

Thompson, Colette

From: Everett, Rodney - Fairbanks, AK [Rodney.Everett@ak.usda.gov]
Sent: Monday, September 15, 2008 2:56 PM
To: Thompson, Colette
Subject: RE: Letter regarding Old Mill EWP grant

Colette-
Sorry for the delay. I spoke with Phil this morning regarding the authorization for this project. All EWP projects are submitted and authorized on an emergency basis, mostly through e-mails. The Gov't will not release internal emails. There is no letter. We have been authorized to enter into an agreement with KPB for this project. Once the agreement is in place \$1,369,125 will be made available on a billing basis. KPB will be given a funding account code to bill to. Once the Government enters into an agreement to provide financial support or assistance, they are required by law to provide that assistance unless the terms of the agreement are broken. If there is no agreement the funding goes back to headquarters to be used for an EWP program somewhere else (can you say Galveston?). All funding is pending the agreement between the NRCS and the Borough.

AS far as the 25% match goes: This project is being accomplished under the EWP program authorized by Sec. 216, P.L. 81-516, Secs. 403-405, P.L. 95-334, and 7 CFR Part 624. The total project cost as submitted to our headquarters, was estimated to be \$1,825,500. The 25% match is required specifically by 7 CFR 624.7. The KPB's match requirement totals \$456,375. I'm sure this question arose from the fact that the FNSB did not contribute 25% for the Salcha project. However, that was not an EWP project but rather a Congressional earmark. The EWP program had no involvement in that project.

Phil stated that this agreement has to be finalized by this Friday. He has to report back to headquarters at that time. If we don't have this in place the funding will return to headquarters to be used elsewhere.

Our status is we are merely waiting for the Borough to accept the funding for the EWP project and sign the agreement so we can move forward. Call if you need any clarification or questions 479-2657 x.113.

Thanks,

Rodney Everett
Realty Specialist
USDA/NRCS

Agenda Item N.4.

Committee Finance

Page Number 62