2026 Annual Report

~~and~~

2027 State Water Plan



Board of Water and Natural Resources

DEPARTMENT of AGRICULTURE and NATURAL RESOURCES
JOE FOSS BUILDING
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Governor Larry Rhoden and Members of the One-Hundred and Second Legislative Session

As required by state law, transmitted herewith is the 2026 Annual Report/2027 State Water Plan of the Board of Water and Natural Resources (the board). The Annual Report describes water development and waste management activities during the past year. The State Water Plan outlines the projects on the State Water Facilities Plan and State Water Resources Management System (SWRMS).

Throughout this document, you will see the on-going needs for water, wastewater, and solid waste projects statewide and how critical state assistance is to construct these projects. During the past year, the board awarded more than $306.1 million in grant and loan funds for the planning, design, and construction of municipal drinking water, wastewater, rural water, watershed restoration, solid waste disposal, and recycling projects. The 2027 State Water Facilities Plan currently includes 68 unfunded projects with projected state funding needs of nearly $486.8 million.

The Department of Agriculture and Natural Resources appreciates everyone who contributes to the development and execution of the State Water Plan and remains committed to working with you, the Board of Water and Natural Resources, and local project partners to identify and address critical infrastructure needs across South Dakota.

Sincerely,

Hunter Roberts
Secretary

BOARD OF WATER AND NATURAL RESOURCES

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Sioux Falls
Member since 2014

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Sioux Falls
Member since 2002

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Marion
Member since 2024

GARY DREWES
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BRUCE JENNINGS
Belle Fourche
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Senator Red Dawn Foster	Pine Ridge
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Representative Scott Odenbach	Spearfish

To
Governor Larry Rhoden
and the
One-Hundred and Second Session, Legislative Assembly
2027

2026 ANNUAL REPORT
~~and~~
2027 STATE WATER PLAN

Board of Water and Natural Resources

January 2027

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Preface

The purpose of this document is to fulfill the statutory requirements placed on the Board of Water and Natural Resources. These requirements are generally outlined as follows:

SDCL 46A-2-2. *To prepare and submit to the Governor and Legislature a yearly progress report on the State Water Plan*

SDCL 46A-1-10. *To make recommendations to the Governor and Legislature concerning projects for the State Water Resources Management System*

SDCL 46A-1-14. *To make an annual report on all activities during the preceding year and funding recommendations necessary to implement the water plan*

This report consists of two principal sections – the 2026 Annual Report and the 2027 State Water Plan. The annual report provides progress reports on each funding program and other board activities during calendar year 2026.

The water plan section sets forth the projects included on the State Water Facilities Plan and the State Water Resources Management System. A Water and Environment Fund Special Condition Statement that projects the status of the Water and Environment Fund at the end of fiscal year 2026 is included in Appendix A. A copy of the resolutions approved by the Board of Water and Natural Resources that provide recommendations to the Governor and the Legislature for the designation of projects on the State Water Resources Management System and the recommended Water and Environment Fund fiscal year 2028 appropriation levels are included in Appendix B.

2026 Annual Report

Board of Water and Natural Resources

Overview

South Dakota Codified Law 46A-1-14 requires an annual report of the Board of Water and Natural Resources (the board). The report summarizes the board's 2026 activities, including a detailed account of Water and Environment Fund grant and loan awards.

In November 2025, the board placed 37 projects on the 2026 State Water Facilities Plan. This made the projects eligible for financial assistance from a variety of federal and state sources. During the year, the board took action to amend an additional 10 projects onto the plan.

The board awarded more than $306.1 million in grant and loan funds to finance municipal drinking water systems, rural water systems, wastewater facilities, watershed restoration, solid waste disposal, and recycling activities. The grant and loan funds helped to provide South Dakotans with safe and dependable environmental infrastructure.

American Rescue Plan Act Grants

The 2022 State Legislature, through Senate Bill 62, appropriated $600 million of American Rescue Plan Act (ARPA) grant funding to the Board of Water and Natural Resources. The funds were for eligible water and sewer projects on the State Water Plan. In 2022, the board fully obligated all of the original $600 million.

Funds were awarded to applicants by the board based on the required distribution criteria within Senate Bill 62. This included limitations to project size based on population, a minimum of 30 percent grant for all projects, additional grants for smaller systems with rates above $55 for municipal systems or $75 for non-municipal systems, and discretionary grant consideration for certain project types. These requirements were removed during the 2023 legislative session through Senate Bill 20, to allow the board flexibility in reallocating funds to assure full expenditure of all dollars.

The 2024 State Legislature, through Senate Bill 53, appropriated an additional $89,384,221 of ARPA grant funding to the Board of Water and Natural Resources. The funds were for eligible water and sewer projects that had received previous ARPA grant funds through the board and were focused on projects that had a regional service area. The board fully allocated all of the additional ARPA funds allocated during 2024.

Section 2 of 2024 Senate Bill 53 provided the authority for the board to award up to $28 million of additional ARPA funds if available. During 2026 the board was notified by the Bureau of Finance and Management that an additional $9,200,258.50 would be transferred to the board to provide

to existing ARPA funded projects consistent with U.S. Treasury requirements for fund use. Prior year transfers to the board were $4,538,979.69, in total $703,123,459.19 of ARPA funds have been appropriated to the board to make awards for eligible projects.

During 2026 some projects deobligated a portion of the originally awarded funding. The board has reallocated all deobligated funds after they have been officially rescinded. Table 1 shows the awards made by the board during calendar year 2026 for additional ARPA fund allocations.

Table 1 – 2026 American Rescue Plan Act Grants

Sponsor	Description	2026 Awarded Amount	Total Grant Amount	Total Project
BDM Rural Water System	Water System Improvements	$233,450.00	$5,501,878.00	$13,001,028.00
Clay Rural Water System	Water System Improvements	$334,250.00	$7,778,060.00	$19,339,960.00
Department of Agriculture and Natural Resources	Riparian Buffer Initiative	$4,500,000	$10,500,000.00	$10,500,000.00
Kingbrook Rural Water System	2022 System Improvements	$250,000.00	$15,122,298.00	$37,972,298.00
Mid-Dakota Rural Water System	Water System Improvements	$1,517,357.85	$22,215,789.05	$53,683,539.05
Randall Community Water District	Regional Waterline Upgrade	$2,840,140.55	$25,262,515.60	$117,706,890.60
Shared Resources, Inc.	Water Treatment Plant, Storage, and Distribution	$4,001,883.98	$53,444,031.98	$122,137,638.84
South Lincoln Rural Water System	Water System Improvements	$328,250.00	$8,450,523.00	$30,336,605.00
	Total	**$14,005,332.38**	**$148,275,095.63**	**$401,177,959.49**

Clean Water State Revolving Fund Loan Program

In 1989, the Clean Water State Revolving Fund (SRF) loan program began providing low-interest loans to governmental entities including municipalities, sanitary districts, and other special purpose districts. The loans are used for construction of wastewater facilities, storm sewers, and nonpoint source pollution control projects. During 2026, the board approved 30 loans totaling more than $167.4 million (Table 2).

The interest rates for the Clean Water SRF Program were 3.50 percent for loans up to 10 years, 3.75 percent for loans up to 20 years, 4.00 percent for loans up to 30 years, and an interim

financing rate of 2.50 percent for loans up to five years. The program's nonpoint source incentive rates were 2.75 percent for loans with a term of 10 years or less, 3.00 percent for loans with a term up to 20 years, and 3.25 percent for loans with a term up to 30 years. Projects for traditional wastewater or stormwater projects that include a nonpoint source component may receive the nonpoint source rate. The annual principal and interest payments were calculated for a loan at the higher base interest rate. Using the lower nonpoint source interest rate, a loan is sized using the annual payment previously calculated. The difference in the two loan amounts is the amount of funding available for the nonpoint source component of the project.

The board uses principal forgiveness to provide additional subsidy. Municipalities and sanitary districts with monthly residential wastewater rates of $45 per month (based on 5,000 gallons usage or a flat rate) are eligible to receive principal forgiveness. Other applicants are required to have residential wastewater rates of $70 per month (based on 5,000 gallons usage or a flat rate) to be eligible to receive principal forgiveness. Applicants must also meet the state's affordability criteria to be eligible to receive principal forgiveness.

Table 2 – 2026 Clean Water State Revolving Fund Loan Awards

Sponsor	Description	Total Award	Principal Forgiveness	Interest Rate	Term
Aberdeen (06)	Wastewater Treatment Facility	$16,198,000		4.00%	30
Belle Fourche (05)	Landfill Cell #3 Construction	$2,552,400		3.50%	20
Bryant (03)	Wastewater Improvements Phase 2B	$2,259,000	$1,298,000	4.00%	30
Canistota (06)	Sanitary and Storm Sewer Replacement Phase 4	$3,612,000	$2,513,000	4.00%	30
Clear Lake (04)	Storm Sewer Collection Improvements Phase 1B	$2,130,000		4.00%	30
Crooks (06)	Sanitary and Storm Sewer Replacement Phase 2	$2,334,000		3.75%	30
Custer (08)	5th Street Sanitary Sewer Improvements	$2,650,000	$2,125,000	4.00%	30
Elkton (05)	Sanitary and Storm Sewer Improvements Phases 3 and 4	$632,000		4.00%	30
Gregory (05)	Wastewater Improvements Phase 2	$1,750,000		4.00%	30

Sponsor	Description	Total Award	Principal Forgiveness	Interest Rate	Term
Hecla (04)	Wastewater Improvements Phase 3	$2,500,000	$2,000,000	4.00%	30
Hill City (02)	Wastewater Treatment Expansion and Rehabilitation Phase 2	$1,659,000		4.00%	30
Hot Springs (03)	Wastewater Treatment System Improvements	$9,166,000		4.00%	30
Howard (03)*	Wastewater Treatment Facility Improvements	$2,816,000		4.00%	30
Lake Poinsett Sanitary District (06)	West and Northwest Area Wastewater Collection and Treatment Installation	$6,299,000		4.00%	30
Lemmon (02)	Sanitary Sewer Improvements Phase 2	$4,700,000		4.00%	30
Milbank (03)	Wastewater Treatment Facility Improvements Phase 1	$15,500,000		4.00%	30
Mitchell (16)	North Ohlman Street Sewer Replacement	$3,930,000		4.00%	30
Mitchell (17)	13th Avenue Sanitary and Storm Sewer Replacement	$1,560,000		4.00%	30
Northdale Sanitary District (02)	Sanitary Sewer Re-Route Hideaway Hills Subdivision	$1,181,000		4.00%	30
Prairiewood Sanitary District (01)	Wastewater Collection and Treatment Improvements	$1,249,000		4.00%	30
Roscoe (04)	Wastewater Treatment System Improvements	$2,260,000	$1,458,000	4.00%	30
Salem (08)	Sanitary Sewer Relining and Lift Station Rehabilitation	$1,620,000		4.00%	30
Sioux Falls (50)	Southeast Sanitary Sewer Basin Expansion	$17,746,000		3.50%	20

Sponsor	Description	Total Award	Principal Forgiveness	Interest Rate	Term
Sioux Falls (51)	Water Reclamation Facility Primary Clarifier Expansion	$51,900,000		3.75%	20
Valley Springs (04)	Sanitary and Storm Sewer Replacement	$2,087,000		4.00%	30
Vermillion (14)	Landfill Cell #7 Construction and Cells #2-4 Partial Closure	$2,132,000		3.50%	10
Viborg (05)	Wastewater Collection Phase 2	$1,946,000		4.00%	30
Viborg (06)	Wastewater Collection Phase 1	$249,000		4.00%	30
Whitewood (04)	Wastewater Treatment Facility Upgrades	$1,942,000	$708,000	4.00%	30
Wilmot (02)	Wastewater Outfall Line Replacement	$850,000		4.00%	30
	Total	**$167,409,400**	**$10,102,000**		

*Funding deobligated at borrower's request

Drinking Water State Revolving Fund Loan Program

In 1998, the Drinking Water State Revolving Fund (SRF) loan program began providing low-interest loans to nonprofit corporations and governmental entities including municipalities, sanitary districts, and other special districts for the construction of drinking water facilities. In 2026, 24 loans were approved totaling nearly $77.0 million (Table 3).

The interest rates for the Drinking Water SRF Program for public entity borrowers were 3.50 percent for loans up to 10 years, 3.75 percent for loans up to 20 years, 4.00 percent for loans up to 30 years, and an interim financing rate of 2.50 percent for up to five years.

Public entity disadvantaged communities were eligible to receive an interest rate below the base rate. To qualify as disadvantaged, the water system's monthly residential water bill must be at least $45 per 5,000 gallons usage for municipalities and sanitary districts or $70 per 7,000 gallons usage for all other public entity community water systems.

Additionally, the median household income of a disadvantaged community must be below the statewide median household income (MHI). Communities with a household income less than the MHI but greater than 80 percent of the MHI were eligible for a 30-year term loan at 3.75 percent

interest. Communities with a household income between 60 percent and 80 percent of the MHI were eligible for a 30-year term loan at 3.50 percent interest and a 10-year loan at 2.75 percent interest. Communities with a household income less than 60 percent of the MHI were eligible for a 30-year term loan at 3.25 percent interest and a 10-year loan at 2.50 percent interest.

The interest rates for private nonprofit borrowers are established separately. These borrowers require the use of taxable financing and the current market interest rate difference is substantial. Loan rates were 4.50 percent for loans up to 10 years, 4.75 percent for loans up to 20 years, 5.00 percent for loans up to 30 years, and an interim financing rate of 2.50 percent for up to five years.

The board uses principal forgiveness to provide additional subsidy. Municipalities and sanitary districts with monthly residential water rates of $45 per month (based on 5,000 gallons usage) were eligible to receive principal forgiveness. Other applicants were required to have residential water rates of $70 per month (based on 7,000 gallons usage) to be eligible to receive principal forgiveness.

Table 3 – 2026 Drinking Water State Revolving Fund Loan Awards

Sponsor	Description	Total Award	Principal Forgiveness	Interest Rate	Term
Aberdeen (DW-05)	Water Tower and Transmission Line	$2,500,000		3.75%	20
Belle Fourche (DW-03)	Hat Ranch Well	$623,000		3.75%	30
Belle Fourche (DW-04)	Springs Waterline Replacement	$5,123,000		3.25%	30
Brookings-Deuel Rural Water System (DW-05)	Town of Ward Consolidation	$1,300,000	$1,300,000	0%	0
Brookings-Deuel Rural Water System (DW-06)	Highway 15 Altamont Pipeline Improvements	$4,700,000		4.75%	30
Bryant (DW-04)	Drinking Water Improvements Phase 2B	$2,643,000	$2,116,000	3.50%	30
B-Y Water District (DW-03)	Automatic Read Meter Upgrades	$6,075,000		3.25%	10
B-Y Water District (DW-04)	Water Line Relocation	$5,300,000		3.75%	30
Canistota (DW-05)	Drinking Water Replacement Phase 4	$3,640,000	$2,912,000	3.75%	30
Clear Lake (DW-03)	Drinking Water Distribution Improvements Phase 1B	$2,496,000	$1,361,000	4.00%	30
Crooks (DW-04)	Drinking Water Replacement Phase 2	$2,090,000		3.75%	30

Sponsor	Description	Total Award	Principal Forgiveness	Interest Rate	Term
Elk Point (DW-08)	Connection to Clay Rural Water System	$730,000		3.75%	30
Elkton (DW-04)	Drinking Water Improvements Phases 3 and 4	$512,000		4.00%	30
Gregory (DW-04)	Water Improvements Phase 2	$975,000		3.50%	30
Milbank (DW-03)	Water Treatment Plant Construction	$10,000,000		3.75	20
Randall Community Water District (DW-07)	Regional Waterline Upgrade	$5,000,000		3.75%	30
Rapid City (DW-06)	Wells 13 and 14 Improvements	$14,512,000		3.75%	30
Salem (DW-08)	Water Source Improvements	$2,100,000	$1,000,000	3.75%	30
Toronto (DW-01)	Water Line Relocation	$770,000	$425,000	3.50%	30
Valley Springs (DW-04)	Drinking Water Replacement	$1,261,000		3.75%	30
Vermillion (DW-06)	Water Treatment Facility Upgrades and Line Replacement	$1,015,000		4.00%	30
Viborg (DW-04)	Drinking Water Improvements Phase 2	$2,226,000	$1,093,000	3.50%	30
Viborg (DW-05)	Highway 19 Drinking Water Improvements	$479,000		3.50%	30
Webster (DW-05)	Water Meter Replacement	$908,000	$726,000	2.50%	10
	Total	**$76,978,000**	**$10,933,000**		

Consolidated Water Facilities Construction Program

The 2026 State Legislature appropriated $11,400,000 for the Consolidated Water Facilities Construction Program to provide grants and loans for water development projects on the State Water Facilities Plan. Additionally, prior year funding and reversions were available for award in 2026.

