loans Awarded and Unclosed as of September 30, 2021 | | \$0 |
| Total Funds Available for Loans | | <u> </u> <u>\$8,014,000</u> |
| Loan Amount Identified on Attachment II - List of Projects to be Funded in FFY 2022 | | <u> </u> <u>\$20,192,000</u> |

**BIL LEAD SERVICE LINE REPLACEMENT
PROGRAM FUNDING STATUS**

Federal Fiscal Year 2022 Projections

| | | |
|---|-----------------------------|--|
| BIL Lead Service Line Replacement Grant | \$28,350,000 | |
| State Match | \$0 | |
| Set-Asides | (\$1,701,000) | |
| Projected FFY 2022 Loan Sub-total | <u> </u> | \$26,649,000 |
| Unclosed loans and funds Available for Loans | | \$0 |
| Loans Awarded and Unclosed as of September 30, 2021 | | \$0 |
| Total Funds Available for Loans | | <u> </u> <u>\$26,649,000</u> |
| Loan Amount Identified on Attachment II - List of Projects to be Funded in FFY 2022 | | <u> </u> <u>\$1,000,000</u> |

Addendum to the 2022 DWSRF Intended Use Plan:

Bipartisan Infrastructure Law

The Bipartisan Infrastructure Law (BIL), previously referred to as the Infrastructure Investment and Jobs Act, was signed into law on November 15, 2021. The BIL invests more than \$50 billion over the next five years in EPA water infrastructure programs including the State Revolving Funds. South Dakota's first year allotment for the DWSRF program totals approximately \$53.9 million.

This addendum is to amend the existing [2022 DWSRF Intended Use Plan](#) (IUP) for changes to the DWSRF program required by the BIL, and for the distribution of BIL funds in 2022. The existing 2022 DWSRF IUP remains in effect and any changes to the program or requirements described in the existing IUP are specifically outlined in this addendum.

The BIL funding will be issued through the DWSRF in three categories: 1) DWSRF BIL General Supplemental Funding, 2) DWSRF BIL Emerging Contaminants Funding, and 3) DWSRF BIL Lead Service Line Funding. The IUP amendments and the BIL funding categories are described below.

BIL Funding Categories and Use of Funds

DWSRF BIL General Supplemental Funding

The BIL includes a general supplemental funding allotment to South Dakota of \$17,992,000 in 2022 for the DWSRF program. The existing DWSRF program as described in this IUP applies to this funding category and includes the following:

Eligibility

- Eligible entities and projects for this funding must be eligible under the existing DWSRF program.
- All eligible projects for this allotment must be listed on the existing Attachment I - Project Eligibility List.

Requirements

- Application, prioritization, and approval for funding will be the same as the existing DWSRF program.
- State match is 10% of the total amount of the capitalization grant in fiscal year 2022. Bond proceeds will be used to provide the matching funds.
- Forty-nine percent of the capitalization grant amount will be issued as additional subsidization in the form of principal forgiveness. Additional subsidization will be provided to eligible entities that meet the Disadvantaged Community definition in ARSD 74:05:11(11) and described on page 9 of the base program IUP.

Set-Aside Activities for DWSRF BIL General Supplemental Funding

Similar to the DWSRF base program, South Dakota may set-aside a portion of the capitalization grant for non-project, or set-aside activities, that are necessary to accomplish the requirements of the Safe Drinking Water Act.

The 2022 BIL DWRF appropriation is \$17,992,000. A description of each set-aside and the funding available from the 2022 BIL general supplemental capitalization grant for each activity is detailed below.

Administration Set-Aside

2022 BIL Federal Year One - Requested Amount \$719,680

The BIL provides three options to states to calculate the administrative set-aside available from each year's capitalization grant. States may use the greatest of 1) \$400,000 per year, 2) 1/5 of a percent of the current valuation of the Drinking Water SRF fund based on the most recent previous year's audited financial statements, or 3) an amount equal to four percent of all grant awards to the DWSRF.

