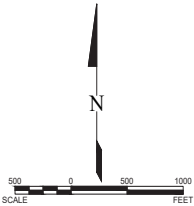


Attachment D: Project Area Map



**APPLE SPRINGS PHASE 1
SANITARY SEWER
COLLECTION SYSTEM**

LEGEND

- EXIST. SANITARY SEWER
- PROP. PHASE 1 SANITARY SEWER
- PROP. SANITARY FORCE MAIN PHASE 1
- NON CONFORMING LOT

Attachment D-1: Project Area Map and EPA IRA Map

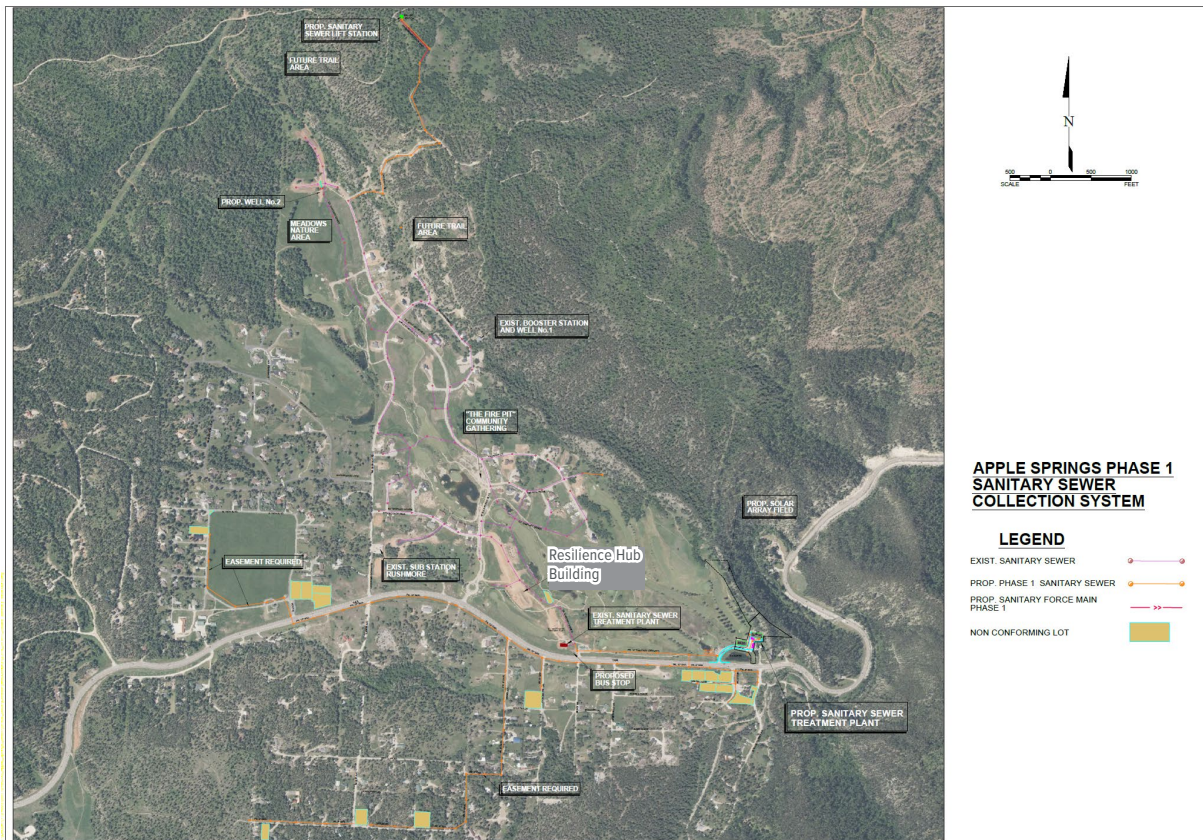
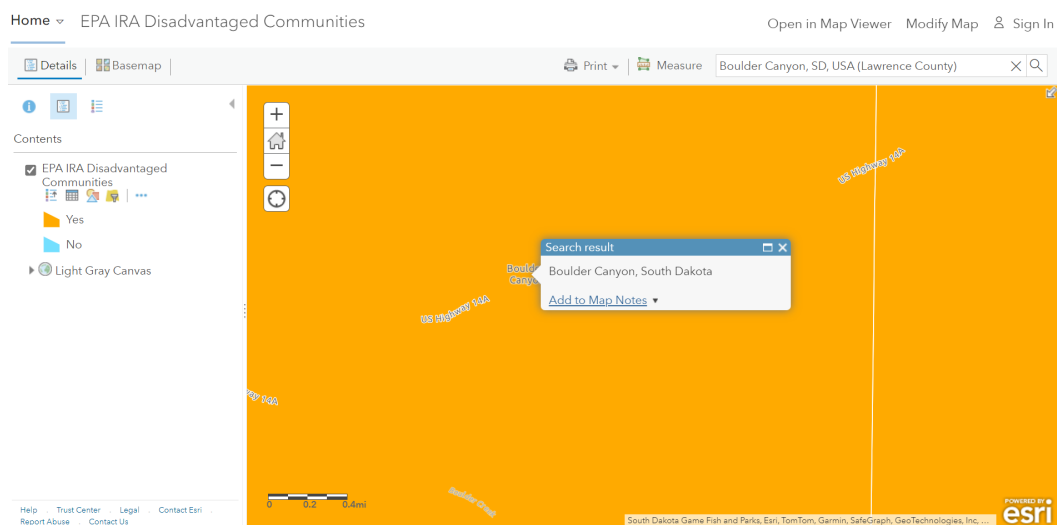