The board awarded 10 grants totaling more than $9.6 million (Table 4). The 2026 awards leveraged nearly $44.0 million in total project activities.

Table 4 – 2026 Consolidated Awards

Sponsor	Description	Grant Amount	Loan Amount	Total Project
Clear Lake	Drinking Water Distribution Improvements Phase 1B	$200,000		$2,696,900
Crooks	Sanitary and Storm Sewer Replacement Phase 2	$696,000		$3,030,000
Elkton	Drinking Water Improvements Phases 3 and 4	$863,000		$1,375,000
Elkton	Sanitary and Storm Sewer Improvements Phases 3 and 4	$593,000		$1,225,000
Hill City	Wastewater Treatment Expansion and Rehabilitation Phase 2	$2,000,000		$4,659,000
Lake Poinsett Sanitary District	West and Northwest Area Wastewater Collection and Treatment Installation	$2,000,000		$8,799,110
Milbank	Wastewater Treatment Facility Improvements Phase 1	$2,000,000		$17,500,000
Prairiewood Sanitary District	Wastewater Collection and Treatment Improvements	$646,000		$1,895,000
Valley Springs	Sanitary and Storm Sewer Replacement	$330,000		$2,417,000
WEB Water Development Association	Wecota Drinking Water Improvements and Consolidation	$290,400		$363,000
	Total	**$9,618,400**	**$0**	**$43,960,010**

State Revolving Fund Programs – Assistance

In 2026, the board allocated additional funds under both the Clean Water and Drinking Water State Revolving Fund programs for planning, technical assistance, and construction activities. The board's 2026 intended use plans approved the use of $1,700,000 in Clean Water and Drinking Water funds for assistance (Table 5).

Table 5 – 2026 State Revolving Fund Allocations

Activity	Source	Amount
Capacity Development Assistance	Clean Water SRF Set-Aside and Drinking Water SRF Set-Aside	$125,000
Drinking Water Operator Certification Training	Drinking Water SRF Admin Surcharge	$75,000
Public Water System Supervision Program	Drinking Water SRF Set-Aside	$300,000
Small System Technical Assistance Grants	Clean Water SRF Set-Aside and Drinking Water SRF Set-Aside	$200,000
SRF Application Preparation and Administration	Clean Water SRF and Drinking Water SRF Admin Surcharge	$800,000
Water Quality Grants	Clean Water SRF Admin Surcharge (CWSRF WQ)	$200,000
	Total	**$1,700,000**

During 2026, the board approved 29 Construction or Technical Assistance awards and amendments totaling $6,443,000 (Table 6). The narrative sections below describe the general categories of the State Revolving Fund program assistance and provide updates for ongoing activities supported by this funding.

Watershed / Wastewater / Water Construction Grants: The board provided additional grant assistance from Clean Water Administrative Surcharge fees to supplement Section 319 grant awards. Watershed restoration projects are eligible uses for these fees, and its use allows additional projects to be completed.

Drinking Water and Clean Water SRF Planning Grants: The Small Community Planning Grant Program was established to encourage proactive planning by small communities and systems. Grants are available for the preparation of a drinking water, wastewater, or stormwater engineering study for systems serving populations of 2,500 or less. For engineering studies, participating systems are reimbursed at 80 percent of the cost up to $8,000 for drinking water studies and up to $10,000 for wastewater or stormwater studies.

Public Water System Supervision Program: Insufficient federal funds have been allocated from the Performance Partnership Grant for South Dakota's Public Water System Supervision (PWSS) program to complete all tasks and activities identified in DANR's workplan with EPA. The PWSS program is managed by DANR's Drinking Water program and ensures all public water systems in the state are maintaining compliance with the requirements of the Safe Drinking Water Act. A total of $300,000 was allocated from the State Program Management set-aside in federal fiscal year 2026.

Technical Assistance: The board continued its technical assistance contract with the South Dakota Association of Rural Water Systems (SDARWS). SDARWS provides assistance to small drinking water systems serving populations of 10,000 or less with compliance, permitting, and operational issues. Midwest Assistance Program conducted capacity assessments and follow-up reviews to assist the department in ensuring that all borrowers demonstrate the required technical, financial, or managerial capacity to access Drinking Water SRF loan assistance. Midwest Assistance Program also has a contract to provide technical assistance to wastewater funding applicants with capacity issues.

In 2026, the board provided $75,000 for operator certification training. These funds are provided to SDARWS and used for operator certification training of drinking water system operators. During state fiscal year 2026, 359 operators received training.

The board continued to provide assistance to the state's six planning districts for preparation of applications and ongoing loan administration activities to include Davis-Bacon wage rate compliance. New five-year joint powers agreements were executed with each of planning districts in June 2026 which adjusted the assistance amounts to receive up to $13,000 per loan for application and loan administration duties and up to $2,000 per loan for Davis-Bacon wage rate compliance.

Table 6 – 2026 State Revolving Fund Programs Grant Awards

Watershed /Wastewater/Water Construction Grant Awards

Sponsor	Project	Grant Amount	Source of Funds
Day Conservation District*	Prairie Coteau Watershed Implementation Segment 1	$200,000	CWSRF WQ
	Total	**$200,000**	

* Amendment to prior year award.

Small Community Planning Grant Awards

Sponsor	Project	Grant Amount
Baltic	Drinking Water Engineering Study	$8,000
Baltic	Wastewater Engineering Study	$10,000
Black Hawk Sanitary District	Wastewater Engineering Study	$10,000
Castlewood	Wastewater Engineering Study	$10,000
Custer	Drinking Water Engineering Study	$8,000

Sponsor	Project	Grant Amount
DeSmet	Drinking Water Engineering Study	$8,000
Golden Hills Homeowners Association	Drinking Water Engineering Study	$8,000
Lake Norden	Drinking Water Engineering Study	$8,000
Lake Norden	Wastewater Engineering Study	$10,000
Martin	Drinking Water Engineering Study	$8,000
Mellette	Drinking Water Engineering Study	$8,000
Murdo	Wastewater Engineering Study	$10,000
Parker	Drinking Water Engineering Study	$8,000
Parker	Wastewater Engineering Study	$10,000
Pringle	Drinking Water Engineering Study	$8,000
Pringle	Wastewater Engineering Study	$10,000
Pukwana	Wastewater Engineering Study	$10,000
Willow Lake	Wastewater Engineering Study	$10,000
	Total	**$162,000**

Technical Assistance Awards

Sponsor	Project	Award
Black Hills Council of Local Governments	2026-2031 Agreement for SRF Application, Project Administration and Davis-Bacon Wage Rate Monitoring	$988,000
Central South Dakota Enhancement District	2026-2031 Agreement for SRF Application, Project Administration and Davis-Bacon Wage Rate Monitoring	$254,000

Sponsor	Project	Award
First District Association of Local Governments	2026-2031 Agreement for SRF Application, Project Administration and Davis-Bacon Wage Rate Monitoring	$1,545,000
Midwest Assistance Program*	Drinking Water Capacity Assessments	$100,000
Midwest Assistance Program*	Small Systems Wastewater Capacity	$25,000
Northeast Council of Governments	2026-2031 Agreement for SRF Application, Project Administration and Davis-Bacon Wage Rate Monitoring	$825,000
Planning and Development District III	2026-2031 Agreement for SRF Application, Project Administration and Davis-Bacon Wage Rate Monitoring	$863,000
SD Association of Rural Water Systems*	Drinking Water Operator Certification Training	$75,000
SD Association of Rural Water Systems*	Small System Technical Assistance	$130,000
South Eastern Council of Governments	2026-2031 Agreement for SRF Application, Project Administration and Davis-Bacon Wage Rate Monitoring	$1,438,000
	Total	**$6,243,000**

* Amendment to prior year Technical Assistance award.

Drinking Water Emerging Contaminants in Small or Disadvantaged Communities

The 2025 State Legislature, through Senate Bill 33, authorized $30 million of federal fund expenditure authority for use of the Drinking Water Emerging Contaminants for Small or Disadvantaged Communities grant program to the Board of Water and Natural Resources. The federal Infrastructure Investment and Jobs Act (IIJA) was enacted on November 15, 2021. Among its provisions, the IIJA provides a total of $47,285,000 in fiscal years 2022-2026 for the Emerging Contaminants in Small or Disadvantaged Communities (EC-SDC) grant program. This grant program focuses on addressing emerging contaminants, including but not limited to perfluoroalkyl and polyfluoroalkyl substances (PFAS), in small or disadvantaged communities' drinking or source water.

For use of the Emerging Contaminants in Small or Disadvantaged Communities the board will select public water systems that meet the federal definition of small or the state's Drinking Water SRF disadvantaged community definition to receive assistance through the grant

program. The public water systems to be provided funding will need to demonstrate through testing that an eligible emerging contaminant exists within the system and that the proposed project will result in the removal of the contaminant through treatment, connection to a different source, or system consolidation.

In 2026, the board awarded two grants totaling more than $24.1 million (Table 7).

Table 7 – 2026 Drinking Water Emerging Contaminants in Small or Disadvantaged Communities Grants

Sponsor	Description	Total Grant Amount	Total Project
Clay Rural Water System	Connection to Elk Point	$16,505,000	$16,505,000
Sioux Falls	Water Transmission Improvements Third Lewis & Clark Connection	$7,648,000	$7,648,000
	Total	**$24,153,000**	**$24,153,000**

2026 General Funds for Water, Wastewater, and Storm Water Grants

The 2026 State Legislature, through Senate Bill 222, appropriated $2,000,000 of general funds for awards to eligible water, wastewater, and storm water project grants to the Board of Water and Natural Resources. The bill required that projects awarded funding by the board must be included in the state water plan.

The board awarded three grants totaling $2.0 million (Table 8).

Table 8 – 2026 General Fund Grants for Water, Wastewater, and Storm Water

Sponsor	Description	Total Grant Amount	Total Project
Canistota	Sanitary and Storm Sewer Replacement Phase 4	$500,000	$4,112,000
Hill City	Wastewater Treatment Expansion and Rehabilitation Phase 2	$1,000,000	$4,659,000
Lake Poinsett Sanitary District	West and Northwest Area Wastewater Collection and Treatment Installation	$500,000	$8,799,110
	Total	**$2,000,000**	**$17,570,110**

State Water Resources Management System

On March 24, 2026, Governor Rhoden signed the 2026 Omnibus Bill (Senate Bill 37), which appropriated $750,000 for the Dakota Mainstem Regional Water System study, $500,000 for Hydrology and Water Management studies, $175,000 for the Big Sioux Flood Control study, and $2,000,000 for the Water Investment in Northern South Dakota project. Information on individual SWRMS project accomplishments and activities is provided in the State Water Plan section (pages 43-65). During the year, the board placed the following amount under agreement (Table 9).

Table 9 - 2026 State Water Resources Management System Awards

Sponsor	Project	Amount	Type
Dakota Mainstem Regional Water System*	Eastern Dakota Regional Water System – Feasibility Study	$750,000	Grant
Department of Agriculture and Natural Resources	Hydrology and Water Management Studies – Wetland Delineation Mapping Tool	$500,000	Grant
Watertown*	Big Sioux Flood Control Study – Watertown Vicinity	$175,000	Grant
City of Aberdeen, BDM Rural Water System, WEB Water Development Association*	Water Investment in Northern South (WINS) Dakota Project	$2,000,000	Grant
	Total	**$3,425,000**	

* Amendment to prior year SWRMS award

Watershed Protection Program – EPA Section 319 Grants

The South Dakota Watershed Protection Program is designed to assess nonpoint source water pollution and reduce or eliminate the impact on water quality throughout the state. Nonpoint source refers to the polluted runoff from urban, agriculture, and forest lands. The program provides technical and financial assistance to local watershed project sponsors in the planning and management of assessment and implementation projects. Additionally, the program administers state and federal grants, monitors effectiveness of implementation projects, and funds information and education activities. Applications for Section 319 grants must be approved by the board prior to submission to EPA. In 2026, the board recommended that EPA award $1.8 million in federal fiscal year 2026 Section 319 grant funds to watershed projects (Table 10). Final allocation was $1.8 million.

Table 10 - 2026 EPA Section 319 Grants

Sponsor	Project	Amount	Total Project
Belle Fourche River Watershed Partnership*	Belle Fourche River Watershed Implementation Project Segment 11	$300,000	$3,949,000
South Dakota Soil Health Coalition*	Soil Health Improvement and Planning Project Segment 3	$400,000	$3,223,990
James River Water Development District	South Central Watershed Implementation Project Segment 3	$893,000	$44,394,430
South Dakota Discovery Center	South Dakota Nonpoint Source Information and Education Project Segment 8	$207,000	$679,500
	Total	**$1,800,000**	**$52,246,920**

* Amendment to prior year 319 award

Throughout the year the department works with EPA to reallocate deobligated prior year funds. Table 11 contains the list of grants that were awarded to existing project sponsors during calendar year 2026.

Table 11 - 2025 EPA Section 319 Grant Amendments

Sponsor	Project	Amount	Total Project
James River Water Development District	South Central Watershed Implementation Project Segment 2	$150,000	$25,910,340
	Total	$150,000	$25,910,340

Solid Waste Management Program

The 2026 State Legislature appropriated $3,400,000 for the Solid Waste Management Program (SWMP). Additionally, prior year funding and reversions were available for award in 2026 for grants and loans for recycling, waste tire, and solid waste disposal projects.

These programs are supported by three funding sources – a $0.75 per ton landfill surcharge on municipal solid waste, a $0.25 per tire vehicle registration fee, and principal and interest payments from past solid waste loan awards.

The board awarded five grants, one loan, and one contract in 2026, totaling nearly $2.1 million (Table 12). SWMP awards helped leverage nearly $7.3 million in total project activities.

Table 12 - 2026 Solid Waste Management Awards

Sponsor	Description	Loan Amount	Grant Amount	Total Project
Belle Fourche	Landfill Cell #3 Construction		$283,600	$2,836,000
Department of Agriculture and Natural Resources	Statewide PFAS Foam, Solid Waste, or Waste Tire Cleanups		$250,000	$250,000
Northwest South Dakota Regional Landfill	Equipment Purchase	$502,000	$129,000	$631,000
Sioux Falls	Household Hazardous Facility Improvements		$350,000	$700,000
South Eastern Council of Governments	Contract for Solid Waste Loan Private Entity Reviews		$10,000	$10,000
Vermillion	Cell #7 Construction and Cells #2-4 Partial Closure		$568,000	$2,842,500
	Total	**$502,000**	**$1,590,600**	**$7,269,500**

Brownfields Revitalization and Economic Development Program

The 2004 South Dakota Legislature followed the federal Brownfields Act and established a state Brownfields Revitalization and Economic Development Program within the Department of Agriculture and Natural Resources (the department). The purpose of the Brownfields program is to complete environmental assessments and cleanups so that local governments can put contaminated lands back into productive, beneficial use and complete projects that are necessary to revitalize local economies. The 2004 bill created two subfunds: a Brownfields revolving loan subfund and a Brownfields assessment and cleanup subfund. The board approves annual work plans for both subfunds. The department agreed to use existing staff to administer this program.

While the department has made application for federal funding, the U.S. Environmental Protection Agency has not awarded South Dakota any federal funds for the Brownfields revolving loan subfund. Therefore, there has been no activity in this subfund. EPA has advised the department that until potential applicants are identified, the department will not be eligible for federal revolving loan funds.

The department has used both federal Brownfields grants and federal Leaking Underground Storage Tank Trust Funds to complete environmental assessments and cleanups of Brownfields projects statewide. Projects are limited by federal Brownfields law to $200,000 per site for assessment and $200,000 per site for cleanup unless a waiver is granted by EPA. Brownfields projects are nominated by local project sponsors and approved by the board. Table 13 contains a list of all the Brownfields projects approved by the board in calendar year 2026. The Brownfields process is an extremely useful tool to help assess and clean up contaminated lands statewide and move forward with economic development projects that are a high local priority.

