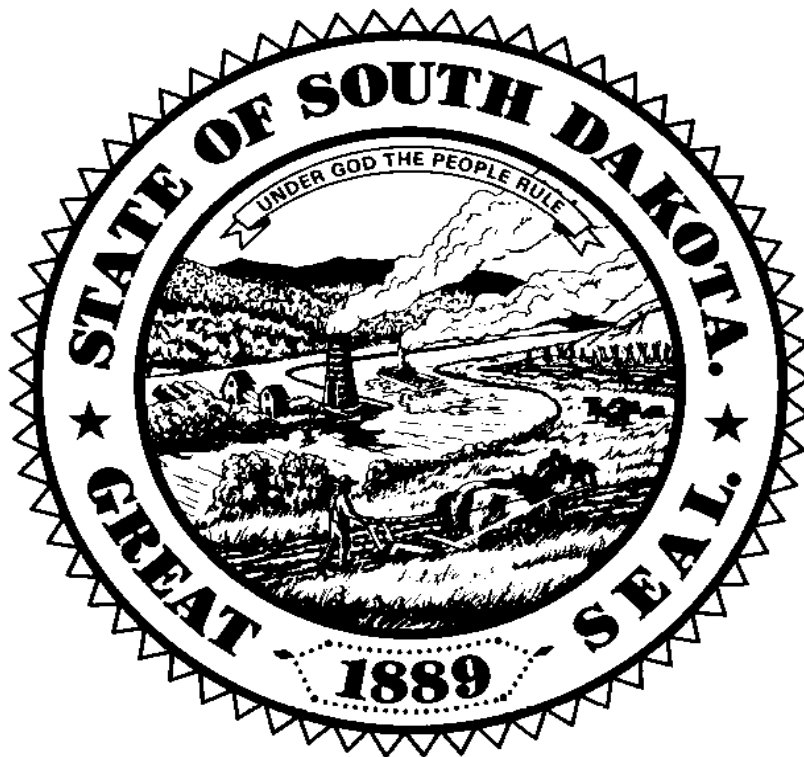


**THE SOUTH DAKOTA CONSERVANCY DISTRICT
CLEAN WATER STATE REVOLVING FUND
ANNUAL REPORT**

**FEDERAL FISCAL YEAR 2006
October 1, 2005 - September 30, 2006**



**Department of Environment and Natural Resources
Division of Financial and Technical Assistance**

THE SOUTH DAKOTA CONSERVANCY DISTRICT

CLEAN WATER STATE REVOLVING FUND

ANNUAL REPORT

FEDERAL FISCAL YEAR 2006

Department of Environment and Natural Resources
Division of Financial and Technical Assistance
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**THE SOUTH DAKOTA CONSERVANCY DISTRICT
BOARD MEMBERS**

BRAD JOHNSON, CHAIRMAN

Watertown
Member since 2003

GENE JONES, JR., VICE-CHAIRMAN (June 2006 – present)

Sioux Falls
Member since 2002

DON BOLLWEG, VICE-CHAIRMAN (June 2003 – June 2006)

Harrold
Member since 1994

DON ROUNDS, SECRETARY (June 2006 – present)

Pierre
Member since 2003

KELLY WHEELER, SECRETARY (July 2005 – June 2006)

Custer
Member since 2005

DALE KENNEDY

Beresford
Member since 1985

JOHN LOUCKS

Rapid City
Member since 1989

MISSION

The mission of the South Dakota Clean Water State Revolving Fund loan program is to capitalize the fund to the fullest; maintain, restore and enhance the chemical, physical and biological integrity of the state's waters for the benefit of the overall environment; protect public health; and promote the economic well-being of the citizens of the state of South Dakota.

TABLE OF CONTENTS

<u>Section</u>	<u>Page</u>
Annual Report	
Introduction	1
Executive Summary	2
Clean Water SRF Loans	2
Interest Rates	3
Bond Issue	3
Administrative Surcharge	4
Goals, Objectives, and Environmental Results	6
Short Term Goals and Objectives	6
Long Term Goals and Objectives	7
Environmental Results	7
Details of Activities	8
Fund Financial Status	8
Assistance Activity	9
Provisions of the Operating Agreement/ Conditions of the Grant	9
Program Changes	10
2007 Intended Use Plan	10
Clean Water State Revolving Fund Loan Program History	
Initiation of the Program	13
Capitalization Grants	13
State Matching Funds	13
Transfers Between Programs	14
Leveraged Program Bonds	15
Other Funds	15
Trustee	15
Bond Counsel	15
Underwriter	15
Financial Advisor	16
EPA Region VIII	16
Clean Water State Revolving Fund Loan Portfolio	
Project Descriptions	24
Exhibits I-IX – Clean Water SRF Status Reports	35
Exhibits X-XII – Clean Water SRF Financial Statements	63
Addendum A – Federal Fiscal Year 2007 Intended Use Plan	A1
Addendum B – Federal Fiscal Year 2007 Environmental Benefits Reporting	B1

List of Tables

<u>Table</u>		<u>Page</u>
1	FFY 2006 Clean Water Loans	2
2	FFY 2006 Small Community Planning Grants for Wastewater Engineering	4
3	FFY 2006 Wastewater Rate Analysis Grants	4
4	FFY 2006 Water Quality Construction Grants	5
5	Transfers Between Clean Water SRF and Drinking Water SRF Programs	14
6	Clean Water SRF Loan Program	18

List of Figures

<u>Figure</u>		<u>Page</u>
1	Binding Commitments Made by Year	11
2	Source of State Revolving Funds by Year	11
3	Clean Water SRF Loans	17
4	SRF Interest Rates by Percent of Loan Portfolio	23
5	Loan Terms by Percentage of Loan Portfolio	23

List of Exhibits

<u>Exhibit</u>		<u>Page</u>
I	Projects Receiving SRF Assistance for FFY 2006	35
II	SRF Needs Categories for FFY 2006	35
III	Source of SRF Funds FFY 1989-2006	36
IV	Obligations for FFY 1989-2006 Capitalization Grants, Principal Repayments, Leveraged Funds, and Unrestricted Cumulative Excess Funds	37
V	Clean Water SRF Disbursements FFY 2006	47
VI	Letter of Credit Projected vs. Actual Draws FFY 2006	52
VII	Environmental Review and Land Purchase Information	53
VIII	Loan Participants as of September 30, 2006	54
IX	Projected Cash Flow Worksheet for FFY 2007 (Unaudited)	59
X	Balance Sheet as of June 30, 2006 (Unaudited)	63
XI	Statement of Income and Retained Earnings for FFY 2006	64
XII	Statement of Cash Flows for FFY 2006 (Unaudited)	65
	Notes to Financial Statements	66

FEDERAL FISCAL YEAR

2006

ANNUAL REPORT

INTRODUCTION

The state of South Dakota herewith submits its Annual Report for Federal Fiscal Year (FFY) 2006 (October 1, 2005 through September 30, 2006). This report describes how South Dakota has met the goals and objectives of the Clean Water State Revolving Fund (SRF) Loan program as identified in the 2006 Intended Use Plan, the actual use of funds, and the financial position of the Clean Water SRF.

The Annual Report consists of three main sections. The *Executive Summary* section provides an overview of the FFY 2006 activity. The next section addresses the *Goals, Objectives, and Environmental Results* the state of South Dakota identified in its 2006 Intended Use Plan and the steps that have been taken to meet these measures. The *Details of Activities* section provides information on the financial status of the program, the financial assistance provided during FFY 2006, and compliance with the EPA grant and operating agreement conditions. The Annual Report is followed by a brief history of the Clean Water SRF program since its inception.

The program history is followed by the *Clean Water SRF Loan Portfolio*. The loan portfolio provides information on the interest rates, loan amounts, projects, and loan terms. Exhibits I through IX provide detailed financial and environmental program information. Exhibits X through XII are the unaudited financial statements of the Clean Water SRF program, as prepared by the Department of Environment and Natural Resources. Finally, Addendum A is the *Intended Use Plan for Federal Fiscal Year 2007*. The primary purpose of the Intended Use Plan is to identify the proposed annual intended use of the amounts available to the Clean Water State Revolving Fund.

EXECUTIVE SUMMARY

South Dakota's Clean Water SRF program received a federal capitalization grant of \$4,242,300 for FFY 2006. These funds were matched by \$848,460 in bond proceeds and were supplemented by accumulated loan repayments, leveraged bonds, and interest earnings.

CLEAN WATER SRF LOANS

The Conservancy District approved 14 loans to ten communities totaling \$56,609,167. A summary of loans approved in FFY 2006, together with project descriptions, is provided in Table 1.

**Table 1
Clean Water Loans
Federal Fiscal Year 2006**

Recipient	Project Description	Assistance Amount	Rate/Term %, Years
Burke (01)	Franklin Street Utilities Replacement	\$155,000	3.25%/20
Castlewood (02)	Wastewater Treatment Lagoons Restoration	\$160,000	3.25%/20
Dell Rapids (02)	4 th Street Wastewater Improvements Project	\$731,737	3.25%/20
Elk Point (04)	Wastewater System Improvements	\$100,000	3.25%/20
Parker (02)	Wastewater System Improvements	\$620,000	3.25%/20
Sioux Falls (20B)	Storm Sewer Improvements	\$8,700,000	1.50%/10
Sioux Falls (21B)	East Side Sanitary Sewer System Project	\$21,608,000	2.25%/20
Sioux Falls (22)	Storm Sewer Improvements	\$10,550,000	2.50%/10
Sioux Falls (23)	Wastewater System Improvements	\$10,323,000	2.50%/10
Tyndall (01)	S. Main and 14 th Ave. Sanitary Sewer Project	\$795,000	3.25%/20
Watertown (06)	Southwest Watertown Storm Sewer Project	\$1,189,145	2.25%/20
Watertown (06NPS)	Southwest Watertown Storm Sewer Project	\$113,985	2.25%/20
Weston Heights San. Dist. (01)	Wastewater Treatment System	\$638,300	3.25%/20
Winner (01)	Wastewater System Improvements	\$925,000	3.25%/20
TOTAL		\$56,609,167	

Loan disbursements from the program to the current and prior year borrowers totaled \$59,072,814. One hundred five loans are currently in repayment, and FFY 2006 repayments totaled \$10,590,990. Of this amount, \$7,183,290 was for principal, \$2,627,636 was for interest, and \$780,064 was for administrative surcharge. Included in these repayments were ten loans that completed payments during the fiscal year, bringing the number of loans that have been paid in full to 53.

Since the program was initiated in 1988, 187 loans have been awarded. The projects associated with 158 loans are fully constructed or essentially complete and in operation. The following five projects initiated operations this past year:

Bridgewater (02) Burke (01)
Clear Lake (02) Salem (02)
Sioux Falls (19)

The Clean Water SRF program forms are provided in the Department of Environment and Natural Resources' State Water Planning Process document. This document contains application forms and instructions for the State Water Plan and various funding programs. All forms are also available at http://www.state.sd.us/denr/denr_form_program.htm.

INTEREST RATES

Interest rates are reviewed periodically to ensure that they are below market rate and are competitive with other funding sources such as the federal Rural Development program. The SRF base rates during FFY 2006 were 2.50 percent for loans with a term of 10 years or less and 3.25 percent for loans with a term greater than 10 years up to a maximum of 20 years. The term of each loan is at the discretion of the borrower provided that the proposed repayment source produces the required debt service coverage.

In addition to the base rates, the board has established a Clean Water SRF incentive rate for nonpoint source (NPS) projects at 1.50 percent for loans with a term of 10 years or less and 2.25 percent for loans with a term greater than 10 years. One NPS incentive rate loan was awarded to Watertown in FFY 2006 with \$113,985 being provided for NPS best management practices on the Big Sioux River.

BOND ISSUE

The South Dakota Conservancy District closed its Series 2005 bond issue for the State Revolving Fund programs in October 2005. The 2005 bond issue was rated AAA by Standard and Poor's and Aaa by Moody's, the highest ratings assigned by each agency. These ratings were based on the programs' strength and do not involve bond insurance. The par amount of the tax-exempt revenue bonds issued in October 2005 was \$50,000,000. The True Interest Cost was 4.36 percent and the Net Interest Cost was 4.47 percent.

The purpose of the bond issue was to fund the State Match and Leveraged Loans for both the Clean Water and Drinking Water programs. Leveraged loans refer to loans funded entirely with bond proceeds to meet the high loan demand. The Clean Water program utilized \$1.5 million of proceeds for 2006-2007 match and \$41.0 million for leveraged loans. The remaining proceeds provided \$1.67 million for 2007 Drinking Water match and \$7.0 million for leveraged Drinking Water loans.

In conjunction with the bond issue, a Guaranteed Investment Contract (GIC) was awarded to AIG Matched Funding Corp. The GIC earns 4.412 percent, and up to \$80 million of bond proceeds and repayments can be invested under this agreement.

The financial team for the 2005 bond issue included The First National Bank in Sioux Falls as trustee, Perkins Coie LLP as bond counsel, Public Financial Management as financial

advisor, and UBS Financial Services as senior underwriter. The Trustee, Bond Counsel, and Financial Advisor provide professional financial services to the board and department on an ongoing basis.

ADMINISTRATIVE SURCHARGE

The FFY 2006 Intended Use Plan allocated \$200,000 in administrative surcharge fees to the Small Community Planning Grant program. This program encourages proactive planning by small communities or systems by providing grants for the preparation of an engineering study or rate analysis for systems serving populations of 2,500 or less. For engineering studies, the program provides an 80 percent cost share up to \$6,000, with an additional \$2,000 made available for wastewater studies that include an infiltration/inflow analysis. The program provides an 80 percent cost share up to \$1,600 for wastewater utility rate analysis. Grants for wastewater engineering are shown in Table 2 and totaled \$66,400.

**Table 2
Small Community Planning Grants
Wastewater Engineering
FFY 2006**

Recipient	Grant Amount
Aurora	\$6,000
Brant Lake San. Dist.	6,000
Canistota	8,000
Clear Lake	6,000
Emery	8,000
Frederick	8,000
Hartford	6,000
Lake City	2,400
Presho	8,000
Webster	8,000
TOTAL	\$66,400

Table 3 shows grants awarded for wastewater rate analyses, and those grants totaled \$4,800.

**Table 3
Wastewater Rate Analysis Grants
FFY 2006**

Recipient	Grant Amount
Colton	\$1,600
Viborg	1,600
Worthing	1,600
TOTAL	\$4,800

The Conservancy District entered into a joint powers agreement with the South Dakota Department of Agriculture to initiate a program to assist in the design of animal waste management systems for concentrated animal feeding operations (CAFOs). In FFY 2004, the

Conservancy District allocated \$580,000 of administrative surcharge fees for this program. The allocation was increased to \$698,860 in FFY 2005. The CAFO design program provided assistance to operators of existing CAFOs for the development of animal waste management system engineering plans and specifications with accompanying nutrient management plans. Assistance is limited to 60 percent of the cost of design up to a maximum \$12,000. Reimbursements totaling \$120,010 were made in FFY 2006.

Under certain conditions, livestock auction markets are required to control discharges from the facility and must obtain a Surface Water Quality permit. The construction of manure management systems for auction markets is not eligible for assistance from the USDA Environmental Quality Incentive Program (EQIP). In FFY 2005, \$2.5 million was allocated for grants to assist in the construction of manure management systems. These grants reimburse 75 percent of actual construction costs, with the maximum grant amount for any recipient being \$162,500. These terms are similar to the assistance provided through EQIP. Grants will be provided regardless of the need for the auction market to be permitted. Twelve grants totaling \$1,663,259 were awarded in FFY 2006. In FFY 2006, an additional \$300,000 was allocated for wastewater collection and treatment systems.

Table 4
Water Quality Construction Grants
FFY 2006

Recipient	Description	Grant Amount
Aberdeen Livestock Sales	Livestock Auction Market Waste Handling Facilities	\$158,625
Belle Fourche Livestock Exchange, Inc.	Livestock Auction Market Waste Handling Facilities	162,500
Faith Livestock Commission Co.	Livestock Auction Market Waste Handling Facilities	162,500
Fort Pierre Livestock Auction, Inc.	Livestock Auction Market Waste Handling Facilities	162,500
Herreid Livestock Market	Livestock Auction Market Waste Handling Facilities	154,500
Hub City Livestock	Livestock Auction Market Waste Handling Facilities	154,500
Livestock Yards Co.	Livestock Auction Market Waste Handling Facilities	119,100
Magness Livestock Market	Livestock Auction Market Waste Handling Facilities	123,825
Milbank	Municipal Wastewater Treatment Improvements	300,000
Philip Livestock Auction	Livestock Auction Market Waste Handling Facilities	137,024
Presho Livestock Auction	Livestock Auction Market Waste Handling Facilities	157,425
Sioux Falls Stockyards	Livestock Auction Market Waste Handling Facilities	11,385
Watertown Livestock Auction	Livestock Auction Market Waste Handling Facilities	159,375
TOTAL		\$1,963,259

In FFY 2005, the Board established a new program to provide administrative surcharge funds to planning districts to defray the cost of application preparation and on-going project administration activities. The planning districts may receive up to \$7,500 per loan for application and project administration duties. The planning districts assisted twelve applicants with Clean Water SRF applications in FFY 2006. Disbursements to the planning districts total \$52,500.

GOALS, OBJECTIVES, AND ENVIRONMENTAL RESULTS

Short-term Goals and Objectives

In its 2006 Intended Use Plan, the State of South Dakota identified one short-term goal to be implemented and three objectives to be accomplished. The state has made significant progress toward successful completion of its short-term goal and objectives.

Goal: To fully capitalize the fund.

As of September 30, 2006, South Dakota has made binding commitments to fully utilize all of its capitalization awards and associated state matching funds.

Objective: Ensure the technical integrity of the Clean Water SRF projects through the review of planning, design, plans and specifications, and construction activities.

Each Clean Water SRF application is assigned to an engineer and is followed through by that engineer until project completion and initiation of operations. Plans and specifications and facilities plans are reviewed and approved by the Department of Environment and Natural Resources. Pre-construction, initial, interim, and final construction inspections are conducted to ensure each project's technical integrity.

Objective: Ensure compliance with all pertinent federal, state, and local water pollution control laws and regulations.

The state works with all pertinent federal, state, and local agencies to ensure compliance.

Objective: Obtain maximum capitalization of the funds for the state in the shortest time possible.

The state applied for its capitalization grant during FFY 2006, and state matching funds were in place prior to receiving the grant. Loans are awarded by assessing the following criteria: (1) the availability of funds in the Clean Water SRF program; (2) the applicant's need; (3) violation of health or safety standards; and (4) the applicant's ability to repay. South Dakota has not reverted any capitalization grant funds due to the eight-quarter time limit. Funds are usually awarded within one year of receiving each capitalization grant.

Long-term Goals and Objectives

In its 2006 Intended Use Plan, the state of South Dakota identified three long-term goals and two objectives to be accomplished.

Goal: To fully capitalize the Clean Water SRF

The state has received and expended each capitalization grant in the required time period and has had state match moneys available for each capitalization grant. As of September 30, 2006, South Dakota has made binding commitments to fully utilize all of its capitalization awards and associated state matching funds.

Goal: Maintain or restore and enhance the chemical, physical, and biological integrity of the state's waters for the benefit of the overall environment, the protection of public health, and the promotion of economic well-being.

The state has awarded 187 loans to 83 entities to assist with construction of wastewater, storm sewer, and nonpoint source projects.

Objective: Maintain a permanent, self-sustaining Clean Water SRF program that will serve in perpetuity as a financing source for wastewater treatment works projects and nonpoint source pollution control projects.

By ensuring that all loans are made to financially sound and responsible borrowers, the Clean Water SRF program will serve in perpetuity for South Dakota's wastewater, storm sewer, and nonpoint source projects.

Objective: Fulfill the requirements of pertinent federal, state, and local laws and regulations governing water pollution control activities while providing the state and local project sponsors with maximum flexibility and decision-making authority regarding such activities.

The state has tailored its Handbook of Procedures to be customer service oriented and user friendly for Clean Water State Revolving Fund Loan program recipients. The handbook also allows for maximum program flexibility while continuing to maintain sufficient state oversight of the program's activities.

Environmental Results

Effective January 1, 2005, states were required to quantify and report the environmental benefits being realized through the Clean Water SRF program. The reporting requirement is being accomplished using an on-line environmental benefits assessment developed in cooperation between the states and other organizations. A list of the loans made in FFY 2006 and the individual entries can be found in Addendum B.

For environmental benefits reporting purposes, the Sioux Falls Series B loans were included with the Series A loans, which were awarded in FFY 2005. Because of this, the total loan amount shown on the list of projects in Addendum B will differ from the total loan amounts reported elsewhere in the report.

DETAILS OF ACTIVITIES

Fund Financial Status

Binding Commitments: In order to provide financial assistance for Section 212 (wastewater and storm water) and nonpoint source projects, the state entered into fourteen binding commitments totaling \$56,609,167. Exhibit I lists the recipients of these Clean Water SRF loans, and Exhibit II details the needs categories for those projects. Figure 1 shows the total amount of binding commitments made by year.

Sources of Funds: During FFY 2006, the state was awarded a \$4,242,300 federal capitalization grant that was matched by \$848,460 in bond proceeds. Exhibit III and Figure 2 show the annual capitalization grant allocation, the required state match, and leveraged funds.

In FFY 2006, principal repayments from borrowers amounted to \$7,183,290. After leveraged bond payments were made, \$6,673,602 was available to reloan. As of September 30, 2006, \$1,351 remains available.

The interest repaid by loan borrowers, as well as interest earned on investments, is dedicated to make semiannual state match bond payments. Any excess interest is available for loans. In FFY 2006, \$3,443,592 of interest earnings was transferred to the unrestricted cumulative excess account and became available to loan. As of September 30, 2006, \$1,567,238 remained in the unrestricted cumulative excess accounts.

Revenues and Expenses: Fund revenues consisted of interest earned on loans to communities, investment income, and administrative expense surcharge payments received from each borrower. These earnings totaled \$12,931,422.47. Fund expenses included administrative expenditures, interest payable on bonds, the amortization of each bond's issuance cost, and a refund of prior year revenue. These expenses totaled \$3,268,032.44. Additionally, \$26,447.01 was transferred out to the DENR indirect cost pool. The Statement of Income and Retained Earnings is shown on Exhibit XI.

Disbursements and Guarantees: There were no loan guarantees during FFY 2006.

Findings of the Annual Audit and EPA Oversight Review: The Clean Water SRF program was audited by the South Dakota Department of Legislative Audit for state fiscal year 2005 (July 1, 2004, through June 30, 2005). The audit did not contain any written findings or recommendations.

Region VIII conducted its annual oversight review of the South Dakota Clean Water SRF program. A final report was received in May 2006, and no recommendations for the Clean Water SRF program were discussed.

Assistance Activity

Exhibits I through IX illustrate the assistance activity of the Clean Water SRF in FFY 2006.

- | | |
|--------------|--|
| Exhibit I | The recipients that received Clean Water SRF loans during FFY 2006. Fourteen loans were obligated for wastewater, storm water, and nonpoint source projects. |
| Exhibit II | The assistance amount provided to each project by needs category. |
| Exhibit III | The total Clean Water SRF dollars available, broken down by fiscal year, capitalization amounts, and state match amounts. |
| Exhibit IV | Each Clean Water SRF loan and its source of funding. |
| Exhibit V | The cash draws and the projects or administrative assistance for which they were made. |
| Exhibit VI | The estimated and actual cash disbursement schedule from the federal Letter of Credit for FFY 2006. The estimated schedule was established by the state and EPA through the annual Capitalization Grant application process. |
| Exhibit VII | The environmental review and land purchase information for the loans made in FFY 2006. |
| Exhibit VIII | Loan Participants as of September 30, 2006 |
| Exhibit IX | Projected Cash Flow Worksheet for FFY 2007 |

Provisions of the Operating Agreement / Conditions of the Grant

The state of South Dakota agreed to 20 conditions in the Operating Agreement and Capitalization Grant Agreement. The following 19 conditions have been met and need no further description:

1. Agreement to accept payments
2. Cash draws for Clean Water SRF program separate
3. Prior incurred costs not as state match

4. Revenues dedicated for repayment of loans
5. Procurement actions - 40 CFR Part 31
6. Administrative surcharge
7. State match
8. Cash draw schedule
9. Anti-lobbying
10. Expenditure of state matching funds
11. Deposit of state matching funds with federal moneys
12. Binding commitment ratio
13. Timely and expeditious use of funds
14. No transfer of Title II funds
15. Conduct environmental reviews
16. Eligibility of storm sewers
17. Clean Water SRF contains an 83.33 percent federal and 16.67 percent state split
18. State transferred its FFY 2002 and 2003 capitalization grants to the Drinking Water SRF program and will transfer a portion of its FFY 2004 capitalization grant to that program as well, to the maximum extent allowed.
19. Prior to executing binding commitments on Clean Water SRF projects, the Regional Administrator must certify project compliance with Title VI of the Civil Rights Act. All loan recipients submitted project certification forms (EPA 4700-4) to DENR, which in turn submitted these forms to EPA for concurrence.

The following condition is described in detail below:

- Establishment of Minority Business Enterprise (MBE)/Women's Business Enterprise (WBE) Goals and Submittal of MBE/WBE Utilization Report.

The state and EPA have agreed on "fair share" goals of 1 percent MBE and 3 percent WBE. The actual MBE/WBE participation achieved for FFY 2006 was 1.75 percent MBE and 2.18 percent for WBE.

PROGRAM CHANGES

2007 Intended Use Plan

The Annual Report contains the 2007 Intended Use Plan as approved by the Board of Water and Natural Resources on November 2, 2006. The 2007 Intended Use Plan is included in the Annual Report as Addendum A starting on page A1.

FIGURE 1
Binding Commitments Made by Year

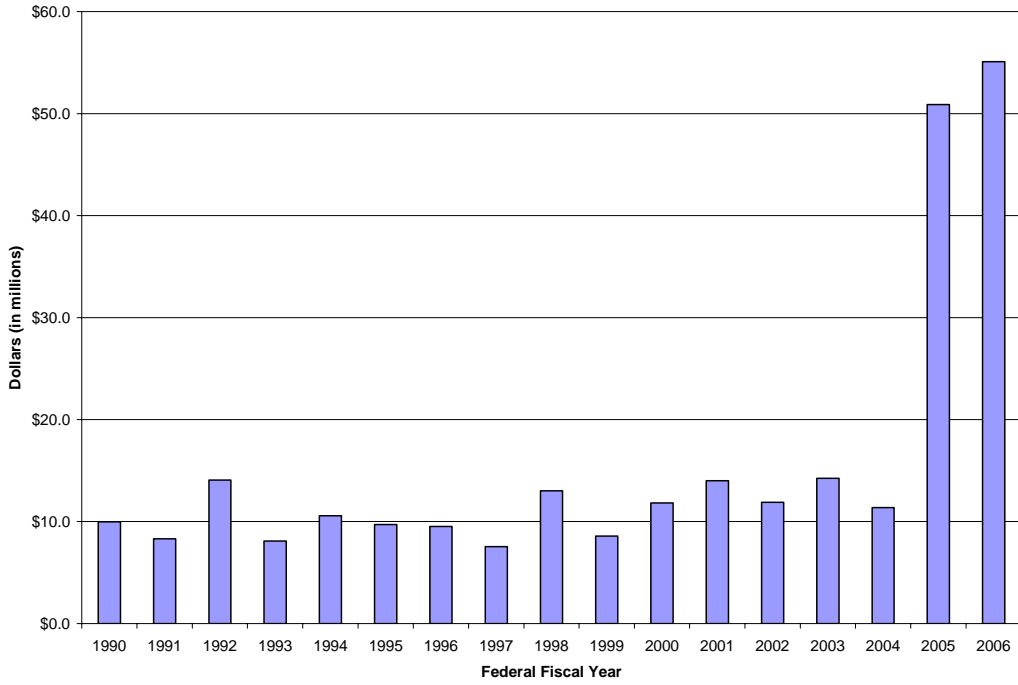
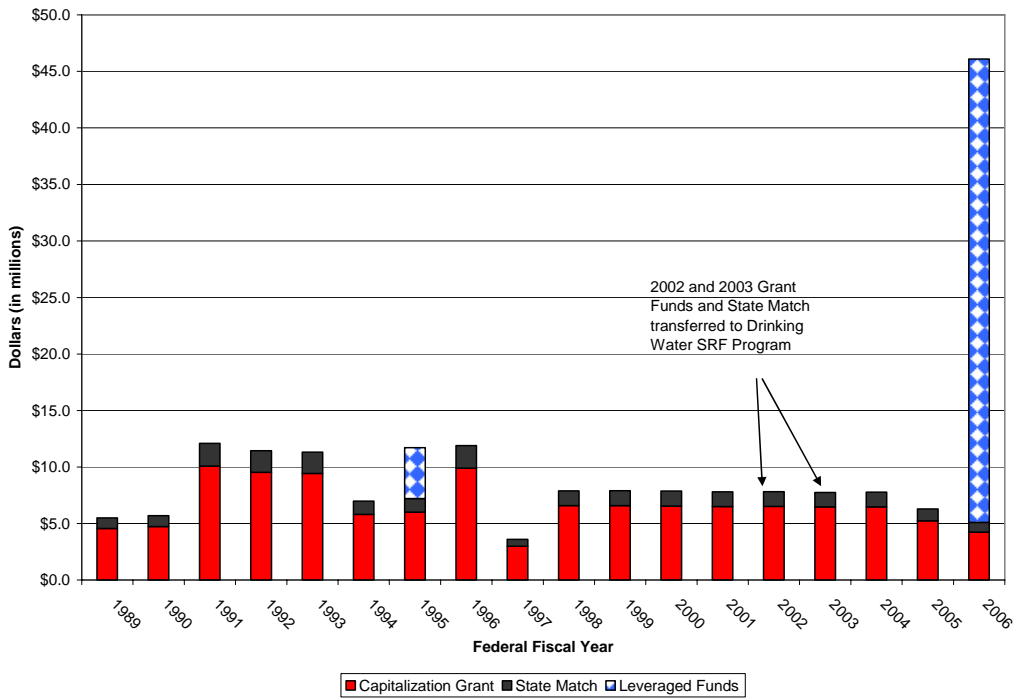


FIGURE 2
Source of State Revolving Funds by Year



SOUTH DAKOTA
CLEAN WATER
STATE REVOLVING FUND
LOAN PROGRAM HISTORY

INITIATION OF THE PROGRAM

The State Water Pollution Control Revolving Loan Fund, also known as the Clean Water State Revolving Fund Loan program (SRF), is a low interest loan program to finance the construction of wastewater facilities, storm sewers, and nonpoint source pollution control projects. The program was created by the 1987 Clean Water Act amendments. Funds are provided to the states in the form of capitalization grants awarded annually through the United States Environmental Protection Agency. The federal capitalization grants are matched by state funds at a ratio of 5:1.

The 1988 South Dakota Legislature authorized the State Water Pollution Control Revolving Loan Fund program. Additionally, the legislature appropriated \$1,200,000 and directed the South Dakota Conservancy District, in its capacity of the Board of Water and Natural Resources, to administer the program.

CAPITALIZATION GRANTS

Since 1988, the Conservancy District has received eighteen capitalization grants totaling \$118,215,400. In order to receive each of the capitalization grants, the Conservancy District must have state matching funds in place equal to at least 20 percent of each grant. To meet this requirement, the Conservancy District used the state appropriation as well as revenue bonds and administrative expense surcharge funds to provide for the required \$23,643,080 in state matching funds. Exhibit III shows the total amount of capitalization grant and state match by year.

STATE MATCHING FUNDS

In 1989, \$5,875,000 in revenue bonds were issued with a Aaa rating from Standard & Poor's Ratings Corporation (S & P). This bond issue was insured by Capital Guaranty Insurance Company.

In 1992, the district issued \$4,180,000 in revenue bonds without insurance and received a BBB rating by S & P. However, an annual report of cash flow projections was required to be submitted, and approximately 70 percent of the Clean Water SRF loan portfolio was required to be rated BBB or better by the rating agency.

In 1994, \$10,220,000 in revenue bonds were issued as an advanced refunding of the two prior outstanding issues plus additional matching funds, and Moody's Investors Service, the rating agency for this issue, raised the State's rating to A. No bond insurance was obtained, no cash flow report was required, and no loan applicants had to be rated. The advance refunding provided considerable cost savings by securing a lower interest rate, decreasing the administration of the program, and deleting numerous accounts. Bond proceeds were used to purchase government securities to redeem the Series 1989 and Series 1992 bonds on their first optional call date at par. The Series 1989 bonds were called on August 1, 1996. The Series 1992 bonds were called on August 1, 2002.

