

Minutes of the
Board of Water and Natural Resources Meeting

June 26, 2014
1:00 p.m. CDT

Via Digital Dakota Network

Capitol Building
Pierre, SD

Northern State University
Aberdeen, SD

Bison High School
Bison, SD

South Dakota State University
Brookings, SD

South Dakota School of Mines and Technology
Rapid City, SD

University Center
Sioux Falls, SD

SD Department of Labor
Watertown, SD

CALL MEETING TO ORDER: Chairman Brad Johnson called the meeting to order. The roll was called, and a quorum was present.

BOARD MEMBERS PRESENT: Brad Johnson, Paul Gnirk, Paul Goldhammer, Todd Bernhard, Gene Jones, Jackie Lanning, and Jerry Soholt.

BOARD MEMBERS ABSENT: None.

OTHERS PRESENT: See attached attendance sheets.

APPROVE AGENDA: Chairman Johnson approved the posted agenda.

APPROVE MINUTES OF MARCH 27-28, AND APRIL 9, 2014, MEETINGS: Motion by Gnirk, seconded by Bernhard, to approve the minutes of the March 27-28 and April 9, 2014, Board of Water and Natural Resources meetings. A roll call vote was taken, and the motion carried unanimously.

AMEND STATE WATER FACILITIES PLAN, 2014 CLEAN WATER SRF PROJECT PRIORITY LIST, AND 2014 DRINKING WATER SRF PROJECT PRIORITY LIST: Andy Bruels said water projects that require state funding or need state support for categorical grant or loan funding need to be on the State Water Plan. The Board of Water and Natural Resources annually approves projects

for placement onto State Water Facilities Plan and provides for amendments of projects onto the plan on a quarterly basis. Placement of a project on the State Water Plan by the board provides no guarantee of funding. The projects placed on the plan at this meeting will remain on the facilities plan through December, 2015.

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

Amend State Water Plan: Ten State Water Plan applications were received by the May 1, 2014, deadline. Mr. Bruels presented the applications and identified those projects being placed on the Clean Water SRF and Drinking Water SRF Project Priority Lists.

Colonial Pine Hills Sanitary District requested amendment onto the facilities plan for replacement of 2,800 of water main on Pinewood Drive. The existing pipe is undersized and constructed of poor material. The estimated total project cost is \$494,000.

The project will be placed on the Drinking Water SRF IUP Project Priority List with 20 priority points and an estimated loan amount of \$494,000 at 3 percent interest for 20 years.

Dakota Dunes Community Improvement District requested amendment onto the facilities plan to construct a water storage tank at the treatment facility and to install an additional high service pump. Dakota Dunes does not have adequate water supply with their current water storage capacity if one of the existing high service pumps is inoperable. The estimated total project cost is \$1,600,000.

The project will be placed on the Drinking Water SRF IUP with 21 priority points and an estimated loan amount of \$1,600,000 at 3 percent interest for 20 years.

Flandreau requested amendment onto the facilities plan to replace existing meters, install a radio read meter system, and replace 72 blocks of cast iron water main with PVC pipe. The estimated total project cost is \$13,060,000.

The project will be placed on the Drinking Water SRF IUP with 90 priority points and an estimated loan amount of \$2,560,000 at 3 percent interest for 30 years.

Flandreau requested amendment onto the facilities plan to replace 55 blocks of clay sanitary sewer pipe with PVC pipe, replace an existing lift station, and dredge the wastewater treatment facility. The estimated total project cost is \$10,320,000.

The project will be placed on the Clean Water SRF IUP with 11 priority points and an estimated loan amount of \$3,820,000 at 3.25 percent interest for 30 years.

Northville requested amendment onto the facilities plan to install approximately 2,100 feet of storm sewer pipe and six catch basin manholes. The estimated total project cost is \$137,000.

The project will be placed on the Clean Water SRF IUP with 4 priority points and an estimated loan amount of \$137,000 at 3.25 percent interest for 30 years.

Onida requested amendment onto the facilities plan to replace existing meters and install a radio read meter system, replace nearly 20,000 feet of asbestos cement water main with PVC pipe, and replace the existing water storage tank with a new elevated storage tank. The estimated total project cost is \$5,511,000.

The project will be placed on the Drinking Water SRF IUP with 99 priority points and an estimated loan amount of \$5,450,000 at 3 percent interest for 20 years.

Pierre has applied for funding for the construction of a new solid waste disposal cell for the regional landfill. The estimated total project cost is \$1,772,000.

The project will be placed on the Clean Water SRF IUP with 18 priority points and an estimated loan amount of \$1,172,000 at 2.25 percent for 10 years.

Plankinton requested amendment onto the facilities plan to replace existing meters and install a radio read meter system. The estimated total project cost is \$196,000.

The project will be placed on the Drinking Water SRF IUP with 74 priority points and an estimated loan amount of \$196,000 at 2.25 percent for 10 years.

Pukwana requested amendment onto the facilities plan to replace existing meters and install a radio read meter system. The estimated total project cost is \$195,000.

The project will be placed on the Drinking Water SRF IUP with 73 priority points and an estimated loan amount of \$195,000 at 1.25 percent for 10 years.

Wessington Springs requested amendment onto the facilities plan to replace existing meters and install a radio read meter system. The estimated total project cost is \$530,000.

The project will be placed on the Drinking Water SRF IUP with 74 priority points and an estimated loan amount of \$530,000 at 2.25 percent for 10 years.

Staff recommended amending all ten projects onto the facilities plan.

Motion by Lanning, seconded by Goldhammer, to amend the ten projects onto the 2014 State Water Facilities Plan. A roll call vote was taken, and the motion carried unanimously.

Amend 2014 Clean Water SRF Project Priority List: Mr. Bruels stated that unexpected demand and increased project costs have necessitated the following changes to the narrative portion of the Clean Water Intended Use Plan:

Leveraged Bonds: The South Dakota Conservancy District has the ability to issue additional bonds above that required for state match, known as leveraged bonds. ~~It is not anticipated that additional leveraged bonds will be required in 2014.~~ It is anticipated that approximately \$60,000,000 in leveraged bonds will be required in 2014.

Mr. Bruels noted that in addition to the three sanitary and storm sewer projects that were placed on the 2014 State Water Facilities Plan, there was one additional project to be placed onto the Clean Water SRF IUP Project Priority List.

Andover received a previous Clean Water SRF loan for \$194,000 at 3.25 percent for 30 years and a Clean Water SRF Water Quality grant for 58.2 percent of project costs not to exceed \$269,700. When bids were opened for the project, the costs were higher than the original estimate and some work was removed from the contract. The work still to be completed includes rip-rapping of pond dikes, lift station controls, fencing, televising of collection lines, making repairs to collapsed lines, and purchasing a generator for the lift station.