Four percent of the FFY 2022 base capitalization grant is \$280,320, four percent of the FFY 2022 BIL Supplemental capitalization grant is \$719,680, and 1/5 of a percent of the current fund valuation of \$215,612,910 results in \$431,225 available for administrative fees. The department is choosing to utilize only the \$719,680 allowable from the BIL for administrative purposes.

Use of funds and expected accomplishments

Specific activities to be funded are: staff salary, benefits, travel, and overhead; retaining of bond counsel, bond underwriter, financial advisor, and trustee; and other costs to administer the program.

Small System Training and Technical Assistance

2022 BIL Federal Year One - Requested Amount \$359,840

These monies support ongoing training and technical assistance to small systems serving less than 10,000 people to bring non-complying systems into compliance and improve operations of water systems as described on page 7 of the DWSRF base program IUP.

South Dakota intends to take the full two percent available, or \$359,840, from the BIL general supplemental set-aside allotment to fund these activities.

Use of funds and expected accomplishments

Funds are used to provide technical assistance, training, and completion of engineering studies for small systems.

State Program Management (10%)

2022 BIL Federal Year One - Requested Amount \$0

South Dakota does not intend to take any funds for state program management activities as there remains sufficient available funding from prior year capitalization grant set-asides to fund these activities.

Local Assistance and Other State Programs (15%)

2022 BIL Federal Year One - Requested Amount \$100,000

This set-aside can fund other activities to assist development and implementation of local drinking water protection activities. These activities are described on page 8 of the base program IUP.

South Dakota intends to take \$100,000 to assist new and existing systems to achieve and maintain technical, managerial and financial capacity from this set-aside.

Use of funds and expected accomplishments

Midwest Assistance Program (MAP) will continue its efforts with borrowers to improve the technical, financial, or managerial capacity of the systems and assist in the review of capacity assessments required as part of the Drinking Water SRF loan applications.

DWSRF BIL Emerging Contaminants Funding

The BIL includes a funding allocation of \$7,555,000 to South Dakota in 2022 to be applied to drinking water emerging contaminant projects. Additionally, the department proposes to transfer the \$459,000 CWSRF Emerging Contaminant allotment to the DWSRF Emerging Contaminant fund. This makes \$8,014,000 available for DWSRF Emerging Contaminant activities.

Eligibility

- Entities and projects eligible for this funding must be eligible under the existing DWSRF program and the primary purpose must be to address emerging contaminants in drinking water.
- All eligible projects for this allotment must be listed on the existing Attachment I Project Priority List. Projects eligible for this source of funds are identified on Attachment II – List of Projects to be Funded in 2022.
- Eligible emerging contaminants include perfluoroalkyl and polyfluoroalkyl substances (PFAS) and contaminants on EPA's [Contaminant Candidate Lists](#). Additional eligibility details and requirements for this category are defined in the [EPA BIL SRF Implementation Memo](#) dated March 8, 2022.

Requirements

- Application, prioritization, and approval for funding will be the same as the existing DWSRF program.
- State match is not required.
- 100% of the capitalization grant amount, less set-asides, will be issued as additional subsidization in the form of principal forgiveness.
- Distribution of funding
 - Twenty-five percent of funds from this category must go to communities that qualify as a disadvantaged community or communities with populations less than 25,000. Applicants with project costs exceeding available funds or with project components unrelated to addressing emerging contaminants, may receive funds for the remaining project costs through the DWSRF supplemental or base programs. Additional principal forgiveness may be available from the DWSRF supplemental or base programs for applicants that qualify as a disadvantaged community.

Set-Aside Activities for DWSRF BIL Emerging Contaminants Funding

South Dakota may set-aside a portion of the capitalization grant for non-project, or set-aside activities, that are necessary for implementing Emerging Contaminants activities.

No set-aside funds are proposed to be allocated from the BIL emerging contaminants funding in 2022. South Dakota reserves the ability to request set-aside funding in future years, if necessary, from the 2022 BIL emerging contaminants funding.