In 1995, \$7,970,000 in revenue bonds were issued with an upgraded rating of A1 by Moody's. A portion of the Series 1995A bonds were used to provide matching funds for the 1995 and 1996 federal capitalization grants.

In 1996, the district issued \$2,770,000 in revenue bonds. The bonds received an A1 rating by Moody's. The Series 1996A bonds were issued to provide match for part of the 1996 federal capitalization grant as well as the 1997, 1998, 1999, and 2000 capitalization grants.

The entire program was upgraded to a Aa3 rating by Moody's in June 1998 and to Aa1 in August 2001.

In October 2001, \$4,405,000 in revenue bonds were issued. These funds were intended to provide the required state match for FFY 2001, 2002, and 2003 capitalization grants. The transfer of the 2002 and 2003 capitalization grants precluded the use of the bond proceeds to be used as match. The 2001 series was used to match the FFY 2001, 2004, and 2005 capitalization grants.

In July 2004, \$11,390,000 in revenue bonds were issued to refund the 1994, 1995 and part of the 1996 bond issue. This resulted in a net present value savings of \$986,412. The 2004 bond issue was rated AAA by Standard and Poor's and Aaa by Moody's.

The South Dakota Conservancy District closed its Series 2005 bond issue for the State Revolving Fund programs in October 2005. The 2005 bond issue was rated AAA by Standard and Poor's and Aaa by Moody's, the highest ratings assigned by each agency. These ratings were based on the programs' strength and do not involve bond insurance. The par amount of the tax-exempt revenue bonds issued in October 2005 was \$50,000,000. The Clean Water program utilized \$1.5 million of the proceeds for 2006-2007 state match and \$41.0 million for leveraged loans. The True Interest Cost was 4.36 percent and the Net Interest Cost was 4.47 percent.

TRANSFERS BETWEEN PROGRAMS

In federal fiscal years 2002 and 2003, because of the demand on the Drinking Water program, the Clean Water SRF capitalization grants and state match were transferred to the Drinking Water SRF program; see Table 5. These grants amounted to \$12,978,600, with a corresponding state match of \$2,595,720. Exhibit III shows the amount of federal capitalization grants and state match by year.

Table 5
Transfers between Clean Water SRF and Drinking Water SRF Programs

From	To	Grant Year	Capitalization Grant	State Match	Lev. Series	Bonds Transferred	Total
Clean Water SRF	Drinking Water SRF	2002	\$6,510,800	\$1,302,160			\$7,182,960
Clean Water SRF	Drinking Water SRF	2003	\$6,467,800	\$1,293,560			\$7,761,360
Drinking Water SRF	Clean Water SRF				2005	\$7,500,000	\$7,500,000

LEVERAGED PROGRAM BONDS

Included in the Series 1995A bond issue were \$4,507,540 in program bonds. These program bonds were leveraged to provide additional loan funds to communities.

The Series 2005 bond issue included \$33,500,000 in program bonds for the Clean Water SRF program. In addition, \$7,500,000 in Drinking Water SRF leveraged bonds were transferred to the Clean Water program because of high demands on the Clean Water program. See Table 5.

OTHER FUNDS

The Clean Water SRF program is intended to revolve in perpetuity. As borrowers repay their loans, the principal repayments are used to pay debt service on leveraged bonds. Excess repayments are then available to be loaned. The first principal repayment loan was made in 1995. The interest repaid by borrowers and investment earnings are dedicated to pay debt service on state match bonds. The excess interest (unrestricted cumulative interest) is then available to be loaned. The first unrestricted cumulative interest loan was made in 2005. When the federal capitalization grants cease, all loans will be made from these sources. Exhibit IV details the projects receiving principal repayment and unrestricted cumulative excess loan funds.

TRUSTEE

The First National Bank in Sioux Falls has been the trustee since the onset of the program in 1989. The trustee manages and invests funds and accounts for the Clean Water SRF program including the escrow accounts, issues amortization schedules, disburses loan funds, and accepts all repayments from each of the program's loans.

BOND COUNSEL

Kutak Rock served as bond counsel for the Series 1989 and 1992 bond issues. Altheimer & Gray served as bond counsel for the Series 1994A, 1995A, 1996A, and 2001 State Revolving Fund Revenue Bonds. In July 2003, Altheimer & Gray law firm dissolved, and Perkins Coie LLP was retained to serve as bond counsel for the 2004 and 2005 Bond Issues.

UNDERWRITER

Shearson Lehman served as underwriter for the Series 1989 and 1992 State Revolving Fund Revenue Bond issues, and Piper Jaffray served as underwriter for the Series 1994A, 1995A, and 1996A State bond issues. Dougherty and Company was selected as underwriter for the Series 2001 bonds. UBS Financial Services served as underwriter for the Series 2004 and 2005 State Revolving Fund Program Bonds.

FINANCIAL ADVISOR

In September 2003, Public Financial Management (PFM) was retained to perform financial analyses of the SRF programs. PFM designed a comprehensive program cash flow model that assessed financial impacts of transfers between the Clean Water and Drinking Water programs, maintenance of SRF funds in perpetuity, short- and long-term effects of refunding some or all of the District's outstanding debt, financial impacts of leveraging the Drinking Water SRF program, and financial impacts of various methods by which required state matching funds may be provided.

EPA REGION VIII

Region VIII of the Environmental Protection Agency oversees the South Dakota Clean Water State Revolving Fund program. EPA assists the state in securing capitalization grants and guides the conservancy district in its administration of the program.

**CLEAN WATER
STATE REVOLVING FUND
LOAN PORTFOLIO**

FIGURE 3
Clean Water State Revolving Fund Loans

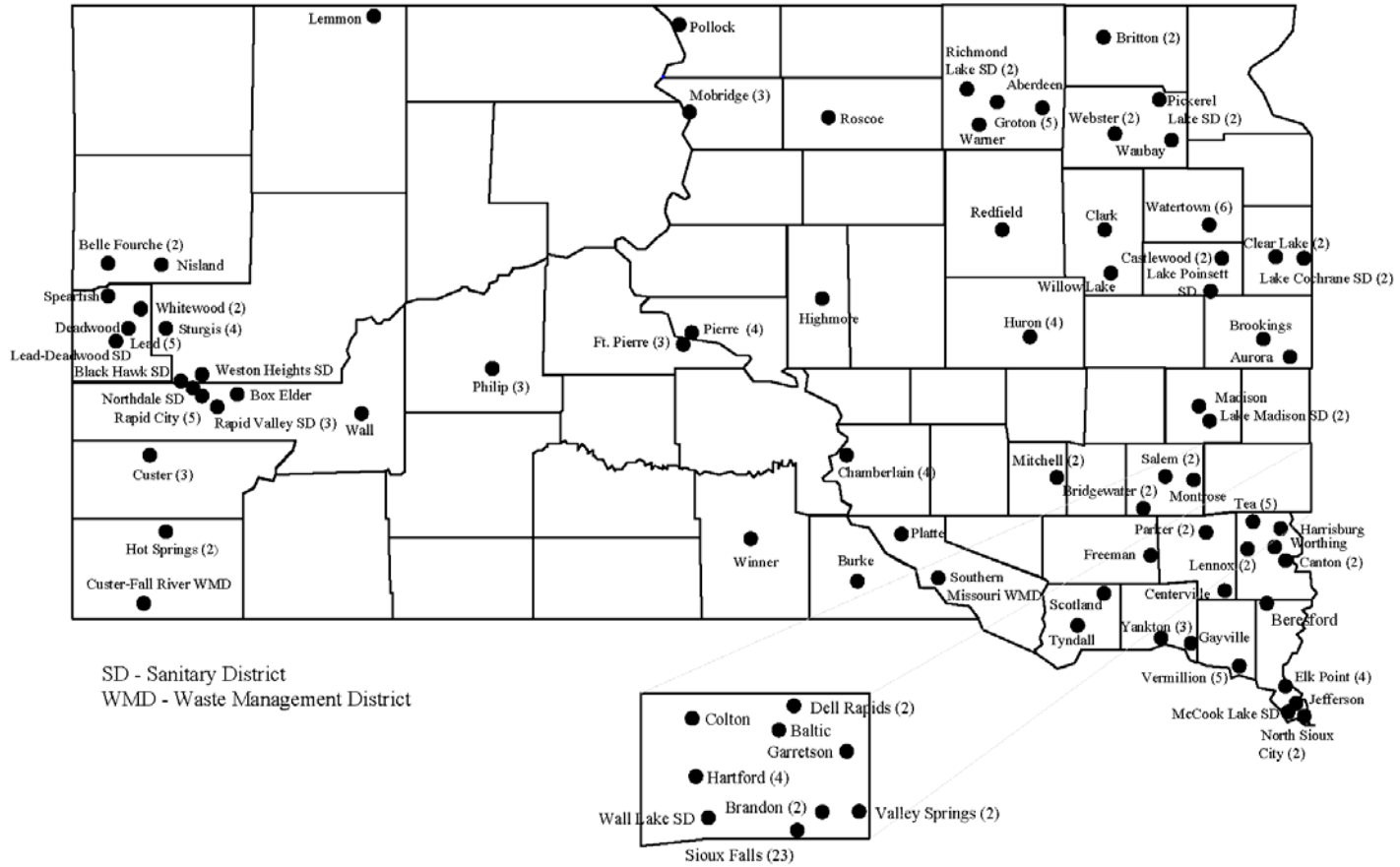


Table 6
State of South Dakota
Clean Water State Revolving Fund Loan Program

Sponsor	Binding Commitment Date	Rate	Term	Original Binding Commitment Amount	Final Loan Amount
Aberdeen (01)					
Series A	01/06/2005	2.25%	20	\$12,062,600	\$12,062,600
Series NPS	01/06/2005	2.25%	20	\$1,156,259	\$1,156,259
Aurora (01)	07/27/2000	5.00%	20	\$410,000	\$309,759
Baltic (01)	06/27/2002	3.50%	20	\$465,000	\$405,646
Belle Fourche (01)	08/22/1990	3.00%	20	\$253,000	\$253,000
Belle Fourche (02) *	06/22/1995	4.50%	10	\$300,000	\$264,422
Beresford (01) *	06/22/2000	4.50%	10	\$1,150,000	\$1,115,852
Black Hawk Sanitary District (01)	06/26/2003	3.50%	20	\$589,600	\$477,823
Box Elder (01)	04/11/1990	3.00%	20	\$648,600	\$648,600
Brandon (01) *	03/14/1991	3.00%	10	\$105,000	\$105,000
Brandon (02) *	03/31/1993	3.00%	10	\$600,000	\$526,018
Bridgewater (01)	09/25/1997	5.25%	20	\$120,000	\$90,328
Bridgewater (02)	06/23/2005	3.25%	20	\$321,600	\$321,600
Britton (01)	05/13/1999	4.50%	10	\$509,935	\$509,935
Britton (02)	09/26/2002	3.50%	20	\$322,500	\$291,854
Brookings (01) *	03/14/1991	4.00%	15	\$188,065	\$188,065
Burke (01)	01/05/2006	3.25%	20	\$155,000	\$155,000
Canton (01)	05/19/1992	4.00%	15	\$621,000	\$515,715
Canton (02)	01/10/2003	3.50%	20	\$600,000	\$600,000
Castlewood (01)	01/31/2002	3.50%	20	\$250,000	\$215,859
Castlewood (02)	06/22/2006	3.25%	20	\$160,000	\$160,000
Centerville (01)	06/27/2002	3.50%	20	\$500,000	\$500,000
Chamberlain (01) *	07/08/1992	3.00%	10	\$350,500	\$350,500
Chamberlain (02) *	01/26/1993	3.00%	10	\$265,000	\$265,000
Chamberlain (03) *	06/27/1996	5.25%	20	\$2,700,000	\$2,700,000
Chamberlain (04)	03/26/1998	5.25%	20	\$450,000	\$450,000
Clark (01)	01/10/2003	3.50%	20	\$400,000	\$400,000
Clear Lake (01) *	06/13/1991	4.00%	15	\$370,000	\$79,537
Clear Lake (02)	06/25/2004	3.25%	20	\$910,000	\$687,227
Colton (01)	09/22/2005	3.25%	20	\$204,500	\$204,500
Custer (01)	04/11/1990	3.00%	20	\$430,000	\$430,000
Custer (02) *	07/11/1990	3.00%	20	\$182,000	\$182,000
Custer (03) *	08/23/1993	3.00%	10	\$276,000	\$276,000
Custer-Fall River WMD (NPS-01) *	06/22/1995	5.00%	20	\$250,000	\$106,939
Deadwood (01) *	04/25/1994	4.00%	15	\$582,000	\$447,838
Dell Rapids (01) *	12/09/1993	3.00%	10	\$300,000	\$300,000

* Loans Paid in Full

Sponsor	Binding Commitment Date	Rate	Term	Original Binding Commitment Amount	Final Loan Amount
Dell Rapids (02)	01/05/2006	3.25%	20	\$731,737	\$731,737
Elk Point (01)	05/27/1993	4.00%	15	\$458,000	\$458,000
Elk Point (02)	01/31/2002	3.50%	20	\$450,000	\$450,000
Elk Point (03)	06/26/2003	3.50%	20	\$345,000	\$345,000
Elk Point (04)	06/22/2006	3.25%	20	\$100,000	\$100,000
Fort Pierre (01) *	05/11/1994	3.00%	10	\$330,294	\$330,294
Fort Pierre (02)	01/31/2002	3.50%	15	\$462,500	\$462,500
Fort Pierre (03)	01/09/2004	3.50%	20	\$450,000	\$443,223
Freeman (01)	01/06/2005	2.50%	10	\$300,000	\$300,000
Garretson (01) *	05/11/1994	4.00%	15	\$510,000	\$300,000
Gayville (01)	06/25/2004	3.25%	20	\$275,000	\$275,000
Groton (01) *	01/13/1994	3.00%	10	\$192,000	\$189,524
Groton (02) *	05/11/1994	3.00%	10	\$106,000	\$74,630
Groton (03)	07/23/1997	5.25%	20	\$635,000	\$470,809
Groton (04)	03/28/2003	3.50%	20	\$163,775	\$126,648
Groton (05)	03/28/2003	3.50%	20	\$440,000	\$440,000
Harrisburg (01)	06/23/1999	5.00%	20	\$520,000	\$507,277
Hartford (01)	04/13/2000	5.00%	20	\$504,000	\$504,000
Hartford (02)	04/13/2000	5.00%	20	\$690,804	\$690,804
Hartford (03)	04/12/2002	3.50%	20	\$300,000	\$300,000
Hartford (04)	01/10/2003	3.50%	20	\$550,035	\$550,035
Highmore (01)	04/12/2002	3.50%	20	\$262,300	\$262,300
Hot Springs (01) *	03/12/1992	3.00%	10	\$196,930	\$196,930
Hot Springs (NPS-01)	01/13/1994	5.00%	20	\$930,000	\$930,000
Huron (01) *	11/09/1989	3.00%	20	\$1,656,000	\$1,656,000
Huron (02) *	06/13/1991	3.00%	10	\$750,000	\$701,997
Huron (03)	09/19/1995	5.25%	20	\$2,700,000	\$1,856,828
Huron (04)	01/06/2005	3.25%	20	\$1,500,000	\$1,500,000
Jefferson (01)	03/28/2003	3.50%	20	\$320,000	\$166,084
Lake Cochrane San Dist (01)	04/11/1990	3.00%	20	\$80,000	\$80,000
Lake Cochrane San Dist (02)	01/08/2004	3.50%	20	\$160,000	\$156,111
Lake Madison San Dist (01) *	03/14/1991	4.00%	15	\$330,000	\$330,000
Lake Madison San Dist (02)	09/25/2003	3.50%	20	\$875,000	\$613,419
Lake Poinsett San Dist (01)	01/06/2005	3.25%	20	\$590,000	\$590,000
Lead (01)	07/11/1990	3.00%	20	\$186,409	\$186,409
Lead (02) *	07/11/1991	3.00%	10	\$500,770	\$500,770
Lead (03) *	05/19/1992	3.00%	10	\$405,000	\$375,298
Lead (04)	07/27/2000	4.50%	10	\$239,200	\$239,200
Lead (05)	01/06/2005	3.25%	20	\$333,700	\$333,700
Lead-Deadwood San Dist (01) *	06/07/1990	3.00%	5	\$110,000	\$106,855
Lemmon (01) *	04/11/1990	3.00%	20	\$427,100	\$427,100

* Loans Paid in Full

Sponsor	Binding Commitment Date	Rate	Term	Original Binding Commitment Amount	Final Loan Amount
Lennox (01)	06/27/1996	5.25%	20	\$350,000	\$350,000
Lennox (02)	07/23/1997	5.25%	20	\$600,000	\$583,735
Madison (01) *	03/14/1991	3.00%	10	\$150,000	\$119,416
McCook Lake San Dist (01)	08/29/1991	5.00%	20	\$641,935	\$641,935
Mitchell (01)	04/15/1997	4.50%	10	\$2,000,000	\$1,543,405
Mitchell (02)	09/25/2003	3.50%	20	\$1,320,000	\$1,320,000
Mobridge (01)	07/11/1990	3.00%	20	\$1,500,000	\$1,500,000
Mobridge (02)	12/11/1991	4.00%	15	\$158,000	\$158,000
Mobridge (03)	04/13/2000	4.50%	10	\$1,355,000	\$1,350,000
Montrose (01)	09/22/2005	2.50%	10	\$142,621	\$142,621
Nisland (01)	01/06/2005	3.25%	20	\$204,000	\$204,000
North Sioux City (01) *	07/08/1992	3.00%	10	\$239,650	\$239,650
North Sioux City (02)	06/22/1995	5.00%	15	\$646,000	\$646,000
Northdale San Dist (01) *	04/25/1994	5.00%	20	\$315,000	\$256,380
Parker (01)	09/23/2004	3.25%	20	\$430,000	\$430,000
Parker (02)	06/22/2006	3.25%	20	\$620,000	\$620,000
Philip (01)	06/22/1995	5.00%	15	\$472,000	\$453,885
Philip (02)	06/26/1997	5.25%	20	\$325,000	\$321,127
Philip (03)	09/22/2005	3.25%	15	\$347,040	\$347,040
Pickerel Lake San Dist (01)	05/09/1996	5.25%	15	\$850,000	\$850,000
Pickerel Lake San Dist (02)	09/25/1997	5.25%	20	\$670,000	\$670,000
Pierre (01) *	11/08/1990	4.00%	15	\$600,000	\$433,976
Pierre (02)	03/26/1998	5.25%	20	\$4,417,000	\$4,417,000
Pierre (03)	03/25/1999	5.00%	20	\$5,391,260	\$5,391,260
Pierre (04)	03/28/2003	3.50%	20	\$1,378,404	\$1,199,832
Platte (01) *	03/25/1999	5.00%	20	\$1,000,000	\$975,865
Pollock (01) *	09/23/1993	3.00%	10	\$170,000	\$151,619
Rapid City (01)	12/12/1990	4.00%	15	\$2,637,000	\$2,479,905
Rapid City (02)	07/08/1992	4.00%	15	\$1,138,200	\$986,685
Rapid City (03)	06/23/1993	4.00%	15	\$777,500	\$674,577
Rapid City (04)	08/10/1994	4.00%	15	\$1,214,861	\$1,214,861
Rapid City (05)	01/11/2001	4.50%	20	\$14,000,000	\$14,000,000
Rapid Valley San Dist (01) *	01/11/1990	3.00%	20	\$614,000	\$614,000
Rapid Valley San Dist (02)	11/10/1994	4.00%	15	\$364,583	\$364,583
Rapid Valley San Dist (03)	07/29/1996	5.25%	20	\$630,000	\$630,000
Redfield (01) **	06/23/2005	3.25%	20	\$333,788	\$0
Richmond Lake San Dist (01) *	06/27/1996	5.25%	20	\$414,000	\$414,000
Richmond Lake San Dist (02) *	06/25/1998	5.25%	20	\$226,500	\$191,500
Roscoe (01) *	07/29/1996	5.25%	20	\$358,408	\$358,408
Salem (01)	03/28/2003	3.50%	20	\$592,307	\$518,035

* Loans Paid in Full

** Deobligated in Full

Sponsor	Binding Commitment Date	Rate	Term	Original Binding Commitment Amount	Final Loan Amount
Salem (02)	06/23/2005	3.25%	20	\$387,960	\$387,960
Scotland (01)	03/28/2003	3.50%	20	\$250,000	\$250,000
Sioux Falls (01)	04/11/1990	3.00%	20	\$3,316,310	\$2,836,963
Sioux Falls (02) *	07/11/1990	3.00%	10	\$454,000	\$453,999
Sioux Falls (03) *	12/12/1990	3.00%	10	\$845,000	\$845,000
Sioux Falls (04) *	12/12/1990	3.00%	10	\$1,200,000	\$1,200,000
Sioux Falls (05) *	03/12/1992	3.00%	10	\$1,955,000	\$1,955,000
Sioux Falls (06) *	03/12/1992	3.00%	10	\$700,000	\$700,000
Sioux Falls (07) *	01/26/1993	3.00%	10	\$4,500,000	\$4,500,000
Sioux Falls (08) *	01/13/1994	3.00%	10	\$1,000,000	\$699,003
Sioux Falls (09) *	08/10/1994	3.00%	10	\$1,250,000	\$1,250,000
Sioux Falls (10) *	08/10/1994	3.00%	10	\$1,500,000	\$1,432,941
Sioux Falls (11)	06/22/1995	4.50%	10	\$1,250,000	\$1,195,346
Sioux Falls (12)	03/27/1996	4.50%	10	\$1,300,000	\$1,300,000
Sioux Falls (13)	01/09/1997	4.50%	10	\$2,500,000	\$2,083,137
Sioux Falls (14)	07/27/2000	4.50%	10	\$5,100,000	\$4,888,537
Sioux Falls (15)	04/12/2002	3.50%	10	\$1,724,000	\$1,467,706
Sioux Falls (16)	01/10/2003	3.50%	10	\$2,479,500	\$2,479,500
Sioux Falls (17)	06/26/2003	3.50%	10	\$932,000	\$561,320
Sioux Falls (18)	07/16/2004	2.50%	10	\$3,951,000	\$3,951,000
Sioux Falls (19)	07/16/2004	2.50%	10	\$801,000	\$415,785
Sioux Falls (20)					
Series A	01/06/2005	1.50%	10	\$16,000,000	\$16,000,000
Series B	10/19/2005	1.50%	10	\$8,700,000	\$8,700,000
Series NPS	01/06/2005	1.50%	10	\$1,249,349	\$1,249,349
Sioux Falls (21)					
Series A	03/31/2005	2.25%	20	\$12,500,000	\$12,500,000
Series B	10/19/2005	2.25%	20	\$21,608,000	\$20,108,000
Series NPS	03/31/2005	2.25%	20	\$3,269,418	\$3,125,636
Sioux Falls (22)	02/07/2006	2.50%	10	\$10,550,000	\$10,550,000
Sioux Falls (23)	03/31/2006	2.50%	10	\$10,323,000	\$10,323,000
Southern Missouri Recycling and Waste Management District (NPS-01)	10/06/1994	5.00%	20	\$700,000	\$700,000
Spearfish (01)	03/12/1992	4.00%	15	\$1,956,000	\$1,956,000
Sturgis (01) *	08/23/1993	5.00%	20	\$502,000	\$502,000
Sturgis (02) *	06/23/1994	5.00%	20	\$936,250	\$936,250
Sturgis (03) *	06/27/1997	5.25%	20	\$450,000	\$437,380
Sturgis (04) *	04/14/2000	5.00%	20	\$2,100,000	\$2,100,000
Tea (01)	03/31/1993	4.00%	15	\$600,000	\$600,000
Tea (02)	05/11/1994	4.00%	15	\$600,000	\$600,000
Tea (03)	06/27/1997	5.25%	20	\$250,000	\$208,813

* Loans Paid in Full

Sponsor	Binding Commitment Date	Rate	Term	Original Binding Commitment Amount	Final Loan Amount
Tea (04)	05/14/1998	5.00%	15	\$375,000	\$375,000
Tea (05)	06/26/2003	3.50%	20	\$495,490	\$495,490
Tyndall (01)	03/31/2006	3.25%	20	\$795,000	\$795,000
Valley Springs (01)	05/14/1998	5.25%	20	\$430,000	\$422,128
Valley Springs (02)	09/23/2004	3.25%	20	\$350,000	\$350,000
Vermillion (01)	06/07/1990	3.00%	20	\$125,000	\$125,000
Vermillion (02)	12/09/1993	4.00%	15	\$500,000	\$370,471
Vermillion (03)	03/28/2003	3.50%	20	\$456,000	\$273,965
Vermillion (04)	07/16/2004	3.25%	20	\$3,548,351	\$3,548,351
Vermillion (NPS-01) *	08/10/1995	4.50%	10	\$480,000	\$356,531
Wall (01) *	07/22/1999	5.00%	20	\$1,146,000	\$788,600
Wall Lake San Dist (01)	12/13/2001	3.50%	20	\$200,000	\$175,126
Warner (01) *	03/23/1995	4.50%	10	\$102,000	\$101,152
Watertown (01)	10/09/1991	4.00%	15	\$2,000,000	\$2,000,000
Watertown (02)	08/12/1992	4.00%	15	\$4,000,000	\$4,000,000
Watertown (03)	06/22/1995	5.25%	20	\$2,600,000	\$2,583,734
Watertown (04) *	11/09/1995	5.25%	20	\$2,200,000	\$932,830
Watertown (05)	03/28/2003	3.50%	20	\$2,055,000	\$2,055,000
Watertown (06)					
Series A	03/31/2006	2.25%	20	\$1,189,145	\$1,189,145
Series NPS	03/31/2006	2.25%	20	\$113,985	\$113,985
Waubay (01) *	02/18/1992	5.00%	20	\$163,487	\$81,454
Webster (01)	03/27/1996	4.50%	10	\$400,000	\$345,394
Webster (02)	04/12/2002	3.50%	20	\$811,000	\$811,000
Weston Heights Sanitary District (01)	03/31/2006	3.25%	20	\$638,300	\$638,300
Whitewood (01)	02/18/1992	4.00%	15	\$200,000	\$180,801
Whitewood (02)	07/27/2000	5.00%	20	\$275,000	\$189,032
Willow Lake (01)	01/08/2004	3.50%	20	\$100,000	\$100,000
Winner (01)	06/22/2006	3.25%	20	\$925,000	\$925,000
Worthing (01)	06/27/1996	5.25%	20	\$315,725	\$227,645
Yankton (01)	12/10/1997	5.25%	20	\$2,625,000	\$2,625,000
Yankton (02)	12/10/1997	6.00%	20	\$4,500,000	\$4,500,000
Yankton (03)	10/12/2001	3.50%	20	\$6,130,000	\$6,130,000
Total 187 Loans to 83 Entities				\$269,753,040	\$258,029,418

* Loans Paid in Full

** Deobligated in Full

FIGURE 4
Clean Water SRF Interest Rates
By Percent of Loan Portfolio
(\$258.0 Million)

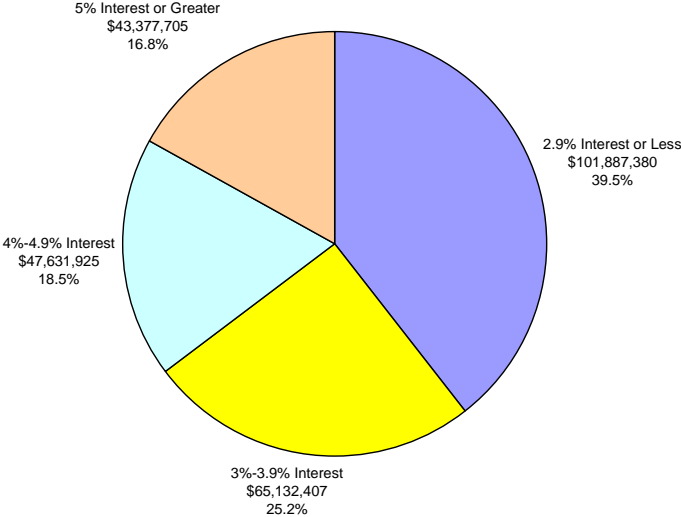
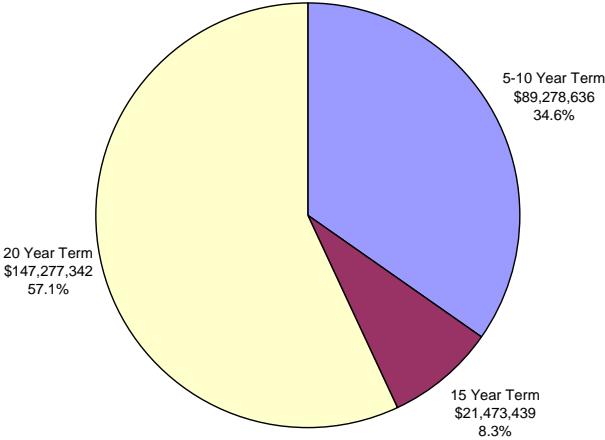


FIGURE 5
Clean Water SRF Loan Terms
by Percentage of Loan Portfolio
(\$258.0 Million)



CLEAN WATER SRF PROJECT DESCRIPTIONS

ABERDEEN – Aberdeen received its first loan for wastewater treatment plant improvements and upgrades and nonpoint source best management practices. The loan was for \$13,218,859 at 2.25 percent for 20 years.

AURORA – Aurora received a \$410,000 loan at 5 percent interest for 20 years. The project upgraded the city's wastewater collection system.

BALTIC – Baltic received a \$465,000 loan at 3.5 percent for 20 years to fund sewer main and lift station replacement.

BELLE FOURCHE – The city of Belle Fourche received two loans totaling \$517,422. The first loan, at 3 percent for 20 years, was used to construct sanitary sewer lines and manholes. The second loan, at 4.5 percent for 10 years, was used to upgrade the city's primary sanitary force main.

BERESFORD – The city of Beresford received a 4.5 percent, 10-year loan in the amount of \$1,150,000 to improve sanitary sewer and storm sewer lines in conjunction with a South Dakota Department of Transportation street reconstruction project.

BLACK HAWK SANITARY DISTRICT – Black Hawk Sanitary District's Clean Water SRF loan in the amount of \$589,600 loan at 3.5 percent for 20 years was used for a wastewater improvement project. The district's wastewater will be run through the Northdale Sanitary District to be treated by the city of Rapid City.

BOX ELDER – Box Elder utilized a \$648,600 Clean Water SRF loan at 3 percent for 20 years to refinance existing sewer debt incurred to expand its treatment facility.

BRANDON – The city of Brandon received two Clean Water SRF loans totaling \$631,018 for a storm drainage project and for the construction of a force main to convey partially treated wastewater from Brandon to the Sioux Falls wastewater treatment plant as well as the associated pumping station and improvements to the existing treatment facility. Both loans were for 10 years at 3 percent interest.

BRIDGEWATER – The city of Bridgewater constructed storm sewer along the north and east sides of the city to connect to an existing inlet basin with its first loan, a 20 year, 5.25 percent loan for \$90,328. The city's second loan, for \$321,600 at 3.25 percent for 20 years funded improvements to the sanitary sewer system.

BRITTON – The city of Britton received two Clean Water SRF loans for a total amount of \$832,435. The first loan, at 4.5 percent for 10 years, funded wastewater system improvements, including the installation of a lift station and force main and the construction of artificial wetlands. The city's second loan in the amount of \$322,500 at 3.5 percent for 20 years funded sewer main replacement and extensions along Highway 10.

BROOKINGS – The city of Brookings received a loan for \$188,065 at 4 percent for 15 years to finance the construction of a new interceptor.

BURKE (2006) – The city of Burke received a \$155,000 loan at 3.25 percent for 20 years to fund the wastewater portion of the Franklin Street Utilities Replacement project.

CANTON – The city of Canton received its first Clean Water SRF loan at 4 percent for 15 years in the amount of \$515,715 to finance sanitary and storm sewer improvements. The city's second loan, for \$600,000, was at 3.5 percent for 20 years for utility improvements in conjunction with South Dakota Department of Transportation reconstruction of US 18.

