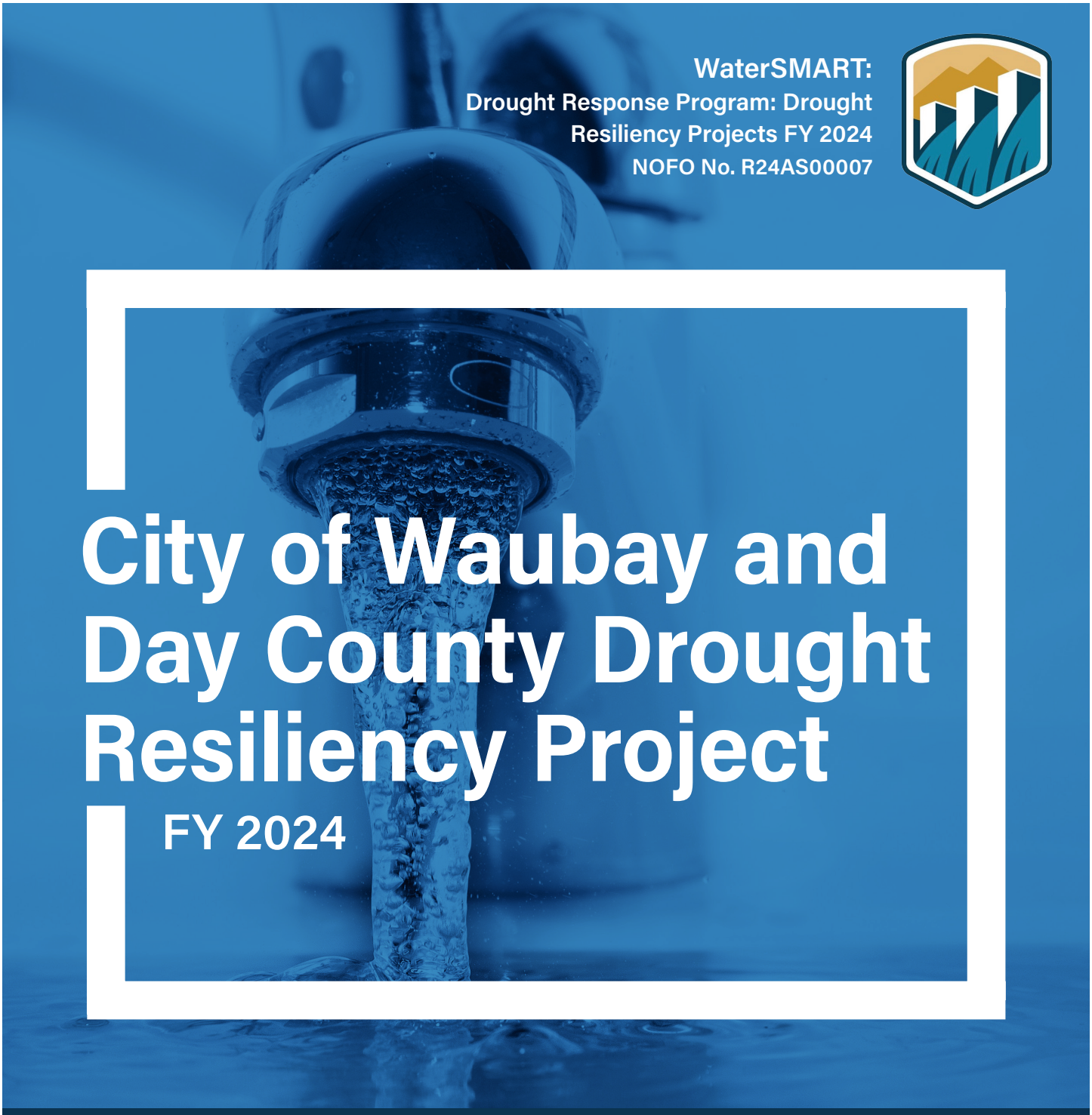

WaterSMART:
Drought Response Program: Drought Resiliency Projects FY 2024
NOFO No. R24AS00007

City of Waubay and Day County Drought Resiliency Project

FY 2024

APPLICANT INFORMATION
WEB Water Development Association, Inc.
38456 US Hwy 12, Aberdeen, SD 57401

APPLICANT CONTACT
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Angela Hammrich, General Manager
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605.229.4749

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SECTION 1: TECHNICAL PROPOSAL AND EVALUATION CRITERIA

1.1 EXECUTIVE SUMMARY

1.1.1 Project Information

Date: **November 3, 2023**
Applicant: **WEB Water Development Association Inc.**
City, County, State: **Waubay, Day County, South Dakota**
Task Area: **Task D**

1.1.2 Project Summary

Through the Waubay and Day County Drought Resiliency Project (Project), WEB Water Development Association, Inc. (WEB), will construct necessary infrastructure to serve quality and reliable drinking water to the City of Waubay (Waubay) and an area of Day County currently not served by WEB. Currently, Waubay and surrounding individual customers use wells with poor water quality as their water supply. Connections to WEB will create water supply redundancy and increase water supply quality and resiliency. The Project consists of two booster stations and approximately 41 miles of pipe to serve 115 acre-feet/year of water per year to 92 individual residences and Waubay.

1.1.3 Length and Completion Dates of Project

State the length of time and estimated completion date for the proposed project including the construction start date (mm/yr). Note: Proposed projects should not have an estimated construction start date that is prior to October 31, 2024.

Construction is anticipated to begin in July 2025 and take 27 months to complete, with an estimated final completion date of September 2027.

1.1.4 Federal Lands Statement

State whether or not the proposed project is located on a Federal facility or will involve Federal lands, and what work will occur on the Federal facility or Federal lands.

This Project is not located on a Federal facility and is not anticipated to involve work on Federal lands. This Project includes a considerable amount of pipeline construction, but at this time there does not appear to be any Federal lands the pipeline will be constructed on.

