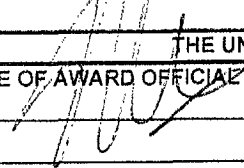
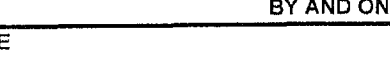
	U.S. ENVIRONMENTAL PROTECTION AGENCY Grant Agreement		ASSISTANCE ID NO.			DATE OF AWARD SEP 05 2006		
			PRG	DOC ID	AMEND#			
			XP -	97851601	- 0	TYPE OF ACTION New		MAILING DATE SEP 12 2006
			PAYMENT METHOD: ACH			ACH# 80095		
RECIPIENT TYPE: Municipal			Send Payment Request to: Las Vegas Financial Center- LVFC					
RECIPIENT: City of Rapid City 300 Sixth Street Rapid City, SD 57701 EIN: 46-6000380			PAYEE: City of Rapid City 300 Sixth Street Rapid City, SD 57701					
PROJECT MANAGER		EPA PROJECT OFFICER		EPA GRANT SPECIALIST				
Dan Coon 300 Sixth Street Rapid City, SD 57701 E-Mail: dan.coon@rcgov.org Phone: 605-394-4154		Mohammad Razzazian 999 18th Street, Suite 300, 8P-W-TF Denver, CO 80202-2466 E-Mail: Razzazian.Mohammad@epamail.epa.gov Phone: 303-312-6881		Joyce Brame Grants; Audit & Procurement Program Office, 8TMS-G E-Mail: Brame.Joyce@epamail.epa.gov Phone: 303-312-6367				
PROJECT TITLE AND DESCRIPTION City of Rapid City The City of Rapid City is updating its Water and Wastewater Master Plans, and is developing a Water and Wastewater System Modeling Programs to provide for the planned systematic growth of the City's utility infrastructure.								
BUDGET PERIOD 09/15/2006 - 07/31/2007		PROJECT PERIOD 09/15/2006 - 07/31/2007		TOTAL BUDGET PERIOD COST \$1,432,909.00	TOTAL PROJECT PERIOD COST \$1,432,909.00			
NOTICE OF AWARD								
Based on your application dated 07/07/2006, including all modifications and amendments, the United States acting by and through the US Environmental Protection Agency (EPA), hereby awards \$788,100. EPA agrees to cost-share 55.00% of all approved budget period costs incurred, up to and not exceeding total federal funding of \$788,100. Such award may be terminated by EPA without further cause if the recipient fails to provide timely affirmation of the award by signing under the Affirmation of Award section and returning all pages of this agreement to the Grants Management Office listed below within 21 days after receipt, or any extension of time, as may be granted by EPA. This agreement is subject to applicable EPA statutory provisions. The applicable regulatory provisions are 40 CFR Chapter 1, Subchapter B, and all terms and conditions of this agreement and any attachments.								
ISSUING OFFICE (GRANTS MANAGEMENT OFFICE)			AWARD APPROVAL OFFICE					
ORGANIZATION / ADDRESS Environmental Protection Agency, Region 8 999 18th Street, Suite 300 Denver, CO 80202-2466			ORGANIZATION / ADDRESS U.S. EPA, Region 8 8P 999 18th Street, Suite 300 Denver, CO 80202-2466					
THE UNITED STATES OF AMERICA BY THE U.S. ENVIRONMENTAL PROTECTION AGENCY								
SIGNATURE OF AWARD OFFICIAL 		TYPED NAME AND TITLE Wayne Anthofer, Director		DATE SEP 05 2006				
AFFIRMATION OF AWARD								
BY AND ON BEHALF OF THE DESIGNATED RECIPIENT ORGANIZATION								
SIGNATURE 		TYPED NAME AND TITLE Jim Shaw, Mayor		DATE				

EPA Funding Information

FUNDS	FORMER AWARD	THIS ACTION	AMENDED TOTAL
EPA Amount This Action	\$	\$ 788,100	\$ 788,100
EPA In-Kind Amount	\$	\$	\$ 0
Unexpended Prior Year Balance	\$	\$	\$ 0
Other Federal Funds	\$	\$	\$ 0
Recipient Contribution	\$	\$ 644,809	\$ 644,809
State Contribution	\$	\$	\$ 0
Local Contribution	\$	\$	\$ 0
Other Contribution	\$	\$	\$ 0
Allowable Project Cost	\$ 0	\$ 1,432,909	\$ 1,432,909

Assistance Program (CFDA)	Statutory Authority	Regulatory Authority
66.202 - Congressionally Mandated Projects	Consolidated Appropriations Act of 2006	40 CFR PART 31

Fiscal									
Site Name	DCN	FY	Approp. Code	Budget Organization	PRC	Object Class	Site/Project	Cost Organization	Obligation / Deobligation
-	KPG135	2006	E4	08K0QYI	201B51E	41.83	-	-	382,300
-	KPG135	2006	E4	08K0QYI	202B51E	41.83	-	-	382,300
-	KPG135	2006	E4C	08K4A9A	201B51E	41.83	-	-	11,750
-	KPG135	2006	E4C	08K4A9A	202B51E	41.83	-	-	11,750
									788,100

