

# FIRST DISTRICT NEWS

124 1st Avenue NW | P.O. Box 1207 | Watertown, South Dakota 57201-6207

Vol. 30, No. 3 / July 2009

## FEDERAL REGULATION OF WATERS TO EXPAND

Since April of this year First District has been contacted by representatives from four different counties regarding the creation of, or update of, an ordinance establishing a drainage board and drainage permitting procedure (Drainage Ordinance). While counties within the First District have been contemplating changes to their regulations regarding water drainage, the United States Senate has been doing the same. On June 18, the Environment and Public Works Committee voted to move S. 787, a bill designed to edit the Clean Water Act, to the floor of the US Senate for consideration.

The Clean Water Act (CWA), passed in 1972, attempts to control the contribution of potential pollutants to water sources within the United States. According to the Environmental Protection Agency's (EPA) website, "the statute employs a variety of regulatory and nonregulatory tools to sharply reduce direct pollutant discharges into waterways, finance municipal wastewater treatment facilities, and manage polluted runoff." Today the CWA is applied to all navigable waters of the U.S. S. 787 intends to remove the term "navigable" from the definition of the CWA. The removal of "navigable" would trigger the need for federal permits for various projects which are exempt today. The bill's sponsors contend that S. 787 restores the Clean Water Act's intended purpose of regulating all waters of the United States. The bill would include an exemption for agricultural stormwater runoff, however would not exclude drainage of agricultural land. Passage of this bill would require most if not all drainage activities to be permitted by the U.S. Corps of Engineers. Such permitting, undoubtedly would increase the cost of projects and cause added delay.

See *Clean Water Act*, p. 2

### First District Governing Board Officers

- Pat Maroney .....Chairman  
Miner County Commissioner
- Craig Atkins .....Vice Chairman  
Codington County At-Large
- Ron Smith..... Secretary  
Moody County At-Large
- Todd A. Kays.....Executive Director

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### First District Association of Local Governments

**Phone: (605) 882-5115 or  
1-800-981-9092  
Fax: (605) 882-5049  
Web: [www.1stdistrict.org](http://www.1stdistrict.org)**

**R**  
**S**  
**V**  
**P**



**WHAT:** Catered Picnic

**WHEN:** Thursday, July 23rd—Eat at approximately 5:45 p.m.

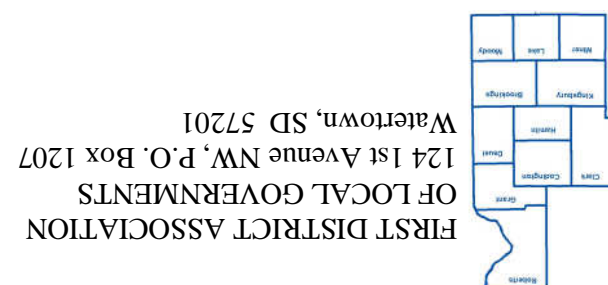
**WHERE:** Codington County Memorial Park, 1200 North Lake Drive, Lake Kampeska

**WHY:** In appreciation of your continued support for 38 years



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**MY THOUGHTS. . .**

**BY: TODD A. KAYS,  
EXECUTIVE DIRECTOR**

**Potential Grant Opportunities for Energy Efficiency Improvements**

Many of you may have heard about potential grant opportunities for energy efficiency improvements. The Energy Efficiency and Conservation Block Grant Program has set aside approximately \$6 million for small communities and counties within the State that did not receive a specific allocation as part of the American Recovery and Reinvestment Act (Stimulus).

District staff has been in contact with representatives of the South Dakota Energy Office in Pierre regarding the State’s plan for distributing the Energy Efficiency and Conservation funds. The State submitted their program plan to the Department of Energy in Washington on June 25, 2009. The Department of Energy will then have sixty days to review the State’s plan. Upon approval, there will be an application period for which the small communities and counties may apply for these energy funds. The First District and the other Planning and Development Districts expect to play a significant role in providing assistance in application preparation and grant administration.

If you have projects which will increase energy efficiency and reduce energy costs and consumption, you may want to begin determining what those projects are and assembling preliminary cost estimates. While the specifics of the application are not yet known, we do expect that projects started prior to grant awards will not be eligible for funding.

If you have any questions regarding this program or project eligibility, please do not hesitate to contact Ted, Greg or myself here at the District. We will continue to keep you informed regarding this potential funding opportunity.

**“Meet the District” Feedback**


We continue to have positive feedback regarding the “Meet the District” meetings that have occurred in Codington, Miner, Deuel, Hamlin, Moody and Brookings counties, and the staff looks forward to our upcoming meetings in Grant County (July), Roberts County (August), and Lake County (September).

**Annual First District Picnic**

Finally, while the kids have already been out of school for over a month, it has only been recently that the temperatures outside have made me feel like summer is finally here. That means it is also time to be thinking about the First District Picnic, which will be held on July 23rd in Watertown. I hope to see you there.

**CLEAN WATER ACT**

Continued from page 1



For counties with Drainage Ordinances or contemplating the adoption of drainage ordinances, the path of this bill will prove significant. If this change to the Clean Water Act is enacted, counties will likely need to require the applicant to hold a Corps of Engineers 404 permit as a condition of approval of any applications. The future of this bill will undoubtedly affect the future of drainage and water flow throughout First District.

**DENR AWARDS STIMULUS FUNDS**  
CONTINUED FROM PAGE 4

Primary focus has been placed on funding wastewater, drinking water and storm water projects within the boundaries of First District. Greg Maag and Ted Haeder assisted in the preparation of State Revolving Fund (SRF) applications for nine municipalities, two sanitary districts and one school district. Project funding includes over \$30 million in waste water projects, more than \$5 million in storm water projects and nearly \$600,000 in drinking water projects.

**Waste Water Projects**

\$1,300,000	Aurora
\$4,000,000	Brant Lake Sanitary District
\$264,000	Canova
\$400,000	Elkton
\$3,075,000	Lake Poinsett Sanitary District
\$4,500,000	Milbank
\$1,000,000	Summit
\$16,446,000	Watertown

**Storm Water Projects**

\$1,190,000	Brookings
\$820,000	Lake Area Technical Institute
\$3,330,000	Watertown

**Drinking Water Projects**

\$370,000	Arlington
\$522,000	DeSmet

SRF applications funded with ARRA dollars will receive an additional financial benefit through principal forgiveness granted as a portion of the loan. Any portion of an SRF loan granted as principal forgiveness will not have to be repaid by the project sponsor. The rate of principal forgiveness is determined on a project-by-project basis by the Board of Water and Natural Resources at their regularly scheduled meetings.

A project estimated at \$1,000,000, for example, and receiving 10% principal forgiveness would only have to repay \$900,000 of the \$1,000,000 SRF dollars borrowed to fund the project. The 10% principal forgiveness (\$100,000) in this example would essentially function as a grant to the project sponsor and would result in an estimated \$40,000 in additional interest savings throughout the life of the loan.

When the final funding packages for the above projects are set, the benefits to the project sponsors (including principal forgiveness awarded and interest savings throughout the life of the loan) will likely be in the tens of millions of dollars.

First District would like to thank project sponsors as well as the staff at the Department of Environment and Natural Resources for performing their role in the ARRA process above and beyond the call of duty. Their hard work and dedication has made this process a successful joint venture between federal, state and local governments.

For more information contact either Greg Maag or Ted Haeder at 605-882-5115