Gov. Daugaard Announces $481,000 Loan for Woodland Hills Sanitary District Drinking Water Project

PIERRE, S.D. – Gov. Dennis Daugaard says the state Board of Water and Natural Resources has approved a $481,000 Drinking Water State Revolving Fund loan to Woodland Hills Sanitary District for drinking water distribution system improvements.

The loan includes $384,800 in principal forgiveness, which leaves $96,200 for loan repayment. Loan terms are 3 percent for 20 years.

The board had awarded a $780,000 loan for the project in June 2013. However, bids received for the project exceeded cost estimates, so only part of the original project was awarded. This loan will allow the district to complete the remaining planned system improvements. These improvements include replacement of service lines and meter pits and improvements to a well, well-house and pump station buildings.

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

“I am pleased to announce that Woodland Hills Sanitary District will receive this assistance,” said Gov. Daugaard. “These funds will help the district complete needed improvements to its drinking water system and improve service to the district’s customers.”

Woodland Hills Sanitary District provides water to more than 100 homes in a subdivision near Black Hawk. The water system is experiencing frequent leaks in mainlines. Water losses of more than 40 percent have been recorded, and there are zones with low pressure.

The estimated cost of the project is $1.261 million.

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.