Mr. Bruels stated that the city would like to fully complete the project and has submitted an application for additional funds, which will be presented later today. The total project costs are now estimated at \$769,000.

This project will be placed on the Clean Water SRF IUP with 12 priority points and an estimated loan amount of \$305,000 at 3.25 percent for 30 years.

Mr. Bruels also noted that changes were made to Attachments 2 and 3 to reflect the changes made earlier in the IUP.

Staff recommended the board accept the proposed changes to the narrative section and the addition of four projects onto the Project Priority List of the Clean Water SRF IUP.

Motion by Gnirk, seconded by Jones, to accept the changes to the narrative section and the addition of four projects onto the Project Priority List of the Clean Water SRF IUP. A roll call vote was taken, and the motion carried unanimously.

Amend 2014 Drinking Water SRF Project Priority List: Mr. Bruels reported that unexpected demand and increased project costs have necessitated the following changes to the narrative portion of the Drinking Water Intended Use:

Capitalization Grants/State Match: Federal capitalization grants are provided to the state annually. These funds must be matched by the state at a ratio of 5 to 1. The fiscal year 2014 capitalization grant is expected to be \$8,845,000 which requires \$1,769,000 in state match. ~~Administrative surcharge will be used to match the 2014 capitalization grant.~~ Bond proceeds will be used to match 2014 capitalization grant funds.

Leveraged Bonds: The South Dakota Conservancy District has the ability to issue additional bonds above that required for state match, known as leveraged bonds. ~~It is anticipated that no additional leveraged bonds will be required in 2014.~~ It is anticipated that approximately \$6,500,000 in leveraged bonds will be required in 2014.

In addition to the seven drinking water projects that were placed on the 2014 State Water Plan there was one additional project to be placed onto the 2014 Drinking Water Project Priority List.

Woodland Hills Sanitary District received a previous Drinking Water SRF loan for \$780,000 at 3 percent for 20 years with 61.6 percent principal forgiveness not to exceed \$480,000. The project is to install water meters, replace the pipe within the distribution system, make repairs to an existing well, and construct a high level water storage tank. Bids were recently opened for the project and costs are higher than the original estimate. Staff anticipates the district will be applying for additional funds at the September meeting. The total project costs are now estimated at \$1,155,000.

The project will be placed on the Drinking Water SRF IUP with 128 priority points and an estimated loan amount of \$375,000 at 3 percent for 20 years.

Mr. Bruels noted that changes were made to Attachments 2 and 3 to reflect the changes made earlier in the IUP.

Staff recommended the board accept the proposed changes to the narrative section and the addition of eight projects onto the Project Priority List of the Drinking Water SRF IUP.

Motion by Gnirk, seconded by Lanning, to accept the proposed changes to the narrative section and the addition of eight projects onto the Project Priority List of the 2014 Drinking Water SRF IUP. A roll call vote was taken, and the motion carried unanimously.

AMEND 2013 DRINKING WATER SRF IUP: Mr. Bruels stated that the FY 2013 Drinking Water SRF IUP was approved by the Board of Water and Natural Resources in November 2012 and amended in March, June, and September 2013.

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

Staff proposed amending Attachment I - Project Priority List of the FY 2013 Drinking Water IUP by adding the following:

Priority Points	Loan Recipient	Project Description	Est. Loan Amount	Expected Loan Rate & Term
210	Rapid City	<i>Problem:</i> there are several small water systems adjacent to Rapid City that have water quality (primarily concerning radionuclides) and water quantity issues, as well as distribution systems that are in poor condition. <i>Project:</i> connect the small systems as part of a project that Rapid City is undertaking to extend a second water line to the regional airport, and reconstruct distribution systems where needed.	\$5,626,000	3.0%, 20 yrs.

Motion by Bernhard, seconded by Gnirk, to amend the FY 2013 Drinking Water SRF IUP as presented. A roll call vote was taken, and the motion carried unanimously.

SOLID WASTE MANAGEMENT PROGRAM FUNDING APPLICATIONS: Andy Bruels reviewed available funds for the Solid Waste Management Program. He noted that the board packet included a map showing the locations of all Solid Waste Management Program applicants.

The Board may award grant and loan funds for the purpose of solid waste planning and management under the program. In accordance with the administrative rules, the board must make its funding decisions within 120 days after the applications are presented. Since this was a one-day meeting, staff requested that the board take action after each recommendation was presented.

The Department received two new applications for Solid Waste Management Program funding by the April 1, 2014, deadline. Mr. Bruels presented the applications and staff recommendations for funding.

Pierre requested \$1,172,000 for the construction of a new landfill disposal cell at their existing municipal solid waste landfill. The estimate total project cost is \$1,772,000.

The new cell will provide the landfill capacity to accept waste through 2025. The landfill cell construction will include excavation of the new cell, installation of a compacted clay liner and leachate collection piping. Pierre anticipates bidding this project in January 2015 with completion in November 2015.

Mr. Bruels noted that Pierre's rate for municipal solid waste disposal is \$41.00 per ton. If the Board chooses to award funding to the city of Pierre for the full amount requested, it would expend almost all funds available for solid waste disposal.

Mr. Bruels stated that the rules allow for the board to consider funding for this project from the Clean Water SRF Program as it is a nonpoint source project. Staff contacted the city to inform them of the funding limitations and requested the city submit a State Water Plan application, which they did. The board placed the project on the Clean Water IUP and the state water facilities plan earlier in the meeting.

Mr. Bruels said Clean Water SRF funding cannot be provided until the board's September meeting, of which the city is aware. Staff has advised the city that they will need to submit a Sanitary/Storm Sewer Facilities application for funding consideration.

Staff recommended the board defer Pierre's Solid Waste Management Program application until September.

Motion by Goldhammer, seconded by Jones, to defer Pierre's Solid Waste Management Program application until the September board meeting. A roll call vote was taken, and the motion carried unanimously.

Refuse Solutions, Inc. requested \$70,000 to construct a 36'x48' building for recycling use, purchase and install a baler for recycling materials, and purchase a skid steer for material handling. The estimated total project cost is \$70,000.

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Refuse Solutions, Inc. is a private for profit entity. In accordance with SDCL 46A-1-98, any documentary material or data made or received by the board or DENR for the purpose of furnishing financial assistance to a business to the extent that the material or data consists of trade secrets or commercial or financial information regarding the operation of such business is not public record and is exempt from disclosure. Any discussion or consideration of such trade secrets or commercial or financial information by the board may be done in executive session.