Figure 1.1.1. a. The Project Area with an outlined boundary. b. Main streets, landmarks, or both. c. Community assets (e.g., club house, golf course, fire pit area). d. Jurisdictional boundaries, including incorporated and unincorporated areas. e. Proposed Project Area assets such as the new clubhouse area, meadows near well 2, and future trails area to north and east.



Attachment E: Community Engagement and Collaborative Governance Plan

Past Community Outreach and Engagement Conducted

Between 2017 and 2023, Clean Water Legacy (CWL) acted as fiscal sponsor for Black Hills Clean Water Alliance (BHCWA) in the northern Black Hills. During this time, BHCWA built an active alliance of area organizations and implemented a public outreach and engagement campaign for proposed mining exploration projects in the northern Black Hills.

Activities involved included:

- monthly meetings,
- a mailing,
- two “public comment Happy Hours” at a local brewery,
- distribution of thousands of postcards and flyers,
- website and blog entries,
- dozens of speaking engagements (68 in 2023),
- attendance at area events, including setting up information tables and talking to thousands of people (we interacted with over 10,000 people in 2023 alone),
- free and paid social media,
- free and paid mass media,
- a parade float, and
- contacts with tribal, federal, state, county, special district, and city officials.

This successfully reached and engaged the public, as evidenced by hundreds of people attending related events, the increase in discussion/knowledge of the projects, City resolutions, and over 4200 written comments submitted to federal agencies in just 2023.

Apple Springs Water Works Sanitary District (ASWWSD) has engaged with residents in Boulder Canyon regarding the proposed project as well. ASWWSD went door to door in Boulder Canyon distributing flyers on the project and inviting residents of the Canyon to a Fireside Chat. ASWWSD also distributed door hangers to reach residents who were unavailable at the time flyers were distributed. The Fireside Chat was held on June 21, 2024, and all Canyon residents were invited to this festive event with a bonfire. The event had the proposed map of the project area, and ASWWSD shared information regarding the project and answered questions as well. ASWWSD has also gathered signatures from 25 landowners in Boulder Canyon who are interested in the grant and its development found in Attachment C.

The knowledge gained from CWL’s experience and similar efforts in other areas of the Black Hills as well as ASWWSD’s

outreach will be carried forward into this project, which will include some of the same engagement techniques.

Community Engagement Plan and Implementation

The following personnel will be involved in community engagement activities:

- ¾ FTE Community Engagement Specialist, who will coordinate and lead all engagement activities and respond to residents’ concerns,
- ¼ FTE Administrative Support person,
- ¼ FTE Communications Associate, who will implement social media and email activities, and
- ¼ FTE Computer and Multimedia contractor, who will maintain the website, design mailers and handouts, and prepare visual media for public engagement meetings.