Table 13 - 2026 Brownfields Assessment and Cleanup Projects

Applicant	Site Name and Location	Activity	Amount*
Town of Tabor	Former Elementary School Building	Assessment/Cleanup	$150,000.00
Town of Tabor	Former Petersen Pit Stop	Assessment/Cleanup	$74,026.84
Walworth County	Dakota Star Inn - Mobridge	Assessment/Cleanup	$250,000.00
City of Yankton	Community Library	Assessment/Cleanup	$100,000.00
Department of Agriculture and Natural Resources	Inventory of the Brownfields Sites	Data Gathering	$20,000.00
Trinity Lutheran Church	Trinity Lutheran Church-Yankton	Assessment/Cleanup	$200,000.00
First Congregational Church	First Congregational Church – Rapid City	Assessment/Cleanup	$200,000.00
Lutheran Church	Lutheran Church - Dell Rapids	Assessment/Cleanup	$200,000.00
City of Sioux Falls	Former Landfill	Assessment	$100,000.00
Chamberlain School District	Former Elementary School	Assessment/Cleanup	$150,000.00
Furniture Mission	Furniture Mission - Sioux Falls	Assessment	$25,000.00
South Dakota Game, Fish & Parks	Fort Sisseton Historic State Park	Assessment	$200,000.00
Lewis and Clark Behavioral Health	Lewis and Clark Behavioral Health, Yankton	Assessment/Cleanup	$100,000.00
Yvonne Cunningham	Ghost Town Former Gas Station	Assessment	$80,000.00
Sue O'Donnell	Wild West Former Gas Station	Assessment	$100,000.00
		Total	**$1,949,026.84**

* Accumulative costs as of August 31, 2026

2027 State Water Development Legislation

On March 24, 2026, Governor Rhoden signed Senate Bill 37, the Omnibus Water Funding Bill. The 2026 Omnibus Bill contained the following appropriations:

Appropriations from the Water and Environment Fund

- Dakota Mainstem Regional Water System study – $750,000 grant to complete an engineering feasibility study to evaluate the need for additional water sources and systems in eastern South Dakota;
- Big Sioux Flood Control Study – $175,000 grant to provide one-half of the nonfederal costs for an update to the US Army Corps of Engineers study for flood control in the Watertown area;
- Hydrology and Water Management Studies - $500,000 grant to provide funding for hydrology and water management studies for the development of a statewide high-resolution wetland delineation online map by the Department of Agriculture and Natural Resources;
- Water Investment in Northern South Dakota project - $2,000,000 grant for engineering design, preconstruction, and construction of the facilities associated with constructing a regional water supply pipeline beginning at the Missouri River water intakes, operated by WEB Water Development Association, to Aberdeen and connecting to BDM Rural Water;
- Consolidated Water Facilities Construction Program – $11,400,000 to provide grants and loans for community drinking water, wastewater, and watershed improvement projects; and
- Solid Waste Management Program – $3,400,000 to provide grants and loans for recycling, solid waste disposal, and waste tire projects.

Appropriations from WEF Subfunds and Other Sources

- Section 7 of the bill appropriated $200,000 from the Clean Water State Revolving Fund program subfund for the purpose of providing water quality grants;
- Section 8 of the bill appropriated $400,000 from the Clean Water State Revolving Fund program subfund for the preparation of loan applications and administration of loans;
- Section 9 of the bill appropriated $400,000 from the Drinking Water State Revolving Fund program subfund for the preparation of loan applications and administration of loans;
- Section 10 of the bill appropriated $250,000 from the Drinking Water State Revolving Fund program subfund for technical assistance; and
- Section 11 of the bill appropriated $50,000 from the Clean Water State Revolving Fund program subfund for technical assistance.

On March 24, 2026, Governor Rhoden signed Senate Bill 222. This bill appropriated $2,000,000 of general funds to the Board of Water Natural Resources, to provide grants for water, wastewater, and stormwater projects.

On March 27, 2026, Governor Rhoden signed Senate Bill 231. This bill created the Water Infrastructure Development Fund and appropriated $3,000,000 of general funds to the Board of Water and Natural Resources. The purpose of the fund is to provide money for awards for the construction, planning, and design of rural water projects in the state.

2027 State Water Plan

2027 State Water Plan

Overview

The 1972 State Legislature established the State Water Plan to ensure the optimum overall benefits of the state's water resources for the general health, welfare, safety, and economic well-being of the people of South Dakota through the conservation, development, management, and use of those resources. The Legislature placed the responsibility for this plan with the Board of Water and Natural Resources (the board).

The State Water Plan, as established in SDCL 46A-1-2, consists of two components – the State Water Facilities Plan and the State Water Resources Management System. To be considered for the State Water Facilities Plan, projects must meet criteria established by the board. These eligibility criteria are used as guidelines by the board and the Department of Agriculture and Natural Resources (the department) when considering a project for inclusion on the State Water Facilities Plan. Additions to or deletions from the State Water Resources Management System can only be made by the State Legislature.

State Water Facilities Plan

The State Water Facilities Plan (Facilities Plan) is a list of potential water projects. The Facilities Plan includes projects such as rural, municipal, and industrial water supply, wastewater collection and treatment facilities, storm sewers, groundwater protection, and watershed restoration. The board is responsible for approving the placement of projects on the Facilities Plan. The board can provide direct assistance to projects on the plan and placement on the plan may influence federal and other state agency funding decisions.

In November 2026, the board considered 56 applications requesting placement on the State Water Plan. The board placed all 56 projects on the Facilities Plan, bringing the total number of projects on the 2027 State Water Facilities Plan to 315 (Table 14 and Table 15).

The projects in Table 14 have received either partial or full funding. Projects that have received funding from the board remain on the Facilities Plan until project completion and remain eligible to request additional funding.

The projects or a portion of the project in Table 15 had not received funding as of December 31, 2026. Projects placed on the plan in November 2025 or that were amended onto the plan during calendar year 2026 remain on the Facilities Plan through December 2027. The 56 projects placed on the plan in November 2026 remain on the Facilities Plan through December 2028.

Additional projects may be placed on the Facilities Plan during the year. Projects placed on the Facilities Plan through the amendment process remain on the plan for the balance of the calendar

year and the following year. Once a project is removed from the Facilities Plan, the project sponsor must submit a new State Water Plan application to be eligible to seek assistance.

Table 14 - 2027 State Water Facilities Plan Funded Projects

Sponsor	Project Description	Amount Funded	Total Project
Aberdeen	Wastewater Treatment Facility	$97,521,000	$102,521,000
Aberdeen	Water Tower and Transmission Line	$12,500,000	$14,500,000
Alcester	Collection System Improvements Phase I	$1,530,000	$1,530,000
Alcester	Drinking Water Improvements Phase 1A and 1B	$2,230,000	$2,230,000
Alexandria	Water Distribution Improvements	$500,000	$500,000
Alexandria	Wastewater System Improvements	$2,677,920	$2,894,000
Aurora	Wastewater Treatment Improvements Phase 3A	$1,200,000	$1,200,000
Aurora	Drinking Water System Improvements	$3,383,200	$3,383,200
BDM Rural Water System	Water System Improvements	$11,537,000	$11,537,000
Bear Butte Valley Water, Inc	Alkali Road Expansion	$6,702,000	$6,702,000
Belle Fourche	Landfill Cell #3 Construction	$2,836,600	$2,836,600
Belle Fourche	Hat Ranch Well	$2,383,000	$2,383,000
Belle Fourche	Springs Waterline Replacement	$5,123,000	$5,123,000
Beresford	Wastewater Collection and Treatment Improvements	$9,258,653	$9,258,653
Beresford	Seventh Street Utility Extension	$672,000	$672,000
Big Sioux Community Water System	Distribution System Improvements	$17,788,000	$17,788,000
Big Sioux Community Water System	Lake Madison Area Improvements	$2,200,000	$2,200,000
Bison	Wastewater Collection and Treatment Improvements	$4,250,000	$4,250,000

Sponsor	Project Description	Amount Funded	Total Project
Bowdle	Wastewater Improvements	$2,750,309	$2,750,309
Box Elder	Highway 14/16 Sanitary Sewer System Improvements Phase 2	$14,344,000	$14,344,000
Box Elder	Sanitary Sewer Upgrade and Expansion	$4,460,000	$5,800,000
Box Elder	Drinking Water Improvements	$5,904,499	$5,904,499
Britton	Lift Station and Sewer Improvements	$733,000	$733,000
Brookings	Water Treatment Plant	$114,702,500	$119,702,500
Brookings-Deuel Rural Water System	Phase Tank Mainline Improvements	$9,010,800	$9,010,800
Brookings-Deuel Rural Water System	Town of Ward Consolidation	$1,300,000	$1,300,000
Brookings-Deuel Rural Water System	Highway 15 Altamont Pipeline Improvements	$4,700,000	$4,700,000
Bryant	Wastewater Improvements Phase 2A	$1,240,000	$1,240,000
Bryant	Wastewater Improvements Phase 2B	$2,259,000	$2,259,000
Bryant	Water System Phase 2A and Water Tower Improvements	$1,575,000	$1,575,000
Bryant	Drinking Water Improvements Phase 2B	$2,643,000	$2,643,000
Buffalo Gap	Cast Iron and 4-inch PVC Replacement Phase 2	$1,314,000	$1,314,000
Butte-Meade Sanitary Water District	Drinking Water Improvements	$3,325,000	$3,325,000
B-Y Water District	Automatic Read Meter Upgrades	$6,075,000	$6,075,000
B-Y Water District	Water Line Relocation	$5,300,000	$5,300,000
Canistota	Sanitary and Storm Sewer Replacement Phase 4	$3,612,000	$3,612,000
Canistota	Drinking Water Replacement Phase 4	$3,640,000	$3,640,000
Centerville	New Water Tower	$1,412,000	$1,412,000

Sponsor	Project Description	Amount Funded	Total Project
Chamberlain	Wastewater Improvements	$2,100,000	$2,500,000
Chamberlain	Water Improvements	$771,000	$850,000
Clark	Drinking Water System Improvements	$3,315,316	$3,315,316
Clay Rural Water System	Water System Improvements	$16,517,000	$16,517,000
Clay Rural Water System	Connection to Elk Point	$16,505,000	$16,505,000
Clay Rural Water System	Water Treatment Plant Construction	$21,843,000	$21,843,000
Clear Lake	Drinking Water Distribution Improvements Phase 1B	$2,696,000	$2,696,900
Clear Lake	Water Distribution System Improvements	$3,694,000	$3,694,000
Clear Lake	Wastewater and Storm Sewer Improvements	$3,500,000	$3,500,000
Clear Lake	Storm Sewer Collection Improvements Phase 1B	$2,130,000	$2,130,000
Colman	Wastewater Collection System Improvements	$1,995,000	$1,995,000
Colman	Water Distribution Improvements	$480,000	$480,000
Colton	Sanitary Sewer Improvements Phase 4	$110,323	$110,323
Colton	4th Street Sewer Infrastructure Improvements	$323,748	$323,748
Colton	4th Street Water Infrastructure Improvements	$766,000	$766,000
Columbia	Wastewater and Stormwater Improvements	$3,700,000	$3,714,000
Corona	Drinking Water System Improvements Phase I	$1,598,000	$1,598,000
Corona	Water Distribution System Improvements	$78,200	$391,000
Corona	Sanitary and Storm Sewer System Improvements Phase I	$1,312,000	$1,312,000

Sponsor	Project Description	Amount Funded	Total Project
Cresbard	Sanitary and Storm Sewer Improvements	$3,124,000	$3,124,000
Cresbard	Distribution System Improvements	$2,000,000	$2,000,000
Cresbard	Water Improvements Phase 2	$1,912,410	$1,912,410
Crooks	Sanitary and Storm Sewer Replacement Phase 2	$3,030,000	$3,030,000
Crooks	Drinking Water Replacement Phase 2	$2,090,000	$2,090,000
Custer	5th Street Sanitary Sewer Improvements	$2,650,000	$2,650,000
Department of Agriculture and Natural Resources	Riparian Buffer Initiative	$7,000,000	$7,000,000
Davison Rural Water System	Water Distribution Improvements and Meter Upgrade	$2,507,000	$2,507,000
Dell Rapids	Orleans Avenue Sewer Replacement	$3,492,000	$3,492,000
Dell Rapids	Western Area Sewer Expansion	$2,782,000	$2,782,000
Dell Rapids	Orleans Avenue Drinking Water Replacement	$1,158,000	$1,158,000
Elk Point	Connection to Clay Rural Water System	$730,000	$730,000
Elkton	Water Improvements Phase 3	$1,000,000	$1,000,000
Elkton	Wastewater Improvements Phase 3	$1,870,000	$1,870,000
Elkton	Sanitary and Storm Sewer Improvements Phases 3 and 4	$1,225,000	$1,225,000
Elkton	Drinking Water Phases Improvements 3 and 4	$1,375,000	$1,375,000
Fall River Water User District	Water System Improvements	$10,007,000	$10,007,000
Fall River Water User District	North Angostura Booster Station	$3,240,000	$3,240,000
Flandreau	Wastewater Collection System Improvements	$4,172,919	$4,380,000

Sponsor	Project Description	Amount Funded	Total Project
Flandreau	Water Distribution Improvements	$4,232,919	$4,440,000
Garden City	Wastewater System Improvements	$488,000	$488,000
Gary	Wastewater Improvements	$2,015,822	$2,015,822
Grant-Roberts Rural Water System	2024 System Improvements	$1,687,000	$2,549,000
Grant-Roberts Rural Water System	Bulk Water Supply to the Town of Summit	$8,300,000	$8,300,000
Gregory	Wastewater Improvements Phase I	$3,116,400	$3,116,400
Gregory	Wastewater Improvements Phase 2	$1,750,000	$1,750,000
Gregory	Water Distribution Improvements	$2,439,500	$2,439,500
Gregory	Water Improvements Phase 2	$975,000	$975,000
Groton	Wastewater Improvements	$6,587,000	$6,587,000
Hanson Rural Water System	Water Distribution Improvements and Meter Upgrade	$6,056,165	$6,056,165
Harrisburg	Westside Trunk and Southeastern Sewer Improvements	$16,549,073	$17,749,000
Harrisburg	Southeastern Water Improvements	$6,305,000	$6,305,000
Hecla	Wastewater Collection Improvements	$2,500,000	$2,500,000
Hecla	Wastewater Improvements Phase 3	$2,500,000	$2,500,000
Henry	Water System Improvements Phases 2 and 3	$4,075,000	$4,075,000
High Meadows Water Association, Inc.	Drinking Water Improvements	$652,000	$652,000
Hill City	Wastewater Treatment Expansion and Rehabilitation	$7,521,000	$7,521,000
Hill City	Wastewater Treatment Expansion and Rehabilitation Phase 2	$4,659,000	$4,659,000
Hill City	Drinking Water System Improvements	$5,520,000	$5,520,000

Sponsor	Project Description	Amount Funded	Total Project
Hot Springs	Wastewater Treatment System Improvements	$9,166,000	$9,166,000
Howard	Wastewater Collection System Improvements Phase I	$2,472,000	$2,472,000
Hudson	Sanitary Sewer Improvements Phase 2	$647,000	$1,295,000
Humboldt	Sanitary Sewer Improvements	$3,100,850	$3,521,000
Ipswich	Storm Sewer Upgrades	$390,100	$390,100
Iroquois	Wastewater Improvements	$1,900,000	$1,900,000
Isabel	Wastewater Collection Improvements	$1,101,202	$2,044,374
Java	Wastewater Improvements	$2,600,000	$2,600,000
Joint Well Field, Inc.	New Water Treatment Plant	$8,638,000	$9,560,000
Joint Well Field, Inc	Water Treatment Plant Improvements	$5,523,000	$5,523,000
Keystone	Sewer Trunkline Improvements	$5,609,000	$5,609,000
Kimball	Main Street Sewer Improvements	$1,095,000	$1,095,000
Kimball	Main Street Water Improvements	$325,000	$325,000
Kingbrook Rural Water System	2022 System Improvements	$33,000,000	$33,000,000
Kingbrook Rural Water System	2024 Pipeline Improvements	$14,500,000	$14,500,000
Lake Norden	Wastewater Lagoon Improvements	$500,000	$500,000
Lake Poinsett Sanitary District	West and Northwest Area Wastewater Collection and Treatment Installation	$8,799,000	$8,799,110
Lake Preston	Drinking Water Improvements Phase 2A	$2,599,000	$2,599,000
Lake Preston	Sanitary Sewer Utility Improvements Phase 2A	$2,921,000	$2,921,000
Lake Preston	Sanitary Sewer Utility Improvements Phase 2B	$2,653,600	$2,653,600