Mr. Bruels reported that Refuse Solutions, Inc. is located in Belle Fourche, SD, and operates a commercial garbage collection business. The recycling business that served the Belle Fourche and Spearfish areas has recently gone out of business, and Refuse Solutions, Inc. would like to take over that business. The facility and equipment will allow Refuse Solutions to expand cardboard recycling capabilities within their service area and possibly expand to new products to include paper and plastics in the future.

Staff recommended awarding a Solid Waste Management Program recycling loan in the amount of \$70,000 at 2.25 percent interest for 10 years.

Refuse Solutions, Inc. has pledged revenues from the business toward repayment of the loan. Based on the information supplied in the application, coverage of a \$70,000 loan at 2.25 percent interest for 10 years would exceed the required 100 percent requirement.

Staff recommended the loan be contingent upon the borrower adopting a resolution approving the form of the loan agreement, the promissory note, the pledge of system revenues for repayment of the loan, approving a security agreement and mortgage, approving a personal guaranty agreement, and providing a key man life insurance policy not less than the face value of the promissory note naming the borrower as the beneficiary with the proceeds payable to the Board of Water and Natural Resources to the extent of the outstanding balance of the loan.

Randy Ruby, Refuse Solutions, Inc. answered questions from the board.

Motion by Soholt, seconded by Lanning, to adopt Resolution #2014-62 approving the South Dakota Solid Waste Management Program loan agreement between the South Dakota Board of Water and Natural Resources and Refuse Solutions, Inc. of Belle Fourche, SD, not to exceed \$70,000 at 2.25 percent for 10 years to construct a 36'x48' building for recycling use, purchase and install a baler for recycling materials, and purchase a skid steer for material handling. The loan is contingent upon the borrower adopting a resolution approving the form of the loan agreement, the promissory note, the pledge of system revenues for repayment of the loan, approving a security agreement and mortgage, approving a personal guaranty agreement, and providing a key man life insurance policy not less than the face value of the promissory note naming the borrower as the beneficiary with the proceeds payable to the Board of Water and Natural Resources to the extent of the outstanding balance of the loan. A roll call vote was taken, and the motion carried unanimously.

Mr. Bruels provided an update on available funds for future Solid Waste Management Program funding rounds.

DRINKING WATER FACILITIES FUNDING APPLICATIONS: Mike Perkovich discussed available funds for the Consolidated Water Facilities Construction Program, Drinking Water and Clean Water SRF funding programs.

He presented the Drinking Water SRF funding application and staff recommendation for funding. A map showing the location of the application was included in the board packet.

Rapid City requested \$5,626,000 for the east Rapid City water system expansion project. The estimated total project cost is \$7,126,000.

The city is constructing a major water transmission pipeline to serve the airport property located east of the city. The city is requesting funding to use water from that line to serve several developments and individual homes west of the airport. The project involves constructing arterial lines from the new airport line and replacing or upgrading distribution systems within the developments in that area as needed. It is estimated that there are 228 potential users in the area. The project cost also includes a portion of the airport line.

Valley View Estates Homeowners Association receives water from the Rainbow Water Company. Both Valley View Estates Homeowners Association and Terracotta Estates Homeowners Association have issues with high radionuclides, so both associations have been issued a notice of violation from DENR. The project will also serve the developments of Mesa View Estates and Long View Sanitary District.

Mr. Perkovich stated that this project will result in four small water systems getting out of the water business. The project should prevent the formation of other small water systems in that area that would likely encounter similar problems to those occurring presently.

Rapid City anticipates bidding the project in the spring of 2015 with a project completion date of December 2017.

Mr. Perkovich noted that Rapid City will provide \$1,500,000 in local cash for this project.

Rapid City is pledging water revenues toward repayment of the loan. Debt coverage is expected to be 182 percent.

With no subsidy, the 228 new users would have a surcharge of approximately \$138 per month. In addition, they would have to buy water from the city of Rapid City. Currently, the Rapid City council does expect users outside the city limits to pay \$45 per month, so the total would be \$183 per month with no subsidy.

Staff recommended awarding a \$4,626,000 Drinking Water State Revolving Fund Loan at 3 percent for 20 years with 64.9 percent principal forgiveness not to exceed \$3,000,000 contingent upon the borrower adopting a bond resolution and the resolution becoming effective, and contingent upon the borrower demonstrating financial, managerial, and technical capacity. Staff also recommended awarding a Consolidated Water Facilities Construction Program grant up to 14.1 percent of the eligible project costs not to exceed \$1,000,000. With the staff recommendation, the monthly surcharge to the new users will be approximately \$40 plus an additional \$45 water fee from the City

of Rapid City. Mr. Perkovich noted that staff has met with representatives from each of developments regarding the cost of service.

Denise Livingston, Black Hills Council of Governments, and John Wagner, Rapid City water superintendent, discussed the project and answered questions from the board.

Motion by Gnirk, seconded by Bernhard, to adopt Resolution #2014-63 a Drinking Water State Revolving Fund loan up to a maximum commitment amount of \$4,262,000 at 3 percent for 20 years with 64.9 percent principal forgiveness not to exceed \$3,000,000 to the city of Rapid City for a water system expansion project, and authorizing the execution of the loan agreement, the acceptance of the Local Obligation, the assignment of the Local Obligation to the Trustee, and the execution and delivery of such other documents and the performance of all acts necessary to effectuate the loan approved in accordance with all terms as set forth in the Indenture of Trust; and to adopt Resolution #2014-64 approving the South Dakota Consolidated Water Facilities Construction grant agreement between the Board of Water and Natural Resources and the city of Rapid City for up to 14.1 percent of approved project costs not to exceed \$1,000,000 for the water system expansion project. The loan is contingent upon the borrower adopting a bond resolution and the resolution becoming effective, and contingent upon the borrower demonstrating financial, managerial, and technical capacity. A roll call vote was taken, and the motion carried unanimously.

SANITARY/STORM SEWER FACILITIES FUNDING APPLICATIONS: Mr. Perkovich presented the applications and staff recommendations for funding. He stated that today's recommendations are based on the staff recommendations at the March 2014 meeting. There were several applications in March and at that time those projects that received a significant amount of subsidy had rates in the high \$30s or more than \$40.

A map showing the location of the applications was included in the board packet.

Freeman requested \$1,536,000 for a wastewater treatment facility improvements project. The estimated total project cost is \$1,551,000. The city will provide \$15,000 in local cash for this project.

The project involves replacing the aeration system in the aerated pond, removing sludge from the settling pond, adding new blowers, and making other miscellaneous repairs at the facility. The city will also rehabilitate and upgrade the main lift station and install a larger emergency generator.

The city anticipates bidding the project this fall with a project completion date of December 2015.