DWSRF BIL Lead Service Line Funding

The BIL includes a supplemental funding allotment of \$28,350,000 to South Dakota in 2022 to be applied to the lead service line replacement projects.

Eligibility

- Entities and projects eligible for this funding must be eligible under the existing DWSRF program and be a lead service line replacement project or associated activity directly connected to the identification, planning, design, and replacement of lead service lines.
- All eligible projects for this allotment must be listed on the existing Attachment I - Project Priority List. Projects eligible for this source of funds are identified on Attachment II – List of Projects to be Funded in 2022.
- Additional eligibility requirements for this category of funding are defined in the [EPA BIL SRF Implementation Memo](#) dated March 8, 2022.

Requirements

- Application, prioritization, and approval will be the same as the existing DWSRF program.
- State match is not required
- 49 percent of the capitalization grant amount will be issued as additional subsidization in the form of principal forgiveness. Additional subsidization will be provided to eligible entities that that qualify as a disadvantaged community.
- Distribution of funding
 - Applicants with project costs exceeding available funds, or with project components unrelated to lead service line identification and replacement, may receive funds for the remaining project costs through the DWSRF supplemental or base programs. Additional principal forgiveness may be available from the DWSRF supplemental or base programs for applicants meeting DWSRF BIL Principal Forgiveness Eligibility Criteria or base program principal forgiveness criteria.

Set-Aside Activities for DWSRF BIL Lead Service Line Replacement Funding

South Dakota may set-aside a portion of the capitalization grant for non-project, or set-aside activities, that are necessary for implementing lead service line replacement.

The 2022 BIL DWSRF Lead Service Line Replacement appropriation is \$28,350,000.

Administration and Technical Assistance Set-Aside

This set-aside can be used to support ongoing administration of the fund and may also be used to provide technical assistance to public water systems. South Dakota intends to take the full four percent available, or \$1,134,000, from the BIL Lead Service Line Replacement Administration and Technical Assistance set-aside.

Use of funds and expected accomplishments

South Dakota will use these funds to contract with assistance providers to conduct the lead service line inventories and assure necessary and consistent data is collected for each system. This will remove the burden from public water systems that are required to complete these inventories to comply with the Safe Drinking Water Act Lead and Copper rule. These inventories will identify public

water systems with lead service lines that can utilize the BIL Lead Service Line Replacement funding.

Small System Technical Assistance

This set-aside can be used to support ongoing training and technical assistance to small systems serving less than 10,000 people.

South Dakota intends to take the full two percent available, or \$567,000, from the BIL Lead Service Line Replacement Small System Technical Assistance set-aside allotment to fund these activities.

Use of funds and expected accomplishments

Funds will be used to conduct the lead service line inventories described above for systems serving less than 10,000 people.

State Program Management

No funds will be allocated from the Small System Technical Assistance set-aside.

Local Assistance and Other State Programs

2022 BIL Federal Year One- Requested Amount \$0

No funds will be allocated from the Local Assistance set-aside.

DWSRF BIL Principal Forgiveness Eligibility Criteria

An eligible applicant may receive principal forgiveness in the DWSRF BIL Supplemental General Supplemental Funding, DWSRF BIL Emerging Contaminants Funding, and DWSRF BIL Lead Service Line Funding if it meets the Disadvantaged Community definition in ARSD 74:05:11(11) and described on page 9 of the base program IUP

Project Priority List and List of Projects Expected to be Funded

All projects identified on Attachment I -Project Priority List and Attachment II - List of Projects Expected to be Funded in FFY 2022 are eligible to receive BIL supplemental funding. Projects eligible to receive DWSRF BIL Emerging Contaminants Funding and DWSRF BIL Lead Service Line Funding are specifically annotated on Attachment II – List of Projects Expected to be Funded in FFY 2022. Projects may be funded by a combination of BIL supplemental funds and base program funds.

