



At a Glance

Catalyst for Improving the Environment

Why We Did This Review

A complainant expressed concern regarding the use of Federal grant money by the State of Alaska for a cleanup effort at the River Terrace Recreational Vehicle Park (RTRVP), Soldotna, Alaska. This review addresses issues based on the complainant's concerns.

Background

U.S. Environmental Protection Agency (EPA) Region 10 awarded a \$3 million earmark grant to the State of Alaska for contamination cleanup that had begun at the RTRVP site. A dry cleaning facility had been in operation at the site, and contamination was detected in the soil and groundwater. The site is currently used as a fish processing facility.

For further information, contact our Office of Congressional and Public Liaison at (202) 566-2391.

To view the full report, click on the following link:

www.epa.gov/oig/reports/2005/20050928-2005-P-00029.pdf

Review of State of Alaska's Actions for the River Terrace Recreational Vehicle Park, Soldotna, Alaska

What We Found

We found the following regarding the questions we sought to answer:

Are past costs used for the matching grant share valid?

Alaska's use of its past costs from a separate project to match Federal funds for the RTRVP grant is unallowable. We concluded that the matching costs claimed, for a nearby Alaska Department of Transportation project, should not have been considered a match for the RTRVP grant because the money was spent on a different project. EPA Region 10 returned this submission to Alaska due to a technical issue, and Alaska has not yet re-submitted the match request.

Is the Alaska Department of Environmental Conservation's practice of selecting contractors for work to be performed on the project in accordance with allowable contracting procedures?

Alaska followed acceptable contracting practices that sufficiently allowed for competition and were not sole source.

Are the legal costs incurred and associated with this grant allowable?

Charges by Alaska's Department of Law for services related to certain litigation matters are allowable because they were incidental to the administration of the grant and not incurred in litigation with the Federal Government.

Can the grant expiration date be extended beyond its current expiration date because of additional work?

Extension of the grant funding beyond the current expiration date of June 30, 2006, is allowable because the grant is not required to be considered expired until the funds are expended.

What We Recommend

We recommend that the Regional Administrator for Region 10 not allow the State of Alaska expenditures for the Alaska Department of Transportation site as match funds for the RTRVP grant. Region 10 did not agree that the match should be disallowed, but we maintain our position.