Freeman's current rate is \$33.25 based on 5,000 gallons usage. The city applied for a 20-year loan at 3 percent interest. Staff evaluated the components and determined the city would be eligible for a 30-year loan at 3.25 percent interest if it chose to do so.

Staff recommended awarding a \$1,536,000 Clean Water SR Fund loan at 3 percent interest for 20 years.

Mr. Perkovich stated that Freeman will need to establish a surcharge of \$14.74 per customer per month. When added to the current rate of \$33.25 per 5,000 gallons, the monthly rate would be \$47.99 per 5,000 gallons. Freeman has some debt capacity within the existing rate. Additionally,

Freeman has an existing loan that will be paid off in April 2016, which has about the same annual debt that this loan will have when it goes into repayment. With this debt eliminated, the staff analysis indicated that the current rate could be restructured and with approximately an additional fifteen cents, the city could provide the surcharge needed for the required 110 percent debt coverage on the 20-year loan. However, at its current rate, Freeman would have sufficient capacity to provide the surcharge with no rate increase if to go with the 30-year loan. If they decide to go that route, staff would work with the city to accomplish that and then bring the loan back to the board for approval at a subsequent meeting.

Mr. Perkovich noted that staff recommendation was based on what Freeman applied for. The loan would be contingent upon the borrower adopting a bond resolution and the resolution becoming effective, and contingent upon the borrower establishing a surcharge sufficient to provide the required debt coverage.

A representative of the city of Freeman discussed the project and answered questions from the board.

Motion by Goldhammer, seconded by Lanning, to adopt Resolution #2014-65 approving a Clean Water State Revolving Fund loan up to a maximum committed amount of \$1,536,000 at 3 percent interest for 20 years to the city of Freeman for a wastewater treatment facility improvements project; and authorizing the execution of the loan agreement, the acceptance of the Local Obligation, the assignment of the Local Obligation to the Trustee, and the execution and delivery of such other documents and the performance of all acts necessary to effectuate the loan approved in accordance with all terms as set forth in the Indenture of Trust. The loan is contingent upon the borrower adopting a bond resolution and the resolution becoming effective, and contingent upon the borrower establishing a surcharge sufficient to provide the required debt coverage. A roll call vote was taken, and the motion carried unanimously.

Andover requested \$305,000 for additional wastewater improvement projects. The revised estimated total project cost is \$768,700.

Andover was awarded \$463,700 in grant and loan funding in March 2014 to make improvements to the wastewater treatment cell and the collection system. Bids were opened and the costs came in higher than anticipated. Andover removed some components of the project so the bid could be awarded. Andover is now seeking funds to add those components back into the project.

The project includes the installation of rip rap on the pipe dikes, portable generator, cleaning and televising lines, and spot repairs on collection lines.

Andover has a flat rate of \$30.

Staff recommended awarding a \$61,000 Consolidated loan at 3 percent for 20 years and a Consolidated grant for 80 percent of eligible costs not to exceed \$244,000. Mr. Perkovich noted that a 30-year loan term is not available under the Consolidated Program.

Andover is pledging a project surcharge toward repayment of the loan. Staff analysis indicates that a surcharge of \$7.25 is needed to provide the 100 percent debt coverage requirement.

The award is contingent upon the borrower adopting a bond resolution and the resolution becoming effective and contingent upon the borrower establishing a surcharge sufficient to provide the required debt coverage.

Leif Redinger, Helms & Associates, and Ilene Helmer, town president, discussed the project and answered questions from the board.

Motion by Bernhard, seconded by Lanning, to adopt Resolution #2014-66 approving the South Dakota Consolidated Water Facilities Construction Program loan agreement between the Board of Water and Natural Resources and the town of Andover for a loan not to exceed \$61,000 at 3 percent interest for 20 years for wastewater improvement projects; and to adopt Resolution #2014-67 approving the South Dakota Consolidated Water Facilities Construction Program grant agreement between the Board of Water and Natural Resources and the town of Andover for up to 80 percent of approved total project costs not to exceed \$244,000 for wastewater improvement projects. The loan is contingent upon the borrower adopting a bond resolution and the resolution becoming effective and contingent upon the borrower establishing a surcharge sufficient to provide the required debt coverage. A roll call vote was taken, and the motion carried unanimously.

Hoven requested \$656,000 for Highway 47 sanitary sewer improvements. The estimated total project cost is \$656,000.

Hoven is proposing to repair a sanitary sewer line in conjunction with a South Dakota Department of Transportation project on SD Highway 47. The sanitary sewer system in the project area is in poor condition and needs to be replaced.

The city anticipates that the SD DOT will bid the project in the winter of 2014 with a project completion date of November 2015.

Hoven has a \$24 flat rate.

The city is pledging a project surcharge toward repayment of the loan.

Staff recommended awarding a \$656,000 Clean Water SR Fund loan at 3.25 percent interest for 30 years. With the recommended loan amount, a surcharge of \$13.60 will be required to meet the 110 percent debt coverage requirement. With the surcharge, Hoven's rate will be \$37.60.

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

Francis Karst, city commissioner, discussed the project and answered questions from the board.

Motion by Gnirk, seconded by Soholt, to adopt Resolution #2014-68 approving a Clean Water State Revolving Fund loan up to a maximum committed amount of \$656,000 at 3.25 percent interest for 30 years to the city of Hoven for Highway 47 sanitary sewer improvements; and authorizing the execution of the loan agreement, the acceptance of the Local Obligation, the assignment of the Local Obligation to the Trustee, and the execution and delivery of such other documents and the

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

Bison requested \$419,000 for wastewater treatment and sanitary sewer collection system improvements. The estimated total project cost is \$542,715. Bison will provide \$123,715 in local cash.

The project will reline 2,400 feet of sanitary sewer and clean and televise another 4,700 feet of collection pipe to determine areas needing further attention. The project also involves rehabilitating the clay liner on the wastewater treatment pond berms and placing rip-rap on those berms to prevent erosion.

Bison anticipates bidding the project in September 2014 and completing the project by the end of the year.

Bison currently has a \$22 flat rate and is pledging sales tax revenues toward repayment of the loan. Staff analysis showed Bison's debt coverage is 383 percent.

Staff recommended awarding a \$419,000 Clean Water SRF loan at 3.25 percent interest for 30 years.

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

A representative of Bison discussed the project and answered question from the board.