CASTLEWOOD (2006) – The city of Castlewood received a \$250,000 loan at 3.5 percent for 20 years to fund sanitary sewer collection improvements. The city's second loan funded the rehabilitation of the wastewater treatment lagoons. This project was funded at \$160,000 at 3.5 percent for 20 years.

CENTERVILLE – Centerville received a loan for \$500,000 at 3.5 percent for 20 years to fund the construction of a new wastewater treatment facility and new force main and lift station to transfer the wastewater to the new facility.

CHAMBERLAIN – Chamberlain received two loans at 3 percent for 10 years totaling \$615,500 to rehabilitate sanitary sewer lines and construct storm sewer lines under two major streets in the city. The city's third and fourth loans, at 5.25 percent for 20 years, totaled \$3,150,000 for renovations to the city's wastewater treatment facility and expansion of sewer service into a newly annexed area of town.

CLARK – Clark rehabilitated portions of its wastewater collection and treatment system with a \$400,000 loan at 3.5 percent for 20 years.

CLEAR LAKE – The city of Clear Lake used a \$79,537, 4 percent, 15-year loan to construct two new wastewater treatment stabilization ponds and convert the existing pond into an artificial wetland. The city's second loan, in the amount of \$910,000 at 3.25 percent for 20 years, funded wastewater collection improvements.

COLTON – The city's first loan, \$204,500 at 3.25 percent for 20 years, funded wastewater treatment system improvements.

CUSTER – The city of Custer received three Clean Water SRF loans totaling \$888,000. The first loan financed the construction of a force main to convey treated effluent from the wastewater treatment facility to the municipal golf course, a storage reservoir at the golf course to store the effluent, and irrigation facilities at the golf course to utilize the effluent. The second loan financed sewer improvements that included collection lines and an interceptor line extension on the west edge of the city limits. The first and second loans were for 20 years at an interest rate of 3 percent. The third loan, for \$276,000 at 3 percent interest for 10 years, financed the construction of an additional wastewater stabilization pond.

CUSTER-FALL RIVER WASTE MANAGEMENT DISTRICT – The Custer-Fall River Solid Waste Management District used a \$106,939 loan at 5 percent interest for 20 years for the construction of a landfill to serve residents of Custer and Fall River counties. The landfill also serves the city of Hot Springs.

DEADWOOD – Deadwood received a \$447,838 Clean Water SRF loan at 4 percent interest for 15 years to slip line approximately 2,700 feet of 24-inch diameter sewer interceptor line.

DELL RAPIDS (2006) – The city of Dell Rapids constructed sanitary and storm sewers with a \$300,000 loan. The new lines replaced existing undersized sewers in conjunction with a street rehabilitation project. The term of the loan was 10 years at 3 percent. The city's second loan, for \$731,737 at 3.25 percent for 20 years, funded the wastewater portion of the 4th Street Utility Improvements project

ELK POINT (2006) – The city of Elk Point has received three loans totaling \$1,253,000. Its first loan, \$458,000 at 4 percent for 15 years, financed the replacement of two existing lift stations with a new lift station, force main and interceptor lines. The city's second loan for \$450,000 at 3.5 percent for 20 years funded new storm sewer and replaced sanitary sewer in conjunction with the Pearl Street Utility Improvement project. Its third loan, in the amount of \$345,000 at 3.5 percent for 20 years, financed renovation of the city's lagoon system. Elk Point's fourth loan, \$100,000 at 3.25 percent for 20 years, will fund the wastewater portion of the utility systems improvements

FORT PIERRE – Fort Pierre's first loan, \$330,294 at 3 percent for 10 years, was used to construct two storm sewers and a new sanitary sewer that serves a residential area previously not connected to the city's system. Fort Pierre received its second loan in the amount of \$462,500 at 3.5 percent for 15 years to finance a sanitary sewer lift station and manhole rehabilitation. The city's third loan, in the amount of \$450,000 at 3.5 percent for 20 years, funded additional wastewater lagoons.

FREEMAN – The city of Freeman's first loan, in the amount of \$300,000 at 2.5 percent for 10 years, funded wastewater collection system improvements.

GARRETSON – The city of Garretson constructed new wastewater treatment stabilization ponds to make the existing sanitary system total retention and made improvements to the existing wastewater facility using the \$300,000, 4 percent, 15-year loan.

GAYVILLE – Gayville received its first Clean Water SRF loan in the amount of \$275,000 at 3.25 percent for 20 years to fund a wastewater lagoon upgrade.

GROTON – The city of Groton has received five Clean Water SRF loans totaling \$1,338,738 to finance various projects. Its first two loans, in the total amount of \$264,154, financed new interceptor lines, force mains and lift stations in the east and northwest sections of the city. Both loans were at 3 percent for 10 years. The city's third loan, \$470,809 at 5.25 percent for 20 years, funded construction of a new three-cell wastewater treatment facility, lift station, and force main. The city received its fourth and fifth Clean Water SRF loans in 2003, both at 3.5 percent for 20

years. The fourth loan, for \$163,775, funded expansion of the sewer system to the northeast part of the city. The fifth loan, \$440,000, funded replacement of sewer lines on Main Street and reconstruction of the road.

HARRISBURG – The city of Harrisburg received a Clean Water SRF loan for \$507,277 at 5 percent for 20 years to construct total retention stabilization ponds.

HARTFORD – The city of Hartford has received four loans totaling \$2,044,839. With the first two loans, for \$1,194,804 at 5 percent interest for 20 years, the city replaced sanitary sewer mains within the city and replaced the wastewater treatment facility. Hartford's third loan, for \$300,000 at 3.5 percent for 20 years, completed the funding for the wastewater treatment facility project. Hartford's fourth loan, in the amount of \$550,035 at 3.5 percent for 20 years, funded further wastewater collection and storm sewer improvements.

HIGHMORE – The city of Highmore's first loan was in the amount of \$262,300 at 3.5 percent for 20 years to fund an upgrade to its wastewater treatment facility. The upgrade included reshaping dikes, installing riprap, relocating the inlet structure, and replacing interpond piping.

HOT SPRINGS – The city of Hot Springs received two loans totaling \$1,126,930. The first loan of \$196,930, at 3 percent interest for 10 years, was used to construct new sanitary sewers in an area of the city with failing septic systems. The second loan of \$930,000, at 5 percent for 20 years, was used to close the existing landfill site and construct a transfer station and municipal solid waste composting facility.

HURON – The city of Huron has received four Clean Water SRF loans. The first loan was used to partially fund improvements at the mechanical wastewater treatment facility and artificial wetlands treatment site. This loan totaled \$1,656,000 at 3 percent for 20 years. The second loan, for \$701,007 at 3 percent for 10 years, was used to construct an extension to the storm sewer system to provide drainage in a developing area of the city. Huron utilized a third Clean Water SRF loan in the amount of \$1,856,828 at 5.25 percent for 20 years to expand the existing stabilization pond system and increase pumping capacity. The city funded upgrades to its wastewater treatment facility with a fourth loan for \$1,500,000 at 3.25 percent for 20 years.

JEFFERSON – Jefferson received its first Clean Water SRF loan of \$320,000 at 3.5 percent for 20 years to fund wastewater treatment facilities improvements. The city constructed two lagoon cells, enabling the existing cell to become a wetland.

LAKE COCHRANE SANITARY DISTRICT – The Lake Cochrane Sanitary District constructed a wastewater collection and treatment system at Lake Cochrane. An \$80,000 loan at 3 percent for 20 years was made to the district to refinance a portion of the project. Its second loan, in the amount of \$160,000 at 3.5 percent for 20 years, upgraded the wastewater collection system.

LAKE MADISON SANITARY DISTRICT – The Lake Madison Sanitary District received a 4 percent, 15-year Clean Water SRF loan for \$330,000 to refinance a Farmers Home Administration loan, which partially funded the installation of a wastewater collection and

treatment system to serve Lake Madison. The district's second loan, in the amount of \$875,000 at 3.5 percent for 20 years, funded two new wastewater treatment ponds.

LAKE POINSETT SANITARY DISTRICT – Lake Poinsett Sanitary District received a loan in the amount of \$590,000 at 3.25 percent for 20 years to fund expansion of the sanitary system at Lake Poinsett.

LEAD – The city of Lead received five Clean Water SRF loans amounting to \$1,635,377 to separate combined sanitary and storm sewers along with the rehabilitation of portions of the sanitary sewer system and to replace and separate combined sewers beneath South Dakota Highway 85 in conjunction with a South Dakota Department of Transportation (SDDOT) highway project. The first loan was 3 percent interest for 20 years, the second and third loans were at 3 percent for 10 years, and the fourth loan was at 4.5 percent interest for 10 years. Lead's fifth Clean Water SRF loan, in the amount of \$333,700 at 3.25 percent for 20 years, constructed wastewater collection system improvements associated with the SDDOT's Highway 85 reconstruction.

LEAD-DEADWOOD SANITARY DISTRICT – A sludge disposal vehicle and a sewer jet were purchased by the Lead-Deadwood Sanitary District with a loan for \$106,855 at 3 percent for 5 years.

LEMMON – The city of Lemmon received a \$427,100 loan at 3 percent interest for 20 years to refinance a general obligation sewer bond issued in 1985. The bonds were issued to correct an infiltration/inflow problem.

LENNOX – The city of Lennox used a \$350,000 Clean Water SRF loan at 5.25 percent interest for 20 years to construct and rehabilitate sanitary sewer interceptors. The city received a second loan for \$583,735 at 5.25 percent for 20 years to add four aeration basins, two lift stations, and force mains to the existing wastewater facility.

MADISON – The city of Madison received a \$119,416 Clean Water SRF loan at 3 percent interest for 10 years to finance the construction of new collectors.

McCOOK LAKE SANITARY DISTRICT – McCook Lake Sanitary District received a Clean Water SRF loan for \$641,935 at 5 percent for 20 years to partially fund the upgrade and expansion of the wastewater treatment facility.

MITCHELL – The city of Mitchell received its first \$1,543,405 loan at 4.5 percent for 10 years to partially fund the construction of a storm drain diversion project. Mitchell's second loan, of \$1,320,000 at 3.5 percent for 20 years, funded the water quality components of a regional landfill that serves Mitchell as well as several surrounding counties and their communities.

MOBRIDGE – The city of Mobridge received two Clean Water SRF loans to partially fund the upgrade and expansion of the wastewater treatment facility. The first loan totaled \$1,500,000 at 3 percent for 20 years, while the second loan of \$158,000 was at a rate of 4 percent for 15 years.

The city received its third loan in the amount of \$1,355,000 at 4.5 percent interest for 10 years to install storm sewers in the northwest section of town.

MONTROSE – Montrose’s first loan in the amount of \$142,621 at 2.5 percent for 10 years funded wastewater collection and treatment improvements.

NISLAND – Nisland received its first loan in the amount of \$204,000 at 3.25 percent for 20 years to upgrade its wastewater treatment system to a three-cell stabilization pond system.

NORTH SIOUX CITY – North Sioux City received a Clean Water SRF loan in the amount of \$239,650 at a rate of 3 percent for 10 years to construct storm sewer and drainage improvements in the community. The city received its second Clean Water SRF loan, \$646,000 at 5 percent interest for 15 years, to expand the storm sewer system and to provide drainage for a rapidly developing area.

NORTHDAL SANITARY DISTRICT – The Northdale Sanitary District used a \$256,380, 5 percent, 20-year loan to construct a new gravity sewer, lift station and force main. The new system connects the sanitary district to Rapid City's wastewater system.

PARKER (2006) – Parker’s first loan of \$824,000 at 3.25 percent for 20 years funded improvements to the city’s wastewater collection system. The city’s second loan, \$620,000 at 3.25 percent for 20 years, funded the second phase of the improvements to the wastewater collection system.

PHILIP – Philip financed the construction of sanitary and storm sewer improvements with its first loan for \$453,885 at 5 percent interest for 15 years. The city received a second, \$321,127 Clean Water SRF loan for a term of 20 years at 5.25 percent to finance the construction of sanitary sewer, storm sewer, concrete curb and gutter, and replacement of force main. Philip’s third SRF loan, in the amount of \$347,040 at 3.25 percent for 15 years, funded wastewater and storm sewer utility improvements in the downtown area of the city.

PICKEREL LAKE SANITARY DISTRICT – The Pickerel Lake Sanitary District received an \$850,000 Clean Water SRF loan, at 5 percent for 15 years, to finance the phase I construction of a new wastewater treatment facility and a sanitary sewer collection system. The district received a second loan of \$670,000 at 5.25 percent for 20 years to complete phase II of the collection system construction.

PIERRE – The city of Pierre has received four Clean Water SRF loans totaling \$11,620,640. Its first loan, in the amount of \$433,976 at 4 percent for 15 years, financed the construction of an interceptor line near the airport and the addition of comminutors at the treatment plant as well as improvements to the sludge handling facilities at the treatment plant. The city’s second loan, for \$4,417,000 at 5.25 percent for 20 years, financed phase I improvements to the wastewater treatment facility. Pierre received a third loan in the amount of \$5,391,260 at 5 percent for 20 years to improve the wastewater treatment facility (phase II). Its fourth loan, \$1,378,404 at 3.5 percent for 20 years, funded the water quality components of a new regional landfill.

PLATTE – The city of Platte received a \$1,000,000 loan at 5 percent for 20 years to renovate its sanitary sewer system.

POLLOCK – Pollock received a \$151,619 Clean Water SRF loan at 3 percent for 10 years to cover costs that exceeded the available EPA grant funding used to upgrade the wastewater treatment facility.

RAPID CITY – Rapid City has received five Clean Water SRF loans which have been used for construction activities at the wastewater treatment facility, rehabilitation and extension of the sanitary sewer system, construction of stormwater facilities and mitigation of approximately four acres of wetlands at the city's Material Recovery Facility (MRF). The first four loans totaled \$5,536,028, all at a rate of 4 percent for 15 years. The fifth loan, at a rate of 4.5 percent for 20 years for \$14,000,000, was used to upgrade the wastewater treatment plant as well as to construct a facility to co-compost wastewater treatment plant biosolids with municipal solid wastes.

RAPID VALLEY SANITARY DISTRICT – The Rapid Valley Sanitary District has received three Clean Water SRF loans totaling \$1,600,583. The first two loans, totaling \$978,583, were used for rehabilitation and extension of the existing sanitary sewer system and carried terms of 3 percent for 20 years and 4 percent for 15 years. The sanitary district continued to rehabilitate the sanitary sewer system with a third loan of \$630,000 at 5.25 percent for 20 years.

REDFIELD – Redfield's first loan, \$333,788 at 3.25 percent for 20 years, was to fund wastewater and storm water utility improvements on South Main Street and Sixth Avenue. The city requested this loan be deobligated in August 2006.

RICHMOND LAKE SANITARY DISTRICT – The Richmond Lake Sanitary District received a \$414,000 Clean Water SRF loan at an interest rate of 5.25 percent for 20 years, which was used to partially finance the construction of a new sanitary sewer system and stabilization pond system for residences around Richmond Lake. The district received a second loan of \$191,500 at 5.25 percent for 20 years to complete phase II of the collection system construction.

ROSCOE – The city of Roscoe received a Clean Water SRF loan for \$358,408 at 5.25 percent for 20 years to expand its wastewater treatment facility, rehabilitate an interceptor sewer and construct a new collection sewer.

SALEM – Salem's first Clean Water SRF loan, in the amount of \$592,307 at 3.5 percent for 20 years, funded wastewater collection improvements in conjunction with a South Dakota DOT project. The city's second loan, \$387,960 at 3.25 percent for 20 years, funded wastewater and storm water utility improvements.

SCOTLAND – Scotland funded the wastewater component of its Main Street reconstruction project with a \$250,000 loan at 3.5 percent for 20 years.

SIOUX FALLS (2006) – The city of Sioux Falls has received 23 Clean Water SRF loans totaling \$100,084,577 for a variety of projects. These projects include the construction of new interceptor lines and lift stations, rehabilitation of the sanitary sewers and lift stations, purchase

of sludge handling equipment and improvements, infiltration/inflow correction, improvement of storm water drainage, flow equalization basin construction, and other wastewater system improvements. The first loan was at 3 percent for 20 years. Loans 2 through 10 were at 3 percent for 10 years, loans 11 through 14 were at 4.5 percent for 10 years, and the 15th loan was at 3.5 percent for 10 years. The City's 16th and 17th loans, for \$2,479,500 and \$932,000, were both at 3.5 percent for ten years, funded wastewater facilities improvements and identified and implemented best management practices within the city. Loans 18 (for \$3,951,000) and 19 (for \$801,000) were at 2.5 percent for ten years and funded improvements to the wastewater system and retrofitted storm water detention ponds, respectively. The city's 20th loan, in the amount of \$25,949,349 at 1.5 percent for 10 years, funded storm sewer improvements and nonpoint source best management practices, and the 21st loan provided for construction of the East Side Sanitary Sewer System and nonpoint source best management practices. This loan is for \$37,377,418 at 2.25 percent for 20 years. Both 2005 loans were structured with a portion of the funding in a Series B bond that was approved contingent upon sufficient Clean SRF funding being available in FFY 2006 to fund the balance. The Series B amounts are \$8,700,000 and \$21,608,000 for the Storm Drainage (20) and East Side Sanitary Sewer (21) projects, respectively. The city's 22nd loan, \$10,550,000 at 2.5 percent for 10 years, also funded the Storm Drainage project, and its 23rd loan, for \$10,323,000 at 2.5 percent for 10 years, was approved for the Basin 13 Trunk sewer and other utility system improvements.

SOUTHERN MISSOURI WASTE MANAGEMENT DISTRICT – The Southern Missouri Recycling and Waste Management District received a \$700,000 Clean Water SRF loan at 5 percent for 20 years for the construction of a regional landfill near Lake Andes. In federal fiscal year 1998, Southern Missouri Waste Management District received a grant from HUD in the amount of \$400,000 to pay against the principal portion of Southern Missouri's Clean Water SRF loan.

SPEARFISH – The city of Spearfish used a \$1,956,000 Clean Water SRF loan for 15 years at 4 percent to fund the expansion of the wastewater treatment facility.

STURGIS – The city of Sturgis has received four loans totaling \$3,975,630. The first two loans, totaling \$1,438,250 at 5 percent for 20 years, financed the construction of three sewer interceptor lines, a sewer collection line, and wastewater treatment facility upgrades. The city's third loan, \$437,380 at 5.25 percent for 20 years, financed the repair of damage to and replacement of riprap in the second and third cells of the wastewater treatment facility as well as engineering planning studies. The city's fourth loan for \$2,100,000, at 5 percent interest for 20 years, expanded the city's treated effluent irrigation system.

TEA – The city of Tea has received five loans totaling \$1,941,803. Its first two loans of \$600,000 each at 4 percent for 15 years funded the construction of a storm drainage system. The third loan of \$208,813, at 5.25 percent for 20 years, funded the construction of a sanitary sewer and lift station. The city received a fourth loan of \$375,000 at 5 percent for 15 years to reconfigure the existing lagoon system and construct a new primary cell and two secondary cells. Tea's fifth loan of \$495,490 at 3.5 percent for 20 years expanded the city's wastewater treatment capability by adding an aerated lagoon.

TYNDALL (2006) – The city of Tyndall’s first loan, in the amount of \$795,000 at 3.25 percent for 20 years, funded the South Main Street and 14th Avenue Sanitary Sewer Project.

VALLEY SPRINGS – The city of Valley Springs received a \$430,000 loan for 20 years at 5.25 percent interest to fund the expansion and upgrade of the existing wastewater treatment facility. The city’s second loan, in the amount of \$350,000 at 3.25 percent for 20 years, funded sanitary sewer replacement.

VERMILLION – Vermillion’s first loan, \$125,000 at 3 percent for 20 years, was used to reconstruct a sanitary sewer interceptor. The second loan, \$500,000 at 4 percent for 15 years, funded the construction of approximately 6,200 feet of storm sewer pipe and associated appurtenances in three areas of the city. The third loan, a nonpoint source loan of \$480,000 at 4.5 percent for 10 years, financed the construction of a second trench at the city’s landfill and to purchase a scraper. The city’s fourth SRF loan, \$456,000 at 3.5 percent for 20 years, funded wastewater collection facilities in the northwest area of the city. Vermillion’s fifth loan, in the amount of \$3,548,351 at 3.25 percent for 20 years, financed two phases of wastewater treatment plant improvements.

WALL – The city of Wall received a Clean Water SRF loan in the amount of \$1,146,000 at 5 percent for 20 years for its municipal wastewater improvement project. The project consisted of the construction of a seven- mile transfer line to new total retention ponds.

WALL LAKE SANITARY DISTRICT – The district received its first Clean Water loan for \$200,000 at 3.5 percent for 20 years to fund an extension of sewer main to residents without service. This included the installation of lift stations and small diameter force main.

WARNER – The town of Warner used a \$101,152 Clean Water SRF loan at 4.5 percent for 10 years to construct a storm sewer collection and disposal system to improve storm drainage within the community.

WATERTOWN (2006) – The city of Watertown has received six Clean Water SRF loans totaling \$11,571,564 for various projects. The first two loans, both at 4 percent for 15 years, financed the upgrade and expansion of the city’s wastewater treatment facility. The third and fourth loans, payable at 5.25 percent interest for 20 years, were used to rehabilitate portions of the sanitary sewer collection system and for engineering costs associated with the final upgrade of the wastewater treatment facility. The city’s fifth loan, \$2,055,000 at 3.5 percent for 20 years, funded replacement or rehabilitation of sanitary sewers throughout the city and lift stations serving the Lake Kampeska area. Watertown’s sixth loan of \$1,303,130 funded a storm water project in the southwest portion of the city and a nonpoint source portion for BMPs on the Big Sioux River, thus qualifying the city for a loan at 2.25 percent for 20 years.

WAUBAY – The city of Waubay received a 20 year, 5 percent Clean Water SRF loan in the amount of \$81,454 to construct a wastewater collection system within the city limits on the south shore of Blue Dog Lake, an area previously served by septic tanks.

WEBSTER – The city of Webster used a 10 year, 4.5 percent Clean Water SRF loan for \$345,394 to reconstruct a sanitary sewer line on Main Street. The city received a second loan in the amount of \$811,000 at 3.5 percent for 20 years to fund the replacement of about 7,400 feet of sewer main, 136 service connections, and approximately 3,400 feet of storm sewer lines.

WESTON HEIGHTS SANITARY DISTRICT (2006) – Weston Heights secured a loan for \$638,300 at 3.25 percent for 20 years to improve its wastewater treatment system.

WHITEWOOD – Whitewood has received two loans totaling \$455,801. The first loan was at 4 percent interest for 15 years while the second was at 5 percent for 20 years. Whitewood constructed a new mechanical wastewater treatment facility in conjunction with the existing stabilization pond system and expanded the wastewater collection system.

WILLOW LAKE – Willow Lake’s first loan, in the amount of \$100,000 at 3.5 percent for 20 years, funded improvements to the wastewater collection system.

WINNER (2006) – The city of Winner’s first loan, in the amount of \$925,000 at 3.25 percent for 20 years, is for improvements to the wastewater collection system.

WORTHING – The town of Worthing received a \$227,645 Clean Water SRF loan at 5.25 percent interest for 20 years and was used to expand and upgrade the existing stabilization pond treatment facility.

YANKTON – The city of Yankton received three loans totaling \$13,255,000. All three loans were used to upgrade and expand the existing wastewater treatment facility. The term of the first loan was 5.25 percent for 20 years. The second loan utilized the leveraged program bonds with a term of 6 percent for 20 years. Yankton’s third loan, in the amount of \$6,130,000 at 3.5 percent for 20 years, funded the third phase of the project.

EXHIBITS I-IX
CLEAN WATER SRF
STATUS REPORTS

**EXHIBIT I
PROJECTS RECEIVING SRF ASSISTANCE
FEDERAL FISCAL YEAR 2006**

Recipient	Assistance Amount	Binding Commitment Date	Rate/Term
Burke (01)	\$155,000	05-Jan-06	3.25%/20
Castlewood (02)	\$160,000	22-Jun-06	3.25%/20
Dell Rapids (02)	\$731,737	05-Jan-06	3.25%/20
Elk Point (04)	\$100,000	22-Jun-06	3.25%/20
Parker (02)	\$620,000	22-Jun-06	3.25%/20
Sioux Falls (20B)	\$8,700,000	19-Oct-05	1.50%/10
Sioux Falls (21B)	\$21,608,000	19-Oct-05	2.25%/20
Sioux Falls (22)	\$10,550,000	07-Feb-06	2.50%/10
Sioux Falls (23)	\$10,323,000	31-Mar-06	2.50%/10
Tyndall (01)	\$795,000	31-Mar-06	3.25%/20
Watertown (06)			
Series A	\$1,189,145	31-Mar-06	2.25%/20
Series NPS	\$113,985	31-Mar-06	2.25%/20
Weston Heights San. Dist.	\$638,300	31-Mar-06	3.25%/20
Winner (01)	\$925,000	22-Jun-06	3.25%/20
TOTAL	\$56,609,167		

**EXHIBIT II
SRF NEEDS CATEGORIES
FEDERAL FISCAL YEAR 2006**

Recipient	I Sec. Treat.	II Adv. Treat.	III-A I/I Corr.	III-B System Rehab	IV-B New Interceptor	VI Storm Sewers	NPS
Burke (01)				\$155,000			
Castlewood (02)	\$160,000						
Dell Rapids (02)				\$622,000		\$109,737	
Elk Point (04)				\$100,000			
Parker (02)				\$620,000			
Sioux Falls (20B)						\$8,700,000	
Sioux Falls (21B)					\$21,608,000		
Sioux Falls (22)						\$10,550,000	
Sioux Falls (23)	\$500,580		\$209,000	\$2,450,480	\$7,162,940		
Tyndall (01)				\$795,000			
Watertown (06)							
Series A						\$1,189,145	
Series NPS							\$113,985
Weston Heights San. Dist. (01)		\$638,300					
Winner (01)			\$925,000				
TOTAL	\$660,580	\$638,300	\$1,134,000	\$4,742,480	\$28,770,940	\$20,548,882	\$113,985

**EXHIBIT III
ALLOCATION AND SOURCE OF SRF FUNDS**

Fiscal Year	Capitalization Grant Award	State Match	Leveraged Funds	Total
1989	\$4,577,200	\$915,440		\$5,492,640
1990	\$4,738,000	\$947,600		\$5,685,600
1991	\$10,074,800	\$2,014,960		\$12,089,760
1992	\$9,534,900	\$1,906,980		\$11,441,880
1993	\$9,431,000	\$1,886,200		\$11,317,200
1994	\$5,813,800	\$1,162,760		\$6,976,560
1995	\$6,007,800	\$1,201,560	\$4,507,540	\$11,716,900
1996	\$9,904,700	\$1,980,940		\$11,885,640
1997	\$2,990,500	\$598,100		\$3,588,600
1998	\$6,577,300	\$1,315,460		\$7,892,760
1999	\$6,577,900	\$1,315,580		\$7,893,480
2000	\$6,555,200	\$1,311,040		\$7,866,240
2001	\$6,496,100	\$1,299,220		\$7,795,320
2002 *	\$0	\$0		\$0
2003 *	\$0	\$0		\$0
2004	\$6,471,800	\$1,294,360		\$7,766,160
2005	\$5,243,500	\$1,048,700		\$6,292,200
2006 **	\$4,242,300	\$848,460	\$41,000,000	\$46,090,760
TOTAL	\$105,236,800	\$21,047,360	\$45,507,540	\$171,791,700

* The 2002 and 2003 capitalization grants and state match were transferred to the Drinking Water SRF program.

** \$33,500,000 leveraged bonds were issued, and due to demand for the funds, \$7,500,000 of Drinking Water leveraged funds were transferred to Clean Water.