The organization’s Executive Director will work ¼ FTE on this project to help with reporting and ensure that all activities are completed in a timely fashion.

This project will include these community engagement activities:

- an introductory community meeting followed by bi-annual meetings,
- monthly project implementation meetings,
- an introductory postcard mailing followed by bi-annual mailings,
- social media (free and paid),
- regular emails,
- establishment of a dedicated phone line to respond to residents’ questions and concerns,
- maintenance of the existing website,
- mass media (free and paid),
- track and attend area events, participating with speaking engagements and information tables, when possible,
- identification of and contact with government officials at all levels, and
- creation, printing, posting, and distribution of up to 12 handouts/flyers/updates and a report to the community at the end of the project.

These varied outreach methods will allow the project team to reach a diverse range of community members throughout the life of the project as well as receive feedback from the community. To maintain transparency throughout the project, the project phone line and website will be established and advertised so community members have meaningful accountability during the project. The project website will also share information regarding the project status as

well as research from the South Dakota School of Mines regarding the new treatment system. CWL will also publish an address where community members who have inability to access the website can contact the project team and receive physical copies of online materials.

CWL will also include vision and goal setting to define successful outreach as well as plan frequent assessments throughout the project. Through these frequent assessments, the plan will be flexible to community needs that arise through the project. CWL will adapt outreach methods after assessments to ensure the project is reaching community members as well as mitigating barriers to participation.

CWL will also research potential barriers to participation in the project area prior to public engagement activities. CWL will consider the linguistic needs of the community as well as potential communication challenges. All outreach events will be held in ADA-compliant spaces that are easy to access.

CWL will make every reasonable accommodation to provide accessible meeting facilities for all persons. Prior to public meetings, CWL will advertise that appropriate provisions for the hearing and visually challenged or persons with Limited English Proficiency (LEP) will be made if CWL is notified prior to the meeting. CWL will also advertise where meeting information may be obtained for those without internet access.

The most important government entity for the completion of this project is Lawrence County, which is submitting a letter of support with this application. Lawrence County supports the project and will be included in the Collaborative Governance Structure. Area special districts that are not already involved with this project will be identified at the beginning of the project and contacted, as needed throughout the project.

Collaborative Governance Structure

Representatives of the Apple Springs Water Works Sanitary District, Clean Water Legacy, Lawrence County, South Dakota School of Mines and Technology, and other organizations that may become involved will meet regularly to implement the project. At a minimum, they will meet monthly during the life of the project. Apple Springs Water Works Sanitary district will lead the decision-making process for the project. Key project decisions will be discussed in the monthly

meetings between the representatives.

Any dispute or difference arising out of or in connection with the partnership agreement between CWL and ASWWSD shall be determined by the appointment of a single arbitrator to be agreed between the parties, or failing agreement within fourteen days, after either party has given to the other a written request to concur in the appointment of an arbitrator, by an arbitrator to be appointed by the American Arbitration Association.

The replacement of CWL may be necessary for various reasons. ASWWSD will notify CWL 30 days in advance that they are to be replaced. ASWWSD will request qualifications from comparable Statutory Partners with similar expertise, experience, knowledge, and qualifications who can help complete the grant successfully within the allotted 3-year period. Replacement will require prior approval by an authorized EPA official pursuant to 2 CFR 200.308(c)(6).

As the lead applicant, Apple Springs Water Works Sanitary District (ASWWSD) will regularly meet with Clean Water Legacy (CWL) to discuss engagement and education, as well as address questions or concerns expressed by community members. ASWWSD's role with CWL will involve regular communication where the Lead Applicant will share information regarding the project, including research from the South Dakota School of Mines, as well as providing frequent updates regarding the status of the project. Prior to public engagement outreach, ASWWSD will review all outreach materials CWL creates, such as presentations and handouts. ASWWSD will work with CWL to make any revisions to the materials ASWWSD deems necessary. ASWWSD will also review concerns or questions expressed to CWL by community members. ASWWSD will work with CWL to draft responses to comments received.