Motion by Gnirk, seconded by Bernhard, to adopt Resolution #2014-69 approving a Clean Water State Revolving Fund loan up to a maximum committed amount of \$419,000 at 3.25 percent interest for 30 years to the town of Bison for wastewater treatment and sanitary sewer collection system improvements; and authorizing the execution of the loan agreement, the acceptance of the Local Obligation, the assignment of the Local Obligation to the Trustee, and the execution and delivery of such other documents and the performance of all acts necessary to effectuate the loan approved in accordance with all terms as set forth in the Indenture of Trust. The loan is contingent upon the borrower adopting a bond resolution and the resolution becoming effective. A roll call vote was taken, and the motion carried unanimously.

Brown County requested \$150,000 for the Crow Creek control structure improvement project. The estimated total project cost is \$300,000. The county has requested \$75,000 from the James River Water Development District for the project, and the county will contribute \$75,000 in local funds.

The Crow Creek control structure was constructed 100 years ago to regulate flows from the Crow Creek drainage ditch to the James River. It can also be used to keep high flows from the James River from entering the drainage ditch.

The Brown County Highway Department operates the control structure and is concerned that the structure will become inoperable in the near future due to the age and condition of the structure. The county intends to replace the structure at its current location with the same crest elevation and flow capacity as the existing structure.

The county anticipates bidding the project in the winter of 2014 with a project completion date of November 2015.

Mr. Perkovich noted that flood control projects are eligible to receive Consolidated Program funds however they are not eligible to receive Clean Water SRF funds. With the Consolidated Program, this type of project is low priority compared to projects that provide safe drinking water and address health and safety concerns associated with the improper treatment of wastewater.

Staff recommended awarding a Consolidated grant for up to 40 percent of eligible costs not to exceed \$120,000.

Duane Sutton, Brown County commission, and Mike Gutenkauf, Clark Engineering, discussed the project and answered questions from the board.

Motion by Soholt, seconded by Jones, to adopt Resolution #2014-70 approving the South Dakota Consolidated Water Facilities Construction grant agreement between the Board of Water and Natural Resources and Brown County for up to 40 percent of approved project costs not to exceed \$120,000 for the Crow Creek control structure improvement project. A roll call vote was taken, and the motion carried unanimously.

SMALL WATER FACILITIES FUNDING APPLICATIONS: Mr. Bruels presented the applications and staff recommendations for funding.

Westport requested \$100,000 for a water meter replacement project. The estimated total project cost is \$100,000.

Westport proposes to purchase and install new remote read water meters and software to read the meters within the community. The existing meters are more than 20 years old and are manually read, which can lead to errors in billing.

The town of Westport anticipates bidding the project in September 2014 with installation being complete by November 2014.

Westport's current water rate is \$39.00 per 5,000 gallons usage.

Staff recommended approval of a \$100,000 Consolidated loan at 2.25 percent for 10 years.

Westport is pledging a water surcharge for repayment of the loan. Staff analysis indicates that a surcharge of approximately \$15.05 per user would be required to provide the 100 percent debt coverage requirement. If this were added to Westport's rate of \$39.00 for 5,000 gallons, it would result in a total rate of \$54.05. Staff analysis indicates that the town could restructure its rates, and

the existing rate of \$39.00 for 5,000 gallons would be sufficient to cover operation and maintenance costs and the required surcharge for this loan.

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

A representative of the Westport city council discussed the project and answered questions from the board.

Motion by Lanning, seconded by Gnirk, to adopt Resolution #2014-71 approving the South Dakota Consolidated Water Facilities Construction Program loan agreement between the Board of Water and Natural Resources and the town of Westport for a loan not to exceed \$100,000 at 2.25 percent interest for 10 years for the water meter replacement project. A roll call vote was taken, and the motion carried unanimously.

Mr. Perkovich provided an update on available funds for future funding rounds.

EAGLE BUTTE REQUEST TO AMEND CONSOLIDATED GRANT 2013G-301: Jim Anderson reported that on September 27, 2012, the city of Eagle Butte received a \$173,500 Consolidated Water Facilities Construction Fund grant for wastewater system improvements. The grant was based on 10 percent of total project costs of \$1,735,000.

The project included replacement of wastewater collection lines with a force main, lift station, and upgrades to the wastewater lagoons.

On January 4, 2013, the board approved an additional \$260,000 in grant funds for Eagle Butte bringing the total grant to \$433,500. The board also approved a grant percentage increase from 10 percent to 25 percent.

The Department recently received a request from the city of Eagle Butte to increase the grant percentage from 25 percent to 80 percent based on a revised project cost of \$541,875.

The city also requested that the project description be changed to the following:

Cleaning and televising of the sanitary sewer system and eligible engineering fees associated with the following projects: Sycamore and North Highway 212 Sanitary Sewer Improvements; Sanitary Sewer Lagoon Improvements; miscellaneous Sanitary Sewer Improvements; Prairie Road Sanitary Sewer Improvements; Shupick Park Storm Sewer Improvements; Willow Street Drinking Water Improvements; and 2015 Utility Improvements and Street Resurfacing, to include any costs incurred prior to the grant award date of September 27, 2012.

Staff recommended approval of the Second Amendment to Consolidated Program grant agreement 2013G-301 for up to 80 percent of approved total project costs not to exceed \$433,500, a project description change, and to allow expenses prior to September 27, 2012, for reimbursement to Eagle Butte.

Mr. Anderson answered questions from the board.

Motion by Lanning, seconded by Gnirk, to adopt Resolution #2014-72 approving the Second Amendment to Consolidated Program grant agreement 2013G-301 for up to 80 percent of approved total project costs not to exceed \$433,500, approving the project description change, and to allow expenses prior to September 27, 2012, for reimbursement to Eagle Butte. A roll call vote was taken, and the motion carried unanimously.

MCLAUGHLIN REQUEST TO AMEND CONSOLIDATED GRANT 2012G-205: Eric Meintsma reported that on June 24, 2011, the board awarded an \$899,325 Consolidated Water Facilities Construction Program grant to the city of McLaughlin for a wastewater system improvements project. The grant was for 44 percent of an estimated project cost of \$2,045,000.

The Consolidated program's administrative rule at the time of the grant award required that eligible costs be incurred within three years of the grant award. The Consolidated rules do not contain a mechanism to extend the grant period.

The city was not able to draw the entire grant before it expired due to construction delays. Projected remaining project costs are sufficient to draw the remaining grant had the project been completed within the grant period.

Since the grant period cannot be extended, the city has requested that the board amend the grant agreement to increase the grant percentage, which will allow the city to draw the remaining funds.

Staff recommended the board approve the First Amendment to Consolidated Program grant agreement 2012G-205 for up to 49.4 percent of approved total project costs not to exceed \$899,325.

Motion by Goldhammer, seconded by Lanning, to adopt Resolution #2014-73 approving the First Amendment to Consolidated Program grant agreement 2012G-205 for up to 49.4 percent of approved total project costs not to exceed \$899,325. A roll call vote was taken, and the motion carried unanimously.