Sponsor	Project Description	Amount Funded	Total Project
Lake Preston	Drinking Water Improvements Phase 2B	$2,492,100	$2,492,100
Lead	Deadwood Water Supply Line	$841,425	$841,425
Lemmon	Sanitary Sewer Improvements Phase 2	$4,700,000	$4,700,000
Lennox	Boynton Avenue Wastewater Improvements	$2,299,000	$2,299,000
Lennox	Boynton Avenue Water Improvements	$868,000	$868,000
Lennox	Central Basin Wastewater Improvements Phase 4	$3,275,550	$3,275,550
Lennox	Central Basin Water Improvements Phase 4	$1,339,200	$1,339,200
Lincoln County Rural Water System	Western Area Improvements and Bulk Water Connection	$3,078,000	$3,078,000
Madison	Sanitary Sewer Improvements Segments 1 - 6	$5,192,400	$5,962,400
Madison	Drinking Water Improvements Segments 1 - 6	$11,658,500	$12,308,500
Madison	Egan Avenue Wastewater Improvements	$2,692,547	$2,692,547
Madison	Egan Avenue Drinking Water Improvements	$2,645,916	$2,645,916
Meadow Crest Sanitary District	New Well Construction	$818,000	$818,000
Mid-Dakota Rural Water System	Water System Improvements	$45,335,000	$45,335,000
Mid-Dakota Rural Water System	Wessington Springs Bulk Water Supply	$14,730,000	$14,730,000
Milbank	Wastewater Treatment Facility Improvements Phase 1	$17,500,000	$17,500,000
Milbank	Water Treatment Plant Construction	$10,000,000	$10,000,000
Miller	Wastewater Improvements Phase 4	$683,579	$683,579
Miller	Water Improvements Phase 4	$3,833,245	$4,307,000

Sponsor	Project Description	Amount Funded	Total Project
Minnehaha Community Water Corporation	Water Storage and Capacity Improvements	$7,510,000	$7,510,000
Minnehaha Community Water Corporation	Water Distribution Improvements	$44,349,000	$44,349,000
Minnehaha Community Water Corporation	Water Treatment Control Panel Upgrade and Distribution Improvements	$4,670,000	$4,670,000
Mitchell	Wastewater Treatment Facility Improvements Phase 2	$32,195,000	$32,195,000
Mitchell	Lake Mitchell Rehabilitation	$16,815,900	$16,815,900
Mitchell	Fifth Avenue Wastewater Improvements	$2,350,000	$2,350,000
Mitchell	Fifth Avenue Drinking Water Improvements	$1,325,000	$1,325,000
Mitchell	North Ohlman Street Sewer Utility Replacement	$3,930,000	$3,930,000
Mitchell	13th Avenue Sanitary and Storm Sewer Replacement	$1,560,000	$1,560,000
Mobridge	Wastewater Treatment Improvements	$7,350,000	$7,350,000
Mobridge	Drinking Water System Improvements	$7,123,072	$7,123,072
Morristown	Water System Improvements	$133,308	$214,760
New Underwood	Drinking Water System Improvements	$4,010,000	$4,010,000
Niche Sanitary District	Wastewater System Improvements	$1,697,000	$1,697,000
North Brookings Sanitary and Water District	Sanitary Sewer Cast-In-Place Pipe Phase 1	$2,359,000	$2,359,000
Northdale Sanitary District	Sanitary Sewer Re-Route Hideaway Hills Subdivision	$1,181,000	$1,181,000
Oacoma	Wastewater Treatment and Lift Station Improvements	$1,657,000	$1,657,000
Oak Mountain Country Estates Owners Association	Water Distribution System Improvements	$445,000	$445,000

Sponsor	Project Description	Amount Funded	Total Project
Parker	Wastewater Improvements Phase 6B	$1,669,000	$1,669,000
Parker	Drinking Water Improvements Phase 6B	$1,215,000	$1,215,000
Parkston	Wastewater Treatment Improvements	$1,300,332	$1,500,000
Peever	Wastewater Collection and Treatment Improvements	$706,000	$1,663,173
Perkins County Rural Water System	New Water Tank and Pipeline Replacement	$5,800,000	$5,800,000
Philip	Northeast and Stewart Ave Wastewater Improvements	$1,201,601	$1,201,601
Philip	Stewart Avenue Area Storm Sewer Improvements	$800,342	$800,342
Pierre	Euclid Avenue Drinking Water Improvements	$5,075,823	$5,075,823
Powder House Pass Community Improvement District	Water Reclamation Facility Expansion and Lift Station	$2,075,000	$2,075,000
Prairiewood Sanitary District	Wastewater Collection and Treatment Improvements	$1,895,000	$1,895,000
Randall Community Water District	Internal System Improvements	$9,036,250	$9,036,250
Randall Community Water District	Regional Waterline Upgrade	$128,963,715	$128,963,715
Rapid City	South Plant Water Reclamation Facility Improvement	$188,000,000	$188,000,000
Rapid City	Municipal Well Installation and Improvements	$3,932,000	$3,932,000
Rapid City	Well 13 and 14 Improvements	$14,512,000	$14,512,000
Rapid Valley Sanitary District	System Expansion for Service to Box Elder	$7,342,000	$12,028,000
Roberts County	Solid Waste Disposal Cell Construction	$2,000,000	$2,000,000
Roscoe	Wastewater Treatment System Improvements	$2,260,000	$2,260,000

Sponsor	Project Description	Amount Funded	Total Project
Rosholt	Water Tower Construction	$1,397,500	$1,397,500
Saint Lawrence	Wastewater System Improvements Phase II	$1,138,000	$1,138,000
Saint Lawrence	Drinking Water System Improvements Phase II	$940,000	$940,000
Salem	City Sanitary Sewer Relining and Lift Station Rehab	$1,620,000	$1,620,000
Salem	Water Source Improvements	$2,100,000	$2,100,000
Seneca	Water Meters and Looping	$440,800	$440,800
Shared Resources, Inc.	Water Treatment Plant, Storage, and Distribution	$122,037,638	$122,037,638
Sioux Falls	Water Transmission Improvements 3rd Lewis & Clark Connection	$7,648,000	$7,648,000
Sioux Falls	Water Reclamation Facility Expansion	$123,000,000	$123,000,000
Sioux Falls	Basin 15 Sewer Expansion and Big Sioux River Watershed	$17,951,000	$1,240,000
Sioux Falls	Pump Station 240 Capacity Improvements	$61,000,000	$61,000,000
Sioux Falls	Basin 15 Sewer Extension Phase 2A and 2B	$23,130,000	$23,130,000
Sioux Falls	Basin 15 Sanitary Sewer Expansion Phase 2B and 2C	$11,000,000	$11,000,000
Sioux Falls	Water Reclamation Facility Expansion Phase II	$32,761,000	$32,761,000
Sioux Falls	Southeast Sanitary Sewer Basin Expansion	$17,746,000	$17,746,000
Sioux Falls	Water Reclamation Facility Primary Clarifier Expansion	$51,900,000	$51,900,000
Sioux Rural Water System	Water System Improvements	$3,202,650	$3,202,650
Sioux Rural Water System	2025 Water System Improvements	$8,281,000	$8,281,000
South Shore	Water System Improvements	$1,635,000	$1,635,000

Sponsor	Project Description	Amount Funded	Total Project
Spearfish	Wastewater Conveyance and Treatment Improvements	$5,964,700	$5,964,700
Spring/Cow Creek Sanitary District	Water Storage and Infrastructure	$3,012,000	$3,012,000
Spring/Cow Creek Sanitary District	Wastewater Treatment Improvements	$4,860,740	$4,860,740
Springfield	Sanitary and Storm Sewer Improvements	$565,000	$565,000
Springfield	Water Distribution Improvements	$505,000	$505,000
Stratford	Drinking Water Improvements	$1,846,000	$1,846,000
Sturgis	Drinking Water Improvements	$4,938,000	$5,688,000
Sturgis	Trunk Line and Sanitary Sewer Improvements	$10,339,000	$10,339,000
Tabor	Wastewater Collection System Improvements Phase 2	$5,900,000	$5,900,000
Timber Lake	Wastewater Improvements	$2,229,066	$2,229,066
TM Rural Water District	Water System Improvements	$5,913,600	$5,913,600
Toronto	Water Line Relocation	$770,000	$770,000
Tripp County Water User District	System Wide Improvements	$18,750,000	$18,750,000
Tulare	Wastewater Improvements	$1,449,000	$1,449,000
Two Bit Ranch Estates Homeowners Association	Water Storage Tank and Backup Generator	$188,000	$188,000
Tyndall	Watermain Replacement	$2,000,000	$2,000,000
Tyndall	Collection System Improvements	$690,240	$690,240
Valley Springs	Drinking Water System Improvements	$4,289,000	$4,289,000
Valley Springs	Sanitary and Storm Sewer Replacement	$2,417,000	$2,417,000
Valley Springs	Drinking Water Replacement	$1,261,000	$1,261,000

Sponsor	Project Description	Amount Funded	Total Project
Veblen	Wastewater Improvements	$1,300,000	$1,300,000
Vermillion	Wastewater Treatment Facility Upgrades	$23,100,000	$23,100,000
Vermillion	Cell #7 Construction and Cells #2-4 Partial Closure	$2,132,000	$2,132,000
Vermillion	Water Treatment Facility Upgrades and Line Replace	$8,015,000	$8,015,000
Viborg	Industrial Area Sanitary Sewer Extension	$512,000	$512,000
Viborg	Wastewater Collection Phase 1	$249,000	$249,000
Viborg	Wastewater Collection Phase 2	$1,946,000	$1,946,000
Viborg	Highway 19 Drinking Water Improvements	$479,000	$479,000
Viborg	Drinking Water Improvements Phase 2	$2,226,000	$2,226,000
Viewfield Rural Water Association Inc.	Water Meter Replacement and SCADA Improvements	$210,000	$210,000
Wagner	Highway 46 Water Replacement	$425,000	$425,000
Wagner	Highway 46 Wastewater Replacement	$1,400,000	$1,400,000
Watertown	Wastewater Collection and Treatment Improvements	$60,714,000	$60,714,000
Watertown	Cast Iron Main Replacement	$4,862,300	$4,862,300
WEB Water Development Association	WINS Water System Upgrades	$26,344,628	$39,650,000
WEB Water Development Association	Consolidation of Pleasant Valley HOA Users	$713,600	$892,000
WEB Water Development Association	Wecota Drinking Water Improvements and Consolidation	$290,400	$363,000
Webster	Water System Improvements Phase II	$3,843,143	$4,433,000

Sponsor	Project Description	Amount Funded	Total Project
Webster	Wastewater Improvements Phase II	$5,162,472	$7,558,000
Webster	Storm Water Improvements	$353,000	$353,000
Webster	Industrial Park Wastewater Improvements	$1,964,000	$1,964,000
Webster	Water Meter Replacement	$908,000	$908,000
Wessington Springs	Wastewater Treatment Facility Improvements	$1,245,000	$1,245,000
Wessington Springs	Water Supply Improvements	$1,660,000	$1,660,000
Wessington Springs	Water Distribution and Meter Improvements	$1,565,000	$1,565,000
Wessington	Drinking Water System Improvements	$673,000	$673,000
West River/Lyman-Jones Rural Water System	System Improvements	$5,300,000	$5,300,000
Weston Heights Homeowners Association	New Water Storage Reservoir	$4,834,650	$4,834,650
White	Wastewater Replacement Phase 2	$2,164,000	$2,164,336
White	Watermain Replacement Phase 2	$2,117,000	$2,117,506
Whitewood	Wastewater Treatment Facility Upgrades	$9,062,000	$6,092,000
Wilmot	Wastewater Outfall Line Replacement	$850,000	$850,000
Yankton	Wastewater Treatment Plant Improvements	$42,000,000	$44,565,600
Yankton	Wastewater Collection Improvements	$7,200,000	$7,200,000
Yankton	Water Distribution and Storage Improvements	$8,202,000	$8,202,000
	Total	**$2,168,386,960**	**$2,196,154,508**

Table 15 - 2027 State Water Facilities Plan Unfunded Projects

Sponsor	Project Description	On Plan Through	Projected State Funding	Total Project
Aberdeen	Water Reclamation Facility Improvements Phase 2	2028	$40,539,000	$40,539,000
Aberdeen	Lead Service Line Replacements	2028	$16,484,962	$16,484,962
Bear Butte Valley Water, Inc.	Elk Creek Valley Expansion	2028	$11,760,000	$11,760,000
Bear Butte Valley Water, Inc.	Hereford Area and Internal System Expansion	2028	$8,728,000	$8,728,000
Black Hawk Sanitary District	Lift Station Improvements	2028	$648,000	$648,000
Bryant	Wastewater System Improvements Phase 3A	2028	$2,340,000	$2,340,000
Bryant	Drinking Water System Improvements Phase 3A	2028	$1,958,000	$1,958,000
Burke	Wastewater Treatment and Collection Improvements	2028	$8,981,000	$8,981,000
Burke	Drinking Water Distribution Improvements	2028	$7,846,000	$7,846,000
Canton	Sanborn Street Sanitary and Storm Sewer Improvements	2028	$1,484,000	$1,484,000
Canton	Sanborn Street Drinking Water Improvements	2028	$797,000	$797,000
Castlewood	Wastewater System Improvements Phase 2	2028	$3,825,000	$3,825,000
Columbia	Wastewater and Storm Water Improvements	2028	$4,898,484	$4,898,484
Crooks	Southeast Water Distribution Improvements	2027	$3,800,000	$3,800,000
Custer	Highway 385 Sanitary Sewer Extension	2028	$686,000	$686,000
Custer	Water System Improvements	2028	$11,820,000	$11,820,000
Davison Rural Water System	Elevated Storage Tank and Connecting Pipeline	2028	$12,400,000	$12,428,500
Dell Rapids	Drainage Channel Improvements Phase 1	2028	$1,800,000	$1,800,000

Sponsor	Project Description	On Plan Through	Projected State Funding	Total Project
Dell Rapids	Northeast Area Sanitary and Storm Sewer Improvements	2028	$3,580,000	$3,580,000
Dell Rapids	Northeast Area Drinking Water Improvements	2028	$1,692,000	$1,692,000
Edgemont	New Well and Distribution System Improvements	2028	$4,000,000	$4,000,000
Fort Pierre	Bad River Forcemain Bore	2028	$1,669,980	$1,669,980
Fort Pierre	New Storage Tank, Booster Station, and Transmission Line	2028	$2,418,600	$10,157,000
Golden Hills Homeowner's Association	Drinking Water System Improvements	2028	$437,000	$437,000
Hartford	2nd Street Sanitary Sewer Extension	2028	$459,600	$459,600
Hartford	Kelly Avenue Sanitary Sewer Replacement	2028	$585,130	$585,130
Hartford	2nd Street Drinking Water Extension	2028	$728,450	$728,450
Hartford	Kelly Avenue Drinking Water Replacement	2028	$475,650	$475,650
Hecla	Drinking Water Distribution Improvements	2027	$135,728	$1,150,000
Hill City	Wastewater Treatment Improvements and Expansion Phase 3	2028	$4,485,000	$4,485,000
Hisega Meadows Water, Inc.	Drinking Water Treatment Improvements	2028	$1,890,000	$1,890,000
Hot Springs	Water System Improvements	2027	$16,350,000	$16,350,000
Iroquois	Wastewater Treatment Facility Improvements	2028	$1,223,000	$1,223,000
James River Water Development District	South Central Implementation Project Segment 3	2027	$1,000,000	$42,473,430
Java	Wastewater Collection Improvements Phase 2	2028	$1,293,080	$1,293,080
Java	Water Meter Replacement and Storage Tank Painting	2028	$508,870	$508,870

Sponsor	Project Description	On Plan Through	Projected State Funding	Total Project
Lennox	Central Basin Phase 5 and Other Areas Sanitary and Storm Sewer Improvements	2027	$13,732,060	$13,732,060
Lennox	Central Basin Phase 5 and Other Areas Drinking Water Improvements	2027	$2,579,826	$2,579,826
Martin	Drinking Water System Improvements	2028	$4,532,000	$4,532,000
Mellette	Drinking Water Distribution Improvements	2028	$870,000	$870,000
Milbank	Drinking Water Treatment Improvements	2027	$39,000,000	$39,000,000
Mission Hill	Water System Improvements	2027	$1,925,000	$1,925,000
Mitchell	Wastewater Collection Improvements	2028	$55,000,000	$55,000,000
Mitchell	Water Distribution Improvements	2028	$57,000,000	$57,000,000
Murdo	Sanitary Sewer Improvements	2028	$6,315,000	$6,315,000
North Sioux City	North Shore Bypass Lift Station	2028	$3,686,000	$3,686,000
Parker	Wastewater System Improvements Phase 1	2028	$3,197,000	$3,197,000
Parker	Drinking Water Distribution Improvements	2028	$1,886,200	$1,886,200
Philip	Myrtle Avenue Sewer Improvements	2028	$2,129,100	$2,129,100
Pine Grove Community Water Association	Drinking Water System Improvements	2028	$3,006,793	$3,006,793
Pringle	Drinking Water System Improvements	2028	$5,496,000	$5,496,000
Pukwana	Sanitary and Storm Sewer Expansion for Westside Development	2027	$4,363,000	$5,805,000
Randall Community Water District	Pickstown Water Treatment Plant Expansion	2027	$5,000,000	$31,907,000

Sponsor	Project Description	On Plan Through	Projected State Funding	Total Project
Reliance	Wastewater Collection and Treatment System Improvements	2028	$2,760,000	$2,769,403
Salem	Water Meter Replacement	2027	$860,000	$860,000
Sioux Falls	Southeast Basins Sanitary Sewer Phases 2-5	2028	$29,958,000	$36,029,000
Sioux Rural Water System	2027 User Expansion	2028	$3,134,000	$3,500,000
Tyndall	Wastewater System Improvements	2028	$22,690,861	$22,690,861
Tyndall	Water Storage and Distribution Improvements	2028	$5,212,109	$5,212,109
Utica	Sanitary Sewer Improvements Phases 1 and 2	2028	$2,600,000	$2,600,000
Utica	Drinking Water Improvements Phases 1 and 2	2028	$1,150,000	$1,150,000
Veblen	Collection System Improvements	2028	$4,585,000	$4,585,000
White	Wastewater Collection and Treatment System Improvements Phase 3	2028	$3,312,200	$3,312,200
White	Drinking Water Distribution Improvements Phase 3	2028	$2,616,110	$2,616,110
White	Storm Sewer Improvements	2027	$325,000	$325,000
White River	Wastewater Collection and Treatment System Improvements	2028	$1,366,780	$1,366,780
White River	Drinking Water System Improvements	2028	$5,681,530	$5,681,530
Willow Lake	Wastewater Collection and Treatment System Improvements	2028	$7,077,421	$7,077,421
		Total	**$486,774,524**	**$571,824,529**

State Water Resources Management System

The State Water Resources Management System (SWRMS) identifies large, costly water projects that require specific state or federal authorization and financing. These projects are placed on the list when recommended by the board and approved by the Governor and the Legislature. The SWRMS list (Table 16) serves as the preferred priority list to optimize water resources management in the state. Once a project is placed on the SWRMS list, it remains on the list until removed by legislative action.