1.1.5 Current Water Supplies

WEB currently sources raw water from Lake Oahe on the Missouri River. They treat this water near Selby, South Dakota, and distribute it throughout their service area. WEB total water available supply is 12,322 acre-feet/year, which is their current water treatment plant capacity. WEB's 10-year average annual water supply is 7,060 acre-feet/year (2011-2021)

Waubay and the surrounding residences get their water supplies from groundwater wells. There is no other water supply option for them at this time. Waubay has two water rights permits totaling 818 acre-feet/year, and three wells.[1, 2] Two of the wells are used for domestic drinking water and have instantaneous capacities of 120 acre-feet/year each. The third well has exceptionally poor quality and is currently only used for watering Waubay's ball fields. It should be noted that Waubay has more water rights than are currently used for domestic purposes.

1.2 PROJECT LOCATION

The Project is located throughout Day County, South Dakota, but will serve new customers east of Waubay between Enemy Swim Lake and Highway 12. Waubay's planned connection latitude and longitude is approximately 45°25'07"N, 97°18'16"W. The Project area is approximately 40 square miles. Refer to Appendix A: for a Project Area and Infrastructure Map.

1.3 TECHNICAL PROJECT DESCRIPTION

The Project includes construction of two (2) booster stations and approximately 41 miles of distribution pipe, ranging from 8-inch to 2-inch in diameter. This infrastructure will allow WEB to reliably serve the disadvantaged Project area and Waubay. The locations of the Project area and these improvements are depicted in the following maps found in Appendix A::

- Waubay and Day County Drought Resiliency Project – Project Area and Infrastructure Map

The two booster stations will each be designed with two 15 hp pumps, one duty and one standby pump that will rotate operation. The operation of each station will be to maintain a constant downstream pressure with flows fluctuating with customer demands. Both stations will be designed with backup generators, flow meters, VFDs and other appropriate mechanical piping and appurtenances. The Pickerel Lake Booster Station will replace an existing booster station that

[1] https://danr.sd.gov/wrimage/wrinfo/wr_div3/1435-3.pdf
[2] https://danr.sd.gov/wrimage/wrinfo/wr_div3/3101-3.pdf

will be undersized and not able to deliver the flows required by the Project. The Pickerel Lake South Booster Station will be a brand-new booster station to maintain adequate pressures for new customers added to WEB's system as part of this Project. This booster station will have a check valve inside the station to allow water to flow through during periods of low demand when the pumps are not needed.

The distribution pipe as part of this Project will maintain adequate pressures for all new customers and allow WEB to fill Waubay's water tower during all demand scenarios, including peak demand days. These new customers will experience pressures directly from WEB's distribution system, no cisterns or other customer storage will be installed as part of the Project. It is anticipated that much of this distribution pipe will be ASTM D2241 Class 200 or 250 PVC pipe and installed via trenching or horizontal directional drilling (HDD). The size and length of distribution pipe as part of the Project is as follows:

- 8-inch: 15.4 miles
- 6-inch: 5.4 miles
- 4-inch: 4 miles
- 3-inch: 7.8 miles
- 2-inch: 8.4 miles

All customer connections will include individual meter pits with a PRV, backflow preventer, and meter. Waubay's meter pit will include a flow control valve and meter. Waubay already has infrastructure in place to be able to receive WEB water into their distribution system.

Supply of water for the Project is not an issue at this time as WEB is undertaking a water treatment plant (WTP) expansion project that will increase treatment capacity by 6.0 MGD along with other system-wide distribution improvements, which will all be completed by the time the Project is complete.

1.4 PERFORMANCE MEASURES

The benefits of implementing this infrastructure will be quantified in terms of added water supply delivered to the Project area. Water supply data will come in the form of usage data supplied by the customer meters, booster station meters, and Waubay's meter installed as part of the Project.

Water quality data and benefits will also be used as a performance measure by comparing water quality in Waubay before and after the WEB connection is made.

1.5 EVALUATION CRITERIA

1.5.1 Criterion A: Project Benefits

1.5.1.1 Sub-Criterion A1.a: Adds to Available Water Supplies

Provide a detailed description of the community that the project will serve. Using the Climate and Economic Justice Screening Tool (CEJST) methodology and information, describe the community's environmental, climate, socioeconomic, or other burdens.

The area the Project will serve is entirely within the boundaries of census tract number 46037952900 in Day County, South Dakota. A portion of the Lake Traverse Reservation also lies within the census tract. Per the CEJST, 3% of the lands within the tract are lands of the Sisseton-Wahpeton Oyate tribe and 26% of the tract's 1,923 person demographic is classified as "American Indian and Alaska Native". The Project plans to serve approximately 28 residences on tribal lands, 64 other residences, and the City of Waubay.

The entire tract is considered disadvantaged as it meets the Climate Change disadvantaged criteria through expected population loss rate (97th percentile), and low income (71st percentile). The expected agriculture loss rate (83rd percentile) and expected building loss rate (86th percentile) are also very high and underscore the climate burdens of this tract. In addition, the tribal lands in the tract are considered disadvantaged.

Describe the need for the domestic water supply project including any prominent public health and safety concerns, interruptions in supply or other reasons that the community does not currently have reliable access to domestic water supplies.

Waubay's water supplies historically do not meet several secondary drinking water standards, including total dissolved solids (TDS), iron, manganese, and sulfates. Waubay currently treats their water with hypochlorite for disinfection and phosphates for corrosion control.[3] Waubay staff indicated that most citizens have water softeners in their homes and yet staining of fixtures and laundry is a commonplace issue. Waubay has often had water supply emergencies with their wells going out of service due to casing pipe issues, pump problems, and breaks in pipes between the wells and the city. These past emergencies have cost Waubay a significant amount of money emergency repair costs. Waubay has had two failed wells in the last 10 years.