YALE REQUEST TO AMEND CONSOLIDATED GRANT 2012G-203: Claire Peschong reported that the town of Yale has requested a grant percentage increase to their Consolidated Water Facilities Construction Program grant.

On June 24, 2011, the town of Yale was awarded a Consolidated grant for 41 percent of total project costs not to exceed \$614,190 on an estimated total project of \$1,499,300. The project includes lining the collection system, rehabilitating manholes, replacing the force main and lift stations, and constructing a two new waste water treatment cells.

The final project costs are anticipated to be at or above the original estimated project cost.

The project will not be complete until after the grant period has expired. The grant percentage is applied to costs incurred during the grant period. Yale has requested an increase in the grant

percentage to allow them to draw the full amount remaining on the grant which is \$348,192 based on eligible project costs of \$1,338,160.

The staff recommended amending the grant percentage to 46 percent of project costs incurred not to exceed \$614,190.

Motion by Bernhard, seconded by Jones, to adopt Resolution #2014-74 approving the First Amendment to Consolidate Program grant agreement 2012G-203 for up to 46 percent of approved total project costs not to exceed \$614,190. A roll call vote was taken, and the motion carried unanimously.

BISON REQUEST TO AMEND CONSOLIDATED GRANT 2012G-202: Claire Peschong reported that the town of Bison has requested a grant percentage increase to their Consolidated Water Facilities Construction Program grant.

On June 24, 2011, the town of Bison was awarded a Consolidated grant for 15.0 percent of total project costs not to exceed \$108,300 on a total project cost of \$722,000 for upgrades to the storm water management system.

The final project costs are anticipated to be at or above the original estimated project cost.

The project will not be complete until after the grant period has expired. The grant percentage is applied to costs incurred during the grant period. The town requested an increase to the grant percentage to allow them to draw \$22,851 based on eligible project costs incurred of \$606,097.

The staff recommended amending the grant percentage to 17.9 percent of project costs incurred not to exceed \$108,300.

Motion by Gnirk, seconded by Lanning, to adopt Resolution #2014-75 approving the Second Amendment to Consolidate Program grant agreement 2012G-202 for up to 17.9 percent of approved total project costs not to exceed \$108,300. A roll call vote was taken, and the motion carried unanimously.

REDFIELD REQUEST TO AMEND STATE REVOLVING FUND LOAN C461182-02: Elayne Lande reported that the city of Redfield was awarded a Clean Water SRF loan in March 2012 for the Shar-Wynn Estates sanitary and storm sewer improvements project. The amount awarded was \$884,000 at 3.25 percent for 30 years, and the loan closed on August 27, 2012. Construction of the project was delayed because the contractor did not complete the job due to soil and water issues, so the city has not been able to draw any funds. If the city had not requested an amendment at this time, the loan would have gone into repayment in July 2014.

The city has requested an amendment to its loan agreement to reflect a new amortization date of July 15, 2015.

Staff has worked with Harold Deering and Todd Meierhenry, the city's bond counsel, to prepare amended loan documents and resolutions.

Staff recommended the board approve a resolution amending the initial amortization date to July 15, 2015 for the city of Redfield's Clean Water SRF loan (02).

Ms. Lande answered questions from the board regarding accrued interest.

Jim Anderson answered questions from the board regarding completion of the project. He indicated that a new contractor had been hired to complete construction of the project.

Motion by Goldhammer, seconded by Bernhard, to adopt Resolution #2014-76 amending the amortization date to July 15, 2015 for the city of Redfield's Clean Water SRF loan (02). A roll call vote was taken, and the motion carried unanimously.

BROWN COUNTY REQUEST TO RESCIND CLEAN WATER SRF LOAN C461100-01: Drew Huisken reported that on March 28, 2014, the board approved Resolution #2014-19, awarding Brown County a \$1,385,600 Clean Water State Revolving Fund loan, and Resolution #2014-20, awarding a \$346,400 Solid Waste Management Program grant, for its landfill expansion project. The project was to construct a second cell to increase capacity and facilitate a growing service population through 2021.

Brown County has decided to utilize only the Solid Waste Management Program grant for the project. The county has informed staff that it has opted to decline the Clean Water SRF loan and has requested that the board rescind the SRF loan.

Staff recommended the board rescind Resolution #2014-19.

Motion by Jones, seconded by Bernhard, to adopt Resolution #2014-77 rescinding Resolution #2014-19, which approved a Clean Water SRF loan in the amount of \$1,385,600 to Brown County for a new solid waste disposal cell project. A roll call vote was taken, and the motion carried unanimously.

SOUTH EASTERN COUNCIL OF GOVERNMENTS PRIVATE ENTITY SWMP LOAN REVIEW JOINT POWERS AGREEMENT: Andy Bruels reported that in 2009, the board entered into a \$7,500 Joint Powers Agreement with South Eastern Council of Governments to provide private entity loan review services for Solid Waste Management Program applicants. To date, \$4,350 has been expended under this contract, which expires on July 15, 2014, and cannot be extended.

Section 3 of the 2014 Omnibus Bill (SB 87) appropriated \$2.65 million from the Water and Environment Fund to the board's Solid Waste Management Program. Additional language in Section 3 also allows the board to utilize up to \$10,000 of the appropriation to continue to contract for services to process and review private entity solid waste loan applications, as authorized under SDCL Chapter 46A-1.

Mr. Bruels noted that staff, along with the Attorney General's Office, prepared a Joint Powers Agreement to place \$7,500 under agreement with the South Eastern Council of Governments. The agreement will be effective July 1, 2014 through June 30, 2018, and will limit the reimbursement rate to \$60.00 per hour and cap the review of each application at 15 hours without prior written approval.

Staff recommended approval of a resolution to enter into a Joint Powers Agreement for private entity loan review services for applicants applying for Solid Waste Management Program funding between the state and South Eastern Council of Governments not to exceed \$7,500, and authorizing the chairman of the Board of Water and Natural Resources to execute the agreement.

Motion by Goldhammer, seconded by Bernhard, to adopt Resolution #2014-78 approving a Joint Powers Agreement in an amount not to exceed \$7,500 under the authority provided in SDCL 46A-1-97 to contract for financial services with the South Eastern Council of Governments until June 30, 2018. A roll call vote was taken, and the motion carried unanimously.

SWRMS COMPLETION CERTIFICATION OF THE WEST RIVER/LYMAN JONES COMPONENT OF THE MNI WICONI RURAL WATER SYSTEM CONSTRUCTION PROJECT:

Jim Feeney reported that the State Water Resources Management System (SWRMS) is one of the components of the State Water Plan. To be placed on the SWRMS list takes action of the legislature. These are the preferred, priority water development projects of the state of South Dakota.

