

CITY OF RAPID CITY

RAPID CITY, SOUTH DAKOTA 57701-2724

PUBLIC WORKS DEPARTMENT

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MEMORANDUM

TO: Mayor Shaw and Rapid City Council

FROM: Dirk Jablonski, Public Works Director

DATE: June 13, 2006

RE: EPA Grant Application – Utility System Master Plan

In October 2005, the U.S. Congress appropriated \$800,000.00 for use by the City of Rapid City in funding the City's Utility System Master Plan Project. The U.S. Environmental Protection Agency (EPA) will administer these funds through a Special Purpose Grant. Prior to release of these funds, the EPA must receive and approve the City's grant application package. The City received the grant application package on May 23, 2006 and is finalizing it for submittal.

Therefore, I request that the City Council authorize the Mayor and Finance Officer to sign the grant application, and associated paperwork, for this \$788,100.00 EPA Special Purpose Grant.

Information regarding the grant:

- After the initial appropriation, the U.S. Congress rescinded 1.476% of the funding for these types of grants. This results in the difference between the initial appropriation and the final grant amount.
- To receive this grant funding, the City must first expend the funds and then be reimbursed by the EPA.
- The City must contribute not less then 45% of the cost of the project.
- EPA and SDDENR officials have indicated that as the City did not contract for the project until after the beginning of the U.S. Government's fiscal year (October 1, 2005), the funds expended to date on the project are eligible for reimbursement.
- The City has funds budgeted to meet or exceed the 45% match requirement.