[3] https://danr.sd.gov/wrimage/DW/pwshandbook/0357hbk.pdf

Domestic wells are not required to submit testing information to the State, so their water quality testing data is not known. However, it can be inferred that domestic wells in the area have similar water quality characteristics as Waubay.

High water levels of surrounding lakes over the past 30 years have caused surface water quality concerns via pollution from submerged farm sites, acreages, and houses. Bitter Lake, just south of Waubay, has a fish consumption advisory due to high mercury levels. This pollution, coupled with other surface water issues and treatment costs, makes using surface water as a supply option infeasible for Waubay.

As surface water is an infeasible supply option, there are no water sources other than groundwater available for Waubay and local residences. Much of South Dakota is served by rural water systems, but there are no rural water systems with infrastructure in the Project area. Refer to Appendix A: for a map showing the Project area in relation to the service areas of surrounding rural water systems.

Explain how the proposed project will increase reliable access to domestic water supplies. Provide this quantity in acre-feet per year that the average annual benefit that the domestic water supply project will provide. How many people is it estimated to serve? How were these estimates calculated (average benefit and population)?

Rural residences and Waubay will be connected to WEB's distribution system through the Project, which will remove water supply reliability and quality concerns. WEB has provided quality and reliable domestic water supplies for over 35 years. WEB's water supply is Lake Oahe on the Missouri River, which has historically been drought resilient compared to other water supply sources. WEB has taken preventative measures to ensure that their water intake and supply is resilient to drought conditions.

It is anticipated that the Project will provide 115 acre-feet per year of domestic water. This was estimated using an average household demand of 10,000 gal/month and Waubay using 2,160,000 gal/month.

The Project will serve approximately 92 rural households and Waubay. In the 2020 census, Waubay had a population of 473 and 177 total households (2.7 people per household). Using this data point of 2.7 people per household, the Project is estimated to serve 249 people through the 92 rural households. Thus, the total number of people served through the Project is estimated to be 722.

How many years will the project continue to provide benefits?

The Project's lifespan is estimated at 100 years, which is the conservative estimate for the service life of properly designed and installed PVC pipe.[4]

1.5.1.2 Sub-Criterion A2.a: Climate Change

In addition to drought resiliency measures, does the proposed project include other natural hazard risk reductions for hazards such as wildfires or floods?

Yes, the increased reliability of water supplies for Waubay adds to their ability to fight wildfires. Per the CJEST, the projected wildfire risk for this census tract ranked in the 78th percentile.

Will the proposed project establish and use a renewable energy source?

Solar panels will be considered in the design of Project's booster stations to offset power consumption.

Will the proposed project reduce greenhouse gas emissions by sequestering carbon in soils, grasses, trees, and other vegetation?

The Project will include planting grass on the sites of the booster stations and metering vault that will reduce GHGs through carbon sequestration.

Does the proposed project include green or sustainable infrastructure to improve community climate resilience?

The booster stations will be designed to minimize building energy demands in the Project area's harsh climate. The check valve within the Pickerel Lake South Booster Station as described in the Technical Project Description will reduce energy consumption during periods of low demand, adding to the sustainability and climate resiliency of the station.

Does the proposed project seek to reduce or mitigate climate pollution such as air or water pollution?

The backup generators at the booster stations will be designed for LP or natural as the fuel source, which will reduce air pollution compared to gasoline or diesel generators.

Does the proposed project have a conservation or management component that will promote healthy lands and soils or serve to protect water supplies and its associated uses?

The Project will include appropriate grassland and cropland restoration techniques and soil erosion control measures to restore the lands disturbed from construction.

[4] https://www.uni-bell.org/Portals/0/ResourceFile/pvc-pipe-longevity-report.pdf

Does the proposed project contribute to climate change resiliency in other ways not described above?

No.

1.5.1.3 Sub-Criterion A2.b: Environmental Benefits

Does the project seek to improve ecological climate change resiliency of a wetland, river, or stream to benefit wildlife, fisheries, or habitats? Do these benefits support an endangered or threatened species?

No.

What are the types and quantities of environmental benefits provided, such as the types of species and the numbers benefited, acreage of habitat improved, restored, or protected, or the amount of additional stream flow added? How were these benefits calculated?

N/A.

1.5.1.4 Sub-Criterion A2.c: Other Benefits

Will the project assist States and water users in complying with interstate compacts?

No.

Will the project benefit multiple sectors and/or users (e.g., agriculture, municipal and industrial, environmental, recreation, or others)? Describe the associated sector benefits.

Yes, the Project will provide water to the benefit of the agriculture, municipal and industrial, recreation, and residential sectors. Benefits of the Project will be increased water quality and availability, reliability of water supply, decreased groundwater usage (benefit to agricultural groundwater users), and enhanced ability for growth of all sectors.

Will the project benefit a larger initiative to address sustainability?

This Project is in accordance with the South Dakota Drought Resiliency Plan's recommendations to mitigate drought-caused future water supply issues and to provide water supplies to areas of shortage during droughts.

Will the project help to prevent a water-related crisis or conflict? Is there frequently tension or litigation over water in the basin?

The Project will help decrease the chances of future water-related crises in the event of extreme drought conditions.

1.5.2 Criterion B: Planning and Preparedness

Describe any prior planning efforts related to the proposed project. Was the plan developed through a collaborative process? Describe who was involved in preparing the plan and whether the plan was prepared with input from stakeholders with diverse interests (e.g., water, land, or forest management interests; and agricultural, municipal, Tribal, environmental, and recreation uses)? Describe the process used for interested stakeholders to provide input during the development of the plan.

A water system Facility Plan prepared by Banner for Waubay in 2002 recommended that Waubay connect to WEB as a bulk user, but was not implemented. Other previous efforts to bring rural water to Waubay and this area have been unsuccessful due to lack of funding, project costs, or other reasons.