Budget Summary Page

Table A - Object Class Category (Non-construction)	Total Approved Allowable Budget Period Cost
1. Personnel	\$0
2. Fringe Benefits	\$0
3. Travel	\$0
4. Equipment	\$0
5. Supplies	\$0
6. Contractual	\$1,432,909
7. Construction	\$0
8. Other	\$0
9. Total Direct Charges	\$1,432,909
10. Indirect Costs: % Base	\$0
11. Total (Share: Recipient <u>45.00</u> % Federal <u>55.00</u> %.)	\$1,432,909
12. Total Approved Assistance Amount	\$788,100
13. Program Income	\$0
14. Total EPA Amount Awarded This Action	\$788,100
15. Total EPA Amount Awarded To Date	\$788,100

Administrative Conditions

1. The recipient will comply with the following: (1) all applicable provisions of 40 CFR Parts 29, 31, 34, and 35 (if applicable), OMB Circulars A-87, A-102, and A-133 and (2) any terms and conditions set forth in this assistance agreement or any assistance agreement.
2. The Project Work Plan is the work plan for this award. Performance will be evaluated consistent with the Policy on Performance Based Assistance dated May 31, 1985.
3. The recipient agrees to ensure that all requisitions for conference, meeting, convention, or training space funded in whole or in part with Federal funds comply with the Hotel and Motel Fire Safety Act of 1990.
4. The recipient must submit an annual Financial Status Report within 90 days after the grant year, and must submit a final report within 90 days after the expiration or termination of grant support in accordance with 40 CFR Part 31.41(b).
5. In accordance with OMB Circular A-21, A-87, or A-122, as appropriate, the recipient agrees that it will not use project funds, including the Federal and non-Federal share, to engage in lobbying the Federal Government or in litigation against the United States. The recipient also agrees to provide the information mandated by EPA's annual appropriations acts for fiscal year 2000, 2001 and fiscal year 2002 (PL 106-74, §426, PL 106-377, §424 and PL 107-73, §424 respectively) which require as follows: 'A chief executive officer of any entity receiving funds under this Act shall certify that none of these funds have been used to engage in the lobbying of the Federal Government or in litigation against the United States unless authorized under existing law.' The recipient may satisfy this certification requirement in any reasonable manner. The certification must be submitted to EPA after all grant funds have been expended.
6. In accordance with EPA Order 1000.25 and Executive Order 13101, *Greening the Government Through Waste Prevention, Recycling, and Federal Acquisition*, the recipient agrees to use recycled paper for all reports which are prepared as a part of this agreement and delivered to EPA. This requirement does not apply to reports prepared on forms supplied by EPA, or to Standard Forms, which are printed on recycled paper and are available through the General Services Administration. Please note that Section 901 of E.O. 13101, dated September 14, 1998, revoked E.O. 12873, *Federal Acquisition, Recycling, and Waste Prevention* in its entirety.

Any State agency or agency of a political subdivision of a State which is using appropriated Federal funds shall comply with the requirements set forth in Section 6002 of the Resource Conservation and Recovery Act (RCRA) (42 U.S.C. 6962). Regulations issued under RCRA Section 6002 apply to any acquisition of an item where the purchase price exceeds \$10,000 or where the quantity of such items acquired in the course of the preceding fiscal year was \$10,000 or more. RCRA Section 6002 requires that preference be given in procurement programs to the purchase of specific products containing recycled materials identified in guidelines developed by EPA. These guidelines are listed in 40 CFR 247.

7. Recipient shall fully comply with Subpart C of 40 CFR Part 32, entitled "Responsibilities of Participants Regarding Transactions." Recipient is responsible for ensuring that any lower tier covered transaction, as described in Subpart B of 40 CFR Part 32, entitled "Covered Transactions," includes a term or condition requiring compliance with Subpart C. Recipient is responsible for further requiring the inclusion of a similar term or condition in any subsequent lower tier covered transactions. Recipient acknowledges that failing to disclose the information required under 40 CFR 32.335 may result in the delay or negation of this assistance agreement, or pursuance of legal remedies, including suspension and debarment.

Recipient may access the Excluded Parties List System at <http://epls.arnet.gov>.

8. In accordance with EPA's Program for Utilization of Small, Minority and Women's Business

Enterprises in procurement under assistance programs, the recipient agrees to:

(a) Accept the applicable FY 2003 "fair share" goals negotiated with EPA by the South Dakota Department of Environment and Natural Resources as follows:

	MBE	WBE
Construction	1.0%	3.0%
Supplies	0.0%	6.0%
Services	0.5%	3.0%
Equipment	0.0%	5.0%

If the recipient does not want to rely on the applicable State's MBE/WBE goals, the recipient agrees to submit proposed MBE/WBE goals based on availability of qualified minority and women-owned businesses to do work in the relevant market for construction, services, supplies and equipment. "Fair share" objectives must be submitted to Marshall Pullman within 30 days of award and approved by EPA no later than 30 days thereafter.

