Gov. Daugaard Announces $15.425 Million in Loans for Brandon Drinking Water and Sewer Projects

PIERRE, S.D. – Gov. Dennis Daugaard says the state Board of Water and Natural Resources has approved two loans totaling $15.425 million to Brandon for improvements to the city’s drinking water and sanitary sewer systems.

The funding package includes a $3 million Clean Water State Revolving Fund loan for sanitary sewer engineering and a $12.425 million Drinking Water State Revolving Fund loan for drinking water system improvements, with $500,000 of the loan in principal forgiveness. Loan terms are 3.25 percent for 30 years for the Clean Water loan and 3 percent for 20 years for the Drinking Water loan.

The loans will be administered through the Department of Environment and Natural Resources.

“I am pleased to announce that Brandon will receive this assistance,” said Gov. Daugaard. “This funding will help the city make much-needed drinking water upgrades to better serve its residents and continue evaluating the feasibility of building a new wastewater treatment facility.”

The Clean Water funding will allow the city to complete preliminary engineering for a proposed wastewater treatment facility and future sanitary sewer upgrades.

The Drinking Water project will construct two 1.25 million-gallon water towers to provide needed storage capacity and pressure. The city will also loop distribution lines and increase the size of existing trunk mains.

The Drinking Water loan will cover the estimated $12.425 million cost of the project.

The Clean Water State Revolving Fund Program provides low-interest loans for wastewater, storm water and nonpoint source projects. The Drinking Water State Revolving Fund Program provides low-interest loans for public drinking water system projects. Principal forgiveness is a subsidy option that results in a reduced loan repayment amount for the borrower.

The board met Thursday and Friday in Pierre.