Table 16 – State Water Resources Management System Projects

Project	Description
Belle Fourche Irrigation Upgrade Project	Irrigation Project – Belle Fourche Region
Big Sioux Flood Control Study	Watertown Flood Control
CENDAK Irrigation Project	Irrigation Project - Central SD
Dakota Mainstem Regional Water System Study	Regional Water System – Eastern SD
Hydrology and Water Management Studies	Statewide Water Resources
Lake Andes-Wagner/Marty II Irrigation Unit	Irrigation - Charles Mix County
Lewis and Clark Rural Water System	Bulk Water System - Southeastern SD
Sioux Falls Flood Control Project	Increased Flood Protection
Vermillion Basin Flood Control Project	Flood Control on Vermillion River
Water Investment in Northern South Dakota Project	Regional Water System – Northeastern SD
Western Dakota Regional Water System Study	Bulk Water System - Western SD

SWRMS Project Status

A brief summary of each project and its status is presented on the following pages. The year in the title indicates when the project was placed on the State Water Resources Management System (SWRMS).

Belle Fourche Irrigation Upgrade Project - 2012

- The 2012 Omnibus Bill added the Belle Fourche Irrigation District upgrade project to the SWRMS list. The project was for the construction of a $5,000,000 Belle Fourche irrigation upgrade project to include replacement of the Indian Creek siphon, the Horse Creek siphon, the north canal control house, the south canal control house, repair of the Belle Fourche River siphon, and removal of sediment from the south canal intake for the purpose of

stabilizing crop and forage production in central western South Dakota to offset the effects of drought conditions which naturally devastate South Dakota's economic viability.

- South Dakota Codified Law 46A-1-13.12 authorized a state cost share commitment of up to $2,500,000 in grant and $2,500,000 in loan assistance to provide funding for the Belle Fourche Irrigation District upgrade project.
- The appropriations for 2012 included a $1,250,000 grant and a $1,250,000 loan for engineering design, preconstruction, and construction of the facilities associated with the Belle Fourche irrigation upgrade project.
- During calendar years 2012 and 2013, engineering design of siphons and the canal gatehouse was on-going.
- The appropriations for 2013 included a $750,000 grant and a $750,000 loan for engineering design, preconstruction, and construction of the facilities associated with the Belle Fourche irrigation upgrade project.
- The appropriations for 2014 included a $500,000 grant and a $500,000 loan for engineering design, preconstruction, and construction of the facilities associated with the Belle Fourche irrigation upgrade project. This completed the state cost share commitment to the upgrade project.
- Bids were opened and awarded for the Indian Creek and Horse Creek siphons in 2013, and construction started in October of 2013. The Indian Creek siphon was completed in 2014 and was operational for the 2014 irrigation season. The Horse Creek siphon was completed in 2015 and was operational for the 2015 irrigation season.
- Bids were opened and awarded for the canal gatehouse upgrade in 2015, and construction started in the fall of 2015. The canal gatehouse upgrade was completed in the spring of 2016 and was operational for the 2016 irrigation season.
- In May 2014, bids were opened for dredging of the reservoir intake structure. Dredging operations were approximately 10 percent complete prior to 2016 when the contractor experienced difficulties with their methods to hydraulically dredge the reservoir. The dredging contractor returned to the site in late summer of 2016 with larger equipment to resume dredging operations. Dredging of the intake was completed in the spring of 2017.
- The final portion of the Belle Fourche irrigation upgrade project was an assessment of the Belle Fourche River siphon. The work was bid during the 2017 construction season, and the work was completed in the spring of 2018.
- With all proposed work completed, the Board of Water and Natural Resources took action to certify the project complete as of November 1, 2018. As a result of this action the Belle Fourche Irrigation District began making loan payments on November 1, 2019.
- No activity occurred on the project in 2026.

Big Sioux Flood Control Study (Watertown and Vicinity) – 1989

- The Corps of Engineers completed a reconnaissance report titled "Flood Control for Watertown and Vicinity." The study concluded the best alternative for flood protection for Watertown, Lake Kampeska, and Pelican Lake was a $16 million dry dam on the Big Sioux River at the Mahoney Creek site.
- The Corps of Engineers, in cooperation with Watertown, East Dakota Water Development District, Codington County, Lake Kampeska Water Project District, and the Department of Environment and Natural Resources, initiated a feasibility study in 1988. State appropriations of $150,000 were provided to help meet the nonfederal cost share.
- The final draft feasibility report was distributed in June 1994 for public review and comment. A public hearing in July 1994 in Watertown presented findings of the report and gathered comments. City and county elections were held, and residents voted against further local participation in the project.
- The project regained momentum after severe spring flooding in 1997 forced 5,000 residents from their homes. The Watertown City Council scheduled an election in February 1998, calling for a citywide vote on the proposed Mahoney Creek Dam. The record turnout of voters again rejected the proposed dam.
- In June 2001, the residents of Watertown called for a citywide vote on the proposed Mahoney Creek Dam project. The voters approved the project. City officials proceeded with updating the original Corps of Engineers feasibility study and obtaining support and financing for the project.
- After the affirmative vote, Watertown began negotiations with the Corps of Engineers to complete a General Re-evaluation Report of the city's flood control alternatives. Negotiations continued in 2003, and the scope of work to be reviewed by the report continued to be evaluated. The cost of the re-evaluation report was estimated at $2.8 million.
- In 2003, Watertown returned $450,000 of state funds appropriated in 2003 for local participation during the General Re-evaluation process. Because of cost share and scope of work issues, Watertown decided to step back from participation in the re-evaluation and turned over all work to the Corps of Engineers.
- The Corps of Engineers received $246,000 in 2003, $473,000 in 2004, $176,000 in 2005, and $344,000 in 2008 to continue with the General Re-evaluation Report. Alternatives to be considered included the Mahoney Creek Dry Dam, three to five medium sized dams, 800 small dams, and a diversion between Lake Kampeska and Lake Pelican.
- A stakeholder's group consisting of representatives from the Lake Pelican and Kampeska water project districts, the Corps of Engineers, the city of Watertown, Codington County Commissioners, and landowners was created in 2010. The group held several public meetings to discuss and develop a flood control plan.
- The U.S. Army Corps of Engineers indicated that the most cost-effective solution is the Mahoney Creek Dry Dam. The city of Watertown voted to support the Mahoney Creek Dry

Dam for flood protection. The cost-benefit study of the dam is anticipated to take two years once started, and the total project cost is estimated at $40 million dollars.

- In 2015, the city of Watertown indicated its intent to partner with the Corps of Engineers to conduct a feasibility level study update to investigate flood risk management solutions for Watertown.
- In 2016, the $225,125 in grant funds appropriated by the 2016 legislature was placed under agreement with the city of Watertown. This grant will fund half of the nonfederal cost share for the flood control feasibility study to be completed by the Corps of Engineers.
- In October 2019, discussions were held with the city of Watertown regarding the study and the need for additional flood protection in the area. Through the existing Big Sioux Flood Information System additional flood inundation studies were conducted and reviewed to show potential benefits of construction of the Mahoney Creek Dry Dam.
- In 2020, the additional flood inundation reviews were completed showing potential benefits of the Mahoney Creek Dry Dam. Flood elevation reductions would be realized; however, it appears only in extreme flood events above the 100-year occurrence level. Additional benefits to other downstream communities would be very limited even during high flow events.
- In 2022, the $225,125 in grant funds appropriated by the 2016 legislature remained unexpended and were reverted. The 2022 Legislature allocated $249,227 for the project. This grant will fund half of the nonfederal cost share for the flood control feasibility study to be completed by the Corps of Engineers.
- In 2022, the city of Watertown met with the Corps of Engineers to discuss how to best move the study forward. Due to recent federal funding appropriations, the Corps believes it will receive funding for the study and prioritize it in its list of projects to begin work in the coming year.
- In 2023, the legislature appropriated an additional $200,273 bringing the total state funding for the updated study to $450,000. This amount is half of the Corps of Engineers most recent estimate for the nonfederal cost share update to the feasibility study.
- In 2023, the Corps received funding and began efforts to update the study and undertake public outreach and engagement activities.
- In 2024, the Corps continued outreach activities and the tentatively selected plan was released in September 2024. The tentatively selected plan includes three primary aspects to assist in flood control and reduction of impacts, those include seasonal lowering of Lake Kampeska for additional flood storage, construction of embankments and flood walls on the east side of the river for approximately 1.1 miles, and widening of the existing channel by 50 feet for approximately 4.6 miles. The current estimated capital costs for these alternatives are more than $22.9 million. Projects selected for final completion are funded at 65 percent federal and 35 percent non-federal cost share.
- The tentatively selected plan is current undergoing public comment, environmental review, and further analysis and is not expected to be finalized until 2026. The Omaha District will

submit the final report for Policy review with the Chief of Engineers signing the approved plan by May 2026. If approved, project design and contracting activities would occur during 2027 through 2029, with construction beginning in the spring of 2030, and final completion anticipated for 2032.

- During 2025, the USACE working with the city of Watertown began hosting public informational and comment meeting regarding the proposed plan. The information and comments received from members of the public along with local and state stakeholders and permitting authorities will be reviewed and incorporated into the final report prior to publication.
- During 2026, USACE working with the city of Watertown utilized comments from the public and stakeholders to refine alternatives and complete a final report and recommended plan, which was posted for comments in August 2026. The recommended plan is currently undergoing final State and Agency review and is expected to be approved in Fall 2026 by the USACE Chief of Engineers. The Recommended Plan includes construction of embankments and flood walls on the east bank of the Big Sioux River for approximately 1.1 miles and widening of the existing channel by 50 feet for approximately 4.6 miles. The current estimated capital costs for the project is $47.4 million. Projects selected for final completion are funded at 65 percent federal and 35 percent non-federal cost share. If approved and authorized by Congress, project design and contracting activities would occur during 2027 through 2029, with construction beginning in the spring of 2030, and final completion anticipated in 2032.

CENDAK Irrigation Project – 1982

- This proposed irrigation project would supply Missouri River water to 474,000 acres in Hughes, Hyde, Hand, Spink, Beadle, and Faulk counties in central South Dakota. South Dakota will pursue development of the project when federal policies are more supportive of large-scale irrigation projects. No activity occurred on the project in 2026.

Dakota Mainstem Regional Water System Study – 2024

- The 2024 Omnibus Bill added the Dakota Mainstem Regional Water System study to the SWRMS list. The Dakota Mainstem Regional Water System Study will complete an engineering feasibility study to evaluate the need for additional water sources and systems in eastern South Dakota. A $1,000,000 grant was appropriated as part of the 2024 Omnibus Bill for a feasibility level study, system startup, and administration of the Dakota Mainstem Regional Water System study.
- During 2024, work on the study included the issuance of a Request for Proposals to select an engineering firm for an appraisal level study. In May that process was completed with HDR Engineering selected. An agreement was signed to allow the completion of the appraisal level study anticipated to be completed in 2025. Once completed, efforts will move to complete a more detailed feasibility level study.

- During 2024, Dakota Mainstem continued efforts to increase its membership in the proposed region and included 39 South Dakota members, 10 Iowa members, 5 Minnesota members, and 1 tribal member from Nebraska.
- The 2025 Omnibus Bill provided an additional $1,000,000 SWRMS grant towards completion of the study. This brings the current state contribution towards the study to $2,000,000.
- In 2025, HDR Engineering worked to gather information from all members related to current and potential water needs, availability of source water, and conceptual design ideas for the appraisal level study. This information will provide a more detailed outline of the potential for a project to move forward and how different members could be served by any future project. The final results and appraisal level study report are anticipated for completed by the end of the calendar year. Based on the results Dakota Mainstem and members will determine if and how to proceed into the more detailed feasibility level study.
- In 2025, Dakota Mainstem began efforts to receive federal authorization for the feasibility study which would allow direct involvement through the Bureau of Reclamation and potential for funding assistance. Discussions for study and funding support occurred with the states of Iowa, Minnesota, and Nebraska.
- The 2026 Omnibus Bill provided an additional $750,000 SWRMS grant towards completion of the study. This brings the current state contribution towards the study to $2,750,000.
- Dakota Mainstem completed its Appraisal Level Study, with the final report published January 5, 2026. Following completion of the study, the Dakota Mainstem authorized HDR Engineering to conduct the project's Feasibility Study. The approximately $4.3 million study is expected to take 2.5 years to complete. Initial feasibility work is underway, including evaluation of potential water sources and Missouri River intake locations. Work is also underway to secure a future use Missouri River water right for the project.
- Dakota Mainstem continues to pursue federal authorization for Bureau of Reclamation participation in the Feasibility Study. Authorization bills introduced in 2026 in both the U.S. House and Senate have advanced through committee markup and are awaiting consideration by the full chambers.

Black Hills Hydrology and Water Management Study – 1982 to 2015

- The hydrology study compiled water resource data to assess the quantity, quality, and distribution of surface and groundwater resources in the Black Hills area. These resources have been stressed by increasing population, periodic drought, and developments related to expansion of mineral, timber, agricultural, recreational, municipal and urban needs. The U.S. Geological Survey provided $3.4 million from federal fiscal years 1988 through 2001 to establish the hydrologic monitoring system, collect the data, and complete data analysis.
- The hydrology study entered Phase II in federal fiscal year 1997 and was completed in 2002. The study emphasis during Phase I was data collection. The emphasis shifted to analytical activities and publication of maps and reports during Phase II.

- The hydrology study produced 31 technical reports including a lay reader summary, a comprehensive report on the hydrology of the Black Hills area, and a comprehensive lay reader atlas of water resources in the Black Hills area.
- The water management study provided interested parties with the tools needed to assist in making informed management decisions about development of water resources. Data gathered during the hydrology study was used in the water management study. Congress appropriated funds in federal fiscal year 1991 to initiate the Federal Black Hills Water Management Study by the Bureau of Reclamation.
- The Black Hills Water Management Study was completed in federal fiscal year 2003. The study focused on needs assessment, management alternatives, and a final report.
- The 2004 Omnibus Bill appropriated $100,000 for the development, evaluation, and review of studies related to development of regional water supply systems in or near the Black Hills. The Fall River Water User District sponsored a regional water supply study for an area that included all of Custer and portions of Fall River and southern Pennington counties.
- The 2005 Omnibus Bill appropriated $100,000 for the development, evaluation, and review of studies related to development of regional water supply systems in or near the Black Hills. The Southern Black Hills Water System, Inc., a nonprofit corporation, was formed to continue the feasibility study of a regional water system in Custer, Fall River, and southern Pennington counties. The Southern Black Hills Water System requested additional funds to continue activities begun by the Fall River Water User District. In June 2005, the board awarded $50,000 for these activities.
- The 2006 Omnibus Bill amended the State Water Resources Management System to add the Southern Black Hills Water System to its list of preferred, priority objectives for South Dakota. The bill also provided an initial appropriation of $125,000 to allow the Southern Black Hills Water System to continue activities begun by the Fall River Water User District.
- In December 2006, the Lead-Deadwood Sanitary District submitted a request for the remaining $50,000 of SFY 2006 Black Hills Water Management Study funding placed under agreement with the District to conduct a regional water study in the Lead, Deadwood, and Central City area. The funding was awarded in January 2007, and the sanitary district selected an engineer in June 2007. The Lead-Deadwood Area Water Study Final Report was issued on July 18, 2008. The study provided an analysis of the Lead-Deadwood Sanitary District intake and water treatment plant, a review of the Lead and Deadwood distribution systems, an analysis of the development in the surrounding area, and analyzed the ability of the Lead-Deadwood Sanitary District to serve them.
- The 2009 Omnibus Bill appropriated $65,000 for hydrology studies. These funds were awarded to West Dakota Water Development District to cost share the United States Geological Survey groundwater aquifer study in the Black Hills.
- Several microgravity surveys were completed during 2010 and 2011 at three study sites in the Black Hills. Collected data was analyzed spatially to help characterize the heterogeneity of the Madison and Minnelusa aquifers and possibly the transition zone between the two

aquifers. Time-series data was analyzed at each of the three study sites and correlated with water levels in Madison aquifer wells. This analysis helps characterize vertical heterogeneity and effective porosity at selected sites.

