



United States Department of the Interior

U.S. GEOLOGICAL SURVEY

South Dakota Water Science Center
1608 Mountain View Road
Rapid City, South Dakota 57702
Phone: (605)394-3200 Fax (605)355-4523

August 11, 2005

Ms. Colleen Schmidt
City Finance Officer
300 Sixth Street
Rapid City, South Dakota 57701-2724

Dear Ms. Schmidt:

The purpose of this letter and enclosed documents is to complete our Joint Funding Agreement (JFA) for cooperative work between the City of Rapid City and the U.S. Geological Survey (USGS) for the period of September 1, 2005, through December 31, 2006. The JFA No. 05C4SD000000059 specifies funding of \$129,553 from the City, which is matched by an equal amount from the USGS. The City's share of the JFA includes a direct credit for payment by the City to Diamond Bar Seven, LLC of \$121,901 for rent of the building through September 30, 2006, that the USGS occupies at 1608 Mt. View Road, Rapid City, South Dakota. The Direct State Services Voucher for this amount will be sent to the City for signature by September of 2006. The balance of \$7,652 is in Repay and will be billed in January of 2007, following the end of the agreement.

The total amount of \$129,553 consists of our routine annual cooperative program of \$104,000 per side, and also includes \$25,553 per side, which is the lease amount that has been prepaid by the City through December 31, 2005. The \$104,000 funding increment will be divided between studies of the Madison aquifer and streamflow gaging during Federal fiscal year (FY) 2006 (ends Sept. 30, 2006), as described in the attached summary dated June 10, 2005. The \$25,553 funding increment will be allocated strictly towards studies of the Madison aquifer; a work plan providing additional details for these efforts will be developed and provided to the City prior to the end of FY 2006. Funding arrangements for future streamflow gaging and additional studies during FY 2007 will be negotiated at a later date.

The USGS Water Resources Cooperative Program operates under the authority of statute 43 USC 50 which allows us to perform this work. All work performed with funds from this

Ms. Colleen Schmidt

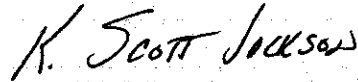
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agreement will be on a fixed-price basis and the results of the work under this agreement will be available for publication by the USGS.

Four copies of the Joint Funding Agreement are enclosed for signature. Please return two signed copies of the Joint Funding Agreement to this office and retain two copies for your files.

As we have discussed, the USGS will be making arrangements to secure facilities through GSA after September 30, 2006. We certainly appreciate all of the efforts of City staff in helping us with our facilities arrangements since 1990. If you have any questions, please contact me at 605-394-3220. You also could contact Dan Driscoll at 3211 or Patsy Hood at 3221. We look forward to continuing to provide hydrologic information for the Rapid City area in the future.

Sincerely,

A handwritten signature in black ink that reads "K. Scott Jackson". The signature is written in a cursive style with a large initial "K".

K. Scott Jackson
Acting Director

Enclosure

U.S. Department of the Interior
U.S. Geological Survey
Joint Funding Agreement

Customer # SD009
Agreement # 05C4SD000000059
Project # 86489ZR10;00100
TIN # 46-6000380
Fixed Cost Agreement Yes

FOR
WATER RESOURCES INVESTIGATIONS

THIS AGREEMENT is entered into as of the 1st day of September, 2005, by the U.S. GEOLOGICAL SURVEY, UNITED STATES DEPARTMENT OF THE INTERIOR, party of the first part, and the City of Rapid City, South Dakota, party of the second part.

1. The parties hereto agree that subject to availability of appropriations and in accordance with their respective authorities there shall be maintained in cooperation for operation and maintenance of selected gaging stations, and for hydrologic investigations of the Madison aquifer system herein called the program.

2. The following amounts shall be contributed to cover all of the cost of the necessary field and analytical work directly related to this program.

(a) \$129,553.00 by the party of the first part during the period
September 1, 2005 to December 31, 2006

(b) \$129,553.00* by the party of the second part during the period
September 1, 2005 to December 31, 2006

*\$121,901 is in Direct Services: \$25,553 for Oct-Dec 2005; \$96,348 for Jan-Sep 2006; Repay is \$7652 for Oct-Dec 2006

(c) Additional or reduced amounts by each party during the above period or succeeding periods as may be determined by mutual agreement and set forth in an exchange of letters between the parties.

3. The costs of this program may be paid by either party in conformity with the laws and regulations respectively governing each party.

4. The field and analytical work pertaining to this program shall be under the direction of or subject to periodic review by an authorized representative of the party of the first part.

5. The areas to be included in the program shall be determined by mutual agreement between the parties hereto or their authorized representatives. The methods employed in the field and office shall be those adopted by the party of the first part to insure the required standards of accuracy subject to modification by mutual agreement.

6. During the course of this program, all field and analytical work of either party pertaining to this program shall be open to the inspection of the other party, and if the work is not being carried on in a mutually satisfactory manner, either party may terminate this agreement upon 60 days written notice to the other party.

7. The original records resulting from this program will be deposited in the office of origin of those records. Upon request, copies of the original records will be provided to the office of the other party.

8. The maps, records, or reports resulting from this program shall be made available to the public as promptly as possible. The maps, records, or reports normally will be published by the party of the first part. However, the party of the second part reserves the right to publish the results of this program and, if already published by the party of the first part shall, upon request, be furnished by the party of the first part, at costs, impressions suitable for purposes of reproduction similar to that for which the original copy was prepared. The maps, records, or reports published by either party shall contain a statement of the cooperative relations between the parties.

9. Billing for this agreement will be rendered January 2007. Payments of bills are due within 60 days after the billing date. If not paid by the due date, interest will be charged at the current Treasury rate for each 30 day period, or portion thereof, that the payment is delayed beyond the due date. (31 USC 3717; Comptroller General File B-212222, August 23, 1983).

U.S. GEOLOGICAL SURVEY
UNITED STATES
DEPARTMENT OF THE INTERIOR

City of Rapid City, South Dakota

By: K. Scott Jackson Date: 8/11/2005 By: _____ Date: _____

Title: K. Scott Jackson, Acting Director By: _____ Date: _____
USGS South Dakota Water Science Center

By: _____ Date: _____

(USE REVERSE SIDE IF ADDITIONAL SIGNATURES ARE REQUIRED)