

## DEPARTMENT of ENVIRONMENT and NATURAL RESOURCES

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**FOR IMMEDIATE RELEASE**: Thursday, June 25, 2020 **FOR MORE INFORMATION**: Mike Perkovich, 773-4216

FOR PROJECT DETAILS: Visit <a href="http://denr.sd.gov/bwnrapps.aspx">http://denr.sd.gov/bwnrapps.aspx</a>

## Gov. Noem Announces \$836,500 for Kingbrook Rural Water System for Consolidation and System Improvements in Nunda

PIERRE, S.D. – Gov. Kristi Noem says the Board of Water and Natural Resources has approved a \$836,500 loan for Kingbrook Rural Water System to consolidate Nunda's water system into the rural water system and make improvements to the town's drinking water system.

The loan includes a \$836,500 Drinking Water State Revolving Fund loan with \$747,000 in principal forgiveness. Loan terms are 1.625 percent for 30 years.

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

"I am pleased to announce Kingbrook Rural Water System will receive this assistance," said Gov. Noem. "The loan will allow Kingbrook to make needed upgrades to Nunda's drinking water system and ensure the residents of Nunda have a reliable and safe water supply."

Nunda currently owns and operates its public water supply system. The existing water supply is untreated and has high hardness and concentrations of iron and manganese that exceed the U.S. EPA's secondary drinking water standards. Residents of Nunda want a higher quality water source and requested Kingbrook Rural Water System provide water service to the town. The project includes installation of a new water distribution system so Nunda residents can become individual customers of Kingbrook Rural Water System.

The loan, along with local funds will cover the estimated \$849,000 project cost.

The State of South Dakota and the U.S. Environmental Protection Agency fund the Drinking Water State Revolving Fund Program, which provides low-interest loans for public drinking water system projects. Principal forgiveness is a subsidy option that results in a reduced loan payment amount for the borrower.

The board met today via remote video connection.