- A report entitled "Microgravity Methods for Characterization of Groundwater-Storage Changes and Aquifer Properties in the Karstic Madison Aquifer in the Black Hills of South Dakota" was completed in 2012.

Hydrology and Water Management Studies – 2015 to Present

- The 2015 Omnibus Bill appropriated $250,000 for statewide hydrology and water management studies. In June 2015, the Department of Environment and Natural Resources was awarded a $47,000 grant to conduct aquifer isotope analysis in eastern South Dakota. The department's Geological Survey program conducted this work, and the final report was issued in September 2017.
- The 2016 Omnibus Bill appropriated $750,000 for the development of a Big Sioux River Basin Hydrologic model. In March 2016, the appropriation was placed under agreement with the Department of Environment and Natural Resources to hire a consulting firm to develop the hydrologic model for the Lower Big Sioux River Basin.
- In May 2016, DENR issued a Request for Proposals to consulting firms to develop the hydrologic and hydraulic model. Nine firms submitted proposals for review. In August 2016, after review by all involved state agencies and interviews of several firms, RESPEC was selected as the consulting firm to complete the hydrologic and hydraulic models.
- The 2017 Omnibus Bill appropriated an additional $450,000 for the development of a Big Sioux River Basin Hydrologic model. In March 2017, the appropriation was placed under agreement with the Department of Environment and Natural Resources to increase the contract with RESPEC to $1,300,000 to complete development of the models for the Lower Big Sioux River Basin.
- Using the new models, the Big Sioux River Flood Information System was developed. A majority of the effort in 2017 focused on developing a basin-wide hydrologic model as well as hydraulic models for the cities of Watertown, Brookings, Dell Rapids, Sioux Falls, and North Sioux City. Concurrently, a web user interface was created to allow access to model predictions, stream gauge data, and precipitation data. The project team met several times with the local authorities to gain feedback on model results and user interface.
- In 2017 and 2018, new stream gauges were installed to improve the stream gauge network available for the Flood Information System.
- The beta version of the Flood Information System was operational in the spring of 2018. The beta version was used to help predict river elevations and flood inundation during flooding in June 2018. The model predictions matched very closely to the actual flood levels observed. Entities that were along the river where flooding occurred were able to accurately predict if any infrastructure would be impacted due to the flood waters and prepare accordingly.

- The Flood Information System was completed in December 2018. With the completion of the model, federal, state, county, and local community authorities are able to use the Flood Information System to evaluate flood scenarios and prepare appropriately for flood response.
- In June 2018, an additional $10,000 from the remaining funds of the 2017 Omnibus Bill appropriation was placed under agreement with the Department of Environment and Natural Resources. These funds were used to cost share on a United States Geological Survey high resolution hydrographic mapping study in the Lower Big Sioux River Basin. Other entities contributing to the project include US Geological Survey ($20,000), SD Department of Transportation ($20,000), city of North Sioux City ($3,333), Dakota Dunes Community Improvement District ($3,333), and Union County ($3,333). The primary goal of the project is to determine more accurate flow routes for flood waters and runoff from heavy precipitation events. The area under study has a complex drainage pattern through a heavily developed area. The project will give state and local authorities a better understanding of potential impacts from severe drainage events in the area. In 2019, digital data sets were created for terrain and flow paths. Field verification of flow structures, such as culverts, took place during 2020.
- In the spring of 2019 significant flooding occurred along the Big Sioux River corridor from Watertown to North Sioux City and Dakota Dunes. The recently completed Big Sioux River Flood Information System (BSRFIS) was used extensively during the March and April floods by local, state, and federal officials as a tool to predict areas that would be impacted by flood waters. Appropriate protection measures were implemented by county emergency managers and city officials based on the predictions of the BSRFIS. The cities of Watertown, Dell Rapids, Sioux Falls, North Sioux City, and Dakota Dunes, as well as the general public, all benefited from the information the BSRFIS was able to provide. Real time monitoring of flood events by state officials verified that the BSRFIS models were highly accurate.
- In March 2019, $90,149.50 from the remaining funds of the 2017 Omnibus Bill appropriation was placed under agreement with the Department of Environment and Natural Resources. These funds were used to help fund the replacement of well pumps within the Statewide Ground Water Quality Monitoring Network. The five water development districts with wells needing pumps located within their district's provided the remaining $26,931.75 needed to complete the funding. The well pumps in the monitoring network were beyond their useful life and experiencing mechanical issues that were beyond normal repair. The lack of reliable operation made it difficult to ensure samples could be obtained as scheduled. The monitoring network provides a valuable resource for state and local entities when making decisions on current water quality conditions and trends in 25 of the state's vulnerable shallow aquifers.
- The 2022 Omnibus Bill appropriated $1,021,500 for improvements and expansion of the statewide observation monitoring well network. The funds were placed under agreement in March 2022 with the Department of Agriculture and Natural Resources to undertake the upgrades and improvements. The network of nearly 1,600 observation wells provides historic water levels of aquifers through the state and assures proper water management and appropriations are made. Areas of the state have limited and insufficient wells to collect adequate data to assure proper management of the state's water resources. These funds will

install and refurbish up to 50 wells along with the installation of automatic data collection units on up to 100 existing wells.

- In 2023, DANR sent a request for quotes to venders for repair or rehabilitation of three observation wells in the Black Hills region. The department received only one qualifying quote to repair the wells and has entered into a contract for that work. DANR's understanding of well driller's work backlog is that it has been difficult to find companies to work on observation wells when the drillers are working to meet immediate water supply needs to customers. Work to repair the three observation wells was successfully completed late in 2023.
- In 2025, the ability to retain well driller services remained difficult with little to no interest expressed to repair additional existing observation wells. Efforts to drill new observation wells to expand the network have not been successful as drilling companies continue to have a backlog with contracts to drill new production wells meeting water system's needs.
- In 2025, DANR worked with several vendors to provide a small-scale number of data loggers and pressure transducers with remote read capability. These pilot studies of different technologies will allow DANR to determine which system best meets the needs for remote data access and reporting.
- In 2026, the authority to utilize the grant award for DANR's Water Rights program to drill additional observation wells, refurbish existing wells, and install automated data collection equipment expired on June 30, 2026. DANR expended a total of $22,602.69 of the original authority allocated. DANR Water Rights program staff will evaluate potential options to request additional funding with a revised scope of work based on newer information.
- The 2026 Omnibus Bill appropriated $500,000 for development of an online wetland map delineation tool. The funds were placed under agreement in March 2026 with the Department of Agriculture and Natural Resources to solicit a request for proposals from qualified firms to develop the wetland mapping tool. Seven firms submitted proposals for review. In October 2026, after DANR evaluated proposals, a selection to contract with Houston Engineering as the most advantageous vendor to complete development of the wetland mapping tool was made. It is anticipated that development of the tool will be completed by the end of calendar year 2027.

Lake Andes-Wagner/Marty II Irrigation Unit – 1975

- The 45,000-acre Lake Andes–Wagner Irrigation project and 3,000-acre Marty II Irrigation project are federally authorized Pick–Sloan Missouri Basin Units in Charles Mix County (Public Law 102-575). Estimated construction costs are $175 million and $24 million, respectively.
- In 1990, a plan of study was developed for a 5,000-acre research demonstration program to determine best management practices for irrigating glacial till soils containing selenium.
- The 1992 State Legislature authorized the construction of the Lake Andes-Wagner/Marty II project and provided a state loan cost share commitment of $7 million. Both the state and federal project authorizations are contingent upon the successful completion of the 5,000-acre research demonstration program.

- In 1995, Congress approved $250,000 for the research program. State and federal agencies revised the 1990 plan of study to re-scope the demonstration program and identify the specific issues and research components that are of national significance. A nine-year, $11.3 million effort was projected.
- In 1999, the Bureau of Reclamation (BoR) received $150,000 to prepare an environmental assessment for the demonstration program.
- The BoR completed the environmental assessment and issued a Finding of No Significant Impact for the demonstration program in 2000. Significant federal funding must be secured before the demonstration program can proceed.
- The Board of Water and Natural Resources placed $15,000 in 2002 and $50,000 in 2003 under agreement. The Lake Andes-Wagner Irrigation District continued to seek federal funding for the demonstration program.
- The 2009 Omnibus Bill appropriated $35,000 for the Lake Andes-Wagner/Marty II research demonstration program. These funds were awarded to the project sponsor to continue its efforts to get this project moving forward.
- During 2010, the sponsor worked to assemble information and research data from multiple resources. Discussions with BoR continued regarding the possibility of funding and placing the project into the BoR's program proposal.
- The 2011 Omnibus Bill appropriated $55,500 for the Lake Andes-Wagner/Marty II research demonstration program. However, these funds will not be awarded unless the federal government makes the decision to begin funding the project at levels that will ensure project completion in a reasonable timeframe.
- In June 2012, a portion of South Central Water Development District's future use permit reserving water from the Missouri River was transferred to the Lake Andes-Wagner Irrigation District. The District's transfer was for the reservation of 96,000 acre-feet of water annually from the Missouri River for future development including irrigation, municipal, stock watering, fire protection, industrial, and public recreation use. The seven-year review of this permit, as required by statute, was conducted in October 2013 before the Water Management Board, and the permit was allowed to remain in effect for 96,000 acre-feet annually, subject to the required fee being submitted.
- No activity occurred on the project in 2026.

Lewis and Clark Regional Water System – 1989

- The Lewis and Clark Regional Water System is a bulk delivery system providing treated Missouri River water to communities and existing rural water systems in southeastern South Dakota, northwestern Iowa, and southwestern Minnesota. South Dakota membership includes eight communities and three rural water systems. Approximately 155,000 South Dakotans will receive water from Lewis and Clark.
- President Clinton signed Public Law 106-246 on July 13, 2000, authorizing the federal construction of the Lewis and Clark Regional Water System. The federal legislation also

approved a federal appropriation of $600,000 to continue project engineering and begin construction. The Board of Water and Natural Resources placed $200,000 in state funding under agreement in 2000 to assist with these same project activities.

- Iowa and Minnesota sponsors provided funding support for project development in proportion to their service capacity needs. The Iowa and Minnesota State Legislatures authorized the project for construction and completed their cost share commitments.
- The South Dakota Legislature authorized Lewis and Clark's South Dakota project features ($200 million) in 1993. In 2002, the state cost share commitment of $18,585,540 in 1993 dollars was established for the Lewis and Clark Regional Water System.
- The 2002 Omnibus Bill appropriated $750,000 for the project. These funds, combined with federal and other local sources, completed the federal environmental review, the final engineering report, and initiated construction. Lewis and Clark Regional Water System's final engineering report completed its initial required 90-day congressional review on September 8, 2002. The federal Office of Management and Budget (OMB) determined that Lewis and Clark could not submit its final engineering report to Congress until OMB had approved it. Lewis and Clark worked with OMB to get its final engineering report approved and resubmitted to Congress. Lewis and Clark held its groundbreaking on August 21, 2003.
- In 2005, Lewis and Clark agreed to provide Sioux Falls an additional 17 million gallons of water per day, bringing the total delivered capacity to 45 million gallons per day. Sioux Falls financed the cost of the additional capacity.
- In May 2007, Lewis and Clark elected to change the project's name from "Rural" to "Regional". The project is doing business as the Lewis and Clark Regional Water System.
- In May 2008, Lewis and Clark began operating its first segment of pipeline – a nine-mile emergency connection between Sioux Center and Hull, Iowa. Until Lewis and Clark water arrives, Lewis and Clark will purchase water from Sioux Center and resell it to Hull.
- Through June 30, 2008, the South Dakota Legislature had appropriated, and the Board of Water and Natural Resources had placed under agreement, $19,275,000 toward South Dakota's cost share commitment.
- In July 2008, a $20.8 million contract was awarded for the first phase of the water treatment plant, which included a three-million-gallon underground reservoir, high capacity pumps, electrical building, and two standby generators. This infrastructure is separate from the main treatment plant building.
- In July 2008, work was completed on a $5.5 million contract that included one mile of riverbank stabilization southwest of Vermillion to protect Lewis and Clark's main well field from erosion, as well as two well houses, four valve vaults, and various piping. Utilizing a permanent easement, Lewis and Clark's main well field is located on land owned by the SD Department of Game, Fish and Parks (Frost Game Production Area).
- In September 2008, Lewis and Clark began operating its second segment of pipeline, a 12-mile emergency connection for Tea and Harrisburg. Until Lewis and Clark water arrived, Lewis and Clark purchased water from Sioux Falls and resold it to Tea and Harrisburg.

- The 2009 Omnibus Bill appropriated $6.3 million for the engineering design, preconstruction activities, and construction.
- In April 2009, Lewis and Clark was approved to receive $56.5 million from the Bureau of Reclamation as part of the American Recovery and Reinvestment Act.
- In May 2009, a $64.1 million contract was awarded for Phase II of the water treatment plant. In July 2009, Phase II construction of the water treatment plant commenced.
- In July 2009, a $5.04 million contract was awarded for the construction of the 85th Street Tower, which has a three million-gallon storage capacity, located in Sioux Falls.
- In August 2009, a $9.5 million contract was awarded for the construction of two above-ground reservoirs to be built near Tea. These two reservoirs along with the 85th Street tower serve as Lewis and Clark's primary storage facilities.
- In September 2009, a $3.7 million contract was awarded for the first segment of the "Minnesota Transmission Line." This segment is a five-mile pipeline constructed in South Dakota and serves Minnehaha Community Water Corporation, all Minnesota users, and Rock Rapids, Iowa.
- In September 2009, a $2.8 million contract was awarded for construction of the Parker and Centerville service lines. These service lines include almost fourteen miles for the Parker service line and five miles for the Centerville service line.
- Lewis and Clark received $10 million in federal funding in 2009 under the 2010 Energy and Water Appropriation bill.
- In November 2009, the last section of the treated water pipeline, which is the main trunk between the water treatment plant and the city of Sioux Falls, was completed.
- A contract for five new wells was awarded in April 2010 for $6.8 million. The five new wells will provide Lewis and Clark with an estimated 10 million gallons a day of additional capacity. Including the six previously drilled wells, Lewis and Clark's total well capacity will be 28 million gallons per day.
- A $4.2 million bid was awarded in May 2010 for the treated water pipeline - segment 11. This five-mile segment connected Beresford to the main truck line. This is the first segment of the "Iowa Transmission Line." Eventually this line will connect to Sioux Center, Hull, and Sheldon.
- In June 2010, the $6.3 million approved by the 2010 Legislature was put under agreement. This completed the State's cost share commitment to the project.
- In October 2010, Lewis and Clark was awarded approximately $3.5 million in reprogrammed American Recovery and Reinvestment Act funding through the Bureau of Reclamation.
- In October 2010, a $7.55 million contract was awarded for the Minnesota – segment 1 pipeline, which runs along the South Dakota - Iowa border from just west of the Big Sioux River to a point six miles west of Rock Rapids.