Throughout the project, CWL's role will involve engagement and education about the project with area community members and leaders in Boulder Canyon, South Dakota. CWL will be involved in public engagement after the grant award is received. This engagement will last from design through implementation. CWL will share project information and updates as well as research gathered by the South Dakota School of Mines with community leaders and members. CWL will also be responsive to concerns or questions expressed by community members and will contact the Lead Applicant as well as other team members to answer questions. CWL will also convey the importance of eliminating contamination

from failing septic systems as well as seek to persuade the community adjacent to the project area to connect their properties to the new wastewater system. CWL will keep a record of correspondence, education, engagement and outreach activities.

As a collaborating entity, South Dakota School of Mines will attend the scheduled meetings. South Dakota School of Mines and Technology will also conduct validation research on the treatment system. They will test the water quality produced by the plant as well as quantify the amounts of carbon dioxide that can be sequestered and publish all their findings and make them available to the public on the project website.

Lawrence County, which has provided a Letter of Support, will be included in engagement and outreach events as well as needed. Throughout the project, Lawrence County will be invited as needed to attend all public engagement meetings and will be kept informed as the project progresses. Lawrence County will work with the grant team to provide the sewer header system on the county road right of ways on land outside the current Apple Springs District Map. Lawrence County will recommend all future home construction be tied into the sewer system per the state law when the sewer system is within 400 feet of the home, trailer court, commercial establishment, business, park, or institution. As the project progresses, the Lawrence County District Board will evaluate the potential means of remapping the district.

During the 3-year grant implementation period, homeowners have no hookup fees or costs associated with hooking up to the system. If owners are disconnecting an existing septic system, the grant will cover the costs of idling the septic system per the laws of South Dakota. Once the 3-year grant period has expired, homeowners will be responsible for the hook up fee, construction costs and idling cost of the old septic system if applicable. The intent of the grant is not to require existing homes with functional septic systems to hook up. However, if owners desire to be tied in the sewer header, they are free to do so.

Attachment F: Community Strength Plan

Maximizing Economic Benefits of Projects

To maximize the economic benefits, the Apple Springs Waterworks Sanitary District teamed very early in the project with Lead-Deadwood Economic Development Corporation (LDEDC) to help develop a comprehensive plan and master plan update of the land use within the district boundaries. LDEDC is supported by local businesses, the County and local municipalities to determine the residential, commercial and industrial needs in the region. LDEDC, as a part of this grant, will be tasked to inform small businesses (including Disadvantaged Business Enterprises) of the open contracts and future commercial and residential space available in Apple Springs district, including at the Community Center. Lead by the director, Emma Garvin, LDEDC acts in the capacity of the local chamber of commerce for the region who identifies the short-term and long-term opportunities for local businesses. Some examples of how local businesses can participate in the Apple Springs project include in the construction of the solar array, new treatment plant, demolition and site work, construction of the transportation hub, sidewalks and trails and greenspace restoration and landscaping.

The workforce development program, a part of the climate action strategy of the project, will also focus on recruitment of local workers and identify opportunities for the local workforce, in conjunction with the South Dakota School of Mines and Technology and Western Dakota Technical Institute.

Some short-term economic benefits of the project include:

- Local opportunities in the new Clubhouse and Training center with easy connections using Prairie Hills Transit and DaBus to Sturgis and Deadwood.
- Open Contracts for local contractors to bid on different parts of the projects that are aligned with local expertise. Most, if not all, of the technology proposed can be constructed using local competencies. LDEDC will aid local businesses in meeting federal procurement requirements prior to bid announcements.
- New commercial space for local businesses looking to relocate to the Boulder Canyon region to serve tourism and seasonal visitors.

Finally, the project proposes to purchase and transfer sanitary infrastructure assets to the local government (ie.

District), which will provide a readiness to serve cost for sewer fees, without a debt service, thereby reducing the cost of utilities greatly to residents and businesses alike. The district has a Letter of Understanding (LOU) with the private owner of the sewer assets, H2O Clear Solutions, that will become a legally binding contract upon EPA grant award. The agreement transfers the assets to the community to provide long-term benefits to members of the community, in the same way a Community Benefits Agreement would.