EXHIBIT IV
Obligations for
Federal Fiscal Years 1989-2006
Capitalization Grants, Principal Repayments,
Leveraged Funds, and Unrestricted Cumulative Excess (UCE) Funds

1. PROJECTS UTILIZING 1989 SRF FUNDS

RECIPIENT	Binding Commitment Date	Binding Commitment Amount	Final Loan Amount	Balance
1989 Capitalization Grant and State Match				\$5,309,552
Huron (01)	November 9, 1989	\$1,656,000	\$1,656,000	\$3,653,552
Rapid Valley Sanitary District (01)	January 11, 1990	\$614,000	\$614,000	\$3,039,552
Box Elder (01)	April 11, 1990	\$648,600	\$648,600	\$2,390,952
Custer (01)	April 11, 1990	\$430,000	\$430,000	\$1,960,952
Lake Cochrane (01)	April 11, 1990	\$80,000	\$80,000	\$1,880,952
Lemmon (01)	April 11, 1990	\$427,100	\$427,100	\$1,453,852
Sioux Falls (01) ¹	April 11, 1990	\$3,316,310	\$1,453,852	\$0

¹ Balance is from 1990 funds

2. PROJECTS UTILIZING 1990 SRF FUNDS

RECIPIENT	Binding Commitment Date	Binding Commitment Amount	Final Loan Amount	Balance
1990 Capitalization Grant and State Match				\$5,496,080
Sioux Falls (01) ²	April 11, 1990	\$3,316,310	\$1,383,111	\$4,112,969
Lead-Deadwood Sanitary District (01)	June 7, 1990	\$110,000	\$106,855	\$4,006,114
Vermillion (01)	June 7, 1990	\$125,000	\$125,000	\$3,881,114
Custer (02)	July 11, 1990	\$182,000	\$182,000	\$3,699,114
Lead (01)	July 11, 1990	\$186,409	\$186,409	\$3,512,705
Mobridge (01)	July 11, 1990	\$1,500,000	\$1,500,000	\$2,012,705
Sioux Falls (02)	July 11, 1990	\$454,000	\$453,999	\$1,558,706
Belle Fourche (01)	August 22, 1990	\$253,000	\$253,000	\$1,305,706
Pierre (01)	November 8, 1990	\$600,000	\$433,976	\$871,730
Rapid City (01) ³	December 12, 1990	\$2,637,000	\$871,730	\$0

² Balance is from 1989 funds

³ Balance is from 1991 funds

3. PROJECTS UTILIZING 1991 SRF FUNDS

RECIPIENT	Binding Commitment Date	Binding Commitment Amount	Final Loan Amount	Balance
1991 Capitalization Grant and State Match				\$11,686,768
Rapid City (01) ⁴	December 12, 1990	\$2,637,000	\$1,608,175	\$10,078,593

3. PROJECTS UTILIZING 1991 SRF FUNDS, continued

RECIPIENT	Binding Commitment Date	Binding Commitment Amount	Final Loan Amount	Balance
Sioux Falls (03)	December 12, 1990	\$845,000	\$845,000	\$9,233,593
Sioux Falls (04)	December 13, 1990	\$1,200,000	\$1,200,000	\$8,033,593
Brookings (01)	March 14, 1991	\$188,065	\$188,065	\$7,845,528
Madison (01)	March 14, 1991	\$150,000	\$119,416	\$7,726,112
Lake Madison Sanitary Dist (01)	March 14, 1991	\$330,000	\$330,000	\$7,396,112
Brandon (01)	March 14, 1991	\$105,000	\$105,000	\$7,291,112
Clear Lake (01)	June 13, 1991	\$370,000	\$79,537	\$7,211,575
Huron (02)	June 13, 1991	\$750,000	\$701,997	\$6,509,578
Lead (02)	July 11, 1991	\$500,770	\$500,770	\$6,008,808
McCook Lake Sanitary District (01)	August 29, 1991	\$641,935	\$641,935	\$5,366,873
Watertown (01)	October 9, 1991	\$2,000,000	\$2,000,000	\$3,366,873
Mobridge (02)	December 11, 1991	\$158,000	\$158,000	\$3,208,873
Waubay (01)	February 18, 1992	\$163,487	\$81,454	\$3,127,419
Whitewood (01)	February 18, 1992	\$200,000	\$180,801	\$2,946,618
Hot Springs (01)	March 12, 1992	\$196,930	\$196,930	\$2,749,688
Sioux Falls (05)	March 12, 1992	\$1,955,000	\$1,955,000	\$794,688
Sioux Falls (06)	March 12, 1992	\$700,000	\$700,000	\$94,688
Spearfish (01) ⁵	March 12, 1992	\$1,956,000	\$94,688	\$0

⁴ Balance is from 1990 funds

⁵ Balance is from 1992 funds

4. PROJECTS UTILIZING 1992 SRF FUNDS

RECIPIENT	Binding Commitment Date	Binding Commitment Amount	Final Loan Amount	Balance
1992 Capitalization Grant and State Match				\$11,060,484
Spearfish (01) ⁶	March 12, 1992	\$1,956,000	\$1,861,312	\$9,199,172
Canton (01)	May 19, 1992	\$621,000	\$515,715	\$8,683,457
Lead (03)	May 19, 1992	\$405,000	\$375,298	\$8,308,159
Chamberlain (01)	July 8, 1992	\$350,500	\$350,500	\$7,957,659
North Sioux City (01)	July 8, 1992	\$239,650	\$239,650	\$7,718,009
Rapid City (02)	July 8, 1992	\$1,138,200	\$986,685	\$6,731,324
Watertown (02)	August 12, 1992	\$4,000,000	\$4,000,000	\$2,731,324
Sioux Falls (07) ⁷	January 26, 1993	\$4,500,000	\$2,731,324	\$0

⁶ Balance is from 1991 funds

⁷ Balance is from 1993 funds

5. PROJECTS UTILIZING 1993 SRF FUNDS

RECIPIENT	Binding Commitment Date	Binding Commitment Amount	Final Loan Amount	Balance
1993 Capitalization Grant and State Match				\$10,939,960
Sioux Falls (07) ⁸	January 26, 1993	\$4,500,000	\$1,768,676	\$9,171,284
Chamberlain (02)	January 26, 1993	\$265,000	\$265,000	\$8,906,284
Brandon (02)	March 31, 1993	\$600,000	\$526,018	\$8,380,266
Tea (01)	March 31, 1993	\$600,000	\$600,000	\$7,780,266
Elk Point (01)	May 27, 1993	\$458,000	\$458,000	\$7,322,266
Rapid City (03)	June 23, 1993	\$777,500	\$674,577	\$6,647,689
Custer (03)	August 23, 1993	\$276,000	\$276,000	\$6,371,689
Sturgis (01)	August 23, 1993	\$502,000	\$502,000	\$5,869,689
Pollock (01)	September 23, 1993	\$170,000	\$151,619	\$5,718,070
Vermillion (02)	December 9, 1993	\$500,000	\$370,471	\$5,347,599
Dell Rapids (01)	December 9, 1993	\$300,000	\$300,000	\$5,047,599
Groton (01)	January 13, 1994	\$192,000	\$189,524	\$4,858,075
Hot Springs (NPS/01)	January 13, 1994	\$930,000	\$930,000	\$3,928,075
Sioux Falls (08)	January 13, 1994	\$1,000,000	\$699,003	\$3,229,072
Deadwood (01)	April 25, 1994	\$582,000	\$447,838	\$2,781,234
Northdale Sanitary District (01)	April 25, 1994	\$315,000	\$256,380	\$2,524,854
Fort Pierre (01)	May 11, 1994	\$330,294	\$330,294	\$2,194,560
Garretson (01)	May 11, 1994	\$510,000	\$300,000	\$1,894,560
Groton (02)	May 11, 1994	\$106,000	\$74,630	\$1,819,930
Tea (02)	May 11, 1994	\$600,000	\$600,000	\$1,219,930
Sturgis (02)	June 23, 1994	\$936,250	\$936,250	\$283,680
Rapid City (04) ⁹	August 10, 1994	\$1,214,861	\$283,680	\$0

⁸ Balance is from 1992 funds

⁹ Balance is from 1994 funds

6. PROJECTS UTILIZING 1994 SRF FUNDS

RECIPIENT	Binding Commitment Date	Binding Commitment Amount	Final Loan Amount	Balance
1994 Capitalization Grant and State Match				\$6,744,008
Rapid City (04) ¹⁰	August 10, 1994	\$1,214,861	\$931,181	\$5,812,827
Sioux Falls (09)	August 10, 1994	\$1,250,000	\$1,250,000	\$4,562,827
Sioux Falls (10)	August 10, 1994	\$1,500,000	\$1,432,941	\$3,129,886
Southern Missouri WMD (01)	October 6, 1994	\$700,000	\$700,000	\$2,429,886
Rapid Valley Sanitary District (02)	November 10, 1994	\$460,000	\$364,583	\$2,065,303
Warner (01)	March 23, 1995	\$102,000	\$101,152	\$1,964,151
Belle Fourche (02)	June 22, 1995	\$300,000	\$264,422	\$1,699,729
Custer-Fall River WMD (01)	June 22, 1995	\$250,000	\$106,939	\$1,592,790
North Sioux City (02)	June 22, 1995	\$646,000	\$646,000	\$946,790
Philip (01)	June 22, 1995	\$472,000	\$453,885	\$492,905

6. PROJECTS UTILIZING 1994 SRF FUNDS, continued

RECIPIENT	Binding Commitment Date	Binding Commitment Amount	Final Loan Amount	Balance
Sioux Falls (11) ¹¹	June 22, 1995	\$1,250,000	\$492,905	\$0

¹⁰ Balance is from 1993 funds

¹¹ Balance is from 1995 funds

7. PROJECTS UTILIZING 1995 SRF FUNDS

RECIPIENT	Binding Commitment Date	Binding Commitment Amount	Final Loan Amount	Balance
1995 Capitalization Grant and State Match				\$6,969,048
Sioux Falls (11) ¹²	June 22, 1995	\$1,250,000	\$702,441	\$6,266,607
Watertown (03)	June 22, 1995	\$2,600,000	\$2,583,734	\$3,682,873
Vermillion (NPS/01)	August 10, 1995	\$480,000	\$356,531	\$3,326,342
Huron (03)	September 19, 1995	\$2,700,000	\$1,856,828	\$1,469,514
Sioux Falls (12)	March 27, 1996	\$1,300,000	\$1,300,000	\$169,514
Webster (01) ¹³	March 27, 1996	\$400,000	\$169,514	\$0

¹² Balance is from 1994 funds

¹³ Balance is from 1996 funds

8. PROJECTS UTILIZING 1996 SRF FUNDS

RECIPIENT	Binding Commitment Date	Binding Commitment Amount	Final Loan Amount	Balance
1996 Capitalization Grant and State Match				\$11,489,452
Webster (01) ¹⁴	March 27, 1996	\$400,000	\$175,880	\$11,313,572
Pickrel Lake Sanitary District (01)	May 9, 1996	\$850,000	\$850,000	\$10,463,572
Chamberlain (03)	June 27, 1996	\$2,700,000	\$2,700,000	\$7,763,572
Lennox (01)	June 27, 1996	\$350,000	\$350,000	\$7,413,572
Richmond Lake Sanitary District (01)	June 27, 1996	\$414,000	\$414,000	\$6,999,572
Worthing (01)	June 27, 1996	\$315,725	\$227,645	\$6,771,927
Rapid Valley Sanitary District (03)	July 29, 1996	\$630,000	\$630,000	\$6,141,927
Roscoe (01)	July 29, 1996	\$358,408	\$358,408	\$5,783,519
Sioux Falls (13)	January 9, 1997	\$2,500,000	\$2,083,137	\$3,700,382
Philip (02)	June 26, 1997	\$325,000	\$321,127	\$3,379,255
Sturgis (03)	June 27, 1997	\$450,000	\$437,380	\$2,941,875
Tea (03)	June 27, 1997	\$250,000	\$208,813	\$2,733,062
Groton (03)	July 23, 1997	\$635,000	\$470,809	\$2,262,253
Lennox (02)	July 23, 1997	\$600,000	\$583,735	\$1,678,518
Bridgewater (01)	September 25, 1997	\$120,000	\$90,328	\$1,588,190
Pickrel Lake Sanitary District (02)	September 25, 1997	\$670,000	\$670,000	\$918,190

8. PROJECTS UTILIZING 1996 SRF FUNDS, continued

RECIPIENT	Binding Commitment Date	Binding Commitment Amount	Final Loan Amount	Balance
Yankton (01) ¹⁵	December 11, 1997	\$2,625,000	\$918,190	\$0

¹⁴ Balance is from 1995 funds

¹⁵ Balance is from 1997 funds

9. PROJECTS UTILIZING 1997 SRF FUNDS

RECIPIENT	Binding Commitment Date	Binding Commitment Amount	Final Loan Amount	Balance
1997 Capitalization Grant and State Match				\$3,468,980
Yankton (01) ¹⁶	December 11, 1997	\$2,625,000	\$1,706,810	\$1,762,170
Chamberlain (04)	March 26, 1998	\$450,000	\$450,000	\$1,312,170
Pierre (02) ¹⁷	March 26, 1998	\$4,417,000	\$1,312,170	\$0

¹⁶ Balance is from 1996 funds

¹⁷ Balance is from 1998 funds

10. PROJECTS UTILIZING 1998 SRF FUNDS

RECIPIENT	Binding Commitment Date	Binding Commitment Amount	Final Loan Amount	Balance
1998 Capitalization Grant and State Match				\$7,629,668
Pierre (02) ¹⁸	March 26, 1998	\$4,417,000	\$3,104,830	\$4,524,838
Tea (04)	May 14, 1998	\$375,000	\$375,000	\$4,149,838
Valley Springs (01)	May 14, 1998	\$430,000	\$422,128	\$3,727,710
Richmond Lake Sanitary District (02)	June 25, 1998	\$226,500	\$191,500	\$3,536,210
Pierre (03) ¹⁹	March 25, 1999	\$5,391,260	\$3,536,210	\$0

¹⁸ Balance is from 1997 funds

¹⁹ Balance is from 1999 funds

11. PROJECTS UTILIZING 1999 SRF FUNDS

RECIPIENT	Binding Commitment Date	Binding Commitment Amount	Final Loan Amount	Balance
1999 Capitalization Grant and State Match				\$7,630,364
Pierre (03) ²⁰	March 25, 1999	\$5,391,260	\$1,855,050	\$5,775,314
Platte (01)	March 25, 1999	\$1,000,000	\$975,865	\$4,799,449
Britton (01)	May 13, 1999	\$509,935	\$509,935	\$4,289,514
Harrisburg (01)	June 23, 1999	\$520,000	\$507,277	\$3,782,237
Wall (01)	July 22, 1999	\$1,146,000	\$788,600	\$2,993,637
Hartford (01)	April 13, 2000	\$504,000	\$504,000	\$2,489,637

11. PROJECTS UTILIZING 1999 SRF FUNDS, continued

RECIPIENT	Binding Commitment Date	Binding Commitment Amount	Final Loan Amount	Balance
Hartford (02)	April 13, 2000	\$690,804	\$690,804	\$1,798,833
Mobridge (03)	April 13, 2000	\$1,355,000	\$1,350,000	\$448,833
Sturgis (04) ²¹	April 14, 2000	\$2,100,000	\$448,833	\$0

²⁰ Balance is from 1998 funds

²¹ Balance is from 2000 funds

12. PROJECTS UTILIZING 2000 SRF FUNDS

RECIPIENT	Binding Commitment Date	Binding Commitment Amount	Final Loan Amount	Balance
2000 Capitalization Grant and State Match				\$7,604,032
Sturgis (04) ²²	April 14, 2000	\$2,100,000	\$1,651,167	\$5,952,865
Beresford (01)	June 22, 2000	\$1,150,000	\$1,115,852	\$4,837,013
Aurora (01)	July 27, 2000	\$410,000	\$309,759	\$4,527,254
Lead (04)	July 27, 2000	\$239,200	\$239,200	\$4,288,054
Whitewood (02)	July 27, 2000	\$275,000	\$189,032	\$4,099,022
Sioux Falls (14) ²³	July 27, 2000	\$5,100,000	\$4,099,022	\$0

²² Balance is from 1999 funds

²³ Balance is from 2001 funds

13. PROJECTS UTILIZING 2001 SRF FUNDS

RECIPIENT	Binding Commitment Date	Binding Commitment Amount	Final Loan Amount	Balance
2001 Capitalization Grant and State Match				\$7,535,476
Sioux Falls (14) ²⁴	July 27, 2000	\$5,100,000	\$789,515	\$6,745,961
Yankton (03)	October 12, 2001	\$6,130,000	\$6,130,000	\$615,961
Wall Lake (01)	December 13, 2001	\$200,000	\$175,126	\$440,835
Elk Point (02) ²⁵	January 31, 2002	\$450,000	\$40,974	\$399,861
Sioux Falls (15) ²⁵	April 12, 2002	\$1,724,000	\$275,485	\$124,376
Watertown (05) ²⁵	March 28, 2003	\$2,055,000	\$124,376	\$0

²⁴ Balance is from 2000 funds

²⁵ Balance is from repayment funds

14. PROJECTS UTILIZING 2002 SRF FUNDS

The FFY 2002 Clean Water SRF Capitalization Grant and state matching funds were transferred in their entirety to the Drinking Water SRF program.

15. PROJECTS UTILIZING 2003 SRF FUNDS

The FFY 2003 Clean Water SRF Capitalization Grant and state matching funds were transferred in their entirety to the Drinking Water SRF program.

16. PROJECTS UTILIZING 2004 SRF FUNDS

RECIPIENT	Binding Commitment Date	Binding Commitment Amount	Final Loan Amount	Balance
2004 Capitalization Grant and State Match				\$7,507,288
Rapid City (05) ²⁶	January 11, 2001	\$14,000,000	\$1,251,215	\$6,256,073
Clear Lake (02)	June 25, 2004	\$910,000	\$687,227	\$5,568,846
Gayville (01)	June 25, 2004	\$275,000	\$275,000	\$5,293,846
Sioux Falls (18)	July 16, 2004	\$3,951,000	\$3,951,000	\$1,342,846
Sioux Falls (19)	July 16, 2004	\$801,000	\$415,785	\$927,061
Vermillion (04) ²⁷	July 16, 2004	\$3,548,351	\$927,061	\$0

²⁶ Balance is from 2005, 2006, and repayment funds

²⁷ Balance is from repayment funds

17. PROJECTS UTILIZING 2005 SRF FUNDS

RECIPIENT	Binding Commitment Date	Binding Commitment Amount	Final Loan Amount	Balance
2005 Capitalization Grant and State Match				\$6,082,464
Rapid City (05) ²⁸	January 11, 2001	\$14,000,000	\$1,013,736	\$5,068,728
Aberdeen (01) (Series A) ²⁹	January 6, 2005	\$12,062,600	\$5,062,600	\$6,128
Sioux Falls (20-Series NPS) ²⁹	January 6, 2005	\$1,249,349	\$6,128	\$0

²⁸ Balance is from 2004, 2006, and repayment funds

²⁹ Balance is from repayment funds

18. PROJECTS UTILIZING 2006 SRF FUNDS

RECIPIENT	Binding Commitment Date	Binding Commitment Amount	Final Loan Amount	Balance
2006 Capitalization Grant and State Match				\$4,921,068
Rapid City (05) ³⁰	January 11, 2001	\$14,000,000	\$235,049	\$4,686,019
Sioux Falls (23) ³¹	March 31, 2006	\$10,323,000	\$1,523,000	\$3,163,019
Watertown (06)	March 31, 2006	\$1,189,145	\$1,189,145	\$1,973,874
Weston Heights San Dist (01)	March 31, 2006	\$638,300	\$638,300	\$1,335,574
Castlewood (02)	June 22, 2006	\$160,000	\$160,000	\$1,175,574
Parker (02)	June 22, 2006	\$620,000	\$620,000	\$555,574

18. PROJECTS UTILIZING 2006 SRF FUNDS, continued

RECIPIENT	Binding Commitment Date	Binding Commitment Amount	Final Loan Amount	Balance
Winner (01) ³²	June 22, 2006	\$925,000	\$555,574	\$0

³⁰ Balance is from 2004, 2005, and repayment funds

³¹ Balance is from leveraged and repayment funds

³² Balance is from UCE funds

19. PROJECTS UTILIZING LEVERAGED FUNDS

RECIPIENT	Binding Commitment Date	Binding Commitment Amount	Final Loan Amount	Balance
Total Leveraged Funds Available				\$45,507,540
Yankton (02)	December 11, 1997	\$4,500,000	\$4,500,000	\$41,007,540
Lake Madison Sanitary Dist (02) ³³	September 25, 2003	\$875,000	\$7,540	\$41,000,000
Sioux Falls (20-Series A) ³³	January 6, 2005	\$16,000,000	\$9,914,929	\$31,085,071
Sioux Falls (21-Series A) ³⁴	March 31, 2005	\$12,500,000	\$10,634,784	\$20,450,287
Sioux Falls (20-Series B)	October 19, 2005	\$8,700,000	\$8,700,000	\$11,750,287
Sioux Falls (21-Series B) ³⁵	October 19, 2005	\$21,608,000	\$4,250,287	\$7,500,000
Sioux Falls (23) ³⁶	Marcy 31, 2006	\$10,323,000	\$7,500,000	\$0

³³ Balance is from repayment funds

³⁴ Balance is from UCE funds

³⁵ Balance is from repayment and UCE funds

³⁶ Balance is from 2006 and repayment funds

20. PROJECTS UTILIZING REPAYMENT FUNDS

RECIPIENT	Binding Commitment Date	Binding Commitment Amount	Final Loan Amount	Balance
Total Repayments as of 9/30/2006				\$64,314,856
Watertown (04)	November 9, 1995	\$2,200,000	\$932,830	\$63,382,026
Mitchell (01)	April 15, 1997	\$2,000,000	\$1,543,405	\$61,838,621
Rapid City (05) ³⁷	January 11, 2001	\$14,000,000	\$11,500,000	\$50,338,621
Elk Point (02) ³⁸	January 31, 2002	\$450,000	\$409,026	\$49,929,595
Castlewood (01)	January 31, 2002	\$250,000	\$215,859	\$49,713,736
Fort Pierre (02)	January 31, 2002	\$462,500	\$462,500	\$49,251,236
Hartford (03)	April 12, 2002	\$300,000	\$300,000	\$48,951,236
Highmore (01)	April 12, 2002	\$262,300	\$262,300	\$48,688,936
Sioux Falls (15) ³⁸	April 12, 2002	\$1,724,000	\$1,192,221	\$47,496,715
Webster (02)	April 12, 2002	\$811,000	\$811,000	\$46,685,715
Baltic (01)	June 27, 2002	\$465,000	\$405,646	\$46,280,069
Centerville (01)	June 27, 2002	\$500,000	\$500,000	\$45,780,069
Britton (02)	September 26, 2002	\$322,500	\$291,854	\$45,488,215

20. PROJECTS UTILIZING REPAYMENT FUNDS, continued

RECIPIENT	Binding Commitment Date	Binding Commitment Amount	Final Loan Amount	Balance
Canton (02)	January 10, 2003	\$600,000	\$600,000	\$44,888,215
Clark (01)	January 10, 2003	\$400,000	\$400,000	\$44,488,215
Hartford (04)	January 10, 2003	\$550,035	\$550,035	\$43,938,180
Sioux Falls (16)	January 10, 2003	\$2,479,500	\$2,479,500	\$41,458,680
Groton (04)	March 28, 2003	\$163,775	\$126,648	\$41,332,032
Groton (05)	March 28, 2003	\$440,000	\$440,000	\$40,892,032
Jefferson (01)	March 28, 2003	\$320,000	\$166,084	\$40,725,948
Pierre (04)	March 28, 2003	\$1,378,404	\$1,199,832	\$39,526,116
Salem (01)	March 28, 2003	\$592,307	\$518,035	\$39,008,081
Scotland (01)	March 28, 2003	\$250,000	\$250,000	\$38,758,081
Vermillion (03)	March 28, 2003	\$456,000	\$273,965	\$38,484,116
Watertown (05) ³⁸	March 28, 2003	\$2,055,000	\$1,930,624	\$36,553,492
Black Hawk Sanitary District (01)	June 26, 2003	\$589,600	\$477,823	\$36,075,669
Elk Point (03)	June 26, 2003	\$345,000	\$345,000	\$35,730,669
Sioux Falls (17)	June 26, 2003	\$932,000	\$561,320	\$35,169,349
Tea (05)	June 26, 2003	\$495,490	\$495,490	\$34,673,859
Lake Madison Sanitary Dist (02) ³⁹	September 25, 2003	\$875,000	\$605,879	\$34,067,980
Mitchell (02)	September 25, 2003	\$1,320,000	\$1,320,000	\$32,747,980
Lake Cochrane (02)	January 8, 2004	\$160,000	\$156,111	\$32,591,869
Willow Lake (01)	January 8, 2004	\$100,000	\$100,000	\$32,491,869
Fort Pierre (03)	January 9, 2004	\$450,000	\$443,223	\$32,048,646
Vermillion (04) ⁴⁰	July 16, 2004	\$3,548,351	\$2,621,290	\$29,427,356
Parker (01)	September 23, 2004	\$430,000	\$430,000	\$28,997,356
Valley Springs (02)	September 23, 2004	\$350,000	\$350,000	\$28,647,356
Aberdeen (01) (Series A) ⁴¹	January 6, 2005	\$12,062,600	\$7,000,000	\$21,647,356
Aberdeen (01) (Series NPS)	January 6, 2005	\$1,156,259	\$1,156,259	\$20,491,097
Nisland (01)	January 6, 2005	\$204,000	\$204,000	\$20,287,097
Sioux Falls (20-Series A) ³⁹	January 6, 2005	\$16,000,000	\$6,085,071	\$14,202,026
Sioux Falls (20-Series NPS) ⁴¹	January 6, 2005	\$1,249,349	\$1,243,221	\$12,958,805
Sioux Falls (21-Series NPS)	March 31, 2005	\$3,269,418	\$3,125,636	\$9,833,169
Bridgewater (02)	June 23, 2005	\$321,600	\$321,600	\$9,511,569
Salem (02)	June 23, 2005	\$387,960	\$387,960	\$9,123,609
Montrose (01)	September 22, 2005	\$142,621	\$142,621	\$8,980,988
Sioux Falls (21-Series B) ⁴²	October 19, 2005	\$21,608,000	\$7,565,000	\$1,415,988
Sioux Falls (23) ⁴³	March 31, 2006	\$10,323,000	\$1,300,000	\$115,988
Watertown (06NPS)	March 31, 2006	\$113,985	\$113,985	\$2,003

³⁷ Balance is from 2004, 2005, and 2006 funds

³⁸ Balance is from 2001 funds

³⁹ Balance is from leveraged funds

⁴⁰ Balance is from 2004 funds

⁴¹ Balance is from 2005 funds

⁴² Balance is from leveraged and UCE funds

⁴³ Balance is from 2006 and leveraged funds

21. PROJECTS UTILIZING UNRESTRICTED CUMULATIVE EXCESS (UCE) FUNDS

RECIPIENT	Binding Commitment Date	Binding Commitment Amount	Final Loan Amount	Balance
Total UCE Available as of 9/30/2006				\$27,700,918
Freeman (01)	January 6, 2005	\$300,000	\$300,000	\$27,400,918
Huron (04)	January 6, 2005	\$1,500,000	\$1,500,000	\$25,900,918
Lake Poinsett Sanitary Dist (01)	January 6, 2005	\$590,000	\$590,000	\$25,310,918
Lead (05)	January 6, 2005	\$333,700	\$333,700	\$24,977,218
Sioux Falls (21-Series A) ⁴⁴	March 31, 2005	\$12,500,000	\$1,865,216	\$23,112,002
Redfield (01)	June 23, 2005	\$333,788	\$0	\$23,112,002
Colton (01)	September 22, 2005	\$204,500	\$204,500	\$22,907,502
Philip (03)	September 22, 2005	\$347,040	\$347,040	\$22,560,462
Sioux Falls (21-Series B) ⁴⁵	October 19, 2005	\$21,608,000	\$8,292,713	\$14,267,749
Burke (01)	January 5, 2006	\$155,000	\$155,000	\$14,112,749
Dell Rapids (02)	January 5, 2006	\$731,737	\$731,737	\$13,381,012
Sioux Falls (22)	February 7, 2006	\$10,550,000	\$10,550,000	\$2,831,012
Tyndall (01)	March 31, 2006	\$795,000	\$795,000	\$2,036,012
Winner (01) ⁴⁶	June 22, 2006	\$925,000	\$369,426	\$1,666,586
Elk Point (04)	June 22, 2006	\$100,000	\$100,000	\$1,566,586

⁴⁴ Balance is from leveraged funds

⁴⁵ Balance is from leveraged and repayment funds

⁴⁶ Balance is from 2006 funds

EXHIBIT V
Clean Water SRF Disbursements
October 1, 2005 to September 2006

LOAN DISBURSEMENTS

Disburse Number	Date	Payee	Leveraged Funds	Repayment Funds	State Funds	Federal Funds	Total Payment
06-02	10/05/05	Vermillion (04)	\$0	\$0	\$0	\$303,399	\$303,399
06-01	10/06/05	Lake Cochrane (02)	\$0	\$4,111	\$0	\$0	\$4,111
06-02	10/06/05	Vermillion (04)	\$0	\$215,504	\$0	\$0	\$215,504
06-03	10/13/05	Aberdeen (01)	\$0	\$0	\$0	\$947,259	\$947,259
06-04	10/13/05	Clear Lake (02)	\$0	\$0	\$0	\$107,850	\$107,850
06-05	10/24/05	Nisland (01)	\$0	\$39,586	\$0	\$0	\$39,586
06-06	10/24/05	Sioux Falls (20A)	\$0	\$2,752,072	\$0	\$0	\$2,752,072
06-07	10/24/05	Sioux Falls (21A)	\$0	\$1,117,158	\$0	\$0	\$1,117,158
06-08	10/24/05	Watertown (05)	\$0	\$4,205	\$0	\$0	\$4,205
06-11	11/02/05	Aberdeen (01)	\$0	\$0	\$0	\$539,112	\$539,112
06-09	11/03/05	Sioux Falls (20NPS)	\$0	\$21,972	\$0	\$0	\$21,972
06-10	11/03/05	Valley Springs (02)	\$0	\$220,670	\$0	\$0	\$220,670
06-13	11/10/05	Vermillion (04)	\$0	\$506,265	\$0	\$0	\$506,265
06-12	11/14/05	Salem (02)	\$0	\$34,743	\$0	\$0	\$34,743
06-15	11/17/05	Sioux Falls (20A)	\$1,782,958	\$0	\$0	\$0	\$1,782,958
06-16	11/17/05	Sioux Falls (21A)	\$1,832,088	\$0	\$0	\$0	\$1,832,088
06-14	11/18/05	Montrose (01)	\$0	\$3,762	\$0	\$0	\$3,762
06-17	11/23/05	Salem (02)	\$0	\$161,463	\$0	\$0	\$161,463
06-18	11/23/05	Sioux Falls (20NPS)	\$0	\$11,850	\$0	\$0	\$11,850
06-19	12/01/05	Sioux Falls (18)	\$0	\$0	\$0	\$81,366	\$81,366
06-20	12/01/05	Sioux Falls (19)	\$0	\$0	\$0	\$192,840	\$192,840
06-21	12/12/05	Valley Springs (02)	\$0	\$2,975	\$0	\$0	\$2,975
06-22	12/12/05	Vermillion (04)	\$0	\$505,439	\$0	\$0	\$505,439
06-23	12/12/05	Watertown (05)	\$0	\$1,361	\$0	\$0	\$1,361
06-24	12/19/05	Aberdeen (01)	\$0	\$0	\$0	\$658,977	\$658,977
06-25	12/19/05	Aberdeen (01NPS)	\$0	\$6,854	\$0	\$0	\$6,854
06-26	12/19/05	Sioux Falls (20NPS)	\$0	\$11,017	\$0	\$0	\$11,017
06-27	12/21/05	Sioux Falls (20A)	\$894,019	\$0	\$0	\$0	\$894,019
06-28	12/21/05	Sioux Falls (21A)	\$1,056,093	\$0	\$0	\$0	\$1,056,093
06-29	12/22/05	Salem (02)	\$0	\$61,060	\$0	\$0	\$61,060
06-31	12/27/05	Sioux Falls (18)	\$0	\$0	\$0	\$6,131	\$6,131
06-32	12/27/05	Clear Lake (02)	\$0	\$0	\$0	\$104,013	\$104,013
06-30	12/27/05	Sioux Falls (19)	\$0	\$0	\$0	\$20,696	\$20,696
06-33	12/30/05	Bridgewater (02)	\$0	\$12,556	\$0	\$0	\$12,556
06-34	12/30/05	Montrose (01)	\$0	\$615	\$0	\$0	\$615
06-35	01/04/06	Aberdeen (01)	\$0	\$0	\$0	\$744,378	\$744,378
06-36	01/04/06	Yankton (03)	\$0	\$0	\$0	\$83,307	\$83,307
06-37	01/12/06	Nisland (01)	\$0	\$9,043	\$0	\$0	\$9,043
06-38	01/12/06	Vermillion (04)	\$0	\$399,487	\$0	\$0	\$399,487
06-40	01/20/06	Sioux Falls (21A)	\$664,189	\$0	\$0	\$0	\$664,189
06-42	01/20/06	Sioux Falls (20A)	\$808,658	\$0	\$0	\$0	\$808,658

Disburse Number	Date	Payee	Leveraged Funds	Repayment Funds	State Funds	Federal Funds	Total Payment
06-39	01/23/06	Freeman (01)	\$0	\$108,729	\$0	\$0	\$108,729
06-41	01/26/06	Sioux Falls (20NPS)	\$0	\$8,982	\$0	\$0	\$8,982
06-44	01/27/06	Yankton (03)	\$0	\$0	\$0	\$45,925	\$45,925
06-43	02/02/06	Salem (02)	\$0	\$17,723	\$0	\$0	\$17,723
06-45	02/10/06	Aberdeen (01)	\$0	\$0	\$0	\$203,666	\$203,666
06-45	02/10/06	Aberdeen (01)	\$0	\$0	\$0	\$22,783	\$22,783
06-46	02/10/06	Elk Point (03)	\$0	\$17,000	\$0	\$0	\$17,000
06-47	02/10/06	Vermillion (04)	\$0	\$245,402	\$0	\$0	\$245,402
06-48	02/15/06	Nisland (01)	\$0	\$3,036	\$0	\$0	\$3,036
06-49	02/15/06	Sioux Falls (20NPS)	\$0	\$7,336	\$0	\$0	\$7,336
06-50	02/23/06	Sioux Falls (20A)	\$896,029	\$0	\$0	\$0	\$896,029
06-51	02/23/06	Sioux Falls (21A)	\$435,733	\$0	\$0	\$0	\$435,733
06-52	03/08/06	Vermillion (04)	\$0	\$266,355	\$0	\$0	\$266,355
06-53	03/15/06	Aberdeen (01)	\$0	\$0	\$0	\$197,645	\$197,645
06-54	03/15/06	Nisland (01)	\$0	\$2,396	\$0	\$0	\$2,396
06-56	03/15/06	Sioux Falls (20NPS)	\$0	\$3,869	\$0	\$0	\$3,869
06-57	03/15/06	Sioux Falls (21A)	\$965,467	\$0	\$0	\$0	\$965,467
06-55	03/16/06	Sioux Falls (20A)	\$797,925	\$0	\$0	\$0	\$797,925
06-58	03/29/06	Bridgewater (02)	\$0	\$2,447	\$0	\$0	\$2,447
06-59	04/12/06	Fort Pierre (03)	\$0	\$34,247	\$0	\$0	\$34,247
06-60	04/12/06	Vermillion (04)	\$0	\$163,537	\$0	\$0	\$163,537
06-61	04/20/06	Sioux Falls (20A)	\$1,951,728	\$0	\$0	\$0	\$1,951,728
06-62	04/20/06	Sioux Falls (21A)	\$739,150	\$0	\$0	\$0	\$739,150
06-63	04/27/06	Sioux Falls (20NPS)	\$0	\$6,545	\$0	\$0	\$6,545
06-64	05/03/06	Aberdeen (01)	\$0	\$0	\$0	\$1,024,814	\$1,024,814
06-65	05/03/06	Vermillion (04)	\$0	\$0	\$0	\$206,584	\$206,584
06-66	05/10/06	Sioux Falls (18)	\$0	\$0	\$0	\$93,046	\$93,046
06-68	05/17/06	Montrose (01)	\$0	\$1,737	\$0	\$0	\$1,737
06-69	05/17/06	Nisland (01)	\$0	\$1,912	\$0	\$0	\$1,912
06-70	05/18/06	Sioux Falls (20A)	\$2,105,661	\$0	\$0	\$0	\$2,105,661
06-71	05/18/06	Sioux Falls (21A)	\$1,926,200	\$0	\$0	\$0	\$1,926,200
06-67	05/19/06	Aberdeen (01)	\$0	\$0	\$0	\$564,570	\$564,570
06-72	05/19/06	Sioux Falls (23)	\$0	\$0	\$0	\$1,030,389	\$1,030,389
06-73	05/24/06	Salem (02)	\$0	\$65,416	\$0	\$0	\$65,416
06-74	05/24/06	Sioux Falls (20NPS)	\$0	\$3,611	\$0	\$0	\$3,611
06-75	06/05/06	Clear Lake (02)	\$0	\$0	\$0	\$53,401	\$53,401
06-76	06/09/06	Aberdeen (01)	\$0	\$0	\$0	\$159,396	\$159,396
06-76	06/09/06	Aberdeen (01)	\$0	\$871,054	\$0	\$0	\$871,054
06-77	06/09/06	Vermillion (04)	\$0	\$0	\$0	\$140,224	\$140,224
06-78	06/15/06	Dell Rapids (02)	\$0	\$64,645	\$0	\$0	\$64,645
06-79	06/15/06	Watertown (05)	\$0	\$10,209	\$0	\$0	\$10,209
06-80	06/15/06	Sioux Falls (20A)	\$677,951	\$0	\$0	\$0	\$677,951
06-81	06/15/06	Sioux Falls (20B)	\$3,492,660	\$0	\$0	\$0	\$3,492,660
06-82	06/15/06	Sioux Falls (21A)	\$1,469,664	\$0	\$0	\$0	\$1,469,664
06-83	06/16/06	Sioux Falls (23)	\$0	\$0	\$0	\$425,201	\$425,201
06-84	06/21/06	Sioux Falls (20NPS)	\$0	\$4,733	\$0	\$0	\$4,733
06-85	06/21/06	Salem (02)	\$0	\$47,555	\$0	\$0	\$47,555
06-86	06/28/06	Nisland (01)	\$0	\$2,008	\$0	\$0	\$2,008