The Project was developed through a collaborative process with staff from Waubay, the Tribe, WEB, and Banner. A collaborative meeting was held between the entities to discuss the Project on October 27, 23.

Drought planning was conducted by the State of South Dakota in their 2015 Drought Mitigation Plan (Drought Mitigation Plan).[5] It was developed, reviewed, and approved by the South Dakota Office of Emergency Management and Drought Task Force by the direction of the Office of the Governor. The plan was developed through a collaborative process and within the planning process Rural Water Systems Associations were included as stakeholders along with various other State, County, and Local agencies. Various meetings were held throughout the state to receive input from stakeholders and are listed in the drought mitigation plan. A public input survey was also conducted to receive input from stakeholders. Part of the plan's recommendations was to mitigate drought-caused future water supply issues, provide water supplies to areas of shortage during droughts, and encourage development of drought-resistant rural water systems. This plan was part of the catalyst to initiate the Project.

If the plan was prepared by an entity other than the applicant, describe whether and how the applicant was involved in the development of the plan. If the applicant was not involved in the development, explain why.

The Project plan was prepared by WEB, with the help of Banner.

The Drought Mitigation Plan was developed by the South Dakota Office of Emergency Management and Drought Task Force. Rural water systems, municipal water departments, and other drinking water staff were stakeholders in the development of

[5] https://dps.sd.gov/application/files/5615/0161/4504/2015-SD-Drought-Mitigation-Plan_LR.pdf

the plan and provided responses and information to support the development of the plan.

If the referenced plan was not developed collaboratively, please explain why. For example, the planning effort is focused on a very small area or concerns internal to the applicant.

N/A.

Does the plan include elements of drought planning? If so, please describe.

Part of the Drought Mitigation Plan's recommendations was to mitigate drought-caused future water supply issues, provide water supplies to areas of shortage during droughts, and encourage development of drought-resistant rural water systems. This plan was part of the catalyst to initiate the proposed Project.

1.5.3 Criterion C: Severity of Actual or Potential Drought or Water Scarcity Impacts to be Addressed by the Project

Is the project in an area that is currently suffering from drought, or which has recently suffered from drought or water scarcity? Please describe existing conditions, including when and the period of time that the area has experienced drought or water scarcity conditions. Include information to describe the frequency, duration, and severity of current or recent conditions.

Currently, surface water is prevalent and has caused serious flooding problems throughout the prairie pothole region, but this has not always been the case. The location of the Project is a closed basin with no natural outlet. Thus, water levels are subject to extreme fluctuations based on climate changes. In the 1930s Waubay Lake, about 10 miles north of Waubay, was dry.[6] In the 1990s the lake was around 5,100 acres and has since grown to over 15,000 acres and over 30 feet deep.[7] As recently as 1983, records indicate that Bitter Lake was completely dry and was nearly dry many times between 1984-1993.[8] By 2018, Bitter Lake had grown to cover over 18,500 acres.[9]

While not currently suffering from drought issues, the wild fluctuations in water levels in recorded history underscore the need to plan for the severe drought conditions that have regularly occurred over the course of recorded history.

[6] https://www.spokesman.com/stories/2012/nov/29/residents-battle-high-water-in-south-dakota-town/
[7] https://gfp.sd.gov/UserDocs/nav/Waubay_Lake.pdf
[8] https://pubs.usgs.gov/wri/1999/4122/report.pdf pages 24-25
[9] https://apps.sd.gov/GF56FisheriesReports/ExportPDF.ashx?ReportID=10366

Describe any projected increases to the severity or duration of drought or water scarcity in the project area resulting from changes to water supply availability and climate change. Provide support for your response (e.g., reference a recent climate informed analysis, if available).

A report put together by the Wildlife Action Plan Climate Change Consultancy for the South Dakota Department of Game, Fish, and Parks indicated that by the end of the 21st century, average temperatures over June, July, and August are anticipated to increase by 2.5-6.0° Celsius (4.5-10.8° Fahrenheit). While not directly related to drought, the projected increase in temperatures in summer months will equate to higher amounts of evaporation, potentially causing more severe droughts in the future. Additionally, the report predicts that summers are expected to be 5-10% drier by the end of this century.[10]

What are the ongoing or potential drought or water scarcity impacts to specific sectors in the project area if no action is taken (e.g., impacts to agriculture, environment, hydropower, recreation, tourism, forestry, etc.), and how severe are those impacts? Impacts should be quantified and documented to the extent possible. For example, impacts could include, but are not limited to:

Whether there are public health concerns or social concerns associated with current or potential conditions (e.g., water quality concerns including past or potential violations of drinking water standards, increased risk of wildfire, or past or potential shortages of drinking water supplies? Does the community have another water source available to them if their water service is interrupted?).

During periods of most recent drought conditions (early 1990s), Waubay's groundwater quality was significantly poorer than it is currently. Sulfates were above 700 mg/l, TDS was above 1,500 mg/l, and total hardness was above 550 mg/l.[11] These correlations suggest significant public health concerns should a similar period of drought occur in the future.

Waubay and the surrounding residences have no backup water sources available in the event of water supply issues. Much of South Dakota has access to rural water, but no rural water systems currently serve the Project area. Refer to Appendix A: for a map of the Project area in relation to surrounding rural water system service areas.

Whether there are ongoing or potential environmental impacts (e.g., impacts to endangered, threatened or candidate species or habitat).

None.

[10] https://gfp.sd.gov/images/WebMaps/Viewer/WAP/Website/SWGSummaries/South%20Dakota%20Future%20Climate%20Projections%20Report.pdf

[11] https://danr.sd.gov/wrimage/DW/pwshandbook/0357hbk.pdf

Whether there are local or economic losses associated with current water conditions that are ongoing, occurred in the past, or could occur in the future (e.g., business, agriculture, reduced real estate values).

Rising surface water levels discussed above have caused economic losses to farmers who have lost the ability to farm their land. Many households have had to relocate due to the water levels.