In addition, Apple Springs Water Works Sanitary District will be reducing energy costs and installing modern, cost-effective technology, thereby driving down costs by passing on the energy savings to utility users. The average cost per household for sewer for households that are members of the Sanitary District is currently \$107.50 per month. The estimated new cost will be \$30 per month for residents and a slightly higher rate for businesses/rental properties after the project is complete. That is a total annual average savings of \$930.

Those who are currently on a septic system may not have a monthly fee now, but septic systems do require regular pumping, and when a septic system fails, it costs thousands of dollars for repairs or replacement. Community members will avoid future costs resulting from septic system leaks, expensive pumping of septic water, and the purchase of bottled water and/or filtration systems.

Displacement Avoidance

In partnership with Clean Water Legacy and the Lead Deadwood Economic Development Corporation, the project has a comprehensive public engagement component, with ample time and opportunities for the local community to learn about the benefits of the project and how they can participate. The “lunch and learns” and town halls planned by Clean Water Legacy will educate homeowners about their rights and the way in which they can represent their neighborhood on the elected District Board of Trustees. The project envisions the new members of the district to become local advocates for positive long-term projects in the drinking water system expansion and non-motorized transportation.

The LDEDC will include Inclusionary zoning codes in the re-write of the comprehensive plan and master planning document. Boulder Canyon’s location is only 15 minutes

from well-paying Deadwood and Sturgis businesses, making it an ideal place for developers to build affordable multi-family housing. As opposed to displacement of residents, the project intends to strength the local community by providing lower utility bills, resilient community infrastructure with workforce development opportunities, and accessible public transportation to Sturgis and Deadwood. In coordination with Lawrence County Planning and Zoning, incentives such as quicker permit approval, can attract local property owners to build within the land use allowances of the new Master Plan and develop a more mixed inventory of single family, multi-family and commercial property. This will create more inventory of rental property, which is severely lacking in area and causing parents to accept their adult children back into the home until an affordable option becomes available.

This project will provide immediate positive impacts for households and other existing groups by minimizing future costs for sewage treatment and energy costs. In addition, improved air quality with new treatment technology will prevent displacement or avoidances to build, as no odors or aesthetically unappealing buildings are proposed. On the contrary, the treatment plant will be housed in a greenhouse and the inside air quality will be mitigated using algae biofilms. These benefits are both short-term and long-term, with the Sanitary District current annual cost for wastewater treatment and maintenance of the system being \$118,000 excluding interest, which will be spread over an additional 100 households after the project expands the collection system.

Building additional multi-family housing in Boulder Canyon will not affect the house values of the existing single-family housing because it caters to a younger demographic who are needed in tourism and construction in the northern Black Hills. Currently, local businesses are hard-pressed to find labor in this demographic category. With increased public transportation and an inventory of affordable homes, workers can now live more affordably and closer to their place of work thanks to this EPA grant.

Attachment G: Readiness Approach

The project will be able to move forward upon award ensuring the completion of the project is within the 3-year grant period. Based on the projected milestone schedule in section 2.4, the project details the activities required to complete the project. The District developed the project activities and schedule with a certified engineer, and with the SDSMT professors. Upon award, the District will complete a competitive bidding process for the procurement of a CPA firm and a grant management consultant. The District proactively initiated the publication of an RFQ for accounting services; however, it was paused the process after the initial grant application was not awarded. The District has undergone the procurement process for engineering and design services. The District published an RFQ and received responses. The Board recommended partnering with the chosen engineering firm contingent upon the grant's award and acceptance by the District. This firm has successfully met all the requirements outlined in the RFQ.

Concurrent with the procurement process, the District will purchase the equipment/assets of certain sewer infrastructure from H2O Clear Solutions LLC, detailed in the attached Letter of Understanding between Clear Solutions and the District.