Disburse Number	Date	Payee	Leveraged Funds	Repayment Funds	State Funds	Federal Funds	Total Payment
06-87	07/07/06	Valley Springs (02)	\$0	\$58,841	\$0	\$0	\$58,841
06-88	07/07/06	Vermillion (04)	\$0	\$43,097	\$0	\$0	\$43,097
06-89	07/12/06	Dell Rapids (02)	\$0	\$134,899	\$0	\$0	\$134,899
06-90	07/19/06	Bridgewater (02)	\$0	\$76,776	\$0	\$0	\$76,776
06-91	07/19/06	Burke (01)	\$0	\$40,522	\$0	\$0	\$40,522
06-92	07/19/06	Aberdeen (01)	\$0	\$286,082	\$0	\$0	\$286,082
06-94	07/20/06	Sioux Falls (20B)	\$4,351,490	\$0	\$0	\$0	\$4,351,490
06-95	07/20/06	Sioux Falls (21A)	\$1,546,200	\$0	\$0	\$0	\$1,546,200
06-96	07/20/06	Sioux Falls (21B)	\$341,584	\$0	\$0	\$0	\$341,584
06-93	07/21/06	Sioux Falls (18)	\$0	\$0	\$0	\$246,088	\$246,088
06-97	07/21/06	Sioux Falls (23)	\$0	\$0	\$0	\$67,410	\$67,410
06-97	07/25/06	Sioux Falls (23)	\$0	\$158,457	\$0	\$0	\$158,457
06-98	07/26/06	Nisland (01)	\$0	\$3,883	\$0	\$0	\$3,883
06-99	07/26/06	Sioux Falls (20NPS)	\$0	\$311	\$0	\$0	\$311
06-100	08/02/06	Burke (01)	\$0	\$20,917	\$0	\$0	\$20,917
06-101	08/02/06	Philip (03)	\$0	\$200,108	\$0	\$0	\$200,108
06-102	08/09/06	Vermillion (04)	\$0	\$64,413	\$0	\$0	\$64,413
06-103	08/09/06	Aberdeen (01NPS)	\$0	\$13,384	\$0	\$0	\$13,384
06-104	08/09/06	Aberdeen (01)	\$0	\$273,510	\$0	\$0	\$273,510
06-105	08/09/06	Montrose (01)	\$0	\$3,779	\$0	\$0	\$3,779
06-106	08/15/06	Bridgewater (02)	\$0	\$86,859	\$0	\$0	\$86,859
06-107	08/15/06	Dell Rapids (02)	\$0	\$75,668	\$0	\$0	\$75,668
06-109	08/22/06	Burke (01)	\$0	\$44,802	\$0	\$0	\$44,802
06-109	08/22/06	Nisland (01)	\$0	\$3,210	\$0	\$0	\$3,210
06-110	08/22/06	Sioux Falls (18)	\$0	\$0	\$0	\$585,163	\$585,163
06-111	08/22/06	Sioux Falls (20B)	\$855,850	\$0	\$0	\$0	\$855,850
06-112	08/22/06	Sioux Falls (20NPS)	\$0	\$4,345	\$0	\$0	\$4,345
06-113	08/22/06	Sioux Falls (21B)	\$1,512,060	\$0	\$0	\$0	\$1,512,060
06-115	08/22/06	Sioux Falls (23)	\$0	\$365,502	\$0	\$0	\$365,502
06-114	08/23/06	Sioux Falls (22)	\$0	\$2,431,906	\$0	\$0	\$2,431,906
06-116	08/30/06	Gayville (01)	\$0	\$0	\$0	\$9,590	\$9,590
06-120	09/13/06	Vermillion (04)	\$0	\$0	\$0	\$122,100	\$122,100
06-110	09/14/06	Mitchell (02)	\$0	\$91,288	\$0	\$0	\$91,288
06-117	09/14/06	Aberdeen (01)	\$0	\$287,466	\$0	\$0	\$287,466
06-118	09/14/06	Dell Rapids (02)	\$0	\$110,539	\$0	\$0	\$110,539
06-121	09/21/06	Sioux Falls (18)	\$0	\$0	\$0	\$120,316	\$120,316
06-121	09/21/06	Sioux Falls (18)	\$0	\$0	\$0	\$316,861	\$316,861
06-123	09/21/06	Sioux Falls (21B)	\$1,661,263	\$0	\$0	\$0	\$1,661,263
06-122	09/22/06	Sioux Falls (20NPS)	\$0	\$9,115	\$0	\$0	\$9,115
06-124	09/22/06	Sioux Falls (22)	\$0	\$3,694,355	\$0	\$0	\$3,694,355
06-125	09/22/06	Sioux Falls (23)	\$0	\$142,189	\$0	\$0	\$142,189
06-126	09/22/06	Burke (01)	\$0	\$17,789	\$0	\$0	\$17,789
06-127	09/27/06	Colton (01)	\$0	\$75,430	\$0	\$0	\$75,430
Total Loan Disbursements			\$32,764,620	\$16,883,694	\$0	\$9,424,500	\$59,072,814

ADMINISTRATIVE DISBURSEMENTS

Disburse Number	Date	Payee	Costs of Issuance	State Match	Federal	State Admin Restricted	State Admin Discretionary	Total Payment
06A-01	10/05/05	Perkins Coie	\$0.00	\$6,667.00	\$33,333.00	\$0.00	\$0.00	\$40,000.00
06A-02	10/21/05	SD	\$0.00	\$5,240.00	\$26,200.00	\$0.00	\$0.00	\$31,440.00
06A-02	10/21/05	SD-Planning Grants	\$0.00	\$0.00	\$0.00	\$0.00	\$6,000.00	\$6,000.00
06A-02	10/21/05	SD-CAFO Grants	\$0.00	\$0.00	\$0.00	\$0.00	\$6,000.00	\$6,000.00
06A-02	10/21/05	SD-Sale Barn Grants	\$0.00	\$0.00	\$0.00	\$0.00	\$6,800.00	\$6,800.00
06A-02	10/21/05	SD-Planning Dist Grants	\$0.00	\$0.00	\$0.00	\$10,000.00	\$0.00	\$10,000.00
06A-03	10/25/05	Perkins Coie	\$34,205.00	\$0.00	\$0.00	\$0.00	\$0.00	\$34,205.00
06A-04	10/25/05	FNB	\$8,209.00	\$0.00	\$0.00	\$0.00	\$0.00	\$8,209.00
06A-05	10/25/05	Moody's	\$14,845.00	\$0.00	\$0.00	\$0.00	\$0.00	\$14,845.00
06A-06	10/25/05	Financial Print Resource	\$2,111.88	\$0.00	\$0.00	\$0.00	\$0.00	\$2,111.88
06A-07	11/18/05	SD	\$0.00	\$2,000.00	\$10,000.00	\$0.00	\$0.00	\$12,000.00
06A-07	11/18/05	SD-Planning Grants	\$0.00	\$0.00	\$0.00	\$0.00	\$5,600.00	\$5,600.00
06A-07	11/18/05	SD-CAFO Grants	\$0.00	\$0.00	\$0.00	\$0.00	\$12,200.00	\$12,200.00
06A-07	11/18/05	SD-Sale Barn Grants	\$0.00	\$0.00	\$0.00	\$0.00	\$148,900.00	\$148,900.00
06A-07	11/18/05	SD-Planning Dist Grants	\$0.00	\$0.00	\$0.00	\$2,500.00	\$0.00	\$2,500.00
06A-08	12/19/05	SD	\$0.00	\$3,380.00	\$16,900.00	\$0.00	\$0.00	\$20,280.00
06A-08	12/19/05	SD-Planning Grants	\$0.00	\$0.00	\$0.00	\$0.00	\$6,400.00	\$6,400.00
06A-08	12/19/05	SD-CAFO Grants	\$0.00	\$0.00	\$0.00	\$0.00	\$19,500.00	\$19,500.00
06A-08	12/19/05	SD-Sale Barn Grants	\$0.00	\$0.00	\$0.00	\$0.00	\$86,300.00	\$86,300.00
06A-08	12/19/05	SD-Planning Dist Grants	\$0.00	\$0.00	\$0.00	\$2,500.00	\$0.00	\$2,500.00
06A-09	12/19/05	FNB (admin cost)	\$0.00	\$0.00	\$0.00	\$0.00	\$21,232.50	\$21,232.50
06A-10	01/27/06	SD	\$0.00	\$2,860.00	\$14,300.00	\$0.00	\$0.00	\$17,160.00
06A-10	01/27/06	SD-Planning Grants	\$0.00	\$0.00	\$0.00	\$0.00	\$13,200.00	\$13,200.00
06A-10	01/27/06	SD-CAFO Grants	\$0.00	\$0.00	\$0.00	\$0.00	\$24,900.00	\$24,900.00
06A-10	01/27/06	SD-Planning Dist Grants	\$0.00	\$0.00	\$0.00	\$7,500.00	\$0.00	\$7,500.00
06A-11	01/27/06	Public Financial Mgmt	\$25,958.44	\$0.00	\$0.00	\$0.00	\$0.00	\$25,958.44
06A-12	02/15/06	SD	\$0.00	\$2,817.00	\$14,106.00	\$0.00	\$0.00	\$16,923.00
06A-12	02/15/06	SD	\$0.00	\$4.00	\$0.00	\$0.00	\$0.00	\$4.00
06A-12	02/15/06	SD-Planning Grants	\$0.00	\$0.00	\$0.00	\$0.00	\$9,600.00	\$9,600.00
06A-12	02/15/06	SD-CAFO Grants	\$0.00	\$0.00	\$0.00	\$0.00	\$23,600.00	\$23,600.00
06A-12	02/15/06	SD-Sale Barn Grants	\$0.00	\$0.00	\$0.00	\$0.00	\$67,000.00	\$67,000.00
06A-12	02/15/06	SD-Planning Dist Grants	\$0.00	\$0.00	\$0.00	\$7,500.00	\$0.00	\$7,500.00
06A-13	02/23/06	Standard & Poor's	\$15,734.00	\$0.00	\$0.00	\$0.00	\$0.00	\$15,734.00
06A-14	03/08/06	Public Financial Mgmt	\$2,818.15	\$0.00	\$0.00	\$0.00	\$0.00	\$2,818.15
06A-15	03/22/06	SD	\$0.00	\$0.00	\$0.00	\$0.00	\$19,458.00	\$19,458.00
06A-15	03/22/06	SD-Planning Grants	\$0.00	\$0.00	\$0.00	\$0.00	\$800.00	\$800.00
06A-15	03/22/06	SD-CAFO Grants	\$0.00	\$0.00	\$0.00	\$0.00	\$12,800.00	\$12,800.00
06A-15	03/22/06	SD-Planning Dist Grants	\$0.00	\$0.00	\$0.00	\$2,500.00	\$0.00	\$2,500.00
06A-16	04/20/06	Perkins Coie	\$0.00	\$0.00	\$0.00	\$0.00	\$37,500.00	\$37,500.00
06A-17	04/20/06	SD	\$0.00	\$0.00	\$0.00	\$0.00	\$30,572.00	\$30,572.00
06A-17	04/20/06	SD-Planning Grants	\$0.00	\$0.00	\$0.00	\$0.00	\$15,100.00	\$15,100.00
06A-17	04/20/06	SD-Sale Barn Grants	\$0.00	\$0.00	\$0.00	\$0.00	\$17,200.00	\$17,200.00
06A-18	05/24/06	SD	\$0.00	\$2,238.00	\$11,189.00	\$0.00	\$0.00	\$13,427.00
06A-18	05/24/06	SD	\$0.00	\$0.00	\$0.00	\$0.00	\$14,592.00	\$14,592.00
06A-18	05/24/06	SD-CAFO Grants	\$0.00	\$0.00	\$0.00	\$0.00	\$14,700.00	\$14,700.00

Disburse Number	Date	Payee	Costs of Issuance	State Match	Federal	State Admin Restricted	State Admin Discretionary	Total Payment
06A-18	05/24/06	SD-Sale Barn Grants	\$0.00	\$0.00	\$0.00	\$0.00	\$41,000.00	\$41,000.00
06A-18	05/24/06	SD-Planning Dist Grants	\$0.00	\$0.00	\$0.00	\$7,500.00	\$0.00	\$7,500.00
06A-19	06/09/06	FNB	\$0.00	\$4,129.00	\$20,647.00	\$0.00	\$0.00	\$24,776.00
06A-20	06/23/06	SD	\$0.00	\$3,108.00	\$15,539.00	\$0.00	\$0.00	\$18,647.00
06A-20	06/23/06	SD-Planning Grants	\$0.00	\$0.00	\$0.00	\$0.00	\$164,000.00	\$164,000.00
06A-20	06/23/06	SD-CAFO Grants	\$0.00	\$0.00	\$0.00	\$0.00	\$5,200.00	\$5,200.00
06A-21	07/27/06	SD	\$0.00	\$3,334.00	\$16,668.00	\$0.00	\$0.00	\$20,002.00
06A-21	07/27/06	SD-Planning Grants	\$0.00	\$0.00	\$0.00	\$0.00	\$20,800.00	\$20,800.00
06A-21	07/27/06	SD-Sale Barn Grants	\$0.00	\$0.00	\$0.00	\$0.00	\$94,000.00	\$94,000.00
06A-22	08/29/06	SD	\$0.00	\$3,756.00	\$18,779.00	\$0.00	\$0.00	\$22,535.00
06A-22	08/29/06	SD	\$0.00	\$0.00	\$0.00	\$0.00	\$167.00	\$167.00
06A-22	08/29/06	SD-Planning Grants	\$0.00	\$0.00	\$0.00	\$0.00	\$9,600.00	\$9,600.00
06A-22	08/29/06	SD-CAFO Grants	\$0.00	\$0.00	\$0.00	\$0.00	\$5,600.00	\$5,600.00
06A-22	08/29/06	SD-Sale Barn Grants	\$0.00	\$0.00	\$0.00	\$0.00	\$188,100.00	\$188,100.00
06A-22	08/29/06	SD-Planning Dist Grants	\$0.00	\$0.00	\$0.00	\$0.00	\$15,000.00	\$15,000.00
06A-23	09/14/06	Public Financial Mgmt	\$0.00	\$0.00	\$0.00	\$0.00	\$8,145.00	\$8,145.00
06A-24	09/26/06	SD	\$0.00	\$3,953.00	\$19,763.00	\$0.00	\$0.00	\$23,716.00
06A-24	09/26/06	SD-Planning Grants	\$0.00	\$0.00	\$0.00	\$0.00	\$17,200.00	\$17,200.00
06A-24	09/26/06	SD-CAFO Grants	\$0.00	\$0.00	\$0.00	\$0.00	\$1,500.00	\$1,500.00
06A-24	09/26/06	SD-Sale Barn Grants	\$0.00	\$0.00	\$0.00	\$0.00	\$36,800.00	\$36,800.00
06A-24	09/26/06	SD-Planning Dist Grants	\$0.00	\$0.00	\$0.00	\$2,500.00	\$0.00	\$2,500.00
			\$103,881.47	\$43,486.00	\$217,424.00	\$42,500.00	\$1,227,066.50	\$1,634,357.97

TOTAL OF ALL CWSRF DISBURSEMENTS

\$60,707,171.97

Disbursements to the State of SD reflect reimbursements for disbursements made through the state accounting system. These reimbursements are for payroll expenses, overhead costs, planning grants, sale barn grants, and CAFO grants. These reimbursements are rounded and do not reflect expenses as incurred during the year. Expenses reimbursed also may be from a prior fiscal year. See Financial Statements for expenses incurred on an accrual basis.

EXHIBIT VI
Letter of Credit Analysis
Projected Draws vs. Actual Draws
Federal Fiscal Year 2006

Quarter	Projected Draws	Actual Loan Draws	Actual Admin Draws	Difference
1ST	\$2,000,000	\$2,961,643	\$86,433	(\$1,048,076)
2ND	\$2,000,000	\$1,297,704	\$28,406	\$673,890
3RD	\$3,000,000	\$3,697,625	\$47,375	(\$745,000)
4TH	\$1,000,000	\$1,467,528	\$55,210	(\$522,738)
	\$8,000,000	\$9,424,500	\$217,424	(\$1,641,924)

Letter of Credit Draws
Federal Fiscal Year 2006

Draw #	Date	Loan	Admin	Total
0597	10/04/05	\$303,399	\$33,333	\$336,732
0598	10/12/05	\$1,055,109	\$0	\$1,055,109
0599	10/20/05	\$0	\$26,200	\$26,200
0601	11/01/05	\$539,112	\$0	\$539,112
0603	11/16/05	\$0	\$10,000	\$10,000
0604	11/30/05	\$274,206	\$0	\$274,206
0606	12/16/05	\$658,977	\$16,900	\$675,877
0608	12/23/05	\$130,840	\$0	\$130,840
0609	01/03/06	\$827,685	\$0	\$827,685
0612	01/26/06	\$45,925	\$14,300	\$60,225
0613	02/09/06	\$226,449	\$0	\$226,449
0614	02/14/06	\$0	\$14,106	\$14,106
0617	03/14/06	\$197,645	\$0	\$197,645
0624	05/02/06	\$1,231,398	\$0	\$1,231,398
0625	05/09/06	\$93,046	\$0	\$93,046
0626	05/18/06	\$1,594,959	\$0	\$1,594,959
0627	05/23/06	\$0	\$11,189	\$11,189
0629	06/02/06	\$53,401	\$0	\$53,401
0630	06/08/06	\$299,620	\$20,647	\$320,267
0631	06/15/06	\$425,201	\$0	\$425,201
0633	06/22/06	\$0	\$15,539	\$15,539
0636	07/20/06	\$313,498	\$0	\$313,498
0637	07/26/06	\$0	\$16,668	\$16,668
0641	08/21/06	\$585,163	\$0	\$585,163
0642	08/28/06	\$0	\$18,779	\$18,779
0643	08/29/06	\$9,590	\$0	\$9,590
0645	09/12/06	\$122,100	\$0	\$122,100
0647	09/20/06	\$437,177	\$0	\$437,177
0648	09/25/06	\$0	\$19,763	\$19,763
		\$9,424,500	\$217,424	\$9,641,924

EXHIBIT VII
Environmental Review and
Land Purchase Information

Recipient	Environmental Assessment Class	Environmental Assessment Publication Date	Land Purchase w/SRF?
Burke (01)	CATEX	01/04/2006	No
Castlewood (02)	CATEX	05/24/2006	No
Dell Rapids (02)	CATEX	12/14/2005	No
Elk Point (04)	CATEX	06/15/2006	No
Parker (02)	CATEX	06/15/2006	No
Sioux Falls (20B)	CATEX	11/26/2004	No
Sioux Falls (21B)	FNSI	03/29/2005	No
Sioux Falls (22)	CATEX	11/26/2004	No
Sioux Falls (23)	FNSI	03/09/2006	No
Tyndall (01)	CATEX	03/01/2006	No
Watertown (06) and (06NPS)	CATEX	02/25/2006	No
Weston Heights Sanitary District (01)	FNSI	03/27/2006	No
Winner (01)	CATEX	06/14/2006	No

EXHIBIT VIII
CWSRF LOAN PARTICIPANTS
September 30, 2006

Borrower Name	Loan Amount	State Advances	Federal Advances	Other Advances	Total Advances	Repayment Amount	Loan Balance
Aberdeen (01)	\$12,062,600	\$0	\$5,062,600	\$1,718,112	\$6,780,712	\$0.00	\$6,780,712.00
Aberdeen (01NPS)	\$1,156,259	\$0	\$0	\$20,238	\$20,238	\$0.00	\$20,238.00
Aurora (01)	\$309,759	\$44,555	\$265,204	\$0	\$309,759	\$47,336.27	\$262,422.73
Baltic (01)	\$405,646	\$0	\$0	\$405,646	\$405,646	\$36,632.61	\$369,013.39
Belle Fourche (01)	\$253,000	\$38,396	\$214,604	\$0	\$253,000	\$157,143.34	\$95,856.66
Belle Fourche (02)	\$264,422	\$44,071	\$220,351	\$0	\$264,422	\$264,422.00	\$0.00
Beresford (01)	\$1,115,852	\$76,297	\$1,039,555	\$0	\$1,115,852	\$1,115,852.00	\$0.00
Black Hawk San. Dist. (01)	\$477,823	\$0	\$0	\$477,823	\$477,823	\$16,816.27	\$461,006.73
Box Elder (01)	\$648,600	\$108,100	\$540,500	\$0	\$648,600	\$482,903.94	\$165,696.06
Brandon (01)	\$105,000	\$103,723	\$1,277	\$0	\$105,000	\$105,000.00	\$0.00
Brandon (02)	\$526,018	\$125,389	\$400,629	\$0	\$526,018	\$526,018.00	\$0.00
Bridgewater (01)	\$90,328	\$15,055	\$75,273	\$0	\$90,328	\$24,478.59	\$65,849.41
Bridgewater (02)	\$321,600	\$0	\$0	\$178,638	\$178,638	\$0.00	\$178,638.00
Britton (01)	\$509,935	\$84,990	\$424,945	\$0	\$509,935	\$317,990.38	\$191,944.62
Britton (02)	\$291,854	\$0	\$0	\$291,854	\$291,854	\$20,875.08	\$270,978.92
Brookings (01)	\$188,065	\$31,344	\$156,721	\$0	\$188,065	\$188,065.00	\$0.00
Burke (01)	\$155,000	\$0	\$0	\$124,030	\$124,030	\$0.00	\$124,030.00
Canton (01)	\$515,715	\$0	\$515,715	\$0	\$515,715	\$427,936.84	\$87,778.16
Canton (02)	\$600,000	\$0	\$0	\$600,000	\$600,000	\$37,168.62	\$562,831.38
Castlewood (01)	\$215,859	\$0	\$0	\$215,859	\$215,859	\$23,608.28	\$192,250.72
Castlewood (02)	\$160,000	\$0	\$0	\$0	\$0	\$0.00	\$0.00
Centerville (01)	\$500,000	\$0	\$0	\$500,000	\$500,000	\$45,168.82	\$454,831.18
Chamberlain (01)	\$350,500	\$0	\$350,500	\$0	\$350,500	\$350,500.00	\$0.00
Chamberlain (02)	\$265,000	\$44,167	\$220,833	\$0	\$265,000	\$265,000.00	\$0.00
Chamberlain (03)	\$2,700,000	\$450,002	\$2,249,998	\$0	\$2,700,000	\$2,700,000.00	\$0.00
Chamberlain (04)	\$450,000	\$75,000	\$375,000	\$0	\$450,000	\$117,197.40	\$332,802.60
Clark (01)	\$400,000	\$0	\$0	\$400,000	\$400,000	\$23,105.63	\$376,894.37
Clear Lake (01)	\$79,537	\$18,075	\$61,462	\$0	\$79,537	\$79,537.00	\$0.00
Clear Lake (02)	\$687,227	\$28,301	\$658,926	\$0	\$687,227	\$6,132.48	\$681,094.52
Colton (01)	\$204,500	\$0	\$0	\$75,430	\$75,430	\$0.00	\$75,430.00

Borrower Name	Loan Amount	State Advances	Federal Advances	Other Advances	Total Advances	Repayment Amount	Loan Balance
Custer (01)	\$430,000	\$91,087	\$338,913	\$0	\$430,000	\$272,211.84	\$157,788.16
Custer (02)	\$182,000	\$30,333	\$151,667	\$0	\$182,000	\$182,000.00	\$0.00
Custer (03)	\$276,000	\$46,003	\$229,997	\$0	\$276,000	\$276,000.00	\$0.00
Custer-Fall River (NPS-01)	\$106,939	\$17,823	\$89,116	\$0	\$106,939	\$106,939.00	\$0.00
Deadwood (01)	\$447,838	\$74,640	\$373,198	\$0	\$447,838	\$365,398.31	\$82,439.69
Dell Rapids (01)	\$300,000	\$50,001	\$249,999	\$0	\$300,000	\$300,000.00	\$0.00
Dell Rapids (02)	\$731,737	\$0	\$0	\$385,751	\$385,751	\$0.00	\$385,751.00
Elk Point (01)	\$458,000	\$76,335	\$381,665	\$0	\$458,000	\$316,743.62	\$141,256.38
Elk Point (02)	\$450,000	\$6,829	\$34,145	\$312,604	\$353,578	\$42,079.24	\$311,498.76
Elk Point (03)	\$345,000	\$0	\$0	\$345,000	\$345,000	\$12,653.32	\$332,346.68
Elk Point (04)	\$100,000	\$0	\$0	\$0	\$0	\$0.00	\$0.00
Fort Pierre (01)	\$330,294	\$55,051	\$275,243	\$0	\$330,294	\$330,294.00	\$0.00
Fort Pierre (02)	\$462,500	\$0	\$0	\$462,500	\$462,500	\$87,321.78	\$375,178.22
Fort Pierre (03)	\$443,223	\$0	\$0	\$443,223	\$443,223	\$5,133.51	\$438,089.49
Freeman (01)	\$300,000	\$0	\$0	\$300,000	\$300,000	\$6,624.81	\$293,375.19
Garretson (01)	\$300,000	\$50,001	\$249,999	\$0	\$300,000	\$300,000.00	\$0.00
Gayville (01)	\$275,000	\$37,132	\$225,840	\$0	\$262,972	\$0.00	\$262,972.00
Groton (01)	\$189,524	\$31,589	\$157,935	\$0	\$189,524	\$189,524.00	\$0.00
Groton (02)	\$74,630	\$12,440	\$62,190	\$0	\$74,630	\$74,630.00	\$0.00
Groton (03)	\$470,809	\$78,467	\$392,342	\$0	\$470,809	\$125,312.14	\$345,496.86
Groton (04)	\$126,648	\$0	\$0	\$126,648	\$126,648	\$9,072.46	\$117,575.54
Groton (05)	\$440,000	\$0	\$0	\$440,000	\$440,000	\$23,432.42	\$416,567.58
Harrisburg (01)	\$507,277	\$84,545	\$422,732	\$0	\$507,277	\$118,086.51	\$389,190.49
Hartford (01)	\$504,000	\$32,409	\$471,591	\$0	\$504,000	\$74,224.04	\$429,775.96
Hartford (02)	\$690,804	\$67,100	\$623,704	\$0	\$690,804	\$101,037.27	\$589,766.73
Hartford (03)	\$300,000	\$0	\$0	\$300,000	\$300,000	\$44,532.24	\$255,467.76
Hartford (04)	\$550,035	\$0	\$0	\$550,035	\$550,035	\$44,331.93	\$505,703.07
Highmore (01)	\$262,300	\$0	\$0	\$262,300	\$262,300	\$26,180.65	\$236,119.35
Hot Springs (01)	\$196,930	\$32,822	\$164,108	\$0	\$196,930	\$196,930.00	\$0.00
Hot Springs (NPS-01)	\$930,000	\$155,001	\$774,999	\$0	\$930,000	\$397,097.39	\$532,902.61
Huron (01)	\$1,656,000	\$276,001	\$1,379,999	\$0	\$1,656,000	\$1,656,000.00	\$0.00
Huron (02)	\$701,997	\$110,501	\$591,496	\$0	\$701,997	\$701,997.00	\$0.00
Huron (03)	\$1,856,828	\$309,472	\$1,547,356	\$0	\$1,856,828	\$645,281.07	\$1,211,546.93
Huron (04)	\$1,500,000	\$0	\$0	\$0	\$0	\$0.00	\$0.00
Jefferson (01)	\$166,084	\$0	\$0	\$166,084	\$166,084	\$7,338.43	\$158,745.57
Lake Cochrane SD (01)	\$80,000	\$13,333	\$66,667	\$0	\$80,000	\$61,265.47	\$18,734.53
Lake Cochrane SD (02)	\$156,111	\$0	\$0	\$156,111	\$156,111	\$9,511.06	\$146,599.94
Lake Madison SD (01)	\$330,000	\$55,000	\$275,000	\$0	\$330,000	\$330,000.00	\$0.00

Borrower Name	Loan Amount	State Advances	Federal Advances	Other Advances	Total Advances	Repayment Amount	Loan Balance
Lake Madison SD (02)	\$613,419	\$0	\$0	\$613,419	\$613,419	\$32,766.21	\$580,652.79
Lake Poinsett SD (01)	\$590,000	\$0	\$0	\$0	\$0	\$0.00	\$0.00
Lead (01)	\$186,409	\$31,068	\$155,341	\$0	\$186,409	\$131,551.17	\$54,857.83
Lead (02)	\$500,770	\$94,264	\$406,506	\$0	\$500,770	\$500,770.00	\$0.00
Lead (03)	\$375,298	\$21,459	\$353,839	\$0	\$375,298	\$375,298.00	\$0.00
Lead (04)	\$239,200	\$39,867	\$199,333	\$0	\$239,200	\$77,437.74	\$161,762.26
Lead (05)	\$333,700	\$0	\$0	\$220,029	\$220,029	\$7,949.98	\$212,079.02
Lead-Deadwood SD (01)	\$106,855	\$17,809	\$89,046	\$0	\$106,855	\$106,855.00	\$0.00
Lemmon (01)	\$427,100	\$71,184	\$355,916	\$0	\$427,100	\$427,100.00	\$0.00
Lennox (01)	\$350,000	\$58,336	\$291,664	\$0	\$350,000	\$122,913.39	\$227,086.61
Lennox (02)	\$583,735	\$97,288	\$486,447	\$0	\$583,735	\$155,016.33	\$428,718.67
Madison (01)	\$119,416	\$19,904	\$99,512	\$0	\$119,416	\$119,416.00	\$0.00
McCook Lake SD (01)	\$641,935	\$45,304	\$596,631	\$0	\$641,935	\$331,008.85	\$310,926.15
Mitchell (01)	\$1,543,405	\$0	\$0	\$1,543,405	\$1,543,405	\$1,092,283.75	\$451,121.25
Mitchell (02)	\$1,320,000	\$0	\$0	\$1,318,994	\$1,318,994	\$43,207.27	\$1,275,786.73
Mobridge (01)	\$1,500,000	\$250,000	\$1,250,000	\$0	\$1,500,000	\$1,029,885.48	\$470,114.52
Mobridge (02)	\$158,000	\$158,000	\$0	\$0	\$158,000	\$147,633.98	\$10,366.02
Mobridge (03)	\$1,350,000	\$84,143	\$1,265,857	\$0	\$1,350,000	\$501,056.08	\$848,943.92
Montrose (01)	\$142,621	\$0	\$0	\$9,893	\$9,893	\$0.00	\$9,893.00
Nisland (01)	\$204,000	\$0	\$0	\$65,074	\$65,074	\$0.00	\$65,074.00
North Sioux City (01)	\$239,650	\$35,828	\$203,822	\$0	\$239,650	\$239,650.00	\$0.00
North Sioux City (02)	\$646,000	\$107,667	\$538,333	\$0	\$646,000	\$351,995.64	\$294,004.36
Northdale SD (01)	\$256,380	\$42,731	\$213,649	\$0	\$256,380	\$256,380.00	\$0.00
Parker (01)	\$430,000	\$0	\$0	\$430,000	\$430,000	\$11,605.12	\$418,394.88
Parker (02)	\$620,000	\$0	\$0	\$0	\$0	\$0.00	\$0.00
Philip (01)	\$453,885	\$75,649	\$378,236	\$0	\$453,885	\$274,849.24	\$179,035.76
Philip (02)	\$321,127	\$53,503	\$267,624	\$0	\$321,127	\$88,014.40	\$233,112.60
Philip (03)	\$347,040	\$0	\$0	\$200,108	\$200,108	\$0.00	\$200,108.00
Pickerel Lake SD (01)	\$850,000	\$141,668	\$708,332	\$0	\$850,000	\$573,737.12	\$276,262.88
Pickerel Lake SD (02)	\$670,000	\$111,668	\$558,332	\$0	\$670,000	\$417,211.63	\$252,788.37
Pierre (01)	\$433,976	\$119,669	\$314,307	\$0	\$433,976	\$433,976.00	\$0.00
Pierre (02)	\$4,417,000	\$736,167	\$3,680,833	\$0	\$4,417,000	\$1,124,490.64	\$3,292,509.36
Pierre (03)	\$5,391,260	\$894,379	\$4,496,881	\$0	\$5,391,260	\$1,045,650.14	\$4,345,609.86
Pierre (04)	\$1,199,832	\$0	\$0	\$1,199,832	\$1,199,832	\$74,875.88	\$1,124,956.12
Platte (01)	\$975,865	\$35,347	\$940,518	\$0	\$975,865	\$975,865.00	\$0.00
Pollock (01)	\$151,619	\$25,269	\$126,350	\$0	\$151,619	\$151,619.49	\$0.00