The Mni Wiconi project was authorized by Congress in 1988 (P.L. 100-516). There were two components of the project – the Oglala Sioux Rural Water Supply System and a non-tribal component, West River/Lyman Jones RWS. In 1994, there were amendments to the federal authorization increasing the federal ceiling to \$263,000,000 and adding the Rosebud and Lower Brule tribes to the project.

The South Dakota Legislature authorized the Board of Water and Natural Resources to provide loans not to exceed \$12,901,800 from the Water and Environment Fund to project sponsors to provide the nonfederal matching requirements for the West River/Lyman Jones component of the Mni Wiconi Rural Water System.

To date, the Board of Water and Natural Resources has provided \$12,500,000 in loans to provide the nonfederal match for the West River/Lyman Jones component of the Mni Wiconi Rural Water System.

With indexing, the federal ceiling increased from \$263,000,000 to \$470,000,000. The last federal funds were appropriated in 2013. The nonfederal cost is just on the West River/Lyman Jones portion, which was authorized to receive an 80 percent federal grant and required to provide 20 percent in nonfederal cost share. Indexed cost share is just under \$17,500,000. Up to \$4,500,000 in additional nonfederal cost share was provided by West River/Lyman Jones RWS primarily through easements donated by its members.

The state authorization provides that no interest would accrue on the loan during construction and that interest would start accruing when the Board of Water and Natural Resources certified completion of the construction of the authorized project. Mr. Feeney stated that this is specific to the West River/Lyman Jones portion of the project. A resolution has been prepared with help from the Attorney General's Office certifying completion effective July 1, 2014, and providing that the initial loan repayment as described in the loan agreement will be due and payable one year from that date.

Mr. Feeney noted that Paul Goldhammer is the current chairman of the West River/Lyman Jones Rural Water System.

Jake Fitzgerald, manager of the West River/Lyman Jones Rural Water System, discussed the project and answered questions from the board.

Motion by Bernhard, seconded by Gnirk, to adopt Resolution #2014-79 certifying completion of the West River/Lyman Jones component of the Mni Wiconi Rural Water System project as of July 1, 2014. A roll call vote was taken, and the motion carried. Goldhammer abstained from voting.

Mr. Fitzgerald reported that at its April 2014 meeting, the West River/Lyman Jones board of directors, authorized repayment of the entire loan balance. Electronic payment of the loan will be made on July 1, 2014.

SWRMS COMPLETION CERTIFICATION OF THE PERKINS COUNTY RURAL WATER SYSTEM CONSTRUCTION PROJECT: Jim Feeney reported that the Perkins County Rural Water System was federally authorized in December 1999, P.L. 106-136. At that time it was authorized as a \$20,000,000 project with 75 percent federal grant and a required 25 percent nonfederal cost share.

The state legislature provided the state authorization of construction as well as a commitment to provide the entire nonfederal cost share through a combination of grants and loans from the State Water Resource Management System. The initial draw was in September 2004, and the last draw of the SWRMS money was in July 2008. The funding was provided through the Board of Water and Natural Resources and grant assistance totaled \$2,956,000 and the SWRMS loan amount is \$5,144,000. The federal ceiling increased from \$20,000,000 to \$37,700,000 with indexing.

Mr. Feeney said the terms of this loan are the same as the West River/Lyman Jones project with no interest during construction. Interest begins to accrue with the Board of Water and Natural Resources certifies it is completed. The loan terms are 3 percent for 40 years.

Additionally, Perkins County Rural Water System has been before the board recently for a Drinking Water SRF loan. That loan was issued and amended to provide \$151,000 of Drinking Water SRF with 100 percent principal forgiveness for construction of the last booster station of the federally authorized project, and the booster station construction is wrapping up.

The resolution certifying completion is structured the same way as West River/Lyman Jones in that July 1 is the effective date of completion and interest starts accruing and the first payment will be due July 1, 2015. In March 2013, an amendment was made restructuring the loan so that Perkins County RWS is paying interest only for the first five years and then principal and interest payments for the remaining 35 years.

No representatives of Perkins County Rural Water were present. Mr. Feeney answered questions from the board.

Motion by Gnirk, seconded by Goldhammer, to adopt Resolution #2014-80 certifying completion of the Perkins County Water System project as of July 1, 2014. A roll call vote was taken, and the motion carried unanimously.

2014 BOND ISSUE: Mr. Perkovich stated that at the March 2014 board meeting, he provided a presentation on available funds in the Clean Water and Drinking Water SRF programs. Mr. Perkovich noted that there is no state match available on the Clean Water side for the 2014 Capitalization Grant, and he noted the need for additional leveraged funds. It was also noted that the past, Drinking Water Administration Surcharge was utilized for state match.

The Request for Proposals (RFP) indicates the bond issue will be for approximately \$60,000,000 which will be used as leveraged funds and about \$9,000,000 in state match funds.

Mr. Perkovich requested authorization from the board to distribute the RFPs to qualified firms to provide investment banking, underwriting, and additional services such as remarketing and other services related to the issuance. This would be for a period of three years.

Mr. Perkovich noted that the RFP was drafted by Public Financial Management (PFM), the board's financial advisor, and it was reviewed and revised by DENR staff, legal counsel, and bond counsel.

Motion by Bernhard, seconded by Lanning, to authorize the distribution of RFP. A roll call vote was taken, and the motion carried unanimously.

Mr. Perkovich noted that the RFP will be released on June 30 with a July 21, 2014 deadline for submission of proposals. The proposals will be ranked by August 4 and interviews conducted the week of August 11, if needed. Staff hopes to have an underwriting team selected by September 4, 2014.

Mr. Perkovich requested that Chairman Johnson appoint a BWNR committee to participate in selection of investment banking firm.

Chairman Johnson appointed Gene Jones, Jr., Todd Bernhard, and himself as the committee.

Mr. Perkovich requested authorization from the board to negotiate contracts with Bruce Bonjour, Perkins Coie, for bond counsel services and with The First National Bank in Sioux Falls for trustee and related services.

Motion by Bernhard, seconded by Jones, to authorize the staff to negotiate contracts with Bruce Bonjour, Perkins Coie, for bond counsel services and with The First National Bank in Sioux Falls for trustee and related services. A roll call vote was taken, and the motion carried unanimously.

UPDATE ON THE REAUTHORIZATION OF THE CLEAN WATER SRF PROGRAM: Mr. Perkovich provided a PowerPoint presentation on the Clean Water SRF Reauthorization and Water Infrastructure Finance and Innovation Act (WIFIA). He stated that there is mixed support among the water community for WIFIA.