In terms of government approvals, the District has a strong relationship with the County and the Commissioners to pursue and acquire any municipal or county permits and approvals, especially since the grant application is backed by Lawrence County via the attached Letter of Support. The District will also require coordination with the DOT to obtain necessary permitting and approvals for the mobility transportation hub.

The project aligns with the Lawrence County Community Wildfire Protection Plan, adopted in 2022, and the Lawrence County Comprehensive Plan, adopted in December 2020. One of the main drivers and need for the project relate to the wildfire risk in the project area and the primary objective of the County Wildfire Plan is to reduce the impact from uncontrolled wildland fire in Lawrence County. "Additional funding opportunities should be explored to provide fuels reduction to protect Lawrence County," is an action item taken directly from the plan. Risk of wildfire is also backed by the County Comprehensive Plan, specifically goal 2: Continue to advocate for and implement strategies

for wildfire control and prevention. The Comprehensive Plan also includes a goal stating, "maintain high levels of environmental quality and minimize impacts to natural resources from future growth and development." The District's project seeks to promote sustainability, provide clean water, reduce GHG emissions, install renewable energy, and enhance extreme weather resiliency.

All implementation projects must demonstrate site control: title deed, warranty deed, purchase option or land contract before any action begins or funding is obligated for work on the site. The District has conducted those preliminary steps and agreements in terms of land control. For example, the relocation of the treatment plant to the old Clubhouse site and the construction of a new Community / Golf Clubhouse Hub at the old treatment plant site (**land swap**), making a more central location for community gatherings and workforce training events has already been discussed and collaborated to get to that decision. Another example of that collaboration includes the construction of a 4-acre solar array behind the new treatment plant site on **undevelopable land that is out-of-sight**, facing the southern sky and able to generate up to 1 MW of power and store it in Energy Storage Systems.

As noted in section 3.2 of the workplan, the District is committed to ensuring that the benefits and outcomes of the proposed projects are sustained well beyond the three-year grant period. While we are currently requesting 100% of the project costs for this initial period, our strategy for sustainability includes leveraging additional funding and resources from diverse sources to expand the project's impact after the grant term ends.

Upon completion of the Wastewater Treatment Plant (WWTP) construction at the end of Year 2, the process will undergo validation with the engineering firm and equipment supplier using existing online users and utilities. This validation will ensure compliance with the DANR surface discharge permit requirements. Once validated, the District will assume operations, and the current WWTP will be idled as necessary. The District will collaborate with the Lawrence County Auditing Department to confirm the budget and tax levy mill rates for district residents prior to the transfer of operations. Throughout Years 2 and 3, new users will be connected as sewer mains are completed. The Solar Power array construction will occur concurrently but will not be activated

until the WWTP is fully operational. The Transportation Hub will be brought online only after all construction surrounding the WWTP is completed, ensuring safety by preventing construction vehicles, trucks, and semis from interfering with traffic and pedestrians.

Funding for operations will extend beyond Year 3, with the project budgeted to cover a year's worth of Operations and Maintenance (O&M) costs. The District will collaborate with the Lawrence County Auditing Department to effectively manage the budget and establish district levy rates and assessments. Hook-up fees will apply to new users after the completion of Year 3, while monthly fees will be collected from residents, local businesses, rental properties, and the golf course.

In terms of maintenance, upon purchasing the infrastructure assets, the District will be in full control of operations and maintenance of the treatment system. The District currently supports the facility, but it does so under the umbrella of H2O Clear Solutions LLC, the current owner of the infrastructure assets. The facility will operate similar to other publicly owned facilities in that the District will bill facility users by usage. This will be the main source of revenue as the sustainability and maintenance of implementation measures will be the responsibility of the District. The implementation measures on private property shall become the responsibility of the owner, like the decision to connect to the system. By fostering strong relationships with current grant partners and continuously seeking new funding opportunities, the District is confident in the ability to sustain and enhance the benefits of the projects for years to come.