Borrower Name	Loan Amount	State Advances	Federal Advances	Other Advances	Total Advances	Repayment Amount	Loan Balance
Rapid City (01)	\$2,479,905	\$314,856	\$2,165,049	\$0	\$2,479,905	\$2,053,471.00	\$426,434.00
Rapid City (02)	\$986,685	\$84,228	\$902,457	\$0	\$986,685	\$717,967.69	\$268,717.31
Rapid City (03)	\$674,577	\$139,827	\$534,750	\$0	\$674,577	\$465,636.61	\$208,940.39
Rapid City (04)	\$1,214,861	\$202,476	\$1,012,385	\$0	\$1,214,861	\$862,067.82	\$352,793.57
Rapid City (05)	\$14,000,000	\$2,500,000	\$0	\$11,500,000	\$14,000,000	\$1,683,951.15	\$12,316,048.85
Rapid Valley SD (01)	\$614,000	\$37,161	\$576,839	\$0	\$614,000	\$614,000.00	\$0.00
Rapid Valley SD (02)	\$364,583	\$60,762	\$303,821	\$0	\$364,583	\$238,678.15	\$125,904.85
Rapid Valley SD (03)	\$630,000	\$105,000	\$525,000	\$0	\$630,000	\$187,579.68	\$442,420.32
Redfield (01)	\$0	\$0	\$0	\$0	\$0	\$0.00	\$0.00
Richmond Lake SD (01)	\$414,000	\$69,000	\$345,000	\$0	\$414,000	\$414,000.00	\$0.00
Richmond Lake SD (02)	\$191,500	\$31,916	\$159,584	\$0	\$191,500	\$191,500.00	\$0.00
Roscoe (01)	\$358,408	\$59,735	\$298,673	\$0	\$358,408	\$358,408.00	\$0.00
Salem (01)	\$518,035	\$0	\$0	\$518,035	\$518,035	\$37,109.50	\$480,925.50
Salem (02)	\$387,960	\$0	\$0	\$387,960	\$387,960	\$0.00	\$387,960.00
Scotland (01)	\$250,000	\$0	\$0	\$250,000	\$250,000	\$11,046.28	\$238,953.72
Sioux Falls (01)	\$2,836,963	\$485,790	\$2,351,173	\$0	\$2,836,963	\$1,827,753.65	\$1,009,208.93
Sioux Falls (02)	\$453,999	\$63,755	\$390,244	\$0	\$453,999	\$453,999.19	\$0.00
Sioux Falls (03)	\$845,000	\$214,026	\$630,974	\$0	\$845,000	\$844,999.94	\$0.00
Sioux Falls (04)	\$1,200,000	\$451,539	\$748,461	\$0	\$1,200,000	\$1,199,999.89	\$0.00
Sioux Falls (05)	\$1,955,000	\$7,485	\$1,947,515	\$0	\$1,955,000	\$1,954,999.84	\$0.00
Sioux Falls (06)	\$700,000	\$28,754	\$671,246	\$0	\$700,000	\$699,999.92	\$0.00
Sioux Falls (07)	\$4,500,000	\$717,666	\$3,782,334	\$0	\$4,500,000	\$4,500,000.00	\$0.00
Sioux Falls (08)	\$699,003	\$87,540	\$611,463	\$0	\$699,003	\$699,003.00	\$0.00
Sioux Falls (09)	\$1,250,000	\$208,336	\$1,041,664	\$0	\$1,250,000	\$1,250,000.00	\$0.00
Sioux Falls (10)	\$1,432,941	\$155,264	\$1,277,677	\$0	\$1,432,941	\$1,432,941.00	\$0.00
Sioux Falls (11)	\$1,195,346	\$199,225	\$996,121	\$0	\$1,195,346	\$1,146,176.94	\$49,169.06
Sioux Falls (12)	\$1,300,000	\$216,667	\$1,083,333	\$0	\$1,300,000	\$1,193,027.79	\$106,972.21
Sioux Falls (13)	\$2,083,137	\$326,754	\$1,756,383	\$0	\$2,083,137	\$1,592,996.18	\$490,140.82
Sioux Falls (14)	\$4,888,537	\$1,389,225	\$3,499,312	\$0	\$4,888,537	\$1,812,055.38	\$3,076,481.62
Sioux Falls (15)	\$1,467,706	\$45,915	\$229,570	\$1,192,221	\$1,467,706	\$243,060.15	\$1,224,645.85
Sioux Falls (16)	\$2,479,500	\$0	\$0	\$2,479,500	\$2,479,500	\$316,018.03	\$2,163,481.97
Sioux Falls (17)	\$561,320	\$0	\$0	\$561,320	\$561,320	\$80,476.68	\$480,843.32
Sioux Falls (18)	\$3,951,000	\$0	\$3,146,644	\$0	\$3,146,644	\$0.00	\$3,146,644.00
Sioux Falls (19)	\$415,785	\$0	\$415,785	\$0	\$415,785	\$0.00	\$415,785.00
Sioux Falls (20A)	\$16,000,000	\$0	\$0	\$16,000,000	\$16,000,000	\$0.00	\$16,000,000.00
Sioux Falls (20B)	\$8,700,000	\$0	\$0	\$8,700,000	\$8,700,000	\$0.00	\$8,700,000.00
Sioux Falls (20NPS)	\$1,249,349	\$0	\$6,128	\$110,514	\$116,642	\$0.00	\$116,642.00
Sioux Falls (21A)	\$12,500,000	\$0	\$0	\$12,500,000	\$12,500,000	\$0.00	\$12,500,000.00
Sioux Falls (21B)	\$20,108,000	\$0	\$0	\$3,514,907	\$3,514,907	\$0.00	\$3,514,907.00
Sioux Falls (21NPS)	\$3,125,636	\$0	\$0	\$0	\$0	\$0.00	\$0.00
Sioux Falls (22)	\$10,550,000	\$0	\$0	\$6,126,261	\$6,126,261	\$0.00	\$6,126,261.00
Sioux Falls (23)	\$10,323,000	\$0	\$1,523,000	\$666,148	\$2,189,148	\$0.00	\$2,189,148.00
Southern Missouri (NPS-01)	\$700,000	\$116,667	\$583,333	\$0	\$700,000	\$506,252.70	\$193,747.30
Spearfish (01)	\$1,956,000	\$61,132	\$1,894,868	\$0	\$1,956,000	\$1,530,549.92	\$425,449.91
Sturgis (01)	\$502,000	\$83,667	\$418,333	\$0	\$502,000	\$502,000.00	\$0.00

Borrower Name	Loan Amount	State Advances	Federal Advances	Other Advances	Total Advances	Repayment Amount	Loan Balance
Sturgis (02)	\$936,250	\$103,368	\$832,882	\$0	\$936,250	\$936,250.00	\$0.00
Sturgis (03)	\$437,380	\$72,896	\$364,484	\$0	\$437,380	\$437,380.00	\$0.00
Sturgis (04)	\$2,100,000	\$291,252	\$1,808,748	\$0	\$2,100,000	\$2,100,000.00	\$0.00
Tea (01)	\$600,000	\$99,999	\$500,001	\$0	\$600,000	\$426,443.97	\$173,556.03
Tea (02)	\$600,000	\$89,603	\$510,397	\$0	\$600,000	\$404,775.31	\$195,224.69
Tea (03)	\$208,813	\$34,802	\$174,011	\$0	\$208,813	\$67,805.13	\$141,007.87
Tea (04)	\$375,000	\$62,501	\$312,499	\$0	\$375,000	\$159,590.30	\$215,409.70
Tea (05)	\$495,490	\$0	\$0	\$495,490	\$495,490	\$44,761.36	\$450,728.64
Tyndall (01)	\$795,000	\$0	\$0	\$0	\$0	\$0.00	\$0.00
Valley Springs (01)	\$422,128	\$70,356	\$351,772	\$0	\$422,128	\$104,394.85	\$317,733.15
Valley Springs (02)	\$350,000	\$0	\$0	\$323,323	\$323,323	\$7,138.00	\$316,185.00
Vermillion (01)	\$125,000	\$97,149	\$27,851	\$0	\$125,000	\$75,949.47	\$49,050.53
Vermillion (02)	\$370,471	\$61,746	\$308,725	\$0	\$370,471	\$242,223.55	\$128,247.45
Vermillion (03)	\$273,965	\$0	\$0	\$273,965	\$273,965	\$19,625.47	\$254,339.53
Vermillion (04)	\$3,548,351	\$0	\$787,981	\$2,409,499	\$3,197,480	\$26,483.81	\$3,170,996.19
Vermillion (NPS-01)	\$356,531	\$59,422	\$297,109	\$0	\$356,531	\$356,531.00	\$0.00
Wall (01)	\$788,600	\$131,433	\$657,167	\$0	\$788,600	\$788,600.00	\$0.00
Wall Lake Sanitary Dist (01)	\$175,126	\$29,189	\$145,937	\$0	\$175,126	\$17,479.64	\$157,646.36
Warner (01)	\$101,152	\$16,859	\$84,293	\$0	\$101,152	\$101,152.00	\$0.00
Watertown (01)	\$2,000,000	\$792,024	\$1,207,976	\$0	\$2,000,000	\$1,700,670.39	\$299,329.61
Watertown (02)	\$4,000,000	\$760,786	\$3,239,214	\$0	\$4,000,000	\$3,146,095.30	\$853,904.70
Watertown (03)	\$2,583,734	\$430,622	\$2,153,112	\$0	\$2,583,734	\$924,328.33	\$1,659,405.67
Watertown (04)	\$932,830	\$0	\$0	\$932,830	\$932,830	\$932,830.00	\$0.00
Watertown (05)	\$2,055,000	\$0	\$0	\$1,050,533	\$1,050,533	\$71,443.80	\$979,089.20
Watertown (06)	\$1,189,145	\$0	\$0	\$0	\$0	\$0.00	\$0.00
Watertown (06NPS)	\$113,985	\$0	\$0	\$0	\$0	\$0.00	\$0.00
Waubay (01)	\$81,454	\$81,454	\$0	\$0	\$81,454	\$81,454.00	\$0.00
Webster (01)	\$345,394	\$57,566	\$287,828	\$0	\$345,394	\$323,953.91	\$21,440.09
Webster (02)	\$811,000	\$0	\$0	\$811,000	\$811,000	\$91,880.47	\$719,119.53
Weston Heights (01)	\$638,300	\$0	\$0	\$0	\$0	\$0.00	\$0.00
Whitewood (01)	\$180,801	\$26,344	\$154,457	\$0	\$180,801	\$150,027.46	\$30,773.54
Whitewood (02)	\$189,032	\$24,956	\$164,076	\$0	\$189,032	\$33,648.89	\$155,383.11
Willow Lake (01)	\$100,000	\$0	\$0	\$100,000	\$100,000	\$5,325.54	\$94,674.46
Winner (01)	\$925,000	\$0	\$0	\$0	\$0	\$0.00	\$0.00
Worthing (01)	\$227,645	\$37,939	\$189,706	\$0	\$227,645	\$75,958.17	\$151,686.83
Yankton (01)	\$2,625,000	\$437,501	\$2,187,499	\$0	\$2,625,000	\$542,572.16	\$2,082,427.84
Yankton (02)	\$4,500,000	\$0	\$0	\$4,500,000	\$4,500,000	\$773,248.88	\$3,726,751.12
Yankton (03)	\$6,130,000	\$919,498	\$5,026,734	\$0	\$5,946,232	\$581,603.69	\$5,364,628.31
total - 187 loans	\$258,029,417	\$19,703,184	\$97,944,881	\$90,262,146	\$207,910,211	\$73,413,492.52	\$134,496,718.55

EXHIBIT IX
Projected Cash Flow Worksheet
Federal Fiscal Year 2007

Borrower	Principal	Interest	Admin Surcharge	Total
Aurora (01)	\$8,791	\$7,785	\$1,946	\$18,523
Baltic (01)	\$15,576	\$9,081	\$3,632	\$28,289
Belle Fourche (01)	\$14,157	\$2,012	\$671	\$16,839
Black Hawk San Dist (01)	\$17,262	\$11,471	\$4,588	\$33,321
Box Elder (01)	\$38,724	\$3,331	\$1,110	\$43,165
Bridgewater (01)	\$3,942	\$2,535	\$845	\$7,322
Bridgewater (02)	\$0	\$2,470	\$741	\$3,211
Britton (01)	\$56,116	\$5,775	\$1,925	\$63,815
Britton (02)	\$10,919	\$6,740	\$2,696	\$20,355
Canton (01)	\$43,016	\$2,153	\$718	\$45,887
Canton (02)	\$22,455	\$13,862	\$5,544	\$41,861
Castlewood (01)	\$8,434	\$4,728	\$1,891	\$15,053
Centerville (01)	\$19,199	\$11,192	\$4,477	\$34,867
Chamberlain (04)	\$19,383	\$12,821	\$4,274	\$36,477
Clark (01)	\$14,762	\$9,285	\$3,714	\$27,761
Clear Lake (02)	\$24,830	\$16,951	\$5,083	\$46,865
Custer (01)	\$24,368	\$3,300	\$1,100	\$28,769
Deadwood (01)	\$37,166	\$1,959	\$653	\$39,779
Elk Point (01)	\$35,632	\$3,840	\$1,280	\$40,752
Elk Point (02)	\$13,936	\$7,658	\$3,063	\$24,657
Elk Point (03)	\$12,553	\$8,192	\$3,277	\$24,022
Fort Pierre (02)	\$26,975	\$9,073	\$3,629	\$39,676
Fort Pierre (03)	\$15,764	\$10,773	\$4,309	\$30,846
Freeman (01)	\$26,916	\$5,667	\$1,417	\$33,999
Gayville (01)	\$7,097	\$16,428	\$4,927	\$28,452
Groton (03)	\$20,413	\$13,503	\$4,501	\$38,417
Groton (04)	\$4,779	\$2,895	\$1,158	\$8,832
Groton (05)	\$16,316	\$10,263	\$4,105	\$30,683
Harrisburg (01)	\$20,488	\$14,498	\$4,833	\$39,818
Hartford (01)	\$18,639	\$16,029	\$5,343	\$40,011
Hartford (02)	\$25,578	\$21,996	\$7,332	\$54,905
Hartford (03)	\$12,032	\$6,349	\$2,539	\$20,920
Hartford (04)	\$10,926	\$12,575	\$5,030	\$28,531
Highmore (01)	\$10,160	\$5,809	\$2,323	\$18,291
Hot Springs (NPS-01)	\$48,098	\$19,165	\$6,388	\$73,651
Huron (03)	\$88,853	\$46,116	\$15,372	\$150,342
Jefferson (01)	\$3,105	\$3,912	\$1,565	\$8,582
Lake Cochrane San Dist (01)	\$4,792	\$381	\$127	\$5,301
Lake Cochrane San Dist (02)	\$5,798	\$3,647	\$1,459	\$10,904
Lake Madison San Dist (02)	\$22,743	\$14,305	\$5,722	\$42,770
Lead (01)	\$10,882	\$1,143	\$381	\$12,406
Lead (04)	\$22,685	\$5,563	\$1,588	\$29,836
Lead (05)	\$8,145	\$5,277	\$1,582	\$15,005
Lennox (01)	\$16,674	\$8,698	\$2,899	\$28,271
Lennox (02)	\$24,969	\$16,516	\$5,505	\$46,990
McCook Lake San Dist (01)	\$36,499	\$11,038	\$3,679	\$51,217
Mitchell (01)	\$174,417	\$13,038	\$4,346	\$191,801
Mitchell (02)	\$44,351	\$29,474	\$11,789	\$85,614

Borrower	Principal	Interest	Admin Surcharge	Total
Mobridge (01)	\$86,913	\$9,686	\$3,229	\$99,828
Mobridge (02)	\$10,366	\$131	\$44	\$10,541
Mobridge (03)	\$132,402	\$27,999	\$7,990	\$168,391
Nisland (01)	\$585	\$2,022	\$606	\$3,213
North Sioux City (02)	\$47,657	\$10,362	\$3,454	\$61,473
Parker (01)	\$15,918	\$10,313	\$3,093	\$29,323
Philip (01)	\$34,936	\$6,119	\$2,040	\$43,094
Philip (02)	\$14,064	\$8,927	\$2,976	\$25,967
Pickeral Lake San Dist (01)	\$18,651	\$10,999	\$3,666	\$33,317
Pickeral Lake San Dist (02)	\$15,014	\$9,931	\$3,310	\$28,255
Pierre (02)	\$194,994	\$126,149	\$42,050	\$363,192
Pierre (03)	\$212,267	\$172,757	\$43,189	\$428,213
Pierre (04)	\$44,882	\$27,707	\$11,082	\$83,670
Rapid City (01)	\$208,974	\$10,462	\$3,487	\$222,923
Rapid City (02)	\$79,012	\$7,180	\$2,393	\$88,585
Rapid City (03)	\$52,705	\$5,680	\$1,893	\$60,278
Rapid City (04)	\$95,835	\$9,515	\$3,172	\$108,521
Rapid City (05)	\$527,160	\$424,328	\$121,081	\$1,072,569
Rapid Valley San Dist (02)	\$28,335	\$3,390	\$1,130	\$32,855
Rapid Valley San Dist (03)	\$29,351	\$16,896	\$5,632	\$51,879
Salem (01)	\$19,547	\$11,841	\$4,736	\$36,125
Salem (02)	\$14,018	\$12,439	\$0	\$26,457
Scotland (01)	\$9,190	\$5,888	\$2,355	\$17,434
Sioux Falls (01)	\$160,724	\$21,059	\$7,020	\$188,802
Sioux Falls (11)	\$49,169	\$346	\$115	\$49,631
Sioux Falls (12)	\$106,962	\$1,360	\$453	\$108,776
Sioux Falls (13)	\$275,355	\$12,317	\$4,106	\$291,778
Sioux Falls (14)	\$479,610	\$100,074	\$28,556	\$608,240
Sioux Falls (15)	\$133,427	\$29,098	\$11,638	\$174,162
Sioux Falls (16)	\$227,599	\$51,497	\$20,597	\$299,692
Sioux Falls (17)	\$50,585	\$11,445	\$4,578	\$66,608
Sioux Falls (18)	\$169,001	\$34,934	\$8,734	\$212,669
Sioux Falls (19)	\$37,412	\$7,733	\$1,933	\$47,079
Sioux Falls (20A)	\$341,497	\$604,584	\$302,246	\$1,248,327
Sioux Falls (20B)	\$202,002	\$87,717	\$43,852	\$333,571
Sioux Falls (20NPS)	\$2,497	\$1,668	\$834	\$4,999
Sioux Falls (21A)	\$124,153	\$257,954	\$128,958	\$511,065
Sioux Falls (21B)	\$18,411	\$23,513	\$11,755	\$53,679
Southern Missouri WMD (01)	\$13,423	\$7,037	\$2,346	\$22,805
Spearfish (01)	\$158,975	\$10,984	\$3,661	\$173,619
Tea (01)	\$47,146	\$4,681	\$1,560	\$53,387
Tea (02)	\$45,932	\$5,344	\$1,781	\$53,058
Tea (03)	\$9,459	\$5,414	\$1,805	\$16,677
Tea (04)	\$25,304	\$7,726	\$2,575	\$35,605
Tea (05)	\$19,025	\$11,091	\$4,436	\$34,553
Valley Springs (01)	\$17,537	\$12,255	\$4,085	\$33,877
Valley Springs (02)	\$9,791	\$6,343	\$1,902	\$18,036
Vermillion (01)	\$6,940	\$1,045	\$348	\$8,334
Vermillion (02)	\$28,254	\$3,532	\$1,177	\$32,964
Vermillion (03)	\$10,338	\$6,262	\$2,505	\$19,105
Vermillion (04)	\$107,233	\$73,205	\$21,953	\$202,391
Wall Lake (01)	\$8,783	\$3,878	\$1,551	\$14,212
Watertown (01)	\$168,489	\$7,100	\$2,367	\$177,956
Watertown (02)	\$331,402	\$21,920	\$7,307	\$360,628

Borrower	Principal	Interest	Admin Surcharge	Total
Watertown (03)	\$125,705	\$63,503	\$21,168	\$210,376
Watertown (05)	\$38,319	\$24,102	\$9,640	\$72,062
Webster (01)	\$21,440	\$272	\$91	\$21,803
Webster (02)	\$31,548	\$17,685	\$7,073	\$56,306
Whitewood (01)	\$15,081	\$755	\$252	\$16,087
Whitewood (02)	\$7,231	\$6,179	\$1,545	\$14,955
Willow Lake (01)	\$3,708	\$2,332	\$933	\$6,973
Worthing (01)	\$10,802	\$5,815	\$1,938	\$18,555
Yankton (01)	\$103,668	\$80,482	\$26,827	\$210,977
Yankton (02)	\$166,737	\$219,900	\$0	\$386,637
Yankton (03)	\$235,346	\$131,928	\$52,768	\$420,042
Total FFY07	\$7,208,107	\$3,388,062	\$1,198,650	\$11,794,820

EXHIBITS X - XII
CLEAN WATER SRF
FINANCIAL STATEMENTS
(unaudited)

Exhibit X
DENR Clean Water State Revolving Fund
Balance Sheet
6/30/2006

Assets	
Current Assets:	
Cash and Cash Equivalents	\$6,689,985.24
Restricted Cash and Cash Equivalents	10,280.85
Due from Federal Government	90,187.80
Due from Other Governments	186,508.96
Deferred Charges	29,664.91
Accrued Interest Receivable	2,253,529.52
Loans Receivable	6,270,709.90
Total Current Assets	15,530,867.18
Noncurrent Assets:	
Investments	69,392,291.67
Restricted Investments	374,421.62
Deferred Charges	445,193.62
Loans Receivable	109,900,959.52
Total Assets	195,643,733.61
Liabilities	
Current Liabilities:	
Accounts Payable	270,430.57
Accrued Liabilities	13,372.02
Compensated Absences Payable	17,335.06
Accrued Interest Payable	940,380.48
Bonds Payable - net of unamortized premium, discount, and deferred amount of refunding	1,286,029.44
Total Current Liabilities	2,527,547.57
Noncurrent Liabilities:	
Compensated Absences Payable	15,621.33
Bonds Payable - net of unamortized premium, discount, and deferred amount of refunding	54,813,715.93
Total Liabilities	57,356,884.83
Net Assets	
Restricted	384,702.47
Unrestricted	137,902,146.31
Total Net Assets	\$138,286,848.78

The notes to the financial statements are an integral part of this statement.

Exhibit XI
DENR Clean Water State Revolving Fund
Statement of Income and Retained Earnings
For the State Fiscal Year Ended June 30, 2006

Operating Revenues:	
Loan Interest Income	\$2,793,101.93
Federal Capitalization Grants	9,272,398.33
Other Income	865,922.21
Total Operating Revenue	<u>12,931,422.47</u>
Operating Expenses:	
Administrative Expenses	
Personal Services	157,616.66
Employee Benefits	29,212.68
Travel	7,629.31
Contractual	174,802.15
Supplies	820.10
Grants	1,050,303.09
Other	2,255.74
Total Administrative Expenses	<u>1,422,639.73</u>
Interest Expense	1,820,108.12
Bond Issuance Expense	25,284.59
Total Operating Expenses	<u>3,268,032.44</u>
Operating Income (Loss)	9,663,390.03
Nonoperating Revenues (Expenses):	
Investment Income	<u>4,046,301.21</u>
Income (Loss) Before Transfers	13,709,691.24
Transfers:	
Transfer In	81,250.32
Transfer Out	<u>(26,447.01)</u>
Change in Net Assets	13,764,494.55
Net Assets at Beginning of Year	<u>124,522,354.23</u>
Net Assets at End of Year	<u><u>\$138,286,848.78</u></u>

The notes to the financial statements are an integral part of this statement.

Exhibit XII
DENR Clean Water State Revolving Fund
Statement of Cash Flows
For the State Fiscal Year Ended June 30, 2006

Cash Flows from Operating Activities:		
Receipts for Loan Repayments	\$6,908,503.17	
Receipts for Interest Income on Loans	2,567,387.44	
Receipts for Surcharge Interest on Loans	766,450.57	
Receipts for Administering Program	9,254,574.00	
Payments to Loan Recipients	(42,898,667.00)	
Payments for Employee Services	(192,128.47)	
Payments for Contractual Services	(206,336.35)	
Payment for Grants	(872,051.30)	
Other Payments	(9,018.07)	
Net Cash Provided (Used) by Operating Activities		(24,681,286.01)
Cash Flows from Noncapital Financing Activities:		
Bond Issuance Costs Paid	(288,074.69)	
Bond Premium Revenue	1,272,542.52	
Bond Receipts	41,530,000.00	
Other Income for Additional Bond Proceeds	-	
Transfers Out	(26,447.01)	
Transfers In	81,250.32	
Principal Payments on Bonds	(1,165,000.00)	
Payment to Escrow Agent for Defeased Bonds	-	
Interest Payments on Bonds and Notes	(1,020,819.75)	
Net Cash Provided (Used) by Noncapital Financing Activities		40,383,451.39
Cash Flows from Investing Activities:		
Interest on Investments	3,629,055.92	
Proceeds from Sale of Investment Securities	33,998,366.94	
Purchase of Investment Securities	(53,965,403.62)	
Net Cash Provided (Used) by Investing Activities		(16,337,980.76)
Net Increase (Decrease) in Cash and Cash Equivalents		(635,815.38)
Cash and Cash Equivalents at Beginning of Year		7,336,081.47
Cash and Cash Equivalents at End of Year		<u>\$6,700,266.09</u>
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities		
Operating Income (Loss)		\$9,663,390.03
Adjustments to Reconcile Net Income to Net Cash Provided (Used) by Operating Activities:		
Interest Expense	1,820,108.12	
Additional Bond Proceeds	-	
Amortization of Bond Issuance Cost	25,284.59	
Assets: (Increase)/Decrease		
Loans Receivable	(35,990,163.83)	
Accrued Interest Receivable on Loans	(225,714.49)	
Due from Other Governments	(99,471.64)	
Due from Federal Governments	(17,824.33)	
Liabilities: Increase/(Decrease)		
Accounts Payable	148,404.67	
Accrued Employee Benefits	(7,871.45)	
Accrued Liabilities	2,572.32	
Total Adjustments		(34,344,676.04)
Net Cash Provided by Operations		<u>\$ (24,681,286.01)</u>

The notes to the financial statements are an integral part of this statement.

CLEAN WATER STATE REVOLVING FUND
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2006

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Authorizing Legislation

The 1988 South Dakota Legislature authorized the State Water Pollution Control Revolving Loan Fund program, also known as the Clean Water State Revolving Fund (CWSRF) Loan program. Additionally, the legislature appropriated \$1,200,000 and directed the South Dakota Conservancy District to administer the program. The CWSRF is a low interest loan program to finance the construction of wastewater facilities, storm sewers and non-point source pollution control projects. The program was created by the 1987 Clean Water Act amendments. Funds are provided to the states in the form of capitalization grants awarded annually through the United States Environmental Protection Agency. The federal capitalization grants are matched by state funds at a ratio of 5:1. The Clean Water State Revolving Fund is a part of the State of South Dakota and, as such, the accompanying financial statements are included in the Comprehensive Annual Financial Report of the State of South Dakota.

B. Fund Accounting

The CWSRF is accounted for as an enterprise fund. An enterprise fund is a proprietary fund type used to report an activity for which a fee is charged to external users for goods or services.

C. Basis of Accounting

The CWSRF follows the accrual basis of accounting. This method of accounting recognizes the financial effect of transactions, events, and interfund activities when they occur, regardless of the timing of related cash flows. The CWSRF follows all Governmental Accounting Standards Board (GASB) pronouncements and those Financial Accounting Standards Boards Statements and Interpretations, Accounting Principles Board Opinions and Accounting Research Bulletins that were issued on or before November 30, 1989, except those that conflict with a GASB pronouncement.

D. Cash and Cash Equivalents

For purposes of the accompanying statement of net assets and statement of cash flows all highly liquid investments with original maturities of 90 days or less are considered to cash equivalents.

E. Investments

Investments are reported at fair value. Unrealized gains and losses due to fluctuations in market value are included in investment income.

F. Deferred Charges

Issuance costs, discounts, premiums, and deferred amount of refunding on bonds are amortized using the straight line method over the life of the bonds to which they relate.

G. Reserves

The bond indentures provide that certain reserve accounts be established. The reserves as of June 30, 2006 consist of the following Investment Agreements and are reported as restricted net assets in the financial statements:

- 6.22% MBIA Inc. due August 1, 2017 totaling \$95,771
- 5.07% AIG due August 1, 2025 totaling \$278,651

In addition, \$10,281 is invested in the Goldman Sachs Fund described in note 2 below.

H. Restricted Resources

When both restricted and unrestricted resources are available for use, it is the CWSRF's policy to use restricted resources first, and then unrestricted resources as they are needed.

I. Revenue and Expense Recognition

Enterprise funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering items in connection with an enterprise fund's principal ongoing operations. The CWSRF records all revenues derived from interest on loans, and federal capitalization grants as operating revenues since these revenues are generated from the CWSRF's daily operations needed to carry out its purpose. Operating expenses include interest expense on bonds, grants and subsidies, and contractual service expenses related to the administration of the CWSRF program.

J. Federal Capitalization Grant

Federal capitalization grants reported as operating income in the statement of revenues, expenses, and changes in fund net assets is a federally funded loan program. Information about the program is as follows:

CFDA Number:	66.458
Federal Agency:	Water Management Division
Program:	Clean Water State Revolving Fund
State Agency:	Environment & Natural Resources
Expenditures:	\$116,380,343
Outstanding Loans:	\$116,171,669
Current Year	
Administrative Expense:	\$208,674
Loan Disbursement:	\$42,898,667

2. CASH AND INVESTMENTS

Cash and Cash Equivalents consist of a Goldman Sachs Financial Square Treasury Obligation Fund (mutual fund) and is rated "AAA" by Standard and Poor's Rating Group. The fund paid on average approximately 3.96% for the year ending June 30, 2006.

Custodial Credit Risk: Custodial credit risk is the risk that in the event of a bank failure, the Clean Water State Revolving Funds investments may not be returned. At June 30, 2005, the following investments were uninsured and unregistered, with the securities held by its trust department, but not in Clean Water's name, \$69,766,713 of guaranteed investment contracts.

Interest Rate Risk: Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The maturities of the investments are listed below.