Mr. Perkovich also discussed the positive, neutral, and negative requirements of the Clean Water State Revolving Fund reauthorization, and he answered questions from the board.

UPDATE ON SEPTEMBER 25-26, 2014 MEETING TO BE HELD IN WATERTOWN: Mr. Perkovich and Jay Gilbertson discussed the proposed schedule for the tour and board meeting

planned for September 25 and 26, 2014, in Watertown. The tour is planned for September 25 and the board will meet via the Digital Dakota Network on the morning of September 26.

ELECTION OF BOARD OFFICERS: Gnirk nominated Brad Johnson as Chairman, Gene Jones as Vice Chairman, and Todd Bernhard as Secretary.

Motion by Gnirk, seconded by Goldhammer, that nominations cease and a unanimous ballot be cast for Chairman Brad Johnson, Vice Chairman Gene Jones, and Secretary Todd Bernhard. A roll call vote was taken, and the motion carried unanimously.

LEWIS AND CLARK REGIONAL WATER SYSTEM REIMBURSABLE GRANT

AGREEMENT: Mr. Feeney stated that the Lewis and Clark Regional Water System is included on the State Water Resources Management System.

Senate Bill 53, passed by the 2014 legislature, was an act to make appropriations to fund certain programs and projects that provide economic benefits to South Dakotans and to declare an emergency. Section 1 of the bill appropriated \$1,000,000 from the general fund for the purpose of providing advance federal funds for the construction of the facilities included in the Lewis and Clark Rural Water System as authorized in § 46A- 1-13.10. Funds shall be provided according to terms and conditions established by the Board of Water and Natural Resources.

This was recognition by the legislature and specifically the Joint Appropriations Committee that the flow of federal funds to the Bureau of Reclamation for regional water systems to include Lewis and Clark has decreased. It was provided as an advance on federal funds. These funds are in addition to the \$31,000,000 state cost share that has been fully provided. The other states involved in this, Minnesota and Iowa, have provided their cost share as well as the 20 members of Lewis and Clark have provided the required local cost share.

Mr. Feeney noted that the legislation was included in the board packet, as well as a draft letter of intent from the Joint Appropriations Committee that provides its policy guidelines for the \$1,000,000 of general funds.

The Joint Appropriations Committee met again on June 17, 2014, and finalized that letter of intent on a vote of 14 to 2. This funding is to be provided as a zero interest reimbursable grant for expenses related to the South Dakota portion of Lewis and Clark, and the board is directed to distribute the funds based upon the expectation that the federal government will honor its commitment to provide funding allowing Lewis and Clark to repay the grant in the future.

Mr. Feeney said staff worked with Troy Larson, executive director of Lewis and Clark, Harold Deering, Attorney General's Office, the Bureau of Finance and Management, and the Legislative Research Council to prepare the grant agreement and resolution.

Mr. Feeney requested the board authorize execution of the reimbursable grant. He discussed the contents of the resolution.

Troy Larson discussed the project and need for funding.

Board of Water and Natural Resources
June 26, 2014, Meeting Minutes

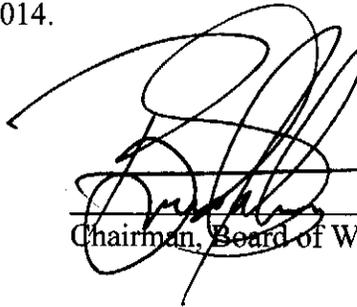
Mr. Larson and Mr. Feeney answered questions from the board.

Motion by Bernhard, seconded by Gnirk, to adopt Resolution #2014-81 approving the South Dakota State Water Resources Management System reimbursable grant agreement in the amount of \$1,000,000 between the Board and Lewis and Clark Rural Water System. A roll call vote was taken, and the motion carried unanimously.

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

Approved this 26th day of September, 2014.

(SEAL)



Chairman, Board of Water and Natural Resources

ATTEST:



Secretary, Board of Water and Natural Resources

ATTENDANCE SHEET
BOARD OF WATER AND NATURAL RESOURCES MEETING

CONDUCTED VIA THE DIGITAL DAKOTA NETWORK

JUNE 26, 2014

PIERRE
CAPITOL BUILDING

<u>NAME (PLEASE PRINT)</u>	<u>ADDRESS</u>	<u>REPRESENTING</u>
PESCHONG, JONATHAN	DENR	Staff
David Ruhnke	DENR Pierre	staff
CLAIRE PESCHONG	DENR	STAFF
Jim Anderson	DENR Pierre	staff
Elayne Lande	Pierre	DENR staff
Jake Fitzgerald	Murdo	WR/LJ Rural Water
PAUL GNIRK	NEW UNDERWOOD	BWNR
Paul Goldhammer	WALL	BWNR
Drew Huisker	DENR - Pierre	staff
Andy Brueks	DENR - Pierre	Staff
Mike Berkner	Pierre	DENR
Jim Feeney	Pierre	DENR
FRANCIS KAEST	Hoven SD	Hoven SD AK
ROBERT BRADY	HOVEN SD	HOVEN SD AK
TODD BERNHARD	FORT PIERRE	BWNR
Bob Porter	Onida	City
Bob Mercer	Pierre	Newspaper

ATTENDANCE SHEET
BOARD OF WATER AND NATURAL RESOURCES MEETING

CONDUCTED VIA THE DIGITAL DAKOTA NETWORK

JUNE 26, 2014

SIOUX FALLS
UNIVERSITY CENTER

NAME (PLEASE PRINT)

ADDRESS

REPRESENTING

Gene Jones Jr.

SF, SD

PWNR

~~Sam Seaman~~

Freeman, SD

City of Freeman

Jim White

Heard Co DAK

Seaman

Kevin Burnison

SF

myself (Secy) Left @ 1:30

Mike Kuno

SF

SEH, Inc

~~Amel Vazir~~

Freeman SD

Freeman City

Jay

S falls

Board Member

JESSE MORRIS

S FALLS

DGR ENGINEERING

Diane Best

Sioux Falls

City of Sioux Falls

~~TROY LARSON~~
Troy Larson

Ten

L+CRWS

Aberdeen

June 26, 2014 BWNR

NAME

REPRESENTING

HARRY HUETTEL

Westport

WATT Wilson

Westport

TW HETTEL

" "

Gary Vetter

Brown Co.

Corey Helms

Helms & Associates

Irene Helmer

ANDOVER SD 57422

Mike Gutenkauf

Clark Engineering

LEIF REDINGER

Helms & Assoc.

Jennifer Sietsema

NECO Co

Duane Sutton

Brown County

Ted Pickey

NECO Co