The District is familiar with Federal Requirements on Davis-Bacon and Related Acts (DBRA), Build America/Buy America, and regulatory or Federal Executive Order requirements. We have budgeted grant funds for DBRA Compliance Consultant and for overall grant management. The project team will work with the EPA and private firms who manage the implementation. All of the private firms will be required to demonstrate experience with DBRA compliance and reporting as well as have a Compliance Specialist on their personnel team. The District understands their role in the procurement process, but also the tasks related to grant management for example certifying weekly payrolls, retaining payrolls during the grant period, and conducting employee interviews for the duration of the grant project. The District understands that the grant management firm will

lead this process, but the District still plays a key role in the coordination of all the grant administration activities. We will use our procurement experience to conduct a fair and open competition for all contracts and procurements of goods and services. The District will utilize the EPAs "Managing a Grant" module and their "Best Practice Guide for Procuring Services, Supplies, and Equipment Under EPA Assistance Agreements" throughout the duration of the grant project.

Attachment H: Compliance Plan

The District will implement best practices developed internally that conform to federal and EPA requirements and will ensure compliance with all grant terms and conditions including 2 CFR § 200.302(b) (financial management), 2 CFR § 200.303 (internal controls), and 2 CFR § 200.332 (requirements for pass-through entities); and (2) manage broader legal and compliance risks described in more detail below.

The purpose of these policies is to establish guidelines for the District in developing financial goals and objectives, making financial decisions, reporting the financial status of the District, and managing the District's funds.

As mentioned in section 2.4 of the workplan, the District has the experience and capacity to successfully perform the proposed project activities. The District is led by qualified individuals who have years of experience in the infrastructure sector. The District's current President, Dan Carlson, is a former treatment plant manager who has operated \$200 million treatment facilities. His years of experience managing and overseeing water/wastewater facilities demonstrates the capabilities of the District to perform the proposed activities. Dan's skills include project execution and ownership. The District's current Secretary, Chris Vinich, a successful business owner and former pipeline business owner, will serve the District in various capacities, for example in project management, accounting, leadership, and project administration.

The District has current financial stability and controls in place to manage funds ethically and efficiently by managing program risk, program oversight, and demonstrating financial transparency. The District submits a yearly budget to Lawrence County – which is reviewed and approved. Once approved, the County provides the District their monthly budget for operations and maintenance, therefore implementing a process by which funds are publicly approved and utilized.

The District publishes their financial statements on their [website](#), specifically their budget, balance sheet, and income statements that allows for complete transparency of the District's financials. The District will continue to utilize their website to publicize grant information if the application is awarded.

After an award has been made, the District shall take the following steps:

1. Verify the specifications of the grant or contract. The District shall review the terms, time periods, award amounts, and expected expenditures associated with the award. All reporting requirements under the contract or award shall be summarized.
2. The hired firms in collaboration with the District will create new general ledger account numbers (or segments). New accounts shall be established for the receipt and expense categories in line with the grant or contract budget.
3. Gather appropriate documentation for grant/award establishing a master file to be maintained by the Grant Manager.

As noted in the Readiness Approach, upon grant award, the District will conduct a competitive bidding process for the procurement of a CPA firm and a grant management consultant. The engineering procurement process has been completed. The accounting firm and grant management consultant will lead the fiscal management of the grant. The hired firms will assist with account management, grant fund tracking, and provide accurate and timely reports to the EPA.

The District will utilize their current project management, accounting, and administration controls to ensure they comply with relevant statutes and regulations. The District has a President, Secretary, and a Treasurer, ensuring a clear separation of internal control duties. The District also has a Board that is the oversight body of the organization. The hired firms will work collaboratively with the District to achieve the grant objectives, reporting, and compliance. The Board will identify risks and potential fraud when identifying, analyzing, and responding to risks. They will use quality information to achieve their objectives and effectively communicate internally and externally to achieve their objectives.

Since the project involves sub awardees, the District will follow subaward requirements as part of the grant award. Clean Water Legacy and South Dakota School of Mines both have federal grant experience, so both organizations have the knowledge and skills required to be a sub awardee. The District will work with the hired CPA and grant management firms to ensure the federal statutes, regulations, and the terms and conditions of the federal award are met in

terms of the sub awards. This partnership is detailed in the attached Partnership Agreement between the District and Clean Water Legacy, the Memorandum of Understanding (MOU) between the District and the South Dakota School of Mines.