MEMORANDUM

FROM: Morgan Falcone, P.E.
DATE: 12/19/2019
RE: Environmental Protection Agency’s Aquarius Award Presented by the South Dakota Department of Environment and Natural Resources to the City of Rapid for the East Rapid City Water System Expansion Project 13-2107, CIP 50964

The City's East Rapid City Water System Expansion Project has been chosen as one of 10 projects to receive national recognition as a 2019 AQUARIUS Exceptional Project by the Environmental Protection Agency (EPA) through nomination by the South Dakota Department of Environment and Natural Resources (SDDENR).

The Drinking Water State Revolving Fund (DWSRF) AQUARIUS program nationally recognizes DWSRF funded projects for exceptional focus on sustainability and protection of public health.

The East Rapid City Water System Expansion Project was constructed to provide high quality, reliable drinking water to hundreds of area residents previously served by water sources that were inadequate, unreliable and failing to meet EPA safe drinking water standards. In addition, the project provided service the City's Water Reclamation facility. As an added benefit, the project also provides water capacity and the backbone infrastructure necessary to provide safe reliable drinking water to future area residents.

City/SD DENR partnership was critical to the success of this project. Years of work and considerable effort by City staff from multiple departments was required to overcome the obstacles to providing service outside the City's jurisdictional boundaries. A large commitment of City staff resources was necessary to coordinate between the State's Mission, permitting authority requirements, impacted private water systems transition, area property owner’s needs, and the City's interest. Much of this was accomplished through “boots on the ground” outreach.

The final project cost of approximately $7.27 Million dollars was funded through a combination of SDDENR grant dollars and principal forgiveness, City capital improvement funds, and SDDENR DWSRF Loan. Specifically, SDDENR contributed approximately $4.29 Million dollars through State subsidy. The City contributed $1.24 Million dollars of funding. The remaining $1.75 Million dollar DWSRF Loan is being repaid through a $65 per month surcharge applied to recipient water accounts. The average water bill, with surcharge and normal water usage, is approximately $100 per month. SDDENR’s support is the primary reason the project was possible and made affordable to the property owners.