<u>Investment</u>	<u>Maturities</u>	<u>Fair Value</u>
Guaranteed Investment Contract	7/31/2012	\$ 13,634,023
Guaranteed Investment Contract	8/1/2015	15,000,000
Guaranteed Investment Contract	8/1/2017	12,926,678
Guaranteed Investment Contract	8/1/2025	6,063,908
Guaranteed Investment Contract	8/1/2026	<u>22,142,104</u>
		<u>\$ 69,766,713</u>

Credit Risk: Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations to Clean Water. The South Dakota State Revolving Fund Master Trust Indenture requires any investment agreement to be with a guarantor whose long-term rating category is no lower than the two highest long-term rating categories. The investment is rated by Moody's Investors Service.

<u>Moody's Rating</u>	<u>Fair Value</u>
Aaa	\$26,560,701
Aa2	<u>43,206,012</u>
Total	<u>\$69,766,713</u>

3. LOANS RECEIVABLE

Loans receivable consist of loans made to local governments through a loan agreement. In order for a local government to receive a loan, evidence must be shown that the principal and interest of the loan will be repaid. Therefore, each local government must show the ability to impose utility rates, levy special assessments or collect sales taxes that will generate enough revenue to equal at least 110% of the annual principal and interest on the loan. Loans made from the CWSRF may be made at or below market interest rates and shall be fully amortized within twenty years of the date which is not more than one year following completion of the project financed. Interest rates are reduced for those loans shorter than twenty years.

4. LONG-TERM DEBT

Revenue Bonds

The bond issues outstanding as of June 30, 2006 are as follows:

<u>Issue</u>	<u>Interest Rate</u>	<u>Maturity Through</u>	<u>Principal Balance</u>
Series 1996A			
Term Bonds	5.625%	2017	\$100,000
Series 2001			
Serial Bonds	4%-5%	2017	1,710,000
Term Bonds	5%	2022	2,250,000
Series 2004			
Serial Bonds	2%-5.25%	2017	10,380,000
Series 2005			
Serial State Match	3.25%-5%	2026	1,470,000
Serial Leveraged	3.25%-5%	2026	40,060,000
TOTAL			<u>\$55,970,000</u>

Less: Unamortized Deferred Amount of Refunding	(1,233,050)
Less: Unamortized Bond Discount	(25,636)
Add: Unamortized Bond Premium 04	155,413
Add: Unamortized Bond Premium 05	\$1,228,265

Total Net of Amortization \$56,094,992

Future bond payments and future interest payments remaining as of June 30, 2006 are as follows:

June 30,	Year Ended		Principal Interest	Total Principal and Interest
	2007	\$ 1,210,000	\$ 2,321,838	\$ 3,531,838
	2008	2,635,000	2,344,670	4,979,670
	2009	2,730,000	2,257,770	4,987,770
	2010	2,820,000	2,162,411	4,982,411
	2011	2,910,000	2,058,745	4,968,745
	2012-2016	14,170,000	8,647,390	22,817,390
	2017-2021	12,360,000	5,705,549	17,965,549
	2022-2027	<u>17,135,000</u>	<u>2,586,051</u>	<u>19,721,051</u>
	TOTAL	<u>\$55,970,000</u>	<u>\$ 28,084,424</u>	<u>\$83,954,424</u>

Changes in long-term liabilities

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Revenue Bonds	\$14,351,479	\$42,804,223	\$1,055,957	\$56,099,745	\$1,118,626
Compensated Absences	40,828	14,380	22,252	32,956	17,335
Long-Term Liabilities	<u>\$14,392,307</u>	<u>\$42,818,603</u>	<u>\$1,078,209</u>	<u>\$56,132,701</u>	<u>\$1,135,961</u>

5. COMMITMENTS

As of June 30, 2006, the CWSRF had loan commitments with political subdivisions worth \$68,528,144.

6. RETIREMENT PLAN

The South Dakota Retirement System (SDRS) is a cost-sharing multiple employer public employee retirement system established to provide retirement benefits for employees of the State of South Dakota and its political subdivisions. The SDRS provides retirement, disability and survivor benefits. The right to receive retirement benefits vests after three years of credited service. Authority for establishing, administering and amending plan provisions are found in South Dakota Codified Law 3-12. The SDRS

issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the SDRS, P.O. Box 1098, Pierre, SD 57501-1098 or by calling (605) 773-3731.

Employees are required by state statute to contribute 6 percent of their salary to the plan. State statute also requires the employer to contribute an amount equal to the employee's contribution. The CWSRF contributions to the SDRS for the fiscal years ended June 30, 2006, 2005, and 2004 were \$10,815.48, \$10,254.97, and \$10,589.96, respectively, equal to the required contributions each year.

7. ANNUAL AND SICK LEAVE ACCRUAL

All employees earn annual leave. Upon termination, employees are eligible to receive compensation for their accrued annual leave balances. At June 30, 2006, a liability existed for accumulated annual leave calculated at the employee's June 30, 2006 pay rate in the amount of \$18,912.70. Employees who have been continuously employed by the State of South Dakota for at least seven years prior to the date of their retirement, voluntary resignation or death will receive payment for one-fourth of their accumulated sick leave balance. This payment is not to exceed the sum of twelve weeks of employee's annual compensation. At June 30, 2006, a liability existed for accumulated sick leave, calculated at each employee's June 30, 2006 pay rate in the amount of \$20,648.18. The total leave liability of \$39,560.88 at June 30, 2006 is shown as a liability on the balance sheet.

8. PUBLIC ENTITY POOL FOR LIABILITY

The Bureau of Personnel is insured through a Public Entity Pool for Liability Fund (PEPL). The PEPL Fund covers risks associated with automobile liability and general tort liability (including public officials' errors and omissions liability, medical malpractice liability, law enforcement liability, and products liability).

ADDENDUM A
FEDERAL FISCAL YEAR 2007
INTENDED USE PLAN

**SOUTH DAKOTA CLEAN WATER STATE REVOLVING FUND
FISCAL YEAR 2007 INTENDED USE PLAN**

INTRODUCTION

The state of South Dakota proposes to adopt the following Intended Use Plan (IUP) for federal fiscal year 2007 as required under Section 606(c) of the Clean Water Act.

The primary purpose of the IUP is to identify the proposed annual intended use of the amounts available to the Clean Water State Revolving Fund (SRF). The IUP has been reviewed by the public and reflects the results of that review.

The IUP includes the following:

1. List of projects and activities;
2. Goals, objectives, and environmental results;
3. Amount of funds transferred between the Clean Water SRF and the Drinking Water SRF;
4. Information on the activities to be supported;
5. Assurances and specific proposals;
6. Criteria and method for distribution of funds; and
7. Sources and uses of funds.

LIST OF PROJECTS AND ACTIVITIES

The IUP identifies potential municipal wastewater, storm water, and nonpoint source projects. A project must be on the project priority list, Attachment I, to be eligible for a

loan. This list was developed from the State Water Plan and includes projects that did not designate Clean Water SRF loans as a funding source.

Projects may be added to the project priority list by the Board of Water and Natural Resources if the action is included on the meeting agenda at the time it is posted.

Priority ratings are based on the integrated project priority system established in ARSD 74:05:08:03.01. The general objective of the integrated priority system is to ensure that projects funded through the Clean Water SRF program address high priority water quality problems. This is accomplished with a priority system that ranks both municipal wastewater and nonpoint source pollution control projects on an equal basis. Projects and activities utilizing administrative surcharge funds are not required to be ranked and included on the project priority list.

Attachment II is a list of those projects from which the department expects to receive applications. The estimated funding dates are only estimates and should not be interpreted as deadlines or that the loan funds have been reserved. Projects with a later expected funding date may receive loans prior to those projects with an earlier date based on time of submittal of its funding application. Any project that is listed on the project priority list, but not listed on Attachment II, will be moved to Attachment II upon submittal of an application. Attachment II will be revised as projects are added. These revisions do not require approval by the Board of Water and Natural Resources.

The Clean Water SRF may be used for the following purposes:

1. Low-interest loans for secondary or more stringent treatment of any cost-effective alternatives, new interceptors and appurtenances, infiltration/inflow correction, new collectors, sewer system rehabilitation, expansion and correction of combined sewer overflows, and construction of new storm sewers. The low-interest loans can be made for up to 100 percent of the total project cost;
2. Refinancing of existing debt obligations for municipal wastewater facilities if the debt was incurred and construction initiated after March 7, 1985; or
3. Nonpoint source pollution control projects and programs, including non-traditional projects (projects with a primary purpose other than water quality).

A determination of which projects are funded from the above mentioned lists, the amount of assistance, and the financing terms and conditions will be made by the Board of Water and Natural Resources during federal fiscal year 2007.

GOALS, OBJECTIVES, AND ENVIRONMENTAL RESULTS

Long-term Goals and Objectives:

The long-term goals of the State Water Pollution Control Revolving Fund are to fully capitalize the Clean Water SRF, maintain or restore and enhance the chemical, physical, and biological integrity of the state's waters for the benefit of the overall environment, protect public health, and promote economic well-being.

Objectives:

1. Maintain a permanent, self-sustaining Clean Water SRF program that will serve in perpetuity as a financing source for wastewater treatment works projects and nonpoint source pollution control projects; and
2. Fulfill the requirements of pertinent federal, state, and local laws and regulations governing water pollution control activities while providing the state and local project sponsors with maximum flexibility and decision-making authority regarding such activities.

Short-term Goal and Objectives:

The short-term goal of the Clean Water SRF is to fully capitalize the fund.

Objectives:

1. Ensure the technical integrity of Clean Water SRF projects through the review of planning, design plans and specifications, and construction activities;
2. Ensure compliance with all pertinent federal, state, and local water pollution control laws and regulations; and
3. Obtain maximum capitalization of the funds for the state in the shortest time possible.

Environmental Results

Beginning January 1, 2005, states were required to quantify and report the environmental benefits being realized through the Clean Water SRF loan program. The reporting requirement is being satisfied using an on-line environmental benefits

assessment developed by EPA in cooperation with the States and other organizations. A summary of the fiscal year 2007 loans and the resulting benefits will be provided in the end-of-year-annual report.

AMOUNT OF FUNDS TRANSFERRED BETWEEN THE CLEAN WATER SRF AND THE DRINKING WATER SRF

The Safe Drinking Water Act Amendments of 1996 allowed states to transfer an amount equal to 33 percent of its Drinking Water SRF capitalization grant to the Clean Water SRF or an equivalent amount from the Clean Water SRF to the Drinking Water SRF. One-year extensions of this transfer authority were granted for fiscal years 2002 - 2005. This transfer authority has been extended by Congressional action for fiscal year 2006 and thereafter. States can also transfer state match, investment earnings, or principal and interest repayments between SRF programs and may transfer a previous year's allocation at any time.

South Dakota has transferred \$15,574,320 from the Clean Water SRF program to the Drinking Water SRF program in past years. In fiscal year 2006, \$7.5 million in leveraged bond proceeds was transferred from the Drinking Water SRF program to the Clean Water SRF program. With the 2007 capitalization grant, the ability exists to transfer up to \$14.75 million from the Clean Water SRF program to the Drinking Water SRF program. Up to \$22.83 million could be transferred from the Drinking Water program to the Clean Water SRF program. The table on page 8 details the amount of funds transferred between the programs and the amount of funds available to be transferred.

No transfers either to the Clean Water SRF programs or from the Clean Water SRF program are anticipated for fiscal year 2007.

INFORMATION ON THE ACTIVITIES TO BE SUPPORTED

The primary type of assistance to be provided by the Clean Water SRF is direct loans including refinancing of existing debts where eligible. Loan assistance will be provided to municipalities, sanitary districts, counties, or other units of government for publicly owned wastewater treatment facilities, storm sewers, and nonpoint source pollution control programs in accordance with the Clean Water SRF administrative rules adopted by the Board of Water and Natural Resources.

With the adoption of the amended and restated Master Indenture in 2004, the Clean Water and Drinking Water SRF programs are cross-collateralized. This allows the board to pledge excess revenues on deposit in the Drinking Water SRF program to act as additional security for bonds secured by excess revenues on deposit in the Clean Water SRF program, and vice versa.

Sources of Loan Funds

Loan funds are derived from various sources and include federal capitalization grants, state match, leveraged bonds, borrowers' principal repayments, and interest earnings.

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 2007 capitalization grant is expected to be \$3,266,300 which requires \$653,000 in state match. Bond proceeds will be used to match 2007 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. The Clean Water SRF program experienced

unprecedented demand in fiscal year 2005 and 2006. To address these needs, the Conservancy District issued \$33.5 million of leveraged bonds in October 2005. The need to issue additional leveraged bonds will be assessed as applications are received. It is expected that a bond issue will be needed in either fiscal year 2007 or 2008 to meet demand.

Borrowers' Principal Repayments: The principal repaid by the loan borrowers is used to make semi-annual leveraged bond payments. Any excess principal is available for loans. It is estimated that \$3,750,000 in principal repayments will be available for loans in fiscal year 2007.

Interest Earnings: The interest repaid by the loan borrowers, as well as interest earned on investments, is dedicated to make semi-annual state match bond payments. Any excess interest is available for loans. It is estimated that \$3,800,000 in interest earnings will be available for loans in fiscal year 2007.

Interest Rates

Interest rates are reviewed annually and are set to be competitive with other funding agencies. In September 2006, the Board of Water and Natural Resources retained the interest rates established in March 2004, which are 2.50 percent for loans with a term of 10 years or less and 3.25 percent for loans with a term greater than 10 years. The term of each loan is at the discretion of the project sponsor provided that the proposed repayment source produces sufficient coverage. The rate for loans for interim financing is 2.0 percent. The maximum allowable term for interim financing loans is three years.

The board also retained the nonpoint source incentive rates for nonpoint source projects,

which are 1.50 percent for loans with a term of 10 years or less and 2.25 percent for loans with a term greater than 10 years. Projects for traditional wastewater or stormwater

	Up to 3 Yrs	Up to 10 Yrs	Up to 20 Yrs
<u>Interim Rate</u>			
Interest Rate	2.00%		
Admin.			
Surcharge	<u>0.00%</u>		
Total	2.00%		
<u>Base Rate</u>			
Interest Rate		2.00%	2.50%
Admin.			
Surcharge		<u>0.50%</u>	<u>0.75%</u>
Total		2.50%	3.25%
<u>Nonpoint Source</u>			
<u>Incentive Rate</u>			
Interest Rate		1.00%	1.50%
Admin.			
Surcharge		<u>0.50%</u>	<u>0.75%</u>
Total		1.50%	2.25%

projects that include a nonpoint source component may receive the nonpoint source rate. The annual principal and interest payments are calculated for a loan at the higher base interest rate. Using the lower interest incentive 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.

A recent decision by EPA allows financings up to 30 years. States must meet certain conditions and must obtain approval from EPA. This option is being pursued, and the ground work has been started to submit a

proposal to EPA. The ability to offer 30-year financings to all borrowers may be available later in fiscal year 2007.

Administrative Surcharge Activities

The interest rate includes an administrative surcharge as identified in Table 1. The surcharge was established to provide a pool of funds to be used for administrative purposes after the state ceases to receive capitalization grants. The administrative surcharge is also available for other purposes, as determined eligible by EPA and at the discretion of the Board of Water and Natural Resources and department. Recent emphasis has been on using the surcharge for purposes other than reserves for future program administration.

In fiscal year 2001 the board initiated the Small Community Planning Grant program to encourage proactive planning by small communities. The planning grants reimburse 80 percent of the cost of the study. Planning grants are available only to communities of 2,500 or less. Studies that include measures to identify inflow and infiltration (I/I) can receive up to \$8,000. Studies that do not include an I/I analysis can receive up to \$6,000. The board provides additional grants for studies incorporating a rate analysis using Rate Maker software. Reimbursement for performing a rate analysis is 80 percent of costs up to a maximum of \$1,600.

The board has allocated \$600,000 of administrative surcharge income for the program. Approximately \$150,000 remains unobligated from prior years' allocations for planning grants in fiscal year 2007. Future allocations of administrative surcharge will depend on program demand.

Administrative surcharges have been used to assist in the design of manure management

systems for concentrated animal feeding operations (CAFOs) and provide water quality grants for construction of manure management systems for livestock auction markets. While activity continues in these areas, no future allocations of administrative surcharge for these purposes are anticipated.

Additionally, administrative surcharges were allocated to supplement the Consolidated program by providing water quality grants to Clean Water SRF eligible projects. Future allocations of administrative surcharge for this purpose are expected and will depend on the demand for and availability of Consolidated grant funds.

Beginning in fiscal year 2005, administrative surcharge funds were also provided to the planning districts to defray the cost of SRF application preparation and project administration. Reimbursement is \$7,500 per approved loan with payments made in \$2,500 increments as certain milestones are met. Future allocations for this activity are anticipated and will be based on expected loan demand.

Administrative Surcharge Uses in FY 2007

As of September 30, 2006, \$420,833 of unobligated administrative surcharge funds are available.

In fiscal year 2007, \$400,000 of administrative surcharge funds will be allocated on an as-needed basis for the following activities: non-federal cost share for Total Maximum Daily Load (TMDL) assessments, planning grants, and to supplement the Consolidated program with grants for wastewater treatment projects.

Administrative surcharge funds will again be provided to the planning districts to defray the cost of SRF application preparation and

project administration. Based on recent loan demand, \$150,000 will be allocated for this purpose in fiscal year 2007.

Capitalization Grant Administrative Allowance

The four percent administrative allowance of \$130,652 will be reserved for administrative purposes in fiscal year 2007.

ASSURANCES AND SPECIFIC PROPOSALS

The state has assured compliance with the following sections of the law in the State/EPA Operating Agreement - XI Certification Procedures. In addition, the state has developed specific proposals on implementation of those assurances in the administrative rules promulgated by the Board of Water and Natural Resources.

Section 602(a) - Environmental Reviews - The state certifies that it will conduct environmental reviews of each project on Attachment II receiving assistance from the Clean Water SRF, as applicable. The state will follow EPA-approved National Environmental Policy Act (NEPA) procedures in conjunction with such environmental reviews.

Section 602(b)(3) - Binding Commitments - The state certifies that it will enter into binding commitments equal to at least 120 percent of each quarterly grant payment within one year after receipt.

Section 602(b)(4) - Timely Expenditures of Funds - The state is committed to obligate Clean Water SRF moneys to eligible applicants as quickly and efficiently as possible to facilitate the financing of eligible projects and to initiate construction with a minimum of delay.

Section 602(b)(5) - First Use Enforceable Requirements - The state certifies that all major and minor wastewater treatment facilities identified as part of the National Municipal Policy (NMP) universe are:

1. in compliance, or
2. have received funding through various state and federal assistance programs and constructed a facility designed to produce an effluent capable of meeting the appropriate permit limits and achieve compliance with its discharge permit, or
3. have upgraded existing facilities or constructed new facilities through its own means to achieve compliance with its discharge permit.

Section 602(b)(6) - Compliance with Title II Requirements - The state certifies that it will comply as applicable.

CRITERIA AND METHOD FOR DISTRIBUTION OF FUNDS

The Clean Water SRF funds are distributed using the following criteria:

1. the availability of funds in the Clean Water SRF program;
2. the applicant's need;
3. violation of health and safety standards; and
4. the applicant's ability to repay.

The methods and criteria used are designed to provide the maximum flexibility and assistance that is affordable to the borrower

while providing for the long-term viability of the fund.

Public Review and Comment - On May 25, 1988, a public hearing was held to review the initial Clean Water SRF rules and to receive comments. The Board of Water and Natural Resources approved the rules following the hearing. Revisions to the Clean Water SRF rules have been made periodically to reflect the needs of the program.

A formal public hearing was held for the South Dakota fiscal year 2007 Clean Water SRF Intended Use Plan on November 2, 2006.

Table 2 - Amounts Available to Transfer between State Revolving Fund Programs

Year	DWSRF Capitalization Grant	Amount Available for Transfer	Banked Transfer Ceiling	Amount Transferred from CWSRF to DWSRF	Amount Transferred from DWSRF to CWSRF	Transfer Description	CWSRF Funds Available to Transfer	DWSRF Funds Available to Transfer
1997	\$12,558,800	\$4,144,404	\$4,144,404				\$4,144,404	\$4,144,404
1998	\$7,121,300	\$2,350,029	\$6,494,433				\$6,494,433	\$6,494,433
1999	\$7,463,800	\$2,463,054	\$8,957,487				\$8,957,487	\$8,957,487
2000	\$7,757,000	\$2,559,810	\$11,517,297				\$11,517,297	\$11,517,297
2001	\$7,789,100	\$2,570,403	\$14,087,700				\$14,087,700	\$14,087,700
2002	\$8,052,500	\$2,657,325	\$16,745,025	\$7,812,960		CW Cap Grant/Match	\$8,932,065	\$16,745,025
2003	\$8,004,100	\$2,641,353	\$19,386,378	\$7,761,360		CW Cap Grant/Match	\$3,812,058	\$19,386,378
2004	\$8,303,100	\$2,740,023	\$22,126,401				\$6,552,081	\$22,126,401
2005	\$8,352,500	\$2,756,325	\$24,882,726				\$9,308,406	\$24,882,726
2006	\$8,229,300	\$2,715,669	\$27,598,395		\$7,500,000	Leveraged Bonds	\$12,024,075	\$20,098,395
2007 (est.)	\$8,270,000	\$2,729,100	\$30,327,495				\$14,753,175	\$22,827,495

ATTACHMENT I

PROJECT PRIORITY LIST

Attachment I is a comprehensive list of projects that are eligible for Clean Water SRF loans. This list was developed from State Water Plan applications. Inclusion on the list carries no obligations to the Clean Water SRF program. Attachment II lists those projects expected to be funded in fiscal year 2007.

Priority Points	Loan Recipient	Project Number	Project Description	Estimated Loan Amount	Expected Loan Rate & Term
27	Spearfish	C461030-02	Upgrade the wastewater treatment facility to address compliance with chlorine residual standards and provide capacity for the community's growth.	\$5,165,000	3.25%, 20 yrs
26	Box Elder	C461003-02	Construction of a packaged mechanical-type treatment facility to address more stringent stream standards.	\$900,000	3.25%, 20 yrs
24	Crooks	C461227-01	Build additional capacity into the wastewater treatment facility to meet more stringent stream standards and replace the existing lift station to accommodate growth within the community.	\$510,000	3.25%, 20 yrs
24	Woonsocket	C461138-01	Construction of a 5.0-acre lagoon cell to provide sufficient capacity for total retention as required in the city's Surface Water Discharge permit.	\$200,000	3.25%, 20 yrs
23	New Effington	C461416-01	Expand the capacity of the wastewater treatment facility and rehabilitate segments of the collection system to reduce infiltration.	\$250,000	3.25%, 20 yrs
22	Canova	C461321-01	Construction of a 3.0-acre wetland cell to provide sufficient capacity for total retention as required in the city's Surface Water Discharge permit.	\$120,000	3.25%, 20 yrs
18	Watertown	C461029-07 & C461029-08	Construct wastewater and storm sewer lines in an undeveloped area and construct various management practices along a section of the Big Sioux River north of Watertown.	\$1,408,300	2.25%, 20 yrs (Watershed Incentive Rate)

Priority Points	Loan Recipient	Project Number	Project Description	Estimated Loan Amount	Expected Loan Rate & Term
17	Madison	C461024-02	Improvements to the existing wastewater treatment facility to include replacement of existing equipment, updating the electrical system, and conversion to an aerobic digestion system.	\$4,530,000	3.25%, 20 yrs
15	Wagner	C461209-01	Extend the sewer to a development currently served by on-site systems and replace 1,350 feet of vitrified clay sewer main that is in poor condition.	\$115,000	3.25%, 20 yrs
14	Highmore	C461106-02	Install storm sewers and curb and gutters to correct storm water problems in the eastern part of the city and extend wastewater service to an area north of Highway 14.	\$700,000	3.25%, 20 yrs
14	Presho	C461236-01	Replacement of two blocks of sewer main to address infiltration and extend sewer service to an area with failing on-site systems.	\$400,000	3.25%, 20 yrs
13	Enemy Swim San. Dist.	C461422-01	Elimination of septic systems by constructing two wastewater treatment lagoons and collection systems to convey wastewater to these lagoons and the existing wastewater treatment facility at Pickerel Lake.	\$1,500,000	3.25%, 20 yrs
13	Hermosa	C461278-01	Expand the capacity of the wastewater treatment facility and rehabilitate segments of the collection system that are experiencing excessive inflow and infiltration.	\$230,000	3.25%, 20 yrs
12	Lead	C461007-06	Installation of new sanitary and storm sewers to eliminate combined sewers.	\$500,000	3.25%, 20 yrs
11	Gregory	C461126-01	Replacement of the sewer outfall line to eliminate infiltration.	\$257,000	3.25%, 20 yrs
11	Hartford	C461104-05	Replace various segments of the wastewater collection system that are in poor shape and add storm sewers to areas that require improved drainage, to include improvements on South Street, Main Avenue and Mickelson Road.	800,000	3.25%, 20 yrs

Priority Points	Loan Recipient	Project Number	Project Description	Estimated Loan Amount	Expected Loan Rate & Term
11	Tyndall	C461131-03	Rehabilitation of the collection system to address infiltration, and replace lines that have sags or insufficient slope.	\$2,000,000	3.25%, 20 yrs
10	Centerville	C461215-02	Rehabilitation of the collection system to address significant inflow and infiltration issues.	\$1,500,000	3.25%, 20 yr
10	Corsica	C461107-01	Replacement of approximately 9,000 feet of sewer that is experiencing excessive inflow and infiltration.	\$200,000	3.25%, 20 yrs
10	Dell Rapids	C461064-03	Construction of a new lift station, forcemain, and gravity sewer to replace the existing main lift station.	\$716,000	3.25%, 15 yrs
10	Worthing	C461047-02	Replacement of a lift station, forcemain, and gravity sewer to address excessive infiltration as well as other deficiencies within the collection system.	\$800,000	3.25%, 20 yrs
9	Elk Point	C461059-05	Peplacement of sanitary sewer, manholes, curb and gutter on Washington Street.	\$100,000	3.25%, 20 yrs
9	Geddes	C461274-01	Replacement of all manholes and much of the collection system throughout the community.	\$330,000	3.25%, 20 yrs
9	Tea	C461028-06	Relocation of an existing lift station to eliminate two other lift stations and associated trunk line adjustments.	\$800,000	3.25%, 20 yr
8	Brookings	C461019-02	Replacement of approximately 2,200 feet of sewer mains on Main Street.	\$200,000	3.25%, 20 yrs
8	Dell Rapids	C461064-04	Construction of a new stormwater detention facility to control stormwater run-off in the 12th Street and Clark Avenue area.	\$835,000	3.25%, 20 yrs
8	Mobridge	C461016-04	Repair or replacement of a portion of the storm sewer system.	\$300,000	3.25%, 20 yrs
8	Redfield	C461182-02	Extend sewer lines to provide service to a proposed development.	\$458,000	3.25%, 20 yrs
8	Waubay	C461025-02	Replacement/rehabilitation of sewer lines.	\$500,000	3.25%, 20 yrs
7	Freeman	C461017-02	Installation of storm sewers on Sixth Street.	\$576,000	3.25%, 20 yrs
7	Martin	C461203-01	Rehabilitation of the interior slopes and riprap at the	\$100,000	3.25%, 20 yrs

Priority Points	Loan Recipient	Project Number	Project Description	Estimated Loan Amount	Expected Loan Rate & Term
			north wastewater treatment stabilization ponds.		
7	Tyndall	C461131-01	Construct additional 30- and 36-inch storm sewer lines to alleviate storm water back-ups.	\$500,000	3.25%, 20 yrs
6	Springfield	C461071-01	Extension of the collection system into an undeveloped portion of the town.	\$175,000	3.25%, 20 yrs
5	Wolsey	C461262-01	Replace wastewater collection lines in conjunction with a DOT Highway project.	\$120,000	3.25%, 20 yrs
4	Fort Pierre	C461049-04	Sediment control of storm water runoff near highways 14/34 and 1806.	\$375,600	3.25%, 20 yrs

ATTACHMENT II - LIST OF PROJECTS TO BE FUNDED IN FY2007

Priority Points	Loan Recipient	Project Number	Loan Amount	Funding Date	Expected Funding Source
Loans Expected					
18	Watertown	C461029-07 & C461029-08	\$1,408,300	January 2007	UCE
8	Redfield	C461882-02	\$458,000	January 2007	UCE
9	Tea	C461028-06	\$800,000	March 2007	FY 2007
7	Freeman	C461017-02	\$576,000	March 2007	FY 2007
7	Martin	C461203-01	\$100,000	March 2007	FY 2007
24	Crooks	C461227-01	\$510,000	June 2007	FY 2007
11	Gregory	C461126-01	\$257,000	June 2007	FY 2007
10	Dell Rapids (lift station)	C461064-03	\$716,000	June 2007	FY 2007
9	Elk Point	C461059-05	\$100,000	June 2007	Repayments
27	Spearfish	C461030-02	\$5,165,000	September 2007	Leveraged Bond Proceeds
17	Madison	C461024-02	\$4,530,000	September 2007	Repayments/UCE
15	Wagner	C461209-01	\$115,000	September 2007	FY 2007
14	Highmore	C461106-02	\$700,000	September 2007	FY 2007
11	Hartford	C461104-05	\$800,000	September 2007	Repayments
10	Worthing	C461047-02	\$800,000	September 2007	Repayments
8	Dell Rapids (storm sewer)	C461064-04	\$835,000	September 2007	Repayments

**ATTACHMENT III
PROGRAM FUNDING STATUS**

Fiscal Years 1989 - 2006

Capitalization Grants	\$118,215,400
State Match	\$23,643,080
Leveraged Funds	\$45,507,540
Program Administration Allowance	(\$4,209,468)
Transfer of FY 2002 & 2003 Capitalization Grant and State Match to DWSRF	(\$15,574,320)
Excess Interest as of September 30, 2005	\$27,700,918
Excess Principal Repayments as of Sept. 30, 2006	\$64,314,856
 Total Funds Dedicated to Loan	 \$259,598,006
 Loans made through September 30, 2006	 <u>(\$258,029,417)</u>
 Balance of funds as of September 30, 2006	 \$1,568,589

Fiscal Year 2007

Capitalization Grants	\$3,266,300
State Match	\$653,260
Program Administration Allowance	(\$130,652)
Projected Excess Principal Repayments	\$3,750,000
Projected Unrestricted Interest Earnings	\$3,800,000
Arbitrage Rebate Liability	(\$120,000)
Projected Fiscal Year 2007 Subtotal	<u>\$11,218,908</u>
 Total Funds Available for Loans	 <u>\$12,787,497</u>
 Loan Amount Identified on Attachment II - List of Projects to be Funded in Fiscal Year 2007	 <u>\$17,870,300</u>

Administrative Surcharge Funds Available as of September 30, 2006	
Restricted Account (Administrative Purposes Only)	\$15,807.55
Discretionary Account (Available for Water Quality Grants)	<u>\$405,025.93</u>
Total	<u>\$420,833.48</u>

ADDENDUM B

FEDERAL FISCAL YEAR 2006

ENVIRONMENTAL BENEFITS REPORTING

CWSRF Benefits Reporting - Loan List Report for the Period: 10/2005 - 9/2006

Borrower	Loan Number	Loan Amount	Loan Execution Date
Burke	C461225-01	\$155,000.00	01/05/2006
Castlewood	C461246-02	\$160,000.00	06/22/2006
Dell Rapids	C461064-02	\$731,737.00	01/05/2006
Elk Point	C461059-04	\$100,000.00	06/22/2006
Parker	C641026-02	\$620,000.00	06/22/2006
Sioux Falls	C461232-22	\$10,550,000.00	02/07/2006
Sioux Falls	C461232-23	\$10,323,000.00	03/31/2006
Tyndall	C461131-01	\$795,000.00	03/31/2006
Watertown	C461029-06	\$1,303,130.00	03/31/2006
Weston Heights Sanitary District	C461456-01	\$638,300.00	03/31/2006
Winner	C461123-01	\$925,000.00	06/22/2006
Total Loan Amount for the Period: (10/2005 - 9/2006)		\$26,301,167.00	

CWSRF Benefits Reporting

Loan: SD1	<input checked="" type="checkbox"/> Entry Complete	Tracking #: C461225-01	Other #:
Borrower: Burke	Loan Execution Date: 01/05/2006	Incremental Funding: N	Phase #: 0
Assistance Type: Loan	Loan Interest Rate: 3.25%	Original Tracking #:	
Loan Amount \$: \$155,000.00	Repayment Period: 20	Same Environmental Results: <input type="checkbox"/>	
<input type="checkbox"/> Final Amount	% Funded by CWSRF: 100.00%		
Total from all Projects \$: 155,000.00	Multiple nonpoint source projects with similar Environmental Results <input type="checkbox"/>	Total NPS Projects: 0	

Project: **1** of # of NPS Projects: **0**

Project Description: Burke (01) Franklin Street Utilities Replacement - Replace approximately 2,800 feet of sewer main.