- Lewis and Clark received $1,996,000 in federal funding through the Bureau of Reclamation in FFY 2011. Lewis and Clark was also allocated an additional $306,000 in funding for FFY 2011 in reprogrammed funds.
- In May 2011, Lewis and Clark awarded a $1.6 million dollar contract for the pipeline commissioning. This contract provided for testing, disinfecting, and cleaning 85 miles of pipes from the water treatment plant near Vermillion to Sioux Falls.
- Lewis and Clark received $5.5 million in federal funds for FY 2012. Lewis and Clark initiated operation of its water treatment plant and began to serve water to eleven of its twenty members in July 2012.
- The 20 members and three states have prepaid 100 percent of the nonfederal cost share. Because the prepayments made by the 20 members and three states, which total just under $154 million, have been fully utilized, the schedule to connect the remaining nine members is entirely dependent upon future federal funding.
- In 2014, Lewis and Clark was provided $22 million in advance federal funding from Minnesota. These funds were used to construct transmission lines to Luverne and Magnolia.
- In 2014, Lewis and Clark received a $1 million reimbursable grant for advance federal funding from South Dakota. These funds were made available by the Joint Appropriations Committee in Senate Bill 53. These funds were used to acquire easements and pay for engineering costs for two of the five segments of the Madison service line.
- In 2015, Lewis and Clark was provided $19 million in advance federal funding from Minnesota. These funds were used to connect the Lincoln Pipestone Rural Water System, construct a 4 million-gallon storage reservoir southwest of Luverne, install a booster station southeast of Luverne, acquire easements, and complete design for the pipeline between Adrian and Worthington.
- In 2015, Lewis and Clark received a $7.7 million loan for advance federal funding from South Dakota. These funds were made available by Senate Bill 173. These funds were used to construct segments one and five of the Madison service line. Madison was the only South Dakota member system not yet connected; however, construction of segments 1 and 5 did not get a drop of water to Madison. In 2016, the agreement was amended to include engineering design and easement acquisition of segments 2 through 4 and was estimated to cost more than $22 million for final construction.
- DENR worked with three regional water systems and the city of Madison to develop a wheeling option as an alternative to providing federal fund advances to construct the balance of the Madison service line. The wheeling option builds on the construction of segments 1 and 5. Segment 1 provides Minnehaha Community Water Corporation (MCWC) with its second Lewis and Clark connection a mile west of Crooks. That connection increases the delivery of Lewis and Clark water to MCWC to 1.1 million gallons per day and with $1.8 million in wheeling upgrades and frees up water from MCWC's water treatment plants to feed its Tower 3B near Colton. Tower 3B feeds water into a new 12-inch Big Sioux Community Water line going north and west to connect with Lewis and Clark's segment 5 to deliver 1 million

gallons of water per day to Madison costing $3 million to construct. The wheeling option saved the state more than $17 million in federal fund advances.

- In 2015, Lewis and Clark delivered water to 12 of the 20 members.
- In January 2016, the first of several contracts for the wheeling option to provide water to Madison was awarded. The contract was awarded by MCWC, and construction of the additional lines to free capacity elsewhere within MCWC's distribution system was completed in the fall of 2016. This work was funded partially by a $900,000 Consolidated grant.
- In May and July of 2016, the Big Sioux Community Water System awarded bids for its portion of the Madison wheeling option. The work included construction of a new water distribution line to connect MCWC to a new Lewis and Clark line east of Madison and a new pump station to provide the pressure needed to move the water. Construction was completed in early 2017. This work was funded by a $2,000,000 Consolidated grant and a $1,014,000 Drinking Water SRF loan.
- In April 2016, Lewis and Clark awarded the contract for construction of the Madison meter building and Crooks meter building/pump station. These buildings supply metering and pressure for water to get to Madison. Construction was completed in late 2016.
- In June 2016, the final bids for the Madison wheeling project were awarded by Lewis and Clark for construction of segments 1 and 5 of the Lewis and Clark lines and connections to MCWC and Big Sioux CWS. Construction of this work was completed early 2017.
- In 2016, Lewis and Clark delivered water to 13 of the 20 members, with Luverne being connected in March 2016. Water demand has increased, and the treatment plant is now staffed 24 hours per day seven days a week.
- From 2015 through 2017, Lewis and Clark had been provided $44.5 million in advance federal funding from Minnesota. This federal funding advance allowed all the Lewis and Clark members in Minnesota to be connected and begin receiving water.
- In May 2017, Lewis and Clark received $2.25 million in advance federal funding from Iowa. These funds were used to pay for engineering services and easement acquisition for the pipeline and meter building to Sioux Center. The bill passed by Iowa's legislature also committed $4.75 million for use in fiscal year 2018.
- In 2017, Lewis and Clark delivered water to 14 of the 20 members, with Lincoln Pipestone Rural Water System being connected in November 2017.
- In May 2017, the joint projects of Lewis and Clark, Big Sioux CWS, MCWC, and the city of Madison were fully completed. With the completion of the projects, Madison now has access to 1 million gallons of water per day from a regional system supplier. All South Dakota members of Lewis and Clark are now directly or indirectly connected to the system.
- In May 2018, Lewis and Clark received $4.75 million in advance federal funding from Iowa. These funds, along with a $2.25 million advance in 2017 from Iowa were used to construct pipeline starting at Sioux Center and going approximately six miles west towards the Big Sioux River.

- In June 2018, Lewis and Clark awarded a contract for the purchase of an emergency generator for the Tea Pump Station. Without this generator 93 percent of the water produced by the system cannot be delivered to its customers if power is lost. A portion of the remaining funds from the $7.7 million federal fund advance from South Dakota in 2015 was used for the procurement of this generator.
- After 2018, Lewis and Clark was able to provide 16 of its 20 members with access to their full allocation of water with Worthington anticipated to be connected in early December 2018. The Lewis and Clark system construction was estimated to be 75 percent complete and anticipated being at 80 percent complete with the construction planned for 2019 and 2020.
- Through FY 2017, the federal government appropriated $249.15 million for the project. Federal funding levels included $14.875 million in FY 2018; however, only $100,000 was included for FY 2019 in the proposed White House budget.
- In May 2019, Lewis and Clark was able to fully connect to Worthington, MN and provide a second connection to Lincoln Pipestone Rural Water System. Of the 20 full members of Lewis and Clark, 16 systems are now able to access their full allocation of water.
- In 2019, the Lewis and Clark system was 82 percent complete with construction underway between Beresford and Sioux Center, IA. Connection to Hull and Sioux Center, IA was anticipated in 2022, and would provide 18 of its 20 members with access to water.
- Through FY 2018, the federal government appropriated $264,025 million for the project. Federal funding levels included $14.9 million in FY 2019. The remaining federal cost share to provide is currently $180 million, which is indexed annually for inflation.
- Through FY 2019, the federal government appropriated $278,925 million for the project. Recent federal funding levels include $18.0 million in FY 2020. The remaining federal cost share to provide is currently $166.8 million, which is indexed annually for inflation.
- In 2020, bids were opened and contracts awarded for construction of a 2.5-million-gallon elevated water storage tower in Union County near Beresford, which will allow Lewis and Clark to provided water to Hull and Sioux Center, Iowa when completed in 2023, and eventually Sheldon, Iowa as well. Work continues on the nearly 34-mile long pipeline segment from Beresford to Sioux Center, which will also connect Hull. The pipeline was scheduled for completion in late 2022.
- In 2020, a contract was also awarded for the construction of a 22-million gallon per day (MGD) radial collector well at the site of the existing wellfield. When completed in the spring of 2023 the total well production capacity will be approximately 49 MGD when combined with the existing vertical well capacity.
- Through FY 2020, the federal government appropriated $296.925 million for the project. Recent federal funding levels include $17.5 million in FY 2021.
- Lewis and Clark's current buildout capacity is 45 MGD, but the system has been designed so it can be expanded to 60 MGD in the future. The most recent estimated cost for this expansion is $114 million in today's dollars. The members who voluntarily participate in

this expansion are required to cover 100 percent of their proportional share of the cost. In 2020 when initial discussions began the anticipated need for expansion was estimated at ten years. Due to the impacts of the 2021 drought and demands seen, expansion is necessary as soon as funds are available. In 2022, $13,136,100 of South Dakota's American Rescue Plan Act funds were awarded for the expansion. Additional funds from Iowa were provided to assist in the expansion project.

- In 2022, direct federal appropriations of $21.9 million were received through the annual appropriations bill with an additional $75.5 million appropriated through the Bipartisan Infrastructure Law. The FY 2023 proposed White House budget is $6.6 million with an additional $12.0 million requested from the congressional delegation. Lewis and Clark is eligible to receive additional FY 23 and FY 24 funding through the Bipartisan Infrastructure Law.
- In 2023, direct federal appropriations of $18.6 million were received through the annual appropriations bill with an additional $60.0 million appropriated through the Bipartisan Infrastructure Law. The FY 2024 proposed White House budget is $6.825 million with an additional $12.0 million requested from the congressional delegation. Lewis and Clark is eligible to receive additional FY 24 and FY 25 funding through the Bipartisan Infrastructure Law. It is anticipated that full funding may be provided within the FY 24 budget.
- During 2023, the South Dakota Legislature approved the conversion of a $7.7 million advance on federal funding loan to a grant. Minnesota has also approved up to a $22 million loan to grant conversation for the advance federal funding provided. Discussions are ongoing in Iowa seeking a similar conversion of loans to grants.
- As of 2023, the original 45 MGD system buildout is 95 percent complete. Of the 20 members of Lewis and Clark, 18 members are now able to access their full allocation of water. Based on recent federal funding levels it is estimated all 20 members will be fully connected by 2025.
- In 2023, construction was completed on the 22 MGD horizontal collector well. Due to delays, substantial completion was moved from 2022 into 2023. Other projects completed in 2023 are water tower and pump station upgrades at Beresford. Additional projects that are near completion are meter buildings at Sioux Center and Hull, 32 miles of 16-inch line and a water storage reservoir to fully connect Madison, 17 miles of 16-inch line between Hull and Sheldon, and a water tower and meter building at Sheldon. Projects that will soon be starting include, pipelines and a meter building near Sibley and Phase 3 of the water treatment plant.
- During 2023, as a result of increased demand Lewis and Clark began initial construction activities on certain projects to increase capacity of the system to 60 MGD. At the current pace and estimates of need for the full system buildout is anticipated by 2030.
- In 2024, direct federal appropriations of $24.825 million were received through the annual appropriations bill with an additional $16 million appropriated through the Bipartisan Infrastructure Law. The FY 2025 proposed White House budget is $6.825 million with an additional $20.0 million requested from the congressional delegation. Lewis and Clark is

eligible to receive additional FY 25 funding through the Bipartisan Infrastructure Law. It is anticipated that full funding may be provided within the FY 25 budget.

- As of 2024, the original 45 MGD system buildout is nearly complete. In August 2024, Madison was fully connected to the system. In October 2024 Sibley, MN was connected and all 20 members of Lewis and Clark are now fully connected to the base system.
- In 2024, construction was completed for Madison pipeline segments 2, 3, and 4 of over 32 miles of 16-inch pipe, the Madison storage reservoir, pump improvements at the Crooks pump station and treatment plant sites, and Sibley service line and meter building. Additional projects underway include the Larchwood pump station and Hull reservoir.
- In 2025, direct federal appropriations of $6.825 million were received through the annual appropriations bill with an additional $15.17 million appropriated through the Bureau of Reclamation funding budget. This is to be the final federal funding provided for the currently authorized project. Total federal funding provided through 2025 is $554.2 million and total construction cost of the base system is anticipated to be $711 million.
- In 2026, the remaining non-treatment plant work for the base system is now limited to backup generator installations at the treatment plant and Tea pump station. Due to long lead times for generator procurement these projects are anticipated to be complete in 2028.
- In 2026, work continued on components of the federally authorized system buildout of 45 MGD, which will provide access to all members' full allocations of contracted capacity. One of the last remaining projects for this is the phase 3 expansion of the water treatment plant which began in May 2024. Work at the treatment plant site also includes projects related to the expansion from 45 MGD to 60 MGD. This includes construction of a second clear well and the addition of an extra lime sludge drying bed, which is being paid for with ARPA funds.

Sioux Falls Flood Control Project – 1989

- In 1961, the Corps of Engineers completed a channelization, levee, and diversion system to provide 100-year flood protection on the Big Sioux River and Skunk Creek.
- Because of subsequent flooding events on the Big Sioux River and Skunk Creek, the Corps of Engineers reanalyzed the flood criteria in the early 1980s and determined that the one percent chance of flood occurrence was greater than previously established. The Corps then recommended that the levee system be upgraded so that it would continue to provide Sioux Falls with 100–year flood protection on the Big Sioux River and Skunk Creek. Project upgrades included constructing a dam on the Big Sioux River just above the confluence of Skunk Creek as well as raising the levees along the Big Sioux River from Skunk Creek to Interstate 229, raising the levees along Skunk Creek from Marion Road to the Big Sioux River, raising the levees above and along the diversion channel, modifying the spillway chute, replacing the stilling basin, and modifying some bridges.
- The 1992 State Legislature authorized project construction and a state cost share commitment of $4.55 million. Federal authorization was completed as part of the 1996

Water Resources Development Act on October 12, 1996 (Public Law 104-303). The Act authorizes a $34.6 million construction project under the Corps of Engineers.

- In 1999, a $2.2 million federal appropriation was provided to the Corps of Engineers. A Project Cooperation Agreement was executed between the Department of the Army and the city of Sioux Falls for final design work.
- Construction of Phase 1A of the Big Sioux River/Skunk Creek Flood Control Project was completed in 2001 and addressed the spillway and stilling basin area at the outfall of the diversion channel. Later that year bids were accepted on Phase 1B of the project addressing the levees adjacent to Morrell's downstream to Cliff Avenue.
- Sioux Falls continued to work with the Corps of Engineers on final design and construction of the project from 2001 to 2007. Sioux Falls continued to secure required easements and properties for the project.
- Construction of Phase 2A of the project continued in 2007. Phase 2A work included improvements to the levees on the Big Sioux River from 49th Street to Interstate 229.
- Phase 2B of the project was completed in 2008. This work included the levee and associated structures on the east side of the Big Sioux River from 41st Street to 49th Street. The city advanced sufficient funds to the US Army Corps of Engineers to complete Phase 2 work in the next two years. This was an ambitious schedule, but reduced the high cost of flood insurance for many properties now being placed in Flood Zone A of the National Flood Insurance Program.
- Phase 2C raised two miles of existing levees approximately two to five feet in order to provide 100-year flood protection along the Big Sioux River within the city of Sioux Falls. In October 2009, the Corps of Engineers accepted proposals for this phase of the project. Phase 2C of the Sioux Falls Flood Control project was awarded in February 2011 for approximately $12 million. The project was completed by the end of calendar year 2011.
- In December 2009, the city issued $27 million in taxable revenue bonds; $17 million of the total was advanced to the Corps of Engineers for levee and dam construction. The balance was to pay for the 41st Street Bridge project.
- As part of the 2010 Energy and Water Appropriation bill, $1.84 million was appropriated to the Corps of Engineers for the Sioux Falls Flood Control Project.
- In March 2010, the city of Sioux Falls reconstructed the existing 41st Street bridge in order to raise the levee system. The project was substantially completed in September 2010.
- The 2011 Omnibus Bill appropriated $3.31 million for project design and construction.
- Phase 3 was awarded at $8.8 million, and work began above the diversion dam and on the diversion channel where the levees were raised two to four feet. Phase 3 was completed by the end of calendar year 2012 and was the final phase of construction.
- The Corps of Engineers prepared documents for certification of the remaining uncertified levees within the city. FEMA completed the process of revising the flood insurance rate maps

within the city limits. With the completion of the new rate maps, the Sioux Falls Flood Control Project was completed.

- In 2013, the project reached substantial completion. The new levee system building was built, and all of the gates and posts for the closure structures were received. Testing of the controls for the dam was conducted, and the operation of the gates was successfully completed. The Corps of Engineers awarded and completed a project to replace a deficient drainage structure through the levee next to the Sioux Falls zoo.
- In 2015, the major work on the levee system was completed. The Corps of Engineers submitted the application to FEMA for a physical map revision. FEMA review and issuance of new flood insurance rate maps resulted in approximately 1,500 properties in Sioux Falls being taken out of the floodplain.
- In 2016, the $2,036,375 in grant funds appropriated by the 2016 legislature was placed under agreement with the city of Sioux Falls. This funding provided the final portion of the state's cost share commitment to provide half of the nonfederal cost share to the city, and all necessary work was completed.
- In 2022, Sioux Falls finalized work with the Corps of Engineers to complete property appraisals for city-owned land that was not previously appraised. After final costs were reviewed it was determined the eligible project costs were less than originally estimated when funds were appropriated. Of the $2,036,375 provided in 2016, the city of Sioux Falls reverted $911,375.
- After 2023, no further work on the project is currently planned.