When severe drought conditions occur in the future, economic losses will occur from decreased hunting and fishing tourism.

Whether there are other water-related impacts not identified above (e.g., tensions over water that could result in a water-related crisis or conflict).

None.

1.5.4 Criterion D: Presidential and DOI Priorities

1.5.4.1 Sub-Criterion E.1.4.1: Disadvantaged or Underserved Communities

Describe how the proposed project will serve or benefit a disadvantaged or underserved community, identified using the tool described above. For example, will the project improve public health and safety by addressing water quality, add new water supplies, provide economic growth opportunities, or provide other benefits in a disadvantaged or underserved community?

The entirety of this Project will serve disadvantaged communities and will provide the benefits noted in the previous question: improve public health and safety through increased domestic water quality, add new water supplies to the area, provide local economic growth opportunities through access to clean and reliable domestic water.

1.5.4.2 Tribal Benefits

Does the proposed project directly serve and/or benefit a Tribe? Benefits can include, but are not limited to, public health and safety by addressing water quality, new water supplies, economic growth opportunities, or improving water management.

The Project will provide the benefits to the Enemy Swim District of the Sisseton-Wahpeton Oyate Tribe noted in the previous question: improve public health and safety through increased domestic water quality, add new water supplies to the area, provide Tribal economic growth opportunities through access to clean and reliable domestic water, and aid housing development efforts.

Does the proposed project support Reclamation's Tribal trust responsibilities or a Reclamation activity with a Tribe?

Yes. While the applicant is not a Tribe, the Project will benefit the Enemy Swim District of the Sisseton-Wahpeton Oyate Tribe.

1.5.5 Criterion E: Readiness to Proceed and Project Implementation

Describe the implementation plan of the proposed project. Please include an estimated project schedule that shows the stages and duration of the proposed work, including major tasks, milestones, and dates. Milestones may include, but are not limited to, the following: design, environmental and cultural resources compliance, permitting, construction/installation.

Table 1.1: Project Implementation Schedule

Milestone	Date
Project Selection	Spring 2024
Design and Easement Acquisition	Final Funding Agreement to May 2025
Environmental Review	Final Funding Agreement to May 2025
Bidding	June 2025
Construction Start	July 2025
Substantial Completion	July 2027
Final Completion	September 2027

Project Selection: Spring 2024

Design, Easement Acquisition, and Environmental Review: It is anticipated that the Engineering Design, Easement Acquisition, and Environmental Review work will overlap as easement Acquisition and Environmental Review will help to identify and finalize pipeline construction routes. This work is expected to start after the Project's funding agreements are finalized and finish in May 2025.

Bidding: It is anticipated the Project will be bid in June 2025. It may be bid in two separate bid packages: one bid package for installation of distribution pipe and one for construction of the booster stations. Final bid package organization will be finalized at a later date.

Construction: Construction is estimated to reach substantial completion by July 2027 and final completion by September 2027.

Describe any permits or approvals that will be required (e.g., water rights, water quality, stormwater, or other regulatory clearances). Include information on permits or approvals already obtained. For those permits and approvals that need to be obtained, describe the process, including estimated timelines for obtaining such permits and approvals.

Water Distribution Pipe:

- South Dakota Department of Agriculture and Natural Resources (DANR) review
- Easements as required from landowners, tribal entities, and governmental agencies
- Highway, Railway, other road crossing permits
- Temporary Storm Water Discharge Permit
- Environmental and cultural permits

Booster Stations:

- South Dakota Department of Agriculture and Natural Resources (DANR) review
- County Building Permits
- Temporary Storm Water Discharge Permit

Identify and describe any engineering or design work performed specifically in support of the proposed project.

Banner Associates, Inc. (Banner) performed the initial hydraulic analysis and identified the infrastructure required to complete the Project. Banner also provided cost estimates of the work and technical assistance with the application process.

Describe any land purchases that must occur before the project can be implemented.

Land purchases for the booster station sites must be finalized before the stations can be constructed.

Describe any new policies or administrative actions required to implement the project.

The WEB Board of Directors will need to approve all Project-related contracts, and if any WEB funds will be required for the cost-share of the Project. The Board of Directors will also need to complete an Official Resolution per Section D.2.2.12 of the NOFO.

1.5.6 Criterion F: Nexus to Reclamation

Does the applicant have a water service, repayment, or O&M contract with Reclamation?

No.

If the applicant is not a Reclamation contractor, does the applicant receive Reclamation water through a Reclamation contractor or by any other contractual means?

No.

Will the proposed work benefit a Reclamation project area or activity?

No.

Is the applicant a Tribe?

No.

1.5.7 Criterion G: Stakeholder Support for Proposed Project

Describe the level of stakeholder support for the proposed project. Are letters of support from stakeholders provided? Are any stakeholders providing support for the project through cost-share contributions or through other types of contributions to the project?

Letters of Support are included in Appendix B: Letters of Suppor. Project Stakeholder authors consist of Tribal authorities, the Mayor of Waubay, and two local state legislators.

Explain whether the project is supported by a diverse set of stakeholders, as appropriate, given the types of interested stakeholders within the project area and the scale, type, and complexity of the proposed project. For example, is the project supported by entities representing agricultural, municipal, Tribal, environmental, or recreation uses?

The Project is supported by entities representing municipal and Tribal Stakeholders.

SECTION 2: PROJECT BUDGET

2.1 FUNDING PLAN AND COST-SHARE STATEMENT

WEB asks that Reclamation consider waiving the 5% cost-share requirement for the Project. This waiver would allow WEB to complete planned, necessary capital improvements in its system. These capital improvements will allow WEB to provide water to additional customers and increase efficiency, resiliency, and development elsewhere in the system. Solutions to current deficiencies in WEB's system would be addressed in a timelier manner if the cost-share is waived. Should the cost-share not be waived, the funds would be allocated from WEB's capital improvements budget, delaying system benefits listed above.

