



**DEPARTMENT of AGRICULTURE  
and NATURAL RESOURCES**

JOE FOSS BUILDING  
523 E CAPITOL AVE  
PIERRE SD 57501-3182  
danr.sd.gov

January 9, 2026

Edward Kavanagh  
KC Dairies, LLP  
48612 212<sup>th</sup> Street  
Elkton, SD 57026-6716

RE: Bel Brands USA, Inc. / KC Dairies, LLP Waste Transfer

Dear Mr. Kavanagh:

The Department of Agriculture and Natural Resources (DANR) has received a request for a proposed transfer of wastes from Bel Brands USA, Inc. to KC Dairies, LLP. The proposed transfer seeks to increase the maximum volume transferred on an annual basis from 1,000,000 gallons to 1,600,000 gallons. These wastes will be stored in KC Dairies, LLP's permitted manure management system and will be land applied in accordance with the approved nutrient management plan (NMP). KC Dairies, LLP has state permit coverage under the 2017 *General Water Pollution Control Permit for Concentrated Animal Feeding Operations* (general permit) permit number SDG-100031 for its dairy cattle feeding operation. The manure management system is located in the Southwest ¼ of Section 21, Township 110 North, Range 47 West in Brookings County, South Dakota.

DANR has reviewed and is approving the transfer of waste material from Bel Brands USA, Inc. to KC Dairies, LLP and accepting the approved NMP showing it is adequate for land applying the additional waste at agronomic rates. **This approval is for one year and will expire on January 9, 2027. This approval and request to transfer wastes replaces the previous transfer of waste request and approval.**

To extend the waste transfer approval, please submit written notice of the request for renewal to continue operating under the existing agreement. A complete copy of the waste transfer records must be submitted with the request for extension of the approval. Please submit any request for renewal and all waste transfer records by November 1, 2026. The department reserves the right to deny approval for transfer of wastes after January 8, 2027.

**Approval for transferring wastes will be granted or extended in writing from the DANR. Submittal of a new agreement or a request for an extension does not constitute an extension of the DANR's approval.**

This approval is conditional upon the following:

1. The maximum volume transferred to KC Dairies, LLP shall not exceed 1,600,000 gallons of waste between January 9, 2026, and January 8, 2027. **Accepting waste in excess of the**

**approved volume will be considered a violation of your permit and may be subject to enforcement action.**

2. The type of material transferred shall be sludge as described in the transfer agreement and shall be of similar nutrient content as the material tested and included in the documentation submitted as part of the transfer request.
3. KC Dairies, LLP shall maintain monthly reports documenting the volume of waste transferred to the dairy's manure management system. A copy of the documentation shall be available to DANR staff during operation and maintenance inspections.
4. KC Dairies, LLP shall maintain daily holding pond depth records for any day that wastes are transferred from Bel Brands USA, Inc. The records shall document the liquid level in the holding pond in relation to the maximum operating level marker prior to offloading wastes. In the event the pond level is at or above the maximum operating level, KC Dairies, LLP shall reject offloading of wastes. **Offloading wastes in excess of the maximum operating level is a violation of the general permit and may result in enforcement and termination of this approval.**
5. Only wastes generated through normal operation may be transferred to KC Dairies, LLP. Wastes other than those approved herein shall **not** be comingled with other wastes prior to receipt by KC Dairies, LLP unless such comingling is part of the normal operation at Bel Brands USA, Inc. **Accepting other wastes will be considered a violation of your permit and may be subject to enforcement action.**
6. Upon receipt by KC Dairies, LLP the waste material is considered manure covered under the operation's general permit. KC Dairies, LLP is responsible for storing and land applying the manure in accordance with the requirements of the general permit and their approved permit application.
7. Prior to land application of the waste material accepted from Bel Brands USA, Inc., a nutrient analysis that is representative of the material being land applied must be obtained. The analysis shall be used to calculate application rates in accordance with KC Dairies, LLP's approved NMP and Section 1.4.4.3. of the general permit.

**Failure to comply with the above conditions may result in enforcement and/or the termination of this approval.**

If KC Dairies, LLP is willing to accept other wastes, documentation shall be submitted for review and approval indicating capacity to store the wastes is available. **Until such time that approval for transferring other wastes is granted, accepting other wastes will be considered a violation of this approval and the general permit and may be subject to enforcement action.**

Edward Kavanagh  
KC Dairies, LLP  
January 9, 2026  
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KC Dairies, LLP is responsible for contacting the local planning and zoning office to determine if there are any local ordinances or requirements with which you need to comply. It is up to county or local government to enforce their rules and regulations.

Please be aware, DANR is in the process of reissuing the General Water Pollution Control Permit for Concentrated Animal Feeding Operations. Potential changes to this permit may limit waste transfers to a permitted CAFO. DANR will continue to consider transfers of wastes to CAFOs but may limit the volume transferred or impose additional monitoring, notice, or documentation requirements to ensure compliance with applicable regulations. **The long term transfer of wastes to concentrated animal feeding operations may be limited. The department is advising Bel Brands USA, Inc. to begin working on a long term solution for disposal of wastes from the cheese plant.**

If you have any questions regarding the content of this letter, please feel free to contact me at the number below. Thank you for your cooperation.

Sincerely,



Neal J. Konda, PE, Natural Resources Engineer  
Livestock Services Program  
Phone: (605) 773-4647

cc: Stephanie Merdan, ISG (email)  
Rachel Kloos, ISG (email)  
Jacob Anderson, Bel Brands USA, Inc. (email)  
Nicholas Rowe, PE, ProAg Engineering, Inc. (email)  
Kevin Banken, Centrol (email)  
Brookings County Commissioners  
Gene Stegeman, SD DANR (email)