- (b) Ensure to the fullest extent possible that at least the FY2003 "fair share" objective of Federal funds for prime contractors or subcontracts for supplies, construction, equipment or services are made available to organizations owned or controlled by socially and economically disadvantaged individuals, women and historically black colleges and universities.
- (c) Include in bid documents "fair share" objectives of /2003 fair share percentage [see a) above] and require all of its prime contractors to include in their bid documents for subcontracts the negotiated fair share percentages.
- (d) Follow the six affirmative steps stated in 40 CFR 30.44(b) 40 CFR 31.36(e), 35.3145(d), or 35.6580, as appropriate.
- (e) For assistance awards for continuing environmental programs and assistance awards with institutions of higher education, hospitals and other non-profit organizations, submit an EPA Form 5700-52A, "MBE/WBE Utilization Under Federal Grants, Cooperative Agreements and Interagency Agreements" to the EPA Award Official by October 30 of each year. Other program reports must be submitted to the award official within 30 days of the end of the Federal fiscal quarter (January 30, April, July 30 and October 30).
- (f) In the event race and/or gender neutral efforts prove to be inadequate to achieve a fair share objective for MBE/WBEs, the recipient agrees to notify EPA in advance of any race and/or gender conscious action it plans to take to more closely achieve the fair share objective.
9. You must submit all grant payment requests along with supporting invoices to the State for their review and approval. Thereafter, the State will submit the approved payment requests to the EPA Las Vegas Finance Center for processing.

Programmatic Conditions

- This grant award constitutes the maximum amount of participation on this project by EPA. Cost overruns will be the responsibility of the owner and any additional costs to defend against contract claims will not be reimbursed through this or any future grant award.
- EPA will have access to all records. These include the fiscal, engineering data and files. EPA and any other entity on behalf of EPA, at their option, perform routine construction inspections and will inform the owner of any noted deficiencies within 2 weeks of the site visit.
- In accordance with the construction schedule the grantee agrees to expeditiously initiate and

complete the project.

4. In the event that archaeological artifacts or historical resources are unearthed during construction excavation, construction activities must be stopped immediately. The grantee must be notified and the grantee must, in turn notify the State Historic Preservation Office, South Dakota Department of Environment and Natural Resources (SDDENR) and EPA. The grantee may wish to hire a qualified archaeologist to monitor construction activities.

5. The grantee agrees to provide EPA with a schedule of projected outlays for construction contracts awarded under this grant as soon as possible after the contract has been awarded.

6. Best Management Practices must be installed and monitored for their effectiveness during the construction phase to minimize pollution resulting from construction activities.

7. Contract specifications will require specific dust control measures, as required by applicable regulations, to be taken at sites of construction.

8. No project(s) contracts that may or are intended to receive any funds from this grant shall be advertised for construction, and no building shall otherwise commence or continue, until the National Policy Act of 1969 (NEPA), process, 42 U.S.C. 4321 et seq is satisfactorily completed.

9. No payment(s) of the grants funds for any pre-award costs will be made unless a deviation under 40 CFR 31.23(a) is granted authorizing the payment of such costs.

10. An approvable Operation and Maintenance Manual must be submitted to the SDDENR and EPA for review and approval before payment in excess of 90% can be made.

11. The grantee shall notify SDDENR and EPA in writing of the actual date of initiation of operation.

12. In accordance with 40 CFR. §31.40, the recipient agrees to submit to EPA and the State with Annual Performance Report (performance reports) that include brief information on each of the following areas: 1) a comparison of actual accomplishments to the outputs/outcomes established in the assistance agreement work plan for the period; 2) the reasons for slippage if established outputs/outcomes were not met; and 3) additional pertinent information, including, when appropriate, analysis and information of cost overruns or high unit costs. (See attached, Special Appropriations Act Project Annual Performance Report).

In accordance with 40 CFR. § 31.40(d), the recipient agrees to inform EPA as soon as problems, delays or adverse conditions become known which will materially impair the ability to meet the outputs/outcomes specified in the assistance agreement work plan.

13. The grantee agrees not to advertise for construction bids until: 1) a site title opinion is submitted or the land is purchased and 2) the plans and specifications have been approved by the SDDENR on behalf of EPA.

14. For all projects advertised for bids after the date of this award, the SDDENR shall first approve the Contract Documents to assure that appropriate contract requirements are included.

15. A qualified operator must be hired before payment can be disbursed beyond 50 percent. At minimum, the chief operator shall be certified at the minimum grade required by SDDENR.

16. Despite the responsibilities of the State and EPA, 40 CFR 35.935-1(a) states that:

"Review or approval of project plans and specifications by or for EPA is for administrative purposes only and does not relieve the grantee of its responsibilities to design, construct, operate and maintain the treatment works described in the grant application and agreement."