Due to the Project solely serving Tribal and disadvantaged communities, CRJEST tool information, and other census tract data as described in Section 1.5.1, there appears to be overwhelming Federal Interest in the project.

The median household income for the State of South Dakota and the Project area's census tract are, respectively, $63,920 +/- $695 and $53,125 +/- $5,827.

The average unemployment rate for the State of South Dakota and the Project area's census tract are, respectively, 3.2 +/- 0.2% and 5.0 +/-3.1%. [12]

2.2 BUDGET PROPOSAL

Table 2.1: Budget Summary

Funding Sources	Cost Share Waived	5% Cost Share
Non-Federal Entities:		
1. WEB	$0	$499,750
Non-Federal Subtotal:	$0	$499,750
Requested Reclamation Funding:	$9,995,000	$9,495,250

[12] https://data.census.gov/table/ACSDP5Y2021.DP03?g=1400000US46037952900_040XX00US46

2.3 BUDGET NARRATIVE

The Reclamation-provided "Attachment B - Optional Budget Detail and Narrative" Excel file was used to complete the Budget Narrative and will be submitted separately from this Report.

SECTION 3: ENVIRONMENTAL AND CULTURAL RESOURCES COMPLIANCE

3.1 H.1: ENVIRONMENTAL AND CULTURAL RESOURCE CONSIDERATIONS

Will the proposed project impact the surrounding environment (e.g., soil [dust], air, water [quality and quantity], animal habitat)? Please briefly describe all earth-disturbing work and any work that will affect the air, water, or animal habitat in the project area. Please also explain the impacts of such work on the surrounding environment and any steps that could be taken to minimize the impacts.

The Project will require excavation for construction of the booster stations and vaults as well as trenching work for the water pipe. All work will be performed as required following air, soil, and water pollution mitigation strategies as required by NEPA. All disturbed earth will be restored back to its original state.

Are you aware of any species listed or proposed to be listed as a Federal threatened or endangered species, or designated critical habitat in the project area? If so, would they be affected by any activities associated with the proposed project?

There is potential for several endangered species to be discovered in the Project area, but it is anticipated that mitigation techniques will be used to minimize impact, such as boring under wetlands and streams, avoiding trees, and avoiding unnecessary destruction of habitat.

Are there wetlands or other surface waters inside the project boundaries that potentially fall under CWA jurisdiction as "Waters of the United States?" If so, please describe and estimate any impacts the proposed project may have.

As the Project area is in the prairie pothole region of South Dakota, there are many wetlands along the proposed water pipe routes. It is anticipated that an official determination will be made during the environmental review process of this application. Typical installation of water pipe through wetland-designated areas will be through boring techniques, avoiding all construction impacts on the wetlands themselves.

When was the water delivery system constructed?

The majority of WEB's distribution system was constructed in the 1980s and 1990s.

Will the proposed project result in any modification of or effects to individual features of an irrigation system (e.g., headgates, canals, or flumes)? If so, state when those features were constructed and describe the nature and timing of any extensive alterations or modifications to those features completed previously.

No.

Are any buildings, structures, or features in the irrigation district listed or eligible for listing on the National Register of Historic Places? A cultural resources specialist at your local Reclamation office or the State Historic Preservation Office can assist in answering this question.

A review of the Project area through the South Dakota State Historic Preservation Office (SHPO) revealed several structures that are eligible for the National Register of Historic Places.[13] However, any construction work associated with the Project will avoid any impact to these structures. A more in-depth review of these structures is anticipated to be completed in the environmental review process.

Are there any known archeological sites in the proposed project area?

No. Some of the Project will occur on Tribal lands, and a thorough environmental and cultural survey of the proposed Project areas is anticipated to uncover this information as available.

Will the proposed project have a disproportionately high and adverse effect on low income or minority populations?

No.

Will the proposed project limit access to and ceremonial use of Indian sacred sites or result in other impacts on Tribal lands?

No.

Will the proposed project contribute to the introduction, continued existence, or spread of noxious weeds or non-native invasive species known to occur in the area?

No.

3.1.1 H.1.1: National Environmental Policy Act (NEPA) Considerations

WEB will observe and comply with applicable NEPA and Reclamation requirements. WEB has other ongoing projects elsewhere in the system that follow similar requirements and are familiar with the requirements. The local Reclamation office in Bismarck, North Dakota was contacted for further NEPA guidance on November 2, 2023, but no response was received by the time of submission.

[13] https://apps.sd.gov/DE71SHPOCRGRID/

3.1.2 H.1.2: National Historic Preservation Act (NHPA) Considerations

WEB will observe and comply with applicable Reclamation, NHPA, and State Historic Preservation Office (SHPO) requirements as part of the Project. WEB has other ongoing projects elsewhere in the system that follow similar requirements and are familiar with the requirements.

3.1.3 H.1.3: Endangered Species Act (ESA) Considerations

WEB will observe and comply with applicable ESA Section 7 and Reclamation requirements. WEB has other ongoing projects elsewhere in the system that follow similar requirements and are familiar with the requirements. The local Reclamation office in Bismarck, North Dakota was contacted for further ESA guidance on November 2, 2023, but no response was received by the time of submission.

SECTION 4: REQUIRED PERMITS OR APPROVALS

Water Distribution Pipe:

- South Dakota Department of Agriculture and Natural Resources (DANR) review,
- Easements as required from landowners, tribal entities, and governmental agencies,
- Highway, Railway, other road crossing permits,
- Temporary Storm Water Discharge Permit,
- Environmental and cultural permits.

Booster Stations:

- South Dakota Department of Agriculture and Natural Resources (DANR) review,
- County Building Permits,
- Temporary Storm Water Discharge Permit.

SECTION 5: OVERLAP OR DUPLICATION OF EFFORT STATEMENT

This Project is not known to have any overlap between any other proposals or projects in terms of activities, costs, or commitment of key personnel.