Facility Name: City of Burke

Population Served (Current):

by the Project: **100**
by the Facility: **640**

Wastewater Volume (Design Flow)

by the Project: 0.0100mgd Volume Eliminated/Conserved 0.0000mgd
by the Facility: 0.0640mgd

Needs Categories:

III-B Sewer System Rehabilitation \$155,000.00 100 %

Discharge Information:

Ocean Outfall Estuary/Coastal Bay Wetland Surface Water Groundwater Land Application
 Other/Reuse Eliminates Discharge No Change / No Discharge NEP Study Seasonal Discharge

Permit Type: NPDES
Permit Number: SD0022306

Affected Waterbodies:	<u>Waterbod Name</u>	<u>Waterbody ID</u>	<u>State Waterbody ID</u>	<u>Receiving Waterbody</u>
Primary Impacted:	Unnamed Tributary South Fork of	10140101000583		<input type="checkbox"/>
Other Impacted:	Unnamed Tributary Coon Creek	10140101000585		<input type="checkbox"/>

Project **Improvement/Maintenance** of Water Quality:

- a. Contributes to water quality Maintenance.
b. Allows the system to Maintain Compliance.
c. Affected waterbody is Not Assessed.
d. Allows the system to address..... Existing TMDL Projected TMDL Watershed Management Plan

Other Uses and Outcomes (Selected):

Infrastructure Improvement Protection: Primary Restoration:
Groundwater Protection Secondary

Comments: PPopulation sewed by the project based on estimated number service connections X 2.5 people per connection. Volumes = population X 100 gpcd

CWSRF Benefits Reporting

Loan: SD9		<input checked="" type="checkbox"/> Entry Complete	Tracking # C461246-02	Other #:
Borrower:	Castlewood	Loan Execution Date: 06/22/2006	Incremental Funding: N	Phase #: 0
Assistance Type:	Loan	Loan Interest Rate: 3.25%	Original Tracking #:	
Loan Amount \$:	\$160,000.00	Repayment Period: 20	Same Environmental Results:	<input type="checkbox"/>
	• Final Amount	% Funded by CWSRF: 61.00%		
Total from all Projects \$: 160,000.00		Multiple nonpoint source projects with similar Environmental Result: <input type="checkbox"/> Total NPS Projects: 0		

Project: ■ of # of NPS Projects: 0

Project Description: Wastewater treatment lagoon restoration

Facility Name: City of Castlewood

Population Served (Current) :

by the Project: 666
by the Facility: 666

Wastewater Volume (Design Flow)

by the Project: 0.0600mgd Volume Eliminated/Conserved 0.0000mgd
by the Facility: 0.0600mgd

Needs Categories:

I Secondary Treatment \$160,000.00 100 %

Discharge Information:

Ocean Outfall Estuary/Coastal Bay Wetland Surface Water Groundwater Land Application
 Other/Reuse Eliminates Discharge No Change / No Discharge NEP Study Seasonal Discharge

Permit Type NPDES
Permit Number: SD0021580

Affected Waterbodies:

	<u>Waterbod Name</u>	<u>Waterbody ID</u>	<u>State Waterbody ID</u>	<u>Receiving Waterbody</u>
Primary Impacted :	Central Big Sioux River	10170202000176		<input type="checkbox"/>
Other Impacted :				<input type="checkbox"/>

Project Improvement/Maintenance of Water Quality:

a. Contributes to water quality Maintenance.
b. Allows the system to Maintain Compliance.
c. Affected waterbody is Impaired.
d. Allows the system to address..... Existing TMDL Projected TMDL Watershed Management Plan

Designated Surface Water Uses (Selected):

	<u>Protection:</u>	<u>Restoration:</u>
Domestic water supply waters	Primary	
Warmwater semipermanent fish propagation waters	Secondary	
Limited-contact recreation waters	Secondary	
Fish & wildlife propagation, rec, & stock watering	Secondary	
Irrigation waters	Secondary	

Other Uses and Outcomes (Selected):

	<u>Protection:</u>	<u>Restoration:</u>
Infrastructure Improvement	Primary	

Comments:

CWSRF Benefits Reporting

Loan: SD2	<input checked="" type="checkbox"/> Entry Complete	
Borrower: Dell Rapids	Loan Execution Date: 01/05/2006	Tracking #: C461064-02 Other #:
Assistance Type: Loan	Loan Interest Rate: 3.25%	Incremental Funding: N Phase #: 0
Loan Amount \$: \$731,737.00	Repayment Period: 20	Original Tracking #:
<input type="checkbox"/> Final Amount	% Funded by CWSRF: 100.00%	Same Environmental Results: <input type="checkbox"/>
Total from all Projects \$: 731,737.00	Multiple nonpoint source projects with similar Environmental Result: <input type="checkbox"/>	Total NPS Projects: 0

Project: I of # of NPS Projects: 0

Project Description: Dell Rapids (02) 4th Street Utility Improvement Project - Replace sewer line and install storm sewer as part of street improvement project

Facility Name: City of Dell Rapids

Population Served (Current) :

by the Project: 0
by the Facility: 3,167

Wastewater Volume (Design Flow)

by the Project: 0.0100mgd Volume Eliminated/Conserved 0.0000mgd
by the Facility: 0.3167mgd

Needs Categories:

III-B Sewer System Rehabilitation	\$622,000.00	85 %
VI Storm Sewers	\$109,737.00	15%

Discharge Information:

Ocean Outfall Estuary/Coastal Bay Wetland Surface Water Groundwater Land Application
 Other/Reuse Eliminates Discharge No Change / No Discharge NEP Study Seasonal Discharge
 Permit Type: NPDES
 Permit Number: SD0022101

Affected Waterbodies:

	<u>Waterbod Name</u>	<u>Waterbody ID</u>	<u>State Waterbody ID</u>	<u>Receiving Waterbody</u>
Primary Impacted :	Big Sioux River	10170203002454		<input checked="" type="checkbox"/>
Other Impacted :				<input type="checkbox"/>

Project Improvement/Maintenance of Water Quality:

a. Contributes to water quality Maintenance.
 b. Allows the system to Maintain Compliance.
 c. Affected waterbody is Impaired.
 d. Allows the system to address..... Existing TMDL Projected TMDL Watershed Management Plan

Other Uses and Outcomes (Selected):

Infrastructure Improvement	<u>Protection:</u> Primary	<u>Restoration:</u>
Groundwater Protection	Secondary	

Comments: Project serves predominately businesses.

CWSRF Benefits Reporting

Loan: SD13	<input checked="" type="checkbox"/> Entry Complete	
Borrower: Elk Point	Loan Execution Date: 06/22/2006	Tracking #: C461059-04 Other #:
Assistance Type: Loan	Loan Interest Rate: 3.25%	Incremental Funding: N Phase #: 0
Loan Amount \$: \$100,000.00	Repayment Period: 20	Original Tracking #:
<input type="checkbox"/> Final Amount	% Funded by CWSRF: 18.00%	Same Environmental Results: <input type="checkbox"/>
Total from all Projects \$: 100,000.00	Multiple nonpoint source projects with similar Environmental Results <input type="checkbox"/>	Total NPS Projects: 0

Project: 1 of # of NPS Projects: 0
Project Description: Replacement of the West Side Lift Station which was originally constructed in 1976. Project includes replacement of the West Side Lift Station, replacement of about 2,000' of gravity sewer, 1000' of sewer force main, and the replacement of two one
Facility Name: City of Elk Point

Population Served (Current) :
 by the Project: 77
 by the Facility: 1,714

Wastewater Volume (Design Flow)
 by the Project: 0.0080mgd Volume Eliminated/Conserved 0.0000mgd
 by the Facility: 0.1700mgd

Needs Categories:
 III-B Sewer System Rehabilitation \$100,000.00 100 %

Discharge Information:
 Ocean Outfall Estuary/Coastal Bay Wetland Surface Water Groundwater Land Application
 Other/Reuse Eliminates Discharge No Change / No Discharge NEP Study Seasonal Discharge
 Permit Type: NPDES
 Permit Number: SD0022080

Affected Waterbodies:	Waterbod Name	Waterbody ID	State Waterbody ID	Receivina Waterbody
Primary Impacted :	Unnamed tributary of Missouri	10170101001795		<input checked="" type="checkbox"/>
Other Impacted :	Missouri River	10170101001977		<input checked="" type="checkbox"/>

Project Improvement/Maintenance of Water Quality:
 a. Contributes to water quality Maintenance.
 b. Allows the system to Maintain Compliance.
 c. Affected waterbody is Not Assessed.
 d. Allows the system to address..... Existing TMDL Projected TMDL Watershed Management Plan

Other Uses and Outcomes (Selected):
 Infrastructure Improvement Protection: Primary Restoration:

Comments: The entire town of Elk Point contains about 62,000 ft. of gravity sewer. This project replaces about 2,t fl. of gravity sewer. Based on this ratio or percentage of 4.5%, this project serves about 77 people. Without extensive research, this seems to be a reasonable estimate of the population served.
 Based on a per capita flow of 100 gpd, the wastewater volume of the project is about 7,700 gallons or

CWSRF Benefits Reporting

Loan: SD14		<input checked="" type="checkbox"/> Entry Complete		
Borrower:	Parker	Loan Execution Date:	06/22/2006	Tracking #: C641026-02 Other #:
Assistance Type:	Loan	Loan Interest Rate:	3.25%	Incremental Funding: Y Phase #: 0
Loan Amount \$:	\$620,000.00	Repayment Period:	20	Original Tracking #:
	<input type="checkbox"/> Final Amount	% Funded by CWSRF:	89.00%	Same Environmental Results: <input type="checkbox"/>
Total from all Projects \$: 620,000.00		Multiple nonpoint source projects with similar Environmental Results <input type="checkbox"/> Total NPS Projects: 0		

Project: 1 of # of NPS Projects: 0

Project Description: Construction of sanitary sewer collection line to replace old, deteriorating lines in 4th, 6th, Juniper and Main Streets.

Facility Name: City of Parker

Population Served (Current):

by the Project: 75
by the Facility: 1,031

Wastewater Volume (Design Flow)

by the Project: 0.0075mgd Volume Eliminated/Conserved 0.0000mgd
by the Facility: 0.1030mgd

Needs Categories:

III-B Sewer System Rehabilitation \$620,000.00 100 %

Discharge Information:

Ocean Outfall Estuary/Coastal Bay Wetland Surface Water Groundwater Land Application
 Other/Reuse Eliminates Discharge No Change / No Discharge NEP Study Seasonal Discharge

Permit Type: NPDES
Permit Number: SD0020940

Affected Waterbodies:

	<u>Waterbod Name</u>	<u>Waterbody ID</u>	<u>State Waterbody ID</u>	<u>Receiving Waterbody</u>
Primary Impacted :	WEST FORK OF THE	10170102000155		<input checked="" type="checkbox"/>
Other Impacted :				<input type="checkbox"/>

Project Improvement/Maintenance of Water Quality:

- a. Contributes to water quality Maintenance.
- b. Allows the system to Maintain Compliance.
- c. Affected waterbody is Meeting Standards.
- d. Allows the system to address..... Existing TMDL Projected TMDL Watershed Management Plan

Other Uses and Outcomes (Selected):

Infrastructure Improvement	<u>Protection:</u> Primary	<u>Restoration:</u>
Groundwater Protection	Secondary	

Comments: Population is an estimate based on 25 people per household and 30 homes affected by this project.
Flow rates based on 100 gpcd.

CWSRF Benefits Reporting

Loan: SD7	<input checked="" type="checkbox"/> Entry Complete	
Borrower: Sioux Falls	Loan Execution Date: 02/07/2006	Tracking#: C461232-22 Other #:
Assistance Type: Loan	Loan Interest Rate: 2.50%	Incremental Funding: Y Phase #: 2
Loan Amount \$: \$10,550,000.00	Repayment Period: 10	Original Tracking#:
<input type="checkbox"/> Final Amount	% Funded by CWSRF: 100.00%	Same Environmental Results: <input type="checkbox"/>
Total from all Projects \$: 10,550,000.00	Multiple nonpoint source projects with similar Environmental Results <input type="checkbox"/>	Total NPS Projects: 0

Project: 1 of # of NPS Projects: 0

Project Description: Storm sewer rehabilitation at various locations in the city

Facility Name: City of Sioux Falls

Population Served (Current):

by the Project: 75,000
by the Facility: 134,600

Wastewater Volume (Design Flow)

by the Project: 0.0000mgd Volume Eliminated/Conserved 0.0000mgd
by the Facility: 0.0000mgd

Needs Categories:

VI Storm Sewers \$10,550,000.00 100 %

Discharge Information:

Ocean Outfall Estuary/Coastal Bay Wetland Surface Water Groundwater Land Application
 Other/Reuse Eliminates Discharge No Change / No Discharge NEP Study Seasonal Discharge

Permit Type: NPDES
Permit Number: SD0022128

Affected Waterbodies:

	<u>Waterbod Name</u>	<u>Waterbody ID</u>	<u>State Waterbody ID</u>	<u>Receiving Waterbody</u>
Primary Impacted:	Lower Big Sioux River	10170203000392		<input checked="" type="checkbox"/>
Other Impacted:				<input type="checkbox"/>

Project Improvement/Maintenance of Water Quality:

a. Contributes to water quality Not Applicable
b. Allows the system to Not Applicable
c. Affected waterbody is Not Applicable
d. Allows the system to address..... Existing TMDL Projected TMDL Watershed Management Plan

Other Uses and Outcomes (Selected):

Infrastructure Improvement

Protection:
Primary

Restoration:

Comments: Project population was an estimate
No flow data available as all projects are storm sewers

CWSRF Benefits Reporting

Loan: SD8	<input checked="" type="checkbox"/> Entry Complete	
Borrower: Sioux Falls	Loan Execution Date: 03/31/2006	Tracking#: C461232-23 Other #:
Assistance Type: Loan	Loan Interest Rate: 2.50%	Incremental Funding: N Phase #: 0
Loan Amount \$: \$10,323,000.00	Repayment Period: 10	Original Tracking #:
<input type="checkbox"/> Final Amount	% Funded by CWSRF: 100.00%	Same Environmental Results: <input type="checkbox"/>
Total from all Projects \$: 10,323,000.00		Multiple nonpoint source projects with similar Environmental Results <input type="checkbox"/> Total NPS Projects: 0

Project: 1 of # of NPS Projects: 0

Project Description: Construction of a trunk sewer

Facility Name: City of Sioux Falls

Population Served (Current) :

by the Project: 2,500
by the Facility: 134,600

Wastewater Volume (Design Flow)

by the Project: 3.9000mgd Volume Eliminated/Conserved 0.0000mgd
by the Facility: 28.9000mgd

Needs Categories:

IV-B New Interceptors \$8,566,940.00 83 %

Discharge Information:

Ocean Outfall
 Estuary/Coastal Bay
 Wetland
 Surface Water
 Groundwater
 Land Application
 Other/Reuse
 Eliminates Discharge
 No Change / No Discharge
 NEP Study
 Seasonal Discharge
Permit Type: NPDES
Permit Number: SD0022128

Affected Waterbodies:

	<u>Waterbod Name</u>	<u>Waterbody ID</u>	<u>State Waterbody ID</u>	<u>Receivina Waterbody</u>
Primary Impacted :	Lower Big Sioux River	10170203000392		<input checked="" type="checkbox"/>
Other Impacted :				<input type="checkbox"/>

Project Improvement/Maintenance of Water Quality:

a. Contributes to water quality Improvement.
b. Allows the system to Maintain Compliance.
c. Affected waterbody is Impaired.
d. Allows the system to address..... Existing TMDL
 Projected TMDL
 Watershed Management Plan

Other Uses and Outcomes (Selected):

Infrastructure Improvement	<u>Protection:</u>	<u>Restoration:</u>
Regionalization/Consolidation	Secondary	
	Primary	

Comments:

CWSRF Benefits Reporting

Loan: SD8	<input checked="" type="checkbox"/> Entry Complete	
Borrower: Sioux Falls	Loan Execution Date: 0313112006	Tracking#: C461232-23 Other #:
Assistance Type: Loan	Loan Interest Rate: 2.50%	Incremental Funding: N Phase #: 0
Loan Amount \$: \$10,323,000.00	Repayment Period: 10	Original Tracking#:
<input type="checkbox"/> Final Amount	% Funded by CWSRF: 100.00%	Same Environmental Results: <input type="checkbox"/>
Total from all Projects \$: 10,323,000.00	Multiple nonpoint source projects with similar Environmental Results <input type="checkbox"/> Total NPS Projects: 0	

Project: 2 of # of NPS Projects: 0

Project Description: Addition of a SCADA system at the Water Reclamation Plant

Facility Name: City of Sioux Falls

Population Served (Current):

by the Project: 134,600
by the Facility: 134,600

Wastewater Volume (Design Flow)

by the Project: 28.9000mgd Volume Eliminated/Conserved 0.0000mgd
by the Facility: 28.9000mgd

Needs Categories:

I Secondary Treatment \$500,580.00 5%

Discharge Information:

Ocean Outfall Estuary/Coastal Bay Wetland Surface Water Groundwater Land Application
 Other/Reuse Eliminates Discharge No Change / No Discharge NEP Study Seasonal Discharge
 Permit Type: NPDES
 Permit Number: SD0022128

Affected Waterbodies:

	<u>Waterbody Name</u>	<u>Waterbody ID</u>	<u>State Waterbody ID</u>	<u>Receiving Waterbody</u>
Primary Impacted:	Lower Big Sioux River	10170203000392		<input checked="" type="checkbox"/>
Other Impacted:				<input type="checkbox"/>

Project Improvement/Maintenance of Water Quality:

a. Contributes to water quality Not Applicable
 b. Allows the system to Maintain Compliance.
 c. Affected waterbody is Impaired.
 d. Allows the system to address..... Existing TMDL Projected TMDL Watershed Management Plan

Designated Surface Water Uses (Selected):

Warmwater semipermanent fish propagation waters
 Immersion recreation waters
 Limited-contact recreation waters
 Fish & wildlife propagation, rec, & stock watering
 Irrigation waters

Protection:

Primary
 Secondary
 Secondary
 Secondary
 Secondary

Restoration:

Other Uses and Outcomes (Selected):

Infrastructure Improvement
 Regionalization/Consolidation

Protection:

Primary
 Primary

Restoration:

Comments:

CWSRF Benefits Reporting

Loan: SD8	<input checked="" type="checkbox"/> Entry Complete	
Borrower: Sioux Falls	Loan Execution Date: 0313112006	Tracking#: C461232-23 Other #:
Assistance Type: Loan	Loan Interest Rate: 2.50%	Incremental Funding: N Phase #: 0
Loan Amount \$: \$10,323,000.00	Repayment Period: 10	Original Tracking #:
<input type="checkbox"/> Final Amount	% Funded by CWSRF: 100.00%	Same Environmental Results: <input type="checkbox"/>
Total from all Projects \$: 10,323,000.00 Multiple nonpoint source projects with similar Environmental Results <input type="checkbox"/> Total NPS Projects: 0		

Project: 3 of # of NPS Projects: 0

Project Description: Sanitary sewer rehabilitation and slip lining

Facility Name: City of Sioux Falls

Population Served (Current) :

by the Project: 134,600
by the Facility: 134,600

Wastewater Volume (Design Flow)

by the Project: 0.0000mgd Volume Eliminated/Conserved 0.0000mgd
by the Facility: 0.0000mgd

Needs Categories:

III-B Sewer System Rehabilitation \$1,255,480.00 12 %

Discharge Information:

Ocean Outfall Estuary/Coastal Bay Wetland Surface Water Groundwater Land Application
 Other/Reuse Eliminates Discharge No Change / No Discharge NEP Study Seasonal Discharge

Permit Type: NPDES
Permit Number: SD0022128

Affected Waterbodies:

	<u>Waterbod Name</u>	<u>Waterbody ID</u>	<u>State Waterbody ID</u>	<u>Receiving Waterbody</u>
Primary Impacted:	Lower Big Sioux River	10170203000392		<input checked="" type="checkbox"/>
Other Impacted:				<input type="checkbox"/>

Project Improvement/Maintenance of Water Quality:

- a. Contributes to water quality Maintenance.
b. Allows the system to Maintain Compliance.
c. Affected waterbody is Impaired.
d. Allows the system to address..... Existing TMDL Projected TMDL Watershed Management Plan

Other Uses and Outcomes (Selected):

	<u>Protection:</u>	<u>Restoration:</u>
Infrastructure Improvement	Primary	
Drinking Water Supply (e.g., groundwater source)	Secondary	
Other Public Health/Pathogen Reduction	Secondary	

Comments: Wastewater volume is not available because the pipe projects are a very small portion of the total wastewater collection system and the project are for repair or replacement.

CWSRF Benefits Reporting

Loan: SD10 Borrower: Tyndall Assistance Type: Loan Loan Amount \$: \$795,000.00 <input type="checkbox"/> Final Amount	<input type="checkbox"/> Entry Complete Loan Execution Date: 03/31/2006 Loan Interest Rate: 3.25% Repayment Period: 20 % Funded by CWSRF: 100.00%	Tracking #: C461131-01 Other #: Incremental Funding: N Phase #: 0 Original Tracking#: Same Environmental Results: <input type="checkbox"/>
Total from all Projects \$: 795,000.00		Multiple nonpoint source projects with similar Environmental Result: <input type="checkbox"/> Total NPS Projects: 0

Project: 1 of 1

of NPS Projects: 0

Project Description: S. Main & 14th Ave Sanitary Sewer Project

Facility Name: City of Tyndall

Population Sewed (Current) :

by the Project: 150
 by the Facility: 1,272

Wastewater Volume (Design Flow)

by the Project: 0.0150mgd Volume Eliminated/Conserved 0.0000mgd
 by the Facility: 0.3800mgd

Needs Categories:

III-B Sewer System Rehabilitation \$795,000.00 100 %

Discharge Information:

Ocean Outfall Estuary/Coastal Bay Wetland Surface Water Groundwater Land Application
 Other/Reuse Eliminates Discharge No Change / No Discharge NEP Study Seasonal Discharge
 Permit Type: NPDES
 Permit Number: SD0020133

Affected Waterbodies:

	<u>Waterbod Name</u>	<u>Waterbody ID</u>	<u>State Waterbody ID</u>	<u>Receiving Waterbody</u>
Primary Impacted :	Silver Creek	10170101001680		<input checked="" type="checkbox"/>
Other Impacted :	Missouri River			<input checked="" type="checkbox"/>

Project Improvement/Maintenance of Water Quality:

a. Contributes to water quality Maintenance.
 b. Allows the system to Maintain Compliance.
 c. Affected waterbody is Not Assessed.
 d. Allows the system to address..... Existing TMDL Projected TMDL Watershed Management Plan

Other Uses and Outcomes (Selected):

Infrastructure Improvement

Protection:
Primary

Restoration:

Comments: Project population based on service connections times 2.5 persons per household. Project flow based project population time 100 gallons per capita.

CWSRF Benefits Reporting

Loan: SD11		<input type="checkbox"/> Entry Complete		
Borrower:	Watertown	Loan Execution Date:	03/31/2006	Tracking #: C461029-06 Other#:
Assistance Type:	Loan	Loan Interest Rate:	2.25%	Incremental Funding: N Phase#: 0
Loan Amount \$	\$1,303,130.00	Repayment Period:	20	Original Tracking#:
	<input type="checkbox"/> Final Amount	% Funded by CWSRF:	11.00%	Same Environmental Results: <input type="checkbox"/>
Total from all Projects \$: 1,303,130.00		Multiple nonpoint source projects with similar Environmental Results <input type="checkbox"/>		Total NPS Projects: 0

Project: 1 of 2

of NPS Projects: 0

Project Description: Southwest Watertown Storm Sewer Project

Facility Name: City of Watertown

Population Sewed (Current) :

by the Project: 1,500
by the Facility: 20,237

Wastewater Volume (Design Flow)

by the Project: 0.0000mgd Volume Eliminated/Conserved 0.0000mgd
by the Facility: 0.0000mgd

Needs Categories:

VI Storm Sewers \$1,189,145.00 91 %

Discharge Information:

Ocean Outfall Estuary/Coastal Bay Wetland Surface Water Groundwater Land Application
 Other/Reuse Eliminates Discharge No Change / No Discharge NEP study Seasonal Discharge

Permit Type: NPDES
Permit Number: SD0023370

Affected Waterbodies:

Waterbody Name	Waterbody ID	State Waterbody ID	Receiving Waterbody
Primary Impacted: Central Big Sioux River			<input checked="" type="checkbox"/>
Other Impacted:			<input type="checkbox"/>

Project Improvement/Maintenance of Water Quality:

a. Contributes to water quality Not Applicable
b. Allows the system to Not Applicable
c. Affected waterbody is Not Applicable
d. Allows the system to address..... Existing TMDL Projected TMDL Watershed Management Plan

Other Uses and Outcomes (Selected):

Infrastructure Improvement

Protection:
Primary

Restoration:

Comments: Project population was an estimate.

CWSRF Benefits Reporting

Loan: SD11	<input type="checkbox"/> Entry Complete	
Borrower: Watertown	Loan Execution Date: 03/31/2006	Tracking #: C461029-06 Other #:
Assistance Type: Loan	Loan Interest Rate: 2.25%	Incremental Funding: N Phase #: 0
Loan Amount \$: \$1,303,130.00	Repayment Period: 20	Original Tracking #:
<input type="checkbox"/> Final Amount	% Funded by CWSRF: 11.00%	Same Environmental Results: <input type="checkbox"/>
Total from all Projects \$: 1,303,130.00	Multiplenonpoint source projects with similar Environmental Result: <input type="checkbox"/>	Total NPS Projects: 0

Project: 2 of 2

of NPS Projects: 0

Project Description: Animal nutrient management, filter strips, grassed waterways, manure application management, and shoreline and stream restoration.
Facility Name: City of Watertown

Population Served (Current) :

by the Project: 0
 by the Facility: 0

Wastewater Volume (Design Flow)

by the Project: 0.0000mgd Volume Eliminated/Conserved 0.0000mgd
 by the Facility: 0.0000mgd

Needs Categories:

VII-B Agricultural Animals \$113,985.00 9 %

Discharge Information:

Ocean Outfall Estuary/Coastal Bay Wetland Surface Water Groundwater Land Application
 Other/Reuse Eliminates Discharge No Change / No Discharge NEP Study Seasonal Discharge
 Permit Type: NPDES
 Permit Number: SD0023370

Affected Waterbodies:

<u>Waterbod Name</u>	<u>Waterbody ID</u>	<u>State Waterbody ID</u>	<u>Receiving Waterbody</u>
Primary Impacted : Central Big Sioux River			<input checked="" type="checkbox"/>
Other Impacted :			<input type="checkbox"/>

Project Improvement/Maintenance of Water Quality:

a. Contributes to water quality Improvement.
 b. Allows the system to Not Applicable
 c. Affected waterbody is Impaired.
 d. Allows the system to address..... Existing TMDL Projected TMDL Watershed Management Plan

Designated Surface Water Uses (Selected):

Domestic water supply waters
 Warmwater semipermanent fish propagation waters
 Limited-contact recreation waters
 Fish & wildlife propagation, rec, & stock watering
 Irrigation waters

Protection:

Primary
 Secondary
 Secondary
 Secondary
 Secondary

Restoration:

Comments:

CWSRF Benefits Reporting

Loan: SD4	<input checked="" type="checkbox"/> Entry Complete	
Borrower: Weston Heights Sanitary	Loan Execution Date: 03/31/2006	Tracking #: C461456-01 Other #:
Assistance Type: Loan	Loan Interest Rate: 3.25%	Incremental Funding: N Phase #: 0
Loan Amount \$: \$638,300.00	Repayment Period: 20	Original Tracking#:
<input type="checkbox"/> Final Amount	% Funded by CWSRF: 68.00%	Same Environmental Results: <input type="checkbox"/>
Total from all Projects \$: 638,300.00	Multiple nonpoint source projects with similar Environmental Results <input type="checkbox"/>	Total NPS Projects: 0

Project: 1 of

of NPS Projects: 0

Project Description: Construction of an additional lagoon cell to the existing two-cell system.

Facility Name: Weston Heights Sanitary District

Population Served (Current) :

by the Project: 375
by the Facility: 375

Wastewater Volume (Design Flow)

by the Project: 0.0375mgd Volume Eliminated/Conserved 0.0000mgd
by the Facility: 0.0375mgd

Needs Categories:

I Secondary Treatment \$638,300.00 100 %

Discharge Information:

Ocean Outfall Estuary/Coastal Bay Wetland Surface Water Groundwater Land Application
 Other/Reuse Eliminates Discharge No Change / No Discharge NEP Study Seasonal Discharge

Permit Type: NPDES
Permit Number: SD0028142

Affected Waterbodies:

	<u>Waterbod Name</u>	<u>Waterbody ID</u>	<u>State Waterbody ID</u>	<u>Receivina Waterbody</u>
Primary Impacted:	Box Elder Creek	10120111000306		<input checked="" type="checkbox"/>
Other Impacted:				<input type="checkbox"/>

Project Improvement/Maintenance of Water Quality:

a. Contributes to water quality Improvement.
b. Allows the system to Achieve Compliance.
c. Affected waterbody is Impaired.
d. Allows the system to address..... Existing TMDL Projected TMDL Watershed Management Plan

Designated Surface Water Uses (Selected):

	<u>Protection:</u>	<u>Restoration:</u>
Coldwater permanent fish life propagation waters	Secondary	
Warmwater semipermanent fish propagation waters	Primary	
Immersion recreation waters	Secondary	
Limited-contact recreation waters	Secondary	
Fish & wildlife propagation, rec, & stock watering	Secondary	

Other Uses and Outcomes (Selected):

	<u>Protection:</u>	<u>Restoration:</u>
Infrastructure Improvement	Primary	
Groundwater Protection	Primary	

Comments:

CWSRF Benefits Reporting

Loan: SD12	<input type="checkbox"/> Entry Complete	
Borrower: Winner	Loan Execution Date: 06/22/2006	Tracking #: C461123-01 Other #:
Assistance Type: Loan	Loan Interest Rate: 3.25%	Incremental Funding: N Phase #: 0
Loan Amount \$: \$925,000.00	Repayment Period: 20	Original Tracking #:
<input type="checkbox"/> Final Amount	% Funded by CWSRF: 52.00%	Same Environmental Results: <input type="checkbox"/>
Total from all Projects \$: 925,000.00	Multiple nonpoint source projects with similar Environmental Result: <input type="checkbox"/> Total NPS Projects: 0	

Project: 1 of

of NPS Projects: 0

Project Description: Project consists of replacement of approximately 25% of city's sanitary sewer collection system in seven areas of the town with installation of a lift station in an eighth area.

Facility Name:

Population Served (Current):

by the Project: 785
by the Facility: 3,137

Wastewater Volume (Design Flow)

by the Project: 0.0785mgd Volume Eliminated/Conserved 0.0000mgd
by the Facility: 0.4000mgd

Needs Categories:

III-A Infiltration/Inflow \$925,000.00 100 %

Discharge Information:

Ocean Outfall Estuary/Coastal Bay Wetland Surface Water Groundwater Land Application
 Other/Reuse Eliminates Discharge No Change No Discharge NEP Study Seasonal Discharge
 Permit Type: NPDES
 Permit Number: SD0020401

Affected Waterbodies:

	<u>Waterbody Name</u>	<u>Waterbody ID</u>	<u>State Waterbody ID</u>	<u>Receiving Waterbody</u>
Primary Impacted:	Dog Ear Creek	10140204000452		<input checked="" type="checkbox"/>
Other Impacted:				<input type="checkbox"/>

Project Improvement/Maintenance of Water Quality:

a. Contributes to water quality Maintenance.
 b. Allows the system to Maintain Compliance.
 c. Affected waterbody is Not Assessed.
 d. Allows the system to address..... Existing TMDL Projected TMDL Watershed Management Plan

Other Uses and Outcomes (Selected):

Infrastructure Improvement
Groundwater Protection

Protection:
Primary
Secondary

Restoration:

Comments: Project population determined based on approx 25% of system being replaced/upgraded.
Project volume based on 25% of system flow obtained from SWQ's Statement of Basis.