



March 24, 2023

**WSF 2022 Annual Report #5306
City of Peru Long-Term Water Supply and Flood Resiliency Project**

PROJECT PROGRESS THROUGH MARCH 2023:

The City of Peru (City) hired JEO Consulting Group (JEO) to design the proposed water supply and flood resiliency project, an 11-mile water transmission main from the City of Auburn to the City of Peru. Project design, permitting, right-of-way acquisition, pipe procurement, and bidding is complete.

Carstensen Contracting, Inc. of Dell Rapids was the low bidder for the project, and they were awarded the contract in September 2022. Pipeline construction began in November of 2022 and is expected to be completed by summer 2023. The remainder of the project is estimated to be substantially complete by December 2023 with a final completion date of June 2024.

ANTICIPATED FUNDING NEEDS FOR THE REMAINDER OF THE PROJECT:

The total project cost provided in the 2021 WSF Annual Report was estimated to be \$6.9 million. The City received a fixed cost funding offer from FEMA that provides 90% grant assistance from FEMA and 5% grant assistance from NEMA, up to a total project cost of \$6,923,840.43. The resulting maximum grant amount receivable from FEMA/NEMA is therefore \$6,577,648.41.

At the time of this report, the total project cost is estimated to be \$8.9 million. The resulting local share after FEMA/NEMA assistance is therefore estimated to be \$2.32 million. The estimated assistance from the WSF would be 60% of the local share after assistance from NEMA/FEMA, or \$1.4 million.

LIKELIHOOD THAT BENEFITS PROJECTED IN APPLICATION WILL BE REALIZED:

The scale and scope of the project and the anticipated benefits described in the original application remain unchanged. All the projected benefits are anticipated to be achieved upon completion of the project.

The City appreciates the support and funding from the Water Sustainability Fund. The City looks forward to the completion of construction on this project, as this will be another big step towards the recovery of the community from the devastating March 2019 flood. The City is currently supplied water by a small temporary water treatment facility and all residents, businesses, and Peru State College have been on water restrictions since the flood. The implementation of this project will bring a sense of normalcy back to the community and will restore a fully functioning water supply that is safe, reliable, and sustainable.

Sincerely,

David Pease

David Pease
Mayor, City of Peru