SECTION 6: CONFLICT OF INTEREST DISCLOSURE STATEMENT

WEB has no actual or potential conflict of interest at the time of submission.

SECTION 7: UNIFORM AUDIT REPORTING STATEMENT

For Fiscal Year 2022, WEB was not required to submit a Single Audit Report. Complies with Single Audit requirements in accordance with 2 CFR §200 subpart F.

SECTION 8: DISCLOSURE OF LOBBYING ACTIVITY

Please see the GG Lobbying Form V1.1 Certification Regarding Lobbying.

SECTION 9: UNIQUE ENTITY IDENTIFIER (UEI) AND SYSTEM FOR AWARD MANAGEMENT (SAM)

WEB's UEI is listed in the completed 424 form, submitted separately from this Project Narrative. WEB is registered in SAM and the registration will be maintained with current information at all times during which it has an active Federal award or plan under consideration by a Federal award agency.

SECTION 10: LETTERS OF SUPPORT

Refer to Appendix B: for letters of support from the following individuals/organizations:

- J Garrett Renville
  - Tribal Chairman – Sisseton Wahpeton Oyate Tribe
- John C Cloud III
  - Manager – Lake Traverse Utility Commission
- Eric Shepard
  - Director – Sisseton Wahpeton Housing Authority
- Kevin Jens
  - Mayor – City of Waubay
- Michael H. Rohl
  - Senator – State Legislative District 01
- Tamara St. John
  - Representative – State Legislative District 01

SECTION 11: OFFICIAL RESOLUTION

An official Resolution will be provided by the WEB for this Project before the award of funding is made, per D.2.2.12 of the NOFO.

SECTION 12: LETTERS OF FUNDING COMMITMENT

No Letters of Funding Commitment.

Sisseton-Wahpeton Oyate

LAKE TRAVERSE RESERVATION
12554 BIA HWY 711. BOX 509
AGENCY VILLAGE, SOUTH DAKOTA 57262-0509
PHONE: (605)698-3911

October 23, 2023

Bureau of Reclamation
Financial Assistance Operations
Attention: Notice of Funding Opportunity Team
PO Box 25007
Denver, CO 80225

RE: WaterSMART Drought Response Program: Drought Resiliency Projects for Fiscal Year 2024, Notice of Funding Opportunity No. R24AS00007

WEB Water Development Association, Inc.: City of Waubay and Day County Drought Resiliency Project

Dear NOFO Team,

It is my pleasure to write this letter in support of the WEB Water Development Association, Inc. (WEB): City of Waubay (Waubay) and Day County Drought Resiliency Project (Project)

Grant funds for the Project will be used to construct infrastructure necessary for WEB to serve clean, reliable, drinking water to the City of Waubay and a currently unserved area of Day County which includes a portion of the Enemy Swim District of the Sisseton-Wahpeton Oyate Tribe. The Project's construction work will be located in Day County, consisting of distribution pipe and pump stations.

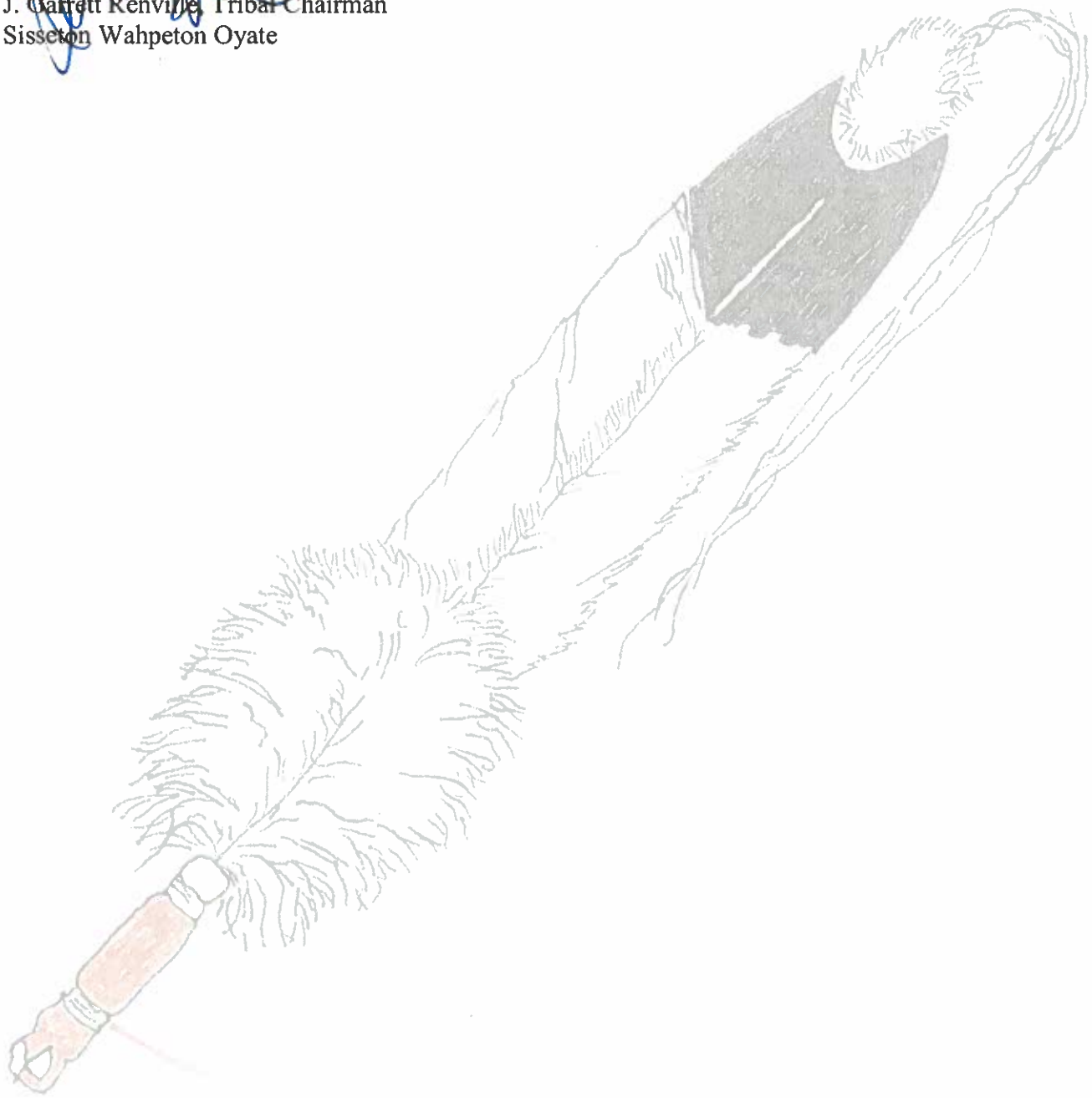
Existing water supplies for residences and the City have poor water quality and the reliability is at risk during severe drought conditions. Additionally, Waubay and the entirety of Day County are considered disadvantaged communities by the Bureau of Reclamation. This Project is in accordance with the South Dakota Drought Resiliency Plan's recommendations to mitigate drought-caused future water supply issues and to provide water supplies to areas of shortage during droughts.