BIL Funding Applicable Provisions and Additional Requirements

All provisions promulgated through statute, guidance, or regulations issued by EPA for the implementation of the CWSRF and DWSRF programs will remain in effect (e.g. American Iron and Steel and Davis-Bacon related prevailing wage requirements) unless they are inconsistent with the

BIL, capitalization grant conditions, or the requirements contained in the [EPA BIL SRF Implementation Memo](#) dated March 8, 2022. The BIL supplemental appropriations are federal funds and therefore all equivalency requirements apply to projects funded by BIL.

The EPA BIL SRF Implementation Memo includes the following other provisions summarized below:

1. **Build America, Buy America Act:** BIL creates the Build America, Buy America (BABA) Act domestic sourcing requirements for Federal financial assistance programs for infrastructure, including the SRF programs. For more specific information on BABA implementation, please refer to the Office of Management and Budget's Build America, Buy America Act Implementation Guidance. EPA will issue a separate memorandum for BABA after the United States Office of Management and Budget (OMB) publishes its guidance. The American Iron and Steel provisions of both the CWSRF and DWSRF continue to apply.

BABA applies to both the existing DWSRF program and BIL funding. This hereby amends the requirements in the 2022 DWSRF IUP to include the BABA requirement for the existing DWSRF program and to implement BABA for BIL funding. The OMB guidance and EPA memorandums mentioned above will determine the specific requirements for implementing and meeting the BABA requirement.

2. **Reporting:** States must use EPA's SRF Data System to report key BIL project characteristics and milestone information no less than quarterly. Additional reporting will be required through the terms and conditions of the grant award. Federal Funding Accountability and Transparency Act (FFATA) of 2010 requires SRF programs to report on recipients that received federal dollars in the FFATA Subaward Reporting System (www.ftrs.gov).
3. **Blending Funds and Cash Draws:** States have the flexibility to craft single assistance agreements (e.g., loans) that contain multiple types of construction components and activities. These assistance agreements may commit funds from multiple BIL capitalization grants and base program funds. Upon disbursement of funds, these assistance agreements may draw from both BIL and base SRF capitalization grants for eligible project components.
4. **Green Project Reserve:** If provided for in the annual appropriation, the green project reserve (GPR) is applicable to the BIL capitalization grants for the corresponding fiscal year.
5. **Inter-SRF Transfers:** Per SRF statute and regulation, states have the flexibility to transfer funds between the CWSRF and DWSRF. Given BIL's requirements, authorities, and narrower SRF eligibilities, states may only transfer funds between the specific BIL appropriations in the equivalent CWSRF or DWSRF program. In other words, transfer of funds may occur between the CWSRF and DWSRF General BIL capitalization grants and between the CWSRF and DWSRF BIL Emerging Contaminants capitalization grants. Because there is no similar CWSRF appropriation to the DWSRF BIL LSLR appropriation, no funds may be transferred from or to the DWSRF BIL LSLR appropriation. States may not transfer BIL appropriations to or from base appropriations.
6. **Recycled Funds:** To the extent assistance recipients repay BIL funds or provide interest payments to the state SRF program, those repaid funds and interest have the flexibility to be used for any

SRF-eligible purpose. For example, repaid DWSRF BIL LSLR funds are not limited to future LSLR projects and activities.

7. Federal Civil Rights Responsibilities, Including Title VI of the Civil Rights Act of 1964 is reviewed by the state to ensure requirements are met and applies to DWSRF and CWSRF programs for both base and BIL funding.

Public Review and Comment

On September 29, 2022, a public hearing notice seeking comments on the proposed addendum to the DWSRF 2022 Intended Use Plan was published in four newspapers of general circulation in different parts of the state. The department maintains a public notice page on its website <https://danr.sd.gov/public/default.aspx>, and interested parties are able to submit comments through the website. The addendum was made available during the public notice period for review and comment. The department sends out weekly updates to a list of interested parties who have subscribed for updates to the website. Upon posting the public notice on the department's website, the addendum was e-mailed to a list of interested parties that regularly receive notice of Board of Water and Natural Resources activities. As part of the required board meeting notice the addendum was also available on the Boards and Commissions portal website <https://boardsandcommissions.sd.gov/Meetings.aspx?BoardID=108>.