Vermillion Basin Flood Control Project – 1987

- The project objective is to address the severe flooding problems in the Vermillion River Basin. The basin covers 2,697 square miles in parts of 14 counties and is about 150 miles long with an average width of about 20 miles.
- In 1993, the Corps of Engineers completed The *Vermillion Basin Flood Control Reconnaissance Report* but failed to identify a feasible federal project. The project sponsors re-evaluated project alternatives for nonfederal development. Local project sponsors submitted a pre-application notification for a Federal Emergency Management Agency (FEMA) Hazard Mitigation grant for a *Feasibility Study of Flood Control Alternatives* for the basin. In 1994, more than 70 technical experts met to develop a multi-objective plan to reduce flooding impacts in the Vermillion River Basin. The National Park Service compiled the group's issues and suggestions and formulated the multi-objective plan.
- The Vermillion River Watershed Authority was incorporated in December 1997 and is comprised of representatives from the Clay, Miner, Turner, McCook, and Lake County commissions. The Authority proposed to use FEMA Hazard Mitigation grant funds to widen the channel at the outlet of Lake Thompson and construct a control structure to retain the natural outlet elevation, channel maintenance along 19 miles of the Vermillion River and its tributaries, and wetland restoration and development throughout the basin. The cost benefit ratio for the outlet of Lake Thompson was found to be in error. The ratio was actually less than one; consequently, all FEMA Hazard Mitigation funds were withdrawn. The Authority

withdrew its request to set the outlet elevation on Lake Thompson and moved to dissolve after financial records were completed.

- No activity occurred on the project in 2026.

Water Investment in Northern South Dakota Project – 2023

- The 2023 Omnibus Bill added the Water Investment in Northern South Dakota (WINS) project to the SWRMS list. The WINS project is a joint effort between WEB Water, Inc, the city of Aberdeen, and the BDM Rural Water system to construct a new pipeline to transmit water from the Missouri River to northeast South Dakota estimated at a 2022 cost of more than $755 million. A $5,000,000 grant was appropriated as part of the 2023 Omnibus Bill for the engineering design, preconstruction activities, and construction associated with the project.
- In 2022 and 2023, the Board of Water and Natural Resources awarded a total of $39,230,000 of American Rescue Plan Act (ARPA) grants to several different construction phases of the project.
- The 2024 Omnibus Bill provided an additional $5,000,000 SWRMS grant towards completion of the project. The Board of Water and Natural Resources awarded an additional $10,500,000 of ARPA grant funds towards the project. This brings the total state contribution towards the WINS project to $59,730,000.
- During 2024, construction was ongoing for the 13.5 mile, 49.5-inch raw and treated water main project that connect WEB's Missouri River intake to the water treatment plant, and the water treatment plant to the distribution system near the intersection of Highways 83 and 12. To date, approximately 6 miles of water main have been installed.
- The 2025 Omnibus Bill provided an additional $2,000,000 SWRMS grant towards completion of the project. The Board of Water and Natural Resources awarded an additional $1,221,248 of ARPA grant funds towards the project. This brings the total state contribution towards the WINS project to $62,951,248.
- During 2025, construction was completed for the 13.5 mile, 49.5-inch raw and treated water main project that connect WEB's Missouri River intake to the water treatment plant, and the water treatment plant to the distribution system near the intersection of Highways 83 and 12.
- In March 2025, bids were opened for the Spring Lake and Bowdle phases of the WINS project, which includes approximately 8.5 miles of 36-inch water main. This project is anticipated to be complete in early 2027. These parallel water mains will increase system capacity to assist with the connection to Aberdeen.
- An additional phase totaling 9 miles must be completed for there to be 4 million gallons a day available at Mina which would supply the next phase, Mina to Aberdeen. These remaining phases to allow connection and service to Aberdeen have an estimated cost of $108 million.
- The 2026 Omnibus Bill provided an additional $2,000,000 SWRMS grant towards completion of the project. This brings the total state contribution towards the WINS project to $64,951,248.

- During 2026, construction began on the Spring Lake and Bowdle segments of the WINS project, which includes approximately 8.5 miles of 36-inch water main. These segments are anticipated to be completed in early 2027.
- The next segment totaling 9 miles of 30" water main near Ipswich is scheduled to go to bid late in 2026. This segment will be funded with a $20,300,000 Congressionally Designated Spending allocation provided through the Bureau of Reclamation, which includes an $18,882,750 grant and a $1,417,250 loan. The remaining project funding for this segment will come from previously awarded SWRMS awards for local match.
- Three segments remain to begin construction, which will allow up to 4 million gallons per day of water to become available to Aberdeen. These remaining construction phases to allow connection and service to Aberdeen have an estimated cost of $95 million.

Western Dakota Regional Water System Study – 2023

- In 2022, the Board of Water and Natural Resources awarded an $8,000,000 American Rescue Plan Act (ARPA) grant to the Western Dakota Regional Water System to assist in funding the study.
- The 2023 Omnibus Bill added the Western Dakota Regional Water System study to the SWRMS list. The Western Dakota Regional Water System Study will evaluate the feasibility of bringing water from the Missouri River to areas throughout western South Dakota. The total study cost is estimated at $13.165 million. A $1,000,000 grant was appropriated as part of the 2023 Omnibus Bill for a feasibility level study, system startup, and administration of the Western Dakota Regional Water System study.
- The 2024 Omnibus Bill provided an additional $1,000,000 SWRMS grant towards completion of the study. The Board of Water and Natural Resources awarded an additional $2,165,000 of ARPA grant funds towards the study. This brings the total state contribution towards the feasibility study to $12,165,000.
- During 2024, work on the study included continued outreach efforts and meetings to inform potential systems of participation in the regionalization effort. Membership was increased by 11 system up to 35 total members.
- During 2025, coordination efforts with South Dakota's Congressional Delegation and U.S. Bureau of Reclamation concerning federal project authorization and alternatives for general water development project reauthorizations were on-going.
- During 2025, conceptual designs for mainline transmission pipeline from Lake Oahe to Rapid City area was evaluated, to include pumping and storage necessary along the potential routes. A more detailed review of water intake locations was completed with the preferred alternative being identified as a new Lake Oahe intake facility. Desktop reviews of potential regional transmission line routes from Rapid City to other system members were undertaken to further define possible routes.
- In 2025, The U.S. Geological Survey completed an evaluation of ground water availability and use information to review the ability of existing sources to meet the needs of the region. This evaluation is necessary for completion of the feasibility study. To assure necessary water

rights necessary to meet anticipated member demands were secured the Western Dakota RWS applied for a 20,765 acre-feet Missouri River surface water right permit. State law requires legislative approval of all water rights in excess of 10,000 acre-feet. In 2025, the legislature approved Western Dakota RWS's request through SJR 501. After legislative approval was secured, the Water Management Board took action to approve the future use water right.

- In 2026, WDRWS neared completion of engineering evaluations of the proposed Lake Oahe intake, pumping and storage requirements, transmission alignment, and connections to member systems. Completed items include evaluations of regional distribution networks and financial analyses addressing capital and operating cost allocation, local matching requirements, and affordability for member systems.
- WDRWS continues to pursue federal authorization for Bureau of Reclamation participation in the Feasibility Study. Authorization bills introduced in 2026 in both the U.S. House and Senate have advanced through committee markup and are awaiting consideration by the full chambers.

Recommendations to the Governor and State Legislature

In November 2026, the board conducted a public meeting on the State Water Resources Management System (SWRMS) projects. The board adopted Resolution #2026-117 recommending that all current projects be retained on the SWRMS list. The board also adopted Resolution #2026-118 providing its recommendations to the Governor and the Legislature for the Water and Environment Fund (WEF) and WEF subfunds and state fiscal year 2028 appropriation levels. A summary of the board's recommendations are below. Full resolutions are in Appendix B.

Table 17 – Board of Water and Natural Resources Funding Recommendations

WATER AND ENVIRONMENT FUND (WEF)

SWRMS	
Dakota Mainstem Regional Water System study	$750,000
DANR - Hydrology and Water Management Studies	$500,000
Water Investment in Northern South Dakota project	$2,000,000
Western Dakota Regional Water System study	$200,000
Consolidated Water Facilities Construction Program	$13,000,000
Solid Waste Management Program	$3,500,000
WEF Fund Total	$19,950,000

WEF SUBFUNDS & FEDERAL FUNDS

State Revolving Fund (SRF) Administrative Surcharge Fees	
Clean Water SRF Water Quality Grants	$200,000
Clean Water SRF Application and Administration Assistance	$450,000
Drinking Water SRF Application and Administration Assistance	$400,000
Federal Funds	
Drinking Water Technical Assistance	$200,000
Clean Water Technical Assistance	$50,000
Drinking Water Grants for Emerging Contaminants	$17,285,000
WEF Subfund & Federal Fund Total	$18,585,000
Total	**$38,535,000**

Appendix A

Water and Environment Fund Special Condition Statement

WATER AND ENVIRONMENT FUND
Special Condition Statement
As of 6/30/2026

Cash Balance as of 6/30/2026		**42,665,322.60**
Projected SFY 2027 Revenues		
Capital Construction Fund	11,700,000.00	
Contractors' Excise Tax	450,000.00	
Investment Interest	1,700,000.00	
Loan Principal & Interest Payments (Water)	490,000.00	
Loan Principal & Interest Payments (Solid Waste)	790,000.00	
Solid Waste Fees	2,000,000.00	
		17,130,000.00
FY2027 Transfer (Per SDCL 1-41-23.1)		
Environment & Natural Resources Fee Fund		(600,000.00)
Available Balance		**59,195,322.60**
Board of Water and Natural Resources Commitments		
Consolidated Water Facilities Construction Program		(30,830,307.00)
Solid Waste Management Program		(3,652,093.00)
SWRMS Grants/Loans - Major Projects		
DANR - Water Rights Well Installation	0.00	
Watertown Big Sioux Flood Control Study	(287,500.00)	
Western Dakota Regional Water Study	(755,180.00)	
DANR - Wetland Screening Tool Development	(500,000.00)	
WEB WINS Project	(12,368,812.00)	
Dakota Mainstem Regional Water Study	(1,673,289.00)	
		(15,584,781.00)
Commitment Total		**(50,067,181.00)**
Uncommitted Special Appropriation Authority		
Consolidated Water Facilities Construction Program		(2,709,298.39)
Solid Waste Management Program		(2,242,561.06)
SWRMS Grants/Loans - Major Projects		
DANR - Water Rights Well Installation	0.00	
Watertown Big Sioux Flood Control Study	0.00	
Water Investment in Northern South Dakota project	0.00	
WEB WINS Project	0.00	
Western Dakota Regional Water Study	0.00	
		0.00
Uncommitted Total		**(4,951,859.45)**
Projected Surplus/(Shortfall) for preparation of 2027 Omnibus Bill		**4,176,282.15**

Appendix B

Board of Water and Natural Resources Resolutions

STATE OF SOUTH DAKOTA
BOARD OF WATER AND NATURAL RESOURCES
RESOLUTION NO. 2026-117

PROVIDING TO THE SOUTH DAKOTA LEGISLATURE AND GOVERNOR, THE BOARD OF WATER AND NATURAL RESOURCES' RECOMMENDATIONS FOR STATE WATER RESOURCES MANAGEMENT SYSTEM DESIGNATION.

WHEREAS, the Board of Water and Natural Resources ("the Board") pursuant to SDCL 46A-1-2, annually provides recommendations to the State Legislature and Governor regarding deletions and additions to the State Water Resources Management System component of the State Water Plan; and

WHEREAS, SDCL 46A-1-2.1 designates the water resource projects included on the State Water Resources Management System component of the State Water Plan that serve as the preferred, priority objectives of the State; and

WHEREAS, the Board has reviewed the list of projects currently included on the State Water Resources Management System component of the State Water Plan; and

WHEREAS, the Board has reviewed the applications submitted from South Dakota water resource projects for inclusion onto the State Water Plan; and

WHEREAS, the Board pursuant to SDCL 46A-1-10, annually provides recommendations to the State Legislature and Governor regarding deletions and additions to the State Water Resources Management System component of the State Water Plan.

NOW THEREFORE BE IT RESOLVED, that the Board recommends that the water resource projects currently identified on the State Water Resources Management System component of the State Water Plan be retained as preferred, priority objectives of the State.

Dated this 5th day of November, 2026

(SEAL)

BY: /s/ Jerry Soholt
Chairman, Board of Water and
Natural Resources

ATTEST:

BY: /s/ Todd Bernhard
Secretary, Board of Water and
Natural Resources

STATE OF SOUTH DAKOTA
BOARD OF WATER AND NATURAL RESOURCES
RESOLUTION NO. 2026-118

PROVIDING TO THE SOUTH DAKOTA LEGISLATURE AND GOVERNOR, THE BOARD OF WATER AND NATURAL RESOURCES' RECOMMENDATIONS FOR WATER AND ENVIRONMENT FUND FISCAL YEAR 2028 APPROPRIATION LEVELS.

WHEREAS, SDCL 46A-1-2 provides the means for the planning, funding, and construction of a state water plan and creates the State Water Resources Management System component and the State Water Facilities Plan components of the State Water Plan; and

WHEREAS, pursuant to the authority provided in SDCL 46A-1-7, the Board of Water and Natural Resources ("the Board") is responsible for approving all projects placed on the State Water Facilities Plan component of the State Water Plan, an annual listing of potential water related projects; and

WHEREAS, pursuant to the authority provided in SDCL 46A-1-10, the Board annually provides recommendations to the Governor and the State Legislature regarding deletions and additions to the State Water Resources Management System component of the State Water Plan; and

WHEREAS, pursuant to the authority provided in SDCL 46A-1-12 and 46A-1-13, the Board may recommend state funding levels to the Governor and the State Legislature; and

WHEREAS, the Board has reviewed the projected funding needs of projects on the State Water Resources Management System component of the State Water Plan; and

WHEREAS, the Board has reviewed the projected funding needs of projects on the State Water Facilities Plan component of the State Water Plan; and

WHEREAS, the Board has reviewed potential funding needs of solid waste disposal, recycling, and waste tire projects that may require funding from dedicated fees deposited in the Water and Environment Fund; and

WHEREAS, the Board has reviewed potential financial and technical assistance needs of projects that may require funding from the Clean Water State Revolving Fund Administrative Surcharge fees, Drinking Water State Revolving Fund Set-Asides, Drinking Water State Revolving Fund Administrative Surcharge fees, and federal subsidy payments deposited in the Water and Environment Fund Subfunds; and

WHEREAS, the Board conducted a public hearing and adopted Intended Use Plans that include projects that require funding from the Clean Water State Revolving Fund Administrative Surcharge fees, Clean Water State Revolving Fund Set-Asides, Drinking Water State Revolving Fund Set-Asides, Drinking Water State Revolving Fund Administrative Surcharge fees, and federal subsidy payments deposited in Water and Environment Fund Subfunds; and

WHEREAS, the Board conducted a public meeting on November 5, 2026, to take statements from all interested parties regarding water development and solid waste funding needs.

NOW THEREFORE BE IT RESOLVED, that the Board recommends to the Governor and the State Legislature the following Water and Environment Fund fiscal year 2028 line-item appropriation levels for projects on the State Water Resources Management System:

Dakota Mainstem Regional Water System study	$750,000
DANR - Hydrology and Water Management Studies	$500,000
Water Investment in Northern South Dakota project	$2,000,000
Western Dakota Regional Water System study	$200,000

IT IS FURTHER RESOLVED, that the Board recommends to the Governor and the State Legislature a Water and Environment Fund fiscal year 2028 appropriation level of thirteen million dollars ($13,000,000) for the Consolidated Water Facilities Construction Program; and

IT IS FURTHER RESOLVED, that the Board recommends to the Governor and the State Legislature the Water and Environment Fund fiscal year 2028 appropriation level of three million five hundred thousand dollars ($3,500,000) for the Solid Waste Management Program; and

IT IS FURTHER RESOLVED, that the Board recommends to the Governor and the State Legislature the following Water and Environment Fund Subfund fiscal year 2028 appropriation levels for the Clean Water State Revolving Fund Administrative Surcharge fees, the Clean Water State Revolving Fund Set-Asides, the Drinking Water State Revolving Fund Administrative Surcharge fees, the Drinking Water State Revolving Fund Set-Asides, and federal subsidy payments approved in the respective 2027 Intended Use Plans for the Clean Water State Revolving Fund (CWSRF) and the Drinking Water State Revolving Fund (DWSRF) programs, and other federal fund appropriations for grants to be awarded by the Board:

State Revolving Fund Administrative Surcharge Fees	
CWSRF Water Quality Grants	$200,000
CWSRF Application and Administration Assistance	$450,000
DWSRF Application and Administration Assistance	$400,000
Federal Set-Aside Funds and Federal Grant Funds	
DWSRF Technical Assistance and Local Assistance	$200,000
CWSRF Small System Technical Assistance	$50,000
Drinking Water Grants for Emerging Contaminants	$17,285,000
WEF Subfund and Federal Fund Total:	$18,585,000

Dated this 5th day of November, 2026

(SEAL) BY: /s/ Jerry Soholt

Chairman, Board of Water and Natural Resources

ATTEST:

BY: /s/ Todd Bernhard

Secretary, Board of Water and Natural Resources

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