Waubay and Day County's status as disadvantaged communities, the area's lack of long-term drinking water drought resiliency, and susceptibility to drought-caused water supply issues highlight the need for the Project.

I fully support WEB's efforts in pursuing Bureau of Reclamation funding for the Waubay and Day County Drought Resiliency Project.

Sincerely,

J. Garrett Renville, Tribal Chairman
Sisseton Wahpeton Oyate



Sisseton - Wahpeton Oyate

LAKE TRAVERSE UTILITY COMMISSION

PO BOX 747 • AGENCY VILLAGE, SOUTH DAKOTA 57262-0747
PHONE: (605) 698-4211 • FAX: (605) 698-4275

October 23, 2023

Bureau of Reclamation
Financial Assistance Operations
Attention: Notice of Funding Opportunity Team
PO Box 25007
Denver, CO 80225

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I fully support WEB's efforts in pursuing Bureau of Reclamation funding for the Waubay and Day County Drought Resiliency Project.

Sincerely,

John C Cloud, III, Manager
Lake Traverse Utility Commission

SISSETON WAHPETON
HOUSING AUTHORITY

October 23, 2023

Bureau of Reclamation
Financial Assistance Operations
Attention: Notice of Funding Opportunity Team
PO Box 25007
Denver, CO 80225

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I fully support WEB's efforts in pursuing Bureau of Reclamation funding for the Waubay and Day County Drought Resiliency Project.

Sincerely,

Eric Shepherd, Director
Sisseton Wahpeton Housing Authority

605 Lydia Goodsell Street, Sisseton, SD 57262 PH: 605 698 3901 F: 605-698 7504

October 21, 2023

Bureau of Reclamation
Financial Assistance Operations
Attention: Notice of Funding Opportunity Team
PO Box 25007
Denver, CO 80225

RE: WaterSMART Drought Response Program: Drought Resiliency Projects for Fiscal Year 2024, Notice of Funding Opportunity No. R24AS00007

WEB Water Development Association, Inc.: City of Waubay and Day County Drought Resiliency Project

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I fully support WEB's efforts in pursuing Bureau of Reclamation funding for the Waubay and Day County Drought Resiliency Project.

Sincerely,

Kevin Jens Mayor

Kevin Jens, Mayor - City of Waubay

SENATOR MICHAEL H. ROHL | DISTRICT 01

SOUTH DAKOTA LEGISLATURE
SENATE

October 31st, 2023

Bureau of Reclamation
Financial Assistance Operations
Attention: Notice of Funding Opportunity Team
PO Box 25007
Denver, CO 80225

RE: WaterSMART Drought Response Program: Drought Resiliency Projects for Fiscal Year 2024, Notice of Funding Opportunity No. R24AS00007 WEB Water Development Association, Inc.: City of Waubay and Day County Drought Resiliency Project

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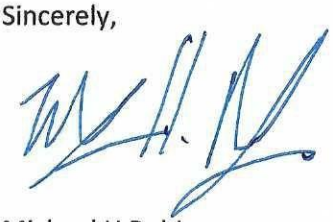
Sincerely,



Michael H Rohl
Michael.Rohl@SDlegislature.gov
Senate State-Tribal Relations Committee (Chair)
Senate State Affairs, Judiciary, and Health & Human Services Committees (Member)

REPRESENTATIVE TAMARA ST. JOHN | DISTRICT 1

SOUTH DAKOTA LEGISLATURE
HOUSE OF REPRESENTATIVES

Dear Bureau of Reclamation,

I am writing to add my voice to support a "WaterSMART" application for the City of Waubay and the underserved areas of Day County and the Sisseton-Wahpeton Oyate, on behalf of WEB Rural Water System.

This area is not only an important part of my state legislative district, but is also an area that is of great importance to the Sisseton-Wahpeton Oyate and its history. As a member of the SWO Enemy Swim District and having family ties to the area I have been acutely aware of the water issues of the area. It is long past time for the poor quality water conditions and drought situations to be resolved. I am so pleased to learn that the City, the area, and WEB have found a solution to these water issues, with the help of the Bureau of Reclamation and that they have a qualified engineering firm who has done the work for all of us.

As I understand it, your program allows significant grant funding for the project, which is critical to this underserved area and that your program can move this project forward efficiently.

I'm very aware of the ongoing work WEB has done in this area and will continue my support for them on other issues in the region. I have confidence of their ability to complete this project and deliver the clean and reliable drinking water the area needs.

Thank you for your consideration!

Respectfully submitted,

Tamara St. John
State Representative
(605) 268-0920